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Press release

Rheinland Distillers, creators of Siegfried Dry Gin and non-alcoholic Siegfried Wonderleaf, announce minority investment from Diageo through Distill Ventures

August 19, 2020 (Bonn, Germany) – Rheinland Distillers GmbH, the maker of multi-award winning¹ Siegfried Rheinland Dry Gin and creator of the alcohol-free alternative Siegfried Wonderleaf, today announce an investment from global beverage alcohol leader Diageo, through the independent accelerator Distill Ventures. The investment will help drive growth of Rheinland Distillers and the Siegfried brand. In addition to the investment, the Siegfried founders will also gain access to Distill Venture’s market-leading acceleration program.

The Siegfried story started in 2014 when Raphael Vollmar and Gerald Koenen – two long-time friends who shared a passion for gin – wanted to rethink and disrupt the gin category. With 4,000 Euros of their own, they founded their company which today produces Siegfried Rheinland Dry Gin and non-alcoholic gin alternative, Siegfried Wonderleaf.

The Rheinland Distillers caught the attention of Distill Ventures with their unique offer of both an alcoholic and non-alcoholic product under one brand, providing great consumer choice. In addition to gaining wide distribution through leading retailers in Germany, the Rheinland Distillers have had strong digital focus since launch, propelling Siegfried Rheinland Dry Gin to become the fastest growing German gin brand in 2019². Raphael and Gerald have built their own direct to consumer offering through the Siegfried website and also focused on leading ecommerce platforms. This has led the brand to appear in the top ranks of Amazon.de’s bestsellers’ list alongside established global brands.³

Siegfried Rheinland Dry Gin is a classic handcrafted Dry Gin with signature linden blossom notes. The brand has joined the top league of German independent gins⁴ within a very short time. The brand has received numerous awards in international spirits competitions, including a Double Gold at the 2015 World Spirits Award and Best Gin at the 2015 Hong Kong International Wine & Spirits Competition.

In August 2018, Rheinland Distillers launched the first German non-alcoholic gin alternative, Siegfried Wonderleaf, to cater to a growing demand for choice in drinks. Designed to be served in non-alcoholic cocktails and long drinks, Wonderleaf combines the same 18 botanicals as the Dry Gin, with a unique allspice aroma profile. According to a 2019 Distill Ventures data study, 58% of consumers are drinking more no-and

¹ <https://www.siegfriedgin.com/siggi/>

² IWSR volume figures 2019 – growth rates from 2018 - 2019

³ Amazon Germany, October 2019 and June 2020

⁴ IWSR ranking of independent German gin brands in Germany by retail sales value, 2019

DIAGEO



lower-abv drinks than in 2018, and 55% of the most influential bartenders in New York, Los Angeles and London believe the no-and low-alcohol trend will continue to grow in 2020.⁵

Rheinland Distillers are also known for their innovative and original in-house brand campaigns, design editions and partnerships with well-known designers and brands across various industries, such as a custom bottle produced in collaboration with German marker pen giant Edding in November 2019.

Founded in London in 2013, Distill Ventures is the world's first independent drinks accelerator, with the mission to support entrepreneurs as they start and scale drinks brands for future generations of consumers. The company is active in both traditional spirits categories and emerging drinks categories across Europe, APAC and North America. Siegfried is the first brand with both an alcoholic and a non-alcoholic product to join the company's growing portfolio of international non-alcoholic brands, which make up 25% of the entire portfolio.

"At the beginning, we asked ourselves how far we, as people from outside the industry, would be able to go in such a competitive market with a handcrafted product, 4,000 Euros, hard work and a lot of passion. With today's step, we are answering this question for ourselves and are delighted to be able to carry the Siegfried brand and the associated attitude to life even further into the world than we ever dreamed possible," says **Raphael Vollmar, Managing Director of Rheinland Distillers GmbH.**

"We are very proud of what we have achieved in the last 5 years. As we look to further growth, we are delighted to work with Diageo and Distill Ventures to access invaluable knowledge and expertise whilst continuing to operate as an independent business," adds **Gerald Koenen, Managing Director of Rheinland Distillers GmbH.**

"It is a great pleasure for us to have Rheinland Distillers on board as the first producer in the portfolio of both alcoholic and non-alcoholic spirits. It was the passion, innovation and obsession with quality that we saw in Raphael and Gerald which drew us to their brand. Their success story shows precisely where the future of spirits lies: consumers come first and they want the freedom of choice whether with or without alcohol. We look forward to working with Gerald and Raphael to take the Siegfried brand to the next level, imagining a future world of spirits together," said **Frank Lampen, Co-Founder and CEO, Distill Ventures.**

Elizabeth Brown, Group Strategy Director at Diageo said "Siegfried run a digital-first business model, offering great consumer choice with both an award-winning gin and a non-alcoholic alternative. We are thrilled that they have joined the Distill Ventures portfolio and look forward to supporting Raphael and Gerald on accelerating the Siegfried business."

