



BROO Limited ACN 060 793 099

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30 JULY 2021

ASX Announcement

BROO LIMITED (ASX: BEE)

Market Update FY21 Q4 Activity





Q4 HIGHLIGHTS

↑ Revenue increase
200%

↑ Case Sales increase
400%

↑ Broo Stockists increase
250%

Comparison to FY21 Q3





BROO ACTIVATION RESULTS

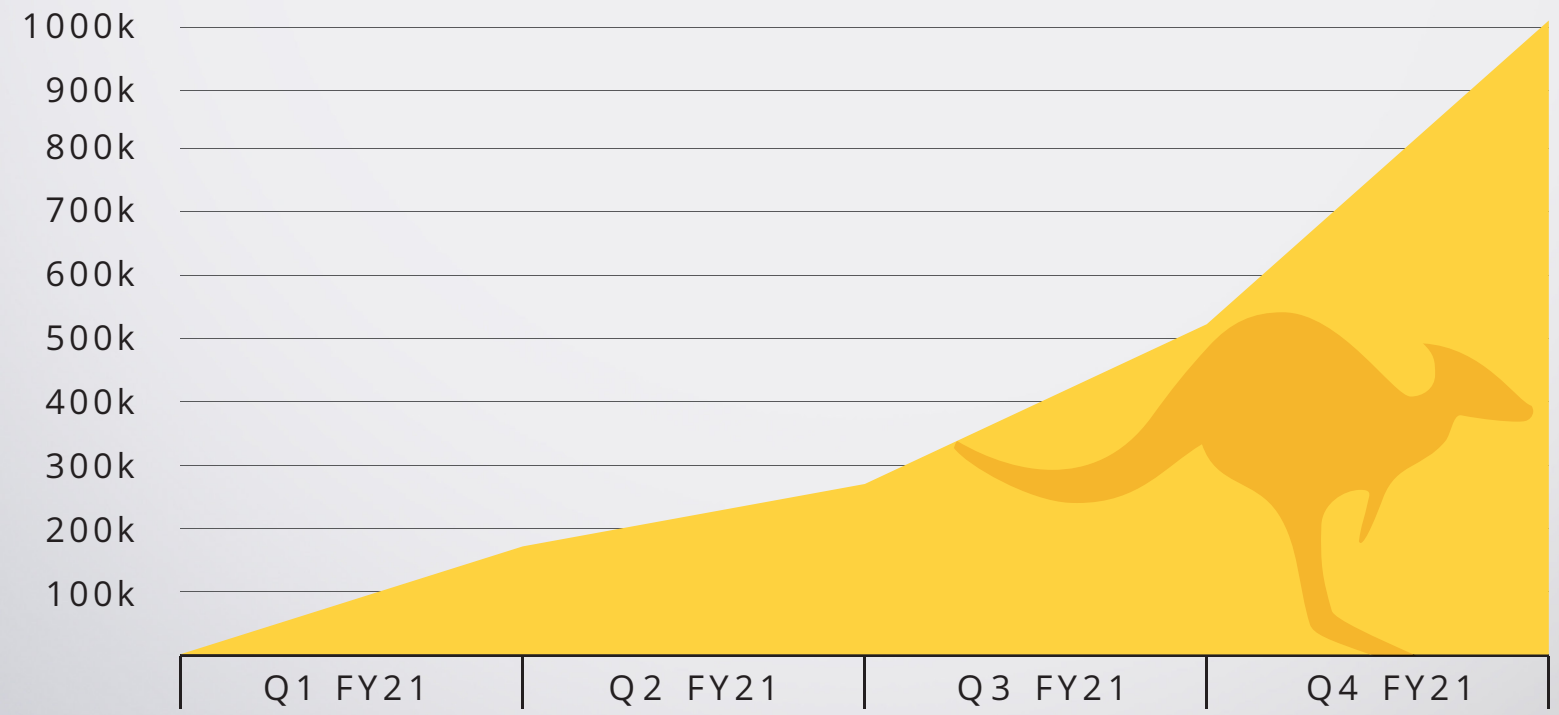


Revenue
increase
200%



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

FY21 REVENUE GROWTH





BROO ACTIVATION RESULTS

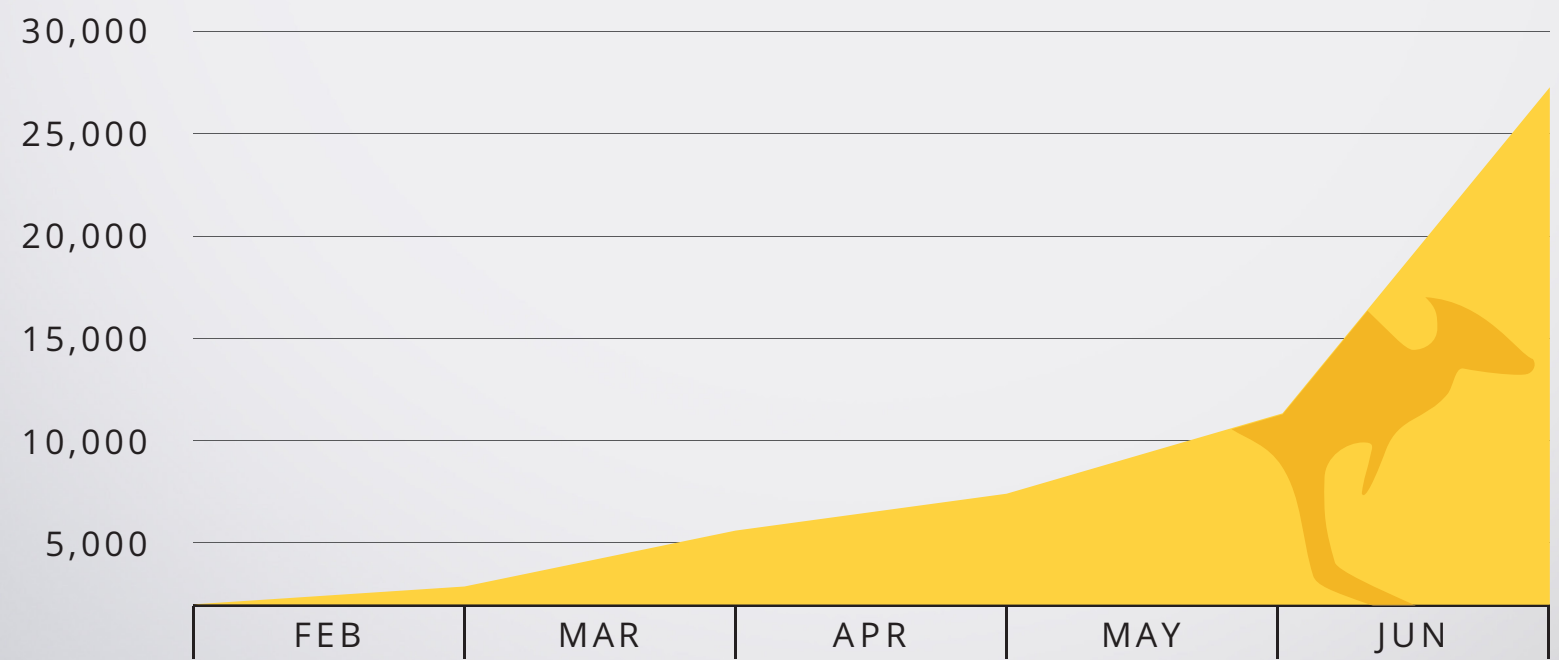
↑ Case sales up
400%

The Company and the ALM Owned and Exclusive Brands team is pleased with initial activation results. The collaboration focus remains on rapid expansion leading to increased sales and Broo stockists within the ALM and IBA network.



