Appendix 4E
Under ASX Listing Rule 4.3A

Good Drinks Australia Limited and its controlled entities
For the financial year ended 30 June 2024

Results for announcement to the market

This Appendix 4E presents the results of Good Drinks Australia Limited (the Group) and the entities it controlled at the end of, or during, the year ended 30 June 2024 (together referred to as the Group or Good Drinks Australia).

The current reporting period is the period from 1 July 2023 to 30 June 2024 (the financial year) and the previous corresponding reporting period is the period from 1 July 2022 to 30 June 2023.

Key information

	30 JUNE 2024 $'000	30 JUNE 2023 $'000	CHANGE $'000	CHANGE %
Revenue from ordinary activities	**111,564**	106,226	5,338	5%
Earnings before interest, tax, dep'n and amort'n*	**3,656**	7,027	(3,371)	-48%
Profit/(loss) for the year	**(2,799)**	(157)	(2,642)	1680%
Profit/(loss) for the year attributable to equity holders of the Group	**(2,799)**	(157)	(2,642)	1680%

*includes $4.5million impairment of Atomic Redfern venue. Underlying Group EBITDA amounted to $8.2million

Dividends (distributions)

There were no dividends declared for the year and the group does not have a dividend re-investment plan.

Net tangible assets per ordinary share

	30 JUNE 2024 CENTS	30 JUNE 2023 CENTS
Net tangible assets per ordinary share	33	37

Details of entities over which control has been gained or lost

During the financial year ended 30 June 2024 Good Drinks Australia did not gain or lose control over any entities.

Other information

Additional Appendix 4E 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 financial year are included in the Director's Report.

The Consolidated Financial Statements contained within the 2024 Financial Report, upon which this report is based, have been audited by BDO Audit Pty Ltd and an unmodified opinion has been issued.

2024 ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

GOOD DRINKS AUSTRALIA LIMITED ABN 22 103 014 320

You're in good company

CONTENTS

Chairman's Letter

Dear Shareholders,

On behalf of your Board and Company, I am pleased to report on a solid year for Good Drinks Australia that saw the Group deliver record revenue, reflecting expansion across all business units, including core operations, agency and hospitality.

The Group generated $112 million in revenue and an underlying EBITDA of $8.2 million, which was a pleasing result amidst a subdued economic environment, marked by falling consumer spending power.

Throughout the year your Company has continued to over-invest in the essential value drivers of sales and marketing, as part of a clear and deliberate strategy to grow market share, which the Board believes will ultimately deliver a valuation of the Company not currently reflected by the prevailing share price.

This continued investment in sales and marketing, which by its nature is incurred ahead of expected growth in revenue, has created the country's largest independent national sales, distribution and marketing platform, making Good Drinks the country's 4th largest national brewer, and the fastest-growing amongst this cohort.

Assisted by earnings contributions from our international partner brands and our large-format hospitality operations in Western Australia and Queensland, the Group has built a resilient, diversified cash generating business, capable of sustaining growth over the long term.

Once again, the entire team at Good Drinks Australia is to be commended for their passion, professionalism and commitment to growing a world-class operation, with a mission to have a Good Drinks beverage in every fridge and pub in the country.

On behalf of your Board I would also like to thank all shareholders for your patience and ongoing support as together we look forward to a time when the intrinsic value of Good Drinks Australia is finally reflected in our valuation.

Ian Olson

CHAIRMAN

Review of Operations

FY24 SUMMARY

- FY24 Group EBITDA ▲17% to $8.2m[1]
- Good Drinks Core EBITDA ▲315% to $3.7m
- Good Drinks Hospitality EBITDA $4.5m[1]
- Group Revenue ▲5% to $111.6m
- Good Drinks Own-Brand Volume ▲10% to 15.6m litres
- Partner Brands ▲4% to 11.6m litres
- Total Volume ▲7% to 27.2m litres
- Gross Contribution improved from 36% to 38%

Results are in comparison to FY23
1 Underlying EBITDA (excludes $4.5m impairment of Atomic Redfern)

FY24 was a good year for Good Drinks, significantly improving earnings in our core business and maintaining strong earnings in our hospitality business. Achieving 7% volume growth across our portfolio of brands in a beer market that is declining at 4% is a significant achievement. The successful opening and integration of our much-loved Matso's Sunshine Coast venue is also a milestone to be proud of, complementing our flagship venue Gage Roads Fremantle, which again enjoyed a successful and record year of operations.

Each of our international partner brands grew in their respective, highly competitive segments and we are excited to add Rekorderlig Cider to this part of our business.

This positions Good Drinks Australia clearly as one of the most successful Australian brewers and national sales, distribution and marketing platforms, 4th in market share (behind Asahi (CUB), Kirin (Lion) and Coopers) and the fastest-growing of the top 4 national brewers.

Despite the strong FY24 sales performance and corresponding financial result, we feel that the current public market valuation does not reflect the true underlying value that the business has created.

We consider market share to be the most common metric to value brands and businesses in the beer industry and recent acquisitions by the major brewers indicate valuations on a dollar-per-litre basis, in a range of $15 to $18 per litre. This industry metric reflects that creating a successful beer brand can be a 10-15 year process and through acquisition this timeline is shortened significantly. Using those metrics, GDA achieves a significantly higher valuation than that currently expressed in the public market.

This is why we maintain our market share strategy, focusing increasing investments in sales and marketing in key markets to continue to grow volumes of our own brands and partner brands to grow market share.

Review of Operations

EARNINGS

In FY24 we were pleased to deliver an underlying EBITDA result of $8.2 million, up 17% on the previous year (FY23: $7.0m). The financial results highlight the strong contribution that the hospitality segment continues to provide to Group earnings but also the significant improvement in our Core business EBITDA, growing from $0.9m in FY23 to $3.7m in FY24, a 315% increase.

FY24 Summary (MILLIONS)	GOOD DRINKS CORE	GOOD DRINKS HOSPITALITY	GROUP
Litres Sold	27.2	0.4	27.6
Revenue	82.9	28.6	111.5
Cogs & Variable Costs	(51.8)	(17.9)	(69.7)
Gross Contribution	31.1	10.7	41.8
GC %	*37%*	*37%*	*37%*
Sales	(9.0)	-	(9.0)
Marketing	(9.9)	-	(9.9)
Operating Costs	(8.4)	(6.2)	(14.7)
UNDERLYING EBITDA	3.7	4.5	8.2
Atomic Redfern Impairment	-	(4.5)	(4.6)
STATUTORY EBITDA	3.7	(0.0)	3.6

Good Drinks Core

The Good Drinks Core business is the manufacturing, marketing and selling of beverage brands (predominantly alcohol brands) throughout Australia, and to a smaller extent, internationally.

Through sustained and persistent investment, at times to the detriment of historical earnings, the Good Drinks Core business has developed three clear competitive advantages: 1) We have a broad portfolio of premium brands that deliver market share growth at sustainable margins, and we are nimble enough to provide timely category solutions to our customers, 2) we are one of few brewing businesses in Australia that can flexibly manufacture those multi category brands at scale and at low cost, and 3) we can distribute those brands widely with superb access to the national on and off-premise markets via Australia's #1 independent national sales force. Three strong competitive advantages and foundations of a valuable core business.

Our broad multi category portfolio consists of our owned Australian brands *Gage Roads*, *Matso's*, *Alby*, *Rider Zero Carb* and *Hello Sunshine* and our international partner brands *Millers*, *Coors*, *Magners*, *San Miguel* and *Rekorderlig*. The portfolio provides well supported non-competing brands covering different beverage styles, price points and drinking occasions and consequentially we are becoming a partner of choice, providing multi category solutions for our customers.

How good it is to see our portfolio continue to outperform the market and our competitors this year. The Good Drinks Australian brands grew volumes by 10% to 15 million litres and our Partner international brands grew at 4% to 12 million litres, creating overall growth in volume of 7% (up 1.8ML to 27.2ML). A significant result in an overall beer market declining at 4% per annum Source: (Circana MarketEdge Retail Liquor Weighted, Data To 05/05/24). Our portfolio of brands is relevant and resonating, creating emotional connections with our consumers.

FY24 saw appropriate levels of sales and marketing investment focused on key markets deliver maximum

Review of Operations

impact, as compared to the prior year, where sales & marketing spend was ahead of market conditions.

Sustained investment in sales and marketing is worth it. This year Good Drinks invested $9m in our sales function including additional people in field and key account roles and an introduction of a national call centre of excellence, allowing us to improve our service to remote and regional areas. We also invested $9.9m in our marketing activities. Overall we increased our sales & marketing expenditure by $0.5m to $18.9m. Our strategy to focus these resources on key markets and on key brands has been successful, with QLD up 26% and WA up 11% in volume of Good Drinks brands, being driven predominantly by *Gage Roads* and *Matso's*. Our entire portfolio of brands continue to grow in all other states and channels too. *Magners*, *Coors*, *Millers* and new product developments such as *Matso's Nightlife 6%* and *Rider* also contributed strongly to sales volumes for the year.

Approximately 6% of own brand revenues, was invested directly in media and advertising. Aligned with our market share strategy, over the next few years we anticipate growing that media and advertising investment to 8% and then 11% to 13% of own brand revenues, again targeted on key brands within key growing geographical markets.

A measure of the health and value of our brands is not only their growing market share but also their premium positioning and sustained margins. GDA own brands maintained their 10-30% price premium to the leading competitors within their categories, highlighting their relevance and brand strength. *Gage Roads* brands are well positioned to capture volume as people trade down from higher priced craft beers.

Pleasingly, our total volume growth of 7% matched revenue growth of 7% in our Core segment. This shows that our products can maintain volume growth without sacrificing their price points. This is an important indicator of brand strength, brand equity and long-term sustainable growth.

Developing a broad portfolio of brands with sustainable margins has been a core pillar of our business since 2002. This year we achieved an improvement in gross contribution from 36% in FY23 to 38% in FY24, largely driven by maintained pricing and cost savings in Costs of Good Sold. We expect these cost savings to remain in place for the foreseeable future.

During FY24 the supply operations of the business was faultless. Our brewery in Palmyra Western Australia produced 16.2 million litres, up 1.7 million litres over last year, and we warehoused, shipped and sold a total of 27.7 million litres (including partner brands). The operations team maintained high quality and safety standards and impressive DIFOT (delivery in full on time) results throughout the year. Significant past investment in scale, world class manufacturing equipment and our continued annual CAPEX investments (FY24 $2m) continuously target the improvement of our manufacturing and supply chain efficiencies. As a result, despite the 11% increase in through-put, our production, warehousing and distribution cost structures remained materially the same as last year. Accordingly, core business gross contributions grew at 9.4% to $31.5m, at a faster pace than the 7% volume growth, a healthy core business metric.

Review of Operations

Other operating expenses were also well controlled, at $8.8m for FY24 in comparison with $9.1m last year, a good result in an inflationary cost environment. In fact, total core operating expenses and production, warehousing and distribution costs (all OPEX excluding sales, marketing expenditure and COGS), was materially the same as last year at $21.5m (FY23: 20.8m).

