



## ASX Release

### LEGAL PROCEEDINGS UPDATE

**Melbourne, Australia**, February 19, 2025: Vinyl Group Ltd (ASX: VNL), Australia's only ASX-listed music company, advises that it has been served with legal proceedings in the Supreme Court of New South Wales by entities associated with the Sellers of The Brag Media business and associated claim by a former employee who was a principal of one of the Sellers.

The plaintiffs are seeking payment of a \$2 million performance payment in connection with The Brag Media business acquisition and payment for lost remuneration and opportunity to receive a bonus and options, alleging that Vinyl Group is liable due to the termination of former employee and seller representative, Luke Girgis, having occurred without cause.

Vinyl Group strongly refutes this claim. Following an external investigation, Mr Girgis was terminated for serious misconduct, including but not limited to financial misconduct. Under the terms of the share sale agreement, the performance payment was contingent on specific financial targets being met and subject to Mr Girgis' employment agreement not being terminated other than for cause or where Mr Girgis being convicted of an indictable criminal offence or any act of fraud. These financial targets were not achieved by The Brag Media business, despite Vinyl successfully implementing operational improvements, reducing costs by more than \$750,000 as previously disclosed, whilst growing second half CY revenues over the same period in 2023 by 12%. As a result, the Company maintains that no performance payment is due.

Following consultation with legal counsel, the Board considers the claims have little merit. The Company intends to vigorously defend the claims and intends on lodging a crossclaim where it is likely to be alleged that there were breaches of the share sale agreement by the Sellers and further misconduct which has been uncovered during Mr Girgis' tenure as both an employee and director.

Vinyl Group will continue to update shareholders on any material developments.

**Authorisation and Additional Information:**

This announcement was authorised by the Board of Vinyl Group Ltd

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**-Ends-**

### ABOUT VINYL GROUP

Vinyl Group is the heartbeat of an equitable music world, providing tech and media 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. These include: Vinyl.com, a premier e-commerce platform with over 50,000 titles; Vampr, a social-professional network and talent marketplace with 1.4 million creators across 180+ countries; Jaxsta, the world's largest database of official



music credits with over 380 million verified records; and Serenade, a Web3 pioneer in physical and digital collectibles, serving 200+ global artists. Meanwhile, the company's publishing arm, Vinyl Media, is home to a powerhouse of culture, premium content, and live experiences, operates Mediaweek, Tone Deaf, and licenses the Rolling Stone, Refinery29, and Variety mastheads in Australia.