

Wine Australia for Australian Wine

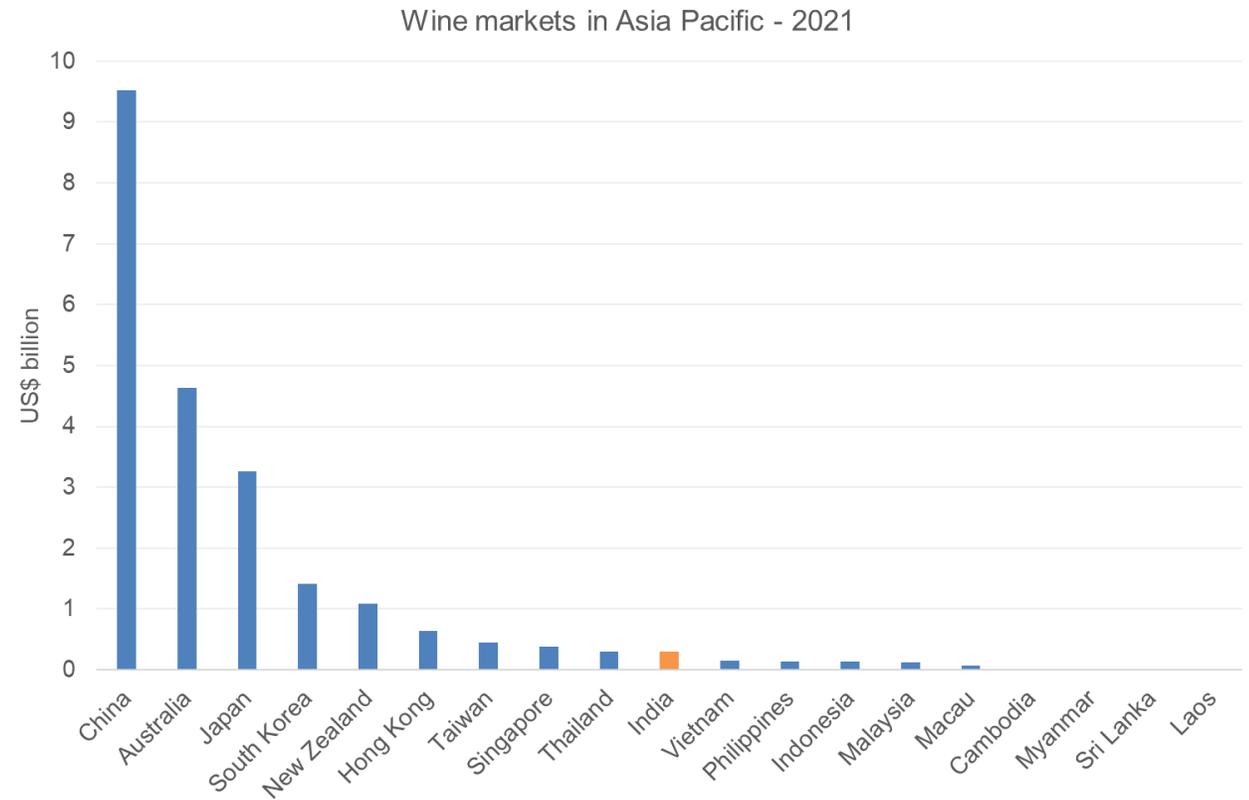
India wine
market
overview

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India is the 10th biggest wine market in Asia Pacific

- Second most populous country in the world, world's largest youth population, and significant economy
- Alcohol market is dominated by spirits and beer with wine just 1 per cent
- Penetration of wine is low: 2-3 million consumers
- India is the 10th biggest still wine market in the Asia Pacific region (44th globally)
- In 2021, 1.6 million cases valued at US\$298 million
- Per capita wine consumption very low
- Significant domestic wine industry (51 per cent value share, 66 volume share)



