TREASURY
WINE ESTATES

15 February 2023 **ASX ANNOUNCEMENT**

2023 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 commencing at 10:00am (AEST) on 15 February 2023. Links to register for the conference are provided in the 2023 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 release to the market by the Board.

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F23 Half Year Results

15 FEBRUARY 2023

Important information

This presentation is in summary form and is not necessarily complete. It should be read together with the Company's Annual Report for 30 June 2022, Appendix 4D for the half year ended 31 December 2022 and other announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

This presentation contains information that is based on projected and/or estimated expectations, assumptions or outcomes. Forward looking statements are subject to a range of risk factors. The Company cautions against reliance on any forward-looking statements, particularly in light of the current economic climate and potential impacts on consumer demand, the impact of continued high inflation on business outcomes, global difficulties in logistics and supply chains, the potential ongoing impacts relating to the COVID-19 pandemic, exchange rate impacts given the global nature of the business, vintage variations and the evolving nature of global geopolitical dynamics.

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Certain market and industry data used in this presentation has been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither TWE nor its representatives or advisers have independently verified any market or industry data provided by third parties or industry or general publications.

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Introduction

Tim Ford Chief Executive Officer

1H23 Announcement Highlights[1]

- Strong earnings growth and margin expansion in 1H23 with EBITS +17% to $307.5m and EBITS margin +3.2ppts to 23.9%:
  - Delivered through Luxury portfolio growth, price increases and supply chain cost savings
  - Each division delivered improved NSR per case, EBITS growth and EBITS margin expansion

- Global wine category trends remain broadly consistent:
  - Luxury wine continued strong growth trends in TWE's key markets, supporting growth across all divisions
  - Softer consumption trends in 2Q23, relative to expectations, for entry-level Premium wine in the US and UK, and Commercial wine globally, contributed to volume declines for Treasury Americas and Treasury Premium Brands

- TWE remains on track to deliver strong EBITS growth and EBITS margin expansion in F23, with trading conditions for the remainder of the year expected to remain broadly consistent with those in 1H23

1. Unless otherwise stated, all figures and percentage movements within commentary are stated on a reported currency basis versus the prior corresponding period, are pre-SGARA and material items and are subject to rounding

1H23 Financial Highlights[1,2,3]

Strong earnings growth and margin expansion delivered in 1H23

NSR
$1.3bn ▲ 1.4%

NSR per case
$108.6 ▲ 13.5%

EBITS
$307.5m ▲ 17.2%

EBITS margin
23.9% ▲ 3.2 ppts

NPAT
$193.7m ▲ 18.7%

EPS
26.8cps ▲ 18.6%

Cash conversion
67.7% ▼ (50.5)ppts

Net Debt / EBITDAS[4]
1.7x ▼ 0.1x

ROCE
11.2% ▲ 0.9ppts

Interim dividend
18.0cps ▲ 16.7%

Luxury and Premium contribution to global NSR
85% ▲ 2ppts

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 in this presentation are subject to rounding
3. Unless otherwise stated, Financial Highlights are disclosed on a reported currency basis, before Material Items & SGARA

1H23 Divisional performance

Each division delivered improved NSR per case, EBITS growth and EBITS margin expansion

Metric[1]	Penfolds 1H23	Penfolds %	Treasury Americas 1H23	Treasury Americas %	Treasury Premium Brands 1H23	Treasury Premium Brands %
NSR (A$m)	410.2	7.2%	485.0	4.1%	389.3	(7.0)%
NSR per case (A$)	352.2	2.6%	143.1	23.1%	53.5	3.9%
EBITS (A$m)	181.6	10.0%	115.2	35.2%	45.0	15.4%
EBITS margin	44.3%	1.1ppts	23.7%	5.5ppts	11.6%	2.2ppts

1. Unless otherwise stated, all figures and percentage movements from the prior year are on a reported currency basis, pre-material items, and are subject to rounding

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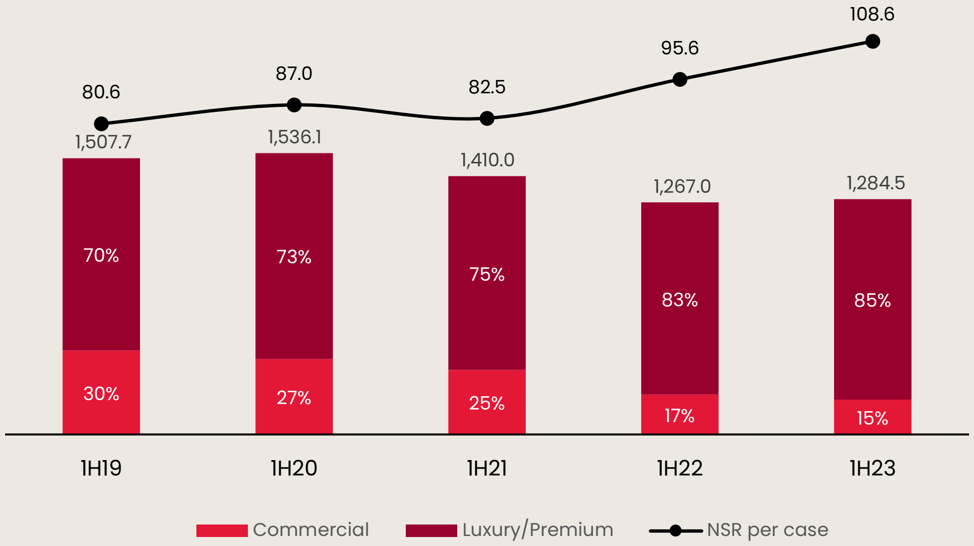
Financial Performance

