

Organic GARAGE

Healthier food for less!

CORPORATE PRESENTATION

Q4 FY2021

TSXV:OG | OTCQX:OGGFF

A photograph of a grocery store aisle. In the foreground, there are wooden crates filled with various fruits like oranges, lemons, and tomatoes. To the left, there are bags of snacks. In the background, a sign reads "WE ♥ ORGANIC" with a red heart symbol. The store has a rustic feel with brick walls and large windows. A semi-transparent box with an orange border is centered over the image, containing the text "WHO WE ARE".

WHO WE ARE

WELCOME TO

Organic GARAGE

Healthier food for less!

A Canadian family run grocery store chain selling fresh organic and all natural products at the best possible prices since 2005.

Organic Garage is a mid-sized retail food business with a 14+ year operating history in the Greater Toronto Area. The Company currently has **four retail locations** in prime retail locations and a plant-based food company, The Future of Cheese.

The original store is well established and located in Oakville. Along with its sister locations in Vaughan, the Junction and Liberty Village, the company generates over \$30 million in annual revenue.



Matt Lurie
Chairman / CEO
Founder



- Founder of Organic Garage
- 4th generation grocer
- Highly experienced food retailer
- Hands-on operator and manager
- Passionate and entrepreneurial

1 Founding Vision



Organic
GARAGE

Our Roots



Although it may be difficult to see, the sign above the store in this picture reads “We sell for less.” This tagline would end up being the inspiration for what was to come almost 80 years later. The story begins in 1928 when my great grandfather and great grandmother emigrated from Poland and settled in downtown Toronto. They struggled like many other families before them but hard work and dedication made it possible to open their first grocery store in 1931.

When you come into Organic Garage you can see this picture of my grandfather and his two brothers standing in front of their College Street store. It is hung in a prominent place as a reminder of what perseverance and commitment can achieve.

Matt Lurie
Founder of Organic Garage

What Makes Us Different?



Brand

- Unique space in the market
- Highly differentiated brand
- Blunt communication messaging
- Consistent, to the point messaging resonates with customers



Environment

- “Cool” market inspired shopping environment
- Conveys message of wholesome, natural, traditional, honesty
- Urban environment utilizing industry leading technology
- Comfortable and authentic natural feel



Product

- Stringent listing criteria; **healthy, natural, organic products only**
- Products aligned with core values and brand promise
- “We read the labels so you don’t have to”
- **100% certified Organic produce**
- 8,000-10,000 SKUs covering all product categories allows for one-stop-shopping



Value

- Leader in **price**; unmatched “**everyday affordability**”
- Strong leverage of our **operational efficiencies**
- Aggressive focus on “Hero” brands that **create value leadership** positioning
- **Value focus**; in-store specials, “Unflyer”, manufacturer clearance deals, etc.

100% CERTIFIED ORGANIC PRODUCE

FOR LESS

WHAT WE HAVE
ACCOMPLISHED

Infrastructure Built

Over A Decade of Steady Growth

- \$30M+ annual revenues
- 4 highly successful 12,000-15,000 square foot retail locations (GTA)
- 5th location currently under construction

Organic Garage Sites:

- ❖ Leaside • TBA
- ✓ Liberty Village • 2018
- ✓ The Junction • 2017
- ✓ Vaughan • 2013
- ✓ Oakville • 2006

A photograph of an Organic Garage storefront at night. The building is made of dark brick. A large, illuminated sign in a white script font reads "Organic", with "GARAGE" in a bold, black, sans-serif font below it. Underneath "GARAGE" is the tagline "Healthier food for less." in a smaller, white, script font. To the right of the sign is a large, arched window with multiple panes. String lights are visible hanging from the roofline.

Organic
GARAGE
Healthier food for less.

A close-up photograph of a red brick wall. In the bottom right corner, the Organic Garage logo is visible, featuring the word "Organic" in a white script font and "GARAGE" in a white, bold, sans-serif font below it.

