



FOLEY  
WINES  
*made by land & hand*

## HALF YEARLY REPORT

For the six months ended  
31 December 2025



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*This interim financial report does not include all of the notes of the type normally included in the annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 30 June 2025 and any public announcements made by Foley Wines Limited during the interim period.*

*Foley Wines Limited is a company incorporated and domiciled in New Zealand and listed on the NZSX Board of the New Zealand Stock Exchange (NZX). The Company is an integrated wine company producing table wines with the marketing and sales of premium wines in New Zealand and various export markets.*

*These financial statements that were approved for issue on 27 February 2026 and have not been audited.*

*made by  
land &  
hand*

**Foley Wines is a collection of iconic wineries and brands from New Zealand's most acclaimed wine regions**

Each with a unique story of New Zealand to tell, our wineries and distillery are linked by a common unrelenting purpose; to make great wine that people love to drink at home and around the world – made by land & hand.

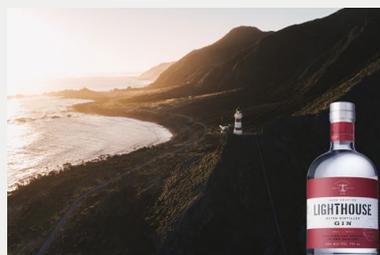
# Our wineries & distillery



**Martinborough Vineyard**  
*Martinborough*



**Te Kairanga**  
*Martinborough*



**Lighthouse Gin**  
*Martinborough*



**Grove Mill**  
*Wairau Valley, Marlborough*



**Vavasour**  
*Awatere Valley, Marlborough*



**Mt Difficulty**  
*Central Otago*

# Performance Overview

CASE SALES	290,000 (down 2%)
BOTTLED SALES REVENUE	\$32,490,000 (up 0.5%)
OPERATING EARNINGS	\$2,649,000 (up 30.2%)
REPORTED PROFIT AFTER TAX	\$2,300,000 (up 112%)
OPERATING EBITDA	\$7,607,000 (down 3.8%)
OPERATING CASH FLOW	\$6,709,000 (down 39%)



TK

TE KAIRANGA  
RUNHOLDER  
PINOT NOIR

WINTHROP 2020 WINE OF NEW ZEALAND

THE RUNHOLDER



Mike Higgins, CEO

# CEO & Directors' Report

On behalf of the Board of Directors of Foley Wines Limited (FWL) we present its operating and financial results for the six months ended 31 December 2025.

## OPERATING PERFORMANCE

Operating profit before revaluations and income tax (“operating earnings”) for the six months was \$2,649,000 compared with \$2,034,000 for the previous financial year.

Profit for the period net of tax attributable for the shareholders was \$2,300,000, up 112% compared with \$1,085,000 the previous year.

A summary of market sales is set out below on page 7.

It has been a very challenging period for the broader industry both domestically and globally. Our export sales were up 1% on the corresponding period last year, while our domestic sales have slowed 10% on last year. We have worked very hard to develop and protect our strong export markets for our premium bottled wines.

Most importantly, we have established routes to market for what we produce and are not having to focus on the bulk wine market. Bulk wine has never been a sales strategy for us, as it contradicts our proven premiumisation strategy. We are seeing significant volumes of bulk Sauvignon Blanc on the market at very low prices, which has added to the aggressive price competition in the market for branded wine.

Our strong distribution partnerships in the UK and Asia have delivered growth. China has been a major focus with demand for products from across all three regions we produce wine in and various varietals, which is seen as a competitive advantage for Foley Wines.

# Bottled case sales

BOTTLED CASE SALES (000'S) 6 MONTHS TO DECEMBER 2025

	DEC 2025	DEC 2024	% CHANGE
 <b>New Zealand</b>	82	91	(10)%
 <b>UK/Europe</b>	89	75	+19%
 <b>Australia</b>	46	56	(18)%
 <b>USA</b>	45	47	(4)%
 <b>Asia/Pacific</b>	26	24	+8%
 <b>Rest of World</b>	2	3	(33)%
<b>TOTAL</b>	<b>290</b>	<b>296</b>	<b>(2)%</b>



Profitability remains a key priority and has been affected by significant investment in sales promotional support to our key customers to combat the discounting of New Zealand wines and protect distribution and maintain stock balance.

