



# ANNUAL GENERAL MEETING 2018

GOODFOOD MARKET CORP.  
TSX: FOOD

JONATHAN FERRARI, CHIEF EXECUTIVE OFFICER  
NEIL CUGGY, PRESIDENT AND CHIEF OPERATING OFFICER  
PHILIPPE ADAM, CHIEF FINANCIAL OFFICER

*goodfood*

# PRESENTING TODAY



**JONATHAN FERRARI**  
Co-Founder & CEO

- Graduate from McGill University in Commerce, Finance and Entrepreneurship
- Joined RBC's investment banking team in Montréal in 2010
- Co-founded MTL Capital and Goodfood in 2014 with Neil Cuggy
- Named one of the « Top 40 under 40 » business leaders in Canada and EY Young Entrepreneur of the Year



**NEIL CUGGY**  
Co-Founder,  
President & COO

- Graduate with distinction in Investment Management from McGill University
- Worked for RBC's investment banking team in Montreal
- Co-founded Goodfood and MTL Capital, a privately held entrepreneurial firm backed by top notch investors from across North America
- Named EY Young Entrepreneur of the Year in 2018



**PHILIPPE ADAM,**  
CPA, CA, CBV  
CFO

- 15 years of experience in corporate finance, accounting and operations
- Prior to joining Goodfood, he was a Principal at Champlain Financial Corporation and the CFO of Garda Background Screening Solutions
- Prior to that, he was an investment banker at National Bank Financial and worked several years at Deloitte LLP

# CAUTION REGARDING FORWARD-LOOKING STATEMENTS



This presentation may include forward-looking statements regarding Goodfood, its business, operations or results. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from expectations expressed in, or implied by, such forward-looking statements. These statements also involve known and unknown risks, uncertainties and other factors, including factors that are beyond Goodfood's control, that may cause actual results or events to differ materially from those expressed in such forward-looking statements. Forward looking statements reflect Goodfood's then current views with respect to future events based on certain material facts and assumptions. Although Goodfood believes that the assumptions on which such forward-looking information is based are reasonable at the time they are made, there can be no assurance that such facts or assumptions will prove to be correct and undue reliance should, therefore, not be placed on any forward looking information. Forward-looking events and circumstances may not occur at all or by specified or anticipated dates. Events and/or results could differ materially as a result of known and unknown risks and uncertainties affecting Goodfood, including, without limitation, risks regarding the food industry, economic factors, the equity markets generally, changes in regulatory environment or law, failure to obtain required approvals and risks associated with growth and competition in addition to other risks identified in publicly filed documents under Goodfood's profile at [www.sedar.com](http://www.sedar.com) as well as other unknown risks. Forward-looking statements speak only as of the date on which they are made and Goodfood undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Goodfood reports its financial results in accordance with International Financial Reporting Standards (IFRS). Goodfood also uses non-IFRS measures in this presentation that do not have any standardized meaning prescribed by IFRS, including gross merchandise sales, gross merchandise sales run-rate, adjusted gross profit, adjusted gross margin, EBITDA, adjusted EBITDA and adjusted EBITDA margin. These non-IFRS measures may not be comparable to similar measures presented by other companies. For further details of these non-IFRS measures, including a reconciliation to the most directly comparable IFRS financial measures, refer to Goodfood's Management's Discussion and Analysis.



10 chefs  
1,100+ employees



Largest number of recipes  
in the Canadian industry



Founded in 2014  
HQ in Montreal



126,000  
active subscribers



125,000 square feet  
(expanding to 200,000 square feet)  
Largest infrastructure in Canada



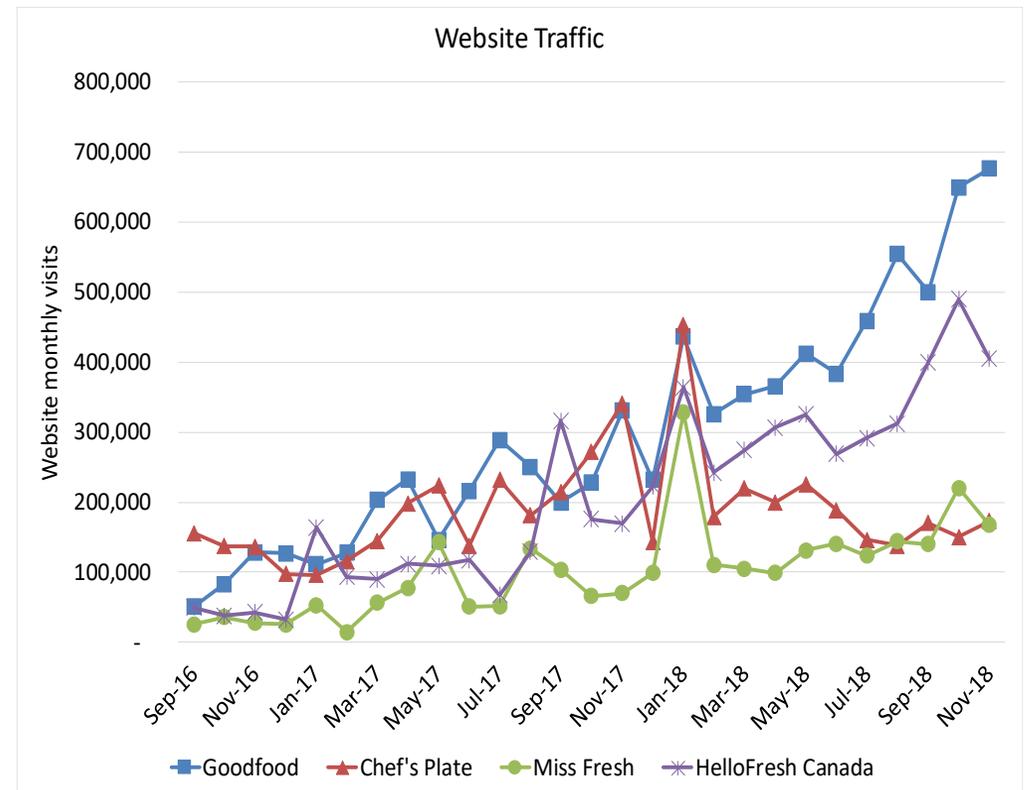
GMS run-rate of \$168M and  
LTM of \$108M  
FY 2018 Revenue of \$70.5M



