



**GOODFOOD COMPLETES ITS PREVIOUSLY ANNOUNCED \$30 MILLION BOUGHT DEAL OFFERING OF CONVERTIBLE UNSECURED DEBENTURES TO ACCELERATE ITS ON-DEMAND DELIVERY STRATEGY**

Montreal (Quebec), February 11, 2022

*THIS PRESS RELEASE IS NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. NEWS AGENCIES*

Goodfood Market Corp. (“Goodfood” or the “Company”) (TSX: FOOD) is pleased to announce that it has closed its previously announced public offering (the “Offering”) of \$30,000,000 aggregate principal amount of 5.75% convertible unsecured subordinated debentures of the Company (the “Debentures”) due March 31, 2027, at a price of \$1,000 (the “Offering Price”) per \$1,000 principal amount of Debentures, through a syndicate of underwriters co-led by Desjardins Capital Markets and National Bank Financial Inc. (together, the “Co-Lead Underwriters”), and including CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Canaccord Genuity Corp., Raymond James Ltd., Stifel Nicolaus Canada Inc. and Acumen Capital Finance Partners Limited (collectively with the Co-Lead Underwriters, the “Underwriters”).

The Debentures will bear interest at a rate of 5.75% per annum, payable semi-annually on March 31 and September 30 of each year, commencing on September 30, 2022. The Debentures will be convertible at the holder’s option into Goodfood common shares (the “Common Shares”) at a conversion price of \$4.60 per Common Share, representing a conversion rate of 217.3913 Common Shares per \$1,000 principal amount of Debentures. The Debentures will be direct, subordinated unsecured obligations of the Company, subordinated to any senior indebtedness of the Company, including the Company’s revolving credit facility, and ranking equally with one another and with all other existing and future subordinated unsecured indebtedness of the Company to the extent subordinated on the same terms. The Debentures will mature on March 31, 2027 and may be redeemed by Goodfood, in certain circumstances, on or after March 31, 2025. The Debentures will be listed and posted for trading on the Toronto Stock Exchange under the symbol “FOOD.DB.A” at the opening of markets today.

An over-allotment option granted by the Company to the Underwriters for \$4,500,000 aggregate principal amount of additional Debentures at the Offering Price remains exercisable by the Underwriters, in whole or in part, at any time until 30 days after the date hereof.

The Company intends to use the net proceeds from the Offering to accelerate the scaling of Goodfood’s on-demand grocery and meal solutions network, through the signing of multiple incremental new micro-fulfillment centers leases, fund their required capital expenditures as well as their initial start-up and expenses, and for general corporate purposes.

Hamnett Hill, Donald Olds, François Vimard and Terry Yanofsky, all independent directors of the Company, have purchased an aggregate of \$415,000 principal amount of Debentures under the Offering. Their participation is considered to be a “related party transaction” as defined in *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The participation of such insiders is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities issued to such insiders nor the consideration for such securities exceeds 25% of the Company’s market capitalization. The Company did not file a material change report 21 days prior to closing of the Offering as the details of the participation of insiders of the

Company in the Offering had not been confirmed at that time. The Offering, including the insiders' participation therein, has been approved by the board of directors of the Company.

The Debentures offered, and the Common Shares issuable on conversion, redemption or maturity thereof, have not and will not be registered under the U.S. *Securities Act of 1933*, as amended (the "1933 Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the 1933 Act. This press release does not constitute an offer to sell or a solicitation of any offer to buy Debentures or Common Shares in the United States.

## **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 customers from across Canada to enjoy delicious meals at home every day. Goodfood's vision is to be in every kitchen every day by enabling customers to complete their grocery shopping and meal planning in minutes and to receive their order in as little as 30 minutes. Goodfood customers have access to a unique selection of online products as well as exclusive pricing made possible by its direct-to-consumer infrastructures and technology that eliminate food waste and costly retail overhead. The Company's main production facility and administrative offices are based in Montreal, Québec, with additional production facilities located in the provinces of Québec, Ontario, Alberta, and British Columbia. [www.makegoodfood.ca](http://www.makegoodfood.ca)

### **FURTHER INFORMATION:**

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## FORWARD-LOOKING STATEMENTS

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, assumptions, estimates and intentions, including, without limitation, statements concerning the anticipated use of net proceeds from the Offering. 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 trends, current condition 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 risks factors which are discussed under “Risk Factors” in the prospectus of the Company dated February 4, 2022 available on SEDAR at [www.sedar.com](http://www.sedar.com) and 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, 2021 available on SEDAR at [www.sedar.com](http://www.sedar.com): limited operating history, negative operating cash flow, food industry, COVID-19 pandemic as well as the impact of the vaccine rollout, quality control and health concerns, regulatory compliance, regulation of the industry, public safety issues, product recalls, damage to Goodfood’s reputation, transportation disruptions, storage and delivery of perishable foods, product liability, unionization activities, consolidation trends, ownership and protection of intellectual property, evolving industry, reliance on management, failure to attract or retain key employees which may impact the Company’s ability to effectively operate and meet its financial goals, factors which may prevent realization of growth targets, inability to effectively react to changing consumer trends, competition, availability and quality of raw materials, environmental and employee health and safety regulations, the inability of the Company’s IT infrastructure to support the requirements of the Company’s business, online security breaches, disruptions and denial of service attacks, 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. This is not an exhaustive list of risks that may affect the Company’s forward-looking statements. Other risks not presently known to the Company or that the Company believes are not significant could also cause actual results to differ materially from those expressed in its forward-looking statements. 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 duration and severity of the COVID-19 pandemic as well as the impact of the vaccine rollout 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.