RNS Number : 6836Y
Artisanal Spirits Company PLC (The)
10 September 2025

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The Artisanal Spirits Company plc
('Artisanal Spirits', 'ASC' or 'the Group')

Interim Results for the Six Months to 30 June 2025

H1 adj. EBITDA maintained versus H1-24 and FY EBITDA delivery remains on track

The Artisanal Spirits Company (AIM: ART), the creator of outstanding, limited-edition whiskies and experiences around the world, and owner of The Scotch Malt Whisky Society ("SMWS"), Single Cask Nation ("SCN"), J.G. Thomson and Artisan Casks is pleased to announce its Interim Results for the six months ended 30 June 2025.

H1 Performance Summary

- Strategic delivery achieved via ongoing revenue diversification and various new initiatives, as well as further cost efficiency, to navigate a challenging global whisky market
- Membership retention remained strong at 70%, with total membership numbers up 3% on H1-24
- Adjusted EBITDA[1] maintained vs H1-24 despite the challenging trading conditions
- Revenue marginally decreased (4%), largely reflecting the c£1m reduction in rephased US shipments vs H1-24, while we implemented our tariff mitigation plan and reflecting weaker US consumer confidence.
- Excluding US shipments, underlying revenue performance was up 6% YoY as cask sales growth offset declines in Asia and mainland Europe
- Our members continue to enjoy and engage in the SMWS in-person experience, with venues revenue up 6% vs H1-24
- H1 net debt of £29.5m (H1 2024: £27.0m) driven by the impact of US phasing (greater weighting to H2)
- Execution of exciting new initiatives in 2025, notably Artisan Casks luxury private cask programme and the successful launches of our Creators Collections
- Established new franchise agreements in India and Vietnam, both markets in the top 10 Ultra-Premium Scotch Whisky markets[2], by value, with India also the largest globally, by volume[2] and Single Cask Nation (SCN) also shipped its first volumes into Brazil
- Successful inaugural SMWS partnership with AMEX in the UK attracting almost 1,000 new members over Q2 and Q3
- Continued recognition for the quality and consistency of our whisky, with 13 awards achieved in 2025 so far, across three key industry events, as well as celebrating Single Cask Nation (SCN) retaining its title as Independent Bottler of the Year at the World of Whiskies awards

Current Trading & Outlook

- Trading in H2-25 to date has been in line with expectations
- Artisan Cask sales starting to gather momentum since the launch in July
- Preparations underway for the launch of the next phase of our Range Review, the new Signature range and additional Creators Collection and Heresy range releases
- Retained focus on full year EBITDA delivery through anticipated H2-25 revenue derived from:
    - Single digit growth in SMWS depletions vs prior year
    - Increased US shipments following implementation of our new RTM in response to the introduction of tariffs
    - Significant margin return from the newly launched Artisan Cask programme as well as further trade cask sales

1 Adjusted EBITDA classed as Earnings Before Interest, Tax, Depreciation, Amortisation and non-recurring costs (see note 9 to the accounts)
2 IWSR data 2024

The Board of The Artisanal Spirits Company considers that current consensus market expectations for the year ending 31 December 2025 are revenue of £26.0m (2024; £23.6m) and EBITDA of £1.5m (2024; £1.1m).

£'m	**Note**	**6 months to 30 June 2025**	**6 months to 30 June 2024**	**% change**
Revenue	6	9.7	10.1	(4%)
Gross profit		5.7	6.4	(10%)
Gross margin		59%	63%	(4ppt)
EBITDA	9	(1.5)	(1.0)	(50%)
Adjusted EBITDA*		(1.0)	(1.0)	-
Loss before tax	9	(3.6)	(3.1)	(17%)
Loss after tax		(3.7)	(3.2)	(19%)
Net Debt		(29.5)	(27.0)	(9%)
Cask inventory	14	28.1	26.5	11%

**Adjustment relates to the non-recurring costs of £0.5m paid in January 2025 in relation to the US transition*

Operational highlights:

Global membership			
'000s	**June 2025**	**June 2024**	**% change**
Europe	26.8	24.4	10%
Asia	5.1	5.5	(8%)
Americas	7.7	8.5	(9%)
Rest of World	1.8	1.9	(5%)
Total members	**41.4**	**40.3**	**3%**
**Rest of World represents Australia, New Zealand and South Africa*			

Andrew Dane, CEO of Artisanal Spirits Company, commented:

"We remain focused on executing our strategy and maintaining profitability, whilst continuing to navigate macro factors in the markets in which we operate. Our diversified revenue streams, strong member engagement and disciplined cost management have enabled us to deliver adjusted EBITDA in line with the prior year, despite a softer trading environment in certain geographies.

"Our proven strategy of investing in whisky stock continues to provide ASC with optionality - providing an impressive, award-winning, asset base which satisfies our requirements well into the next decade, delivering a significant uplift in value creation and diversifying our revenue streams through strategic cask sales.

"H1 has seen the successful launch of Artisan Casks, as well as our expansion into India and Vietnam which mark important steps as we continue to build this unique business for the medium to longer term.

