



# H1 FY26 overview

<p>Revenue</p> <p><b>£34.7m</b></p> <hr/> <p>H1 FY25: £34.1m H1 FY24: £34.3m</p>	<p>Adjusted EBITDA<sup>1</sup></p> <p><b>£0.3m</b></p> <hr/> <p>H1 FY25: £1.6m H1 FY24: £1.8m</p>	<p>Profit before tax</p> <p><b>(£0.4m)</b></p> <hr/> <p>H1 FY25: £0.9m H1 FY24: £0.8m</p>	<p>Fulfilment cost as % of revenue</p> <p><b>11.9%</b></p> <hr/> <p>H1 FY25: 11.0% H1 FY24: 12.0%</p>	<p>Increased WineBank membership</p> <p><b>142k</b></p> <hr/> <p>H1 FY25: 135k H1 FY24: 134k</p>
<p>Total customers acquired</p> <p><b>75.0k</b></p> <hr/> <p>H1 FY25: 53.6k H1 FY24: 41.4k</p>	<p>Cost per recruit</p> <p><b>£15.34</b></p> <hr/> <p>H1 FY25: £14.92 H1 FY24: £15.71</p>	<p>Commercial revenue</p> <p><b>£5.4m</b></p> <hr/> <p>H1 FY25: £5.3m H1 FY24: £4.6m</p>	<p>Warehouse Wines</p> <p><b>£1.9m</b></p> <hr/> <p>H1 FY25: £1.0m H1 FY24: £0.1m</p>	<p>Development of a Mobile App</p> <hr/> <p>Launched <b>March 2026</b></p>

<sup>1</sup>Adjusted EBITDA is before exceptional items and share-based payments

# The growth opportunity



Drive to premiumisation



Online penetration expected to grow



A small share of a huge addressable market



Strength of balance sheet gives competitive advantage

## Four key growth pillars identified



Increased investment in customer acquisition



Drive growth in commercial partnerships



Utilise technology to enhance customer engagement



Investment in Warehouse Wines

# Signposts to success

## Increased investment in customer acquisition



Total number of recruits

**75k**  
H1 FY25: 53.6k



Increase in WineBank membership

**+12%**  
H1 FY25: +7%



Cost per recruit

**£15.34**  
H1 FY25: £14.92



New customer conversion rate >40%

**40.1%**  
H1 FY25: 47.0%



## Drive growth in commercial partnerships



Sales growth

**+1.5%**  
H1 FY25: +16.8%



New relationships secured/expanded

**Yes**  
(see Commercial section)



# Signposts to success

## Investment in Mobile App



Incremental revenue streams

Increased customer engagement

New acquisition channel created

Migrate email sales to push notifications

Mobile App launched March 2026

## Investment in Warehouse Wines



Growth in the customer base

**41.1K**  
H1 FY25: 17.6k



Revenue growth

**92%**



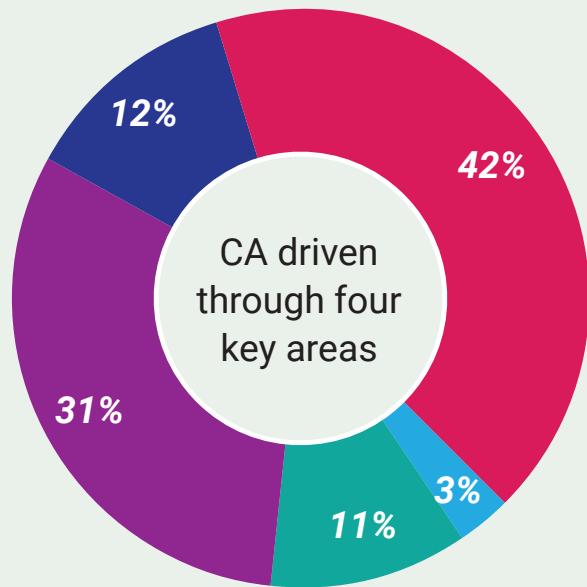
Drive Wine Pass membership

**5.3k**  
H1 FY25: 2.1k



Trading performance

# Customer acquisition



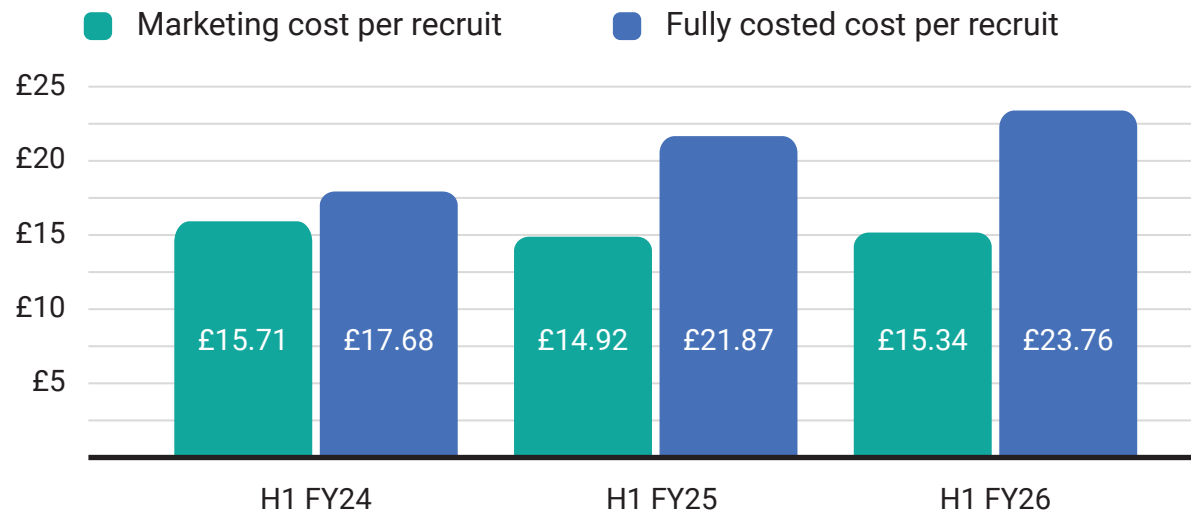
- Partnerships, 42% (45%)
- Strategic accounts, 12% (15%)
- Digital and social, 31% (25%)
- CRM/SMS, 11% (11%)
- Walk up/RAF, 3% (4%)

