President’s Report

Annual General Meeting
September 26, 2024

DIAMOND
ESTATES

Important Notice

This presentation contains forward-looking statements, which can be identified by the use of the forward-looking terminology, such as but not limited to “may,” “intend,” “will,” “expect,” “anticipate,” “estimate,” “seek,” or “continue” or the negative thereof or other variations thereon or comparable terminology.

In particular, any statements, express or implied, concerning trends, future operating results, growth, performance, business prospects and opportunities or the ability to generate revenues, income or cash flow are forward-looking statements. These statements reflect management’s current beliefs, including beliefs as to future financial and operating results, and they are based on information currently available to management. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to known and unknown risks and uncertainties. Such risks include but are not limited to: the impact of general economic conditions, market volatility, fluctuations in costs, and changes to the competitive environment, as well as other risks disclosed in the public filings of Diamond Estates Wines & Spirits Inc. (“Diamond Estates”) publicly filed press releases and sedar filings which can be found at www.sedar.com

These factors should be considered carefully and undue reliance should not be placed on forward-looking statements. Although the forward-looking statements are based upon what management believes to be reasonable estimates and assumptions, Diamond Estates cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements.

Unless specifically required by law, Diamond Estates does not assume any obligation to update or revise these forward-looking statements to reflect new events or circumstances. Diamond Estates seeks safe harbour.

The risk factors as outlined in Diamond financial statements and MD&A should be carefully considered in evaluating an investment in Diamond Estates. The risks outlined may not be all of the risks that Diamond Estates may face. It is believed that they are the factors that could cause actual results to be different from expected and historical results. New risks may emerge and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements.

Diamond Estates Wines & Spirits

Publicly traded on TSX-V under DWS

Estates: Lakeview, Creekside, Shiny Apple, Backyard Vineyards + ~30 acres of vineyard

- 20 Bees, Fresh, Mindful, D'Ont Poke the Bear (new), East Del, Creekside, Shiny Apple, Red Tractor,

Import Agency: Trajectory Beverage Partners

Numbers: $29M Revenue; $21M inventory; $19M of PPE, $17M in debt with near term target of $10M

- Significant capacity to grow with ~55% of Lakeview facility utilized

Lassonde – DWS majority owner

$2 Billion North American Juice and Specialty Foods; majority family owned since 1918

- 62% ownership (fully diluted) post multiple investments starting in 2019

Andrew Howard - President and CEO

Extensive experience in the Canadian wine industry and the beverage alcohol distribution business. Prior to joining Diamond, founded and lead Equity Wine Group; senior executive at Arterra, Labatt, PepsiCo

Ryan Conte – Chief Financial Officer

DWS CFO since 2021; previously CEO at Megalomaniac Winery and senior managerial positions within Deloitte's Financial Advisory Services practice and executive roles in other private companies

Executive Summary

Diamond is a turnaround story with initial changes nearly complete

Financials demonstrating early turnaround results, but not the full impact of acquisitions, structure changes and cost reductions

The wineries are leading the turnaround but major changes at the Agency starting to impact the P&L

Government lobbying has dramatically improved economic support for the industry

Reducing debt to $10M target and improving EBITDA places DWS on a clear path to cash flow neutral position

Growing organically and through acquisitions

Grocery strength positions DWS to take advantage of Retail Modernization in Ontario (125 new Grocery licenses so far)

Access to 4200 new Convenience stores provides a growth opportunity for DWS wines, ciders, beer and RTDs

Lassonde as our majority investor provides stability and growth opportunity

"We have a turnaround story that has moved from planning to reality in a short period of time. Early signals are demonstrated by F24 and Q1 F25 results and we are seeing that trend continue into Q2 F25."

A Turnaround Story Becoming a Reality

Turnaround early indicators:

- F24 EBITDA +$1.6M vya
- Q1 F25 EBITDA +$0.6M vya
- GM increased 7 points in F24 and 8 points in Q1 F25 with improving COGS & VQA Rebate
- F25 momentum continues with strong July/August GM growth

Acquisitions fueling growth and expected to deliver ~$1.5M EBITDA annually

- D'Ont Poke the Bear
- Perigon Beverage Group

DWS share of Grocery VQA is nearly 3 times LCBO and positions DWS to take advantage of channel mix shift

DWS debt reduction initiatives expected to achieve $10M target by fiscal year end

5 Year

Open	-	Mkt cap	22.02M	52-wk high	0.45
High	-	P/E ratio	-	52-wk low	0.17
Low	-	Div yield	-		

YTD

Open	0.35	Mkt cap	21.85M	52-wk high	0.45
High	0.40	P/E ratio	-	52-wk low	0.17
Low	0.35	Div yield	-		

Government Lobbying and Retail Modernization

Industry lobbying and Retail Modernization deliver five big wins for DWS

1. VQA Rebate enhanced to 50% on all LCBO/Grocery/Convenience sales (+$2.2M in F24; $3M+ in F25). Previous impact of this program ~$200k

