



TREASURY WINE ESTATES

18 August 2022

ASX ANNOUNCEMENT

2022 Annual 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 18 August 2022. Links to register for the conference are provided in the 2022 Annual 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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TREASURY
WINE ESTATES

F22 Full Year Results

18 AUGUST 2022

Important information

This presentation is in summary form and is not necessarily complete. It should be read together with the Company's Annual Report 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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TREASURY
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Introduction

Tim Ford Chief Executive Officer



F22 Financial Highlights^{1,2,3}

Margin accretive earnings growth delivered through premiumisation and distribution gains

NSR

\$2.5bn ▼ (3.6)%

NSR per case

\$97.3 ▲ 16.1%

EBITS

\$523.7m ▲ 2.6%

EBITS margin

21.1% ▲ 1.3 ppts

NPAT

\$322.6m ▲ 4.2%

EPS

44.7cps ▲ 4.1%

Cash conversion

104.3% ▲ 3.5ppts

Net Debt / EBITDAS⁴

1.8x ▲ 0.2x

ROCE⁵

10.9% ▲ 0.1 ppt

Full year dividend

31.0cps ▲ 10.7%

Luxury and Premium contribution to global NSR

83% ▲ 6ppts

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
4. Includes last twelve months EBITDAS of Frank Family Vineyards
5. Excluding impacts from divested and acquired portfolio brands in Treasury Americas

F22 Divisional performance

Each division delivered underlying earnings growth and margin accretion in F22

							
Metric ¹	F22	%	F22	%	% Organic ²	F22	%
NSR (A\$m)	717.3	(9.3)%	963.4	(0.1)%	11.6%	796.0	(5.6)%
<i>Excluding Mainland China</i>	694.7	45.1%	-	-	-	-	-
NSR per case (A\$)	332.2	(6.0)%	120.9	40.5%	15.5%	52.0	6.0%
EBITS (A\$m)	319.3	(5.4)%	185.6	16.9%	19.0%	79.6	33.6%
<i>Excluding Mainland China</i>	317.1	25.1%	-	-	-	-	-
EBITS margin	44.5%	1.8 ppts	19.3%	2.8ppts	1.0 ppts	10.0%	2.9 ppts

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

F22 Sustainability performance

Building momentum towards our sustainability ambition of *cultivating a brighter future*

Material topic	Target	Status	F22 Progress ²
 Climate Change and Energy¹	100% renewable electricity by 2024 - Net zero by 2030 (scope 1 and 2)		- Renewable electricity usage ~5% in F22, with strategic roadmap completed, initiatives defined and plans to accelerate progress in F23 towards our target - Committed to invest \$20m on solar panel and meter technology across our global production network. - Draft Net Zero roadmap in progress, to be finalised in F23
 Water Stewardship	Comprehensive review of water usage and footprint at a catchment level		- Completed comprehensive review of water management across the global viticulture and winery operations - Clear recommendations to drive our water security and efficient usage strategies and initiatives
 Health, Safety & Wellbeing	10% reduction in Serious Safety Incident Frequency Rate (SIFR)		F22 SIFR 1.4 (up 0.2ppts), with number of serious safety incidents unchanged from F21
 Inclusion & Diversity¹	50% women in senior leadership by 2025 42% female representation overall by 2025		44.9%, down 0.2ppts 41.5%, up 1.3ppts
 Sustainable Packaging and Circular Economy	100% of packaging to be recyclable, reusable or compostable by 2022 100% of packaging to comprise 50% recycled content by 2025 - Collaborate with glass and carton partners on a closed loop packaging solution by 2025		- Good progress with cartons, labels, bottle sleeves and glass - Ongoing analysis of remaining packaging material types to balance environmental and product quality outcomes

1. Results pending finalisation of F22 Sustainability Report

2. Detailed information will be available in the F22 Sustainability Report, which will be released in September 2022



On-track



Target not met





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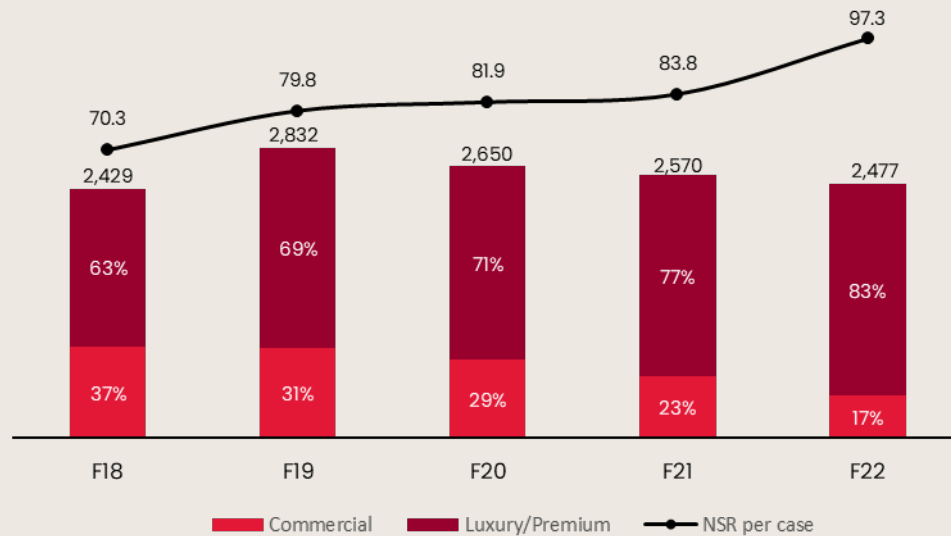
Financial Performance

