



NEWS RELEASE

From: Goodfellow Inc.
Patrick Goodfellow
President and CEO
Tel: 450 635-6511
Fax: 450 635-3730
Internet: info@goodfellowinc.com

FOR IMMEDIATE RELEASE

GOODFELLOW REPORTS ITS RESULTS FOR THE FIRST QUARTER ENDED FEBRUARY 28, 2021

Delson, Quebec, April 12, 2021 — Goodfellow Inc. (TSX: GDL) announced today its financial results for the first quarter ended February 28, 2021. The Company reported a net income of \$3.8 million or \$0.44 per share compared to a net loss of \$(2.1) million or \$(0.24) per share a year ago.

Consolidated sales for the three months ended February 28, 2021 were \$119.4 million compared to \$88.9 million last year. Sales in Canada increased 38% compared to the same period a year ago, while sales in the United States increased 6% and export sales increased 24%. Selling, administrative and general expenses increased overall by \$0.1 million.

The evolution of COVID-19 remains unpredictable and due to the rise of new variant infection cases worldwide it makes estimating the end of the pandemic impossible at this date. The first-quarter results of fiscal 2021 were characterized by continued pandemic realities and their drastic effects on supply and demand. The Company performed very well and was able to capitalize on surging demand in commodities and seasonal products. The Company also positioned itself to succeed across the country with a firm commitment to maintaining needed inventory levels and ensuring superior customer service from coast to coast.

Goodfellow Inc. is a distributor of lumber products, building materials and floor coverings. Goodfellow shares trade on the Toronto Stock Exchange under the symbol GDL.

GOODFELLOW INC.**Consolidated Statements of Comprehensive Income****For the three months ended February 28, 2021 and February 29, 2020***(in thousands of dollars, except per share amounts)***Unaudited**

	For the three months ended	
	February 28 2021	February 29 2020
	\$	\$
Sales	119,433	88,856
Expenses (Income)		
Cost of goods sold	93,992	71,480
Selling, administrative and general expenses	19,647	19,518
Gain on disposal of property, plant and equipment	(8)	(15)
Net financial costs	568	734
	114,199	91,717
Earnings (loss) before income taxes	5,234	(2,861)
Income taxes	1,465	(801)
Total comprehensive income (loss)	3,769	(2,060)
Net earnings (loss) per share – Basic and Diluted	0.44	(0.24)

GOODFELLOW INC.
Consolidated Statements of Financial Position
(in thousands of dollars)
Unaudited

	As at February 28 2021 \$	As at November 30 2020 \$	As at February 29 2020 \$
Assets			
Current Assets			
Cash	4,045	3,466	2,089
Trade and other receivables	70,143	76,093	54,082
Income taxes receivable	79	-	1,096
Inventories	95,798	84,740	99,300
Prepaid expenses	4,339	2,584	4,250
Total Current Assets	174,404	166,883	160,817
Non-Current Assets			
Property, plant and equipment	30,709	31,148	32,517
Intangible assets	3,077	3,238	3,746
Right-of-use assets	13,629	14,324	16,304
Defined benefit plan asset	1,933	1,945	2,210
Other assets	785	785	778
Total Non-Current Assets	50,133	51,440	55,555
Total Assets	224,537	218,323	216,372
Liabilities			
Current liabilities			
Bank indebtedness	34,928	28,570	47,845
Trade and other payables	43,494	39,614	35,549
Income taxes payable	-	4,859	-
Provision	1,484	1,473	1,478
Dividend payable	2,569	2,141	856
Current portion of lease liabilities	4,301	4,315	4,254
Total Current Liabilities	86,776	80,972	89,982
Non-Current Liabilities			
Lease liabilities	12,546	13,343	15,547
Deferred income taxes	1,597	1,597	2,269
Defined benefit plan obligation	1,189	1,182	649
Total Non-Current Liabilities	15,332	16,122	18,465
Total Liabilities	102,108	97,094	108,447
Shareholders' Equity			
Share capital	9,424	9,424	9,424
Retained earnings	113,005	111,805	98,501
	122,429	121,229	107,925
Total Liabilities and Shareholders' Equity	224,537	218,323	216,372

GOODFELLOW INC.
Consolidated Statements of Cash Flows
For the three months ended February 28, 2021 and February 29, 2020
(in thousands of dollars)
Unaudited

	For the three months ended	
	February 28	February 29
	2021	2020
	\$	\$
Operating Activities		
Net earnings (loss)	3,769	(2,060)
Adjustments for:		
Depreciation and amortization of:		
Property, plant and equipment	627	651
Right-of-use assets	1,013	1,093
Intangible assets	161	181
Accretion expense on provision	11	18
Decrease in provision	-	(10)
Income taxes	1,465	(801)
Gain on disposal of property, plant and equipment	(8)	(15)
Interest expense	148	323
Interest on lease liabilities	154	179
Funding in deficit of pension plan expense	19	52
Other	(5)	-
	7,354	(389)
Changes in non-cash working capital items	(2,968)	(12,616)
Interest paid	(317)	(348)
Income taxes paid	(6,403)	(1,029)
	(9,688)	(13,993)
Net Cash Flows from Operating Activities	(2,334)	(14,382)
Financing Activities		
Proceeds from borrowings under bank loans	41,000	14,000
Repayment of borrowings under bank loans	(39,000)	(17,000)
Proceeds from borrowings under banker's acceptances	19,000	15,000
Repayment of borrowings under banker's acceptances	(16,000)	(2,000)
Payment of lease liabilities	(1,116)	(1,333)
Dividend paid	(2,141)	(856)
	1,743	7,811
Investing Activities		
Acquisition of property, plant and equipment	(188)	(361)
Proceeds on disposal of property, plant and equipment	-	16
	(188)	(345)
Net cash outflow	(779)	(6,916)
Cash position, beginning of period	(1,104)	1,160
Cash position, end of period	(1,883)	(5,756)
Cash position is comprised of:		
Cash	4,045	2,089
Bank overdraft	(5,928)	(7,845)
	(1,883)	(5,756)

GOODFELLOW INC.**Consolidated Statements of Changes in Shareholders' Equity****For the three months ended February 28, 2021 and February 29, 2020***(in thousands of dollars)**Unaudited*

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at November 30, 2019	9,424	103,984	113,408
IFRS 16 adoption adjustment, net of taxes of \$940	-	(2,567)	(2,567)
Balance as at December 1, 2019	9,424	101,417	110,841
Net loss	-	(2,060)	(2,060)
Total comprehensive loss	-	(2,060)	(2,060)
<i>Transactions with owners of the Company</i>			
Dividend	-	(856)	(856)
Balance as at February 29, 2020	9,424	98,501	107,925
Balance as at November 30, 2020	9,424	111,805	121,229
Net earnings	-	3,769	3,769
Total comprehensive income	-	3,769	3,769
<i>Transactions with owners of the Company</i>			
Dividend	-	(2,569)	(2,569)
Balance as at February 28, 2021	9,424	113,005	122,429