



goodfood



ANNUAL MEETING OF SHAREHOLDERS

January 8, 2020

Co-founder, Chairman of the Board & CEO

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Jonathan Ferrari

Co-Founder, Chairman of
the Board & CEO

- Opening of the Meeting
- Voting Procedure
- Scrutineers of the Meeting
- Management Report, Consolidated Financial Statements and Auditor's Report
- Election of Directors
- Appointment of Auditors and Fixing of Remuneration
- Amendment to the Stock Option Plan and Other Awards
- Other Matters
- Management Presentation / Annual Review
- Question Period
- Closing of the Meeting

Head Table

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Jonathan Ferrari
Co-founder & CEO



Neil Cuggy
Co-Founder, President & COO



Philippe Adam
Chief Financial Officer



Caitlin Rose
Partner at Fasken,
Secretary of Goodfood

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Election of Directors

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Neil Cuggy



Jonathan Ferrari



Hamnett Hill



Donald Olds



François Vimard



Terry Yanofsky

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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 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.

Metrics and Non-IFRS Financial Measures



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, and EBITDA. 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.

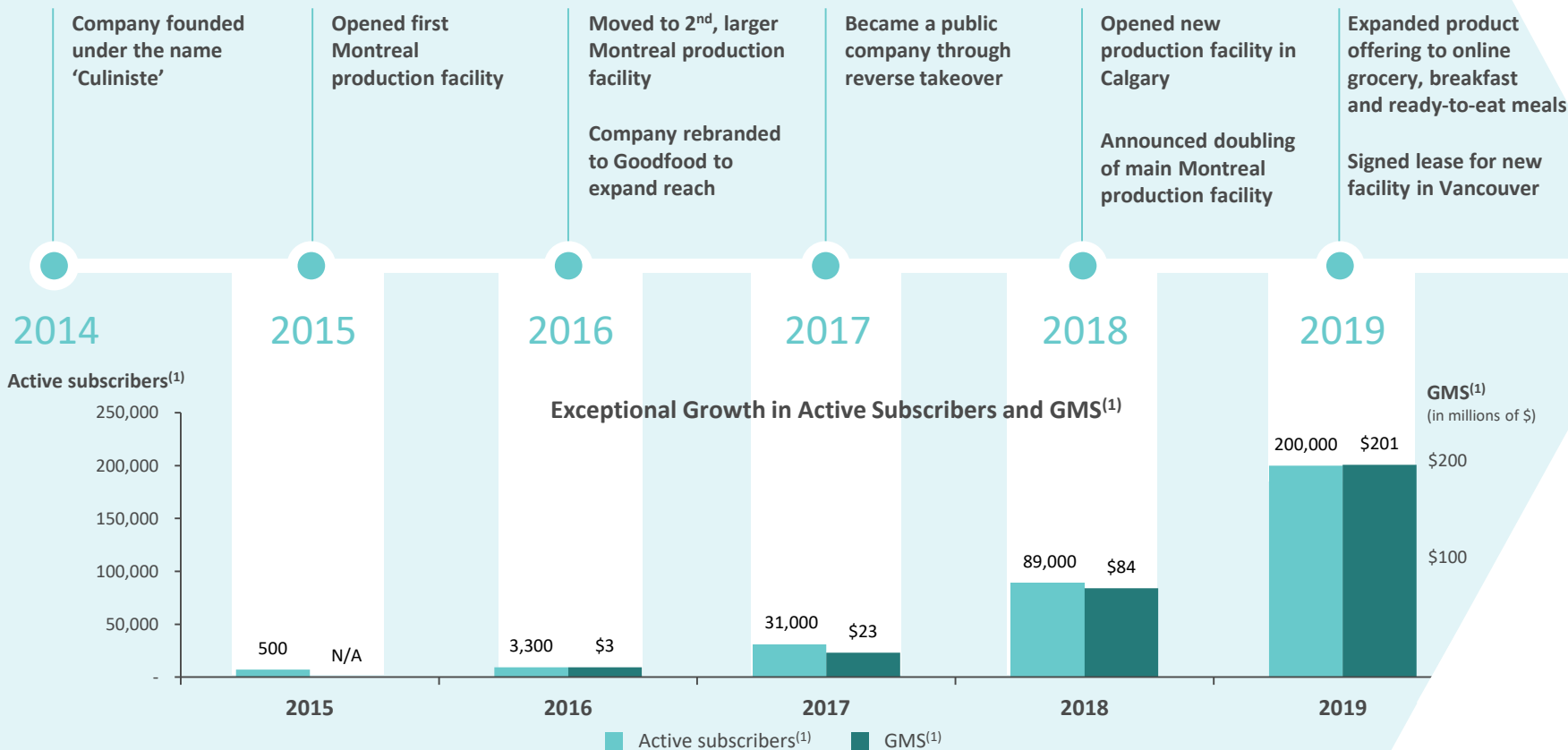
Metrics	Definition
Active Subscribers	An account that is scheduled to receive a delivery or has elected to skip delivery in the subsequent weekly delivery cycle. Active subscribers exclude cancelled accounts. For greater certainty, an Active subscriber is only accounted for once, although different products might have been ordered in a given weekly delivery cycle. 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 consolidated financial statements, we believe that Active subscribers is a useful metric for investors because it is indicative of future revenues. The Company reports the number of Active subscribers at the beginning and end of the period, rounded to the nearest thousand.

