For Immediate Distribution

Goodfood Reports Second Quarter of 2025 Results with Net Sales of $31 million, Gross Profit of $13 million and Adjusted EBITDA[1] of $1 million

- *Net sales were $31 million in the second quarter of 2025, with gross margin[2] reaching 42.6% for a gross profit of $13 million*
- *Net loss of $2 million, adjusted EBITDA margin[1] of 4.5% and adjusted EBITDA[1] of $1 million for the quarter*
- *Cash flows used in operating activities of $1 million and adjusted free cash flow[1] was negative $1 million for the second quarter of 2025*
- *Cash balance and marketable securities at $19 million, with balance sheet further de-risked with repayment of 2025 Debentures on March 31, 2025*
- *Attained B Corp certification, joining global community of forward-thinking companies using business as a force for good*
- *Genuine Tea, Goodfood's first acquisition, performing well and benefitting from "Buy in Canada" movement, as we look to further build pipeline of deals and complete more acquisitions to expand our platform*

Montreal (Quebec), April 22, 2025

Goodfood Market Corp. ("**Goodfood**", "the **Company**", "**us**", "**we**" or "**our**") (TSX: FOOD), a leading Canadian online meal solutions company, today announced financial results for the 13 weeks and 26 weeks ended March 8, 2025.

"I am pleased to report that Goodfood delivered positive Adjusted EBITDA[1] for a ninth consecutive quarter, as our solid operational foundations and the flexibility of our cost structure enabled successfully navigating a persistently challenging consumer demand environment across Canada," said Jonathan Ferrari, Chief Executive Officer of Goodfood Market Corp. "Despite macroeconomic headwinds impacting consumer behavior and driving more cautious spending, our focus on product innovation, operational discipline, and cost efficiency drove continued profitability on an Adjusted EBITDA[1] basis," added Mr. Ferrari.

"We also reached a record basket size this quarter, as customers continued to upgrade recipes and add more meals to their baskets. The success of our new Value Plan, which has served as a great entry point for new customers, combined with our ongoing investments in digital enhancements that are reducing friction and improving ease-of-use of new features like protein customization helped drive these record order values. In addition to our focus on driving more value for our customers in these challenging times, we are also finding new ways to bring delicious and healthy convenience to their homes. In recent weeks, we launched our new line of Heat & Eat meals which were made available in select geographies and are off to a strong start with Goodfood members rating our meals with a score of 4.6 out of 5. Heat & Eat meals provide Goodfood with a new growth avenue and expand our target addressable market as we work to expand their availability across the country," continued Mr. Ferrari.

"Looking ahead, our priorities remain clear: to generate sustainable cash flows, de-risk our balance sheet as we did with the repayment in shares of our convertible debentures, maintain strong cost discipline, and scale our digital food platform with differentiated offerings, developed internally or through acquisitions as previously done with Genuine Tea, that meet the evolving needs of our customers. We are encouraged by the progress we have made and confident in our teams' ability to create long-term value," concluded Mr. Ferrari.

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[1] Please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release for corresponding definitions.

[2] Gross margin is defined as gross profit divided by net sales.

RESULTS OF OPERATIONS – SECOND QUARTER OF FISCAL 2025 AND 2024

The following table sets forth the components of the Company's interim condensed consolidated statement of (loss) income and comprehensive (loss) income:

(In thousands of Canadian dollars, except per share and percentage information)

For the 13 weeks periods ended		March 8, 2025		March 2, 2024		($)	(%)
Net sales	**$**	**30,500**	$	39,755	$	(9,255)	(23)%
Cost of goods sold		**17,502**		22,646		(5,144)	(23)%
Gross profit	**$**	**12,998**	$	17,109	$	(4,111)	(24)%
Gross margin		**42.6%**		43.0%		N/A	(0.4) p.p
Selling, general and administrative expenses		**11,860**		13,893		(2,033)	(15)%
Depreciation and amortization		**1,670**		1,818		(148)	(8)%
Reorganization and other related gains		**–**		(1,364)		1,364	(100%)
Net finance costs		**1,856**		1,369		487	36%
Net (loss) income, being comprehensive (loss) income	**$**	**(2,388)**	$	1,393	$	(3,781)	N/A
Basic and diluted (loss) income per share	**$**	**(0.03)**	$	0.02	$	(0.04)	N/A