"With momentum building in H2, particularly across Europe and China, and US shipments now resuming momentum, we remain on track to deliver FY EBITDA in line with market expectations."

Sellside analyst presentation

Andrew Dane (CEO) and Billy McCarter (CFO), will host a webcast presentation for sellside equity analysts, followed by Q&A, at 10.00 hours BST today. Analysts wishing to join should register their interest by contacting: artisanalspirits@instinctif.com

Investor presentation

Andrew Dane and Billy McCarter will provide a live presentation relating to the Half Year Results via Investor Meet Company on Thursday, 11 September 2025 at 1400 hours BST. Investors can sign up to Investor Meet Company for free and

add to meet The Artisanal Spirits Company via:

https://www.investormeetcompany.com/the-artisanal-spirits-company-plc/register-investor

The presentation is open to all existing and potential shareholders. Questions can be submitted prior to the event via the Investor Meet Company dashboard until 0900 hours BST on Wednesday, 10 September 2025, or at any time during the live presentation.

For further enquiries:

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About The Artisanal Spirits Company

ASC's purpose is to captivate a global community of whisky adventurers, by creating and selling outstanding, limited-edition whiskies and experiences around the world, with an ambition to create a high quality, highly profitable and cash generative, premium global business.

Based in Edinburgh, ASC owns The Scotch Malt Whisky Society (SMWS), Single Cask Nation (SCN), J.G.Thomson (JGT) and Artisan Casks. Owning over 18,000 casks primarily comprising Single Malt Scotch Whisky, ASC's stock includes outstanding whisky (and other spirits) from 150 different distilleries across 20 countries which is sold to members both as individual bottles and whole casks.

With an established global presence in some 30 countries, SMWS operates a direct-to-consumer model (90% of revenue) primarily through e-commerce, in addition to four member rooms in the UK. SMWS provides members with inspiring experiences, content and exclusive access to a vast and unique range of outstanding, expertly curated Scotch malt and other whiskies.

In January 2024, ASC acquired SCN which sources, curates and bottles single-cask whiskies and other spirits selling both online and via traditional retail channels to its following of over 10,000 whisky enthusiasts in the USA.SCN also retails to key international whisky markets around the world.

Launched in the UK in late 2021, JGT has a focus on outstanding small batch blended malt whiskies and other spirits, available both through direct-to-consumer online sales and through traditional retail channels. The award-winning brand has subsequently expanded into international markets.

In July 2025, ASC launched Artisan Casks, a luxury private cask programme allowing private individuals the chance to purchase an individual cask of a quality that allows for immediate bottling and joining a select network with a discerning appreciation for finest craftsmanship and luxury experiences.

With proven e-commerce reach and a growing family of brands, ASC is building a portfolio of limited-edition and small-batch whisky and other spirits brands for a global movement of discerning consumers - delivering revenue of £23.6 million in FY24, predominantly from outside the UK, with an expanding presence in the other key global whisky markets including USA, China, Europe, Japan, Australia and Taiwan.

ASC has a substantial asset backing and is delivering profitable growth and cash generation.

Interim Statement

Group Progress

In FY25-H1 we have retained our commitment to strategic delivery, cost discipline and revenue diversification as we witnessed the same economic and industry headwinds as FY24, as well as the additional impact of US tariffs.

The marginal decline in revenue in the period reflects the uncertainty of the US tariff situation in H1-25. We moved swiftly to implement pre-emptive action taking greater control in the region and reviewed our US route to market (RTM) approach. Whilst this resulted in shipments to the US being temporarily down £1m versus the prior year, the action we have taken will ensure that we have a cost-optimised solution which will protect profitability in the longer term. I am pleased to say we have

now successfully completed this work and will move ahead with shipments in the balance of year that represent a level closer to the full year expectation.

Outwith the US, our well diversified revenue base ensured performance was up 6% year on year, as cask sales growth offset the aforementioned persistence of challenging trading conditions in Asia, and a slower Q2 in Europe.

Cost efficiency and effectiveness remains key to our success and continued to play a key role in H1-25. Savings in the cost base offset the gross profit impact of revenue decline and investment in pricing which has been made, as we acknowledge pressures on consumer confidence.

At a membership level, our retention remains strong at 70%. As a result of double-digit growth in Europe, our membership closed at 41,400 at the end of Jun-25, up 3% vs Jun-24. The growth in Europe was driven by a UK-specific marketing campaign in Q4-24, where we gained an additional 3,000 new members. The campaign saw a 20% 'onboard' rate with c600 fully engaged new members spending an average of £160 per person. Such is the size of the campaign, we do expect retention levels to be lower than average in Q4-25, as a result year end membership likely to be closer to 40,000.

Whilst challenging trading conditions persist, we will navigate these through ongoing revenue diversification, realising the value of our asset base and continued focus on driving efficiencies within our cost base, remaining focussed on achieving EBITDA in line with expectations.

International Trading

Europe

Membership in Europe is up 10%, reflecting the aforementioned new member marketing campaign in Q4-24. Retention remains strong and is up by 10bps, the improvement in retention to 75% supported by our renewal and bottle product and introduction of auto renewal in the UK toward the end of H1. At the end of H1, we also commenced our inaugural partnership with AMEX in the UK, promoting SMWS via the AMEX credit card app, attracting almost 1,000 new members over Q2 and Q3.

