



21 DECEMBER 2022

ISSUING OF SHORT FORM INFORMATION MEMORANDUM AND TRADING UPDATE

AUCKLAND 21 December 2022: Good Spirits Hospitality Limited (NZX: GSH) advises that it has agreed a time extension from its lender Pacific Dawn Limited in respect of the transaction milestone to issue an information memorandum by 30 November 2022, as agreed under the amendment letter signed 30 September 2022, in relation to their Facility Agreement with Pacific Dawn Limited dated 21 May 2018.

Following a strategic review conducted by Tonnant Partners, the Board of GSH has decided to pursue a sale of the assets of GSH and its subsidiaries which comprises nine operating venues (noting DB Newmarket is excluded from the process as it remains closed). As announced on 27 October 2022 Tonnant Partners has been appointed by GSH as transaction adviser to manage the sale process. Tonnant Partners will issue a short form information memorandum to interested parties on 21 December 2022 and a long form information memorandum will be made available to selected parties from 23 January 2023. GSH is seeking non-binding indicative bids for all nine of its operating venues as a group by 24 February 2023.

GSH also advises that its operating venues are emerging from COVID with strong momentum. Operating revenue from the nine operating venues available for sale was \$10.7m in the first five months of FY23 (note: excludes any revenue from O'Hagans whose lease expired on 19 December 2022) with all venues trading profitably, despite reduced opening hours because of labour shortages.

As previously disclosed to the market, GSH is forecasting a significantly improved financial result in FY23 despite its venues still being constrained by COVID related headwinds. GSH expects operating revenue from the nine operating venues available for sale to be \$25.5m for the 12-month period ending 30 June 2023. Beverage sales are forecast to account for 74% of FY 23 food and beverage revenue.

The board is conscious of and is working to protect shareholders' interest in any transaction.

ENDS

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GOOD SPIRITS
Hospitality



**Good People Good Times
Good Spirits**

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About Good Spirits Hospitality Limited: Good Spirits Hospitality is a NZX Main Board-listed investment company focusing in the Hospitality sector (NZX: GSH). Good Spirits Hospitality Limited owns and operates hospitality venues in New Zealand's North Island, providing places to connect with others and world class standards to provide lasting and memorable experiences to our guests and customers.

Good People * Good Times * Good Spirits

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