



GOODFOOD is a leading online grocery company in Canada, delivering fresh meal solutions and grocery items that make it easy for members from coast to coast to enjoy delicious meals at home every week. Goodfood's mission is to make the impossible come true, from farm to kitchen, by enabling members to do their weekly meal planning and grocery shopping in less than 1 minute. Goodfood members get access to a unique selection of products online as well as exclusive pricing made possible by its world class direct-to-consumer fulfilment eco-system that cuts out food waste and expensive retail overhead. The Company has its main production facility and administrative offices based in Montreal, Quebec, a second production facility in Calgary, Alberta, a breakfast facility in Montreal, Quebec and is currently building out its new production facility in Vancouver. Goodfood had 200,000 active subscribers⁽¹⁾ as at August 31, 2019.

STOCK INFORMATION (TSX: FOOD)

Price as of November 14, 2019: **\$3.00**

High/Low: **\$3.74 – \$2.45**
(52 weeks ended November 14, 2019)

Number of Shares Outstanding: **58,143,521**
(November 14, 2019)

FOURTH QUARTER HIGHLIGHTS

- Revenue and gross merchandise sales⁽¹⁾ more than doubled in Fiscal 2019 from the previous year to reach \$161.3 million and \$200.8 million, respectively
- Gross margin increased 4.2 percentage points to 25.0% and adjusted gross margin⁽¹⁾ rose 6.1 percentage points to 39.7% for Fiscal 2019 on record adjusted gross profit⁽¹⁾ of \$79.8 million
- Generated positive cash from operations (\$0.9 million for Fiscal 2019) for a second year in a row and ended Fiscal 2019 with a solid financial position (\$47.6 million in cash, cash equivalents and restricted cash)
- Launched new and innovative ready-to-eat and breakfast meal solutions and private label grocery products
- Launched a proprietary reusable delivery box, positioning Goodfood as an industry leader in environmentally sustainable initiatives
- Signed leases for two new production facilities in Montreal and Vancouver, and doubled production capacity at the main Montreal facility and at the Calgary facility
- Reached milestone of 200,000 active subscribers⁽¹⁾ as at August 31, 2019, a net increase of 111,000 compared to Fiscal 2018

A WORD FROM MANAGEMENT

Fiscal 2019 was an excellent year, with record results on a number of key metrics. Our active subscribers⁽¹⁾, revenue, gross merchandise sales⁽¹⁾ and gross profit all more than doubled year-over-year. We also expanded our product offering of ready-to-cook meals, introduced breakfast and ready-to-eat meal solutions and recently launched our private label grocery products, allowing us to enhance our members' experience and significantly broaden our addressable market. More recently, with a green vision in mind, we launched several sustainable initiatives, including a new proprietary reusable box which will eliminate several million single-use packaging items. We have laid down a solid foundation to play a leading role in accelerating the adoption of online grocery shopping in Canada.

Jonathan Ferrari

President and CEO
November 14, 2019

Fiscal 2019 was another year of strong revenue and subscriber⁽¹⁾ growth and we continue to invest in our facilities to meet our subscribers⁽¹⁾ needs and exceed their product expectations. In Fiscal 2020, we will have four production facilities across the country and the capacity to meet over \$750 million of annual sales. This year, we have also continued to invest in enhancing our operational efficiency to support our growth and improve our margins. As a result, our adjusted gross margin⁽¹⁾ expanded to nearly 40%, reflecting our recent investments in automation and gains in operating efficiency, and we are on track to reach our long-term goal of adjusted gross margins⁽¹⁾ of 45%. We have also more than quadrupled cash generated from operating activities compared to last year and are increasingly funding our subscriber⁽¹⁾ growth with internally generated cash from operations. Our solid financial position allows us to continue executing our growth strategy and pursue market leadership in our new product offerings. In Fiscal 2020, we will remain focused on three key objectives: furthering our market leadership by growing our subscriber⁽¹⁾ base, improving member experience by offering innovative, high-return products, and investing in automation to continue expanding our gross margin.

