

# PlantX

## PlantX Reports 2023 Financial Results

*-- Sharpened Focus on Profitable Growth Yields Double Digit Growth in Revenue and Gross Margins --*



VANCOUVER, British Columbia — July 28, 2023 — PlantX Life Inc. (CSE: VEGA) (Frankfurt: WNT1) (OTCQB: PLTXF) (“PlantX” or the “Company”), the digital face of the plant-based community, operating a one-stop shop for plant-based products, today reported its audited consolidated financial results for the fiscal year ended March 31, 2023. All amounts are reported in Canadian dollars unless otherwise stated.

### Fiscal 2023 Highlights

- Revenue increased 11.0% to \$13,299,891 compared to \$11,984,809 in 2022
- Gross margin increased 30.4% to \$5,088,767 compared to \$3,903,314 in 2022, with gross margins expanding 570 basis points to 38.3% compared to 32.6% in 2022
- Net loss improved to \$21,384,656 compared to \$54,802,666 in 2022

Commented Lorne Rapkin, PlantX CEO, "Fiscal 2023 was a tremendous year for PlantX. We sharpened our focus on driving profitable growth, and this focused approach yielded strong financial performance and positions us for continued success in the years ahead. As we forge ahead, profitability remains a central focus, driving growth, expansion, and success across our

diverse business units. We are committed to delivering exceptional experiences within the plant-based industry while continually striving for improvement.”

## **Business Review**

In fiscal 2023, PlantX’s strategic approach has been to nurture its high-growth business units and make necessary adjustments to those that do not meet stringent growth and margin thresholds. During 2023, PlantX focused on building certain verticals, including, but not limited to, Bloombox Club, XMarket Chicago and Little West. Additionally, by design, the Company’s business operates with limited overhead and inventory, thus maximizing margins and, ultimately, net profit.

To further optimize operations, the company made the strategic decision to close two Canadian locations inside the Hudson’s Bay (Yorkdale, Toronto, and Rideau, Ottawa) due to insufficient foot traffic. All inventory from these stores was transferred to the Chicago warehouse, making it available for purchase on both PlantX.com and VeganEssentials.com. Additionally, the equipment from these locations was repurposed for the XMarket Uptown store.

XMarket Uptown is currently undergoing construction as the Company embarks on the creation of Chicago’s pioneering Vegan Foodhall. With all necessary permits obtained and successful inspections completed, the highly anticipated opening is scheduled around Labor Day. The Vegan Foodhall will showcase six local vegan restaurants, accompanied by a coffee shop run by PlantX’s Portfolio Coffee brand, and a fully licensed bar offering an extensive selection of vegan-friendly beverages.

In an effort to enhance efficiency and customer experience, PlantX consolidated XMarket Squamish and the Cloudburst Coffee shop at the Locavore Bar and Grill. This move allowed for the expansion of the lounge area, providing customers with a more inviting space to spend time onsite. As a result, daily sales increased, and the Company gained additional revenue opportunities through hosting private events.

The Company’s focused approach on profitability was transformative at BloomBox Club. The team size was reduced from 30 to 4 employees, positioning BloomBox Club on the verge of achieving profitability.

The Company’s cold-pressed juice vertical, Little West, experienced continued expansion. Under the leadership of Chris Dodigovic overseeing operations, Little West successfully expanded to Northern California, Nevada, Montana, and structured a deal with Dr. Munsch to bring the juices to the East Coast. The Venice Beach location continued to experience growth and excitement through successful popup initiatives. Notably, TiNDLE extended its three-month popup for an additional three months, further driving customer engagement and sales.

In terms of e-commerce, the Company further strengthened its relationship with KEHE. Leveraging KEHE’s inventory, the Company offered consumers case packs of every single plant-based item carried by KEHE, including frozen and refrigerated products. This offering, in addition to the Company’s own curated assortment of vegan products shipped from the Chicago warehouse, contributed to increased sales and customer satisfaction. Geo Lopez was promoted to logistics manager at the Chicago warehouse. Geo’s expertise in shipping cold products and his ability to source materials at the lowest possible costs played a crucial role in ensuring products reached end customers in optimal condition.

PlantX has recently entered into a share exchange agreement with a newly formed Cayman Islands corporation to secure additional funding and further grow its U.S. operations. Under this agreement, PlantX will exchange a selection of its assets, including wholly owned subsidiaries Vegaste Technologies US Corp., Little West LLC, Plant Based Deli LLC, and PlantX Living Inc., as well as its 53% interest in Portfolio Coffee, Inc. and 51% interest in Eh Coffee Corp. Upon completion of the transaction, it is anticipated that PlantX will own approximately 60% of the issued and outstanding shares of the newly formed corporation, referred to as NewCo, with any adjustments dependent on the NewCo Financing.

## **Additional Information**

The Company's complete financial statements and management's discussion & analysis ("MD&A") for 2023 are available on PlantX's website ([www.plantx.com](http://www.plantx.com)) and SEDAR ([www.sedar.com](http://www.sedar.com)).

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release or has in any way approved or disapproved of the contents of this press release.

## **About PlantX Life**

As the digital face of the plant-based community, PlantX's platform is a one-stop shop for plant-based products. With its fast-growing category verticals, PlantX offers customers across North America more than 5,000 plant-based products. PlantX also has other brands in the PlantX portfolio including a juice brand, a coffee company, a plant shop, and brick-and-mortar grocery stores. PlantX uses its digital platform to build a community of like-minded consumers and, most importantly, to provide education. PlantX's digital presence eliminates entry barriers for anyone interested in living a plant-based lifestyle and thriving in a longer, healthier, and happier life. Connect with PlantX: [Email](#) | [Website](#) | [Facebook](#) | [LinkedIn](#) | [Twitter](#) | [Instagram](#) | [YouTube](#) | [TikTok](#)

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## **Forward-looking Information**

This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may," "will," "expect," "likely," "should," "would," "plan," "anticipate," "intend," "potential," "proposed," "estimate," "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained herein includes, without limitation, statements regarding the availability of Future Farm products, PlantX promotional events and the business and strategic plans of the Company.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including, without limitation: receiving sufficient demand for the Offering; the Company's ability to comply with all applicable governmental regulations including all applicable food safety laws and regulations; impacts to the business and operations of the Company due to the COVID-19 epidemic; the conflict in eastern Europe; having a limited operating history; the ability of the Company to access capital to meet future financing needs; the Company's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions.

Additional risk factors can also be found in the Company's continuous disclosure documents, which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.