



## Top Shelf International Holdings Ltd

**Principal Place of Business:  
16-18 National Boulevard  
Campbellfield  
Victoria  
Australia 3061**

14 July 2023

*Not for release to US wire services or distribution in the United States*

### **RETAIL ENTITLEMENT OFFER OPENS AND DESPATCH OF RETAIL OFFER BOOKLET TO ELIGIBLE RETAIL SHAREHOLDERS**

On Friday, 7 July 2023, Top Shelf International Holdings Limited (**Top Shelf** or the **Company**) announced that it was conducting a 1 for 1 non-renounceable entitlement offer (**Entitlement Offer**) comprising an accelerated institutional component and a retail component (**Retail Entitlement Offer**), each at a price of \$0.25 per share (**Offer Price**).

The Retail Entitlement Offer opens today, Friday, 14 July 2023 and is expected to close at 5:00pm (AEST) on Tuesday, 25 July 2023 (unless extended).

Attached is a copy of the Retail Offer Booklet which will be made available to eligible retail shareholders, either by email (if they have elected to receive electronic communications only), online or by post together with an Entitlement and Acceptance Form. A copy of both documents can also be accessed by eligible retail shareholders via <https://www.investorserve.com.au>. To be an eligible retail shareholder, a person must not be in the United States or acting for the account or benefit of a person in the United States.

Also attached is a copy of a letter that will be made available to eligible retail shareholders notifying them of the Retail Entitlement Offer.

The Retail Offer Booklet and the Entitlement and Acceptance Form contains important information about the Retail Entitlement Offer including how eligible retail shareholders in Australia and New Zealand can apply to participate in the Retail Entitlement Offer.

Eligible shareholders can contact the Offer Information Line on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) from 9am to 5.30pm (AEST), Monday to Friday during the offer period for the Retail Entitlement Offer for more information.

**END**

This announcement was approved by Adem Karafili as Executive Chair of Top Shelf.

#### **For more information (investors and media):**

- visit our investor website <https://www.topshelfgroup.com.au/investors> or contact investor relations at [info@topshelfgroup.com.au](mailto:info@topshelfgroup.com.au) or on (03) 8317 9990; or
- contact Matt Slade on +61 409 916 474.

#### **IMPORTANT INFORMATION**

This announcement does not constitute financial product advice and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors are encouraged to seek independent financial advice before making any investment decision.

## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This letter may not be released or distributed in the United States. This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction. Neither the entitlements nor the New Shares have been or will be registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements under the Retail Entitlement Offer may not be taken up or exercised by, and the New Shares in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to any person in the United States or any person acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of any person in the United States), except in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States. The entitlements and New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of any person in the United States, in each case, in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

### **About Top Shelf**

Top Shelf International is a Melbourne based distiller and marketer of premium Australian spirits, with distinctive brands in NED Australian Whisky and Grainshaker Hand Made Australian Vodka. The Company has a track record of success creating high quality, premium Australian products and brands; each in its own way encapsulating a distinctive Aussie attitude, social experience and flavour profile.

The Company has expertise in the development and production of distilled spirits, undertakes a significant level research and development and operates modern fermentation, distillation and packaging facilities in Campbellfield, Victoria. The Company is creating Australia’s first agave spirit range and is developing an Agave farm in The Whitsundays region of Queensland specifically chosen for the suitability of its climate for growing blue agave. In development of the farm the Company has committed to the application of up-to-date and innovative horticultural practices. In addition to distilling and manufacturing its own portfolio of spirit brands, Top Shelf also provides canning, bottling and packaging services to a range of customers.

# Retail Entitlement Offer Booklet Top Shelf International Holdings Limited

(ABN 22 164 175 535)

Details of a 1 for 1 accelerated non-renounceable pro-rata entitlement offer of Top Shelf International Holdings Limited ordinary shares (“New Shares”) at an offer price of A\$0.25 per New Share

Retail Entitlement Offer closes at 5.00pm (AEST) on 25 July 2023

**NOT FOR RELEASE TO U.S. WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES**

This Retail Entitlement Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read carefully and in their entirety. This Retail Entitlement Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). Please call your stockbroker, solicitor, accountant or other professional adviser if you would like advice in relation to your participation in the Retail Entitlement Offer. Please call the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) from 9am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period if you have any other questions.

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## Is This Booklet Relevant to You?

This Retail Entitlement Offer Booklet is relevant to you if you are an Eligible Retail Shareholder.

In this Retail Entitlement Offer Booklet, references to “you” are references to Eligible Retail Shareholders and references to “your Entitlement” or “your Retail Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm on 11 July 2023;
- have a registered address on the TSI share register in Australia or New Zealand as at 7.00pm on the Record Date;
- are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Refer to Section 6.1 (Important Information) for further details.

## Important Notices

This Retail Entitlement Offer Booklet has been issued by Top Shelf International Holdings Limited ABN 22 164 175 535 (TSI).

This Retail Entitlement Offer Booklet (other than the Announcements) is dated 14 July 2023. Defined terms used in these important notices have the meaning given in this Retail Entitlement Offer Booklet.

This Retail Entitlement Offer Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC. The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Retail Entitlement Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision. The information in this Retail Entitlement Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Retail Entitlement Offer Booklet should be read in its entirety before you decide to participate in the Retail Entitlement Offer. Eligible Retail Shareholders should conduct their own independent

review, investigations and analysis of TSI, the New Shares and obtain any professional advice they may require to evaluate the merits and risks of an investment in TSI before making any investment decision.

In particular, you should consider:

- the risk factors outlined in the “Risks” section of the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet for a summary of certain general and TSI specific risk factors that may affect the operating and financial performance of TSI or the value of an investment in TSI; and
- the Announcements in Section 4 of this Retail Entitlement Offer Booklet, TSI’s interim and annual reports and other announcements made by TSI which are available at [www.asx.com.au](http://www.asx.com.au) (including announcements which may be made by TSI after the publication of this Retail Entitlement Offer Booklet).

This Retail Entitlement Offer Booklet (other than the Announcements) is dated 14 July 2023. The Announcements are current as at 29 May 2023. This Retail Entitlement Offer Booklet remains subject to change without notice.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Entitlement Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Entitlement Offer Booklet.

### **No overseas offering**

This Retail Entitlement Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Entitlement Offer Booklet does not constitute an offer to Ineligible Retail Shareholders and may not be distributed in the United States, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States. Refer to the “United States disclaimer” below for further information.

This Retail Entitlement Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand or other jurisdictions that TSI has determined to extend the Retail Entitlement Offer into.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements, the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Entitlement Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Entitlement Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for TSI to lawfully receive your Application Monies.

## **New Zealand**

The Entitlements and the New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. The offer of New Shares is non-renounceable in favour of members of the public.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## **United States**

None of the information in this Retail Entitlement Offer Booklet or the Entitlement and Acceptance Form that will accompany this Retail Entitlement Offer Booklet when it is despatched to Eligible Retail Shareholders (as set out in the Key dates section) constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States. None of the Retail Entitlement Offer Booklet (or any part of it), the accompanying Chairman's Letter, ASX announcements or the Entitlement and Acceptance Form when that is to be made available, may be distributed or released, directly or indirectly, in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or to any person acting for the account or benefit of any person in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction in the United States. The New Shares in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

## **Taxation**

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 5 of this Retail Entitlement Offer Booklet provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Shareholders that are Australian residents holding New Shares on capital account. The guide does not take into account the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. TSI recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

## **Privacy**

TSI collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in TSI.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to TSI (directly or through the Share Registry). TSI collects, holds and will use that information to assess your Application. TSI collects your personal information to process and administer your shareholding in TSI and to provide related services to you. TSI may disclose your personal information for purposes related to your shareholding in TSI, including to the Share Registry, TSI's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that TSI holds about you. To make a request for access to your personal information held by (or on behalf of) TSI, please contact TSI through the Share Registry.

## **Future performance and forward-looking statements**

This Retail Entitlement Offer Booklet contains certain "forward looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Retail Entitlement Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

This Retail Entitlement Offer Booklet includes statements regarding certain plans, strategies and objectives of management and expected financial performance, effects of the Retail Entitlement Offer and use of proceeds. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially. Refer to the "Risks" of the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet for a summary of certain risk factors that may affect TSI.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including TSI). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Retail Entitlement Offer Booklet will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.

The forward-looking statements in this Retail Entitlement Offer Booklet speak only as of the date of this Retail Entitlement Offer Booklet. Subject to any continuing obligations under applicable law or any relevant ASX Listing Rules, TSI disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Retail Entitlement Offer Booklet to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this Retail Entitlement



Offer Booklet will under any circumstances create an implication that there has been no change in the affairs of TSI since the date of this Retail Entitlement Offer Booklet.

### **Financial information**

For further information on the financial information for TSI provided in this Retail Entitlement Offer Booklet, Investors should refer to the “Important notice and disclaimer” section in the Investor Presentation released to the ASX on Monday, 29 May 2023, a copy of which is included in Section 4 of this Retail Entitlement Offer Booklet.

The historical financial information provided in this Retail Entitlement Offer Booklet is for illustrative purposes only and is not represented as being indicative of TSI’s views on its future financial condition and/or performance. Accordingly, investors should treat this information with appropriate caution.

### **Past performance**

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future TSI performance including future share price performance.

### **Risks**

Refer to the “Risks” section of the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet for a summary of the general and specific risk factors that may affect TSI. Investors should consider these risks carefully in light of their personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Entitlement Offer.

**Definitions, times and dates**

Defined terms used in this Retail Entitlement Offer Booklet are contained in Section 7 of this Retail Entitlement Offer Booklet. Times and dates in this Retail Entitlement Offer Booklet are indicative only and subject to change. All times and dates refer to AEST. Refer to the “Key dates” section of this Retail Entitlement Offer Booklet for more details.

**Currency**

Unless otherwise stated, all dollar values in this Retail Entitlement Offer Booklet are in Australian dollars (A\$ or AUD).

**Trading New Shares**

To the maximum extent permitted by law, TSI will have no responsibility and disclaims all liability (including without limitation liability for negligence) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by TSI or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

Refer to Section 6 (Important Information) for details.

## Chairman's Letter

Dear Shareholder,

On behalf of the Directors of Top Shelf International Holdings Limited (**TSI** or the **Company**), I am pleased to invite you to participate in a 1 for 1 accelerated non-renounceable entitlement offer of new fully paid ordinary shares in TSI (**New Shares**) at an offer price of A\$0.25 (**Offer Price**) per New Share (**Entitlement Offer**).

Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement (**Additional Shares**) at the Offer Price (**Oversubscription Facility**). The allocation of Additional Shares under the Oversubscription Facility will be subject to availability. Applications may be made under the Oversubscription Facility may be scaled back pro rata in accordance with shareholdings and subject to the Corporations Act, the ASX Listing Rules and to other applicable laws and regulations. Refer to section 2.3 of this Retail Entitlement Offer Booklet for more information.

As announced on Monday, 29 May 2023, The proceeds received from the Entitlement Offer and the Conditional Placement will be used to repay a portion of the Company's senior secured loan facility with Longreach Credit Investors, complete the Company's integrated agave spirit production facility, launch the Act of Treason Australian Agave brand and for general working capital purposes.

### Details of the Entitlement Offer

The Entitlement Offer comprises an institutional offer (**Institutional Entitlement Offer**) and a retail offer (**Retail Entitlement Offer**). The Retail Entitlement Offer is expected to raise up to approximately A\$6.2 million.

As announced on Monday, 10 July 2023, TSI successfully completed the Institutional Entitlement Offer and a conditional institutional placement (**Conditional Placement**) raising approximately A\$27.9 million in aggregate. The New Shares issued under the Institutional Entitlement Offer and the Conditional Placement are expected to commence trading on or around Thursday, 13 July 2023.

Under the Retail Entitlement Offer, Eligible Retail Shareholders with a registered address in Australia or New Zealand are entitled to subscribe for 1 New Share for every 1 existing fully paid ordinary share in TSI (**Shares**) held at 7.00pm (AEST) on Tuesday, 11 July 2023 (**Record Date**), at the Offer Price of A\$0.25 per New Share. This is the same price which was offered to institutional investors who participated in the Institutional Entitlement Offer and the Conditional Placement (and as set out in the Entitlement and Acceptance Form that is enclosed with this Retail Entitlement Offer Booklet).

Note that the subscription price for New Shares under the Retail Entitlement Offer may be at a premium to the price of existing Shares trading on the ASX during the offer period.

The Offer Price represents a premium of:

- 22% to the theoretical ex-rights price (**TERP**) of A\$0.22<sup>1</sup>; and
- 38.9% to the closing price of A\$0.18 on 6 July 2023.

New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue.

### **Further Information and Application Instructions**

The number of New Shares that you are entitled to subscribe for under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that is enclosed with this Retail Entitlement Offer Booklet.

It is important that you determine whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. The Entitlement Offer is non-renounceable and therefore your Entitlement is not tradeable on the ASX or any other exchange, cannot be sold and is not otherwise transferable. This means that you will not receive any value for Entitlements you do not take up and your percentage ownership of TSI will be reduced.

