



goodfood

INVESTOR PRESENTATION

April 2021



Caution regarding forward-looking statements



This presentation 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.

Goodfood today – a leading online grocer with scale and profitability

goodfood



Q2 FY19
159,000 Active Subscribers ⁽¹⁾
\$183M Revenue Run-Rate
21% Gross Margin
-\$5.5M / -15.0% Adj. EBITDA (\$/%) ⁽¹⁾
\$25M Cash on Hand ⁽²⁾
\$185M Market Cap
800,000 Monthly Website Visitors
1,000 Employees

Goodfood is a Canadian leader in **online grocery and home meal solutions**

Operating in **+\$165 billion** Canadian TAMs, with **low online penetration**

Q2 FY21
319,000 Active Subscribers ⁽¹⁾
\$440M Revenue Run-Rate
30% Gross Margin
\$0.5M / +0.5% Adj. EBITDA (\$/%) ⁽¹⁾
\$163M Cash on Hand
\$620M Market Cap ⁽³⁾
1,400,000 Monthly Website Visitors
4,000 Employees

Operating across the country, **reaching 95% of Canadian population** with a leading, strongly **recognized brand**

(1) This is a metric or non-IFRS financial measure. Please refer to page 27 of this presentation for more details.

(2) Includes cash, cash equivalents and restricted cash.

(3) As of 4/6/2021, using basic shares outstanding.

Key business highlights – Q2-2021



Hit key milestones to deliver record financial results

- Generated \$100M+ of revenues in a quarter for the first time since inception
 - Continued strength in key metrics driving revenue growth: basket size, order frequency and customer loyalty
- Generated \$30M+ of gross profit in a quarter for the first time
 - Industry leading gross margin standing at 30%+
- Fourth consecutive quarter of positive Adj. EBITDA ⁽¹⁾ with LTM margin at 3.6%

Expanded product offering and delivery speed to serve Canadians better

- Goodfood WOW now available in Canada's two largest cities
 - More large urban centers to be launched this calendar year
- Increased offering to 750 products overall ⁽²⁾
- Over 1.1M grocery products delivered to customers this quarter alone

Ideally positioned to continue growing with plenty more to come

- Strong balance sheet boasting over \$160M of cash on hand
- Expanded revolver to \$42.5M and completed \$60M equity raise
- Strong operations to be enhanced with optimal footprint of centralized production facilities and local fulfilment centres, increased automation, robotics and technology

(1) This is a Metric or non-IFRS measure. Please refer to page 27 of this presentation for more details.

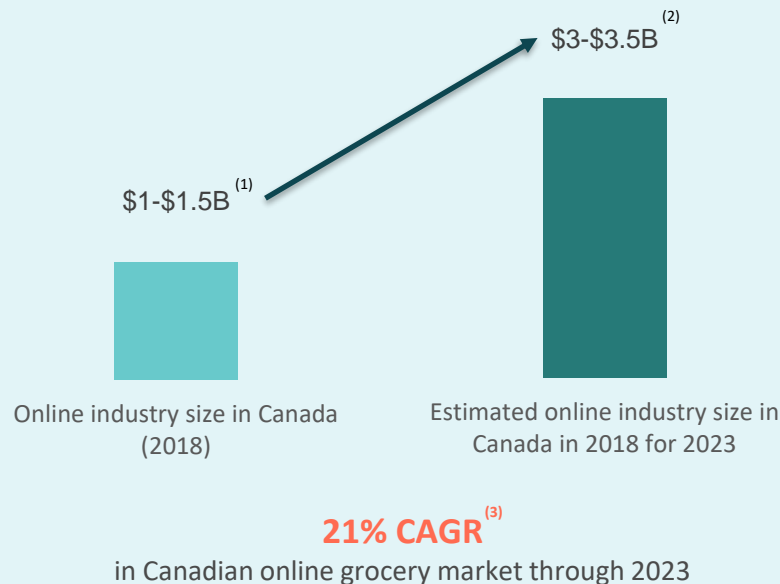
(2) Number of products currently available in Quebec.

Ideally positioned to benefit from accelerating shift to online grocery shopping

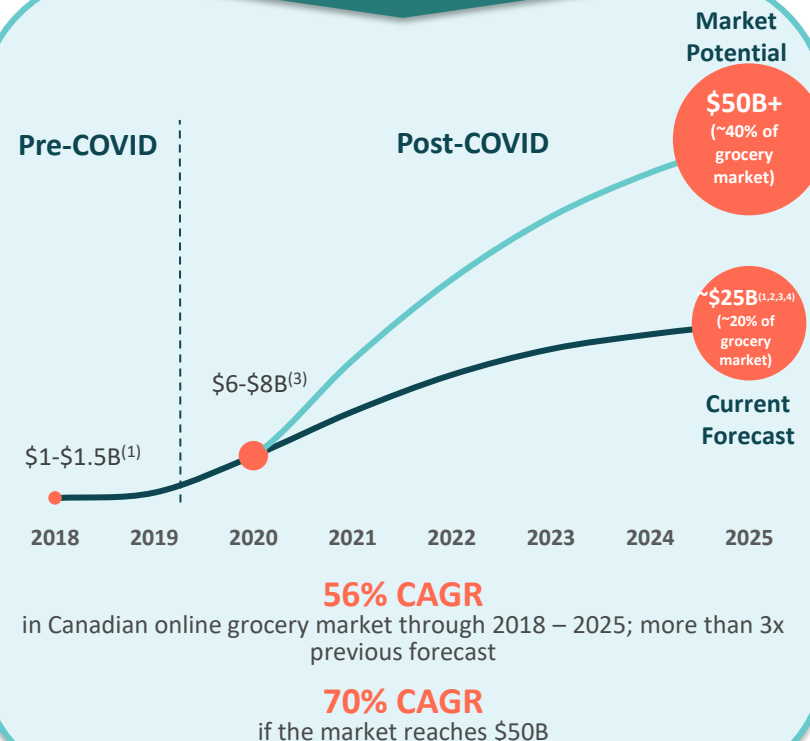
goodfood

Goodfood built the capabilities and **differentiated strategy** to benefit from the **accelerating shift to online grocery** and is poised to cement its place as a **leader in online grocery**

The shift of grocery shopping online was well underway before the pandemic...



