Q1 2020 RESULTS SUMMARY

(FOR THE 12-WEEK PERIOD ENDED MARCH 21, 2020)

COLABOR GROUP INC.
(TSX: GCL)

APRIL 30, 2020

FORWARD LOOKING STATEMENT

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Forward Looking Statement

This document contains certain forward-looking statements as defined under applicable securities law. Forward-looking information may relate to Colabor's future outlook and anticipated events, business, operations, financial performance, financial condition or results and, in some cases, can be identified by terminology such as "may"; "will"; "should"; "expect"; "plan"; "anticipate"; "believe"; "intend"; "estimate"; "predict"; "potential"; "continue"; "foresee", "ensure" or other similar expressions concerning matters that are not historical facts. Particularly, statements regarding the Company's financial guidelines, future operating results and economic performance, objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, performance and business prospects and opportunities, which Colabor believes are reasonable as of the current date. While Management considers these assumptions to be reasonable based on information currently available to the Company, they may prove to be incorrect. Forward-looking information is also subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what Colabor currently expects, including those mentioned in the Company's information form, which can be found under its profile on SEDAR (www.sedar.com). These factors are not intended to represent a complete list of the factors that could affect Colabor and future events and results may vary significantly from what Management currently foresees. The reader should not place undue importance on forward-looking information contained in this press release, information representing Colabor's expectations as of the date of this press release (or as of the date they are otherwise stated to be made) and are subject to change after such date. While Management may elect to do so, the Company is under no obligation (and expressly disclaims any such obligation) and does not undertake to update or alter this information at any particular time, whether as a result of new information, future events or otherwise, except as required by law.

Contents

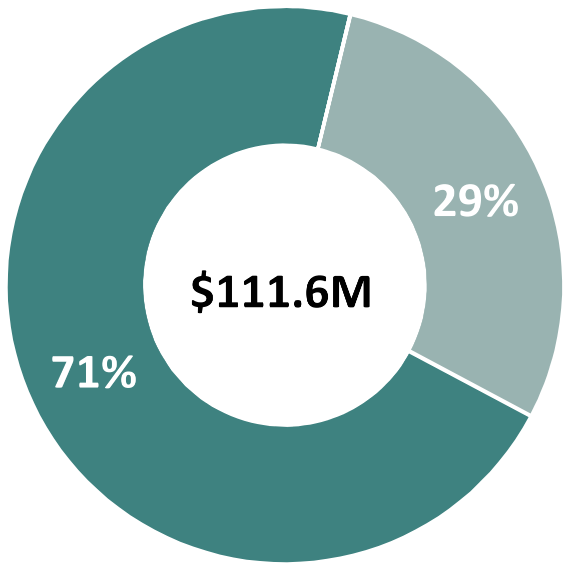
ABOUT US

Colabor is the largest independent distributor and wholesaler of food and related products in Quebec, serving the hotel, restaurant and institutional markets « HRI ». Colabor is Canada's third largest food distributor.

Q1 2020 REVENUE DIVERSIFICATION (CONTINUING OPERATIONS)

DISTRIBUTION

71 % of revenues
Broadline:
Quebec
Specialty:
Meat, Fish



WHOLESALE

29 % of revenues
Broadline:
Quebec

SINCE 2019 TRANSFORMATION

New Team
Manage With a Focus on Costs
Refocus & Optimize

H1 2019

Implementation of a $2.9M rationalization plan

Leadership nominations:
- Pierre Gagné, CFO
- Warren White, Chairman

Sale of Viandes Décarie
- $17.8 M to reduce debt

H2/2019

Ontario transformation plan continues:
- Optimization of Ontario activities with termination of non-profitable Recipe contract

Leadership nominations:
- Louis Frenette, CEO
- Danièle Baillargeon, member of the Board

Q1 2020

Ontario transformation plan continues:
- Consolidation of activities within a single distribution center in Mississauga

Agreement to sell Ontario assets
- $10M subject to closing adjustments
- Closing expected to occur in May

COVID-19 pandemic
- Last 2 weeks of Q1 2020

Q1 2020 AND RECENT KEY EVENTS:

In a good position at the end of Q1 2020
Measures implemented in the past two years contributed to improving profitability and considerably strengthening the balance sheet.

