ANDREW PELLER LIMITED REPORTS RESULTS FOR FISCAL 2022

GRIMSBY, Ontario – June 15, 2022 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced today its results for the three months and year ended March 31, 2022.

FISCAL 2022 HIGHLIGHTS:

- Sales decreased by 4.9% due to COVID-related shifts in purchasing patterns;
- Gross margin decreased to 37.2% due to an increase in raw material and other inflationary supply chain costs;
- Selling and administration expenses increased as previously furloughed staff returned to work;
- Sale of Port Coquitlam property generated a realized gain of $7.5 million ($0.21 per Class A Share); and
- Net earnings decreased to $12.5 million ($0.29 per Class Share).

"Despite the challenges and uncertainties created by the COVID pandemic experienced over the last two years and the recent global supply chain issues and inflation, we performed well in fiscal 2022. We reacted efficiently to the numerous openings and closings and have implemented price increases in our target markets. We are also executing cost savings initiatives to offset increasing supply chain costs and inflation. We continue to prudently invest in our properties, our facilities, our trade channels, our operating platform, and our people, and we are confident that we can emerge a more efficient Company," commented John Peller, President and Chief Executive Officer.

"Looking ahead, we expect the ongoing negative impacts on our markets and our costs resulting from the pandemic will continue over the near term," Mr. Peller continued. "However, our vision and strategy remain the same – to capitalize on our robust and scalable operating platform and well-established network of trade channels to grow our business through the introduction new products, new brands and new market categories while leveraging our strong reputation for quality."

Sales for the year ended March 31, 2022 were $374.0 million, down 4.9% from the prior year. When the pandemic was announced, the Company saw an increase in sales in fiscal 2021 as a result of changes in consumer purchasing patterns and uncertainty around trade channels for alcoholic beverages remaining open. Additionally, provincial liquor stores in Ontario were closed on Mondays for the majority of fiscal 2021, resulting in an increase in sales at the Company's retail locations. Government-mandated closures of restaurants and hospitality businesses were lifted in June 2021 with restrictions on capacity remaining in place. As a result, the recovery in the restaurant and hospitality industries lagged during the first half of fiscal 2022 when compared to the retail industry. Sales in restaurants, estate wineries and hospitality locations have begun to increase as the pandemic eases and consumers return to pre-pandemic activities, and management expects this to continue. Sales for the three months ended March 31, 2022 were consistent with the prior year's fourth quarter as the recovery in restaurant, estate and hospitality sales has offset the normalization of retail sales.

Gross margin as a percentage of sales was 37.2% for the year ended March 31, 2022 compared to 39.8% in the prior year. Gross margin has declined throughout fiscal 2022 due to higher imported wine costs and other raw material costs, increased global supply chain costs due to inflationary pressures, and increased co-packing costs related to the Company's refreshment beverage categories. For the three months ended March 31, 2022 gross margin was 29.2% of sales compared to 35.5% in the same quarter last year. The cost of raw materials such as import wine, glass bottles and other packaging materials have increased due to inflationary pressures. Gross margin is also being suppressed due to an increase in global supply chain costs such as international freight and associated shipping charges. In fiscal 2023, the Company has implemented price increases that are expected to partially offset inflationary pressures on margin and is also executing more fulsome cost savings initiatives to mitigate against increasing supply chain costs.

Selling and administrative expenses increased in fiscal 2022 as the Company increased staffing and marketing expenses in preparation for more normal markets returning as the impact of the COVID-19 pandemic eases. During the first six months of fiscal 2021, the Company laid off a significant part of its workforce due to government-mandated closures and reduced advertising and promotional spending to conserve cash in response to the pandemic. In addition, certain start-up costs were incurred in fiscal 2022 related to the acquisition of the Riverbend Inn and Vineyard, which opened on June 19, 2021. As a percentage of sales, selling and administrative expenses were 26.7% in fiscal 2022 compared to 23.8% in the prior year. Selling and administrative expenses decreased as a percentage of sales for the three months ended March 31, 2022 compared to the prior year's fourth quarter as activity in the restaurant and hospitality channels has increased as the pandemic eases.

Earnings before interest, amortization, gain on sale of assets held for sale, net unrealized gains and losses on derivative financial instruments, other (income) expenses, gain on debt modification net of financing fees, and income taxes ("EBITA") were $39.2 million for the year ended March 31, 2022 compared to $63.0 million in the prior year. The decline in EBITA in fiscal 2022 is due to lower sales, higher cost of goods sold and higher administrative and selling expenses compared to the prior year.