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

CASES SOLD IN 2021 FEB-JUNE





BROO ACTIVATION RESULTS



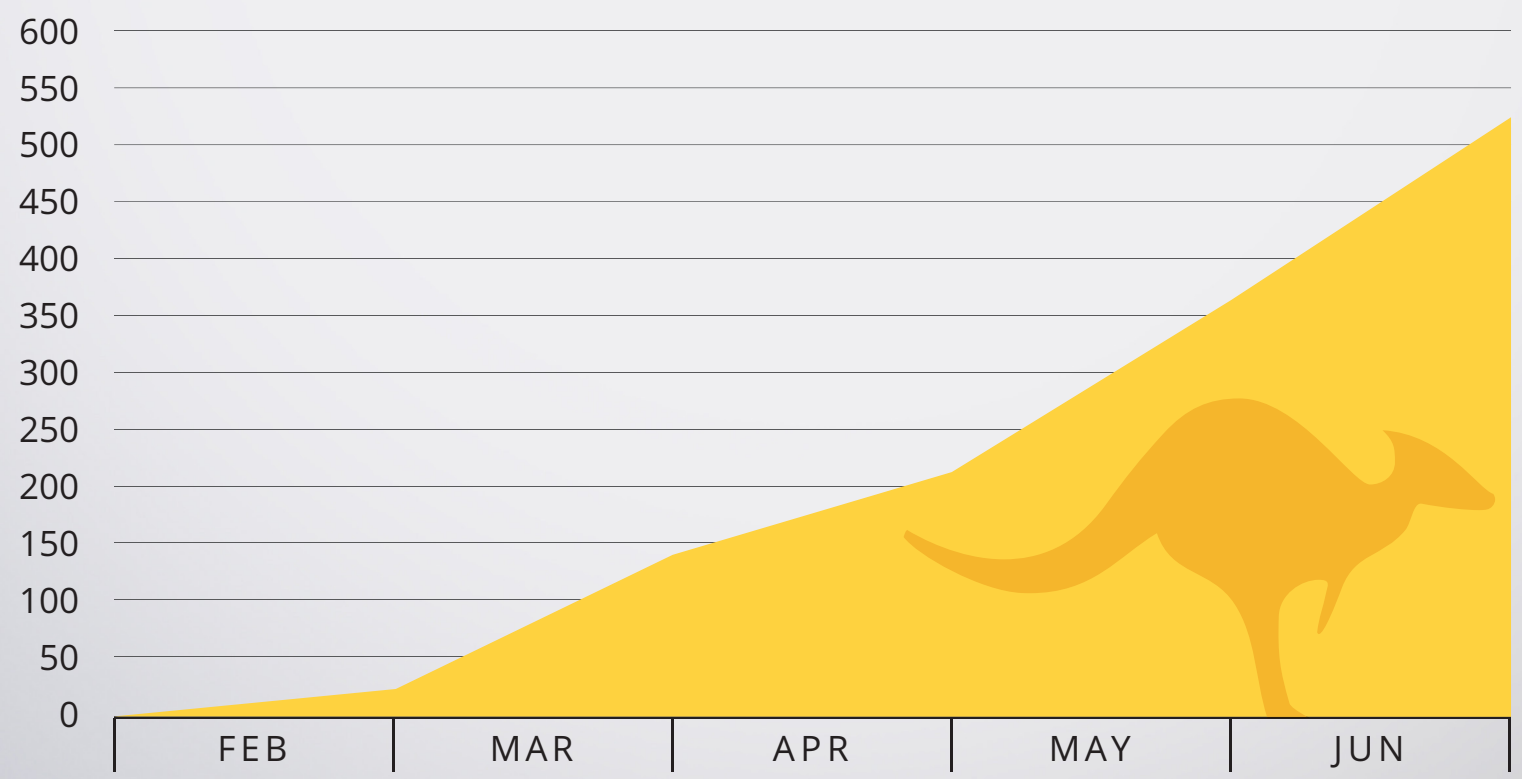
**Broo stockists up
250%**

The company will continue the expansion model for packaged beer as we increase distribution further into other States and Territories.



**12 MONTH
TARGET -
3000 BROO
STOCKISTS**

STORES STOCKING BROO IN 2021 FEB-JUN



ALM

Broo Premium Lager remains **LEADER** in ALM Owned and Exclusive Brand Portfolio.