**This resulted in:**

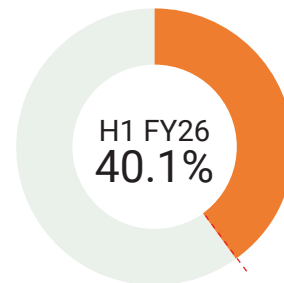
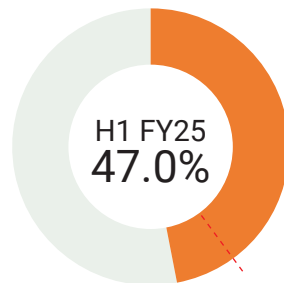
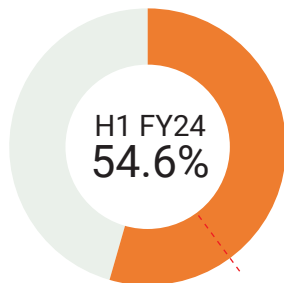
- A 44% increase in marketing investment in customer acquisition
- A 40% uplift in total customers acquired year-on-year
- Over 75k new customers acquired
- Digital channels becoming a more significant part of the marketing mix
- Lower gross margin on acquisition to remain competitive and drive volume

## Trading performance

# Customer acquisition



New customer conversion rate - remains in line with targeted levels

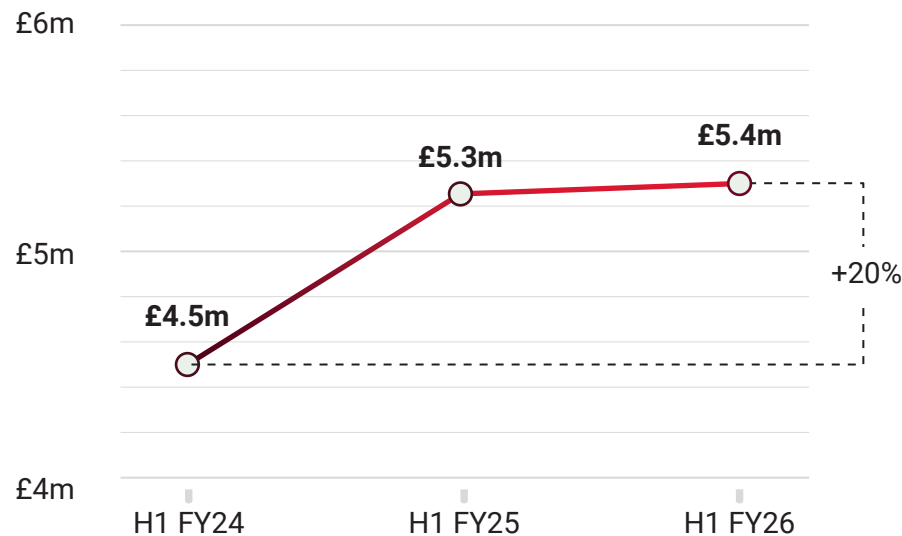


- Costs well controlled despite the increase in number of customers acquired
- New customer conversion rates reduced but still above budgeted minimum
- Significant uplift in on-site conversion after changes to customer journey
- A range of new offers trialled over the year to test response and conversion

Trading performance

# A commercial channel with significant growth potential

The Commercial channel built on the strong growth of last year with revenue up 20% from H1 FY24



Channel works across a number of different verticals



## Trading performance

# A commercial channel with significant growth potential

Revenue driven through existing relationships and new partnerships:

### Existing Partners

- Moonpig – Continued growth with this key partner including range expansion to include a selection of joint gift packs with Hotel Chocolat
- Ocado – After a successful launch in November 2024 the relationship has gone from strength-to-strength
- Travel partners – Key relationships with LNER, Avanti and GWR have been renewed whilst opportunities continue to be explored with new partners in the travel sector
- Virgin Red – As the Virgin loyalty programme grows across the UK, so does the scale of wine being redeemed via Virgin Red Points

