ANDREW PELLER LIMITED REPORTS STRONG GROWTH IN SECOND QUARTER FISCAL 2019

GRIMSBY, Ontario – November 7, 2018 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced strong growth and operating performance for the three and six months ended September 30, 2018.

FISCAL 2019 HIGHLIGHTS:

- Sales up 12.5% in second quarter, 10.2% year-to-date on solid performance from the Company's premium wine business and its retail and estate network;
- Gross margin strengthens to 43.0% for six months ended September 30, 2018;
- Adjusted EBITA up 15.4% for first six months of fiscal 2019;
- Adjusted net earnings of $20.2 million or $0.47 per Class A Share through first six months of fiscal 2019;
- 13.9% increase in common share dividends approved by the Board of Directors on June 6, 2018; and
- Focus on higher-margin premium products continues to drive strong performance.

"The acquisition of three VQA wineries in October 2017 continue to make a strong contribution to our growth and profitability," commented John Peller, Chief Executive Officer. "Looking ahead, we are on track for another record year for the Company as we capitalize on our strong market presence and proven sales and marketing programs to accelerate growth across our entire brand portfolio."

"Our strong performance through the first six months of fiscal 2019 is a testament to the talents and expertise of our team and our commitment to our vision to "*Pour Extraordinary into Everyday Life*," added Randy Powell, President. "Looking ahead, we will continue to invest in initiatives focused on building powerful brands across all our target markets and category segments while targeting cost control and production efficiencies".

Continuing Strong Operating and Financial Performance

Sales for the six months ended September 30, 2018 rose 10.2% to $198.9 million from $180.5 million in the prior year. The increase in sales is due to the acquisition of the three estate wineries completed in October 2017, as well as growth across the Company's network of retail outlets in Ontario and its estate properties in Ontario and B.C.

Gross margin as a percentage of sales strengthened in the first six months of fiscal 2019, rising to 43.0% from 41.2% in the prior year. For the three months ended September 30, 2018 gross margin strengthened to 42.9% of revenues from 42.1% last year. Gross margin in fiscal 2019 has benefited 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 the 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, thus reducing gross margin. For the six months ended September 30, 2018 the Company recorded a charge of $4.2 million to cost of goods sold as a result of this adjustment. It is expected that most goods acquired will be sold within fiscal 2019, and as such, the remaining balance of the fair value adjustment of $3.3 million will continue to decrease gross margin through the balance of the year.

As planned, selling and administrative expenses increased 2.8% as a percentage of sales in the second quarter of fiscal 2019 compared to the prior year due to the addition of three estate wineries acquired in October 2017, and increased investment in marketing and sales support. The Company is confident that these investments will drive innovation, provide industry thought leadership through research, and ultimately build brand equity, all of which are critical to the Company's growth in revenue and profitability. Selling and administrative expenses also increased by approximately $1.0 million in the first half of fiscal 2019 due to the increase in minimum wage in Ontario.

Earnings before interest, amortization, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and income taxes ("EBITA"), were $32.0 million for the six months ended September 30, 2018 compared to $30.7 million in the prior year. For the three months ended September 30, 2018 EBITA was $16.2 million compared to $16.3 million last year. The increase in the first half of fiscal 2019 was due to the increase in sales from the three acquired wineries and the improved gross margin, partially offset by the increase in selling and administrative expenses and the reduction in margin related to the three new wineries due to the inventory fair value adjustment charged to cost of sales. Adjusted EBITA, which excludes from EBITA one-time acquisition related charges, was $18.2 million and $36.1 million for the three and six months ended September 30, 2018, respectively, compared to $16.9 million and $31.3 million, respectively, last year.

Interest expense has increased in fiscal 2019 compared to the prior year due primarily to long-term debt incurred to complete the three acquisitions in October 2017. Amortization expense has also increased due primarily to the addition of the three recently acquired wineries and the completion of the Wayne Gretzky Estate Winery and Craft Distillery in June 2017.

The Company recorded net unrealized non-cash gains in fiscal 2019 and fiscal 2018 related to mark-to-market adjustments on interest rate swaps and foreign exchange contracts. The Company has elected not to apply hedge accounting and accordingly the change in fair value of these financial instruments is reflected in the Company's statement of earnings each reporting period. These instruments are considered to be effective economic hedges and have enabled management to mitigate the volatility of changing foreign exchange and interest rates.

