



Everyday People Financial Signs Share Purchase Agreement to Acquire CCS Group Holdings Limited, and Secures C\$6.0 Million (£3.3 Million) in Debt Financing from a Leading UK Bank

Edmonton, Alberta – (Newsfile Corp. – September 23, 2024) – Everyday People Financial Corp. (TSX-V: EPF) (OTCQB: EPFCF) (“Everyday People” or the “Company”), a financial service provider, is pleased to announce that on September 23, 2024, its wholly-owned subsidiary, BPO Collections Limited (“BPO”), entered into a share purchase agreement (the “Purchase Agreement”) with the shareholders of CCS Group Holdings Limited (the “Shareholders”) to acquire 100% of the issued and outstanding shares (the “Acquisition”) in the capital of CCS Group Holdings Limited (the “CCS Shares”) and acquire CCS Group Holdings Limited’s wholly-owned subsidiary, Commercial Collection Services Limited (“CCS” and together with its parent company, “CCS Group”). All amounts are expressed in Canadian dollars (“C; CAD”) and British Pound Sterling (“£; GBP”) using the Bank of Canada rate on September 23, 2024, GBP=CAD\$1.8049.

CCS was founded in 1988 and is actively engaged in debt collection services in the United Kingdom (“UK”) and is authorized and regulated by the Financial Conduct Authority (“FCA”). CCS offers services across various sectors, including tax collection, healthcare debts, and unpaid student loans. CCS emphasizes supporting individuals in managing and reducing debt, offering a customer portal for convenient debt management. CCS also holds certifications in quality and information security management, indicating its commitment to service excellence and data protection.

“Securing our fourth acquisition in just under two years is a significant milestone for our revenue cycle management business pillar. Each acquisition enhances our capabilities and strengthens our market position.” said Gordon Reykdal, Executive Chairman of the Company. “We anticipate CCS to contribute an annual EBITDA of C\$1.1 million (£600,000) to C\$1.4 million (£750,000), driving the Company’s steady growth through strategic acquisitions. This aligns with our ongoing commitment to strengthening our position as a leader in revenue cycle management.”

Details of the Acquisition

Pursuant to the terms of the Purchase Agreement BPO will acquire the CCS Shares in exchange for an aggregate cash payment by BPO to the Shareholders as follows: (i) C\$4.5 million (£2.5 million) on the closing date of the Acquisition which is anticipated to be on or about October 29, 2024 (the “Closing Date”) or mutually agreed upon Closing Date; (ii) holdback in the amount of C\$225,613 (£125,000) approximately 90 days following the Closing Date, subject to adjustment in accordance with the terms of the Purchase Agreement; and (iii) a deferred payment of C\$710,679 (£393,750) in six equal monthly installments on the last day of each month commencing the month following the 2-year anniversary of the Closing Date.

In addition to the cash payments, the purchase price includes the issuance by Everyday People to the Shareholders of CCS Group Holdings Limited an aggregate of 2,233,564 million common shares in the capital of Everyday People (the “Everyday People Shares”) issued at a deemed price of C\$1.00 common share (the “Investment Shares”). In accordance with the Purchase Agreement, if the Investment Shares do not achieve a minimum value of C\$1.00 per common share on the 2-year anniversary of the Closing Date of the acquisition, BPO shall pay the Shareholders subject to the following: (i) BPO will pay the Shareholders

the difference between C\$1.1 million (£618,750) and the actual value of one-half the Investment Shares, based on the bank of Canada exchange rate on the 2-year anniversary of the Closing Date (the “**Non-Conditional Additional Payment**”), in six equal monthly installments without interest, starting the month after the 2-year anniversary of the Closing Date; (ii) if CCS Group achieves both the initial performance payment and the final performance payment, as defined below and in accordance with the Purchase Agreement, BPO will pay the Shareholders the same amount and in the same manner for the other one-half of the Investment Shares (the “**Conditional Additional Payment**”), but if either of the performance payments is not achieved by CCS Group, no further Conditional Additional Payment will be due; and (iii) if the Investment Shares reach a minimum value of C\$1.00 per common share on the 2-year anniversary of the Closing Date, no Non-Conditional Additional Payment or Conditional Additional Payment will be required.

In addition, as more fully described in the Purchase Agreement, the Shareholders may earn up to an additional C\$710,679 (£393,750) in cash (the “**Performance Amount**”) in two pro-rated payments based on CCS Group achieving specific EBITDA targets within 2-years following the Closing Date. If CCS Group achieves a trailing six months of EBITDA between C\$541,470 (£300,000) and C\$676,838 (£375,000) or greater, the Shareholders will receive one-half of the Performance Amount, pro-rated on a sliding scale between 80% and 100% (the “**Initial Performance Payment**”). A second trailing six months of EBITDA meeting the same criteria triggers the other one-half of the Performance Amount (the “**Final Performance Payment**”). The Shareholders will select the trailing six-month periods to declare for both payments and will notify BPO in writing. Payments will be made in six equal monthly installments after declaration. If EBITDA is less than C\$541,470 (£300,000) during the relevant periods, the respective payments will be forfeited.

The Company intends to fund the Acquisition through equity and debt. This Acquisition does not constitute a fundamental acquisition under TSX Venture Exchange (“**TSX-V**”) Policy 5.3. Completion of the Acquisition is subject to conditions customary for transactions of this nature, including, but not limited to, the receipt of all requisite third party and regulatory approvals, including the acceptance of the TSX-V and the Financial Conduct Authority (“**FCA**”) in the UK. The Acquisition is anticipated to close on or about October 29, 2024. There will be no new insiders or control persons of Everyday People after the closing of the Acquisition. Shareholder approval of the Acquisition is not required in accordance with the TSX-V Policy 5.3. The Acquisition is an arm’s-length transaction, and no finder’s fee is to be paid in connection with the Acquisition.

