Dear fellow shareholder in Stock Spirits plc,

Voting intentions at the 2017 AGM

For your information we are hereby sharing with you our voting intentions in respect of the forthcoming AGM for Stock Spirits plc, and the reasons for our decisions. We will also be sharing the contents of this letter with the Board of the company in the spirit of open dialogue.

Resolution	**No. of resolution**	**Vote**
Receive the Company's Annual Report and Accounts	1	FOR
Approve the Remuneration Report	2	AGAINST
Approve the Remuneration Policy	3	AGAINST
Approve the Dividend	4	FOR
Re-elect David Maloney	5	AGAINST
Re-elect John Nicolson	6	FOR
Re-elect Miroslaw Stachowicz	7	FOR
Re-elect Lesley Jackson	8	FOR
Re-elect Randy Pankevicz	9	FOR
Elect Diego Bevilacqua	10	FOR
Elect Michael Butterworth	11	FOR
Elect Tomasz Blawat	12	FOR
Re-appoint the Auditors	13	FOR
Allow the Board to Determine the Auditor's Remuneration	14	FOR
Amendment to the Rules of the PSP	15	FOR
To authorise the Directors to allot ordinary shares	16	FOR
To authorise the Directors to dis-apply pre-emption rights	17-18	FOR
Authorise Share Repurchase	19	FOR
Notice of general meetings, other than annual general meetings	20	FOR

Western Gate intends to vote their shares at the AGM, with negative votes placed on Resolutions 2 and 3 to approve the Remuneration Report and new Policy, and Resolution 5 to re-elect David Maloney as Board Chairman. Western Gate is voting against these three resolutions for the following reasons:

Resolutions 2 and 3 – Adoption of new Remuneration Policy

- Western Gate has engaged with Stock Spirits on its remuneration proposals prior to finalisation and raised a number of serious concerns, in particular with the intended performance criteria under the amended Stock Spirits Group PLC Performance Share Plan ('PSP'). Unfortunately we consider that these concerns were not adequately addressed.
- We disagreed with the removal of the Total Shareholder Return (TSR) performance element, as we consider TSR to remain an important metric to reward management. We note that TSR initially represented 100% of award conditions in 2014, and the removal follows a lack of award vesting under this element in recent years due, we expect, to the poor performance of the Company's stock price. As a matter of principle, because a performance metric may not yield the desired remuneration result for scheme members, does not make it an unworthy metric.
- We do not support the replacement of the TSR measure with the proposed mix of financial targets of Cash Conversion and EPS growth (which is proposed to remain unchanged at 6-12% compound annual growth against what we consider to be a low starting position), for the following reasons:
    - This would result in PSP performance measures being based entirely on absolute/internal measures, which may be open to influence by one-off occurrences or specific management actions, including cash management measures such as factoring;
    - We continue to consider a TSR target to be appropriate for a growth focused company – in line with the stated growth strategy upon IPO, and especially when the share price has fallen so far since IPO; and
    - We consider that cash conversion targets can potentially create inappropriate incentives for management to preserve working capital around each year end – Stock Spirits' key trading period – which could adversely impact market share and underlying operational performance to the detriment of long term shareholder value creation.
- We therefore believe that, rather than removing the TSR measure, it is now time to more strongly align management reward with additional shareholder value creation over the long term. To help address the "windfall" risk, given the low share price starting point, we believe management should only be rewarded once a base share price has been achieved, providing for increased payments as share price increases beyond this hurdle;
- We would agree with the continued inclusion of an earnings growth measure, but again with a higher hurdle level before any part of this element vests, as we believe that 6% is too low, and that 12% for full vesting is not sufficiently stretching for what is meant to be a growth stock. There is also a "windfall" risk here with an insufficiently stretching EPS growth target given the operational gearing inherent in the Company, which is not addressed in the proposed performance criteria.

Resolution 5 – Re-election of David Maloney

- We do not consider the re-election of David Maloney, current Chairman of the Board, to be desirable for the following reasons:
  - Mr. Maloney was Senior Independent Director on the Board at IPO in October 2013 and became Chairman in May 2015. He is one of just two remaining Non-Executive Directors who were on the Board at IPO. Over the recent years of Mr Maloney's stewardship, shareholders have experienced material value destruction arising from the Company's marked deterioration in its financial performance.

