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AUSTRALIAN VINTAGE LTD

ANNUAL  
REPORT 2025

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**LEMSECCO**  
**SPRITZ**  
**LEMON**

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## Australian Vintage Board of Directors



**JAMES WILLIAMSON**  
Chairman

Mr Williamson has over 28 years of experience in financial markets including significant experience in covering global alcoholic beverages as an analyst based in London for Societe Generale and is the Co-Founder and Chief Investment Officer of Wentworth Williamson Management, a substantial shareholder of the Company. Wentworth Williamson Management is a private Australian-based value fund manager with both equity and private credit funds. Prior to Wentworth Williamson, Mr Williamson worked for Allan Gray Australia and prior to that he was Portfolio Manager of the Investec Australian Equity Fund. Mr Williamson holds a Bachelor of Commerce, a Graduate Diploma of the Securities Institute of Australia and is a Senior Associate of FINSIA and is a director of ASX-listed Alexium International Group Limited.



**MARGARET ZABEL**  
Non-Executive Director

Margaret Zabel is a specialist in customer centred business transformation, brand strategy, innovation, communications, customer experience and change leadership. She has 20 years senior executive experience working across major companies and brands in FMCG, food and beverage, technology and communications industries including multinationals, ASX 100 and not-for-profits. Her previous roles include National Marketing Director Lion, VP Marketing for McDonald's Australia and CEO and Board Director of The Advertising Council of Australia. Margaret has also served as a Non-Executive Board Director for the mental health charity R U OK? and Fairtrade AUNZ, and is currently a Non-Executive Director on the Boards of G8 Education, Select Harvests and Collective Wellness Group.



**MICHAEL BYRNE**  
Non-Executive Director

With a distinguished career spanning over four decades, Michael Byrne has established himself as a seasoned Global C-suite executive and Non-Executive Director. His expertise in strategic planning, operational management, and financial stewardship has left an indelible mark across diverse industries and geographies, including Australia, New Zealand, North America, Oceania, Europe, sub-continent, Asia, the Middle East, and Africa. Mr Byrne serves on the Boards of Ausgrid Asset, Management, Finance and Operator Partnership, NSW Ports, Peel Ports UK, Sydney Airport, CBH group, and the National Intermodal Corporation. He has previously held positions such as Managing Director of Toll Group Holdings and Chief Executive Officer Coates Hire, Linfox and Westgate Holdings, as well as Board/Committee positions with Australia Post, OzHarvest, Victoria University and the University of Denver. Mr Byrne holds a Master of Science in Transportation and Infrastructure from the University of Denver.



**ELAINE TEH**  
Non-Executive Director

Ms Teh is the founder and executive Chair of Octopus Global Holdings, which is the Company's current distributor in Singapore and Malaysia. Octopus Global is the sole representative of many large global distributors in Singapore and Malaysia, including Remy Martin, Paulaner, San Miguel, Australian Vintage, Fever Tree, ABInBev and more. Ms Teh holds a Bachelor of Arts, Economics and Japanese from the University of New South Wales, Australia.

## Chairman's Report to Shareholders



Dear Shareholders,

Over the past 12 months, the renewed Board have embarked on a comprehensive review of the company's strategy and refocussed it on generating free cash flow and positioning the company on a sustainable growth trajectory. Immediate actions were taken by the management team to reduce fixed grape supply commitments, streamline costs, and reallocate capital toward innovation and the growth of our core portfolio.

These measures are already yielding results in the early stages of FY26. The reduction in future grape supply obligations will lead to declining inventory levels-releasing cash back into the business. Additionally, after several years of revenue decline, we are now seeing early signs of growth, reinforcing our confidence in the strength of our brands, the excitement of our innovation and the resilience of our business model.

I would like to thank Craig Garvin, our previous Chief Executive Officer, for stepping back into the business during a critical period of change. His leadership provided the Board with valuable time to assess the executive team and chart the path forward. In May 2025, we were pleased to appoint Tom Dusseldorp as our new CEO as part of our agreed succession plan. Tom, previously our Chief Commercial Officer, has been a driving force behind our innovation and growth strategy. His energy, vision and deep understanding of the business make him exceptionally well-suited to lead Australian Vintage into its next chapter.

I extend my sincere thanks to our executive team and employees for their resilience and dedication throughout this transformative process. To our shareholders, thank you for your continued support and belief in our vision.

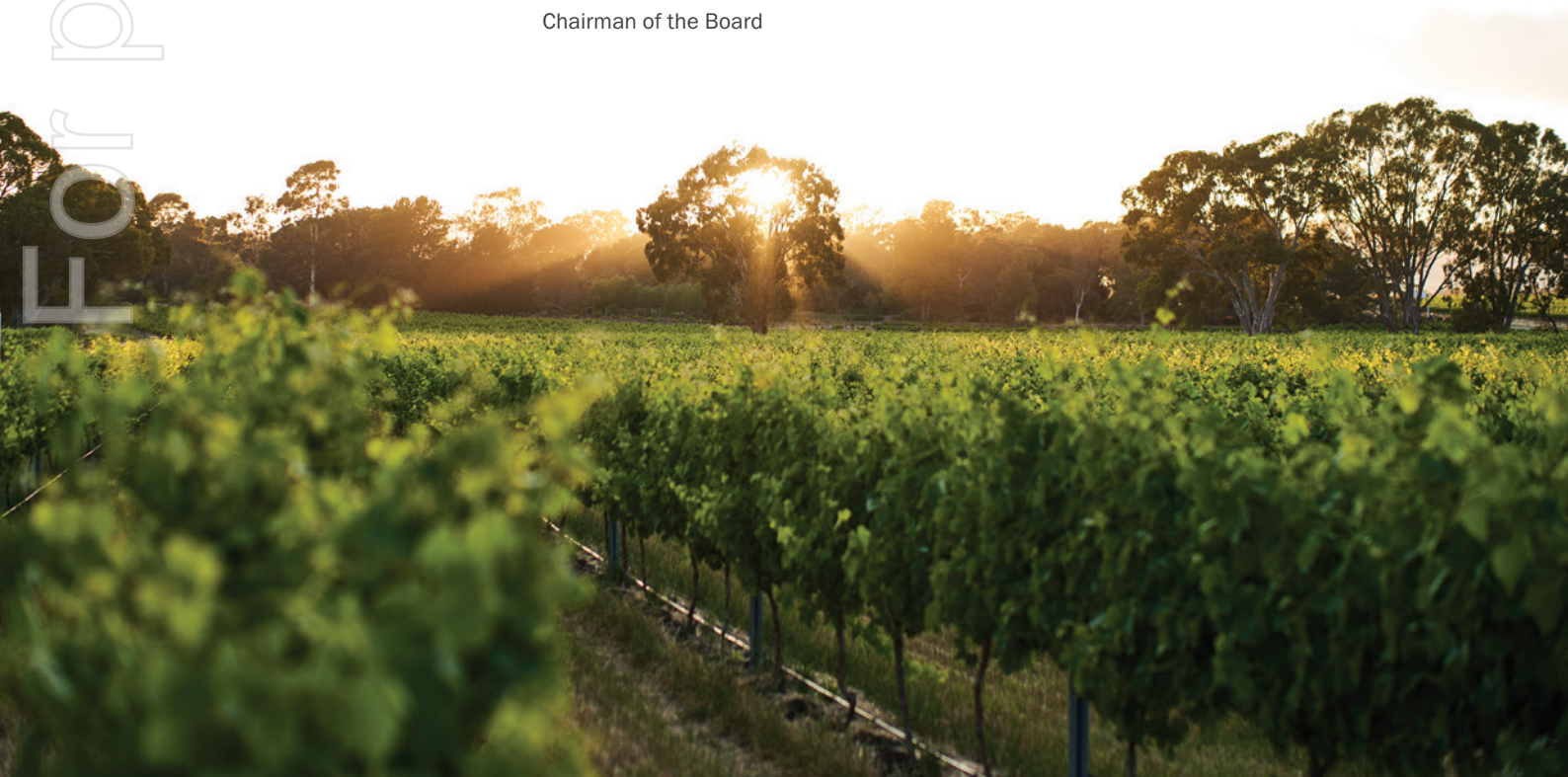
We remain confident in our ability to complete the announced turnaround of Australian Vintage, which will unlock the full value of our company.

Sincerely,

A handwritten signature in black ink, appearing to be 'J Williamson', written in a cursive style.

**James Williamson**  
Chairman of the Board

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## Chief Executive Officer's Report to Shareholders

Firstly, I wanted to thank shareholders for the support and engagement in my transition to CEO of Australian Vintage in May 2025. From day one, my clear objective was to ensure all aspects of the business were aligned to achieving the cash focussed objectives set out by the management team and Board. I am pleased to report that even though the FY25 result did not deliver on the free cashflow target, the directional improvements across the P+L show that the company is moving in the right direction. FY26 will be a transformational year for AVG. The company will continue with a disciplined approach to expenditure, we will leverage and capitalise on our strengths in wine innovation, quality production at scale and with the support of a highly experienced team, I look forward to delivering top line growth in FY26 and free cash flow generation.

### Financial performance

FY25 was an outcome of a relentless focus on cash flow through cost-out measures that saw earning and cash flow improvement, but the financial outcomes are behind the Company targets. Overall sales for Australian Vintage were \$257 million or -1% lower than the prior year but ahead of our competitive set in a challenging market. Earnings improvements has increased EBITDAS to \$15 million, EBITs to \$1 million and NPATS to -\$6 million. These results include \$6 million of costs associated with the first-time implementation of waste management legislation in the UK in FY 25, known as Extended Producer Responsibility (EPR).



### Innovation and expansion

I was pleased to introduce to the world some of our new innovations, namely Poco Vino™ and Lemsecco™. Poco Vino's net sales expectations continue to grow each week as sales are realised. Our 2026 expectation for net sales of \$15 million, does not truly reflect the scale and potential of this innovation for the Group. Early signs for this brand are promising and well ahead of expectations. The launch and growth of this brand required some significant working capital in FY25 and will require investment in infrastructure and logistics in FY26, to deliver seamless execution meeting the quality and service requirements of our customers.

Lemsecco™ is our new innovative Spritz brand that was launched in ANZ in FY25 and is expanding ranging across ANZ, UK and North America. Expanded global ranging will exceed the results achieved in FY25 by over 100k 4.5L cases and result in an incremental \$4 million in revenue for the group.

During FY25, we expanded our product range with the international acquisition, outside of Australia, of the MadFish brand. Strategically this opportunity provides a future scalable (+200k 4.5L cases, up to \$9 million in net sales) and much needed, lighter varietal range, at a premium price point from a desirable and respected Western Australian brand. We also secured the distribution rights for the iconic Howard Park wine brand in the UK, Ireland, Europe and Canada, further leveraging our existing global sale footprint.

## Core branded portfolio

The core business is critical to long term stability and breadth of range. In FY25, Australian Vintage was able to continue to maintain, and improve, market share across key geographies, even in a globally soft wine market. This consistent outperformance of AVG brands, is a demonstration of the continued consumer appeal of AVG's portfolio. As a key driver of profit, AVG maintained pillar brand revenue at 78% of total revenue in FY25 (65% in FY20). Since FY20, AVG has consistently grown pillar brands share of value with a CAGR of Tempus Two +4%, Nepenthe +15%, Barossa Valley Wine Company +8%, high profit zero alcohol wines +71%, whilst protecting red-centric McGuigan at -2% against much heavier declines of other Australian sub \$10 wine companies.

We are expecting our McGuigan zero and Not Guilty zero alcohol wines to grow across the UK, with planned expansion into Canada and USA. We have signed a sponsorship deal with Cricket Australia and the Ashes series will be used as a key consumer and trade engagement platform to increase relevance, sales and awareness of McGuigan, the company's globally iconic brand.

## Inventory

In FY25, inventory increased as a consequence of historic contracted wine intake and inventory build for innovation and premiumisation to reach 131 million litres at the end of FY25.

In FY26 and beyond, the company is projecting a significant reduction in bulk wine inventory from long-term grower contracts rolling off over the next three years. In addition, strategic exits from long term fixed leases during FY25, is accelerating inventory utilisation. These exits are a key driver of free cash flow and will accelerate variabilising our fixed cost wine supply chain.

## Cash flow and net debt

In FY25, AVG's underlying cash outflow was ~ \$13 million, resulting in a free cash flow improvement of +\$15 million over FY2024 and +\$20 million on FY23, on a like for like basis.

Overall net debt at the end of FY25 was ~\$75 million.

## Operations and safety

AVG is a top four scale wine manufacturer with significant assets in our state-of-the-art winery located in Buronga Hill and a packing facility that delivers over 6 million cases of wine annually from our facility in Merbein, Victoria. The teams behind these operations are some of the best in the industry, and the key measure of our performance as a company is ensuring our employees safety is our utmost priority.

Over FY25 the company achieved a total recorded injury frequency rate (TRFIR) of 15, a 42% improvement over the prior year. We continue to drive a safety culture and invest regularly in training, systems and infrastructure to further reduce incident rates to zero.

## Sustainability

Sustainability means more than just the environment at AVG, it is about our people and the communities we live and work within. We are proudly B-Corp certified, and we have continued to improve our performance in this important area of our business. On the environmental front we reduced our greenhouse gas total emissions by a further 13%, providing confidence in achieving our stated targets. Our environmental leadership was recognised by the Drinks Association with the awarding of "Best Environmental sustainability initiative".

As an employer having a safe and inclusive workplace is critical to our success. I am pleased to report that by fostering an inclusive, equal and achievement-based culture AVG has successfully closed the gender pay gap. We are proud that our gender pay gap has gone from 9% FY22 to 0% in FY25.

As a Group, we are balancing the growth targets of successful brand launches for the first months of the financial year while ensuring the core portfolio continues to hold share in some challenging price segments. The global team KPI's and performance measures are aligned to a clear budget to achieve cash flow positive outcomes for the full year result in FY26.

We continue to invest in our people, brands, and customer partnerships globally to ensure we leverage the capital investments made over recent years. We are building a strong foundation to deliver sustainable long-term growth for our shareholders.

I would like to thank the team for their efforts during the tumultuous year and for their support of me in transitioning to the role of CEO. I would also like to thank our customers whose support has enabled us to set up Poco Vino™ - the liquor launch of 2026 this Summer.

I am confident in FY26 being a transformational year for AVG and look forward to updating our Shareholders as we achieve the milestones we have set out.



**Tom Dusseldorp**  
Chief Executive Officer



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MCGUIGAN  
WINES

# A CENTURY OF GREAT WINE.

When you know.



Official Wine Partner

Get the facts [DrinkWise.org.au](http://DrinkWise.org.au)

SCAN TO  
FIND OUT  
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## Company Profile

Australian Vintage delights and inspires wine drinkers globally by placing the consumer at the heart of everything we do.

Our dedication to consumer-led innovation, and a broad portfolio of globally recognised brands has solidified our leadership in the beverage industry. Available in over 40 countries, our products reflect our winemaking pedigree, and cutting-edge production capabilities.

As a certified B Corporation, we are committed to positively impacting the people and planet where we operate. Our innovations are crafted with sustainability in mind, contributing to positive social and environmental impact. From emerging varietals, to no and low alcohol wines, ready-to-drink products, and diverse packaging formats, we continuously expand drinking options and occasions to meet evolving consumer preferences.

Our pillar brands, including McGuigan, Tempus, Nepenthe, Barossa Valley Wine Company and Not Guilty, consistently outperform the market, both domestically and internationally. Sourced from Sustainable Winegrowing Australia certified vineyards and crafted in one of the world's most technologically advanced winemaking facilities, our wines are synonymous with quality and innovation.

### Our dynamic portfolio of global brands



AUSTRALIAN VINTAGE



McGUIGAN  
WINES

TEMPUS



NEPENTHE



BAROSSA VALLEY  
WINE COMPANY

**NOT GUILTY**

PASSION  
POP

CTZN  
A.I. CURATED | HUMAN CRAFTED

THE  
BUTCHER'S  
CELLAR

The  
shy Pig

CHATEAU  
MARMALADE

KILKENNY CREAM  
CRAFTING CREAM LIQUEURS SINCE 1973

SMOKY BAY  
Australia

LOXTON  
Wines of Australia



ausgrape

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# Sustainability Report

Australian Vintage is committed to demonstrating that 'There's more to good wine' through having a positive impact on people and planet where the Company operates.




During FY25, progress was made against the Company's environmental, social and governance (ESG) strategy.

Key focus areas include reducing organisational emissions, improving the Company supply chain, and expanding the Company's social impact.

All measurements and targets utilise globally recognised frameworks and are audited and underpinned by a select group of world class and recognised partners giving confidence in what we do and how we measure it.

Australian Vintage over many years will continue taking the necessary steps to make good wine today, to ensure people can enjoy it tomorrow too.

## Our sustainability targets and impact progress

Our Pillars	Our Sustainability Targets	Our Progress Against Our Targets
<p><b>ENVIRONMENT</b> <i>(Nurture Nature)</i></p>  <p>Take action to reduce and mitigate company emissions across Scopes 1, 2 and 3</p>	<ul style="list-style-type: none"> <li>Total GHG reductions of 12% from FY24 to FY25, reflecting in a total reduction of 32% since FY22 across Scopes 1, 2 and 3</li> <li>42% reduction in Scope 1 and 2 GHG emissions, monitoring, and mitigating Scope 3 by 2030</li> <li>Net zero across Scopes 1, 2 and 3 by 2040</li> </ul>	<ul style="list-style-type: none"> <li>Total GHG Reductions of 12% from FY24 to FY25</li> <li>Achieved leading performance status with Australian Packaging Covenant Organisation (APCO)</li> <li>Powered by 100% renewable energy</li> <li>Won Environmental Excellence Award for the Large Business Category at the South Australian Wine Industry Association Awards in 2024 and Best Environmental Sustainability Initiative Award at the 2025 Australian Drinks Awards</li> </ul>
<p><b>SOCIAL</b> <i>(Thriving People)</i></p>  <p>Facilitate and improve relationships and wellbeing for AVG employees and communities where the company operates</p>	<ul style="list-style-type: none"> <li>Nurture safety and wellbeing of employees</li> <li>Cultivate a diverse and inclusive workplace</li> <li>Close our Gender pay gap</li> <li>Promote responsible alcohol enjoyment</li> <li>Engage and connect with communities where we operate</li> </ul>	<ul style="list-style-type: none"> <li>Reduced our total recordable injury frequency (TRIFR) by 42% from FY24</li> <li>Closed our gender pay gap an improvement from 5% in FY24</li> <li>Contributed funding to responsible enjoyment, awareness and education programs</li> </ul>
<p><b>GOVERNANCE</b> <i>(Meaningful Growth)</i></p>  <p>Operate with purpose and report transparently, to deliver sustainable growth and impact</p>	<ul style="list-style-type: none"> <li>B Corp Certification</li> <li>Evidence based approach to monitoring and reporting company impact</li> </ul>	<ul style="list-style-type: none"> <li>Maintained B Corp certification</li> <li>Partnered with globally recognised best in class partners to monitor and report our progress</li> <li>Triple bottom line reporting in line with the Australian Accounting Standards Board (AASB) sustainability standards</li> </ul>

## ENVIRONMENT – Nurture Nature

### Climate Action to Net Zero 2040

Australian Vintage remains firmly committed to climate action, focusing on reducing and mitigating emissions across Scopes 1, 2, and 3. Using 2022 as the baseline year, and aligning with Science Based Targets initiative (SBTi) parameters the company aims to achieve net zero by 2040 across the entire value chain. In FY25, the Company continued to prioritise reducing Scope 1 and 2 emissions, targeting a 42% reduction by 2030.

#### FY25 Greenhouse Gas (GHG) Assessment highlights:

- Reduced total GHG emissions by –32% since FY22 across Scopes 1, 2 and 3
- -30% reduction in Scope 3 emissions from FY22
- Renewable energy program has resulted in –81% reduction in Scope 2 emissions since FY22
- FY25 emission reduction focus to remain on land management, electricity & fuels, purchased goods & services and transport & distribution hotpots



### Sustainable Winegrowing Australia

Since certifying all owned and operated vineyards and wineries in FY23, 92% of the 2025 vintage crush was certified under Sustainable Winegrowing Australia.

### Renewable energy to power us

In FY25 Australian Vintage achieved its target of all owned and operated sites being powered by renewable energy. The Company has removed 4,096 tCO2e from their Scope 2 emissions by transitioning to renewable power sources, the equivalent of 1,638 round trip flights between Sydney and London.

### Packaging for a circular future

As a signatory to the Australian Packaging Covenant Organisation (APCO), the Company is committed to the 2025 National Packaging Targets. Today, 99% of Australian Vintage's primary packaging is reusable, recyclable, or compostable, with over a third of all packaging made from recycled materials.

Australian Vintage has reduced packaging emissions by 5,729 tCO2e. The company continues to partner with gold class suppliers on innovation, to design and source functional, sustainable packaging that creates a positive impact for customers, consumers and environment.



## SOCIAL – Thriving People

At Australian Vintage, people are the greatest asset, that is why the wellbeing, safety and happiness of AVG employees and the people and communities surrounding the Company's operations is of the highest importance.

When people are supported and nurtured, they thrive. Australian Vintage employee benefits are industry leading, and the Company continues to develop a diverse, equitable and inclusive workplace. Fostering an inclusive and performance-based culture has resulted in the AVG closing the gender pay gap. We are proud that in FY25 we have closed our gender pay gap from 5% in 2024 to 0% in 2025.

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## Belonging Committee

The internal Belonging Committee is focused on education and awareness programs across LGBTQI+, mental health, First Nations representation, culture, race and gender equality with the objective is to ensure every person within Australian Vintage feels welcomed, acknowledged, and included.



## Volunteering

The company remains committed to supporting the community through paid volunteer days. Providing employees across all sites and the globe an opportunity to come together and provide meaningful support to local charities.

## We asked R U OK?

As an accredited Mental Health First Aid Skilled Workplace, Australian Vintage understands the importance of providing a supportive work environment. Annually the Company supports R U OK? Day, an event that aims to open conversations and provide assistance to those who may be struggling by simply asking – “are you ok?”



## Responsible Enjoyment

Australian Vintage continues to support programs to reduce alcohol related harm. Partnering with DrinkWise in Australia and Community Alcohol Partnerships in the UK, the Company actively funds local programs to educate consumers and industry on staying tasteful, respectful and safe. Australian Vintage has crafted a portfolio of market leading zero, low and mid alcohol products and continues to innovate in the no and low alcohol space to enable consumers to moderate, abstain or simply enjoy the occasion for longer.



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# Corporate Governance Statement

## Approach to corporate governance

### Meaning of corporate governance

The ASX Recommendations define corporate governance as the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within corporations. It encompasses the mechanisms by which companies and those in control are held to account.

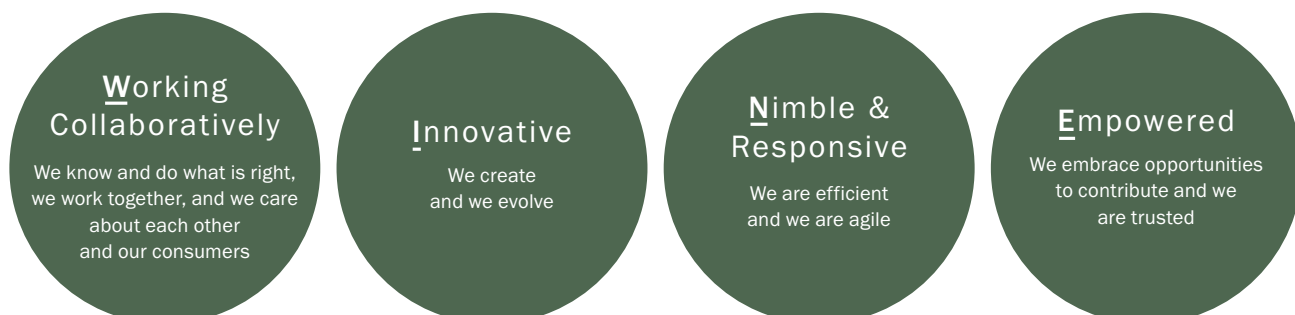
### Importance

Australian Vintage Limited (Company) recognises that good corporate governance underpins sustainable business performance and enhances long-term shareholder value.

### Responsibility

Whilst the Board is responsible for establishing and maintaining the corporate governance framework of the Company, good corporate governance practices are also the responsibility of the CEO, CFO, Company Secretary and the Executive Committee, all working together to embed a culture aligned with the following Company values:

## OUR VALUES



For more information on the Company's values and behaviours, see the Remuneration Report within this Annual Report.

### ASX governance recommendations

Following a full review of its corporate governance systems and policies, the Company's corporate governance practices have, in the opinion of the Board of Directors of the Company (Board), complied with the fourth edition of the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council (ASX Recommendations), or have been explained on an "if not, why not" basis for the financial year ended 30 June 2025 (Reporting Period).

This statement describes the key corporate governance policies and practices of the Company for the Reporting Period.

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## Board of Directors

### Role and responsibilities of the Board

The role of the Board is to provide overall strategic guidance and leadership for the Company and effective oversight of management.

The Board Charter sets out the division of responsibilities between the Board and management and the framework for the operation of the Board as well as membership of the Board.

The primary responsibilities of the Board include:

<b>Leadership, Culture and Values</b>	<ul style="list-style-type: none"> <li>• demonstrating leadership</li> <li>• defining the Company's purpose</li> <li>• approving the Company's statement of values and Code of Conduct to underpin the desired culture within the Company</li> <li>• monitoring compliance with the Code of Conduct</li> <li>• actively promoting ethical and responsible decision-making</li> </ul>
<b>Strategy and Performance</b>	<ul style="list-style-type: none"> <li>• providing input into and final approval of management's development of corporate strategy and strategic performance objectives</li> <li>• overseeing management in its implementation of the Company's strategic objectives</li> <li>• satisfying itself that the Company has in place an appropriate risk management framework (for both financial and non-financial risks)</li> <li>• setting the risk appetite within which the Board expects management to operate</li> <li>• satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite</li> </ul>
<b>Audit</b>	<ul style="list-style-type: none"> <li>• appointing and monitoring the external auditor</li> <li>• assessing whether the external auditor's provision of non-audit services impairs or appears to impair their judgment or independence</li> <li>• ensuring receipt of the CEO and CFO declarations required by law</li> </ul>
<b>Stakeholders and ESG</b>	<ul style="list-style-type: none"> <li>• establishing and monitoring policies governing the Company's relationships with other stakeholders and the broader community</li> <li>• establishing and maintaining environmental, social, governance, employment and occupational, health and safety policies</li> <li>• overseeing compliance with other regulatory and statutory requirements</li> </ul>

The following responsibilities are overseen by the People, Remuneration & Nomination Committee:

<b>Nomination and Appointment</b>	<ul style="list-style-type: none"> <li>• appointing the Chair of the Board, CEO, CFO and Company Secretary</li> <li>• recruitment of new directors, including evaluating the balance of skills, knowledge and experience, independence and diversity on the Board</li> <li>• oversight of the performance evaluation process of the Board, its committees and individual directors</li> <li>• succession planning for the Board, CEO and senior executives</li> </ul>
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Management is responsible for all other aspects of the management of the Company which are not reserved to the Board or Board committees. This includes the management and operation of the Company on a day-to-day basis, implementing the Company's strategic objectives, instilling and reinforcing the Company's values, operating within the values, Code of Conduct, budget and risk appetite set by the Board and providing the Board with accurate, timely and clear information on the Company's operations, financial performance, compliance with material legal and regulatory requirements and any conduct which is materially inconsistent with the values or Code of Conduct.

