

*THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE UK VERSION OF THE MARKET ABUSE REGULATION NO 596/2014 WHICH IS PART OF ENGLISH LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018, AS AMENDED. ON PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INFORMATION IS CONSIDERED TO BE IN THE PUBLIC DOMAIN.*

**Distil PLC**

**Placing and Subscription for, in aggregate, 218,571,428 new Ordinary Shares at 0.35 pence per share  
Related Party Transactions; and Notice of General Meeting**

**Majority of fundraising committed from three leading investors: Grain GmbH, BERO SAS and Dr Graham Cooley**

**Transaction Highlights:**

- Placing and Subscription to raise £0.765 million (before expenses) through the issue of 218,571,428 new Ordinary Shares at the Issue Price
- Grain GmbH, which is connected to Roland Grain, a non-executive director of the Company, has agreed to invest £200,000 and substantial shareholder BERO SAS, which is associated with Baron Eric de Rothschild, has agreed to invest £120,000 for, in aggregate, 91,428,571 Ordinary Shares in the Subscription
- Dr Graham Cooley is investing £200,000 for 57,142,857 Ordinary Shares in the Placing

Distil plc (AIM:DIS), owner of premium drinks brands RedLeg Spiced Rum, Blackwoods Gin and Vodka, TRØVE Botanical Vodka and Blavod Black Vodka, is pleased to announce it has conditionally raised £0.765 million (before expenses) through a Placing and Subscription (together, the "Fundraising").

As previously reported, Distil has undergone a remodelling of its distribution model, as it moved away its distribution to the on-trade and independent sectors to Marussia Beverages, whilst handling sales and marketing to our major UK retail customers directly, giving Distil control over this relationship.

The Fundraising will provide working capital to enable Distil to service customers with stock at the busiest time for the business and allow it to support its growth plan to the end of March 2025. Plans include the opening of the Blackwoods gin experience at Ardgowan, consumer brand activation at key events, development of premium line-extensions, limited-edition bottlings, and the launch of a new-to-world brand in an emerging category.

The Company has conditionally placed through its broker, Turner Pope, 127,142,857 new ordinary shares of 0.1p each ("Ordinary Shares") in the capital of the Company (the "Placing Shares") at a price of 0.35p per Placing Share (the "Issue Price") to raise £445,000, before expenses (the "Placing").

The Company also announces a conditional subscription of 91,428,571 Ordinary Shares (the "Subscription Shares") at the Issue Price with existing shareholders to raise £320,000, before expenses (the "Subscription").

Participation in the Subscription by Grain GmbH and BERO SAS, both substantial shareholders in the Company, are related party transactions under the AIM Rules. The Independent Directors, having consulted with SPARK Advisory Partners, the Company's nominated adviser, consider that the terms of the Subscription by Grain GmbH and BERO SAS are fair and reasonable insofar as Shareholders are concerned.

The Placing Shares and Subscription Shares will represent approximately 24.1 per cent. of the Enlarged Share Capital following Admission.

The Issue Price represents a discount of approximately 22 per cent. to the Closing Price of 0.45 pence per Ordinary Share on 23 November 2023, being the last practical date prior to the date of this announcement.

**Don Goulding, Executive Chairman of the Company, commented:**

"I am pleased to announce a successful round of fundraising and thank our shareholders for the continued support shown to the business. We are also delighted to welcome Dr Graham Cooley as a significant shareholder, subject to General Meeting approvals. He is a very successful business leader, entrepreneur and champion of sustainability and we are encouraged by the interest he has shown in our business.

Proceeds raised will be managed carefully by the business and will not only allow us to service our key customers to a high standard throughout the busiest time of the year, but will continue to make positive impacts on the business, supporting growth through to March 2025 and beyond.

An increase in working capital will allow us to lower frequency but increase the size of production runs to take advantage of cost savings afforded by working in this way. Cost management will continue to be a key area of focus for the business.

Funds will also be used to support brand growth through a programme of promotion and point of sale activation, supported by direct-to-consumer events which will be used to drive brand awareness and trial. Following a successful trial for RedLeg, plans also include a calendar of limited edition packs to increase engagement and rate of sale.

Design development of the Blackwoods brand experience at Ardgowan is near finalisation, with plans to open to the public in Q1 following commencement of gin distillation across the range in February 2024.

Finally, proceeds will also be used to brand and bring to market already developed liquid in an exciting emerging category in 2024. This will take the business into a new space that is gaining attention with a unique proposition.

The fundraising represents an important springboard for growth and I look forward to sharing the benefits with shareholders in future communications."