...and the pandemic pushed online grocery to an inflection point of growth...



(1) Based on \$124B industry defined by Statista, Retail sales of food and beverage Canada 2012-2018, March 2019; and online penetration of ~1% based on GD/CanadianGrocer.com.
(2) Using 5-year CAGR of 21% to estimate size of online grocery.

(3) IGD/CanadianGrocer.com.
(4) The Evolution of the Grocery Customer, Mercatus.

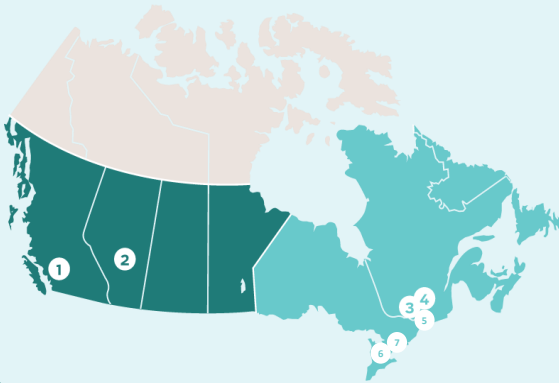
Ideally positioned to benefit from accelerating shift to online grocery shopping

goodfood

Goodfood has built the purpose-built operations, focusing on e-commerce grocery fulfilment, and the product offering to capture the demand moving online...

7 Purpose-built facilities

589K sq. ft from Coast to Coast



- Demand level grocery capabilities
- Ready-to-cook manufacturing and ready-to-eat kitchen
- High level of operational automation & technology



~ 600 Goodfood branded products



6 meal plans with 35 weekly options



30+ unique breakfast products



Delicious ready-to-eat meal solutions

...and continues to invest in technology and automation to enhance its value proposition and profitability

- ✓ Building a leading direct-to-consumer grocery technology company
- ✓ Investing in world-class user interface and user experience
- ✓ Data-driven enhancements to customer value proposition
- ✓ Automating grocery operation to enhance delivery speed, fulfilment costs

Goodfood's value proposition answering Canadians changing needs

goodfood

64% ⁽¹⁾ of Canadians
now go to grocery
stores less often...

...and 13% ⁽¹⁾ are now
mostly or totally buying
grocery online...

... waste being a big
concern: food waste cost
per household now over
\$1,100 ⁽²⁾ annually

The answer is... **WOW**

goodfood
WOW

Launch of Goodfood WOW solidifies value proposition and leading position by delivering quickly, on-demand diversified grocery options to Canadians' doorsteps

Goodfood WOW in a nutshell:



Unlimited same-day & next-day delivery



No weekly meal kit subscription



Only \$35 minimum orders



Environmentally friendly packaging



New products added every week



Discount to other branded delivered options

(1) COVID Grocery experience Mini-Report, Agri-Food Analytics Lab, Dalhousie University, May 2020.

(2) Food Waste in Canadian Homes in 2020; Love Food Hate Waste Canada, June 2020.

