

9th July 2024

**Naked Wines plc
("Naked Wines" or "Company")**

Completion of new \$60m credit facility

Further to the Company's announcement on 20 March 2024, Naked Wines is pleased to announce the completion of a new credit facility with PNC Bank, N.A., one of the largest diversified financial services institutions in the United States. The new facility replaces the facility previously in place with Silicon Valley Bank, a division of First Citizens bank.

The key terms of the new facility are:

- Headline facility size of \$60m, secured against global wine assets, with available liquidity based on inventory holding value
- Facility term of 5 years
- Margins, dependent on facility headroom, of SOFR plus 2.75 - 3.25%
- A single financial performance covenant, requiring fixed charge cover to be greater than 1.2x, but only tested if outstanding available liquidity (as defined in the facility terms) is less than \$12m.

The facility brings a number of benefits versus the Company's prior facility:

- Additional liquidity availability due to a higher advance rate, improved eligibility of inventory and no minimum cash holding requirement
 - Expected \$25-30m increase in unconstrained liquidity based on current inventory levels
 - Improved capacity to support trade and financial creditors
- Reduced interest costs due to improved margins and elimination of cash holding requirement
- Greater operational flexibility, most notably through the reduction from three to one financial covenants with the covenant only tested in the event of reduced levels of liquidity
 - The Company anticipates having over \$40m of available liquidity on the facility basis at the point of completion
 - Were the covenant tested, the Company would expect to need to generate c. £3.5m of adjusted EBITDA, as defined by the facility agreement, to meet the prescribed performance hurdle

The Company's full year audit procedures require several weeks of further work to incorporate the impact of the new facility. As a result the Company expects to release full FY24 results at the end of July at the earliest.

Rodrigo Maza, CEO, commented:

"I'm pleased to have agreed this new facility with PNC Bank and welcome them on board as our new financial provider. The new facility proves the strength of the Naked's balance sheet and business outlook while reinforcing our liquidity and ability to invest in bringing the best wines to our customers. We look forward to working closely with PNC and continuing to support independent winemakers around the world"

Craig Stillwagon, PNC Business Credit executive vice president and division executive, commented:

"We are delighted to support Naked Wines goals and growth needs through this new credit facility. We look forward to continuing to support the company with financial products and strategies that can help deliver differentiated value to its customers."

Naked Wines was advised by Interpath Advisory.

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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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