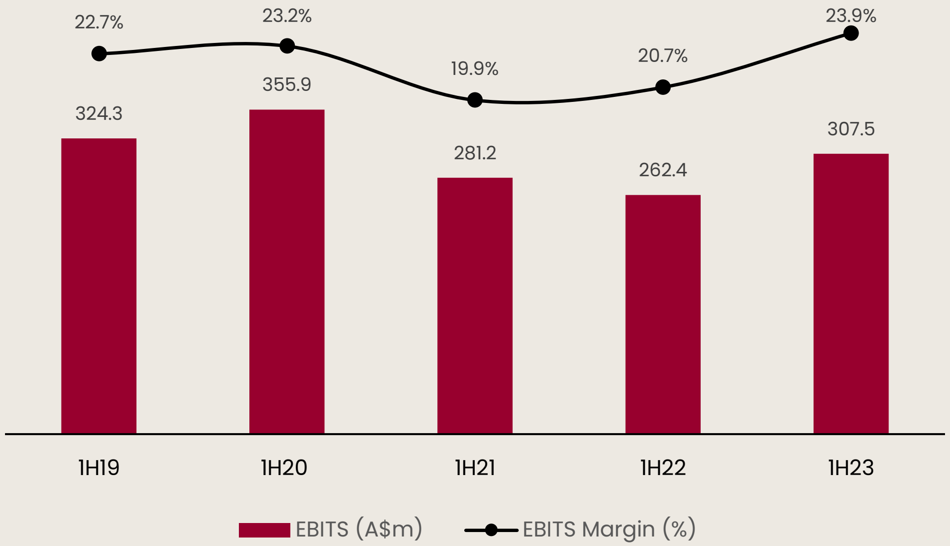
Matt Young Chief Financial Officer

Key measures of performance[1]

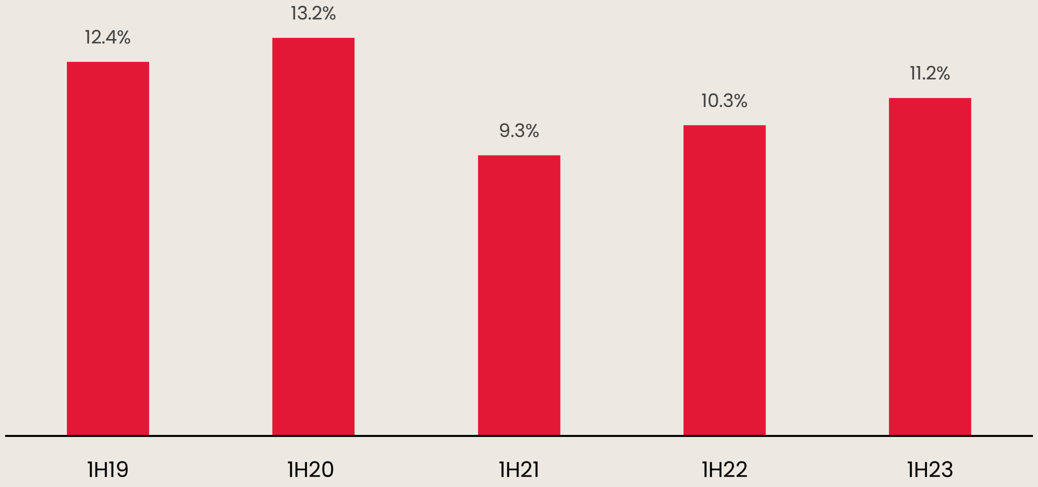
Group NSR (A$m) and NSR per case



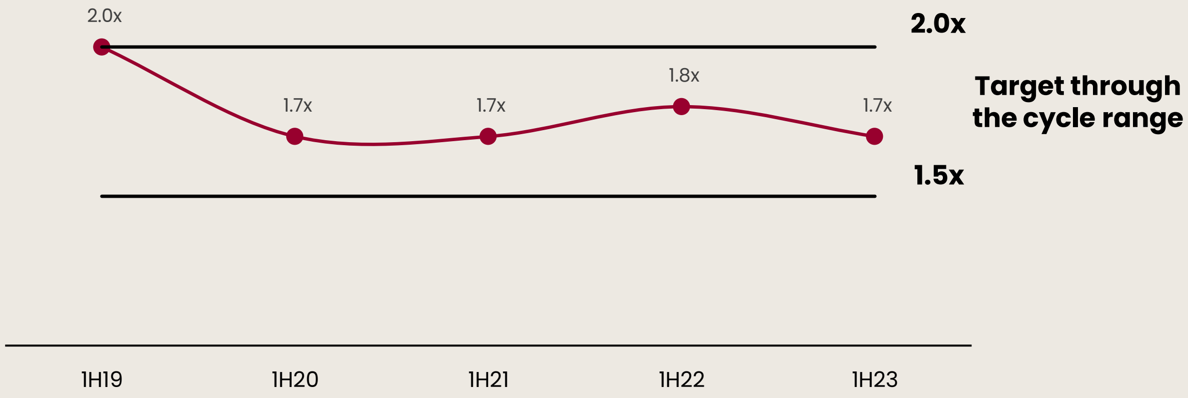
Group EBITS (A$m) and EBITS margin



Return on Capital Employed (ROCE)