Matt Young Chief Financial Officer

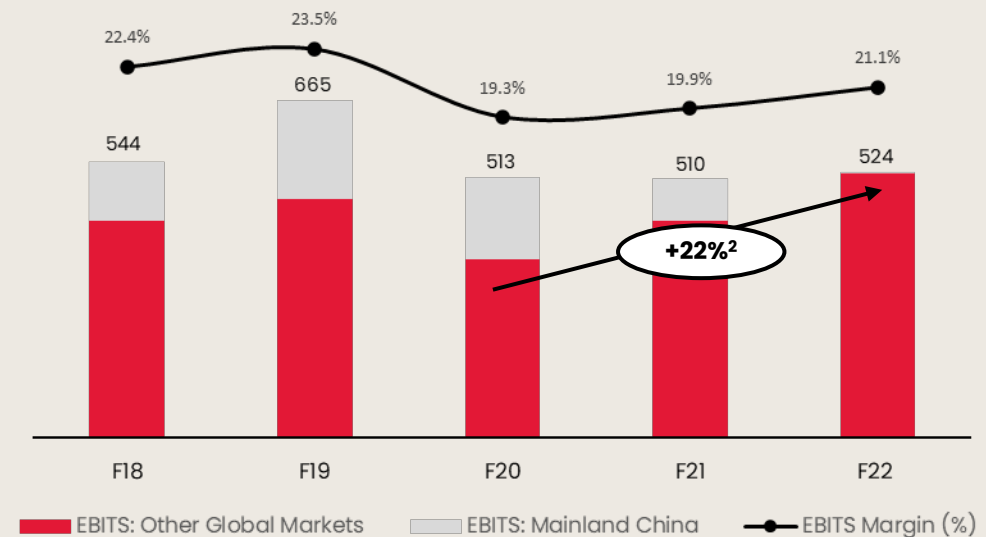


Key measures of performance¹

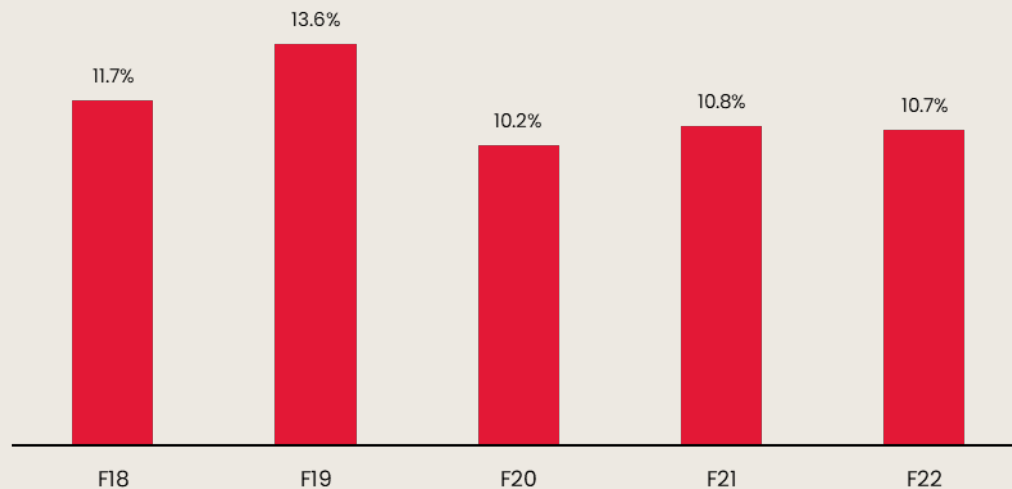
Group NSR (A\$m) and NSR per case



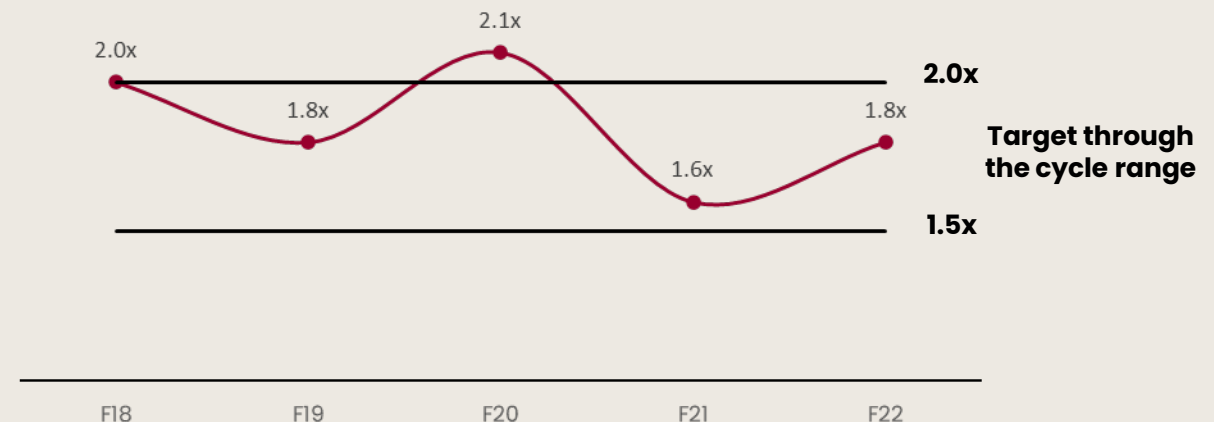
Group EBITs (A\$m) and EBITs margin



Return on Capital Employed (ROCE)



Leverage (Net Debt to EBITDAs)



1. All figures and calculations are subject to rounding
 2. CAGR F20-22 excluding Mainland China

Inflation and cost outlook

F23 mix-adjusted COGS per case expected to remain in line with F22, with improvement expected from F24

- Global supply chain, logistics and input cost inflationary pressures remain elevated – total impact approximately \$25m in F22, with an additional \$25m impact estimated in F23
- F23 sales to include the 2020 Australian and Californian Luxury vintages, both of which were lower yielding and higher cost
- Rebalanced intake through the 2022 Australian vintage, with cost broadly in line with the 2021 vintage
- Global supply chain optimisation program now complete:
 - Full program P&L benefit expected to be \$90m by F25, up from \$75m previously
 - F23 P&L benefit expected to be \$65m, down from \$75m previously, based on portfolio age of release
- **COGS per case improvement from F24 (mix-adjusted) will be supported by incremental transition to lower cost 2021 and 2022 vintages and full run rate on global supply chain optimisation savings**

Revenue growth management

The strength of our Premium and Luxury brands to support top-line growth and margin expansion in F23

- Our portfolio contains a number of fast growing Premium and supply constrained Luxury brands
- Targeted price increases were delivered in F22, with additional increases implemented early in F23
- We will also build on our current portfolio momentum, with incremental A&P in F23 to drive top-line growth
- **The benefits from these revenue growth initiatives are expected to support continued margin expansion in F23, net of inflationary and vintage impacts to COGS**

