

RNS Number : 8712R
Distil PLC
11 March 2016

Distil Plc

("Distil") or the ("Company")

Proposed Placing of 62,625,981 Placing Shares at 1 pence per share

Distil (AIM: DIS), owner of premium drinks brands RedLeg Spiced Rum, Blackwoods Gin and Vodka, Blavod Black Vodka, Jago's Cream Liqueur and Diva Vodka, is pleased to announce that it has conditionally raised £626,259 (before expenses), through a placing of 62,625,981 new ordinary shares of 0.1p each in the Company (the "**Placing Shares**") at a price of 1p per Placing Share (the "**Placing Price**"), (the "**Placing**").

Details of the Placing

The Placing Shares have been placed with a new institutional shareholder, Miton UK Microcap Trust, and certain existing shareholders of the Company (the "**Placees**").

The Placing Shares will, when issued, rank *pari passu* in all respects with the existing ordinary shares of 0.1p each in the Company ("**Ordinary Shares**"). The Placing Shares will represent approximately 12.54 per cent. of the Company's enlarged issued share capital and completion of the Placing is conditional on, *inter alia*, Admission. The closing mid-market price of the Company's Ordinary Shares on 10 March 2016 (being the latest practicable business day prior to the date of this announcement) was 0.85 p per Ordinary Share (the "**Pre-Placing Price**").

Following the issue and allotment of the Placing Shares, the Company's enlarged issued ordinary share capital will comprise 499,333,488 Ordinary Shares. The Company does not hold any Ordinary Shares in treasury. This figure of 499,333,488 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Use of Proceeds

The net proceeds of the Placing will be deployed on brand marketing, both domestically and internationally, and to strengthen the balance sheet as brand volumes increase. Further brand innovations are anticipated.

Don Goulding, Executive Chairman of Distil, said:

"Following on from the success of brands created and developed by the Company, in particular RedLeg Spiced Rum, we are delighted that the Placing proceeds will allow us to increase our marketing efforts and to open up new markets.

We will continue our focus on creating shareholder value through the development and creation of successful fully owned brands, both in domestic and international markets.

We are also delighted to have expanded our institutional shareholder base with the addition of Miton UK Microcap Trust and remain very grateful to our existing shareholders for their continued support.

We are also delighted that the Placing has been completed at a premium to the Pre-Placing Price as we feel this reflects the belief the Placees have in the Company's growth plans.

We remain confident for the fourth quarter of the financial year and expect full year performance to be in line with the Board's expectations."

For further Information:

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Related Party Transactions

Bero SCA, which is a Substantial Shareholder of the Company, has agreed to subscribe for Placing Shares at the Placing Price pursuant to the Placing as set out below. Bero SCA's agreement to subscribe for Placing Shares constitutes a related party transaction pursuant to the AIM Rules.

Name	Holding prior to the Placing		Proposed participation in the Placing	Holding subsequent to the Placing	
	Number of Existing Ordinary Shares currently held	% of Existing Ordinary Shares in issue	Number of Placing Shares conditionally subscribed for	Total number of Ordinary Shares	Percentage of Enlarged Share Capital
Bero SCA	57,502,840	13.17%	8,246,187	65,749,027	13.17%

The allotment of the Placing Shares to Bero SCA is classified as a related party transaction for the purposes of the AIM Rules. The Directors, having consulted with SPARK Advisory Partners Limited, as nominated adviser to the Company, consider the terms of Bero SCA's participation in the Placing to be fair and reasonable insofar as shareholders are concerned. In providing advice to the Directors, SPARK has taken into account the commercial assessment of the Directors.

Admission and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM ("**Admission**"). The Placing Shares, when issued, will rank *pari passu* in all respects with the Ordinary Shares, including the right to receive any dividends and other distributions declared following Admission. It is expected that Admission will become effective, and that dealings in the Ordinary Shares on AIM will commence, at 8.00 a.m. on 17 March 2016.

Substantial Shareholding

Following Admission, Miton UK Microcap Trust will be interested in 49,933,349 Ordinary Shares, representing 10.0% of the enlarged issued ordinary share capital of the Company.

This information is provided by RNS
The company news service from the London Stock Exchange

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