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ABN: 22 103 014 320
ASX: GDA

ASX ANNOUNCEMENT

21 April 2021

Q3 FY21 SALES UPDATE

Please find attached an investor presentation in relation to the Company's sales results for Q3 FY21.

Highlights

- Good Drinks Volume 8.8m L, **up 42%** on YTD FY20
- Total Sales Volume 12.8m L, **up 41%** on YTD FY20
- Strong momentum to close out FY21

Presentation Recording

Please find below a link to a recording of today's Sales Update by Managing Director John Hoedemaker and Chief Financial Officer Marcel Brandenburg.

Link: <http://bit.ly/GDA-Q3SalesUpdate>

-END-

This announcement has been authorised by the Board of Directors.

Marcel Brandenburg
Company Secretary
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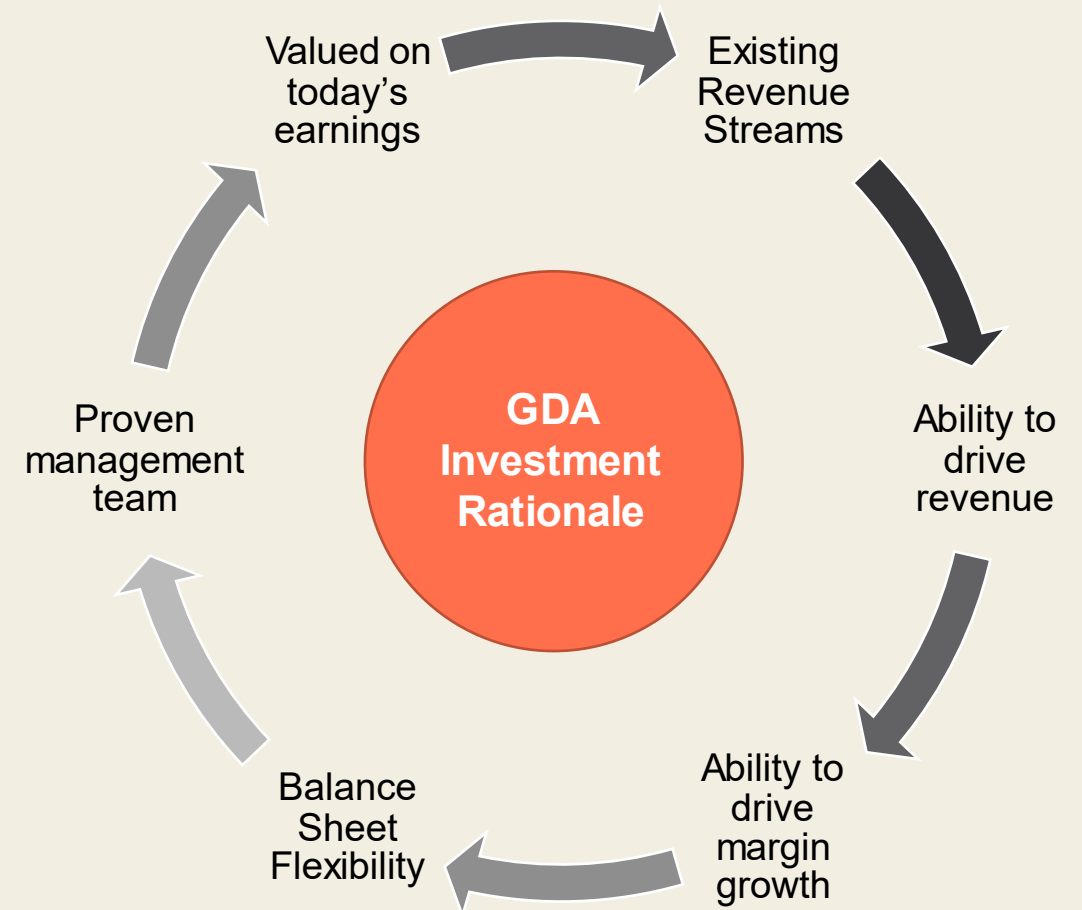
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Q3 FY21 SALES UPDATE

