17 February 2021 **ASX ANNOUNCEMENT**

2021 Interim Results Investor and Analyst Presentation

Enclosed are the presentation materials for the investor and analyst webcast and conference call to be hosted by Treasury Wine Estates Ltd (ASX:TWE) commencing at 11:00am (AEDT) on 17 February 2021. Links to register for the conference are provided in the 2021 Interim Results Announcement also lodged with the ASX today.

For the purposes of ASX Listing Rule 15.5, TWE confirms that this document has been authorised for lodgment by the Chairman of the Board.

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F21 HALF YEAR RESULTS

TREASURY
WINE ESTATES

17 February 2021

INTRODUCTION

Tim Ford Chief Executive Officer

TREASURY WINE ESTATES

Our team presenting today

Tim Ford
Managing Director and Chief Executive Officer

Ben Dollard
President, Americas

Matt Young
Chief Financial Officer

Peter Neilson
Managing Director, Australia & New Zealand

Tom King
Managing Director, Asia

Michelle Brampton
Managing Director, EMEA

Agenda

1H21 Financial Highlights	Tim Ford
Update on Strategic Agenda	Tim Ford
Financial Performance	Matt Young
Regional Performance	Tom King, Ben Dollard Peter Neilson, Michelle Brampton
Summary & Outlook	Tim Ford
Q&A	All

1H21 Financial Highlights[1,2,3,4]

Execution of plan driving positive momentum; strong and flexible balance sheet retained

NSR

$1.4bn ▼ (8.2)%

NSR per case

$82.5 ▼ (5.2)%

EBITS

$284.1m ▼ (22.5)%

EBITS margin

20.1% ▼ (3.8)ppts

NPAT

$175.3m ▼ (23.5)%

EPS

24.3cps ▼ (23.8)%

Cash conversion

128.9% ▲ 43.8ppts

Net debt / EBITDAS

1.7x Unchanged

ROCE

9.5% ▼ (4.1)ppts

Interim dividend

15.0cps ▼ (25.0)%

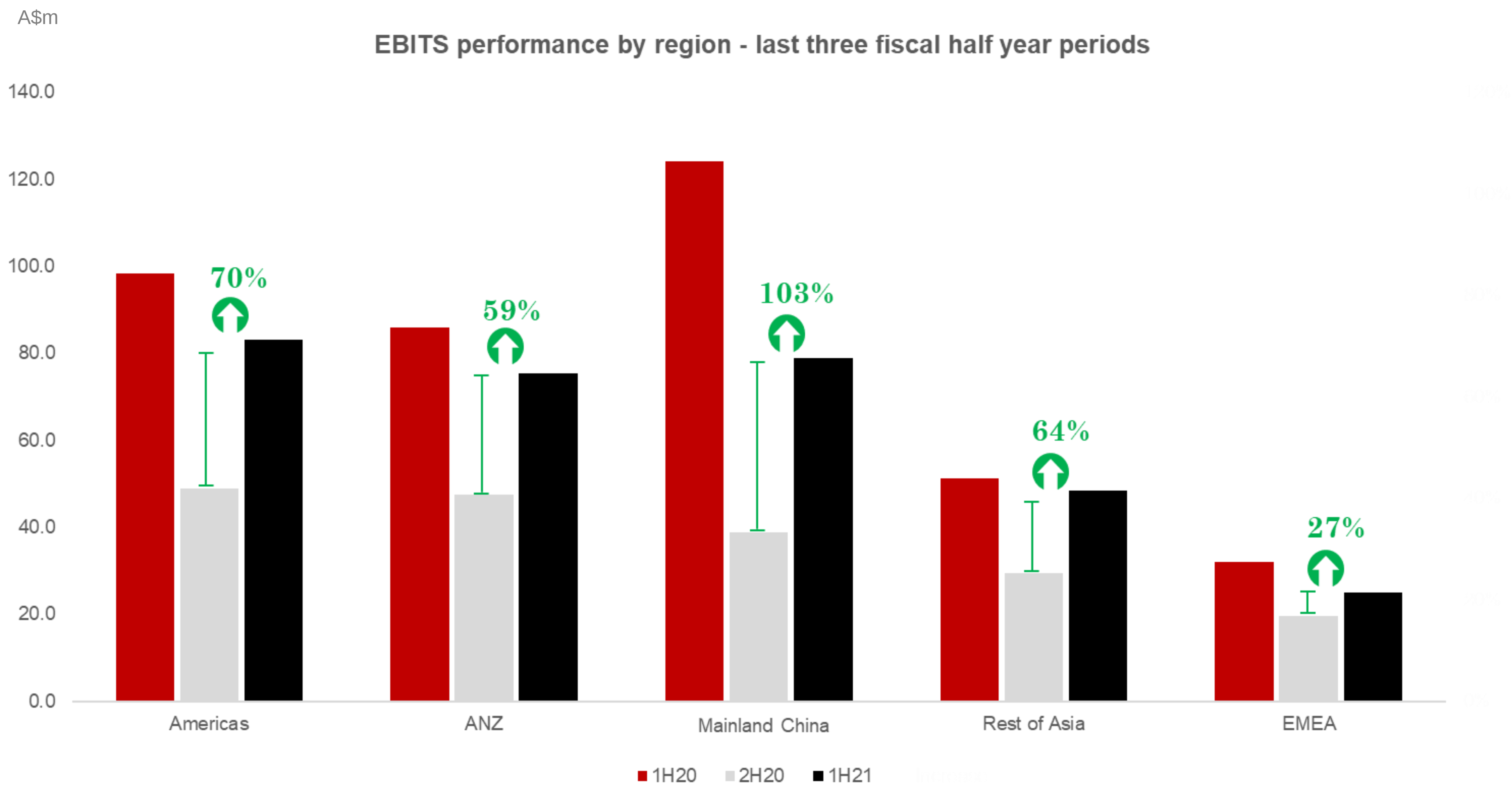
Luxury and masstige contribution to global NSR

75% ▲ 2.0ppts

1. Financial information in this report is based on unaudited financial statements. Non-IFRS measures will not be subject to audit or review, and are used internally by Management to assess the operational performance of the business and make decisions on the allocation of resources
2. All figures and calculations are subject to rounding; prior year comparatives have been restated for the application of *AASB112 Income taxes*
3. Financial Highlights disclosed on a reported currency basis
4. Before material items and SGARA

Earnings performance

Strong execution of the COVID-19 Plan Ahead Agenda has driven positive momentum towards recovery in all regions



