



BREAKTHRU

BEVERAGE GROUP

BBG Overview Deck

May 2024

In 2016 the Merinoff & Wirtz families came together to form Breakthru Beverage Group

3rd and 4th generation family leaders are still actively engaged in the business



**CHARLIE
MERINOFF**

Co-Chairman, BBG

- **3rd Generation** Family Owner
- Served as **Chairman and CEO of Charmer Sunbelt Group** before the BBG Merger
- Sits on the boards of the **Culinary Institute of America**, the **Thurgood Marshall College Fund**, and the **Federal Law Enforcement Foundation**



**DANNY
WIRTZ**


Co-Chairman, BBG

- **4th generation** Family Owner
- Served as **President and CEO of Wirtz Beverage Group** before the BBG Merger
- Former chairman of **WSWA**
- Sits on Boards of **several Chicago-based civic organizations**
- **Chairman and President of Wirtz Corporation**



Breakthru Beverage Group's History

- 
1934-1945

McKesson Wine and Spirits, Blue Crest Wine and Spirits & Wirtz Corporation begin beverage distribution
- 
1946-1996

Merinoff and Wirtz families expand beverage holdings in the East, Midwest and Southwest
- 
1997

McKesson & Merinoff Holdings merge to form Charmer Sunbelt Group
- 
1997-2010

Charmer Sunbelt continues to expand U.S. footprint
- 
2010

Wirtz-owned distributors consolidated into Wirtz Beverage Group
- 
2014

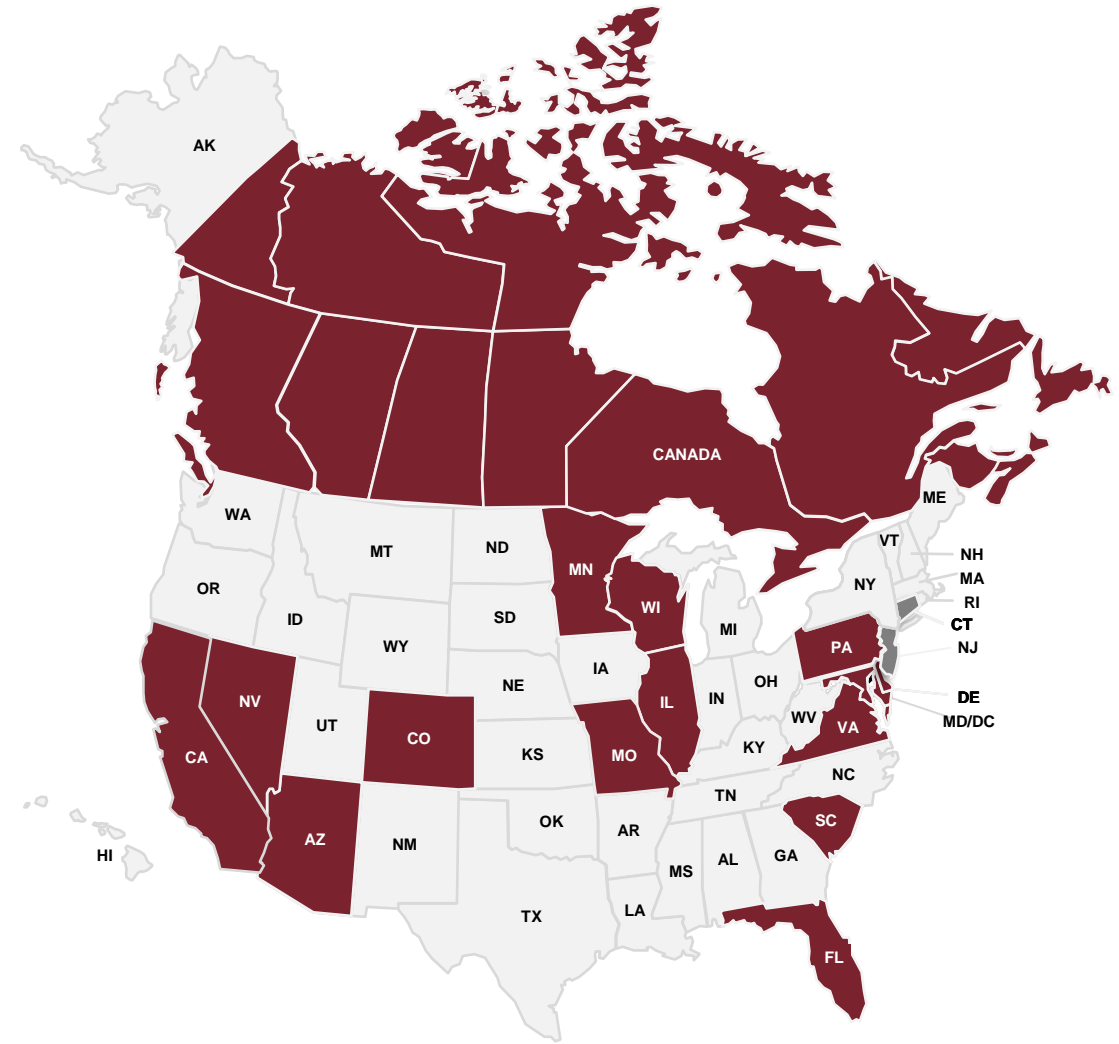
Wirtz Beverage Group expands into Canada
- 
2016

