



17 July 2023

## **Trading Update**

### **("Virgin Wines", the "Company" or the "Group")**

*FY23 financial performance in line with market expectations; making progress with strategic initiatives*

Virgin Wines UK plc (AIM: VINO), one of the UK's largest direct-to-consumer online wine retailers, today provides an update on trading for the year ended 30 June 2023 (the "Period").

Performance during the Period was in line with expectations, with total revenue for the year of £59 million and adjusted PBT of no less than £0.5 million.

Virgin Wines maintains a strong balance sheet with net cash of £5.5m and no debt.

The Company continued to successfully execute its disciplined strategic approach to customer acquisition during the year, with more than 90,000 new customers acquired during the Period at an average cost per recruit of £12. This was an improvement of 9.2% year-on-year (FY22: £13.22).

Conversion and cancellation rates also trended positively throughout Q4, while customer deposits into WineBank achieved a seasonal high of £8m at the year-end.

Strategically, Virgin Wines remains focused on delivering on the core pillars that have enabled the Group to generate growth and profitability consistently for many years. Most recently, this has included further progress in its commercial channel, with key strategic and commercial partnerships agreed during the Period including WH Smith Travel, as announced on 6 July 2023.

As previously announced, the Company continues to develop a number of new initiatives focused on accelerating its strategic development, which it expects to complete during H1 2024. It is making good progress and further details on these initiatives and the outputs of the Company's Business Review will be announced at the Full Year Results in October.

### **Jay Wright, Chief Executive Officer of Virgin Wines, commented:**

*"Despite the inflationary environment, we have delivered results in line with expectations. We have successfully maintained our disciplined approach to customer acquisition, conversion and cancellation rates are trending positively, and our flagship WineBank scheme continues to be resilient in challenging market conditions.*

*Looking ahead, we remain confident in the underlying business model and opportunities for future growth into FY 2024 and beyond. We are well-positioned due to the uniquely sourced, high-quality nature of our wines, coupled with our market-leading expertise and strong foundations, and look forward to sharing more details on our strategic initiatives at the Full Year Results."*

- Ends -

**Enquiries:**

**Virgin Wines UK plc**

Jay Wright, CEO  
Graeme Weir, CFO

Via Hudson Sandler

**Liberum Capital Limited**

***(Nominated Adviser and Sole Broker)***

Clayton Bush  
Edward Thomas  
John Fishley

Tel: +44 20 3100 2222

**Hudson Sandler**

***(Public Relations)***

Alex Brennan  
Dan de Belder  
Charlotte Cobb  
Harry Griffiths

[virginwines@hudsonsandler.com](mailto:virginwines@hudsonsandler.com)

Tel: +44 20 7796 4133

**Notes to editors:****About Virgin Wines**

Virgin Wines is one of the UK's largest direct-to-consumer online wine retailers. It is an award-winning business which has a reputation for supplying and curating high quality products, excellent levels of customer service and innovative ways of retailing.

The Company, which is headquartered in Norwich, UK, was established in 2000 by the Virgin Group and was subsequently acquired by Direct Wines in 2005 before being bought out by the Virgin Wines management team, led by CEO Jay Wright and CFO Graeme Weir, in 2013. It listed on the London Stock Exchange's Alternative Investment Market (AIM) in 2021.

Virgin Wines has more than 700 wines and 150 spirits in its portfolio which it sells to an active customer base of 176,000 members. It has approximately 200 employees and more than 40 trusted winemaking partners and suppliers around the world.

The Company drives the majority of its revenue through its fast-growing WineBank subscription scheme, using a variety of marketing channels, as well as through its Wine Advisor team, Wine Plan channel and Pay As You Go service.

Along with its extensive range of award-winning products, Virgin Wines was delighted to be named Online Drinks Retailer of the Year for 2022 at last year's Drinks Retailing Awards, as well as receiving the bronze award for Contact Centre of the Year at the 2022 UK National Contact Centre Awards.

<https://www.virginwinesplc.co.uk/>