



**ARTISANAL  
SPIRITS**  
COMPANY

# THE ARTISANAL SPIRITS COMPANY PLC

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Interim Results for the 6 Months ending 30 June 2022

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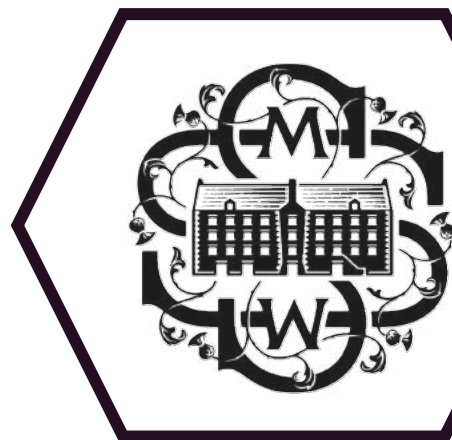
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# ASC: CURATORS OF THE WORLD'S FAVOURITE SINGLE CASK AND LIMITED-EDITION WHISKY



- ASC is building a portfolio of small-batch spirits brands for a global movement of discerning consumers, operating in a significant and growing addressable market.
- Owner of SMWS, established in 1983, with a growing worldwide community of over 35,000 paying members.
- J.G. Thomson launched in November 2021 as a creator of small batch blended malt whiskies, grain whiskies, rum and gin
- Plans progressing to launch a new brand targeting the sizable and fast-growing American whiskey market during H1-23.



# A UNIQUE AND EXCITING OPPORTUNITY



## **Pioneering model**

- Loyal, valuable and growing global membership
  - Constant stream of unique, award-winning products
  - Relentless focus on innovation & delivering outstanding experiences
  - Direct to consumer with proven data-rich e-commerce platform & digital content
- 

## **Long-term global growth opportunity**

- Clear flightpath to double sales 2020-24, delivering meaningful profits in medium term
  - Positioned for increased premiumisation & e-commerce growth
  - Significant and growing addressable market
  - Building a growing portfolio of small-batch spirits brands
- 

## **Robust business, primed to deliver**

- Strong financials – with high and growing margin
- Unique and successful sourcing, curation & distribution strategy
- Own the whisky stock to satisfy forecast demand to FY28 (with 75% to FY33)
- Experienced Board and management leading a passionate & engaged team

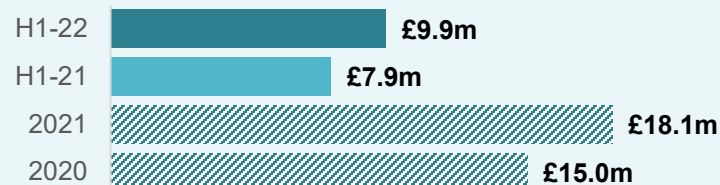
# STRONG & GROWING KEY METRICS



## GROWTH

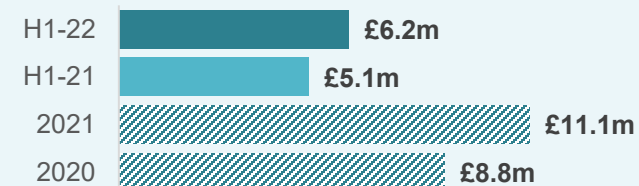
### Global Revenue

**+25% vs H1-21**



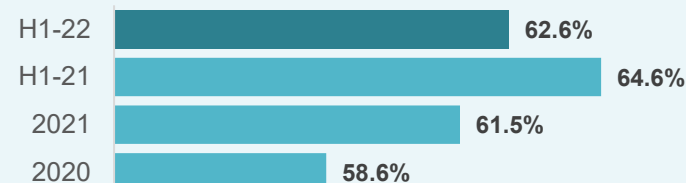
### Gross Profit

**+21% vs H1-21**



### Gross Margin

**-2.0% vs H1-21 & +1.1% vs FY21**



## MEMBERS

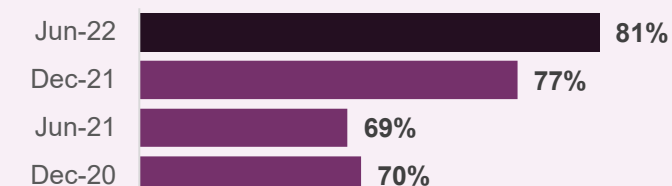
### Members

**+24% vs Jun-21**



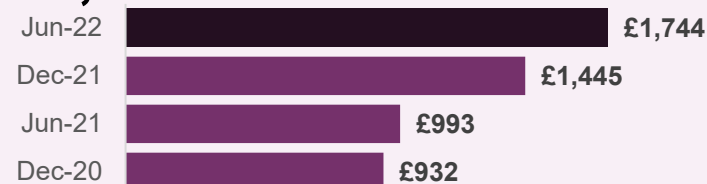
### Annual Membership Retention

**+4ppt vs Dec-21**



### Lifetime Value

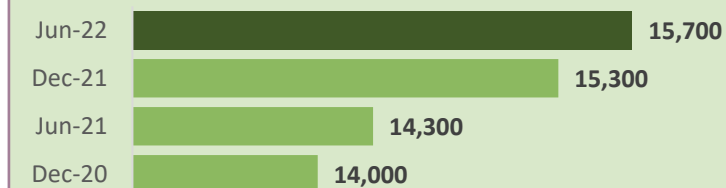
**£1,744**



## STOCK

### Casks

**+10% vs Jun-21**



### Notional Retail Value

**+21% vs Jun-21**



### Proportion of casks < 3y/o at time of purchase

**+7% vs Jun-21**



# GROWING GLOBAL REVENUE



## ASC Group Revenue

£m	2020	2021	H1-21	H1-22	H1-21 vs H1-22
UK E-Commerce	3.2	3.5	1.7	1.6	(6%)
UK Venues & Events	1.5	2.3	0.6	1.7	199%
<b>UK Total</b>	<b>4.7</b>	<b>5.8</b>	<b>2.3</b>	<b>3.3</b>	<b>45%</b>
USA	2.7	4.1	2.5	1.9	(24%)
China	3	3.9	1.5	2.3	61%
Europe	2.1	1.7	0.5	0.9	88%
Australia	0.6	0.9	0.4	0.4	12%
Japan	0.7	0.7	0.3	0.4	32%
Rest of World	1.1	1.1	0.5	0.6	15%
<b>Total Revenue</b>	<b>15.0</b>	<b>18.2</b>	<b>7.9</b>	<b>9.9</b>	<b>25%</b>