TREASURY WINE ESTATES

Status of key sales channels

Our key sales channels remain in varied states of impact and recovery

Indicative NSR contribution[1] and 1H21 channel status by region	Asia		Americas		ANZ		EMEA	
	% NSR	**Status**	**% NSR**	**Status**	**% NSR**	**Status**	**% NSR**	**Status**
Bricks & Mortar Retail	23%	●	73%	●	71%	●	89%	●
Wholesale[2]	53%	●	Not applicable		Not applicable		Not applicable	
E-commerce	18%	●	3%	●	9%	●	5%	●
On-premise[2]	Not measurable		11%	●	7%	●	4%	●
Cellar doors	Not applicable		9%	●	10%	●	Not applicable	
Travel retail & other	6%	●	4%	●	3%	●	2%	●

Legend

Green
Open, with minimal disruption or positive short-term impacts

Orange
Generally open, but with disruptions

Red
Closed or significantly disrupted

1. Indicative channel splits are management estimates, based on experience of historical trading. E-commerce includes sales via TWE's e-commerce platforms and estimates of third party e-commerce sales
2. For Asia only, on-premise sales are reflected in wholesale channel performance

STRATEGIC AGENDA

Tim Ford Chief Executive Officer

TREASURY WINE ESTATES

Executing the Game Plan – our F21 priorities

Delivering on our priorities to support our through the cycle growth ambitions

01 Manage performance

02 Shift to a consumer led marketing model

03 Optimise our global supply chain

04 Accelerate separate focus across portfolio

05 Deliver the future state premium US wine business

06 China measures: implement global response plan

Accelerate separate focus across the portfolio

Brand led divisional model to drive increased focus and unlock our growth potential

PENFOLDS	TREASURY PREMIUM BRANDS	TREASURY AMERICAS
Penfolds, Icons & Bins, MAX'S, KOONUNGA HILL, SPECIAL BOTTLINGS	WOLF BLASS, 19 Crimes, WYNNS COONAWARRA ESTATE, squealing pig, Saltram of Barossa, St Huberts The Stag, MATUA, SEPPELT, BLOSSOM HILL, LINDEMAN'S	19 Crimes, Beaulieu Vineyard BV, BERINGER, BERINGER BROS., Stags' Leap, MATUA, STERLING VINEYARDS, Etude, St Huberts The Stag

Supply Operations (Penfolds, Treasury Premium Brands) | US Supply (Treasury Americas)

Treasury Business Solutions

Corporate

Accelerate separate focus across the portfolio

Each division has unique characteristics with distinct opportunities for growth

	Penfolds	Treasury Premium Brands	Treasury Americas
Divisional Lead	Tom King	Peter Neilson	Ben Dollard
Vision	*The world's pre-eminent luxury wine brand*	*Deliver consumer centric and innovative offerings for multiple occasions*	*Lead the premium wine category in the Americas*
Portfolio focus	Luxury	Luxury Masstige Commercial	Luxury Masstige
Focus geographies	Asia, Australia, Americas, EMEA	Australia, EMEA, Asia	Americas
Key growth and earnings drivers	Expand the global consumer base Grow channels to market Establish and build French and US COO	Establish top-line momentum and step-change profitability Unleash potential of brands through innovation Fit for purpose cost and capital base	Finalise asset and portfolio optimisation Accelerate performance of Focus brands Fill portfolio gaps

Delivering a future state premium US wine business

05

Progressing key US business restructuring initiatives; on track for completion by 1H22

#1

Adjust operating model and organisation structure

Re-designed sales and marketing model in operation

$35m+ benefit being delivered from F21 onwards

Completed

#2

Divestiture of brands and assets

TWE has progressed on key initiatives, including plans to exit a significant portion of the commercial brand portfolio in the US

Additional brand, operating asset and lease rationalisation opportunities to be explored

TWE expects to recognise total one-off non-cash costs of up to $100m[1], related primarily to the write-down of intangible and lease assets, with net cash inflows of at least $300m expected

On-track

#3

Restructuring of supply chain to reduce COGS

Work is underway to deliver $50m+ annualised global COGS savings by F23

Incremental program established to reduce US supply chain dis-synergies following commercial portfolio exit

On-track

Future state business with broadly half the volume, similar earnings[2] and progress towards 25% EBITS margin ambition

1. $50.7m recognised in 1H21
2. 1H20 outcome, annualised

China measures: implement global response plan

06

TWE's global response plan is in progress, with financial benefits to commence from 2H21

Focus	Initiative	Financial benefits starting
Drive incremental growth across TWE's global priority markets	*Reallocation of Penfolds Bins & Icon range* Completed assessment of markets for reallocation over next three years - TWE is becoming increasingly confident around its plans for reallocation from China to other global markets, beginning towards the end of F21	4Q21
	Accelerate investment in sales and marketing capability across luxury growth markets Commenced step-up of investment in priority growth markets of the US, Australia and the rest of Asia	F22
	Reallocation of luxury grape sourcing to other premium Australian portfolio brands V21 make to be allocated to supply constrained Wynns, Wolf Blass, The Stag and Pepperjack	F22
China business model enhancements	*Accelerate multi-COO portfolio growth strategy* Expanding multi COO and brand innovation pipeline, including French and Californian in addition to exploration of other COO opportunities (e.g. China)	F22
	Alternate operating and supply chain models Scenario work completed, with changes to be explored once final investigation outcome is known	To be confirmed
Global operating model changes	*Reductions to future vintage intake* Rebalancing V21 intake, with reductions focused on commercial and masstige portfolios	2H21
	Global CODB reductions Cost base and overhead reductions planned for China business and across corporate functions, to deliver annualised benefits of $10m net of reinvestment	F22

