

FlexShopper®

FlexShopper Reminds Right Holders of Early Subscription Process Cutoff Dates

December 16, 2024

Important for Participating Right Holders to Contact Their Broker Prior to December 18th

BOCA RATON, Fla., Dec. 16, 2024 (GLOBE NEWSWIRE) -- FlexShopper, Inc. (Nasdaq: FPAY) ("FlexShopper" or the "Corporation") reminds right holders, who wish to subscribe for units or over-subscribe, that many broker-dealers ask for unit rights subscription and over-subscription submissions by or before Wednesday, December 18, 2024 even though the anticipated expiration of the rights offering is Friday, December 20, 2024. FlexShopper encourages its right holders to contact their broker or financial advisor's Corporate Actions Department immediately to participate in the rights offering. Rights offering information can be found at <https://www.sec.gov> and <https://investors.flexshopper.com>.

The rights offering includes an over-subscription privilege, which entitles each right holder that exercises all its basic subscription privileges in full the right to purchase additional units that remain unsubscribed at the expiration of the rights offering. Both the subscription rights and over-subscription privileges are subject to the availability and pro-rata allocation of units among participants. All subscription rights and over-subscription privileges may only be exercised during the subscription period. If a rights holder does not exercise their subscription rights before the expiration date, such rights will be deemed expired and void and will have no value.

FlexShopper has commenced the rights offering to raise capital to equitize its balance sheet through funding the repurchase of over 90% of its Series 2 Convertible Preferred Stock, and by repaying a portion of its credit facility and other outstanding debt facilities. Any remaining proceeds will be used for general corporate purposes, including potential acquisitions of other companies. Officers and directors of the Corporation have given indications they intend to purchase at least \$5.0 million in the rights offering in a combination of units and Series A, B and C rights. In addition, holders of the subordinated debt are able to convert into unsubscribed units prior to closing. All units will be at the same price and on the same terms as the other investors in the offering.

The rights offering allow FlexShopper's stockholders of record as of December 2, 2024, to purchase up to 35,000,000 units. The rights offering was made through a dividend in the form of two non-transferable basic subscription rights for each share of common stock or common stock equivalent owned on the record date. Each right permits the holder to purchase one unit at a fixed subscription price of \$1.70 per unit. Each unit consists of one share of common stock, as well as short-term Series A, B and C rights to purchase additional shares of common stock at varying discounted market-based prices.

If shares of common stock are held in the rights holder's name, and subscription rights will not be exercised through a broker, dealer, custodian bank or other nominee (including any mobile investment platform), then the subscription certificate, all other required subscription documents and subscription payments should be sent by mail to Continental Stock Transfer, the Subscription Agent, at the address below, to be received before the expiration date. Participants should refer to the instructions included with the subscription documents for complete information regarding completing and submitting the subscription documents.

By Hand or Overnight Courier or Regular Mail:

Continental Stock Transfer & Trust Company
1 State Street, 30th Floor
New York, NY 10004
Attention: Corporate Actions – FlexShopper, Inc.

A copy of the prospectus and related materials were sent to holders of record on December 3, 2024. Additionally, a copy of the prospectus may be requested from, and questions relating to the rights offering may be directed to, the information agent for the rights offering, as follows:

Rights Offering Information Agent

MacKenzie Partners, Inc.
7 Penn Plaza, Suite 503
New York, NY 10001
Telephone at (212) 929-5500 (bankers and brokers) or (800) 322-2885 (all others)
rightsoffer@mackenziepartners.com

FlexShopper has engaged Moody Capital Solutions, Inc. ("Moody Capital") to act as dealer-manager for the rights offering. Moody Capital Solutions, Inc. invites any broker-dealers interested in participating in the rights offering to contact info@moodycapital.com. Moody Capital is offering a selected dealer fee of \$0.051 per unit to registered broker-dealers (who do not manage accounts on a discretionary basis) in connection with the solicitation and exercise of the subscription rights and acceptance by the Corporation of such subscription. Moody Capital has a selected dealer agreement and W-9 that must be completed before such selected dealer can accept payment from Moody Capital. Moody Capital is also offering 3% to selected dealers on the solicitation and exercise of Series A, Series B and Series C rights.

The Corporation recommends that current shareholders consider notifying their broker or financial advisor about the rights offering to ensure their ability to participate in the rights offering.

The Company's registration statement on Form S-1 was declared effective by the U.S. Securities and Exchange Commission on November 29, 2024. The prospectus relating to and describing the terms of the rights offering has been filed with the SEC on December 2, 2024, and is available on the SEC's website at www.sec.gov. This announcement shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

About FlexShopper

FlexShopper, Inc. is a leading national financial technology company that offers innovative payment options to consumers. FlexShopper provides a variety of flexible funding options for underserved consumers through its direct-to-consumer online marketplace at Flexshopper.com and in partnership with merchants both online and at brick-and-mortar locations. FlexShopper's solutions are crafted to meet the needs of a wide range of consumer segments through lease-to-own and lending products.

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 (the "Act") provides a safe harbor for forward-looking statements made by or on behalf of the Corporation. The information contained in this press release may include, but are not limited to, statements about undertaking the Rights Offering, as well as, operating performance, trends, events that we expect or anticipate will occur in the future, statements about sales levels, restructuring, profitability and anticipated expenses and cash outflows. All statements in this document other than statements of historical fact are statements that are, or could be, deemed "forward-looking statements" within the meaning of the Act and words such as "may," "intend," "believe," "expect," "anticipate," "estimate," "project," "forecast" and other terms of similar meaning that indicate future events and trends are also generally intended to identify forward-looking statements. Forward-looking statements speak only as of the date on which such statements are made, are not guarantees of future performance or expectations and involve risks and uncertainties. For the Corporation, these risks and uncertainties include, but are not limited to: our ability to obtain adequate financing to fund our business operations in the future; the failure to successfully manage and grow our FlexShopper.com e-commerce platform; our ability to maintain compliance with financial covenants under our credit agreement; our dependence on the success of our third-party retail partners and our continued relationships with them; our compliance with various federal, state and local laws and regulations, including those related to consumer protection; the failure to protect the integrity and security of customer and employee information; and those discussed more fully in documents filed with the SEC by the Corporation, particularly in Item 1A, Risk Factors, in Part I of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2023, and Part II of the Corporation's subsequently filed Quarterly Reports on Form 10-Q. The Corporation cannot guarantee any future results, levels of activity, performance or achievements. In addition, there may be events in the future that the Corporation may not be able to predict accurately or control which may cause actual results to differ materially from expectations expressed or implied by forward-looking statements. Except as required by U.S. federal securities law, we assume no obligation, and disclaim any obligation, to update forward-looking statements whether as a result of new information, events or otherwise.

Contact Information

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