

Interim Condensed Consolidated Financial Statements of

GOODFOOD MARKET CORP.

For the 26 weeks ended March 2, 2024 and March 4, 2023
(Unaudited)

GOODFOOD MARKET CORP.

Table of Contents

| | Page |
|--|-------------|
| Interim Condensed Consolidated Financial Statements | |
| Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) | 1 |
| Interim Condensed Consolidated Statements of Financial Position | 2 |
| Interim Condensed Consolidated Statements of Changes in Deficiency | 3 |
| Interim Condensed Consolidated Statements of Cash Flows | 4 |
| Notes to the Interim Condensed Consolidated Financial Statements | 5 - 11 |

GOODFOOD MARKET CORP.

Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) (In thousands of Canadian dollars, except share and per share information - Unaudited)

| | Note | 13 weeks ended | | 26 weeks ended | |
|--|------|------------------|------------------|------------------|--------------------|
| | | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Net sales | | \$ 39,755 | \$ 42,043 | \$ 80,214 | \$ 89,191 |
| Cost of goods sold | | 22,646 | 24,929 | 47,176 | 55,318 |
| Gross profit | | 17,109 | 17,114 | 33,038 | 33,873 |
| Selling, general and administrative expenses | | 13,893 | 15,531 | 28,381 | 37,529 |
| Reorganization and other related gains | 5 | (1,364) | (2,769) | (1,361) | (1,650) |
| Depreciation and amortization | | 1,818 | 2,856 | 3,773 | 6,625 |
| Operating income (loss) | | 2,762 | 1,496 | 2,245 | (8,631) |
| Net finance costs | 6 | 1,369 | 1,470 | 2,825 | 3,040 |
| Income (loss) before income taxes | | 1,393 | 26 | (580) | (11,671) |
| Deferred income tax recovery | | – | (72) | – | (61) |
| Net income (loss), being comprehensive income (loss) | | \$ 1,393 | \$ 98 | \$ (580) | \$ (11,610) |
| Basic and diluted income (loss) per share | | \$ 0.02 | \$ – | \$ (0.01) | \$ (0.15) |
| Basic weighted average number of common shares outstanding | 9 | 76,937,849 | 76,247,164 | 76,717,152 | 75,753,539 |
| Diluted weighted average number of common shares outstanding | 9 | 77,349,482 | 76,830,214 | 76,717,152 | 75,753,539 |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

GOODFOOD MARKET CORP.

Interim Condensed Consolidated Statements of Financial Position

(In thousands of Canadian dollars - Unaudited)

| As at | Note | March 2, 2024 | September 2, 2023 |
|---|------|------------------|-------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | | \$ 23,712 | \$ 24,925 |
| Accounts and other receivables | | 3,594 | 4,136 |
| Inventories | | 3,484 | 3,281 |
| Other current assets | | 729 | 366 |
| | | 31,519 | 32,708 |
| Non-current assets: | | | |
| Fixed assets | | 9,137 | 11,026 |
| Right-of-use assets | | 8,070 | 10,986 |
| Intangible assets | | 2,322 | 2,776 |
| Lease receivable | | 3,252 | – |
| Other non-current assets | | 300 | 312 |
| Total assets | | \$ 54,600 | \$ 57,808 |
| Liabilities and Shareholders' Deficiency | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | | \$ 17,108 | \$ 17,993 |
| Deferred revenues | | 4,050 | 4,105 |
| Debt | 7 | 1,763 | 4,036 |
| Current portion of lease obligations | | 3,015 | 2,862 |
| | | 25,936 | 28,996 |
| Non-current liabilities: | | | |
| Convertible debentures | 8 | 43,475 | 41,752 |
| Lease obligations | | 8,915 | 10,502 |
| Total liabilities | | 78,326 | 81,250 |
| Shareholders' deficiency: | | | |
| Common shares | 9 | 181,133 | 180,369 |
| Contributed surplus | | 7,541 | 8,009 |
| Convertible debentures | 8 | 5,367 | 5,367 |
| Deficit | | (217,767) | (217,187) |
| Total shareholders' deficiency | | (23,726) | (23,442) |
| Total liabilities and shareholders' deficiency | | \$ 54,600 | \$ 57,808 |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Approved on behalf of Goodfood Market Corp. by:

Signed _____
Jonathan Ferrari, Director and
Chair of the Board

Signed _____
Donald Olds, Director and
Chair of the Audit Committee

GOODFOOD MARKET CORP.

