

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's mission is 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 exceptional 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, Quebec, with production facilities located in the provinces of Quebec, Ontario and Alberta.



2025 AT A GLANCE



The following table provides a summary of our locations currently operating:

	Total number of locations	Administrative offices	Manufacturing centers	Fulfillment facilities
Greater Montreal Area (Quebec)	1	X	X	X
Greater Toronto Area (Ontario)	3	X		X
Calgary (Alberta)	1		X	X

1. This is a metric or non-IFRS financial measure which does not have a standardized meaning prescribed by IFRS and may therefore not be comparable to similar measures presented by other issuers. Please refer to the Metrics and Non-IFRS financial measures section in the Management's Discussion and Analysis.

3

**PRODUCTION
FACILITIES**

485

EMPLOYEES

66K

**QUARTERLY ACTIVE
CUSTOMERS¹**

\$121 M

NET SALES

3-YEAR FINANCIAL HIGHLIGHTS

For the years ended	September 6 2025	%Δ	September 7, 2024	%Δ	September 2, 2023
Operating Results					
Net sales	120,879	(21%)	152,838	(9%)	168,558
Gross Profit	50,399	(20%)	62,978	(4%)	65,380
Adjusted EBITDA ¹	6,093	(33)%	9,063	93%	4,695
Net loss being comprehensive loss	(8,095)	136%	(3,433)	(79%)	(16,463)
Basic and diluted loss per share	(0.09)	80%	(0.05)	(77%)	(0.22)
Operating Metrics					
Gross Margin ²	41.7%	0.5 pp	41.2%	2.4 pp	38.8%
Adjusted EBITDA Margin ¹	5.0%	(0.9) pp	5.9%	3.1 pp	2.8%
Financial Position					
Cash and marketable securities ³	15,770		24,010		24,925
Fixed assets	6,230		7,655		11,026
Total assets	41,762		52,315		57,808
Total debt ⁴	—		1,138		4,036
Total convertible debentures ⁵	45,471		50,772		47,119
Total shareholders' deficiency	(27,267)		(26,078)		(23,442)
Cash flows provided by (used in)					
Operating activities	1,981		7,494		(9,350)
Investing activities	(4,770)		773		1,960
Financing activities	(8,876)		(9,182)		(4,570)

1. This is a metric or non-IFRS financial measure which does not have a standardized meaning prescribed by IFRS and may therefore not be comparable to similar measures presented by other issuers. Please refer to the Non-IFRS financial measures section in the Management's Discussion and Analysis.

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

3. Cash and marketable securities is defined as the sum of cash, cash equivalents and marketable securities

4. Includes the current portion of long-term debt.

5. Includes the liability and equity components of the convertible debentures.



BOARD OF DIRECTORS



SELIM BASSOUL

Chairman of the Board



NEIL CUGGY

Co-Founder, Director,
President and COO



JOHN KHABBAZ

Director



DONALD OLDS

Director



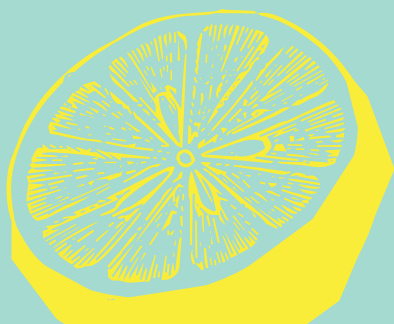
TERRY YANOFSKY

Director





MANAGEMENT'S DISCUSSION AND ANALYSIS



YEAR ENDED SEPTEMBER 6, 2025

Management's Discussion and Analysis of

GOODFOOD MARKET CORP.

For the 13 weeks and 52 weeks ended September 6, 2025

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BASIS OF PRESENTATION

The following Management's Discussion and Analysis ("**MD&A**") is intended to assist readers in understanding the business environment, trends and significant changes in the results of operations and financial condition of Goodfood Market Corp. and its subsidiaries (the "**Company**" or "**Goodfood**") for the 13 weeks and 52 weeks ended September 6, 2025 and should be read in conjunction with its audited annual consolidated financial statements and the accompanying notes for the 52 weeks ended September 6, 2025. Please also refer to Goodfood's press release announcing its results for the 13 weeks and 52 weeks ended September 6, 2025, issued on November 27, 2025.

Quarterly reports, the Annual Report, and the Annual Information Form can be found on SEDAR+ at www.sedarplus.ca and under the "Investor Relations – Financial Information" section of our website: <https://www.makegoodfood.ca/en/investors>. Press releases are available on SEDAR+ and under the "Investor Relations – Press Releases" section of our corporate website.

The Company's annual audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the financial information herein was derived from those statements.

The Company follows a floating year-end ending on the first Saturday of September each year. As a result, the fiscal year is usually 52 weeks with a 53rd week every five to six years. Fiscal year 2025 had 52 weeks whereas Fiscal 2024 had 53 weeks. The additional week occurred in the fourth quarter of Fiscal 2024.

All amounts herein are expressed in Canadian dollars unless otherwise indicated. Certain totals, subtotals and percentages may not agree due to rounding.

In this MD&A, references to "we", "our", "Goodfood" or the "Company" refer to Goodfood Market Corp. and its subsidiaries on a consolidated basis.

Management determines whether information is material based on whether they believe a reasonable investor's decision to buy, sell or hold securities of the Company would likely be influenced or changed should the information be omitted or misstated, and discloses material information accordingly.

The information in this MD&A is current to November 27, 2025, unless otherwise noted.

KEY FINANCIAL HIGHLIGHTS

This section provides a summary of our financial performance for Fiscal 2025 and the fourth quarter compared to the same period in 2024. We present metrics and measures to help investors better understand our performance, including certain metrics and measures which are not recognized by IFRS. Definitions of these non-IFRS financial measures are provided in the "Metrics and Non-IFRS Financial Measures" section of this MD&A and are important metrics to be considered when analyzing our performance. 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" section of this MD&A.

HIGHLIGHTS OF FISCAL 2025 COMPARED TO FISCAL 2024

- Net sales were \$120.9 million, a 21% decrease from \$152.8 million compared to the same period last year.
- Gross margin¹ was 41.7%, a 0.5 percentage points increase compared to the same period last year and gross profit of \$50.4 million decreased by \$12.6 million or 20% compared to the same period last year.
- Net loss was \$8.1 million, an increase of \$4.7 million, compared to a net loss of \$3.4 million in the same period last year.
- Adjusted EBITDA margin² was 5.0%, a decrease of 0.9 percentage points compared to the same period last year.
- Net cash flows provided by operating activities were \$2.0 million compared to \$7.5 million, a \$5.5 million decrease compared to the same period last year
- Adjusted free cash flow² was \$2.2 million compared to \$7.6 million, a \$5.4 million decrease compared to the same quarter last year.

HIGHLIGHTS OF THE FOURTH QUARTER OF 2025 COMPARED TO THE FOURTH QUARTER OF 2024

- Net sales were \$25.0 million, a 27% decrease from \$34.1 million compared to the same quarter last year.
- Gross margin¹ was 40.3%, an increase of 2.2 percentage points and gross profit was \$10.1 million, a decrease of \$2.9 million or 22% compared to the same quarter last year.
- Net loss was \$4.1 million, an increase of \$1.0 million from net loss of \$3.2 million in the same quarter last year.
- Adjusted EBITDA margin² of 1.7%, an increase of 0.2 percentage points compared to the same quarter last year.
- Net cash flows provided by operating activities were \$0.3 million, compared to net cash flows used in operating activities of \$0.9 million, a \$1.3 million increase compared to the same quarter last year.
- Adjusted free cash flow² was \$1.7 million compared to negative \$1.1 million, a \$2.8 million increase compared to the same quarter last year.
- Active customers² of 66,000 compared to 101,000 for the same quarter last year.

¹ Gross margin is defined as gross profit divided by net sales.

² Please refer to the "Metrics and Non-IFRS Financial Measures" section of this MD&A for corresponding definitions.

FORWARD-LOOKING INFORMATION

This MD&A 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 6, 2025 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.

METRICS AND NON-IFRS FINANCIAL MEASURES

The table below defines metrics and non-IFRS financial measures used by the Company throughout this MD&A. 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.

In the first quarter of Fiscal 2025, the Company ceased the review of its adjusted gross profit and adjusted gross margin non-IFRS measures. These non-IFRS measures were used to measure the Company's performance excluding the impact of the discontinuance of products related to Goodfood On-Demand offering pursuant to the Company's costs saving initiatives. The Company has not had significant adjustments to its adjusted gross profit and adjusted gross margin since the third quarter of Fiscal 2023. Therefore, these non-IFRS measures no longer represent the best measures used by the Company to assess performance.

Metrics	Definitions
Active customers	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.
EBITDA, Adjusted EBITDA & Adjusted EBITDA margin	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, impairment and reversal of impairment of non-financial assets and reorganization and other related net costs (gains) 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. Please refer to the "Metrics and non-IFRS financial measures – reconciliation" section of the MD&A for a reconciliation of these non-IFRS financial measures to the most comparable IFRS financial measures.
Free cash flow & Adjusted free cash flow	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. Please refer to the "Metrics and non-IFRS financial measures – reconciliation" section of the MD&A for a reconciliation of these non-IFRS financial measures to the most comparable IFRS financial measures.
Total net debt to adjusted EBITDA (also named net leverage)	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 "Liquidity and Capital Resources" section of the MD&A for a reconciliation of this non-IFRS financial measure to the most comparable IFRS financial measures.

COMPANY OVERVIEW

WHO WE ARE AND OUR VISION

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's mission is 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 exceptional 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.

In the past year, Goodfood has sought to expand its platform by launching a strategy to acquire brands to add to its platform and reach more customers across new verticals. In November 2024, the Company completed its first acquisition, Genuine Tea, a leading Canadian craft tea company, broadening its offering to Canadians coast-to-coast.

OUR OPERATIONS

The Company's main production facility and administrative offices are based in Montreal, Quebec with additional locations in the provinces of Ontario and Alberta.

Together, our Montreal and Calgary facilities serve the whole of Canada, aligned with our go-forward strategy centered around building the Goodfood brand through our weekly meal plans and add-ons nationally, providing Goodfood branded grocery and ready-to-eat products, as well as increasing flexibility and access to our products over time. Genuine Tea also has a production and fulfilment facility in the Greater Toronto Area that is also used as their administrative office.

The following table provides a summary of our operating locations as at November 27, 2025:

	Total number of locations	Administrative offices	Manufacturing centres	Fulfillment facilities
Greater Montreal Area (Quebec)	1	X	X	X
Greater Toronto Area (Ontario)	3	X		X
Calgary (Alberta)	1		X	X

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 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. Goodfood is also broadening its offering of differentiated brands and products to Canadians through acquisitions, with Genuine Tea, a leading craft tea company based out of Toronto, the first acquisition, completed in late 2024.

In recent quarters, our focus has been and continues to be on consistently generating positive cash flows, deleveraging and creating experiences that spark joy in Canadians' kitchens. We continue to deliver positive Adjusted EBITDA¹ on a quarterly and annual basis, and more importantly, we are also increasingly enhancing 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, we plan on offering a growing and mouth-watering selection of recipes inspired by global cuisine and unique ingredients. 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 months, we launched our Heat & 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 year 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 and we are also offsetting carbon emissions on deliveries while introducing planet-friendly packaging innovations. Our goal is clear, build a business that helps our customers live healthier lives on a healthier planet. 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. 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 EBITDA¹ 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 brands.

¹ Please refer to the "Metrics and Non-IFRS Financial Measures" section of this MD&A for corresponding definitions.

FISCAL 2025 AT A GLANCE

CEO Transition and New Board Chair Appointment

On August 20, 2025, the Company announced that co-founder, Chair and CEO Jonathan Ferrari stepped down from his executive roles. In parallel, Selim Bassoul was appointed Chair of the Board, bringing extensive board and executive leadership experience, including his role as Executive Chairman of Six Flags Entertainment Corporation. Jonathan Ferrari stepped down as a director of the Board as of September 22, 2025.

The Company also announced that Neil Cuggy, co-founder, President and COO, would continue his executive functions, leading the day-to-day operations and assist the Board as it launches a formal operating review to enhance its long-term strategy, aimed at securing a sustainable competitive edge and reinforcing the Company's business model to navigate its next critical phase.

B Corp Certification

On April 1, 2025, the Company announced its newly achieved B Corp certification, a testament to its unwavering commitment to social and environmental responsibility, and the Canadian economy. The B Corp certification recognizes that Goodfood is at the highest level of governance and ethical standards to all of their stakeholders including suppliers, customers, employees, and shareholders, alongside consciously reducing the use of water and electricity resources in their facilities. This milestone aligns with Goodfood's ongoing mission to deliver high-quality Canadian meals, while supporting sustainable practices and providing consumers with true assurance of their environmental commitment. Delivering fresh, healthy and local ingredients and easy-to-follow recipes to Canadians' doorsteps, Goodfood supports Canadians in living healthier, sparking joy and impact through their food.

Common Share Repayment of 2025 Debentures

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 (the "**2025 Debentures**"). This decision, approved by the Board, aims to preserve cash and maintain financial flexibility in the current economic environment.

