Appendix 4D
Under ASX Listing Rule 4.2A

Good Drinks Australia Limited and its controlled entities
For the half-year ended 31 December 2022

Results for announcement to the market

This Appendix 4D and Half-Year Financial Report presents the results of Good Drinks Australia Limited (the Company) and the entities it controlled at the end of, or during, the half-year ended 31 December 2022 (together referred to as the Group or Good Drinks Australia).

The current reporting period is the period from 1 July 2022 to 31 December 2022 (the half-year) and the previous corresponding reporting period is the period from 1 July 2021 to 31 December 2021.

Key information

	31 DECEMBER 2022 $'000	31 DECEMBER 2021 $'000	CHANGE $'000	CHANGE %
Revenue from ordinary activities	58,959	32,875	26,084	79%
Earnings before interest, tax, dep'n and amort'n	6,034	6,689	(655)	-10%
Profit for the period	1,867	3,214	(1,347)	-42%
Profit for the period attributable to equity holders of the Company	1,867	3,214	(1,347)	-42%

Note: prior year earnings have been restated to reflect a reassessment of fair values from a business acquisition. This has led to a gain on acquisition of $0.7m. For more information, refer to Note 12 in the attached financial statements.

Dividends (distributions)

There were no dividends declared for the period and the company does not have a dividend re-investment Plan.

Net tangible assets per ordinary share

	31 DECEMBER 2022 CENTS	31 DECEMBER 2021 CENTS
Net tangible assets per ordinary share	38	37

Details of entities over which control has been gained or lost

During the half-year ended 31 December Good Drinks Australia did not gain or lose control over any entities.

Other information

Additional Appendix 4D disclosure requirements and further information including commentary on significant features of the operating performance, results of segments, trends in performance, and other factors affecting the results for the half-year are included in the 2023 Half-Year Financial Report.

The Consolidated Financial Statements contained within the attached 2023 Half-Year Financial Report, upon which this report is based, have been reviewed by BDO Audit (WA) Pty Ltd.

GOOD DRINKS

2023

Half-Year Financial Report

For the half-year ended 31 December 2022

Good Drinks Australia Limited ABN 22 103 014320

2023 Half-Year Financial Report
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Review of Operations

Commentary on the results for the half-year ended 31 December 2022

H1 FY23 Summary

- GDA doubled retail market Share to 2.6%[1] (Australian total beer market)
- Revenue ▲79% to $59.0m
- Good Drinks Volume ▲12% to 7.4m litres
- Total Volume ▲33% to 14.1m litres
- Gross Profit ▲51% to $33.6m
- H1 FY23 EBITDA $6.0m

Results are in comparison to H1FY22
[1]Source: IRI MarketEdge Australia Liquor Weighted MAT To 31/12/22

During the first 6 months of FY23, Good Drinks achieved excellent momentum delivering strong revenues (up 79%), distributions (up 98%) and sales volumes (up 33%), representing significant growth over the previous year. In H1 we achieved record revenues, doubling our share of the total Australian beer market to 2.6%. The Good Drinks platform is now clearly the 4th largest national alcoholic drinks platform in Australia, able to manufacture, market and distribute meaningful and relevant brands to all customers in the Australian liquor market and competing successfully with the larger brewers Asahi, Kirin and Coopers.

The results for this half-year validates our strategy to diversify into two new lucrative earnings streams, partner brands and hospitality, both delivering on earnings expectations.

Sales

Good Drinks owned brands (Gage Roads, Matso's, Atomic, Alby & Hello Sunshine) combined, delivered a great result across the nation as well, and we were very pleased to see Good Drinks' brands outperforming the beer market, (GDA total beer sales up 12%, while the rest of the market down approximately 5% by volume). Draught sales of Good Drinks owned brands contributed strongly at 25% growth over the last year.

The onboarding of partner brands, Millers, Coors and Magners contributed strongly to achieving the 100% growth in market share. We are already seeing real gains from the strategic value of aligning Good Drinks with our new partner brands, contributing strongly to distribution growth, of not only the partner brands, but our Good Drinks proprietary brands as well. These partner brand distribution agreements were achieved at low capital cost, and with meaningful incremental earnings achieved, we are interested in exploring more opportunities to help international brands participate in the Australian liquor market.