VARIANCE ANALYSIS FOR THE SECOND QUARTER OF 2025 COMPARED TO SECOND QUARTER OF 2024

- The decrease in net sales is driven by the decrease in active customer driving lower orders partially offset by an increase in average order value. The decrease in active customers can be explained mainly by uncertainties regarding the future economic outlook related to tariffs driving customers towards spending more carefully in the months post the winter holiday as well as a more pronounced holiday seasonality in Fiscal 2025. The decrease in net sales was also partially offset by Genuine Tea's net sales in the second quarter of Fiscal 2025.
- The decrease in gross profit is driven mainly by a decrease in net sales as well as an increase in credits and incentives as a percentage of net sales compared to the same quarter last year. This decrease was partially offset by lower labour and packaging costs. Gross margin decreased slightly by 0.4 percentage points.
- The decrease in selling, general and administrative expenses is primarily due to lower marketing spend and wages and salaries. Selling, general and administrative expenses as a result of percentage of net sales increased by 4 percentage points to 38.9% compared to 34.9% in the same quarter last year primarily driven by lower net sales.
- The decrease in reorganization and other related gains is mainly due to net gains in Fiscal 2024 on reversal of impairment resulting from a sublease agreement concluded in the second quarter of Fiscal 2024.
- The increase in net finance costs is mainly explained by the revaluation of the Company's marketable securities to its fair value as at March 8, 2025.
- The increase in net loss is primarily driven by lower profitability as a result of lower net sales partially offset by lower selling, general and administrative expenses as well as reorganization activities in Fiscal 2024 which resulted in a gain due to a sublease agreement.

RESULTS OF OPERATIONS–YEAR TO DATE 2025 AND 2024

The following table sets forth the components of the Company's interim condensed consolidated statement of loss and comprehensive loss:

(In thousands of Canadian dollars, except per share and percentage information)

For the 26 weeks periods ended		March 8, 2025		March 2, 2024		($)	(%)
Net sales	**$**	**65,162**	$	80,214	$	(15,052)	(19)%
Cost of goods sold		**38,443**		47,176		(8,733)	(19)%
Gross profit	**$**	**26,719**	$	33,038	$	(6,319)	(19)%
Gross margin		**41.0%**		41.2%		N/A	(0.2) p.p
Selling, general and administrative expenses		**24,256**		28,381		(4,125)	(15)%
Depreciation and amortization		**3,251**		3,773		(522)	(14)%
Reorganization and other related gains		**–**		(1,361)		1,361	(100)%
Net finance costs		**3,287**		2,825		462	16%
Net loss, being comprehensive loss	**$**	**(4,075)**	$	(580)	$	(3,495)	603%
Basic and diluted loss per share	**$**	**(0.05)**	$	(0.01)	$	(0.04)	(400)%

VARIANCE ANALYSIS FOR THE YEAR-TO-DATE 2025 COMPARED TO YEAR-TO-DATE 2024

- The decrease in net sales is driven by the decrease in active customer driving lower orders partially offset by an increase in average order value. The decrease in active customers can be explained mainly by uncertainties regarding the future economic outlook related to tariffs driving customers towards spending more carefully as well as a more pronounced holiday seasonality in Fiscal 2025. The decrease in net sales was partially offset by Genuine Tea's net sales in Fiscal 2025.
- The decrease in gross profit is driven by lower net sales compared to the same period last year. This decrease was partially offset by lower labour and packaging costs. Gross margin remained relatively stable.
- The decrease in selling, general and administrative expenses is primarily due to lower marketing spend and wages and salaries. Selling, general and administrative expenses as a percentage of net sales increased by 1.8 percentage points from 35.4% to 37.2% primarily driven by lower net sales.
- The decrease in reorganization and other related gains is mainly due to net gains in Fiscal 2024 on reversal of impairment resulting from a sublease agreement concluded in the second quarter of Fiscal 2024.
- The increase in net finance costs is mainly explained by the revaluation of the Company's marketable securities to its fair value as at March 8, 2025.
- The increase in net loss is primarily driven by lower profitability as a result of lower net sales partially offset by lower selling, general and administrative expenses as well as conclusion of our restructuring activities in Fiscal 2024 which resulted in a gain due to a sublease agreement.