Only direct to consumer home meal  
solutions company listed in Canada

# STRONG MARKET POSITION

COMPANY	WEBSITE MONTHLY VISITS
	680,000
	405,000
	170,000
	170,000



Source: Similar Web, November 2018

# FY2018 HIGHLIGHTS



Strong consistent growth in subscribers (187%) and gross merchandise sales (264%)



Gross merchandise sales run-rate reached \$107 million as at August 31, 2018



Positive cash flow from operations of \$300,000 for the year after two consecutive quarters of positive cash flow



Launch of national platform with results above expectations

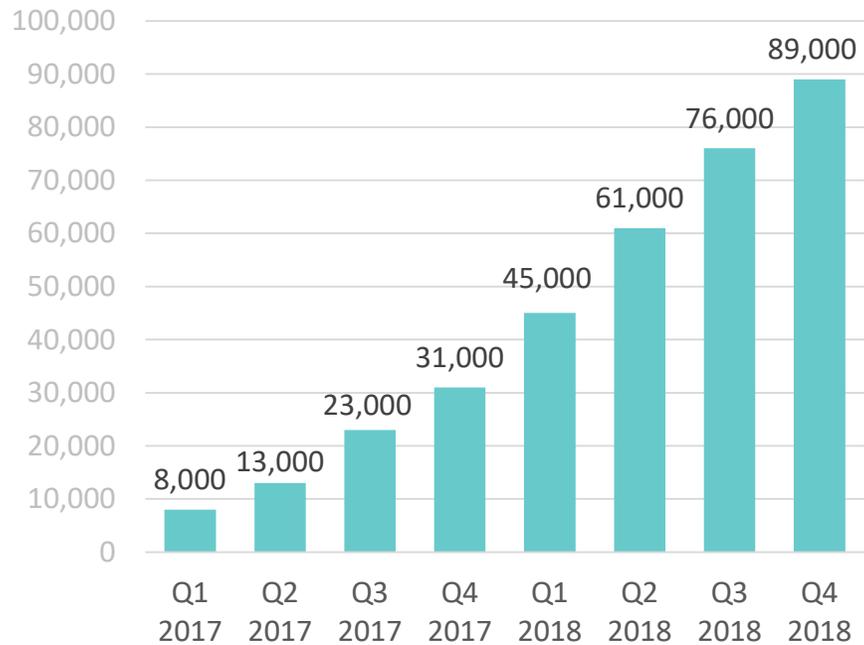


Delivering over 1 million meals per month across the country

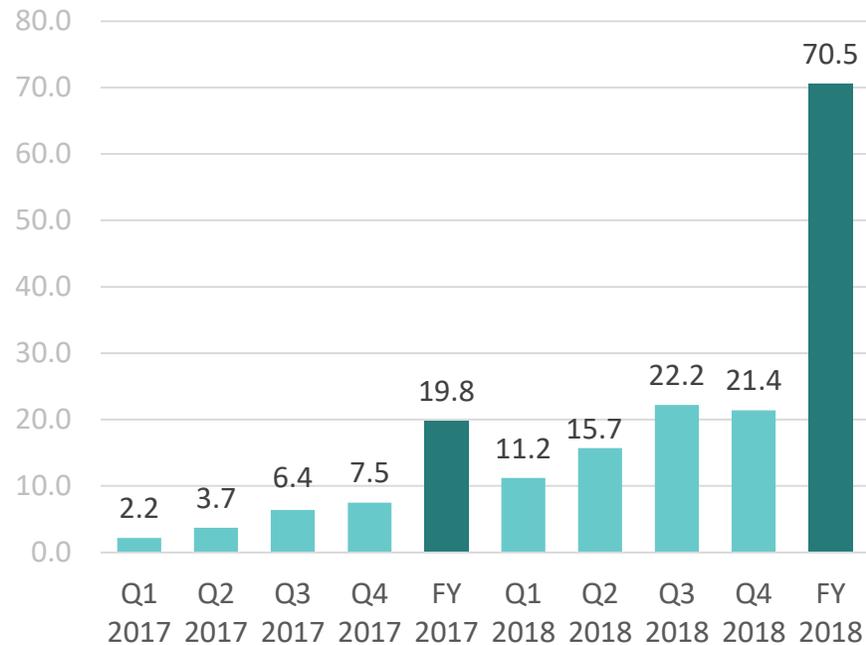


# STRONG CONSISTENT GROWTH

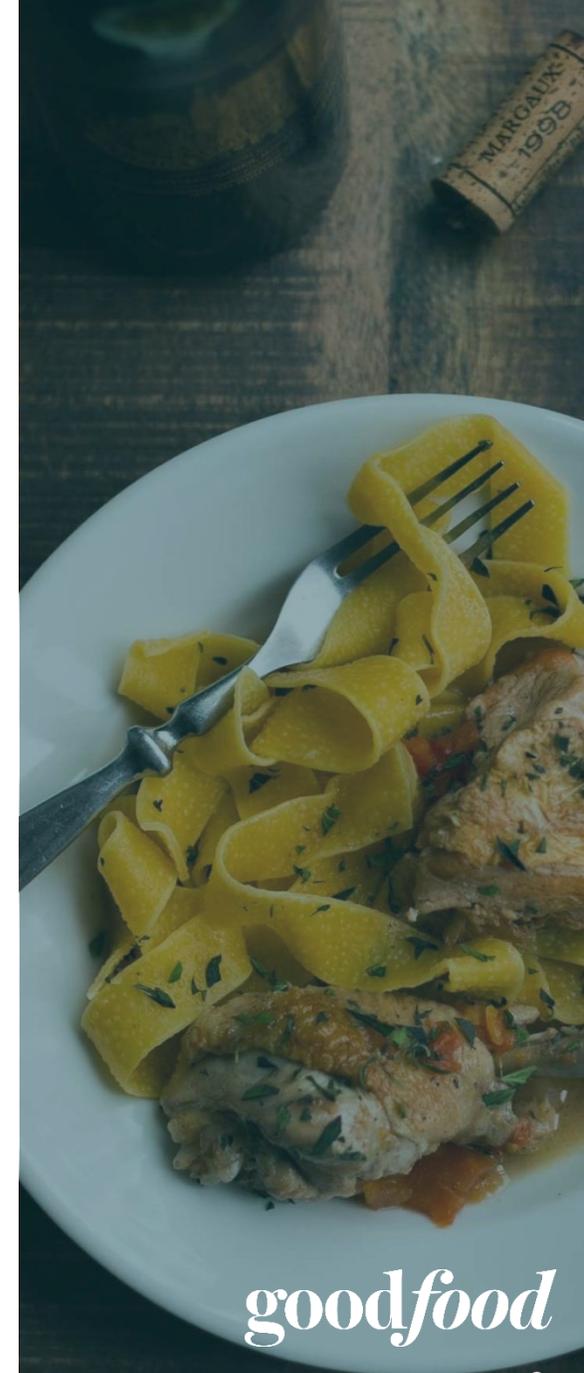
## Active Subscribers End of period



## Revenue C\$ millions



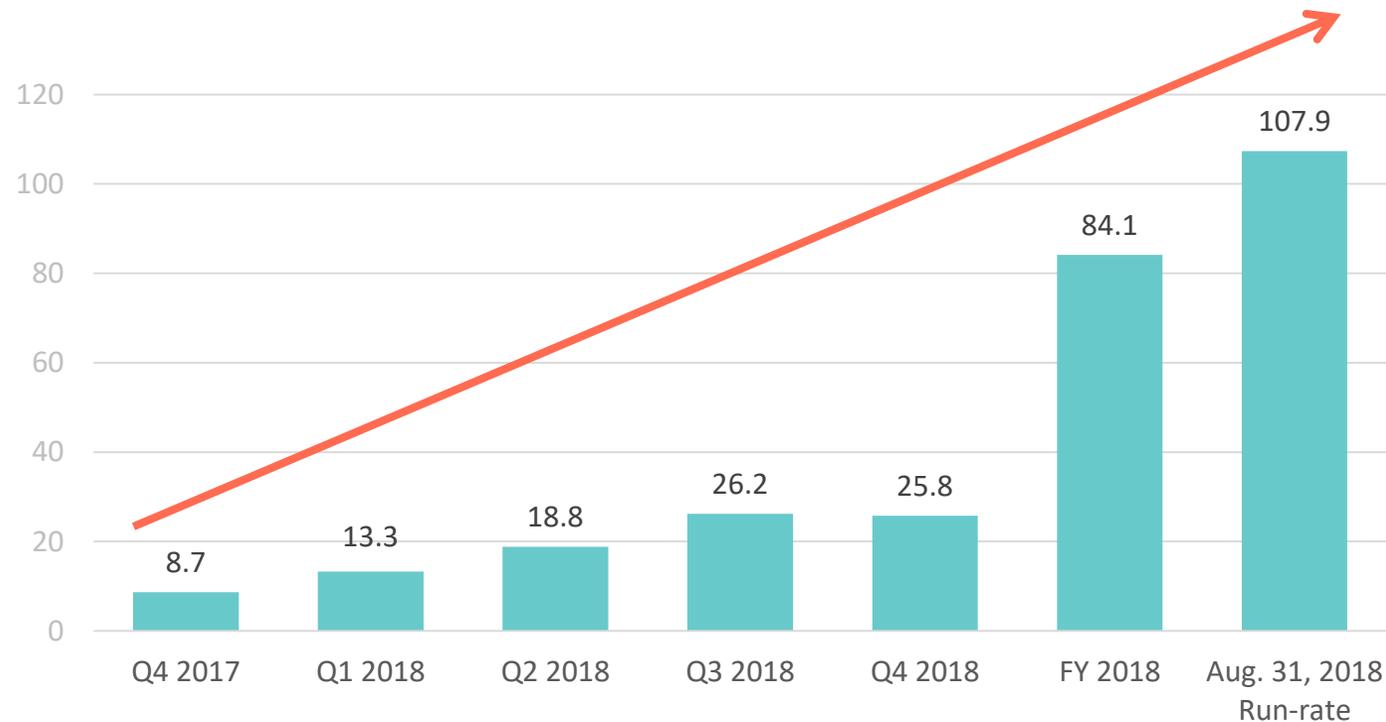
An Active subscriber is defined as an account that is scheduled to receive a delivery or has elected to skip delivery in the subsequent weekly delivery cycle. Active subscribers exclude cancelled accounts. While Active subscribers is not an IFRS or Non-IFRS Financial Measure, and therefore, does not appear in and cannot be reconciled to a specific line item in our financial statements, we believe that Active subscribers is a useful metric for investors because it is indicative of futures revenues. The Company reports the number of Active subscribers at the beginning and end of the period, rounded to the nearest thousand.



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# GROSS MERCHANDISE SALES

**Run-rate of \$108 million**  
C\$ millions



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. For a reconciliation of gross merchandise sales to revenue, refer to the Company's management's discussion and analysis for the year ended August 31, 2018.