The results for H1 validate our strategy to take our learnings in our home market of Western Australia and apply them to other key states and markets throughout Australia. QLD, NSW, VIC, SA & NT all performed admirably with greater than 100% growth in distributions and revenues in most of these key markets. We feel distribution growth is the leading indicator of revenue and earnings growth. Significant investment undertaken in prior years to build a professional and well-resourced sales and marketing capability with a national footprint, a broad portfolio of meaningful brands married with scale, and efficient manufacturing capability, has developed into a strong competitive advantage.

Review of Operations

Hospitality

We are particularly excited to see our new hospitality business unit make such a significant contribution to Group earnings in its first year. The $2.7m EBITDA contribution was predominantly generated from our new flagship venue Gage Roads Freo, which was able to trade free from COVID restrictions during the half-year and has shown itself to be a hit with both locals and tourists.

With the hospitality operations for our existing venues now firmly bedded down, the hospitality and strategy team are focused on delivering on our vision for Matso's Sunshine Coast. Development approvals are expected in the next weeks, and we hope to be operating the venue in its new form before this year's Christmas period. The expected development cost is expected to be $5.5m.

Earnings

H1 Summary	Good Drinks Core	Good Drinks Hospitality	Group
Litres Sold	14.0	0.1	14.1
Revenue	43.9	15.2	59.2
Cogs & Variable Costs	(26.4)	(10.0)	(36.4)
Gross Contribution	17.5	5.2	22.8
GC %	*40%*	*34%*	*38%*
Sales	(4.2)	-	(4.2)
Marketing	(6.0)	-	(6.0)
Operating Costs	(4.1)	(2.5)	(6.6)
EBITDA	**3.3**	**2.7**	**6.0**

We were pleased to achieve $6.0m EBITDA for the half, on track with expectations. While the first three months of the half presented expected trading conditions, we started to see softer discretionary consumer spending, influenced by increased interest rates and costs of living, delivering softer trading conditions in October, November and December.

Selling prices (net sales revenues) were maintained as the business increased pricing in line with CPI in August. Higher draught sales (at higher margins) across the country (now circa 30% of our sales profile) helped secure the net sales revenue, cost of goods sold and gross profit margin lines. We expect this trend to continue.

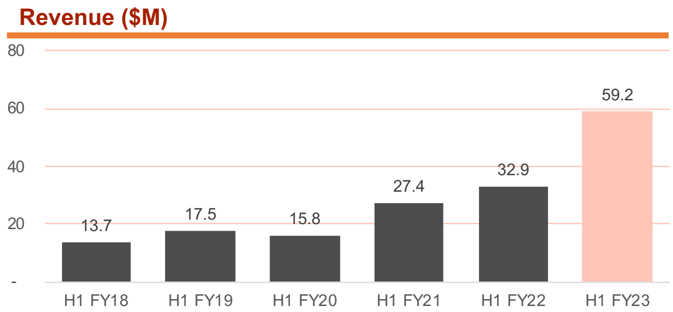
Costs of Good Sold for own brands produced were higher than usual in H1 as the business cycled through expensive inventories of packaging materials that were procured during the Covid supply chain disruptions. We feel this is a one-off impact and are now seeing COGS normalising as international freight rates normalise, and our suppliers of materials in the Middle East and Asia maintaining pricing (an advantage over our competitors currently experiencing significant

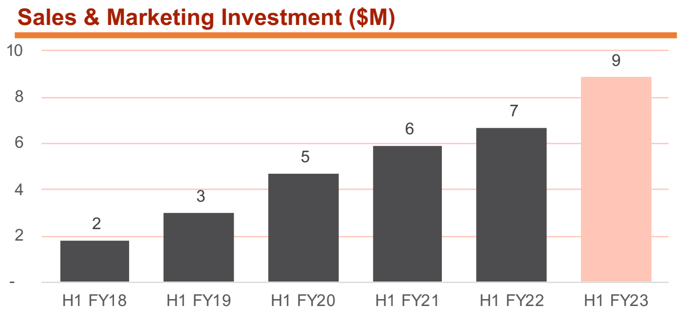
Review of Operations

price increases in Australia). We are targeting our higher cost inventories to be depleted by May 2023, and thereafter COGS returning to circa $1.10/L

Contract volumes were down 3.5m Litres for the half in comparison to last year, and anticipated in accordance with our strategy to reduce contract brewing. Good Drinks has now largely un-wound lower margin and earnings associated with contract brewing, and has created a clear low capital production pathway to accommodate the growth of our own brands.

