



P. 08 9876 5432 F. 08 9876 5552

hello@gooddrinks.com.au
14 Absolon St. Palmyra WA 6157

gooddrinks.com.au

PO Box 2024 Palmyra DC
Western Australia 6169

ABN: 22 103 014 320
ASX: GDA

ASX ANNOUNCEMENT

21 October 2021

Q1 FY22 SALES UPDATE

Please find attached an investor presentation in relation to the Company's sales results for Q1 FY22.

Highlights

- Total Sales Volume 4.3m L, **up 16%** on Q1 FY21
- Strong Q2 sales momentum expected to deliver a successful H1 FY22

-END-

This announcement has been authorised by the Board of Directors.

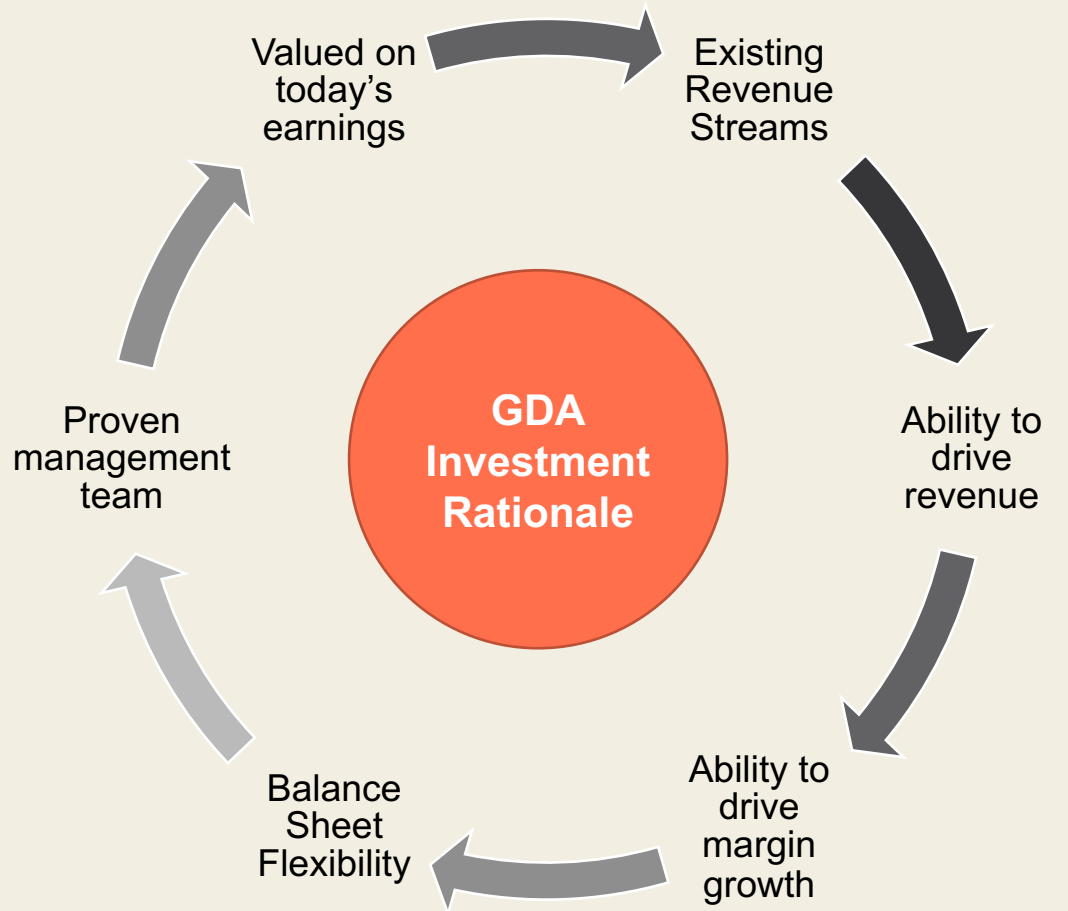
Marcel Brandenburg
Company Secretary
Good Drinks Australia Ltd
(08) 9314 0000
investors@gooddrinks.com.au

Jamie Burnett
Communications Manager
Good Drinks Australia Ltd
0402 882 099
jamieburnett@gooddrinks.com.au