2. 6.1% Wine Tax removed for on-site winery sales + DTC (+$200k)

3. Winery Sector Support Program 3-year extension offsets the loss of Excise Tax exemption

4. Retail Modernization represents significant growth opportunity for DWS and delivers on the Lassonde investment thesis

    - All Grocery, Convenience and Big Box can sell Wine, cider, beer and RTD products

5. DWS wineries one of few suppliers to grow during LCBO Strike by pivoting to Grocery Direct Delivery

Debt Pay-Down

Target debt level of $10M (and zero long term) expected by year end

- Lassonde $9M equity injection - DONE
- QMV $4M sale – DONE
- Renaissance ~$2.6M Put Option - DONE
- VQA Rebate $2.2M – SECURED
- Sale of Backyard Vineyard ~$2.7M – work in progress

Category sales shift to Grocery represents a $9M Retail Revenue opportunity for DWS

Modelling Assumptions:
- 10% transfer of wine retail revenue from LCBO to Grocery / Convenience (G&C) equates to $210M of $2.1B LCBO wine sales
- Maintenance of DWS share advantage in the Grocery channel

DWS would nearly triple its G&C sales to $20M and secure a net retail sales value growth of +$8.9M ($7.5M for DWS wineries)

This annual retail revenue lift equates to ~$4.6M improvement in DWS winery revenue (+28%) with the VQA Rebate included and $140k in incremental Agency commissions *

Significant share advantage at Grocery vs LCBO

Wine by country	Category $ share in G&C	DWS R12 $ share in G&C	i. Current R12 $ sales from G&C	ii. Potential incremental sales for DWS from G&C expansion	Total anticipated sales (i + ii)	DWS R12 $ share at LCBO	Estimated losses from LCBO retail
Canadian VQA	31%	17%	$6,511,982	$11,193,743	**$17,705,725**	6%	-$3,689,258
USA	23%	2%	$566,156	$973,192	**$1,539,348**	0.3%	-$133,512
France	2%	14%	$252,379	$433,825	**$686,204**	1%	-$44,791
Germany	1%	13%	$113,155	$194,507	**$307,661**	9%	-$137,150
New Zealand	3%	2%	$64,754	$111,309	**$176,064**	1%	-$72,585
Portugal	0.1%	10%	$30,649	$52,684	**$83,334**	1%	-$4,845
Total			**$7,539,075**	**$12,959,260**	**$20,498,335**		**-$4,082,141**

$9M opportunity

* These calculations require estimated assumptions and are outlined here to demonstrate the potential opportunity

Growing through Acquisition & Brand Development

D’Ont Poke the Bear acquisition

- #2 DWS Brand; utilizes existing winery capacity
- ~$1.1M EBITDA; additional ~$500k post initial 5 years
- Multi-channel growth opportunity (DTC, Winery, Grocery)

Mindful Wines – first VQA low alc / low sugar wines at LCBO / Grocery

COGS reductions in Q1 via increased production volumes (overhead absorption)

Branding improvements driving quality cues, impact and credibility

Portfolio Refresh

Previous Core Portfolio

Current Portfolio refreshed & augmented

Agency re-imagined to strengthen capability and profitability

The key projects are largely in place with integrations and transitions well underway. Further improvements and growth are expected.

Key Projects

- Western partnership with Renaissance Wine Merchants with intent to merge nationally – STAGE ONE COMPLETE
- New Business wins to drive scale - ONGOING
- TBP Office move to reduce cost – DONE
- Atlantic Agency Partnership with AMCA - DONE
- Perigon Beverage Group acquisition announced - Closing October 1

Trajectory growing share of import beer and wine categories

Ontario Sales by category

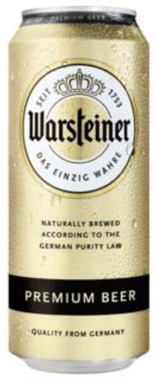
Warsteiner focus has made it the fastest growing German beer in grocery

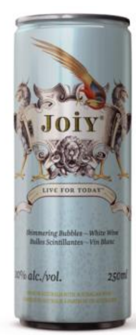
VQA and key import brands growing despite industry declines

McCormick and Maverick portfolios expected to turnaround to growth

Agency New Business Wins

New Business Wins projected to boost annual gross margin $750k





Perigon acquisition adds three powerful retail brands

Brands include wine, beer and spirits with Vidigal, Swinkles and Brock Street as the largest Retail Suppliers

VIDIGAL WINES

Royal Swinkels

Winery Success Stories

Our owned brands continue to thrive and solidify their positions in key categories.