Variable costs have increased to around $0.55c per Litre and is at the upper end of our target range of $0.45-$0.55 per Litre. This is largely due to the loss of contract brewing volumes that was absorbed during this half-year. As production and sales of our own brands continue to grow, we expect overall volumes to increase, along with increased efficiencies, which in turn is expected to drive down the per litre cost of production.





We continued our expansion of Sales and Marketing expenditure by $2.0m which has been a major driver of our revenue growth. We now feel that we have a critical mass of sales and marketing expenditure, and do not expect to see expenditure growth in this area directly correlated with revenue growth.

Compared to the first half in prior year, operating costs per our management summary table above have remained stable at $4.1m for the half-year but we do note that inflationary cost pressures will likely see an increase in this area.

In delivering the $6.0m EBITDA, a similar result to H1 FY22, our new revenue and earnings streams have strategically covered the loss of contract brewing contribution and increased spend in sales and marketing. Partner brands delivered incremental earnings for the half, similar to the reduction of earnings, as a result of reduced contract brewing. Hospitality delivered $2.7m in EBITDA covering the additional sales and marketing spend of $2.2m.

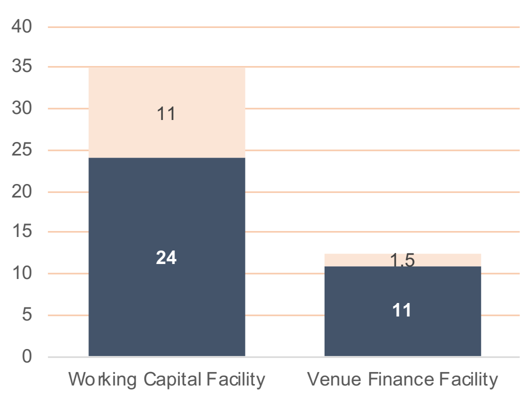
We feel our business, focused on our owned brands, will deliver a stronger pathway to growing earnings and shareholder value. We are strong believers that GDA's value will be determined by the value of the brands it builds, as well as its earnings streams.

Beer industry margins are commonly perceived to be inelastic to inflation by being able to pass on cost increases during inflationary periods. Over the last 12 months, due to the health of our portfolio of owned and partner brands, Good Drinks has been able to pass on price increases in-line with industry increases and expects to continue to do so. With this capability, the growth of our sales volumes and draft sales volumes, the efficiency of our production facilities, and our procurement of materials from less inflationary markets, we continue to target gross profit margins of 65-70% for our own brands.

Review of Operations

Cashflow Reconciliation	$'000
Opening Cash 1 July 2022	5,683
Operating EBITDA	4,610
(Increase) in receivables	(21,024)
(Increase) in inventory	(1,880)
Increase in trade payables	8,971
(Decrease) in other payables	(1,368)
Increase in taxes payable	2,710
Proceeds from borrowing base facility	13,000
CAPEX Spend	(1,298)
Closing Cash 31 December 2022	**9,406**

Debt Facilities ($m)



Cashflow and Balance Sheet

Referring to the table above, receivables have increased by $21.0m from on-boarding the Molson Coors and Magners distribution deals, as well as the growth in our own-branded sales. In order to manage this change in working capital, we have drawn an additional $13.0m from our working capital facility. The cashflow impact of the increase in debtors was partially offset by an increase of $8.9m in payables.

Inventory increased by a net amount of $1.8m and was a result of unwinding large levels of raw materials stockpiled at 30 June ($0.8m decrease) and onboarding the finished goods required to service the Molson Coors and Magners distribution deals ($2.6m increase).

Tax Payable increased from the growth of the hospitality business segment which currently pays GST annually.

Capital expenditure for the period amounted to $2.0m and was largely spent on maintenance capex and minor pre-development works at the Matso's Eumundi site.

The Company ended the half-year with a strong cash position of $9.6m and with headroom in our facilities, the business remains fully funded through operating cash flows.