Organic
GARAGE

2021 Q1 Financial Highlights

Year Over Year Growth

- Sales increased 19.4% to \$8.0M from \$6.7M
- Gross profit dollars increased 23.7% to \$2.4M from \$2.0M
- EBITDA increased 157% to \$1.1M from \$0.4M
- Net income increased to \$189K from a loss of \$241K (EPS \$0.01 vs. \$-0.01)
- Cash position increased to \$1.4M compared to \$0.2M as of January 31, 2020

Positive Developments

- Online sales trending upwards in Q1 Fiscal Year 2021
 - 1.3% of total sales in February 2020
 - 3.5% of total sales in March 2020
 - 6.6% of total sales in April 2020



2021 Q2 Financial Highlights

► Year Over Year Growth

- Sales increased 29.0% to \$8.1M from \$6.2M
- Gross profit dollars increased 47% to \$2.2M from \$1.5M
- EBITDA increased to \$0.4M from \$-0.4M
- Net income increased to a loss of \$-201k from a loss of \$-1,102k (EPS \$-0.01 vs. \$-0.03)
- Cash position increased to \$0.9M compared to \$0.2M as of January 31, 2020

► Positive Developments

- Strong online sales continuing; 6.0% of overall sales
- Working capital continues to improve, as working capital deficit was \$-293k Q2, compared to \$-325k Q1, and previous year end was \$-982k
- Strong increase in sales by each location subsequent to Q2 Fiscal Year 2021



2021 Q3 Financial Highlights

▶ Year Over Year Growth

- Sales increased 21.6% to \$6.9M from \$5.7M
- Gross profit dollars increased 43.7% to \$2.1M from \$1.5M
- EBITDA increased to \$0.69M from \$0.05M
- Net income increased to a loss of \$-118k from a loss of \$-794k (EPS \$-0.00 vs. \$-0.02)
- Cash position increased to \$0.8M compared to \$0.2M as of January 31, 2020

▶ Positive Developments

- Strong online sales continuing; 8.5% of overall sales
- Working capital continues to improve, as working capital deficit was \$-153k as of Q3, compared to \$-293k Q2
- Continued strong increase in sales by each location subsequent to Q3 Fiscal Year 2021



2021 Q4 Financial Highlights

► Year Over Year Growth

- Sales increased 32.7% to \$7.3M from \$5.5M
- Gross profit dollars increased 21.9% to \$2.2M from \$1.8M
- EBITDA (12 month period) increased to \$2.8M from \$-1.8M
- Net income increased to a loss of \$-133k from a loss of \$-3.0M (EPS \$-0.00 vs. \$-0.08)
- Working capital of \$1.0M compared to \$-1.0M as of January 31, 2020
- Cash position increased to \$1.6M compared to \$0.2M as of January 31, 2020



► Positive Developments

- Strong online sales continuing; 11.5% of overall sales
- Significant increase in year-over-year sales for each quarter in Fiscal Year 2021
- Additional \$0.3M received from exercise of options & warrants

Capitalization

- Oct 2016: Organic Garage commences trading on the CSE under ticker “OG”
 - completes a private placement financing of \$1M @ \$0.40 per share
- Feb 2017: OG completes private placement of ~\$2.7M @ \$0.25 per share
- Apr 2017: OG begins trading on the TSX-V under ticker “OG”
- Oct 2019: OG closes \$3M Convertible Debenture, 3-Year, 9.5% interest paid in stock, convertible @ \$ 0.11 plus ½ warrant @ \$0.18, no convert until maturity, OG option to pay back with 5% penalty
- Dec 2020: OG completes private placement of ~\$1M @ \$0.25/ Unit (1 Common Share + 1 Purchase Warrant @ \$0.33 / 2 years)
- Mar 2021: OG completes acquisition of The Future of Cheese Co. through issuance of 14,490,000 shares @ \$0.45 per share

