

# Tenet Amends Terms of Brokered Private Placement

Toronto, Ontario--(Newsfile Corp. - January 29, 2024) - Tenet Fintech Group Inc. (CSE: PKK) (OTC Pink: PKKFF) ("Tenet" or the "Company"), further to its press release of December 12, 2023 (the "Prior Press Release"), today announced that it has amended the terms of its brokered private placement financing of up to \$10,000,000 of securities of the Company (the "Offering") led by Research Capital Corporation as lead agent and sole bookrunner (the "Agent") in connection with the Offering.

Given the preference shown by investors for the convertible debenture units of the Company (the "CD Units"), and after further discussions, the Company and the Agent have determined not to proceed with the offer or sale of Equity Units (as such term is defined in the Prior Press Release) pursuant to Part 5A of National Instrument 45-106 - Prospectus Exemptions ("NI 45-106") (the "Listed Issuer Financing Exemption"). The Offering will now consist of the sale of up to 10,000 convertible debenture units of the company (each, a "CD Unit") at a price of \$1,000 per CD Unit for aggregate gross proceeds of up to \$10,000,000.

Each CD Unit offering in the revised Offering is comprised of: (i) one 10.0% unsecured convertible debenture of the Company in the principal amount of \$1,000 (a "Convertible Debenture"); and (ii) 6,666 common share purchase warrants (the "CD Warrants"). The Convertible Debentures will mature thirty-six (36) months from the date of issuance thereof (the "Maturity Date") and, subject to prior conversion repayment in accordance with their terms, will be repaid in cash at the Maturity Date. Each CD Warrant will be exercisable to acquire one common share of the Company (the "Common Shares") at an exercise price of \$0.25 per share for a period of 24 months from the date of issuance thereof.

From the date of issue until their Maturity Date, Convertible Debenture holders may elect to convert, in whole or in part, the face value of the Convertible Debentures into Common Shares at a conversion price of \$0.15 per Common Share. At any time prior to the Maturity Date, if the volume weighted average price of the Common Shares on the Canadian Securities Exchange (or such other Canadian stock exchange on which the greatest volume of Common Shares is traded) meets or exceeds \$2.50 for three consecutive trading days, any non-converted and remaining face value of the Convertible Debentures will be automatically converted into Common Shares at a conversion price of \$0.15 per Common Share. Upon the conversion of the Convertible Debentures, the Company will pay to the Convertible Debenture holders, in cash, the interest accrued on the Convertible Debentures for the amount converted up to but excluding the date of conversion. The Convertible Debentures shall bear interest at a rate of 10.0% per annum from the date of issue, payable monthly in arrears in cash. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

The Company will grant the Agent an option (the "Agent's Option") to increase the size of the Offering by up to 15% of the number of CD Units by giving written notice of the exercise of the Agent's Option, or a part thereof, to the Company at any time up to 48 hours prior to any closing of the Offering.

At each closing of the Offering, the Company shall pay to the Agent a cash commission equal to 7.0% of the gross proceeds of the Offering (including any exercise of the Agent's Option). In addition, the Company will issue to the Agents that number of warrants (the "Broker Warrants") which is equal to 7.0% of the number of CD Units sold pursuant to the Offering, including any CD Units sold pursuant to the exercise of the Agent's Option, where any such exercise occurs. Each Broker Warrant will entitle the holder thereof to purchase one CD Unit at an exercise price of \$1,000 for a period of 24 months following the date of issuance thereof. For providing corporate finance services in connection with the Offering, the Company will pay a fee to the Agent in the amount of \$50,000 payable upon completion of the Offering for gross proceeds of a minimum of \$7,500,000.

The CD Units will be offered under applicable exemptions from the prospectus requirements under NI 45-106. The securities comprising the CD Units will be subject to a hold or restricted period of four

months and a day from the date of issuance thereof.

Tenet intends to use the net proceeds from the Offering to continue the development of its Cubeler® Business Hub, for working capital and general corporate purposes.

The Offering may close in one or more tranches, the first tranche of which is anticipated to close on February 2, 2024 (the "Closing"), to permit the mandatory five (5) business day period required by the Canadian Securities Exchange to elapse from the date of this press release. The Closing is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including the approval of the Canadian Securities Exchange.

Notwithstanding the foregoing, any CD Units sold to "related parties" of the Company (as such term is defined in MI 61-101, defined below) will consist of a \$1,000 Convertible Debenture and 4,000 CD Warrants. Each Convertible Debenture sold to the Related Parties will have a conversion price of \$0.25 per share, and each CD Warrant sold to Related Parties will have an exercise price of \$0.50 per share. All other terms and conditions of the Convertible Debentures and Warrants sold to the Related Parties will be identical in all material respects to the description of such securities described above.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

### **About Tenet Fintech Group Inc.:**

Tenet Fintech Group Inc. is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. All references to Tenet in this news release, unless explicitly specified, include Tenet and all its subsidiaries. Tenet's subsidiaries offer various analytics and AI-based products and services to businesses, capital markets professionals, government agencies and financial institutions either through or leveraging data gathered by the Cubeler® Business Hub, a global ecosystem where analytics and AI are used to create opportunities and facilitate B2B transactions among its members. Please visit our website at: <https://www.tenetfintech.com/>.

### **For more information, please contact:**

#### **Tenet Fintech Group Inc.**

Mayco Quiroz, Chief Operating Officer  
514-340-7775 ext.: 510  
[investors@tenetfintech.com](mailto:investors@tenetfintech.com)

#### **CHF Capital Markets**

Cathy Hume, CEO  
416-868-1079 ext.: 251  
[cathy@chfir.com](mailto:cathy@chfir.com)

### **Follow Tenet Fintech Group Inc. on social media:**

X: [@Tenet\\_Fintech](#)  
Facebook: [@Tenet](#)  
LinkedIn: [Tenet](#)  
YouTube: [Tenet Fintech](#)

## Forward-looking information

Certain statements in this press release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements in this press release include: statements regarding the revised Offering; the expected gross proceeds of the Offering; the use of proceeds of the Offering; the final terms of the CD Units and the securities underlying them; any potential exercise of the Agent's Option; and the anticipated closing of the Offering. Such forward-looking statements are based on the current expectations of management of Tenet. Actual events and conditions could differ materially from those expressed or implied in this press release as a result of known and unknown risk factors and uncertainties affecting Tenet, including risks regarding the industry in which Tenet operates, economic factors, the equity markets generally and risks associated with growth and competition. Additional risk factors are also set forth in the Company's management's discussion and analysis and other filings available via the System for Electronic Document Analysis and Retrieval (SEDAR+) under Tenet's profile at [www.sedarplus.ca](http://www.sedarplus.ca). Although Tenet has attempted to identify certain factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements reflect information as of the date on which they are made. The Company assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities laws. In the event the Company does update any forward-looking statement, no inference should be made that the Company will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/196112>