⁵ Study of 83 top bartenders. Full report: <https://distillventures.com/insights-and-trends/non-alcoholic-drinks-a-growth-story>

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As is customary with all companies that work with Distill Ventures, the founders of Rheinland Distillers will retain majority ownership, with Diageo holding a minority stake. Raphael Vollmar and Gerald Koenen will continue to control the business as the company expands.

Siegfried Rheinland Dry Gin and Siegfried Wonderleaf are available throughout Germany – both through Amazon, nationwide in retailers like Edeka, REWE and METRO, leading drinks shops, bars and restaurants as well as the Siegfried website. The brand is also available in select retailers and ecommerce sites in Switzerland, France, UK, Austria, Netherlands, Belgium, Denmark, Japan, Hong Kong, Italy, Spain and Hungary.

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About Rheinland Distillers GmbH

Founded at the end of 2014, Rheinland Distillers GmbH is trading its products in 13 countries. After Siegfried Rheinland Dry Gin (2015), which according to a Nielsen study is the German gin with the highest revenue without industrial participation, and encore Vodka (2017), Siegfried Wonderleaf (2018) is the third premium product in the Rheinland Distillers portfolio to be launched. The Bonn-based company is known for its radical ideas and creative co-operations, which provide a breath of fresh air in the bar scene and various industries. These include their first alcohol-free alternative "Siegfried Wonderleaf", the world's first ampoule treatment "Siegfried Hydro Vital Boost Men" for well-groomed men's skin in cooperation with EUBOS® or the "Limited Edition" in cooperation with edding® based on the motto "Paint brightly instead of drinking beautifully".

Thanks to the high quality standards of its founders Raphael Vollmar and Gerald Koenen, Siegfried Rheinland Dry Gin has become the world's most highly decorated gin (www.siegfriedgin.com/awards). Rheinland Distillers GmbH also receives awards for the overall design of its products. Siegfried Rheinland Dry Gin is the 2018 winner of the German Design Award in the Packaging category. For the bottle design of encore Vodka they received an award for product innovation in glass from the Aktionsforum Glasverpackung in 2018. | www.siegfriedgin.com | www.rheinlanddistillers.com

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About Distill Ventures

Established in 2013, Distill Ventures is the drinks industry's first accelerator for new and growing brands. Our aim is to support entrepreneurs to develop, scale and sell the drinks brands of the future. Through a combination of cash investment, mentoring support and access to a network of experts, Distill Ventures works with founders to help brands go further, faster. Distill Ventures operates across both alcoholic and non-alcoholic drink categories, and invests at all stages, from prelaunch through to those requiring significant growth and expansion capital. It is operated independently and backed by Diageo, the world's leading premium drinks company, who provide investment funding, as well as resources and access to their global network of experts. Following its investment in Seedlip, the world's first non-alcoholic spirit, the company established a dedicated non-alcoholic practice in 2017, becoming the first-ever drinks accelerator to do so. Today, 25% of global Distill Ventures investments are in non-alcoholic.

To date, more than 15 brands have received investment via Distill Ventures, including: Stauning, one of Europe's standout new whiskies from Denmark; Starward, a distinctive Australian whisky, exclusively matured in Australian wine barrels; Westward, a leading American single malt whiskey from Northwest provenance; Ritual Zero Proof, the first spirit alternative distilled in America that echoes the taste and smell of spirits; Seedlip, the world's first non-alcoholic distilled spirits brand, which was majority acquired by Diageo in 2019; and Belsazar, a German aperitif acquired by Diageo in 2018. Further information on Distill Ventures and details on how acceleration works for drinks brands is available at www.distillventures.com.

About Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Ciroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness.

Diageo is a global company, and our products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO). For more information about Diageo, our people, our brands, and performance, visit us at www.diageo.com. Visit Diageo's global responsible drinking resource, www.DRINKiQ.com, for information, initiatives, and ways to share best practice.

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