Merinoff & Wirtz families come together to form Breakthru Beverage Group
- 
2018

Kindred is established in Canada
- 
2022

Breakthru enters MO through Major Brands acquisition & expands footprint in MN through JJ Taylor acquisition
- 
2023

Breakthru enters CA through Wine Warehouse acquisition



BREAKTHRU BEVERAGE GROUP

**~\$8.5
BILLION**
annual revenue

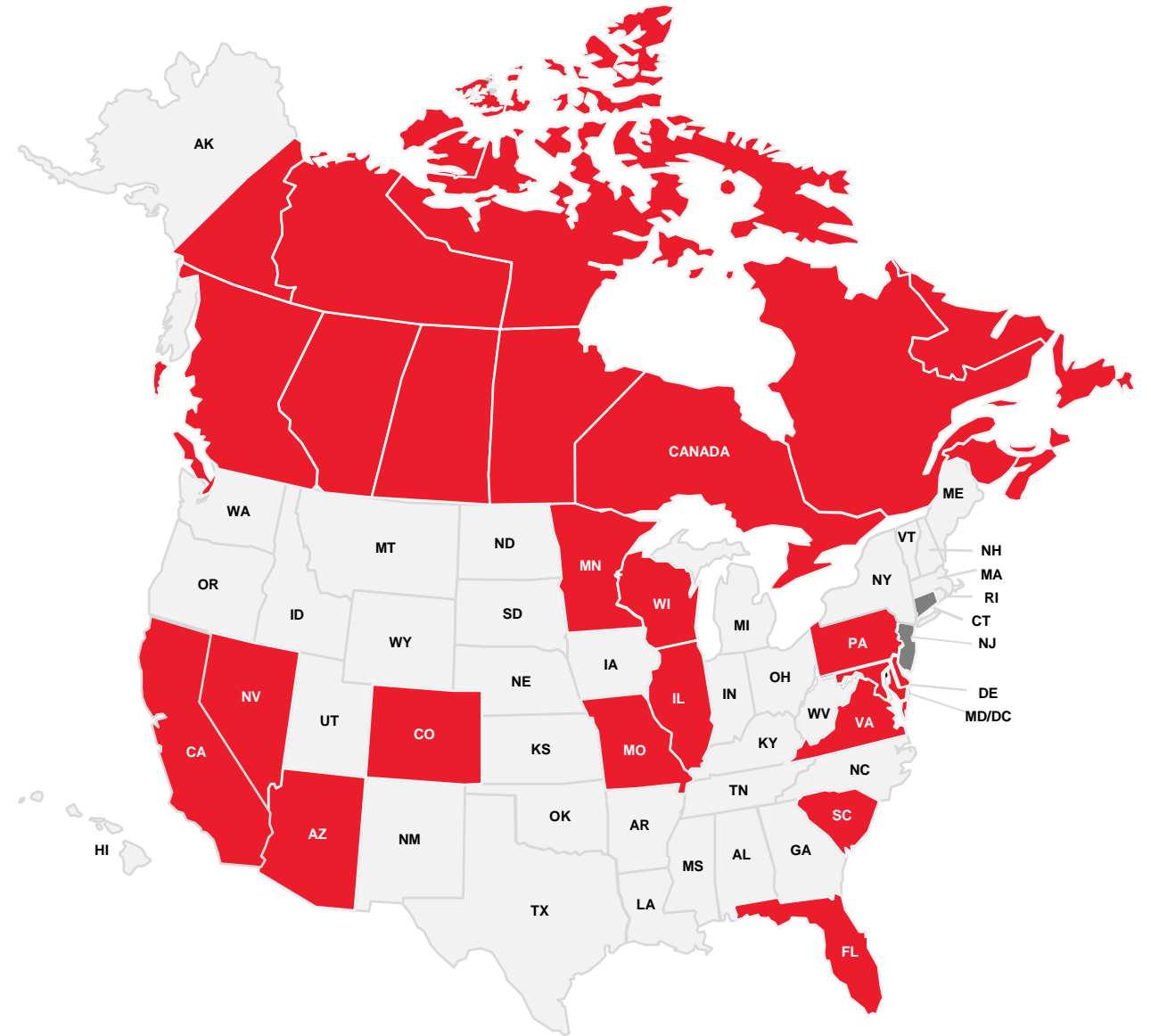
10,000+
associates

TBA
portfolio of premium
spirits, wine, beer
and non-alc

16
U.S. markets,
and across
Canada*

3rd
largest wine &
spirits distributor
in the United
States

4th
generation,
family owned
and operated



Family ownership operates across all aspects of the business, from the BBG board to in-market sales and merchandising



BRIAN ONUFRYCHUK

- Vice President, Board and Shareholder Affairs at BBG
- Boards of Directors, BBG and CDI (a BBG affiliate)



JACOB ONUFRYCHUK

- Vice President, Corporate Development at BBG
- Boards of Directors, BBG and CDI (a BBG affiliate)



CHAD STONE

- Vice President, Business Transformation and New Frontiers at BBG
- Boards of Directors, BBG, CDI (a BBG affiliate), and Allied Beverage Group



ARTHUR WIRTZ

- EVP, Operations at BBG
- Board of Directors, BBG
- Board of Directors, Wirtz Corp



HILLARY WIRTZ

- Sr. Director, Culture & Inclusion
- Board of Directors, BBG
- Board of Directors, Wirtz Corp



WILLIAM FIX

- Manager, Project - Operations



JAMES WIRTZ

- Account Development Specialist, BBG



MICHAEL WIRTZ

- Merchandiser, BBG



Breakthru NextGen group – Breakthru is and will always be a family-led business



Breakthru Next Gen



Next Gen Family Retreat

NextGen Mission Statement

We champion the vision of Breakthru Beverage Group by embodying and promoting the values and family culture of our company

Collective Activities and Impact Areas

- Building close **professional and personal connections**