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

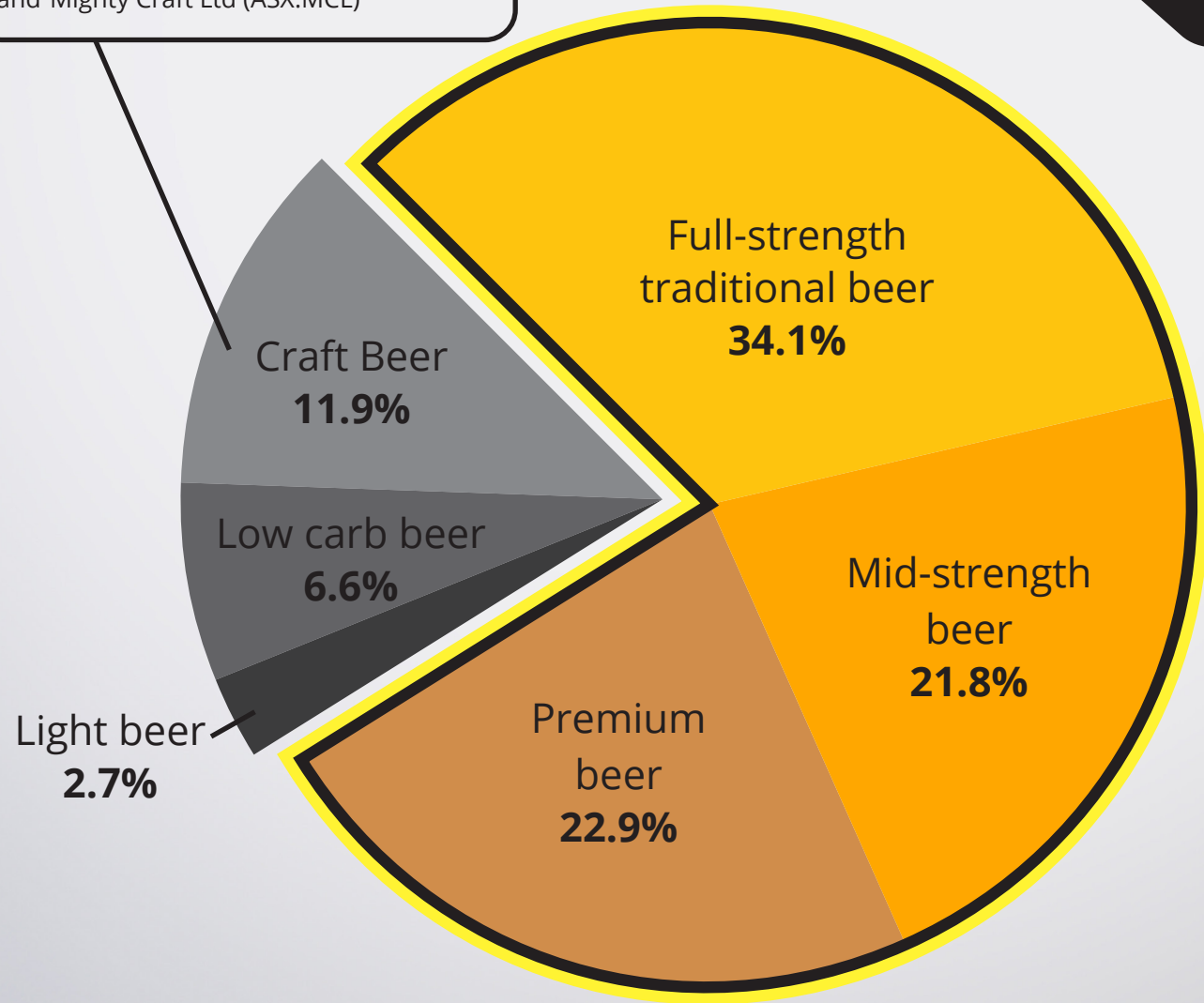
4.3Bn Industry Revenue

