

Tenet Closes First Tranche of Brokered Private Placement for Gross Proceeds of Approximately \$1.6 Million

Toronto, Ontario--(Newsfile Corp. - February 2, 2024) - Tenet Fintech Group Inc. (CSE: PKK) (OTC Pink: PKKFF) ("Tenet" or the "Company"), further to its press releases of December 12, 2023 and January 29, 2024 (the "**Prior Press Releases**"), announced today that it has completed the first tranche closing (the "**First Tranche Closing**") of its previously announced offering of the sale of securities, on a private placement basis, of the Company for gross proceeds of up to \$10,000,000 (the "**Offering**"). The Company sold a total of 1,610 convertible debenture units of the Company (the "**CD Units**") at a price of \$1,000 per CD Unit, for aggregate gross proceeds in the First Tranche Closing of \$1,610,000.

The First Tranche Closing of the Offering was completed pursuant to the terms and conditions of an agency agreement (the "**Agency Agreement**"), dated February 2, 2024 between the Company and Research Capital Corporation, as lead agent and sole bookrunner.

In accordance with the Agency Agreement, the Company may complete additional closings on sales of CD Units pursuant to the Offering on or before March 15, 2024. The Company intends to close a second and third tranche of the Offering for additional gross proceeds of a minimum of \$6,000,000. However, there can be no assurances that the Company will be able to close any further tranches of the Offering.

Each CD Unit 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 sold in the First Tranche Closing will mature on February 2, 2027 (the "**Maturity Date**") and, subject to prior conversion in accordance with their terms, will be repaid in cash at the Maturity Date. Each CD Warrant sold in the First Tranche Closing is exercisable to acquire one Common Share at an exercise price of \$0.25 until February 2, 2026.

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.

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.

For its services in connection with the First Tranche Closing of the Offering, the Company has paid to the Agent: (i) a cash commission equal to \$112,700, being an amount equal to 7.0% of the gross proceeds of the First Tranche Closing of the Offering; and (ii) 112.7 non-transferable broker warrants (the "**CD Broker Warrants**"), being such number of CD Broker Warrants as is equal to 7.0% of the number of CD Units sold pursuant to the Offering. Each CD Broker Warrant is exercisable to purchase one CD Unit at an exercise price of \$1,000 until February 2, 2026.

The Convertible Debentures and CD Warrants are subject to a statutory hold period of four months and

one day from their date of issuance. For further details concerning the Offering, see the Prior Press Releases.

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 jurisdiction 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/>.

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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 any additional tranche closings of the Offering and the use of proceeds 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. 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 policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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