- Developing BBG's **CSR strategy** in collaboration with a cross-functional management team
- Visiting and building **supplier relationships** with BBG suppliers
- **“Voice of the family”** panel discussions in market and region meetings



Breakthru's President & CEO, Tom Bené



SUMMARY

- Joined BBG **October 4, 2021**
- Is focused on driving the next phase of Breakthru's evolution including **growth and expansion, accelerating technology and innovation and executing with excellence** for supplier and customer partners
- Has a proven track record of **driving growth and modernizing business models** throughout his career
- **Past Experiences Include:**
 - **National Restaurant Association:** President & CEO
 - **Sysco Corporation:** Chairman, President & CEO
 - **PepsiCo:** President, Foodservice



Executive Leadership Team



TOM BENÉ
President and CEO



MELISSA CALDERWOOD
EVP, Chief
Financial Officer



STEPHANIE SOTO
EVP, Chief
Human
Resources
Officer



JULIAN BURZYNSKI
EVP, Chief
Operating
Officer



ARLYN MILLER
EVP, Chief
Legal Officer



KEVIN ROBERTS
EVP, Chief
Commercial
Officer



ART WIRTZ
EVP,
Corporate
Operations



JOE BRUHIN
EVP, Chief
Information
Officer

EXECUTIVE LEADERSHIP TEAM



Leadership Principles – Definitions



People First

How we defined it

We believe all exceptional results start with our people. We want to be deliberate and purposeful in their nurture and development so that they feel valued.



Boldly Seek a Better Way

How we defined it

Be bold. Think differently about the business and look for opportunities to do things better.



Customer & Supplier Focused

How we defined it

Understand and execute against our suppliers' consumer strategies while delivering best-in-class performance to our customers.



Listen to Understand

How we defined it

Listen. Ensure everyone feels heard, resulting in better decisions and outcomes for all.