The TSI Board encourages you to read this Retail Entitlement Offer Booklet carefully (in particular, the “Risks” section set out in the Investor Presentation, which contains a number of key risks associated with an investment in TSI). You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

**The Retail Entitlement Offer closes at 5.00pm (AEST) on Tuesday, 25 July 2023 (Closing Date).**

On behalf of the TSI Board, I thank you for your ongoing support of TSI.

Yours sincerely



**Adem Karafili**

Executive Chairman, Top Shelf International Holdings Limited

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<sup>1</sup> TERP is calculated by reference to TSI's closing price on 6 July 2023 of A\$0.18 per share, being the last trading date prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TSI's shares trade immediately after the ex-date of the Entitlement Offer and the ex-dividend date will depend on many factors and may not approximate TERP. TERP includes New Shares issued under the Conditional Placement.

## Summary of the Entitlement Offer

<b>Ratio</b>	1 New Share for every 1 existing Share in TSI
<b>Offer Price</b>	A\$0.25 per New Share
<b>Size</b>	Approximately 84 million New Shares
<b>Gross proceeds</b>	Up to A\$21 million, comprising up to A\$14.8 million under the Institutional Entitlement Offer and up to A\$6.2 million under the Retail Entitlement Offer
<b>Renounceable?</b>	The Entitlement Offer is non-renounceable
<b>Underwritten?</b>	The Offer is not underwritten.

## Key Dates

EVENT <sup>1</sup>	DATE
Capital raising and Conditional Placement announced	Monday, 29 May 2023
Conditional Placement approved by shareholders and announcement of the Entitlement Offer	Friday, 7 July 2023
Announcement of results of Institutional Entitlement Offer and Conditional Placement, and Entitlement Offer Letter sent to Eligible Retail Shareholders	Monday, 10 July 2023
Shares recommence trading on ASX on an “ex entitlement” basis	Monday, 10 July 2023
Record date for the Entitlement Offer (7.00pm AEST)	Tuesday, 11 July 2023
Settlement of Institutional Entitlement Offer and Conditional Placement	Wednesday, 12 July 2023
Allotment and quotation of New Shares under the Institutional Entitlement Offer and Conditional Placement	Thursday, 13 July 2023
Retail Entitlement Offer Booklet and personalised Entitlement and Acceptance Form dispatched to Eligible Retail Shareholders	Friday, 14 July 2023
Retail Entitlement Offer opens (9.00am AEST)	Friday, 14 July 2023
Retail Entitlement Offer closes (5.00pm AEST)	Tuesday, 25 July 2023
Settlement of Retail Entitlement Offer shortfall and related applications	Monday, 31 July 2023
Results of Retail Entitlement Offer announced	Tuesday, 1 August 2023
Quotation and commencement of trading	Wednesday, 2 August 2023

<sup>1</sup> This timetable is indicative only and may change. TSI reserves the right to amend any or all of these dates and times the timetable for the Entitlement Offer without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, TSI reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late

applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX. All references to time are to AEST.

TSI also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to the allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicant (without any interest). Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

## **Enquiries**

If you have any questions, please contact the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) at any time between 9am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period, or if you require advice about your participation in the Entitlement Offer, consult your stockbroker, accountant or other independent professional adviser.

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

### 1 Summary of Options Available to You

If you are an Eligible Retail Shareholder (as defined in Section 6.1 (Important Information)) you may take one of the following actions:

- take up all or part of your Entitlement; or
- do nothing and let your Entitlements lapse.

If you are a retail shareholder that is not an Eligible Retail Shareholder, you are an **Ineligible Retail Shareholder**. Ineligible Retail Shareholders are not entitled to participate in the Offer.

Options available to you	Key considerations
<b>Option 1:</b> Take up all or part of your Entitlement	<ul style="list-style-type: none"><li>• You may elect to purchase New Shares at the Offer Price (see Section 3 (How to Apply) for instructions on how to take up your Entitlement).</li><li>• The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions).</li><li>• The Retail Entitlement Offer closes at 5.00pm (AEST) on Tuesday, 25 July 2023.</li><li>• Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible Retail Shareholders who do not take up their rights in full will not receive any value in respect of those rights they do not take up.</li><li>• If you do not take up your Entitlement in full, you will have your percentage holding in TSI reduced as a result of dilution by the New Shares issued under the Entitlement Offer.</li><li>• Note that the subscription price for New Shares under the Retail Entitlement Offer may be at a premium to the price of existing Shares trading on the ASX.</li></ul>

Options available to you	Key considerations
<p><b>Option 2:</b> Do nothing and let your Entitlements lapse</p>	<ul style="list-style-type: none"> <li>• To the extent you do not take up all of your Entitlements, your Entitlements lapse.</li> <li>• Retail Shortfall available for over-subscription.</li> <li>• Your Entitlement is non-renounceable, which means it is non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can it be privately transferred.</li> <li>• If you do not take up your Entitlement, you will not receive any payment or value for your Entitlement.</li> <li>• If you do not take up your Entitlement, you will have your percentage holding in the Company reduced as a result of the Entitlement Offer.</li> </ul>

If you have any doubt about how you should deal with your Entitlements, you should seek professional advice from an adviser who is licensed by ASIC to give that advice before making any investment decision.

You should carefully read:

- The “Risks” section of the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet; and
- Section 5 of this Retail Entitlement Offer Booklet for information on the Australian taxation implications of each option.



## 2 Details of the Entitlement Offer

TSI is conducting a 1 for 1 pro-rata accelerated non-renounceable entitlement offer to Shareholders as at the Record Date at the Offer Price of A\$0.25.

### 2.1 Institutional Entitlement Offer and Conditional Placement

On Monday, 10 July 2023, TSI announced that it had successfully completed the Institutional Entitlement Offer and the Conditional Placement, raising approximately A\$27.9 million. Settlement of the Institutional Entitlement Offer and the Conditional Placement is expected to occur on Wednesday, 12 July 2023. The 111.6 million New Shares to be issued under the Institutional Entitlement Offer and the Conditional Placement are expected to be allotted and commence trading on Thursday, 13 July 2023.

### 2.2 Retail Entitlement Offer

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders (as defined in Section 6.1 (Important Information)), who are being invited to subscribe for 1 New Share for every 1 existing Share held as at the Record Date at 7.00pm (AEST) on Tuesday, 11 July 2023, at the Offer Price of A\$0.25 per New Share. The offer ratio and Offer Price under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

You should note that not all TSI shareholders will be eligible to participate in the offer of New Shares. Please read Section 6.1 (Important Information) for more information.

The Retail Entitlement Offer opens on Friday, 14 July 2023. The Retail Entitlement Offer Booklet will be dispatched on Friday, 14 July 2023, along with a personalised Entitlement and Acceptance Form, to Eligible Retail Shareholders. The Retail Entitlement Offer is expected to close at 5.00pm (AEST) on Tuesday, 25 July 2023.

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

As a result, this Retail Entitlement Offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on TSI and the Retail Entitlement Offer made publicly available by TSI, prior to taking up all or part of their Entitlement. In particular, please refer to the Offer materials enclosed in Section 4 of this Retail Entitlement Offer Booklet, TSI's latest interim and annual report, other announcements made available at [www.asx.com.au](http://www.asx.com.au) and all other parts of this Retail Entitlement Offer Booklet carefully before making any decisions in relation to your Entitlement.

Please consult with your stockbroker, solicitor, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer. You should also refer to the "Risks" section in the Investor Presentation released to ASX on Monday, 29 May 2023, a copy of which is included in Section 4 of this Retail Entitlement Offer Booklet.

### 2.3 Oversubscription Facility

Any Entitlement not taken up pursuant to the Retail Entitlement Offer will be offered under an Oversubscription Facility.

Eligible Retail Shareholders who take up all of their Entitlement (excluding any Listing Rule 10.11 Parties) may apply for Additional Shares. Any Retail Shortfall may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for Additional Shares.

If you apply for Additional Shares, and if your application is successful (in whole or in part), your Additional Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer. If you apply for Additional Shares, there is no guarantee that you will be allocated any Additional Shares.

Additional Shares will only be allocated to Eligible Retail Shareholders if there is a Retail Shortfall, and subject to the Corporations Act, Listing Rules and other applicable laws and regulations. If Eligible Retail Shareholders apply for more Additional Shares than there is a Retail Shortfall, the Company will scale back allocations in accordance with the pro rata Entitlements of those Eligible Retail Shareholders who apply for Additional Shares (**Allocation Policy**).

Application Monies received by the Company in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many Additional Shares as that excess amount will pay for in full at the Offer Price (subject to the maximum number of Additional Shares and the Allocation Policy referred to above).

If, following allocation of New Shares under the Oversubscription Facility, there remains a Retail Shortfall which has not been allocated, Shares the subject of the Retail Shortfall may at the discretion of the Board be placed with existing Shareholders who participated in the Institutional Entitlement Offer.

## **3 How to Apply**

### **3.1 Your Entitlement**

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 1 Share you held as at the Record Date of 7.00pm (AEST) on 11 July 2023. Where fractions arise in the calculation of Entitlements, they will be rounded up or down to the nearest whole number of New Shares (with fractions of exactly one half to be rounded up).

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and rank equally with existing TSI Shares on issue.

The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a person in the United States (see definition of Eligible Retail Shareholder in Section 6.1 (Important Information)).

#### Nominees

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders (as defined in Section 6.1 (Important Information)) on the register of TSI at 7.00pm (AEST) on the Record Date. TSI does not undertake to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

Any person (such as a nominee or custodian) that is or is acting for the account or benefit of a person in the United States may not participate in the Retail Entitlement Offer on behalf of such persons in the United States, and may not send this Retail Entitlement Offer Booklet or any other materials into the United States.

TSI does not undertake to advise you on any foreign laws or of how the restrictions apply to you.

### **3.2 Options Available to You**

If you are an Eligible Retail Shareholder, you may do any one of the following:

- take up all or part of your Entitlement (refer to Section 3.3); or
- do nothing and let your Entitlements lapse (refer to Section 3.4).

Ineligible Retail Shareholders do not have any entitlement to participate in the Entitlement Offer. Eligible Retail Shareholders who do not participate in the Retail Entitlement Offer will have their percentage holding in TSI reduced. Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in TSI stay the same (if they take up all of their Entitlement) or reduce (if they take up only part of their Entitlement).

The Closing Date for the acceptance of the Retail Entitlement Offer is **5.00pm (AEST) on Tuesday, 25 July 2023** (however, that date may be varied by TSI, in accordance with the ASX Listing Rules).

### **3.3 Take Up All or Part of Your Entitlement**

If you decide to take up all or part of your Entitlement, there are two different ways you can submit your Application and Application Monies (refer to section 3.6 for instructions).

**Payment must be received by the Share Registry by no later than 5.00pm (AEST) on Tuesday, 25 July 2023.**

If you take up all or part of your Entitlement you will be issued your New Shares on or about Wednesday, 2 August 2023. TSI's decision on the number of New Shares to be issued to you will be final. If TSI receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment will be treated as an Application for as many New Shares as your payment will pay for in full.

TSI also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if TSI believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to TSI's satisfaction.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by direct credit to the nominated bank account as noted on the share register as at the Closing Date or by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders). No interest will be paid on refunded amounts.

Eligible Retail Shareholders who do not participate fully in the Retail Entitlement Offer will have their percentage holding in TSI reduced.

### **3.4 Take No Action and Let Your Entitlements Lapse**

If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means it is non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can the Entitlement be privately transferred.

### **3.5 Consequences of Not Accepting All or Part of Your Entitlement**

By allowing part or all of your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement in full and you will not receive any value for any part of your Entitlement which lapses. Your interest in TSI will also be diluted.

### **3.6 Payment**

There are two different ways you can submit your Application and Application Monies.

**Payment via BPAY® is highly recommended.**

If you are unable to pay by BPAY®, payments can be made by cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued.

TSI will treat you as applying for as many New Shares as your Application Monies will pay for in full up to your full Entitlement (at the Offer Price).

Any Application Monies received for more than your final allocation of New Shares will be refunded (only where the amount is A\$1.00 or greater) as soon as practicable. No interest will be paid on any Application Monies received or refunded.

### **3.7 Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Reference Number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that when paying via BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in the Important Information Section of this Retail Entitlement Offer Booklet; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

**It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on Tuesday, 25 July 2023** (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

Please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that Entitlement and Acceptance Form.

Any Application Monies received for more than your final allocation of New Shares will be refunded (only where the amount is A\$1.00 or greater) as soon as practicable. No interest will be paid on any Application Monies received or refunded.

### **3.8 Payment by Cheque, Bank Draft or Money Order**

To apply and pay by cheque, bank draft or money order, please complete the personalised Entitlement and Acceptance Form accompanying this Retail Entitlement Offer Booklet and return the form to the Share Registry (address details below) via post together with a cheque, bank draft or money order, which must be:

- for an amount equal to the full Application Monies (being the Offer Price multiplied by the number of New Shares you are applying for, up to your Entitlement);

- in Australian currency drawn on an Australian branch of a financial institution; and
- made payable to 'Top Shelf International Holdings Limited' and crossed 'Not Negotiable'.