Q1 FY22 SALES UPDATE

GOOD DRINKS AUSTRALIA | ASX: GDA



Q1 Sales Performance

- Total Sales Volume 4.3mL, **up 16%***
- Good Drinks Volume 2.5mL, **steady***
- Contract Brewing Volume 1.8mL, **up 50%***
- Good Drinks is now Australia's #1 independent craft brewery
- Strong momentum into summer period

* Compared to Q1 FY21

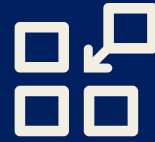
Sales by channel (million Litres)	Q1 FY22	Q1 FY21	Change
National Chains	0.8	0.7	14%
Independent Retailers	1.0	1.1	-9%
Draught	0.5	0.5	0%
Brand-in-hand	0.2	0.2	0%
Total Good Drinks volume	2.5	2.5	0%
Contract -Brewed Brands	1.8	1.2	50%
Total Volume	4.3	3.7	16%



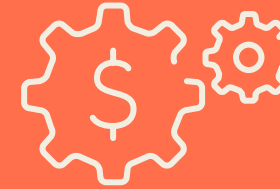
The Good Drinks Strategy (20m Good Drinks Litres By FY25)



Become #1 independent supplier to the national beer market



Brands that drive sustained margin growth



Maintain our flexible, large-scale manufacturing advantage



Opportunities

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



Targets

- 20mL of own brands by FY25
- 20-25% own-brand growth per annum
- 65-70% gross profit target
- Consistent EBITDA growth per annum

Good Drinks Sales Snapshot



Become #1
independent
supplier to the
national beer
market

- Total Good Drinks volumes steady on Q1 FY21
- National chains growing strongly at 14% in line with strategy
- Independent retail volume down 9%:
 - Introduction of WA container deposit scheme led to significant retailer buy-up during prior year comparative period
 - East coast Covid lockdowns impacted NSW and Victoria retail and on-premise sales
- Draught volume steady on Q1 FY21
 - Prior year comparative period had unseasonably high sales resulting from customers re-stocking as WA emerged from Covid lockdowns
- Contract brewing volumes up 50%
 - Flexible contract brewing arrangements allowed us to bring forward production into Q1 to maintain strong plant utilisation



Good Drinks Marketing Snapshot

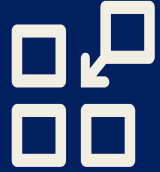


Brands that drive sustained margin growth

- NEW - Atomic masterbrand refresh
- NEW - Matso's hard flavours refresh, can format
- NEW Gage Roads, Matso's and Atomic outdoor campaigns launching late October
- Key on-premise partnerships to provide Gage Roads branded experiences in iconic East Coast venues
- Biggest ever program of summer activations



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:*
 - Opened 14 October with strong revenues returning to pre-Covid levels
 - No material losses sustained during COVID lockdown thanks to government assistance packages
- *Gage Roads Fremantle:*
 - Final costs expected to be materially in line with \$10m budget (funded via debt facility and surplus cash)
 - Opening this summer
- *Matso's Queensland:*
 - Acquired “Joe’s Waterhole” in Eumundi for \$5.3m
 - Settlement mid-November (funded via debt facility)
 - Will operate “as is” during summer before redevelopment into exciting Matso’s experience



Good Drinks Manufacturing Snapshot



Maintain our flexible, large-scale manufacturing advantage

- Shifted contract brewing production into Q1 to optimise plant utilisation and efficiencies
- Currently brewing at full capacity in anticipation of strong GDA brand demand over summer
- Faster carton packaging equipment installed and commissioned (\$240k)
- Cost of goods maintained
- Back-freight positioning of Western Australia has mitigated freight cost increases
- Strategy to diversify supply partners throughout Asia and Middle East has de-risked our supply chain



Outlook

- Q1 sales strong, prior year comparative volumes inflated by one-off events
- Strong sales expected in Q2 to deliver a successful H1
- Best ever promotional programs and activations in place with key customers
- Indications of strong consumer confidence in NSW post lockdown
- Contract brewing to reduce in H2 and FY23 in line with Good Drinks strategy
- Gage Roads Brew Co Fremantle venue set to open over summer
- Good Drinks Strategy on track

