

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.

Operational update and launch of shareholder benefits programme

Ardgowan Distillery ("Ardgowan") update:

- Malt whisky production has commenced, with scope to produce 1m ltrs per year
- Seeking a £5m RCF (rolling credit facility) with Virgin Money as working capital to fund whisky production, and a further £5m stock lending facility
- Approximately 4x increase in private cask sales so far this year vs sales in full year 2024
- Special terms on cask sales agreed for Distil shareholders

Distil update:

- Q1 (April-June) revenues decreased 50% to £66.8k (April-June 2024 £134k)
 - Due to adjusted phasing of orders in response to the change in UK distribution to Global Brands, who built stock holding in Q4 following contract signing in February 2025
- First half calendar year revenues (unaudited) +9.3% to £497.4k (Jan-June 2024: £455k)
- Off-trade (supermarkets, alcohol retailers and online) sector benefitting from the warmer 'bbq' weather helping to drive sales in supermarkets (+13%) and through the RedLeg website (+32%, redlegum.com)
- Successful open day for Blackwoods Brand Home, delivering revenues +63% vs previous year open day (September 2024)
- On-trade (Bars, pubs, hotels and restaurants) remains under pressure from on-going industry headwinds of rising costs and reduced customer disposable income
- Exclusive shareholder discount announced for use across Distil brands
- Unaudited full-year revenues to 31 March 2025 £1.043m (£1.5m to 31 March 2024)
 - Audited full-year accounts expected to be published August 2025

Ardgowan Distillery update

In 2021 Distil invested £3m by way of a convertible loan note ("CLN") in Ardgowan to help fund the construction of the new whisky distillery located within the Ardgowan estate, 30 miles west of Glasgow on the banks of the River Clyde. Since a variation to the CLN Instrument in June, the loan currently earns Distil an annual coupon of 6.5% and, on conversion, would give Distil a 10.5% equity ownership of the overall facility.

Momentum is gathering pace at Ardgowan following the official opening on 20 June 2025. The first sherry oak casks are now being filled with whisky distilled on site where they will be stored and allowed to mature before being bottled and made available for sale. To fund the whisky stocks, Ardgowan has sought up to £10m of debt finance from Clydesdale Bank, now part of Virgin Money. Near term revenue is being generated by sales of Ardgowan's award-winning "Clydebuilt" brand, which offers a range of single malt and blended malt bottlings. The first Clydebuilt Single Malt release will be available via specialist retailers in the UK, Austria, Belgium, Sweden and Germany.



Above: Ardgowan Distillery Manager, Laura Davies, with distillery operations team filling

Additionally, Ardgowan is selling private casks. Each private cask is filled with 250 litres of Ardgowan new make spirit, fully insured and laid down to mature in the warehouse at the distillery. The sales price of each cask, as listed on the Ardgowan website, is £8,000. Ardgowan has seen a 4x increase in private cask sales in 2025 vs full year 2024. More information about the product can be found at ardgowandistillery.com.

As part of Distil's ongoing investment in Ardgowan, we have agreed special terms for Distil shareholders allowing the purchase of a cask at a reduced rate. This offer is open to shareholders owning a minimum of 500,000 Distil shares. Shareholders interested in participating should contact the Distil team via distil.uk.com.

Distil Business Update

While Q1 revenues show a decrease year-on-year, this is due to a change in order phasing in response to Global Brands taking over full UK distribution and building stock holding in Q4.

To give a view of performance mitigating the effect of this phasing, we look to the first half of the calendar year (January - June 2025) where, across the core Distil business, revenues increased 9.3% year-on-year to £497k.

The UK grocery channel has been benefiting from the good weather throughout Q1 of the current financial year (April-June 2025), with sales volumes increasing 13% at consumer level. We have strong promotional activity secured across the remainder of the summer, including in-store point-of-sale media to drive further awareness and trial in this channel.



Above: Blackwoods Brand Home

Direct-to-consumer revenues via the RedLeg website saw uplifts of 32% in Q1 of the current financial year vs the previous period. The Blackwoods Brand Home generated a 62.8% increase in revenues vs the previous open day in September 2024, demonstrating encouraging demand for the full experience which will open in Q3, driving awareness of the brand and generating a new revenue stream for the business.

In addition, the relationship with Global Brands, who has taken over full UK distribution, continues to progress positively, with 86 new distribution points secured to the end of June. We continue to work closely with their teams to build distribution across all channels.

Distil is pleased to announce a new ongoing 10% discount for shareholders across both RedLeg (redlegum.com) and Blackwoods (blackwoodsgin.co.uk) online stores¹. Shareholders can register on the Distil website for a discount code (distil.uk.com/shareholder-discount). This offer is open to all Distil shareholders.



Above: Blackwoods and RedLeg range included in shareholder product discount opportunity

[1] The 10% shareholder discount is available on all orders compared to the existing 10% discount available on first purchase only.

In April, we announced a new distribution agreement to relaunch Blavod in the US market. This has been delayed due to US government approvals, however we expect shipments to commence in FY Q2 to capitalise on the US holiday season in FY Q3. This represents a significant new market for the business; vodka represents the biggest spirit category in the U.S. by volume, one of the biggest spirits markets globally based on 2024 figures from IWSR Drinks Market Analysis.

In addition to careful management of costs, the strategic review of the business, announced in shareholder communications on 13 March 2025, continues as the Board examines strategic options to determine how best to support the Company in delivering long-term shareholder value. In addition to considering near-term funding options and reducing headcount, we continue to evaluate the potential sale of unused intellectual property and exit options for non-core brands.

Don Goulding, Executive Chairman, Distil, commented "It's fantastic to see the efforts by the team across many years work at Ardgowan come to fruition with the first casks now being filled and laid-down for ageing, and we're encouraged to see that consumers share that enthusiasm for the project through both the Ardgowan private cask sales and the revenues generated by Blackwoods at the Open Day.

We're delighted to be able to extend an exclusive offer to shareholders to participate in the cask investment as part of our on-going relationship with Ardgowan, and encourage those interested to get in touch.

First half calendar year results are encouraging, and the outlook to the end of the calendar year is positive, with both initial orders of Blavod for the US and the opening of the Blackwoods Brand Home expected.

We are closely monitoring company performance and the strategic review continues to evaluate how best to ensure shareholder value is generated long-term."

Enquiries:

For further information, please contact:

Distil PLC	
Don Goulding, Executive Chairman	Tel: +44 203 283 4006
SPARK Advisory Partners Limited (NOMAD)	
Neil Baldwin Mark Brady	Tel: +44 203 368 3550
Allenby Capital Ltd (Broker)	
James Reeve/Piers Shimwell Jos Pinnington/Guy McDougall	Tel: +44 (0)20 3328 5656

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

UPDRJMBTMTATTAA