



30 APRIL 2021

ASX Announcement

BROO LIMITED (ASX: BEE)

Market Update FY21 Q3 Activity



BROO Limited ACN 060 793 099

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www.broo.com.au

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HIGHLIGHTS

Revenue up 191% on FY21 Q2

Signing of Exclusive Distribution Agreement with Australian Liquor Marketers Pty Ltd ("ALM") to distribute Broo Premium Lager beer products to Retail and On-Premise markets throughout Australia.

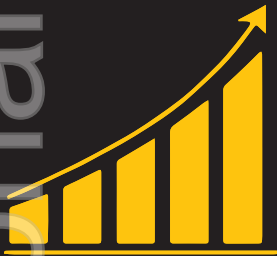
QLD activation with ALM Owned and Exclusive Brands team including attendance at both Townsville and Gold Coast ALM Trade Shows

Broo Premium Lager becomes leading brand within the ALM Owned and Exclusive Brands Portfolio after achieving **unprecedented sales in the ALM network.**



BROO ACTIVATION

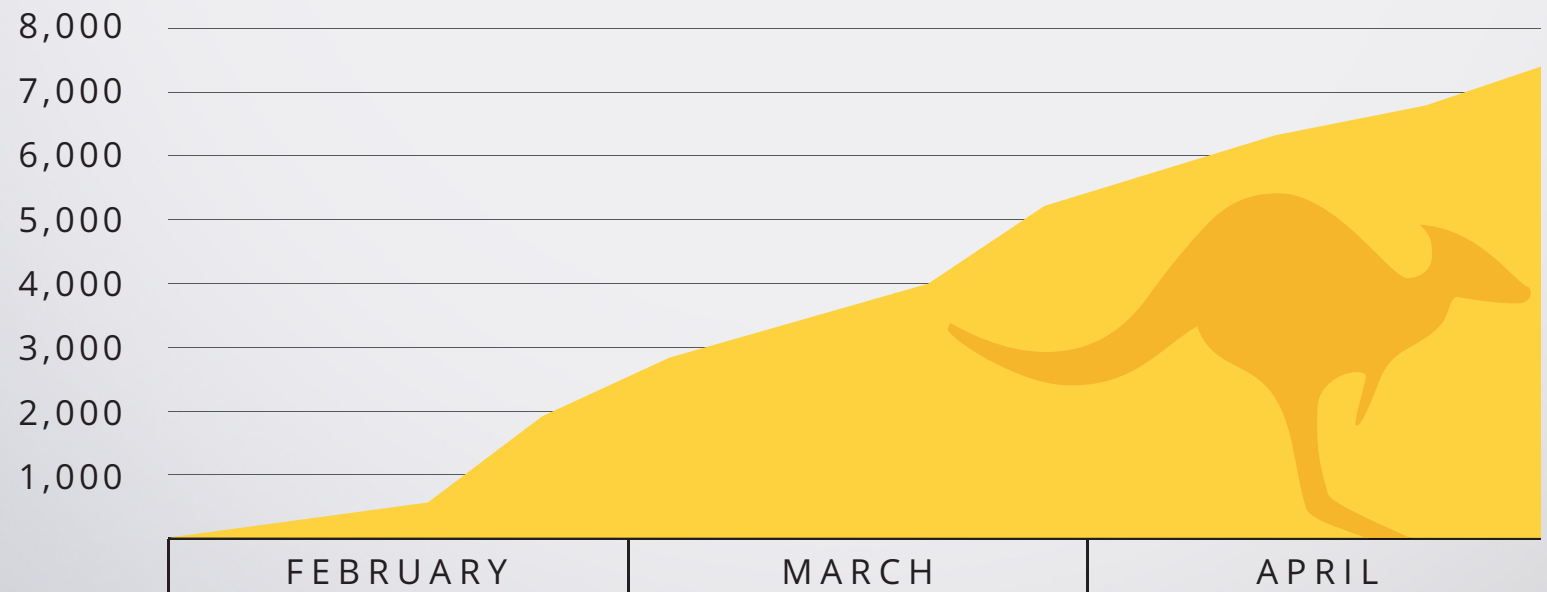
The Company launched a joint sales campaign with ALM across IBA and extended network in Queensland. This collaboration produced **unprecedented sales results** with Broo Premium Lager now positioned as leading brand within the ALM Owned and Exclusive Brands Portfolio...



