

goodfood

Q1'20 INVESTOR FACT SHEET

FIRST QUARTER ENDED
NOVEMBER 30, 2019



STOCK INFORMATION (TSX: FOOD)

Price as of January 8, 2020: **\$3.14**

High/Low: **\$3.74 – \$2.57**
(52 weeks ended January 8, 2020, 2019)

Number of Shares Outstanding: **58,218,954**
(January 8, 2020)

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 ecosystem 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 230,000 active subscribers⁽¹⁾ as at November 30, 2019.

FIRST QUARTER HIGHLIGHTS

- Revenue and gross merchandise sales⁽¹⁾ in the first quarter reached \$56.3 million and \$68.0 million, a year-over-year increase of 90% and 83%, respectively
- Adjusted EBITDA margin⁽¹⁾ reached -6.5% compared to -13.2% this quarter last fiscal year, an improvement of 6.7 percentage points, building on solid and consistent margin improvement
- Generated positive cash from operations of \$1.5 million; continuing to finance growth with company-generated cash flow
- Solid financial position with cash, cash equivalents and restricted cash of \$47.0 million
- Reached a milestone of 230,000 active subscribers⁽¹⁾ as at November 30, 2019, a net increase of 30,000 quarter-over-quarter

A WORD FROM MANAGEMENT

Fiscal 2020 has started with strong momentum resulting in the addition of 30,000 net new subscribers⁽¹⁾ and gross merchandise sales run-rate⁽¹⁾ of \$276 million, a new record for Goodfood. Demand for our private label grocery essentials and most recent meal solutions continues to grow as the Goodfood basket of our members expands. We are thrilled to see the accelerating adoption of e-commerce for grocery and meal-prep as we are ideally positioned to capitalize on this positive secular trend.

Jonathan Ferrari

President and CEO
January 8, 2020

We are pleased with our solid first quarter results. Goodfood continues to increase its penetration across the country and we continue to deliver a unique member experience with an expanded product offering. In addition to the strong top-line growth, we have also delivered year-over-year gross margin and adjusted EBITDA⁽¹⁾ margin improvements of, respectively, 6.9 percentage points and 6.7 percentage points, mostly from continuous investments in automation and growing scale. This improvement has driven our consistent ability to generate positive cash flow from operating activities, which has in turn helped us grow our business and maintain a solid and stable cash position.

Neil Cuggy

President and COO
January 8, 2020

FINANCIAL HIGHLIGHTS

(in thousands of Canadian dollars, except margins)

	Quarters ended November 30, (unaudited)	
	2019	2018
Gross Merchandise Sales ("GMS") ⁽¹⁾	\$ 68,036	\$ 37,105
Adjusted Gross Profit ⁽¹⁾	27,964	13,982
Adjusted Gross Profit Margin % ⁽¹⁾	41.1%	37.7%
Revenue	56,291	29,617
Gross Profit	16,219	6,494
Gross Profit Margin %	28.8%	21.9%
Net loss	(5,152)	(4,851)
Cash provided by (used in) operating activities	1,461	1,750

⁽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 November 26, 2019, the Company announced the addition of Raghu Mocharla to its management team as Chief Technology Officer.
- 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.

5-YEAR FINANCIAL REVIEW

(in thousands of Canadian dollars, except margins)	Trailing 12 months	2019	2018	2017	2016
Gross Merchandise Sales ("GMS") ⁽¹⁾	\$ 231,758	\$ 200,830	\$ 84,092	\$ 23,081	\$ 3,244
Adjusted Gross Profit ⁽¹⁾	93,786	79,807	28,250	6,875	710
Adjusted Gross Profit Margin % ⁽¹⁾	40.5%	39.7%	33.6%	29.8%	21.9%
Revenue	188,007	161,333	70,502	19,796	2,802
Gross Profit	50,035	40,310	14,660	3,590	267
Gross Profit Margin %	26.6%	25.0%	20.8%	18.1%	9.5%
Net loss	(21,238)	(20,937)	(9,434)	(9,866)	(1,239)
Cash provided by (used in) operating activities	441	880	176	(1,885)	(592)

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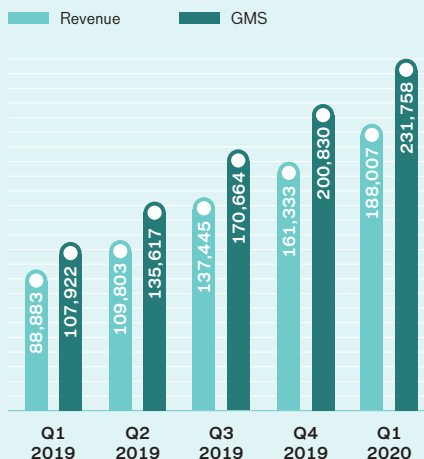
STRATEGY

Goodfood's strategy is in part to delay short-term profitability in order to invest in long-term shareholder value creation, and also continue to improve its cost structure to achieve its long-term margin goals. Growing Goodfood's subscriber base, 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 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⁾.

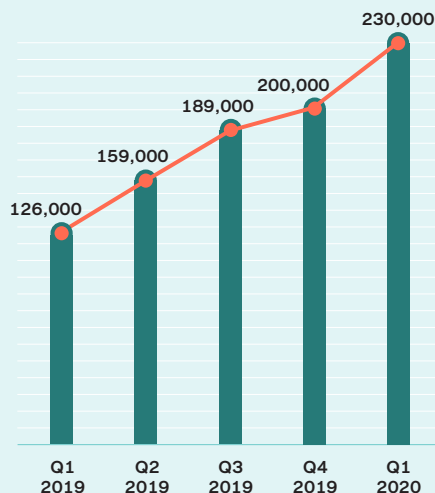
GMS⁽¹⁾ RUN RATE REACHED \$276 MILLION IN Q1-2020

REVENUE AND GMS⁽¹⁾ TRAILING 12 MONTHS

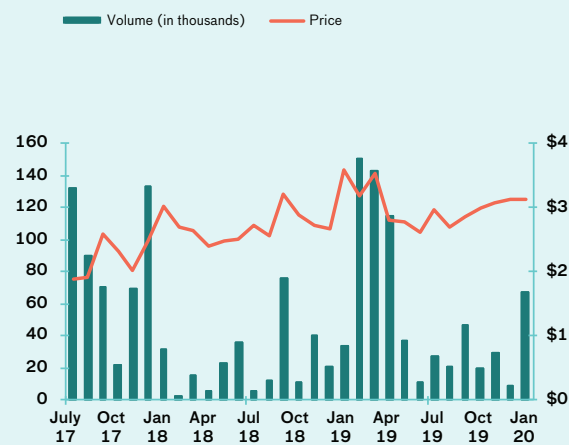
(in thousands of Canadian dollars)



ACTIVE SUBSCRIBERS



STOCK PERFORMANCE



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4600 Hickmore Street
Saint-Laurent, Québec
H4T 1K2
Tel.: 1 855 515-5191
www.makegoodfood.ca

INVESTOR RELATIONS

Philippe Adam
Chief Financial Officer
Tel.: 1 855 515-5191
Email: IR@makegoodfood.ca

Roslane Aouameur
Head of Investor Relations
Tel.: 1 855 515-5191
Email: IR@makegoodfood.ca

ANALYST COVERAGE

Jim Byrne.....Acumen Capital
Raveel Afzaal Canaccord Genuity
Frederic Tremblay Desjardins Securities
Jenny WangEight Capital
Ryan Li.....National Bank Financial
SuspendedGMP Securities