GOOD DRINKS AUSTRALIA | ASX: GDA



Q3
FY2021



YTD FY21 PERFORMANCE – ON TRACK

- Good Drinks Volume 8.8m L, **up 42%** on YTD FY20
- Total **Sales** Volume 12.8m L, **up 41%** on YTD FY20
- Total **Production** Volume 14m.7 L, **up 40%** on YTD FY20
- Good Drinks continues to be the #1 supplier of craft beer in Western Australia*
- Excellent momentum to close out a strong FY21 result

Sales by channel (million Litres)	YTD FY21	YTD FY20	Growth
National Chains	3.0	1.8	66%
Independent Retailers	3.4	2.2	56%
Draught	1.8	1.3	43%
Brand-in-hand	0.6	1.0	-35%
Total Good Drinks volume	8.8	6.2	42%
Contract -Brewed Brands	4.0	2.9	38%
Total Volume	12.8	9.1	41%



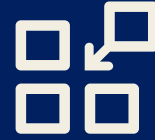
*Source: IRI Australia Industry Insights, MAT 03/01/21



THE GOOD DRINKS STRATEGY (TARGETING INCREMENTAL 10M L GOOD DRINKS VOLUME)



Become #1 independent supplier to the national beer market



Brands that drive sustained margin growth



Maintain our low-cost, high quality, flexible, large-scale manufacturing advantage



Opportunities

- Untapped east coast market
- Access broader categories of the liquor market



Targets

- Additional 10m L of own brands by FY25
- 20-25% own-brand growth per annum
- 65-70% gross profit target
- 25-30% EBITDA growth per annum

GOOD DRINKS SALES SNAPSHOT

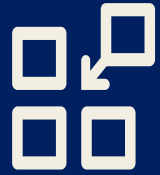


Become #1
independent
supplier to the
national beer
market

- Great results
 - Good Drinks up 42%
 - Margins maintained
 - East coast distributions up 29%
- Disciplined focus on execution, “The 3 P’s”
- Invested in upscaling the national sales force
 - Additional 10 staff in sales field force
 - Additional 2 staff in key account management



GOOD DRINKS MARKETING SNAPSHOT



Brands that drive sustained margin growth

- Extended Optus Stadium contract through to 2028
- Events are back! Reached over 0.5m people in Q3 alone
- Targeted *Atomic Beer Project* outdoor campaign in Sydney
- **NEW** *Matso's* Lower Sugar Ginger Beer launched
- **NEW** *Gage Roads* Rock Dance IPA



GOOD DRINKS VENUE SNAPSHOT



Brands that drive sustained margin growth

- Venue strategy to connect consumers with our brands, increasing awareness, driving retail sales
- *Atomic Beer Project* Redfern venue:
 - now profitable but expect full year FY21 loss of circa \$0.5m given COVID impact earlier in the year
- *Gage Roads A-Shed* venue:
 - preliminary costings circa \$10m
 - Ability to fully fund via new \$12.5m debt facility (announced 22 March)
 - Approvals obtained, builder appointed, commencing construction May
 - Targeting to open this coming summer
- Actively investigating additional venues in QLD, NSW



GOOD DRINKS MANUFACTURING SNAPSHOT



Maintain our low-cost, high quality, flexible, large-scale manufacturing advantage

- Produced 14.7mL YTD FY21
- Scheduled to produce 18mL+ in FY21
- Highest ever weekly output of 0.6m L achieved in Q3
- Canning, bottling and kegging lines running efficiently
- Operating and logistics costs well controlled
- Current run rate confirms 20m L annual production capacity



OUTLOOK

- Q3 provides momentum to close out FY21 strongly
- FY21 annual production expected to be circa 18m L
- Uplift in on-premise and key account capabilities complete, sales team set to support momentum into FY22
- More limited releases to launch in winter
- A-Shed to commence construction
- Investigating further venue sites in QLD, NSW
- Good Drinks Strategy on track