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### New Partnerships



## Trading performance

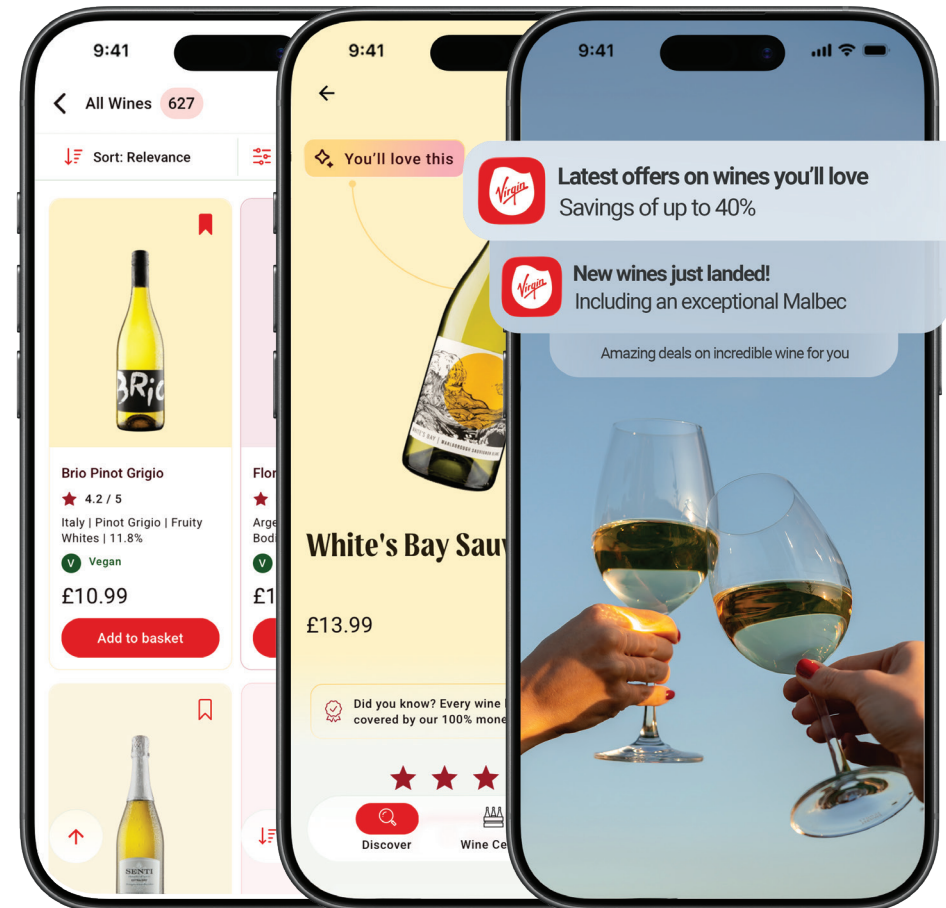
# Mobile app launch

New mobile app was launched in March 2026.

Benefits expected:

- Increased engagement from existing customers
- Additional route to acquire new customers
- Innovative 'app only' customer proposition to be launched
- The ability to attract a younger demographic profile
- Reduce reliance on email marketing through push notifications
- Ability to couple with new AI recommendation engine
- Increased average order frequency

In addition, we continue to re-design the existing website to increase conversion rates across the site



Trading performance

# Our value proposition: Warehouse Wines



Substantial growth continues to be generated through our unique online value proposition.

Warehouse Wines has been successful in attracting a different customer to Virgin Wines:

- 92% revenue growth year-on-year
- Wines all under £10 a bottle with most £7.99 and below
- No subscription scheme
- Everyday low prices all year round

Progress made over H1 FY26

Revenue

**£1.9m**

H1 FY25: £1.0m

Customer base

**41.1k**

H1 FY25: 17.3k

Annual delivery option, Wine Pass, delivering conversion rates

**+67%**

Wine Pass base

**5.3k**

customers have chosen the Wine Pass option

Wine range continues to rate in line with Virgin Wines

**4.2 out of 5**

Trustpilot rating

**Excellent**

from over 900 reviews

Trading performance

# Multi-channel strategy to maximise retention

Retention and loyalty continues to increase through multi-channel activity and a variety of propositions

### WineBank

Largest channel, monthly deposit model, 20% interest, free express delivery

### Wine Advisors

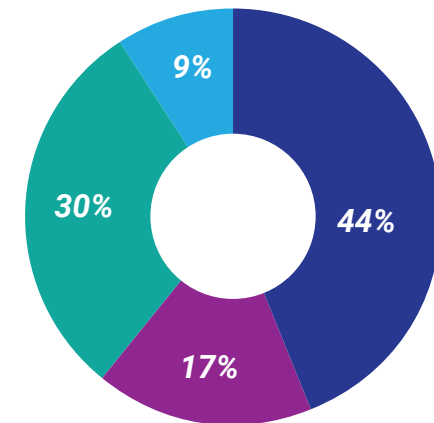
30k+ customers enjoy a personalised premium service

### Discovery Wine Club

Customers receive either a 12-bottle case quarterly, or 4-bottles monthly

### Pay As You Go

No subscription but full access to portfolio



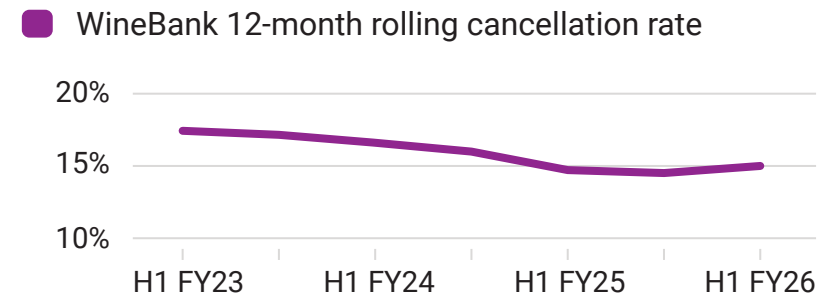
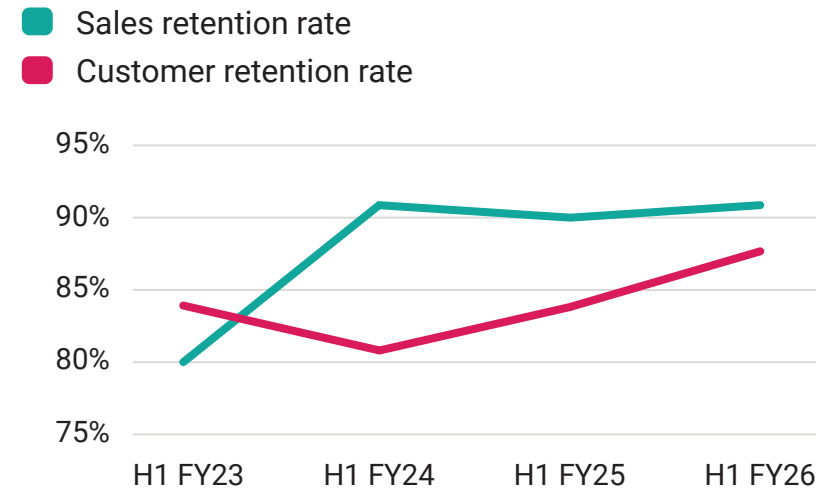
### Key Sales Channels