Banking Facilities

Working Capital Facility: At 31 December 2022 the working capital facility is classified as a current liability in the financial statements. This is due to the fact that the facility's review date falls within the next 12 months. It is our intention to extend this facility at the review date which would see it classified as a non-current liability again.

Venue Finance Facility: The Company is currently in the process of increasing this facility's limit from $12.5m to $20.0m

Outlook

Reduced discretionary spending across the liquor category, and uncertain macro-economic conditions will require careful navigation. In H2 FY23 and FY24 Good Drinks will tailor our operational expenditure by focusing our sales, marketing and support functions on our core high margin brands, in our fastest growing state markets and sales hubs. We expect with this focus, we can gain efficiencies in expenditure and Good Drinks will continue to deliver on our growth and earnings ambitions.

- Maintain target of growing EBITDA to $25M to $30M by FY25
- Continue to grow diversified earnings streams of partner brands and hospitality.
- Continuing to outperform competitors while focusing on cost efficiencies
  - Geographically focused sales & marketing investment in core brands
  - Reducing complexity in our core business by focussing on high-margin, high-growth brands
  - Fewer, Bigger, Better
- Selling prices maintained, COGS normalising, margins in line with expectations
- Current and expected operating cash flows and debt facilities are aligned to fund our ambitions.

John Hoedemaker
Managing Director

Directors' Report

Your Directors present their report on Good Drinks Australia Limited for the half-year ended 31 December 2022.

Directors

The following persons were Directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated.

Non-Executive Directors

Graeme Wood
Ian Olson (Chairman)
Robert Gould

Executive Directors

John Hoedemaker (Managing Director)
Aaron Heary

Company Secretary

Marcel Brandenburg

Review and results of operations

A review of the Company's operations and its financial position, business strategies and prospects is located at page 4 of this report.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

Ian Olson
Chairman

John Hoedemaker
Managing Director

Palmyra
27 February 2023

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF GOOD DRINKS AUSTRALIA LIMITED

As lead auditor for the review of Good Drinks Australia Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Good Drinks Australia Limited and the entities it controlled during the period.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth

27 February 2023

Consolidated Statement of Profit or Loss And Other Comprehensive Income

	NOTE	HALF-YEAR ENDED 31 DECEMBER 2022 $000s	HALF-YEAR ENDED 31 DECEMBER 2021 $000s
Revenue from the sale of goods and services	3	**58,959**	32,875
Other revenue	3	**1,190**	525
Total Revenue		**60,149**	33,400
Raw materials, consumables & delivery		**(27,864)**	(11,469)
Operating expenses		**(3,916)**	(2,962)
Employee expense		**(15,147)**	(8,706)
Depreciation and amortisation expense		**(2,655)**	(2,112)
Sales and marketing expense		**(5,144)**	(3,106)
Administration costs		**(1,931)**	(1,020)
Occupancy costs		**(113)**	(135)
Gain on acquisition	12	**-**	686
Profit before interest and tax		**3,379**	4,576
Finance costs	5	**(948)**	(442)
Profit before income tax		**2,431**	4,134
Income tax expense		**(564)**	(920)
Profit for the period		**1,867**	3,214
Profit for the period attributable to:			
Members of Good Drinks Australia Limited		**1,867**	3,214
		1,867	**3,214**
Other comprehensive Income			
Items that may be reclassified to profit or loss, net of tax:			
Effective portion of changes in the fair value of cash flow hedges		**(18)**	365
Total comprehensive income for the period		**1,849**	3,579
		CENTS	CENTS
Earnings per share (EPS) attributable to members of Good Drinks Australia Limited:			
Basic and diluted earnings per share		**1.46**	2.50

The above Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes. The accompanying notes form an integral part of these consolidated financial statements and the comparative information has been updated to reflect the finalisation of the provisional accounting for a business acquisition - refer note 12.

