

INVESTOR WEBINAR PRESENTATION

Digital Wine Ventures (DW8 ASX), or the “Company”, is pleased to announce its participation in the **ShareCafé Small Cap “Hidden Gems”** Webinar to be held on Friday 8th May 2020 from 2:30pm AEST / 12:30pm AWST.

Digital Wines **CEO Mr Dean Taylor** will provide an update on the progress of its **WINEDEPOT** business.

This FREE webinar is able to be viewed live via Zoom over the internet and will provide viewers the opportunity to hear from, and engage with, a range of ASX listed micro/small cap “hidden gems” including Digital Wine Ventures.

To access further details of event and to register (for FREE), please copy and paste the following link into your internet browser: https://us02web.zoom.us/webinar/register/WN_oebiDKLAQf6NUdMzsTCXsw

For those unable to attend, please note that there will be a copy of the webinar made available following the event. A link to this will also be provided from the company’s blog at www.digitalwine.ventures/blog

The investor presentation to be delivered during the webinar is attached.

END

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





PRESENTED BY

CEO - DEAN TAYLOR



ASX:DW8

INVESTOR UPDATE

May 2020

With seven successful wine and technology ventures under his belt, Dean is a start-up veteran with deep domain experience.

Named one of the 50 Stars of Wine and TOP 50 People in E-commerce he is well known and highly regarded within the wine industry and online retail community. All of his ventures have been disruptive and had a strong technology focus, putting him in an ideal position to lead **WINEDEPOT** and Digital Wine Ventures.

NON-EXECUTIVE DIRECTORS



PAUL EVANS - CHAIRMAN

Paul has 27 years of private equity experience with 3i in the United Kingdom and with AMP, Gresham and Ironbridge in Australia. In 2003 Paul became one of the Founding Partners of Ironbridge and has represented Ironbridge on the Boards of Barbeques Galore, iNova Pharmaceuticals and Amart Furniture. Since 2017, Paul has been Director, Operations for Pacific Road Capital. He is also a keen wine collector and the current Chairman of the Advisory Board at Elderton Wines.



JAMES WALKER - DIRECTOR

James is a seasoned executive, with a track record in successfully commercialising cutting-edge technology in emerging markets. He has headed a number of Australian and international technology companies, including as CEO of DroneShield (ASX:DRO), CFO of Seeing Machines (AIM: SEE) and is currently Non-Executive Chairman of thedocyard (ASX:TDY) a Non-Executive Director at Bluglass (ASX:BLG).

DIGITAL WINE VENTURES

DW8 is an Australian publicly listed company that invests in technology servicing the \$300 billion global wine and beverage industry. ⁽¹⁾

WINEDEPOT is DW8's cornerstone investment.

- Cloud-based technology platform
- Launched in September 2019 after 2 years of R&D
- Tackles inefficiency in the wine supply chain
- Unlocks value, time and resources
- Multiple proven and recurring revenue streams
- Strong industry support & solid growth rates
- Foundation stones have been laid
- Poised to launch game-changing B2B Marketplace



1. Source: Zion Market 'Global Wine Market' Research Report April 2019



THE PROBLEM

- **2,500+ wineries in Australia** produce about **\$6 billion** of wine PA ⁽¹⁾
 - \$2.76 billion is exported ⁽²⁾
 - \$2.2 billion is sold wholesale via 2,000+ distributors ⁽³⁾
 - \$1 billion is sold direct-to-consumer (highest margin channel) ⁽⁴⁾
- **Distribution in Australia is inefficient, highly fragmented and extremely erosive on suppliers margins.**
 - Distributors margin = 35% + marketing support
 - Retailers margin = 35 to 45% margin + marketing support
- **The existing supply chain incapable of servicing the rapidly growing direct-to-consumer and online market segments.**
 - Tyranny of distance makes it expensive and slow
 - 3PL operators are subscale without access to volume breaks
 - Lack of technology integrations

Sources:

1. IBISWORLD Wine Production in Australia Industry May 2018
2. Wine Australia - Wine Export Report June 2018
3. IBISWORLD Liquor Wholesaling in Australia Industry April 2018
4. Estimate based upon Wine Australia DTC wine volume data



A PLATFORM CONNECTING THE WINE INDUSTRY

UNLOCKING THE VALUE, TIME
AND RESOURCES TRAPPED IN
THE SUPPLY CHAIN.