## BRAND HOMES AND TOAST MARTINBOROUGH

We continue our efforts in premium brand building through our cellar doors and restaurants, an integral part of our strategy of premiumisation. Our partnership with Foley Hospitality venues allows us to showcase our wines across our all our brands and prices points.

The Runholder commenced its wedding season in October with nine weddings booked for the 2025/26 summer.

In November, The Runholder hosted its first boutique wine, food, gin and music festival. Attended by over 1,700 people, it was a wonderful opportunity to shine a light on The Runholder and showcase our multipurpose venue. In addition to featuring Martinborough Vineyard, Te Kairanga, Mt Difficulty, Vavasour and Lighthouse Gin, a small number of local wineries were invited to pour their wines, and an exclusive VIP area was available for those looking for a more elevated experience. Festival-goer feedback was overwhelmingly positive. Off the back of this success, Toast Martinborough will return in November 2026, hosted exclusively at The Runholder and will continue as an annual event.

We continue to welcome domestic and international visitors, as well as locals, to our iconic Mt Difficulty Cellar Door and Restaurant. We were delighted to appoint a new Head Chef in November, who brings flair and originality to the menu whilst showcasing fresh produce that celebrates the flavours of the region, with imaginative dishes that enhance our exceptional wines. The Mt Difficulty Cellar Door continues to perform strongly offering visitors opportunities to taste back vintages and rare wines that are available exclusively from the winery.





## CASH FLOW

Operating cash flow was \$6,709,000 for the six months, down from \$10,995,000 in the previous year and up from \$2,955,000 in the year prior. This half year's cashflow was significantly influenced by a number of factors:

- Decrease in case sales for the period and earlier shipping of the Christmas promotion stock due to continued shipping delays being experienced internationally resulting in lower trade receivables at half year end.
- Higher marketing costs to fund promotions to move through inventory and drive market growth.
- Lower interest costs due to reduced borrowing, lower interest rates and careful cashflow management.

Capital expenditure was \$1,351,000 for the six months, compared with \$1,894,000 the previous year. As outlined in the Annual Report, the majority of the expenditure incurred this year is on vineyard development and the Vavasour winery wastewater. This expenditure is critical for the future success of the Company.

## 2026 HARVEST

The early indications are that the yields from the 2026 harvest will be in line with historic averages in the Marlborough, Martinborough and Central Otago regions. We are working closely with our growers and viticulture teams to maintain quality and balance yields and winery intake with anticipated demand. The market price for Sauvignon Blanc grapes in Marlborough is down on last year's average grape price of \$1,812 per tonne and preliminary indications are that the price for the 2026 vintage is going to be approximately 20% lower.

## OUTLOOK

The Company has performed well over the first six months relative to the market and is reflective of the work that has been done delivering on our premiumisation strategy. Over the course of the last few years we have established some strong global partnerships that will certainly help navigate our way through the head winds in the global economy.

As previously outlined, trading conditions both domestically and around the world continue to be challenging. There is still an oversupply of wine globally, which has led to very competitive pricing which continues to impact margin. We will continue to focus on supporting and expanding our distribution partnerships for our branded products and ensuring that our inventory levels remain in balance.

