

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own professional advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are in the United Kingdom, should be authorised under the Financial Services and Markets Act 2000 (as amended), or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.**

If you have sold or otherwise transferred all your Old Verde AgriTech PLC Shares, please forward this Circular together with the accompanying documents (but excluding any personalised Forms of Proxy) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Old Verde AgriTech PLC Shares, please retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this Circular and the accompanying documents in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Circular and the accompanying documents come should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

**No New Verde AgriTech PLC Shares have been marketed to, nor are any New Verde AgriTech PLC Shares available for purchase by, the public in the United Kingdom or elsewhere in connection with the introduction of the New Verde AgriTech PLC Shares to the Toronto Stock Exchange. This Circular does not constitute an invitation or offer to sell or exchange, or the solicitation of an invitation or offer to buy or exchange, any security or to become a member of New Verde AgriTech PLC. None of the securities referred to in this Circular shall be sold, issued, exchanged or transferred in any jurisdiction in contravention of any applicable law.**

---

**Verde AgriTech PLC**

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 05904885)*

**Notice of General Meeting**

**and**

**Recommended proposals for the introduction of a new parent company by means of a scheme of arrangement under sections 895 to 899 of the Companies Act 2006**

---

Shareholders should carefully read the whole of this Circular. In addition this Circular should be read in conjunction with the accompanying BLUE and WHITE Forms of Proxy. Your attention is drawn to the letter from the Independent Lead Director of Old Verde AgriTech PLC set out in Part 1 of this Circular, which contains the unanimous recommendation of the Directors of Old Verde AgriTech PLC that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolutions to be proposed at the General Meeting. A letter from the Board explaining the Scheme Proposal appears in Part 2 of this Circular and constitutes an explanatory statement in accordance with section 897 of the Companies Act.

Notices of the Court Meeting and the General Meeting, both of which will be held at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK on 14 July 2022, are set out in Parts 9 and 10 of this Circular. The Court Meeting will start at 09:30 EDT and the General Meeting will start at 10:00 EDT (or as soon thereafter as the Court Meeting shall have been concluded or adjourned).

The Company has elected to use the notice-and-access provisions under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, and National Instrument 51-102 – Continuous Disclosure Obligations (the "**Notice-and-Access Provisions**") for the Meetings. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to Shareholders by allowing the Company to post the Circular and any additional materials online. Shareholders will still receive this Notice of Meeting and the Forms of Proxy and may choose to receive a paper copy of the Circular. The Company will not use the procedure known as 'stratification' in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some shareholders with the notice package. In relation to the Meetings, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular.

The Circular and related meeting materials (collectively the "**Meeting Materials**") are available on the Company's website at <https://investor.verde.ag> and under the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com). Any Shareholder who wishes to receive a paper copy of the Meeting Materials should contact the Company at 1-866-600-5869 (toll-free) prior to 5 July 2022, being at least five (5) Business Days in advance of the proxy deposit date. Shareholders may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

A Shareholder has the right to appoint any other person (who need not be a Shareholder) to attend, speak and vote on his/her behalf at the Meetings or any adjournment or postponement thereof. Such right may be exercised by striking out "the Chairman of the Meeting" on the form of proxy and by inserting in the blank space provided for that purpose the name of the desired person. However, this year you are strongly encouraged to appoint the Chairman of the Meetings as your proxy as it is highly unlikely that any other appointed proxy will be able to attend and vote.

To be effective, Forms of Proxy must be deposited with the Company, c/o the Company's registrar, TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada not later than 48 hours before the time appointed for the Meeting or any adjournment(s) or

postponement(s) thereof, together with any power of attorney or other authority (or a notarized certified copy thereof) under which it is signed.

Notwithstanding the above, if the BLUE Form of Proxy for the Court Meeting is not returned by the required time, it may be handed to the Chairman of the Court Meeting before the taking of the poll at the Court Meeting. However, in the case of the General Meeting, unless the WHITE Form of Proxy is returned by 10:00 EDT on 12 July 2022, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either of the Meetings if you so wish and are so entitled. Further details are set out in pages 5 -9 of this Circular.

Application will be made by New Verde AgriTech PLC to the Toronto Stock Exchange for the New Verde AgriTech PLC Shares to be listed on Toronto Stock Exchange in Canada under the symbol "NPK" and the New York Open Transparent Connected Venture Market ("OTCQB") under the symbol "AMHPF". It is expected that the last day of trading in Old Verde AgriTech PLC Shares will be 22 July 2022 trading in New Verde AgriTech PLC will commence on the opening of trading, 25 July 2022.

You should read this Circular in its entirety and, if you are in any doubt as to the action you should take, consult an independent financial adviser. In making any investment decision, Shareholders must rely on their own examination of the terms of the Scheme Proposal, including the merits and risks involved.

Please review this Circular carefully and in full prior to voting in relation to the matters to be conducted at the Meeting. This Circular is available on SEDAR at [www.sedar.com](http://www.sedar.com) and at [www.investor.verde.ag](http://www.investor.verde.ag)

Please review this Circular carefully and in full prior to voting in relation to the matters to be conducted at the Meeting. This Circular is available on SEDAR at [www.sedar.com](http://www.sedar.com) and at [www.investor.verde.ag](http://www.investor.verde.ag). Any Shareholder wishing to request a paper copy of the Circular as described above should contact the Company's registrar, TSX Trust Company, toll free, at 1-866-600-5869 and ensure that such a request is received by 5 July 2022 at 09:30 EDT

**The management of Old Verde AgriTech Plc is soliciting the proxy of Shareholders for use at the Meetings.** It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited personally or by telephone by employees of Old Verde AgriTech Plc or a proxy solicitation agent. Old Verde AgriTech Plc has retained TMX Investor Solutions Inc. as proxy solicitation agent to assist us at a customary fee. Any questions or queries can be directed to TMX Solutions Inc. toll-free at 1-866-522-1243, (outside of North America at 201-806-7301) or by email at [INFO\\_TMXIS@tmx.com](mailto:INFO_TMXIS@tmx.com)

**Capitalised words and phrases used in this Circular have the meanings given to them in Part 8 of this Circular.**

## TABLE OF CONTENTS

	<b>Page</b>
IMPORTANT NOTICE.....	1
ACTION TO BE TAKEN .....	5
EXPECTED TIMETABLE OF PRINCIPAL EVENTS.....	10
PART 1 LETTER FROM THE INDEPENDENT LEAD DIRECTOR OF VERDE AGRITECH PLC VERDE AGRITECH PLC .....	12
PART 2 EXPLANATORY STATEMENT .....	21
PART 3 CONDITIONS AND FURTHER TERMS OF THE SCHEME PROPOSAL .....	35
PART 4 THE SCHEME OF ARRANGEMENT .....	37
PART 5 TAXATION .....	47
PART 6 INFORMATION RELATING TO NEW VERDE AGRITECH PLC .....	55
PART 7 ADDITIONAL INFORMATION .....	75
PART 8 DEFINITIONS .....	79
PART 9 NOTICE OF COURT MEETING .....	85
PART 10 NOTICE OF GENERAL MEETING .....	91

## **IMPORTANT NOTICE**

The distribution of this Circular and/or the accompanying documents in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Circular and the accompanying documents come should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither this Circular nor the accompanying documents constitute an offer or an invitation to purchase any securities or a solicitation of an offer to sell any securities pursuant to these documents or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This Circular and the accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to and for the purpose of complying with the laws of England and Wales and information disclosed in this Circular and the accompanying documents may not be the same as that which would have been prepared in accordance with laws of jurisdictions outside England and Wales. Nothing in this Circular or the accompanying documents should be relied on for any other purpose.

The statements contained herein are made as at the date of this Circular, unless some other time is specified in relation to them, and service of this Circular will not give rise to any implication that there has been no change in the facts set forth herein since such date. Nothing contained herein will be deemed to be a forecast, projection or estimate of the future financial performance of the Company, the Group or New Verde AgriTech PLC.

No person has been authorised to make representations on behalf of the Company or New Verde AgriTech PLC concerning the Scheme Proposal which are inconsistent with the statements contained herein and any such representations, if made, may not be relied upon as having been so authorised. The summaries of the principal provisions of the Scheme contained in this Circular are qualified in their entirety by reference to the Scheme itself, the full text of which is set out in Part 4 of this Circular. Each Shareholder is advised to read and consider carefully the text of the Scheme itself.

No person should construe the contents of this Circular as legal, financial or tax advice but should consult their own advisers in connection with the matters contained herein.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Circular contains certain “forward-looking statements”, including statements about current beliefs and expectations of the Directors. In particular, the words “expect”, “anticipate”, “estimate”, “may”, “should”, “plans”, “intends”, “will”, “believe” and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward-looking statements. These statements are based on the Board’s expectations of external conditions and events, current business strategy, plans and the other objectives of management for future operations, and estimates and projections of Old Verde AgriTech PLC’s financial performance. Although the Board believes these expectations to be reasonable at the date of this Circular they may prove to be erroneous. Forward-looking statements involve known and unknown risks and uncertainties and speak only as of the date they are made. You are hereby cautioned that certain important factors could cause actual results, outcomes, performance or

achievements of Old Verde AgriTech PLC or New Verde AgriTech PLC or industry results to differ materially from those expressed or implied in forward-looking statements.

Save as required by applicable law, Old Verde AgriTech PLC undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this Circular that may occur due to any change in the Board's expectations or to reflect events or circumstances after the date of this Circular.

### **NOTICE TO OVERSEAS SHAREHOLDERS**

The implications of the Scheme Proposal for Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

Unless otherwise determined by New Verde AgriTech PLC, and permitted by applicable laws and regulations, the Scheme Proposal will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme Proposal by any means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Circular and all other documents relating to the Scheme Proposal are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Circular and all other documents relating to the Scheme Proposal (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

This Circular has been prepared for the purposes of complying with the laws of England and Wales and the information disclosed may be different from that which would have been disclosed if this Circular had been prepared in accordance with the laws of jurisdictions outside England and Wales. Overseas Shareholders should consult their own legal and tax advisers with regard to the potential of any legal and/or tax consequences of the Scheme Proposal on their particular circumstances.

If, in respect of any Overseas Shareholders, New Verde AgriTech PLC is advised that the issue of New Verde AgriTech PLC Shares would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require New Verde AgriTech PLC to obtain any governmental or other consent or effect any registration, filing or other formality, the Scheme provides that New Verde AgriTech PLC may determine that no New Verde AgriTech PLC Shares shall be issued to such holder but may instead be issued to a nominee appointed by New Verde AgriTech PLC as trustee for such holder, on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New Verde AgriTech PLC Shares so issued at the best price which can reasonably be obtained and shall account for the net proceeds of such sale (after

deduction of all related expenses and commissions) to the holder of such Scheme Shares. Any remittance of the net proceeds of the sale referred to in this paragraph shall be at the risk of the relevant holder. Alternatively, New Verde AgriTech PLC may determine that the New Verde AgriTech PLC Shares shall be issued to that Overseas Shareholder and sold, with the net proceeds of sale being remitted to the Overseas Shareholder at the Overseas Shareholder's risk.

The availability of the Scheme Proposal to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

### **Information for US Shareholders**

The financial information included or referred to in this Circular has been prepared in accordance with either (as indicated) the accounting standards applicable in the United Kingdom or the International Financial Reporting Standards, neither of which may be comparable to the financial statements of US companies. US generally accepted accounting principles differ in certain respects from the accounting standards applicable in the United Kingdom and from International Financial Reporting Standards. None of the financial information in this Circular has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Accounting Oversight Board (United States).

The Scheme Proposal relates to the shares in an English company and is proposed to be made by means of a scheme of arrangement provided for under the company law of the United Kingdom. The scheme of arrangement will relate to the shares of a UK company that is a 'foreign private issuer' as defined under Rule 3b-4 under the US Exchange Act. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy and tender offer rules under the US Exchange Act. Accordingly, the Scheme Proposal is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy and tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to the financial statements of US companies.

### **PUBLICATION ON WEBSITE**

A copy of this Circular will be available free of charge, subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions, for inspection on the Company's website at <https://investor.verde.ag/> and on SEDAR at [www.sedar.com](http://www.sedar.com) during the course of the Scheme Proposal but should not be forwarded or transmitted in or into or from any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Scheme Proposal is sent or made available to Shareholders in that jurisdiction.

Any Shareholder who wishes to receive a paper copy of the Circular should contact the Company's Transfer Agent, TSX Trust Company by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Canada, by email at [TMXInvestorservices@tmx.com](mailto:TMXInvestorservices@tmx.com), by toll-free telephone at 1-866-

600-5869. A shareholder may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

For the avoidance of doubt, neither the content of the website referred to above nor the content of any website accessible from hyperlinks on the website (or any other website) is incorporated into, or forms part of, this Circular.



## ACTION TO BE TAKEN

### VOTING AT THE COURT MEETING AND THE GENERAL MEETING

There will be two (2) separate meetings of Shareholders: the Court Meeting and the General Meeting. Scheme Shareholders will be entitled to vote at the Court Meeting and all Shareholders will be entitled to vote at the General Meeting. The Court Meeting and the General Meeting will be held at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK on 14 July 2022 at 09:30 EDT and 10:00 EDT respectively (or, in the case of the General Meeting, if later, as soon as the Court Meeting has been concluded or adjourned). The Scheme requires approval of the Scheme Resolutions to be tabled at both of these Meetings.

**Please check that you have received the following with this Circular:**

- a BLUE Form of Proxy for use in respect of the Court Meeting;
- a WHITE Form of Proxy for use in respect of the General Meeting; and
- a non-postage-paid envelope for use in the UK for the return of the Forms of Proxy.

If you have not received all of these documents, please contact the Transfer Agent or Old Verde AgriTech PLC at [investor@verde.ag](mailto:investor@verde.ag).

### Notice-and-Access

The Company is using the notice-and-access process ("**Notice-and-Access**") under National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**") and National Instrument 51-102 – Continuous Disclosure Obligations, for distribution of this Circular and other meeting materials to registered Shareholders and Beneficial Shareholders.

Notice-and-Access allows issuers to post electronic versions of meeting materials, including circulars, annual financial statements and management discussion and analysis, online, via SEDAR and one (1) other website, rather than mailing paper copies of such meeting materials to shareholders. Utilization of Notice-and-Access process has been proven to reduce both postage and printing costs.

Although the Circular and related Meeting materials (collectively, the "**Meeting Materials**") will be posted electronically online, as noted above, the registered Shareholders and Beneficial Shareholders (subject to the provisions set out below under the heading "Voting as a Beneficial Shareholder") will receive a "notice package" (the "**Notice-and-Access Notification**"), by prepaid mail, which includes the information prescribed by NI 54-101, and proxy forms or voting instruction forms from their respective intermediaries, which can be voted on-line by following the instructions contained therein. Shareholders should follow the instructions for completion and delivery contained in the proxies or voting instruction forms. Shareholders are reminded to review the Circular before voting. Management of the Company is paying for intermediaries to forward the Notice-and-Access Notification to NOBOs (as defined below), through the services of Broadridge. Management of the Company is paying for intermediaries to forward the Notice-and-Access Notification to OBOs (as defined below) and therefore the OBOs will receive, the Notice-and-Access Notification. The Company will not rely upon the use of "stratification".

Shareholders will not receive a paper copy of the Meeting Materials unless they contact the Company, in which case the Company will mail the requested materials within three (3) Business Days of any request, provided the request is made prior to the Meetings, as set out below. Shareholders with questions about Notice-and-Access may contact the Company at 1-866-600-5869 (toll free). Requests for paper copies of the Meeting Materials must be received on or before 5 July 2022, being at least five (5) Business Days in advance of the proxy deposit date.

**To vote on the Scheme:**

**The action to be taken by holders of Old Verde AgriTech PLC Shares in respect of the Meetings is set out in paragraph 16 of Part 1 and paragraph 19 of Part 2 of this Circular. Whether or not you plan to attend the Meetings, each eligible Shareholder is requested to complete and sign both the BLUE and WHITE Forms of Proxy and where applicable must be received by the Transfer Agent as soon as possible, but in any event so as to be received by no later than:**

- in respect of the BLUE Form of Proxy for the Court Meeting: 09:30 EDT on 12 July 2022
- in respect of the WHITE Form of Proxy for the General Meeting: 10:00 EDT on 12 July 2022

(or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned Meeting). A non-postage paid envelope is provided for use in the UK only. The Scheme requires approval at both the Court Meeting and the General Meeting.

Shareholders are encouraged to return their Forms of Proxy as soon as possible, to ensure they arrive before the relevant deadline. Returning the Forms of Proxy will enable your votes to be counted at the Meetings in the event of your absence. If the BLUE Form of Proxy for use at the Court Meeting is not returned by 09:30 EDT on 12 July 2022, it may be handed to the Chairman of the Court Meeting at the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, unless the WHITE Form of Proxy is returned by 10:00 EDT on 12 July 2022, it will be invalid.

**The completion and return of a Form of Proxy will not prevent you from attending and voting at the relevant Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.**

**Voting and exercise of discretion by Proxies**

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Old Verde AgriTech PLC Shares represented by the proxy submitted by a Shareholder appointing the Chairman of the Meeting will be voted in accordance with the directions, if any, given in the proxy. Where the Shareholder has not specified in the proxy the manner in which the Old Verde AgriTech PLC

Shares represented by the proxy are to be voted, such Old Verde AgriTech PLC Shares will be voted in favour of the passing of the matters set forth in the Notice.

If a Shareholder appoints the Chairman of the Meeting as his or her proxy, the Chairman of the Meeting will vote the Old Verde AgriTech PLC Shares in respect of which he is appointed in accordance with the direction of the Shareholder appointing him. In the absence of such direction, such Old Verde AgriTech PLC Shares will be voted in favour of the passing of each of the resolutions described below.

The enclosed form of proxy confers discretionary authority upon the person named therein with respect to amendments or variations to matters identified in the notice of the Meeting and with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof. At the time of the printing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the notice of the Meeting. However, if any other matters should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the appointed proxy.

### **Voting as a Beneficial Shareholder**

The information in this section is of significant importance to Shareholders who do not hold their Old Verde AgriTech PLC Shares in their own name. Most Shareholders are "non-registered" shareholders because the Old Verde AgriTech PLC Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only registered Shareholders or their duly appointed proxy holders are entitled to vote at the Meeting. If Old Verde AgriTech PLC Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Old Verde AgriTech PLC Shares will not be registered in such Shareholder's name on the records of the Company. Such Old Verde AgriTech PLC Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depositary Services Inc., which company acts as nominee for many Canadian brokerage firms). Old Verde AgriTech PLC Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the General Meeting.

Existing regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Old Verde AgriTech PLC Shares are voted at the Meeting. Often the form supplied to a Beneficial Shareholder by its broker is almost identical to the form of proxy provided by the Company to the registered Shareholders. However, its purpose is limited to instructing the

registered Shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Old Verde AgriTech PLC Shares to be represented at the General Meeting. A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Old Verde AgriTech PLC Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Old Verde AgriTech PLC Shares must be communicated to Broadridge well in advance of the General Meeting) in order to have the Old Verde AgriTech PLC Shares voted.

This Circular and accompanying materials are being sent to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two (2) categories – Objecting Beneficial Owners", or "**OBO's**" and Non-Objecting Beneficial Owners", or "**NOBO**". Subject to the provision of the Canadian Securities Administrators' National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers, issuers may request and obtain a list of their NOBO's from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Old Verde AgriTech PLC Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Old Verde AgriTech PLC Shares on your behalf.

The Company's OBO's can expect to be contacted by Broadridge or their broker or their broker's agents as set out above.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Old Verde AgriTech PLC Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Old Verde AgriTech PLC Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Old Verde AgriTech PLC Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the proxy or voting instruction card provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

### **Appointment of multiple proxies**

Shareholders are entitled to appoint a proxy in respect of some or all of their Old Verde AgriTech PLC Shares. Shareholders are also entitled to appoint more than one (1) proxy. A space has been included in the Forms of Proxy to allow you to specify the number of Old Verde AgriTech PLC Shares in respect of which that proxy is appointed. If you return a Form of Proxy duly executed but leave this space blank, you will be deemed to have appointed the proxy in respect of all of your Old Verde AgriTech PLC Shares. If you wish to appoint more than one (1) proxy in respect of your shareholding you should contact the Transfer Agent for further Forms of Proxy or photocopy the Form of Proxy as required. You should also read the section included in the Forms

of Proxy headed “Notes” and note the principles that will be applied in relation to the appointment of multiple proxies.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SCHEME SHAREHOLDER OPINION. SCHEME SHAREHOLDERS ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN THEIR FORMS OF PROXY AS SOON AS POSSIBLE.**

Shareholders are recommended to seek financial advice from their independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

**Date**

This Circular is dated 14 June 2022.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out expected dates for the implementation of the Scheme Proposal.

<i>Event</i>	<i>Time and/or date</i>
<b>Date of circulation of this Circular</b>	14 June 2022
<b>Latest time for lodging BLUE Forms of Proxy for the Court Meeting</b>	(1) 09:30 EDT 12 July 2022
<b>Latest time for lodging WHITE Forms of Proxy for the General Meeting</b>	(2) 10:00 EDT 12 July 2022
<b>Voting Record Time for Court Meeting and General Meeting</b>	09:00 EDT 12 July 2022
<b>Court Meeting</b>	09:30 EDT 14 July 2022
<b>General Meeting (3)</b>	10:00 EDT 14 July 2022

*The following dates are subject to change (please see note (4) below):*

Scheme Court Hearing	21 July 2022
Scheme Record Time	18:30 EDT 21 July 2022
<b>Effective Date</b>	22 July 2022
Last day of trading in Old Verde AgriTech PLC Shares on the Toronto Stock Exchange	22 July 2022
Commencement of trading in New Verde AgriTech PLC Shares on the Toronto Stock Exchange	25 July 2022
Long Stop Date (4)	12 August 2022

**The Court Meeting and the General Meeting will each be held at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK.**

### **Notes:**

- (1) It is requested that the BLUE Form of Proxy for the Court Meeting be lodged 09:30 EDT on 12 July 2022 (or in the case of any adjournment, 48 hours before the time fixed for the holding of the adjourned Meeting). BLUE Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting before the taking of the poll at the Court Meeting. The WHITE Form of Proxy for the General Meeting must be lodged before 10:00 EDT on 12 July 2022 in order for it to be valid, or, if the General Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned Meeting. The WHITE Form of Proxy cannot be handed to the Chairman of the General Meeting at that meeting.
- (2) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the adjourned Meeting will be 09:30 EDT on the date two (2) working days before the date set for the adjourned Meeting.

- (3) To commence at 10:00 EDT or, if later, immediately after the conclusion of the Court Meeting or any adjournment thereof.

These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme. It will also depend on when the Scheme Court Order sanctioning the Scheme. Old Verde AgriTech PLC will give notice of any change(s) by issuing an announcement.

- (4) This is the latest date by which the Scheme may become effective unless Old Verde AgriTech PLC and New Verde AgriTech PLC agree a later date and (if required) the Court so allows.

Unless otherwise stated, all references in this Circular to times are to times in Toronto, Canada.