Leverage (Net Debt to EBITDAS)



1. All figures and calculations are subject to rounding

Material items

Previously announced cost programs are now largely complete

Material Items	Benefits	Benefits from	Projected one-off cost at inception	Total cost to date	Recognised in 1H23	Status
Divestment of US brands & assets (announced 17 February 2021)	Enable prioritisation of premium focus brand portfolio as driver of Americas regional performance	F21	\$(100.0)m	\$(55.6)m[1]	\$32.9m	Complete
Overhead & supply chain restructure (announced 13 August 2020)	Overheads - \$35m Supply Chain - \$90m	F21 F23+	\$(35.0)m	\$(43.3)m	\$(9.5)m	Complete
Acquisition of Frank Family Vineyards (announced 18 November 2021)	Complements the Treasury Americas Luxury portfolio and supports premiumisation, growth and margin expansion	1H22	\$(18.0)m	\$(13.0)m	\$(0.2)m	Complete
Acquisition of Chateau Lanessan (announced 18 August 2022)	Doubles Penfolds sourcing and production capacity in France	1H23	\$(6.0)m	\$(3.5)m	\$(3.5)m	To complete in F23
Total Material Items (pre-tax)					**\$19.7m**	

Total Material Items (post-tax)					**\$15.4m**	

1. Includes gain on divestment of surplus supply chain assets in 1H23

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Balance sheet[1,2]

A$m	1H23 31-Dec-22	F22 30-Jun-22	1H22 31-Dec-21
Cash & cash equivalents	684.9	430.5	617.1
Receivables	574.6	564.4	614.4
Current inventories	1,014.3	947.9	913.8
Non-current inventories	1,028.5	1,063.6	966.7
Property, plant & equipment	1,587.6	1,521.5	1,487.8
Right of use lease assets	400.3	435.3	439.0
Agricultural assets	28.2	32.9	29.5
Intangibles	1,421.7	1,399.8	1,367.7
Tax assets	124.3	163.5	177.7
Assets held for sale	3.0	35.6	30.8
Other assets	93.1	68.7	23.1
Total assets	**6,960.5**	**6,663.7**	**6,667.6**
Payables	668.8	747.2	681.0
Interest bearing debt	1,353.8	1,064.7	1,272.3
Lease liabilities	558.4	609.0	605.0
Tax liabilities	344.1	347.2	330.5
Provisions	76.7	81.0	100.4
Other liabilities	47.6	25.6	17.9
Total liabilities	**3,049.4**	**2,874.7**	**3,007.1**
Net assets	**3,911.1**	**3,789.0**	**3,660.5**

- Net assets increased $122.1m on a reported currency basis in 1H23
- Adjusting for the movement in foreign exchange rates, net assets increased by $159.7m
- Key drivers of the increase in net assets include:
  - Increased working capital of $120.0m, driven by higher inventory following the 2022 Californian vintage and a decline in payables in line with seasonal timing of grower payments
  - Increase in Property, Plant & Equipment of $66.1m following the acquisition of Chateau Lanessan and a previously leased vineyard in the US
  - Decrease in Net Borrowings[3] of $15.9m, including a reduction in US vineyard lease liabilities
  - Partly offset by a $32.6m decrease in Assets held for sale following the disposal of surplus supply chain assets in the US and Australia

1. Unless otherwise stated, balance sheet percentage or dollar movements are from 30 June 2022 and on a reported currency basis. Prior year restated to reflect the final purchase price accounting for Frank Family Vineyards and Societe Civile de la Gironville – refer to Note 24 of the 2022 Annual Report
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: 1H23 $(20.7)m, 1H22 +$15.2m

