PROMOTING A STRONG AND SUSTAINABLE PERFORMANCE CULTURE

Michael Shallow
Chairman of the Remuneration Committee

Dear shareholder

I am pleased to present, on behalf of the Board, the Remuneration Report of the Remuneration Committee.

The Group's remuneration policy aims to promote a strong and sustainable performance culture, to incentivise high growth and to align the interests of Executive Directors and other senior managers with those of shareholders. In promoting these objectives, the policy has been structured so as to adhere to the principles of good corporate governance and appropriate risk management.

In determining remuneration levels, the Committee has taken account of market conditions, the performance of the Group and its responsibility to shareholders.

Performance and reward in relation to the 52 weeks ended 30 June 2018

Whilst the Group continued to make good progress on the opening of new venues to expand its footprint, the severe weather conditions in March and the extended spell of high temperatures throughout May and June 2018 adversely impacted like-for-like sales in the second half of the year. The challenges in the Finance function, which were well documented in last year's annual report, and the approaches made to the Group by two potential offerors culminating in a formal offer from Stonegate Pub Company Limited, and following the rejection of that offer the immediate resignation of the Chief Executive Officer ("CEO"), were disruptive events that clearly impacted management focus and business results. Consequently, performance under adjusted EBITDA and adjusted profit before tax bonus targets was below the threshold level and as such no bonuses are payable to any of the Executive Directors or senior management team.

Given the underperformance of the business, the Committee decided that it was not appropriate to undertake salary reviews in July 2018 for the Executive Directors or the majority of the senior management team, although certain individuals' salaries were reviewed during the course of the year to increase alignment with benchmark rates for their roles, particularly where this included expanded responsibilities.

The first tranche of awards granted on IPO was due to vest based on performance to 30 June 2018. On his resignation, the majority of Mark McQuater's outstanding LTIP awards lapsed in full, although a minority of the first tranche, amounting to 29,159 shares, vested during the period. The vesting calculation was performed by Mercers and reflected the performance conditions and full time pro rating. No other Executive Directors held any LTIP awards that were eligible to vest during the year.

Changes to the Board during the year

As stated above, Mark McQuater resigned from the Board effective 17 October 2017. Mark was placed on garden leave from that date and, under the terms of his service contract, will continue to receive salary, benefits and pension payments over his 12-month notice period.

Rob Pitcher was appointed as his successor and joined the Board as CEO on 25 June 2018. His salary was set on appointment at £350,000, taking into account his experience, the market rate for this role at similar companies and the salary of his predecessor. Benefits and pension contributions are provided in line with the remuneration policy as described on the following pages. Rob Pitcher is eligible for a maximum annual bonus of 100 per cent of salary and a long-term incentive award of 300 per cent of salary that will be allocated in two parts, the first part equivalent to 200 per cent salary shortly after the preliminary announcement of the 2018 results and the second part equivalent to 100 per cent salary shortly after the preliminary announcement of the 2019 results.

In order to ensure a smooth transition, and to minimise disruption to the day-to-day operations of the business, during the period between the resignation of Mark McQuater and appointment of Rob Pitcher, Keith Edelman took up the position of Executive Chairman. The Committee approved supplementary remuneration to account for the additional responsibilities and time commitment, increasing his annual fee to £330,750 over the period in question. His fee reverted to its previous level of £90,000 on resumption of his former role.

Revised remuneration policy and its application in the 2019 financial year

As described on the following pages, we are submitting a revised remuneration policy for approval at the 2018 AGM. The Committee reviewed the policy during the year and concluded that it remains appropriate and fit for purpose, and as such no material changes to the policy are proposed.

Executive Directors will continue to receive salary, benefits and pension payments as defined in the policy. Both will be eligible for a bonus payment of up to 100 per cent of salary, contingent on the satisfaction of stretching EBITDA, PBT and personal performance targets as in prior years.

The CEO will receive an LTIP award in the coming year with a face value of 200 per cent of salary. This award will vest after a three-year performance period, based on EPS and TSR performance targets. A further award with a face value of 100 per cent of salary is to be issued after the preliminary announcement in 2019. Awards made in 2018 and thereafter will also be subject to appropriate recovery and withholding provisions, in line with best practice.

Committee activities

The Committee met four times during the year. As well as the routine matters set aside for the Committee, as set out under Directors' remuneration policy on page 40, its primary business was to consider and agree:

> whether outstanding awards under the Long Term Incentive Plan would vest contingent upon the Board recommended offer for the Group from Stonegate;

> the terms of the severance package offered to Mark McQuater who resigned from the business on 17 October 2017 following shareholders' vote to reject Stonegate's offer for the business;

> an adjustment to the remuneration for Keith Edelman who temporarily relinquished his role as Non-executive Chairman to become Executive Chairman until a replacement CEO was able to commence employment;

> the remuneration package for Rob Pitcher who joined as the Group's new CEO on 25 June 2018; and

> awards under the Long Term Incentive Plan ("LTIP") to Mike Foster and new members of the senior management team as well as small top-ups to other members of the senior management team to ensure comparability between team members.

Mercer was engaged on 1 July 2017 to provide advice to the Committee in relation to the vesting of LTIP awards in connection with the proposed offer for the Group and Aon was engaged to provide support on the accounting calculations in respect of LTIP awards and other matters

Shareholder feedback

The Committee welcomes any feedback on this report and the remuneration policy in general. On behalf of the Board, I would like to thank shareholders for their continued support and I look forward to your approval of our report at the 2018 AGM.

Michael Shallow
Chairman of the Remuneration Committee
2 October 2018

REMUNERATION REPORT CONTINUED
FOR THE 52 WEEKS ENDED 30 JUNE 2018

Directors' remuneration policy

This part of the Directors' Remuneration Report sets out the remuneration policy for the Company and has been prepared in accordance with the Companies Act 2006, Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and the UKLA's Listing Rules. The policy has been developed taking into account the principles of the UK Corporate Governance Code 2016 and the voting guidelines of UK institutional investors.

