



TREASURY WINE ESTATES

17 October 2024

ASX ANNOUNCEMENT

TWE 2024 AGM Addresses, 1Q25 Update & F25 Outlook

Treasury Wine Estates Limited (ASX:TWE) will today address shareholders at its Annual General Meeting to be held 10:00am (AEDT) on Thursday, 17 October 2024 in the Laneway Room at the InterContinental Melbourne The Rialto, 495 Collins Street, Melbourne, Victoria 3000, and online via the Computershare Meeting Platform at <https://meetnow.global/TWEAGM2024>.

Attached is a copy of the address to be delivered by the Chairman, John Mullen and the address to be delivered by the Chief Executive Officer, Tim Ford, along with the accompanying presentation materials.

A live webcast of the Annual General Meeting can be viewed at www.tweglobal.com. An archive of proceedings will also be available from the website.

1Q25 Update & F25 Outlook

The attached materials provide shareholders with an update on 1Q25 and the Company's F25 outlook. The key points from these updates are set out below:

- TWE's Luxury-led focus is driving top-line performance, with double-digit organic Group NSR growth delivered in 1Q25 versus pcg.
- Penfolds momentum remains strong, led by Asia and Australia.
 - China performance is in line with expectations, including through the Mid-Autumn Festival period; 1Q25 customer re-ordering and depletions are tracking well to plan on the Bins & Icons portfolio.
 - TWE continues to expect low double-digit EBITs growth for Penfolds in F25.
- After realigning distributor arrangements through 1Q25, Treasury Americas Luxury portfolio performance is expected to accelerate from 2Q25 for the key holiday selling period.
- The remainder of the global portfolio is performing to expectations, with NSR in line with the pcg.
- TWE continues to expect F25 EBITs in the range of \$780-810m, with top-line growth to be driven by continued strong momentum across TWE's Luxury brand portfolio.





TREASURY WINE ESTATES

Important information

This announcement is in summary form and is not necessarily complete. It should be read together with the Company's Annual Report for 30 June 2024 and other announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

This announcement 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:

- changing conditions in TWE's key markets including China;
- changes in economic conditions which impact consumer demand;
- changes to TWE's production cost base, including impact of inflation;
- global difficulties in logistics and supply chains;
- risks in relation to the acquisition of DAOU;
- foreign exchange rate impacts given the global nature of the business;
- vintage variations; and
- the Company's continuing exposure to geopolitical risks.

While the Company has prepared this information with due care based on its current knowledge and understanding and in good faith, there are risks, uncertainties and other factors beyond the Company's control which could cause results to differ from projections. The Company will not be liable for the accuracy of the information, nor any differences between the information provided and actual outcomes, and reserves the right to change its projections. The Company undertakes no obligation to update any forward-looking statement after the date of this presentation, subject to disclosure obligations.

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.

Contacts / Further information:

Media

Ellie Hewitt
Tel: +61 3 8533 3493
Mob: +61 429 678 771

Investors

Bijan Taghian
Tel: +61 3 8533 3568
Mob: +61 433 173 66

TREASURY WINE ESTATES LIMITED
ABN 24 004 373 862
LEVEL 8, 161 COLLINS STREET
MELBOURNE VIC 3000 AUSTRALIA
WWW.TWEGLOBAL.COM



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 2024 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:

- changing conditions in TWE's key markets, including China;
- changes in economic conditions which impact consumer demand;
- changes to TWE's production cost base, including impact of inflation;
- global difficulties in logistics and supply chains;
- risks in relation to the acquisition of DAOU;
- foreign exchange rate impacts given the global nature of the business;
- vintage variations; and
- the Company's continuing exposure to geopolitical risks.

While the Company has prepared this information with due care based on its current knowledge and understanding and in good faith, there are risks, uncertainties and other factors beyond the Company's control which could cause results to differ from projections. The Company will not be liable for the accuracy of the information, nor any differences between the information provided and actual outcomes, and reserves the right to change its projections. The Company undertakes no obligation to update any forward-looking statement after the date of this presentation, subject to disclosure obligations.