# OPERATIONAL EXCELLENCE



Successful launch  
of national  
platform



State-of the art  
facility in Calgary -  
\$100 million in  
sales capacity



Further expansion  
of Montreal facility  
bringing national  
sales capacity to  
\$500 million+



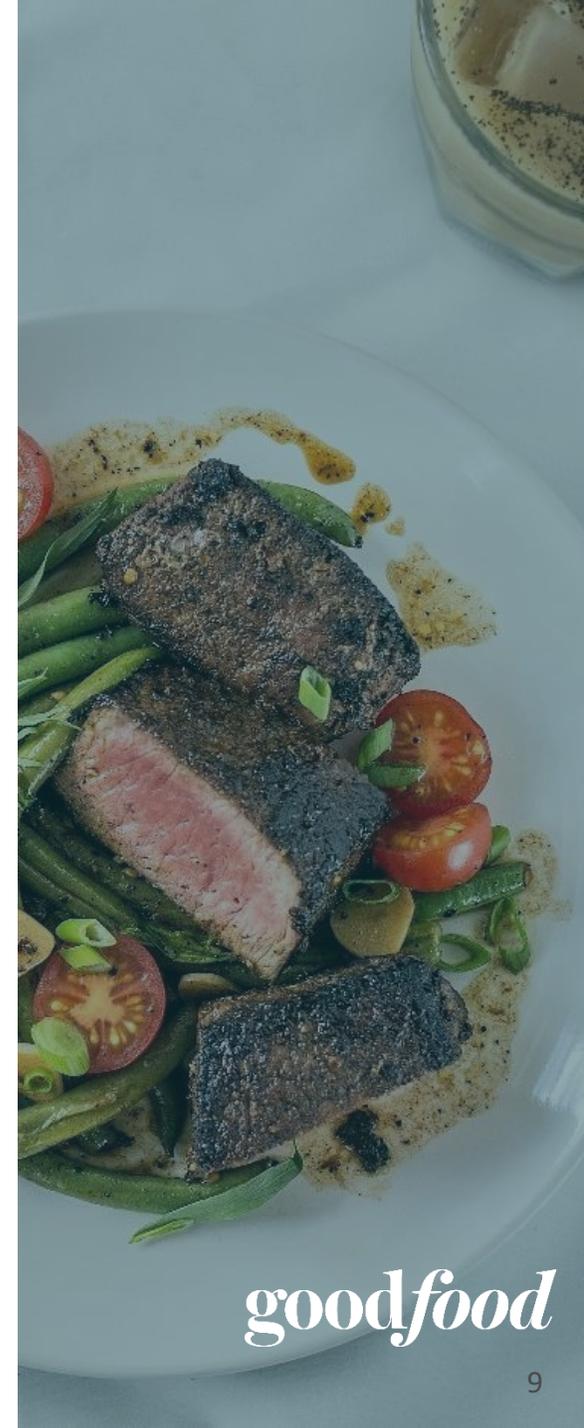
Record adjusted  
gross margin of  
33.6% for the year



# CONTINUING TO IMPROVE CONSUMER EXPERIENCE

- Expansion of choice catering to wide variety of taste
  - Created over 750 new recipes throughout the year
  - Now offering 27 recipes per week\*
  - Added 10 weekly options for members
- Launched Easy Prep plan
  - Fueling subscribers and revenue growth
- Targeting premium segment with *L'Artisan* recipe collection
  - Responding to subscriber demand
  - Adoption rate above expectations

\*23 recipes per week at year-end 2018



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# FY2019 OBJECTIVES



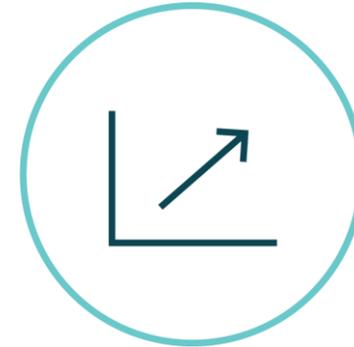
Maintain market  
leadership



Grow subscriber  
base



Continue to improve  
consumer  
experience through  
customized meal  
solutions

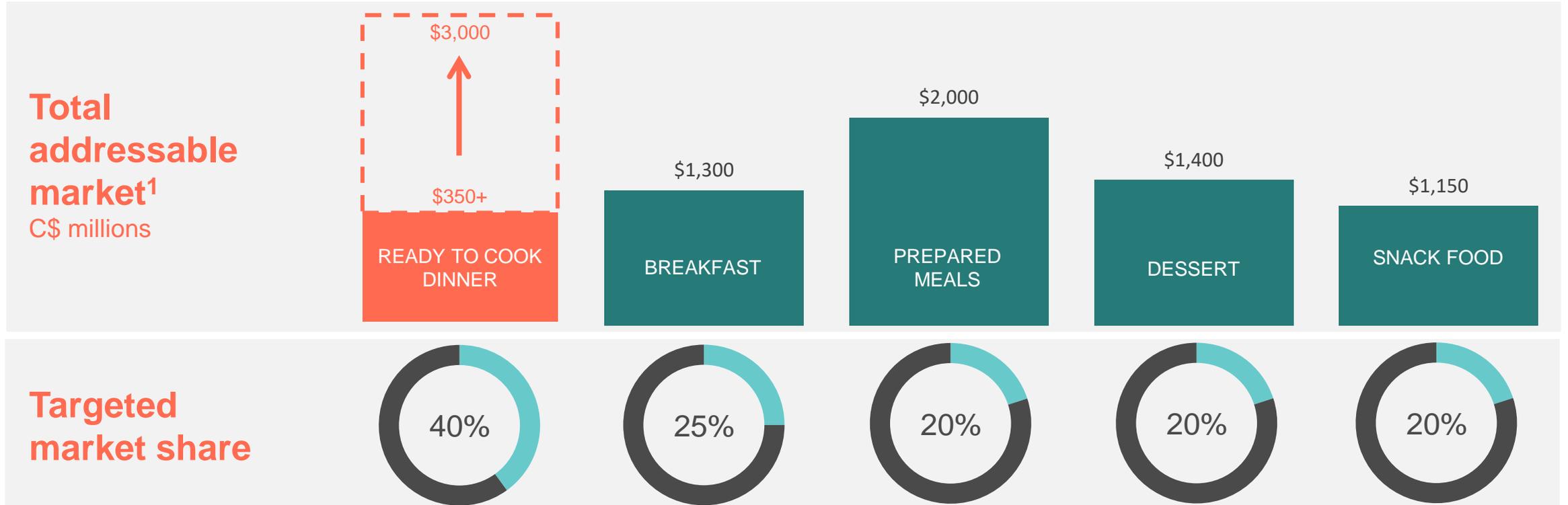


Continue to  
improve gross  
margin through  
automation and  
economies of scale



