LARK

Lark Distilling Co Ltd
FY26 Results Presentation

18 AUGUST 2026

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Lark Distilling Co

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TASMANIA AUSTRALIA

Australia's No.1 Luxury Single Malt Whisky

Strong revenue momentum and balance sheet support ongoing growth for the future.

Overview – FY26 a year of foundational growth

1	**New Leadership and Growth Strategy** Stuart Gregor (CEO), former CEO and co-founder of Four Pillars Gin and Paul Bowker (CFO), former CEO and co-founder of Brick Lane Brewing
2	**Net sales increased 15.1% to $18M** Growth across all core channels supported by launch of new product range
3	**$4.5m Operating EBITDA loss reflects continued investment driving future revenue growth** Ongoing investment in sales and marketing of new portfolio and channels
4	**$36.2m non-cash adjustments to goodwill ($20.7m) and whisky inventories ($15.5m)** Realignment of higher cost, acquired whisky inventories
5	**Strong balance sheet with $14.3m in cash equivalents and no debt** Provides strong base to continue to fund growth
6	**2.4m litre Whisky bank maturing at 43% ABV** Underwrites future sales growth, backed by scalable production assets

The Spirit of Lark

Australia's original single malt whisky

Tasmanian-based producer and distributor of premium single malt whisky and gin

Award-Winning, Globally Recognised

World's Best Design & Best Range Design, 2026 World Whiskies Awards; Master Distiller of the Year

Built for Scale

2.4m litre Whisky Bank backed by scalable production assets - feeding four channels: DTC, B2B, Global Travel Retail and International

Reinvented for the World Stage

Exceptional brand and Signature range launch in FY26.
New portfolio, new format, new identity - built for premium global positioning

Momentum in International Markets

Global Travel Retail and international distribution agreements accelerating export growth

Australia's No.1 Luxury Single Malt Whisky

Cementing Lark's Position

The World Whisky Masters 2026

Master Medal

No. 294 Ember Eclipse Single Malt (Travel Exclusive)

Mizunara Oak Rare Cask (Batch 4)

Rare Seppeltsfield II (The Whisky Club Edition)

The World Whisky Masters 2026

Gold Medal

No. 151 Fire Trail

No. 161 Dark Lark (Special Edition)

No. 168 Cinder Forest (Travel Exclusive)

No. 172 Wild Haven (Travel Exclusive)

No. 285 Ruby Abyss Single Malt

Australian International Spirits Awards 2026

Gold Medal

No.294 Ember Eclipse Single Malt (Travel Exclusive)

No.285 Ruby Abyss Single Malt

Mizunara Oak Rare Cask (Batch 4)

Gold Medal — Design

No.183 Devil's Storm. Single Malt

World Spirits Competition San Francisco 2026

Gold Medal

No.151 Fire Trail Single Malt

No.183 Devil's Storm. Single Malt

No.172 Wild Haven Single Malt (Travel Exclusive)

No.294 Ember Eclipse Single Malt (Travel Exclusive)

No.187 Devil's Storm Cask Strength Single Malt

Awards

In January 2026, Chris Thomson was announced as Master Distiller / Master Blender of the Year — Rest of the World in the World Whiskies Awards 2026.

On Australia Day 2026, **Bill Lark AM**, LARK's Global Ambassador, **was made a member of the Order of Australia**, one of the nation's highest honours. He is the first modern day distiller to have earned this recognition and is Australia's most feted and awarded whisky distiller, widely known as the Godfather of Australian whisky.

Growing market opportunity

US $100b+

Global whisky market retail value in 2025

US $2b+

Australian whisky market is growing to $4bn by 2035

US $150b

Global Travel Retail is forecasted to see growth of US4.2B by 2035 driven by surging international passenger volumes, premiumisation trend and the rapid expansion of duty-free retail across Asia-Pacific and the Middle East

AUD $12b

Gifting is an opportunity for the spirits category with Australia's spending $12billion over the Christmas period [1]

Global Trends

Selective Premiumisation
- Accessible premiumisation see consumers continuing to seek quality and premium experiences, choosing fewer but better purchases rather than trading up across all categories

Authentic and Original
- Shift to moderation of consumption, but with a trend to heavier focus on credentials such as authentic, unique origin stories

Social Occasions
- Consumers are replicating on premise experiences at home due to cost-of-living pressures

