

2023

Glazer's
Beer & Beverage



WHAT'S ON TAP

VOL. VII

TAP INTO LEADERSHIP



We are already one week into May as I write this. It is hard to believe how fast the year is going, but I suppose the momentum we are experiencing is a big part of that. Results for the first four months of the year are encouraging. We have seen strong results for our premium portfolio which began in January, long before the controversy surrounding our main competitor. Mexican and European imports are both showing

growth along with teas, flavor, and our dynamic non-alcoholic portfolio. Overall business in our eleven branches grew by three percent for the first trimester which totaled almost three hundred thousand case equivalents. In short, we are off to a good start.

Earlier this year, we presented the Glazer's Beer & Beverage momentum flywheel to our leadership teams at a company wide meeting. We plan to keep the momentum going and accelerate results by maintaining our focus on a few key areas.



First is our portfolio. We will continue to focus on curating the very best brands and continue to develop the very best innovation brands around. Next is our people. We will strive to attract and train the very best talent and continue to develop our leaders to ensure we are providing an inclusive workplace that values individual as well as team success. Next, we will focus on execution. Our mantra in 2023 is "brilliance on the basics", and we are focusing on fundamentals like chain mandates, innovation pods, and driving our core SKUs into independent accounts. Ultimately, we are confident that our focus on the basics will help us to deliver share and volume gains, continue the premiumization of our portfolio, and deliver strong financial results for our stakeholders.

I look forward to working with each of you as we head in to our key summer season. We are grateful for your continued partnership and support as we work to achieve our mission to be the beverage distributor of choice.

— Will Herrin
Senior Vice President of Sales & Operations



NATIONAL SAFETY RODEO 2023

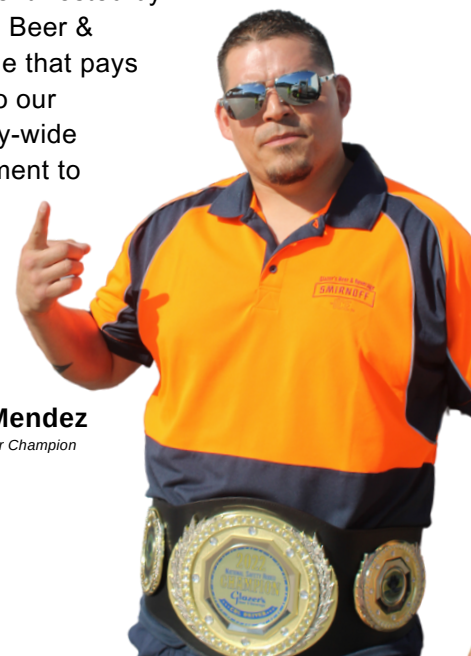
We're getting ready for our favorite time of year again!

The 2023 Annual Safety Rodeo weekend long celebration will take place on South Padre Island October 20th – 22nd.

In the meantime, branches are preparing for local rodeo competitions which will take place throughout the summer. Once champions are crowned at the branch level, top CDL Drivers and Warehouse employees representing our 11 branches will come together and compete for the coveted championship title of National Safety Rodeo Champion!

The National Safety Rodeo

is an event hosted by Glazer's Beer & Beverage that pays tribute to our company-wide commitment to safety.



— Joe Mendez
2022 CDL Driver Champion

GBB **IN A** IN A FLASH

TOP INSIGHTS FROM THE LAST FEW MONTHS

2023 SIP N' CHAT PANEL EVENT

Glazer's Beer & Beverage celebrated Women's History Month by celebrating all the fantastic females who continually challenge the status quo. Sip N' Chat panelists engaged with both live and virtual audiences from 11 branch locations across Arkansas, Louisiana, and Texas.



Panelist experts included Erin Donar, Vice President of Communications at the National Beer Wholesalers Association, Jenn Litz-Kirk, Director of Content and Executive Editor of Schuhmacher Publishing's Beer Publications, and Traci Gentry, Partner at Perpetual. Discussion topics included the importance of advocating for ideas and people, the "if you can see her, you can be her" principle and how to support women in professional environments.



The 2023 Sip N' Chat Event was largely successful as speakers clarified complex issues, offered concrete tactics for becoming better allies for women across all industries, and sparked lively internal discussions.

WOMEN'S HISTORY MONTH



Left to Right: Jenn Litz-Kirk, Traci Gentry, Erin Donar

GBB ODESSA

CONSTELLATION BRANDS - GOLD CROWN AWARD

Due to GBB Odessa's recent accomplishment of a 117% volume goal achievement, 27% volume growth, and 200% SFS goal achievement, Constellation Brands awarded GBB Odessa the Gold Crown Award for their 2022 performance!

This achievement serves as a testament to what can be accomplished when individuals work together towards a common goal with determination and focus.



