Scheid Vineyards Inc.

305 Hilltown Rd., Salinas CA 93908

(831) 455-9990
www.scheidvineyards.com
info@scheidfamilywines.com

Annual Report

For the Period Ending: February 28, 2025
(the "Reporting Period")

As of February 28, 2025, the number of shares outstanding of our Common Stock was:

Class A: 784,343
Class B: 132,551
Total Common Shares: 916,894

As of February 29, 2024, the number of shares outstanding of our Common Stock was:

Class A: 784,343
Class B: 132,551
Total Common Shares: 916,894

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control
Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:
Yes: ☐ No: ☒

1) Name and address of the issuer and its predecessors (if any)

Issuer: Scheid Vineyards Inc.

Predecessors: None

Current State and Date of Incorporation: July 15, 1997 in the state of Delaware.

Standing in Jurisdiction: Active.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

The address of the issuer's principal executive office: 305 Hilltown Rd., Salinas CA 93908

The address of the issuer's principal place of business: 1972 Hobson Avenue, Greenfield, CA 93927

Check box if principal executive office and principal place of business are the same address: ☐

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Transfer Agent

Name: Equiniti Trust Company LLC
Phone: 718 921-8200
Email: laura.bomensatt@equiniti.com
Address 1: 6201 15th Avenue
Address 2: Brooklyn, NY 11219

Publicly Quoted or Traded Securities:

Trading symbol:	SVIN	
Exact title and class of securities outstanding:	Class A Common Stock	
CUSIP:	806403200	
Par or stated value:	$.001	
Total shares authorized:	4,000,000	as of date: 02/28/2025
Total shares outstanding:	784,343	as of date: 02/28/2025
Total number of shareholders of record:	102	as of date: 02/28/2025

All additional class(es) of publicly traded securities (if any): None

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

Exact title and class of the security:	Scheid Vineyards Inc. Class B Common Stock	
Par or stated value:	$.001	
Total shares authorized:	2,000,000	as of 02/28/2025
Total shares outstanding:	132,551	as of 02/28/2025
Total number of shareholders of record:	11	as of 02/28/2025

Exact title and class of the security:	Scheid Vineyards Inc. Preferred Stock	
Par or stated value:	$.001	
Total shares authorized:	2,000,000	as of 02/28/2025
Total shares outstanding:	0	as of 02/28/2025
Total number of shareholders of record:	0	as of 02/28/2025

Security Description

Each share of Class A Common Stock is entitled to one vote and each share of Class B Common Stock (not publicly traded) is entitled to five votes on all matters submitted to a vote of the stockholders. The holders of the Class A Common Stock, voting as a separate class, elect 25% of the total Board of Directors of the Company, rounded up to the nearest whole number, and the holders of the Class B Common Stock, voting as a separate class, elect the remaining directors. Each share of Class B Common Stock is convertible into one share of Class A Common Stock at the option of the holder or automatically upon transfer to a person other than certain specified persons. Except for the differing voting rights, the shares of Class A and Class B common stock have substantially identical rights, preferences and privileges.

The Board of Directors has the authority, subject to any limitations prescribed by law, without further action by the stockholders, to issue up to an aggregate of 2,000,000 shares of Preferred Stock in one or more series and to fix the rights, preferences, privileges and restrictions granted to or imposed upon any unissued shares of Preferred Stock and to fix the number of shares constituting any series and the designations of such series. The Board of Directors has not yet designated any series thereof or any rights, preferences, privileges or restrictions attaching thereto. The Company has no present plan to issue any Preferred Stock.

3) Issuance History

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Shares Outstanding as of Second Most Recent Fiscal Year End: February 28, 2023 Opening Balance: Common: 913,894 Preferred: 0									
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
June 1, 2023	New Issuance	500	Class A	$16.70	No	Sylvia Bronson	Stock Issued as Compensation	Unrestricted	n/a
June 1, 2023	New Issuance	1,500	Class A	$16.70	No	Tony Stephen	Stock Issued as Compensation	Unrestricted	n/a
June 1, 2023	New Issuance	1,000	Class A	$16.70	No	Michael Thomsen	Stock Issued as Compensation	Unrestricted	n/a
Shares Outstanding on Date of This Report: Fiscal Year End: February 28, 2025 Ending Balance: Common: 916,894 Preferred: 0									

B. Convertible Debt

None

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations"). Scheid Vineyards is a family-owned and operated, estate-driven wine company founded in 1972. Based in Monterey County, California, Scheid is uniquely integrated to bring high quality estate grown wines to the marketplace from its sustainably certified vineyards and innovative luxury level winery. Scheid's winery and bottling operations are powered by 100% renewable wind energy generated by a 400-foot-tall wind turbine, which also supplies energy to many homes in the local community. The Scheid Family Wines globally distributed portfolio includes Scheid Vineyards, Sunny with a Chance of Flowers, District 7, Ryder Estate, Metz Road, and VDR. Scheid Family Wines also produces many regionally distributed brands for specific clients and distributors.