Ecommerce
- Growth of 2% globally, 4% in Asia Pacific

Innovation and flavour
- Continued interest in innovation and flavour exploration with flavoured whisky innovation remains a key growth lever for the category

All figures are IWSR 2025 unless stated otherwise
[1] Endeavour Group: Category Deep Dive Spirits March 2026

Key focus areas to expand future growth

1 Growth Assets

- Leveraging available capacity at Pontville Distillery
- Increasing turnover rate and commercialisation of 2.4m litre LARK Whisky Bank
- Effective use of strong balance sheet and net cash position to support sales growth

2 Consumer Connection

- Create purchase desire to leverage significant brand and new product development investment over FY27
- Maximising rate of sales to deliver increased volume across a significant number of distribution channels in place across key sectors
- Brand building investment on key pull through mechanisms

3 Valued Partner Relationships

- Continued investment into high-growth, accessible whiskies, while maintaining LARK's market leading position in premium and luxury whisky
- Partner with Domestic National Retailers, Global Travel Retail and International Markets to maximise distribution of current portfolio and targeted new product development
- Emerging international exposure, with a focus on China, Singapore and Malaysia and growth in the Global Travel Retail sector, including through Heinemann and Lotte

FY26 Highlights

FY26 Financial Highlights

Net Sales

$18.0m[1]

(FY25: $15.6m)

+15.1% vs. FY25

Strongest growth in Export (+69%) and Global Travel Retail (+43%)

[1] Net Sales = sales after excise

Operating EBITDA

($4.5m)

(FY25: ($4.2m))

EBITDA down 7% vs. FY25

Negative EBITDA margin to net sales, reflects continued investment in growth initiatives

Cash Position

$14.3m

(30 June 2026)

Balance sheet strength to execute growth strategy

Non-cash Adjustments

($36.2m)

Goodwill ($20.7m)

Whisky inventories ($15.5m)

Arising from prior acquisitions and acquired whisky inventories

Balance Sheet Strength and Capital Flexibility

Realigned balance sheet for future expansion

Cash position

Cash balance of $14.3m

No debt

Clean balance sheet, financially unconstrained

Capital flexibility

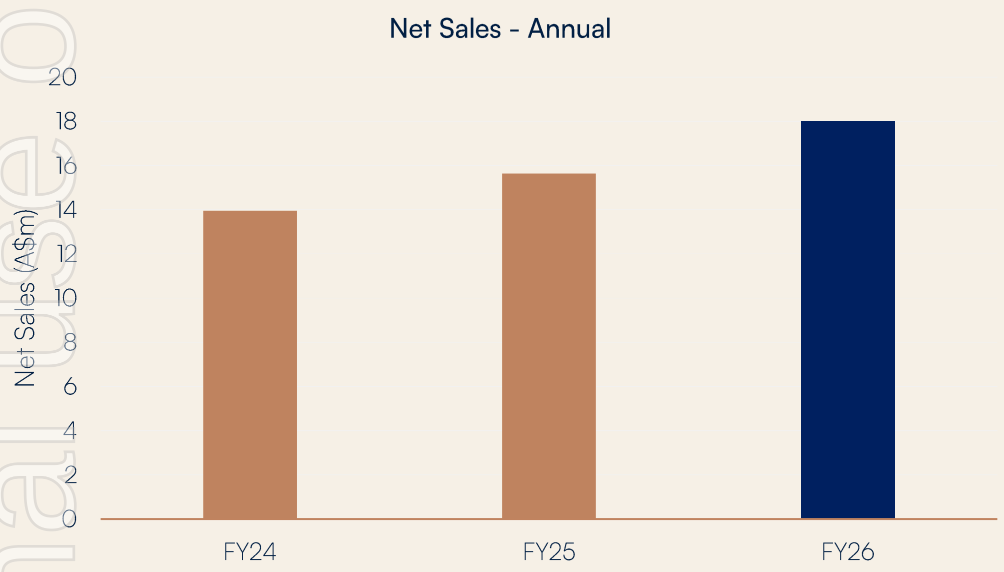
Commercialising 2.4m litre whisky bank

Capital & funds in place to execute growth strategy

- **Strong Balance Sheet & Cash Position** to support growth ambitions to **achieve strategic milestones**
- Inventories of $49.4m following FY26 writedown
- **Cash of $14.3million**
- **Measured capital allocation** to support growth plan
  - Current & new export markets; **investment in brand and channels**, including international GTR expansion
  - **Pontville redevelopment** now complete
  - **No further capital required** to fund capex or execute current growth strategy