- Email/SMS, 44% (48%)
- Web, 17% (16%)
- Wine Advisors, 30% (27%)
- Wine Plan, 9% (10%)

## Trading performance

# Multi-channel strategy to maximise retention

- Loyalty enhanced by customers finding the right option for their own requirements
- WineBank rolling 12-month cancellation rate remains low at 15%
- WineBank membership in growth +12% YTD
- Customer retention rate shows improved loyalty whilst sales retention rate also increasing
- Quality and value of wine range maintained at an average rating of 4.2 out of 5
- Trustpilot rating of 'Excellent' at 4.5 out of 5 (over 26.5k reviews)



# H1 FY26 results



Virgin  
wines  
est. 2012

H1 FY26 Results

13

## H1 FY26 results

# Financial summary

- Revenue up 2% on FY25 at £34.7m
- GP 27.7% compared to 29.7% last year following increase in low margin recruitment activity
- Investment in lower margin recruitment offers and £0.9m in additional recruitment and marketing resulted in adjusted EBITDA of £0.3m
- Net cash (excluding customer deposits) remains strong at £10.6m, the year on year reduction due to £2.7m of share buyback and £2.9m of payments in H1 FY26 that fell into H2 FY25

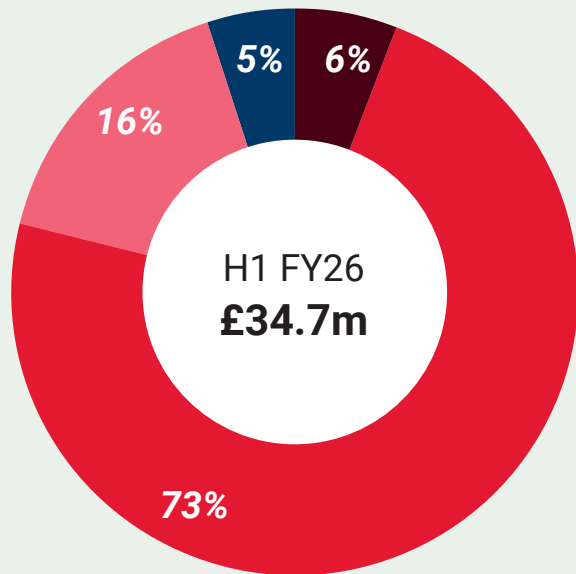
	Unaudited 2 Jan 2026 £'000s	Unaudited 27 Dec 2025 £'000s
<b>Revenue</b>	<b>34,747</b>	<b>34,084</b>
Gross profit	9,636	10,122
	27.7%	29.7%
EBITDA*	256	1,646
PBT	(356)	1,273
Earnings per share	(0.4)	1.6
Net assets	21,678	24,275
Group cash	10,593	17,260
Net cash	7,351	6,401
Cash and cash equivalents	17,944	23,661