# MAJOR OPPORTUNITY IN \$9B MARKET

UNIQUELY POSITIONED TO GAIN MARKET SHARE IN SEVERAL SEGMENTS



<sup>1</sup>Estimated TAM in 2025; Source: Statista – Consumer Market Outlook, Nielsen, management estimates



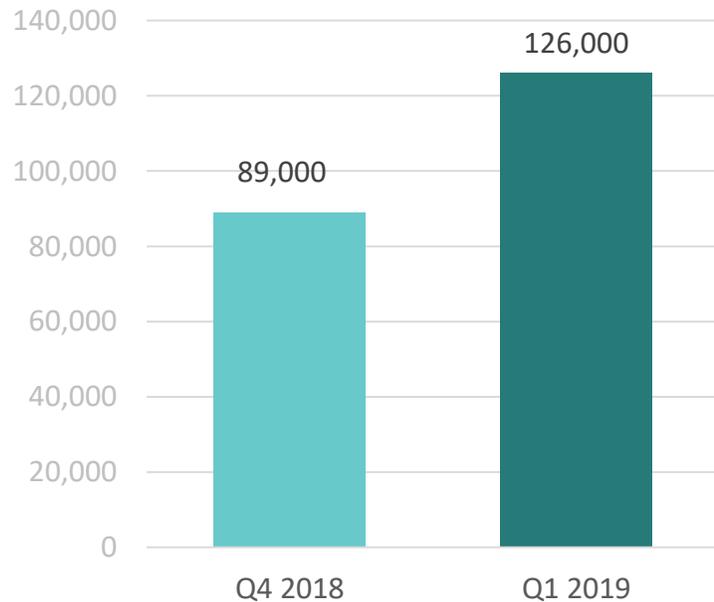
# Q1 2019 FINANCIAL HIGHLIGHTS

## QUARTER-OVER-QUARTER

### Active Subscribers

End of period

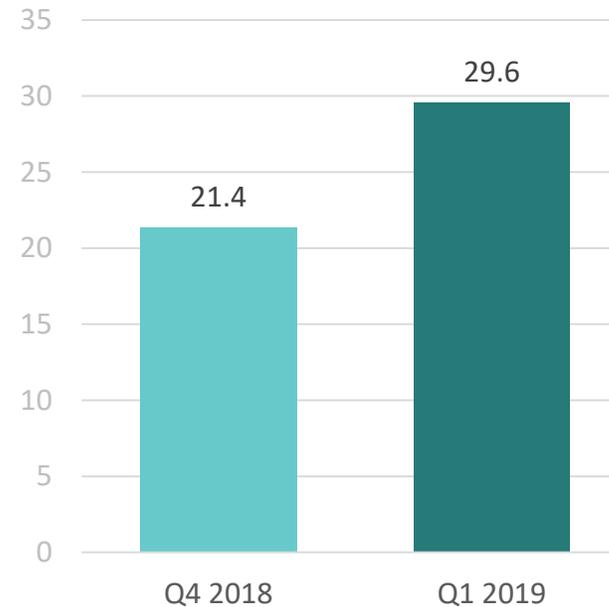
+42%



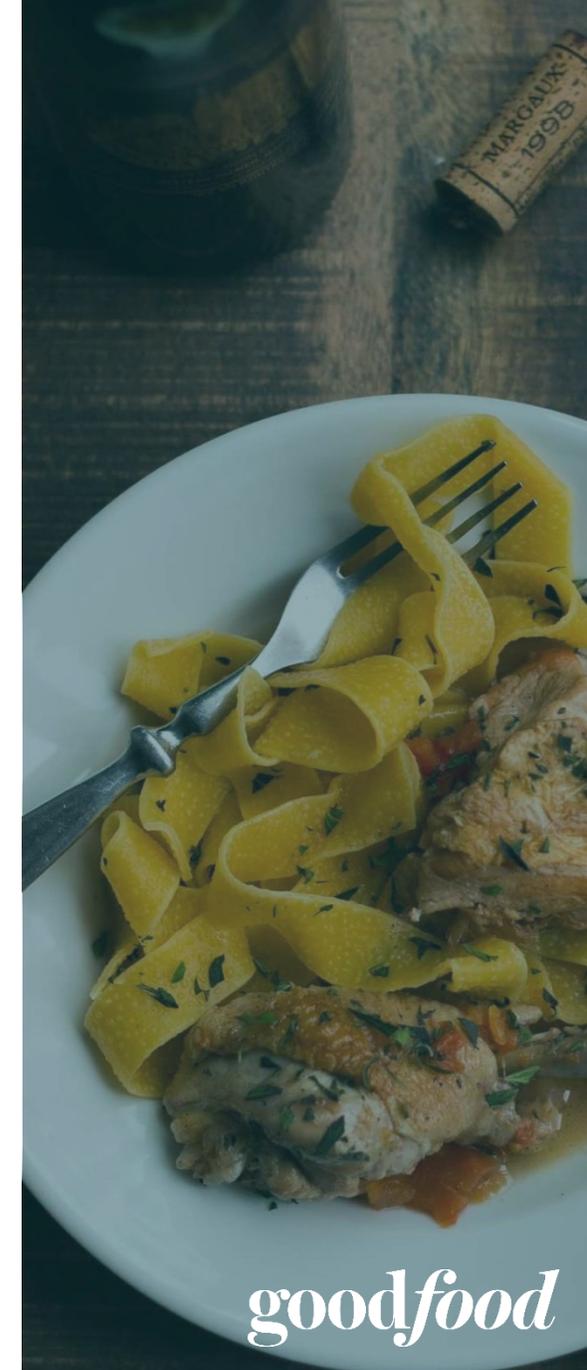
### Revenue

C\$ millions

+39%



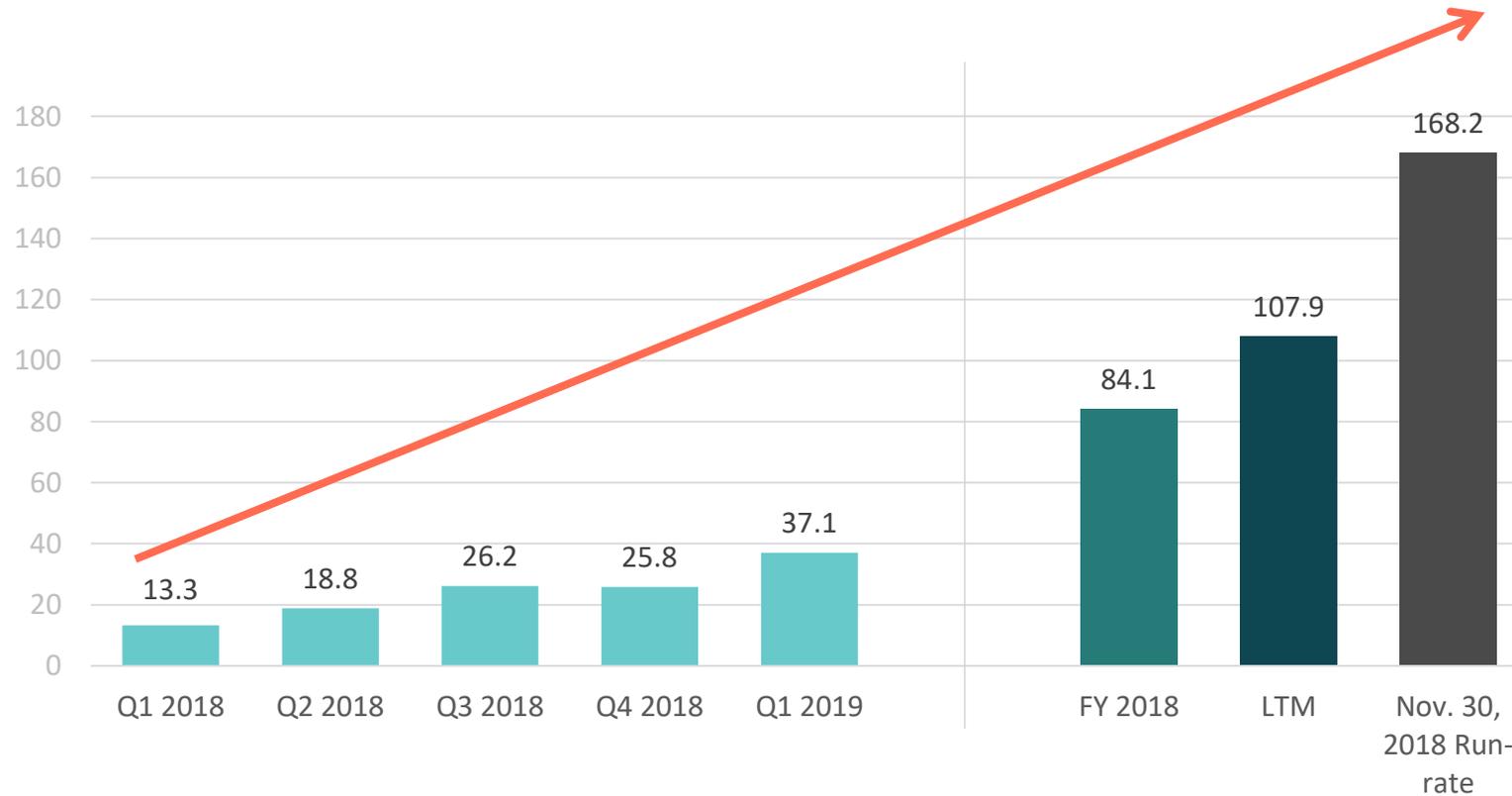
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# GROSS MERCHANDISE SALES