Further information can be found in the Board Charter available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/)

## Composition of the Board

The start of the Reporting Period was a time of Board renewal with an outgoing Board and an incoming Board, outlined below. This statement will focus on the governance practices of the incoming Board as this relates to the majority of the Reporting Period.

Details of the directors of the Board who served during the Reporting Period are set out below.

### Outgoing Board:

Director	Position	Independent	Resignation Date
Richard Davis	Chairman and Non-Executive Director	Yes	11 July 2024
Naseema Sparks	Non-Executive Director	Yes	24 July 2024
John Davies	Non-Executive Director	Yes	23 August 2024
Peter Perrin	Director and Acting Chief Executive Officer	No	23 August 2024

### Incoming Board:

Director	Position	Independent	Appointment Date
James Williamson	Chairman and Non-Executive Director (15 October 2024 to present) Chairman, Director and Acting Chief Executive Officer (23 August 2024 to 14 October 2024)	No	23 August 2024
Margaret Zabel	Non-Executive Director	Yes	23 July 2024
Michael Byrne	Non-Executive Director	Yes	14 August 2024
Elaine Teh	Non-Executive Director	No	23 August 2024

For the Reporting Period relating to the incoming Board:

- the Board comprised 50% non-executive Directors. The Board values the nimble nature of a smaller, focused Board that is aligned with shareholder value and can implement strategic changes quickly;
- excluding the period 23 August to 14 October 2024 where James Williamson assumed the role of Acting Chief Executive Officer while a search for a permanent CEO was underway, the Chairman of the Board is a non-executive Director and not the Chief Executive Officer; and
- the Chairman of the Board is a non-Independent Director. The Board notes that at the commencement of the Reporting Period, a board refresh program was undertaken in an expedited timeframe at the request of shareholders resulting in a Non-Independent Executive Chair being appointed. The Board considers this to be a strength in a turnaround situation given the close alignment with shareholder value and considers James Williamson's role as Chairman of the Board to be in the best interests of the Company.

## Appointment and remuneration

The terms of office held by each Director and remuneration information is detailed in the Directors Report included in this Annual Report.

Directors are appointed in accordance with the Company's Constitution. In terms of election:

- one-third of the Board is required to retire at each Annual General Meeting (AGM) and may stand for re-election. The directors to retire will be those who have been longest in office since their last election, noting that directors must retire three years since their last election;
- a director who has been appointed by the Board to fill a casual vacancy is required to retire and stand for election by the shareholders at the next AGM; and
- a Managing Director is not required to stand for election/re-election as the position of Director is linked to an executive office.

## Board skills

Members of the Board have been brought together to provide a blend of qualifications, skills and experience required for managing a company operating in the wine industry. Taking into account the current and future strategic direction of the Company, the Board regularly reviews the current and desired skills and experience of individual directors and the Board as a whole.

During the Reporting Period, the Board undertook an in-depth review of the desired skills and experience required for the Board and assessed individual director's skills and experience against these.

A summary of the key skills and experience, collectively across the incoming Board during the Reporting Period, is set out in the following skills matrix:

	SKILL AREA	SUMMARY	DIRECTORS WITH SKILL
STRATEGIC THEMES	Wine Industry Experience	Good working knowledge of the structure, operations and opportunities in the Australian wine industry.	● ● ● ●
	Retail and FMCG Experience	Experience in the retail and fast moving consumer goods (FMCG) industry, particularly in the alcohol industry, including an in-depth knowledge of merchandising, product development, exporting, logistics and customer strategy.	● ● ● ●
	Stakeholder Interests and Investor Relations	Experience in identifying and prioritising internal and external stakeholders and assessing their interests including a good working relationship with the shareholders of the Company.	● ● ● ●
	Logistics and Supply Chain	Experience in managing or overseeing logistics and supply chain projects in a major organisation.	● ● ● ●
	Mergers and Acquisitions	Experience in M&A including implementation advisory.	● ● ● ●
	Marketing	Experience in promoting a product or service or building brands or experience at a senior level with responsibilities for either advertising or social media activities.	● ● ● ●
	Innovation	Experience in developing new ideas for the purpose of gaining social or economic value.	● ● ● ●
	Digital Technology and Information	Expertise and experience in adopting new digital, technologies or implementing technology projects, and digital disruption, leveraging digital technologies or understanding the use of data and data analytics.	● ● ● ●

	SKILL AREA	SUMMARY	DIRECTORS WITH SKILL
GENERAL DIRECTOR SKILLS / EXPERIENCE	International Business	International business experience and exposure to different political, cultural, regulatory and business environments.	● ● ● ●
	Governance	Experience in sophisticated governance/ assurance structures or completion of a formal qualification/ training in governance (e.g. AICD, GIA, or equivalent).	● ● ● ●
	Strategy	Ability to identify strategic opportunities and threats with demonstrated success in developing and implementing strategic priorities and achievement of business objectives.	● ● ● ●
	Financial Acumen	Ability to read and comprehend corporate accounts, financial materials and financial reporting requirements.	● ● ● ●
	Legal Knowledge	Appropriate understanding of legal concepts and frameworks applicable to both the role of director and the industries in which the company operates.	● ● ● ●
	Qualifications	Formal qualifications in any of the following fields: <ul style="list-style-type: none"> <li>Accounting and/or finance</li> <li>Economics, law, commerce and /or business</li> <li>Financial services</li> <li>Marketing</li> </ul>	● ● ● ●

The experience, expertise and period in office of each Director are detailed in the Directors Report included in this Annual Report.

### Board independence

The Board has adopted the definition of independence set out in the ASX Recommendations.

The Board assesses the independence of each Director, having regard to:

- any disclosures made by Directors regarding their independence;
- the definition of independence set out in the ASX Recommendations;
- the relationships affecting the independent status of a Director as described in the ASX Recommendations; and
- any other matters the Board considers relevant.

Each Director's independence is assessed by the Board on an individual basis, having regard to the above and focussing on an assessment of each Director's capacity to bring independence of judgement to Board decisions. In this context, Directors are required to promptly disclose to the Board their interests in contracts, family ties and directorships which may be relevant in considering their independence.

The Board has reviewed the position and relationships relevant to each of the Directors in office during the Reporting Period and considers:

- Michael Byrne to be an independent director;
- Margaret Zabel to be an independent director;
- James Williamson to be a non-independent director due to his role as Co-Founder and Chief Investment Officer of Wentworth Williamson Management, a substantial shareholder of the Company; and
- Elaine Teh to be a non-independent director due to Ms Teh's defacto partner being a beneficiary of a trust holding Triple D Ventures, a substantial shareholder of the Company.

## Other board information

### Board selection and appointment

The Company's aim in determining Board membership is to create a Board with the appropriate balance of skills, knowledge and experience, independence and diversity to ensure it can properly fulfil its duties.

New Directors are nominated by the Board through the processes set out in the People, Remuneration & Nomination Committee Charter. For independent non-executive directors, nomination follows a search process to identify suitably qualified candidates. Where appropriate, this is undertaken by an independent service provider. Consideration is given to Director's experience and qualifications with a view to ensuring effectiveness and an appropriate balance of skills.

In relation to appointing a new director, or putting forward to shareholders a candidate for election, the Company will verify via appropriate independent checks that any new proposed director is capable of holding a position as a director and is a fit and proper person for that purpose.

In addition, the Company will continue to provide shareholders with all material information in its possession relevant to a decision whether or not to elect or re-elect a Director.

The Company has written agreements in place with each Director and Senior Executive setting out the terms of their appointment.

### Director induction

All newly appointed Directors will participate in an induction program, which includes provision of information relevant to their new role, attendances at key sites and introductions to key staff. This induction includes briefings on the Company's business, strategy, financial, operational and risk management matters, and factors relevant to the industry in which the Company operates.

### Performance review of board, committees and directors

The Company has a range of processes in place relating to performance evaluation of the Board, the Board Committees and individual directors.

The process of evaluating the performance of the Board as a whole is the responsibility of the Board under the direction of the Chairman. The evaluation of Board performance involves review and discussion of Board effectiveness, including a review of:

- Board papers, minutes and conduct of Board meetings;
- strategic planning, monitoring business performance and risk management;
- Board culture and commitment to vision and strategy;
- relationship with management;
- Board structure and skills mix; and
- interactions with external stakeholders.

Board reviews are conducted periodically utilising a confidential questionnaire completed by the Board. Responses are collated by the Company Secretary and discussed by the Board.

Individual director performance is assessed annually, by means of:

- self-assessment survey;
- peer review survey; and
- one-on-one interview with the Chairman.

Individual director reviews assess:

- director skills and experience;
- support for Company vision values and contribution to setting the tone at the top;
- acting in the best interests of the company;
- active participation in board meetings; and
- embodiment of Company behaviours including being a role model for integrity, respect, courage, collaboration, resilience and trust.

Board Committee Charters provide for periodic Committee performance reviews. These reviews take place periodically and utilise a confidential questionnaire completed by members of the Committee, other directors and relevant senior executives to guide discussion of performance. Where necessary, recommendations are made to the Board for improving the effectiveness of the Committee.

As a result of the board renewal that occurred during the Reporting Period the Board decided to wait until the incoming board had served for a period of at least 12 months prior to undertaking these reviews to allow the Board to focus on strategy and appointment of a CEO. The Board will undertake these reviews during the reporting period commencing 1 July 2025.

The Board undertakes a review of the performance of the Chief Executive Officer each year against the balanced scorecard. The balanced scorecard targets consist of a number of key performance indicators covering both financial and non-financial measures of performance. Non-financial measures include items such as safety and employee engagement, as well as related organisational behaviours that impact culture and performance. The specific balanced scorecard targets for the Reporting Period are set out in the Directors' Report enclosed in this Annual Report.

The review of the Chief Executive Officer has been conducted in relation to the Reporting Period in accordance with the relevant processes.

### Director professional development

The professional development needs of existing directors is periodically reviewed as part of the Board and individual director evaluation process.

### Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Details of the qualifications of the Company Secretary are set out in the Directors' Report enclosed in this Annual Report.

## Committees

### Establishment of committees

During the Reporting Period, the Board moved from having three standing committees to assist in the discharge of its responsibilities, being the:

- Audit, Risk and Sustainability Committee;
- Risk and Sustainability Committee; and
- People, Remuneration and Nomination Committee,
- to, having two standing committees, being:
- Audit, Risk and Sustainability Committee; and
- People, Remuneration and Nomination Committee.

This statement will focus on the current committees as this relates to the majority of the Reporting Period.

As and when required, the Board establishes special purpose sub-committees to give detailed consideration to specific matters and report back to the board with recommendations.

### Purpose and responsibilities of committees

Each Board committee has a committee charter, detailing its purpose and responsibilities (Charter). A summary is set out below. Each Charter is reviewed annually to ensure it aligns with best practice and evolving regulatory requirements.

The committee Charters can be viewed at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

### Audit, Risk and Sustainability Committee

#### Composition

For the Reporting Period, the Audit, Risk and Sustainability Committee comprised three members, all of whom are non-executive directors and, excluding James Williamson, all of whom are independent. The Audit, Risk and Sustainability Committee was chaired by an independent, non-executive director who is not the Board Chairman.

### Membership

The members of the Audit, Risk and Sustainability Committee during the Reporting Period were:

- Michael Byrne (Chairman)
- Margaret Zabel
- James Williamson

Details of the qualifications of Audit, Risk and Sustainability Committee members and their attendance at committee meetings throughout the Reporting Period are detailed in the Directors' Report enclosed in this Annual Report.

### Purpose and responsibilities

#### *Audit*

The nomination and review of existing audit arrangements is undertaken by the Audit, Risk and Sustainability Committee. The Audit, Risk and Sustainability Committee addresses issues surrounding the integrity of financial information presented to the Board and shareholders, including the review of external auditor engagements and internal financial reporting policies and controls.

The Audit, Risk and Sustainability Committee is responsible for reviewing the consistency of the Company's internal accounting policies on a year-to-year basis as well as compliance with relevant accounting standards and legislation. The Audit, Risk and Sustainability Committee is also responsible for reviewing the processes and controls for the identification and management of financial risks.

The Audit, Risk and Sustainability Committee advises the Board and makes recommendations in relation to policy and procedures and application of principles of Corporate Governance. The Committee addresses issues of proper Corporate Governance procedures and practices to ensure that the Company maintains the highest integrity and best practice with respect to such matters.

The Audit, Risk and Sustainability Committee invites the Chief Financial Officer and external auditors to attend Audit, Risk and Sustainability Committee meetings.

The Audit, Risk and Sustainability Committee or its Chairman meets formally with the Board at least twice a year to discuss the relationship with external auditors, the Company's financial reporting and any other matters of relevance called upon by the Board or the Chairman of the Audit, Risk and Sustainability Committee for discussion.

#### *Risk and sustainability*

Key responsibilities regarding risk and sustainability include:

- Overseeing the effectiveness of the Company's risk management framework, and making recommendations in respect of the development and embedding of the risk management framework and risk appetite to the Board;
- Assisting the Board with the monitoring and review of the Company's risk culture;
- Reviewing, monitoring and approving the Company's sustainability strategy and providing advice to management on associated implementation plans and other issues that may impact the Company's sustainability;
- Approving policies and initiatives that ensure best practice risk management, reflect stakeholder expectations and influence the Company's reputation as a responsible and sustainable organisation; and
- Reviewing and monitoring the Company's compliance with legal and regulatory obligations, internal policies and industry standards.

Further detail about the Committee's role in overseeing the effectiveness of the Company's risk management framework is set out below under the heading Risk Framework.

## People, Remuneration and Nomination Committee

### Composition

During the Reporting Period, the People, Remuneration and Nomination Committee comprised three members, a majority of whom are non-executive directors and independent. The People, Remuneration and Nomination Committee was chaired by an independent, non-executive director who is not the Board Chairman.

**Membership**

The members of the People, Remuneration and Nomination Committee during the Reporting Period were:

- Margaret Zabel (Chair)
- Michael Byrne
- James Williamson

The attendance of committee members at each committee meeting during the Reporting Period is detailed in the Directors' Report enclosed in this Annual Report.

**Purpose and responsibilities**

The Company recognises that its people are its primary asset and valuable brand ambassadors and that a values-driven culture underpins sustainable business performance and positive engagement within the Company's stakeholder community.

Key responsibilities of the Committee include:

- promoting a culture of lawful, ethical, sustainable and responsible behaviour, which supports the Company's strategic vision and objectives;
- providing a safe, harmonious and supportive environment for the Company's people in order to attract and nurture a diversity of high-performing and emerging talent;
- ensuring that the Company talent pool is remunerated fairly, responsibly and in line with shareholder expectations; and
- fulfilling the Company's statutory, fiduciary and regulatory responsibilities in relation to remuneration and associated employee matters.

**Remuneration policies and practices**

The Company has developed a Remuneration Policy which describes the Company's remuneration policies and the rationale behind them. The Remuneration Policy is available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

The Company's Remuneration Policy is reviewed annually by the People, Remuneration and Nomination Committee.

Particulars concerning Director and Executive remuneration and the Company's performance rights and option plan are set out in notes to the financial statements and the Remuneration Report.

Non-executive directors do not receive any performance-based remuneration and are not paid any retirement benefits other than superannuation. The Company has a policy that participants in the AVG Performance Rights and Option Plan are specifically prohibited from hedging the exposure to the Company's share price during the vesting period in respect of their unvested options or performance rights. This prohibition is reflected in the terms of the letter of offer to participate in the Plan.

For more information on the Company's remuneration, see the Remuneration Report within this Annual Report.

## Approach to diversity and inclusion

**Diversity and inclusion**

At Australian Vintage we recognise that an inclusive culture which embraces diversity is integral to our continuing success. The Company is committed to supporting a diverse workplace and has implemented a group-wide Diversity Policy. The details of the Policy are available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

In accordance with its Diversity Policy, the Board has adopted measurable objectives for achieving gender diversity in the composition of its Board, senior executives and workforce generally. Executive Committee members are required under the Company's Diversity Policy to monitor and report annually to the People, Remuneration and Nomination Committee of the Board on the progress and effectiveness of these objectives.

In relation to the constitution of the Board, the Company has a number of initiatives in place to meet its strategic imperative of ensuring the Company has a diverse Board and to achieve its measurable objective regarding Board diversity. These include:

- ensuring a diverse range of qualified candidates is considered for Board appointments;
- evolving a Board skills matrix and using the matrix to identify any gaps in the experience, skills and background, including gender and diversity generally, of Directors of the Board; and
- the use of professional intermediaries (such as external search firms) to identify and assess qualified candidates.

The Board will continue to review its structure and membership to ensure that it meets operational requirements and to continue to improve Board diversity in the future.

## FY25 objectives and results

The objectives for diversity for FY25, along with outcomes achieved are as follows:

Workplace Diversity Objectives	Workplace Diversity Outcomes
<p><b>Strategy</b></p> <ul style="list-style-type: none"> <li>Continue to drive and bring to life the gender objectives and strategies outlined in the Company's Diversity Policy.</li> <li>Continue to communicate the Company's diversity agenda to the business and actively promote its benefits.</li> <li>Continue to build a safe and inclusive culture where employees act in line with the Company's values and behaviours.</li> <li>Continue to deliver diversity, inclusion and belonging education programs for all employees globally.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing use and implementation of behavioural framework. This has been embedded from recruitment all the way through to performance management using inclusive behaviours to ensure a safe and constructive working culture for all employees.</li> <li>Continuous communication and measure of diversity and inclusion through annual engagement survey with local action plan follow ups.</li> <li>Key focus sessions on diversity and inclusion held in bite-sized learning forums and for International Women's Day.</li> </ul>
<p><b>Stakeholder Management</b></p> <ul style="list-style-type: none"> <li>Actively promote the Company's diversity agenda in day-to-day activities with management to achieve buy in and integrate into the Company's culture.</li> <li>The Belonging at AV Committee to continue to serve as a forum for providing feedback on AV's diversity, inclusion and belonging efforts and launch initiatives that align with these priorities.</li> </ul>	<ul style="list-style-type: none"> <li>Diversity agenda promoted through annual engagement survey and behavioural framework.</li> <li>Belonging at AV committee has been established with members divided into four focus streams. The committee continues to develop plans and initiatives aligned with AV's diversity, inclusion, and belonging ambitions, acting as a dedicated group of employees who champion these values and offer feedback on ways AV can further cultivate an inclusive work environment.</li> </ul>
<p><b>Gender Composition</b></p> <ul style="list-style-type: none"> <li>The Company is targeting 30% female representation across all levels, and specifically aims to:             <ul style="list-style-type: none"> <li>increase female representation of non-executive directors to 30%;</li> <li>maintain female representation in leadership roles above 30%; and</li> <li>increase female representation at production employee level to 30%.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The company has 41% female representation across all employee levels.</li> <li>The company has achieved 50% female representation for Non-Executive directors.</li> <li>The Company has maintained above 30% female representation in leadership roles across FY25, currently sitting at 41%.</li> <li>Female representation at production employee level is at 25%. Specifically for the Winemaking team, there is 56% female representation.</li> </ul>
<p><b>Talent Pipeline</b></p> <ul style="list-style-type: none"> <li>Ensure that the Company's recruitment and selection procedure reflects candidate and interview panel diversity along with a balanced gender candidate split where possible.</li> <li>Analyse talent matrix to identify female talent for mentoring/succession planning.</li> <li>Continue with leadership development and mentoring programs with a focus on providing opportunities to female leaders.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure a balanced gender split at interviews, where possible.</li> <li>Robust global annual talent management and succession planning process in place.</li> <li>Delivered a leadership development program incorporating opportunities for female leaders to further develop, with opportunity to partake in a mentoring program over FY24 to FY25. There was 58% female representation on the program.</li> </ul>
<p><b>Employer Value Proposition &amp; Benefits</b></p> <ul style="list-style-type: none"> <li>Continue to enhance and be recognised as an inclusive employer by taking part in external recognition programs where appropriate.</li> <li>Continue to promote and review the Company's benefits to ensure the Company attracts and retains a diverse talent pool.</li> </ul>	<ul style="list-style-type: none"> <li>Recognised for diversity and inclusion, winning the Diversity/Gender Inclusion Achievement of the Year at the 2024 Global Drinks Intel ESG Awards.</li> <li>Communicated company benefits internally and externally to attract and retain a diverse talent pool.</li> </ul>

## FY25 objectives and results (continued)

Workplace Diversity Objectives	Workplace Diversity Outcomes
<p><b>Data</b></p> <ul style="list-style-type: none"> <li>Utilise the annual employee engagement survey to collate data on demographics and benchmark questions on ensuring employees feel included regardless of how they identify and characteristics.</li> <li>Continue to collect data to develop a sound base to measure progress on diversity, inclusion and belonging progress beyond gender.</li> </ul>	<ul style="list-style-type: none"> <li>Continued to collate data via the employee engagement survey on demographics and understand how our employees feel from an inclusion perspective. This data assists in driving initiatives and plans for AV's diversity, inclusion, and belonging ambitions.</li> <li>Ongoing assessment of benchmarks to measure AV's progress and the strength of its inclusive culture.</li> </ul>

## FY26 objectives

The objectives for diversity for FY26 are as follows:

### Workplace Diversity Objectives FY26

#### Strategy

- Continue to drive and bring to life the gender objectives and strategies outlined in the Company's Diversity Policy.
- Continue to communicate the Company's diversity agenda to the business and actively promote its benefits.
- Continue to build a safe and inclusive culture where employees act in line with the Company's values and behaviours.
- Continue to deliver diversity, inclusion and belonging education programs for all employees globally.

#### Stakeholder Management

- Actively promote the Company's diversity agenda in day-to-day activities with management to achieve buy in and integrate into the Company's culture.
- The Belonging at AV Committee to continue to serve as a forum for providing feedback on AV's diversity, inclusion and belonging efforts and launch initiatives that align with these priorities.

#### Gender Composition

- The Company is targeting to maintain above 40% female representation across all levels, and specifically aims to:
  - maintain female representation in leadership roles above 40%; and
  - increase female representation at production employee level to 30%.

#### Talent Pipeline

- Ensure that the Company's recruitment and selection procedure reflects candidate and interview panel diversity along with a balanced gender candidate split where possible.
- Analyse talent matrix to identify female talent for mentoring/succession planning.
- Continue with leadership development and mentoring programs with a focus on providing opportunities to female leaders.

#### Employer Value Proposition & Benefits

- Continue to enhance and be recognised as an inclusive employer by taking part in external recognition programs where appropriate.
- Continue to promote and review the Company's benefits to ensure the Company attracts and retains a diverse talent pool.

#### Data

- Utilise the annual employee engagement survey to collate data on demographics and benchmark questions on ensuring employees feel included regardless of how they identify and characteristics.
- Continue to collect data to develop a sound base to measure progress on diversity, inclusion and belonging progress beyond gender.

#### Gender pay equity

- Sustain pay equity with an overall gender pay gap of less than 5% (currently tilted towards women).

## Workforce gender profile

The following tables show the proportional representation of men and women at various levels within the Company's workforce at 30 June 2025 compared to 30 June 2024.

### Workforce Gender Profile FY25

CATEGORIES OF EMPLOYEES		TOTAL FEMALES	TOTAL MALES	% OF FEMALES	% OF MALES
Total Employees	429	174	251	41	59
Non-Executive Directors	4	2	2	50	50
Senior Executives*	8	3	5	38	52
Non-Production Employees**	166	104	59	63	35
Production Employees	252	64	188	25	75

\* Senior Executive has been defined as a member of the Company's Executive Team including the CEO.

\*\* Excludes the Senior Executives.

### Workforce Gender Profile FY24

CATEGORIES OF EMPLOYEES		TOTAL FEMALES	TOTAL MALES	% OF FEMALES	% OF MALES
Total Employees	442	170	272	38	62
Non-Executive Directors	4	1	3	25	75
Senior Executives*	10	3	7	30	70
Non-Production Employees**	168	102	66	61	39
Production Employees	264	65	199	25	75

\* Senior Executive has been defined as a member of the Company's Executive Team including the CEO.

\*\* Excludes the Senior Executives.

## Risk framework

### Risk management and identification

The Board, through the Audit, Risk and Sustainability Committee, reviews and oversees the Company's risk management systems.

The Audit, Risk and Sustainability Committee determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance, and internal control. The Audit, Risk and Sustainability Committee also has responsibility for financial risk management.

The Board identifies and discusses areas of significant business risk. The Board ensures, together with management, that processes are in place to manage those risks and reviews those arrangements annually. The Board has reviewed the Group's risk management framework during the year and confirmed that it remains sound.

The Board, committees and management ensure that appropriate insurance programmes for the Company are also in place to provide insurance cover in areas of the business assessed as appropriate for cover having regard to all the relevant circumstances.

Comprehensive practices are established such that:

- capital expenditure and revenue commitments above a certain size require prior Board approval;
- financial exposures are controlled, including the use of derivatives;
- occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations; and
- business transactions are properly authorised and executed.

All reports to the Board on strategic and operational issues incorporate an assessment by management of the associated risks, which ensures that the Board is in a position to make fully informed business judgements on these issues. In addition, the committees receive risk management updates which address the material business risks facing the Company and the systems and policies in place to manage those risks.

The Company does not have an internal audit function but has implemented the following processes to evaluate and continually improve the effectiveness of its risk management and internal control processes.

The Board is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities.

The Board has instigated the following internal control framework:

- **Risk Manager** – Appointment of a Risk Manager who works closely with management to identify and mitigate risk and review internal control processes as required to ensure effectiveness.
- **Financial reporting** – Monthly actual results are reported against budgets approved by the directors and revised forecasts for the year are prepared regularly.
- **Continuous disclosure** – A comprehensive policy and process is in place to identify matters that may have a material effect on the price of the Company's securities and notify them to the ASX and post them on the Company's website. The Board and the Company Secretary are responsible for all communications with the ASX.
- **Quality and integrity of personnel** – Formal appraisals are conducted at least annually for all employees (every 6 months for most employees).
- **Operating units control** – The Chief Executive Officer and Chief Financial Officer ensure compliance with financial controls and procedures including information systems controls detailed in procedures manuals.
- **Investment appraisal** – Guidelines for capital expenditure include annual budgets, detailed appraisal and review procedures, levels of authority and due diligence requirements where businesses are being acquired or divested.
- **Management representation letters** – Each senior executive provides a management representation letter to the CEO and CFO every 6 months as part of the full year and half year audit process.

As part of the Board delegation of the oversight of risk to the committees referred to above, each committee will be required to review the Company's risk management framework (as it applies to the relevant risks) annually to satisfy themselves that it continues to be sound.

