



# Vejii Announces LOI to Acquire UK-Based Frozenly Limited Inc.

*Expanding the Company's distribution footprint into one of the largest global markets and acquiring key strategic investors through its acquisition*

VANCOUVER BC, May 9, 2022 /CNW/ - [Vejii Holdings Ltd.](#) (CSE: VEJI) (OTC: VEJIF) (the "**Company**" or "**Vejii**"), a North American online marketplace for plant-based and sustainable products, is pleased to announce that the Company has signed a non-binding Letter of Intent dated May 2, 2022 (the "**LOI**") with Frozenly Limited Inc. ("**Frozenly**", "**Mighty Plants**" or "[MightyPlants.com](#)"), contemplating the acquisition (the "**Proposed Acquisition**") by Vejii of all of Frozenly's issued and outstanding shares (the "**Frozenly Shares**") from the shareholders of Frozenly (collectively, the "**Vendors**"). If completed, the Proposed Acquisition will expand Vejii's footprint into the United Kingdom (the "**UK**"), achieving a key milestone for the Company.

Frozenly owns and operates [MightyPlants.com](#), an e-commerce platform and marketplace that provides Direct to Consumer ("**D2C**") logistics and delivery for plant-based foods across the UK. Frozenly has already established distribution in the UK market and formed relationships with top domestic and international brands. Similar to Vejii's fulfilment model, Frozenly acts as an agent for brands, providing D2C order fulfilment services and sample distribution through its inventory consignment model.

The UK represents one of the strongest global markets for the plant-based foods industry. In a report by Mintel, sales of meat-free products in the UK saw a 40% growth rate from approximately £582 million in 2014 to approximately £816 million in 2019; and are expected to be in excess of £1.1 billion by 2024. The UK plant-based milk alternatives market was valued at £260 million in 2019 and is expected to increase by more than double by 2025 to approximately £565 million.

The Company believes that the UK market presents a strong opportunity for expansion. With a dense population of plant-based consumers in a small geography, having a centrally located distribution centre would allow the Company to deliver frozen product D2C across the country with same-day service. The Company expects additional benefits from the integration synergies that it anticipates resulting from completion of the Proposed Acquisition, including bringing Vejii's North American brand partners into the UK market and supporting leading UK brands looking to enter into the United States (the "**US**") and Canadian markets through the Company's existing distribution platform. The Company also believes that it will benefit from additional economies of scale and buying power with its brand partners that it anticipates will result from the completion of the Proposed Acquisition, and that it will be able to leverage its consignment and fulfilment model to improve unit economics and reinforce the Company's path to profitability.

"We are very excited to announce the signing of this LOI and the planned acquisition of Frozenly. Frozenly has already set up and established itself as a marketplace for plant-based foods in the UK and has built a cold chain distribution platform similar to Vejii's existing business in the US and Canada. After spending time with the founders, we have identified a similar vision and alignment with MightyPlants.com and recognized the value of bringing both platforms together under the Vejii umbrella. We believe that the acquisition of Frozenly by Vejii would enable local brands that Frozenly already serves to expand across Vejii's US and Canadian platforms, and Vejii would be able to leverage its brand partners into the UK market as well, we are excited to bring our business together and leverage the natural synergies that already exist" said Kory Zelickson, CEO of Vejii.

"Launching into the UK market has been a stated objective for Vejii since our inception. We believe that the acquisition of Frozenly and the leveraging of Frozenly's digital platform and distribution network in the UK would be a critical and exciting milestone for the Company as we plan our continued expansion into the European Union and other key strategic geographies," commented Darren Gill, President and COO of Vejii.

## Acquisition Terms

It is anticipated that the purchase price for the Frozenly Shares will be £2 million, payable to the Vendors as follows:

- at the closing of the Proposed Transaction (the "**Closing**"), £1 million in shares of Vejii (each, a "**Vejii Share**") based on a deemed price of the greater of (a) C\$0.25 per Vejii Share, and (b) the market price of the Vejii Shares on the date of announcement of the Proposed Transaction; and
- over the three-year period following the Closing, £1 million in Vejii Shares, subject to earn-out milestones based on

financial performance of Frozenly, including revenue and EBITDA targets, based on a deemed price equal to the market price of the Vejii Shares on the date the applicable milestone is achieved.

