



ASX Release

VINYL GROUP TO ACQUIRE CONCRETE PLAYGROUND

HIGHLIGHTS:

- Entered into a binding HoA to acquire Concrete Playground Pty Ltd for a total consideration of \$5 million, comprising \$3.5 million in cash and \$1.5 million in scrip
- Forecast pro-forma contribution in CY24 of at least \$1.5 million in EBITDA and over \$4 million in unaudited revenues
- Accelerates Vinyl Group's timeline to achieving positive cash flow by six months

Melbourne, Australia, 12 December, 2024: Vinyl Group (ASX: VNL), Australia's only ASX-listed music company, has executed a binding Heads of Agreement to acquire Concrete Playground Pty Ltd subject to entering into a Share Sale Agreement.

Concrete Playground, launched in 2009, is a leading digital city guide that curates engaging events, experiences and trends in Sydney, Melbourne, Brisbane, Auckland, and Wellington. Its platform complements The Brag Media's go-to-market strategy by tapping into a similar agency network, yet serving a distinct set of clients and briefs, thereby broadening Vinyl Group's potential commercial reach and diversification.

Under the terms of the HoA, Vinyl Group would acquire 100% of the issued capital in Concrete Playground Pty Ltd in exchange for \$3.5 million in cash (subject to standard adjustments) and \$1.5 million in shares in accordance with the terms of a Share Sale Agreement to be entered into by the parties. The number of consideration shares to be issued will be calculated based on the fifteen (15)-day Volume Weighted Average Price (VWAP) of Vinyl Group shares on the ASX for the period immediately preceding this Heads of Agreement Execution Date. This would result in the issue of 12,676,413 ordinary shares at a price of \$0.11833 per share. These shares will be subject to a twelve (12)-month escrow from the date of issue. Out of the \$3.5 million cash consideration, \$300,000 will be deposited into an escrow account as security for claims under the Share Sale Agreement for 12 months from the completion date.

Upon completion, Concrete Playground's Founder & CEO, Rich Fogarty, will depart the business to pursue new opportunities. Rich will work with the Company between now and completion to ensure the staff and business are integrated smoothly.

Concrete Playground's unaudited revenues over the past twelve months amounted to over \$4 million, which would contribute a pro-forma EBITDA of approximately \$1.5 million at completion. Integrated under Vinyl Group's media division, the business is expected to deliver operational efficiencies and accelerate our timeline on achieving group-wide positive cash flow by six months.

Completion is dependent on certain conditions precedent customary for transactions of this nature including the parties entering into a Share Sale Agreement, the buyer giving notice to the Seller that Due



Diligence has been completed, obtaining any necessary shareholder, ASX and/or ASIC consents and approvals, and no material adverse changes occurring between now and completion. Completion is expected to take place no later than 28 February 2025.

Vinyl Group CEO, Josh Simons, said: "We are looking forward to working with Rich and the Concrete Playground team to complete this acquisition in early 2025. They've built a trusted platform that audiences genuinely love, and their approach to storytelling will be a natural fit with our broader media strategy. Operationally, this acquisition will be significant for Vinyl Group — it would not only elevate our capabilities but also fast-track our path to sustained profitability, allowing us to deliver even greater value to our shareholders and partners."

Concrete Playground Founder & CEO, Rich Fogarty, said: "I'm immensely proud of everything Concrete Playground has achieved over the past fifteen years. This milestone reflects the talent, creativity and dedication of our team, along with the trust of our readers and partners. As the business transitions to new ownership under Vinyl Group, I'm confident their vision and resources will elevate Concrete Playground to new heights, inspiring even more people to discover the very best their cities have to offer."

Authorisation and Additional Information:

This announcement was authorised by the Board of Vinyl Group Ltd

Vinyl Group Investor Relations:

E: investors@vinyl.group

-Ends-

ABOUT VINYL GROUP

Vinyl Group is the heartbeat of an equitable music world, providing tech solutions that connect music creators, fans and brands. The Company's diverse portfolio has touchpoints across all corners of the global music ecosystem, empowering everyone from creators to consumers. Vinyl.com offers a world-class ecommerce experience including over 50K titles for fans to support their favourite artists. Vampr is a leading dedicated social-professional networking platform and talent marketplace, allowing 1.4M creators to discover collaborators and monetise their work in over 180 countries. Jaxsta is the world's largest and only database of official music credits with over 380M verified credits to streamline revenue opportunities for businesses in the music industry. Serenade is a Web3 pioneer of physical and digital collectibles that has served over 200+ global artists. Vinyl Group's media arm includes Mediaweek, the leading media trade publication in Australia, having built its readership and industry respect over its 33 year history, and The Brag Media, Australia's largest creator of premium youth content and events and publishes iconic titles including Rolling Stone AU/NZ, Variety Australia, TheBrag.com, The Music Network, Tone Deaf, and more.