Positive momentum in Net sales

Net Sales increased 15.1% over FY26



Successful launch of signature range

- The launch of the new Signature range and GTR exclusive range has become the growth engine across nearly every channel this year

International momentum built quickly

- Export **sales up 69%**, predominantly driven by sales into China

Global Travel Retail

- Emerged as a standout growth story, with **sales up 43%.** Now launched in all four terminals in Changi Airport, Singapore
- Best-in-class activation, including a landmark new fixture at Sydney Airport putting LARK in front of millions of international travellers

Domestic

- Continued strong distribution through national retailers including adoption of the Signature range
- Domestic traction supported through LARK's own channels, including a strong eCommerce channel and brand building and experiential hospitality venues

Domestic channels

Two channels driving domestic growth: Direct-to-consumer and Business-to-business distribution

$13.9m

+7.2%

FY25: $13.0m

Sales managed directly by Lark via Ecommerce and Lark owned hospitality venues, as well as national distribution via Spirits Platform

Direct-to-Consumer (Lark-managed)

- Total **net sales up 10.0%** to $7.5m
- Ecommerce **net sales up 21.5%** to $3.4m (FY25: $2.8m), supported by new platform launch and LARK Club membership deepening direct engagement
- Hospitality **net sales up 1.9%** to $4.1m (FY25: $4.0m), despite temporary Cellar Door closure - redeveloped Davey Street site reopened before summer; GOTHAM at The Still relaunch drove 15% revenue and 26% visitation growth

B2B (via distributor, Spirits Platform)

- **Net sales up 7%** to $4.9m, driven by new range launch
- New Signature range secured across national accounts and independents.

Outlook:

- Growth in FY27 to be driven by the ranging of LARK's new Signature whiskies through national retailers
- Growth expected in on-premise venues through tactical marketing investment and leveraging our NPD, including the launch of Dark Lark
- Domestic growth supported by brand building and revenue generated from owned eCommerce channel.

International channels

Two channels driving growth: Export distribution and Global Travel Retail

$4.1m

+53.7%

FY25: $2.7m

Exports to distributors across Asia and Global Travel Retail via Duty Free at airports, both in Australia and international

Export (distributors across Southeast Asia and Europe)

- Export **net sales grew 69%** to $1.9m on market expansion and new range
- LARK now present in 10 Asian markets, building distribution and brand awareness
- Signature range launched into export markets
- First China shipment completed, marking entry into a key growth market

Global Travel Retail (Duty Free at airports, Australia and international)

- **Net sales up 43%** to $2.2m, driven by new exclusive range launch
- New GTR channel-exclusive portfolio ranged across key Australian airport partners in the second half of FY26
- Permanent Sydney Airport fixture upgraded, now one of the largest whisky displays
- New APAC distribution partnership secured, with initial Changi Airport shipment delivered

Outlook:

- International sales predominantly driven through early-stage distribution agreements in China and other Southeast Asian countries. Growth in FY27 dependant on growing existing distributors and onboarding additional distributors across the region, and rolling out the new Signature range
- Distributor and consumer feedback on the new Signature range in Asia has been positive, and LARK has won multiple awards in the region

FY27 Growth Priorities

FY27 Priorities to Create Shareholder Value

1. **Increasing distribution points**
   Growing the number of outlets where Lark products are available

2. **Increasing rate of sales in each distribution point**
   Through a combination of product innovation and targeted marketing spend

3. **Domestic focus: to support fastest growing domestic channels**
   Additional domestic distribution through Spirits Platform via major on and off premise groups — new range has been key to gaining traction through retail liquor stores

4. **Global Travel Retail focus: continued expansion into Asia-Pacific**
   Build on 43% GTR growth in FY26 through GTR channel

5. **International focus: Asia-Pacific region**
   Focus on China with emerging interest from Europe

LARK

Approved for release by the Board of Directors.