Current Capitalization

Share Price (April 30, 2021)	\$0.465	(1) Diluted Shares – includes 3.6M stock options, weighted average exercise price of \$0.46 and 4M warrants at \$0.33; EXCLUDES CONVERTIBLE DEBENTURE
Basic Shares Outstanding (M)	59.3	
Diluted Shares Outstanding (M) (3.6M Existing Options, lowest priced @ \$0.36 / 4M Warrants @ \$0.33)	67.1 ⁽¹⁾	(2) Diluted Shares – WITH CONVERTIBLE DEBENTURE : includes 27,272,727 shares convertible at \$0.11 (Oct 25, 2022) plus 13,636,363 warrants exercisable at \$0.18 (3 Years after maturity) NOTE: - Convertible Debenture may be paid back at any time with 5% penalty, warrants get cancelled. - In event of Change of Control company may repurchase debentures in Year 1 @ 125%, Year 2 @ 150%, Year 3 @ 175%
Diluted Shares Outstanding (M) (With Convertible Debenture @ \$0.11 + ½ Warrant @ \$0.18)	108.0 ⁽²⁾	
Market Capitalization (M)	\$27.6	
Debt	\$3.0 ⁽³⁾	(3) As of Jan 31, 2021, Debt consists of: - Convertible Debenture of \$3M (interest paid in stock)
Cash & Cash Equivalents (1/31/2021)	\$1.6	

Financials

- Financial results have been robust displaying strong gross margins
- Increased revenues year-over-year
- Significant increase in quarterly year-over-year sales in Fiscal Year 2021
- Strong quarter-over-quarter increases in online sales in Fiscal Year 2021
- Significant positive change in working capital during Fiscal Year 2021

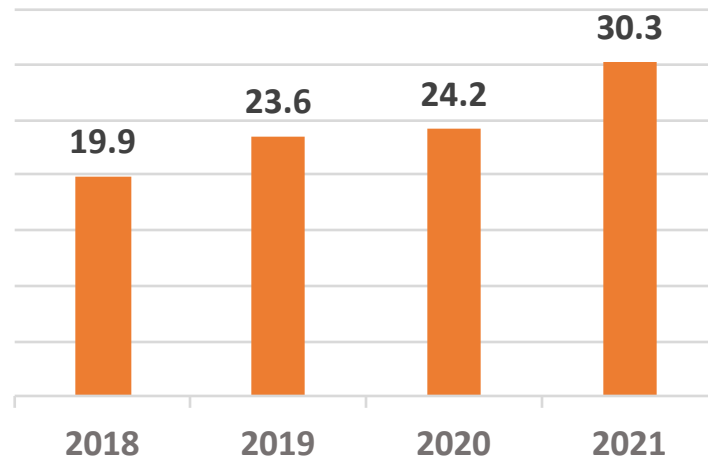
Financial Performance¹

(\$000's CAD)	<u>2018¹</u>	<u>2019¹</u>	<u>2020¹</u>	<u>2021¹</u>
Sales	19,857	23,609	24,155	30,276
Gross Profit	5,696	6,473	6,704	8,928
EBITDA	457	(1,085)	403 ²	2,795
Total Assets	11,662	13,205	17,424	17,187

