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

BHC completes share swap with US based, List Distillery LLC

Mutual investment follows successful Strategic Collaboration Agreement signed earlier this year

The British Honey Company plc, the producer of premium British Honey-infused spirits and alcohol sanitiser products, is pleased to announce the following corporate update regarding its relationship with List Distillery LLC ("List"). The Company stated in its Admission Document in March of this year that it had identified the United States as one of two key territories where it wishes to focus its overseas marketing efforts and that, in particular, it sought to develop its existing relationship with List, a Florida based distillery whose bourbon and rum the Company bottles and sells in the UK under the Keeper's and Dodd's Brands. This trading relationship became more formal when on 30 March 2020 the Company entered into a collaboration agreement with List. Given the fragmented nature of the US retail spirits market, BHC considers this to be a highly cost-effective way of market entry and penetration. Over the course of the next five years the Company wishes to expand the range and volume of products sold into the US market and this may be achieved through organic growth or through selective acquisitions.

BHC has been trading with List for the past 12 months and has successfully launched a Florida Rum and a Bourbon in the UK and initial sales are promising. The BHC Board expects both Rum and Bourbon to be successful in the UK, as consumers seek other spirit alternatives. This month BHC has exported a consignment of London Dry Gin to List which will be bottled and marketed in the US under its 1606 brand. BHC and List expect to continue to develop a close trading partnership with more collaboration on distilling and marketing their spirit ranges. BHC acknowledges that trading for small international distilleries into the USA is challenging and expects that the partnership will enable distribution of its products through the channels already developed by List.

As a result of this deepening relationship between both parties, BHC is delighted to announce that on 30 June 2020 it entered into a share swap agreement (the "Agreement") with the owners of List. The Agreement will see the Company obtain a 10% membership interest in List and the owners of List receiving 425,532 new ordinary shares in the Company with an approximate value of £500,000 on the day of signing, representing approximately 4.5% of the Company's issued share capital. Further details of the Agreement are set out below.

Covid-19 and Current Trading

List has worked with BHC during the COVID-19 pandemic and devoted some of its production to the manufacture of alcohol-based hand sanitiser. BHC has introduced one of its hand sanitiser customers, OpenClean to List and they are now providing OpenClean with products for the US market.

BHC and List have experienced a strong sales surge during the last three months with sanitiser sales filling the spare production capacity of both companies. BHC achieved c.240% over its sales budget over the past 3 months and List c.250% over budget. Neither company expects this extraordinary growth to continue throughout the year as sales of hand sanitiser are expected to reduce as the pandemic retreats. Both companies remain committed to supplying the hospitality marketplace with sanitiser products and see it as providing a solid base of sales and a smoothing out the seasonal spikes in sales of spirits.

Terms of the Agreement

- Initially BHC will receive 10 per cent. of equity interest in List in exchange for 425,532 new ordinary shares (the "Issue") in the Company (being approximately £500,000 on the day of signing) and equal to 4.5 per cent. of its issued share capital).
- List's Managers will need to obtain BHC's approval for major business decisions whilst BHC owns at least 8 per cent. of the issued share capital.
- BHC has appointed Andrew Oliver MBE, a Florida resident, to act as a Manager of List on its behalf, which it is entitled to do whilst it owns an interest in List of least 8 per cent.

- The Agreement includes both a purchase option (the Purchase Option) and a cross option (the “Cross Option”)
 - The Purchase Option will give BHC the option (but not the obligation) to acquire the remaining equity of List for £4.5m in a mixture of cash and shares with a further earnout of up to £500,000 to be paid in cash or shares; and
 - The Cross Option allows either party to unwind this Agreement prior to 30 November 2020 or such later date as is agreed (Long Stop Date) and if BHC does not serve notice of its desire to purchase the membership interests in List it does not own prior to the Long Stop Date then the transaction will automatically unwind. If the transaction does unwind, BHC will be allowed to place the initial consideration shares with 3rd parties instead of buying them back if it wishes, and in the interim, the owners of List have entered a lock-in agreement that prohibits them from selling the shares they have received from the Company.
- The Agreement gives exclusivity to both parties until the Long Stop Date.

Application has been made for 425,532 new Ordinary Shares to be admitted to the Aquis Exchange, which will rank pari passu with the Company's existing Ordinary Shares, and admission to trading is expected to be effective on 2 July 2020 ("Admission").

Following Admission of the new Ordinary Shares, the Company will have 9,525,462 Ordinary Shares in issue with each share carrying the right to one vote. This figure may be used by shareholders as the denominator for the calculations to determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Commenting on the Agreement, Michael Williams, CEO of British Honey, said:

“BHC and List have been collaborating commercially for some time and with considerable success, not only in the development and sale of their respective premium spirits brands, but also, more recently with Alcohol Sanitiser, with UK sales significantly exceeding budget. We have many shared values, not least a passion for developing premium quality products and a recognition of the international growth potential for the sale of premium craft distilled products.

“This Agreement demonstrates the commitment on both sides to further develop corporate and cultural ties as well as continuing collaboration on the development of new products. List's extensive distribution network throughout the United States creates a significant opportunity for BHC to expand into one of the world's largest markets for spirits sales. Reciprocally, the UK market is a natural sales target for List's premium Bourbon, American Whiskey and Rum products. By calling on our own international award-winning Master Distiller, Jamie Baggott, to further enhance List's imported product range to suit the UK market and by utilising our existing distribution channels, we can provide List with greater market penetration and increased international sales.

“This is a logical “next step” in developing the increasingly close relationship between the two businesses and I look forward to a mutually successful outcome.”

Thomas List, President and Founder of List, added:

“We are excited to take the next step to strengthen our relationship with BHC. I am convinced that this transaction will significantly accelerate List Distillery's growth and value and our management team is looking forward to work even more closely with the BHC team to shape our common future and create even more value for our customers, employees and shareholders.”

Commenting on the Agreement, Matthew Tuffee, CEO of OpenClean, added:

“The partnership between BHC and List ensures that we can meet the high demand for our refill cartridges and provides us with a quick response to distribute to our customers across the UK and USA.”

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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Notes to Editors

About British Honey Company

Launched in 2014, BHC is famed for its award-winning fruit and honey infused spirits, marketed under the Keepr's brand. Many of the Keepr's spirits are infused with BHC's proprietary British Honey from its fully traceable apiaries. The impressive spirits range with seasonal lines spans eight gins, four vodkas, two rums, two bourbons and a whiskey which is scheduled for release later this year. All of BHC's spirits are distilled onsite in the company's specially customised Still under the watchful eye of international award-winning Master Distiller, Jamie Baggott. In March 2020 BHC diversified its product range by developing its first alcohol sanitiser product in the UK in response to the Covid-19 outbreak. This was produced using BHC's excess alcohol supplies and under authorisations obtained from HMRC to use denatured alcohol for alcohol sanitiser use.