



20 January 2026

**Gear4music (Holdings) plc  
Trading Update**

*Peak season trading ahead of recently upgraded Board expectations*

Gear4music (Holdings) plc ("Gear4music" or "the Group"), the largest UK based online retailer of musical instruments and music equipment, today announces a trading update for the three months to 31 December 2025.

<b>£m</b>	<b>3m to 31 Dec 2025</b>	3m to 31 Dec 2024	<b>% change on FY25 Q3</b>
<b>UK revenue</b>	<b>37.8</b>	29.7	<b>+27%</b>
<b>European and Rest of the World revenue</b>	<b>26.8</b>	19.3	<b>+39%</b>
<b>Total revenue</b>	<b>64.6</b>	49.0	<b>+32%</b>

**FY26 Q3 Financial Highlights**

- Very strong revenue growth continued through the peak seasonal trading period
- Gross margin increased to 29.0% (FY25 Q3: 28.1%), reflecting continued pricing discipline
- Gross profit increased to £18.7m (FY25 Q3: £13.7m), an increase of £5.0m year on year
- FY26 EBITDA is now expected to be ahead of consensus market expectations, with EBITDA of not less than £17.7m\*

**Operational update & Trading outlook**

- 15-year lease signed for new UK warehouse to increase capacity from FY27 as previously outlined
- Capital expenditure for the new UK automated warehouse is now expected to be £10.2m in FY27 and £8.5m\*\* in FY28, lessening the FY27 financial impact and reducing borrowing requirements
- FY27 Board expectations upgraded reflecting the continuing very strong underlying trading and revised capital expenditure profile

**Gear4music's Executive Chair, Andrew Wass, said:**

"I am pleased to report a very strong third quarter performance, with the Group continuing to deliver significant revenue growth through the peak seasonal trading period. Total revenue for the three months to 31 December 2025 increased by 32% to £64.6m (FY25 Q3: £49.0m), reflecting

strong momentum across all geographies. This broad-based growth demonstrates the effectiveness of our strategy and the continued appeal of our proposition to customers.

UK revenue increased 27% to £37.8m, with our York warehouse running close to maximum capacity. As previously announced, plans are in place to expand UK-capacity in FY27 in line with our long-term strategy.

European and Rest of the World revenue increased 39% to £26.8m, underlining the strength and scalability of our international platform.

Gross margin improved to 29.0% (FY25 Q3: 28.1%), reflecting ongoing pricing discipline and operational execution in improved market conditions. As a result, gross profit increased by £5.0m to £18.7m compared with the prior year period. The Board is encouraged by the quality of this cash-generative growth, which has translated into profitability ahead of consensus market expectations for the full financial year.

Alongside this strong trading performance, we have continued to make progress against our long-term infrastructure plans. The Group has signed a 15-year lease for a new UK warehouse in Sherburn in Elmet near York, providing the additional capacity and efficiency required to support future UK growth. Following further review, the expected capital expenditure for the new UK automated warehouse has been re-phased, with £10.2m now anticipated in FY27 and £8.5m\*\* in FY28. This re-phasing derisks project delivery and reduces the near-term financial impact and lowers anticipated borrowing requirements.

While the macro-economic and consumer environment remains uncertain, the Group continues to deliver strong momentum and improving profitability, supported by a clear and disciplined strategy for sustainable growth.

Given the continued strength of trading and the benefits of the revised capital expenditure profile, the Board has upgraded its expectations for FY26, FY27 and FY28.

The Board would like to thank all our colleagues across the business for their continued commitment and hard work, which have been instrumental in delivering this performance.”

*\*Gear4music believes that prior to the release of this update, consensus market expectations for the year ending 31 March 2026 are revenues of £182.5 million, EBITDA of £16.7 million and profit before tax of £8.3 million, and for the year ending 31 March 2027 are revenue of £188.0 million, EBITDA of £14.4 million and profit before tax of £4.1 million.*

*\*\*Phase 2 £8.5m estimated capital expenditure is subject to final supplier negotiation and steel price variation.*

**ENDS**

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### **About Gear4music (Holdings) plc**

Gear4music is the largest retailer of musical instruments and music equipment in the UK, delivering to 190 countries across Europe and the Rest of the World.

The Group sells own-brand musical instruments and music equipment alongside premium third-party brands including Fender, Yamaha and Roland, to customers ranging from beginners to musical enthusiasts and professionals.

Operating from a Head Office in York, the Group has Distribution Centres in York, Bacup, Sweden, Germany, Ireland & Spain, and showrooms in York, Bacup, Sweden & Germany.

Having developed its own e-commerce platform, with multilingual, multicurrency websites, the Group continues to build its overseas presence.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"). Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.