Good sustainable brands in growth, maintaining price and margin, married with solid cost control from the operations team and modest increases in sales, marketing expense, in FY24 the Good Drinks team delivered a respectful turnaround in core earnings to $3.7m EBITDA, demonstrating the fixed nature of the operating cost structure and just how leverageable our financial model is as volumes grow.

Good Drinks Hospitality

The Good Drinks venue strategy aims to create a few key venues in key markets to support the Group's core brands with local and regional relevance, increasing awareness of those brands and growing retail sales.

The Good Drinks Hospitality business continues to be a strong earnings contributor, generating $4.5m in underlying EBITDA (excluding Atomic Redfern impairment).

The result was largely driven by our flagship venue Gage Roads Freo, which contributed $6.0m in EBITDA. Gage Roads Freo proved to trade strongly during all seasons this year and has maintained its position as a "must visit" destination for domestic and international travellers to WA. It is particularly pleasing to see that its popularity continues well beyond the initial honeymoon period that new venues often enjoy.

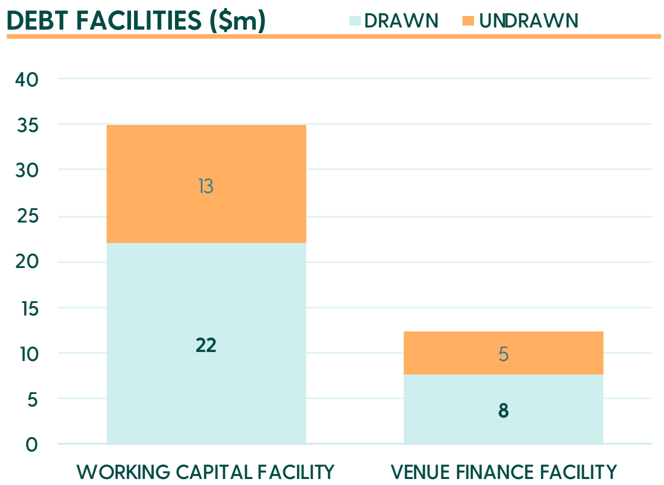
Atomic Redfern incurred EBITDA losses of $0.5m. Trading conditions continue to be challenging and combined with high rent, the business is unsustainable. With the sale process unsuccessful and the lease nearing the end of its term, we have taken a decision to vacate the site and discontinue trade to minimise further losses in FY25. Plant & equipment will be retained for future use or sale, however conservatively we have impaired the full carrying amount ($4.5m) in the FY24 accounts.

We opened the newly redeveloped Matso's Sunshine Coast in December 2023, a highlight for the Hospitality business of Good Drinks and for the Matso's brand. The venue provides a great brand experience and perfectly introduces Queenslanders and domestic travellers to the genuine Matso's brand. In FY24 Matso's Sunshine Coast produced $0.2m EBITDA during 6 months of trading but also incurred $0.4m in pre-opening expenditure, thus producing a loss of $0.2m. Matso's Sunshine Coast has been trading well in the last 6 months with operating revenues, cost structures and earnings on track with its original business model with expectations of delivering an annual EBITDA of $0.8m.

Review of Operations

CASHFLOW AND BALANCE SHEET

CASHFLOW RECONCILIATION	$'000
Opening Cash 1 July 2023	15,497
Operating EBITDA	8,157
Interest Paid	(2,951)
Tax	969
(Increase) in receivables	(3,123)
(Increase) in inventory	(160)
(Decrease) in trade and other payables	(1,091)
(Increase) in Prepayments	(2,183)
Drawdown of Working Capital Facility	2,675
CAPEX Spend	(10,255)
Closing Cash 30 June 2024	7,537



The Company ended the year with a strong cash position of $7.5m and with headroom in our facilities, the business and our growth strategy remain fully funded through operating cash flows.

As we continue to grow sales, our levels of receivables and inventory will inevitably grow. This growth in receivables and inventory is funded via our dedicated working capital facility.

Prepayments include newly signed, long-term tap agreements with major on-premise groups. These are important as they lock in future volume and are an investment in future cashflows.

Our FY24 capital expenditure program was focused on the development on Matso's Sunshine Coast, to which we applied $7.5m of surplus and operating cash without the need to further draw down on our venue finance facility.

We also applied $2.0m towards on capital improvements at our main production facility. This is part of our ongoing capital works program, with an ear-marked spend of around $1.5m-$2m per annum.

We have identified an opportunity to unlock capital through a sale-and-leaseback arrangement of our non-core property assets, if successful, proceeds can be applied towards the Company's balance sheet. Accordingly the business will soon undertake a process to test the market and if yields are appropriate, consider the sale and leaseback of our Eumundi property.

OUTLOOK

Good Drinks is a brand-led business and our brands are resonating strongly with consumers. Increasing the value of our brands through growing distributions, consumer awareness and consumer demand and ultimately growing market share are true measures of the value Good Drinks is aspiring to create for shareholders.

Review of Operations

- Good Drinks will continue to execute its market share strategy:
    - Targeting volume, revenue and market share growth at similar growth rates to FY24
    - Accelerating marketing investment focused on key brands in key markets
    - Growing market share of premium-positioned, sustainable brands is a key driver of shareholder value
- Target COGS at current levels
- Maintain production efficiencies via ongoing $1.5m - $2m CAPEX
- On-board new international partner brand Rekorderlig Cider
- Eumundi property asset sale and leaseback opportunity

We anticipate trading conditions including cost of living pressures and softer discretionary spending will persist in FY25 and for some time and accordingly we are unable to maintain short term earnings guidance.

However, the scale that we have developed across our business along with our diversified earnings streams and flexible balance sheet have proven resilient. We are confident that maintaining our strategy of growing market share of own-brands to 18 to 20m litres. Combined with partner brands and hospitality earnings and focusing our resources on core brands in key growth markets, we will continue to deliver growth in sales volumes, earnings and value for our shareholders.

We thank you for your continued support of the business. *You're in Good Company*.

John Hoedemaker

MANAGING DIRECTOR

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Good Drinks Australia Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors' Report
Your Directors present their report on Good Drinks Australia Limited (the Group) for the year ended 30 June 2024.

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

Graeme Wood (Non-Executive Director)
Ian Olson (Chairman)
John Hoedemaker (Managing Director)
Robert Gould (Non-Executive Director)
Aaron Heary (Executive Director)

Company Secretary
Marcel Brandenburg was company secretary of the Group during the whole of the financial year and up to the date of this report.

Principal activities
During the year the principal continuing activities of the Group were hospitality operations, manufacturing, marketing and distribution of beer, cider and other beverages.
No significant change in the nature of these activities occurred during the year.

Dividends
No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Review and results of operations
The loss of the Group for the financial year after providing for income tax amounted to $2,799,546 (2023: $157,246) $2,800,546 (2023: $157,246). The FY24 result includes a one-off impairment charge of $4.5m. A review of the Group's operations and its financial position, business strategies and prospects is located at page 3 of this report.

Significant changes in the state of affairs
Details on the Group's operations and its financial position, business strategies and prospects are located in the Review of Operations section above. There has been a movement of 3,793,354 shares (net of issued and cancelled) during the year.

Environmental regulation and performance
The Group operates within the manufacturing and hospitality sector and conducts its business activities with respect for the environment while continuing to meet the expectations of its shareholders, employees and suppliers. The Group aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Group is, to the best of its knowledge, at all times in full environmental compliance with the conditions of its licenses.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2024, 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' Report

Likely developments and expected results of operations

The Group will continue to brew, sell and market beer, cider and other beverages and continue to expand its distribution.

Significant Business Risks

Changes in the macroeconomic environment, customer preferences and competition

The retail and hospitality trading environments are highly competitive. Existing players vie for market share and face technological disruption, new market entrants and rapidly evolving customer needs and preferences. The risk landscape shifts as macroeconomic conditions change. Failure to evolve and deliver Good Drinks' strategy and maintain market competitiveness may lead to poor business performance, including loss of revenue and earnings.

We review critical insights, including consumer and supplier metrics, competitor movements and market forces to enable well-informed decision making. We continually evolve and innovate with our product offerings to meet the changing needs of consumers.

Team and Capability

Our business depends on attracting and retaining high-quality team members. A loss in the Group's ability to attract and retain team members, hire and train new team members, and meet labour needs in a controlled costs environment, could negatively impact our operating and financial performance. Failure to pay team members in line with entitlements may also result in loss of trust, reputational damage and additional costs. The markets for FMCG professionals are currently constrained; and there is a risk these constraints will worsen over time.

We continue to develop and refine effective workforce plans, conduct regular succession planning activities, and help manage and support our teams through their careers.

Brand, Reputation and Trust

Good Drinks Australia's brands and our reputation with our varied stakeholders are key assets and enablers of our future business success and competitive position in our chosen markets. Events, business and operational decisions, our commitments and their delivery, how our brands communicate, what they're associated with and what they stand for may all enhance or detract from our reputation in these areas. Evolving market and community expectations towards sustainability and ESG (environmental, social and governance) standards, may impact retail and hospitality industry participants, including Good Drinks. Due to our operations' breadth and diversity, we are exposed to different risks, both strategic and operational, across our footprint. We also recognise that environmental-related expectations (e.g. climate change) are rising and could impact our business operations and negatively affect stakeholder and societal expectations if not managed appropriately. Impacts from these risks could extend to the Group's profitability (for existing or acquired operations or brands), regulatory changes that increase our operational and compliance costs, and our ability to attract (or sustain) investment or partners.

We will continue to develop frameworks, standards and processes in line with our values while delivering long-term growth in sustainable shareholder value.

Business Resilience

Good Drinks Australia may be subject to unexpected events and natural hazards, including severe weather events, pandemics and utilities or infrastructure disruptions. Any of these could cause a sudden or complete cessation of our day-to-day operations. The last three years have seen unprecedented strain on our business via significant weather events, the COVID-19 pandemic and international supply chain disruptions.

The Group has business continuity protocols in place that mitigate the impact of those events, including supply chain management, diversified logistics and buffer supplies.

Cyber Risks

Directors' Report

Good Drinks Australia face a variety of cyber risks that can impact their operations, reputation and customer trust. Key risks include third party vendor risks, POS system attack, phishing attacks and Wi-Fi Network Vulnerabilities.
The Group has employee training, robust security measures and incident response planning in place to manage cyber risks.

Information on Directors

Graeme Wood

(Non-Executive, appointed 5 April 2017)

Experience and expertise - Graeme Wood has significant experience as a senior executive with both Foster's Australia and Treasury Wine Estates. Graeme spent 18 years at Foster's Australia – including as General Manager of Sales at Matilda Bay Brewing Company – where he developed a deep knowledge of the beer landscape in Australia. More recently, he spent four years at Treasury Wine Estates as Regional Manager responsible for WA, SA and NT, further enhancing his liquor retail experience.

Other current public directorships – None.
Former directorships in listed companies within last 3 years - None.
Special responsibilities - Member of the Remuneration Committee, Chairman of the Risk Committee.
Interests (direct and indirect) in shares and options – 446,667 shares and nil options in the Group.

