



## PesoRama Reports Q3 2024 Financial Results

- *The Company secured a \$20M senior secured credit facility*
- *Store profits increased by 156% to \$476,804*
- *Sales increased by 51% to \$14,140,796*
- *Gross profits increased by 117% to \$4,255,634*
- *Product gross margins increased by 3.3% to 41.5%*

**TORONTO, ON** – December 22, 2023 – [PesoRama Inc.](#) (TSXV: PESO) (“PesoRama” or the “Company”), a Canadian company operating dollar stores in Mexico under the JOi Canadian Stores brand, today announced its financial results for the third quarter ended October 31, 2023 (“Q3 2024”). All financial figures are in Canadian dollars unless otherwise noted.

“As the only true dollar store company in Mexico, we are constantly innovating and pushing the boundaries of what is possible,” said Rahim Bhaloo, Founder & Executive Chairman of PesoRama. “Creating a new market space requires strategic thinking, operational excellence, and execution, which is reflected in this quarter’s results. During Q3 2024, we saw an increase in-store traffic of 6.8%, over Q3 2023. We attribute this to the success of our unique merchandising strategies, product assortment, and overall customer experience. Our JOi Dollar Plus Stores are increasing in popularity as we continue to expand our footprint and raise the bar in our market. We believe we have the winning strategy and we are meeting the needs of the cost-conscious shopper in an underserved market that will ultimately drive long-term value for our shareholders. We have big ambitions and will continue to think outside the box to set ourselves apart.”

### **Key Financial Highlights: Q3 2024 vs Q3 2023**

- Multi-price points continue to lead to increased product assortment and increased growth of new product categories across all departments.
- Store profits increased by 156% to \$476,804 for the nine-months ended October 31, 2023, an increase of \$1,323,625 from the nine months ended October 31, 2022.
- Total sales increased by 51% to \$14,140,796 due to organic growth of previously opened stores as well as sales from new store which opened in December 2022.
- Gross profits increased by \$2,294,254 to \$4,255,634, primarily driven by an increase in revenue of 51% compared to an increase in cost of sales of only 33%.
- Product gross margins increased by 3.3% from \$3,583,493 or 38.2% to \$5,870,312 or 41.5% due primarily to an increase in revenue from the introduction of the multi-price strategy and assortment mix which resulted in higher sales price per item and increase in demand.

### **Other Performance Metrics: Q3 2024 vs Q3 2023**

- Sales units increased by 17% as a result of increase in demand, increased product assortment and mix
- Same store sales increased by 20% in Q3 2024 compared to Q3 2023

### **Key Achievements YTD 2023**

- On June 9, 2023, the Company secured a \$20M senior secured credit facility to finance their expansion plans
- In January 2023, the Company closed a private placement through the issuance of 17,760,264 units of the Company at a price of \$0.15 per Unit for gross proceeds of \$2,664,039.60. Each Unit was comprised of one common share and one common share purchase warrant.
- On November 17, 2023, the Company opened its 22<sup>nd</sup> Joi Dollar Plus Store in Tlalnepantla, Mexico. This 458-square meter site marks the Company's first stand-alone Joi store and strategically positions PesoRama in the first square of the municipality of Tlalnepantla, located 13 kilometers from the center of Mexico City, in proximity to key retailers, schools, banks, and hospitals, the store is strategically placed to serve the diverse needs of the local community
- On December 1, 2023 The Company opened its 23<sup>rd</sup> Joi Dollar Plus Store in Iztapalapa, Mexico. Situated in the Complejo Industrial Tecnológico neighborhood, the 425-square meter store strategically targets the approximately 1,835,486 inhabitants in the municipality, located 16 kilometers from the center of Mexico City. The grand opening aligns with PesoRama's confidence in expansion plans, anticipating further growth in Mexico.

This earnings news release should be read in conjunction with the Company's condensed consolidated interim financial statements for the three and nine month period ending October 30, 2023, which can be found on PesoRama's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About PesoRama Inc.**

PesoRama, operating under the JOi Canadian Stores brand, is a Mexican value dollar store retailer. PesoRama launched operations in 2019 in Mexico City and the surrounding areas targeting high density, high traffic locations. PesoRama's 21 stores offer consistent merchandise offerings which include items in the following categories: household goods, pet supplies, seasonal products, party supplies, health and beauty, snack food items, confectionery and more.

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### ***Non-IFRS Measures***

*There are measures included in this news release that do not have a standardized meaning under international financial reporting standards (IFRS) and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures because it believes certain investors use them as a means of assessing financial performance. Adjusted gross margin, EBITDA and Adjusted EBITDA are financial measures that do not have a standardized meaning under IFRS. EBITDA is defined as earnings before interest, taxes, depreciation, and amortization. Adjusted EBITDA*

*refers to earnings before interest, taxes, depreciation, amortization, stock-based compensation, one-time transaction expenses and financing costs. Adjusted gross margin is defined as gross profit plus distribution costs divided by sales.*

*We prepare and release quarterly unaudited and annual audited financial statements prepared in accordance with IFRS. We also disclose and discuss certain non-GAAP (Generally Accepted Accounting Principles) financial information used to evaluate our performance in this and other earnings releases and investor conference calls as a complement to results provided in accordance with IFRS. We believe that current shareholders and potential investors in the Company use non-GAAP financial measures, such as adjusted gross margin, EBITDA, and adjusted EBITDA in making investment decisions about the Company and measuring its operational results.*

*Management believes that investors and financial analysts measure our business on the same basis, and we are providing the adjusted gross margin, operating profit, EBITDA, and adjusted EBITDA as financial metrics to assist in this evaluation and to provide a higher level of transparency into how we measure our own business.*

*Adjusted EBITDA is more fully defined and discussed, and reconciliation to IFRS financial measures is provided, in Company's Management's Discussion and Analysis ("MD&A") for the three and nine month period ended October 30, 2023.*

#### **Cautionary Note**

*This press release contains "forward-looking information" within the meaning of applicable securities laws, including, among other things, statements regarding the Company's planned expansion, new store openings and expected future developments and other factors that have been considered appropriate. While the Company believes that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements, including due to changes in consumer behaviour, general economic factors, the ability of the Company to execute its strategies, the availability of capital and the risk factors which are discussed in greater detail in the "Risk Factors" section of the Company's prospectus dated January 31, 2022 and filed under the Company's profile on [www.sedar.com](http://www.sedar.com). The statements in this press release are made as of the date of this release. PesoRama undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of PesoRama, its securities, or its financial or operating results (as applicable).*

*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.*