



BROO Limited

ACN 060 793 099

20 Langtree Avenue,
Mildura, Victoria 3500
Australia

Telephone (03) 5022 2988
pub@mildurabrewery.com.au
www.broo.com.au



15 October 2021

ASX Announcement

Company Update – Director Resignation/Appointment and CEO Remuneration

Broo Limited (ASX: BEE) (“**Company**”) is pleased to provide the following updates to the market.

Appointment of Non-Executive Director

The Company is pleased to announce the appointment of David Zhu to the Board as Non-Executive Director, effective today, 15 October 2021. David is currently a director of 61 Corporate Advisory Pty Ltd and has over 8 years of capital markets experience. He holds Bachelor of Commerce from the University of Melbourne majoring in Finance and Economics. David is entitled to an annual remuneration of \$40,000 including superannuation.

Matthew Newberry has notified the Board of his intention to not stand for re-election at the upcoming AGM and will step down from the Board on the date of AGM. The Board would like to thank Mr Newberry for his contribution to the Board and the Company during his tenure and wish him the best for his future endeavours.

The Board welcomes the appointment of Mr Zhu and believes that he will bring valuable experience to the Company and add value to the Board.

Convertible Note capital raising update

The Company refers to the convertible note capital raising to raise \$3.6m (before costs) via 3 tranches (*refer to BEE ASX announcement dated 8 October 2021*). The Company has received confirmation that the second tranche of \$1m is being advanced to it today.

The final tranche of \$1.6m is scheduled to be advanced, subject to shareholder approval, following the Company’s Annual General Meeting scheduled for late November or early December 2021.

New Remuneration Package for the CEO

Broo CEO, Kent Grogan, has agreed to restructure his remuneration package to further align with shareholders’ interests. Under the new remuneration structure, Mr Grogan will receive a lower fixed salary of \$180,000 p.a. including superannuation (down from \$360,000). He will receive cash bonuses tied to the Company’s financial performance in the following manner:

<i>Bonus KPI Condition</i>	<i>Bonus Cash Payment</i>
Sales revenue of at least \$6m during the relevant FY	\$45,000
Sales revenue of at least \$8m during the relevant FY	\$45,000
Sales revenue of at least \$10m during the relevant FY	\$45,000
Sales revenue of at least \$12m during the relevant FY	\$45,000



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In addition, Mr Grogan will receive the following performance rights (each converting into one fully paid ordinary share), subject to obtaining relevant ASX and shareholder approvals:

- 5,000,000 Class A Performance Rights if the Company achieves at least **\$10m** sales revenue in FY22 and that he remains employed by the Company; and
- 5,000,000 Class B Performance Rights if the Company achieves at least **\$15m** sales revenue in FY22 and that he remains employed by the Company.

This announcement was approved for release by the Board.

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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