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Appendices & Financial Commentary

Profit & Loss Highlights

FY26 FINANCIAL RESULTS

A$'000	FY26	FY25	vs LY $	vs LY %
Gross Sales	19,701	17,169	2,532	14.7%
Excise	(1,700)	(1,536)	(164)	-10.7%
Net Sales	**18,001**	**15,633**	**2,368**	**15.1%**
Cost of goods manufactured and sold	**(8,125)**	**(5,584)**	**(2,541)**	**-45.5%**
Gross Profit	**9,876**	**10,049**	**(173)**	**-1.7%**
Gross Profit %	*55%*	*64%*		*-9.4%*
Other income	668	922	(254)	-27.5%
Marketing Expenses	(4,853)	(5,342)	489	9.2%
Operating Costs	**(10,183)**	**(9,820)**	**(363)**	-3.7%
Administration and operating expenses	(4,183)	(3,886)	(297)	-7.6%
Employee benefit expense	(6,000)	(5,934)	(66)	-1.1%
Operating EBITDA	**(4,492)**	**(4,191)**	**(301)**	**-7.2%**
Share based payments	272	(2,046)	2,318	113.3%
Government grant income	756	1,298	(542)	-41.8%
Write-off of fixed assets	0	(985)	985	-100.0%
Inventory write-down to net realisable value	(15,489)	0	(15,489)	0.0%
Statutory EBITDA	**(18,953)**	**(5,924)**	**(13,029)**	**-219.9%**
Fair value uplift in COGS	1,023	86	937	-1090%
Normalised GP	**10,899**	**10,135**	**764**	**7.5%**
Normalised GP %	*61%*	*65%*		*-4.3%*

- **Net Sales** were $18.0m, up 15% or $2.4m versus FY25. Growth was across all core channels supported by the launch of the new range
- **Normalised Gross Profit** increased by $0.8m to $10.9m; however, GP margin declined 4.3ppt from 64.8% to 60.5%
- The margin decline primarily reflected:
  - Channel mix, as sales shifted toward Export and GTR and away from higher-margin Lark Direct-to-consumer channels
  - Product mix impacts including the portfolio architecture changes that have supported sales growth across key channels
- **Other income** declined due to lower R&D tax incentive income, reflecting reduced levels of eligible R&D activity compared to FY25 as the Pontville Distillery development progressed
- **Investment in marketing expenses** decreased by 9% in FY26, reflecting the elevated investment in the brand development of the Signature range in the prior year. Marketing as a percentage of Net Sales in FY26 was 27%. Following the launch of the Signature range in H2FY26, marketing spend shifted from brand development to consumer activation targeted at sales growth.
- **Operating costs** increased modestly, reflecting costs associated with growth initiatives into International markets and the launch of the new-look Lark portfolio
- Share based payments benefit from reversal of previously recognised expense following forfeiture of unvested performance rights
- **Inventory write-down to net realisable value** primarily relates to historical acquisition fair value uplifts on acquired maturing whisky inventory, bringing carrying values into closer alignment with Lark produced whisky bank. The write-down is non-cash and reflects softer sell-through against original acquisition assumptions
- **Government grant income** relates to the recognition of previously received government funding associated with the Pontville Distillery and tourism operations, recognised in profit or loss in accordance with the relevant accounting treatment.

Balance Sheet Highlights

A$'000	Jun-26	Jun-25	vs LY $
Cash and cash equivalents	14,313	23,107	(8,794)
Trade and other receivables	3,676	628	3,048
Inventories	13,338	16,313	(2,975)
Prepaid assets	444	396	48
Total current assets	**31,771**	**40,444**	**(8,673)**
Inventories	36,097	48,977	(12,880)
Property, plant and equipment	14,081	13,467	614
Right-of-use assets	1,816	1,976	(160)
Intangibles	308	21,200	(20,892)
Deferred Tax	0	0	0
Total non-current assets	**52,302**	**85,620**	**(33,318)**
Total assets	**84,073**	**126,064**	**(41,991)**
Trade and other payables	3,815	4,607	(792)
Lease liabilities	507	538	(31)
Employee benefits	391	507	(116)
Deferred government grants	233	2,329	(2,096)
Total current liabilities	**4,946**	**7,981**	**(3,035)**
Borrowings	0	0	0
Lease liabilities	1,377	1,531	(154)
Employee benefits	111	121	(10)
Deferred government grants	1,440	0	1,440
Total non-current liabilities	**2,928**	**1,652**	**1,276**
Total liabilities	**7,874**	**9,633**	**(1,759)**
Net Assets	**76,199**	**116,431**	**(40,232)**