**Run-rate of \$168 million**  
C\$ millions



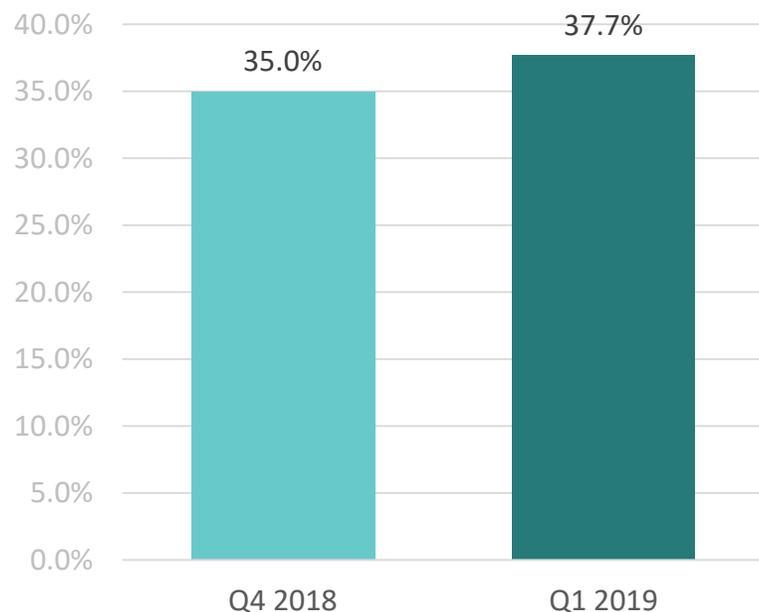
Gross merchandise sales measures the total retail value of all goods sold by the Company before taking into account all incentives and credits. Gross merchandise sales run-rate is defined as gross merchandise sales for the four-week period ended as at the date indicated multiplied by thirteen. For a reconciliation of gross merchandise sales to revenue, refer to the Company's management's discussion and analysis for the three-month period ended November 30, 2018.

