



SPIRIT BASED READY TO DRINK
THE \$20B GLOBAL INDUSTRY



RTD COCKTAILS

(NUMERATOR: OMNI-CHANNEL MARKET DATA INSIGHTS)



RTD COCKTAILS DEFINED: ALCOHOLIC BEVERAGES THAT SHOPPERS WOULD LIKELY VIEW AS DISTINCT FROM [BEERS, CIDERS, HARD SELTZERS, OR FMB'S (FLAVORED MALT BEV)] & USE FOR SIMILAR OCCASIONS AS THOSE ADJACENT CATEGORIES

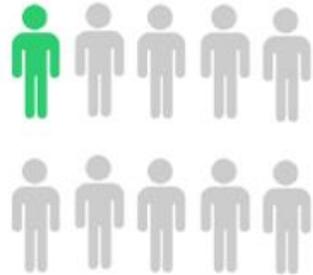


CONSUMER MOVING TOWARDS SPIRIT BASED COCKTAILS, AWAY FROM FMB'S



RTD COCKTAILS AT A GLANCE

(NUMERATOR: OMNI-CHANNEL MARKET DATA INSIGHTS)



10%

of US Households bought RTDs 2020 (+1.6%)



29%

of RTD buyers repeated their purchase (+3.4%)



\$10.69

Spend/Trip on RTD Cocktails (+\$0.80)



10%

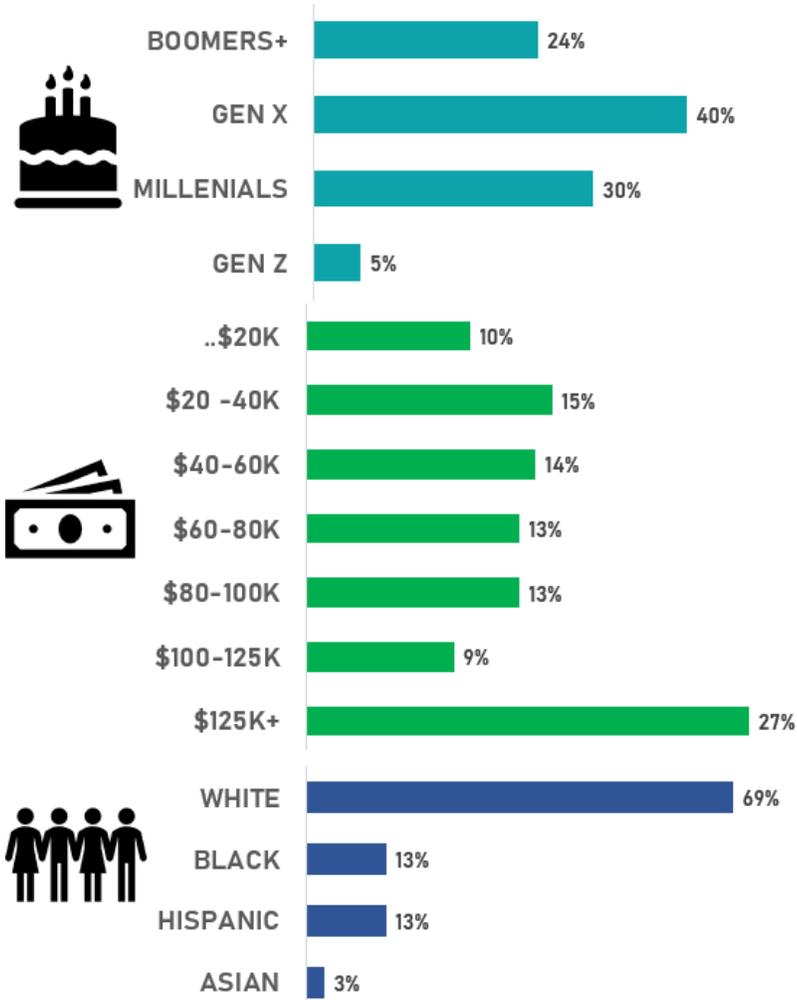
of all RTD Cocktails trips are Hard Seltzers

COVID-19 HAS ESTABLISHED NEW NORMS IN BEVALC CONUSMPTION, AS RTD GROWTH DURING THE PANDEMIC HAS BEEN **SUSTAINED** IN LATEST R3 | R6



WHO IS THE RTD BUYER?