B. List any subsidiaries, parents, or affiliated companies.

100% owned Subsidiary: Scheid Vineyards California Inc

C. Describe the issuers' principal products or services. Bottled Wine, Bulk Wine, Wine Grapes, Custom Winemaking Services.

5) Issuer's Facilities

Scheid Vineyards operates approximately 3,000 acres of wine grape vineyards near the city of Greenfield in Monterey County, California, as well as a 30,000-ton capacity, 80,000 square foot winery facility, and an 48,000 square foot bottling and warehouse facility. The Company owns approximately 50% of its vineyard land and leases the remaining 50% under long-term vineyards leases. The winery and bottling warehouse are owned by Scheid Vineyards. The Company also leases its corporate headquarters in Salinas, California, a 70,000 square foot warehouse in Salinas, California, and a tasting room in Carmel, California.

6) All Officers, Directors, and Control Persons of the Company

Individual Name or Entity Name	Position/Company Affiliation	City and State	Number of Shares Owned	Class of Shares Owned	Percentage of Class of Shares Owned	Note
Alfred Scheid **	Past Chairman of Board	Deceased	66,395	Class A	8.5%	Father of Scott Scheid and Heidi Scheid
Alfred Scheid **	Past Chairman of Board	Deceased	84,883	Class B	64.0%	Father of Scott Scheid and Heidi Scheid
Scott Scheid	Chairman of the Board, President, CEO	Salinas, CA	78,687	Class A	10.0%	Son of Alfred Scheid
Scott Scheid	President, CEO, Director	Salinas, CA	21,692	Class B	16.4%	Son of Alfred Scheid
Heidi Scheid	Executive VP, Director	Manhattan Beach, CA	84,521	Class A	10.8%	Daughter of Alfred Scheid

Heidi Scheid	Executive VP, Director	Manhattan Beach, CA	25,137	Class B	19.0%	Daughter of Alfred Scheid
John Crary	Director	Sausalito, CA	14,974	Class A	1.9%	
Jon Fredrikson	Director	Woodside, CA	1,000	Class A	0.1%	
John Hawkins	Director	St. Helena, CA	2,000	Class A	0.2%	
Tony Stephen	Chief Sales Officer, Director	Hopland, CA	4,700	Class A	0.6%	
Michael Thomsen	Chief Financial Officer	Salinas, CA	3,900	Class A	0.5%	
Roy Brady	5% Shareholder	Providence, RI	132,746	Class A	16.9%	
William Fuhrmeister	5% Shareholder	Dallas, TX	47,899	Class A	6.1%	

** **Alfred Scheid passed away March 31, 2023. His shares are currently held by his estate.**

The information in this table matches our public company profile on www.OTCMarkets.com.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

N/A

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

N/A

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

N/A

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

N/A

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

N/A

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

N/A

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Craig Tighe
Firm: DLA Piper LLC
Address 1: 2000 University Avenue
Address 2: East Palo Alto, CA 94303
Phone: 1 (650) 833-2000
Email: craig.tighe@dlapiper.com

Auditor

Name: Rae Paulson
Firm: Moss Adams LLC
Address 1: 3558 Round Barn Blvd, Suite 300
Address 2: Santa Rosa, CA 95403
Phone: (707) 527-0800
Email: rae.paulson@mossadams.com

Investor Relations

None

Other Service Providers

None

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name:	Michael Thomsen
Title:	Chief Financial Officer
Relationship to Issuer:	Officer

B. The following financial statements were prepared in accordance with:

☒ U.S. GAAP
☐ IFRS

C. The financial statements for this reporting period were prepared by (name of individual):

Name: Michael Thomsen
Title: Chief Financial Officer
Relationship to Issuer: Officer
Describe the qualifications of the person or persons who prepared the financial statements: Certified Public Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

Audit Letter
Balance Sheet
Statement of Operations
Statement of Cash Flows
Statement of Changes in Stockholders' Equity
Financial Notes

SCHEID VINEYARDS INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED FEBRUARY 28, 2025 AND FEBRUARY 29, 2024

SCHEID VINEYARDS INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS INDEX

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Report of Independent Auditors

The Board of Directors and Stockholders
Scheid Vineyards Inc. and Subsidiary

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Scheid Vineyards Inc. and Subsidiary, which comprise the consolidated balance sheets as of February 28, 2025 and February 29, 2024, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Scheid Vineyards Inc. and Subsidiary as of February 28, 2025 and February 29, 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Scheid Vineyards Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that Scheid Vineyards Inc. and Subsidiary will continue as a going concern. As discussed in Note 1, Scheid Vineyards Inc. and Subsidiary is in default on certain debt agreements and has stated that substantial doubt exists about Scheid Vineyards Inc. and Subsidiary ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 5. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Scheid Vineyards Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Scheid Vineyards Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Scheid Vineyards Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Baker Tilly US, LLP

Santa Rosa, California
June 13, 2025

SCHEID VINEYARDS INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
FEBRUARY 28, 2025 AND FEBRUARY 29, 2024
(amounts in thousands, except share data)