Consolidated Statement of Financial Position

	NOTE	AS AT 31 DECEMBER 2022 $000s	30 JUNE 2022 $000s
Current assets			
Cash and cash equivalents		**9,406**	5,683
Trade and other receivables	6	**43,516**	21,791
Inventories		**14,129**	11,534
Assets held for sale	7	**985**	-
Total current assets		**68,037**	39,008
Non-current assets			
Property, plant and equipment	8	**51,424**	50,985
Lease assets		**17,360**	16,211
Intangible assets	9	**17,742**	18,753
Deferred tax asset		**594**	163
Total non-current assets		**87,121**	86,112
Total assets		**155,157**	125,120
Current liabilities			
Trade and other payables		**31,761**	19,104
Lease liabilities		**1,351**	1,351
Borrowings	10	**24,000**	11,000
Current tax payable		**1,965**	881
Provisions		**1,312**	1,308
Total current liabilities		**60,389**	33,644
Non-current liabilities			
Lease liabilities		**16,661**	15,353
Borrowings	10	**10,931**	10,931
Provisions		**777**	756
Total non-current liabilities		**28,369**	27,040
Total liabilities		**88,758**	60,684
Net assets		**66,400**	64,437
Equity			
Contributed equity	11	**60,283**	60,373
Hedge Reserve		**-**	18
Share options reserve		**3,385**	3,182
Retained earnings		**2,733**	864
Total equity		**66,400**	64,437

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes. The accompanying notes form an integral part of these consolidated financial statements and the comparative information has been updated to reflect the finalisation of the provisional accounting a business acquisition - refer note 12.

Consolidated Statement of Changes in Equity

	CONTRIBUTED EQUITY $000s	RETAINED EARNINGS $000s	SHARE OPTION RESERVE $000s	HEDGE RESERVE $000s	TOTAL $000s
Balance at 1 July 2022	**60,373**	**864**	**3,182**	**18**	**64,437**
Profit for the period	-	1,867	-	-	1,867
Other comprehensive expense for the period	-	-	-	(18)	(17)
Total comprehensive income for the period	**-**	**1,867**	**-**	**(18)**	**1,850**
Transactions with equity holders in their capacity as equity holders:					
Contributions of equity, net of transaction costs	(90)	-	-	-	(90)
Issue of share capital net of transaction costs and tax	-	-	-	-	-
Employee and other share options expensed	-	-	203	-	203
Balance at 31 December 2022	**60,283**	**2,733**	**3,385**	-	**66,400**

HALF-YEAR ENDED 31 DECEMBER 2021	CONTRIBUTED EQUITY $000s	RETAINED EARNINGS $000s	SHARE OPTION RESERVE $000s	HEDGE RESERVE $000s	TOTAL $000s
Balance at 1 July 2021	60,113	(1,923)	2,510	(401)	60,299
Profit for the period	-	3,214	-	-	3,214
Other comprehensive income for the period	-	-	-	365	365
Total comprehensive income for the period	**-**	**3,214**	**-**	**365**	**3,579**
Transactions with equity holders in their capacity as equity holders:					
Contributions of equity, net of transaction costs	260	-	-	-	260
Issue of share capital, net of transaction costs	-	-	-	-	-
Employee and other share options expensed	-	-	298	-	298
Balance at 31 December 2021	**60,373**	**1,291**	**2,808**	**(36)**	**64,437**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes. The accompanying notes form an integral part of these consolidated financial statements and the comparative information has been updated to reflect the finalisation of the provisional accounting for a business acquisition - refer note 12.

Consolidated Statement of Cash Flows

	NOTE	HALF-YEAR ENDED 31 DECEMBER 2022 $000s	31 DECEMBER 2021 $000s
Cash flows from operating activities			
Receipts from customers		**73,559**	49,182
Receipts from government incentives		**350**	350
Payments to suppliers and employees		**(79,252)**	(43,471)
Finance costs on borrowings paid		**(948)**	(442)
Net cash provided by operating activities		**(6,291)**	**5,619**
Cash flows from investing activities			
Proceeds from the sale property, plant and equipment		**(38)**	(48)
Payments for property, plant and equipment and intangible assets		**(2,044)**	(7,965)
Payments for purchase of business	12	**-**	(5,102)
Net cash (used in) investing activities		**(2,082)**	(13,115)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities		**23**	-
Proceeds from borrowings		**13,000**	11,959
Borrowing transaction costs		**38**	-
Repayment of lease liabilities		**(923)**	(796)
Net cash provided by financing activities		**12,138**	11,163
Net increase in cash and cash equivalents		**3,765**	3,667
Effect of movement in exchange rates on cash held		**(41)**	33
Cash and cash equivalents at start of period		**5,683**	5,498
Cash and cash equivalents at the end of period		**9,406**	9,198

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes. The accompanying notes form an integral part of these consolidated financial statements and the comparative information has been updated to reflect the finalisation of the provisional accounting for a business acquisition - refer note 12.