Non-IFRS Financial Measures	Definition
Gross Merchandise Sales	Gross merchandise sales ("GMS") measures the total retail value of goods sold by the Company and is calculated before taking into account all incentives and credits included in revenue. Incentives and credits, presented at retail value, are principally comprised of sign-up inducements, which typically provide new Active subscribers with a discount on their first delivery.
Gross Merchandise Sales Run-rate	Calculated as gross merchandise sales for the four-week period ended as at the date indicated multiplied by thirteen.
Adjusted Gross Profit & Adjusted Gross Margin	Adjusted gross profit and Adjusted gross margin measure gross profit and gross margin on a retail value basis. Adjusted gross profit is calculated by subtracting the cost of goods sold from GMS. Adjusted gross margin is expressed in percentage terms and calculated as Adjusted gross profit divided by GMS.
EBITDA	EBITDA is defined as net income or loss before net finance expenses (income), depreciation and amortization expense and income tax expense.
Adjusted EBITDA	Adjusted EBITDA is defined as EBITDA excluding share-based compensation expenses as they are an equity compensation item and other items that we believe do not necessarily arise as part of the Company's normal day-to-day operations and could distort the analysis of trends in business performance.

Building Canada's Leading Online Grocer



Goodfood demonstrated exceptional capacity to grow its subscriber base, expand its operations and broaden its offering to change how 230,000+ Canadians eat and shop for groceries



(1) This is a metric or non-IFRS financial measure. Please refer to page 9 of this presentation for more details.

Goodfood Today: Gaining Scale as a Leading Online Grocer and Home Meal Solutions Provider

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230,000

Subscribers⁽¹⁾



302,000 sq. ft

4 production facilities



\$276M

Run-rate GMS⁽¹⁾
as at Q1-20



\$185M

Market cap



4

Unique product offerings⁽²⁾



890,000

Monthly website visitors



2,200+

Employees



15





Chefs

(1) This is a metric or non-IFRS financial measure. Please refer to page 9 of this presentation for more details.

(2) Ready-to-cook, ready-to-eat, breakfast and private-label grocery.

With Its New Product Offering, Goodfood Providing Full Online Grocery Service to Canadians



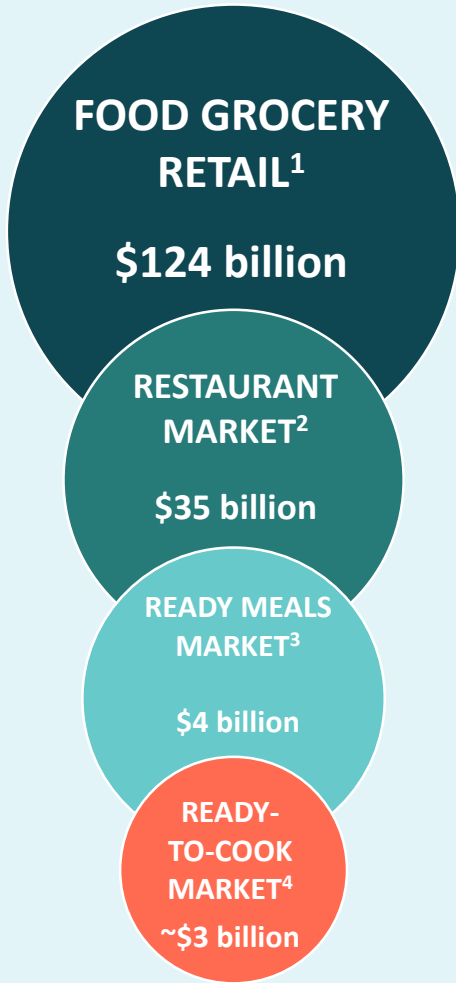
READY-TO-COOK	PRIVATE LABEL GROCERY	BREAKFAST	READY-TO-EAT
			
