



AUSTRALIAN VINTAGE LTD

27 May 2026

ASX ANNOUNCEMENT

AUSTRALIAN VINTAGE RE-FINANCING TO 2029

Announcement Headlines

- Finance facilities have been agreed, subject to signing of final documentation. The agreed facilities available are \$128 million until March 2028 with an option to extend for an additional year to 2029.
 - Facilities have been increased by \$5 million to support growing innovation, Poco Vino, as it expands globally, specifically in the USA in H2 of FY27.
 - The refinance facilities are in line with the previous interest rate.
- Guidance for FY26 year end continues to be free cash flow, excluding investments, on track to be neutral despite increased costs incurred due to war in Iran and ongoing inflation.
 - Second half cash generation of +\$20m represents a significant turnaround vs -\$9m from the prior year half, excluding asset sales.
 - Full year net cash, -\$15m represents investments of \$15 million with full year net debt to be \$90m as previously guided.
 - Full year underlying cash flow, excluding investments and asset sales, is ~\$33m better than FY23, a significant turnaround as targeted by the Company.
- Sales run rate for second half is +10% higher than the first half, as the Company returns to growth off the back of strong innovation uptake, investment returns and stabilising of core brands. Revenue growth is projected in H2 to be +5% vs -2% in H1 as compared to prior comparative periods.
- With over 10% of sales set to go out in the last month of the financial year the full year net sales result is dependent upon shipping and container availability. There is some risk some sales might be delayed into FY27 due to impacts of the war in Iran but the cash target is not at risk.
- Regardless of this current uncertainty in sales shipments, Company growth drivers are showing strong H2 revenue performance leading into FY27. Namely,
 - New innovation Poco Vino has been in market for 8 months and is now available in more than 8,000 stores in over 9 countries, selling approximately 500 bottles an hour, or the equivalent of 12,000 bottles a day.
 - The current Poco Vino range of 6 still wines will more than double in F27 with the launch of a full sparkling portfolio - Moscato, Prosecco and a range of flavoured Spritzes will add another 8 SKU's to the already strong core portfolio.
 - Launch of a premium Poco Vino range called 'Atlas Series' in Global Travel Retail stores around the world is planned to take the brand into premium wine segment at \$25 recommended retail price.
 - These additions and new market launches will ensure the continued momentum and success of Poco Vino as the sales will exceed \$20m in annualised run rate into FY27.
 - Lemsecco is scanning +116% more in Australia over the last year and is now selling in USA and China.

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- Newly acquired international brand MadFish and distribution deal for Graham Norton in the UK is adding an annualised run rate of over \$12m in net sales for the group. New ranging is driving growth in Tesco, Waitrose and Independents across the UK and Ireland.
- Since the acquisition of the MadFish brand in H1, performance has accelerated with the last 12 weeks showing 54% growth on the same time last year.
- Core brand McGuigan is outperforming the market and key competitors in Australia, scanning +1% in volume. McGuigan in the UK is in line with the broader Australian wine segment which is scanning -4% latest year vs year ago. McGuigan remains a leader in the zero alcohol category and is the No. 1 zero still wine brand in UK, growing +7% in the last year.
- Total AVG is performing in line with the UK market, holding share flat at 6% of total wine. In Australia, AVG is outperforming the market and increasing share of wine, scanning +4% versus category of 0.7%

Australian Vintage Limited (ASX:AVG) today announces the successful refinancing of its structural debt for 2 years through to March 2028 with an option to extend into 2029. This is subject to signing of final documentation.

In a transformational year for the group, AVG's execution of the plan is showing strong momentum with a run rate for the second half +10% higher than that of the first half, reflecting a second half revenue growth of +5% vs prior year. The Company has successfully launched and exceeded sales expectations of core innovation Poco Vino, has made strategic investments generating strong IRR, has reduced the Company costs to manage growing inflation and war impacts and has achieved the Company goal of free underlying cash flow neutrality, excluding investments. The Company net debt is expected to finish at ~\$90 million by June 30.

This is a strong result as it reflects positive cash flow generation of \$20 million in the second half, a turnaround of ~\$29 million from the comparative half in the prior year. This is a significant achievement versus FY23 when underlying net cash outflow, cash flow excluding asset sales and investments, for the year was negative -\$33 million.

In a year where cash generation is the key outcome, Australian Vintage made the important decision to invest into the future in H1 to drive growth into H2. Investments have been undertaken in two key areas, namely investment in top line growth and margin and reductions in fixed supply chain costs. Investments into new business including Poco Vino and Lemsecco innovation launches, the acquisition of MadFish internationally and the onboarding of Invivo distribution in the UK, represent two thirds of the ~\$15m investments made and are delivering a combined IRR of 69%. Investments into reducing the fixed supply chain through lease exits and reduced staffing requirements represent the balance and pay back within a year.

AVG has stated previously there are challenges facing the commercial red portfolio led by global icon brand McGuigan. Recent investments into a National Cricket Australia partnership has reignited consumer connection with the brand. Total red wine in the McGuigan price range is -10% in AU, whilst McGuigan is flat. This investment approach is underway in the UK with recent branded performance down on expectations but broadly in line with Australian wine, as the fall out of significant tax reform across Duty and recycling collection and processing impacts wine sales across the region.

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Inventory reduction has been a strong focus for AVG with previous guidance that inventory levels would be significantly lower than FY25. AVG can confirm that inventory is actively being managed down to generate cash returns, decreasing working capital requirements, and is expecting to end the year at ~ 90 million litres in bulk wine storage. This represents a balanced inventory position taking into account future vintage requirements. The focus on optimising our inventory holdings is continuing.

As the Company has stated previously, FY26 was a transformational year to demonstrate to shareholders that a turnaround is possible. We remain on track to achieve the Company's core deliverable of neutral underlying cash flow. We are particularly pleased to see the growth in sales in the second half over the first half despite sales and cost impacts due to the Iran war. We expect the growth rate into FY27 will continue to accelerate into future years of the plan as we move to +\$10 million underlying cashflow, excluding investments target for FY27. Being net cash flow positive, and reducing full year net debt, will be the first time the group has achieved positive group cash since 2021 during COVID.

For the purpose of ASX Listing Rule 15.5, Australian Vintage Limited confirms that this document has been authorised for release by the Board of Directors.

ENDS

Further information

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