



FOR IMMEDIATE RELEASE

ELIZABETH CONWAY	SUE PERRAM
DIRECTOR	VICE PRESIDENT
CORPORATE COMMUNICATIONS	INVESTOR RELATIONS
ELIZABETH.CONWAY@B-F.COM	SUE.PERRAM@B-F.COM

BROWN-FORMAN AGREES TO SELL SONOMA-CUTRER VINEYARDS; SECURES EQUITY OWNERSHIP IN THE DUCKHORN PORTFOLIO, INC.

NOVEMBER 16, 2023 - LOUISVILLE, KY - Brown-Forman (NYSE: BFA, BFB) announced today that The Duckhorn Portfolio, Inc. ("The Duckhorn Portfolio," NYSE: NAPA), a premier wine group, will acquire Sonoma-Cutrer Vineyards and related brand trademarks. In exchange, Brown-Forman will receive an ownership percentage of approximately 21.5% in The Duckhorn Portfolio and \$50 million USD. The transaction, subject to certain customary closing adjustments and conditions, is expected to close in the fourth quarter of fiscal year 2024.

"The Duckhorn Portfolio has a strong reputation for producing and marketing some of the world's finest wines. Their understanding of the wine consumer, combined with a strong and diverse route to market, give Brown-Forman great confidence that Sonoma-Cutrer will continue to grow and thrive as part of the larger Duckhorn portfolio," said Lawson Whiting, President and Chief Executive Officer, Brown-Forman Corporation.

Whiting continued, "Adding Sonoma-Cutrer to the Duckhorn portfolio will enhance one of the most respected wine portfolios in the industry. Moreover, we believe an equity stake in The Duckhorn Portfolio will be a valuable investment for Brown-Forman, allowing us to maintain a presence in the wine category while focusing resources on building our premium and super-premium spirits brands."

Under the terms of the agreement, the Sonoma-Cutrer brand trademarks, facilities, and six vineyards in two appellations will join The Duckhorn Portfolio's fine wine brands. Upon closing, Brown-Forman will receive two seats on The Duckhorn Portfolio's Board of Directors.

-more-

Deirdre Mahlan, The Duckhorn Portfolio's Interim President, Chief Executive Officer and Chairperson added, "Sonoma-Cutrer has a long history of excellence in crafting fine wines and will be an outstanding addition to our portfolio of luxury wines. We will be fortunate to welcome Brown-Forman, a storied industry leader, as a long-term shareholder and look forward to their representation on our board."

Sonoma-Cutrer has been crafting wines since 1981 and is one of California's best-known Chardonnay brands. Brown-Forman purchased the vineyards and brand trademarks in 1999. Sonoma-Cutrer is now the third-largest luxury Chardonnay brand in the U.S. by retail sales and the fastest growing major brand in the category, according to Circana, formerly IRI.

Brown-Forman's financial advisor is Greenhill & Co., LLC and its legal advisors are Gibson, Dunn & Crutcher LLP and Coblenz Patch Duffy & Bass LLP.

###

About Brown-Forman

For more than 150 years, Brown-Forman Corporation has enriched the experience of life by responsibly building fine quality beverage alcohol brands, including Jack Daniel's Tennessee Whiskey, Jack Daniel's Ready-to-Drinks, Jack Daniel's Tennessee Honey, Jack Daniel's Tennessee Fire, Jack Daniel's Tennessee Apple, Gentleman Jack, Jack Daniel's Single Barrel, Woodford Reserve, Old Forester, Coopers' Craft, The GlenDronach, Benriach, Glenglassaugh, Slane, Herradura, el Jimador, New Mix, Korbel, Sonoma-Cutrer, Chambord, Fords Gin, Gin Mare, and Diplomático Rum. Brown-Forman's brands are supported by approximately 5,600 employees globally and sold in more than 170 countries worldwide. For more information about the company, please visit brown-forman.com.

About The Duckhorn Portfolio, Inc.

The Duckhorn Portfolio is North America's premier luxury wine company, with ten wineries, nine state-of-the-art winemaking facilities, seven tasting rooms, and over 1,100 coveted acres of vineyards spanning 32 estate properties. Established in 1976, when vintners Dan and Margaret Duckhorn founded Napa Valley's Duckhorn Vineyards, today, our portfolio features some of North America's most revered wineries, including Duckhorn Vineyards, Decoy, Paraduxx, Goldeneye, Migration, Canvasback, Calera, Kosta Browne, Greenwing and Postmark. Sourcing grapes from our own Estate properties and fine growers in Napa Valley, Sonoma County,

Anderson Valley, California's North and Central coasts, Oregon, and Washington State, we offer a curated and comprehensive portfolio of acclaimed luxury wines with price points ranging from \$20 to \$230 across more than 15 varieties and 39 appellations. Our wines are available throughout the United States, on five continents, and in more than 50 countries around the world. To learn more, visit us at: <https://www.duckhornportfolio.com/>. Investors can access information on our investor relations website at: <https://ir.duckhorn.com>.

