

Diageo Acquires Premium Cold Brew Coffee Liqueur, Mr Black

29 September 2022: Today, Diageo announces that it has acquired Mr Black, the Australian premium cold brew coffee liqueur. Mr Black was launched in 2013, by designer Tom Baker and award-winning distiller, Philip Moore, with the vision of bringing the global coffee culture to the world of spirits and cocktails. Mr Black has grown to become the leading premium-priced coffee liqueur¹ in the United States, applying modern coffee brewing techniques and quality sourcing to reinvigorate coffee cocktail culture and consumers' desire for premium coffee cocktails, such as the espresso martini and coffee old fashioned.

Over the last five years, Mr Black has been the fastest growing brand in the global coffee liqueur category.² Now available in 22 countries, the brand appeals to craft cocktail lovers and consumers seeking delicious tasting cocktails in bars and restaurants, and for indulgent, at-home occasions. Mr Black sources and roasts coffee to its own bespoke specification, creating the premium liqueur with a delicious and rich coffee taste.

In 2015, Diageo acquired a minority stake in Mr Black through Distill Ventures, the Diageo-backed accelerator program. Distill Ventures receives funding from Diageo and works with the company to support entrepreneurs as they launch and grow innovative drinks brands.

Co-founder, Tom Baker, will remain actively involved with the brand, working with the Diageo team to build on Mr Black's success.

Claudia Schubert, President, U.S. Spirits and Canada, Diageo said: *"With its award-winning liquid, eye-catching design and packaging, and ability to thrive in culture, we believe Mr Black is just getting started in the dynamic coffee liqueur segment. This acquisition is in line with our strategy to acquire high growth brands in exciting categories, and we are delighted to welcome Mr Black into our portfolio."*

Tom Baker, Co-founder of Mr Black said: *"Coffee is more than just a drink – it's a culture, ritual, obsession, aesthetic, experience, tradition and a community. We created Mr Black to embody that culture and inspire people to take their love of coffee into their evening drinks. Diageo understood our vision early on and now, after several years with them as a supporter, we are thrilled to be joining the Diageo family."*

Frank Lampen, CEO and Co-founder, Distill Ventures said: *"It was love at first taste with Mr Black, and Tom Baker is one of the most intuitive brand builders we've had the pleasure of working with. We're proud to have helped him and his team turn those solid foundations into a commercial success globally and especially in the US."*

Mr Black is currently available in 22 countries including Australia, the United Kingdom, and the United States – which is its largest market. The acquisition has been funded through existing cash resources.

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¹ IWSR, 2021: by volume

² IWSR, 2021: volume CAGR 2017-2021

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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 and J&B whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, 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.

Celebrating life, every day, everywhere.

About Mr Black

Made at its purpose-built coffee roastery near Sydney, Australia, Mr Black Coffee Liqueur is a bittersweet blend of top-grade Arabica coffees and Australian wheat vodka. A first of its kind, Mr Black is made using a cold-brew process with no added flavours - just exceptional coffee. Mr Black's cold brew process creates a more robust and sweet profile, resulting in a liqueur that is bold, complex, balanced, and unapologetically coffee. For more information on Mr Black, visit www.mrblack.co.

About Distill Ventures

Distill Ventures (DV) is the drinks industry's first accelerator for new and growing brands. Since its founding in 2013, DV has invested in 35+ brands in a wide range of drinks categories, including New World whisky, premium gin, and non-alcoholic spirits. Through a combination of cash investment, mentoring support and access to a network of experts, DV works with founders from all backgrounds and stages of growth to help brands go further, faster.

Through both its traditional investment pathway and its Pre-Accelerator, which launched in 2021 and focuses on recruiting diverse entrepreneurs into drinks, DV operates across both alcoholic and non-alcoholic drink categories, and invests at all stages, from pre-launch through to those requiring significant growth and expansion capital. It is operated independently and backed by Diageo, the world's leading premium drinks company, providing investment funding, as well as

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resources and access through its global network of experts. For more info on, or to learn about our portfolio of current and exited brands, visit www.distillventures.com.