Penfolds



Treasury Premium Brands



Treasury Americas



Material items

All cost programs are progressing as expected and are to be completed in 1H23

Material Items	Benefits	Benefits from	Expected one-off costs	Total recognised to date	Recognised in F22
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	\$(88.5)m	\$(26.2)m
South Australian Luxury expansion (announced 15 August 2019)	1/3 Luxury capacity increase	F25	\$(35.0)m	\$(34.2)m	\$(2.4)m ¹
Overhead & supply chain restructure (announced 13 August 2020)	Overheads - \$35m Supply Chain - \$90m	F21 F23+	\$(45.0)m	\$(33.8)m	\$(4.1)m
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	\$(12.8)m	\$(12.8)m
Total Material Items (pre-tax)			\$(198.0)m	\$(169.3)m	\$(45.5)m
Total Material Items (post-tax)				\$(127.3)m	\$(35.0)m

Balance sheet^{1,2}

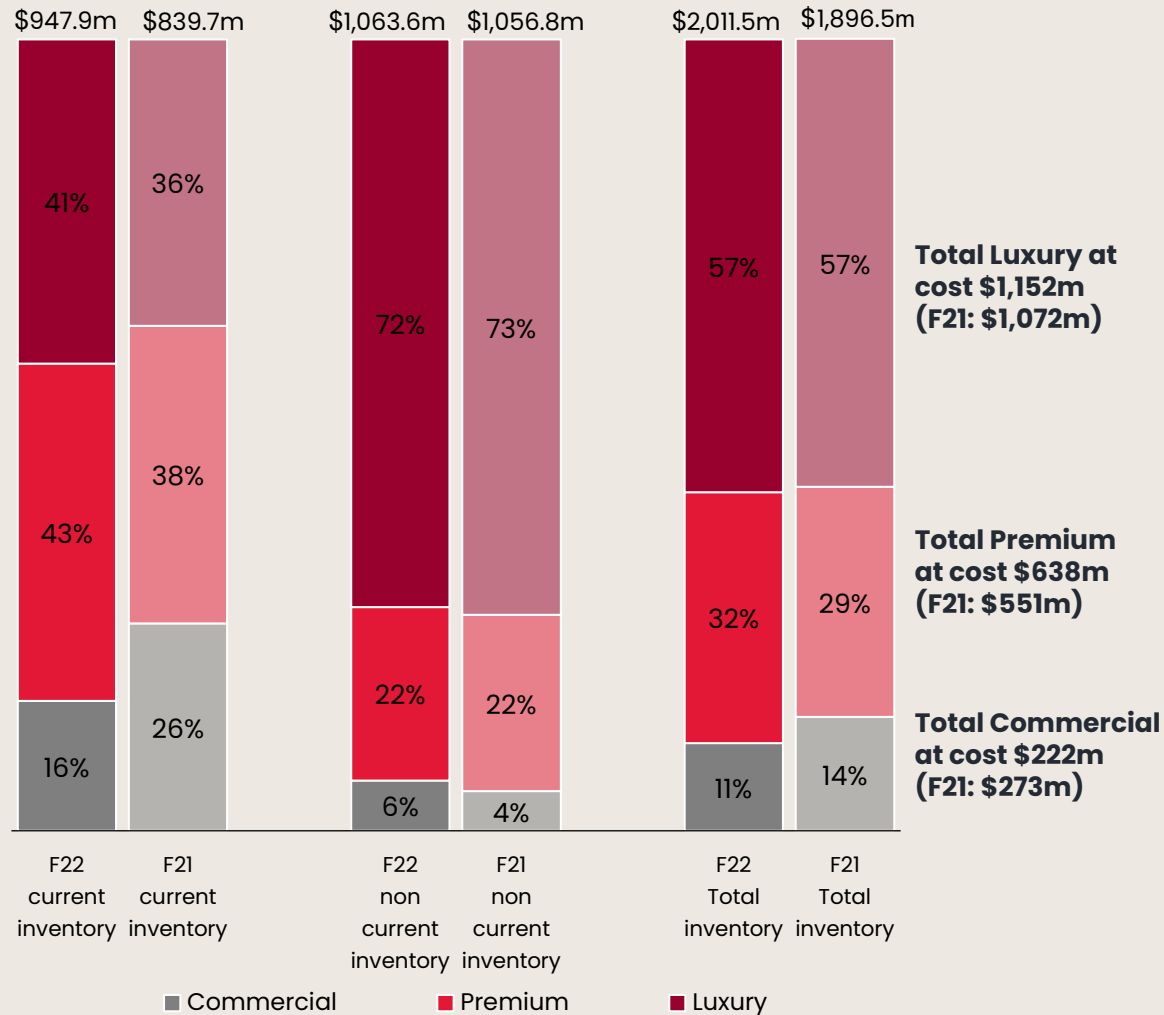
A\$m	F22	F21
Cash & cash equivalents	430.5	448.1
Receivables	564.4	621.3
Current inventories	947.9	839.7
Non-current inventories	1,063.6	1,056.8
Property, plant & equipment	1,521.5	1,322.5
Right of use lease assets	435.3	448.4
Agricultural assets	32.9	33.8
Intangibles	1,399.8	1,155.5
Tax assets	163.5	183.7
Assets held for sale	35.6	140.2
Other assets	68.7	34.2
Total assets	6,663.7	6,284.2
Payables	747.2	703.6
Interest bearing debt	1,064.7	915.2
Lease liabilities	609.0	612.6
Tax liabilities	347.2	330.7
Provisions	81.0	104.8
Other liabilities	25.6	26.1
Total liabilities	2,874.7	2,693.0
Net assets	3,789.0	3,591.2

- Net assets increased \$197.8m on a reported currency basis in F22
- Adjusting for the movement in foreign exchange rates, net assets increased by \$108.2m
- Key drivers of the increase in net assets include:
 - An increase in Intangibles and Property, Plant and Equipment of \$244.3m and \$199.0m respectively following the acquisition of Frank Family Vineyards
 - Increased working capital of \$14.5m, with higher Premium and Luxury inventory partly offset by favourable movements in receivables primarily associated with divestment of the US Commercial portfolio
 - Partly offset by a \$149.5m increase in Interest Bearing Debt, reflecting the acquisition of Frank Family Vineyards net of proceeds from asset divestments

1. Unless otherwise stated, balance sheet percentage or dollar movements from the previous period are on a reported currency basis
 2. Working capital balances may include items of payables and receivables which are not attributable to operating activities

