

The Artisanal Spirits Company plc

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

Banking facility extended and new Malaysia agreement

Extended Bank Facility

The Artisanal Spirits Company (AIM: ART), curators of the world's favourite, single-cask and limited-edition whisky, and owner of The Scotch Malt Whisky Society ("SMWS"), is pleased to announce that it has extended its agreement with RBS to increase its existing revolving credit facility to £21.5 million (previously £18.5 million) and extend the term of the commitment until 19 December 2025, broadly representing a two year extension of the previous term.

Interest under the RBS Facility will accrue at 2.25% over SONIA and this new rate represents a 0.25% reduction in the margin on the facility, and based on the current facility utilisation of £16.5 million, this would equate to an annual saving of c.£40,000 of interest costs for the Group. This new agreement retains the existing "Springing Test" clause, meaning that no covenants are tested while the Group maintains an appropriate stock balance.

The RBS facility provides ASC with additional flexibility to expand and grow all aspects of its business, ranging from Membership, investing in the Group's brand and whisky stocks, as well as continuing to increase its international reach.

The Directors expect to update the market on trading in the financial year ending 31 December on or around 23 January 2023.

New Partnership Agreement in Malaysia

SMWS is pleased to announce that it has signed a new partnership agreement in Malaysia, migrating its operations in that region to Drinks Alliance. The agreement provides a new route to market in the region and further strengthens the Group's geographic footprint in South East Asia. Malaysia is the 12th largest market within the global Ultra-Premium Scotch Malt Whisky sector, based on value, and was estimated to be worth c.US\$102 million in 2021, up by 49% vs 2020 (source: IWSR). This follows the Group's recent entry into South Korea in October with an inaugural franchise agreement in that location, as ASC continues to expand its global footprint into new growth markets.

David Ridley, Managing Director, commented:

"The successful increase in the banking facility is testament to the strength of ASC's consistent strategic delivery and extensive asset base of unique and appreciating whiskies and other spirits. The extended facility provides us with further firepower to continue to grow our membership base both in the UK and internationally, to launch the Group's American Whiskey proposition in H1 next year and to continue to invest in further spirit stock for ageing, underpinning ASC's future growth."

"We have a clear strategy and a pioneering model to maximise the benefit from favourable long-term growth drivers. We will continue to execute against our growth strategy to deliver a doubling of sales between 2020 and 2024 in a disciplined and measured way with expansion evidenced by our international partnership agreements in territories such as Malaysia announced today and in South Korea in November, two of the fastest growing whisky markets in the world."

"We have an exceptional opportunity and remain well positioned to capitalise on it with whisky stocks to satisfy all demand until 2028 and 75% of demand until 2033."

20 December 2022

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The Artisanal Spirits Company plc

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About The Artisanal Spirits Company

Notes to Editors: The Artisanal Spirits Company (ASC) are curators of the world's favourite, single-cask and limited-edition whisky.

Based in Edinburgh, ASC owns The Scotch Malt Whisky Society (SMWS) which was established in 1983 and currently has a growing worldwide membership of just over 36,000 paying members.

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.

Since producing the Society's very first cask, we have created around 10,000 different whisky releases, producing a constant flow of unique and exciting one-of-a-kind whiskies.

With proven e-commerce reach and new brands like J.G. Thomson, ASC is building a portfolio of small-batch spirits brands for a global movement of discerning consumers - delivering c. £20 million in annual revenues with over 80% of revenue generated online and over 65% from outside the UK, with a growing presence in the key global whisky markets including UK, China, USA and Europe.

ASC has a pioneering business model, a substantial and growing addressable market presenting a long-term global growth opportunity and a strong and resilient business, primed to deliver growth.

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