We are starting a grocery revolution

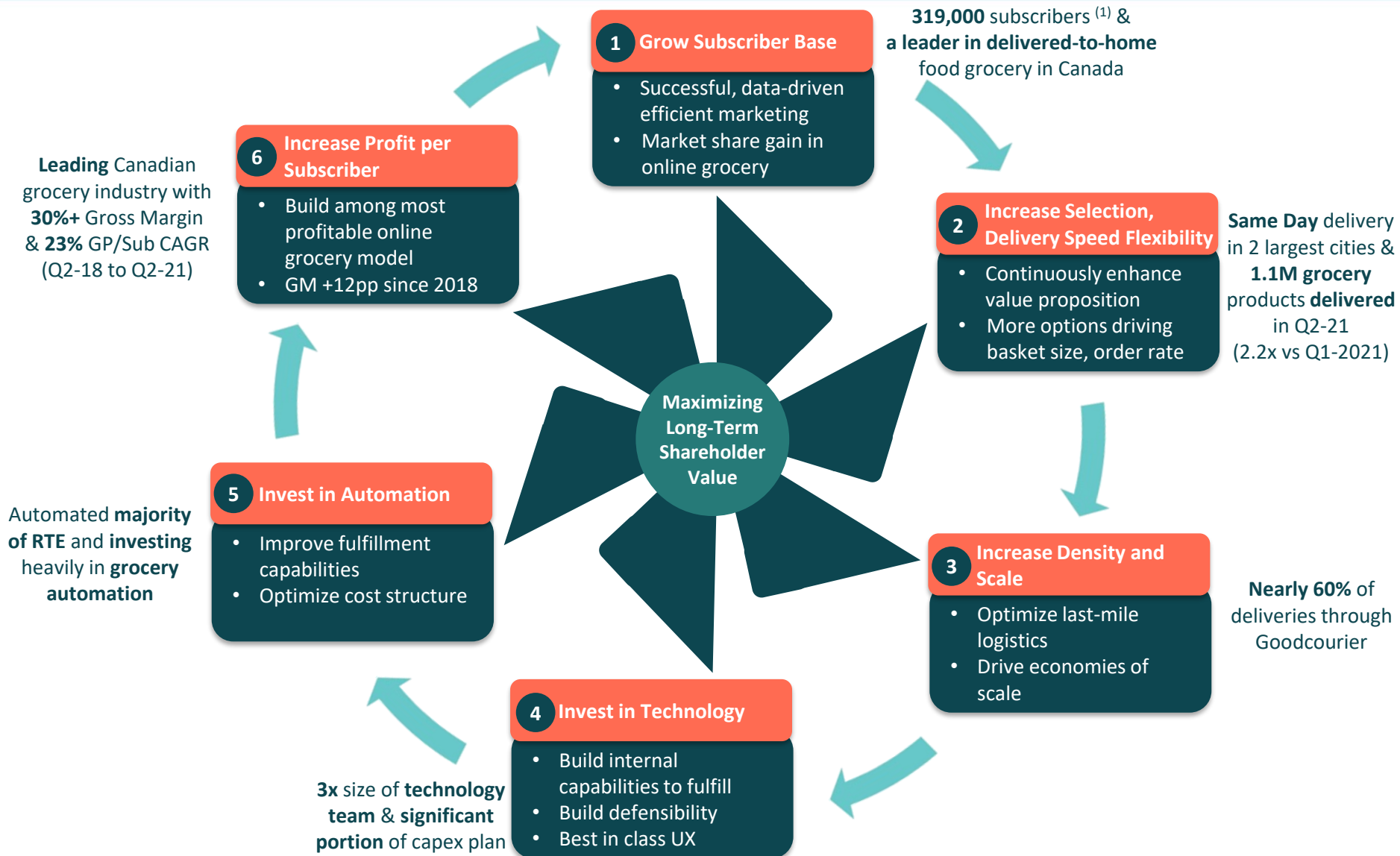
goodfood

Developing grocery offering to provide full food basket for members



Goodfood's strategy anchored in building momentum in its flywheel

goodfood



(1) This is a metric or non-IFRS financial measure. Please refer to page 27 of this presentation for more details.

Business model enabling strong long-term growth

goodfood

Capturing Multi Customer Habits



Recurring Meal Subscription



Product Offering Expansion



Weekly/Bi-Weekly+ Grocery



Loyal customer volume



Basket Size



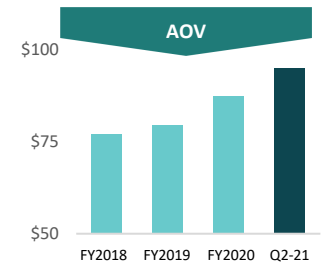
Frequency



High Sales Growth

94% or
~\$268M

of FY20 Revenue
from subscribers
with 3 orders or
more



Y-o-Y Growth
+30% Revenue/Sub ⁽¹⁾

Y-o-Y Growth
+71% Total Revenue

(1) This is a Metric or non-IFRS measure. Please refer to page 27 of this presentation for more details.

Investment in subscriber growth paying off with best-in-class unit economics

goodfood

Growth in new subscriber y-o-y combined with higher loyalty rate...

Loyalty Ratio of New Subscribers ⁽¹⁾

Q2-FY21 LTM



Q2-FY20 LTM

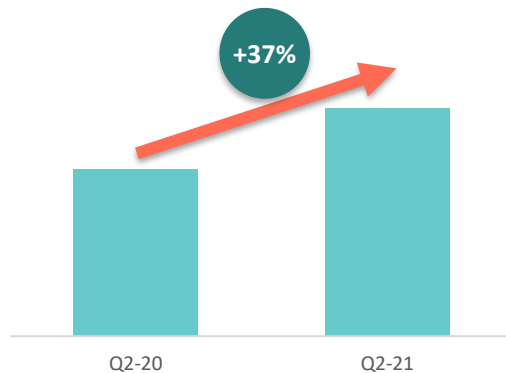


Loyal
subscribers
increased
23%

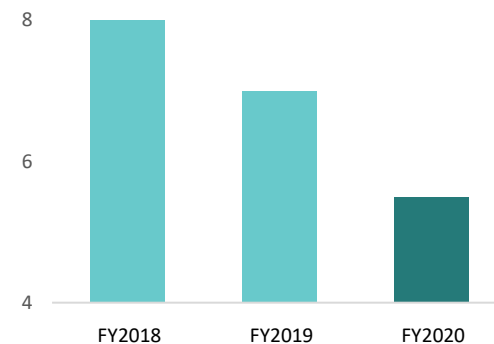
Subscribers
grew 33%

...leading to best-in-class unit economics

New Subscriber
52 Weeks Life-Time Value ⁽²⁾



Marketing Payback Period (Months) ⁽³⁾



(1) Calculated based on internal data of order patterns.

(2) Average GMS after coupons generated by the new subscribers acquired during the specified period.

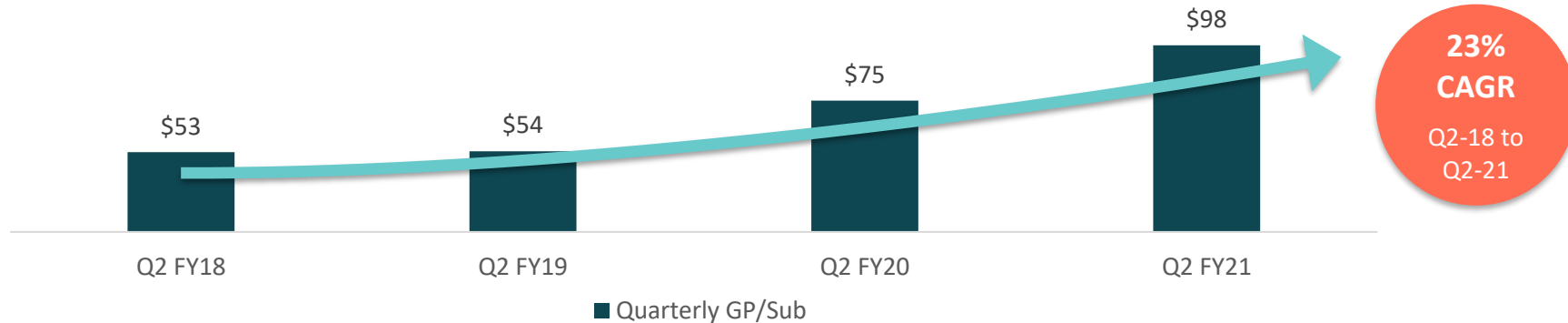
(3) Represents number of months for new subscribers added to yield adjusted gross profit equivalent to customer acquisition cost (per customer) for all customers added, including cancellations.

Strong execution on strategy translating into significant margin expansion

goodfood

Gross Profit per Subscriber ⁽¹⁾

Q2-18 to Q2-21



Continuously delivering value to customer while improving margins



(1) This is a Metric or non-IFRS measure. Please refer to page 27 of this presentation for more details.

