ASX Release

RECORD REVENUE UP 37% QOQ AND SIGNIFICANT REDUCTION IN FIXED COST BASE

Melbourne, Australia, October 15th, 2025: Vinyl Group Ltd (ASX: VNL, "Vinyl"), Australia's only ASX-listed music Company, is pleased to report its September 2025 quarterly activity report and Appendix 4C ("Q1 FY26").

Key Highlights

- **Record revenue of $4.9M, up 37% quarter-on-quarter,** and strong growth in cash receipts from customers to $4.024M, up 105% year-on-year and up 6% quarter-on-quarter.
- **Continued reduction in operating cash outflow to $1.414M,** down 41% year-on-year and down 20% quarter-on-quarter.
- **Significant reduction in underlying operating cash outflow to $835K,** down 65% year-on-year and down 53% quarter-on-quarter, adjusted for $579K in one-off expenses related to redundancies and salaries of employees and contractors.
- **Funkified delivered strong earnings to meet earn-out target,** and will be eligible to receive a further $500K in shares to be issued in December 2025, 12 months post completion of the acquisition.
- **Finalised Equity Conversion Agreement with Songtradr**, to convert the remaining balance of the Neighbouring Rights Advance liability into equity, and the acquisition of the Vinyl.com domain name, subject to shareholder approval.
- **Line of credit with Songtradr for $1.5M,** of which $750K was drawn down as at 30 September 2025.
- **Guidance on track for EBITDA positive quarter in Q2 FY26,** underpinned by strong seasonal sales in Q2 and ongoing structural cost reductions that are compounding to deliver sustained improvements in profitability.

Josh Simons, CEO & Executive Director commented, "In the past quarter, we continued to focus on disciplined cost control with the implementation of initiatives to ensure cost efficient operations and improved productivity. I'm pleased to report a significant reduction in operating cash outflow, even while absorbing $579K in one-off restructuring costs during the first quarter.

Our team is passionate, driven and aligned on the path forward as we move into our seasonally busiest quarter. We have a compelling value proposition for advertisers seeking to reach high-growth youth culture and music audiences, and we continue to lead media-tech disruption by developing systems and processes that enable the delivery of premium content at scale."

Q1 FY26 Overview

Vinyl generated record revenue in Q1 FY26 of $4.9M, up 37% quarter-on-quarter. The Company generated cash receipts of $4.024M, up 105% year-on-year and up 6% quarter-on-quarter. This reflects increased sales in the Publishing division and vinyl sales in the Platforms division.

The operating cash outflow was $1.414M in Q1 FY26, down 41% year-on-year and down 20% quarter-on-quarter, reflecting the effective implementation of initiatives to permanently reduce the fixed cost base and accelerate the path to profitability. The 20% quarterly reduction follows on from a 47% reduction from the March quarter in the 3 months to June 30, highlighting the recent momentum in the implementation of Vinyl's cost reduction strategy.

In the past quarter, Vinyl also incurred one-off expenses of $579K relating to redundancies and salaries of employees and contractors that will not continue in Q2 FY26 or in subsequent quarters. Adjusted for these one-off expenses, Vinyl Group's net quarterly cash outflows reduce to $835k, marking a reduction of 65% year-on-year and down 53% quarter-on-quarter.

Disruptive media-tech innovation

Vinyl is positioned in the middle of a unique ecosystem of diversified revenues in the music and culture segments, with extensive publishing capabilities and comprehensive platform technologies. The Company is building scale with brands, fans and creators, and reaches 10m fans monthly through publishing and has 1.6m registered platform creator accounts. Vinyl combines media influence with proprietary tech infrastructure in an integrated ecosystem, which offers advertisers more views at a lower price point across extensive media assets in a lucrative niche.

In Q1 FY26, Vinyl continued to build a first mover advantage at the intersection of media and technology by leveraging its in-house technology capabilities to develop disruptive media-tech innovations.

- The new Serenade creator platform, allows artists, labels and artist teams to connect physical smart formats to digital releases.
- Vampr Collabs is purpose built to help artists find the right creative partners to bring their songs to life, through both professional paid projects or skill exchanges.
- Project Automait is all about automating robotic tasks and freeing up editors to focus on their highest value skills, premium storytelling and cultural leadership, whilst supercharging output.

Growth Strategy

In the Publishing division (previously Media), Vinyl aims to increase media assets, further integrate programmatic ads, and enhance content output with AI, with a goal to supercharge content output by 10x by the end of FY26 at a lower margin cost of content creation.

In the Platforms division (previously Technology), Vinyl aims to minimise customer acquisition costs, expand the e-commerce product range and focus on product-led growth.

Vinyl has also today released an updated Investor Presentation with additional detail on its business operations and growth strategy: **https://investors.vinyl.group/announcements**

Finalised equity conversion agreement with Songtradr

Vinyl executed a binding Share Subscription Agreement with Songtradr to implement the proposed conversion of the remaining balance of the Neighbouring Rights Advance liability into equity, and the acquisition of the Vinyl.com domain name.

This transaction strengthens Vinyl Group's balance sheet by extinguishing historical liabilities, preserves cash and secures full ownership of the Vinyl.com domain name, a strategically important e-commerce asset. Subject to shareholder approval in this November's AGM, this agreement formalises the arrangements announced in June 2025 and positions the Company for sustainable growth as it executes on its FY26 profitability strategy. (See ASX release on 29 Sep 2025).

Funkified on track to meet CY25 earn-out target

Funkified Entertainment is expected to meet its earn-out target, further validating Vinyl's vertical acquisition strategy of acquiring complementary and profitable businesses that enhance group margins when integrated.

Funkified is an end-to-end events and brand activations business founded in 2009. It has served as Vinyl Media's in-house events arm since 2021, and as a brand activation agency, white-labels for some of the largest advertising and creative houses in Australia. Under the terms of the acquisition, the earn-out payable is AUD $500,000 in Vinyl Group shares. (See ASX release on 8 October 2025).

Summary of cash position and expenditure as at 30 September 2025

- Cash and cash equivalents of $1.065M
- Line of credit with Songtradr for $1.5M, of which $750K has been drawn down
- Cash receipts from customers up 6% QoQ to $4.024M
- R&D expenses down 22% QoQ to $267K
- Product manufacturing and operating costs down 8% QoQ to $1.805M
- Advertising and marketing expenses down 23% QoQ to $334K
- Staff costs down 9% QoQ to $2.138M, including $579K of non-recurring salaries and redundancies
- Administrative and corporate costs up 146% QoQ to $875K
- Net cash outflow from operations down 41% YoY and down 20% QoQ to $1.414M
- Underlying cash outflow from operations down 65% YoY and 53% QoQ to $835K
- Working capital surplus at quarter end of $2.334M

Receipts grew QoQ from increased sales in the Publishing division and vinyl sales in the Platforms division. Our product manufacturing costs have been reduced from an improved mix in our Media and Vinyl.com businesses from changes implemented earlier. We also continue to drive down platform costs. R&D expenses reduced after a larger spend in FY25 to get key projects completed. Advertising is down this quarter in preparation for a larger spend in the December holiday sales quarter. G&A costs increased from start of the year costs such as listing fees. The strong sales in the quarter and cost management led to a larger working capital position to improve our cash reserves in the December quarter.

Working Capital and Related Party Payments

During the quarter, the business funded its operating activities from its working capital reserves.

The Company had no payment to its related parties comprising salaries, directors' fees, reimbursable expense payment to directors including executives who were directors during the past six months, except salaries to the executive director of $77,154. No payments were made to associates of any related parties.

Outlook

Vinyl is on track to deliver an EBITDA positive quarter in Q2 FY26, underpinned by strong seasonal sales in Q2 and a structurally lower fixed cost base. Vinyl is targeting FY26 revenue of approximately $25M, reflecting organic revenue growth of 25%.

Once the Company demonstrates the profitability and sustainability of the current business model, the plan is to embark on the next phase of growth, with efficient and scalable operations and expand into global markets.

Authorisation and Additional Information:
This announcement was authorised by the Board of Vinyl Group Ltd

Vinyl Group Investor Relations:
E: investors@vinyl.group

-Ends-

ABOUT VINYL GROUP

Vinyl Group is the heartbeat of an equitable music world, providing tech and media solutions that connect music creators, fans and brands. The Company's diverse portfolio has touchpoints across all corners of the global music ecosystem, empowering everyone from creators to consumers. These include: Vinyl.com, a premier e-commerce platform with over 50,000 titles; Vampr, a social-professional network and talent marketplace with 1.6 million creators across 190+ countries; Jaxsta, the world's largest database of official music credits with over 380 million verified records; and Serenade, a Web3 pioneer in physical and digital collectibles, serving 200+ global artists. Meanwhile, the company's publishing arm, Vinyl Media, is home to a powerhouse of culture, premium content, and live experiences, operates Concrete Playground, Mediaweek, Tone Deaf, and licenses the Rolling Stone, Refinery29, and Variety mastheads in Australia.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Vinyl Group Ltd

ABN	**Quarter ended ("current quarter")**
15 106 513 580	30 September 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to Date $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	4,024	4,024
1.2	Payments for		
	(a) research and development	(267)	(267)
	(b) product manufacturing and operating costs	(1,805)	(1,805)
	(c) advertising and marketing	(334)	(334)
	(d) leased assets	(57)	(57)
	(e) staff costs	(2,138)	(2,138)
	(f) administration and corporate costs	(875)	(875)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	52	52
1.5	Interest and other costs of finance paid	(13)	(13)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,414)**	**(1,414)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(6)	(6)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-

2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	(6)	(6)

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	750	750
3.6	Repayment of borrowings	(61)	(61)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**689**	**689**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,796	1,796
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,414)	(1,414)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(6)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	689	689
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,065**	**1,065**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1060	1,743
5.2	Call deposits	5	53
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,065**	**1,796**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	77
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

This includes the salaries, directors fees, reimbursable expense payment and travel allowances payable to directors, including the Chief Executive Officer who is now Executive Director.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	18	18
7.2	Credit standby arrangements	1,500	750
7.3	Other (please specify)	82	0
7.4	**Total financing facilities**	1,600	768

7.5	**Unused financing facilities available at quarter end**	832

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Vinyl Group funds its insurance policies through Principle Finance Pty Ltd, who charges a flat rate of 6.30% and secure the loan against the rights in the policy. Interest and principal are repaid in monthly instalments. At 30 September 2025, the loan facility derived from the insurance policies was $17,854.

The Company entered into a Line of Credit arrangement with Songtradr Inc. for $1,500,000. The unsecured facility carries an interest rate of RBA+5%, and the facility has a two year term through July 2027. It is interest only with the principal due at the end of the term unless it is repaid earlier at the Company's discretion. The Company has drawn down $750,000.

The Company has credit card facilities in the amount of $113,000 with Bank of America at rates up to 16.49%.

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,414)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,065
8.3	Unused finance facilities available at quarter end (Item 7.5)	832
8.4	Total available funding (Item 8.2 + Item 8.3)	1,897
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	1.34

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No, first of all during the quarter the company spent $579K on redundancies and salaries of employees and contractors that will not continue in the current or subsequent quarters. We are

also entering the seasonal peak for most of our businesses in the October to December period, expecting an increase in revenue and associated cash flows.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes, the Company entered into a Line of Credit arrangement for $1.5M to provide additional cash as needed between now and December as it increases revenues and decreases costs. We are also exiting the quarter with $2.334M in surplus working capital, which is a further 1.65 times our last quarter operating cash flow. Our lower spend plus expected increase in seasonal revenues and cash flows provide the Company with adequate cash reserves.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the savings enacted would have reduced the quarter cash flow to $835K, and the company has a few other savings to continue reducing its fixed overhead spend. The expected increase in revenues this quarter from both the seasonal nature, but also the adjustments for the acquired businesses will yield further cash flows as the Company looks to break even this quarter. The additional line of credit provides the buffer as this transition completes. If we take into account our working capital and our reduced burn not including redundancies, we would have 5.07 times our adjusted operating cash flow.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

15/10/2025

Date: .....

The Board

Authorised by: .....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.