Company registered number 03727483

Distil

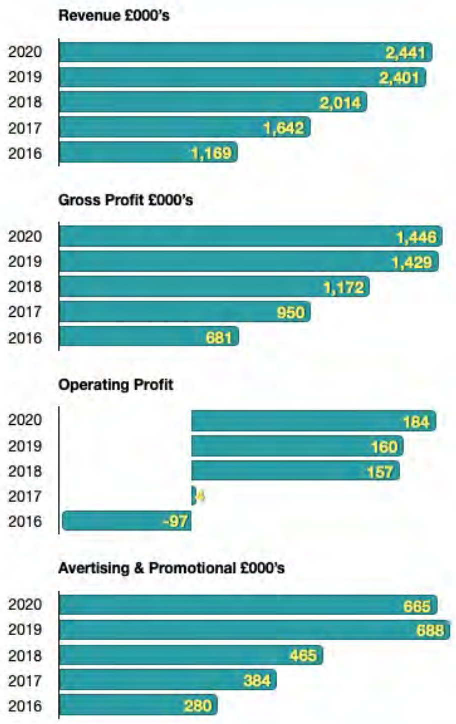
Plc

Annual report for the year ended

31 March 2020

Contents

Performance highlights



REVENUE
+2%

GROSS PROFIT
+1%

OPERATING PROFIT
+15%

A&P SPEND
-3%

Total Sales Volume (Including Licensed) -0.5%. **Nil debt.** **Cash -20% to £0.9m**


Red Leg
Spiced Rum
Infused with Vanilla & Ginger
Distilled in the Caribbean
PERFECTLY PAIRED WITH
1886 Cola
FROM
FRANKLIN & SONS LTD

Chairman's Statement

I am pleased to report another year of increased profit, revenue growth and continued investment in our brands for the year ended 31 March 2020.

Performance

We closed the year in a strong position despite market turmoil and global uncertainties created by the impact of COVID-19 in Q4. I'm proud that our team responded rapidly and successfully to the sudden shift in consumer demand, inventory disruption and trade channel needs whilst adhering to government guidelines and working from home. We were able to completely satisfy increases in demand and maintain stock cover to reach agreed service levels. Our brands were well supported by those trade channels which were fortunate enough to remain open. Inventories of dry goods (bottles and packaging) were increased as a precaution against potential supply issues following UK lockdown and subsequent departure from the EU.

Over the full year, sales revenue increased by 2% compared to the prior year, which included export stock build by distributors in anticipation of a possible hard Brexit in March 2019. Double digit increases in RedLeg Spiced Rum were partly offset by a decline in Blackwoods Gin sales as growth in the gin market softened but particularly due to a reduction in distribution through one UK retailer. Like for like sales of Blackwoods Gin in remaining stockists increased year on year.

Marketing reinvestment rates in our key brands were broadly maintained whilst our contribution margin increased to 32%. Operating profit increased 15% from £160k to £184k. Our year end cash reserves remained robust at £858k, down £210k year on year following a surge in sales during Q4 and an associated increase in trade debtors. Distil remains debt free.

Key Brands

The Flavoured Rum category is in growth and RedLeg Spiced Rum continues to perform well within the sector despite increased competition.

Independent market research from the drinks market analysis company IWSR reports that RedLeg Spiced Rum achieved the highest Cumulative Annual Growth Rate (CAGR) in volume and value in the UK between 2013 and 2019 of any rum brand since its launch.

We launched our new variant, RedLeg Caramelised Pineapple Spiced Rum, into our major markets during the summer of 2019 and now have distribution in the UK, Australia, France and the Netherlands. The brand has performed well so far and has brought new consumers into the category. In September we also launched a ready-to-serve format, 'RedLeg Spiced Rum & Franklin & Sons 1886 Cola' in partnership with Global Brands. We are very pleased with consumers' initial response to this new format and the product continues to sell well. Distribution of our original Redleg Spiced Rum was also launched in Canada and the Netherlands during the year.

Blackwoods 2017 Vintage Dry Gin performed well where stocked in an overcrowded gin market. We took the decision to delay the planned launch of our Blackwoods 2020 Vintage Dry Gin due to complications surrounding COVID-19. Combined volume shipments to the trade channels were down largely due to a range reduction at a key customer. New export markets opened during the year included Africa and the Middle East.

Much of Blavod's volume is via licensed sales into Duty Free or Travel Retail. Depletions of Blavod Black Vodka slowed in Q4 as international travel was greatly reduced or prohibited. Diva Vodka sales increased significantly, albeit off a small base, due to the opening of new markets earlier in the year.

Chairman's Statement (continued)

Productivity and cost management

Our cost of goods was well managed by the team despite general price pressure across the board. Product by product we maintained gross margins through accurate planning whilst maintaining or improving product quality. Overheads increased by 3% overall, primarily due to increased fees relating to audit, Nomad and other AIM listing fees together with recruitment costs as we sought to strengthen our marketing efforts and new product development.

Outlook

At the time of writing this report our key markets are beginning to ease restrictions relating to the Coronavirus lockdown. We anticipate these changes will be implemented gradually and will vary by market or by region. Timing of a return to some kind of normality is unclear.

Currently the On-Trade is yet to benefit from freedom of movement. International travel and travel retail is greatly reduced. The Off-Trade has benefited from the closure of bars and restaurants and online retailing has soared. We fortunately operate across all trade channels and our brands are well positioned at affordable prices.

At this stage I believe it is too early to forecast with accuracy or certainty for the coming year. Market guidance for the coming year will be released as soon as we are reasonably confident in consumer movement and trade channels reopening. In the meantime, we will continue to keep tight control of cash, costs and ensure product availability throughout the supply chain.

There is much discussion, speculation and planning around 'socially distanced' gatherings and events and the so called 'low touch' economy which may arise post COVID-19. This will naturally open up new opportunities with both customers and consumers alike and we are well advanced with our plans to participate in these new market conditions.

We continue to work on new product development, new packaging and brand formats to support our customer needs longer term while keeping our focus on rapidly changing trade needs in the short to mid-term.

Don Goulding

Executive Chairman

Date: 26 June 2020

Strategic Report

Results for the year

The profit before tax attributable to shareholders for the year amounted to £182k (2019: £160k).

Overall sales revenue demonstrated further growth during the year, supported by continued investment in marketing and promotional spend which was marginally down on the prior year. Sales volumes were broadly flat year-on-year.

Top line revenue growth has been maintained by another year of strong performance from RedLeg Spiced Rum, sales of which were enhanced by the launch of product extensions during the year. This strong performance was partly offset by weaker year-on-year sales of our Gin and Vodka brands against the backdrop of an expected softening of the gin market, increasingly competitive markets, and in the case of Blackwoods Gin, a reduction in volume sales caused by a range reduction at a major retail customer.

The Group continues to minimise overheads where possible, whilst ensuring sufficient investment to support the growth in sales of its brands. Other administrative expenses increased by 3% over prior year, largely due to investment in marketing staff recruitment and cost increases associated with the Group's AIM listing. The Group also seeks to carefully manage its cash resources. Whilst the Group posted a net cash outflow of £210k (2019: £27k inflow) during the year, this was largely due to an increase in receivables during the final month of the year, caused by a significant increase in retail consumer demand. All of the receivables have since been paid.

Strategic Report (continued)

The Group's position at the financial year end remains robust showing net assets of £3.43m (2019: £3.17m). This included cash reserves of £0.86m (2019: £1.07m) and intangible assets of £1.58m (2019: £1.56m) comprising expenditure on trademarks related to our brands. Inventories increased to £349k (2019: £312k) due to the planned increase in stock of raw materials to mitigate any product supply disruption caused by the UK's departure from the EU and UK lockdown resulting from the COVID-19 pandemic.

Against the backdrop of increasingly competitive and crowded markets we have continued to invest in our core brands, expand overall sales revenues and deliver another profitable set of results in the current year.

Principal activities and business review

Distil Plc (the "Company") acts as a holding company for the entities in the Distil Plc group (the "Group"). The principal activity of the Group throughout the year under review was the marketing and selling of RedLeg Spiced Rum, Blackwoods Gin and Vodka, Diva Vodka and Blavod Black Vodka domestically and internationally.

The results for the 2020 financial year reflect the continued focus on investing in the Group's key brands to drive top line growth in both domestic and international markets whilst ensuring overhead costs remain appropriate for the size of the Group.

Key performance indicators

The Group monitors progress with particular reference to the following key performance indicators:

- **Contribution – defined as gross margin less advertising and promotional costs**

  Contribution increased £40k from £741k in 2019 to £781k in 2020. This increase was achieved through an increase in overall sales revenues and a 3% reduction in advertising and marketing costs during the year.

- **Sales volume versus prior year**

  Total volumes were broadly flat year-on-year with strong growth in RedLeg Spiced Rum volume sales of 24% offset by an overall year-on-year decline in volume sales of Blackwoods Gin, Blavod Black Vodka and Blackwoods Vodka.

- **Sales turnover versus previous year**

  Total sales increased 2% year-on-year to £2.44m. RedLeg Spiced Rum continued to be the key performance driver posting a 26% increase in revenue. Blackwoods Gin decreased 57% whilst Blackwoods Vodka and Blavod Black Vodka experienced declines of 5% and 18% respectively, both from a relatively small base.

- **Gross margin versus previous year**

  Gross margin as a percentage of sales was broadly flat during the year at 59.2% compared to 59.5% in the prior year.

We also closely monitor both the level of, and value derived from our advertising and promotional costs and other administrative costs. Advertising and promotional costs decreased in absolute terms by £23k from £688k to £665k. As a percentage of sales, advertising and promotional spend amounted to 27% (2019: 29%) during the year.

