

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

Glorious Creation Limited (the “**Company**” or “**Glorious**”)  
Suite 405 – 1328 West Pender Street  
Vancouver, BC V6E 4T1

**Item 2. Date of Material Change**

July 30, 2023

**Item 3. News Release**

The news release announcing the material change described herein was disseminated through the facilities of Stockwatch on August 1, 2023.

**Item 4. Summary of Material Change**

On July 30, 2023, the Company entered into a definitive business combination agreement (the “**Agreement**”) with Aerobionics Integrated Systems Inc. (“**AeroBloom**”), to acquire all of the issued and outstanding common shares of AeroBloom in exchange for securities of Glorious (the “**Transaction**”). The Agreement replaced and superseded the definitive share exchange agreement dated May 3, 2022 and amending agreement dated September 13, 2022 announced in the Company’s new releases dated May 4, 2022 and September 14, 2022

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

On July 30, 2023, Glorious entered into the Agreement with AeroBloom, to acquire all of the issued and outstanding common shares of AeroBloom in exchange for securities of Glorious. The Agreement replaces and supersedes the definitive share exchange agreement dated May 3, 2022 and amending agreement dated September 13, 2022.

The Transaction is an arm’s length transaction and will constitute a "fundamental change" of Glorious as such term is defined in the Canadian Securities Exchange (the “**CSE**”) Policy 8 – Fundamental Changes & Changes of Business and is subject to CSE approval. Following completion of the proposed Transaction, the Company (the “**Resulting Issuer**”) will hold all of the assets and continue the business of AeroBloom.

AeroBloom’s CEO Kevin McDoneld stated: “AeroBloom is excited to complete the go public process in the near future, having already closed a US\$4.6 million financing that has enabled the team at AeroBloom to continue working towards completing construction of a 3700 square foot aeroponics facility in Long Beach, California and a 9700 square foot aeroponics facility in Riverside, California. AeroBloom expects Long Beach to be operational by the end of 2023 and Riverside to be operational by 2Q 2024. At the same time, AeroBloom is in

discussions with a number of potential international joint venture partners and is optimistic about the possibilities of implementing their aeroponics technology overseas, in addition to rollout in the USA, all with the goal of global expansion of scalable aeroponics, and implementation of their proprietary A.I. aeroponics technology”.

### **The Transaction**

Glorious agreed to acquire all of the issued and outstanding common shares (collectively, the **“AeroBloom Shares”**) of AeroBloom in consideration for the issuance of the Subordinate Voting Shares (as defined below) and the Multiple Voting Shares (as defined below). Pursuant to the terms of the Agreement, Glorious agreed to issue 1.25 Subordinate Voting Shares for each AeroBloom Share (after AeroBloom completes a reorganization of its share capital (the **“AeroBloom Share Reorganization”**)) and, for certain shareholders of AeroBloom, issue 0.04166667 Multiple Voting Shares for each AeroBloom Share (after the AeroBloom Share Reorganization). Pursuant to the terms of the Agreement, Glorious will create a new class of multiple voting shares (the **“Multiple Voting Shares”**) and re-designate and amend its current class of CSE-listed common shares (the **“Glorious Common Shares”**) as subordinate voting shares (the **“Subordinate Voting Shares”**).

The Multiple Voting Shares and the Subordinate Voting Shares will have the same rights, be equal in all respects and will be treated by Glorious as if they were shares of one class only. Multiple Voting Shares will at any time, at the option of the holder, and subject to certain conditions to ensure that Glorious remains a “foreign private issuer” (as such term is defined in Rule 405 of Regulation C under the U.S. Securities Act of 1933 (the **“SEC Rules”**)), be convertible into Subordinate Voting Shares at a ratio of 50 Subordinate Voting Shares for each Multiple Voting Share. Prior to conversion, each Multiple Voting Share will carry 50 votes per share (compared to one vote per Subordinate Voting Share). The Multiple Voting Shares are being created in order for Glorious to continue to meet the definition of a “foreign private issuer” under the SEC Rules.

### **The Arrangement**

The Transaction will be effected by way of a court-approved plan of arrangement (the **“Arrangement”**) conducted pursuant to the provisions of the Business Corporations Act (British Columbia) (the **“BCBCA”**) and will require the approval of at least: (a) two-thirds of the votes cast on the resolution in respect of the Arrangement (the **“Arrangement Resolution”**) by shareholders of Glorious (**“Glorious Shareholders”**) present in person or by proxy at a meeting of the Glorious Shareholders (the **“Meeting”**); (b) a simple majority of the votes cast on the Arrangement Resolution by Glorious Shareholders present in person or by proxy at the Meeting, excluding the Glorious Common Shares held directly or indirectly by “affiliates” and “control persons” of Glorious under National Instrument 41-101 – General Prospectus Requirements and Ontario Securities Commission Rule 56-501 – Restricted Shares; and (c) a simple majority of the votes cast on such resolution by Glorious Shareholders present in person or by proxy at the Meeting, excluding the Glorious Common Shares required to be excluded under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

In regards to the Meeting, a management information circular (the “**Information Circular**”) setting out the terms of the Arrangement, as well as further information regarding the Arrangement and the Transaction, will be circulated to all Glorious Shareholders in connection with the Meeting as soon as possible. Further details regarding the dates and locations of the Meeting will be provided once determined.

#### **Previous Financing**

AeroBloom previously announced that it had closed a crowdfunding regulation financing of common shares of AeroBloom Shares at a price of US\$0.37 per AeroBloom Share for gross proceeds of approximately US\$4.6 million, of which US\$1,400,000 of the gross proceeds have been deposited into escrow until the earlier of the closing of the Transaction or termination of the Agreement.

#### **Conditions to the Transaction**

Completion of the Transaction is subject to certain conditions including, but not limited to, receipt of all applicable shareholder, court and regulatory approvals, including approval of the CSE as well as such other closing conditions customary of transactions of this nature.

#### **Trading Halt**

The Glorious Common Shares are currently halted from trading, and the trading of the Glorious Common Shares is expected to remain halted pending completion of the Transaction.

#### **About AeroBloom**

AeroBloom is a private company incorporated under the laws of California. AeroBloom’s core business is the development and use of proprietary aeroponics technology to harvest and cultivate various crops including tomatoes and bell peppers for distribution and retail. AeroBloom’s technology, which includes hardware, software, and know-how (unique growing protocols) for the optimal cultivation of plant crops in controlled environments, provides advantages in terms of yield, water conservation, speed of growth, and quality of crops relative to other similar systems available for controlled environment agriculture. This, in turn, allows AeroBloom to produce food at a lower cost relative to other producers using similar systems. AeroBloom intends to construct a greenhouse capable of growing tomatoes and bell peppers using its proprietary aeroponics technology.

Additional information regarding AeroBloom can be found on AeroBloom’s website at [aerobloom.com](http://aerobloom.com).

#### **5.2 Disclosure for Restructuring Transactions**

Not Applicable.

#### **Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

Liam Corcoran, Chief Executive Officer, is knowledgeable about the material change and the Report and may be contacted at 778-889-4966

**Item 9. Date of Report**

August 3, 2023