

Interim Condensed Consolidated Financial Statements of

## **GOODFOOD MARKET CORP.**

13 and 26 weeks period ended March 8, 2025 and March 2, 2024  
(Unaudited)

# GOODFOOD MARKET CORP.

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# GOODFOOD MARKET CORP.

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

	Note	13 weeks ended		26 weeks ended	
		March 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
Net sales		\$ 30,500	\$ 39,755	\$ 65,162	\$ 80,214
Cost of goods sold		17,502	22,646	38,443	47,176
Gross profit		12,998	17,109	26,719	33,038
Selling, general and administrative expenses		11,860	13,893	24,256	28,381
Reorganization and other related gains		–	(1,364)	–	(1,361)
Depreciation and amortization		1,670	1,818	3,251	3,773
Operating (loss) income		(532)	2,762	(788)	2,245
Net finance costs	6	1,856	1,369	3,287	2,825
<b>Net (loss) income, being comprehensive (loss) income</b>		<b>\$ (2,388)</b>	<b>\$ 1,393</b>	<b>\$ (4,075)</b>	<b>\$ (580)</b>
Basic and diluted (loss) income per share		\$ (0.03)	\$ 0.02	\$ (0.05)	\$ (0.01)
Basic weighted average number of common shares outstanding	8	77,972,720	76,937,849	77,626,368	76,717,152
Diluted weighted average number of common shares outstanding	8	77,972,720	77,349,482	77,626,368	76,717,152

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 8, 2025	September 7, 2024
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents		\$ 17,383	\$ 24,010
Marketable securities		1,721	—
Accounts and other receivables		3,583	2,178
Inventories		3,651	3,157
Other current assets		745	433
		<b>27,083</b>	<b>29,778</b>
<b>Non-current assets:</b>			
Fixed assets		7,223	7,655
Right-of-use assets		6,909	9,573
Intangible assets and goodwill	5	3,393	1,958
Lease receivables		3,916	3,042
Other non-current assets		359	309
<b>Total assets</b>		<b>\$ 48,883</b>	<b>\$ 52,315</b>
<b>Liabilities and Shareholders' Deficiency</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities		\$ 16,170	\$ 14,903
Deferred revenues		2,916	3,616
Debt		—	1,138
Current portion of convertible debentures	7	6,220	6,029
Current portion of lease obligations		2,977	2,961
		<b>28,283</b>	<b>28,647</b>
<b>Non-current liabilities:</b>			
Convertible debentures	7	39,966	39,376
Lease obligations		9,027	10,370
Other non-current liabilities	5	1,349	—
<b>Total liabilities</b>		<b>78,625</b>	<b>78,393</b>
<b>Shareholders' deficiency:</b>			
Common shares	8	182,427	181,727
Contributed surplus		7,159	7,448
Convertible debentures	7	5,367	5,367
Deficit		(224,695)	(220,620)
<b>Total shareholders' deficiency</b>		<b>(29,742)</b>	<b>(26,078)</b>
<b>Total liabilities and shareholders' deficiency</b>		<b>\$ 48,883</b>	<b>\$ 52,315</b>

