

# Distil Plc

## Trading update

### New product launch and listing in major retail group

Distil plc (AIM: DIS), owner of premium drinks brands RedLeg Spiced Rum, Blackwoods Gin and Vodka, Blavod Black Vodka, Jago's Cream Liqueur and Diva Vodka, is pleased to provide an update on trading for the first quarter of its current financial year.

Unaudited year-on-year first quarter (April - June 2020) revenues increased by 21%. Volumes were flat year on year.

Don Goulding, Executive Chairman of Distil, said:

"I am pleased to report a 21% increase in sales revenue year-on-year for the first quarter of our financial year.

Volumes were flat year-on-year primarily due the loss of licensed sales of Blavod Black Vodka in Duty Free and Travel Retail throughout April to June following restrictions in international travel globally. However, this was offset by an increase in domestic retail sales both in store and on-line across our product range.

Despite COVID-19 related challenges, including production plant closures during April, we continued to actively market and promote our brands throughout the lockdown period and successfully managed stock supply to all customers against a significant increase in demand for our products at the consumer level. RedLeg Spiced Rum and Blackwoods Gin brands performed strongly both in the UK and our key export markets.

Whilst currently unable to provide full year guidance due to uncertainties surrounding the global pandemic, we are able to give a reasonable insight to the half year to 30 September 2020, as many of our export orders are now in hand and we are aware of major customer depletion forecasts to September. Naturally we remain cautious due to the risk of further lockdowns and all associated disruption.

Our expectations for the six-month period April to September 2020 versus the same period prior year are for revenue to increase by between 75 - 85%, which will allow increased marketing investment (including new product development costs including an extension to our ready to serve range) to increase by 100 - 120%. Operating Profit is expected in the range of £50k to £70k.

In the 6 months to 30 September 2019 the Company reported Operating Profit of £1k on Turnover of £824k and marketing costs of £219k. ( <https://www.distil.uk.com/investors/accounts> )

These are forecasts for the half year (April to September) only and we do not necessarily anticipate these levels of increase to continue throughout the full year.

### New Product Launch

**RedLeg Pineapple Rum & Franklin & Sons Ginger Ale, 250ml can ready to serve**

Building on the success of RedLeg Spiced Rum and Franklin & Sons 1886 Cola pre-mixed drink (250ml cans), which launched in collaboration with Global Brands in October 2019, we are pleased to announce the addition of RedLeg Pineapple Rum and Franklin & Sons Ginger Ale. The new addition to the range will be available in 250ml cans from August this year.

Commenting on this launch Kate O'Connell, Distil Marketing & Operations Director, commented:

"We have seen great success with our RedLeg Pineapple variant and are really excited to pair it with Franklin & Sons Ginger Ale, it mixes perfectly for a long refreshing drink.

The pre-mixed drinks category has been growing fast and we anticipate continued growth for the foreseeable future driven by increased demand for 'low touch' products.

In addition to our current distribution we are delighted to confirm both ready to serve varieties have been listed nationally in a major retail group effective in store from mid-August".

For further Information:

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## About Distil

Distil Plc is quoted on the AIM market of the London Stock Exchange. It owns drinks brands in a number of sectors of the alcoholic drinks market. These include premium spiced rum, vodka, gin, vodka vanilla cream liqueur and are called RedLeg Spiced Rum, Blackwoods Vintage Gin, Blackwoods Vodka, Blavod Original Black Vodka, Diva Vodka and Jago's Vanilla Cream Liqueur.