

30 March 2021

ASX Announcement

## WINEDEPOT PARTNERS WITH LEADING FINE WINE & BEVERAGE DISTRIBUTOR TO LAUNCH MARKETPLACE

### HIGHLIGHTS:

- **WINEDEPOT** forms Foundation Agreement with **Bibendum Wine Co.**
- Under the Agreement **Bibendum** will offer its products via **WINEDEPOT MARKET** and introduce thousands of trade buyers to **WINEDEPOT**
- **WINEDEPOT** will support the partnership by releasing incentives to trade buyers
- **Bibendum** will bolster **WINEDEPOT MARKET**'s product range by adding:
  - a broad range of local and imported wine brands
  - hundreds of unique products
  - a variety of craft spirits
- **WINEDEPOT** leverages technology to onboard Bibendum buyers
- **WINEDEPOT** to roll out dedicated delivery fleet
- **Bibendum** signs up to use **WINEDEPOT**'s logistics services as part of its third-party storage and fulfilment network

Digital Wine Ventures Limited ("**Digital Wine**" or "**the Company**") is pleased to announce that **WINEDEPOT** has entered into a foundation agreement with **Bibendum Wine Co. Pty Ltd (Bibendum)** one of Australia's leading fine wine and beverage distributors.

Under the partnership **Bibendum**, will list a substantial part of its portfolio of international and Australian wines and craft spirits on **WINEDEPOT MARKET** and invite its customers to join the platform via a referral program that includes an incentive voucher towards the customer's initial transaction.

Established in 2004 by notable Australian wine figure Robert Walters, **Bibendum** is one of Australia's most successful fine wine and beverage distribution businesses, with a strong focus on imports of highly sought-after ultra-premium labels from Australia, New Zealand, France, Italy, Spain, Portugal, Germany, Austria, Hungary and South Africa.

In addition to the 160 local and international wine producers that they represent, **Bibendum** also stocks a range of craft spirits from the UK, Scotland, Ireland, Japan, USA, Mexico, Italy, France and Australia which are sold via their Bibendum Bar business.

Bibendum's owner, Robert Walters is also the founder of **Place of Changing Winds**, a prestigious, organic vineyard and winery located in the Macedon Ranges of Victoria.

No stranger to ecommerce, Robert was also a co-founder of **WINE PLANET**, Australia's first publicly listed online wine business (formerly ASX: WIN) which was acquired by Cellarmaster Wines Pty Limited a subsidiary of Fosters in 2001.



Digital Wines CEO Dean Taylor is excited about the partnership with Bibendum and believes that it has immense potential to dramatically accelerate the adoption of the online trading platform within the wholesale beverage buying community, stating:

*"Bibendum are without a doubt one of the most successful wholesale beverage businesses in Australia. You only need to look at the caliber of brands in their portfolio or speak with any major wine buyer to get a gauge on their position within the industry."*

*"They have managed to build their reputation as a market leader by maintaining a commitment to overdelivering on quality across everything they do including their product range, personnel and customer service level. This commitment to quality over the last 17 years has allowed them to develop strong relationships with most of the leading restaurants, bottle shops, bars and hotels in the country."*

*"This partnership allows us to leverage Bibendum's unique product range, highly experienced sales force, long-term customer relationships and revered presence within the industry to drive rapid awareness of the benefits that our marketplace provides to trade buyers."*

*"Their powerful influence over key stakeholders within the wholesale buying community should allow us to develop a powerful audience of qualified buyers to drive sufficient demand to support the hundreds of suppliers on the other side of the marketplace."*

Bibendum founder and owner, Robert Walters is also excited about the partnership and the opportunity for his team of 54 staff to get behind launch an online platform that he believes has the potential to revolutionise the wholesale beverage market.

*"I first met Dean over 20 years ago, shortly after I launched Wine Planet. He had just established his Wine Ark business in the basement of the warehouse our operations were based, and we became friends. Over the years we have regularly shared musings about the industry typically over a bottle or two."*

*"A few years ago, he approached me about an idea he had to use technology to reinvent the supply chain. Funnily enough I had been working on a similar project myself, so his idea resonated with me immediately. When he reached out again late last year asking if we'd like to get involved in the launch the direct-to-trade marketplace, it didn't take much convincing for me to decide to get behind the project."*

*"I honestly believe that the wine and beverage trade has been crying out for an integrated trading, logistics and payment solution like **WINEDEPOT MARKET**. To play a key part in the launch of this revolutionary platform is exciting. It offers the potential of allowing us to service our client base at an even higher level, and this is one of the keys to our involvement."*

## **WINEDEPOT to support partnership by releasing incentives to trade buyers**

To support the partnership and broader go-to-market strategy **WINEDEPOT** will be providing each trade buyer introduced by Bibendum with an incentive voucher to use against their first purchase.