Interim Condensed Consolidated Statements of Changes in Deficiency

(In thousands of Canadian dollars - Unaudited)

For the 26 weeks ended

| | | March 2, 2024 | | | | |
|-------------------------------|------|-------------------|------------------------|---------------------------|---------------------|--------------------|
| | Note | Common Shares | Contributed Surplus | Convertible Debentures | Deficit | Total |
| Balance as at | | | | | | |
| September 2, 2023 | | \$ 180,369 | \$ 8,009 | \$ 5,367 | \$ (217,187) | \$ (23,442) |
| Net loss for the period | | – | – | – | (580) | (580) |
| Share-based payments expense | | – | 330 | – | – | 330 |
| Restricted share units vested | 9 | 796 | (796) | – | – | – |
| Employee share purchase plan | 9 | (32) | (2) | – | – | (34) |
| Balance as at | | | | | | |
| March 2, 2024 | | \$ 181,133 | \$ 7,541 | \$ 5,367 | \$ (217,767) | \$ (23,726) |

| | | March 4, 2023 | | | | |
|--|------|---------------|-----------|----------|--------------|-------------|
| Balance as at | | | | | | |
| September 3, 2022 | | \$ 173,788 | \$ 10,584 | \$ 5,174 | \$ (200,724) | \$ (11,178) |
| Net loss for the period | | – | – | – | (11,610) | (11,610) |
| Share-based payments expense | | – | 3,089 | – | – | 3,089 |
| Net convertible debentures issuance | 8, 9 | – | – | 202 | – | 202 |
| Net convertible debentures conversions | 8, 9 | 196 | – | (9) | – | 187 |
| Restricted share units vested | 9 | 5,397 | (5,397) | – | – | – |
| Employee share purchase plan | 9 | (56) | (2) | – | – | (58) |
| Balance as at | | | | | | |
| March 4, 2023 | | \$ 179,325 | \$ 8,274 | \$ 5,367 | \$ (212,334) | \$ (19,368) |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

GOODFOOD MARKET CORP.

Interim Condensed Consolidated Statements of Cash Flows

(In thousands of Canadian dollars - Unaudited)

| For the periods ended | Note | 13 weeks | | 26 weeks | |
|--|------|------------------|------------------|------------------|------------------|
| | | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Operating: | | | | | |
| Net income (loss) | | \$ 1,393 | \$ 98 | \$ (580) | \$ (11,610) |
| Adjustments for: | | | | | |
| Depreciation and amortization | | 1,818 | 2,856 | 3,773 | 6,625 |
| Reversal of impairment of non-financial assets | 5 | (981) | – | (981) | – |
| Net (gains) loss on disposal of non-financial assets | 5 | (662) | 323 | (662) | 2,383 |
| Gain on termination of leases | 5 | – | (7,318) | – | (10,557) |
| Write-offs of non-financial assets | 5 | – | 1,701 | – | 1,701 |
| Share-based payments expense | | 324 | 797 | 329 | 3,089 |
| Net finance costs | 6 | 1,369 | 1,470 | 2,825 | 3,040 |
| Deferred income tax recovery | | – | (72) | – | (61) |
| Change in non-cash operating working capital | 11 | (3,171) | (4,504) | (777) | (5,562) |
| Other | | – | 232 | – | 460 |
| Net cash provided by (used in) operating activities | | 90 | (4,417) | 3,927 | (10,492) |
| Investing: | | | | | |
| Additions to fixed assets | | – | (3) | (32) | (689) |
| Additions to intangible assets | | (118) | (494) | (246) | (620) |
| Proceeds from disposal of non-financial assets | | – | 222 | – | 2,629 |
| Interest received | | 262 | 231 | 564 | 493 |
| Net cash provided by (used in) investing activities | | 144 | (44) | 286 | 1,813 |
| Financing: | | | | | |
| Net proceeds from issuance of convertible debentures | 8 | – | 12,344 | – | 12,344 |
| Net repayment of debt | 7 | (313) | (6,875) | (2,301) | (7,188) |
| Net proceeds from revolving facility | | – | 600 | – | 600 |
| Interest paid | | (228) | (788) | (1,613) | (2,945) |
| Payments of lease obligations | | (828) | (1,252) | (1,500) | (2,895) |
| Shares purchased under employee share purchase plan | | (15) | (31) | (33) | (58) |
| Other | | – | 26 | 21 | 52 |
| Net cash (used in) provided by financing activities | | (1,384) | 4,024 | (5,426) | (90) |
| Decrease in cash and cash equivalents | | (1,150) | (437) | (1,213) | (8,769) |
| Cash and cash equivalents, beginning of period | | 24,862 | 28,553 | 24,925 | 36,885 |
| Cash and cash equivalents, end of period | | \$ 23,712 | \$ 28,116 | \$ 23,712 | \$ 28,116 |
| Supplemental cash flow information | 11 | | | | |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