<ul style="list-style-type: none"> • Core initial product of Goodfood • 6 meal plans with 35 weekly meal options (including Yumm.ca) • Yumm.ca 6 weekly value meal options 	<ul style="list-style-type: none"> • Over 85 Goodfood branded products offered to members • Many new products under development • High quality products priced at discount to branded grocery-store equivalents 	<ul style="list-style-type: none"> • 32 unique products • Creative flavors of smoothies • Chef-inspired savory omelets • Artisanal oat bowls • New products in development 	<ul style="list-style-type: none"> • Soft launched in Quebec and Alberta, expanding countrywide • Meals based on members' highest-rated Goodfood ready-to-cook recipes • Branded as L'Express Goodfood

Expanded product offering positions Goodfood for larger addressable market & strong growth

Full Product Offering Expands Target Addressable Market



Large addressable markets...



Goodfood has built the capabilities to benefit from growth in the large markets it competes in and is poised to grow share across several grocery / consumer food segments

(1) Statista, Retail sales of food and beverage Canada 2012-2018; March 2019.
 (2) IBIS World, Full-Service Restaurants in Canada, April 2019.
 (3) Statista, Ready Meals, September 2019 (Market size expressed as \$3,096m in USD, converted to CAD as of 10/31/2019).
 (4) Management estimate. Represents forecast of market size.
 (5) IGD/CanadianGrocer.com.
 (6) Canada Post, Dalhousie University, IGD, Equity Research, Management estimate.
 (7) Nielsen, The Meal Kit Opportunity in Canada, 2017.

...driven by positive secular growth trends and low penetration

21% and 1-2%

21% CAGR in Canadian online grocery market through 2023⁵ and only 1-2% penetration of online grocery shopping – **consumer preference and penetration driving growth**

\$2B to \$13B+

Canadian online grocery market forecasted to grow from roughly \$2B currently to \$13B+⁽⁶⁾ in the near term – **e-commerce shift underway in grocery market**

80%

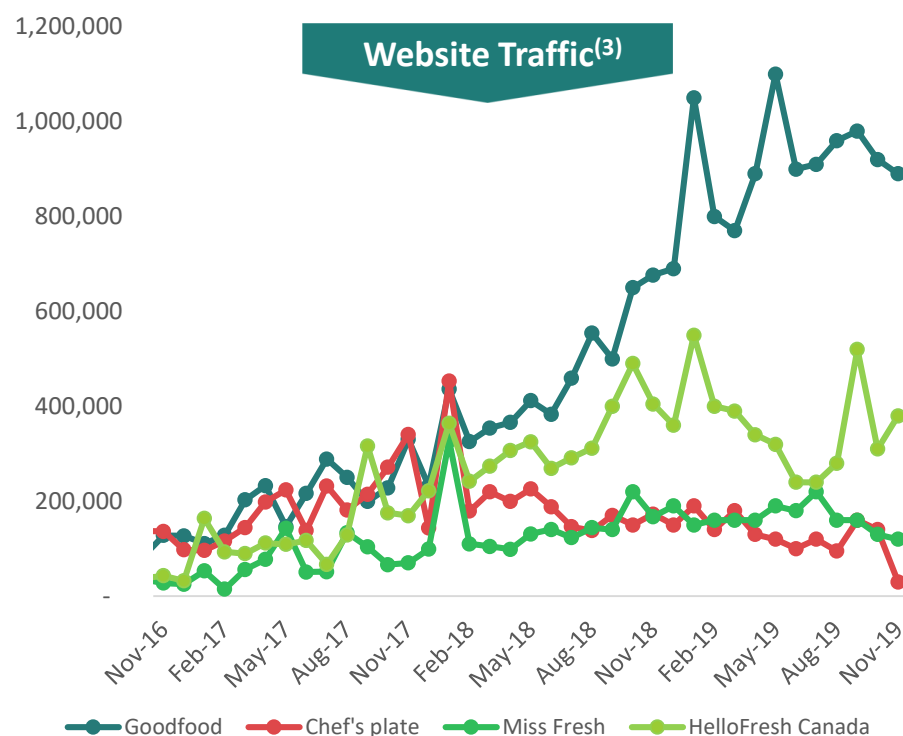
80% of Canadian households that purchased a meal kit continued to purchase them after first trial⁽⁷⁾ – **strong recurrence of business**

