



BROO Limited

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ASX Announcement



MARKET UPDATE

Broo Ltd (ASX: BEE) ('Broo Ltd' or 'the Company')

Chinese Market

Broo Ltd exclusive distribution partner for China, Beijing Jihua Information Consultant Ltd ("Jihua"), has commenced sales and distribution of Broo Premium Lager products. Jihua has distributed Broo Lager to its major customers including COFCO and Wumei Ltd. (Wu Mart Supermarket Chain). The distribution of products has covered more than 20 cities and districts in China and spread more than 3887 km in distance from the far north to the south. These major distribution provinces and cities include Beijing, Shanghai, Xi'an, Heilongjiang, Hainan, Shanxi, Guangxi and Jiangsu. Jihua has received great feedback from customers and is looking forward to a successful summer.

Australian Market

The Company is focused on increasing domestic sales and distribution. Availability of Broo products has been expanded beyond QLD and is now available nationally via Australian Liquor Marketers Pty Ltd (ALM). The company is currently working state by state with liquor retail banner groups on roll out and in store presence. Greater consumer awareness combined with expanded distribution via this channel is expected to increase annual sales volumes of the Broo brands.

Broo Retail is performing strongly with both Mildura Brewery Pub and Sorrento Brewhouse operations trading in line with forecast expectations. The Company is pleased to see this category provide increased gross margin, strengthened on premise sales and further product awareness.

Broo Brewery

The Company via its wholly owned subsidiary Broo Brewery Pty Ltd (Broo Brewery), is progressing masterplans to develop and operate a world-class, environmentally sustainable brewing facility, the "World's Greenest Brewery", combining manufacturing, environmental technology and tourism into a unique experience.

This Project will enable the Company to realise opportunities both in national and international markets.

Once the brewery is constructed it will provide significant production capacity for the Company to produce its own beverage products at large volumes and offer substantial contract production services for third party beverage and retail companies wishing to outsource production of their products.

It has taken considerable time to finalise and compile all facets of this development including consultants' reports as was expected with a project of this magnitude. These reports alongside project costings are currently being tabled for the development of the brewery and production facility. A further update on the Project will be provided in due course.



For further information please contact the Company on + 61 (3) 5984 2222.

About Broo Ltd

Broo Ltd is a unique Australian beer company that distinguishes itself from competitors through strong brands, company ethos, unique marketing platform and quality beer products. The Company is currently focused on the production, marketing and sales of its beer products