

29 July 2021

ASX Announcement

AMENDED QUARTERLY REPORT – 30 JUNE 2021

HIGHLIGHTS:

- **WINEDEPOT** generates \$1.02 million revenue in Q4 FY2021, up 33% on last quarter
- **WINEDEPOT LOGISTICS** sets a new record shipping over 75,000 cases during the quarter
- **WINEDEPOT** welcomes 68 new suppliers
- **WINEDEPOT** secures liquor licence required to launch INSIDER TRADING wine club
- **WINEDEPOT MARKET** goes live in Sydney and Melbourne
- **WINEDEPOT MARKET** teams up with Zip, to offer Buy Now Pay Later solution
- **WINEDEPOT** partners with Amazon
- **DW8** appoints Michele Anderson MW, as a Non-Executive Director
- **DW8** admitted to MSCI Global Micro Cap index
- **DW8** admitted to S&P / ASX All Technology Index

Digital Wine Ventures Limited (ASX:DW8) (Company) is pleased to provide a summary of the activity undertaken in the three-month period ending 30 June 2021.

WINEDEPOT generates \$1.02m revenue in Q4 FY2021, up 33% on last quarter

The Company is pleased to report that the **WINEDEPOT** platform generated total revenue of **\$1.02 million** for the quarter ending 30 June 2021, 33% higher than last quarter and up 274% on Q4 FY2020. This total does not include a R&D refund of \$129k received during the quarter nor any contribution from the recently acquired Parton Wine Distribution business.

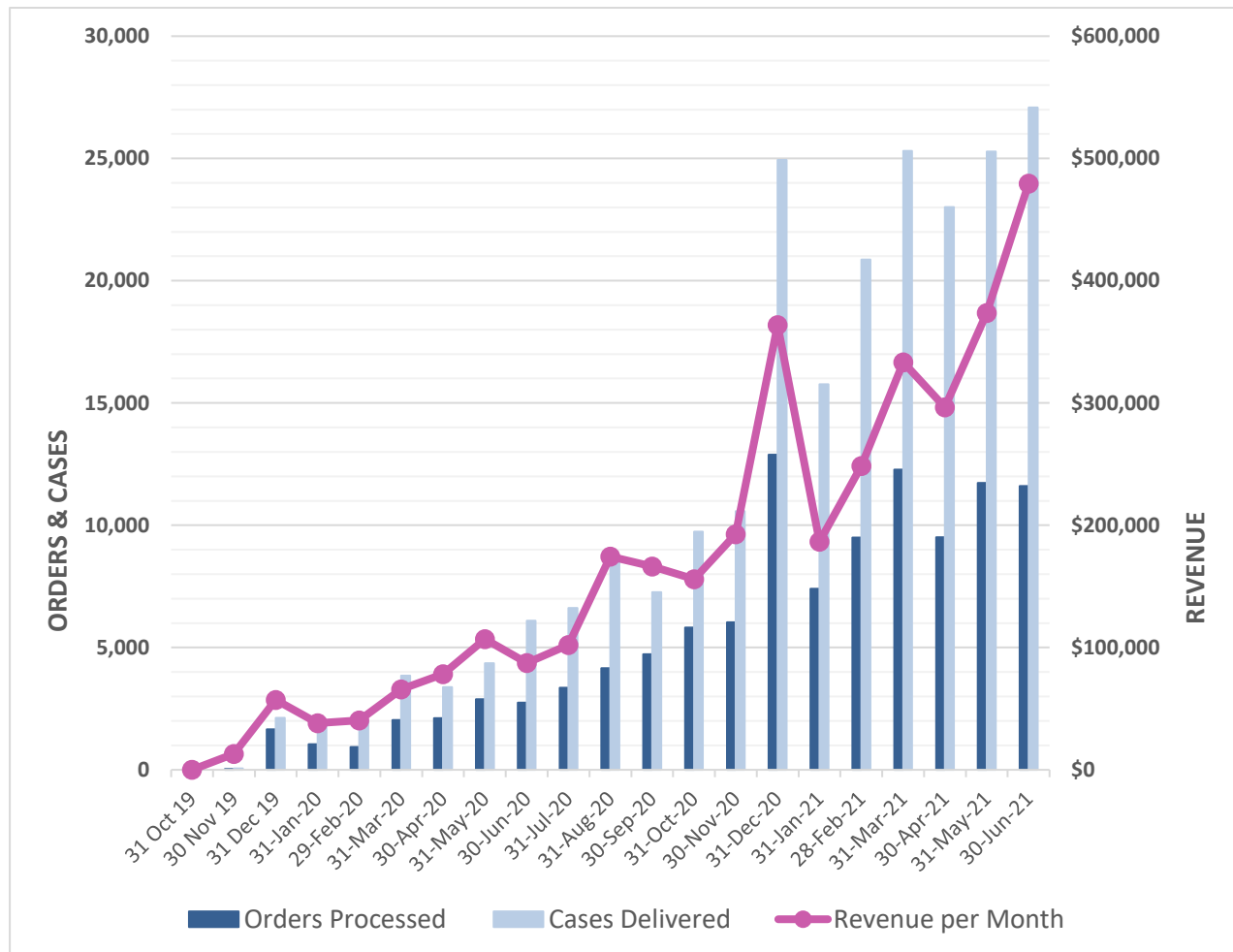
The Company has also lodged its Appendix 4C containing the Company's cash flow statement for the quarter. The cash flows relating to the quarter included \$0.92 million spend on operating costs, \$0.87 million on staff costs, \$0.62 million on corporate and admin costs and \$0.2 million on marketing. The majority of the costs noted in this quarterly cashflow report are associated with the Company's two main business units being LOGISTICS & MARKET. MARKET has only just been launched, so has provided only a minor revenue contribution.