A copy of your personalised Entitlement and Acceptance Form is also available at [www.investorserve.com.au](http://www.investorserve.com.au)

- Registered users: go to [www.investorserve.com.au](http://www.investorserve.com.au), then enter your username and password using the "Registered User Login". Select "My Portfolio" and then from the left-hand side of the page select "Company Announcements" for the Retail Offer Booklet and "Statements/Advices" for your personalised Entitlement Form.
- Unregistered users: go to [www.investorserve.com.au](http://www.investorserve.com.au), then select "Individual Investment Access". You will need to enter details regarding your Top Shelf shareholding in order to proceed. Once you have been validated, select from the left-hand side of the page "Company Announcements" for the Retail Offer Booklet and "Statements/Advices" for your personalised Entitlement Form.

You should ensure that sufficient funds are held in any relevant account(s) to cover the full Application Monies.

Please note that cash payments will not be accepted. Receipts for payment will not be issued.

**You need to ensure that your completed Entitlement and Acceptance Form and cheque, bank draft or money order reach the Share Registry by 5.00pm (AEST) on Tuesday, 25 July 2023 (subject to variation).**

By post to:

Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001

Entitlement and Acceptance Forms (and payments for any Application Monies) will not be accepted at any other address of if delivered by hand.

If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate Entitlement you hold.

### 3.9 New Zealand Holders

Eligible Retail Shareholders who are resident in New Zealand and are unable to pay via BPAY® by the Closing Date should contact the Share Registry on +61 2 9290 9600 from 9am to 5.30pm (AEST) Monday to Friday to make alternative arrangements.

### 3.10 Entitlement and Acceptance Form is Binding

A payment made through BPAY® or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding acceptance to acquire New Shares on the terms and conditions set out in this Retail Entitlement Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance

Form is not completed correctly it may still be treated as a valid application for New Shares. TSI's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- you have read and understand this Retail Entitlement Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Entitlement Offer Booklet, and TSI's constitution;
- you authorise TSI to register you as the holder(s) of New Shares allotted to you;
- you declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- you declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- that once TSI receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- you agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY® at the Offer price;
- you authorise TSI, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- the information contained in this Retail Entitlement Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- this Retail Entitlement Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in TSI and is given in the context of TSI's past and ongoing continuous disclosure announcements to ASX, which is publicly available at [www.asx.com.au](http://www.asx.com.au);

- you have read and understood the statement of key risks in the “Risks” section of the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet, and understand and acknowledge that investments in TSI are subject to risk;
- none of TSI or its related bodies corporate or affiliates or their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of TSI, nor do they guarantee the repayment of capital;
- you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- you authorise TSI to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- you represent and warrant (for the benefit of TSI and its related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- you represent and warrant that the law of any place does not prohibit you from being given this Retail Entitlement Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- you represent and warrant that you are Eligible Retail Shareholders and not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;
- you and each person on whose account you are acting understand and acknowledge that the New Shares have not been, or will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States and may not be offered, sold or otherwise transferred in the United States. You further acknowledge that the New Shares may only be offered, sold or resold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act;
- you are subscribing for Entitlements and/or purchasing New Shares outside the United States (i.e. in an “offshore transaction” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act);
- you have not and will not send this Retail Entitlement Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States, to any person acting for the account or benefit of a person in the United States, or to any person in any other country outside Australia and New Zealand;
- if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S.



Securities Act, including in regular way transactions on the ASX or otherwise where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;

- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Entitlement Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Entitlement Offer to any such person; and
- determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer, and in particular, the question as to whether an eligible shareholder is an Eligible Institutional Shareholder or an Eligible Retail Shareholder, is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of TSI. TSI disclaims any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

### **3.11 Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) from 9am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

## 4 ASX Offer Announcements



### DISCLAIMER

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Statements and information in this document are current only as at the date of this document and the information in this document remains subject to change without notice. The information contained in this document is for information purposes only and is an overview and does not contain all information necessary to make an investment decision or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the *Corporation Act 2001* (Cth) (*Corporations Act*). The information contained in this document is of a general nature and does not purport to be complete or verified by the Company or any other person. Neither the Company nor its officers, employees, consultants, representatives or agents have any responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this document, which may affect any matter referred to in this document.

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Certain statements in this document constitute forward looking statements and comments about future events, including the Company's expectations about the performance of its businesses. These can be identified by words such as "may", "about", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- (a) assumptions regarding the Company's financial position, business strategies, plans and objective of management for future operations and development and the environment in which the Company will operate; and
- (b) current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

The forward-looking statements contained within the presentation are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include: general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; technology and infrastructure; conduct of contracted counterparties; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this presentation should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statement to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The data, projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company. Past performance is not indicative of future performance and no guarantee of future returns is implied or given. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the Company. No Limited Party or any other person makes any representation, or gives any assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this document will occur. Subject to any continuing obligations under applicable law the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. You must not place undue reliance on these forward-looking statements.

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# KEY HIGHLIGHTS

**\$35–40m equity capital raising to reduce debt and provide for a fully funded business model**

## 1. EXTEND OPERATING RUNWAY

- Equity raising of \$35.0–40.0m provides funding to execute operational plan that creates long term value
- Provides capital through to profitable financial performance

## 2. REDUCE EXISTING DEBT

- Funds from equity raising used to retire debt of a minimum of \$15.0m up to \$20.0m, allowing for refinancing of the balance of the existing facility.
- Interest cost saving of approx. \$1.5m - \$2.0m p.a.

## 3. RETAIN OWNERSHIP OF AGAVE ASSETS

- Equity raising removes the proposed sale & leaseback of the agave farm at Eden Lasele, thus retaining ownership of a strategic long-term asset.

## 4. FURTHER UPSIDE OPPORTUNITIES RETAINED

- Further opportunities exist to realise value (and improve operational profitability) for shareholders including:
  1. Strategic review of TSI's asset base
  2. Seek distribution partner to accelerate and expand brand distribution both locally and international
  3. Third party distilling opportunities

## 5. SUPPORT OF MAJOR SHAREHOLDERS

- Proposed recapitalisation of TSI has received strong support from major shareholders
- The Company has been advised by Salter Brothers Capital Pty Ltd

## 6. SUPPORT OF BOARD

The TSI Board considers that the proposed capital raising is a superior outcome for shareholders than the sale and leaseback alternative, as it:

- significantly reduces the Company's debt and associated interest expense;
- gives the Company additional runway to establish a profitable business model; and
- retains ownership of its the Australian Agave Spirit Farm and Distillery in Queensland, which the Board believes will provide the company an improved competitive position over the medium to longer terms.

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# KEY BUSINESS INITIATIVES

## Business Model Ongoing Refinement

- Gross margin improvement initiatives through execution of:
  - Brand premiumisation
  - Price optimisation
  - Product mix
  - COGS improvements
- Winning further retail distribution
- Targeted international market (including duty free) growth
- Completion of Agave distillery project
- Act of Treason Australian Agave market launch anticipated in October 2023
- Reduction in operating cost base:
  - Continued focus on cost out and minimisation initiatives by business unit
  - Continue organisational structure review
  - Sales & marketing model optimisation
  - Improve on culture for high performance and rigorous cost management



# OFFER SUMMARY

## Equity raising to be completed into two parts: 1) Conditional Placement and 2) Entitlement Offer

OFFER DETAILS	
Shares On Issue <sup>1</sup>	84,189,533
Last Close Price	\$0.285 per share as at last close (as at 19 May 2023)
Market Capitalisation	\$22,304,926 as at last close
Offer Price	\$0.25 per share <ul style="list-style-type: none"> <li>• 8.0% discount to last close price</li> <li>• 15.8% discount to 5-day VWAP</li> <li>• 19.0% discount to 10-day VWAP</li> </ul>
Offer Size	Approximately A\$25.0-40.0 million (or approximately 150 million New Shares equivalent to approximately 180% of Top Shelf's existing Shares on issue). Following completion of the Offer, the Offeror will have approximately 235 million Shares on issue. <sup>3</sup>
Ranking	New Shares issued under the Offer will rank equally with existing shares of the Company from the date of issue.
Information Materials	As specified in paragraphs (a) – (g) in the definition of "Information Materials" in Section 2.1 of the Master ECM Terms available at <a href="https://afma.com.au/standards/standard-documentation">https://afma.com.au/standards/standard-documentation</a> ("Master ECM Terms" or "Terms").

1. Does not include any New Shares issued as a result of the Offer or shares or options issued as consideration to Selber Brothers Pty Ltd for acting as lead manager and arranger, 2. The Lead Manager and the Company reserve the right to close the book early and without notice, 3. See Note on slide 7



## SOURCE AND USE OF FUNDS

Source of Funds	A\$m
Placement	\$19m
Entitlement Offer	\$18.0m - \$21.0m
<b>Total</b>	<b>\$35.0m-40.0m</b>

Use of Funds	A\$m
Repayment of debt principal	\$15.0m - \$20.0m
Capex (incl. agave distillery project and recurring maintenance)	\$6.5m
Debt costs & leases	\$3.5m
Restructuring costs	\$1.0m
Working capital	\$8.3m
Transaction costs	\$2.7m
<b>Total</b>	<b>\$35.0m-\$40.0m</b>

Note: Seltzer Brothers Capital and the Company have agreed that 15% of 99 Capital's management and selling fee shall be settled by way of additional Shares at the Offer Price, subject to shareholder approval at the General Meeting to be held in late June 2023. Seltzer Brothers Capital will be also entitled to 6 million options to be granted to 99 Capital or its nominee under a prospectus (comprising 2 million options with an exercise price of \$0.50 and 3 million options with an exercise price of \$0.75 and in each case having a two year term).

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## PRO FORMA BALANCE SHEET

\$m	Reported	PF adj 1	PF adj 2	Pro forma
<b>Assets</b>				
Cash and cash equivalents	8.7	9.3	17.4	35.4
Trade and other receivables	8.2	-	-	8.2
Inventories	12.4	-	-	12.4
Other current assets	1.3	-	-	1.3
Property, plant & equipment	31.3	-	-	31.3
Biological assets	19.8	-	-	19.8
Right-of-use assets	8.0	-	-	8.0
Other non-current assets	8.8	-	-	8.8
<b>Assets - total</b>	<b>98.5</b>	<b>9.3</b>	<b>17.4</b>	<b>125.2</b>
<b>Liabilities</b>				
Trade and other payables	(12.8)	-	-	(12.8)
Lease liabilities	(7.1)	-	-	(7.1)
Provisions	(1.3)	-	-	(1.3)
Borrowings	(62.3)	-	20.0	(42.3)
<b>Liabilities - total</b>	<b>(83.5)</b>	<b>-</b>	<b>20.0</b>	<b>(63.5)</b>
<b>Net assets</b>	<b>42.0</b>	<b>9.3</b>	<b>37.4</b>	<b>61.7</b>
<b>Equity</b>				
Issued capital	95.8	9.3	37.4	142.5
Reserves	2.7	-	-	2.7
Accumulated losses	(56.5)	-	-	(56.5)
<b>Equity - total</b>	<b>42.0</b>	<b>9.3</b>	<b>37.4</b>	<b>88.7</b>

### Pro forma balance sheet – 31 December 2022

The consolidated balance sheet of Top Shelf International Holdings Ltd and wholly owned subsidiaries is presented opposite as at 31 December 2022, the Company's most recent reporting date.

The pro forma balance sheet should be considered illustrative only and does not reflect the trading performance of the Company from 31 December 2022 to the date of the Offer.

The pro forma adjustments illustrate:

*PF adjustment 1:* the impact of the \$10 million capital placement transaction completed by the Company in March 2023.

*PF adjustment 2:* the estimated impact of the Offer as described in this document being

- a capital raising of \$40 million (before transaction costs); and
- the partial use of Offer funds to repay debt principal of \$20 million.

Should the Offer raise \$40 million, the Company's outstanding debt principal post completion of the Offer will be \$15.0 million. An Offer raise of \$35.0 million will reduce the Company's outstanding debt principal by \$15.0 million to \$20.0 million.

## TIMETABLE

Indicative Timetable <sup>1</sup>	Date/Time
Notice of Extraordinary General Meeting	Tuesday, 30 May 2023
Extraordinary General Meeting Institutional Entitlement Offer Opens Institutional Entitlement Offer Closes 5.00pm	Wednesday, 28 June 2023
Announcement of results of Institutional Entitlement Offer and Placement to ASX	Thursday, 29 June 2023
Record Date Institutional Settlement Date	Friday, 30 June 2023
Institutional Issue Date	Monday, 3 July 2023
Retail Opening Date	Tuesday, 4 July 2023
Retail Closing Date (5.00pm)	Thursday, 13 July 2023
Company announces results of the Retail Entitlement Offer to ASX	Tuesday, 18 July 2023
Retail Settlement Date	Thursday, 20 July 2023
Retail Issue Date	Friday, 21 July 2023

<sup>1</sup> All dates and times are indicative only and references to time refer to Australia Eastern Standard Time (AEST). The Lead Manager and the Company reserve the right to vary these dates and times without notice.