Optimization of Ontario Activities Continued:

- **January 8, 2020:** Announced the consolidation of its Broadline activities of Summit Foods division into the Mississauga facility.
- **March 11, 2020**: Agreement to sell some assets of Mississauga facility.

COVID-19:

- Affected the last two weeks of Q1 2020
- **Diversified customer** base helps attenuate the impact:
    - GCL operates at 50% capacity vs 30% for the restaurant industry;
    - Stable demand from institutional customers;
    - Developed new distribution channels (retailers and testing B2C).
- Implemented cash preservation measures.
- Expect to have short term effect on EBITDA but not on available cash.

Q1 2020 HIGHLIGHTS[1]

"The decision made in recent months, to cease unprofitable contracts, the sale of a non-core assets and the measures implemented to improve our efficiency supported the growth of our operating profitability despite the lower level of sales in Q1 2020."

Consolidated sales down 11.8% to $111.6M.

- Distribution sales down 15.9%.
  - **Specialty Distribution** down, mainly due to the end of a $7.7M distribution contract and lower volume due to COVID-19 in the last two weeks of the quarter.
  - **Broadline Distribution** down, mainly due to the last quarter decision to cease serving $7.5 M non-profitable contracts and lower volume from restaurant resulting from the pandemic was partially compensated by growing Broadline sales to retailers and institutional clients.
- Wholesale sales down 2.5%.

Adjusted EBITDA[2] from continuing operations at $3.7M (3.3% of sales) up from $2.3M (1.8% of sales) last year.

- Adoption of IFRS 16 and improved gross margins compensated for lower volume of sales.

Net loss at $8.3M vs $2.7M last year. Net loss from continuing operations at $1.9M vs a net loss of $1.1M last year.

- The net loss increase is explained by a $4.8M loss attributable to discontinued operations, $1.1M costs not related to current operations and higher depreciation.

Cash flow from operations reach to $5.6M, up from $3.8M.
Reduced total net debt [2] to $61.0M down from $68.2M at the end of FY2019.
Leverage ratio at 2.1x (0.4x excluding the convertible debentures) vs 2.5x at the end of FY2019.

(1)Data for 2019 has not been adjusted to reflect the impact of IFRS 16 adoption. Refer to section 13 " New accounting policy adopted during the current fiscal year" of the MD&A.
(2) Adjusted EBITDA and total net debt to equity ratio are non-IFRS measures. Refer to section 6 " Non-IFRS Performance Measures" of the MD&A.

Q1 - FY 2020 Financial Results

Q1 2020

"Despite the Covid-19 pandemic impacted the end of the quarter, operating profitability improvements continue into Q1-2020 and we reduced our net debt"

Financial Highlights (unaudited, thousands of dollars except percentages, per share data and financial leverage ratio)	**12-week periods** March 21, 2020	 March 23, 2019 (2)
Sales	111,613	126,543
Adjusted EBITDA[1]	3,698	2,262
Adjusted EBITDA[1] margin (%)	3.3	1.8
Net earnings (loss) from continued operations	(1 871)	(1 059)
Net earnings (loss)	(8 330)	(2 733)
Per share - basic and diluted ($)	(0.08)	(0.03)
Cash flow from operating activities	5,613	3,787
Net debt[1]	61,003	68,155
Financial leverage ratio[1]	2.1	2.5

Adoption of IFRS 16 *Leases* on December 29, 2019. Since the adoption, all leases are recognized on the balance sheet and are depreciated. The impacts on Q1-2020 are as follow:

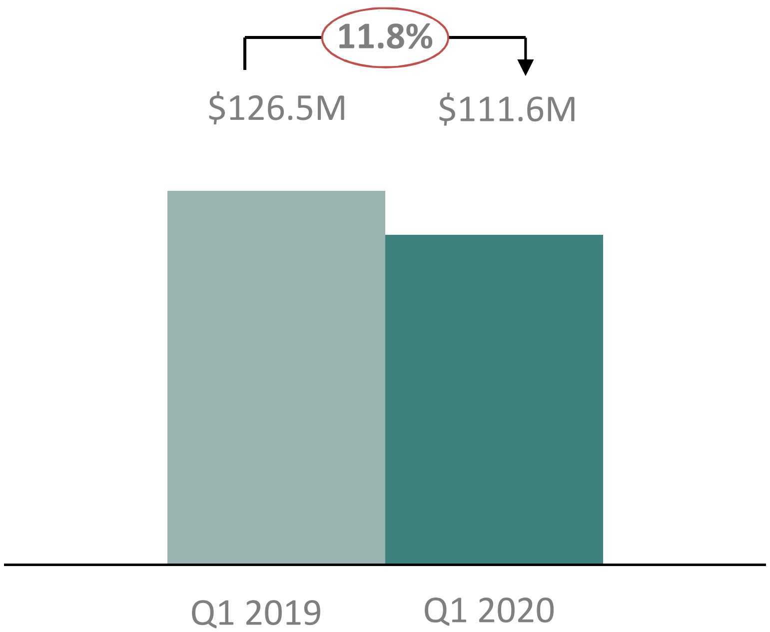
- Increase in Adjusted Ebitda[1] of $2.1
- Increase of net loss from continuing operations: $0.2M

[1]Non-IFRS measures. Refer to the table of reconciliation of Net Earnings to EBITDA in section 6 "Non-IFRS Performance Measures" in the MD&A for the 12-week period ended March 21, 2020. **Adjusted EBITDA** is equivalent to the Operating earnings before costs not related to current operations, depreciation and amortization as shown in the Company's financial statements. **Net debt** corresponds to bank indebtedness, current portion of long-term debt, long-term debt and convertible debentures as presented in Colabor's consolidated statements of financial position. **Financial leverage ratio** is defined as net debt / adjusted EBITDA.

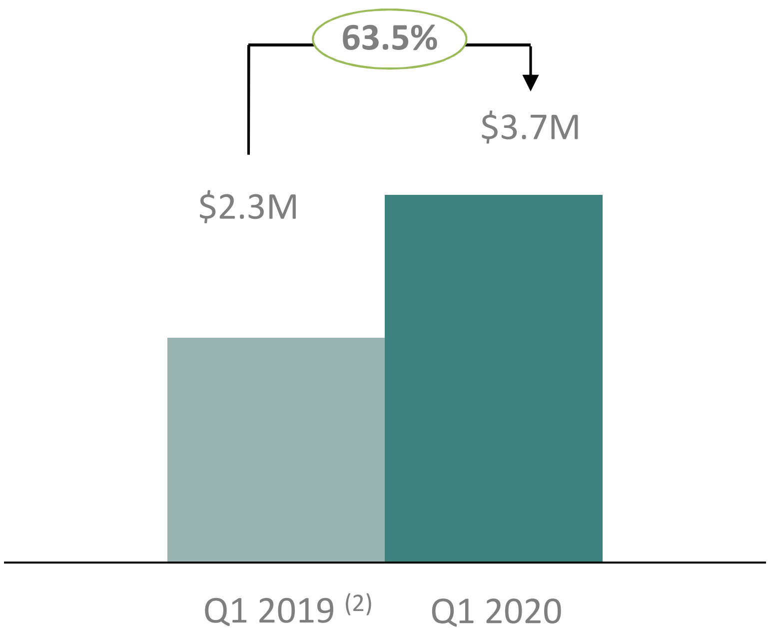
[2]Data for 2019 has not been adjusted to reflect the impact of IFRS 16 adoption. Refer to section 13 " New accounting policy adopted during the current fiscal year" of the MD&A

Q1 SALES AND PROFITABILITY TREND

CONSOLIDATED SALES



ADJUSTED EBITDA[1] [2]

