

ANDREW PELLER

— LIMITED —

697 SOUTH SERVICE, GRIMSBY, ONTARIO L3M 4E8
TELEPHONE 905-643-4131 FAX 905-643-8927

March 25, 2020

To our Investors and Stakeholders:

We wanted to update you on the measures we are taking to manage our business during the Coronavirus Disease 2019 (“CoViD19”) pandemic. Our main priorities are to ensure the safety and well-being of our people, and that we are conducting our business to the best of our ability in these challenging times.

We immediately formed a Crisis Management Team (“CMT”) to include our executive management and specific functional expertise. The CMT meets each day to assess industry, market and internal factors, and to discuss responses and future programs. Consistent, constant and proactive communications have been implemented to our staff, our customers, our Board of Directors, our financial partners and other stakeholders to keep them regularly informed of what we are doing. Most of our people are now working from home, utilizing systems and procedures developed over the last few years.

From a business perspective, our winemakers and logistics teams continue to ensure that our products are produced, and that a consistent and regular flow of product is delivered efficiently and effectively. Almost all provincial liquor stores and our grocery retail locations across the country remain open for business and we continue to perform well in our largest trade channel. Our retail and estate winery stores also remain open and busy. Additionally, we are enhancing our on-line sales and wine club capabilities to grow our direct-to-home business. Clearly our export, duty free, restaurant and consumer-made sales will be significantly reduced until this crisis is resolved.

Overall, despite the challenges facing the Company, we are continuing to do business through the majority of our trade channels, and we are confident the Company will remain strong and profitable for the foreseeable future.

It is also important to note that our balance sheet and financial position remain strong and flexible. We have the financial resources to weather this storm, and we are carefully and prudently reviewing all our capital allocation strategies and commitments to ensure we remain financially stable and well capitalized going forward.

Thank you for your continuing interest in and support for the Company, and if you have any questions please do not hesitate to contact us.

Sincerely,



John Peller
Chief Executive Officer



Randy Powell
President