



ORGANIC GARAGE FINALIZES ITS TRANSITION TO A DECENTRALIZED DISTRIBUTION MODEL; ANTICIPATES SAVINGS OF \$1M ANNUALLY

April 27, 2021, Toronto, Canada: Organic Garage Ltd. ("**Organic Garage**" or the "**Company**") (TSXV: OG; FRA: 9CW1; OTCQX: OGGFF), one of Canada's leading independent organic grocers, announced today that it has finalized the closing of its distribution and warehouse facility and has moved to a fully decentralized distribution model. Cost savings from the transition are anticipated to exceed \$1 million annually.

Organic Garage had originally adopted a hub-and-spoke model where the centralized distribution facility was to service its group of stores with the intent of being able to exercise greater control over its supply chain, albeit at substantial expense. After analyzing the costs of continuing to run the centralized distribution model, it was determined that the savings were substantial enough to warrant a transition to a decentralized model. Concurrently, the Company was able to negotiate preferential pricing and rebate programs with its distributor network due to the significant increase in volumes that they will now see, particularly on brands that Organic Garage had previously been purchasing direct from the manufacturers. Thus, in addition to the operational savings from the switch in its distribution model, the Company anticipates further benefits to gross margins as a result of its ability to leverage its distributors' logistics at their cost.

Simplification and flexibility were also factors of consideration for the Company prior to making the decision for the transition. The Company has removed additional layers of complexity with respect to their operations and now has the option of reviewing expansion opportunities outside of the downtown or Greater Toronto Area, independent of the logistical considerations associated with a centralized distribution model.

Organic Garage CEO Matt Lurie further discussed the rationale for the move to a decentralized distribution model in an interview with Proactive Investors.

"The significant savings and ultimate benefit to our bottom line as a result of the change are simply too great to ignore," stated the Organic Garage CEO, Matt Lurie. "Our ability to pivot our entire distribution and supply chain model in the midst of significant sales increases and the ongoing pandemic with minimal disruption to our business is a huge accomplishment and speaks to the strength of the team we have in place at Organic Garage and the nature of the relationships that we have with our distributors and suppliers."

To view the Proactive Investors interview, please click the following link:



[Organic Garage CEO Matt Lurie is interviewed by Proactive Investors](#)

About Organic Garage Ltd.

Organic Garage (TSXV: OG; FRA:9CW1; OTCQX: OGGFF) 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. 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.

For further information please contact:

Bill Mitoulas
T: (416) 479-9547
E: investor_relations@organicgarage.com
W: www.organicgarage.com

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.

Cautionary Note Regarding Forward-looking Statements

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. 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, Organic Garage assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.