TAP INTO LEADERSHIP

As I write this, we are over two thirds of the way through what has been a historic year in the beverage business. Massive consumer shifts have created significant opportunities for our brands to gain share and space at retail. What our competition tried to position as a temporary setback continued through the summer months and has taken on the look of a permanent change in market dynamics. All of this has added up to some exciting results. Cases, revenue, and gross profit were all up last trimester. As we raise a glass to celebrate our recent wins, let's stay mindful of how we plan to drive our momentum and continue to deliver market leading results as we finish out the year. Zig Ziglar famously said, "success occurs when opportunity meets preparation." Here are some of the ways we are preparing to continue our success into 2024 and beyond.

Expanding Into New Markets

On September 29, 2023, GBB completed its acquisition of Premier Midwest Distributing of Omaha, Nebraska. We also acquired 100% of our joint venture in Sioux City, Iowa, Premier Glazer's Beer & Beverage. We couldn't be more excited about expanding our footprint into the Midwest!

Innovation in Technology

We are leveraging our scale to partner with many of you and our RAS provider to ensure real time data to help close chain mandates and manage sales initiatives faster. Also, we are investing in more automated systems to ensure efficient warehousing and quality at the point of delivery.

Expanding our Portfolio

We are continually looking to develop the best portfolio of craft and mainstream beers, alternative alcohol, and nonalcoholic beverages to meet consumer demand and provide variety to our retailers. Key innovation from our existing suppliers and new products will play a meaningful role in our growth plans.

Employee Engagement

Focusing on our people will continue to be a priority as we close out the year. In October we held our annual GBB Safety Rodeo on South Padre Island, Texas!

The rodeo is a safety recognition event that focuses on our hard-working drivers and warehouse workers. Each branch competes in a local event which feeds winners from every branch to the finals where they compete for luxury vacations and cash prizes.

Community Involvement

Our commitment to giving back to the community remains unwavering. In the second trimester, we participated in several charitable events and supported local initiatives. We believe in fostering a sense of community and are grateful for your support in these endeavors.

Looking Ahead

As we close out the rest of 2023, our momentum is strong, and we are incredibly excited about the opportunities that lie ahead. We have exciting plans on the horizon, a state of the art facility coming to life in the Rio Grande Valley, more sustainable initiatives, and great brand plans that you are building with us. Your feedback and support have been instrumental to our success. We are immensely grateful for your trust and partnership, and we look forward to continuing this strong momentum with you into 2024 and beyond!

— Will Herrin

Senior Vice President of Sales & Operations

GBB IN A FLASH

TOP INSIGHTS FROM THE LAST FEW MONTHS

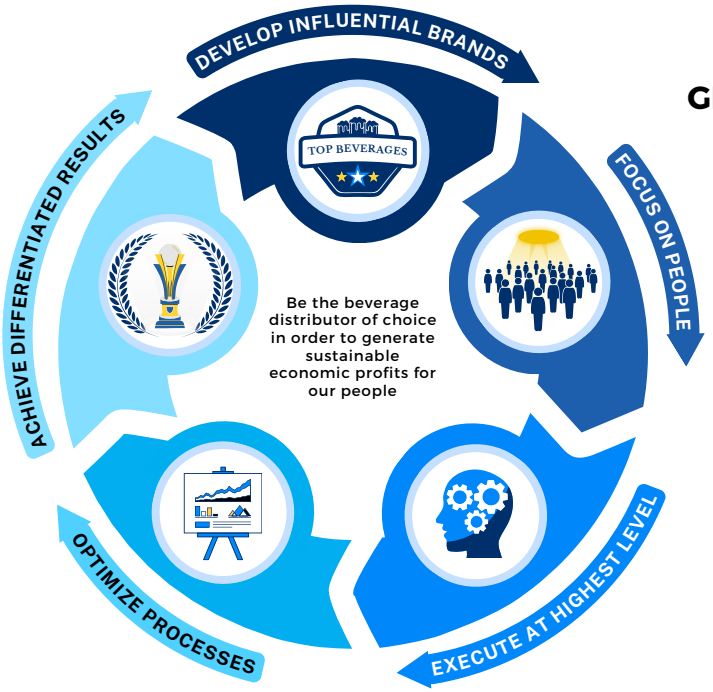
WESLACO DEVELOPMENT UPDATE

Glazer's Beer & Beverage is excited to share progress related to the ongoing construction of the new Weslaco facility, which is expected to be finished by March 2024.

Weslaco Development: 09/20/23

The facility will boast a capacity of 1,000,000 CE's of inventory and will span 265,000 square feet on a 25-acre site. It will also incorporate cutting-edge technology and equipment, as well as 22 loading and unloading docks and a sheltered customer pick-up area. Moreover, the facility will have an 8,000 square foot keg cooler to store and distribute a wide range of keg products. Leadership anticipates employing over 220 people at this location.

The Weslaco facility is a strategic investment that will enhance operational efficiency and customer satisfaction in the region. While the facility will support GBB McAllen's expansion goals, we're even more excited to leverage this development to continue growing brands and support our business partners.



GBB FLYWHEEL

The GBB Flywheel is a powerful tool that provides a framework for our business to achieve success. It is a model that emphasizes the importance of building momentum through consistent effort and focus on key areas of the business.

At its core, the GBB Flywheel consists of five key components: Developing the Best Portfolio, Focusing on People, Execution at the Highest Level, Optimize Processes and Differentiated Results. These elements work together to create a virtuous cycle that drives success over time.