- **Cash** down $8.8m, reflecting investment in operations and strategic initiatives during the year
- **Trade receivables** up $3.0m on the timing of customer collections around year end. Increase concentrated in a small number of balances and largely reversed shortly after 30 June
- **Total inventory** of $49.4m includes around 2.4 million litres of maturing whisky in the Whisky Bank. The balance is after a $15.5m non-cash write-down to net realisable value on acquired maturing whisky from the Shene/Pontville acquisition, which brings the carrying value closer to the Lark produced whisky bank
- **Property, plant and equipment** up $0.6m vs prior period, with $1.2m invested in Lark owned hospitality venues and the Pontville distillery
- **Intangibles** down $20.9m, following a $20.7m non-cash goodwill impairment. This reflects recent trading performance. The impairment is non-cash and does not affect cash, liquidity, the bank facility or the Group's operating capability
- **Trade payables** decreased by $0.8m vs prior period, with prior period elevated by purchase timing and $0.6m Government grant payable. This was partly offset by higher excise duty payable
- **Deferred government grants** down $0.7m, with $0.8m of Pontville distillery and tourism grant income recognised, partly offset by a $0.1m Tourism Innovation Grant received. Remaining balance recognised over the life of the related assets
- **Lark remains debt free**, with access to an undrawn $5.0m debt facility

Cashflow Highlights

A$'000	FY26	FY25	vs LY $
Cash flows from operating activities			
Receipts from customers	18,148	19,394	(1,246)
Payments to suppliers and employees	(20,259)	(18,563)	(1,696)
Purchase of inventory	(4,901)	(5,211)	310
Interest and other finance costs paid	(145)	(157)	12
Interest received	686	734	(48)
Government rebates and tax incentives received	666	888	(222)
Net cash used in operating activities	**(5,805)**	**(2,915)**	**(2,890)**
Cash flows from investing activities			
Payments for short-term investments	0	(7,000)	7,000
Proceeds from short-term investments	0	7,000	(7,000)
Proceeds from sale of property, plant and equipment	2	3,610	(3,608)
Proceeds from sale of intangibles	0	389	(389)
Payments for property, plant and equipment	(1,707)	(4,158)	2,451
Payments for intangibles	(65)	(76)	11
Repayment of Government grants	(713)	0	(713)
Government Grants towards purchase of equipment	100	300	(200)
Net cash used in investing activities	**(2,383)**	**65**	**(2,448)**
Cash flows from financing activities			
Proceeds from issue of shares	0	24,983	(24,983)
Minimum Holding share buy-back	0	(208)	208
Share issue transaction costs	0	(579)	579
Repayment of lease liabilities	(606)	(594)	(12)
Net cash from/(used in) financing activities	**(606)**	**23,602**	**(24,208)**
Net increase/(decrease) in cash and cash equivalents	(8,794)	20,752	(29,546)
Cash and cash equivalents at the beginning of the financial year	23,107	2,355	20,752
Cash and cash equivalents at the end of the financial year	14,313	23,107	(8,794)

- The Group maintained a strong cash position, closing the year with $14.3 million in cash and no debt.

- **Net operating cash outflow** of $5.8 million (FY25: $2.9 million) reflects
  - Receipts from customers of $18.1 million, $1.2 million lower on the timing of collections around year end, with a $3.0 million increase in trade receivables versus last year;
  - Payments to suppliers, employees and inventory of $25.2 million, up $1.4 million on brand, channel and operational activity, with a $0.8 million reduction in trade payables on the timing of payments; and
  - Government rebates and tax incentives $0.2 million lower than the prior year, reflecting the reduction in R&D grant

- As outlined above, the net operating outflows increase of $2.9m was impacted by a $3.8 million temporary working capital movement versus last year, which largely reversed shortly after year end and does not reflect an underlying deterioration in operating cash flows.

- **Investing cashflows includes:**
  - Payments for PPE of $1.7 million (FY25: $4.2 million) related to the redevelopment of Lark owned hospitality venues and the now-commissioned Pontville production facility
  - Repayment of $0.7 million of unutilised grant funding under the Modern Manufacturing Initiative; and
  - The prior period benefited from $3.6 million of asset sale proceeds, with FY25 term deposit activity net nil on a full-year basis.

- **Financing cashflows** of $0.6 million reflect lease repayments. The prior period included $25.0 million of net proceeds from the FY25 capital raise, which is the main reason FY25 closing cash was higher.

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