As part of this annual review, it will be determined whether the Company is operating with due regard to the formal risk appetite statement set by the Board.

These reviews have been conducted in relation to the Reporting Period in accordance with the relevant processes.

## Material business risks

### *Process to identify material business risks*

Each senior executive, with input and assistance from their direct reports, identifies key risks for their areas of responsibility and function which are in turn aggregated into an overall corporate risk register. Each risk is assessed and assigned an inherent risk rating and risk mitigation strategies are developed by senior executives designed to reduce the inherent risk profile to an acceptable level consistent with the requirements of the Audit, Risk and Sustainability Committee and the Board.

The risk register is continuously reviewed and maintained as new risks are identified or incidents occur, or mitigating controls change. Extracts of the risk register are provided to the Audit, Risk and Sustainability Committee, together with specific commentary or information on significant changes to the risks or the ratings.

Specific major risks or incidents are reported, as and when they occur, to the CEO and other key management personnel who are responsible for escalating these to the Audit, Risk and Sustainability Committee and Board, where necessary, if the event occurs outside the regular cycle of Committee meetings. The Audit, Risk and Sustainability Committee is informed of the effectiveness of actions to mitigate the impact of risk events. In addition, the Audit, Risk and Sustainability Committee considers developments or improvements in risk management and controls, including the adequacy of insurance programmes.

Separate records and registers are maintained for other more common or recurring risks; for example, arising from customer complaints and occupational health and safety issues. These are managed and reported to the Committee by relevant managers.

### *Environmental and social risks*

The Company has material exposure to environmental and social risks, including climate change risk. The details of material business risks and relevant mitigation strategies are set out in the Director's Report included in this Annual Report.

The Company took the following steps in developing its sustainability strategy in the Reporting Period:

- **Environment** – Taking action to reduce and mitigate our emissions towards Net Zero in 2040, with a near term target of 42% emissions reduction in Scopes 1 and 2 by 2030, now powered by 100% renewable energy sources, and our Sustainable Winegrowing Australia program resulted in 92% of 2025 vintage crush being certified.
- **Social** – closed our gender pay gap, continued to support the responsible enjoyment of alcohol in the UK and Australia through partnerships with DrinkWise and Community Alcohol Partnerships, and facilitated community impact through sponsoring employee volunteer days.

- **Governance** – Maintained B Corp certification, partnering with globally recognised best in class partners to monitor and report our ESG progress, operating with purpose and reporting transparently to deliver growth and impact.

For more information on the Company's sustainability strategy see the Sustainability Report within this Annual Report.

## Integrity of corporate reporting

The Audit, Risk and Sustainability Committee monitors the internal control policies and procedures designed to maintain the integrity of the Company's financial reporting.

The Company has implemented a process where the Chief Financial Officer and Chief Executive Officer declare in writing to the Board, prior to approval of the Company's financial statements for a financial period, that:

- the Company's financial records have been properly maintained;
- the financial reports present a true and fair view in all material respects of the Company's financial condition and operational results and are in accordance with relevant accounting standards; and
- their opinion has been formed on a sound system of risk management and internal compliance and control which operates efficiently and effectively in all material respects.

Supporting these declarations are certifications provided by other senior managers within the Company.

The external auditor reviews the director's report contained in the Company's Annual Report and provides an independent opinion that the Company's statutory accounts are true and fair.

During the Reporting Period, the Company did not disclose any periodic corporate report other than what was contained in the Annual Report.

## A culture of acting lawfully, ethically and responsibly

### Code of Conduct

The Company is dedicated to a high level of integrity and ethical standards in all business practices. In FY23, the Board established a refreshed Code of Conduct. This code is available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

The Code outlines how the Company expects all of its directors, employees and contractors to behave in the workplace and conduct business on a range of issues. It includes legal compliance and guidelines on appropriate ethical standards.

The Code covers:

- What employees can expect of the Company including diversity and inclusion, safety and equal opportunity and workplace behaviour;
- What suppliers can expect of the Company including fair trading, confidentiality and privacy and conflicts of interest;
- What the Company expects from its employees including behaviours, ethical conduct and leadership;
- Reporting unacceptable workplace behaviour; and
- Compliance with Company policies.

### Anti-Bribery and Corruption Policy

The Company strives to maintain a high standard of integrity, investor confidence and good corporate governance. This can only be achieved and maintained if the community is confident that employees are not influenced by gifts, benefits or bribery.

The Company has an Anti-Bribery and Corruption Policy which prohibits:

- giving or receiving bribes or other forms of improper payment;
- making facilitation payments;
- providing or accepting benefits, including gifts, entertainment, meals, travel/accommodation, training or other things of value which are contrary to the Anti-Bribery and Corruption Policy; and
- making political, charitable or community donations without authorisation.

Any breach of the Anti-bribery and Corruption Policy is treated as a serious matter and may give rise to disciplinary action, including dismissal. Material breaches are reported to the Board or a committee of the Board.

## Whistleblower Policy

The Company has a Whistleblower Policy which provides a safe environment where information regarding potential misconduct or an improper state of affairs within the Company may be disclosed confidentially and without fear of reprisal, victimisation or detrimental treatment for the person making the disclosure.

The Whistleblower Policy is available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

## Communications with shareholders

### Information Available via Website

The Company, in addition to providing shareholders and the market generally information about the Company through distribution of the Annual Report, the Half Yearly Report, the Chairman's and Chief Executive Officer's addresses to the Annual General Meeting, provides information about the Company and its corporate governance on the Company's website.

All Company Corporate Governance charters, policies and procedures are publicly available. This includes:

- the Board Charter;
- the Company's Securities Trading Policy; and
- the Audit, Risk and Sustainability Committee and the People, Remuneration and Nomination Committee Charters.

This corporate governance information can be located on the Australian Vintage Limited website at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

### Investor Relations

The Company has also implemented an Investor Relations Strategy to facilitate effective two-way communication with investors, which is available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

Shareholders and other stakeholders are also encouraged to contact the Company directly regarding any enquiries they may have.

### Facilitating Shareholder Participation

The Company provides shareholders the option to receive communications from and send communications to the Company and its share registry electronically.

At the 2020 Annual General Meeting the shareholders voted in favour of amending the Company's Constitution to permit virtual and hybrid general meetings. This provides the Company with the flexibility to use technology to facilitate participation of shareholders at future AGMs.

The Company's 2024 Annual General Meeting was held as a hybrid meeting, providing shareholders with the opportunity to participate either in person or virtually. In accordance with the Corporations Act, shareholders were given the opportunity to ask questions verbally or in writing and were able to vote in person or online.

Shareholders are encouraged to participate in the Company's AGM and use this opportunity to ask questions. The Company's practice at the AGM (and any other general meeting) is for all resolutions to be decided by a poll rather than a show of hands. The AGM will remain the primary forum for shareholder engagement each year. The external auditor also attends the AGM and is available to answer questions about the conduct of the audit and the preparation and content of the external auditor's report.

## Continuous disclosure

The Company has a written policy in place for complying with its continuous disclosure obligations under the Australian Securities Exchange, Listing Rules and the Corporations Act, which is available at [www.australianvintage.com.au/investor-centre/corporate-governance/](http://www.australianvintage.com.au/investor-centre/corporate-governance/).

This policy establishes procedures to ensure that the Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information. When the Company makes an announcement, the announcement is released to the ASX and the Company Secretary is responsible for communications with the ASX. All material information released to the ASX is published on the Company's website at [www.australianvintage.com.au/investor-centre/](http://www.australianvintage.com.au/investor-centre/). This includes ASX announcements, annual reports, notices of meetings and media releases. The policy sets out the type of information which requires disclosure as well as the internal policies governing the method and timing of disclosure.

The Company ensures that the whole Board reviews material market announcements before release to provide the Board with the opportunity to critique the announcement. The directors receive copies of all material information issued to the ASX promptly after they have been made.

New or substantive investor or analyst presentation materials are issued to the ASX in advance.

## Shareholders

The shareholder information set out below was applicable at 15 September 2025.

### Distribution of Shareholders

Analysis of shareholders of fully paid ordinary shares by size of holdings:

Number of Shares	Number of Shareholders
1 - 1,000	1,430
1,001 - 5,000	1,590
5,001 - 10,000	486
10,001 - 50,000	651
50,001 Over	436
	<b>4,593</b>

The percentage of the total holding of the twenty largest holders of Ordinary Shares was 61.23%.

### Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

Name	Ordinary Shares (as per last substantial holder notice)
Wentworth Williamson Management Pty Ltd	60,959,616
Vintage China Funds GP Limited	30,314,663
Triple D Ventures Pte Ltd	30,000,000

## Twenty largest shareholders

The names of the twenty largest shareholders of Ordinary Shares as at 15 September 2025 are as follows:

Shares Held	Number of Ordinary Shares Held	% of Listed Shares
1 SANDHURST TRUSTEES LTD <WENTWORTH WILLIAMSON A/C>	60,959,616	18.50
2 VINTAGE CHINA FUNDS GP LIMITED	30,314,663	9.20
3 TRIPLE D VENTURES PTE LTD	30,000,000	9.11
4 CITICORP NOMINEES PTY LIMITED	17,932,501	5.44
5 J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,503,784	4.10
6 FLST PTY LTD	6,750,000	2.05
7 GARRETT SMYTHE LTD	6,044,993	1.83
8 SARACENI'S PTY LTD	4,570,000	1.39
9 MRS MARINA SNYMAN	3,634,531	1.10
10 STARMAY SUPERANNUATION PTY LIMITED <STARMAY COLIN SCULLY A/C>	3,609,626	1.10
11 MR CHRISTOPHER STUART KING <THE KING SUPER FUND A/C>	3,400,000	1.03
12 MR JIAWEI FENG	3,060,858	0.93
13 BNP PARIBAS NOMS PTY LTD	2,789,737	0.85
14 MR JIM KOUMIDES + MRS LUCY KOUMIDES <POOR LITTLE PINKUS S/F A/C>	2,343,430	0.71
15 ARCHERFIELD AIRPORT CORPORATION PTY LTD	2,300,000	0.70
16 FNMS PTY LTD <FNMS SUPER FUND A/C>	2,200,000	0.67
17 IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	2,130,750	0.65
18 MR GRAHAM JOHN HARVEY	2,100,000	0.64
19 STARMAY SUPERANNUATION PTY LIMITED <STARMAY DON SHARP A/C>	2,050,000	0.62
20 BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,049,829	0.62
<b>Totals: Top 20 holders of Fully Paid Ordinary Shares (Total)</b>	<b>201,744,318</b>	<b>61.23</b>
<b>Total Remaining Holders Balance</b>	<b>127,718,605</b>	<b>38.77</b>

## Directors Report

The Directors of Australian Vintage Limited (the Company) submit herewith the annual financial report for the Company and its controlled entities (the Group) for the financial year ended 30 June 2025. In order to comply with the provisions of the Corporations Act 2001, the Directors report is presented as follows:

### Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:

#### James Williamson BCom

Chairman and Non-Executive Director since 23 August 2024

Mr Williamson has over 28 years of experience in financial markets including significant experience in covering global alcoholic beverages as an analyst based in London for Societe Generale and is the Co-Founder and Chief Investment Officer of Wentworth Williamson Management, a substantial shareholder of the Company. Wentworth Williamson Management is a private Australian-based value fund manager with both equity and private credit funds. Prior to Wentworth Williamson, Mr Williamson worked for Allan Gray Australia and prior to that he was Portfolio Manager of the Investec Australian Equity Fund. Mr Williamson holds a Bachelor of Commerce, a Graduate Diploma of the Securities Institute of Australia, is a Senior Associate of FINSIA and is a director of ASX-listed Alexium International Group Limited.

Mr Williamson is Chairman of the Board of Australian Vintage Limited. He is also a member of the People, Remuneration and Nomination Committee and the Audit, Risk & Sustainability Committee.

Mr Williamson was appointed as Non-Executive Director with effect from 23 August 2024. Mr Williamson was also appointed Acting Chief Executive Officer 23rd August and subsequently resigned from this role 14th October 2024.

Interest in shares: Mr Williamson holds 61,111,258 shares indirectly, 151,642 shares held indirectly via James Frank Williamson and Tiona Joy Williamson as trustee for Williamson Super Fund A/C and 60,959,616 fully paid ordinary shares held indirectly via Sandhurst Trustees Ltd <Wentworth Williamson A/C>. Mr Williamson is a shareholder, director and Chief Investment Officer of Wentworth Williamson Management Pty Ltd that holds an 18.5% interest in AVG.

#### Margaret Zabel B Math, MBA, GAICD

Non-Executive Director since 23 July 2024

Margaret Zabel is a specialist in customer centred business transformation, brand strategy, innovation, communications, customer experience and change leadership. She has 20 years senior executive experience working across major companies and brands in FMCG, food and beverage, technology and communications industries including multinationals, ASX 100 and not-for-profits. Her previous roles include National Marketing Director Lion, VP Marketing for McDonald's Australia and CEO and Board Director of The Advertising Council of Australia. Margaret has also served as a Non-Executive Board Director for the mental health charity R U OK? and Fairtrade AUNZ, and is currently a Non-Executive Director on the Boards of G8 Education, Select Harvests, The Reject Shop and Collective Wellness Group.

Ms Zabel is Chair of the People, Remuneration and Nomination Committee and member of the Audit, Risk & Sustainability Committee.

Ms Zabel was appointed as Non-Executive Director with effect from 23 July 2024.

Interest in shares: Ms Zabel holds 207,162 shares indirectly.

#### Michael Byrne AM ESM MSc. FAICD

Non-Executive Director since 14 August 2024

With a distinguished career spanning over four decades, Michael Byrne has established himself as a seasoned Global C-suite executive and Non-Executive Director. His expertise in strategic planning, operational management, and financial stewardship has left an indelible mark across diverse industries and geographies, including Australia, New Zealand, North America, Oceania, Europe, sub-continent, Asia, the Middle East, and Africa. Mr Byrne is currently a non-executive director of Ausgrid, NSW Ports and Peel Ports UK, as well as a Senate member of the University of WA. Mr Byrne has previously held positions of Managing Director of Toll Group and Chief Executive Officer of both Coates Hire and Linfox, as well as Board and Committee positions with Australia Post, OzHarvest, Victoria University and the University of Denver. Mr Byrne holds a Master of Science in Transportation and Infrastructure from the University of Denver. In 2017, Mr Byrne became the inaugural Adjunct Professor at the Centre for Supply Chain and Logistics at Deakin University and is a Fellow of the Australian Institute of Company Directors.

Mr Byrne is Chair of the Audit, Risk & Sustainability Committee and member of the People, Remuneration and Nomination Committee.

Mr Byrne was appointed as Non-Executive Director with effect from 14 August 2024

Interest in shares: Nil

**Elaine Teh**

Non-Executive Director since 23 August 2024

Ms Teh is the founder and executive Chair of Octopus Global Holdings, which is the Company's current distributor in Singapore and Malaysia. Octopus Global is the sole representative of many large global distributors in Singapore and Malaysia, including Remy Martin, Paulaner, San Miguel, Australian Vintage, Fever Tree, ABInBev and more. Ms Teh holds a Bachelor of Arts, Economics and Japanese from the University of New South Wales, Australia.

Ms Teh was appointed as Non-Executive Director with effect from 23 August 2024.

Interest in shares: Ms Teh holds 760,000 shares indirectly in AVG. Ms Teh's defacto partner is a beneficiary of a trust holding Triple D Ventures, a substantial shareholder of the Company.

**Richard Davis B. Ec**

Chairman and Non-Executive Director resigned 11 July 2024

Mr Davis is Chairman of Monash IVF Group Limited and a non-executive director (and previously CEO) of InvoCare Limited where he spent almost 20 years growing and managing the business. Mr Davis holds a Bachelor of Economics and has a background in venture capital and as an accounting partner for a leading national accounting firm.

Mr Davis had been a non-executive director of the Company since 2009 and held the position of Chairman of Australian Vintage Limited.

Interest in shares: 290,332 fully paid ordinary shares held directly.

**John Davies FCA, Dip. Bus S**

Interim Chairman appointed 11 July 2024 and Non-Executive Director, resigned 23 August 2024

Offering the board both industry and financial experience, Mr Davies is a Fellow of the Institute of Chartered Accountants and has had a 36 year career with Ernst & Young. Mr Davies was elected to Ernst & Young's Asia Pacific Board of Partners for a six year period until his retirement from the firm in 2011. During his career, Mr Davies provided professional services to many of Australia's leading wine companies, and he also owns a 150 acre vineyard in Heathcote, Victoria.

Mr Davies was Chairman of the Audit Committee and member of the Risk and Sustainability Committee. Mr Davies was Interim Chairman of Australian Vintage Limited from 11 July 2024 to 23 August 2024.

Interest in shares: Nil.

**Naseema Sparks AM**

Non-Executive Director resigned 24 July 2024

Offering the board expertise in fast growth consumer-facing businesses, Ms Sparks has strong experience at both operational and board level in marketing, branding and customer targeting, with her most recent executive career as Managing Director and Global Partner of M&C Saatchi in Australia. Ms Sparks has been a professional non-executive director since 2007, serving on boards of a diverse range of companies including ASX listed and private companies, Government statutory authorities, not-for-profit arts, health and education boards. Ms Sparks is Chair of Openmarkets Group Ltd and a director of Knight Frank Australia Pty Ltd. She is also Chair of Sydney Living Museums. Ms Sparks' qualifications include an MBA from The University of Melbourne and she is a Fellow of the Australian Institute of Company Directors.

Ms Sparks was Chair of the People, Remuneration & Culture Committee and member of the Audit Committee.

Interest in shares: 100,129 fully paid ordinary shares held directly.

**Peter Perrin**

Acting Chief Executive Officer resigned 23 August 2024 and Non-Executive Director resigned 23 August 2024

Mr Perrin brings a wealth of high level wine industry experience as a past Manager and Director of a number of large listed, private and boutique wine companies in Australia, the United States and New Zealand over a 40 year wine career that focused on sales and marketing both in Australia and overseas. Mr Perrin is a trustee and honorary life member of the Wolf Blass Foundation.

Mr Perrin was Chairman of the Risk & Sustainability Committee and member of the People, Remuneration & Culture Committee.

Interest in shares: 339,502 fully paid ordinary shares held indirectly.

## Directorships of other listed companies

Directorships of other listed companies held by Directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of Directorship
James Williamson	Alexium International Group Limited	Since November 2024
Margaret Zabel	G8 Education Limited The Reject Shop Ltd Select Harvests Ltd	Since September 2017 Since June 2021 Since September 2022
Richard Davis	InvoCare Limited Monash IVF Group Limited	Since 2012 Since 2014
Naseema Sparks	Openmarkets Group Ltd (previously Openmarkets Group Pty Ltd)	Since 2021

## Company Secretary

### Alicia Morris

General Counsel and Company Secretary

Alicia joined Australian Vintage Limited in October 2010 and leads AVG's legal team and governance portfolio. She holds a Bachelor of Laws and Legal Practice (Hons), Bachelor of Behavioural Science (Psychology), a Graduate Diploma of Applied Corporate Governance and is a fellow member of the Governance Institute of Australia and Member of the Australian Institute of Company Directors. She has over 15 years' legal, commercial and governance experience.

## Principal activities

The Group's principal activities in the course of the financial year were wine making, wine marketing and vineyard management.

## Changes in state of affairs

During the financial year there was no significant change in the state of affairs of the Group other than that referred to in the financial statements or notes thereto.

## Environmental regulations

The Group entity holds licences issued by the Environmental Protection Authorities in various states which specify limits associated with the discharge of winery waste. There have been no known breaches of the licence conditions.

## Dividends

In respect of the financial year ended 30 June 2025, no dividend has been declared. In respect of the financial year ended 30 June 2024, no dividend was declared or paid.

## Review of operations and future developments

The operating and financial report contains non IFRS measures that have not been subject to audit review. The non-IFRS measures are used internally by management to assess the performance of the business and make decisions on the allocation of resources.

### Australian Vintage Overview

Australian Vintage is an alcohol beverage company selling over 95% of its products to global retail markets, with approximately two thirds of its revenue derived from export related markets. Over the past few years AVG has focussed on innovation and premiumisation to maintain market share whilst sales in commercial red category have declined.

AVG are known as the global leaders in the no-and-low alcohol wine segment creating an Australian first with McGuigan Zero, launched in FY20. Growth in this category is supported by Not Guilty, the McGuigan and Tempus mid alcohol ranges especially in UK, European and north American markets.

AVG has industry leading environmental, social and governance (ESG) credentials, recognised through the achievement of B-Corp certification in FY24. Industry leading credentials have been achieved upon a strong foundation of trusted long-term relationships with customers, growers, suppliers and employees.

AVG owns modern processing facilities that are the third largest in Australia and are capable of commercial, premium, and ingredient processing on the same site. These facilities have capacity to absorb planned growth.

AVG is in the early stages of a turnaround to address declining sales and negative cash outflows of the Group in recent years as it seeks to offset global structural cost inflation, introduced through the wars in FY23, that are not easing. AVG estimates that fiscal year 2026 will be a transformational year for the Group both in terms of turning declining sales into growth and generating free cash flow. However, the basis for confidence in FY26 is partly due to the difficult decisions taken in FY25 to set up the necessary platform for future growth and cash flow generation.

### Full year results

As previously guided to the market on 23rd May 2025, overall sales for Australian Vintage were \$257 million or -1% lower than prior year. A relentless focus on cash flow through cost-out measures has seen earnings and cash flow improvement in FY25, but still behind company targets. Earnings improvement has increased EBITDAS to \$15 million, EBITs to \$1 million and NPATS to -(\$6) million compared to FY24 results. Contained within the earnings is a one-off expense of \$6 million associated with the first-time implementation of waste management legislation in the UK in FY25, also known as Extended Producer Responsibility (EPR). Going forward EPR costs will be included in cost of goods sold and are expected to be recovered through price increases.

AVG estimates that fiscal year 2026 will be a transformational year. The Group is targeting topline growth of +5% to +8%, reversing years of declining sales into growth and pivoting the Group on a positive free cash flow trajectory. Already the Group is ahead of budget in July with positive early signs, ahead of expectations, of consumer adoption rates in the UK for key new brand innovations of Poco Vino™ and Lemsecco™. The Poco Vino™ and Lemsecco™ budgeted sales growth have been upgraded to \$15 million and \$6 million. These two innovative brands, based on forecast ranging with key UK and Australian customers and early adoption rates in the UK, are anticipated to be key growth drivers for the Group over the medium term.

Poco Vino's upgraded 2026 expectation does not truly reflect the scale and potential of this innovation for the Group. Current expectations are based on a small and defined distribution set in Australia and the UK for a partial period of the 2026 fiscal year only. Since AVG last gave guidance on this product's revenue contribution, early sales in the UK have exceeded estimates by four times. Further acceleration, that will most likely spill over into growth for future years, will be driven by confirmation of more stores in core markets of Australia and the UK, as well as new distribution partners in NZ, Thailand, Malaysia, China and Europe. Additionally, AVG is in the final stages of roll-out in the USA, Indonesia, Philippines and across the Middle East.

## Review of operations and future developments (continued)

Future growth of Poco Vino™ will not only be limited to geographical expansion. The Group plans to launch additional SKU's in Sparkling wine, Premium ranges for Global Travel Retail, Hotel and on-premise accounts. All of this growth will be serviced by three dedicated manufacturing hubs located in Amsterdam for Europe and UK, Nappa Valley for USA and Merbein for Australia, leveraging the planned “make where sold model” to limit shipping lead times, increase profitability and speed to market.

### Profit result (reported basis)

	2025	2024
Revenue	257,185	260,594
Gross margin (before inventory Write Down impacted by change in strategy)	69,364	74,057
Inventory Write Down impacted by change in strategy	-	(36,585)
Gross margin (after inventory Write Down impacted by change in strategy)	69,364	37,472
<b>Earnings before interest, tax, depreciation, amortisation and SGARA (EBITDAS) (1)</b>	<b>15,381</b>	<b>(52,497)</b>
Depreciation and amortisation	(14,583)	(16,010)
<b>Earnings before interest, tax and SGARA (EBITS) (1)</b>	<b>798</b>	<b>(68,507)</b>
Finance costs	(6,705)	(5,663)
<b>Profit before tax and SGARA (PBTS) (1)</b>	<b>(5,907)</b>	<b>(74,170)</b>
Income tax expense (2)	-	(12,019)
<b>Net profit after tax and before SGARA (NPATS) (1)</b>	<b>(5,907)</b>	<b>(86,189)</b>
SGARA (net of tax expense)	(3,657)	(6,846)
<b>Net profit after tax (NPAT) (1)</b>	<b>(9,564)</b>	<b>(93,035)</b>
Finance costs	6,705	5,663
Income tax expense	-	(9,085)
<b>EBIT (1)</b>	<b>(2,859)</b>	<b>(96,457)</b>
Basic earnings per share (cents)	(2.9)	(36.5)
Return on capital employed (3)	0.2%	(24.5%)
EBITDAS margin	6.0%	(20.1%)
Net debt (4)	75,123	56,483
Net debt/equity	39.3%	26.4%
Net debt/net debt + equity	28.2%	20.9%
Reported net debt / EBITDAS (before AASB 16 Leases)	4.9 times	(1.1) times
Cash lease rent	(10,504)	(13,958)
Reported net debt / EBITDAS (after AASB 16 Leases)	15.4 times	(0.8) times

(1) Contains one-off first time implementation costs of \$6.1 million relating to waste management legislation enacted in FY25 in the UK which requires retrospective measurement, also known as Extended Producer Responsibility (EPR), with ongoing EPR costs included in COGS and expected to be recovered through price increases

(2) adjusted for the tax impact of SGARA

(3) EBITDAS divided by capital employed, where capital employed is defined as total assets less current liabilities

(4) net debt is calculated as total borrowings less cash and cash equivalents (excludes lease liabilities)

## Review of operations and future developments (continued)

### FY25 Branded Sales and FY26 outlook for Core branded portfolio

While the Group is focussed on innovation growth, the core business is critical to long term stability and breadth of range. While the Company is reporting a -1% decline in sales for the full year FY25, AVG has continued to maintain, and improve, market share across key geographies, even in a globally soft wine market. This consistent outperformance of AVG brands, compared to other Australian wine businesses in the scale wine segments, is a demonstration of the continued consumer appeal of the AVG portfolio of brands. As a key driver of profit, AVG maintained pillar brand revenue at 78% of total revenue in FY25 (65% in FY20). Since FY20, AVG has consistently grown pillar brands share of value, with a CAGR of Tempus Two +4%, Nepenthe +15%, Barossa Valley Wine Company +8%, high profit zero alcohol wines +71%, whilst protecting red-centric McGuigan at -2% against much heavier declines of other Australian sub \$10 wine companies.

Expectations in FY26 is for considerable growth in McGuigan and Not Guilty Zero alcohol wines across the UK with planned expansion into Canada and USA. Additionally, AVG's premium portfolio, while small, will continue to grow. The recently signed sponsorship of Cricket Australia and the Ashes series will be used as a key consumer and trade engagement platform to increase relevance, sales, and awareness of this globally iconic brand. Based on these initiatives, Australian Vintage believes the decline of the McGuigan brand will halt in the portfolio in 2026.