One Team

How we defined it

We are One Breakthru. We strive for individual excellence and know that to achieve our strategic ambition, we must work for the good of the whole. Together we win!



We Launched Our Bold People Strategy in FY23

Our People Strategy Vision: To Be the Place Everyone Wants to Work



ATTRACT & RETAIN

Find and recruit the best talent to fuel our growth strategy and retain them throughout the stages of their career.



EMPOWER ASSOCIATES

Enable associates to use their expertise and passion to solve problems, innovate solutions and drive business results.



GROW OUR TALENT

Provide associates with tools to achieve peak performance and the opportunity to advance in their career.



CULTIVATE A PURPOSE

Connect associates to a cause larger than themselves, creating a sense of belonging, and a culture of trust and respect.



REWARD PERFORMANCE

Design performance management to achieve business strategy. Reward results.



UNLEASH TECHNOLOGY

Unleash the power of technologies and leverage them as a seamless enabler of innovation to enhance the associate experience.

Shaped By Guiding Principles

*People Focused * Innovative * Flexible * Performance Based * Diverse & Inclusive * Technology Enabled*



We Launched Our 1st Annual Corporate Social Responsibility Report



- Our first **CSR Report: Crafting the Future, Together** was released April 10.
- The CSR Report represents our collective Breakthru story—strong leadership, force for good, focus on growth, leading beverage company, values-based & people-centric culture, legacy of philanthropy, DE&I advocacy, and differentiated associate experience.
 - **External**
 - Social media
 - BBG website
 - Press release





THE BREAKTHRU EXPERIENCE

Growth. Belonging. Wellness.

The colorful rainbow target represents the vibrant nature of our culture and diversity of our people. The Breakthru Spear aims courageously at the center which represents our individual and shared success.

The three pillars of the Breakthru Experience are *Growth*, *Belonging* and *Wellness*.





THE BREAKTHRU EXPERIENCE

Growth. Belonging. Wellness.

We are committed to being the place everyone wants to work, fostering an environment where you feel like family, you enjoy and are proud of your work, and success is celebrated. We provide the opportunity for you to reach your full potential, thrive in a collaborative & inclusive culture, and be supported in living well.

GROWTH

Breakthru provides learning, development, and career opportunity.

- Industry-leading Training (e.g., WSET)
- On-demand Learning Platform (*The Learning Bar*)
- Sales Enablement Training & Industry-leading Certifications
- Various Development Session Offerings
- Leadership Principles & Development Programs
- Early Career Opportunities
- Scholarship Programs
- Education Assistance Program
- Mentorship Program
- Job Opportunities Promoted Internally

BELONGING

Breakthru has a celebratory, inclusive, and family-like culture.

- Family-owned
- Strong Company Values
- Associate Resource Groups (ARGs)
- Diversity Events/Celebrations
- Culture Ambassadors
- Community Volunteering Opportunities
- Proud Heritage of Philanthropy
- Associate Recognition & Appreciation Programs
- Environmentally Sustainable Efforts (ESG)
- Employee Referral Program

WELLNESS

Breakthru offers support and benefits to live well.

- Hybrid & Flexible Work*
- Competitive and Comprehensive Total Rewards (Bonus Plans, Sales Commissions/Incentives, Medical, Dental, Vision, HSA & FSA, Pet Insurance)*
- Paid Time Off + Holidays
- Employee Assistance Program (*ComPsych*)
- Wellness Platform (*Pulse*)
- Early Wage Access (*Payflex*)
- Parental Leave & Adoption Assistance
- Retirement Savings (401K)
- Discount Program (*Work Perks*)



We've Built Incredible Momentum Over the Past Few Years, Enabling Us to LEAD GROWTH



Acquisition of Major Brands in Missouri



Acquisition of Wine Warehouse in California



Acquisition of JJ Taylor In Minnesota



Moët Hennessy



PROXIMO



Vision: To be the leading beverage company in North America

Mission: Build value for our suppliers, customers, associates and communities

STRATEGIC PILLARS



GROWTH

We will pursue opportunities to grow our business



INNOVATION

We will move with pace to enable new digital capabilities and business models



PRODUCTIVITY

We are focused on performance and profitability

TALENT

We will invest in the diversity and expertise of our people



STAKEHOLDERS

SUPPLIERS

Building the value of brands

CUSTOMERS

Driving superior trade performance

ASSOCIATES

Be the employer of choice in beverage

COMMUNITY

Ensure a force of good in all our communities

SHAREHOLDERS

Deliver strong performance and fiscal stewardship

Values:

Be Courageous.