THE SOLUTION

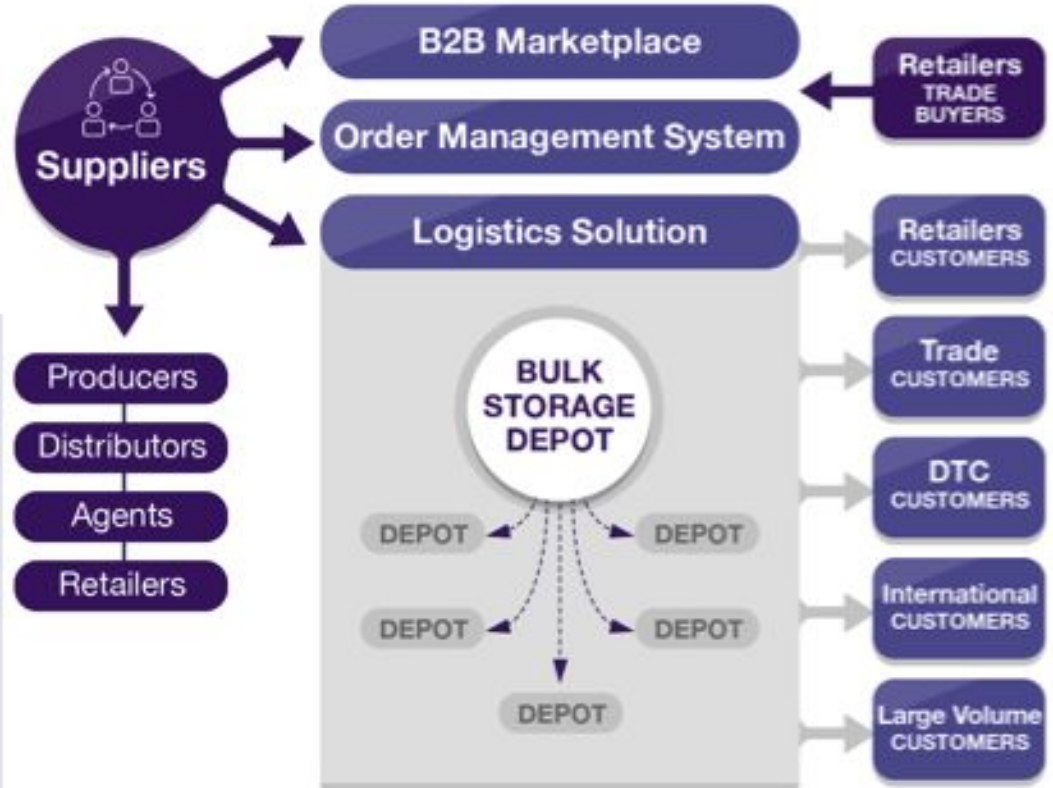




PLATFORM CONSISTS OF THREE COMPONENTS

COMPONENTS:

1. Order Management System
2. Logistics Solution
3. B2B Marketplace

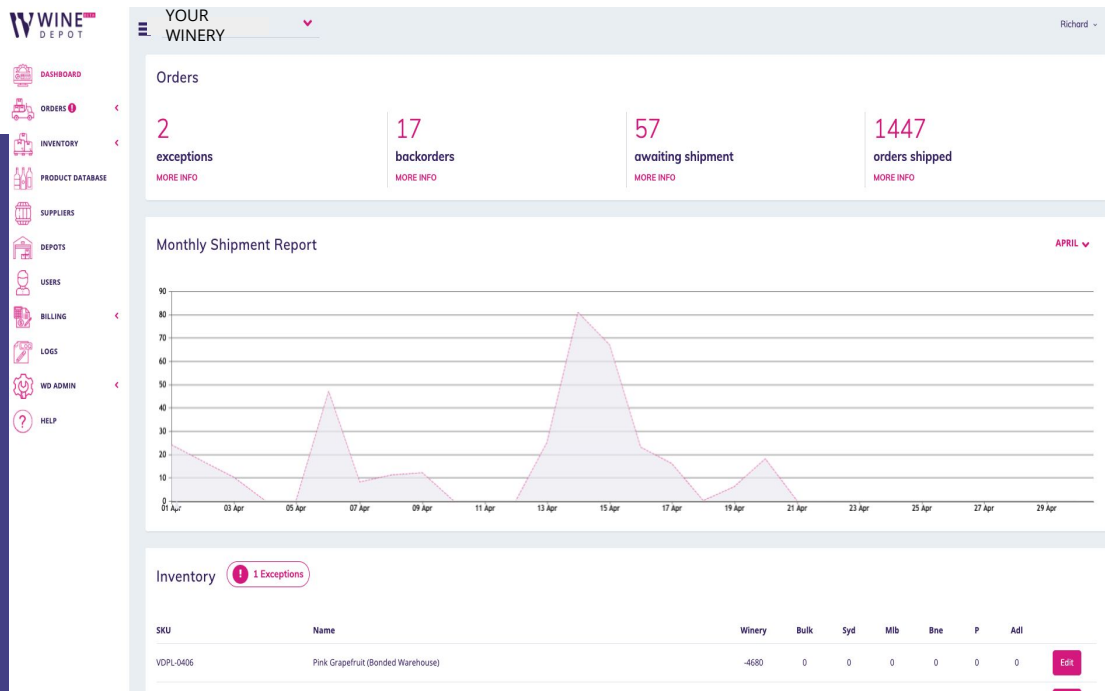




1. ORDER MANAGEMENT SYSTEM

Cloud-based application that allow users to consolidate and manage orders generated across all of their sales channels.

Integration partners include:





2. LOGISTICS SOLUTION (National 4PL)

That caters for fulfillment or orders across all sales channels.

HOW IT WORKS:

- Each depot holds a broad range, but limited volume of inventory on consignment.
- Suppliers orders are routed to the depot closest to the delivery address.
- Orders are picked, packed (bottle & case) and drop-shipped to the customer.
- Delivering locally significantly reduces delivery times, freight costs and breakages.
- Depots are replenished bi-weekly from bulk storage facilities on behalf of the suppliers





3. MARKETPLACE (B2B)

An online marketplace that allows suppliers to sell directly to thousands of trade buyers, providing a low cost route to access and service the wholesale market without a distributor.

Supported by our integrated logistics solution, our B2B marketplace helps suppliers:

- Build brand awareness
- Generate incremental sales
- Improve profit margins & cash flow
- Provide customers an order portal
- Reduce paperwork & administration



LAUNCH STRATEGY

To provide sufficient time to properly develop, test and optimise each component, our platform has been launched in stages.

STAGE 1 - ORDER MANAGER (SaaS)

SEPTEMBER 2019

STAGE 2 - LOGISTICS SOLUTION

NOVEMBER 2019

STAGE 3 - B2B MARKETPLACE

The most exciting component, our **MARKETPLACE**, is due to go live in Q3 2020 introducing a high margin revenue stream.



LOGISTICS PARTNERSHIPS

To accelerate the roll out of our LOGISTICS SOLUTION we developed an exclusive partnership with Australia Post.

This provides us access to a combined 57,000 sqm of storage and over 100 warehouse staff on a variable cost base, scaling up and down as required.

