



Vejii Announces Closing of Acquisition of VEDGEco USA, Inc.

This acquisition will enable Vejii to expand its offerings to include business-to-business ("B2B") wholesale distribution through grocery and foodservice channels for plant-based brands through VEDGEco.com.

VANCOUVER, BC, Jan. 4, 2022 /CNW/ - [Vejii Holdings Ltd.](#) (CSE: VEJI) ("**Vejii**" or the "**Company**"), a North American online marketplace for plant-based and sustainable products, is pleased to announce that it has completed the acquisition as of December 31, 2021 (the "**Acquisition**") of VEDGEco USA, Inc. ("**VEDGEco**"), a leading online B2B wholesale platform for plant-based products, from the shareholders of VEDGEco (collectively, the "**Vendors**").

Pursuant to a purchase agreement (the "**Purchase Agreement**") dated December 22, 2021 among Vejii, VEDGEco and the Vendors, Vejii has acquired all of the issued and outstanding shares of VEDGEco (the "**Purchased Shares**"), for a total purchase price of US\$6,250,000 (the "**Purchase Price**"). Pursuant to the Purchase Agreement, Vejii issued to the Vendors on the closing date of the Acquisition an aggregate of 12,865,000 Common shares of Vejii with a deemed value of US\$3,500,000 or C\$4,502,750 (the "**Consideration Shares**"), as determined based on a price per Consideration Share of C\$0.35, converted into United States dollars at the Bank of Canada exchange rate on December 22, 2021. The remainder of the Purchase Price is payable in earn-out payments up to a maximum of US\$2,750,000, payable in Common shares (the "**Earn-Out Shares**"), priced in the context of the market, to be issued to the Vendors upon VEDGEco meeting certain milestones as more particularly set out in the Purchase Agreement.

The Consideration Shares and the Earn-Out Shares are subject to a statutory hold period of four months and one day, restrictions on transfer under applicable United States securities laws and a contractual lock-up as set out in the Purchase Agreement (the "**Voluntary Lock Up**"). Subject to compliance with applicable securities laws, 12.5% of the Consideration Shares and the Earn-Out Shares will be released from the Voluntary Lock Up on a quarterly basis for a period of 24 months from the date of issuance.

VEDGEco's key personnel are expected to continue to run the operations of VEDGEco and Kory Zelickson and Darren Gill, directors of Vejii, have joined the board of directors of VEDGEco.

"I would personally like to thank our advisors and team members on both sides who worked tirelessly over the holidays to ensure we close this transaction before year-end. This allows our new combined teams to hit the ground running in 2022, and focus on growing our businesses and onboarding new customers and products to our platforms," said Kory Zelickson, CEO of Vejii.

The Acquisition is expected to drive synergies across purchasing, customer service, technology, and logistics for Vejii and VEDGEco. Vejii will also be able to leverage VEDGEco's existing facilities in Hawaii, Northern California and Georgia, while providing VEDGEco with access to its facilities in Texas, Wisconsin, and its soon-to-be operational third-party logistics operation in Southern California

In addition to providing VEDGEco's existing offering of wholesale plant-based products, Vejii will now have the ability to significantly expand VEDGEco's product selection by leveraging its existing case-lot purchasing and expanding the range of products on its platform through VEDGEco. VEDGEco operates its distribution centers from Hawaii and California, which will further expand Vejii's distribution network, reducing shipping costs and expanding the Company's offering of regionalized same-day delivery.

"Between going public and completing our acquisition of Vegan Essentials and then VEDGEco, 2021 closed on a high note for us," said Darren Gill, President and COO of Vejii. "I feel we have proven our ability to execute our plans and objectives, getting two deals closed in two months, and the stage is now set for growth in 2022 as Vejii will be able to service our brand partners through our direct to consumer marketplace and business to business through the addition of VEDGEco."

About VEDGEco USA Inc.

With a goal of bringing the freedom of food choice to independent restaurants and businesses, VEDGEco is the first nationwide plant-based wholesaler. Launched nationally in 2020, we ship frozen plant-based products in bulk to the restaurant and wholesale food industry, as well as to consumers across the U.S.

Our carefully curated selection of the best plant-based meat, dairy, and egg alternatives ship frozen and in recyclable and compostable packaging to reduce our carbon footprint and make it easy for our customers to say yes to delicious plant-based food!

About Vejii Holdings Inc.

Headquartered in Kelowna B.C, Vejii is a unified digital marketplace and fulfillment platform featuring thousands of plant-based and sustainable-living products from a growing list of hundreds of vendors. The platform offers an easy-to-use, omnichannel experience for both vendors and buyers, leveraging big data and artificial intelligence to elegantly connect brands with a targeted consumer base, both organically and through specialized marketing programs. Dynamic fulfillment services empower brands to offer tier-one service, with ongoing engagement being driven through features like smart lists, subscription programs, reordering functions, sampling programs, and more.

The Company also owns and operates U.S.-based Veg Essentials LLC ("**Vegan Essentials**"), which operates VeganEssentials.com. A staple of the plant-based community, Vegan Essentials was established in 1997 and contributes more than 20 years of consumer insight, data, and buying power. VeganEssentials.com was awarded best online vegan store from 2005-2018, as well as best online vegan grocer from 2018-2021 by VegNews Magazine.

For more information, visit VejiiHoldings.com

VejiiHoldings.com

ON BEHALF OF THE BOARD OF DIRECTORS:

Kory Zelickson, Director and CEO

Find Vejii on Social Media: on Instagram, Facebook, Twitter, and LinkedIn

No securities regulatory authority has either approved or disapproved of the contents of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Vejii in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Consideration Shares and the Earn-Out Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, the Consideration Shares and the Earn-Out Shares may not be offered or sold within the U.S. or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of applicable securities laws with respect to the Company. These forward-looking statements generally are identified by words such as "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," and similar expressions. Forward-looking statements in this press release include statements relating to: (i) the payment of Earn-Out Shares to the Vendors; (ii) the expected effects of the Acquisition for the Company and VEDGEco, including the expected expansion of Vejii's offerings to include B2B wholesale distribution through VEDGEco.com, the expectation that key personnel of VEDGEco will remain with the Company, the expectation that the Company will be able to grow Vejii's and VEDGEco's business and onboard new products to their respective platforms, the expectation that the Acquisition will drive synergies across purchasing, customer service, technology, and logistics for Vejii and VEDGEco, the expectation that Vejii will be able to leverage VEDGEco's existing facilities in Hawaii, Northern California and Georgia, the expectation that Vejii will provide VEDGEco with access to its facilities, including to Vejii's planned third-party logistics operation in Southern California, the expectation that Vejii will be able to provide VEDGEco's existing offering of wholesale plant-based products, the expectation that Vejii will be able to expand VEDGEco's product selection by leveraging its existing case-lot purchasing and expanding the range of products on its platform through VEDGEco, the expectation that VEDGEco's distribution centers will further expand Vejii's distribution network, reducing shipping costs and expanding the Company's offering of regionalized same-day delivery and the expectation that Vejii will be able to service its brand partners through the Company's direct to consumer marketplace and business to business through the addition of VEDGEco. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release including, without limitation, that the Company may not be able to pay the Earn-Out Shares to the Vendors, that the Acquisition may not have the expected effects on the Company and/or on VEDGEco and other factors beyond the

Company's control. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable laws.

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CNW 09:00e 04-JAN-22