Goodcourier an example of world-class execution

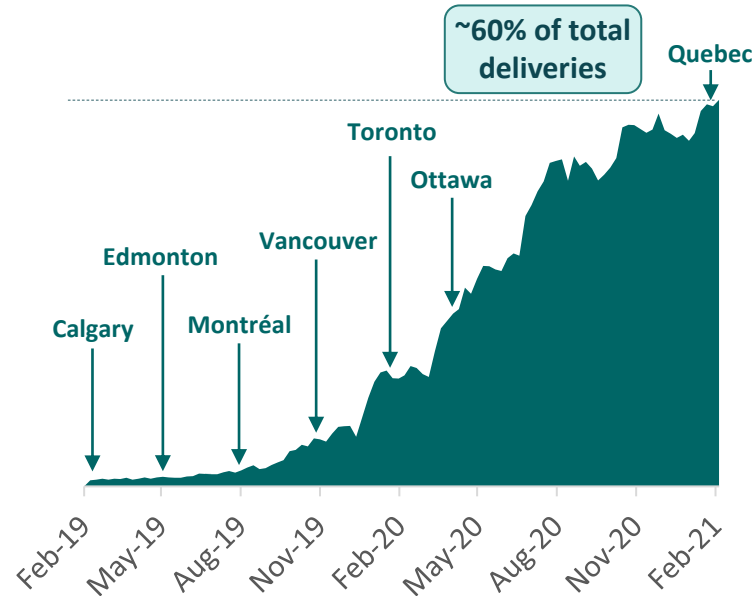
goodfood

Goodcourier: Competitive advantage to Goodfood

- ✓ Control the delivery, revolutionizing the customer experience
- ✓ Achieve same-day deliveries
- ✓ Support high growth
- ✓ Refrigerate deliveries, therefore improving quality, freshness and use and sustainability of packaging
- ✓ Reduction in delivery-related quality issues
- ✓ Use vans as a marketing tool

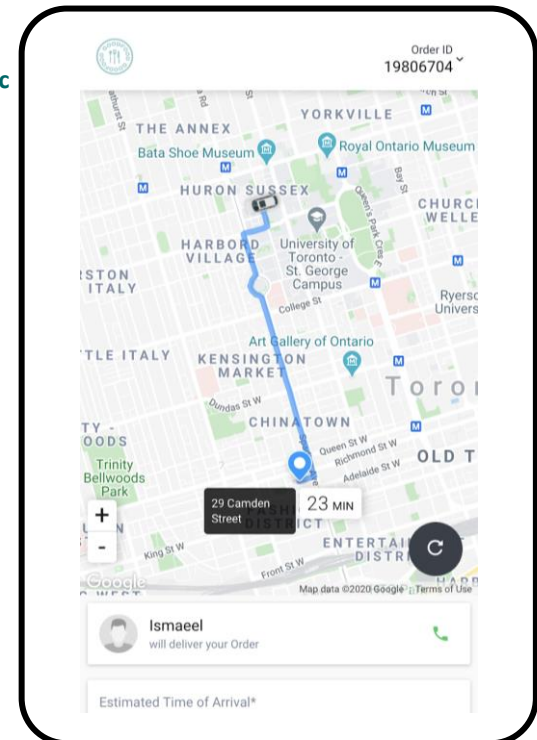


Goodcourier expanded to 60%+ of Goodfood deliveries



Goodcourier has expanded from Calgary to Edmonton, Montreal, Vancouver, Toronto, and Ottawa

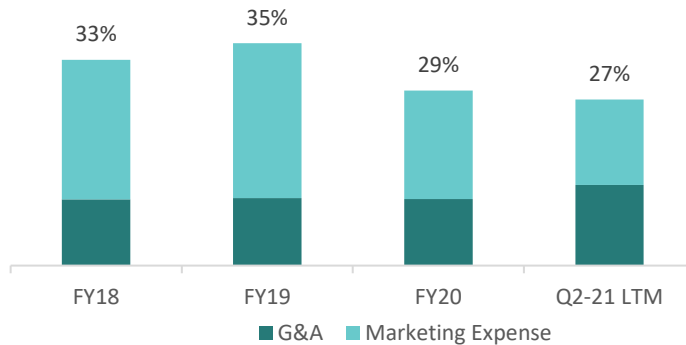
Overall delivery cost per order down
~33% since Goodcourier introduction



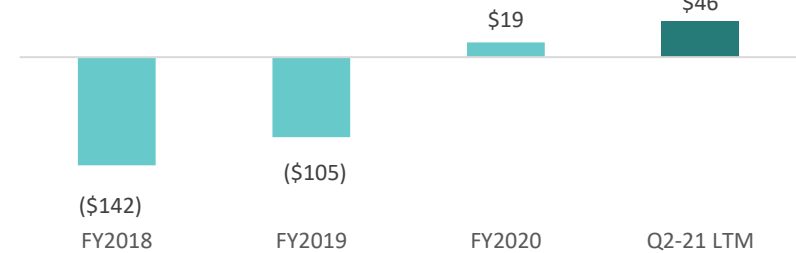
Operational leverage also continuously improving to compound margin improvement