Other administrative costs marginally increased by £16k from £581k to £597k as we continued to carefully manage our cost base.

Strategic Report (continued)

Principal risks and uncertainties

As a relatively small but growing business our senior management is naturally involved day to day in all key decisions and the management of risk. Where possible, structured processes and strategies are in place to monitor and mitigate as appropriate. This involves a formal review at Board level.

The directors are of the opinion that a thorough risk management process has been adopted which involves a formal review of the principal risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

- **Economic downturn**

  The success of the business is reliant on consumer spending. An economic downturn, resulting in reduction of consumer spending power, will have a direct impact on the income achieved by the Group. In response to this risk, senior management aim to keep abreast of economic conditions. In cases of severe economic downturn, marketing and pricing strategies will be modified to reflect the new market conditions.

- **High proportion of fixed overheads and variable revenues**

  A large proportion of the Group's overheads are fixed. There is the risk that any significant changes in revenue may lead to the inability to cover such costs. Senior management closely monitor fixed overheads against budget on a monthly basis and cost saving exercises are implemented wherever possible when there is an anticipated decline in revenues.

- **Competition**

  The market in which the Group operates is highly competitive. As a result, there is constant downward pressure on margins and the additional risk of being unable to meet customer expectations. Policies of constant price monitoring and ongoing market research are in place to mitigate such risks.

- **Failure to ensure brands evolve in relation to changes in consumer taste**

  The Group's products are subject to shifts in fashions and trends and the Group is therefore exposed to the risk that it will be unable to evolve its brands to meet such changes in taste. The Group carries out regular consumer research on an ongoing basis in an attempt to carefully monitor developments in consumer taste.

- **Portfolio management**

  A key driver of the Group's success lies in the mix and performance of the brands which form the Group's portfolio. The Group constantly and carefully monitors the performance of each brand within the portfolio to ensure that its individual performance is optimised together with the overall balance of performance of all brands marketed and sold by the Group.

- **Withdrawal of the UK from the EU**

  Following the UK's decision to leave the EU in 2016 we have taken appropriate steps to minimise the likely impact of this decision on our operations. We now source glass in the UK for all our production in England and Scotland and, similarly, source glass in Europe for our Blavod Black Vodka production in Germany.

  We also invoice all of our sales in GBP thereby minimising our exposure to currency fluctuations. In view of the current uncertainty regarding the timing and terms of Brexit we continue to monitor developments and will take appropriate further measures once we have a clearer understanding of the potential opportunities and challenges.

Strategic Report (continued)

- **COVID-19 pandemic**

The Group is complying with international governmental advice and requirements across its operations to prioritise safety, with all employees able to continue working effectively from home with minimal disruption to the company's day-to-day operations.

Our brands enjoy sales through a tightly managed product range with a broad distribution base. We have therefore been able to adapt to the changes in product mix, trade channel shift and additional uplift in consumer demand for our brands in the retail sector caused by the pandemic. Whilst supply chains have been seriously tested during this time, we have, with the support of our distributors, customers and logistic partners, successfully maintained the availability of our brands during this year of high level of demand.

Whilst the ongoing pandemic presents challenges in forecasting accurate market trends over the next six months, our brands are relatively well positioned and we will continue to work closely with our trade partners and customers to ensure we maintain stock cover and flexibility through this uncertain year. In addition we will continue to prepare exciting new marketing programmes, line extensions and new to world brands to take advantage of the fresh opportunities that will naturally arise as consumer habits and trade structures shift.

Future developments

We remain focused on four key growth drivers to maintain profitable brand growth and create value. These are listed below:

Brand activation and marketing at the point of sale:
- Precise timing and frequency of promotional activity including occasions and gifting.
- Bringing promotions to life and aligned with changing consumer needs.
- Marketing and promotional activity tailored to local market needs.

Innovation in liquid & packaging development:
- Pack sizes & formats, new brands, liquids and flavours.
-

Route to consumer:
- Build long term relationships with capable local distributors in each key market.
- Open new territories for each key brand, targeting premium growth markets.
- Develop new trade channels through format and product.

Access to new production and design:
- Across all aspects of distilling, bottling and packaging.

Strategic Report (continued)

Section 172 Statement

Directors of a company must act in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, taking into account the non-exhaustive list of factors set out in Section 172 of the Companies Act 2006.

Section 172 also requires directors to take into consideration the interests of other stakeholders set out in Section 172(1) in their decision making.

Engagement with our members and wider stakeholder groups plays an essential role throughout our business. We are cognisant of fostering an effective and mutually beneficial relationship with each stakeholder group. Our understanding of stakeholder needs and concerns is factored into boardroom discussions regarding the potential long-term impacts of our strategic decisions on each group.

Post the reporting year end, the Board have continued to have regard to the interests of Distil's stakeholders, including the potential impact of its future activities on the community, the environment and the company's reputation when making decisions. The Board also continue to take all necessary measures to ensure Distil is acting in good faith and fairly between members and is promoting the success of the company for its members in the long term.

The table below acts as our Section 172 statement by setting out the key stakeholder groups and how Distil has engaged with them over the reporting year.

Strategic Report (continued)

Stakeholder	Why we engage	How we engage
Our investors	We maintain and value regular dialogue with our investors and place great importance on our relationship with them. We know that our investors expect a comprehensive insight into the financial performance of the company, and awareness of long-term strategy and direction. As such, we aim to provide high levels of transparency and clarity about our results and long-term strategy to build trust in our future plans.	• Regular reports and analysis on investors and shareholders • Annual Report • Company website • AGM • Stock exchange announcements • Press releases • Analyst research
Our employees	Our people are at the heart of our business. Effective employee engagement leads to a happier, healthier workforce who are invested in the success of the company and who are all pulling in the same direction. Our engagement seeks to address any employee concerns regarding working conditions, health and safety, training and development, as well as workforce diversity.	• Open and regular informal dialogue • Formal annual reviews • Employee benefit packages • Encouraging employee training and development • Board level communication and interaction
Regulatory bodies	Distil's operations are subject to a wide range of laws, regulations, and listing requirements including data protection, tax, employment, environmental and health and safety legislation, along with contractual terms.	• Company website • Stock exchange announcements • Annual Report • Direct contact with regulators • Compliance updates at Board meetings • Risk reviews
Our customers	We aim to listen to and engage with our customers on a regular basis to ensure that we understand their needs. We ensure that information is easily accessible and customer concerns are dealt with in a timely and professional manner.	• Ongoing review of customer feedback • Face-to-face meetings with customers to further develop relationships. • Ongoing promotional and advertising activity
Our suppliers	We have a number of key partners and suppliers with whom we have built strong relationships with and strongly value. We establish effective engagement channels to ensure our relationships remain collaborative and forward-focused, and to foster relationships of mutual trust and loyalty.	• Open two-way dialogue and regular face to face meetings • Performance reviews and feedback

The above statement should be read in conjunction with the Strategic Report and the Corporate Governance Statement on pages 15 to 22.

Approved by the Board and signed on its behalf by:

S Claydon
Director
26 June 2020

Directors' report

Review of business and financial performance

Information on the financial position and development of the Group is set out in the Chairman's Statement on page 5 and in the Strategic Report commencing on page 7.

Results

The Group reports profit before tax for the year of £182k (2019: £160k). The current year and prior year profit relate solely to ongoing activities. The Directors do not recommend payment of a dividend.

Subsequent events

There have been no significant subsequent events to note.

Future developments

This has been included in the Strategic Report on page 10.

Financial risk management

Details of the Group's financial risk management objectives and policies and its exposure to risks associated with the use of financial instruments are disclosed in note 15 to the financial statements.

Directors

The directors of the Company who served during the year and up to the date of this report are as follows:

Don Goulding (Executive Chairman)
Shaun Claydon (Finance Director)
Mark Quinn (Non-Executive Director)

Their remuneration is disclosed in note 7 to the financial statements.

Qualifying third party indemnity insurance

The Group maintains qualifying third-party indemnity insurance for the benefit of the directors.

Statement of disclosure to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

BDO LLP has indicated its willingness to continue in office and a resolution will be proposed at the Annual General Meeting to reappoint BDO LLP as auditor for the next financial year.

Going concern

The Group achieved a consolidated profit before tax of £182k during the year under review and held cash reserves in the amount of £0.86m at the year end.

Directors' report (continued)

Management has prepared detailed two year forward forecasts for the business. These forecasts have been prepared on a prudent basis without reliance on major new customers and markets, although these are anticipated, and also take into account the impact of reduced case volume and revenue sales to customers and unexpected increases in costs of goods sold. In their assessment of going concern the directors have considered the possible impact on the business of the COVID-19 pandemic. As noted in the Strategic Report this has to date had no significant impact on the Group's operations other than changes to product mix, trade channel shifts and an uplift in retail customer demand for the Group's brands. Having made relevant and appropriate enquiries, including consideration of the the Group's current cash resources and financial forecasts, the directors have a reasonable expectation that the Group will have adequate cash reserves to meet the requirements of the business for a period of at least twelve months from the date of signing the financial statements. For these reasons, the Board continues to adopt the going concern basis in preparing the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law. The financial statements must, in accordance with IFRS as adopted by the European Union, present fairly the financial position and performance of the Group; such references in the UK Companies Act 2006 to such financial statements giving a true and fair view are references to their achieving a fair presentation. Under company law directors must not approve the financial statements unless they are satisfied that they give a true and fair view.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Corporate governance

The Board is committed to maintaining high standards of corporate governance.

To the extent applicable, and to the extent able (given the current size and structure of Distil Plc and the board of directors), the Group has adopted the Quoted Companies Alliance Corporate Governance Code. Details of how Distil Plc complies with the Code, the reasons for any non-compliance, and the principles contained in the Code, are set out in the corporate governance statement starting on page 15, and on the Group's website, https://www.distil.uk.com/investors/corporate_governance.