**ALM PROVEN
SALES RESULTS -
UNPRECEDENTED
SALES IN ALM
NETWORK**

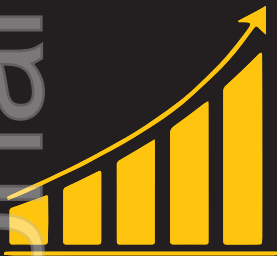


CASES SOLD IN 2021 FEB-APRIL



BROO ACTIVATION CONTINUED

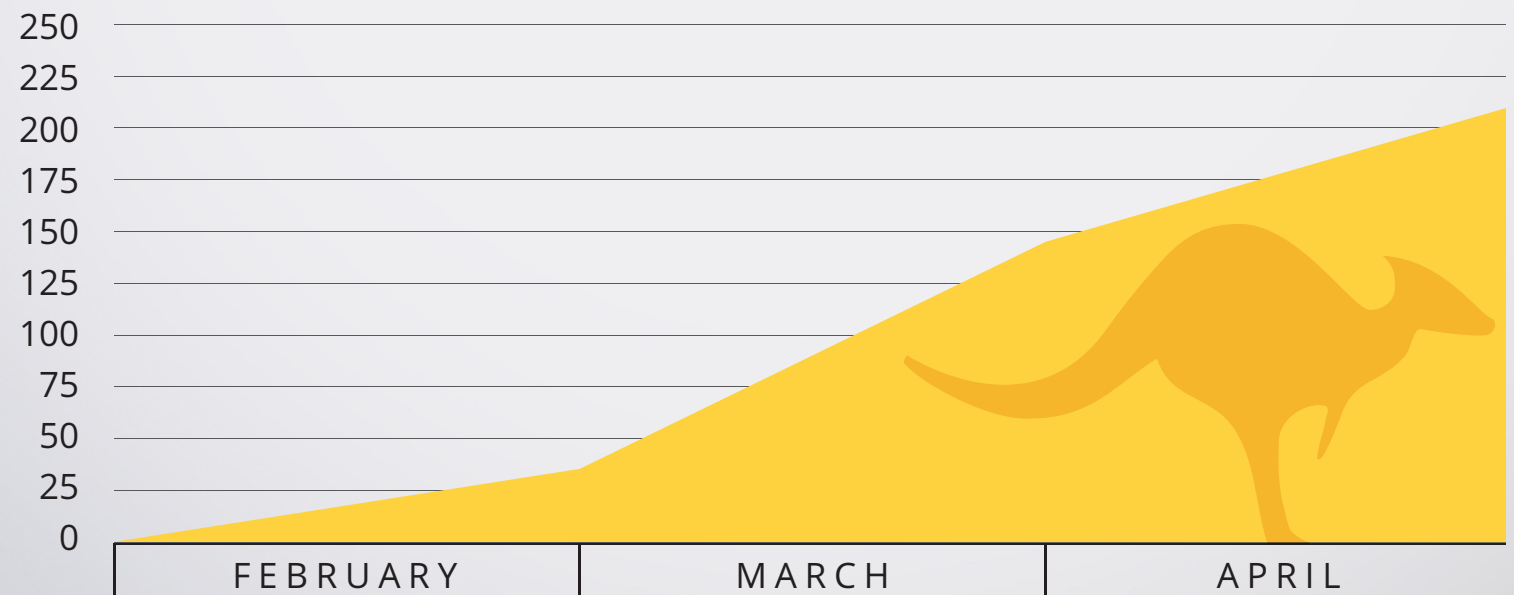
The company is confident the model for retail packaged beer in Queensland will be successful nationally as distribution further increases into other States and Territories.