## PART 1

### LETTER FROM THE INDEPENDENT LEAD DIRECTOR OF OLD VERDE AGRITECH PLC

#### VERDE AGRITECH PLC

*(Incorporated in England and Wales under the Companies Act 1985  
with registered number 05904885)*

*Directors:*

*Michael St Aldwyn*

*Getulio Fonseca*

*Renato Gomes*

*Alysson Paolinelli*

*Paulo Ribeiro*

*Cristiano Veloso*

*Registered Office:*

*Salatin House*

*19 Cedar Road*

*Sutton*

*England*

*SM2 5DA*

14 June 2022

*To: all holders of Old Verde AgriTech PLC Shares*

Dear Shareholder,

**Recommended proposals for the introduction of a new parent  
company by means of a scheme of arrangement under  
sections 895 to 899 of the Companies Act 2006**

#### **1. Introduction**

On 24 May 2022, the Company announced its proposal to change the Group's corporate structure by putting in place a new Singapore incorporated company, tax resident in Singapore, as the parent company of the Group.

In anticipation of the proposal mentioned above, a new company, New Verde AgriTech PLC was incorporated as a public company limited by shares in Singapore on or around the date of this Circular.

In order to effect the change in parent company, New Verde AgriTech PLC will acquire the entire issued share capital of Old Verde AgriTech PLC, such acquisition to be implemented by means of a scheme of arrangement, which takes place at a Court Meeting.

If the Scheme becomes effective, New Verde AgriTech PLC will become the new parent company of the Group and the existing parent company, Old Verde AgriTech PLC, will be re-registered as a private limited company as part of the Scheme and eventually wound up or liquidated.

I am writing to you on behalf of the Directors to explain:



- the reasons for, and terms of, the Scheme Proposal;
- why the Directors unanimously consider the Scheme Proposal to be fair and reasonable to Shareholders; and
- why the Directors are unanimously recommending that Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolutions at the General Meeting as the Directors intend to do so (or will procure to be done) in respect of Old Verde AgriTech PLC Shares held beneficially by any of them.

## **2. Summary of the terms of the Scheme Proposal**

The introduction of a new parent company to the Group is to be implemented by means of a scheme of arrangement between the Company and the Scheme Shareholders under Part 26 of the Companies Act. The full details of the Scheme Proposal are set out in Parts 2 to 4 of this Circular. The Scheme requires the requisite approval of the Scheme Shareholders at a meeting convened by the Court and the subsequent sanction of the Court. Once the Scheme becomes Effective, the terms will be binding on all Scheme Shareholders whether or not they voted in favour of the Scheme.

As a result of the Scheme New Verde AgriTech PLC will own the entire issued ordinary share capital of the Company. Under the terms of the Scheme, which is subject to the satisfaction or waiver (if capable of waiver) of the Conditions and further terms set out in Part 3 of this Circular, the Scheme Shares will be cancelled and, upon the Scheme becoming Effective, Scheme Shareholders at the Scheme Record Time will receive:

### **for each Scheme Share one (1) New Verde AgriTech PLC Share**

save in respect of the Subscriber Shareholder who has given the Subscriber Shareholder Undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the Subscriber Shareholder pursuant to the Scheme, being in effect a straight share for share exchange of Scheme Shares (i.e. Old Verde AgriTech PLC Shares for New Verde AgriTech PLC Shares). Old Verde AgriTech PLC will, immediately before the Scheme is effective, transfer its beneficial ownership in the one (1) existing issued ordinary share in New Verde AgriTech PLC held on trust for Old Verde AgriTech PLC to the Subscriber Shareholder.

### **You will not have to pay anything for your New Verde AgriTech PLC Shares.**

The expected transaction timetable is set out on page 10 of this Circular. It is expected that the Scheme Proposal and the resolutions required to implement the Scheme will be put to Shareholders at the Court Meeting and at the General Meeting, which are expected to be held on 14 July 2022. It is expected that, subject to satisfaction or waiver (if capable of waiver) of the Conditions, the Effective Date will be 14 July 2022. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting. Further details of the Scheme, including the arrangements for settlement of the consideration payable to Scheme Shareholders, are set out in the Explanatory Statement in Part 2 of this Circular.

An application will be made to the Toronto Stock Exchange to de-list the Old Verde AgriTech PLC Shares and to list the New Verde AgriTech PLC Shares to be issued to New Verde AgriTech PLC shareholders pursuant to the terms of the Scheme.

### **3. New Verde AgriTech PLC Shares**

The New Verde AgriTech PLC Shares to be issued as consideration for the Scheme Proposal will be ordinary shares (with no par value) in the capital of New Verde AgriTech PLC.

The New Verde AgriTech PLC Shares will be duly authorised, validly issued and free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever and application will be made to list the New Verde AgriTech PLC Shares on the Toronto Stock Exchange. It is expected that the last day of trading in Old Verde AgriTech PLC Shares will be 22 July 2022 and trading in New Verde AgriTech PLC will commence on the opening of trading, 52 July 2022.

The New Verde AgriTech PLC Shares will be issued in registered form, will be capable of being held in both certificated and uncertificated form, will be issued credited as fully paid and will rank *pari passu* in all respects with the one (1) existing New Verde AgriTech PLC Share in issue held by the Subscriber Shareholder, including as to voting rights and the right to receive and retain all dividends and other distributions declared, paid or made after the Effective Date.

The New Verde AgriTech PLC Shares will be issued following implementation of the Scheme to Shareholders on the register immediately following the Scheme Record Time. Details of the rights attaching to the New Verde AgriTech PLC Shares are set out in paragraph 2 of Part 6 of this Circular.

### **4. Conditions to the Scheme Proposal**

The implementation of the Scheme Proposal is subject to satisfaction or waiver (if capable of waiver) of the Conditions set out in section A of Part 3 of this Circular. To become Effective, the Scheme Proposal requires:

- the approval of the Scheme at the Court Meeting by the necessary majority of the Scheme Shareholders present and voting, either in person or by proxy;
- the passing of the Special Resolutions at the General Meeting;
- the Court sanctioning the Scheme at the Scheme Court Hearing;
- the delivery of a copy of the Scheme Court Order as approved by the Court to the Registrar of Companies; and
- the Toronto Stock Exchange approving the listing of the New Verde AgriTech PLC Shares on the Toronto Stock Exchange.

Further details of all of the Conditions to which the Scheme Proposal is subject are set out in Part 3 of this Circular.

## 5. Reasons for the Scheme Proposal

In the context of the Company's strategy and commercial objectives, the Directors consider that there are significant commercial and financial benefits from conducting business as a Singapore company rather than an English company and have therefore chosen to re-domicile there.

Originally, the reason to incorporate Old Verde AgriTech PLC in the UK was to list it on the London Stock Exchange's Alternative Investment Market. For several reasons, unfortunately, the Alternative Investment Market Initial Public Offering did not gain traction and the Company opted to list on the Toronto Stock Exchange in 2007, where it is listed to this day.

Over the past several years, being a UK headquartered company became a growing liability because Old Verde AgriTech PLC never had any operations or business in the UK (its operations are in Brazil, sales mostly in Brazil and its listing is on the Toronto Stock Exchange). The United Kingdom also bars companies from making any type of payment to shareholders while there are no distributable reserves available in a parent company.

As the Company started production in 2017, it started looking for a better jurisdiction. It became clear that the region to best understand the importance in increasing food production was exactly its largest potential food consumer and growing market: Asia. Among Asian jurisdictions, Singapore stood out because it hosts the headquarters for agricultural houses such as Olam, Noble Group and Wilmar, and large commodities traders such as Anglo American, BHP, Glencore, Trafigura, Vale, and Vitol also have a presence. The result is that twenty (20)% of global agricultural trade is now settled in Singapore, second only to Geneva. According to estimates, as the world's largest importer of food, Asia is and will continue to be the growth engine for global agriculture. This growth is mainly driven by economies such as India and China. Singapore, with its world-class trading environment, warehousing, logistics, and terminal facilities, is strategically placed to play a key role in supporting that growth.

Moreover, although our focus has been the Brazilian agricultural market, where Old Verde AgriTech PLC products were sold out for most of 2020 and 2021, we have been approached by Asian companies looking to import our product. To date, Old Verde AgriTech PLC has exported to markets as far as China and Thailand.

There is also a bilateral tax treaty between Singapore and Brazil which the New Verde AgriTech PLC will be able to take advantage of and which avoids double taxation on any future distributions.

The Directors further consider the redomiciliation to be in the best interests of the shareholders as it is a critical step in the implementation of the Paid for Growth ("P4G") strategy, a cornerstone program aimed at distributing gains to shareholders as a result of the Company's continued accelerated market expansion. Singapore does not pre-condition any distribution to shareholders to be preceded by a zeroing of accounting losses. The redomiciliation to Singapore will enable the Group to eventually execute its P4G through dividend, variable dividend, share buyback and other potential structures that will be further studied in the event the redomiciliation is completed, enabling the Company to reward its shareholders, many of whom have unwaveringly supported the Company over many years.

## **6. Old Verde AgriTech PLC current trading and prospects**

### ***Results for the year ending 21 December 2021***

For the financial year ended 31 December 2021, the Company reported revenue of \$27,709,000, gross profit of \$20,578,000 and an operating profit of \$4,855,000.

Since 31 March 2022, the financial performance of the Company has been in line with the expectations of its management.

In May, 2022, the Company was pleased to announce the increase in its 2022 guidance and two (2)-year outlook revised upwards.

## **7. Information on New Verde AgriTech PLC**

New Verde AgriTech PLC is a public company limited by shares incorporated in Singapore and established for the sole purpose of acquiring the entire issued share capital of Old Verde AgriTech PLC. As at the date of this Circular, the issued and paid-up share capital of New Verde AgriTech PLC is \$0.3918, comprising one (1) ordinary share held by Felipe Paulucci as the Subscriber Shareholder on trust for and on behalf of Old Verde AgriTech PLC. This is the nominal value of the New Verde AgriTech PLC Shares upon incorporation of New Verde AgriTech PLC, prior to the Effective Date and is not representative of the underlying value of the Old Verde AgriTech PLC Shares or the New Verde AgriTech PLC Shares following the Effective Date if the redomiciliation is approved.

As of the date of this Circular, New Verde AgriTech PLC has six (6) directors, being Cristiano Veloso, Michael St Aldwyn, Renato Gomes, Alysson Paolinelli, Getúlio Fonseca and Paulo Sergio Ribeiro. It is currently contemplated that following the Effective Date, the board of directors of New Verde AgriTech PLC will be the same as the Board, save for the inclusion of Eric Loh Kah Leong in order to comply with the applicable Singapore laws.

Implementation of the Scheme requires that up to 52,160,319 New Verde AgriTech PLC Shares be issued to the holders of the Scheme Shares (assuming that the Stock Options are not exercised and no new Old Verde AgriTech PLC Shares are allotted and issued by the Company after the date of this Circular).

## **8. Shareholder safeguards**

Similar shareholder safeguards will apply to the New Verde AgriTech PLC Shares as they currently apply to the Old Verde AgriTech PLC Shares. Following the Scheme becoming Effective, Scheme Shareholders, upon becoming shareholders of New Verde AgriTech PLC, will be bound by the New Verde AgriTech PLC Constitution. Further information on the differences between English and Singapore company law is set out in Part 6 of this Circular.

**9. New Verde AgriTech PLC's strategic plans for Old Verde AgriTech PLC and its intentions regarding Old Verde AgriTech PLC's directors, management and employees**

New Verde AgriTech PLC is a new company incorporated for the sole purpose of acquiring the entire issued share capital of Old Verde AgriTech PLC in order to effect the re-domicile of the Group in Singapore. As a result, the strategy and objectives of Old Verde AgriTech PLC following the proposed Scheme Proposal will be identical to the current plans as set out in this Circular, save that the Enlarged Group will be able to take advantage of being domiciled in Singapore.

The Group's head office will move to 105 Cecil Street, #15-02 The Octagon, Singapore, 069534 following implementation of the Scheme. One (1) of New Verde AgriTech PLC's Directors are already based in Singapore.

**10. The Company Stock Option Scheme**

As at 31 May 2022 (being the last practicable date prior to the publication of this Circular), several employees of the Group hold Stock Options over an aggregate of 2,112,9517 Old Verde AgriTech PLC Shares pursuant to the Stock Option Scheme.

The terms of the Scheme, if approved by the Scheme Shareholders and the Court, will bind all Scheme Shareholders, including holders of any Old Verde AgriTech PLC Shares which are acquired before the Scheme Record Time upon the exercise of Stock Options granted under the Stock Option Scheme.

The Scheme will not extend to Old Verde AgriTech PLC Shares issued, including on the exercise of Stock Options, on or after the Scheme Record Time. However, an amendment to the Old Verde AgriTech PLC Articles is to be proposed at the General Meeting to the effect that Old Verde AgriTech PLC Shares issued on or after the Scheme Record Time will be automatically transferred to New Verde AgriTech PLC in consideration for such number of Old Verde AgriTech PLC Shares as would have been issued under the Scheme had they been Scheme Shares.

Following the Scheme becoming effective, no further grants of Stock Options or awards over Old Verde AgriTech PLC Shares will be made under the Stock Option Scheme.

The participants in the Stock Option Scheme will be sent further details of the action to be taken (if any) in respect of their Stock Options as soon as practicable after the issue of this Circular. The Stock Options over Old Verde AgriTech PLC Shares will be rolled up to New Verde AgriTech PLC such that each participant in the Stock Option Scheme will maintain their proportional entitlement and the liquidity that they currently enjoy.

**11. Taxation**

Your attention is drawn to Part 5 of this Circular relating to taxation. Scheme Shareholders who are in any doubt about their taxation position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, United States or Canada are strongly advised to contact an appropriate independent professional tax adviser immediately.

## **12. Transition of admission of Old Verde AgriTech PLC Shares to trading on the Toronto Stock Exchange**

An application will be made to the Toronto Stock Exchange to de-list the Old Verde AgriTech PLC Shares and to list the New Verde AgriTech PLC Shares to be issued to Verde shareholders pursuant to the terms of the Scheme. It is expected that the New Verde AgriTech PLC Shares will trade on the Toronto Stock Exchange under the same trading symbol (“**NPK**”) as Old Verde AgriTech PLC Shares. Except as set out in paragraph 14 of Part 2 (Actions Required by Shareholders) of this Circular, Shareholders will not be required to do anything in connection with the transition of trading in Old Verde AgriTech PLC Shares and to trading in New Verde AgriTech PLC Shares.

It is proposed, as part of the application to Court in connection with the Scheme, to seek an order of the Court pursuant to section 651 of the Companies Act to re-register the Old Verde AgriTech PLC as a private limited company. That order would also specify the changes to the Old Verde AgriTech PLC Articles to be made in connection with that re-registration.

Further details on the transition of the Old Verde AgriTech PLC Shares on the Toronto Stock Exchange and the re-registration of the Company as a private limited company are set out in paragraph 13 of Part 2 (Explanatory Statement) of this Circular.

## **13. Action to be taken**

The Scheme Proposal is subject to the satisfaction or waiver (if capable of waiver) of the Conditions set out in section A of Part 3 of this Circular. In order to become Effective, the Scheme must be approved by a majority in number of Scheme Shareholders who represent seventy-five (75)% in value of the capital held by those Scheme Shareholders and who vote either in person or by proxy at the Court Meeting. In addition, the Special Resolutions to give effect to the Scheme must be passed at the General Meeting and the Toronto Stock Exchange must have agreed to approve the listing of New Verde AgriTech PLC Shares on the Toronto Stock Exchange. Under the Companies Act, the Scheme is also subject to the approval of the Court. **If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including those who did not vote to approve the Scheme.**

You will find enclosed with this Circular:

- a BLUE Form of Proxy for use at the Court Meeting;
- a WHITE Form of Proxy for use at the General Meeting; and
- a non-postage paid envelope for use in the UK for the return of the Forms of Proxy.

### ***To vote at the Meetings***

Whether or not you intend to attend the Court Meeting and/or the General Meeting, you are requested to complete and sign the enclosed BLUE and WHITE Forms of Proxy and return them in accordance with the instructions printed on them. Completed Forms of Proxy should be returned, in accordance with the instructions printed thereon, by post or, during normal business hours only, by hand to the Transfer Agent, as soon as possible and, in any event, so as to be received by the times set out below:

- BLUE Forms of Proxy for the Court Meeting 09:30 EDT on 12 July 2022
- WHITE Forms of Proxy for the General Meeting 10:00 EDT on 12 July 2022

(or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned Meeting).

**If you would like to vote online, please go to [www.voteproxyonline.com](http://www.voteproxyonline.com) . Please refer to the BLUE Form of Proxy received by you for your Control Number and personal PIN to vote online in respect of the Court Meeting and to the WHITE Form of Proxy received by you for your Control Number and personal PIN to vote online in respect of the General Meeting.**

If you wish to appoint more than one (1) proxy, a space has been included in the Forms of Proxy to allow you to specify the number of Old Verde AgriTech PLC Shares in respect of which that proxy is appointed. If you return a Form of Proxy duly executed but leave this space blank, you will be deemed to have appointed the proxy in respect of all of your Old Verde AgriTech PLC Shares. If you wish to appoint more than one (1) proxy in respect of your shareholding you should contact the Transfer Agent for further Forms of Proxy or photocopy the Form of Proxy as required. You should also read the section included in the Forms of Proxy headed “Notes” and note the principles that will be applied in relation to the appointment of multiple proxies.

If the BLUE Form of Proxy for use at the Court Meeting is not lodged by the time specified above, it may be handed to the Chairman of the Court Meeting at the start of the Court Meeting and will still be valid. However, in the case of the WHITE Form of Proxy for the General Meeting, it will be invalid unless it is lodged by the time specified above with the Transfer Agent or Isabella Martins at [im@verde.ag](mailto:im@verde.ag). The completion and return of the relevant Form of Proxy will not prevent you from attending and voting in person at the relevant Meeting, or at any adjournment thereof, if you so wish and are so entitled.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinions of the Scheme Shareholders. Therefore, whether or not you intend to attend the Meetings, you are strongly urged to sign and return your Forms of Proxy for both the Court Meeting and the General Meeting as soon as possible.**

Notices convening the Court Meeting and the General Meeting are set out in Parts 9 and 10 of this Circular respectively.

**If you are in any doubt as to the action you should take, you should contact an independent financial adviser authorised under FSMA if you are in the UK or, if you are outside of the UK, an appropriately authorised independent financial adviser and/or legal adviser without delay.**

If you have any questions relating to the Meetings, this Circular or the completion and return of the Forms of Proxy, please address your questions in writing to with the Transfer Agent or Isabella Martins at [im@verde.ag](mailto:im@verde.ag).

#### **14. Overseas shareholders**

Overseas Shareholders should refer to paragraph 18 of Part 2 (Explanatory Statement) of this Circular.

## **15. Further information**

The terms of the Scheme are set out in full in Part 4 of this Circular. Please read carefully the remainder of this Circular, including the letter from the directors of the Company, set out in Part 2 of this Circular. Please note that the information contained in this letter is not a substitute for reading the remainder of this Circular.

Your attention is also drawn to the further information contained in this Circular and, in particular, to the Conditions and Further Terms of the Scheme Proposal in Part 3 of this Circular, taxation issues described in Part 5 and the additional information set out in Part 7 of this Circular. You should read the whole of this Circular.

## **16. Recommendation**

**The Directors of Old Verde AgriTech PLC, consider the terms of the Scheme Proposal to be fair and reasonable. The Directors consider the terms of the Scheme Proposal to be in the best interests of the Shareholders as a whole.**

Accordingly, the Directors of Old Verde AgriTech PLC unanimously recommend that Shareholders vote in favour of the Scheme Proposal and the Scheme Resolutions to be proposed at the Court Meeting and the General Meeting, as the Directors (and their connected persons) intend to do in respect of their own beneficial holdings of Old Verde AgriTech PLC Shares, being in aggregate 11,848,283 Old Verde AgriTech PLC Shares, which represent approximately twenty point seven-three (22.73)% of the issued Old Verde AgriTech PLC Shares as at 31 May 2022 (being the last practicable date prior to the publication of this Circular).

Yours faithfully

**Michael St Aldwyn**

*Independent Lead Director*



## PART 2

### EXPLANATORY STATEMENT

*(in compliance with section 897 of the Companies Act 2006)*

*The Board of Directors  
Salatin House  
19 Cedar Road  
Sutton  
England  
SM2 5DA*

14 June 2022

*To: To all holders of Old Verde AgriTech PLC Shares and, for information only, to participants in the Stock Option Scheme*

Dear Shareholder,

**Recommended proposals for the introduction of a new parent  
company by means of a scheme of arrangement under  
sections 895 to 899 of the Companies Act 2006**

#### **1. Introduction**

On 24 May 2022, the Company announced its intention to change its corporate structure by putting in place a new parent company, New Verde AgriTech PLC, which is a public company limited by shares incorporated in Singapore and tax resident in Singapore. The introduction of New Verde AgriTech PLC to the Group is to be effected by way of a scheme of arrangement under sections 895 to 899 of the Companies Act.

The Scheme is subject to the Conditions. If the Conditions are satisfied or waived (if capable of waiver) and the Scheme is approved and implemented in full, New Verde AgriTech PLC will own the entire issued share capital of Old Verde AgriTech PLC.

The introduction of a new parent company to the Group is to be implemented by means of a scheme of arrangement between the Company and the Scheme Shareholders under Part 26 of the Companies Act. The Scheme requires the approval of the Scheme Shareholders at a meeting convened by the Court and the subsequent sanction of the Court once the Scheme becomes Effective, the terms will be binding on all Scheme Shareholders whether or not they voted in favour of the Scheme.

The Scheme Proposal is conditional on the Conditions set out in Part 3 of this Circular being satisfied or waived (if capable of waiver). A summary of these conditions is set out in paragraph 4 of Part 1 of this Circular.

Your attention is also drawn to the information in the other parts of this Circular, which form part of the Explanatory Statement pursuant to section 897 of the Companies Act.

## **2. Recommendation of the Directors**

Your attention is drawn to the letter from the Independent Lead Director of Old Verde AgriTech PLC set out in Part 1 of this Circular, which forms part of this explanatory statement. That letter contains, among other things, the unanimous recommendation by the Directors that Scheme Shareholders vote in favour of the Scheme Resolution to give effect to the Scheme and the reasons for the recommendation. The letter also states that the Directors, consider the terms of the Scheme Proposal to be fair and reasonable. The Directors, have also taken into account their commercial assessments.

The reasons for the recommendation are set out in paragraph 5 of the Independent Lead Director's Letter in Part 1 of this Circular and details of the effect of the Scheme on the interests of the Directors are set out in paragraph 11 below.

Scheme Shareholders should read the whole of this Circular before deciding whether or not to vote in favour of the Scheme and the Scheme Resolutions.

## **3. Summary of the terms of the Scheme Proposal**

Under the terms of the Scheme, the Scheme Shares will be transferred to New Verde AgriTech PLC and in consideration for these Scheme Shares, upon the Scheme becoming Effective, Scheme Shareholders on the Company's register of members at the Scheme Record Time will receive:

**for each Scheme Share one (1) New Verde AgriTech PLC Share**

save in respect of the Subscriber Shareholder who has given the Subscriber Shareholder Undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the Subscriber Shareholder pursuant to the Scheme, being in effect a straight share for share exchange of Scheme Shares (i.e. Old Verde AgriTech PLC Shares) for New Verde AgriTech PLC Shares. Old Verde AgriTech PLC will, immediately before the Scheme is effective, transfer its beneficial ownership in the one (1) existing issued ordinary share in New Verde AgriTech PLC held on trust for Old Verde AgriTech PLC to the Subscriber Shareholder.