## HISTORICAL FINANCIAL INFORMATION



## FY23 1H | PROFIT OR LOSS AND CASH FLOWS

Group Profit or Loss			Group cash flows		
	FY23 1H	FY22 1H		FY23 1H	FY22 1H
Revenue	14.7	8.8	Reported EBITDA	(2.8)	(7.8)
Gross margin	3.5	2.4	Exclude non-cash profit or loss items	(2.6)	(2.8)
Agave plant fair value gain	3.1	3.1	Working capital investment <sup>1</sup>	(4.6)	0.2
Other income	0.2	-	Capital expenditure	(2.6)	(1.6)
Distribution	(0.5)	(0.5)	Research & development income	-	0.9
Selling	(3.0)	(2.6)	Net cash flow before financing activities	(19.0)	(11.1)
Marketing	(0.7)	(1.1)	Lease payments	(0.4)	(0.5)
Operating	(2.5)	(2.0)	Net financing costs	(1.4)	(0.5)
Operating contribution	(9.1)	(9.8)	Net proceeds from borrowings	8.0	8.7
Business and brand investment	(4.5)	(2.7)	Net proceeds from capital raising activities	-	32.5
Contribution margin	(4.6)	(3.0)	Net cash flow	(13.4)	29.2
Group support	(3.7)	(3.3)	Closing cash position	6.7	38.7
Underlying EBITDA <sup>1</sup>	(9.3)	(9.8)			
Cash gross profit %	28.8%	28.7%			
Net ex-man gross profit %	38.8%	38.6%			
Product COGS as % of net ex-man revenue	61.2%	62.0%			
Operating costs as % of revenue	46.7%	71.4%			

Note 1: Underlying EBITDA excludes non-cash share based payment expense FY23 1H: \$0.5 million (and other costs considered to be non-recurring in FY23 1H \$1.0 million).

Note 2: In FY23 1H, TSI investment in working capital included new make whisky production (\$0.8 million); agave agronomy expenditure (\$0.8 million), investment in trade debtors (\$1.5m) and increased inventory holdings (\$0.7 million) in anticipation of production demands during FY23 Q2.

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## GROUP FINANCIAL POSITION – 31 DEC 2022

Group Net Tangible Assets		
	Dec-22	Jun-22
Cash	6.7	20.1
Trade and other receivables	8.2	6.5
Inventories <sup>1</sup>	13.4	11.3
Property, plant & equipment	31.0	29.9
Agave plant biological assets	19.6	15.7
Right-of-use assets	6.0	6.3
Other	2.0	2.3
Tangible assets – total	96.9	91.0
Trade and other payables	(12.0)	(13.1)
Provisions	(1.3)	(1.2)
Lease liabilities	(7.1)	(7.1)
Borrowings	(32.2)	(23.9)
Liabilities – total	(52.6)	(45.3)
Net tangible assets <sup>2</sup>	33.8	45.7

Note 1: TSI's inventories are recognized at cost for accounting purposes. At 31 December 2022, TSI's maturing inventories held at cost of \$6.9 million represented a future gross margin of \$29 million (applying margins recognized in FY23 1H).

Note 2: TSI's unaudited net asset position of \$43.0 million at 31 December 2022 includes intangible assets (\$2.2 million) and deferred tax assets (\$6.0 million) in addition to the net tangible assets summarized opposite.

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# RISKS



# RISKS

This section identifies some, but not all, of the major risks associated with an investment in the Company.

#### Top Shelf's brands and marketing and sales strategies may not be successful

Top Shelf's future success is partly dependent on the realisation of benefits from investment in its brands and sales and marketing strategies, initiatives and campaigns. Top Shelf expects that the costs of developing its existing NED and Grainwater brands and upcoming agave brand, and associated marketing strategies, initiatives and campaigns will continue to increase as Top Shelf's business and product range grows. However, there is no guarantee that Top Shelf will realise any benefits from such brand investments, marketing strategies, initiatives and campaigns, for example, if such brands, marketing strategies, initiatives or campaigns do not resonate with potential consumers or fail to capture market share. Failure to realise the benefits of investment in its brands, marketing strategies, initiatives and campaigns may adversely impact Top Shelf's ability to attract new customers and as a result Top Shelf's operating and financial performance.

#### Top Shelf may fail to comply with safety and quality standards and other legal and regulatory requirements

Raw ingredients (such as grains required for the production of whisky and vodka) as well as final products are susceptible to deterioration, contamination, tampering or adulteration throughout all stages of the supply chain (including storage) or may otherwise be unsafe or unfit for sale or consumption. This may result from various factors, including human error, equipment failure and other external factors that may impact Top Shelf and its suppliers and service providers. Increased sales volumes of Top Shelf's products, which may necessitate sourcing raw ingredients from new suppliers, multiple product and increased production runs and new product development, may also amplify the risk of non-compliance. Non-compliance with safety regulations and quality standards that apply to Top Shelf's products or the products Top Shelf bottles and packages for customers, and associated adverse publicity, could damage Top Shelf's brand and reputation, reduce demand for Top Shelf's products or services and result in other adverse consequences for Top Shelf, including regulatory penalties or other litigation, product recall and disposal costs, loss of inventory and delayed supply of Top Shelf's products or demand for Top Shelf's services.

Top Shelf must comply with a range of laws and regulations. These laws and regulations include but are not limited to liquor licensing, beverage standards and product content requirements, labelling and packaging (including mandatory dietary content disclosures), biosecurity, fair trading and consumer protection, employment, health and safety, property and the environment (including climate change and environmental protection), customs and tariffs and direct and indirect taxation and excise duties. Compliance with these laws and regulations, and the ability to comply with any change to these laws and regulations, is material to the success of Top Shelf's business. Failure to comply may result in a monetary fine or other penalty (such as loss of liquor or manufacturing licences or the ability to operate), additional costs, adverse publicity or a loss in consumer confidence in Top Shelf's products, which could have a material adverse effect on Top Shelf's operating and financial performance and reputation. Furthermore, new laws or regulations may be introduced, there may be a change to the existing laws or regulations or revised interpretations of those laws or regulations. These, as well as other regulatory changes, could impact Top Shelf's ability to successfully implement its business strategy and result in increased costs, damage to Top Shelf's reputation and loss of consumer confidence in the Company's products.

#### Changes in consumer trends and preferences may adversely impact sales of Top Shelf's products

The Australian alcoholic beverages market that Top Shelf operates in is subject to changing consumer trends, demands, preferences and attitudes, including as a result of shifting and evolving beliefs, tastes and dietary habits of end consumers, views advanced by celebrities and social media influencers, socioeconomic development and other economic conditions. Failure by Top Shelf to anticipate, identify and react to changing consumer trends in a timely manner in respect of some or all of Top Shelf's target end consumers could lead to reduced demand and price reductions for Top Shelf's products. Further, Top Shelf's current branded product and distribution mix are concentrated on whisky and vodka, which means that Top Shelf's revenue could be materially impacted by adverse changes in and consumer demand for those types of products.

#### Top Shelf may lose a key customer or customer support more generally

Risk of losing a key customer, including Independent Brands Australia (IBA), Australian Liquor Merchants (ALM) or Coles Liquor Group (CLG), or loss of customer support more generally may adversely impact Top Shelf's operating or financial performance.

Top Shelf's distribution arrangements with ALM and IBA operate under ALM's and IBA's standard trading terms and conditions, which can be terminated by ALM or IBA on short notice and without penalty. Further, ALM and IBA are under no obligation to purchase a particular volume of Top Shelf's products or to continue purchasing Top Shelf's products at all.

Any of Top Shelf's key customer relationships (including ALM, IBA or CLG) may be lost or impaired, for example if customers experience any dissatisfaction with Top Shelf's products or services or end consumers fail to purchase Top Shelf's products. This may (either temporarily or for a prolonged period of time) decrease the volume of products that Top Shelf is able to sell, and services Top Shelf is able to provide, to its customers. There can be no guarantee that customers will continue to purchase the same, similar or greater quantities of Top Shelf's products or services as they have historically. The loss of any of Top Shelf's key customers (including ALM, IBA or CLG), or a significant reduction in the volume of products purchased or services required by one or more key customers (including ALM, IBA or CLG), may adversely impact Top Shelf's operating or financial performance.

#### Top Shelf may suffer reputation or brand damage

The reputation of Top Shelf's products and brands and the value associated with them could be impacted by a number of factors including:

- quality issues (perceived or actual) with Top Shelf's products or services;
- a failure or delay in supplying products or services;
- the loss of Top Shelf's third party suppliers and Top Shelf's customers (including their employment practices or treatment of staff);



# RISKS

- a regulatory breach;
- adverse media coverage (including social media) or publicity about Top Shelf's products, services or practices (whether real or not) or changes in the public perception of the alcoholic beverage product industry; or
- workplace incidents or disputes with Top Shelf's workforce.

A material adverse impact to the reputation of Top Shelf's products, services or brands could adversely affect customer relationships, resulting in loss of business, loss of contract and loss of market share, and have a material adverse effect on Top Shelf's financial and operating performance.

#### Top Shelf operates in a highly competitive industry and it may fail to implement its growth strategy or manage growth

Top Shelf is a relatively small participant in the highly competitive Australian alcoholic beverage market and is subject to existing and growing competition from domestic and international producers of alcoholic beverages with greater market share and well established operations. Top Shelf may not successfully compete with its competitors, including by being able to maintain competitive prices for its products and services. Top Shelf may not succeed in implementing its growth strategies for a variety of reasons, including being unable to compete with existing domestic and international producers, an inability to access debt or equity capital, overall economic or market conditions or a failure to adapt its strategy over time where required. Such failure, and the costs incurred in seeking to implement its strategy, may materially and adversely affect the financial performance and future prospects of Top Shelf. There is also a risk that Top Shelf is unable to access supply of its product in a timely manner to grow its business or to meet increases in demand. For example, the production of Top Shelf's whisky products may be constrained by the time required for its whisky to mature. If Top Shelf is not in a position to grow its business or meet increases in demand on a timely basis, customers may instead choose to purchase alternative products and this may adversely impact Top Shelf's financial performance and ability to grow its business successfully.

#### Top Shelf may fail to attract and retain key management personnel

The successful operation of Top Shelf is dependent on its ability to attract and retain experienced, skilled and high performing key management and operating personnel. Failure to attract and retain certain personnel may adversely affect Top Shelf's ability to execute its business strategy and may result in a material increase in the cost of obtaining appropriately experienced personnel. This could also have a material adverse impact on Top Shelf's operating and financial performance and growth prospects.

#### Top Shelf may experience issues with its manufacturing or storage facilities

The equipment and management systems necessary for the operation of Top Shelf's manufacturing facilities may break down, perform poorly, fail, or be impacted by a fire or major weather event (such as a storm), resulting in manufacturing delays, increased manufacturing costs or an inability to meet customer demand. Furthermore, Top Shelf has a significant amount of product inventory stored in a number of facilities, including whisky that must be held down for a statutory minimum of two years. Top Shelf's storage facilities may be impacted by a fire or major weather event (such

as a storm) or subject to malicious attack, which may result in the loss, damage, contamination or destruction of all or some of its stored product inventory. Supplies of oak maturation barrels from overseas suppliers may also be adversely affected by interruptions to the supply chain.

Interruptions and delays to production and delivery of locally and internationally manufactured equipment to be installed in the agave distillery may delay construction and commissioning of the distillery and the timing and rate of production of agave spirit. This could result in delays in the release of product for sale, which may have a material adverse effect on Top Shelf's financial performance.

Any significant or sustained interruption to Top Shelf's manufacturing processes, or the loss, damage, contamination or destruction of stored product inventory, may materially adversely impact Top Shelf's production capacity and available inventory and, as a result, Top Shelf's sales.

Top Shelf leases the properties at which its Victorian manufacturing and storage facilities are located. While Top Shelf has entered into long term leases where possible, there is a risk that any of these leases may be terminated or not renewed. In these circumstances, Top Shelf would need to establish its operations (or part of its operations) at another property, which would cause Top Shelf to incur significant financial cost and result in material interruption to its business.

#### There may be an interruption in Top Shelf's supply chain

Top Shelf's relationships with its existing suppliers are not always formally documented nor exclusive, and some of these third party providers also have relationships with Top Shelf's competitors. Therefore, Top Shelf may not be able to retain its relationship with its third party suppliers. Further, the quantity and quality of Top Shelf's products may be adversely affected by weather or climatic conditions (including climate change). Any adverse change to weather or climatic conditions may impact the availability and sustainability of raw ingredients used by Top Shelf, including the grains required to produce whisky and vodka, as well as the agave plants planted at the Eden Lease agave farm, components of which Top Shelf expects to use as ingredients in its agave products. If a weather or climatic condition disrupts Top Shelf's supply chain, Top Shelf may not be able to source suitable raw ingredients and this may have a material adverse impact on Top Shelf's operations and financial performance.

The incidence of a biosecurity event such as a disease outbreak in the agave crop at the Eden Lease agave farm or in crops of key producers of the grains required to produce whisky or vodka could lead to a reduction in available raw ingredient supply to Top Shelf, which may in turn materially and adversely impact Top Shelf's operations, financial performance and reputation. Other biosecurity risks may arise from inadvertent actions such as use of contaminated ingredients or from deliberate actions. The incidence of such events could erode consumer confidence in Top Shelf's products. This may adversely impact demand for Top Shelf's products and have an adverse effect on the Company's financial performance.