Be Inclusive.

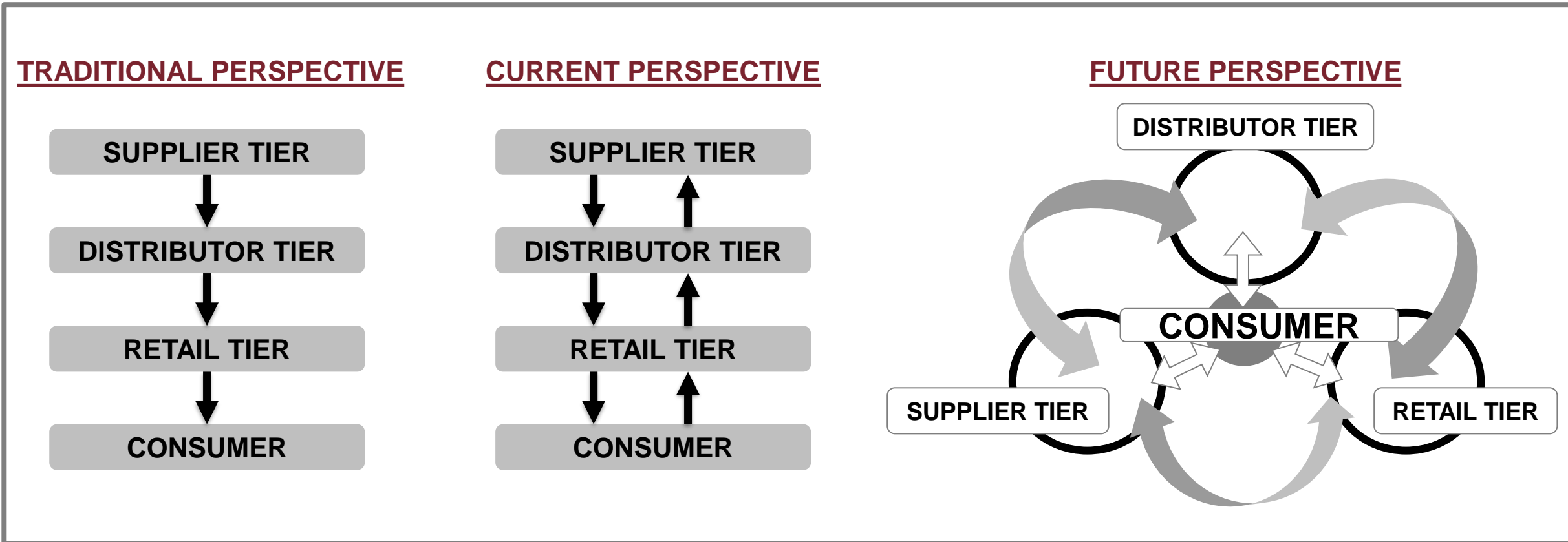
Be Passionate.

Be True.



Evolving With The Market

Consumer driving demand for new ways of working across industry





Breakthru will not stand still – shifts in consumer behavior require new capabilities, increased scale, and agility