Bank Loan Details

BPO, (the “**Borrower**”), has entered into a commitment letter pursuant to which a leading bank in the UK (the “**Bank**”) has agreed to make available a non-revolving committed loan facility of C\$6.0 million (£3.3 million) to the Borrower (the “**Bank Loan**”) with a 5-year term. The Bank Loan is to be used to purchase 100% of the CCS Group Shares.

Monthly interest payments only are due for the first year. The Bank Loan is payable in equal monthly installments plus interest, starting in year 2, and C\$902,450 (£500,000) each in years 2, 3, and 4, with any remaining balance due in year 5. The Bank Loan has a floating rate of 4.75% plus the Bank of England Base Rate with a base rate floor being 3.75%. The Bank Loan will be secured by a bond and floating charge/debenture granted by the Borrower.

Availability of the Bank Loan is subject to the satisfaction of a number of conditions precedent, including confirmation of the closing of the proposed Acquisition of CCS Group by BPO.

Update on Acquisitions

The Company will continue to pursue additional acquisitions for the remainder of this year and throughout 2025, aiming to further expand its revenue cycle management business segment. The Company previously announced its intention to acquire Pastdue Credit Solution Ltd. (“PDC”) in a prior news release dated July 20, 2023, and is no longer pursuing this acquisition.

Redemption of Restricted Share Units and Issuance of Common Shares in Connection with Acquisition

The Company has issued an aggregate of 969,257 common shares pursuant to the redemption of Restricted Share Units (“RSUs”), of which 514,257 RSUs were initially granted to directors on August 31, 2022, another 355,000 RSUs were granted to certain contractors and executives on August 22, 2023, and an additional 100,000 RSUs were granted to a certain contractor on August 31, 2022. In connection with the Acquisition, the Company has also issued 2,233,564 common shares to the Shareholders of CCS Group as disclosed above. Following the RSU redemptions and the issuance of common shares in connection with the Acquisition the Company now has 118,449,360 issued and outstanding common shares.

The Company also granted 396,000 RSUs to David Guebert who was appointed as director of the Company on July 25, 2024, with such RSUs vesting on the basis of 132,000 RSUs vesting on the first anniversary of the grant date, a further 132,000 RSUs vesting on the second anniversary of the grant date, and the final 132,000 RSUs vesting on the third anniversary of the grant date. The Company also granted 50,000 RSUs to Alasdair Skeoch who was appointed Chief Operating Officer RCM on July 19, 2024, vesting on the first anniversary date of the grant date.

Corporate Update

We are pleased to announce the appointment of Maureen Griffiths as the Company’s new Corporate Secretary. Maureen Griffiths will be replacing Renata Berlingo, who has served as the Company’s Senior Vice President of Operations and Corporate Secretary. Renata Berlingo will now focus exclusively on the operational aspects of the business as the Company’s Senior Vice President of Operations, allowing for greater attention to the Company’s strategic goals in operational efficiency and growth. Maureen Griffiths brings thirty plus years of experience serving publicly listed companies on the Canadian and U.S. Stock exchanges. She plays a pivotal role in ensuring adherence to regulatory compliance, corporate governance, and fostering transparent communication between the board of directors, management, and shareholders.

“This transition is part of the Company’s broader strategy to refine its leadership structure, ensuring that key executives are focused on driving the Company’s core objectives.” said Gordon Reykdal, Executive Chairman of the Company.

About Everyday People Financial Corp.

Everyday People is founded on the belief that everyone deserves a second chance to financially reestablish themselves with access to affordable credit products. We are changing the way people manage money by enhancing our client services with our own affordable and specialized financial products and literacy programs. We’re helping everyday people rebuild their financial health for generational wealth. Everyday

People has a workforce of about 450 people, with operations first established in 2006 in the United Kingdom, Canada, and the United States of America. The company includes three main pillars of business: one pillar, Revenue Cycle Management operates under our Co-CEO RCM, Graham Rankin, and two pillars, Everyday People Financial Services and Everyday People Homes operates under our Co-CEO Financial Services and EP Homes, Barret Reykdal. We stand for creativity and entrepreneurship. Our combination of companies, products and services has been established to ensure we can fulfill consumers' financial needs and service them in a low-cost effective manner.

For more information visit: www.everydaypeoplefinancial.com.

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Cautionary Note Regarding Forward-Looking Statements

This news release includes certain "forward-looking statements" or "forward-looking information" (collectively referred to hereafter as "forward-looking statements") under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the structure and terms of the Acquisition, timing for completion of the Acquisition, timing for receipt of required third party and regulatory approvals, including the acceptance of the Exchange, the ability of the parties to satisfy the conditions of the Acquisition in the required timeframes or at all, the ability of the Company to complete the Acquisition on the terms announced or at all, and the business, plans and operations of the Company. 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, the timely receipt of all required third party and regulatory approvals, including the acceptance of the Exchange, the inability to satisfy the conditions required to complete the Acquisition, termination of the Purchase Agreement, expectations and assumptions concerning the Company, and the acquired businesses, as well as other risks and uncertainties, including those described in the documents filed by the Company on SEDAR+ at www.sedarplus.com. 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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