



## Planting Hope Reports Record Revenues of \$3.3 Million (CAD \$4.2 Million) in Q2 2022

- *Achieved second consecutive quarter of record gross revenues*
- *Revenue growth of 276% over Q2 2021, 32% over Q1 2022, and 22% over the entire FY 2021*
- *Year-to-date revenues of \$5.9 million (CAD \$7.6 million), more than double FY 2021 revenues*
- *Investor webcast today (August 25<sup>th</sup>) at 2:00 PM ET to discuss Planting Hope's growth, traction, and opportunities ahead*

CHICAGO, IL and VANCOUVER, B.C. / ACCESSWIRE / August 25, 2022 – The Planting Hope Company Inc. (TSXV: MYLK) (OTCQB: MYLKF) (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 three and six months ended June 30, 2022. All figures are in U.S. dollars unless otherwise stated.

“For the second consecutive quarter, we have continued to demonstrate growth and momentum as our team expanded distribution and increased velocity of our core products into key retail channels,” said Julia Stamberger, CEO and Co-founder of Planting Hope. “In particular, we saw increased adoption of our flagship Hope and Sesame® Barista Blend by numerous café channel distributors and coverage by major news media reporting on sesamemilk as a new up-and-coming trend in plant milk to watch. We also showcased our product lines at eight leading industry trade shows in the U.S. and Canada, including foodservice, coffee industry, and grocery-retail focused shows, introducing our award-winning brands to new buyers across channels and geographies both domestically and globally. Given the retailer sales cycles, we expect to see the interest from retailers materialize into new distribution partnerships over the next 12 to 18 months.”

### Q2 2022 Financial Highlights:

- Revenues of \$3.3 million (CAD \$4.2 million) in Q2 2022, an increase of 276% from Q2 2021 revenues of \$0.9 million (CAD \$1.1 million) and 32% over Q1 2022 revenues, representing 22% growth over the entire FY 2021.
- Net revenues of \$2.5 million (CAD \$3.2 million) in Q2 2022, an increase of 205% from Q2 2021 net revenues of \$0.8 million (CAD \$1.1 million) and 24% over Q1 2022 net revenues.
- Selling, general & administrative expenses of \$3.1 million (CAD \$4.0 million) in Q2 2022, an increase from \$1.3 million (CAD \$1.7 million) in Q2 2021 as a result of increased focus on marketing efforts to support sales growth, including adding sales analytics, customer-facing marketing efforts, and additional headcount in key roles to support growth initiatives.

- Net income of \$1.2 million (CAD \$1.5 million) in Q2 2022 compared with net loss of \$0.9 million (CAD \$1.2 million) in Q2 2021, an improvement of \$2.1 million (CAD \$1.6 million) primarily due to change in value of financial instruments.

**Achievements in the first half of 2022 include:**

- Since the beginning of 2022, the Company has achieved more than 3,700 new grocery retail doors and more than 9,600 new Total Distribution Points (“TDP”) in key retailers, including Sprouts Farmers Market, The Fresh Market, Fresh Thyme Market, and others. Aggregate grocery retail TDP is now more than 49,000 placements across product lines and brands.
- Continued ecommerce growth, with more than 12,000 customers purchasing product through Amazon.com in Q2 2022, and 36% repeat customers during that period.
- Expanded the distribution of the Hope and Sesame® Barista Blend into cafés via a network of food service distributors.
- Launched the Hope and Sesame® Non-GMO shelf-stable product line, replacing and expanding on the previous Organic Hope and Sesame® products and packaging/branding.
- Expanded new Hope and Sesame® 48 oz refrigerated line, initially launched in January at 400 Kroger stores, to key grocery retailers including Stop & Shop, Giant Company, Woodman’s Markets, Roche Bros, and more.
- Showcased the Company’s brands at: Specialty Coffee Expo (Boston/April 2022), CHFA West (Vancouver/April 2022), National Restaurant Association Show (Chicago/May 2022), Sweets and Snacks Expo (Chicago/May 2022), UNFI Holiday Show (Mohegan Sun/June 2022), Summer Fancy Food Show (NYC/June 2022), KeHE Distributor Show (Chicago/June 2022), and CoffeeFest Chicago (June 2022).
- In Q2 2022, Hope and Sesame Barista® Blend started rolling out to distributors, securing distribution coverage across key areas of the U.S. (Mid-Atlantic, Northeast, San Francisco, Charlotte, Atlanta) and Canada (Vancouver), including finalizing a partnership with Odeko and BaristaUnderground.com.
- Sesamemilk received industry and media recognition as a major up and coming trend in cafés:
  - At CoffeeFest Chicago, a specialty coffee show targeting baristas, independent cafés, and distributors to the independent café market, Hope and Sesame® Barista Blend was awarded the 2022 Best Product Award. At the Specialty Coffee Association show, the largest national trade show for the coffee industry, Hope and Sesame® Barista Blend was the only plant milk recognized as a finalist for Best New Product.
  - Coverage in Washington Post, Good Morning America, Consumer Reports, and others.
- Expanded the distribution of the Mozaics™ Non-GMO Real Veggie Chips into ecommerce and multiple UNFI distribution warehouses in both 0.75 oz snack and 3.5 oz retail sizes, setting the stage for growth into additional grocery retailers and foodservice.