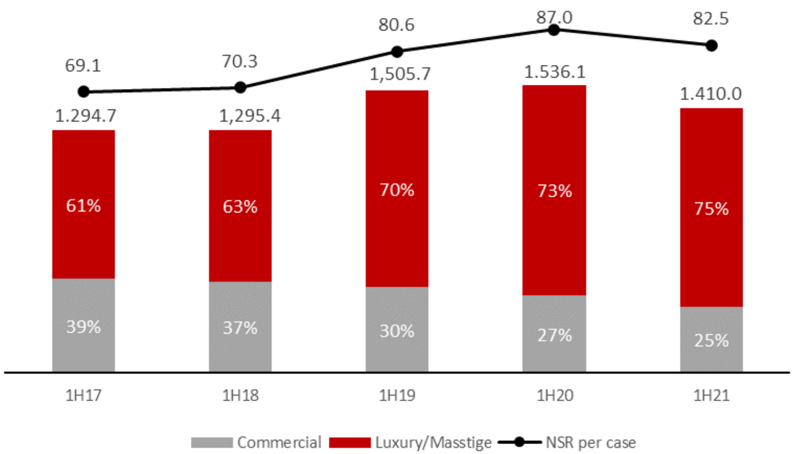
FINANCIAL PERFORMANCE

Matt Young Chief Financial Officer

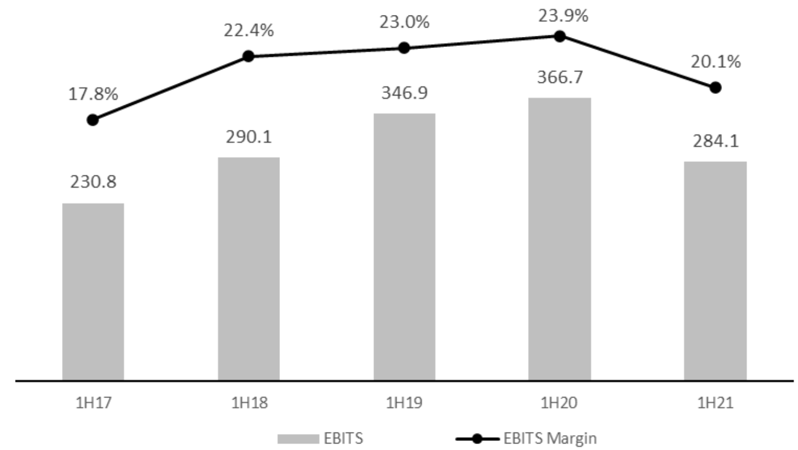
TREASURY
WINE ESTATES

1H21 result; key measures of performance[1,2]

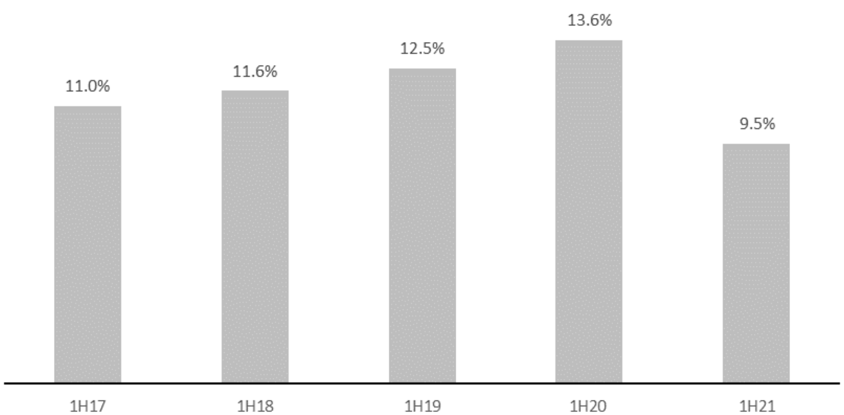
Group NSR (A$m) and NSR per case



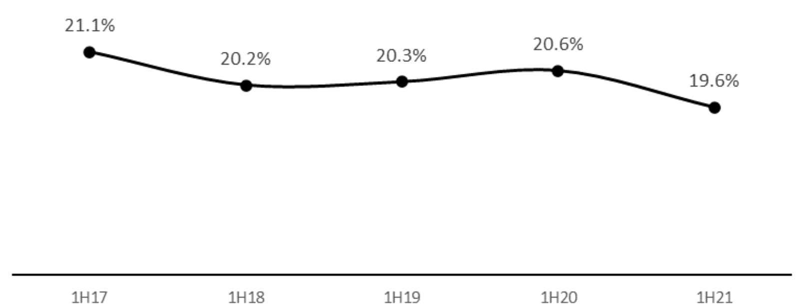
Group EBITS (A$m) and EBITS margin



Return on Capital Employed (ROCE)



Cost of Doing Business (CODB) Margin



1. Numbers subject to rounding
2. Prior year comparatives have been restated for the application of *AASB16 Leases* and *AASB 112 Income taxes*

TREASURY WINE ESTATES

Material items

Material Items (pre-tax)	Benefits	Benefits from	Expected one-off cost	Recognised to Date	1H21
Divestment of US brands and assets	Enable prioritisation of premium focus brand portfolio as driver of Americas regional performance	F21	$(100.0)m	($50.7)m	$(50.7)m
South Australian luxury expansion (announced 15 August 2019)	1/3 luxury capacity increase	F25	$(35.0)m	$(27.8)m	$(2.5)m
Overhead & supply chain restructure (announced 13 August 2020)	Overheads - $35m Supply Chain - $50m+	F21 F23+	$(45.0)m	$(18.6)m	$(7.3)m
Total Material Items			**$(180.0)m**	**$(97.1)m**	**$(60.5)m**

Balance Sheet[1,2,3]

A$m	1H21	F20	1H20
Cash & cash equivalents	480.8	449.1	335.6
Receivables	511.5	554.1	702.8
Current inventories	826.7	1,017.4	996.6
Non-current inventories	1,041.8	1,059.2	1,015.3
Property, plant & equipment	1,335.7	1,397.4	1,393.0
Right of use lease assets	475.5	517.0	537.7
Agricultural assets	40.7	34.1	39.1
Intangibles	1,208.9	1,331.6	1,322.7
Tax assets	156.5	183.5	171.9
Assets held for sale	45.7	74.3	72.3
Other assets	52.5	54.2	20.2
Total assets	**6,176.3**	**6,671.9**	**6,607.2**
Payables	673.0	682.1	665.6
Interest bearing debt	903.4	1,227.0	1,082.5
Lease liabilities	639.5	698.6	708.6
Tax liabilities	306.3	357.1	375.7
Provisions	53.7	59.2	52.7
Other liabilities	40.5	24.5	12.2
Total liabilities	**2,616.4**	**3,048.5**	**2,897.3**
Net assets	**3,559.9**	**3,623.4**	**3,709.9**

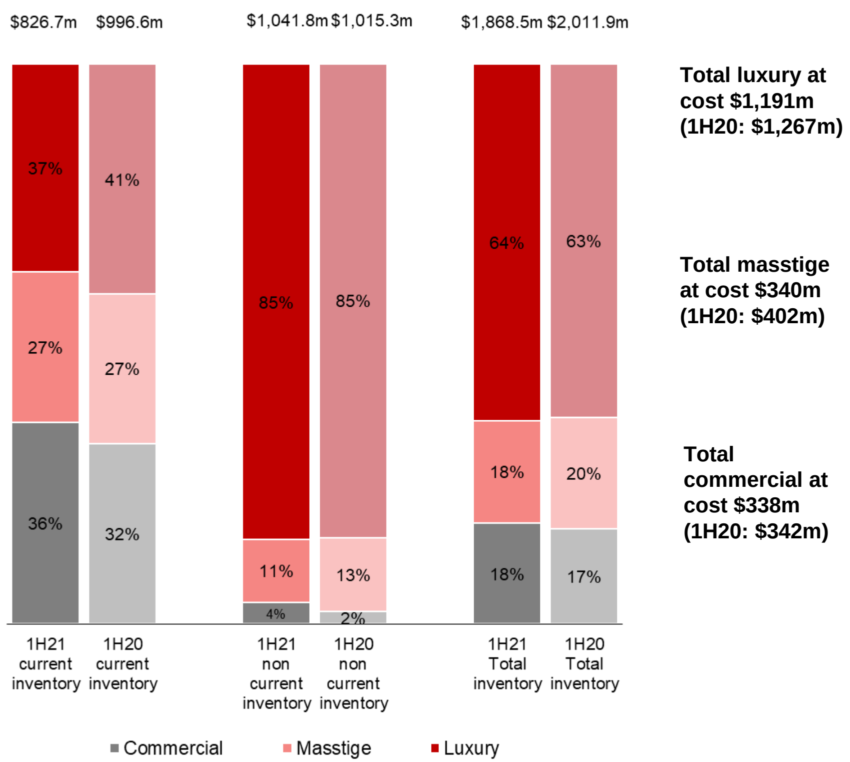
Flexible and efficient balance sheet retained