The Annual Company Objectives Tie to the Longer-Term Strategy

GROW THE CORE – OPTIMIZE CURRENT BUSINESS

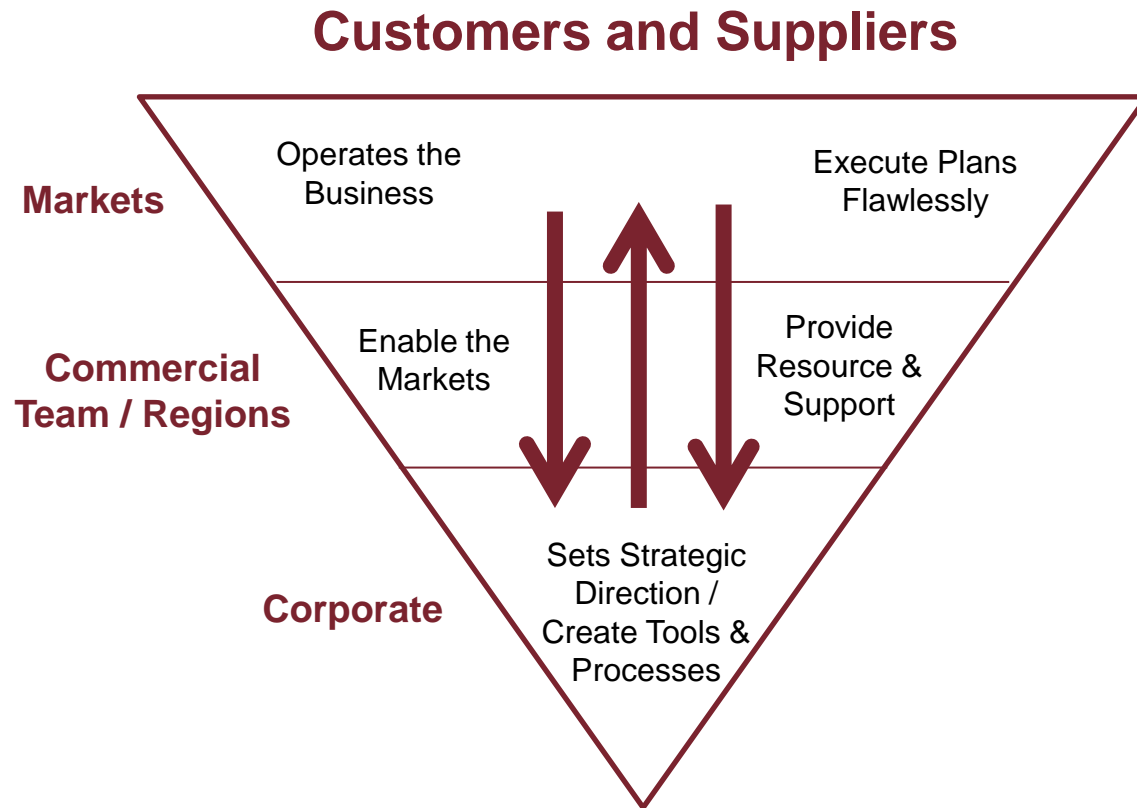
-  **Portfolio Strategy**
-  **Digital Evolution**
-  **Revenue Management**
-  **Optimizing Fulfillment**
-  **Efficient Organization**
-  **Route-to-Consumer**
-  **People Strategy – The Place Everyone Wants to Work**
-  **MERGERS & ACQUISITIONS – GEOGRAPHIC EXPANSION**
-  **NEW FRONTIERS – GROWTH OPPORTUNITIES**

2024 COMPANY OBJECTIVES

		
GROW ASSOCIATE ENGAGEMENT	EXECUTE ROUTE TO MARKET	DELIVER OUR FINANCIAL PLAN
		
IMPROVE OPERATIONAL EXCELLENCE		DELIGHT OUR CUSTOMERS & SUPPLIERS



Leveraging the Customer First Model to Win



- **Accelerate growth** by removing barriers / obstacles
- Providing clarity / speed of **decision making**
- Enable more **consistent execution** of strategic plans / initiatives
- Ensure the **voice of the customer / supplier** is always in the room
- Reinforce the importance of **two-way communication**



Evolving our value proposition in support of growth

Top Performing Distributor



A **consistent yet scalable market structure** that drives effectiveness, a culture of compliance, and makes us easier to do business with



A **consumer-backed approach** to how we go to market and win across customer channels



A **digitally enabled sales force** empowered to focus most their time **on consultative selling**, armed with precision insights on shoppers and highest ROI activities



A full suite of **forecasting and inventory management tools** to ensure **we meet customer needs as efficiently as possible**, increase speed-to-shelf of new products, dramatically reduce out-of-stocks, and improve data visibility and insights to suppliers



A foundation for **advanced pricing analytics** and spend analytics to better inform optimal price points & future pricing investments



Commercial Business is supported Operations, Supply Chains and Logistics expertise

Breakthru's Operational Infrastructure



59

Office and warehouse facilities



7.9 million

Square feet of warehouse



1,322

Trucks in our fleet



15,000

Deliveries per day



151,000

Average bottles picked per night



93 million

Cases delivered per year

Breakthru is committed to driving continuous improvement

- We are investing in state-of-the-art facilities in Florida
- We are advancing demand planning to improve service levels and inventory management
- Deliver consistent, high-quality supply chain and operational execution that outperforms the competition

