

GOOD DRINKS AUS™

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ASX:
GDA

ASX Announcement

23 November 2023

MANAGING DIRECTOR'S ADDRESS TO SHAREHOLDERS

Please find attached Managing Director John Hoedemaker's presentation to Shareholders at today's Annual General Meeting.

-END-

This announcement has been authorised by the Company Secretary.

Marcel Brandenburg
Company Secretary
Good Drinks Australia Limited
Investors@gooddrinks.com.au



GOOD
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PERSONAL USE ONLY

ANNUAL GENERAL MEETING

23 November 2023





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Ian Olson

Non-Executive Chairman

PROXY SUMMARY

	Resolution	For	Against	Discretionary
1	Adoption of Remuneration Report	57,802,718	525,693	74,659
		98.97%	0.90%	0.13%
2a	Election of Director – Aaron Heary	47,982,304	15,684,222	192,873
		75.14%	24.56%	0.30%
2b	Re-election of Director – Robert Gould	59,301,768	846,382	167,414
		98.32%	1.40%	0.28%

RESOLUTIONS

	Resolution	
1	Adoption of Remuneration Report	<i>“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2023.”</i>
2a	Election of Director –Aaron Heary	<i>“That, for the purpose of clause 13.3 and 13.4 of the Constitution and for all other purposes, Mr Aaron Heary, being eligible, is elected as a Director.”</i>
2b	Re-election of Director – Robert Gould	<i>“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Robert Gould, a Director, retires by rotation, and being eligible, is re-elected as a Director.”</i>

John

Hoedemaker

Managing Director

FY23 IN REVIEW

Challenges met:

- Price realisation: competitive market forces led to temporarily lower revenue per litre, has since stabilised and recovering
- Supply chain disruptions: COGS increased due to international freight costs surge, has since normalised
- Sales & Marketing: maintained investment in line with original plan despite lower margins
- Contract brewing: FY23 completed transition away from contract brewing, maintained production costs per litre.
- Incremental and diversified revenue streams:
 - Hospitality \$29m revenue
 - Partner Brands \$30m revenue

FY23 (MILLIONS)	GOOD DRINKS CORE	GOOD DRINKS HOSPITALITY	GROUP
Litres Sold	25.9	0.3	26.2
Revenue	78.0	29.0	107.0
Cogs & Variable Costs	(49.3)	(19.4)	(68.7)
Gross Contribution	28.7	9.6	38.3
GC %	37%	33%	36%
Sales	(8.0)	-	(8.0)
Marketing	(10.5)	-	(10.5)
Operating Costs	(9.4)	(3.4)	(12.9)
EBITDA	0.8	6.2	7.0

FY24 SO FAR...

Stronger outlook for Good Drinks Core earnings

- Q1 GDA total revenue ▲6%.
- GDA own brands and partner brands continued to outperform the retail beer market ▲9% in Q1 in challenging market conditions
- Net Sales Revenues per L improving over last quarter however discounting anticipated for the key Christmas trading period
- COGS per L reducing over last year, stabilizing at \$1.08/L (own brands)
- Continuing investment in sales capability & marketing

Good Drinks Hospitality Business

- Hospitality business unit cycles strong trading performance vs last year, earnings growing on an exceptionally robust Q1 FY23

