

# Lynx's Latest Strategic Investment Enables Global Card Issuance, IBAN, eWallet, Prepaid Card Programs and Cryptocurrency in One Platform

- *Lynx makes significant investment in StyloPay*
- *The StyloPay card issuance and banking-as-a-service platform will integrate directly into Lynx's Southeast Asia operations*
- *Global card issuance, IBAN, eWallet, prepaid card programs and cryptocurrency available in one platform*
- *StyloPay plans to scale business with new and innovative products and services*

Vancouver, British Columbia and London, United Kingdom--(Newsfile Corp. - November 18, 2021) - Lynx Global Digital Finance Corporation (CSE: LYNX) (OTC Pink: CNONF) (FSE: 3CT0) ("**Lynx**" or the "**Company**") and StyloPay Limited ("**StyloPay**"), a platform as a service (PaaS) provider for global card issuance, digital banking, cryptocurrency and remittance, announce the closing of Lynx's acquisition of a significant stake in StyloPay.

Combining StyloPay's fully-integrated card issuance under one platform with Lynx's licensed subsidiaries/partner network in Southeast Asia, local businesses can now obtain integrated, seamless digital and physical financial card and payment experiences.

*"The Global Prepaid Card Market size was valued at USD 2.01 trillion in 2019 and is predicted to reach USD 18.47 trillion by 2030, with a CAGR of 22.5% from 2020-2030."<sup>[1]</sup>*

"We believe that providing local small and medium businesses with the ability to offer their customers, vendors and employees a prepaid card will be one of the significant driving forces to banking the unbanked and driving economic growth in the region," comments Michael Penner, Chief Executive Officer of Lynx. "We are keen to work with StyloPay's integrated platform to empower any business to offer various financial services to its customers, thereby opening the digital economy to many more."

StyloPay, headquartered in London, UK is led by experts in payment solutions and guided by well-known and experienced names in the payments industry. The company has built a B2B platform that simplifies domestic and international payments. Businesses, irrespective of their size, can choose between the API and hosted models and can leverage StyloPay's global reach through local Card Issuance capabilities, Remittance, and BAAS (banking as a service) in many countries.

StyloPay has also simplified the Card Launch product for any organization that is interested in a branded Credit/Debit Payment Cards. Conventionally, companies are required to undergo various steps involved in a Card Launch program, such as identifying, negotiating, gaining approval, and implementing various components of card programs including the issuer, processor, KYC (know your client), card printer, Value Added Services, and card exchange. However, StyloPay has simplified this process by bringing these products under one umbrella which allows a Card Issuer to speed up a Card Program Launch from about a year to a matter of weeks.

Mr. Avishek Singh, Chief Executive Officer of StyloPay, commented, "We are pleased to announce Lynx's investment in StyloPay, which we believe will bring synergy to the product ranges of StyloPay and Lynx group of companies. This relationship will help our B2B clients launch digital banking, remittance and card programs across geographies, including SEPA, North and Latin America, Asia and the Middle East. Full API stack is available to our business partners for easy integration into their interfaces. We, along with Lynx, will continue in our endeavour to develop products and services that will help customers

to take their first step towards a safer and a more convenient way to spend and manage their cash."

## Transaction Details

On November 17, 2021 (the "Closing Date"), Lynx closed its acquisition of a 21.62% interest in StyloPay (the "Acquisition") pursuant to a share purchase agreement dated effective October 15, 2021 (the "SPA"). Pursuant to the SPA, Lynx acquired 13.51% of StyloPay from an existing shareholder of StyloPay (the "Vendor") for USD\$1,250,000 which was satisfied through the issuance of 5,193,187 common shares of Lynx (the "Consideration Shares") valued at CAD\$0.30 (USD\$0.2407) per Consideration Share.

In connection with the Acquisition, the Company also issued 100,000 common shares (the "Finder's Fee Shares") to a third party who introduced the parties and assisted with the Acquisition. The Consideration Shares and Finder's Fee Shares are subject to regulatory and voluntary pooling restrictions on resale in the following aggregate amounts until the following dates: (a) 50% of the Consideration Shares and Finder's Fee Shares are subject to restrictions on resale until March 17, 2022; (b) an additional 15% of the Consideration Shares and Finder's Fee Shares are subject to restrictions on resale until May 17, 2022; (c) an additional 15% of the Consideration Shares and Finder's Fee Shares are subject to restrictions on resale until August 17, 2022; and (d) an additional 20% of the Consideration Shares and Finder's Fee Shares are subject to restrictions on resale until November 17, 2021 (the "Pooling Arrangement"). 100% of the Consideration Shares and Finder's Fee Shares will also be subject to a statutory hold period of four months and one day.

