

NEWS RELEASE

From: Goodfellow Inc.
Patrick Goodfellow
President and CEO
T: 450 635-6511
F: 450 635-3730
info@goodfellowinc.com

FOR IMMEDIATE RELEASE

GOODFELLOW REPORTS ITS RESULTS FOR THE FIRST QUARTER ENDED FEBRUARY 29, 2024

Delson, Quebec, April 11, 2024 — Goodfellow Inc. (TSX: GDL) (the “Company” or “Goodfellow”) announced today its financial results for the first quarter ended February 29, 2024.

The Company reported a net loss of \$108 thousand or \$0.01 per share compared to a net loss of \$211 thousand or \$0.02 per share a year ago. Consolidated sales for the three months ended February 29, 2024 were \$105.3 million compared to \$105.9 million last year.

Though under pressure from lingering inflation and cautious consumer sentiment, Goodfellow achieved a comparable overall financial performance in the first quarter thanks to its diversified product offering, expertise in value-added services, and efficient distribution systems, as well as its strong, debt-free balance sheet. With uncertain economic conditions ahead, the Company will continue to protect margins and seize opportunities for growth with new and existing customers.

About Goodfellow

Goodfellow is a diversified manufacturer of value-added lumber products, as well as a wholesale distributor of building materials and floor coverings. Goodfellow has a distribution footprint from coast-to-coast in Canada servicing commercial and residential sectors through lumber yard retailer networks, manufacturers, industrial and infrastructure project partners, and floor covering specialists. Goodfellow also leverages its value-added product capabilities to serve lumber markets internationally. Goodfellow Inc. is a publicly traded company, and its shares are listed on the Toronto Stock Exchange under the symbol “GDL”.



GOODFELLOW INC.

Consolidated Statements of Comprehensive Income

For the three months ended February 29, 2024 and February 28, 2023

(in thousands of dollars, except per share amounts)

Unaudited

	For the three months ended	
	February 29 2024	February 28 2023
	\$	\$
Sales	105,334	105,925
Expenses		
Cost of goods sold	82,546	84,260
Selling, administrative and general expenses	22,884	21,684
Net financial costs	55	274
	105,485	106,218
Loss before income taxes	(151)	(293)
Income taxes	(43)	(82)
Total comprehensive loss	(108)	(211)
Net loss per share – Basic and Diluted	(0.01)	(0.02)

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

	As at February 29 2024	As at November 30 2023	As at February 28 2023
	\$	\$	\$
Assets			
Current Assets			
Cash	4,397	28,379	1,958
Trade and other receivables	69,672	53,674	64,295
Income taxes receivable	8,254	6,286	5,539
Inventories	122,802	98,473	130,416
Prepaid expenses	3,771	4,215	3,663
Total Current Assets	208,896	191,027	205,871
Non-Current Assets			
Property, plant and equipment	33,208	32,761	32,368
Intangible assets	1,340	1,487	1,945
Right-of-use assets	10,586	11,354	13,905
Defined benefit plan asset	15,453	15,347	11,690
Other assets	777	777	802
Total Non-Current Assets	61,364	61,726	60,710
Total Assets	270,260	252,753	266,581
Liabilities			
Current Liabilities			
Bank indebtedness	11,311	-	18,636
Trade and other payables	44,986	37,620	39,070
Provision	2,778	2,789	2,259
Dividends payable	4,256	-	4,274
Current portion of lease liabilities	4,419	4,732	4,763
Total Current Liabilities	67,750	45,141	69,002
Non-Current Liabilities			
Provision	-	-	702
Lease liabilities	7,878	8,497	11,272
Deferred income taxes	4,112	4,112	3,431
Total Non-Current Liabilities	11,990	12,609	15,405
Total Liabilities	79,740	57,750	84,407
Shareholders' Equity			
Share capital	9,370	9,379	9,408
Retained earnings	181,150	185,624	172,766
	190,520	195,003	182,174
Total Liabilities and Shareholders' Equity	270,260	252,753	266,581

GOODFELLOW INC.
Consolidated Statements of Cash Flows
For the three months ended February 29, 2024 and February 28, 2023
(in thousands of dollars)
Unaudited

	For the three months ended	
	February 28	February 28
	2024	2023
	\$	\$
Operating Activities		
Net loss	(108)	(211)
Adjustments for:		
Depreciation and amortization of:		
Property, plant and equipment	835	745
Intangible assets	147	151
Right-of-use assets	1,034	1,257
Gain on disposal of property, plant and equipment	(8)	(10)
Accretion expense on provision	-	68
Provision	(11)	(22)
Income taxes	(43)	(82)
Interest expense	45	88
Interest on lease liabilities	137	(18)
Funding in deficit of pension plan expense	(106)	(70)
Other	1	(129)
	1,923	1,767
Changes in non-cash working capital items	(32,510)	(16,280)
Interest paid	(189)	(180)
Income taxes paid	(1,925)	(3,018)
	(34,624)	(19,406)
Net Cash Flows from Operating Activities	(32,701)	(17,639)
Financing Activities		
Net increase in bank indebtedness	-	2,000
Net increase in banker's acceptances	-	5,000
Payment of lease liabilities	(1,199)	(1,505)
Redemption of shares	(119)	(120)
Net Cash Flows from Financing Activities	(1,318)	5,375
Investing Activities		
Acquisition of property, plant and equipment	(1,282)	(844)
Proceeds on disposal of property, plant and equipment	8	10
Other assets	-	-
Net Cash Flows from Investing Activities	(1,274)	(834)
Net cash outflow	(35,293)	(13,098)
Cash, beginning of period	28,379	3,420
Cash, end of period	(6,914)	(9,678)
Cash position is comprised of:		
Cash	4,397	1,958
Bank overdraft	(11,311)	(11,636)
	(6,914)	(9,678)

GOODFELLOW INC.

Consolidated Statements of Changes in Shareholders' Equity

For the three months ended February 29, 2024 and February 28, 2023

(in thousands of dollars)

Unaudited

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at November 30, 2022	9,419	177,360	186,779
Net loss	-	(211)	(211)
Total comprehensive loss	-	(211)	(211)
Dividend	-	(4,274)	(4,274)
Redemption of Shares	(11)	(109)	(120)
Balance as at February 28, 2023	9,408	172,766	182,174
Balance as at November 30, 2023	9,379	185,624	195,003
Net loss	-	(108)	(108)
Total comprehensive loss	-	(108)	(108)
Dividend	-	(4,256)	(4,256)
Redemption of Shares	(9)	(110)	(119)
Balance as at February 29, 2024	9,370	181,150	190,520