**Strong performance on 2022 revenue, with 25% growth on last year, and in line with market expectations for this year**

## HEADLINES

Continued strong revenue growth in China, supported by FY21 membership growth

UK Venue sales performing well to prior years, with H1-22 significant to prior year period due to Covid in H1-21, as well as some transfer from UK Online

Europe sales have returned to stronger levels having implemented improved post Brexit route to market in Q4-21

US performance reflects shipment timing (in market depletions flat and membership growing)

NB figures shown to the nearest £0.1m and totals may appear not to sum due to rounding

# STRONG FINANCIALS REINVESTING FOR FURTHER GROWTH



## ASC GROUP P&L

£m	2020	2021	H1-21	H1-22	<i>H1-21 vs H1-22</i>
<b>Total Revenue</b>	<b>15.0</b>	<b>18.2</b>	<b>7.9</b>	<b>9.9</b>	<b>25%</b>
Cost of Sales	(6.2)	(7.0)	(2.8)	(3.7)	32%
<b>Gross Profit</b>	<b>8.8</b>	<b>11.2</b>	<b>5.1</b>	<b>6.2</b>	<b>21%</b>
<b>Gross Margin</b>	<b>58.6%</b>	<b>61.5%</b>	<b>64.6%</b>	<b>62.6%</b>	<b>(3%)</b>
Commission	(1.0)	(1.4)	(0.7)	(0.6)	(8%)
<b>Contribution</b>	<b>7.8</b>	<b>9.8</b>	<b>4.5</b>	<b>5.6</b>	<b>26%</b>
Marketing	(1.8)	(2.4)	(0.8)	(1.2)	52%
Payroll	(3.4)	(4.5)	(2.2)	(2.9)	29%
Other overheads	(2.0)	(3.5)	(1.2)	(1.8)	51%
<b>EBITDAE*</b>	<b>0.6</b>	<b>(0.6)</b>	<b>0.2</b>	<b>(0.3)</b>	<b>(239%)</b>

**Focus remains growth and reinvestment – the goal being to return to positive EBITDAE in the near term and delivering bottom line profitability in the medium term.**

\* EBITDAE defined as earnings before interest tax, depreciation, amortisation and exceptional costs

NB figures shown to the nearest £0.1m and totals may appear not to sum due to rounding

## HEADLINES

Gross profit up 21% driven by volume growth.

Gross margin down slightly vs H1-21, but ahead of full year FY21 and in line with FY22 consensus forecasts

Marketing spend growth as we build awareness across all regions

Payroll & other overheads includes pre-operational Masterton Bond and American Whiskey costs (c£0.2m) and share based payment charge (c£0.1m)

# LOYAL, VALUABLE AND GROWING GLOBAL MEMBERSHIP



## Last Twelve Months (LTM) to June 2022 Member Lifetime Value

	Revenue £m	Year End Members	Average Members	Revenue/ Avg. Member	Contribution <sup>1/</sup> Avg. Member	Expected Years <sup>2</sup>	LTV <sup>3</sup> (Avg. Member)
UK	6.8	17,700	15,900	429	200	9.0	1,810
United States	3.5	5,500	5,200	675	370	3.1	1,147
China	4.7	1,600	1,600	2,984	2,042	1.8	3,747
Europe <sup>4</sup>	2.2	3,900	3,300	654	227	5.0	1,127
Australia	1.0	1,500	1,400	692	347	5.5	1,906
Japan	0.8	1,600	1,500	552	412	5.5	2,270
Rest of the world	1.2	3,800	3,700	322	199	5.3	1,048
<b>Total</b>	<b>20.2</b>	<b>35,600</b>	<b>32,600</b>	<b>621</b>	<b>332</b>	<b>5.2</b>	<b>1,744</b>
<b>Change vs LTM to Jun-21</b>	<b>+24%</b>	<b>+24%</b>	<b>+15%</b>	<b>+7%</b>	<b>+7%</b>	<b>+65%</b>	<b>+76%</b>

1 Contribution is a non-IFRS measure, and is defined by Management as Gross Profit less Commission.

2 Expected Years is a non-IFRS measure, and is defined by Manager 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 Europe represents direct sales markets within continental Europe, but excludes franchise markets in Denmark and Switzerland which are shown within Rest of World.

NB: some figures are rounded and therefore may appear not to sum (e.g. membership shown to the nearest 100)



**LIFETIME VALUE**  
**£1,744**

# STRONG AND WELL-CAPITALISED, ASSET-BACKED BALANCE SHEET



ASC Group Balance Sheet					
£m	Dec-20	Dec-21	Jun-21	Jun-22	Jun-22 vs Jun-21
Cash	2.2	2.0	3.3	4.2	0.9
Loans	(15.9)	(6.8)	(5.0)	(12.4)	(7.4)
<b>Net Debt</b>	<b>(13.7)</b>	<b>(5.2)</b>	<b>(1.7)</b>	<b>(8.2)</b>	<b>(6.5)</b>
<b>Net WC<sup>1</sup></b>	<b>1.4</b>	<b>2.2</b>	<b>2.9</b>	<b>1.2</b>	<b>(1.7)</b>
<b>Cask Goods</b>	<b>18.9</b>	<b>20.4</b>	<b>19.6</b>	<b>22.8</b>	<b>3.2</b>
<b>Fixed Assets</b>					
Tangible Assets	4.3	6.0	3.7	6.2	2.5
Cask Wood	1.9	2.4	1.9	2.7	0.7
Intangible Assets	2.6	2.4	2.6	2.3	(0.2)
<b>Fixed Assets</b>	<b>8.8</b>	<b>10.9</b>	<b>8.2</b>	<b>11.2</b>	<b>3.0</b>
<b>Long Term Liabilities</b>	<b>(2.4)</b>	<b>(4.3)</b>	<b>(2.1)</b>	<b>(4.1)</b>	<b>(2.0)</b>
<b>Net Assets</b>	<b>13.0</b>	<b>23.9</b>	<b>26.9</b>	<b>22.8</b>	<b>(4.1)</b>

<sup>1</sup> WC = Working Capital

NB – figures shown to nearest £0.1m & totals may appear not to sum due to rounding