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



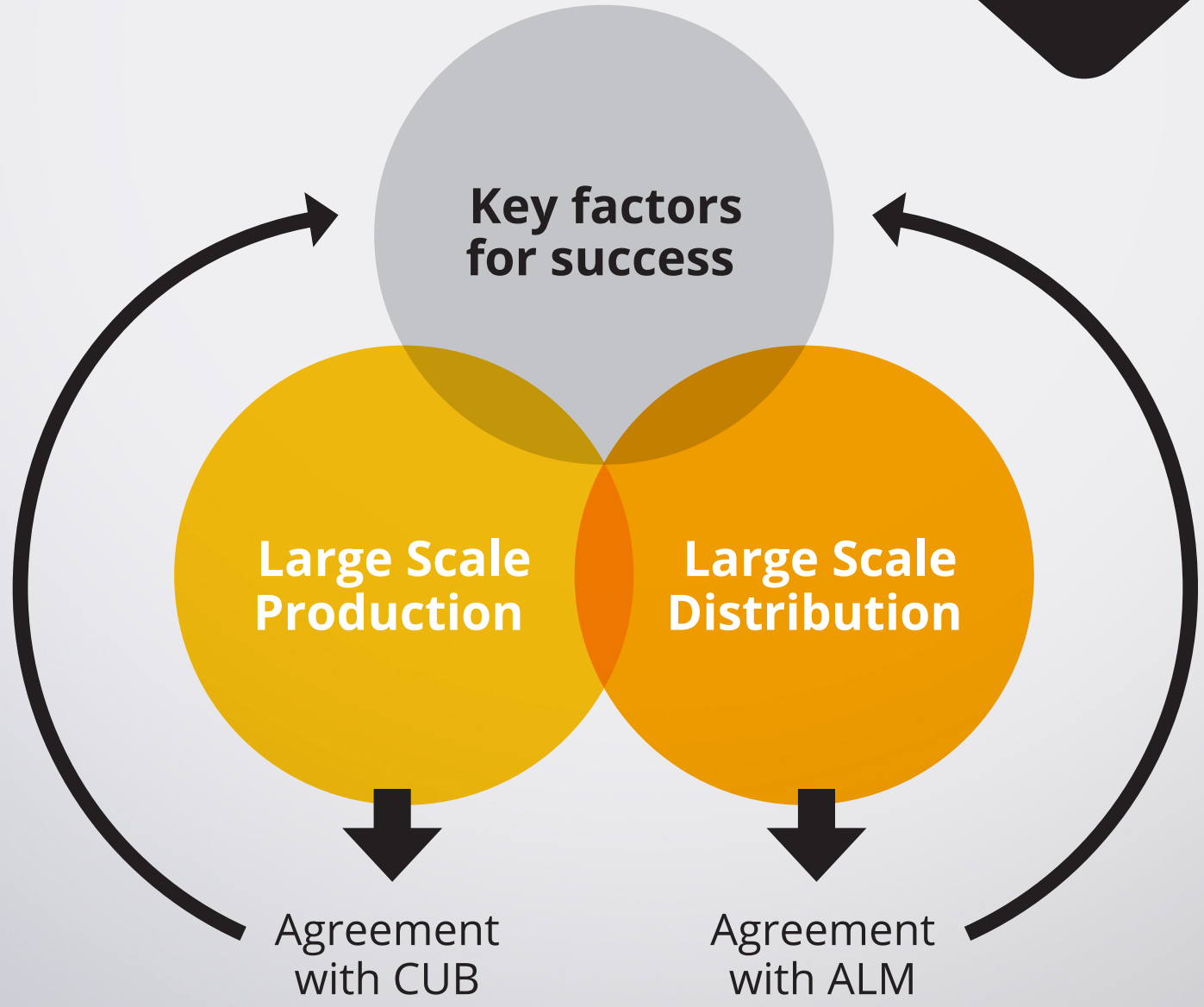
TWO KEY FACTORS FOR SUCCESS:

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.



personal use only



OUTLOOK

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

The Company is pleased with initial launch activity results and looking forward to fast expansion in other States and Territories. ALM is working with Broo to coordinate sales and distribution of Broo Premium Lager products across its entire network.

ON PREMISE LAUNCHED

The Company has released Broo Premium Lager Full Strength 50L kegs in addition to the all-new Broo Hopper 3.5% Mid Strength to the Queensland On-Premise market. Launched via a joint sales campaign with ALM both varieties will be offered at competitive pricing with significant in venue support.

The Company expects this segment will provide significant volume and revenue growth in future periods.



CLASSIC AUSSIE BEER AT A CRACKING AUSSIE PRICE

PREMIUM LAGER
4.2%

ALM CODE 271384

HOPPER MID STRENGTH
3.5%

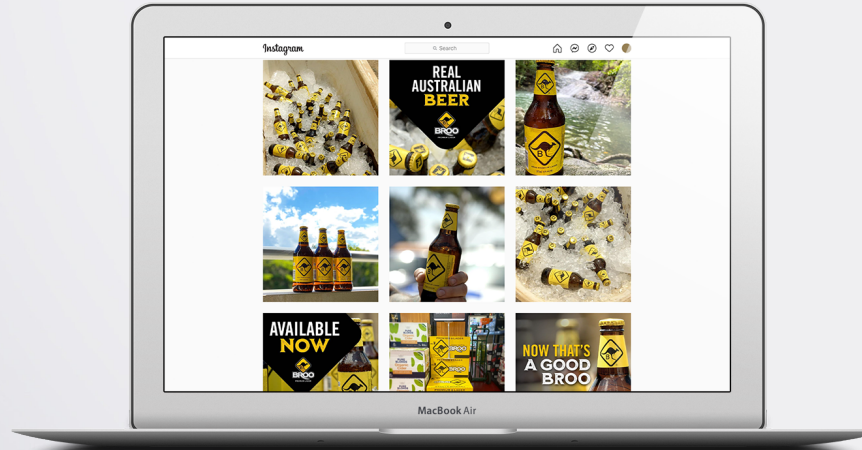
ALM CODE 271389

MARKETING

The Company has continued to expand on marketing Point of Sale (POS) for in store activation for Off Premise retail. In addition, a new range of POS has been created specifically for the On-Premise release.

Broos' first TVC has been extremely successful appealing to our key target audience and continues to air in specifically targeted regions. 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: \$729,000
- (b) advertising and marketing: \$ 19,000
- (c) staff costs: 136,000
- (d) administration and corporate costs: \$457,000
- (e) finance costs: \$137,000

Corporate and administration costs include fees to directors. During the quarter \$84,000 was paid to the CEO. No payments were made to non-executive directors during the quarter.

The announcement is authorised for release by the Board of Directors of 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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