For and on behalf of the Board of Directors and Management



PR Brock  
Board Chair



MS Higgins  
CEO



# Financial Statements

# Income Statement

For the six months ended 31 December 2025

	Note	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>Revenue</b>	3	<b>34,916</b>	<b>70,582</b>	<b>34,074</b>
<b>Expenses</b>				
Cost of sales		(23,857)	(48,778)	(23,196)
Selling, marketing and promotion expenses		(5,007)	(9,254)	(4,341)
Administration and corporate governance expenses		(2,047)	(5,037)	(2,380)
Vineyard replacement and other losses		(7)	(543)	(36)
Other expenses		–	(2,020)	–
<b>Expenses excluding interest</b>		<b>(30,918)</b>	<b>(65,632)</b>	<b>(29,953)</b>
<b>Profit before interest, impairment, revaluations and income tax</b>		<b>3,998</b>	<b>4,950</b>	<b>4,121</b>
Interest revenue		32	43	21
Interest expense	4	(1,369)	(3,642)	(2,071)
<b>Net finance costs</b>		<b>(1,337)</b>	<b>(3,599)</b>	<b>(2,050)</b>
<b>Profit before impairment, revaluations and income tax</b>		<b>2,661</b>	<b>1,351</b>	<b>2,071</b>
<b>Impairment</b>				
Impairment of inventory		(12)	37	(37)
<b>Profit before revaluations and income tax</b>		<b>2,649</b>	<b>1,388</b>	<b>2,034</b>
<b>Revaluation gains and losses</b>				
Unrealised (loss)/gain in fair value of financial assets/liabilities	9	(743)	18	(1,215)
Unrealised (loss) on harvested grapes		–	(1,317)	–
Realised reversal of loss on harvested grapes		1,387	2,132	687
Revaluation of property, plant & equipment		–	(4,607)	–
<b>Profit/(Loss) before income tax</b>	3	<b>3,293</b>	<b>(2,386)</b>	<b>1,506</b>
Income tax (expense)/benefit		(993)	529	(421)
<b>Profit/(Loss) for the period net of tax, attributable to Shareholders of the Parent Company</b>		<b>2,300</b>	<b>(1,857)</b>	<b>1,085</b>
Basic Earnings/(Loss) per share cps (after tax)	5	3.50	(2.83)	1.65
Diluted Earnings/(Loss) per share cps (after tax)	5	3.47	(2.83)	1.65

These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.

## Statement of Comprehensive Income

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>Profit/(Loss) for the period</b>	<b>2,300</b>	<b>(1,857)</b>	<b>1,085</b>
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Revaluation of property, plant and equipment	–	37	–
Income tax on items taken directly to or transferred from equity	–	392	1
<b>Other comprehensive income for the period, net of tax</b>	<b>–</b>	<b>429</b>	<b>1</b>
<b>Total comprehensive (expense)/income for the period, net of tax</b>	<b>2,300</b>	<b>(1,428)</b>	<b>1,086</b>

## Statement of Changes in Equity

For the six months ended 31 December 2025

	Note	Fully Paid Ordinary Shares \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Unaudited 6 Months 31 December 2025 Group</b>					
<b>Equity at 1 July 2025</b>		86,518	29,881	25,600	141,999
Profit for the period		–	–	2,300	2,300
Other comprehensive income for the period net of tax		–	–	–	–
Transfer from Asset Revaluation Reserve to Retained Earnings		–	–	–	–
<b>Total comprehensive income for the period</b>		<b>–</b>	<b>–</b>	<b>2,300</b>	<b>2,300</b>
Distributions to owners	6	–	–	(1,315)	(1,315)
<b>Transactions with owners during period</b>		<b>–</b>	<b>–</b>	<b>(1,315)</b>	<b>(1,315)</b>
<b>Added to equity during the period</b>		<b>–</b>	<b>–</b>	<b>985</b>	<b>985</b>
<b>Equity at 31 December 2025</b>		<b>86,518</b>	<b>29,881</b>	<b>26,585</b>	<b>142,984</b>
Dividends paid per share cps	6				2.0

These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.

# Statement of Changes in Equity (continued)

For the six months ended 31 December 2025

	Note	Fully Paid Ordinary Shares \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Audited 12 Months 30 June 2025 Group</b>					
<b>Equity at 1 July 2024</b>		86,518	29,716	27,193	143,427
(Loss) for the year		–	–	(1,857)	(1,857)
Other comprehensive income for the year net of tax		–	429	–	429
Transfer from Asset Revaluation Reserve to Retained Earnings		–	(264)	264	–
<b>Total comprehensive (expense)/income for the year</b>		–	165	(1,593)	(1,428)
Distributions to owners	6	–	–	–	–
<b>Transactions with owners during year (Subtracted)/Added to equity during the year</b>		–	165	(1,593)	(1,428)
<b>Equity at 30 June 2025</b>		<b>86,518</b>	<b>29,881</b>	<b>25,600</b>	<b>141,999</b>
Dividends paid per share cps	6				
<b>Unaudited 6 Months 31 December 2024 Group</b>					
<b>Equity at 1 July 2024</b>		86,518	29,716	27,193	143,427
Profit for the period		–	–	1,085	1,085
Other comprehensive income for the period net of tax		–	1	–	1
Transfer from Asset Revaluation Reserve to Retained Earnings		–	(3)	3	–
<b>Total comprehensive income for the period</b>		–	(2)	1,088	1,086
Distributions to owners	6	–	–	–	–
<b>Transactions with owners during period Added to equity during the period</b>		–	(2)	1,088	1,086
<b>Equity at 31 December 2024</b>		<b>86,518</b>	<b>29,714</b>	<b>28,281</b>	<b>144,513</b>
Dividends paid per share cps	6				

These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.

