

COMPANY UPDATE

HIGHLIGHTS:

- **WINEDEPOT MARKET** officially launched
- **WINEDEPOT** and **Zip** team up to offer BNPL to the food, wine and beverage industry
- **WINEDEPOT** buyers get immediate access to an interest free credit line up to \$3,000
- **WINEDEPOT** buyers also able to access a reusable credit line of up to \$150,000
- **WINEDEPOT** to expand addressable market by promoting to Zip's B2B customer base
- **ZIP provides WINEDEPOT** buyers \$50 credit to put towards their first purchase

Digital Wine Ventures (DW8 ASX), or the "**Company**", is pleased to provide an update on the progress of the Company and its **WINEDEPOT** business.

WINEDEPOT marketplace officially launched

The Company is pleased to report that **WINEDEPOT** has officially launched its direct-to-trade marketplace (**MARKET**), with the iconic **Café Sydney** being the first venue to place an order after the revolutionary new platform went live earlier this week.

To support the launch, leading fine wine distributor **Bibendum** also commenced sending incentive vouchers to selected Sydney based customers. This process will continue over the course of the next few weeks, until all of their New South Wales based customers have been invited onto the platform. Once the first stage of the roll out has been completed, **WINEDEPOT** and **Bibendum** plan to invite trade buyers from other states. While the company originally intended the second state to be Victoria, this will be reviewed subject to the status of Covid-19 lockdowns at the time of future launch stages.

More details about **MARKET** can be found at <https://www.youtube.com/watch?v=yKSWQKBe7OQ>

WINEDEPOT teams up with Zip, to offer Buy Now Pay Later solution

The Company is also pleased to report that **WINEDEPOT** has partnered with Zip Co Limited (ASX:Z1P) ("**Zip**"), a global payment solutions provider, to provide **WINEDEPOT** users access to a Buy Now Pay Later credit solution.

Zip's Business Trade and Business Trade Plus payment solutions will be integrated into the **WINEDEPOT MARKET** platform alongside other payment methods. The solution will provide smaller businesses immediate access up to \$3,000 credit interest free forever, while larger operations will have the ability to access credit lines up to \$150,000 on 60 days interest free terms or extend for another 4 months for a fixed fee.

Zip will take responsibility for assessing credit applications, providing a credit line to users, managing the collection processes and importantly assume the risk and recourse associated with payments made via their payment solution.

Wine Depot Founder & CEO, Dean Taylor is confident that the inclusion of Zip Business Trade and Zip Business Trade Plus will have significant appeal to both suppliers and trade buyers alike, whose cash

flows have been under intense pressure due to the government restrictions related to COVID-19.

“The hospitality industry relies heavily on overly generous terms provided to them by wine and alcohol suppliers. It is not uncommon for suppliers to wait up to 120 or 180 days to be paid in full. However, most suppliers are already suffering from the impact of COVID-19 and in many cases simply unable to extend further credit.”

*“By partnering with **Zip** we’re able to provide buyers using our platform access to an instant credit line which they can use to purchase products from hundreds of different suppliers. In turn, this allows us to release the proceeds of sales to suppliers in as little as 3 working days from the date of purchase. It’s a win-win solution that helps improve cash flow for users on both sides of our marketplace.”*

*“What attracted us to **Zip** is their cutting-edge technology that allows their payment system to be integrated directly into our marketplace. This allows customers to apply online at any time and get an instant response to their application. It’s absolutely frictionless and only adds value to the customer experience.”*

*“Given all of the challenges that the food, wine and hospitality industries have been through over the last 12 months, I expect there will be significant take up of **Zip’s** buy now pay later service. Being the first Australian company to roll out a solution like this out in the sector is very exciting.”*

Geof Alexander, General Manager of Zip Business is excited about the partnership and sees **WINEDEPOT’s** B2B marketplace as a perfect conduit to help **Zip** expand its presence within the wholesale wine and beverage industry.

*“What we like about **WINEDEPOT** is their innovative approach of using technology to streamline wine and beverage distribution. Like us, they have recognised that managing payments and collections consumes an enormous amount of time and resource for businesses and have set out to solve this problem within their platform design. Their simple, easy-to-use tech is something that we couldn’t be aligned with more.”*

“We’re excited to partner with them to help jumpstart Australia’s food, wine and beverage industry by giving entrepreneurs with fire in their belly more time to focus on their ideas rather than their finances.”

ZIP provides WINEDEPOT buyers \$50 credit to put towards their first purchase

To welcome **WINEDEPOT** merchants to the platform, Zip has agreed to provide each new customer registering between 31 May and 20 June 2021, with \$50 credit back towards any **MARKET** purchase of \$100 or more.

CEO, Dean Taylor is confident that the partnership with **Zip** will help **WINEDEPOT** to expand into the broader B2B market, by exposing **WINEDEPOT** to the 26,000+ businesses that it works with via Zip’s Store Directory and other promotional channels.

Digital Wines CEO Dean Taylor explains *“Beyond trade buyers, our platform is also well suited to servicing corporates and businesses that purchase in larger volumes. We see the push into the broader B2B market as an excellent way to help producers we are working with clear excess inventory stemming from the collapse of the Chinese export market.”*

“Being able to leverage this partnership to expand our addressable market not just here in Australia but other markets in due course is also very exciting.”

END

This ASX announcement was approved and authorised for release by the Board of Directors.

Zip overview

ASX-listed Zip Co Limited (Z1P: ASX) or (“Zip”) is a leading player in the digital retail finance and payments industry. The company offers point-of-sale credit and digital payment services to the retail, home, health, automotive and travel industries. Zip has operations across Australia, New Zealand, the USA and United Kingdom, with associates in South Africa. Zip also owns Pocketbook, a leading personal financial management tool and SME lending provider Spotcap.

The company is focused on offering transparent, responsible and fairly priced consumer and SME products. Zip’s platform is entirely digital and leverages big data in its proprietary fraud and credit-decisioning technology to deliver real-time consumer responses. Zip is managed by a team with over 100 years’ experience in retail finance and payments and is a licensed and regulated credit provider. For more information, visit: www.zip.co

WINEDEPOT overview

WINEDEPOT is an online technology platform designed to streamline wine & beverage distribution. It provides users with an integrated trading, logistics and payment solution that includes:

- **MARKET** – direct-to-trade marketplace
- **DIRECT** – direct-to-consumer sales manager
- **CONNECT** – order, inventory & technology integration manager
- **LIQUIDITY** – payment management solution
- **LOGISTICS** – fulfillment solution

Benefits for users include:

SUPPLIERS

Reduced Costs & Administration
Improved Profit Margins
Increased Customer Reach
Incremental Sales
Improved Cash Flow & Guaranteed Payment

TRADE BUYERS

Single Order, Invoice, Delivery & Payment
Flexible Payment & Credit Options
Access to a Broad Product Range
Streamlined Delivery Service
Supports Producers via ‘Vineyard to Venue’ model

Revenue is generated via:

- **Trading Fees** (% of the wholesale transaction value)
- **Sales Commissions** (% of the retail transactions generated)
- **Connect Platform Fees** (monthly subscriptions, listing and integration fees)
- **Liquidity Fees** (% of the transaction value funded)
- **Logistics Fees** (storage, picking, packing, handling & freight)

WINEDEPOT plans to solidify its presence in Australasia before expanding into other key markets for Australian wine such as USA, UK, Europe, Canada, Hong Kong and Singapore.

To view recent media coverage please visit:

- <https://www.digitalwine.ventures/media-coverage.php>
- <https://winedepot.com/media-coverage/>

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