

STEER ANNOUNCES PRIVATE PLACEMENT OF UP TO \$3.5 MILLION OF CONVERTIBLE DEBENTURES WITH STRATEGIC INVESTORS

TORONTO, ONTARIO, CANADA, January 15, 2024 /EINPresswire.com/ -- STEER Technologies Inc. ("STEER" or the "Company") (TSXV: STER), (OTCQX: STEEF), an integrated ESG technology platform, is pleased to announce that it



has entered into a binding offer letter with a group of arm's length Investors (as defined herein), providing for the purchase and sale of secured convertible debentures of the Company (the "Debentures") in the principal amount of a minimum of C\$3,000,000 and up to a maximum of C\$3,536,400 (the "Private Placement").

Each Debenture will be convertible, at a conversion price of \$0.06 and at the sole option of the holder, at any time after the completion of the FoodsUp Distribution (as defined below), into units of the Company (each, a "Unit"). Each Unit will be comprised of one (1) common share in the capital of the Company (a "Common Share") and one (1) Common Share purchase warrant (a "Warrant"), which may be exercised into one (1) Common Share at \$0.06 (as requested herein) for a period of 12 months from the date of issue. The Debentures will mature on the date that is 12 months from the date of issue (the "Maturity Date") and accrue interest daily at the rate of 12.0% per annum, calculated on the basis of a 365-day year for the actual number of days elapsed and compounded monthly from the date of issue until conversion or payment in full, both before and after the Maturity Date. Accrued interest shall be paid, at the holder's sole option and discretion, in cash or by way of a shares for debt transaction. Any payment of accrued interest as shares for debt shall be subject to the TSXV approval.

The Private Placement will be made to certain subscribers, which are expected to be ESG Holdings Inc. ("ESG"), Arichandran Investments Inc. ("Arichandran") and one or more additional investors (such additional investors, collectively with ESG and Arichandran, the "Investors"). In no case shall any single Investor subscribe for Debentures which, on conversion, would result in such Investor holding more than 19.99% of the total issued and outstanding Common Shares on a partially-diluted basis (i.e., inclusive of the exercise of the Warrants (as defined herein) attaching to the Debentures). In addition, the aggregate number of Common Shares reserved for issuance pursuant to the Private Placement shall not exceed 117,880,000 Common Shares. No single Investor will own or control, directly or indirectly, over 19.99% of the Common Shares (on a

partially diluted basis).

The Private Placement, which is expected to close on or before February 5, 2024, or such other date as is agreeable to the parties, acting reasonably, and acceptable to the TSXV, and will not result in a change of control of STEER. The Debentures, which may not be prepaid by the Company without the prior written consent of the Investors, are a senior secured obligation, secured by a first ranking security interest in all of the assets of STEER and its subsidiaries, but excluding a pledge of the equity interests held by STEER in FoodsUp Inc. (“FoodsUp”), a subsidiary entity in which the Company, indirectly through its wholly-owned subsidiary, Food Highway, owns a 62.5% interest, which is subject to a call option held by FoodGrowup Partner Group (“FoodGrowup”) that, once vested, provides FoodGrowup with the right to purchase 12% of STEER’s equity interest in FoodsUp, being 7,500 shares of FoodsUp, at a price of \$0.01 per share (the “Call Option”). The Call Option is subject to vesting and exercise conditions previously disclosed in the Company’s press release dated March 24, 2023.

The proceeds from the Private Placement are expected to be used by the Company for working capital and general corporate purposes.

On the closing date of the Private Placement, the board of directors of the Company (the “Board”) shall be reconstituted through the appointment of two new director nominees to be selected by the Investors and subject to the approval of the TSXV. It is expected that two current directors of the Company will resign and be replaced by one nominee of each of ESG and Arichandran, who are expected to be Praveen Arichandran and Qamar Qureshi. No changes to the senior management team of the Company are expected to occur. Further information regarding the proposed director nominees of the Investors will be provided at a later date.

Closing of the Private Placement remains subject to the satisfaction of certain customary conditions, including, but not limited to, the approval of the TSX Venture Exchange (the “TSXV”).

Today, Junaid Razvi, CEO and Chairman of the Board of STEER said: “We are thrilled to announce an important milestone in STEER’s journey and confirm the execution of a binding offer letter with a group of strategic investors. This is a pivotal step that doubles down on the Company’s commitment to delivering value to its stakeholders. As we turn the page to a new chapter, our unwavering focus is on returning this value to our loyal shareholders and channeling the newfound resources towards further enhancing our capabilities and solidifying our position as a pure play ESG, shared economy, and gig platform powerhouse. As we navigate this transformative phase, we invite our shareholders, partners, and stakeholders to join us on this journey. Together we will continue to shape a future where innovation meets sustainability, creating lasting value for all.”

