

Announcement

31 March 2015

Daniel Thwaites PLC today announces that it has exchanged contracts to sell the major part of its' beer business to Marston's PLC, comprising the businesses that sell and wholesale beers to the independent free trade, national pub companies, wholesalers, supermarkets and export. As part of the transaction it has also sold two beer brands, Wainwright Golden Ale and Lancaster Bomber, brands that it has owned since 2007 and 2011 respectively. Thwaites' distribution operation and free trade loan book will also be sold, and Marston's will continue to brew some brands under license. The consideration is in the region of £25m, plus working capital.

The sale is subject to a consultation process and it is envisaged that approximately 150 employees will be transferring to Marston's before the end of April. Thwaites and Marston's have worked together as part of the deal to put in place a new long term supply agreement.

Thwaites has retained ownership of its' award winning craft beer brands and other cask ale brands, including its seasonal ale range, which it will continue to brew and sell in its' own properties.

Speaking on behalf of Daniel Thwaites, Chief Executive Richard Bailey said:

“This is a very exciting development which allows us to focus on our pubs, inns and hotels, whilst retaining a small brewery to continue to supply our own properties with our fantastic beers and opening up a wider drinks range to our customers through a long term supply deal with Marston's.

We are delighted that our beer business will find a new home in a company that is as passionate about the quality of beer that we have always been and will provide ongoing employment for the vast majority of our employees affected.

It is our intention to redeploy the proceeds into both our existing, and new properties and the sale of our third party beer business allows us to move forward with our strategy to provide superb hospitality in outstanding properties in great locations.”