## Fee Shares

In addition to the Fundraising shares, 2,142,857 new Ordinary Shares are to be issued at the Issue Price, conditional upon Admission, to an adviser in settlement of amounts owed by the Company.

## Notice of General Meeting

A General Meeting to approve the resolutions (the "Resolutions") required to implement the Fundraising is to be held at Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT at 10.00 a.m. on 12 December 2023. A detailed timetable of events is set out at the bottom of this announcement.

Copies of a Circular convening a General Meeting for 10.00 a.m. on 12 December 2023 will be sent to shareholders later today and will shortly be available on the website of the Company at <http://www.distil.uk.com/investors>.

Extracts from the Circular are set out below.

For further information:

<b>Distil PLC</b>	
Don Goulding, Executive Chairman	Tel: +44 203 283 4006
<b>SPARK Advisory Partners Limited (NOMAD)</b>	
Neil Baldwin Mark Brady	Tel: +44 203 368 3550
<b>Turner Pope Investments (TPI) Ltd (Broker)</b>	
Andy Thacker James Pope	Tel: +44 203 657 0050

Extracts from the Circular:

### 1. Background to and reasons for the General Meeting

Your Board announced on 24 November 2023 that the Company proposes to raise £765,000 before fees and expenses by a placing of, and subscription for, 218,571,428 new Ordinary Shares with existing and new investors at an Issue Price of 0.35 pence per New Ordinary Share. The Issue Price represents a discount of approximately 22 per cent. to the Closing Price of 0.45 pence per Ordinary Share on 23 November 2023, being the last practical date prior to the date of the Announcement.

The Placing Shares and Subscription Shares will represent approximately 24.1 per cent. of the Company's Enlarged Share Capital. The Placing Shares have been placed, and the Subscription Shares have been subscribed for, conditional, *inter alia*, on the passing of the Resolutions being proposed at the General Meeting and upon Admission (which is expected to become effective with dealings in the Placing Shares and the Subscription Shares to commence on or around 13 December 2023). **Neither the Placing nor the Subscription have been underwritten.**

For the Placing and Subscription to proceed, the Company requires Shareholders' approval to authorise the Directors to allot the Placing Shares, the Subscription Shares and the Fee Shares and to disapply statutory preemption rights in relation to the issue of the Placing Shares, the Subscription Shares and the Fee Shares.

I am therefore writing to provide you with details of the Proposals, and to give you notice of the General Meeting at which the resolutions to authorise the Directors to allot and issue the Placing Shares, the Subscription Shares and the Fee Shares, as well as Ordinary Shares (and/or rights to subscribe for them) up to the aggregate nominal value of £180,000 will be put to Shareholders. The General Meeting is to be held at 10.00 a.m. on 12 December 2023 and the formal notice of General Meeting is set out at the end of this document.

### 2. Reasons for the Fundraising

As previously reported Distil has undergone a re-modelling of its distribution model, as it moved away its distribution to the on-trade and independent sectors to Marussia Beverages, whilst handling sales and marketing to our major UK retail customers directly, giving Distil control over this relationship.

This had, as reported in our final results to 31 March 2023, which showed a loss for the period of £748k, a one-off knock-on effect in relation to sales as existing stock in the UK market was depleted.

As we reported in our unaudited interim results for the 6 months ended 30 September 2023 on 12 October 2023 : "H1 has not been without its challenges, as the business continues to face wide-spread cost of goods increases in response to inflation and the war in Ukraine, as well as a UK duty increase on all alcoholic beverages. Reflecting the economic climate, consumers globally remain cautious, the impact of which is being felt in the trade and is expected to continue in the short to medium term. However, despite this, our year-on-year results are encouraging. We are rebuilding from a stronger base under the new structure, and the team is working diligently to ensure that we are well positioned to continue this growth as we enter our busiest trading period."

The above challenges together with the change in distribution model have impacted the Company's working capital

needs particularly during the run up to the busy Christmas trading period. The Company has explored alternative means of raising working capital. The Board concluded that an equity raise provides the most cost effective and timely solution.

The fundraising will provide working capital to enable Distil to service customers with stock at the busiest time of year for the business, and allow it to support its growth plan to the end of March 2025. Plans include the opening of the Blackwoods gin experience at Ardgowan, consumer brand activation at key events, development of premium line-extensions, limited-edition bottlings, and the launch of a new-to-world brand in an emerging category.

### 3. Details of the Placing

The Placing has raised approximately £445,000 (before expenses) for the Company by the issue of 127,142,857 Ordinary Shares at the Issue Price with investors.

