

PREMIUM SPIRITS WITH AN AUSTRALIAN ACCENT

INVESTOR PRESENTATION
MARCH 2024

TOP SHELF
INTERNATIONAL



A MODERN AUSTRALIAN SPIRITS COMPANY

Company Snapshot

- Leading producer and marketer of high-quality premium spirits
- Portfolio of award-winning, distinctive, well-balanced brands: NED Whisky, Grainshaker Vodka and Act of Treason Australian Agave
- Vertically-integrated Australian spirits platform across distillation, maturation, production, packaging and agave assets in Victoria and Queensland:
 - Whisky distillation capacity of 500k LaL or 140k 9LE p.a.
 - Vodka distillation capacity of 500k LaL or 140k 9LE p.a
 - Agave distillation capacity of 420k LaL or 120k 9LE p.a
 - 600k Agave tequilana plants in ground and 150k plants in nursery
 - 2.1m litres whisky under maturation (at 43% ABV)
- Expanded distribution and significant inventory supports future scaling
- Major capital investment completed with commissioning of agave distillery in December 2023

Company Platform



Our well-invested Australian Spirits Platform has ample capacity to support future growth and includes one of the few agave plant-to-bottle platforms outside Mexico.

Premium Brand Portfolio



We are distilling the world's favourite spirits, each with a distinctly Australian character that capture the best of our ingenuity, craftsmanship and daring spirit.



STRATEGIC VISION

A modern spirits company charged to transcend and transform Australian spirits culture

A NEW MODEL BASED ON VALUE CREATION

- Ongoing pivot to focus on margin accretion and profitability
- Cost base reset - complete
- Brand premiumisation

CUSTOMER OBSESSED

- Accelerate major retail and range expansion
- Joint venture planning
- Power of portfolio

DRIVE BRAND DESIRABILITY

- Being bold and brave in all we do
- Consumer resonance and disruption
- Exciting AOT launch and roll out

OPERATIONAL EXCELLENCE AT SCALE

- A focused streamlined business to optimise efficiency and asset utilisation
- Award winning liquids and craftsmanship
- Speed and agility to drive innovation

STRATEGIC PARTNERSHIPS

- Ongoing discussions to accelerate International and support above strategic pillars



BOTTLING UP THE BEST OF THE AUSTRALIAN SPIRIT

THE
PLEDGE

Delivery of a world-class premium spirits portfolio

THE
PLAYERS

THE
PLAYING
FIELDS



FEARLESS
Breaking free
from tired
conventions.

WHISKY



EXUBERANT
Celebrating the
character and
warmth of Australian
grain.

VODKA



ROGUE
An ancient
process meets
Aussie know how.

AGAVE

BRAND PERFORMANCE

NED Whisky

- #1 Australian Whisky (AU Liquor CLG & ALM 2023 Glass & RTD)
- 2304 new distribution points via Endeavour (Dan Murphy's and BWS)
- Portfolio premiumisation via NED Grand Reward and Green Sash. Further opportunity to positively impact P&L
- Flagship Supercars partnership generating \$6.5m in broadcast & digital media exposure
 - Sold nearly 200k drinks to people attending events in 2023, up 40% from PY



Grainshaker Vodka

- International Wine & Spirit Competition Vodka Producer of the Year 2023
- Glass growing at +85% in Coles Liquor Group (Liquorland, First Choice, Vintage Cellars)
- 53.8% COGS improvement per case
- 640 additional distribution points through flavored vodka in Coles

GOLDEN GRAINSHAKER

INTERNATIONAL VODKA PRODUCER OF THE YEAR

The first time an Australian brand has been named world's best vodka

OUTSTANDING GOLD

London

2023 International Wine & Spirit Competition
Shortlist – Global Vodka Producer Trophy

GOLD

San Francisco

2023 World Spirits Competition

GOLD

2023 World Vodka Awards



INTEGRATED OPERATIONAL PLATFORM

Commissioning of the agave distillery in December 2023 completed the investment phase in the Company's capabilities



Whisky Assets - VIC

Whisky under maturation:
2.1m litres @43% ABV

Distillation

Whisky 500k LaL or 140k 9LE p.a.
Vodka 500k LaL or 140k 9LE p.a.

