



31 July 2025

**Virgin Wines UK plc**  
(“Virgin Wines”, the “Company” or the “Group”)

**FY25 Trading Update**

***Key growth drivers performing strongly with EBITDA and PBT ahead of expectations***

Virgin Wines UK plc (AIM: VINO), one of the UK’s largest direct-to-consumer online wine retailers, is pleased to announce a trading update for the year ended 30 June 2025 (the “Period”).

All elements of the previously announced growth plan are performing well:

**1) Increased customer acquisition**

Customer acquisition across the Group was up 28% on the prior year, with just a 6% increase in acquisition costs.

**2) Drive growth in commercial partnerships**

Commercial sales are up 24% year-on-year, partially driven by expanding relationships with both Moonpig and Ocado.

**3) Utilise technology to enhance customer engagement**

The development of the new mobile app is on course to be launched in early 2026 as previously announced.

**4) Investment in Warehouse Wines**

Warehouse Wines, the Group’s newly launched value proposition, has delivered £1.8m of revenue in its first full year of trading.

The Group’s signature WineBank subscription service has performed well once again, with membership growth of 1.5% and an annual cancellation rate of just 14.7%, a further improvement on the 16.1% achieved last year.

**Financial Performance**

Revenue remained consistent with the prior year at £59m (FY24: £59m), in spite of the subdued consumer environment, with both EBITDA<sup>1</sup> of £2.3m (FY24: £2.8m) and PBT<sup>1</sup> of £1.6m (FY24: £1.9m) ahead of market expectations<sup>2</sup> by over 4.5% and 23.1% respectively. As expected, EBITDA<sup>1</sup> and PBT<sup>1</sup> were marginally lower than last year due to investment in the Group’s growth strategy, which we announced alongside our interim results in March 2025.

Following an unprecedented rise in alcohol duty alongside the introduction of a new sustainability tax (EPR) and the associated significant increase in cost of goods, gross product margin decreased from 37.6% to 35.6%. However, these cost pressures were largely mitigated due to disciplined cost control that led to a year-on-year reduction in marketing costs of 13% and a decrease in operating costs of 6%. This was achieved despite the impact of the increased national living wage and the rise in National Insurance contributions.

The business continues to pride itself on being the sector's lowest cost to serve with operating costs as a percentage of revenue at 11%, down from 11.8% in FY24, despite the aforementioned significant, unavoidable cost increases.

Despite the challenging environment, we are pleased to have made strong market share gains. Whilst our revenues have remained stable year-on-year, IMRG<sup>3</sup> has reported data highlighting a 9.7% fall in online sales of wine, beer and spirits from July 2024 to June 2025.

## Balance Sheet

The Group's balance sheet remains strong, ending the Period with net cash of £9.3m (FY24: £10.3m), and the business remains highly cash generative. The current cash position is stated after £2.0m of shares were repurchased during the year, as well as there being £1.6m of outstanding duty pre-payment carried into FY26. The business remains debt free, with gross cash including WineBank customer deposits totaling £17.6m (FY24: £18.4m).

<sup>1</sup>EBITDA and PBT are underlying metrics stated prior to share-based payments

<sup>2</sup> Consensus forecasts immediately prior to this announcement believed to be Underlying EBITDA – £2.2m, Underlying PBT - £1.3m

<sup>3</sup>IMRG Online Retail Market Results June 2025

## Jay Wright, Chief Executive Officer at Virgin Wines, commented:

*“As we celebrate our 25<sup>th</sup> anniversary this year, I am delighted to report excellent progress across all our key growth drivers. Both EBITDA and PBT were ahead of market expectations, and we have seen impressive growth in both our Commercial channel and our value proposition, Warehouse Wines, two key elements of the growth strategy which we set out in March.*

*We have continued to drive increased levels of loyalty from customers on our key WineBank subscription scheme, whilst our marketing and operational costs have both reduced substantially year-on-year despite the inflationary environment. In a highly competitive sector, we have been delighted to see healthy market share gains with customers continuing to rate highly our exclusive portfolio of wines, and our outstanding levels of service.”*

*The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.*

- Ends -

## Enquiries:

**Virgin Wines UK plc**  
Jay Wright, CEO  
Amanda Cherry, CFO

Via Hudson Sandler

**Cavendish**  
**(Nominated Adviser and Sole Broker)**  
Matt Goode, Seamus Fricker, Elyssia Bough (Corporate Finance)  
Matt Lewis (Corporate Broking)

Tel: +44 20 7220 0500

**Hudson Sandler**  
**(Public Relations)**  
Dan de Belder  
Harry Griffiths  
Eloise Fleet

[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 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 former CFO Graeme Weir, in 2013. It listed on the London Stock Exchange's Alternative Investment Market (AIM) in 2021. Virgin Wines is headquartered in Norwich, with two fully bonded national distribution centres in Preston and Bolton. It stocks over 650 wines sourced from more than 40 trusted winemaking partners and suppliers around the world which it sells to a large active customer base of over 145k, the majority of whom are on one of the Group's subscription schemes.

The Company drives the majority of its revenue through its 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.

The Company also has a fast-growing Commercial division, as well as having recently launched Warehouse Wines, its DTC value proposition in 2024.

Along with its extensive range of award-winning products, Virgin Wines was delighted that its flagship WineBank service was awarded 'Wine Club of the Year' at the 2024 IWC Awards, as well as being voted by UK consumers as Online Retailer of the Year for 2025 at the People's Choice Awards. In addition, in 2023 the Group's Buying Director, Sophie Lord, was named Buyer of the Year by Decanter magazine.

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