Goodfood elected to satisfy its obligation to pay the principal in respect of the 2025 Debentures by delivering common shares (valued at 95% of the 20-day volume-weighted average price of the common shares on the TSX ending 5 trading days prior to March 31, 2025) in lieu of cash (the "**Common Share Repayment Right**").

On March 24, 2025, the Company announced it would issue Common Shares to holders of its \$6.232 million of outstanding debentures in full satisfaction of the principal amount owing upon maturity, at an issue price of approximately \$0.32 in connection with the Common Share Repayment Right. The number of Common Shares issued was 19,184,573. By utilizing Common Shares instead of cash, Goodfood seeks to enhance its ability to pursue strategic acquisitions and other growth initiatives while maintaining a strong balance sheet.

Bitcoin Strategy

In Fiscal 2025, the Company announced that it would be adopting Bitcoin as a reserve asset through a spot Exchange-Traded Fund (ETF) as part of its treasury management strategy and that it planned to allocate a portion of future excess cash flows to Bitcoin. This initiative aligns with the Company's long-term value creation strategy, serving as an economic hedge against inflation and currency depreciation while reinforcing Goodfood's commitment to financial resilience and innovation.

Acquisition of Genuine Tea

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 hold the remaining shares of Genuine Tea, with Goodfood having a right to acquire their shares in the future. As at September 6, 2025, total acquisition costs relating to Genuine Tea amounted to \$0.1 million and were included in selling, general and administrative expense. The details of the net assets acquired are disclosed in Note 7 of the Company's audited consolidated financial statements.

New Partnership

Since Fiscal 2024, to demonstrate Goodfood's commitment to delivering high-quality meals to consumers by providing them with an elevated dining experience, the Company offers limited-time only partnerships. In the first quarter of Fiscal 2025, the Company has teamed up with Michelin-recommended restaurant L'Abattoir. This partnership brought elevated French inspired cuisine from one of Canada's best 100 restaurants to subscribers nationwide.

METRICS AND NON-IFRS FINANCIAL MEASURES – RECONCILIATION

We present certain metrics to assist investors in better understanding our performance, including metrics which are not measures recognized by IFRS. Definitions of these non-IFRS financial measures are provided in the "Metrics and Non-IFRS Financial Measures" section at the beginning of this MD&A and are important metrics to be considered when analyzing our performance.

ACTIVE CUSTOMERS

	For the 13 and 14 weeks ended		For 52 and 53 weeks ended	
	September 6, 2025	September 7, 2024	September 6, 2025	September 7, 2024
Active customers, beginning of period	76,000	105,000	101,000	116,000
Net change in active customers	(10,000)	(4,000)	(35,000)	(15,000)
Active customers, end of period	66,000	101,000	66,000	101,000
% net change in active customers	(13)%	(4)%	(35)%	(13)%

Active customers decreased by 10,000 for the 13 weeks ended September 6, 2025, compared to a decrease of 4,000 in the same quarter last year. The decrease was largely driven by lower order rates as a result of lower marketing and incentive offerings as well as one less week in the fourth quarter of Fiscal 2025. This decline was partially offset by growth from the Genuine Tea acquisition.

Active customers decreased by 35,000 for the 52 weeks ended September 6, 2025, compared to a decrease of 15,000 in the same period last year. The decrease was largely driven by a decrease in marketing spend and incentive offerings, uncertainties regarding economic outlook and consumer spending driving customers towards spending more carefully and trading down, as well as a more pronounced seasonality in Fiscal 2025. This decline was partially offset by growth from the Genuine Tea acquisition.

EBITDA, ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

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

(In thousands of Canadian dollars, except percentage information)

	For the 13 and 14 weeks ended		For 52 and 53 weeks ended	
	September 6, 2025	September 7, 2024	September 6, 2025	September 7, 2024
Net loss	\$ (4,074)	\$ (3,160)	\$ (8,095)	\$ (3,433)
Net finance costs	1,124	1,476	5,375	5,514
Depreciation and amortization	1,373	1,879	5,957	7,381
Income tax (recovery) expense	(15)	—	10	—
EBITDA	\$ (1,592)	\$ 195	\$ 3,247	\$ 9,462
Share-based payments expense	240	231	944	879
Reorganization and other related net costs (gains)	1,789	34	1,789	(1,327)
Acquisition costs	—	49	113	49
Adjusted EBITDA	\$ 437	\$ 509	\$ 6,093	\$ 9,063
Net sales	\$ 25,034	\$ 34,063	\$ 120,879	\$ 152,838
Adjusted EBITDA margin (%)	1.7%	1.5%	5.0%	5.9%

For the 13 weeks ended September 6, 2025, adjusted EBITDA margin increased by 0.2% compared to the same quarter last year. This result was mainly driven by improved gross margin due to higher average order value, lower marketing spend and wages and salaries in selling, general and administrative expenses, partially offset by higher shipping, fulfilment and labour costs due to lower orders. The increase was also partially offset by lower net sales as a result of lower active customers and lower order rates. Overall, adjusted EBITDA decreased by \$0.1 million this quarter compared to the same quarter last year while net sales decreased by \$9.0 million.

For the 52 weeks ended September 6, 2025, adjusted EBITDA margin decreased by 0.9% compared to the same period last year mainly driven by lower net sales as a result of lower active customers and lower order rates. Overall, adjusted EBITDA decreased by \$3.0 million compared to the same period last year while net sales decreased by \$32.0 million. The lower net sales impact on the adjusted EBITDA was partially offset by lower marketing spend and wages and salaries as well as a slight improvement in gross margin mainly due to an increase in average order value.

FREE CASH FLOW AND ADJUSTED FREE CASH FLOW

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 and 14 weeks ended		For 52 and 53 weeks ended	
	September 6, 2025	September 7, 2024	September 6, 2025	September 7, 2024
Net cash provided by (used in) operating activities	\$ 346	\$ (932)	\$ 1,981	\$ 7,494
Additions to fixed assets	(121)	(5)	(932)	(49)
Additions to intangible assets	(120)	(165)	(585)	(578)
Free cash flow	\$ 105	\$ (1,102)	\$ 464	\$ 6,867
Payments made to reorganization and other related costs	1,608	–	1,608	736
Payments made to acquisition costs	–	–	165	–
Adjusted free cash flow	\$ 1,713	\$ (1,102)	\$ 2,237	\$ 7,603

For the 13 weeks ended September 6, 2025, adjusted free cash flow was \$1.7 million compared to negative \$1.1 million in the same period last year. This \$2.8 million improvement is driven mainly by a favorable change in accounts payable and accrued liabilities due to timing of vendor payments and lower volume partially offset by a decrease in profitability resulting from lower net sales.

For the 52 weeks ended September 6, 2025, adjusted free cash flow decreased by \$5.4 million compared to the same period last year mainly driven by a decrease in profitability resulting from lower net sales as well as an unfavorable change in accounts and other receivables due to government refunds in the third quarter of Fiscal 2024 partially offset by a favorable change in inventories due to continued improvements in inventory management. In addition, in Fiscal 2025, the Company invested more in capital expenditures driven by mandated fire compliance work in the Montreal warehouse.

RESULTS OF OPERATIONS – FISCAL 2025 AND 2024

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

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

For the 52 and 53 weeks ended	September 6, 2025	September 7, 2024	(\$)	(%)
Net sales	\$ 120,879	\$ 152,838	\$ (31,959)	(21)%
Cost of goods sold	70,480	89,860	(19,380)	(22)%
Gross profit	\$ 50,399	\$ 62,978	\$ (12,579)	(20)%
Gross margin	41.7%	41.2%	N/A	0.5 p.p.
Selling, general and administrative expenses	45,363	54,843	(9,480)	(17)%
Depreciation and amortization	5,957	7,381	(1,424)	(19)%
Reorganization and other related net costs (gains)	1,789	(1,327)	3,116	N/A
Net finance costs	5,375	5,514	(139)	(3)%
Loss, before income taxes	\$ (8,085)	\$ (3,433)	\$ (4,652)	136%
Income tax expense	10	–	10	N/A
Net loss, being comprehensive loss	(8,095)	(3,433)	(4,662)	136%
Basic and diluted loss per share	\$ (0.09)	\$ (0.05)	\$ (0.04)	80%

VARIANCE ANALYSIS FOR FISCAL 2025 COMPARED TO FISCAL 2024

- The decrease in net sales is driven by the decrease in active customer and order rates, driving lower orders partially offset by an increase in average order value. The decrease in active customers can be explained mainly by a decrease in marketing spend and incentive offerings, uncertainties regarding economic outlook and consumer spending driving customers towards spending more carefully and trading down, as well as a more pronounced 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 and higher shipping and packaging costs driven by lower orders compared to the same period last year. This was partially offset by improved average order value as well as decreased credits and incentives as a percentage of net sales. Gross margin increased slightly by 0.5 percentage points mainly driven by higher average order value and lower labour costs partially offset by higher shipping costs.
- The decrease in selling, general and administrative expenses is primarily due to lower marketing spend, wages and salaries as well as other general and administrative expenses. Selling, general and administrative expenses as a percentage of net sales increased by 1.6 percentage points from 35.9% to 37.5% primarily driven by lower net sales.
- The reorganization and other related net costs in Fiscal 2025 relate to severance related costs compared to net gains in Fiscal 2024 mainly due to reversal of impairment resulting from a sublease agreement.
- The decrease in depreciation and amortization is mainly driven by derecognition of right-of-use assets due to sublease agreements.
- The increase in net loss is primarily driven by lower profitability as a result of lower net sales as well as restructuring activities partially offset by lower selling, general and administrative expenses and improved gross margin.

RESULTS OF OPERATIONS – FOURTH QUARTER OF FISCAL 2025 AND 2024

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

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

For the 13 and 14 weeks ended	September 6, 2025	September 7, 2024	(\$)	(%)
Net sales	\$ 25,034	\$ 34,063	\$ (9,029)	(27)%
Cost of goods sold	14,947	21,072	(6,125)	(29)%
Gross profit	\$ 10,087	\$ 12,991	\$ (2,904)	(22)%
Gross margin	40.3%	38.1%	N/A	2.2 p.p.
Selling, general and administrative expenses	9,890	12,762	(2,872)	(23)%
Depreciation and amortization	1,373	1,879	(506)	(27)%
Reorganization and other related net costs	1,789	34	1,755	5,162%
Net finance costs	1,124	1,476	(352)	(24)%
Loss, before income taxes	\$ (4,089)	\$ (3,160)	\$ (929)	29%
Income tax recovery	(15)	–	(15)	N/A
Net loss, being comprehensive loss	(4,074)	(3,160)	(914)	29%
Basic and diluted loss per share	\$ (0.04)	\$ (0.05)	\$ 0.01	(20)%

VARIANCE ANALYSIS FOR THE FOURTH QUARTER OF 2025 COMPARED TO FOURTH 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 lower marketing and incentive offerings and customer shifting to more value offerings, as well as one less week in the quarter compared to last year. The decrease in net sales was partially offset by Genuine Tea's net sales.
- The decrease in gross profit is driven mainly by a decrease in net sales as well as higher shipping and fulfilment costs as well as production and fulfilment labour costs driven by lower fixed cost absorption as a result of lower orders. This decrease was mostly offset by lower incentives as a percentage of net sales as well as an increase in average order value compared to the same quarter last year. Gross margin increased by 2.2 percentage points mainly due to improved average order rate.
- 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 2.0 percentage points to 39.5% compared to 37.5% in the same quarter last year primarily driven by lower net sales.
- The increase in reorganization and other related net costs is mainly due to severance related costs in the fourth quarter of Fiscal 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 and improved gross margin.

FINANCIAL POSITION

The following table provides the main variances in the Company's consolidated statement of financial position:

(In thousands of Canadian dollars)

As at	September 6, 2025	September 7, 2024	Variance	Main Components
Cash and cash equivalents	\$ 12,345	\$ 24,010	\$ (11,665)	Mainly due to payments made to purchase marketable securities (Bitcoin ETF), payments made for reorganization and other related costs, payment made for Genuine Tea's acquisition, de-leveraging from the repayment of debt upon maturity of the term loan, interest on debentures and lease payments
Marketable securities	3,425	—	3,425	As a result of the Company's Bitcoin strategy as well as gains related to revaluation to its fair value
Accounts and other receivables	3,293	2,178	1,115	Due to timing of customer deposits and sales tax refunds as well as the current portion of lease receivables related to a new sublease agreement
Right-of-use assets	6,225	9,573	(3,348)	Mainly due to the derecognition of a right-of-use asset pursuant to a new sublease agreement and depreciation
Intangible assets and goodwill	2,930	1,958	972	Mainly due to intangible assets and goodwill recognized on the Genuine Tea acquisition partially offset by intangible assets amortization
Accounts payable and accrued liabilities	13,683	14,903	(1,220)	Mainly due to the decrease in wages and salary accruals explained by the reduction in wages and salaries expenses
Deferred revenues	2,507	3,616	(1,109)	Mainly due to lower net sales
Debt ⁽¹⁾	—	1,138	(1,138)	Due to repayment of debt upon maturity of the term loan
Convertible debentures, including current portion	40,871	45,405	(4,534)	Mainly due to the reduction in convertible debentures following the maturity of the 2025 Debentures which were repaid in common shares
Lease obligations, including current portion	10,933	13,331	(2,398)	Mainly due to recurring lease payments
Other non-current liabilities	1,035	—	1,035	Due to obligations related to Genuine Tea's acquisition such as future considerations payable, the put option liability and deferred tax liabilities

⁽¹⁾ Please refer to "Capital Management" sub-section of the "Liquidity and Capital Resources" section of this MD&A for repayment details.

