ASX Release

FUNKIFIED EARN-OUT TARGET ACHIEVED, VALIDATING VINYL'S VERTICAL ACQUISITION STRATEGY

Melbourne, Australia, January 7, 2026: Vinyl Group Ltd (ASX: VNL), Australia's only ASX-listed music company, is pleased to confirm that its media events subsidiary, Funkified Entertainment (Funkified), has successfully achieved its CY25 earn-out target under the terms of its acquisition.

As previously announced on 8 October 2025, Funkified was on track to meet its earn-out following the execution and delivery of several major contracts within the calendar year. Vinyl Group now confirms that all relevant project deliverables have been completed and validated, resulting in Funkified achieving and exceeding its AUD $500,000 EBIT earn-out threshold, with 155% of the threshold achieved.

The achievement of the earn-out reflects strong execution across Funkified's end-to-end events and brand activations business, including the successful delivery of large-scale experiential and automotive client programs completed during November and December 2025.

Under the terms of the acquisition, the earn-out comprises AUD $500,000 in Vinyl Group shares to be issued to the original shareholders of Funkified. The 5,783,021 shares are subject to a 12 month escrow and will be issued at the 15-day VWAP of $0.08646, calculated on the last day of the Tranche 2 Performance Period, being 12 months after completion.

The result further validates Vinyl Group's vertical acquisition strategy of acquiring profitable, complementary businesses and integrating them to enhance group margins, capability and scalability across the company's operations.

Vinyl Group CEO Josh Simons said: "This outcome closes the loop on what we set out to achieve with the Funkified acquisition. The business has delivered exactly as expected, and the earn-out being met is a clear indicator that disciplined acquisitions, strong operators and tight integration can translate directly into earnings growth for the group."

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

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

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ABOUT VINYL GROUP

Vinyl Group is a diversified music company powered by technology that connects culture with commerce. Its portfolio spans two divisions, publishing and platforms, with tools and services that empower fans, brands and creators. The platforms division includes Vinyl.com, a leading e-commerce destination with more than 60,000 titles; Vampr, a social-professional network and talent marketplace with 1.6 million creators in over 190 countries; and Serenade, a pioneer in physical and digital collectibles supporting more than 200 global artists. The publishing division, Vinyl Media, is a powerhouse of culture, premium content and live experiences, operating Concrete Playground, Mediaweek and Tone Deaf, and licensing the Rolling Stone, Refinery29 and Variety mastheads in Australia.