Whisky Maturation

2 x Barrel houses
45% of whisky liquid at maturity



Agave Assets - QLD

Inclusive of Land, Biological and
Distillery assets

Agave Farm

600k plants in ground and 150k
in nursery
165k plants reaching 4-year
maturity in 2024

Distillation Capacity

Agave 420k LaL or
120k 9LE p.a.
(at 43% ABV)

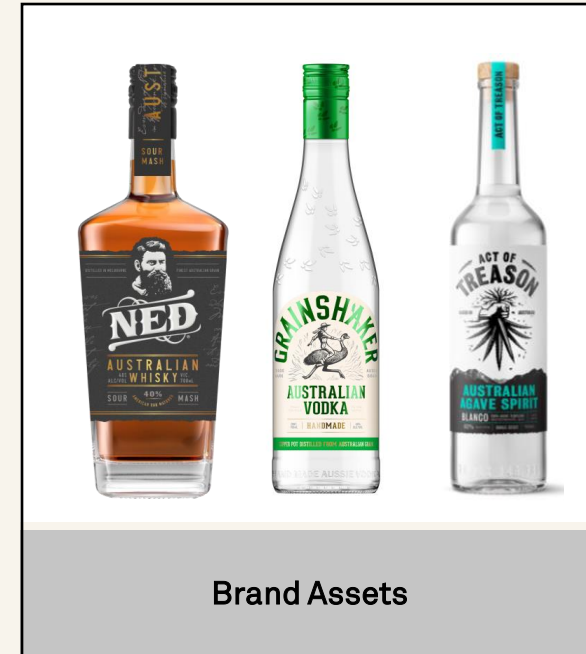


Production Assets - VIC

10,000 cans/hour, 7,000 bottles/hour;
multi-pack formats

Management Systems

Flavour Development, Quality
Assurance; HACCP & FDA
Certifications



Brand Assets

FY24 1H RESULTS DASHBOARD



\$32.4m

Group Pro forma LTM Revenue¹

\$23.3m

Brand Pro forma LTM Revenue¹

35.7%

Group cash gross margin²
Growth: 7%

Net excise basis: 51.1%

56%

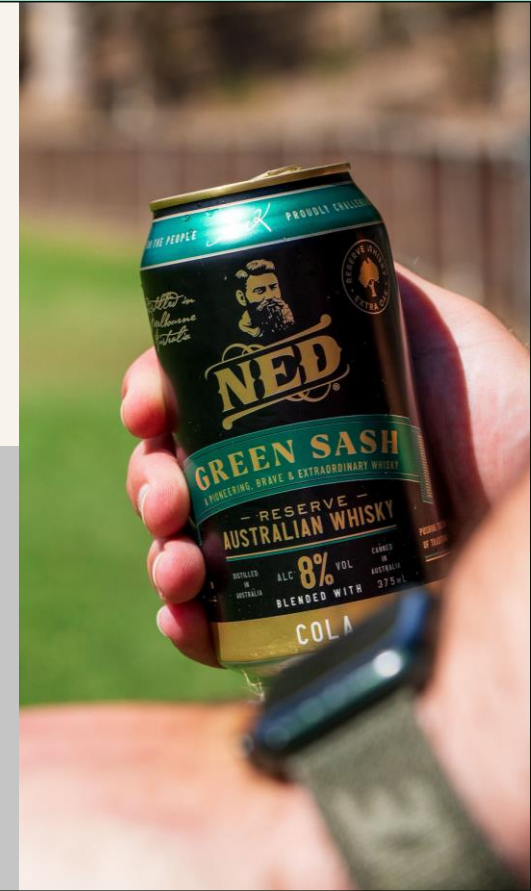
Group underlying EBITDA loss improvement
FY24 1H EBITDA: \$4.9m