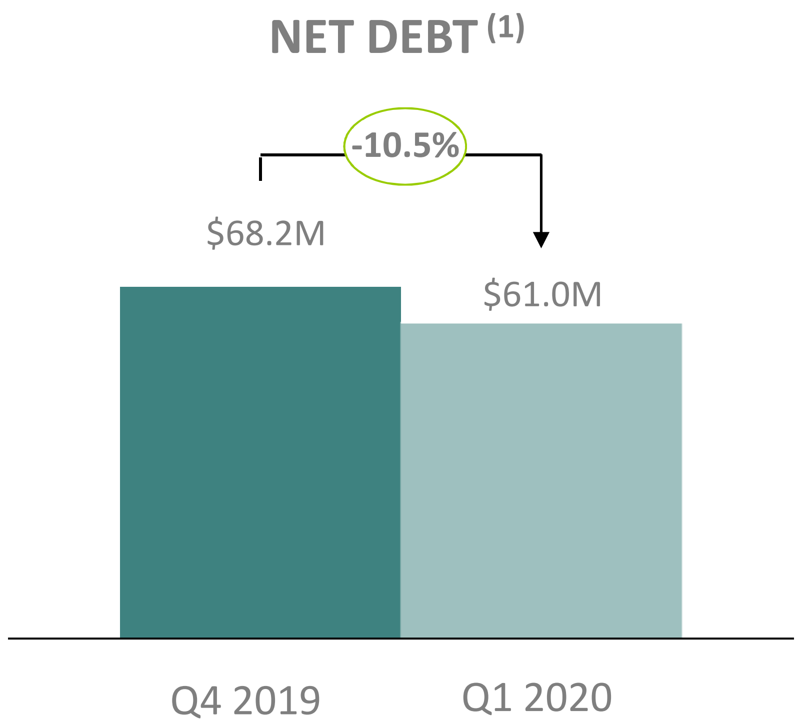


Distribution sales down 15.9%
Wholesale sales down 2.5%

Higher adjusted EBITDA[1] margins
at 3.3% in Q1 2020 vs 1.8% in Q1 2019

(1) Adjusted EBITDA is non-IFRS measures. Refer to section 6 " Non-IFRS Performance Measures" of the MD&A.
(2) Data for 2019 has not been adjusted to reflect the impact of IFRS 16 adoption. Refer to section13 " New accounting policy adopted during the current fiscal year" of the MD&A