Revenue performance was strong as we made an encouraging start to the year with regards to cask sales. Overall, the region was 21% up on FY24 and cask sales up 140%. In our Venues and events, we have seen continued growth in member visits and engagement, resulting in a 6% revenue growth year on year.

Following a strong Q1 in Europe and UK online sales, where growth was achieved of +18% and +5% respectively, H1-25 finished around flat in the UK and down 10% in Europe.

The growth in membership, success of our first partnership with AMEX and strong cask sales is supported by early growth signs in Q3, Europe and UK online showing a mid-high single digit growth versus the same period in H1-24. In Q4-24, following a successful partnership with AMEX, we will also launch the bottle and membership product on Amazon in the UK as we look to recruit and grow members.

Americas

The US remains the world's largest market for Scotch Malt Whisky, with over $1.3 billion of 2024 sales at Ultra-Premium price points and above (bottle prices over $45).

The market has been challenging in H1-25 as the introduction of tariffs to the spirits market has created a significant amount of uncertainty within the industry and the local economy, further weakening consumer confidence. ASC has not been immune to these macro factors with the result being a decline in local depletions of around 30%.

The uncertainty of tariffs also led to a pause on shipments to the US, as we awaited confirmation of the tariff position and ultimately a requirement to review our route to market (RTM) to ensure it was one that achieved an optimal cost outcome. As a result, shipments to the US, relating to both SMWS America (SMWSA) and Single Cask Nation (SCN) brands were down around 50% (£1.0m).

Looking ahead, at this time, tariffs appear to be a requirement to trade in the market, however, through the actions we have taken, we are now in a position to ship goods to the country at a more optimal cost than H1 and therefore anticipate we will see a heavier weighting of US shipments in H2. Our full year expectation is that shipments will resume at similar levels to FY24 as we see some growth coming in the market, recently witnessed in key spirits majors' results, the upcoming launch of our new loyalty programme in the US and first delivery in market of ASC's new Signature range livery.

Membership in the US has declined by 9%, further evidence of market conditions, however, we expect to see growth in H2 now we have greater control in the market and focus attention in this area, including the new loyalty programme.

Asia

In Asia, the landscape remains challenging as a consequence of economic headwinds continuing to impact consumer confidence and spending behaviour. The combination of these factors has resulted in around a 30% decline in revenue in the region, with membership down 8% (around a third of the absolute reduction related to the closure of the Hong Kong subsidiary).

We remain confident the market will recover in the medium to long term, and Asia remains a key market with regards to our Artisan Cask offering. In China, membership has grown to over 2,100 and much of the 30% revenue decline reflects phasing, with a stronger H2 expected to achieve close to flat year on year full year sales, supported by membership growth, together with timing of new product releases.

Global and Product Expansion

Artisan Casks - luxury private cask programme

Early in H2-25 we announced the exciting launch of our new luxury private cask programme, Artisan Casks.

The programme offers private individuals the chance to purchase an individual cask, to appreciate and enjoy the artisanal nature of whisky, and experience first-hand the technical artistry the whisky-makers at ASC demonstrate for the casks in their care.

Only a handful of Artisan Casks will be released each year, and they are all of a quality to allow for immediate bottling, are aged at least 20 years and have the potential for additional maturation, as desired, in consultation with ASC's whisky-makers.

Artisan Cask owners will join a select network with a discerning appreciation for the finest craftsmanship and luxury experiences. In collaboration with ASC's partners and affiliates, cask owners will receive privileged access to some of Scotland's most renowned distilleries and sought after bottlings, as well as invitations to exclusive, private events.

The programme has seen good levels of initial sales in July and August and we anticipate that the programme will deliver in the balance of H2 in support of our revenue and EBITDA aims.

Franchise growth

As we continue to progress the Group's strategic objective of international growth and expansion into new markets, in H1-25 we announced the SMWS launch in Vietnam, swiftly followed in early H2 with the signing of a contract with a franchise partner in India.

Subject to label registration being completed, we expect to dispatch ASC's first shipment of product to India, the largest global Scotch Whisky market by volume[2], in the coming months.

India and Vietnam mark additional milestones in the Group's strategic expansion in Asia. Whilst entry into the Indian market is expected to deliver marginal returns initially, we believe the long-term opportunity from brand presence and strategy execution, alongside our experienced and well-connected franchise partner, is an important area of future growth for the business as the Indian whisky market further develops.

Next phase of the range review

Following on from the launch of the Creators Collection in 2024, SMWS will be releasing its new Signature range in Q4-25, the purpose being to enhance the messaging and storytelling of the range, our signature offering representing a unique and differentiated offering within the wider whisky industry.

Allowing greater exploration for our members, at all price points, the Signature range will consist of eight flavour profiles which aim to simplify the way in which members navigate the full range of outstanding, limited-edition whiskies SMWS has to offer.

Celebrating Continued Industry Recognition

Awards won so far in 2025 have taken the ASC tally to over 380 - a feat we are extremely proud of as we seek to create and sell outstanding, limited-edition whiskies.