DW8 CEO, Dean Taylor is extremely pleased with the result stating: *"There's been a noticeable lift in our key metrics over the last 3 months as existing and new suppliers embrace new functionality offered via our platform, such as MARKET & DIRECT. The combination of the new revenue streams generated by these products together with very strong customer growth, generated organically and via strategic acquisitions, provides the basis for a very exciting year ahead in respect of revenue growth."*

WINEDEPOT LOGISTICS sets a new record shipping over 75,000 cases

The Company is pleased to advise that **WINEDEPOT** shipped a total of **75,377 cases** over Q4 FY2021 up 445% on the Q4 FY2020 total of 13,840 and up 22% on the Q3 FY2021 total of 61,939.

This was on the back of **32,850 orders** in Q4 FY2021 up 324% on Q4 FY2020 total of 7,755, increasing the average number of cases shipped per order to 2.33. The average number of cases shipped per order is likely to increase further over coming months as the volume of orders processed for **WINEDEPOT MARKET** increases, due to trade buyers typically placing larger orders than consumers.



WINEDEPOT welcomes 68 new suppliers during Q4 FY2021

The Company is pleased to report that a total of **68** new suppliers were acquired during the June quarter. This brings the total number of active suppliers using **WINEDEPOT**'s integrated sales, logistics and payment management platform to 375.

WINEDEPOT secures licence required to launch INSIDER TRADING

On 10 May 2021, the Company was pleased to report that **WINEDEPOT**'s application for an online packaged liquor licence, allowing it to sell and deliver wine to the general public, had been approved.

This now allows **WINEDEPOT** to launch **Insider Trading**, an invitation only membership program that

allows DW8 shareholders and employees of suppliers selling via **WINEDEPOT MARKET**, to purchase products listed on the marketplace at preferential prices.

'Insiders' will also have access to a range of benefits including invitations to private tastings, dinners, master classes and other events in due course. DW8 shareholders wishing to join 'Insider Trading' wine club, should register their details on the **WINEDEPOT** website at <https://market.winedepot.com/>

WINEDEPOT MARKET goes live in Sydney and Melbourne

On 28 May 2021, the Company was pleased to report that **WINEDEPOT** had officially launched its direct-to-trade marketplace (MARKET) in Sydney, with the iconic Café Sydney being the first venue to place an order after the revolutionary new platform went live.

On 7 July 2021, the Company officially opened up the marketplace to trade buyers located in Melbourne, the second capital city that **WINEDEPOT MARKET** has been rolled-out in.

Since launch, Digital Wine's CEO, Dean Taylor, has confirmed that the direct-to-trade marketplace was functioning well, and that the trade buyers who had engaged with the platform so far were responding extremely positively to the proposition.

"The evolution of the wine distribution model in Australia is long overdue. Technology has brought vast changes in the way we produce wine and sell to consumers, but in the middle, supply chains and wholesaling are still plagued by inefficiency."

Mr Taylor said that **WINEDEPOT MARKET** was designed to enable winemakers and distributors to outsource the back end of their business to concentrate on the aspects of their business that deliver most value.

