



Planting Hope Reports Record Annual Revenue for FY 2021

- *The Company reported record net revenue of \$2.3 million (\$3.0 million CAD), up 136% from FY 2020*
- *The Company reported Q4 2021 net revenue of \$0.3 million (\$0.4 million CAD), up 477% from Q4 2020*
- *The Company's FY 2022 outlook includes rapid scaling and accelerated growth trajectory across the Company's product lines, including:*
 - *Demand that is exceeding expectations for Hope and Sesame® Barista Blend Sesamemilk, from independent cafes and distributors across the U.S. and Canada*
 - *Rapidly increasing distribution placements across Hope and Sesame® Sesamemilk, RightRice® Veggie Rice, and Mozaics™ Real Veggie Chips in major grocery retailers and foodservice*
 - *Quickly expanding ecommerce and scaling direct-to-consumer (D2C) business in order to capture consumer product demand faster than retail grocery expansion can serve, including expanding presence and sales on third party ecommerce marketplaces*
 - *Launching breakthrough new products that have received significant attention from the major retailers and distributors at Q1 2022 trade shows*
 - *Further increasing sales velocity with marketing-driven awareness and trial including partnerships and distribution to high profile foodservice channels like quick-service restaurants (QSR) and corporate campuses*

CHICAGO, IL and VANCOUVER, BC / ACCESSWIRE / May 3, 2022 – The Planting Hope Company Inc. (TSXV: MYLK) (FRA: J94) (“Planting Hope” or the “Company”), a plant-based food and beverage company focused on producing the world's most nutritious and planet-friendly products, is pleased to report financial results for the fourth quarter and full year ended December 31, 2021. All figures are in U.S. dollars unless otherwise stated.

“2021 was a pivotal year for Planting Hope as we completed our IPO, became a public company, and fine-tuned our innovative product lines and branding. We continue to scale in 2022 as retailers and foodservice partners bring in new products post-COVID, with a strong interest in exactly what we provide: sustainable, planet-friendly and delicious plant-based food and beverages,” said Julia Stamberger, CEO and Co-founder of Planting Hope. “Consumers purchased more plant-based foods than ever in 2021 and grocery retail sales of plant-based food and beverages in the United States grew three times faster than total food retail sales, representing more than \$7.4 billion (\$9.5 billion CAD) in 2021, with 42% of those sales in the categories we are poised to disrupt: plant-based milk and creamers¹. We are well positioned to make significant marks in multiple plant-based food categories at a rapid pace, solidifying our status as an innovation leader in plant-based food and beverages.”

“We expect 2022 to be a transformational growth year driven by new revenue contributions from the RightRice® brand, expansion of Hope and Sesame® Barista Blend Sesamemilk across the cafe industry; the launch of new products in high demand, including our Hope and Sesame® Sesamilk™ creamers and new Mozaics™ flavors; and distribution expansion through new food wholesalers, retailers, foodservice partners and ecommerce channels across the United States and Canada,” continued Ms. Stamberger.

2021 Financial Highlights

- Record net revenue of \$2.3 million (\$3.0 million CAD) compared with \$1.0 million (\$1.3 million CAD) in 2020, an increase of 136%.
- Selling, general & administrative expenses of \$6.8 million compared with \$2.8 million in 2020; this increase is primarily due to one-time professional and other related fees associated with the Initial Public Offering (“IPO”).
- Net loss of \$17.6 million compared with \$2.5 million in 2020; aside from one-time professional fees and expenses associated with IPO, the majority of this loss is non-cash and due to the reverse takeover/merger transaction (consolidation of the Spinning Wheel Brands LLC entity into Planting Hope), the issuance of equity-based compensation including warrants, and the change in fair value of financial instruments.