Ian Olson *CA, BCom, MAICD*

(Non-Executive Chairman, appointed 12 November 2007)

Experience and expertise - An experienced Chartered Accountant, Ian Olson brings extensive knowledge in corporate advisory, audit and assurance to the Board. Ian is a professional public company director with a 25-year career in finance and the capital markets. Ian is also the Managing Director of Pointerra Limited and former executive chairman of WKC Spatial. Prior to his involvement in WKC Spatial, Ian was Managing Partner of PKF Chartered Accountants in Western Australia.

Other current public directorships – Pointerra Ltd.
Former directorships in listed companies within last 3 years – None.
Special responsibilities - Chairman of the Board, Chairman of the Remuneration Committee, Member of the Audit Committee.
Interests (direct and indirect) in shares and options – 1,325,823 shares and nil options in the Group.

John Hoedemaker *BCom*

(Director, appointed 3 December 2002, Managing Director, appointed 17 August 2011)

Experience and expertise - John Hoedemaker is a founding Shareholder and Director of Good Drinks Australia since 2002. He has played a key role in achieving profitability by developing and implementing the growth and cost reduction strategies for the business. John has an acute understanding of both the Group's operational needs and financial requirements. John is responsible for the strategic planning, leadership and management of the operations of the Group. Prior to his involvement with Good Drinks Australia, John was a Shareholder, General Manager and Chief Financial Officer of a successful building products manufacturing business, Architectural & Structural Adhesives (WA), which he managed from a start-up operation through to a trade sale to a multi-national conglomerate.

Other current public directorships - None.
Former public directorships within last 3 years - None.
Special responsibilities - None.
Interest (direct and indirect) in shares and options – 7,305,400 shares and nil options in the Group.

Directors' Report

Robert Gould *FAICD*

(Non-Executive, appointed 12 November 2007)

Experience and expertise - Robert Gould has held numerous roles in finance and the management and guidance of start-up, early stage and fast growing companies. His experience includes international mergers and acquisition activity and previous management of a venture capital fund with $113m under management. Robert was a seed capital investor in Good Drinks Australia in 2003.

Other current public directorships - None.
Former directorships in listed companies within last 3 years - None.
Special responsibilities - Chairman of the Audit Committee, Member of the Remuneration Committee, Member of the Risk Committee.
Interests (direct and indirect) in shares and options – 2,586,532 shares and nil options in the Group.

Aaron Heary *MBA*

(Executive Director, appointed 7 February 2023)

Experience and expertise – Aaron Heary has more than 26 years' experience in the liquor market both in Australia and abroad. He has been with the company since 2004 and has held the dual roles of Chief Operating Officer (COO) and Chief Strategy Officer for Good Drinks Australia since 2014. Aaron has earned a Master of Business Administration through the Curtin Graduate School of Business WA, is qualified in brewery operations through the Institute of Brewing and Distilling London and is a qualified beer judge. During his tenure as COO Aaron gained a strong understanding of both the cost structures and operating capabilities of the business. Aaron will continue to lead strategy development for the Group and maintain oversight of the hospitality business unit.

Other current public directorships - None.
Former public directorships within last 3 years - None.
Special responsibilities - None.
Interest (direct and indirect) in shares and options – 5,937,429 shares and nil options in the Group.

Information on Company Secretary

Marcel Brandenburg *CA, FGIA, FCIS, MAcc, BCom*

(Company Secretary and Chief Financial Officer)

Experience and expertise - Marcel Brandenburg has been with the Group since October 2011 and is responsible for the areas of financial accounting, governance and administration aspects of the business. He was appointed Chief Financial Officer on 30 June 2014. Marcel has extensive experience in dealing with ASX-listed companies, having spent a significant part of his career auditing publicly listed entities. As a Chartered Accountant and Fellow of the Governance Institute of Australia, he has an excellent understanding of financial markets, market compliance and governance. Marcel also holds director and company secretarial roles in a number of unlisted companies and is currently undertaking a leadership program at Harvard Business School.

Other current public directorships - None.
Former public directorships within last 3 years - None.
Special responsibilities – Chief Financial Officer.
Interest (direct and indirect) in shares and options – 1,582,700 shares and nil options in the Group.

Directors' Report

Meetings of Directors

The number of meetings of the Group's Board of Directors and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director, were as follows:

2024	Full Meeting of Directors		Meetings of Audit Committee		Meetings of Remuneration Committee		Meeting of Risk Committee	
Directors	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Graeme Wood (Non-Executive)	10	10	n/a	n/a	1	1	3	3
Ian Olson (Non-Executive)	10	10	2	2	1	1	n/a	n/a
Robert Gould (Non-Executive)	10	10	2	2	1	1	3	3
John Hoedemaker (Executive)	10	10	n/a	n/a	n/a	n/a	n/a	n/a
Aaron Heary (Executive)	10	10	n/a	n/a	n/a	n/a	n/a	n/a

A =number of meetings held during the time the Director held office or was a member of the committee
B =number of meetings attended.
n/a =not a member of the relevant committee.

Total shares under options

There were no unissued ordinary shares under option at the date of this report (2023: Nil).

Shares issued on the exercise of performance rights

There were 157,422 shares issued on the exercise of performance rights during the year ended 30 June 2024 (2023: Nil).

Options granted to Directors

No options over unissued ordinary shares were granted to Directors during the year ended 30 June 2024 (2023: Nil).

Options granted to Key Management Executives and other employees

No options over unissued ordinary shares were granted to Key Management Executives or other employees during the year ended 30 June 2024 (2023: Nil).

Options cancelled, forfeited or lapsed

No options were voluntarily forfeited or cancelled during the year ended 30 June 2024 (2023: Nil).

Shares issued to Directors

No shares were issued to directors during the year ended 30 June 2024 (2023: Nil).

Shares issued to Employees

6,410,757 employee shares were issued and 2,617,403 shares were cancelled during the year ended 30 June 2024 (2023: no employee shares were issued or cancelled).

Remuneration Report

The information provided in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

The Remuneration Committee is responsible for determining and reviewing remuneration packages of all Directors and Key Management Personnel ("KMP") on an annual basis. The Remuneration Committee currently consists of Non-Executive Directors Ian Olson, Robert Gould and Graeme Wood.

The committee's reward policy reflects its obligation to align Director and Executive remuneration with Shareholders' interests and to retain appropriately qualified talent for the benefit of the Group. The main principles of the policy are:

a) the reward considers comparative industry benchmarks and reflects the competitive market in which the Group operates;
b) individual reward should be linked to performance criteria if appropriate;
c) Executives should be rewarded for both financial and non-financial performance; and
d) the committee shall have access to external professional advice if required to assist in determining appropriate remuneration.

Statutory Indicators

We aim, where practicable, to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth.

Non-Executive Directors - The Remuneration Committee is responsible for recommending individual Non-Executive Directors' fees within the limit approved by Shareholders. The current aggregate Directors' fee limit is $400,000. Directors are entitled to have premiums paid for Directors' & Officers' insurance.

Executives and Executive Directors - The total remuneration of the Key Management Personnel and Executive Directors consists of the following:

a) *salary* - the Key Management Personnel and Executive Directors receive a fixed sum payable monthly in cash;
b) *cash at risk component* - Key Management Personnel and Executive Directors are eligible to participate in a Short-Term Incentive (STI) cash bonus plan if deemed appropriate;
c) *share and option at risk component* - Key Management Personnel and Executive Directors may participate in share and option schemes generally being made in accordance with thresholds set in plans approved by Shareholders if deemed appropriate. The Board, however, considers it appropriate to retain the flexibility to issue shares and options to Key Management Executives and Executive Directors outside of an approved option scheme in exceptional circumstances; and
d) *other benefits* - Key Management Personnel and Executive Directors are eligible to participate in superannuation schemes, may be entitled to have loss of income insurance paid by the Group, be provided a fully expensed company car or company car allowance and be provided a fully expensed mobile phone and other forms of remuneration if deemed appropriate.

There is no Group policy in place at this point in time in relation to prohibiting margin lending against financial instruments granted to Directors or Key Management Personnel.

The objective of the Group's remuneration policy for Directors and other Key Management Personnel is to ensure reward for performance is adequate and appropriate for the results delivered, taking into account competitiveness, reasonableness, acceptability to Shareholders and transparency. Equity instruments issued may be for services rendered by eligible employees and Directors to date and, going forward, for services rendered by existing and any new eligible employees and Directors who are appointed in the future. The Group feels that incentive shares are effective consideration to eligible employees and Directors for their ongoing commitment and contribution to the Group.

An Employee and Executive Share Plan provides some senior executives with incentive over and above their base salary. The allocation of shares under the Employee and Executive Share Plan may not be subject to performance conditions of the Group. The reasons for establishing the Employee and Executive Share Plan were:

a) To align the interests of senior management with Shareholders. The Employee and Executive Share Plan provides employees with incentive to strive for long term profitability which is in line with Shareholder objectives; and
b) To provide an incentive for employees to extend their employment terms with the Group. The experience of senior employees is an important factor in the long term success of the Group.

Details of remuneration

Details of the remuneration of the Directors and Key Management Personnel (as defined in AASB 124 Related Party Disclosures) of the Group for the financial year are set out in the following tables. The Key Management Personnel of the Group are the following Non-Executive and Executive Directors and officers of the Group:

Executive Directors

John Hoedemaker	Managing Director
Aaron Heary	Executive Director

Non-Executive Directors

Graeme Wood	
Ian Olson	Chairman
Robert Gould	

Executive Officers

Marcel Brandenburg	Chief Financial Officer and Company Secretary

No other employee had authority or responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly, during the financial year.

		SHORT-TERM BENEFITS		POST EMPLOYMENT BENEFITS	SHARE BASED BENEFITS			
		CASH SALARY & FEES	NON-MONETARY BENEFITS	SUPER-ANNUATION	EMPLOYEE SHARES	CASH BONUS	TOTAL	PER-FORMANCE BASED
Non-Executive Directors								
Graeme Wood	FY24	82,500	5,261	9,075	11,343	-	108,179	11%
Non-Executive Director	FY23	82,500	4,401	8,663	18,896	-	114,460	17%
Ian Olson	FY24	132,000	5,261	-	-	-	137,261	0%
Non-Executive Chairman	FY23	132,000	4,401	-	12,748	-	149,149	9%
Robert C Gould	FY24	82,500	5,261	9,075	-	-	96,836	0%
Non-Executive Director	FY23	82,500	4,401	8,663	12,748	-	108,312	12%
Executive Key Management								
Aaron Heary	FY24	400,000	12,557	44,000	-	-	456,557	0%
Exec Director Strategy, Brand, Hospitality	FY23	359,500	7,875	37,784	38,109	-	443,268	9%
John Hoedemaker (MD)	FY24	459,030	30,036	50,493	-	-	539,559	0%
Managing Director	FY23	444,015	30,339	45,236	38,109	-	557,699	7%
Marcel Brandenburg	FY24	323,568	10,224	37,370	10,324	16,178	397,664	6%
Chief Financial Officer, Company Sec	FY23	312,984	7,848	32,863	6,374	-	360,069	2%

Aaron Heary was appointed as Executive Director on 7th February 2023.

