



FOLEY
WINES

made by land & hand

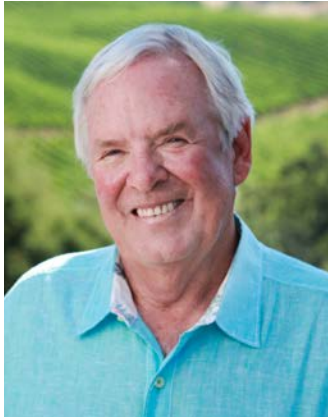
Annual Shareholders Meeting 2021



ASM 2021
Agenda

Introduction
Formalities
CEO's presentation
Shareholder questions
Resolutions
Conduct of voting
General business
Meeting close

ASM 2021
Introductions



BILL FOLEY
Chairman



MARK TURNBULL
Director and CEO



PAUL BROCK
Deputy Chairman



TONY ANSELMI
Director



GRANT GRAHAM
Director



JANE TROUGHT
CFO

Annual Shareholders Meeting 2021

CEO's annual results presentation

PERFORMANCE OVERVIEW
2021 Results

Achieved a record operating earnings against a background of uncertainty and disruption of supply chain and major logistics issues with shipping.

PERFORMANCE HIGHLIGHTS

Continued Premiumisation

Case sales	Domestic cases	Bottled sales revenue	Operating earnings	Reported profit after tax
565,000	170,299	\$53m	\$8m	\$3.9m
+ 6%	+ 8.6%	+6.6%	+3.7%	-44%

Cases = 9L equivalents (i.e. 12x750ml bottles)

PERFORMANCE HIGHLIGHTS

2021 Results

Operating Cashflow \$7.2 vs \$10.8m

Capex \$5.6 vs \$4.42m

Dividend of 4 cents per share (fully imputed),
increased from 3 cents last year.

MARKET OVERVIEWS

Bottled Case Sales



New Zealand
170,000 cases
+8.3%



Australia
135,000 cases
+2.3%



USA/Canada
127,000 cases
+5.0%



UK/Europe
99,000 cases
+7.6%



Rest of world
34,000 cases
+9.7%

COVID 19

Considerable Disruption

Downturn in hospitality, cruiseline and airline sales.

Costs associated with relabelling to meet different market requirements.

Global shipping disruptions delaying shipping bookings from a standard of 2 weeks out to 3-4 months.

Final result closer to 600,000 cases if logistical issues hadn't prevented some orders being shipping in FY21.

PERFORMANCE HIGHLIGHTS

2021 Harvest

Total harvest 5,582 tonnes – down 28% on prior year.

Driven predominately through adverse weather conditions through flowering.

Widely reported by media as affected large sector of the industry.

Largely insulated from the bottom line effect through the focus on building channels for higher price point brands.

Major focus is around medium to long term vineyard strategy.

Strategy recap



OUR PURPOSE

Making great wine that people love to drink around the world.



OUR AMBITION

To be New Zealand's most revered wine group



Through the ownership of iconic wineries in New Zealand's most acclaimed regions, satisfying the most discerning retailers and restaurants around the world.

OUR MODEL

Five exceptional wineries and one craft distillery from three acclaimed regions, managed from one point.



Marketing



Logistics



Finance



Sales



Bottling



Warehousing



HR

MARTINBOROUGH



MARLBOROUGH



CENTRAL OTAGO



OUR LONG TERM STRATEGIC PRIORITIES

Continuing to realise our premiumisation strategy

Investing in brands built on real places and people.

High quality winemaking.

Selling more at higher price points.

OUR LONG TERM STRATEGIC PRIORITIES

Leveraging the power of our portfolio

Cross-selling the portfolio.

A 'one stop shop' portfolio of brands across price points and regions.

Delivering real value to our customers and distributors.

OUR LONG TERM STRATEGIC PRIORITIES

Nurturing strong, long-term relationships

A collaborative and agile partner delivering real value for our customers and distributors.

Working with partners who can deliver our ambition.

An efficient supply chain for exports.