- Net assets decreased $63.5m on a reported currency basis in 1H21. Adjusting for movements in foreign exchange rates, net assets increased by $90.1m
- Key drivers of the movement in net assets, excluding the impacts of foreign exchange, included:
  - Decrease in net debt, driven by the repayment of drawn bilateral debt facilities and maturing US Private Placement notes
  - Partly offset by a decrease in inventories from June 2020, due to the decrease in expected short-term demand in China resulting from the implementation of provisional measures by MOFCOM and the lower 2020 Californian vintage;
  - Lower receivables balance which reflects improved phasing of sales across key markets, including earlier phasing of sales in China; and
  - Impairment of commercial brands in the US

1. Unless otherwise stated, balance sheet percentage or dollar movements from the previous period are on a reported currency basis and in respect of the six months from 30 June 2020. Prior year comparatives have been restated for the application of *AASB112 Income Taxes*
2. Working capital balances may include items of payables and receivables which are not attributable to operating activities
3. Interest bearing debt includes fair value adjustments related to derivatives that are in a fair value hedge relationship on a portion of US Private Placement notes: 1H21 +$31.2m, F20 +$41.7m, 1H20 +$13.2m

Inventory analysis

Inventory at book value split by segment[1,2]



- Total inventory **volume** declined 16% versus the pcp, driven by lower 2020 vintages in Australia and California
- Total inventory **value** declined $143.4m, or 7%, to $1,868.5m; excluding the impact of the higher Australian dollar, total inventory value declined $55.1m
  - Current inventory declined $169.9m to $826.7m reflecting the expected short-term decrease in demand due to channel disruptions for luxury wine in addition to the impact of the MOFCOM provisional measures on China sales volumes
  - Non-current inventory increased $26.5m to $1,041.8m, driven by TWE's plans to retain luxury inventory on its balance sheet for release in future periods to appropriately balance supply with demand, offset by the impact of the lower 2020 vintages
- Luxury inventory declined 6.0% to $1,190.9m:
  - Luxury inventory volume declined 9% versus the prior year
  - Average cost per case was higher for both the 2020 Australian and Californian vintages

1. Inventory composition subject to rounding. Totals based on sum of Non-Current and Current Inventory
2. TWE participates in three segments: Luxury (A$20+), Masstige (A$10-A$20) and Commercial (A$5-A$10). Segment price points are retail shelf prices

Cash flow and net debt[1]

A$m (unless otherwise stated)	1H21	1H20
EBITDAS	**362.8**	**444.7**
Change in working capital	85.2	(73.8)
Other items	19.7	7.4
Net operating cash flows before financing costs, tax & material items	**467.7**	**378.3**
Cash conversion	**128.9%**	**85.1%**
Payments for capital expenditure and subsidiaries	(68.4)	(113.2)
Proceeds from sale of assets	2.7	28.7
Cash flows after net capital expenditure, before financing costs, tax & material items	**402.0**	**293.8**
Net interest paid	(39.6)	(43.8)
Tax paid	(81.1)	(123.7)
Cash flows before dividends & material items	**281.3**	**126.3**
Dividends/distributions paid	(55.1)	(140.2)
Cash flows after dividends before material items	**226.2**	**(13.9)**
Material item cash flows	36.9	(6.3)
Issue of shares, less transaction costs	0.9	-
On-market share purchases	-	(4.9)
Total cash flows from activities (before debt)	**264.0**	**(25.1)**
Net (repayment) / proceeds from borrowings	(217.8)	(42.2)
Total cash flows from activities	**46.2**	**(67.3)**
Opening net debt	**(1,434.2)**	**(1,380.0)**
Total cash flows from activities (above)	264.0	(25.1)
Net lease liability additions	(30.0)	(30.9)
Net debt acquired	-	(3.2)
Debt revaluation and foreign exchange movements	169.7	(2.4)
(Increase) / Decrease in net debt	**403.7**	**(61.6)**
Closing net debt	**(1,030.5)**	**(1,441.6)**

Strong operating cash flow, includes impacts from smaller Californian vintage and earlier sales phasing in Asia

- Headline cash conversion of 128.9% reflects continued strong operating cash flow performance in addition to the impacts of a lower 2020 Californian vintage intake and earlier sales phasing in China
- Net debt declined $403.7m to $1,030.5m in 1H21[2]
- TWE targets cash conversion of approximately 90% or higher for each full financial year, excluding the annual change in non-current luxury and masstige inventory
  - In 1H21, cash conversion excluding the change in non-current luxury and masstige inventory was 121.0%
  - Full year cash conversion is expected to be delivered in accordance with the target

1. All cash flow percentage or dollar movements from the previous corresponding period are on a reported currency basis
2. Net debt excludes fair value adjustments related to derivatives in a fair value hedge relationship on a portion of US Private Placement notes: 1H21 +$31.2m, F20 +$41.7m, 1H20 +$13.2m

Capital Expenditure

A$m	1H21	1H20
IT spend	3.7	8.4
Oak purchases	2.1	5.1
Vineyard redevelopments	11.0	17.2
Upgrades to wine making equipment and facilities	8.3	14.4
Other capital expenditure	5.3	6.1
Total maintenance and replacement capex	**30.4**	**51.2**
Growth initiatives	38.0	13.0
Vineyard & winery acquisitions	0.0	49.0
Total growth capex	**38.0**	**62.0**
Total capital expenditure	**68.4**	**113.2**
Net lease additions	30.0	30.9

Luxury winemaking investment in progress at the Bilyara Winery, Nuriootpa, South Australia

Capital investment reflects prudent management of capital allocation priorities through the pandemic

