

Hank Payments Announces Closing of Equity Financing and Shares for Debt Transaction

Toronto, Ontario--(Newsfile Corp. - February 18, 2025) - **Hank Payments Corp.** (TSXV: HANK) ("**Hank**" or the "**Company**"), an emerging North American leader in the Banking-as-a-Service (BaaS) market with a platform that modernizes budgets and payments for enterprises and consumers is pleased to announce the closing of a non-brokered private placement of \$350,000 and shares for debt settlements.

The Company has closed a non-brokered private placement (the "**Placement**") offering of 11,666,667 common shares ("**Shares**") at a price of \$0.03 per Share for the aggregate principal amount of \$350,000. The proceeds of the Placement will be used for debt repayment and working capital purposes. The Common Shares are subject to a four-month plus one day hold period from the date of issuance. The Offering is subject to final acceptance of the TSX Venture Exchange ("**TSXV**").

The Company is also pleased to announce it has entered into agreements with certain creditors for the settlement of amounts owing in the aggregate amount of \$461,675 in exchange for the issuance of an aggregate of 13,764,163 shares (the "**Debt Settlements**"). As previously announced in its press release dated January 23, 2025, the Debt Settlements include shares issued for \$197,745 (6,591,508 shares) and \$143,342 (4,760,895 shares) of principal and interest owed to arm-length and related parties respectively. Further, fees owed to former directors of the Company and arms-length parties of \$85,588 (1,711,760 shares) and \$35,000 (700,000 shares) are included in the Debt Settlements.

The Debt Settlements include the settlement of an aggregate of \$143,342 with three of the Company's management and board members (the "**Related Creditors**") in exchange for the issuance of an aggregate of 4,760,895 Debt Shares. The issuance of the Debt Shares to the Related Creditors constitutes a "related party transaction" as this term is defined in Multilateral Instrument 61-101: Protection of Minority Securityholders in Special Transactions ("**MI 61-101**"). The independent directors of the Company, acting in good faith, determined that the fair market value of the Debt Shares being issued pursuant to the shares for debt transaction and the consideration being paid is reasonable. The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and (b) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the Debt Shares nor the debt exceeds 25% of the Company's market capitalization. All securities issued pursuant to the Debt Settlements are subject to a four-month and one day hold period from the date of closing.

The securities offered pursuant to the Placement and the Debt Settlements have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements.

About Hank Payments Corp.

Hank Payments Corp (the Company or "Hank") is a North American leader in consumer Fintech Software-as-a-Service (SaaS) and Banking-as-a-Service (BaaS) platforms that manages consumer cash flow and budgets on an automated basis using proprietary algorithms that collect, store and disburse cash as required to discharge obligations in a timely fashion. The Hank stack provides for several vertical market applications of the technology, with features specific to channels and enterprise accounts ("Partners") that allow those partners to operate new lines of business and revenue streams, using Hank. The Partners benefit from new revenue streams and powerful insights that open up additional opportunities for Partners to grow assets using Hank. The Company operates exclusively across the USA, with certain leadership and technology functions in Toronto. Hank houses the complex technology, banking, treasury, customer service, sales and operations teams that acquire and service

consumers. Hank currently charges upfront enrolment/setup fees and recurring monthly fees based on the types and quantity of payments that Hank Payments administers for the consumer (the "Users"). The Company acquires Users through various channels including (i) small to medium sized enterprises (the "SME Partners") and (ii) large enterprise businesses (the "Enterprise Partners"). The Company's BaaS model is emerging which is expected to add additional fees including software licensing and usage fees. For more information visit our website at www.hankpayments.com.

Forward-Looking Statements

This news release may contain forward-looking statements (within the meaning of applicable securities laws) which reflect the Company's current expectations regarding future events. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts, and projections and include, without limitation, statements regarding the future success of the Company's business. Financial performance figures in Canadian Dollars unless otherwise indicated by "U" representing United States Dollars. The forward-looking statements in this news release are based on certain assumptions. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

FOR FURTHER INFORMATION PLEASE CONTACT:

For more information regarding Hank Payments Corp., please contact: Jason Ewart, EVP Capital Markets, at 416-580-0721. For Investor Relations please contact ir@hankpayments.com and visit the Company's website at <https://ir.hankpayments.com/>.

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



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