

# Planting Hope offering to fund acquisitions and entering Canada, CEO says

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**Planting Hope** [TSX.V:MYLK], a Chicago-based manufacturer of plant-based foods and beverages, will use some of the CAD 8m (USD 6.3m) from its March bought deal public offering to fund new acquisitions and enter the Canadian market, said CEO and co-founder Julia Stamberger.

Potential acquisition targets will be involved with plant-based foods or beverages that are non-frozen, environmentally sustainable, nut-free pantry staples with high levels of repeat purchase at regular price, she said.

Planting Hope's next acquisition will likely be a company that built a great product but has burned through a lot of capital before reaching scale, Stamberger explained. In this industry, scale is about USD 20m in annual revenue, she observed.

Planting Hope is interested in the many plant-based food and beverage companies that have had investments between USD ten and 20m from independent investors but have only reached between USD five and 15m in revenue and don't have a lot of options for where to go next, she said. Such companies are in "a sweet spot, because there aren't a lot of investors who play in that space."

The offering was underwritten by **Canaccord Genuity**.

Some of the offering proceeds will go towards paying for Planting Hope's first acquisition, its January buy of RightRice from California-based **Betterer Foods** for USD 7m in cash, she said. RightRice, sold at 7,000 US outlets including Whole Food Markets, is a blend of rice and beans that provides a complete protein.

RightRice was bought with cash because it was under cash pressures, Stamberg said; generally, the preference is to buy with stock.

Planting Hope is currently addressing 42% of the overall plant-based market, Stamberger said. Its products include Hope and Sesame Sesamemilk, RightRice Veggie Rice, Mozaics Real Veggie Chips and Veggicopia Veggie Snacks.

Planting Hope is investing some of the proceeds for developing Canadian-compliant packaging and for reaching out to major Canadian retailers, she said, adding that she expects the majority of Planting Hope's products to appear on the shelves of Canada's major retailers within twelve months.

Planting Hope's legal headquarters is in Vancouver, as a result of going public by merging with a Vancouver-registered shell, but the company is run out of Chicago.

It is currently working to go public in the US with an over the counter listing, expected in the next few weeks, Stamberger said.

Planting Hope's other three co-founders – James Curley, Todd Bamberg and Matt Coffey – all remain involved in the company.

Stamberger predicts strong revenue growth throughout 2022.

The company has 25 employees.

The company recently changed law firms from **Miller Thomson** to **Cozen O'Connor**, she said. Planting Hope's bank in Canada is **BMO** and the company is in the process of moving its banking business in the US to BMO as well, she added. The auditor is **MNP**.

by Mark Coakley in Toronto

*[Editor's note: Subsequent to publication, the last paragraph has been amended to correctly identify the auditor as MNP, and not MNT as stated earlier.]*