Q4 2021 Financial Highlights

- Net revenue of \$0.3 million (\$0.4 million CAD), an increase of 477% from Q4 2020.
- Non-Amazon ecommerce revenues doubled from Q3 to Q4 2021, and recurring revenue from retail grocery clients continued to grow quarter over quarter. However, some project-based distribution, including the airline first-class snackbox program for Mozaics™, ended in Q3 2021 as planned (due to the airline’s semi-annual menu refresh), and related revenue did not extend significantly into Q4 2021. Additionally, wholesale distributors curtailed ordering until early 2022 in anticipation of the new Non-GMO Hope and Sesame® Sesamemilk and Mozaics™ product lines being available, and some orders and shipments were pushed into early 2022.
- Selling, general & administrative expenses of \$2.6 million compared with \$0.6 million in Q4 2020, primarily due to one-time fees incurred for the Company’s IPO in November 2021.
- Net loss of \$8.6 million compared with net loss of \$0.6 million in Q4 2020, primarily due to one-time professional fees and other related expenses associated with the Company’s IPO, and non-cash items including the issuance of equity-based compensation and warrants, and the change in fair value of financial instruments.
- Cash balance of \$5.8 million (\$7.4 million CAD) as of December 31, 2021. Additionally, in March 2022, the Company completed a bought deal financing for total gross proceeds of \$6.3 million (\$8.1 million CAD), primarily to fund operating and marketing expenses, including the expansion of distribution and new product launches in the U.S. and Canada, and to fund a portion of the purchase price for the acquisition of the RightRice® product lines.

Operational Highlights

During 2021, the Company made progress on the following key growth priorities:

- Secured new retail distribution relationships, including the launch of new Hope and Sesame® Non-GMO refrigerated sesamemilk into more than 400 Kroger grocery retail stores under leading natural banners, plus successful launch of Mozaics™ on QVC with recurring on-air segments, and initial distribution into Tops Market.

- Expanded ecommerce network to include HIVE, Life to Go, Faire, Mable, AAFES, Abound, and others, and expanded ecommerce listings on online marketplaces with an existing product presence, including Amazon and QVC.com.
- Ran initial production runs of new Non-GMO Hope and Sesame® shelf-stable and refrigerated products and new Mozaics™ Non-GMO Real Veggie Chips in sustainable packaging, in preparation for 2022 retail distribution and scaling.
- Met with retail partners to secure new and expanded distribution opportunities for new products in 2022.
- Returned to live trade shows with Plant Based World NYC in December 2021, where new Hope and Sesame® Non-GMO sesamemilk won two categories in the FoodBev World Plant Based 2021 Awards: Best Milk Alternative and Best Plant-Based Sustainability.
- Expanded the operating team to include a Chief Sales Officer, Chief Financial Officer, Senior VP of Marketing, Operations Manager, eCommerce Manager, Customer Service Manager, Warehouse Manager, Sr. Manager of Digital Content, and Hope and Sesame® Brand Captain.
- Continued to navigate ongoing COVID-19 supply chain impacts (including rising freight costs and limited capacity, ingredient availability, and packaging delays).
- Developed more than 1,000 new grocery retail placements for the Hope and Sesame® and Mozaics™ brands, more than 15 ecommerce channels for Veggicopia® products, and executed on distribution of more than three million units of Mozaics™ chips to first-class airline passengers.

Outlook and Growth

The Company's business strategy and plan for 2022 centers on accelerating its growth trajectory even further over the triple-digit net revenue percentage growth achieved in 2021.

Key growth priorities for 2022 include:

- Launch the Hope and Sesame® Barista Blend into independent cafes (a market that comprises more than 31,000 locations in the U.S. alone) via a network of food service distributors, starting in Q2 2022. Internal Planting Hope research and analysis estimates that plant milks currently account for more than 40% of total usage in milk-based drinks in independent cafes, indicating an anticipated market size of \$2.0 billion per year for this channel.
- Expand retail placements and distribution for all brands, with a focus on expansion for Hope and Sesame® Sesamemilk, Mozaics™ Real Veggie Chips, and RightRice® Veggie Rice.
- Increase velocity across grocery distribution for all brands, through strategic marketing, trial, and awareness, leveraging measurable, ROI-focused marketing efforts.
- Increase partnerships with key foodservice distribution partners, from QSR to corporate office campuses, to increase both revenue and distribution and introduce more consumers to the brands through effective out-of-home 'trial' in these locations.
- Expand consumer awareness of sesamemilk, driving trial and usage through cafes and into grocery retail stores.
- Expand ecommerce business to include relaunched, streamlined brand sites by Q3 2022 and scale direct to consumer (D2C) business, as well as expand presence and sales on third party ecommerce marketplaces, both B2C (consumer) and B2B (wholesale).
- Increase awareness, trial, and repeat purchase rates with consumers through targeted, strategic, and measurable marketing efforts, increasing velocity at shelf and online.
- Capitalize on demonstrated Canadian grocery retailer interest across product lines by launching Canadian-compliant dual-language packaging on Hope and Sesame® (shelf-stable Non-GMO product, including Barista Blend), Mozaics™, and RightRice® products.