goodfood

SG&A as % of Revenue
FY-18 to Q2-21 LTM

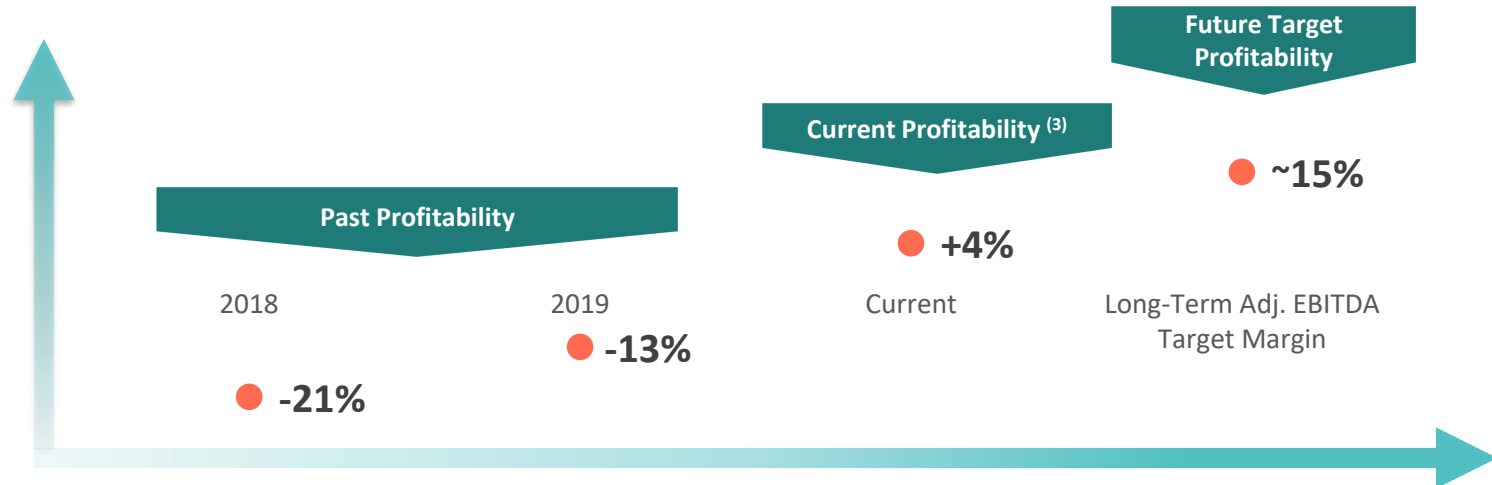


Adj. EBITDA per Subscriber ^(1, 2)
FY-18 to Q2-21 LTM



Well on track to achieve long-term operational goals

Target Adj. EBITDA Margin ⁽¹⁾ of ~15% at full scale



(1) This is a Metric or non-IFRS measure. Please refer to page 27 of this presentation for more details.

(2) Adj. EBITDA per subscriber is the total Adj. EBITDA for the specified period divided by the average number of subscriber for the corresponding period.

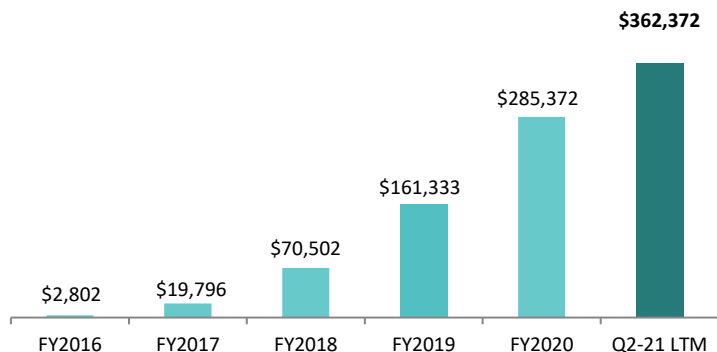
(3) LTM Q2-2021.

Latest financial results reinforce Goodfood's exceptional growth and show strong margin momentum

goodfood

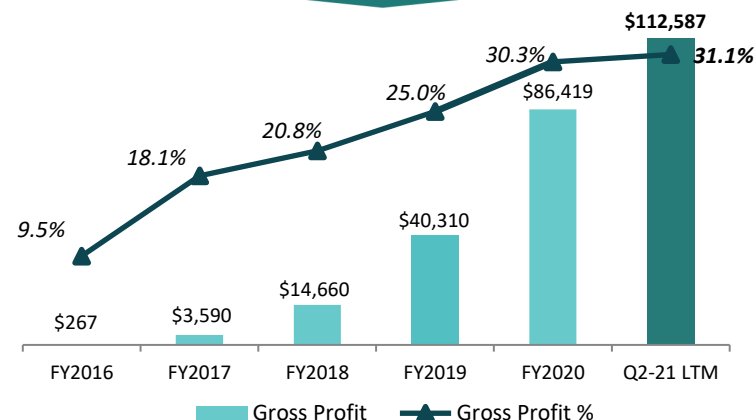
Revenue

C\$ thousands

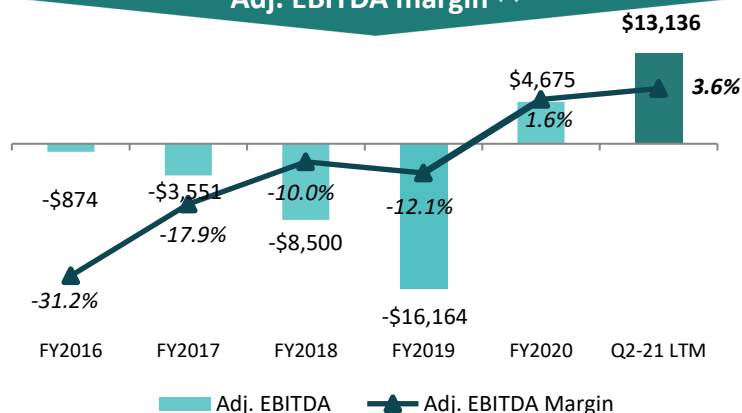


Gross Profit & Gross Margin %

C\$ thousands and %

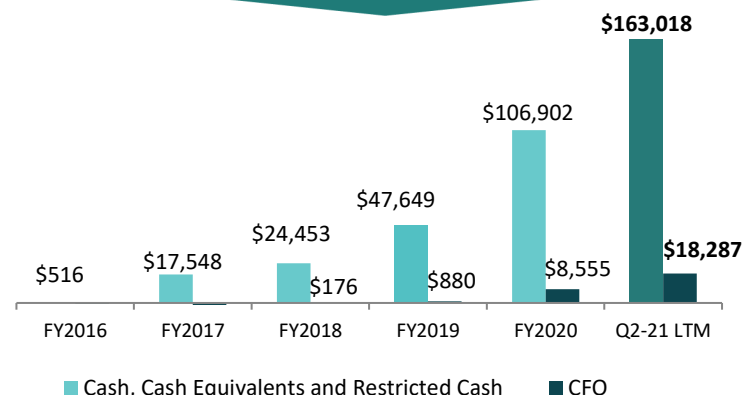


Adj. EBITDA ⁽¹⁾ & Adj. EBITDA margin ⁽¹⁾



Cash ⁽²⁾ and CFO

C\$ thousands



(1) This is a metric or non-IFRS financial measure. Please refer to page 27 of this presentation for more details.