Note 1 Basis of preparation

1.1 Basis of preparation

The Half-Year Financial Report (the Report) is a general purpose financial report prepared in accordance with Australian Accounting Standard AASB134 *Interim Financial Reporting (AASB 134)* and the Corporations Act 2001. The Report has been prepared on the historical cost basis, except for certain assets that are measured at revalued amounts or fair value, as explained in accounting policies below.

The Report is presented in Australian dollars and amounts have been rounded to the nearest thousand dollars unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The Report does not include all of the information required for a full financial report and should be read in conjunction with Good Drinks Australia Limited's (the Group) Financial Report for the year ended 30 June 2022 (2022 Financial Report) and any public announcements made by the Group during the half-year in accordance with the continuous disclosure obligation under the Corporations Act 2001 and ASX Listing Rules.

The accounting policies applied in the preparation of the Report are consistent with those applied in the Group's 2022 Financial Report, unless otherwise stated. These accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

1.2 Basis of measurement

Certain comparative amounts have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group, in particular:

- The valuation of the gaming licenses acquired as part of the Joe's Waterhole acquisition has subsequently been assessed to be higher than provisionally recognised. This has led to an upward revaluation of the licenses by $1.26 million.

- The valuation of the land and buildings acquired as part of the Joe's Waterhole acquisition has subsequently been assessed to be lower than provisionally recognised. This has led to an downward revaluation of the land and buildings by $0.57 million.

Restated the comparative information to reflect the finalisation of the provisional accounting for the acquisition accounting of Joe's Waterhole. Refer to Note 12 for further detail.

Note 2 New and amended standards adopted by the Group

The Group has adopted all relevant new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3 Revenue and other income

	HALF-YEAR ENDED 31 DECEMBER 2022 $000s	31 DECEMBER 2021 $000s
Revenue		
Sale of goods	**84,060**	51,809
Less: Excise tax & WET collected	**(25,101)**	(18,934)
Total Sale of Goods	**58,959**	32,875
Other income		
Sale of assets Profit/(Loss)	**1**	-
ATO Micro-Brewery Excise Refund	**350**	350
Warehousing Services	**123**	122
Foreign Exchange Profit/(Loss)	**428**	(100)
Other	**289**	152
Total Revenue and Other Income	**1,190**	525

Note 4 Segment disclosures

Reportable segments are identified on the basis of internal reports on the business units of the Group that are regularly reviewed by the Board of Directors in order to allocate resources to the segment and assess its performance. These business units offer different products and services and are managed separately.

The Group's reportable segments are as follows:

Core - the manufacturing, marketing and distribution of beer, cider and other beverages

Hospitality - the operating of hospitality venues

The primary reporting measure of the reportable segments is Earnings before interest, tax, depreciation and amortisation (EBITDA), which is consistent with the way management monitor and report the performance of these segments. The financial performance of the Core and Hospitality reportable segments is affected by seasonality whereby earnings are typically greater in the during summer key trading periods.

HALF-YEAR ENDED 31 DECEMBER 2022	CORE $000s	HOSPITALITY $000s	CONSOLIDATED $000s
Revenue from the sale of goods and services	43,734	15,225	58,959
Other revenue	1,190	-	1,190
Total revenue	44,924	15,225	60,149
Earnings before interest, tax, depreciation and amortisation	3,331	2,703	6,034
Depreciation and amortisation			(2,655)
Finance costs			(948)
Income tax expense			(564)
Profit for the period			1,867
Segment assets	147,907	15,994	163,901
Intersegment eliminations	(9,339)	-	(9,339)
Deferred tax assets	594	-	594
Total assets	139,163	15,994	155,157
Segment liabilities	90,750	5,341	96,091
Intersegment eliminations	(9,298)	-	(9,298)
Provision for income tax	1,965	-	1,965
Total liabilities	83,417	5,341	88,758

Note 4 Segment disclosures (continued)

