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GOODFOOD MARKET CORP. REPORTS QUARTER-OVER-QUARTER GROSS MERCHANDISE SALES GROWTH OF 42% AND PROFITABILITY IN SEVERAL CORE MARKETS DURING THE SECOND QUARTER OF 2018

- Gross merchandise sales run-rate reached \$90.6 million as at February 28, 2018
- Company to launch national platform in Q3 with opening of new Western Canadian facility expanding our addressable market by 11 million Canadians
- Achieved EBITDA profitability in several core markets during Q2
- Active subscribers grew to 61,000 as at February 28, 2018, a net increase of 16,000, or 36%, compared to November 30, 2017

Montreal, Quebec, April 12, 2018 – Goodfood Market Corp. (“Goodfood” or “the Company”) (TSX: FOOD), a leader in the Canadian meal-kit industry, today announced strong financial results for the second quarter ended February 28, 2018.

Active subscribers reached 61,000 as at February 28, 2018, up from 13,000 as at February 28, 2017. During the second quarter, Goodfood added 16,000 net new subscribers, an increase of 36% from November 30, 2017.

“We continued to experience rapid organic growth in Eastern Canada where our targeted marketing approach, combined with the launch of additional recipes and plan options, is generating strong results. As a result, our operations were profitable in several core markets and our gross merchandise sales for the last 12 months has reached almost \$50 million. On an annualized basis, our gross merchandise sale run-rate is now approaching the \$100 million mark”, said Jonathan Ferrari, Chief Executive Officer of Goodfood.

“With the launch of our national platform, the Goodfood experience will be available from coast to coast this quarter. Our Western Canada pre-launch has been extremely well received and we now have over 2,000 active subscribers in the region. The official launch of our service offering in Western Canada will significantly expand our addressable market, adding 11 million new potential customers. We are confident that as we roll-out our marketing initiatives, we will replicate the success we have achieved in Eastern Canada” added Jonathan Ferrari.

Financial Highlights

(Unaudited all amounts are in Canadian dollars)

<i>For the periods ended February 28, 2018 and 2017</i>						
	Q2 2018	Q2 2017	Change	YTD 2018	YTD 2017	Change
Revenue <i>Growth %</i>	15,672,647	3,686,947	11,985,700 325%	26,908,529	5,879,415	21,029,114 358%
Gross Profit <i>Gross margin %</i>	2,823,860 18.0%	894,224 24.3%	1,929,636 (6.3) pts	4,884,124 18.2%	1,222,597 20.8%	3,661,527 (2.6) pts
Gross Merchandise Sales ¹	18,840,295	4,280,431	14,559,864 340%	32,115,295	6,836,217	25,279,078 370%
Adjusted Gross Profit <i>Adjusted Gross margin %¹</i>	5,991,508 31.8%	1,487,708 34.8%	4,503,800 (3.0) pts	10,090,890 31.4%	2,179,399 31.9%	7,911,491 (0.5) pts
Net Loss	(2,394,604)	(1,766,488)	(628,116)	(4,914,437)	(4,879,302)	(35,135)
Adjusted net loss ¹	(2,394,604)	(207,887)	(2,186,717)	(4,801,340)	(629,584)	(4,171,756)

¹See the non-IFRS financial measures section below

Revenue and Gross Merchandise Sales

Gross merchandise sale increased by 42% during the quarter while Selling, general and administrative expenses increased by only 15.9%. The gross merchandise sales run-rate reached \$90.6 million at the end of the second quarter of 2018. Revenue for the second quarter grew 325% to \$15.7 million compared to \$3.7 million for the corresponding period of 2017 and grew 39% when compared to \$11.2 million for the first quarter of 2018. Gross merchandise sales for the second quarter, which reflects the total retail value of merchandise sold by Goodfood before taking into account all incentives and credits, totaled \$18.8 million compared to \$4.3 million for the corresponding period of 2017 and \$13.3 million for the first quarter of 2018.