- Capital expenditure (capex) $68.4m in 1H21, comprising:
  - Maintenance & Replacement capex of $30.4m[1]
  - Growth capex of $38.0m includes investment in South Australian luxury winemaking infrastructure in addition to long-term investments in e-commerce platforms and planning systems
- F21 full year capex is expected to be approximately $150.0m, comprising;
  - Maintenance and replacement capex up to $65m; and
  - Growth capex up to $85m
- South Australian luxury winemaking investment expected to be completed for V22 as planned, with flexibility to right-size capacity requirements in line with short to medium term expectations for demand
- TWE is continuing to invest in its luxury winemaking asset base in Bordeaux, France

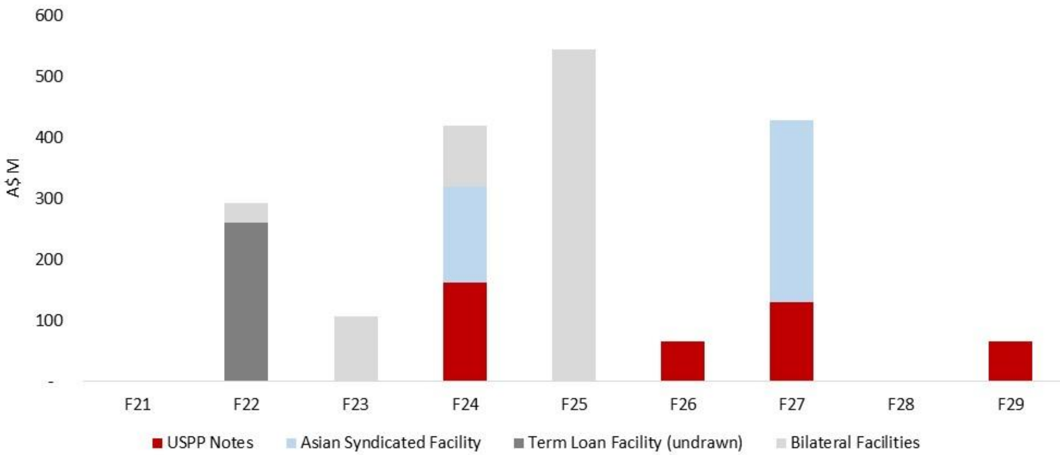
1. TWE intends to maintain leasing arrangements for the majority of oak requirements, however per *AASB16 Leases*, these are deemed low value assets and therefore not treated as a lease liability

Capital Management

TWE's flexible and efficient capital structure remains a key strength

- Investment grade credit metrics maintained:
  - Net debt to EBITDAS[1] 1.7x, in line with the prior year; Interest cover 9.0x
  - For financial covenant compliance, which excludes the capitalisation of leases, Net debt to EBITDAS was 1.0x
- TWE's strong, flexible and efficient capital structure will enable it to manage through the ongoing recovery from global pandemic impacts and implementation of the global response plan to the MOFCOM investigations
  - Total available liquidity $1.5bn, comprising cash $480.8m and undrawn committed facilities of approximately $1.045.9m
  - 1H21 financing highlights: $100m incremental committed facilities established, over $500m commitments refinanced
  - Net debt to EBITDAS is expected to increase modestly in 2H21 with a strong path to deleveraging below TWE's 'up to 2.0x' through the cycle target by no later than the end of F22
- Strong capital structure and liquidity position supports the maintenance of TWE's long-term dividend policy
  - 1H21 interim dividend of 15.0 cents per share declared, fully franked, representing a 62% NPAT payout ratio[2]

Maturity profile – committed debt facilities



1. Ratio of total Net Borrowings to last twelve-month EBITDAS, includes capitalised leases in accordance with *AASB16 Leases*
2. TWE targets a dividend payout ratio of 55-70% of NPAT (pre-material items and SGARA) over a fiscal year

REGIONAL PERFORMANCE

Tom King Managing Director Asia

Ben Dollard President Americas

Peter Neilson Managing Director ANZ

Michelle Brampton Managing Director EMEA

TREASURY WINE ESTATES

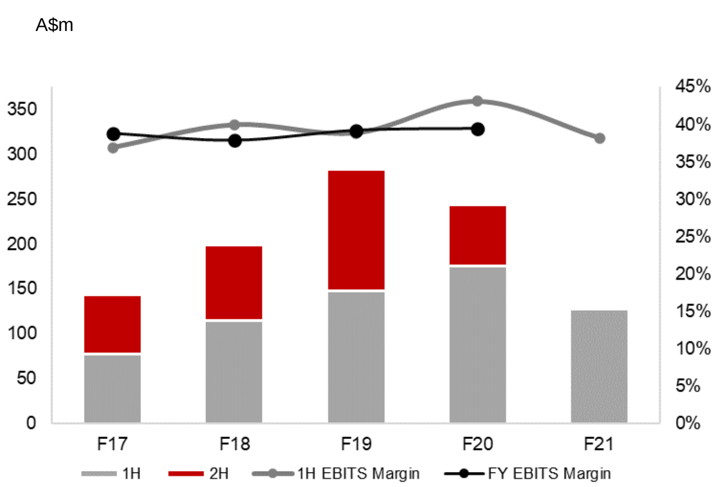
Asia

Positive momentum across the region, with re-opening of luxury channels driving top-line performance

Asia regional performance

$Am	1H21	1H20	%	1H20	%
	Reported Currency			Constant Currency	
NSR	333.2	407.5	(18.2)%	406.9	(18.1)%
NSR per case	253.52	202.71	25.1%	202.41	25.3%
EBITS	127.2	175.5	(27.5)%	178.2	(28.6)%
EBITS margin (%)	38.2%	43.1%	(4.9)ppts	43.8%	(5.6)ppts

Historical EBITS and margin performance[1]



Business headlines

- EBITS declined 28.6% and EBITS margin declined 5.6ppts to 38.2%:
  - Volume and NSR declines of 34.6% and 18.1% respectively were the key drivers, reflecting the impact of the MOFCOM investigations and continuing pandemic disruptions to on-premise and global travel retail channels throughout the region
  - Higher COGS per case reflected improved mix, impacts from lower than planned regional volumes and one-off costs relating to the MOFCOM investigations
- In comparison to 2H20, NSR and EBITS increased 59.0% and 86.5% respectively on a reported currency basis
- TWE saw progressive and consistent recovery in demand through 1H21, with positive momentum delivered in a number of markets
- Implementation of new operating models following the preliminary measures announced by MOFCOM are in progress, including re-allocation of sales and marketing investment throughout the region and regional CODB re-alignment which is expected to deliver cost savings (net of reinvestment) of $10m from F22 onwards
- TWE targets regional EBITS margin in the high 30% range