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# RISKS

#### Top Shelf may fail to manage its inventory effectively

Top Shelf may fail to accurately forecast or manage its inventory levels. For example, if Top Shelf produces excess product that it cannot sell in a timely manner, the excess product may need to be sold at a discount and Top Shelf may be required to bear the costs of the surplus product and recognise inventory write-down costs. This may have a material adverse impact on the financial position of Top Shelf and its operating results.

#### Top Shelf may experience significant increases in manufacturing costs

Top Shelf may be adversely impacted by increases in manufacturing costs, including material increases in key ingredient prices such as grains required to produce whisky and vodka. The availability and price of key ingredients used in Top Shelf's products are influenced by global demand and supply factors outside of Top Shelf's control, and may be impacted by, amongst other things, climatic or environmental conditions or biosecurity events and Top Shelf's relationship with its key suppliers. Weather and climatic conditions such as droughts or other unforeseen weather patterns could impact supply and cause significant fluctuations in the availability of key ingredients, which may have flow-on price implications for Top Shelf. If there is a significant increase in the cost of the inputs of Top Shelf's products, this may have a material adverse effect on Top Shelf's operating and financial performance.

#### Top Shelf's confidential information may be lost or compromised

Top Shelf's finished products and the recipes and processes to produce them are confidential to Top Shelf and are of significant value to Top Shelf. There is a risk that the value of Top Shelf's confidential information may be compromised for a number of reasons, including:

- Top Shelf employees may breach operational procedures or employees or third parties may breach confidentiality obligations or infringe or misappropriate Top Shelf's confidential information;
- Top Shelf's third party suppliers may gain insights into Top Shelf's confidential information, including its confidential product specifications, and use these findings to develop alternative products that compete with Top Shelf; and
- third parties may develop non-infringing competitive products.

Any such breaches or competitive products could erode Top Shelf's market share. This could have a material adverse impact on Top Shelf's operating and financial performance and growth prospects.

#### Top Shelf may be involved in litigation or other disputes

Top Shelf may, from time to time, be subject to litigation and other claims or disputes in the ordinary course of its business or otherwise, including product liability claims, intellectual property disputes, contractual disputes, indemnity claims, occupational health and safety claims and employment disputes. The outcome of litigation cannot be predicted with certainty and adverse litigation outcomes could adversely affect Top Shelf's business, financial condition and reputation.

#### Top Shelf may not achieve profitability in the envisaged measure and / or timeframe

Top Shelf has an operational plan to deliver profitable financial performance through execution of the key business initiatives set out earlier in this presentation utilising the funds of the Offer. Unforeseen business interruptions or delays may require Top Shelf to alter its operational plan or deliver the plan in a timeframe different from that currently envisaged.

#### Top Shelf may be unable to access funding in a timely manner

Top Shelf may require raise additional debt finance or new equity in the future. If there is a deterioration in the level of liquidity in the debt and equity markets, or the terms on which debt or equity is available, this may prevent Top Shelf from being able to raise the relevant debt or equity. Consequently, if Top Shelf is unable to access funding when required, this may have a material adverse effect on Top Shelf's financial position and hinder its ability to execute its operational plan effectively. In addition, the Company's ability to continue as a going concern may be diminished.

#### Risks associated with investment in shares

There are general risks associated with investments in equity capital such as Top Shelf shares. The trading price of Top Shelf shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for New Shares being less or more than the Offer Price. Generally applicable factors that may affect the market price of Top Shelf shares (over which Top Shelf and its directors have no control) include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in interest rates and the rate of inflation;
- change in government regulation and policies; and
- geopolitical instability, including international hostilities and tensions and acts of terrorism, which may also in turn impact global trade flows.

No assurance can be given that the New Shares will trade at or above the Offer Price. None of Top Shelf, its directors or any other person guarantees the market performance of the New Shares.

There have been significant fluctuations and volatility in the price of equity securities in recent times, which may have been caused by general rather than company-specific factors, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geopolitical instability and global hostilities and tensions.

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# RISKS

## Risk of shareholder dilution

In the future, Top Shelf may elect to issue new shares to fund or raise proceeds for (among other things) acquisitions that Top Shelf may decide to make. While Top Shelf will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capacity it is able to issue within a 10-month period (other than where exceptions apply), shareholders may be diluted as a result of such issues of shares and fundraising.

## Impact of inflation and associated excise increases

The Australian government indexes the excise duty rates for Spirits and Other Potable Beverages twice per year, generally on 1 February and 1 August. The index is based on the upward movement of inflation, via the Consumer Price Index (CPI). There have been significant increases in excise duties over the past two years as a result of significant increases in inflation, with the Spirits and RTD excise rates increasing by 0.7 per cent from 1 February 2023.

Under the current system, further increases in inflation will result in further automatic excise increases. Such increases will also increase the price of Top Shelf's products and may have an adverse effect on consumer buying patterns and adversely impact Top Shelf's financial performance. The Australian Distillers Association, together with the trade body, Spirits & Cocktails Australia, has lodged a Pre 2023/24 Budget Submission calling on the Government to make modest changes to the spirits tax system. This included the recommendation to reduce the spirits rate to align it with the brandy excise rate and freeze CPI indexation on the spirits excise for the next three years. It is currently unknown if any changes will be made to the spirits excise system.

The impact of inflation and excise increases on Top Shelf's financial performance is expected to be mitigated as Top Shelf increases its focus on opportunities in international markets, noting that the excise does not apply to overseas sales.

In addition, governments may review and impose additional excise or other taxes on spirits.

## Changes in tax laws

Changes in tax law or changes in the way tax laws are interpreted may impact the level of tax that Top Shelf is required to pay or collect, shareholder returns, the level of dividend imputation or franking or the tax treatment of a shareholder's investment. In particular, both the level and base of taxation may change. Tax law is frequently being changed, both prospectively and retrospectively. Further, the status of some key tax reforms remains unclear at this stage. Additionally, tax authorities may review the tax treatment of transactions entered into by Top Shelf. Any actual or alleged failure to comply with, or change in the application or interpretation of, tax rules applied in respect of such transactions, may increase Top Shelf's tax liabilities or expose it to legal, regulatory or other actions.

## Changes in accounting standards and their interpretation

Changes to accounting or financial reporting standards or changes to the interpretation of those standards could

materially adversely impact the reported financial performance and position of Top Shelf.

## No guarantee of future dividends

Top Shelf currently has no plans to pay a dividend. There is no guarantee that Top Shelf will generate sufficient cash flow from its operations in the future to pay dividends.

## Force majeure events

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of Top Shelf and the price of Top Shelf shares. These events can have an adverse impact on the demand for Top Shelf's goods and services and its ability to conduct its business. Top Shelf has only a limited ability to insure against some of these risks. If any of these events occur, there may be a material adverse impact on Top Shelf's operations, financial performance and viability.

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## Top Shelf International Holdings Ltd

Principal Place of Business:  
16-18 National Boulevard  
Campbellfield  
Victoria  
Australia 3061

10 July 2023

*Not for release to US wire services or distribution in the United States*

### TOP SHELF INTERNATIONAL SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER AND CONDITIONAL PLACEMENT

#### KEY HIGHLIGHTS

- Completion of the Conditional Placement raised gross proceeds of approximately \$19 million
- Completion of the Institutional Entitlement Offer raised gross proceeds of approximately \$8.9 million
- Strong support shown by existing institutional shareholders, as well as TSI CEO and directors who are shareholders
- Retail offer component of the Entitlement Offer ("Retail Entitlement Offer") opens on Friday, 14 July 2023

Top Shelf International Holdings Limited (ASX:TSI) ("TSI"), is pleased to announce the successful completion of its institutional placement ("**Conditional Placement**") and the accelerated institutional component ("**Institutional Entitlement Offer**") of a 1 for 1 pro rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**") of new fully paid TSI ordinary shares ("**New Shares**") announced on Friday, 7 July 2023 (the Conditional Placement and Entitlement Offer collectively, the "**Equity Raising**").

The Placement and the Institutional Entitlement Offer attracted strong support from existing institutional shareholders, together raising approximately \$27.9 million at an offer price of \$0.25 per New Share ("**Offer Price**").

Under the Institutional Entitlement Offer, TSI has agreed to issue approximately 35.6 million New Shares at the Offer Price to raise approximately \$8.9 million. Approximately 60% of entitlements available to eligible institutional investors were taken up.

The New Shares to be issued under the Conditional Placement and the Institutional Entitlement Offer will rank equally with existing TSI ordinary shares in all respects from the date of their issue. Settlement of the Conditional Placement and Institutional Entitlement Offer is expected to take place on Wednesday, 12 July 2023, with the New Shares expected to be allotted, and commence trading, on Thursday, 13 July 2023.

Top Shelf International Holdings Ltd (ABN 22 164 175 535)

## **RETAIL ENTITLEMENT OFFER**

The Retail Entitlement Offer is expected to open at 9:00am (Melbourne time) on Friday, 14 July 2023 and close at 5:00pm (Melbourne time) on Tuesday, 25 July 2023. It may raise up to approximately \$8.2 million.

Under the Retail Entitlement Offer, retail shareholders with a registered address in Australia or New Zealand ("**Eligible Retail Shareholders**") will be invited to apply for 1 New Share for every 1 existing TSI share held at the Record Date (being 7.00pm (Melbourne time) on Tuesday, 11 July 2023) at the same Offer Price as the Conditional Placement and the Institutional Entitlement Offer.

The Retail Entitlement Offer is non-renounceable, and entitlements will not be tradeable or otherwise transferable.

Please note that shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer, and will be notified by TSI that they are ineligible to participate in the Entitlement Offer. Eligible Retail Shareholders will receive an Information Booklet, including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Retail Entitlement Offer. Under the Retail Entitlement Offer, Eligible Retail Shareholders who take up their full entitlement may also apply for additional New Shares in excess of their entitlement at the Offer Price (subject to scale-back pro rata to their shareholdings).

**END**

This announcement was approved by Adem Karafili as Executive Chair of Top Shelf.

### **For more information (investors and media):**

For further information, please:

- visit our investor website <https://www.topshelfgroup.com.au/investors> or contact investor relations at [info@topshelfgroup.com.au](mailto:info@topshelfgroup.com.au) or on (03) 8317 9990; or
- contact Matt Slade on +61 409 916 474.

### **About Top Shelf**

Top Shelf International is a Melbourne based distiller and marketer of premium Australian spirits, with distinctive brands in NED Australian Whisky and Grainshaker Hand Made Australian Vodka. The Company has a track record of success creating high quality, premium Australian products and brands; each in its own way encapsulating a distinctive Aussie attitude, social experience and flavour profile.

The Company has expertise in the development and production of distilled spirits, undertakes a significant level research and development and operates modern fermentation, distillation and packaging facilities in Campbellfield, Victoria. The Company is creating Australia's first agave spirit range and is developing an Agave farm in The Whitsundays region of Queensland specifically chosen for the suitability of its climate for growing blue agave. In development of the farm the Company has committed to the application of up-to-date and innovative horticultural practices. In addition to distilling and manufacturing its own portfolio of spirit brands, Top Shelf also provides canning, bottling and packaging services to a range of customers.

### **Not an offer in the United States**

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any

securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Top Shelf, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Top Shelf's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward looking statements are based on information available to Top Shelf as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Top Shelf, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise.



## Top Shelf International Holdings Ltd

Principal Place of Business:  
16-18 National Boulevard  
Campbellfield  
Victoria  
Australia 3061

7 July 2023

*Not for release to US wire services or distribution in the United States*

### UPDATE ON CAPITAL RAISING

Top Shelf International Holdings Limited (**Top Shelf** or the **Company**) is pleased to announce that it has received shareholder approval for the conditional placement announced on 29 May 2023 at an extraordinary general meeting.

As foreshadowed on 29 May 2023, the Company is now pleased to announce the launch of a 1 for 1 accelerated non-renounceable entitlement offer (**Entitlement Offer**) at a price of \$0.25 per share to raise up to \$21 million (before costs). The Entitlement Offer comprises an accelerated institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

As previously announced, the \$19 million institutional placement (**Conditional Placement**) approved earlier today was fully covered by pre-commitments from institutional investors. Those pre-committed investors have agreed to lower the minimum raising requirement of \$35 million previously announced to \$30 million, to give the Company certainty that the offer will proceed.

The Company has to date received pre-commitments of \$11 million from investors (including institutional shareholders of the Company) in respect of the Entitlement Offer for aggregate pre-commitments of \$30 million.

An amount of \$2.125 million of that pre-commitment is in respect of any shortfall from the Retail Entitlement Offer, to the extent it does not raise at least that amount, and will be received following close of the Retail Entitlement Offer. All other pre-commitments are in respect of the Institutional Entitlement Offer and will be received by the Company on the Institutional Settlement Date.