(NUMERATOR: OMNI-CHANNEL MARKET DATA INSIGHTS)



2020: RTD BUYERS BOUGHT MORE ALC BEVERAGES

+27%

2020 RTD COCTAIL BUYERS SPENT 27% MORE ON ALC BEV THAN 2019



THE AVE ALC BEV SHOPPER INCREASED SPEND +20% IN 2020

↓ PRIMARILY FROM MALT BEVERAGES, PREMIUM LIGHT BEER, AND WINE
 TOWARDS RTD, HARD SELTZERS, AND TEQUILA ↑

YOUNGER AND MORE DIVERSE CONSUMER SPENDING MORE ON SPIRIT RTDs



OPEN MARKET CAN COMPARISON

(R12 FEB21 – SGWS OPEN STATE COMPASS)



SPIRIT BASED
GREW **2.5x**
MORE
VOLUME
THAN
MALT..
GREW **5.2x**
FASTER
THEN WINE

SGWS OPEN MKT GENERATED \$83M SHELF DOLLARS | GROWING +96.4%



CAN COCKTAILS

CONTROL MARKETS



SPIRIT BASED CANNED COCKTAILS – CONTROL MARKETS

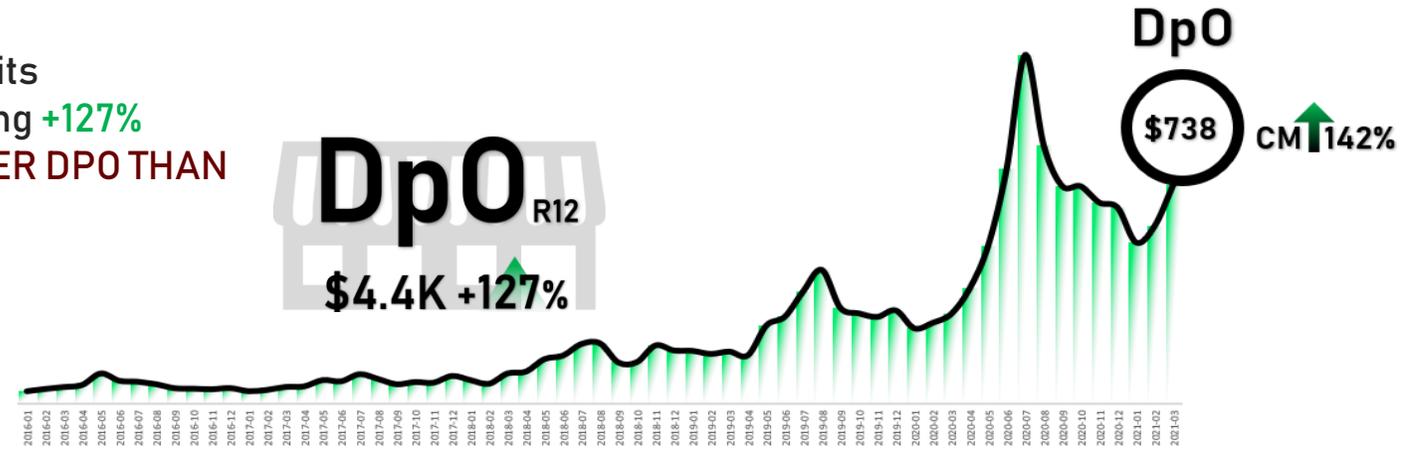
(R12 – FEB 21: 9L NABCA)