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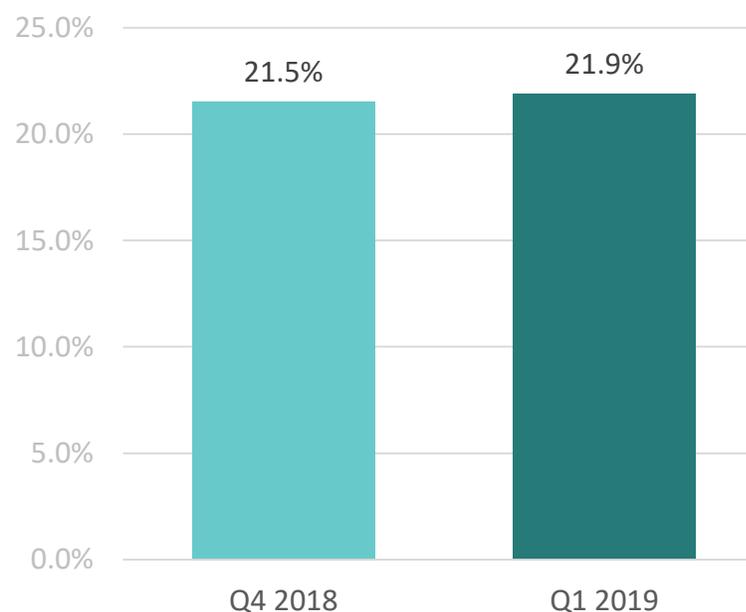
# Q1 2019 FINANCIAL HIGHLIGHTS

## QUARTER-OVER-QUARTER

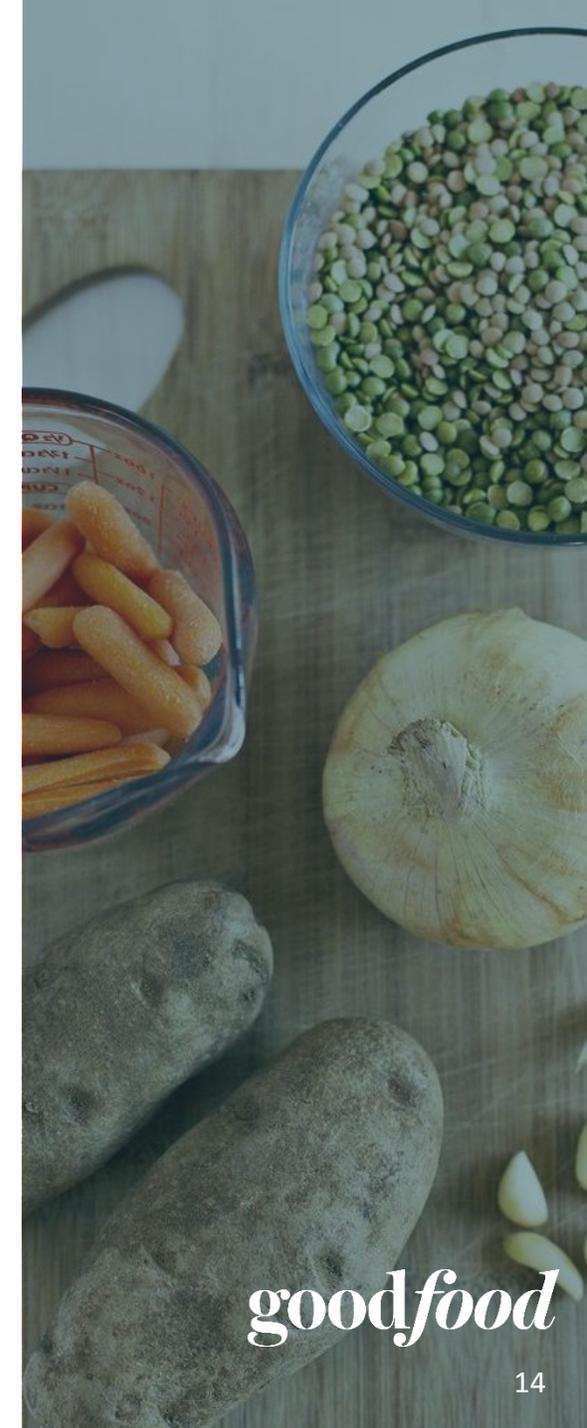
### Adjusted Gross Margin % of GMS



### Gross Margin % of revenue



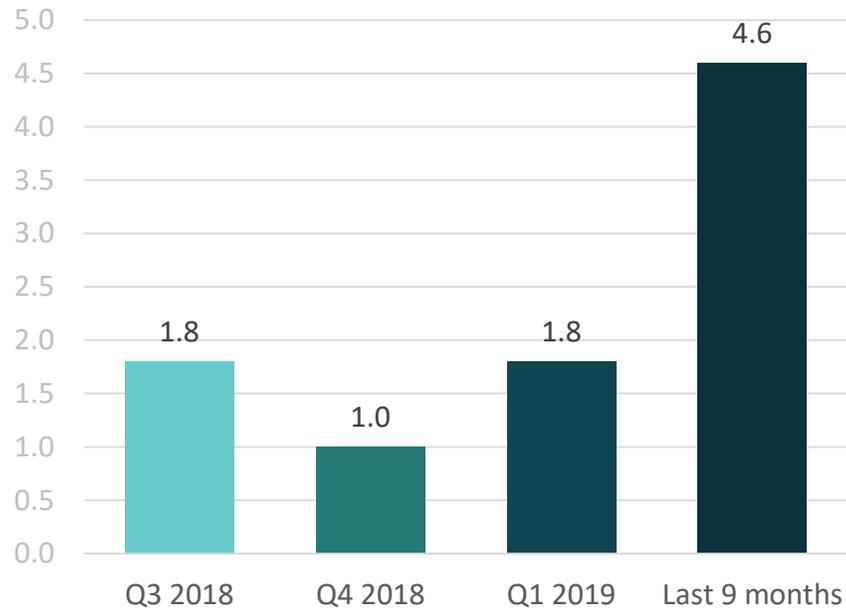
Gross merchandise sales measures the total retail value of all goods sold by the Company before taking into account all incentives and credits. Adjusted gross profit is calculated as gross merchandise sales less cost of goods sold. Adjusted gross margin is calculated as adjusted gross profit divided by gross merchandise sales. For a reconciliation of gross merchandise sales to revenue and a reconciliation of adjusted gross profit, refer to the Company's management's discussion and analysis for the three-month period ended November 30, 2018.



