RNS Number : 0168Z
Artisanal Spirits Company PLC (The)
20 January 2022

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The Artisanal Spirits Company plc

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

Full 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 an unaudited trading update for the financial year ended 31 December 2021 ("FY 2021").

Highlights:

- Company expects to report full year revenue of approximately £18m (FY 2020: £15m) comfortably ahead of market expectations, with both UK and international sales growing by around 20%.
- 15% global membership growth (a leading indicator of future revenue growth) in second half of the year (>33,000 at year end up from 28,700 at 30 June). UK and International members grew by approximately 20% and 15% respectively over the year as a whole:
- Continued recovery in UK venue & events sales following phased reopening in Q2 and robust performance through to year end despite the emergence of the Omicron variant during Q4, demonstrating the advantages of ASC's multi-channel business model. UK venue sales in the second half surpassed those in the entirety of FY 2020.
- Successful admission to AIM ("Admission") in June 2021, raising gross proceeds of £26m with decisive early progress made against strategic growth objectives outlined at IPO:
    - Significant investment in matured spirit stock and cask wood;
    - 10-year lease signed on a new supply chain facility;
    - Launched new brand J.G. Thomson; and
    - Increased equity interests in joint venture entities in China and Japan.
- Strengthened the Group's leadership team through a number of key strategic hires.
- Establishment of a warehouse in mainland Europe, enabling the Group to mitigate Brexit-related logistical challenges and reduce shipping and delivery times to EU members.
- Record number of top awards (for both SMWS and J.G. Thomson) from some of the most prestigious competitions in the global whisky calendar.
- Positive outlook moving into FY 2022 notwithstanding the inherent unpredictability of Covid-19, with strong member growth in the second half underpinning the Board's

confidence that the new financial year will see ASC deliver further meaningful revenue growth.

David Ridley, Executive Managing Director of the Company, said:

"2021 was a transformational year for the Artisanal Spirits Company in many ways. Sales growth was consistently strong, particularly in the context of ongoing industry-wide pressures as a consequence of Covid-19 and Brexit. The exciting step-change in our development created by our admission to trading on AIM in June has given us the strategic focus and access to funds to enable us to take our SMWS member offering to the next level, launching J.G. Thomson and exploring opportunities to expand the Group's portfolio of brands. The early fruits of this step-change can be seen in the material acceleration in overall membership growth in the second half.

We have created a special culture at the Artisanal Spirits Company and I would like to take this opportunity to thank our teams for their hard work and resilience throughout the year, overcoming challenges, driving us forward and helping us continue to be successful."

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 over 33,000 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 global 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. In November 2021 it launched J.G. Thomson & Co. Inspired by its namesake, which was originally a wine and spirits merchant in Leith, Scotland, in the 1700s, J.G. Thomson is a new, adventurous blender, creating small batch blended malt whiskies, blended grain whiskies, rum and gin. J.G. Thomson products are available from www.jgthomson.com as well as a range of leading whisky shops, bars and restaurants.

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