Approved by the Board and signed on its behalf by:

S Claydon
Director
26 June 2020

Corporate governance statement

Overview

As Chairman of the Board of Directors of Distil, it is my responsibility to ensure that we have both sound corporate governance and an effective Board. As Chairman my responsibilities include leading the Board effectively, overseeing the Company's corporate governance model, communicating with shareholders, and ensuring that good information flows freely between Executives and Non-Executives in a timely manner.

We have decided to adopt the Quoted Companies Alliance Corporate Governance Code (**QCA Code**) in line with the London Stock Exchange's changes to the AIM Rules, requiring all AIM-quoted companies to adopt and comply or explain non-compliance with a recognised corporate governance code. This report follows the structure of these guidelines and explains how we have applied the guidance. We will provide annual updates on our compliance with the QCA Code and note that there have been no changes to the Company's key corporate governance arrangements over the past year. The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company, and will disclose any areas of non-compliance in the text below.

Corporate governance statement (continued)

We understand that the application of the QCA Code supports the Company's medium to long-term success whilst simultaneously managing risks and provides an underlying framework of commitment and transparent communications with stakeholders.

QCA Principles

1. Establish a strategy and business model which promotes long-term value for shareholders

The Board has concluded that the highest medium and long-term value can be delivered to its shareholders by the adoption of the following strategy for the Company: the marketing and selling of RedLeg Spiced Rum, Blackwoods Gin and Vodka, Diva Vodka and Blavod Black Vodka, both domestically and internationally.

The Company intends to deliver medium and long-term shareholder value by maintaining or growing investments in proven brand building activities and, in addition, invest in our four growth levers:

Brand activation and marketing at the point of sale:

- Precise timing and frequency of promotional activity including occasions and gifting.
- Bringing promotions to life and aligned with changing consumer needs.
- Marketing and promotional activity tailored to local market needs.

Innovation in liquid & packaging development:

- Pack sizes & formats, new brands, liquids and flavours.

Route to consumer:

- Build long term relationships with capable local distributors in each key market.
- Open new territories for each key brand, targeting premium growth markets.
- Develop new trade channels through format and product.

Access to new production and design:

- Across all aspects of distilling, bottling and packaging.

For more information on Distil's strategy and future developments, please see page 10 in the Strategic Report.

The Company intends to deliver shareholder returns for the foreseeable future through capital appreciation. Challenges to delivering capital appreciation include uncertainty in relation to consumer spending on our brands and competition within our chosen markets, although the Board takes steps to mitigate these risks. Further challenges to our strategy and long-term goals are highlighted in the Principal Risks and Uncertainties section on page 9 of the Strategic Report.

2. Seek to understand and meet shareholder needs and expectations

The Company places great importance on the need for effective communication and constructive dialogue with investors and the media by providing communications through the Annual and Interim Reports, along with Regulatory News Service announcements. The Company's website, www.distil.uk.com, is used for both financial and general news relevant to shareholders. The Board maintains a general policy of keeping all interested parties informed by regular announcements and update statements. The Executive Chairman is the Company's principal spokesperson with investors, fund managers, the press and other interested parties and acts as a general liaison for all shareholders. All Directors attend the AGM, where private investors are given the opportunity to question the Board. The AGM provides an opportunity to meet, listen and present to shareholders, and shareholders are encouraged to attend. All 2019 AGM resolutions were passed comfortably.

Corporate governance statement (continued)

In addition, the Company is open to receiving feedback from key stakeholders and will take action where appropriate. Shareholders can contact the Company by email through its website and relevant queries are passed to the Board for discussion.

The Company also engages the services of an independent Research Analyst, who publishes regular research on the Company. This research is made available to shareholders free of charge on the Company's website.

3. Take into account the wider stakeholder group together with social responsibilities and their implications for long-term success

The Board recognises that the long-term success of the Company is reliant upon the efforts of employees, contractors, suppliers, and many other stakeholders. The Board has put in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships. The Company prepares an annual strategic plan and detailed budget which considers a wide range of key resources including staffing, clients, suppliers, production lines and opportunities.

All employees within the Group are valued members of the team, and the Company is committed to promoting policies which ensure that high-calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Company are treated equally regardless of sex, sexual orientation, marital status, creed, colour, race or ethnic origin. The Company has seven employees so is in constant contact with same, seeking to provide continual opportunities in which issues can be raised, and allowing for the provision of feedback through one-to-one contact and support. This feedback process helps to ensure that new issues and opportunities that arise may can be used to further the success of the Company.

The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company. The Company values feedback received from customers and listens to customer feedback in relation to the taste, packaging and appearance of our products.

The Company has no significant environmental or community impact in its current stage of development but will continue to monitor and review for a change in status in line with regulatory and further developments.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board recognises the need for an effective and well-defined risk management process, and it oversees and regularly reviews the current risk management and internal control mechanisms.

The Board is responsible for the monitoring of financial performance against budget and forecast and the formulation of the Company's risk appetite including the identification, assessment and monitoring of Distil's principal risks. The Company maintains a comprehensive process of financial reporting. The annual budget is reviewed and approved before being formally adopted. Other key procedures that have been established and which are designed to provide effective control are as follows:

- management structure - where the Board meets regularly to discuss all issues affecting the Company;

  and

- investment appraisal - the Company has a clearly defined framework for investment appraisal and approval is required by the Board where appropriate.

Corporate governance statement (continued)

The Board regularly reviews the effectiveness of the systems of internal control and considers the major business risks and the control environment. No significant control deficiencies have come to light during the year and no weaknesses in internal financial control have resulted in any material losses, contingencies or uncertainties which would require disclosure as recommended by the guidance for directors on reporting on internal financial control.

Whilst the Board oversees and regularly reviews the current risk management and internal control mechanisms, it has also delegated this responsibility to the Audit Committee who keep under review the adequacy and effectiveness of the Company's financial internal controls and internal control and risk management systems.

Principal Risks and Uncertainties are outlined in the Strategic Report on page 9.

The Board considers an internal audit function is not necessary or practical due to the size of the Company and the day to day control exercised by the Executive Directors. However, the Board will monitor the need for an internal audit function. The Board has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

The Board regularly reviews the mechanisms of internal control it has implemented, assessing for effectiveness.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board comprises the part-time Executive Chairman, Don Goulding, the part time Chief Financial Officer, Shaun Claydon, and one Non-Executive Director, Mark Quinn. Mark Quinn is not considered to be independent due to other Directorships he holds and the nature of his relationship with a substantial shareholder.

The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. Don Goulding is expected to dedicate 3 days per week to the Company, Shaun Claydon is expected to dedicate 3-4 days per month, and Mark Quinn is expected to dedicate such time as is necessary for the proper performance of his duties.

In the year ended 31 March 2020, there have been seven Board meetings, all of which were attended by Don Goulding and Shaun Claydon and six of which were attended by all the Directors.There has been one Audit Committee meeting, which was attended by the relevant Directors.

There have been no Remuneration Committee meetings in the year ended 31 March 2020.

Meetings are open and constructive, with every Director participating fully. Senior management can and often are invited to meetings, providing the Board with a thorough overview of the Company.

The Board recognises the long-term need for an Independent Non-Executive Chair and shall continue to review this as the scale and complexity of the Company grows in the future and in proportion to costs. The Board also notes that the QCA recommends a balance between Executive and Non-Executive Directors and recommends that there be at least two Independent Non-Executives. The Board will take this into account when considering future appointments. However, all Directors are encouraged to use their judgement and to challenge matters, whether strategic or operational, enabling the Board to discharge its duties and responsibilities effectively. Therefore, the Board acknowledges that at its current development, it does not comply with Principle 5. However, the Board maintains that the Board's composition will be frequently reviewed as the Company develops.

Corporate governance statement (continued)

In order to be efficient, the Directors meet formally and informally both in person and by telephone. Board and Committee document authors are made aware of proposed deadlines, allowing board papers to be collated, compiled into a Board Pack, and circulated with sufficient time prior to each meeting, thus allowing time for full consideration and necessary clarifications before the meeting.

The Company has an Audit Committee and a Remuneration Committee. The Board believes that the Committees have the necessary skills and knowledge to discharge their duties effectively. The Board has elected not to establish a Nominations Committee, preferring instead that the Board should, itself, deal with such matters, including succession planning and the balance of the Board.

Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Biographical details of the Directors can be found on the Company's website, www.distil.uk.com.

The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of personal, commercial and professional skills, and notes the range of financial and managerial skills. The Non-Executive Director maintains ongoing communications with Executives between formal Board meetings.

The Company has employed the services of ONE Advisory Limited to act as the Company Secretary, and who is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operation.

In addition to their general Board responsibilities, Non-Executive Director(s) are encouraged to be involved in specific workshops or meetings, in line with their individual areas of expertise. The Board is kept abreast of developments of governance and AIM regulations. ONE Advisory provide updates on governance issues, and the Company's NOMAD provides annual AIM Rules refresher training to the Board as well as the initial training as part of a new director's onboarding.

The Directors have access to the Company's NOMAD, company secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary.

The Board shall review annually the appropriateness and opportunity for continuing professional development, whether formal or informal.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Directors consider that the Company and Board are not yet of a sufficient size for a full Board evaluation to make commercial and practical sense. In the frequent Board meetings/calls, the Directors can discuss any areas where they feel a change would benefit the Company, and the Company Secretary remains on hand to provide impartial advice. As the Company grows, it expects to expand the Board and with the Board expansion, re-consider the need for Board evaluation.

Succession planning recommendations are made by the Board as a whole, and all Directors submit themselves for re-election at the AGM at regular intervals. There are no specific terms of appointment for the Non-Executive Director.