ASC Cash Flow Statement			
£m	FY20	FY21	H1-22
<b>EBITDAE</b>	<b>0.6</b>	<b>(0.6)</b>	<b>(0.3)</b>
<b>Change in Net WC</b>	<b>(0.4)</b>	<b>(1.4)</b>	<b>0.8</b>
<b>Operating Cash Flow</b>	<b>0.2</b>	<b>(2.0)</b>	<b>0.5</b>
<b>Net Cask Spirit Spend</b>	<b>0.0</b>	<b>(1.5)</b>	<b>(2.4)</b>
Exceptional Items	(0.4)	(0.9)	-
Capital Expenditure	(1.3)	(1.0)	(1.0)
Interest Payments	(0.5)	(0.3)	(0.2)
Tax Payments	(0.3)	(0.3)	(0.1)
Dividend Payments	(0.3)	(0.4)	-
Equity Raise	1.0	14.9	0.1
<b>Net Change in Net Debt</b>	<b>(1.5)</b>	<b>8.5</b>	<b>(3.2)</b>
<b>Loan Movements</b>	<b>2.1</b>	<b>(8.7)</b>	<b>5.5</b>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>0.5</b>	<b>(0.2)</b>	<b>2.2</b>

## HEADLINES

Fully funded to deliver growth ambition through FY24

Extensive asset base of unique whisky as well as other spirits – significant investment in premium aged casks in HY as we balance future demand portfolio

Investment in Masterton Bond Supply Chain Facility as we close in on first operations during H2-22

3 year committed facility of £18.5m with RBS through to Jan-24

Well capitalised balance sheet, net assets of £22.8m





**ARTISANAL  
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01

**PIONEERING MODEL**



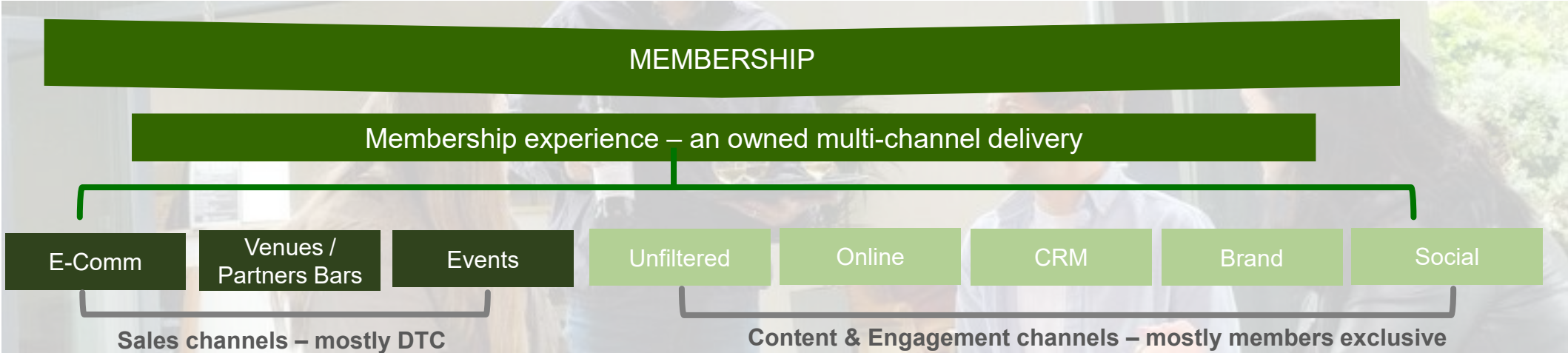
# A PIONEERING MODEL CREATING SUBSTANTIAL VALUE THROUGHOUT THE CHAIN



Vertical Integration  
PRODUCTS

Current State		Future State
>£6 per bottle cost of liquid	Spirit Acquisition	Using new make with cost of <u>c£2</u> per bottle
<u>c20-25%</u> ex-sherry cask influence	Active Maturation	<u>c35%</u> ex-sherry cask influence
Over <u>270</u> awards in last 3 years	Quality Tasting Panel	Continued innovative approach to new flavours
Outsourced to 3rd parties	Bottling and Labelling	Brought in-house at Masterton Bond
Capture <u>over 60%</u> gross margin	Bottled Spirit	Potential for <u>c70%</u> gross margin

Horizontal Integration  
MEMBERS



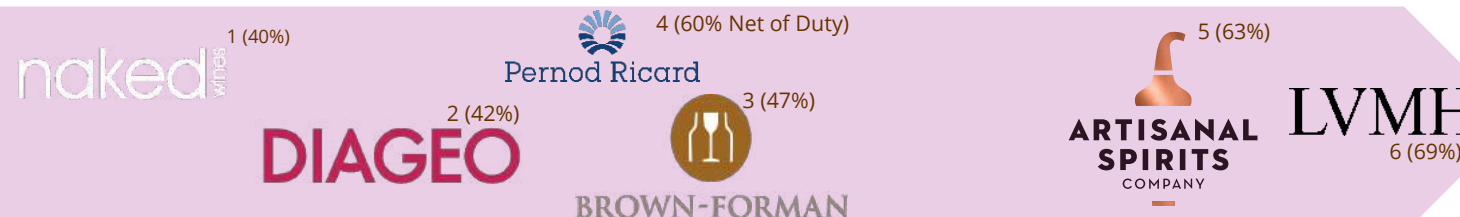
# A PIONEERING MODEL WITH STRONG COMPARATORS



LOWER

HIGHER

Gross Margin



Source: 1. Naked Wines FY22 Annual Report (40%); 2. Diageo FY22 Annual Report (61% Net of Duty = 42% Gross of Duty); 3. Brown Forman FY22 10-K (61% Net of Duty = 47% Gross of Duty); 4. Pernod Ricard FY21 Results (60% Net of Duty – Gross Not Available); 5. ASC H1-22 Unaudited Accounts (63% Gross of Duty); 6. (69%) LVMH H1-22 Financial Statements

Book Value of Maturing Stock as % of Market Cap



Source: 1. Diageo FY22 Annual Report (5.2bn maturing inventories vs 85bn market cap); 2. Pernod Ricard FY21 URD (4.25bn maturing whisky/cognac vs 48bn market cap); 3. Remy Cointreau FY22 Annual Report (1.4bn ageing wines & eaux-de-vie vs 9bn market cap); 4. ASC H1-22 Results (22.8m of cask goods vs market cap of 47m)