Revenue for the first half of 2018 grew 358% to \$26.9 million compared to \$5.9 million in the corresponding period of 2017. The increase in revenue for the second quarter and for the first half of 2018 compared to the corresponding periods of 2017 is primarily driven by the continued growth in the number of Active subscribers. Gross merchandise sales for the first half of 2018 increased to \$32.1 million compared to \$6.8 million for the corresponding period of 2017.

Gross Margin and Adjusted Gross Margin

Gross margin was 18.0% and 18.2% for the second quarter and first half of 2018 respectively, compared to 24.3% and 20.8% for the corresponding periods of 2017. The decrease in gross margin primarily resulted from an increase in production labour costs, start up expenses for Western Canada operations and higher overhead costs coming from our new Eastern Canada facility. The company expects that fixed costs as a percentage of revenue will decrease over time with the Company's continued growth. Gross margin

in the second quarter of 2018 decreased slightly from 18.3% to 18.0% compared to the first quarter of 2018. The Company saw an improvement in Eastern Canada gross margin while start-up costs related to Western Canada led to an overall decline in gross margin.

Adjusted gross margin was 31.8% and 31.4% for the second quarter and first half of 2018 respectively, compared to 34.8% and 31.9% for the corresponding periods of 2017. Adjusted gross margin in the second quarter of 2018, which included start-up costs related to Western Canada, improved to 31.8% compared to 30.9% in the first quarter of 2018.

Adjusted Net Loss and Adjusted Net Loss per Share

Adjusted net loss for the second quarter was \$2.4 million, or \$0.05 per share (basic and diluted), compared to an adjusted net loss of \$0.2 million, or \$0.01 per share (basic and diluted) for the corresponding period of 2017. The increase in adjusted net loss was mainly due to planned investments in administrative expenses to support continued subscriber growth and an increased marketing budget. Adjusted net loss excludes a loss on the remeasurement of convertible notes of \$1.6 million recorded in the second quarter of 2017.

Adjusted net loss for the first half of 2018 was \$4.8 million, or \$0.10 per share (basic and diluted), compared to an adjusted net loss of \$0.6 million, or \$0.03 per share (basic and diluted) for Fiscal 2017. The increase in adjusted net loss was mainly due to planned investments in administrative expenses to support continued subscriber growth and an increased marketing budget. Adjusted net loss excludes a loss on the disposal of fixed assets of \$0.1 million recorded in the first half of 2018 and a loss on the remeasurement of convertible notes of \$4.2 million recorded in the corresponding period of 2017.

Management Appointments

During the quarter, the Company announced the appointment of Philippe Adam as Chief Financial Officer effective March 23, 2018. Philippe brings over 15 years of experience in corporate finance, accounting and operations. He has been involved in a wide variety of strategic matters over the years including mergers and acquisitions, cross border transactions and debt and equity financing.

Neil Cuggy, who has been acting as CFO since the inception of the Company, will focus on executing the Company's operational, strategic and growth plan as President and Chief Operating Officer.

Outlook

The meal-kit subscription service industry is one of the fastest growing industries in the world and remains relatively new in Canada. As a result, Goodfood believes that there are significant opportunities to rapidly grow its subscriber base by continuing to invest in highly targeted marketing campaigns, capacity expansion and in establishing a national platform. As the Company grows its subscriber base, it is confident that it can achieve further economies of scale which will lead to enhanced profitability. With the opening of its

Western Canadian production facility in Q3, Management expects the Company to further expand its client base.

Second Quarter Fiscal 2018 Results Conference Call:

When: April 12, 2018 at 10:00 a.m. E.T
Dial in number: 647-788-4922 or 877-223-4471

Conference call replay available until April 26, 2018
416-621-4642 or 1-800-585-8367

To access the webcast and view the slide presentation, click on this link:
<http://www.gowebcasting.com/9226>.

The conference ID is 1673089.