\*Adjusted figures exclude share based payments

## H1 FY26 results

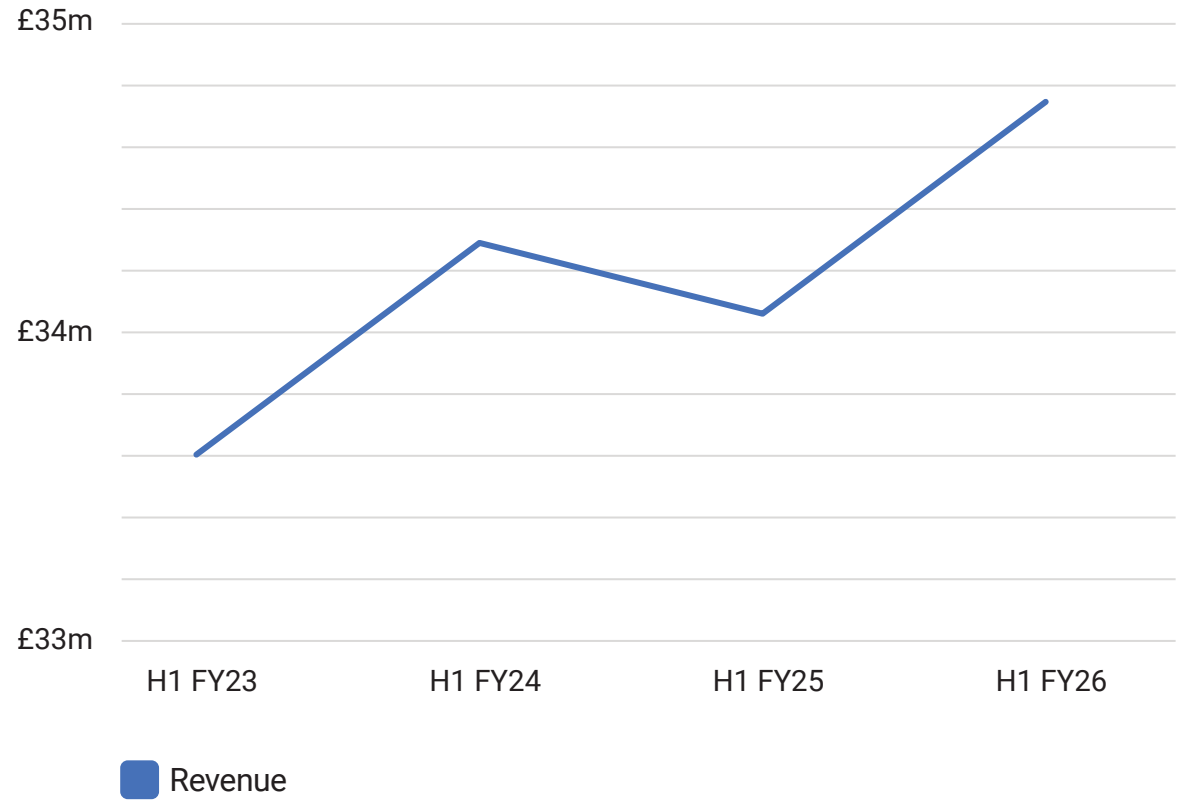
# Revenue

73% of revenue derived from Core Repeat Customer base



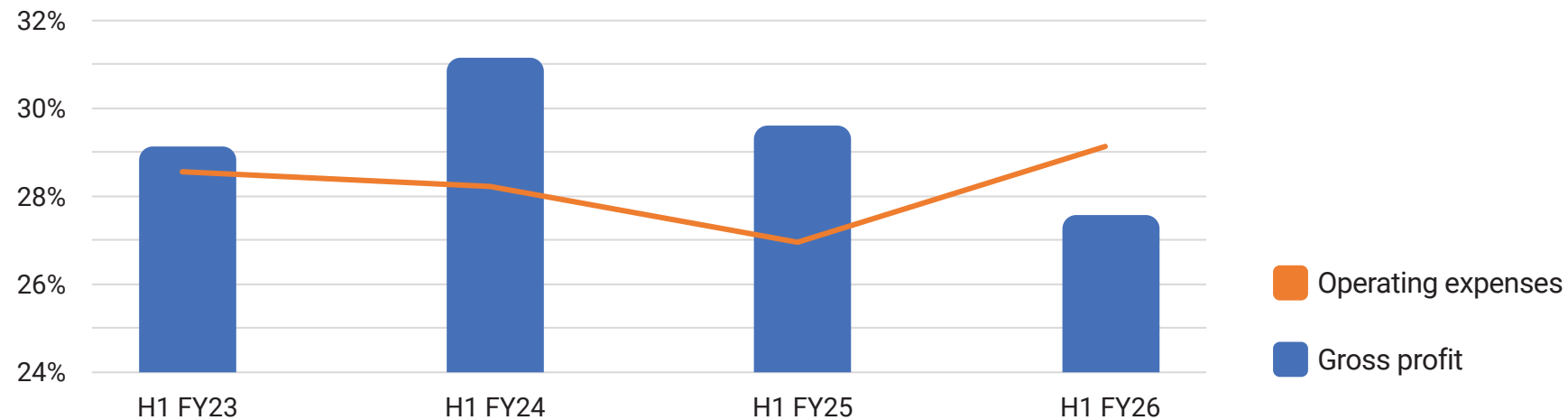
- Recruitment, 6% (6%)
- Core Virgin Wines customers, 73% (75%)
- Commercial, 16% (16%)
- Warehouse Wines, 5% (3%)

Revenue growth accelerated over the past year



H1 FY26 results

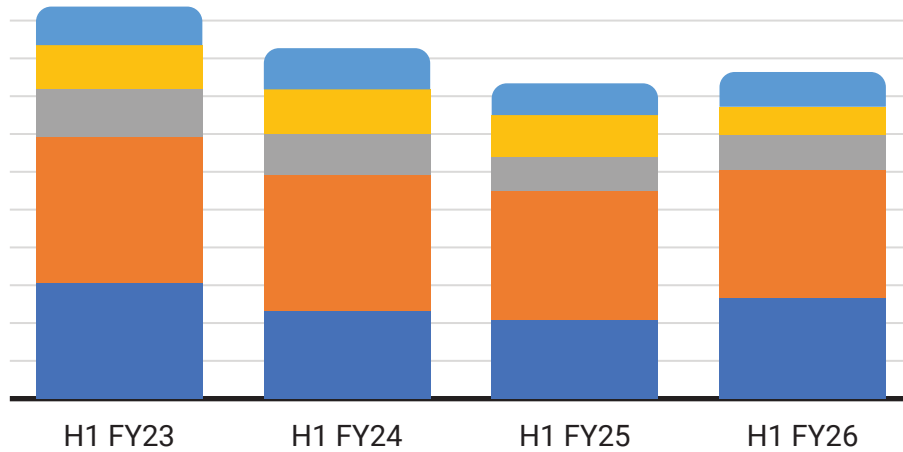
# Margin and cost summary



- Adoption of a more aggressive pricing policy for new customer acquisition impacted margin but helped deliver an uplift of 40% in the number of new recruits in H1 FY26
- Able to use strong cash position to mitigate the impact of duty increase
- Our flexible open source buying model and own label wines enable the Group to mitigate inflationary pressures and maintain wine quality
- Fulfilment costs per case remain well controlled, increasing just 3% despite significant increases in National Living Wage and NI contributions