1H21 luxury and masstige contribution to Asia NSR 95% ▲ 4ppts vs. pcp

1. On a reported currency basis; prior years restated for application of *AASB16 Leases*

Asia Brand Highlights

Bold, Consumer Driven Innovation

Penfolds & Shang Xia Launch in Greater China

Driving More Consumption Occasions

Wolf Blass Wok-Off in Singapore, Malaysia & Indonesia

Focused Portfolio Of Brands Clear & Differentiated Roles

Penfolds Meet Extraordinary with Bin 389 in Singapore & Thailand

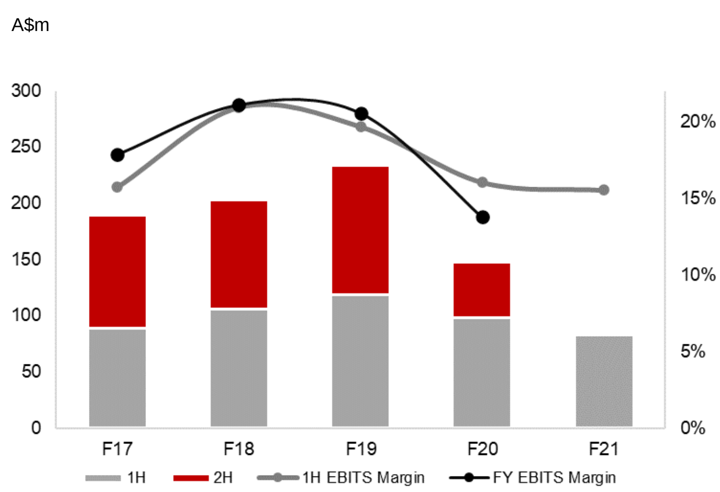
Americas

Consumer-led innovation driving continued outperformance of the focus premium brand portfolio

Americas regional performance

$Am	1H21	1H20	%	1H20	%
	Reported Currency			Constant Currency	
NSR	535.1	612.4	(12.6)%	576.8	(7.2)%
NSR per case	80.68	88.08	(8.4)%	82.96	(2.7)%
EBITS	83.1	98.3	(15.5)%	85.4	(2.7)%
EBITS margin (%)	15.5%	16.1%	(0.6)ppts	14.8%	0.7ppts

Historical EBITS and margin performance[1]



Business headlines

- EBITS declined 2.7% and EBITS margin improved 0.7ppts to 15.5%, reflecting:
  - Volume and NSR declines of 4.6% and 7.2% respectively as a result of continued proactive reduction in commercial volume in addition to disruptions from pandemic restrictions and the Californian wildfires on key channels for higher margin, luxury wine
  - CODB improvements following implementation of the new sales and marketing model in 4Q20
- In the US, total shipments were in line with depletions, and excluding new product development launches were 3% below depletions
- In comparison to 2H20, NSR and EBITS increased 17.1% and 69.6% respectively on a reported currency basis
- TWE's focus premium brand portfolio continued to outperform the market, growing 31% in 1H21[2]
- TWE continues to progress key restructuring initiatives in the US that will support progression towards the 25% regional EBITS margin target

1H21 luxury and masstige contribution to Americas NSR 74% ▲ 3ppts vs. pcp

1. On a reported currency basis; prior years restated for application of *AASB16 Leases*
2. IRI Market Advantage, MULO and convenience, still wine segment, value 26 weeks ending 27 December 2020

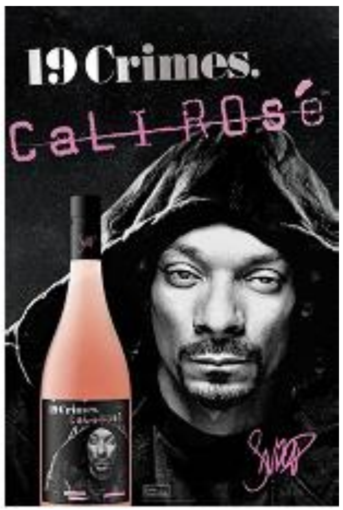
Americas Brand Highlights

Bold, Consumer Driven Innovation

19 Crimes Cali Red Snoop Dogg Partnership

#1 US Wine Innovation in 2020

& New Rosé Extension



Cali Red scans were more than 2x the next best NPD in the US market during 1H21[1]

Consumer Led & Experience Focused Marketing

Beringer Bros CMA Partnership & Kelsea Ballerini Music Video

Focused Portfolio Of Brands Clear & Differentiated Roles

Driving Luxury with the Penfolds California Collection Launch

1.IRI Market Advantage, MULO and convenience, still wine segment, 26 weeks ending 27 December 2020

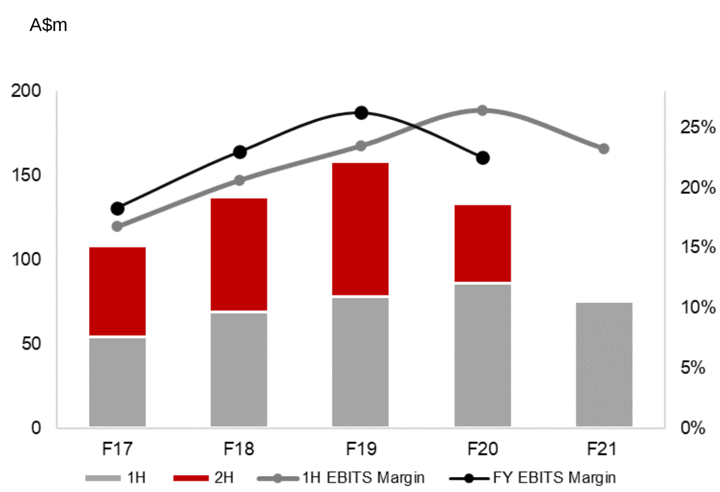
Australia & New Zealand

Growing the masstige portfolio, led by the performance of key focus brands

ANZ regional performance

$Am	1H21	1H20	%	1H20	%
	Reported Currency			Constant Currency	
NSR	323.8	325.8	(0.6)%	325.6	(0.6)%
NSR per case	82.76	80.36	3.0%	80.31	3.1%
EBITS	75.3	85.9	(12.3)%	89.6	(16.0)%
EBITS margin (%)	23.3%	26.4%	(3.1)ppts	27.5%	(4.2)ppts

Historical EBITS and margin performance[1]



Business headlines

- EBITS declined 16.0% and EBITS margin fell 4.2ppts to 23.3%, reflecting:
  - Volume and NSR declines of 3.5% and 0.6% respectively, with proactive reduction of the commercial portfolio being offset by growth of key luxury and masstige brands through retail and e-commerce
  - Higher COGS per case of 9.7% as a result of portfolio premiumisation, recent higher cost vintages for Australian sourced commercial wine and incremental costs associated with finished goods that had been intended for sale in China
- In comparison to 2H20, NSR and EBITS rose 21.5% and 58.9% respectively on a reported currency basis
- Retail channel growth is being driven by the masstige and luxury price points, with TWE's well known and trusted focus brand portfolio continuing to perform strongly
- TWE targets EBITS margin in the high 20% range for the ANZ region