In connection with these changes, the Company has agreed to reduce the exercise price of the 5 million options to be granted to the Lead Manager or its nominees. Those options will have a nil exercise price and will be allocated by the Lead Manager to third parties who took up commitments in respect of the Conditional Placement or Entitlement Offer. All options have a two year term.

The anticipated proceeds from pre-committed investors will ensure TSI has sufficient funds to reduce debt and fund the business to breakeven.

### USE OF PROCEEDS

Please refer to the Company's announcement of 29 May 2023 for details of the Offer and the intended use of proceeds.

Top Shelf International Holdings Ltd (ABN 22 164 175 535)

## OFFER TIMETABLE

Item	Date
Trading halt (before market open) EGM to approve placement (9.00am) Announcement of EGM results and ANREO Lodgement of s708AA(2)(f) cleansing notice and Appendix 3B (prior to 12.00pm) Institutional offer opens (10.00am)	Friday, 7 July 2023
Institutional offer closes (7.00am) Announcement of results of institutional offer (before market open) Trading resumes on an ex-entitlement basis	Monday, 10 July 2023
Record Date	Tuesday, 11 July 2023
Settlement of institutional offer and conditional placement on a DvP basis. Lodgement of Appendix 2A prior to 12.00pm.	Wednesday, 12 July 2023
Shares issued to institutional investors in entitlement offer and conditional placement commence trading Lodgement of s708A(5)(e) cleansing notice (prior to market open)	Thursday, 13 July 2023
Announcement of despatch of offer booklet Retail offer opens	Friday, 14 July 2023
Retail offer closes	Tuesday, 25 July 2023
Settlement of retail shortfall and related applications on a DvP basis	Monday, 31 July 2023
Announcement of results of retail offer (before market open) Lodgement of Appendix 2A (prior to 12.00pm)	Tuesday, 1 August 2023
Shares issued to retail shareholders in entitlement offer commence trading	Wednesday, 2 August 2023

END

This announcement was approved by Adem Karafili as Executive Chair of Top Shelf.

### For more information (investors and media):

For further information, please:

- visit our investor website <https://www.topshelfgroup.com.au/investors> or contact investor relations at [info@topshelfgroup.com.au](mailto:info@topshelfgroup.com.au) or on (03) 8317 9990; or
- contact Matt Slade on +61 409 916 474.

### About Top Shelf

Top Shelf International is a Melbourne based distiller and marketer of premium Australian spirits, with distinctive brands in NED Australian Whisky and Grainshaker Hand Made Australian Vodka. The Company has a track record of success creating high quality, premium Australian products and brands; each in its own way encapsulating a distinctive Aussie attitude, social experience and flavour profile.

The Company has expertise in the development and production of distilled spirits, undertakes a significant level research and development and operates modern fermentation, distillation and packaging facilities in Campbellfield, Victoria. The Company is creating Australia's first agave spirit range and is developing an Agave farm in The Whitsundays region of Queensland specifically chosen for the suitability of its climate for growing blue agave. In development of the farm the Company has committed to the application of up-to-date and innovative horticultural practices. In addition to distilling and manufacturing its own portfolio of spirit brands, Top Shelf also provides canning, bottling and packaging services to a range of customers.

#### **Not an offer in the United States**

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Top Shelf, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Top Shelf's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward looking statements are based on information available to Top Shelf as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Top Shelf, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise.



## 5 Australian Taxation Implications

### 5.1 General

Set out below is a general summary of the Australian income tax, Goods and Services Tax (GST) and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Shareholders.

Neither TSI nor any of its officers or employees, nor its taxation or other advisers, accept any liability or responsibility in respect of any taxation consequences of the Entitlement Offer or any associated statements made within this document.

The comments in this section cover the Australian taxation implications of the Entitlement Offer only if you (referred to in this section as **Eligible Retail Shareholder, Shareholder or you**):

- are an Eligible Retail Shareholder;
- are an Australian resident for Australian income tax purposes; and
- hold your Existing Shares on capital account for Australian income tax purposes.

The comments do not apply to you if:

- you are a non-resident for Australian income tax purposes;
- your shares are subject to the Taxation of Financial Arrangements (**TOFA**) provisions contained in Division 230 of the *Income Tax Assessment Act 1997* (Cth);
- you hold your Existing Shares as revenue assets or trading stock;
- you acquired your Existing Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme;
- acquired Entitlements otherwise than because you are an Eligible Retail Shareholder; or
- you are exempt from Australian income tax.

The comments in this section are necessarily general in nature and are not an authoritative or complete statement of all potential tax implications for each Eligible Retail Shareholder.

The comments are based on the Australian tax legislation and administrative practice in force as at the date of this Retail Offer Booklet. They do not take into account or anticipate changes in Australian tax legislation or future judicial or administrative interpretations of law after this time unless otherwise specified. The comments also do not take into account tax law of any country other than Australia.

The comments do not take into account any financial objectives, tax positions or investment needs of Eligible Retail Shareholders. As the taxation implications of the Entitlement Offer will vary depending upon your particular circumstances, you should seek and rely upon your own professional tax advice before concluding on the particular taxation treatment that will apply to you.

## 5.2 Australian Tax Considerations for Eligible Retail Shareholders

### Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included in the assessable income of an Eligible Retail Shareholder.

### Exercise of Entitlements

If an Eligible Retail Shareholder exercises all or part of their Entitlements under the Entitlement Offer, the Eligible Retail Shareholder will acquire New Shares. Each New Share acquired upon exercising the Entitlement will comprise a capital gains tax (**CGT**) asset, being a share in TSI. An Eligible Retail Shareholder should not derive any assessable income, or make any capital gain or capital loss at the time of exercising their Entitlement under the Entitlement Offer. For CGT purposes, each New Share should:

- be taken to have been acquired on the date the New Share is issued to the Eligible Retail Shareholder; and
- have a cost base (and reduced cost base) that is equal to the Offer Price that is payable for the New Share plus certain non-deductible incidental costs incurred in acquiring the New Share.

### Lapse of Entitlement

If an Eligible Retail Shareholder does not accept all or part of their Entitlement in accordance with the instructions, that Entitlement will lapse and the Eligible Retail Shareholder will not receive any consideration. There should be no Australian tax implications for an Eligible Retail Shareholder from the lapse of all or some of their Entitlements.

### Distributions on New Shares as a result of Entitlements exercised

Any future dividends or other distributions made in respect of New Shares should constitute assessable income of an Eligible Retail Shareholder and should be subject to the same income taxation treatment as dividends or other distributions made in respect of Existing Shares held in the same circumstances.

### Disposal of New Shares

The disposal of a New Share will be a disposal for CGT purposes.

An Eligible Retail Shareholder should make a capital gain if the capital proceeds on disposal exceed the cost base of the New Share, or a capital loss if the capital proceeds are less than the reduced cost base of the New Share.

An Eligible Retail Shareholder that is an individual, trustee or complying superannuation entity and that has held their New Shares for 12 months or more (not including the dates of acquisition and disposal of the New Shares) at the time of disposal may be entitled (subject to meeting other conditions) to apply the CGT discount to reduce the capital gain (after offsetting current year or carried forward capital losses). The CGT discount is 50% for individuals and entities acting as trustees and 33⅓% for complying superannuation entities.

The CGT discount is not available to companies (unless shares are held by a company in the capacity of trustee).

Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries under the CGT rules.

If a capital loss arises on disposal of the New Shares, the capital loss can only be used to offset other capital gains (i.e., the capital loss cannot be used to offset amounts contributing to taxable income that are not capital gains). However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, provided certain loss recoupment rules are satisfied.

#### Other Australian taxes

No GST or stamp duty should be payable by Eligible Retail Shareholders in respect of the issue or exercise of Entitlements or the acquisition of New Shares.

## 6 Important Information

This Retail Entitlement Offer Booklet (including the ASX Offer Announcements and enclosed personalised Entitlement and Acceptance Form) (**Information**) have been prepared by TSI. This Information is dated Friday, 14 July 2023 (other than the Investor Presentation and the ASX Announcements included in Section 4 of this Retail Entitlement Offer Booklet). This Information remains subject to change without notice and TSI is not responsible for updating this Information.

There may be additional announcements made by TSI after the date of this Retail Entitlement Offer Booklet and throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration of whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by TSI (by visiting the ASX website at [www.asx.com.au](http://www.asx.com.au)) before submitting your application to take up your Entitlement.

No party other than TSI has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

For the avoidance of doubt, to the maximum extent permitted by law, TSI excludes and disclaims all liability (including, without limitation, liability for negligence) for any direct, indirect, consequential, or contingent loss or damage howsoever and whenever arising from the use of any of the Information or participation in the Retail Entitlement Offer.

### **This Information is important and requires your immediate attention.**

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the key risk factors outlined in the “Risks” section of the Investor Presentation dated Monday, 29 May 2023 (a copy of which is included in Section 4 this Retail Entitlement Offer Booklet) any of which could affect the operating and financial performance of TSI or the value of an investment in TSI.

You should consult your stockbroker, solicitor, accountant or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

### 6.1 Eligible Retail Shareholders

This Information contains an offer of New Shares to Eligible Retail Shareholders in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*).

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (AEST) on Tuesday, 11 July 2023;
- have a registered address on the TSI share register in Australia or New Zealand as at 7.00pm (AEST) on the Record Date, or are a Shareholder not in Australia or New Zealand that TSI has otherwise determined is eligible to participate;
- are not in the United States, and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States);

- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

If you are a Retail Shareholder who does not satisfy each of the criteria listed above, you are an **“Ineligible Retail Shareholder”**. TSI reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

TSI may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that has a registered address in Australia and New Zealand and was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

TSI has decided that it is unreasonable to make offers under the Retail Entitlement Offer to Shareholders who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places. TSI may (in its absolute discretion) extend the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand (except the United States) in accordance with applicable law.

## 6.2 Ranking of New Shares

New Shares issued under the Entitlement Offer will rank equally with existing Shares. New Shares will be entitled to any dividends on ordinary shares with a record date after the date of issue. The rights and liabilities attaching to the New Shares are set out in TSI’s constitution, a copy of which is available at [www.asx.com.au](http://www.asx.com.au).

## 6.3 Issue, Quotation and Trading

TSI will apply to the ASX for official quotation of the New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, TSI will repay all Application Monies (without interest).

TSI disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the Official List of ASX or before receiving their confirmation of holding, whether on the basis of confirmation of the allocation provided by TSI or the Share Registry.

Subject to approval being granted, it is expected that the issue of New Shares under the Retail Entitlement Offer will take place on Wednesday, 2 August 2023 and that normal trading of New Shares allotted under the Retail Entitlement Offer will commence at 10.00am (AEST) on Wednesday, 2 August 2023. Application Monies will be held by TSI on trust for Applicants until the New Shares are issued. No interest will be paid on Application Monies.

## 6.4 Capital Structure

After the issue of New Shares under the Entitlement Offer, the capital structure of TSI is expected to be as follows (subject to reconciliations rounding of fractional Entitlements and take-up under the Retail Entitlement Offer)<sup>2</sup>:

Shares on issue as at Record Date	84 million
Shares issued under the Conditional Placement	76 million
Shares issued under the Institutional Entitlement Offer	35.6 million
Maximum number of New Shares to be issued under the Retail Entitlement Offer	24.8 million
Maximum number Shares on issue on completion of the Retail Entitlement Offer	220.4 million

## 6.5 Reconciliation, Top-Up Shares and the Rights of TSI

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. If reconciliation is required, it is possible that TSI may need to issue additional New Shares (**Top-Up Shares**) to ensure that the relevant investors receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

TSI also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Institutional Shareholders or Eligible Retail Shareholders, or persons claiming to be Eligible Institutional Shareholders or Eligible Retail Shareholders or other applicable investors, if TSI believes in its complete discretion that their Entitlement claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, TSI may, in its discretion, require the relevant shareholder to transfer excess New Shares to another person at the Offer Price per New Share. If necessary, the relevant shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by TSI in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of TSI to require any of the actions set out above.

## 6.6 No Cooling Off Rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been accepted.

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<sup>2</sup> This assumes that there is 100% take-up of entitlements under the Retail Entitlement Offer.

## 6.7 No Entitlements Trading

Entitlements are non-renounceable and so they cannot be traded on ASX or any other exchange, nor can they be privately transferred.

## 6.8 Risks

The Investor Presentation details important factors and key risks that could affect the financial and operating performance of TSI, a copy of which is included in Section 4 of this Retail Entitlement Offer Booklet. Please refer to the “Risks” section of the Investor Presentation for further details. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

## 6.9 Notice to Nominees and Custodians

If TSI believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- Institutional Shareholders who were treated as Ineligible Institutional Shareholders under the Institutional Entitlement Offer;
- beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- any Shareholder that is in the United States, including any Shareholder in the United States for whom the nominee or custodian holds Shares or acts; or
- Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Persons acting as nominees or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

TSI is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary, including following acquisition of Entitlements on ASX or otherwise, complies with applicable foreign laws. TSI is not able to advise on foreign laws.