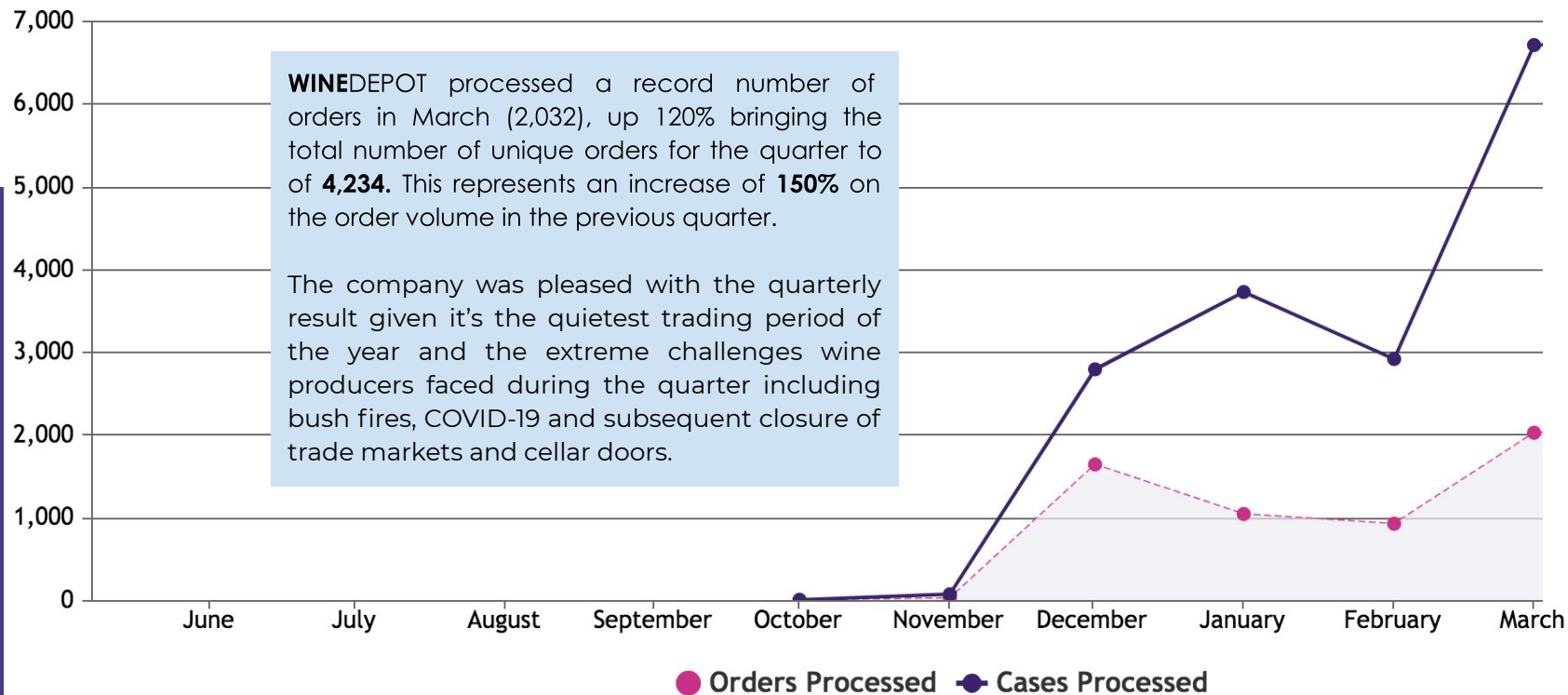
Embedded within Australia Post's distribution centres allows our orders to flow directly into their fulfillment system - allowing us to offer **same and next day** delivery capability in Adelaide, Brisbane, Sydney, Melbourne and Perth.

The partnership with Australia Post provides us access to an immense range of capability while reducing capital expenditure and execution risk.





LOGISTICS SOLUTION OFF TO A GOOD START





SOME OF OUR CUSTOMERS

BROKENWOOD
AUSTRALIAN CRAFT AT ITS FINEST


HUTTON VALE FARM
EDEN VALLEY • BAROSSA


BROWN HILL
MARGARET RIVER


MICHELINI
WINES
A FAMILY WINEMAKING TRADITION
FOR OVER 150 YEARS

PRIMO ESTATE



BABO


COONAWARRA


Gatch Wine



JOSEF CHROMY
TASMANIA


BRAND'S LAIRA
COONAWARRA


THE
MAGIC BOX
WINE COLLECTION


REDMAN
A FAMILY TRADITION


PETER LEHMANN
Barossa


**ROGUE
VINTNER**


[yellow tail]


CHALMERS


ESTD 1959
JIM BARRY
CLARE VALLEY

GOLDING
ADELAIDE HILLS


BAILEYS
of GLENROWAN


CASELLA
FAMILY BRANDS

WANGOLINA 

vodka+


Salena
ESTATE


MORRIS
OF RUTHERGLEN



WHAT OUR CUSTOMERS ARE SAYING

400% growth since partnering with WINEDEPOT

"For four years now we've been locked out but with Wine Depot we have every chance to succeed as much as the big guys."

Marko, CEO of Vodka+

vodka+

Overcome Operating Remotely

"We joined **WINEDEPOT** to overcome the challenges of being remote, I'm looking for fast delivery in metro areas at lower rates"

Luke, The Blok Coonawarra



Cost effective Deliveries

"We joined because we wanted to have an efficient, cost effective delivery solution that was reliable, fast and consistent".