HALF-YEAR ENDED 31 DECEMBER 2021	CORE $000s	HOSPITALITY $000s	CONSOLIDATED $000s
Revenue from the sale of goods and services	31,530	1,345	32,875
Other revenue	525	-	525
Total revenue	32,055	1,345	33,400
Earnings/(loss) before interest, tax, depreciation & amortisation	6,928	(239)	6,689
Depreciation and amortisation			(2,112)
Finance costs			(442)
Income tax expense			(920)
Profit for the period			3,214
Segment assets	**121,525**	**15,487**	**137,013**
Intersegment eliminations	**(12,056)**	**-**	**(12,056)**
Deferred tax assets	**163**	**-**	**163**
Total assets	**109,632**	**15,487**	**125,120**
Segment liabilities	**56,591**	**15,269**	**71,860**
Intersegment eliminations	**(12,056)**	**-**	**(12,056)**
Provision for income tax	**881**	**-**	**881**
Total liabilities	**45,415**	**15,269**	**60,684**

Note 5 Finance costs

	HALF-YEAR ENDED	
	31 DECEMBER 2022 $000s	31 DECEMBER 2021 $000s
Interest expense - leases	**199**	153
Interest expense and other borrowing costs - non leases	**749**	289
Total finance costs	**948**	**442**

Note 6 Trade and other receivables

	AS AT	
	31 DECEMBER 2022 $000s	30 JUNE 2022 $000s
Trade Receivables	**36,319**	16,481
Prepayments	**7,197**	5,310
Trade and other receivables	**43,516**	21,791

Note 7 Asset held for sale

	AS AT	
	31 DECEMBER 2022 $000s	30 JUNE 2022 $000s
Gaming Licences	**985**	**-**
Total assets held for sale	**985**	**-**

Note 8 Property, plant and equipment

HALF-YEAR ENDED 31 DECEMBER 2022	PLANT AND EQUIPMENT $000s	OFFICE EQUIPMENT $000s	MOTOR VEHICLES $000s	TOTAL $000s
Cost	**68,840**	**1,696**	**589**	**71,124**
Accumulated depreciation	**(18,241)**	**(1,173)**	**(287)**	**(19,701)**
Carrying amount at 31 December 2022	**50,599**	**523**	**302**	**51,423**
Movement:				
Carrying amount at 30 June 2022	**50,266**	**446**	**274**	**50,986**
Additions	**1,879**	**219**	**52**	**2,149**
Depreciation charge	**(1,546)**	**(141)**	**(23)**	**(1,710)**
Carrying amount at 31 December 2022	**50,599**	**523**	**302**	**51,424**

YEAR ENDED 30 JUNE 2022	PLANT AND EQUIPMENT $000s	OFFICE EQUIPMENT $000s	MOTOR VEHICLES $000s	TOTAL $000s
Cost	66,961	1,478	537	68,975
Accumulated depreciation	(16,695)	(1,032)	(264)	(17,991)
Carrying amount at 30 June 2022	50,266	446	274	50,985

30 June 2022 comparatives have been restated - refer to note 12.

Note 9 Intangible assets

HALF-YEAR ENDED 31 DECEMBER 2022	BRANDS $000s	GAMING LICENCES $000s	OTHER $000s	TOTAL $000s
Cost	15,678	1,971	770	18,417
Accumulated depreciation	-	-	(675)	(675)
Carrying amount at 31 December 2022	15,678	1,971	96	17,742
Movement:				
Carrying amount at 30 June 2022	15,678	2,956	119	18,753
Additions	-	-	38	38
Assets held for sale	-	(985)	-	(986)
Depreciation charge	-	-	(62)	(62)
Carrying amount at 31 December 2022	15,678	1,971	96	17,742

YEAR ENDED 30 JUNE 2022	BRANDS $000s	GAMING LICENCES $000s	OTHER $000s	TOTAL $000s
Cost	15,678	2,956	732	19,364
Accumulated depreciation	-	-	(613)	(613)
Carrying amount at 30 June 2022	15,678	2,956	119	18,753

The Group has recognised the intangible brand asset as having an indefinite useful life and periodically assess the assets for indicators of impairment as disclosed within the critical accounting judgements, estimates and assumptions in the 2022 Financial Report.