1. REPORTING ENTITY

Goodfood Market Corp. is a digital meal solutions brand in Canada, delivering fresh meal and add-ons that make it easy for customers from across Canada to enjoy delicious meals at home every day. References to Goodfood Market Corp. (or "Goodfood", the "Company") represent the financial position, financial performance, cash flows and disclosures of Goodfood Market Corp. and its subsidiary on a consolidated basis.

Goodfood Market Corp. is incorporated under the *Canada Business Corporations Act* and is listed on the Toronto Stock Exchange ("TSX") under the symbol "FOOD". The Company's main production facility and administrative offices are based in Montreal, Québec with additional locations in the provinces of Ontario and Alberta.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). These interim condensed consolidated financial statements do not include all the disclosures required for annual consolidated financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended September 2, 2023.

These interim condensed consolidated financial statements of the Company were approved by the Board of Directors ("Board") on April 15, 2024 for publication on April 16, 2024.

2.2 BASIS OF MEASUREMENT

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for the following:

- equity share-based payment arrangements which are measured at fair value at grant date; and
- lease obligations, which are measured at the present value of minimum lease payments at lease inception.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The interim condensed consolidated financial statements are stated in Canadian dollars, which is the functional and presentation currency of Goodfood Market Corp.

2.4 SEASONALITY OF THE BUSINESS

The Company's net sales and expenses are impacted by seasonality. During the winter holiday season and summer season, the Company anticipates net sales to be lower as a higher proportion of customers elect to skip their delivery. During periods with warmer weather or very cold weather, the Company anticipates packaging costs to be higher due to the additional packaging required to maintain food freshness and quality. The Company also anticipates food costs to be positively affected during the summer season due to improved availability during periods with warmer weather.

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in these interim condensed consolidated financial statements are the same as those applied to the Company's annual audited consolidated financial statements for the year ended September 2, 2023.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's interim condensed consolidated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, net sales and expenses and accompanying disclosures. Uncertainty about these assumptions and estimates, including the current economic environment, could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. These assumptions and estimates are regularly reviewed. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied to the Company's annual audited consolidated financial statements for the year ended September 2, 2023.

5. REORGANIZATION AND OTHER RELATED GAINS

| | 13 weeks | | 26 weeks | |
|--|------------------|------------------|------------------|------------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Reversal of impairment of non-financial assets | \$ (981) | \$ – | \$ (981) | \$ – |
| (Gains) charges related to facility closures | – | (5,588) | – | (8,274) |
| Write-offs of non-financial assets | – | 1,701 | – | 1,701 |
| Net loss on disposal of non-financial assets | – | 323 | – | 2,381 |
| Employee termination and benefit costs | – | 492 | – | 1,297 |
| External advisor fees | – | 163 | – | 953 |
| Other | (383) | 140 | (380) | 292 |
| | \$ (1,364) | \$ (2,769) | \$ (1,361) | \$ (1,650) |

In Fiscal 2022, as a result of the Company's reorganization plan, the Company decided to close several facilities as well as to shutdown its on-demand grocery product offering. Consequently, the Company performed an impairment test of its non-financial assets and recorded an impairment charge on fixed assets, right-of-use assets and intangible assets.

In the 13 weeks ended March 2, 2024, the Company subleased a facility as well as leased fixed assets included in this facility that were previously impaired. As a result, the Company recalculated the recoverable amount of this cash-generating unit (CGU), which now exceeds the carrying value of the CGU, and reversed a previously recorded impairment charge for an amount of \$1.0 million. As a result, a lease receivable was recorded in the amount of \$3.5 million on the consolidated balance sheet.

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

When determining the recoverable amount using the value-in-use (VIU) of its leased facility and the fixed assets included in the facility, the Company used a discounted cash flow model including the agreed upon lease terms. In addition, the discount rate employed for each cash flow projection was determined to be 8.5% based on capitalization rates according to the market in which the facility is located.

