

IMPACT ACQUISITION ENTERS INTO DEFINITIVE AGREEMENT TO COMPLETE QUALIFYING TRANSACTION WITH JEFFS BRANDS AND FORT PRODUCTS

Not for distribution to United States newswire services or for dissemination in the United States

February 6, 2025 – Vancouver, British Columbia – Impact Acquisition Corp. (TSXV: IMPC.P) (“**Impact**”, the “**Company**” or the “**Resulting Issuer**”) is pleased to announce that further to its press release on January 3, 2025, the Company, Jeffs’ Brands Ltd, a corporation incorporated under the laws of the State of Israel and listed on the NASDAQ under the trading symbol “JFBR” (“**Jeffs Brands**” or “**JFBR**”), and Jeffs Brands’ wholly owned subsidiary, Fort Products Limited (the “**Target**” or “**Fort Products**”) has entered into a definitive agreement dated February 6, 2025 (the “**Definitive Agreement**”), in respect of an arm’s length share sale transaction involving the Target Shares (as defined below) (the “**Proposed Transaction**”), which will result in the reverse takeover of the Company by Jeffs Brands. The Proposed Transaction is expected to constitute the Company’s “Qualifying Transaction” as such term is defined in policies of the TSX Venture Exchange (the “**Exchange**”).

The Proposed Transaction

Pursuant to the terms of the Definitive Agreement, Jeffs Brands will convey and transfer to Impact all of the issued and outstanding securities (the “**Target Shares**”) of the Target in consideration for 100,000,000 common shares in the capital of the Company (“**Resulting Issuer Shares**”) and 66,000,000 contingent rights of the Company (“**Purchaser Contingent Rights**”). The Purchaser Contingent Rights entitle the holder thereof to acquire, without any further act or formality or payment of additional considerations: (i) 22,000,000 Resulting Issuer Shares, upon the completion of a transaction resulting in the Resulting Issuer listing its securities on either the New York Stock Exchange or NASDAQ (each, a “**US Exchange**”), or other transaction resulting in the issuance of shares listed on a US Exchange to shareholders of the Resulting Issuer in exchange their Resulting Issuer Shares (in either case, an “**Uplisting Transaction**”) if such Uplisting Transaction is completed within twenty-four (24) months from the closing date of the Proposed Transaction (the “**Closing Date**”); (ii) 22,000,000 Resulting Issuer Shares, upon the Resulting Issuer (or a successor entity) successfully raising within forty-eight (48) months of the Closing Date in equity and/or debt financing an aggregate of US\$8,000,000 or more as of the date of closing of such financing; and (iii) 22,000,000 Resulting Issuer Shares, upon the Resulting Issuer reaching annual revenues of a minimum of US\$15,000,000 by December 31, 2028, as shown on the audited financial statement for such periods.

The completion of the Proposed Transaction is subject to the satisfaction of certain conditions, including but not limited to: (i) receiving all required directors, shareholder, regulatory and court approvals, including the approval of the Exchange and the receipt of a Pre-Ruling from the Israel Tax Authority (as required); (ii) the continuing truth and accuracy of all representations and warranties and the fulfillment of all covenants by the other party subject to materiality qualifications agreed to by the parties; (iii) no material adverse change in the financial condition, business, results of operations, assets or liabilities (contingent or otherwise) of the other party shall have occurred; (iv) Jeffs Brands preparing and delivering to Impact all such audited and unaudited financial statements for the Target prepared in accordance with IFRS for the periods as may be required in accordance with applicable securities laws and Exchange requirements; (v) the Resulting Issuer Shares being issued as fully paid and non-assessable common shares, free and clear of any and all encumbrances, liens, charges and demands of whatsoever nature, except those imposed pursuant to escrow restrictions of the Exchange; (vi) there being no legal proceeding of regulatory actions or proceedings against any person to enjoin, restrict or prohibit the Proposed Transaction or which could reasonably be expected to result in a material adverse effect on the Target, Jeffs Brands or Impact; and (vii) there being no prohibition at law against the completion of the Proposed Transaction.