Corporate governance statement (continued)

8. Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders, and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

A large part of the Company's activities is centred upon an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Directors consider that the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

The Company has adopted a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016. The Directors seek to align their interests with shareholders.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board reviews the Company's corporate governance arrangements regularly and expect to evolve these over time, in line with the Company's growth. The Board delegates responsibilities to Committees and individuals as it sees fit. The Executive Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role, the day-to-day running of the business and developing corporate strategy, and primary contact with shareholders, clients and partners. The Non-Executive Director is tasked with ensuring that the strategies proposed by the executive directors are fully considered, constructively challenging the decisions of executive management and satisfying himself that the systems of business risk management and internal financial controls are robust.

No other Directors have any particular governance responsibilities beyond their role on the Board and Board Committees.

Whilst the Board has not formally adopted appropriate delegations of authority setting out matters reserved to the Board, there is effectively no decision of any consequence made other than by the Directors. All Directors participate in the key areas of decision-making, including the following matters:

- The Company's strategy and vision
- Interim and full year financial statements and reports
- Investments or disposals
- Corporate governance
- Appointment of new Directors

The Board delegates authority to two Committees to assist in meeting its business objectives, and the Committees meet independently of Board meetings.

Corporate governance statement (continued)

Audit Committee

The Audit Committee has two members, Mark Quinn (Chair) and Don Goulding. The CFO and external auditors attend meetings by invitation.

The remit of the Committee is to review:

- the appointment and performance of the external auditors
- the independence of the auditors
- remuneration for both audit and non-audit work and nature and scope of the audit with the external auditors
- the interim and final financial report and accounts
- the external auditor's management letter and management's responses
- the systems of risk management and internal controls
- operating, financial and accounting policies and practices, and
- to make related recommendations to the Board.

The Audit Committee meets once a year.

Remuneration Committee

The Remuneration Committee has two members, Don Goulding (Chair) and Mark Quinn. Other members of the Board may attend the Committee's meetings at the request of the Committee Chair.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's framework of Executive remuneration and its cost. The Committee determines the contract terms, remuneration and other benefits for the Directors.

The Remuneration Committee meets as required.

The Board has elected not to establish a Nominations Committee, preferring instead that the Board should, itself, deal with such matters, including succession planning and the balance of the Board. Therefore, the Board as a whole will review Board composition.

The Chair and the Board continue to monitor and evolve the Company's corporate governance structures and processes, and maintain that these will evolve over time, in line with the Company's growth and development.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to providing effective communication and having constructive dialogue with its shareholders and other relevant stakeholders. The Company intends to have ongoing relationships with both private and institutional shareholders and research analysts, and for them to have the opportunity to discuss issues and provide feedback at meetings with the Company, as well as maintaining regular contact with its advisers in order to ensure that the Board develops an understanding of the views of any other major stakeholders.

In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. The Board already discloses the result of general meetings by way of announcement and discloses the proxy voting numbers to those attending the meetings. In order to improve transparency, the Board has committed to publishing proxy voting results on its website in future. All 2019 AGM resolutions were passed comfortably. The Company maintains that, if there is a resolution passed at a General Meeting with 20% votes against, the Company will seek to understand the reason for the result and, where appropriate, take suitable action.

The latest Corporate Documents (including Annual Reports and Notices of AGMs) can be found on the Company's website.

Investors also have access to current information on the Company through its website, www.distil.uk.com. The Company uses electronic communications with shareholders in order to maximise efficiency.

Corporate governance statement (continued)

Audit Committee Report

Dear shareholder,

I present the Audit Committee (**Committee**) Report for the year ended 31 March 2020, which has been prepared by the Committee and approved by the Board.

The Committee comprises myself, Mark Quinn, and Don Golding and aims to meet once per annum. Meetings are also attended, by invitation by the CFO, Shaun Claydon.

Financial Reporting

The Committee is responsible for reviewing and reporting on the Company's financial performance, monitoring and reviewing the integrity of the Company's financial statements, including its Annual and Interim Accounts and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee is also responsible for reviewing internal control and risk management, and reviewing/monitoring the performance, independence and effectiveness of the external auditors.The Committee compiles a report to shareholders on its acitivites to be included in the Company's Annual Report, in addition to reporting formally to the Board on the Committee's proceedings after each meeting on all matters. During the year, the Committee concluded that the Annual Report and financial statements, taken as a whole, were fair, balanced and understandable and provided the information necessary for shareholders to assess the Company's financial position, performance, business model and strategy.

External Audit

The Committee is responsible for agreeing the scope of the annual audit in advance, focusing on areas of audit risk and the appropriate level of audit materiality. The Committee engages in discussions with the auditor regarding fees, accounting policies and areas of critical accounting estimates and judgements.

Auditor Independence

The Committee has responsibility for making recommendations to the Board on appointment, re-appointment and removal of the external auditor. The Committee, at least annually, assesses the independence, tenure and quality of the external auditor.

Mark Quinn

Chairman of the Audit Committee

Date: 26 June 2020

Independent auditor’s report to the members of Distil Plc

Opinion

We have audited the financial statements of Distil Plc (the “Parent Company”) and its subsidiaries (the “Group”) for the year ended 31 March 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 2020 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Distil Plc (continued)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Occurrence and cut off of revenue

There is a risk that revenue due to the Group may be overstated in order to report higher profits, especially for transactions around the reporting date. This is effectively the risk that the revenue reported is inaccurate, inflated, incorrectly includes duty or has been recognised in the wrong period.

How our audit addressed the key audit matter:

- We tested the existence and completeness of sales recorded, and the point of the transfer of control of inventory through identification of the timing of delivery, invoicing and revenue recognition by sampling a number of transactions recorded in the nominal ledger through to delivery reports and the corresponding sales invoices in order to ensure that revenue had been appropriately recorded at the right time and at the correct value;
- We tested all credit notes exceeding 10% of overall materiality that had been issued after the reporting date to gain assurance that those relating to sales made in the year had been accounted for correctly;
- For a sample of sales selected from the nominal ledger around the year end, we assessed whether they had been recorded in the correct period through review of timing of delivery; and
- In order to ensure that duty had been excluded from the reported revenue we tested a sample of transactions, from the sales order and sales invoice, tracing the duty balances through to the relevant nominal ledger code.

Independent auditor's report to the members of Distil Plc (continued)

Key observations

As a result of performing the above procedures, we did not identify any material misstatements.

Key audit matter - carrying value of intangible assets

Management are required to complete impairment reviews at least annually in order to ensure that the carrying value is not overstated. Management's impairment assessment is made by reference to value in use, using internal forecasts and estimated growth rates to predict future cash flows, with a suitable discount rate being applied based on the Group's weighted average cost of capital. Due to the judgements involved there is a risk that the carrying value of the intangible assets in relation to the brands is overstated,

How our audit addressed the key audit matter:

- We challenged management's assumptions used in its impairment models for each of the brands. In particular we reviewed the projected future cash flows which are based on historical financial information along with management estimations, including growth rates. Historical information has been agreed and previous forecasts have been reviewed; and
- We have reviewed the sensitivity analysis prepared by management to assess the impact of changes in the Group's cash flows, in particular surrounding growth rates in the contribution, and weighted average cost of capital as the key assumptions in the model to calculate the net present value of the future cash flows. .

Key observations

Based on our procedures we found the judgements used by the Directors in preparing the impairment review were reasonable and no impairment was required.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in

evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the

basis of the financial statements. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements.

We determined the materiality for the Group financial statements as a whole to be £25,700 (2019: £22,300) calculated with reference to a benchmark of the results before tax adjusted for discretionary and accounting items such as travel, entertainment, amortisation and depreciation, of which it represents 9% of the adjusted profit before tax.

The Parent Company materiality was set as £14,000 (2019: £10,600) which represents 1% of the net assets of the parent company.

Performance materiality for the current year was set at 70% of materiality being £17,990 (2019: a range of £14,325 to £9,550) for the Group and £9,800 (2019: a range of £9,975 to £6.650) for the Parent.

We agreed to report to the Audit Committee all potential adjustments in excess of £1,285 (2019: £1,115), being 5% of the materiality for the Group financial statements as a whole, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The Group audit team performed the full scope audit of the one trading component which was audited to a component materiality of £24,400 (2019: £22,000).

Independent auditor's report to the members of Distil Plc (continued)

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls and the industry in which they operate.

The Group operates through one trading subsidiary undertaking which maintains all of its own accounting records and controls. The consolidation and Parent Company accounting records and controls are maintained at the registered office by an outsourced accounting function. We determined that the Group consisted of two significant components.

The Group audit team performed a full scope audit of the two components.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Distil Plc (continued)

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities on page 14, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the
Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Courts

(Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor

London
United Kingdom

Date: 26 June 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of comprehensive income

for the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Revenue	4	2,441	2,401
Cost of sales		(995)	(972)
Gross profit	4	**1,446**	**1,429**
Administrative expenses:			
Advertising and promotional costs		(665)	(688)
Other administrative expenses		(597)	(581)
Total administrative expenses		**(1,262)**	**(1,269)**
Profit from operations	5	**184**	**160**
Finance expense		(2)	-
Profit before tax		**182**	**160**
Taxation	8	76	-
Profit for the year and total comprehensive income		**258**	**160**
Earnings per share			
Basic and diluted (pence per share)	3	0.05	0.03

The accompanying notes form an integral part of these financial statements.

