

RNS Number : 1213I  
Distil PLC  
31 March 2020

## **Distil plc**

### **("Distil" or the "Group")**

#### **Joint Venture & Collaboration - Update**

Distil (AIM: DIS), owner of premium drinks brands; RedLeg Spiced Rum, Blackwoods Gin and Vodka, Blavod Black Vodka, Jago's Cream Liqueur and Diva Vodka, announces the termination of its joint venture agreement with British Honey Company ("BHC"), with immediate effect.

This agreement, made prior to the UK outbreak of Covid-19, was designed to allow our teams to jointly create a shared new product. As it was only formed in February this year, development work is at an early stage with relatively little cost incurred. We have therefore agreed with BHC to cancel this contract with immediate effect and both companies will extract their funds to focus on our individual opportunities and priorities.

Distil will continue to prepare exciting new brands and liquids in anticipation of the wider market reopening at a later date. These new brands will now be wholly owned by Distil.

The impact of Covid-19 has led to the closure of pubs, bars and restaurants and increased demand from the retail sector, both through stores and online. We are focusing our immediate efforts on working with our distributors and production partners to supply a changing demand landscape across trade channels. Our distributors are doing an excellent job of trying to rebalance stock between the pubs and retail.

Our aim is to support our on-trade customers by reducing their inventories while satisfying increased levels of supply to the retail sector.

As our financial year ending 31 March draws to a close, we are able to confirm we remain in line with market expectations following a strong Q4. We plan to provide the market with an early update as soon as we have our unaudited headline numbers available in early April.

In line with government guidelines Distil staff are working from home - with full remote access to central systems and files. The team has responded exceptionally well during this busy time and, like many companies, we are learning to adapt to video conferencing and revised ways of working.

Our mid term marketing preparation is focused on supporting our broad customer base for when they are able to return to some form of 'normality' but we are equally excited by the fresh opportunities that will naturally arise as consumer habits and trade structures shift.

We will therefore continue to prepare exciting new marketing programmes, line extensions and new to world brands. In support of this, I am delighted to announce the appointment of Sarah Kingsbury to the role of Distil Marketing Manager. Sarah has over 10 years' experience in the drinks industry ranging from bartending, drinks journalism and PR. She has worked across both global and challenger brands on a range of PR, marketing campaigns and events, and is also a regular presenter of Channel 4's Sunday Brunch drinks segment.