Subject to the satisfaction of waiver of all conditions precedents to the Proposed Transaction, Impact and Jeffs Brands anticipate that the Proposed Transaction will be completed no later than May 31, 2025. There can be no assurance that the Proposed Transaction will be completed on the terms proposed above or at all. The final structure of the Proposed Transaction is subject to the receipt of tax, corporate and securities law advice by both Impact and Jeffs Brands.

It is anticipated that the Resulting Issuer will be listed on the Exchange as a Tier 2 technology issuer. The Proposed Transaction is not expected to constitute a Non-Arm’s Length Qualifying Transaction or a related

party transaction pursuant to the policies of the Exchange and applicable securities laws, and is not expected to be subject to the approval of shareholders of Impact.

Upon execution of a definitive agreement between the Company and Jeffs Brands, the Company will publish a comprehensive news release in accordance with Section 11.2 of TSXV Policy 2.4 – *Capital Pool Companies*, which will provide disclosure on incoming directors and officers of the Resulting Issuer, financial data related to the Target and a description of the business of the Resulting Issuer, among other items.

Additional information regarding the Proposed Transaction, will be provided in a filing statement, management information circular or similar disclosure document to be filed on the SEDAR+ profile of Impact at www.sedarplus.ca in due course.

Finder's Fee

Upon closing of the Proposed Transaction, Impact intends to issue 5,000,000 Resulting Issuer Shares to certain finders (the “**Finders**”) as compensation for providing advisory services in connection with the Proposed Transaction. Each of the Finders are expected to be arm's length to both Impact and Jeffs Brands.

Resulting Issuer Capitalization

Upon closing of the Proposed Transaction, the parties expect 133,300,000 Resulting Issuer Shares will be issued and outstanding on a non-diluted basis and approximately 200,180,000 Resulting Issuer Shares issued and outstanding on a fully-diluted basis (including the 66,000,000 Resulting Issuer Shares to be issued upon the achievement of certain milestones within the prescribed period), with existing shareholders of Impact holding approximately 21.23% of the outstanding Resulting Issuer Shares, Jeffs Brands holding approximately 75.02% of the outstanding Resulting Issuer Shares and the Finders holding approximately 3.75% of the outstanding Resulting Issuer Shares, in each case, on a non-diluted basis.

Fort Products Financial Information

Set forth below is certain financial information derived from the unaudited financial statements of Fort Products for the years ended December 31, 2024, and December 31, 2023:

	Year Ended December 31, 2024 (unaudited) ⁽¹⁾ US\$	Year Ended December 31, 2023 (unaudited) ⁽¹⁾ US\$
Current Assets	3,990,000	1,976,000
Total Assets	4,125,000	1,986,000
Current Liabilities	2,706,000	942,000
Total Liabilities	2,739,000	942,000
Revenue	9,875,000	6,607,000
Expenses	9,533,000	6,754,000
Net Income (loss)	342,000	(147,000)

Note:

(1) Fort Products is currently working on an audit of its financial years ended December 31, 2024, and December 31, 2023 and the above presented information may be subject to change.

Insiders of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the board of directors of the Resulting Issuer will consist of five directors: Viki Hakmon, Liat Sidi, Tamir Fayerman, Ohad David, and Asaf Itzhaik. It is anticipated that the senior management of the Resulting Issuer will be as follows: Gabi Gabazo as Chief Executive Officer and Ronen Zalayet as Chief Financial Officer.

Viki Hakmon, Director

Mr. Hakmon has served as Chief Executive Officer of Jeffs Brands since its inception on March 7, 2021, and as one of its directors since September 2021. Mr. Hakmon serves as Smart Repair Pro's operating

manager since its inception in December 2017. Mr. Hakmon has served as Purex's operating manager since its inception in April 2020. Prior to founding Smart Repair Pro and Purex, from April 2014 to April 2017, Mr. Hakmon owned and managed six businesses including two retail stores and four kiosks for computing hardware and software services, in various cities in California, including Pleasanton, San Jose and Palo Alto.

