ANDREW PELLER LIMITED REPORTS SOLID RESULTS FOR FIRST SIX MONTHS OF FISCAL 2020

GRIMSBY, Ontario – November 6, 2019 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced solid operating performance for the six months ended September 30, 2019.

SIX MONTHS HIGHLIGHTS:

- Sales consistent with prior year;
- Gross margin rises to 44.7% from 43.0% in prior year period;
- Selling and administrative expenses are lower as a result of the new accounting standards for leases adopted April 1, 2019, partially offset by one-time expenditures related to the Company's investment in a new Enterprise Resource Planning (ERP) solution;
- EBITA increases to $35.7 million from $32.0 million last year, adjusted EBITA rises to $36.9 million from $36.1 million last year;
- Net earnings impacted by one-time costs for professional fees and early retirement costs in second quarter; and
- Common share dividends increased 4.8% in June 2019, seventh consecutive year of dividend increases.

"We continue to see strong performance across the majority of our well-established trade channels, driven by the introduction of new products and entering new categories, as well as our emphasis on higher-margin products," commented John Peller, Chief Executive Officer. "Additionally, the 4.8% increase in our common share dividends in June is a testament to our commitment to enhancing shareholder value over the long term."

"Over the last year we have invested significantly in developing innovative new brands and products. As we roll them out over the coming year, we will support them with meaningful new marketing and media campaigns. We have recently started to see the benefits of these initiatives and look forward to sales growth and leveraging our significantly improved margins going forward," added Randy Powell, President.

Continuing Solid Performance

Sales for the three and six months ended September 30, 2019 were consistent with the same prior year periods. The introduction of new products and brands and solid performance across the majority of the Company's well established trade channels were offset by increased competition from new subsidized low-priced imported wines, softness in the personal winemaking market and lower export sales due to trade and political disputes between Canada and China.

Gross margin as a percentage of sales further strengthened for the three and six months ended September 30, 2019, rising to 44.8% in the second quarter and 44.7% for the first six months of the year compared to 42.9% and 43.0% for the same prior year periods. Gross margin is benefitting from the rationalization of lower performing products, an increased focus on higher margin products, and the positive impact of the Company's cost control initiatives. On the acquisition of three wineries in October 2017, the Company recorded an increase of $10.4 million to inventory to represent the fair value of goods acquired from the new wineries. This increase is being expensed over time to the consolidated statement of earnings as finished goods are sold. For the three and six months ended September 30, 2019 the Company recorded a charge of $0.6 million and $1.2 million, respectively, to cost of goods sold as a result of this adjustment compared to $2.0 million and $4.2 million in the second quarter and first six months of fiscal 2019. Management is continually focused on enhancing production efficiency and productivity and believes gross margin will remain strong for the foreseeable future.

Selling and administrative expenses were lower in the first six months and higher in the second quarter of fiscal 2020 compared to prior year periods. Included in the first six months of fiscal 2020 is the reduction of lease expenses of $1.8 million due to the accounting treatment for lease obligations in accordance with IFRS 16, adopted on April 1, 2019. Partially offsetting the reduction of lease expenses in fiscal 2020 are one-time expenditures related to the Company's implementation of a new ERP solution largely incurred in the second quarter. As a percentage of revenues, selling and administrative expenses were 26.7% in the first six months of fiscal 2020, consistent with the same period of the prior year.

Earnings before interest, amortization, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and income taxes ("EBITA") were $17.3 million and $35.7 million for the three and six months ended September 30, 2019 respectively, up from $16.2 million and $32.0 million in the same prior year periods due primarily to the improved gross margin. Adjusted EBITA, which excludes from EBITA one-time acquisition related charges, was $18.0 million and $36.9 million for the three and six months ended September 30, 2019 compared to $18.2 million and $36.1 million in the prior year.

Interest and amortization expense increased in fiscal 2020 compared to the prior year due primarily to the accounting treatment for lease obligations in accordance with IFRS 16 adopted on April 1, 2019. Other expenses in fiscal 2020 include $1.0 million in one-time early retirement incentive programs resulting from recent plant operations succession planning.

The Company recorded a net unrealized non-cash loss in the first six months of fiscal 2020 of $0.1 million related to mark-to-market adjustments on interest rate swaps and foreign exchange contracts compared to a net unrealized gain of $1.0 million in the prior year.

