

AF2 Capital Corp. Announces Repricing of Concurrent Financing in Connection with its Proposed Qualifying Transaction

Toronto, Ontario--(Newsfile Corp. - May 15, 2026) - AF2 Capital Corp. (TSXV: AF.P) ("**AF2**"), a capital pool company as defined under Policy 2.4 - *Capital Pool Companies* of the TSX Venture Exchange (the "**Exchange**"), announces that, further to its press releases dated October 16, 2025 and March 12, 2026, it has agreed with Everkind Inc. ("**Everkind**") to amend certain terms of the previously announced amalgamation agreement dated March 12, 2026 (the "**Amalgamation Agreement**") to reprice the concurrent private placement subscription receipt financing (the "**Concurrent Financing**") from \$1.00 to \$0.80 per subscription receipt (the "**Subscription Receipts**"). The gross proceeds to be raised pursuant to the Concurrent Financing remain between \$6,000,000 and \$7,000,000.

The Transaction

As previously announced, AF2 and Everkind have entered into the Amalgamation Agreement pursuant to which AF2 will consolidate its share capital (the "**AF2 Consolidation**") and then AF2's wholly-owned subsidiary, 1001520531 Ontario Inc., will amalgamate with Everkind (the "**Amalgamation**") and become a wholly-owned subsidiary of AF2, in order to complete AF2's qualifying transaction (the "**Transaction**"). In connection with the Transaction, it is intended that AF2 will be renamed "Everkind Corp." (the "**Resulting Issuer**") or such other name as may be approved by British Columbia Registry Services, and the Resulting Issuer will carry on the business of Everkind, subject to all required approvals.

In connection with the Transaction, Everkind expects to complete the Concurrent Financing issuing a minimum of 7,500,000 and a maximum of 8,750,000 Subscription Receipts at an amended price of \$0.80 per Subscription Receipt for aggregate gross proceeds of between \$6,000,000 and \$7,000,000, which funds shall be placed in escrow pending the satisfaction of certain conditions (the "**Escrow Release Conditions**"). Each Subscription Receipt will convert into, immediately prior to the effective time of the Amalgamation upon satisfaction of the Escrow Release Conditions, one Everkind common share which will then be immediately exchanged for one common share of the Resulting Issuer ("**Resulting Issuer Share**") pursuant to the Transaction. Completion of the Concurrent Financing is a condition of the completion of the Transaction.

Amending Agreement

In connection with the Transaction, the parties have agreed to amend the Amalgamation Agreement, and have entered into an amending agreement (the "**Amending Agreement**") dated May 15, 2026, to (i) reflect the revised Concurrent Financing price of \$0.80 per Subscription Receipt, and (ii) to amend the consolidation ratio of the AF2 Consolidation from 1:6.66667 to 1:5.33333, resulting in AF2 having a total of 937,500 common shares issued and outstanding immediately prior to the Amalgamation in order to retain its value of \$750,000. A copy of the Amending Agreement will be filed under AF2's profile on SEDAR+.

The Transaction remains subject to the receipt of all necessary regulatory and shareholder approvals, including the approval of the Exchange, and the satisfaction of other customary closing conditions.

Updates to Disclosure in AF2 Circular

AF2 previously mailed and filed a management information circular dated March 12, 2026 (the "**Circular**"). In addition to the change in the Concurrent Financing price and the AF2 Consolidation ratio discussed above, the disclosure in the Circular is updated by the information below:

Immediately after the closing of the Transaction, it is anticipated that there will be approximately between 101,489,158 and 102,739,158 Resulting Issuer Shares issued and outstanding on an undiluted basis, of which approximately:

- (a) 937,500 (between 0.91% and 0.92%) Resulting Issuer Shares will be held by former AF2 shareholders;
- (b) 93,051,658 (between 90.57% and 91.69%) Resulting Issuer Shares will be held by former Everkind shareholders; and
- (c) Between 7,500,000 and 8,750,000 (between 7.39% and 8.52%) Resulting Issuer Shares will be held by investors in the Concurrent Financing.