NET DEBT TREND



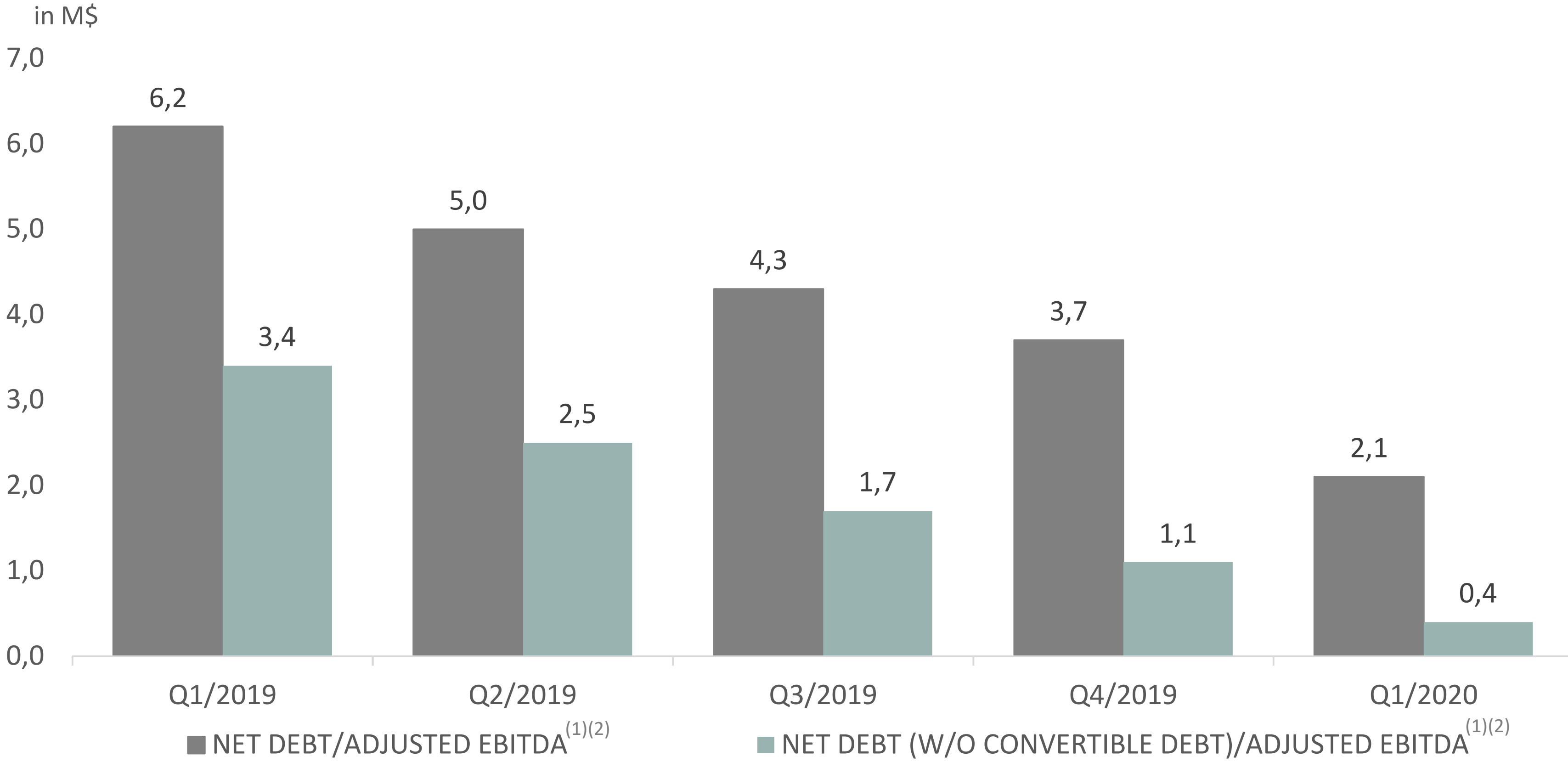
Deleveraging from an increase in cash flow from operating activities

[(1)]Non-IFRS measures. Refer to section 6 "Non-IFRS Performance Measures" in the MD&A for the 12-week period ended March 21, 2020. **Net debt** corresponds to bank indebtedness, current portion of long-term debt, long-term debt and convertible debentures as presented in Colabor's consolidated statements of financial position.

REDUCED DEBT LEVEL

Financial discipline:

- Maintain strong cash flow from operations
- Divest non-core assets



(1) Adjusted EBITDA and total debt to Adjusted EBITDA are non-IFRS performance measures. See MD&A for the 12-week period ended March 21, 2020 for their definitions. Starting in Q2 2019, the Adjusted EBITDA from continuing operations is used to calculate the ratio, to reflect the sale of the Viandes Décarie division and starting in Q1 2020, the Summit division is not part of the continuing operations.

(2) Adoption of IFRS 16 in Q1-2020. Data for 2019 has not been adjusted to reflect the impact of IFRS 16 adoption. Refer to section 13 " New accounting policy adopted during the current fiscal year" of the MD&A

Q2 2020 GUIDANCE

Taking into account the pandemic and from our current assessment of the potential outcome, management has provided short term guidance.

Taking into account the recent developments, IFRS 16, and qualification for the Federal wage subsidy:

- Sales should range between $80M to $90M from continuing operations;
- Adjusted EBITDA[(1)] should range between $5M to $6M .

(1) Adjusted EBITDA is a non-IFRS measures. Refer to section 6 " Non-IFRS Performance Measures" of the MD&A.

SHARE INFORMATION (TSX: GCL)

STOCK PRICE (at April 26, 2020)	$0.27
52-week high-low	$1.08 - $0.20
Number of shares issued and outstanding	101,677,932
Average volume (30 days)	51.7 k
Market capitalization	$27.5 M
Institutional and management ownership	≈ 46%

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