Source: IWSR

Growth in imported wine sales in India forecast to continue

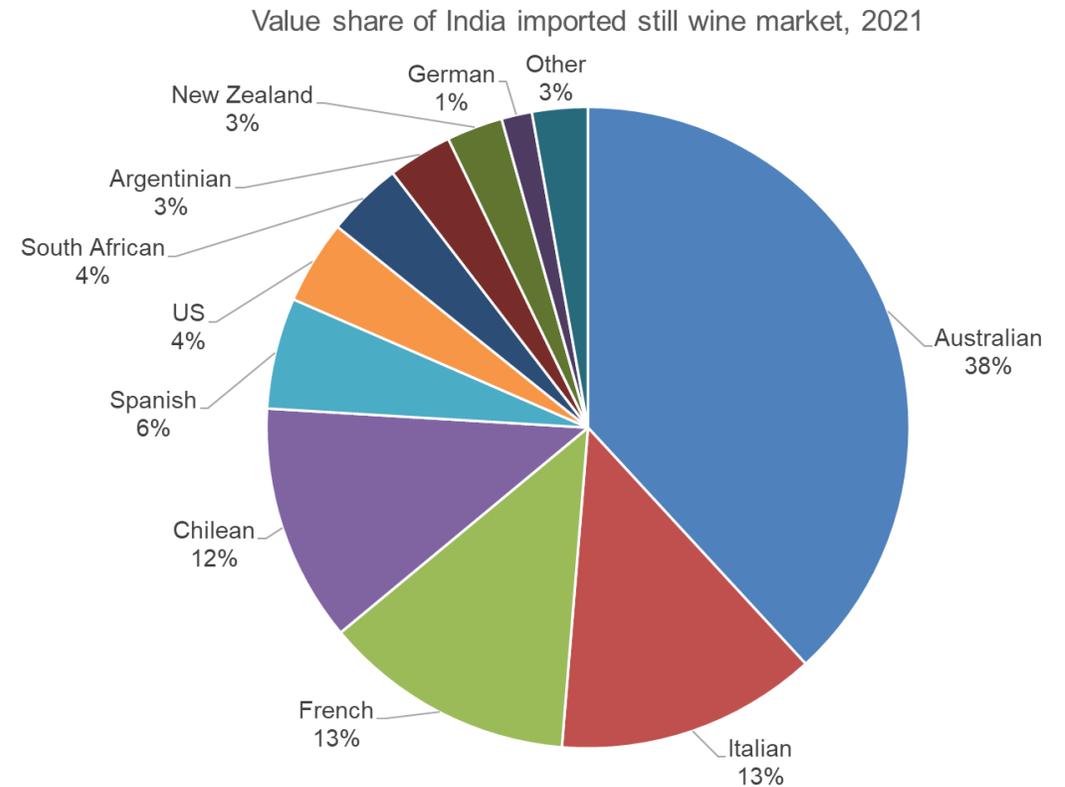
- Domestic wines – all commercial/value (<US\$10 per bottle)
- Imports – 82 per cent commercial/value and 18 per cent premium and above (>US\$10 per bottle)
- Imported wine sales grew from US\$25 million in 2005 to US\$135 million in 2019
- COVID-19 negatively impacted on sales in 2019 before rebounding in 2021
- IWSR has forecast imported wines to grow to US\$200 million by 2026
 - Commercial/value sales by 5 per cent per annum
 - Premium and above by 11 per cent per annum



