

# Press Release

## EVERYDAY PEOPLE FINANCIAL CORP. ANNOUNCES COMPLETION OF QUALIFYING TRANSACTION

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**Edmonton, Alberta – (Newsfile Corp. – September 2, 2022)** – Everyday People Financial Corp. (formerly Justify Capital Corp., a capital pool company) ("**Everyday People**" or the "**Company**") (TSXV:EPF), a Canadian-based financial technology and consumer financing company, is pleased to announce that, further to its comprehensive news release dated October 19, 2021, it has completed the acquisition of all of the issued and outstanding securities of Everyday People Financial Inc. ("**Former EP**") constituting its "Qualifying Transaction" (within the meaning of the policies of the TSX Venture Exchange (the "**TSXV**") (the "Qualifying Transaction"). In connection with the completion of the Qualifying Transaction, the common shares in the capital of Everyday People (the "**Everyday People Shares**") are expected to be listed on the TSXV under the ticker symbol "EPF". It is anticipated that trading of the Everyday People Shares under the new ticker symbol will commence two business days following the date of issuance of the bulletin by the TSXV evidencing final acceptance of the Qualifying Transaction.

Everyday People offers consumer financing and payment products branded and targeted for specific credit markets through each of its distinct operating business lines across Canada and the United Kingdom.

"The closing of this transaction is a big step forward for the Company," said Barret Reykdal, Chief Executive Officer of Everyday People. "We believe that our listing on the TSXV will allow existing and new investors to participate in the Company's growth plans, new product and technology launches and continued geographic expansion."

### **Details of the Qualifying Transaction**

Prior to the completion of the Qualifying Transaction, the Company continued under the Business Corporations Act (Alberta) (the "**Continuance**") under the name "Everyday People Financial Corp.". The Continuance, including the name change, was approved by the shareholders of the Company at an annual and special meeting of shareholders held on November 24, 2021.

The Qualifying Transaction was completed by way of a three-cornered amalgamation (the "**Amalgamation**") pursuant to which, among other things, (i) Former EP amalgamated pursuant to the provisions of the Business Corporations Act (Alberta) with a wholly-owned subsidiary of the Company incorporated for the purposes of the Amalgamation; (ii) all of the outstanding Class "A" shares in the capital of Former EP (the "**Former EP Shares**") were cancelled and, in consideration

therefor, the holders thereof received Everyday People Shares on the basis of one Everyday People Share for each Former EP Share (the "**Exchange Ratio**") at a deemed price of \$1.00 per Everyday People Share; and (iii) the amalgamated corporation became a wholly-owned subsidiary of the Company.

In addition, at the effective time of the Amalgamation, outstanding options to purchase Former EP Shares, outstanding warrants to purchase Former EP Shares and outstanding broker warrants to purchase Former EP Shares were exchanged for options to purchase Everyday People Shares

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("Everyday People Replacement Options"), warrants to purchase Everyday People Shares ("**Everyday People Replacement Warrants**") and broker warrants to purchase Everyday People Shares ("**Everyday People Replacement Broker Warrants**"), respectively, on the basis of the Exchange Ratio.

Immediately following the completion of the Amalgamation, the Company granted an aggregate of 2,772,000 restricted share units of the Company ("**Everyday People RSUs**") to the new independent directors of the Company and 200,000 Everyday People RSUs to a consultant, in each case pursuant to the omnibus share incentive plan of the Company. The Everyday People RSUs granted to the new independent directors of the Company vest equally every 12 months over a three-year period and the Everyday People RSUs granted to the consultant vest equally every 12 months over a two-year period. The Company also granted 300,000 options to purchase Everyday People Shares ("**Everyday People Options**") to an investor relations service provider pursuant to the omnibus share incentive plan of the Company. The Everyday People Options vest equally every three months over a one-year period. As of the date hereof, there are 111,775,054 Everyday People Shares outstanding, of which 108,415,054 Everyday People Shares, representing approximately 97% of the currently outstanding Everyday People Shares, are held by the former shareholders of Former EP. In addition, an aggregate of 13,553,994 Everyday People Shares have been reserved for issuance upon the exercise of Everyday People Replacement Options, Everyday People Replacement Warrants, Everyday People Replacement Broker Warrants, Everyday People RSUs, Everyday People Options, pre-existing stock options of the Company and pre-existing broker warrants of the Company.