\$4.7m

Cost base reduction
32% improvement on PY

93%

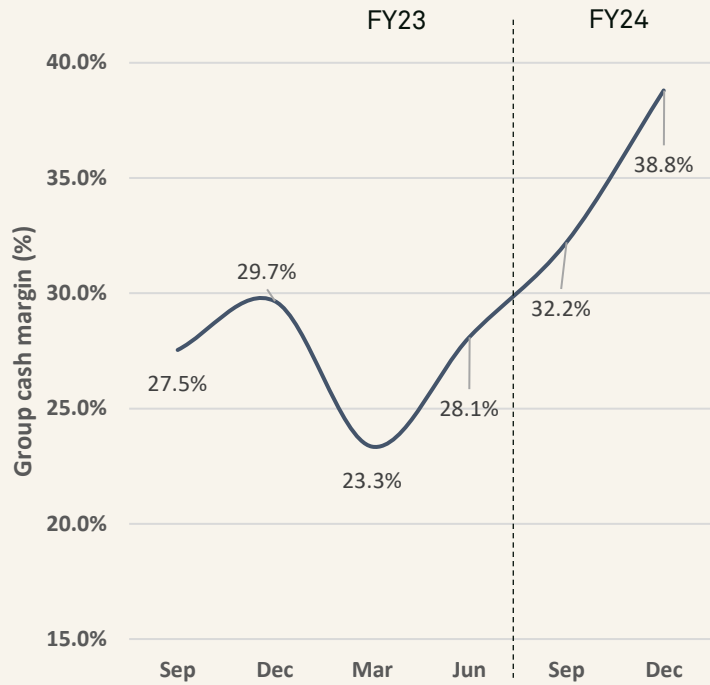
Business cash flow improvement³
FY24 1H: \$9.5m



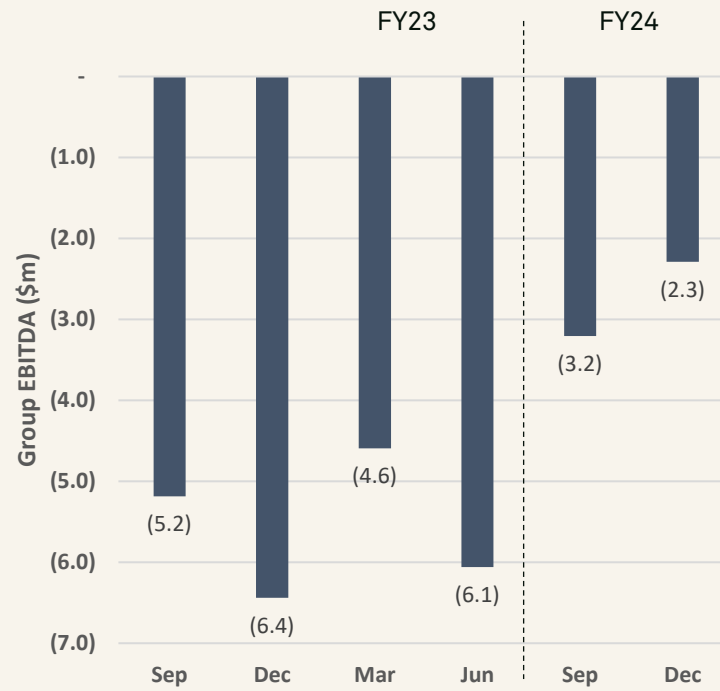
Notes: 1. The Pro Forma Revenue adjustment (Group and Brand) reflects the excise gross up to consistently present all domestic channels (FY24 1H adjustment: \$3.5m). 2. Group gross margin is presented on a cash basis. Product COGS excludes direct depreciation and whisky liquid cost to present margin on a cash like basis. Net excise basis calculated as gross margin divided by statutory revenue less excise. 3. Business cash flow metric reflects the Group's operating and investing cash flow activities excluding agave distillery build expenditure for FY24 1H and prior comparative period.