Inventory analysis

Inventory at book value split by price segment^{1,2}



- Total inventory **volume** declined 5% versus the pcg
- Total inventory **value** increased 6%:
 - Excluding the impact of the weaker Australian dollar, total inventory value increased 3%
 - Current inventory increased \$108.2m to \$947.9m, reflecting improved demand expectations for all divisions in addition to the acquisition of Frank Family Vineyards
 - Non-current inventory increased \$6.8m to \$1,063.6m driven by the acquisition of Frank Family Vineyards and partly offset by the smaller 2021 Californian vintage intake
 - Luxury inventory value increased 7%, following the acquisition of Frank Family Vineyards

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

Cash flow and net debt¹

A\$m (unless otherwise stated)	F22	F21
EBITDAS	672.3	661.0
Change in working capital	34.0	(60.3)
Other items	(5.0)	65.6
Net operating cash flows before financing costs, tax & material items	701.2	666.3
Cash conversion	104.3%	100.8%
Payments for capital expenditure	(112.2)	(121.2)
Payments for subsidiaries	(439.6)	-
Proceeds from sale of assets	11.1	4.8
Cash flows after net capital expenditure, before financing costs, tax & material items	160.6	549.9
Finance costs paid	(66.9)	(72.3)
Tax paid	(95.5)	(118.4)
Cash flows before dividends & material items	(1.8)	359.2
Dividends/distributions paid	(202.1)	(158.7)
Cash flows after dividends before material items	(203.9)	200.5
Material item cash flows – proceeds from US asset sales	155.2	53.1
(On-market share purchases) / issue of shares	(17.3)	0.9
Total cash flows from activities (before debt)	(66.0)	254.5
Net (repayment) / proceeds from borrowings	30.6	(245.8)
Total cash flows from activities	(35.4)	8.7
Opening net debt	(1,057.7)	(1,434.2)
Total cash flows from activities (above)	(66.0)	254.5
Net lease liability additions	(8.7)	(18.7)
Debt revaluation and foreign exchange movements	(122.0)	140.7
(Increase) / Decrease in net debt	(196.6)	376.5
Closing net debt²	(1,254.3)	(1,057.7)

- Cash conversion of 104.3% delivered in F22, reflecting continued strong operating cash flow performance and improved working capital.
- TWE targets cash conversion of 90% or higher for each full financial year, excluding the annual change in non-current Premium and Luxury inventory
 - Excluding the net change in non-current Premium and Luxury inventory, cash conversion was 103.1% in F22
- Net Debt² increased \$196.6m to \$1,254.3m, with funding of the Frank Family Vineyards acquisition a key driver

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: F22 \$(11.3)m F21 +\$21.6m

Capital expenditure

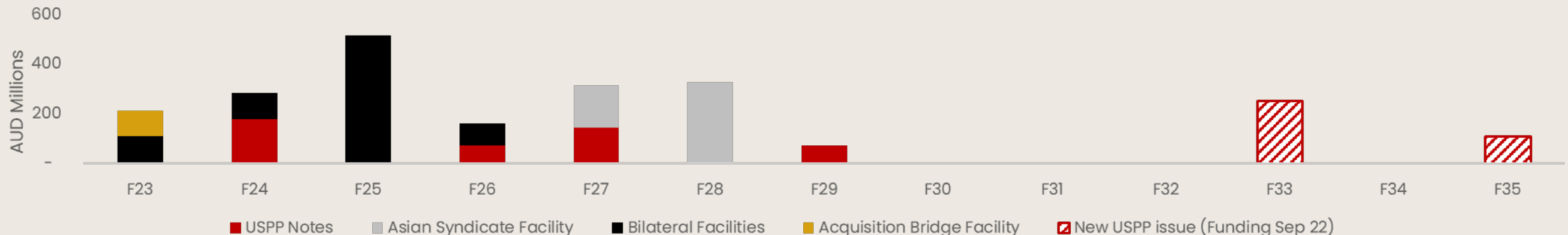
A\$m	F22	F21
Vineyard redevelopments	22.4	13.3
Wine making equipment and facilities	24.0	19.8
IT spend	10.4	10.7
Sustainability	4.9	3.1
Oak purchases ¹	3.6	3.8
Other capital expenditure	5.3	4.6
Maintenance and replacement capex	70.6	55.2
Growth capex	41.6	66.0
Gross capex	112.2	121.2
Net lease additions	8.7	18.7

- Capital expenditure (capex) \$112.2m in F22, including:
 - Maintenance & replacement capex of \$70.6m
 - Growth capex of \$41.6m, predominantly related to the investment in South Australian Luxury wine making infrastructure which was utilised for vintage 2022 and delivered immediate benefits from improved grade conversion
- Ongoing expectation for maintenance and replacement capex of approximately \$100m, with investment in F23 to include increased investment in sustainability and technology

Capital management

- Efficient and flexible capital structure with excellent capacity to deliver continued investment and growth:
 - Strong investment grade credit profile retained
 - Net debt / EBITDAS¹ 1.8x at F22 (inclusive of leases) following the acquisition of Frank Family Vineyards, up from 1.6x in the pcg and within TWE's 'up to 2.0x' through the cycle target
- Total available liquidity \$1.3bn, comprising cash \$430.5m and undrawn committed facilities of \$827.3m:
 - New US\$250m USPP issue completed with maturity tenors of ten and twelve years; funding to occur in 1H23, further enhancing liquidity
 - Group cost of funds are 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:
 - F22 final dividend of 16.0 cents per share declared, fully franked, representing a 69% NPAT payout ratio for F22² and an increase of 10.7% versus the pcg
 - Assessing opportunities to supplement dividend policy with capital management

Debt Maturity Profile



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

Attracting new consumers and growing distribution and availability; EBITs ex-Mainland China up 25%

A\$m	F22	Reported Currency		Constant Currency	
		F21	%	F21	%
Volume (m 9Le)	2.2	2.2	(3.5)%	2.2	(3.5)%
NSR (A\$m)	717.3	788.9	(9.1)%	790.5	(9.3)%
ANZ	199.2	199.2	0.0%	199.2	0.0%
Asia	407.2	498.6	(18.3)%	498.7	(18.4)%
Americas	54.3	48.6	11.7%	50.0	8.6%
EMEA	56.6	42.4	33.3%	42.6	32.9%
NSR per case (A\$)	332.2	352.6	(5.8)%	353.3	(6.0)%
EBITS (A\$m)	319.3	346.2	(7.8)%	337.5	(5.4)%
EBITS margin (%)	44.5%	43.9%	0.6ppts	42.7%	1.8ppts