## **4. Structure of the Scheme Proposal**

### **4.1 Introduction**

The introduction of a new parent company to the Group will be effected by means of a scheme of arrangement between the Company and the Scheme Shareholders under Part 26 of the Companies Act. The terms of the Scheme are set out in full in Part 4 of this Circular. The purpose of the Scheme is to enable New Verde AgriTech PLC to become the owner of the entire issued ordinary share capital of the Company. This is to be achieved by the transfer of the Scheme Shares held by Scheme Shareholders. Scheme Shareholders will then receive one (1) New Verde AgriTech PLC Share for each Scheme Share held by them on the basis of the Scheme Proposal save in respect of the Subscriber Shareholder who has given the Subscriber Shareholder Undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the

Subscriber Shareholder pursuant to the Scheme (as is more fully described in paragraph 3 above).

The Scheme Shares amount to all Old Verde AgriTech PLC Shares and, upon the Scheme becoming Effective, New Verde AgriTech PLC will own the entire issued ordinary share capital of the Company.

The implementation of the Scheme Proposal and the Scheme is subject to the Conditions, which are set out in Part 3 of this Circular, and which include the approval of the Scheme Proposal by Scheme Shareholders and the sanction of the Scheme by the Court.

For the Scheme to become Effective, the Scheme Resolutions implementing the Scheme must be passed by Shareholders at the Meetings.

The Scheme must be approved by a majority in number of Scheme Shareholders who represent seventy-five (75)% in value of the capital held by those Scheme Shareholders and who vote either in person or by proxy at the Court Meeting. Scheme Shareholders are entitled to attend the Scheme Court Hearing in person or to be represented by counsel.

In accordance with the expected timetable set out on page 10 of this Circular, it is expected that the last day of trading in Old Verde AgriTech PLC Shares will be 22 July 2022 and trading in New Verde AgriTech PLC will commence on the opening of trading, 25 July 2022, being the Business Day after the Effective Date.

If for any reason the Scheme does not become Effective, the transactions described above will not take effect and Scheme Shareholders will retain their existing holdings of Scheme Shares.

#### 4.2 *The Transfer of all Old Verde AgriTech PLC registered shares to a broker*

The Scheme Proposal will in the first instance give authority to Old Verde AgriTech PLC to appoint somebody on behalf of the Scheme Shareholders to transfer all registered Shares in Old Verde AgriTech PLC to a broker such that Old Verde AgriTech PLC, and following the share for share exchange, New Verde AgriTech PLC would only have shares held beneficially.

For any registered shareholders in New Verde AgriTech PLC to receive new shares in New Verde AgriTech PLC, they will:

- a) need to provide proof of identity (commonly referenced to as KYC or “Know your client”) documentation to the Company (to be approved by Accounting and Corporate Regulatory Authority in Singapore (“ACRA”), and
- b) provide their signature to, and approve the registration of, a document with ACRA showing a contribution in specie has been effected.

Beneficial Shareholders do not need to individually comply with these to the extent that they do not hold more than twenty-five (25)% of the total voting power in New Verde AgriTech PLC. It is uncertain whether all registered shareholders would:

- a) voluntarily transfer their shares to a broker; and

b) provide all the information referred to above and have the information approved,

before the Effective Date. Consequently, any such registered shareholders would not be issued shares in New Verde AgriTech PLC following the Effective Date. The transfer enables all shareholders of Old Verde AgriTech PLC to receive the New Verde AgriTech PLC Shares in a way which is simple for the registered Scheme Shareholders.

Additionally, following the redomiciliation, where the New Verde AgriTech PLC Shares held by a shareholder and evidenced in certificated form (i.e. not held in a broker or equivalent) are transferred and an instrument of transfer is executed, stamp duty is payable on the instrument of transfer of the New Verde AgriTech PLC Shares at a rate of zero point two (0.2)% of the amount of the consideration or the market value of the New Verde AgriTech PLC Shares, whichever is the higher. Every instrument chargeable with duty executed only outside Singapore may be stamped within thirty (30) days after it has first been received in Singapore. The stamp duty is borne by the purchaser unless there is an agreement to the contrary.

It has been stated by the Inland Revenue Authority of Singapore (“IRAS”) that in relation to the transfer of scripless shares, where there is no document executed for the transfer, there is no stamp duty payable. While legislation in Singapore only makes reference to scripless shares as the scripless shares of companies listed on the Singapore Exchange, Old Verde AgriTech PLC has confirmed with IRAS that this position applies to scripless shares listed on foreign stock exchanges.

The Scheme will therefore include authority in connection with the share issuance and then New Verde AgriTech PLC can nominate an individual to sign all documents necessary for the issuance of shares in Singapore on behalf of all of the transferred registered shares.

Should any registered shareholder prefer not to have their shares transferred to a broker, you may opt out by contacting the Company no more than seven (7) Business Days before the Effective Date. In order to opt out you will need to provide the necessary KYC documentation and authority to comply with ACRA’s share issue requirements five (5) Business Days before the Effective Date. As stated above, from that time any transfer of certificated New Verde AgriTech PLC shares shall be subject to stamp duty.

Alternatively, any registered shareholder who does not respond by seven (7) Business Days before the Effective Date may, following the Effective Date, make a transfer back from the broker, reinstating themselves as registered shareholders following the implementation of the Scheme. As stated above, from that time any transfer of certificated New Verde AgriTech PLC shares shall be subject to stamp duty.

#### 4.3 *The Meetings*

Before the Court’s approval can be sought to sanction the Scheme, the Scheme will require approval by the holders of Scheme Shares at the Court Meeting. The Meeting will be held

at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK.

Notices of the Court Meeting and the General Meeting are set out in Parts 9 and 10 of this Circular respectively.

All holders of Scheme Shares whose names appear on the register of members of the Company at the Voting Record Time will be entitled to attend and vote at the relevant Meeting in respect of the number of Scheme Shares respectively registered in their names at the relevant time, as further described below.

**We are also inviting Shareholders to observe the Court Meeting by joining the Zoom webinar, details of which will be provided on registration at this site: <https://bit.ly/SpecialMeetingOfShareholders-2022> and to participate by asking your questions in advance. Participants will be able to listen to the proceedings at the Court Meeting through this method regardless of their geographic location.**

Questions will be invited in advance through the following link: <https://bit.ly/SubmitQuestion-2022SpecialMeeting>. These will be answered either individually or as a grouped set of questions if they relate to the same matter.

Whether or not you vote in favour of the Scheme Resolutions to be tabled at the Meetings, if the Scheme becomes effective, all Scheme Shares will be cancelled and their holders will receive the New Verde AgriTech PLC Shares due under the terms of the Scheme Proposal.

As soon as practicable and, in any event, by no later than 17:00 EDT on the Business Day following the Meetings, Old Verde AgriTech PLC will make a public announcement stating whether or not the Scheme Resolutions were passed by the requisite majorities (and, if not, whether or not the Scheme has lapsed) and giving voting results in relation to the Meetings.

#### *The Court Meeting*

The Court Meeting, which has been convened for 09:30 EDT on 14 July 2022, is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme (with or without modification).

At the Court Meeting, voting will be by way of a poll and each Scheme Shareholder present in person or by proxy will be entitled to one (1) vote for each Scheme Share held. The approval required at the Court Meeting is a majority in number of Scheme Shareholders who represent seventy-five (75)% in value of the capital held by those Scheme Shareholders and who vote either in person or by proxy.

For the Court Meeting it is important that as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. Therefore, whether or not you intend to attend the Meetings, you are strongly urged to sign and return your Forms of Proxy for both the Court Meeting and General Meeting as soon as possible.

### *The General Meeting*

The General Meeting has been convened for 10:00 EDT on 14 July 2022 (or as soon thereafter as the Court Meeting has been concluded or adjourned), to consider and, if thought fit, pass the Special Resolutions to:

- authorise the Directors to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- approve certain amendments to the Old Verde AgriTech PLC Articles (including as referred to below);
- approve, conditional upon the Scheme becoming effective, the re-registration of Old Verde AgriTech PLC as a private limited company; and
- approve, conditional on the Scheme becoming effective, the admission of the Company's shares to trading on TSX be cancelled.

### *Amendments to the Old Verde AgriTech PLC Articles*

It is proposed that the Old Verde AgriTech PLC Articles be amended so as to ensure that any Old Verde AgriTech PLC Shares which are issued after the General Meeting but prior to the Scheme Record Time will be subject to and bound by the Scheme. Accordingly, it is also proposed that the Old Verde AgriTech PLC Articles be amended so that any Old Verde AgriTech PLC Shares issued to any person other than New Verde AgriTech PLC on or after the Scheme Record Time will automatically be acquired by New Verde AgriTech PLC in consideration for the issue by New Verde AgriTech PLC to such person of such number of New Verde AgriTech PLC Shares which would have been issued had such Old Verde AgriTech PLC Shares been Scheme Shares.

The proposed amendments to the Articles of Old Verde AgriTech PLC are set out in full in the notice of the General Meeting in Part 10 of this Circular.

### *Registered Shareholders*

Each holder of Scheme Shares who is entered in the Company's register of members at 09:00 EDT on the Voting Record Time will be entitled to attend and vote at the Court Meeting. Each holder of Old Verde AgriTech PLC Shares entered in the Company's register of members at 09:00 EDT on the Voting Record Time will be entitled to attend and vote at the *General Meeting*.

If either Meeting is adjourned, only those relevant Shareholders on the register of members at 09:00 EDT on the date which is two (2) days before the date of the adjourned meeting will be entitled to attend and vote. Such a Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. Such right may be exercised by striking out "the Chairman of the Meeting" on the form of proxy and by inserting in the blank space provided for that purpose the name of the desired person. A proxy need not be a Shareholder. However, this year you are encouraged to appoint the Chairman of the Meetings as your proxy.

A BLUE Form of Proxy for the Court Meeting and a WHITE Form of Proxy for the General Meeting are enclosed. To be valid, the BLUE Form of Proxy (in respect of the Court Meeting) must be: completed and signed; sent or delivered to the Company's registrar and Transfer Agent, TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada or faxed to (416)-595-9593; and received no later than 48h (excluding weekends and holidays) prior to the Meeting, at 09:30 EDT on 12 July 2022 or it may be handed to the Chairman of the Court Meeting before the start of the Meeting. To be valid, the WHITE Form of Proxy (in respect of the General Meeting) must be: completed and signed; sent or delivered to the Company's registrar and transfer agent, TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario M5H4H1, Canada or faxed to (416)-595-9593; and received no later than 48h (excluding weekends and holidays) prior to the Meeting, at 10:00 EDT on 12 July 2022.

Notwithstanding the above, if the BLUE Form of Proxy for the Court Meeting is not returned by the required time, it may be handed to the Chairman of the Court Meeting before the taking of the poll at the Court Meeting. However, in the case of the General Meeting, unless the WHITE Form of Proxy is returned by 10:00 EDT on 12 July 2022, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either of the Meetings if you so wish and are so entitled. Further details are set out in paragraph 13 of Part 1 of this Circular.

Whether or not you intend to attend the Court Meeting and/or the General Meeting, you are requested to complete and sign the enclosed BLUE and WHITE Forms of Proxy and return them in accordance with the instructions printed on them. If a Shareholder appoints the Chairman of the Meeting as his or her proxy, the Chairman of the Meeting will vote the Scheme Shares in respect of which he is appointed in accordance with the direction of the Shareholder appointing him. In the absence of such direction, such Scheme Shares will be voted in favour of the passing of each of the resolutions described below.

Shareholders who wish to appoint more than one (1) proxy in respect of their shareholding should contact the Transfer Agent. Such Shareholders should also read the notes on the Forms of Proxy and note the principles that will be applied in relation to multiple proxies. Shareholders should note that if they wish to appoint more than one (1) proxy they should request additional proxy forms from [www.voteproxyonline.com](http://www.voteproxyonline.com) and submit them in accordance with the instructions set out above.

#### *Beneficial Shareholders*

Beneficial Shareholders should note that only registered Shareholders or their duly appointed proxy holders are entitled to vote at the Meeting. If Scheme Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Scheme Shares will not be registered in such Shareholder's name on the records of the Company. Such Scheme Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. Scheme Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers'

clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the General Meeting.

Existing regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Scheme Shares to be represented at the General Meeting. A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Scheme Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Scheme Shares must be communicated to Broadridge well in advance of the General Meeting) in order to have the Scheme Shares voted.

This Circular and accompanying materials are being sent to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two (2) categories OBO's and NOBO's. Subject to the provision of the Canadian Securities Administrators' National Instrument 54-101, issuers may request and obtain a list of their NOBO's from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Scheme Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Scheme Shares on your behalf.

The Company's OBO's can expect to be contacted by Broadridge or their broker or their broker's agents as set out above.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Scheme Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Scheme Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Scheme Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the proxy or voting instruction card provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

#### **4.4 *Conditions to the Scheme Proposal***

In addition to the Shareholder approvals, the Scheme will also require the sanction of the Court and the satisfaction of the conditions set out in Part 3 of this Circular.

In summary, the implementation of the Scheme Proposal is conditional upon:

- approval of the Scheme by a majority in number of Scheme Shareholders who are on the register of members of the Company at the Voting Record Time, who



represent seventy-five (75)% in value of the capital held by those Scheme Shareholders and who vote either in person or by proxy at the Court Meeting; and

- the Toronto Stock Exchange approving (subject to the satisfaction of the two (2) conditions set out above) the listing of the New Verde AgriTech PLC Shares to trading on the Toronto Stock Exchange and its agreement not having been withdrawn prior to the Effective Date.

The Directors will not take the necessary steps to implement the Scheme unless the Conditions have been satisfied or waived (if capable of waiver) and, at the relevant time, they consider that it continues to be in Old Verde AgriTech PLC's and the Shareholders' best interests that the Scheme should be implemented.

#### 4.5 *Sanction of the Scheme by the Court*

Under the Companies Act, the Scheme requires the sanction of the Court. The Scheme Court Hearing is expected to be held on 14 July 2022. New Verde AgriTech PLC has confirmed that it has consented to being represented by Old Verde AgriTech PLC's counsel at the Scheme Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby.

The Scheme will become Effective in accordance with its terms on delivery of a copy of the Scheme Court Order to the Registrar of Companies.

If the Scheme becomes Effective, it will be binding on all Shareholders irrespective of whether or not, being entitled to do so, they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolutions at the General Meeting.

If the Scheme does not become Effective on or before 12 August 2022 (or such later date and time (if any) as the Company and New Verde AgriTech PLC may agree and, if appropriate, the Court may approve) the Scheme will not become Effective and the Scheme will not proceed.

#### 4.6 *Effective Date*

The Scheme will become effective upon the delivery of a copy of the Scheme Court Order as approved by the Court to the Registrar of Companies.

#### 4.7 *Modification of the Scheme*

The Scheme contains a provision for the Company and New Verde AgriTech PLC jointly to consent, on behalf of all persons affected, to any modification of, or addition to, this Scheme, as approved by the Court, or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or to impose a condition to, the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances. Similarly, if a modification, addition or condition is put forward which, in the opinion of the Directors, is of such a nature or importance that it requires the consent of Scheme

Shareholders, the Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

## **5. Reasons for the Scheme Proposal**

The reasons for the Scheme Proposal are described in paragraph 5 of the Independent Lead Director's Letter in Part 1 of this Circular.

## **6. New Verde AgriTech PLC Shares**

The New Verde AgriTech PLC Shares which Shareholders are entitled to receive under the terms of the Scheme are being ordinary shares in the capital of New Verde AgriTech PLC. A description of the rights attaching to New Verde AgriTech PLC Shares is set out in paragraph 2 of Part 6 (Information Relating to New Verde AgriTech PLC) of this Circular. The New Verde AgriTech PLC Shares to be issued pursuant to the Scheme Proposal are expected to represent 100% of the issued New Verde AgriTech PLC Shares as enlarged pursuant to the acquisition of Old Verde AgriTech PLC.

New Verde AgriTech PLC will apply for the New Verde AgriTech PLC Shares to be listed on the Toronto Stock Exchange. It is currently anticipated that admission will become effective and that dealings for normal settlement in the New Verde AgriTech PLC Shares will commence on 25 July 2022.

The one (1) existing issued ordinary share in New Verde AgriTech PLC is currently held by the Subscriber Shareholder on trust for and on behalf of Old Verde AgriTech PLC. To facilitate implementation of the Scheme Proposal the Subscriber Shareholder has, in the Subscriber Shareholder Undertaking, given an undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the Subscriber Shareholder pursuant to the Scheme. Old Verde AgriTech PLC will, immediately before the Scheme is effective, transfer its beneficial ownership in the one (1) existing issued ordinary share in New Verde AgriTech PLC held on trust for Old Verde AgriTech PLC to the Subscriber Shareholder. On completion of the Scheme the New Verde AgriTech PLC Shares to which the Subscriber Shareholder will be entitled, when aggregated with the one (1) New Verde AgriTech PLC Share currently held by him, will equal the number of Old Verde AgriTech PLC Shares held by him in advance of the implementation of these steps. In the event that the Scheme has not become effective by the Long Stop Date (or such later date as the Subscriber Shareholder, Old Verde AgriTech PLC and New Verde AgriTech PLC may agree), the one (1) existing issued New Verde AgriTech PLC Share will continue to be beneficially owned by Old Verde AgriTech PLC.

## **7. Effects of the Scheme Proposal**

The effect of full implementation of the Scheme Proposal will be as follows:

- instead of Old Verde AgriTech PLC having its ordinary share capital owned by the Shareholders, New Verde AgriTech PLC will own all of Old Verde AgriTech PLC's ordinary share capital then in issue;

- instead of owning (immediately upon the Effective Date) Old Verde AgriTech PLC Shares, each Shareholder will own the same number of New Verde AgriTech PLC Shares as the number of Old Verde AgriTech PLC Shares held by them immediately prior to the Effective Date; and
- through its controlling interest in Old Verde AgriTech PLC, New Verde AgriTech PLC will own all of the business of Old Verde AgriTech PLC.

#### **8. Information on the Group**

Information on Old Verde AgriTech PLC and its current trading and prospects is set out in paragraph 6 of the Independent Lead Director's Letter in Part 1 of this Circular.

#### **9. Information on New Verde AgriTech PLC**

Information on New Verde AgriTech PLC is set out in paragraph 9 of the Independent Lead Director's Letter in Part 1 of this Circular.

#### **10. Directors, management and employees**

Information regarding the intentions of New Verde AgriTech PLC for the management and employees of Old Verde AgriTech PLC and the views of the Directors on these are set out in paragraph 9 of the Independent Lead Director's Letter in Part 1 of this Circular.

#### **11. The effect of the Scheme on the Directors and their interests**

All directors of Old Verde AgriTech PLC (i.e. Michael Earl St Aldwyn, Getulio Fonseca, Renato Gomes, Alysson Paolinelli, Paulo Ribeiro and Cristiano Veloso) have been appointed as directors of New Verde AgriTech PLC. New Verde AgriTech PLC shall also appoint Eric Loh Kah Leong in order to comply with the applicable Singapore laws.

The effect of the Scheme on the interests of the Old Verde AgriTech PLC Directors (details of which are set out below) does not differ from its effect on the like interests of other persons. Shareholders are, however, referred to the matters described in paragraphs 2 and 3 of Part 6 of this Circular in relation to the effect on Old Verde AgriTech PLC.

Directors (in their capacity as directors) arising from the differences between the Old Verde AgriTech PLC Articles and the New Verde AgriTech PLC Constitution and the fact that New Verde AgriTech PLC is incorporated in Singapore.

Details of the Directors' interests in the Old Verde AgriTech PLC Shares and the New Verde AgriTech PLC Shares are set out in paragraph 4 of Part 7 of this Circular.

The effect of the Scheme on the interests of the Directors in their capacity as holders of Old Verde AgriTech PLC Shares will not differ from the effect of the Scheme on the interests of other holders of Old Verde AgriTech PLC Shares.

#### **12. The effect of the Scheme on the Stock Option Scheme**

Information on the effect of the Scheme on the Stock Option Scheme is set out in paragraph 10 of the Independent Lead Director's Letter in Part 1 of this Circular.

### **13. Transition of Old Verde AgriTech PLC Shares to trading on the Toronto Stock Exchange**

It is expected that the last day of trading in Old Verde AgriTech PLC Shares will be 22 July 2022 and trading in New Verde AgriTech PLC will commence on the opening of trading, 25 July 2022.

Upon the Scheme becoming Effective, Old Verde AgriTech PLC will become a wholly owned subsidiary of New Verde AgriTech PLC and each existing certificate representing a holding of Old Verde AgriTech PLC Shares shall cease to be valid for any purpose and each holder of certificates representing Old Verde AgriTech PLC Shares shall be bound at the request of the Company to deliver up the same to the Company or to any person nominated by the Company for cancellation.

It is proposed, as part of the application to the Court in connection with the Scheme, to seek an order of the Court pursuant to section 651 of the Companies Act to re-register Old Verde AgriTech PLC as a private limited company. That order would also specify the changes to the Articles of Old Verde AgriTech PLC to be made in connection with that re-registration.

### **14. Actions required by Shareholder**

On the Effective Date of the Scheme, the share register maintained by the Transfer Agent will be automatically updated to reflect the holdings of registered Shareholders in New Verde AgriTech PLC including to reflect the name of New Verde AgriTech PLC and the new CUSIP number that will be assigned to the New Verde AgriTech PLC Shares. Shareholders will not be required to take any action in this regard. Beneficial Shareholders who hold Old Verde AgriTech PLC Shares through CDS in book-entry form will have the new name and CUSIP automatically updated. Registered Shareholders who hold their Old Verde AgriTech PLC Shares in certificated form or as direct registration statements will be deemed to hold New Verde AgriTech PLC Shares reflecting the new name and new CUSIP following the Effective Date of the Scheme. Additionally, following the Effective Date of the Scheme, physical holders will be able to request an updated certificate or a direct registration statement evidencing their New Verde AgriTech PLC Shares reflecting the new name and new CUSIP.

### **15. Subscriber Shareholder Undertaking**

The Subscriber Shareholder in the Subscriber Shareholder Undertaking provided an irrevocable undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share as consideration for the acquisition of his or her Scheme Shares upon the implementation of the Scheme. The foregoing obligation shall terminate, lapse or cease to have any effect in the event that the Scheme has not become effective by the Long Stop Date (or such later date as the Subscriber Shareholder, Old Verde AgriTech PLC and New Verde AgriTech PLC may agree).

