

Distil PLC

Trading Update

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16 January 2018

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Distil plc (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 report higher levels of sales during the third quarter including the important Christmas period.

Year-on-year third quarter (October to December 2017) revenues and volumes climbed by 19%, supported by a 11% increase in brand marketing investment.

Year to date sales for the nine month period April to December increased 21% in revenue and 29% in volume, with marketing investment increasing 23%. Growth in volumes ahead of revenues reflect the return to growth in Licensed sales for Blavod Black Vodka, mainly through Europe and Duty free.

Don Goulding, Executive Chairman of Distil, said:

"Our brands continued to perform well in Q3 in a highly competitive market, growing both volume and value over the prior year which included significant pipeline fill in national retailers. Major promotional activity during the quarter and a growing consumer awareness of our brands led to a strong sales performance at consumer level across all trade channels including On Trade, Off Trade and online.

During this Q3 period we also finalised our Blackwoods 2017 Vintage Dry Gin including a unique proprietary bottle, distinctive labelling and an improved gin recipe. The gin was developed together with a master distiller and a group of respected On Trade mixologists to give us what we believe to be one of the best tasting gins on the market. Shipments to our distributors in export markets and the UK begin in January. Initial trade response has been very positive and we are pleased to report increased listings in four major UK retailers amounting to an additional 520 retail outlets coming through in the spring. Our revised Blackwoods website featuring the new design launches this week. (www.Blackwoodsgin.co.uk)

With regard to exports, where possible, we are seeking to contract a sole distributor per market for the Distil portfolio of brands rather than one distributor per brand. This will help build a

longer term partnership approach as well as simplifying logistics and administration. We now enjoy this arrangement with many distributors but not in all key markets - for example the USA. With conclusion of the new packaging, labelling and liquid development for Blackwoods Gin we will focus efforts on new export markets linking gin and RedLeg Spiced Rum.

In the US we revised our target distributor list to allow a combined approach and discussions are underway with a shortlist of suitable companies.

The outlook for the final quarter to the end of March 2018 remains positive with full year out-turn forecast to be in line with market expectations"

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About Distil

Distil Plc is quoted on the AIM market of the London Stock Exchange. It owns drinks brands in a number of sectors of the alcoholic drinks market. These include premium spiced rum, vodka, gin, vodka vanilla cream liqueur and are called RedLeg Spiced Rum. Blackwoods Vintage Gin, Blackwoods Vodka, Blavod Original Black Vodka, Diva Vodka and Jago's Vanilla Cream Liqueur.

www.distilplc.com

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.