LIQUIDITY AND CAPITAL RESOURCES

This section examines the Company's sources of liquidity and various financial instruments, including its debt instruments.

CAPITAL STRUCTURE

(In thousands of Canadian dollars, except ratio information)

	September 6, 2025	September 7, 2024
Debt	\$ —	\$ 1,138
Convertible debentures, liability component, including current portion	40,871	45,405
Total debt	40,871	46,543
Cash and cash equivalents	12,345	24,010
Marketable securities	3,425	—
Total net debt ⁽¹⁾	25,101	22,533
Adjusted EBITDA (trailing 12 months) ⁽¹⁾	6,093	9,063
Total net debt to adjusted EBITDA ⁽¹⁾	4.12	2.49

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

The Company's total net debt increased by \$2.6 million and its total net debt to adjusted EBITDA ratio was 4.12 compared to 2.49 last year. This is mainly explained by the Company's reduction in cash and cash equivalents driven by an increase in net loss and the Genuine Tea acquisition partially offset by the reduction in convertible debentures following the maturity of the 2025 Debentures.

CAPITAL MANAGEMENT

The Company's objective in managing its capital structure is to ensure a sufficient liquidity position to finance its operations and growth and to deliver competitive returns on invested capital. The Company has defined its capital as debt, if any, the liability component of its convertible debentures and its shareholders' deficit net of cash and cash equivalents and marketable securities.

In managing its capital structure, the Company monitors performance throughout the year to ensure anticipated working capital requirements and capital expenditures are funded from operations and available cash. The Company manages its capital structure and may make adjustments to it in order to support the broader corporate strategy or in response to changes in economic conditions and risk. In order to maintain or adjust its capital structure, the Company issues new shares, issues new debt, or reduces the amount of existing debt.

The Company has generated positive cash flows from operations and adjusted free cash flow in six of the eight last quarters, providing a base for capital structure flexibility to fund its operations and capital expenditures.

In Fiscal 2025, the Company invested \$3.0 million in Bitcoin through a spot ETF. This initiative aligns with the Company's long-term value creation strategy, serving as a hedge against inflation and currency depreciation while reinforcing Goodfood's commitment to financial resilience and innovation.

In November 2024, the Company's term loan and revolving credit facility matured, and the term loan was fully repaid, and the revolving credit facility was not renewed. On March 31, 2025, the Company's 2025 Debentures matured. In order to maintain future financial flexibility, the Company elected to repay the 2025 Debentures in Common Shares rather than cash.

In order to manage its capital structure, the Company has the option to redeem its 2027 Debentures in common shares in accordance with its 2027 Redemption Right when it matures. Based on the Company's common share price at the date of this MD&A, the Company would have to issue approximately 114.2 million common shares to redeem the 2027 Debentures if settled in common shares at the March 31, 2027 maturity date.

CASH FLOWS

A summary of net cash flows by activity for the 52 and 53 weeks ended September 6, 2025 and September 7, 2024 is presented below:

(In thousands of Canadian dollars)

For the 52 and 53 weeks ended	September 6, 2025	September 7, 2024	Variance
Net cash flows provided by operating activities ⁽¹⁾	\$ 1,981	\$ 7,494	\$ (5,513)
Net cash flows (used in) provided by investing activities	(4,770)	773	(5,543)
Net cash flows used in financing activities	(8,876)	(9,182)	306
Net change in cash and cash equivalents	\$ (11,665)	\$ (915)	\$ (10,750)
Cash and cash equivalents, beginning of period	24,010	24,925	(915)
Cash and cash equivalents, end of period	\$ 12,345	\$ 24,010	\$ (11,665)

⁽¹⁾ Net cash flows provided by operating activities include \$1.9 million of negative change in non-cash operating working capital (September 7, 2024 – negative \$1.2 million).

Operating Activities

↓ \$ 5.5 million change

Mainly driven by a decrease in profitability resulting from lower net sales as well as an unfavorable change in accounts and other receivables due to government refunds in the third quarter of Fiscal 2024 partially offset by a favorable change in inventories due to continued improvements in inventory management.

Investing Activities

↓ \$5.5 million change

Mainly driven by investment in marketable securities, Genuine Tea's acquisition and investment in the Company's facilities mainly in relation to mandated fire compliance work in the Montreal warehouse.

Financing Activities

↑ \$0.3 million change

Mainly driven by lower debt repayment upon maturity of the term loan in the first quarter of Fiscal 2025 partially offset by interest paid in cash mainly on 2028 Debentures previously added to the debt capital.

A summary of net cash flows by activity for the 13 and 14 weeks ended September 6, 2025 and September 7, 2024, is presented below:

(In thousands of Canadian dollars)

For the 13 and 14 weeks ended	September 6, 2025	September 7, 2024	Variance
Net cash flows provided by (used in) operating activities ⁽¹⁾	\$ 346	\$ (932)	\$ 1,278
Net cash flows (used in) provided by investing activities	(43)	391	(434)
Net cash flows used in financing activities	(1,639)	(1,650)	11
Net change in cash and cash equivalents	\$ (1,336)	\$ (2,191)	\$ 855
Cash and cash equivalents, beginning of period	13,681	26,201	(12,520)
Cash and cash equivalents, end of period	\$ 12,345	\$ 24,010	\$ (11,665)

⁽¹⁾ Net cash flows provided by operating activities include \$1.9 million of positive change in non-cash operating working capital (September 7, 2024 – negative \$1.3 million).

Operating Activities	<p>↑ \$1.3 million change</p> <p>Mainly driven by a favorable change in accounts payable and accrued liabilities due to timing of vendor payments and lower volume partially offset by a decrease in profitability resulting from lower net sales.</p>
Investing Activities	<p>↓ \$0.4 million change</p> <p>Mainly driven by lower interest received due to lower cash balance compared to same period last year.</p>
Financing Activities	<p>Nil change</p> <p>Mainly driven by interest paid in cash on 2028 Debentures previously added to the debt capital offset by lower debt repayment upon maturity of the term loan in the first quarter of Fiscal 2025 as well as lower lease payments in the fourth quarter of Fiscal 2025 due to timing of our floating quarter-ends.</p>

DEBT

During the first quarter of Fiscal 2025, the Company's term loan and revolving credit facility matured, and the term loan was repaid.

CONVERTIBLE DEBENTURES**2028 Debentures**

On February 6, 2023, the Company issued 12,675 convertible unsecured subordinated debentures (the "2028 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$12.7 million. The 2028 Debentures mature on February 6, 2028 (the "2028 Maturity Date") and bear a fixed interest rate of 12.5% per annum. The interest portion for the period commencing on the issuance date and ending in February 2025 will be capitalized semi-annually and convertible at a price equal to the volume weighted average trading price of the Common Shares on the TSX for the five (5) consecutive trading days ending on the date on which such interest portion becomes due, plus a premium of 50%. Commencing on February 6, 2025 and until the 2028 Maturity Date, the interest portion will be payable semi-annually in cash in arrears on February 6 and August 6 of each year.

The 2028 Debentures are convertible into common shares of the Company at the option of the holder at any time prior to the close of business on the earlier of the last business day immediately preceding the 2028 Maturity Date and the last business day immediately preceding the date specified for redemption by the Company at a price of \$0.75 (the "2028 Conversion Price") per common share.

As of February 6, 2026, Goodfood may repurchase the non-converted portion of a 2028 Debenture at an amount of the principal and accrued interest plus an amount providing the holder with an internal rate of return (IRR) equal to 18% for the period during which such Debenture will have been outstanding. The holders may require a repurchase on the same terms upon a change of control of the Company.

The 2028 Debentures are direct, subordinated unsecured obligations of the Company, subordinated to any senior indebtedness of the Company, including the Company's credit facility, and ranking equally with one another and with all other existing and future subordinated unsecured indebtedness of the Company to the extent subordinated on the same terms.

The conversion option, net of related issuance costs and deferred income taxes, has been recorded in shareholders' deficit for an amount of \$0.2 million. Factoring in the 2028 Debentures issuance costs, the effective interest rate on the Debentures is 13.5%.

As at September 6, 2025, 12,675 of 2028 Debentures (September 7, 2024 – 12,675) were outstanding at a price of \$1,000 per Debenture.

2027 Debentures

On February 11, 2022, the Company issued 30,000 convertible unsecured subordinated debentures (the "2027 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$30 million. The 2027 Debentures mature on March 31, 2027 (the "2027 Maturity Date") and bear a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2022.

The 2027 Debentures are convertible into common shares of the Company at the option of the holder at any time prior to the close of business on the earlier of the last business day immediately preceding the 2027 Maturity Date and the last business day immediately preceding the date specified for redemption by the Company at a price of \$4.60 (the "2027 Conversion Price") per common share.

On or after March 31, 2025, and prior to March 31, 2026, provided that the volume weighted average trading price of the Company's common shares on the TSX for the 20 consecutive trading days preceding the date on which the notice of redemption is given is not less than 125% of the 2027 Conversion Price, the 2027 Debentures may be redeemed in whole or in part at the option of the Company at a price equal to the principal amount thereof plus accrued and unpaid interest (the "2027 Redemption Right"). On or after March 31, 2026, and prior to the 2027 Maturity Date, the 2027 Debentures may be redeemed in cash or common

shares in whole or in part at the option of the Company at a price equal to their principal amount plus accrued and unpaid interest.

In the event of a change in control, the Company will be required to make a payment to the holders of the 2027 Debentures in accordance with the make-whole premium provisions set forth by the indenture of the 2027 Debentures.

The conversion option, net of related issuance costs and deferred income taxes, was recorded in shareholders' deficit for an amount of \$4.5 million. Factoring in the 2027 Debentures issuance costs, the effective interest rate on the Debentures is 12.6%.

As at September 6, 2025, 29,046 of 2027 Debentures (September 7, 2024 – 29,046) were outstanding at a price of \$1,000 per Debenture.

2025 Debentures

On February 26, 2020, the Company issued 30,000 convertible unsecured subordinated debentures (the "2025 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$30 million. The Debentures matured on March 31, 2025 (the "2025 Maturity Date") and bore a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, which commenced on September 30, 2020.

On or after March 31, 2024, and prior to the 2025 Maturity Date, the Debentures were redeemable in cash or common shares in whole or in part at the option of the Company at a price equal to their principal amount plus accrued and unpaid interest (the "2025 Redemption Right").

During the third quarter of Fiscal 2025, the Company exercised its common share repayment right for the repayment of its outstanding \$6.232 million in 5.75% convertible unsecured subordinated debentures due March 31, 2025. The Company issued a total of 19,184,573 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 2025 Redemption Right.

As at September 6, 2025, the 2025 Debentures were repaid in full and nil remain outstanding.

COMMON SHARES

Transactions that took place during the 13 and 52 weeks ended September 6, 2025, were as follows:

- Nil stock options were exercised;
- 251,769 and 2,151,514 restricted share units vested and the same number of common shares were issued;
- 29,494 and 101,575 employee share purchases vested and the same number of common shares were issued; and;
- 6,232 Debentures were repaid into 19,184,573 Common Shares.

SELECTED QUARTERLY FINANCIAL INFORMATION

The table below presents selected quarterly financial information for the last eight fiscal quarters:

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

	Fiscal 2025				Fiscal 2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Active customers ⁽¹⁾	66,000	76,000	84,000	106,000	101,000	105,000	117,000	124,000
Net sales	\$ 25,034	\$ 30,683	\$ 30,500	\$ 34,662	\$ 34,063	\$ 38,561	\$ 39,755	\$ 40,459
Gross profit	10,087	13,593	12,998	13,721	12,991	16,949	17,109	15,929
Gross margin	40.3%	44.3%	42.6%	39.6%	38.1%	44.0%	43.0%	39.4%
Net (loss) income	\$ (4,074)	\$ 54	\$ (2,388)	\$ (1,687)	\$ (3,160)	\$ 307	\$ 1,393	\$ (1,973)
Net finance costs	1,124	964	1,856	1,431	1,476	1,213	1,369	1,456
Depreciation and amortization	1,373	1,333	1,670	1,581	1,879	1,729	1,818	1,955
Income tax (recovery) expense	(15)	25	—	—	—	—	—	—
EBITDA ⁽¹⁾	\$ (1,592)	\$ 2,376	\$ 1,138	\$ 1,325	\$ 195	\$ 3,249	\$ 4,580	\$ 1,438
Share-based payments	240	263	222	219	231	310	325	13
Reorganization and other related net costs (gains)	1,789	—	—	—	34	—	(1,364)	3
Acquisition costs	—	14	—	99	49	—	—	—
Adjusted EBITDA ⁽¹⁾	\$ 437	\$ 2,653	\$ 1,360	\$ 1,643	\$ 509	\$ 3,559	\$ 3,541	\$ 1,454
Adjusted EBITDA margin ⁽¹⁾	1.7%	8.6%	4.5%	4.7%	1.5%	9.2%	8.9%	3.6%
Basic and diluted (loss) income per share ⁽²⁾	\$ (0.04)	\$ 0.00	\$ (0.03)	\$ (0.02)	\$ (0.05)	\$ 0.00	\$ 0.02	\$ (0.03)

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

(2) The sum of basic and diluted (loss) income per share on a quarterly basis may not equal basic and diluted (loss) income per share on a year-to-date basis due to rounding.

