



Argo Corporation announces update on its divestment of ownership interest in FoodsUp

TORONTO, March 7, 2025 /CNW/ - Argo Corporation ("**Argo**" or the "**Company**") (TSXV: ARGH) (OTCQX: ARGHF), a new venture delivering the first-ever vertically and publicly integrated city transit system, announced today updates to its previously disclosed planned divestment of the majority of the Company's ownership interest in FoodsUp Inc. (the "**FoodsUp Divestment**"), and other corporate updates.

FoodsUp Divestment

Argo continues to maintain a majority non-controlling ownership interest in FoodsUp Inc. ("**FoodsUp**"). FoodsUp is one of Canada's leading restaurant supply platforms, with annual revenues of \$108 million in fiscal 2024.

The Company is pleased to announce that it has made significant progress in resolving previously disclosed delays in the FoodsUp Divestment in collaboration with FoodsUp management, in pursuit of its strategic plan to provide the shareholders of Argo with either the net proceeds of sale of the majority of its interest in FoodsUp to a third party, or an indirect or tracking ownership interest in FoodsUp as of a to-be-determined record date (the "**Distribution Transaction**"). The Company expects to announce further updates on the Distribution Transaction in the coming weeks. Argo, through its wholly-owned subsidiary ("**Argo Subsidiary**"), has also completed the sale of an aggregate of 5,855 subordinate-voting shares of FoodsUp for an aggregate purchase price of approximately \$2.5 million. In addition, Argo Subsidiary has entered into the following agreements:

- An option agreement with FoodFlow Partner ("**FoodFlow**"), FoodsUp and FoodGrowup Partner (the "**FoodFlow Option Agreement**") effective March 6, 2025. Pursuant to the FoodFlow Option Agreement, Argo Subsidiary has granted to FoodFlow the irrevocable option to purchase up to 30,219 subordinate-voting shares of FoodsUp (the "**FoodFlow Option**") at a price per share of up to \$658, subject to timing of the exercise of the FoodFlow Option. The FoodFlow Option is exercisable any time before July 1, 2026. If all 30,219 subordinate-voting shares of FoodsUp subject to the FoodFlow Option are purchased, then following a 100 day period (the "**Non-Option Period**"), Argo Subsidiary will grant to FoodFlow the irrevocable option to purchase all or a portion of any FoodsUp subordinate-voting shares held by Argo Subsidiary at such time (the "**FoodFlow Secondary Option**") at a price per share equal to the price per share paid in connection with the last exercise under the FoodFlow Option. The FoodFlow Secondary Option is exercisable any time before the later of (i) 60 days after the end of the Non-Option Period, and (ii) July 1, 2026. The expiry of both the FoodFlow Option and the FoodFlow Secondary Option may be extended to obtain any required approvals in accordance with the FoodFlow Option Agreement. To the Company's knowledge, none of FoodFlow, FoodsUp and FoodGrowup Partner are a "Non-Arm's Length Party" as defined in TSX Venture Exchange policy.
- An option agreement with 16786359 Canada Inc., (the "**359 Option Agreement**") effective March 6, 2025. Pursuant to the 359 Option Agreement, Argo Subsidiary has granted to 16786359 Canada Inc. the irrevocable option to purchase up to 15,713 subordinate-voting shares of FoodsUp (the "**359 Option**") at a price per share of up to \$658, subject to timing of

the exercise of the 359 Option. The 359 Option is exercisable any time before the expiry of the Non-Option Period. The expiry of the 359 Option may be extended to obtain any required approvals in accordance with the 359 Option Agreement. Junaid Razvi, a director of Argo Subsidiary and FoodsUp, is the principal of 16786359 Canada Inc.

The closing of the transactions contemplated under the FoodFlow Option Agreement and the 359 Option Agreement are subject to any required approvals, which includes approval of the TSX Venture Exchange and may include approval of the shareholders of the Company. The Distribution Transaction is also subject to any required approvals, which may include approval of the TSX Venture Exchange and approval of the shareholders of the Company.

As a reporting issuer, the Company is subject to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and the requirements thereunder in respect of any "related party transaction" (as defined in MI 61-101). Prior to carrying out the aforementioned transactions, to the extent they are related party transactions, the Company will comply with the requirements of MI 61-101.

Management Updates

The Company announced today that in order to facilitate an increased strategic focus on partnerships and expansion of Argo's modern transit system, Qamar Qureshi will transition into a new full-time role of Co-Founder and Chief Business Officer, out of his current roles of Co-Chief Executive Officer and director, effective as of March 6, 2025. Praveen Arichandran will continue to lead Argo Corporation as Co-Founder, Chief Executive Officer & Chairman.

About Argo

Argo delivers the first-ever vertically and publicly integrated city transit system, designed to augment public transportation and create a network of intelligently routed vehicles that work together to serve and scale to the needs of entire cities, putting people in control of their mobility. You can learn more at www.rideargo.com.

Praveen Arichandran, CEO
Argo Corporation
(800) 575-7051

Forward-Looking Information

Certain information set out in this news release constitutes forward-looking information within the meaning of applicable securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions. The forward-looking information set out in this news release relates to future events or our future performance and includes, without limitation, statements concerning the completion of the FoodsUp Divestment and the timing thereof, the exercise of the options granted pursuant to the FoodFlow Option Agreement and the 359 Option Agreement by the holders thereof, Argo's ability to obtain all necessary approvals in respect of the FoodsUp Divestment, FoodFlow Option Agreement, the 359 Option Agreement and the Distribution Transaction, and Argo's intention with respect to the Distribution Transaction.

Although the forward-looking information contained in this news release is based upon what management of Argo believes are reasonable assumptions on the date of this news release, Argo cannot assure readers that actual results will be consistent with such forward-looking information. Forward-looking information involves substantial known and unknown risks, uncertainties and other factors which cause actual results to vary from those expressed or implied by such forward looking information, including without limitation those risks and uncertainties described in more detail in

Argo's securities filings available at www.sedarplus.ca. Forward-looking information should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved.

The forward-looking information contained in this news release is provided as of the date hereof. Argo disclaims any intention or obligation to update or publicly revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. All forward-looking information contained in this news release is expressly qualified in its entirety by the foregoing cautionary statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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For further information: Media Contact: Christina Ra, Argo Corporation, christina@rideargo.com, (800) 575-7051

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