Liat Sidi, Director

Ms. Sidi serves as the manager of the accounting department for Foresight Autonomous Holdings Ltd. (Nasdaq and TASE: FR SX) since 2010. Additionally, since 2010, Ms. Sidi has served as an accountant at Sidi Liat Accounting Services. Since August 2020, she has also served as a director for Plantify Foods, Inc. (TSXV: PTFY), a minority-owned shareholder of the Company, and SciSparc Ltd. (Nasdaq: SPRC) and as a director for N2OFF, Inc. (Nasdaq: NITO), since November 2023. Ms. Sidi previously served as an accountant for Panaxia Labs Israel Ltd. (TASE: PNAK) from 2015 to 2020 and as an accountant for Soho Real Estate Ltd. from 2015 to 2016. Ms. Sidi also served as an accountant for Feldman-Felco Ltd. from 2006 to 2010 and as an accountant for Eli Abraham Accounting Firm from 2000 to 2006. Ms. Sidi completed tax, finance and accounting studies in Ramat Gan College of Accounting. Ms. Sidi is a certified public accountant in Israel.

Tamir Fayerman, Director

Mr. Fayerman is a vision-driven professional with a career-long record of marketing operations, business development, and project management success. Mr. Fayerman has been the CEO of Onar Estate, a real estate marketing and development company, since 2024, and was previously the Head of Marketing and Sales – Real Estate of Four Season Real Estate Group Ltd. between 2022 and 2024. Additionally, Mr. Fayerman acted as the Head of Marketing and Sales of OM London Ltd. between 2020 and 2021, and an Income Statement Unit Manager of Triola between 2011 to 2020.

Ohad David, Director

Ohad David brings 18 years of experience in the international trading business, particularly in the area of importing and exporting high end goods with a specialty in loose diamonds. He has a history of successful business relationships across multiple industries. Ohad expresses enthusiasm for growth in all endeavors and is committed to long term success

Asaf Itzhaik, Director

Mr. Itzhaik is a seasoned international businessman in retail, BTC, BTB and real estate. Mr. Itzhaik has served as the chief executive officer of A.K.A Optics Ltd., a manufacturer of adaptive optics, since 1994 and as a member of the board of directors of A.K.A Optics Ltd. since 1998. Mr. Itzhaik also serves as a member of the board of directors of Gix Internet Ltd. (TASE: GIX) since August 2021, Plantify Foods, Inc. (TSXV: PTFY), since August 2023, N2OFF, Inc. (Nasdaq: NITO), since December 2023, Clearmind Medicine Inc (Nasdaq:CMND), since November 2022, Polyrizon Ltd.(Nasdaq:), since May 2024, Rani Zim Shopping Centers Ltd. (TASE: RANI) since August 2022 and has also served as an external director of Jeffs' Brands Ltd. (Nasdaq: JFBR) from August 2022 until November 2023. Mr. Itzhaik is a certified optometrist and graduated a program in corporate board leadership in Merkaz Hashilton Hamkomi, Israel.

Gabi Gabazo, Chief Executive Officer

Mr. Kabazo is an experienced finance and operations professional with over 20 years of experience supporting accounting, financing and IT operations in complex corporate settings. Since May 2020, Mr. Kabazo has served as CFO for Femto Technologies Inc. (NASDAQ: BCAN). Since July 2022, Mr. Kabazo has served as CFO for Plantify Foods, Inc. (TSXV:PTFY). Since January 2022, he has served as CFO for Starmet Ventures Inc. From 2002-2011 he served as CFO for m-Wise Inc. (OTCBB:MWIS). From 2000-

2002 served as Controller for On Track Innovations Ltd. (OTCQX:OTIVF). Mr. Kabazo received a B.A. in Accounting & Economics from Tel Aviv University in 1997 and earned his C.P.A. (Israel) designation in 1999. In 2006 he earned an MBA (Financing) from the University of British Columbia, Sauder School of Business.

Ronen Zalayet, Chief Financial Officer

Mr. Zalayet serves as the Chief Financial Officer of Jeffs' Brands since October 2022, and has over 20 years of experience working in financial leadership positions in private and public companies, including in growing fintech and technologies companies. Mr. Zalayet has served as the chief executive officer and director of Shemen Oil and Gas Resources Ltd, an Israeli company listed on the Tel Aviv Stock Exchange (TASE: SOG) that explores oil and natural gas since July 2021. From November 2019 to June 2021, Mr. Zalayet served as the chief financial officer of Colugo Systems Ltd., a company operating in the transportation field, and from 2016 to 2020, he served as a consultant, director and head of the Israeli office of Access Capital Markets Limited, a finance boutique company headquartered in the United Kingdom. Ms. Zalayet holds a B.A. in Economics and Accounting and an MBA from Tel Aviv University, Israel, and is a certified public accountant in Israel.