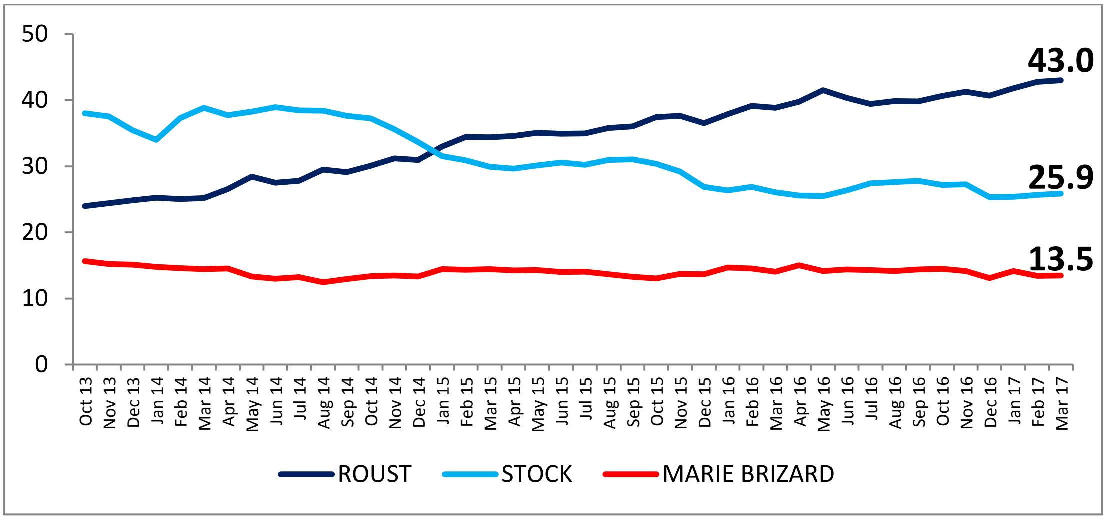
  - In addition, shareholders voted to strengthen the experience of the Board by directly appointing two new independent Non-Executive Directors following a requisition ahead of the AGM in May 2016. We believe that the Board led by Mr Maloney has sought to limit the role of these new Directors in the Company's affairs by designating them as "non-independent" without adequate explanation. To our view, this ignores the express wishes of shareholders.

  - We believe that under Mr. Maloney's chairmanship of the Company and its Disclosure Committee, the Company's communication with the market is non-transparent. For example, In Autumn 2016, the Company cancelled a planned investor day; it opted not to publish a 3Q trading statement (against its practice in each of the preceding three years); and it released a pre-close trading statement in January 2017 containing no sales data. This meant that between the half year results in August 2016 and full year results in March 2017, there was no meaningful trading update to inform investors as to the company's performance. In our view the Company is not extensively researched by sell-side equity analysts, and therefore it is even more important that the Company actively engages with the market; and

  - Finally, it took a high profile public campaign before Mr Maloney took long overdue steps to try and address the Company's problems, such as management change and instigating a "root and branch" strategic review. Notwithstanding these steps, the Company - approaching one year and a half after the review – has disappointingly failed to materially reverse any of the market share losses in its core market of Poland (see below). Whilst we believe that in a "turnaround" situation it is fair to allow some time for new strategies to yield results, we consider that showing no progress in a turnaround over a full year after a new strategy is not acceptable and requires accountability.

Value Market Shares – Total Poland, Vodka

Value market share at lowest levels since IPO



Source: 1. Nielsen, Total Poland; total off trade, total vodka (defined as the sum of total clear, total flavoured and total vodka based flavoured liqueurs) % value share

- We therefore believe that the appropriate decision for the Board as whole is that Mr. Maloney should now step down from the role of Chairman, and that a Chairman who is better placed to drive the turnaround in the Company's fortunes in its core market be appointed. Accordingly we have voted against the re-election of Mr Maloney as a Director of the Company.

Luis Amaral

on behalf of Western Gate

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