



## Penfolds and full year contribution of DAOU drive 17% EBITS growth in F25

### Announcement headlines

- Statutory NPAT<sup>1</sup> \$436.9m, up 341.8%; pre material items and SGARA, NPAT \$470.6m, up 15.5%
- EBITS increased 17.0% to \$770.3m driven by strong growth in Penfolds and a full year contribution from DAOU, and EBITS margin grew 2.2ppts to 26.2%
- Penfolds delivered another strong result, reflecting a successful return to China for the Australian country of origin portfolio and continued positive momentum in a number of other key Asian markets
- DAOU NSR increased 8.2%<sup>2</sup>, with business integration complete and synergies of US\$12m recognised in F25; TWE remains on track to deliver total synergies from the acquisition of US\$35m, of which US\$30m will be realised by the end of F26
- Net operating cashflow grew 22.9%, with cash conversion 87.4% and Net Debt to EBITDAS improving to 1.9x, back inside TWE's 1.5x-2.0x target range
- TWE announces an on-market share buyback of up to \$200m, to be completed progressively through F26 in accordance with TWE's capital management framework
- Effective 1 July 2025, TWE transitioned to its new divisional operating model
- In F26, TWE expects to deliver another year of EBITS growth, led by Penfolds

### Group financial summary

A\$m (unless otherwise stated)	F25	% Chg. Reported	% Chg. Constant Currency
Net Sales Revenue (NSR)	2,938.1	7.2%	6.1%
NSR per case (A\$)	138.1	10.2%	9.0%
Earnings Before Interest, Tax, SGARA and Material items (EBITS)	770.3	17.0%	16.0%
EBITS Margin	26.2%	2.2ppts	2.2ppts
Net Profit After Tax <sup>1</sup>	436.9	341.8%	353.9%
Earnings Per Share (A\$ cents)	53.8	323.5%	334.9%
Net Profit After Tax before Material Items and SGARA <sup>1</sup>	470.6	15.5%	14.3%
Earnings Per Share before Material Items and SGARA (A\$ cents)	58.0	10.8%	9.7%

- NSR increased 7.2%, with strong Luxury portfolio growth from Penfolds and the contribution of DAOU in Treasury Americas partly offset by lower Premium and Commercial shipments; on an organic basis, Group NSR decreased 1.1%
- NSR per case increased 10.2% reflecting the ongoing premiumisation of TWE's portfolio mix towards Luxury wine and the benefit of price increases across the Penfolds Bin & Icon portfolio
- EBITS margin improved to 26.2%; up 2.2ppts versus the pcg
- NPAT<sup>1</sup> pre-Material items and SGARA grew 15.5%, with EPS growth of 10.8%
- ROCE 11.9%, up 0.5ppt versus the pcg on a like-for-like basis<sup>3</sup>
- Cash conversion 87.4%; excluding the change in non-current Luxury and Premium inventory, cash conversion was 105.4%
- Net debt to EBITDAS 1.9x, improving 0.1x in the year to return to within TWE's 1.5-2.0x "through the cycle" target range
- Final dividend of 20.0 cents per share declared, 70% franked; full year dividend of 40.0 cents per share, representing a payout ratio of 69% and an 11.1% increase on the pcg

## Performance overview

A\$m	F25	% Chg. Reported	% Chg. Constant Currency
<b>NSR</b>			
Penfolds	1,073.9	7.3%	6.8%
Treasury Americas	1,170.7	16.8%	15.1%
Treasury Premium Brands	693.5	(5.9)%	(7.2)%
<b>Group</b>	<b>2,938.1</b>	<b>7.2%</b>	<b>6.1%</b>
<i>Luxury (%NSR)</i>	<i>55.2%</i>	<i>6.3ppts</i>	<i>6.4ppts</i>
<i>Premium (%NSR)</i>	<i>33.4%</i>	<i>(5.0)ppts</i>	<i>(5.1)ppts</i>
<i>Commercial (%NSR)</i>	<i>11.4%</i>	<i>(1.3)ppts</i>	<i>(1.4)ppts</i>
<b>EBITS</b>			
Penfolds	477.0	13.2%	13.8%
Treasury Americas	308.6	33.9%	31.9%
Treasury Premium Brands	55.1	(27.6)%	(31.8)%
Corporate	(70.4)	(1.0)%	(0.6)%
<b>Group</b>	<b>770.3</b>	<b>17.0%</b>	<b>16.0%</b>
<i>EBITS Margin (%)</i>	<i>26.2%</i>	<i>2.2ppts</i>	<i>2.2ppts</i>

- Penfolds reported a 13.2% increase in EBITs to \$477.0m and an EBITs margin of 44.4% (up 2.3ppts). The result was driven by strong growth in Bin & Icon portfolio shipments to China as part of the return of the Australian COO portfolio to that market, partially offset by lower shipments to other key markets, as allocations were managed in the period to support China growth. Strong depletions growth was achieved across a number of markets in Asia, Australia and EMEA. On a constant currency basis, NSR and EBITs increased 6.8% and 13.8% respectively.
- Treasury Americas reported a 33.9% increase in EBITs to \$308.6m and an EBITs margin of 26.4% (up 3.4ppts). The result was driven by Luxury portfolio NSR growth with a full year contribution from DAOU (up 8.2% versus the pcp<sup>2</sup>) and continued growth from Frank Family Vineyards (up 3.7%), partly offset by declines across other key Luxury brands (down 8.4%). Premium portfolio NSR declined 5.5%, driven by 19 Crimes and partly offset by continued strong growth for Matua. Realised synergies from DAOU overhead and supply integration totalled approximately US\$12m in F25. On a constant currency basis, NSR and EBITs increased 15.1% and 31.9% respectively.
- Treasury Premium Brands reported a 27.6% decrease in EBITs to \$55.1m and an EBITs margin of 7.9% (down 2.4ppts). The result reflected NSR declines in the Commercial and Premium portfolios in EMEA and Australia, partly offset by improved CODB from reduced overhead costs following the implementation of operating model changes in 1H25 and the re-alignment of brand investment with divisional volumes. On a constant currency basis, NSR and EBITs decreased 7.2% and 31.8% respectively.
- Corporate costs increased 1.0% to \$70.4m.