	2025	2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 4,107	$ 2,090
Accounts receivable, trade	9,523	9,629
Accounts receivable, other	87	675
Inventories	56,979	58,278
Supplies, prepaid expenses and other current assets	613	731
Total current assets	71,309	71,403
LEASE RIGHT-OF-USE ASSETS	29,837	31,078
PROPERTY, PLANT AND EQUIPMENT, net	65,796	69,542
OTHER ASSETS, net	1,677	2,538
TOTAL ASSETS	$ 168,619	$ 174,561
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES:		
Current portion of debt	$ 121,714	$ 111,450
Current portion of lease liabilities	1,071	1,005
Accrued interest	9,049	372
Accounts payable and accrued liabilities	7,302	13,465
Total current liabilities	139,136	126,292
DEBT, NET OF CURRENT PORTION	—	—
LEASE LIABILITIES, NET OF CURRENT PORTION	29,852	30,835
Total liabilities	168,988	157,127
STOCKHOLDERS' (DEFICIT) EQUITY:		
Preferred stock, $.001 par value; 2,000,000 shares authorized; no shares issued and outstanding		
Common stock,		
Class A, $.001 par value; 4,000,000 shares authorized; 784,343 shares outstanding		
Class B, $.001 par value; 2,000,000 shares authorized; 132,551 shares issued and outstanding	1	1
Additional paid-in capital	23,038	23,038
(Accumulated deficit) retained earnings	(11,629)	6,174
Less: treasury stock; 467,039 Class A shares at cost	(11,779)	(11,779)
Total stockholders' (deficit) equity	(369)	17,434
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY	$ 168,619	$ 174,561

See accompanying Notes to Consolidated Financial Statements.

SCHEID VINEYARDS INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED FEBRUARY 28, 2025 AND FEBRUARY 29, 2024
(amounts in thousands, except per share data)

	February 28, 2025	February 29, 2024
NET REVENUES	$ 58,410	$ 68,028
COST OF SALES	(46,060)	(50,487)
GROSS PROFIT BEFORE WRITE-DOWN OF BULK WINE INVENTORIES TO NET REALIZABLE VALUE	12,350	17,541
WRITE-DOWN OF BULK WINE INVENTORIES TO NET REALIZABLE VALUE	(3,600)	(15,000)
GROSS PROFIT	8,750	2,541
Sales and marketing expenses	(8,984)	(10,813)
General and administrative expenses	(6,660)	(6,919)
LOSS FROM OPERATIONS	(6,894)	(15,191)
Interest expense, net	(16,221)	(6,935)
Proceeds from termination of processing agreement	3,613	—
Gain on sale of property, plant and equipment	1,717	100
Other income (expense)	9	(56)
LOSS BEFORE (PROVISION FOR) BENEFIT FROM INCOME TAXES	(17,776)	(22,082)
(PROVISION FOR) BENEFIT FROM INCOME TAXES	(27)	1,436
NET LOSS	$ (17,803)	$ (20,646)
LOSS PER SHARE	$ (19.41)	$ (22.54)
WEIGHTED AVERAGE SHARES OUTSTANDING	917	916

See accompanying Notes to Consolidated Financial Statements.

SCHEID VINEYARDS INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY
YEARS ENDED FEBRUARY 28, 2025 AND FEBRUAY 29, 2024
(amounts in thousands, except share amounts)

	Common Stock Outstanding					
	Number of Class A Shares	Number of Class B Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Treasury Shares
BALANCE, March 1, 2023.....	781,343	132,551	$ 1	$ 22,988	$ 26,820	$ (11,779)
Stock issued as compensation	3,000	—	—	50	—	—
Net loss ……..…..……..…….	—	—	—	—	(20,646)	—
BALANCE, February 29, 2024 …………..…………….	784,343	132,551	1	23,038	6,174	(11,779)
Net loss ……..……...…….	—	—	—	—	(17,803)	—
BALANCE, February 28, 2025 …………..…………….	784,343	132,551	$ 1	$ 23,038	$ (11,629)	$ (11,779)

See accompanying Notes to Consolidated Financial Statements.

SCHEID VINEYARDS INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED FEBRUARY 28, 2025 AND FEBRAURY 29, 2024
(amounts in thousands)

	February 28, 2025	February 29, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (17,803)	$ (20,646)
Adjustments to reconcile loss to net cash used in operating activities:		
Depreciation and amortization	4,617	5,116
Non-cash operating lease expense	1,241	2,398
Write-down of bulk wine inventories	3,600	15,000
Gain on sale of vineyards and equipment	(1,717)	(100)
Deferred income taxes	—	(1,452)
Stock issued as compensation	—	50
Changes in operating assets and liabilities:		
Accounts receivable, trade and other	694	651
Inventories	(2,301)	(8,679)
Supplies, prepaid expenses and other current assets	118	47
Accounts payable and accrued liabilities	(6,163)	3,874
Accrued interest	15,870	(2)
Operating lease liability	(917)	(2,034)
Net cash used in operating activities	(2,761)	(5,777)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of vineyards and equipment	2,700	100
Additions to property, plant and equipment	(922)	(5,484)
Other assets	—	(12)
Net cash provided by (used in) investing activities	1,778	(5,396)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in debt	5,000	8,195
Repayment of debt	(2,000)	(2,400)
Payments for loan fees	—	(65)
Proceeds from note receivable - stockholder	—	5,058
Net cash provided by financing activities	3,000	10,788
Increase (decrease) in cash and cash equivalents	2,017	(385)
CASH AND CASH EQUIVALENTS, beginning of year	2,090	2,475
CASH AND CASH EQUIVALENTS, end of year	$ 4,107	$ 2,090

SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ 402	$ 6,739
Income taxes (net of refunds)	$ 17	$ 1

See accompanying Notes to Consolidated Financial Statements.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — Scheid Vineyards Inc. (the "Company") conducts all of its business through its wholly-owned subsidiary, Scheid Vineyards California Inc., a California corporation. All significant intercompany balances have been eliminated in consolidation. The Company's fiscal year end is the last day of February.

Organization — The principal business of the Company is the production of premium varietal wine grapes and wine, the operation of a custom crush winery facility, and the sale of bottled wine through wholesalers and directly to consumers. The Company currently operates premium wine grape vineyards in Monterey County, California.

Going Concern — The accompanying consolidated financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As more fully described in Note 4, the Company did not meet certain financial covenants or make principal payments due under the terms of its debt agreements. The Company is thus in default on these agreements, and one of the Company's lenders has filed a notice of default and acceleration on other loans.

Management is currently attempting to negotiate forbearance periods with its current lenders and is also attempting to find alternative financing arrangements. In addition, the Company is actively endeavoring to sell certain assets to reduce its debt and cure defaults. There can be no assurance that the Company will be successful in these actions and, if unsuccessful, the Company may not be able to fund its operations and may be forced to seek bankruptcy protection.

As a result of these uncertainties, management has concluded that there is substantial doubt about the Company's ability to continue as a going concern within one year as of the date these consolidated financial statements are issued. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might result from the outcome of this uncertainty.

Cash and Cash Equivalents — The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. At February 28, 2025 and February 29, 2024, substantially all cash balances were on deposit with the Company's two major banks. Cash held at a bank is at times in excess of the amount insured by the Federal Deposit Insurance Corporation. Management does not expect to incur any losses on balances in excess of the limit.

Allowance for Credit Losses — The Company's policy is to identify all specific customers from whom a payment would be considered doubtful based upon the customer's financial condition, payment history, credit rating and other relevant factors and reserve for the portion of those outstanding balances where collection does not seem likely. There was no reserve for credit losses on February 28, 2025 and February 29, 2024. Trade accounts receivable at February 28, 2023 was $10,219. The balances at February 28, 2025 and February 29, 2024, are included on the consolidated balance sheets.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories — Inventories are stated at the lower of FIFO (first-in, first-out) cost or net realizable value. Cost includes the cost of grown grapes, harvesting, production, aging and bottling, and tasting room merchandise. Bulk and bottled wine inventories are classified as current assets in accordance with recognized trade practice although certain inventories will be aged for periods longer than one year. Crop costs associated with farming vineyards prior to the harvest are deferred and recognized in the year the grapes are harvested. Net realizable value is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. On a quarterly basis, the Company evaluates the cost of its inventories and reduces such inventories to net realizable value if required. At February 28, 2025 and February 29, 2024, the Company had reserves of $11.0 million and $15.0 million against its held-for-sale bulk wine inventory to reduce its value and properly reflect current bulk wine market values. The total expense for the years ended February 28, 2025 and February 29, 2024 totaled $3.6 million and $15.0 million, respectively. Due to the inherent uncertainties in this reserve estimate, which is based on current market assumptions, actual results could vary significantly from the Company’s estimates.

Major Customers — One of the Company’s customers accounted for 22% of total revenues during the year ended February 28, 2025, and 16% of outstanding receivables on February 28, 2025. The same customer accounted for 21% of total revenues during the year ended February 29, 2024, and 16% of outstanding receivables on February 29, 2024.

Property, Plant and Equipment, net — Property, plant and equipment are stated at cost and are depreciated using straight-line and accelerated methods over the estimated useful lives of the assets. Vineyards generally have estimated depreciable lives of 25 to 30 years, buildings 30 to 39 years, and furniture and equipment 5 to 20 years. Development costs incurred during the development period of a vineyard, including related interest, are capitalized. Depreciation commences in the initial year the vineyard becomes commercially productive, generally in the fourth year after planting. Any revenue generated prior to a vineyard becoming commercially productive reduces the capitalized cost of the vineyard. The Company’s winery consists of a building and the related equipment necessary to operate the facility.

Accounting for Impairment or Disposal of Long-Lived Assets — Whenever facts and circumstances indicate that the carrying value of a long-lived asset may not be recoverable, the carrying value is reviewed. If this review indicates that the carrying value of the asset will not be recovered, as determined based on projected undiscounted cash flows related to the asset over its remaining life, the carrying value of the asset is reduced to its estimated fair value. There were no such losses for the years ended February 28, 2025 and February 29, 2024.

