

8 December 2021

ASX Announcement

DW8 COMPLETES KADDY ACQUISITION PENETRATING DEEPER INTO WHOLESALE BEVERAGE MARKET

DW8 Limited (DW8 ASX), or the “**Company**”, is pleased to announce the successful completion of the acquisition of **Kaddy Australia Pty Limited** (“Kaddy”).

The Kaddy transaction was approved by DW8 shareholders at the AGM held on 30 November 2021. All remaining conditions precedent have been satisfied. The acquisition of Kaddy was announced on 15 October 2021 ([see ASX announcement](#)).

Established in September 2019 by founders Mike Abbott and Rich Coombes, Kaddy has quickly grown its network of users to over **2,000** registered wholesale buyers and more than **450** suppliers to become Australia’s leading wholesale beverage marketplace.

Kaddy significantly strengthens DW8’s whole customer offering and Australian market share. Integrating Kaddy, with its strong growth and rapid adoption into DW8’s existing **WINEDEPOT** tech-enabled national logistics platform will unlock significant value for their users by providing them a solution that consists of one order, one invoice, one payment and one delivery solution.

DW8 CEO Dean Taylor said, *“This is a very exciting point in DW8’s relatively short trading history, as we make a further significant investment to support our mission to create a technology platform capable of digitally transforming the entire wine and beverage industry.”*

“Since launching two years ago, we have demonstrated our ability to develop and rapidly scale our smart logistics platform. As intended, this investment has provided us with the essential foundations required to support a vibrant and powerful marketplace capable of servicing every liquor licence holder in the country.”

“Over the same period, Kaddy has established itself as Australia’s leading wholesale liquor marketplace. Integrating the two technology platforms will create an unrivalled value proposition that will significantly accelerate our penetration into Australia’s \$17 billion p.a. wholesale liquor market¹, while at the same time adding to what is already a substantial competitive moat.”

Kaddy co-founder Mike Abbott, who today joins DW8’s Board of Directors added, *“It’s great to now have the transaction completed and formally to come together with Dean and the WineDepot team. Since announcing the acquisition, we have continued to set new records in respect of GMV and new buyer acquisition and our sights are now set upon delivering and exceeding the agreed performance targets over the next two years.”*

“Our focus will remain on building a game changing product for the beverage industry. Given our strong momentum it is really exciting to think what we can achieve next year by leveraging WineDepot’s supplier base and tech enabled national logistics solution.”

The key terms of Mike Abbott’s employment agreement as Executive Director and the material terms of the Kaddy acquisition are contained within the ASX release dated 15 October 2021.

¹ Company estimate based on a. 60% of the \$22.1 billion Total Retail Liquor Market cost of goods (Retail Drinks Australia, Category Insights - Liquor projections for FY21 and beyond presented by IRI - May 2021); and b. 25% of the \$15.1 billion on-premise cost of goods, the difference between the Total Retail Liquor Market (\$22.1 billion) and Total Liquor Market (\$37.2 billion - <https://www.statista.com/outlook/cmo/alcoholic-drinks/australia>)

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

WINEDEPOT (winedepot.com)

is a tech enabled logistics platform designed to streamline wine & beverage distribution. It consists of five key components:

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

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 has also recently launched **INSIDER**, an invitation only membership program for employees working within the broader food, wine and beverage industry. The program provides a range of benefits including highly competitive prices on alcohol purchases.

As an embedded benefit, DW8 shareholders holding more than 10,000 shares are also eligible to participate in the program. To access the program and its benefits, shareholders should register at <https://market.winedepot.com>

DW8 (ASX: DW8)

DW8 is an Australian Publicly listed company that aims to invest in early-stage technology-driven ventures that have the potential to disrupt and or digitally transform segments within the global beverage market. The Company changed its name from Digital Wine Ventures Limited to DW8 Limited in November 2021.

For more information please visit www.dw8.com.au

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Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Digital Wine Ventures Limited's planned operations and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Digital Wine Ventures Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.