



Hapbee Issues Annual Shareholder Letter

MONTRÉAL, QC, December 21, 2021 – Hapbee Technologies, Inc. (TSXV: HAPB) (OTCQB: HAPBF) (FSE: HA1) (“Hapbee” or the “Company”), the Canadian-based wearable, wellness technology company and creator of the Hapbee headband is pleased to provide the following shareholder letter from Hapbee CEO Yona Shtern.

Dear shareholders,

Why are we here?

When I was first approached about the opportunity to become CEO of Hapbee, I was highly skeptical (as I have discovered most people are) and I almost missed out on the most important journey of my professional life. It didn’t take long for curiosity to take hold once I tried Hapbee for myself and that gave way to wonder, excitement and ultimately a deep-seated sense of responsibility. I believe that Hapbee represents a unique promise to change people’s lives for the better by helping them control how they sleep, work, feel and play. That is our mission.

2021 was a transformative year for Hapbee as we laid the groundwork to dramatically accelerate the Company’s growth in 2022 and beyond.

Throughout this past year, we achieved several corporate and operational milestones, some of which included strengthening our leadership team, raising over \$6 million of growth capital, a complete renovation of our smartphone app (the control panel to our entire platform), and a record sales month for the Hapbee wearable in Q4 2021.

Furthermore, our platform demonstrated definable stickiness among its growing user base. This is what excites me. By July, we had over a million hours played on the Hapbee wearable, and our monthly active users increased quarter over quarter in 2021. Our efforts have resulted in over 6,000 Hapbee devices shipped as of December 2021 – with a growing number of customers opting for our all-access subscription option. But I want to stress: it’s still early days for Hapbee, and the direction we plan to take our Company.

Focusing on the Customer Experience

One of the key elements behind our product traction is the fact that we started the year with just six signals and now we have up to eight, with more than a dozen signal blends. This is a very important aspect of our platform because Hapbee aims to help people improve upon their daily routines when they utilize our signals/blends. Optionality is key to the overall customer experience.

When our customers choose to improve their personal productivity, I want Hapbee to be a part of that process. The same goes for their rest, relaxation, and recovery routines. This was the genesis for having and continuing to bring forth new lifestyle blends for our customers. Although a technology company at its core, Hapbee represents a lifestyle and wellness platform. As people's routines and lifestyles evolve, so too must our offerings. Our platform has been engineered to do just that.

Product Pipeline

Next month, we will be at the Consumer Electronics Show (CES) in Las Vegas, showcasing new product concepts, which we have been developing in 2021. These offerings are geared towards sleep and recovery – chief among them being our mattress topper prototype, which is capable of transmitting Hapbee signals and blends.

I look forward to the completion and the commercial release of our sleep-related products, given that sleep-related signals/blends have proven to be popular amongst our current user base. A rapidly growing sub-sector within the wellness space, the sleep market is one we intend to aggressively pursue as I believe our value-proposition is one of a kind.

I can't think of a better venue than CES to introduce these potentially transformative products to the market.

CES is hosted annually by the Consumer Technology Association and represents one of the largest tech trade shows, with more than 1,800 firms worldwide as featured exhibitors, including Google, Bosch, General Motors, and Nikon.

We plan to leverage CES to expand our growing retail and dealer network, secure technology and wellness partnerships, and advance our international expansion strategy. Members of Hapbee's executive team, including myself, will be present at CES.

I encourage current and prospective shareholders to visit Hapbee's booth (Booth 8107, inside the North Hall of the Las Vegas Convention Center) if they're in the Las Vegas area between January 5th and 8th, 2022.

On the signals/blends front, we significantly expanded our library in 2021; and this will be a continual theme for Hapbee moving forward. Our platform is designed to give customers optionality in their daily routines, and we must keep that top of mind.

In October, we were pleased to announce that Dr. Drew Pinsky and Hapbee plan to collaborate and create a "Dr. Drew Blend." The launch of the new blend – which we will update shareholders on once complete – will be promoted through Dr. Drew's extensive multimedia platforms as well as Hapbee's own marketing channels.

Earlier this month, we released our holiday blends, and I encourage you to try them out.