| | VOLUME | | | VALUE | | | DISTRIBUTION | | |
|----------------------|----------------|----------------|-----------------|---------------------|---------------------|-----------------|--------------|--------------|----------------|
| | 3/20 - 2/21 | 3/19 - 2/20 | | 3/20 - 2/21 | 3/19 - 2/20 | | 3/20 - 2/21 | 3/19 - 2/20 | |
| | Current | vs Prior | vs Prior % | Current | vs Prior | vs Prior % | Current | vs Prior | vs Prior % |
| CAN COCKTAILS | 302,478 | 211,684 | ▲ 233.1% | \$23,120,199 | \$15,232,518 | ▲ 193.1% | 5,175 | 1,110 | ▲ 27.3% |
| ⊕ HIGH NOON SUN SIPS | 137,308.4 | 116,428.2 | ▲ 557.6% | \$9,274,553 | \$7,922,244 | ▲ 585.8% | 2,559 | 891 | ▲ 53.4% |
| ⊕ THE COPPER CAN | 25,273.4 | 3,325.5 | ▲ 15.2% | \$2,510,431 | \$386,869 | ▲ 18.2% | 1,270 | 78 | ▲ 6.5% |
| ⊕ CUTWATER | 13,598.0 | 4,844.7 | ▲ 55.3% | \$1,013,794 | \$289,489 | ▲ 40.0% | 961 | 330 | ▲ 52.3% |
| ⊕ BACARDI | 10,512.7 | 10,512.7 | | \$817,837 | \$817,837 | | 1,572 | 1,572 | |



CAN COCKTAILS: VOLUME +233.1% | VALUE +193.1%

- VOLUME Growing 31x Faster than TTL Spirits MKT
- VOLUME SHR Growing [+31bp]
- VPO Turns 13.3x Faster than TTL Spirits
- DOLLAR PER OUTLET [DPO] – Growing +127%
- CAN COCKTAILS HAS AN 11% GREATER DPO THAN DOMESTIC GIN!



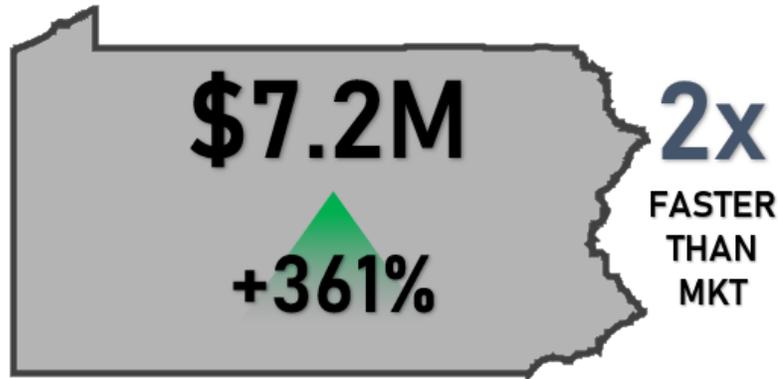
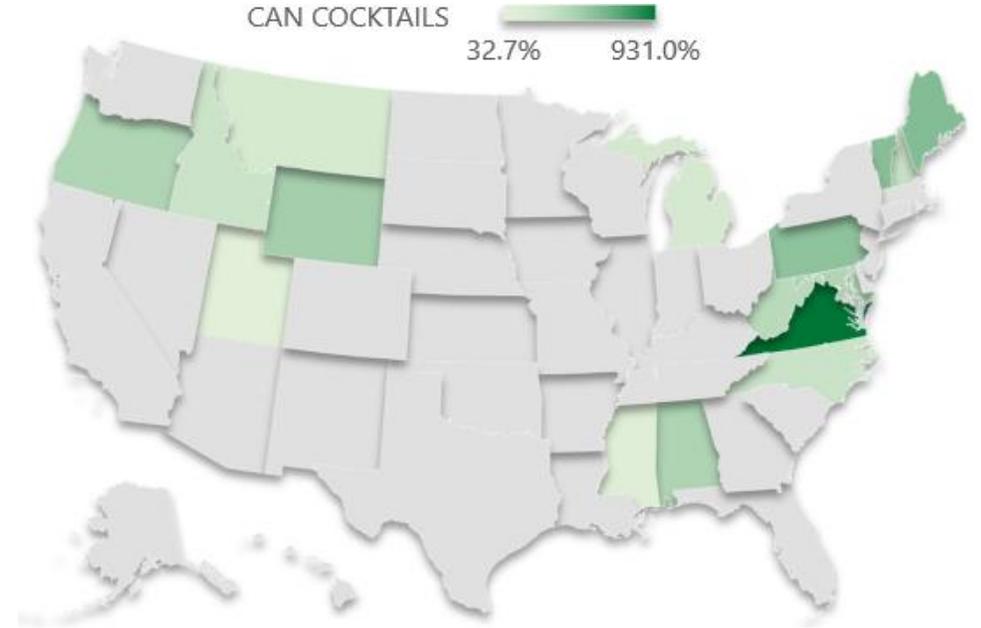
CAN COCKTAILS IS THE FASTEST GROWING CLASS TYPE OF SPIRITS GENERATING OVER \$23M ACROSS CONTROL