• ¹ Fiscal Year End: January 31

• ² 2020 EBITDA adjusted for impairment of goodwill of 2,233

Revenue Growth (CAD M)¹





WE ONLY SELL
GOOD \$#!@%

WHERE WE ARE NOW

100% CERTIFIED

Brand & Unique Environment

Organic
GARAGE



Handpicked Partners

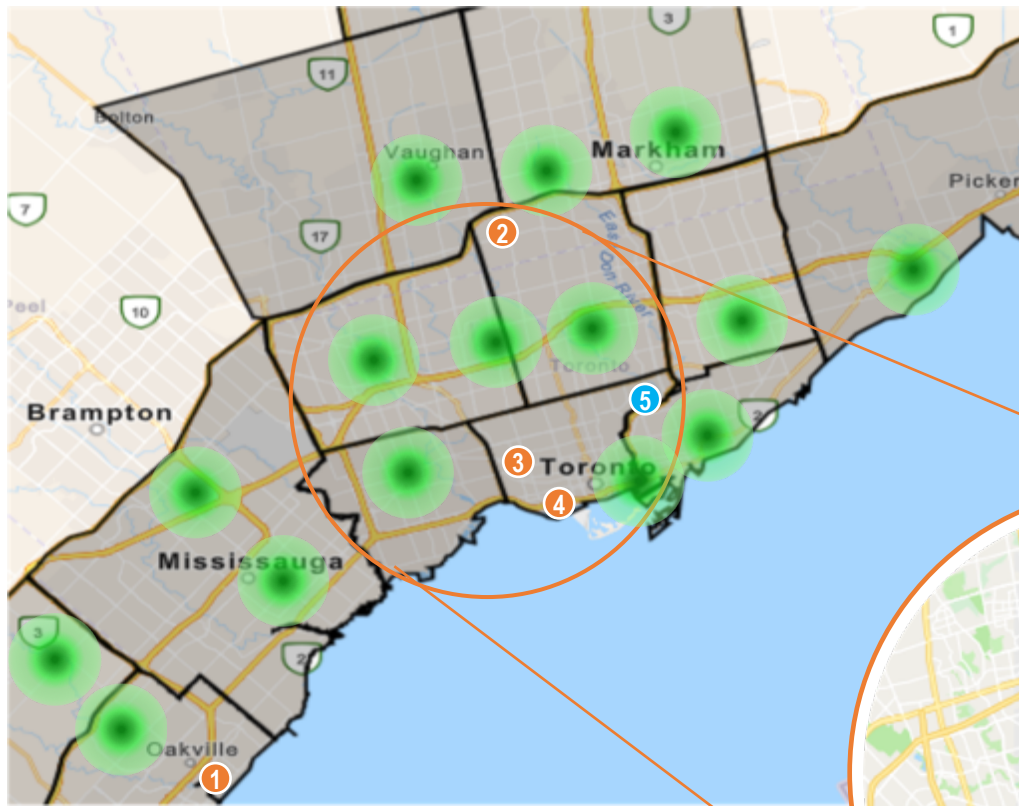
- **Fill Category Voids**
 - ✓ Prepared foods / Home meal replacements
 - ✓ Specialty Meat
 - ✓ Specialty Cheese
 - ✓ Specialty Breads
 - ✓ Specialty Bakery
- **Drives Profitability to the Bottom Line**
 - Combination of fixed rent and % of sales
- **Drives Customer Traffic to the Store**
 - Unique to Organic Garage



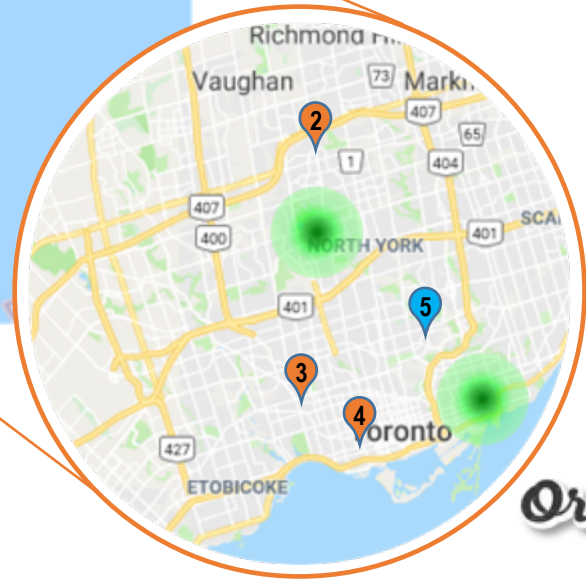
LIBERTY VILLAGE
— MARKET —

WHERE WE ARE
GOING

WELCOME TO
Organic
GARAGE



- Current Locations**
1. Oakville
 2. Vaughan
 3. The Junction
 4. Liberty Village
- New Locations**
5. Leaside
 6. TBD
- Target Locations**



Organic Garage Locations + Targets

Competitive Landscape – Transaction Activity

DATE	TARGET	ACQUIRER	TRANSACTION SIZE	NOTES*
May 2021	Longo's	Empire Co.	\$357M - 51% stake (based on \$700M enterprise value)	- 36 locations + Grocery Gateway
May 2019	Nature's Fare Markets	Buy-Low Foods (Jim Pattison Group)	Not disclosed	- 7 locations
SEP 2018	Farm Boy	Sobeys (Empire Co.)	\$800M	- 26 locations - 2x Sales
MAY 2018	Marche Adonis	Metro	- 55% stake in 2011 (\$154M) - Remaining 45% in 2018	- 4 locations 2011 - 11 locations 2017
FEB 2018	Choice & CCW	Buy-Low Foods (Jim Pattison Group)	Not disclosed	- 11 locations
JUN 2017	Whole Foods	Amazon	\$13.7B USD	- 460 locations - Sales of \$15.7B USD
OCT 2015	Pete's Fine Foods	Sobeys	Not disclosed	- 3 locations
MAY 2014	Arz Fine Foods	Loblaws	Not disclosed	- 10,000 sq. ft retail store, commercial bakery
JUL 2009	T&T	Loblaws	\$225MM (\$191MM cash + pref shares)	- 17 locations - Sales of \$514MM

