



ORGANIC GARAGE REPORTS FIRST QUARTER RESULTS

June 29, 2020, Toronto, Canada: Organic Garage Ltd. ("**Organic Garage**" or the "**Company**") (TSX-V: OG), one of Canada's leading independent organic grocers, has released the Company's financial results for the first quarter ended April 30, 2020 and is pleased to announce an increase in sales, gross profit and positive earnings per share for the quarter. The Company has a Fiscal Year End of January 31.

"Clearly Q1 presented certain operational challenges related to COVID-19," Organic Garage CEO Matt Lurie stated. "However, the Company was extremely pleased with how management and staff embraced the challenges to keep our customers and staff safe and healthy, while at the same time continuing to provide the products and services in which Organic Garage takes such great pride."

The interim condensed unaudited consolidated financial statements for the Company including the operating company and all subsidiaries and related management's discussion and analysis for the period are available under the Company's profile on SEDAR at www.sedar.com. All amounts are expressed in Canadian dollars.

Q1 Financial Results (comparison to quarter ended April 30, 2019):

- Sales increased 19% to \$8.0 million from \$6.7 million
- Gross profit percentage increased to 30.6% from 29.4%
- Gross profit dollars increased 24% to \$2.4 million from \$2.0 million
- Net income of \$0.01 per share compared to a net loss of \$0.01 per share
- EBITDA increased 157% to \$1.2 million from \$0.4 million

Cash balance: Increased to \$1.2 million as compared to \$0.2 million as of January 31, 2020.

Net Income: The Company had net income of \$189,403 for the quarter ended April 30, 2020 compared to a loss of \$241,950 for the quarter ended April 30, 2019. The increase in net income was due to strong sales of \$7,952,876, gross margin of \$2,433,910 and total expenses of \$2,245,073. As a percentage of sales, total expenses decreased to 28.2% during the quarter ended April 30, 2020 from 33.1% in the quarter ended April 30, 2019.

Q1 Operational Highlights:

Management continues to effect change and see positive results through its implementation of new strategies to contain and reduce corporate expenses and improve efficiency.

The Company has experienced significant growth in on-line sales through Cornershop, increasing to 6.6% of overall sales in April, up from 3.5% of overall sales in March and up from 1.3% of overall sales in February 2020.

The Company also announced the implementation of the following measures to ensure the safety and satisfaction of both its customers and employees in response to COVID-19:

- Implemented a “Curbside Pickup” option at its Oakville and Thornhill stores.
- Enhanced health and safety, cleaning and sanitization protocols, installed equipment such as plexiglass dividers on front cash and features such as floor markings at checkout and throughout every store to encourage responsible social distancing.
- Increased the hourly wages for all team members in the Company.

“We are cognizant of the ongoing challenges faced by the Company regarding COVID-19 and will remain focused on prioritizing the safety of our community. We are confident that management and staff will do whatever we can in order to provide our customers with safe shopping experiences,” continued Matt Lurie. “Subsequent to quarter end, the Company has continued to experience an increase of in-store and online sales as consumers continue to shift their purchasing trends and Organic Garage expands its customer base.”

About Organic Garage Ltd.

Organic Garage (TSXV: OG) is one of Canada’s leading independent organic grocers and is committed to offering its customers a wide selection of healthy and natural products at everyday affordable prices. The Company’s stores are in prime retail locations designed to give customers an inclusive, unique and value-focused grocery shopping experience. Founded in 2005 by a fourth-generation grocer, Organic Garage is headquartered in Toronto and operates a highly efficient supply chain through its centralized distribution centre. The Company is focused on continuing to expand its retail footprint within the Greater Toronto Area. For more information please visit the Organic Garage website at www.organicgarage.com.

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This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words, including negatives thereof, suggesting future outcomes.

Forward looking statements are subject to both known and unknown risks, uncertainties and other factors, many of which are beyond the control of Organic Garage, that may cause the actual results, level of activity, performance or achievements of Organic Garage to be materially different from those expressed or implied by such forward looking statements, including but not limited to future growth and general business, economic, competitive, political and social uncertainties. Although Organic Garage has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

Forward-looking statements are not a guarantee of future performance and involve a number of risks and uncertainties, some of which are described herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Organic Garage's actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Any forward-looking statements are made as of the date hereof and, except as required by law, neither Organic Garage assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.