F24 Financial Highlights^{1,2,3}

Strong Luxury portfolio momentum drives Group NSR and EBITs growth

NSR

\$2.7bn ▲ 13.1%

NSR per case

\$125.2 ▲ 14.2%

EBITS

\$658.1m ▲ 12.8%

EBITS margin

24.0% ▼ 0.1 ppts

NPAT

\$407.5m ▲ 8.3%

EPS⁴

52.3cps ▲ 1.4%

Cash conversion

82.0% ▲ 21.4 ppts

Net Debt / EBITDAS⁵

2.0x ▲ 0.1x

ROCE⁶

10.9% ▼ 0.4 ppts

Full year dividend

36.0cps ▲ 2.9%
▲ 16% value⁷

Luxury contribution to global NSR

49% ▲ 6 ppts

1. Financial information in this report is based on audited 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. NPAT and EPS exclude earnings attributable to non-controlling interests
4. Earnings per share for the year ended 30 June 2023 has been restated, in accordance with AASB 133, for the dilutive effects of the rights issue executed during the current financial year to ensure consistency period on period. Refer to Note 7 of the financial statements within the 2024 Annual Report for details
5. Net debt to EBITDA includes capitalised leases in accordance with AASB 16 Leases. F24 includes last twelve months EBITDAS of DAOU
6. Capital employed excludes the impact of the Treasury Premium Brands impairment in all ROCE metrics stated throughout this document
7. During F24, TWE's share capital base increased by approximately 90m shares as part-funding for the acquisition of DAOU



NSR	\$1,001m	▲	22%
EBITS	\$421m	▲	16%
EBITS margin	42%	▼	2ppts

Strong top-line growth across all portfolio tiers and price points

Continued strong momentum in Asia, including the re-commencement of Australian COO portfolio shipments to China in 4Q24

Record intake from 2024 Australian vintage supporting a significant step-up in Bin & Icon portfolio availability from F26



NSR	\$1,002m	▲ 22%
EBITS	\$231m	▲ 13%
EBITS margin	23%	▼ 2ppts

Treasury Americas is now the leading Luxury wine business in the US following the acquisition of DAOU

Strong Luxury portfolio growth driven by Stags' Leap, Frank Family Vineyards and the contribution of DAOU from 2H24



NSR	\$737m	▼	6%
EBITS	\$76m	▼	7%
EBITS margin	10%		No change

NSR decline driven by lower Commercial and Premium shipments

Priority brands, including 19 Crimes, Squealing Pig and Pepperjack, remain in growth

Intention to create Global Premium division from F26, while seeking to divest Commercial brand portfolio



1Q25 Update and Outlook

- Luxury-led focus driving top-line performance, with double-digit organic Group NSR growth in 1Q25 versus pcg
- Penfolds momentum remains strong, led by Asia and Australia
 - China performance in line with expectations, including through the Mid-Autumn Festival period; 1Q25 customer re-ordering and depletions tracking well to plan on Bins & Icons
 - TWE continues to expect low double-digit EBITs growth for Penfolds in F25
- After realigning distributor arrangements through 1Q25, Treasury Americas Luxury portfolio performance is expected to accelerate from 2Q25 for the key holiday selling period
- Remainder of global portfolio performing to expectations, with NSR in line with the pcg
- TWE continues to expect F25 EBITs in the range of \$780–810m, with top-line growth to be driven by continued strong momentum across TWE's Luxury brand portfolio



TREASURY WINE ESTATES

2024 Annual General Meeting

Chairman's Address – John Mullen

Over the past year, TWE has made substantial progress on almost all fronts and while there continue to be challenges in the industry, we are increasingly well positioned to achieve our vision of being the world's most desirable luxury wine company.

In August, we were pleased to share a strong fiscal 24 performance, with good growth in both sales and earnings. Shortly, you'll hear more on the financial results from Tim, as well as fiscal 25 first quarter highlights.

Underpinning our results was our continued focus on luxury. The approach this year has been fuelled by the acquisition of DAOU and the continued first-class performance of our global luxury brand, Penfolds.

Our luxury portfolio now represents more than 75% of our earnings and in fiscal 24 we achieved a significant milestone: Penfolds and Treasury Americas each delivered \$1 billion in sales for the first time.

This year Penfolds turns 180, celebrating its rich heritage and tradition of excellence. Penfolds' multi-country of origin strategy gives consumers access to luxury wines from the world's most revered wine regions including Australia, the US and France. China is the latest sourcing region, with the "One by Penfolds" range of Chinese wine launching in 2022. In August 2023, the brand released its first China-sourced luxury wine, Chinese Winemaking Trial 521 – a blend of cabernet sauvignon from Ningxia and marselan from Yunnan. It was released globally in limited quantities, to the acclaim of wine critics and collectors. The expansion of the China-sourced portfolio of wine shows our commitment to the Chinese market, its consumers, and the local industry.