## H1 FY26 results

# Operational efficiency



- Customer service
- Credit card commission
- Packaging
- Carriage
- Warehouse

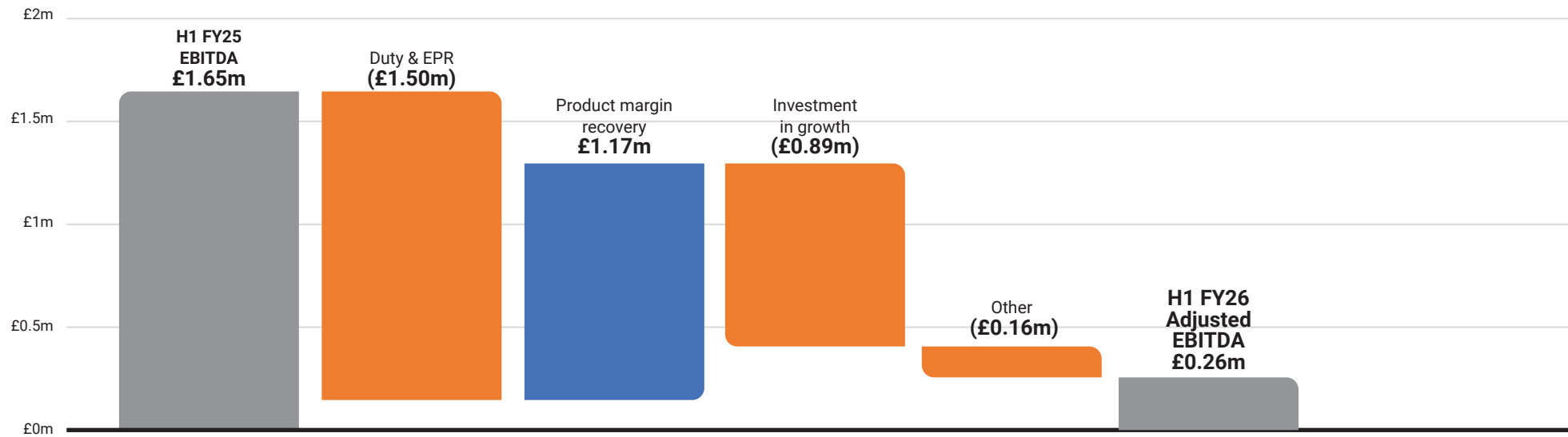
- Leverage investments in technology and training to enhance customer experience and deliver operational savings
- Fulfilment cost per case just 3% up on H1 FY25 despite cost pressures and remain 7% down on H1 FY24
- Pick and pack errors remain at an all time low

### No compromise on service or quality

- Despite challenges presented by the carrier following DHL merger with EVRI, the cost of customer returns, refunds and resends remained low at 0.9% of revenue
- Trustpilot rating improved to 4.5 out of 5, rated 'Excellent' from over 26,500 reviews

H1 FY26 results

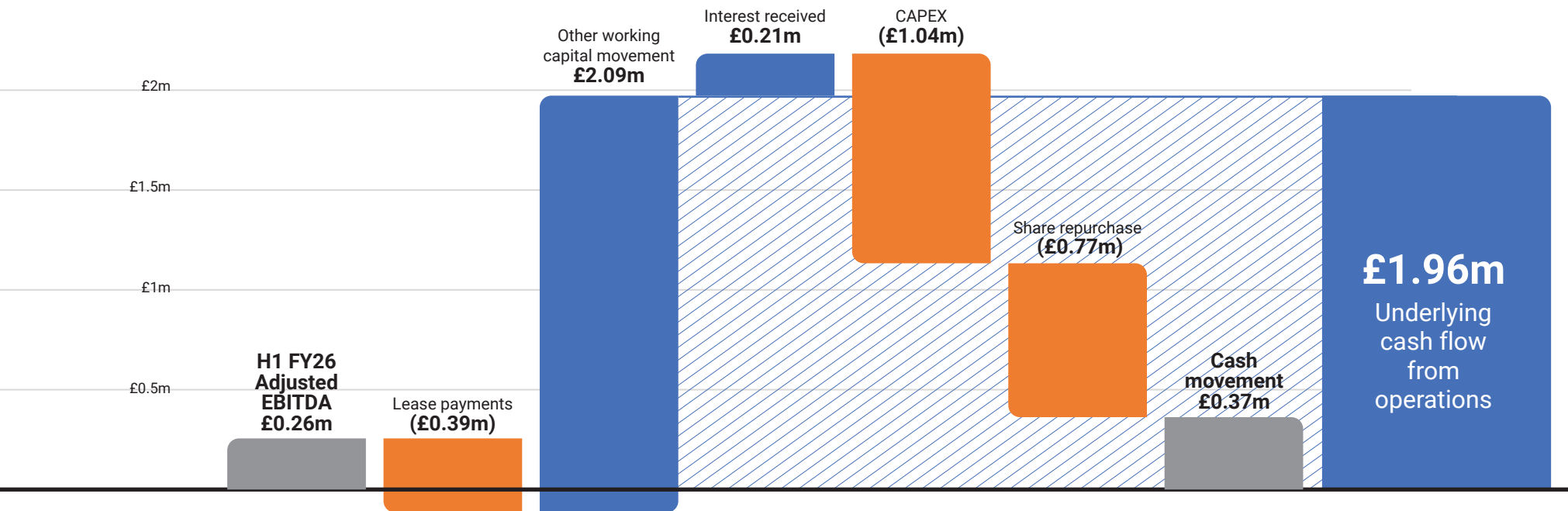
# Year-on-year EBITDA bridge



- Increases in duty and EPR added £1.5m to the cost of products sold in H1 FY26
- £1.17m of product cost increases recovered leaving GP down £355k year on year
- £0.89m of increased investment in recruitment, marketing and IT to support the growth strategy
- Cost savings neutralised other inflationary increases

