



Euro Asia Pay Signs Letter of Intent to Acquire NexPay

Vancouver, BC – October 20, 2021: Euro Asia Pay Holdings Inc. (CSE: EAP) (“**EAP**” or the “**Company**”), a leading fintech solutions provider, is pleased to announce that the Company has signed a binding letter of intent dated October 19, 2021 (the “**LOI**”), to acquire NexPay Pty Ltd., an Australian next-generation fintech company for “edutrade” payments (“**NexPay**”), in an all-equity transaction. Both EAP and NexPay are among the leaders in providing innovative and convenient payment solutions for the global education market and expect the proposed acquisition to further enhance their respective offerings.

The Transaction

The LOI outlines the terms and conditions pursuant to which the Company will acquire all the issued and outstanding equity securities of NexPay in exchange for 14,800,000 common shares of EAP at a deemed price of \$0.25 per share, for an aggregate transaction value of \$3,700,000 (the “**Proposed Transaction**”). The Proposed Transaction will be at arm’s length and is expected to be structured as a contractual share exchange, plan of arrangement, amalgamation or other similar form of transaction as may be agreed upon by the parties. The final structure of the Proposed Transaction is subject to the receipt of tax, corporate and securities law advice by both EAP and NexPay.

The common shares of EAP issuable in the proposed transaction will be issued subject to applicable securities laws, the policies of the Canadian Securities Exchange (the “**CSE**”) and such escrow, pooling, voluntary stock restriction, earn-out or similar agreements as the parties may agree upon. No finder’s fees are payable by either EAP or NexPay in connection with the Proposed Transaction.

The parties currently anticipate entering into a definitive agreement in respect of the Proposed Transaction (the “**Definitive Agreement**”) by no later than December 17, 2021 and completing the Proposed Transaction during the first quarter of 2022. No concurrent financing is required; however, EAP anticipates completing a non-brokered private placement in advance of the closing date for general working capital purposes. The pricing and other terms of that financing are still to be determined.

The Proposed Transaction is subject to a number of conditions, including but not limited to, the parties successfully entering into the Definitive Agreement; the receipt of all necessary approvals, including the approval of the CSE; the delivery of any required financial statements by NexPay; and certain other closing conditions, including the completion of satisfactory due diligence by both the Company and NexPay.

In connection with the Proposed Transaction, EAP has agreed to grant NexPay the right to appoint one director of the Company at the closing, presently anticipated to be Piew Yap, NexPay’s Chief Executive Officer. In addition, EAP has agreed to provide the sum of AU\$80,000 to NexPay in order to, in part, assist NexPay with its legal and other expenses related to the Definitive Agreement and the closing of the Proposed Transaction. The advance is expected to be in the form of a secured loan with a term of 12 months that bears interest at the rate of 5% per annum, but will be repayable upon demand within 30 days in certain circumstances, including if NexPay enters into a competing acquisition proposal.

NexPay Pty Ltd.

NexPay is a global payments company specialising in education-related payments. With offices and a team located in Australia, the UK, Europe, Brazil, Colombia, Mexico and Chile, NexPay has processed tens of thousands of payments totalling close to \$200 million since the company’s inception. NexPay has seen its monthly revenue close to triple since the start of 2021 as it successfully transforms and pivots its business in the face of the COVID-19 pandemic.

EAP will issue further new releases in accordance with the policies of the CSE providing further details in respect of the Proposed Transaction, the insiders of NexPay and other material information as it becomes available.

“At Euro Asia Pay, we continue to diversify our business, our addressable market and the industries that we service,” commented Peter MacKay, CEO of EAP. “Having previously collaborated with NexPay on various projects, joining forces will allow both parties to accelerate and meet their full potential in the market through synergistic efficiencies. We are confident that this transaction will add great value to both companies’ subscriber base, stakeholders and the global education market as a whole. We are thrilled with the possibility of working more closely with the NexPay team and to welcome them to the EAP family.”

“The tech stack and banking infrastructure of EAP will enable us to fast track our growth plans and improve our payment speed and efficiency,” said Piew Yap, CEO of NexPay. “We are experiencing a consistent growth in volume in the past eight months with the lifting of travel restrictions. With Australian borders set to reopen by year end, a quick and seamless integration with EAP will enable us to hit the ground running just as colleges and universities around the world prepare for the new intake of international students especially in the North America region. The team at NexPay is excited to join an innovative and high growth company like EAP.”

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.

About NexPay Pty Ltd.

NexPay is an Australian fintech company founded in 2011 which offers unique payment services to education agents, schools and students—both, locally and globally. By understanding the synergy between education providers, agents and students, NexPay allows its users to streamline their payments quickly and safely. NexPay’s innovative split solution helps both education agents and schools organize and transform their payment experience. NexPay offers students an easy way to pay for their educational globally through a highly secure payment platform with competitive exchange rates and no bank fees.

To learn more about NexPay’s products and services, visit www.nexpay.com.au.

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 ability of the Company to complete the Proposed Transaction; the ability to obtain any required regulatory and other approvals or satisfy any other conditions to the completion of the Proposed Transaction; the potential impact of the announcement or completion of the Proposed Transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; the diversion of management time on the Proposed Transaction; 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.