

Black Sheep Brewery

Further shareholder update

Dear Fellow Shareholders.

My analysis of last year's audited Report & Accounts, and my report on the recent AGM have both received very positive feedback from co-shareholders.

In particular, one shareholder pointed out that Andy Slee's claim of having achieved "another profitable year" was in fact only achieved by our directors having (a) credited the Profit & Loss account with £81,546 of one-off negative goodwill (i.e. claiming to have bought assets for less than their true value), and (b) booking a one-off profit of £40,450 from the disposal of a tangible fixed asset, so in truth our brewing and distribution business once again made a very substantial underlying trading loss.

The same shareholder went on to say "The overleveraged nature of the business makes Resolution 14 a nonsense as you rightly suggest and as regards the business being run for the benefit of family members I feel this may well have been the case for some years."

Sadly, he's too right, and no one should trust a word Mr. Slee says.

Do please continue to follow developments, which I undertake to express fairly, whether good or bad, at our www.buildingabetterblacksheep.com web-site.

Thank you.

Yours faithfully,

David Nabarro
Deeply concerned Black Sheep shareholder

30th October 2019