



## **ZeU to Acquire Financial Services Provider Prego International Group**

-FOR IMMEDIATE RELEASE-

**Montréal, September 28 – ZeU Crypto Networks Inc. (CSE: ZEU)** is pleased to announce that on September 27, 2020, it entered into an arm’s length binding letter of intent with Prego International Group AS, a Norway-based global payment solution provider which develops and operates a range of payment services for partners and clients worldwide, and its majority shareholder, to acquire all of Prego’s outstanding securities.

*"(...) A core strategic objective for ZeU is generating recurring revenues with high gross margins", says Frank Dumas, CEO of ZeU. "(...) We anticipate that this strategic acquisition will deliver the type of operational synergies we are focused on. Prego’s network and already operating licenced platforms should serve as a multiplier for the deployment of our services. We expect ZeU’s digital wallet to be integrated with all distributed debit and credit cards that will reach subscribers starting in the first part of next year. Meanwhile, we are proposing to acquire a profitable financial service provider that can be leveraged to accelerate the growth of the resulting aggregated entity (...)"*

*"The transaction we are announcing between Prego and ZEU completes the ambition between both parties to synergize strategic opportunities for future payment concepts. Furthermore, by joining forces, we are strengthening our company and our shareholders’ interests in general" commented Ronald Eriksen, Chairman, Prego International Group AS.*

### **Purchase Price**

The Agreement provides that ZeU will acquire 100% of the issued and outstanding securities of Prego, through a wholly-owned subsidiary ("**ZeU Sub**") for consideration of \$8,125,000 paid as \$7,500,000 in the form of unsecured convertible debentures (the "**Convertible Debentures**") of ZeU Sub, \$625,000 through the issuance of 2,500,000 ZeU common shares (each a "**ZeU Share**") at a deemed price of \$0.25 per share, and the issuance of 7,500,000 non-transferable ZeU Share purchase warrants (the "**ZeU Warrants**") of ZeU, each entitling the holder to acquire one (1) ZeU Share at a price of \$0.60 for a period of 24 months from the closing of the Transaction (the "**Closing Date**"). Other than normal course operational credit, Prego is currently debt-free and has posted a profit in its last 8 quarters.

The principal amount of the Convertible Debentures will bear interest at a rate of 6% per annum from and including their date of issue until the earlier of their date of conversion and the date which is 48 months from the Closing Date (the "**Maturity Date**"), and will be redeemable at any time until the Maturity Date.

The principal amount of the Convertible Debentures together with the accrued interests will automatically convert in common shares of ZeU Sub on the earlier of: (i) the Maturity Date; and (ii) a liquidity event, at a conversion price equal to the higher of: (a) \$1.00; and (b) the last financing price of ZeU Sub.

The Convertible Debentures holders will also have the option at any time after the Closing Date and prior to the earlier of: (i) the Maturity Date, and (ii) a liquidity event, to convert all of the principal amount together with accrued interest into ZeU Shares at a price equal to the higher of: (a) \$1.00; and (b) the 5 days vwap of the ZeU Shares.

The ZeU Shares issued pursuant to the Transaction, and upon any conversion triggered by the Convertible Debentures holders, will be subject to a voluntary resale restriction of 1 year from the Closing Date, or the date of conversion, respectively.

### **Conditions**

The Transaction completion is conditional on several provisions, including completion of a definitive agreement, final due diligence, Prego minority shareholders' approval and other regulatory review.

### **Finder's Fee**

A finder's fee in connection to this transaction may be paid.

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ON BEHALF OF THE BOARD OF DIRECTORS

**"Frank Dumas"**

Frank Dumas  
President & CEO

### **About ZeU**

ZeU is a forward-thinking Canadian technology company that has developed a state-of-the-art blockchain protocol, providing the foundation for the next generation of encrypted and distributed networks. Thanks to its high level of sophistication, ZeU's technology maximizes transparency, security and scalability as well as big data management. ZeU's strategy is to monetize blockchain transactions in diverse sectors such as payment, gaming, data, and healthcare.

### **About Prego**

Prego International Group AS, currently a private limited company incorporated in Norway, operates as a global payment solution provider operating internationally from its HQ in Oslo, Norway and other key operational hub-offices in Kuala Lumpur, Malaysia; London, UK; and Singapore. Prego develops and operates payment programs through worldwide payment networks as MasterCard and VISA International, built on prepaid payment card programs globally.

Prego operates in the fast-growing global payment market, currently one of the most highly rated sectors within financial technology, driven by NEO challenger banks, global remittance networks, and many other businesses, challenging the traditional banking sector.

Prego has developed Pay2Go™, a licensed World-Class payroll payment program with prepaid debit cards, bank account and online mobile banking access designed for underserved users as foreign labor,

migrants and refugees. Our programs are distributed through agent networks primarily in South East Asia, the Middle East and the EU and will also be offered in other parts of the world.

### **Forward-Looking Information**

*Statements in this press release regarding ZeU's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as terms and completion of the proposed transaction. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.*

*Completion of the Transaction is subject to a number of conditions, including but not limited to, execution of a definitive agreement relating to the Transaction, CSE acceptance, and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a ZeU should be considered highly speculative.*

*The CSE has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.*