**ALM PROVEN
SALES RESULTS -
UNPRECEDENTED
SALES IN ALM
NETWORK**



STORES STOCKING BROO IN 2021 FEB-APRIL



ALM

Extract from the ALM Owned and Exclusive Brand Portfolio Publication

ALM is the largest supplier of liquor to independently owned liquor retailers in Australia and the largest broad range liquor wholesaler in Australia.

In addition to supplying liquor stores, ALM incorporates a specialist on-premise liquor division that supports bars, clubs, restaurants, and hotels. It also provides a similar supply service in New Zealand via the Tasman Liquor Company.

ALM's Independent Brands Australia (IBA) network has approximately 2,700 stores and includes a stable of strong national brands, including Cellarbrations, The Bottle-O, IGA Liquor, Duncans, Thirsty Camel, Big Bargain and Porters Liquor.



MARKET SEGMENT

4.3Bn Industry Revenue

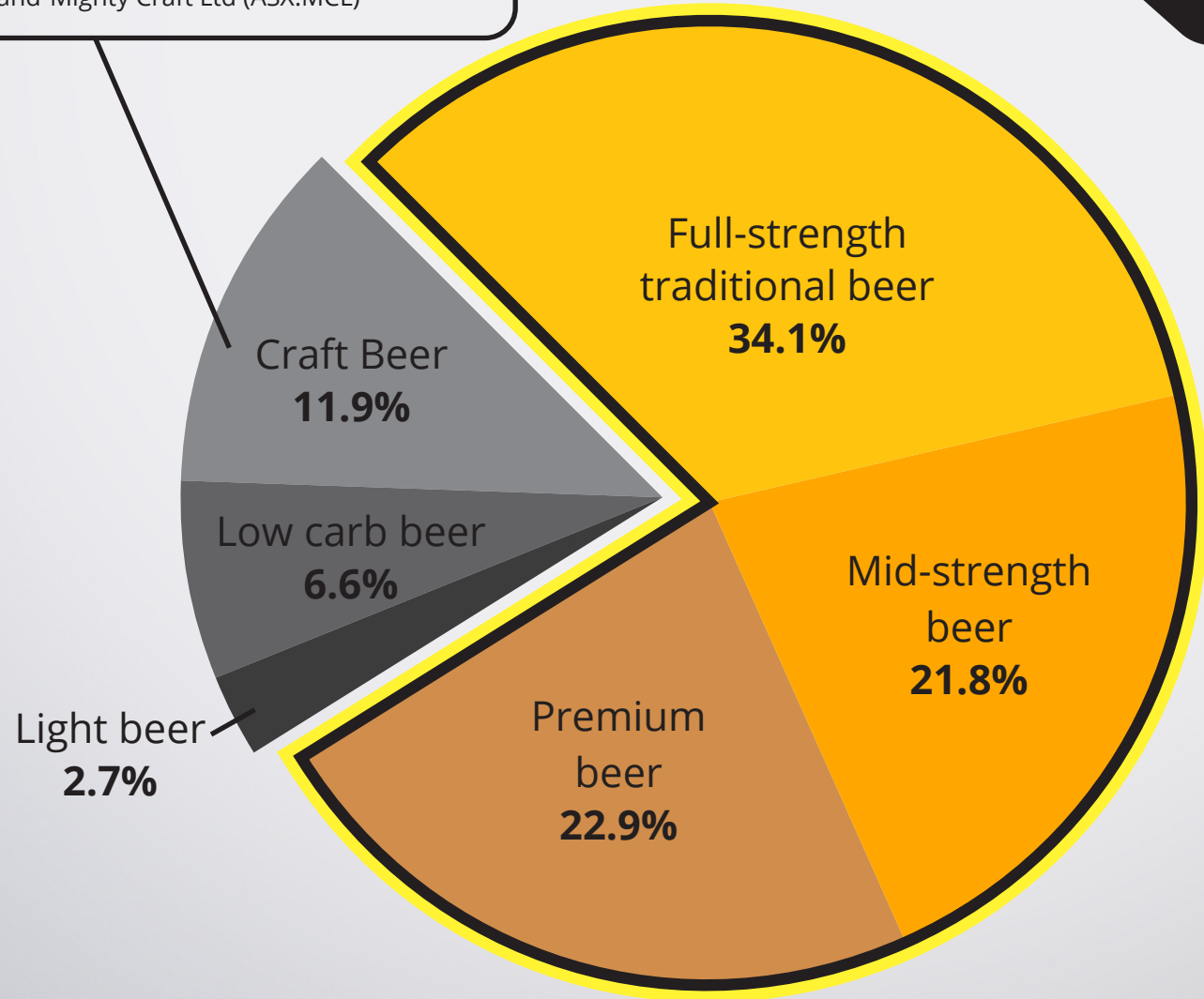
The **full-strength traditional beer** represents the largest share of industry revenue.