### FY26 Innovation and global MadFish acquisition

As outlined earlier, Poco Vino™'s net sales expectations for FY26 continue to grow each week as sales are realised. Importantly, the team is focused on seamless execution of maintaining the supply of finished products and meeting the quality and service expectations of customers. The growth of the brand will require additional working capital as infrastructure, logistics and supply chain challenges are overcome and new customers and countries come online. A full update will be provided at the 2026 half year result in February when the key markets of the UK and Australia will have months of sales data available.

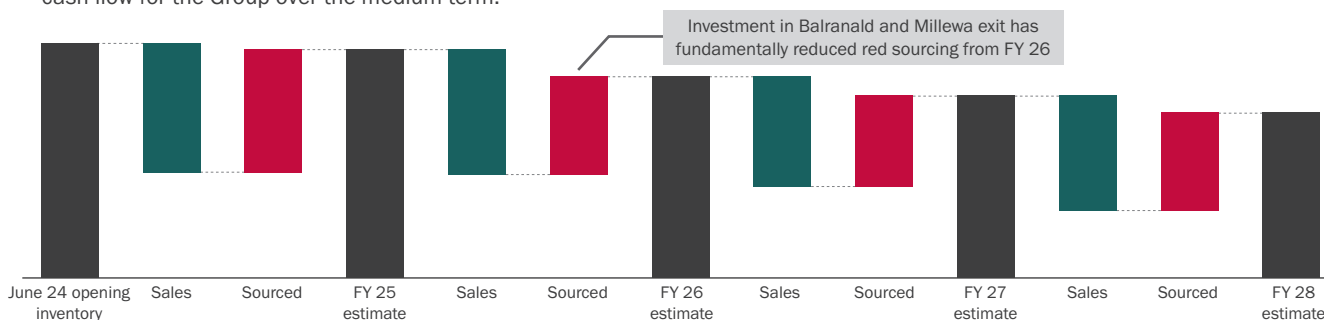
**Lemsecco™**, Australian Vintage's Spritz brand innovation, has secured long term citrus and Prosecco base supply due to increasing FY26 demand, which is now expected to exceed FY25's result by over 100,000 4.5L cases, representing an incremental \$4 million in net sales. Distribution and ranging continues to expand across ANZ, UK and North America having now received FDA approval to ship the Group's first presold orders to the USA. Lemsecco™ is expected to exceed current forecasts for FY26.

During FY25, AVG announced a strategic acquisition of the international ownership of the **MadFish** brand, outside of Australia. This brand is an exciting opportunity for the company especially in the UK. Furthermore, the Group has successfully negotiated the distribution rights for the Howard Park wine brand in the UK, Ireland, Europe and Canada, further leveraging AVG's existing sales footprint. Whilst the FY26 revenue from this exciting opportunity is small in the context of the overarching core portfolio, it is strategically important to AVG as it provides a future scalable (+200k 4.5L cases, up to \$9 million in net sales) and much needed lighter varietal range, sitting at a premium price point from a desirable and respected Western Australian brand – The company sees significant potential for growth in FY27 and beyond.

### Inventory

As updated to the market on 23rd May 2025, inventory of \$220 million has increased by \$19 million over FY24. The higher inventory is a consequence of historic contracted wine intake and inventory build for innovation and premiumisation, notably Poco Vino™ and Lemsecco™.

For FY26 and FY27, AVG estimates a significant inventory reduction as wine intake will peak in vintage 2025. The drivers of this significant reduction in wine intake is from long-term grower contracts rolling off over the next three years. The Company has also accelerated this through strategic lease and grape supply exits of Millewa in July 2025 and Balranald in July 2024. These represent an annual reduction of over 20kT, or \$7 million in equivalent grape pricing if no more grapes are purchased, of mostly excess red grape supply. This meaningful reduction, in previously obligated future cash outflows, will be a significant driver of free cash flow for the Group over the medium term.



Estimated volumetric inventory movement over time, including reduction in sourcing from Millewa and Balranald vineyard leases, subject to agricultural risk and consumer demand

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## Review of operations and future developments (continued)

### Cash Flow and Net Debt

As previously guided on the 23rd May 2025, the Group's expectation of neutral normalised free cash flow for FY2025 was revised to be an underlying outflow of approximately \$13 million for the full year and a final net debt position of \$75 million. The result is free cash flow improvement of +\$15 million over the prior year and +\$20 million on FY23, on a like-for-like basis. However, the Group acknowledged in May 2025 that this was not in line with investor or management expectations.

For FY26, the Group is balancing the growth targets of successful brand launches for the first months of the financial year with a clear budget to achieve cash flow positive outcomes for the full year result. A full update will be provided at the FY2026 half-year result on the Group's performance against these targets.

### Strategic focus and leadership changes

The Company has been restructured to drive change, The Board renewal occurred in August 2024, with Mr James Williamson welcomed as Chair, Ms Margaret Zabel as a Non-Executive Director, Mr Michael Byrne as a Non-Executive Director and Ms Elaine Teh as a Non-Executive Director. This was followed by a leadership change with the appointment of Tom Dusseldorp as CEO in May 2025.

The change in the Board and leadership resulted in a change in strategy to target free cash flow generation and increased ROCE as an immediate priority.

The Company strategy is driven by two key deliverables of driving topline growth and generate free cash flow through:

- Maintain the Group's core brands in a softening wine market
- Investing in margin accretive innovation to drive revenue growth
- Leverage existing export capability to position for new market expansion across China, rest of Asia and the Americas
- Reducing fixed grape supply, sell excessive bulk wine and increase flexibility of grape sourcing to bring wine supply in balance and generate cash
- Drive further operational and operating efficiencies.

The outcome of this focused strategy is expected to deliver a free cash flow neutral position by the end FY26, free cash flow generation of +\$10 million in FY27, and +\$20 million per annum in free cash flow generation by the end of FY28.

*This information is in summary form and is not necessarily complete. It should be read together with other Company announcements lodged with the Australian Securities Exchange.*

*This announcement contains information that is based on projected and/ or estimated expectations, assumptions or outcomes.*

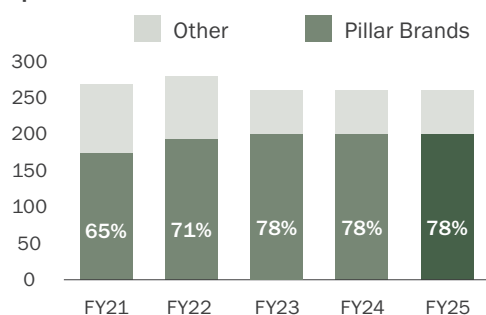
*Forward looking statements are subject to a range of risk factors. The Company cautions against reference on any forward-looking statements, particularly considering economic conditions that impact consumer demand and the cost base, foreign exchange impacts, agricultural risk and other geopolitical risks.*

*While the Company has prepared this information with due care based on its current knowledge and understanding and in good faith, there are risks, uncertainties and other factors beyond the Company's control which could cause results to differ from projections. The Company will not be liable for the accuracy of the information, nor any differences between the information provided and actual outcomes and reserves the right to change its projections. The Company undertakes no obligation to update any forward-looking statement after the date of this presentation, subject to disclosure obligations.*

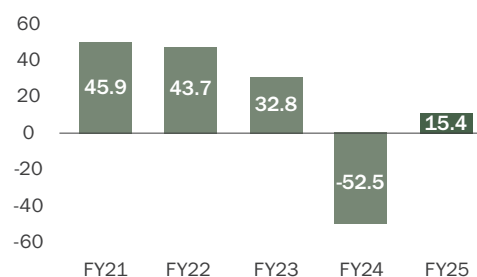
## Review of operations and future developments (continued)

### Company Performance

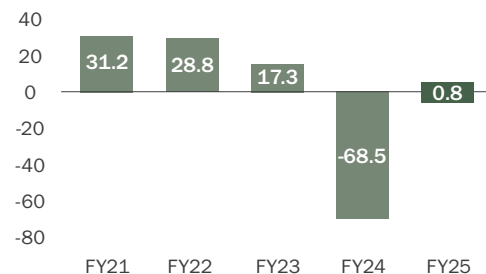
**Total Revenue**  
**\$257.2m**



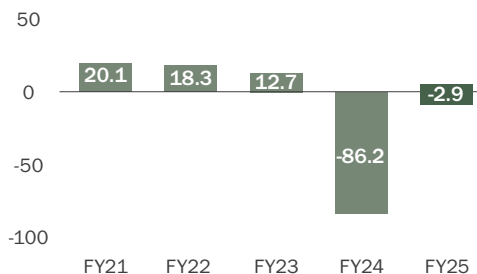
**EBITDAS**  
**\$15.4m (reported)**



**EBITS**  
**\$0.8m (reported)**



**Net Profit After Tax pre SGARA**  
**\$2.9m (reported)**



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## Review of operations and future developments (continued)

### Material business risks

The Group has an established Audit and Risk Committee, which monitors risks to the business on an ongoing basis and ensures they are identified in a timely manner and managed accordingly. Below are those risks that AVG considers of greatest materiality to the business, and existing mitigations against these risks.

Material business risk	Details of risk	Mitigation strategies in place
<b>Global inflationary pressures driven by geopolitical instability</b>	<p>Global economic instability, geopolitical tensions, and climate-related events are contributing to significant global inflation, increases in all major categories such as: Energy, shipping, fuel, tariffs, taxes, labour and delays/ disruptions are all occurring simultaneously.</p> <p>Disruption in the global shipping environment is having an impact on the reliability and cost of supply. AVG experiences stock-outs and demurrage costs (UK) that have consistently increased. Container costs continue to be higher than levels 2 years ago with ongoing Red Sea disruption</p>	<p>AVG has long term contracts in place for all key aspects of the supply chain. On a regular basis those contracts are tested through a tender process.</p> <ul style="list-style-type: none"> <li>• AVG relies on key partnerships across the supply chain, and in working with our partners, we strive to ensure that short term environmental impacts do not disrupt long term arrangements.</li> <li>• Shipping contracts have been recently renegotiated providing certainty over shipping spots, price and port fees.</li> <li>• AVG pre purchases demurrage to limit reactive costs incurred as a result of delivery un-reliability.</li> <li>• Proactive engagement in regulatory bodies to ensure line of sight to any industry changes are identified, quantified and recouped through consumer and customer pricing (e.g. recent EPR tax change in the UK).</li> </ul>
<b>Changing consumer preference for wine</b>	<p>Global consumption has fallen over the last 4 years. Consumer preferences are constantly changing with consumers recently moving away from heavy red wine to lighter, white and sparkling varietals.</p>	<ul style="list-style-type: none"> <li>• AVG procures a large amount of consumer data to stay ahead of trends and understand consumer preferences.</li> <li>• Driving innovation to develop new products and formats differentiating AVG's offering and appealing to changing consumer preferences.</li> <li>• Build brand desirability by continuing to invest in brand awareness strengthening consumer preference and loyalty.</li> <li>• Reduce reliance on red wine supply, increasing portfolio strength in growing varietal areas (e.g. white wine).</li> </ul>
<b>Cyber security</b>	<p>Data/information security is essential to protect business critical intellectual property and privacy of data. Continuing advances in technology, systems and communication channels mean increasing amounts of private and confidential data are now stored electronically. This, together with increasing cyber-crime, heightens the need for robust data security measures.</p>	<ul style="list-style-type: none"> <li>• Information Security Policy, supporting framework and specialised resources.</li> <li>• Restricted and segregated management of sensitive business/supplier/customer data.</li> <li>• Periodic employee training and alerts to ensure secure handling of sensitive data.</li> <li>• Crisis management and IT Disaster Recovery Plans</li> <li>• Multi-factor authentication with passwords changes on regular basis</li> </ul>
<b>Balanced sheet valuation is higher than market/ perceived value</b>	<p>Impact of asset over valuations on balance sheet could lead to asset write downs that may impact on debt through reduced leverage.</p>	<ul style="list-style-type: none"> <li>• Assets are valued on a regular basis utilising external market valuations where available.</li> <li>• Inventory is assessed against its recoverability through market channels.</li> <li>• Forward look strategy of at least 3 years is constantly reviewed to consider changing market dynamics and the impact that may have on asset value.</li> </ul>

## Review of operations and future developments (continued)

Material business risk	Details of risk	Mitigation strategies in place
<b>Foreign exchange</b>	AVG is exposed to foreign exchange risk from a number of sources, namely from the export of Australian produced wine to offshore markets. Foreign exchange rate movements impact AVG's earnings.	<ul style="list-style-type: none"> <li>Active foreign exchange hedging strategy that utilises 3-5 year business plans to minimise hedging risk over 3 years</li> <li>Partial natural hedges (purchases and sales within the same currency) where possible.</li> </ul>
<b>Climate change</b>	<p>Climate change is expected to impact on AVG increasingly in terms of regulation and associated costs, posing the following risks:</p> <ul style="list-style-type: none"> <li>Restrictions on access to water and energy whilst working within possible carbon price and emission reduction targets</li> <li>The ability to effectively respond to climate related change impacts that could have adverse effects on business performance</li> <li>Third party suppliers' ability to respond to climate change impacts</li> <li>Consumer awareness and retailer requirement for sustainability strategies that could impact listings and sales offtake</li> <li>Rising temperatures in the inland growing regions and the impact that may have on vine and grape performance</li> </ul>	<p>AVG have strategies in place to reduce our greenhouse gas footprint across Scopes 1, 2, and 3 stewarded through our Sustainability Management team. In addition, the following activities are ongoing to mitigate climate change risks:</p> <ul style="list-style-type: none"> <li>Further investment towards innovative water and power solutions to reduce environmental footprint and save on costs.</li> <li>Reduction in fixed vineyard holdings reducing the risk of water volatility on AVG's financials.</li> <li>Working closely with the Bureau of Meteorology to better understand short and long term weather patterns.</li> <li>Working with key suppliers to ensure they are managing climate change in a way that is commensurate with AVG's policy and approach, supporting AVG's sustainable sourcing strategies.</li> <li>Global sourcing strategies to mitigate high emission freight.</li> </ul>
<b>Long term management &amp; reduction of company debt</b>	Current Net Debt at end of FY25 is \$75 million. Driven by hyper-inflationary impacts over the last 3 financial years, AVG has utilised debt to manage the severe cost spikes in a highly price competitive industry.	<p>AVG has a strong relationship with its financiers with an ongoing open, transparent dialogue in place, with current facilities ending in March 2027.</p> <p>Other strategies in place include:</p> <ul style="list-style-type: none"> <li>Working closely with customer to grow sales opportunities in key core geographies.</li> <li>Growth in global geographic locations pursuing opportunities to mitigate decline in some markets.</li> <li>Launching successful innovation with higher margins than traditional products thereby driving more cash.</li> <li>Closely managed inventory holding with plans in place to reduce inventory holding to 15 months enabling faster working capital turnaround.</li> <li>Variabilising the supply chain to reduce high fixed costs coupled with ongoing supply chain cost management.</li> <li>Investing in growth opportunities that drive liquidity and cash in the short to medium term.</li> </ul>

## Directors meetings

The following table sets out the composition of the Director's meetings.

Directors	Board Meetings	Audit, Risk & Sustainability Committee Meetings	People, Remuneration & Nomination Committee Meetings
James Williamson	Chair	Member	Member
Michael Byrne	Member	Chair	Member
Margaret Zabel	Member	Member	Chair
Elaine Teh	Member	-	-
John Davies	Interim Chair	Chair	-
Naseema Sparks	Member	Member	Chair
Peter Perrin	Member	-	Member

The following table sets out the number of Directors meetings (including meetings of Committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or Committee Member).

During the financial year the company held 9 Board Meetings, 4 Audit, Risk & Sustainability Committee Meetings, 2 People, Remuneration & Nomination Committee meetings.

Directors	Board Meetings Attended	Audit, Risk & Sustainability Committee Meetings Attended	People, Remuneration & Nomination Committee Meetings Attended
James Williamson	7/7	3/3	1/1
Michael Byrne	6/8	4/4	1/1
Margaret Zabel	9/9	4/4	2/2
Elaine Teh	6/7	1/3	1/1
John Davies	2/2	1/1	1/1
Naseema Sparks	1/1	N/A	1/1
Peter Perrin	2/2	1/1	1/1
<b>Total Meetings Held</b>	<b>9</b>	<b>4</b>	<b>2</b>

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## Remuneration report

### Introduction

After a year of change, AVG has reviewed its remuneration structure to ensure that our people continue to be fundamental to our success. AVG's People, Remuneration and Nomination strategy ensures our people are set up to drive performance, return shareholder value and win in the market. The importance of retaining talent in a challenging environment has further highlighted the need to invest, attract and retain people.

Australian Vintage is extremely proud that despite leadership changes we have maintained strong levels of employee engagement globally, increased female representation, outperformed any previous years on our safety targets and retained top talent.

Australian Vintage's approach to remuneration ensures that building an inclusive and diverse workplace is at the forefront of all people decisions. AVG recognises that having an inclusive workplace is essential for the sustainability of the business and, in turn, drives shareholder return. The result of building an inclusive workplace continues to show within employee retention which see our high performing employees growing throughout the business.

In FY25, we reviewed our current executive remuneration scheme to ensure it was motivational whilst driving shareholder returns. After a review it was decided to add in a new financial gateway for Short Term Incentive payments to the executive team. The new financial gateway was to achieve free cash flow neutrality. As this gateway was not achieved in FY25, none of the executive team will receive a short-term incentive bonus. In addition to this change AVG are also underway with renewing the long-term incentive scheme to ensure it motivates the executive team and key employees to deliver free cash flow and create long term sustainable business performance. Australian Vintage's holistic approach to remuneration is well understood throughout the business, motivating and inspiring our Executive and their teams to drive long term business results. Linking Executive remuneration to a balanced scorecard keeps the Executive focussed on driving long term value and shareholder returns.

Across the business, consistency and performance is measured through a balanced scorecard approach. The scorecard is an Executive KPI measure which aligns directly to the Long-Term Strategy and puts the consumer at the heart of everything we do. This KPI Balanced Scorecard comprises of specific performance measures on – Free Cash Flow, Sales Revenue, Behaviours & Engagement, Safety, ROCE, Branded Growth & Innovation, and long-term sustainability.

### Vision, Purpose, Values & Behaviours

AVG's behavioural framework is an integral part of the remuneration structure for all employees. Enabling behaviours are ingrained throughout the organisation and set a standard for the way in which all employees operate and behave daily.

This framework forms part of the annual performance review with behaviours a gateway to any salary or bonus payments.

Key principles of the behavioural gateway are;

- If an employee scores below satisfactory on their behavioural assessment, they will not be eligible for a salary increase or a bonus payment
- If an employee scores below satisfactory on their behavioural assessment, they will be provided with the support and tools to improve their behaviours
- The executive team have a higher threshold of maintaining strong performance on their behavioural assessment and are expected to be role models in their behaviour

These AVG behaviours underpin the corporate strategy and form the foundation of our engaged and achievement focussed culture.

## Remuneration report (continued)

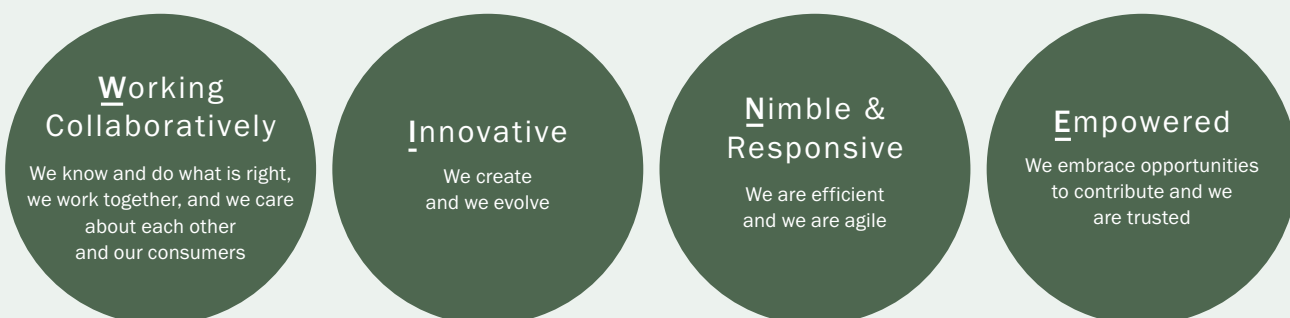
### OUR VISION

To be the first choice for every occasion

### OUR PURPOSE

Make the world a smaller place through sharing good times

### OUR VALUES



**Working Collaboratively**

We know and do what is right, we work together, and we care about each other and our consumers

**Innovative**

We create and we evolve

**Nimble & Responsive**

We are efficient and we are agile

**Empowered**

We embrace opportunities to contribute and we are trusted

**Integrity**

We act with integrity, always being honest and doing what we know is right by our colleagues & our customers.

**Respect**

We respect our colleagues as equal no matter what their role in the business. We value diversity & differences.

**Courage**

We show courage, stepping up to address difficult issues, saying what needs to be said.

**Collaboration**

We collaborate, always putting team AVG first. Supporting each other, building partnerships, and working with others to meet shared objectives.

**Resilience**

We show resilience. Rebounding from setbacks and adversity when facing difficult situations.

**Trust**

We build successful relationships with our customers and each other because we trust each other.

### OUR MISSION

We put the consumer at the heart of everything we do

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## Remuneration report (continued)

### Key Remuneration Objectives and Principles

Remuneration objectives and principles with respect to both the Chief Executive Officer and Executive compensation are as follows:

1. To provide a fair and reasonable remuneration structure for all employees
2. To provide attractive rewards and incentives to retain key individuals
3. To link senior executive rewards to accretion in shareholder wealth
4. The remuneration strategy must be easily understood by the Board, management and shareholders and must:
  - a) Reinforce organisation strategy and the objectives of the five-year plan
  - b) Facilitate corporate values and behaviours identified as core to the culture
  - c) Be proactive and dynamic so as to reflect changes in trends and future business opportunities

### Key Management Personnel for the year comprised:

Name	Position	Dates
<b>Non-executive Directors</b>		
James Williamson	Chairman	Appointed 23rd August 2024, Appointed Acting CEO 23rd August, Resigned as Acting CEO 14th October 2024
Richard H Davis	Chairman	Resigned 11th July 2024
Michael Byrne	Non-executive Director	Appointed 14th August 2024
Margaret Zabel	Non-executive Director	Appointed 23rd July 2024
Elaine Teh	Non-executive Director	Appointed 23rd August 2024
John D Davies	Non-executive Director	Appointed Interim Chairman 11th July 2024. Resigned as Interim Chairman and Non-Executive Director 23rd August 2024
Naseema Sparks	Non-executive Director	Resigned 24th July 2024
Peter Perrin	Non-executive Director	Full Year, appointed Acting CEO 3rd May 2024, Resigned 23rd August 2024
<b>Executives</b>		
Tom Dusseldorp	Chief Executive Officer ('CEO')	Appointed 29th April 2025
	Chief Commercial Officer	Until 28th April 2025
Craig Garvin	Chief Executive Officer ('CEO')	Appointed 14th October 2024, Resigned 29th April 2025
Adam Rigano	Chief Financial Officer ('CFO')	Full Year
Julian Dyer <sup>(1)</sup>	Chief Operating Officer, UK, Europe, Americas	Until 28th April 2025
Thomas Jung <sup>(1)</sup>	Operations Director	Until 28th April 2025
Jeff Howlett <sup>(1)</sup>	General Manager – Asia Pacific	Until 28th April 2025

1. For the purpose of the disclosure Key Management Personnel (KMP) are defined as an individual who is responsible for strategic planning, management and performance of a division or function and reports directly to the Chief Executive Officer. With the change in appointment to Tom Dusseldorp as CEO on 29th April, direction and decision making capability for all key decisions including strategic direction, contract sign off, retail pricing and promotional activity. As a result, Julian Dyer, Thomas Jung and Jeff Howlett ceased meeting the definitional requirements for classification as Key Management Personnel.

## Remuneration report (continued)

### People, Remuneration & Nomination Committee and Director Compensation

The People, Remuneration & Culture Committee reviews the fee levels for Non-Executive Directors from time-to-time utilising appropriate remuneration benchmark data from comparable Australian ASX listed companies of similar size as a guide to independent market levels of remuneration such positions attract. Shareholders have approved a pool of funds up to \$600,000 per annum to compensate all Non-Executive Directors remuneration for their ordinary services as Directors.

The current level of Non-Executive Director compensation sits comfortably within the pool of funds approved by the Shareholders.

The compensation for Non-Executive Directors reflects the time spent by Non-Executive Directors on board sub-committees and is allocated as follows:

Position	Base Fee \$
Board Chair	140,000
Committee Chair Fee	20,000
Non-Executive Director Fee	60,000

### Remuneration Components for CEO and Key Management Personnel

The People, Remuneration & Nomination Committee reviews the compensation package for the Chief Executive Officer on an annual basis and makes applicable remuneration changes and variable incentive recommendations to the Board for approval.

The Chief Executive Officer reviews the compensation packages of all other Executives and makes recommendations to the People, Remuneration & Culture Committee for approval.

Compensation packages are reviewed and determined with due regard to the position's scope, key functions, and current market rates. They are benchmarked against comparable industry salaries, as well as utilising appropriate remuneration benchmark data from comparable Australian ASX listed companies of similar size as a guide. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the consolidated entity's diverse operations.

The below represents a target pay mix for the Chief Executive Officer and other Key Management Personnel.

FY25 EXECUTIVE TOTAL REWARD FRAMEWORK			
KMP's	Fixed Remuneration	At Risk Remuneration	
	46% for CEO & 60% for CFO	Variable Cash Incentive	Deferred Equity Incentive
<b>CEO</b>	Comprises: <ul style="list-style-type: none"> <li>Cash salary (base);</li> <li>Salary sacrificed items;</li> <li>Company motor vehicles;</li> <li>Allowances; and</li> <li>Employer superannuation contributions in line with statutory obligations.</li> </ul>	A Variable Cash Incentive targeting: <ul style="list-style-type: none"> <li>No STI for the CEO with performance skewed towards the deferred equity scheme</li> </ul>	A deferred equity incentive scheme targeting: <ul style="list-style-type: none"> <li>&gt;50% of total remuneration with step performance hurdles</li> </ul>
<b>Total</b>	<b>46%</b>	<b>0%</b>	<b>54%</b>
<b>CFO and other Key Management Personnel</b>	Comprises: <ul style="list-style-type: none"> <li>Cash salary (base);</li> <li>Salary sacrificed items;</li> <li>Company motor vehicles;</li> <li>Allowances; and</li> <li>Employer superannuation contributions in line with statutory obligations.</li> </ul>	A Variable Cash Incentive targeting: <ul style="list-style-type: none"> <li>15% of Total Remuneration</li> </ul>	A deferred equity incentive scheme targeting: <ul style="list-style-type: none"> <li>25% of total remuneration package</li> </ul>
<b>Total</b>	<b>60%</b>	<b>15%</b>	<b>25%</b>

## Remuneration report (continued)

### Remuneration Components

The Chief Executive Officer and other KMP compensation packages consist of the below three components:

- Fixed Remuneration
- Variable Cash Incentive
- Deferred Equity Incentive

#### 1. Fixed Remuneration

This component generally consists of salary, motor vehicle, wine allowance and post-employment superannuation entitlement (where applicable). The base amount for the CEO is reviewed annually by the People, Remuneration & Culture Committee. The base amount for other Executives is reviewed by the CEO, who makes recommendations to the People, Remuneration & Culture Committee for approval. Any adjustments made during the year will either be as a result of market rate changes in order for the Company to remain competitive or to reflect any changes in level of responsibility.