F22 Luxury and Premium contribution to division NSR

100% Unchanged

Performance summary¹

- EBITS declined 5.4% and EBITs margin increased 1.8 ppts to 44.5%:
 - Volume and NSR declined 3.5% and 9.3% respectively driven by the decline in shipments to Mainland China, partly offset by continued strong growth across the portfolio in a number of priority markets and channels
 - NSR per case declined 6.0%, reflecting reduced Bin and Icon shipments to Mainland China and growth in the Premium tier Max's range
 - CODB improved 11.9%, driven by reduced costs in Mainland China, net of reinvestment to other markets
- Total NSR and EBITs outside of Mainland China grew 45.1% and 25.1% respectively
- Trends for distribution and volume growth are expected to remain strong, with EBITs margin expected to shift towards the mid-point of the 40-45% target range in F23 due to higher COGS from the 2020 Australian vintage and incremental investment to support future growth

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

Penfolds

Progression against F22 strategic priorities

1 Attract new consumers

- The Venture Beyond thematic was launched in F22, including world-class luxury showcases and gifting execution



Penfolds House, Bangkok



Pop-up store at Great World, Singapore



Harrods pop-up store, London



Luxurious gifting formats

Penfolds

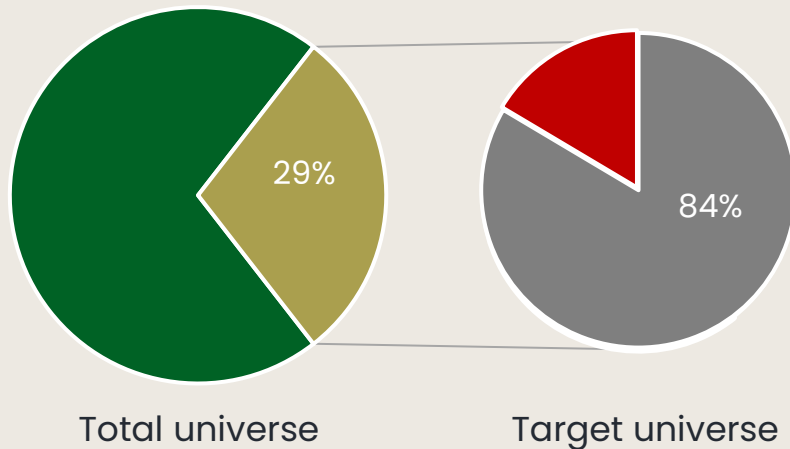
Progression against F22 strategic priorities (continued)

2 Grow global distribution and availability

- Three phase distribution build playbook and strategy – (i) build target account universe and ideal range, (ii) sell in to grow points of distribution and availability, and (iii) drive in store execution to accelerate rate of sale
- Commenced new program for detailed assessment of Penfolds distribution across priority markets, supported by extensive third party survey data at an individual account level
- This study has confirmed that the opportunity to build Penfolds availability in priority growth markets remains significant over the medium to long-term

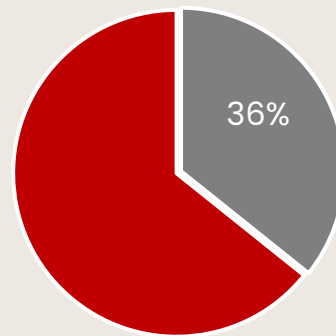
Mature market example

Australia

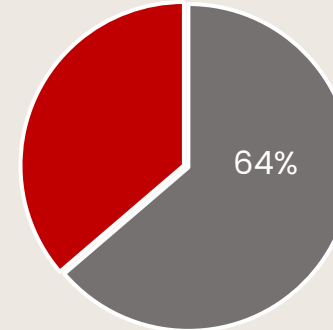


Priority growth market examples: penetration of target universe

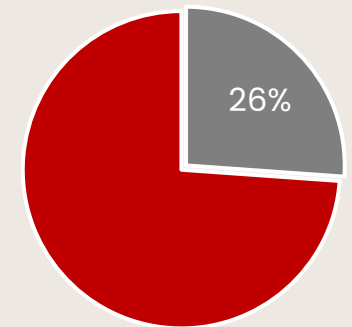
United States¹



Hong Kong



Thailand



Target Penfolds accounts

Current distribution breadth

Future distribution opportunity

Penfolds

Progression against F22 strategic priorities (continued)

3 Optimise the portfolio for long term growth, including multi COO

Inaugural French release showcases Penfolds enduring house style, with positive acclaim from leading wine critics

Joins the Australian and Californian portfolios to form the 2022 Penfolds Collection, with inaugural China country of origin wine to launch 1H23

Pending acquisition of Chateau Lanessan¹ to more than double Penfolds vineyard footprint in Bordeaux and significantly increase production capacity



2019 Penfolds II
Cabernet Shiraz Merlot
(RRP A\$500)



2019 Penfolds FWT 585
Cabernet Sauvignon, Merlot,
Petit Verdot (RRP A\$120)

"This is modern and captures the essence of Bordeaux, but does it in a Penfolds way. I guess that's the point. Nailed it."

**Erin Larkin, Robert Parker Wine Advocate
on FWT 585 (94 point score)**



Chateau Lanessan, Haut-Medoc, Bordeaux

1. TWE to acquire 78.6% stake from the Bouteiller Family, who will remain a shareholder. The cash outflow associated with the acquisition is expected to be approximately A\$60m, including a capital injection to fund winery and vineyard development. Completion expected Oct-22, subject to satisfaction of conditions precedent

Treasury Americas

A repositioned business with a focused portfolio of fast growing Premium and Luxury brands

A\$m	Reported Currency			Constant Currency		
	F22	F21	%	F21	%	Organic % ²
Volume (m 9Le)	8.0	11.2	(28.9)%	11.2	(28.9)%	(3.3)%
NSR (A\$m)	963.4	940.0	2.5%	964.2	(0.1)%	11.6%
ANZ	—	—	—	—	—	—
Asia	—	—	—	—	—	—
Americas	963.4	940.0	2.5%	964.2	(0.1)%	11.6%
EMEA	—	—	—	—	—	—
NSR per case (A\$)	120.9	83.8	44.1%	86.0	40.5%	15.5%
EBITS (A\$m)	185.6	154.0	20.5%	158.8	16.9%	19.0%
EBITS margin (%)	19.3%	16.4%	2.9ppts	16.5%	2.8ppts	1.0ppts