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 8, 2025	
	Note	Common Shares	Contributed Surplus	Convertible Debentures	Deficit	Total	Non- controlling interest	Total Deficiency
Balance as at								
September 7, 2024		\$ 181,727	\$ 7,448	\$ 5,367	\$ (220,620)	\$ (26,078)	\$ –	\$ (26,078)
Net loss for the period		–	–	–	(4,075)	(4,075)	–	(4,075)
Share-based payments expense		–	435	–	–	435	–	435
Restricted share units vested	8	715	(715)	–	–	–	–	–
Employee share purchase plan	8	(15)	(9)	–	–	(24)	–	(24)
Non-controlling interest arising from a business combination	5	–	–	–	–	–	343	343
Long-term liability for the obligation to repurchase a non-controlling interest	5	–	–	–	–	–	(343)	(343)
<b>Balance as at</b>								
<b>March 8, 2025</b>		<b>\$ 182,427</b>	<b>\$ 7,159</b>	<b>\$ 5,367</b>	<b>\$ (224,695)</b>	<b>\$ (29,742)</b>	<b>\$ –</b>	<b>\$ (29,742)</b>
							March 2, 2024	
Balance as at								
September 2, 2023		\$ 180,369	\$ 8,009	\$ 5,367	\$ (217,187)	\$ (23,442)	\$ –	\$ (23,442)
Net loss for the period		–	–	–	(580)	(580)	–	(580)
Share-based payments expense		–	330	–	–	330	–	330
Restricted share units vested	8	796	(796)	–	–	–	–	–
Employee share purchase plan	8	(32)	(2)	–	–	(34)	–	(34)
<b>Balance as at</b>								
<b>March 2, 2024</b>		<b>\$ 181,133</b>	<b>\$ 7,541</b>	<b>\$ 5,367</b>	<b>\$ (217,767)</b>	<b>\$ (23,726)</b>	<b>\$ –</b>	<b>\$ (23,726)</b>

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)

		13 weeks		26 weeks	
For the periods ended	Note	March 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
<b>Operating:</b>					
Net (loss) income		\$ (2,388)	\$ 1,393	\$ (4,075)	\$ (580)
Adjustments for:					
Depreciation and amortization		1,670	1,818	3,251	3,773
Reversal of impairment of non-financial assets		—	(981)	—	(981)
Net gains on disposal of non-financial assets		(238)	(662)	(241)	(662)
Share-based payments expense		219	324	435	329
Net finance costs	6	1,856	1,369	3,287	2,825
Change in non-cash operating working capital	10	(2,471)	(3,171)	(1,818)	(777)
Other		200	—	198	—
<b>Net cash (used in) provided by operating activities</b>		<b>(1,152)</b>	<b>90</b>	<b>1,037</b>	<b>3,927</b>
<b>Investing:</b>					
Business combination, net of cash acquired	5	—	—	(1,200)	—
Additions to marketable securities		(1,501)	—	(2,001)	—
Additions to fixed assets		(265)	—	(453)	(32)
Additions to intangible assets		(147)	(118)	(321)	(246)
Interest received		210	262	527	564
Other		(27)	—	(16)	—
<b>Net cash (used in) provided by investing activities</b>		<b>(1,730)</b>	<b>144</b>	<b>(3,464)</b>	<b>286</b>
<b>Financing:</b>					
Repayment of debt		—	(313)	(1,138)	(2,301)
Payments of lease obligations		(744)	(828)	(1,529)	(1,500)
Interest paid		(241)	(228)	(1,506)	(1,613)
Other		(13)	(15)	(27)	(12)
<b>Net cash used in financing activities</b>		<b>(998)</b>	<b>(1,384)</b>	<b>(4,200)</b>	<b>(5,426)</b>
Decrease in cash and cash equivalents		(3,880)	(1,150)	(6,627)	(1,213)
Cash and cash equivalents, beginning of period		21,263	24,862	24,010	24,925
<b>Cash and cash equivalents, end of period</b>		<b>\$ 17,383</b>	<b>\$ 23,712</b>	<b>\$ 17,383</b>	<b>\$ 23,712</b>
Supplemental cash flow information		10			

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 8, 2025  
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

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## 1. REPORTING ENTITY

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Goodfood Market Corp. is a digital meal solutions brand in Canada, delivering fresh meals 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 subsidiaries 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 has its main production facility and administrative offices based in Montreal, Québec with an additional operating facility in Calgary, Alberta.

## 2. BASIS OF PREPARATION

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### 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 as issued by the IASB and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended September 7, 2024.

These interim condensed consolidated financial statements of the Company were approved by the Board of Directors ("Board") on April 21, 2025 for publication on April 22, 2025.