% sales from Super-Premium+ Price Points



Source: 1. Diageo FY22 Annual Report. "Super-premium-plus portfolio of luxury brands grew 31% this year, contributing 27% of our reported net sales.". 2. Management Information

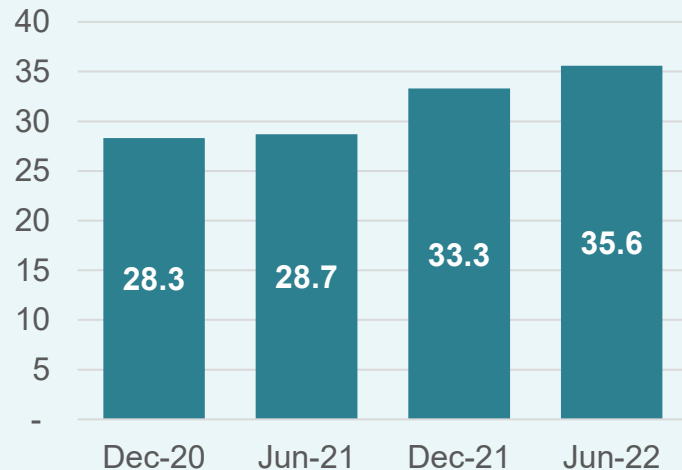
# LOYAL, VALUABLE AND GROWING GLOBAL MEMBERSHIP



## Global Membership

**35,600**

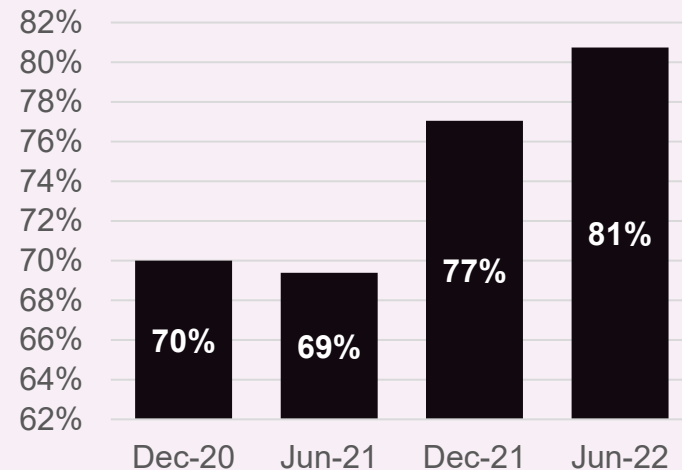
*+7% vs Dec-21 & +24% vs Jun-21*



## Global Retention

**81%**

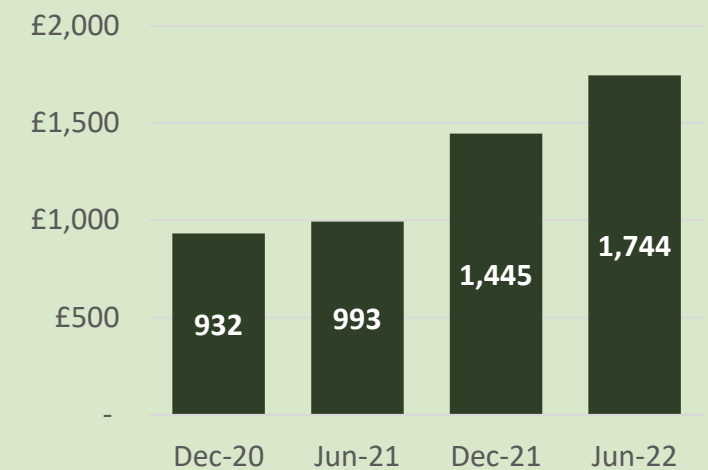
*+4ppt vs Dec-21 & +12ppt vs Jun-21*



## Member Lifetime Value (LTV)

**£1,744**

*+21% vs Dec-21 & +76% vs Jun-21*



# UNIQUE, AWARD-WINNING PRODUCTS



## Limited Edition

Each cask yields average of 250 bottles of cask strength whisky

## Wide Variety

Over 1,000 different whiskies last year, across twelve flavour profiles

## Innovative & Original

A constant stream of fresh releases with individual personality

## Outstanding Quality

Award Winning over 270 awards in less than 3 years

- IWSC Gold Outstanding,
- ISC Double Gold,
- San Francisco World Spirit Competition Double Gold,
- ICONS of Whisky - Best Bar of the Year

## Price Point Accessibility

SMWS products span a wide range from £45 to over £2,500 per bottle

## Highly Desirable

SMWS products age ranges from 6 years to 30+ years, serving many markets' desirable premium factors. Growing proportion of ex-sherry casks and peated Whiskies





# FOCUS ON INNOVATION & OUTSTANDING EXPERIENCES



Being innovative is in our DNA. We bring passion for creativity and innovation to everything we do. We create and innovate to develop and grow as people and together grow the business.