The cash bonus of $16,178 granted to Marcel Brandenburg represents an Executive Retention Bonus of 5% of annual salary in accordance with the terms of his employment. A retention bonus was introduced in FY23 in response to a tight labour market & risk of losing key senior staff.

At the Company's AGM on 29th November 2022, shareholders approved the extension of loans pertaining to nonrecourse loan-funded shares which resulted in additional non-cash share-based payments as disclosed below in the sub-section Loan instruments to Key Management Personnel.

Remuneration Report

		FIXED REMUN-ERATION	AT RISK STI	AT RISK LTI
Non-Executive Directors				
Graeme Wood	FY24	84%	-	16%
Non-Executive Director	FY23	83%	-	17%
Ian Olson	FY24	100%	-	-
Non-Executive Chairman	FY23	91%	-	9%
Robert C Gould	FY24	100%	-	-
Non-Executive Director	FY23	88%	-	12%
Executive Key Management				
Aaron Heary	FY24	100%	-	-
Exec Director Strategy, Brand, Hospitality	FY23	91%	-	9%
John Hoedemaker (MD)	FY24	100%	-	-
Managing Director	FY23	93%	-	7%
Marcel Brandenburg	FY24	94%	4%	2%
Chief Financial Officer, Company Sec	FY23	98%	-	2%

Short-Term Incentive (STI) Cash Bonus Plan

The Remuneration Committee ratified a Short-Term Incentive (STI) Plan for executives and key management personnel. 25% of any earnings in excess of the board approved EBITDA target is available to be distributed to eligible participants.

Service agreements

Remuneration and other terms of employment for the following Key Management Personnel are formalised in employment agreements. The significant terms of employment at the date of this report are set out below:

Aaron Heary – Chief Operating Officer & Chief Strategy Officer

-Term of agreement: No fixed term
-Base salary: $400,000 pa, plus statutory superannuation contribution, reviewed annually by the Remuneration Committee
-Termination notice period: 8 month notice (without cause)
-Termination notice period: 4 month notice (with cause)

John Hoedemaker – Managing Director

- Term of agreement: No fixed term
- Base salary: $459,030 pa, plus statutory superannuation contribution, reviewed annually by the Remuneration Committee
- Termination notice period: 8 month notice (without cause)
-Termination notice period: 4 month notice (with cause)

Marcel Brandenburg – Chief Financial Officer and Company Secretary

-Term of agreement: No fixed term
-Base salary: $323,568 pa, plus statutory superannuation contribution, reviewed annually by the Remuneration Committee
-Termination notice period: 8 month notice (without cause)
-Termination notice period: 4 month notice (with cause)

No Director or Executive is entitled to any termination payments apart from payment in lieu of the notice periods outlined above, remuneration payable up to and including the date of termination and payments due by way of accrued leave entitlements. There are no service agreements in respect of non-executive directors.

Equity instruments held by Key Management Personnel

Shares issued to key management personnel

The following tables show the number of ordinary shares in the Group that were held during the financial year by key management personnel of the Group, including their close family members and entities related

to them.
There were no options over unissued ordinary shares granted to Key Management Personnel in existence at the date of this report (2023: Nil).

Ordinary shares in the Group

	NOMINALLY HELD	BALANCE AT START OF THE YEAR	NET PURCHASE (DISPOSAL) OF SHARES	EMPLOYEE SHARES RECEIVED	BALANCE AT END OF THE YEAR
Directors					
Ian Olson	4%	1,325,823	-	-	1,325,823
John Hoedemaker	0%	7,305,400	425,000	-	7,730,400
Robert Gould	0%	2,186,532	400,000	-	2,586,532
Graeme Wood	67%	446,667	-	-	446,667
Aaron Heary	0%	5,937,429	-	-	5,937,429
Executive					
Marcel Brandenburg	95%	1,095,686	-	487,014	1,582,700
Total		18,297,537	825,000	487,014	19,609,551

487,014 shares were issued to Key management personnel during the year 30 June 2024 (2023: Nil).

Details of the share based payment arrangement is as follows:

	23 SEPTEMBER 2023
Key Terms	
Amount of shares issued	487,014
Term of Loan	7 YEARS
Loan Expiry	23 September 2030
Black Scholes Model Inputs	
Exercise Price	$0.415
Market Price Shares	$0.415
Expected Volatility	30%
Risk Free rate	3.680%
Time to Maturity	5 years
Dividend yield	0%
Fair value per share	$0.140
Total fair value	$68,211

Shares issued to Key Management Personnel on the exercise of options

No ordinary shares were issued during the financial year on the exercise of options granted to Key Management Personnel (2023: Nil).

Loan instruments to Key Management Personnel

The following tables show the non-recourse loan balances provided to Key Management Personnel that are linked to shares issued as part of its Employee and Executive Share Plan.

Remuneration Report

	BALANCE AT START OF THE YEAR	PROVIDED DURING THE YEAR	PAID BY THE EMPLOYEE	PAID AND PAYABLE FOR THE	INTEREST NOT CHARGED	BALANCE AT END OF THE YEAR	MAX VALUE YET TO VEST
Directors							
Ian Olson	612,986	-	-	-	-	612,986	-
John Hoedemaker	1,904,466	-	-	-	-	1,904,466	-
Robert Gould	612,986	-	-	-	-	612,986	-
Graeme Wood	189,000	-	-	-	-	189,000	16,391
Aaron Heary	1,726,873	-	-	-	-	1,726,873	-
Executive							
Marcel Brandenburg	558,493	202,111	-	-	-	760,604	57,858
Total	5,604,804	202,111	-	-	-	5,806,915	74,249

Terms of loan provided during the year to Marcel Brandenburg as follows. These terms are consistent for all loans.

- the repayment term of each loan shall be seven (7) years. The loan must be repaid in full by the expiry of the repayment term, with the option to elect to repay the loan at any time prior to the repayments date;
- the loan shall be interest free;
- the loan shall be applied by the Company directly toward payment of the issue price of the Shares in respect of which the loan was provided;
- the Company shall have a lien over the Shares in respect of which a loan is outstanding and the Company shall be entitled to sell those Shares in accordance with the terms of the Plan if the loan is not repaid when due; and
- the loan is non-recourse except against the Shares held by that person to which the loan relates.

As this is a limited recourse loan, if there was a default, the sole recourse of the Company will be the relevant Incentive Shares. If the executive ceases employment during the term of the loan, the Board may apply discretion to allow the Executive to continue to hold the Incentive Shares for the remainder of the loan term.

Use of remuneration consultants

The Group did not engage in remuneration consultants during the financial year ended 30 June 2024.

Statutory performance indicators

A summary of the Group's earnings and movements in share price over the last five years is detailed below:

	2024	2023	2022	2021	2020
Profit / (loss) for the year attributable to members ($'000)	(2,799)	(157)	2,286	4,275	(2,136)
Basic earnings per share (cents)	(2.14)	(0.12)	1.78	0.34	(0.19)
Increase / (decrease) in share price (%)					
Total KMP incentives as percentage of profit / (loss) of the year (%)	-62%	-1,104%	69%	38%	-66%

Voting and comments made at the Group's 2023 Annual General Meeting

Good Drinks Australia Ltd received more than 99.08% of "Yes" votes on its remuneration report for the 2023 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This is the end of the audited remuneration report.

Directors' Report

Indemnification of Directors and Officers

The company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporations Act 2001. The indemnification specifically excludes wilful acts of negligence. The Directors have taken this insurance.

Indemnification of the Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

The Group may employ its auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group is important. In the year ended 30 June 2024 the Group did not employ its auditors on assignments additional to their statutory audit duties. Details of amounts paid or payable to the auditor for audit and non-audit services provided in prior year are outlined in notes to the financial statements. The Directors are satisfied that the provision of non-audit services was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are of the opinion that the services did not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the integrity and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors to provide the Directors of the Group with an Independence Declaration in relation to the audit of the financial report. A copy of that declaration is included within this annual report.

Auditor

BDO Audit Pty Ltd (BDO Audit) continues in office in accordance with section 327 of the Corporations Act 2001. This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Ian Olson
Chairman

Corporate Governance Statement

The Board is committed to achieving and demonstrating high standards of corporate governance. As such Good Drinks Australia Ltd has adopted the third edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council and became effective for financial years beginning on or after 1 July 2014.

The Group's Corporate Governance Statement for the financial year ended 30 June 2024 was approved by the Board on 30th August 2024. The Corporate Governance Statement can be located on the Group's website: https://gooddrinks.com.au/investor/governance/

General information

The financial statements cover Good Drinks Australia Limited as a consolidated entity consisting of Good Drinks Australia Limited and the entities it controlled at the end of, or during, the year.

The financial statements are presented in Australian dollars, which is Good Drinks Australia Limited's functional and presentation currency.

Good Drinks Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
14 Absolon Street, Palmyra WA 6157	14 Absolon Street, Palmyra WA 6157

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 August 2024. The directors have the power to amend and reissue the financial statements.

Auditor's Independence Declaration

BDO

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

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

As lead auditor of Good Drinks Australia Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Phillip Murdoch

Director

BDO Audit Pty Ltd

Perth

30 August 2024

Directors' Declaration

In the directors' opinion:

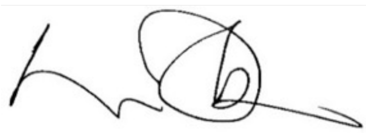
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

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



Ian Olson
Chairman

Palmyra
Dated this 30th day of August 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the financial year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Revenue			
Revenue and other income	4	112,868	109,845
Expenses			
Raw materials, consumables & delivery		(53,233)	(51,289)
Operating expense		(7,514)	(7,413)
Employee benefits expense		(32,260)	(32,092)
Depreciation and amortisation expense		(4,527)	(5,241)
Impairment of fitout and equipment	10	(4,531)	-
Occupancy costs		(619)	(392)
Sales and marketing expense		(7,603)	(7,778)
Administration cost		(3,456)	(3,856)
Earnings before interest and taxes		(875)	1,784
Finance cost	5	(2,968)	(2,274)
Loss before income tax benefit		**(3,843)**	**(490)**
Income tax benefit	6	1,044	333
Loss after income tax benefit for the year attributable to the owners of Good Drinks Australia Limited	**21**	**(2,799)**	**(157)**
Other comprehensive income			
Items that may will not be reclassified subsequently to profit or loss			
Effective portion of changes in the fair value of cash flow hedges		155	(174)
Other comprehensive income / (loss) for the year, net of tax		155	(174)
Total comprehensive income / (loss) for the year attributable to the owners of Good Drinks Australia Limited		**(2,644)**	**(331)**