### **16. Certain Canadian Securities matters**

The New Verde AgriTech PLC Shares to be issued to Canadian residents pursuant to the Scheme will be issued pursuant to an exemption from the prospectus and registration requirements of applicable Canadian Securities Laws under Section 2.11 of National Instrument 45-106 *Prospectus Exemptions* and will generally not be subject to any resale restrictions under applicable Canadian Securities Laws, provided that the following conditions are satisfied: (a) the issuer of such shares, pursuant to Section 2.9 of National Instrument 45-102 – *Resale of Securities* (“NI 45-102”), is and has

been a reporting issuer in a jurisdiction of Canada for the four (4) months immediately preceding the trade (upon completion of the Scheme, New Verde AgriTech PLC will be deemed to have been a reporting issuer from the time that the Company became a reporting issuer, satisfying this requirement); (b) the trade is not a control distribution; (c) no unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade; (d) no extraordinary commission or consideration is paid to a person or company in respect of the trade; (e) if the selling securityholder is an insider or officer of the issuer, the selling securityholder has no reasonable grounds to believe that the issuer is in default of securities legislation (each as set out in Section 2.6(3) of NI 45-102); and (f) such holder is not a person or company engaged in or holding itself out as engaging in the business of trading securities or such trade is made in accordance with applicable dealer registration requirements or in reliance upon an exemption from such requirements. Shareholders should consult with their own financial and legal advisors with respect to any restrictions on the resale of New Verde AgriTech PLC Shares received on completion of the Scheme.

## **17. Taxation**

Your attention is drawn to Part 5 of this Circular which provides information in respect of UK, US and Canadian taxation.

**Shareholders who are in any doubt about their tax position, or who are subject to taxation in a jurisdiction outside the UK, US or Canada are strongly advised to contact an appropriate professional independent tax adviser immediately.**

## **18. Overseas shareholders**

The availability of the Scheme Proposal or the release, publication or distribution of this Circular to persons not resident in the United Kingdom may be prohibited or affected by the laws of the relevant jurisdictions. Such persons should inform themselves about, and observe any applicable requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither this Circular nor the accompanying documents are intended to, and do not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. Nothing in this Circular or the accompanying documents should be relied upon for any other purpose.

The implications of the Scheme for Overseas Shareholders may be affected by the laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

If, in respect of any Overseas Shareholders, New Verde AgriTech PLC is advised that the issue of New Verde AgriTech PLC Shares would or might infringe the laws of any jurisdiction outside the

United Kingdom, or would or might require New Verde AgriTech PLC to obtain any governmental or other consent or effect any registration, filing or other formality, the Scheme provides that New Verde AgriTech PLC may determine that no New Verde AgriTech PLC Shares shall be issued to such holder but may instead be issued to a nominee appointed by New Verde AgriTech PLC as trustee for such holder, on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New Verde AgriTech PLC Shares so issued at the best price which can reasonably be obtained and shall account for the net proceeds of such sale (after deduction of all related expenses and commissions) to the holder of such Scheme Shares. Any remittance of the net proceeds of the sale referred to in this paragraph shall be at the risk of the relevant holder. Alternatively, New Verde AgriTech PLC may determine that the New Verde AgriTech PLC Shares shall be allotted and issued to that Overseas Shareholder and sold, with the net proceeds of sale being remitted to the Overseas Shareholder at the Overseas Shareholder's risk.

This Circular has been prepared for the purpose of complying with the laws of England and Wales and the information disclosed may be different from that which would have been disclosed if this Circular had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

**All Shareholders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to, forward this Circular and its accompanying documents to any jurisdiction outside the United Kingdom, United States or Canada should seek appropriate independent professional advice before taking any action.**

#### **19. Action to be taken**

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Shareholder opinion. Your attention is drawn to pages 4 to 6 of this Circular and to paragraph 13 of the letter from the Independent Lead Director of Old Verde AgriTech PLC set out in Part 1 of this Circular, which explains the action you should take in relation to the Scheme Proposal.

#### **20. Further information**

The terms of the Scheme are set out in full in Part 4 of this Circular. Your attention is also drawn to the further information contained in this Circular which forms part of the explanatory statement pursuant to section 897 of the Companies Act. In particular, your attention is drawn to the Conditions and Further Terms of the Scheme Proposal in Part 3 and the Additional Information set out in Part 7 of this Circular.

Yours faithfully

*The Board*

## **PART 3**

### **CONDITIONS AND FURTHER TERMS OF THE SCHEME PROPOSAL**

#### **Section A: Conditions to the Scheme**

1. The implementation of the Scheme is conditional upon the following having occurred:
  - 1.1 the Toronto Stock Exchange has approved (subject to the satisfaction of Conditions 1.3 to 1.5 below) the listing of the New Verde AgriTech PLC Shares to the Toronto Stock Exchange and its agreement has not been withdrawn prior to the Effective Date;
  - 1.2 the Scheme Court Hearing being held on or before 14 July 2022 (or such later date as may be agreed by New Verde AgriTech PLC and Old Verde AgriTech PLC).
  - 1.3 the Scheme must be approved by a majority in number of Scheme Shareholders who represent seventy-five (75)% in value of the capital held by those Scheme Shareholders and who vote either in person or by proxy at the Court Meeting;
  - 1.4 all resolutions required to implement the Scheme and set out in the notice of the General Meeting being duly passed by the requisite majority at the General Meeting (or at any adjournment of such meeting) and such meeting being held on or before 14 July 2022 (or such later date as may be agreed by New Verde AgriTech PLC and Old Verde AgriTech PLC, with the consent of the Court, if required);
  - 1.5 the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to New Verde AgriTech PLC and Old Verde AgriTech PLC), and delivery for registration of a copy of the Scheme Court Order to the Registrar of Companies for registration; and
2. The Scheme shall lapse unless the Scheme become effective on or before 10:00 EDT on the Long Stop Date or such later date (if any) as New Verde AgriTech PLC and Old Verde AgriTech PLC may agree and (if required) the Court may approve.

#### **Section B: Further Terms of the Scheme Proposal**

1. The Scheme Proposal will be on the terms and will be subject, amongst other things, to the Conditions which are set out in this Circular and accompanying Forms of Proxy. In addition, the Scheme Proposal will be subject to the applicable requirements of the Toronto Stock Exchange, and the Companies Act. The Scheme and any dispute or claim arising out of or in connection with the Scheme, whether of a contractual or non-contractual matter, shall be governed by and construed in accordance with the laws of England and Wales and subject to the jurisdiction of the courts of England and Wales.
2. The Directors will not take the necessary steps to implement the Scheme unless the Conditions have been satisfied or waived (if capable of waiver) and, at the relevant time, they consider that it continues to be in Old Verde AgriTech PLC's and the Shareholders' best interests that the Scheme should be implemented.

3. The availability of the Scheme Proposal to persons not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about and observe any applicable requirements.



## PART 4

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (CHD)

CR-2022-001466

IN THE MATTER OF VERDE AGRITECH PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

### SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006) between

**VERDE AGRITECH PLC**

and

**THE HOLDERS OF SCHEME SHARES**

(as hereinafter defined)

#### Section A: PRELIMINARY

1. In this Scheme, the following expressions have the meanings stated, unless they are inconsistent with the subject or context:

<b>"Business Day"</b>	a day, other than a Saturday, Sunday or public holiday, on which banks are open for business in the City of London and that the Toronto Stock Exchange is open;
<b>"CDS"</b>	the Canadian Depository for Securities Limited;
<b>"certificated" or "in certificated form"</b>	a share which is not in uncertificated form (that is, not held in CDS);
<b>"Companies Act"</b>	the Companies Act 2006 (as amended from time to time);
<b>"Company" or "Old Verde AgriTech PLC"</b>	Verde AgriTech PLC, incorporated in England and Wales with company 05904885 registration number;
<b>"Court"</b>	the High Court of Justice, Business and Property Courts of England and Wales, Companies Court (ChD), in England and Wales;
<b>"Directors"</b>	the directors of Old Verde AgriTech PLC or the directors of New Verde AgriTech PLC, from time to time, as the context requires, whose names are set out on page 53 of

	this Circular, including a duly constituted committee thereof;
<b>“Effective”</b>	the Scheme having become effective pursuant to its terms;
<b>“Effective Date”</b>	the date on which this Scheme becomes effective in accordance with clause 9 of the Scheme;
<b>“New Verde AgriTech PLC”</b>	Verde AgriTech Ltd, incorporated in Singapore with its registered office at 105 Cecil Street, #15-02 The Octagon, Singapore, 069534;
<b>“New Verde AgriTech PLC Constitution”</b>	the constitution of New Verde AgriTech PLC at the date of this Circular;
<b>“New Verde AgriTech PLC Shares”</b>	the New Verde AgriTech PLC Shares proposed to be issued and credited as fully paid pursuant to the Scheme;
<b>“Old Verde AgriTech PLC Shares”</b>	ordinary shares of \$0.3918 each in the capital of the Company;
<b>“Overseas Shareholders”</b>	Shareholders who are resident in, or nationals or citizens of, jurisdictions outside the UK or who are nominees of, or custodians or trustees for, residents, citizens or nationals of other countries;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Scheme Court Hearing”</b>	the hearing at which the Scheme Court Order is made;
<b>“Scheme Court Order”</b>	the order of the Court granted at the Scheme Court Hearing to sanction the Scheme under Part 26 of the Companies Act;
<b>“Scheme Record Time”</b>	18:30 on the Business Day immediately after date of the Scheme Court Hearing;
<b>“Scheme Shareholders”</b>	holders of Scheme Shares;
<b>“Scheme Shares”</b>	<ul style="list-style-type: none"> <li>(i) the Old Verde AgriTech PLC Shares in issue at the date of this Circular;</li> <li>(ii) the Old Verde AgriTech PLC Shares (if any) issued after the date of this Circular and prior to the Voting Record Time; and</li> <li>(iii) the Old Verde AgriTech PLC Shares (if any) issued on or after the Voting Record Time and prior to the Scheme Record Time either on terms that the original holder or any subsequent holder thereof shall be bound by this Scheme or in respect of</li> </ul>

	<p>which the holder thereof shall have agreed in writing to be bound by this Scheme,</p> <p>in each case other than any Old Verde AgriTech PLC Shares which are registered in the name of or beneficially owned by New Verde AgriTech PLC;</p>
<b>“Scheme” or “Scheme of Arrangement”</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between the Company and the holders of Scheme Shares as set out in Part 4 of this Circular, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and New Verde AgriTech PLC;
<b>“Shareholders”</b>	the holders of Old Verde AgriTech PLC Shares from time to time;
<b>“Singapore Company Law”</b>	the Singapore Companies Act 1967 of Singapore (as amended from time to time);
<b>“Subscriber Shareholder”</b>	Felipe Paulucci;
<b>“Subscriber Shareholder Undertaking”</b>	the irrevocable undertaking provided by the Subscriber Shareholder to Old Verde AgriTech PLC and New Verde AgriTech PLC dated on or around the Effective Date;
<b>“Transfer Agent”</b>	TSX Trust Company with a registered office at 301-100 Adelaide Street, West Toronto, Ontario, Canada, M5H 4H1;
<b>“uncertificated” or “in uncertificated form”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended);
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia;
<b>“CAD\$” or “\$”</b>	Canadian dollars, the lawful currency of Canada; and
<b>“Voting Record Time”</b>	09:00 EDT on the day which is two (2) days before the date of the Court Meeting or, if the Court Meeting is adjourned, 09:00 EDT on the day which is two (2) days before the date of such adjourned meeting.
2.	References to “clauses” are to clauses of this Scheme and references to time are to Toronto time. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Summaries of the provisions of any laws

and regulations (including the Companies Act and the Singapore Company Law) contained in this Circular are of such laws and regulations as at the date of this Circular.

3. New Verde AgriTech PLC has agreed to be represented by Old Verde AgriTech PLC's counsel at the Scheme Court Hearing, to consent to the Scheme and to undertake to the Court to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme.
4. The issued share capital of Old Verde AgriTech PLC as at 31 May 2022 (being the last practicable date prior to the publication of this Circular) is 52,160,319 ordinary shares of \$0.3918 each.
5. Old Verde AgriTech PLC was incorporated in England and Wales under the Companies Act 1985 on 14 August 2006.
6. The issued share capital of New Verde AgriTech PLC as at the date of this Circular is one (1) ordinary share (with no par value).
7. New Verde AgriTech PLC was incorporated in Singapore under the Companies Act 1967 of Singapore on or around the date of this Circular.

## **Section B: THE SCHEME**

### **1. Transfer of registered Scheme Shares to a broker**

- 1.1 For the purpose of giving effect to the transfer of Scheme Shares provided for under this Scheme all registered Scheme Shareholders, other than those who have opted out of the below, shall be transferred to the Transfer Agent.
- 1.2 In the case of all registered Scheme Shareholders, Old Verde AgriTech PLC shall appoint and authorize any director of Old Verde AgriTech PLC to execute or effect on behalf of all such registered Scheme Shareholders an instrument and/or instruction of transfer of all the Shares held by such registered Scheme Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant registered Scheme Shareholders;
- 1.3 Old Verde AgriTech PLC undertakes to indemnify the Old Verde AgriTech PLC director against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) which they sustain or incur in connection with any action taken in good faith pursuant to this power of attorney (including any cost incurred in enforcing this indemnity). However, the indemnity shall not cover the Old Verde AgriTech PLC director if and to the extent a claim under it results from the negligence or willful misconduct of the Old Verde AgriTech PLC director.
- 1.4 This appointment shall expire on the Long Stop Date.

## **2. Transfer of Scheme Shares to New Verde AgriTech PLC**

- 2.1 Upon and with effect from the Effective Date, New Verde AgriTech PLC and/or its nominee(s) shall acquire all of the Scheme Shares with full title guarantee, fully paid and free from all encumbrances and together with all rights now or attaching or accruing to them after the date of this Circular, including (without limitation) voting rights and the right to receive and retain in full all dividends and other distributions (if any), and any other return of capital (whether by way of reduction of share capital or share premium account or otherwise), declared, made or paid on or after the date of this Circular in respect of the Scheme Shares.
- 2.2 For the purposes of such acquisition, the Scheme Shares shall be transferred to New Verde AgriTech PLC and/or its nominee(s) by means of a form of transfer or other instrument or instruction of transfer, or by means of CDS and, to give effect to such transfers, any person may be appointed by New Verde AgriTech PLC as attorney and/or agent and/or otherwise and is hereby authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Scheme Shareholder to execute and deliver as transferor an instrument of transfer of, or give any instructions to transfer (by deed or otherwise), or to procure the transfer by means of CDS of any Scheme Shares and every instrument or instruction of transfer so executed or instruction given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred. Such instrument or instruction of transfer shall be deemed to be the principal instrument of transfer.
- 2.3 Pending the registration of New Verde AgriTech PLC or its nominee(s) as the holder of any Scheme Share to be transferred pursuant to Clause 2.2 of this Scheme, upon and with effect from the Effective Date, each Scheme Shareholder irrevocably appoints New Verde AgriTech PLC (and/or its nominee(s)) as its attorney or, failing that, agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares, and any or all rights and privileges attaching to the Scheme Shares, to sign any consent to short notice of any general or separate class meetings, to execute on their behalf a form of proxy in respect of their Scheme Shares appointing any person nominated by New Verde AgriTech PLC to attend any general and separate class meetings of the Company and authorises the Company to send to New Verde AgriTech PLC and/or its nominee(s) any notice, circular, warrant or other document or communication which may be sent to it as a member of the Company, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.
- 2.4 The Company shall register, or procure the registration of, any transfer(s) of Scheme Shares effected in accordance with Clause 2.1 and Clause 2.2 of this Scheme.

## **3. Consideration for the Scheme Shares**

- 3.1 In consideration for the transfer of the Scheme Shares to New Verde AgriTech PLC as provided for in Clause 2 of this Scheme, New Verde AgriTech PLC shall contingently upon this Scheme taking effect (and subject as provided below) allot and issue to each holder of

Scheme Shares (as appearing in the register of members of the Company at the Scheme Record Time):

**for each Scheme Share one (1) New Verde AgriTech PLC Share**

save in respect of the Subscriber Shareholder who has given the Subscriber Shareholder Undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the Subscriber Shareholder pursuant to the Scheme.

- 3.2 If any dividend or other distribution or return of capital in respect of the Old Verde AgriTech PLC Shares is declared, paid or made on or after the date of this Circular and prior to the Effective Date, New Verde AgriTech PLC reserves the right to reduce the amount of consideration payable for each Old Verde AgriTech PLC Share by the amount per Old Verde AgriTech PLC Share of such dividend, distribution and/or return of capital so declared, paid or made.
- 3.3 If New Verde AgriTech PLC reduces the consideration in accordance with Clause 3.2, the exercise of such rights shall be the subject of an announcement, and shall not constitute a revision or variation of the terms of this Scheme.
- 3.4 To the extent that any dividend and/or distribution and/or return of capital is declared, made or paid or is payable and it is: (a) transferred pursuant to this Scheme on a basis which entitles New Verde AgriTech PLC to receive and retain it; or (b) cancelled in full prior to payment, the consideration to be delivered by New Verde AgriTech PLC under this Scheme will not be subject to reduction in accordance with Clause 3.2.

**4. Settlement**

- 4.1 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, New Verde AgriTech PLC shall satisfy the consideration due to Scheme Shareholders pursuant to Clause 3 as follows:

(a) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, procure that the New Verde AgriTech PLC Shares to which such Scheme Shareholder is entitled will be issued in certificated form. Definitive certificates for New Verde AgriTech PLC Shares will be despatched by first class post to the address appearing in the register of members of Old Verde AgriTech PLC at the Scheme Record Time or, in the case of joint holders, to the holder whose name stands first in that register in respect of the joint holding concerned. Definitive certificates will be despatched not later than the fourteenth day following the Effective Date. The issue of any such share certificate referred to in this clause shall be a complete discharge for the value represented thereby; and

(b) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, New Verde AgriTech PLC will procure that Scheme Shareholders will be issued with any New Verde AgriTech PLC Shares to which he or she is entitled through CDS. New Verde AgriTech PLC will procure that the Transfer Agent and/or Broadridge is instructed to credit the appropriate stock account in CDS of the relevant holder with such holder's

entitlement to such New Verde AgriTech PLC Shares on the Business Day after the Effective Date. The crediting of such account shall be a complete discharge of New Verde AgriTech PLC's obligations under this Scheme with reference to payments through CDS. New Verde AgriTech PLC reserves the right, however, to settle all or any part of the said consideration referred to in this Clause 4.1(b) for all and any Scheme Shareholders in the manner set out in Clause 4.1(a) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 4.1(b). The Transfer Agent will also be instructed to cancel the entitlements to Scheme Shares held in uncertificated form and which are cancelled as part of the Scheme.

- 4.2 All deliveries of notices, documents of title, cheques or certificates required to be made pursuant to this Scheme shall be effected by sending the same by first class post (or, if overseas, international standard post or such other method) in envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company at the Scheme Record Time or, in the case of joint holders, at the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time and none of New Verde AgriTech PLC, the Company or their respective nominees or agents shall be responsible for any loss or delay in the transmission or delivery of any notices, documents of title, cheques or certificates sent in accordance with this Clause 4.2 which shall be sent at the risk of the person or persons entitled thereto.
- 4.3 Settlement of the consideration payable to Scheme Shareholders under this Scheme shall, be implemented in full without regard to any lien, right of set-off, counterclaim or other analogous right to which New Verde AgriTech PLC may otherwise be, or claim to be, entitled against such Scheme Shareholder.
- 4.4 The provisions of this Clause 4 shall be subject to any condition or prohibition imposed by law.

## **5. Allotment and issue of New Verde AgriTech PLC Shares**

- 5.1 The New Verde AgriTech PLC Shares to be issued pursuant to Clause 3 of this Scheme shall rank *pari passu* in all respects with the New Verde AgriTech PLC Shares in issue at the time the New Verde AgriTech PLC Shares are issued, and shall include the right to receive and retain dividends and other distributions (if any), announced, declared, made or paid by reference to a record date falling on or after the Effective Date.
- 5.2 Immediately after the Scheme becomes Effective, New Verde AgriTech PLC shall make all such allotments of and shall issue such New Verde AgriTech PLC Shares as are required to be issued to give effect to this Scheme to the persons respectively entitled thereto, such consideration to be settled as set out in Clause 4 of this Scheme, but subject to Clause 6 of this Scheme.

## **6. Overseas Shareholders**

- 6.1 The provisions of Clause 3 and 4 of this Scheme shall be subject to any prohibition or condition imposed by law.

6.2 Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholder, New Verde AgriTech PLC reasonably believes or is advised that the allotment and/or issue of New Verde AgriTech PLC Shares pursuant to Clause 3 of this Scheme would or might infringe the laws of such jurisdiction or would require New Verde AgriTech PLC to observe any governmental or other consent or any registration, filing or other formality, with which New Verde AgriTech PLC is unable to comply or which New Verde AgriTech PLC regards as unduly onerous to comply with, New Verde AgriTech PLC may, in its sole discretion, shall determine that either:

(a) the New Verde AgriTech PLC Shares shall not be allotted and/or issued to such Overseas Shareholder under Clause 4 of this Scheme but shall instead be allotted and issued to a nominee appointed by New Verde AgriTech PLC as trustee for such holder on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New Verde AgriTech PLC Shares so allotted and issued at the best price which can reasonably be obtained at the time of sale and account for the net proceeds of such sale (after the deduction of all expenses and commissions, including any amounts in respect of tax payable thereon) by sending a cheque or creating a CDS assured payment obligation in accordance with the provisions of Clauses 6.3 or 6.4 of this Scheme (as applicable). In the absence of bad faith or wilful default, neither of New Verde AgriTech PLC or any nominee shall have any liability for any loss or damage arising as a result of the timing or terms of such sale; or

(b) the New Verde AgriTech PLC Shares shall be sold, in which event the New Verde AgriTech PLC Shares shall be allotted and/or issued to such holder and New Verde AgriTech PLC shall appoint a person to act pursuant to this Clause 6.2(b) and such person shall be authorised on behalf of such holder to procure that any shares in respect of which New Verde AgriTech PLC has made such determination shall as soon as practicable following the Effective Date be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions, including any amounts in respect of tax payable thereon) shall be paid to such holder by sending a cheque or creating an assured payment obligation in accordance with the provisions of Clauses 6.3 or 6.4 of this Scheme (as applicable). To give effect to any such sale, the person so appointed shall be authorised on behalf of such holder to execute and deliver a form of transfer and to give such instructions and to do all other things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or willful default, neither of New Verde AgriTech PLC or the person so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.

6.3 In the case of Scheme Shares to be sold in accordance with Clause 6.2 of this Scheme which are in uncertificated form at the Scheme Record Time, New Verde AgriTech PLC shall on behalf of the nominee or person appointed pursuant to Clause 6.2 of this Scheme make any cash payment pursuant to Clause 6.2 of this Scheme by instructing the Transfer Agent, or procuring that the Transfer Agent is instructed, to create an assured payment obligation in favour of the payment bank of the Scheme Shareholders of such Scheme Shares in accordance with CDS assured payment arrangements provided that New Verde AgriTech



PLC may (if, for reasons outside its control, it is not able to effect settlement in accordance with this Clause 6.3) determine that all or part of such consideration shall be paid by cheque, in which case Clause 6.4 of this Scheme shall apply, to the extent appropriate.

- 6.4 In the case of Scheme Shares to be sold in accordance with Clause 6.2 of this Scheme which are in certificated form at the Scheme Record Time, New Verde AgriTech PLC shall on behalf of the nominee or person appointed pursuant to Clause 6.2 of this Scheme make any cash payment pursuant to Clause 6.2 of this Scheme by despatching, or procuring the despatch, to the Scheme Shareholder, or as the Scheme Shareholder may direct, cheques by post no later than 14 days after the Effective Date.