**91%** of those who have accessed member rooms rate them positively.



**87%** of members rate the quality of our tastings as Good or Very Good

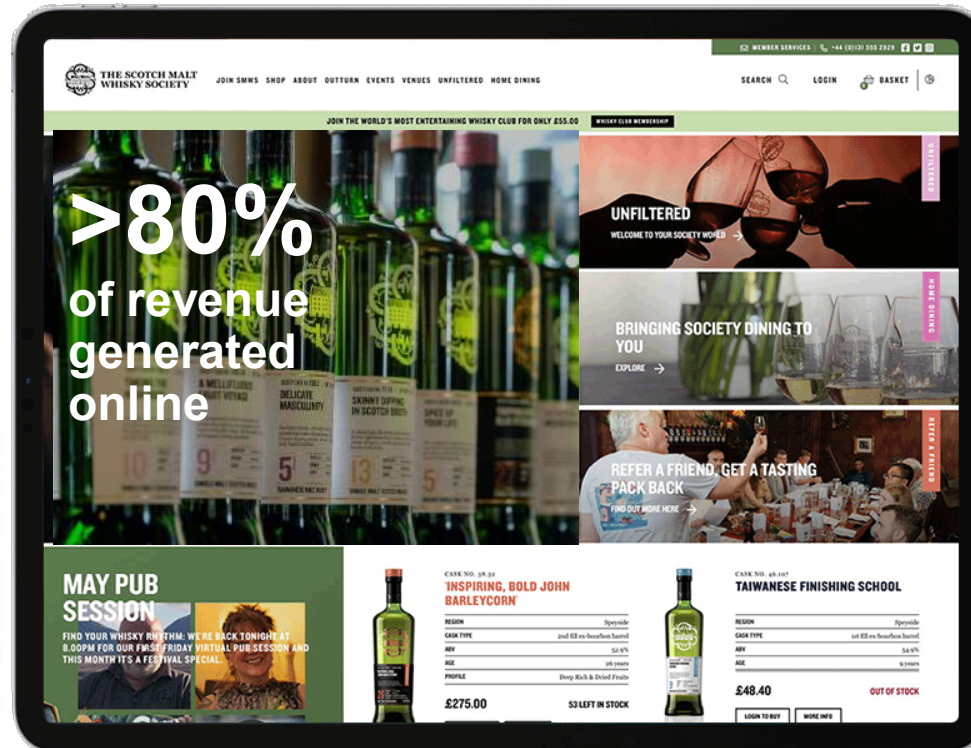


Since the SMWS was founded in 1983, around 10,000 different whiskies have been created



# DTC WITH DATA-RICH E-COMMERCE PLATFORM & DIGITAL CONTENT

Unfiltered is SMWS's multi award-winning magazine, available exclusively to members and a core part of our wider content distribution globally across social and owned channels – in multiple formats including live and catch-up broadcast





02

LONG TERM GLOBAL  
GROWTH OPPORTUNITY



# A CLEAR FRAMEWORK TO DOUBLE SALES BY 2024



Our clear, short-term ambition to double sales by 2024, fits within a bolder longer-term ambition.

	Purpose	To reveal the magic of our unique & outstanding whisky: we will captivate a global community of whisky adventurers with our proposition and our culture				
	Proposition	We create, curate and sell outstanding, limited-edition whisky and artisanal spirits to premium drinks lovers around the world.				
	Ambition	To create a highly profitable and cash generative, global, premium, high quality, high margin business by delivering the world's best whisky experiences. <b>Shorter term ambition to double ASC sales between 2020 and 2024</b>				
	Strengths	Pioneering model	Robust business, primed to deliver		Long-term global growth opportunity	
	Strategic Pillars	Develop our member proposition & market reach	Grow digital & physical member experience	Drive value and volume of Liquid consumption	Create new brands & new audience reach	Be the best version of ourselves

# POSITIONED FOR INCREASED PREMIUMISATION & E-COMMERCE GROWTH



## Significant growth driven by increasing spending power

### Fundamental changes are causing significant growth within this industry:

Consumers are driving premiumisation by seeking “**authenticity and status, enabled by consumer knowledge and spending power**”<sup>1</sup>.

The value of **Ultra-Premium & Above Spirits** climbed to 26% of total global spirits in 2021, up from 15% in 2011

The global **Ultra-Premium & Above Scotch Whisky** market has a growth trend fuelled by **premiumisation** – past 10yr growth 158% up to USD7.6b<sup>2</sup>, vs CAGR 3% in the remainder of lower price points.

**100% of SMWS sales are in the Ultra-Premium and above price segments which grew at 10% CAGR between 2011 and 2021, with growth accelerating to 32% in 2021**



### 2021 GLOBAL SCOTCH WHISKY MARKET SIZE


SEGMENT	£/BOTTLE (70CL)	MARKET SIZE (\$ Billion)	CAGR (2011-21)	2020-21 % Change
Prestige +	225.00+	1.08	18%	36%
Prestige	75-224.99	1.77	13%	45%
Ultra-Premium	35-74.99	4.76	8%	27%
<b>Subtotal – Ultra-Premium &amp; Above</b>		<b>7.61</b>	<b>10%</b>	<b>32%</b>
Super-Premium	28.75-34.99	3.77	6.1%	21%
Premium	22.50-28.74	5.86	2.0%	32%
Standard & Below	Up to 22.50	14.25	2.4%	14%
<b>Total</b>		<b>31.50</b>	<b>4.0%</b>	<b>22%</b>


Sources: 1. IWSR Global Trend Report 2021, 2. IWSR Database | IWSR Database (market size represents 2021 data)


# SIGNIFICANT AND GROWING ADDRESSABLE MARKET

The total global Scotch Whisky addressable market was **\$5.8b<sup>1</sup>** in 2021 up by **205%<sup>2</sup>** vs 2011, and **grew by 26% in 2021** alone.

SMWS is in all the key markets with huge opportunity to expand

**\$1.75b<sup>(1)</sup>**  
+189%<sup>(2)</sup>  Alcohol E-commerce is growing at triple digit rates. Americans are more motivated by convenience and will also accept significantly **higher prices** relative to offline<sup>3</sup>.

**\$0.89b<sup>(1)</sup>**  
+242%<sup>(2)</sup>  Chinese consumers are the most willing to spend **extra** money online vs offline<sup>3</sup>. World's **largest** alcohol e-commerce market, dominated by TMall and JD.com<sup>3</sup> (SMWS present in both).

**\$1.50<sup>(1)</sup>**  
+200%<sup>(2)</sup>  SMWS focus is in the main European Single Malt markets of UK, France and Germany.

Sources: (1) IWSR Database – FY21; (2) IWSR Database FY11-FY21 growth; (3) IWSR Ecommerce Executive Summary Report – 2019 | Source: IWSR Database, Management Analysis



## Global Addressable Market Analysis

	Addressable Market			ASC	
	2021 (\$m)	2011-21 Growth	2020-21 Growth	Whisky Sales 2021 (\$m)	2021 % Share
United States	1,752	189%	16%	4.8	0.3%
China	885	242%	69%	5.0	0.6%
Taiwan	498	136%	12%	0.0	0.0%
United Kingdom	474	254%	22%	4.4	0.9%
France	262	112%	23%	0.2	0.1%
Australia	268	561%	25%	1.0	0.4%
Canada	192	171%	22%	0.2	0.1%
Germany	230	265%	21%	0.8	0.3%
<b>Top 8</b>	<b>4,560</b>	<b>202%</b>	<b>25%</b>	<b>16.4</b>	<b>0.4%</b>
Other Markets	1,231	216%	31%	2.8	0.2%
<b>Total Addressable Market</b>	<b>5,792</b>	<b>205%</b>	<b>26%</b>	<b>19.2</b>	<b>0.3%</b>



## ADDRESSABLE MARKET DEFINED AS:

**Product:** Scotch Whisky (Primarily Malt Scotch, Blended Scotch, and Grain Scotch)  
**Price:** Ultra Premium, Prestige and Prestige Plus  
**Channel:** Domestic only (no Duty Free)

# BUILDING A GROWING PORTFOLIO OF SMALL-BATCH SPIRITS BRANDS



**J.G. Thomson:** Launched November 2021. Creator of small batch blended malt whiskies, grain whiskies, rum and gin.

Multi-award winning range with top prizes at both the 2022 IWSC & ISC awards and 2021 Luxury Masters

UK sales momentum growing, first export to France completed and progress made on US exports.