	Note	Cents	Cents
Basic earnings per share	28	(2.14)	(0.12)
Diluted earnings per share	28	(2.14)	(0.12)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
as at 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	7	7,536	15,454
Trade and other receivables	8	29,512	23,136
Inventories	9	10,982	10,879
Total current assets		48,030	49,469
Non-current assets			
Property, plant and equipment	10	53,797	51,397
Right-of-use assets	11	12,201	16,603
Intangibles	12	15,840	15,747
Deferred tax	6	2,411	454
Total non-current assets		84,249	84,201
Total assets		132,279	133,670
Liabilities			
Current liabilities			
Trade and other payables	13	24,944	22,779
Lease liabilities	11	1,181	1,424
Current tax liability		348	(37)
Employee benefits	14	1,335	1,142
Borrowings	15	22,447	19,772
Total current liabilities		50,255	45,080
Non-current liabilities			
Cash advance facility	16	7,771	7,771
Lease liabilities	11	11,537	15,957
Employee benefits	17	980	843
Total non-current liabilities		20,288	24,571
Total liabilities		70,543	69,651
Net assets		61,736	64,019
Equity			
Contributed equity	19	60,258	60,312
Reserves	20	3,956	3,386
Retained profits/(accumulated losses)	21	(2,478)	321
Total equity		61,736	64,019

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

2023	CONTRIBUTED EQUITY $'000	RESERVES $'000	RETAINED PROFITS/ (ACCUMULATED LOSSES) $'000	TOTAL EQUITY $'000
Balance at 1 July 2022	60,373	3,201	478	64,052
Loss after income tax benefit for the year	-	-	(157)	(157)
Other comprehensive income for the year, net of tax	-	(174)	-	(174)
Total comprehensive income for the year	-	(174)	(157)	(331)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	(61)	-	-	(61)
Share-based payments (note 29)	-	359	-	359
Balance at 30 June 2023	60,312	3,386	321	64,019

2024	CONTRIBUTED EQUITY $'000	RESERVES $'000	RETAINED PROFITS/ ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2023	60,312	3,386	321	64,019
Loss after income tax benefit for the year	-	-	(2,799)	(2,799)
Other comprehensive income for the year, net of tax	-	155	-	155
Total comprehensive income for the year	-	155	(2,799)	(2,644)
Transactions with owners in their capacity as owners:				
Share-based payments (note 29)	-	415	-	415
Transaction cost of employee shares	(54)	-	-	(54)
Balance at 30 June 2024	60,258	3,956	(2,478)	61,736

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Note	Consolidated 2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		178,017	169,154
Receipts from government incentives		350	350
Payments to suppliers and employees		(173,907)	(161,170)
Interest paid		(2,972)	(2,277)
Income tax paid		38	(881)
Net cash from operating activities	27	1,526	5,176
Cash flows from investing activities			
Interest received		20	3
Receipts from government grant		-	138
Payments for property, plant and equipment		(9,892)	(3,928)
Payments for intangible		(214)	(55)
Proceeds from the sale of gaming licences		-	4,948
Net cash from/(used in) investing activities		(10,086)	1,106
Cash flows from financing activities			
Proceeds from issue of share capital		-	29
Proceeds from borrowings		13,260	8,772
Repayment of borrowings		(10,585)	(3,160)
Borrowing transaction costs		44	42
Repayment of lease liabilities		(2,101)	(1,864)
Employee share issue cost		(11)	-
Net cash from financing activities		607	3,819
Net increase/(decrease) in cash and cash equivalents		(7,952)	10,101
Cash and cash equivalents at the beginning of the financial year		15,454	5,683
Effects of exchange rate changes on cash and cash equivalents		34	(330)
Cash and cash equivalents at the end of the financial year	7	7,536	15,454

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Notes to the Financial Statements
for the year ended 30 June 2024

Note 1: Material accounting policy information

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Parent entity information

The Financial Report (the Report) of the Company is for the year ended 30 June 2024 (the financial year) and comprises the Company and its controlled entities (together referred to as the "Group", "Consolidated Entity" or "Good Drinks Australia"). In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

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 Financial/Directors Reports) Instrument 2016/191.

Accounting policies have been applied consistently to all years presented in the Report, unless otherwise stated. However certain amounts in the prior period’s financial statements have been reclassified to conform with the current period’s presentation. These reclassifications are for presentation purposes only and have not impacted previously reported net loss after income tax, net assets or total equity.

Going concern

The financial report has been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.
In preparing the financial report on the going concern basis, management has consider the following factors:

- The Group has generated positive cashflows from operating activities of $1,526k (30 June 2023: $5,176k)
- As at June 2024, the Group has a working capital deficiency of $2,225k (30 June 2023 surplus: $4,389k.)
- Matso’s Sunshine coast underwent significant redeveloped during the financial year and commenced trading in December 2023. The group expects positive cashflows from the venue for the FY25.
- Atomic Brewery continued to sustain financial losses during the financial year and was subsequently put up for sale to mitigate any further losses.
- The Group’s financial facilities with Commonwealth Bank of Australia are on rolling terms and the directors are comfortable that the existing facilities will be extended for a period of 12 months from maturity. Refer to Note 15 and 16 of the financial statements for further detail.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or 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.

Revenue recognition
Revenue is recognised when or as the Group transfers control of goods or services to a customer at the amount to which the Group expects to be entitled. If the consideration promised includes a variable component, the Group estimates the expected consideration for the estimated impact of the variable component at the point of recognition and re-estimated at every reporting period. The Group primarily generates revenue from the sale of alcoholic beverages.
Revenue from the sale of these goods is recognised when control over the inventory has transferred to the customer. Control is generally considered to have passed when:
- physical possession and inventory risk is transferred (including via a third-party transport provider);
- payment terms for the sale of goods can be clearly identified through invoices issued to customers; and
- the customer has no practical ability to reject the product where it is within contractually specified limits.

Inventory
Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials for work-in-progress and finished goods. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Intangible assets
Intangible assets with finite lives are amortised over the useful life and assessed for impairment at least twice a year or whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least each financial year end.
During the year, there were no impairment triggers that would suggest that the carrying value of these assets exceeded its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Financial Performance.

Brand costs are treated as having an indefinite useful life because they are expected to contribute to the net cashflows indefinitely. Therefore brand costs will not be amortised until their useful life is determined to be finite. They would be individually tested for impairment in accordance with AASB 136 annually and whenever there is an indication that any of the brands may be impaired. They are carried at cost.

Product Development costs are carried at cost less amortisation. Amortisation is calculated on a straight-line basis over the assets estimated useful life of 2 years. Costs incurred in developing products will contribute to future period revenue generation. Costs capitalised include external direct costs of materials and services.

Property, plant and equipment
Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.
Depreciation is calculated using both the straight line and reducing balance methods to allocate their cost, net of their residual values, over their estimated useful lives, as follows:
- Brewery, plant & equipment 3.33% - 30%
- Office equipment 7.50% - 50%
- Motor vehicles 13.64% - 18.75%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Financial Performance.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of acquisition as part of the purchase consideration.

Foreign currency

The functional and presentational currency of the Group is the Australian dollar. Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Excise Tax

As of the 1 July 2008 the Group has adopted an accounting treatment which accounts for Excise Tax as monies received on behalf of a third party and revenue is presented excluding excise tax. Excise tax collected is accounted for as a current liability until it is paid on a monthly basis.

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted with the recognition of the expense accounted for over the vesting period. The fair value is determined by an internal valuation using Black-Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted.

Key inputs to the Black Scholes options pricing model include the expected price volatility and risk free interest rate. The expected price volatility is based on the historical volatility adjusted for any expected changes to future volatility due to publicly available information. The risk interest is the risk free rate of securities with comparable terms to maturity.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Indefinite life of intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether indefinite life intangible assets have suffered any impairment. During the year, there were no impairment triggers that would suggest that the carrying value of these assets exceeded its recoverable amount.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Segment Disclosure

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 key trading periods.

All of the Group's assets were based in Australia. All of the Groups revenue was generated in Australia with the exception of some immaterial export sales to the value of $200k.

Intersegment transactions

Intersegment transactions were made at market rates. The hospitality operating segment purchases finished goods from the core manufacturing operating segment. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that ear or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers

The Group identified two major customers (as defined by AASB 8) as revenue from each customer exceeds 10% of total revenue from external sources. Total revenue from the sale of goods and services to major customers was $56m (customer 1 - $23,100k and customer 2 - $32,900k) and all sales related to the "core" segment.

2024	CORE $000's	HOSPITALITY $000's	TOTAL $000's
Revenue from the sale of goods and services	82,924	28,640	111,564
Other revenue	1,280	24	1,304
Total revenue	84,204	28,664	112,868
Earnings before interest, tax, dep'n, impairment and amort'n	1,059	7,124	8,183
Depreciation, amortisation and impairment			(9,058)
Finance costs			(2,968)
Income tax benefit			1,044
Loss for the period			(2,799)
Segment assets	91,027	38,841	129,868
Intersegment eliminations	-	-	-
Deferred tax assets	2,411	-	2,411
Total assets	93,438	38,841	132,279
Segment liabilities	41,396	28,799	70,195
Intersegment eliminations	-	-	-
Provision for income tax	348	-	348
Total liabilities	41,744	28,799	70,543

2023	CORE $000's	HOSPITALITY $000's	TOTAL $000's
Revenue from the sale of goods and services	77,546	28,679	106,225
Other revenue	1,910	1,710	3,620
Total revenue	**79,456**	**30,389**	**109,845**
Earnings before interest, tax, dep'n and amort'n	**882**	**6,145**	**7,027**
Depreciation and amortisation	-	-	(5,241)
Finance costs	-	-	(2,276)
Income tax expense	-	-	333
Loss for the period	**-**	**-**	**(157)**
Segment assets	123,406	24,753	148,159
Intersegment eliminations	(14,943)	-	(14,943)
Deferred tax assets	454	-	454
Total assets	**108,917**	**24,753**	**133,670**
Segment liabilities	64,855	19,743	84,598
Intersegment eliminations	-	(14,910)	(14,910)
Provision for income tax	(37)	-	(37)
Total liabilities	**64,818**	**4,833**	**69,651**

Notes to the Financial Statements
for the year ended 30 June 2024

Note 4. Revenue and Other Income

	2024 $'000	2023 $'000
Sale of goods	111,564	106,226
Other	1,304	3,619
	112,868	109,845

Revenue from the sale of goods and other income is recognised at the point in time when control over the inventory has transferred to the customer and is net of excise and wine equalisation tax.

Note 5. Finance Costs

	2024 $'000	2023 $'000
Interest expense - leases	388	397
Interest expense and other borrowing costs - non leases	2,580	1,877
	2,968	2,274

Note 6. Income Tax

(a) Income tax expense recognised in the Consolidated Statement of Profit or Loss.

	2024 $'000	2023 $'000
Income tax benefit		
Current tax	(913)	42
Total Deferred tax expense	1,957	291
Aggregate income tax benefit	1,044	333
Deferred tax included in income tax benefit comprises:		
Increase in deferred tax assets	507	680
(Increase)/Decrease in deferred tax liabilities	1,449	(389)
Total deferred tax expense	1,957	291

Amounts recognised directly in equity
Aggregate tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or (credited) to equity was $21,114.