6. NET FINANCE COSTS

| | 13 weeks | | 26 weeks | |
|--|------------------|------------------|------------------|------------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Interest expense on debt | \$ 47 | \$ 156 | \$ 179 | \$ 426 |
| Interest expense on lease obligations | 174 | 414 | 354 | 1,057 |
| Interest expense on debentures, including accretion interest | 1,383 | 967 | 2,738 | 1,834 |
| Interest income | (262) | (231) | (564) | (493) |
| Foreign exchange loss (gain) | 5 | 1 | 15 | (44) |
| Other finance costs | 22 | 163 | 103 | 260 |
| | \$ 1,369 | \$ 1,470 | \$ 2,825 | \$ 3,040 |

7. DEBT

During the first quarter of Fiscal 2024, the Company reached an agreement to amend and extend the syndicated credit agreement with its existing lenders providing bank financing of \$4.8 million. The facilities include a \$2.1 million term loan, a \$1.3 million revolving credit facility, and \$1.4 million in additional short-term financing. The facilities bear variable interest rates of prime rate plus 3.00% and mature in November 2024. The term loan is repayable in quarterly installments of \$0.3 million with a bullet repayment of the balance of \$0.8 million at the end of the term in November 2024. As at March 2, 2024, no amount was drawn from the revolving facility. The total drawn credit facility is presented as a current liability.

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

8. CONVERTIBLE DEBENTURES

The following table summarizes the continuity of the Company's Debentures:

| | March 2, 2024 | September 2, 2023 |
|---|------------------|-------------------|
| Convertible debentures, liability component balance, beginning of period | \$ 41,752 | \$ 27,469 |
| Net proceeds from issuance of the Debentures | – | 11,970 |
| Accretion interest | 1,723 | 2,489 |
| Conversion of the Debentures | – | (176) |
| Convertible debentures, liability component balance, end of period | \$ 43,475 | \$ 41,752 |

The following summarizes convertible debentures for the 13 and 26 weeks ended March 2, 2024 and March 4, 2023:

| | 13 weeks | | 26 weeks | |
|---|---------------|---------------|---------------|---------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Reclassification from Convertible debentures liability component to common shares | \$ – | \$ – | \$ – | \$ 176 |
| Reclassification from Convertible debentures equity component to common shares | – | – | – | 20 |
| Deferred income tax expense recognized upon Debentures conversion | – | – | – | 11 |
| Deferred income tax recovery recognized upon Debentures issuance | – | 72 | – | 72 |
| <i>In number of debentures or common shares</i> | | | | |
| Number of debentures converted | – | – | – | 210 |
| Number of common shares issued from converted debentures (Note 9) | – | – | – | 45,652 |
| Total number of outstanding Debentures, end of period | 47,953 | 47,953 | 47,953 | 47,953 |

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

9. SHAREHOLDERS' EQUITY

COMMON SHARES

The Company is authorized to issue an unlimited number of no par value common shares.

The movements in common shares were as follows for the 26 weeks ended:

| | March 2, 2024 | | March 4, 2023 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | Number of shares | Carrying amount | Number of shares | Carrying amount |
| Balance, beginning of period | 76,525,507 | \$ 180,369 | 75,233,023 | \$ 173,788 |
| Debenture conversions (Note 8) | – | – | 45,652 | 196 |
| Purchased and held in trust through employee share purchase plan | (101,862) | (34) | (98,647) | (58) |
| Restricted share units vested | 555,699 | 796 | 1,216,843 | 5,397 |
| Employee share purchase vested | 12,513 | 2 | 5,371 | 2 |
| Balance, end of period | 76,991,857 | \$ 181,133 | 76,402,242 | \$ 179,325 |

INCOME (LOSS) PER SHARE

| For the periods ended | 13 weeks | | 26 weeks | |
|--|---------------|---------------|---------------|---------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Basic weighted average number of common shares outstanding | 76,937,849 | 76,247,164 | 76,717,152 | 75,753,539 |
| Dilutive effect of restricted share units and stock options ⁽¹⁾ | 411,633 | 583,050 | – | – |
| Diluted weighted average number of common shares outstanding | 77,349,482 | 76,830,214 | 76,717,152 | 75,753,539 |

(1) Includes 398,365 shares related to restricted share units (March 4, 2023 – 583,050).

