

28 April 2021



**The British Honey Company plc  
("British Honey", "BHC" or the "Company")**

**Trading Update**

The British Honey Company plc, the producer of premium British Honey, Honey-infused spirits and alcohol sanitiser products, is pleased to provide the following update covering the first three months' trading ("Q1") of the current financial year ending 31 December 2021.

Continuing the strong performance achieved in the last quarter of FY2020, total revenues from operations in Q1 2021, excluding hand sanitiser sales, rose to approximately £1.33million. This figure represents a 26 per cent. increase over the £1.05 million of sales for the corresponding period in 2020. Sales of the Company's own brands, including Keepr's and the "Two Birds" which is a key brand of the recently acquired Union Distillers Limited ("Union"), represented 29 per cent. of total revenues with third-party sales comprising the remaining 71 per cent. Strong growth in online sales has continued with 22 per cent. of branded sales being online. Sales of non-alcoholic and low-alcohol products (NO-LO) also continue to rise and are expected to be meaningful contributors going forward. Both increases reflect a noticeable change in consumer purchasing and lifestyle habits. The Company is exploring a range of new products to enhance its B2C proposition which will continue to drive sales of our own brands. Net cash as at 31 March 2021 was £3.3 million.

Online sales growth has been driven in large part by the Group's market-leading proprietary software technology which has enabled seamless integration with a number of third-party platforms, providing key online sales channels. Combined online sales in Q1 accounted for approximately 21% of own brand sales. BHC is committed to further developing its software and will continue to invest in online IT infrastructures and connectivity to other online retailers.

The Company's senior management team has also been strengthened during the period with the recent appointment of Philip Elly as Chief Financial Officer. Prior to joining the Group, Philip has been Financial Controller for Funkin Cocktails, a subsidiary of AG Barr PLC, for the past 6 years. Philip brings experience of finance within an SME and PLC together with extensive and highly relevant knowledge of the drinks sector. Both the Sales and Marketing and Software Development teams have been bolstered with key appointments. The Company is currently identifying new independent Non-Executive Directors to join the Board and a further update will be made once individuals have been identified.

The acquisition of Union in February is proving to be transformational for the Group with the integration process having already been largely completed and according to plan. The strategy of the enlarged Group is to develop a multi-category brand portfolio across a number of geographies through both organic and acquisitive growth. This will be driven by increased marketing, new product development and significantly increased e-commerce revenue, thereby expanding its combined range of established premium spirits brands, developing new brands and products and further penetrating existing UK and overseas markets. BHC has implemented its software and it is expecting to complete the transition onto the BHC software by the end of April.

Notwithstanding the anticipated continued easing of lockdown restrictions, the combined Order Book at 31 March 2021 stood at £4 million. Further investment in production and warehousing capacity totaling £500k, is being made, including a new bottling line which is expected to be operational before the year end. This line will increase capacity to c. 4m bottles p.a. A new 5cl bottling line is also being installed which will allow the production of 10,000 miniatures per hour. The Company has already received its first order for 5cl miniatures and production is expected to begin in June.

The COVID pandemic has impacted on BHC's ability to operate in its two key overseas target markets, the United States and China, due to travel restrictions and a consequential inability to carry out adequate due diligence. However, the Company has received its first order from China for the majority of its Brand Portfolio (Keep'r's, Dodd's, 1606, English Heritage, London Distillery Company) and this will ship in May. The Group's Chinese partners have opened the first Keep'r's bar this month which will exclusively sell the Company's products. BHC will continue to explore opportunities within these markets. The Company is pursuing other M&A opportunities in the UK, which remains a key focus in an area ripe for consolidation, by leveraging the Company's well invested platform.

Finally, the Company has adopted and intends to fully comply with the Quoted Companies Alliance Corporate Governance Code. To this end, BHC will publish a Corporate Governance Statement on its website shortly, fully addressing all disclosure requirements.

**BHC Executive Chairman, Michael Williams commented:**

"We are delighted with the progress made by the Group in the first quarter of the current financial year and I am particularly pleased to have completed the acquisition of Union. As Covid restrictions continue to be eased, the hospitality sector is gradually returning to normal and should be fully open by the summer. This will provide further opportunities for an improved performance by BHC with our considerably expanded product range and manufacturing capacity. The Company is well placed both commercially and financially to achieve further growth in 2021, building increasing value for our shareholders".

*This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR.*

**Enquiries:**

**British Honey**  
Michael Williams, CEO  
Brooke Wiseman, Marketing  
Director

Tel: +44 (0)7976 559243

Email: [brooke@britishhoney.com](mailto:brooke@britishhoney.com)

Web: <https://britishhoney.co.uk/>

**finnCap - AQSE Corporate Adviser  
& Joint Broker**  
Carl Holmes (corporate finance)  
Richard Chambers (ECM)

Tel: +44 (0)20 7220 0500

**Stanford Capital Partners  
Joint Broker**  
Patrick Claridge / John Howes /  
Bob Pountney

Tel: +44 (0)20 3815 8880

**Walbrook PR Limited  
Financial PR**  
Paul Vann / Nick Rome /  
Nicholas Johnson

Tel: +44 (0)20 7933 8780  
+44 (0)7768 807631  
[paul.vann@walbrookpr.com](mailto:paul.vann@walbrookpr.com)

### **About The British Honey Company plc**

Launched in 2014, BHC has an extensive collection of award-winning spirits brands crafted at its onsite distillery in Buckinghamshire. Its impressive range began with Keepr's British Honey Spirits infused with 100% pure honey from its own fully traceable apiaries and includes gin, rum, bourbon, vodka and a ready to drink selection of hard seltzers and a low alcohol gin and tonic.

In 2020 it expanded further after acquiring the brands of the London Distillery Company (Dodd's Organic Gin, Rye and Single Malt Whiskeys), securing an exciting partnership agreement with English Heritage to produce its gins and launching an affordable luxury spirits range, 1606. In the same year, BHC also developed its first alcohol sanitiser product in the UK in response to the Covid-19 outbreak.

Future plans will see BHC open a second distillery on Oxfordshire's Tusmore Estate, expected late 2021, where it will produce a Tusmore Single Estate Triple Distilled Premium English Whiskey to add to its Single Malt Tusmore Whiskey, of which investment casks are currently available to purchase.