- Both RightRice® and Mozaics™ have been established as recurring items showcased live on QVC, and Veggicopia® made its successful debut in June 2022. These appearances provide live marketing to millions of customers during each QVC segment, generating revenue and margin-accretive sales.
- Expanded the distribution of RightRice® at more than 1,500 doors, including leading Southeastern U.S. retailer Publix. RightRice® products are currently offered nationwide in more than 8,000 doors across conventional and natural product retailers including Kroger, Wegmans, Whole Foods Market, and more. RightRice® has also established strategic food service distribution via quick service restaurants such as CAVA, as well through menu additions to college/university and business foodservice operations.

### **Outlook and Growth:**

The Company continues to effectively execute on its business plan for 2022, including expanding core products in key channels, and setting up new products and distribution that will achieve scale in 2023.

Key growth priorities for the second half of 2022 include:

- 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, as well as measurable, ROI-focused marketing efforts.
- Expand the Hope and Sesame® Barista Blend into regional distributors and independent cafés.
- Expand consumer awareness of sesamemilk, driving trial, adoption, and usage through cafés with the aim of heightening demand in grocery retail stores.
- Expand ecommerce business by relaunching streamlined brand sites, including a combined ecommerce site across brands enabling cross-selling. Scale direct to consumer (D2C) business, Amazon.com presence and revenue, and expand presence and sales on third party ecommerce marketplaces, both B2C (consumer) and B2B (wholesale).
- Capitalize on demonstrated Canadian retailer and consumer interest through launching Canadian-compliant dual-language packaging on Hope and Sesame® (shelf-stable Non-GMO product, including Barista Blend), Mozaics™, and RightRice® products, all of which are slated to launch in Canada in Q3 2022.
- Explore international expansion opportunities to markets outside of the U.S. and Canada, capitalizing on interest from international markets and distributors.
- Expand operating team with key hires across Sales, Marketing, Finance, and Operations to drive and support growth and scaling.
- Implement internal infrastructure solutions (including NetSuite ERP system) to prepare for rapid scaling.
- Expand foodservice distribution, placements, and opportunities across products, diversifying revenue streams from grocery retail to add scale and margin.

- Gain additional retailer and foodservice interest in the brands by exhibiting at key trade shows in the U.S. and Canada.
- Refine sales broker mix to effectively target key growth areas, channels, and market support needs.

### **Financial Statements & Management’s Discussion and Analysis**

This earnings press release should be read in conjunction with Planting Hope’s consolidated interim financial statements and management’s discussion and analysis, which have been posted on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company’s website at [www.plantinghopecompany.com](http://www.plantinghopecompany.com).

### **Planting Hope to Host Investor Webcast**

The Company will be hosting an investor webcast today, August 25, 2022, at 2:00 PM ET.

During the webcast, Julia Stamberger, CEO and Co-founder, will conduct a presentation that will cover key areas of Planting Hope's business. After the formal presentation, investors will have an opportunity to ask relevant questions through an interactive Q&A portal. To listen to the webcast or to ask questions during the live event, please pre-register at the following link:

Webcast Link: [https://event.webcasts.com/starthere.jsp?ei=1564145&tp\\_key=584573da6c](https://event.webcasts.com/starthere.jsp?ei=1564145&tp_key=584573da6c)

An archived version of the webcast and presentation will be available on the Company's website, <https://plantinghopecompany.com/investors/presentations/>.

### **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](http://www.plantinghopecompany.com).

For purposes of currency FX conversion, this press release uses a \$0.78 CAD to USD conversion rate.

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*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 about the Company's ability to execute on its goals, the timing pertaining to these goals the potential demand for the Company's products, the timing and success of anticipated product launches and distribution of the Company's products, 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 product will be sustained or increase in accordance with management's projections, that the Company's internal research and analysis is indicative of broader market trends and the Company's anticipated future demand for its products, that changes in consumer preferences in the plant-based food industry will continue in accordance with the Company's expectations, 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](http://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.*