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Artisanal Spirits Company PLC (The)
20 November 2025

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

US Shipment & Strategy Update
One-off non-cash impact on FY25 results but no impact on underlying performance

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" or "the Society"), Single Cask Nation ("SCN"), J.G. Thomson and Artisan Casks announces an update on SMWS America shipments for the year ending 31 December 2025 ("FY25") and longer-term strategic developments for the operations in the United States ("US") that will have a one-off non-cash impact on FY25 but does not impact the underlying business trajectory.

FY25 SMWS America Shipments:

The recent government shutdown in the US has created a substantial backlog in the regulatory approval of new product labels, which is currently quoted by the US Government Alcohol and Tobacco Tax and Trade Bureau ("TTB") to be in excess of six weeks versus the normal 72 hour process under which the SMWS has successfully operated for the past 30+ years. This directly impacts SMWS due to the unique model of the Society's limited-edition whiskies whereby each new bottle sold in the US requires a Certificate of Label Approval ("COLA").

As a result, the $3.2m of SMWS America shipments which were due to ship in November 2025, will be unable to clear US customs before the end of the year, due to the 100+ outstanding COLAs which are not expected to be issued until 2026. These planned shipments would have taken full year SMWS America revenue to £4.2m, in line with both the average shipments and in-market sales for FY21-FY24 (£4.2m).

These circumstances are entirely outside of the Company's control and will have a non-cash impact on the reported results for FY25 of c.£2.5m of revenue and c.£2m of EBITDA. However, importantly, this will have no impact on in-market operations, where depletions in Q4-25 to date have returned to single digit growth following the decline experienced in the previous 12 months.

Route-to-Market Development:

It has been our strategy to take more direct management of our US operations over time, reducing costs and improving performance in the world's largest market for Scotch Malt Whisky. We have already made progress on this path, with phase one successfully implemented in the market earlier this year. This delivered recurring annual savings of around $0.5m per year and gave us direct operational control of the marketing and operations team in the US.

The next stage of this strategy is to move to an improved in-country route to market, with direct relationships with US '3-tier' partners which will deliver substantial recurring cost and efficiency benefits. To make this change, we need to transition the in-market stock from our legacy partner into the new model.

We have decided to accelerate this move, as the TTB impact means that the stocks held by our existing partner will be significantly reduced, making a transition to this new route-to-market at the end of March 2026 (when the current contract expires) simpler and more efficient to execute.

This means that in addition to the impact of the two FY25 shipments that had been scheduled for November 2025 noted above, there will be a further non-recurring, non-cash accounting impact of c$2-2.5m of revenue and c.£1-£1.5m EBITDA in FY25, reflecting the stock that is currently in market and is expected to still be held by our existing importer as at 31 December 2025.

As a result, the total combined non-recurring, non-cash revenue impact in FY25 is expected to be £4-4.5m. The non-recurring, non-cash EBITDA impact in FY25 is expected to be c£3-£3.5m.

Importantly, the underlying performance of the remainder of the business continues to deliver in line with current market expectations.

Trading Outlook:

For FY26, we anticipate revenue to be broadly flat versus FY25 underlying revenue (i.e. excluding the US one-offs noted above) and to deliver positive mid to high single digit EBITDA margin.

Looking forward, the benefits of the change to our US operations are expected to be:

- Substantial cost savings, estimated as positive total cash impact of c$1m (c£750k) over the next three years.
- Aligning revenue recognition with depletions, which is both:
  - consistent with our approach in all other key markets
  - in line with the current timescale for cash receipts from the US
- Direct engagement with '3-tier' partners in the US, allowing us to improve performance in the market, through increased efficiency and speed to market for new initiatives.

Andrew Dane, CEO of The Artisanal Spirits Company, commented:

"The Company had made good progress on the production and logistics required to deliver our full year US shipment plan. It is therefore highly frustrating that this development - which is outside the Company's control, will have an adverse effect on our reported results, albeit this is a non-cash impact and not a reflection of underlying trading levels.

"The US is the world's largest market for Scotch Malt Whisky and while the market has been challenging over the last 12 months, the management actions implemented at the start of this year have been successful, momentum is improving and the US remains the largest longer-term strategic opportunity for the business. Hence, we have taken the decision to leverage the opportunity presented by the impact of the recent US government shutdown to accelerate the next stage of our strategic development in this market."

The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

For further enquiries:

The Artisanal Spirits Company plc

https://artisanal-spirits.com/s/3db035

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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.

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