The **mid-strength segment** has been one of the fastest growing industry segments over the past five years.

Source; IBISWorld AU INDUSTRY (ANZIC)
REPORT C1212 February 2021

740 Craft Breweries compete for 11.9% Craft Segment.

These Breweries include ASX listed "Good Drinks Australia (ASX:GDA)" and "Mighty Craft Ltd (ASX:MCL)"



Broo Market Segment

78.8% / 3.38Bn = Large Scale Opportunity



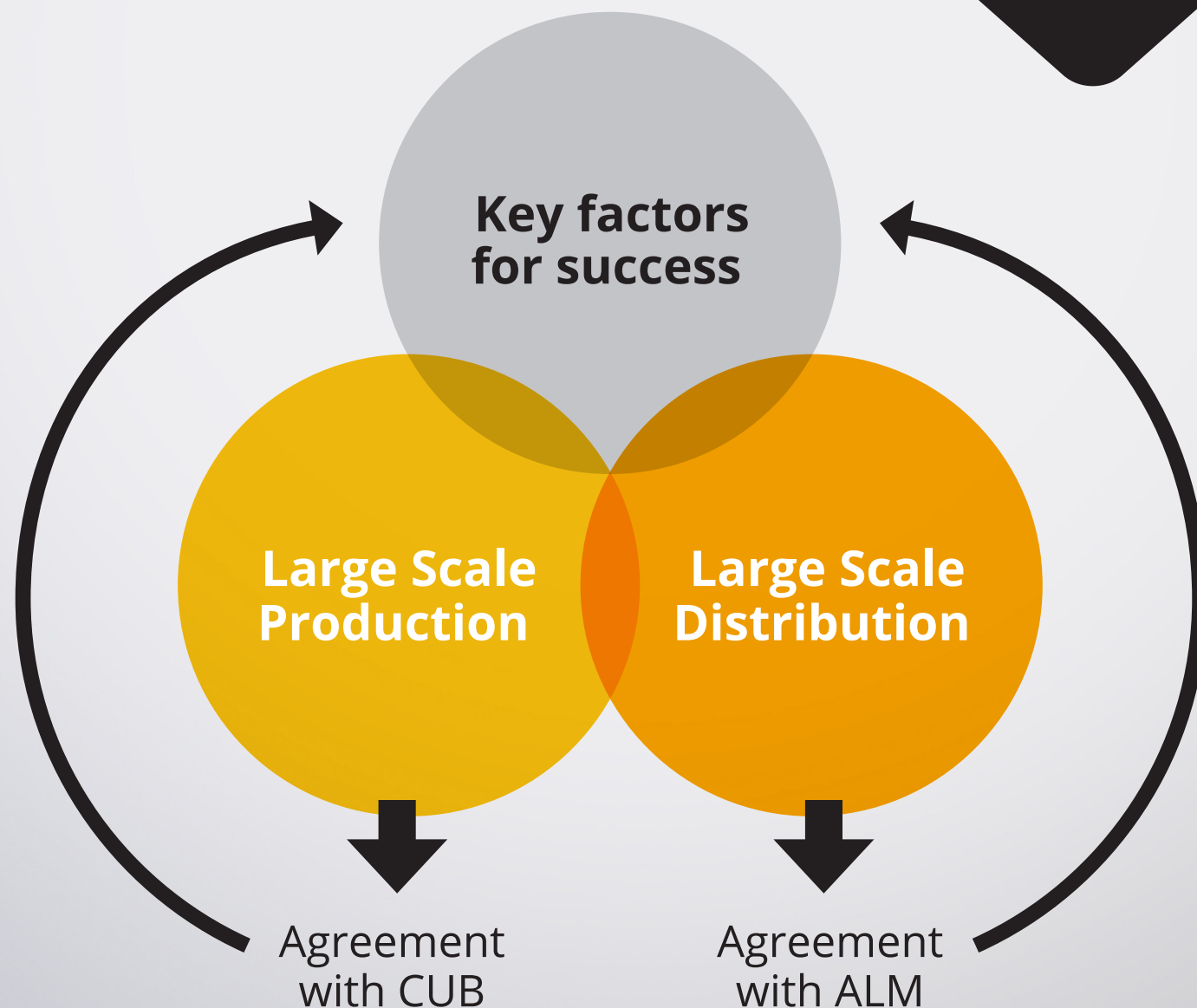
TWO KEY FACTORS FOR SUCCESS:

Large Scale Production & Large Scale Distribution

Broo has formalised agreements in place with;

CUB, Australia's largest beer producer, and

ALM, Australia's largest broad range liquor wholesaler.



OUTLOOK

The Company is focused on accelerating the growth of the Company's beer products with increased distribution, rapid sales growth, and increased revenue.

Whilst initial launch activities have focused on packaged beer and concentrated to QLD, activation is planned for fast expansion into other States and Territories. ALM is working with Broo to coordinate sales and distribution of Broo Premium Lager products across its entire off and on-premise market.

ON PREMISE LAUNCH

The company is currently working with ALM on the commencement of the on-premise rollout for Queensland. Broo Premium Lager will be released in 50L kegs in addition to the all new Broo Hopper 3.5% Mid Strength. Both varieties will be offered at competitive pricing with significant in venue support.

These segments alongside Off Premise expansion nationally will provide the Company with significant volume and revenue growth in future periods.

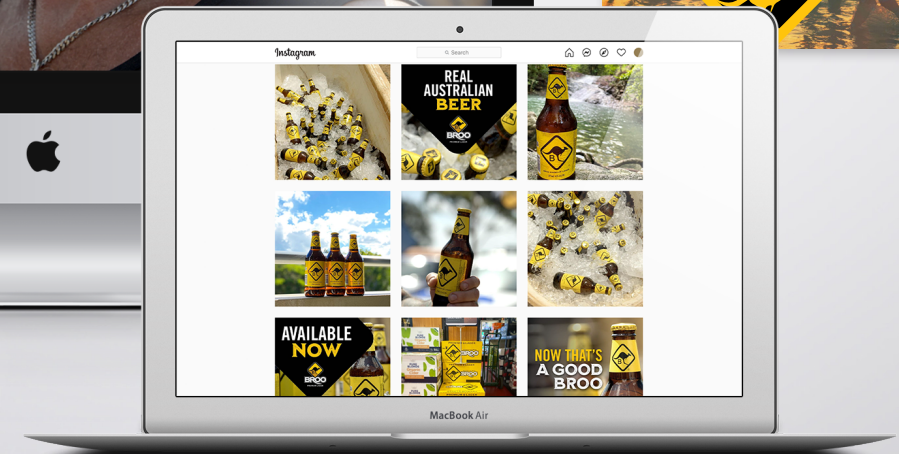
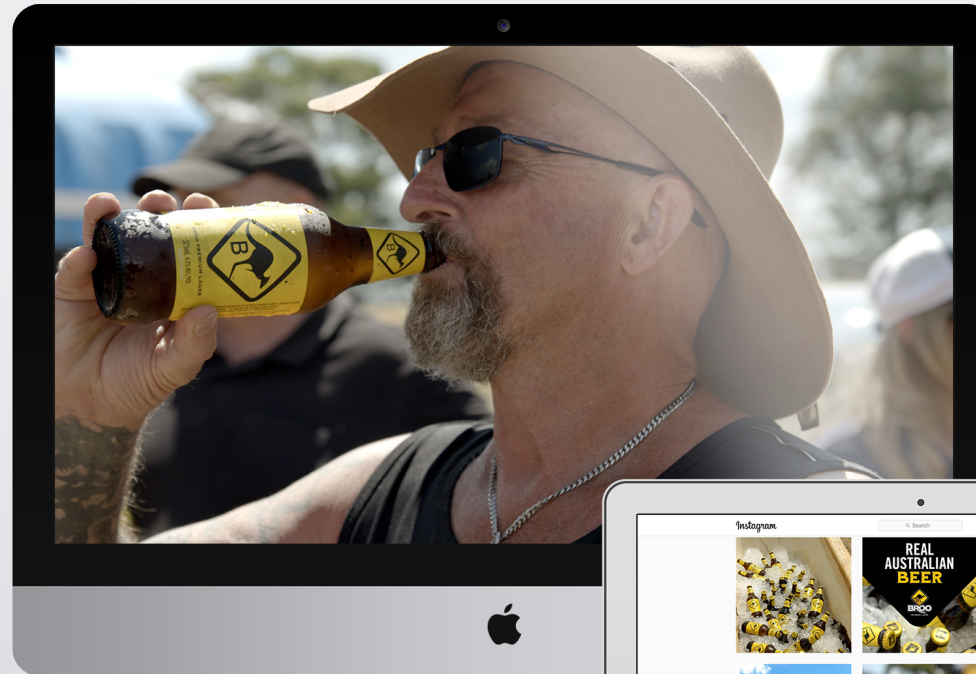


MARKETING

Broo produced its first television commercial which was released during QLD activation. This TVC will form the basis for further marketing and promotional efforts as the Company expands into other States and Territories. This can be viewed via the Company website www.broo.com.au