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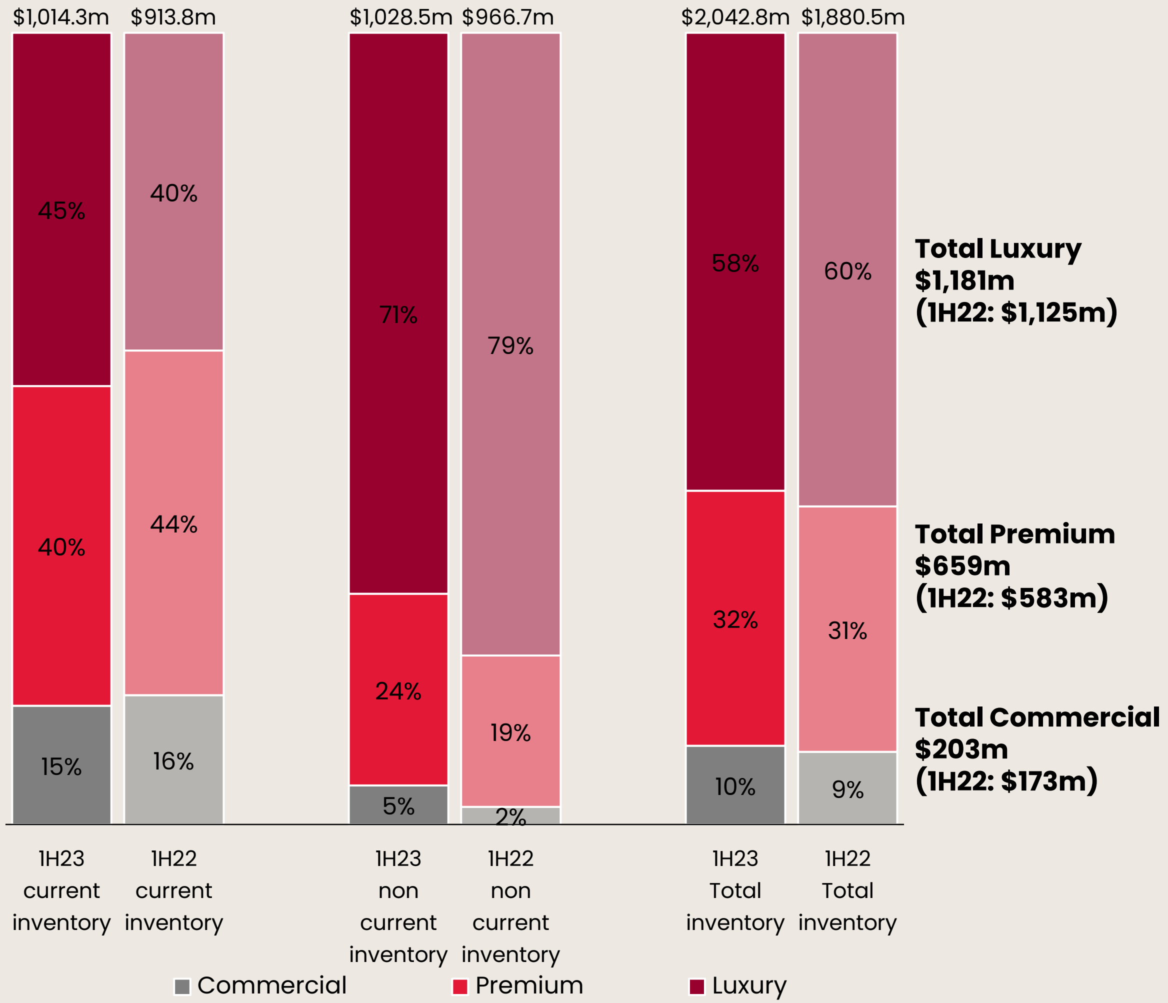
Inventory analysis

Inventory at book value split by price segment[1,2,3]



- Total inventory **volume** increased 10% versus the pcp
- Total inventory **value** increased 9%:
  - Current inventory increased $100.5m to $1,014.3m driven by strong demand for TWE's Luxury portfolio and higher cost Luxury vintages from 2020
  - Non-current inventory increased $61.8m to $1,028.5m, reflecting higher Premium inventories due to the moderation of Premium portfolio sales performance which will be rebalanced through future vintage intakes
  - Luxury inventory increased 5.0% to $1,181.1m

1. Inventory composition subject to rounding. Totals based on sum of Non-Current and Current Inventory
2. TWE participates in three price segments: Luxury (A$30+), Premium (A$10-A$30) and Commercial (below A$10). Segment price points are retail shelf prices
3. Split by price segment in the prior comparative period has been restated to reflect current brand classifications in 1H23.

Cash flow and net debt[1]

A$m (unless otherwise stated)	1H23	1H22
EBITDAS	**381.3**	**335.7**
Change in working capital	(115.7)	52.9
Other items	(7.5)	8.3
Net operating cash flows before financing costs, tax & material items	**258.2**	**396.9**
Cash conversion	**67.7%**	**118.2%**
Payments for capital expenditure	(65.5)	(58.6)
Payments for subsidiaries	(55.8)	(439.7)
Proceeds from sale of assets	22.1	1.5
Cash flows after net capital expenditure, before financing costs, tax & material items	**159.0**	**(99.8)**
Finance costs paid	(37.5)	(34.2)
Tax paid	(53.6)	(50.9)
Cash flows before dividends & material items	**67.9**	**(184.9)**
Dividends/distributions paid	(115.5)	(93.8)
Cash flows after dividends before material items	**(47.6)**	**(278.7)**
Material item cash flow	50.0	143.7
On-market share purchases	(8.2)	(10.3)
Total cash flows from activities (before debt)	**(5.7)**	**(145.4)**
Net proceeds from borrowings	258.0	307.8
Total cash flows from activities	**252.2**	**162.5**
Opening net debt	**(1,254.3)**	**(1,057.7)**
Total cash flows from activities (above)	(5.7)	(145.0)
Lease liability additions	(14.0)	(6.9)
Lease liability disposed	44.0	6.0
Debt revaluation and foreign exchange movements	(15.1)	(37.4)
(Increase) / Decrease in net debt	**9.2**	**(183.3)**
Closing net debt[2]	**(1,245.1)**	**(1,241.0)**

