



Planting Hope Reports Record Quarter of \$2.5 Million (CAD \$3.2 Million) in Revenues for Q1 2022

- *Record Q1 2022 revenues of \$2.5 million (CAD \$3.2 million) represent 95% of the total FY 2021 revenues of \$2.7 million (CAD \$3.5 million) and growth of 605% over Q4 2021 revenues of \$0.4 million (CAD \$0.5 million)*
- *Record Q1 2022 revenues of \$2.5 million (CAD \$3.2 million), up 291% from Q1 2021*
- *Record Q1 2022 net revenues of \$2.0 million (CAD \$2.6 million), up 235% from Q1 2021*

CHICAGO, IL and VANCOUVER, BC / ACCESSWIRE / May 26, 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 three months ended March 31, 2022. All figures are in U.S. dollars unless otherwise stated.

“Q1 2022 marked a significant increase in our growth trajectory as revenues for the quarter nearly matched our revenue performance for the entire year of 2021,” said Julia Stamberger, CEO and Co-founder of Planting Hope. “We’ve been gaining significant traction across distribution channels and ecommerce platforms, and we’re expanding into new market segments with the completion of the RightRice® brand acquisition, launch of the Hope and Sesame® Barista Blend sesamemilk, and introduction of Hope and Sesame® refrigerated sesamemilk, along with other product lines. We laid the groundwork for this growth in 2021 and are now seeing retail interest and adoption accelerate across channels as we showcase our products at key trade shows and meet with foodservice distributors, retailers, and café clients across North America and internationally.”

Q1 2022 Financial Highlights

- Revenues of \$2.5 million (CAD \$3.2 million), an increase of 291% from Q1 2021 representing 95% of the total FY 2021 revenues of \$2.7 million (CAD \$3.5 million) and growth of 605% over Q4 2021 revenues of \$0.4 million (CAD \$0.5 million).
- Net revenues of \$2.0 million (CAD \$2.6 million), an increase of 235% from Q1 2021 representing 86% of the total FY 2021 net revenues of \$2.3 million (CAD \$2.9 million) and growth of 686% over Q4 2021 net revenues of \$0.3 million (CAD \$0.4 million).
- Selling, general & administrative expenses of \$3.2 million (CAD \$4.1 million), an increase from \$0.8 million (CAD \$1.1 million) in Q1 2021, due mainly to a \$1.1 million increase in professional fees that included significant one-time accounting, legal, and advisory fees related to the acquisition of the RightRice® brand.
- Net loss of \$0.7 million (CAD \$0.9 million) compared with net loss of \$0.5 million (CAD \$0.6 million) in Q1 2021, primarily due to the increase in professional fees as stated above, and the scaling of selling, general & administrative expenses including marketing costs, partially offset by gains on financial instruments.
- Cash balance of \$3.1 million (CAD \$4.0 million) as of March 31, 2022.

The drivers of Q1 2022 revenues include:

- Completion of the RightRice® brand acquisition in January 2022 and new revenues from the sale of RightRice® products.
- Launch of the Hope and Sesame® Barista Blend at trade shows in February 2022. Since this launch, the Company has brought on more than five distributors specializing in the café channel, providing wholesale distribution coverage across most of the U.S. and parts of Canada.
- Retail launch of Hope and Sesame® refrigerated sesamemilk into Kroger and other regional retailers.
- Mozaics™ sales to distributor customers.
- Increased sales of Mozaics™, RightRice®, and Veggicopia® brands on ecommerce platforms.
- Successful airings on QVC in January 2022 lead to recurring on-air invitations for both Mozaics™ and RightRice®; QVC not only is a revenue- and profitability-accretive channel for the Company's products, but each airing provides marketing exposure for the brands to millions of customers in the U.S.

Outlook and Growth

The Company's business strategy and plan for 2022 includes further accelerating its growth trajectory and building on groundwork laid in 2021, including refined products, packaging, and positioning.

Key growth priorities for 2022 include:

- Launch the Hope and Sesame® Barista Blend into independent cafés (a channel that comprises more than 31,000 locations in the U.S. alone) via a network of specialty café foodservice distributors, starting in Q2 2022. Internal Planting Hope research and analysis estimates¹ that plant-based milks currently account for more than 40% of total usage in milk-based drinks in independent cafés, 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 Hope and Sesame® Sesamemilk, Mozaics™ Real Veggie Chips, and RightRice® Veggie Rice.
- Increase foodservice placements for all brands, all of which have substantial opportunities across corporate campuses, colleges and universities, and institutional foodservice distributors, as well as quick service restaurants, from center-of-plate to grab & go.
- Increase velocity across grocery distribution for all brands through strategic marketing to build trial and awareness, and by leveraging measurable, ROI-focused marketing efforts.
- Expand consumer awareness of sesamemilk, driving trial and usage through cafés and into grocery retail stores.
- Expand ecommerce business to include new (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).
- Capitalize on demonstrated Canadian grocery retailer interest across product lines by launching Canadian-compliant dual-language packaging on top-selling Hope and Sesame®, Mozaics™, and RightRice® products.
- Expand distribution to international markets outside of the U.S. and Canada, capitalizing on ongoing and increasing demand received 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 Planting Hope's brands and products with trade shows planned in the U.S., Canada, and Europe throughout 2022, including additional coffee/café industry trade shows.

- Launch key new product lines, including Hope and Sesame® creamers (Q3 2022) and Mozaics™ non-dairy 'dairy' flavors (Q3 2022).

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 sales channels and grocery and retail distribution, 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.