(b) Reconciliation between profit before income tax and income tax expense

	2024 $'000	2023 $'000
Profit/(Loss) before income tax expense	(3,843)	(490)
Income tax benefit using the Australian corporate tax of 30%	(1,154)	(147)
Tax effect of amounts which are not (taxable)/deductible (taxable) in calculating taxable income:	-	-
Non-deductible expenses	110	127
Other	-	(313)
Income tax benefit	(1,044)	(333)

(c) Deferred tax balances recognised in the Consolidated Balance Sheet.

	2024 $'000	2023 $'000
Deferred tax assets	2,411	454

	2024 $'000	2023 $'000
Movement in deferred tax asset		
Deferred tax at 30%	7,162	6,636
Deferred tax asset in equity @ 30%	20	38
Deferred tax liability @ 30%	(4,771)	(6,220)
Deferred tax asset at the end of the year	2,411	454

Note 7. Current assets - cash and cash equivalents

	2024 $'000	2023 $'000
Cash on hand	31	56
Cash at bank	7,505	15,398
	7,536	15,454

Note 8. Current assets - trade and other receivables

	2024 $'000	2023 $'000
Trade receivables	21,228	17,516
Loss allowance	(24)	(13)
	21,204	17,503
Prepayments	2,974	2,283
Other receivables	5,334	3,350
	29,512	23,136

Impaired trade receivables

Due to their short-term nature, the fair value of receivables approximates their carrying value. The maximum exposure to credit risk is their carrying value above. The Group only has a credit risk concentration with respect to its major customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. See Note 18 for more information on the risk management policy of the Group.

The Group has applied the simplified approach to measuring expected credit losses, which uses an expected lifetime expected loss allowance.

Past due but not impaired

As of 30 June 2024, trade receivables that were past due but not impaired relate to a number of unrelated customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2024 $'000	2023 $'000
0 to 3 months overdue	374	491
3 to 6 months overdue	736	473
	1,110	964

Note 9. Current assets - Inventories

	2024 $'000	2023 $'000
Raw materials - at cost	3,957	4,199
Work in progress - at cost	168	193
Finished goods - at cost	5,863	5,618
Other	994	869
	10,982	10,879

Provision for obsolete stock
Inventories include provision for obsolete stock of $96,210 (2023: $23,292). This has been included within Finished Goods.

Inventory expense
Inventories recognised as an expense (cost of goods sold) during the year ended 30 June 2024 amounted to $47,764,557 (2023: $46,545,775). Inventories written off during the year as new product development costs, obsolete stock and operational waste amounted to $587,178 (2023: $615,633).

Note 10. Non-current assets - property, plant and equipment

	2024 $'000	2023 $'000
Land and buildings - at cost	9,631	3
Less: Accumulated depreciation	(133)	-
	9,498	3
Plant and equipment - at cost	43,712	52,028
Less: Accumulated depreciation	(234)	(1,394)
	43,478	50,634
Motor vehicles - at cost	488	445
Less: Accumulated depreciation	(207)	(165)
	281	280
Office equipment - at cost	2,121	1,769
Less: Accumulated depreciation	(1,581)	(1,289)
	540	480
	53,797	51,397

The increase in land and buildings at cost is related to the redevelopment of Matso's Sunshine Coast.

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

2024	Plant & Equipment $'000	Office Equipment $'000	Motor Vehicles $'000	Land and Building $'000	Total $'000
Balance at 1 July 2022	47,531	446	274	2,835	51,086
Additions	3,448	295	53	-	3,796
Depreciation expense	(3,078)	(261)	(46)	(100)	(3,485)
Balance at 30 June 2023	47,901	480	281	2,735	51,397
Additions	2,597	352	47	6,896	9,892
Impairment of assets	(4,531)	-	-	-	(4,531)
Depreciation expense	(2,497)	(285)	(46)	(133)	(2,961)
Balance at 30 June 2024	43,470	547	282	9,498	53,797

Impairment
The impairment recognised was in relation to the Atomic Redfern venue. The venue continued to sustain financial losses during the financial year and was subsequently put up for sale. No viable offers were received during this process. The Group estimated the recoverable amount of the venue to be immaterial and therefore has impaired its value in full.

Assets in the course of construction
The carrying value of the plant and equipment assets disclosed above include $2,333,000 (2023:$2,618,000) of expenditure recognised in relation to plant and equipment which is in the course of construction. The balance can be primarily attributed to the construction and development of the Matso's Sunshine Coast (formerly known as Joe's Waterhole).

Non-current assets pledged as security
Refer to note 16 below for information on non-current assets pledged as security by the Group.

Note 11. Leases

	2024 $'000	2023 $'000
Land and buildings - right-of-use	17,808	20,737
Less: Accumulated depreciation	(5,776)	(4,356)
	12,032	16,381
Motor vehicles - right-of-use	1,355	1,211
Less: Accumulated depreciation	(1,236)	(1,069)
	119	142
Office equipment - right-of-use	253	253
Less: Accumulated depreciation	(203)	(173)
	50	80
	12,201	16,603

Lease liabilities		
Current	1,181	1,424
Non-current	11,537	15,957
Total lease liabilities	12,718	17,381

The Group leases land and buildings for its operations under agreements of between five to fifteen years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The consolidated entity also leases plant and equipment under agreements of between three to seven years.

There were no new additions to leases or changes to the terms of the lease during the financial year. The total cash outflow on account of leases was $242,561 of principal repayment and $387,750 of interest.

Note 12. Non-current assets - intangibles

	2024 $'000	2023 $'000
Other intangible assets	1,000	786
Less: Accumulated amortisation	(838)	(717)
	162	69
Brands and Gaming Licenses	15,678	15,678
	15,840	15,747

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Brands $'000	Gaming Licenses $'000	Other $'000	Total $'000
Balance at 1 July 2022	15,675	2,959	119	18,753
Additions	-	-	55	55
Disposals	-	(2,956)	-	(2,956)
Amortisation charge	-	-	(105)	(105)
Balance at 30 June 2023	15,675	3	69	15,747
Additions	-	-	214	214
Amortisation expense	-	-	(121)	(121)
Balance at 30 June 2024	15,675	3	162	15,840

As part of the Matso's asset acquisition which occurred in September 2018, the Group acquired an intangible brand asset, which as at 30 June 2024 is carried at $15,674,646. The Group has recognised the intangible asset as having an indefinite useful life and accordingly tests the Group's Cash Generating Unit ("CGU") for impairment annually, or more frequently if events or changes in circumstances indicate impairment, as disclosed within the critical accounting judgements, estimates and assumptions note 2.

The recoverable amount of the CGU which was tested for impairment has been assessed using the higher of the fair value less cost to sell and the value in use method.

Value in use has been derived by calculating the discounted value of net cash flows expected to be delivered from the CGU.

Value in use has been based on a 1 year budget approved by the Board and extrapolated for a further 4 years using a steady growth rate, together with a terminal value.

	2024 %	2023 %
Short term growth rate	8.0%	10.3%
Capital expenditure invested to sustain operational growth	15.0%	15.0%
Discount rate	11.0%	11.0%

Management have considered and assessed the sensitivities associated with the assumptions and rates used above and note all key assumptions would have to be adversely affected by 10% (2023: 12.26%) for the carrying value to exceed the recoverable value or for an impairment to arise.

Note 13. Current liabilities - trade and other payables

	2024 $'000	2023 $'000
Trade payables	8,507	6,874
GST Payable	2,144	4,494
Other payables	8,395	7,133
Payable for capital purchase	12	162
Accruals	5,886	4,116
	24,944	22,779

Note 14. Current liabilities - employee benefits

	2024 $'000	2023 $'000
Annual leave	1,335	1,142

Amounts not expected to be settled within the next 12 months
The entire obligation for annual leave is expressed as a current liability as the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave within the next 12 months. The estimated leave that is not expected to be taken in the next twelve months is $500,000 (2023: $500,000). This is considered to be immaterial.

Note 15. Current liabilities - borrowings base facility

	2024 $'000	2023 $'000
Borrowing Base Facility	22,447	19,772

The Group has a borrowing base facility with the following terms: Facility Limits: $35 million Interest Rate: BBSY +1.1%
Term: 12 month Revolving, subject to annual review with the next review being December 2024.

Risk exposure
Details of the Groups exposure to risk arising from current and non-current borrowings are set out in note 1. The Group is currently in compliance with all covenants.

Note 16. Non-current liabilities - cash advance facility

	2024 $'000	2023 $'000
Cash advance facility	7,771	7,771

Total secured liabilities
The total secured liabilities (current and non-current) are as follows:

	2024 $'000	2023 $'000
Cash advance facility	7,771	7,771

The Group also has a cash advance facility with the following terms:
- Facility Limits: $12.5 million
- Interest Rate: BBSY +1.55%
- Term: Up to 5 years, ending July 2025

Risk exposure
Details of the Groups exposure to risk arising from current and non-current borrowings are set out in note 1. The Group is currently in compliance with all covenants.

Assets pledged as security
The bank overdraft and loans are secured by first mortgages over the consolidated entity's land and buildings.

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

	2024 $000's	2023 $000's
Fixed & Floating charges		
Plant and equipment	53,516	51,116
Motor vehicles	281	280
Trade receivables	21,228	17,516
Inventory	10,141	9,988
Total Fixed & Floating charges	85,166	78,900
Total assets pledged as security	85,166	78,900

Note 17. Non-current liabilities - employee benefits

	2024 $'000	2023 $'000
Long service leave	980	838
Parental leave	-	5
	980	843

Note 18. Equity - shares and capital risk management

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the consolidated statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2023 Annual Report.

Note 19. Equity - contributed equity

	2024 $'000	2023 $'000
Contributions of equity, net of transaction costs	60,258	60,312

Movement relates to cost paid to the Australian Securities Exchange on account of shares issued to employees.

	2024 000'	2023 000'
Number of fully paid ordinary shares at start of the year	128,338	128,418
Employee shares issued	6,410	-
Shares cancelled	(2,616)	(79)
Balance at end of year	132,132	128,338

Ordinary shares

Ordinary shares have no par value. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote.

Capital risk management

The Group's objectives when managing capital is to maintain an ability to trade profitably, so that they can provide returns for shareholders and benefits for other stakeholders and to reduce the cost of capital.
In order to maintain or adjust its capital structure, the Group may seek to issue new shares and/or debt. Capital is monitored on its ability to fund the Group's objectives. Capital ratios monitored by management are those reported to the Group's financiers as part of its facility agreements (interest coverage, net tangible assets).