F22 Luxury and Premium contribution to division NSR

92% ▲ 13ppts vs. pcg

Performance summary¹

- EBITS increased 16.9% and EBIT margin improved 2.8 ppts to 19.3%:
 - Volume and NSR declined 28.9% and 0.1% respectively, reflecting the divestment of non-priority brands³ and declines in sub-US\$11 price point brands, partly offset by the acquisition of Frank Family Vineyards
 - Organic NSR grew 11.6%, led by standout growth from the priority brand portfolio including Beringer, Stags' Leap, Matua and 19 Crimes
 - NSR per case increase of 40.5% reflects significantly improved portfolio mix
- Frank Family Vineyards contribution was in line with expectations – 2H22 NSR \$40.2m, EBIT \$16.2m, EBIT margin 40.2%
- Well positioned for top-line growth and margin expansion in F23, supported by continued strength in the Premium portfolio and price realisation across key brands, while Luxury portfolio growth will be moderated by reduced availability of wine from the 2020 Californian vintage

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
 3. Includes US Commercial portfolio, Chateau St Jean and Provenance

Treasury Americas

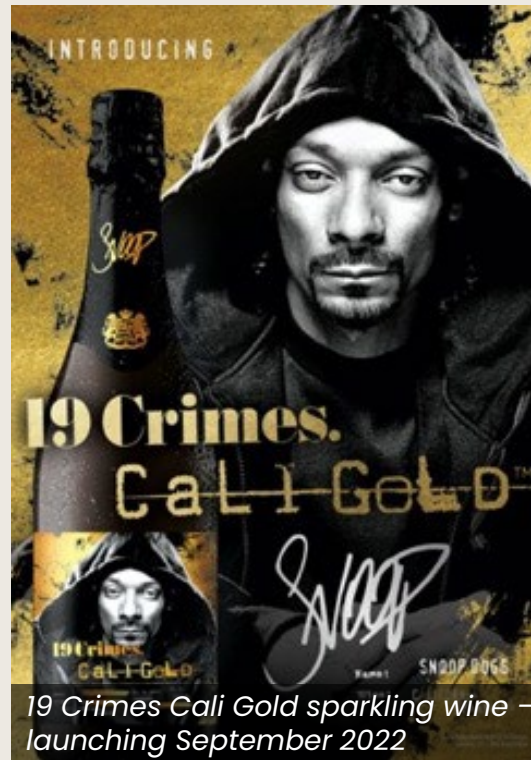
Progression against F22 strategic priorities

1 Expand the Premium portfolio

- Consumer-led brand innovation is continuing to drive strong Premium portfolio growth



Martha's Chard, the number one US wine market innovation this calendar year¹



19 Crimes Cali Gold sparkling wine – launching September 2022

2 Drive relentless focus on premiumisation

- 90%+ division NSR now Premium and Luxury
- Priority brand portfolio grew NSR 15% in F22 – led by Beringer, Stags' Leap, Matua and 19 Crimes

3 Deliver asset portfolio and cost optimisation

- Disciplined capital allocation supported Treasury Americas premiumisation strategy in F22
- Completed significant changes in brand portfolio and asset base, repositioning Treasury Americas as a focused portfolio of growing brands
- Frank Family Vineyards acquisition update:
 - Integration materially complete
 - F23 priorities include expanding distribution and increasing chardonnay and cabernet supply to support growth from F24 onwards

Treasury Americas

Our journey to deliver the future state US wine business commenced in F20 and is now complete

Re-designed sales and marketing model, delivering savings of US\$35m from F21

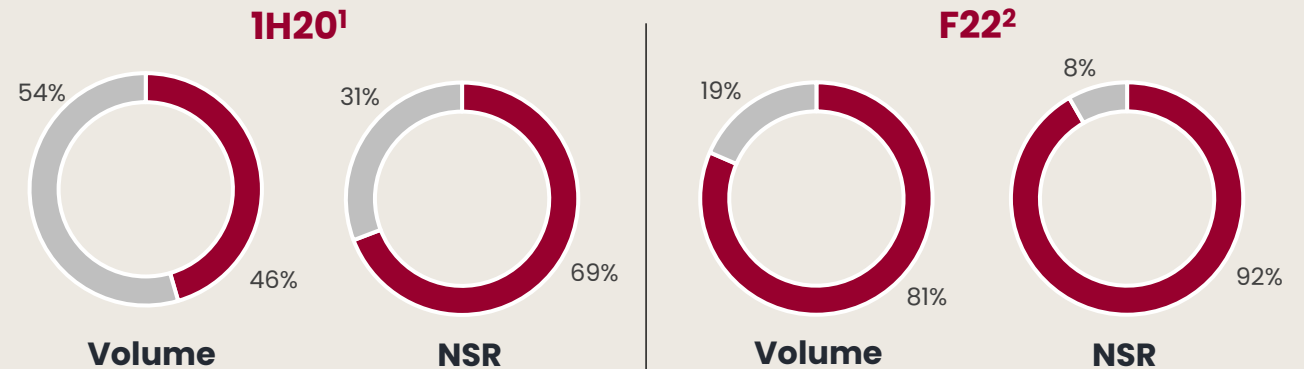
Global Supply Optimisation program now complete, with Treasury Americas to benefit from F23 onwards

Divested US Commercial and non-priority brands, as well as surplus assets, delivering net cash proceeds of \$300m

Enhanced national distribution network and partnership with RNDC in California and Texas

Delivered target financial outcomes – future business with broadly half the volume, similar earnings and progress towards 25% EBITs margin ambition

Portfolio composition



Key financial metrics

Metric	1H20¹ (annualised)	F22²	Change
Volume (m 9Le)	13.7	7.7	(44%)
NSR (A\$m)	1,133.7	903.2	(20%)
NSR per case (A\$)	82.7	117.0	41%
EBITS (A\$m)	145.9	164.3	13%
EBITS margin	13%	18%	5ppts

1. 1H20 is excluding the contribution of Penfolds Americas

2. F22 is excluding the contribution of divested and acquired portfolio brands in Treasury Americas. Refer to Supplementary information.