1H21 luxury and masstige contribution to ANZ NSR 78% ▲ 2ppts vs. pcp

1. On a reported currency basis; prior years restated for application of *AASB16 Leases*

ANZ Brand Highlights

Consumer Led & Experience Focused Marketing

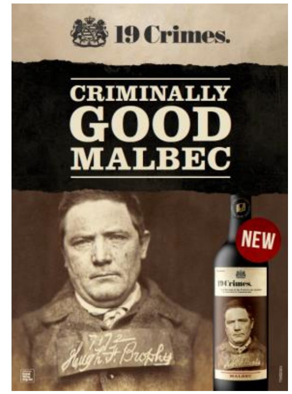
Squealing Pig activated across media & retail channels

Driving More Consumption Occasions

Pepperjack portfolio expansion into growth varietals

Focused Portfolio Of Brands Clear & Differentiated Roles

19 Crimes driving category growth through activation & NPD



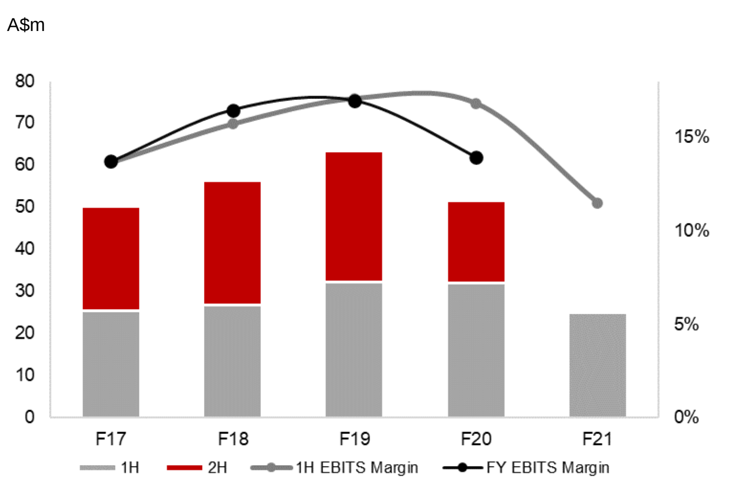
Europe, Middle East & Africa

Focus brand portfolio, led by 19 Crimes, driving top-line growth; higher costs impacting in the short-term

EMEA regional performance

$Am	1H21	1H20	%	1H20	%
	Reported Currency			Constant Currency	
NSR	217.9	190.4	14.4%	189.1	15.2%
NSR per case	41.64	41.05	1.4%	40.77	2.1%
EBITS	25.0	32.0	(21.9)%	34.0	(26.5)%
EBITS margin (%)	11.5%	16.8%	(5.3)ppts	18.0%	(6.5)ppts

Historical EBITS and margin performance[1]



1. On a reported currency basis; prior years restated for application of *AASB16 Leases*

Business headlines

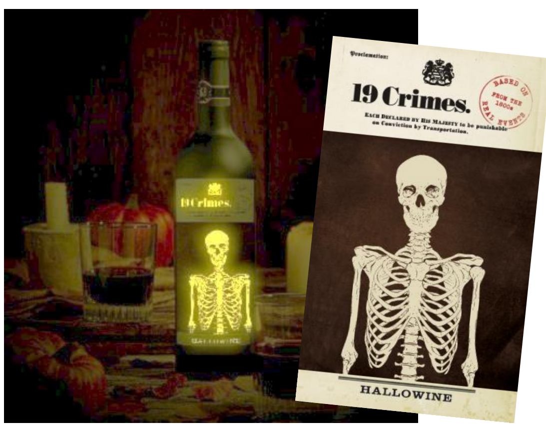
- EBITS declined 26.5% and EBITS margin fell 6.5ppts to 11.5%, with strong top-line performance being more than offset by higher COGS and CODB:
  - Volume and NSR increased 12.8% and 15.2% respectively, driven by strong performance in retail channels
  - Higher COGS per case, which increased 10.2%, reflecting masstige-led mix shift and higher costs on Australian and US sourced commercial wine
  - CODB increased 22.5%, with the first half weighting of brand building investment and one-off Brexit related costs the key drivers
- In comparison to 2H20, NSR and EBITS increased by 20.9% and 26.9% respectively on a reported currency basis
- Focus brand portfolio continues to perform strongly across key regional markets, with 19 Crimes the largest contributor to regional volume growth
- Targeting mid-teen EBITS margin in EMEA; in F21 the benefits of portfolio premiumisation will be more than offset by impacts of higher Australian commercial sourced COGS

1H21 luxury and masstige contribution to EMEA NSR 41% ▲ 6ppts vs. pcp

EMEA brand highlights

Consumer Led & Experience Focused Marketing

Accelerating 19 Crimes with highly engaging Halloween campaign



Driving More Consumption Occasions

Blossom Hill Gin Fizz successfully blurs the lines between categories to drive new occasions with consumers

Focused Portfolio Of Brands Clear & Differentiated Roles

Driving Lindeman's differentiation by becoming certified Carbon Neutral

CARBON TRUST
CARBON NEUTRAL

SUMMARY & OUTLOOK

Tim Ford Chief Executive Officer

TREASURY
WINE ESTATES

Summary and outlook

- 1H21 performance reflects strong execution of our COVID-19 Plan Ahead Agenda, which has driven positive trends towards recovery in all regions
- For 2H21, we are planning for the continuation of conditions consistent with recent trading across our key markets outside of China, with minimal EBITS contribution expected from China while the provisional (or similar) measures announced by MOFCOM remain in place. We expect 2H21 EBITS will be below that of 1H21.
- We are well placed to further our recovery as trading conditions improve across our key markets, particularly the re-opening of key channels for higher margin, luxury wine
- Momentum is building behind our strategic agenda and delivery of our TWE 2025 Strategy, which will lay the foundations for future growth:
  - New operating model to drive increased focus and unlock our growth potential across the portfolios, led through three divisions: Penfolds, Treasury Premium Brands and Treasury Americas
  - TWE has progressed on key initiatives to deliver a future state premium wine business in the US, including the planned exit of a significant portion of the commercial brand portfolio
  - Implementation of the global response plan to the provisional measures announced by MOFCOM is in progress
- The fundamentals of our diversified, global business remain strong – we have the best global portfolio of premium wine brands, with strong market positions, an unrivalled global distribution footprint, a world class asset base and a strong and flexible capital structure

