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Artisanal Spirits Company PLC (The)
19 July 2021

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The Artisanal Spirits Company plc

("The Artisanal Spirits Company", "ASC" or the "Company")

Half Year Trading Update

The Artisanal Spirits Company (AIM: ART), the owner of The Scotch Malt Whisky Society ("SMWS"), the leading curator and provider of premium single cask Scotch malt whisky and other spirits for sale primarily online to a discerning global membership, today announces a trading update for the six months ended 30 June 2021.

£'m	6 months to 30 June 2021	6 months to 30 June 2020	% change
UK online sales	1.7	1.3	28%
UK venue & events sales	0.6	0.7	(17%)
International sales	5.7	4.6	24%
Total sales	**7.9**	**6.6**	**20%**

'000s	30 June 2021	31 December 2020	% change
UK members	13.4	13.7	(2%)
International members	15.3	14.6	4%
Total members	**28.7**	**28.3**	**1%**

Highlights:

- Successful admission to AIM ("Admission") in June 2021, raising gross proceeds of £26m
- £1m investment in spirit stock post Admission, continuing to build on the vast and unique range of outstanding single cask Scotch malt whiskies
- Total sales growth of 20% to £7.9m (H120: £6.6m), slightly ahead of Management expectations at the time of IPO
- Strong international sales growth, particularly in the US with performance boosted by the suspension of US tariffs on imports of Scotch whisky in March 2021. As

announced on 17 June 2021, the Board expects this to result in an uplift on the profits of the Company

- Recovery in UK venue & events sales following phased reopening in Q2. Excluding UK venues & events, sales grew by 25%
- Continued strong international member growth and, following a downturn in UK member numbers during the lockdowns, four consecutive months of UK member growth to period end, with Q2 UK recruitment more than double that of the corresponding period in the prior year
- Demand from European members remains robust, despite the ongoing challenges Brexit continues to pose to EU exports
- Positive outlook for the second half, notwithstanding the ongoing pandemic uncertainty over future restrictions and impacts on currency, with Scotch malt whisky remaining in demand, and well resourced to execute on growth strategy

David Ridley, Executive Managing Director of the Company, said: *"The first half of the year has certainly been an exciting one for the business. We have strengthend our senior management team, achieved a successful IPO that will enable us to provide our loyal and discerning members with even greater whisky experiences, and trading momentum has continued from the previous year.*

"We are pleased that demand is robust both in the UK and internationally, and it is heartening to see our members returning to our venues with such enthusiasm. While Brexit continues to present logistical challenges for exports to the EU, we are working through these issues. We welcome the long-term suspension of US tariffs which took effect last month, not only does this provide an economic benefit to the business but also enables us to progress our strategic objectives in the USA with confidence.

"We look forward to presenting our maiden set of interim results in September, and to continued strategic progress in the second half and beyond."

The information contained within this announcement is deemed to constitute inside information for the purposes of the UK Market Abuse Regulation.

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About The Artisanal Spirits Company

Artisanal Spirits Company (ASC) is based in Edinburgh. It owns The Scotch Malt Whisky Society (SMWS) which was established in 1983 and currently has a growing worldwide membership of 28,000 paying subscribers.

Harnessing the experience of some of the most knowledgeable stewards in the industry, SMWS provides members with inspiring experiences, content and exclusive access to a vast and unique range of outstanding single cask Scotch malt whiskies and other craft spirits, sourced from over 100 distilleries in 20 countries and expertly curated with diligence and care. In 2020 over 85% of Group revenue was generated online, whilst 9% was generated through SMWS's four UK venues.

Having initially proven its premium experience model in the UK, SMWS is now able to offer its unrivalled breadth of distinguished flavours to an expanding international market, with 69% of 2020 sales from outside the UK. SMWS has a growing presence in the key international whisky markets of UK, China, USA and Europe.

ASC is building a portfolio of premium brands that bring together some of the world's best producers with a growing movement of discerning consumers by curating unrivalled collections of craft spirits.

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