*OG management notes

Innovative Growth The Future of Cheese

THE FUTURE OF CHEESE™

"THE GLOBAL
PLANT-BASED
CHEESE MARKET
IS EXPECTED TO
REACH REVENUES
OF OVER \$4.6
BILLION BY 2025."

*Research & Markets –
Vegan Cheese Market
Forecast from 2020 to 2025*



THE FUTURE OF FOOD IS MADE FROM PLANTS

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Organic
GARAGE

The Future of Cheese Team

AFRIM PRISTINE *Maître Fromager*

Canada's premier cheese expert and owner of his family business of 48 years, Cheese Boutique, Afrim was bestowed as Canada's first and one of the world's youngest "Maître Fromagers."

MAITRE FROMAGER CULINARY DIRECTOR

ASSETS



AFRIM PRISTINE



THE FUTURE OF CHEESE™

100,000+
FOLLOWERS



CRAIG HARDING



CRAIG HARDING *Culinary Director*

- La Palma
- Campagnolo
- Constantine

Craig's restaurants have landed him on the most acclaimed restaurant lists from Canada's top 100 to Toronto Life's Top 10 and Enroute's Best New Restaurants in Canada.

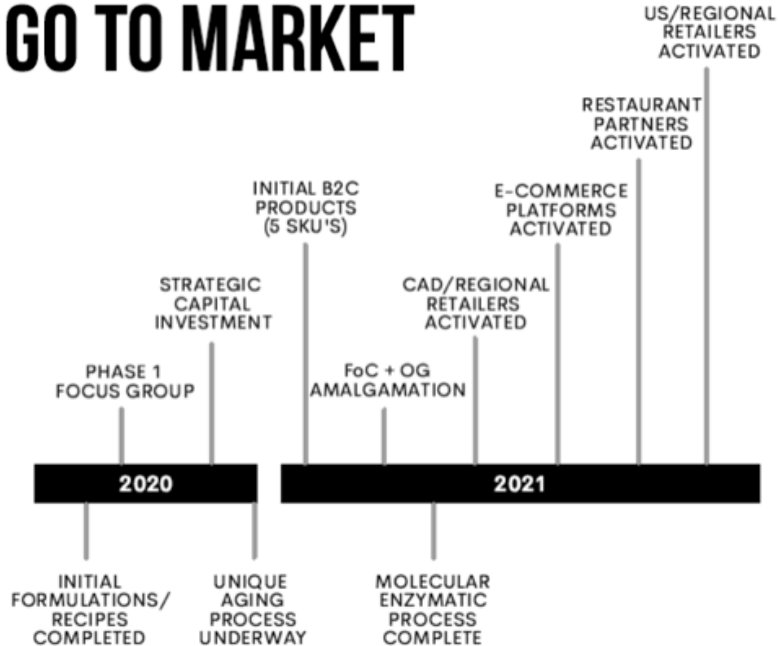
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Commercialization The Future of Cheese

THE FUTURE OF CHEESE™

Welcome to the future of **SUSTAINABLE, DELICIOUS, NUTRITIOUS,** plant-based ingredients made into the food you love ♥

GO TO MARKET



GROCERY RETAIL

Leveraging the relationships and reputational capital of the board and leadership team to secure listing in leading natural and traditional local and national grocery retailers.



DIRECT TO CONSUMER

Work with some of the world's largest online retailers and we expect these relationships to help support growth.



WHOLESALE & FOOD SERVICE

Leveraging direct access to some of Canada's top restaurant and food service providers through ownership, advisory roles and established working relationships.



Organic GARAGE

Healthier food for less!

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