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 $10.4 million and $20.2 million for the three and six months ended September 30, 2018, respectively, compared to $9.6 million and $17.8 million, respectively, in the prior year. Net earnings for the three and six months ended September 30, 2018 were $8.9 million ($0.21 per Class A Share) and $16.4 million ($0.38 per Class A Share), respectively, compared to $9.2 million ($0.22 per Class A Share) and $17.4 million ($0.42 per Class A Share) last year.

Maintaining a Strong Financial Position

Overall bank debt decreased to $159.9 million at September 30, 2018 from $171.7 million at March 31, 2018 due to the strong earnings in fiscal 2019, the positive impact of working capital management, and regularly scheduled debt repayments. With the decrease in debt, the Company's debt to equity ratio improved to 0.69:1 at September 30, 2018 compared to 0.78:1 at March 31, 2018. At September 30, 2018, the Company had unutilized debt capacity in the amount of $51.4 million on its operating facility and $98.0 million on its investment facility.

Shareholders' equity as at September 30, 2018 increased to $233.4 million or $5.28 per common share, up from $220.2 million or $4.99 per common share at March 31, 2018. The increase in shareholders' equity was due to the strong net earnings in the period partially offset by the payment of dividends.

For the six months ended September 30, 2018, the Company generated cash from operating activities, after changes in non-cash working capital items, of $29.3 million compared to $22.8 million in the prior year. Investing activities were $13.4 million and relate primarily to capital expenditures to improve operations.

Fifth Common Share Dividend Increase in Five Years

On June 6, 2018, the Company's Board of Directors approved a 13.9% increase in common share dividends. The annual dividend on Class A Shares was increased to $0.2050 per share from $0.1800 per share and the dividend on Class B Shares was increased to $0.1783 per share from $0.1565 per share. The Company has consistently paid common share dividends since 1979 and has increased dividends every year for the past five 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)	**2018**	2017	**2018**	2017
Sales	**103,323**	91,857	**198,864**	180,497
Gross margin	**44,284**	38,693	**85,565**	74,297
Gross margin (% of sales)	**42.9%**	42.1%	**43.0%**	41.2%
Selling and administrative expenses	**28,124**	22,403	**53,597**	43,549
EBITA	**16,160**	16,290	**31,968**	30,748
Adjusted EBITA	**18,198**	16,852	**36,140**	31,310
Interest	**1,943**	1,157	**3,897**	1,940
Net unrealized gains on derivative financial instruments	**(749)**	(285)	**(967)**	(351)
Other expenses	**92**	70	**367**	215
Adjusted net earnings	**10,446**	9,556	**20,170**	17,805
Net earnings	**8,894**	9,226	**16,442**	17,417
Earnings per share – Class A	**$0.21**	$0.22	**$0.38**	$0.42
Earnings per share – Class B	**$0.18**	$0.19	**$0.33**	$0.37
Adjusted earnings per share – Class A	**$0.24**	$0.23	**$0.47**	$0.43
Adjusted earnings per share – Class B	**$0.21**	$0.20	**$0.41**	$0.37
Dividend per share – Class A (annual)			**$0.2050**	$0.1800
Dividend per share – Class B (annual)			**$0.1783**	$0.1565
Cash provided by operations (after changes in non-cash working capital items)			**29,347**	22,758
Shareholders' equity per share			**$5.28**	$4.48

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 8, 2018 at 9:30 a.m. ET. The telephone numbers for the conference call are Local/International: (416) 340-2216, North American Toll Free: (800) 273-9672. 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 2401637#. The Instant Replay will be available until midnight, December 8, 2018. 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 spirits. The Company's award-winning premium and ultra-premium VQA brands include *Peller Estates, Peller Family Vineyards, Trius, Thirty Bench*, *Wayne Gretzky, Sandhill, Red Rooster, Black Hills Estate, Tinhorn Creek, Gray Monk Estates, Raven Conspiracy,* and *Conviction*. Complementing these premium brands are a number of popularly priced varietal offerings, wine based liqueurs, craft ciders, 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 provision" of the Securities Act (Ontario) with respect to Andrew Peller Limited and its subsidiaries. Such statements include, but are not limited to, statements about the growth of the business in light of the Company's recent acquisitions; its launch of new premium wines and spirits; 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", and "could" 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 spirits 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 labeling its products; the regulation of liquor distribution and retailing in Ontario; 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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