Treasury Premium Brands

Portfolio premiumisation and cost optimisation driving earnings growth and margin expansion

A\$m	F22	Reported Currency		Constant Currency	
		F21	%	F21	%
Volume (m 9Le)	15.3	17.2	(11.0)%	17.2	(11.0)%
NSR (A\$m)	796.0	840.7	(5.3)%	843.4	(5.6)%
ANZ	382.1	402.9	(5.2)%	403.1	(5.2)%
Asia	72.7	66.7	8.9%	66.8	8.8%
Americas	—	—	—	—	—
EMEA	341.2	371.1	(8.0)%	373.5	(8.6)%
NSR per case (A\$)	52.0	48.9	6.4%	49.0	6.0%
EBITS (A\$m)	79.6	62.7	27.0%	59.6	33.6%
EBITS margin (%)	10.0%	7.5%	2.5ppts	7.1%	2.9ppts

F22 Luxury and Premium contribution to division NSR

59% ▲ 6ppts vs. pcp

Performance summary¹

- EBITs increased 33.6% and EBITs margin improved 2.9 ppts to 10.0%:
 - Volume and NSR declined 11.0% and 5.6% respectively reflecting reduced Commercial portfolio volumes in EMEA and ANZ, partly offset by strong Premium and Luxury portfolio growth from priority brands including 19 Crimes, Pepperjack, Squealing Pig and Wynns
 - Improved mix drove 6.0% increase in NSR per case
 - CODB improved 6.9%, reflecting more focused and prioritised brand investment and lower Commercial portfolio volumes
- Growth in distribution and NSR of priority brands across EMEA and Asia was a key execution highlight in F22
- Focused on continued premiumisation and margin accretive top-line growth in F23

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 Premium Brands

Progression against F22 strategic priorities

1 Expand the Premium portfolio

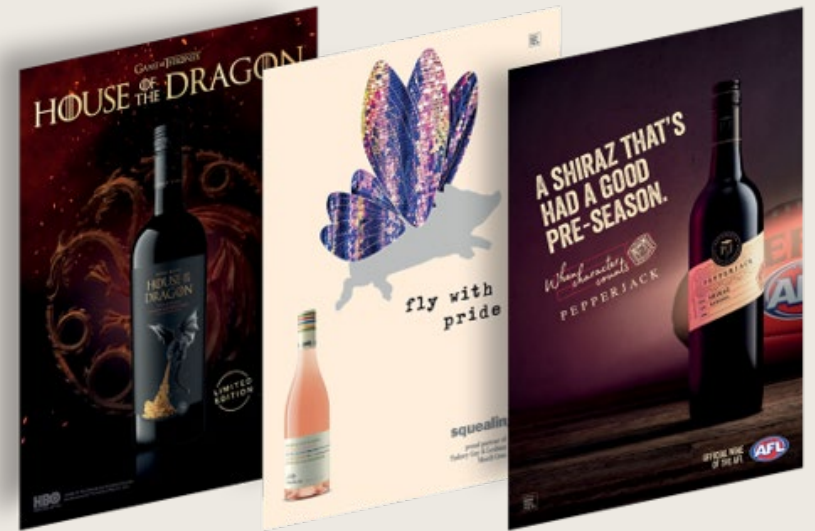
- Driving portfolio growth through consumer-led innovation and partnerships



Bagnums – a sustainable and innovative pack format tapping into more consumer occasions



Wolf Blass Zero and Squealing Pig Lighter – milestone 'better for you' innovations launched in F22



Investing in high profile partnerships to raise brand awareness

Treasury Premium Brands

Progression against F22 strategic priorities (continued)

2 Accelerate in priority growth markets, channels and COOs

- Asia NSR grew 8.8% underpinned by strong distribution growth on priority Premium brands
- EMEA and Asia Premium portfolio NSR grew 17.1% and 13.3% respectively in F22
- New product propositions sourced from Europe, South Africa and South America
- 19 Crimes continues to perform strongly, with shipments outside of the Americas surpassing the 2m case mark for the first time

3 Implement fit for purpose cost and capital base

- Investing in organisational capability in Asia to support growth plans for F23 and beyond
- Executing product cost optimisation initiatives in conjunction with Supply





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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

The Penfolds logo, featuring the brand name in a white, elegant script font on a red background.

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

The Treasury Americas logo, featuring a large white 'T' and the words 'TREASURY AMERICAS' in a white, sans-serif font on a blue background.

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

The Treasury Premium Brands logo, featuring a stylized white 'TB' and the words 'TREASURY PREMIUM BRANDS' in a white, sans-serif font on a teal background.

- 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

Global wine category conditions

Wine category fundamentals, particularly for Premium and Luxury wine, are expected to remain strong



Long-term macro trends are expected to continue supporting category premiumisation



The wine category has been historically resilient through past economic downturns



Consumption trends are expected to remain strong for Premium and Luxury price points



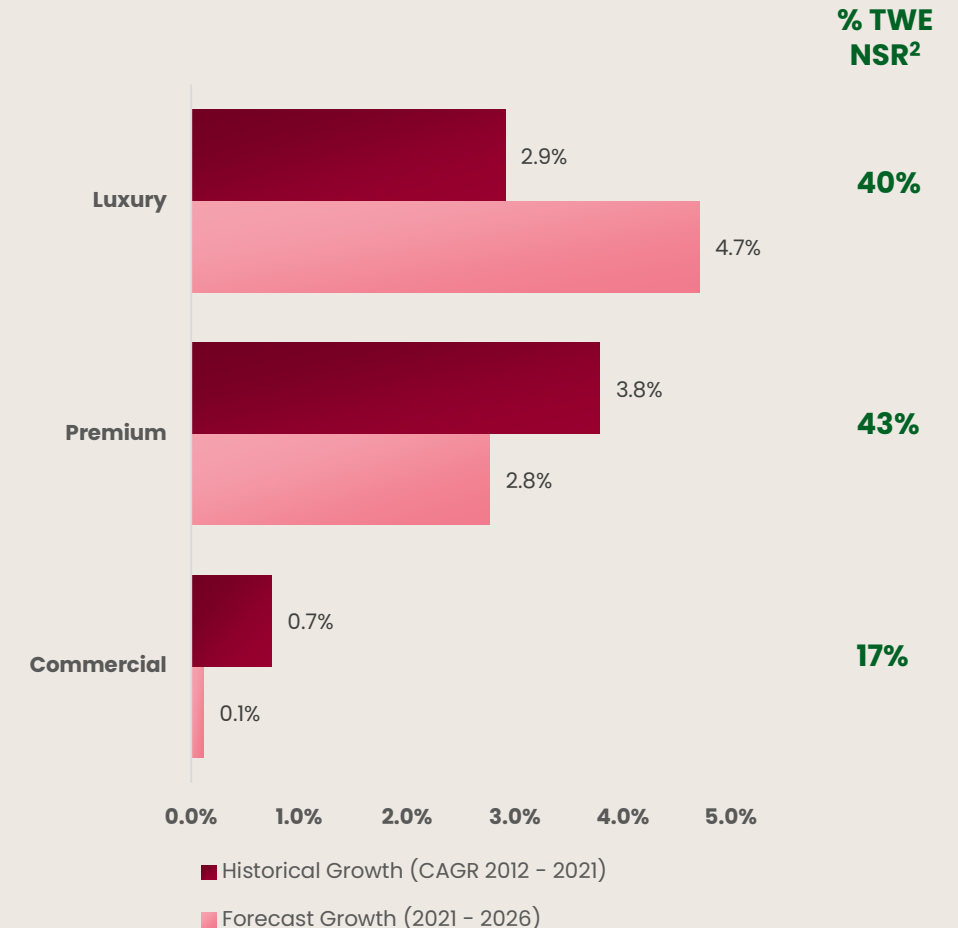
Trusted, well known and growing brands are expected to continue performing well in this environment