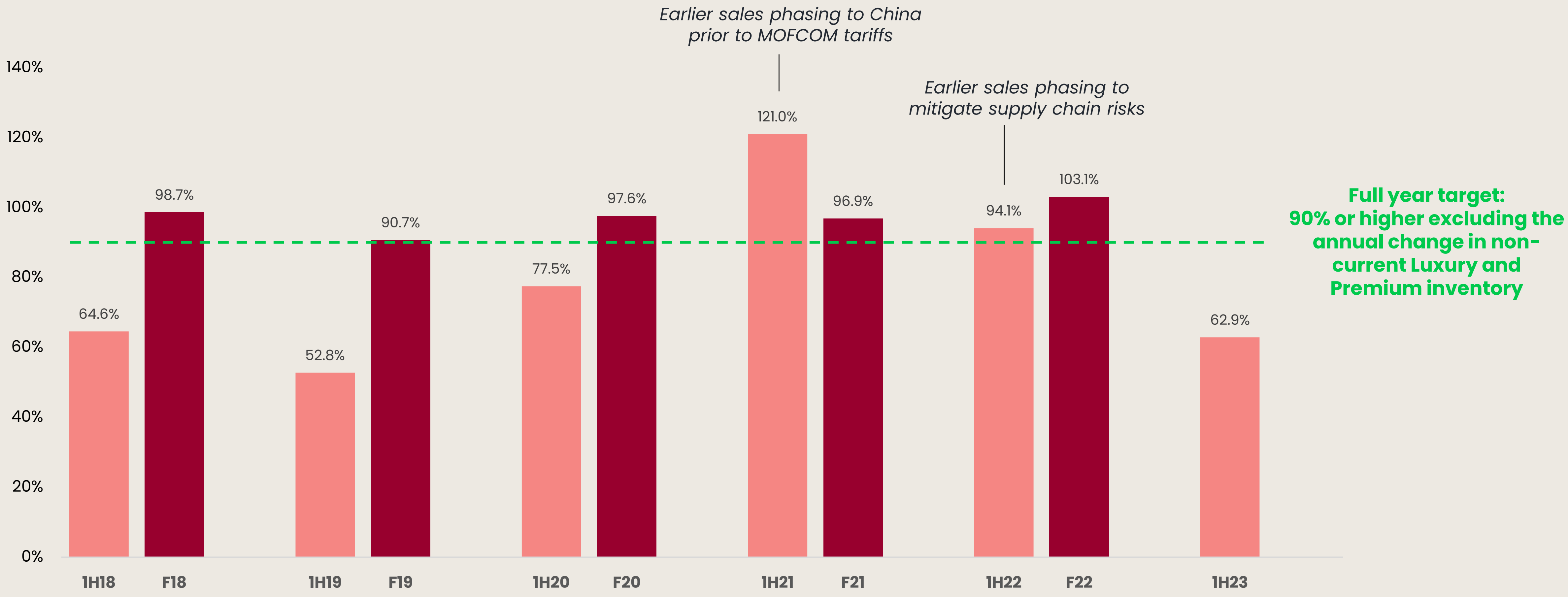
- Cash conversion of 67.7% reflects the return to a normalised working capital cycle and was lower than the pcp which benefitted from the smaller 2021 Californian vintage and earlier sales phasing of export shipments to reduce supply chain risks
- TWE targets cash conversion of 90% or higher for each full financial year, excluding the annual change in non-current Luxury and Premium inventory
  - 1H23 result of 62.9% was lower than the pcp which benefited from the earlier phasing of shipments noted above
  - We expect full year cash conversion to be delivered in line with the 90% or higher target
- Material items cash flow include proceeds from the sale of surplus supply assets in the US, partly offset by costs associated with the acquisition of Chateau Lanessan

1. All cash flow percentage or dollar movements from the previous corresponding period are on a reported currency basis. Prior year restated to reflect the final purchase price accounting for Frank Family Vineyards and Societe Civile de la Gironville – refer to Note 24 of the 2022 Annual Report
2. Net debt excludes fair value adjustments related to derivatives in a fair value hedge relationship on a portion of US Private Placement notes: 1H23 $(20.7)m, 1H22 +$15.2m

Historic cash conversion

1H23 cash conversion reflects a normalised cycle, with full year delivery expected in line with target

Cash conversion excluding Luxury and Premium non-current inventory



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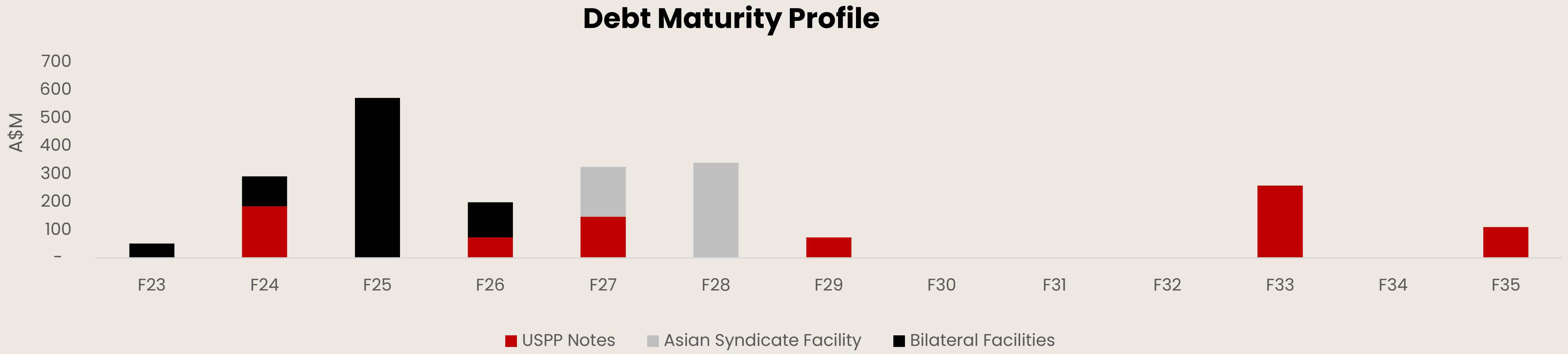
Capital expenditure