## **7. Share certificates and cancellation of entitlements**

- 7.1 Pending the despatch of certificates for New Verde AgriTech PLC Shares, temporary documents of title will not be issued and transfers of New Verde AgriTech PLC Shares in certificated form will be certified against the register of New Verde AgriTech PLC. Every holder of Scheme Shares in certificated form will be bound at the request of Old Verde AgriTech PLC to deliver up to Old Verde AgriTech PLC the existing certificate(s) for cancellation or to destroy the certificate(s).

- 7.2 With effect from and including the Effective Date:

- 7.2.1 all certificates representing Scheme Shares shall cease to have effect as documents of title or to be valid for any purpose and each holder of Scheme Shares shall be bound at the request of the Company to deliver up the same to the Company or to any person nominated by the Company for the destruction of the same; and
- 7.2.2 in respect of those Scheme Shareholders holding Scheme Shares in uncertificated form, the Transfer Agent shall be instructed to cancel such holders' entitlements to such Scheme Shares.

- 7.3 As regards the Scheme Shares, appropriate entries will be made in Old Verde AgriTech PLC's register of members with effect from the Effective Date to reflect their transfers.

## **8. Mandates**

- 8.1 All mandates relating to the payment of any dividends on any Scheme Shares and other instructions given to Old Verde AgriTech PLC by Scheme Shareholders in force at the Scheme Record Time relating to holdings of Old Verde AgriTech PLC Shares will, unless amended or revoked, be deemed as from the Effective Date to be an effective mandate or instruction to New Verde AgriTech PLC in respect of the corresponding New Verde AgriTech PLC Shares to be issued pursuant to this Scheme.

## **9. The Effective Date**

- 9.1 This Scheme shall become effective in accordance with its terms as soon as a copy of the Scheme Court Order sanctioning this Scheme shall have been delivered to the Registrar of Companies.

9.2 Unless this Scheme shall become effective on or before the Long Stop Date (or such later date, if any as New Verde AgriTech PLC and the Company may agree and the Court may allow), this Scheme shall never become effective.

**10. Modification**

10.1 New Verde AgriTech PLC and the Company may jointly consent, on behalf of all persons affected, to any modification of, or addition to, this Scheme or to any condition approved or imposed by the Court.

**11. Governing law**

11.1 This Scheme is governed by the laws of England and Wales and is subject to the jurisdiction of the English Courts.

Dated: 14 June 2022

## PART 5

### TAXATION

#### Section A: UK Taxation

The following information is intended only as a general guide to current UK tax legislation and published HMRC practice as it applies to Shareholders disposing of Old Verde AgriTech PLC Shares. It is intended only for Shareholders who are resident in the UK for tax purposes and who hold Old Verde AgriTech PLC Shares beneficially as investments. The comments do not address the position of certain classes of shareholder such as dealers in securities.

This section is not intended, and shall not be construed to be, legal or taxation advice to any particular Shareholder. Any Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than the United Kingdom, should consult their professional adviser.

#### 1. UK taxation of chargeable gains

Liability to UK taxation of chargeable gains will depend on the individual circumstances of Scheme Shareholders.

##### *Acquisition of New Verde AgriTech PLC Shares*

A Scheme Shareholder who, together with persons connected with them, does not hold more than five (5)% of, or of any class of, shares in or debentures of, the Company should not be treated as having made a disposal of their Scheme Shares for the purposes of UK taxation of chargeable gains to the extent that he receives New Verde AgriTech PLC Shares in exchange for his or her Scheme Shares under the Scheme. Instead, the New Verde AgriTech PLC Shares will be treated as the same asset as his or her Scheme Shares, acquired at the same time as his or her Scheme Shares.

Any Scheme Shareholder who, either alone or together with persons connected with them, holds more than five (5)% of, or of any class of, shares in or debentures of the Company, is advised that clearance has been received from HM Revenue & Customs under section 138 of the Taxation of Chargeable Gains Act 1992 in respect of the Scheme. Any shareholder will be treated in the manner described in the preceding paragraph.

##### *Transactions in Securities*

Shareholders should note that Old Verde AgriTech PLC has been advised that the Shareholders should not be served with a counteraction notice under the transactions in securities rules in sections 682 *et seq.* of the Income Tax Act 2007 by reference to the Scheme. Clearance has been granted by HMRC under section 701 of the Income Tax Act 2007 in relation to the Scheme.

##### *Disposal of New Verde AgriTech PLC Shares*

A subsequent disposal of the New Verde AgriTech PLC Shares by an individual who is resident in the UK may, depending on individual circumstances, give rise to a liability to UK taxation of chargeable gains and, accordingly, any gain deferred on approval of the Scheme may, on such disposal, become chargeable to taxation. Any gain accruing to a corporate New Verde AgriTech

PLC shareholder from a disposal of New Verde AgriTech PLC Shares will be included in such shareholder's profits chargeable to corporation tax and taxed at the appropriate rate.

Any gain accruing to an individual will be taxed at the appropriate rate of capital gains tax. The principal factors which will determine the amount of capital gains tax payable by an individual are the level of the annual allowance of tax-free capital gains in the tax year in which the disposal takes places.

A subsequent disposal of New Verde AgriTech PLC Shares by a New Verde AgriTech PLC shareholder who is an individual not resident in the UK for tax purposes but who carries on a trade, profession or vocation in the UK through a branch, agency or permanent establishment and has used, held or acquired the New Verde AgriTech PLC Shares for the purposes of such trade, profession or vocation or such branch, agency or permanent establishment may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK taxation on chargeable gains.

An individual New Verde AgriTech PLC shareholder who ceases to be resident (for tax purposes) in the UK or falls to be regarded as resident in a territory outside the UK for the purposes of double taxation relief arrangements for a temporary period and who disposes of the shares during that period may be liable on that shareholder's return to the UK to tax on any chargeable gains realised on the disposal (subject to any available exemption or relief).

On the basis that any New Verde AgriTech PLC shareholder was able to "roll over" any chargeable gains or allowable loss which would otherwise have arisen on the disposal of such holder's Old Verde AgriTech PLC Shares on implementation of the Scheme (as set out above), any chargeable gains or allowable loss on the disposal of New Verde AgriTech PLC Shares should be calculated taking into account the original date of the acquisition and allowable original cost to the Old Verde AgriTech PLC shareholder of acquiring the Old Verde AgriTech PLC Shares from which the New Verde AgriTech PLC Shares are derived.

In general, any chargeable gain or allowable loss on a disposal of New Verde AgriTech PLC Shares will be calculated by reference to the consideration received for the disposal of the New Verde AgriTech PLC Shares less the allowable cost to the shareholder of acquiring such New Verde AgriTech PLC Shares (which will be equal to the allowable cost of acquiring the Old Verde AgriTech PLC Shares).

It should be noted that the amount of any capital gain will be calculated using the pound sterling value of acquisition cost and disposal proceeds, such that foreign currency movements could affect the amount of any gain.

Indexation allowance may be available to reduce any chargeable gain arising (but not to create or increase any allowable loss) to Scheme Shareholders within the charge to corporation tax.

## **2. Tax on dividends on New Verde AgriTech PLC Shares**

A UK resident individual shareholder who receives a dividend from New Verde AgriTech PLC will be subject to UK income tax at rates based on their respective income tax bands for amounts exceeding the annual dividend allowance (being £2,000 for the tax year 2022/2023).

Dividends received by UK companies resident in the UK for UK Corporation Tax purposes are generally exempt from UK corporation tax, but this should be considered on a case-by-case basis.

Persons and companies that are not resident in the UK should consult their own tax advisors.

### **3. Inheritance tax**

If any Shareholder is regarded as domiciled in the UK for inheritance tax purposes, UK inheritance tax may be payable in respect of the Old Verde AgriTech PLC or New Verde AgriTech PLC shares on the death of the shareholder or on any gift of the shares, subject to available exemptions and reliefs.

The UK inheritance tax position of a Shareholder receiving New Verde AgriTech PLC Shares under the Scheme should not be affected by the Scheme.

### **4. Stamp duty**

No UK stamp duty or stamp duty reserve tax will generally be payable by the Shareholders as a result of accepting the Scheme Proposal.

Following the Scheme becoming Effective, there will be no stamp duty payable in respect of the issuance and holding of New Verde AgriTech PLC Shares.

Where New Verde AgriTech PLC Shares evidenced in certificated form are transferred and an instrument of transfer is executed, stamp duty is payable on the instrument of transfer of the New Verde AgriTech PLC Shares at a rate of zero point two (0.2)% of the amount of the consideration or the market value of the New Verde AgriTech PLC Shares, whichever is the higher. Every instrument chargeable with duty executed only outside Singapore may be stamped within thirty (30) days after it has first been received in Singapore. The stamp duty is borne by the purchaser unless there is an agreement to the contrary.

Where New Verde AgriTech PLC Shares deposited with CDS are transferred under the book entry system, the electronic records evidencing the transactions may be regarded as electronic instruments of transfer and may be subject to Singapore stamp duty if such electronic records are received in Singapore. It has been stated by the Inland Revenue Authority of Singapore (“IRAS”) that in relation to the transfer of scripless shares, where there is no document executed for the transfer, there is no stamp duty payable. While legislation in Singapore only makes reference to scripless shares as the scripless shares of companies listed on the Singapore Exchange, Old Verde AgriTech PLC has confirmed with IRAS that this position applies to scripless shares listed on foreign stock exchanges.

As provided in paragraph 4.2 of Part 2 to this Circular, it is envisaged that immediately upon the Scheme becoming Effective, all New Verde AgriTech PLC Shares will be deposited with CDS and therefore transferred under the book entry system.

## **Section B: CANADIAN TAXATION**

The following information is intended only as a general guide to current Canadian income tax legislation as it applies to Shareholders disposing of Old Verde AgriTech PLC Shares. It is intended only for Shareholders who are resident and, in the case of individuals, resident, deemed resident, or factually resident in Canada for tax purposes (“**Canadian Residents**”) and who hold Old Verde AgriTech PLC Shares beneficially as capital property. The comments do not address the position of certain classes of shareholder such as dealers in securities. These comments only apply to shareholders who hold less than five (5)% of the shares in Old Verde AgriTech PLC or New Verde AgriTech PLC.

This section is not intended, and shall not be construed to be, legal or taxation advice to any particular Shareholder. Any Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than Canada should consult their professional adviser.

### **1. Share Exchange**

Canadian Residents should be entitled to a tax-deferred rollover of Old Verde AgriTech PLC Shares for New Verde AgriTech PLC Shares in accordance with Canadian tax rules regarding non-Canadian resident corporation share for non-Canadian resident corporation share exchanges, provided the fair market value of shares received equals that of the shares disposed.

Where the rollover provisions apply, the adjusted cost base of a Canadian Resident’s New Verde AgriTech PLC Shares will equal the adjusted cost base of the Old Verde AgriTech PLC Shares disposed.

Any accrued capital gains on a Canadian Resident’s Old Verde AgriTech PLC Shares will be deferred until such time as the New Verde AgriTech PLC Shares are disposed of.

### **2. Taxation of Subsequent Sales of New Verde AgriTech PLC Shares**

Provided a Canadian Resident’s New Verde AgriTech PLC Shares are still capital property, at the time of a fair market value disposition, the difference between the Canadian Resident’s adjusted cost base and proceeds received will be a capital gain subject to tax. Currently, only fifty (50)% of a capital gain is subject to taxation in Canada.

### **3. Dividends Received from New Verde AgriTech PLC Shares**

New Verde AgriTech PLC is a non-resident corporation for Canadian income tax purposes. Any dividends received by Canadian Residents from New Verde AgriTech PLC will be taxed as ordinary income and will not benefit from favourable dividend tax rates otherwise available to Canadian Residents who are individuals.

## Section C: US TAXATION

The following information is intended only as a general guide to current tax legislation as it applies to Shareholders disposing of Old Verde AgriTech PLC Shares. It is intended only for Shareholders who are resident and, in the case of individuals, ordinarily resident in the US for tax purposes and who hold Old Verde AgriTech PLC Shares beneficially as investments.

This section is not intended, and shall not be construed to be, legal or taxation advice to any Shareholder. Any Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than the US, should consult their professional adviser.

### Acquisition of New Verde AgriTech PLC Shares

To avoid recognition of taxable gain by US Shareholders on the transfer of Old Verde AgriTech PLC shares in exchange for New Verde AgriTech PLC shares, there must be either a tax-free exchange or a tax-free reorganization as defined in the US Internal Revenue Code (“IRC”). The requirements for these two (2) tax-free transactions are set forth in IRC Sections 351 and 367 and IRC Section 368(a)(1)(B).

#### IRC Sections 351 and 367 (Tax-Free Exchange)

##### *IRC Section 351*

1. In general, a gain or loss is not recognized when the transferor(s) (Shareholders) exchange property, in this case the stock of Old Verde AgriTech, for stock of a corporation i.e., New Verde AgriTech PLC stock provided that New Verde AgriTech PLC is controlled by the transferor(s) (Shareholders) immediately after the exchange. The following sets forth the specific requirements of this tax-free exchange:
2. There must be a transfer of property: property is not defined in the IRC or US Treasury Regulations, but cases and IRS rulings include stock as property. Note that property does not include services, debt of the transferee corporation not evidenced by a security or interest on debt of the transferee corporation accrued during the transferor's holding period for the debt.
3. There is a bona fide transfer: ownership must be transferred to the transferee i.e., New Verde AgriTech PLC. This generally requires a physical transfer of property, i.e., the Old Verde AgriTech stock or some executed documentation assigning the property.
4. The transfers are made by one (1) or more “persons”: persons include individuals, corporations (whether newly created or already in existence), and unincorporated entities such as partnerships, associations, limited liability companies, trusts and estates. Note that a single-member limited liability company is not a person if it does not elect to be treated as a corporation. Also, a limited liability company with two (2) members, one (1) of which has no economic interest in the limited liability company, may be disregarded for federal income tax purposes and thus, not considered a person.
5. The transferors have or obtain control of New Verde AgriTech PLC: control is defined in IRC Section 368(c) as “the ownership of stock possessing at least 80 percent of the total

combined voting power of all classes of stock entitled to vote and at least 80 percent of the total number of shares of all other classes of stock of the corporation.” Therefore, control is based on the voting power and number of the transferee corporation's shares held by transferors, not the value of such shares. Further note that:

- (a) with respect to voting stock, eighty (80)% ownership of all of the voting shares, with all voting classes combined as a group; and
- (b) with respect to nonvoting stock, eighty (80)% ownership of each class of such stock, with each class considered separately.

Multiple transferors are regarded as a single control group because the control test is applied on an aggregate, not a separate, transferor basis. If more than one (1) transferor is considered as part of the control group, the interests that the transferors hold in the transferee corporation immediately after the transfer are aggregated with the other transferors to determine if the group has the requisite control of the transferee corporation i.e., New Verde AgriTech PLC. The IRS generally requires an explanation if, under the agreement, the transfers will not occur on approximately the same date. Simultaneous transfers are the safest way to proceed if transferors of property to a corporation desire to be considered as a single group.

6. The transferors control the transferee corporation immediately after the exchange: Treasury Regulation Section 1.351-1(a)(1) states that the phrase “immediately after the exchange” does not require a simultaneous exchange between two (2) or more persons and may include a situation where the rights of the parties have been previously defined, and the execution of the agreement proceeds with an expedition consistent with orderly procedure.
7. Control must be obtained pursuant to an “exchange”: the transfer to the controlled corporation must be in *exchange* for stock of the transferee.
8. The exchange is solely for common stock and/or preferred stock (other than nonqualified preferred stock) of the transferee corporation. If a shareholder receives money or property other than stock in the exchange, gain will be realized to the extent of the fair market value of the cash, securities or other property received by the shareholder from the company.

Although it is not required by the IRC, courts and the IRS have required that the exchange be undertaken for commercial purposes.

#### *IRC Section 367*

If, in connection with any exchange described in IRC Section 351, a US person transfers property to a foreign corporation, that foreign corporation shall not, for purposes of determining the extent to which gain shall be recognised on such transfer, be considered to be a corporation. Corporate status, for US tax purposes, of the foreign transferee is a prerequisite to obtaining nonrecognition treatment, the outbound transfer of property, which would otherwise qualify for nonrecognition treatment, is treated as a taxable exchange and the U.S. transferor is subject to a so-called “toll charge” on the transfer — current gain recognition.



There are several exceptions for stock or security transfers whereby the gain is not recognized. One (1) such exception applies to transfers of foreign stock or securities. A U.S. person that transfers stock or securities of a foreign corporation to a foreign corporation in an exchange that would “otherwise” be subject to IRC Section 367(a)(1) is nevertheless not subject to current gain recognition in two (2) circumstances:

1. ***Less than five (5)% shareholder.*** If a U.S. person owns less than five (5)% of both the total voting power and the total value of the stock of the transferee foreign corporation immediately after the transfer (applying the attribution rules of IRC Section 318) then such person is not subject to IRC Section 367(a)(1). Treas. Reg. §1.367(a)-3(b)(1)(i).
2. ***At least five (5)% shareholder and GRA.*** If a U.S. person owns five (5)% or more of both the total voting power and the total value of the stock of the transferee foreign corporation immediately after the transfer (applying the attribution rules of IRC Section 318), then such person can only avoid current gain recognition by entering into a gain recognition agreement (GRA). In a GRA, a U.S. transferor agrees to recognize the gain realized but not recognized in the initial transfer if a specified gain recognition event (a triggering event) occurs within a five (5)-year period after the transfer and no exception to gain recognition applies with respect to such triggering event (a triggering event exception). Treas. Reg. § 1.367(a)-3(b)(1)(ii).

*IRC Section 368(a)(1)(B) (Tax-Free Reorganization)*

A “B” Reorganisation occurs when there is an acquisition, in this case by New Verde AgriTech PLC, of stock of Old Verde AgriTech in exchange solely for voting stock of New Verde AgriTech PLC, if, immediately after the exchange, New Verde AgriTech PLC holds stock in Old Verde AgriTech representing control of Old Verde AgriTech. B Reorganizations can be accomplished by a direct exchange of stock by the shareholders.

The following provides more details on the specific requirements of a B Reorganization:

- The “immediately after” requirement: this generally means that a pre-existing commitment by the shareholders of Old Verde AgriTech to dispose of their shares to New Verde AgriTech PLC exists.
- Solely-for-voting-stock requirement: there must be absolute compliance with this requirement. The existence of nonstock consideration will make at-least a portion of the reorganization taxable. The Old Verde AgriTech PLC shareholders will exchange their shares for shares in New Verde AgriTech PLC so there will be no cash element.
- Control requirement: the IRC Section 368(c) definition of control also applies to a B reorganization. See above for detailed information of the control requirements. However, in a B reorganization, the requirement of obtaining control of each class of

nonvoting stock means that New Verde AgriTech PLC must acquire stock that may be insignificant relative to the overall value of Old Verde AgriTech PLC outstanding stock.

- New Verde AgriTech PLC must still satisfy the continuity of business enterprise (COBE requirements). This should be the case because New Verde AgriTech PLC will act as the new holding company of the group, which was the business of Old Verde AgriTech PLC.

Note that if a B Reorganization fails to qualify as any type of tax-free reorganization, the transaction is treated as a taxable exchange.

**Part 5 of this Circular is not intended to be, and should not be construed to be, legal or taxation advice to any particular Scheme Shareholder. Any Scheme Shareholder who has any doubt about his own taxation position, or who is subject to taxation in any jurisdiction other than the UK, US and Canada should consult his or her professional taxation advisor immediately.**

## PART 6

### INFORMATION RELATING TO NEW VERDE AGRITECH PLC

#### 1. New Verde AgriTech PLC Constitution

Following the Scheme becoming Effective, Scheme Shareholders, upon becoming shareholders of New Verde AgriTech PLC, will be bound by the New Verde AgriTech PLC Constitution. Many of the principal attributes of Old Verde AgriTech PLC Shares and New Verde AgriTech PLC Shares will be similar. However, there are differences between shareholders' rights under the Companies Act and under Singapore Company Law.

In addition, there are differences between the Old Verde AgriTech PLC Articles and the New Verde AgriTech PLC Constitution. These differences relate to changes that are:

- required by and/or desirable under Singapore Company Law (e.g. certain provisions of the Old Verde AgriTech PLC Articles were not replicated in the New Verde AgriTech PLC Constitution because Singapore Company Law does not permit such replication, and certain provisions were included in the New Verde AgriTech PLC Constitution although they were not in the Old Verde AgriTech PLC Articles because Singapore Company Law requires such provisions to be included or to provide for provisions customarily provided in respect of Singapore public companies); and
- necessary in order to preserve the current rights of Scheme Shareholders and powers of the Board following the Scheme being Effective.

Where appropriate and subject to compliance with Singapore Company Law, provisions have been incorporated into the New Verde AgriTech PLC Constitution to maintain, to the extent possible, substantially the same rights enjoyed by Scheme Shareholders at present.

A summary of the key provisions under the New Verde AgriTech PLC Constitution is set out in paragraph 2 below. A summary of the principal differences in shareholders' rights resulting from the Scheme is set out in paragraph 3 below. This summary does not cover all of the differences between English and Singapore law affecting companies and their shareholders or all the differences between the New Verde AgriTech PLC Constitution and the Old Verde AgriTech PLC Articles. The summary is also subject to the complete text of the relevant provisions of the Companies Act, the Singapore Company Law, the Old Verde AgriTech PLC Articles and the New Verde AgriTech PLC Constitution. Scheme Shareholders are encouraged to read those laws and documents carefully, which are available for inspection as described in paragraph 7 of Part 7.

#### 2. Summary of the New Verde AgriTech PLC Constitution

The New Verde AgriTech PLC Constitution contains, amongst other things, provisions to the following effect:

##### 2.1 *Shares Generally:*

The holders of New Verde AgriTech PLC Shares shall have the following rights:

- 2.1.1 *Dividends:* Holders of New Verde AgriTech PLC Shares are entitled to receive, and participate in, any dividends or other distributions resolved to be distributed in respect of any accounting period or other period, provided that no calls or other sums due by them to New Verde AgriTech PLC are outstanding.
- 2.1.2 *Winding Up:* On a winding up, the holders of New Verde AgriTech PLC Shares shall be entitled to the surplus assets remaining after payment of all the creditors of New Verde AgriTech PLC and of claims of any holders of shares in New Verde AgriTech PLC, having attached thereto any special rights in regard to the repayment of capital.
- 2.1.3 *Voting:* Subject to any rights or restrictions attached to any New Verde AgriTech PLC Shares, at a General Meeting of New Verde AgriTech PLC, on a show of hands, every holder of voting New Verde AgriTech PLC Shares present in person or by proxy or by attorney and entitled to vote shall have one (1) vote, and on a poll every holder of voting New Verde AgriTech PLC Shares present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each New Verde AgriTech PLC Share held by him, but this entitlement shall be subject to the conditions with respect to any special voting powers or restrictions for the time being attached to any New Verde AgriTech PLC Shares which may be subject to special conditions. Where there are joint registered holders of any New Verde AgriTech PLC Share, any one (1) of such persons may vote at any meeting whether in person or by proxy in respect of such New Verde AgriTech PLC Share as if it were solely entitled thereto and if more than one (1) of such joint shareholders are present at any meeting personally or by proxy, the person whose name stands first on the register of members of New Verde AgriTech PLC shall alone be entitled to vote.