The Placing Shares are being placed conditional, *inter alia*, on the passing of the Resolutions at the General Meeting.

The Company has agreed to pay all costs and expenses relating to the Placing and the applications for Admission including commission payable to Turner Pope.

The Placing is conditional upon, *inter alia*:

- the Resolutions being duly passed at the General Meeting by 12 December 2023, or such later time and/or date as the Company, Turner Pope and SPARK may agree in the event of an adjournment of the General Meeting, but in any event by no later than 8.00 a.m. on 19 December 2023;
- Admission becoming effective on or before 8.00 a.m. on 13 December 2023, or such later time and/or date as the Company, Turner Pope and SPARK may agree, but in any event by no later than 8.00 a.m. on 20 December 2023; and
- completion of the Subscription.

The Placing is not being underwritten. The Placing Shares are expected to be allotted on 12 December 2023, with Admission expected on 13 December 2023.

The Placing will result in the issue of 127,142,857 new Ordinary Shares representing approximately 14.0 per cent. of the Enlarged Share Capital. The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares on Admission.

### 4. Details of the Subscription

The Subscription has raised £320,000 for the Company by the conditional issue of a total of 91,428,571 Ordinary Shares at the Issue Price to (1) Grain GmbH and (2) BERO as set out in section 8 below.

The Subscription is conditional upon, *inter alia*:

- the Resolutions being duly passed at the General Meeting by 12 December 2023, or such later time and/or date as the Company, Turner Pope and SPARK may agree in the event of an adjournment of the General Meeting, but in any event by no later than 8.00 a.m. on 19 December 2023; and
- Admission becoming effective on or before 8.00 a.m. on 13 December 2023 or such later time and/or date as the Company, Turner Pope and SPARK may agree, but in any event by no later than 8.00 a.m. on 20 December 2023.

The Subscription Shares are expected to be allotted on 12 December 2023. The Subscription will result in the issue of 91,428,571 new Ordinary Shares representing approximately 10.1 per cent. of the Enlarged Share Capital. The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares on Admission.

### 5. Fee Shares

2,142,857 new Ordinary Shares are to be issued at the Issue Price, conditional upon Admission, to an adviser in settlement of amounts owed by the Company. The Fee Shares are expected to be allotted on 12 December 2023, with Admission expected on 13 December 2023.

### 6. Settlement and dealings

Application has been made to the London Stock Exchange for the Placing Shares, the Subscription Shares and the Fee Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares, the Subscription Shares and the Fee Shares will commence on 8.00 a.m. on 13 December 2023, subject, *inter alia*, to the passing of the Resolutions at the General Meeting.

### 7. Use of Proceeds

The gross proceeds amount to £765,000. The expenses of the Proposals amount to approximately £64,200, of which approximately £56,700 will be settled in cash, and £7,500 will be satisfied by the issue of the Fee Shares on the same terms as the Placing and Subscription. The net proceeds of the Placing and the Subscription will be used by the Company for general working capital. As the Company recently announced, cash reserves stood at £321,000 as at 30 September 2023 and so the net proceeds of the fundraising will provide Distil with sufficient liquidity as the Company enters the crucial Christmas season and its busiest trading period of the year.

### 8. Related Party Transactions

Roland Grain is a non-executive Director of the Company and is currently interested (via Grain GmbH) in 156,476,20 Existing Ordinary Shares (representing 22.86 per cent. of the Company's current issued share capital). As a Director

and as a substantial shareholder in the Company, Roland Grain is a related party under the AIM Rules.

BERO is currently interested (via Bank of New York (Nominees) Limited) in 106,289,231 Existing Ordinary Shares (representing 15.53 per cent. of the Company's issued share capital). As a substantial shareholder in the Company, BERO is a related party under the AIM Rules.

The participation of Grain GmbH and BERO in the Subscription are related party transactions under AIM Rule 13 of the AIM Rules.

Mr Grain is not considered independent in relation to the consideration of these related party transactions under AIM Rule 13. Therefore, Don Goulding and Shaun Claydon, being the Independent Directors, have considered the participation of the related parties in the Subscription in line with the AIM Rules for Companies.

#### **Grain GmbH's and BERO's participation in the Subscription**

<i>Name</i>	<i>Holding of Existing Ordinary Shares</i>	<i>Amount subscribed in the Subscription</i>	<i>Number of Subscription Shares</i>	<i>Number of Ordinary Shares held post Admission</i>	<i>% of Ordinary Share capital held post Admission</i>
Grain GmbH*	156,476,250	£200,000	57,142,857*	213,619,017	23.60%
BERO†	106,289,231	£120,000	34,285,714†	140,574,945	15.53%

\*Grain GmbH is a company to which Mr Roland Grain is connected.

