

DIAGEO TO ACQUIRE CHASE DISTILLERY

26 October 2020: Today, Diageo announces it has reached agreement to acquire Chase Distillery, the owner of Chase GB Gin and the award-winning Chase Original Potato Vodka.

Founded in 2008 by entrepreneur William Chase, the Chase Distillery portfolio includes seven gins, four vodkas and an elderflower liqueur. In addition to Chase GB Gin, a smooth, full-bodied gin, perfectly balanced with juniper, spice and citrus, Chase has created a number of flavoured gins including Pink Grapefruit & Pomelo, Seville Marmalade and Rhubarb & Bramley Apple Gin, which are leading gin innovations that are fresh, zesty and tangy in taste. The portfolio also includes Williams Elegant 48 Gin, made using 48 rare varieties of apple from 200-year old orchards.

Awarded ‘World’s Best Tasting Vodka’ at the San Francisco World Spirits Competition, Chase Original Potato Vodka is batch produced in a copper pot still to create a smooth creamy vodka, with 250 British potatoes going into every bottle.

Sustainability and a relentless focus on quality are at the heart of everything the Chase Distillery does. The spirits portfolio is distilled from scratch using British-grown potatoes, apples and all-natural botanicals on the Chase Farm in Herefordshire. The steam energy used to run the distillery is produced on site from a biomass boiler powered by prunings from the apple orchard, with potato waste used as fertiliser to feed the Farm’s cattle.

The UK is the largest gin market in Europe and between 2014 and 2019, grew at a compound annual growth rate of 17.4%¹. Within the UK gin category, the premium plus segment is growing at more than twice the rate of the total UK gin category, with a compound annual growth rate of 40%² between 2014 and 2019.

Dayalan Nayager, Managing Director, Diageo Great Britain, commented: “We are thrilled to be bringing such a quintessentially British portfolio of high quality, crafted brands into our family. We are excited about the growth opportunity within the premium plus segment and are very much looking forward to working with the Chase team to build on the portfolio’s considerable potential.”

William Chase, Founder and Chairman, Chase Distillery, commented: “It’s inspiring to have Diageo invest in Chase Distillery’s future. They believe in the potential of our field to bottle spirits and will build on our mission to develop our sustainable distillery in Herefordshire.”

The acquisition is expected to close in early 2021 subject to regulatory clearances.

ENDS

¹ IWSR 2019 Data

² IWSR 2019 Data

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About Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands including Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Gordon's, Tanqueray and Guinness.

Diageo is a global company whose products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO). For more information about Diageo, our people, our brands, and performance, visit us at www.diageo.com. Visit Diageo's global responsible drinking resource, www.DRINKiQ.com, for information, initiatives and ways to share best practice.

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About Chase Distillery

Chase Distillery is an award-winning British distillery, creating sustainable spirits from our farm in Herefordshire. The family of gins and vodkas is made entirely from scratch, using potatoes and apples which are fermented and distilled into our range of spirits. The quality of our products isn't by chance. It takes meticulous dedication, craftsmanship and passion from our team.