Quarter-over-quarter variations in net sales were caused by the various factors including the following:

- seasonality which is the strongest in the second quarter due to the winter holidays and the fourth quarter due to summer months, when the number of active customers and order rate trend lower;
- impacts of economic conditions which led to a shift in customer ordering behaviors;
- marketing campaigns and customer incentives;
- fluctuations in inflation.

Quarter-over-quarter variations in net (loss) income were caused by the various factors including the following:

- seasonality which is the strongest in the fourth quarter due to summer months and the second quarter due to the winter holidays, when the number of active customers and order rate trend lower and can result in lower operating margins;
- impacts of economic conditions which led to inflationary pressures partially offset by increase in basket prices;
- marketing campaigns and customer incentives.

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.

FINANCIAL RISK MANAGEMENT

CREDIT RISK

Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligation. The Company regularly monitors credit risk exposure and takes steps to mitigate the likelihood of this exposure resulting in losses. The Company's exposure to credit risk is primarily attributable to its cash and cash equivalents, marketable securities, accounts and other receivables and lease receivables. The majority of the Company's net sales are paid prior to delivery and therefore the main credit exposure to net sales is with respect to the payment processor. The Company's maximum credit exposure corresponds to the carrying amount of these financial assets. Management believes the credit risk is limited given that the Company deals with major North American financial institutions and an internationally established payment processor. To cover its credit risk on lease receivables, the Company holds guarantees over its lessees in form of deposits and performs credit reviews prior to entering into an agreement.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's debt and revolving facility bore interest at variable rates which were determined by a base rate set by the lender plus a margin. As a result, the Company was exposed to interest rate cash flow risk due to fluctuations in lenders' base rates. During the first quarter of Fiscal 2025, the Company fully repaid its outstanding debt obligations, effectively eliminating its exposure to interest rate risks. Refer to the "Liquidity and Capital Resources" section of this MD&A. As interest rates on Debentures are fixed, the Company is not exposed to interest rate risk on those instruments.

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.

BUSINESS RISK

For a detailed discussion of business risk factors, please refer to the Company's Annual Information Form for the 52 weeks ended September 6, 2025, available on SEDAR+ at www.sedarplus.ca and under the "Events and Presentations" section of our website at www.makegoodfood.ca/en/investors.

OFF-BALANCE SHEET ARRANGEMENTS, CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

The following are amounts due on contractual maturities of financial liabilities, including estimated interest payments as at September 6, 2025:

	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
Accounts payable and accrued liabilities	\$ 13,683	\$ 13,683	\$ 13,683	\$ –	\$ –
Debentures, liability component, including current portion	40,871	52,791	3,776	49,015	–
Lease obligations, including current portion	10,933	12,636	3,877	8,390	369
Purchase and service contract obligations	–	3,406	3,386	20	–
	\$ 65,487	\$ 82,516	\$ 24,722	\$ 57,425	\$ 369

As at September 6, 2025, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Company's financial condition, changes in net sales or expenses, results of operations, liquidity, capital expenditures, or capital resources that are material.

FINANCIAL INSTRUMENTS

The Company's financial instruments primarily consist of cash and cash equivalents, marketable securities, accounts and other receivables, accounts payable and accrued liabilities, liability portion of convertible debentures and other non-current liabilities except deferred tax liabilities.

INVESTMENT POLICY

The Company invests its excess cash with varying terms to maturity selected with regards to the expected timing of investments or expenditures for continuing operations, currently in a savings account earning interests.

RELATED PARTIES

KEY MANAGEMENT PERSONNEL

The Company's key management personnel have authority and responsibility for planning, directing and controlling the Company's activities and consist of the Company's executive team and the Board of Directors. The chief executive officer ("CEO") and the president and chief operating officer ("President and COO") are members of the Board of the Company. The Chairman of the Board was the CEO until his departure.

The following table presents the compensation of the key management personnel recognized in net loss:

For the 52 and 53 weeks ended	September 6, 2025	September 7, 2024
Salaries, fees and other short-term employee benefits	\$ 3,922	\$ 3,212
Share-based payments expense	479	360
	\$ 4,401	\$ 3,572

RELATED PARTY TRANSACTIONS

Related parties of the Company include Directors and key management personnel, their family members, and companies over which they have significant influence or control.

For the 52 weeks ended September 6, 2025, in connection with the 2028 Debentures, \$0.2 million of interest was paid to its Board members and key management personnel.

For the 52 weeks ended September 6, 2025 and for the 53 weeks ended September 7 2024, the Company has not transacted with related parties other than those detailed above.

SHARE-BASED PAYMENTS

A stock option plan (the "**Stock Option Plan**") was established by the Company to attract and retain employees, consultants, officers and directors. The Stock Option Plan provides for the granting of options to purchase common shares where at any given time the number of stock options reserved for issuance is equal to 10% of the Company's issued and outstanding common shares, less any shares reserved for issuance under the restricted share unit plan. Under the Stock Option Plan, options generally vest over a period of three or four years and expire eight years from the grant date.

A restricted share unit plan (the "**RSU Plan**") was established by the Company to attract and retain employees, officers and directors. The RSU Plan provides for a maximum number of common shares available and reserved for issuance to 10% of the Company's issued and outstanding common shares, less any shares reserved for issuance under the Stock Option Plan. Under the RSU plan, RSUs generally vest over a period of three years.

An employee share purchase plan ("**ESPP**") was established to attract and retain employees and directors. Under this plan, employees or directors are permitted to contribute between 1% and 5% of their eligible earnings, up to \$10,000 annually, to purchase the Company's equity shares. The Company, in turn, provides a matching contribution equal to 50% of the participant's personal contribution. Shares purchased with the Company's contributions become vested two years from the contribution date. All contributions are used by the plan's trustee to purchase equity shares on the open market, on behalf of employees.

OUTSTANDING SHARE DATA

As at	November 26, 2025	September 6, 2025	September 7, 2024
Common shares outstanding ⁽¹⁾	99,353,046	98,591,259	77,340,092
Debentures outstanding ^{(2) (3) (4)}	23,214,348	23,214,348	24,540,305
Stock options outstanding	3,924,712	3,924,712	3,052,563
Stock options exercisable	2,832,209	2,752,232	2,336,688
Restricted share units outstanding	3,073,076	3,237,363	3,437,733

⁽¹⁾ As at November 26, 2025 and September 6, 2025, 606,634 and 610,005 common shares held in trust through the employee share purchase plan (September 7, 2024 – 525,085 common shares) were excluded in the common shares outstanding.

⁽²⁾ As at November 26, 2025 and September 6, 2025, nil 2025 Debentures (September 7, 2024 – 6,232 Debentures) were outstanding. Please refer to the “Debt” subsection of the “Liquidity and Capital Resources” section of this MD&A.

⁽³⁾ As at November 26, 2025 and September 6, 2025, 29,046 of 2027 Debentures (September 7, 2024 – 29,046 Debentures) were outstanding which are convertible into 6,314,348 common shares of the Company, respectively, at a conversion price of \$4.60. Please refer to the “Debt” subsection of the “Liquidity and Capital Resources” section of this MD&A.

⁽⁴⁾ As at November 26, 2025 and September 6, 2025, 12,675 of 2028 Debentures (September 7, 2024 – 12,675) were outstanding which are convertible into 16,900,000 common shares of the Company, respectively, at a conversion price of \$0.75. Please refer to the “Debt” subsection of the “Liquidity and Capital Resources” section of this MD&A.

SEGMENT REPORTING

The Company has one reportable segment as its principal business activity is focused on developing and servicing the online meal-kit and grocery add-on market.

DIVIDEND POLICY

Since its incorporation, the Company has not paid any dividend on its common shares. The Company's current policy is to retain future earnings to finance its growth. Any future determination to pay dividends is at the discretion of the Company's Board of Directors and will depend on the Company's financial condition, results of operations, capital requirements and other such factors as the Board of Directors of the Company may deem relevant.

SUBSEQUENT EVENT

On October 17, 2025, the Company was named in a proposed class action lawsuit filed in the Superior Court of Quebec. The claim alleges that the Company failed to adequately disclose delivery fees in the advertised price of its meal kits. As at the publication date of these consolidated financial statements, the Company is in the early stages of reviewing the claim and intends to vigorously defend against it. Given the preliminary status of the proceedings, it is not possible to reasonably estimate the outcome of the lawsuit or the potential financial impact, if any, on the Company. Accordingly, no provision has been recorded in the consolidated financial statements.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the 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 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 Company's main judgements, estimates, and assumptions are presented below:

CRITICAL JUDGEMENTS

Impairment of non-current assets

At each reporting date, management determines whether fixed assets, right-of-use assets and intangible assets present indicators of impairment. For the purposes of its analysis, management uses its judgement considering factors such as the economic environment and the market in which the Company operates, budget, forecasts and physical obsolescence.

Goodwill is tested for impairment annually and the test is based on estimates of the recoverable amount of the CGU to which the goodwill has been allocated using a discounted cash flows model. For the purposes of this analysis, management uses its judgements considering factors such as revenue growth and margin estimates as well as the economic environment and the market in which the Company operates.

Lease term

When the Company recognizes a lease, it assesses the lease term based on the conditions of the lease and assesses whether it will exercise renewal options at the end of the lease term. The renewal options are only included in the lease term if management is reasonably certain to renew. This significant judgement could affect the Company's financial position if the lease term of the leases is reassessed differently.

KEY SOURCES OF ESTIMATES AND ASSUMPTIONS

Measurement of net sales

Net sales are presented net of refunds, sales incentives and credits, including referral credits. Credit amounts are estimated based on the Company's history and experience of the redemption percentage of those credits. The corresponding estimated liability for credits is included in deferred revenue.

Business combination

The identifiable assets and liabilities as well as any contingent consideration arising from a business combination are measured at their fair value at the date of acquisition based on forecast of expected future discounted cash flows. These evaluations are linked closely to the assumptions made by management regarding the future performance of the related assets and the discount rate used in the valuation model. Contingent consideration is measured at fair value using a discounted cash flow model which requires estimates related to future sales, margins, working capital as well as discount rate.

CHANGES IN ACCOUNTING POLICIES

NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

Amendment to IAS 1, *Presentation of Financial Statements*

In January 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify the classification of liabilities as current or non-current (the "2020 amendments"). For the purposes of non-current classification, the amendment removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The amendments became effective for the 52 week period ended September 6, 2025 for the Company and did not have a material impact on its consolidated financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 18 Presentation and disclosure in financial statements

In April 2024, the IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements to improve the reporting of financial performance and give investors a better basis for analyzing and comparing companies. Specifically, it introduces:

- three defined categories for income and expenses (operating, investing and financing) and requiring companies to provide new defined subtotals, including operating profit;
- enhanced transparency of management-defined performance measures requiring companies to disclose explanations of those company-specific measures related to the statement of earnings; and
- enhanced guidance on how companies group information in the financial statements, including guidance on whether information is included in the financial statements or is included in the notes.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company continues to evaluate the potential impact of this new standard on its consolidated financial statements.

Amendments to the Classification and measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9 and IFRS 7, to clarify when a financial asset or a financial liability is recognized and derecognized and, amongst other elements, to introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Company continues to evaluate the impact of these amendments on its consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

In accordance with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer ("**Certifying Officers**") that, among other things, report on the design and effectiveness of disclosure controls and procedures ("**DC&P**") and the design and effectiveness of internal control over financial reporting ("**ICFR**").

DISCLOSURE CONTROLS AND PROCEDURES

The Company has designed DC&P to provide reasonable assurance that material information relating to the Company is made known to the Certifying Officers, and that information required to be disclosed to satisfy the Company's continuous disclosure obligations is recorded, processed, summarized and reported within the time periods specified by applicable Canadian securities legislation. Management, under the supervision of the Certifying Officers, has evaluated the effectiveness of the DC&P and based on that evaluation, the Certifying Officers have concluded that the DC&P were effective as at September 6, 2025.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Certifying Officers have designed ICFR or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In designing and evaluating internal controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed

and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements.

The control framework used to design the Company's ICFR is based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) on Internal Control—Integrated Framework (2013 framework).

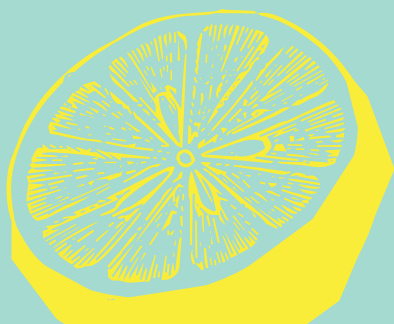
Management, under the supervision of the Certifying Officers, has evaluated the effectiveness of ICFR and based on that evaluation, the Certifying Officers have concluded that the Company's ICFR was effective as at September 6, 2025.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

No changes were made during Fiscal 2025 to the Company's ICFR that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.



CONSOLIDATED FINANCIAL STATEMENTS



YEARS ENDED SEPTEMBER 6, 2025 AND SEPTEMBER 7, 2024

Consolidated Financial Statements of

GOODFOOD MARKET CORP.