These vouchers will be distributed to trade buyers as part of the staged roll out of **WINEDEPOT MARKET** around the country. Each voucher is unique, requires a minimum spend and must be used by the recipient within a limited timeframe.

## WINEDEPOT MARKET product range bolstered by Bibendum partnership

Australian and New Zealand brands currently represented by Bibendum include:

• Bannockburn	Geelong, VIC
• Toolangi	Yarra Valley, VIC
• Luke Lambert	Yarra Valley, VIC
• Hoddles Creek	Yarra Valley, VIC
• Mount Macleod	Gippsland, VIC
• Gargiste	Mornington Peninsula, VIC
• Quealy	Mornington Peninsula, VIC
• Place of Changing Winds	Macedon Ranges, VIC
• Some Young Punks	Clare Valley, SA
• Adelina	Clare Valley, SA
• Laughing Jack	Barossa Valley, SA
• Spinifex	Barossa Valley, SA
• Bondar	McLaren Vale, SA
• Murdoch Hill	Adelaide Hills, SA
• Blind Corner	Margaret River, WA
• Voyager Estate	Margaret River, WA
• Meadowbank	Derwent Valley, TAS
• Corofin	Marlborough, NZ
• Meltwater	Marlborough, NZ

Other international brands currently represented by Bibendum include:

• Domaine Weinbach	Alsace, France
• Domaine Ponsot	Burgundy, France
• Vincent Dancer	Burgundy, France
• Clos de Tart	Burgundy, France
• Hubert Lamy	Burgundy, France
• Denis Mortet	Burgundy, France
• Ghislaine Barthod	Burgundy, France
• François Lamarche	Burgundy, France
• Jaeger-Defaix	Burgundy, France
• Arnoux-Lamarche	Burgundy, France
• François Labet	Burgundy, France
• Benjamin Leroux	Burgundy, France
• Bachelet-Monnot	Burgundy, France
• Dureuil-Janthial	Burgundy, France
• Châteaux de La Tour	Burgundy, France
• Harmand-Geoffroy	Burgundy, France
• Domaine de l'Arlet	Burgundy, France
• Henri Germain	Burgundy, France
• Antone Jobard	Burgundy, France
• Verget & Guffen Heynan	Burgundy, France
• La Soufrandière	Burgundy, France
• Paul Pillot	Burgundy, France
• Chandon de Briailles	Burgundy, France
• Domaine Goisot	Burgundy, France
• Pierre-Marie Chermette	Beaujolais, France
• Domaine de Fa	Beaujolais, France
• Daniel Bouland	Beaujolais, France
• Bernard Defaix	Chablis, France
• Moreux-Naudet	Chablis, France
• Egly-Ouriet	Champagne, France
• Larmandier-Bernier	Champagne, France
• Jérôme Prévost	Champagne, France
• Laherte Frères	Champagne, France
• Agrapart	Champagne, France
• Vouette & Sorbée	Champagne, France
• Ulysse Collin	Champagne, France
• Jacques Selosse	Champagne, France