Nominees and custodians may not distribute any part of this Retail Entitlement Offer Booklet in the United States or in any other country outside Australia and New Zealand except Australian and New Zealand nominees may send this Retail Entitlement Offer Booklet and related offer documents to beneficial shareholders who are professional or institutional shareholders in other countries (other

than the United States) listed in, and to the extent permitted under, the “International Offer Restrictions” section of the Investor Presentation included in this Retail Entitlement Offer Booklet.

#### **6.10 Continuous Disclosure**

TSI is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

TSI is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, TSI has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of TSI shares. That information is available to the public from ASX at [www.asx.com.au](http://www.asx.com.au).

#### **6.11 Not Investment Advice**

This Information is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. TSI is not licensed to provide financial product advice in respect of the New Shares. This Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with TSI’s other periodic statements and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should also consider whether you need to seek appropriate advice, including financial, legal and taxation advice appropriate to your jurisdiction. If, after reading the Information, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, solicitor, accountant or other independent professional adviser or call the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) at any time between 9am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

#### **6.12 Rounding of Entitlements**

Where fractions arise in the calculation of Entitlements, they will be rounded up or down to the nearest whole number of New Shares (with fractions of exactly one half to be rounded up).

#### **6.13 Information Availability**

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of the Information during the period of the Retail Entitlement Offer by calling the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) or from ASX at [www.asx.com.au](http://www.asx.com.au). Eligible Retail Shareholders who access the electronic version of the Information should ensure that they download and read the entire Information. The electronic version of the Information on the TSI or ASX website will not include a personalised Entitlement and Acceptance Form.



A replacement Entitlement and Acceptance Form can be obtained during the period of the Retail Entitlement Offer by calling the Share Registry on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) at any time between 9am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

#### **6.14 Governing Law**

The Information, the Retail Entitlement Offer and the contracts formed on acceptance of Retail Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

#### **6.15 Foreign Jurisdictions**

The Information has been prepared to comply with the requirements of the securities laws of Australia. TSI is not able to advise on the laws of any other foreign jurisdictions.

To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws.

The Information does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of the Information (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of the Information, you should observe such restrictions and should seek your own advice on such restrictions.

#### **6.16 Lead Manager**

TSI has entered into an agreement with the Lead Manager, who as agreed to act as the sole lead manager, arranger and bookrunner in respect to the Entitlement Offer and Conditional Placement, the terms of which are set out in the Equity Raising Mandate and the Confirmation Letter.

As is customary with these types of arrangements:

- TSI has agreed, subject to certain carve-outs, to indemnify the Lead Manager, its related bodies corporate, and each of their directors, officers, employees against any losses they may suffer or incur in connection with the Entitlement Offer and Conditional Placement; and
- TSI and the Lead Manager have given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer and Conditional Placement.

The fees to be paid to the Lead Manager are set out in TSI's Investor Presentation. The Lead Manager will also be reimbursed for certain expenses.

Refer to the Investor Presentation included in Section 4 of this Retail Entitlement Offer Booklet for more information regarding the Lead Manager's role in the Entitlement Offer and Conditional Placement.

## **6.17 Privacy**

As a shareholder, TSI and the Share Registry have already collected certain personal information from you. If you apply for New Shares, TSI and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, TSI and the Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares, the Share Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation of the distribution of shareholder information and for handing of mail, or as otherwise under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) TSI or the Share Registry.

We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to TSI through the Share Registry using the details shown in the Corporate Directory (refer to Section 8).

## **6.18 Disclaimer of Representations**

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by TSI, or its related bodies corporate in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of TSI, or any other person, warrants or guarantees the future performance of TSI or any return on any investment made pursuant to this Information or its content.

## **6.19 Withdrawal of the Entitlement Offer**

TSI reserves the right to withdraw all or part of the Entitlement Offer and this Information at any time, subject to applicable laws, in which case TSI will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, TSI may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to TSI will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to TSI .

## 7 Definitions

**A\$ or AA\$ or dollars** means Australian dollars.

**Additional Shares** means New Shares that are in excess of the Entitlement of an Eligible Retail Shareholder.

**Allocation Policy** has the meaning given to that term in section 2.3 of this Retail Entitlement Offer Booklet.

**Announcements** means the Investor Presentation and the Launch Announcement.

**Applicant** means an Eligible Retail Shareholder who has submitted a valid Application.

**Application** means the arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.

**Application Monies** means the aggregate amount payable in Australian dollars for the New Shares applied for through BPAY® or in a duly completed Entitlement and Acceptance Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) and the securities exchange operated by it.

**ASX Listing Rules** means the listing rules of ASX (including the ASX Settlement Operating Rules, the ASX Operating Rules and the ASX Clear Operating Rules) as waived or modified by ASX in respect of TSI or the Offer in any particular case.

**ASX Listing Rule 10.11 Parties** means, in respect of the Company, any of the persons described in ASX Listing Rule 10.11.1 to 10.11.5 (inclusive).

**Conditional Placement** means the placement to institutional investors, as described in the Investor Presentation.

**Confirmation Letter** means the confirmation letter between the Lead Manager and TSI dated on or around 29 May 2023.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Eligible Retail Shareholders** has the meaning given in Section 6.1 of this Retail Entitlement Offer Booklet.

**Eligible Institutional Shareholder** means a person who:

- was identified as an institutional Shareholder as at the Record Date by TSI in its absolute discretion;
- has a registered address in Australia, New Zealand or certain other jurisdictions disclosed in the Investor Presentation;
- eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer; and
- who has successfully received an offer under the Institutional Entitlement Offer.

**Entitlement** means the right to subscribe for 1 New Share for every 1 existing Share held by eligible Shareholders on the Record Date at an Offer Price of A\$0.25 per New Share, pursuant to the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form that will accompany this Retail Entitlement Offer Booklet when it is dispatched to Eligible Retail Shareholders.

**Entitlement Offer** or **Offer** means the Institutional Entitlement Offer and the Retail Entitlement Offer.

**Equity Raising Mandate** means the equity raising mandate between the Lead Manager and TSI dated on or around 29 May 2023.

**How to Apply** has the meaning given in Section 2 of this Retail Entitlement Offer Booklet.

**Ineligible Institutional Shareholders** means a Shareholder who is not an Eligible Institutional Shareholder.

**Ineligible Retail Shareholder** means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that TSI and the Lead Manager agree to whom ASX Listing Rule 7.7.1(a) applies, provided that any institutional Shareholder that is in the United States is an Ineligible Institutional Shareholder, and for the avoidance of doubt includes any Shareholder that is in the United States or is acting for the account or benefit of a person in the United States (including a nominee or custodian to the extent such person holds TSI ordinary shares for the account or benefit of such person in the United States).

**Information** has the meaning given in Section 6 of this Retail Entitlement Offer Booklet.

**Institutional Entitlement Offer** means the accelerated non-renounceable pro rata entitlement offer of Entitlement Offer Securities to Eligible Institutional Shareholders.

**Investor Presentation** means the presentation to investors released to the ASX on Monday, 29 May 2023, incorporated in Section 4 of this Retail Entitlement Offer Booklet.

**Launch Announcement** means the announcement released to the ASX on Monday, 29 May 2023 in relation to the Entitlement Offer and the Conditional Placement, incorporated in Section 4 of this Retail Entitlement Offer Booklet.

**Lead Manager** means Salter Brothers Capital Pty Ltd (ACN 602 615 083).

**New Shares** means Shares to be allotted and issued under the Entitlement Offer, including any Shares issued under the Oversubscription Facility.

**Offer Price** means A\$0.25 per New Share.

**Oversubscription Facility** means the offer of Shares pursuant to the Retail Shortfall to Eligible Retail Shareholders (excluding ASX Listing Rule 10.11 Parties) who have applied for Additional Shares, as described in section 2.3.

**Record Date** means 7.00pm (AEST) on Tuesday, 11 July 2023.

**Retail Entitlement Offer** means the accelerated non-renounceable pro-rata entitlement offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 1 Share of which the Shareholder is the registered holder on the Record Date, at an Offer Price of A\$0.25 per New Share pursuant to this Retail Entitlement Offer Booklet.

**Retail Entitlement Offer Booklet** means this booklet.

**Retail Shortfall** means Entitlements not taken up by Eligible Retail Shareholders and entitlements of Ineligible Retail Shareholders under the Retail Entitlement Offer available for oversubscription.

**Section** means a section of this Retail Entitlement Offer Booklet.

**Share** means a fully paid ordinary share in the capital of TSI.

**Share Registry** means Boardroom Pty Limited.

**Shareholder** means a holder of Shares.

**AEST** means Australian Eastern Standard Time.

**TERP** means the theoretical ex-rights prices calculated by reference to TSI's closing price on 6 July 2023 of A\$0.18 per share, being the last trading date prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TSI's shares trade immediately after the ex-date of the Entitlement Offer and the ex-dividend date will depend on many factors and may not approximate TERP. TERP includes New Shares issued under the Conditional Placement.

**Timetable** means the indicative table set out in the "Key dates" section of this Retail Entitlement Offer Booklet.

**Top-Up Shares** means the issue of additional New Shares to ensure that the relevant investors receive their appropriate allocation of New Shares.

**TSI** means Top Shelf International Holdings Limited (ABN 22 164 175 535).

**U.S. Securities Act** means the U.S. Securities Act of 1933, as amended.

## **8 Corporate Directory**

### **TSI REGISTERED OFFICE**

16-18 National Boulevard  
Campbellfield VIC 3061

### **TSI WEBSITE**

Corporate information and the TSI Annual Reports can be found via the Company's website at <https://www.topshelfgroup.com.au/>

### **LEAD MANAGER**

Salter Brothers Capital Pty Ltd  
Level 9, 477 Collins Street  
Melbourne VIC 3000

### **SHARE REGISTRY**

Boardroom Pty Limited  
Level 8, 210 George Street  
Sydney NSW 2000

### **LEGAL ADVISER**

Gilbert + Tobin  
Level 35, Tower 2, International Towers Sydney  
200 Barangaroo Avenue  
Sydney NSW 2000



**NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES**

**RETAIL ENTITLEMENT OFFER  
ENTITLEMENT AND ACCEPTANCE FORM**

<b>Entitlement No.</b>	
<b>Subregister</b>	
<b>SRN/HIN</b>	
<b>Number of Shares held on Tuesday, 11 July 2023 at 7:00pm (Sydney time)</b>	

**Closing Date: Tuesday, 25 July 2023 at 5:00pm (Sydney time)**

This is an important document and requires your immediate attention. This Entitlement and Acceptance Form can only be used in relation to the security holding represented by the SRN or HIN printed above. If you are in doubt about how to deal with this Entitlement and Acceptance Form, please consult your financial or other professional adviser.

You should read the Retail Entitlement Offer Booklet dated 14 July 2023 that is available on the Company's website at [www.topshelfgroup.com.au](http://www.topshelfgroup.com.au). Capitalised words used and not otherwise defined in this Entitlement and Acceptance Form have the meaning given to them in the Entitlement Offer Booklet.

You do not need to return this Entitlement and Acceptance Form when you pay by BPAY®.

**A Offer acceptance**

The return and receipt of this Entitlement and Acceptance Form with your Application Monies by the Closing Date or payment via BPAY® by the Closing Date will constitute acceptance of your Entitlement on the terms and conditions set out in the Entitlement Offer Booklet.

If you wish to accept your **FULL ENTITLEMENT** please complete and return this Entitlement and Acceptance Form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW.**

**SAMPLE**

Entitlement to New Shares	Price per New Share	Amount payable on full acceptance of Entitlement
	<b>A\$0.25 per New Share =</b>	

If you wish to accept **PART OF YOUR ENTITLEMENT ONLY** please complete the box below showing the **NUMBER OF NEW SHARES BEING ACCEPTED** and the appropriate amount payable.

Number of New Shares being accepted	Price per New Share	Amount enclosed
	<b>A\$0.25 per New Share =</b>	

**B Applications for Additional Shares**

If you apply to take up all of your Entitlement as noted Section A of this Entitlement and Acceptance Form, you may also apply for Additional Shares. If you wish to apply for Additional Shares, please insert the number of Additional Shares you wish to apply for in the box below and the appropriate amount payable. **Top Shelf Group Holdings Ltd may apply any scale-back applications for Additional Shares in its absolute discretion.**

Number of Additional New Shares applied for	Price per Additional New Share	Amount enclosed
	<b>A\$0.25 per New Share =</b>	

**C Payment**

Payments can only be made by BPAY®. New Zealand shareholders who do not have an Australian bank account will receive separate instructions on how to pay for their Entitlements. Cash will not be accepted via the mail or at Boardroom. Payments cannot be made at any bank. **You do NOT need to return this Entitlement and Acceptance Form if you are paying by BPAY®.**



**Billers Code:**  
**CRN:**

**Telephone & Internet Banking - BPAY®**

Contact your bank, credit union or building society to make payment from your account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

© Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY® please contact your participating financial institution.
- If paying by BPAY® you do NOT need to return this Entitlement and Acceptance Form.

## D Contact details

You do not have to provide us with your contact details, however it will assist us if we need to contact you.