52 weeks ended September 6, 2025 and 53 weeks ended September 7,
2024

GOODFOOD MARKET CORP.

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KPMG LLP

Tour KPMG

600, de Maisonneuve Blvd West, Suite 1500

Montréal, QC H3A 0A3

Canada

Telephone 514 840 2100

Fax 514 840 2187

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Goodfood Market Corp.

Opinion

We have audited the consolidated financial statements of Goodfood Market Corp. (the "Entity"), which comprise:

- the consolidated statements of financial position as at September 6, 2025 and September 7, 2024
- the consolidated statements of loss and other comprehensive loss for the 52 weeks and 53 weeks ended September 6, 2025 and September 7, 2024
- the consolidated statements of changes in shareholders' deficiency for the 52 weeks and 53 weeks ended September 6, 2025 and September 7, 2024
- the consolidated statements of cash flows for the 52 weeks and 53 weeks ended September 6, 2025 and September 7, 2024
- and notes to the consolidated financial statements, including a summary of material accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at September 6, 2025 and September 7, 2024, and its consolidated financial performance and its consolidated cash flows for the 52 weeks and 53 weeks ended September 6, 2025 and September 7, 2024 in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the 52 weeks ended September 6, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Assessment of existence and accuracy of net sales

Description of the matter

We draw attention to Note 3.2 and Note 4.2 to the financial statements. The Entity's net sales amount to \$120.9 million. Net sales are primarily generated from the deliveries of fresh meal solutions and add-ons ("meal solutions").

The Entity recognizes revenue at a point in time, which is upon delivery of meal solutions, as it meets the criteria to satisfy the performance obligation. Deferred revenue is recognized for consideration received in advance of the related revenue. Revenue from the sale of goods is measured at the fair value of consideration received, net of refunds, sales incentives and credits.

Why the matter is a key audit matter

We identified the existence and accuracy of net sales as a key audit matter. This matter represented an area of higher risk of material misstatement given the magnitude of net sales, the high volume of transactions, and the complexity involved in processing and recording the Entity's sales transactions. As a result, significant auditor attention was required in performing the audit procedures.

How the matter was addressed in the audit

The following are the primary procedures we performed to address this key audit matter:

- We matched all of the Entity's meal solutions net sales transactions for the year with the corresponding cash receipts per bank statements
- For a selection of meal solutions sales transactions throughout the year, we evaluated whether the performance obligation had been satisfied by examining the proof of delivery
- We agreed the total amount of customer payments received as of year-end for meal solutions deliveries occurring after that date to the Entity's deferred revenue account.
- For a selection of meal solutions sales transactions, we agreed the transaction price with the price list approved by a key management personnel member with an appropriate level of authority.



Other Information

Management is responsible for the other information. Other information comprises:

- The information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.
- The information, other than the financial statements and the auditor's report thereon, included in a document likely to be entitled "Annual Report".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this auditor's report is Émilie Neveu.

A handwritten signature in black ink that reads 'KPMG LLP' followed by a horizontal line.

Montréal, Canada

November 26, 2025

GOODFOOD MARKET CORP.

Consolidated Statements of Loss and Comprehensive Loss

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

For the 52 and 53 weeks ended	Notes	September 6, 2025	September 7, 2024
Net sales		\$ 120,879	\$ 152,838
Cost of goods sold		70,480	89,860
Gross profit		50,399	62,978
Selling, general and administrative expenses		45,363	54,843
Reorganization and other related net costs (gains)	6	1,789	(1,327)
Depreciation and amortization	13,14,15	5,957	7,381
Operating (loss) income		(2,710)	2,081
Net finance costs	8	5,375	5,514
Loss before income taxes		(8,085)	(3,433)
Income tax expense	9	10	—
Net loss, being comprehensive loss		\$ (8,095)	\$ (3,433)
Basic and diluted loss per share		\$ (0.09)	\$ (0.05)
Basic and diluted weighted average number of common shares outstanding	21	86,759,641	76,928,635

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

GOODFOOD MARKET CORP.

Consolidated Statements of Financial Position

(In thousands of Canadian dollars)

As at	Notes	September 6, 2025	September 7, 2024
Assets			
Current assets:			
Cash and cash equivalents		\$ 12,345	\$ 24,010
Marketable securities		3,425	–
Accounts and other receivables	11,16	3,293	2,178
Inventories	12	3,107	3,157
Other current assets		669	433
		22,839	29,778
Non-current assets:			
Fixed assets	13	6,230	7,655
Right-of-use assets	14	6,225	9,573
Intangible assets and goodwill	15	2,930	1,958
Lease receivables	16	3,228	3,042
Other non-current assets		310	309
Total assets		\$ 41,762	\$ 52,315
Liabilities and Shareholders' Deficiency			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 13,683	\$ 14,903
Deferred revenues		2,507	3,616
Debt	17	–	1,138
Current portion of convertible debentures	18	–	6,029
Current portion of lease obligations	19	3,149	2,961
		19,339	28,647
Non-current liabilities:			
Convertible debentures	18	40,871	39,376
Lease obligations	19	7,784	10,370
Other non-current liabilities	20	1,035	–
Total liabilities		69,029	78,393
Shareholders' deficiency:			
Common shares	21	188,808	181,727
Contributed surplus	22	7,273	7,448
Convertible debentures	18	4,600	5,367
Deficit		(227,948)	(220,620)
Total shareholders' deficiency		(27,267)	(26,078)
Total liabilities and shareholders' deficiency		\$ 41,762	\$ 52,315

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

Approved on behalf of Goodfood Market Corp. by:

Signed

*Selim Bassoul, Director and
Chair of the Board*

Signed

*Donald Olds, Director and
Chair of the Audit Committee*

GOODFOOD MARKET CORP.

Consolidated Statements of Changes in Shareholders' Deficiency

(In thousands of Canadian dollars)

For the 53 weeks ended September 7, 2024								
	Note	Common Shares	Contributed Surplus	Convertible Debentures	Deficit	Total	Non- controlling interest	Total Shareholders' Deficiency
Balance as at September 2, 2023		\$ 180,369	\$ 8,009	\$ 5,367	\$ (217,187)	\$ (23,442)	\$ –	\$ (23,442)
Net loss for the period		–	–	–	(3,433)	(3,433)	–	(3,433)
Share-based payments expense	22	–	863	–	–	863	–	863
Restricted share units vested	22	1,419	(1,419)	–	–	–	–	–
Employee share purchase plan	22	(61)	(5)	–	–	(66)	–	(66)
Balance as at September 7, 2024		\$ 181,727	\$ 7,448	\$ 5,367	\$ (220,620)	\$ (26,078)	\$ –	\$ (26,078)
For the 52 weeks ended September 6, 2025								
Balance as at September 7, 2024		\$ 181,727	\$ 7,448	\$ 5,367	\$ (220,620)	\$ (26,078)	\$ –	\$ (26,078)
Net loss for the period		–	–	–	(8,095)	(8,095)	–	(8,095)
Net convertible debentures repaid in common shares	18	6,186	–	(767)	767	6,186	–	6,186
Share-based payments expense	22	–	766	–	–	766	–	766
Restricted share units vested	22	927	(927)	–	–	–	–	–
Employee share purchase plan	22	(32)	(14)	–	–	(46)	–	(46)
Non-controlling interest arising from a business combination	7	–	–	–	–	–	352	352
Long-term liability for the obligation to repurchase a non- controlling interest	7	–	–	–	–	–	(352)	(352)
Balance as at September 6, 2025		\$ 188,808	\$ 7,273	\$ 4,600	\$ (227,948)	\$ (27,267)	\$ –	\$ (27,267)

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

GOODFOOD MARKET CORP.

Consolidated Statements of Cash Flows

(In thousands of Canadian dollars)

For the 52 and 53 weeks ended	Notes	September 6, 2025	September 7, 2024
Operating:			
Net loss		\$ (8,095)	\$ (3,433)
Adjustments for:			
Depreciation and amortization	13,14,15	5,957	7,381
Reversal of impairment of non-financial assets	6,13,14	–	(981)
Net gains on disposal of non-financial assets		(250)	(632)
Share-based payments expense	22	767	864
Net finance costs	8	5,375	5,514
Deferred income tax recovery	9	(75)	–
Other non-cash items		200	–
Change in non-cash operating working capital	23	(1,895)	(1,184)
Other		(3)	(35)
Net cash provided by operating activities		1,981	7,494
Investing:			
Business combination, net of cash acquired	7	(1,182)	–
Investment in marketable securities		(3,001)	–
Additions to fixed assets	13	(932)	(49)
Additions to intangible assets	15	(585)	(578)
Interest received		937	1,400
Other		(7)	–
Net cash (used in) provided by investing activities		(4,770)	773
Financing:			
Repayment of debt	17	(1,138)	(2,925)
Payments of lease obligations	19	(2,998)	(3,014)
Interest paid		(4,648)	(3,198)
Shares purchased under employee share purchase plan	22	(46)	(66)
Other		(46)	21
Net cash used in financing activities		(8,876)	(9,182)
Decrease in cash and cash equivalents		(11,665)	(915)
Cash and cash equivalents, beginning of period		24,010	24,925
Cash and cash equivalents, end of period		\$ 12,345	\$ 24,010
Supplemental cash flow information	23		

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

GOODFOOD MARKET CORP.

Notes to the Consolidated Financial Statements – September 6, 2025

(Unless otherwise stated, all tabular amounts are in thousands of Canadian dollars)

1. REPORTING ENTITY

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's main production facility and administrative offices are based in Montréal, Québec, with additional locations in the provinces of Ontario and Alberta.

The Company follows a floating year-end ending on the first Saturday of September each year. As a result, the fiscal year is usually 52 weeks with a 53rd week every five to six years. The year ended September 6, 2025 had 52 weeks and the year ended September 7, 2024 had 53 weeks.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Details of the Company's material accounting policies are included in Note 3.

The consolidated financial statements of the Company for the 52 weeks ended September 6, 2025 and 53 weeks ended September 7, 2024 were authorized by the Board of Directors ("Board") on November 26, 2025 for publication on November 27, 2025.

2.2 BASIS OF MEASUREMENT

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

- assets and liabilities acquired in a business combination which are measured at fair value at acquisition date;
- equity share-based payment arrangements which are measured at fair value at grant date;
- lease receivables and 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 consolidated financial statements are stated in Canadian dollars, which is the functional and presentation currency of Goodfood Market Corp.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 BASIS OF CONSOLIDATION

The consolidated financial statements of the Company include the accounts of the Company and of its wholly owned subsidiaries.

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Notes to the Consolidated Financial Statements – September 6, 2025
(Unless otherwise stated, all tabular amounts are in thousands of Canadian dollars)

Subsidiaries

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of these returns. The Company reassesses whether it controls an entity if facts and circumstances indicate that one or more of the aforementioned points have changed. A subsidiary is consolidated from the date the Company obtains control and continues to be consolidated until the date that such control ceases.

Business combination

Business combinations are accounted for in accordance with the acquisition method as at the date control is transferred. The consideration transferred is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company, if any, at the date control is obtained. Liabilities incurred include the fair value of any liability resulting from a contingent consideration arrangement. Net identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. Contingent consideration classified as a liability is measured at fair value, with subsequent changes recognized in the consolidated statements of loss and comprehensive loss. New information obtained during the measurement period, up to 12 months following the acquisition date, about facts and circumstances existing at the acquisition date affect the acquisition accounting. Acquisition-related costs are expensed as incurred.

At the acquisition date, non-controlling interests were measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Interests of the non-controlling shareholders that hold the written put option are derecognized when the financial liability is recognized as if the interests subject to the put options were deemed to have been acquired already. Therefore, the underlying interests are presented as already owned by the entity, both in the statement of financial position and in the statement of loss and comprehensive loss, even though legally they are still non-controlling interests.

3.2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from the sale of goods is measured at the fair value of consideration received, net of refunds, sales incentives and credits. Revenue is recognized at a point in time, which is upon delivery of meal solutions, as it meets the criteria to satisfy the performance obligation. Sales and referral credits are recognized as revenue upon redemption and when the Company fulfills its obligation. Deferred revenue is recognized for consideration received in advance of the related revenue. Sales and referral credits are also included in deferred revenue and are measured based on the fair value of the sales and referral credits granted, taking into consideration the estimated redemption percentage.

3.3 TAXES

Income tax expense comprises current and deferred income taxes. It is recognized in the consolidated statements of loss and comprehensive loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the years and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

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Deferred income tax

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred income tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred income tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred income tax assets and liabilities are offset only if certain criteria are met.

3.4 MARKETABLE SECURITIES

Marketable securities consist of a liquid Bitcoin investment made through a non-currency hedged spot Exchange-Traded Fund (ETF). They are measured at fair value using Level 1 inputs. Realized and unrealized gains and losses are recognized in the consolidated statements of loss and comprehensive loss.