On September 28, 2021 the Company completed the previously announced sale of its Port Coquitlam, British Columbia property and related assets for total proceeds of approximately $8.8 million, net of transaction costs, and generated a realized gain on the sale of $7.5 million or $0.21 per Class A share.

Net earnings for the year ended March 31, 2022 were $12.5 million ($0.29 per Class A Share) compared to $27.8 million ($0.65 per Class A Share) in the prior year. For the three months ended March 31, 2022 the Company incurred a net loss of $7.0 million or $0.17 per Class A Share compared to a net loss of $6.3 million or $0.15 per Class A Share in the fourth quarter of fiscal 2021. Adjusted earnings, defined as net earnings not including the realized gain on sale of assets held for sale, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and the related income tax effect were $5.1 million for the year ended March 31, 2022 compared to $27.0 million in fiscal 2021.

The COVID-19 pandemic continued to impact the Company's financial results in fiscal 2022 with changes in consumer purchasing and travel patterns, inflationary cost pressures and global supply chain challenges.

Long-term debt increased to $192.1 million at March 31, 2022 from $174.5 million at March 31, 2021, due to a reduction in cash from operations and increased investment in the Company's properties and operations. The Company's debt to equity ratio was 0.72:1 at March 31, 2022 compared to 0.66:1 at March 31, 2021. At March 31, 2022, the Company had unutilized debt capacity in the amount of $157.6 million on its credit facility. Working capital at March 31, 2022 was $181.8 million compared to $170.7 million at March 31, 2021. Shareholders' equity at March 31, 2022 was $265.4 million or $6.15 per common share compared to $265.6 million or $6.08 per common share at March 31, 2021.

On November 10, 2021, the Company amended and restated its debt facility to revise its interest charge coverage ratio financial covenant for the three-month period ended December 31, 2021. On December 22, 2021, the Company obtained a waiver from its lenders in connection with the financial covenants of its credit agreement for the fiscal quarter ended December 31, 2021. Furthermore, on February 9, 2022, the Company amended its credit agreement to amend financial covenants for reporting periods from March 31, 2022 to the end of the term of the credit facility. The financial covenants for the reporting periods from June 30, 2022 to the end of the term of the credit facility were further amended on June 15, 2022. This amendment also contains post-closing covenants which require the Company to provide additional first ranking security in favour of the lenders on real property with a certain fair market value by a specified date.

On March 4, 2021 the Company announced its notice of intention to make a normal course issuer bid had been approved by the Toronto Stock Exchange. Under the bid the Company can purchase for cancellation up to 1,773,896 of its outstanding Class A non-voting shares, representing 5% of the Class A shares outstanding, during the 12-month period from March 8, 2021 to March 7, 2022. As of March 7, 2022, the Company had purchased 598,600 Class A at a weighted average price of $8.70 per share for a total of $5.2 million.

Common Share Dividends

On June 15, 2022, the Company's Board of Directors approved a common share dividend with no increase from fiscal 2022. The annual dividend on Class A Shares is $0.246 per share and the dividend on Class B Shares is $0.214. The Company has consistently paid common share dividends since 1979. APL currently designates all dividends paid as "eligible dividends" for purposes of the Income Tax Act (Canada) unless indicated otherwise.

Financial Highlights

(Financial Statements and the Company's Management Discussion and Analysis for the period can be obtained on the Company's web site at www.andrewpeller.com)

For the three months and year ended March 31,	Three Months		Year	
(in $000)	**2022**	2021	**2022**	2021
Sales	**78,838**	79,126	**373,944**	393,036
Gross margin	**23,029**	28,089	**138,992**	156,518
Gross margin (% of sales)	**29.2%**	35.5%	**37.2%**	39.8%
Selling and administrative expenses	**23,659**	26,274	**99,804**	93,472
EBITA	**(630)**	1,815	**39,188**	63,046
Interest	**2,162**	2,619	**9,337**	8,108
Net unrealized gains on derivative financial instruments	**(485)**	(495)	**(2,269)**	(135)
Gain on sale of assets held for sale	**-**	-	**(7,518)**	-
Gain on debt modification and financing fees	**-**	-	**-**	(2,312)
Other expenses	**946**	742	**1,210**	1,770
Adjusted earnings (loss)	**(6,678)**	(6,145)	**5,143**	26,986
Net earnings (loss)	**(7,019)**	(6,328)	**12,468**	27,786
Earnings (loss) per share – Class A	**$(0.17)**	$(0.15)	**$0.29**	$0.65
Earnings (loss) per share – Class B	**$(0.14)**	$(0.13)	**$0.26**	$0.57
Dividend per share – Class A (annual)			**$0.246**	$0.218
Dividend per share – Class B (annual)			**$0.214**	$0.190
Cash provided by operations (after changes in non-cash working capital items)			**15,592**	41,119
Shareholders' equity per share			**$6.15**	$6.08

Investor Conference Call

An investor conference call hosted by John Peller, President and Chief Executive Officer, and Steve Attridge, CFO, will be held Thursday June 16, 2022 at 10:00 a.m. ET. The telephone numbers for the conference call are Local/International: (416) 764-8659, North American Toll Free: (888) 664-6392. The confirmation number for the call is 21890907. The call will be archived on the Company's website at www.andrewpeller.com.