OUR LONG TERM STRATEGIC PRIORITIES

Building premium, diversified distribution platforms

A sales support structure in New Zealand giving us access to premium distribution across all channels.

Strong on-premise focus in New Zealand.

Focus on geographical diversification of sales.

Investing for the future



INVESTING FOR THE FUTURE

Martinborough Development

Total investment \$11m, \$3.5m spent in last year (underground barrel facility).

Includes 100 seat restaurant, private dining room, tasting room, Lighthouse distillery and warehouse.

Creation of world class “spiritual home” of all our Martinborough brands.

Opening second half of 2022.

INVESTING FOR THE FUTURE

Martinborough Development



INVESTING FOR THE FUTURE

Mt Difficulty Development



Was an original condition of OIO.

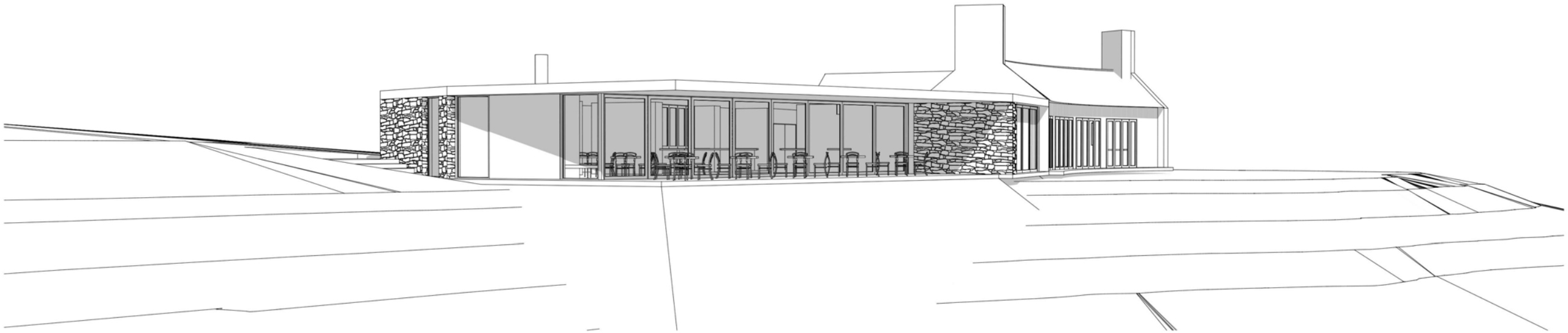
New concept signed off by board and expect to lodge new resource consent by end of year.

Commence building in 2022.

Enhancement of the Mt Difficulty “spiritual home”.

INVESTING FOR THE FUTURE

Mt Difficulty Development



INVESTING FOR THE FUTURE

Zebra vineyards acquisition

OIO application now lodged – price confidential until decision
– finance approved from BNZ.

Vineyard to support long term growth of Roaring Meg brand.

55.5 hectares, 30 planted in Pinot Noir.

Intention to plant another approximately 12 hectares ASAP.

Excellent water and frost protection.

INVESTING FOR THE FUTURE

Replant programmes

Replant programme this year \$700k included in CAPEX.

Focussed on poor yielding blocks in Central Otago and Martinborough.

Long term plan to align plantings with future growth needs,
e.g. Riesling being replanted with Pinot Noir in Central Otago.

CONTINUING OUR PREMIUMISATION STRATEGY
Building powerful brands



Packaging refresh for Martinborough Vineyard reaffirms this as one of New Zealand's iconic luxury wine brands.

Te Tera recast in contemporary, stylish packaging reflecting its wine style.

Both new labels on shelves later this year.



Outlook



OUTLOOK

A strong foundation for growth

At this stage, there is no change in the forecast of an operating earnings before tax of \$8m for the year ended June 2022.

However, Covid, shipping, exchange rates all can have a material influence on this.

Shareholder questions

ASM 2021

Resolutions



1. Auditor's remuneration
2. Re-election of William P Foley II
3. Re-election of Antony Anselmi
4. Re-election of Paul Brock



General business

THANK YOU