3.5 INVENTORIES

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is determined using the first-in, first-out method. Cost includes acquisition costs net of discounts, and other costs incurred to bring inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

3.6 FIXED ASSETS

Fixed assets are recognized at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Asset	Period
Furniture and fixtures	3 to 10 years
Machinery and equipment	3 to 20 years
Computer hardware and other	3 to 5 years
Leasehold improvements	Shorter of lease term and useful life

Estimates for depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

3.7 LEASES

3.7.1. THE COMPANY AS A LESSEE

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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Right-of-use asset

The Company recognizes a right-of-use asset and a lease obligation at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease obligation adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line method. The lease term includes consideration of an option to renew or to terminate if the Company is reasonably certain to exercise that option. Lease terms, including options to renew for which the Company is reasonably certain to exercise, range from 0 to 11 years for facilities, automotive equipment and other equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease obligation.

Lease obligation

The lease obligation is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease obligation is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option, or if there is a revised in-substance fixed lease payment.

When the lease obligation is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the consolidated statements of loss and comprehensive loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.7.2. THE COMPANY AS A LESSOR

For subleases, for which the Company acts as an intermediate lessor, it evaluates the classification in relation to the right-of-use assets arising from the main lease. The Company accounts for the main lease and the sublease as two separate leases. A sublease contract is classified as a finance lease if substantially all risks and rewards incidental to the underlying asset are transferred to the lessee. Otherwise, leases are classified as operating leases and rental income is recognized on a straight-line basis over the lease term.

For subleases that are classified as finance leases, the Company derecognizes the corresponding right-of-use assets and records a lease receivable. Interest income is recorded in net finance costs.

3.8 INTANGIBLE ASSETS AND GOODWILL

Intangible assets that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

The estimated useful lives for the current year and comparative periods are as follows:

Asset	Period
Software	3 to 5 years
Trademark	25 years
Customer relationship	5 years
Intellectual property	5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

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Goodwill arising from acquisition of subsidiaries is measured at costs less accumulated impairment losses, if any. Goodwill is not amortized.

3.9 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company reviews the carrying amount of its non-financial assets, which include intangible assets with a finite useful life, fixed assets and right-of-use assets on each reporting date, in order to determine if specific events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated. Goodwill is tested annually for impairment.

For impairment testing purposes, assets that cannot be tested individually are aggregated into a cash generating unit ("CGU"). Goodwill arising from business combination is allocated to the CGU that is expected to benefit from the synergies of the combination. An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or a CGU's) fair value less costs of disposal ("FVLCD") and its value in use ("VIU"). In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU. Impairment losses are allocated first to reduce the goodwill of the CGU and then to reduce the carrying amounts of the assets in the CGU on a pro rata basis and are recognized in the consolidated statements of loss and comprehensive loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate but is limited to the carrying amount that would have been determined if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognized in the consolidated statements of loss and comprehensive loss.

3.10 FINANCIAL INSTRUMENTS

3.10.1 RECOGNITION AND INITIAL MEASUREMENT

Financial assets and financial liabilities are recognized when the Company becomes party to the contractual provisions of the financial instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issuance.

3.10.2 CONVERTIBLE DEBENTURES

Convertible debentures are measured at amortized cost, using the effective interest rate method. They are initially measured at fair value, which is the consideration received, net of transaction costs incurred, net of the equity component. Transaction costs related to those instruments are included in the value of the instruments and amortized using the effective interest rate method. The effective interest expense is included in net finance costs in the consolidated statements of loss and comprehensive loss.

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issuance, the fair value of the liability is measured separately using an estimated market rate for a similar liability without an equity component and the residual is allocated to the conversion option. The liability component is subsequently recognized on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is recognized and included in equity, without being subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the portion recognized in equity will be transferred to common shares. Issuance costs are divided between the liability and equity components in proportion to their respective values.

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On the early redemption or repurchase of convertible debentures, the Company allocates the consideration paid on extinguishment to the liability based on its fair value at the date of the transaction and the residual is allocated to the conversion option. Any resulting gain or loss relating to the liability element is credited or charged to the consolidated statements of loss and comprehensive loss and the difference between the carrying amount and the amount considered to be settled relating to the holder option is treated as a common share transaction.

3.10.3 FAIR VALUE MEASUREMENT

In establishing the fair value, the Company uses a fair value hierarchy based on levels as defined below:

Level 1: defined as observable inputs such as quoted prices in active markets.

Level 2: defined as inputs other than quoted prices in active markets that are either directly or indirectly observable.

Level 3: defined as inputs that are based on little or no observable market data and, therefore, requiring entities to develop their own assumptions.

3.11 SHARE-BASED PAYMENTS

The Company's share-based payment plans consist of a stock option plan, a restricted share unit plan and an employee share purchase plan. Employees, consultants, officers and directors of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of the Company's stock option plan is determined by the fair value at the date when the grant is made using the Black-Scholes option pricing model. The cost of the Company's restricted share unit plan is determined based on the volume weighted average trading price of the common shares for the five days immediately preceding the grant date. The costs are recognized as a share-based payment expense, together with a corresponding increase in equity (contributed surplus), over the period in which the service and the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired. The expense or credit in the consolidated statements of loss and comprehensive loss for a period represents the movement in cumulative expense or credit recognized at the beginning and end of that period.

3.12 EMPLOYEE SHARE PURCHASE PLAN

The Company's contributions, used to purchase shares on the open market on behalf of employees, are recognized when incurred as an employee benefit expense, with a corresponding increase in contributed surplus. The amount expensed is adjusted to reflect the number of awards for which it is expected that the vesting conditions will be met, so that the amount ultimately expensed will depend on the number of awards that meet the vesting conditions at the vesting date.

Unvested shares held in trust on behalf of employees are treasury shares and, therefore, deducted from equity until they become vested.

3.13 SEGMENT REPORTING

The Company determined that it operated a single operating segment for Fiscal 2025 and 2024.

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Notes to the Consolidated Financial Statements – September 6, 2025
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4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the 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 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 Company's main judgements, estimates, and assumptions are presented below:

4.1 CRITICAL JUDGEMENTS

Impairment of non-current assets

At each reporting date, management determines whether fixed assets, right-of-use assets and intangible assets present indicators of impairment. For the purposes of its analysis, management uses its judgement considering factors such as the economic environment and the market in which the Company operates, budget, forecasts and physical obsolescence.

Goodwill is tested for impairment annually and the test is based on estimates of the recoverable amount of the CGU to which the goodwill has been allocated using a discounted cash flows model. For the purposes of this analysis, management uses its judgements considering factors such as revenue growth and margin estimates as well as the economic environment and the market in which the Company operates.

Lease term

When the Company recognizes a lease, it assesses the lease term based on the conditions of the lease and assesses whether it will exercise renewal options at the end of the lease term. The renewal options are only included in the lease term if management is reasonably certain to renew. This significant judgement could affect the Company's financial position if the lease term of the leases is reassessed differently.

4.2 KEY SOURCES OF ESTIMATES AND ASSUMPTIONS

Measurement of net sales

Net sales are presented net of refunds, sales incentives and credits, including referral credits. Credit amounts are estimated based on the Company's history and experience of the redemption percentage of those credits. The corresponding estimated liability for credits is included in deferred revenue.

Business combination

The identifiable assets and liabilities as well as any contingent consideration arising from a business combination are measured at their fair value at the date of acquisition based on forecast of expected future discounted cash flows. These evaluations are linked closely to the assumptions made by management regarding the future performance of the related assets and the discount rate used in the valuation model. Contingent consideration is measured at fair value using a discounted cash flow model which requires estimates related to future sales, margins, working capital as well as discount rate.

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5. CHANGES IN ACCOUNTING POLICIES

5.1 NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

Amendment to IAS 1, *Presentation of Financial Statements*

In January 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify the classification of liabilities as current or non-current (the “2020 amendments”). For the purposes of non-current classification, the amendment removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The amendments became effective for the 52 week period ended September 6, 2025 for the Company and did not have a material impact on its consolidated financial statements.

5.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 18 Presentation and disclosure in financial statements

In April 2024, the IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements to improve the reporting of financial performance and give investors a better basis for analyzing and comparing companies. Specifically, it introduces:

- three defined categories for income and expenses (operating, investing and financing) and requiring companies to provide new defined subtotals, including operating profit;
- enhanced transparency of management-defined performance measures requiring companies to disclose explanations of those company-specific measures related to the statement of earnings; and
- enhanced guidance on how companies group information in the financial statements, including guidance on whether information is included in the financial statements or is included in the notes.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company continues to evaluate the potential impact of this new standard on its consolidated financial statements.

Amendments to the Classification and measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9 and IFRS 7, to clarify when a financial asset or a financial liability is recognized and derecognized and, amongst other elements, to introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Company continues to evaluate the impact of these amendments on its consolidated financial statements.

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6. REORGANIZATION AND OTHER RELATED NET COSTS (GAINS)

The following table summarizes the reorganization and other related net costs (gains):

	2025	2024
Employee termination and benefit costs	\$ 1,795	\$ –
Reversal of impairment of non-financial assets	–	(981)
Other	(6)	(346)
	\$ 1,789	\$ (1,327)

7. 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 selling products directly to customers and also through cafés, restaurants, and grocery stores. 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 52 weeks ended September 6, 2025, total acquisition costs relating to Genuine Tea amounted to \$0.1 million and were included in selling, general and administrative expense.

The Company completed the assessment of the fair value of the assets acquired and liabilities assumed arising from the Genuine Tea acquisition:

Current assets ⁽¹⁾	\$ 1,273
Current liabilities	(544)
Property, plant and equipment	4
Intangible assets and goodwill ⁽²⁾	1,512
Right-of-use assets	24
Lease obligations	(24)
Other non-current liabilities	(691)
Fair value of the net assets acquired, excluding cash position at acquisition	\$ 1,554
Cash and cash equivalents acquired	318
Fair value of net assets acquired	\$ 1,872
Purchase price payable ⁽³⁾	(372)
Total cash consideration	\$ 1,500

⁽¹⁾ Excluding cash acquired.

⁽²⁾ Includes \$0.4 million of goodwill.

⁽³⁾ Includes \$0.2 million of future contingent performance-based payment.

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.

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8. NET FINANCE COSTS

	2025	2024
Interest expense on debentures, including accretion interest	\$ 5,705	\$ 5,725
Interest expense on lease obligations	862	806
Interest income	(915)	(1,349)
Fair value gain in marketable securities	(424)	–
Interest expense on debt	26	259
Other finance costs	86	44
Foreign exchange loss	35	29
	\$ 5,375	\$ 5,514

9. INCOME TAXES

A reconciliation of the Company's income taxes at Canadian statutory rates is as follows:

	2025	2024
Loss before income taxes	\$ (8,085)	\$ (3,433)
Canadian statutory rates	25.90%	26.05%
Income tax benefit at the combined Canadian statutory rate	\$ (2,094)	\$ (894)
Decrease resulting from:		
Change in unrecognized deferred income tax assets	1,546	1,401
Recognition of previously unrecognized tax benefits	–	(619)
Permanent differences	201	240
Change in tax rates	304	343
Other	53	(471)
Total income tax expense	\$ 10	\$ –

	2025	2024
Current income tax expense	\$ 85	\$ –
Deferred income tax recovery	(75)	–
	\$ 10	\$ –

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Deferred income tax assets (liabilities) are attributable to the following items:

	As at September 2, 2023	Recognized in net loss	As at September 7, 2024	Recognized in net loss	Recognized in business combination	As at September 6, 2025
Net operating losses	\$ 1,623	\$ (962)	\$ 661	\$ (389)	\$ –	\$ 272
Inventories	–	–	–	50	(50)	–
Marketable securities	–	–	–	(55)	–	(55)
Fixed assets and Right-of-use assets	–	–	–	(126)	(6)	(132)
Intangible assets	–	–	–	18	(287)	(269)
Lease receivables	–	(874)	(874)	(273)	–	(1,147)
Convertible debentures	(1,623)	962	(661)	444	–	(217)
Lease obligations	–	874	874	406	6	1,286
Deferred income tax assets (liabilities)	\$ –	\$ –	\$ –	\$ 75	\$ (337)	\$ (262)

The Company had unrecognized deferred income tax assets as follows:

As at	September 6, 2025	September 7, 2024
Net operating losses carry forwards	\$ 34,806	\$ 33,604
Fixed assets and right-of-use assets	16,281	15,829
Shares and debt issuance costs	142	433
Intangible assets	2,132	1,878
Other	650	721
Unrecognized deferred income tax assets	\$ 54,011	\$ 52,465

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The Company has federal operating tax losses carried forward of \$132.4 million (2024 – \$128.6 million) which are partially recognized for an amount of \$1.3 million (2024 – \$2.5 million), and unrecognized deductible temporary differences of \$74.1 million (2024 – \$72.6 million) that are available to reduce taxable income. Deferred income tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can realize the benefits therefrom. As at September 6, 2025, the amounts and expiry dates of the federal tax losses carried forward were as follows:

2037	\$ 2,097
2038	8,516
2039	18,089
2040	812
2041	22,625
2042	63,531
2043	13,069
2044	–
2045	3,678
	\$ 132,417

10. SUPPLEMENTAL STATEMENT OF LOSS AND COMPREHENSIVE LOSS INFORMATION

	2025	2024
Expense related to variable lease payments not included in the lease obligations	\$ 1,487	\$ 1,322
Salaries, fees and other short-term employee benefits	27,221	35,900
Costs incurred in pursuit of acquisitions	116	49

11. ACCOUNTS AND OTHER RECEIVABLES

As at	September 6, 2025	September 7, 2024
Accounts receivable	\$ 739	\$ 389
Sales taxes receivable	873	1,168
Current portion of lease receivables (Note 16)	1,202	312
Rewards program receivable	129	193
Other receivables	350	116
	\$ 3,293	\$ 2,178

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12. INVENTORIES

As at	September 6, 2025	September 7, 2024
Food	\$ 2,062	\$ 1,830
Packaging supplies	901	1,120
Work in process	144	207
	\$ 3,107	\$ 3,157

The cost of inventories recognized as an expense within cost of goods sold during the 52 weeks ended September 6, 2025 was \$60.2 million (2024 – \$77.2 million).