**American Whiskey:** plans progressing to launch a new brand targeting the sizable and fast-growing market during H1-23.

**Significant & growing market:** \$1.4bn domestic US market for American whiskey at Ultra-Premium & above price points

**Premiumisation trend:** Market for Ultra-Premium and above price points has grown over 1,000% between 2010 and 2020 (vs 170% for total American whiskey market)

**Perfect timing:** American Single Malt Whiskey expected to be recognised in US legislation as a distinct category for the first time shortly, and a growing range of distilleries to partner with.





03

**ROBUST BUSINESS  
PRIMED TO DELIVER**



# STRONG FINANCIALS WITH HIGH AND GROWING MARGIN



Appreciation during maturation and direct to consumer route to market helps deliver over £60 gross profit per bottle

Evolving market mix and new product development improves profitability

Masterton Bond on track for H2-22, delivering c2% margin uplift in FY23



On track to deliver c35% of whisky with an ex-sherry cask influence by FY24 (vs c15% in FY18) achieving c10% price uplift per bottle giving >200% payback on first use

Growing volume of “new make”<sup>2</sup> casks to drive down liquid cost over time, given the appreciating nature of the spirit

1) Cost base includes liquid cost, bottle & dry goods, duty, freight and courier costs

2) “New make” casks represents casks where we have purchased the spirit as new make and we are now maturing it, rather than product which is still a new make spirit

# STRONG FINANCIALS WITH HIGH AND GROWING MARGIN

## Short Term

Masterton Bond supply chain facility due to commence operation in the latter part of H2-22 delivering c2% margin uplift once fully operational.



## Medium Term

Ex-sherry cask programme on track to delivery around 1% margin uplift (through sales price) by FY24

+  
c10%  
per  
bottle



CASK NO. 66.199

### CRICKET IN THE CARIBBEAN

REGION	Highland
CASK TYPE	2nd fill toasted and charred hogshead
ABV	50.6%
AGE	23 years

£127.00



CASK NO. 66.197

### LET THE WORLD FALL APART

REGION	Highland
CASK TYPE	Refill Spanish Oak ex-Oloroso hogshead
ABV	53.3%
AGE	23 years

£137.50

## Longer Term

Significant investment in younger and new make spirits gives potential to improve margin by up to 5% over time



FY21 Bottlings



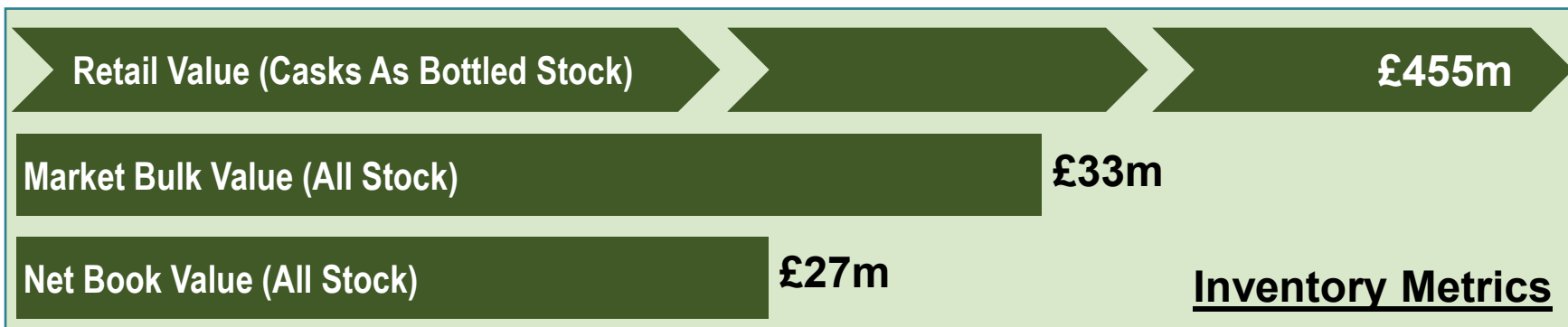
New Make Cost

Potential Gross Margin  
+5%

Inventory secured debt is an established funding mechanism throughout the sector and, as highlighted at IPO, forms part of our sustainable long term capital structure

Based on consensus December 2022 net debt forecasts of around £13m, the market value of stock would remain over 2x net debt.

# STRONG FINANCIALS: LOW DEBT LEVEL RELATIVE TO STOCK



- Indicative retail value calculated as total litres of spirit in casks (4.8m), converted to bottles (based on 70cl) multiplied by average revenue per bottle (£95 for 12 months ended 30 June 2022).
- Market bulk value calculated using the external valuation basis used by RBS for Scotch Whisky maturing in casks (book value of £21m), with all other stock (£6m) held at book value
- RCF has no covenant tests as long as eligible market value is at least 1.25x the relevant net debt balance.

# EXPERIENCED BOARD AND MANAGEMENT LEADING A PASSIONATE AND ENGAGED TEAM



## EXPERIENCED BOARD & MANAGEMENT

We have an experienced Board and management team, with a proven track record of delivery.

## PASSIONATE AND ENGAGED TEAM

We were proud to receive an overall Employee Engagement Index score of 81 from our staff survey during H1-22

## STRONG CULTURE

Our values are what we stand for. It's how we hold ourselves to account and how we depend on each other

## SUSTAINABLE BUSINESS

ASC is committed to the Scotch Whisky Association's Sustainability Strategy and focused on minimising our own impact, including increased energy and transport efficiency through Masterton Bond, use of recycled & recyclable packaging, with increased proportion of recycled glass.