TAP **INTO** OUR PEOPLE



"After the many years I have been with the company and learning all it stands for, I hold my head up high and say proudly that I work for Glazer's Beer & Beverage. "

JUSTIN GOMEZ
Brand Manager - San Angelo

BLACK HISTORY MONTH

RENEE WALKER
EMPLOYEE SPOTLIGHT

RENEE SAYS

"Dream like Martin, Lead like Harriet, Fight like Malcolm, Think like Garvey, Write like Maya, Build like Madam C.J., Speak like Frederick, Educate like W.E.B., Believe like Thurgood, Challenge like Rosa, Inspire like Obama"

WOMEN'S HISTORY MONTH

CARLA ZUNIGA
EMPLOYEE SPOTLIGHT

CARLA SAYS

"Success is no accident. It is hard work, perseverance, learning, studying, sacrifice and most of all, love of what you are doing or learning to do." —Pele

WESLACO DEVELOPMENT

Glazer Beer & Beverage is proud to announce the development of a new, state-of-the-art distribution center in Weslaco, Texas. Once completed, the facility will serve as a hub for the sales and distribution of beer, fermented malt beverages and non-alcoholic beverage products throughout the Rio Grande Valley. Residents, suppliers, and retailers can expect the development to be finalized and fully operational by Q2 of 2024.



With an initial capital investment exceeding \$30 million, the facility will span over 250,000 square feet, making it one of the largest in the region. The distribution center will be packed with cutting-edge equipment and technology, making it a top-of-the-line facility for hyper efficient and streamlined operations. Additionally, the facility will be 100% temperature-controlled, making it ideal for storing and distributing large volumes of beverage products.

Matt Swilling, Vice President of Operations at Glazer's Beer & Beverage, believes that "Weslaco will be the home of a significant part of GBB's business for many more years to come". Not only will the facility benefit Glazer's Beer & Beverage, but the state-of-the-art distribution center will be an important development for the entire region, providing new employment opportunities and numerous benefits to the local community.

"Through the opening of the new distribution center, Glazer's Beer & Beverage plans to expand product offerings via innovation, acquisition of new supplier partners, and support the organization's aggressive overall growth strategy. Glazer's Beer & Beverage proudly aims to be "the distributor of choice" across all the markets where they do business. Undoubtedly, the Weslaco development is a huge step towards achieving this goal, a testament of the organization's commitment to excellence and increasing the capabilities of Glazer's Beer & Beverage's overall business."

— **Matt Swilling**
Vice President of Operations

COMPANY PERFORMANCE

CHANNEL TRENDS

NET SALES

3 Months: 4.3%
6 Months: 7.2%
12 Months: 9.6%

CHANNEL TRENDS

Chain: 7.8%
Independent: 8.2%
On Premise: 7.5%
Off Premise: 8.0%

GROSS PROFIT

3 Months: 5.1%
6 Months: 7.7%
12 Months: 8.8%

TAP INTO SAFETY

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

TAP INTO SALES

- Non-Alcoholic Beverages delivered 24.7% more revenue than the same period last year
- NA Beers delivered 39% more revenue than the same period last year
- FMBs delivered 29.9% more revenue than the same period last year

TAP INTO PERFORMANCE

| GBB PERFORMANCE | CASE EQUIVS | NET SALES | GROSS PROFIT |
|-------------------------|-------------|-----------|--------------|
| 2023 ACTUAL | ▲ 3.0% | ▲ 7.3% | ▲ 8.9% |
| SUPPLIER T1 PERFORMANCE | CASE EQUIVS | NET SALES | GROSS PROFIT |
| MILLERCOORS | ▲ 0.2% | ▲ 6.3% | ▲ 6.7% |
| HEINEKEN USA | ▼ -5.0% | ▼ -1.6% | ▼ -1.0% |
| CONSTELLATION BRANDS | ▲ 15.3% | ▲ 18.8% | ▲ 21.0% |
| BOSTON BEER CO. | ▲ 3.1% | ▲ 8.5% | ▲ 8.4% |
| PABST BREWING CO. | ▲ 1.8% | ▲ 4.0% | ▲ 3.1% |
| DIAGEO-GUINNESS USA | ▼ -1.9% | ▲ 2.9% | ▲ 6.1% |
| THE GAMBRINUS COMPANY | ▼ -9.4% | ▼ -5.7% | ▼ -5.5% |
| MARK ANTHONY | ▲ 5.0% | ▲ 9.9% | ▲ 11.1% |
| FIFCO USA | ▼ -16.5% | ▼ -12.3% | ▼ -12.8% |
| NEW BELGIUM BREWING CO. | ▲ 20.7% | ▲ 24.9% | ▲ 24.8% |

TAP INTO RESULTS

PROJECT PRIDE

Project Pride is an annual, company-wide initiative that targets high volume independent accounts for resets. Sales representatives & managers are incentivized to achieve aggressive targets designed to increase Glazer's share of shelf & prioritize core SKUs.

TOTAL RESETS

428

FACINGS GAINED

5,795

IN-STORE DISPLAY HIGHLIGHTS



HEB #8 | SAN ANTONIO



MARKET STREET #674 | ODESSA



LOWE'S #37 | ODESSA



MARKET STREET #674 | ODESSA

TAP INTO YOUR BUSINESS



| CASE EQUIVALENTS | | NET SALES | | GROSS PROFIT | | RATE OF SALE PER ACCT | |
|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| 4 MONTHS 1/1/2023 THRU 4/30/2023 | Y-O-Y% VARIANCE FROM 2022 | 4 MONTHS 1/1/2023 THRU 4/30/2023 | Y-O-Y% VARIANCE FROM 2022 | 4 MONTHS 1/1/2023 THRU 4/30/2023 | Y-O-Y% VARIANCE FROM 2022 | 4 MONTHS 1/1/2023 THRU 4/30/2023 | Y-O-Y% VARIANCE FROM 2022 |
| 1,339,798 | -5.0% | \$37,960,548 | -1.6% | \$11,187,408 | -1.0% | 118.5 | -6.0% |