# Statement of Financial Position

*As at 31 December 2025*

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1,016	584	951
Trade and other receivables	10,453	9,443	10,553
Inventories	39,383	49,142	39,573
Biological work in progress	8,495	1,803	8,558
Prepaid expenses	1,621	392	1,872
Current tax assets	–	345	–
	60,968	61,709	61,507
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	121,325	122,779	129,054
Right-of-use assets	9,324	10,528	11,160
Intangible assets	35,125	35,125	35,125
Other financial assets	–	1	–
Other receivables	657	678	814
	166,431	169,111	176,153
<b>TOTAL ASSETS</b>	<b>227,399</b>	<b>230,820</b>	<b>237,660</b>

*These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.*

# Statement of Financial Position (continued)

As at 31 December 2025

	Note	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>CURRENT LIABILITIES</b>				
Trade and other payables		6,964	8,221	5,590
Loans and borrowings		616	632	622
Lease liabilities		1,424	1,301	1,322
Convertible notes		10,900	10,900	10,900
Other financial liabilities		832	310	585
Current tax liabilities		438	–	259
		<b>21,174</b>	<b>21,364</b>	<b>19,278</b>
<b>NON-CURRENT LIABILITIES</b>				
Loans and borrowings		36,984	39,988	43,391
Lease liabilities		10,069	11,385	12,057
Other financial liabilities		220	–	958
Deferred tax liabilities		15,968	16,084	17,463
		<b>63,241</b>	<b>67,457</b>	<b>73,869</b>
<b>TOTAL LIABILITIES</b>		<b>84,415</b>	<b>88,821</b>	<b>93,147</b>
<b>EQUITY</b>				
Share capital	7	86,518	86,518	86,518
Reserves		29,881	29,881	29,714
Retained earnings		26,585	25,600	28,281
<b>TOTAL EQUITY</b>		<b>142,984</b>	<b>141,999</b>	<b>144,513</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>227,399</b>	<b>230,820</b>	<b>237,660</b>

