



MEMO

FROM: THE MANAGEMENT
TO: DISTRIBUTORS AND STAFF
DATE: 19 DECEMBER 2025
SUBJECT: FURTHER GUIDANCE ON ADVERTISEMENT, BUSINESS AND PRODUCT PRESENTATION, AND BUSINESS OPERATIONS BY DISTRIBUTORS

Dear All,

As a law-abiding company, the Company has established the Code of Ethics and Rules and Regulations to guide the activities of all distributors in their KEDI business. However, it has come to the attention of Management that some distributors fail to comply with the Company's stipulated rules when presenting the Company's business and products to the general public. Such non-compliant actions have created a number of issues for the Company and undermined the fair, competitive business environment for other distributors.

In view of the foregoing, the Company deems it necessary to reiterate its position on advertisements and promotion, business and product presentation, and business operations as follows:

1) The KEDI Code of Ethics and the Rules and Regulations (as stated in the latest edition of the KEDI Independent Distributor Manual), the Distribution Agreement attached to the Application Form, the Sales Terms and Conditions attached to the Order Form, past company-issued MEMOs (including the MEMO dated 1 September 2023, titled "*ADVERTISEMENT REGULATION IN THE KEDI BUSINESS*", MEMO dated 12 December 2023, titled "*COMPLIANCE TO KEDI RULES AND REGULATIONS BY SERVICE CENTRE OWNER*", and MEMO dated 6 October 2025, titled "*NOTICE ON COMPLIANCE WITH RELEVANT RULES AND REGULATIONS GOVERNING KEDI BUSINESS ADVERTISEMENT PLACEMENT BY DISTRIBUTORS*"), as well as specific agreements with distributors, contain multiple provisions guiding the activities of all distributors in their KEDI business. Accordingly, all distributors are urged to familiarize themselves with these rules and adhere to them at all times.

2) All advertisements placed by distributors in their KEDI business must comply with the requirements stipulated by the relevant government authorities responsible for advertisement approval and/or licensing in Nigeria, including but not limited to the National Agency for Food and Drug Administration and Control (NAFDAC) and the Advertising Regulatory Council of Nigeria (ARCON). Such advertisements must not be misleading or false, and all advertising content shall be submitted to the Company for prior review and approval before distributors apply for the requisite license from the relevant government authority.

3) Distributors must truthfully present the Company's products and business to fellow distributors, customers, and third parties; the KEDI business must be presented accurately, with clear disclosure that it is based on selling the Company's products through diligent work, and that earnings are governed by the Company's Compensation Plan. Products must be presented strictly in accordance with the Company's latest official materials, no exaggeration of product functions or falsification of claims. Furthermore, when promoting the KEDI business or products, distributors shall not discredit, disparage, or damage the reputation of other companies, their products, or their businesses.

4) Distributors are permitted to own websites, mobile applications, and other digital platforms to promote their KEDI business. However, such distributors must comply with all applicable laws in their country of residence that govern the ownership, operation, and control of such platforms, including relevant data privacy and protection laws. In Nigeria, distributors are specifically required to comply with the Nigeria Data Protection Act 2023 (NDPA), and any other applicable data protection regulations. The homepages of such digital platforms must clearly indicate to all users that the platform is owned and operated by an independent distributor and is not an official platform of the Company. The distributor's KEDI Membership Number or Service Centre Number must be clearly displayed on the homepage at all times.

5) Owners of Regional Offices (Regional Managers) and Service Centre Owners who operate physical stores to sell KEDI products may be required to obtain certain licenses from relevant government agencies, depending on their respective modes of operation. Since the operations of Service Centres and Regional Offices are independent and managed at the discretion of their respective owners (distributors), and are distinct from the Company's mode of operation, licenses obtained by the Company for its own business activities may not extend to cover the operations of these centres or offices. Furthermore, as applicable laws and regulatory requirements vary from country to country, and within Nigeria from state to state, Regional Managers and Service Centre Owners are advised to familiarize themselves with and comply with all laws and regulations governing their specific modes of operation, including the procurement of all necessary licenses.

Any failure to comply with the laws and regulations of the relevant regulatory bodies may result in substantial fines imposed by the government or even legal action. Furthermore, as the Company is often the primary point of contact with relevant government authorities, it is imperative that all distributors strictly adhere to the rules and regulations outlined above when conducting their KEDI businesses. Should the Company's reputation be damaged, or should the Company incur any loss, damage, or regulatory penalty due to a distributor's breach of these or any other Company rules and regulations, such distributor shall be liable to compensate the Company for all resulting losses and damages.

In line with the Company's Rules and Regulations, all distributors operate their KEDI businesses independently and at their own discretion. However, all distributors operate under the umbrella of the brand KEDI; therefore, it is essential that distributors collectively safeguard the brand in all promotional activities at all times. Please note that all rules and regulations put in place by the Company are intended to protect the interests of both distributors and the Company, and to create a reputable and profitable platform where all distributors can thrive. The Company therefore requires your full cooperation in complying with these rules to ensure that its objectives are achieved. We urge all distributors to partner with the Company and ensure continuous compliance with all the Company's Rules and Regulations in the promotion of the KEDI business and products.

Thank you for your consistent support and understanding.



SIGNED BY THE MANAGEMENT