Following completion of the Qualifying Transaction, the directors of the Company are:

- Barret Reykdal;
- Remo Mancini;
- Nifin Kaushal;
- Rob Pollock;
- David Robinson;
- Scott Sinclair; and
- Amy ter Haar.

The senior management team of the Company is comprised of:

- Barret Reykdal – Chief Executive Officer;
- Mayank Mahajan – Chief Financial Officer;
- Allan Scullion – Chief Technology Officer;
- Graham Rankin – President of BPO;
- Ryan Watt – President of Climb;
- Renata Berlingo – Senior Vice President of Operations and Corporate Secretary;
- Morgan Russell – Senior Vice President of EP Homes;
- Darren Wagner – Senior Vice President;
- Taylor Inglis – Senior Vice President; and
- Adelhardt Glombick – Vice President of Finance.

For further information regarding the Qualifying Transaction, Everyday People and Former EP, please see the filing statement of the Company dated July 27, 2022 (the "Filing Statement"), which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Conversion of Outstanding Convertible Debentures of Former EP**

Immediately prior to the completion of the Qualifying Transaction, the principal amount of the outstanding convertible debentures of Former EP (the "Former EP Convertible Debentures") and the accrued interest thereon converted into Former EP Shares at a conversion price of \$1.00 per Former EP Share. Additionally, upon conversion of the Former EP Convertible Debentures, payment (the "Make-Whole Payment") was made to the holders of the Former EP Convertible Debentures equal to the interest amount that the holders of the Former EP Convertible Debentures would have received in respect of the converted principal amount of the Former EP Convertible Debentures if such amount remained outstanding from the conversion date until the maturity date. The Make-Whole Payment was payable in Former EP Shares at an issue price of \$1.00 per Former EP Share. The Former EP Shares issued upon the conversion of the Former EP Convertible Debentures participated in the Amalgamation and the holders thereof received Everyday People Shares on the basis of one Everyday People Share for each Former EP Share.

### **Completion of Unsecured Medium Term Note Financing by Former EP**

Further to the disclosure in the Filing Statement, on August 12, 2022, Former EP closed an additional tranche of the unsecured medium term note financing consisting of the sale of \$150,000 aggregate principal amount of unsecured medium term notes to EAM Enterprises Inc. on a non-brokered private placement basis, bringing the total proceeds of the completed tranches of the financing to \$2,650,000. The notes have an interest rate of 12% per annum and a two year maturity date.

### **Change of Auditor**

In connection with the completion of the Qualifying Transaction, Davidson & Company LLP will resign as auditor of the Company and RSM Alberta LLP, auditor of Former EP, will be appointed as auditor of the Company. In the opinion of the Company, no "reportable event" (as such term is defined in National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102")) has occurred. The Company is relying on section 4.11(3)(a) of NI 51-102 for an exemption from the change of auditor requirements within section 4.11 of NI 51-102.

### **About Everyday People Financial Corp.**

Everyday People is a financial technology and consumer financing company founded on the belief that everyone deserves access to credit, instant payments and the opportunity for homeownership.

Through our technology driven ecosystem, our alternative and specialty credit financing programs offer credit and payment cards, prepaid card programs, homeownership facilitation, consumer lending, and credit collection services. Our Mission is to help our clients be their best financial self and our goal is to offer the kinds of credit products and services that help everyday people add extraordinary value to their everyday lives. For more information visit: [www.everydaypeoplefinancial.com](http://www.everydaypeoplefinancial.com).

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#### **Cautionary Note Regarding Forward-Looking Statements**

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the timing for the commencement of trading and the business, plans and operations of the Company after giving effect to the Qualifying Transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to, expectations and assumptions concerning the Company as well as other risks and uncertainties, including those described in the Filing Statement. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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