METRICS AND NON-IFRS FINANCIAL MEASURES–RECONCILIATION

EBITDA[1], ADJUSTED EBITDA[1] AND ADJUSTED EBITDA MARGIN [1]

The reconciliation of net (loss) income to EBITDA, adjusted EBITDA and adjusted EBITDA margin is as follows:

(In thousands of Canadian dollars, except percentage information)

	For the 13 weeks ended		For the 26 weeks ended	
	March 8, 2025	**March 2, 2024**	**March 8, 2025**	**March 2, 2024**
Net (loss) income	**$ (2,388)**	$ 1,393	**$ (4,075)**	$ (580)
Net finance costs	**1,856**	1,369	**3,287**	2,825
Depreciation and amortization	**1,670**	1,818	**3,251**	3,773
EBITDA	**$ 1,138**	$ 4,580	**$ 2,463**	$ 6,018
Share-based payments expense	**222**	325	**441**	338
Reorganization and other related gains	**–**	(1,364)	**–**	(1,361)
Acquisition costs	**–**	–	**99**	–
Adjusted EBITDA	**$ 1,360**	$ 3,541	**$ 3,003**	$ 4,995
Net sales	**$ 30,500**	$ 39,755	**$ 65,162**	$ 80,214
Adjusted EBITDA margin (%)	**4.5%**	8.9%	**4.6%**	6.2%

For the 13 weeks ended March 8, 2025, adjusted EBITDA margin decreased by 4.4% compared to the same quarter last year mainly driven by lower net sales as a result of lower active customers with lower order rates. Overall, adjusted EBITDA decreased by $2.2 million this quarter compared to the same quarter last year while net sales decreased by $9.3 million. The lower net sales impact to adjusted EBITDA was partially offset by a relatively stable gross margin and lower marketing spend, wages and salaries, computer software and other general and administrative expenses, while a stable gross margin helped sustain positive adjusted EBITDA.

For the 26 weeks ended March 8, 2025, adjusted EBITDA margin decreased by 1.6% compared to the same quarter last year mainly driven by lower net sales as a result of lower active customers. Overall, adjusted EBITDA decreased by $2.0 million compared to the same period last year while net sales decreased by $15.1 million. The lower net sales impact to adjusted EBITDA was partially offset by a relatively stable gross margin and lower marketing spend, wages and salaries, computer software and other general and administrative expenses, while a stable gross margin helped sustain positive adjusted EBITDA.

[1] Please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release for corresponding definitions.

FREE CASH FLOW[1] AND ADJUSTED FREE CASH FLOW [1]

The reconciliation of net cash flows from operating activities to free cash flow and adjusted free cash flow is as follows:

(In thousands of Canadian dollars)

	For the 13 weeks ended		For the 26 weeks ended	
	March 8, 2025	March 2, 2024	**March 8, 2025**	March 2, 2024
Net cash (used in) provided by operating activities	**$ (1,152)**	$ 90	**$ 1,037**	$ 3,927
Additions to fixed assets	**(265)**	–	**(453)**	(32)
Additions to intangible assets	**(147)**	(118)	**(321)**	(246)
Free cash flow	**$ (1,564)**	$ (28)	**$ 263**	$ 3,649
Payments made to reorganization and other related costs	**–**	359	**–**	689
Payments made to acquisition costs	**75**	–	**102**	–
Adjusted free cash flow	**$ (1,489)**	$ 331	**$ 365**	$ 4,338

For the 13 weeks ended March 8, 2025, adjusted free cash flow decreased by $1.8 million compared to the same period last year mainly driven by an increase in the Company's net loss as a result of lower net sales. In addition, in the second quarter of Fiscal 2025, the Company invested more in capital expenditures driven by mandated fire compliance work in the Montreal warehouse.

For the 26 weeks ended March 8, 2025, adjusted free cash flow decreased by $4.0 million compared to the same period last year mainly driven by an increase in the Company's net loss as a result of lower net sales as well as an unfavorable change in non-cash operating working capital due to timing of government related refunds. In addition, in Fiscal 2025, the Company invested more in capital expenditures driven by mandated fire compliance work in the Montreal warehouse.

CAPITAL STRUCTURE

(In thousands of Canadian dollars, except ratio information)

	March 8, 2025	March 2, 2024
Debt	**$ –**	$ 1,763
Convertible debentures, liability component, including current portion	**46,186**	43,475
Total debt	**46,186**	45,238
Cash and cash equivalents	**17,383**	23,712
Marketable securities	**1,721**	–
Total net debt (1)	**27,082**	21,526
Adjusted EBITDA (trailing 12 months) (1)	**7,071**	8,985
Total net debt to adjusted EBITDA (1)	**3.83**	2.40

(1) For the definition of these Non-IFRS financial measures, please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release.

The Company's total net debt increased by $5.6 million and its total net debt to adjusted EBITDA ratio was 3.83 compared to 2.40 last year. This is mainly explained by the Company's reduction in cash and cash equivalents driven by the Genuine Tea acquisition as well as the result of the increase in net present value of the 2025 Debentures related to the effective interest.

[1] Please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release for corresponding definitions.