The awards this year include SMWS taking home five medals from bottlings in its signature range, including two Masters awards, two Golds and a Silver, at The Spirits Business Scotch Whisky Masters, the Master awards achieved for Cask No. 53.491: Gastronomic Beachcombing and Cask No. 72.124: Soak Up the Sunshine with a Glass of Sherry.

In addition, SMWS won four Gold, one Silver and a Double Gold medal in the International Spirits Challenge, which promotes outstanding quality spirits from across the globe and receives thousands of entries from over 70 countries worldwide, as well as four awards from the International Wine and Spirits Competition (IWSC), with two Gold and two Silver medals.

Earlier this year in the US, Single Cask Nation ("SCN") also retained the honour of Independent Bottler of the Year, the 2025 award adding to its inaugural win in 2024, at the World of Whiskies awards.

Current Outlook and Trading

Trading in the initial weeks of H2 have been positive, with consolidation in the year-on-year EBITDA position and revenue improvement in the Europe region, namely double-digit growth in the UK in the first months of H2 and Venues continuing to show growth year on year as well as double digit growth in China in August.

With the H1-25 tariff cost optimal route to market (RTM) work now fundamentally complete, we anticipate that US shipments will gather in momentum as we deliver stock required in the market.

From a cask sales perspective, trade cask sales remain a deliverable in H2 to achieve our profit targets, and we expect to see continued engagement with the Artisan Luxury Cask programme as a valuable generator of revenue and significant margin

and profit to the Group. The nature of cask sales is less linear in comparison to market depletions, however, sales in H1-25 of trade casks and £0.2m delivery in early weeks of launch of Artisan Casks allows us to remain positive about meeting forecast EBITDA expectations.

The Board remains confident in the future opportunity for ASC and delivery of market consensus EBITDA expectation.

[2] *IWSR data 2024*

Financial Review

The Group has reported an adjusted EBITDA loss in H1 of £1.0m, in line with the previous year. Revenue and Gross Profit both fell compared to H1 2024 due to the impact of the reduction in shipments to the USA and continued headwinds in Asia, and investment in ensuring price competitiveness, offset by growth in cask sales. After adjusting for the £0.5m non-recurring cost incurred in January to take greater control of the Group's operations in the USA, unadjusted EBITDA is £0.5m behind 2024. The resultant loss before tax (LBT) of £3.6m is £0.4m behind prior year reflecting this one-off cost, mitigated through continuation of the Group's focus on operating cost efficiency and a reduction in commission due to a combination of structural changes and reduced revenue.

Year on year revenue declined by 4% to £9.7m (2024: £10.1m) as a result of the Group's decision to delay shipments to the USA owing to tariff uncertainty. The impact of £1.0m on revenue in the USA is expected to unwind through H2 following completion of the Route to Market review. Across Asia, the headwinds experienced throughout FY23 and FY24 have continued, with revenue declining a further 30% against H1 2024, the impact predominantly in China and Japan. In Europe, a £1.3m increase in revenue reflects the increase in cask sales with a 9% fall in direct-to-consumer e-commerce sales being offset by the impact of improved performance across UK Venues and European franchise markets. The Rest of World also experienced a 12% reduction in revenue, driven by membership decline in Australia.

	Selling & Distribution Expenses		Administrative Expenses	
	2025-H1	2024-H1	**2025-H1**	2024-H1
	£'000	£'000	**£'000**	£'000
Commission	**233**	633		
Advertising & Promotion (A&P)	**876**	1,230		
Depreciation	**926**	916		
FX Loss	**99**	30		
Overheads			**1,599**	1,852
Payroll			**3,891**	3,637
Total underlying	**2,133**	2,810	**5,490**	5,489
Non-underlying overheads	**-**	-	**478**	-
Total	**2,133**	2,810	**5,978**	5,489

Despite headwinds in a number of markets, the Group has continued to manage costs and seek out efficiency within its cost base. As a result of changes to commission structures in late 2024, commission has reduced 60% year-on-year, largely in the USA where these costs are replaced by payroll costs with the added benefit of control over activity.

Ongoing management of advertising and promotional costs to ensure they are appropriate to support current revenue levels has driven a 29% reduction in A&P spend (a 47% reduction against H1 2023); the continuing focus is on maximizing return on A&P investment with spend focused on the completion of the SMWS range review, and product and brand development for the new Artisan Casks luxury programme.

Currency losses of £0.1m in H1 relate predominantly to the US dollar. For every +/-1c movement in USD, the EBITDA impact is +/-£15k. In year, US dollar hedging reduced the realised FX loss by £18k.

Alongside the overall £0.7m saving in selling and distribution costs, administrative expenses (excluding non-recurring costs) are in line with H1-24, despite the inclusion of £0.5m US in-market operating costs taken on following the Group obtaining control of operations in that market. Cost management within overheads continues to deliver savings in relation to travel costs, professional fees and IT costs where supplier price increases are mitigated through previous investments in people and systems delivering greater efficiency.

Payroll costs are £254k higher than in H1 2024 following the successful onboarding of the US operations, inflationary pay increases and the increase in Employers' National Insurance in the UK from April 2025, the latter impacting by around £100k per annum.