(2) Includes cash, cash equivalents and restricted cash.

Dedicated and proven management supported by experienced Board of Directors together holding 40%+ of the Company

goodfood

MANAGEMENT



Jonathan Ferrari
Co-Founder & CEO



Neil Cuggy
Co-Founder,
President & COO



Raghu Mocharla
Chief Technology Officer

BOARD



Hamnett Hill
Director



Donald Olds
Director



Terry Yanofsky
Director



François Vimard
Director

Goodfood is committed to its Green Vision



Goodfood's packaging is fully recyclable and just in time business model allows to reduce waste to only ~1%

Selected Goodfood Green Initiatives

- New reusable box aiming to save millions of single-use packaging across Canada
- Launched paper packaging for same-day/local grocery orders, eliminating millions of boxes, liners and icepacks
- Launched plant-based packaging for select RTE products
- Carboard box pick-up in Canada's major cities for recycling
- Cutting down food waste by just-in-time inventory, delivery of pre-portioned ingredients and giving away leftovers to employees
- Minimizing transportation by sourcing fresh, local, in-season ingredients
- Contributing to a nutritious meal for a child in need at school for every Goodfood box purchased
- Committed to reducing plastic inside the box by 50%
- Reduced packaging by using refrigerated vans

Did you know?

- On average, grocery meal greenhouse gas emissions are 33% higher than meal-kits⁽¹⁾
- Meal-kits' streamlined and direct-to-consumer supply chain reduced food waste and lower last-mile transportation emissions appear to be sufficient to offset observed increases in packaging⁽¹⁾
- Meal-kit refrigeration packs present an average emissions decrease compared with retail refrigeration⁽¹⁾

(1) Source: University of Michigan, Heard BR, Bandekar M, Vassar B, Miller SA, Comparison of Life Cycle Environmental Impacts from Meal-Kits and Grocery Store Meals, April 3, 2019.

Adapt to changing times...

The pandemic brought habit changes across multiple markets

- Shift to e-commerce across multiple consumer markets – grocery being a particularly strong area of growth
 - Less trips to physical grocery stores
 - Increasing number of customers across ages and demographics, with now as many customers in their 60s as their 20s
- 
- Goodfood's e-commerce and fulfilment models supports increased demand
 - Strong investments in technology, hiring and product development to fill members' basket
 - Non-recurring costs related to impact of pandemic still present though subsiding: Goodfood incurred ~\$0.7 million non-recurring expenses in Q2 of FY2021

...and to permanent trends...

Strong secular trends are crystallizing and Goodfood anticipates:

- A substantial percentage of traditional grocery shopping has permanently shifted online
- A portion of food consumption has moved from restaurants to grocery and home meal solutions
- Trends leading to record results in FY2020 are still crystallizing in Q2-FY2021
- Goodfood is in an ideal position to capitalize on these growth opportunities
 - Well-developed footprint, best-in-class product offering and last mile logistics, well-established brand, e-commerce expertise and data on customer preferences

...while keeping focus on our strategy

Building Canada's #1 grocery delivery platform remains our #1 objective

- Goodfood's vision to be in every kitchen, every day becoming clearer and tangible
- Achieving our vision goes through focused pursuit of strategic flywheel
- EBITDA ⁽¹⁾ profitability achieved in recent quarters, remains one of our priorities
- Vaccination campaign, re-openings and possible end to pandemic may have short-term quarterly impact but does not affect long-term thesis
- Investments in key items of strategic flywheel remain top priority: growth and market share, selection and delivery speed, technology and building strong teams across the Company, including hires in tech, grocery and marketing, which we believe will continue to maximize shareholders' returns

(1) This is a metric or non-IFRS financial measure. Please refer to page 27 of this presentation for more details.

APPENDIX

goodfood

Typical seasonality patterns

goodfood



	Q1 Sept-Oct-Nov	Q2 Dec-Jan-Feb	Q3 Mar-Apr-May	Q4 June-July-Aug
Marketing campaigns	Higher	Higher	Medium	Low
Order rates	Higher	High	Medium/High	Low
New subscribers	Higher	High	Medium/High	Low
Margins	Higher	Lower	Higher	Lower
Cash flow from operations target	Positive for the period			Negative
Comments	Strong quarter with important back-to-school period	January and February are traditionally strong-demand months after a slowdown in December due to the Holiday Season	March is typically impacted by Spring break, April is strong and May depends heavily on weather	Summer months are slow given vacation time and nicer weather

Q2-21 – Key financial highlights



Goodfood delivers record quarterly revenues of over \$100M, continued margin improvement and positive Adjusted EBITDA ⁽¹⁾ for the fourth consecutive quarter

<i>(in millions of Canadian \$ except for percentage information and active subscribers)</i>	Q2-21	Q2-20	Y-o-Y Δ
Active subscribers ⁽¹⁾	319,000	246,000	+30%
Revenues	\$100.7	\$58.8	+71%
Gross profit	\$30.6	\$17.8	+72%
Gross margin (%)	30.4%	30.3%	+0.1pp
Adjusted EBITDA ⁽¹⁾	\$0.5	\$(2.9)	+118%
Adjusted EBITDA margin (%) ⁽¹⁾	0.5%	(5.0%)	+5.5pp
Net loss	(\$4.0)	(\$3.4)	-20%
Cash flows provided by (used in) operating activities	\$5.4	(\$3.9)	+239%
Cash, cash equivalents and restricted cash	\$163.0	\$69.5	+134%

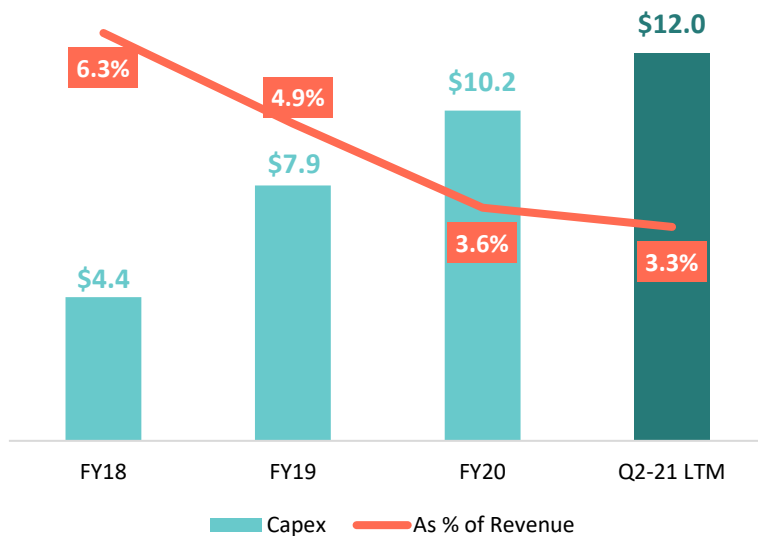
⁽¹⁾ This is a Metric or non-IFRS measure. Please refer to page 27 of this presentation for more details.