The Group's remuneration policy was put to a formal and binding vote at the 2015 AGM shortly after the Group's listing on the London Stock Exchange. As set out at that time, the policy was expected to continue to apply for a minimum of three years until 30 June 2018.

We are, therefore, submitting the remuneration policy as presented on the following pages for approval through a binding vote at the 2018 AGM. The Committee is satisfied that the policy continues to provide an appropriate framework for Executive remuneration and as such no material changes are proposed. This revised policy, if approved, is intended to apply from 1 July 2018 for a period of three financial years. As in previous years, the Annual Report on Remuneration will be put to an advisory vote at the 2018 AGM.

The Committee's key objectives relate to the determination of specific remuneration packages for each of the Executive Directors and certain Senior Executives of the Group, including pension rights and any compensation payments, recommending and monitoring the level and structure of remuneration for senior management and the implementation of share schemes and any other performance-related schemes. The Remuneration Committee meets at least twice a year.

The Committee reviews the remuneration policy and, in particular, performance-related pay scheme structures on an annual basis to ensure that they continue to operate within the agreed risk framework of the Group. The Committee also ensures that an effective system of control and risk management is in place with regards to remuneration, which includes access to the Audit Committee to discuss matters of operational and financial risk. The Committee is satisfied that the proposed policy does not encourage or reward undue risk taking.

The Committee ensures that performance-related pay structures will not raise environmental, social or governance ("ESG") risks by inadvertently motivating irresponsible behaviour. More generally, with regard to the overall remuneration structure, there is no restriction on the Committee that prevents it from taking into account corporate governance on ESG matters.

The policy, in relation to subsequent years, will be kept under review to ensure that it reflects any changing circumstances.

Remuneration for Executive Directors

The main component parts of the remuneration policy for Directors, as approved by shareholders, are detailed in the table below.

Policy table

Element	Operation	Opportunity	Performance metrics
Base salary			
To attract and retain key individuals. To reflect the relevant skills and experience in the role.	Salaries will normally be reviewed annually taking into account performance, experience, responsibilities, relevant market information and the level of workforce pay increases.	Executive Directors' current salaries are set out in the Annual Report on Remuneration. Annual increases will usually be commensurate with those of the wider workforce. Further increases may be considered if there are significant changes in responsibility or scope of the role, sustained increase in the size of the business, or if there are significant movements in market rates. New joiners, where pay is initially set below market levels, may benefit from larger increases as their salary is progressed towards the market rate based on their development in the role.	A broad-based assessment of individual and Company performance is considered as part of any salary review.
Pension			
To provide cost-effective, yet market-competitive, retirement benefits.	Contribution to a personal pension arrangement or cash in lieu of pension by way of a salary supplement.	Set at market-competitive levels for Executive Directors. The maximum contribution will be up to 15 per cent of salary. Only basic annual salary is pensionable.	Not applicable.

Element	Operation	Opportunity	Performance metrics
Benefits			
To provide benefits that assist Directors in the performance of their roles and are designed to be competitive and cost effective.	Car and fuel allowance for Executive Directors, private health insurance and life insurance cover. Other benefits may be offered (e.g. relocation) where considered appropriate.	Not applicable.	Not applicable.
Annual bonus plan			
To motivate Executive Directors and incentivise the achievement of key financial and strategic goals and targets over the financial year.	Based on the achievement of performance metrics measured at Group level. Bonus is paid wholly in cash. Recovery provisions allowing the Company to claw back bonus payments under certain circumstances. The recovery period in respect of each bonus will be three years from the date the bonus is paid.	Maximum bonus potential is 100 per cent of salary for the Executive Directors. The Remuneration Committee retains discretion to withhold or reduce a bonus even if the objectives have been met.	The annual bonus plan is subject to the achievement of stretching performance conditions based on financial performance of the Group and personal strategic objectives which reflect key business drivers. The majority (if not all) of any bonus will be determined by financial measures with only a minority being paid for achieving threshold performance levels. The performance measures used for the 2017/18 annual bonus and those proposed for 2018/19 are described in the Annual Report on Remuneration starting on page 38.
Performance Share Plan ("PSP")			
To motivate Executive Directors and incentivise delivery of performance over the long term. To encourage greater shareholder alignment by rewarding total shareholder return ("TSR") outperformance. To facilitate share ownership.	Nominal cost options ("NCO") are share awards which vest, subject to performance, after three years. PSP awards are subject to recovery and withholding provisions allowing the Company to withhold invested awards or reclaim vested awards under certain circumstances.	Normal awards of up to 200 per cent of salary. Awards of up to 300 per cent of salary may be made in exceptional circumstances.	NCO awards will be granted subject to a combination of financial measures (including but not limited to relative TSR and adjusted EPS) over at least a three-year period. The Committee will review the appropriateness of the performance conditions on an annual basis and may make changes to the weightings or introduce new measures which are aligned to the Company's strategy at that time. The performance measures used for previous awards, and proposed for the coming year, are described in the Annual Report on Remuneration.