#### 2. Variable Cash Incentive

Variable Cash incentive payments take into account the extent to which specific financial, operating and cultural targets are achieved during the financial year. The targets consist of a number of key performance indicators driven from the balances scorecard (KPIs) covering both financial and non-financial measures of performance. Non-financial measures include items such as safety and employee engagement, as well as related organisational behaviours that impact culture and performance.

Annual targets are agreed between the Board, CEO and executives. The structure of all KPI's is driven from the company's balanced scorecard and is structured as follows:

##### Balanced Scorecard

Objectives	FY25 Target	% Weighting
Free Cash Flow (Gateway)	Neutral	20%
ROCE %	2%	20%
Sales Revenue	\$284m	40%
Employee Engagement	>= 65%	10%
Safety (TRIFR)	< 25	5%
Sustainability	GHG reduction 5% on FY24	5%

The balanced scorecard above was established in FY25, it was a build on the current balanced scorecard already in place and represents the core focus areas of the company's financial strategy, emphasising key performance metrics such as free cash flow, ROCE, and revenue growth. Financial KPIs now making up 80% of the overall KPIs. Additionally, it incorporates critical enablers such as safety, employee engagement, and environmental targets to support sustainable business growth. The balanced scorecard ensures a holistic measure to company performance.

## Remuneration report (continued)

### 2. Variable Cash Incentive (continued)

For the CEO & Executive team to be eligible for assessment for the STI payment the gateway of Free Cash Flow must be met. If this KPI is met the gateway to STI against the balanced scorecard KPIs is open. Each KPI will be assessed individually and the STI will be awarded across the executive team in a consistent approach. Due to the organisation's ability to exceed its financial year budget, the Variable Cash incentive can be assessed to a maximum of 120% achievement. Objectives KPIs are determined annually as follows:

- Chief Executive Officer – by the People, Remuneration & Nomination Committee and approved by the Board, following consultation with the CEO
- Key Management Personnel – by the CEO and approved by the People, Remuneration & Nomination Committee, following consultation with each Executive member

If the Variable Cash Incentive for FY25 was awarded, the table below shows the maximum amount that could be achieved, and the breakdown between financial and operational key performance indicator targets. In FY25, all of the executive committee signed up to the same distribution of key performance targets with a heavy focus on financial indicators including achieving sales growth.

No STI will be awarded to the CEO or executive team as the performance gateway has not been met.

	2025 Minimum Variable Cash \$	2025 Maximum Variable Cash <sup>(1)</sup> \$	Key Performance Targets			2025 % Of Maximum Granted
			Financial	People, Safety & Sustainability	Operational/ Sales	
Tom Dusseldorp	0	0	60%	20%	20%	0%
Adam Rigano	0	162,360	60%	20%	20%	0%
Julian Dyer	0	182,168	60%	20%	20%	0%
Thomas Jung	0	134,080	60%	20%	20%	0%
Jeff Howlett	0	150,817	60%	20%	20%	0%

(1) Maximum variable cash opportunity is based on achievement of 120% of financial target.

### 3. Overall Company Performance (reported)

The overview of the reported company performance, including all one-off abnormal items, over the last five years is highlighted in the table below:

FINANCIAL YEAR ENDED 30 JUNE 2025	2021	2022	2023	2024	2025
EBITS performance (A\$m)	31.2	28.8	17.3	(68.5)	0.8
Earnings per share (cents)	7.0	6.9	1.6	(36.5)	(1.6)
Dividends paid per share (cents)	2.7	3.4	-	-	-
Franked (%)	60%	60%	N/A	N/A	N/A
Return on capital employed (%)	7.5	6.5	4.2	<0%	0.2%

## Remuneration report (continued)

### 4. Deferred Equity Scheme

#### Deferred Equity Scheme

From 1st July 2020, an earnings per share ('EPS') target was introduced to better align key management incentives with that of shareholder return. There were no share rights issued under the scheme for the year ending 30th June 2025.

There were no (FY24: 3,465,387) Performance Rights issued in the Deferred Equity Incentive scheme during the year. All performance rights in place at 30th June 2024 lapsed or cancelled during the current year.

### Key Management Personnel equity, option and performance rights

As of this date no Key Management Personnel holds any performance rights or options.

Fully paid ordinary shares in Australian Vintage Ltd held by key management personnel are as follows:

	Balance @ 1/7/24 No.	Shares purchased from rights No.	Received on exercise of options No.	Net other change No.	Balance @ 30/6/25 No.	Balance held nominally No.
<b>Non-executive Directors</b>						
James Williamson <sup>(a)</sup>	-	-	-	61,111,258 <sup>(b)</sup>	61,111,258 <sup>(b)</sup>	-
Michael Byrne	-	-	-	-	-	-
Margaret Zabel	-	-	-	207,162	207,162	-
Elaine Teh	-	-	-	760,000	760,000	-
Richard H Davis	225,814	-	-	(225,814)	- <sup>(c)</sup>	-
John Davies	700,000	-	-	(700,000)	- <sup>(c)</sup>	-
Naseema Sparks	77,878	-	-	(77,878)	- <sup>(c)</sup>	-
Peter Perrin	264,057	-	-	(264,057)	- <sup>(c)</sup>	-
<b>Executives</b>						
Tom Dusseldorp	-	-	-	250,000	250,000	-
Craig Garvin	-	-	-	-	- <sup>(c)</sup>	-
Adam Rigano	-	-	-	300,000	300,000	-
Julian Dyer	701,983	-	-	(701,983)	- <sup>(c)</sup>	-
Thomas Jung	339,483	-	-	(339,483)	- <sup>(c)</sup>	-
Jeff Howlett	186,358	-	-	(186,358)	- <sup>(c)</sup>	-
	<b>2,495,573</b>	-	-	<b>60,132,847</b>	<b>62,628,420</b>	-

(a) Appointed 23rd August 2024 hence why no opening balance provided in line with prior year reporting

(b) Balance includes 151,642 shares held indirectly via James Frank Williamson and Tiona Joy Williamson as trustee for Williamson Super Fund A/C and 60,959,616 shares held indirectly via Sandhurst Trustees Ltd <Wentworth Williamson A/C>. Mr Williamson is a shareholder, director and Chief Investment Officer of Wentworth Williamson Management Pty Ltd that holds an 18.5% interest in AVG

(c) Share holdings are not disclosed of Non-executive Directors or Key Management Personnel that are not defined as such at 30 June 2025

Balances include shares held in trust subject to tenure.

Performance Rights and Options in Australian Vintage Ltd held by key management personnel subject to performance criteria are as follows:

	Balance @ 1/7/24 and No.	Granted as remuneration No.	Exercised No.	Expired/ Lapsed <sup>(1)</sup>	Bal @ 30/6/25 No.	Bal vested @ 30/6/25 No.	Vested but not exercis- able No.	Vested and exercis- able No.	Vested during the year No.
Tom Dusseldorp	81,813	-	-	(81,813)	-	-	-	-	-
Craig Garvin	-	5,000,000	-	(5,000,000)	-	-	-	-	-
Adam Rigano	410,557	-	-	(410,557)	-	-	-	-	-
Julian Dyer	324,927	-	-	(324,927)	-	-	-	-	-
Thomas Jung	357,131	-	-	(357,131)	-	-	-	-	-
Jeff Howlett	372,909	-	-	(372,909)	-	-	-	-	-
	<b>1,547,337</b>	<b>5,000,000</b>	-	<b>(6,547,337)</b>	-	-	-	-	-

(1) Includes performance rights that have lapsed driven by performance outcomes in prior years. Refer to Note 21 to the financial statements for further information.

## Remuneration report (continued)

### Key Management Personnel Remuneration

The following table discloses the remuneration on statutory basis for Key Management Personnel of the Company:

FY 2025	SHORT-TERM BENEFITS			POST EMPLOYMENT		SHARE BASED PAYMENTS			TOTAL	
	Salary & Fees \$	Bonus \$	Non-Monetary <sup>(a)</sup> \$	Super-annuation \$	Other \$	Cash Settled \$	Equity Settled Options \$	Equity Settled Shares <sup>(b)</sup> \$	Performance Related \$	Related %
<b>Non-Executive Directors</b>										
James Williamson <sup>(c)</sup>	104,551	-	1,667	13,586	-	-	-	-	119,804	0%
Michael Byrne <sup>(d)</sup>	60,924	-	1,833	7,917	-	-	-	-	70,674	0%
Margaret Zabel <sup>(e)</sup>	69,513	-	1,833	3,965	-	-	-	-	75,311	0%
Elaine Teh <sup>(f)</sup>	59,094	-	-	7,679	-	-	-	-	66,773	0%
Richard Davis <sup>(g)</sup>	4,091	-	1,000	470	-	-	-	-	5,561	0%
John Davies <sup>(h)</sup>	16,557	-	1,000	2,121	-	-	-	-	19,678	0%
Naseema Sparks <sup>(i)</sup>	5,909	-	1,000	680	-	-	-	-	7,589	0%
Peter Perrin <sup>(i)</sup>	122,148	-	1,000	14,047	-	-	-	-	137,195	0%
<b>Sub-total</b>	<b>442,787</b>	<b>-</b>	<b>9,333</b>	<b>50,465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>502,585</b>	<b>0%</b>
<b>Executives</b>										
Tom Dusseldorp <sup>(k)</sup>	408,055	40,000 <sup>(n)</sup>	10,382	31,483	-	-	-	-	489,920	0%
Craig Garvin <sup>(l)</sup>	313,087	-	1,500	16,522	300,000	-	-	-	631,109	0%
Adam Rigano	472,865	40,000 <sup>(n)</sup>	26,355	30,000	-	-	-	-	569,220	0%
Julian Dyer <sup>(m)</sup>	417,486	40,000 <sup>(n)</sup>	2,055	16,642	-	-	-	11,527	487,710	0%
Jeff Howlett <sup>(m)</sup>	334,185	40,000 <sup>(n)</sup>	22,633	27,203	-	-	-	8,890	432,911	0%
Thomas Jung <sup>(m)</sup>	321,063	40,000 <sup>(n)</sup>	18,450	25,000	-	-	-	10,054	414,567	0%
<b>Sub-total</b>	<b>2,266,741</b>	<b>200,000</b>	<b>81,375</b>	<b>146,850</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>30,471</b>	<b>3,025,437</b>	<b>0%</b>
<b>TOTAL</b>	<b>2,709,528</b>	<b>200,000</b>	<b>90,708</b>	<b>197,315</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>30,471</b>	<b>3,528,022</b>	<b>0%</b>

(a) Non-monetary items include provision of motor vehicle, insurance and wine benefits and applicable fringe benefits tax.

(b) Amortisation of share rights and options granted over the vesting period.

(c) Appointed 23rd August 2024. Appointed Acting CEO 23rd August 2024, resigned 14th October 2024

(d) Appointed 14th August 2024

(e) Appointed 23rd July 2024

(g) Resigned 11th July 2024

(h) Resigned 23rd August 2024

(i) Resigned 24th July 2024

(j) Resigned Acting CEO 23rd August 2024, resigned Non-Executive Director 23rd August 2024

(k) Appointed CEO 29th April 2025

(l) Appointed CEO 14th October 2024, resigned 29th April 2025

(m) Ceased as KMP 30th April 2025

(n) Represents retention payment

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## Remuneration report (continued)

### Key Management Personnel Remuneration

The following table discloses the remuneration on statutory basis for Key Management Personnel of the Company:

FY 2024	SHORT-TERM BENEFITS			POST EMPLOYMENT		SHARE BASED PAYMENTS			TOTAL	
	Salary & Fees \$	Bonus \$	Non-Monetary <sup>(a)</sup> \$	Super-annuation \$	Other \$	Cash Settled \$	Equity Settled Options \$	Equity Settled Shares <sup>(b)</sup> \$	Performance Related \$	Related %
<b>Non-Executive Directors</b>										
Richard Davis	125,455	-	2,000	13,800	-	-	-	-	141,255	0%
John Davies	70,909	-	2,000	7,800	-	-	-	-	80,709	0%
Naseema Sparks	70,909	-	2,000	7,800	-	-	-	-	80,709	0%
Peter Perrin <sup>(c)</sup>	176,441	-	2,000	19,409	-	-	-	-	197,850	0%
<b>Sub-total</b>	<b>443,714</b>	<b>-</b>	<b>8,000</b>	<b>48,809</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,523</b>	<b>0%</b>
<b>Executives</b>										
Craig Garvin	619,871	-	1,500	23,738	411,276	-	-	113,380	1,169,765	0%
Adam Rigano	473,110	0	1,500	27,500	-	-	-	13,125	515,235	0%
Julian Dyer	464,133	0	2,368	19,175	-	-	-	54,681	540,357	0%
Jeff Howlett	366,619	0	27,160	41,336	-	-	-	42,745	477,860	0%
Thomas Jung	371,934	0	22,140	27,500	-	-	-	48,894	470,468	0%
Tom Dusseldorp	338,250	0	750	37,208	-	-	-	4,474	380,682	0%
<b>Sub-total</b>	<b>2,633,917</b>	<b>0</b>	<b>55,418</b>	<b>176,457</b>	<b>411,276</b>	<b>-</b>	<b>-</b>	<b>277,299</b>	<b>3,554,367</b>	<b>0%</b>
<b>TOTAL</b>	<b>3,077,631</b>	<b>0</b>	<b>63,418</b>	<b>225,266</b>	<b>411,276</b>	<b>-</b>	<b>-</b>	<b>277,299</b>	<b>4,054,890</b>	<b>0%</b>

(a) Non-monetary items include provision of motor vehicle, insurance and wine benefits and applicable fringe benefits tax.

(b) Amortisation of share rights and options granted over the vesting period.

(c) Appointed Acting CEO 3rd May 2024

### Service Agreements of Key Management Personnel

Compensation and other terms of employment for Key Management Personnel (excluding Non-Executive Directors) are formalised in service agreements or letters of appointment. Termination benefits disclosed below do not apply in cases of misconduct or other specified circumstances.

#### Tom Dusseldorp

(i) Term of agreement - no specified term.

(ii) Compensation includes:

- Base salary, superannuation and wine allowance.
- Variable Cash incentive – no entitlement to a bonus subject to certain key performance criteria.
- Deferred Equity - entitlement to an issue of Performance Rights. The Performance Rights are subject to meeting set ROCE and are subject to certain conditions.

(ii) If Mr Dusseldorp's employment is terminated by the Company, the Company is to provide 6 months' notice. Mr Dusseldorp may resign by providing 6 months written notice to the Company.

## Remuneration report (continued)

### Service Agreements of Key Management Personnel

#### Adam Rigano

- (i) Term of agreement - no specified term.
- (ii) Compensation includes:
  - a. Base salary, superannuation, motor vehicle and wine allowance.
  - b. Variable Cash incentive - entitlement to a bonus subject to certain key performance criteria. Key performance criteria include defined financial (including company profitability), commercial and behavioural targets.
  - c. Deferred Equity - entitlement to an issue of Performance Rights. The Performance Rights are subject to meeting set ROCE and are subject to certain conditions.
- (iii) If Mr Rigano's employment is terminated by the Company, the Company is to provide 12 months' notice. Mr Rigano may resign by providing 6 months written notice to the Company.

#### Julian Dyer

- (i) Term of agreement - no specified term.
- (ii) Compensation includes:
  - a. Base salary and United Kingdom pension payment.
  - b. Variable Cash incentive - entitlement to a bonus subject to certain key performance criteria. Key performance criteria include defined financial (including company profitability), commercial and behavioural targets.
  - c. Deferred Equity - entitlement to an issue of Performance Rights. The Performance Rights are subject to meeting set ROCE and are subject to certain conditions.
- (iii) If Mr Dyer's employment is terminated by the Company, the Company is to provide 12 months' notice. Mr Dyer may resign by providing 6 months written notice to the Company.

#### Jeff Howlett

- (i) Term of agreement - no specified term.
- (ii) Compensation includes:
  - a. Base salary, superannuation and wine allowance.
  - b. Variable Cash incentive - entitlement to a bonus subject to certain key performance criteria. Key performance criteria include defined financial (including company profitability), commercial and behavioural targets.
  - c. Deferred Equity - entitlement to an issue of Performance Rights. The Performance Rights are subject to meeting set ROCE and are subject to certain conditions.
- (iii) If Mr Howlett's employment is terminated by the Company, the Company is to provide 12 months' notice. Mr Howlett may resign by providing 6 months written notice to the Company.

#### Thomas Jung

- (i) Term of agreement - no specified term.
- (ii) Compensation includes:
  - a. Base salary, superannuation, motor vehicle allowance and wine allowance.
  - b. Variable Cash incentive - entitlement to a bonus subject to certain key performance criteria. Key performance criteria include defined financial (including company profitability), commercial and behavioural targets.
  - c. Deferred Equity - entitlement to an issue of Performance Rights. The Performance Rights are subject to meeting set ROCE and are subject to certain conditions.
- (iii) If Mr Jung's employment is terminated by the Company, the Company is to provide 12 months' notice. Mr Jung may resign by providing 6 months written notice to the Company.

*This Remuneration Report (for the year ended 30 June 2025) has been prepared in accordance with section 300A of the Corporations Act 2001 and the Corporations Regulations 2001 and has been audited.*

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WINE CO.

**B:208**

BAROSSA SHIRAZ

THE B SERIES COMBINES TRADITIONAL CRAFT AND CARE WITH INNOVATIVE WINE-MAKING TECHNIQUES TO CREATE THE NEXT GENERATION OF GREAT BAROSSA WINE. THE FRUIT SELECTION FOR THIS EXCEPTIONAL WINE BEGINS AT A SINGLE VINEYARD IN THE BAROSSA VALLEY. THE FERTILE BROWN SHIRAZ VINEYARD BOASTS LOW YIELDS. FERTILE BROWN LOAM SOIL AND ELEVATED TERRAINS WHICH HAS RESULTED IN A WINE OF OUTSTANDING CONCENTRATION AND STRUCTURE. ONCE HARVESTED, THE GRAPES WERE GENTLY DESTEMMED AND FERMENTED FOR 10 DAYS IN AN OPEN TOP FERMENTOR, WHERE IT WAS DILIGENTLY PLUNGED DAILY, ENHANCING OXYGEN CIRCULATION. THE VALLEY TO MAXIMISE FLAVOUR AND TANNIN EXTRACTION. WINE WAS THEN BASKET PRESSED INTO 70% FRENCH AND 30% AMERICAN OAK HOGSHEADS. AFTER 104 WEEKS MATURATION IN EXCLUSIVELY ALL NEW OAK TO COMPLIMENT THE RICH FRUIT AND FURTHER ADD TO THE COMPLEXITY OF THE WINE. IT WAS TRANSFERRED TO BOTTLE AND CONTINUED TO MATURE GRACEFULLY FOR A FURTHER 104 WEEKS BEFORE RELEASE.

BAROSSA VALLEY 2021 FOUR-YEAR CRAFT

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## Non-audit services

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Audit Committee, in conjunction with the Chief Financial Officer, assesses the provision of non-audit services by the auditors to ensure that the auditor independence requirements of the Corporations Act 2001 in relation to the audit are met.

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 22 to the financial statements.

The Directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

## Auditors tenure extension

Prior to 30 June 2024, a resolution was lodged with ASIC under s 324DAC of the Corporations Act 2001 to grant approval for Mr M Phelps's tenure as the Lead Audit Partner for Australian Vintage Ltd, to be extended by a further period of one financial year, commencing 1 July 2024, subject to Ernst & Young continuing to act as the auditor of Australian Vintage Ltd.

## Auditors' independence declaration

The Auditors independence declaration is included on page 56.

## Indemnification of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company (as named previously), the Company Secretaries and all Executive Officers of the Company and of any related Body Corporate against a liability incurred as a Director, Secretary or Executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

## Rounding off of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial / Directors Reports) instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the Directors Report and the Financial Report have been rounded off to the nearest thousand dollars, unless otherwise indicated.

## Subsequent Events

There have been no other matters or circumstances, other than that referred to in note 27 to the financial statements, that have arisen since the end of the financial year, that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the Corporations Act 2001.

On behalf of the Directors



**James Williamson**  
Chairman  
21 August 2025



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Ernst & Young  
121 King William Street  
Adelaide SA 5000 Australia  
GPO Box 1271 Adelaide SA 5001

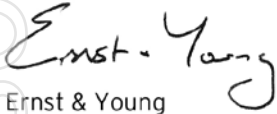
Tel: +61 8 8417 1600  
Fax: +61 8 8417 1775  
ey.com/au


## **Auditor's Independence Declaration to the Directors of Australian Vintage Limited**

As lead auditor for the audit of the financial report of Australian Vintage Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Vintage Limited and the entities it controlled during the financial year.

  
Ernst & Young

  
Mark Phelps  
Partner  
21 August 2025



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Ernst & Young  
121 King William Street  
Adelaide SA 5000 Australia  
GPO Box 1271 Adelaide SA 5001

Tel: +61 8 8417 1600  
Fax: +61 8 8417 1775  
ey.com/au

## Independent auditor's report to the members of Australian Vintage Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Australian Vintage Limited (the Company and AVG) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Vintage Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial report section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

**Impairment of Non-Current Assets**

Why significant	How our audit addressed the key audit matter
<p>In accordance with the requirements of Australian Accounting Standards indefinite life intangibles are required to be tested for impairment annually or when impairment indicators are present.</p> <p>As disclosed in Note 12 to the financial report, the Group has performed an impairment test of non-current assets, including indefinite life intangible assets to determine the recoverable amount of its individual cash generating units (CGUs).</p> <p>The outcome of this test resulted in no impairment charge for the period. As disclosed in Note 10 to the financial statements, the Group holds \$9.0 million of other indefinite life intangible assets at 30 June 2025.</p> <p>As disclosed in Note 12 to the financial statements, the assessment of the impairment of the Group’s non-current assets incorporated significant judgements and estimates, based on conditions existing at 30 June 2025, in respect of future market and economic conditions, demographic developments, revenues, discount rates and the fair value less cost to dispose of the Group’s assets.</p> <p>Given the high level of judgement and estimation uncertainty of the assumptions applied by the Group in the impairment assessment, and the quantum of the amounts involved, we considered this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ Assessed management’s determination of CGUs used in impairment testing.</li> <li>➤ Agreed the projected cash flows to the Group’s approved five-year plan.</li> <li>➤ Tested the mathematical accuracy of the impairment testing model.</li> <li>➤ Assessed the historical reliability of management’s budgeting process.</li> <li>➤ Evaluated the appropriateness key assumptions within the impairment model with involvement from our valuation specialists. This included comparison to external sources and comparable companies where possible.</li> <li>➤ Compared the calculated recoverable amount to the carrying value of assets recorded at 30 June 2025.</li> <li>➤ In conjunction with our valuation specialists, we assessed the reasonableness of the independent external valuations used by the Group against external information where available.</li> <li>➤ Performed sensitivity analysis on key assumptions used in the impairment testing.</li> <li>➤ Assessed the adequacy of the financial report disclosures included in Note 10 and 12.</li> </ul>



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## Inventory Valuation

Why significant	How our audit addressed the key audit matter
<p>At 30 June 2025, the Group's consolidated statement of financial position includes inventories in the amount of \$219.8m, after recording net realisable value write downs of \$1.0m.</p> <p>As disclosed within note 8 to the financial report, the valuation of inventories of finished goods and work in progress incorporates inherently subjective judgements concerning grape harvests, including:</p> <ul style="list-style-type: none"> <li>➤ The estimated market value of harvested grapes and allocation of costs over the period of time between the grape harvest and conversion from bulk wine to bottled wine ready for sale ('vintage costing').</li> <li>➤ The forecast demand and estimated market sales prices which are influenced by the fundamentals of the global wine industry, including fluctuations in demand and supply and other factors that impact agricultural outputs. This includes the large supply/quality of Australian red grapes in the current year. These factors influence the Group's determination of the most likely market and conditions in determining estimated net realisable value.</li> <li>➤ A key indicator for at-risk inventory values, including finished goods and bulk wine is the identification of current slow-moving inventory. These can signal changes in consumer demand patterns or potential oversupply issues within the market which may impact forecast future prices.</li> </ul> <p>Given the high level of judgement and estimation uncertainty of the assumptions applied by the Group in the valuation of inventory, and the quantum of the amounts involved, we considered this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ Assessed the reasonableness of management's assumptions in respect of the determination of market value at the time of harvest and allocation of costs over the vintage period.</li> <li>➤ Tested the mathematical accuracy of the vintage costing model and calculations.</li> <li>➤ Performed year-end counts of a sample of inventory items in significant locations, which included observing the process of identifying slow moving and potentially obsolete inventory.</li> <li>➤ Assessed the operating effectiveness of the relevant controls in place relating to the Group's identification of slow moving and obsolete inventories.</li> <li>➤ Tested the net realisable value of inventory at year end through comparing inventory value against sales performance.</li> <li>➤ Assessed the adequacy of the financial report disclosure included in Note 8.</li> </ul>

## Recoverability of Deferred Tax Assets

Why significant	How our audit addressed the key audit matter
<p>As at 30 June 2025, the Group's consolidated statement of financial position includes net deferred tax assets (DTA) of \$10.2m. In addition, the Group has unrecognised tax losses as disclosed in Note 4.</p> <p>The recognition by the Group of deferred tax assets includes a high level of judgement and estimation in assessing whether DTAs are probable of recovery, including:</p> <ul style="list-style-type: none"> <li>➤ The estimation of sufficient future taxable profits against which the DTAs may be recovered.</li> <li>➤ The forecast timing of the reversal of existing taxable temporary differences.</li> <li>➤ Tax planning opportunities considered by the Group.</li> </ul> <p>These assumptions are subject to estimation uncertainty, with potential changes in assumptions leading to changes in the recoverable value of the DTA. Accordingly, we considered this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ Assessed the competence, capability and objectivity of the Group's taxation advisors in Australia and in the UK.</li> <li>➤ Analysed the timing of origination of tax losses against the timing of forecast future taxable income.</li> <li>➤ Reviewed the Group's tax calculations and evaluated the appropriateness of key measurement assumptions, with involvement from our tax specialists.</li> <li>➤ Assessed the Group's forecast cashflows and forecast taxable income by comparing key assumptions used by the Group to historical actual data and Board approved forecasts and assessing the reliability of the Group's historical forecasts.</li> <li>➤ Performed sensitivity analysis on key assumptions used by the Group.</li> <li>➤ Assessed the adequacy of the financial report disclosure included in Note 4.</li> </ul>



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### **Information other than the financial report and auditor's report thereon**

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

### **Responsibilities of the directors for the financial report**

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material



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if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit



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matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the audit of the Remuneration Report**

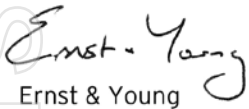
### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 12 to 20 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Australian Vintage Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

  
Ernst & Young

  
Mark Phelps  
Partner  
Adelaide  
21 August 2025

## Directors declaration

The Directors declare that:

- (a) In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) the attached financial statements are in compliance with International Financial Reporting Standards as stated in note 1 to the financial statements;
- (c) In the Directors' opinion, the attached Financial Statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving true and fair view of the financial position and performance of the consolidated entity;
- (d) The consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct; and
- (e) The Directors have been given the declarations required by s.295A of the Corporations Act 2001;

At the date of this declaration, the Company is within the class of companies affected by *ASIC Corporations (wholly owned companies) Instrument 2016/78*. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the Director's opinion, there are reasonable grounds to believe that the Company and the companies to which the *ASIC Corporations (wholly owned companies) Instrument 2016/785* applies, as detailed in note 24 to the Financial Statements will, as a group, be able to meet any obligations or liabilities to which they are or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



**James Williamson**  
Chairman  
21 August 2025

# Financial Report

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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## Consolidated statement of profit or loss and other comprehensive income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	2025 \$'000	2024 \$'000
Revenue	3	257,185	260,594
Cost of sales			
Cost associated to sales during the period		(187,821)	(186,537)
Inventory write-down impacted by change in strategy		-	(36,585)
<b>Gross Profit</b>		<b>69,364</b>	<b>37,472</b>
Fair value loss on grapes		(3,657)	(9,781)
Other income	3	5,060	2,233
Distribution expenses		(15,679)	(16,523)
Sales expenses		(28,728)	(26,477)
Marketing expenses		(11,237)	(11,122)
Administration expenses		(11,877)	(12,307)
Finance costs	3	(6,705)	(5,663)
Impairment and other expenses	3	(6,105)	(41,782)
<b>Profit before tax</b>		<b>(9,564)</b>	<b>(83,950)</b>
Income tax benefit / (expense)	4	-	(9,085)
<b>Net Profit for the year</b>		<b>(9,564)</b>	<b>(93,035)</b>
<b>Other comprehensive income, net of income tax:</b>			
<i>Items that may be subsequently classified to profit or loss:</i>			
Net change in fair value of hedging instruments		(13,470)	1,189
Exchange differences arising on translation of foreign operations		2	(75)
<b>Other comprehensive profit / (loss) for the year, net of income tax</b>		<b>(13,468)</b>	<b>1,114</b>
<b>Total comprehensive income for the year</b>		<b>(23,032)</b>	<b>(91,921)</b>
<b>Earnings Per Share:</b>			
Basic (cents per share)	5	(2.9)	(36.5)
Diluted (cents per share)	5	(2.9)	(36.5)

The above consolidated statement of profit or loss and other comprehensive income should be read along with the accompanying notes.