The performance of our priority brand portfolios is in line with our expectations through July

We are well placed to navigate the evolving economic backdrop through strong category fundamentals, our optimised business model and a diverse portfolio of trusted and growing brands

Global wine category growth trends¹



1. IWSR 2022, still and sparkling wine only, A\$ equivalent, portfolio price points per IWSR segmentation, value growth shown

2. Per F22 Group NSR

Summary and outlook

- In year one of our new operating model we delivered strong underlying earnings growth and margin accretion across all divisions
- This performance was delivered against a backdrop that included the effective closure of the Mainland China market, significant supply chain disruptions and a number of inflationary cost pressures
- In F23, we are well positioned to continue our momentum and deliver strong growth and EBITS margin expansion towards the 25%+ Group target:
 - Consumption of Premium and Luxury wine is expected to remain strong, reflecting ongoing premiumisation trends and the historic resilience of the category through past economic downturns
 - Mix-adjusted COGS per case are expected to remain in line with F22, with benefits from the completed global supply chain optimisation program to offset the impact of inflationary pressures and higher cost Luxury vintages
 - Price increases have been implemented on growing Premium and supply constrained Luxury portfolios across all divisions
- Our financial objective remains to deliver sustainable top-line growth and high-single digit average earnings growth over the long-term¹

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



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Questions





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Supplementary Information



Contribution of acquired and divested brands

– Treasury Americas

	<u>F21</u>	<u>F22</u>	
	Divested US brands¹	Divested US brands²	Frank Family Vineyards³
Volume (m9le)	3.2	0.2	0.1
NSR (A\$m)	153.2	20.0	40.2
EBITS (A\$m)	20.5	5.1	16.2

1. Includes F21 contribution of US Commercial brand portfolio (divested March 2021), Provenance (divested November 2021) and Chateau St Jean (divested December 2021)
2. Includes F22 contribution of Provenance and Chateau St Jean
3. Includes F22 contribution of Frank Family Vineyards (acquired December 2021)

Impact of foreign exchange and hedging

F22 EBITs constant currency impact

CFX Impact (A\$m)			
Currency	Underlying	Hedging ¹	Total
AUD/USD and AUD/GBP	15.0	(6.7)	8.3
Net other currencies	(15.2)	0.0	(15.2)
F22	(0.2)	(6.7)	(6.9)
AUD/USD and AUD/GBP	(45.5)	12.5	(33.0)
Net other currencies	17.1	(0.1)	17.0
F21	(28.4)	12.4	(16.0)

- \$6.9m adverse 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
 - \$15.0m favourable impact from depreciation of the AUD relative to the main currency pairs (USD and GBP), with \$15.2m adverse impact reflecting movements in TWE's other key currency exposures²
 - \$6.7m relative adverse impact from hedging in F22 versus the prior year (\$0.1m realised gain in F22 vs \$6.8m realised gain in the prior year)

F23 EBITs sensitivity and risk management

Currency Pair	Primary Exposure	Movement	EBITs Sensitivity (A\$m)
AUD/USD	COGS, EBITs	+1%	(4.0)
AUD/GBP	COGS, EBITs	+1%	(1.5)
CAD/USD	NSR	+1%	0.9
EUR/GBP	NSR, COGS	+1%	0.4

- 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 79% of F23 exposure protected against appreciation of the exchange rate above 0.56
 - AUD/USD: 84% of F23 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 Treasury Americas, GBP relative to the EUR, SEK and NOK in Treasury Premium Brands, AUD relative to Asian currency pairs in Penfolds

Reconciliation of key performance measures

Metric (A\$m unless otherwise stated)	Management calculation	F22	F21
EBITS	Statutory net profit	263.2	250.0
	Income tax expense	109.7	107.7
	Net finance costs	71.4	73.5
	Material items	45.5	88.5
	SGARA (gain) / loss	33.9	(9.4)
	EBITS	523.7	510.3
EBITDAS	EBITS	523.7	510.3
	Depreciation & Amortisation	148.6	150.7
	EBITDAS	672.3	661.0
EPS	Statutory net profit	263.2	250.0
	Material items	45.5	88.5
	Tax on material items	(10.5)	(22.4)
	SGARA	33.9	(9.4)
	Tax on SGARA	(9.5)	3.0
	NPAT (before material items & SGARA)	322.6	309.7
	Weighted average number of shares (millions)	721.8	721.4
	EPS (cents)	44.7	42.9
ROCE	EBITS (LTM)	523.7	510.3
	Net assets	3,789.0	3,591.2
	SGARA in inventory	(45.0)	(32.2)
	Net debt	1,254.3	1,057.7
	Capital employed – Current year	4,998.3	4,616.7
	Net assets (CFX)	3,690.0	3,477.7
	SGARA in inventory (CFX)	(30.3)	(22.9)
	Net debt (CFX)	1,130.0	1,343.0
	Capital employed – Prior year (CFX)	4,789.7	4,797.8
	Average capital employed	4,894.0	4,707.3
	ROCE¹	10.7%	10.8%

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 F22: AUD/USD 0.7258 (F21: AUD/USD 0.7472), AUD/GBP 0.5454 (F21: AUD/GBP 0.5547) Period end exchange rates used for balance sheet items in F22: AUD/USD 0.6883 (F21: AUD/USD 0.7511), AUD/GBP 0.5677 (1H21: AUD/GBP 0.5426)
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.