

XTM Provides Company Updates

TORONTO--(BUSINESS WIRE)--September 13, 2024--XTM Inc. (“XTM” or the “Company”) (CSE:PAID / FSE:7XT) continues to work with its auditors to file its audited annual financial statements for the year ended December 31, 2023, interim financial statements for the period ended June 30, 2024, as well as management’s discussion & analysis relating and related officer certifications for the relevant periods (collectively, the “Required Documents”). The Company intends to file the Required Documents as soon as possible and will provide updates as further information relating to the Required Documents becomes available.

The Company continues to focus on growth, profitability and an organizational structure to support its future. The Company is in-search for a permanent Chief Financial Officer with the qualifications, experience and network to support the Company’s scale. The Company has identified qualified candidates with the expectation that it will appoint a CFO immediately following the filing of the Required Documents and the revocation of the failure to file cease trade order (the “Cease Trade Order”) previously announced by the Company on July 3, 2024 and issued by the Ontario Securities Commission (the “OSC”) as the principal regulator of the Company due to the Company’s failure to file the Required Documents. Mr. Swapan Kakumanu, who previously acted as the Company’s fractional CFO, ceased to act on behalf of the company as of July 8, 2024 upon acceptance of his resignation.

Mr. Randy Khalaf resigned as a director of the Company effective June 20, 2024. The Company wishes to thank Mr. Khalaf for his extensive contribution, time and energy spent with the Company despite his extremely busy schedule and other undertakings. The Company wishes him all the best on his future endeavors. The Company has identified several new director candidates and expects to announce the appointment of one or more directors to fill the vacancy created by Mr. Khalaf’s resignation upon the revocation of the Cease Trade Order.

About XTM INC.

XTM with offices in Miami, Toronto, Denver, and London is a Fintech creator of payment innovations including fully certified Earned Wage Access through its AnyDay™ product. Founded in the cloud-banking space to further support businesses to inspire their workforce in the hospitality, personal care and services staffing industries, XTM provides on-demand pay for many large brands including Earls, Maple Leaf Sports & Entertainment, Cactus Club, Marriott Hotels and Live Nation. QRails is a fully owned subsidiary of XTM. A cloud-based, API-driven issuer-processor, QRails enables payroll providers, financial institutions and other global fintech companies to keep up with the on-demand economy by delivering innovative digital payment solutions to their employees. QRails helps companies modernize and leverage payroll as a differentiator in attracting and retaining talent all at low to no cost for the employee and employer. QRails’ flagship solution, AnyDay™, is the first provider to own their full tech stack that powers their Earned Wage Access solution. Founded in 2016, QRails, Inc., together with its U.K. subsidiary, QRails Limited is SAP-certified, QRails also has earned several industry certifications under PCI DSS, and SOC. For more information, please visit www.QRails.com.

Disclaimer for Forward Looking Statements

This news release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws (the “forward-looking statements”), within the meaning of applicable Canadian securities legislation, including statements regarding the issuance of the FFCTO, the contents of these orders, the Company’s ability to file the Required Documents, the completion of the required steps in respect of the audit of the Required Documents related to the annual financial period ending December 31, 2023, the subsequent revocation of the Cease Trade Order, the appointment of a new CFO and directors of the Company, and management’s plans regarding its businesses. It is possible that the Required Documents may not be filed, or that even if the Required Documents are filed that the Cease Trade Order may never be revoked by the OSC or other regulators. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect,” “plan,” “anticipate,” “project,” “target,” “potential,” “schedule,” “forecast,” “budget,” “estimate,” “intend” or “believe” and similar expressions or their negative connotations, or

that events or conditions “will,” “would,” “may,” “could,” “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. These forward-looking statements are made as of the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated in or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur.

While we have based these forward-looking statements on our expectations about future events as at the date that such statements were prepared, the statements are not a guarantee that such future events will occur and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements. Such factors and assumptions include, among others, the auditor’s term, audit procedures, the review, filing and completion of the Required Documents as well as the duration and revocation of the Cease Trade Order, the effects of general economic conditions, changing foreign exchange rates and actions by government and regulatory authorities, both positive and negative, and misjudgments in the course of preparing forward-looking statements. In addition, there are known and unknown risk factors which could cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Known risk factors include the failure of the Company to comply with applicable regulatory requirements, the Company’s inability to complete and file the Required Documents, the failure to satisfy requirements to remove the Cease Trade Order; the resignation or removal of an auditor; failure of the Company to comply with applicable audit procedures; the inability of the Company to prepare and file applicable disclosure documents, unexpected changes in governmental policies and regulations in the jurisdictions in which the Company operates, risks associated with the impact of general business and economic conditions; risks related to global pandemics; influence of macroeconomic developments; business opportunities that become available to, or are pursued by XTM; reduced access to debt and equity capital; litigation; the volatility of the stock market; competition; future sales or issuances of debt or equity securities; use of proceeds; dividend policy and future payment of dividends; liquidity; and the market for XTM’s securities. Although we have attempted to identify important 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 not to be as anticipated, estimated or intended. There can be no assurance that forward-looking 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 does not undertake any obligation to update or alter any forward-looking statements except as required under applicable securities laws. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

The CSE has not approved nor disapproved the contents of this press release, and the CSE does not accept responsibility for the adequacy or accuracy of this release.

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