

**FIRST SUPPLEMENT TO  
CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM  
DATED JULY 7, 2022**

**Supplement Dated October 11, 2022**

Number \_\_\_\_ Provided To \_\_\_\_\_



**Steward Holdings (US), Inc.  
A Delaware Public Benefit Corporation**

Steward Holdings (US), Inc.'s Confidential Private Placement Memorandum dated July 7, 2022 is amended and supplemented as follows:

1. **The per share offering price is reduced to \$665.21.** The previous per share offering price was \$925.00.
2. **The maximum offering value is reduced to \$1,798,062.63.** The previous maximum offering value was \$2,500,275.00.
3. **The minimum offering value is increased to \$1,001,141.05.** The previous minimum offering value was \$1,000,850.00.
4. **The offering will terminate upon the earlier of October 31, 2022 or its being fully subscribed.** Previously, the offering was open until the earlier of Steward raising the minimum offering value or 12 months from its commencement. Thereafter, the offering would have continued until Steward raised the maximum offering value or the offering was terminated by the Board of Directors.
5. **Steward has substantially decreased its operating expenses by significantly reducing its headcount.** The implications of this action are discussed in this Supplement.

## **FIRST SUPPLEMENT TO CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

This First Supplement to Confidential Private Placement Memorandum (this “Supplement”) is intended to amend, supplement and update certain information contained in the Confidential Private Placement Memorandum of Steward Holdings (US), Inc., a Delaware Public Benefit Corporation (“Steward”), dated July 7, 2022 (the “Memorandum”). This Supplement and the Memorandum and all the exhibits thereto relate to the offering by Steward of shares of its Series A Preferred Stock (the “Shares”) to certain US investors under Rule 506(b) of Regulation D promulgated under the Securities Act of 1933, as amended (the “Offering”).

This Supplement must be read in conjunction with the Memorandum. The Memorandum and all the exhibits thereto are incorporated by reference in this Supplement, except to the extent that the information in this Supplement conflicts with or is in any way inconsistent with the information in the Memorandum and the exhibits thereto, in which case this Supplement shall control in all respects. Unless otherwise defined in this Supplement, capitalized terms used in this Supplement shall have the respective meanings set forth in the Memorandum.

The purpose of this Supplement is to modify the terms of the Offering and to make disclosures about a recent reduction in Steward’s headcount.

**This Supplement hereby amends and updates the Memorandum as follows:**

### **MODIFICATION TO THE TERMS OF THE OFFERING**

Since Steward commenced the Offering in July 2022, global financial market conditions and the interest rate environment have changed dramatically and Steward’s leadership team and Board of Directors believe it is in the best interests of the company and its shareholders to modify the terms of its Offering.

Specifically, Steward’s three existing institutional investors -- The Grantham Foundation, Tripple, and Ponderosa Ventures -- and Steward’s founder and CEO, Daniel Miller, have committed to purchasing Shares in the Offering for total aggregate consideration of \$900,000.00. They have committed to make this investment at a per Share price of \$665.21, which is lower than the \$925.00 offering price in the Memorandum. The reduced price is the price from Steward’s most recent capital raise in August 2021. The Memorandum is hereby supplemented to reflect that the offering price is modified to be \$665.21.

The investment commitments from Steward’s institutional investors and Mr. Miller combined with the material reduction in Steward’s operating expenses following a significant reduction in Steward’s staff levels (discussed below) have prompted Steward’s Board of Directors to accelerate the closing of the Offering. Subject to achieving the minimum investment amount, the Offering will now close upon the earlier of its being fully subscribed or October 31, 2022, and the Memorandum is hereby supplemented to reflect those new closing parameters.

The Memorandum originally required Steward to raise \$1,000,850.00 before the Offering would have an initial closing. The adjusted offering price per Share means that Steward must sell more shares to raise at least \$1,000,000.00, which Steward believes is a material consideration for most investors. Consequently, investors must now subscribe for at least 1,505 Shares, equal to \$1,001,141.05, for the Offering to have an initial closing. Please note that as of the date of this Supplement, the combination of funded subscriptions with the investment commitments from Steward's institutional investors and Mr. Miller will be sufficient to reach the minimum offering amount for an initial closing. The Memorandum is hereby supplemented to reflect that new minimum required Share purchase of 1,505 Shares.

### **DISCUSSION OF STAFF REDUCTION**

Steward's senior management team and Board of Directors have conducted an intensive review of Steward's business model and financial performance during the third quarter of this year in the context of the dramatic changes in economic conditions, financial markets and prevailing interest rates. Their review resulted in the difficult decision to significantly reduce Steward's staff levels from 15 to 9 full time employees. This reduction was driven by the Board and senior management's assessment of what is needed for Steward to achieve financial stability while fulfilling its mission and goals and, of course, what is in the best interests of Steward's shareholders. The reduction was not driven by staff performance. The remaining staff have the necessary mix of skills and experience for Steward to continue to operate effectively and impactfully. The reduction in staff does not reflect a loss of commitment or belief in Steward by the leadership team or the Board of Directors. In fact, the Board of Directors have renewed their commitment to Steward by making a lead investment in the current Offering.

The following chart compares Steward's average monthly personnel costs and operating expenses in the months during 2022 before the staff was reduced, with the anticipated average monthly expenses from January 2023 after all severance payments are made and other operating expenses have been lowered.

#### **Operating Expense Adjustments:**

	<b>Average Monthly (pre-expense reduction)</b>	<b>Average Monthly (post-expense reduction)</b>	<b>Percentage Decrease</b>
Total Personnel Costs	\$152,341.67	\$105,305.87	(30.88%)
Total Operating Expenses	\$180,355.33	\$120,265.54	(33.32%)

### **SUPERSEDING INFORMATION**

To the extent that any of the information found in this Supplement modifies or supersedes earlier statements in the Memorandum, such earlier statements, to the extent they are modified or superseded, are no longer part of the Memorandum.

For additional information, please contact: [investors@gosteward.com](mailto:investors@gosteward.com)