Goodfood's Website Traffic Demonstrates Home Meal Solutions Leadership, Strong Position Among Grocers



Goodfood has a 40%+ market share of the home meal solution industry in Canada⁽¹⁾ and is now a leading player in the online grocery market

Company ⁽²⁾	Website Monthly Visits ⁽³⁾
metro	2,150,000
IGA	1,750,000
goodfood	890,000
sobeys	870,000
NOFRILLS	830,000
Loblaws	730,000
SAFeway	480,000
maxi	400,000
Hello FRESH	380,000
Super C	270,000
chefs plate	130,000
missfresh	120,000



(1) Management estimates for ready-to-cook home meal solutions.

(2) Excludes subsidiary websites.

(3) Similar Web, November 2019 (data for last six months updated due to changes to algorithm).

Co-founder, President & COO

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Neil Cuggy

Co-Founder, President & COO

Customer at the Center: Improving Member Experience



GOODFOOD'S GREEN INITIATIVES – LISTENING TO OUR MEMBERS

- New reusable box aiming to save millions of single-use packaging across Canada
- Carboard box pick-up in major cities for recycling
- Cutting down food waste to ~1%
- Committed to reducing plastic inside the box by 50% by the end of Fiscal Year 2020

Make your selection

Select your favorite Goodfood recipes for the weeks to come



Access your account

Get access to your Goodfood deliveries everywhere with the new Goodfood App



Trustpilot Search for a company...

Goodfood
Reviews 28,108 • Excellent

★★★★★

Write a review ★★★★★

Reviews 28,108 Filter by: Rating English

Excellent	64%
Great	29%
Average	5%
Poor	1%
Bad	1%

EVEN MORE CONVENIENCE – GOODFOOD'S KEY INITIATIVES

- Built a mobile device application to simplify ordering process
- New product offering as a direct response to feedback from members
- “Excellent” rating on TrustPilot (4.5 / 5 stars)

Expanded Nationwide Footprint to Efficiently Serve 95% of the Canadian Population

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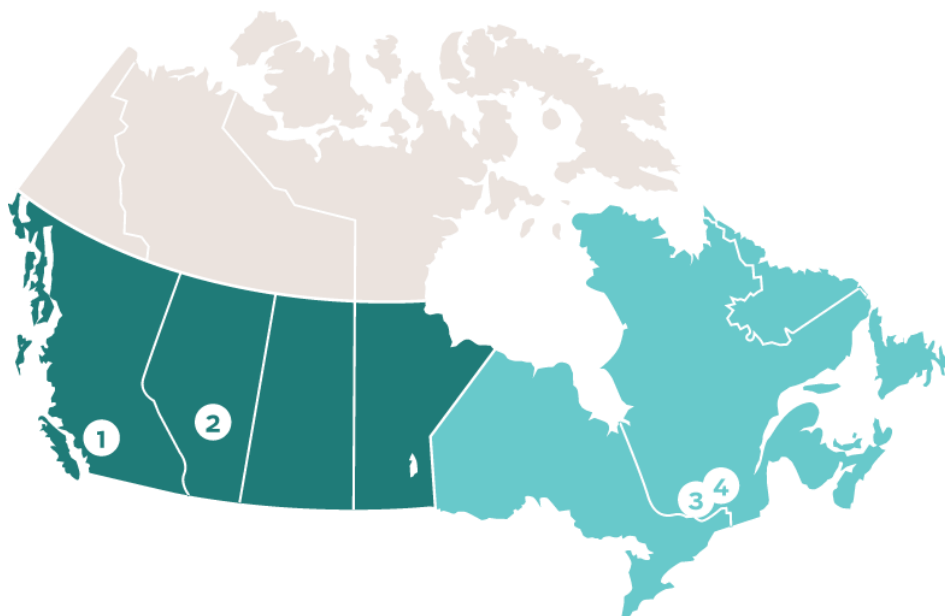
\$750M of sales capacity and 302,000 sq. ft in four production facilities