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	( )	( )	

**Important Information: this document is of value and requires your immediate attention. If in doubt consult your stockbroker, solicitor, accountant or other professional advisor without delay.**

### ACCEPTANCE OF THE OFFER

By making payment by BPAY, by 5.00pm Sydney time on Tuesday, 25 July 2023:

- you represent and warrant that you have read and understood and agree to the terms set out on this Entitlement and Acceptance Form and in the Retail Entitlement Offer Booklet;
- you understand and acknowledge that the New Shares and the Additional Shares have not, and will not be, registered under the *U.S. Securities Act of 1993* (the **U.S. Securities Act**) or the securities laws of any state or other jurisdiction in the United States and accordingly that the New Shares and the Additional Shares may not be offered, sold or otherwise transferred in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction in the United States;
- acknowledge, represent and warrant that you are not in the United States and are not making an Application for or on behalf of any person in the United States;
- represent and warrant that you are subscribing for or purchasing New Shares and Additional Shares outside the United States in an “offshore transaction” in reliance on Regulation S under the U.S. Securities Act;
- acknowledge, represent and warrant that you have not and will not send any materials relating to the Entitlement Offer (including this Entitlement and Acceptance Form) to any person in the United States or to any person that is acting for the account or benefit of a person in the United States or any other country outside of Australia and New Zealand;
- acknowledge, represent and warrant that, if you are acting as nominee or custodian, each beneficial holder on whose behalf you are submitting this document is a resident in Australia or New Zealand;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the constitution of Top Shelf International Group Ltd; and
- your application to acquire New Shares is irrevocable and may not be varied or withdrawn except as allowed by law.

### HOW TO ACCEPT NEW SHARES - Australian residents

**BPAY payment:** the total amount payable to accept your Entitlement in full is shown in Section A on the front of this form. If you accept your full Entitlement and wish to apply for Additional Shares, please also complete **Section B** to determine your total application amount payable. Contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information visit: [www.bpay.com.au](http://www.bpay.com.au). Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before 5.00 pm Sydney time on Tuesday, 25 July 2023.

If the BPAY payment is for any reason not received in full, Top Shelf may treat you as applying for as many New Shares as will be paid for by the cleared funds. **You are not required to submit this Acceptance Form when you make your payment using BPAY.**

### PAYMENT – overseas residents

If you are a New Zealand resident shareholder, you are unable to pay by BPAY® unless you have an Australian bank account. However, you are able to pay by international electronic funds transfer (EFT). **Please refer to the additional payment instructions provided to you if you would like to pay by EFT.** Please contact the Registry, Boardroom Pty Limited, on +61 2 9290 9600 if you have any queries, or if you have not received the separate EFT instruction letter.

### Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Entitlement and Acceptance Form. Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/privacy.html>).

**For further information regarding this Entitlement and Acceptance Form or the Retail Entitlement Offer please contact the Top Shelf Offer Information Line on 1300 737 760 within Australia, or +61 2 9290 9600 outside Australia from 8.30am to 5.00pm (Sydney time) Monday to Friday. For other questions you should contact your stockbroker, solicitor, accountant or other professional adviser.**





## Top Shelf International Holdings Ltd

**Principal Place of Business:**  
**16-18 National Boulevard**  
**Campbellfield**  
**Victoria**  
**Australia 3061**

14 July 2023

*Not for release to US wire services or distribution in the United States*

### **ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS**

On Friday, 7 July 2023, Top Shelf International Holdings Limited (**Top Shelf** or the **Company**) announced that it was conducting a 1 for 1 non-renounceable entitlement offer (**Entitlement Offer**) comprising an accelerated institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**), each at a price of \$0.25 per share (**Offer Price**).

Under the Retail Entitlement Offer, eligible shareholders with a registered address in Australia or New Zealand will be invited to subscribe for 1 new fully paid ordinary share (**New Share**) for every 1 existing fully paid ordinary share in Top Shelf (**Shares**) held at 7.00pm (AEST) on Tuesday, 11 July 2023 (**Record Date**) at the Offer Price for each New Share, to raise up to approximately A\$6.2 million.

### **PURPOSE OF THIS LETTER**

This is a letter to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. **You are not required to do anything in response to this letter but there may be implications for you as a result of the Offer that you should be aware of.**

### **DETAILS OF THE ENTITLEMENT OFFER**

The Entitlement Offer is being made by Top Shelf without a prospectus or other disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

The Institutional Entitlement Offer has already closed and the results were announced to the Australian Securities Exchange (**ASX**) on Monday, 10 July 2023. Top Shelf has today lodged a retail offer booklet with ASX, which sets out further details in respect of the Retail Entitlement Offer (**Retail Offer Booklet**).

### **ELIGIBILITY CRITERIA**

Top Shelf has determined, pursuant to section 9A(3)(a) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to Top Shelf's shareholders in certain countries in connection with the Retail Entitlement Offer. This decision was made after taking into account the legal and regulatory requirements in certain countries, the relatively small number of Top Shelf shareholders in certain countries, the number and value of New Shares those Top Shelf shareholders would otherwise be entitled to and the cost of complying with the

applicable laws and the requirements of any regulatory authority in jurisdictions outside Australia and New Zealand.

Accordingly, in compliance with section 9A(3)(b) of the Corporations Act and ASX Listing Rule 7.7.1(b), Top Shelf wishes to inform you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer.

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are shareholders of Top Shelf who:

- (a) are registered as a holder of existing Shares on the Record Date, being 7.00pm (AEST) on Tuesday, 11 July 2023;
- (b) have a registered address in Australia or New Zealand on the Record Date as noted on Top Shelf's share register or are persons that Top Shelf has determined in its discretion are Eligible Retail Shareholders;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of such person in the United States);
- (d) did not receive an invitation to participate in, or were otherwise ineligible to participate in, the Institutional Entitlement Offer and were not treated as "Ineligible Institutional Shareholders" under the Institutional Entitlement Offer (other than as a nominee, trustee or custodian, in each case in respect of other underlying holdings) as determined by Top Shelf in its absolute discretion; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus or other disclosure document or any lodgement, filing, registration or qualification.

Shareholders who are not Eligible Retail Shareholders or eligible or ineligible institutional shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer. Top Shelf, in its absolute discretion, may extend the Entitlement Offer to any shareholder of Top Shelf if it is satisfied that the Entitlement Offer may be made to that shareholder in compliance with all applicable laws.

Further details in respect of the Entitlement Offer (including details of eligibility) can be found on the announcements platform of ASX ([www.asx.com.au](http://www.asx.com.au)).

## **FURTHER INFORMATION**

If you have any questions in relation to any of the above matters, please contact the Top Shelf Offer Information Line on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) from 9am to 5.30pm (AEST), Monday to Friday during the offer period for the Retail Entitlement Offer. For other questions, you should consult your stockbroker, solicitor, accountant or other independent professional adviser.

**END**

This announcement was approved by Adem Karafili as Executive Chair of Top Shelf.

## **IMPORTANT NOTICE AND DISCLAIMER**

### *Determination of eligibility*

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Top Shelf.

Each of Top Shelf, its respective affiliates and related bodies corporate and its respective directors, officers, partners, employees, contractors, consultants, advisers and agents expressly disclaim any

duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

#### *General*

This letter is not a prospectus or offering document under Australian or New Zealand law or any other law. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any entitlements or New Shares in Top Shelf. The provision of this letter is not, and should not be considered as, financial product advice. The information in this document is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other independent professional adviser.

#### **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This letter may not be released or distributed in the United States or in any other jurisdiction in which such an offer would be illegal. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements under the Retail Entitlement Offer may not be taken up or exercised by, and the New Shares in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States or any person that is acting for the account or benefit of a person in the United States, except in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States, in each case in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

#### **IMPORTANT NOTICE TO NOMINEES**

Because of legal restrictions, you must not send copies of this letter nor any material relating to the Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.



## Top Shelf International Holdings Ltd

**Principal Place of Business:**  
**16-18 National Boulevard**  
**Campbellfield**  
**Victoria**  
**Australia 3061**

14 July 2023

*Not for release to US wire services or distribution in the United States*

### **NOTIFICATION TO ELIGIBLE RETAIL SHAREHOLDERS**

On Friday, 7 July 2023, Top Shelf International Holdings Limited (**Top Shelf** or the **Company**) announced that it was conducting a 1 for 1 non-renounceable entitlement offer (**Entitlement Offer**) comprising an accelerated institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**), each at a price of \$0.25 per share (**Offer Price**).

Under the Retail Entitlement Offer, eligible shareholders with a registered address in Australia or New Zealand will be invited to subscribe for 1 new fully paid ordinary share (**New Share**) for every 1 existing fully paid ordinary share in Top Shelf (**Shares**) held at 7.00pm (AEST) on Tuesday, 11 July 2023 (**Record Date**) at the Offer Price for each New Share, to raise up to approximately A\$6.2 million.

### **DETAILS OF THE ENTITLEMENT OFFER**

The Entitlement Offer is being made by Top Shelf without a prospectus or other disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

The Institutional Entitlement Offer has already closed and the results were announced to the Australian Securities Exchange (**ASX**) on Monday, 10 July 2023. Top Shelf has today lodged a retail offer booklet with ASX, which sets out further details in respect of the Retail Entitlement Offer (**Retail Offer Booklet**).

### **ELIGIBILITY CRITERIA**

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are shareholders of Top Shelf who:

- (a) are registered as a holder of existing Shares on the Record Date, being 7.00pm (AEST) on Tuesday, 11 July 2023;
- (b) have a registered address in Australia or New Zealand on the Record Date as noted on Top Shelf's share register or are persons that Top Shelf has determined in its discretion are Eligible Retail Shareholders;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of such person in the United States);
- (d) did not receive an invitation to participate in, or were otherwise ineligible to participate in, the Institutional Entitlement Offer and were not treated as "Ineligible Institutional Shareholders" under the Institutional Entitlement Offer (other than as a nominee, trustee or custodian, in each

case in respect of other underlying holdings) as determined by Top Shelf in its absolute discretion; and

- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus or other disclosure document or any lodgement, filing, registration or qualification.

The Company has determined, pursuant to section 9A(3) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to shareholders in countries outside of Australia or New Zealand in connection with the Retail Entitlement Offer. This is due to the legal and regulatory requirements in countries outside of Australia or New Zealand and the potential costs to the Company of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Top Shelf ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

### **RETAIL OFFER BOOKLET**

This letter is not an offer document but is a notice of some key terms and conditions of the Retail Entitlement Offer.

Full details of the Retail Entitlement Offer are set out in the Retail Offer Booklet. Eligible Retail Shareholders can access a copy of the Retail Offer Booklet, together with a personalised Entitlement and Acceptance Form which contains details of their entitlements under the Retail Entitlement Offer, at the following link: [www.investorserve.com.au](http://www.investorserve.com.au):

- Registered users: go to [www.investorserve.com.au](http://www.investorserve.com.au), then enter your username and password using the “Registered User Login”. Select “My Portfolio” and then from the left-hand side of the page select “Company Announcements” for the Retail Offer Booklet and “Statements/Advices” for your personalised Entitlement Form.
- Unregistered users: go to [www.investorserve.com.au](http://www.investorserve.com.au), then select “Individual Investment Access”. You will need to enter details regarding your Top Shelf shareholding in order to proceed. Once you have been validated, select from the left-hand side of the page “Company Announcements” for the Retail Offer Booklet and “Statements/Advices” for your personalised Entitlement Form.

### **ACTIONS WHICH MAY BE TAKEN BY ELIGIBLE SHAREHOLDERS**

If you are an Eligible Retail Shareholder, you may take any one of the following actions:

- take up all of your entitlement;
- take up all of your entitlement and apply for New Shares in excess of your entitlement;
- take up part of your entitlement and allow the balance to lapse; or
- do nothing, in which case your entitlement will lapse and you will receive no value for those lapsed entitlements.

Your entitlements under the Retail Entitlement Offer may have value and it is important you determine whether to take up (in whole or in part) or do nothing in respect of your entitlement. There are a number of matters that you should consider in relation to taking up your entitlement. You should ensure that you understand the tax consequences of any action that you take, and you should consider seeking advice from your professional adviser.

The Retail Entitlement Offer is non-renounceable and therefore the entitlements that you would have been entitled to, or the underlying shares that you may have subscribed for, will not be offered for sale and no amount will be payable to you.

### **TAKING UP AN ENTITLEMENT**

If you wish to take up all, or part of, your entitlements under the Retail Entitlement Offer, please pay your application monies by following the instructions set out on the personalised Entitlement and Acceptance Form. Application Monies must be received before 5:00pm (AEST) on Tuesday, 25 July 2023. Nominees and custodians must not take up entitlements under the Retail Entitlement Offer on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Failure to comply with these restrictions may result in violations of applicable securities laws.

## **FURTHER INFORMATION**

If you have any questions in relation to any of the above matters, please contact the Top Shelf Offer Information Line on 1300 737 760 (inside Australia) or +61 2 9290 9600 (outside Australia) from 9am to 5.30pm (AEST), Monday to Friday during the offer period for the Retail Entitlement Offer. For other questions, you should consult your stockbroker, solicitor, accountant or other independent professional adviser.

**END**

This announcement was approved by Adem Karafili as Executive Chair of Top Shelf.

## **IMPORTANT NOTICE AND DISCLAIMER**

### *Determination of eligibility*

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