NEWS RELEASE

Naked Wines PLC - Pre-Close Trading Update

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Naked Wines PLC

21 May 2024

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Naked Wines plc
("Naked Wines" or "Group")

Pre-Close Trading Update for year ended 1 April 2024

Results in line with guidance, cash position strengthened

Naked Wines is pleased to provide a pre-close trading update in respect of FY24 for the 52 weeks period ended 1 April 2024. Naked Wines expects to release audited FY24 results in July 2024, as such this update contains unaudited financial information subject to final audit review.

Highlights:

- Total revenue in line with guidance at c.£290m (FY23: £333m), reflecting -13% year-on-year change on a 52-week comparable basis, an improved trend vs the -18% performance reported at HY24
- Adjusted EBIT of c.£5m, at the upper end of previously announced expectations of £2-6m (FY23: £15m on a 52-week comparable basis)
- Statutory operating loss anticipated to be in the range of £13m to £18m, with main adjusting items being:
  - Goodwill and asset impairments (£9-11m)
  - US inventory provisioning (£6-8m)
  - Loss on early redemption of Majestic loan note (£2.6m)
  - Restructuring charges (£1.4m)
  - Profit on sales of previously provisioned inventory £1.5m

- Net cash of £20m (FY23: £10m), materially above the guidance range of £5-15m, supported by the previously announced early redemption of the Majestic Vendor Loan Note
- Good progress on delivering key initiatives:
  - Operating G&A costs 11% lower than FY23 on a 52-week comparable basis, with full year impact of actions taken during FY24 to be seen in FY25
  - Inventory (excluding impact of provisioning) successfully reduced by 11% compared to FY23

- Replacement credit facility process is commencing documentation, with successful completion expected to provide the group with additional liquidity

Rodrigo Maza, CEO, commented:

"These results demonstrate the continued progress that is being made to make the business leaner and stronger. With higher levels of cash, a moderating decline in sales and demonstrable underlying profitability we have a strengthening platform from which to build as we continue to drive towards profitable growth. FY24 was a challenging year for our winemakers, our staff, our customers and our shareholders and I'd like to thank all of them for their continued support and loyalty. We hope to continue demonstrating tangible progress in FY25."

For further information, please contact:

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About Naked Wines plc

Naked Wines connects everyday wine drinkers with the world's best independent winemakers.

Why? Because we think it's a better deal for everyone. Talented winemakers get the support, funding and freedom they need to make the best wine they've ever made. The wine drinkers who support them get much better wine at much better prices than traditional retail.

It's a unique business model. Naked Wines customers (who we call Angels) commit to a fixed prepayment each month which goes towards their next purchase. In turn. Naked funds the production costs for winemakers, generating savings that are passed back to its customers. It creates a virtuous circle that benefits both wine drinker and winemaker.

Our mission is to change the way the whole wine industry works for the better. In the last reported 12 months we served more than 792,000 Angels in the US, UK and Australia, making us a leading player in the fast-growing direct-to-consumer wine market.

Our customers have direct access to 293 of the world's best independent winemakers making over 2,000 quality wines in 22 different countries. We collaborate with some of the world's best independent winemakers like Matt Parish (Beringer, Stags' Leap) and eight-time Winemaker of the Year Daryl Groom (Penfolds Grange).

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