• Suenen	Champagne, France
• Domaine Huet	Loire Valley, France
• François Chidaine	Loire Valley, France
• Didier Dagueneau	Loire Valley, France
• Jo Landron	Loire Valley, France
• Alphonse Mellot	Loire Valley, France
• Gérard Boulay	Loire Valley, France
• Thierry Germain	Loire Valley, France
• Domaine Guilberteau	Loire Valley, France
• Roches Heuves	Loire Valley, France
• Salvard	Loire Valley, France
• Domaine de Marcoux	Rhône Valley, France
• Alain Graillot	Rhône Valley, France
• Pierre Gaillard	Rhône Valley, France
• Bernard Faurie	Rhône Valley, France
• Réméjeanne	Rhône Valley, France
• L'Oratoire Saint-Martin	Rhône Valley, France
• Mas de Libian	Rhône Valley, France
• Courbissac	Minervois, France
• Madeloc	Banyuls, France
• Coeur Clémentine	Provence, France
• Chateau de Pibarnon	Bandol, France
• Domaine Plageoles	Gaillac, France
• Château Peybonhomme-Les-Tours	Bordeaux, France
• Château La Grolet	Bordeaux, France
• Quinta do Noval	Oporto, Portugal
• Henriques & Henriques	Madiera, Portugal
• Equipo Navazos	Jerez, Spain
• Toro Albalá	Montilla, Spain
• Pesquera	Ribera dl Duero, Spain
• Condado de Haza	Ribera dl Duero, Spain
• Mengoba	Bierzo, Spain
• Bodegas Valdesil	Valdeorras, Spain
• Algueira	Ribeira Sacra, Spain
• Quinta da Muradella	Monterrei, Spain
• Angel Rodriguez	Rueda, Spain
• Terroir al Limit	Priorat, Spain
• Terroir Sense Fronteres	Montsant, Spain
• Exopto	Rioja, Spain
• Valenciso	Rioja, Spain
• Bernabeleva	Madrid, Spain
• La Maldición	Madrid, Spain
• Massolino	Piemonte, Italy
• Sandrone	Piemonte, Italy
• Albino Rocca	Piemonte, Italy
• Cavallotto	Piemonte, Italy
• Ca'D'Gal	Piemonte, Italy
• Gírlan	Alto Adige, Italy
• Di Majo Norante	Molise, Italy
• Corzano	Tuscany, Italy
• Babo	Tuscany/Sicily, Italy
• J.J. Prum	Mosel, Germany
• Robert Weil	Rheingau, Germany
• Müller-Catoir	Pfalz, Germany
• Von Buhl	Pfalz, Germany
• Zalto Glas	Austria
• Uwe Scheifer	Eisenberg, Austria
• Disznókó	Tokaj, Hungary
• Sadie Family	Swartland, South Africa

## WINEDEPOT leverages technology to onboard Bibendum buyers

Conscious of the need to simplify the onboarding process for the thousands of trade buyers introduced through the Bibendum partnership, the parties have agreed to develop a technical integration between their respective IT systems that allows new customer accounts to be opened with just one or two clicks.

While this additional development work will mean the Bibendum partnership won't commence until late April, Digital Wines CEO Dean Taylor believes that the benefits in reducing friction in the onboarding process will be well repaid and easily offset by the higher-than-expected customer numbers available to the business from day one.

*"While we will go ahead with the planned 'soft' launch of **MARKET** in late March, access will be initially restricted to a very small group of buyers who will be given the task of trying to break the system. Only once we are satisfied our ecommerce site, enabling technology systems and supporting logistics infrastructure is robust enough for rapid scaling, will we start inviting customers onto the platform one market at a time."*

*"Subject to the status of COVID-19 restrictions at the time, Sydney will most likely be the first major market we service followed fairly quickly by Melbourne. We know that we can provide a guaranteed next day delivery service for orders into both of those markets, so it makes sense to start there first."*

*"While this might be a little frustrating for buyers in some markets, we want to make absolutely sure that the end-to-end experience we provide doesn't disappoint. We took the same approach with the launch of our logistics solution and it paid off for us in the end."*

## WINEDEPOT to roll out dedicated delivery fleet

The Company is pleased to announce that **WINEDEPOT** has entered into a partnership with **Direct Couriers (Aust) Pty Ltd (Direct Couriers)** to develop its a dedicated delivery fleet that will be used primarily to fulfil trade and on-demand orders in the major metro areas.

This will allow **WINEDEPOT** to provide and maintain a superior service level for orders generated via it's soon to be launched direct-to-trade marketplace, regardless of what levels of congestion are in the broader freight network.

Digital Wines CEO Dean Taylor explains *"Over the last 12 months, the massive shift to online purchasing for both businesses and consumers due to COVID-19 has pushed record breaking volumes of freight through the entire Australian supply chain. There were occasions last year when online retail promotions such as Black Friday and Cyber Monday generated so much volume that parts of the network collapsed, leaving deliveries backed up for days."*

*"Like everyone else, we were exposed to this last year and it had an impact on our service level and customer relationships. Fortunately, most understood it was beyond our control and accepted the situation, but we need to learn from that experience and find ways to avoid getting caught up in that again."*

*"Providing an exceptional last mile experience is critical to the success of **WINEDEPOT MARKET** and the only way we can avoid orders generated on the platform from getting caught up in general network congestion is to have our own dedicated fleet. Direct Couriers have invested heavily in technology and a reputation of providing one of the highest service levels in the industry. We look forward to working with them over the coming years."*

## Bibendum signs up to use WINEDEPOT's Smart Logistics Solution

As part of the partnership agreement, Bibendum will also use **WINEDEPOT's** Smart Logistics Solution as part of its network of third-party storage and delivery providers. This will allow Bibendum to increase the range of products that are available at short notice in markets outside Victoria and reduce the delivery times of those orders.