Consolidated statement of financial position

as at 31 March 2020

	Note	2020 £'000	2019 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	153	129
Intangible assets	10	1,577	1,556
Deferred tax asset	8	76	-
Total non-current assets		**1,806**	**1,685**
Current assets			
Inventories	11	349	312
Trade and other receivables	12	543	207
Cash and cash equivalents		858	1,068
Total current assets		**1,750**	**1,587**
Total assets		**3,556**	**3,272**
Liabilities			
Current liabilities			
Trade and other payables	13	126	98
Total current liabilities		**126**	**98**
Total liabilities		**126**	**98**
Net assets		**3,430**	**3,174**
Equity			
Share capital	14	1,292	1,292
Share premium		2,908	2,908
Share-based payment reserve		83	83
Accumulated losses		(853)	(1,109)
Total equity		**3,430**	**3,174**

The financial statements were approved and authorised for issue by the Board on 26 June 2020 and signed on its behalf by:

D. Goulding
Director

S. Claydon
Director

The accompanying notes form an integral part of these financial statements.

Company statement of financial position

as at 31 March 2020

	Note	2020 £'000	2019 £'000
Assets			
Non-current assets			
Intangible assets	10	1,577	1,556
Total non-current assets		**1,577**	**1,556**
Current assets			
Trade and other receivables	12	228	369
Total current assets		**228**	**369**
Total assets		**1,805**	**1,925**
Liabilities			
Current liabilities			
Trade and other payables	13	585	585
Total current liabilities		**585**	**585**
Total liabilities		**585**	**585**
Net assets		**1,220**	**1,340**
Equity			
Share capital	14	1,292	1,292
Share premium		2,908	2,908
Share-based payment reserve		83	83
Accumulated losses		(3,063)	(2,943)
Total equity		**1,220**	**1,340**

The Company has elected to take exemption under section 408 of the Companies Act 2006 from presenting the Company statement of comprehensive income. The loss for the Company for the year ended 31 March 2020 was £120,000 (2019: £117,000).

The financial statements were approved and authorised for issue by the Board on 26 June 2020 and signed on its behalf by:

D. Goulding
Director

S. Claydon
Director

The accompanying notes form an integral part of these financial statements.

Company Number 03727483

Consolidated statement of changes in equity

for the year ended 31 March 2020

	Share capital	Share premium	Share-based payment reserve	Accumulated losses	Total equity
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 April 2018	**1,292**	**2,908**	**83**	**(1,269)**	**3,014**
Profit for the year and total comprehensive income	-	-	-	160	160
Balance at 31 March 2019 and 1 April 2019	**1,292**	**2,908**	**83**	**(1,109)**	**3,174**
Effect of adoption of IFRS 16 (note 1)	-	-	-	(2)	(2)
Profit for the year and total comprehensive income	-	-	-	258	258
Balance at 31 March 2020	**1,292**	**2,908**	**83**	**(853)**	**3,430**

The accompanying notes form an integral part of these financial statements.

Company statement of changes in equity

for the year ended 31 March 2020

	Share capital	Share premium	Share-based payment reserve	Accumulated losses	Total equity
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 April 2018	**1,292**	**2,908**	**83**	**(2,826)**	**1,457**
Loss for the year and total comprehensive expense	-	-	-	(117)	(117)
Balance at 31 March 2019 and 1 April 2019	**1,292**	**2,908**	**83**	**(2,943)**	**1,340**
Loss for the year and total comprehensive expense	-	-	-	(120)	(120)
Balance at 31 March 2020	**1,292**	**2,908**	**83**	**(3,063)**	**(1,220)**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 March 2020

	2020	2019
	£'000	£'000
Cash flows from operating activities		
Profit before taxation	**182**	**160**
Adjustments for non-cash/non-operating items:		
Finance expense	2	-
Depreciation	13	9
Amortisation of right of use assets (see note 17)	49	-
	246	**169**
Movements in working capital		
Increase in inventories	(37)	(135)
(Increase)/decrease in trade and other receivables	(336)	188
Increase/(decrease) in trade and other payables	28	(137)
Net cash (used in)/generated from operating activities	**(99)**	**85**
Cash flows from investing activities		
Purchase of property, plant and equipment	(37)	(43)
Expenditure relating to licences and trademarks	(21)	(5)
Net cash used in investing activities	**(58)**	**(48)**
Cash flows from financing activities		
Interest on lease liabilities	(2)	-
Repayments of lease liabilities	(51)	-
Net cash used in financing activities	**(53)**	**-**
Net (decrease)/increase in cash and cash equivalents	(210)	37
Cash and cash equivalents at beginning of year	1,068	1,031
Cash and cash equivalents at end of year	**858**	**1,068**

The Company has not included a cash flow statement as the Company does not have a bank account. All cash transactions are settled by Distil Company Ltd (the "Subsidiary") and increases the inter-company loan balance with the Subsidiary.

The accompanying notes form an integral part of these financial statements.

Notes to the consolidated financial statements

1. Basis of preparation and summary of significant accounting policies

The consolidated and company financial statements are for the year ended 31 March 2020. They have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention. The measurement bases and principal accounting policies of the Group are set out below.

Distil Plc is the Group's ultimate parent company. The Company is a public limited company incorporated and domiciled in England and Wales. The address of Distil Plc's registered office is 201 Temple Chambers, 3-7 Temple Avenue, EC4Y 0DT and its principal place of business is 306.A, 6 Hays Lane, London Bridge, SE1 2HB.

Going concern

The Group achieved a consolidated profit before tax of £182k during the year under review (2019: £160k) and held cash reserves in the amount of £858k at the year end (2019: £1,068k).

Management prepare detailed financial forecasts for the business which are reviewed by the Board on a regular basis. These forecasts are prepared on a prudent basis without reliance on major new customers and markets, although these are anticipated, and also take into account the impact of reduced case volume and revenue sales to customers and unexpected increases in costs of goods sold. In their assessment of going concern the directors have considered the possible impact on the business of the COVID-19 pandemic. As noted in the Strategic Report this has to date had no significant impact on the Group's operations other than changes to product mix, trade channel shifts and an uplift in retail customer demand for the Group's brands. Having made relevant and appropriate enquiries, including consideration of the Group's current cash resources and financial forecasts, the directors have a reasonable expectation that the Group will have adequate cash reserves to meet the requirements of the business for a period of at least twelve months from the date of signing the financial statements. Accordingly, the Board continues to adopt the going concern basis in preparing the financial statements.

New standards, amendments and interpretations

The following standards have been endorsed by the EU and are effective in the Group's accounting year beginning 1 April 2019:

- *IFRS 16 "Leases"*

IFRS 16 Leases has introduced a single, on-balance sheet accounting model for lessees, eliminating the distinction between operating and finance leases.

The Group has applied IFRS 16 using the modified retrospective approach; accordingly, the comparative information presented for 2019 has not been restated – i.e., it is presented, as previously reported, under IAS 17 and related interpretations.

As a result, the Group recognised £61k of right-of-use assets, £63k of lease liabilities and an opening adjustment to retained earnings of £2k on the date of initial application (1 April 2019).

The Group has not applied the practical expedient permitted under the modified retrospective approach of IFRS 16 of not recognising right-of-use assets and liabilities for leases with less than 12 months of the lease term remaining, as at the date of application it was unknown that the lease term would have less than 12 months remaining.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

The Group moved office from 1 April 2020, shortening their existing lease and entered into a new lease. As the only lease the Group had that effects the year presented had expired at 31 March 2020, there is therefore no right-of-use asset or lease liability on the statement of financial position at 31 March 2020.

Further details presenting the impact on the Group of adopting IFRS 16 from 1 April 2019 are shown in note 17.

- *IFRIC 23 "Uncertainty over Income Tax Positions"*

IFRIC 23 clarifies how to recognise and measure current and deferred income tax assets and liabilities when there is uncertainty over income tax treatments. The Directors have assessed that there is no material impact on the Group or the Company in applying IFRIC 23 and so it has not been discussed in detail in the notes to the financial statements.

The following standards/amendments to standards have been endorsed by the EU but are effective subsequent to the year end, in accounting periods beginning 1 January 2020:

- IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (Amendment – Definition of Material)
- IFRS 3 *Business Combinations* (Amendment – Definition of Business)
- Revised Conceptual Framework for Financial Reporting
- Interest Rate Benchmark Reform (IBOR) reform Phase 1 (Amendments to IFRS 9, IAS 39 and IFRS 7)

The Directors have assessed there to be no material impact of these new accounting standards on the financial statements of the Group or the Company.

Basis of consolidation

The consolidated financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to 31 March 2020. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. Intra-group transactions and profits are eliminated fully on consolidation.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these consolidated financial statements.

Foreign currencies

i) Presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which that subsidiary operates (the functional currency). The consolidated financial statements of the Group are presented in Pounds Sterling.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at historical cost, net of depreciation and any provisions for impairment.

Depreciation is calculated using the straight-line method to allocate the depreciable value of property, plant and equipment to the statement of comprehensive income over its useful economic life as follows:

Computer equipment	20% on a straight-line basis
Fixtures and fittings	20% on a straight-line basis
Marketing equipment	20% on a straight-line basis
Production equipment	5% on a straight-line basis
Motor vehicles	10% on a straight-line basis

The useful economic lives are reassessed at least annually. Material residual value estimates are updated as required, but at least annually. Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value and are accounted for on the FIFO basis. Cost is calculated as the cost of purchase of bottled products including delivery charges and non-refundable duty. Net realisable value is based on estimated selling prices less further costs of disposal.

Leased assets

Lease accounting under IFRS 16 (applicable after 1 April 2019)

When entering into a contract the Group assesses whether or not a lease exists. A lease exists if a contract conveys a right to control the use of an identified asset under a period of time in exchange for consideration. Leases of low value items and short-term leases (leases of less than 12 months at the commencement date) are charged to the profit or loss on a straight-line basis over the lease term in administrative expenses.

