

LUXURY BRAND INDEX: THIRD QUARTER REPORT



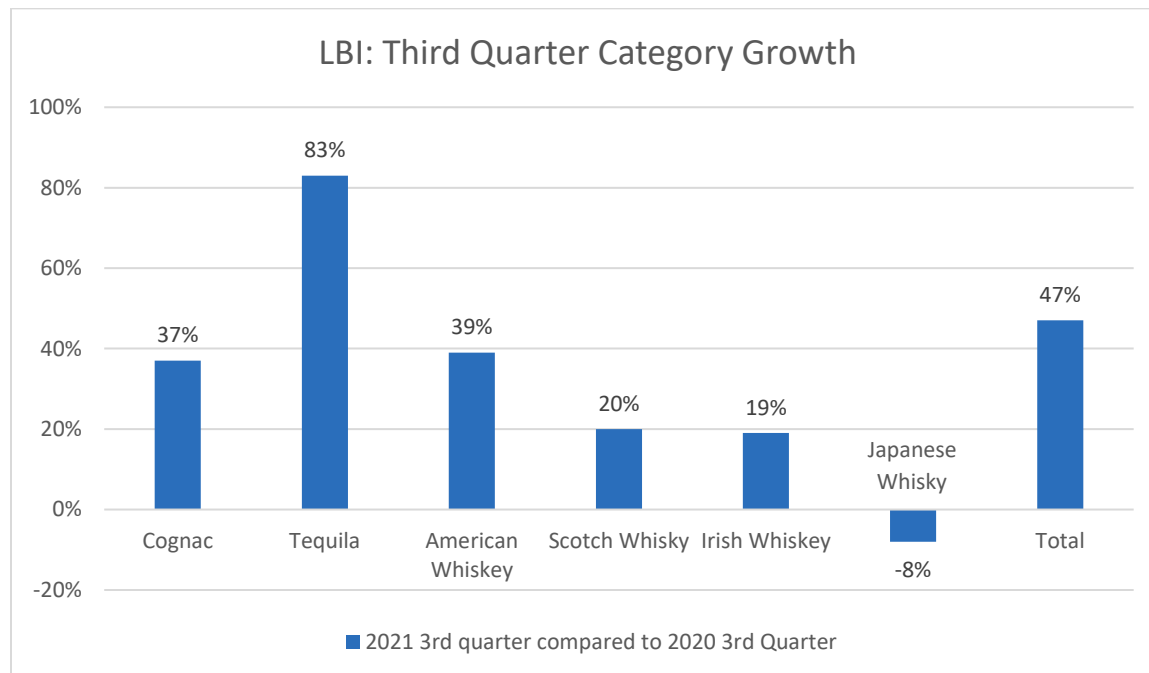
Luxury Spirits Trend Continues to Show Impressive Growth in Third Quarter Of 2021

The Luxury Brand Index (LBI), a tool created by the Distilled Spirits Council of the United States (DISCUS) to analyze sales of spirits brands at the top end of the distilled spirits market, shows luxury brands grew 47 percent in the third quarter of 2021 compared with the same quarter of 2020.

The pace has been more than twice the annual average growth rate of 18 percent between 2015 and 2020.

In addition to the premiumization trends of recent years, consumers faced with restrictions brought by pandemic, have shifted their spending to drink better while experimenting with concocting a cocktail at home.