WESTERN CANADA

Capacity to serve
150-200K subscribers⁽¹⁾

EASTERN CANADA

Capacity to serve
300-400K subscribers⁽¹⁾



1. VANCOUVER, BC

84,000 sq. ft production and distribution facility (\$50M sales capacity)
Opening in FY2020

2. CALGARY, AB

43,000 sq. ft production and distribution facility (\$200M sales capacity)

3. MONTREAL, QC - BREAKFAST

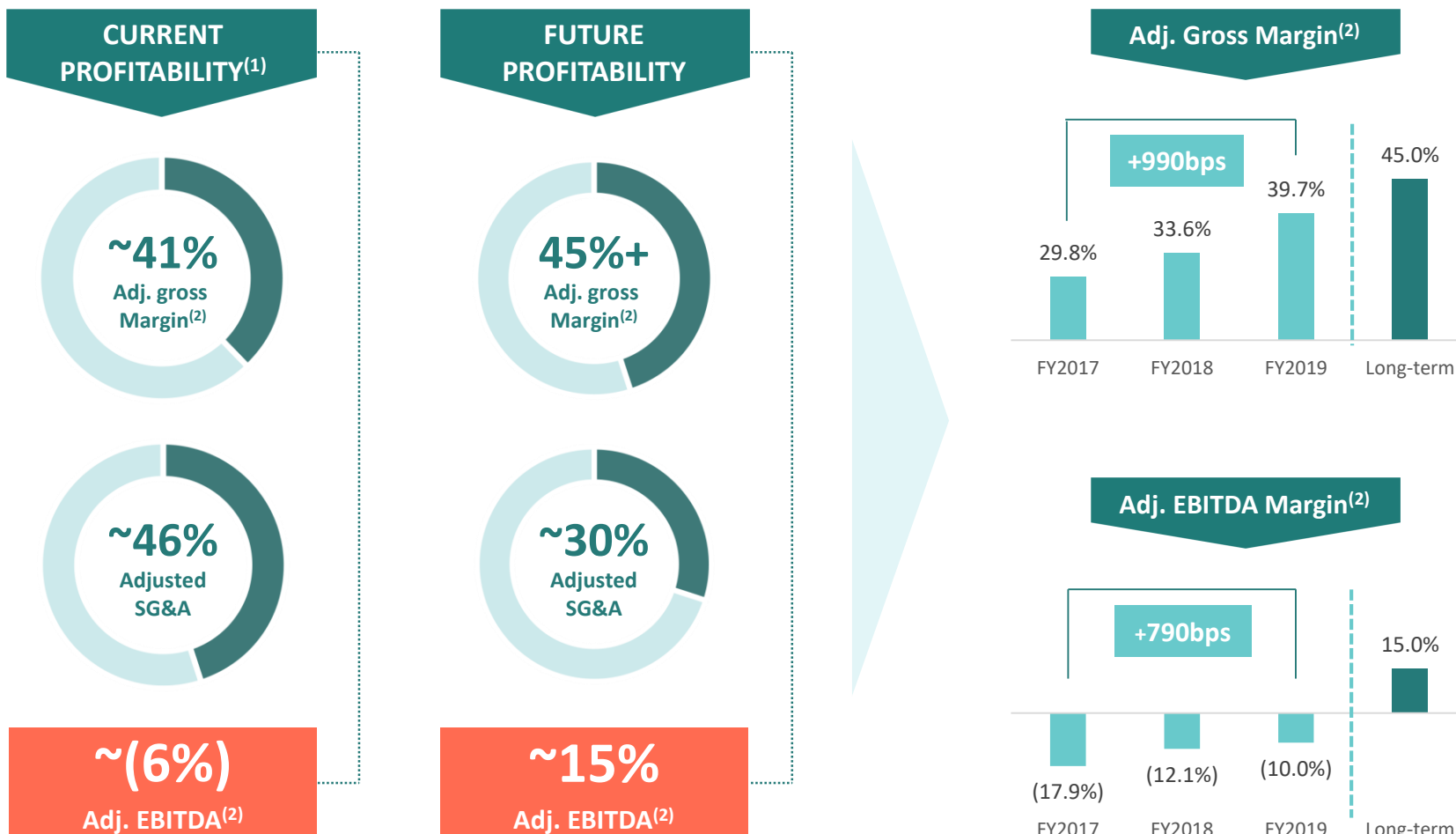
20,000 sq. ft production and distribution facility for breakfast solutions (\$100M sales capacity)