The Group's cash flow in H1 2025 shows an increase in net debt of £4.1m from December 2024 to £29.5m. This is predominantly driven by £1.0m EBITDA loss for the period, £0.5m in cash-settled non-recurring costs, £1.1m outflow on net working capital and interest paid of £0.8m. EBITDA loss and £0.5m non-recurring cost are both impacted by slower than anticipated US in-market depletions, with a resultant re-phasing of £2.4m of trade receipts now expected in H2.

Further cash outflows incurred related to the settlement of £0.2m deferred consideration for Single Cask Nation following achievement of earn-out targets in 2024, and £0.1m of dividend payments to a non-controlling interest. The Group concluded the sale of its second investment property, a flat above the Vaults in Leith, and utilized the £0.3m receipt to repay a portion of debt.

Inventory investment within working capital (incorporating spirit, finished goods and raw materials) is a marginal cash spend YTD with £0.2m of spirit spend offset by reductions in finished goods and raw materials as a result of more efficient usage of

existing inventories. Investment in spirit and wood combined, of £0.5m, remains at lower levels than previously experienced as a result of whisky stocks being sufficient to meet demand for the foreseeable future, with investment on a replenishment basis.

As we move forward through H2, profit delivery in the six months will result in net debt reduction from the current position, noting however cash receipts from US sales rephased in H2 will fall into FY26. Nonetheless the Balance Sheet remains strong, with a cask inventory asset holding significant value over and above carrying value.

The Artisanal Spirits Company plc
Consolidated Statement of Comprehensive Income
For the period ended 30 June 2025

£'000	Notes	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Continuing operations				
Revenue	6	**9,679**	**10,095**	**23,601**
Cost of sales		(3,992)	(3,720)	(8,576)
Gross Profit		**5,687**	**6,375**	**15,025**
Selling & Distribution expenses		(2,133)	(2,810)	(5,153)
Administrative expenses		(5,978)	(5,489)	(10,589)
Finance costs		(1,137)	(1,146)	(2,461)
Other income	8	2	3	3
Loss on ordinary activities before taxation	9	**(3,559)**	**(3,067)**	**(3,142)**
Taxation		(84)	(18)	(109)
Loss for the period		**(3,643)**	**(3,085)**	**(3,251)**
Other comprehensive income:				
Item that will not be reclassified to profit or loss				
Movements in translation reserve		(81)	(111)	(71)
		(81)	(111)	(71)
Total comprehensive loss for the period		**(3,724)**	**(3,196)**	**(3,322)**
Loss for the period attributable to;				
- Owners of parent company		(3,639)	(3,139)	(3,300)
- Non-controlling interest		(4)	54	49
		(3,643)	**(3,085)**	**(3,251)**
Total comprehensive loss for the period attributable to;				
- Owners of parent company		(3,720)	(3,250)	(3,372)
- Non-controlling interest		(4)	54	49
		(3,724)	**(3,196)**	**(3,322)**
Basic EPS (pence)	12	(5.1)	(4.4)	(4.6)
Diluted EPS (pence)	12	(5.1)	(4.4)	(4.6)

The Artisanal Spirits Company plc
Consolidated Statement of Financial Position
As at 30 June 2025

£'000	Notes	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)

Non-current assets			
Investment property		-	285
Property, plant and equipment	13	10,145	10,734
Intangible assets		2,230	2,352
		12,375	**13,371**
Current assets			
Inventories	14	31,809	31,768
Trade and other receivables		4,382	4,286
Cash and cash equivalents		1,399	2,868
		37,590	**38,922**
Total assets		**49,965**	**52,293**
Current liabilities			
Trade and other payables		2,313	3,459
Current tax liabilities		605	705
Financial liabilities	15	6,990	3,032
Lease liability	15	578	513
		10,486	**7,709**
Net current assets		**27,104**	**31,214**
Non-current liabilities			
Financial liabilities	15	24,867	25,938
Lease liability	15	2,588	2,920
Other payables		-	-
Provisions		678	670
		28,133	**29,528**
Total liabilities		**38,619**	**37,237**
Net Assets		**11,346**	**15,056**
Equity			
Called up share capital		176	176
Share premium account		15,308	15,255
Translation reserve		(291)	(211)
Retained earnings		(3,976)	(424)
Cash flow hedge reserve		-	-
Equity attributable to parent company		**11,216**	**14,796**
Non-controlling interest		129	260
Net assets		**11,346**	**15,056**

The Artisanal Spirits Company plc
Consolidated Statement of Cash Flows
For the period ended 30 June 2025

	Notes	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Loss for the year after tax		(3,643)	(3,085)	(3,251)
Adjustments for:				
Taxation charged		84	18	109
Finance costs		1,049	1,057	2,293
Interest income		-	-	(1)
Movements in provisions		8	73	16
Share-based payments		86	72	135
Investment property fair value movement		-	-	(20)
Investment property gain on disposal		-	-	(14)