Remuneration for Executive Directors continued

Policy table continued

Element	Operation	Opportunity	Performance metrics
Company Share Option Plan ("CSOP")			
To incentivise and recognise service over the longer term.	The Company operates a share option plan under which it may grant share options with an exercise price as determined by the Committee on grant. The terms on which an award vests are determined by the Committee on grant and, once vested, options are exercisable up to ten years from the date of grant. For Executive Directors with PSP awards, any grant of CSOP awards will be linked to the grant of PSP awards, which will be reduced accordingly to reflect the value received under any CSOP award. CSOP awards are subject to recovery and withholding provisions allowing the Company to withhold invested awards or reclaim vested awards under certain circumstances.	Aggregate value of any PSP and CSOP award granted will not normally exceed normal awards of 200 per cent of salary (300 per cent of salary in exceptional circumstances), with PSP grant levels in the same year taken into consideration and reduced accordingly.	For Executive Directors, performance conditions will be linked to those used under the corresponding PSP award.
Executive share ownership			
To align Executive Directors' and shareholders' interests.	All Executive Directors are expected to hold an investment of at least 100 per cent of base salary in the Company, using 50 per cent of net awards under the Company's PSP to achieve the shareholdings, if required.	100 per cent of salary for all Executive Directors.	Not applicable.

Remuneration for Non-executive Directors

The remuneration policy for Non-executive Directors is set out below.

Policy table

Element	Operation	Opportunity	Performance metrics
To attract and retain high calibre Non-executive Directors. To set remuneration by reference to the responsibilities and time commitment undertaken by each Non-executive Director.	Fee levels are reviewed on a periodic basis and are set based on expected time commitments and responsibilities and in context of the fee levels in companies of a comparable size and complexity. The Committee sets the fee for the Non-executive Chairman, whereas fees for the Non-executive Directors are set by the members of the Board, excluding the Non-executive Directors.	The Non-executive Chairman's fee and Non-executive Director fees are set out in the Annual Report on Remuneration. Any increase in fees may be above those of the wider workforce (in percentage terms) in any particular year, reflecting the periodic nature of any review and/or changes to time commitments and/or responsibilities. In exceptional circumstances, if there is a temporary yet material increase in the time commitment for Non-executive Directors, the Board may opt to pay additional fees to recognise the additional workload.	Not applicable.

The Committee operates the annual bonus plan and long-term incentive plans according to their respective rules and consistent with normal market practice, the Listing Rules and HMRC rules where relevant, including flexibility in a number of regards. These include:

- timing of awards and payments;
- the size of an award (within the limits noted in the table above) and when and how much should vest;
- who receives an award or payment;
- dealing with a change of control or restructuring of the Group;
- determining whether a participant is a good/bad leaver for incentive plan purposes and whether and what proportion of awards vest;
- any adjustments required to awards in certain circumstances (e.g. rights issues, corporate restructuring, events and special dividends); and
- the weightings, measures and targets for the annual bonus plan, PSP and CSOP from year to year.

The Committee retains the discretion to adjust the targets and/or set different measures and alter weightings for the annual bonus plan and to adjust targets for the PSP and CSOP if events occur (e.g. a major acquisition or disposal) which cause it to determine that the plan conditions are unable to fulfil their original intended purpose and if the change would not be materially less difficult to satisfy than as originally set.

Existing awards

The Committee intends to honour any commitments, including the outstanding PSP awards, on the terms applicable at the time each such commitment was made. The relevant outstanding awards are described in the Annual Report on Remuneration.

Executive Directors' service agreements including policy on contracts of service

Rob Pitcher

On 25 June 2018, Rob Pitcher (Revolution's Chief Executive Officer) entered into a service agreement with Revolution, under which he is currently entitled to receive an annual base salary of £350,000. His appointment (as Revolution Director) is subject to annual re-election by shareholders at the 2018 AGM. If he is not re-elected as a Director, his employment continues in accordance with the terms of his service agreement.

Under the terms of the service agreement, Rob Pitcher is entitled to an annual car allowance of £15,000 per annum, private health insurance for himself, his spouse and his family, life assurance and a pension contribution of 15 per cent of basic salary.

The service agreement is terminable by Rob Pitcher or Revolution on not less than 12 months' prior written notice. Revolution can, however, terminate Rob Pitcher's service agreement immediately, provided that such termination is effected together with payment of a cash sum in lieu of notice equivalent to the basic salary, pension allowance, car allowance and the value of his insured benefits to which he would have been entitled for the remainder of his notice period.

The service agreement is terminable with immediate effect without notice in certain circumstances.

Mike Foster

Mike Foster (Revolution's Chief Financial Officer and Company Secretary) continues to perform his duties on the basis of an appointment letter which was approved by the Revolution Board on 29 May 2017 under the terms of which he is entitled to receive an annual base salary of £200,000 and an annual car allowance of £15,000, as well as private health insurance for himself and his spouse.

Mike Foster's employment is terminable by him or Revolution on not less than six months' prior notice.

At the time of Mike Foster's appointment, the Group had been approached about a potential offer for the business and, therefore, permission for the appointment had to be sought and was granted from the Takeover Panel as it could potentially have been regarded as a frustrating action under the Takeover Code. Accordingly, no service agreement was entered into at the time of his appointment due to restricted terms being applied relative to the approved Directors' remuneration policy. There continues to be no service agreement in place and therefore certain elements of the remuneration policy continue to be disapplied.

The Executive Directors are eligible to participate in such bonus arrangements as Revolution may specify from time to time. The Revolution Board retains absolute discretion to determine whether or not a bonus should be paid to an Executive Director and, if a bonus is to be paid, the amount of such bonus.

Copies of Rob Pitcher's service contract and Mike Foster's appointment letter are available for inspection, on request to the Company Secretary, at the Company's registered office.

On cessation of an Executive Director's employment, the treatment of any outstanding share awards will be governed by the rules of the appropriate plan. In the normal course, awards will lapse. If a participant is treated as a good leaver (for reasons of death, injury, permanent ill health or disability, redundancy, the employing entity ceasing to be a member of the Group, the business being transferred outside of the Group, or any other reason the Committee determines at its discretion) the award will normally be deemed to vest on the originally prescribed vesting date to the extent that the performance conditions have been achieved and pro-rated for the service period rendered (unless the Committee decides to vest awards at cessation and/or disapply time pro-rating).