30 June 2022 comparatives have been restated - refer to note 12.

Note 10 Borrowings

	AS AT 31 DECEMBER 2022 $000s	30 JUNE 2022 $000s
Current		
Borrowing Base Facility	**24,000**	11,000
Total current borrowings	**24,000**	11,000
Non-current		
Cash Advance Facility	**10,931**	10,931
Total non-current borrowings	**10,931**	10,931

(a) The Company has a borrowing base facility with the Commonwealth Bank of Australia with the following

Facility Limit: $35 million

Interest Rate: BBSY + 1%

Term: Revolving, subject to annual review with the next review being 31 December 2023.

(b) The Company also has a cash advance facility (currently undrawn) with the Commonwealth Bank of Australia

Facility Limit: $12.5 million

Interest Rate: BBSY + 1.55%

Term: Up to 5 years, ending June 2025.

(c) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	AS AT 31 DECEMBER 2022 $000s	30 JUNE 2022 $000s
Fixed and Floating Charges		
Plant and equipment	**50,599**	50,714
Motor vehicles	**302**	271
Trade Receivables	**36,319**	16,481
Inventory	**6,635**	4,059
Total Fixed & Floating charges	**93,855**	71,525
Total assets pledged as security	**93,855**	71,525

Note 11 Contributed equity

	31 DECEMBER 2022 SHARES	30 JUNE 2022 SHARES	31 DECEMBER 2022 $000's	30 JUNE 2022 $000's
Share Capital				
Ordinary shares				
Fully paid	**128,338**	128,418	**60,283**	60,373

	31 DECEMBER 2022 SHARES	30 JUNE 2022 SHARES	31 DECEMBER 2022 $000's	30 JUNE 2022 $000's
Movement in contributed equity:				
1 July (opening balance)	**128,418**	1,278,168	**60,373**	60,113
New shares issued				
Issues of shares during the half-year				
Ordinary shares issued	**-**	5,000	**-**	400
Employee loan shares issued	**(79)**	100	**-**	-
Share consolidation	**-**	(1,154,850)	**-**	-
Current tax benefit	**-**	-	**(90)**	(140)
31 December (closing balance)	**128,338**	128,418	**60,283**	60,373

At 31 December 2022 there were 128,338 ordinary shares on issue.

Note 12 Business combinations

Acquisition of Joe's Waterhole

On 15th November 2021, Memorial Drive Hospitality Pty Ltd completed the acquisition of Joe's Waterhole for a total consideration of $5.1 million (excluding $0.3 million in transaction costs). The purpose of the acquisition was to add a strategically located venue to the Group's hospitality portfolio with a view to developing it into a Matso's venue.
The amounts recognised in respect of the fair value of the assets and liabilities acquired are set out below:

	PROVISIONAL $000s	ADJUSTMENT $000s	FINAL $000s
Land and Buildings	3,300	(570)	**2,730**
Gaming Licences	1,700	1,256	**2,956**
Cash and Inventory	102	-	**102**
Fair value of assets acquired	5,102	686	**5,788**
Gain on acquisition	-	686	**686**
Consideration	5,102	-	**5,102**
Net profit per share			
Basic (cents)	1.55	(0.09)	**1.46**
Diluted (cents)	1.55	(0.09)	**1.46**

Note 12 Business combinations (continued)

The fair value of the assets are finalised. The adjustment between the provisional fair value of the assets presented at 30 June 2022 and the final fair value of the assets presented at 31 December, relate to the land and building asset and gaming licences acquired. On reassessment the fair value of those assets has been determined to be $5.79 million. As a result, the acquisition of Joe's Waterhole resulted in a gain on acquisition.

Note 13 : Subsequent events

Appointment of Director

On 6 February 2023, the Group announced the appointment of Mr Aaron Heary as Executive Director responsible for Brand, Strategy and Hospitality.

Acquisition of Stomping Ground

The Group announced on 10 February 2023 that it would not proceed with the planned acquisition of Stomping Ground Brewing Pty Ltd.

No further matters or circumstance has arisen since 31 December 2022, which has significantly affected, or may significantly affect, the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

Directors' Declaration

The Directors of the Group declare that:

(a) The financial statements and notes set out on pages 11 to 21 are in accordance with the Corporations Act 2001 and:

  (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting,* the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) give a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.

(b) In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the Directors by:

Ian Olson
Chairman

Palmyra
27 February 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Good Drinks Australia Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Good Drinks Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor’s responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group’s financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth

27 February 2023