Neil Cuggy

President and COO
November 14, 2019

FINANCIAL HIGHLIGHTS

(in thousands of Canadian dollars, except margins)

	Quarters ended August 31, (audited)		Fiscal year ended August 31, (audited)	
	2019	2018	2019	2018
Gross Merchandise Sales ("GMS") ⁽¹⁾	\$ 55,977	\$ 25,812	\$ 200,830	\$ 84,093
Adjusted Gross Profit ⁽¹⁾	22,795	9,034	79,807	28,251
Adjusted Gross Profit Margin % ⁽¹⁾	40.7%	35.0%	39.7%	33.6%
Revenue	45,259	21,371	161,333	70,502
Gross Profit	12,077	4,593	40,310	14,660
Gross Profit Margin %	26.7%	21.5%	25.0%	20.8%
Net loss	(5,887)	(2,956)	(20,937)	(9,434)
Cash provided by (used in) operating activities	(2,710)	939	880	176

⁽¹⁾ This is a non-IFRS financial measure which does not have a standardized meaning prescribed by IFRS and may therefore not be comparable to similar measures presented by other issuers. Please refer to the Non-IFRS financial measures section in the Management's Discussion and Analysis.

RECENT EVENTS

- On October 16, 2019, the Company announced the official launch of its new reusable delivery box.
- On September 10, 2019, the Company announced that it has been voted the “Most Trusted Meal Kit Delivery Service” across Canada based on a survey conducted by BrandSpark International.
- On August 19, 2019, the Company announced the appointment of Mr. François Vimard to the Company’s Board of Directors and as Chair of the Audit Committee.
- On August 14, 2019, the Company secured additional bank financing totalling \$12 million.

4-YEAR FINANCIAL REVIEW

(in thousands of Canadian dollars, except margins)	2019	2018	2017	2016
Gross Merchandise Sales (“GMS”) ⁽¹⁾	\$ 200,830	\$ 84,092	\$ 23,081	\$ 3,244
Adjusted Gross Profit ⁽¹⁾	79,807	28,250	6,875	710
Adjusted Gross Profit Margin % ⁽¹⁾	39.7%	33.6%	29.8%	21.9%
Revenue	161,333	70,502	19,796	2,802
Gross Profit	40,310	14,660	3,590	267
Gross Profit Margin %	25.0%	20.8%	18.1%	9.5%
Net loss	(20,937)	(9,434)	(9,866)	(1,239)
Cash provided by (used in) operating activities	880	176	(1,885)	(592)

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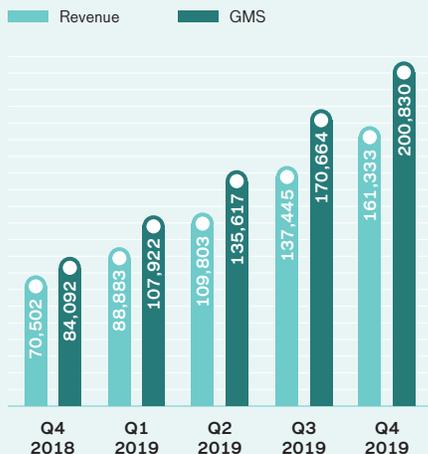
STRATEGY

Goodfood’s strategy continues to focus on growing its subscriber⁽¹⁾ base while investing in improving its cost structure to achieve its long-term margin goals. Growing Goodfood’s market share, scale and product offering will allow the Company to deliver greater value to its customers while attaining high returns on invested capital. As the Company grows its subscriber⁽¹⁾ base, we are confident that Goodfood will achieve economies of scale and additional efficiencies which will lead to improvements in profitability while maintaining an unrivalled experience for subscribers⁽¹⁾.

GMS⁽¹⁾ RUN RATE REACHED \$226 MILLION IN Q4-2019

REVENUE AND GMS⁽¹⁾ TRAILING 12 MONTHS

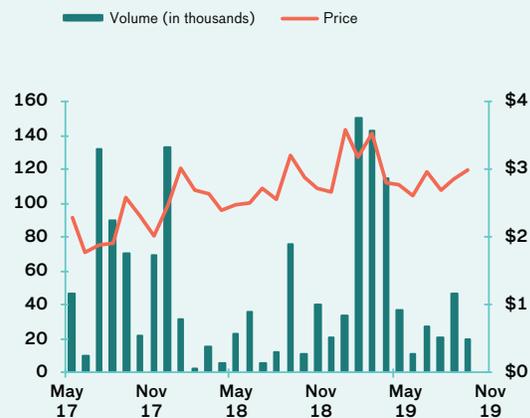
(in thousands of Canadian dollars)



ACTIVE SUBSCRIBERS



STOCK PERFORMANCE



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goodfood

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