TAP INTO OUR PEOPLE

"Our leadership truly values its employees and culture, and that enables us as employees to grow and feel passionate about our careers. Our mission statement holds true to the fact that each person can be heard, is respected, and their contributions matter."

NORTH LITTLE ROCK

ROBIN MCJOY
Inside Sales Representative • Branch Administration

TAP INTO GBB GROWTH

OMAHA + SIOUX CITY ADDITIONS

As our business partner and supplier network, the Glazer's Beer & Beverage family is thrilled to share some exciting news with you. Glazer's Beer & Beverage has expanded its presence in the Midwest region through the acquisition of two new companies. As of September 29th, we have welcomed Premier Midwest Beverage in Omaha, Nebraska and Premier Glazer's Beer & Beverage in Sioux City, Iowa to our Glazer's Beer & Beverage Family of companies.

PREMIER GLAZER'S BEER & BEVERAGE

In 2019, GBB entered a Joint Venture with Nebraska Distributing Company dba Premier Midwest Beverage Company for the Sioux City operations. At that time, the Sioux City operating name was changed to Premier Glazer's Beer & Beverage and will continue to remain the same. Today, Premier Glazer's Beer & Beverage employs a strong team of over 50 talented employees.

Premier-Midwest Beer & Beverage

The new operating name in Omaha is Premier-Midwest Beer & Beverage. The company currently has a workforce of over 100 experienced employees who are passionate about delivering quality products and services to our customers.

With the acquisition of substantially all of Nebraska Distributing Company's assets (both their JV ownership in Iowa and the Omaha operation), these teams now join with us to "Sell Beer for a Living!" Vice President of Sales & Operations, Matt Johnson says "we are grateful for the trust and enthusiasm of our new employees, and we look forward to growing together as a team".

Due to this significant growth, we have strengthened our position as a leading beer and beverage distributor in the Midwest. Please join us in congratulating Omaha and Sioux City on joining our family!

T2 COMPANY PERFORMANCE

CHANNEL TRENDS - TRIMESTER 2

NET SALES	CHANNEL TRENDS	GROSS PROFIT
T1: 7.9% T2: 11.7% YTD: 10.0%	Chain: 10.3% Independent: 14.2% On Premise: 11.8% Off Premise: 11.7%	T1: 8.8% T2: 13.5% YTD: 11.4%

TAP INTO SAFETY

- 48% decrease in auto incidents
- 44% decrease in OSHA recordable accidents

TAP INTO SALES

- NA Beers delivered nearly 53% more revenue than the same period last year
- FMBs delivered 24% more revenue than the same period last year

TAP INTO PERFORMANCE

GBB T2 PERFORMANCE	CASE EQUIVS	NET SALES	GROSS PROFIT
2023 ACTUAL	▲ 7.8%	▲ 11.7%	▲ 13.5%
SUPPLIER T2 PERFORMANCE	**CASE EQUIVS**	**NET SALES**	**GROSS PROFIT**
MILLERCOORS	▲ 7.9%	▲ 13.3%	▲ 14.8%
HEINEKEN USA	▲ 1.6%	▲ 4.3%	▲ 6.0%
CONSTELLATION BRANDS	▲ 24.8%	▲ 27.5%	▲ 28.9%
BOSTON BEER CO.	▲ 10.4%	▲ 14.2%	▲ 14.6%
PABST BREWING CO.	▲ 10.2%	▲ 10.5%	▲ 9.3%
DIAGEO-GUINNESS USA	▼ -4.1%	▲ 0.5%	▲ 3.2%
THE GAMBRINUS COMPANY	▲ 2.1%	▲ 5.5%	▲ 5.2%
MARK ANTHONY	▲ 3.2%	▲ 8.2%	▲ 8.7%
FIFCO USA	▼ -14.3%	▼ -10.8%	▼ -11.5%
NEW BELGIUM BREWING CO.	▲ 19.7%	▲ 23.6%	▲ 23.6%

GBB ON THE GO - T2

240,900 DRAFT LINES CLEANED	
200,377 STOPS MADE	INCREASE OF 1.9%
14,922 DID BUYS	INCREASE OF 7.8%
811,533 EFFECTIVE PLACEMENTS	INCREASE OF 16.2%

IN-STORE DISPLAY HIGHLIGHTS

MAUMELLE FINE WINE & SPIRITS | NORTH LITTLE ROCK

WALMART | MCALLEN

LA AZTECA MEAT MARKET | SAN ANGELO

MARKET STREET | ODESSA

CIRCLE K | MCALLEN

NORTH LITTLE ROCK

UNITED SUPERMARKET | ODESSA

TAP INTO YOUR BUSINESS

Constellation Brands

CASE EQUIVALENTS		NET SALES		GROSS PROFIT		RATE OF SALE PER ACCT	
4 MONTHS 5/1/2023 THRU 8/31/2023	Y-O-Y% VARIANCE FROM 2022	4 MONTHS 5/1/2023 THRU 8/31/2023	Y-O-Y% VARIANCE FROM 2022	4 MONTHS 5/1/2023 THRU 8/31/2023	Y-O-Y% VARIANCE FROM 2022	4 MONTHS 5/1/2023 THRU 8/31/2023	Y-O-Y% VARIANCE FROM 2022
1,866,667	24.8%	$55,062,336	27.5%	$14,776,470.5	28.9%	288.2	21.2%