Subsequent to the second quarter of Fiscal 2025, the Company's 2025 Debentures matured. In order to maintain future financial flexibility, the Company elected to repay these debentures in shares rather than cash and converted 6,232 Debentures into 19,271,032 Commons Shares. Total net debt to adjusted EBITDA[1] ratio would have been 2.95 had this been reflected in the Company's second quarter of Fiscal 2025.

FINANCIAL OUTLOOK

Goodfood's core purpose is to create experiences that spark joy and help our community live longer on a healthier planet. As a food brand with a strong following from Canadians coast to coast, we are focused on growing the Goodfood brand through our meal solutions including meal kits and prepared meals, with a range of exciting Goodfood branded add-ons to complete a unique food experience for customers.

In recent quarters, our focus has been and continues to be on further growing cash flows, deleveraging and creating experiences that spark joy in Canadians' kitchens. We are pleased to have now reported nine consecutive quarters of positive adjusted EBITDA[1]. The consistent adjusted EBITDA[1] generated has led to significant deleveraging, with net leverage[1] now standing at 3.83 on a trailing twelve months basis.

To scale our efforts and capture an increasing share of the Canadian meal solutions market and grow our customer base, we first aimed to build customer acquisition cost efficiencies. We have also made and continue to make investments in our digital product to elevate the customer experience by reducing friction and enhancing ease of use. Combined with reactivations of previous Goodfood members, these initiatives have driven a double-digit percentage reduction of our customer acquisition costs year-over-year and improved the profitability and unit economics of customers.

We have also increasingly enhanced product variety to delight our customers. We increased the diversity of our recipe and ingredient offering to provide additional choices. With a focus on *Better-for-You* products and paleo and keto meals, combined with exciting partnerships with first-rate restaurants and chefs, we plan on offering a growing and mouth-watering selection. Also, to capture customers increasingly looking for value, we have launched a new Value plan, starting at $9.99 a portion and we are testing various plan adjustments to attract a broader set of customers to our delicious meals. Finally, in recent weeks, we re-launched our ready-to-eat offering, providing Canadians with an increasing variety of meal solutions options to put in their baskets.

As a result, the dollar-value of the baskets our customers are building is also increasing and reached a record this quarter as we are building a differentiated set of meal kits, ready-to-eat meals and grocery add-ons to provide Canadians with an exciting online meal solutions option. In addition, we have provided and continue to provide more choice of proteins to our customers, with the customization within our meal-kit recipes allowing customers to swap or double the proteins included in their chosen recipes. With these initiatives, we aim to provide customers with an array of options to easily make their meals better and their baskets bigger.

We are also continuously looking to enhance our sustainability initiatives by prioritizing planet-friendly options. Not only do we offer perfectly portioned ingredients to reduce food waste, we also constantly look to simplify our supply chain by removing middlemen from farm to kitchen table. This year, we are also offsetting carbon emissions on deliveries and introducing packaging innovations that have helped us to remove the equivalent of 2.4 million plastic bags annually from our deliveries. Our goal is clear, build a business that helps our customers live healthier lives on a healthier planet. (See Goodfood's 2024 Annual Information Form for additional information and details on Goodfood's partnership with Carbonzero and its Fiscal 2023 Greenhouse Gas Emissions Inventory). We also recently received our B Corp certification, further cementing our commitment to sustainability.

In addition to focusing on these key pillars of top-line growth, we are increasingly considering various other growth avenues, including acquisitions. In November of 2024, we announced our first acquisition, Genuine Tea.

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[1] Please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release for corresponding definitions.

Genuine Tea is a leading third-wave craft tea Company with an attractive growth and margin profile. This acquisition is the first step in building our platform of next-generation brands.

Our strategic execution to drive profitability and cash flows continues to position us for growth and profitability, underpinned by consistent improvement in adjusted EBITDA[1] and cash flows. Coupled with our unrelenting focus on nurturing our customer relationships, profitable growth remains our top priority. The Goodfood team is fully focused on building and growing Canada's most loved portfolio of next-generation millennial brands.

TRENDS AND SEASONALITY

The Company's net sales and expenses are impacted by seasonality. During the winter holiday season and the summer season, the Company anticipates net sales to be lower as a higher proportion of customers elect to skip their delivery. The Company generally anticipates the number of active customers to be lower during these periods. During periods with significantly colder or warmer weather, the Company anticipates packaging costs to be higher due to the additional packaging required to maintain food freshness and quality.