About Andrew Peller Limited

Andrew Peller Limited is one of Canada's leading producers and marketers of quality wines and craft beverage alcohol products. The Company's award-winning premium and ultra-premium Vintners' Quality Alliance brands include *Peller Estates, Trius, Thirty Bench*, *Wayne Gretzky, Sandhill, Red Rooster, Black Hills Estate Winery, Tinhorn Creek Vineyards, Gray Monk Estate Winery, Raven Conspiracy,* and *Conviction*. Complementing these premium brands are a number of popularly priced varietal offerings, wine-based liqueurs, craft ciders, beer and craft spirits. The Company owns and operates 101 well-positioned independent retail locations in Ontario under The Wine Shop, Wine Country Vintners, and Wine Country Merchants store names. The Company also operates Andrew Peller Import Agency and The Small Winemaker's Collection Inc., importers and marketing agents of premium wines from around the world. With a focus on serving the needs of all wine consumers, the Company produces and markets premium personal winemaking products through its wholly-owned subsidiary, Global Vintners Inc., the recognized leader in personal winemaking products. More information about the Company can be found at www.andrewpeller.com.

The Company utilizes EBITA (defined as earnings before interest, amortization, gain on sale of assets held for sale, net unrealized gains and losses on derivative financial instruments, other (income) expenses, gain on debt modification net of financing fees, and income taxes) to measure its financial performance. EBITA is not a recognized measure under IFRS. Management believes that EBITA is a useful supplemental measure to net earnings, as it provides readers with an indication of earnings available for investment prior to debt service, capital expenditures, and income taxes, as well as provides an indication of recurring earnings compared to prior periods. Readers are cautioned that EBITA should not be construed as an alternative to net earnings determined in accordance with IFRS as indicators of the Company's performance or to cash flows from operating, investing, and financing activities as a measure of liquidity and cash flows. The Company also utilizes gross margin (defined as sales less cost of goods sold, excluding amortization) and adjusted earnings (loss) as defined above. The

Company's method of calculating EBITA, gross margin, and adjusted earnings (loss) may differ from the methods used by other companies and, accordingly, may not be comparable to measures used by other companies.

Andrew Peller Limited common shares trade on the Toronto Stock Exchange (symbols ADW.A and ADW.B).

FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain "forward-looking statements" within the meaning of applicable securities laws including the "safe harbour provisions" of the Securities Act (Ontario) with respect to APL and its subsidiaries. Such statements include, but are not limited to, statements about the growth of the business; its launch of new premium wines and craft beverage alcohol products; sales trends in foreign markets; its supply of domestically grown grapes; and current economic conditions. These statements are subject to certain risks, assumptions, and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. The words "believe", "plan", "intend", "estimate", "expect", or "anticipate", and similar expressions, as well as future or conditional verbs such as "will", "should", "would", "could", and similar verbs often identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. With respect to forward-looking statements contained in this news release, the Company has made assumptions and applied certain factors regarding, among other things: future grape, glass bottle, and wine and spirit prices; its ability to obtain grapes, imported wine, glass, and other raw materials; fluctuations in foreign currency exchange rates; its ability to market products successfully to its anticipated customers; the trade balance within the domestic Canadian and international wine markets; market trends; reliance on key personnel; protection of its intellectual property rights; the economic environment; the regulatory requirements regarding producing, marketing, advertising, and labelling of its products; the regulation of liquor distribution and retailing in Ontario; the application of federal and provincial environmental laws; and the impact of increasing competition.

These forward-looking statements are also subject to the risks and uncertainties discussed in this news release, in the "Risks and Uncertainties" section and elsewhere in the Company's MD&A and other risks detailed from time to time in the publicly filed disclosure documents of Andrew Peller Limited which are available at www.sedar.com. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and assumptions which could cause actual results to differ materially from those conclusions, forecasts, or projections anticipated in these forward-looking statements. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. The Company's forward-looking statements are made only as of the date of this news release, and except as required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new information, future events or circumstances or otherwise.

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