### 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;
- lease obligations, which are measured at the present value of minimum lease payments at lease inception; and
- Financial instruments measured at fair value through profit and loss including marketable securities and future contingent performance-based payment.

### 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.

# GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 8, 2025  
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

## 3. MATERIAL ACCOUNTING POLICIES

Material 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 7, 2024.

## 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 7, 2024.

## 5. BUSINESS COMBINATION

On November 13, 2024, the Company entered into a share purchase agreement to acquire 81% of the shares of Genuine Tea Inc. ("Genuine Tea") for a total consideration of \$2.2 million, including future consideration that is partially performance based. Genuine Tea is a leading Canadian craft tea company. The founding shareholders ("non-controlling shareholders") hold the remaining shares of Genuine Tea, with Goodfood having a right to acquire their shares in the future. For the 26 weeks ended March 8, 2025, total acquisition costs relating to Genuine Tea amounted to \$0.1 million and were included in selling, general and administrative expense.

As at March 8, 2025, the preliminary determination of the fair value of the assets acquired and liabilities assumed arising from the Genuine Tea acquisition is as follows:

Current assets <sup>(1)</sup>	\$	1,248
Current liabilities		(546)
Property, plant and equipment		3
Intangible assets and goodwill <sup>(2)</sup>		1,827
Right-of-use assets		24
Lease obligations		(24)
Other non-current liabilities		(632)
Fair value of the net assets acquired, excluding cash position at acquisition	\$	1,900
Cash and cash equivalents acquired		300
Fair value of net assets acquired	\$	2,200
Purchase price payable <sup>(3)</sup>		700
<b>Total cash consideration</b>	<b>\$</b>	<b>1,500</b>

<sup>(1)</sup> Excluding cash acquired.

<sup>(2)</sup> Includes \$0.8 million of goodwill.

<sup>(3)</sup> Includes \$0.5 million of future contingent performance-based payment.



# GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 8, 2025

(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

As part of the purchase agreement, the non-controlling shareholders of Genuine Tea were granted a put option, exercisable following, amongst other events, the seventh-year anniversary of the acquisition, allowing them to sell all the remaining shares of Genuine Tea to the Company. The purchase price will be a multiple of the applicable EBITDA, defined as net income or loss before net finance costs, depreciation and amortization and income taxes, for the twelve-month period before the put option is exercised. As at the acquisition date, the Company recorded a put option liability of \$0.4 million in non-current liabilities and reduced the non-controlling interest by the same amount.

## 6. NET FINANCE COSTS

	13 weeks		26 weeks	
	March 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
Interest expense on debt	\$ –	\$ 47	\$ 26	\$ 179
Interest expense on lease obligations	240	174	456	354
Interest expense on debentures, including accretion interest	1,508	1,383	2,976	2,738
Interest income	(210)	(262)	(505)	(564)
Fair value changes in marketable securities	280	–	280	–
Foreign exchange loss	18	5	23	15
Other finance costs	20	22	31	103
	<b>\$ 1,856</b>	<b>\$ 1,369</b>	<b>\$ 3,287</b>	<b>\$ 2,825</b>

## 7. CONVERTIBLE DEBENTURES

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

	March 8, 2025	September 7, 2024
Convertible debentures, liability component balance, beginning of period	\$ 45,405	\$ 41,752
Accretion interest	781	3,653
<b>Convertible debentures, liability component balance, end of period</b>	<b>\$ 46,186</b>	<b>\$ 45,405</b>
Current portion of convertible debentures, liability component	(6,220)	(6,029)
Non-current portion of convertible debentures, liability component balance	\$ 39,966	\$ 39,376

As at March 8, 2025, the total number of outstanding debentures was 47,953 (September 7, 2024 – 47,953) maturing as follows:

