

**FOR IMMEDIATE RELEASE****ECN Capital to Sell its Service Finance Business to Truist Bank*****Net after-tax proceeds of C\$7.50 per share to be distributed to common shareholders******Strong capital position will drive go-forward business***

**Toronto, Canada – August 10, 2021** – ECN Capital Corp. (TSX: ECN) (“ECN Capital” or “the Company”), one of North America’s leading commercial finance companies, today announced that it has entered into a definitive agreement (the “Transaction Agreement”) with Truist Bank, the wholly owned bank subsidiary of Truist Financial Corporation (NYSE: TFC) (“Truist”) to sell all of the issued and outstanding equity interests in each of Service Finance Company, LLC and Service Finance Holdings, LLC (together “SFC”), each a wholly-owned, indirect subsidiary of the Company, for cash proceeds of US\$2 billion (the “Transaction”).

Following the closing of the Transaction, ECN Capital intends to pay a special dividend of C\$7.50 per common share or approximately US\$1.5 billion from the net proceeds (after estimated taxes and transaction costs; based on ECN’s current issued and outstanding common shares as of August 10, 2021), to its common shareholders.

“ECN’s primary strategic directive has been to manage and maximize investor capital in the specialty finance sector. Today’s announcement to sell SFC for \$2 billion marks another milestone on the road to that goal”, said Steven Hudson, CEO of ECN Capital Corp.

“Service Finance has performed spectacularly since ECN’s investment in September 2017 and I want to thank Mark Berch and his entire team for their remarkable contributions. Truist has been a long-time partner of SFC and is best positioned to build on the successes we’ve had over the last several years. We believe this transaction maximizes value for ECN shareholders and puts SFC in the best position to succeed in its next phase of growth”, said Mr. Hudson.

“Going forward, ECN is well positioned to continue its success with two fantastic businesses in Triad and KG”, Mr. Hudson continued. “As with Service Finance, ECN has been able to work with both companies to meaningfully expand product menus and improve operational excellence, which will drive significant opportunities to continue to maximize shareholder value in the future.”

The Transaction is subject to standard licensing and regulatory approvals, the satisfaction of customary closing conditions and is expected to close late in the Fourth Quarter 2021.

As a result of the Transaction Agreement that was entered into with Truist Bank, ECN Capital received fully underwritten agreements from its senior lenders for the amendment of its existing senior credit facility following the closing of the Transaction. ECN Capital’s existing senior credit facility will be amended and restated so as to provide for an aggregate of US\$700 million in revolving funding for a period of 4 years from the closing date of the Transaction. Canadian Imperial Bank of Commerce will act as administrative agent and syndication agent, and Bank of Montreal will act as collateral agent.

**Fairness Opinion**

ECN’s Board of Directors in consultation with its financial and legal advisors, has unanimously determined that the Transaction is in the best interests of the Company and fair to ECN.

CIBC Capital Markets has provided a fairness opinion to the Board of Directors that, as of the date of the opinion and based upon and subject to the assumptions and limitations described in its opinion, the consideration to be received by ECN pursuant to the Transaction is fair, from a financial point of view.

CIBC Capital Markets acted as financial advisor and Cravath, Swaine & Moore LLP and Blake, Cassels &

Graydon LLP acted as legal counsel to the Company in connection with the Transaction.

### **Analyst Briefing**

The Company will host its analyst briefing to discuss Q2 results and the Transaction commencing at 6:00 PM (ET) on Tuesday, August 10, 2021. The call can be accessed as follows:

Webcast <http://services.choruscall.ca/links/ecncapitalcorp20210810.html>

Toll-free dial in North America 1-800-319-8560

International 1-604-638-5345

Passcode: 47234 #

Presentation slides <http://ecncapitalcorp.com/investors/presentations>

A telephone replay of the conference call may also be accessed until September 10, 2021 by dialing 1-800-319-6413 and entering the passcode 7456#.

About ECN Capital Corp.

With managed and advised assets of US\$33 billion, ECN Capital Corp. (TSX: ECN) is a leading provider of business services to North American based banks, credit unions, life insurance companies, pension funds and investment funds (collectively, our "Partners"). ECN Capital originates, manages and advises on credit assets on behalf of its Partners, specifically unsecured loan portfolios, secured loan portfolios and credit card portfolios. Our Partners are seeking high quality assets to match with their deposits or other liabilities. These services are offered through three operating businesses: Service Finance, Triad Financial Services and The Kessler Group.

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### **Forward-Looking Statements**

*This release includes forward-looking statements regarding ECN Capital and its business. Such statements are based on the current expectations and views of future events of ECN Capital's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Forward-looking statements in this press release include those related to the Transaction, the expected timing for closing of the Transaction, the expected impact of the Transaction on ECN Capital's business, and expectations regarding the distribution of the net proceeds of the Transaction to common shareholders. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting ECN Capital, including risks regarding the equipment finance industry, economic factors, and many other factors beyond the control of ECN Capital. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. A discussion of the material risks and*

*assumptions associated with such forward-looking statements or information can be found in ECN Capital's June 30, 2021 MD&A and 2020 Annual Information Form dated March 31, 2021 which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and ECN Capital does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*