



Vejii Holdings Ltd. Announces Q3 2021 Financial Results and Provides Q4 Guidance

VANCOUVER, BC, Nov. 26, 2021 /CNW/ - Vejii Holdings Ltd. (CSE: VEJI) ("Vejii" or the "Company"), a North American online marketplace for plant-based and sustainable products, is pleased to announce the filing of its interim unaudited and consolidated financial statements for the three months ending on September 30th, 2021. All amounts are reported in Canadian dollars. The information provided within this release should be read in conjunction with Vejii's unaudited interim consolidated financial statements for the three months ended September 30th, 2021 and the accompanying management's discussion and analysis ("MD&A") for the three months ended September 30th, 2021, which are available on the Company's SEDAR profile at www.sedar.com.

The Company reported revenue of \$226,252 for the three months ended September 30th, 2021 and \$783,236 for the nine months ended September 30, 2021. The Company is also pleased to report its Q4 guidance. With the acquisition of Veg Essentials LLC completed on October 28th, 2021, the Company expects fourth quarter consolidated revenues to be in the range of \$1.1 million to \$1.2 million. Key highlights for Q3 and further information are provide below.

Q3 2021 Financial Highlights

The Company reported a gross profit of \$52,448 and a gross margin of 23% for the three months ended September 30th, 2021 and gross profit of \$109,053 and gross margin of 14% for the nine-month period ended September 30th, 2021.

The net loss reported was \$2,308,682 for the quarter ending on September 30th, 2021, or \$0.03 per common share and \$7,159,773 and \$0.10 for the 9 months ending September 30th, 2021.

CEO Kory Zelickson stated: "We are particularly happy with our results this quarter, we were able to generate improved gross margin, lower cost of customer acquisition, and improved returns on ad spend right before going public in November of 2021. Now that we have dialled-in our processes and business model, we can more efficiently deploy capital in ramping up customer acquisition in a more sustainable manner. We believe partners are increasingly seeing the value we provide through our marketplace, with brands having the ability to either ship products direct to the consumer for orders received through Vejii, or leverage Vejii's established distribution network and take advantage of the fulfilled by Vejii service, where we handle pick, pack, and ship to the end customer via Vejii Express. With the increasing competition among CPG brands competing for the same limited shelf space and the same large retailers, we believe Vejii is well-positioned for growth as our ability to offer an ever-growing selection is not limited to a retail footprint. We welcome partnering with brands across every category of plant-based and sustainable products, as we continue to expand our distribution reach and gain new customers."

Vejii Holdings Ltd.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars) (unaudited)

	Three months ended		Nine months ended	
	September 30, 2021	2020	September 30, 2021	2020
Revenue	\$ 226,252	\$ -	\$ 783,236	\$ -
Cost of goods sold	173,804	-	674,183	-
Gross profit	52,448	-	109,053	-
Total operating expenses	2,344,452	1,463	7,234,706	1,463
Operating loss	(2,292,004)	(1,463)	(7,125,653)	(1,463)
Total other income and expenses	(16,678)	-	(34,120)	-
Net loss and comprehensive loss for the period	\$ (2,308,682)	\$ (1,463)	\$ (7,159,773)	\$ (1,463)
Basic and diluted loss per share	\$ (0.03)	\$ (0.00)	\$ (0.10)	\$ (0.00)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss For the Three and Nine Months Ended September 30, 2021 (CNW Group/Vejii Holdings Ltd.)

Management Commentary

Over the last few quarters, the Company has been focused on improving gross margins, reducing the cost of customer acquisition ("CAC"), and increasing return on ad spend ("ROAS"), the improvements achieved through these efforts are anticipated to have a positive impact as the Company continues to deploy capital to scale its customer acquisition.

The Company officially launched its marketplace shopvejii.com and commenced sales on November 19th, 2020. Hence, this is the first year of operations and prior to this period, the Company was in process of establishing the business.

Revenues throughout the third quarter and the year continue to be favourably impacted by our strategy to expand product offerings and focus on logistics solutions like same-day delivery in key markets, which in turn drive higher average order values and order frequency.

Key Performance Metrics

Cost of Customer Acquisition

Vejii has steadily driven down its cost of customer acquisition over the last several months. For September 2021, CAC for new customer accounts was \$67.43 and has continued to trend down in October.



2021 Monthly Customer Acquisition Cost (CAC) up to September 30, 2021 (CNW Group/Vejii Holdings Ltd.)

Return on Ad Spend

During the nine-month period ending September 2021, return on ad spend continued to trend upwards and showed significant improvement over the past nine months. The upward trend has continued to improve into Q4 as well, which shows Vejii's ability to deliver improved returns on capital it deploys towards customer acquisition efforts.



2021 Monthly Return on Ad Spend ("ROAS") up to September 30, 2021 (CNW Group/Vejii Holdings Ltd.)

Q4 2021 Guidance

With the acquisition of Veg Essentials LLC completed on October 28th, 2021, on a pro-forma basis, the Company's consolidated revenues are expected to be in the range of \$1.1 million to \$1.2 million for the fourth quarter.

About Vejii Holdings Ltd.

Headquartered in Kelowna B.C., Vejii is a unified digital marketplace and fulfilment platform featuring thousands of plant-based and sustainable-living products from a growing list of hundreds of vendors. The platform offers an easy-to-use, omnichannel experience for both vendors and buyers, leveraging big data and artificial intelligence to elegantly connect brands with a targeted consumer base, both organically and through specialized marketing programs. Dynamic fulfilment services empower brands to offer fast and reliable delivery, with ongoing engagement being driven through features like smart lists, subscription programs, reordering functions, sampling programs, and more.

Information on the Company and its many products can be accessed through the links below.

VejiiHoldings.com

ON BEHALF OF THE BOARD OF DIRECTORS:

Kory Zelickson

Director and CEO

Find Vejii on Social Media: on Instagram, Facebook, Twitter and LinkedIn

No securities regulatory authority has either approved or disapproved of the contents of this news release.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of applicable securities laws with respect to the Company. These forward-looking statements generally are identified by words such as "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," and similar expressions. Forward-looking statements in this press release relate to, without limitation, the Company's future performance, including increased revenues in Q4 2021, increased ROAS and continued reductions to CAC. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release including, without limitation, risk factors described in the Company's final long form prospectus dated October 25, 2021. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable laws.

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For further information: For investor inquiries or further information, please contact: IR@VejiiHoldings.com

CO: Vejii Holdings Ltd.

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