	Total number of outstanding debentures
2025	6,232
2027	29,046
2028	12,675

# GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 8, 2025  
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## 8. 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 8, 2025		March 2, 2024	
	Number of shares	Carrying amount	Number of shares	Carrying amount
Balance, beginning of period	77,340,092	\$ 181,727	76,525,507	\$ 180,369
Purchased and held in trust through employee share purchase plan	(66,195)	(24)	(101,862)	(34)
Restricted share units vested	1,592,157	715	555,699	796
Employee share purchase vested	48,217	9	12,513	2
<b>Balance, end of period</b>	<b>78,914,271</b>	<b>\$ 182,427</b>	<b>76,991,857</b>	<b>\$ 181,133</b>

### INCOME (LOSS) PER SHARE

	13 weeks		26 weeks	
For the periods ended	March 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
Basic weighted average number of common shares outstanding	77,972,720	76,937,849	77,626,368	76,717,152
Dilutive effect of restricted share units and stock options <sup>(1)</sup>	–	411,633	–	–
Diluted weighted average number of common shares outstanding	77,972,720	77,349,482	77,626,368	76,717,152

<sup>(1)</sup> Includes 398,365 shares related to restricted share units for the 13 weeks ended March 2, 2024.

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 and 26 weeks ended March 8, 2025 and for the 26 weeks ended March 2, 2024, the diluted loss per share calculation did not take into consideration the potential dilutive effect of 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.

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.

# GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 8, 2025  
(All tabular amounts are in thousands of Canadian dollars, except share information – Unaudited)

## 9. SHARE-BASED PAYMENTS

### RESTRICTED SHARE UNIT PLAN (RSU)

2,926,250 RSUs were granted during the 26 weeks ended March 8, 2025 (March 2, 2024 – 2,869,916 RSUs granted) and had a weighted average trading price for the five days immediately preceding the grant date of \$0.43 per unit (March 2, 2024 – \$0.30).

## 10. 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 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
Accounts and other receivables	\$ 184	\$ 612	\$ (256)	\$ 775
Inventories	152	(41)	146	(203)
Other current assets	(379)	(242)	(305)	(363)
Accounts payable and accrued liabilities	(2,217)	(3,375)	(703)	(931)
Deferred revenues	(211)	(125)	(700)	(55)
	\$ (2,471)	\$ (3,171)	\$ (1,818)	\$ (777)

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 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
<b>Operating activities</b>				
Payments made for reorganization and other related costs <sup>(1)</sup>	\$ –	\$ 359	\$ –	\$ 689
Payments made related to acquisition costs	75	–	102	–

<sup>(1)</sup> Payments made for reorganization and other related costs are mainly composed of penalties paid upon lease termination and employee termination and benefit costs paid as well as external advisors fees paid.

The following transactions had no cash impact in the net cash used in investing activities:

For the periods ended	13 weeks		26 weeks	
	March 8, 2025	March 2, 2024	March 8, 2025	March 2, 2024
<b>Investing activities</b>				
Unpaid fixed assets additions	\$ 138	\$ –	\$ 138	\$ –

# GOODFOOD MARKET CORP.

Notes to the Interim Condensed Consolidated Financial Statements – March 8, 2025  
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## 11. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

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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 the fair value of its marketable securities using level 1 input.

The Company determined the valuation of its Debentures at issuance using Level 1 and 3 inputs. As at March 8, 2025, the Company determined that the fair value of its debentures approximates \$25.3 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.

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.

## 12. SUBSEQUENT EVENTS

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On March 17, 2025, the Company announced its decision to exercise its Common Share Repayment Right (as defined herein) for the repayment of its outstanding \$6.232 million in 5.75% convertible unsecured subordinated debentures due March 31, 2025.

Goodfood elected to satisfy its obligation to pay the principal in respect of the 2025 Debentures by delivering common shares in lieu of cash (the “**Common Share Repayment Right**”).

On March 31, 2025, the Company issued a total of 19,271,032 Common Shares to holders of its \$6.232 million of outstanding debentures to repay the principal amount owing upon maturity, at an issue price of approximately \$0.32 in connection with the Common Share Repayment Right.