Expansion of Leadership Team

In June of this year, I was honored to take the reins as Hapbee CEO. At the time, we had an exciting and one-of-a-kind platform with great potential to help people with their daily routines. However, as is the case with new and potentially disruptive technologies, there was much work to be done, and some key management hires were needed to prepare for larger-scale commercialization.

In the second half of 2021, we added substantial depth to our leadership team, who are now spearheading different initiatives to grow our Company from a customer, brand awareness and revenue perspective.

Jordan Neville - Director, Customer Growth & Retention

Jordan has built a 10-year career in sales leadership roles and entrepreneurship. He served as the Director of Sales at Peloton for five years. During his tenure at Peloton, Jordan oversaw Peloton's sales growth from one bike a week to over 10,000 bikes per day and achieved a 97% retention rate in monthly subscriptions.

Iggy Rodriguez - VP, Business Developments & Partnerships

Iggy has a 12-year track record of fostering key client relationships and executing effective marketing campaigns in a number of fields. Iggy entered the health and wellness space as the Head of Global Partnerships at Therabody, curating deals with some of the world's largest brands, teams and influencers. He started his career in sponsorships with the Los Angeles Dodgers and was the Director of Advertising and Partnerships for the Detroit Pistons.

Eric Brassard, Chief Strategy Officer

A proven leader in scaling disruptive tech for consumer-facing companies, Eric brings more than 20 years of expertise in database marketing, customer analytics and artificial intelligence systems to the role. His extensive background includes senior management and C-Suite roles at Saks Fifth Avenue, Microcell, Bell Aliant, Rogers, Avon, Reader's Digest, Fido and others.

Looking Forward to 2022

The focus of our growth strategy next year is to dramatically increase our customer base by expanding our reach and by showing the marketplace how the Hapbee platform can enhance daily routines as well as offering new devices that will leave a positive impact on people's lives. We intend to achieve this with a multi-pronged marketing, distribution and development strategy, including:

- Partnering with leading brand ambassadors
- Expanding our distribution through 3rd party dealers – both online and retail
- Extending our product portfolio
- Releasing new lifestyle blends to meet a broader range of needs
- Building the Hapbee community in social media
- Expanding the delivery of our products globally
- Optimizing and scaling our e-commerce marketing

Hapbee's team and I would like to thank all of our shareholders for your continued support. None of our progress and the opportunity that lies ahead would be possible without you. The last six months or so have been an exciting period for Hapbee, as we have positioned the Company to execute on its ambitious agenda for 2022. I believe it will be a year of transformative growth for the Hapbee platform and, as a result, shareholder value.

Wishing you a holiday season of joy, good health and wellness.

See you in 2022!

Sincerely,
Yona Shtern
CEO of Hapbee Technologies Inc.

About Hapbee

Canadian-based Hapbee is a wearable wellness technology company that aims to help people enhance how they feel. Powered by patented ultra-low radio frequency energy (ulRFE®) technology, Hapbee delivers low-power electromagnetic signals designed to produce sensations such as Happy, Alert, Focus, Relax, and others. The Company has offices in Montreal, Vancouver, Seattle and Phoenix.

Hapbee is available for purchase at Hapbee.com.

Forward-Looking Information

Certain statements included in this news release constitute forward-looking information or statements (collectively, "forward-looking statements"), including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This news release contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Any statements about Hapbee's product marketing and development initiatives; and the introduction of new products or services; are all forward-looking information. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Such statements and information are based on numerous assumptions regarding the Company's ability to meet its planned product marketing and development initiatives and the Company's ability to achieve its e-commerce rollout and full-scale commercial launch as anticipated.

Factors that could cause the actual results to differ materially from those in the forward-looking statements include, delays in design, production, manufacturing, development or releases of signal blends, collection of data from customer use, or the Company may not be able to achieve its targets as anticipated or at all; changes in legislation and regulations; increase in operating costs; equipment failures; failure of

counterparties to perform their contractual obligations; litigation; the loss of key directors, employees, advisors or consultants and fees charged by service providers. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. These risks, uncertainties and assumptions include, but are not limited to, those described in Hapbee's annual information form dated January 27, 2021, a copy of which is available on SEDAR at www.sedar.com, and could cause actual events or results to differ materially from those projected in any forward-looking statements. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.

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For further information: Investor Relations, invest@hapbee.com, 1.905.347.5569