Stuart,
Hutton Vale



HUTTON VALE FARM
EDEN VALLEY • BAROSSA

Reduce Overheads & provide Same Day Delivery

"Partnering with **WINEDEPOT** means we've avoided quite a few overheads.

We've also been able to frame some marketing campaigns around that same-day delivery promise, for example, a campaign to our customers in Perth who wouldn't expect same-day delivery from Tasmania."

Delivery speed has also had some unexpected benefits!

Amy, Josef Chromy



JOSEF CHROMY
TASMANIA



REVENUE MODEL

WINEDEPOT has three core revenue streams :

- **PLATFORM FEES** (SaaS subscriptions, support and data)
- **TRADING FEES** (% of overall transaction)
- **FULFILLMENT FEES** (storage, freight, surcharges)

The annual release pattern of the wine industry provides us access to recurring revenue.

Over time we expect **Trading Fees** to become our largest and most profitable revenue stream.

With the foundation stones now laid, the launch of this component is now our primary focus.



ADDRESSABLE MARKET (Australia)

SaaS Income

- **WINERIES** ~ 2,500+ ⁽¹⁾
- **DISTRIBUTORS** ~ 2,000+ ⁽²⁾
- **LICENCED VENUES** ~ 60,000+ ⁽³⁾

Trading Income

- **WHOLESALE WINE MARKET** ~ \$2.2B PA ⁽²⁾

Fulfillment Income

- **WHOLESALE** ~ 70m cases PA ⁽⁴⁾
- **DIRECT-TO-CONSUMER** ~12m cases PA ⁽⁵⁾
- **ONLINE RETAILERS** ~10m cases PA ⁽⁶⁾

Sources:

1. IBISWORLD Wine Production in Australia Industry May 2018

2. IBISWORLD Liquor Wholesaling in Australia Industry April 2018

3. Drinks Association National Liquor Licence database

4-6. Estimates based upon Wine Australia volume data based on equivalent number of 6 bottle cases



Global wine market is expected to reach USD 423.6 billion by 2023. ⁽¹⁾

Once proven in Australia, WINEDEPOT plans to progressively expand its unique trading and fulfillment model into other key wine markets.

At \$1.2 billion PA, China is Australia's largest wine export market. ⁽²⁾

Digital Wine Ventures has established the corporate, legal, financial and IT structures required to operate our trading and distribution platform in mainland China.

Our partnership with Australia Post provides us access to 15 distribution centres in China servicing Tier 1 and 2 cities, which could be used to expand our depot network.

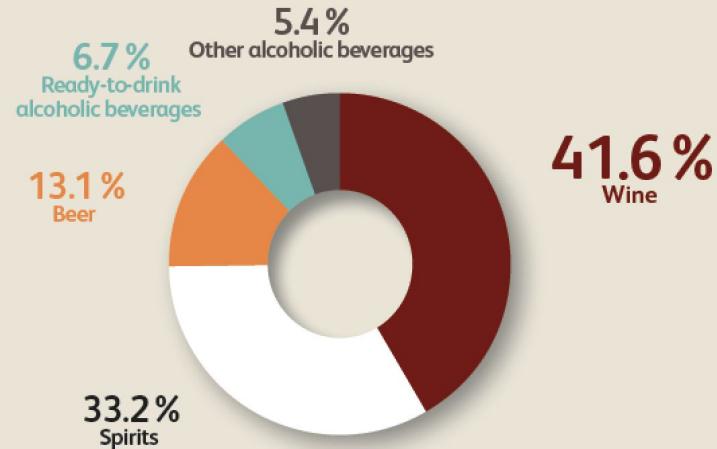


BEYOND WINE

WINEDEPOT also caters for other beverages.

vodka+

Products and services segmentation (2017-18)



Total \$5.3bn

SOURCE: WWW.IBISWORLD.COM.AU



KEY STRENGTHS

- Green field 'tech' opportunity
- Recurring revenue streams
- No inventory risk
- 4PL logistics model
- Totally agnostic
- Highly experienced team

THANK YOU

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.

WINEDEPOT is DW8's cornerstone investment.

Digital Wine Ventures has recently launched a blog to keep investors abreast of the latest developments and promote discounts and special offers available to investors. For more details visit www.digitalwine.ventures/blog

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 and www.winedepot.com or contact:

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