Source: IWSR

Australia is the clearly the leading imported wine category

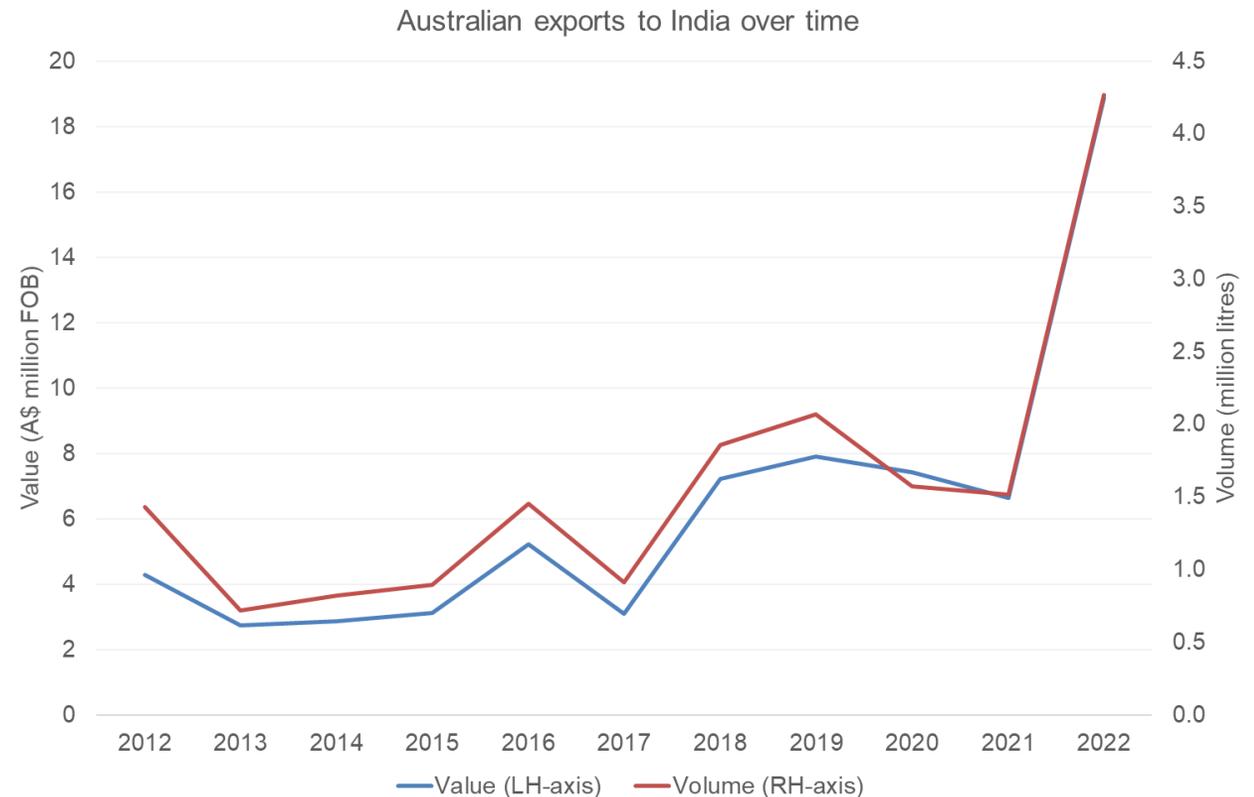
- Australia is the number one imported still wine category in India – 38 per cent value share and 47 per cent volume share
- Three times the value of Chile, Italy and France
- Australia was the fastest growing category in the five years to 2019
- All imported wine categories declined in COVID-19 impacted 2020 - Chile least impacted, Australia declined by less than Italy and France
- Australia rebounded the strongest in 2021
- IWSR forecasting similar growth rates out to 2026 for Australia, Chile, France and Italy



Source: IWSR

Australian exports to India are on the rise

- India is Australia's 17th biggest export destination by value and 19th by volume
- In 2021-22, exports grew almost three-fold to a record \$19 million and 4.3 million litres
- Average value up 1 per cent to \$4.43 per litre
- The number of exporters is up from 14 to 21
- Most exporters contributed to growth
- Red wine 73 per cent, white wine 22 per cent

