

Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of the Company
ZeU Technologies Inc. (the “**Company**”)
1000 Sherbrooke Street West, Suite 2700
Montreal, Quebec H3A 3G4

1.2 Executive Officer
The following executive officer of the Company is knowledgeable about the particulars described in this business acquisition report:

Frank Dumas, President and Chief Executive Officer
Tel: 514-295-9878
Email: fdumas@dumasbancorp.com

Item 2 Details of Acquisition

2.1 Nature of the Business Acquired
The Company, through its wholly-owned subsidiary, ZeUPay Inc., (“**ZeUPay**”) acquired from Roxer NUF (“**Roxer**”) all of the issued and outstanding shares of Prego International Group AS (“**Prego**”), which provides digital and physical payment services and payment card services for its customers globally (the “**Acquisition**”).

2.2 Acquisition Date
March 1st, 2021

2.3 Consideration
The aggregate purchase price paid by the Company to Roxer in connection with the Acquisition was \$8,125,000, paid through:

- (i) the issuance of 2,500,000 common shares of the Company (the “**Consideration Shares**”) at a deemed price of \$0.25 per Consideration Share for an aggregate price of \$625,000, which Consideration Shares are subject to a voluntary resale restriction of one year from the closing date of the Acquisition (the “**Closing Date**”) and a voting pool agreement in favour of the board of directors of the Company;
- (ii) the issuance of \$7,500,000 aggregate principal amount of 6.00% convertible debentures of ZeUPay (the “**ZeUPay Debentures**”); and
- (iii) the issuance of 7,500,000 non-transferable common share purchase warrants of the Company (the “**Consideration Warrants**”), with each Consideration Warrant entitling the holder thereof to acquire one common share of the Company at a price of: (i) \$0.90 for a period of 12 months following the Closing Date or (ii) \$1.50 for a period of 12 months following the date that is 12 months from the Closing Date.

The principal amount of the ZeUPay Debentures, together with the interest accrued thereon, will automatically convert into common shares of ZeUPay on the earlier of: (i) 48 months from the date of issuance (the “**Maturity Date**”) and (ii) the

occurrence of a liquidity event, at a conversion price equal to the higher of: (a) \$1.00 and (b) last financing price of ZeUPay.

Holders of the ZeUPay Debentures will also have the option at any time after the Closing Date and prior to the earlier of: (i) the Maturity Date and (ii) the occurrence of a liquidity event, to convert all of the outstanding principal amount of the ZeUPay Debentures, together with the interest accrued thereon, into common shares of the Company at a price equal to the higher of: (a) \$1.00; and (b) the 5-day volume-weighted average price of the common shares of the Company on the Canadian Securities Exchange.

2.4 Effect on Financial Position

Upon completion of the Acquisition, Prego became a wholly-owned subsidiary of the Company. The business and operations of Prego are being managed by the Company.

2.5 Prior Valuations

No valuation opinions were obtained in the last 12 months by the Company required by securities legislation or a Canadian exchange or market to support the consideration paid by the Company in connection with the Acquisition.

2.6 Parties to Transaction

No informed person, associate or affiliate of the Company was a party to the acquisition.

2.7 Date of Report

May 6, 2021

Item 3 Financial Statements

Pursuant to 8.6 of 51-102, the acquisition is exempt from providing a FS if using the Equity Method.