Revenue Recognition — The Company recognizes revenue when obligations under the terms of a contract with its customer are satisfied. Generally, this occurs when the product is picked up or title passes to the customer, when control of the promised product or service is transferred to the customer, and collectability is reasonably assured. Revenue is measured as the amount of consideration expected to be received in exchange for transferring products. The Company's products are generally not sold with a right of return unless the product is spoiled or damaged. Historically, returns have not been material to the Company. Substantially all revenues of the Company are derived from customers within the United States.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company generally recognizes revenue from grape sales upon delivery to the customer's winery. The Company does not have any allowance for returns because grapes are tested and accepted upon delivery. The Company generally recognizes revenue from the sale of bulk wine on the speculative market at the time the wine is shipped to the customer and the customer obtains control of the bulk wine. Revenue from wine sold under bulk wine purchase contracts is recognized when title and control has been transferred to the customer, the price is determined, and collectability is reasonably assured. Title transfers to the customer upon receipt of the required amount of the contract price and acceptance of the wine. Revenues are deferred when payments or deposits are made by the customer before the delivery of grapes or wine has occurred, or title and control have not transferred to the customer. Winery processing, storage revenues, vineyard management, services and other revenues arerecognized over time using the input method as the service is performed and product specific performance obligations are met.

The Company sells its wine to wholesale distributors and retailers under purchase orders. The Company transfers control and recognizes revenue for these orders upon pick up of wine by the customer from the Company's facility or a third-party warehouse facility. Payment terms to wholesale distributors typically range from 30 to 60 days. The Company pays depletion allowances to its distributors based on sales to their customers, and there is generally no other variable consideration. The Company records depletion allowances in the month the related sales are recorded, and sales are reported net of depletion expenses. Depletion allowance payments are made when completed incentive program requests are received from the customers.

The Company sells its wine and other merchandise directly to consumers through wine club memberships, at the winery's tasting rooms, and through the internet. Wine club membership sales are made under contracts with customers, which specify the quantity and timing of future wine shipments. Customer credit cards are charged in advance of wine shipments in accordance with each contract. Tasting room wine sales are paid for and revenue is recognized at the time of sale. The Company transfers control and recognizes revenue for wine club shipments and internet sales upon receipt of wine by the customer.

Fair Value of Financial Instruments — The fair values of accounts receivable and accounts payable approximate book value because of their short duration. Long-term debt approximates book value because such financial instruments have variable, market driven, interest rates.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is established based on the type of inputs used in arriving at fair value.

The three levels of inputs that may be used to measure fair value are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level I prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Use of Estimates — The preparation of the consolidated financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from reported amounts of assets, liabilities, revenues, and expenses.

Earnings Per Share and Classes of Common Stock — Weighted average shares outstanding includes both Class A and Class B Common Stock outstanding.

Income Taxes — Income taxes are recognized using enacted tax rates and are composed of taxes on financial accounting income that is adjusted for requirements of current tax law and deferred taxes. Deferred taxes are the expected future tax consequences of temporary differences between the financial statement carrying amounts and tax bases of existing assets and liabilities. A valuation allowance reduces any deferred tax assets to the amount of future tax benefit that is more likely than not to be realized.

The Company accounts for uncertain tax positions using a two-step approach to recognize and measure tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained in an audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. Interest and penalties related to uncertain tax positions are recognized in the provision for income taxes.

Excise Taxes, Sales Taxes and Shipping and Handling — Excise taxes are levied by government agencies on the sale of alcoholic beverages, including wine. These taxes are not collected from customers but are instead the responsibility of the Company. Excise taxes are expensed at the time of sale of the related product and totaled \$1.4 million and \$1.5 for the years ended February 28, 2025 and February 29, 2024, respectively. The Company collects applicable sales tax from nonexempt customers and remits the entire amount to the state where the sales tax is collected. Shipping and handling costs are included in cost of sales.

Leases — Transactions give rise to leases when the Company receives substantially all of the economic benefits from, and has the ability to direct the use of, the specified property and equipment. The Company has lessee activities that are classified as operating leases. Operating leases are included in lease right-of-use assets, current portion of lease liabilities, and lease liabilities, net of the current potion on the consolidated balance sheet.

(amounts in thousands, except per share data)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company recognizes a right-of-use asset and lease liability for each lease with a contractual term greater than 12 months at the time of lease inception. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheet but continue to be recognized as rent expense on a straight-line basis over the lease term. Leases often include options to extend, which are included in the determination of lease terms when they are reasonably certain to be exercised.

Right-of-use assets and liabilities are recorded based on the present value of lease payments over the lease term. When discount rates implicit in leases cannot be readily determined, the Company uses the applicable risk-free rate at lease commencement to perform lease classification tests and to measure lease liabilities and right-of-use assets. Lease expense for operating leases is recognized on a straight-line basis over the lease term. Total lease costs recorded as rent include fixed operating lease costs, variable lease costs and short-term lease costs. Fixed operating lease costs are recognized on a straight-line basis over the lease term. Variable lease costs may include common area maintenance, taxes, and insurance.