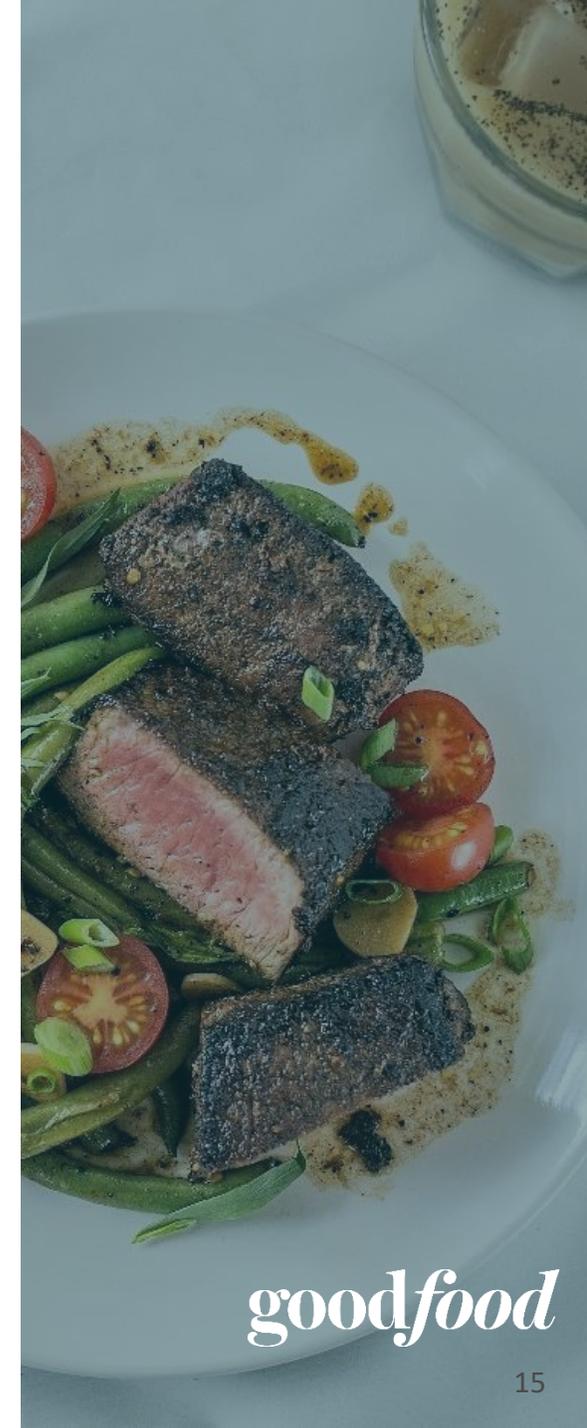
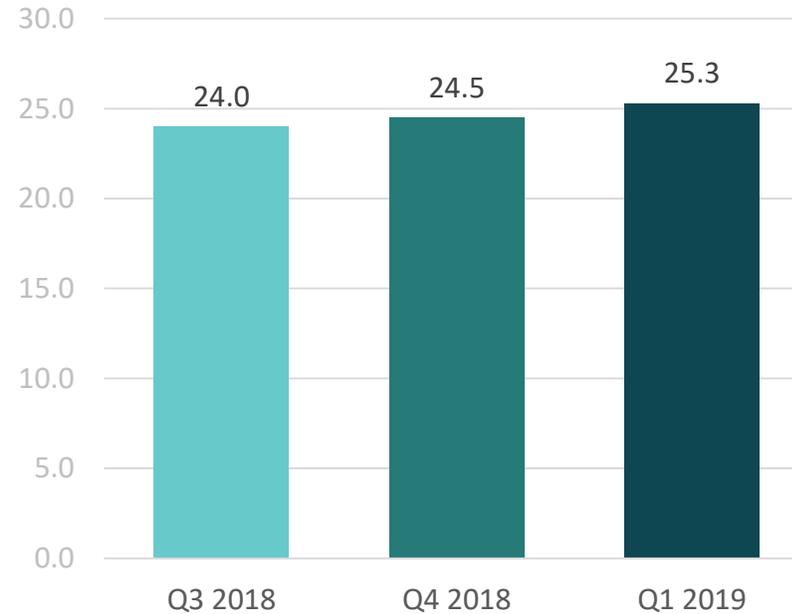
# Q1 2019 FINANCIAL HIGHLIGHTS

## QUARTER-OVER-QUARTER

**Cash Flow Provided by Operations**  
C\$ millions



**Ending Cash Balance**  
C\$ millions





**QUESTION  
PERIOD**



# APPENDIX

# AN EXPERIENCED TEAM

## MANAGEMENT TEAM



**JONATHAN FERRARI**  
Co-Founder & CEO

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- Prior to that, he was an investment banker at National Bank Financial and worked several years at Deloitte LLP

# AN EXPERIENCED TEAM

## BOARD OF DIRECTORS

**JONATHAN FERRARI**

Co-Founder & CEO

**NEIL CUGGY**

Co-Founder, President & COO

**HAMNETT HILL**

Director

- Serial entrepreneur with over 20 years of high tech leadership
- Co-founder and chairman of Radialpoint
- Helped launch Edo Capital, a foodtech-focused fund in 2015
- Named one of the “Top 40 under 40” business leaders in Canada

**DONALD OLDS**

Director

- President and CEO of the NEOMED Institute since January 2017
- Previously COO of TSX-listed Telesta Therapeutics Inc.
- Acted as President and CEO of Presagia Corp and worked for 9 years as CFO and COO of Aegea Therapeutics
- Currently Chairman of Oxfam Quebec and Director of Presagia Corp

**GUY LEBLANC**

Director

- Chartered Professional Accountant
- Worked at PwC Canada for over 35 years, managed the Montreal Office 2006-2015
- Member of the Board of Atis Group and Meloche Group
- Accredited from the Institute of Corporate Governance

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# COMPANY CONTACT

## INVESTOR RELATIONS

Philippe Adam, Chief Financial Officer

1 (855) 515-5191

[IR@makegoodfood.ca](mailto:IR@makegoodfood.ca)

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