The Company did not record a recovery within cost of goods sold during the 52 weeks ended September 6, 2025 (2024 – \$0.5 million) for the write-down of inventories.

13. FIXED ASSETS

	Furniture and fixtures	Machinery and equipment	Computer hardware and other	Leasehold improvements	Assets under construction	Total
Cost:						
As at September 2, 2023	\$ 4,935	\$ 21,514	\$ 5,952	\$ 29,230	\$ 511	\$ 62,142
Additions	–	28	3	18	–	49
Disposal	(3)	(10)	–	(6,482)	(511)	(7,006)
As at September 7, 2024	\$ 4,932	\$ 21,532	\$ 5,955	\$ 22,766	\$ –	\$ 55,185
Business combination (Note 7)	4	–	–	–	–	4
Additions	11	25	47	820	–	903
Disposal	–	(34)	(108)	–	–	(142)
As at September 6, 2025	\$ 4,947	\$ 21,523	\$ 5,894	\$ 23,586	\$ –	\$ 55,950
Accumulated depreciation, disposals and impairment reversals:						
As at September 2, 2023	\$ 4,363	\$ 16,759	\$ 4,958	\$ 24,525	\$ 511	\$ 51,116
Depreciation	180	1,132	794	1,057	–	3,163
Disposal	(3)	(10)	–	(5,916)	(511)	(6,440)
Impairment reversal	–	–	–	(309)	–	(309)
As at September 7, 2024	\$ 4,540	\$ 17,881	\$ 5,752	\$ 19,357	\$ –	\$ 47,530
Depreciation	135	1,028	207	952	–	2,322
Disposal	–	(24)	(108)	–	–	(132)
As at September 6, 2025	\$ 4,675	\$ 18,885	\$ 5,851	\$ 20,309	\$ –	\$ 49,720

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	Furniture and fixtures	Machinery and equipment	Computer hardware and other	Leasehold improvements	Assets under construction	Total
Net carrying amounts:						
As at September 7, 2024	\$ 392	\$ 3,651	\$ 203	\$ 3,409	\$ –	\$ 7,655
As at September 6, 2025	272	2,638	43	3,277	–	6,230

14. RIGHT-OF-USE ASSETS

	Facilities	Automotive equipment	Other equipment	Total
As at September 2, 2023	\$ 10,414	\$ 320	\$ 252	\$ 10,986
Additions and lease modifications	2,971	23	–	2,994
Derecognition ⁽¹⁾	(2,257)	–	–	(2,257)
Impairment reversal	672	–	–	672
Depreciation	(2,530)	(166)	(126)	(2,822)
As at September 7, 2024	\$ 9,270	\$ 177	\$ 126	\$ 9,573
Business combination (Note 7)	24	–	–	24
Additions and lease modifications	590	–	38	628
Derecognition ⁽¹⁾	(1,490)	–	–	(1,490)
Depreciation	(2,294)	(117)	(99)	(2,510)
As at September 6, 2025	\$ 6,100	\$ 60	\$ 65	\$ 6,225

⁽¹⁾ Derecognition of right-of-use assets includes the disposal of right-of-use assets upon entering into sublease agreements.

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15. INTANGIBLE ASSETS AND GOODWILL

	Software	Trademark	Customer relationship	Intellectual property	Goodwill	Total
Cost:						
As at September 2, 2023	\$ 5,983	\$ –	\$ –	\$ 74	\$ –	\$ 6,057
Additions	578	–	–	–	–	578
As at September 7, 2024	\$ 6,561	\$ –	\$ –	\$ 74	\$ –	\$ 6,635
Business combination (Note 7)	–	570	520	–	422	1,512
Additions	585	–	–	–	–	585
As at September 6, 2025	\$ 7,146	\$ 570	\$ 520	\$ 74	\$ 422	\$ 8,732
Accumulated amortization:						
As at September 2, 2023	\$ 3,221	\$ –	\$ –	\$ 60	\$ –	\$ 3,281
Amortization	1,382	–	–	14	–	1,396
As at September 7, 2024	\$ 4,603	\$ –	\$ –	\$ 74	\$ –	\$ 4,677
Amortization	1,024	18	83	–	–	1,125
As at September 6, 2025	\$ 5,627	\$ 18	\$ 83	\$ 74	\$ –	\$ 5,802
	Software	Trademark	Customer relationship	Intellectual property	Goodwill	Total
Net carrying amounts:						
As at September 7, 2024	\$ 1,958	\$ –	\$ –	\$ –	\$ –	\$ 1,958
As at September 6, 2025	1,519	552	437	–	422	2,930

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16. LEASE RECEIVABLES

The following table summarizes the contractual undiscounted cash flows from lease receivables:

As at	September 6, 2025	September 7, 2024
Less than one year	\$ 1,556	\$ 612
One to five years	3,293	2,679
More than 5 years	658	1,363
Total undiscounted lease receivables	\$ 5,507	\$ 4,654
Effect of discounting	(1,077)	(1,300)
Lease receivables balance, end of year	\$ 4,430	\$ 3,354
Current portion (Note 11)	\$ 1,202	\$ 312
Non-current portion	\$ 3,228	\$ 3,042

For the 52 weeks ended September 6, 2025, the Company recorded sublease revenue of \$0.7 million (2024 – \$1.2 million) which corresponds to variable lease payments not included in the measurement of the lease receivables and is recognized in net sales of the consolidated statements of loss and comprehensive loss.

17. DEBT

As at	September 6, 2025	September 7, 2024
Matured borrowings:		
Secured term loan, variable interest at prime plus 3.00%, maturing in November 2024	\$ –	\$ 1,138
	\$ –	\$ 1,138
Current portion of debt	–	(1,138)
	\$ –	\$ –

CREDIT FACILITY 2024

In November 2024, the Company's term loan and revolving credit facility matured and the term loan was fully repaid and the revolving credit facility was not renewed.

18. CONVERTIBLE DEBENTURES

2028 Debentures

On February 6, 2023, the Company issued 12,675 convertible unsecured subordinated debentures (the "2028 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$12.7 million. The 2028 Debentures mature on February 6, 2028 (the "2028 Maturity Date") and bear a fixed interest rate of 12.5% per annum. The interest portion for the period commencing on the issuance date and ending in February 2025 will be capitalized semi-annually and convertible at a price equal to the volume weighted average trading price of the Common Shares on the TSX for the five (5) consecutive trading days ending on the date on which such interest portion becomes due, plus a premium of 50%. Commencing on February 6, 2025 and until the 2028 Maturity Date, the interest portion will be payable semi-annually in cash in arrears on February 6 and August 6 of each year.

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The 2028 Debentures are convertible into common shares of the Company at the option of the holder at any time prior to the close of business on the earlier of the last business day immediately preceding the 2028 Maturity Date and the last business day immediately preceding the date specified for redemption by the Company at a price of \$0.75 (the "2028 Conversion Price") per common share.

As of February 6, 2026, Goodfood may repurchase the non-converted portion of a 2028 Debenture at an amount of the principal and accrued interest plus an amount providing the holder with an internal rate of return (IRR) equal to 18% for the period during which such Debenture will have been outstanding. The holders may require a repurchase on the same terms upon a change of control of the Company.

The 2028 Debentures are direct, subordinated unsecured obligations of the Company, subordinated to any senior indebtedness of the Company, including the Company's credit facility, and ranking equally with one another and with all other existing and future subordinated unsecured indebtedness of the Company to the extent subordinated on the same terms.

The conversion option, net of related issuance costs and deferred income taxes, has been recorded in shareholders' deficit for an amount of \$0.2 million. Factoring in the 2028 Debentures issuance costs, the effective interest rate on the Debentures is 13.5%.

As at September 6, 2025, 12,675 of 2028 Debentures (September 7, 2024 – 12,675) were outstanding at a price of \$1,000 per Debenture.

2027 Debentures

On February 11, 2022, the Company issued 30,000 convertible unsecured subordinated debentures (the "2027 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$30 million. The 2027 Debentures mature on March 31, 2027 (the "2027 Maturity Date") and bear a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2022.

The 2027 Debentures are convertible into common shares of the Company at the option of the holder at any time prior to the close of business on the earlier of the last business day immediately preceding the 2027 Maturity Date and the last business day immediately preceding the date specified for redemption by the Company at a price of \$4.60 (the "2027 Conversion Price") per common share.

On or after March 31, 2025, and prior to March 31, 2026, provided that the volume weighted average trading price of the Company's common shares on the TSX for the 20 consecutive trading days preceding the date on which the notice of redemption is given is not less than 125% of the 2027 Conversion Price, the 2027 Debentures may be redeemed in whole or in part at the option of the Company at a price equal to the principal amount thereof plus accrued and unpaid interest (the "2027 Redemption Right"). On or after March 31, 2026, and prior to the 2027 Maturity Date, the 2027 Debentures may be redeemed in cash or common shares in whole or in part at the option of the Company at a price equal to their principal amount plus accrued and unpaid interest.

In the event of a change in control, the Company will be required to make a payment to the holders of the 2027 Debentures in accordance with the make-whole premium provisions set forth by the indenture of the 2027 Debentures.

The conversion option, net of related issuance costs and deferred income taxes, was recorded in shareholders' deficit for an amount of \$4.5 million. Factoring in the 2027 Debentures issuance costs, the effective interest rate on the Debentures is 12.6%.

As at September 6, 2025, 29,046 of 2027 Debentures (September 7, 2024 – 29,046) were outstanding at a price of \$1,000 per Debenture.

2025 Debentures

On February 26, 2020, the Company issued 30,000 convertible unsecured subordinated debentures (the "2025 Debentures") at a price of \$1,000 per Debenture for gross proceeds of \$30 million. The Debentures

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matured on March 31, 2025 (the "2025 Maturity Date") and bore a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, which commenced on September 30, 2020.

On or after March 31, 2024, and prior to the 2025 Maturity Date, the Debentures were redeemable in cash or common shares in whole or in part at the option of the Company at a price equal to their principal amount plus accrued and unpaid interest (the "2025 Redemption Right").

During the third quarter of Fiscal 2025, the Company exercised its common share repayment right for the repayment of its outstanding \$6.232 million in 5.75% convertible unsecured subordinated debentures due March 31, 2025. The Company issued a total of 19,184,573 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 2025 Redemption Right (Refer to Note 21).

The following table summarizes the continuity of the Company's Debentures for the 52 and 53 weeks ended:

	September 6, 2025	September 7, 2024
Convertible debentures, liability component balance, beginning of year	\$ 45,405	\$ 41,752
Accretion interest	1,698	3,653
Conversion of the Debentures	(6,232)	–
Convertible debentures, liability component balance, end of year	40,871	45,405
Current portion of convertible debentures, liability component	–	(6,029)
Non-current portion of convertible debentures, liability component balance	\$ 40,871	\$ 39,376

The following summarizes convertible debentures for the:

	September 6, 2025	September 7, 2024
<i>In thousands of dollars</i>		
Reclassification from Convertible debentures liability component to common shares	\$ 6,232	–
Net reclassification from Convertible debentures equity component to deficit ⁽¹⁾	767	–
<i>In number of debentures or common shares</i>		
Number of debentures converted	6,232	–
Number of common shares issued from converted debentures (Note 21)	19,184,573	–
Total number of outstanding Debentures, end of period	41,721	47,953

⁽¹⁾ Includes impact of deferred income taxes of \$0.3 million.

As at September 6, 2025, the total number of outstanding debentures was 41,721 (September 7, 2024 – 47,953) maturing as follows:

	Total number of outstanding debentures
March 2027	29,046
February 2028	12,675

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19. LEASE OBLIGATIONS

The following table summarizes the continuity of the Company's lease obligations:

	September 6, 2025	September 7, 2024
Balance, beginning of year	\$ 13,331	\$ 13,364
Business combination (Note 7)	24	–
Additions and lease modifications	628	2,994
Derecognition	(52)	–
Payment of lease obligations	(3,860)	(3,833)
Interest expense on lease obligations	862	806
Balance, end of year	\$ 10,933	\$ 13,331

The following table summarizes the contractual undiscounted cash flows from lease obligations:

As at	September 6, 2025	September 7, 2024
Less than one year	\$ 3,877	\$ 3,798
One to five years	8,390	10,538
More than 5 years	369	1,414
Total undiscounted lease obligations	\$ 12,636	\$ 15,750
Lease obligations balance, end of year	\$ 10,933	\$ 13,331
Current portion	\$ 3,149	\$ 2,961
Non-current portion	\$ 7,784	\$ 10,370

20. OTHER NON-CURRENT LIABILITIES

As at	September 6, 2025	September 7, 2024
Acquisition purchase price payable	\$ 421	\$ –
Non-controlling interests measured at fair value	352	–
Deferred tax liabilities	262	–
Balance, end of year	\$ 1,035	\$ –

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21. 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:

		September 6, 2025		September 7, 2024
	Number of shares	Carrying amount	Number of shares	Carrying amount
Balance, beginning of year	77,340,092	\$ 181,727	76,525,507	\$ 180,369
Issuance of common shares on conversion of Convertible Debentures (Note 18)	19,184,573	6,186	–	–
Restricted share units vested	2,151,514	927	994,992	1,419
Employee share purchase units vested	101,575	14	34,889	5
Purchased and held in trust through employee share purchase plan (Note 22)	(186,495)	(46)	(215,296)	(66)
Balance, end of year	98,591,259	\$ 188,808	77,340,092	\$ 181,727

As at September 6, 2025, the number of common shares issued and fully paid was 99,203,351 (2024 – 77,867,263).