EastDell Trending
+81% R3, +51% R6

Shiny #1 Ontario Craft Cider Grocery Brand

Twenty Bees #2 VQA Grocery Brand

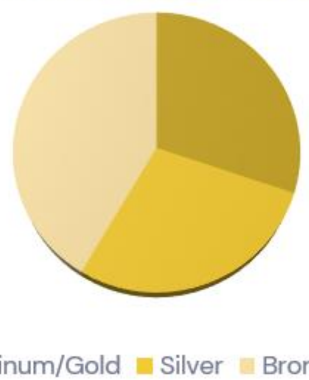
DPTB Growing
+28% R3, +18% R6

We Make Great Wine – Winning Prestigious Awards

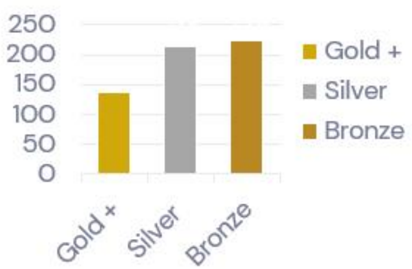
Remarkable year for top tier awards:

- Lakeview Vidal Icewine wins Best Icewine at International Wine Challenge
- Lakeview Sparkling Brut wins Sparkling Wine of the Year
- Fresh Rose wins Platinum, most affordable winner at $15.95

53 Awards in 2024



560 Awards Won Since 2013



Award Highlights 2024

National Wine Awards

- Fresh Rose – Platinum
- EastDell Pinot Grigio – Gold
- Creekside Broken Press Syrah – Gold

All Canadian Wine Championships

- Shiny Bramble Berry Cider – Double Gold
- Lakeview Cabernet Franc Icewine – Gold
- 20 Bees Rose – Gold
- Creekside Rose – Gold
- Shiny Apple Cider – Gold

Lieutenant Governor Wine Awards

Lakeview Sparkling Brut – Gold, Wine of the Year

International Wine Challenge

- Lakeview Vidal Icewine – Gold, Best Icewine

International Wine & Spirits Compeition

- Lakeview Sparkling Brut – Gold, 96 points

Fiscal 2024 Financial Review

While P&L demonstrating improving winery results (Revenue +$1.8M; GM +$2.7M), the loss of a major Agency Supplier (-$5M) lead to a $3.2M reduction in Consolidated Revenue

Despite reduced consolidated revenue, GM improved $1M (+7 pts) driven by the VQA Rebate and a reduced fixed overhead adjustment to COGS

EBITA improved $1.6M with improved GM and $0.6M less SG&A

Net Income decreased $1.8M with realized loss on QMV sale ($1.2M) and the rollover of the convertible debentures ($1.3M)

	Fiscal 2023	**Fiscal 2024**	**Change**
Revenue	$31.7M	$28.5M	(3.2M)
Gross Profit	$10.6M	$11.6M	$1.0M
Gross Margin	33.40%	40.70%	7.3pts
EBITDA	($4.5M)	($2.9M)	$1.6M
Net Income	($8.9M)	($10.7M)	($1.8M)
Earnings per Share	-$0.31	-$0.30	$0.01
Cash Flow from Operations	($4.2M)	($2.7M)	$1.5M

Balance Sheet

Current Assets continued to decline ($1.1M) driven by inventory reductions
Other Assets declined $8.3M driven by the sale of Queenston Mile and depreciation
Liabilities decreased by $8M driven by term debt repayment

Balance Sheet Highlights	**As at March 31, 2022**	**As at March 31, 2023**	**As at March 31, 2024**
Current Assets	$34.5M	$29.8M	$28.7M
Other Assets	$33.7M	$32.2M	$23.9M
Total Liabilities	$37.9M	$39.7M	$31.7M
Shareholders’ Equity	$30.3M	$22.3M	$20.9M

Q1 F25 Financial Review

Revenue decreased $1.7M driven by the loss of a major Supplier. The wineries grew $0.4M despite the sale of QMV and $0.6M higher bulk wine sales in the prior year

GM decreased more modestly ($0.1M) with an impressive +11.4 pt GM improvement at the wineries leading to a consolidated GM improvement of 7.7 pts. Winery GM increased via the VQA Rebate, improving COGS and strategic price increases

EBITDA improved $0.6M driven by SG&A reductions

Net Income improved $0.5M

	Q1 2024	**Q1 2025**	**Change**
Revenue	$7.9M	$6.2M	-$1.7M
Gross Profit	$2.7M	$2.6M	$0.1M
Gross Margin (%)	34.20%	41.90%	7.7 pts
EBITDA	($0.9M)	($0.3M)	$0.6M
Net Income	($2.5M)	($2.0M)	$0.5M
Earnings per Share	-$0.09	-$0.04	$0.05
Cash Flow from Operations	($1.5M)	($0.7)M	$0.8M

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This has been a year of significant change in the beverage alcohol industry and for us as a company. I am confident that we are on the right track to take advantage of these industry changes and that we have made difficult and exciting changes to our business that will provide advantage and significantly improved business results going forward.

We are fortunate for our investor group support that has made it possible to revitalize the Diamond Estates business.