The Non-executive Directors have letters of appointment which provide for notice by either party giving to the other not less than six months' notice in writing for the Chairman and three months' notice in writing for other Non-executive Directors. The Company may also terminate by making a payment in lieu of notice.

None of the employment contracts or letters of appointment of the Directors contain special contractual termination provisions.

REMUNERATION REPORT CONTINUED
FOR THE 52 WEEKS ENDED 30 JUNE 2018

Other employees' pay

The Committee does not consult with employees directly on matters of Executive remuneration. However, the Committee is aware of the disconnect which may be created if Executive Director remuneration is set in isolation and therefore is updated during the year with details of the pay and employment conditions in the wider workforce. In particular, the Committee is made aware of general salary increases, general benefit provision and the proposed level of annual bonuses. The Committee is also responsible for reviewing the proposed participants of the PSP and the CSOP.

Remuneration policy across the Group

The remuneration policy described in this report is broadly consistent with the policy used for other Senior Executives of the Company. A significant proportion of remuneration remains performance related, although lower quantums operate.

The majority of employees participate in an annual bonus or incentive scheme, although the limits and performance metrics vary according to seniority and location of the role. Participation in the PSP and the CSOP is targeted at senior management and other key staff such as area managers who are more able to influence overall trading performance.

New senior employees are eligible to join a defined contribution pension plan.

Policy on Executive Director recruitments/promotions

In relation to external Executive recruitment or internal promotion, the Committee will follow the principles outlined in the table below:

Element of remuneration

Base salary

Salary levels will be set based on:

- the particular experience, knowledge and skills of the individual;
- market rates for comparable positions in companies of a similar size and complexity; and
- internal Company relativities.

Where considered appropriate, the Committee may wish to set the initial salary below the perceived market rate (e.g. to reflect an individual's limited experience at a public limited company board level) but with the view to make phased increases, potentially above those of the wider workforce as a percentage of salary, so as to achieve the appropriate market positioning over time. Any increases would be subject to the individual's continued development and performance in the role.

Benefits

A new appointment would be offered the same or a similar benefits package (or equivalent, in line with local market practice) as that provided to current Executive Directors.

Where considered necessary, the Committee may be required to pay certain relocation expenses, legal fees and other costs incurred by the individual in relation to their appointment.

Pension

A defined contribution or cash supplement (or equivalent, in line with local market practice) at the level provided to current Executive Directors may be provided.

Element of remuneration continued

Annual bonus

The Committee would envisage the annual bonus for any new appointment operating as set out in the policy table for current Executive Directors. The annual bonus maximum, as a percentage of salary, would be limited to that of the current Chief Executive Officer.

However, the Committee may consider it necessary (depending on timing and the nature of the appointment) to set different tailored performance measures for the initial bonus year.

Long-term incentives

Ongoing LTIP awards will be made on the same terms as current Executives', albeit possibly with different performance periods depending on the timing of the appointment. The maximum ongoing award, as a percentage of salary, will be no higher than that of the current Chief Executive Officer. An award may be made shortly after an appointment if the Committee regarded it to be an exceptional circumstance and subject to the Company not being in a closed period. In accordance with the rules of the scheme, awards are normally made within 42 days of an announcement of the Group's results.

For internal promotions, existing awards will continue over their original vesting period and remain subject to their terms as at the date of grant.

Buy-out awards

To facilitate external recruitment, it may be necessary to buy out remuneration which would be forfeited on the appointee leaving their previous employer. When determining the quantum and structure of any buy-out awards, the Committee will, where possible, use a consistent basis, taking into account the form of remuneration (cash or shares), timing horizons and the application of any performance criteria.

Buy-out awards, if used, will be granted using the Company's existing share plans to the extent possible, although awards may also be granted outside of these schemes if necessary and as permitted under the Listing Rules.

REMUNERATION REPORT CONTINUED
FOR THE 52 WEEKS ENDED 30 JUNE 2018

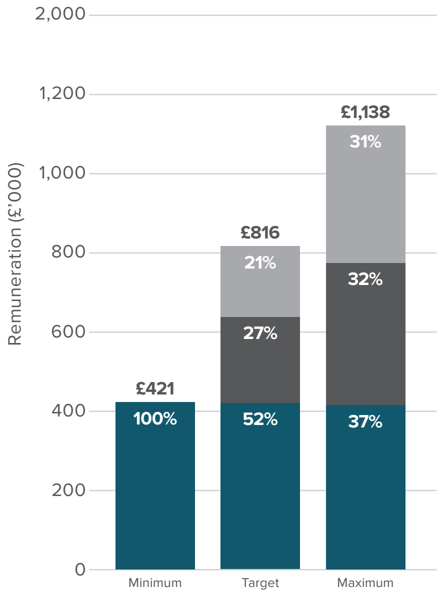
Shareholder engagement

The Committee considers an open and constructive dialogue with investors to be vitally important to establishing a successful remuneration policy that is considered fair and transparent by both Executives and shareholders. Therefore, the Committee will consult with major investors whenever material changes to the policy are proposed. The Committee also welcomes investor feedback and will consider views raised at the AGM and regular meetings throughout the year when establishing the overall policy.