Possible Distribution of FoodsUp Shares

The Board has considered a number of possible opportunities to enhance value for the current shareholders of the Company, and is considering, among others, the distribution of the majority

of its equity position in FoodsUp to current shareholders of the Company. The Debentures to be offered under the Private Placement will not be convertible into Units unless and until STEER completes the distribution of its shares of FoodsUp to the current shareholders of the Company on a pro rata basis (the "FoodsUp Distribution"). The intention of the FoodsUp Distribution, if completed, is to maximize the value of the Common Shares held by the current shareholders of the Company without dilution of such pro rata entitlement as a result of the Private Placement. The Company is considering completion of the FoodsUp Distribution prior to, or as soon as possible after, the closing of the Private Placement. The completion of the FoodsUp Distribution, if it occurs, will be subject to the final acceptance of the TSXV, the Board, and any other approvals required under applicable laws including the policies of the TSXV.

It is anticipated that if the FoodsUp Distribution occurs, the Company will seek to distribute not more than, 78.8% of STEER's equity interests in FoodsUp to all of the holders of the Common Shares, issued and outstanding as of the record date to be set for the FoodsUp Distribution, by way of a return of capital or other distribution on a pro rata basis. The Company has not yet determined how the FoodsUp Shares will be distributed, or if at all. It is possible that the FoodsUp Distribution will not occur on the terms or timing provided in this news release, or at all. Further details will be provided once known.

About the Company

STEER is an integrated ESG technology platform that moves people and delivers things through subscription and on-demand services. The Company's goal is to build a one-of-a-kind ecosystem that aggregates conscientious users, through a series of connected offerings, and enables them to buy, sell, or invest with the same platform, STEER. The Company's offerings generally fall into two categories: subscription-based offerings led by its flagship electric vehicle subscription business, STEER EV, and on-demand services incorporating food delivery, Delivery-as-a-Service (DaaS) and rideshare businesses. The Company's platform is also powered by EcoCRED, its big data, analytics and machine learning engine which seeks to capture, analyze, parse and report on key data points in ways that measure the Company's impact on carbon reductions and offsets.

For more about the Company, visit www.steeresg.com.

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Cautionary Statement Regarding Forward-Looking Information

Statements included in this news release, including any with respect to the Company's future financial or operating performance and other statements that express management's expectations or estimates of future performance, including statements in respect of the completion of the Private Placement, the use of proceeds therefrom, the completion of the FoodsUp Distribution, the conversion of the Debentures, prospects and/or development of the Company's projects, other than statements of historical fact, constitute forward-looking information or forward-looking statements within the meaning of applicable securities laws (collectively referred to herein as "forward-looking statements") and such forward-looking statements are based on expectations, estimates and projections as of the date of this news release. Forward-looking statements in this news release include, but are not limited to, statements with respect to: the Private Placement; the appointment and resignation of new directors; the Company's strategic review of certain of its assets; requirements for additional capital; the Company's capital allocation; and the FoodsUp Distribution. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Forward-looking statements are generally identifiable by the use of words such as "may", "will", "should", "continue", "expect", "budget", "forecast", "anticipate", "estimate", "believe", "intend", "plan", "schedule", "guidance", "outlook", "potential", "seek", "targets", "suspended", "strategy", or "project" or the negative of these words or other variations on these words or comparable terminology.

The Company cautions the reader that forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, financial, operational and other risks, uncertainties, contingencies and other factors, including those described below, which could cause actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements and, as such, undue reliance must not be placed on them. Forward-looking statements are also based on numerous material factors and assumptions, including as described in this news release, including with respect to: the completion of the Private Placement including the use of proceeds therefrom, the Company's present and future business strategies, operations performance within expected ranges, local and global economic conditions and the economic environment in which the Company will operate in the future, legal and political developments in the jurisdictions in which the Company operates, anticipated capital and operating costs; the completion of the FoodsUp Distribution; and the availability and timing of required regulatory and other approvals in connection with the transactions described in this news release.

Risks, uncertainties, contingencies and other factors that could cause actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements include, without limitation: the Company's business strategies and its ability to execute thereon, including the ongoing strategic review of certain of the Company's assets; the volatility of the Company's securities; the inability of the Company to complete the FoodsUp Distribution; the

inability of the Company to obtain the required approvals and authorizations required to complete the Private Placement and the FoodsUp Distribution; the change in the board composition of the Company; business risks; potential shareholder dilution; increasing competition in the technology sector; legal, litigation, legislative, political or economic risks; government actions taken in response to potential future public health emergencies and pandemics; changes in taxes; the failure to obtain in a timely manner approvals from regulators; development of the Company's operations; the availability of capital; statements relating to the Company's revenue streams and financial performance; future growth and profitability of the Company the level of liquidity and capital resources; access to capital markets and financing; the Company's level of indebtedness; the Company's ability to satisfy covenants under the Debentures; changes in interest rates; the Company's choices in capital allocation; risks related to third-party contractors; the speculative nature of the technology sector; the ability of the Company to secure its intellectual property; the potential direct or indirect operational impacts resulting from external factors, including infectious diseases, public health emergencies or pandemics; attraction and retention of key employees and other qualified personnel; and the inherent risks involved in the technology sector generally. Please see the Company's current management's discussion & analysis available on SEDAR+ at www.sedarplus.ca for a comprehensive discussion of the risks faced by the Company and which may cause actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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