2021 THIRD-QUARTER CATEGORY TRENDS



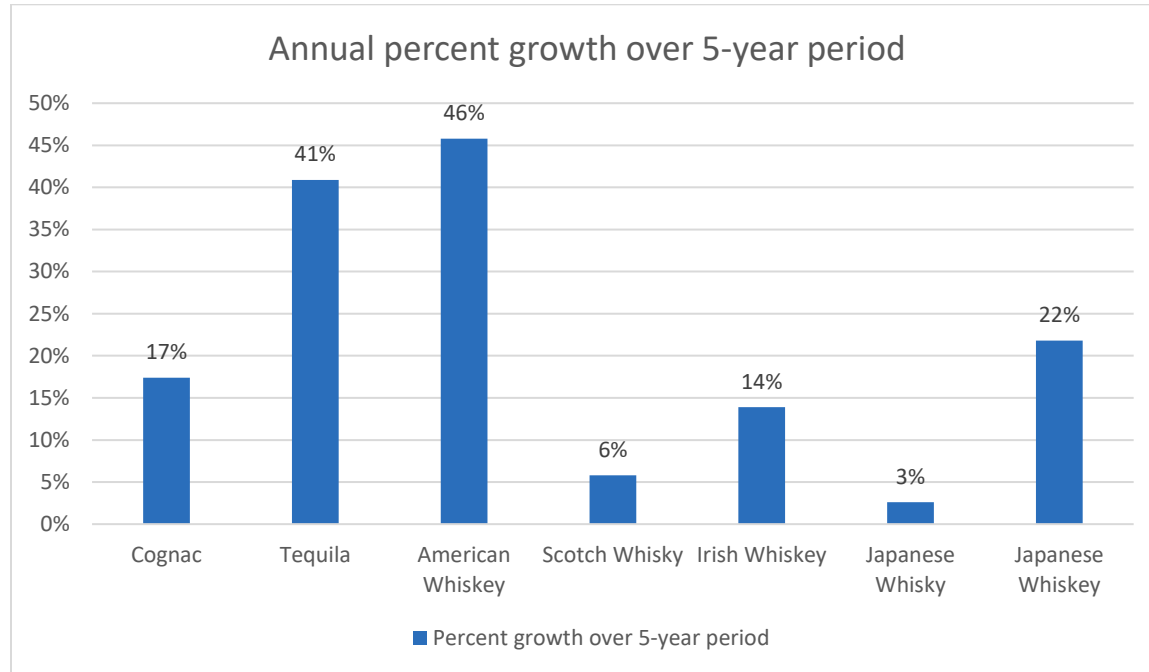
Tequila saw the biggest gains with 83 percent annual growth rate followed by **American whiskey** and **Cognac** at around 38 percent each.

With the repeal of retaliatory tariffs in June 2021, **Scotch whisky** rebounded with a strong 20 percent growth rate after showing losses during 2020. **Irish whiskey** kept pace with the Scotch whisky by rising 19 percent.

Japanese whisky saw a decline in the third quarter, but it was growing on average at 14 percent annually between 2015 and 2020.