The Group recognises right-of-use assets at cost and lease liabilities on the statement of financial position at the lease commencement date based on the present value of future lease payments. The right-of-use assets are amortised on a straight-line basis over the length of the lease term. The lease liabilities are recognised at amortised cost using the effective interest rate method. Discount rates used reflect the incremental borrowing rate specific to the lease.

Lease accounting under IAS 17 (applicable before 1 April 2019)

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases and are accounted for on a straight-line basis over the term of the lease.

Intangible assets

Intangible assets are recognised at cost less any accumulated impairment.

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. The asset is deemed to be identifiable when it is separable or when it arises from contractual or other legal rights.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

The Group's intangible assets consist of expenditure on licenses and trademarks related to brands. Capitalised brands are regarded as having indefinite useful economic lives and have therefore not been amortised. These brands are protected by trademarks, which are renewable indefinitely, in all of the major markets in which they are sold. There are not believed to be any legal, regulatory or contractual provisions that limit the useful lives of these brands. The nature of the premium drinks industry is that obsolescence is not a common issue, with indefinite brand lives being commonplace.

Accordingly, the directors believe that it is appropriate that the brands are treated as having indefinite lives for accounting purposes.

The Group carries out an annual impairment review as the assets are considered to have an indefinite useful economic life. See note 10 for details of impairment reviews.

Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand, and deposits held with banks with original maturities of three months or less from inception.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and liabilities are measured initially at fair value plus transaction costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are initially measured at fair value. Financial assets and liabilities are measured subsequently as described below.

Financial assets

The Group classifies its financial assets at amortised cost. Management determines the classification of its financial assets at initial recognition.

The Group's financial assets held at amortised cost comprise trade and other receivables and cash and cash equivalents. Financial assets do not comprise prepayments.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in the statement of comprehensive income.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses (ECLs). During this process the probability of non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net; such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income is recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income is recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis is recognised.

Financial liabilities

The Group's financial liabilities include trade and other payables and lease liabilities. All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and are subsequently stated at amortised cost, using the effective interest method.

All interest-related charges and, if applicable, changes in the instrument's fair value that are reported in profit or loss are included in the statement of comprehensive income line items "finance expense" or "finance income".

Employee benefits

Defined contribution pension scheme

The Group operates a defined contribution plan. The Group has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Pension contributions to personal pension schemes are charged to the statement of comprehensive income in the period in which they occur.

Share-based payments

A fair value for equity settled share awards is measured at the date of grant. The Group measures the fair value using the Black-Scholes valuation technique to value each class of award.

The fair value of each award is recognised as an expense over the vesting period on a straight-line basis, after allowing for an estimate of the share awards that will eventually vest and be credited to retained earnings. The level of vesting is reviewed annually, and the charge is adjusted to reflect actual and estimated levels of vesting. Once the share award has lapsed, it will be transferred to retained earnings via the statement of changes in equity.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

Equity

Equity comprises the following:

- Share capital represents the nominal value of equity shares.

- Share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of issue costs.

- Retained earnings represent accumulated profits and losses from incorporation.

- Share-based payments is a reserve in which the entity receives goods or services either as consideration for its equity instruments for amounts based on the price of the entity's shares or other equity instruments of the entity.

Revenue recognition

Revenue comprises the fair value of the sale of goods to external customers excluding excise duty and VAT.

Contracts and obligation

All customer contracts have one element that the Group provides to the customer, being premium branded spirits.

Therefore, the supply of the premium branded sprits is the only performance obligation and all revenue is recognised at a point in time.

Determining the transaction price

The transaction price is determined as the fair value of the consideration the Group expects to receive over the course of the contract.

There are no incentives given to customers that would have a material effect on the financial statements. Any exchanges by customers of an order are for another order of the same type, quality, condition and price and therefore not considered returns. Although goods might be returned, there is no variability in the aggregate amount of revenue that will be received by the Group. There are no refunds to customers.

Allocate the transaction price to the performance obligations in the contract

The allocation of the transaction price to the one performance obligation in the contract is non-complex for the Group. There is a fixed unit price for each product sold. Therefore, there is limited judgement involved in allocating the contract price to each unit ordered.

Recognise revenue when or as the entity satisfies its performance obligations

The overarching terms are consistent in each contract. All revenue is recognised at a point in time, when the premium branded spirits are delivered to the customer, as the customer can benefit from the use of the goods when they have been delivered, and control of the goods has been transferred when delivered to the customer.

Notes to the consolidated financial statements (continued)

1. Basis of preparation and summary of significant accounting policies (continued)

Current and deferred tax

Current tax is the tax payable based on taxable profit for the year.

Deferred taxes are calculated using the liability method on material temporary differences.

Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income.

Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit or loss, except where they relate to items that are charged or credited to other comprehensive income, in which case the related deferred tax is also charged or credited to other comprehensive income, or where they relate to items that are charged or credited directly to equity, in which case the related deferred tax is also charged or credited directly to equity.

2. Significant judgements and estimates

The preparation of consolidated and company financial statements under IFRS requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Intangible assets

As disclosed under the intangible assets accounting policy above, the Group does not amortise its intangible assets as they are considered to have an indefinite life. Impairment reviews are carried out annually to ensure that these assets are not carried above their recoverable amount with a number of significant assumptions and estimates being made by management when performing these annual impairment reviews. These assumptions and estimates are described more fully within note 10. Intangible assets have a carrying value of £1,577,000 at the reporting date.

Recognition of deferred tax asset

The Group's management bases its assessment of the probability of future taxable income on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, that deferred tax asset is usually recognised. Therefore, management has recognised a deferred tax asset of £104,000 based on two year forecasts to 31 March 2022 (see note 8).

Notes to the consolidated financial statements (continued)

3. Earnings per share

The calculation of the basic earnings per share is based on the results attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The diluted earnings per share is the same as the basic earnings per share as the exercise of warrants and options would be immaterial, see note 14 (c).

The earnings and weighted average number of shares used in the calculations are set out below.

	2020	2019
Profit attributable to ordinary shareholders (£'000)	258	160
Weighted average of number of shares	501,982,913	501,982,913
Basic and diluted per share (pence)	0.05	0.03

4. Segment reporting

	2020 £'000	2019 £'000
Revenue		
UK	2,227	2,096
Export	214	305
	2,441	**2,401**
Gross profit		
UK	1,310	1,221
Export	136	208
	1,446	**1,429**

The directors have decided that providing a geographical split by two locations, UK and Export, offers an enhanced indicator of business activity. Only revenue and gross profit can be easily identifiable when splitting between UK and export markets. All trade is undertaken and assets are held in one geographic location, being the UK.

Sales revenue relates to the net value of shipments from Distil to distributors and wholesalers and do not reflect consumer sales.

During the year ended 31 March 2020, 77% of the Group's revenue was derived from one wholesale distributor (2019: 88%). All of this related to UK revenue. There were no other customers who accounted for more than 10% of the revenue.

Notes to the consolidated financial statements (continued)

5. Operating profit

Operating profit is stated after charging:

	2020 £'000	2019 £'000
Depreciation of property, plant and equipment	13	9
Amortisation of right-of-use assets	49	-
Lease payments through profit or loss	-	46

During the year, the Group obtained the following services from the Group's auditor at costs as detailed below:

	2020 £'000	2019 £'000
Audit of the financial statements of the Company	14	12
Audit of the financial statements of the Group's subsidiaries	9	9
Tax services	3	3
	26	24

6. Investments

Investments comprise the following subsidiary companies, held at a total cost of £7 (2019: £7):

Name of company	Nature of business	Direct %	Country of incorporation
Distil Company Limited	Marketing and sale of spirits	100	England & Wales
Blavod Properties Limited	Dormant	100	England & Wales
RegLeg Rum Company Limited	Dormant	100	England & Wales

The registered office of all of the above subsidiaries is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT.

Notes to the consolidated financial statements (continued)

7. Directors and employees

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Staff costs				
Wages and salaries	292	292	40	39
Social security costs	9	12	3	4
Short term non-monetary benefit	6	4	-	-
Pension costs	5	5	-	-
	312	313	43	43
			No.	**No.**
Group monthly average number of employees (including directors)			7	6
Company monthly average number of employees (including directors)			2	2

Directors' emoluments	**2020 £'000**	**2019 £'000**
Salaries and fees	187	180

Individual directors' emoluments	**Salaries & fees £'000**	**Bonuses £'000**	**Share-based Payment £'000**	**2020 Total £'000**	**2019 Total £'000**
D. Goulding	147	-	-	147	141
S. Claydon	27	-	-	27	27
M. Quinn	13	-	-	13	12
Total	187	-	-	187	180

Remuneration of key management personnel	**2020 £000's**	**2019 £000's**
Salaries and fees	224	231
Pension costs	4	4
	228	**235**

Key management personnel include all Distil Plc directors and the Director of Operations and Marketing for Distil Company Ltd, who together have authority and responsibility for planning, directing, and controlling the activities of the Group.

In the year ended 31 March 2020, the number of key management personnel who were in a defined contribution pension scheme was 1 (2019: 1).

Notes to the consolidated financial statements (continued)

8. Taxation

Analysis of credit in year	2020 £'000	2019 £'000
Current tax on profits for the year	-	-
Adjustments in respect of previous years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	(76)	-
Tax credit	**(76)**	**-**

Reconciliation of the effective tax rate

The tax credits for the years presented differ from the standard rate of corporate tax in the UK. The differences are explained below:

	2020 £'000	2019 £'000
Profit before taxation	182	160
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	35	30
Effects of:		
Expenses not deductible for tax purposes	2	3
Adjust opening deferred tax to average rate of 19.00%	(220)	-
Recognition of previously unrecognised deferred tax assets	28	-
Change in unrecognised deferred tax assets	79	(33)
Tax credit	**(76)**	**-**

The amount of unrecognised deferred tax is as follows:

	2020 £'000	2019 £'000
Unutilised losses	1,936	1,857
Unrecognised deferred tax	**1,936**	**1,857**

A deferred tax asset of £104,000 in respect of losses in the Company's subsidiary, Distil Company Limited, has been recognised based on the forecast profit for the next two years, with the remainder of the unutilised losses not being recognised due to the uncertainty over the timing of future profits and gains. A deferred tax liability of £28,000 related to fixed asset temporary differences has been netted against the deferred tax asset of £104,000 to give a net deferred tax asset of £76,000.