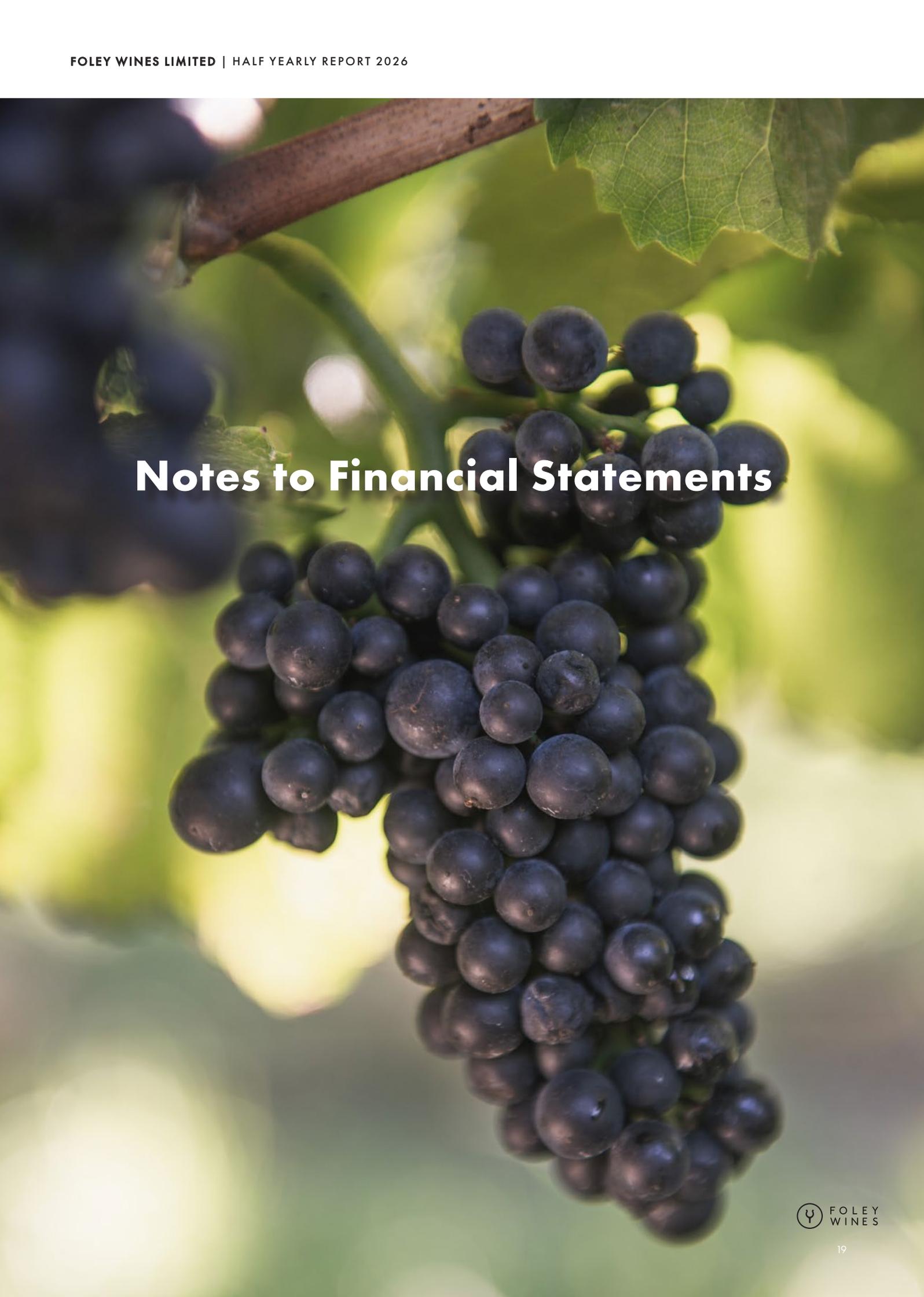
These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.

# Statement of Cash Flows

For the six months ended 31 December 2025

	Note	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash was provided from (applied to)				
Receipts from customers		36,118	80,290	40,490
Interest received		20	13	6
Payments to suppliers and employees		(27,992)	(59,846)	(26,959)
Interest and other costs of finance paid		(1,111)	(3,181)	(2,071)
Income tax paid		(326)	(1,112)	(471)
Net cash flow from operating activities	8	6,709	16,164	10,995
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash was provided from (applied to)				
Sale of property, plant and equipment		12	95	47
Purchase of property, plant and equipment		(1,351)	(3,541)	(1,894)
Grower and other loans repaid		–	151	–
Net cash flow (applied to) investing activities		(1,339)	(3,295)	(1,847)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Cash was provided for (applied to)				
Dividends paid		(1,315)	–	–
Loans advanced		–	47,500	–
Loans repaid		(3,020)	(58,825)	(7,932)
Lease liabilities repaid		(603)	(1,061)	(366)
Net cash flow from/(applied to) financing activities		(4,938)	(12,386)	(8,298)
Net increase in cash held		432	483	850
Cash and cash equivalents/(Bank overdraft) at beginning of period		584	101	101
Cash and cash equivalents at end of period		1,016	584	951
Comprising: Cash and cash equivalents		1,016	584	951

These financial statements should be read in conjunction with the Notes to the Financial Statements on pages 20 to 26.



# Notes to Financial Statements

# Notes to the Financial Statements

*For the six months ended 31 December 2025*

## **1. ACCOUNTING PERIOD**

The unaudited financial statements presented are for Foley Wines Limited (“the Company”, “the Parent”) and its subsidiaries (together referred to as “the Group”) and cover the six month period to 31 December 2025. These condensed financial statements have been prepared in accordance with NZ IAS 34 Interim Financial Statements and should be read in conjunction with Foley Wines Limited’s Annual Report for the year ended 30 June 2025. The financial statements were authorised for issue by the Directors on 27 February 2026.

## **2. ACCOUNTING POLICIES**

The same accounting policies and methods of computation are followed in the interim financial statements as were followed in the annual financial statements for the year ended 30 June 2025.

There have been no changes in accounting policies during the period.

