

SYDNEY, Australia

27 November 2019

ASX Announcement

## WINEDEPOT signs up its first spirit producer

### HIGHLIGHTS:

- **WINEDEPOT** signs its first spirit producer, proving that the business model is scalable into to other verticals
- **WINEDEPOT** demonstrates the addressable market is larger than first expected
- **WINEDEPOT** expects many more craft spirits producers to do the same
- **WINEDEPOT** confirms other wineries and distributors using the platform

**Digital Wine Ventures (DW8 ASX)**, or the “**Company**”, is pleased to announce that it has signed its first craft spirit customer, opening doors into this very profitable segment.

### WINEDEPOT welcomes Vodka Plus as its first spirits customer

The Company is pleased to announce that **Vodka Plus**, an emerging craft spirit wine producer, has appointed **WINEDEPOT**'s to manage their national distribution. This sees **WINEDEPOT** enter into the spirits market with an addressable market valued at AUD \$5.3 billion per annum<sup>1</sup>

Vodka+ is an award-winning iconic Australian made and owned vodka distilled with a unique blend of the finest South Australian grapes, pure Tasmanian rainwater and added Australian botanicals, offering a smooth, crisp flavour and distinctive taste profile. It is gluten-free, sugar-free, lactose-free, vegan vodka with no chemical additives.

**WINEDEPOT** are excited to announce that the Vodka+ range of premium vodka, soda mixers and ready to drink espresso martini blend will soon be available for delivery – just in time for the high-demand festive season.

Founder and CEO Dean Taylor, named one of the **TOP 50 People in Ecommerce**, shares “Over the last 10 years there’s been an explosion in the growth of the artisan alcohol categories as consumers go looking for brands with authenticity that express their own personalities.

“**WINEDEPOT** provides the opportunity for new and emerging brands like Vodka+ to connect with and deliver to their customers in a fast and cost-effective manner. Previously many of their customers had to wait up to 2-weeks for deliveries, which just doesn’t cut it in 2019,” he shares.

<sup>1</sup> Source: Statista, Estimated size of the Australian Spirits segment of the liquor market in 2019. See <https://www.statista.com/outlook/10020000/107/spirits/australia> (converted to AUD using an exchange rate of 1AUD:0.68USD).

Co-founder of Vodka+ Marko Pavasovic says the platform will enable them to reach a wider customer base while retaining greater profit margins than through other distribution channels.

“We’re excited to partner with a forward-thinking tech company that’s helping craft spirits producers like ourselves to build and grow the direct-to-consumer market in Australia. We’re all about challenging the norms and looking for new and innovative ways of thinking.”

Digital Wines CEO Dean Taylor says “While our platform has been built with wine in mind, we’ve discovered that it works equally well for craft spirits, beers and ciders. This opens up a whole new market for us that is rapidly growing and not currently catered for. It’s increases the potential addressable market of our platform immensely. We expect that many more craft spirit producers like Vodka+ will follow their lead.”

### **WINEDEPOT signs up several other customers including its first Tasmanian wine producer.**

The Company is also pleased to announce that since the announcement on 21 October 2019 several more customers including both wineries and distributors have started using **WINEDEPOT**’s integrated logistics, trading and order management platform.

Brands amongst the customers who have recently signed up to use the end-to-end supply fulfillment include:

- **Josef Chromy**
- **Primo Estate**
- **Blackgate Estate**
- **Hutton Vale Farm**
- **Kismet Trading**
- **Golding Wines**

Digital Wine Ventures CEO Dean Taylor is pleased with the number of customers that the business has acquired so far.

“We always knew that launching just prior to Christmas would have its challenges. For most of those in the industry, the majority of profits are generated in the spring quarter, so the whole industry tends to shy away from making operational changes during this period.”

“The number of customers who have decided to push ahead and change their network this side of Christmas a great testament to the strength of the proposition that we are providing the wine and beverage industry. Based on our progress so far, I suspect that we are in for a very busy 2020.”

**ENDS**

## **WINEDEPOT business overview**

**WINEDEPOT** is a cloud-based technology platform that has been designed to connect wine industry stakeholders to reduce the time, margin and capital wasted in the existing supply chain.

Catering for **producers, distributors, importers and retailers** of all sizes, the vertically integrated trading, order management and logistics platform provides an end-to-end supply chain solution capable of servicing a wide variety of sales channels including the rapidly growing direct-to-consumer and online market segments.

Key benefits the cloud-based technology platform provides stakeholders include:

- Reduced freight costs & shipping times;
- Reduced paperwork & administration;
- Reduced working capital requirement;
- Reduced errors & breakages;
- Increased customer reach;
- Increased customer satisfaction and repeat sales.

**WINEDEPOT's** integrated wine trading and smart logistics platform is being launched in Australia before being expanded into other key markets for Australian wine such as China, USA, UK, Canada, Hong Kong, Singapore and New Zealand.

### **Material terms of the commercial agreement/s:**

- Each of the Customers mentioned in this announcement has accepted the Terms and Conditions of **WINEDEPOT's** Logistics Services Agreement as published on the website at <https://beta.winedepot.com/register>
- The minimum term of each agreement is 3 months and is automatically renewed on a rolling 3-month period unless terminated by either party on 3 months' notice in writing
- Each commercial agreement is subject to an agreed Rate Card that outlines the fees and charges payable for each of the services provided. A copy of **WINEDEPOT's** standard Rate Card is available via the website at <https://winedepot.com/rate-card/>
- The Rate Card is typically republished once per year. A minimum of 3 months' notice will be provided to each Customer before any increases or decreases to the Rates become active
- It is important to note that **WINEDEPOT** provides services to Customers on an as required basis and there are no minimum fees or expected volumes set in the commercial agreement.
- Similarly, there are no limits to the quantity of products, amount of inventory or volume of orders that a customer can provide to **WINEDEPOT**.
- It is therefore possible that no material revenue materialises from any Customer agreement. Conversely if any Customer's service requirement is larger than the current and forecast **WINEDEPOT** infrastructure can support, their access to services may be limited while **WINEDEPOT** expands its capacity within Australia Post's infrastructure.

**Digital Wine Ventures** (ASX DW8) is an Australian publicly listed company that aims to identify and invest in early stage technology-driven ventures that have the potential to disrupt and digitally transform segments within the global beverage market and support them by providing access to capital, expertise and share services.

To view our most recent media coverage please visit:

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

For more information please visit [www.digitalwine.ventures](http://www.digitalwine.ventures) and [www.winedepot.com](http://www.winedepot.com)

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