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### **Euro Asia Pay Announces Business Update Signaling Increase in Footprint**

**Vancouver, BC – October 14, 2021:** Euro Asia Pay Holdings Inc. (CSE: EAP) (“EAP” or the “Company”), a leading fintech solutions provider, is pleased to announce its business update for Q4 2021. The Company has significantly increased the number of signed agents and total addressable market in recent months. Since EAP’s IPO in February 2021, the Company has signed more than 175 agreements with international education agents from several countries, strengthening its footprint worldwide.

#### **A Promising Start to the School Year in Canada**

“EAP is delighted to share positive market updates at the beginning of Q4 2021, and as Canada’s borders reopened on September 7, 2021, to receive tourists and international students on their exciting journey of learning and growth. Canada’s highly-regarded response efforts to the COVID-19 pandemic, as well as continued high rankings on safety, quality of life and education indexes, means that the country remains a highly attractive destination for international students,” said Peter MacKay, CEO of EAP.

“This year, thousands of international students will begin their studies in Canada, and the number is expected to increase significantly with the end of the pandemic. Our team at EAP has spent the past year preparing and growing our agency network for this moment,” Mr. MacKay added.

#### **A Brand New Product for Canadian Students and Parents**

EAP is expanding the market reach of its core technology to also support Canadian parents and their children with a new product, called Hero Financials, with its soft launch scheduled for this quarter.

Hero is a full service alternative-to-banking solution, with highly customized products addressing the unmet financial needs of Canadian kids, youth and their parents, such as parent-controlled deposit accounts, budget tools, and access to a physical Mastercard. The Hero product is notable for its versatility, and it is expected to provide speed, knowledge, and access to users anywhere Mastercard is accepted.

With the introduction of Hero Financials to the Canadian market, EAP anticipates that the Company will be able to deliver access to a highly convenient and intuitive tool facilitating financial literacy among children and teenagers, with direct control and involvement from their parents. Hero will create opportunities for Canadian youth to further exercise financial responsibility while providing parents the ability to teach, monitor and track their child’s finances.

#### **Further Footprint Expansion**

The Company is planning a U.S. expansion for its products in time for Q3 2022, significantly increasing its total addressable market to over 70 million people. According to Studee, the United States has reigned supreme as the world’s most popular study abroad destination for decades, with approximately 20% of the total student mobility and double the number of students compared to the second place destination. Per recently-released U.S. census data from 2020, the U.S. has a youth population of 73.1 million, one of the largest in the world.

#### **Past Quarters Marked by Significant Partnerships**

As previously announced, EAP recently secured partnerships with several important industry players, including Mastercard, CohortGo and PhoneBox, to offer added choice and convenience for subscribers.

- EAP's international division currently supports students who are coming to Canada from 241 countries through its integration with the Company's primary international transfer partner, NexPay, and most recently with CohortGo, both of which are key players that provide transfer services in the international education space.
- This summer, the new SideKick™ card powered by MasterCard was introduced, which can be used wherever a prepaid Mastercard is accepted – which is virtually everywhere, in-store and online.
- EAP has also recently partnered with PhoneBox, a wireless network provider, to offer affordable mobile plans to users on 4G/LTE networks for its flagship product, SideKick™. Through this partnership, new and existing PhoneBox users will also be able to obtain SideKick™ cards at PhoneBox Toronto and Vancouver retail locations.

### **A Brimming Lineup of Events in Q4 2021 and Q1 2022**

In the coming months, EAP has confirmed its participation at key industry events to engage and contract with additional education agents and industry partners. These include ICEF Latin America, ICEF Berlin - the world's largest B2B networking event for the international education community - and ICEF Miami in Q4 2021, as well as ST Alphe Spain and CAPS-I Missions in Spain and Italy in Q1 2022. At these events, the Company has the potential to engage with over 200 educational agencies, schools and other industry providers in 1-on-1 meetings.

### **Loan Extension and Convertible Debenture Issuance**

In mid-September, EAP entered into an agreement with one lender, a company related to a director of the Company, in order to extend the maturity date of an unsecured loan in the principal amount of \$400,000 from November 6, 2021 until February 6, 2022. The loan was originally advanced by the lender pursuant to an agreement dated August 6, 2020, and bears simple interest at a rate of 8% per annum.

In addition, on October 1, EAP issued and sold a convertible debenture in the principal amount of \$300,000 (the "**Debenture**") to one arm's length investor in exchange for gross proceeds of an identical amount. The Debenture is unsecured, bears simple interest at a rate of 8% per annum, has a term of 12 months, and is convertible by the holder at any time until October 1, 2022 (the "**Maturity Date**") into common shares of the Company at a price of \$0.26 per share, subject to standard adjustment mechanisms.

EAP has the right to prepay all or any part of the amount due under the Debenture at any time prior to the Maturity Date with the consent of the holder, and also has the ability to redeem the Debenture by paying the holder 100% of the principal amount of the Debenture plus any accrued unpaid interest thereon in common shares of the Company at a price that is the lesser of (a) the conversion price then in effect or (b) the price of the securities of the Company issuable in the next equity financing in which Company realizes gross proceeds of a minimum of \$500,000. The foregoing redemption right is subject to the holder's prior right of conversion and the policies of the CSE.

The Company did not pay any finder's fees in connection with the Debenture financing, and all securities issued or issuable in connection therewith are subject to a standard hold period of four months and one day in accordance with applicable securities laws.

EAP expects to use the proceeds of the Debenture financing to fund the continued development and marketing of its products and for general corporate purposes.

None of the securities referenced in this news release have been or will be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as such term is defined in Regulation S under the U.S. Securities Act) absent such registration or an applicable exemption from such registration requirements. This news release does not constitute an offer

to sell or the solicitation of an offer to buy any of the foregoing securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### **About Euro Asia Pay Holdings Inc.**

Euro Asia Pay Holdings Inc. is a developer of innovative financial solutions for the next generation of consumers. Its first product, SideKick™, enables parents to transfer, control and monitor payments to their children in a simple, intuitive manner. The product includes a student-facing mobile application, a prepaid student payment card and a parent portal, among other features.

To learn more about EAP's products and services, visit [www.euroasiapay.com](http://www.euroasiapay.com).

On Behalf of the Board of Directors

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### **Forward-Looking Statements**

Certain statements in this news release include forward-looking statements or information (collectively "**forward-looking statements**") within the meaning of applicable Canadian securities legislation. The Company is providing cautionary statements identifying important factors that could cause its actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "anticipates", "is expected to", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking. The Company has based the forward-looking statements largely on its current estimates, assumptions and projections about future events and trends that it believes may affect its business, financial condition and results of operations.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks and uncertainties, many of which are beyond the Company's control, include, but are not limited to: the ability of the Company to establish a market for its products; competitive conditions in the mobile payments industry which could prevent the Company from becoming profitable; the effectiveness and efficiency of advertising and promotional expenditures to generate interest in the Company's products; dependency on continued growth in the adoption of mobile payment technology; volatility of the market price of the Company's securities; the inability to secure additional financing; the Company's intention not to pay dividends; claims, lawsuits and other legal proceedings and challenges; conflicts of interest with directors and management; and other relevant factors.

Factors that could cause the Company's actual results to differ from the forward-looking statements include its history of losses from operations; technology risks; its ability to obtain the additional financing required to meet long-term goals; its dependence on key personnel, including its executive officers; and uninsured risks. These factors are not exhaustive.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.