FIVE-YEAR CATEGORY TRENDS

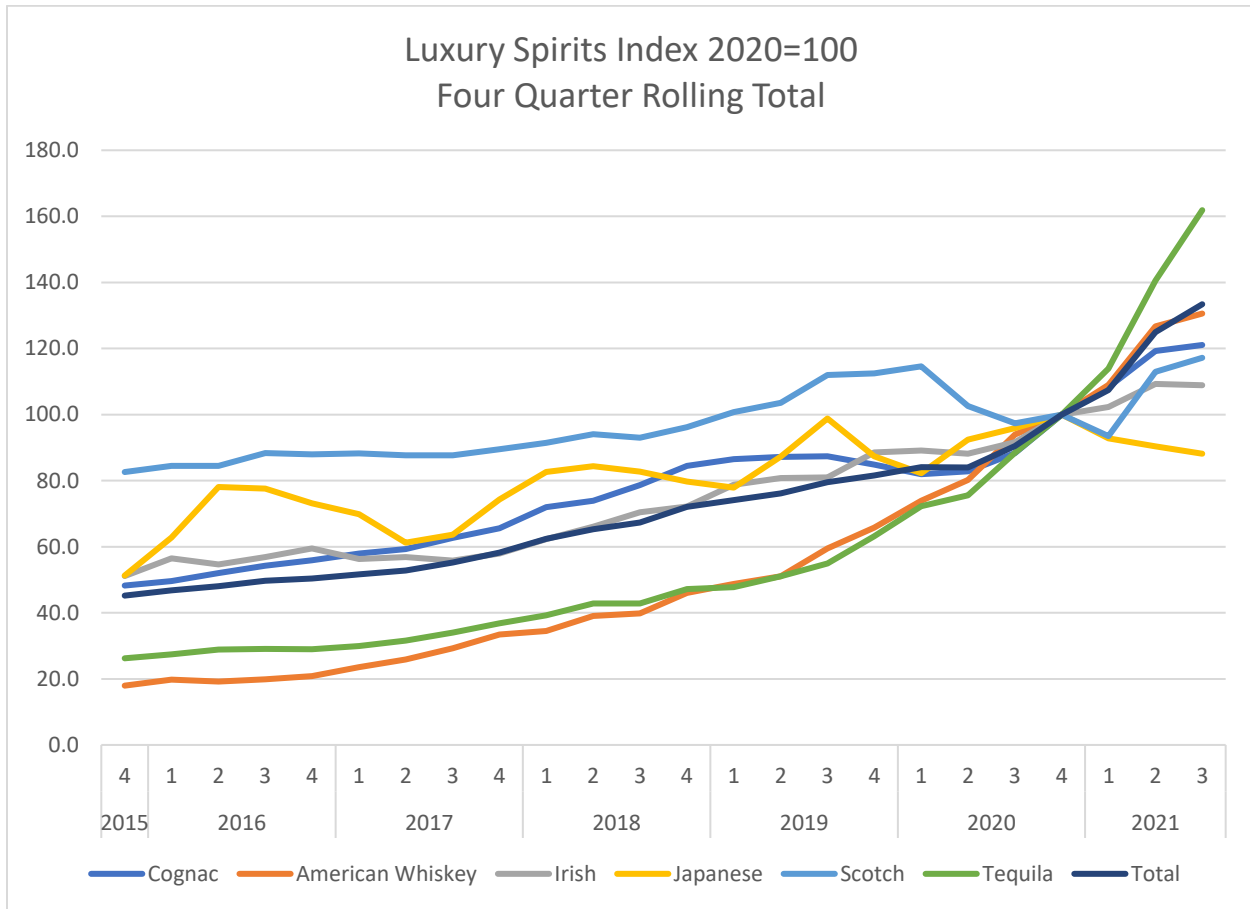
Over the five years between the third quarter of 2016 and 2021, all spirits categories included in the luxury index increased annual growth ranging from 3 to 46 percent, with an average rate of 22 percent.



Both **American whiskey** and **tequila** grew more than 40 percent per year, solidifying their place in the index while **Cognac** held its own by growing 17 percent. The performance of **Scotch whisky** and **Japanese whisky** was relatively muted growing 6 percent and 3 percent respectively. Meanwhile, **Irish whiskey** rose 14 percent annually during the same period.

The LBI tracks the performance of spirits brands that have a 750ml retail price of \$50 or more. Retail prices were calculated by IRI Worldwide using retail scanner data. Volumes were derived from the DISCUS' proprietary brand data. The index is calculated based on four quarter rolling total starting in 2015. The base year of the index is 2020.

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LUXURY SPIRITS INDEX, 2020=100

THIRD QUARTER

	Cognac	American Whiskey	Irish	Japanese	Scotch	Tequila	Total
2016	54.3	19.8	56.8	77.6	88.4	29.1	49.0
2017	62.6	29.3	55.8	63.6	87.7	34.0	54.6
2018	78.7	39.8	70.4	82.7	93.0	42.8	67.0
2019	87.4	59.5	81.0	98.8	111.9	54.9	79.4
2020	88.3	94.0	91.7	95.9	97.4	88.5	90.5
2021	121.1	130.6	108.8	88.1	117.2	161.9	131.3

LUXURY SPIRITS INDEX, ANNUAL PERCENTAGE CHANGE**THIRD QUARTER**

	Cognac	American Whiskey	Irish	Japanese	Scotch	Tequila	Total
2017	15%	48%	-2%	-18%	-1%	17%	11%
2018	26%	36%	26%	30%	6%	26%	22%
2019	11%	49%	15%	19%	20%	28%	18%
2020	1%	58%	13%	-3%	-13%	61%	14%
2021	37%	39%	19%	-8%	20%	83%	47%