

# Hybrid Power Solutions Announces Amendments to Financing Agreements, Shares for Debt Settlement, and RSU Updates

Vancouver, British Columbia – December 11, 2024 – *Hybrid Power Solutions Inc.* (CSE: HPSS) (OTC: HPSIF) (FSE: E092) ("Hybrid" or the "Company") announces key developments related to its financing agreements, debt settlements, and equity-based compensation.

## Amendment to Convertible Debenture Agreement

The Company has amended a Convertible Debenture Agreement with a key capital partner. As part of this amendment, Hybrid issued 1,000,000 common share purchase warrants with an exercise price of \$0.05 per common share. These warrants are exercisable at any time before February 14, 2027 and are subject to the terms and conditions outlined in the amended agreement.

## Shares for Debt Settlement

Hybrid and an arm's length service provider have agreed to settle outstanding debt through the issuance of common shares. Under this shares for debt settlement transaction, the Company issued 290,000 common shares at a deemed price of \$0.05 per common share, settling a total of \$14,500 in outstanding debt for market-making services provided.

The Board of Directors determined that this transaction aligns with the Company's strategy to strengthen its balance sheet while preserving cash for working capital. This transaction remains subject to approval by the Canadian Securities Exchange.

## Compensation Update

The Company also announces the following updates to its equity-based compensation framework:

- **Termination of RSUs:** Chris Hill, a former executive of the Company, has consented to terminate his remaining 1,328,940 Restricted Stock Units (RSUs). In accordance with his employment agreement, Mr. Hill converted 50,000 RSUs into common shares at a deemed price of \$0.05 per common share for his last six months of service. The remaining RSUs were voluntarily canceled.
- **Issuance of New RSUs:** The Company has issued 45,000 RSUs to Chris Bohanek, a contract employee. These RSUs are subject to a four-month hold period from the date of issuance, will vest immediately, and may be settled in cash or common shares at the Company's discretion.

- Allocation to Benton Communications: 1,500,000 RSUs have been allocated to Benton Communications to provide consulting and marketing services. This initiative is aimed at increasing investor awareness and interest in the Company through various online platforms and methods of engagement. Benton Communications will work to enhance the visibility of Hybrid Power Solutions and its stock within key markets, fostering greater shareholder engagement and market recognition.

## Strengthening Financial Flexibility

“These strategic actions reflect Hybrid’s ongoing commitment to improving financial flexibility and enhancing shareholder value,” said Francois Byrne, CEO of Hybrid Power Solutions. “By optimizing our capital structure and reducing outstanding liabilities, we are positioning the Company for sustainable growth and future opportunities.”

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### About Hybrid Power Solutions

Hybrid Power Solutions Inc. is a Canadian clean energy innovator listed on the Canadian Securities Exchange under the symbol "HPSS." The Company specializes in developing sustainable energy solutions that redefine power access and storage across industries. With a focus on environmental responsibility and technological innovation, Hybrid is at the forefront of the clean energy transition.

For further information, inquiries, or media opportunities, please contact:

On behalf of the Company,

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### Forward-Looking Statements

Certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by terminology such as "will," "expects," "anticipates," or variations of such words and phrases, or by statements that certain actions, events, or results "will" occur. Forward-looking statements are based on management’s estimates as of the date such statements are made and are subject to risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied by such statements.

**The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.**