Union Agreement **—** The United Farm Workers, AFL-CIO (“UFW”) has represented the Company’s farm workers since 1993. The current contract with the UFW expires on December 31, 2027. Approximately 25% of the Company’s full-time employees are represented by the UFW.

Subsequent events — Subsequent events are events or transactions that occur after the consolidated balance sheet date but before consolidated financial statements are available to be issued. The Company recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated balance sheet, including the estimates inherent in the process of preparing the consolidated financial statements. The Company’s consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated balance sheet but arose after the consolidated balance sheet date and before the consolidated financial statements were available to be issued. The Company has evaluated subsequent events through June 13, 2025, which is the date the consolidated financial statements were available to be issued.

2. INVENTORIES

Inventories consist of the following:

	February 28, 2025	February 29, 2024
Bulk wine	$ 37,858	$ 38,786
Cased goods inventories	13,480	13,834
Deferred crop costs	3,039	3,239
Cased goods supplies	661	1,168
Vineyard supplies	387	365
Winery supplies	996	517
Direct sales inventories	558	369
Total	$ 56,979	$ 58,278

(amounts in thousands, except per share data)

3. PROPERTY, PLANT AND EQUIPMENT, net

Property, plant and equipment consists of the following:	February 28, 2025	February 29, 2024
Vineyard land and buildings	$ 11,184	$ 11,315
Vineyard improvements	45,157	45,065
Vineyard machinery and equipment	13,459	13,490
Winery buildings	47,133	47,133
Winery machinery and equipment	44,949	43,482
Construction in progress	1,513	2,179
Tasting room building and equipment	2,290	2,287
Office furniture and equipment	3,630	3,623
Leasehold improvements	721	706
Total	170,036	169,280
Accumulated depreciation and amortization	(104,240)	(99,738)
Property, plant and equipment, net	$ 65,796	$ 69,542

In June 2024, the Company sold 48 acres of bare land for $2.70 million, resulting in a gain on the sale of $1.67 million.

4. DEBT

Rabobank — The Company has a borrowing facility with Rabobank, N.A. ("Rabobank") for up to $40 million in borrowings, which is intended to fund the annual operating costs of the Company. This note is secured by the cash, receivables, crop and other inventories of the Company. There was $37.944 million and $34.944 million outstanding under this portion of the facility on February 28, 2025 and February 29, 2024, respectively. Interest on the facility was payable at 0.25% over the bank's prime rate or the SOFR rate plus 3.50% through February 29, 2024, when the note became due.

This facility expired on February 29, 2024, and the Company was unable to repay the amounts due and thus was in default under the terms of the facility. In November 2024, the Company entered into an amended loan and forbearance agreement which extends the due date of the agreement to July 31, 2025. Under the terms of an amendment and forbearance agreement, interest is being accrued at the lender's default interest rate which was 14.32% at February 28, 2025.

PGIM — The Company has a $90 million real estate financing package with PGIM Real Estate Finance ("PGIM"), the commercial and agricultural financing business of Prudential Financial, Inc. The three notes ("Note 1", "Note 2" and "Note 3") from this facility are secured by deeds of trust and leasehold interests in the Company's vineyards, as well as a deed of trust on the Company's winery building and equipment. Note 1 and Note 2 are payable in annual installments each March 1st totaling $2.4 million and was originally set to mature on September 1, 2033, with interest payable at 4.71%. Note 3 is a real estate line of credit that had outstanding borrowings of $19.14 million and was due on February 29, 2024. Interest on Note 3 was payable at the SOFR rate plus 3.25%.

(amounts in thousands, except per share data)

4. DEBT (Continued)

The Company was unable to repay Note 3 on February 29, 2024 or make the principal and interest payments on Notes 1 and 2 when they became due. In June 2024, PGIM issued a notice of default on the facility and accelerated the due date on Note 1 and Note 2. In November 2024, the Company entered into a forbearance agreement which extends the due date of the notes to July 31, 2025. As part of the forbearance agreement, a total of $7.192 million in interest was capitalized into the principal of the loans. All amounts under these notes are classified as a current liability on the consolidated balance sheet.

The amount borrowed under this facility at February 28, 2025 was as follows:

Note #	Amount Borrowed	Interest Rate at February 28, 2025
1	$ 41,999	14.00%
2	20,999	14.00%
3	20,934	14.00%
Total due	$ 83,932	

The outstanding principal balance of debt as presented on the consolidated balance sheets is net of unamortized loan fees of $163 and $234 on February 28, 2025 and February 29, 2024, respectively. These loan facilities prohibit the payment of dividends without the consent of the lenders and contain various financial covenants, including debt service coverage ratios, and the amount of total liabilities to tangible net worth. The Company continues to be in violation of these financial covenants at February 28, 2025.

