



## Bermele PLC

### Possible Acquisition & Suspension from Trading

RNS Number : 4120T

Bermele PLC

20 July 2020

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**For Immediate Release**

**20 July 2020**

**Bermele Plc**  
("Bermele" or the "Company")

**Possible Acquisition,  
Suspension of Trading  
&  
Convertible Loan Notes**

The Directors of Bermele are pleased to announce that the Company has signed Heads of Terms to acquire the entire issued share capital of East Imperial Pte. Ltd. ("East Imperial") for new shares in the Company (the "Acquisition"). The number of new shares is subject to further due diligence.

East Imperial is a Singapore incorporated company that designs, develops, formulates, manufactures, distributes and sells small batch blended premium mixers using all-natural ingredients and New Zealand artesian spring water.

Bermele has also entered into a legally binding Exclusivity Agreement with East Imperial to facilitate concluding the proposed Acquisition. The Exclusivity Agreement places certain restrictions on East Imperial for an initial period of 9 months, with an option to extend for a further 3 months, including in relation to : issuance of any shares, loan capital or securities convertible into shares; disposal of all or part of East Imperial and its share capital; or disposal, merger or other business combination with any third parties.

#### **About East Imperial**

East Imperial, founded in 2013 in New Zealand, produces and markets a line of branded ultra-premium beverages that are currently sold throughout APAC and the US. The company was founded on the philosophy of creating products defined by heritage, tradition and authenticity. East Imperial's range utilises all-natural authentic Asian ingredients, low natural sugar content, and a genuine 1903 East African family recipe.

Through its original intent to position itself as a lifestyle and ultra-premium brand, East Imperial has successfully carved-out, in only a short period of time, a competitive advantage in the marketplace. It continues to combine its intrinsic and genuine product qualities with its luxury lifestyle marketing strategy. The unique appeal of East Imperial mixers enables the company to promote its beverage lines across a broad range of countries with a focus on high-end and luxury establishments.

In 2019, East Imperial was voted by the World's Top 50 Bars and 200 Bartenders as the 3rd Top Trending Brand, and 3rd Top-Selling Tonic Water Brand globally. The forecast growth is driven by both new products opportunities in markets already established; Australasia, US, China, Hong Kong and Singapore and expansion into new markets.

### **Suspension and Application for Listing**

The Acquisition, if it proceeds, will constitute a Reverse Takeover under the Listing Rules since, *inter alia*, in substance it will result in a fundamental change in the business of the Company. As such, the Company's Listing and ordinary shares have been suspended (pursuant to Listing Rule 5.3.1) with immediate effect pending the publication of a prospectus and the application for the enlarged Company to have its ordinary shares admitted to the Official List and to trading on the main market for listed securities of the London Stock Exchange.

### **Convertible Loan Notes**

The Company has entered into an agreement to subscribe for 250,000 Secured Convertible Loan Notes 2020 of £1 each with East Imperial (the "Loan Notes"). Under the terms of the Loan Notes, Bermele has the right to convert the Loan Notes into shares in East Imperial at a 40% discount to the price of a change of control event, such as the proposed Acquisition.

The proceeds of the Loan Notes are to be used for general working capital purposes to support East Imperial's strategy in the short term. In the event that the Acquisition does not proceed, the Loan Notes are repayable at Bermele's election after 12 months, with an accrued interest rate of 5% per annum. The loan notes are secured against the assets of East Imperial.

The Acquisition is subject, *inter alia*, to the completion of due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code.

### **Toby Hayward, Chairman of Bermele, commented:**

*"I am delighted to announce this proposed acquisition and to have executed these agreements with East Imperial, one of the world's top brands in the expanding market of premium mixers. Alongside a fantastic range of products, this transaction will provide an exciting opportunity for our shareholders. In addition, this will give East Imperial the platform it requires for further expansion and to develop its global-selling brand."*

### **Tony Burt, Founder & CEO of East Imperial, commented:**

*"From our inception we've harboured strong ambitions to take the East Imperial philosophy beyond our home markets in Asia Pacific to a wider global audience. The opportunity presented by Bermele provides us with the means to achieve this, and we're thrilled to be able to move to the next stage of our growth story. Together, this will enable us to continue to deliver our world-leading ultra-premium mixer range, as well as bring to market exciting innovations for the more discerning consumer."*

### **Enquiries:**

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