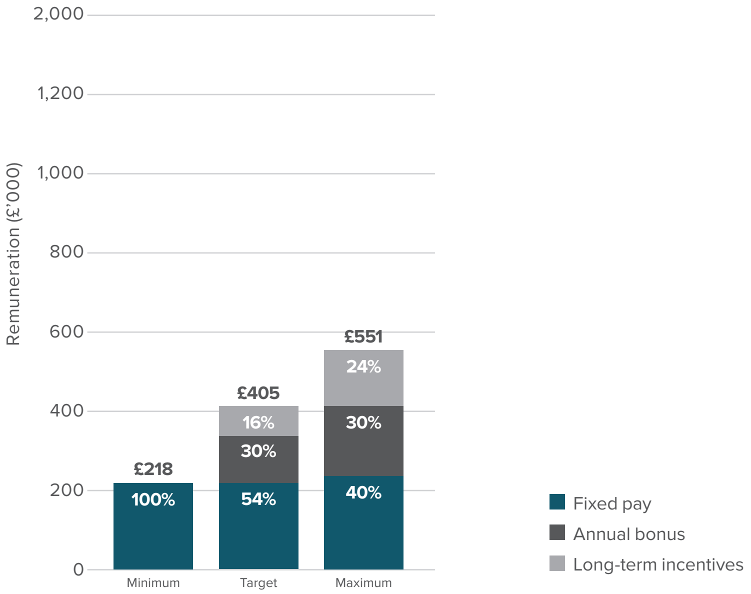
Reward scenarios

The charts below illustrate the level and mix of remuneration based on the current remuneration arrangements depending on the achievement of threshold, target and maximum performance of annual bonus and long-term incentives for the Executive Directors. These charts are indicative as share price movement and dividend accrual have been excluded. All assumptions made are noted below the chart.

CHIEF EXECUTIVE OFFICER PERFORMANCE



CHIEF FINANCIAL OFFICER PERFORMANCE



Assumptions:

1. Base salary as at 1 July 2018.
2. Annualised benefits based on terms as at 1 July 2018.
3. Minimum performance assumes no bonus, on-target performance assumes 60 per cent of the maximum bonus potential and maximum performance assumes 100 per cent of salary for the annual bonus.
4. For the CEO and for the 2018/19 financial year only a PSP award of 300 per cent of salary has been included, which is in line with the Company's offer letter and which will be awarded shortly after the Company's preliminary results announcement – initially equivalent to 200 per cent of salary with a further 100 per cent to be issued after the preliminary announcement in 2019. 50 per cent of the face value is assumed at the target level. The total value of the award is spread over the three-year vesting period.
5. For the CFO, maximum performance includes the initial PSP grant of 200 per cent of salary, with 50 per cent of face value assumed at the target level. The total value of the award is spread over the three-year vesting period.

Annual Report on Remuneration

The Committee's terms of reference are available from the Company Secretary and can be found on the Company's website at www.revolutionbarsgroup.com.

During the 52 weeks ended 30 June 2018, the Committee met formally on four occasions, with all members attending each meeting.

The key activities of the Committee during the 52 weeks ended 30 June 2018 have been:

- approval of the bonus outcome and pay-out in respect of the financial reporting period for the 52 weeks ended 1 July 2017, confirming that the calculation had been made in accordance with the agreed mechanism;
- to determine the calculations to be applied to the vesting of shares under the long-term incentive plan in connection with the recommended Board offer from Stonegate Pub Company Limited that would have applied had such offer been approved by shareholders;
- to agree an appropriate bonus payment for Mike Foster in recognition of implementing improved financial controls and reporting and the considerable workload associated with dealing with the approaches to the Company in respect of an offer for the Company. Such bonus was contingent on completion of the takeover of the Company and therefore was not paid;
- to determine the remuneration to be paid to Keith Edelman during the period over which he undertook the role of Executive Chairman following the resignation of Mark McQuater as Chief Executive Officer;
- to approve awards under the LTIP scheme for Mike Foster and other senior managers;
- determination of the financial terms of the termination arrangements for Mark McQuater and Jimmy Del Giudice;
- review of salary arrangements for certain members of senior management; and
- to agree the salary and other benefit arrangements for Rob Pitcher prior to his appointment as Chief Executive Officer on 25 June 2018.

Composition of the Remuneration Committee (unaudited)

The Committee currently consists of Michael Shallow (Chairman), Keith Edelman (Non-executive Chairman) and Jemima Bird (Non-executive Director). None of the Committee has any personal financial interest (other than as a shareholder), conflicts of interest from cross-directorships, or day-to-day involvement in the running of the business. Keith Edelman acted as Executive Chairman between 17 October 2017 and 24 June 2018, during which period the Group was without a Chief Executive Officer.

The Chief Executive Officer is invited to attend meetings, although is not present when matters affecting his own remuneration are discussed. The Company Secretary or their nominee acts as secretary to the Committee.

The Committee retains independent remuneration consultants, Mercer, to advise on aspects of Executive remuneration. Mercer is a member of the Remuneration Consultants Group and is signatory to its code of conduct. Mercer has no connection with Revolution Bars Group plc other than in the provision of advice on Executive remuneration. The terms of engagement with Mercer are available from the Company Secretary on request. The fees payable to Mercer during the 52 weeks ended 30 June 2018 were £8,400 (2017: £8,924 paid to Aon).

During the year, the Company also used Macfarlanes LLP to provide advice on termination arrangements relating to Mark McQuater and Jimmy Del Giudice and the appointment of Rob Pitcher.

The Committee reviews its relationships with external advisers on a regular basis and believes that no conflicts of interest exist.

Implementation of the remuneration policy in the 52 weeks ending 29 June 2019 (unaudited)

Basic annual salary

Each Executive Director's basic salary is normally reviewed and determined by the Committee annually, taking into account the individual's performance and experience. The Committee also, from time to time, makes use of independent benchmark data provided by external remuneration consultants, takes due account of market data in separate comparator groups based on sector, size and complexity, and is aware of the level of salary increases awarded to other employees within the Group.

Salaries were not reviewed at the normal review date at the beginning of July 2018 consistent with the decision not to review the salaries of the senior management team. Current salaries are summarised as follows:

- Rob Pitcher, Chief Executive Officer, £350,000 per annum (2017: Mark McQuater £375,000); and
- Mike Foster, Chief Financial Officer, £200,000 per annum (2017: £200,000).