5. INCOME TAXES

Significant components of the Company's net deferred income tax assets and liabilities are as follows:

	February 28, 2025	February 29, 2024
Deferred income tax assets:		
Federal and State net operating loss carryforwards	$ 7,923	$ 5,926
Inventories	3,548	4,652
Accrued expenses	138	177
Interest limitation carryforward	6,967	3,523
Charitable contributions carryforward	149	139
Other	49	57
Deferred income tax liabilities:		
Inventories	(2,077)	(2,306)
Prepaid expenses	(172)	(233)
Depreciation	(7,119)	(7,343)
Valuation allowance	(9,406)	(4,592)
Net long-term deferred income tax liability	$ —	$ —

(amounts in thousands, except per share data)

5. INCOME TAXES (Continued)

The benefit from income taxes is as follows:

	Year Ended February 28, 2025	Year Ended February 29, 2024
Current:		
Federal tax benefit (provision)	$ —	$ (14)
State tax benefit (provision)	(27)	(2)
Total current	(27)	(16)
Deferred:		
Federal	—	(327)
State	—	1,779
Total deferred	—	1,452
Total benefit from income taxes	$ (27)	$ 1,436

The Company's effective income tax rate differs from the federal statutory income tax rate due to the following:

	Year Ended February 28, 2025	Year Ended February 29, 2024
Federal statutory rate	21.0%	21.0%
State taxes, net of federal benefit	6.3	6.4
Change in valuation allowance	(27.1)	(20.8)
Other	(0.2)	(0.1)
Total	0.0%	6.5%

Accounting Standards Codification Topic 740, *Accounting for Income Taxes* ("ASC 740"), requires gross temporary differences that result in greater or lesser book income to be computed by taking the product of the gross temporary difference and the enacted federal statutory rate resulting in either deferred tax assets or deferred tax liabilities. ASC 740 requires companies to account for changes in tax laws or tax rates in the financial reporting period that includes the date of the enactment.

For federal and state income tax purposes, the Company has unused net operating losses available for carryforward to future years. At February 28, 2025, the amounts and expiration dates of these carryforwards are as follows:

Year Ended	Federal	Expires	State	Expires
February 29, 2012	$ —	2032	$ 816	2032
February 28, 2018	—	2038	4,629	2038
February 28, 2019	1,818	n/a	6,329	2039
February 29, 2020	6,375	n/a	9,550	2040
February 28, 2021	2,259	n/a	147	2041
February 28, 2023	7,126	n/a	4,387	2043
February 29, 2024	969	n/a	4,810	2044
February 28, 2025	2,484	n/a	19,549	2045
Total	$ 21,031		$ 50,217	

(amounts in thousands, except per share data)

5. INCOME TAXES (Continued)

Federal carryforwards created during the year ended February 28, 2019 and forward are not subject to expiration. The Company files income tax returns in the U.S. federal, California, and Texas jurisdictions. The Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2018.

Consideration of whether a valuation allowance should be recorded against deferred tax assets is based on the likelihood that the benefits of the deferred tax assets will or will not ultimately be realized in future years. In making such an assessment, significant weight is to be given to evidence that can be objectively verified, such as recent operating results, and less consideration is to be given to less objective indicators, such as future earnings projections. The Company has evaluated its deferred tax assets in accordance with these requirements and accordingly, for the year ended February 29, 2025, a valuation allowance of $9.4 million has been recognized.

The Company adheres to the provisions of ASC 740 as it relates to accounting for uncertain tax positions. The Company did not have any uncertain tax positions for the years ended February 28, 2025 and February 29, 2024.

6. LEASES

Vineyard land leases cover approximately 1,000 acres, with initial terms ranging from 24 to 30 years. The land leases provide for options to renew ranging from 10 to 20 years and contain provisions for rent adjustments based upon the prevailing market rate or CPI, and also provide for payments of taxes, insurance and maintenance costs. The Company has also entered into leases for office and warehouse space with terms of 3 to 5 years. In addition, the Company has entered into lease agreements for vineyard and winery equipment which had been classified as finance leases. These leases were paid off in fiscal 2023.

Total lease costs are comprised of the following:

	Year Ended	
	February 28, 2025	February 29, 2024
Operating lease expense	$ 2,043	$ 1,946
Short-term lease expense	124	122
Variable lease expense	20	18
Total	$ 2,187	2,086

Other quantitative disclosures are as follows:

	February 28, 2025	February 29, 2024
Operating right-of-use asset obtained in exchange for new operating lease liabilities	$ __	$ 98
Weighted average remaining lease term (in years)	31.2	31.6
Weighted-average discount rate	2.3%	2.3%

(amounts in thousands, except per share data)

6. LEASES (Continued)

At February 28, 2025, the undiscounted future cash payments over the lease term for operating leases, along with a reconciliation of the undiscounted cash flows, were as follows:

2026	$	1,754
2027		1,782
2028		1,665
2029		1,487
2030		1,238
Thereafter		36,107
Total undiscounted cash flows		44,033
Less: present value discount		(13,110)
Total lease liabilities	$	30,923

7. PENSION PLANS

The Company has two 401(k) Profit Sharing Plans. The first plan covers the Company's non-union employees. All non-union employees of the Company are eligible to participate in the plan after six months of employment. Employees may contribute between 1% and 15% of their annual compensation. The Company matches 4% for every dollar of employee contribution up to 6% of their annual salaries, subject to the limitations imposed by the Internal Revenue Code. The Company's contribution to this plan amounted to $373 and $455 for the years ended February 28, 2025 and February 29, 2024, respectively.