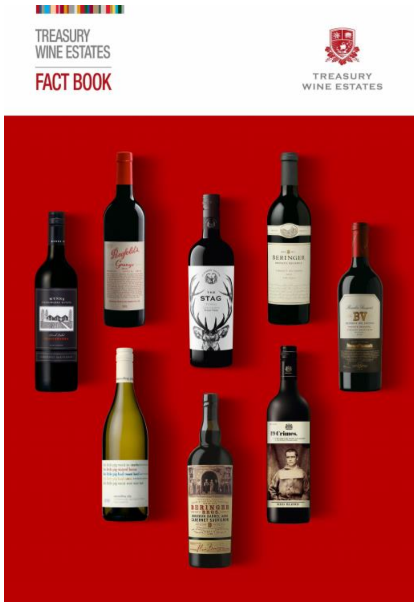
2021 Investor Day

Treasury Wine Estates will host an Investor Day on the 13th of May 2021 at the Hilton in Sydney

“TWE 2025: Boldly leading change in the world of wine”

For further information on Treasury Wine Estates, please refer to our 2020 Fact Book, which is available via the following link:

[TWE 2020 Fact Book]




QUESTIONS
BERINGER
SINGLE VINEYARD

SUPPLEMENTARY INFORMATION

Volume

(Volume, m 9Le)	1H21	1H20	%
Americas	6.6	7.0	(4.6)%
Asia	1.3	2.0	(34.6)%
EMEA	5.2	4.6	12.8%
ANZ	3.9	4.1	(3.5)%
TWE Volume	**17.0**	**17.7**	**(3.2)%**

- **Americas:** Lower volume in the Americas driven by a 12.7% decline in commercial volumes, as well as a reduction in volumes for higher margin luxury wine as a result of pandemic impacts to the on-premise and DTC channels
- **Asia:** Volume decline in Asia driven by lower sales in China as a result of the MOFCOM investigations, as well as lower volumes across other Asian markets due to the impact of the pandemic on global travel retail and on-premise channels
- **ANZ:** Decrease in volume in ANZ was driven by a proactive reduction of the commercial portfolio, resulting in an 11.8% reduction in commercial volumes. Offset by growth in luxury and masstige volume through the retail and e-commerce channels.
- **EMEA:** Increase of 12.8% in volume for EMEA driven by strong performance in retail channels, led by the masstige portfolio

Impact of foreign exchange rate movements & hedging

1H21 constant currency impact

CFX Impact (A$m)			
Currency	**Underlying**	**Hedging[1]**	**Total**
AUD/USD and AUD/GBP	(17.5)	4.6	(12.9)
Net other currencies	8.4	0.0	8.4
1H21	**(9.1)**	**4.6**	**(4.5)**
AUD/USD and AUD/GBP	14.6	(0.4)	14.2
Net other currencies	(4.9)	0.0	(4.9)
1H20	**9.7**	**(0.4)**	**9.3**

- $(4.5)m adverse constant currency impact in 1H21 (comprising transaction and translation impacts)
- TWE has a diversified portfolio of currency exposures where production cost currencies and revenue generating currencies are not matched
  - $(17.5)m adverse impact from appreciation of the AUD relative to the main currency pairs (USD and GBP), offset by $8.4m benefit largely reflecting movements in TWE's primary revenue currencies[2]
  - $4.6m benefit from hedging in 1H21 versus the prior year ($3.2m realised gain in 1H21 vs $1.4m loss in the prior year, based on constant currency)

2H21 EBITS sensitivity and risk management

Currency Pair	Primary Exposure	Movement	EBITS Sensitivity (A$m)
AUD/USD	COGS, EBITS	+1%	(1.7)
AUD/GBP	COGS, EBITS	+1%	(0.6)
CAD/USD	NSR	+1%	0.5
EUR/GBP	NSR	+1%	0.3
USD/GBP	COGS	+1%	(0.2)

- The sensitivity of EBITS to a 1% change in primary cost and revenue currencies is shown in the accompanying table (excludes potential impact of currency hedging)
- TWE maintains an active foreign exchange risk management strategy, focused on the transactional exposures associated with the commercial and lower masstige price segments:
  - AUD/GBP 56% of 2H21 exposure protected against appreciation of the exchange rate above 0.57, and 41% of F22 exposure protected against appreciation of the exchange rate above 0.55
  - AUD/USD: 71% of 2H21 exposure protected against appreciation of the exchange rate above 0.68, and 47% of F22 exposure protected against appreciation of the exchange rate above 0.75

1. CFX hedging impact relative to the prior year
2. USD relative to the CAD in the Americas, GBP relative to the EUR, SEK and NOK in Europe

Definitions

Term	Definition
Constant currency	Throughout this presentation, constant currency assumes current and prior period earnings of foreign operations are translated and cross border transactions are transacted at current year exchange rates
CODB	Cost of doing business. Gross profit less EBITS. It excludes non-cash items as well as tax, the cost of the Group's capital structure, and non-operating transactions a measure of underlying operational costs
COO	Country of origin
NSR	Net sales revenue
EBITDAS	Earnings before interest, tax, depreciation, amortisation, material items and SGARA
EBITS	Earnings before interest, tax, materials items and SGARA
EPS	Earnings per Share. NPAT excluding SGARA and material items, divided by the weighted average number of shares outstanding.
Exchange rates	Average exchange rates used for profit and loss purposed in the 1H21 results are: \$A1 = \$US 0.7227 (1H20: \$A1 = \$US 0.6844), \$A1 = GBP 0.5536 (1H20: \$A1 = GBP 0.5436), Period end exchange rates used for balance sheet items in 1H21 results are: \$A1 = \$US 0.7686 (1H20: \$A1 = \$US 0.6994), \$A1 = GBP 0.5644 (1H20: \$A1 = GBP 0.5333)
Leverage	Net debt divided by EBITDAS, including capitalised leases per AASB16
NPAT	Net profit after tax
ROCE	Return on Capital Employed. EBITS divided by Capital Employed (at constant currency). Capital Employed is the sum of average net assets (adjusted for SGARA) and average net debt
SGARA	SGARA represents the difference between the fair value of harvested grapes (as determined under AASB 141 "Agriculture"), and the cost of harvested grapes. This fair value gain or loss is excluded from Management EBITS so that earnings can be assessed on the cost of harvested grapes, rather than their fair value. This approach results in a better reflection of the true nature of TWE's consumer branded and FMCG business, and to improves comparability with domestic and global peers
Shipment	Shipments refer to sales volume from TWE to a third-party customer
Depletion	Depletions refer to volume movements from a TWE customer (wholesaler, distributor, retailer) to their customers

Disclaimer

Summary information

The material in this presentation is summary information about Treasury Wine Estates Limited (TWE) and its subsidiaries and their activities, current as at the date of this presentation unless otherwise stated. It should be read in conjunction with TWE's other announcements filed with the Australian Securities Exchange, which are available at www.asx.com.au.

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