4. MONTREAL, QC

HQ & 155,000 sq. ft production and distribution facility (\$400M sales capacity)

⁽¹⁾ This is a non-IFRS measure. Please refer to page 9 of this presentation for more details.

On Track to Achieve Long-Term Operational Goals, Backed by Solid Margin Improvement



(1) Current profitability represents levels as at Q1-20.

(2) This is a metric or non-IFRS financial measure. Please refer to page 9 of this presentation for more details.

Goodfood's successful strategy provides opportunity continued growth and path to long-term margin goals



Continued Growth

Build on the firm belief that Goodfood's private label offering and meal solutions will be at the center of the Canadian digital grocery basket to grow the Company



Leading Canadian Online Grocer

Put our efforts into becoming the leading Canadian online grocer and continue dominate in home meal solutions



Margin Expansion

Invest in automation to make operations more cost-efficient and make fulfilment not only a core competency, but a competitive advantage for Goodfood

Chief Financial Officer

goodfood



Philippe Adam
Chief Financial Officer

Fiscal 2019 Results – Key Financial Highlights



Continue to deliver strong triple-digit growth on key metrics

(in millions of Canadian \$ except active subscribers and margins)	FY19	FY18	Y-o-Y Δ
Active subscribers ⁽¹⁾	200,000	89,000	125%
Revenue	\$161.3	\$70.5	129%
Gross merchandise sales ⁽¹⁾	200.8	84.1	139%
Gross profit	40.3	14.7	175%
Gross margin (%)	25.0%	20.8%	+4.2 pp
Adjusted gross profit ⁽¹⁾	79.8	28.3	182%
Adjusted gross margin (%) ⁽¹⁾	39.7%	33.6%	+6.1 pp
Adjusted EBITDA ⁽¹⁾	(16.2)	(8.5)	-
Adjusted EBITDA margin (%) ⁽¹⁾	(10.0%)	(12.1%)	+2.1 pp
Net loss	(20.9)	(9.4)	-
Cash flows provided by operations	0.9	0.2	-
Cash, cash equivalents and restricted cash	47.6	24.5	-

⁽¹⁾ This is a non-IFRS measure. Please refer to page 9 of this presentation for more details.

Q1-20 – Key Highlights



Continuing to deliver strong growth and continued margin improvement

(in millions of Canadian \$ except active subscribers and margins)	Q1-20	Q1-19	Y-o-Y Δ
Active subscribers ⁽¹⁾	230,000	126,000	83%
Revenue	\$56.3	\$29.6	90%
Gross merchandise sales ⁽¹⁾	68.0	37.1	83%
Gross profit	16.2	6.5	150%
Gross margin (%)	28.8%	21.9%	+6.9 pp
Adjusted gross profit ⁽¹⁾	28.0	14.0	100%
Adjusted gross margin (%) ⁽¹⁾	41.1%	37.7%	+3.4 pp
Adjusted EBITDA ⁽¹⁾	(3.7)	(3.9)	-
Adjusted EBITDA margin (%) ⁽¹⁾	(6.5%)	(13.2%)	+6.7 pp
Net loss	(5.2)	(4.9)	-
Cash flows provided by operations	1.5	1.8	-
Cash, cash equivalents and restricted cash	47.0	25.3	-

⁽¹⁾ This is a non-IFRS measure. Please refer to page 9 of this presentation for more details.

Co-founder and CEO

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Jonathan Ferrari
Co-Founder & CEO

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