The second plan is for the benefit of the Company's employees who are covered by the United Farm Workers of America Collective Bargaining Agreement. All union employees of the Company are eligible to participate after having worked 500 hours within a one-year period. The Company contributes a minimum of 20 cents for each hour worked by eligible employees, subject to the limitations imposed by the Internal Revenue Code. The Company's contribution to the union employees' plan amounted to $36 and $38 for the years ended February 28, 2025 and February 29, 2024, respectively.

8. COMMON STOCK

Each share of Class A Common Stock is entitled to one vote, and each share of Class B Common Stock is entitled to five votes on all matters submitted to a vote of the stockholders. The holders of the Class A Common Stock, voting as a separate class, elect 25% of the total Board of Directors of the Company, rounded up to the nearest whole number, and the holders of the Class B Common Stock, voting as a separate class, elect the remaining directors. Each share of Class B Common Stock is convertible into one share of Class A Common Stock at the option of the holder or automatically upon transfer to a person other than certain specified persons. Except for the differing voting rights, the shares of Class A and Class B common stock have substantially identical rights, preferences and privileges.

The Company issued stock to employees as compensation in the amount of $50 during the year ended February 29, 2024. The shares were valued at their publicly traded market price on the date of issuance.

(amounts in thousands, except per share data)

9. BUSINESS SEGMENT INFORMATION

The Company operates in three reportable segments based on distinct sales channels and strategic focus areas: Finished Goods Sales, Production Sales, and Direct Sales. These segments reflect how the Company's operations are managed and evaluated by the Chief Executive Officer, who is the Company's Chief Operating Decision Maker ("CODM"), in alignment with the internal organizational structure and financial reporting practices.

- Finished Goods Sales consist of wholesale transactions of finished packaged wine products sold primarily through distributors.
- Production Sales consist of bulk wine and grape sales, and winery custom crush and storage services.
- Direct Sales represent transactions directly to the consumer, including tasting room, wine club, and online sales.

The CODM evaluates segment performance using gross profit analysis and contribution to margin, which provide insight into pricing, allocation of available capacities, production efficiencies, and operational spending. Selling and marketing expenses that are directly attributable to each segment are included in segment reporting. General and administrative expenses are not allocated and are reflected in the unallocated column. Intra-segment transactions are not material and are not separately disclosed.

The following tables present financial information by segment for the fiscal years ended February 28, 2025 and February 29, 2024.

	Year Ended February 28, 2025				
	Finished Goods Sales	Production Sales	Direct Sales	Unallocated	Total
Net revenues	$ 43,289	$ 12,490	$ 2,631	$ —	$ 58,410
Cost of sales	(36,528)	(9,023)	(509)	—	(46,060)
Gross profit before write-down of bulk wine to net realizable value	6,761	3,467	2,122	—	12,350
Write-down of bulk wine to net realizable value	—	(3,600)	—		(3,600)
Gross profit (loss)	6,761	(133)	2,122	—	8,750
Sales and marketing expenses	(5,884)	(1,325)	(1,775)	—	(8,984)
Contribution to margin	877	(1,458)	347	—	(234)
General and administrative expenses	—	—	—	(6,660)	(6,660)
Income (loss) from operations	$ 877	$ (1,458)	$ 347	$ (6,660)	$ (6,894)

(amounts in thousands, except per share data)

9. BUSINESS SEGMENT INFORMATION (Continued)

	Year Ended February 29, 2024				
	Finished Goods Sales	Production Sales	Direct Sales	Unallocated	Total
Net revenues	$ 46,275	$ 19,072	$ 2,681	$ —	$ 68,028
Cost of sales	(38,897)	(11,129)	(461)	—	(50,487)
Gross profit before write-down of bulk wine to net realizable value	7,378	7,943	2,220	—	17,541
Write-down of bulk wine to net realizable value	—	(15,000)	—		(15,000)
Gross profit (loss)	7,378	(7,057)	2,220	—	2,541
Sales and marketing expenses	(7,662)	(1,237)	(1,914)	—	(10,813)
Contribution to margin	(284)	(8,294)	306	—	(8,272)
General and administrative expenses	—	—	—	(6,919)	(6,919)
(Loss) income from operations	$ (284)	$ (8,294)	$ 306	$ (6,919)	$ (15,191)

10) Issuer Certification

Principal Executive Officer:

I, Scott D. Scheid certify that:

1. I have reviewed this Disclosure Statement for Scheid Vineyards Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

6/13/2025

/s/ Scott D. Sched

Principal Financial Officer:

I, Michael S. Thomsen certify that:

1. I have reviewed this Disclosure Statement for Scheid Vineyards Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

6/13/2025

/s/ Michael S. Thomsen