Lease interest	88	89	151
Depreciation of tangible assets	923	856	1,308
Amortisation of intangible assets	124	168	321
Movements in working capital:			
Increase in inventory	(41)	(292)	(560)
Decrease/(increase) in trade and other receivables	(96)	(1,009)	486
Increase/(decrease) in trade and other creditors and provisions	(935)	(77)	1
Cash flow from/(absorbed by) operations	**(2,353)**	**(2,130)**	**974**
Income taxes (paid)/received	(184)	(278)	(104)
Interest paid excluding leases	(753)	(726)	(1,676)
Net cash outflow used in operating activities	**(3,290)**	**(3,134)**	**(806)**
Cash flow from investing activities			
(Purchase)/disposal of intangible assets	(2)	11	-
Purchase of property, plant and equipment	(342)	(526)	(948)
Sale of investment property	285		169
Sale of property, plant and equipment	-	-	19
Cash paid to acquire trade and assets of J&J Spirits	(201)	(160)	(238)
Interest income	-	-	1
Net cash used in investing activities	**(260)**	**(675)**	**(997)**
Cash flows from financing activities			
Share issue	53	-	-
Transactions with non-controlling interest	-	-	(16)
Dividend paid to non-controlling interest	(126)	-	(213)
Asset backed lending received	2,003	3,457	4,343
Repayment of asset backed lending	-	-	(116)
Inventory secured RCF facility	1,000	1,500	500
Loan received	-	-	-
Repayment of loan	(413)	(140)	(487)
Repayment of leases	(355)	(252)	(504)
Net cash from financing activities	**2,162**	**4,565**	**3,507**
Net increase/(decrease) in cash and cash equivalents	**(1,388)**	**756**	**1,704**
Cash and cash equivalents at beginning of year	2,868	1,235	1,235
Foreign currency translation	(81)	(111)	(71)
Non-controlling interest movement			-
Cash and cash equivalents at end of year	**1,399**	**1,880**	**2,868**
Relating to:			
Bank balances and short term deposits	1,389	1,880	2,868

The Artisanal Spirits Company plc
Consolidated Statement of Changes in Equity
For the period ended 30 June 2025

£000	**Called up share capital**	**Share premium account**	**Retained earnings**	**Cash flow hedge reserve**	**Translation reserve**	**co**
Balance at 31 December 2023	**176**	**15,255**	**2,789**	**-**	**(140)**	**1**
Issue of share capital	-	-	-	-	-	
(Loss) /profit for the period	-	-	(3,300)	-	-	(3

Share-based compensation	-	-	135	-	-	
Transactions with non-controlling interest	-	-	(48)	-	-	
Other comprehensive loss	-	-	-	-	(71)	
Balance at 31 December 2024	**176**	**15,255**	**(424)**	**-**	**(211)**	**1**
Issue of share capital	1	53	-	-	-	
Loss for the period	-	-	(3,639)	-	-	(3
Share-based compensation	-	-	86	-	-	
Dividend to non-controlling interest	-	-	-	-	-	
Other comprehensive loss	-	-	-	-	(81)	
Balance at 30 June 2025	**176**	**15,308**	**(3,976)**	**-**	**(291)**	**1**

Notes to the unaudited interim financial information

1. Basis of preparation

The condensed interim financial information presents the consolidated financial results of The Artisanal Spirits Company plc and its subsidiaries (together the "Group") for the six months ended 30 June 2025 and the comparative figures for the six months ended 30 June 2024 which are unaudited. This financial information does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The external auditor's report on the Group's annual report and accounts for the year to 31 December 2024 was unqualified and did not include an emphasis of matter statement under s.498 of the Companies Act 2006.

This statement does not include all the information required for the annual financial statements and should be read in conjunction with the Group's Annual Report and Accounts for the 12 months ended 31 December 2024. The Annual Report is available on the Group's website (www.artisanal-spirits.com/).

2. Accounting policies

This condensed consolidated interim financial information has been prepared in accordance with IAS34 'Interim Financial Reporting', the International Accounting Standard as adopted in the United Kingdom. The accounting policies applied in preparing the condensed consolidated interim financial information consistent with those applied in the most recent Annual Report and Accounts for the year ended 31 December 2024.

In this condensed consolidated financial information, the Group has applied amendments to IFRS issued by the International Accounting Standards Board ("IASB") and endorsed by the UK Endorsement Board ("UKEB") that are mandatorily effective for accounting periods that begin on or after 1 January 2025. The only new effective amendment is the endorsed Amendment to IAS 21 - Lack of exchangeability (UKEB endorsed, effective 1 January 2025), which does not result in any change to the Group's accounting policies or results.

The following new standards and amendments to existing standards have been issued by the IASB at the reporting date and have not been early adopted by the Froup:

- IFRS 18 - Presentation and Disclosure in Financial Statements (not yet endorsed by UKEB, effective 1 January 2027); and

• IFRS 19 - Subsidiaries without Public Accountability: Disclosures (not yet endorsed by UKEB, effective 1 January 2027).

3. Going concern

The financial information has been prepared on the basis that the Group will continue as a going concern. In assessing the appropriateness of adopting the going concern basis in the preparation of the condensed interim financial information, the Board has considered relevant information, including annual budget sensitivities, forecast future cash flows until September 2026, availability of financing and the impact of subsequent events in making their assessment.