Capex light business model

goodfood

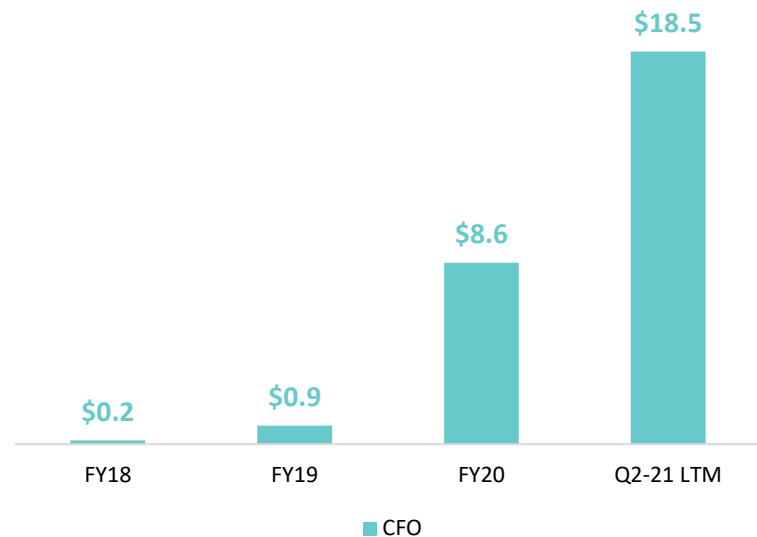
CAPEX & CAPEX as % of Revenue

FY18 to Q2-21 LTM



Negative Working Capital Model Driving CFO

FY18 to Q2-21 LTM



Cash Position ⁽¹⁾	\$24.4M	\$47.6M	\$106.9	\$163.0
------------------------------	---------	---------	---------	---------

Strong growth enabled by low capital requirements, negative working cap and strong ROIs

(1) Cash, Cash Equivalents & Restricted Cash.

Proven, attractive business model

goodfood

Built-in negative working capital allows the company to fund an important part of its growth

“JUST-IN-TIME”
INVENTORY

+

MINIMAL FOOD
WASTE

+

OPERATING
LEVERAGE



1

Meal and grocery order
and payment received
from subscribers



2

Goodfood orders from its
100+ direct farming
relationships & suppliers



3

Fulfillment
and delivery
to subscribers



4

Payment
to suppliers
can be 90 days+

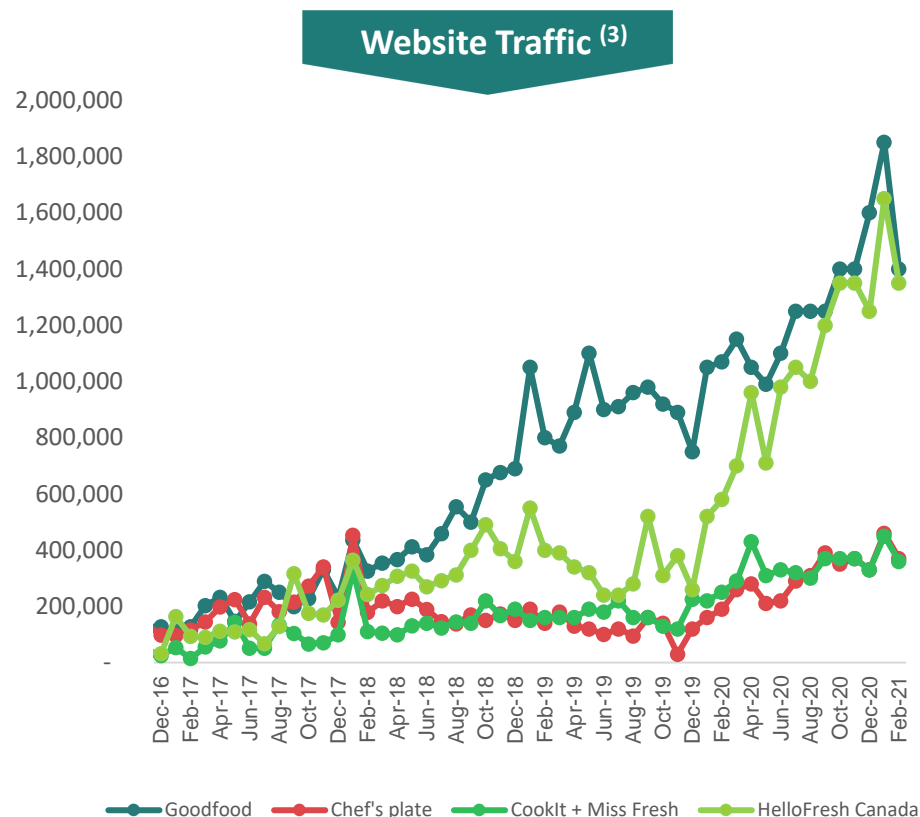
Goodfood sources ingredients from farms and dedicated purveyors, to manufacture and deliver **ready-to-cook** meals, **ready-to-eat** meals, **breakfast** meals and **grocery** items ordered online through a weekly subscription at www.makegoodfood.ca

Traffic data supports Goodfood's leadership case in home meal solutions, place in online grocery



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

Company ⁽²⁾	Website Monthly Visits ⁽³⁾
metro	2,700,000
IGA	2,300,000
Loblaws	1,650,000
NOFRILLS	1,600,000
goodfood	1,400,000
Hello FRESH	1,350,000
instacart	1,250,000
sobeys	1,200,000
maxi	1,100,000
SAFeway	680,000
chefs plate	370,000
Super C	360,000
COOK IT	360,000
GROCERY GATEWAY	210,000



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

(2) Excludes subsidiary websites.