CONFERENCE CALL

Goodfood will hold a conference call to discuss these results on April 22, 2025 at 8:00AM Eastern Time. Interested parties can join the call by dialing 1-800-717-1738, (Toronto or overseas) or 1-514-400-3792, (elsewhere in North America). To access the webcast and view the presentation, click on this link: https://www2.makegoodfood.ca/en/investisseurs/evenements

Parties unable to call in at this time may access a recording by calling 1-888-660-6264 and entering the playback passcode 65163. This recording will be available until April 29, 2025.

A full version of the Company's Management's Discussion and Analysis (MD&A) and interim condensed consolidated financial statements and notes for the 13 weeks and 26 weeks ended March 8, 2025, will be posted on the Company's SEDAR+ profile, accessible at http://www.sedarplus.ca later today.

METRICS AND NON-IFRS FINANCIAL MEASURES

Certain non-IFRS financial measures included in this news release 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. For a more complete description of these measures and a reconciliation of Goodfood's non-IFRS financial measures to financial results, please see Goodfood's Management's Discussion and Analysis for the 13 weeks and 26 weeks ended March 8, 2025.

Goodfood's definition of the non-IFRS financial measures are as follows:

- An active customer is a customer that has placed an order on our e-commerce platforms, including our subsidiaries, 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.

[1] Please refer to the "Metrics and Non-IFRS Financial Measures" section of this news release for corresponding definitions.

- EBITDA is defined as net income or loss before net finance costs, depreciation and amortization and income taxes. 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 and reversal of impairment of non-financial assets and reorganization and other related (gains) costs pursuant to the Company’s costs saving initiatives as well as acquisition costs. Adjusted EBITDA margin is defined as the percentage of adjusted EBITDA to net sales. EBITDA, adjusted EBITDA, and adjusted EBITDA margin are non-IFRS financial measures. We believe that EBITDA, adjusted EBITDA, and adjusted EBITDA margin are useful measures of financial performance to assess the Company’s ability to seize growth opportunities in a cost-effective manner, to finance its ongoing operations and to service its debt. They also allow comparisons between companies with different capital structures. We also believe that these metrics are useful measures of financial performance to assess underlying trends in our ongoing operations without the variations caused by the impacts of the items described above and facilitates the comparison across reporting periods.
- Free cash flow is defined as net cash from 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 as well as acquisition costs. 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. We also believe that this metric is a useful measure of financial and liquidity performance to assess underlying trends in our ongoing operations without the variations caused by the impacts of the items described above and facilitates the comparison across reporting periods.
- Total net debt to adjusted EBITDA is calculated as total net debt divided by the last four quarters adjusted EBITDA. Total net debt consists of debt and the liability component of the convertible debentures less cash and cash equivalents and marketable securities. The last four quarters adjusted EBITDA is calculated by summing the actual adjusted EBITDA results of the current quarter and the three immediately preceding quarters. We believe that total net debt to adjusted EBITDA is a useful metric to assess the Company’s ability to manage debt and liquidity.

Please refer to the “Metrics and non-IFRS financial measures – reconciliation” and the “Liquidity and capital resources” sections of the MD&A for a reconciliation of these non-IFRS financial measures to the most comparable IFRS financial measures.

ABOUT GOODFOOD

Goodfood (TSX: FOOD) is a leading digitally native 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. The Goodfood team is building Canada's most loved millennial food brand, with the mission to create experiences that spark joy and help our community live longer on a healthier planet. Goodfood customers have access to uniquely fresh and delicious products, as well as exclusive pricing, made possible by its world-class culinary team and direct-to-consumer infrastructures and technology. Goodfood is passionate about connecting its partner farms and suppliers to its customers' kitchens while eliminating food waste and costly retail overhead. The Company's administrative offices are based in Montreal, Québec, with production facilities located in the provinces of Quebec and Alberta.

Except where otherwise indicated, all amounts in this news release are expressed in Canadian dollars.

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FORWARD-LOOKING INFORMATION

This news 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 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 53 weeks ended September 7, 2024, available on SEDAR+ at www.sedarplus.ca and under the "Events and Presentations" section of our website at www.makegoodfood.ca/en/investors: history of negative operating cash flow, 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, social media, 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 centres and logistics channels, factors which may prevent realization of growth targets, general economic conditions and disposable income levels, 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, climate change and environmental risks, losing our certified B Corp status, as well as an inability to maintain high social responsibility standards could lead to reputational damage and adversely affect our business and Environment, Social and Governance ("**ESG**") matters. 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.

The Company’s sales and financial results are impacted by the health of the economy in Canada and are subject to numerous uncertainties such as the tariffs imposed by the government of the United States. Weakness in sales or consumer confidence could result in an increasingly challenging operating environment. Despite the Company sourcing most of its products in Canada, these tariffs can increase costs of goods sourced locally.

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.