The directors have considered in detail the impact of reasonably plausible downside scenarios and are satisfied there is sufficient headroom in their cashflow forecasts to continue to operate as a going concern.

Based on this assessment and taking into account the Group's and the Company's current position, the directors have a reasonable expectation that the Group and the Company will be able to continue in operation and meet its liabilities as they fall due over the 12-month period from the date of this announcement.

4. Principal risks and uncertainties

The principal risks and uncertainties affecting the Group are unchanged from those set out in the Group's Annual Report and Accounts for the 12 months ended 31 December 2024.

5. Dividends

No dividend was declared or paid during the period (prior period £nil).

6. Operating segments

6 months to 30 June 2025 (Unaudited)	Europe £'000	Asia £'000	Americas £'000	Other £'000	Group £'000
Revenue	6,759	1,489	1,014	417	9,679
Cost of Sales	(2,616)	(550)	(642)	(185)	(3,992)
Gross Profit	**4,143**	**939**	**372**	**232**	**5,687**
Selling & distribution costs					(2,133)
Administrative costs					(5,978)
Finance costs					(1,137)
Other income					2
Loss before tax					(3,559)
Taxation					(84)
Net loss					**(3,643)**

6 months to 30 June 2024 (Unaudited)	Europe £'000	Asia £'000	Americas £'000	Other £'000	Group £'000
Revenue	5,455	2,149	2,021	470	10,095
Cost of Sales	(2,437)	(610)	(473)	(200)	(3,720)
Gross Profit	**3,018**	**1,539**	**1,548**	**270**	**6,375**
Selling & distribution costs					(2,810)
Administrative costs					(5,489)
Finance costs					(1,146)
Other income					3
Loss before tax					(3,067)
Taxation					(18)
Net loss					**(3,085)**

Year ended 31 December 2024 (Audited)	Europe £'000	Asia £'000	Americas £'000	Other £'000	Group £'000

Revenue	13,785	4,191	4,657	968	23,601
Cost of Sales	(5,826)	(1,243)	(1,086)	(421)	(8,576)
Gross Profit	**7,959**	**2,948**	**3,571**	**547**	**15,025**
Selling & distribution costs					(5,114)
Administrative costs					(10,628)
Finance costs					(2,461)
Other income					36
Loss before tax					(3,142)
Taxation					(109)
Net loss					**(3,251)**

The Board, the Chief Operating Decision Marker, does not receive a segmental breakdown of assets and liabilities, depreciation or capital expenditure.

The Group's revenue can be analysed by product category as follows:

£'000	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Revenue from the sale of Whisky	7,360	7,744	18,291
Membership Income	689	762	1,794
Revenue from the sale of other spirits	67	33	125
Member rooms (Food & Drink)	1,218	1,046	2,218
Events & tastings	235	467	953
Other	109	43	220
	9,679	**10,095**	**23,500**

Other includes revenue from sales of merchandise, rental income from investment properties in prior years, shipping charges billed to customers, and income from bottling services provided to third parties.

7. KPIs

The KPIs relating to SMWS membership are monitored by the Board and by Management over a rolling twelve-month period are as follows:

To 30 June 2025 (unaudited)

	LTM Revenue £'000	Period End Members ('000s)	Average Members ('000s)	Annual Revenue/ Member	Annual Contribution[1]/ Member	Retention %	Expected Years[2]	LTV[3] (Members)
Europe	9,895	26.8	25.9	382	184	75%	4.0	744
Asia	3,475	5.1	5.3	656	433	60%	2.5	1,076
Americas	3,253	7.7	8.2	399	275	61%	2.6	711
Other	913	1.8	1.9	490	271	73%	3.6	988
Total [4]	17,536	41.4	41.2	425	238	70%	3.3	796
Change[5]	*-14%*	*3%*	*3%*	*-17%*	*-17%*	*-1%*	*-2%*	*-20%*

1) Contribution is a non-IFRS measure, and is defined by management as Gross Profit less Commission paid on sales (primarily in relation to the USA)
2) Expected Years is a non-IFRS measure, and is defined by Management as one divided by one minus retention 1/(1-r%)
3) Lifetime Value (LTV) is a non-IFRS measure, and is defined as Annual Contribution per member, multiplied by expected years
4) Total revenue provided excludes cask sales unrelated to membership, Single Cask Nation sales and income from third party bottling activity, all of which are unrelated to the membership proposition, totalling £5,649k (12 months to 30 June 2024: £2,922k)
5) Change is shown versus the twelve-month period ended 30 June 2024.

8. Other Operating Income

£'000	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Other Income	2	3	36
	2	**3**	**36**

9. Loss on ordinary activities before taxation

£'000	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Loss on ordinary activities before taxation	(3,643)	(3,067)	(3,142)
Add back; Depreciation of tangible assets	860	772	1,308
Add back; Depreciation of production equipment within cost of sales	57	31	123
Add back; Amortisation of intangible assets	124	144	321
Add back; Finance Costs - loans	1,049	1,056	2,293
Add back; Finance Costs - leases	84	89	151
EBITDA	**(1,466)**	**(975)**	**1,055**
Exceptional and non-recurring costs (Note 10)	479	-	-
Adjusted EBITDA	**(987)**	**(975)**	**1,055**

10. Exceptional and non-recurring costs

£'000	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Non-recurring transaction costs	479	-	-

For the period ended 30 June 2025, non-recurring costs of £479k were incurred in relation to taking control of the Group's SMWS America Business. The cost incurred incorporates the cost to compensate the previous supplier covers finding and training revenue-generating employees.