Pursuant to Singapore Company Law, a written resolution to which the requisite majority of New Verde AgriTech PLC shareholders entitled to vote on the circulation date of such written resolution have, within twenty-eight (28) days of the date of circulation of such written resolution, signified their agreement shall be as effective as if the same had been duly passed at a general meeting.

Any corporation or limited liability partnership which is a New Verde AgriTech PLC shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of New Verde AgriTech PLC or of any class of New Verde AgriTech PLC shareholders, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation or limited liability partnership which he represents as that corporation or limited liability partnership would exercise if it were personally present at the meeting.

## 2.2 *Variation of Rights:*

All or any of the rights at the relevant time attached to any class or group of shares may only be varied with the consent in writing of the holders of not less than seventy-five (75)%.

in value of the issued shares of the class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the relevant class. The provisions of the New Verde AgriTech PLC Constitution relating to general meetings apply with the necessary modifications to every separate general meeting of the holders of the shares of the class except that: (i) the necessary quorum is at least two (2) persons holding or representing by proxy one-third (1/3) of the issued shares of the class; and (ii) any holder of shares of the class present in person or by proxy may demand a poll.

In addition, the rights conferred upon the holders of the shares of any class issued with preferred or other rights are, unless otherwise expressly provided by the terms of issue of the shares of that class, treated as being varied by the reduction of the capital paid-up on those shares otherwise than by a purchase or redemption by New Verde AgriTech PLC of its own shares and by the allotment of other shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by such first mentioned shares, but shall not otherwise be deemed to be varied by the creation or issue of other shares which rank equally with, or subsequent to, the shares of that class or by the purchase or redemption by New Verde AgriTech PLC of any of its own shares.

### 2.3 *Issue of Shares:*

Subject to the provisions of Singapore Company Law and the New Verde AgriTech PLC Constitution, the Directors may exercise the power of New Verde AgriTech PLC to issue shares of New Verde AgriTech PLC as they see fit, to grant rights to subscribe for or convert any security into shares of New Verde AgriTech PLC, to issue shares of different types or classes, to convert all or any of New Verde AgriTech PLC's shares into redeemable shares, and to determine the consideration payable on the issue of such shares, in each case in respect of an unlimited number of shares.

The New Verde AgriTech PLC Constitution states that the Directors may only issue shares, or grant rights to subscribe for or convert into shares, to the extent that they are authorised to do so by an ordinary resolution of New Verde AgriTech PLC from time to time. The Directors may pay any commission on any issue of shares at such rate or amount and in such manner as may from time to time be determined by the Directors. Subject to the provisions of Singapore Company Law, the New Verde AgriTech PLC Constitution and other members' rights, shares may be issued with or have attached to them such rights and restrictions as the Directors may from time to time decide.

A share shall not be issued until the consideration for the share is fully paid in money or in property or past services that are not less in value than the fair equivalent of the money that New Verde AgriTech PLC would have received if the share had been issued for money. Shares of New Verde AgriTech PLC issued are non-assessable and the holders are not liable to New Verde AgriTech PLC or to its creditors in respect thereof.

No person shall be recognised by New Verde AgriTech PLC as holding any share upon any trust (except as required under Singapore Company Law) and New Verde AgriTech PLC shall not be bound by or be compelled in any way to recognise (even when having

notice thereof) any equitable, contingent, future or partial interest in any share or fractioned part thereto (except as provided by the New Verde AgriTech PLC Constitution or Singapore Company Law), any other rights in respect of any share, except an absolute right thereto in the registered holder.

**2.4 *Compulsory Acquisition of Shares:***

The New Verde AgriTech PLC Constitution does not contain any right for New Verde AgriTech PLC to compulsorily acquire shares held by its shareholders.

**2.5 *Buyback:***

New Verde AgriTech PLC may acquire its own shares (including any redeemable shares) provided that the buyback is permitted by the New Verde AgriTech PLC Constitution and approved by shareholders, amongst other requirements. Any buyback of shares has to be carried out in compliance with the relevant provisions in the Singapore Company Law.

**2.6 *Duration:***

New Verde AgriTech PLC shall continue to be in existence until it is wound up pursuant to the Singapore Company Law and the New Verde AgriTech PLC Constitution.

**2.7 *Winding Up:***

New Verde AgriTech PLC may be wound up voluntarily at any time by special resolution in accordance with the Singapore Company Law and the New Verde AgriTech PLC Constitution. Upon the passing of such special resolution, the process of voluntary winding up shall commence and New Verde AgriTech PLC shall cease to carry on business except in so far as it may be expedient for the beneficial winding up of New Verde AgriTech PLC. If New Verde AgriTech PLC shall be wound up, the surplus assets remaining after payment of all creditors will be divided *pari passu* among New Verde AgriTech PLC shareholders pro rata to their shareholdings but subject to the rights of any shares which may be issued with special rights or privileges. If New Verde AgriTech PLC shall be wound up, the liquidator of New Verde AgriTech PLC may with the sanction of a Special Resolutions of New Verde AgriTech PLC divide among shareholders in specie the whole or any part of the assets of New Verde AgriTech PLC and may for such purposes set such value as the liquidator deems fair upon any one (1) or more class or classes or property and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

**2.8 *Dividends:***

The Directors may from time to time authorise dividends and distributions to be paid to New Verde AgriTech PLC shareholders in accordance with the procedure set out in the Singapore Company Law and subject to any New Verde AgriTech PLC shareholder's rights attaching to such shares. No dividend shall be payable to the New Verde AgriTech PLC shareholders except out of the profits of New Verde AgriTech PLC. The Directors may resolve that any such dividends or distributions will be satisfied wholly or partly by the distribution of assets (including, but not limited to, paid-up shares or other securities

of any other company), and may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for dividend and distribution purposes of any assets or any part thereof. No dividend or distribution or other monies payable on or in respect of a share shall bear interest against New Verde AgriTech PLC.

## 2.9 *Transfer of Shares:*

The New Verde AgriTech PLC Constitution provides that the Directors may approve transfers in any usual form or common form or in any other form approved by the Directors and the Toronto Stock Exchange and that nothing shall preclude any transfer of shares held in an uncertificated form. Save as provided for in the New Verde AgriTech PLC Constitution and where required by Singapore Company Law or by the Toronto Stock Exchange, there shall be no restriction on the transfer of fully paid-up shares.

The Directors may, in their absolute discretion, decline to transfer, convert or register any transfer of any share in certificated form or (to the extent permitted by the relevant regulations and rules) uncertificated form which is not fully paid or on which New Verde AgriTech PLC has a lien, provided in the case of a listed or quoted share that this would not prevent dealings in the share from taking place on an open and proper basis on the Toronto Stock Exchange. In addition, the Directors may refuse to register a transfer of shares if: (i) it is in respect of more than one (1) class of shares; (ii) it is in favour of more than four (4) joint transferees; or (iii) in relation to a share in certificated form, it is not accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to prove title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his or her behalf or, the authority of that person to do so.

## 2.10 *Alteration of Capital:*

New Verde AgriTech PLC may from time to time, by ordinary resolution: (i) consolidate and divide all or any of its shares capital; (ii) sub-divide its shares, or any of them; (iii) cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its shares by the amount of the shares so cancelled; (iv) redesignate the whole, or any particular class, of its shares into shares of another class; (v) convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency; or (vi) where its shares are expressed in a particular currency or former currency, denominate or redenominate it, whether expressing the amount in units or subdivisions of that currency or former currency, or otherwise.

## 2.11 *Notices:*

A notice or document may be given by New Verde AgriTech PLC to any New Verde AgriTech PLC shareholder either personally or by sending it by post addressed to such shareholder at his or her registered address or by electronic means in accordance with the New Verde AgriTech PLC Constitution. A notice may be given by New Verde AgriTech PLC to the joint holders of a share by giving the notice to the joint holder first named in the register of members of New Verde AgriTech PLC in respect of the share.

Where a notice is sent by post, service of the notice is treated as effected by properly addressing, prepaying and posting a letter containing the notice and the service of the notice is treated as effected on the day after the date of its posting in the case of a notice of a meeting, and in any other case, on the second day following that on which the letter containing it was posted.

A notice or document may also be given, sent or served by New Verde AgriTech PLC to any New Verde AgriTech PLC shareholder using electronic communications: (i) to the current address of that shareholder (which may be an email address); (ii) by making it available on a website prescribed by New Verde AgriTech PLC from time to time; or (iii) in such manner as such shareholder expressly consents to receiving notices and documents by giving notice in writing to New Verde AgriTech PLC. Subject to Singapore Company Law, a shareholder shall be implied to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.

## **2.12 General Meetings:**

Pursuant to Singapore Company Law the first financial year of New Verde AgriTech PLC must not be longer than eighteen (18) months from the date of its incorporation. Accordingly, the first general meeting of New Verde AgriTech PLC shall be held within a period of not more than four (4) months after the end of the first financial year of New Verde AgriTech PLC. Pursuant to Singapore Company Law and the New Verde AgriTech PLC Constitution, an annual general meeting shall be held once every calendar year within a period of not more than four (4) months after the end of each of its financial year, at such time and place as the Directors shall determine.

The Directors are required to call an extraordinary general meeting in accordance with Singapore Company Law once New Verde AgriTech PLC has received requisition requests to do so from New Verde AgriTech PLC shareholders who hold not less than ten (10)% of the total number of paid-up New Verde AgriTech PLC Shares as at the date of the deposit of the requisition that carries the right of voting at general meetings of New Verde AgriTech PLC (excluding any paid-up shares held as treasury shares).

Any general meeting may be held in Singapore, or elsewhere, as the Directors may from time to time determine.

Unless special notice is required in accordance with Singapore Company Law, all general meetings shall be called by not less than fourteen (14) days' notice in writing. The notice shall specify the place, the date and the time of the meeting, and in the case of any special business to be transacted at the general meeting, the general nature of that business and shall be given to such persons as are entitled to receive such notices from New Verde AgriTech PLC, provided that a meeting of New Verde AgriTech PLC shall, notwithstanding that it is called by shorter notice than that specified be deemed to have been duly called if it is so agreed: (i) in the case of general meeting, by all the shareholders entitled to attend and vote thereat; and (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote thereat, being a majority



which together holds not less than ninety-five (95)% of the total voting rights of all the shareholders having a right to vote at that meeting.

No business shall be transacted at any general meeting unless a quorum is present. Two (2) New Verde AgriTech PLC shareholders present in person or by proxy and entitled to vote shall be a quorum.

**2.13 *Proceedings of the Directors:***

The Directors may meet for the despatch of business, adjourn and otherwise regulate its meetings as they think fit. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be two (2) Directors.

**2.14 *Interests of Directors:***

A Director, who is in any way whether directly or indirectly interested in a transaction or proposed transaction with New Verde AgriTech PLC, must disclose to the Directors the nature of his or her interest at a meeting of the Directors or send a written notice to New Verde AgriTech PLC containing details on the nature, character and extent of his or her interest in the transaction or proposed transaction, but notwithstanding his or her interest he may vote and be counted in the quorum present at any meeting of the Directors, provided that where the transaction or proposed transaction is made with a corporation which by virtue of the Singapore Company Law is deemed to be related to New Verde AgriTech PLC, a Director shall not vote in respect of any such transaction or proposed transaction in which the Director is interested, or in respect of any matter arising from such transaction or proposed transaction.

A Director is not deemed to be interested or to have been at any time interested in any transaction or proposed transaction by reason only: (i) in the case where the transaction or proposed transaction relates to any loan to New Verde AgriTech PLC, that he has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan; and (ii) in the case where the transaction or proposed transaction has been or will be made with or for the benefit of or on behalf of a corporation which by virtue of the Singapore Company Law is deemed to be related to New Verde AgriTech PLC, that he is a director or chief executive officer (as the case may be) of that corporation.

**2.15 *Remuneration of Directors:***

The fees of the Directors shall, from time to time, be determined by New Verde AgriTech PLC in a general meeting. The fees of the Directors shall be treated as accruing from day to day. The ordinary remuneration of the Directors who do not hold executive office for their services (excluding amounts payable under any other provision of the New Verde AgriTech PLC Constitution) shall not exceed \$450,000SD per annum or such higher amount as New Verde AgriTech PLC may from time to time by ordinary resolution determine.

The Directors shall also be entitled to be repaid all travelling, hotel and other expenses incurred by them in attending and returning from meetings of the Directors or any

committee of the Directors or general meetings of New Verde AgriTech PLC or in connection with the business of New Verde AgriTech PLC.

Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services which, in the opinion of the Directors, are outside his or her ordinary duties as a Director, may be paid such remuneration as the Directors may determine.

2.16 *Alternate Directors:*

Any Director (“**appointer**”) may with the approval of the Directors, appoint any person, whether a shareholder of New Verde AgriTech PLC or not, to be an alternate Director in the appointer’s place for any period as the appointer thinks fit. Any person holding office as an alternate Director is entitled to notice of meetings of the Directors and to attend and vote at meetings of the Directors, and to exercise all the powers of the appointer in the appointer’s place. An alternate Director is not required to hold any shares to qualify him for appointment, and shall ipso facto vacate office if the appointer vacates office as a Director or removes the appointee from office. Any such appointment or removal shall be effected by notice in writing under the hand of the appointer making the appointment or removal. Any remuneration or fee paid by New Verde AgriTech PLC to the alternate Director shall be deducted from the remuneration or fee payable to his or her appointer.

2.17 *Appointment of Directors:*

The minimum number of Directors shall be two (2). All the Directors shall be natural persons. New Verde AgriTech PLC may from time to time by ordinary resolution passed at a general meeting increase the number of Directors.

The Directors have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the number fixed in accordance with the New Verde AgriTech PLC Constitution. In addition, New Verde AgriTech PLC may appoint a Director by ordinary resolution passed at a general meeting.

At every annual general meeting of New Verde AgriTech PLC, all the Directors must retire from office. A retiring Director is eligible for re-election.

At a general meeting of New Verde AgriTech PLC, a motion for the appointment of two (2) or more persons as Directors by a single resolution must not be made unless a resolution that it may be so made has first been agreed to by the meeting without any vote being given against it.

2.18 *Retirement and Removal of Directors:*

Subject to Singapore Company Law, the office of a Director shall be vacated if he:

2.18.1 ceases to be a Director by virtue of the Singapore Company Law;

2.18.2 subject to section 145 of the Singapore Company law, resigns his or her office by notice in writing to New Verde AgriTech PLC;

- 2.18.3 shall have absented himself from meetings of the Directors for more than six (6) months without permission of the Directors;
- 2.18.4 becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
- 2.18.5 becomes prohibited from being a Director by reason of any order made under Singapore Company Law;
- 2.18.6 becomes disqualified from being a Director by virtue of his or her disqualification or removal or the revocation of his or her appointment as a Director, as the case may be, under any laws in Singapore;
- 2.18.7 is removed from office pursuant to an ordinary resolution passed by New Verde AgriTech PLC at a general meeting;
- 2.18.8 becomes mentally disordered and incapable of managing himself or his or her affairs or a person whose person or estate is liable to be dealt with in any way under the applicable law relating to mental capacity; or
- 2.18.9 is directly or indirectly interested in any contract or proposed contract with New Verde AgriTech PLC and fails to declare the nature of his or her interest in a manner required by the Singapore Company Law.

2.19 ***Borrowing Powers:***

The Directors may exercise all the powers of New Verde AgriTech PLC to borrow money, to guarantee, to indemnify, and to mortgage or charge its undertaking, property, assets and uncalled capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of New Verde AgriTech PLC or of any third party.

2.20 ***Indemnity and Insurance:***

The Directors and other officer of New Verde AgriTech PLC shall be entitled to be indemnified out of the assets of New Verde AgriTech PLC against any liability incurred by the Director or other officer in or about the execution of the duties of his or her office or otherwise in relation thereto, and no such Directors or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his or her office or in relation thereto, unless the same arises as a result of any negligence, default, breach of duty or breach of trust on his or her part. The Directors may decide to purchase and maintain insurance, at the expense of New Verde AgriTech PLC, for the benefit of any Director or other officer of New Verde AgriTech PLC and its subsidiaries (if any) in respect of any such liabilities.

Every auditor for the time of New Verde AgriTech PLC shall be indemnified out of the assets of New Verde AgriTech PLC against any liability incurred by the auditor in defending any proceedings, whether civil or criminal, in which judgment is given in the auditor's favour or in which the auditor is acquitted or in connection with any application

under the Singapore Company Law in which relief is granted to the auditor by a Singapore Court in respect of any negligence, default, breach of duty or breach of trust.

## 2.21 *Register of Members and Other Statutory Records:*

New Verde AgriTech PLC shall keep a register of members in accordance with Singapore Company Law.

## 3. **Differences between English and Singapore company law and implications of New Verde AgriTech PLC being a Singapore incorporated company**

There are a number of differences between the Companies Act and Singapore Company Law which may impact upon the rights of Scheme Shareholders when they become shareholders of New Verde AgriTech PLC in the event the Scheme becomes Effective. However, where appropriate and subject to compliance with Singapore Company Law, appropriate provisions have been incorporated into the New Verde AgriTech PLC Constitution. A fuller description of certain provisions of the New Verde AgriTech PLC Constitution is set out in paragraph 2 of this Part.

The principal differences between the rights of shareholders under the Companies Act and Singapore Company Law include (without limitation) the following:

Relevant Provision	Companies Act	Singapore Company Law
Share capital	As at 31 May 2022 (being the last practicable date prior to the publication of this Circular, the issued share capital of Old Verde AgriTech PLC is 52,160,319 ordinary shares of \$0.3918CAD each.	As at the date of this Circular, the issued share capital of New Verde AgriTech PLC is \$0.3918CAD represented by one (1) ordinary share.  The concept of par value has been abolished in Singapore and shares of New Verde AgriTech PLC have no par or nominal value. Accordingly, the New Verde AgriTech PLC Constitution does not contain references to par value and its associated concepts of nominal value and premium.
Authority to issue shares	Old Verde AgriTech PLC may by ordinary resolution of its shareholders increase its share capital  The Old Verde AgriTech PLC Articles permit all unissued shares in the capital of the	The New Verde AgriTech PLC Constitution states that the Directors may only issue shares, or grant rights to subscribe for or convert into shares, to the extent that they are authorised to do so by an ordinary resolution of New Verde AgriTech PLC. Under Singapore Company Law, such authority to issue shares shall not

	<p>company to be at the disposal of the Board.</p> <p>Under English law, the issuance for cash of:</p> <p>(1) equity securities, being those which, with respect to dividends or capital, carry a right to participate beyond a specified amount; or</p> <p>(2) rights to subscribe for or convert into equity securities, must be offered first to the existing equity shareholders in proportion to the respective nominal values of their holdings, unless a special resolution to the contrary has been passed by shareholders in a general meeting</p>	<p>continue beyond the conclusion of the next annual general meeting of New Verde AgriTech PLC.</p>
Shareholder voting rights	<p>The Old Verde AgriTech PLC Articles provide that each shareholder shall have one (1) vote per share held by such shareholder, subject to any rights or restrictions attached to any shares.</p>	<p>Under Singapore Company Law, a shareholder has, despite any provision in the New Verde AgriTech PLC Constitution, a right to attend any general meeting of New Verde AgriTech PLC and to speak on any resolution before the meeting.</p> <p>The New Verde AgriTech PLC Constitution provides that each shareholder shall have one (1) vote per share held by such shareholder, subject to any rights or restrictions attached to any shares.</p>
Meetings of shareholders	<p>Under English law, a general meeting of shareholders may be called: (1) by the Board of Directors; or (2) on the requisition of shareholders holding at least five (5)% of the paid-up capital of the Company</p>	<p>Pursuant to Singapore Company Law the first financial year of New Verde AgriTech PLC must not be longer than eighteen (18) months from the date of its incorporation. The first general meeting of New Verde AgriTech PLC shall be held within a period of not more than four (4)</p>

	<p>carrying voting rights at the general meeting.</p>	<p>months after the end of the first financial year of New Verde AgriTech PLC. An annual general meeting shall be held once every calendar year within a period of not more than four (4) months after the end of each of its financial year, at such time and place as the Directors shall appoint.</p> <p>Any general meeting other than the annual general meeting is called an “extraordinary general meeting”.</p> <p>Two (2) or more shareholders holding not less than ten (10)% of the total number of issued shares (excluding treasury shares) may call an extraordinary general meeting.</p> <p>Notwithstanding anything in the New Verde AgriTech PLC Constitution, the Directors are required to convene a general meeting if required to do so by requisition (i.e. written notice to Directors requiring that a meeting be called) by shareholders holding not less than ten (10)% of the total number of paid-up shares of New Verde AgriTech PLC carrying voting rights. The New Verde AgriTech PLC Constitution provides that any Director may, whenever they think fit, convene an extraordinary general meeting.</p>
Notice requirements for shareholder meetings	<p>Under the Old Verde AgriTech PLC Articles, the notice requirements for general meetings are as follows:</p> <p>(1) in the case of an annual general meeting twenty-one (21) Clear days’ notice; and</p>	<p>Subject to the provisions under Singapore Company Law relating to special resolutions, a general meeting must be called by written notice of not less than fourteen (14) days. A general meeting of New Verde AgriTech PLC shall, notwithstanding that it is called by a shorter notice period, be deemed to have been duly called if it is so agreed: (i) in the case</p>

	<p>(2) in any other case fourteen (14) Clear days' notice.</p> <p>Notices of all general meetings must specify the place, the date and time of the meeting and the general nature of the business to be considered.</p> <p>In addition, general meetings may be called upon shorter notice if: (1) in the case of an annual general meeting, all the shareholders who are permitted to attend and vote agree to the shorter notice; or (2) in the case of a general meeting, a majority of the shareholders having a right to attend and vote at the meeting and who hold at least ninety-five (95)% in nominal value of the shares giving that right so agree.</p> <p>"Clear days' notice" means calendar days and excludes: (1) the date of mailing; (2) the date of receipt or deemed receipt of the notice; and</p> <p>(3) the date of the meeting itself. The Old Verde AgriTech PLC Articles provide that documents sent by first class mail are deemed received on the Business Day after the day of mailing, and, if sent by second class mail, the second Business Day after the day of mailing.</p> <p>"special resolutions" generally involve proposals to:</p> <p>(1) change the name of a company; (2) alter its capital structure; (3) change or amend the rights of shareholders; (4)</p>	<p>of an annual general meeting, by all the shareholders entitled to attend and vote thereat; and (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote thereat, being a majority which together holds not less than ninety-five (95)% of the total voting rights of all the shareholders having a right to vote at that meeting.</p>
--	--	--