Notes to the consolidated financial statements (continued)

9. Property, plant and equipment

	Computer equipment	Fixtures & fittings	Office equipment	Production equipment	Motor vehicles	Marketing equipment	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost							
At 1 April 2018	19	11	3	75	22	-	130
Additions	1	-	-	42	-	-	43
Disposals	-	(11)	-	-	-	-	(11)
At 31 March 2019	**20**	**-**	**3**	**117**	**22**	**-**	**162**
Additions	5	-	-	16	-	16	37
Disposals	(15)	-	(3)	-	-	-	(18)
At 31 March 2020	**10**	**-**	**-**	**133**	**22**	**16**	**181**
Accumulated depreciation							
At 1 April 2018	16	11	3	2	3	-	35
Charge for the year	1	-	-	6	2	-	9
Disposals	-	(11)	-	-	-	-	(11)
At 31 March 2019	**17**	**-**	**3**	**8**	**5**	**-**	**33**
Charge for the year	2	-	-	6	2	3	13
Disposals	(15)	-	(3)	-	-	-	(18)
At 31 March 2020	**4**	**-**	**-**	**14**	**7**	**3**	**28**
Net book value							
At 31 March 2020	**6**	**-**	**-**	**119**	**15**	**13**	**153**
At 31 March 2019	3	-	-	109	17	-	129

10. Intangible assets – trademarks

Group and Company	**2020**	**2019**
	£'000	**£'000**
Cost		
At 1 April	1,578	1,573
Additions – external	21	5
At 31 March	**1,599**	**1,578**
Accumulated impairment		
At 1 April 2019 and 31 March 2020	22	22
Net book value	**1,577**	**1,556**

Impairment testing: To ensure that brands with indefinite useful lives are not carried above their recoverable amount, impairment reviews are performed comparing the net carrying value with the recoverable amount using value in use calculations.

Notes to the consolidated financial statements (continued)

10. Intangible assets – trademarks (continued)

These calculations are performed annually, or more frequently if events or circumstances indicate that the carrying amount may not be recoverable. The value in use calculations are based on discounted forecast cash flows.

Cash flows are forecast for each brand for the next two years in the Group’s annual financial plan, which is approved by the Board and reflects management’s expectations of sales volume, operating costs and margin based on past sales volume experience and external sources of information.

The discount rate used for the value in use calculations is the estimated current market risk-free rate of interest, adjusted for the estimated risk associated with the intangible assets, giving a discount rate of 6.5%. Value-in-use calculations cover a five-year period as, as noted above, the nature of the premium drinks industry is such that obsolescence is not a common issue. Management has prepared detailed forecasts for each individual brand for the next two years.

Any impairment write downs are charged to other administrative expenses in the statement of comprehensive income. In the years ended 31 March 2020 and 31 March 2019 there was no impairment.

The principal trademarks of the Group are Blavod Black Vodka and Blackwoods Gin. The net book values of Blavod Black Vodka and Blackwoods Gin were £634k (2019: £631k) and £854k (2019: £854k) respectively at the end of the financial year.

Sensitivity to change in key assumptions: Impairment testing is dependent on management’s estimates and judgements; in particular in relation to the forecasting of future cash flows, the discount rates applied to the cash flows and the expected long-term growth rates. For all brands with an indefinite life, sensitivity analysis has been performed by increasing the discount rate to 8.5% as well as reducing the growth rates for each brand by 30% and based on historical data in addition to current and forward-looking information, management has concluded that no reasonably possible change in the key brand assumptions on which it has determined the recoverable amounts would cause their carrying values to exceed their recoverable amounts.

11. Inventories

	2020	**2019**
	£’000	**£’000**
Raw materials	261	158
Finished goods	88	154
Total	**349**	**312**

During the year ended 31 March 2020, a total of £995k of inventories was included in the statement of comprehensive income as an expense (2019: £972k).

Notes to the consolidated financial statements (continued)

12. Trade and other receivables

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade receivables	456	128	-	-
Other receivables	69	58	-	-
Prepayments	18	21	4	4
Amounts owed by subsidiary undertakings	-	-	224	365
	543	**207**	**228**	**369**

Analysis of trade receivables

	<30 days	31 – 60 days	61 -90 days	> 90 days	Total Gross	ECL	Total Net
2020	454	2	-	-	456	-	456
2019	126	-	-	2	128	-	128

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The Group measures ECL based on historical data in addition to current and forward-looking information utilising managements knowledge of their customers. The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value. Amounts owed by subsidiary undertakings are repayable on demand.

At the date of signing this report, all of the trade receivables balance has been recovered.

13. Trade and other payables

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade payables	89	59	-	-
Other taxation and social security	7	6	-	-
Other payables	1	-	-	-
Amounts owed to subsidiary undertakings	-	-	584	584
Accruals	29	33	1	1
	126	**98**	**585**	**585**

Amounts owed to subsidiary undertakings are repayable on demand.

Notes to the consolidated financial statements (continued)

14. Share capital

Group and Company

(a) Share capital	2020		2019	
Allotted and fully paid	**Number of shares**	**£'000**	**Number of shares**	**£'000**
Ordinary shares of 0.1p each	501,982,913	502	501,982,913	502
Deferred shares of 0.9p each	87,758,508	790	87,758,508	790
Total	**589,741,421**	**1,292**	**589,741,421**	**1,292**

The ordinary shares confer the right to receive a dividend, the right to one vote per share and the right to participate in a distribution on a winding up of the Company or a return of capital.

The deferred shares confer no right to receive any dividend or other distribution, no right to participate in income or profit and no right to receive notice or speak or vote at a general meeting. They solely confer the right to receive the amount paid up on the nominal value of each deferred share on a winding up of the Company, only after payment of £100,000,000 per ordinary share. The Company has the right to purchase all deferred shares for an aggregate consideration of £1.

(b) Share premium

Includes all current and prior periods premiums on shares allotted.

(c) Share share based payment reserve

One employee holds options to subscribe for ordinary shares in the Company under EMI share option agreements approved by the directors on 2 June 2015. One director holds options to subscribe for ordinary shares in the Company under an EMI share option agreement approved by the directors on 28 July 2015. On 1 March 2017, one director was granted shares in the Company under an unapproved share option scheme approved by the directors on that date. The number of shares subject to options, the period in which they were granted and the period in which they may be exercised are given below.
The terms and conditions of the grants are as follows, whereby all options are settled by physical delivery of shares:

Date of grant	No. of shares	Vesting conditions	Contractual life of options
02 June 2015	2,500,000	See below*	10 years
28 July 2015	8,000,000	See below**	10 years
01 March 2017	2,750,000	See below***	10 years
	13,250,000		

*These are employee EMI options, 50% of which vested upon the publication of the Annual Report for the year ending 31 March 2015, and 50% of which vested upon the publication of the Annual Report for the year ending 31 March 2016. 500,000 options were exercised on 5 September 2016.

**These are directors EMI options, 50% of which vested at the grant date, with the balance vesting upon the publication of the Annual Report and Accounts for the year ending 31 March 2016.

***These are unapproved directors' options, 50% of which vested upon the publication of the Annual Report and Accounts for the year ending 31 March 2017, with the balance vesting upon the publication of the interim results for the period ending 30 September 2017.

Notes to the consolidated financial statements (continued)

14. Share capital (continued)

The number and weighted average exercise prices of share options are as follows:

	2020		2019	
	Weighted average exercise price pence	Number of options	Weighted average exercise price pence	Number of options
Outstanding at the beginning and end of the year	**1.02**	**12,750,000**	**1.02**	**12,750,000**
Exercisable at the end of the year	1.02	12,750,000	1.02	12,750,000

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. Share options outstanding at the end of the year have the following expiry date and exercise price:

		Shares	
Expiry date	**Exercise price per share**	**2020**	**2019**
2025	0.85	10,000,000	10,000,000
2027	1.62	2,750,000	2,750,000

The remaining contractual life for the options outstanding is 5.65 years (2019: 6.65 years).

The Company recognised a share-based payment charge during the year of £Nil (2019: £Nil).

The share based payment reserve relates to share based payment expenses in prior years.

Notes to the consolidated financial statements (continued)

15. Financial instruments

All of the Group's financial instruments are measured at amortised cost.

Financial assets

The principal financial assets of the Group and Company are bank balances and cash, trade and other receivables and amounts owed by subsidiaries, as follows:

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Cash and cash equivalents	858	1,068	-	-
Trade receivables	456	128	-	-
Other receivables	69	58	-	-
Amounts owed by subsidiary undertakings	-	-	224	365
Total financial assets	1,383	1,254	224	365

Financial liabilities

The principal financial liabilities of the Group and Company are trade and other payables, accruals and amounts owed to subsidiaries, as follows:

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade payables	89	59	-	-
Other payables	1	-	-	-
Accruals	29	33	1	1
Amounts owed to subsidiary undertakings	-	-	584	584
Total financial liabilities	119	92	585	585

Risk Management

Credit risk

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date. All classes relate to financial assets classified as loans and receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of expected credit losses. Impairment is made where there is an identified event which, based on previous experience, is evidence of a likely reduction in the recoverability of the cash flows. The Group has some concentration of risk, given that a significant proportion of its sales are made to a single wholesale distributor. However, historically the incidences of credit risk within the Group are very low and the Group expects this to continue into the future so it currently carries no expected credit losses.