Treasury shares are held in trust for the Employee share purchase plan and amount to 610,005 shares as of September 6, 2025 (September 7, 2024 – 525,085).

LOSS PER SHARE

As at	September 6, 2025	September 7, 2024
Basic weighted average number of common shares outstanding	86,759,641	76,928,635

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 year ended September 6, 2025 and the year ended September 7, 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.

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22. SHARE-BASED PAYMENTS

The Company's share-based payment plans consist of a stock option plan, a restricted share unit plan and an employee share purchase plan.

STOCK OPTION PLAN

A stock option plan (the "**Stock Option Plan**") was established by the Company to attract and retain employees, consultants, officers and directors. The Stock Option Plan provides for the granting of options to purchase common shares where at any given time the number of stock options reserved for issuance is equal to 10% of the Company's issued and outstanding common shares, less any shares reserved for issuance under the restricted share unit plan. Under the Stock Option Plan, options generally vest over a period of three or four years and expire eight years from the grant date.

The following table summarizes the continuity of the stock options:

	September 6, 2025		September 7, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of year	3,052,563	\$ 1.99	4,029,723	\$ 2.82
Granted	1,000,000	0.21	–	–
Forfeited	(58,373)	0.60	(311,314)	5.30
Expired	(69,478)	2.27	(665,846)	5.47
Outstanding, end of year	3,924,712	1.55	3,052,563	1.99
Exercisable, end of year	2,752,232	\$ 2.10	2,336,688	\$ 2.41

The following table provides additional information about the Company's stock options as at year end:

	2025		2024	
Exercise Price	Number of options outstanding	Weighted average remaining life	Number of options outstanding	Weighted average remaining life
Less than \$2.99	3,053,111	5.4	2,167,210	5.1
\$ 3.00 – 5.99	619,715	3.0	626,640	3.9
\$ 6.00 – 8.99	251,886	2.9	258,713	3.9
Outstanding, end of year	3,924,712	4.9	3,052,563	4.8
Exercisable, end of year	2,752,232	3.7	2,336,688	4.3

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Stock options granted during the 52 weeks ended September 6, 2025 had a weighted average fair value of \$0.12 per option (2024 – no grant), using the Black-Scholes option pricing model with the following weighted-average assumptions:

	2025
Expected volatility	68%
Risk-free interest rate	2.69%
Expected life of options	4.5 years
Common share value at grant date	\$ 0.21
Weighted average exercise price	\$ 0.21

During the 52 weeks ended September 6, 2025, an expense of \$0.1 million (2024 – recovery of \$0.3 million) was recorded in the consolidated statements of loss and comprehensive loss in relation to the Stock Option Plan.

RESTRICTED SHARE UNIT PLAN

The Company granted to Participants a number of restricted share units ("RSUs") based on the volume weighted average trading price of the common shares for the five days immediately preceding the grant date. The expense in relation to the RSU Plan is measured at the fair value of the underlying RSU at the grant date and is expensed over the award's vesting period. The RSU Plan provides for a maximum number of common shares available and reserved for issuance to 10% of the Company's issued and outstanding common shares, less any shares reserved for issuance under the Stock Option Plan. The RSUs are time-based awards and one third of the amount of RSUs granted will vest upon the continuous employment of the Participants on each of the anniversaries of the RSU grant, over a period of three years starting from the date of the grant or such other period not exceeding three years as determined by the Board.

Pursuant to the terms of the RSU Plan, Participants will receive, upon vesting of the RSUs, common shares of the Company issued from treasury.

The following table summarizes the continuity of the RSUs:

	September 6, 2025	September 7, 2024
Outstanding, beginning of year	3,437,733	1,878,328
Granted	2,926,250	2,869,916
Vested	(2,151,514)	(994,992)
Forfeited	(975,106)	(315,519)
Outstanding, end of year	3,237,363	3,437,733

During the 52 weeks ended September 6, 2025, an expense of \$0.7 million (2024 – \$1.1 million) was recorded in the consolidated statements of loss and comprehensive loss in relation to the RSU Plan.

As at September 6, 2025, 2,758,260 stock options and RSUs (2024 – 1,296,430) were available for issuance.

EMPLOYEE SHARE PURCHASE PLAN

On September 1, 2019, the Company implemented an employee share purchase plan ("ESPP") to attract and retain employees and directors. Under this plan, employees or directors are permitted to contribute between 1% and 5% of their eligible earnings, up to \$10,000 annually, to purchase the Company's equity shares. The Company, in turn, provides a matching contribution equal to 50% of the participant's personal contribution. Shares purchased with the Company's contributions become vested two years from the

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contribution date. All contributions are used by the plan's trustee to purchase equity shares on the open market, on behalf of employees.

The following table summarizes the continuity of the ESPP:

	September 6, 2025		September 7, 2024	
	Number of shares	Amount	Number of shares	Amount
Unvested contributions, beginning of year	527,169	\$ 1,029	346,762	\$ 968
Contributions	186,495	46	215,296	66
Vested	(101,575)	(14)	(34,889)	(5)
Unvested contributions, end of year	612,089	\$ 1,061	527,169	\$ 1,029

During the 52 weeks ended September 6, 2025, an expense of \$40 thousand (2024 – \$0.1 million) was recorded in the consolidated statements of loss and comprehensive loss in relation to the employee share purchase plan.

23. SUPPLEMENTAL CASH FLOW INFORMATION

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

As at	September 6, 2025	September 7, 2024
Accounts and other receivables	\$ 741	\$ 2,350
Inventories	684	124
Other current assets	(232)	(43)
Accounts payable and accrued liabilities	(1,979)	(3,126)
Deferred revenues	(1,109)	(489)
	\$ (1,895)	\$ (1,184)

The following had a cash impact in the net cash generated from operating activities:

	September 6, 2025	September 7, 2024
Operating activities		
Payments made for reorganization and other related costs ⁽¹⁾	\$ 1,608	\$ 736
Payments made related to acquisition costs	165	—

⁽¹⁾ For the 52 weeks ended September 6, 2025, payments made for reorganization and other related costs are mainly composed of termination and benefit costs. For the 53 weeks ended September 7, 2024, payments made for reorganization and other related costs are mainly composed of penalties paid upon lease termination, employee termination and benefit costs paid as well as external advisors fees paid (refer to Note 6).

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24. COMMITMENTS

Goodfood had commitments under purchase and service contract obligations for both operating and capital expenditures.

The following summarizes the commitments that are not recognized as liabilities:

As at	September 6, 2025	September 7, 2024
Less than 1 year	\$ 3,386	\$ 6,573
Between 1 and 5 years	20	446
More than 5 years	–	–
	\$ 3,406	\$ 7,019

25. FINANCIAL INSTRUMENTS

Goodfood has determined that the fair value of cash and cash equivalents, accounts and other receivables, and accounts payable and accrued liabilities approximates 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 September 6, 2025, the Company determined that the fair value of its Debentures approximates \$13.8 million which was determined based on market trading value for 2027 Debentures and market conditions for 2028 Debentures.

26. FINANCIAL RISKS

Credit risk:

Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligation. The Company regularly monitors credit risk exposure and takes steps to mitigate the likelihood of this exposure resulting in losses. The Company's exposure to credit risk is primarily attributable to its cash and cash equivalents, marketable securities, accounts and other receivables and lease receivables. The majority of the Company's net sales are paid prior to delivery and therefore the main credit exposure to net sales is with respect to the payment processor. The Company's maximum credit exposure corresponds to the carrying amount of these financial assets. Management believes the credit risk is limited given that the Company deals with major North American financial institutions and an internationally established payment processor. To cover its credit risk on lease receivables, the Company holds guarantees over its lessees in form of deposits and performs credit reviews prior to entering into an agreement.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's debt and revolving facility bore interest at variable rates which were determined by a base rate set by the lender plus a margin. As a result, the Company was exposed to interest rate cash flow risk due to fluctuations in lenders' base rates. During the first quarter of Fiscal 2025, the Company fully repaid its outstanding debt obligations, effectively eliminating its exposure to interest rate risks.

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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.

Capital management

The Company's objective in managing its capital structure is to ensure a sufficient liquidity position to finance its operations and growth and to deliver competitive returns on invested capital. The Company has defined its capital as debt, if any, the liability component of its convertible debentures and its shareholders' deficit, net of cash and cash equivalents and marketable securities.

The Company is not subject to debt covenants as it does not have an outstanding debt with a debtor.

In managing its capital structure, the Company monitors performance throughout the year to ensure anticipated working capital requirements and capital expenditures are funded from operations and available cash. The Company manages its capital structure and may make adjustments to it in order to support the broader corporate strategy or in response to changes in economic conditions and risk. In order to maintain or adjust its capital structure, the Company issues new shares, issue new debt, or reduce the amount of existing debt.

The following are amounts due on contractual maturities of financial liabilities, including estimated interest payments as at:

	Total carrying amount	Contractual cash flows	September 6, 2025		
			Less than 1 year	1 to 5 years	More than 5 years
Accounts payable and accrued liabilities	\$ 13,683	\$ 13,683	\$ 13,683	\$ –	\$ –
Debentures, liability component ⁽¹⁾	40,871	52,791	3,776	49,015	–
Lease obligations, including current portion	10,933	12,636	3,877	8,390	369
	\$ 65,487	\$ 79,110	\$ 21,336	\$ 57,405	\$ 369

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				September 7, 2024		
	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years	
Accounts payable and accrued liabilities	\$ 14,903	\$ 14,903	\$ 14,903	\$ –	\$ –	
Debt ⁽²⁾	1,138	1,165	1,165	–	–	
Debentures, liability component, including current portion	45,405	62,927	9,256	53,671	–	
Lease obligations, including current portion	13,331	15,750	3,798	10,538	1,414	
	\$ 74,777	\$ 94,745	\$ 29,122	\$ 64,209	\$ 1,414	

(1) This assumes cash settlement. The Company has the option to redeem its 29,046 2027 Debentures in common shares at maturity on March 31, 2027 (refer to Note 18). At the issuance date of these financial statements, the Company would have to issue approximately 114.2 million common shares to redeem its 2027 Debentures if settled in common shares at maturity date, based on the 2027 Redemption Right and subject to shareholders' approval, if required.

(2) As at September 7, 2024, an interest rate of 9.70% was used to determine the estimated interest payments on the variable-rate portion of the Company's debt.

27. RELATED PARTIES

KEY MANAGEMENT PERSONNEL

The Company's key management personnel have authority and responsibility for planning, directing and controlling the Company's activities and consist of the Company's executive team and the Board of Directors. The chief executive officer ("CEO") and the president and chief operating officer ("President and COO") are members of the Board of the Company. The Chairman of the Board was the CEO until his departure.

The following table presents the compensation of the key management personnel recognized in net loss:

	September 6, 2025	September 7, 2024
Salaries, fees and other short-term employee benefits	\$ 3,922	\$ 3,212
Share-based payments expense	479	360

RELATED PARTY TRANSACTIONS

Related parties of the Company include Directors and key management personnel, their family members, and companies over which they have significant influence or control.

For the 52 weeks ended September 6, 2025, in connection with the 2028 Debentures, \$0.2 million of interest was paid to its Board members and key management personnel.

For the 52 weeks ended September 6, 2025, and for the 53 weeks ended September 7, 2024, the Company has not transacted with related parties other than those detailed above.

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28. SUBSEQUENT EVENT

On October 17, 2025, the Company was named in a proposed class action lawsuit filed in the Superior Court of Quebec. The claim alleges that the Company failed to adequately disclose delivery fees in the advertised price of its meal kits. As at the publication date of these consolidated financial statements, the Company is in the early stages of reviewing the claim and intends to vigorously defend against it. Given the preliminary status of the proceedings, it is not possible to reasonably estimate the outcome of the lawsuit or the potential financial impact, if any, on the Company. Accordingly, no provision has been recorded in the consolidated financial statements.

CORPORATE INFORMATION

TRANSFER AGENT AND REGISTRAR

TSX Trust

AUDITORS

KPMG LLP

LEGAL COUNSEL

Fasken Martineau DuMoulin LLP

INVESTOR RELATIONS

IR@makegoodfood.ca

MEDIA CONTACT

media@makegoodfood.ca

CORPORATE OFFICE

4600 Hickmore Street,
Saint-Laurent, Quebec
H4T 1K2





MAKEGOODFOOD.CA