"The initial take-up that we have seen so far has been very encouraging and provides a clear indication of the latent demand for the unique solution that we've created. Considering the uncertainty and disruption associated with this wave of COVID-19 lockdown restrictions, I'm extremely proud of what we've managed to achieve so far."

WINEDEPOT partners with Zip, to offer Buy Now Pay Later solution

On 28 May 2021, the Company was pleased to report that **WINEDEPOT** had partnered with Zip Co Limited (ASX:Z1P) ("**Zip**"), a global payment solutions provider, to provide **WINEDEPOT** users access to a Buy Now Pay Later credit solution.

Zip's Business Trade and Business Trade Plus payment solutions will be integrated into the **WINEDEPOT MARKET** platform alongside other payment methods. The solution will provide smaller businesses immediate access up to \$3,000 credit interest free forever, while larger operations will have the ability to access credit lines up to \$150,000 on 60 days interest free terms or extend for another 4 months for a fixed fee.

Zip will take responsibility for assessing credit applications, providing a credit line to users, managing the collection processes and importantly assume the risk and recourse associated with payments made via their payment solution.

WINEDEPOT partners with Amazon

On 9 June 2021 the Company announced **WINEDEPOT** had entered into a partnership with Amazon

that would allow suppliers using its integrated trading, logistics and payment solution the ability to make their products available for sale on Amazon's Australian marketplace by simply clicking a single checkbox. Under the partnership, **WINEDEPOT** will manage the storage, picking and packing of products but leverage Amazon's fulfilment network for the final mile delivery of orders generated via the marketplace. More details about **WINEDEPOT**'s Amazon channel management service will be released in due course on the Company's website.

DW8 appoints Michele Anderson MW, as a Non-Executive Director

On 1 July 2021 the Company announced that Ms Michele Anderson had joined Digital Wine's Board of Directors in a non-executive capacity.

Michele is a business executive focused on growth, digital transformation and operational leadership running businesses many times the size of DW8. She also has considerable wine industry expertise, including 8 years as General Manager USA & Canada with Australian Vintage (ASX:AVG).

Michele is a Master of Wine (one of only approximately 400 people worldwide) and sits on the board of Baron Philippe de Rothschild. She holds an MBA from the Wharton Business School, a Bachelor of Commerce / Bachelor of Laws from University of New South Wales and is also a Graduate Member of the Australian Institute of Company Directors (GAICD). She is recognised as one of the most influential women in Silicon Valley, including stints at iVillage, Shutterfly, Findmypast and Staples.

Michele is currently an independent director of Baron Philippe de Rothschild S.A., a leading French wine business, and is the first non-French board member appointed to the business

Digital Wine's Chairman, Mr Paul Evans said: *"We are delighted to welcome Michele to our Board. She will contribute considerable relevant executive experience from senior roles she has held both in the wine industry and in leading digital growth and transformation for major corporations."*

DW8 admitted to MSCI Global Micro Cap index

The Company was pleased to be advised that from 27 May 2021, DW8 was to be included within the MSCI Global Micro Cap index, an index is designed to measure the performance of the Micro Cap segment of companies traded globally.

DW8 admitted to S&P / ASX All Technology Index

The Company was pleased to be advised that from 21 June 2021, DW8 was to be included within the S&P/ASX All Technology Index, an index is designed to measure the performance of the Technology segment of companies listed on the ASX.

Related Party Payments

During the quarter, the Company made payments of \$131,469 to related parties and their associates. These payments relate to the existing remuneration agreements for the Executive and Non-Executive Directors.

END

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

WINEDEPOT (winedepot.com)

is an online technology platform designed to streamline wine & beverage distribution. The integrated trading, logistics and payment solution consists of five key components:

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

Revenue is generated via:

- **Trading Fees** (% of the wholesale transaction value)
- **Sales Commissions** (% of the retail transactions generated)
- **Connect Platform Fees** (monthly subscriptions, listing and integration fees)
- **Liquidity Fees** (% of the transaction value funded)
- **Logistics Fees** (storage, picking, packing, handling & freight)

WINEDEPOT plans to solidify its presence in Australasia before expanding the platform into other key markets such as USA, UK, Europe, Canada, Hong Kong and Singapore.

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 or digitally transform segments within the global beverage market.

To keep abreast of DW8's latest developments please visit www.digitalwine.ventures/blog

To view 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 or contact:

Dean Taylor

Chief Executive Officer

P: (02) 8363 3351

E: dean.taylor@digitalwine.ventures



Forward-Looking Statements

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