In February, Penfolds unveiled a new Champagne Cuvée Brut in collaboration with Champagne Thiénot, which is now available for consumers to enjoy. This expansion in the



TREASURY WINE ESTATES

Penfolds Champagne portfolio symbolises the brand's commitment to winemaking in France and marks the beginning of a new chapter in the Penfolds France story.

We welcomed the news earlier this year that trade impediments were being removed on Australian wine in China. We acted quickly to establish Penfolds' re-entry and reignite the local luxury wine market. Our rapid response was possible because of our long-standing commitment to China, which continued during the tariff period, where we maintained investment in the Penfolds brand, and a local team of more than 120 people. Maintaining a strong brand presence in recent years has given us a solid platform for growth over the long term.

We were excited to welcome DAOU to the family, joining an unrivalled portfolio of luxury brands in the Treasury Americas division, including Frank Family Vineyards, Stags' Leap, Beringer, and Beaulieu Vineyards. DAOU's award-winning wines and unique luxury experiences are a significant value creation opportunity for TWE.

We're already impressed by the performance of the brand, and our growth plans for DAOU are unchanged. With business integration well underway, we're on track to deliver synergies of US\$20m+ by the end of F26.

While Treasury Premium Brands earnings from some commercial brands declined, the priority brands in the division maintained their positive momentum, driven by 19 Crimes, Squealing Pig and Pepperjack. This year we launched our rebellious 19 Crimes brand in Japan, Vietnam, Laos, Cambodia and India. Our 19 Crimes partnership with Snoop Dogg continued, with the expansion of the Cali by Snoop range, including Cali Blanc Sauvignon Blanc into the UK market. We also introduced the playful Squealing Pig brand to consumers in Canada. With a growing number of consumers looking to moderate their alcohol intake, we grew our no and low alcohol options with the launch of our Squealing Pig Zero and Mid-Strength range as well as the expansion of our Pepperjack and 19 Crimes lower in alcohol and mid-strength offerings globally.



TREASURY WINE ESTATES

After our broader review of the Treasury Premium Brands division, we announced our plans to combine Treasury Premium Brands and Treasury Americas Premium into a single Global Premium Division.

This is a natural progression, and follows the integration of the Global Revenue Growth Group into Treasury Premium Brands, and the acquisition of DAOU, which resulted in separate Luxury and Premium teams in Treasury Americas.

These changes will allow for stronger growth for our key premium brands, recruiting new consumers, accelerating innovation and building better ways of working.

We also addressed the consumer shift away from the Commercial segment. Last year we provided an update on the decision to sell our Karadoc winery, and we recently completed the sale to a local business that will continue to operate the site in the Sunraysia region.

Furthermore, we announced our intention to divest our commercial brand portfolio, which includes Wolf Blass, Lindeman's, Yellowglen and Blossom Hill. While these brands have been an important part of TWE's history, in fiscal 24 they represented less than 5% of the Group's gross profit.

In addition to the divisional highlights, I'm pleased to share an update on TWE's sustainability strategy.

Our sustainability ambition is deliberately bold: to cultivate a brighter future. We want to build a more resilient business, produce sustainable wine, and enhance the wellbeing of our people, communities, and consumers.

During the year, we made strong progress in water stewardship, reducing carbon emissions, adapting to the impacts of climate change, boosting certification, and becoming more efficient with technological innovation in our vineyards and packaging centres.



TREASURY WINE ESTATES

Since launching our refreshed sustainability strategy in 2021, we're proud to have reduced our greenhouse gas emissions by 66%. Our journey towards 100% renewable energy is on track, with roughly 80% of our total electricity usage over fiscal 24 from certified renewable sources. In the 2024 financial year alone, we switched on 24 solar projects across our global footprint.

Navigating the impact of our changing climate is a particularly complex challenge for us as an agricultural business, and for our society more broadly. Growing conditions in the regions in which we operate are changing, highlighting the importance of water as a critical resource for our business. We've installed smart water meters in over 90% of our sites that operate in high-risk catchments, and a number of water preservation projects including dam covers and linings are underway.

We have maintained sustainability certification across 99.2% of our owned and leased winery and vineyard assets globally. More than 16 million litres of wine was sustainably certified in Australia in the 2024 financial year.

Our talented global team is at the core of our business, and their safety remains a priority. We were pleased to achieve a 39% reduction in the three-year rolling Serious Safety Incident Frequency Rate as a result of the ongoing focus and continued success of our safety campaign, 'Build Safe'.

