HAKKEN Capital Corp. NEWS RELEASE

August 20, 2024 TSX-V: HAKK.P

HAKKEN Provides Update on Qualifying Transaction with Eshbal

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VANCOUVER, British Columbia – August 20, 2024 - HAKKEN Capital Corp. (TSX-V: HAKK.P) (the "**Company**" or "**HAKKEN**"), a capital pool company listed on the TSX Venture Exchange (the "**Exchange**"), is pleased to provide an update with respect to its proposed qualifying transaction with Eshbal Functional Food (Agricultural Cooperative) Ltd. ("**Eshbal**"), as previously disclosed in new releases dated January 5, 2024 and June 6, 2024, pursuant to which Hakken will acquire 100% of the units of Eshbal (the "**Transaction**").

On June 26, 2024, Hakken and Eshbal amended the terms of the business transaction agreement dated May 28, 2024 in order to extend the termination date of the Transaction to October 31, 2024.

Hakken has filed a draft filing statement for the Transaction with the Exchange and has received an initial comment letter from the Exchange. Hakken and Eshbal are working towards responding to the initial comment letter and filing an updated filing statement with the Exchange in due course.

The concurrent brokered private placement being conducted in connection with the Transaction is anticipated close concurrently with the Transaction and Hakken intends to issue units (the "**Units**") at the subscription price of $0.25 per Unit, rather than subscription receipts. It is anticipated that each Unit will consist of one common share of Hakken (a "**Share**") and one Share purchase warrant of Hakken (a "**Warrant**"). Each Warrant will be exercisable for one Share at the price of $0.40 for a period of two years from the date of issue.

Annual General Meeting

At the Company's annual general meeting held on August 16, 2024, all matters were passed, including setting the current number of directors at 4; and the re-election of the current directors, being Dave Eto, Douglas H. Blakeway, Barry D. McKnight and Robert E. Trenaman. In addition, the following resolutions were passed to become effective following completion of the Transaction: (1) appointment of Ziv Haft Certified Public Accountants (Isr) as auditor of the Company; (2) setting the number of directors at seven; (3) election of the following post Transaction directors, being: Yuval Levy, Tamir Dagan, David Bar-Meir, Ifti Ifhar, Sokhie Puar, David Eto, and Nancy Goertzen; and (4) approval of the adoption of a new omnibus incentive plan which will consist of a 10% rolling Option plan and 10% fixed restricted share unit plan.

About ESHBAL

ESHBAL is a private cooperative duly organized under the laws of Israel, and currently has 1084 units issued and outstanding. ESHBAL researches, develops and manufactures advanced food products and dietary supplements with a focus on innovative functional food components.

ESHBAL specializes in developing and manufacturing gluten free baked products according to the highest food and health standards in the industry in its state of the art, gluten free manufacturing facility in Kibbutz Maanit, Israel. ESHBAL also manufactures sugar-free products, vegan products, syrups, and dry mixes, including sweeteners and a line of low-carb products. ESHBAL focuses on the development of unique formulations of

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functional food products that it believes promote health beyond their nutritional values, for retail brands, private labels, and B2B. ESHBAL's products can be found in many supermarkets as well as other food retailers, health stores and foodservice throughout Israel and selected countries in North America and Europe. For further information see ESHBAL's website at www.eshbal.com.

For further information regarding the Company, please contact David Eto at (604) 315-2640 and see the Company's disclosure documents on SEDAR+ at www.sedarplus.ca.

ON BEHALF OF THE BOARD

"David Eto"

David Eto
President and Chief Executive Officer

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

Cautionary Statement

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be filed in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release.

All information contained in this news release with respect to the Company and ESHBAL was supplied by the parties, respectively, for inclusion herein, and the Company and its directors and officers have relied on ESHBAL for any information concerning such party.

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements, including statements relating to the completion of the Transaction, the proposed business of the Company following *completion of the Transaction, the completion of the concurrent financing, required corporate, shareholder, unit hold, third-party and regulatory approvals, and future news releases and disclosure. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance of each of the Company and ESHBAL may differ materially from those anticipated and indicated by these forward-looking statements. Although each of the Company and ESHBAL believes that the expectations reflected in forward looking statements herein are reasonable, they can give no assurances that the expectations of any forward-looking statements herein will prove to be correct. Except as required by law, each of the Company and ESHBAL disclaims any intention and assumes no obligation to update or revise any forward- looking statements herein to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.*