H1 FY26 results

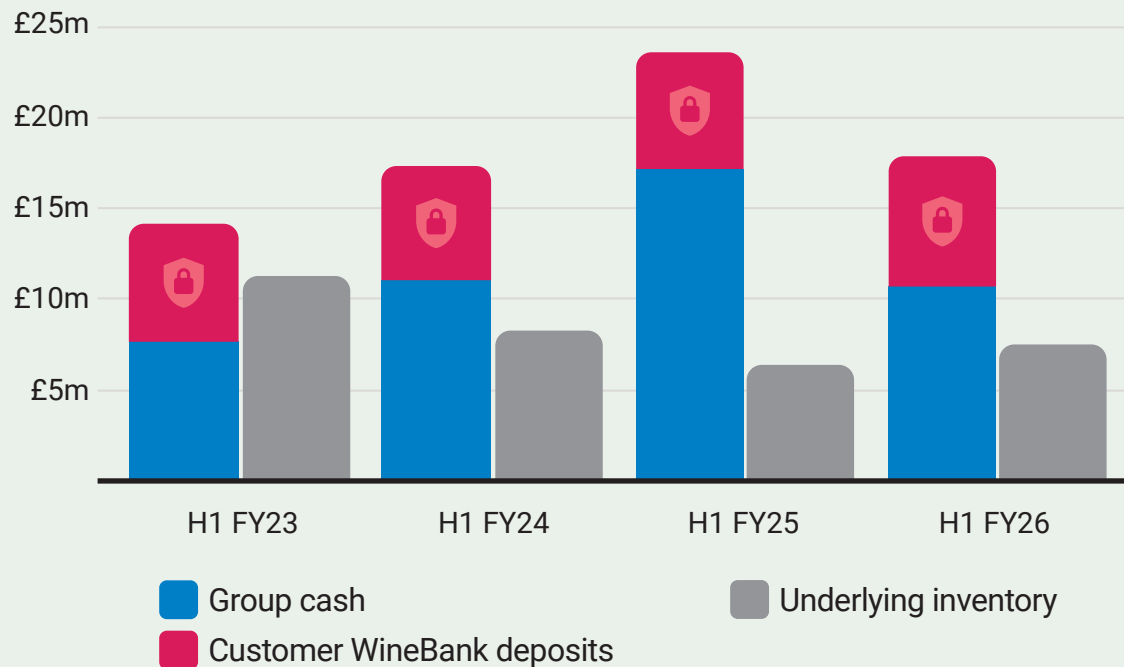
# Working capital and cash generation



- £1.96m cash generated from operation
- Increase CAPEX to support growth strategy with development of mobile app
- £0.8m spent on repurchase of shares in H1 FY26

H1 FY26 results

# Cash and inventory



- No debt
- Customer deposits ring fenced and not used to fund the operation
- £2.7m returned to shareholders through share buy-back to date
- Strong cash balance can be used to prepay duty in advance of rate increase, saving costs
- Open source buying model means no commitment to wines not required
- Curating case contents eliminates the risk of slow moving lines

## H1 FY26 results

# Other new initiatives

Whilst our focus has been on the four pillars of the growth plan, there has been much progress in a number of areas across the business.

<p>New checkout designed increased conversion rate achieved</p>	<p>Significant savings after change in payment provider</p>	<p>Introduction of Apple Pay and Google Pay</p>	<p>Expansion of our AI wine recommendation engine</p>
<p>Launch of Virgin Wines Uncorked - a new consumer proposition</p>	<p>Strengthened Senior Leadership Team in several areas</p>	<p>Increased use of AI to super-charge creative and photography standards</p>	<p>Completed a hugely successful 25th Anniversary campaign</p>

★ Trustpilot

**4.5 out of 5**

'Excellent' over 26,500 reviews

“ Great Service. Huge choice of wine on the website, competitively priced. Good choice of pre picked case, or easy to choose your own selection. Delivery service is excellent, generally next day but always within two or three days. I've used Virgin Wines for years and certainly plan to continue to so. ”



H1 FY26 results

# ESG: Environment and sustainability

Our business purpose...

Creating  
**JOY** from  
 grape  
 to glass

...underpins our approach to ESG

## Environment and sustainability

What are we doing?

- All greenhouse gas emissions are independently audited and reported under ISO 14064-1, with full disclosure across Scopes 1, 2 and 3
- Emissions from gas and electricity use have been reduced by 35.82% since 2021 through energy efficiency and operational improvements
- Our average 75ml bottle weight has been reduced to 414.9g, well ahead of the industry target of 420g in 2026, contributing to reduced emissions from shipping heavy glass
- 45% of wines were shipped in bulk, up from 28% in FY22, helping reduce transport emissions by around 30–40% per litre on average. These wines are then bottled at Greencroft Bottling, a BRC Grade AA+ rated facility and a pioneer in sustainability
- We are 0% to landfill, with 284 tonnes of waste recycled or used for energy recovery in 2025
- Our transport boxes are made from 100% recycled materials and use over 70% less ink than our previous packaging

## H1 FY26 results

# ESG: Our people

Our business purpose...

**Creating  
 JOY from  
 grape  
 to glass**

...underpins our approach to ESG

## Our people

Virgin Wines strives to deliver a safe, happy, supportive and inclusive environment, where people are proud to work and can fulfil their professional ambitions

- Enhanced our long service recognition programme, celebrating employee contribution and loyalty with updated 10 and 20 year awards, recognising 58 colleagues across all sites.
- Established a cross-functional Social & Wellbeing Committee to promote employee wellbeing, strengthen social connection across teams, and lead initiatives aligned to engagement survey feedback and employee priorities.
- Introduced a Menopause Policy and delivered manager training to build confidence in supporting colleagues and enabling open, informed conversations in the workplace.
- Continued to host Non-Executive Director (NED) listening groups to strengthen employee voice and provide direct insight from colleagues across the business to the Board.
- Introduced 360-degree feedback and strengths profiling for EXCO members to support personalised leadership development and enhance senior leadership effectiveness.

