Spetz Announces Proposed $500,000 Offering, Shares for Debt Settlements and Restructuring of Convertible Debentures

PRESS RELEASE – December 27, 2024

TORONTO/ACCESSWIRE – December 27, 2024 – SPETZ INC. (the "**Company**" or "**Spetz**") (**CSE: SPTZ, OTC: DBKSF**) is pleased to announce that it is arranging a private placement offering (the "**Offering**") of up to 5,000,000 Common Shares, at a price of $0.10 per share, for gross proceeds of up to $500,000. In addition, Spetz is proposing to settle an aggregate of $445,645.89 in accounts payable to arm's length parties by way of the issuance of 4,456,458 shares for debt at an issue price of 0.10 per share (the "**Shares for Debt Transactions**"), and is negotiating the restructuring of certain outstanding debt, in the aggregate principal amount of $1,017,673, consisting primarily of convertible debentures that have become due, as further described below (the "**New Debentures**"). The Company has been working on the foregoing initiatives for the past several weeks and believes that they are in the best interests of the Company.

The Offering

Spetz intends to close the Offering shortly. The proceeds from the Offering will be used for general working capital purposes and to seek additional business opportunities that will create value.

Spetz does not anticipate any insider participation in the Offering, or the creation of a new insider or control person as a result of the closing of the Offering. No finder's fees or other compensation will be paid in connection with the Offering.

Shares for Debt Transactions

The Company is proposing to settle an aggregate of $445,645.89 of current payables to arm's length parties by the proposed issuance of a total of 4,456,458 shares, at an issue price of $0.10 per share. Spetz does not anticipate the creation of a new insider or control person as a result of the closing of the Shares for Debt Transactions. The closing of the Shares for Debt Transactions is anticipated to close concurrently with the Offering.

New Debentures

Spetz is working to issue new convertible debentures in the aggregate principal amount of $1,017,673, replacing primarily the principal amount of outstanding convertible debentures that have matured and are currently due and payable by Spetz. The principal amount of the new debentures would be convertible into units of the Company ("**Units**"), at a price per Unit of $0.20, with each Unit comprised of one (1) Common Share and one-half (1/2) of a common share purchase warrant ("**Warrant**"). Each whole Warrant would be exercisable for one Common Share, at a price of $0.40 per share, for a period of 24 months following the issuance of the Warrants. The New Debentures would be outstanding for a minimum of 18 months following the closing in order to allow Spetz to execute its business. Otherwise, the New Debentures would be unsecured obligations of the Company and bear interest at a rate of 12% per annum. Assuming conversion of the entire principal amount of the New Debentures, the Company would issue an aggregate of up to 5,088,365 Common Shares and up to 2,544,182 Warrants.

The Company believes that the Offering, the Shares for Debt Transactions and the New Debentures are in the best interests of the Company, and the foregoing have been approved by the independent directors of the Company as well due to the fact that the completion of the proposed transactions, taken as a whole, would result in the issuance of more than 100% of the currently issued and outstanding Common Shares of Spetz, on a fully-diluted basis. Accordingly, as a result of the potential significant dilution of the Common Shares, the Company intends to issue the securities contemplated in the Offering, the Shares for Debt Transactions and the New Debentures without securityholder approval in reliance on the exceptions outlined in Section 4.6(2)(b) of CSE Policy 4, as the Company is in serious financial difficulty.

The Company has explored several avenues to secure additional funding in order to continue ongoing operations and to service its outstanding debt obligations. To date, the Company has been unable to secure any such funding due to challenging capital markets conditions for venture issuers and the Company's current debt obligations. The Company recently secured some interim relief (see press release dated November 29, 2024) wherein the board of directors waived their compensation and the current holders of the outstanding secured debentures agreed to extend the maturity date from October 31, 2024 to December 31, 2024.

The Company currently does not have sufficient funding to continue as a going concern, and therefore, if the proposed Offering, the Shares for Debt Transactions and the New Debentures are not completed, and no alternative arrangements are secured, there is significant doubt about the Company's ability to continue as a going concern.

The Company's independent directors have also determined that the Offering, the Shares for Debt Transactions and the New Debentures are in the best interests of the Company and reasonable based on the Company's current financial circumstances in order keep the Company solvent. The Company's independent directors have determined that neither (i) seeking shareholder approval for the Offering, the Shares for Debt Transactions and the New Debentures nor (ii) a rights offering to existing securityholders on the same terms as the Offering would be feasible to complete, based on the Company's immediate liquidity requirements.

All securities issued pursuant to the Offering, the Shares for Debt Transactions and the New Debentures will be subject to a statutory hold period expiring four months and one day after the closing of the Offering, the Shares for Debt Transactions and the New Debentures, respectively. Completion of the Offering, the Shares for Debt Transactions and the New Debentures is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals, including approval of the Canadian Securities Exchange.

None of the securities issued in the Offering, the Shares for Debt Transactions or the New Debentures will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

About Spetz Inc.

Spetz Inc. is a multinational technology company that operates Spetz, a global online, AI-powered marketplace platform that dynamically connects consumers to nearby top-rated service providers in around 30 seconds. Spetz is available in the USA, United Kingdom, Australia, and Israel. The Spetz vision is to reinvent how people around the world connect to services in their moment of need. Connecting them immediately with the top-matched service provider for any need, anytime, anywhere.

Spetz Website: **www.spetz.app**
Spetz Investor information: **https://investor.spetz.app/**

Company Contacts:

Investor Relations
Email: **Investors@spetz.app**
Phone: 647-956-6033

NEITHER THE CANADIAN SECURITIES EXCHANGE, NOR THEIR REGULATION SERVICES PROVIDERS HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Cautionary Note Regarding Forward-looking Statements

Certain information herein constitutes "forward-looking information" as defined under Canadian securities laws, which reflect management's expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance, business prospects and opportunities of the Company. The words "plans", "expects", "does not expect", "scheduled", "estimates", "intends", "anticipates", "does not anticipate", "projects", "believes", or variations of such words and phrases or statements to the effect that certain actions, events or results "may", "will", "could", "would", "might", "occur", "be *achieved", or "continue" and similar expressions identify forward-looking statements. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.*

Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by management as of the date hereof, are inherently subject to significant business, economic and competitive uncertainties and contingencies. When relying on forward-looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ, possibly materially, from the results discussed in the forward-looking statements.