Note 20. Equity - reserves

	2024 $'000	2023 $'000
Hedge reserve - Recognised in accordance with AASB9 (Note30)	(1)	(156)
Share-based payments reserve	3,957	3,542
	3,956	3,386

Note 21. Equity - retained profits/(accumulated losses)

	2024 $'000	2023 $'000
Retained profits at the beginning of the financial year	321	478
Loss after income tax benefit for the year	(2,799)	(157)
Retained profits/(accumulated losses) at the end of the financial year	(2,478)	321

Note 22. Key management personnel disclosures

Directors
Key Management Personnel as defined by AASB 124 Related Party Transactions are listed as follows:

Executive Officers	
Marcel Brandenburg	Chief Financial Officer and Company Secretary
Executive Directors	
John Hoedemaker	Managing Director
Aaron Heary	Director of Strategy, Brand and Hospitality
Non-Executive Directors	
Ian Olson	Chairman
Robert Gould	
Graeme Wood	

Directors have been in office from the start of the financial year to the date of this report unless otherwise stated. No other employee had authority or responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly, during the financial year

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2024	2023
Short-term employee benefits - Executives & Executive Directors	1,251,593	1,162,561
Short-term employee benefits - Non-Executive Directors	312,783	310,203
Long-term employment benefits - Post-employment benefits	150,013	133,209
Share-based payments	20,434	126,984
	1,734,823	1,732,957

Loans to key management personnel
Details of loans made to directors of the Group and other Key Management Personnel, including their personally related parties are set out below.
Key Management Personnel with loans during the financial year:

2024	OPENING BALANCES	LOANS PROVIDED DURING THE YEAR	LOANS PAID	PAID AND PAYABLE FOR THE YEAR	INTEREST NOT CHARGED	CLOSING BALANCES
Directors						
Ian Olson	612,986	-	-	-	-	612,986
John Hoedemaker	1,904,466	-	-	-	-	1,904,466
Robert Gould	612,986	-	-	-	-	612,986
Graeme Wood	189,000	-	-	-	-	189,000
Aaron Heary	1,780,466	-	-	-	-	1,780,466
Executive						
Marcel Brandenburg	558,493	202,111	-	-	-	760,604
Total	5,658,397	202,111	-	-	-	5,860,508

All loans to key management personnel are under the terms and conditions as set out in remuneration report relating to the incentive share plan. Please refer to note 29 for the terms of the loans.

Note 23. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	2024	2023
Audit and review of financial report BDO Audit Pty Ltd (formerly BDO Audit (WA) Pty Ltd)		
Audit and review of the financial statements	144,000	141,000
Non-audit services		
BDO Advisory (WA) Pty Ltd	30,000	28,119
	174,000	169,119

Non-audit services received in the current year related to due diligence review of Matso's Broome Brewery & Pub.

During the period BDO Audit Pty Ltd was appointed as auditor of the Company following the resignation of BDO Audit (WA) Pty Ltd. The change of auditor arose as a result of BDO Audit (WA) Pty Ltd restructuring its audit practice, whereby audits will be conducted by BDO Audit Pty Ltd, an authorised audit company, rather than BDO Audit (WA) Pty Ltd.

Note 24. Commitments

	2024 $'000	2023 $'000
The Group has the following commitments:		
Within one year	25,154	23,370
Later than one year but not later than five years	37,913	61,491
	63,067	84,861

These commitments relate to the purchase of products from distribution partners as part of the distribution agreements.

Note 25. Parent entity information

The financial information for Good Drinks Australia Limited has been extracted from the books and records of the parent and has been prepared on the same basis as the consolidated financial statements except as described below:

Investments in subsidiaries
Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity.

Tax consolidation legislation
Good Drinks Australia Ltd and its wholly owned Australian subsidiary, Matsos Broome Brewing Pty Ltd, have formed an income tax consolidated Group. For additional information, please refer to the Income Tax Expense details set out in note 6.

Guarantees entered into by the parent entity
Good Drinks Australia Limited has provided bank guarantees of $441,430 (2023: $441,430). Please refer to note 32 for additional information on Group guarantees.

Contingent liabilities of the parent entity
Good Drinks Australia Limited did not have any contingent liabilities as at 30 June 2024.

	2024 $000's	2023 $000's
Balance Sheet		
Current assets	45,333	44,951
Non-current assets	79,792	78,909
Total assets	**125,125**	**123,860**
Current liabilities	55,214	48,859
Non-current liabilities	15,088	15,959
Total liabilities	**70,302**	**64,818**
Net assets	**54,823**	**59,042**
Contributed equity	60,216	60,312
Hedge reserve	(1)	(156)
Share options reserve	3,957	3,542
Retained earnings	(9,349)	(4,656)
Total shareholders equity	**54,823**	**59,042**
Profit / (loss) for the year	(4,963)	(5,299)

Parent and ultimate controlling entity
The parent and ultimate controlling entity is Good Drinks Australia Limited, incorporated in Australia.

Controlled entities
The investments in subsidiaries are accounted for at cost in the financial statements of the parent entity.

Subsidiary	Country of Incorporation	Holding % 2024	Holding % 2023
Matso's Broome Brewing Pty Ltd	Australia	100	100
Regent Street Hospitality Pty Ltd	Australia	100	100
Cliff Street Hospitality Pty Ltd	Australia	100	100
Memorial Drive Hospitality Pty Ltd	Australia	100	100
Good Drinks Agency Pty Ltd	Australia	100	100

Note 26. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 27. Reconciliation of loss after income tax to net cash from operating activities

	2024 $'000	2023 $'000
Loss after income tax benefit for the year	(2,799)	(157)
Adjustments for:		
Depreciation and amortisation	4,528	5,241
Impairment of plant and equipment	4,531	-
Share-based payments	416	360
Change in operating assets and liabilities:		
(Increase) / decrease in trade receivables	(3,701)	(1,034)
(Increase) / decrease in other receivables	(2,673)	(695)
(Increase)/decrease in inventories	(103)	677
Increase/(decrease) in trade and other payables	2,165	(609)
Increase/(decrease) in other provisions	193	(102)
(Increase)/decrease in deferred taxes	(1,957)	(291)
Increase/(decrease) in current tax payable	385	(37)
Increase / (decrease) in other operating liabilities	541	1,823
Net cash from operating activities	1,526	5,176

Reconciliation of liabilities arising from financing activities

	2024 $'000	2023 $'000
Balance at the beginning of the financial year	19,772	11,000
Repayment during the year	(10,585)	-
Drawdown/new facility amount during the year	13,260	8,772
Balance at the end of the financial year	22,447	19,772

Note 28. Earnings per share

	2024 $'000	2023 $'000
Loss after income tax attributable to the owners of Good Drinks Australia Limited	(2,800)	(157)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	130,906,000	128,395,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	130,906,000	128,395,000

	Cents	Cents
Basic earnings per share	**(2.14)**	(0.12)
Diluted earnings per share	**(2.14)**	(0.12)

The profit/loss used in the calculation of basic and diluted earnings per share equates to the net profit/(loss) in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The group has made a loss for the year end, so the potential ordinary shares being issued from exercise of options has been excluded due to the anti-dilutive effect

Note 29. Executive and Employee Share Plan

Shares issued pursuant to this Plan (Incentive Shares) are for services rendered by eligible employees and Directors to date and going forward, for services rendered by existing and any new eligible employees and Directors who are appointed in the future. The Group feels that incentive shares are effective consideration to eligible employees and Directors for their ongoing commitment and contribution to the Group. Where the Group offers to issue Incentive Shares to a Director, the Group may offer to provide the Director a limited recourse, interest free loan to be used for the purposes of subscribing for the Incentive Shares in the Group (refer Note 1: Significant Estimates and Judgements).

	GRANT DATE	LOAN EXPIRY	ISSUE PRICE	OPENING BALANCE 000'S	GRANTED DURING THE YEAR 000'S	FORFEITED DURING THE YEAR 000'S	CLOSING BALANCE 000'S	VESTED AT END OF YEAR 000'S
Employees	06/10/2015	05/10/2029	0.63	2,840	-	-	2,840	2,840
Employees	30/09/2016	29/09/2030	0.5	11,811	-	-	11,811	11,811
Employees	30/08/2017	29/08/2024	0.5	117	-	-	117	94
Employees	23/04/2018	22/04/2025	0.72	299	-	-	299	179
Employees	01/03/2019	22/04/2025	1.05	470	-	-	470	282
Employees	14/07/2020	13/07/2027	0.52	2,925	-	-	2,925	-
Non- Executive Director	19/11/2020	29/11/2027	0.63	300	-	-	300	-
Employees	30/11/2020	29/11/2027	0.63	1,866	-	-	1,866	-
Employees	03/05/2021	05/05/2028	0.9	1,690	-	-	1,690	-
Employees	21/12/2021	20/12/2028	0.93	100		-	100	
Employees	22/11/2022	21/11/2029	0.72	6,117		-	6,117	
Employees	23/09/2023	22/09/2030	0.415	-	6,411	-	6,411	
TOTAL				28,535	6,411	-	34,946	15,206

The following conditions apply to all of the shares issued:

- Tenure condition for 60%: remains eligible employee for 36 months after date of issue;
- Tenure condition for further 20%: remains eligible employee for 48 months;
- Tenure condition for the remaining 20% : remains eligible employee for 60 months;
- The Earnings Condition will be satisfied for each year tranche if at least 95% of the current internal board approved expected earnings before interest tax depreciation and amortisation (EBITDA) for that year is achieved;
- Share Value Condition: Provided the Tenure Condition has been satisfied but the Earnings Condition has not been satisfied with regards to a particular tranche, if at any time after that year and during the term of the loan the 30-day ordinary share volume weighted average price (VWAP) provides an internal rate of return of at least 32% when compared to the issue price and date at which the shares were issued in accordance with the most recent entitlements issue offer to Shareholders, all restriction conditions with regards to that particular tranche will be immediately waived; or
- Take Over Provision: Where a takeover bid for the Group's issued shares is declared unconditional and the bidder has acquired a relevant interest in at least 50.1% of the Group's issued shares, all restriction conditions applying to any Shares will be immediately waived; or
- Compromise or Arrangement: Where a court approves under Section 411(4)(b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Group or its amalgamation with any other Group, all restriction conditions applying to any Shares will be immediately waived; or

- Death and Permanent Disability: Where an Eligible Employee dies or as a result of a total and permanent disability fails to meet any Tenure Condition with regards to a particular tranche, the loan will remain in place and at any time during the term of the loan the 30-day ordinary share volume weighted average price (VWAP) provides an internal rate of return of at least 32% when compared to the issue price and date at which the shares were issued in accordance with the most recent entitlements issue offer to Shareholders, all restriction conditions with regards to that particular tranche will be immediately waived; or
- -Good Leaver Exceptions: The approved Executive & Employee Share Plan provides the Board discretion to waive restriction conditions in certain circumstances.
- -Subject to the terms and conditions of the Employee and Executive Share Plan as approved by shareholders on 19 November 2020.

The loans are non-recourse except against the Shares held by the participant to which the Loan The fair value at grant date was calculated using the Black Scholes pricing model that took into account the term, the underlying value of the shares, the exercise price, the expected dividend yield, the impact of dilution and the risk-free interest rate.

