

Hill Street Beverage Co Inc.

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Hill Street Beverage toasts major revenue growth in fiscal 2Q results

Hill Street Beverage Company Inc (CVE:BEER) reported fiscal second-quarter results that showed 85% year-over-year growth in sales.

For the three-months ended December 31, the company posted C\$973,710 in revenue, up from C\$527,652 in the same period in 2018. Over the same period, Hill Street's net loss narrowed 39% to C\$882,000 from \$1.4 million.

The Toronto company credited the growth in part to holiday sales of its Entertainer's Pack, a gift pack of three bottles of Vin(Zero) alcohol-free wines. Going forward, Hill Street has made the pack available year-round and expects it to appear on more retail shelves.

READ: Hill Street Beverage makes big strides in building brand, distribution network in fiscal 1Q

Hill Street also noted a dramatic change in its strategy around cannabis-infused beverages. The company nixed its planned acquisition of OneLeaf Cannabis and a non-binding letter of intent to provide co-packing services for cannabis-infused beverages.

The shift away from owning a cannabis cultivation facility was based on turning investor sentiment away from cannabis cultivation along with major declines in the major cannabis indices over the past several months, the company said.

Instead, Hill Street focused on working with licensed co-packing production partners.

To close out the quarter, the company also closed a private placement of roughly C\$800,000, which the company said will enable it to continue its operations in preparation for the launch of cannabis-infused beverages this year.

Hill Street makes alcohol-free beer and wine as well as adult-format beverages. The company offers red, white, sparkling and rose wines under the Vin(Zero) and Vintense brands. It sells beer under the Hill Street Craft, Designated Draft and MADD virgin craft brand names.

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Price: 0.09

Market Cap: \$10.09 m

1 Year Share Price Graph



Share Information

Code: BEER

Listing: TSX-V

52 week High Low
0.23 0.04

Sector: Food & drink

Website: www.hillstreetbeverages.com

Company Synopsis:

We believe in supporting folks who suffer from conditions that conflict with alcohol consumption, along with friends who simply have no interest in boozing (yes, we know you're out there). Today there are over 400 medications that come with a bright yellow 'DO NOT TAKE WITH ALCOHOL' warning, and when those little pills are the only things keeping you around, you tend to listen.

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