Bibendum will continue to use its own climate-controlled warehouse in Melbourne and selected third party providers in conjunction with the WINEDEPOT service.

### Material terms of the Bibendum partnership agreement:

- The agreement is between Bibendum Wine Co Pty Ltd and Wine Depot Holdings Pty Ltd.
- Bibendum will invest in custom technology to streamline the customer onboarding process for customers that join **WINEDEPOT MARKET**.
- As negotiated between both parties, customers introduced by Bibendum to WINEDEPOT will receive an incentive voucher worth \$250 for one time use on the **WINEDEPOT MARKET**.
- **In recognition of the investment in technology, marketing and management costs, as well as the significant value they bring as a foundation partner, WINEDEPOT** will pay Bibendum a marketing fee as well as referral fees for each trade buyer introduced by Bibendum which chooses to participate in the MARKET.
- **No customer details will be passed from Bibendum to WINEDEPOT without the explicit consent of the customer.**
- Should the agreed promotion prove to be a success, see below, **DW8** will issue Bibendum (or its nominees) 20,000,000 fully paid ordinary shares upon an auditor or other suitably qualified independent expert (as appointed by DW8) verifying the satisfaction of all of the below milestones before 30 June 2023:
  - Bibendum listing at least 280 products on MARKET for the launch;
  - Bibendum sending incentive vouchers to at least 4,000 activated leads;
  - At least 800 activated leads using the incentive vouchers;
  - The activated leads generating at least \$800,000 worth of sales.
- The agreement to issue the shares to Bibendum is made pursuant to Listing Rule 7.1.
- The shares issued to Bibendum are subject to a voluntary escrow period of 6 months.
- There are no limits to the number of trade buyers (leads) that Bibendum can introduce to **WINEDEPOT MARKET**. There are also no guarantees that the leads introduced by Bibendum will go on and open an account and or make ongoing purchases via **WINEDEPOT MARKET**. It is therefore not possible to forecast potential revenues that may be generated under the partnership. It is possible that no material revenue materialises from the partnership with Bibendum.
- The initial term of the partnership is from signing until 30 June 2023. The referral component of the partnership agreement automatically extends for 12 months at a time until terminated by either party by providing 90 days' written notice. The agreement may be terminated by either party in the event of a material breach of the agreement by the other party or if requested by relevant regulators.
- The marketing of products on the Wine Depot MARKET remains at Bibendum's sole discretion.
- There are no minimum fees or expected volumes specified in the partnership agreement, except for those associated with the issue of the shares.

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



## WINEDEPOT overview

WINEDEPOT is an online technology platform designed to streamline wine & beverage distribution. It provides users with an integrated trading, logistics and payment solution that includes:

- **MARKET** – an online marketplace for direct-to-trade sales
- **DIRECT** – a tool for managing direct-to-consumer sales
- **CONNECT** – an online order and inventory management system
- **LIQUIDITY** – an accelerated payment solution
- **LOGISTICS** – a national fulfillment solution

Benefits for users include:

### SUPPLIERS

Reduced Costs & Administration  
Improved Profit Margins  
Increased Customer Reach  
Incremental Sales  
Improved Cash Flow & Guaranteed Payment

### TRADE BUYERS

Single Order, Invoice, Delivery & Payment  
Flexible Payment & Credit Options  
Access to a Broad Product Range  
Streamlined Delivery Service  
Supports Producers via 'Vineyard to Venue' model

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 into other key markets for Australian wine such as USA, UK, Europe, Canada, Hong Kong and Singapore.

## Digital Wine Ventures overview

**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 the Company's latest developments and special offers available to investors please visit [www.digitalwine.ventures/blog](http://www.digitalwine.ventures/blog)

To view recent media coverage please visit:

- <https://www.digitalwine.ventures/media-coverage.php>
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### Forward-Looking Statements

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