	<p>permit a company to issue new shares for cash without applying the shareholders' pre-emptive rights; (5) amend a company's objects clause in its memorandum of association; (6) amend a company's articles of association; or (7) carry out other matters for which a company's articles of association or the Companies Acts prescribe that a "special resolution" is required.</p>	
Shareholders' proposals	<p>There are two (2) methods by which shareholders can raise their own proposals at a meeting of company shareholders:</p> <ul style="list-style-type: none"> <li>• Under applicable state law and in accordance with the company's charter and by-laws</li> <li>• Under Rule 14a-8 under the Securities Exchange Act of 1934. Rule 14a-8 is only applicable to reporting companies that have a class of securities registered under Section 12 of the Exchange Act.</li> </ul>	<p>Under Singapore Company Law, shareholders representing at least five (5)% of the total voting rights or shareholders representing not fewer than 100 shareholders holding shares on which there has been an average paid up sum, per shareholder, of at least \$500SD each may, at their expense, requisition New Verde AgriTech PLC to give to shareholders notice of any resolution which may properly be moved and is intended to be moved at the next general meeting, and circulate to shareholders entitled to have notice of any general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.</p>
Special resolutions	<p>Under English law, ordinary resolutions are, in the first instance, decided on a show of hands and must be approved by at least a majority of the votes cast by shareholders present in person or by proxy. If a poll is demanded, the resolution conducted on a poll must be approved by shareholders representing at least a majority</p>	<p>Under Singapore Company Law, a "special resolution" is a resolution passed by a majority of not less than three-fourths (3/4) of such shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy present at a general meeting of which not less than twenty-one (21) days' written notice specifying the intention to</p>



	<p>of the total voting rights of shareholders who vote on the resolution in person or by proxy.</p> <p>Special resolutions, if decided on a show of hands, require the affirmative vote of at least seventy-five (75)% of the votes cast by shareholders present in person or by proxy. If a poll is demanded, a special resolution conducted on a poll must be approved by shareholders representing at least seventy-five (75)% of the total voting rights of shareholders who vote on the resolution in person or by proxy.</p>	<p>propose the resolution as a special resolution has been duly given.</p> <p>Matters requiring approval by special resolution generally include a change of name of New Verde AgriTech PLC, an amendment to the provisions of the New Verde AgriTech PLC Constitution, a variation of rights attached to any class of shares, a reduction in the share capital of New Verde AgriTech PLC and the voluntarily winding up of New Verde AgriTech PLC by the shareholders.</p>
Dividends	<p>The Old Verde AgriTech PLC Articles provide that</p> <p>Under The Old Verde AgriTech PLC Articles and English law, Old Verde AgriTech will not be permitted to make a distribution if, at the time, the amount of its net assets is less than the aggregate of its issued and paid-up share capital and undistributable reserves or if the distribution would result in the amount of its net assets being less than that aggregate. The Board may, by ordinary resolution, declare final dividends. The Board has the power under the Old Verde AgriTech PLC Articles to pay interim dividends without the approval of shareholders to the extent the financial position of Old Verde AgriTech PLC justifies a dividend.</p>	<p>No dividend shall be payable to the shareholders except out of profits. The New Verde AgriTech PLC Constitution provides that New Verde AgriTech PLC may declare dividends in any general meeting but any dividend declared shall not exceed the amount recommended by the Directors. In addition, the Directors may from time to time pay to the shareholders such interim dividends as appear to the Directors to be justified by the profits of New Verde AgriTech PLC.</p>

<p>Acquisition of company's own shares</p>	<p>Under the Old Verde AgriTech PLC Articles, Old Verde AgriTech PLC may purchase its own shares at any price. Every contract for the purchase of shares that the Company are entitled to oblige to purchase shall be authorise by a special resolution at a separate general meeting of shareholders.</p> <p>Under English law, a company may redeem or repurchase shares only if the shares are fully paid and, in the case of public companies, only out of:</p> <p>(1) distributable profits; or (2) the proceeds of a new issue of shares made for the purpose of the repurchase or redemption.</p>	<p>The New Verde AgriTech PLC Constitution permits New Verde AgriTech PLC to purchase or otherwise acquire shares issued by it on such terms as it may think fit and in the manner prescribed by Singapore Company Law. Such manner of acquisition may be by way of the following, including: (i) making an off-market purchase of its own shares in accordance with an equal access scheme authorised in advance at a general meeting; (ii) making a selective off-market purchase of its own shares in accordance with an agreement authorised in advance at a general meeting by a special resolution where persons whose shares are to be acquired and their associated persons have abstained from voting; and (iii) making an acquisition of its own shares under a contingent purchase contract which has been authorised in advance at a general meeting by a special resolution, provided always that the the total number of ordinary shares that may be acquired in a relevant period may not exceed twenty (20)% of the total number of ordinary shares in that class as of the date of the resolution to acquire the shares. Where, however, New Verde AgriTech PLC has reduced its share capital by a special resolution or a Singapore Court made an order to such effect, the total number of ordinary shares in any class shall be taken to be the total number of ordinary shares in that class as altered by the special resolution or the order of the court. Payment may be made out of the profits or capital of New</p>
--	--	--

		Verde AgriTech PLC so long as it is solvent.
Board of directors	The Old Verde AgriTech PLC Articles provide that the minimum number of directors shall be two (2).	Under Singapore Company Law, the minimum number of directors is at least one (1) director who is ordinarily resident in Singapore. The New Verde AgriTech PLC Constitution provides that the minimum number of directors shall be two (2).
Removal of directors	<p>Under the Companies Act, shareholders may remove a director without cause by ordinary resolution, irrespective of any provisions of the service contract the director has with the Company, provided that special notice of the resolution to remove the Director is given to Old Verde AgriTech PLC at least twenty-eight (28) days before the meeting at which it is moved.</p> <p>The Old Verde AgriTech PLC Articles provide that one-third (1/3) of the directors shall retire (by rotation based on length of service) at each annual general meeting.</p>	<p>New Verde AgriTech PLC may by ordinary resolution remove any Director before the expiration of his period of office. Notice of the intention to move such a resolution has to be given to New Verde AgriTech PLC not less than twenty-eight (28) days before the meeting at which it is moved. On receipt of the notice of an intended resolution to remove a Director, New Verde AgriTech PLC must immediately send a copy thereof to that Director, and that Director, whether or not he is a shareholder, is entitled to be heard on the resolution at the meeting.</p> <p>Notwithstanding anything in the New Verde AgriTech PLC Constitution, or any agreement with New Verde AgriTech PLC, a Director must not resign or vacate his office unless there is remaining in New Verde AgriTech PLC at least one (1) director who is ordinarily resident in Singapore.</p>
Indemnification of directors and officers	The Old Verde AgriTech PLC Articles provide that every director shall be indemnified out of the assets of the Company against all costs, damages, expenses and liabilities incurred by him in the execution or discharge of his duties or the	Under Singapore Company Law, any provision that purports to exempt a Director or officer of New Verde AgriTech PLC from, or by which New Verde AgriTech PLC directly or indirectly provides an indemnity for a Director or officer of New Verde AgriTech PLC against, any liability

	<p>exercise of his powers or otherwise in relation to any liability incurred by him in defending any proceedings when a judgment is given in his favour.</p> <p>English law does not permit a company:</p> <p>(1) to exempt an auditor from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company occurring in the course of the audit of accounts; or</p> <p>(2) to provide directly or indirectly an indemnity for an auditor of the company or an associated company against any liability in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he is auditor occurring in the course of the audit of accounts.</p> <p>Under English law, a company may enter into an agreement limiting the amount of liability owed to it by its auditor in respect of any negligence, default, breach of duty or breach of trust occurring in the course of the audit of accounts. Such an agreement must comply with the Companies Act and be approved by the company's shareholders.</p> <p>The Companies Act allows companies to purchase and maintain insurance for directors,</p>	<p>attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to New Verde AgriTech PLC is void.</p> <p>However, New Verde AgriTech PLC may purchase and maintain for any Director and officer insurance against any liability attaching to such Director or officer in connection with any negligence, default, breach of duty or breach of trust in relation to New Verde AgriTech PLC.</p> <p>In addition, New Verde AgriTech PLC may indemnify such Director or officer against any liability incurred by the Director or officer to a person other than New Verde AgriTech PLC, except when the indemnity is against any liability: (i) of the Director or officer to pay a fine in criminal proceedings; (ii) of the Director or officer to pay a penalty in respect of non-compliance with any regulatory requirements, (iii) incurred by the Director or officer in defending criminal proceedings in which he is convicted; (iv) incurred by the Director or officer in defending civil proceedings brought by New Verde AgriTech PLC or a related company in which judgment is given against him; or (v) incurred by the Director or officer in connection with an application for relief under section 76A(13) or section 391 of the Singapore Company Law in which the court refuses to grant relief.</p>
--	---	---

	officers and auditors against any liability arising from negligence, default, breach of duty or breach of trust against the company.	
Shareholder suits	<p>The Companies Act permits a shareholder whose name is on the register of members of the company to apply for a court order: (1) when the company's affairs are being or have been conducted in a manner unfairly prejudicial to the interests of all or some shareholders, including the shareholder making the claim; or (2) when any actual or proposed act or omission of the company is or would be so prejudicial. A court has wide discretion in granting relief, and may authorise civil proceedings to be brought in the name of the company by a shareholder on terms that the court directs.</p> <p>English law also permits actions by shareholders on behalf of the company or on behalf of other shareholders in circumstances where there is an actual or proposed act or omission involving negligence, default, breach of duty or breach of trust by a director of the company. Before such proceedings can be brought, the applicant is required to show a <i>prima facie</i> case against the defendant and the claim can only proceed with the court's permission.</p>	<p>Only registered shareholders of New Verde AgriTech PLC reflected in its register of members are recognised under Singapore law as shareholders of New Verde AgriTech PLC. As a result, only registered shareholders have legal standing to institute shareholder actions against New Verde AgriTech PLC or otherwise seek to enforce their rights as shareholders. Holders of book-entry interests in the shares will be required to exchange their book-entry interests for certificated shares and to be registered as shareholders in New Verde AgriTech PLC's register of members in order to institute or enforce any legal proceedings or claims against New Verde AgriTech PLC, its directors or its executive officers relating to shareholder rights. A holder of book-entry interests may become a registered shareholder by exchanging its interest in the shares for certificated shares and being registered in the register of members.</p> <p>A shareholder may apply to the Singapore Court for an order under Singapore Company Law to remedy situations where: (i) the company's affairs are being conducted or the powers of the company's directors are being exercised in a manner oppressive to, or in disregard of the interests of one (1) or more of the shareholders, including the applicant; or (ii) the company has done an act, or threatens to do an act, or the shareholders have passed some</p>

		<p>resolution, which unfairly discriminates against, or is otherwise prejudicial to, one (1) or more of the shareholders, including the applicant.</p> <p>In addition, Singapore Company Law provides for a mechanism enabling shareholders to apply to the court for leave to bring a derivative action or commence an arbitration on behalf of the company.</p>
Winding up	<p>If Old Verde AgriTech PLC is wound up, the liquidator may, pursuant to a special resolution and any sanction required under the Insolvency Act 1986, divide the assets amongst members.</p>	<p>New Verde AgriTech PLC may be wound up pursuant to a shareholders' voluntary winding up, a creditors' voluntary winding up or an order of court.</p> <p>If New Verde AgriTech PLC shall be wound up, the surplus assets remaining after payment of all creditors will be divided <i>pari passu</i> among shareholders pro rata to their shareholdings but subject to the rights of any shares which may be issued with special rights or privileges.</p>

**This list is intended to be illustrative only and does not purport to be exhaustive or to constitute legal advice. Any Shareholder wishing to obtain further information regarding their rights as a New Verde AgriTech PLC shareholder under Singapore law should consult their Singapore legal advisers.**

## PART 7

### ADDITIONAL INFORMATION

#### 1. Responsibility Statement

The Directors, whose names are set out in paragraph 2 below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which they accept responsibility, is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. The Directors

##### 2.1 *The Directors of Old Verde AgriTech PLC and their respective functions, are as follows:*

- Michael Henry Hicks Beach Earl St Aldwyn (Director)
- Getulio Lamartine De Paula Fonseca (Director)
- Renato Couto Gomes (Director)
- Alysson Paolinelli (Director)
- Paulo Sergio Machado Ribeiro (Director)
- Cristiano Botelho Veloso (Director)

Old Verde AgriTech PLC is a public limited company incorporated with registered number 05904885 and having its registered office at Salatin House, 19 Cedar Road, Sutton, Surrey, England, SM2 5DA. The business address of each Director of Old Verde AgriTech PLC is that of the Company's registered office.

##### 2.2 The board of New Verde AgriTech PLC will mirror the board of Old Verde AgriTech PLC and therefore the Directors of New Verde AgriTech PLC, and their respective functions, are as follows:

- Eric Loh Kah Leong (Director)
- Michael Henry Hicks Beach Earl St Aldwyn (Director)
- Getulio Lamartine De Paula Fonseca (Director)
- Renato Couto Gomes (Director)
- Alysson Paolinelli (Director)
- Paulo Sergio Machado Ribeiro (Director)
- Cristiano Botelho Veloso (Director)

New Verde AgriTech PLC is a public company limited by shares incorporated in Singapore having its registered office at 105 Cecil Street, #15-02 The Octagon, Singapore,

069534. The business address of each Director of New Verde AgriTech PLC is that of New Verde AgriTech PLC's registered office.

### **3. Stock Option Scheme and Old Verde AgriTech PLC Shares**

- 3.1 At the close of business on 31 May 2022 (being the last practicable date prior to the publication of this Circular) 52,160,319 Old Verde AgriTech PLC Shares were in issue and 2,112,951 Stock Options were outstanding.
- 3.2 As at 31 May 2022 (the latest practicable date prior to the date of this Circular), there were outstanding Options over a total of 2,112,951 Old Verde AgriTech PLC Shares representing approximately 4.1% of the existing issued share capital of the Company.
- 3.3 Details of the arrangements made with the holders of Stock Options are set out in paragraph 10 of Part 1 of this Circular.

### **4. Interests in Shares**

#### **4.1 *Interests of the Directors in relevant securities of Old Verde AgriTech PLC***

As at 31 May 2022 (being the last practicable date prior to the publication of this Circular) the interests of the Directors (within the meaning of Part 22 of the Companies Act) and their immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in relevant securities of Old Verde AgriTech PLC were as follows:

<i>Name</i>	<i>Number of Old Verde AgriTech PLC Shares</i>	<i>Percentage of issued ordinary share capital of Old Verde AgriTech PLC (%)</i>
Cristiano Veloso	10,144,634	19.45
Michael Earl St Aldwyn	203,217	0.40
Getulio Fonseca	466,597	0.89
Renato Gomes	436,616	0.84
Alysson Paolinelli	281,603	0.54
Paulo Ribeiro	315,616	0.61
<b>Total</b>	<b>11,848,283</b>	<b>22.73</b>

#### **4.2 *Interests of the Directors in relevant securities of New Verde AgriTech PLC***

Save as set out in paragraph 6 of Part 2 of this Circular, as at 31 May 2022 (being the last practicable date prior to the publication of this Circular) the Directors and their immediate families, related trusts and connected persons did not have any interest in the relevant securities of New Verde AgriTech PLC.



## **5. New Verde AgriTech PLC Shares**

- 5.1 New Verde AgriTech PLC was incorporated on or around the date of this Circular. On incorporation, the subscriber to the New Verde AgriTech PLC memorandum of incorporation was Felipe Paulucci.
- 5.2 As at the date of this Circular, New Verde AgriTech PLC has no subsidiaries.
- 5.3 The New Verde AgriTech PLC Shares have not been marketed, nor are they available in whole or in part to the public otherwise than pursuant to the Scheme.
- 5.4 No commissions, discounts, brokerages or other special terms have been granted in respect of the issue of any share capital of New Verde AgriTech PLC.
- 5.5 New Verde AgriTech PLC has not traded since incorporation and has undertaken no activities other than those associated with its administration, the Scheme Proposal and Admission.
- 5.6 Under the Scheme, New Verde AgriTech PLC will issue New Verde AgriTech PLC Shares, credited as fully paid, to the Scheme Shareholders on the following basis:

**for each Scheme Share one (1) New Verde AgriTech PLC Share,**

save in respect of the Subscriber Shareholder who has given the Subscriber Shareholder Undertaking to Old Verde AgriTech PLC and New Verde AgriTech PLC to waive his or her right to receive one (1) New Verde AgriTech PLC Share out of the total number of New Verde AgriTech PLC Shares to be issued to the Subscriber Shareholder pursuant to the Scheme.

## **6. General**

- 6.1 All references to time in this Circular and the Forms of Proxy are to Toronto time unless the context provides otherwise.
- 6.2 The CUSIP number for Old Verde AgriTech PLC Shares is G9340K108
- 6.3 Settlement of the consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien or right of set-off, counterclaim or other analogous right to which New Verde AgriTech PLC may otherwise be or claim to be, entitled against any such Scheme Shareholder.

## **7. Documents available for inspection**

- 7.1 A copy of this Circular and the documents listed in paragraph 7.2 below are available free of charge on Old Verde AgriTech PLC's website, <https://investor.verde.ag/> until the Effective Date.
- 7.2 Copies of the following documents are also available for inspection upon request during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Old Verde AgriTech PLC, Salatin House, 19 Cedar Road, Sutton, Surrey SM2 5DA, UK, at the Company's registered office or at New Verde AgriTech PLC's

registered office (being 105 Cecil Street, #15-02 The Octagon, Singapore, 069534) from the date of this Circular until the Effective Date:

- 7.2.1 the Old Verde AgriTech PLC Articles;
- 7.2.2 a draft of the Old Verde AgriTech PLC Articles as proposed to be amended at the General Meeting;
- 7.2.3 the New Verde AgriTech PLC Constitution;
- 7.2.4 this Circular and the Forms of Proxy; and

Dated: 14 June 2022

## PART 8

### DEFINITIONS

In this Circular (with the exception of Part 4 (The Scheme of Arrangement), Part 9 (Notice of Court Meeting) and Part 10 (Notice of General Meeting)), the following words and expressions have the following meanings unless the context requires otherwise:

<b>“Admission”</b>	the admission of the New Verde AgriTech PLC Shares to trading on Toronto Stock Exchange;
<b>“Beneficial Shareholder”</b>	a non-registered shareholder or, more specifically, a shareholder that holds its/his/her shares through an intermediary such as a bank, broker or other nominee;
<b>“Board”</b>	the Directors of the Company as at the date of this Circular;
<b>“Business Day”</b>	a day, other than a Saturday, Sunday or public holiday, on which banks are open for business in the City of London and that the Toronto Stock Exchange is open;
<b>“CAD\$” or “\$”</b>	Canadian dollars, the lawful currency of Canada;
<b>“Canada” or “CA”</b>	the ten (10) provinces in all three (3) territories of Canada;
<b>“CDS”</b>	the Canadian Depository for Securities Limited;
<b>“certificated” or “in certificated form”</b>	a share which is not in uncertificated form (that is, not held in CDS);
<b>“Companies Act”</b>	the Companies Act 2006 (as amended from time to time);
<b>“Company” or “Old Verde AgriTech PLC”</b>	Verde AgriTech PLC, incorporated in England and Wales with company 05904885 registration number;
<b>“Conditions”</b>	the conditions of the Scheme Proposal set out in section A of Part 3 of this Circular, and “condition” shall mean any of them;
<b>“Court”</b>	the High Court of Justice, Business and Property Courts of England and Wales, Companies Court (ChD), in England and Wales;
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders convened by order of the Court pursuant to Part 26 of the Companies Act to be held at 09:30 EDT on 14 July 2022 to consider and, if thought fit, approve the Scheme, notice of which

	is set out in PART 9 of this Circular (including any adjournment thereof);
<b>“Directors”</b>	the directors of Old Verde AgriTech PLC or the directors of New Verde AgriTech PLC, from time to time, as the context requires, whose names are set out on page 53 of this Circular, including a duly constituted committee thereof;
<b>“EDT”</b>	Eastern Daylight Time
<b>“Effective”</b>	the Scheme having become effective pursuant to its terms;
<b>“Effective Date”</b>	the day on which the Scheme becomes effective in accordance with clause 9 of the Scheme;
<b>“Enlarged Group”</b>	following the Scheme becoming effective, New Verde AgriTech PLC and its subsidiaries and subsidiary undertakings from time to time;
<b>“Explanatory Statement”</b>	the explanatory statement relating to the Scheme Proposal, as set out in Part 2 of this Circular which, together with the documents incorporated therein, constitutes the explanatory statement as required by section 897 of the Companies Act;
<b>“Form(s) of Proxy”</b>	as the context may require, either or both of (i) the BLUE Form of Proxy for use at the Court Meeting and (ii) the WHITE Form of Proxy for use at the General Meeting, each of which accompanies this Circular;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“General Meeting”</b>	the General Meeting of the Shareholders convened to be held at 10:00 EDT on 14 July 2022 (or as soon thereafter as the Court Meeting shall have been concluded), notice of which is set out in Part 10 of this Circular (including any adjournment thereof);
<b>“Group”</b>	Old Verde AgriTech PLC, its subsidiaries and subsidiary undertakings as at the date of this Circular and “member of the Group” shall be construed accordingly;
<b>“HMRC”</b>	HM Revenues & Customs
<b>“IRC”</b>	US Internal Revenue Code

<b>“IRS”</b>	The internal Revenue Service for the United States federal government
<b>“Long Stop Date”</b>	12 August 2022 or such earlier or later date as New Verde AgriTech PLC and Old Verde AgriTech PLC may agree and/or the Court may allow;
<b>“Meetings”</b>	the Court Meeting and the General Meeting (and <b>“Meeting”</b> means either of them);
<b>“New Verde AgriTech PLC”</b>	Verde AgriTech Ltd, incorporated in Singapore with its registered office at 105 Cecil Street, #15-02 The Octagon, Singapore, 069534;
<b>“New Verde AgriTech PLC Constitution”</b>	the constitution of New Verde AgriTech PLC at the date of this Circular;
<b>“New Verde AgriTech PLC Shares”</b>	the New Verde AgriTech PLC Shares proposed to be issued and credited as fully paid pursuant to the Scheme;
<b>“NOBO”</b>	those Beneficial Shareholders who do not object to their identity being known;
<b>“Notice-and-Access Provisions”</b>	a set of rules developed by the Canadian Securities Administrators and pursuant to National Instrument 54-101, that reduce the volume of materials that must be physically mailed to Shareholders by allowing the Company to post the Circular and any additional materials on a non-SEDAR website rather than delivering such materials by mail.
<b>“Notice of General Meeting”</b>	the notice of General Meeting set out in Part 10 of this Circular;
<b>“OBO”</b>	those Beneficial Shareholders who object to their identity being known;
<b>“Old Verde AgriTech PLC Articles”</b>	the articles of association of Old Verde AgriTech PLC at the date of this Circular;
<b>“Old Verde AgriTech PLC Shares”, “Share” and “Old Verde AgriTech PLC Share”</b>	ordinary shares of \$0.3918 each in the capital of the Company and shall be construed accordingly;
<b>“Overseas Shareholders”</b>	Shareholders who are resident in, or nationals or citizens of, jurisdictions outside the UK or who are nominees of, or custodians or trustees for, residents, citizens or nationals of other countries;

