LARK
TASMANIAN SINGLE
MALT WHISKY

June 2026 Quarterly Activities Report & 4C Market Update

Lark Distilling Co. Ltd (**ASX: LRK**) ("**LARK**" or the "**Company**") Australia's No.1 Luxury Single Malt Whisky producer and brand is pleased to provide a business update for the quarter ended 30 June 2026 (Q4FY26 or Q4) and Appendix 4C.

Q4FY26 Highlights:

- **Net Sales of $5.0 million, up 44% versus the prior corresponding period (pcp). Full year FY26 Net Sales were $18.0 million, up 15% versus pcp.**
- **Domestic Direct-to-Consumer (D2C) sales of $1.7 million were flat to pcp, with strong Hospitality performance from Gotham at The Still offsetting the impact of timing differences in specialty limited whisky releases.**
- **Global Travel Retail (GTR) continued to deliver strong growth, supported by the initial rollout of the new Signature Whisky Range into Australian airports. Quarterly sales of $0.7 million were up 107% versus pcp, reflecting strong activations at Sydney and Melbourne airports.**
- **International sales remained stable at $0.3 million for the quarter.**
- **Other Channels, including cask sales and through The Whisky Club, delivered net sales of $1.4 million, up $1.1 million versus pcp.**
- **Domestic Business-to-Business (B2B) recorded net sales growth of 8%, supported by encouraging early performance of the new Signature Whisky Range.**
- **Strong balance sheet with $14.3 million in cash at 30 June 2026, providing flexibility to support operational requirements and strategic growth initiatives in domestic, GTR and international markets.**

Q4 Cashflow

Net operating activity cash outflows were $1.2 million for the quarter, versus $2.1 million net outflows in the prior quarter and net outflows of $0.3 million in the pcp.

Operating activity inflows through customer receipts totalled $4.8 million, up $1.0 million versus the prior quarter and $0.5 million versus pcp. The increase primarily reflects the timing of collections on Signature Range pipefill sales made in the prior quarter.

Payments for product manufacturing and operating costs were $1.5 million, compared to $2.2 million in the prior quarter and $1.1 million in the pcp, with movements primarily reflecting the timing of purchases and supplier payments.

Advertising and marketing payments were $1.4 million, increasing versus the prior quarter reflecting launch-related activity for the new Signature Range.

Payments for staff costs were $2.2 million, up $0.3 million versus the prior quarter and $0.6 million versus pcp, reflecting the timing of payroll-related payments, including Superannuation Guarantee contributions.

Government grants and tax incentives of $0.2 million were received during the quarter, relating primarily to the FY25 R&D Tax Incentive refund.

Net cash outflows from investing activities were $0.1 million for the quarter. Payments for property, plant and equipment primarily relate to fit-out and development expenditure associated with Gotham at The Still.

Payments disclosed in section 6.1 include $7k for travel agency services, $35k for office rental costs, and $7k for production related purchases from entities associated with Non-Executive Directors. The remaining payments disclosed relate to Non-Executive Director fees.

Cash at bank at 30 June 2026 was $14.3 million, including $11 million held in cash term deposits; the Company's $5 million committed bank facility remains undrawn.

As at 30 June 2026, LARK had a Whisky Bank of approximately 2.4 million litres. The Whisky Bank remains a strategic asset supporting the Company's growth plans.

About Lark Distilling Co:

Founded in 1992 by pioneers Bill and Lyn Lark, Lark Distilling Co. is the original distillery of modern Tasmania, igniting the island's whisky movement, overturning a 150-year-old distilling ban and establishing Tasmania as one of the world's most distinctive whisky regions. Today, Lark is Australia's No.1 Luxury Single Malt Whisky brand and a recognised leader of the global New World whisky category.

Crafted at the historic Pontville Distillery in Tasmania, Lark whiskies are defined by fortified depth, silky complexity and a flavour-forward style shaped by the island's extraordinary super-climate. Guided by curiosity rather than convention, Lark continues to push boundaries through innovation in cask maturation, locally sourced ingredients and creative experimentation.

Lark whiskies are recognised locally and globally for their quality, earning numerous international accolades over more than three decades. Most recently, Lark won three Double Gold medals and two Gold medals at the 2025 World Spirits Competition in San Francisco, and Master Distiller Chris Thomson was awarded Master Distiller/Blender of the Year at the 2026 World Whiskies Awards.

In 2026, Lark unveiled a bold new Single Malt signature collection which was awarded World's Best Design and Best Range Design at the World Whiskies Awards. Lark has two unique homes in Tasmania, our distillery at the historic Pontville site and our spiritual home in the heart of Hobart on Davey Street. Both are open seven days a week for whisky tastings and tours.

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This announcement has been approved for release by the Board of Directors.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Lark Distilling Co. Ltd

ABN	Quarter ended ("current quarter")
62 104 600 544	30 June 2026

Consolidated statement of cash flows			Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		4,756	18,148
1.2	Payments for			
	(a)	research and development	-	-
	(b)	product manufacturing and operating costs	(1,470)	(7,165)
	(c)	advertising and marketing	(1,412)	(4,744)
	(d)	leased assets	-	-
	(e)	staff costs	(2,210)	(8,691)
	(f)	administration and corporate costs	(1,211)	(4,094)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		149	686
1.5	Interest and other costs of finance paid		(34)	(145)
1.6	Income taxes/GST paid		-	-
1.7	Government grants and tax incentives		204	316
1.8	Other (provide details if material)		-	-
1.9	**Net cash from / (used in) operating activities**		**(1,228)**	**(5,689)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities	-	-
	(b)	businesses	-	-
	(c)	property, plant and equipment	(139)	(1,707)
	(d)	investments	-	-
	(e)	intellectual property	-	(80)
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	2	2
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (repayment of Government Grant)	-	(714)
2.6	**Net cash from / (used in) investing activities**	**(137)**	**(2,499)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (payment of lease liabilities)	(154)	(606)
3.10	**Net cash from / (used in) financing activities**	**(154)**	**(606)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	15,832	23,107
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,228)	(5,689)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(137)	(2,499)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(154)	(606)
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**14,313**	**14,313**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	3,313	4,832
5.2	Call deposits	11,000	11,000
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**14,313**	**15,832**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	143
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	5,000	-
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	5,000	-

7.5	**Unused financing facilities available at quarter end**	5,000

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The company has a $5 million debt facility with National Australia Bank expiring January 2028.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,228)
8.2	Cash and cash equivalents at quarter end (item 4.6)	14,313
8.3	Unused finance facilities available at quarter end (item 7.5)	5,000
8.4	Total available funding (item 8.2 + item 8.3)	19,313
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	15.7

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2026

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.