Trading Halt

Trading in the common shares of Impact (the “**Impact Common Shares**”) have been halted in accordance with the policies of the Exchange and will remain halted until such time as all required documentation in connection with the Proposed Transaction has been filed with and accepted by the Exchange and permission to resume trading has been obtained from the Exchange. Impact and Jeffs Brands expect to enter into definitive agreements with respect to the Proposed Transaction as soon as practicable subject to the receipt of tax, corporate and securities law advice.

Sponsorship

Sponsorship of a Qualifying Transaction is required by the Exchange unless a waiver from the sponsorship requirement is obtained. Impact intends to apply for a waiver from sponsorship for the Proposed Transaction. There is no assurance that a waiver from this requirement will be obtained.

About Jeffs Brands

Jeffs' Brands aims to transform the world of e-commerce by creating and acquiring products and turning them into market leaders, tapping into vast, unrealized growth potential. Through the Company's management team's insight into the Fulfillment by Amazon (FBA) business model, it aims to use both human capability and advanced technology to take products to the next level.

Additional information regarding Jeffs Brands can be viewed on its website.

About Fort Products

Fort Products is an established UK Based manufacturer and seller specialising in a range of amateur and professional products for the pest control and remedial repair industry. Fort Products' experience commenced since its establishment in 2005 within the pest control industry and it prides itself on the technical knowledge received in nearly 20 years.

Additional information regarding Fort Products can be viewed on its website.

About Impact

Impact is a capital cool company (“**CPC**”) within the meaning of the policies of the Exchange. Impact was created to identify and evaluate potential acquisitions of commercially viable businesses and assets that have the potential to generate profits and add shareholder value. Except as specifically contemplated in the CPC policy of the Exchange, until the completion of the Proposed Transaction or other “Qualifying Transaction” as defined in the policies of the Exchange, Impact will not carry on business other than

identification and evaluation of companies, businesses or assets with a view to completing a proposed qualifying transaction.

For further information, please contact:

Gabi Kabazo
Chief Financial Officer
Impact Acquisition Corp.
Telephone: (604) 833-6820
Email: ir@impactacquisitions.net

Disclaimers

This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to Exchange acceptance, completion of the conditions precedent thereto including any financing requirements, and, if applicable pursuant to the Exchange requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

The TSX Venture Exchange has in no way passed upon the merits of the Proposed Transaction and has not approved or disapproved of the contents of this news release.

The Impact Common Shares are expected to remain halted until such time as permission to resume trading has been obtained from the Exchange. Impact is a reporting issuer in Alberta and British Columbia.

Cautionary Note Regarding Forward-Looking Information

This press release contains statements which constitute “forward-looking information” within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of Impact with respect to future business activities and operating performance. Forward-looking information is often identified by the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” or similar expressions and includes information regarding: expectations regarding whether the Proposed Transaction will be consummated, whether definitive agreements will be executed in respect of the Proposed Transaction, whether the Proposed Transaction and the insiders of the Resulting Issuer will be acceptable to the Exchange, whether the conditions precedent to the Proposed Transaction will be completed, including whether conditions to the consummation of the conditions precedent to the Proposed Transaction will be satisfied, or the timing for completing the Proposed Transaction and the conditions precedent to the Proposed Transaction.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflect Impact’s management’s expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although Impact believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Resulting Issuer. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the ability to consummate the Proposed Transaction and/or the conditions precedent to the Proposed Transaction; the ability to obtain requisite regulatory and other approvals and the satisfaction of

other conditions to the consummation of the Proposed Transaction and/or the conditions precedent to the Proposed Transaction on the proposed terms and schedule; the potential impact of the announcement or consummation of the Proposed Transaction and/or the conditions precedent to the Proposed Transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation; the ability of the parties to complete the Proposed Transaction; and the diversion of management time on the Proposed Transaction and/or the conditions precedent to the Proposed Transaction. This forward-looking information may be affected by risks and uncertainties in the business of Impact, Jeffs Brands, Fort Products and market conditions.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Impact has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Impact does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.