



**Fiscal 2023**

# **Annual & Special General Meeting**

**January 16, 2024**





## Jonathan Ferrari

Co-Founder, Chairman  
of the Board & CEO

- Opening of the Meeting
- Voting Procedure
- Scrutineers of the Meeting
- Management Report, Consolidated Financial Statements and Auditor's Report
- Election of Directors
- Appointment of Auditors and Fixing of Remuneration
- Unallocated Awards Resolution
- Amendment to the Articles of the Company with Respect to the Company's Application for a B Corp Certification
- Question Period
- Management Presentation / Annual Review
- Closing of the Meeting

# Presenters



**Jonathan Ferrari**

Co-founder, Chairman &  
CEO

Cofondateur, président du  
conseil et chef de la  
direction



**Neil Cuggy**

Co-founder, President and  
COO

Cofondateur, président et  
chef des opérations



**Roslane Aouameur**

Chief Financial Officer

Chef de la direction financière



**Caitlin Rose**

Partner at Fasken,  
Secretary of Goodfood

Associée chez Fasken et  
secrétaire chez Goodfood

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# Election of Directors



**Neil Cuggy**



**Jonathan  
Ferrari**



**John Khabbaz**



**Donald Olds**



**Terry Yanofsky**

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# 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, assumptions, estimates and intentions, including, without limitation, statements in the “Financial Outlook” section of the MD&A. 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 following risk factors which are discussed in greater detail under “Risk Factors” in the Company’s Annual Information Form for the 52 weeks ended September 2, 2023 available on SEDAR at [www.sedar.com](http://www.sedar.com): limited operating history, negative operating cash flow, going concern risk, food industry including current industry inflation levels, indebtedness and impact upon financial condition, future capital requirements, 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, fulfillment centers and logistics channels, 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 disruptions, reliance on data centers, open source license compliance, operating risk and insurance coverage, management of growth, limited number and scope of products, conflicts of interest, litigation, food costs and availabilities, 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, as well as an inability to maintain high social responsibility standards could lead to reputational damage and adversely affect our business. 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, as well as customer demand. In addition, net sales and operating results could be impacted by changes in the overall economic condition in Canada and by the continuing inflationary pressures and by the impact these conditions could have on consumer discretionary spending. Fears of a looming recession, increases in interest rates, continuing supply chain disruptions and increased input costs are expected to have a continuing significant impact on our economic condition that could materially affect our financial condition, results of operations and cash flows. 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.





## OUR PURPOSE

Make cooking and eating a fun and exciting experience that sparks joy

We deliver **joyful**  
**nourishment** so our  
community can **live**  
**longer** on a **healthier**  
**planet**

Help people achieve a balanced diet and live better and longer

Sustainably source, package and deliver our products



## Full-Year and Q4 EBITDA Profitability ...

### ✓ Third consecutive quarter of positive adjusted EBITDA<sup>1</sup>, set up for consistent profitability

- Adjusted EBITDA margin<sup>1</sup> ended at **1.9% or \$1m in seasonal quarter & 2.8% or \$5m for the year**
  - 5.7% & 18.0% y-o-y margin improvement, respectively
- Supported by structurally strong **gross margin of 38% for the quarter & 39% for the year**
  - 9.9% & 13.5% y-o-y margin improvement, respectively

### ✓ Coupled with rigorous SG&A management

- Non-Marketing Selling, general and administrative expenses in Q4 reduced by \$3.5m compared to the same quarter last year and **\$34m annually y-o-y**
- Completed several Marketing initiatives to substantially improve CAC

## ...Setting the Stage for Profitable Growth Through Customer Centricity

### ✓ Sustained increase in net sales per active customer throughout the year

- Further growth to be generated through increased RTC assortment, digital experience, sustainability and partnerships

# Outlook: Generating growth by focusing on the customer



01

## Consumers are increasingly focused on health & wellness

- Increased carb-wise, calorie-wise, keto, paleo and high-protein recipes by 50%+
- Introduced organic & *Better-for-You* proteins answer that need along with increased variety of fresh locally sourced ingredients
- Protein customization enables adding more high-quality, healthy proteins

02

## Consumers looking for experiences that spark joy, alternatives to pricey restaurants & takeout

- Further increased ready-to-cook recipe assortment with standalone recipes, protein customization and upgrades
- Launched new tasty value meals starting at \$10.99 per serving to meet customer demand for lower priced entry level meals
- Launched 4-serving Family recipes across all plans
- Continued restaurant partnerships to bring unique experiences at home
- Upgraded user experience with tags and categories that make weekly meal planning even faster for customers