Important Information on Forward-Looking Statements:

This press release contains statements, estimates, and projections that are "forward-looking statements" as defined under U.S. federal securities laws, including statements regarding the Company's anticipated divestiture of Sonoma Cutrer and investment in The Duckhorn Portfolio, Inc. Words such as "aim," "anticipate," "aspire," "believe," "can," "continue," "could," "envision," "estimate," "expect," "expectation," "intend," "may," "might," "plan," "potential," "project," "pursue," "see," "seek," "should," "will," "would," and similar words indicate forward-looking statements, which speak only as of the date we make them. Except as required by law, we do not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from our historical experience or from our current expectations or projections. These risks and uncertainties include, but are not limited to:

- Our substantial dependence upon the continued growth of the Jack Daniel's family of brands
- Substantial competition from new entrants, consolidations by competitors and retailers, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods), marketing, category expansion, product introductions, or entry or expansion in our geographic markets or distribution networks
- Route-to-consumer changes that affect the timing of our sales, temporarily disrupt the marketing or sale of our products, or result in higher fixed costs
- Disruption of our distribution network or inventory fluctuations in our products by distributors, wholesalers, or retailers
- Changes in consumer preferences, consumption, or purchase patterns – particularly away from larger producers in favor of small distilleries or local producers, or away from brown spirits, our premium products, or spirits generally, and our ability to anticipate or react to them; further legalization of marijuana; bar, restaurant, travel, or other on-premise declines; shifts in demographic or health and wellness trends; or unfavorable consumer reaction to new products, line extensions, package changes, product reformulations, or other product innovation
- Production facility, aging warehouse, or supply chain disruption
- Imprecision in supply/demand forecasting
- Higher costs, lower quality, or unavailability of energy, water, raw materials, product ingredients, or labor
- Risks associated with acquisitions, dispositions, business partnerships, or investments – such as acquisition integration, termination difficulties or costs, or impairment in recorded value
- Impact of health epidemics and pandemics, and the risk of the resulting negative economic impacts and related governmental actions
- Unfavorable global or regional economic conditions and related economic slowdowns or recessions, low consumer confidence, high unemployment, weak credit or capital markets, budget deficits, burdensome government debt, austerity measures, higher interest rates, higher taxes, political instability, higher inflation, deflation, lower returns on pension assets, or lower discount rates for pension obligations
- Product recalls or other product liability claims, product tampering, contamination, or quality issues
- Negative publicity related to our company, products, brands, marketing, executive leadership, employees, Board of Directors, family stockholders, operations, business performance, or prospects
- Failure to attract or retain key executive or employee talent
- Risks associated with being a U.S.-based company with a global business, including commercial, political, and financial risks; local labor policies and conditions; protectionist trade policies, or economic or trade sanctions, including additional retaliatory tariffs on American whiskeys and the effectiveness of our actions to mitigate the negative impact on our margins, sales, and distributors; compliance with local trade practices and other regulations; terrorism, kidnapping, extortion, or other types of violence; and health pandemics

- Failure to comply with anti-corruption laws, trade sanctions and restrictions, or similar laws or regulations
- Fluctuations in foreign currency exchange rates, particularly a stronger U.S. dollar
- Changes in laws, regulatory measures, or governmental policies, especially those affecting production, importation, marketing, labeling, pricing, distribution, sale, or consumption of our beverage alcohol products
- Tax rate changes (including excise, corporate, sales or value-added taxes, property taxes, payroll taxes, import and export duties, and tariffs) or changes in related reserves, changes in tax rules or accounting standards, and the unpredictability and suddenness with which they can occur
- Decline in the social acceptability of beverage alcohol in significant markets
- Significant additional labeling or warning requirements or limitations on availability of our beverage alcohol products
- Counterfeiting and inadequate protection of our intellectual property rights
- Significant legal disputes and proceedings, or government investigations
- Cyber breach or failure or corruption of our key information technology systems or those of our suppliers, customers, or direct and indirect business partners, or failure to comply with personal data protection laws
- Our status as a family “controlled company” under New York Stock Exchange rules, and our dual-class share structure

For further information on these and other risks, please refer to our public filings, including the “Risk Factors” section of our annual report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission.