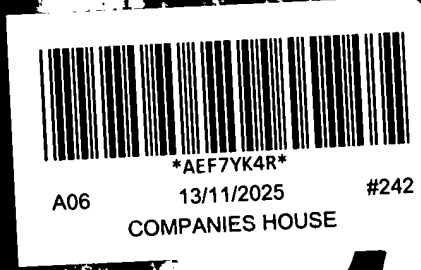




Virgin Wines UK plc

Annual Report & Accounts 2025



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Long story short. The wines on sale are exceptional and significantly better than others I've bought at supermarkets.



Marcelle. V, September 2025



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The business is well positioned to deliver on our 5-year growth plan and to continue creating joy from grape to glass.



Jay Wright
Chief Executive Officer

Key statistics and highlights

FY25

Revenue

£59m

FY24: £59m – FY23: £59m

Adjusted EBITDA¹

£2.3m

FY24: £2.8m – FY23: £1.8m

Profit / (loss) before tax

£1.6m

FY24: £1.7m – FY23: (£0.7m)

% Gross margin

30.1%

FY24: 31.9% – FY23: 29.6%

Gross profit

£17.8m

FY24: £18.8m – FY23: £17.4m

Cost per recruit

£16.40

FY24: £16.66 – FY23: £11.99

Operating variable
% of revenue

11%

FY24: 11.8% – FY23: 14%

Marketing costs
% of revenue

6.1%

FY24: 7.1% – FY23: 7%

Inventory²

£5.6m

FY24: £5.9m – FY23: £8.4m

Cash allocation

The Business remains debt free and continues to generate strong cash flows from operations. The Board is committed to the disciplined allocation of capital, investing to drive sustainable growth while monitoring a range of cash allocation initiatives. During FY25, the Group invested £2.0m to repurchase 7.3% of its issued share capital. In addition, the Group utilised £5.7m of cash to prepay duty ahead of the substantial rate increase in February 2025, generating a cost saving of £0.6m. At the year end, £1.6m of duty remained prepaid.

Gross cash³

£17.6m

FY24: £18.4m - FY23: £13.5m

Net cash⁴

£9.3m

FY24: £10.3m - FY23: £5.5m

¹ Adjusted EBITDA is before exceptional items and share-based payments.

² Denotes inventory excluding pre-paid duty for a like-for-like comparison.

³ Gross cash includes all cash balances.

⁴ Net cash is gross cash less ring-fenced WineBank deposits. WineBank deposits not used as working capital.



Case volume

788k

an increase of 5.7%

WineBank membership

+1.5%

YOY to over 128k

Customer acquisition

+28%

costs +6% YOY

Commercial channel

+24%

to £9m

Warehouse Wines

£1.8m

18k customers acquired

Sales retention rate

88%

FY24: 93%

Customer retention rate

83%

FY24: 81%

Wine Advisor cost
per order**10.9%**

reduction YOY

Revenue per Wine Advisor

+27%

to £410k per advisor

Operating variable

11%

reduction in cost per case

WineBank annual
cancellation rate**15%**

reduction since FY23

Lapsed rate

33.2%

improved from 35.7% in FY24

Growth Strategy

In March 2025, the Business announced an ambitious growth strategy designed to drive revenue to circa £100m over the next five years. There are four key areas being targeted to drive that growth.

1) Customer Acquisition

To enable the core Virgin Wines business to grow, there will be increased investment in our acquisition of new customers. Increasing the size of the customer base drives growth through our key repeat sales channels including email, web and our Wine Advisor team.

To drive the desired growth in customer acquisition we will focus on:

Partnerships

We have a dedicated team of Business Development Managers who create relationships with other businesses that have a similar demographic customer profile where we can deliver added value to their customers and new recruits to our business.

Strategic accounts

These are also partnerships but where there are multiple opportunities across several areas to create longstanding relationships with a specific partner. Good examples would be our activity across the various Virgin companies, our relationship with Saga and our 20-year partnership with The Daily Mail.

Digital and social

An increasingly significant contributor to our annual recruit volume with several different routes to market utilised. Whilst this can be a more expensive channel in terms of cost per acquisition, the business is still focussed on optimising volume opportunities against cost.

Customer retention marketing

The business has a significant pool of customers that have either never converted to be long standing customers of Virgin Wines, or who have lapsed at some stage during their relationship with us. This is a cost-effective way to re-engage with those customers and is a useful driver of volume.



2) Commercial

We have had much success over the past few years creating a Commercial channel that uses all the core competencies of our business but targets the B2B sector rather than our traditional DTC market.

There are a number of key sectors we operate within including the travel sector where we have had significant success supplying LNER, Avanti and Great Western Railways with the wines for their on-board supply. We also have an expanding relationship with WHSmith for supply into their travel locations at train stations and airports.

Our partnership with Moonpig has been key in driving growth in our Commercial channel and we have exciting plans to deliver increased volume through our joint activity. We have also been delighted to supply a range of quality wines to Ocado for their customers to access as part of their weekly shop.

We believe there are substantial opportunities to scale our Commercial channel, and this is a key area for increased investment and significant growth.

GWR

AVANTI
WEST COAST



LNER
LONDON NORTH EASTERN RAILWAY

moonpig

ocado

WHSmith

3) Warehouse Wines

This past year has seen the first full year of trading for our newly launched value proposition, Warehouse Wines. The brand delivers everyday low prices, has no subscription schemes and gives supermarket buyers the opportunity to drink better quality wine, at lower prices, with the convenience of delivery to their door.

In its first year of trading the business has acquired 18k customers and delivered revenue of over £1.8m. With an exclusive wine range that links seamlessly into the Virgin Wines buying model, numerous avenues to acquire large quantities of low-cost customers and the same outstanding, low-cost operational model as Virgin Wines, we see outstanding growth potential in what is a very significantly sized market.

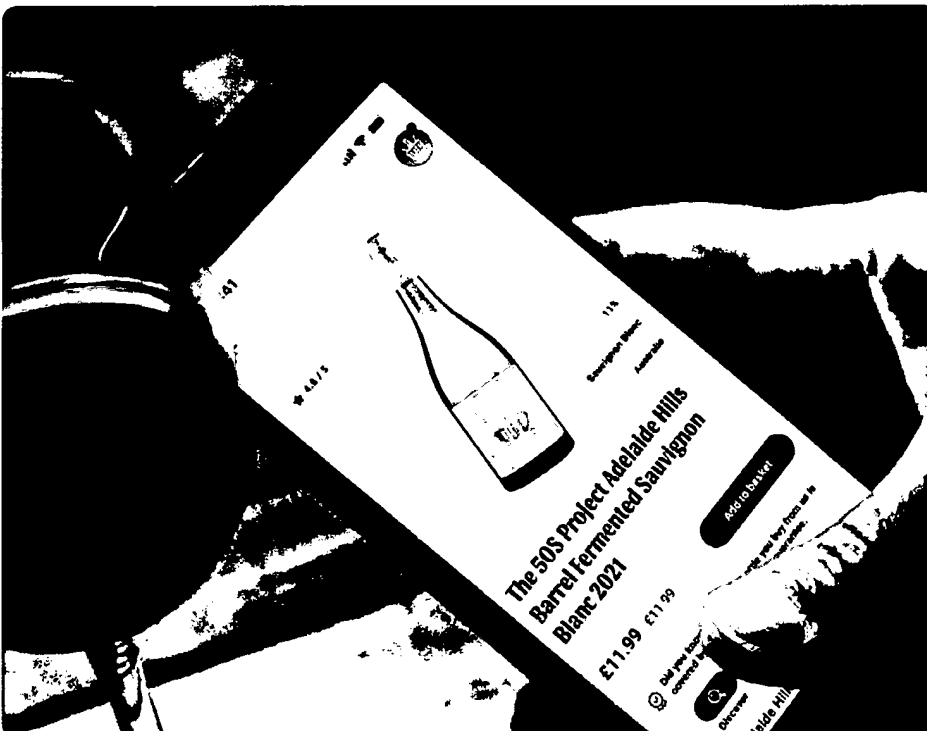


WAREHOUSE WINES

"Always happy with my box of wine! Love trying new wines, much better quality than the supermarket stuff"



B. Garbett, March 2025



4) Mobile app launch

In early 2026 we will be launching our first mobile app. With the importance of simpler, more mobile friendly ways for customers to engage with businesses, we see this as a critical step in our ability to engage in a different way with both our existing customers, as well as attracting new members.

Key to the growth strategy will be the opportunity to layer push notifications on top of our current customer contact strategy, simpler ways for our customers to engage, rate, review and buy, plus a new proposition designed to attract a different customer profile.

Market Overview

The UK is the sixth-largest wine market globally, with consumption predominantly weighted towards off-trade channels such as supermarkets, off-licenses, and specialist retailers like Virgin Wines. In the 12 months up to the end of March 2025, 83.7% of the total UK wine volume was sold through the off-trade.

Our markets

Off-trade wine market

In the 12 months to March 2025, the UK off-trade wine market generated £9.0bn in sales, representing a 1% decline YOY, with volumes down 3% to 9.4 million hectolitres. This slight contraction reflects continued cost-of-living pressures, the impact of duty increases in 2023 and 2025, and evolving consumer purchasing patterns. Despite these challenges, the off-trade remains the dominant channel for UK wine consumption, accounting for the vast majority of total market sales. Its resilience highlights the enduring importance of the take-home sector, supported by consumer preference for in-home drinking, strong retailer execution, and the sustained appeal of wine as an affordable luxury within the broader drinks category.

Pricing in the off-trade market

Value performance was underpinned by premiumisation, with the average 75cl bottle price rising 3% YOY to £6.75. Wines priced above £7 per bottle delivered the strongest growth, led by the £8-£9, £11-£12, and £12-£13 price bands. The £15+ segment also outperformed mid-range tiers, reinforcing the shift towards premium wines.

At the same time, wines below £7 recorded the steepest declines in both volume and value, highlighting the increase in wine prices, and the shift away from the sub £5 per bottle market in particular.

The impact of higher shelf prices, influenced by recent duty reforms, supplier cost inflation, and ongoing margin pressures across the supply chain, has accelerated this divergence between value and premium segments. Consumers are increasingly rationalising their wine purchases, opting to buy less frequently but spending more per bottle when they do, reflecting a shift towards quality over quantity.

While premiumisation continues to underpin category value, affordability remains a critical factor shaping purchasing decisions. Consumers are becoming increasingly selective - balancing aspirations for quality with the realities of constrained household budgets. Sustaining category momentum therefore relies on offering a diverse and well-structured portfolio that meets the needs of both value-driven and premium-seeking shoppers. This balance is effectively achieved by Virgin Wines and Warehouse Wines, whose complementary models ensure strong market coverage, brand differentiation, and resilience across shifting economic conditions.



the off-trade remains the dominant channel for UK wine consumption, accounting for the vast majority of total market sales.

Wine trends

- Rosé was the only wine type to grow, up 2% in volume and 4% in value, now worth £838m. Growth was supported by favourable weather conditions, rising consumer demand for lighter, more refreshing wine styles, and continued premiumisation within the category, as shoppers increasingly view rosé as an everyday yet aspirational choice.
- Sparkling wine showed resilience, generating £1.1bn from around 145 million bottles.
- By country of origin, France (+9% volume, +10% value) and New Zealand (+9% volume, +8% value) led growth, while Spain, Australia and South Africa recorded notable declines.
- At varietal level, Sauvignon Blanc consolidated its leadership (+1% volume, +2% value to £1.1bn), while Tempranillo delivered strong growth (+4% volume, +6% value).
- Low- and no-alcohol wines grew 2% YOY in volume, generating £72m in sales, equivalent to around 0.8% of total off-trade wine market value. Growth in this segment was supported by the consumer moderation trend, increasing availability and visibility in major retailers, and continued interest in lower-alcohol alternatives that align with evolving health and lifestyle preferences.

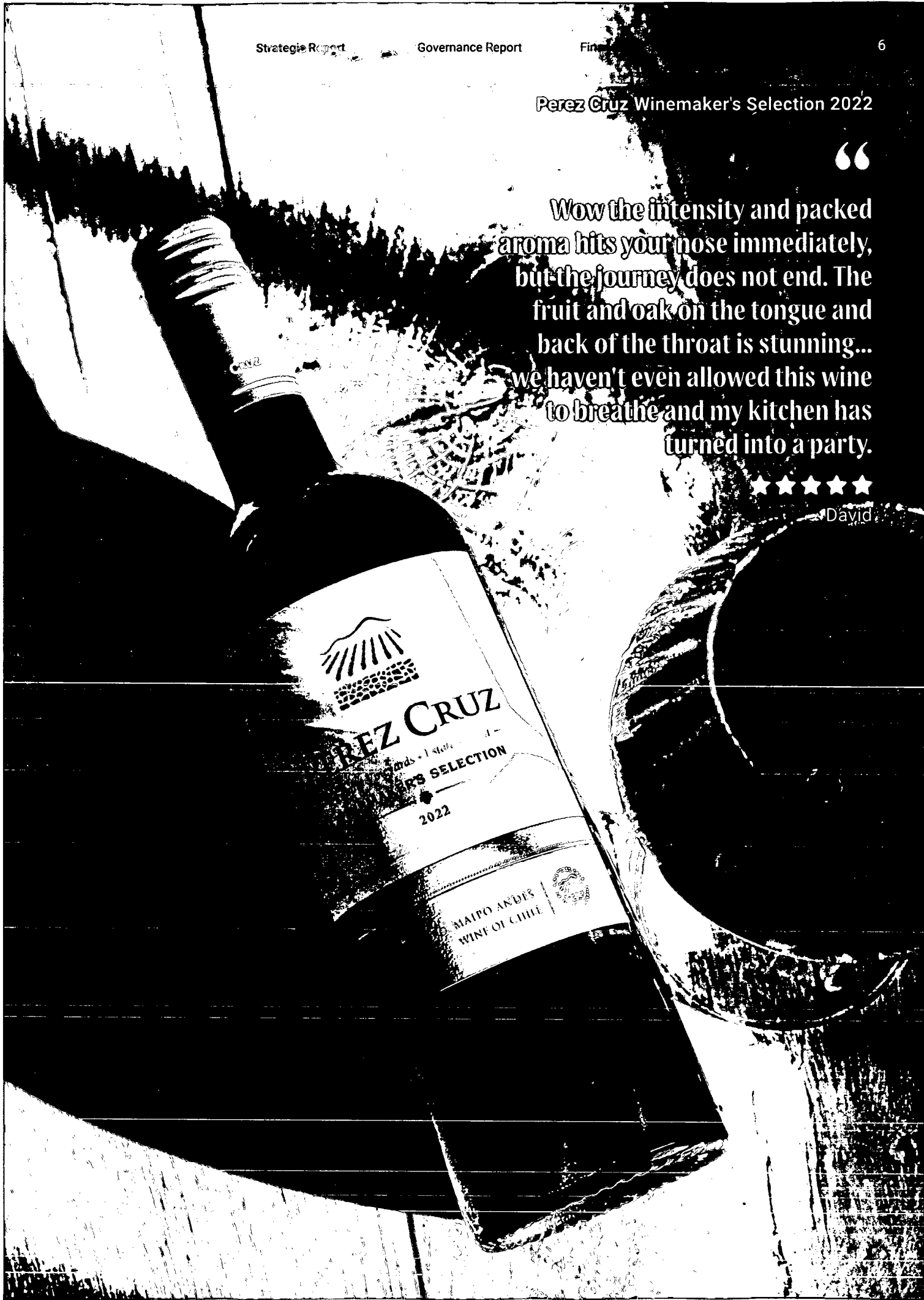
Perez Cruz Winemaker's Selection 2022

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Wow the intensity and packed
aroma hits your nose immediately,
but the journey does not end. The
fruit and oak on the tongue and
back of the throat is stunning...
we haven't even allowed this wine
to breathe and my kitchen has
turned into a party.

★★★★★

David





Cheers to 25 years



Our 25th Anniversary Celebrations

This year has been a big one for us as Virgin Wines turns 25 years young. Launching our 25th anniversary celebrations in March 2025, we've taken this special moment for the business and turned it into a joyful campaign that will run right the way through to Christmas 2025, keeping the message in consumers minds from spring to winter.

Marking the milestone with purpose and personality:

Our silver anniversary and successful 25-year history has given us ample opportunity to promote our brand, highlight our effortless expertise and show off our impressive range of wines. Our ambition for this multi-month campaign was clear from day one: to celebrate the people, partnerships and loyal customers who have made Virgin Wines what it is today, while building brand affinity to lay the foundations for the next 25 years of growth.

Product: limited edition wines

Throughout the ongoing festivities, we are releasing limited-edition wines that have been created for the occasion. Our collection of 12 anniversary wines showcases the range of wine types we sell from around the world, with each bottle in the collection completely individual in flavour profile, origin and style.

Launching a new wine every few weeks, March to June saw us release the first six in the collection including a premium Pinot Noir by the UK's first urban winery, London Cru, a deliciously complex 15-year-old Rioja from Finca Manzanos and a Champagne by Cyéjacquot Frères made entirely from red grapes as a nod to our brand colour. As we entered summer, we experienced the biggest reaction to an anniversary wine yet, with hundreds of customers racing to reserve a case of Mendoza Malbec by our long-time Argentine partner and winemaking star, Stephen Huse.

People: celebrating the greats

We are using our anniversary year to shine a spotlight on key personalities who have shaped Virgin Wines, particularly our buying team and the winemakers with whom we have built the strongest relationships. Behind every anniversary bottle is a story to tell, whether it's a winemaker we've worked with since the beginning or someone we've only recently partnered with. A huge part of our marketing for this campaign has focussed on telling these stories across our website and blog, printed brochures, email and social media channels.

We have also been honouring and rewarding staff with long service awards, a bigger than ever, fun-filled staff party and branded anniversary cakes delivered to our Norwich and Preston offices.





wines
Est. 2000

25 years young

We are using special 25th anniversary versions of our logo across our website and communications, sending wine orders out in anniversary edition delivery boxes, using our campaign tagline "25 years young" in staff email signatures and handing out branded tote bags at our events to amplify the message at different touchpoints.

Platform: elevating brand and experience

Anniversaries are made to be shared, so we have also invested in experiences that bring customers closer to the brand, as well as strengthen our own relationships with the Virgin Masterbrand and other important partners. Our biggest collaboration so far has been our "easter egg hunt for adults" in association with what3words, various commercial partners and Virgin companies. We asked participants to follow the clues across three social media posts and put a secret code into the what3words app to reveal the location of our hidden treasure – Virgin Hotels London Shoreditch. We gave away 20 prizes donated by valued partners including a hot air balloon ride from Virgin Balloon Flights, a year's membership for Picturehouse Cinemas and a diamond necklace from Austen & Blake jewellers. Our brand activation received significant press coverage and was featured in two TimeOut articles, alongside creating high levels of social media engagement from our customers and the wider Virgin family and attracted a crowd of eager participants on the day.

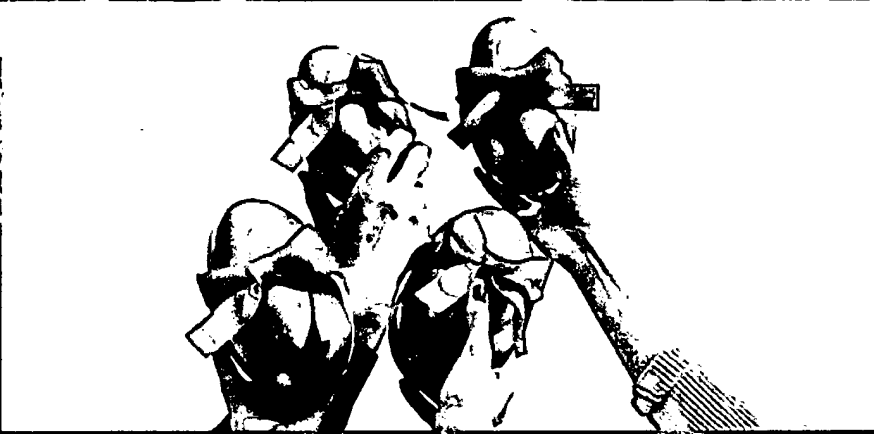
Other examples of us using our anniversary celebrations to work closely with the Virgin group include our 25th anniversary press event to be hosted at Virgin Hotels London Shoreditch in October, a "cheers to 25 years" message posted from Richard Branson's Instagram account, and a new content series called '25 Tips to Have You Drinking like a Pro' with wine journalist and Virgin employee Suriya Bala.

Purpose: celebrating with conscience

Another layer of activity in our celebrations is our charitable efforts. Throughout May and June 66 staff members took part in a 'Virgin Wines Turns 25 Big Team Challenge' where teams of three were asked to walk 573.8 miles in six weeks. Our collective distance achieved of 35,124,412 steps resulted in six trees being planted on behalf of Virgin Wines by Ecologi – a platform that helps businesses measure and reduce their emissions. We plan to keep the momentum going with another staff challenge in September, this time a cycling event to raise money for our chosen charity, Hope After Suicide Loss.

The 25th Anniversary campaign has been a great success with much support and participation across our entire community alongside excellent engagement with our anniversary wines. As we raise a final glass to our silver anniversary at Christmas, we'll do so with gratitude for the last quarter-century and great confidence in the next one.





Swirl, sip,
celebrate

Chief Executive's Review



“

We were pleased to deliver a robust financial performance over FY25 and are well positioned to execute our recently announced growth strategy.

Jay Wright
Chief Executive Officer

Introduction

It's been an exciting year for Virgin Wines, as we announced our medium term growth strategy targeting £100m in annual revenue at a 7% adjusted EBITDA margin. The whole team is highly motivated to execute this and deliver real growth despite the continued challenges of a subdued consumer landscape, rising costs, and an increasingly heavy tax burden.

It's also been a landmark year for the business, being the 25th Anniversary of Virgin Wines.

We were pleased to deliver revenue in line with the prior year, which compares to a sector decline of 9.7%¹ during the 12-month period. This market share gain highlights the robustness of our business model, the loyalty of our customers, and the success of our new initiatives, as we continue to diversify our revenue base.

We have seen the early signs of a return to growth in our customer base, with our key WineBank membership up 1.5% over the year, and improved loyalty with the annual cancellation rate at just 14.7%, an improvement from 16.1% in FY24. WineBank membership stood at 128.3k customers at the end of FY25 and our WineBank proposition delivered £34.5m of FY25 revenue.

We maintain our disciplined approach to customer acquisition, where the Group saw a 28% increase in the number of customers acquired for just a 6% increase in acquisition costs. Our teams are constantly thinking creatively about innovative new ways of converting new customers, so it is a credit to them that we can deliver such enviable acquisition rates.

Our Commercial channel, which specialises in supplying the B2B market, has shown impressive growth, with a 24% increase in revenue to just under

£9m for the year, driven by the expansion of our Moonpig and Ocado relationships. Meanwhile, our new value proposition, Warehouse Wines, delivered £1.8m of revenue in its first full year of trading, a commendable achievement. Warehouse Wines shows positive signs of becoming a material contributor to revenue and profit in the medium to long term.

Our disciplined approach to managing costs while driving productivity is a core thread through all areas of the Business. We pride ourselves on being the lowest cost to serve in the sector and were delighted to deliver a further reduction in our operational costs, which equated to just 11% of revenue in FY25, a reduction from 11.8% in FY24. To put this into context, this was achieved despite an increase in the National Living Wage, increased National Insurance contributions, and further cost pressures on fuel and packaging.

Our balance sheet remains strong, with the Group remaining debt-free and with a gross cash balance of £17.6m at the year-end (£9.3m excluding customer WineBank deposits). The strength of our cash position has allowed us to introduce a share buyback programme, as well as commence implementation of our growth strategy and capital allocation plan to drive significant growth in our business over the next five years.

The talent, dedication, and enthusiasm of our teams, whether they are based in our Head Office in Norwich or our National Distribution Centres in Preston and Bolton, have been remarkable. There are many challenges to overcome in our industry, and the resilience our team has shown in tackling these head-on, and finding ways to mitigate wherever possible, has highlighted the innovative approach and 'can-do' attitude so important to high-performing teams in the current environment. My thanks go to each and every one of them for their continued support and commitment.

Revenue

£59m

FY25	£59m
FY24	£59m

Adjusted EBITDA¹

£2.3m

FY25	£2.3m
FY24	£2.8m

Gross Profit

£17.8m

FY25	£17.8m
FY24	£18.8m

¹ IMRG Online Retail Market Results June 2025.

Financial overview

During the year, we delivered revenues of £59m, in-line with the previous year. Adjusted EBITDA of £2.3m was 4.5% ahead of market expectations, and PBT of £1.6m was 23.1% ahead of market expectations, albeit both slightly lower than FY24 partially due to the previously announced increased investment in our growth strategy towards the end of the financial year.

The significant cost pressures facing the industry remained over the course of the year, most of which were driven by Government policy. A complete revamp of the alcohol duty regime was introduced in February 2025, with wines being subject to a rising scale of tax for every additional 0.1% of alcohol, rather than the flat rate previously charged between 11.5% ABV and 14.5%. The result is that the vast majority of wines now incur a higher level of alcohol duty, with a wine at 14.5% ABV now subject to £3.21 a bottle, as opposed to £2.67, an increase of 54p a bottle (prior to VAT also being incurred).

The industry has also been subjected to a new sustainability tax called Extended Producer Responsibility (EPR), which equates to approximately 10p per bottle, as well as a further increase in the National Living Wage and increased National Insurance contributions. The subdued consumer environment has made it difficult to pass on these inflationary cost pressures to customers solely through price increases without a significant effect on consumer response and average order frequency.

Wherever possible, we have mitigated these increased costs through operational efficiencies, leveraging the benefits of our open-source buying model, and through the management of alcohol levels in our wines. However, gross product margin declined in the year from 37.6% in FY24 to 35.6% in FY25, partially due to these additional costs and partially through the change in channel mix where revenue through the Commercial channel and Warehouse Wines have increased. Whilst this lowers % gross margin the lower marketing and operational costs alongside the leverage in volumes delivers increased net contribution.

Despite these cost pressures, and in keeping with our desire to be the lowest cost to serve in the sector, we further reduced our operational costs to 11% of revenue from 11.8% the previous year, despite the inflationary environment.

As noted above, we have a strong balance sheet with no debt, gross cash of £17.6m, and net cash of £9.3m (excluding WineBank customer balances). This cash position is stated after £2m of shares were repurchased over the year and £1.6m of outstanding duty pre-payment was carried into FY26. This healthy cash position allows us to invest in growth, as outlined in our update to the market in March 2025.

Our open-source wine buying model

It has been a challenging period for anyone involved in wine over the past 24 months, with the introduction of a new, highly complicated, and punitive alcohol duty regime. This added significant complexity and substantial increases in the tax charged for the majority of wines sold. This was in addition to the 20% increase in duty that wine was subjected to in August 2023.

It has been more important than ever, therefore, that Virgin Wines has been able to leverage its unique open-source buying model to mitigate these additional costs wherever possible. Our buyers have worked with their wide network of winemaking partners to secure increased volumes from areas with the most attractive quality/value ratios and reduce volumes from areas where it was less beneficial. We have also collaborated closely with our winemakers to lower alcohol levels wherever practical, as long as it does not compromise on the quality or stylistic character of the wine and were delighted that the average rating of our wines was maintained at a healthy 4.2 out of 5.

This has helped us to minimise price increases to customers, highly important given the pressure on consumers' disposable income and the knock-on effect of price rises on order frequency and customer response rates. Our low levels of inventory also mean we can influence the composition of our wine portfolio quickly, with an average of only 12–14 weeks of stock committed at any point.

Our buying team continues to be recognised for the exceptional work they do, and after our Buying Director Sophie Lord was awarded 'Buyer of the Year' by Decanter magazine in 2024, the whole Buying team were shortlisted for Best Off-Trade Buying Team and Sustainable Wine Buying Team of the Year at this year's Wine Buyers Awards.



Chief Executive's Review *continued*

Our approach

Evolving our consumer propositions continues to be a key element in our ability to attract and retain customers. We do not believe all customers want, or need, the same experience and, as such, we continue to provide several different ways customers can get the most out of Virgin Wines. We believe this flexibility was a key factor in Virgin Wines being voted Online Retailer of the Year at the 2025 People's Choice Awards alongside being rated 'Excellent' on Trustpilot with a score of 4.6 out of 5 from over 25k reviews.

Our flagship subscription scheme, WineBank, continued to deliver outstanding value to wine enthusiasts across the UK by allowing them to spread the cost of buying wine, giving 20% 'interest' on their monthly deposits that can then be spent on our wines, while also giving all WineBank customers free express delivery. It was particularly pleasing to see the 12-month rolling cancellation rate improve from an already excellent 16.1% to just 14.7%, highlighting the outstanding levels of loyalty from customers using this service. The number of customers with a WineBank membership also increased by 1.5% to over 128k.

Our Discovery Wine Club continues to offer customers the ease and convenience of having an expertly curated case of wine delivered to their door every quarter. Building on the success of this model, and to offer customers more choice we've recently introduced a monthly four-bottle option. While this was only launched recently, we believe having less wine, more frequently, will be an attractive proposition, and we look forward to rolling this option out over the coming year.

In addition, we still offer customers the ability to buy whatever they want, whenever they want, from our full range, without any regular payment mechanic or subscription. We are soon to enhance this proposition with the option of a further mechanic that will offer those customers even greater value, and we look forward to launching that prior to Christmas this year.

Our Wine Advisors continue to provide over 30k of our customers a personal, one-to-one service, ensuring every wine purchased is perfectly suited to their customers' tastes and that their personal client base receives the 'inside track' on new wines and special discoveries that they may have otherwise missed. They also handle any rare service queries that may occur, ensuring the Wine Advisor handles the customer's entire relationship with Virgin Wines.

The team was streamlined at the end of our previous financial year, and they have excelled over the past 12 months delivering an increase in revenue per Wine Advisor of 27%, an outstanding achievement.

Growth strategy

During the year, we announced our new growth strategy to turbocharge the business. Virgin Wines is entering an exciting phase of growth and transformation. Our ambition is clear: to grow the business to circa £100m in revenue at an adjusted EBITDA margin of 7% over the next five years. We are starting from a position of strength, debt-free, with a robust balance sheet and total cash of £17.6m at year end, giving us the firepower to invest in strategic initiatives that will drive growth.

Our strategy is focused on four key levers:

1. Increased investment in customer acquisition, ensuring we reach more consumers and strengthen our brand presence.
2. Expanding our Commercial channel, capturing opportunities in a market that continues to evolve and grow whilst maximising the potential of our strong existing relationships.
3. Driving momentum through our new value proposition, Warehouse Wines, which allows us to capture a different demographic of wine-lovers and bring fresh excitement to our portfolio.
4. Embracing technology, including the launch of a state-of-the-art mobile app in H2 2026, designed to enhance the customer experience, increase engagement, and open up additional avenues for growth, as well as utilising AI to further improve efficiency.

We are confident that our diversified business model combined with this strategy focused on targeted investments in innovation and our core business, positions us to deliver sustainable long-term returns. We are confident that, while ambitious, this is also a prudent strategy, ensuring that we create value for shareholders while building a business that is resilient, flexible, and future-ready.

Our strategy reflects a belief in the power of innovation, putting the customer first, and upholding operational excellence to drive growth. We are excited by Virgin Wines' potential and motivated by the impact these initiatives will have on our business and for our stakeholders. As we embark on this journey, we remain steadfast in our commitment to long-term value creation, confident that the steps we are taking today will define our success tomorrow.

Driving growth through our four strategic pillars will become a key focus for Virgin Wines over the coming years, and we will report our progress against these. Looking at each of these in turn:



1. New customer acquisition

In line with our new growth strategy, we have started to increase our investments in customer acquisition, designed to deliver significant revenue and profit growth over the next five years. It was therefore encouraging to see a 28% increase in customers acquired year-on-year. Importantly, this has been achieved while maintaining our disciplined approach to customer acquisition costs, with just a 6% increase in investment leading to this 28% rise.

We use a variety of channels to attract new customers, including partnerships, strategic accounts, digital, social, and CRM activity. This mix of channels, and the ability to target high-quality customers, ensures we can keep our new customer conversion rates high, at well above 40%, despite driving additional volume. So far, this increase in acquisition hasn't had any detrimental effect on our cancellation rates.

We continue to deliver excellent levels of payback, at +4.5 times over five years, ensuring an attractive return on investment and high lifetime value. This disciplined combination of delivering a low cost per acquisition, high customer conversion rates, and high levels of payback gives us the confidence to invest more aggressively to drive the growth required in our core business.

2. Commercial

Our Commercial channel continues to go from strength to strength, with revenue increasing by 24% year-on-year in FY25, with acceleration of growth in H2 2025. As one of our key growth areas, we will continue to drive this channel and the performance over the past year shows why we have this confidence.

We are pleased to be growing our relationship with Moonpig to support them in increasing sales through the alcohol category. As a key partner, we are working together to deliver incremental value for both businesses through an increased range and expanded portfolio of products.

We were also delighted to secure an ongoing relationship with Ocado to feature a range of our wines on their website, with both parties being encouraged by the performance so far. In addition, the partnership was acknowledged independently at The Drinks Business Awards 2025, with Ocado and Virgin Wines being awarded the runner-up place in the 'Best Launch' category.

We also continue to strengthen our presence in the travel sector, through our ongoing relationships with a number of key train operators including LNER, Avanti, and Great Western Railway. We have also recently expanded our relationship with WHSmith as it prioritises travel locations, with consumers able to enjoy a selection of our wines from its railway station and airport sites.

Most importantly, we have a strong pipeline of new opportunities to help drive sales through the channel over the next year, as well as further growth with existing partners, and we are excited about the scale we can deliver over the coming years.

3. Warehouse Wines

FY25 saw the first full year of trading for our new value proposition, Warehouse Wines, and we have been encouraged by the progress made. There is a vast amount of wine purchased by UK consumers in the £6.99–£8.99 per bottle bracket, much of which is purchased through supermarkets. Given our ability to source and blend wines that deliver exceptional value for money, as well as our operational efficiency and existing infrastructure, we believe we can be highly competitive on price whilst delivering superior quality wine directly to a customer's door.

We have acquired over 21,500 new customers since launch, sold over 31,000 cases in the year, and delivered revenue just under £1.8m. There are numerous partnerships that have already been established, and we have an exclusive portfolio of just under 100 wines, rated in line with the Virgin Wines portfolio. Warehouse Wines is rated as 'Excellent' on Trustpilot from over 700 reviews, and we are confident that its strapline, 'Drink Better, Spend Less', is resonating with many current and prospective customers.

4. Mobile app development

We remain on track to deliver our highly anticipated mobile app in H2 2026. This will increase engagement with existing customers, allow the Business to communicate through push notifications, reducing the reliance on email marketing, as well as opening up new opportunities to acquire an increased number of new customers.

Operational excellence

Virgin Wines has always prided itself on operational efficiency and being the lowest cost to serve in the sector. This constant focus on productivity, accuracy, and excellence continued throughout FY25, resulting in a further year-on-year improvement in the cost per case despite numerous inflationary cost pressures, including rises in the National Living Wage, increased National Insurance contributions, escalating paper costs, and higher transportation costs. As announced in our growth strategy, we are currently conducting a process internally to review how technology and AI can enhance our systems and how we operate, as we continuously strive to deliver efficiencies and excellence.

We continue to enjoy the benefits of our upgraded Warehouse Management System, implemented in late 2022, to drive efficiencies in our pick-and-pack operation, with the cost per case reduced by 3% year-on-year. The customer service department saw even greater benefits, with higher levels of accuracy in the fulfilment centre and faster despatch, allowing us to deliver a 17% saving against FY24.

The full operational cost per case for FY25 was 11% of revenue, compared with 11.8% the previous year, with no negative effect on operational excellence. Our Trustpilot score achieved 4.6 out of 5 and is also rated as "Excellent", with our customers providing over 1,500 new 5-star reviews over the course of the year.

Chief Executive's Review *continued*

Progress on sustainability

Sustainability is incredibly important for us as a business, and we regularly review how we can enhance our operations and proposition to the benefit of all of our stakeholders. The Board is fully committed to embedding environmental, social, and governance principles at the heart of our strategy, recognising that responsible business is not just the right thing to do, it is essential for sustainable growth and resilience.

We are actively working to reduce our environmental footprint, cultivate inclusive and thriving workplaces, and strengthen the positive impact we have on the communities we serve. At the same time, we maintain rigorous governance standards to ensure transparency, accountability, and ethical leadership across all levels of the organisation.

The Board takes an active role in overseeing ESG initiatives, setting ambitious goals, and reviewing progress to ensure that our commitments translate into tangible outcomes. We understand that meaningful sustainability is a journey, and we are determined to innovate and adapt in ways that create enduring value for our shareholders, employees, customers, and society at large.

During the year, we stepped away from offsetting and carbon neutrality to concentrate on investing in implementing real change throughout our value chain. Our carbon footprint is independently audited under ISO 14064-1 and we will continue to disclose this, but we are redistributing the resources we were putting into offsetting into inssetting and reducing our emissions.

We will continue to focus on working to meet our SME SBTi target to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 42% by 2030 (from a 2021 base year) and to lower Scope 3 emissions.

Our culture, values, and people

This year, we have been celebrating Virgin Wines' 25th anniversary, and the incredible journey we have been on during these two-and-a-half decades. When we reflect, what stands out most is not just the milestones we've achieved as a business, but the people who have made them possible. We're proud to have built a culture that's energetic, inclusive, and innovative.

The long service of so many of our colleagues is proof that this is a place where people want to stay, develop, and thrive. Listening to our people is key to keeping this culture alive. We regularly conduct employee engagement surveys to provide us with insights and inform how we develop the business. We've also launched our Community Purpose Programme, empowering our people to support causes that matter to them.

Given the market we operate within, we also understand the importance of responsible drinking and the dangers of alcohol abuse. As such, we actively promote the importance of enjoying alcohol in moderation to our employees and customers and continue to drive our unique messaging that 'Drinking's only fun when you don't overdo it.'

Our culture is vibrant because we celebrate achievements, encourage growth, and support each other every step of the way. As we look to the future, we remain committed to providing an environment where every individual can thrive personally, professionally, and as part of the shared success of Virgin Wines.

Capital allocation plan

As highlighted throughout our communications, the strength of our balance sheet has positioned the Board to strategically consider the optimal deployment of our cash reserves. In line with the Board's vision, we have unveiled a five-year growth plan aimed at scaling the Business to £100 million in revenue.

Additionally, we have implemented a share buyback program, with £2m spent on repurchasing shares in the year, and we retain the flexibility to undertake further buybacks as appropriate.

We continue to monitor potential M&A opportunities to support our growth objectives and while the primary focus remains on investing cash into expanding our business, the Board continues to periodically review the potential for introducing a dividend policy.

Outlook

We enter the new financial year in a position of strength, with an exciting growth strategy to execute.

Current trading remains in line with market expectations. We are pleased with the progress to date across the key pillars of our growth strategy. Through Q1 2026, customer acquisition to the Virgin Wines brand has increased by 29% year-on-year, revenue through our Commercial channel is tracking in line with its annual growth target, and our value proposition, Warehouse Wines, has grown 134% year-on-year. The development of our mobile app is on schedule and remains on track for launch in H1 2026, representing an important step in enhancing our customer experience and digital capabilities.

We continue to operate in a challenging consumer environment. Driving overall business growth remains demanding against a backdrop of heightened cost pressures, including unprecedented increases in alcohol duty, the introduction of Extended Producer Responsibility (EPR) obligations, and rising salary and input costs. These factors, alongside broader inflationary pressures, underscore the resilience required to deliver sustainable growth in today's market.

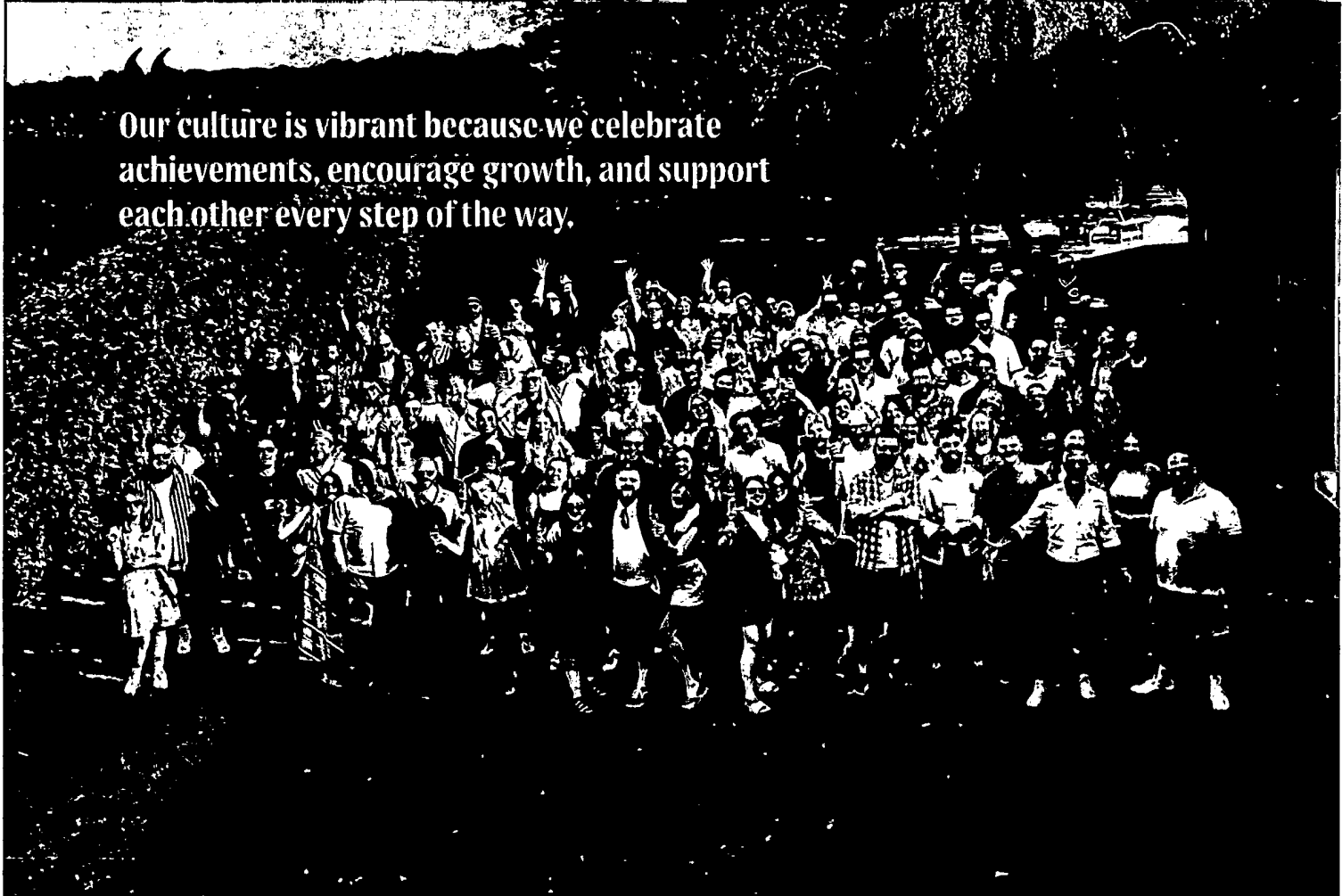
Despite these headwinds, we are encouraged by the progress we have made. The performance of our growth initiatives demonstrates the strength and relevance of our strategy, our existing customers remain more loyal than ever, and we remain confident in our ability to navigate the current environment while creating long-term value for our shareholders. We will continue to invest strategically, innovate in our offerings, and build on the foundations that underpin our business, ensuring we are well-positioned to capture future opportunities.



Jay Wright
Chief Executive Officer



Our culture is vibrant because we celebrate achievements, encourage growth, and support each other every step of the way.



Sustainability

How we're creating joy from grape to glass

Our business purpose – to create joy from grape to glass – underpins our approach to ESG. Whilst we don't have all the answers just yet, we're glass half full when it comes to our ambitions.

Our purpose pillars

People

Bring joy to our people with a safe, happy, and supportive workplace

Communities

Bring joy to the communities throughout our value chain with a commitment to our Community Purpose Programme

Environment

Operate in a way that is more joyful to the planet by lowering our carbon emissions as we work towards net zero and champion sustainable vineyards

Governance

Operate an ethically responsible business that's impact is as joyful as the moment a customer cracks open a bottle



We continue to work on:

- Minimising our environmental impact through product innovation, targeted operational initiatives and collaboration with our stakeholders.
- Maintaining an inclusive workplace that respects and values each employee's individuality, background and experience, while supporting them in ways that mean they can thrive both professionally and personally.
- Operating in a transparent manner and ensuring our products emerge through an ethical supply chain.

Sustainability governance


All departments are committed to embedding sustainable practices. Our ESG strategy is led by the PR, Purpose & Sustainability Manager, with day-to-day responsibility for its development and delivery. ESG progress is regularly reviewed by the Board, which also oversees our carbon targets and approves the overall ESG roadmap.

Our contribution to the United Nations Sustainable Development Goals (SDGs)


Our ESG efforts align with SDGs 3, 10, 13, and 16. These goals help guide our sustainability decisions and illustrate our contribution to global sustainable development. Throughout this report, we highlight how specific actions support these SDGs.

SDG Alignment

3 GOOD HEALTH AND WELL-BEING




10 REDUCED INEQUALITIES



13 CLIMATE ACTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



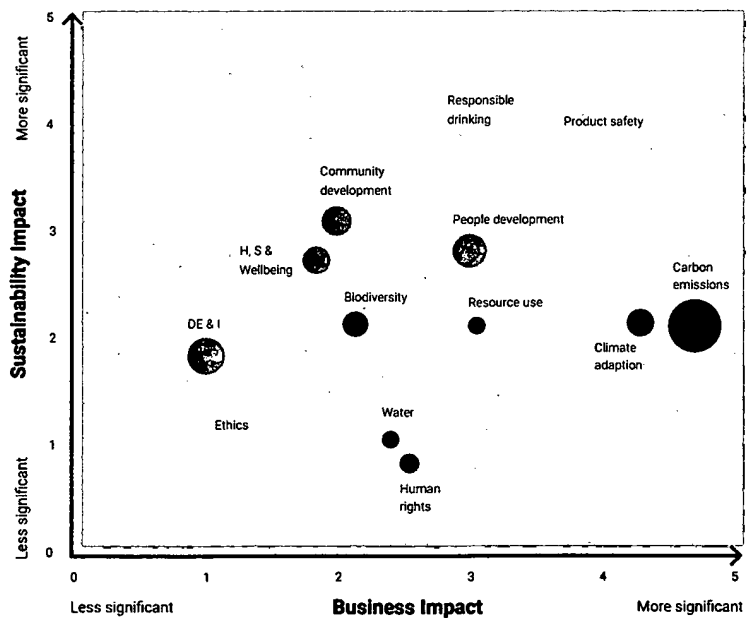
Strategic development

In our previous financial year we conducted our first double-materiality assessment, using this information to shape our new midterm goals as we began the process of embedding our three-year sustainability strategy across the business.

Sustainability encompasses social sustainability and environmental sustainability. Our strategy breaks this down one step further by separating social sustainability into two areas; our people and our communities.

This matrix reflects our most recent double materiality assessment, updated in FY24. It is guiding our sustainability strategy and was undertaken under the guidance of the GRI Standards and the SASB ecommerce alcohol beverage standards, as well as the consultation of executive team members from across the business, industry peers and external consultant Canopy Consulting.

Our current assessment and priorities



The larger the dot, the more impact stakeholders believe we can have in that area.

Environmental Sustainability

Operating in a way that is more joyful to the planet, not just our glasses.

The environmental section of our strategy looks to cover the impact we have across our entire value chain. We need to consider the environmental impact of our direct actions as well as the indirect impact of our business operations.

The global sustainability challenges we face as an industry are significant. Climate change poses a threat to the world's wine supply, and despite our efforts, viticulture may still be adversely affected in the future.

How is Virgin Wines tackling GHG emissions?

We're proud to be committed to a near term SME science-based target approved with SBTi (Science Based Target initiative). Our target is to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 42% by 2030 (2021 base year) and to lower Scope 3 emissions. We have been officially certified carbon neutral for three years under internationally recognised standard PAS 2060. It is one of few officially verified routes to achieving the status and requires lengthy GHG emissions reporting as well as external auditing. This year, we've made a big change and from FY25 we are stepping away from offsetting and carbon neutrality so we can concentrate on investing in implementing real change throughout our value chain.

We are still having our carbon footprint independently audited under the ISO 14064-1 standard and will continue to disclose it in full. We will be redistributing the resources we were putting into offsetting into insetting as we work towards reducing our emissions, and as part of this process have increased the levels of reporting we will be undertaking.

This year we increased bulk shipping to 46.0% of wines, a small increase from 45.35% in FY24 but a significant improvement on the 39.8% in FY23 and 28% in FY22. We bottle in partnership with Greencroft bottling which is a BRC grade aa+ rated facility and a pioneer in sustainable practices.

- Committed to the Sustainable Wine Roundtable's Bottle Weight Accord, promising to reduce our 750ml bottle weight to 420g by 2026.
- Reviewing our comprehensive three-year ESG strategy that includes environmental actions to be taken across our entire value chain.
- Members of the Sustainable Wine Roundtable and Harpers Sustainability Charter.
- We have rigorous recycling practices taking place across our sites, with 0% of our waste going to landfill. In 2024, 238.19 tonnes were recycled or redirected to 'an energy from waste' facility.

Methodology of our GHG emissions certification

We have reported on emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 and the Streamlined Energy and Carbon Reporting requirements.

Emissions have been quantified in accordance with ISO 14064-1:2018, using the UK Government GHG Conversion Factors for Company Reporting (2024 and 2025). The operational control approach has been applied to define organisational boundaries, and the location-based method has been used for Scope 2 emissions. The methodology is consistent with the GHG Protocol Corporate Standard

- The GHG emissions report has been submitted to NQA for the first year running under ISO14064-1 but for the previous three years under PAS 2060. It has been appointed to an independent third-party to verify our GHG inventory as part of the ISO certification process..
- FY25 reporting covers all business and facility operations occurring in all three locations. It includes all applicable Scopes 1, 2 and 3 emissions.
- Virgin Wines is not currently required to report against the TCFD (Task Force on Climate Related Financial Disclosure). However, during the new financial year we will identify our key risks and review which elements related to the TCFD recommendations we are able to implement as we develop our climate-related reporting.



Sustainable Credentials

Last year, we introduced a "Sustainable Credentials" badge to highlight wines on our website that meet our sustainability standards. This badge indicates that the wine comes from a vineyard with an official sustainable certification. These certifications vary by country, and some vineyards that operate sustainably may not hold one. We now offer more than 80 wines that carry this Sustainable Credentials badge.



	FY25 tCO2e	FY24 tCO2e
Scope 1	36.13	46.66
Scope 2	40.62	44.46
Category 1 – Purchased good and services	3689.39	1268.62
Category 2 – Capital goods	4.13	3.13
Category 3 – Fuel and energy related emissions not included in scope 1 and 2	419.60	3.13
Category 4 – Upstream transportation and distribution	1896.15	21.20
Category 5 – Waste generated in operations	1.83	557.00
Category 6 – Business travel	60.85	8.87
Category 7 – Employee commuting	169.02	84.69
Category 9 – Downstream transportation and distribution	507.97	136.28
Category 10 – Processing of sold products	0.00	308.61
Category 11 – Use of sold products	149.02	112.73
Category 12 – End-of-life treatment of sold products	172.98	15.78
Category 13 – Downstream leased assets	0.00	0.00
Category 14 – Franchises	0.00	0.00
Category 15 – Investments	0.00	0.00
Total	7,147.68	2,608.02
Per employee	43.06	13.04
Per £m turnover	121.15	44.2
Total energy consumption (kWh) Scope 1 and Scope 2	76.75	91.12

Looking ahead

We're focused on driving real change within our value chain. Last year we completed a double-materiality assessment and launched a three-year strategy, key steps to ensure our efforts align with the environmental issues that matter most to stakeholders. Our decision to transition away from carbon neutral and offsetting aligns with our intentions to reduce emissions, enhance biodiversity, and increase carbon sequestration directly within our supply chain. The changes we make now, from grape to glass, aim to deliver lasting environmental improvements for our business and the wider wine industry.

Social Sustainability

We want to bring joy to our people as well as communities throughout our value chain.

The Virgin Wines team visit Flint Vineyard for a wine tasting in the sun



Social sustainability is a major focus within our three-year strategy. We break this down by separating social sustainability into two areas: our people and our communities. Virgin Wines strives to be a safe, happy, supportive and inclusive place, where people are proud to work. Outside of our own doors, we aim to help the wider communities within which we operate.

What we're doing for our people

We continue to support staff with our Employee Assistance Programme, now complemented by Help@hand for GP access. Our flexible hybrid working policy promotes work-life balance, and we have a supportive onboarding and appraisal process that aligns with our brand values.

We've expanded long-service perks with extra holiday entitlement and employees also benefit from Virgin Family discounts and networking opportunities.

Our internal events programme continues with quizzes, staff tastings, seasonal parties, and a popular lunchtime run club. This

year we successfully enjoyed some friendly competition with a walking challenge that saw colleagues team up to walk 35,124,412 steps in 6 weeks, and threw a massive 25th birthday party for staff to celebrate all of their hardwork.

We continue to engage employees with quarterly in person business updates and our internal newsletter Just the Juice.

Professional development remains a priority, with funded external courses, internal training, and WSET qualifications on offer. We introduced Braincert, an online platform where we can host our own learning courses for members of staff.

What we're doing in the community

In FY25, we donated £30,000 to our four core charity partners: Bright Start, Growing Well, Hope After Suicide Loss, and The Drinks Trust. These partnerships are now brought together under our new Community Purpose Programme, designed to streamline and amplify our charitable efforts with a focus on supporting causes connected to our value chain and local communities—both in the UK and internationally.

Our employees vote on the Norwich charity they wish to support and take part in activities to raise extra funds on top of the corporate donation. All employees also have access to a wine donation allowance to support causes of their choice. In FY25, through staff allowance and miscellaneous giving we donated over £2,300 worth of product to smaller causes around the UK.



The charities close to our hearts



Bright Start

A grassroots charity in South Africa which supports children's access to quality education. To ensure sustainable funding, we now contribute 2p per bottle on 61% of our South African wine portfolio, providing consistent financial support aligned with our sourcing practices.



Hope After Suicide Loss

This was selected by staff as this year's charity of the year. Based near our Norwich head office, it receives a corporate donation and additional funds raised through employee-led initiatives like bake sales and supporting events.



Growing Well

A mental health charity near our Preston and Bolton warehouses which receives an annual corporate donation to support their therapeutic horticulture work.



The Drinks Trust

Dedicated to the wellbeing of the drinks and hospitality sector this continues to receive support as part of our commitment to an equitable industry.

SDG Alignment



We're also proud to support entrepreneurs through our role as a community partner of Virgin StartUp. To expand our impact, we have also integrated Pennies, a microdonation platform, with all proceeds going to the World Wildlife Fund (WWF) to support global environmental efforts. So far that has raised £2,300.

Governance

Operating responsibly, with impact as joyful as opening a bottle.

Key principles

Fair and ethical conduct

We are committed to an ethical supply chain. All new suppliers receive our updated 'Welcome to the Bunch' pack, including the Virgin Wines Supplier Code of Conduct and a Declaration of Compliance with the Modern Slavery Act 2015. Suppliers must outline actions taken to minimise slavery risks and share their latest Section 54 statement if applicable. We also conduct onsite vineyard visits and are working to ensure all suppliers align with our sustainability values.

Responsible drinking

Our message, "Drinking's only fun when you don't overdo it", is shared across all customer channels. We link to practical guidance on alcohol units and support resources, and offer a wide range of low and no-alcohol products. Employees also have access to alcohol support via The Drinks Trust.

Compliance

We maintain key policies on insider trading, anti-bribery, corruption, and whistleblowing, and adhere to the QCA Governance Code (see page 41). We're also a member of the Retail of Alcohol Standards Group, promoting responsible retailing and preventing underage drinking.

Looking ahead

We will continue reviewing supplier compliance and due diligence, promote responsible drinking through customer comms and product range, and ensure employees regularly review policy documents via our new HR system. Membership in the Retail of Alcohol Standards Group will continue.

SDG Alignment



Grand Vin de Saint-Émilion
Grand Cru 2022

The quality of this wine
shines through. It must
be a definite addition
to the more selective
wine connoisseur.



Brian



Section 172

The Board considers the needs and concerns of all stakeholders in its running of the Company.

By seeking to understand the differing stakeholder interests and impacts through a proactive programme of engagement, the Directors ensure that their decision making is informed and that the development and delivery of our strategy leads to long-term sustainable success for Virgin Wines UK plc.

This section articulates how, as required by Section 172 of the UK Companies Act 2006, the Directors have acted to promote the success of the Company for the benefit of its stakeholders. In meeting this responsibility during the year, the Directors have had regard, amongst other matters, to:

- A. the likely consequences of any decisions in the long term;
- B. the interests of the Company's employees;
- C. the need to foster the Company's business relationships with suppliers, customers and others;
- D. the impact of the Company's operations on the community and environment;
- E. the Company's reputation for high standards of business conduct; and
- F. the need to act fairly between members of the Company.



Customers

Why we engage

Our unique wine sourcing model is built around our customers' reviews. Plus, in order to continue to deliver exceptional service, feedback at every point during a customers' experience is vital so that we can monitor and react to any area that doesn't meet our high standards.

How we engage and action taken

- Collecting thousands of customer ratings and reviews every year which we use to help shape our range.
- Extensive insight schedule, including NPS score tracked every quarter, a 30+ question bi-annual survey, encouragement to review us on Trustpilot (currently rating 'Excellent' from over 25k reviews), and regular ad-hoc feedback requests focused on specific customer segments.
- One-on-one contact made by our Wine Advisor team with their customer base of over 30k customers.
- Regular contact with our customers via digital platforms such as social media and our blog.
- Host our live tasting events, giving face-to-face access to over 2k customers.

Their material topics

- Access to quality products at fair prices.
- Service levels.
- Customer propositions available.
- Company ethics.



Investors

Why we engage

As an AIM-listed business, we have a wide range of investors, both institutional, private and employee. It's important that we understand fully the matters that are most important to them in their investment decisions and that these are aligned with our corporate strategies.

How we engage and action taken

- Regular reporting of financial performance.
- Updates on corporate strategy and new opportunities.
- Investor meetings to create a two-way dialogue.
- Investor presentation for retail investors.
- Financial PR to inform and update.
- AGM to meet and discuss progress.

Their material topics

- Financial stability of the Company.
- Growth plans for the Company.
- Leadership and Board composition.
- Company ethics.



Employees

Why we engage

The Directors recognise that our people are integral to the success of our business, and we are proud to have many long-serving employees.

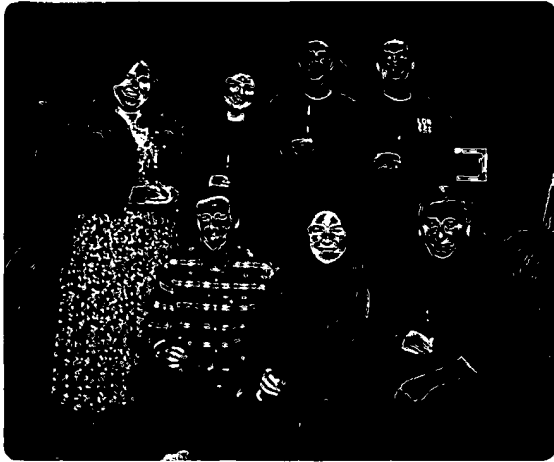
How we engage and action taken

- Regular communications from the management team sharing key company information, such as end of year results.
- Internal communications covering topics ranging from promoting access to employee wellbeing, and updates on new initiatives across the business.
- Employee purpose group that gives all employees a platform to input and feedback regarding all environmental, social and governance issues.
- Participation in LTIP schemes.
- Provide access to learning and development, such as Wine and Spirit Education Trust (WSET) qualifications run by an internal educator.
- Launched an inclusivity project to gather feedback upon how inclusive employees feel their workplace is, and any actions we should take to further this.
- Introduced NED Listening Groups to further increase workforce engagement.

Their material topics

- Providing an inclusive and supportive workplace.
- Career opportunities.
- Fair pay.
- Company ethics.
- Financial stability of the Group.

Section 172 *continued*



Partners and suppliers

Why we engage

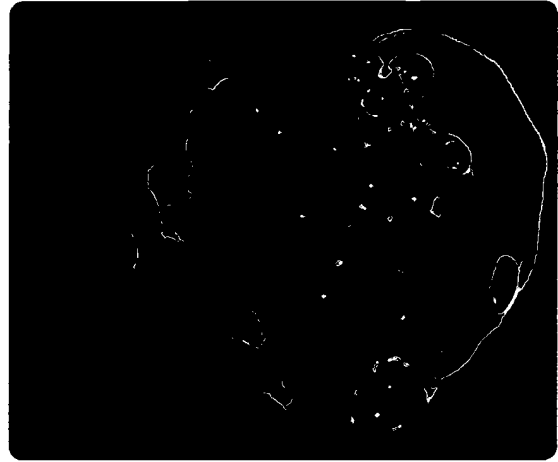
Many of our winemakers are small, family-owned businesses. We are proud to partner with them to support their growth and help them to make a positive impact on their local economies.

How we engage and action taken

- We regularly review our supplier base and require our partners to comply with all relevant local legislation regarding working hours, wages and working conditions.
- Active partnerships with suppliers in order to supply the range our customers want, including winery visits and in-person supplier meetings.
- Continuous review of partners and suppliers, with new requirements for all to align with our ethical and environmental position, including agreeing to a supplier code of conduct.

Their material topics

- Company ethics.
- Fair pay.
- Environmental and responsible sourcing practices.
- Longevity of partnerships with the Group.



Communities

Why we engage

We have a responsibility to be a force for good in our community.

How we engage and action taken

- Continuous promotion of our responsible drinking campaign 'Drinking is only fun when you don't overdo it', across all communication touchpoints.
- Ensuring that all internal and external policies are regularly reviewed, updated and published.
- Introduction of a Community Purpose Programme, which includes continued support to a number of charities, the installation of Pennies at our checkout and plans to implement staff volunteering.
- Commitment to cutting our carbon emissions and being a more sustainable business.

Their material topics

- Company ethics.
- Environmental practices.
- Charitable giving.

Considering stakeholders in action

Customers

What customers told us

Supporting the communities we operate in has long been a goal, with consumers increasingly aware of business philanthropy. We've always generously donated to charities but those we've worked with over the years expressed desire for a clear donation plan. Bright Start in particular, a small charity we've worked closely with in South Africa for many years, told us they would significantly benefit from increased support.

What we did

We formalised our charitable giving into a Community Purpose Programme. As part of this we agreed to ensure that BrightStart receives the financial support they need by ensuring the charity benefits from the volume of wines we sell from South Africa. 61% of our South African portfolio will contribute 2p per bottle that will go directly to Bright Start. We work closely with winemakers and vineyards to source a huge number of wines from South Africa, enough to make sure Bright Start receives consistent and sustainable funding to cover its operational needs.

We've also pledged an annual fixed corporate donation to Growing Well, Hope After Suicide Loss and The Drinks Trust, to guarantee we're making a tangible difference to local communities where our operations are based, both in the UK and internationally.



Employees

What employees told us

We conducted our first employee survey through Best Employers Eastern Region in 2023, the second will take place just after FY25 ends. The first survey gave us a clear insight into what is important to our employees and highlighted areas we could improve upon. We've continued to work on improving our scores over the last two years. Employees felt they would welcome more support in wellbeing and health, as well as career development.

What we did

We introduced the Help@Hand app, in addition to our existing EAP services for all employees which includes 24/7 remote GP appointments, plus a 24/7 helpline, 1-2-1 lifestyle coaching and more. Career development was also key, so as well as updating annual appraisal processes, we've signed up for Braincert – a learning management system, to help employees learn and grow.



Financial Review



Given the sound financial position of the business, it was well positioned to launch the exciting growth strategy announced in March 2025. We have already started investing in the growth pillars that will drive the business forwards and have seen positive early results.

Amanda Cherry
Chief Financial Officer

Financial summary

We entered FY25 in a strong financial position following a successful FY24 that focused on streamlining our cost structure and improving our cash balances through profit generation and reduction in inventory levels.

Financial summary

	FY25 £m	FY24 £m
Revenue	59.0	59.0
Gross profit	17.8	18.8
Operating expenses	(15.5)	(16.0)
Adjusted EBITDA ¹	2.3	2.8
Share-based payments	(0.0)	(0.3)
Amortisation and depreciation	(1.3)	(1.3)
Operating profit	1.0	1.2
Finance income	0.7	0.6
Finance expense	(0.1)	(0.2)
Profit before tax	1.6	1.7
Tax	(0.3)	(0.3)
Profit for period	1.3	1.4

Cost structure

We continued to drive cost efficiencies in FY25, which were essential in the face of continued inflationary pressure across the supply chain, increased National Living Wage and significant increases in taxation and compliance costs following the duty change in February 2025 and Extended Producer Responsibility (EPR) launch in April 2025. Our continued focus on driving down the cost to serve resulted in fulfilment costs in FY25 reducing to 11.0% of revenue from 11.8% in FY24.

Cash and working capital

As a cash generative business with no borrowing, we were well placed to launch our growth strategy in FY25 alongside a share buyback that saw £2.0m of shares repurchased during the year.

We were able to use cash reserves to protect margin when duty increased in February 2025, paying £5.7m of duty early, providing a cost saving of £0.6m.

Gross cash at year end was £17.6m, compared to £18.4m in FY24. Excluding ringfenced WineBank customer deposits the end of year cash was £9.3m compared to £10.3m at the prior year end. The cash balance is after spending £2.0m on the repurchase of shares and is net of outstanding duty prepayment of £1.6m, showing the strong cash generating ability of the business.

We seek to maintain optimal inventory levels to manage supply chain issues and support our growth plans. Underlying inventory (excluding duty prepaid before the rate increase) remained well controlled at £5.6m, down from £5.9m last year.

Growth plan

We launched the growth plan in H2 FY25 with four key growth pillars. While some initiatives will take time to bear fruit others are already delivering growth.

Commercial – YOY commercial revenue increased 24.2% in FY25 to £8.9m through a strengthening of existing partnerships and expansion of the commercial customer base.

Warehouse Wines – Our value proposition achieved £1.8m sales in its first full year of trading.

Recruitment – During FY25 we increased recruitment investment 6% driving a 28% increase in recruits. Customer loyalty strengthened further in FY25, as core customer retention increased to 83% from 81% last year. We also reduced the proportion of active customers lapsing to 33.2% down from 35.7% demonstrating our ability to translate customer recruitment into ongoing, sustainable growth.

Mobile app – In order to improve customer experience and provide new ways to recruit and engage with customers, in FY25 we began the development of a mobile app, which is on target for launch in H2 FY26.

Outlook

Post year-end trading is in line with market expectations. While consumer confidence remains a headwind across the sector, we are confident in our ability to deliver sustainable growth through our focused strategy and operational strengths.

Profit before tax

Profit before tax for the year was £1.6m compared to £1.7m in the prior year. The Group does not propose any dividend for FY25 (FY24: nil).

Adjusted EBITDA

Adjusted EBITDA for FY25 was £2.3m, down from £2.8m in FY24. The decrease primarily reflects the additional investment in recruitment alongside inflationary pressures across the supply chain and higher taxation and compliance costs. Adjusted EBITDA is not a statutory reporting measure but is included as an additional performance measure consistent with previous reporting.

Revenue

Revenue for FY25 was like-for-like with prior year at £59.0m (FY24: £59.0m). Commercial revenue increased 24.2% to £8.9m (FY24: £7.2m). Core D2C sales retention for the year remained strong at 88% (FY24: 93%).

Gross Margin

Gross margin in FY25 of 30.1% compared to 31.9% in FY24. The margin was affected by cost pressures including the launch of EPR and increases in duty in FY25. Proactive measures, such as using cash reserves to prepay duty, helped to offset part of this impact. At the same time, our growth strategy involved increased investment in customer acquisition, which alongside the higher levels of revenue through our Commercial and Warehouse Wine channels affected the overall margin mix.

Operating expenses

Operating expenses fell by £0.8m in FY25 to £16.8m, (FY24: £17.6). Continued emphasis on driving efficiencies in order fulfilment helped to offset inflationary pressures on goods, services, and employee costs.

Finance income and expense

Finance income for the period increased to £0.7m from £0.6m, despite reduced interest rates in FY25, reflecting improved cash balances. Finance expenses were £0.1m (FY24: £0.2m). Further details are available in notes 10 and 11 of the Financial Statements.

Amortisation and depreciation

The Business continues to invest in IT development where there is a clear business case to enhance operational performance or strengthen our consumer proposition. Amortisation and depreciation for the year remained unchanged at £1.3m.

Impairment review

At the reporting date the Directors tested goodwill for impairment in accordance with the requirements of IAS 36 Impairment of Assets. The total carrying amount of the Group's single cash-generating unit was compared to its estimated value in use. No impairment was identified. For further details see note 14.

Key performance measures

	Revenue	Adjusted EBITDA ¹	Reported gross margin
FY25	£59m	£2.3m	30.1%
FY24	£59m	£2.8m	31.9%
	Gross cash	Net ² cash	
FY25	£17.6m	£9.3m	
FY24	£18.4m	£10.3m	

¹ Adjusted EBITDA is before exceptional costs and share based payments

² Net cash excludes WineBank customer deposits

Taxation

The tax charge for the current financial period was £0.3m (FY24: £0.3m). The tax charge relates to the charge on profit for the period in addition to the movement in the deferred tax provision, measured using the tax rate of 25% (FY24: 25%).

Earnings Per Share (EPS)

FY25 basic EPS 2.4p compared to 2.5p in FY24. The weighted average number of shares in issue for FY25 was 55.0m (FY24: 55.9m). Diluted earnings per share for FY25 was 2.3p, FY24 2.4p with the weighted average number of shares FY25 57.6m (FY24: 58.3m), (see note 13 of the Financial Statements for more details).

Capital allocation

The priority of the Group is to utilise cash to grow through strategic investment in both Capex and Opex, which underpins the growth strategy announced during FY25.

During FY25, the Group continued its share buyback program, investing £2.0m to repurchase shares, which are held in treasury to hedge against future LTIP liabilities and potential shareholder dilution.

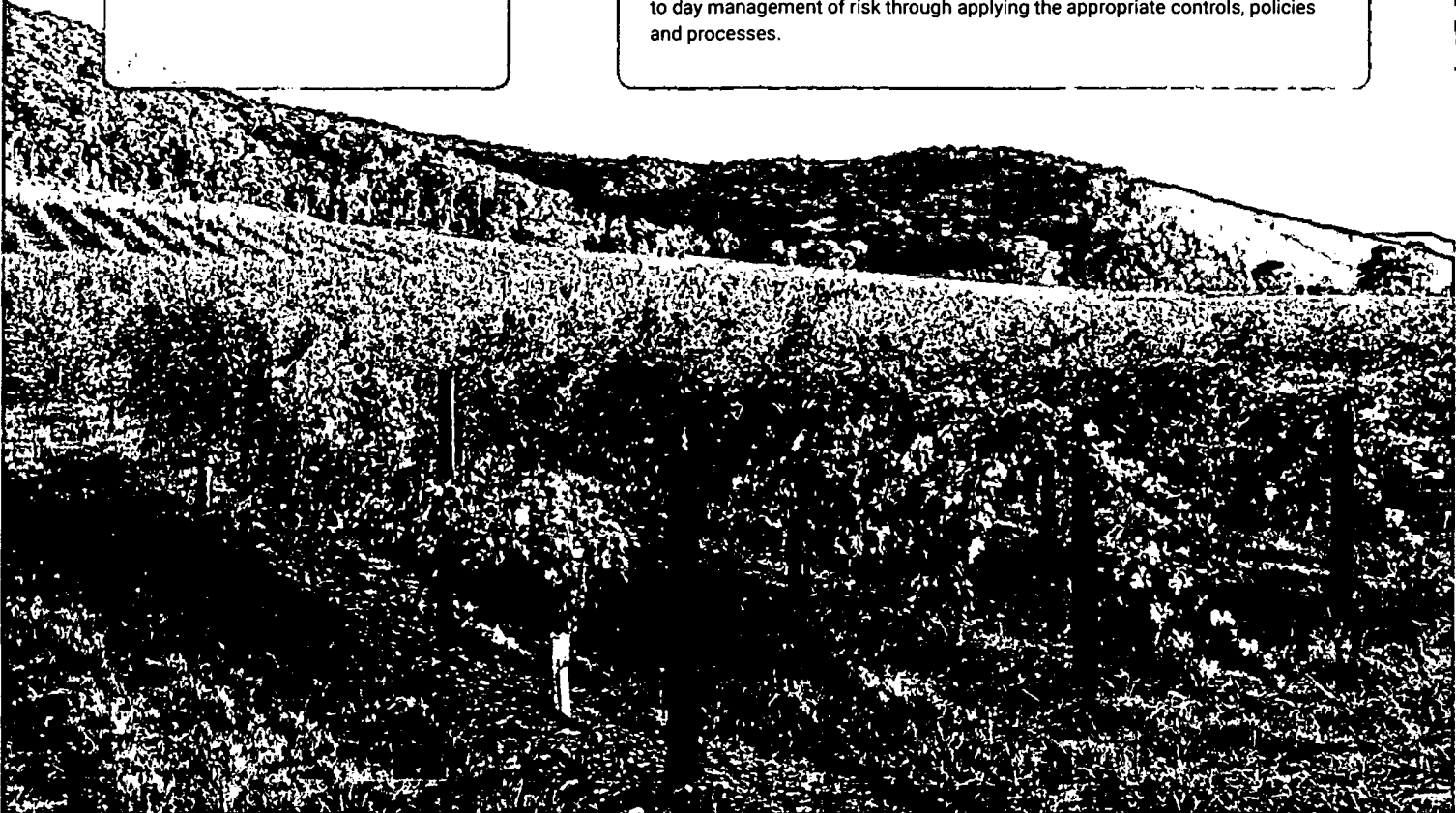
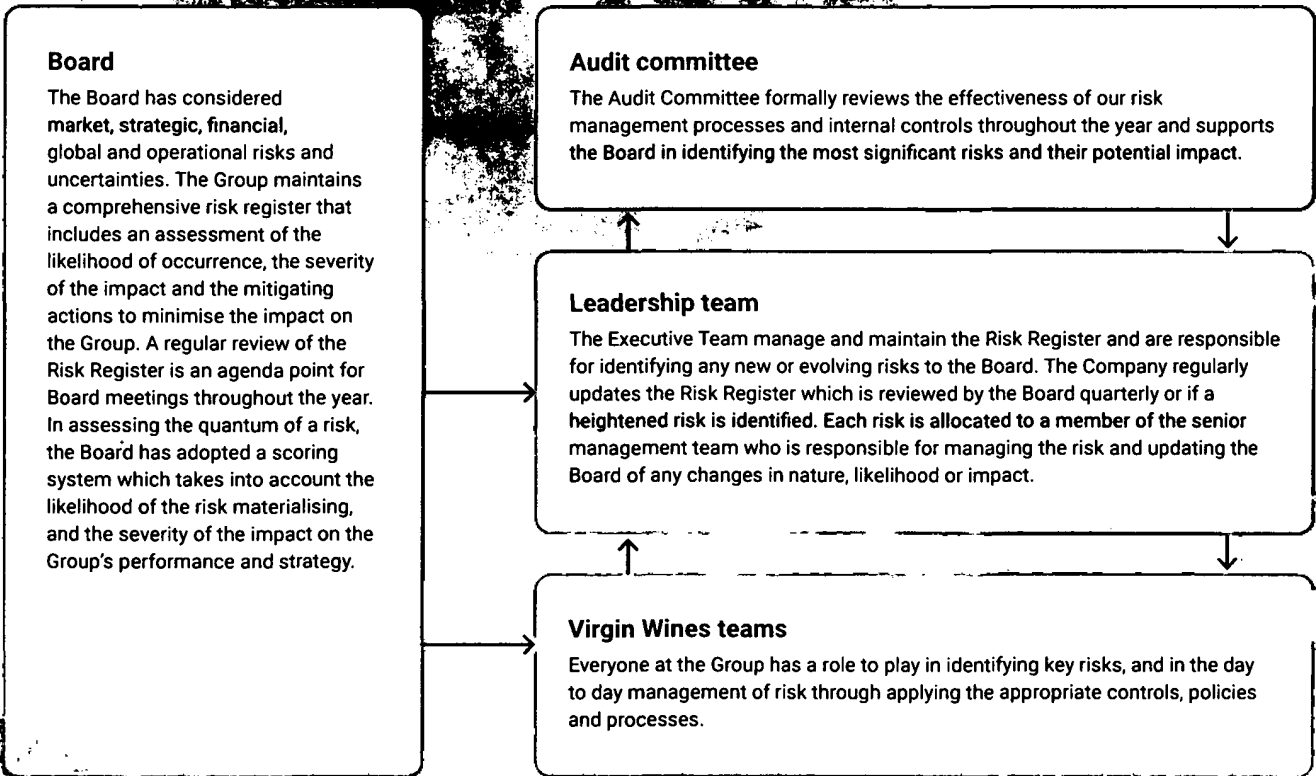
While the Group actively reviews potential M&A opportunities and other avenues to enhance shareholder value, the primary emphasis remains on driving organic growth.

At this time, the Group does not propose a dividend but will continue to keep its dividend policy under review, ensuring alignment with strategic priorities and shareholder interests.

Principal Risk and Uncertainties

The Board is responsible for identifying key risks, appraising the likelihood of occurrence, the potential impact on the business and the effectiveness of the Group's risk management process to mitigate the impacts. The Board continually reviews and evolves the framework for appraising risk and the mitigating actions in place to minimise the impact on delivering the Group's strategic goals.

Risk management and internal control framework



Risk change key: ▲ Increased ▼ Decreased ◀▶ No change

Climate change ◀▶

Potential causes

Wine is an agricultural product and the quality and yield of harvests may be materially impacted by changes in global temperatures and by regionalised extreme weather events. Extreme weather events may also interrupt supply chains and UK order fulfilment.

Potential impact

Limiting access to important wine regions and products leading to a reduction in the supply of key products. This may drive up product costs and reduce consumer choice. Extreme weather events may also interrupt supply chains and UK order fulfilment impacting service levels.

Mitigating actions

The UK wine market is among the most diverse in the world. Our wine sourcing model allows the Group to move between countries and regions to find the highest quality, best value products. The Group manages inventory levels to ensure continuity of supply of all key lines.

Our own initiatives work with our supply base to reduce the environmental impact of our operations is a key management focus. Business continuity plans ensure we can manage supply and operational disruption caused by severe weather conditions.

Global pandemic and conflict ▼

Potential causes

The Group's operations may be impacted by the ongoing impact of any new global pandemic or further geopolitical instability following the Russian invasion of Ukraine and conflict in the Middle East.

Potential impact

Staff welfare and public health regulations impacting operations at business units. Supply chain disruption from the impact of global responses to pandemics or conflicts. Increases in energy and other input costs due to reduced availability of key supplies.

Mitigating actions

The Group is fully committed to a hybrid or complete home working environment for all managerial and administrative roles. We have ensured staff are fully equipped and trained for remote working. Safe working protocols have been developed within the national distribution centres. Inventory levels are managed to allow headroom to implement contingency planning. Business continuity plans will continue to evolve and be tested to ensure the business maintains these capabilities.

Foreign exchange exposure ◀▶

Potential causes

The Group purchases the majority of its wine from a global network of winemakers and suppliers. As a result, the Group is exposed to exchange rate risk on purchases primarily in Euros, Australian and US dollars.

Potential impact

Increases in the cost of wine driving up retail prices, the affordability of wine and negatively impacting gross margins.

Mitigating actions

The Group monitors key purchasing currencies and works with external advisors to manage FX risk using a Board approved currency hedging policy. As a result, the Group is able to reduce the potential impact of major fluctuations and giving surety of cost prices.

Increases in taxation ▲

Potential causes

The Group operates in a highly taxed sector, subject to excise duties, import duties, employment and corporate taxes. From 1 February 2025 the temporary duty easement on wine ended and duty rates were increased. This significantly increased the cost and complexity of wine duty. Given budget constraints the government may be tempted to further increase duty, employment and business taxes.

Potential impact

Increase in business costs, operational and supply chain complexity, pushing up the cost of wine and the RRP of the Group's products. This may impact affordability for some consumers and reduce demand for our products.

Mitigating actions

We continue to work with our industry trade body the WSTA to ensure any future changes to the duty regime do not disproportionately impact the specialist online wine retailers.

Continually review the product range to minimise the financial impact of the new duty regime on our consumers.

Utilise cash and inventory to offset the short term impacts of higher duty costs.

Principal Risk and Uncertainties *continued*

Risk change key: ▲ Increased ▼ Decreased ◀▶ No change

Government regulation ▲

Potential causes

There are number of potential new regulations currently subject to consultation and an increasing divergence of regulation with the UK single market.

These regulations include the Deposit Return Scheme (DRS), Minimum Unit Pricing (MUP), age verification for distance selling, marketing restrictions on alcohol products and post-Brexit customs regulations including Northern Ireland arrangements.

Extended Producer Responsibility (EPR) was launched in April 2025 bringing an additional waste levy in year one of £0.7m and increased complexity of the waste reporting regime.

Potential impact

All increases in regulation add operational complexity, involve significant amounts of management resources and result in higher business costs and prices. Regulatory changes may also add more complexity for the consumer, negatively impacting the specialist online retailer.

Mitigating actions

We continue to work with the WSTA and actively participate in UK Government consultations to ensure regulatory changes are fair and proportional. The Group continues to invest in technology and expertise to minimise operational impacts and costs.

Macroeconomic conditions ◀▶

Potential causes

The Group's financial performance is impacted by general economic conditions, particularly within our core UK market. Declining consumer confidence, higher taxes and sustained high inflation all have a negative impact on consumers propensity to become customers.

Potential impact

Increasing both the cost and difficulty of acquiring new customers. A decline in customer spending frequency reducing the payback of customer cohorts. Increases in input costs making our products less affordable and reducing demand.

Mitigating actions

The Board manages credit risk to ensure the Group has adequate resources and liquidity to manage economic shocks beyond our control.

The business model allows for a high level of variable and discretionary spend that can be flexed to reflect the underlying economic conditions. Our model continually evolves to remain relevant to consumers and offer great customer service and value.

Changes in customer behaviours ◀▶

Potential causes

Consumer preferences and spending habits may change due to a number of factors outside our direct control. This may include lifestyle, health considerations, attitudes towards online shopping and subscription schemes.

Potential impact

Reduce demand for the Group's products and services and/or increase business complexity and operational costs.

Mitigating actions

The Group has a robust and resilient business model that evolves in line with consumer feedback and changing trends. Product ranges, pricing structures and membership proposals are reviewed continually to ensure they remain relevant and competitive. We listen to our customers through regular surveys, monitor new initiatives in the drinks sector and the actions of our key competitors.

Attraction and retention of key personnel ◀▶

Potential causes

Securing new talent in a competitive market for skills and the retention of key staff and business expertise may impact the Group's ability to deliver our growth plans. Hybrid or home working, high inflation, cost-of-living challenges alongside skills shortages in specialist sectors all contribute to a more challenging employment landscape.

Potential impact

Delay of key Opex and Capex projects, the shortage of expertise to deliver the Group's strategic plans and increased employment costs.

Mitigating actions

Ensure we continue to offer competitive salary packages including LTIPs for key management. Continue to put staff wellbeing at the centre of everything we do, making Virgin Wines an attractive and rewarding organisation to be part of. Listening to our staff, providing necessary skills training and creating a culture of inclusion for all team members.

Cyber security threats

Potential causes

Cyber attacks leading to unauthorised access to the Group's software and systems, resulting in the potential misappropriation of Group assets or intellectual property, the loss of customer data, the corruption of data or ransomware and denial of service attacks.

Potential impact

Disruption of operations, the impact on customer service and the associated financial costs including possible regulatory fines. Reputational damage and loss of stakeholder confidence.

Mitigating actions

Continued improvement of security measures to prevent unauthorised access to systems. Increased focus on regular staff training and awareness, including strict policies on the use of Group equipment and system access. Improved in-house expertise and the use of third party specialists to ensure prevention methods are fit for purpose. In recognition of the increased global threat of cyber attacks the Group has expanded penetration testing capability.

Reliance on IT systems

Potential causes

Failure of critical technology without procedures to ensure a prompt recovery. As an online retailer our operation is dependent on a range of proprietorial and third party software and systems.

Potential impact

Reduction or loss of operational capabilities impacting customer service levels or increasing operating costs. Damage to business reputation and loss of confidence from consumers and other stakeholders.

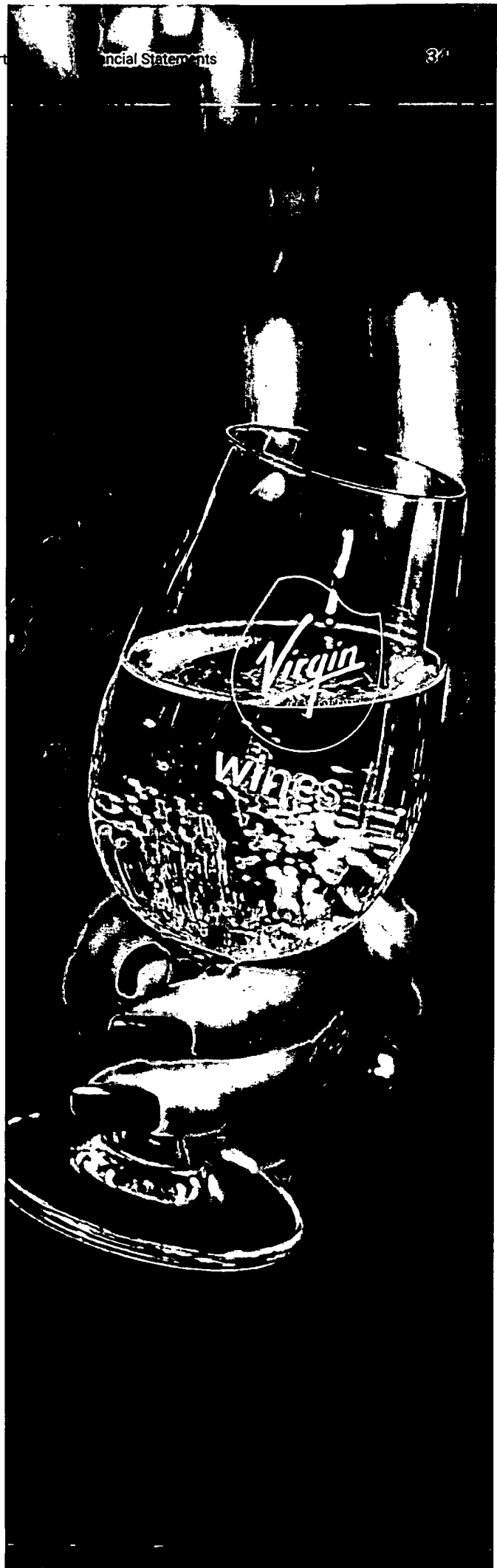
Mitigating actions

Internal management focus on system resilience to minimise the number and severity of incidents. Capex and Opex investment to ensure systems are robust, scalable and ensuring the appropriate level of internal and external expertise to manage the risk. Continued refinement of business continuity and disaster recovery protocols to minimise the impact of any loss of capability.

The Strategic Report was approved on behalf of the Board on 21 October 2025.

Amanda Cherry

Amanda Cherry
Chief Financial Officer



Board of Directors

The Board is responsible for overseeing the management of the business as a whole and for ensuring that high standards of corporate governance are maintained.



Jay Wright
Chief Executive Officer

Jay Wright is CEO of Virgin Wines UK plc, having held the role since 2008 when he successfully merged the Warehouse Wines and Virgin Wines UK plc businesses. In 2013, Jay led a private equity-backed management buyout of the Virgin Wines UK plc business and following substantial growth took the Business public in March 2021.

Prior to joining Virgin Wines UK plc, Jay held Managing Director roles at Warehouse Wines, the business he founded in 2000, and prior to that, World Wines Direct, a subsidiary of the Greenalls Group.

In addition to his role as CEO of Virgin Wines UK plc, Jay is also Vice Chairman of Lincoln City F.C.



John Risman
Chairman

John has held the position of Chairman of Virgin Wines UK plc since October 2018. He is also Chief Executive of Hunter Douglas EMEA and UK, Europe's largest window coverings company.

John has 30 years' experience within the retail sector. Prior to joining Hillarys Group in 2005, John was COO at Thresher Group and held various roles at Dixons Retail, where he was latterly a Managing Director. He started his business career as a strategy consultant with LEK Partnership.



Amanda Cherry
Chief Financial Officer

Amanda qualified as a Chartered Accountant and began her career in audit, where she developed a strong technical grounding before moving into industry to broaden her experience. She held roles at United Utilities and Interfloor Group prior to joining Virgin Wines UK plc in 2009.

As Head of Group Finance, she supported the business through the management buyout in 2013 and IPO in 2021. Amanda took over as CFO in April 2025.

Key

- A Audit Committee
- R Remuneration Committee
- Denotes Chair of Committee



Sophie Tomkins
Non-Executive Director

Sophie is a qualified Chartered Accountant with substantial Board and Audit Committee Chair experience. She is currently Non-Executive Director and Audit Committee Chair of Wilmington plc and System1 Group plc, the latter also as Senior Independent Director. She is also Non-Executive Director of AO World plc. Previous Board roles have included Hotel Chocolat Group plc, The Snowfox Group and CloudCall Group plc, all of which have seen highly successful capital events. Sophie's executive stock-broking career included senior managerial roles, and she has advised numerous companies on a huge range of transactions.



Helen Jones
Non-Executive Director

Helen is a Non-Executive Director and Chair of the Remuneration Committee. Helen has more than 35 years' experience in the food and beverage sector, both in the UK and internationally. Helen was Group Executive Director at Caffè Nero and Managing Director at Zizzi. She also spent nine years at Unilever, where she launched the Ben & Jerry's brand in the UK and Europe.

In addition to her role at Virgin Wines UK plc, Helen is a Non-Executive Director and Chair of the Remuneration Committee and Workforce Engagement representative at both Premier Foods plc and THG plc.

Alongside these roles, Helen serves on the Board of Whittard of Chelsea and Toast Brewing, a social enterprise.



Ed Wass
Non-Executive Director

Ed is a Director of VCT Portfolio at Gresham House Ventures. He brings more than 20 years' experience of supporting companies to create and realise shareholder value. Prior to joining Gresham House, Ed was Portfolio Partner at Mobeus Equity Partners and Chief Investment Officer at Catapult Ventures. Ed has also previously held a number of senior finance roles, including at ATX Software and The Carbon Neutral Company, having qualified as a Chartered Accountant with PricewaterhouseCoopers LLP.



Chairman's Statement



Virgin Wines has a loyal base of customers who recognise the value and quality of the product we offer and, as a consequence, continue to commit to their subscriptions and buy wine despite the difficult market environment.

John Risman
Chairman

Overview

During the year, Virgin Wines made considerable strategic progress which will position the Business better for the long-term. In March, we announced our medium-term growth strategy, representing our intentions to deliver meaningful growth.

From a trading perspective, the team delivered a robust performance amid a challenging market backdrop and considerable pressure on the wine sector, with duty increases and an ever-increasingly complex operating environment. This was compounded by the higher National Insurance contributions and National Living Wage, both of which are impacting businesses across all industries.

The impact of these headwinds reinforces the resilience of our performance, with our position as the lowest cost to serve operator in the sector and our open source buying model enabling us to maintain margins and maximise product quality.

With an encouraging outturn for the year, I wish to thank the entire Virgin Wines team for their continued hard work, positivity and innovative approach, and to our partners and customers for their ongoing support.

Performance

During the year, we were pleased to deliver revenue in line with last year at £59m against a subdued market backdrop and during a period where the broader online wine, beer and spirits sector declined by almost 10%. This points to considerable market share gains during the year.

Despite revenue being in line year-on-year, we were pleased to deliver a bottom line performance ahead of market expectations, with adjusted EBITDA of £2.3m and PBT of £1.6m, despite investments made in-line with our growth strategy. This reflects the strength of our proposition, maintaining a disciplined approach to customer acquisition and leveraging the benefits of our multi-channel approach.

We acquired 28% more customers than the prior year at just a 6% increase in related costs. This is a testament to the increase in efficiency of our marketing investments and the underlying strength of the product, service and overall brand. We also achieved excellent growth in our Commercial channel, where sales increased 24% year-on-year, and Warehouse Wines, our value proposition, yielding a commendable £1.8m of revenue in its first full year of trading.

Growth strategy

As mentioned, in March 2025, we unveiled our medium-term growth strategy, which now underpins our next chapter of growth. The underlying business is performing well, particularly against a challenging market backdrop, but the strategy will see us increase investments in our operations and strengthen our organic growth.

Built on four key pillars, the strategy focuses on areas within the Business where the team has excelled despite limited investments, such as driving customer acquisition, growing our Commercial partnerships and accelerating Warehouse Wines, which has produced an encouraging early performance.

As well as significantly scaling up our investments in these areas, we will enhance our application of technology to enable us to engage more frequently and effectively with existing customers whilst diversifying how we acquire new customers and create incremental revenue streams. As an example of this, we are making great progress in the development of a mobile app, due to be launched in early 2026, and are investigating potential applications for AI to streamline processes and increase efficiency.

The Board is confident that this is the right strategy to deliver the next phase of growth and will provide value for all of Virgin Wines' stakeholders. Within five years, we believe Virgin Wines will reach £100m in annual revenue at an adjusted EBITDA margin of 7%.

Alongside this, we initiated a share buyback programme, where in FY25 we purchased 7.3% of shares to return value to shareholders. While we also continue to assess potential M&A opportunities and introducing a dividend policy, at present the Board believes that the best use of our capital is investing within our growth strategy.

Board changes

Graeme Weir stepped down as Chief Financial Officer after 22 years in the role. He has been succeeded by Amanda Cherry, who has worked at Virgin Wines for 16 years. On behalf of all our colleagues, Jay Wright and I would like to thank Graeme and recognise his significant contribution to the development of Virgin Wines over his long tenure.

Outlook

In what is Virgin Wines' 25th anniversary, I am confident that the business has the right proposition, strategy and capitalisation to deliver the growth we are aspiring to.

Trading so far in FY26 has been in line with our expectations and we are well positioned to achieve our growth targets set out earlier this year.

John Risman

John Risman
Chairman



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Fantastic quality wines at great prices. Delivery is free and prompt...

★ ★ ★ ★ ★

Paul. R, September 2025

Corporate Governance Report

Introduction by our Chair

I am pleased to present the Corporate Governance Report for the period ended 27 June 2025. Over the past year, the Board has continued to strengthen its approach to governance, ensuring that it remains robust, transparent, and aligned to the Group's long-term strategy. Strong governance underpins our ability to deliver sustainable growth and protect the reputation of Virgin Wines UK plc for the benefit of all stakeholders, including shareholders, customers, suppliers, colleagues and the wider community. In this section of the Annual Report we set out our approach to Corporate Governance and how the Board and its committees operate.

The Board has adopted the QCA Code as it provides the most appropriate framework of governance for a public company of our size and complexity. The QCA Code sets out a standard of best practice for small and mid-sized companies quoted on the AIM market.

The Board is responsible for establishing and maintaining the Group's systems of financial controls and robust operational controls, which are continuously monitored and reviewed. Particular attention has been given to the evolving regulatory landscape and macroeconomic pressures to ensure the Group is well positioned to respond effectively. This provides the Board with comfort around the risk exposure of the Group and to what extent it has changed during the year.

The Board seeks to ensure it has a dynamic governance environment where open dialogue is encouraged to build trust and ensure the wishes and expectations of shareholders and wider stakeholders are recognised and met.

The Board is committed to providing robust leadership and oversight of the business by setting and monitoring the Group's culture to ensure that behaviours align with the purpose, vision and values. A strong corporate culture is paramount to the vitality and sustainability of the Group. The Board is satisfied that a culture of openness, honesty and integrity pervades the business and compliments Virgin Wines' strategic goals.

The Board and its committees met regularly during the year, full details are included below. There have been no corporate governance challenges nor adverse governance-related matters to report. The Board is satisfied that the steps taken to ensure business continuity were effective and appropriate and, as the situation continues to evolve, the Board will continue to adapt its approach and guidance for the Group.

The Board recognises the benefits that diversity and inclusion can bring to the effectiveness of Board decision-making where different skill sets and perspectives are present. The Board supports the Group's Diversity and Inclusion Policy and is committed to achieving and maintaining its objectives.

The Board is focused on delivering our strategy for the benefit of all stakeholders and recognises our governance framework will continue to evolve to reflect the future development of the Group.

The Board would like to thank all shareholders and our external advisors for their continued valued support and we look forward to building on the progress achieved this year.



John Risman
Chairman

Remit of the Board and committees

Board structure and composition

The Board is responsible to the shareholders and to act in the interest of all Group stakeholders. This includes setting the strategy for the Group to achieve its long-term goals, monitoring financial and ESG performance, governance matters and managing Group risk.

During this financial year the Board was comprised of six Directors, two Executive Directors, Jay Wright, and Amanda Cherry (appointed following the resignation of Graeme Weir) and four Non-Executive Directors, Chair John Risman, supported by Sophie Tomkins (Chair Audit Committee), Helen Jones (Chair Remuneration Committee) and Ed Wass. Both Sophie Tomkins and Helen Jones are fully independent Non-Executive Directors and have a wide range of quoted company experience to support the Board. Further details and Board biographies can be found on pages 35 and 36.

The Chairman is responsible for setting the Board agenda and monitoring its effectiveness. There is clear separation of responsibilities and independence between the Chairman and Chief Executive. As Chair I am satisfied the Board has the right level of relevant knowledge, expertise and experience to ensure the Group can maintain the highest standards of governance and achieve our long-term goals.

Board and committee attendance

The following table shows the attendance records of the Directors at Board and committee meetings during the period. It should be noted that, in addition to the formal scheduled meetings, the Board and committee members meet on several other occasions.

	Board	Remuneration Committee	Audit Committee
Formal meetings	12	3	2
John Risman	12	3	
Sophie Tomkins	11	3	2
Helen Jones	12	3	2
Edward Wass	12		2
Jay Wright	12		
Graeme Weir	10		
Amanda Cherry	2		

The Board

The Board is ultimately responsible for the Group's strategy, performance and management. The Board discusses and reviews all matters and issues relevant to the performance of the Group. A rolling agenda of matters to be reviewed is agreed by the Board under the guidance of the Chairman. Certain matters are reserved for the Board, these include:

- setting the Group strategy and long-term objectives;
- approving budgets and forecasts;
- changes to the Group's capital structure and dividend policy;
- extension of Group activities by geographical regions or acquisitions;
- ensuring the Group has appropriate sustainability targets and manages the impact of climate change;
- approval of significant contracts, capital or operating expenditure;
- assessing the effectiveness of financial risks and control;
- effective communication with shareholders;
- approving interim and annual reporting and regulatory communications.

The Board will normally meet 11 times in a full 12-month cycle – last year there were 12 scheduled meetings. Board members are expected to attend all meetings. At each meeting the members confirm they have no conflicts of interest relating to items on the meeting agenda. Procedures are in place for members to recuse themselves from a meeting should a conflict arise. Outside formal Board meetings, Non-Executive Directors communicate directly with the Executive Directors and senior management.

Non-Executive Directors are expected to attend committee meetings of which they are a member and devote sufficient time throughout the year to ensure they fulfil their role as Company Directors.

The Chair is responsible for the leadership and effectiveness of the Board, ensuring debate is open and rigorous, that all participants contribute and decisions are reached in a balanced and evidence based manner. During the year, the Board reviewed the Capital Allocation Policy. The Board reviews its AIM obligations with its nominated advisor including annual refresher training and, where appropriate, holds meetings with external advisors to support the Board decisions.

Board committees

The Board delegates specific responsibilities to the Audit and Remuneration Committees. These committees have written terms of reference including their duties and reporting responsibilities. Each committee shall have at least two Non-Executive Directors who are independent of the management and free from any business or other relationship that could interfere with the exercise of their independent judgement. The terms of reference for the committees are kept under review to ensure they remain relevant and reflect changes in regulation and best practice. Since the IPO, the Group has not established a separate Nominations Committee due to our size and lack of complexity. The Chair and Board will keep this matter under review.

The Audit Committee

The Audit Committee is chaired by Sophie Tomkins with other members Ed Wass and Helen Jones. The Audit Committee is responsible for ensuring the financial performance of the Group is properly reported and reviewed, and for overseeing the framework of internal controls to manage business risk. The committee is responsible for advising the Board on the appointment of the external auditor, ensuring external auditor independence and advising on fees and terms of reference. The committee will receive and review reports from the Group's management and external auditors relating to the interim and annual accounts and the internal controls operating within the Group.

The Audit Committee will meet at appropriate times in the reporting and audit cycle. The Chief Financial Officer may attend the meetings by invitation.

The Remuneration Committee

The Remuneration Committee is chaired by Helen Jones with other members Sophie Tomkins and John Risman. The committee is responsible for ensuring remuneration policies and practices support Group strategy and promote long-term sustainable success. Maintaining a formal and transparent process for developing policy on executive rewards and ensuring executive remuneration is aligned to the Group's purpose and is clearly linked to the successful delivery of long-term strategy.

The Remuneration Committee will also make recommendations to the Board for the granting of share options or other equity incentives in line with share-based incentive plans operating within the Group.

In exercising this role, the Remuneration Committee will have regard to recommendation of the QCA code and, where appropriate, the QCA Remuneration Committee Guide and associated guidance. The committee is authorised to appoint external consultants to advise on remuneration policies.

The Remuneration Committee will normally meet at least twice every year.

Relations with shareholders

The Group maintains regular communication with institutional shareholders through meetings and presentations with the Executive Directors following the publication of annual and interim results. The Chair and Non-Executive Directors are also available to meet with shareholders if required. Throughout the year the Executive Directors will meet with potential investors and analysts. Shareholder feedback is made available to the Board and shared with our nominated advisors.

Corporate Governance Report *continued*

The Group is committed to achieving and maintaining high standards of corporate governance and has adopted the QCA Code. The QCA Code identifies ten corporate governance principles that companies should follow.

Set out below is a description of how the Group complies with the new, updated QCA Code. At this point the Board is not aware of any areas of non-compliance. The Directors of the Group (the Board) remain committed to evolving the Group's corporate governance arrangements as the business develops.

Deliver growth

Establish a purpose, strategy and business model which promote long-term value for the shareholders

The Group's strategy is to create a platform for organic growth and potentially for acquisitions in the wine and spirits sector where the opportunity exists to create significant shareholder value through high growth and/or a well-executed consolidation strategy. The Board is responsible for setting the strategy, ensuring it is implemented in a timely manner and tracking the progress towards our strategic goals.

Further information on our growth strategy can be found on page 3 and 4.

Seek to understand and meet shareholder needs and expectations

The Group has been committed to maintaining an open dialogue with its shareholders to develop a good understanding of the needs and expectations of shareholders and will continue to communicate the Group's strategy at appropriate intervals as progress is made. The Executive team meet with investors and analysts on a regular basis throughout the year.

All shareholders have the opportunity, and are encouraged, to attend and vote at the Annual General Meeting of the Group, during which the Board will be available to discuss matters affecting the Group. John Risman will be the primary point of contact for shareholder liaison.

The Group's website contains information on the Group, including the year-end and interim results announcements as well as all Annual Reports, notices of Annual General Meetings and general meetings, proxy voting details, circulars sent to shareholders and any other information sent to shareholders. It also includes information on the Audit Committee and Remunerations Committee terms of references.

Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for longterm success

The Group has identified our main stakeholders which include customers, suppliers, employees, shareholders and our communities. The Group engages with these stakeholders through direct dialogue and relies on their feedback through meetings, conversations and formal feedback processes. The Board continually assesses the impact of business decisions on all stakeholder groups.

The Group is also aware of the impact its business and operations have on the wider community and places great importance on community and social responsibility.

The Board is committed to developing a plan to minimise the Group's environmental impact through further product innovation, targeted operational initiatives and collaboration with its stakeholders. The Group has expanded data capture and improved management systems and processes, including the implementation of full emission reporting for both tracking and transparency. Further details can be found in the Sustainability section starting on page 17.

Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board and Audit Committee conduct regular reviews of its system of internal control to ensure compliance with best practice, while also having regard to its size and the resources available. The review covers all material controls, including financial, operational and compliance controls and risk management systems and incorporates an analysis of the regulatory and fiscal position in the territory in which the Group operates.

The Board is responsible for ensuring the Group has effective and robust systems of internal controls and these controls are designed to manage, but not eliminate, the risk of failure to achieve business objectives and provide reasonable, but not absolute, assurance against material misstatements and loss. The Board has compiled a comprehensive list of these risks, which are detailed on pages 31 to 34.

The Group maintains appropriate insurance cover in respect of actions taken against the Board and/or the Group.

Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Remuneration Committee evaluates Executive Director performance based on annual financial, non-financial and personal objectives. Details of the remuneration policy can be found in the remuneration committee report on pages 47 to 51.

New (or significant amendments to existing) share schemes will be put to a shareholder vote.

Maintain a dynamic management framework

Establish and maintain the Board as a well-functioning, balanced team led by the Chairman

The Board currently comprises a Non-Executive Chairman, two Executive Directors and three Non-Executive Directors (two of whom are considered to be independent). The Board has considered each Non-Executive Director's interests in the share capital of the Group and considers that Helen Jones and Sophie Tomkins are independent in character and judgement. The Board does not believe that either of them has any relationships or circumstances which are likely to affect, or could appear to affect, their judgement as an independent Non-Executive Director.

Each member of the Board will seek re-election annually.

The Board is responsible to the shareholders for the proper management of the Group and meets regularly (meetings and attendance details available on page 39) to discuss the strategy of the Group and review potential opportunities in a structured and orderly manner.

The Executive Directors are required to dedicate appropriate time, being the Company's normal business hours and such other hours required, to the Group. The three Non-Executive Directors and the Non-Executive Chairman are each required to dedicate appropriate time, being two days (or equivalent) per month, to the Group. The Board is aware of the other commitments and interests of its members, and changes to these commitments and interests are reported to and, where appropriate, agreed with the Board.

The Group has put in place an Audit Committee and a Remuneration Committee, summaries of the terms of reference for each are set out under pages 45 to 51.

The Board has a wealth of knowledge and experience, as illustrated by the biography of each Board member, which can be found on pages 35 and 36.

The Board believes that it has the appropriate mix of experience, expertise, personal qualities and skills in order to effectively implement its strategy. Board meetings have been held in person where possible, and where this has not been practically possible, via video conference.

During the course of the year, the Board continues to receive updates from its nominated adviser and legal advisers in relation to corporate governance matters. Each Director takes responsibility for maintaining his or her own skill set, which includes roles and experience with other Boards and organisations as well as formal training and seminars. This will be reviewed by the Board periodically.

Each member of the Board can take independent professional advice in the continuance of their duties, if necessary, at the Group's expense. In addition, the Board has direct access to the advice and services of the Group advisers, Group Secretary and Chief Financial Officer.

Corporate Governance Report *continued*

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board undertakes a formal process of evaluating its own performance and effectiveness, and that of the individual members of the Board and members of the Board Committees. The evaluation is currently undertaken internally, which the Board considers appropriate given the Group's size and structure.

Recommendations are implemented by the Chair to ensure the Board operates with a culture of continuous development and improvement.

Promote a corporate culture that is based on ethical values and behaviours

The Board has put in place an effective corporate governance and compliance framework. The Board has established a corporate culture based on sound ethical values and behaviours and intends to lead from the front in promoting the adoption of this culture throughout the Group.

As well as being delicious and enjoyable, it is of the utmost importance to us that every wine we sell is created and delivered to customers' homes in a way that we are proud of. This involves ethical sourcing practices, creating a supportive and inclusive workplace, and having a positive impact on our environment. Virgin Wines' approach to ethical values within the Group is further set out in the Sustainability section on page 17.

Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The Board is responsible for the overall management and control of the Group. The Board reviews its strategy regularly and is responsible for determining the strategic focus of the Group. As set out above, the Board meets 11 times a year to review, formulate and approve the Group's strategy, budgets and corporate actions, as well as oversee the Group's progress towards its goals.

The Group has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities and written terms of reference. Consideration will be given by the Board to future succession plans for members of the Board as well as consideration as to whether the Board has the skills required to manage the Group effectively.

The Board continues to review succession planning for key roles to ensure orderly transitions and the retention of critical skills. This includes identifying potential internal and external candidates and supporting the development of future leaders to maintain strong governance and long-term strategic continuity.

The Board discusses and reviews all matters and issues which are important to the business. Certain decisions are reserved for the Board, and they can be found on page 40.

Build Trust

Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Group communicates with its shareholders through the Annual Report and Accounts, full-year and half-year announcements, the Annual General Meeting and meetings/discussions with the Group's major existing or potential shareholders. The Group will communicate principally by way of the release of regulatory and other announcements as and when information is available to disclose.

The Group's website, www.virginwinesplc.co.uk, is regularly updated. The Group's Annual Report and Accounts are located under the 'Documents' section of the website. Notices of the general meetings of the Group will be located under the 'Financial Calendar' section of the website.

The results of voting on all resolutions at general meetings are posted to the website on a timely basis, including any actions to be taken as a result of resolutions of which votes against have been received by a significant proportion of voters.

“

The wine we have received is top quality.
Delivery is always as agreed, in strong
cardboard cases and delivered with courtesy.



Maureen. E, September 2025



Audit Committee Report



“
I am pleased to present the report of the Audit Committee for the financial period ended 27th June 2025.

Sophie Tomkins
 Chair of the Audit Committee

Formal Audit Committee meetings held - 2

Audit Committee members	Attendance
Sophie Tomkins (Chair)	2/2
Helen Jones	2/2
Edward Wass	2/2

Members of the Audit Committee

Sophie Tomkins became Chair of the Audit Committee in March 2021. Two members of the Committee, including the Chair, are independent Non-Executive Directors. The Board is satisfied that the Chair of the Committee has recent and relevant financial experience. Sophie is a Chartered Accountant and is currently Chair of the Audit Committee at System1 Group plc and Wilmington plc.

The Chief Financial Officer routinely attends the Audit Committee meetings by invitation, and other Executive Directors or members of the management team may also be invited to attend meetings as required. The Non-Executive Directors are provided with an opportunity at the Audit Committee meetings to discuss matters with the Auditors without the presence of the Executive Directors.

The committee meets formally at least twice a year and more frequently if required and has unrestricted access to the Group’s auditor. Audit Committee meetings are minuted and made available to all Board members along with any formal reports from the Group auditor.

Duties

The main duties of the Audit Committee are set out in its terms of reference, which are summarised on page 40 and available on the Group’s website (www.virginwinesplc.co.uk).

The work carried out by the Audit Committee during the financial period comprised the following:

- ensuring the financial performance of the Company is being properly measured and reported on;
- review of the FY25 audit plan;
- consideration of key audit matters and how they are addressed;
- Going Concern Review;
- review of the Financial Statements and Annual Report;
- review of the appropriateness of the Group’s accounting policies and judgements made in the preparation of the Financial Statements, and adequacy of the disclosures made therein;
- consideration of the external audit report and management representation letter;
- review of the risk management and internal control systems;
- meeting with the external auditor without management present;
- review of anti-bribery policy and whistleblowing arrangements.

Auditor objectivity, independence, and performance

The Audit Committee monitors the relationship with the external auditor to ensure that auditor independence and objectivity are maintained.

As part of this role, the committee reviews any non-audit fees of the auditor. Azets’s fees for the financial period to 27th June 2025 are disclosed in note 6. There were no non-audit services or fees relating to the activities of Azets.

The Audit Committee also assesses the auditor’s performance. The committee has adopted a broad framework to review the effectiveness of the Group’s external audit process and audit quality. This includes

assessment of the audit partner and team with particular focus on the lead audit engagement partner; planning and scope of the audit, with identification of particular areas of audit risk; the planned approach and execution of the audit; management of an effective audit process; communications by the auditors with the Committee; how the audit contributes insights and adds value; a review of independence and objectivity of the audit firm; and the quality of the formal audit report to shareholders. Having reviewed the auditor's independence and performance, the Audit Committee recommends that Azets be reappointed as the Group's auditor at the next AGM.

Significant issues considered in relation to the Annual Report and Financial Statements

The Audit Committee considered whether the Financial Statements are fair, balanced and provide the necessary information and disclosures for shareholders to assess the Group's performance, strategy and business model. The Committee was satisfied the Financial Statements for the period ended 27th June 2025 are fair and achieved these stated objectives.

In so doing the Audit Committee assessed whether suitable accounting policies were adopted, and the reasonableness of key estimates and judgement used in the preparation of the Financial Statements. In particular, the Audit Committee assessed areas identified as key audit risks including the following:

- the carrying value of goodwill in the Group Financial Statements and judgements on impairment;
- the use of alternative performance measures to provide additional clarity of the Group's financial performance; and
- the impairment assessment of the carrying value of amounts due from Group undertakings and the Parent Company investment.

Internal audit

At present the Group does not have an internal audit function and the committee believes that management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without one. The Audit Committee will continue to assess this as the Group changes.

Risk management and internal controls

As described throughout the Annual Report and the Corporate Governance section, the Group has established a framework of risk management and internal control systems, policies and procedures. The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring that it operates effectively. The committee supports the Board in its overall responsibility for risk management activities and implementing policies to ensure that risks are evaluated, measured and kept under review by way of appropriate KPIs. Presentations from senior management across the business are provided to the Board to further develop information, understanding and debate on risks.

The Group will continue to improve and evolve its risk management framework by developing and embedding the necessary capabilities within the organisation to support informed risk taking by the business. Management, together with the Board, periodically review and revise risk appetites setting out risks that should be avoided and those that can offer sustainable and positive returns.

Whistleblowing

The Group has in place a whistleblowing process whereby an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. Whistleblowing is a standing agenda item for the Audit Committee meetings. The committee is comfortable that the current policy is operating effectively.

Anti-bribery

The Group has in place an anti-bribery and anti-corruption policy which sets out its zero-tolerance position and provides information and guidance to those working for the Group on how to recognise and deal with bribery and corruption issues. The committee is comfortable that the current policy is operating effectively.

Section 479c Companies Act 2006 Audit exemption

The Group has opted to apply the audit exemption for subsidiary companies available under section 479c of the Companies Act 2006 for the financial period ended 27th June 2025.

Sophie Tomkins

On behalf of the Board

Sophie Tomkins

Chair of the Audit Committee

Remuneration Committee Report



“
On behalf of the Board, I am pleased to present the remuneration report for the financial period to 27 June 2025. It sets out our remuneration policy and the detailed remuneration for the Executive and Non-Executive Directors of the Group. The information is unaudited except where stated.

Helen Jones
 Chair of the Remuneration Committee

Remuneration Committee meetings held – 3

Remuneration Committee members	Attendance
Helen Jones (Chair)	3/3
Sophie Tomkins	3/3
John Risman	3/3

As the Company is listed on the Alternative Investment Market it is not required to provide all of the information included in this report. However, we provide disclosures in addition to that which is required by AIM Rule 19 on a voluntary basis to enable shareholders to understand and consider our remuneration arrangements.

The Company is committed to high standards of corporate governance and our remuneration policy and disclosures are designed to reflect this approach.

Composition of the Committee and role

The Committee members are Helen Jones (as Chair), Sophie Tomkins (Non-Executive Director) and John Risman (Non-Executive Chairman). The Executive Directors may attend meetings from time to time at the invitation of the Committee and provide information and support as requested. Directors are excluded from discussion on their own remuneration packages to ensure there is no possible conflict of interest.

The activities of the Committee are governed by its terms of reference, which are available from the Group's website.

In exercising its role, the Remuneration Committee has regard to the recommendations put forward in the QCA Code and, where appropriate, the QCA Remuneration Committee Guide and associated guidance.

The Remuneration Committee determines, on behalf of the Board, the Group's policy for executive remuneration and the individual remuneration packages for Executive Directors.

The Remuneration Committee reviews the incentive and reward packages for the Executive Directors to ensure that they are aligned with the Group's strategic objectives and financial performance; are appropriate to attract, retain and motivate executive behaviour in support of the creation of shareholder value; and drive continued commitment of executives to the Group's success through appropriate incentive schemes.

FIT Remuneration Consultants is appointed as adviser to the Committee. FIT Remuneration Consultants is a signatory to the Remuneration Consultants' Code of Conduct and has confirmed to the Committee that it adheres in all respects to the terms of the code.

The Remuneration Committee met on three occasions during the year and all Remuneration Committee members were in attendance. The committee will normally meet at least twice every year.

Remuneration policy

The Company's remuneration policy is designed to attract, motivate and retain high calibre individuals who will contribute fully to the success of the Group. It is intended that this policy conforms with best practice standards commensurate with its size and market listing.

The key objectives of the policy are to:

- align executive packages with Group objectives and shareholder interests;
- create an appropriate balance between fixed and performance related elements and between short-term and long-term performance;
- ensure variable pay elements are based on appropriate performance criteria;
- promote a high-performance culture;
- support the recruitment, motivation, development and retention of quality people;
- align with the expectations of shareholders; and
- ensure appropriate consideration is given to non-financial and sustainability objectives when setting remuneration packages.

Element and link to strategy	Operation	Maximum opportunity	Performance
Benefits			
Provide a competitive level of benefits.	Benefits are in line with those offered to other senior management employees and may include medical expenses cover and life insurance cover.	The cost of providing these benefits can vary in accordance with market conditions which will, therefore, determine the maximum value.	N/A
Pension			
Provide a competitive level of pension benefit.	Executive Directors are eligible to receive an employer's pension contribution or a cash supplement.	Maximum contribution currently 5% of base salary. This percentage is in line with the pension contribution made by the Company to its workforce.	N/A
Annual bonus			
Incentivise and reward the achievement of stretching one year key performance targets set by the committee at the start of each financial year.	Parameters, performance criteria, weightings and targets are set at the start of each year. Payments are made in cash following completion of the year, subject to the assessment of performance against targets and the committee retains the discretion to adjust the bonus outcomes to ensure that they reflect underlying business performance. Awards are subject to malus/clawback provisions.	The maximum bonus opportunity for the CEO and CFO is 100% of base salary.	Performance measures may include financial, non-financial, personal and strategic objectives. Performance criteria and weightings may be changed from year to year. At present, the performance target is based on Group EBITDA which is considered by the committee to be the Group's key financial performance indicator.
Long-term incentive plan			
Incentivise and reward Executive Directors for the delivery of longer term financial performance and shareholder value.	Awards are granted as options or conditional awards which vest after three years subject to the meeting of objective performance conditions specified at award.	The maximum annual award for CEO and CFO is 100% of base salary.	Performance measures may include financial and share price performance-based targets. Performance criteria and weightings may be changed from year to year.
Share-based to provide alignment with shareholder interests.	An additional holding period post vesting may be applied. Awards are subject to malus/clawback provisions. Dividend equivalents may be added to awards.		At present, the performance target is based on Group revenue and EBITDA which is considered by the committee to be the Group's key financial performance indicator.

Remuneration Committee Report *continued*

Element and link to strategy	Operation	Maximum opportunity	Performance
Shareholding guidelines			
Increase alignment between Executive Directors and shareholders.	If any Executive Director does not meet the guideline, they will be expected to retain up to 50% of the net of tax number of shares vesting under any of the Company's discretionary share incentive arrangements until the guideline is met.	Minimum shareholding of 200% of salary for all Executive Directors.	N/A
Non-Executive Director remuneration			
Support recruitment and retention of Non-Executive Directors with the necessary breadth of skills and experience. Provide fees appropriate to time commitments and responsibilities of each role.	Non-Executive Directors are paid a base fee in cash, with additional fees payable for chairing a Board committee. Fees are reviewed periodically. In addition, reasonable business expenses may be reimbursed.	The cost of providing these benefits can vary in accordance with market conditions which will, therefore, determine the maximum value.	N/A

This year we completed a review of our Remuneration Policy, last approved by shareholders in 2021 and agreed that all the elements of the policy being put forward to shareholders at this year's AGM continue to be appropriate.

Executive Directors' service contracts

The CEO entered into a new rolling service contract with the Group on admission to AIM in March 2021 with an indefinite term, but a fixed period of 12 months' notice of termination. The CFO has signed a new service agreement in the year with an indefinite term, but a fixed period of 6 months' notice of termination.

Non-Executive Directors

The Non-Executive Directors do not have service contracts but have letters of appointment dated 24 February 2021. The appointments are subject to a three-month notice period. Non-Executive Directors' remuneration is approved by the Board.

Summary of Director's remuneration (audited)

The following table sets out the total remuneration of the Directors who served during the financial period to 27 June 2025

Name	2025					2024				
	Basic salary/ fee	Bonus	Pension	Benefits	Total	Basic salary/ fee	Bonus	Pension	Benefits	Total
Executive										
Jay Wright	280,500	–	14,025	6,338	300,863	280,500	–	14,014	5,838	294,587
Graeme Weir	166,401	–	8,925	9,041	184,367	214,200	–	10,710	8,258	233,168
Amanda Cherry ¹	37,500	–	1,875	862	40,237	–	–	–	–	–
Non-Executive										
John Risman	74,984	–	–	–	74,984	72,800	–	–	–	72,800
Edward Wass ²	47,198	–	–	–	47,198	46,800	–	–	–	46,800
Helen Jones	53,560	–	–	–	53,560	52,000	–	–	–	52,000
Sophie Tomkins	53,560	–	–	–	53,560	52,000	–	–	–	52,000

¹ Remuneration from April 2025.

² Edward Wass is a Portfolio Partner at Gresham House Asset Management Limited and fees relating to his services on behalf of the Board are paid to Gresham House.

No performance related bonus was payable for FY24 or FY25.

Long-term incentive awards granted

Executive Awards

Long-term incentive awards were granted to the CEO and CFO are as follows:

Name	Date of grant	Performance criteria	Shares	Exercise price	Performance period ending
Jay Wright	06 December 2022	FY25 Revenue and Earnings	346,233	£0.01	30 June 2025
	30 April 2024	FY26 Revenue and Earnings	477,254	£0.01	30 June 2025
	02 May 2025	FY27 Revenue and Earnings	35,106	£0.01	30 June 2026
Graeme Weir	06 December 2022	FY25 Revenue and Earnings	264,396	£0.01	30 June 2025
Amanda Cherry	06 March 2025	FY28 Personal & Company Performance	300,000	£0.01	30 June 2028
	02 May 2025	FY27 Revenue and Earnings	75,094	£0.01	30 June 2027

The criteria for the 06 December 2022 Performance Share Award was not met and the awards duly lapsed in the period.

Awards to Senior Team

On 2 May 2025, a fifth LTIP share award was made to 24 staff with a vesting date of 2 May 2028 with Group revenue and EBITDA performance conditions attached to the award. For the award to fully vest, the Group would need to outperform market expectations at the grant date. A summary of the active staff LTIP awards granted to date is set out below:

Number of staff	Date of grant	Performance criteria	Shares	Exercise price	Performance period ending
LTIP 1 5 Staff	23 June 2021	FY23 Revenue and Earnings	29,201	£0.01	30 June 2023
LTIP 2 5 Staff	06 December 2021	FY24 Revenue and Earnings	33,034	£0.01	30 June 2024
LTIP 3 5 Staff	06 December 2022	FY23 and FY24 Personal Performance	198,116	£0.01	30 June 2023 and 2024
LTIP 4 24 Staff	30 April 2024	FY26 Revenue and Earnings	1,600,494	£0.01	30 June 2026
LTIP 5 24 Staff	02 May 2025	FY27 Revenue and Earnings	852,901	£0.01	30 June 2027

LTIP 3 6 December 2022 the criteria for the Performance Share Award relating to 1,074,915 shares was not met and the awards duly lapsed in the period. If fully vested, all the remaining Staff and Executive awards would total 3,601,200 shares representing 6.43% of the shares in issue at 27 June 2025.

Director's interest in shares

The interest of the Directors as at 27 June 2025 in the shares of the Company were:

Name	Number	% of issued
Jay Wright	4,906,260	8.77%
Graeme Weir	3,130,092	5.59%
John Risman	1,634,315	2.92%
Amanda Cherry	31,100	0.06%
Sophie Tomkins	20,000	0.04%
Helen Jones	5,000	0.01%
Ed Wass	Nil	Nil

As at 27 June 2025 Rapunzel Newco Limited held the shareholding of four VCT funds managed by Gresham House Asset Management. Edward Wass is a Portfolio Partner at Gresham House Asset Management. The total number of shares held by Rapunzel Newco Limited were 20,131,610 representing 36.0% of the shares in issue. In addition to the shareholding of Rapunzel Newco Limited, Gresham House Asset Management held 3,020,304 shares representing 5.4% of shares in issue and taking the total shareholding managed by Gresham House to 41.4%.

Remuneration Committee Report *continued*

Directors' remuneration for the period commencing 28 June 2025

Executive Directors

There will be a no change in Director salaries for FY26. The salaries for CEO and CFO will be £280,500 and £150,000 respectively.

Long-term incentive awards are planned to be granted to the Executive Directors during the year and will operate as set out in the policy table above. The measures and targets are yet to be confirmed but will be disclosed in next year's report.

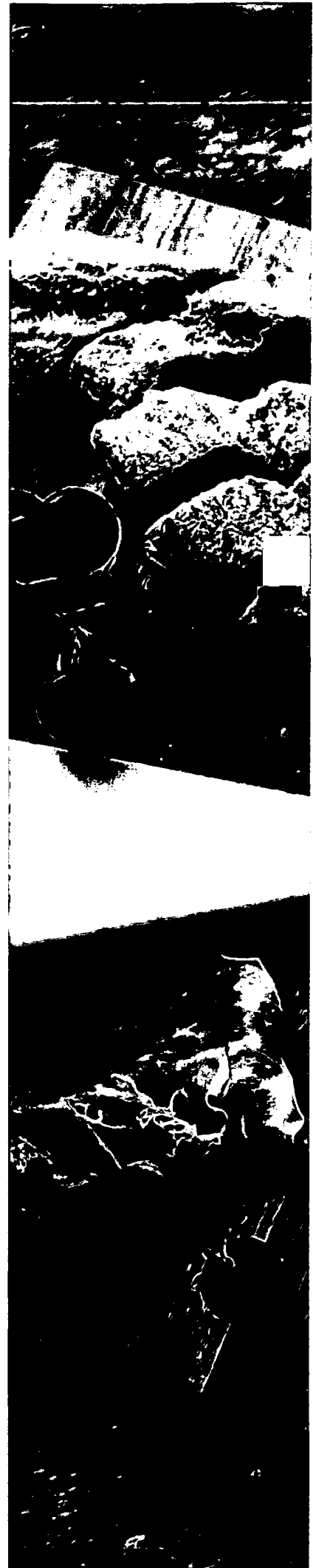
Non-Executive Directors

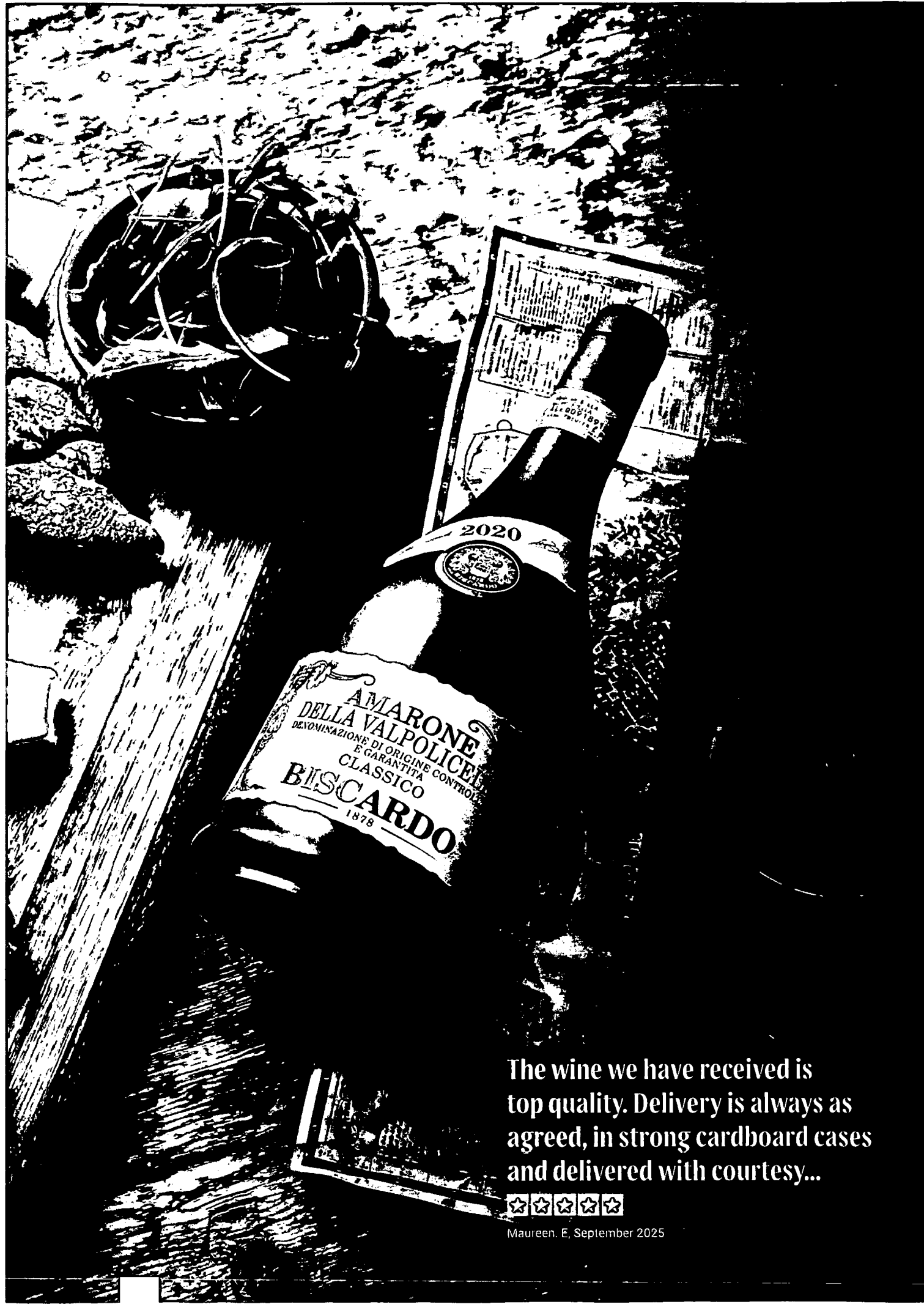
There will be no increase to the annual fees payable to the Non-Executive Directors for FY26. John Risman's fee is £74,984, the base fee payable to the other Non-Executives is £48,204, with an additional annual fee of £5,356 payable to Helen Jones and Sophie Tomkins for chairing the Remuneration and Audit Committees.



Helen Jones

Chair of the Remuneration Committee





The wine we have received is top quality. Delivery is always as agreed, in strong cardboard cases and delivered with courtesy...



Maureen. E, September 2025

Directors' Report

for the period ended 27 June 2025

The Directors present their report and audited consolidated Company Financial Statements for the period ended 27 June 2025.

Business review and future developments

A review of Group performance during the period including key performance indicators, business risks and comments on future developments is given in the Chairman's Statement on page 37 and the Strategic Report starting on pages 1 to 34

Results and dividends

The Group has reported its consolidated financial statements and Company accounts in accordance with UK-adopted international accounting standards and the Companies Act 2006.

The Group's revenue in the period was £59.0m (2024: £59.0m) and profit after tax of £1.3m (2024: £1.4m)

No interim dividends have been paid in the period (2024: none).

Post balance sheet events

There are no matters arising after the balance sheet date that would require disclosure in the Financial Statements.

Directors and their interests

The Directors of the Company who held office during the period and up to the date of approving the Group Financial Statements were:

Executive

Jay Wright

Graeme Weir (resigned 3 April 2025)

Amanda Cherry (appointed 3 April 2025)

Non-Executive

John Risman

Helen Jones

Sophie Tomkins

Ed Wass

The Directors who held office during the period had the following interests in the Ordinary Shares of the Company:

Name of Director	Number
Jay Wright	4,906,260
Graeme Weir	3,130,092
John Risman	1,634,315
Amanda Cherry	31,100

Directors' insurance

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006.

The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Appointment and replacement of Directors

The rules governing the appointment and resignation of Directors are contained within the Company's Articles of Association.

The Articles can be found on the Company's website, www.virginwinesplc.co.uk.

Political donations

It is the Company's policy not to make political donations. The Directors confirm that no political donations were made during the period (2024: none).

Share capital and voting

As at 27 June 2025 the Company's issued share capital comprised 55,972,405 Ordinary Shares of £0.01. The holders of Ordinary Shares are entitled to one vote per share at the general meeting.

During the year the Company spent £2.0m repurchasing 4,112,651 of its shares to be held in treasury to hedge against future LTIP liabilities and potential shareholder dilution. Total shares held in treasury at 27 June 2025 were 4,257,254.

Significant shareholdings

As at 22 August 2025, the Company has been advised of the following significant shareholding interests in 3% or more of the issued shares.

	Number	% issued
Rapunzel Newco Limited	20,131,610	35.97%
Monega Kapitalanlagegesellschaft mbH	5,425,000	9.69%
Jay Wright	4,906,260	8.77%
Graeme Weir	3,130,092	5.59%
Liontrust Asset Management	3,053,662	5.46%
Gresham House Asset Management ¹	3,020,304	5.40%

¹ Gresham House Asset Management manages the shareholding of Rapunzel Newco Limited (35.97%) in addition to its shareholding of 5.40%.

Employee involvement and equal opportunities

Employee involvement is encouraged at all levels within the Group and is a key part of the Company culture which contributes towards the success of the business. The Group provides regular communications to staff on corporate strategy and objectives.

Awards under the Group's Long-Term Incentive Plan were made on 2 May 2025 to 24 senior staff.

The Group is committed to eliminating discrimination in any form and promoting diversity within the workforce and the wider group of stakeholders. Our people should be a reflection of the whole society including our customers and suppliers. Opportunities for training, development and promotion are available to all staff.

Corporate Governance

The Group has signed up to the QCA Code of Conduct. Our Statement on Corporate Governance is included on pages 39 to 44 of the report.

Statement of engagement with stakeholders

Stakeholder relationships are central to our culture and values. We believe in fostering positive relationships with our staff, suppliers, customers and shareholders. Further information on how we engage with our strategic partners are included in our Strategic Report on pages 1 to 34 and also in our Section 172 statement on pages 25 to 28.

Streamlined Energy and Carbon Reporting (SECR)

The Group is committed to understanding the impact of our business on the environment and taking all reasonable steps to eliminate or reduce any harms caused by our economic activity. Our SECR reporting is included on pages 19 to 20 of this report.

Going concern

During the period the Group met its day-to-day working capital requirements through cash generated from operating activities. The Group's forecasts and projections, taking account of a severe but plausible change in trading performance, show that the Group should be able to operate using cash generated from operations, and that no additional borrowing facilities will be required.

Having assessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements.

Financial risk

The financial risk management objectives and policies of the Group, including credit risk liquidity risk, foreign currency exchange risk and capital management, are provided in note 23 of the Financial Statements.

Future developments of the Group

The Group will continue to focus on the growth strategies outlined in the Strategic Review on pages 3 to 4 of this report.

Notice of Annual General Meeting (AGM)

Details of the matters to be conducted at the AGM will be contained in the Notice of Annual General Meeting which will be communicated separately to shareholders. It is the opinion of the Directors that the passing of AGM resolutions is in the best interest of all shareholders.

Disclosure of information to auditors

The Directors of the Company at the date of approval of this report confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's and Group's auditors are unaware; and
- each Director has taken all reasonable steps they ought to have taken as a Director to make themselves aware of any relevant information and to establish that the Company's and Group's auditors are aware of that information.

Independent auditor

Azets Audit Services Limited has indicated its willingness to continue in office and a resolution that it be reappointed will be proposed at the Annual General Meeting.

Approval

The Directors' Report was approved on behalf of the Board on 21 October 2025.



Jay Wright

Chief Executive Officer

Virgin Wines UK plc
37-41 Roman Way Industrial Estate
Longridge Road
Preston PR2 5BD

Registered Number 13169238

Statement of Directors' Responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. The Directors have elected under company law and are required by the AIM rules of the London Stock Exchange to prepare the Group and the Company Financial Statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Statement of Directors' Responsibilities was approved on behalf of the Board on 21 October 2025.

Amanda Cherry

Amanda Cherry
Chief Financial Officer

Always a great selection of wines. Having a wine adviser is great as you always know when new wines are arriving and are tailored to your taste. The wine is good quality. The delivery is always very efficient and the driver is helpful.



Rebecca. G, September 2025

THE
FINANCE
IN

REPORT
OF THE
COMMISSIONER OF FINANCE



Independent auditors' report to the members of Virgin Wines UK plc

Opinion on the financial statements

We have audited the Group and Parent company financial statements (the "financial statements") of Virgin Wines UK plc for the 52-week period ended 27 June 2025 which comprise the following:

- Consolidated Statement of Comprehensive Income;
- Consolidated and Parent Company Statement of Financial Position;
- Consolidated and Parent Company Statement of Changes in Equity;
- Consolidated and Parent Company Statement of Cash Flows; and
- The related notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent company's affairs as at 27 June 2025 and of the Group's profit for the 52-week period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and Parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

Our audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risk of material misstatement at a Group level. We tailored our approach to the audit to reflect how the Group is structured as well as ensuring our audit was both effective and risk focused.

In establishing the overall approach to our audit, we assessed the risk of material misstatement, considering the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

The Group's consolidated financial statements comprise of three (2024: three) reporting components, consisting of three legal entities - Virgin Wine Online Limited, Virgin Wines Holding Company Limited and Virgin Wines UK plc, incorporated and operating in the UK.

Virgin Wine Online Limited and Virgin Wines UK plc, were in the scope of audit procedures and were subject to a full scope audit on an individual basis. As such, we performed full audit procedures on both components resulting in 100% (2024:100%) coverage of Group revenue and profit after taxation. Virgin Wines Holding Company Limited was determined to be insignificant to the Group.

In addition, we also performed audit procedures at a Group level including on the consolidation of the Group's results and the preparation of the financial statements and disclosures. No component auditors were instructed, with all audit work carried out by the Group audit team.

Key audit matters

Key audit matters are those which, in our professional judgement, were of most significance during the audit of the financial statements for the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed during our audit of the financial statements as a whole, and in forming an opinion thereon, and we do not provide a separate opinion on these matters. We have outlined below a summary of how the scope of our audit addressed each matter. This is not a complete list of all risks identified by our audit.

Key audit matter	Description of key audit matter
<p>Carrying value of Goodwill - £9,623k (2024: £9,623k) (Group)</p> <p><i>Refer to accounting policy in note 2 and note 14.</i></p>	<p>It is the responsibility of the directors to test Goodwill for impairment at least annually, under IAS 36. The impairment review is performed by identifying the smallest cash generating unit ('CGU') which management assess to be Virgin Wine Online Limited.</p> <p>Management must then determine the recoverable amount by estimating its value in use, using a discounted cash flow model on the board's approved budget. The discounted cash flow model incorporates a number of assumptions, including growth in revenue, gross margins, EBITDA profitability, the terminal growth rate and the discount rate.</p> <p>The above estimates and assumptions incorporate a high degree of subjectivity and uncertainty inherent in deriving forward looking forecasts. As a result, this is considered to be a key audit matter.</p>
<p>How the scope of our audit addressed this key audit matter</p>	
<p>In order to gain assurance over the valuation of goodwill we:</p> <ul style="list-style-type: none"> • Obtained management's impairment model and assessed its appropriateness and compliance with the requirements of IAS 36. • Challenged management's assumptions and parameters of key assumptions for appropriateness by checking inputs to supporting documentation, comparing assumptions to third party data and considering industry trends. • Assessed the reasonableness of forecasts used through review of historical forecasting accuracy.. • Compared the value of discounted future cash flows to carrying value of Goodwill in order to quantify any impairment. • Used an in-house valuations specialist to challenge the discount rate calculated by reviewing comparable public companies for appropriateness of assumptions used in calculating WACC and by calculating our own independent range for the discount rate. • Performed sensitivity analysis on each key assumption, noted above, in the valuation model to assess the impact of changes in the assumptions used. • Checked the impairment model for arithmetic accuracy. • Reviewed the disclosures in the financial statements for adequacy and agreed to supporting documentation. 	
<p>Based on our audit procedures, we concluded that management's impairment model has been calculated in accordance with IAS36 and no impairment was required to the carrying value of goodwill. We have also concluded that appropriate disclosures have been made in the financial statements.</p>	

Independent auditors' report to the members of Virgin Wines UK plc

Key audit matters *continued*

Key audit matter	Description of key audit matter
<p>Carrying value of Investment in subsidiaries - £1,312k (2024: £1,347k)</p> <p>and amounts due from Group undertakings - £17,663k (2024: £13,663k)</p> <p>(Parent)</p> <p>Refer to accounting policy in note 2, note 3 and note 6 in the company financial statements.</p>	<p>The Parent company holds an investment in its subsidiaries which is subject to an impairment review under IAS 36.</p> <p>The directors' assessment as to the carrying value of Investments utilises the same methodology as Impairment of Goodwill above.</p> <p>Furthermore, the Parent company also has unsecured loans with its subsidiaries which must be assessed in accordance with IFRS 9 using the expected credit losses ('ECL') method.</p> <p>The ECL model is used to determine if any provision is required on short term intercompany borrowings, on the assumption that the balance was due at the reporting date. It is the directors' assessment that the subsidiary does not have the liquid cash reserves to recover the intercompany loans at the reporting date, however, would be able to recover the intercompany balances through a dividend distribution. Because of this, management deem the impact of ECL to be insignificant to the financial statements.</p> <p>This is deemed to be a key audit matter due to the significance of the balance to the Parent company's financial position and the level of estimation inherent in the discounted cash flow model referred to above.</p>

How the scope of our audit addressed this key audit matter

In order to gain assurance over the valuation of Investments and amounts due to Group undertakings we:

- Assessed management's assessment of impairment for Investments using the audit techniques as documented in the auditor's response to Goodwill valuation above.
- Considered the subsidiary's alternative measures of settling the intercompany balances.
- Assessed the distributable reserves of Virgin Wine Online Limited and confirmed whether they have sufficient reserves to settle the intercompany balances.
- Review relevant disclosures made in the financial statements and agreed to supporting documentation.

Based on our audit procedures, we concluded that no impairment to the carrying value of investments or amounts due from group undertakings was necessary.

Our application of materiality

Materiality has been applied as a basis for identifying the scope of our work performed in combination with risk assessment procedures. We set certain quantitative thresholds for materiality, in conjunction with qualitative considerations to help determine the scope of our audit and the nature, timing and extent of our audit procedures. We use materiality both in planning the scope of our audit work and in evaluating the results of our work and evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as follows:

	Group	Parent
Overall materiality	£295,000	£163,000
Performance materiality	£207,000	£104,500
Benchmark	0.5% of Revenue	1% Net Assets

Our application of materiality *continued*

In determining our benchmark for materiality, we have considered the metrics used by investors and other users of the financial statements. Given the group's profit before tax has been historically volatile, we determined that Profit before tax would not be an appropriate benchmark for calculating materiality for the current year audit. Instead, we have determined materiality using the benchmark of revenue which is a key principal consideration in the performance of the group.

For the Parent company, the primary activity of the company is that of a holding company and therefore is not profit or revenue orientated. We have therefore used 1% of Net Assets as a generally accepted audit benchmark for holding companies.

For each component included within the scope of our audit, we allocated a materiality which is less than the overall group materiality stated above. Component materiality allocated to the components ranged from £163,000 to £294,000.

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. In determining performance materiality, we considered the quality of the control environment and the nature, volume and size of uncorrected misstatements arising in the previous audit. We reported any corrected or uncorrected misstatements greater than £14,750 to the audit committee as well as those which warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Conclusions relating going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and the Parent company's ability to adopt the going concern basis included:

- Obtaining and agreeing the Directors' going concern assessment to the Board-approved budget and ensuring that the base case scenario indicates that the Business is expected to generate sufficient cash to meet its liabilities as they fall due;
- Evaluating and assessing the process by which the Group's future cash flow forecasts were prepared, including the historical accuracy of forecasting;
- Perform sensitivity analysis of Revenue forecasts, taking into account a severe but plausible change in trading performance;
- Considering the extent to which the Group's and Parent company's future cash flows might be adversely affected by climate change and inflationary pressures;
- Assessing and challenging the key assumptions in the going concern forecasts including revenue, gross margins and profitability and other cost assumptions for the period to June 2027;
- Ensuring the mathematical accuracy of the forecasts;
- Evaluating the Directors' severe but plausible scenarios, where applicable, and ensuring this is appropriately modelled;
- Consider the adequacy of disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The Parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Independent auditors' report to the members of Virgin Wines UK plc

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 55, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud (in particular the risk of inappropriate recognition of revenue for commercial sales around the period end).

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006, the AIM Rules for Companies and UK Tax legislation.


In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries at the component and consolidation level and other adjustments for appropriateness, understanding and evaluating the Business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.
- For a selection of revenue transactions for commercial sales around the period end, we assessed whether the revenue recognition was appropriate by vouching to supporting documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Reddington
Senior Statutory Auditor

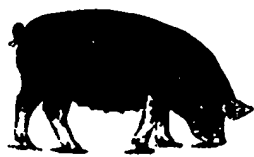
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Ship Canal House, 98 King Street, Manchester M2 4WU.

21 October 2025



L'Impression

The Black Pig



South Australia
Rosé



El Zumbido
CASA FAMILIAR 1970-2010

“
Virgin Wines are a great company and provide a superb range of delicious Wines and Spirits. Their staff are knowledgeable and friendly as well as helpful in all ways.



Paul. W. September 2025

Consolidated Statement of Comprehensive Income

for the 52-week period ended 27 June 2025

	Note	27 June 2025 £'000	28 June 2024 £'000
Revenue	5	59,021	59,005
Cost of sales		(41,240)	(40,200)
Gross profit		17,781	18,805
Administrative expenses		(5,940)	(6,261)
Selling and distribution costs		(10,845)	(11,311)
Operating profit	6	996	1,233
Finance income	10	725	602
Finance costs	11	(129)	(154)
Profit before taxation		1,592	1,681
Taxation expense	12	(290)	(302)
Profit for the financial period and total comprehensive income		1,302	1,379
Basic earnings per share (pence)	13	2.4	2.5
Diluted earnings per share (pence)	13	2.3	2.4

The results for the periods shown above are derived entirely from continuing activities.

The Group has no other comprehensive income or expense other than the profit above and therefore no separate statement of other comprehensive income has been presented.

Consolidated Statement of Financial Position

as at 27 June 2025

Company number 13169238	Note	27 June 2025 £'000	28 June 2024 £'000
ASSETS			
Non-current assets			
Intangible assets	14	11,357	11,159
Property, plant and equipment	15	110	202
Right of use assets	16	1,877	2,370
Deferred tax asset	17	-	194
Total non-current assets		13,344	13,925
Current assets			
Inventories	18	7,153	5,868
Trade and other receivables	19	3,041	2,684
Cash and cash equivalents	20	17,579	18,370
Total current assets		27,773	26,922
Total assets		41,117	40,847
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	21	(15,874)	(14,425)
Derivative financial instruments	23	(6)	(3)
Lease liability	16	(554)	(539)
Total current liabilities		(16,434)	(14,967)
Non-current liabilities			
Provisions	22	(413)	(367)
Lease liability	16	(1,639)	(2,193)
Deferred tax liability	17	(11)	-
Total non-current liabilities		(2,063)	(2,560)
Total liabilities		(18,497)	(17,527)
Net assets		22,620	23,320
Equity			
Share capital	24	560	560
Share premium		11,989	11,989
Own share reserve		(43)	(3)
Merger reserve		65	65
Share based payment reserve		294	552
Retained earnings		9,755	10,157
Total equity		22,620	23,320

The Financial Statements on pages 63 to 90 were approved by the Board of Directors and authorised for issue on 21 October 2025. They were signed on its behalf by:

Amanda Cherry

Amanda Cherry
Chief Financial Officer

The notes on pages 67 to 90 form part of these Financial Statements.

Consolidated Statement of Changes in Equity

for the 52-week period ended 27 June 2025

	Share capital £'000	Share premium £'000	Own share reserve £'000	Merger reserve £'000	Share based payment reserve £'000	Retained earnings £'000	Total Shareholders' funds £'000
1 July 2023	558	11,989	-	65	402	8,808	21,822
Profit for the financial period	-	-	-	-	-	1,379	1,379
Total comprehensive income for the period	-	-	-	-	-	1,379	1,379
Share-based payments (note 9)	-	-	-	-	266	-	266
Shares issued on exercise of share based payment	2	-	-	-	(116)	116	2
Own shares distributed	-	-	(3)	-	-	(146)	(149)
Total transactions with owners recognised in equity	2	-	(3)	-	150	(30)	119
28 June 2024	560	11,989	(3)	65	552	10,157	23,320
29 June 2024	560	11,989	(3)	65	552	10,157	23,320
Profit for the financial period	-	-	-	-	-	1,302	1,302
Total comprehensive income for the period	-	-	-	-	-	1,302	1,302
Share-based payments (note 9)	-	-	-	-	(35)	-	(35)
Shares issued on exercise of share-based payment (note 24)	-	-	1	-	(223)	223	1
Shares repurchased, held in treasury	-	-	(41)	-	-	(1,927)	(1,968)
Total transactions with owners recognised in equity	-	-	(40)	-	(258)	(1,704)	(2,002)
27 June 2025	560	11,989	(43)	65	294	9,755	22,620

The notes on pages 67 to 90 form part of these Financial Statements.

Consolidated Statement of Cash Flows

for the 52-week period ended 27 June 2025

	Note	27 June 2025 £'000	28 June 2024 £'000
Cash flows from operating activities			
Profit before taxation		1,592	1,681
Adjustments for:			
Depreciation and amortisation	6	1,298	1,311
Loss on disposal of intangible asset	14		23
Share-based payment (credit)/expense	9	(35)	266
Net finance costs	10, 11	(596)	(448)
Increase in trade and other receivables		(356)	(70)
(Increase)/Decrease in inventories		(1,285)	2,499
Increase in trade and other payables		1,412	257
Net cash generated from operating activities		2,030	5,519
Cash flows from investing activities			
Interest received	10	725	602
Purchase of intangible and tangible fixed assets	14, 15	(911)	(443)
Net cash (used in)/ generated from investing activities		(186)	159
Cash flows from financing activities			
Payment of lease liabilities	16	(539)	(521)
Payment of lease interest	11, 16	(129)	(154)
Issue of treasury shares	24	1	2
Purchase of own shares		(1,968)	(149)
Net cash used in financing activities		(2,635)	(822)
Net (decrease)/increase in cash and cash equivalents		(791)	4,856
Cash and cash equivalents at beginning of period		18,370	13,514
Cash and cash equivalents at end of period		17,579	18,370
Cash and cash equivalents comprise:			
Cash at bank and in hand		17,579	18,370

The notes on pages 67 to 90 form part of these Financial Statements.

Notes Forming Part of the Financial Statements

for the 52-week period ended 27 June 2025

1. General information

The principal activity of the Group is import and distribution of wine.

The Company was incorporated on 1 February 2021 in the United Kingdom and is a public company limited by shares registered in England and Wales. The registered office is 37-41 Roman Way Industrial Estate, Longridge Road, Ribbleson, Preston, Lancashire, United Kingdom, PR2 5BD. The registered company number is 13169238.

2. Accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent that they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Virgin Wines UK plc and its subsidiaries.

Basis of preparation

The Group's financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under these standards.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Accounting reference date

UK company law permits a company to draw up financial statements to a date seven days either side of its accounting reference date. For operational reasons the Company has adopted an accounting period of 52 weeks, and as a result of this, the exact year-end was 27 June 2025 (2024: 28 June 2024).

Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities (including derivative instruments), measured at fair value through the income statement.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Effective Date	IFRS	Subject
1 January 2025	Amendments to IAS 21 Amendments to IFRS 9 and 7	Lack of Exchangeability
1 January 2026	Annual Improvements to IFRS Accounting Standards - Volume 11	Classification and Measurement of Financial Instruments
1 January 2027	IFRS 18 IFRS 19	Presentation and Disclosure in Financial Statements Subsidiaries without Public Accountability: Disclosures
Effective date deferred indefinitely	Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report and the Directors' Report, which also describe the financial position of the Group. The Group's financial risk management objectives and its exposure to credit risk and liquidity risk are set out in note 23.

During the period the Group met its day-to-day working capital requirements through cash generated from operating activities. The Group's forecasts and projections, taking account of a severe but plausible change in trading performance, show that the Group should be able to operate using cash generated from operations, and that no additional borrowing facilities will be required.

Having assessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements.

2. Accounting policies *continued*

Climate change

The Group recognises the risks of climate change. The Group's current climate change strategy focuses on reducing its carbon footprint through sustainability initiatives to reduce waste and greenhouse gas emissions. The impact of climate change has been considered in the preparation of these financial statements, including the risks identified as part of the Principle Risks and Uncertainties disclosures on page 31. None of these risks had a material effect on the consolidated financial statements of the Group. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- Going concern and viability of the Group over the next three years;
- Carrying value and useful economic lives of property, plant and equipment; and
- The discounted cash flows included in the value in use calculation used in the annual goodwill impairment testing.

Whilst there is currently no material impact expected from climate change, the Group is aware of the ever-changing risks related to climate change and will continue to develop its assessment of the impact on the financial statements.

Basis of consolidation

The financial statements consolidate the financial information of the Group and companies controlled by the Group (its subsidiaries) at each reporting date.

Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity, has the rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The results of subsidiaries acquired or sold are included in the financial information from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the results of acquired subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

The financial statements of all Group companies are adjusted, where necessary, to ensure the use of consistent accounting policies.

Revenue recognition

Revenue from contracts with customers contains one performance obligation, unless it is a WineBank sale, in which case there are two performance obligations and this is described separately below. The single performance obligation is the supply of goods. The transaction price is fully allocated to the single performance obligation for non-WineBank sales. The Group recognises revenue at a point in time when the single performance obligation is satisfied. The performance obligation is satisfied when control is passed to the customer. Control is deemed to pass to the customer upon delivery of the goods.

Revenue is recognised at the transaction price of the sale of goods, net of discounts and excluding value added tax, in the ordinary course of business.

The Group uses its accumulated historical experience to estimate the level of returns on a portfolio level using the expected value method. Credit terms are only provided to corporate customers, and the average days are 60.

WineBank

Amounts deposited by customers for WineBank are initially reported as a liability in the Statement of Financial Position. On registering as a WineBank customer, subscription customers agree to lodge a regular monthly sum into their WineBank account. These sums accumulate in the customer account and build a balance to use against their next purchase from the Group.

Amounts deposited by WineBank customers are reported within the Group cash balance but are held separate to Group funds. WineBank deposits are not used to fund the working capital of the business. WineBank customers can cancel their WineBank account at any time and may request to receive their money back immediately with no penalty whatsoever.

Using funds deposited through the WineBank scheme entitles account holders to benefit from an extra discount on the Group's website prices. This discount represents a 'material right' under IFRS 15 Revenue from Contracts with Customers when customers spend their WineBank cash balance but not the associated interest. The material right performance obligation is calculated on a portfolio basis taking into account inactive customers and expected future cash receipts which reduce the portfolio value of the material right. The material right provision is included within contract liabilities and deferred until the customer uses the discount on a future order.

Orders placed through the WineBank scheme also contain the same performance obligation as for other sales, as described above. The transaction price allocated to this performance obligation is the remaining amount after allocating the element to the material right, and is recognised upon delivery to the customer.

Notes Forming Part of the Financial Statements *continued*

2. Accounting policies *continued*

Finance costs

Finance costs on financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount. Issue costs relating to financial instruments are recognised in the income statement over the term of the debt at a constant rate over the instrument's life.

Interest on leases is calculated based on the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used (see lease accounting policy).

Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Tax is recognised in the Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates and laws enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date.

Foreign currencies

Functional and presentational currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Group is Pounds Sterling. The financial statements have been rounded to thousands.

Transactions and balances

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at quoted rates of exchange ruling at the balance sheet date. Exchange profits and losses arising from current trading are included in operating profit.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised.

The goodwill in the consolidated financial statements represents the goodwill recognised in the predecessor holding company financial statements at the original carrying value.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Intangible assets

Computer software is stated at cost less accumulated amortisation and impairment losses. Software is amortised over its estimated useful life, of between five and eight years, on a straight line basis.

Where factors, such as technological advancement or changes in market prices, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

2. Accounting policies *continued*

Property, plant and equipment

Property, plant and equipment are stated at historic purchase cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Leasehold property - over the life of the lease
- Fixtures and fittings - 33.33% per annum
- Computer hardware and warehouse equipment - 33.33% per annum

Assets classified as 'work in progress' are not depreciated as such assets are not currently available for (or in) use. Once in use, assets will be re-categorised and depreciated at the rate appropriate to their classification.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

Leases

A contract, or a portion of a contract, is accounted as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Group obtains substantially all the economic benefits from use of the asset; and
- The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset. In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRS rather than IFRS 16.

The group leases various offices, warehouses and equipment. Rental contracts are typically made for fixed periods of 5 to 10 years, but may have extension options.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Notes Forming Part of the Financial Statements *continued*

2. Accounting policies *continued*

Leases *continued*

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Virgin Wines UK plc, which does not have recent third-party financing; and
- makes adjustments specific to the lease, for example term and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group has elected not to recognise right of use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Inventory

Inventories are valued at the lower of cost and net realisable value on a FIFO basis. Cost comprises purchase price plus associated freight and duty costs for imported goods. Inventories are regularly assessed for evidence of impairment. Where such evidence is identified, a provision is recognised to reduce the value of inventories to its selling price after incurring any future costs to sell.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and with banks, as well as any deposits made with financial institutions with a maturity period of less than three months from the date of deposit. Cash and cash equivalents also includes amounts received from WineBank customers which are not restricted and as such are presented as cash and cash equivalents.

Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

2. Accounting policies *continued*

Financial instruments *continued*

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- financial assets at amortised cost; and
- financial assets/liabilities held at fair value through profit or loss (FVTPL).

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

The Group recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL on trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All income and expenses relating to financial assets that are recognised in the Consolidated Statement of Comprehensive Income are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other administrative expenses.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include trade and other payables and accruals, loans and borrowings and derivative financial instruments.

Financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried at fair value with gains or losses recognised in the Consolidated Statement of Comprehensive Income.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the Consolidated Statement of Comprehensive Income are included within finance costs or finance income.

Derivative financial liabilities

Derivatives are initially recognised at fair value at the date a derivative is entered into and are subsequently remeasured to their fair value at each reporting date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in the Consolidated Statement of Comprehensive Income immediately. A derivative is presented as a non-current asset or non-current liability if the Group has an unconditional right to defer payment beyond 12 months. Otherwise derivatives are presented as current assets or liabilities.

Notes Forming Part of the Financial Statements *continued*

2. Accounting policies *continued*

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

The Group operates a number of defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

(iii) Share-based payments

A transaction is accounted for as a share-based payment where the Group receives services from employees, Directors or third parties and pays for these in shares or similar equity instruments.

The Group makes equity-settled share-based payments to certain employees and Directors. Equity-settled share-based schemes are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant, measured by use of an appropriate valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the period services are received, based on the Group's estimate of shares that will eventually vest. Share options are forfeited when an employee ceases to be employed by the Group unless determined to be a 'Good Leaver'. A 'Good Leaver' is a participant who ceases employment by reason of death, retirement, injury, ill-health or disability.

The Group has discretion to recover the employer's National Insurance liability from the employee. For the current active schemes the Company has chosen to do so.

Merger reserve

The merger reserve was created as a result of the share for share exchange under which Virgin Wines UK plc became the parent undertaking prior to the IPO. Under merger accounting principles, the assets and liabilities of the subsidiaries were consolidated at book value in the Group Financial Statements and the consolidated reserves of the Group were adjusted to reflect the statutory share capital, share premium and other reserves of the Company as if it had always existed, with the difference presented as the merger reserve.

Retained earnings

Retained earnings includes all current and prior period retained profits and losses.

All transactions with owners of the parent are recorded separately within equity.

Dividends are recognised when approved by the Group's shareholders or, in the case of interim dividends, when the dividend has been paid.

Section 479c Companies Act 2006 audit exemption

The subsidiaries Virgin Wine Online Limited (registered number 03800762) and Virgin Wines Holding Company Limited (registered number 07970057) are exempt from the requirements of the Act relating to the audit of accounts under section 479a of the Companies Act 2006.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these Financial Statements, the Directors have made the following key judgements and estimates:

Goodwill impairment assessment (note 14)

At each reporting date, the Group tests goodwill for impairment in accordance with the requirements of IAS 36. The recoverable amount of the Group's single cash-generating unit (CGU) is determined by calculating its value in use. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the single CGU and to use a suitable discount rate in order to calculate their present value. The value in use is then compared to the total of the relevant assets and liabilities of the CGU. See note 14 for details of the test for impairment and the relevant key assumptions.

Assessment of carrying values of plc company investments and amounts due from Group undertakings

In relation to the plc company's investments in subsidiaries, the Directors are required to assess whether there are any indicators of impairment at each reporting date. All relevant potential indicators are considered, including the performance of the underlying trading subsidiary and the results of the Group's impairment assessment performed as at the same date as described above. The Directors exercise their judgement in determining whether any such indicators exist. Where an indicator of impairment is identified in relation to the Company's investments or intercompany receivable balances, a full impairment review is performed. The Directors performed their assessment and concluded that no impairment indicators existed at 27 June 2025 and, as such, a full impairment review over the company's investments in subsidiaries and intercompany receivables was not performed.

In relation to the amounts due from Group undertakings, the Directors are required to assess their carrying amount for any impairment using the expected credit losses (ECL) model. As set out in note 6 to the Company Financial Statements, the amounts owed by Group undertakings are unsecured, interest free and repayable on demand. Consistent with the ECL model, the Directors have assessed the carrying amount for impairment on the assumption that repayment of the amounts were demanded at the reporting date. The Directors, having determined that the borrower had insufficient highly liquid resources at the reporting date, considered the expected manner of recovery and recovery period of these loans (the Company's 'recovery scenarios'). The Directors determined that the only non-trivial recovery scenario would be realised by way of a dividend distribution by the Group's trading subsidiary, Virgin Wine Online Limited. The Directors, amongst other factors, considered the ability and intent of the subsidiary to make such a distribution if required, and ultimately determined that any reduction in the carrying amount of these receivables would be inconsequential to the Company's Financial Statements. On that basis, no ECL provision has been recognised.

Sources of estimation uncertainty

The Group has considered other estimates and assumptions that, whilst not deemed to represent a significant risk of material adjustment, do represent important estimates at 27 June 2025 and are disclosed accordingly. The valuation of the material right provision is disclosed as an other estimate in the current year.

4. Segmental reporting

IFRS 8 requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be the Board as it is primarily responsible for the allocation of resources to segments and the assessment of performance of the segments.

The level of aggregation of results reported to and assessed by the CODM supports that there are not operating segments smaller than the business as a whole, there is only one operating segment, which comprises all of the operations of the Group. Performance of this operating segment is assessed on revenue and Adjusted EBITDA (being operating profit excluding share based payments and any exceptional items, see table on page 29). These are the financial performance measures that are reported to the CODM, along with other operational performance measures, and are considered to be useful measures of the underlying trading performance of the segment. Adjusted items are not allocated to the operating segment as this reflects how they are reported to the Board.

5. Revenue

The Directors have considered the requirement of IFRS 15 with regards to disaggregation of revenue and do not consider this to be required as the Group has only one operating segment which is the sale of alcohol.

There is one geographical market being the UK, all revenue streams having similar recognition policies and whilst the Group provides services, Management do not believe such analysis would provide meaningful information for users of the financial statements.

There were no major customers that individually accounted for more than 10% of total revenues (2024: no customers).

Notes Forming Part of the Financial Statements *continued*

6. Operating profit

Operating profit is stated after charging/(crediting):

	27 June 2025 £'000	28 June 2024 £'000
Inventory charged to cost of sales	38,137	37,063
Depreciation (note 15)	171	228
Depreciation of right of use asset (note 16)	493	500
Staff costs (note 7)	7,881	8,367
Shared-based payments (note 9)	(35)	266
Net exchange gains (including movements on fair value through profit and loss derivatives)	(33)	(75)
Movement in inventory provision	(17)	67
Intangible asset amortisation (note 14)	634	583
Low value and short-term rentals excluded from right of use asset	70	59
Auditors' remuneration:		
– for the audit of the Group and Parent Company Financial Statements	141	132
– non audit fees (tax compliance services)		–

7. Staff costs

	27 June 2025 £'000	28 June 2024 £'000
Staff costs (including directors) consist of:		
Wages and salaries	6,630	7,123
Social security costs	780	773
Other pension costs	471	471
	7,881	8,367

The amount recognised in the Consolidated Statement of Comprehensive Income as an expense in relation to the Group's defined contribution schemes is £471,000 (2024: £471,000).

The monthly average number of employees (including directors) during the period was as follows:

By function	27 June 2025 Number	28 June 2024 Number
Sales	124	151
Management and administrative	42	40
	166	191

The majority of employees are eligible to join the defined contribution pension plan.

8. Key management personnel

	27 June 2025 £'000	28 June 2024 £'000
Short-term employee benefits	683	686
Post employment benefits	25	25
	708	711

During the period, retirement benefits were accruing to two directors (2024: 2) in respect of defined contribution pension schemes.

Key management personnel include only the Directors and as such no further disclosures in respect of compensation are given.

Additional analysis can be found in the Remuneration Committee report.

9. Share-based payments

In the 52 week period ended 27 June 2025 the Group operated an equity-settled share-based payment plan as described below.

The credit in the period attributed to the plan was £35,000 (2024: charge of £266,000). The total amount recognised in relation to share based payments is £632,500 (2024: £668,000).

Under the Virgin Wines UK Plc Long-Term Incentive Plan, the Group gives performance share awards (PSA) and restricted share awards (RSA) to Directors and senior staff subject to the achievement of a pre-agreed revenue and net profit figure for the financial year of the Group, three financial years subsequent to the date of the award. These shares vest after the delivery of the audited revenue and profit figure for the relevant financial period has been announced.

Awards are granted under the plan for no consideration and carry no dividend or voting rights.

Awards are exercisable at the nominal share value of £0.01.

Awards are forfeited if the employee leaves the Group before the awards vest, except under circumstances where the employee is considered a 'Good Leaver'.

Grant date	Vesting date	Expiration date	27 June 2025		28 June 2024	
			Share price at grant	Number of share options issued	Share price at grant	Number of share options issued
PSA Share Awards						
2 May 2025	2 May 2028	2 May 2035	47p	963,101	-	-
30 April 2024	30 April 2027	30 April 2034	-	-	48p	2,077,748
RSA Share Awards						
6 March 2025	6 March 2028	6 March 2035	43p	300,000	-	-

Notes Forming Part of the Financial Statements *continued*

9. Share-based payments *continued*

	Number of Shares 27 June 2025	Number of Shares 28 June 2024
Outstanding at start of period	4,189,775	2,811,645
Granted during the period	1,263,101	2,077,748
Lapsed during the period	(1,685,544)	(564,773)
Exercised during the period	(166,132)	(134,845)
Outstanding at end of period	3,601,200	4,189,775

Of the above shares, 260,351 were vested and exercisable at 27 June 2025 (2024: 141,369).

The average remaining time for awards to vest is 2.1 years (2024: 2.0 years). The awards outstanding at 27 June 2025 have a weighted average remaining contractual life of 9.1 years (2024: 9.1 years).

The fair value at grant date was determined with reference to the share price at grant date, as there are no market-based performance conditions and the expected dividend yield is 0%. Therefore there was no separate option pricing model used to determine the fair value of the awards.

10. Finance income

	27 June 2025 £'000	28 June 2024 £'000
Bank interest	725	602

11. Finance costs

	27 June 2025 £'000	28 June 2024 £'000
Interest payable for lease liabilities	129	154

12. Taxation

	27 June 2025 £'000	28 June 2024 £'000
Analysis of charge for the period		
Current tax		
Charge for the year	85	–
Total current tax	85	–
Deferred tax		
Origination and reversal of timing differences	212	414
Adjustment in respect of prior period	(7)	(112)
Total deferred tax	205	302
Tax charge on profit on ordinary activities	290	302

Factors that may affect future tax charges:

Deferred taxes at the balance sheet date have been measured using the effective tax rate (25%).

12. Taxation *continued*

The tax assessed for the period is lower (2024: lower) than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	27 June 2025 £'000	28 June 2024 £'000
Profit before tax	1,592	1,681
Profit before tax at the standard rate of corporation tax in the UK of 25% (period ended 28 June 2024 – 25%)	398	420
Effects of:		
Expenses not deductible for tax purposes	3	68
Adjustment in respect of prior period	(7)	(112)
Other permanent differences	(104)	(74)
Total tax (credit)/charge for the period	290	302

For further information on deferred tax balances see note 17.

13. Earnings per share

Basic and diluted earnings per share are calculated by dividing the earnings attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period.

At 27 June 2025 the total number of potentially dilutive shares issued under the Virgin Wines UK Plc long term incentive plan was 3,601,200 (2024: 4,189,775).

The calculation of basic profit per share is based on the following data:

Statutory EPS

	27 June 2025	28 June 2024
Earnings (£'000)		
Earnings for the purpose of basic earnings per share	1,302	1,379
Number of shares		
Adjusted average number of shares for the purposes of basic earnings per share	55,038,450	55,862,155
Adjusted average number of shares for the purposes of diluted earnings per share	57,618,515	58,310,962
Basic earnings per ordinary share (pence)	2.4	2.5
Diluted earnings per ordinary share (pence)	2.3	2.4

Notes Forming Part of the Financial Statements *continued*

14. Intangible assets

	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 July 2023	9,623	3,480	13,103
Additions	–	415	415
Disposals	–	(23)	(23)
At 28 June 2024	9,623	3,872	13,495
Additions	–	832	832
Disposals	–	–	–
27 June 2025	9,623	4,704	14,327
Accumulated amortisation and impairment			
At 1 July 2023	–	1,753	1,753
Amortisation charge	–	583	583
At 28 June 2024	–	2,336	2,336
Amortisation charge	–	634	634
27 June 2025	–	2,970	2,970
Net book value			
27 June 2025	9,623	1,734	11,357
28 June 2024	9,623	1,536	11,159

Included within Software is £0.3m (2024: £0.4m) in relation to development of the Korber warehouse management system, which has a remaining amortisation period of two years (2024: three years)

Included in Software is £1.7m (2024: £1.2m) of internally generated asset.

Amortisation is charged to administrative expenses in the consolidated statement of comprehensive income.

Software is amortised over its estimated useful economic life.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The goodwill figure has been derived from the acquisition of 100% of the share capital of Virgin Wine Online Limited by Virgin Wines Holding Company Limited in 2013 and as such there is only one cash-generating unit.

The Group has estimated the value in use of the business as a cash generating unit based on a discounted cashflow model which adjusts for risks associated with the assets. The discount rate applied is a pre-tax rate of 14.5% (2024: 15.2%)

The forecasts for the business are based over a 5-year projection period, use past experience and apply a forecast annual growth rate. The key assumptions used in the discounting cashflow were the sales and EBITDA figures (based on board approved plans), the future growth rate (including long-term growth rate of 2%) and the discount rate.

The Directors have assessed the sensitivity of the impairment test to reasonably possible changes in the key assumptions described above, and noted that sufficient headroom existed in all cases.

15. Property, plant and equipment

	Leasehold property £'000	Computer hardware & warehouse equipment £'000	Fixtures & fittings £'000	Total £'000
Cost				
At 1 July 2023	20	980	538	1,538
Additions	–	14	14	28
At 28 June 2024	20	994	552	1,566
Additions	–	62	17	79
At 27 June 2025	20	1,056	569	1,645
Accumulated depreciation				
At 1 July 2023	20	750	366	1,136
Charge for the period	–	132	96	228
At 28 June 2024	20	882	462	1,364
Charge for the period	–	99	72	171
At 27 June 2025	20	981	534	1,535
Net book value				
At 27 June 2025	–	75	35	110
At 28 June 2024	–	112	90	202

Depreciation is charged to administrative expenses in the consolidated statement of comprehensive income.

Notes Forming Part of the Financial Statements *continued*

16. Right of use assets

The Group leases a number of properties across the UK, in Norwich, Preston and Bolton.

	Leasehold property £'000	Computer hardware & warehouse equipment £'000	Total £'000
Cost			
At 1 July 2023	5,060	252	5,312
At 28 June 2024	5,060	252	5,312
At 27 June 2025	5,060	252	5,312
Accumulated depreciation			
At 1 July 2023	2,357	85	2,442
Charge for the period	450	50	500
At 28 June 2024	2,807	135	2,942
Charge for the period	450	43	493
At 27 June 2025	3,257	178	3,435
Net book value			
At 27 June 2025	1,803	74	1,877
At 28 June 2024	2,253	117	2,370

Lease liability

	Leasehold property £'000	Computer hardware & warehouse equipment £'000	Total £'000
At 1 July 2023	3,082	171	3,253
Interest expense	148	6	154
Lease payments	(619)	(56)	(675)
At 28 July 2024	2,611	121	2,732
Interest expense	125	4	129
Lease payments	(620)	(48)	(668)
At 27 June 2025	2,116	77	2,193

17. Deferred tax

	27 June 2025 £'000	28 June 2024 £'000
Brought forward	194	496
Utilisation through income statement	(205)	(302)
Carried forward	(11)	194

The balance comprises temporary differences attributable to:

	Fixed asset differences £'000	Other timing differences £'000	Tax losses £'000	Total £'000
Deferred tax asset at 1 July 2023	95	20	381	496
Recognised in the period through income statement	(22)	3	(283)	(302)
Deferred tax asset at 28 July 2024	73	23	98	194
Recognised in the period through income statement	(116)	9	(98)	(205)
Deferred tax (liability)/asset at 27 June 2025	(43)	32	-	(11)

The Directors consider that sufficient future taxable profits will be available and as such deferred tax (liabilities)/assets have been recognised in full for Virgin Wine Online Limited and Virgin Wines UK Plc.

A deferred tax asset has been recognised on losses in Virgin Wines Holding Company Limited to the extent to which the losses can be utilised through group relief. The deferred tax asset not recognised in Virgin Wines Holding Company is £0.9m (2024: £0.9m).

The deferred tax asset is expected to be utilised in more than one year. Deferred tax is calculated based on the expected tax rate in force when the timing differences reverse of 25% (2024: 25%).

18. Inventories

	27 June 2025 £'000	28 June 2024 £'000
Finished goods for resale	7,153	5,868

There is no difference between the replacement cost of stocks and carrying value (28 June 2024: £nil).

Inventories are stated after provision for impairment of £245,000 (2024: £262,000).

19. Trade and other receivables

	27 June 2025 £'000	28 June 2024 £'000
Amounts falling due within one year:		
Gross carrying amount - trade receivables	1,798	1,040
Loss allowance	(5)	(6)
Net carrying amount - trade receivables	1,793	1,034
Prepayments	1,183	1,523
Other receivables	65	127
	3,041	2,684

Trade receivables are considered past due once they have passed their contracted due date. Trade receivables and contract assets are assessed for impairment based upon the expected credit losses model.

The Group applies the IFRS 9 Simplified Approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

The expected loss rates are based on the Group's historical credit losses experienced over the 3 years prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

Notes Forming Part of the Financial Statements *continued*

19. Trade and other receivables *continued*

The average credit period on sales is 30 days after the invoice has been issued. No interest is charged on outstanding trade receivables.

At 27 June 2025 there was 1 (28 June 2024: 2) customers who owed in excess of 10% of the total trade debtor balance. These customers were operating within their agreed credit terms and the Directors do not foresee an increased credit risk associated with these customers. As such no provision for impairment has been recognised on these balances.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 60 days past due. There are no amounts outstanding on financial assets that were written off during the reporting period and which are still subject to enforcement activity. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other receivables relates to uncleared sales receipts from customers, processed in the normal course of business.

The maturity analysis of trade receivables and other debtors is shown below:

	27 June 2025			28 June 2024		
	Gross £'000	Provision £'000	Net £'000	Gross £'000	Provision £'000	Net £'000
Trade receivables and other debtors						
Not yet due	1,743	–	1,743	941	–	941
Overdue	55	(5)	50	99	(6)	93
	1,798	(5)	1,793	1,040	(6)	1,034

Movements in the impairment allowance for trade receivables and contract assets are as follows:

	27 June 2025 £'000	28 June 2024 £'000
Opening provision for impairment of trade receivables and contract assets	6	7
Recovered provided debt	(5)	(4)
Increase during the period	5	5
Write off of provided debt	(1)	(2)
Carried forward	5	6

20. Cash and cash equivalents

Included in Cash and cash equivalents is a balance of £8.3m (28 June 2024: £8.1m) relating to advance payments received from WineBank customers. The corresponding creditor to customers is included in contract liabilities.

£5.4m of the cash balance is held on 95 day notice (2024: £5.1m) at preferential interest rates between 4.3% and 4.4% (28 June 2024: 5.4%).

21. Trade and other payables

	27 June 2025 £'000	28 June 2024 £'000
Trade payables	2,511	2,398
Taxation and social security	2,458	1,675
Contract liabilities	8,876	8,703
Accruals and other creditors	2,029	1,649
	15,874	14,425

The Directors consider the fair value of creditors to be equal to the book value given their short term nature.

22. Provisions

Leasehold dilapidation provision

	27 June 2025 £'000	28 June 2024 £'000
Brought forward	367	321
Charged in income statement	46	46
Carried forward	413	367

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease as a result of general 'wear and tear'. The cost is recognised as an expense in the Consolidated Statement of Comprehensive Income and accrued for over the term of the lease, on the basis that the 'wear and tear' increases over the period of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

Maturity analysis for provisions

Dilapidation provisions are expected to mature at the end of the lease term as follows:

	27 June 2025 £'000	28 June 2024 £'000
October 2026	292	271
August 2030	121	96
	413	367

23. Financial instruments and financial risk management

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- trade and other receivables;
- cash and cash equivalents;
- trade and other payables; and
- lease liabilities.

The existence of these financial instruments exposes the Group to the following financial risks:

- credit risk;
- liquidity risk;
- foreign currency risk; and
- capital management.

Notes Forming Part of the Financial Statements *continued*

23. Financial instruments and financial risk management *continued*

The Group's financial instruments may be analysed as follows:

	27 June 2025 £'000	28 June 2024 £'000
Trade and other receivables	1,858	1,161
Cash and cash equivalents	17,579	18,370
Financial assets measured at amortised cost	19,437	19,531
	27 June 2025 £'000	28 June 2024 £'000
Derivative financial liabilities measured at fair value through profit or loss	(6)	(3)
Financial liabilities measured at fair value through comprehensive income	(6)	(3)
	27 June 2025 £'000	28 June 2024 £'000
Trade and other payables, excluding non-financial liabilities	(4,540)	(4,047)
Lease liabilities	(2,193)	(2,732)
Financial liabilities measured at amortised cost	(6,733)	(6,779)

Financial assets which are debt measured at amortised cost comprise trade receivables, other debtors and cash and cash equivalents.

Financial assets measured at fair value through comprehensive income represent the Group's derivative financial instruments, being foreign exchange forward contracts.

Financial liabilities measured at amortised cost comprise trade payables, accruals and other creditors, lease liabilities and loans and borrowings.

Credit risk

The Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the reporting date, as summarised below:

	27 June 2025 £'000	28 June 2024 £'000
Financial assets measured at amortised cost	19,437	19,531

The Group's cash and cash equivalents are all held on deposit with leading international banks and hence the Directors consider the credit risk associated with such balances to be low.

The Group provides credit to customers in the normal course of business. The principal credit risk therefore arises from the Groups trade receivables. In order to manage credit risk the Directors set credit limits for corporate customers based on a combination of payment history, credit references and a financial review of the business. Credit limits are reviewed on a regular basis in conjunction with debtor ageing and payment history. Historic credit losses of the Group have been negligible as referenced in note 19.

Details of the trade receivables impairment policy can be found in note 19.

23. Financial instruments and financial risk management *continued*

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the amount of funding required for growth. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group manages its cash and borrowing requirements through preparation of annual cash flow forecasts reflecting known commitments and anticipated projects in order to maximise interest income and minimise interest expense, whilst ensuring that the Group has sufficient liquid resources to meet the operating needs of the Group. Borrowing facilities are arranged as necessary to finance requirements.

The following table shows the maturities of gross undiscounted cash flows of financial liabilities as at 27 June 2025:

	Carrying amount £'000	Contractual cash flows £'000	<1 year £'000	1-5 years £'000	>5 years £'000
Non-derivative financial liabilities:					
Trade and other payables	4,540	4,540	4,540	-	-
Lease liabilities	2,193	2,534	656	1,527	351
	6,733	7,074	5,196	1,527	351
Derivative financial liabilities:					
Foreign currency forwards					
(Inflow)		(1,717)	(1,717)	-	-
Outflow		1,711	1,711	-	-
	(6)	(6)	(6)	-	-
Total	6,727	7,068	5,190	1,527	351

Contractual maturities of financial liabilities as at 28 June 2024 are as follows:

	Carrying amount £'000	Contractual cash flows £'000	<1 year £'000	1-5 years £'000	>5 years £'000
Non-derivative financial liabilities:					
Trade and other payables	4,047	4,047	4,047	-	-
Lease liabilities	2,732	3,197	667	1,804	726
	6,779	7,244	4,714	1,804	726
Derivative financial liabilities:					
Foreign currency forwards					
(Inflow)		(1,568)	(1,568)	-	-
Outflow		1,565	1,565	-	-
	(3)	(3)	(3)	-	-
Total	6,776	7,241	4,711	1,804	726

Notes Forming Part of the Financial Statements *continued*

23. Financial instruments and financial risk management *continued*

Foreign currency risk

Foreign exchange risk is the risk that movements in exchange rates affect the profitability of the business. The Group purchases goods from overseas suppliers and is invoiced in currencies other than GBP. It is therefore exposed to movements in the GBP exchange rate against the currencies in which suppliers invoice the Group. The Group monitors exchange rate movements closely and ensures adequate funds are maintained in appropriate currencies to meet known liabilities.

The Group enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 27 June 2025, the outstanding contracts all mature within 6 months (2024: 6 months) of the period end. The Group is committed to buy Euro and Australian Dollars (2024: Euro and Australian dollars) with a Sterling value of £1.72m (2024: £1.57m).

The forward currency contracts are measured at fair value, by reference to the spot rate. This is a level 1 valuation in that the spot rate is a directly observable input.

The Group's exposure to foreign currency risk at the end of the respective reporting period (after the effect of forward contracts disclosed above) was as follows:

	27 June 2025 £'000	28 June 2024 £'000
AUS	1	–
Total	1	–

Liabilities include the monetary assets and liabilities of subsidiaries denominated in foreign currency.

The Group is exposed to foreign currency risk on the relationship between the functional currencies of Group companies and the other currencies in which the Group's material assets and liabilities are denominated. The table below summarises the effect on reserves had the functional currencies of the Group weakened or strengthened against these other currencies, with all other variables held constant.

	27 June 2025 £'000	28 June 2024 £'000
Loss on 10% strengthening of functional currency	(87)	(75)
Gain on 10% weakening of functional currency	106	91

Capital risk management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

To meet these objectives, the Group reviews the budgets and forecasts on a regular basis to ensure there is sufficient capital to meet the needs of the Group.

The capital structure of the Group consists of shareholders' equity as set out in the Consolidated Statement of Changes in Equity. All working capital requirements are financed from existing cash resources.

	27 June 2025 £'000	28 June 2024 £'000
Cash net of lease liabilities (note 25)	15,386	15,638
Equity	22,620	23,320

24. Share capital

	27 June 2025 £'000	28 June 2024 £'000
Authorised, allotted, called up and fully paid		
55,972,405 (2024: 55,972,405) ordinary shares of £0.01 each	560	560

On 2 March 2021 the Group underwent a reorganisation in which Virgin Wines UK plc became the ultimate parent undertaking of the Group. As part of the reorganisation 6,615,413 new Ordinary Shares of £0.01 each were created.

The new shares were fully paid and will rank pari passu in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions. £0.98m of costs in relation to the issue of new shares have been charged to the share premium account.

During the year no (2024: 134,845) Ordinary Shares of £0.01 were issued by Virgin Wines UK plc.

During the year Virgin Wines UK plc acquired 4,112,651 (2024: 310,735) of its Ordinary Shares of £0.01 for £1,968,476 (2024: £149,547). At 27 June 2025 4,257,254 ordinary shares of £0.01 (2024: 310,735) were held in treasury within the Group.

The Directors have not approved an interim dividend and do not recommend the payment of a final dividend (2024: nil).

25. Analysis and reconciliation of cash net of lease liabilities

This section sets out an analysis of the movements in net cash, which includes cash and cash equivalents and liabilities arising from financing activities.

	1 July 2023 £'000	New leases £'000	Other non-cash changes £'000	Cashflow £'000	28 June 2024 £'000
Cash at bank and in hand	13,514	–	–	4,856	18,370
Lease liabilities	(3,253)	–	(154)	675	(2,732)
Cash net of lease liabilities	10,261	–	(154)	5,531	15,638
Decrease in cash in the period					4,856
Lease interest					(154)
Lease payments					675
Movement in cash net of lease liabilities in the period					5,377
Cash net of lease liabilities at 1 July 2023					10,261
At 28 June 2024					15,638

Notes Forming Part of the Financial Statements *continued*

25. Analysis and reconciliation of cash net of lease liabilities *continued*

	29 June 2024 £'000	New leases £'000	Other non-cash changes £'000	Cashflow £'000	27 June 2025 £'000
Cash at bank and in hand	18,370	–	–	(791)	17,579
Lease liabilities	(2,732)	–	(129)	668	(2,193)
Cash net of lease liabilities	15,638	–	(129)	(123)	15,386
Decrease in cash in the period					(791)
Lease interest					(129)
Lease payments					668
Movement in cash net of lease liabilities in the period					(252)
Cash net of lease liabilities at 28 June 2024					15,638
At 27 June 2025					15,386

26. Related Party disclosures

During the period ended 27 June 2025, sales of £839,500 (2024: £756,770) were made by Virgin Wines UK plc to Virgin Wine Online Limited. These have been eliminated on consolidation.

Balances between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Details of remuneration of key management personnel can be found in note 7.

During the period the Group paid £47,198 (2024: £46,948) in monitoring fees and expenses to Gresham House Asset Management Limited. At 27 June 2025 a nil balance (2024: £3,900) was due to Gresham House Asset management Limited. Gresham House Asset Management Limited has significant control over the Group by virtue of their appointment of a board member.

During the period sales of £28,668 (2024: £22,803) were made to LKB Enterprises Limited. At 27 June 2025 £9,636 (2024: £3,715) remaining outstanding from LKB Enterprises Limited, a company in which Virgin Wines UK plc's CEO's wife has significant control.

27. Ultimate parent undertaking

In the opinion of the directors, there is no single controlling party.

28. Events after the end of the reporting period

There have been no matters arising after the balance sheet date that would require disclosure in the financial statements.

29. Capital commitments and contingent liabilities

There are no capital commitments and no contingent liabilities not provided for in the financial statements for the period ended and as at 27 June 2025 or 28 June 2024.

The Group has a bank guarantee in place of £0.1m in relation to the operation of its bonded warehouses.

30. Nature of each reserve**Share premium**

Amount subscribed for share capital in excess of nominal value.

Own shares reserve

Nominal value of shares held in treasury.

Merger reserve

The difference between the nominal value of shares issued in exchange for the book value of assets acquired.

Share-based payment reserve

The movements on share based payments.

Retained earnings

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Company Statement of Financial Position

as at 27 June 2025

	Note	27 June 2025 £'000	28 June 2024 £'000
ASSETS			
Non-current assets			
Investment	3	1,312	1,347
Intangible assets	4	2	5
Deferred tax asset	5	-	5
Trade and other receivables	6	17,663	13,663
Total non-current assets		18,977	15,020
Current assets			
Trade and other receivables	6	29	15
Total current assets		29	15
Total assets		19,006	15,035
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	7	(2,670)	(751)
Total current liabilities		(2,670)	(751)
Total liabilities		(2,670)	(751)
Net assets		16,336	14,284
Equity			
Share capital	8	560	560
Share premium		11,989	11,989
Own share reserve		(43)	(3)
Merger reserve		236	236
Share-based payment reserve		294	552
Retained profit/(loss)		3,300	950
Total equity		16,336	14,284

As permitted by section 408 of the Companies Act 2006, a separate Statement of Comprehensive Income, dealing with the results of the Parent Company, has not been presented. The Parent Company profit for the period ended 27 June 2025 is £4.1m (2024: £4.3m).

The financial statements on pages 91 to 96 were approved by the Board of Directors and authorised for issue on 21 October 2025. They were signed on its behalf by:

Amanda Cherry
Chief Financial Officer

Company Statement of Changes in Equity

for the 52 week period ended 27 June 2025

	Called up share capital £'000	Share premium £'000	Own share reserve £'000	Merger reserve £'000	Share-based payment reserve £'000	Retained loss £'000	Total shareholders' funds £'000
1 July 2023	558	11,989	–	236	402	(3,299)	9,886
Profit for the financial period	–	–	–	–	–	4,279	4,279
Total comprehensive expense for the period	–	–	–	–	–	4,279	4,279
Share-based payments	–	–	–	–	266	–	266
Shares issued on exercise of share based payment	2	–	–	–	(116)	116	2
Shares repurchased, held in treasury	–	–	(3)	–	–	(146)	(149)
Total transactions with owners recognised in equity	2	–	(3)	–	150	(30)	119
28 June 2024	560	11,989	(3)	236	552	950	14,284
29 June 2024	560	11,989	(3)	236	552	950	14,284
Profit for the financial period	–	–	–	–	–	4,054	4,054
Total comprehensive income for the period	–	–	–	–	–	4,054	4,054
Share-based payments	–	–	–	–	(35)	–	(35)
Shares issued on exercise of share-based payment	–	–	1	–	(223)	223	1
Shares repurchased, held in treasury	–	–	(41)	–	–	(1,927)	(1,968)
Total transactions with owners recognised in equity	–	–	(40)	–	(258)	(1,704)	(2,002)
27 June 2025	560	11,989	(43)	236	294	3,300	16,336

Company statement of cash flows

for the 52 week period ended 27 June 2025

	27 June 2025	28 June 2024
Cash flows from operating activities		
Profit before taxation	4,077	4,278
Adjustments for:		
Depreciation and amortisation	3	3
Increase in trade and other receivables	(4,014)	(4,201)
Increase in trade and other payables	1,901	67
Net cash generated from operating activities	1,967	147
Cash flows from financing activities		
Issue of treasury shares	1	2
Purchase of own shares	(1,968)	(149)
Net cash used in financing activities	(1,967)	(147)
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	-	-

Notes to the Company Financial Statements

for the 52 week period ended 27 June 2025

1. General information

The principal activity of the Company is the provision of Group management services.

2. Accounting policies

To the extent that an accounting policy is relevant to both Virgin Wines UK Plc Group and Company financial statements, refer to the Group financial statements for disclosure of the accounting policy.

Basis of preparation

The Group's financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under these standards.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Accounting reference date

UK company law permits a company to draw up financial statements to a date seven days either side of its accounting reference date. For operational reasons the Company has adopted an accounting period of 52 weeks, and as a result of this, the exact year-end was 27 June 2025 (2024: 28 June 2024).

Historical cost convention

The financial statements have been prepared on a historical cost basis.

Investments

Fixed asset investments comprise investments by the Company in the shares of subsidiary undertakings. At the end of each financial period, the Directors review the carrying amount of the Company's investments to determine whether there is any indication that those assets have suffered an impairment loss. They are stated at cost less provisions for diminution in value.

Profit for the financial period

The Company had no employees in the current financial period.

Fees paid to the Company's directors for the current financial period are disclosed in note 8 of the Group financial statements.

3. Investment

	Investment in subsidiary companies £'000
Cost	
1 July 2023	1,081
Increase in investment	266
At 28 June 2024	1,347
Decrease in investment	(35)
At 27 June 2025	1,312

The increase in investment represents the cost in the current period of share based payments granted to employees of Virgin Wine Online Limited.

Notes to the Company Financial Statements *continued*

5. Deferred tax

	27 June 2025 £'000	28 June 2024 £'000
Brought forward	5	4
Recognised in the period through income statement	(5)	1
Carried forward	–	5

The balance comprises temporary differences attributable to:

	Tax losses £'000
Deferred tax asset at 29 June 2024	5
Recognised in the period through income statement	(5)
Deferred tax asset at 27 June 2025	–

Deferred tax is calculated based on the expected tax rate in force when the timing differences reverse of 25%.

6. Trade and other receivables

	27 June 2025 £'000	28 June 2024 £'000
Non-current assets		
Amounts due from Group undertakings	17,663	13,663
	17,663	13,663
Current assets		
Prepayments	29	15
	29	15

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

Amounts due from Group undertakings are non-current. In determining this classification, the Group notes that no repayment plan is in place and there is no reasonable prospect that all or part of amounts owing would need to be repaid within 12 months to achieve Group strategic objectives.

7. Trade and other payables

	27 June 2025 £'000	28 June 2024 £'000
Amounts owed to Group undertakings	2,452	556
Accruals and deferred income	218	195
	2,670	751

The Directors consider the fair value of creditors to be equal to the book value given their short term nature.

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

8. Share capital

Details of the Company share capital can be found in note 24 of the consolidated financial statements.

9. Related party transactions

Amounts owed by and to subsidiaries are disclosed in notes 5 and 6 respectively, of the Company financial statements.

Related party transactions are disclosed in note 26 of the Group financial statements.

10. Ultimate parent undertaking

In the opinion of the Directors, there is no single controlling party.



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Registered No: 13169233

virginwines.co.uk



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