(3) Similar Web, available data as of February 2021; Cookit + MissFresh combined since December 2019.

Goodfood has built a countrywide footprint to efficiently reach 95% of the Canadian population

goodfood

589,000 sq. ft in 7 purpose-built production facilities

1. VANCOUVER, BC

84,000 sq. ft
production and
distribution facility

2. CALGARY, AB

43,000 sq. ft
production and
distribution facility

3. MONTREAL, QC - BREAKFAST

20,000 sq. ft
production and
distribution facility for
breakfast solutions

4. MONTREAL, QC

HQ & 155,000 sq. ft
production and
distribution facility

5. MONTREAL, QC

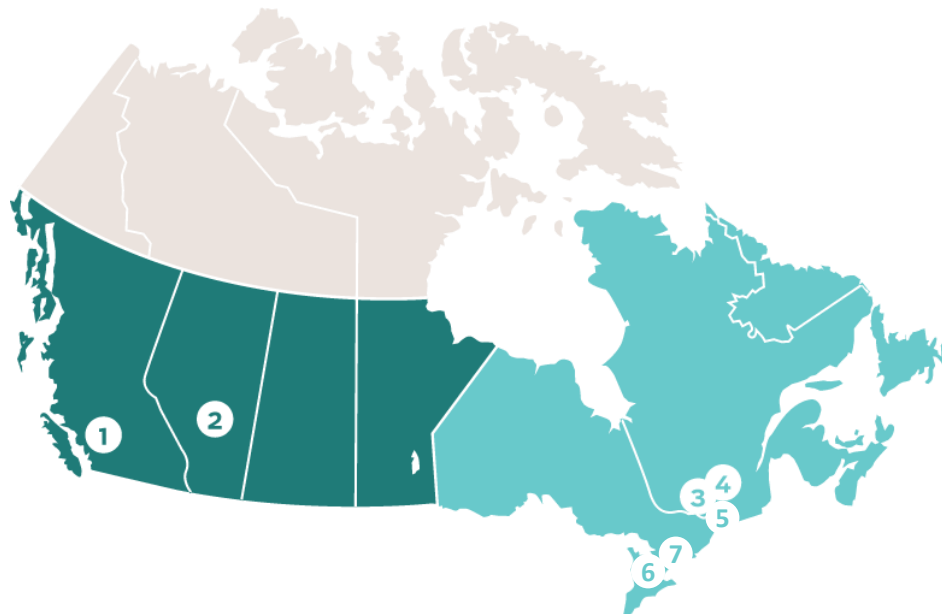
45,000 sq. ft
distribution facility

7. TORONTO, ON

200,000 sq. ft facility
(under construction)

6. TORONTO, ON

42,000 sq. ft
production and
distribution facility






Superior profitability predicated on Goodfood's differentiated strategy and business model driven by fulfilment process and density

goodfood

Online grocery growing on the back of different drivers than traditional offline grocery

Key Shopper Decision Factors	Traditional Offline Grocery	E-Commerce Online Grocery
Location	<ul style="list-style-type: none"> Shoppers make decision based on location 	<ul style="list-style-type: none"> Safe home delivery eliminates location advantage
Price	<ul style="list-style-type: none"> Lower prices driven by scale / purchasing power 	<ul style="list-style-type: none"> Lower prices driven by fulfilment and delivery density
Selection	<ul style="list-style-type: none"> One-stop-shop for all consumer products key in winning shopper 	<ul style="list-style-type: none"> No need to travel for grocery, one-stop-shop less important, unique selection more important
Brand	<ul style="list-style-type: none"> Brand recognition relatively important 	<ul style="list-style-type: none"> Brand needs to speak to targeted shopper
Technology	<ul style="list-style-type: none"> Limited use 	<ul style="list-style-type: none"> Crucial for user experience and building critical infrastructure for fulfilment

3 key business models emerging in online grocery

In-store shopper	Large selection	Targeted selection
		
<ul style="list-style-type: none"> ✓ Delivery speed (a few hours) ✓ Selection ✗ Cost to customer ✗ Substitutions / Stock outs ✗ Waste 	<ul style="list-style-type: none"> ✓ Selection ~ Delivery speed (same/next day) ✗ Large fixed costs ✗ Slower inventory turn / grocery-store like waste 	<ul style="list-style-type: none"> ✓ Exclusive selection ✓ Targeted, millennial brand ✓ Lowest delivery cost (density) ✓ Owned technology ~ Delivery speed (same/next day) ✗ Selection

Metrics and non-IFRS financial measures



The table below defines metrics and non-IFRS financial measures used by the Company throughout this presentation. Non-IFRS financial measures do not have standardized definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. They are provided as additional information to complement IFRS measures and to provide a further understanding of the Company's results of operations from our perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS and should be read in conjunction with the financial statements for the periods indicated. For a reconciliation of these non-IFRS financial measures to the most comparable IFRS financial measures, as applicable, see the "Metrics and Non-IFRS Financial Measures – Reconciliation" of the Company's latest Management Discussion & Analysis.

Metrics	Definition
Active Subscribers	An account that is scheduled to receive a delivery, has elected to skip delivery in the subsequent weekly delivery cycle or that is registered to Goodfood WOW. 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 the Company's consolidated financial statements, we believe that active subscribers is a useful metric for investors because it is indicative of potential 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
EBITDA	EBITDA is defined as net income (loss) before net finance costs, depreciation and amortization and income taxes.
Adjusted EBITDA and Adjusted EBITDA margin	Adjusted EBITDA is defined as EBITDA excluding share-based payments and restructuring costs. Adjusted EBITDA margin is defined as the percentage of adjusted EBITDA to revenues. EBITDA, adjusted EBITDA, and adjusted EBITDA margin are non-IFRS financial measures.

goodfood

makegoodfood.ca