## Other business updates

TWE provides the following update on other key areas of focus:

### California distributor transition

On 3 June 2025, TWE advised the market that Republic National Distributing Company (RNDC), one of the Company's US distributors, would cease operations in California on 2 September 2025.

As part of its Investor Update on 24 June 2025, TWE provided an outlook for its expectation to deliver modest EBITs growth for Treasury Americas in F26, excluding any potential impact associated with the pending distribution change in California. This outlook reflected Treasury Americas F26 operating plan, which included expectations for:

- Moderated top-line performance as a result of lower near-term growth trends in the US wine market and the intention to re-balance portfolio shipments to depletions across F25 and F26
- The realisation of incremental synergies from the DAOU acquisition, which will increase to US\$30m in F26, from US\$12m in F25. Approximately 60% of the synergies will be recognised in Treasury Americas with the remainder of approximately 40% to be recognised in the Treasury Collective division
- Incremental investment in Luxury sales capability, which is expected to support underlying depletions growth ahead of category in F26

On 24 July 2025, TWE announced that it had appointed Breakthru Beverage Group (BBG) as its exclusive distributor in California, effective 1 September 2025, and that the net financial impact to TWE associated with this distributor change in California remained uncertain. TWE's appointment of BBG reflects the scale and breadth of their distribution platform in California and the strength of the existing strategic partnership between the two parties, which already spans a number of key states, including Florida. TWE and BBG expect to deliver depletions growth in California in F26 after depletions declined in F25.

The net financial impact from the Californian distribution change remains uncertain. However, TWE can advise that at this point in time it expects an adverse impact to Treasury Americas F26 operating plan NSR of approximately \$50m, reflecting the difference in business plans under the new and previous distribution arrangements, including adjusted shipment and depletion targets.

The overall NSR and EBITs impact from the distribution change will remain uncertain until TWE finalises its transition planning and exit negotiations with RNDC in California. The outlook for modest EBITs growth in Treasury Americas in F26 is contingent on mitigating the impact of reduced shipments through the RNDC negotiations.

### ***New operating model***

Effective 1 July 2025, TWE transitioned to a new divisional operating model, better aligning the business with the strategic focus on Luxury wine.

This evolution marks an important step forward in reinforcing clarity for TWE's global portfolio, differentiating between the Group's Luxury and Premium brands, and their differentiated execution priorities. The Luxury divisions, Penfolds and Treasury Americas, will focus on delivering consistent top and bottom-line growth over the long-term, while the new global Premium brands division, Treasury Collective—the combination of Treasury Premium Brands and the Treasury Americas premium brand portfolio—will focus on delivering stability.

### ***CEO transition***

As announced in May 2025, Tim Ford, Chief Executive Officer (CEO) and Managing Director (MD), will leave TWE on 30 September 2025, after a 14-year career with the Company and five years as CEO and MD. Sam Fischer will succeed Tim Ford as CEO and MD effective from 27 October 2025. Mr Fischer is a proven CEO with more than 30 years of global experience in alcohol beverages, consumer goods and Luxury brands, with an impressive track record leading organisations through significant transformation and growth.

Approximately \$4m of costs will be recognised in F26 within the Corporate segment with respect to the CEO transition. These costs include Mr Fischer's sign on award, made up of a cash payment and restricted equity, and Mr Ford's exit entitlements.

### **Future perspectives**

TWE expects to deliver another year of EBITs growth in F26:

- Low to mid double-digit EBITs growth is expected for Penfolds, driven by increased Bin & Icon portfolio availability from 4Q26 and continued positive momentum throughout a number of markets in Asia. EBITs delivery is expected to be weighted to the second half, approximately 55%, reflecting a similar profile to F24. EBITs margin is expected to be approximately 44%. For F27, Penfolds continues to target EBITs growth of approximately 15%
- In Treasury Americas, the net financial impact from the Californian distribution changes remains uncertain. However at this point in time, TWE expects an adverse impact to operating plan NSR of approximately \$50m

as a result of these changes, with the outlook for modest EBITs growth contingent on mitigating the impact of reduced shipments through the exit negotiations with RNDc

- Treasury Collective's top-line decline is expected to moderate in F26, on the path to stabilisation, with continued growth from the priority brand portfolio expected to partially mitigate continued declines in the Commercial portfolio. The impact to EBITs from the California distribution change is expected to be modest

On today's announcement, TWE's Chief Executive Officer, Tim Ford commented:

"Overall, I am pleased with TWE's fiscal 25 performance. While we continued to face headwinds in a number of markets, we remained laser-focused on executing our business plans, further strengthening the business for long-term growth and achieving strong financial performance, underpinned by Penfolds' continued momentum and integrating DAOU into our Luxury portfolio. We also completed transitioning to our new Luxury portfolio-led operating model, a structural evolution that enhances our strategic clarity and positions us well for the future. I am incredibly proud of the transformation we've delivered over the past five years and want to thank our people for their passion, resilience and commitment to delivering on our strategy. I am confident that the team and the business is entering fiscal 26 well positioned to harness the attractive opportunities in the Luxury wine category."

### **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 2025 including the Appendix 4E, the Appendix 4D and 2025 Interim Results, and other announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://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 consumer preferences and consumption occasions in the Company's key markets;
- Changes in economic conditions which impact consumer demand;
- The risks inherent in the Californian distributor change;
- Changes to TWE's production cost base, including impact of inflation and tariffs/charges;
- Global difficulties in logistics and supply chains;
- 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 it reserves the right to change its projections. The Company undertakes no obligation to update any forward-looking statement after the date of this announcement, subject to disclosure obligations.