†held via Bank of New York (Nominees) Limited.

The terms of the Subscription are essentially the same as the terms of the Placing.

The Independent Directors have considered the participation of Grain GmbH and BERO in the Subscription. Having consulted with SPARK Advisory Partners, the Company's nominated adviser, the Independent Directors consider that the terms of Grain GmbH's and BERO's participation in the Subscription are fair and reasonable insofar as Shareholders are concerned.

### **9. General Meeting**

The Directors do not currently have existing authorities to allot shares and dis-apply pre-emption rights under section 551 and section 570 of the Act to enable the Company to allot and issue the Placing Shares, the Subscription Shares and the Fee Shares. Consequently, the Company needs to first obtain approval from its Shareholders to grant to the Board additional authority to allot the new Ordinary Shares and to disapply statutory pre-emption rights which would otherwise apply to such allotment or grant. The Company is also seeking Shareholder authority to increase the Directors' general authority to allot securities and dis-apply pre-emption rights pursuant to sections 551 and 570 of the Act, respectively.

A summary and brief explanation of the resolutions to be proposed at the General Meeting is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice at the end of this document. The following resolutions will be proposed at the General Meeting:

**Resolution 1**, which will be proposed as an ordinary resolution, is to authorise the Directors to allot or issue the Placing Shares, the Subscription Shares, the Fee Shares and further new Ordinary Shares (representing approximately 20 per cent. of the Enlarged Share Capital) up to an aggregate nominal value of £180,000; and

**Resolution 2**, which will be proposed as a special resolution, and which is subject to the passing of Resolution 1, dis-applies statutory pre-emption rights, provided that such authority shall be limited to the Placing Shares, the Subscription Shares, the Fee Shares and further Ordinary Shares (representing approximately 20 per cent. of the Enlarged Share Capital) having an aggregate nominal value of £180,000 .

The General Meeting will be held at 10.00 a.m. on 12 December 2023 at Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT.

### **10. Irrevocable Undertakings**

Grain GmbH (156,476,250 Ordinary Shares) and BERO (106,289,231 Ordinary Shares) have each irrevocably undertaken to vote their Ordinary Shares (which in aggregate amount to 38.39% of the issued share capital) in favour of the Resolutions at the General Meeting.

### **11. Action to be taken by Shareholders**

A form of proxy for use at the General Meeting is enclosed. Whether or not you intend to attend the General Meeting in person, you are requested to complete and sign the form of proxy and return it to the Company's Registrars at 3 The Millennium Centre, Crosby Way, Farnham, GU9 7XX, so as to arrive no later than 10.00 a.m. on 8 December 2023. The return of the form of proxy will not prevent you from attending the General Meeting and voting in person should you wish to do so.

### **12. Importance of the vote**

Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Placing and

Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Placing and Subscription will not occur, and the net proceeds of the fundraising will not be received by the Company. If this were to happen, unless the Company was able to raise potentially more expensive and/or dilutive funds from alternative sources in the immediate short term, the Company would not have sufficient working capital to continue to trade for the next 12 months without taking mitigating action to significantly reduce the operating costs of the Company which would in turn adversely impact the Company's important Christmas trading period and would be materially detrimental to its future prospects.

### 13. Board Recommendations

**In relation to the Resolutions, as Mr Grain has participated in the Subscription, he is not considered independent and as such has not participated in the recommendation.**

**The Independent Directors consider that the Placing, the Subscription, the issue of the Fee Shares and the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Independent Directors recommend that you vote in favour of the Resolutions as they intend to do in respect to their shareholdings of 10,000,000 Ordinary Shares amounting to 1.46 per cent. of the issued share capital of the Company.**

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2023
Announcement of the Placing and Subscription	24 November
Posting of the Circular and the form of proxy	24 November
Latest time and date for receipt of forms of proxy for the General Meeting	10.00 a.m. on 8 December
General Meeting	10.00 a.m. on 12 December
Announcement of the result of the General Meeting	12 December
Admission of the Placing Shares, Subscription Shares and Fee Shares to trading on AIM	8.00 a.m. on 13 December
Expected date of despatch of definitive share certificates for the Placing Shares, Subscription Shares and Fee Shares in certificated form (certificated holders only)	by 22 December

#### Notes:

1. References to times in this document are to London time unless otherwise stated.
2. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on an RNS (and posted on the Company's website).
3. All events in the above timetable following the General Meeting are conditional upon approval by the Shareholders of the Resolutions.

