



TREASURY WINE ESTATES

10 December 2024

ASX ANNOUNCEMENT

TWE announces the acquisition of vineyard and production assets in China for Penfolds

Treasury Wine Estates Limited (ASX:TWE) has entered into arrangements to acquire 75% of Ningxia Stone & Moon Winery Co. Ltd (“Stone and Moon”) for consideration of RMB 130m (approximately A\$27.5m). Located in the highly-regarded wine production region of Ningxia in north-western China, Stone & Moon’s asset base includes 43-hectares of planted Luxury vineyards, a modern winery with capacity for future expansion and a cellar door.

The acquisition of Stone & Moon is consistent with TWE’s strategy of investing in Luxury vineyard and production assets to support the growth of its Luxury-wine portfolio, and will complement its existing third-party sourcing arrangements to deliver an efficient and scalable production model for the Penfolds’ China country of origin portfolio. Additionally, TWE intends to evolve the site in the future to create a local brand home for Penfolds, building on its strength as one of the leading Luxury wine brands in China.

The acquisition is expected to complete in 2H25, subject to the satisfaction of customary closing conditions. The transaction terms include an option for TWE to acquire the remaining 25% ownership after five years.

TWE’s Chief Executive Officer, Tim Ford, commented:

“Today’s announcement is a significant step forward for TWE, and Penfolds, in China. Through this acquisition, we will further strengthen our commitment to, and investment in, the China wine industry, where Penfolds continues to be a highly admired and sought after brand. The successful evolution of Penfolds to becoming a multi-country of origin brand has been a significant execution highlight in recent years, with the China sourced portfolio having resonated particularly strongly with Chinese consumers, and we look forward to continuing that momentum through this important long-term investment.”

For the purposes of ASX Listing Rule 15.5, TWE confirms that this document has been authorised for release to the market by the Chief Executive Officer.





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