SPIRIT BASED CANNED COCKTAILS – CONTROL MARKETS

(R12 – FEB 21: 9L NABCA)

| | VOLUME | | | VALUE | | |
|----------------------|----------------|----------------|-----------------|---------------------|---------------------|-----------------|
| | 3/20 - 2/21 | | 3/19 - 2/20 | 3/20 - 2/21 | | 3/19 - 2/20 |
| | Current | vs Prior | vs Prior % | Current | vs Prior | vs Prior % |
| CAN COCKTAILS | 302,478 | 211,684 | ▲ 233.1% | \$23,120,199 | \$15,232,518 | ▲ 193.1% |
| ⊕ PA | 107,561.3 | 88,545.3 | ▲ 445.6% | \$7,169,907 | \$5,613,993 | ▲ 360.8% |
| ⊕ UI | 32,366.3 | 8,490.7 | ▲ 35.6% | \$2,820,499 | \$695,256 | ▲ 32.7% |
| ⊕ VA | 33,643.3 | 31,962.8 | ▲ 1,902.0% | \$2,564,456 | \$2,315,725 | ▲ 931.0% |
| ⊕ OR | 20,620.7 | 15,934.4 | ▲ 340.0% | \$1,836,677 | \$1,277,225 | ▲ 228.3% |
| ⊕ NH | 18,532.0 | 11,523.2 | ▲ 164.4% | \$1,583,283 | \$911,728 | ▲ 135.8% |
| ⊕ WY | 14,984.6 | 9,191.3 | ▲ 158.7% | \$1,537,058 | \$1,130,962 | ▲ 278.5% |
| ⊕ NC | 17,831.5 | 11,513.3 | ▲ 182.2% | \$1,353,584 | \$750,741 | ▲ 124.5% |
| ⊕ AL | 15,468.8 | 11,599.8 | ▲ 299.8% | \$1,241,470 | \$872,621 | ▲ 236.6% |



CAN COCKTAILS: VOLUME **+233.1%** | VALUE **+193.1%**

- VA Growing the fastest **+931%**
- PA: Largest Control Market; 31% of Value Share and Growing **[+1,128.5bp]!**

PENNSYLVANIA PROJECTED TO GENERATE OVER \$20M IN NEXT 12MTHS



PENNSYLVANIA – BRAND FAMILY COMPARISON

(R12 – FEB 21: SHELF DOLLARS NABCA)