## PLACING STATISTICS

Existing Ordinary Shares in issue as at the date of this Document	684,399,579
Number of Subscription Shares	91,428,571
Number of Placing Shares	127,142,857
Number of Fee Shares	2,142,857
Enlarged Share Capital	905,113,864
Percentage of the Enlarged Share Capital represented by the Placing Shares and the Subscription Shares	24.1%
Issue Price	0.35p
Gross proceeds of the Placing and the Subscription	£765,000
Estimated net proceeds of the Placing and the Subscription	£708,300

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

"Act"	Companies Act 2006
"Admission"	the admission of the Placing Shares, the Subscription Shares and the Fee Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules
"AIM"	the market of that name operated by London Stock Exchange plc
"AIM Rules"	the AIM Rules for Companies whose securities are traded on AIM, as published by the London Stock Exchange from time to time
"Announcement"	the notification issued by the Company on 24 November 2023, which sets out details of the Proposals
"Articles"	the Company's articles of association
"BERO"	BERO SAS, a substantial shareholder in the Company
"Board" or "Directors"	the directors of the Company at the date of this Document, whose names are set out on page 7 of this Document
"Circular" or "Document"	this document dated 24 November 2023
"Closing Price"	0.45 pence, being the closing mid-market share price on 23 November 2023
"CREST"	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear
"CREST Manual"	the rules governing the operation of CREST consisting of the CREST Reference Manual, the CREST International Manual, the CREST Central Counterpart Service Manual, the CREST Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedures and the CREST Glossary of Terms, as published by Euroclear from time to time
"CREST Regulations"	the Uncertificated Securities Regulations 2001(SI 2001/3755) (as amended)
"Distil" or "Company"	Distil PLC, a company registered in England and Wales with registered number 3727483
"Enlarged Share Capital"	together the Existing Ordinary Shares, the Placing Shares, the Subscription Shares and Fee Shares
"Euroclear"	Euroclear UK & International Limited
"Existing Ordinary Shares"	the 684,399,579 Ordinary Shares in issue as at the date hereof
"Existing Shareholders"	holders of Ordinary Shares at the date of this document
"Fee Shares"	2,142,857 new Ordinary Shares to be issued to an adviser at the Issue Price in settlement of amounts owed by the Company

<b>"FCA"</b>	the Financial Conduct Authority
<b>"form of proxy"</b>	the form of proxy accompanying this Document (or otherwise available) for use at the General Meeting
<b>"General Meeting" or "GM"</b>	the General Meeting of Shareholders to be held at 10.00 a.m. on 12 December 2023
<b>"Grain GmbH"</b>	a substantial shareholder in the Company controlled by Mr Roland Grain, a non-executive director of the Company
<b>"Group"</b>	the Company and its subsidiaries as at the date of this Document
<b>"Independent Directors"</b>	Don Goulding and Shaun Claydon
<b>"Issue Price"</b>	0.35p per Placing Share, Subscription Share and Fee Share
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"Notice" or document "Notice of General Meeting"</b>	the notice of the General Meeting set out at the end of this document
<b>"Ordinary Shares"</b>	ordinary shares of 0.1p each in the capital of the Company
<b>"Placing"</b>	the conditional placing of the Placing Shares at the Issue Price, further details of which are set out in section 3 of the Letter from the Chairman
<b>"Placing Shares"</b>	the 127,142,857 new Ordinary Shares the subject of the Placing
<b>"Proposals"</b>	the Placing and the Subscription
<b>"Resolutions"</b>	the resolutions set out in the notice of General Meeting
<b>"SPARK"</b>	SPARK Advisory Partners Limited, the Company's Nominated Adviser
<b>"Shareholders"</b>	holders of Ordinary Shares in the Company from time to time
<b>"Sterling" or "£"</b>	the lawful currency of the UK
<b>"Subscription Agreements"</b>	the conditional agreements dated 23 November 2023 between the Company and (1) Grain GmbH (a company with which Mr Roland Grain, a non-executive director, is connected), and (2) BERO, relating to the Subscription
<b>"Subscription"</b>	the subscription for the Subscription Shares by (1) Grain GmbH and (2) BERO under the Subscription Agreements
<b>"Subscription Shares"</b>	the 91,428,571 new Ordinary Shares the subject of the Subscription
<b>"Turner Pope"</b>	Turner Pope Investments (TPI) Limited, the Company's brokers
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland
<b>"US" or "United States"</b>	the United States of America, its territories and possessions, any states of the United States of America and the District of Columbia and all other areas subject to its jurisdiction."

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