### **Conference call**

Treasury Wine Estates will host an investor and analyst webcast and conference call commencing at 10:00am AEST on 13 August 2025. Links to register are provided below. A replay of the presentation will also be available on the website [www.tweglobal.com](http://www.tweglobal.com) from approximately 2:00pm AEST.

Conference call registration

<https://s1.c-conf.com/diamondpass/10048298-9cdupg.html>

Webcast registration

<https://edge.media-server.com/mmc/p/o2kemya4>

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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## Profit and Loss

\$Am (unless otherwise stated)	F25	Reported Currency		Constant Currency	
		F24	Change	F24	Change
Volume (m 9Le cases)	21.3	21.9	(2.7)%	21.9	(2.7)%
Net sales revenue	2,938.1	2,739.8	7.2%	2,770.2	6.1%
NSR per case (\$)	138.1	125.2	10.2%	126.6	9.0%
Other Revenue	52.0	68.5	(24.1)%	75.3	(31.0)%
Cost of goods sold	(1,562.0)	(1,566.1)	0.3%	(1,589.7)	1.7%
Cost of goods sold per case (\$)	73.4	71.6	(2.5)%	72.7	(1.0)%
Gross profit	1,428.1	1,242.2	15.0%	1,255.8	13.7%
Gross profit margin (% of NSR)	48.6%	45.3%	3.3ppts	45.3%	3.3ppts
Cost of doing business	(657.8)	(584.1)	(12.6)%	(591.5)	(11.2)%
Cost of doing business margin (% of NSR)	22.4%	21.3%	(1.1)ppts	21.4%	(1.0)ppts
<b>EBITS (before material items)</b>	<b>770.3</b>	<b>658.1</b>	<b>17.0%</b>	<b>664.3</b>	<b>16.0%</b>
EBITS margin (%)	26.2%	24.0%	2.2ppts	24.0%	2.2ppts
SGARA	(26.6)	10.9	NM	12.6	NM
<b>EBIT (before material items)</b>	<b>743.7</b>	<b>669.0</b>	<b>11.2%</b>	<b>676.9</b>	<b>9.9%</b>
Net finance costs (before material items)	(109.9)	(96.6)	(13.8)%	(97.7)	(12.4)%
Tax expense (before material items)	(183.1)	(155.4)	(17.8)%	(156.5)	(17.0)%
<b>Net profit after tax (before material items)</b>	<b>450.7</b>	<b>417.0</b>	<b>8.1%</b>	<b>422.7</b>	<b>6.6%</b>
Material items (after tax)	(13.9)	(318.1)	95.6%	(326.3)	95.7%
<b>Net profit after tax</b>	<b>436.8</b>	<b>99.0</b>	<b>341.4%</b>	<b>96.4</b>	<b>353.0%</b>
Non-controlling interests	0.1	(0.1)	NM	(0.1)	NM
<b>NPAT attributable to shareholders of TWE</b>	<b>436.9</b>	<b>98.9</b>	<b>341.8%</b>	<b>96.3</b>	<b>353.9%</b>
Reported EPS (Ac)	53.8	12.7	323.5 %	12.4	334.9%
<b>NPAT<sup>1</sup> (before material items and SGARA)</b>	<b>470.6</b>	<b>407.5</b>	<b>15.5%</b>	<b>411.8</b>	<b>14.3%</b>
EPS (before material items and SGARA) (Ac)	58.0	52.3	10.8%	52.9	9.7%
Weighted average no. of shares (m)	811.4	778.8	4.2%	778.8	4.2%
Dividend (Ac)	40.0	36.0	11.1%	36.0	11.1%

**NSR** increased 6.1%, with strong Luxury portfolio growth from Penfolds and the contribution from DAOU in Treasury Americas partly offset by lower Premium and Commercial shipments; on an organic basis, Group NSR decreased 1.1%

**NSR per case** increased 9.0% reflecting the ongoing premiumisation of TWE's portfolio mix towards Luxury wine, with the contribution of the Luxury portfolio now 55.2% of Group NSR (up 6.3ppts), and the benefit of price increases across the Penfolds Bin & Icon portfolio

**COGS per case** increased 1.0% driven by the Luxury led portfolio mix shift

**CODB** increased 11.2% driven by the acquisition of DAOU, investment in brand building and overheads to support the re-establishment of Penfolds Australian portfolio in China and the cycling of gains from asset sales in the pcg

**SGARA** loss of \$26.6m driven by the 2025 Australian vintage, partly offset by the unwinding of losses from prior vintages

**Net finance costs** increased 12.4%, driven by increased net debt following the acquisition of DAOU in the pcg, while cost of funds were in line with the pcg

**Tax expense** increased 17.0%, reflecting higher earnings and mix of statutory earnings across markets; effective tax rate was 28.9% and expected to be broadly in line in F26

**Material Items** loss of \$13.9m (after tax) primarily related to the integration of DAOU and costs relating to the initial enactment of the Extended Producer Responsibility legislation in the UK<sup>4</sup>, which were partly offset by the revaluation of the DAOU earn-out agreement<sup>5</sup> and the sale of the Karadoc winery in Australia

**EPS (before SGARA and material items)** increased 9.7% to 58.0 cents per share. Reported EPS increased 334.9% to 53.8 cents per share