Modification of share-based payment arrangements:

	23 SEPTEMBER 2023
Key Terms	
Amount of shares issued	6,410,757
Term of Loan	7 YEARS
Loan Expiry	23 September 2030
Black Scholes Model Inputs	
Exercise Price	$0.415
Market Price Shares	$0.415
Expected Volatility	30%
Risk Free rate	3.680%
Time to Maturity	5 years
Dividend yield	0%
Fair value per share	$0.140
Total fair value	$897,506

The key terms of the loans are as follows:

- -the repayment term of each loan shall be seven (7) years. The loan must be repaid in full by the expiry of the repayment term, with the option to elect to repay the loan at any time prior to the repayments date;
- -the loan shall be interest free;
- -the loan shall be applied by the Company directly toward payment of the issue price of the Shares in respect of which the loan was provided;
- -the Company shall have a lien over the Shares in respect of which a loan is outstanding and the Company shall be entitled to sell those Shares in accordance with the terms of the Plan if the loan is not repaid when due; and
- -the loan is non-recourse except against the Shares held by that person to which the loan relates.

As these are limited recourse loans, if there was a default by a Director, the sole recourse of the Company will be the relevant Incentive Shares. If a Director ceases to be a Director during the term of the loan, the Board may apply discretion to allow the Director to continue to hold the Incentive Shares for the remainder of the loan term.

The value of the instruments has been expensed to remuneration on a proportionate basis for each financial year from grant date to vesting date.

	2024	2023
Expenses arising from share-based payments		
Employee and Executive Share Plan shares	415,345	360,000

Note 30. Financial risk management

The Group's activities expose it to a variety of financial risks, market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the management team under policies approved by the Board of Directors. Details of policies for each risk are detailed below.

The Group's financial assets and liabilities are as follows:

	2024 Carrying value	2023 Carrying value
Financial assets	000's	000's
Cash and cash equivalents	7,536	15,454
Trade and other receivables	29,512	23,136
Total financial assets	37,048	38,590
Financial liabilities		
Trade and other payables	24,944	22,779
Lease Liability	12,718	17,381
Borrowings including cash advance facility	30,218	27,543
Total financial liabilities	67,880	67,703

Market risk

Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the Group has entered into forward foreign exchange contracts. Management has a risk management policy to hedge approx. 80% of anticipated foreign currency transactions for the subsequent 18 months.

BUY US DOLLARS	AUD $	USD $	AVG RATE	THROUGH TO
Hedge 1	608,828	400,000	0.657	30 June 2025

Interest rate risk

The Group's interest-bearing assets are at floating interest rates, thereby exposing the Group to cash flow interest-rate risk through changes in market interest rates. The Group policy is to accept this risk by linking in deposit terms with funding requirements and market interest rates available for different terms.

As at 30 June 2024, if interest rates had changed by 100 basis points (based on indicative forward cash rates) from the year-end rates and all other variables held constant, the loss for the year would have been $11,495 higher/lower (2023: $82,062 higher/lower) from interest income on cash and cash equivalents, based upon the average cash on hand balance of $11,495,437 (2023: $8,206,183)

All of the Group's long term borrowings are at a fixed interest rate and as such there is no risk to the Group's interest payments and operational cash flows arising from those liabilities.

As at 30 June 2024, if interest rates had changed by 100 basis points (based on indicative forward cash rates) from the year-end rates and all other variables held constant, the loss for the year would have been $288,807 higher/lower (2023: $303,456) from interest expense on borrowings, based upon the average loan balance of $28,880,772 (2023: $30,345,606).

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities or Shareholder support. The Group has a committed cash advance facility of $12.5m with the Commonwealth Bank of Australia which is drawn to $7.8m at 30 June 2024. Furthermore, the Group has a $35m revolving credit facility with Commonwealth Bank of Australia which is drawn to $22.4m at 30 June 2024. The Group has relied on equity raising and prudent management to manage this risk.

2024	1 YEARS 000's	1 - 2 YEARS 000's	2 - 5 YEARS 000's	TOTAL	CARRYING VALUE
Trade payables	8,507	-	-	8,507	8,507
Other payables	16,435	-	-	16,435	16,437
Lease liability	1,482	1,463	14,388	17,333	12,718
Borrowings	24,185	-	7,771	31,956	30,218
Total Payable	50,609	1,463	22,159	74,231	67,880

2023	1 YEAR	1 - 2 YEARS	2 - 5 YEARS	TOTAL	CARRYING VALUE
Trade payables	6,874	-	-	6,874	6,874
Other payables	11,374	-	-	11,374	11,374
Lease liability	1,424	1,424	14,534	17,381	17,381
Borrowings	21,244	-	7,771	29,016	27,543
Total Payable	40,916	1,424	22,305	64,645	63,172

Credit risk

Credit risk arises in relation to cash and cash equivalents and deposits with financial institutions (Credit Rating: AA-). Cash transactions are limited to high credit quality financial institutions.
Credit risk also arises in relation to trade receivables. The Group only has a credit risk concentration in trade receivables with respect to national wholesalers and Endeavour Group, through their purchasing of large quantities of goods. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history.
Refer to Note 8 for the Group's assessment of past due trade receivables.

Note 31. Contingencies and Guarantees

Contingent assets or liabilities

The Group had no other contingent assets or liabilities as at 30 June 2024 or 2023.

Guarantees

The Group has the following bank guarantees as at 30 June 2024 in respect to its leased commercial properties:

	2024 $'000	2023 $'000
Brewery - 14 Absolon Street, Palmyra 6057	193	193
Warehousing facility	148	148
Redfern Brewery Property	100	100
	441	441

Consolidated Entity Disclosure Statement

As at 30 June 2024

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Good Drinks Australia Limited	Body corporate	Australia	100.00%	Australia*
Matso's Broome Brewing Pty Ltd	Body corporate	Australia	100.00%	Australia*
Regent Street Hospitality Pty Ltd	Body corporate	Australia	100.00%	Australia*
Cliff Street Hospitality Pty Ltd	Body corporate	Australia	100.00%	Australia*
Memorial Drive Hospitality Pty Ltd	Body corporate	Australia	100.00%	Australia*
Good Drinks Agency Pty Ltd	Body corporate	Australia	100.00%	Australia*

* The Company and its wholly- owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Good Drinks Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Good Drinks Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of intangible assets

Key audit matter	*How the matter was addressed in our audit*

Note 12 of the financial report discloses the individual intangible assets and the assumptions used by the Group in testing these assets for impairment.
 	
As required by Australian Accounting Standards, the Group performs an annual impairment test for its cash generating unit ("CGU") to which indefinite life intangible assets have been allocated to determine whether the recoverable amount is below the carrying amount at the reporting date.
 	
This was determined to be a key audit matter as management's assessment of the recoverable value of intangible assets requires the use of estimates and judgements.
 	
These include estimates and judgements regarding CGU determination, the expectation of possible future revenues, growth rates and the associated discount rate applied as disclosed in Note 1 and Note 12 to the financial report.
	Our audit procedures included, but were not limited to:
	
	• Assessing the appropriateness of the CGU identified and the allocable assets and liabilities;
	• Evaluating forecast cash flows by assessing the accuracy of historic forecasts against actual results;
	• Challenging key inputs used in management's value in use model including the following:
	  ○ Assessing the discount rate used by management for reasonableness, including engaging our internal valuation specialists;
	  ○ Comparing the future growth rates with historical performance and industry forecasts;
	  ○ Assessing the Group's forecast cash flows are consistent with our knowledge of the business and board approved budgets;
	  ○ Performing sensitivity analysis around key assumptions to determine whether any reasonably possible changes would result in an impairment; and
	• Assessing the adequacy of the related disclosures in Note 1 and Note 12 of the financial report.

Revenue recognition

Key audit matter	*How the matter was addressed in our audit*
Revenue is disclosed in Note 4 of the financial report. Note 1 describes the accounting policy for Revenue. Revenue is generated from; • the sale of products through the Group's owned portfolio of brands; • the sale of products through partner brands; and • the sale of food and beverages through its hospitality venues. Revenue has been identified as a key audit matter due to its financial significance to the performance of the Group and due to the volume of transactions during the year.	Our procedures included, but were not limited to, the following: • Assessing the Group's accounting policy for revenue to assess it has been correctly accounted for in accordance with the Australian Accounting Standards; • Performing analytical procedures to understand movements and trends in revenue against expectations; • Testing a sample of transactions to supporting information to confirm the existence and accuracy of the revenue recognised and to confirm that performance obligations have been satisfied; • Assessing credit notes issued subsequent to the reporting period and performing cut-off testing to evaluate revenue transactions have been recorded in the correct reporting period; and • Assessing the adequacy of the related disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Independent Auditor's Report

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 18 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Good Drinks Australia Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 30 August 2024

Additional ASX Information

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in the annual report is as follows. This information is as at 29 August 2024.

Substantial Shareholders (holding more than 5%)

SHAREHOLDER	ORDINARY SHARES	PERCENTAGE
Hsbc Custody Nominees (Australia) Limited	19,855,590	15.03%
J P Morgan Nominees Australia Pty Limited	13,073,584	9.89%
El-Raghy Kriewaldt Pty Ltd	10,000,000	7.57%

Top 20 Shareholders

SHAREHOLDER	FULLY PAID ORDINARY SHARES ORDINARY SHARES	PERCENTAGE
Hsbc Custody Nominees (Australia) Limited	19,855,590	15.03%
J P Morgan Nominees Australia Pty Limited	13,073,584	9.89%
El-Raghy Kriewaldt Pty Ltd	10,000,000	7.57%
Mr Shimin Song	5,188,142	3.93%
Smooth Seas Pty Ltd	4,825,400	3.65%
Nice Day For A Walk Pty Ltd	3,068,784	2.32%
Citicorp Nominees Pty Limited	3,052,759	2.31%
Moorgate Investments Pty Ltd	2,751,931	2.08%
Nice Day For A Walk Pty Ltd	2,121,792	1.61%
Mr Robert Charles Gould	1,629,826	1.23%
Marcel Brandenurg	1,582,700	1.20%
Acres Holdings Pty Ltd	1,400,000	1.06%
Mrs Emer Mcclintock	1,227,403	0.93%
Jennifer Madeline Olson	1,225,973	0.93%
Ms Linda Suzanne Hoedemaker	1,200,000	0.91%
Open Road Holdings Pty Ltd	1,069,714	0.81%
Wilson Bay Pty Ltd	1,022,514	0.77%
Mr Matthew Lloyd Morisey	1,012,986	0.77%
Mintox Investments Pty Ltd	880,000	0.67%
Marcacey Pty Ltd	850,000	0.64%
	77,039,098	58.31%

Distribution of Holders of Ordinary Fully Paid Shares

RANGE	TOTAL HOLDERS	UNITS	PERCENTAGE
1-1,000	995	605,383	0.46%
1,001-5,000	1,411	3,450,367	2.61%
5,001-10,000	432	3,224,517	2.44%
10,001-100,000	599	18,637,315	14.11%
100,001 and above	125	106,214,098	80.39%
Total	3,562	132,131,680	100.00%

Based on the price per security, number of holders with an unmarketable holding: 1544, with total 1,352,192, amounting to 1.02% of Issued Capital.

Voting Rights

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote. Options have no voting rights.

Shares and Options subject to escrow

As at 29 August 2024 there are nil ordinary shares and options held in escrow.

You're in good company