A$m	1H23	1H22
Vineyard redevelopments	6.6	11.2
Wine making equipment and facilities	13.6	6.7
Technology	7.5	4.2
Oak purchases	2.5	0.6
Other capital expenditure	6.2	7.3
Maintenance and replacement capex	**36.4**	**30.0**
Vineyard purchase	25.4	-
Growth capex	**3.7**	**28.6**
Gross capex	**65.5**	**58.6**
Net lease liability movement	(30.0)	0.9

- Capital expenditure (capex) $65.5m in 1H23, including:
  - Maintenance & replacement capex of $36.4m
  - Acquisition of previously leased vineyard in the US of $25.4m
  - Growth capex of $3.7m, including investment in low/no alcohol wine innovation
- Ongoing expectation for maintenance and replacement capex of approximately $100m, with F23 to include increased investment in sustainability and technology

Capital management

- Efficient and flexible investment grade capital structure retained:
  - Net debt / EBITDAS[1] 1.7x at 1H23, down from 1.8x in the pcp and within the target 1.5x – 2.0x range
  - Excellent capacity to support continued investment and growth
- Total available liquidity $1.5bn, comprising cash $684.9m and undrawn committed facilities of $814.2m
- Group cost of funds expected to remain stable in F23, supported by high fixed ratio of gross debt
- Strong capital and liquidity position to support continued delivery of strong shareholder returns
  - F23 interim dividend of 18.0 cents per share, fully franked, representing a 67% NPAT payout ratio[2] and an increase of 16.7% versus the pcp
  - Assessing opportunities to supplement dividend policy with capital management



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

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Divisional Performance

Tom King Managing Director, Penfolds

Ben Dollard President, Treasury Americas

Peter Neilson Managing Director, Treasury Premium Brands

Penfolds

Continuing to deliver strong distribution and demand growth across a number of key global markets

		Reported Currency		Constant Currency	
A$m	**1H23**	**1H22**	**%**	**1H22**	**%**
Volume (m 9Le)	**1.2**	**1.1**	**4.4%**	**1.1**	**4.4%**
NSR	**410.2**	**382.7**	**7.2%**	**384.2**	**6.8%**
ANZ	119.6	114.3	4.6%	114.2	4.7%
Asia	220.8	203.8	8.4%	203.7	8.4%
Americas	33.6	35.4	(5.0)%	38.5	(12.7)%
EMEA	36.2	29.2	23.6%	27.7	30.4%
NSR per case (A$)	**352.2**	**343.2**	**2.6%**	**344.5**	**2.2%**
EBITS (A$m)	**181.6**	**165.1**	**10.0%**	**163.6**	**11.0%**
EBITS margin (%)	**44.3%**	**43.1%**	**1.1ppts**	**42.6%**	**1.7ppts**

1H23 Luxury and Premium contribution to division NSR

100% Unchanged

Performance summary[1]

- EBITS increased 11.0% and EBITS margin increased 1.7 ppts to 44.3%:
  - Volume and NSR increased 4.4% and 6.8% respectively driven by continued growth across the portfolio in Asia, EMEA and Australia
  - NSR per case increased 2.2%, supported by price increases on supply constrained Luxury Cabernet Bins
  - CODB increased 4.7%, reflecting increased investment to accelerate momentum of distribution and demand growth in key global markets
- Trends for distribution and volume growth are expected to remain consistent and strong across Penfolds priority growth markets, supporting balanced EBITS delivery through F23, with full year EBITS margin expected to be between 42% and 44%

1. Unless otherwise stated, all figures and percentage movements are stated on a constant currency basis versus the prior corresponding period and are subject to rounding

Treasury Americas

EBITS growth and margin expansion led by the Luxury portfolio, portfolio mix to re-balance in 2H23

		Reported Currency		Constant Currency		
A$m	**1H23**	**1H22**	**%**	**1H22**	**%**	**% Organic[2]**
Volume (m 9Le)	**3.4**	**4.0**	**(15.4)%**	**4.0**	**(15.4)%**	**(15.5)%**
NSR	**485.0**	**465.9**	**4.1%**	**506.5**	**(4.3)%**	**(14.2)%**
ANZ	–	–	–	–	–	–
Asia	–	–	–	–	–	–
Americas	485.0	465.9	4.1%	506.5	(4.3)%	(14.2)%
EMEA	–	–	–	–	–	–
NSR per case (A$)	**143.1**	**116.3**	**23.1%**	**126.4**	**13.2%**	**1.4%**
EBITS	**115.2**	**85.2**	**35.2%**	**100.2**	**14.9%**	**(8.6)%**
EBITS margin (%)	**23.7%**	**18.3%**	**5.5ppts**	**19.8%**	**4.0ppts**	**1.3ppts**

1H23 Luxury and Premium contribution to division NSR

92% ▲ 1ppts vs. pcp

Performance summary[1]