## Divisional Performance Overview

### Penfolds

A\$m (unless otherwise stated)	F25	Reported Currency		Constant currency	
		F24	%	F24	%
<b>Volume (m 9Le)</b>	<b>2.9</b>	<b>3.0</b>	<b>(4.0)%</b>	<b>3.0</b>	<b>(4.0)%</b>
<b>NSR (A\$m)</b>	<b>1,073.9</b>	<b>1,000.5</b>	<b>7.3%</b>	<b>1,006.0</b>	<b>6.8%</b>
ANZ	224.9	255.8	(12.1)%	255.8	(12.1)%
Asia	749.6	629.6	19.1%	631.8	18.6%
Americas	35.8	48.2	(25.7)%	49.1	(27.0)%
EMEA	63.6	66.9	(4.9)%	69.3	(8.2)%
<i>NSR per case (A\$)</i>	<i>370.7</i>	<i>331.7</i>	<i>11.8%</i>	<i>333.5</i>	<i>11.2%</i>
<b>EBITS (A\$m)</b>	<b>477.0</b>	<b>421.3</b>	<b>13.2%</b>	<b>419.2</b>	<b>13.8%</b>
<i>EBITS margin (%)</i>	<i>44.4%</i>	<i>42.1%</i>	<i>2.3ppts</i>	<i>41.7%</i>	<i>2.7ppts</i>

### Financial performance

**Volume** decreased 4.0% and **NSR** increased 6.8%, driven by:

- Strong growth in Bin & Icon portfolio shipments to China as part of the return of the Australian COO portfolio to that market, offset by lower shipments to other key markets, as allocations were managed in the period to support China growth
- Entry level portfolio shipments were lower versus the pcg when the Australian COO portfolio was initially shipped to China in 4Q24 to re-establish distribution following the removal of tariffs

**NSR per case** increased 11.2%, reflecting portfolio mix and the benefits of price increases across the Bin & Icon portfolio

**COGS per case**<sup>6</sup> decreased 3.6% and included the cycling of one-off costs related to the re-work of product labelling for the China market in the pcg

**CODB**<sup>6</sup> increased 21.6%, reflecting the increase in brand building investment and overheads to support the re-establishment of Penfolds Australian COO portfolio in China

**EBITS** increased 13.8% to \$477.0m and EBIT margin increased 2.7ppts to 44.4%

### Division insights

- Key F25 execution highlights include:
  - Successfully re-establishing the Australian COO portfolio in China, with Penfolds restoring its position as the leading luxury wine brand in the market<sup>7</sup>
  - Depletions growth in Asia ex-China (up 18% versus the pcg), in ANZ (up 4%) and in EMEA (up 11%); in Asia ex-China, customer inventory holdings are below historic levels, which is expected to support the delivery of Penfolds growth expectations in F26
  - Further strengthening of Penfolds brand health metrics, with Demand Power, as measured by Kantar, increasing in a number of key markets including Australia, China, Hong Kong, Singapore, Malaysia, Thailand and the UK<sup>8</sup>
  - Expanding Penfolds multi-COO strategy with the successful acquisition of the Ningxia Stone & Moon winery and continued investment in winery operations in France
- Since June, there has been a shift in alcohol consumption behaviour in China as preferences and occasions evolve from large scale banqueting to smaller scale business and lifestyle-oriented occasions; adaptation of activation and allocation plans as required in response to these recent shifts, with flexibility provided through Penfolds global sales model
- In F26, low to mid double-digit EBIT margin growth is expected for Penfolds, driven by increased Bin & Icon portfolio availability from 4Q26 and continued positive momentum throughout a number of markets in Asia:
  - EBIT margin is expected to be weighted to the second half, approximately 55% (a similar profile to F24)
  - EBIT margin is expected to be approximately 44%
- For F27, Penfolds continues to target EBIT margin growth of approximately 15%



## Divisional Performance Overview

### Treasury Americas

A\$m (unless otherwise stated)	F25	Reported Currency		Constant currency	
		F24	%	F24	%
<b>Volume (m 9Le)</b>	<b>6.3</b>	<b>6.0</b>	<b>5.5%</b>	<b>6.0</b>	<b>5.5%</b>
<b>NSR (A\$m)</b>	<b>1,170.7</b>	<b>1,002.3</b>	<b>16.8%</b>	<b>1,016.7</b>	<b>15.1%</b>
ANZ	-	-	-	-	-
Asia	-	-	-	-	-
Americas	1,170.7	1,002.3	16.8%	1,016.7	15.1%
EMEA	-	-	-	-	-
<i>NSR per case (A\$)</i>	<i>184.9</i>	<i>167.0</i>	<i>10.7%</i>	<i>169.4</i>	<i>9.2%</i>
<b>EBITS (A\$m)</b>	<b>308.6</b>	<b>230.5</b>	<b>33.9%</b>	<b>234.0</b>	<b>31.9%</b>
<i>EBITS margin (%)</i>	<i>26.4%</i>	<i>23.0%</i>	<i>3.4ppts</i>	<i>23.0%</i>	<i>3.3ppts</i>

### Financial performance

**Volume** and **NSR** increased by 5.5% and 15.1% respectively driven by

- Luxury portfolio growth with a full year contribution from DAOU (NSR up 8.2% versus the pcp<sup>2</sup>) and continued growth from Frank Family Vineyards (NSR up 3.4%), partly offset by declines across other key Luxury brands (NSR down 9.5%)
- Premium portfolio NSR decline of 6.6%, driven by 19 Crimes and partly offset by continued strong growth for Matua
- On an organic basis, volume declined 6.6% and NSR declined 4.9%
- Shipments exceeded depletions by 0.4m cases for the Luxury portfolio (0.2m cases California), driven by DAOU, and 0.2m cases for the Premium portfolio

**NSR per case** increased 9.2% reflecting portfolio mix; on an organic basis NSR per case increased 1.8%

**COGS per case** increased 1.1%, with increase due to improved portfolio mix partly offset by the transition to the sell through of lower cost vintages and realisation of supply synergies