<b>“£”</b>	UK pounds sterling, the lawful currency of the UK;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Scheme Proposal is sent or made available to Shareholders in that jurisdiction;
<b>“Scheme” or “Scheme of Arrangement”</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between the Company and the holders of Scheme Shares as set out in Part 4 of this Circular, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and New Verde AgriTech PLC;
<b>“Scheme Court Hearing”</b>	the hearing at which the Scheme Court Order is made;
<b>“Scheme Court Order”</b>	the order of the Court granted at the Scheme Court Hearing to sanction the Scheme under Part 26 of the Companies Act;
<b>“Scheme Proposal”</b>	the recommended acquisition by New Verde AgriTech PLC of the entire issued share capital of Old Verde AgriTech PLC to be effected by way of the Scheme and subject to the Conditions and on the terms of this Circular including, where the context so requires, any subsequent revision, variation, extension or renewal of such proposal;
<b>“Scheme Record Time”</b>	18:30 EDT on the Business Day immediately after date of the Scheme Court Hearing;
<b>“Scheme Resolutions”</b>	the resolution to be proposed at the Court Meeting and the special resolutions numbered 1.1 - 1.4 (being the Special Resolutions) to be proposed at the General Meeting, in both cases to approve and give effect to the Scheme;
<b>“Scheme Shareholders”</b>	the holders of Scheme Shares;
<b>“Scheme Shares”</b>	<ul style="list-style-type: none"> <li>(i) the Old Verde AgriTech PLC Shares in issue at the date of this Circular;</li> <li>(ii) any Old Verde AgriTech PLC Shares issued after the date of this Circular and before the Voting Record Time; and</li> </ul>

	(iii) any Old Verde AgriTech PLC Shares issued at or after the Voting Record Time but on or before the Scheme Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme,
	in each case other than any Old Verde AgriTech PLC Shares which are registered in the name of or beneficially owned by New Verde AgriTech PLC;
<b>“SD\$”</b>	Singapore dollars, the lawful currency of Singapore;
<b>“Shareholders”</b>	the holders of Old Verde AgriTech PLC Shares from time to time;
<b>“Singapore Company Law”</b>	the Singapore Companies Act 1967 of Singapore (as amended from time to time);
<b>“Special Resolutions”</b>	special resolutions 1.1 – 1.4 set out in the Notice of General Meeting to be proposed at the General Meeting to approve, amongst other things, the Scheme;
<b>“Stock Options”</b>	the options over Old Verde AgriTech PLC Shares granted under or pursuant to the Stock Option Scheme which have not lapsed, or been exercised, in accordance with their terms at the date of this Circular;
<b>“Stock Option Scheme”</b>	the agreements pursuant to which Old Verde AgriTech PLC has granted rights to subscribe for Old Verde AgriTech PLC Shares from time to time;
<b>“Subscriber Shareholder”</b>	Felipe Paulucci;
<b>“Subscriber Shareholder Undertaking”</b>	the irrevocable undertaking provided by the Subscriber Shareholder to Old Verde AgriTech PLC and New Verde AgriTech PLC dated on or around the Effective Date;
<b>“subsidiary” or “subsidiary undertaking” or “undertakings” or “associated undertakings”</b>	have the meanings given by the Companies Act;
<b>“Toronto Stock Exchange”</b>	Toronto Stock Exchange plc;
<b>“Transfer Agent”</b>	TSX Trust Company with a registered office at 301-100 Adelaide Street, West Toronto, Ontario, Canada, M5H 4H1

<b>“Uncertificated Securities Regulations”</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CDS and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of CDS;
<b>“uncertificated” or “in uncertificated form”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended);
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia;
<b>“US Exchange Act”</b>	the United States Securities Exchange Act of 1934, as amended, and rules and regulations thereunder; and
<b>“Voting Record Time”</b>	09:00 EDT on the day which is two (2) days before the date of the Court Meeting or, if such Court Meeting is adjourned, 09:00 EDT on the day which is two (2) days before the day of such adjourned meeting;
<b>“£”</b>	UK pounds sterling, the lawful currency of the UK;

In this Circular and the Forms of Proxy, references to the singular includes the plural and vice versa, unless the context otherwise requires.



PART 9

NOTICE OF COURT MEETING



IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (CHD)

CR-2022-001466

IN THE MATTER OF VERDE AGRITECH PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

**Section A: NOTICE**

**NOTICE IS HEREBY GIVEN** that, by an order dated 31 May 2022 made in the above matter, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) proposed to be made between Verde AgriTech PLC (the “**Company**”) and the Scheme Shareholders (as defined in the Scheme of Arrangement) and that such meeting will be held at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK, on 14 July 2022 at 09:30 EDT, at which place and time all holders of the Scheme Shares (as defined in the Scheme of Arrangement) are requested to attend.

At the Court Meeting, the following resolution will be proposed:

“That the scheme of arrangement dated the Effective Date (the “**Scheme**”) between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the Chairman hereof in its original form or with or subject to any modification, addition or condition approved or imposed by the Court, be approved and the Directors of the Company be authorised to take all such actions as they consider necessary or appropriate for carrying the Scheme into effect.”

A copy of the Scheme and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

**Duane Morris**

**Solicitors for the Company**

## **Section B: NOTES TO NOTICE**

This Notice of Court Meeting of Shareholders (the “**Notice**”) and the accompanying Circular have been prepared and delivered to shareholders pursuant to the notice-and-access provisions under National Instruments 54-101 and 51-102. Accordingly, this Notice and the accompanying Circular are posted online for our shareholders to view at: <https://docs.tsxtrust.com/2033>. Any Shareholder who wishes to receive a paper copy of the Circular should contact the Company’s Transfer Agent, TSX Trust Company by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Canada, by email at [TMXEinvestorservices@tmx.com](mailto:TMXEinvestorservices@tmx.com), by toll-free telephone at 1-866-600-5869. A shareholder may also use the toll-free number noted above to obtain additional information about the notice-and-access provisions.

**We are also inviting Shareholders to observe the Court Meeting by joining the Zoom webinar, details of which will be provided on registration at this site: <https://bit.ly/SpecialMeetingOfShareholders-2022> and to participate by asking your questions in advance. Participants will be able to listen to the proceedings at the Court Meeting through this method regardless of their geographic location.**

Questions will be invited in advance through the following link: <https://bit.ly/SubmitQuestion-2022SpecialMeeting>. These will be answered either individually or as a grouped set of questions if they relate to the same matter.

SHAREHOLDERS ARE ENCOURAGED TO EXERCISE THEIR RIGHT TO VOTE AT THE COURT MEETING BY APPOINTING THE CHAIRMAN OF THE COURT MEETING AS THEIR PROXY IN ADVANCE OF THE COURT MEETING IN ACCORDANCE WITH THE PROXY INSTRUCTIONS INCLUDED IN THE CIRCULAR AS VOTES CAST IN FAVOUR OF ANY OTHER PERSON AS A PROXY WILL FAIL IF THAT PERSON IS UNABLE TO ATTEND IN PERSON AND VOTE. The Circular accompanying this Notice provides additional information relating to the matters to be dealt with at the Court Meeting and shall be deemed to form part of this Notice. In addition, please review the explanatory notes attached to this Notice.

### **1. Entitlement to attend and vote**

1.1 Only those members registered on the Company’s register of members at:

1.1.1 09:00 EDT on 12 July 2022; or,

1.1.2 if this Court Meeting is adjourned, at 09:00 EDT on the day two (2) days prior to the adjourned Court Meeting, shall be entitled to attend and vote at the Court Meeting.

### **2. Attending in person**

2.1 If you wish to attend the Court Meeting in person, you may be asked for your name and address to confirm your identity.

### **3. Appointment of proxies**

3.1 Any shareholder is entitled to appoint a proxy to exercise all or any of his/her rights to attend, speak and vote at the Court Meeting and you should have received a BLUE Form

of Proxy with this Notice. You can only appoint a proxy using the procedures set out in these notes and the notes to the BLUE Form of Proxy (the procedures are also described in the Circular).

- 3.2 A shareholder may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A shareholder may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a shareholder of the Company. If you appoint a proxy and attend the Court Meeting in person, your proxy appointment will automatically be terminated.
- 3.3 If you wish to appoint a person or company other than the Chairman of the Court Meeting, please insert the name of your chosen proxy in the space provided on the BLUE Form of Proxy, however in the special circumstances applicable to this Court Meeting it is strongly recommended to appoint the Chairman of the Court Meeting as your proxy. Any alterations to this form must be initialed.
- 3.4 The securities represented by the BLUE Form of Proxy will be voted or withheld from voting as directed by the shareholder, however, if such direction is not made in respect of any matter, the proxy will be voted in favour of the passing of the matters set forth in the Notice (and if any other matters come before the Court Meeting the proxy will be voted on such matters in accordance with the best judgement of the appointed proxy).

#### **4. Appointment of proxy using hard copy BLUE Form of Proxy**

- 4.1 The notes to the BLUE Form of Proxy explain how to direct your proxy to vote on each resolution or withhold your vote.
- 4.2 Completion and return of a BLUE Form of Proxy will not preclude a shareholder from attending and voting in person at the Court Meeting should he or she so decide.
- 4.3 To appoint a proxy using the BLUE Form of Proxy, the form must be:
  - 4.3.1 completed and signed;
  - 4.3.2 sent or delivered to the Company's registrar and Transfer Agent, TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada or faxed to (416)-595-9593; and
  - 4.3.3 received no later than 48 hours (excluding weekends and holidays) prior to the Court Meeting, being 9:30 EDT on 12 July 2022.
- 4.4 Any power of attorney or other authority (if any) under which it is signed (or a notarized certified copy of such power of authority) must be included with the BLUE Form of Proxy.

#### **5. Joint Holders**

- 5.1 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of shareholders in respect of the joint holding (the first-named being the most senior).

## **6. Changing Proxy Instructions**

- 6.1 To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- 6.2 Where you have appointed a proxy using the hard-copy BLUE Form of Proxy and would like to change the instructions using another hard-copy BLUE Form of Proxy, please contact TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Canada.
- 6.3 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

## **7. Termination of Proxy Appointments**

- 7.1 In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada.
- 7.2 In the case of a shareholder that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 7.3 The revocation notice must be received by the Company no later than 48 hours (excluding weekends and holidays) prior to the Court Meeting, at 9:30 EDT on 12 July 2022.
- 7.4 If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
- 7.5 Appointment of a proxy does not preclude you from attending the Court Meeting and voting in person. If you have appointed a proxy and attend the Court Meeting in person, your proxy appointment will automatically be terminated.

## **8. Notice-and-Access**

- 8.1 In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily accessible website, rather than mailing physical copies of the materials. The Company has decided to deliver the materials for the Court Meeting (the “**Court Meeting Materials**”) to shareholders by posting the Court Meeting Materials on TSX Trust Company’s website at <https://docs.tsxtrust.com/2033>. This is also in compliance with the Company’s UK Articles

of Association which permit electronic notices to be served by making them available on a website.

- 8.2 The Court Meeting Materials will also be available on the Company's website from 3 June 2022 ([www.investor.verde.ag](http://www.investor.verde.ag)), and will remain on the website for one full year thereafter. The Court Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com). Any registered or non-registered shareholder of the Company wishing to receive a paper copy of the Circular may do so by calling the toll-free number at 1-866-600-5869. In order to receive a paper copy in time to vote before the Court Meeting, your request should be received by 5 July 2022, being at least five (5) Business Days in advance of the proxy deposit date. Shareholders may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

## **9. Corporate Representatives**

- 9.1 In order to facilitate voting by corporate representatives at the Court Meeting, arrangements will be put in place at the Court Meeting so that:

9.1.1 if a corporate shareholder has appointed the Chairman of the Court Meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the Court Meeting, then on a poll those corporate representatives will give voting directions to the Chairman of the Court Meeting and the Chairman will vote (or withhold a vote) as a corporate representative in accordance with those directions; and

9.1.2 Corporate shareholders are encouraged to appoint the Chairman of the Court Meeting as a proxy for the reasons noted above, however if more than one corporate representative for the same corporate shareholder attends the Court Meeting but the corporate shareholder has not appointed the Chairman of the Court Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman of the Court Meeting is being appointed as described in (i) above.

## **10. Help with completing the BLUE Form of Proxy**

- 10.1 If you are in any doubt about completing the BLUE Form of Proxy, please contact the Transfer Agent.



## PART 10

### NOTICE OF GENERAL MEETING



Verde AgriTech PLC (the “**Company**”)

*(Registered in England and Wales with company registration number 05904885)*

**NOTICE IS HEREBY GIVEN** that a **GENERAL MEETING** of the Company will be held at the offices of Duane Morris, Citypoint, 16<sup>th</sup> Floor, One Ropemaker Street, London, EC2Y 9AW, UK at 10:00 EDT on 14 July 2022 (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part) convened for 09:30 EDT on the same day and at the same place, by an order of the High Court of Justice in England & Wales (the “**Court**”), shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as special resolutions:

#### **Section A: SPECIAL RESOLUTIONS**

##### **THAT:**

- 1.1 the scheme of arrangement dated 14 June 2022 (in its original form or with or subject to any modification, addition or condition approved or imposed by the Court) (the “**Scheme**”) proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to the meeting and for the purpose of identification signed by the Chairman of this meeting, be approved and the Directors of the Company be authorised to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect;
- 1.2 with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 162:

##### **"SCHEME OF ARRANGEMENT**

##### **162     *Scheme of Arrangement***

- (a) In this article, the “Scheme” means the scheme of arrangement dated 14 June 2022, between the Company and the holders of its Scheme Shares (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by the Company and New Verde AgriTech PLC and (save as defined in this article) expressions defined in the Scheme shall have the same meanings in this article.

- (b) Notwithstanding any other provision of these articles, if the Company issues any ordinary shares (other than to New Verde AgriTech PLC or its nominee(s)) after the adoption of this article and before the Scheme Record Time (as defined in the Scheme), such ordinary shares shall be issued subject to the terms of the Scheme and shall be Scheme Shares for the purposes thereof and the holders of such ordinary shares, and any subsequent holder of such ordinary shares (other than New Verde AgriTech PLC and/or its nominee or nominees) shall be bound by the Scheme accordingly.
- (c) Subject to the Scheme becoming Effective (as defined in the Scheme), if any ordinary shares in the Company are issued to any person (a “**New Member**”) (or transferred to any subsequent holder or any nominee of such New Member or any subsequent holder) (other than under the Scheme or to New Verde AgriTech PLC or its nominee(s)) after the Scheme Record Time (the “**Transfer Shares**”), they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue) be immediately transferred to New Verde AgriTech PLC (or as it may direct) in consideration of the issue by New Verde AgriTech PLC to the New Member (or to any transferee if such share have been so transferred to any subsequent holder or any nominee of such New Member or any subsequent holder) of such number of new shares in New Verde AgriTech PLC as the New Member would have been entitled to receive in aggregate if the Transfer Shares transferred hereunder had been Scheme Shares and the New Member had been the holder thereof at the Scheme Record Time.
- (d) The number of new shares to be issued or transferred to the New Member under this Article 162 may be adjusted by the Directors of the Company in such manner as the Company’s auditors may determine on any re-organisation of or material alteration of the share capital of either the Company or New Verde AgriTech PLC or any other return of value to holders of New Verde AgriTech PLC Shares effected after the Scheme Record Time.
- (e) To give effect to any transfer required by Article 162(c) above, the Company may appoint any person as agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to transfer the Transfer Shares to New Verde AgriTech PLC and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the agent be necessary or desirable to vest the Transfer Shares in New Verde AgriTech PLC and/or its nominee(s) and pending such vesting, to exercise all such rights attaching to the Transfer Shares as New Verde AgriTech PLC may direct.



- (f) If the Scheme shall not have become Effective by the date referred to in clause 9 of the Scheme, this Article 162 shall not be effective.

1.3 conditional on the Scheme becoming effective, the Company shall be re-registered as a private limited company and the name of the Company be changed to Verde AgriTech Limited; and

1.4 conditional on the Scheme becoming effective, the admission of the Company's shares to trading on TSX be cancelled.

Dated: 14 June 2022

#### **BY ORDER OF THE BOARD OF DIRECTORS**

Michael St Aldwyn  
Independent Lead Director  
Director

Registered Office:  
Salatin House  
19 Cedar Road  
Sutton, Surrey  
SM2 5DA  
United Kingdom

#### **Section B: NOTES TO NOTICE**

This Notice of General Meeting of Shareholders (the "**Notice**") and the accompanying Circular have been prepared and delivered to shareholders pursuant to the notice-and-access provisions under National Instruments 54-101 and 51-102. Accordingly, this Notice and the accompanying Circular are posted online for our shareholders to view at: <https://docs.tsxtrust.com/2033>. Any Shareholder who wishes to receive a paper copy of the Circular should contact the Company's Transfer Agent, TSX Trust Company by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Canada, by email at [TMXEinvestorservices@tmx.com](mailto:TMXEinvestorservices@tmx.com), by toll-free telephone at 1-866-600-5869. A shareholder may also use the toll-free number noted above to obtain additional information about the notice-and-access provisions.

**We are also inviting Shareholders to observe the General Meeting by joining the Zoom webinar, details of which will be provided on registration at this site: <https://bit.ly/SpecialMeetingOfShareholders-2022> and to participate by asking your questions in advance. Participants will be able to listen to the proceedings at the General Meeting through this method regardless of their geographic location.**

Questions will be invited in advance through the following link: <https://bit.ly/SubmitQuestion-2022SpecialMeeting>. These will be answered either individually or as a grouped set of questions if they relate to the same matter.

**SHAREHOLDERS ARE ENCOURAGED TO EXERCISE THEIR RIGHT TO VOTE AT THE GENERAL MEETING BY APPOINTING THE CHAIRMAN OF THE GENERAL MEETING AS THEIR PROXY IN ADVANCE OF THE GENERAL MEETING IN ACCORDANCE WITH THE PROXY INSTRUCTIONS INCLUDED IN THE CIRCULAR AS VOTES CAST IN FAVOUR OF ANY OTHER PERSON AS A PROXY WILL FAIL IF THAT PERSON IS UNABLE TO ATTEND IN PERSON AND VOTE.** The Circular accompanying this Notice provides additional information relating to the matters to be dealt with at the General Meeting and shall be deemed to form part of this Notice. In addition, please review the explanatory notes attached to this Notice.

**1. Entitlement to attend and vote**

1.1 Only those members registered on the Company's register of members at:

1.1.1 09:00 EDT on 12 July 2022; or,

1.1.2 if this General Meeting is adjourned, at 09:00 EDT on the day two (2) days prior to the adjourned General Meeting, shall be entitled to attend and vote at the General Meeting.

**2. Attending in person**

2.1 If you wish to attend the General Meeting in person, you may be asked for your name and address to confirm your identity.

**3. Appointment of proxies**

3.1 Any shareholder is entitled to appoint a proxy to exercise all or any of his/her rights to attend, speak and vote at the General Meeting and you should have received a WHITE Form of Proxy with this Notice. You can only appoint a proxy using the procedures set out in these notes and the notes to the WHITE Form of Proxy (the procedures are also described in the Circular).

3.2 A shareholder may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A shareholder may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a shareholder of the Company. If you appoint a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

3.3 If you wish to appoint a person or company other than the Chairman of the General Meeting, please insert the name of your chosen proxy in the space provided on the WHITE Form of Proxy, however in the special circumstances applicable to this General Meeting it is strongly recommended to appoint the Chairman of the General Meeting as your proxy. Any alterations to this form must be initialed.

3.4 The securities represented by the WHITE Form of Proxy will be voted or withheld from voting as directed by the shareholder, however, if such direction is not made in respect of any matter, the proxy will be voted in favour of the passing of the matters set forth in the Notice (and if any other matters come before the General Meeting the proxy will be voted on such matters in accordance with the best judgement of the appointed proxy).

#### **4. Appointment of proxy using hard copy WHITE Form of Proxy**

- 4.1 The notes to the WHITE Form of Proxy explain how to direct your proxy to vote on each resolution or withhold your vote.
- 4.2 Completion and return of a WHITE Form of Proxy will not preclude a shareholder from attending and voting in person at the General Meeting should he or she so decide.
- 4.3 To appoint a proxy using the WHITE Form of Proxy, the form must be:
  - 4.3.1 completed and signed;
  - 4.3.2 sent or delivered to the Company's registrar and Transfer Agent, TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada or faxed to (416)-595-9593; and
  - 4.3.3 received no later than 48 hours (excluding weekends and holidays) prior to the General Meeting, being 9:30 EDT on 12 July 2022.
- 4.4 Any power of attorney or other authority (if any) under which it is signed (or a notarized certified copy of such power of authority) must be included with the WHITE Form of Proxy.

#### **5. Joint holders**

- 5.1 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of shareholders in respect of the joint holding (the first-named being the most senior).

#### **6. Changing proxy instructions**

- 6.1 To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- 6.2 Where you have appointed a proxy using the hard-copy WHITE Form of Proxy and would like to change the instructions using another hard-copy WHITE Form of Proxy, please contact TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Canada.
- 6.3 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### **7. Termination of proxy appointments**

- 7.1 In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment

to TSX Trust Company at 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Canada.

- 7.2 In the case of a shareholder that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 7.3 The revocation notice must be received by the Company no later than 48 hours (excluding weekends and holidays) prior to the General Meeting, at 9:30 EDT on 12 July 2022.
- 7.4 If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
- 7.5 Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

## **8. Notice-and-Access**

- 8.1 In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily accessible website, rather than mailing physical copies of the materials. The Company has decided to deliver the materials for the General Meeting (the “**General Meeting Materials**”) to shareholders by posting the General Meeting Materials on TSX Trust Company’s website at <https://docs.tsxtrust.com/2033>. This is also in compliance with the Company’s UK Articles of Association which permit electronic notices to be served by making them available on a website.
- 8.2 The General Meeting Materials will also be available on the Company’s website ([www.investor.verde.ag](http://www.investor.verde.ag)) on 3 June 2022, and will remain on the website for one full year thereafter. The General Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com). Any registered or non-registered shareholder of the Company wishing to receive a paper copy of the Circular may do so by calling the toll-free number at 1-866-600-5869. In order to receive a paper copy in time to vote before the General Meeting, your request should be received by 5 July 2022, being at least five (5) Business Days in advance of the proxy deposit date. Shareholders may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

## **9. Corporate Representatives**

- 9.1 In order to facilitate voting by corporate representatives at the General Meeting, arrangements will be put in place at the General Meeting so that:

- 9.1.1 if a corporate shareholder has appointed the Chairman of the General Meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the General Meeting, then on a poll those corporate representatives will give voting directions to the Chairman of the General Meeting and the Chairman will vote (or withhold a vote) as a corporate representative in accordance with those directions; and
- 9.1.2 Corporate shareholders are encouraged to appoint the Chairman of the General Meeting as a proxy for the reasons noted above, however if more than one corporate representative for the same corporate shareholder attends the General Meeting but the corporate shareholder has not appointed the Chairman of the General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman of the General Meeting is being appointed as described in (i) above.

## **10. Help with completing the WHITE Form of Proxy**

- 10.1 If you are in any doubt about completing the WHITE Form of Proxy, please contact the Transfer Agent.

For questions or more information with respect to the Meetings of Old Verde AgriTech Plc, Shareholders, please contact our proxy solicitation agent:



**TMX Investor Solutions**

Toll Free North America: (866) 822-1243

Outside North America: (201) 806-7301

Email: [INFO\\_TMXIS@TMX.com](mailto:INFO_TMXIS@TMX.com)