

BREWDOG ANNOUNCES £100M INVESTMENT FROM TSG CONSUMER PARTNERS



Source: Brewdog.com

Transaction values BrewDog at £1bn

Investment provides growth capital and gives Equity Punks the opportunity to realise some gains

Independent craft brewer, BrewDog, today announced that TSG Consumer Partners has acquired approximately 23% of the company, in a £213million transaction involving £100million to fund BrewDog's continued global expansion, and the balance of proceeds to provide for early shareholder liquidity. The transaction values BrewDog plc at approximately £1billion enterprise value, and is designed to deliver long-term capital with a 10-year time horizon. The Company provided all Equity Punks with the details of the proposed investment in advance of a special meeting held on March 29th, 2017 and they overwhelmingly approved the terms by a vote of 95% in favour.

TSG Consumer Partners is a San-Francisco based leading strategic equity investor in high-growth consumer brands. TSG was founded in 1987 and has helped over 70 brands grow, including successful investments in global brands like vitaminwater, thinkThin, popchips and many others.

At a £1bn valuation, shares purchased in Equity for Punks I, which closed in February 2010, are now worth 2,765% of their original value. Even craft beer fans that invested in Equity for Punks IV, which closed in April 2016, have seen the value of their shareholding increase by 177% in just one year.

James Watt, co-founder at BrewDog, commented:

"We are growing mega fast at the moment. We have broken the record for most consecutive years on the Sunday Times Fast Track 100 and in 2017 we are forecasting our growth will be even faster. We recently shared our ambitious 5-year plan with our Equity Punk shareholders, which included adding more capacity in Ellon and Columbus as well as building new breweries in Asia and Australia. All of these projects are immediate opportunities and they all link completely back into our core mission of making other people as passionate about great craft beer as we are. This deal will enable us to take our business, and our community's investment in BrewDog, to the next level."

Blythe Jack, Managing Director at TSG Consumer Partners commented:

"BrewDog is an ideal fit for TSG's mission, which is to partner with visionary founders building next generation consumer brands. The company is truly a pioneer and leader in the rapidly emerging international craft beer market. We look forward to working with BrewDog and its founders as it continues to innovate, expand and harness a unique rebellious energy."

James Watt continued:

"Our new partnership with TSG is a launch pad for us to turbocharge our mission to make the world as passionate about craft beer as we are, but it's also a validation of our crowdfunding model. Our Equity Punks now own part of an independent business that has attracted an awesome partner who will help grow their investment even further. Crowdfunding can no longer be viewed as alternative finance; this is the democratisation of finance."

"Ever since we first started this journey in Martin's mum's garage, BrewDog has existed to make other people as passionate about great craft beer as we are. We remain more laser focused on that goal than ever before. Martin and I still remain controlling shareholders and fully committed to BrewDog, and this investment will allow us to accelerate our mission. We're not going to let the deal go to our heads, but Martin did buy himself a new jumper."

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