Any Vejii Shares issued to Rebecca Osborne and Gabriel Osborne will be subject to contractual resale restrictions agreed to by the parties, acting reasonably.

Following the Closing, Frozenly will be a wholly-owned subsidiary of Vejii, and Rebecca Osborne and Gabriel Osborne will continue to manage Frozenly, pursuant to the terms and conditions of employment agreements to be entered into between Vejii and each of Rebecca Osborne and Gabriel Osborne.

The Closing is subject to negotiating and signing of a definitive agreement in respect of the Proposed Transaction, completion of due diligence to the satisfaction of Vejii, receipt of all applicable governmental, regulatory and contractual third party approvals, including approval of the Canadian Securities Exchange, and other conditions precedent.

## **Frozenly Investors**

Frozenly has an established base of strategic investors, including the Dismatrix Group (via its Planthesis Fund) ("**Dismatrix**"), a multinational private equity and venture capital firm, co-founded by key influential investors Miray Zaki and Sebastiano Cossia Castiglioni.

Miray Zaki is a Managing Partner at Dismatrix and managing director of Gulf Capital. Miray has invested over US \$18 billion across a broad range of asset classes and geographies globally, leveraging her private equity, credit, and special situations background, enabling her to identify best in class risk-adjusted return opportunities and structures. In 2015 and 2016 Miray was chosen as one of Dow Jones Financial News' Top 100 Women in Finance. Following the Closing, it is intended that Miray will join Vejii's advisory board and support initiatives around strategic growth, M&A, and capital financing, and will stand for election at Vejii's next annual general meeting later this year to join its board of directors.

Sebastiano Cossia Castiglioni is a vegan investor, entrepreneur, advisor and activist. In addition to his role as managing partner at Dismatrix, Sebastiano is also the co-founder, and chairman of Natural Order Acquisition Corp, a Special Purpose Acquisition Vehicle (SPAC) that completed its IPO at a US \$230M market value on the NASDAQ exchange under the ticker symbol, NOAC. Sebastiano is also a partner at Blue Horizon, an investment firm that invests in companies and businesses in the agriculture and food processing sector. Sebastiano is also the founder and chairman of Vegan Capital SA, which invests in plant-based and cruelty-free companies globally. Sebastiano serves on the board of six animal protection organizations including Sea Shephard.

"We are very supportive of bringing these two great businesses together, and as investors see great potential for the combined business reaching global size and scale, I look forward to working with Vejii's team as an advisor and future board member to support its ongoing growth", said Miray Zaki, Managing Partner of Dismatrix.

## **About Vejii Holdings Ltd.**

Headquartered in Kelowna B.C, Vejii is a unified digital marketplace and fulfillment 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 fulfillment services empower brands to offer tier-one service, with ongoing engagement being driven through features like smart lists, subscription programs, reordering functions, sampling programs, and more.

The Company also owns and operates the US.-based Veg Essentials LLC ([VeganEssentials.com](https://VeganEssentials.com)), a staple of the plant-based community. Vegan Essentials was established in 1997 and contributed to more than 20 years of consumer insight, data, and buying power. VeganEssentials.com was awarded best online vegan store from 2005-2018, as well as best online vegan grocery from 2018-2021 by VegNews Magazine.

The Company also owns and operates VEDGEco USA Inc. ([VEDGEco.com](https://VEDGEco.com)). Headquartered in Kailua, Hawaii, and launched in 2020 VEDGEco is the first nationwide plant-based foodservice distributor, providing restaurants with high-quality plant-based options. With the goal of bringing the freedom of food choice to all restaurants and businesses, VEDGEco distributes plant-based products in bulk to the restaurant and wholesale food industry, as well as to consumers across the US.

For more information please visit [VejiiHoldings.com](https://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 expectation that the Proposed Transaction will be completed on the terms described in the LOI and the anticipated benefits of the Proposed Transaction.

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 that that the Proposed Transaction will not be completed on the terms described in the LOI or at all and the risk that the anticipated benefits of the Proposed Acquisition do not materialize. 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.

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