## H1 FY26 results

# Capital allocation strategy

### Priority one: **Organic growth**

Board and Investor preference is always investment in growth via Opex or Capex

### Priority two: **Share buyback**

The strong Balance Sheet and cash position enables the Group to not only invest in growth but also return free cash flow to investors

### Priority three: **Acquisitions**

M&A opportunities - our focus remains organic growth. We will assess good opportunities and if profit accretive, develop an appropriate funding plan

### Priority four: **Dividend**

After the period of higher investment develop a dividend policy to enhance shareholder returns

Following approval by shareholders the Board have announced commencement of a buyback programme.

- Permission granted to repurchase up to 15% of the issued equity
- The Board consider the shares to be currently undervalued given the strong balance sheet, cash position and loyalty of our customer base
- Shares purchased will be used to hedge against future LTIP commitments with any surplus cancelled.
- Cavendish will manage the share buyback programme outside the MAR regulations to ensure the scheme has the capability to acquire larger volumes
- The Board consider the buyback programme will benefit both existing and future investors
- As at Dec '25 5.6m shares repurchased costing £2.7m
- Full details of the programme available in the RNS

# Summary and outlook

## The growth strategy is working

- Huge 40% increase in customer acquired
- 92% growth in our value proposition Warehouse Wines
- New Commercial partnerships agreed and Moonpig delivering double digit growth
- Mobile App development completed for H2 launch
- Customer base back in growth including our key WineBank membership

## Update on January and February trading

- Revenue in line with market expectations
- Customers acquired +54% in January and +82% in February
- Mobile App soft-launched 27th February
- Warehouse Wines +135% in January and +81% in February

## Outlook for FY26

- Given the success of the growth channels and the strength of the balance sheet, the Board are committed to continue investing and in the growth strategy
- Despite this increased investment the Group expects to remain profitable at EBITDA level this year.
- Revenue is expected to be in line with current market expectations

## Summary

1. The Board is encouraged by the significant progress made in its acquisition of new customers.
2. The growth of Warehouse Wines and pipeline for the Commercial channel give confidence of increased revenue and profit.
3. The Mobile App launch delivers another revenue stream for Q4 FY26.

**Thank You  
Any Questions?**



# Appendix

**Appendix**

# Group income statement

	Unaudited 02 Jan 2026 £'000s	Unaudited 27 Dec 2024 £'000s
<b>Revenue</b>	<b>34,747</b>	<b>34,084</b>
Cost of sales	(25,111)	(23,962)
<b>Gross profit</b>	<b>9,636</b>	<b>10,122</b>
Operating expenses	(10,119)	(9,153)
<b>Operating (loss)/profit</b>	<b>(483)</b>	<b>969</b>
Finance income	210	372
Finance costs	(83)	(68)
<b>(Loss)/profit before taxation</b>	<b>(356)</b>	<b>1,273</b>
Taxation	125	(352)
<b>(Loss)/profit for the financial period and total comprehensive income</b>	<b>(231)</b>	<b>921</b>
<b>Basic and diluted (loss)/earnings per share (pence)</b>	<b>(0.4)</b>	<b>1.6</b>
<b>Diluted (loss)/earnings per share (pence)</b>	<b>(0.4)</b>	<b>1.5</b>

**Appendix**

# Group cash flow

	Unaudited 02 Jan 2026 £'000s	Unaudited 27 Dec 2024 £'000s
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(356)	1,273
Adjustments for:		
Depreciation and amortisation	689	643
Net finance costs	(127)	(304)
Share-based payment	53	34
Decrease/(increase) in trade and other receivables	165	43
Increase in inventories	(542)	(649)
(Decrease)/increase in trade and other payables	2,466	4,449
<b>Net cash generated from operating activities</b>	<b>2,348</b>	<b>5,489</b>
<b>Cash flows from investing activities</b>		
Interest received	210	372
Purchase of intangible and tangible fixed assets	(1,039)	(232)
<b>Net cash (used in)/generated from investing activities</b>	<b>(829)</b>	<b>140</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(307)	(270)
Payment of lease interest	(83)	(68)
Purchase of own shares	(764)	-
<b>Net cash used in financing activities</b>	<b>(1,154)</b>	<b>(338)</b>
<b>Net increase in cash and cash equivalents</b>	<b>365</b>	<b>5,291</b>
Cash and cash equivalents at beginning of period	17,579	18,370
<b>Cash and cash equivalents at end of period</b>	<b>17,944</b>	<b>23,661</b>
	<b>365</b>	<b>5,291</b>

## Appendix

# Group balance sheet

	Unaudited 2 Jan 2026 £'000s	Unaudited 27 Dec 2024 £'000s
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets	11,957	11,067
Property, plant and equipment	239	133
Right of use assets	1,705	2,120
Deferred tax asset	106	28
<b>Total Non-current assets</b>	<b>14,007</b>	<b>13,348</b>
<b>Current assets</b>		
Inventories	7,695	6,517
Trade and other receivables	2,899	2,656
Derivative financial instruments	3	11
Cash and cash equivalents	17,944	23,661
<b>Total current assets</b>	<b>28,541</b>	<b>32,845</b>
<b>Total assets</b>	<b>42,548</b>	<b>46,193</b>
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Trade and other payables	(18,341)	(19,067)
Lease liability	(602)	(544)
<b>Total current liabilities</b>	<b>(18,943)</b>	<b>(19,611)</b>
<b>Non-current liabilities</b>		
Provisions	(436)	(390)
Lease liability	(1,491)	(1,917)
<b>Total non-current liabilities</b>	<b>(1,927)</b>	<b>(2,307)</b>
<b>Total liabilities</b>	<b>(20,870)</b>	<b>(21,918)</b>
<b>Net assets</b>	<b>21,678</b>	<b>24,275</b>