

Treasury Wine Estates announces acquisition of DAOU Vineyards

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TREASURY WINE ESTATES

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Treasury Wine Estates Ltd one of the world's leading wine companies announced that it has reached an agreement to acquire DAOU Vineyards, the acclaimed luxury wine business founded by brothers and co-proprietors Georges and Daniel Daou for an upfront consideration of \$900 million, plus an additional earn-out of up to \$100 million. This transformative deal will accelerate TWE's focus on a portfolio that is increasingly luxury-led with a greater presence in key growth markets such as the U.S.

Founded in 2007 and based in the U.S. winemaking region of Paso Robles, California, DAOU has been the fastest-growing luxury wine brand in the U.S. trade over the past year and is recognised throughout the industry for its award-winning Cabernet Sauvignon-based PATRIMONY wines, unique consumer profile, and benchmark-setting luxury experiences. DAOU's fully integrated digital platform, DAOU+, combines e-commerce and membership with seamless and unique features that increase consumer loyalty.

DAOU is a strong complement to TWE's existing portfolio in upper-luxury price points and fills a key portfolio opportunity for Treasury Americas in the \$20-40 range, as well as strengthens its luxury portfolio in the \$40+ range. Utilising TWE's global marketing and distribution expertise, the company's long-term vision is to bring the exceptional DAOU portfolio, winemaking philosophy and unique luxury consumer experiences to new international markets. TWE will also explore sourcing opportunities outside the U.S. for DAOU, as part of its global sourcing strategy.