



For Immediate Distribution

Goodfood Announces New \$46 Million Syndicated Bank Financing, Increasing Availability of Non-Dilutive Capital for Growth and Working Capital

Montreal (Quebec), December 1, 2020

Goodfood Market Corp. (“Goodfood” or “the Company”) (TSX: FOOD), a leading online grocery company in Canada, announced the closing of new bank financing totalling \$46 million, including a \$27.5 million revolving facility (up from \$10 million), a \$12.5 million term loan facility, and \$6 million in additional short-term financing. The financing transaction was led by Desjardins Capital Markets with participation from Investissement Québec.

Goodfood will use the funds to support the continued growth of the Company through expansion and automation capital expenditures, refinancing of existing credit facilities and general corporate purposes. The facilities feature flexible and improved financial conditions, including variable interest rates of banker’s acceptance rate plus 250 basis points, and come to maturity in November 2023.

“We are thrilled to have gained access to increased debt financing to support our strategic plan. Combined with our cash balance, we now have access to more than \$125M of liquidity, providing great flexibility to propel the business in its next phase of growth,” said Philippe Adam, Chief Financial Officer of Goodfood. “This non-dilutive financing with an attractive cost of capital also provides us with the means to continue to strategically manage our capital allocation and working capital,” concluded Mr. Adam.

“As we continue to penetrate and gain market share in the online grocery industry, we are very pleased to count on the support of tremendous and supportive partners such as Desjardins and Investissement Québec,” added Jonathan Ferrari, Chief Executive Officer of Goodfood. “We are excited by the opportunity ahead of us and the favorable trends stemming from the acceleration of online grocery and meal solutions adoption by Canadians. With this financing transaction and our consistently strong execution, we are ideally positioned to cement our leadership in this high-growth market,” concluded Mr. Ferrari.

ABOUT GOODFOOD

Goodfood (TSX:FOOD) is a leading online grocery company in Canada, delivering fresh meal solutions and grocery items that make it easy for members from across Canada to enjoy delicious meals at home every day. Goodfood's mission is to make the impossible come true, from farm to kitchen, by enabling members to complete their weekly meal planning and grocery shopping in minutes. Goodfood members have access to a unique selection of online products as well as exclusive pricing made possible by its world class direct-to-consumer fulfilment ecosystem that eliminates food waste and costly retail overhead. The Company's main production facility and administrative offices are based in Montreal, Québec, with five additional production facilities located in the provinces of Québec, Ontario, Alberta, and British Columbia. A seventh production facility located in the province of Ontario is currently under construction and is scheduled to commence operations in 2021. As at August 31, 2020, Goodfood had 280,000 active subscribers. www.makegoodfood.ca

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

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FORWARD-LOOKING INFORMATION

This press release contains “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. This 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”, and “continue”, as well as 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, 2020 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, unionization activities, reliance on management, factors which may prevent realization of growth targets, competition, availability and quality of raw materials, 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, limited number of products, conflicts of interest, litigation, catastrophic events, risks associated with payments from customers and third parties, being accused of infringing intellectual property rights of others and, climate change and environmental risks. 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 the availability of capital resources, business performance, market conditions, and customer demand. In addition, information and expectations set forth herein are subject to and could change materially in relation to developments regarding the COVID-19 pandemic and its impact on product demand, labour mobility, supply chain continuity and other elements beyond our control. 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. Unless otherwise noted or the context otherwise indicates, the 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.