Broo will continue advertising campaigns across various platforms including Radio and Social Media.

The co-operation with the ALM Owned & Exclusive Brands team and the companies marketing strategies including in store activations and Trade Shows will continue to build momentum with increased consumer and trade awareness of the product.



Summary of expenditure

The Company confirms it incurred the following expenses associated with operating activities during the quarter:

- (a) product manufacturing and operating costs: \$206,000
- (b) advertising and marketing: \$ 74,000
- (c) staff costs: 134,000
- (d) administration and corporate costs: \$223,000
- (e) finance costs: \$173,000

Corporate and administration costs include fees to directors. During the quarter \$183,000 was paid to the CEO which includes payment of \$84,000 for accrued balances from previous periods of non-payment. No payments were made to non-executive directors during the quarter.

**Authorised for release by
Kent Grogan CEO, Broo Limited**

Justyn Stedwell Company Secretary

On behalf of the Board of Directors Broo Ltd

Further Information

For further information, please contact the Company on + 61 (3) 5984 2222.

About Broo Ltd

Broo Ltd is a unique Australian beer company that distinguishes itself from competitors through strong brands, company ethos, unique marketing platform and quality beer products. The Company is primarily focused on the production, marketing and sale of two beer products, Broo Premium Lager and Australia Draught.



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