Complementing the broader TWE sustainability agenda, during the year Penfolds launched a grant program, Evermore. The 5-year program will deliver a total of \$1 million to individuals and organisations working on community and sustainability projects in Australia, the United States, France, and China. The first grant recipients were announced in January.

Our sustainability achievements provide a strong foundation for future growth. We acknowledge that we have more work to do, and we're focused on maintaining our position of industry leadership in sustainability.



TREASURY WINE ESTATES

The year's collective highlights form the last chapter of our 2025 Game Plan, which we've now officially closed out. The Game Plan was developed four years ago and has been an important roadmap with ambitious targets. To reflect briefly on the challenges during that time – the business endured the Pandemic, Californian wildfires, trade impediments, industry headwinds and changing market dynamics. With that backdrop in mind, the business navigated challenges and made the most of emerging opportunities to come out the other side as a stronger, more diversified, truly global business.

It's these foundations that positioned us well to launch our new 'Game Plan' for the 2025 financial year and beyond. The Game Plan is made up of our brand-new Purpose, a refreshed Vision, a set of four strategic pillars, all underpinned by the TWE DNA – the cultural code that guides how we act, and the experiences we create for people.

Our Purpose, 'Boldly Cultivating', was represented in the video at the start of today's meeting. It symbolises our collective call to action – to Boldly Cultivate value through our brands, wine, people, innovation, sustainable solutions and experiences.

Lastly, I'd like to mention our refreshed vision, which is to be the world's most desirable luxury wine company. This vision orientates us towards our core business, embodying the hallmarks of a luxury company right across TWE. It sets out what we're striving for across the entire organisation. We have a talented and dedicated global team with a common purpose, and I look forward to seeing what we achieve in the years ahead.

I'd like to take this opportunity to acknowledge the significant contribution of Ed Chan, who retires from the TWE Board today. Ed has been a Non-Executive Director since 2012, shortly after the Company was floated, and has spent more than six years as a member of the Audit and Risk Committee. We thank Ed for his efforts and wish him all the very best for his future endeavours.

On behalf of the Board, I would like to thank the entire TWE team – it's because of their efforts and commitment that we continue to succeed as a business. I would also like to acknowledge my predecessor, Paul Rayner, for his exceptional contribution during his 11



TREASURY WINE ESTATES

years as Chairman. Under the leadership of Tim Ford and his executive team, the business enters an exciting new chapter, and it's a privilege to be its Chairman.

Finally, thank you to everyone attending, for your continued support and investment in TWE. I'm optimistic about the future of the business as we fulfill our vision to be the world's most desirable luxury wine company.

I'll now hand over to Tim.



TREASURY WINE ESTATES

2024 Annual General Meeting

Chief Executive Officer's Address – Tim Ford

Thank you, John, and good morning everyone. It's a pleasure to join you today to discuss our fiscal 24 financial and operational performance in a year that saw significant milestones delivered across TWE and where we accelerated our focus as a global, luxury-led leader in wine.

A key highlight of the year was without doubt the completion of the US\$900m acquisition of DAOU Vineyards, a highly acclaimed US luxury wine business. The acquisition has established Treasury Americas as the leading luxury wine business in the United States, the largest market for Luxury wine globally, and we are energised by the opportunity to create another outstanding luxury wine platform within TWE, alongside Penfolds.

An equally significant highlight was the March 2024 removal of tariffs on Australian wine imports into China. We promptly executed our plans to re-establish our Australian portfolio into this important market with the response to date from our customers and consumers very positive, reflecting the ongoing strength of the Penfolds brand in the market.

Turning now to the fiscal 24 financial highlights.

Net sales revenue grew 13% to \$2.7bn, driven by strong Luxury portfolio growth in both Penfolds and Treasury Americas. Globally, our Luxury brand portfolio revenue grew 30%, or 14% on an organic basis, reflecting the strength of our brand portfolio and the growth in consumer demand at the higher price points across our key markets.

Group EBITs increased 13% to \$658 million driven by the strong Luxury portfolio performance and the contribution of DAOU from the second half. EBITs margin was broadly in line with the prior year.

On a statutory basis our net profit after tax declined, driven by the non-cash impairment of goodwill and predominantly Commercial brands within Treasury Premium Brands, reflecting



TREASURY WINE ESTATES

the broader challenging conditions for Commercial wine across all markets, and the underperformance of our Commercial brands relative to the category at these Commercial price points. When adjusting for this material item, our net profit after tax grew 8%.

Leverage, being the ratio of our net debt to EBITDAS, ended the year at 2.0 times following the acquisition of DAOU. This was a pleasing result, with further deleveraging expected in F25 as we look to return to within our target range of 1.5-2.0x.

ROCE decreased 0.4 percentage points to 10.9%, reflecting the mildly dilutive short-term impact from the acquisition of DAOU, given the growth nature of the acquisition. And we paid dividends totalling 36 cents per share for the year, a 1 cent increase in cents per share terms, and a 16% increase in value. Turning briefly now to divisional performance.

For Penfolds, it was another year of outstanding execution. NSR and EBITs grew 22% and 16%, respectively with top-line growth delivered across all Luxury portfolio tiers, led by continued strength in Asia, including the commencement of Australian portfolio shipments to China in the fourth quarter.

In June, we updated investors on our multi-year growth expectations for Penfolds, taking into account the price increases we had announced across our Bin & Icon portfolio and the record intake from the 2024 Australian vintage. Pleasingly, we expect to deliver a strong growth profile for Penfolds over the next three years, with low double-digit EBITs growth in F25 increasing to EBITs growth of approximately 15% in each of F26 and F27, once the increased availability of wine is available for sale. The delivery of these long-term targets remains subject to a range of variable conditions, which are outlined in the 'Important Information' slide of this presentation. This growth profile reflects not only the incremental opportunity in China, but more importantly continued growth for the brand across a number of the markets that we have grown over the past few years.

So another great result for Penfolds in fiscal 24 and steady progress on our journey for Penfolds to become a global Luxury icon.



TREASURY WINE ESTATES

It was an exciting year for Treasury Americas, with completion of the DAOU acquisition and the re-design of our operating model in this market sharpening our focus between the Luxury and Premium portfolios.

NSR and EBITD grew 22% and 13%, respectively driven by the contribution of DAOU in the second half and the 14% increase in revenue from our other Luxury portfolio brands, particularly Stags' Leap and Frank Family Vineyards. DAOU has continued its strong performance trajectory following our acquisition, as evidenced by the fact that it was the leading growth brand in the US Luxury category for fiscal 24.¹

Partly offsetting this strong Luxury performance was the decline in our Premium brand portfolio, led by the 19 Crimes modern tier, which lapped innovations released in the prior year. Matua continued its strong performance and remains a top brand in the category.

So overall a very pleasing result in Treasury Americas, where we are seeing great momentum behind a number of key brands and an exciting long-term growth opportunity before us.

And finally, Treasury Premium Brands saw its revenue decline 6%, driven by lower Commercial and Premium shipments, with consumption trends remaining soft in the below \$15 price points and our Commercial portfolio underperforming relative to the category. Pleasingly, the priority Premium brand portfolio grew NSR by 5%, driven by 19 Crimes, Squealing Pig and Pepperjack. Brands that continue to resonate strongly with consumers, particularly in Australia and the UK.

We have made a positive start to F25, with our luxury-led focus seeing us deliver double-digit organic NSR growth across the Group in the first quarter, driven in part by phasing benefits compared to the prior year.

¹ Circana Total US Multi-Outlet + Conv Fiscal 24. Latest date ending 06.30.24.



TREASURY WINE ESTATES

Penfolds momentum remains particularly strong in Asia and Australia, and we are on-track to deliver our guidance for low-double digit divisional EBITs growth this fiscal year. In China, we are making good progress on our plans to re-build distribution and availability for our Australian country of origin in the market, with performance in the quarter in line with our expectations, including through the recent Mid-Autumn festival period. Pleasingly, customer re-ordering and depletions for the Bins and Icons portfolio are tracking well to plan.

In Treasury Americas, the implementation of enhanced distribution arrangements following the acquisition of DAOU was a key execution focus in the quarter, and with that transition now complete, we expect our Luxury portfolio performance to strengthen through the remainder of the year, starting with the key upcoming holiday selling period that covers both Thanksgiving and Christmas.

Across the remainder of our global portfolio, NSR is in line with the prior year, consistent with our expectations. Therefore, I am pleased to reiterate our guidance for F25 EBITs delivery in the range of \$780-810 million.

In closing, fiscal 24 was another successful year for our Company where we made significant progress in transforming our business to become a global, luxury-led leader in wine. We look forward to continuing this journey, focused squarely on our ambition to become the world's most desirable luxury wine company.

Thank you to our shareholders for joining us here this morning and for your continued support of Treasury Wine Estates.

- ends -