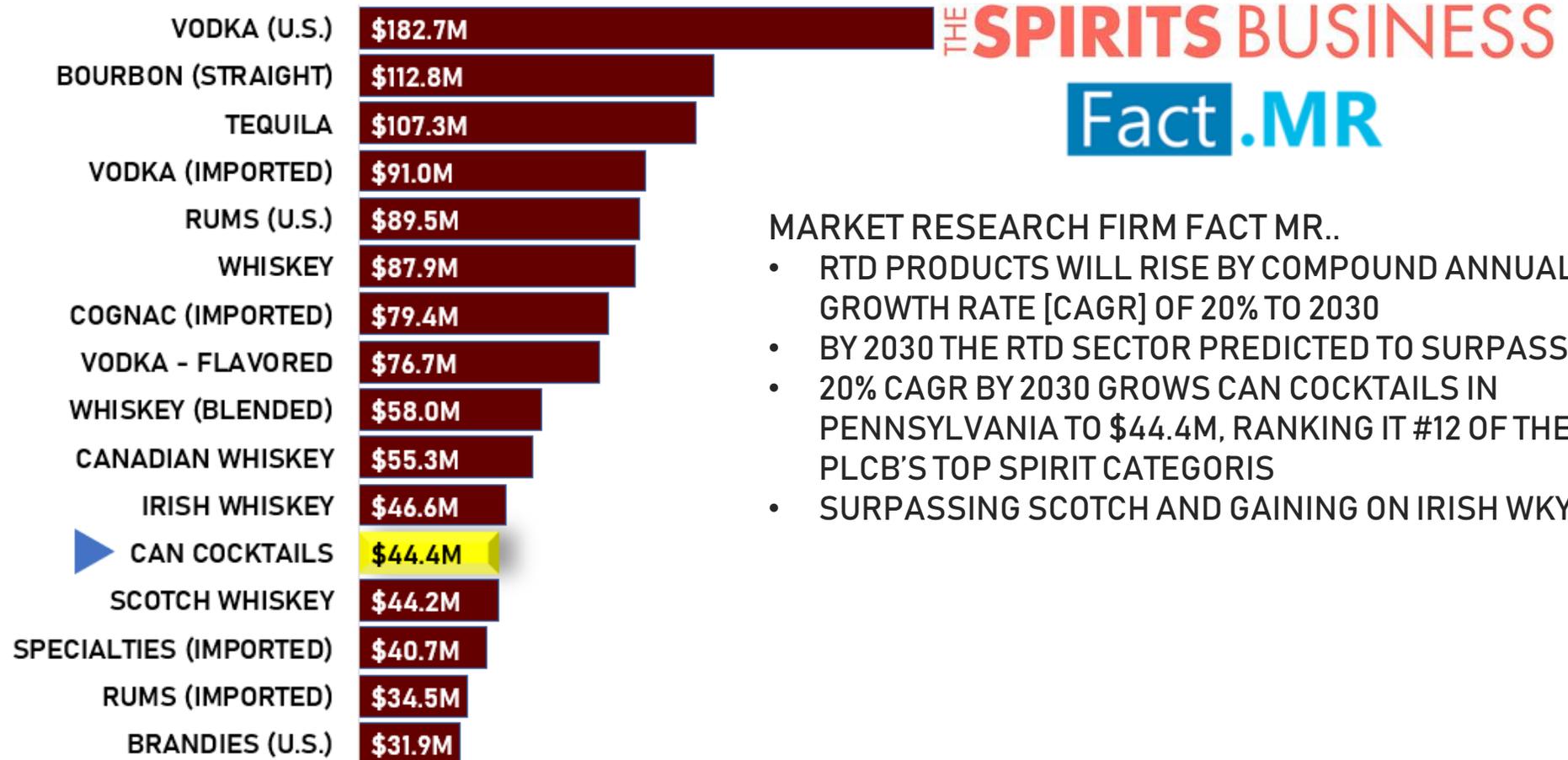


HIGH NOON: 71% SHR OF CAN COCKTAIL CATEGORY IN PA | 3x HIGHER THAN CONTROL
SIGNIFICANT UPSIDE BY EXPANDING + PROMOTING CATEGORY YEAR-ROUND
STOP TREATING AS A SEASONAL BUSINESS



PENNSYLVANIA – CAN COCKTAILS PROJECTION 2030

(R12 – FEB 21: SHELF DOLLARS NABCA)



THE SPIRITS BUSINESS

Fact.MR

MARKET RESEARCH FIRM FACT MR..

- RTD PRODUCTS WILL RISE BY COMPOUND ANNUAL GROWTH RATE [CAGR] OF 20% TO 2030
- BY 2030 THE RTD SECTOR PREDICTED TO SURPASS \$146B
- 20% CAGR BY 2030 GROWS CAN COCKTAILS IN PENNSYLVANIA TO \$44.4M, RANKING IT #12 OF THE PLCB'S TOP SPIRIT CATEGORIES
- SURPASSING SCOTCH AND GAINING ON IRISH WKY

35% MARGIN WILL YIELD \$7M IN PLCB PROFITS IN THE NEXT 12MTHS