11. Taxation

The results include a tax charge against the profits of the Group's Chinese subsidiary at the rate of 25% in both 2025 and 2024, and withholding tax charged on dividends paid in non-UK jurisdictions. There have been no corporation taxes due against other Group companies due to carried forward trading losses.

12. Earnings Per Share (EPS)

	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year Ended 31 December 2024 (Audited)
Earnings used in calculation (£'000)	(3,639)	(3,139)	(3,320)
Number of shares	70,667,226	70,559,774	70,559,774
Basic EPS (p)	(5.1p)	(4.4p)	(4.6p)
Fully diluted number of shares	75,259,518	73,701,200	76,058,111
Diluted EPS (p)	(5.1p)	(4.4p)	(4.6p)

13. Property, Plant & Equipment

	Land and buildings freehold £'000	Land and buildings leasehold £'000	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Casks £'000	Right of use asset '£000	Total £'000
Cost or valuation							
As at 1 January 2024	678	1,441	503	4,962	4,289	4,505	16,378
Additions	-	-	25	144	779	1,159	2,107
Disposals	-	-	-	(19)	-	-	(19)
As at 31 December 2024	678	1,441	528	5,087	5,068	5,664	18,466
Additions	-	-	-	16	326	-	342
Transfer	-	1	(1)	-	-	-	-
Remeasurement						(9)	(9)
As at 30 June 2025	678	1,442	527	5,103	5,394	5,655	18,799
Accumulated Depreciation							
As at 1 January 2024	196	1,167	353	2,019	662	1,555	5,952
Charge for the year	15	53	51	844	237	579	1,779
Released on disposal	-	-	-	-	-	-	-
As at 31 December 2024	211	1,220	404	2,863	899	2,134	7,731
Charge for the 6 months	9	24	17	431	128	315	923
As at 30 June 2025	220	1,243	421	3,294	1,027	2,449	8,654
Net book value							
As at 31 December 2024	467	221	124	2,224	4,169	3,530	10,735
As at 30 June 2025	458	199	106	1,809	4,368	3,205	10,145

Investment in the period is driven by recurring Cask Wood investment £326k (2024; £450k).

14. Inventories

£'000	As at 30 June 2025 (Unaudited)	As at 30 June 2024 (Unaudited)	As at 31 December 2024 (Audited)
Cask whisky & other spirits	28,079	26,482	27,810
Bottled stock	2,147	2,865	2,502
Other inventory	1,583	2,332	1,455
Total inventory	**31,809**	**31,028**	**31,768**

15. Financial Liabilities

£'000	As at 30 June 2025 (Unaudited)	As at 30 June 2024 (Unaudited)	As at 31 December 2024 (Audited)
Inventory secured revolving credit facility	21,500	21,500	20,500
Inventory financing	8,858	6,050	6,856
Accrued interest	945	-	601
Bank loans	548	1,270	951
Other loans	5	25	15
Financial liabilities	31,857	28,845	28,970
Lease liability	3,166	3,615	3,433
	35,023	**32,460**	**32,403**

The revolving credit facility (RCF) is secured by a bond and floating charge over eligible inventory within the Group. The availability of funds under the facility agreement is linked to a calculation of eligible inventory, which is predominantly the cask goods component of inventory assets. The total facility available is £21.5m. The loan is interest bearing and interest is due at a rate of 2.25% over the Bank of England base rate.

The inventory financing facility allows the SMWS subsidiary to raise finance of 60% to 80% of current market value secured against cask spirit, up to a total facility availability of £15.0m. The facility carries interest on cash advanced at a rate of 2.25% over the Bank of England base rate, settled on settlement of the principal. The Company has issued a parental guarantee to SMWS in favour of the lender.

The bank loan is secured by standard securities over the Ground Floor Premises of the Leith property and a legal charge over the Greville Street property. The loan is interest bearing and interest is due at a rate of 2.25% over the Bank of England base rate. Proceeds from the sale of investment property in the period have been used to repay a portion of the bank loans.

16. Financial Instruments - accounting classifications and fair value

Financial assets

Trade and other receivables and cash and cash equivalents are classified as financial assets at amortised cost.

Derivative assets not designated as hedging instruments are classified as financial assets measured at fair value (level 2 - i.e. those that do not have regular market pricing) through profit and loss.

Financial liabilities

Trade and other payables (excluding deferred income) are classified as financial liabilities are measured at amortised cost.

The fair value of both financial assets and financial liabilities have been assessed and there is deemed to be no material difference between fair value and carrying value.

Derivative liabilities not designated as hedging instruments are classified as financial liabilities measured at fair value (level 2) through profit and loss.

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