In addition to the 13.51% interest in StyloPay acquired from the Vendor, Lynx has also subscribed directly to StyloPay for an additional 8.11% interest in StyloPay, with payment to be made in accordance with the following payment schedule:

- (1) USD\$250,000 due upon the Closing Date;
- (2) USD\$250,000 due three (3) months from the Closing Date; and
- (3) USD\$250,000 due six (6) months from the Closing Date.

In connection with the SPA, Lynx also entered into an option agreement (the "Option Agreement") dated effective October 15, 2021 with StyloPay and the shareholders of StyloPay (the "Optionors"). Pursuant to the Option Agreement, the Optionors granted Lynx an option to increase its shareholdings from 21.62% to up to 51% (the "**Option**"). The value of any additional StyloPay shares purchased from the Optionors will be based on (a) subsequent financings of StyloPay; (b) a mutually agreed valuation of StyloPay; or (c) a valuation of StyloPay by a third-party valuator. The consideration payable for the exercise of the Option shall be 62.5% in Lynx common shares and 37.5% in cash. Any common shares of Lynx issued in connection with the Option exercise will be subject to a one-year pooling arrangement whereby 50% of the shares will be released immediately, with an additional 15% released after three, six and nine months and the remaining 20% released one year after the issuance, as well as a statutory hold period of four months and one day.

The Acquisition and the exercise of the Option will not constitute a fundamental change for the Company and will not result in a change of control of the Company (within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange).

## ABOUT LYNX DIGITAL GLOBAL FINANCE:

Lynx seeks to become a leader in financial technology, solutions, and services for large-scale merchants, financial institutions and other B2B industry partners by way of integration to the Lynx digital payment platform. The Company's payment solutions are powered by a broad suite of payment technologies and services. The Company has targeted banking and fintech relationships in ASEAN and Oceania, a region with a population approaching 700 million, that can provide Lynx a financial network hub location to service and operate a global traditional and digital financial infrastructure. By working with selected banking and/or licensed EMI partners, the Company will be able to offer a digital payment

platform with a full suite of payment solutions, which may include merchant acquiring solutions; card issuing; remittance and forex; and custodial digital asset services, including digital wallet services. The Company seeks organic growth while investigating potential strategic acquisitions that may contribute critical technology applications, additional services and revenue streams, and that can complement or enhance existing offerings and potentially increase or expedite the path to future profitability. While Lynx believes that significant near-term opportunities exist for the Company's strategic initiatives, there can be no assurance that goals and objectives will be reached or that any such underlying efforts or agreements will provide successful or positive outcomes should they be implemented.

### **About StyloPay Limited.**

StyloPay, headquartered in London, UK is led by experts in payment solutions and mobile applications. They are one of the emerging innovators in contactless payments, offer platform-as-a-service for payment solutions and simplify domestic and international payments. International issuers onboarded on the platform are available to businesses, enabling issuance from most countries, including SEPA, North and Latin America, Asia and the Middle East. StyloPay platform empowers card distributors to choose from pre-approved GPR, Travel and Payroll Prepaid card programs and quickly setup and run payment solutions at a low cost. eWallet, IBAN, Plastic, metal and virtual cards and wearable are available to the end-users, coupled with a web dashboard and a mobile app to manage the card. NFC mWallets will be added soon.

These programs are available on a white label platform. Program distributors can offer these programs to their customers with their brand/logo. For distributors, StyloPay is a one-stop-shop for their card issuance, AML/ KYC compliance, card printing, transactions processing, customer service and card portal and mobile app hosting requirements.

Discover more about the StyloPay payment platform at: <https://www.stylopay.com/>

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

**Phone: 1-888-273-1332**

**Email: [ir@lynxglobal.io](mailto:ir@lynxglobal.io)**

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

**FORWARD-LOOKING STATEMENTS:** Certain information contained herein may constitute "forward-looking information" under Canadian securities legislation, including the described initiatives of StyloPay and the goals and objectives of Lynx and any synergies created thereby. The economic materiality of the acquisition of a minority interest in StyloPay is unknown due to the contingent nature of results that may be generated. At this point in time, Lynx considers the StyloPay acquisition is unlikely to yield a substantial short-term economic benefit for Lynx or StyloPay, however, Lynx and StyloPay consider that the business relationship supports the organization's strategic growth plans. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "will be", or variations of such words and phrases or statements that certain actions, events, or results "will" occur. Forward-looking statements are based on the Company's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of Lynx to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including capital expenditures, other costs, or implied future forecasts. The Company further again cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with governmental regulations. 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 and information. Lynx will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.

---

[1] <https://www.businesswire.com/news/home/20201229005352/en/18.47-Trillion-Prepaid-Card-Markets---Global-Opportunity-Analysis-and-Industry-Forecast-2020---2030---ResearchAndMarkets.com>

To view the source version of this press release, please visit

<https://www.newsfilecorp.com/release/104167>