All comparisons are against Q1 FY23

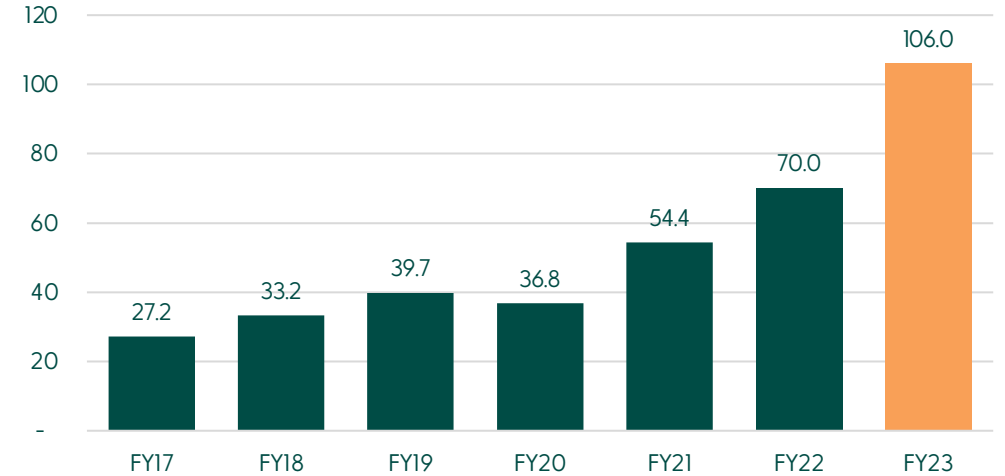
¹ Unaudited



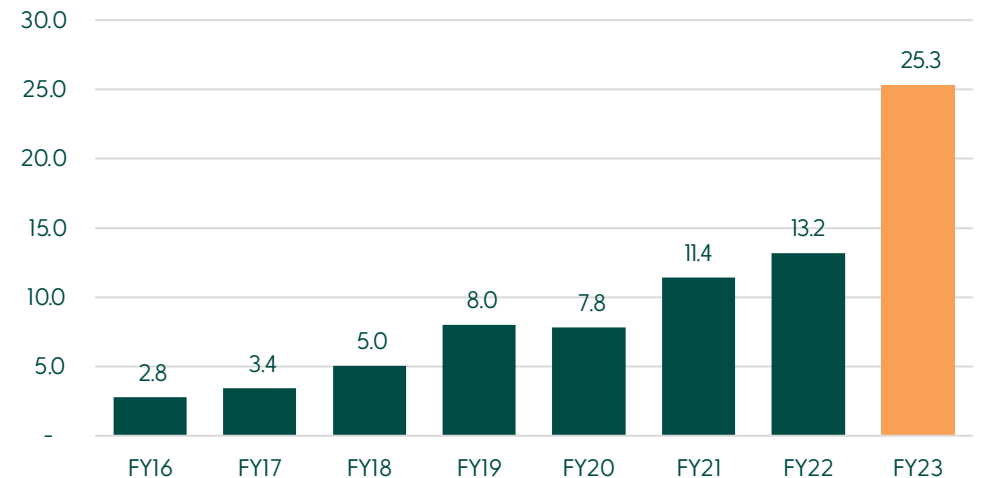
GROWTH AND MOMENTUM

- Continued growth in GDA own brands
 - Addition of Partner Brands provides significant step change and scale
 - GDA growth continues to significantly outpace market
 - On track for year on year growth FY24
- We maintain our ambition to grow GDA market share to:
- 20 million Litres Own Brands per annum
 - 15 million Litres Partner Brands per annum

REVENUE (\$M)



VOLUME SOLD (M LITRES)



WE ARE GOOD DRINKS AUSTRALIA



NATIONAL SALES AND
DISTRIBUTION
PLATFORM



WORLD-CLASS
BRANDS



EFFICIENT, HIGH-
QUALITY
MANUFACTURING



PROFITABLE BRANDED
HOSPITALITY VENUES





NATIONAL SALES AND DISTRIBUTION PLATFORM



National sales team 65 people



Joint business plans with key national customers



Leading retail key accounts capability, win with the winners



On-premise capability delivering long-term tap agreements with national pub groups



National call centre to manage regional areas



Ability to distribute nationally



Cold-chain logistics delivering fresh beer into key markets



WORLD-CLASS BRANDS

- Leading brands in every major category
- Gage Roads Single Fin #1 Independent craft beer in Australia
- Matso's Ginger Beer #1 independent ginger beer in Australia
- Miller Chill #1 flavoured beer in Australia



INTRODUCING OUR NEWEST PRODUCTS

- Currently expanding into margin-accretive RTD and cider categories
- Rider Lite successfully launched into contemporary beer category
- Existing new products performing strongly





EFFICIENT, HIGH-QUALITY MANUFACTURING

- State-of-the art plant and equipment
- Largest brewery in Western Australia
- Bottling and canning capability at 400 units per minute
- Maintained cost structure at 35c per Litre
- 23 million Litres total capacity, currently utilising 15 million Litres
- Continued growth without additional capital expenditure
- Increased warehousing capability in WA and QLD driving cost efficiencies
- Investment in renewable energies, lower carbon foot print and cost efficiencies
- Diversified international supply chain delivering low-cost raw materials





PROFITABLE BRANDED HOSPITALITY VENUES

- World-class branded hospitality operations
- Profitable and cashflow-positive contribution to Group earnings
- Driving brand awareness with consumers and trade
- Hub for innovation and trial
- Gage Roads Freo flagship
- Atomic – NSW incubator
- Matso's Broome – Iconic tourism location
- Matso's Sunshine Coast (opening soon) - home of Matso's in Queensland



OUTLOOK

- Cost-of-living and discretionary spending pressures to continue for some time
- Our scale, efficiency and distribution capability provides a competitive advantage as the industry navigates difficult market conditions
- Continue to prioritise growth in market share and revenue through targeted investment in sales and marketing
- Current growth plans do not require acquisitions of other brands
- The business is appropriately leveraged to maximise value creation for shareholders with no changes to existing facilities required
- Matso's Sunshine Coast set to open in time for peak summer trading period



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