### **2.1 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these interim financial statements under NZ IFRS the Directors are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The significant areas of estimation, assumptions and critical judgements made in the preparation of these financial statements are consistent with those set out in the 2025 Annual Report.

# Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>3. PROFIT/(LOSS) FOR THE PERIOD</b>			
Included in profit/(loss) before income tax for the period are the following:			
REVENUE:			
Sales revenue – sale of goods – bottled wine	32,490	66,374	32,320
Sales revenue – other	2,382	4,157	1,729
Total sales revenue	34,872	70,531	34,049
Other revenue – rent received	28	51	25
Other revenue – insurance proceeds	16	–	–
Total revenue	34,916	70,582	34,074
Sales revenue – other includes the sale of other products such as bulk wine, spirits, merchandise, restaurant meals and non-alcoholic beverages.			
EXPENSES:			
Amortisation – lease right-of-use assets	614	1,312	678
Depreciation	2,804	5,868	2,909
Directors' fees	120	240	120
Employee benefits expense: Short-term employee benefits	5,368	13,187	5,188
Excise duty and HPA levy	3,054	6,135	3,272
Fees paid to auditors:			
– Audit of the financial statements (fees and disbursements)	62	131	78
Cost of inventories recognised as expense	20,803	42,643	19,924
<b>4. INTEREST EXPENSE</b>			
Interest on loans and borrowings	1,007	2,921	1,709
Interest on convertible notes	357	709	357
Interest expense on lease liabilities	3	9	5
Interest expense on hire purchases	2	3	–
Total Interest expense	1,369	3,642	2,071

## Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$	Audited 12 Months 30 Jun 2025 Group \$	Unaudited 6 Months 31 Dec 2024 Group \$
<b>5. EARNINGS/(LOSS) PER SHARE</b>			
Basic Earnings/(Loss) per share (\$)	3.50	(2.83)	1.65

The calculation of basic earnings/(loss) per share is based on profit/(loss) of the Group of \$2,300,000 (30Jun25 \$(1,857,000); 31Dec24 \$1,085,000) and the weighted average of 65,736,148 ordinary shares on issue during the period (30Jun25 65,736,148; 31Dec24 65,736,148).

Diluted Earnings/(Loss) per share (\$)	3.47	(2.83)	1.65
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The calculation of diluted earnings/(loss) per share is based on profit/(loss) of \$2,557,000 (31Dec24 \$1,342,000), being profit/(loss) for the year adjusted for the interest on the convertible notes after income tax, and the weighted average of 73,599,173 ordinary shares on issue during the year (31Dec24 73,599,173). (30Jun25: The calculation of diluted (loss) per share in respect of 2025 based on (loss) of \$(1,857,000) and the weighted average of 65,736,148 ordinary shares on issue during the year).

The weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share as follows:

	31 Dec 2025 Number of shares	30 Jun 2025 Number of shares	31 Dec 2024 Number of shares
Weighted average number of ordinary shares (Basic)	65,736,148	65,736,148	65,736,148
Convertible notes outstanding at period end	7,863,025	-	7,863,025
Weighted average number of ordinary shares (Diluted)	73,599,173	65,736,148	73,599,173

In the year ended 30 June 2025 the Company made a loss and therefore the diluted earnings per share excludes the adjustment for interest on the convertible notes after income tax and convertible notes shares outstanding at year end as this is anti-dilutive.

# Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

## 6. DIVIDENDS PAID PER SHARE

The calculation of dividends per share in respect of the interim 2026 period is based on the final dividend for 2025 paid in October totalling \$1,315,000 (30Jun25: 2024 Final dividend \$Nil; 31Dec24: \$Nil).

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>7. SHARE CAPITAL</b>			
FULLY PAID UP ORDINARY SHARES			
Balance at beginning of period	86,518	86,518	86,518
Movements in share capital	-	-	-
Balance at end of period	86,518	86,518	86,518
Number of fully paid ordinary shares	65,736,148	65,736,148	65,736,148

There were no shares issued during the period.

# Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>8. CASH FLOW INFORMATION</b>			
<b>(a) NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
PROFIT/(LOSS) AFTER INCOME TAX FOR THE PERIOD	2,300	(1,857)	1,085
NON-CASH ITEMS:			
Depreciation	2,804	5,868	2,909
Amortisation	614	1,312	678
(Decrease) in deferred tax	(116)	(1,466)	(479)
Impairment loss/(gain) recognised on inventories	11	(37)	36
Adjustments resulting from revaluation of grapes	(1,387)	(814)	(687)
Loss/(gain) on disposal of property, plant and equipment	(11)	330	(14)
Loss on asset revaluations	–	4,607	–
Grower advance adjustments	43	(30)	(15)
Unrealised loss/(gain) in fair value of financial assets/liabilities	743	(18)	1,216
	2,701	9,752	3,644
MOVEMENTS IN WORKING CAPITAL BALANCES:			
Trade and other receivables	(1,032)	5,160	4,050
Inventories	11,135	2,132	11,501
Biological work in progress	(6,692)	97	(6,658)
Prepaid expenses and other current assets	(1,229)	(12)	(1,492)
Trade and other payables	(1,257)	1,067	(1,564)
Current tax assets/liabilities	783	(175)	429
	1,708	8,269	6,266
NET CASH FLOW FROM OPERATING ACTIVITIES	6,709	16,164	10,995
<b>(b) NET LOANS AND BORROWINGS RECONCILIATION</b>			
Total Loans and borrowings	37,600	40,620	44,013
Loans advanced during the year – cash inflow	–	47,500	–
Loans repaid during the year – cash outflow	(3,020)	(58,825)	(7,932)
Net movement in net debt – all cash flows	(3,020)	(11,325)	(7,932)

# Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>9. FINANCIAL INSTRUMENTS</b>			
Change in fair value of financial assets/liabilities consists of:			
Foreign currency forward contracts	(743)	18	(1,215)
	\$	\$	\$
<b>10. NET TANGIBLE ASSETS</b>			
Net tangible assets per share (\$)	1.64	1.63	1.66

## 11. RELATED PARTY TRANSACTIONS

(a) Material transactions with related parties during the period are set out below:

- (i) Sales were made to Foley Family Wines, Inc., a company that owns 33.33% of FFW Opco, LLC., the majority shareholder in Foley Holdings New Zealand Limited, the parent of Foley Wines Limited. Sales for the period were \$3,564,000 for the Group (Jun25: \$11,040,000; Dec24: \$3,891,000). Commissions/ Management fees paid in relation to sales during the year totalled \$116,000 (Jun25: \$159,000; Dec24: \$78,000), Discounts in relation to the new US tariffs were \$204,000 (Jun25: \$139,000; Dec24: \$Nil) and Advertising and Promotion cost contributions/ market support (A&P), which are included in Selling, marketing and promotion expenses in the Income Statement, totalled \$425,000 (Jun25: \$1,267,000; Dec24: \$478,000). A&P provided to importers/distributors by wine companies are common for the wine industry business to co-fund the promotion of the products of the Company.
- (ii) Interest was paid/payable to Foley Holdings New Zealand Limited, the parent of Foley Wines Limited, under the convertible note. Interest paid/payable for the period was \$357,000 for the Group (Jun25: \$709,000; Dec24: \$357,000).
- (iii) Sales were made to Wharekauhau Country Estate Limited, a luxury lodge 74.6% owned by Bill Foley, the majority shareholder of the ultimate parent. Sales for the period totalled \$29,000 for the Group (Jun25: \$29,000; Dec24: \$11,000). Accommodation, meals, events, labour and vouchers for Foley Rewards provided by Wharekauhau to the Company and Foley Rewards customers during the period totalled \$18,000 (Jun25: \$15,000; Dec24: \$5,000).
- (iv) Lighthouse Gin product was purchased for global distribution from Lighthouse Distillery Limited, a company owned by Mark Turnbull, CEO and Director of Foley Wines Limited, until 27 February 2025 and Paul Brock, Director and Board Chair, from 27 February 2025. Purchases during the period totalled \$43,000 (Jun25: \$91,000; Dec24: \$42,000). Administration services, rental, electricity and contract distilling services were provided to Lighthouse Distillery Limited during the period of \$84,000 (Jun25: \$169,000; Dec24: \$87,000). Lighthouse Distillery Limited paid the Company a sales commission on spirits sold direct to customer during the year of \$Nil (Jun25: \$340,000; Dec24: \$229,000).
- (v) Sales were made to Foley Hospitality Limited group restaurants, a group owned 100% by Foley Holdings New Zealand Limited, the parent company of Foley Wines Limited. Sales for the period were \$145,000 (Jun25: \$463,000; Dec24: \$249,000). Meals, events, contract labour, training and vouchers for Foley Rewards provided by Foley Hospitality during the period of \$14,000 (Jun25: \$25,000; Dec24: \$5,000). Contract services from the Interim CEO/CEO of \$105,000 were charged during the year (Interim CEO: Jun25: \$77,000; Dec24: \$Nil).