Immediately after the closing of the Transaction, on a fully-diluted basis, assuming the exercise of 5,251,526 Resulting Issuer stock options and 449,572 Resulting Issuer restricted share units, it is anticipated that the Resulting Issuer will have approximately between 107,190,256 and 108,440,256 Resulting Issuer Shares issued and outstanding, of which:

- (a) 937,500 (between 0.86% and 0.87%) Resulting Issuer Shares will be held by former AF2 shareholders;
- (b) 93,051,658 (between 85.81% and 86.81%) Resulting Issuer Shares will be held by former Everkind Shareholders; and
- (c) Between 7,500,000 and 8,750,000 (between 7.00% and 8.07%) Resulting Issuer Shares will be held by investors in the Concurrent Financing.

Categories of Securities	Number of Resulting Issuer Shares Assuming Completion of the minimum Concurrent Financing	Percentage of Total Diluted Resulting Issuer Share Capital after Giving Effect to the Transaction
Resulting Issuer Shares held by AF2 shareholders	937,500	0.87%
Resulting Issuer Shares held by former shareholders of Everkind	93,051,658	86.81%
Resulting Issuer Shares held by investors in the Concurrent Financing	7,500,000	7.00%
Resulting Issuer Shares reserved for issuance pursuant to AF2 stock options	93,750	0.09%
Resulting Issuer Shares reserved for issuance pursuant to Everkind stock options	5,157,776	4.81%
Resulting Issuer Shares reserved for issuance pursuant to Everkind restricted share units	449,572	0.42%
TOTAL	107,190,256	100%

Shareholder Approval

The shareholders of each of AF2 and Everkind have approved the Transaction at their respective meetings of shareholders and have authorized the directors of each entity to make such amendments as may be in the best interests of the respective entities.

Forward-Looking Information Cautionary Statement

This release includes forward-looking information ("forward-looking information") within the meaning of Canadian securities laws regarding AF2, AF2 Subco, Amalco, Everkind, the Resulting Issuer and their respective businesses, which may include, but is not limited to, statements with respect to the completion, and the terms and conditions, of the Transaction, the Everkind business plans, the satisfaction of conditions to closing, the proposed business of the Resulting Issuer, the Concurrent

Financing, the terms and timing on which the Transaction and the Concurrent Financing are intended to be completed, the ability to obtain regulatory approvals, the name of the Resulting Issuer and the business plans of the Resulting Issuer. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes", "estimates" or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations and views of future events of the management of each entity, and are based on assumptions and subject to risks and uncertainties. Although the management of each respective entity believes that the assumptions underlying the forward-looking information as applicable to them or their respective businesses or the Transaction are reasonable, such forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of AF2, Everkind and the Resulting Issuer to be materially different from those expressed or implied by such forward-looking information and may prove to be incorrect. The forward-looking information, events and circumstances discussed in this release, including but not limited to regulatory approval, completion of the Transaction (and the proposed terms upon which the Transaction is proposed to be completed) and the Concurrent Financing, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the companies, including the risk that Everkind and AF2 may not obtain all requisite approvals for the Transaction, including the approval of the Exchange for the Transaction (which may be conditional upon amendments to the terms of the Transaction), risks of the artificial intelligence industry, failure to obtain regulatory approvals, general business, economic, competitive, political and social uncertainties, any estimated amounts, timing of the Concurrent Financing, the equity markets generally, general capital market conditions and market prices for junior market securities, and changes in legislation, including legislation affecting AF2, Everkind and the Resulting Issuer. Although AF2 and Everkind have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on any forward-looking information contained herein. No statements comprising forward-looking information can be guaranteed. Except as required by applicable securities laws, forward-looking information contained herein speaks only as of the date on which they are made and AF2 and Everkind undertake 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:

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