Net earnings for the second quarter and first six months of fiscal 2020 were $7.6 million ($0.18 per Class A Share) and $16.4 million ($0.38 per Class A Share), respectively, compared to $8.9 million ($0.21 per Class A Share) and $16.4 million ($0.38 per Class A Share), respectively, in the prior year. Adjusted earnings, defined as net earnings not including net unrealized gains and losses on derivative financial instruments, other (income) expenses, non-recurring, non-operating (gains) and losses, and the related income tax effect were $8.7 million and $18.6 million for the three and six months ended September 30, 2019, respectively, compared to $10.4 million and $20.2 million, respectively, in the prior year.

Maintaining a Strong Financial Position

Overall bank debt decreased to $150.0 million at September 30, 2019 from $154.8 million at March 31, 2019, resulting in the Company's debt to equity ratio improving to 0.61:1 compared to 0.66:1 at March 31, 2019. At September 30, 2019, the Company had unutilized debt capacity in the amount of $49.1 million on its operating facility and $107.6 million on its investment facility.

Shareholders' equity as at September 30, 2019 increased to $246.4 million or $5.57 per common share, up from $234.8 million or $5.31 per common share at March 31, 2019. The increase in shareholders' equity was due to the continuing solid performance in fiscal 2020, partially offset by the payment of dividends.

For the six months ended September 30, 2019, the Company generated cash from operating activities, after changes in non-cash working capital items, of $21.2 million compared to $29.3 million in the prior year. Investing activities of $10.4 million through the first six months of fiscal 2020 relate primarily to capital expenditures to improve operations.

Common Share Dividend Increase

On June 12, 2019, the Company's Board of Directors approved a 4.8% increase in common share dividends. The annual dividend on Class A Shares was increased to $0.215 per share from $0.205 per share and the dividend on Class B Shares was increased to $0.187 per share from $0.178 per share. The Company has consistently paid common share dividends since 1979 and has increased dividends every year for the past seven years.

Financial Highlights (Unaudited)

(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 and six months ended September 30,	**Three Months**		**Six Months**	
(in $000)	**2019**	2018	**2019**	2018
Sales	**103,375**	103,323	**198,591**	198,864
Gross margin	**46,311**	44,284	**88,731**	85,565
Gross margin (% of sales)	**44.8%**	42.9%	**44.7%**	43.0%
Selling and administrative expenses	**28,977**	28,124	**53,047**	53,597
EBITA	**17,335**	16,160	**35,684**	31,968
Adjusted EBITA	**17,957**	18,198	**36,881**	36,140
Interest	**2,222**	1,943	**4,450**	3,897
Net unrealized loss (gains) on derivative financial instruments	**(497)**	(749)	**68**	(967)
Other expenses	**1,106**	92	**1,190**	367
Adjusted net earnings	**8,716**	10,446	**18,563**	20,170
Net earnings	**7,643**	8,894	**16,435**	16,442
Earnings per share – Class A	**$0.18**	$0.21	**$0.38**	$0.38
Earnings per share – Class B	**$0.15**	$0.18	**$0.33**	$0.33
Adjusted earnings per share – Class A	**$0.20**	$0.24	**$0.42**	$0.47
Adjusted earnings per share – Class B	**$0.17**	$0.21	**$0.37**	$0.41
Dividend per share – Class A (annual)			**$0.215**	$0.205
Dividend per share – Class B (annual)			**$0.187**	$0.178
Cash provided by operations (after changes in non-cash working capital items)			**21,227**	29,347
Shareholders' equity per share			**$5.57**	$5.31

Investor Conference Call

An investor conference call hosted by John Peller, Chief Executive Officer, Randy Powell, President, and Steve Attridge, CFO and Executive Vice-President, IT, will be held Thursday, November 7, 2019 at 9:30 a.m. ET. The telephone numbers for the conference call are Local/International: (416) 406-0743, North American Toll Free: (800) 806-5484. The telephone numbers to listen to the call after it is completed (Instant Replay) are local/international (905) 694-9451 or North American toll free (800) 408-3053. The Passcode for the Instant Replay is 5011382#. The Instant Replay will be available until midnight, December 9, 2019. The call will also 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 VQA 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. ("GVI"), 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, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and income taxes) and Adjusted EBITA (defined as EBITA before non-recurring expenses such as acquisition transaction and transition costs) to measure its financial performance. EBITA and Adjusted EBITA are not recognized measures under IFRS. Management believes that EBITA and Adjusted EBITA are useful supplemental measures to net earnings, as these measures provide readers with an indication of earnings available for investment prior to debt service, capital expenditures, and income taxes, as well as provide an indication of recurring earnings compared to prior periods. Readers are cautioned that EBITA and Adjusted 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. The Company's method of calculating EBITA, Adjusted EBITA, gross margin, and adjusted earnings 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 in light of the Company's acquisitions; 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.

For more information, please contact:
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