**ARTISANAL  
SPIRITS**  
COMPANY

# CURRENT TRADING & OUTLOOK

# GOOD PROGRESS IN H1, PRIMED TO DELIVER



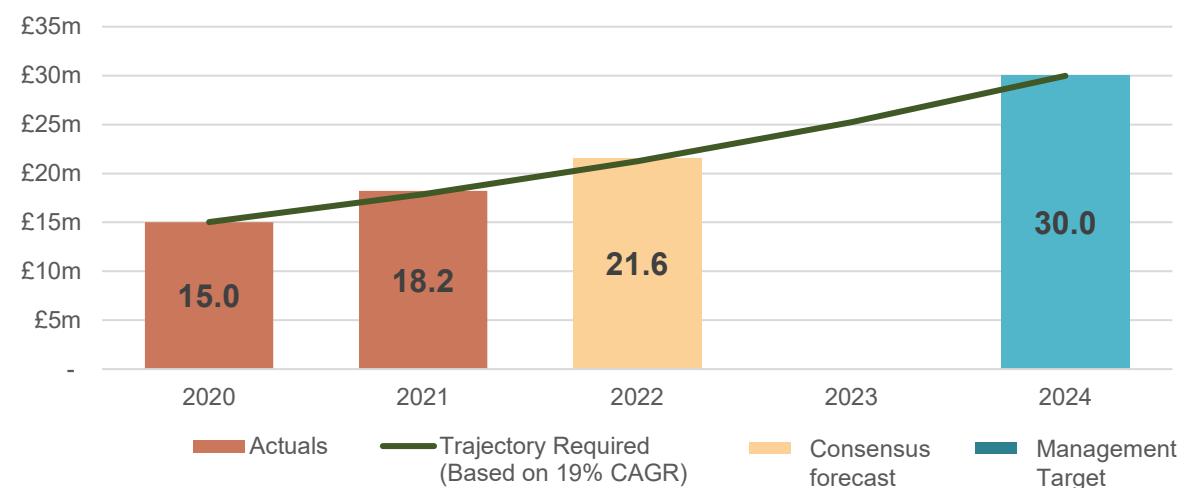
## Early trading in H2 remains in line with full year forecasts.

- Further progress made during July and August towards delivery of full year financial forecasts.
- Continued growth in global membership which is now just over 36,000, including a return to growth in China during Q3.
- First J.G. Thomson export sale made to La Maison de Whisky in France

## What to expect from remainder of 2022 and beyond

- Continued progress against ambition of doubling sales by 2024, with growing confidence in delivering full year performance in line with market expectations (*NB: The Board of ASC considers current consensus revenue expectations for FY22 to be £21.6m*)
- We expect US revenue to be H2 weighted this year (vs H1 weighted in FY21), with growth in US membership numbers accelerating in Q3 (up by c.200 since 30 June 2022) and the value of Q3-22 shipments are planned to exceed the £1.6 million achieved in the entirety of H2-21.
- Masterton Bond (Supply Chain Facility) to be operational during H2-22
- First steps as we look to capitalise on the opportunities in the sizable and fast-growing American whiskey market, with the launch planned for H1-23

Continued Progress Towards Ambition of Doubling Sales by 2024





# APPENDICES



# APPENDICES



01  
Glossary

02  
KPIs

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Awards

04  
The Board

05  
Market Data



# 01 | GLOSSARY



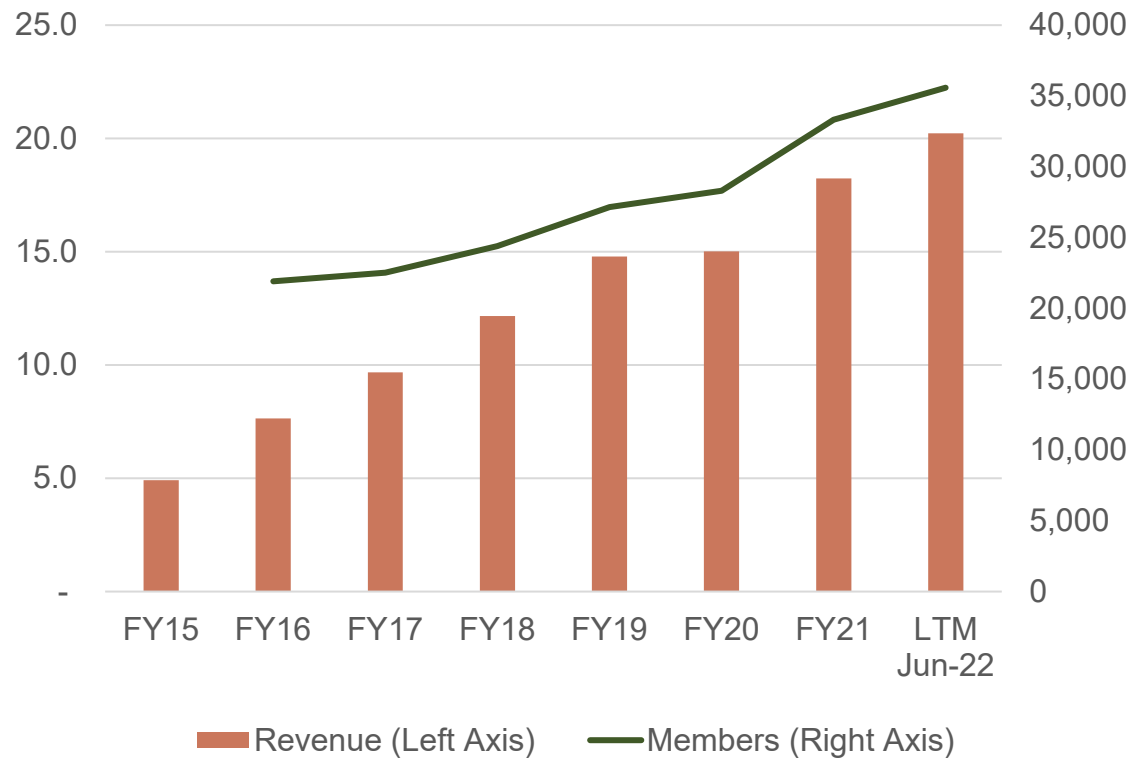
<b>A&amp;P</b>	Advertising & Promotional Costs
<b>ASC</b>	Artisanal Spirits Company
<b>CAGR</b>	Compound Annual Growth Rate
<b>Cask Wood</b>	an empty cask purchased for filling with spirit
<b>Churn</b>	the inverse of Retention (as defined below), i.e. the percentage of members who do not renew their membership at the end of their annual membership period. e.g. if retention was 75%, then churn would be 25%.
<b>DTC</b>	Direct to Consumer
<b>EBITDAE</b>	Earnings before interest, tax, depreciation, amortization & exceptionals
<b>LTV</b>	Lifetime value (or Lifetime Member Value) – calculated as annual contribution/member multiplied by member Years, where Years is calculated as one divided by Churn
<b>Market Value</b>	Indicative Market Bulk Value calculated using the external valuation basis used by RBS for Scotch Whisky maturing in casks (based on a sale being realised within 6 months), with all other stock held at book value