**CODB** increased 22.3% reflecting the acquisition of DAOU partly offset by realisation of overhead synergies

**EBITS** increased 31.9% to \$308.6m, with EBIT margin increasing 3.3ppts to 26.4%

### Division insights

- Key F25 execution highlights include:
  - Successfully completing the DAOU integration, with expected synergies from the acquisition upgraded to US\$35m<sup>9</sup>, with approximately US\$12m realised in F25
  - Continued growth performance ahead of category for key brands, including DAOU, Frank Family Vineyards and Matua<sup>10</sup>
  - Continued investment in the direct to consumer business, including the Beaulieu Vineyard brand home refurbishment in Napa, focused on delivering exceptional consumer experiences
- DAOU continues to strengthen its position within the US Luxury wine segment:
  - DAOU is now the number one Luxury wine brand in the US, with DAOU Discovery the number one Luxury Cabernet<sup>11</sup>
  - Since acquisition in December 2023, DAOU has achieved value growth of 7.1% (12.6% ex-California) in Circana channels, approximately three times higher than that of the Luxury wine segment<sup>12</sup>
  - Over the same period, DAOU's category weighted distribution has expanded to 76.6 (+4.1ppts), the highest increase amongst the top-20 US Luxury wine brands, positioning it well for continued growth
- Effective 1 July 2025, TWE transitioned to a new divisional operating model, better aligning the business with the strategic focus on Luxury wine. As part of this change, Treasury Americas is now a Luxury-focused portfolio division while a new global Premium brands division, Treasury Collective, has been formed, reflecting the combination of Treasury Premium Brands and the Treasury Americas premium brand portfolio. Historical financials and F26 outlook statements for the new divisions are included on page 10.





## Divisional Performance Overview

### Treasury Premium Brands

A\$m (unless otherwise stated)	F25	Reported Currency		Constant currency	
		F24	%	F24	%
<b>Volume (m 9Le)</b>	<b>12.1</b>	<b>12.9</b>	<b>(6.3)%</b>	<b>12.9</b>	<b>(6.3)%</b>
<b>NSR</b>	<b>693.5</b>	<b>737.0</b>	<b>(5.9)%</b>	<b>747.4</b>	<b>(7.2)%</b>
ANZ	332.2	345.7	(3.9)%	345.5	(3.9)%
Asia	50.6	49.4	2.4%	49.7	1.9%
Americas	23.2	27.0	(14.1)%	26.5	(12.4)%
EMEA	287.5	314.9	(8.7)%	325.7	(11.7)%
NSR per case (A\$)	57.5	57.3	0.4%	58.1	(1.0)%
<b>EBITS</b>	<b>55.1</b>	<b>76.0</b>	<b>(27.6)%</b>	<b>80.7</b>	<b>(31.8)%</b>
EBITS margin (%)	7.9%	10.3%	(2.4)ppts	10.8%	(2.9)ppts

### Financial performance

**Volume** and **NSR** decreased by 6.3% and 7.2% respectively:

- Driven by Commercial and Premium portfolio declines in EMEA and Australia, which moderated in 2H25 with division NSR declining 5.7% versus the pcg
- Continued momentum in several key brands, including Squealing Pig and Rawson's Retreat, which achieved topline growth in the year

**NSR per case** decreased 1.0% reflecting price investment behind the priority brand portfolio and sales mix

**COGS per case** increased 3.0% driven by reduced portfolio volumes

**CODB** decreased 7.9% driven by operating model changes, including restructure of the Asia business and consolidation of EMEA logistics, and the re-alignment of brand investment with reduced divisional volume, partly offset by the cycling of the gain on sale of divested vineyard assets (\$10.5m) in the pcg

**EBITS** decreased 31.8% to \$55.1m and **EBITS margin** declined 2.9ppts to 7.9%

### Division insights

- Key F25 execution highlights include:
  - Improvement in 2H25 cost structure resulting from several operating model changes implemented in 1H25
  - Continued momentum behind the priority brand portfolio with; Squealing Pig delivering 11.2% NSR growth driven by strong performance in Australia and the UK; and Rawson's Retreat performing strongly in China
- Effective 1 July 2025, TWE transitioned to a new divisional operating model, better aligning the business with the strategic focus on Luxury wine. As part of this change, Treasury Americas is now a Luxury-focused portfolio division while a new global Premium brands division, Treasury Collective, has been formed, reflecting the combination of Treasury Premium Brands and the Treasury Americas premium brand portfolio. Historical financials and F26 outlook statements for the new divisions are included on page 10.



## New Divisional Operating Model

The following historic financial information and outlook commentary for F26 is provided with respect to Treasury Americas and Treasury Collective divisions under TWE's new operating model which became effective 1 July 2025. For further information in relation to these divisions, please refer to TWE's Investor Update announcement on 24 June 2025.

### Treasury Americas

Treasury Americas comprises TWE's US Luxury brand portfolio including DAOU, Frank Family Vineyards, Stags' Leap, Beringer and Beaulieu Vineyard.

### Historical Financials

	1H24	2H24	F24	1H25	2H25	F25	% var.
<b>Volume (m 9Le)</b>	<b>0.4</b>	<b>0.8</b>	<b>1.3</b>	<b>1.1</b>	<b>0.8</b>	<b>1.9</b>	<b>52.8%</b>
<b>NSR (A\$m)</b>	<b>212.1</b>	<b>320.0</b>	<b>532.1</b>	<b>395.4</b>	<b>334.3</b>	<b>729.7</b>	<b>37.1%</b>
<i>NSR per case (A\$)</i>	<i>508.1</i>	<i>382.5</i>	<i>424.3</i>	<i>376.2</i>	<i>386.4</i>	<i>380.8</i>	<i>(10.3)%</i>
<b>EBITS (A\$m)</b>	<b>49.0</b>	<b>92.4</b>	<b>141.4</b>	<b>120.9</b>	<b>112.5</b>	<b>233.4</b>	<b>65.1%</b>
<i>EBITS margin (%)</i>	<i>23.1</i>	<i>28.9</i>	<i>26.6</i>	<i>30.6</i>	<i>33.6</i>	<i>32.0</i>	<i>5.4ppts</i>

The DAOU acquisition, completed in December 2023, is reflected in Treasury Americas financials from 2H24 onwards:

- DAOU has a lower NSR/case than the other Treasury Americas portfolio brands, which has driven a reduction in the metric over the period
- EBITs margin accretion through the period has been driven by the realisation of overhead and supply synergies from the acquisition

### F26 Outlook

As part of its Investor Update on 24 June 2025, TWE provided an outlook for its expectation to deliver modest EBITs growth for Treasury Americas in F26, excluding any potential impact associated with the pending distribution change in California. This outlook reflected Treasury Americas F26 operating plan, which included expectations for:

- Moderated top-line performance as a result of lower near-term growth trends in the US wine market and the intention to re-balance portfolio shipments to depletions across F25 and F26
- The realisation of incremental synergies from the DAOU acquisition, which will increase to US\$30m in F26, from US\$12m in F25. Approximately 60% of the synergies will be recognised in Treasury Americas with the remainder of approximately 40% to be recognised in the Treasury Collective division
- Incremental investment in Luxury sales capability, which is expected to support underlying depletions growth ahead of category in F26

On 24 July 2025, TWE announced that it had appointed BBG as its exclusive distributor in California, effective 1 September 2025, and that the net financial impact to TWE associated with this distributor change in California remained uncertain.

The net financial impact from the Californian distribution changes remains uncertain. However, TWE can at advise that at this point in time it expects an adverse impact to Treasury Americas F26 operating plan NSR of approximately \$50m, reflecting the difference in the business plans under the new and previous distribution arrangements, including adjusted shipment and depletion targets.

The overall NSR and EBITs impact from the distribution change will remain uncertain until TWE finalises its transition planning and exit negotiations with RNDC in California. The outlook for modest EBITs growth in Treasury Americas in F26 is contingent on mitigating the impact of reduced shipments through the RNDC negotiations.



## Treasury Collective

Treasury Collective comprises TWE's global portfolio of Premium brands including priority growth and innovation brands 19 Crimes, Cali by Snoop, Squealing Pig, and Matua along with a portfolio of regional and Commercial brands

### Historical Financials

	1H24	2H24	F24	1H25	2H25	F25	% var.
<b>Volume (m 9Le)</b>	<b>9.1</b>	<b>8.5</b>	<b>17.6</b>	<b>8.7</b>	<b>7.8</b>	<b>16.5</b>	<b>(6.5)%</b>
<b>NSR (A\$m)</b>	<b>624.1</b>	<b>582.4</b>	<b>1,207.0</b>	<b>591.4</b>	<b>543.3</b>	<b>1,134.7</b>	<b>(6.0)%</b>
<i>NSR per case (A\$)</i>	<i>68.6</i>	<i>68.5</i>	<i>68.6</i>	<i>68.1</i>	<i>69.8</i>	<i>68.9</i>	<i>0.4%</i>
<b>EBITS (A\$m)</b>	<b>89.9</b>	<b>75.4</b>	<b>165.3</b>	<b>57.5</b>	<b>72.9</b>	<b>130.4</b>	<b>(21.1)%</b>
<i>EBITS margin (%)</i>	<i>14.4</i>	<i>12.9</i>	<i>13.7</i>	<i>9.7</i>	<i>13.4</i>	<i>11.5</i>	<i>(2.2)ppts</i>

- Top-line declines were driven by the ongoing category trends for reduced consumption of Commercial price point wine, partly offset by strong momentum behind the priority Premium brands including Matua, Squealing Pig and Rawson's Retreat, which all achieved strong NSR growth in F25
- Recent operating model changes have delivered an improved cost structure, supporting a stabilisation of EBIT performance in 2H25 relative to the pcp

### F26 Outlook

Treasury Collective's top-line decline is expected to moderate in F26, on the path to stabilisation, with continued growth from the priority brand portfolio to partially mitigate continued declines in the Commercial portfolio. The impact to EBIT from the California distribution change is expected to be modest.



## Balance Sheet (condensed)

A\$m	F25 30-Jun-25	F24 30-Jun-24
Cash & cash equivalents	427.7	458.1
Receivables	745.5	694.9
Current inventory	985.4	1,020.5
Non-current inventory	1,495.3	1,339.1
Property, plant & equipment	1,868.0	1,816.1
Right of use lease assets	383.1	360.8
Agricultural assets	42.1	50.4
Intangible assets	2,231.1	2,182.8
Tax assets	51.5	36.9
Assets held for sale	36.9	13.6
Other assets	44.3	47.9
<b>Total assets</b>	<b>8,310.9</b>	<b>8,021.1</b>
Payables	815.5	792.0
Interest bearing debt	1,682.8	1,645.2
Lease liabilities	515.8	513.3
Tax liabilities	322.8	272.9
Provisions	77.2	79.5
Other liabilities	95.0	107.3
<b>Total liabilities</b>	<b>3,509.1</b>	<b>3,410.2</b>
<b>Net assets</b>	<b>4,801.8</b>	<b>4,610.9</b>

**Net assets** increased \$190.9m to \$4,801.8m at 30 June 2025. Adjusting for foreign exchange rate movements, net assets increased by \$99.4m

**Working capital** increased \$148.3m to \$2,410.6m driven by higher **Inventory**

**Inventory** increased \$121.1m to \$2,480.7m:

- Current inventory decreased \$35.1m to \$985.4m reflecting moderated sales expectations in the US, including the impact of the Californian distribution change, and partly offset by the step-up in inventory to support Penfolds growth in F26
- Non-current inventory increased \$156.2m to \$1,495.3m driven by Luxury, reflecting strong intakes in Australia and California and the impact from the moderation of F26 sales expectations in the US
- Total Luxury inventory increased 12.2% to \$1,771.7m

**Property, plant & equipment** increased \$51.9m reflecting foreign currency movements and the acquisitions of Stone & Moon in China and Luxury vineyards in Australia