- EBITS increased 14.9% and EBITS margin improved 4.0ppts to 23.7%; on an organic basis EBITS declined 8.6%:
  - Volume and NSR declined 15.4% and 4.3% respectively, driven by Premium portfolio declines, led primarily by the 19 Crimes Australian-sourced portfolio, partly offset by strong Luxury portfolio performance
  - NSR per case increased 13.2% with increased Luxury portfolio contribution and price increases on key brands
  - Excluding NPD, depletions exceeded shipments by approximately 0.2m cases with increased focus on inventory management by distributors and retailers
- Category trends for Luxury wine remain strong, with softer demand relative to expectations in sub-$15 price points impacting Premium portfolio performance in 2Q23
- Trading conditions are expected to remain consistent throughout F23, with increased activation for the Premium portfolio planned to deliver a balanced earnings profile across the year. EBITS margin for F23 is expected to shift towards 23% as portfolio mix re-balances

1. Unless otherwise stated, all figures and percentage movements are stated on a constant currency basis versus the prior corresponding period and are subject to rounding
2. On a constant currency basis, excluding the contribution of divested and acquired portfolio brands in Treasury Americas. Refer to Supplementary Information for details

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Treasury Premium Brands

Further progress towards divisional financial priorities, including EBITS growth and margin expansion

		Reported Currency		Constant Currency	
A$m	1H23	1H22	%	1H22	%
Volume (m 9Le)	**7.3**	**8.1**	**(10.5)%**	**8.1**	**(10.5)%**
NSR	**389.3**	**418.4**	**(7.0)%**	**407.8**	**(4.5)%**
ANZ	184.5	203.9	(9.5)%	203.2	(9.2)%
Asia	43.0	35.7	20.4%	35.5	21.1%
Americas	–	–	–	–	–
EMEA	161.8	178.7	(9.5)%	169.1	(4.3)%
NSR per case (A$)	**53.5**	**51.5**	**3.9%**	**50.2**	**6.6%**
EBITS	**45.0**	**39.0**	**15.4%**	**31.8**	**41.6%**
EBITS margin (%)	**11.6%**	**9.3%**	**2.2ppts**	**7.8%**	**3.8ppts**

1H23 Luxury and Premium contribution to division NSR

61% ▲ 3ppts vs. pcp

Performance summary[1]

- EBITS increased 41.6% and EBITS margin improved 3.8 ppts to 11.6%:
  - Volume and NSR declined 10.5% and 4.5% respectively, with reduced Commercial portfolio volumes in EMEA and Australia partly offset by strong growth in South-East Asia
  - NSR per case increased 6.6% reflecting price increases across select portfolio brands and improved portfolio mix
  - COGS per case increased 2.0%, reflecting higher Luxury portfolio mix, with COGS benefits from the global supply chain optimisation program being the key driver of gross margin improvement
  - Division EBITS includes $5.9m asset sale gain
- Trading conditions for the remainder of F23 are expected to remain broadly consistent across key global markets and channels

1. Unless otherwise stated, all figures and percentage movements are stated on a constant currency basis versus the prior corresponding period and are subject to rounding

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Outlook

Tim Ford Chief Executive Officer

F23 Group priorities

Our priorities remain consistent and clearly focused on progression towards our TWE 2025 strategy

The world's most admired premium wine company

Divisional priorities

Penfolds

- Attract new consumers
- Grow global distribution and availability
- Optimise portfolio for long-term growth, including multi-COO

Treasury Americas

- Expand Premium portfolio
- Maintain strong execution and momentum across the priority portfolio
- Continue to drive category leading innovation

Treasury Premium Brands

- Expand Premium portfolio
- Accelerate in priority growth markets, channels and COO's
- Implement fit for purpose cost and capital base

Group wide priorities

- Elevate our culture and talent
- Invest in technology as a growth platform
- Pursue global innovation and inorganic opportunities
- Embed sustainability throughout TWE

Summary and outlook

- We delivered strong progress towards our financial growth objectives in 1H23, with EBITS growth of 17% driven by improved revenue per case and EBITS margin expansion across all divisions
- In F23, we remain on track to deliver strong EBITS growth and EBITS margin expansion:
  - Trading conditions for the remainder of the year are expected to be broadly consistent with those in 1H23
  - Full-year EBITS margin is expected to be approximately 23%
- Our financial objective remains to deliver sustainable top-line growth and high-single digit average earnings growth over the long-term[1]

1. Organic, pre material items and on a constant currency basis.

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2023 Investor Day

Treasury Wine Estates will host an Investor Day on 8 March 2023 in Napa, California

This event will be webcast at tweglobal.com

For further information on Treasury Wine Estates, please refer to our 2022 Fact Book, which is available via the following link:

TWE 2022 Fact Book

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Questions

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Supplementary Information

Contribution of acquired and divested brands – Treasury Americas

	1H22	1H23
	Divested US brands[1]	Frank Family Vineyards[2]
Volume (m9le)	0.2	0.1
NSR (A$m)	20.0	69.4
EBITS (A$m)	5.1	29.7

1. Includes 1H22 contribution of Provenance (divested November 2021) and Chateau St Jean (divested December 2021)
2. Includes 1H23 contribution of Frank Family Vineyards (acquired December 2021)

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Impact of foreign exchange and hedging

1H23 EBITS constant currency impact

CFX Impact (A$m)			
Currency	**Underlying**	**Hedging[1]**	**Total**
AUD/USD and AUD/GBP	11.7	(3.6)	8.1
Net other currencies	(2.5)	0.0	(2.5)
1H23	**9.2**	**(3.6)**	**5.6**
AUD/USD and AUD/GBP	2.7	(3.5)	(0.8)
Net other currencies	(8.0)	0.0	(8.0)
1H22	**(5.3)**	**(3.5)**	**(8.8)**