A full version of the Company's Second Quarter 2018 Management's Discussion and Analysis (MD&A) and unaudited Interim Financial Statements will be posted on <http://www.sedar.com> later today.

Non-IFRS Financial Measures

Certain financial and non-financial measures included in this news release do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other companies. The Company includes these measures because it believes they provide to certain investors a meaningful way of assessing financial performance. For a more complete description of these measures and a reconciliation of Goodfood's non-IFRS financial measures to financial results, please see Goodfood's Management's Discussion and Analysis for the three-month and sixth-month periods ended February 28, 2018.

Goodfood's definition of the non-IFRS terms are as follows:

- An active subscriber is defined as an account that will receive a delivery or has elected to skip a delivery in the subsequent weekly delivery cycle.
- Gross merchandise sales measures the total retail value of all goods sold by the Company before taking into account all incentives and credits.
- Gross merchandise sales run-rate is defined as gross merchandise sales for the four-week period ended as at the date indicated multiplied by thirteen. Management believes that gross merchandise sales run-rate is a useful measure of financial performance because it is indicative of gross merchandise sales on an annual basis for the Company's current level of active subscribers.
- Adjusted gross profit is calculated as gross merchandise sales less cost of goods sold.
- Adjusted gross margin is calculated as adjusted gross profit divided by gross merchandise sales.
- EBITDA is defined as net income or loss before net finance expenses, depreciation and amortization expense and income tax expense.
- Adjusted net loss is defined as net loss adjusted for items that Management believes do not necessarily arise as part of the Company's normal day-to-day operations to better analyze trends in performance and financial results. These adjustments result in a truer economic representation of the underlying business on a comparative basis.

About Goodfood

Goodfood is Canada's leading meal kit company, delivering fresh ingredients that make it easy for subscribers to prepare delicious meals at home every week. Goodfood's objective is to take the hassle out of cooking, leaving subscribers with the fun part - cooking, sharing with family and eating. Subscribers select their favorite recipes from a variety of original dishes online. The Company prepares a personalized box of fresh ingredients and delivers it to the subscriber's doorstep with easy step-by-step instructions. Headquartered in Montréal, Canada, Goodfood had 61,000 active subscribers as at February 28, 2018. www.makegoodfood.ca

Except where otherwise indicated, all amounts in this press release are expressed in Canadian dollars.

For further information:

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Forward-Looking Information

This release contains information that may be considered “forward-looking information” within the meaning of applicable Canadian securities legislation. Such forward-looking information includes, but is not limited to, information with respect to our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. Forward-looking information is identified by the use of terms and phrases such as “may”, “would”, “should”, “could”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “believe”, or “continue”, the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. Forward-looking information is provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments and therefore the reader is cautioned that such information may not be appropriate for other purposes. Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the following risk factors which are discussed in greater detail under “Risk Factors” in the Company’s Annual Information Form for the year ended August 31, 2017 available on SEDAR at www.sedar.com: limited operating history, negative operating cash flow, food industry, quality control and health concerns, regulatory compliance, regulation of the industry, public safety issues, product recalls, damage to Goodfood’s reputation, transportation disruptions, product liability, ownership and protection of intellectual property, evolving industry, reliance on a single facility, unionization activities, reliance on management, factors which may prevent realization of growth targets, competition, availability and quality of raw materials, limited number of products, environmental and employee health and safety regulations, online security breaches and disruption, reliance on data centers, open source license compliance, future capital requirements, operating risk and insurance coverage, management of growth, conflicts of interest, litigation, and catastrophic events. Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, readers are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information concerning availability of capital resources, business performance, market conditions, and customer demand. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. In addition, any statements as to financial results (including without limitation, revenue, sales, margin and profitability in general or with respect to any aspect of the Company’s business) is made as at the time in question. There can be no assurance that past results will be repeated and future results may vary materially. Unless otherwise noted or the context otherwise indicates, any forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.