<b>MPOS</b>	Mobile point of sale
<b>Notional retail value</b>	Calculated as total litres of spirit in casks, converted to bottle equivalent (based on 70cl) multiplied by average net revenue per bottle in the period
<b>PB</b>	Partner Bars
<b>H1/H2</b>	Six months to end June/December respectively
<b>Retention</b>	The percentage of members who renew their membership at the end of their annual membership period.
<b>Revenue</b>	Presented in accordance with IFRS and represents the proceeds from the sale of goods and services, inclusive of duty and exclusive of VAT and other sales taxes. All sales related metrics (e.g. average selling price) are quoted on this revenue basis.
<b>Single Cask</b>	Single cask batch release
<b>SMWS</b>	Scotch Malt Whisky Society

Premium, Super-Premium, Ultra-Premium, Prestige and Prestige + market segments are consistent with IWSR definitions, which determines these price categorisations on a market-by-market basis (UK figures shown on P18). Note references to market sizes or market shares are taken to include that segment and above (e.g. the Ultra-Premium market includes Ultra-Premium, Prestige and Prestige Plus) <https://www.theiwsr.com/wp-content/uploads/IWSR-Methodology-Definitions-2019.pdf>

# 02 | PROVEN TRACK RECORD OF GROWTH

Long Term Track Record of Growth



# 02 | FY21 LIFETIME VALUE



FY21 Lifetime Value							
	Revenue £m	Year End Members	Average Members	Revenue/ Avg. Member	Contribution/ Avg. Member	Expected Years	LTV (Avg. Members)
UK	5.8	16,400	14,000	415	190	6.7	1,280
United States	4.1	5,200	4,800	852	445	2.5	1,123
China	3.9	1,700	1,400	2,804	1,956	1.7	3,244
Europe*	1.7	3,300	3,100	549	169	3.2	541
Australia	0.9	1,300	1,200	738	423	6.6	2,790
Japan	0.7	1,500	1,400	516	363	5.4	1,968
Rest of the world	1.1	3,800	3,600	323	204	5.5	1,126
<b>Total</b>	<b>18.2</b>	<b>33,300</b>	<b>29,400</b>	<b>619</b>	<b>332</b>	<b>4.4</b>	<b>1,445</b>
<b>Change vs prior year</b>	<b>+21%</b>	<b>+18%</b>	<b>+4.5%</b>	<b>+16%</b>	<b>+20%</b>	<b>+28%</b>	<b>+55%</b>

\*Europe represents direct sales markets within continental Europe, but excludes franchise markets in Denmark and Switzerland which are shown within Rest of World

NB: some figures are rounded and therefore may appear not to sum (e.g. membership shown to the nearest 100)



LIFETIME VALUE  
**£1,445**

# 03 | AWARDS

## RECORD NUMBER OF AWARDS

across at this year's Spirits Business' Luxury Masters, including a top prize and three gold medals for the Group's new J.G. Thomson range

SMWS's Scotch Malt Whisky and other spirits have won almost 200 awards from seven of the leading bodies in less than three years.

SMWS venues have won multiple awards & recognition including being shortlisted for the 2019 Icons of Whisky "Bar Group of the Year"



# 04 | THE BOARD



An experienced team with a proven track record



**Mark Hunter**  
Non-Executive Chair



**David Ridley**  
Managing Director



**Andrew Dane**  
Finance Director



**Paul Skipworth**  
NED & Deputy Chair



# 04 | THE BOARD



An experienced team with a proven track record



**Lesley Jackson**

**NED & Audit  
Committee Chair**

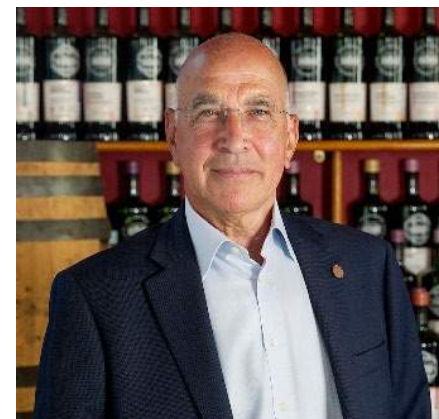
Former CFO for Stock Spirits PLC (2011-17), and prior to that held similar positions at William Grant & Sons & United Breweries (an Indian listed public company).



**Helen Page**

**NED & Remuneration  
Committee Chair**

Chief Brand Officer for Virgin Money UK, chair of Virgin Money Giving & a member of the Financial Services Advisory Board in Scotland. Prior to that held senior roles at RBS, Argos & Abbey.



**Gavin Hewitt CMG**

**NED**

CEO of Scotch Whisky Association (2003-13)  
Non-Exec Chair Bladnoch Distillery (2015-17)  
British Ambassador to 3 EU member states (1994-03).  
Keeper of the Quaich & liveryman of the Worshipful Company of Distillers.



**Mark Bedingham**

**NED**

Vice Chair of ASPL (NYSE Listed);  
Exec Chair of CÉ LA VI the hospitality group and President and CEO of SMI – SGX (Singapore) listed. 20 years as Regional MD of Moët Hennessy Asia Pacific and former Director of Jardine Pacific

Note: further details at <https://www.artisanal-spirits.com/the-team/>

# 05 | MARKET DATA: SMWS GLOBAL MEMBERSHIP