- Start expansion to international markets outside of the U.S. and Canada, capitalizing on interest from export markets and distributors.
- Expand operating team with key hires in Sales, Marketing, Finance and Operations to drive and support growth and scaling.
- Continue to introduce retailers and distributors to our products with trade shows planned in the US, Canada, and Europe throughout 2022, including additional coffee/cafe industry trade shows.
- Launch key new product lines, including Hope and Sesame® creamers (Q3 2022) and Mozaics™ non-dairy 'dairy' flavors (Q3 2022).

2022 Annual General Meeting

Planting Hope will host its Annual General Meeting of shareholders (the "Meeting") virtually on Tuesday, May 17, 2022, at 10:00 AM Pacific Time.

Shareholder access:

Dial in: +1-888-886-7786 (Toll Free - North America)

Please join "The Planting Hope Company Inc. 2022 Annual General Meeting"

Webcast: <http://momentum.adobeconnect.com/plantinghope/>

In order to streamline the virtual meeting process, Planting Hope encourages shareholders to vote in advance of the Meeting using the voting instruction form or the form of proxy that has been mailed to them with the Meeting materials at the end of April. Please join 10 minutes before the start of the call.

Financial Statements & Management's Discussion and Analysis

This earnings press release should be read in conjunction with Planting Hope's consolidated annual financial statements and management's discussion and analysis, which have been posted on SEDAR at www.sedar.com and the Company's website at www.plantinghopecompany.com.

About The Planting Hope Company Inc.

Planting Hope develops, launches, and scales uniquely innovative plant-based and planet-friendly food and beverage brands. Planting Hope's award-winning and cutting-edge products fill key unmet needs in the skyrocketing plant-based food and beverage space. The Planting Hope brand family includes Hope and Sesame® Sesamemilk and Sesamilk™ creamers, RightRice® Veggie Rice, Mozaics™ Real Veggie Chips, and Veggicopia® Veggie Snacks. Founded by experienced food industry entrepreneurs, Planting Hope is a women-managed and woman-led company focused on nutrition, sustainability, and diversity. For more information, visit: www.plantinghopecompany.com.

For purposes of conversion, this release used \$0.78 as the conversion rate from CAD to USD.

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Citations

1. PBFA Report published March 24, 2022, that uses SPINS data and is titled 2021 U.S. Retail Sales Data for the Plant Based Foods Industry. It can be found on the Plant Based Food Association's website at www.plantbasedfoods.org.

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

Forward-Looking Statements

This news release contains "forward-looking statements" or "forward-looking information" (collectively referred to hereafter as "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements that address activities, events, or developments that the Company expects or anticipates will, or may, occur in the future, including statements with respect to the following: the Company's strategic plan, priorities and outlook; expected demand for plant-based food products, including the Company's products; anticipated changes in consumer preferences and the Company's approach thereto; anticipated utilization of the Company's assets; expected performance of the Company's business, including customer growth, expansion of retail distribution and sales channels, organic growth opportunities and the effectiveness of marketing campaigns; financial priorities; sufficiency of financial resources; expected product launches and workforce expansion; expected future growth and market expansion opportunities, including expansion into Canadian and international markets; and the Company's business prospects, future trends, plans and strategies. In some cases, forward looking statements are preceded by, followed by, or include words such as "may", "will," "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "anticipates", "continues", or the negative of those words or other similar or comparable words. In preparing the forward-looking statements in this news release, the Company has applied several material assumptions, including, but not limited to: the assumption that demand for the Company's products will be sustained or increase in accordance with management's projections; that retailer and consumer adoption of the Company's products will continue in line with the Company's expectations; that the Company's analysis regarding plant milks is indicative of actual market size; the effects of inflation on consumer preferences for the Company's products; that the Company's current business objectives can be achieved and that its other corporate activities will proceed as expected, and that general business and economic conditions will not change in a materially adverse manner. Although the management of the Company believes that the assumptions made and the expectations represented by such statements are reasonable, there can be no assurance that any forward-looking statement herein will prove to be accurate. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. Risks and uncertainties applicable to the Company, as well as trends identified by the Company affecting its industry can be found in the Company's annual information form dated January 6, 2022, and the Company's continuous disclosure record available on SEDAR at www.sedar.com. Such cautionary statements qualify all forward-looking statements made in this news release. The Company

undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.