Issued shares from the exercise of stock options, Debenture conversions and share issuance are weighted from the transaction date. The purchase of common shares to fund the employee share purchase plan is weighted from the transaction date.

For the 13 weeks ended March 2, 2024, the diluted income per share calculation did not take into consideration the potential dilutive effect of unvested shares in connection with the employee share purchase plan and the Debentures conversion option as they are not dilutive.

For the 13 weeks ended March 4, 2023, the diluted income per share calculation did not take into consideration the potential dilutive effect of the stock options, unvested shares in connection with the employee share purchase plan and the Debentures conversion option as they are not dilutive.

For the 26 weeks ended March 2, 2024 and March 4, 2023, the diluted loss per share calculation did not take into consideration the potential dilutive effect of the stock options, restricted share units, unvested shares in connection with the employee share purchase plan and the Debentures conversion option as they are not dilutive.

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

10. SHARE-BASED PAYMENTS

RESTRICTED SHARE UNIT PLAN (RSU)

2,869,916 RSUs were granted during the 26 weeks ended March 2, 2024 (March 4, 2023 – 1,652,395 RSUs granted) and had a weighted average trading price for the five days immediately preceding the grant date of \$0.30 per unit (March 4, 2023 – \$0.44).

11. SUPPLEMENTAL CASH FLOW INFORMATION

The following summarizes the net changes in non-cash items related to operating working capital:

| For the periods ended | 13 weeks | | 26 weeks | |
|--|---------------|---------------|---------------|---------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Accounts and other receivables | \$ 612 | \$ (256) | \$ 775 | \$ 200 |
| Inventories | (41) | 831 | (203) | 2,946 |
| Other current assets | (242) | 47 | (363) | 177 |
| Accounts payable and accrued liabilities | (3,375) | (5,122) | (931) | (9,258) |
| Deferred revenues | (125) | (4) | (55) | 373 |
| | \$ (3,171) | \$ (4,504) | \$ (777) | \$ (5,562) |

The following transactions had no cash impact for the 13 and 26 weeks ended:

| For the periods ended | 13 weeks | | 26 weeks | |
|------------------------------|---------------|---------------|---------------|---------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Financing activities | | | | |
| Unpaid debenture issue costs | \$ – | \$ 153 | \$ – | \$ 153 |

The following had a cash impact in the net cash generated from operating activities for the 13 and 26 weeks ended:

| For the periods ended | 13 weeks | | 26 weeks | |
|--|---------------|---------------|---------------|---------------|
| | March 2, 2024 | March 4, 2023 | March 2, 2024 | March 4, 2023 |
| Operating activities | | | | |
| Payments related to discontinuance of products related to on-demand offering | \$ – | \$ 127 | \$ – | \$ 127 |
| Payments made to reorganization and other related costs | 359 | 2,576 | 689 | 4,694 |

GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 2, 2024
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Goodfood has determined that the fair value of cash and cash equivalents, accounts and other receivables, and accounts payable and accrued liabilities approximate their respective carrying amounts at the consolidated statements of financial position date, due to the short-term maturity of those instruments.

Goodfood determined that the fair value of its debt approximates its carrying amount as it bears a variable interest rate at prime rate plus 3.00% which is a similar market interest rate for financial instruments with similar terms and risks.

The Company determined the valuation of its Debentures at issuance using Level 3 inputs. As at March 2, 2024, the Company determined that the fair value of its Debentures approximates \$26.0 million which was determined based on market trading value for 2025 Debentures and 2027 Debentures and market conditions for 2028 Debentures.

Liquidity risk:

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company manages its liquidity risk by monitoring its operating requirements. The Company prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

The Company monitors its risk of shortage of funds by monitoring forecasted and actual cash flows and maturity dates of existing financial liabilities and commitments and is actively managing its capital to ensure a sufficient liquidity position to finance its general and administrative, working capital and overall capital expenditures.

In order to manage its liquidity risk, the Company constantly reviews its operations and overall business to drive efficiencies to form the basis for positive cash flow and long-term profitable growth. The Company expects to have sufficient liquidities in order to repay its credit facilities when they become due in November 2024 should they not be renewed.

This assessment could be affected by economic, financial and future competitive factors, and other future events that are beyond the control of the Company. Management's liquidity assessment could be impacted if the actual operational performance is lower than the one used in the forecasted cash flows.