



**For Immediate Distribution**

**Goodfood's Subscribers Count Increases 44% Year-over-Year to 272,000 as Strong Demand Conditions Persist**

**Montreal (Quebec), June 3, 2020**

Goodfood Market Corp. ("Goodfood" or "the Company") (TSX:FOOD), a leading online grocery company in Canada, announced that it reached 272,000 active subscribers, adding 26,000 net new subscribers for the third quarter ended May 31, 2020, representing an increase of 44% year-over-year. This strong subscriber growth was achieved in the challenging operating environment caused by the COVID-19 pandemic, which prompted significantly higher order rates and basket size from existing members as Goodfood rapidly modified its operations to ensure a safe workplace for its employees and a safe and reliable supply of essential food orders for its members.

"We are extremely pleased with the solid subscriber growth achieved, with Western Canada continuing to be an important driver of overall net additions, leveraging our new Vancouver facility. In a quarter where we focused on fulfilling the needs of our existing loyal members when they needed us most, we nevertheless added 26,000 net new subscribers to continue on our tremendous growth path," said Jonathan Ferrari, Chief Executive Officer of Goodfood. "As we temporarily curtailed delivery days for a few weeks and strategically reduced our customer acquisition spending to support our existing members and maintain our high quality standards, most new subscribers were added in the first month and the last two weeks of the quarter. While maintaining all additional health and safety measures related to the pandemic, our operations are stable and, with our new fulfillment centres in the GTA, we are well positioned to accelerate our growth momentum."

In addition, the Company has provided an update on the impact of the COVID-19 pandemic on its performance.

"In the wake of the rapidly accelerating penetration of online grocery delivery, we have prioritized our efforts on responding to the increasing order frequency of our members while investing in the health and safety of our employees and customers," added Neil Cuggy, President & Chief Operating Officer of Goodfood. "With the uptick in demand also came operational challenges and additional costs that have impacted our gross margin, which we were able to offset in part by our controlled marketing spend. We are also happy to report that our 3,000 employees across the country are doing an amazing job supporting our members and our supply chain operations have adapted to this new normal as we work tirelessly to secure the best quality produce, beef, pork, chicken and other essential grocery items for our members," added Mr. Cuggy.

"We are thrilled with Goodfood's position in the accelerating online grocery industry in Canada. Under these very difficult circumstances, our new and existing members have trusted us to fulfill an even larger part of their meal planning and have increasingly tried

our new private label grocery essentials and delicious meal solutions. Our competitive position is further strengthened by the two recent fulfillment centres announced in the GTA, which brings us now to six facilities across the country, nearly doubling the square footage of our operations in the past 12 months. The pandemic has fast-tracked the trend of online grocery shopping and we believe that Goodfood, with its expanded offering and operating footprint, is ideally positioned to capture a sizable piece of this fast-growing 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 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 ecosystem that cuts out food waste and expensive retail overhead. The Company has a production facility and administrative offices in Montreal, two production facilities in the Greater Toronto Area, two production facilities out West, in Calgary and Vancouver, and a breakfast facility in Montreal. Goodfood had 272,000 active subscribers as at May 31, 2020. [www.makegoodfood.ca](http://www.makegoodfood.ca)

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## **FORWARD-LOOKING INFORMATION**

This 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”, 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, 2019 available on SEDAR at [www.sedar.com](http://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, limited number of products, environmental and employee health and safety regulations, online security breaches and disruption, reliance on data centres, 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. 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.