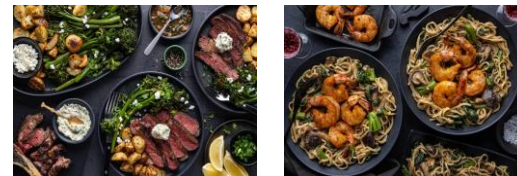
03

## Consumers want sustainable options to help our planet

- Meal kits waste reduction impacting consumer bottom line in food inflationary environment
- Our planet friendly meal kits reduced plastic packaging by 2.4m units / year
- We offset carbon emissions on our deliveries

## Customer Centricity Showing Results

- ✓ Double digit order value increase y-o-y, driven in large part by more portions in the basket
- ✓ Order rate increase in early stages of FY24
- ✓ Customer acquisition cost double-digit % improvement year-over-year







**Roslane  
Aouameur**  
Chief Financial Officer

# Key Financial Highlights



Goodfood continues to drive meaningful gross margin and Adjusted EBITDA<sup>1</sup> improvements while persistently delivering on its commitment to growing profitability

<i>(in millions of Canadian \$ except for percentage information)</i>	Q1-24	Q1-23	Y-o-Y Δ	FY-23	FY-22	Y-o-Y Δ
Net Sales	<b>\$40.5</b>	\$47.1	-14%	<b>\$168.6</b>	\$268.6	-37%
Gross Profit	<b>15.9</b>	16.8	-5%	<b>65.4</b>	68.1	-4%
Gross Margin (%)	<b>39.4%</b>	35.5%	+3.9pp	<b>38.8%</b>	25.3%	+13.5pp
Adjusted EBITDA <sup>1</sup>	<b>1.5</b>	(2.3)	N/A	<b>4.7</b>	(40.7)	N/A
Adjusted EBITDA Margin (%) <sup>1</sup>	<b>3.6%</b>	(4.9%)	+8.5pp	<b>2.8%</b>	(15.2%)	+18.0pp
Net Loss	<b>(2.0)</b>	(11.7)	+83%	<b>(16.5)</b>	(121.8)	+86%
CFO	<b>3.8</b>	(6.1)	N/A	<b>(9.4)</b>	(59.0)	+84%
Adjusted Free Cash Flow <sup>1</sup>	<b>4.0</b>	(5.3)	N/A	<b>(4.5)</b>	(91.1)	+95%
Cash and Cash Equivalents	<b>24.9</b>	28.6	-13%	<b>24.9</b>	36.9	-33%

<sup>1</sup> This is a Metric or non-IFRS measure. Please refer to page 14 of this presentation for more details.

# 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 consolidated 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
<b>Active Customer</b>	An active customer is a customer that has placed an order within the last three months. For greater certainty, an active customer is only accounted for once, although different products and multiple orders might have been purchased within a quarter. While the active customers metric 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 the active customers metric is a useful metric for investors because it is indicative of potential future net sales. The Company reports the number of active customers at the beginning and end of the period, rounded to the nearest thousand.
Non-IFRS Financial Measures	Definition
<b>EBITDA</b>	EBITDA is defined as net income or loss before net finance costs, depreciation and amortization and income taxes.
<b>Adjusted EBITDA &amp; Adjusted EBITDA margin</b>	Adjusted EBITDA is defined as EBITDA excluding share-based payments expense, the impact of the inventories write-downs due to the discontinuance of products related to Goodfood On-Demand offering, impairment of non-financial assets and reorganization and other related costs pursuant to the Company's Blue Ocean initiative. Adjusted EBITDA margin is defined as the percentage of adjusted EBITDA to net sales.
<b>Adjusted gross profit &amp; Adjusted gross margin</b>	Adjusted gross profit is defined as gross profit excluding the impact of the discontinuance of products related to Goodfood On-Demand offering pursuant to the Company's Blue Ocean initiative. Adjusted gross margin is defined as the percentage of adjusted gross profit to net sales. The Company uses adjusted gross profit and adjusted gross margin to measure its performance from one period to the next excluding the variation caused by the items described above.
<b>Free cash flow &amp; Adjusted free cash flow</b>	Free cash flow is defined as net cash used in or provided by operating activities less additions to fixed assets and additions to intangible assets. This measure allows the Company to assess its financial strength and liquidity as well as to assess how much cash is generated and available to invest in growth opportunities, to finance its ongoing operations and to service its debt. It also allows comparisons between companies with different capital structures. Adjusted free cash flow is defined as free cash flow excluding cash payments made to costs related to reorganization activities. We believe that adjusted free cash flow is a useful measure when comparing between companies with different capital structures by removing variations caused by the impacts of the items described above.





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