# Notes to the Financial Statements (continued)

For the six months ended 31 December 2025

	Unaudited 6 Months 31 Dec 2025 Group \$'000	Audited 12 Months 30 Jun 2025 Group \$'000	Unaudited 6 Months 31 Dec 2024 Group \$'000
<b>11. RELATED PARTY TRANSACTIONS (continued)</b>			
(b) Amounts owing to related parties at balance date:			
Foley Holdings New Zealand Limited – convertible note	10,900	10,900	10,900
Foley Hospitality Limited	1	12	1
Lighthouse Distillery Limited	17	6	2
Wharekauhau Country Estate Limited	8	2	–
(c) Amounts owing from related parties at balance date:			
Foley Family Wines Inc.	2,370	2,880	2,390
Foley Hospitality Limited	61	33	52
Lighthouse Distillery Limited	158	146	216
Wharekauhau Country Estate Limited	18	–	5

## 12. FOREIGN CURRENCY EXCHANGE RATES

The following spot foreign exchange rates have been applied at balance date:

NZ \$1.00 =	31 December 2025		30 June 2025		31 December 2024	
	FWL Buy	FWL Sell	FWL Buy	FWL Sell	FWL Buy	FWL Sell
Australian dollar	0.8621	0.8690	0.9189	0.9263	0.9026	0.9098
United States dollar	0.5779	0.5825	0.6006	0.6054	0.5621	0.5666
Great British pound	0.4291	0.4325	0.4391	0.4426	0.4480	0.4516
Euro	0.4915	0.4955	0.5134	0.5175	0.5405	0.5449

## 13. SUBSEQUENT EVENTS

No material events have occurred since balance date.

## 14. SHAREHOLDER INFORMATION

August 2026

Annual Report Published

November 2026

Annual Shareholders Meeting

# Company Directory

*For the six months ended 31 December 2025*

<b>DIRECTORS:</b>	PR Brock (Chair) AJ Anselmi GR Graham WP Foley, II
<b>HEAD OFFICE ADDRESS:</b>	13 Waihopai Valley Road RD6, Blenheim 7276, Marlborough, New Zealand Telephone +64 3 572 8200 Facsimile +64 3 572 8211
<b>POSTAL ADDRESS:</b>	PO Box 67, Renwick 7243, Marlborough, New Zealand
<b>EMAIL:</b>	info@foleywines.co.nz
<b>WEBSITES:</b>	www.foleywines.co.nz www.grovemill.co.nz www.vavasour.com www.tekairanga.com www.martinborough-vineyard.co.nz www.mtdifficulty.nz www.lighthousegin.co.nz
<b>NATURE OF BUSINESS:</b>	Production and distribution of wine
<b>AUDITORS:</b>	Deloitte Limited, Auckland
<b>SOLICITORS:</b>	Bell Gully, Auckland
<b>BANKERS:</b>	Bank of New Zealand, Auckland
<b>REGISTRATION NO.</b>	307139
<b>REGISTERED OFFICE:</b>	13 Waihopai Valley Road, RD6 Blenheim 7276, Marlborough, New Zealand
<b>SHARE REGISTRAR:</b>	MUFG Pension & Market Services Level 30, PwC Tower, 15 Customs Street West, Auckland 1010 PO Box 91976, Auckland 1142 Telephone +64 9 375 5998 Email: enquiries.nz@cm.mpms.mufg.com (please quote CSN or shareholder number) Website for shareholders to change address or payment instructions or view investment portfolio: www.mpms.mufg.com
<b>SHARE TRADING:</b>	NZX Main Board – Security Code “FWL”



*Investors who wish to join the Foley VIP Cellar,  
please email [info@foleywines.co.nz](mailto:info@foleywines.co.nz)*