Performance-related bonus

The maximum bonus potential for the Chief Executive Officer and the Chief Financial Officer for the 52 weeks ending 29 June 2019 is 100 per cent of basic salary earned in the reporting period.

Executive Directors' bonuses are based 80 per cent on an annual scorecard of financial performance metrics and 20 per cent on personal strategic objectives that reflect key drivers of the business, such as the number and trading performance of new openings, customer feedback, product quality and staff engagement. An underpin relating to financial performance applies to the annual bonus award, which gives discretion to the Remuneration Committee to reduce the award if deemed necessary.

For the 52 weeks ending 29 June 2019, the financial performance metrics will be measured based on adjusted EBITDA and adjusted profit before tax ("PBT"). Further detail about such strategic and personal objectives is considered commercially sensitive and will therefore not be disclosed prospectively. This bonus is wholly payable in cash and subject to recovery provisions for three years from date of payment.

Long-term incentive awards

The Committee believes that share ownership and the granting of share-based incentives strengthen the link between Executives' personal interests and those of the shareholders. The Company has two long-term share plans in place, being a Company Share Option Plan ("CSOP") and a Performance Share Plan ("PSP").

Implementation of the remuneration policy in the 52 weeks ending 29 June 2019 (unaudited) continued

Long-term incentive awards continued

In the coming period, the Committee plans to award Rob Pitcher options under the PSP and CSOP equivalent to three times salary, as agreed under the terms of his appointment. The Committee also expects to award options to senior managers who join the Group and to existing senior managers to replace options that were granted under the 2015 IPO that have lapsed.

Policy on Executive share ownership

The remuneration policy requires Executive Directors to invest in the Company to a level of at least 100 per cent of annual salary over time, save that under such policy Executive Directors may build to this level using 50 per cent of net awards under the Company's long-term incentive plans.

Details of current share ownership levels are set out on page 52.

Non-executive Directors' fees and incentives

The fees of the Non-executive Directors are set by the Board following a review against fee levels operated in companies of a comparable size and after taking into account the anticipated time commitment of each role. The Non-executive Directors do not participate in any incentive, pension or benefit schemes of the Company.

Details of each Director's remuneration for the 52 weeks ended 30 June 2018 are given below.

Directors' remuneration for the 52 weeks ended 30 June 2018 (audited)

		Fees/ salary £'000	Taxable benefits[1] £'000	Pension £'000	Bonuses £'000	Long-term incentives £'000	Single figure of total remuneration £'000
Executive Directors							
Rob Pitcher[2]	**2018**	**7**	**—**	**1**	**—**	**—**	**8**
Mike Foster	**2018**	**200**	**17**	**—**	**—**	**—**	**217**
	2017	15	1	—	—	—	16
Mark McQuater[3]	**2018**	**368**	**40**	**64**	**—**	**44**	**516**
	2017	368	41	64	—	—	473
Chris Chambers[4]	**2018**	**21**	**1**	**3**	**—**	**—**	**25**
	2017	218	17	33	—	—	268
Sean Curran[5]	2017	206	23	31	—	—	260
Non-executive Directors							
Keith Edelman[6]	**2018**	**255**	**—**	**—**	**—**	**—**	**255**
	2017	90	—	—	—	—	90
Michael Shallow	**2018**	**40**	**—**	**—**	**—**	**—**	**40**
	2017	40	—	—	—	—	40
Jemima Bird	**2018**	**30**	**—**	**—**	**—**	**—**	**30**
	2017	16	—	—	—	—	16
Aggregate emoluments							
	2018	**921**	**58**	**68**	**—**	**44**	**1,091**
	2017	953	82	128	—	—	1,163

1 Taxable benefits comprise medical insurance policies and car allowances.

2 Rob Pitcher was appointed to the Board on 25 June 2018; his remuneration figures above reflect the period from the date of appointment only.

3 Mark McQuater stepped down from the Board on 17 October 2017. His remuneration for 2018 includes contractual payments due during his notice period of £334,000 up to the end of the reporting period.

4 Chris Chambers, who stepped down from the Board on 6 May 2017, received a final payment in lieu of notice in the 2018 reporting period.

5 Sean Curran stepped down from the Board on 31 August 2016 but under agreed severance arrangements was paid until 10 May 2017.

6 Keith Edelman assumed the role of Executive Chairman on 17 October 2017, before resuming his role as Non-executive Chairman on 24 June 2018. Of the figure presented above, £227,000 relates to the period over which he was the Executive Chairman.

Basic annual salary

Executive Directors' salaries as at 1 July 2018 are as follows:

- Rob Pitcher, Chief Executive Officer, £350,000 per annum.
- Mike Foster, Chief Financial Officer, £200,000 per annum.

Performance-related bonus

For the 52 weeks ended 30 June 2018, a discretionary annual bonus plan was operated for the Executive Directors and other senior management. A percentage of each individual's base salary was payable, based on the attainment on a sliding scale of adjusted EBITDA and adjusted profit before tax targets, as well as on the achievement of personal objectives. The performance-related bonus did not apply to the Executive Chairman during the period in office.

For each measure a bonus pool was created once a threshold target level of adjusted EBITDA or adjusted profit before tax had been achieved. For achieving threshold target performance, a pool of £320,000 would be allocated to be shared by all participants. Up to an additional £630,000 would be allocated to the pool for performance between threshold target and budget, with up to a further £100,000 of EBITDA (or PBT) allocated to the pool for performance above budget.

EBITDA performance

Actual adjusted EBITDA performance for the 52 weeks ended 30 June 2018 did not achieve the threshold target and consequently no bonus payment became payable.

PBT performance

Actual adjusted profit before tax performance for the 52 weeks ended 30 June 2018 did not achieve the threshold target and consequently no bonus payment became payable.