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## Consolidated statement of financial position

AS AT 30 JUNE 2025

	NOTE	2025 \$'000	2024 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	6	8,877	6,017
Trade and other receivables	7	55,697	48,704
Inventories	8	164,640	185,825
<b>Total Current Assets</b>		<b>229,214</b>	<b>240,546</b>
<b>Non-Current Assets</b>			
Inventories	8	55,837	15,905
Other financial assets	16	2,260	2,482
Property, plant and equipment	9	91,881	96,064
Goodwill and other intangible assets	10	9,230	7,486
Deferred tax assets	4	10,182	10,182
Right-of-use assets	11	32,742	42,768
<b>Total Non-Current Assets</b>		<b>202,132</b>	<b>174,887</b>
<b>Total Assets</b>		<b>431,346</b>	<b>415,433</b>
<b>Current Liabilities</b>			
Trade and other payables	13	76,674	56,625
Borrowings	15	-	62,500
Lease liabilities	11	8,243	9,708
Other financial liabilities	16	6,636	945
Provisions	14	6,222	5,966
Income received in advance		92	111
<b>Total Current Liabilities</b>		<b>97,867</b>	<b>135,855</b>
<b>Non-Current Liabilities</b>			
Borrowings	15	84,000	-
Lease liabilities	11	49,805	65,064
Other financial liabilities	16	7,901	121
Provisions	14	767	788
<b>Total Non-Current Liabilities</b>		<b>142,473</b>	<b>65,973</b>
<b>Total Liabilities</b>		<b>240,340</b>	<b>201,828</b>
<b>Net Assets</b>		<b>191,006</b>	<b>213,605</b>
<b>Equity</b>			
<b>Capital and reserves</b>			
Issued capital	17	455,759	455,421
Reserves	19	(12,300)	1,073
Accumulated losses		(252,453)	(242,889)
<b>Total Equity</b>		<b>191,006</b>	<b>213,605</b>

The above consolidated statement of financial position should be read along with the accompanying notes.

## Consolidated statement of changes in equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Share capital \$'000	Equity - settled employee benefits reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000
<b>Balance at 1 July 2024</b>	<b>455,421</b>	<b>1,506</b>	<b>(747)</b>	<b>314</b>	<b>(242,889)</b>	<b>213,605</b>
Profit for the period	-	-	-	-	(9,564)	(9,564)
Net change in fair value of foreign exchange contracts used in hedging	-	-	(13,470)	-	-	(13,470)
Exchange differences arising on translation of foreign operations	-	-	-	3	-	3
Income tax relating to components of other comprehensive income	-	-	-	(1)	-	(1)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(13,470)</b>	<b>2</b>	<b>(9,564)</b>	<b>(23,032)</b>
<b>Transactions with owners in their capacity as owners</b>						
Issue of capital net of transaction costs	338	-	-	-	-	338
Recognition of share based payments	-	95	-	-	-	94
<b>Balance at 30 June 2025</b>	<b>455,759</b>	<b>1,601</b>	<b>(14,217)</b>	<b>316</b>	<b>(252,453)</b>	<b>191,006</b>
<b>Balance at 1 July 2023</b>	<b>441,474</b>	<b>1,047</b>	<b>(1,936)</b>	<b>389</b>	<b>(149,854)</b>	<b>291,120</b>
Profit for the period	-	-	-	-	(93,035)	(93,035)
Net change in fair value of foreign exchange contracts used in hedging	-	-	1,699	-	-	1,699
Exchange differences arising on translation of foreign operations	-	-	-	(107)	-	(107)
Income tax relating to components of other comprehensive income	-	-	(510)	32	-	(478)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1,189</b>	<b>(75)</b>	<b>(93,035)</b>	<b>(91,921)</b>
<b>Transactions with owners in their capacity as owners</b>						
Issue of share capital	14,994	-	-	-	-	14,994
Transaction costs related to issue of share capital	(1,047)	-	-	-	-	(1,047)
Recognition of share based payments	-	459	-	-	-	459
<b>Balance at 30 June 2024</b>	<b>455,421</b>	<b>1,506</b>	<b>(747)</b>	<b>314</b>	<b>(242,889)</b>	<b>213,605</b>

The above consolidated statement of changes in equity should be read along with the accompanying notes.

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## Consolidated statement of cash flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		285,484	267,637
Payments to suppliers and employees		(283,149)	(267,988)
<b>Cash generated from operations</b>		<b>2,335</b>	<b>(351)</b>
Interest paid (commercial bills)		(5,876)	(5,335)
Interest paid (resulting from leases under AASB 16)		(4,122)	(5,330)
Income tax paid		-	58
<b>Net cash provided by operating activities</b>	<b>6 (a)</b>	<b>(7,663)</b>	<b>(10,958)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment and intangible assets		(6,988)	(7,885)
Payments for investments held at fair value through profit or loss		-	(300)
Proceeds from sale of property, plant & equipment		6,177	5,442
<b>Net cash used in investing activities</b>		<b>(811)</b>	<b>(2,743)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	6 (c)	21,500	7,500
Proceeds from issue of share capital		370	14,994
Transaction costs related to issue of share capital		(32)	(1,047)
Dividends paid	18	-	-
Repayments of principal amounts of lease liabilities	6 (c)	(10,504)	(8,629)
<b>Net cash used in financing activities</b>		<b>11,334</b>	<b>12,818</b>
Net increase / (decrease) in cash and cash equivalents		2,860	(883)
Cash and cash equivalents at the beginning of the financial year		6,017	6,900
<b>Cash and cash equivalents at the end of the financial year</b>		<b>8,877</b>	<b>6,017</b>

The above consolidated statement of cash flows should be read along with the accompanying notes.

## Note 1: About this report

### General information

Australian Vintage Ltd (the 'Company') is a for-profit entity, incorporated and domiciled in Australia and limited by shares which are traded on the Australian Securities Exchange (trading under the ticker code 'AVG'). The consolidated financial report comprises the Company and its controlled entities (the 'Group') and was authorised for issue by the Board of Directors on 21 August 2025. The Directors have the power to amend and reissue the financial report.

The Group's registered office is 275 Sir Donald Bradman Drive, Cowandilla SA 5033 and its principal activities are wine making, wine marketing, and vineyard management.

### Basis of preparation

#### This financial report:

- is a general purpose financial report;
- has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), International Financial Reporting Standards ('IFRSs') and the *Corporations Act 2001*;
- has been prepared on a historical cost basis except for those items measured at fair value, as detailed in the policies that follow;
- is presented in Australian dollars, which is the Group's functional and presentational currency, with all values rounded to the nearest thousand, as permitted under *ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191* unless otherwise stated;
- includes foreign currency denominated transactions and assets and liabilities that are translated into the Group's functional currency using the prevailing exchange rate at the date of the transaction for transactions in profit or loss and the exchange rate at the period-end date for assets and liabilities;
- where required, presents restated comparative information to enhance comparability; and
- has been prepared on a going concern basis (see note 15 for further information regarding AVG's debt position at 30 June 2025 and subsequent periods).

### Basis of consolidation

The consolidated financial report incorporates the financial report of the Company and its subsidiaries. Subsidiaries are entities over which the Company has control. A list of such entities is provided in Note 24. The Company controls an entity when it has:

- power to direct the activities of the entity, through voting rights;
- exposure to variable returns from its involvement with the entity; and
- the ability to use its power to affect its returns.

Total comprehensive income of subsidiaries is attributed to the owners of the Company. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. All amounts referenced in these financial statements and the accompanying notes are the Consolidated Group figures, unless otherwise indicated.

### Significant accounting estimates and judgements

Management has identified the following critical accounting policies where significant judgements, estimates and assumptions are made. Actual results may differ from these estimates and may materially affect financial results or the financial position reported in future periods. Further information on policies where critical estimates and judgements are made, are listed within the following notes:

- Key assumptions used in impairment testing for goodwill and other intangible assets (note 12)
- Valuation of inventories (note 8)
- Grape pricing and SGARA (note 8 and note 26)
- Recognition of income tax losses (note 4)
- Determining lease term of contracts with renewal options (note 11)

### Impact of climate change

The Group's accounting policies encompass making estimates about the future, which necessarily includes a consideration of the impact of climate change. Estimates in significant areas such as future business forecasts used in impairment testing and the useful lives of the Group's assets are made using the most relevant and current information.

There is significant uncertainty as to the future potential impacts of climate change on the Group. The Group continues to develop its Sustainability Strategy, including setting targets and emission interventions across material impact areas. The Group is developing data and reporting capabilities to align more closely with the recommendations set out by the Taskforce on climate related financial disclosures and also taking into account the issuance of the first two IFRS Sustainability Disclosure Standards by the International Sustainability Standards Board.

### New and amended standards adopted by the Group

The Group adopted certain amendments to accounting standards during the period. The Group has not adopted early any other standard, interpretation or amendment that has been issued but is not yet effective.

## Note 1: About this report (continued)

### Amendments to IAS 1 Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments have resulted in additional disclosures in note 15, but have not had an impact on the classification of the Group's liabilities.

### New and amended standards that were not yet mandatory for annual reporting periods ending on 30 June 2025

The Group notes that AASB 18 *Presentation and Disclosure in Financial Statements* is effective for annual reporting periods beginning on or after 1 January 2027, which for AVG will be the period ending 30 June 2027. The Group has not yet determined the impact this change will have on its financial statements.

## Note 2: Segment information

### Accounting policy– segment reporting

Operating segments are determined based on the reporting to the Chief Operating Decision Maker ('CODM'). The Group's CODM, who is responsible for allocating resources and assessing the performance of the Group has been identified as the Chief Executive Officer ('CEO').

- Australia / New Zealand: engaged in the growing of grapes, manufacturing, sales and marketing of alcoholic wine, non-alcoholic wine and other beverages in Australia, New Zealand and the Pacific through wholesale and retail channels. In addition, the Australia / New Zealand segment sells concentrate and other commercial products to customers globally.
- UK, Europe & Americas: engaged in the packaging, sales and marketing of alcoholic wine, non-alcoholic wine and other beverages in the United Kingdom, Europe & the Americas through wholesale, distributor and retail channels.
- Asia: engaged in the sales and marketing of alcoholic wine, non-alcoholic wine and other beverages in Asia through wholesale channels.

The accounting policies of the reportable segments are the same as the Group's accounting policies noted in these financial statements. Finance cost and income and gains/losses from investments are not allocated to segments, as this type of activity is driven by the central finance function, which manages the cash and investments of the Group. The segment information provided to the CODM, which is reviewed on at least a monthly basis is as follows:

### Revenue and profit information by segment

	Revenue 2025 \$'000	Revenue 2024 \$'000	Profit before tax 2025 \$'000	Profit before tax 2024 \$'000
Australia / New Zealand	113,876	118,213	5,856	7,283
UK, Europe & Americas <sup>(1)</sup>	136,234	135,050	(3,624)	5,985
Asia	7,075	7,331	(592)	(85)
<b>Total</b>	<b>257,185</b>	<b>260,594</b>	<b>1,640</b>	<b>13,183</b>

### Unallocated corporate amounts

Impairment of Goodwill	-	(37,685)
Inventory Write Down impacted by change in strategy	-	(36,585)
Impairment of right of use assets	-	(4,097)
Fair value adjustment to grapes	(3,657)	(9,781)
Strategic review costs and CEO termination costs	(732)	(3,598)
Dividend income and fair value adjustment to investments	(110)	276
Net interest expense (commercial bills)	(6,314)	(5,333)
Interest expense (AASB 16 Leases) ^	(391)	(330)
<b>Profit before tax</b>	<b>(9,564)</b>	<b>(83,950)</b>

^ note: net of interest capitalised to inventory under AASB 123

- (1) UK includes one off first time implementation costs of \$6.1 million relating to waste management legislation enacted in FY25 in the UK which requires retrospective measurement, also known as Extended Producer Responsibility (EPR), with ongoing EPR costs included in COGS and expected to be recovered through price increases

## Note 2: Segment information (continued)

### Geographical breakdown of revenues

For the twelve months ended 30 June 2025

Segments	Australia / New Zealand \$'000	UK / Europe & Americas \$'000	Asia \$'000	Total \$'000
<b>Type of goods or service</b>				
Sales of wine	103,205	136,234	7,075	246,514
Other	10,671	-	-	10,671
	<b>113,876</b>	<b>136,234</b>	<b>7,075</b>	<b>257,185</b>
<b>Geographical breakdown</b>				
Australia	98,045	-	-	98,045
UK / Europe	74	126,286	-	126,360
New Zealand	4,587	-	-	4,587
Asia	8,724	-	7,075	15,799
North America	2,042	9,948	-	11,990
Other	404	-	-	404
	<b>113,876</b>	<b>136,234</b>	<b>7,075</b>	<b>257,185</b>

For the twelve months ended 30 June 2024

Segments	Australia / New Zealand \$'000	UK / Europe & Americas \$'000	Asia \$'000	Total \$'000
<b>Type of goods or service</b>				
Sales of wine	111,870	135,050	7,331	254,251
Other	6,343	-	-	6,343
	<b>118,213</b>	<b>135,050</b>	<b>7,331</b>	<b>260,594</b>
<b>Geographical breakdown</b>				
Australia	98,957	-	-	98,957
UK / Europe	-	126,279	-	126,279
New Zealand	4,791	-	-	4,791
Asia	10,726	-	7,331	18,057
North America	3,023	8,771	-	11,794
Other	716	-	-	716
	<b>118,213</b>	<b>135,050</b>	<b>7,331</b>	<b>260,594</b>

The Group has two major customers (2024: two) who individually account for greater than 10% of annual sales, one each within the Australia / New Zealand and the UK, Europe & Americas segments. The total sales for these customers in 2025 is \$60.4m (2024: \$60.7m).

## Note 3: Revenue and expenses

### Accounting policy - revenue

Revenue is measured based on the consideration to which the group expects to be entitled in a contract with a customer. The group recognises revenue when it transfers control of a product or service to a customer. The transaction price is net of rebates and discounts and sales-related taxes and duties including excise duties, but includes extended producer (EPR) charges collected from customers payable to the UK Government. Credit terms granted to customers is generally between 30 days and 60 days depending on the customer type and shipping arrangements.

- Sales of grape derived products is the sale of bottled and bulk alcoholic wine, non-alcoholic wine and other beverages, as well as grape concentrate to retail and wholesale customers. There is one performance obligation associated with the sale of goods, being the delivery of the product to the location specified in the agreement with the customer. Accordingly, revenue is recognised at the point in time at which control of the product is passed from the Group to the customer. This is typically by way of delivery to the customer's warehouse for wholesale customers, or at the point of sale at a cellar door outlet for a retail customer.

Other revenue from contracts with customers is comprised of the following:

- Contract processing involves manufacturing a wine product based on the agreed specifications required by the customer. There is one performance obligation, being the delivery of the completed wine product to the site or location in the agreement with the customer. Accordingly, revenue is recognised at a point in time once control of the completed product has passed to the customer.
- Vineyard services is the development of customer's vineyards. This involves planting vines and installing trellising and irrigation. There is one performance obligation being the provision of vineyard services in line with the agreed budget and timeline over the life of the contract. This obligation is satisfied over time as activities are undertaken. The allocation of the transaction price is determined by the budgeted costs for each period of time that the services are undertaken, which is agreed in advance with the customer.

Any amounts received from customers prior to the performance obligations being completed are recorded as income received in advance and held in the consolidated statement of financial position, until the relevant performance obligations have been completed in line with the policies above.

### Accounting policy – consumption taxes

Revenues, expenses and assets are recognised net of consumption taxes. Receivables and payables are recorded gross of consumption taxes, with the net amount of consumption taxes recoverable from, or payable to the relevant tax authority recorded in the consolidated statement of financial position. Cash flows are presented on a gross basis, with any consumption taxes relating to investing or financing activities being recorded in operating cash flows.

**Note 3: Revenue and expenses (continued)**

	2025 \$'000	2024 \$'000
<b>(a) Revenue from contracts with customers</b>		
Sales of wine	246,514	254,251
Other	10,671	6,343
	<b>257,185</b>	<b>260,594</b>
<b>(b) Cost of sales</b>		
Costs associated to sales during the period	187,821	186,537
Inventory Write Down impacted by change in strategy	-	36,585
	<b>187,821</b>	<b>223,122</b>
<b>(c) Other income</b>		
Gain on disposal of property, plant and equipment	3,233	968
Wine equalisation tax rebate	321	350
Other rebates and grants	222	299
Gain / (loss) on changes in fair value of investments held at fair value through profit or loss	(140)	248
Gain / (loss) on unrealised foreign exchange	(46)	179
Interest income	72	85
Reduced leased liability due to termination	1,065	-
Dividend income from investments held at fair value through profit or loss	30	28
Rental income	23	16
Other	280	60
	<b>5,060</b>	<b>2,233</b>
<b>(d) Impairment and other expenses</b>		
Extended producer responsibility (EPR) tax imposed by the UK*	6,105	-
Impairment of Goodwill	-	37,685
Impairment of right of use assets	-	4,097
	<b>6,105</b>	<b>41,782</b>

\* Contains one-off first-time implementation costs of \$6.1 million relating to waste management legislation enacted in FY25 in the UK which requires retrospective measurement, also known as Extended Producer Responsibility (EPR), with ongoing EPR costs included in COGS and expected to be recovered through price increases.

	2025 \$'000	2024 \$'000
<b>(e) Disclosure of specific expenses</b>		
Employee benefits expense	48,325	48,012
Superannuation expense	4,319	4,102
Strategic review costs and CEO termination costs	732	2,730

**(f) Finance costs****Accounting policy – borrowing costs**

Borrowing costs incurred for the production or construction of a qualifying asset are added to the cost base of the asset during the time the asset is being prepared for its intended use. Other borrowing costs are expensed as incurred.

	2025 \$'000	2024 \$'000
Interest expense (commercial bills)	6,314	5,333
Interest expense (resulting from leases under AASB 16) ^	391	330
	<b>6,705</b>	<b>5,663</b>

^ note: net of interest incurred at the leases' incremental borrowing rates capitalised to inventory under AASB 123

## Note 4: Income taxes

### Accounting policy – income taxes

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities. This is calculated based on tax laws enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised for taxable temporary differences. Deferred income tax assets are recognised for deductible temporary differences, to the extent it is probable there will be sufficient future profits in the Group to utilise them against. Deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

### Tax consolidation

The company and all its wholly owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Australian Vintage Ltd is the head entity in the tax-consolidated group. The members of the tax-consolidated group are identified in note 24.

Current tax liabilities and assets, and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the company (as head entity in the tax-consolidated group).

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding arrangement, Australian Vintage Ltd and each of the entities in the tax-consolidated group have agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity.

### Significant accounting estimates and judgement – recognition of income tax losses

The Group has recognised deferred tax assets in relation to unused tax losses and temporary differences as at the end of the reporting period. The recognition of deferred tax assets is after considering whether it is probable that the Group will have sufficient taxable profit in the foreseeable future and against which the deferred tax assets can be recovered. The assessment of whether there will be sufficient taxable profit is subject to a level of judgement and if the actual conditions vary to the assumptions adopted, the carrying value of the asset would need to be reassessed.

	2025 \$'000	2024 \$'000
<b>(a) Income tax recognised in profit or loss</b>		
<b>Income tax comprises</b>		
Current tax expense	-	-
Net deferred tax expense	-	9,143
Under provision from prior year	-	(58)
	<u>-</u>	<u>9,085</u>
	2025 \$'000	2024 \$'000
<b>(b) Reconciliation of income tax expense to prima facie tax payable</b>		
Accounting profit before tax	(9,564)	(83,950)
Tax at the Australian Corporate tax rate of 30%	(2,869)	(25,185)
<i>Non-deductible expenses for tax purposes</i>		
Impairment of Goodwill	-	11,305
Other non-deductible expenses	61	24
Impairment of deferred tax assets from tax losses previously recorded	-	10,719
Current period tax losses not recognised as DTA	2,808	12,204
Other	-	18
<b>Total tax expense / (benefit)</b>	<u>-</u>	<u>9,085</u>

## Note 4: Income taxes (continued)

### (c) Deferred tax assets and liabilities

2025 composition and movement schedule	Opening Balance \$'000	Charged to Income \$'000	Charged to Equity \$'000	De-recognition \$'000	Closing Balance \$'000
<b>Gross deferred tax liabilities:</b>					
Inventories	(5,988)	1,296	-	-	(4,692)
Intangibles	(1,621)	-	-	-	(1,621)
Property, plant and equipment	(10,411)	1,034	-	-	(9,377)
Other	(779)	(245)	-	-	(1,024)
	<u>(18,799)</u>	<u>2,085</u>	<u>-</u>	<u>-</u>	<u>(16,714)</u>
<b>Gross deferred tax assets:</b>					
Inventories	4,992	435	-	-	5,427
Trade and other payables	1,228	1,298	-	-	2,526
Provisions	2,026	71	-	-	2,097
Tax losses (note 1)	11,030	(4,361)	(4,041)	-	2,628
Right-of-use assets and lease liabilities (net amount)	8,372	(780)	-	-	7,592
Hedge reserve	224	-	4,041	-	4,265
Other	1,109	1,252	-	-	2,361
	<u>28,981</u>	<u>(2,085)</u>	<u>-</u>	<u>-</u>	<u>26,896</u>
<b>Net deferred tax asset</b>	<b>10,182</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,182</b>

Note 1: The Group has not recognised revenue tax losses in the current year. There are \$102.9m of unrecognised revenue tax losses and no capital losses relating to the Group (2024: \$76.4m revenue tax losses and no capital losses).

2024 composition and movement schedule	Opening Balance \$'000	Charged to Income \$'000	Charged to Equity \$'000	De-recognition \$'000	Closing Balance \$'000
<b>Gross deferred tax liabilities:</b>					
Inventories	(5,519)	(469)	-	-	(5,988)
Intangibles	(1,621)	-	-	-	(1,621)
Property, plant and equipment	(9,833)	(578)	-	-	(10,411)
Other	(789)	10	-	-	(779)
	<u>(17,762)</u>	<u>(1,037)</u>	<u>-</u>	<u>-</u>	<u>(18,799)</u>
<b>Gross deferred tax assets:</b>					
Inventories	4,227	764	-	-	4,992
Trade and other payables	527	701	-	-	1,228
Provisions	2,109	(83)	-	-	2,026
Tax losses	20,526	1,223	-	(10,719)	11,030
Right-of-use assets and lease liabilities (net amount)	8,428	(56)	-	-	8,372
Other	1,778	65	(510)	-	1,333
	<u>37,595</u>	<u>2,614</u>	<u>(510)</u>	<u>(10,719)</u>	<u>28,981</u>
<b>Net deferred tax asset</b>	<b>19,834</b>	<b>1,577</b>	<b>(510)</b>	<b>(10,719)</b>	<b>10,182</b>

## Note 5: Earnings per share

### Accounting policy – earnings per share

Basic earnings per share is determined by dividing net profit attributable to equity holders of Australian Vintage Limited, by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share uses an adjusted weighted average number of ordinary shares in the same calculation, which assumes the conversion of all dilutive potential ordinary shares.

	2025	2024
Weighted average number of ordinary shares ('000) used in calculating basic earnings per share	329,422	254,692
Weighted average number of ordinary shares ('000) used in calculating diluted earnings per share	329,422	254,692
	2025	2024
	\$'000	\$'000
Profit / (Loss) for the year	(9,564)	(93,035)
Basic earnings per share (cents per share)	(2.9)	(36.5)
Diluted earnings per share (cents per share)	(2.9)	(36.5)

## Note 6: Notes to the cash flow statement

### Accounting policy – cash and cash equivalents

Cash comprises cash on hand, term deposits and deposits held on demand with financial institutions. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and have an original maturity of less than 3 months. Bank overdrafts are presented as current liabilities in the consolidated statement of financial position.

(a) Reconciliation of profit / (loss) for the period to net cash flows from operating activities	2025 \$'000	2024 \$'000	
Profit from ordinary activities after income tax	(9,564)	(93,035)	
Impairment of Inventory & right of use assets	-	40,682	
Impairment of Goodwill	-	37,685	
Impairment of deferred tax assets from tax losses previously recorded	-	10,719	
One-off first-time implementation costs of Extended Producer Responsibility*	6,105	-	
Depreciation and amortisation of non-current assets (inc. amortisation of AASB 16 ROU assets)	14,583	16,010	
(Gain) / loss on sale of non-current assets net of capitalised inventory	(4,102)	(968)	
(Gain)/ loss on changes in fair value of investments held at fair value through profit or loss	140	(248)	
Disposal of leases net of capitalised inventory	(1,769)	-	
Share based payments	94	459	
<b>Net cash provided by operating activities before net changes in assets and liabilities</b>	<b>5,487</b>	<b>11,304</b>	
<i>Changes in assets and liabilities, net of effects from impairment of assets</i>			
(Increase) / decrease in trade and other receivables	(6,993)	(5,319)	
Decrease / (increase) in other assets	222	658	
(Increase) / decrease in inventories	(18,747)	(21,166)	
(Increase) in deferred tax assets	-	(1,066)	
Increase / (decrease) in trade & other payables, excluding Extended Producer Responsibility costs*	13,944	6,163	
(Decrease) in provisions and other liabilities	217	(1,874)	
Other	(1,793)	343	
<b>Net cash provided by operating activities</b>	<b>(7,663)</b>	<b>(10,957)</b>	
* refer to Note 3 in for further information regarding EPR costs payable by AVG.			
(b) Net debt reconciliation			
Cash and cash equivalents	8,877	6,017	
Borrowings	(84,000)	(62,500)	
<b>Net debt</b>	<b>(75,123)</b>	<b>(56,483)</b>	
(c) Reconciliation of movements in liabilities from financing activities to cash flows from financing activities			
	Lease liabilities \$'000	Borrowings \$'000	Total \$'000
<b>Balances at 30 June 2023</b>	<b>(73,890)</b>	<b>(55,000)</b>	<b>(128,890)</b>
<i>Financing cash flows</i>			
Net repayment / (drawdown) of principal	8,629	(7,500)	1,129
<i>Non-cash changes</i>			
Additions and modifications to lease liabilities	(9,510)	-	(9,510)
<b>Balances at 30 June 2024</b>	<b>(74,771)</b>	<b>(62,500)</b>	<b>(137,271)</b>
<i>Financing cash flows</i>			
Net repayment / (drawdown) of principal	10,504	(21,500)	(10,996)
<i>Non-cash changes</i>			
Additions and modifications to lease liabilities	6,219	-	6,219
<b>Balances at 30 June 2025</b>	<b>(58,048)</b>	<b>(84,000)</b>	<b>(142,048)</b>

## Note 7: Trade and other receivables

### Accounting policy – trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. The average credit period granted to customers for trade receivables is 67 days (2024: 58 days) and therefore are all classified as current. Trade receivables are recognised initially at the transaction price per the relevant contract with the customer unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 26.

	2025 \$'000	2024 \$'000
Trade receivables	50,867	44,650
Loss allowance	(211)	(155)
	<b>50,656</b>	<b>44,495</b>
Prepayments	3,306	3,902
Other receivables	1,735	307
	<b>55,697</b>	<b>48,704</b>

## Note 8: Inventories

### Accounting policy – inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first in, first out basis.
- Work in progress, bulk wine and bottled wine: cost of direct materials and labour and an allocation of manufacturing overheads based on normal operating capacity. The costs include the transfer of grapes at their fair value at the point of harvest to inventory.

Inventories are classified as current or non-current based on the estimated time period in which the goods will be sold to customers.

### Significant accounting estimates and judgements – valuation of inventories

Inventory is assessed for obsolescence on an ongoing basis. The assessment considers the quality, age and saleability of the inventory on hand. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale. Based on this assessment and if required, a provision is made to reduce the book value of inventories to its realisable value.

The Group recorded a non-current inventories balance of \$55.8m (2024: \$15.9m), in line with the Company's strategy to premiumise, invest in innovation and utilisation of written down inventory during the year based on the Group's inventory reduction strategy.

### Accounting policy – biological assets and produce extracted from vines

The Group has owned and leased vineyards that produce grapes, which are biological assets under AASB 141 *Agriculture*. Grapes growing on the vines are measured at fair value less estimated costs to sell up to the point of harvest. Fair value adjustments as the grapes are growing is recorded in *Fair value (loss) / gain on grapes picked* in the Consolidated statement of profit or loss and other comprehensive income. Once harvested, grapes are transferred into the cost of wine at their fair value at that point in time and accounted for under AASB 102 *Inventories* and used to make wine products.

All of the Group's vineyards are located in Australia and accordingly there are no agricultural assets in the consolidated statement of financial position at 30 June of each year due to seasonality (all grapes have been harvested and crushed by this time and are in the cost base of wine inventories). The Group crushed 91k tonnes of grapes in the 2025 vintage year (2024: 92k).

### Significant accounting estimates and judgements – grape pricing and SGARA

The fair value assigned to harvested grapes is a significant judgement and a level 2 valuation. See note 26 for details on the fair value methodology.

## Note 8: Inventories (continued)

	2025 \$'000	2024 \$'000
<b>Current</b>		
Bulk wine	115,082	138,748
Bottled wine	44,135	40,457
Work in progress	1,431	2,408
Consumables and raw materials	3,992	4,212
	<b>164,640</b>	<b>185,825</b>
<b>Non-current</b>		
Bulk wine	55,837	11,423
Bottled wine	-	4,483
	<b>55,837</b>	<b>15,906</b>

The cost of inventory recognised as an expense in cost of sales during the year was \$188m (2024: \$187m). As at 30 June 2025 the Group is holding a provision of \$1.0m (2024: \$1.3m) to adjust inventory to its net realisable value. The balances above are net of this provision. During the year, the Group utilised \$4.3m of this provision (2024: \$0.6m) to write off work in progress grapes due to the exit from Balranald and Millewa, inventory reaching best before dates in the zero alcohol category.

## Note 9: Property, plant and equipment

### Accounting policy – property, plant and equipment

Property, plant and equipment are shown at historical cost, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly related to the acquisition of the asset and bringing it to its condition of use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised. All repairs and maintenance charges are expensed in profit and loss in the period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the following methods and useful lives for each asset class:

- Buildings 50 years (straight line method)
- Vineyard improvements 15-20 years (straight line method)
- Plant and equipment 3-50 years (straight line method)
- Vines 30 years (diminishing value method)

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation related to wineries, production and some vineyards is capitalised into inventory and ultimately classified in the Statement of profit or loss and other comprehensive income as a cost of goods sold. Property, plant & equipment assets are tested for impairment as per the policy and details in note 12.

As at 30 June 2025 (\$'000)

	<i>Freehold land</i>	<i>Vineyard improvements</i>	<i>Vines</i>	<i>Plant and equipment</i>	<i>Buildings</i>	<i>Work in progress</i>	<i>Total</i>
At cost	8,589	1,561	2,450	156,935	23,792	1,042	194,369
Accumulated depreciation	-	(436)	(1,368)	(92,156)	(8,528)	-	(102,488)
<b>Net book value</b>	<b>8,589</b>	<b>1,125</b>	<b>1,082</b>	<b>64,779</b>	<b>15,264</b>	<b>1,042</b>	<b>91,881</b>
<b>Reconciliations</b>							
Carrying amount at 1 July 2024	8,941	1,062	1,372	64,556	15,956	4,177	96,064
Additions	-	-	-	-	-	5,969	5,969
Disposals	(352)	(393)	(886)	(289)	(480)	(544)	(2,944)
Transfers	-	556	727	6,697	520	(8,560)	(60)
Depreciation	-	(100)	(131)	(6,185)	(732)	-	(7,148)
<b>Carrying amount at 30 June 2025</b>	<b>8,589</b>	<b>1,125</b>	<b>1,082</b>	<b>64,779</b>	<b>15,264</b>	<b>1,042</b>	<b>91,881</b>

## Note 9: Property, plant and equipment (continued)

As at 30 June 2024 (\$'000)

	Freehold land	Vineyard improvements	Vines	Plant and equipment	Buildings	Work in progress	Total
At cost	8,941	1,986	6,281	151,829	23,982	4,177	197,196
Accumulated depreciation	-	(924)	(4,909)	(87,273)	(8,026)	-	(101,132)
<b>Net book value</b>	<b>8,941</b>	<b>1,062</b>	<b>1,372</b>	<b>64,556</b>	<b>15,956</b>	<b>4,177</b>	<b>96,064</b>
<b>Reconciliations</b>							
Carrying amount at 1 July 2023	9,456	1,867	2,161	66,096	16,389	3,187	99,156
Additions	-	-	-	-	-	6,945	6,945
Disposals	(515)	(698)	(608)	(629)	(121)	(287)	(2,858)
Transfers	-	29	-	5,233	406	(5,668)	-
Depreciation	0	(136)	(181)	(6,144)	(718)	-	(7,179)
<b>Carrying amount at 30 June 2024</b>	<b>8,941</b>	<b>1,062</b>	<b>1,372</b>	<b>64,556</b>	<b>15,956</b>	<b>4,177</b>	<b>96,064</b>

## Note 10: Goodwill and other intangible assets

### Accounting policy – goodwill and business combinations

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date fair value of the identifiable assets acquired and the liabilities assumed.

### Accounting policy – water licenses

Water allocations with permanent rights are measured at cost on the date of acquisition. Water licences have an indefinite useful life and are not subject to amortisation – this assessment is supported by the water licenses giving the Group indefinite rights to water allocations which are key in operating the Group's vineyards into the future. Water allocations with permanent rights are assessed for impairment in each reporting period, with reference to current market prices. Water allocations with temporary rights are expensed in the year of purchase.

### Accounting policy – brand names

Brand names are assessed to have an indefinite useful life and are not amortised – this assessment is supported by the Group's intention and ability to operate a branded wine business indefinitely into the future. Each period, the useful life of this type of asset is reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment at least annually or more frequently if impairment indicators are identified.

### Accounting policy – software

Costs incurred in acquiring software that will contribute to future period financial benefits through revenue generation and/or cost reduction is capitalised as intangible assets. Costs capitalised include external direct costs of materials and service and direct payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis for the estimated useful life of the software, which for current software assets held is 3 years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset. Amortisation expense relating to software is classified in the Statement of profit or loss and other comprehensive income as Administration expenses.

Intangible assets are tested for impairment as per the policy and details in note 12.

As at 30 June 2025 (\$'000)

	Goodwill	Water licenses	Brand names	Software	Work in progress	Total
At cost	44,085	1,503	7,447	5,596	-	58,631
Accumulated impairment losses	(44,085)	-	-	-	-	(44,085)
Accumulated amortisation	-	-	-	(5,316)	-	(5,316)
<b>Net book value</b>	<b>-</b>	<b>1,503</b>	<b>7,447</b>	<b>280</b>	<b>-</b>	<b>9,230</b>
<b>Reconciliations</b>						
Carrying amount at 1 July 2024	-	1,503	5,427	556	-	7,486
Additions	-	-	2,020	-	-	2,020
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfers	-	-	-	60	-	60
Amortisation	-	-	-	(336)	-	(336)
<b>Carrying amount at 30 June 2025</b>	<b>-</b>	<b>1,503</b>	<b>7,447</b>	<b>280</b>	<b>-</b>	<b>9,230</b>

## Note 10: Goodwill and other intangible assets

As at 30 June 2024 (\$'000)

	Goodwill	Water licenses	Brand names	Software	Work in progress	Total
At cost	44,085	1,503	5,427	5,537	-	56,552
Accumulated impairment losses	(44,085)	-	-	-	-	(44,085)
Accumulated amortisation	-	-	-	(4,981)	-	(4,981)
<b>Net book value</b>	<b>-</b>	<b>1,503</b>	<b>5,427</b>	<b>556</b>	<b>-</b>	<b>7,486</b>
<b>Reconciliations</b>						
Carrying amount at 1 July 2023	37,685	1,503	4,827	902	-	44,917
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	(37,685)	-	-	-	-	(37,685)
Transfers	-	-	600	-	-	600
Amortisation	-	-	-	(346)	-	(346)
<b>Carrying amount at 30 June 2024</b>	<b>-</b>	<b>1,503</b>	<b>5,427</b>	<b>556</b>	<b>-</b>	<b>7,486</b>

## Note 11: Leases

### Accounting policy – leases

#### Identification of a lease

AVG enters into leases primarily for vineyards where grapes are sourced for the production of wine, as well as equipment (mostly machinery used on vineyards), fleet vehicles for staff and properties for the Group's corporate and sales offices and a cellar door retail outlet. The Group reviews all relevant arrangements and contracts entered into to determine if it contains a lease. Under AASB 16, a lease exists if the arrangement or contract grants the Group the rights to control the use of an identified asset in exchange for consideration for a specified time period.

#### Lease recognition exemptions and scope exclusions

The Group applies the short-term lease recognition exemption for any leases that have a lease term of 12 months or less. The Group also applies the low-value asset recognition exemption, for leases of assets that are deemed to be low-value under the rules of AASB 16. In addition, the Group does not apply AASB 16 to leases of intangible assets such as water licenses, as is permitted under the standard. Payments for these exempt and excluded leases are recognised in profit or loss on a straight line basis over the term of the lease.

#### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Amortisation for leases that are related to wineries, production and vineyards is capitalised into inventory and ultimately classified in the Statement of profit or loss and other comprehensive income as a cost of goods sold. Right-of-use assets are subject to impairment assessments under AASB 136 Impairment of Assets (see note 12 for further details).

Below is a summary and movement schedule of the Group's right-of-use assets for the current period

As at 30 June 2025 (\$'000)

	Vineyards	Property	Equipment	Vehicles	Total
At cost	49,439	5,320	4,274	1,631	60,664
Accumulated amortisation	(23,162)	(2,777)	(1,179)	(804)	(27,922)
<b>Net book value</b>	<b>26,277</b>	<b>2,543</b>	<b>3,095</b>	<b>827</b>	<b>32,742</b>
<b>Reconciliations</b>					
Carrying amount at 1 July 2024	35,678	3,924	2,418	748	42,768
Additions	1,800	-	1,597	582	3,979
Disposals	(9,248)	-	(133)	-	(9,381)
Remeasurement	1,427	(721)	-	10	2,158
Amortisation	(3,380)	(2,102)	(787)	(513)	(6,782)
Impairment	-	-	-	-	-
<b>Carrying amount at 30 June 2025</b>	<b>26,277</b>	<b>2,543</b>	<b>3,095</b>	<b>827</b>	<b>32,742</b>

## Note 11: Leases (continued)

As at 30 June 2024 (\$'000)

	Vineyards	Property	Equipment	Vehicles	Total
At cost	52,594	8,661	4,752	1,952	67,959
Accumulated amortisation	(16,916)	(4,737)	(2,334)	(1,204)	(25,191)
<b>Net book value</b>	<b>35,678</b>	<b>3,924</b>	<b>2,418</b>	<b>748</b>	<b>42,768</b>
<b>Reconciliations</b>					
Carrying amount at 1 July 2023	43,525	1,112	657	503	45,797
Additions	-	4,610	2,085	666	7,361
Disposals	-	-	(46)	-	(46)
Remeasurement	1,884	17	343	-	2,244
Amortisation	(5,634)	(1,815)	(621)	(421)	(8,491)
Impairment	(4,097)	-	-	-	(4,097)
<b>Carrying amount at 30 June 2024</b>	<b>35,678</b>	<b>3,924</b>	<b>2,418</b>	<b>748</b>	<b>42,768</b>

### Lease liabilities (Group as a Lessee)

At the commencement date of the lease the Group recognises lease liabilities, measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and includes variable lease payments that depend on an index. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the rate implicit in the lease. If this is not readily determinable, the Group's incremental borrowing rate at the lease commencement date is used. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The associated interest charges for vineyard leases is capitalised into inventory as is permitted under AASB 102 Inventories and ultimately classified in the Statement of profit or loss and other comprehensive income as a cost of goods sold. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group has not entered into any material arrangements as a Lessor.

### Significant accounting estimates and judgements – determining lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases for additional terms, the most significant of which are vineyard leases for which some have extension options of 5 years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

As at 30 June 2025 (\$'000)

	Vineyards	Property	Equipment	Vehicles	Total
<b>Reconciliations</b>					
Carrying amount at 1 July 2024	67,509	4,029	2,470	764	74,772
Additions	-	-	1,597	582	2,179
Termination of lease contracts	(13,110)	-	(109)	-	(13,219)
Modifications	-	721	(33)	10	698
Accretion of interest charges	3,731	177	159	55	4,122
Lease repayments	(6,741)	(2,308)	(896)	(559)	(10,504)
<b>Carrying amount at 30 June 2025</b>	<b>51,389</b>	<b>2,619</b>	<b>3,188</b>	<b>852</b>	<b>58,048</b>

As at 30 June 2024 (\$'000)

	Vineyards	Property	Equipment	Vehicles	Total
<b>Reconciliations</b>					
Carrying amount at 1 July 2023	71,444	1,234	694	518	73,890
Additions	-	4,565	2,085	666	7,316
Termination of lease contracts	-	-	(49)	-	(49)
Modifications	1,884	17	343	-	2,244
Accretion of interest charges	4,999	190	100	40	5,329
Lease repayments	(10,818)	(1,977)	(703)	(460)	(13,958)
<b>Carrying amount at 30 June 2024</b>	<b>67,509</b>	<b>4,029</b>	<b>2,470</b>	<b>764</b>	<b>74,772</b>

## Note 12: Impairment testing

### Accounting policy - impairment testing

The Group tests for impairment by determining the recoverable amount of each cash generating unit ('CGU') and compares this to its carrying value. A CGU is the smallest identifiable group of assets that generate independent cashflows.

The Group's indefinitely lived intangible assets consist of Brand Names and Water Licences. These intangible assets are allocated in full to the Australia / New Zealand ('ANZ') CGU and tested for impairment annually. Other CGUs are tested for impairment when there are triggers present that indicate the carrying value of the assets may not be recoverable. The recoverable amount of each CGU is the higher of its fair value less costs of disposal ('FVL COD') or its value-in-use ('VIU').

The Group determines the FVL COD of its long lived intangible assets on an annual basis.

### Significant accounting estimates and judgements – key assumptions used in impairment testing for long lived intangible assets

The following assumptions are significant to calculations and determinations of fair value less costs of disposal for specific assets:

- External valuation reports from property and asset valuers;
- External transactions identifying current market value; and
- Industry royalty rates and forecast sales brand names.

At 30 June 2025, a market assessment was undertaken of the property, plant and equipment for Australian Vintage's assets. The carrying value of brand names were compared against recent market transactions of similar brands. Significant changes or a prolonged downturn in the wine industry and increased challenges in the global macroeconomic environment may indicate a trigger for impairment for these assets. No such triggers have been identified. The carrying value of these assets continue to be appropriate.

## Note 13: Trade and other payables

### Accounting policy – trade and other payables

Trade payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are paid in the average credit period of 49 days (2024: 42 days) granted by suppliers. Other payables to the Group represent accruals, volume and marketing rebates payable to customers and consumption tax payable to the relevant tax authorities. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2025 \$'000	2024 \$'000
Current		
Trade payables	47,543	38,127
Other payables	23,026	18,498
Other payables – EPR costs*	6,105	-
	<b>76,674</b>	<b>56,625</b>

\* refer to Note 3 in for further information regarding EPR costs payable by AVG.

## Note 14: Provisions

### Accounting policy - provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Short term employee benefit obligations include liabilities for salaries, wages and annual leave and are expected to be settled within the next 12 months. Short term employee benefit provisions also include long service leave amounts for those employees who have reached their legal present entitlement. They are measured at the amount expected to be paid to settle the liability. Long term employee benefit obligations consist of probability estimates of long service leave amounts, for employees who have not yet reached their legal present entitlement.

	2025 \$'000	2024 \$'000
<b>Current</b>		
Employee benefits	6,222	5,966
	<b>6,222</b>	<b>5,966</b>
<b>Non-current</b>		
Employee benefits	767	788
	<b>767</b>	<b>788</b>

## Note 15: Borrowings

### Accounting policy - borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the group has a right to defer settlement of the liability for at least 12 months after the reporting period.

	2025 \$'000	2024 \$'000
<b>Current</b>		
Bank loan - commercial bills	-	62,500
	-	<b>62,500</b>
<b>Non-current</b>		
Bank loan - commercial bills	84,000	-
	<b>84,000</b>	-

### Undrawn facilities available to the Group

Details of undrawn debt facilities with National Australia Bank are listed in Financial Risk Management, note 26.

### Loan covenants

The Group has two main financial covenants associated with the Commercial Bills, the nature of which is as follows: leverage ratio and interest coverage. These covenants are tested on a quarterly basis, with the exception of leverage ratio, which is waived until 31 March 2027. Whilst the Group is operating in a structurally challenged global environment the Group has calculated that it complies with these covenants over the next 12 months.

### Assets pledged as security

National Australia Bank, the Group's financier, has a fixed and floating charge over the Group's assets with a first mortgage over the operational assets under the Facilities Agreement in relation to the bank loans noted above.

### Interest rates

The commercial bills are subject to a variable interest rate, being the bank bill swap bid rate ('BBSY'). The current weighted average interest rate on the bills is 7.8% (2024: 6.6%).

### Capital expenditure commitments

The Group is contractually committed to \$0.1m (2024: \$0.8m) of future capital expenditure at balance date, for which no liability is recognised.

## Note 16: Other financial assets and liabilities

	2025 \$'000	2024 \$'000
<b>Non-current assets</b>		
Investments held at fair value through profit and loss	1,707	1,847
Loan receivable	477	470
Security deposits	40	40
Prepaid borrowing costs	24	113
Other	12	12
	<b>2,260</b>	<b>2,482</b>
<b>Current liabilities</b>		
Derivatives in cashflow hedge relationship – foreign currency forward contracts	6,636	945
	<b>6,636</b>	<b>945</b>
<b>Non-current liabilities</b>		
Derivatives in cashflow hedge relationship – foreign currency forward contracts	7,901	121
	<b>7,901</b>	<b>121</b>

The derivative financial instruments above relate to the Group's hedge accounting arrangements. Investments held at fair value through profit and loss relate to investments in unlisted securities. Additional information on the Group's risk management and hedge accounting policies, and information on fair values of the above assets and liabilities are detailed in Note 26.

## Note 17: Share capital

### Accounting policy – share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds

	2025		2024	
	\$'000	Number	\$'000	Number
<b>Fully paid ordinary share capital</b>				
Beginning of financial year	455,421	327,610,633	441,474	252,638,486
Capital raise (see note 1 below)	371	1,852,290	14,994	74,972,147
Transaction costs	(33)	-	(1,047)	-
End of financial year	<b>455,759</b>	<b>329,462,923</b>	<b>455,421</b>	<b>327,610,633</b>

Note 1: During the year, the issued share capital was increased by \$0.37m net of transaction via the issue of 1,852,290 ordinary shares on 9 July 2024, under the Group's Retail Entitlement Offer. The shares issued under this offering were priced at \$0.20 per share.

All shares have equal rights to voting and dividends. The Group's shares have no par value.

## Note 18: Dividends

	2025		2024	
	Cents per share	Total \$'000	Cents per share	Total \$'000
No dividends paid or declared in the current period (2024: nil)	-	-	-	-
	-	-	-	-
Franking account balance		<b>177</b>		<b>235</b>

## Note 19: Reserves

	2025 \$'000	2024 \$'000
Employee equity-settled benefits	1,601	1,506
Hedging reserve	(14,217)	(747)
Foreign currency translation reserve	316	314
	<u>(12,300)</u>	<u>1,073</u>

### Nature and purpose of reserves

- The employee equity-settled benefits reserve arises on the granting of shares, performance rights and share options to directors and employees. The fair value of share based payments provided to directors and employees of the Group are recorded within the reserve account and amounts are released into issued capital as options are exercised. Further details on share based payments are made in Note 21.
- The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in the profit and loss when the hedged transaction impacts the profit or loss
- The foreign currency translation reserve contains exchange differences relating to the translation from the functional currencies of the Group's foreign controlled entities into Australian dollars.

## Note 20: Key management personnel compensation

The aggregate compensation of the key management personnel of the Group and the company is set out below:

	2025 \$	2024 \$
Short-term employee benefits	3,000,236	3,141,049
Post-employment benefits	497,315	636,542
Share based payments	30,471	277,299
	<u>3,528,022</u>	<u>4,054,890</u>

## Note 21: Executive performance rights and share option plan

### Accounting policy – share-based payments

Share-based compensation is provided to AVG executives through the Deferred Equity Incentive and the Performance Rights and Option Plan. The fair value of the rights and options granted under these plans is recorded as an employee benefit expense over the period in which the employee becomes unconditionally entitled to the awards, with a corresponding decrease to equity. Further details on the plans and the methods to calculate the fair value of the rights and options is detailed in the next sections.

The following share based payments arrangements were in existence during the current and prior reporting periods.

#### Deferred Equity Incentive

At the beginning of each financial year the board will determine the maximum number of Performance Rights that each executive will be entitled to as Deferred Equity. If the target performance targets (ROCE & EPS) are achieved for the relevant period then those Performance Rights will be converted to AVG shares. These shares will be escrowed for a period of up to 3 years. There were 340,000 rights issued in the current year under this plan to employees (2024: 3,465,390). For the rights issued in FY25, 300,000 were converted to shares with the remaining 40,000 cancelled.

All rights existing at 30th June 2024 have since been cancelled by forfeiture due to vesting conditions not being met. The executive LTI program is currently under review.

During the year there were 5,000,000 options issued to the CEO, Craig Garvin (2024 : Nil). These options were subsequently cancelled by forfeiture upon resignation.

## Note 21: Executive performance rights and share option plan

The table below summarises all rights and options on issue:

	2025 Number	2024 Number
Balance at the beginning of the financial year (i)	2,077,805	4,527,826
Granted during the financial year (ii)	5,540,000	3,465,390
Exercised/converted to shares during the financial year (iii)	(500,000)	(118,057)
Lapsed/cancelled during the financial year (iv)	(7,117,805)	(5,797,354)
Balance at the end of the financial year (iv)	-	2,077,805

### (i) Balance at the Beginning of the Financial Year

	No.	Vested No.	Unvested No.	Grant Date	Vesting Date	Expiry Date	Exercise Price \$
Rights issued 8 December 22	813,375	-	813,375	08/12/22	30/09/25	31/10/25	Nil
Rights issued 2 February 24	1,264,430	-	1,264,430	02/02/24	30/09/26	31/10/26	Nil
	2,077,805	-	2,077,805				

### (ii) Granted during the Financial Year

	No.	Vested No.	Unvested No.	Grant Date	Vesting Date	Expiry Date	Exercise Price \$
Rights issued 31 January 25	540,000	-	540,000	31/01/25	31/03/25	30/04/25	Nil
Options issued 28 January 25	5,000,000	-	5,000,000	28/01/25	14/10/27	30/06/28	0.20
	5,540,000	-	5,540,000				

The weighted average fair value of the rights granted during the financial year is \$0.1375 (2024 issued rights: \$0.375). The weighted average fair value of the options granted during the financial year is \$0.052 (2024 issued options: Nil). Rights and options issued during the year were priced using a binomial option pricing model.

Rights grant date	No.	Grant date Share Price	Exercise Price	Expected Volatility	Option Life (days)	Dividend Yield	Risk-free Interest Rate
Rights issued 31 January 25	540,000	0.1375	Nil	N/A	89	0.00%	N/A
Options issued 28 January 25	5,000,000	0.1300	0.20	73.39%	1,257	0.00%	3.88%

### (iii) Exercised / converted to shares during the Financial Year

	No.	Vested No.	Unvested No.	Grant Date	Vesting Date	Exercise Date	Exercise Price \$
Rights issued 31 January 25	500,000	500,000	-	31/01/25	31/03/25	30/4/25	Nil
	500,000	500,000	-				

### (iv) Cancelled by forfeiture during the Financial Year

	No.	Vested No.	Unvested No.	Grant Date	Vesting Date	Expiry Date	Exercise Price \$
Rights issued 8 December 22	813,375	-	813,375	08/12/22	30/09/25	31/10/25	Nil
Rights issued 2 February 24	1,264,430	-	1,264,430	02/02/24	30/09/26	31/10/26	Nil
Rights issued 31 January 25	40,000	-	40,000	31/01/25	31/03/25	30/04/25	Nil
Options issued 28 January 25	5,000,000	-	5,000,000	28/01/25	14/10/27	30/06/28	0.20
	7,117,805	-	7,117,805				

### (v) Balance at End of Financial Year

	No.	Vested No.	Unvested No.	Grant Date	Vesting Date	Expiry Date	Exercise Price \$
Nil	-	-	-	-	-	-	-
	-	-	-				

## Note 22: Remuneration of auditors

The auditor of Australian Vintage Ltd is Ernst & Young Australia.

	2025 \$	2024 \$
<b>Fees to Ernst &amp; Young Australia</b>		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	467,100	395,100
Fees for assurance services that are required by legislation to be provided by the auditor	-	-
Fees for other assurance and agreed-upon-procedures services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm	-	-
Fees for other services	44,500	-
	<b>511,500</b>	<b>395,100</b>
<b>Fees to other overseas member firms of Ernst &amp; Young Australia</b>		
Fees for auditing the financial report of any controlled entities	19,000	18,500
	<b>19,000</b>	<b>18,500</b>

## Note 23: Contingent liabilities

	2025 \$'000	2024 \$'000
Bank guarantees	6,182	6,219

Bank guarantees relate to the Group's vineyard leases and import duties with overseas tax authorities.

## Note 24: Subsidiaries

Name of entity	Country of Incorporation	Country of tax residence	Ownership of Interest	
			2025 %	2024 %
<b>Parent Entity</b>				
Australian Vintage Ltd	Australia	Australia		
<b>Controlled Entity</b>				
Simeon Wines Pty Ltd <sup>(1)</sup>	Australia	Australia	100	100
Vintners Australia Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Barossa Valley Wine Company Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Coldridge Development Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
McGuigan Simeon Wines Pty Ltd <sup>(1)</sup>	Australia	Australia	100	100
Mourquong Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Buronga Hill Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Austvin Pty Ltd <sup>(1)</sup>	Australia	Australia	100	100
Australian Flavours Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Austvin Holdings Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Australian Vintage (Domestic) Pty Ltd <sup>(1)</sup>	Australia	Australia	100	100
Miranda Wines Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Miranda Wines (Leasing) Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Miranda Family Investments Pty Limited <sup>(1)</sup>	Australia	Australia	100	100
Miranda Wines Holdings Pty Ltd <sup>(1)</sup>	Australia	Australia	100	100
Australian Vintage (UK) Ltd	United Kingdom	United Kingdom <sup>(2)</sup>	100	100
Australian Vintage (Europe) Ltd	Ireland	Ireland <sup>(2)</sup>	100	100

(1) These wholly owned controlled entities have entered into a deed of cross guarantee with Australian Vintage Ltd pursuant to ASIC Corporations (wholly owned companies) Instrument 2016/785 and are relieved from the requirement to prepare and lodge an audited financial report.

As a condition of this Instrument, Australian Vintage Ltd has guaranteed to pay any deficiency in the event of winding up of any of its controlled entities. The controlled entities have also given a similar guarantee in the event Australian Vintage Ltd is wound up. These wholly owned controlled entities all form part of the tax consolidated group. Australian Vintage Ltd is the head entity within the tax consolidated group.

(2) The Group's United Kingdom & Ireland entities are non-operational and do not make sales to customers or have principal ownership of inventory.

Set out below is a condensed consolidated statement of financial position for the Closed Group.

	2025 \$'000	2024 \$'000
Current Assets	228,988	240,503
Non-Current Assets	218,845	174,887
<b>Total Assets</b>	<b>447,833</b>	<b>415,390</b>
Current Liabilities	97,689	135,855
Non-Current Liabilities	159,186	65,973
<b>Total Liabilities</b>	<b>256,875</b>	<b>201,828</b>
<b>Net Assets</b>	<b>190,958</b>	<b>213,562</b>
<b>Equity</b>	<b>190,958</b>	<b>213,562</b>

The profit and loss of the Closed Group is the same as the Group, as presented in the primary Consolidated statement of profit or loss and other comprehensive income.

## Note 25: Related party transactions

Balances and transactions between the Group and its subsidiaries, which are related parties of the Group are eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

### **Equity interests in related parties**

Details of the percentage of ordinary shares held in controlled entities are disclosed in note 24 to the financial statements.

### **Key management personnel remuneration**

Details of key management personnel compensation are disclosed in note 20 to the financial statements.

### **Other transactions with related parties**

There have been no other transactions with related parties.

There are no other material transactions with related parties of the Group during the current or comparative periods.

## Note 26: Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

The Group is exposed to certain financial risks including market risk (foreign exchange rates, interest rates), credit risk and liquidity risk. The Group's risk management policies seek to minimise exposure to these risks, where they are material to the Group's operations.

The Group finance team assesses the risk in these areas and evaluates the potential option to minimise the potential impact on the Group. Examples of these risks and management's responses to them are detailed within this note and include entering into derivative financial instrument contracts to offset exposure to foreign currency risk and to variable interest rate risk. The Group does not enter into derivative financial instrument contracts for the purpose of speculating and generally due to this, hedge accounting is able to be applied on such arrangements.

The Board is responsible for approving the Group's risk management policies and the responses to the identified financial risks. See the sections that follow for more detailed information on each area of financial risk.

### (a) Financial instruments

#### **Accounting policy – financial instruments**

##### *Financial assets at amortised cost*

Financial assets at amortised cost are those items that are held with the objective of collecting contractual cash flows (solely payments of principal and interest). These mainly comprise trade receivables, which consist of principal payments contracted to fall on specified dates per the relevant contract. Refer to the accounting policies for the specific asset classes within this category for further details.

##### *Investments held at fair value through profit or loss ('FVTPL')*

This category is comprised of unlisted equity investments which the Group has not irrevocably elected to classify at fair value through other comprehensive income. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

##### *Derivative financial instruments*

The Group enters into foreign exchange forward contracts in line with the Group's risk management policies in relation to market risk, which are detailed within the sections that follow. Derivatives are initially recognised at fair value when they are entered into and revalued to fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, changes in fair value are recorded in other comprehensive income in the Consolidated statement of profit or loss and other comprehensive income. Supply contracts entered by the Group which contain embedded derivatives, which meet the requirements of the 'own-use' exemption under AASB 9 are accordingly not treated as derivatives and expensed to profit and loss as the relevant goods or services are supplied to the Group.

##### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost consist of trade and other payables, lease liabilities and the Group's borrowings. Refer to the accounting policies for the specific asset classes within this category for further details.

## Note 26: Financial risk management (continued)

### (a) Financial instruments (continued)

#### Accounting policy – hedge accounting

Hedge accounting is applied to all the Group's derivative financial instruments provided the requirements of AASB 9 are met. As the Group only enters into derivative contracts for hedging purposes, at any given time all derivatives meet this requirement. The Group has cashflow hedges in relation to the highly probable forecast variable interest payments on its bank loans and highly probable forecast sales and expenses that are denominated in a foreign currency. There are no material sources of ineffectiveness for the Group's hedge relationships. Hedging relationships are formally documented at their inception.

The effective portion of changes in the fair value of derivatives that are designed as and qualify as cash flow hedges are deferred in equity. Any ineffective portion is recorded immediately in profit or loss. Amounts deferred in equity are released to profit or loss when the hedged item is recognised in profit or loss. In the event that a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

The table below summarises the financial assets and liabilities held by the Group at balance date.

	2025 \$'000	2024 \$'000
<b>Financial assets</b>		
Financial assets at amortised cost		
Trade and other receivables	55,697	44,802
Loan receivable	477	470
Cash and cash equivalents	8,877	6,017
Investments held at fair value through profit and loss ('FVTPL')	1,707	1,847
Other	76	165
<b>Total</b>	<b>66,834</b>	<b>53,301</b>
<b>Financial liabilities</b>		
Liabilities at amortised cost		
Trade and other payables	76,674	56,625
Lease liabilities	58,048	74,772
Borrowings	84,000	62,500
Derivative financial instruments		
Derivatives in cashflow hedge relationship – foreign currency forward contracts	14,537	1,066
<b>Total</b>	<b>233,259</b>	<b>194,963</b>

#### Fair value measurements

Details on the methods used to value the Group's assets and liabilities recorded at fair value are noted below.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Forward Exchange Contracts ('FECs')

FECs are measured using models which utilise inputs such as quoted foreign currency exchange rates, the date of maturity of each contract and foreign currency futures curves. Credit risk on these contracts is considered in the valuation and is generally not material. These are Level 2 valuations.

## Note 26: Financial risk management (continued)

### (a) Financial instruments (continued)

#### Biological assets

Prior to harvest, grapes growing on the Group's owned and leased vines are measured using published district prices and contracted AVG grape prices relevant to the region grape variety and expected yields from the vineyards. At balance date, all grapes from the current vintage have been harvested and are based on actual quantities rather than estimates. These grapes have been harvested, crushed and accounted for in the cost of the wine under AASB 2 *Inventories*. These are Level 2 valuations. At balance date, grapes for the next vintage are undergoing biological transformation and are measured at cost.

#### Investments held at fair value through profit or loss ('FVTPL')

Investments held at FVTPL are measured using two significant inputs, being business valuation multiples for comparable companies and profit forecasts for the business. These are Level 3 valuations.

The fair value of all financial assets and liabilities except derivative financial instruments and investments held at fair value through profit or loss, approximate their carrying value due to their short term nature and borrowings being subject to a variable interest rate.

### (b) Market risk

#### (i) Foreign exchange risk

##### Description of risk

The Group's activities, including sales of wine products overseas denominated in foreign currencies exposes it to foreign exchange risk. The key currencies relevant to the Group's foreign exchange risk are the British Pound ('GBP'), Canadian Dollar ('CAD'), United States Dollars ('USD'), New Zealand Dollar ('NZD') and Euro ('EUR'). This risk is due to forecast transactions denominated in these currencies, which is different to the Group's functional and presentational currency of Australian Dollars ('AUD'), as well as assets and liabilities recognised on the consolidated statement of financial position, which are denominated in these foreign currencies.

##### Management of risk

The Group manages this risk by entering into Forward Exchange Contracts ('FECs') to fix the conversion of foreign denominated cashflows into AUD. This activity is governed by the Board approved Foreign Exchange Management Policy. The key details of this policy are as follows (applied to forecast net revenues and expenses of highly probable foreign denominated transactions):

- 100% of net exposure for the next 12 months
- 100% of net exposure for between 1 year and 2 years
- 100% of net exposure for between 2 years and 3 years

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in AUD is as follows:

2025 (AUD \$'000)	USD	GBP	EUR	CAD	Total
Cash	11	2,952	95	6	3,064
Trade receivables	-	24,653	2,475	1,525	28,653
Trade payables	(1,690)	(8,600)	(110)	(34)	(10,434)
Foreign currency forwards (buy foreign currency – cash flow hedges)	150	(12,935)	(1,749)	(3)	(14,537)
2024 (AUD \$'000)	USD	GBP	EUR	CAD	Total
Cash	79	172	245	20	516
Trade receivables	-	18,046	2,055	1,097	21,198
Trade payables	(1,653)	(2,559)	(119)	-	(4,331)
Foreign currency forwards (buy foreign currency – cash flow hedges)	-	(1,553)	501	(14)	(1,066)

## Note 26: Financial risk management (continued)

### (b) Market risk (continued)

#### Effects of hedge accounting on the financial position and performance

The effects of FEC's on the Group's financial position and performance are as follows:

	2025 (AUD \$'000 – unless stated otherwise)	2024 (AUD \$'000 – unless stated otherwise)
Type of hedge	Cash flow hedge	Cash flow hedge
Carrying amount of asset / (liability)	(14,537)	(1,066)
Notional amount (GBP)	83,500	49,500
Notional amount (EUR)	15,850	11,775
Notional amount (CAD)	2,580	2,416
Notional amount (USD)	3100	-
Maturity date <sup>(1)</sup>	Jul '25 – Jun '28	Jul '24 – Feb '27
Hedge ratio	1:1	1:1
Net change in fair value of outstanding hedging instruments since 1 July	(22,723)	1,700
Net change in value of hedged item used to determine hedge effectiveness	22,723	(1,700)
Weighted average hedged rate for the year (GBP)	GBP 0.52: AUD 1	GBP 0.54: AUD 1
Weighted average hedged rate for the year (EUR)	EUR 0.58: AUD 1	EUR 0.60: AUD 1
Weighted average hedged rate for the year (CAD)	CAD 0.89: AUD 1	CAD 0.91: AUD 1
Weighted average hedged rate for the year (USD)	USD 0.68: AUD 1	-

(1) The table below sets out the maturity dates of the Group's FEC's based on their gross notional amounts (in denominated currency, '000).

	Maturity date within 1 year	Maturity date 1-2 years	Maturity date 2-3 years	Total notional value of FEC's
<b>As at 30 June 2025</b>				
GBP	30,000	30,000	23,500	83,500
EUR	5,850	6,000	4,000	15,850
CAD	1,580	600	400	2,580
USD	1,600	1,500	-	3,100
<b>As at 30 June 2024</b>				
GBP	23,000	18,500	8,000	49,500
EUR	6,225	4,600	950	11,775
CAD	1,366	1,050	-	2,416

## Note 26: Financial risk management (continued)

### (b) Market risk (continued)

#### Sensitivity

Below is a sensitivity analysis on the Group's profit and cash flow hedge reserve in the case of a strengthening or weakening of the AUD against the significant foreign currencies the Group deals in.

2025 (AUD \$'000)	USD	GBP	EUR	CAD
<i>Impact on profit (pre-tax)</i>				
AUD strengthened by 10% against each referenced currency	835	(1,893)	(40)	(23)
AUD weakened by 10% against each referenced currency	(1,281)	2,273	113	43
<i>Impact on cash flow hedge reserve</i>				
AUD strengthened by 10% against each referenced currency	473	(17,052)	(2,837)	(288)
AUD weakened by 10% against each referenced currency	(473)	17,052	2,837	288
<b>2024 (AUD \$'000)</b>				
<i>Impact on profit (pre-tax)</i>				
AUD strengthened by 10% against each referenced currency	1,271	(2,229)	(421)	(62)
AUD weakened by 10% against each referenced currency	(1,629)	2,758	524	74
<i>Impact on cash flow hedge reserve</i>				
AUD strengthened by 10% against each referenced currency	-	(9,439)	(1,900)	(266)
AUD weakened by 10% against each referenced currency	-	9,439	1,900	266

#### (i) *Interest rate risk*

##### Description of risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. Group policy is to hedge between 0% and 70% of its borrowings, depending on qualitative factors and the Board's risk appetite at fixed rate using floating-to-fixed interest rate swaps to achieve this when necessary.

##### Management of risk

There are currently no interest rate swaps in place (2024 – no interest rate swaps in place).

##### Sensitivity

The profit or loss of the Group would be impacted by changes in interest rates as it relates to the unhedged portion of the Group's borrowings, which attracts variable interest. If interest rates were 250 basis points higher/lower, profit would have decreased/increased by \$2.0m (2024: if interest rates were 250 basis points higher/lower, profit would have decreased/increased by \$1.8m).

## Note 26: Financial risk management (continued)

### (c) Credit risk

#### Description of risk

The Group is exposed to credit risk from the following sources: credit extended to customers by way of sale of goods on normal trading terms and counterparty credit risk with respect to financial institutions where the Group holds cash deposits and has entered into contracts for derivative financial instruments.

#### Management of risk

*Financial institutions:* The Group only deals with financial institutions with an investment grade credit rating and any banking arrangements require approval from the Board. The Group's banker is National Australia Bank, which has a strong long-term credit rating.

*Trading:* The Group has a significant number of customers from trading, which are spread across several country jurisdictions. Group management has a dedicated credit team who are responsible for performing credit worthiness reviews on every customer before credit is granted to them in line with the Group's credit policy. The Group only extends credit when such checks are performed, and the Group is satisfied any credit granted to the customer will be payable by that party. Where required by the policy, credit guarantee insurance may be taken out. Aging of debtor balances and assessments of recoverability of the Group's debtor book is reported to the Board on a monthly basis for their review.

#### Impairment of financial assets – trade receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics.

The expected loss rates are based on grouping customers of a similar geography and business type and estimating a loss rate by analysing past write-offs including the current financial year and adjusting these historical rates to reflect current and forward looking macroeconomic factors. Adjustments made to the historical rates are not material.

The basis for the Group's calculation is summarised below:

As at 30 June 2025	Expected loss rate %	Gross carrying amount (\$'000)	Provision (\$'000)
Domestic	0.2	15,882	31
Export	0.3	29,373	84
Bulk	1.7	5,612	96
		50,867	211

As at 30 June 2024	Expected loss rate %	Gross carrying amount (\$'000)	Provision (\$'000)
Domestic	0.2	15,899	37
Export	0.2	24,762	58
Bulk	1.5	3,989	60
		44,650	155

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 120 days past due.

	2025 \$'000	2024 \$'000
<b>Movement in the credit loss allowance</b>		
Balance at the beginning of the year	(155)	(236)
Allowance released / (impairment recognised) on receivables	(56)	81
Amounts written off as not collectable	-	-
Balance at the end of the year	(211)	(155)

## Note 26: Financial risk management (continued)

### (d) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included below is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

	2025 \$'000	2024 \$'000
<b>Total facilities</b>		
Bank overdrafts	5,000	5,000
Bank facilities	104,500	94,350
	<u>109,500</u>	<u>99,350</u>
<b>Used at 30 June</b>		
Bank overdrafts	-	-
Bank facilities	90,182	68,719
	<u>90,182</u>	<u>68,719</u>
<b>Unused at 30 June</b>		
Bank overdrafts	5,000	5,000
Bank facilities	14,318	25,631
	<u>19,318</u>	<u>30,631</u>

The following table details the Group's financial liabilities that will be settled on a gross basis and their maturities. The amounts disclosed below are undiscounted contractual cashflows. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates or foreign exchange rates, as is relevant. Contractual obligations that are settled on a net-basis are presented as net cashflows. The bank facilities above are inclusive of the bank guarantee that is disclosed in note 23.

2025 (\$'000)	Within 3 months	3-12 months	1-5 years	5 years +	Total	Carrying amount of (asset) / liability
<b>Non-derivatives</b>						
Trade and other payables	70,569	6,105*	-	-	76,674	76,674
Bank facilities	2,770	3,792	96,960	-	103,522	84,000
Lease liabilities	3,011	8,941	40,312	20,363	72,627	58,048
<b>Total non-derivatives</b>	<u>76,350</u>	<u>18,838</u>	<u>137,272</u>	<u>20,363</u>	<u>252,823</u>	<u>218,722</u>
<b>Derivatives</b>						
Forward exchange contracts	(1,956)	(4,680)	(7,901)	-	(14,537)	(14,537)
<b>Total Derivatives</b>	<u>(1,956)</u>	<u>(4,680)</u>	<u>(7,901)</u>	<u>-</u>	<u>(14,537)</u>	<u>(14,537)</u>

\* refer to Note 3 for further information regarding EPR costs payable by AVG.

2024 (\$'000)	Within 3 months	3-12 months	1-5 years	5 years +	Total	Carrying amount of (asset) / liability
<b>Non-derivatives</b>						
Trade and other payables	56,625	-	-	-	56,625	56,625
Bank facilities	1,360	4,079	70,743	-	76,182	62,500
Lease liabilities	3,681	10,975	49,389	32,344	96,389	74,711
<b>Total non-derivatives</b>	<u>61,666</u>	<u>15,054</u>	<u>120,132</u>	<u>32,344</u>	<u>229,196</u>	<u>193,836</u>
<b>Derivatives</b>						
Forward exchange contracts	(256)	(689)	(121)	-	(1,066)	(1,066)
<b>Total Derivatives</b>	<u>(256)</u>	<u>(689)</u>	<u>(121)</u>	<u>-</u>	<u>(1,066)</u>	<u>(1,066)</u>

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## Note 27: Events after the reporting period

### Millewa Vineyard Lease Exit:

The Group announced to the ASX on 16 July 2025 the completion of the exit from the Millewa Vineyard Lease, with the following being the key points:

- Binding documentation executed to surrender long term lease with Fresh Country Farms for exit of the Millewa Vineyard, effective 16 July 2025;
- Supports the Group's flexible grape sourcing strategy and inventory reduction; and
- Net cash flow benefit of \$8m over the remaining 3 year lease term, taking into account a \$2m exit fee and ongoing payments equivalent to the lease fees as part of the exit contract.

### Additional facility support

On 15 August 2025, the Group's financiers, NAB, offered additional working capital support to fund innovation growth, including Poco Vino™ and Lemsecco™, and increasing flexibility of sourcing through the provision of an as required \$15 million facility that steps down to \$10 million from 5 January 2026. The maturity for this additional facility is 30 September 2026 and will only be accessed on an as needs basis.

There have been no other matters or circumstances, other than that referred to in the financial statements or notes thereto, that have arisen since the end of the financial year, that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Note 28: Parent entity

The ultimate parent company of the Group is Australian Vintage Ltd. The below tables detail the financial position at balance date, the profit and loss for the financial year and other information regarding the parent entity.

	2025	2024
	\$'000	\$'000
<b>Financial Position</b>		
<b>Assets</b>		
Current assets	221,859	222,785
Non-current assets	261,446	233,352
Total assets	483,305	456,137
<b>Liabilities</b>		
Current liabilities	92,024	127,920
Non-current liabilities	299,081	204,814
Total liabilities	391,105	332,734
<b>Net Assets</b>	<b>92,200</b>	<b>123,403</b>
<b>Equity</b>		
Issued Capital	455,759	455,421
Accumulated Losses	(350,067)	(331,904)
Profit reserve	(796)	(796)
Equity-settled employee benefits reserve	1,600	1,506
Hedging reserve	(14,217)	(747)
Foreign currency translation reserve	(79)	(77)
<b>Total equity</b>	<b>92,200</b>	<b>123,403</b>
	Year ended	Year ended
	30 June 2025	30 June 2024
	\$'000	\$'000
<b>Profit and loss</b>		
<b>(Loss) for the year</b>	<b>(18,163)</b>	<b>(101,524)</b>
Other comprehensive income	(13,472)	(1,190)
Total comprehensive income	(31,635)	(102,714)

The contingent liabilities and capital commitments of the parent entity are the same as those of the Group, which are detailed in note 23 and note 15, respectively. The parent entity has entered into a deed of cross guarantee with subsidiaries as indicated in note 24.

## Consolidated entity disclosure statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Name of entity	Type of Entity	Country of Incorporation	Australian Resident	Country of Foreign Residence	Ownership of Interest	
					2025 %	2024 %
<b>Parent Entity</b>						
Australian Vintage Ltd	Body Corporate	Australia	Yes	N/A		
<b>Controlled Entity</b>						
Simeon Wines Pty Ltd	Body Corporate	Australia	Yes	N/A	100	100
Vintners Australia Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Barossa Valley Wine Company Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Coldridge Development Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
McGuigan Simeon Wines Pty Ltd	Body Corporate	Australia	Yes	N/A	100	100
Mourquong Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Buronga Hill Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Austvin Pty Ltd	Body Corporate	Australia	Yes	N/A	100	100
Australian Flavours Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Austvin Holdings Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Australian Vintage (Domestic) Pty Ltd	Body Corporate	Australia	Yes	N/A	100	100
Miranda Wines Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Miranda Wines (Leasing) Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Miranda Family Investments Pty Limited	Body Corporate	Australia	Yes	N/A	100	100
Miranda Wines Holdings Pty Ltd	Body Corporate	Australia	Yes	N/A	100	100
Australian Vintage (UK) Ltd	Body Corporate	United Kingdom	No	United Kingdom (note 1)	100	100
Australian Vintage (Europe) Ltd	Body Corporate	Ireland	No	Ireland (note 1)	100	100

Note 1: the Group's United Kingdom & Ireland entities are non-operational and do not make sales to customers or have principal ownership of inventory.

### Basis of preparation

The consolidated entity disclosure statement contains information required by section 295 of the *Corporations Act 2001* and the Group has applied current tax legislation and guidance in determining the tax residency of entities within the consolidated entity.

### **Head Office**

275 Sir Donald Bradman Drive  
Cowandilla SA 5033  
T +61 8 8172 8333  
F +61 8 8172 8399

### **Sydney Office**

2 Queens Place  
Balmain NSW 2041  
T +61 2 8345 6377

### **Registered Office**

275 Sir Donald Bradman Drive  
Cowandilla SA 5033  
T +61 8 8172 8333  
F +61 8 8172 8399

### **Company Secretary**

Alicia Morris

### **Chief Financial Officer**

Adam Rigano

### **Auditor**

Ernst & Young  
121 King William Street  
Adelaide SA 5000

### **Bankers**

National Australia Bank  
500 Bourke Street  
Melbourne Vic 3000

### **Share Register**

Computershare Investor Services  
115 Grenfell Street  
Adelaide SA 5000  
T +61 8 8236 2300  
F +61 8 8236 2305

[www.avlwines.com.au](http://www.avlwines.com.au)

ACN 052 179 932

### **London Office**

1st Floor  
160 Borough High Street  
London SE1 1LB  
T +44 (0)207 924 8850  
F +44 (0)207 223 5831

### **McGuigan Cellar Door & Administration**

Cnr Broke & McDonalds Roads  
Pokolbin NSW 2320  
T +61 2 4998 4111

### **Tempus Two Cellar Door**

Cnr Broke & McDonalds Roads  
Pokolbin NSW 2320  
T +61 2 4993 3999

### **Nepenthe Cellar Door**

93 Jones Road  
Balhannah SA 5242  
T +61 8 8398 8899

### **Buronga Hill Winery**

557A Silver City Highway  
Buronga NSW 2739  
T +61 3 5022 5100

### **Merbein Packaging**

2 Wentworth Road  
Merbein Vic 3505  
T +61 3 5021 9303

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