**Intangible assets increased** \$48.3m reflecting foreign currency movements and the acquisition of Stone & Moon

**Assets held for sale** increased \$23.3m post completion of DAOU integration activities

**Net borrowings**<sup>13</sup> (including Lease Liabilities) increased \$70.4m reflecting foreign currency movements and higher interest-bearing debt following the Stone & Moon acquisition

**Net debt to EBITDAS**<sup>14</sup> 1.9x, down from 2.0x at 30 June 2024, and returning to within the target 1.5x-2.0x range

**Funding structure** includes committed debt facilities totalling \$2,489.1m, of which \$1,704.6m were drawn at 30 June 2025. The weighted average term to maturity of committed debt facilities was 4.3 years. Total liquidity, comprising cash and committed undrawn debt facilities totalled \$1,212.2m at 30 June 2025

**Other Liabilities** decreased \$12.3m and includes the revaluation of the DAOU earnout agreement

**ROCE** 11.9%, up 0.5ppt versus the pcp on a like-for-like basis<sup>3</sup>

## Cash flow – reconciliation of net debt

A\$m	F25	F24
<b>EBITDAS</b>	<b>936.8</b>	<b>813.3</b>
Change in working capital	(98.5)	(138.5)
Other items	(19.1)	(8.3)
<b>Net operating cash flows before financing costs, tax &amp; material items</b>	<b>819.2</b>	<b>666.5</b>
<b>Cash conversion</b>	<b>87.4%</b>	<b>82.0%</b>
Payments for capital expenditure	(137.1)	(190.1)
Payments for subsidiaries	(28.0)	(1,204.6)
Proceeds from sale of assets	1.4	53.9
<b>Cash flows after net capital expenditure, before financing costs, tax &amp; material items</b>	<b>655.5</b>	<b>(674.2)</b>
Finance costs paid	(118.0)	(111.1)
Tax paid	(146.6)	(31.2)
<b>Cash flows before dividends &amp; material items</b>	<b>390.9</b>	<b>(816.5)</b>
Dividends/distribution paid	(316.5)	(260.6)
<b>Cash flows after dividends before material items</b>	<b>74.4</b>	<b>(1,077.1)</b>
Material item cash flows	(14.5)	(71.7)
On-market share purchases	(16.8)	(5.3)
Issue of shares, less transaction costs	-	807.0
Proceeds from settlement of currency swaps and other derivatives	-	19.4
<b>Total cash flows from activities (before debt)</b>	<b>43.1</b>	<b>(327.7)</b>
Net proceeds from borrowings	(75.2)	222.5
<b>Total cash flows from activities</b>	<b>(32.1)</b>	<b>(105.2)</b>
<b>Opening net debt</b>	<b>(1,712.5)</b>	<b>(1,386.2)</b>
Total cash flows from activities (above)	43.1	(327.7)
Lease liability additions	(85.7)	(27.1)
Lease Liability disposed	11.4	-
Debt revaluation and foreign exchange movements	(35.2)	28.5
<b>(Increase) / Decrease in net debt</b>	<b>(66.4)</b>	<b>(326.3)</b>
<b>Closing net debt<sup>15</sup></b>	<b>(1,778.9)</b>	<b>(1,712.5)</b>

**Cash conversion** 87.4%; excluding the change in non-current Luxury and Premium inventory, cash conversion was 105.4%, ahead of expectations due to phasing of Penfolds sales in 2H25 and inclusive of the increase in non-current inventory due to the moderation of F26 sales expectations in the US

**Other items** of \$(19.1)m is driven by SGARA and movements in provisions

**Capital expenditure** (capex) of \$137.1m includes maintenance and replacement capex of \$86.7m, and growth capex of \$50.4m including purchasing Luxury vineyards in Australia, expanding Penfolds winery operations in France, refurbishing the Beaulieu Vineyard brand home in Napa Valley and investing in

the No/Low alcohol production facility in South Australia. Ongoing expectation for maintenance and replacement capex of approximately \$100m with approximately \$50m of growth investment

**Material item cash flow** relates to execution of strategic priorities including the integration of DAOU and Australian supply chain initiatives



## Supply update

*The Supply update focuses on the result of the vintage completed in the most recent half year, Southern hemisphere vintage outcome at the full year and the Northern hemisphere vintage outcome in the interim report.*

### Australia

The 2025 Australian vintage was a standout success, underpinned by TWE's well-diversified sourcing strategy. Grapes were sourced from several established and climatically varied inland regions, including Barossa Valley, McLaren Vale and Coonawarra, once again delivering strong volumes in the Luxury tier. Red varietals performed exceptionally well across key regions, despite early frosts in the Barossa and a hot, dry season in South Australia. White wine quality also held strong. This result reflects a combination of strengths: a broad and resilient sourcing network, high-value winery assets in the Luxury segment, and outstanding execution by TWE's Australian supply team.

### New Zealand

The 2025 New Zealand vintage yielded a record harvest, providing strong support for TWE's growth objectives. This result was underpinned by the strategic vineyard acquisition in 2024, which expanded TWE's footprint in the region. Quality was strong across key Sauvignon Blanc and Pinot Noir regions.