Full details of the performance outcome are set out in the table below:

Financial objectives

				Annual bonus	
Performance measure	Target	Stretch	Performance outcome	Weighting	Outcome (% of max bonus)
Adjusted EBITDA (£'000)	16,188	18,375	15,008	40%	0%
Adjusted profit before tax (£'000)	10,050	11,408	7,976	40%	0%
				80%	0%

A bonus of up to 20 per cent could also be earned based on personal objectives but the Committee decided that due to profit performance in the reporting period falling significantly short of target and given the restatement of prior year earnings it was not appropriate to make such awards.

The table below summarises the overall bonus result.

Individual	Total bonus: % salary payable
Chief Executive Officer	0% of salary payable
Chief Financial Officer	0% of salary payable

Acknowledging that the bonus mechanism is in line with the remuneration policy, the Committee is comfortable that the level of bonuses paid to Executive Directors reflects both the Company performance during the year and is consistent with the treatment of other senior managers.

Pension arrangements

The Company contributed to defined contribution schemes or made cash payment equivalents for Executive Directors at the following percentages of basic salary:

Rob Pitcher	15.0 per cent
Mark McQuater	17.5 per cent
Keith Edelman	0.0 per cent
Mike Foster	0.0 per cent

Non-executive Directors' fees and incentives continued

Performance Share Plan ("PSP") – awards granted in FY18 (audited)

The following PSP award was issued to an Executive Director:

Executive	Type of award	Exercise price (p)	Number of awards granted	Basis of award	Face value[1]	Percentage which vests at threshold	Performance period end
Mike Foster	Performance share	0.1	240,000	200% of salary	£240,000	25%	30.06.20

1 Face value was determined based on the share price of 162.4 pence at the date of the grant of the awards.

This award is subject to stretching performance conditions, which are tested over a three-year performance period between 1 July 2017 and 30 June 2020, and will vest in 2020 to the extent these conditions are satisfied.

Part A – EPS targets

The vesting of Part A of the award will be dependent on the Group's EPS performance over the three-year performance period. No portion of Part A will vest unless the Group's EPS growth is at least equal to a compound annual growth rate of 7 per cent; thereafter the following vesting schedule will apply:

The Company's EPS compound growth	Extent of vesting of Part A
At least 7% per annum	25%
Between a minimum of 7% per annum and 13% per annum	Pro-rata between 25% and 100%
At least 13% per annum	100%

Part B – TSR targets

The vesting of Part B of the award will be dependent on the Group's TSR over the performance period, measured relative to the TSR of the constituents of a bespoke peer group of other UK-listed restaurant and bar sector companies over the same period.

No portion of Part B will vest unless the Group's TSR performance would mean it were ranked at least median within the comparator group; thereafter the following vesting schedule will apply:

The Company's TSR performance versus the TSR of the comparator group	Extent of vesting of Part B
Median	25%
Between median and upper quartile	Pro-rata between 25% and 100%
Upper quartile (or better)	100%

The base point from which TSR is measured for the comparator group is a three-month average prior to the start of the performance period, and the end point for both the Company share price and the comparator group will be an average over the last three months of the performance period.

In calculating the annual charges arising from the incentive, expected volatility has been estimated by considering historical average share price volatility for both the Company and other similar companies. Staff attrition has been assessed based on historical retention rates.

Outstanding Executive share awards

Executive Director	Scheme	Grant date	Exercise price (p)	No. of shares at 1 July 2017	Granted during the year Number	Vested during the year Number	Lapsed during the year Number	**No. of shares at 30 June 2018**	Vesting date
Mike Foster									
	PSP	14.11.17	0.1	—	240,000	—	—	**240,000**	30 Nov 2020
	CSOP	14.11.17	1.62	—	18,518	—	—	**18,518**	30 Nov 2020
				—	258,518	—	—	**258,518**	
Mark McQuater[1]									
	PSP – IPO LTIP tranche 1	19.03.15	0.1	700,000	—	29,159	670,841	**—**	n/a
	PSP – IPO LTIP tranche 2	19.03.15	0.1	350,000	—	—	350,000	**—**	n/a
	PSP – IPO LTIP tranche 3	19.03.15	0.1	350,000	—	—	350,000	**—**	n/a
	CSOP	19.03.15	191	15,706	—	—	15,706	**—**	n/a
				1,415,706	—	29,159	1,386,547	**—**	

1 Mark McQuater resigned on 17 October 2017.

Directors' share-based incentives

Aggregate emoluments do not include any amounts for the value of share-based incentives to acquire Ordinary Shares in the Company granted to or held by the Directors.

The number of Ordinary Shares that may be issued under the PSP and any other share plan may not exceed 5 per cent of the Ordinary Shares in issue in any ten-year period. The initial awards made at IPO do not count for the purposes of this limit and, following the lapse of such awards made to Mark McQuater on his resignation, no initial awards are held by Directors of the Company. As at 30 June 2018, 475,000 IPO awards held by other senior managers remain outstanding, equivalent to 24 per cent of the Ordinary Shares in issue (2017: 91 per cent).

Payments made for loss of office and payments to past Directors (audited)

Mark McQuater resigned from the Board on 17 October 2017. He remains on garden leave until 16 October 2018 during which time he receives his normal pay and benefits. No bonus payments were made to Mark McQuater during the reporting period but 29,159 options under the Performance Share Plan became exercisable as part of the contract termination arrangements and were duly exercised during the reporting period. All other share awards under the long-term incentive plan have lapsed. The number of options that became exercisable was determined independently by the Committee's adviser, Mercer, and was pro-rated both for performance and time served up to the date of resignation.