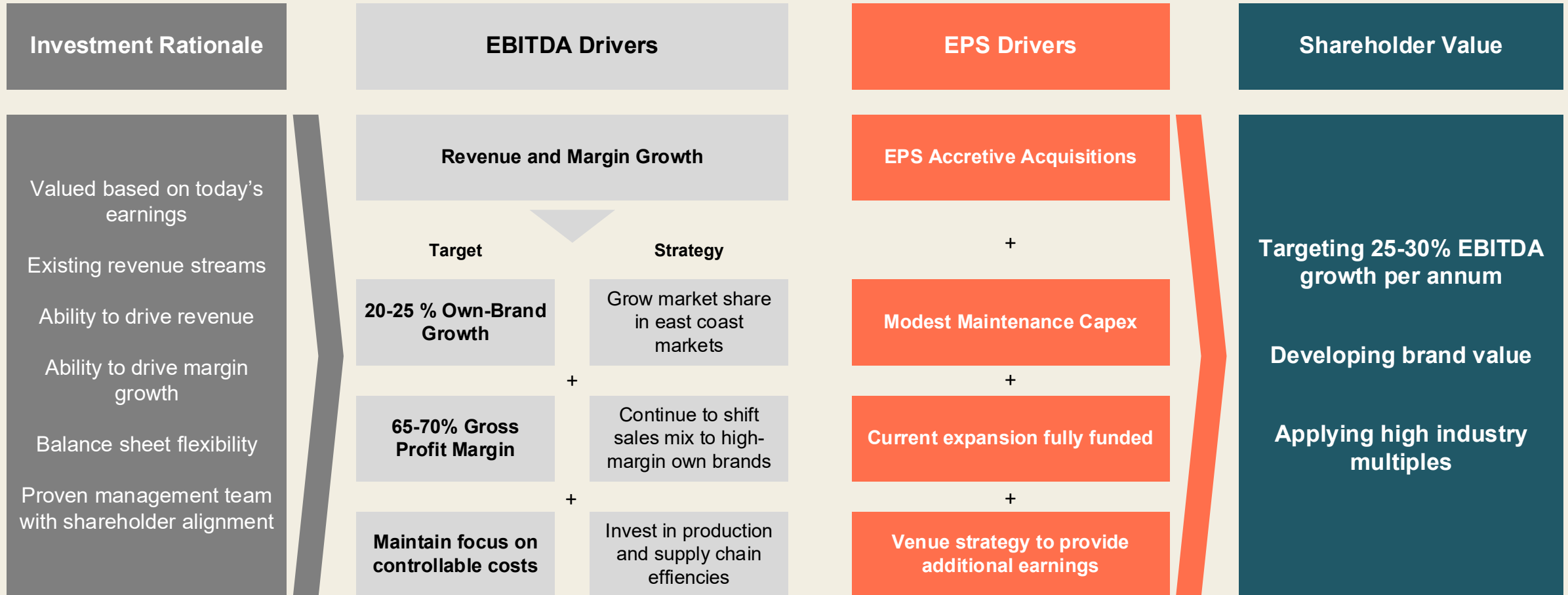


Appendix

GOOD DRINKS STRATEGY – TARGETS

Driver	Target	Plan
 <p>Volume</p>	<p>20-25% per annum growth of own brands</p>	<ul style="list-style-type: none"> ▪ Target larger east coast markets with expanded Good Drinks capabilities ▪ Potential acquisitions ▪ Distribution partnership opportunities with international brands ▪ Growing awareness through brand-in-hand marketing ▪ Craft market continues to grow at 7-10%
 <p>Gross Profit</p>	<p>65% to 70% Gross Profit Margin</p>	<ul style="list-style-type: none"> ▪ Continue own-brand growth in overall sales mix ▪ High-margin new product development ▪ COGS savings via different pack formats ▪ Draught volumes growing in overall sales mix
 <p>Good Drinks</p>	<p>#1 Independent Beer Supplier</p>	<ul style="list-style-type: none"> ▪ Best practice key account management ▪ Double (50+) field team within 5 years ▪ Marketing investment circa 8% of revenue
 <p>Venues</p>	<p>5 Venues</p>	<ul style="list-style-type: none"> ▪ Create up to 5 local brewery and taproom experiences in key markets ▪ \$0.5m EBITDA contribution per venue

SHAREHOLDER PROPOSITION



THE GOOD DRINKS PORTFOLIO



**GAGE
ROADS**
— Brew Co —

 **MATSO'S**
BROOME BREWERY

ALBY

*Hello's
Sunshine*

ATOMIC
BEER PROJECT

San Miguel





Video: <https://vimeo.com/480618561>