## Definitions

Term	Definition
<b>9Le</b>	9 litre equivalent case
<b>Cash conversion*</b>	Net operating cash flows before financing costs, tax and material items divided by EBITDAS
<b>CFX</b>	Constant foreign exchange rates
<b>COO</b>	Country of origin
<b>CODB*</b>	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
<b>COGS*</b>	Cost of goods sold
<b>Commercial wine</b>	Wine that is sold at a retail shelf price below A\$10 (or equivalent) per bottle
<b>EPS*</b>	Earnings per share
<b>EBITDAS*</b>	Earnings before interest, tax, depreciation, amortisation, material items and SGARA
<b>EBITS*</b>	Earnings before interest, tax, material items and SGARA
<b>EBITS margin*</b>	EBITS divided by Net sales revenue
<b>Exchange rates</b>	Average exchange rates used for profit and loss purposes in F25: AUD/USD 0.6477 (F24: AUD/USD 0.6558), AUD/GBP 0.5007 (F24: AUD/GBP 0.5206) Period end exchange rates used for balance sheet items in F25: AUD/USD 0.6534 (F24: AUD/USD 0.6646), AUD/GBP 0.4761 (F24: AUD/GBP 0.5258)
<b>Luxury wine</b>	Wine that is sold at a retail shelf price above A\$30 (or equivalent) per bottle
<b>Material items*</b>	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
<b>Net Debt to EBITDAS*</b>	Ratio of Net Debt to EBITDAS, includes capitalised leases per AASB 16 Leases
<b>Net Operating Cashflow*</b>	Operating cash flow before finance costs, tax and material items
<b>NPAT</b>	Net profit after tax
<b>NSR</b>	Net sales revenue
<b>Premium wine</b>	Wine that is sold at a retail shelf price between A\$10 and A\$30 (or equivalent) per bottle
<b>ROCE*</b>	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
<b>SGARA</b>	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

\* Non-IFRS measure

## Appendix 1: Reconciliation of key performance measures

Metric (A\$m unless otherwise stated)		Management calculation	F25	F24
EBITS		Net Profit After Tax attributable to shareholders of TWE	436.9	98.9
		Profit / (loss) attributable to non-controlling interests	(0.1)	0.1
		Net profit	436.8	99.0
		Income tax expense (before material items)	183.1	155.4
		Net finance costs (before material items)	109.9	96.6
		Material items (gain) / loss (after tax)	13.9	318.1
		SGARA (gain) / loss (before tax)	26.6	(10.9)
		<b>EBITS</b>	<b>770.3</b>	<b>658.1</b>
EBITDAS		EBITS	770.3	658.1
		Depreciation & Amortisation	166.5	155.2
		<b>EBITDAS</b>	<b>936.8</b>	<b>813.3</b>
EPS <sup>16</sup>		Net Profit After Tax attributable to shareholders of TWE	436.9	98.9
		Material items (gain) / loss	7.1	404.2
		Tax on material items expense/(benefit)	6.8	(86.1)
		SGARA (gain) / loss	26.6	(10.9)
		Tax on SGARA (benefit)/expense	(6.9)	1.4
		<b>NPAT<sup>1</sup> (before material items &amp; SGARA)</b>	<b>470.6</b>	<b>407.5</b>
		Weighted average number of shares (millions)	811.4	778.8
		<b>EPS (cents)</b>	<b>58.0</b>	<b>52.3</b>
ROCE		EBITS (LTM)	770.3	716.0
		Net assets	4,801.8	4,610.9
		SGARA in inventory	(40.3)	(43.5)
		Net debt	1,778.9	1,712.5
		<b>Capital employed – Current year</b>	<b>6,540.4</b>	<b>6,279.9</b>
		Net assets (CFX)	4,709.3	4,782.3
		SGARA in inventory (CFX)	(44.3)	(37.8)
		Net debt (CFX)	1,724.1	1,827.1
		<b>Capital employed – Prior year (CFX)</b>	<b>6,389.1</b>	<b>6,281.8</b>
		Average capital employed	6,464.4	6,280.9
		<b>ROCE<sup>3</sup></b>	<b>11.9%</b>	<b>11.4%</b>

## Notes

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<sup>1</sup> Attributable to shareholders of Treasury Wine Estates Limited

<sup>2</sup> DAOU F25 volume 1.3m 9Le, NSR \$359.8m. NSR growth based on F24 DAOU metrics as disclosed in August 2024, including results prior to acquisition

<sup>3</sup> Like for like comparison between F24 and F25. The ROCE for F24 has been restated from the reported 10.9% to 11.4% to reflect a full year impact of the TPB non-cash impairment that was recognised in F24

<sup>4</sup> In December 2024 the UK government enacted the Extended Producer Responsibility (EPR) legislation, where producers/importers bear the cost of packaging waste. Final packaging rates for packaging tonnes supplied to the market in the 2024 were issued in June 2025. As a result, the Group's liability at 30 June 2025 is £3.7m, or \$A7.7m, which, based on its nature, has been recognised within material items for the first year of implementation. An additional \$0.1m has been recognised in respect of Denmark with similar legislation enacted during F25. Ongoing EPR costs will be included in COGS and are expected to be recovered through price increases

<sup>5</sup> The gain on accounting for the earn-out agreement reflects a reduction in the valuation based on moderation of expectations for the delivery of pre-agreed thresholds above the acquisition business case

<sup>6</sup> The movement in COGS and CODB exclude duties and taxes received from customers and paid to Chinese tax authorities under TWE's China domestic business model, which are equal and offsetting

<sup>7</sup> Neilsen, retail price RMB150+, June 2025

<sup>8</sup> Kantar Brand Health, Q425

<sup>9</sup> From F26 onwards, DAOU acquisition synergies will be allocated between Treasury Americas (approximately 60%) and Treasury Collective (approximately 40%)

<sup>10</sup> Circana market advantage Total US MULO+ with conv; still-wine segment, latest 52 weeks ending 29 June 2025

<sup>11</sup> Circana Market Advantage Total US MULO+ with Conv; Table +\$20; Latest 52wks Ending 29 June 2025

<sup>12</sup> Circana Market Advantage MULO+ with convenience; Still-wine segment; January 2024 to June 2025

<sup>13</sup> Interest bearing debt *includes* fair value adjustments related to derivatives in a fair value hedge relationship on a portion of US Private Placement notes: F25 \$(14.6)m, F24 \$(20.1)m

<sup>14</sup> Net debt to EBITDAs includes capitalised leases in accordance with AASB16 Leases

<sup>15</sup> Net debt *excludes* fair value adjustments related to derivatives in a fair value hedge relationship on a portion of US Private Placement notes: F25 \$(14.6)m, F24 \$(20.1)m

<sup>16</sup> Excludes earnings attributable to non-controlling interests

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