Directors' interests and shareholding guidelines (audited)

The following table shows Directors' interests in the Company:

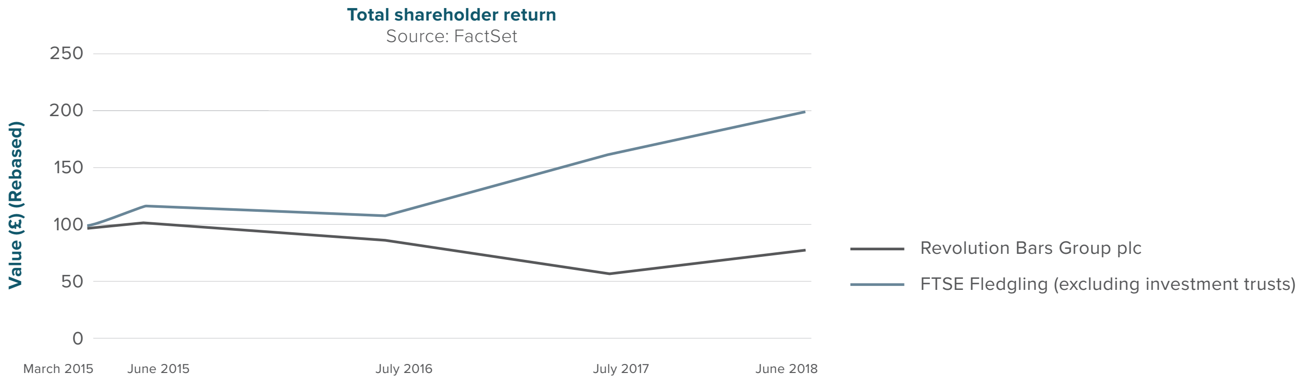
Director	**Beneficially owned at 30 June 2018 Number**	Outstanding LTIP awards Number	Outstanding share awards under all employee share plans Number	Total interest in shares Number	**Shareholding as a % of base salary at 30 June 2018**
Rob Pitcher	**—**	—	—	—	**0%**
Mike Foster	**—**	258,518	—	258,518	**0%**
Keith Edelman	**30,500**	—	—	30,500	**n/a**
Michael Shallow	**12,750**	—	—	12,750	**n/a**
Jemima Bird	**12,750**	—	—	12,750	**n/a**

Executive Directors with service contracts are expected to hold an investment of at least 100 per cent of base salary in Company shares. 50 per cent of any awards which vest under the Company's LTIPs (net of any taxes due) must be retained until the requirement has been met. The table above shows Directors' interests in shares and the percentage of the guideline currently met as at 30 June 2018.

The shareholding counting towards the measurement of the guideline is calculated on the basis of legally-owned shares. The percentage of guideline met is based on the annual base salary and the higher of the acquisition cost of the shareholding or its current market value. Once an Executive Director meets the required holding, the Executive Director is only required to purchase additional shares equivalent to the value of any increase in base salary.

Performance graph and Chief Executive Officer remuneration table (unaudited)

The graph below illustrates the Company's total shareholder return ("TSR") performance relative to the FTSE Fledgling Index (excluding investment trusts). This was chosen as it represents a broad-based index of which the Company is a constituent. Performance is shown over the period from the Company's listing in March 2015 through to the end of the current reporting period at 30 June 2018. The graph shows performance of a hypothetical £100 invested at IPO and its performance over that period.



This graph shows the value, by 30 June 2018, of £100 invested in Revolution Bars Group plc on 12 March 2015, compared with the value of £100 invested in the FTSE Fledgling (excluding investment trusts) Index.

The other points plotted are the values at intervening financial year-ends.

The table below details the CEO's remuneration over the same period as presented in the TSR graph:

	2018	2017	2016	2015
Single figure of remuneration (£'000)				
Rob Pitcher[1]	**8**	—	—	—
Mark McQuater[2]	**516**	473	570	449
LTIP vesting (% of maximum)	**—**	—	—	—
Bonus (% of maximum)	**—**	—	22%	12%

1 Rob Pitcher was appointed to the Board as CEO on 25 June 2018.

2 Mark McQuater resigned from the Board on 17 October 2017 and remains on garden leave until 16 October 2018.

Percentage increase in the remuneration of the Chief Executive Officer (unaudited)

The table below demonstrates the movement in the salary, benefits and annual bonus for the Chief Executive Officer between the current and previous financial periods compared to that for the average full-time salaried employee. For this purpose, given that there was no Chief Executive Officer in place for the majority of the year, the percentage change shown reflects the difference in the packages between the start and end of the reporting period.

	CEO %	Employee %
Salary	(6.7)	3.2
Taxable benefits	(33.6)	nil
Annual bonus	—	nil

Relative importance of spend on pay (unaudited)

	2018 £m	2017 £m	%
Staff costs	**42.3**	40.0	6
Distributions to shareholders	**2.5**	2.5	—

Shareholder voting on the Directors' Remuneration Report at the 2017 AGM (unaudited)

At the AGM on 30 November 2017, the Directors' Remuneration Report and Annual Report on Remuneration received the following votes from shareholders:

		Votes for	Votes against	Votes withheld
Directors' Remuneration Report		25,902,544	52,105	—
	% of votes cast 51.9	99.8	0.2	—

Note: A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast "for" and "against" a resolution.

As indicated in the section of the report under Directors' remuneration policy, the Group's remuneration policy was put to a formal and binding vote at the 2015 AGM and was expected to continue to apply until 30 June 2018. Therefore, a vote was not held on the Directors' remuneration policy at the 2017 AGM. There are no plans to materially change the policy, but given the expiry of the three-year period for which approval was originally given, shareholders will be asked to vote on the policy at the 2018 AGM.

Approval

This report was approved by the Remuneration Committee and signed on its behalf by:

Michael Shallow
Chairman of the Remuneration Committee
2 October 2018