- $5.6m favourable constant currency impact (comprising transaction and translation impacts)
- TWE has a diversified portfolio of currency exposures where production cost currencies and revenue generating currencies are not matched
  - $11.7m favourable impact from depreciation of the AUD relative to the main currency pairs (USD and GBP), with $2.5m adverse impact reflecting movements in TWE's other key currency exposures[2]
  - $3.6m relative adverse impact from hedging in 1H23 versus the prior year ($3.9m realised loss in 1H23 vs $0.3m realised loss in the prior year)

2H23 EBITS sensitivity and risk management

Currency Pair	Primary Exposure	Movement	EBITS Sensitivity (A$m)
AUD/USD	COGS, EBITS	+1%	(2.3)
AUD/GBP	COGS, EBITS	+1%	(0.5)
CAD/USD	NSR	+1%	0.4
EUR/GBP	NSR, COGS	+1%	0.3

- The sensitivity of EBITS to a 1% change in primary cost and revenue currencies is shown in the accompanying table (which excludes the potential impact of currency hedging)
- TWE maintains an active foreign exchange risk management strategy, focused on the transactional exposures associated with the Commercial and Premium price segments:
  - AUD/GBP 80% of 2H23 exposure protected against appreciation of the exchange rate above 0.56
  - AUD/USD: 86% of 2H23 exposure protected against appreciation of the exchange rate above 0.74

1. CFX hedging impact relative to the prior year
2. USD relative to the CAD in Treasury Americas, GBP relative to the EUR, SEK and NOK in Treasury Premium Brands, AUD relative to Asian currency pairs in Penfolds

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Reconciliation of key performance measures

Metric (A$m unless otherwise stated)	Management calculation	1H23	1H22
EBITS	Statutory net profit	188.2	109.1
	Income tax expense	72.3	46.9
	Net finance costs	37.6	34.7
	Material items (gain) / loss	(19.7)	45.6
	SGARA (gain) / loss	29.0	26.2
	EBITS	**307.5**	**262.4**
EBITDAS	EBITS	307.5	262.4
	Depreciation & Amortisation	73.9	73.3
	EBITDAS	**381.3**	**335.7**
EPS	Statutory net profit	188.2	109.1
	Material items (gain) / loss	(19.7)	45.6
	Tax on material items	4.3	(10.6)
	SGARA	29.0	26.2
	Tax on SGARA	(8.2)	(7.2)
	NPAT (before material items & SGARA)	**193.7**	**163.2**
	Weighted average number of shares (millions)	721.8	721.4
	EPS (cents)	**26.8**	**22.6**
ROCE	EBITS (LTM)	568.8	491.5
	Net assets	3,911.1	3,660.5
	SGARA in inventory	(22.4)	(29.5)
	Net debt	1,245.1	1,240.9
	Capital employed – Current year	**5,133.8**	**4,871.9**
	Net assets (CFX)	3,744.0	3,616.7
	SGARA in inventory (CFX)	(29.3)	(23.9)
	Net debt (CFX)	1,324.6	1,072.8
	Capital employed – Prior year (CFX)	**5,010.0**	**4,665.6**
	Average capital employed	5,071.9	4,768.8
	ROCE[1]	**11.2%**	**10.3%**

1. Includes impacts from divested and acquired portfolio brands in Treasury Americas

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Definitions

Term	Definition
Cash conversion	Net operating cash flows before financing costs, tax and material items divided by EBITDAS
COO	Country of origin
CODB	Cost of doing business. Gross profit less EBITS. Excludes non-cash items as well as tax, the cost of the Group's capital structure and non-operating transactions as a measure of underlying operational costs
COGS	Cost of goods sold
Commercial wine	Wine that is sold at a price point below A$10 (or equivalent) per bottle
DTC	Direct to consumer
EPS	Earnings per share
EBITDAS	Earnings before interest, tax, depreciation, amortization, material items and SGARA
EBITS	Earnings before interest, tax, material items and SGARA
EBITS Margin	EBITS divided by net sales revenue
Exchange rates	Average exchange rates used for profit and loss purposes in 1H23: AUD/USD 0.6701 (1H22: AUD/USD 0.7321), AUD/GBP 0.5702 (1H22: AUD/GBP 0.5369) Period end exchange rates used for balance sheet items in 1H23: AUD/USD 0.6763 (F22: AUD/USD 0.6883), AUD/GBP 0.5610 (F22: AUD/ GBP 0.5677)
Luxury wine	Wine that is sold at a price point above A$30 (or equivalent) per bottle
Material items	Items of income or expense which have been determined as being sufficiently significant by their size, nature or incidence and are disclosed separately to assist in understanding the Group's financial performance
Net debt to EBITDAS	Ratio of Net Debt to EBITDAS includes the addition of depreciation expense attributable to capitalised leases in the period per AASB 16 Leases
NPD	New product development
NSR	Net sales revenue
Premium wine	Wine that is sold at a price point between A$10 and A$30 (or equivalent) per bottle.
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	Self-generating and re-generating assets. SGARA represents the difference between the fair value of harvested grapes (as determined under AASB 141 Agriculture) and the cost of harvest. The fair value gain or loss is excluded from Management EBITS so that earnings can be assessed based 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 improved comparability with domestic and global peers.

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