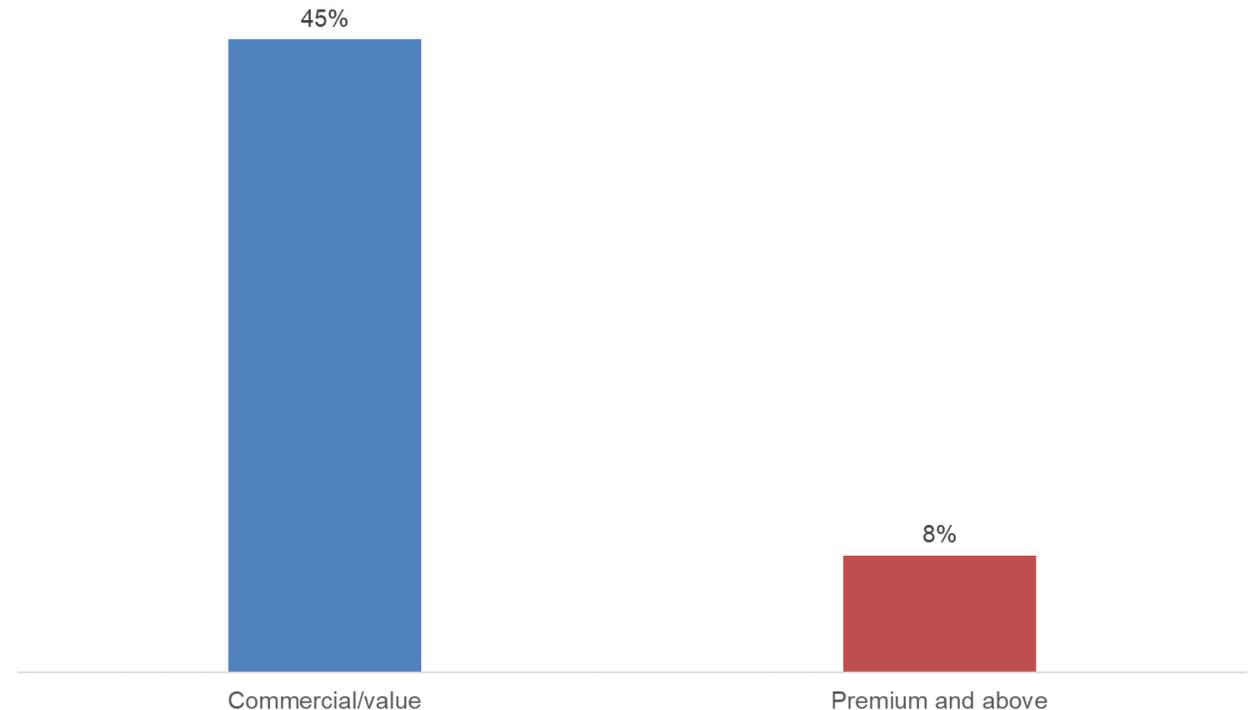


Source: Wine Australia

Australian sales heavily weighted to commercial/value

- 96 per cent of Australian sales are commercial/value
- Australia dominates the commercial/value segment
- Australia ranks fourth in the premium and above segment – behind France, Italy and New Zealand
- IWSR forecast Australian sales in commercial/value to grow by 5 per cent per annum out to 2026 and premium and above by 12 per cent per annum

Australian imported market value share by price point, 2021



Source: IWSR

Australian exports mainly at A\$2.50 to A\$4.99 per litre

- Value growth across all price segments
- A\$2.50 to A\$4.99 per litre accounts for 86 per cent of total value
- Australia-India Economic Cooperation and Trade Agreement (AI ECTA)
- AI ECTA impacts on exports at over A\$8 per litre – 3 per cent of volume and 11 per cent of value



Source: Wine Australia

Summary

- India is a long-term opportunity for Australian wine
- One of the world's fastest growing economies
- Middle class to grow to 380 million by 2030
- Wine is currently a niche category but is growing
- Australia is the number one imported wine category and exports are growing strongly
- Market is dominated by commercial/value wines but premium forecast to grow at a faster rate
- AI ECTA will assist growth in Australian premium wines over the next decade