The credit risk on liquid funds is limited because the third parties are banks with high credit ratings assigned by international credit-rating agencies.

Notes to the consolidated financial statements (continued)

15. Financial instruments (continued)

Liquidity risk analysis

The Group's funding strategy is to ensure a mix of financing methods offering flexibility and cost effectiveness to match the requirements of the Group. The Group monitors its liquidity risk on an ongoing basis by undertaking rigorous cash flow forecasting procedures. In order to ensure continuity of funding, the Group seeks to arrange funding ahead of business requirements and maintain sufficient un-drawn committed borrowing facilities.

As at 31 March 2020 the Group's liabilities have contractual maturities which are summarised below:

	Current				Non-current	
	Within 6 months		6 to 12 months		1 to 5 years	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Trade payables	89	59	-	-	-	-
Other payables	1	-	-	-	-	-
Accruals	29	33	-	-	-	-
Total financial liabilities	**119**	**92**	**-**	**-**	**-**	**-**

The above contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the reporting date.

16. Capital Management

The Group's capital structure consists of equity share capital.

The Company monitors its capital structure closely, should additional funding be required it would most likely be secured as additional share capital.

17. Leases

The following table reconciles the minimum lease commitments disclosed in the Group's 31 March 2019 financial statements to the amount of lease liabilities recognised on 1 April 2019:

	Land and buildings £'000
Minimum operating lease payments at 31 March 2019:	65
Less: effect of discounting using the incremental borrowing rate	(2)
As at 1 April 2019	63
Less: effect of lease modification	(12)
Adjusted liability	51

The incremental borrowing rate applied to the lease liabilities at the date of initial application was 7.4%.
There is no right-of-use asset or lease liabilities on the statement of financial position at the year end as the lease had ended and the lease liability had been paid in full at 31 March 2020 and therefore no further disclosures have been made in relation to leases. The Group entered into a new lease on 1 April 2020, however, as this is for less than twelve months, the Group will apply the short term lease exemption for this lease.

Notes to the consolidated financial statements (continued)

17. Leases (continued)

Right-of-use assets

	Land and buildings £'000
At 1 April 2019	61
Amortisation	(49)
Effect of lease modification	(12)
At 31 March 2020	-

Lease liabilities

	Land and buildings £'000
At 1 April 2019 (opening retained earnings adjustment)	63
Interest expense	2
Effect of lease modification	(12)
Lease payments (including interest)	(53)
At 31 March 2020	-

18. Related party transactions

Remuneration of the directors and key management personnel has been disclosed in Note 7.

During the year, the Company had the following transactions with its subsidiary companies:

Amounts due from subsidiary:	**£'000**
Balance at 1 April 2019	365
Expenses paid by the Subsidiary	(141)
Balance at 31 March 2020	224

See note 12 for further details.

Notice of annual general meeting

DISTIL PLC

(Incorporated in England & Wales with registered number 03727483)

NOTICE OF THE 2020 ANNUAL GENERAL MEETING

Notice is hereby given that the 2020 annual general meeting of Distil plc (**the Company**) will be held at the offices of One Advisory, 201 Temple Chambers 3-7 Temple Avenue London EC4Y ODT, on 28 August 2020 at 11am. for the purpose of transacting the following business and to consider, and if thought fit, to pass the following resolutions (all resolutions being ordinary resolutions, save for resolution 4 which is a special resolution)

The Company is closely monitoring the COVID-19 situation, including UK Government guidance and will continue to do so in the lead up to the AGM. The health of our shareholders, employees and stakeholders remains extremely important to us and accordingly, the Board has taken into consideration the current measures that have been published by the UK Government restricting public gatherings. Should these directives remain in place up to the AGM, shareholders, advisers and other guests will not be allowed to attend the AGM in person and anyone seeking to attend the meeting will be refused entry. As such, shareholders should note they are not entitled to attend the AGM in person unless notified otherwise via the Company's website at distil.uk.com

Shareholders are requested to therefore submit their votes, in respect of the business to be discussed, via proxy as early as possible. Shareholders should appoint the Chair of the meeting as their proxy. If a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in person or cast the shareholder's vote.

The business at the AGM will be curtailed to the formal business section only, with no wider presentations on business performance or Q and A. If any shareholder has a question they would like to pose to the Board, this should be submitted to the Chair info@distil.com and answers will be given via the Company website following the AGM. In the event that further disruption to the 2020 AGM becomes unavoidable, we will announce any changes to the meeting (such as timing or venue) as soon as practicably possible through the Company's website.

A Form of Proxy for use at the Annual General Meeting (‘‘**AGM’’**) is enclosed.

Please complete the Form of Proxy and return it in accordance with the instructions printed thereon so as to reach the Company's Registrars, Share Registrars Limited at The Courtyard, 17 West St, Farnham, Surrey, GU9 7DR not less than 48 hours before the time of the AGM (not including bank holidays or weekends).

ORDINARY RESOLUTIONS

1. That the annual report and the financial statements for the year ended 31 March 2020, together with the report of the auditors thereon, be received.

2. That BDO LLP be appointed as auditor of the Company to hold office until the conclusion of the next annual general meeting at which accounts are laid before the Company and their remuneration be determined by the directors.

3. That in substitution for any existing authority under Section 551 of the Companies Act 2006 (**Act**) but without prejudice to the exercise of any such authority prior to the date of this resolution, the directors of the Company be generally and unconditionally authorised in accordance with that section to allot shares in the Company and to grant rights (**relevant rights**) to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £300,000, such authority (unless previously renewed, varied or revoked by the Company in general meeting) to expire at midnight on 31 December 2021 or, if earlier, at the conclusion of the next annual general meeting of the Company, save that the Company may before the expiry of this authorisation make an offer or agreement which would or might require shares to be allotted or relevant rights to be granted after the expiry of this authorisation and the directors of the Company may allot shares or grant relevant rights in pursuance of any such offer or agreement as if the authorisation conferred hereby had not expired.

Notice of annual general meeting (continued)

SPECIAL RESOLUTION

4. That subject to the passing of resolution number 3 above (**Section 551 Resolution**) and in substitution for any existing authority under sections 570 and 573 of the Act but without prejudice to the exercise of any such authority prior to the date of this resolution, the directors of the Company be empowered in accordance with those sections to allot equity securities (within the meaning of section 560 (1), (2) and (3) of the Act) either pursuant to the Section 551 Resolution or by way of a sale of treasury shares, in each case as if section 561 (1) of the Act did not apply to such allotment, provided that this power shall be limited to:

    4.1. the allotment of equity securities (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £125,000: and/or

    4.2. the allotment of equity securities in connection with an offer to (a) all holders of ordinary shares of £0.001 each in the capital of the Company (**Ordinary Shares**) in proportion (as nearly as may be) to the respective numbers of Ordinary Shares held by them and (b) to holders of other equity securities as required by the rights of those securities (but subject to such exclusions, limits or restrictions or other arrangements as the directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever).

Such power shall expire at midnight on 31 December 2021; or, if earlier, at the conclusion of the next annual general meeting of the Company, but so that this power shall enable the Company to make an offer or agreement before such expiry which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

By Order of the Board

Liam O’Donoghue

Company Secretary

Dated 26 June 2020

Notice of annual general meeting (continued)

Notes to the Notice of General Meeting

Entitlement to attend and vote

1 As explained on page 1 of this Notice, shareholders are not permitted to attend the Annual General Meeting following the recent public health guidance and legislation issued by the UK Government in response to the outbreak of COVID-19. Shareholders are entitled and encouraged to appoint a proxy to exercise all or any of their rights to vote on their behalf at the meeting. A shareholder can appoint the Chairman of the meeting or anyone else to be their proxy at the meeting. Shareholders are strongly encouraged to appoint the Chairman of the meeting to be his/her proxy at the meeting, given that no shareholders other than the minimum number of shareholders required to ensure that the meeting is quorate will be permitted to attend the meeting.

Appointment of proxies

2 If you are a member of the Company at the time set out in note 1 above, notwithstanding the guidelines set out in the note above and page 1 of this Notice, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

3 A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 01252 821390.

5 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Share Registrars Limited at The Courtyard, 17 West St, Farnham, Surrey, GU9 7DR or by facsimile transmission to **01252 719 232**; and
- received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

7 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

8 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars on 01252 821 390.
If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Notice of annual general meeting (continued)

Termination of proxy appointments

9 In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR or by facsimile transmission to 01252 719 232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

10. As at 26 June 2020, the Company's issued share capital comprised 501,982,913 ordinary shares of £0.001 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 26 June 2020 is 501,982,913.

Communications with the Company

11. Except as provided above, members who have general queries about the Meeting should telephone the Company Secretary, Liam O'Donoghue, on +44 020 7583 8304 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

CREST

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a"CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via euroclear.com/CREST).

The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of CREST by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Directors and advisors

Directors	D. Goulding (Executive Chairman) S. Claydon (Finance Director) M. Quinn (Non-Executive)
Secretary	L. O'Donoghue
Registered office	201 Temple Chambers 3-7 Temple Avenue London EC4Y 0DT
Company's registered number	England and Wales 03727483
Auditor	BDO LLP 55 Baker Street London W1U 7EU
Bankers	HSBC Plc City of London Commercial Centre First Floor 60 Queen Victoria Street London EC4N 4TR
Nominated adviser	SPARK Advisory Partners Limited 5 St John's Lane London EC1M 4BH
Broker	Turner Pope Investments (TPI) Limited 8 Fredericks Place London EC2R 8AB
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Tax adviser	BDO LLP 55 Baker Street London W1U 7EU