PERFORMANCE TRAJECTORY

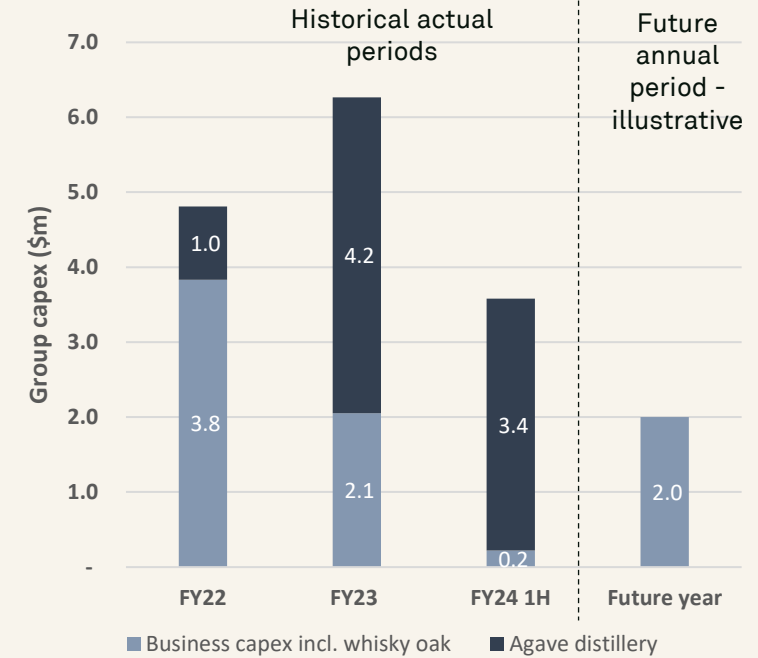
Gross margin – quarterly profile



Reported EBITDA – quarterly profile ¹



Capex – investment phase completion



Notes: 1. Quarterly reported EBITDA excludes statutory recognition of biological asset fair value adjustment and share based payment expense.

BOARD OF DIRECTORS



Julian Davidson

Non-Executive Chairman

Julian has deep financial capability, business leadership skills, capital markets experience, and a history of governance of small private companies through to listed Australian and US companies. He has worked with large corporations, private equity ventures, and start-ups.

Julian has more than 30 years' experience in leadership roles in Australia, New Zealand and North America.

He has a PMD from Harvard Business School and is a 30+ year member of Chartered Accountants Australia and New Zealand.



Adem Karafili

Non-Executive Director

Adem spent 7 years establishing Swisse Wellness before its sale to Biostime International for nearly \$1.7 billion USD in 2015. Adem held senior positions of CFO, COO and MD at Swisse Wellness.

Adem currently chairs his investment vehicle ANGLKorp and also chairs the National Institute of Integrated Medicine (NIIM).



Stephen Grove

Non-Executive Director

Stephen Grove is Executive Chairman of the Grove Group of Companies which operates in the hire of relocatable buildings in the manufacturing and construction sector.

The Grove Group also operates businesses in the food & beverage sector, property development, motorsport and private investment. Stephen founded the group in 1997 and owns 100% through related entities.

Stephen has considerable experience growing and scaling successful businesses; and brings his strategic and management expertise to the Board.



Phil Baldock

Non-Executive Director

Phil Baldock has extensive spirits global experience, notably as President & CEO Asia Pacific, China, India & South America for Beam Suntory. During a 30-year career, he has held a range of CEO, senior management and marketing roles across 25 different countries in FMCG and alcohol categories.

In addition to his role as Non Executive Director, Phil also provides additional advisory services to the Company to support the Board and executive team on strategy, process, analysis and business performance improvement.

EXECUTIVE TEAM



Trent Fraser
Chief Executive Officer

Trent joined TSI in August 2021 to lead the company's Australian Agave Project and international expansion.

Trent has two over decades of experience in wine and spirits commencing with Penfolds and Treasury Wine Estates in Australia and spending nine years with Moet Hennessy Louis Vuitton (LVMH) as Vice President of iconic Champagne producer, Dom Perignon.

With the backing of the Moet Hennessy wine and spirits family over a six-year period, Trent was responsible for the highly successful build and launch of the tequila brand, Volcan De Mi Tierra.



Ben Kennare
Chief Financial Officer

Ben joined TSI as CFO in January 2021 to lead the company into its next stages of growth following a successful IPO.

Ben is a Chartered Accountant of Australia and New Zealand and has two decades of professional services experience in transaction services and audit while working for EY and Deloitte.

Ben has gained significant experience in M&A, IPO and Strategy advisory services across a range of industries and has the skillset required to help support TSI's strategic initiatives to help lead TSI into its next stages of growth.



Richard Bryant
Sales Director

Richard joined TSI in February 2023 as a sales director leading Global and Domestic sales.

Richard has over 15 years' experience within the retail sector, working on both the supplier and retailer sides across a wide range of product categories and countries. Richard started his career in 2008 at Kellogg's in the UK and then moved to Australia to work for Coles Supermarkets in 2015.

Since then, he has also worked for the Scharwz Group (Germany) and most recently prior to joining TSI as Sales director, ran the buying teams for Coles Liquor Group across the Beer, Spirits & RTD's, Non-Liquor & Tobacco categories.



Michael Hennessy
Commercial Director

Michael joined TSI in January 2021 having been an investor in the group since 2014.

Michael is an experienced commercial leader with over 20 years commercial and technical experience in manufacturing and energy in Australia and internationally with the likes of Origin Energy, Questus Energy and Santos.

As a Commercial Director, Michael is the project lead of TSI's agave distillery and equipment plan.

Michael holds an MBA and a Master's degree in petroleum engineering.

AUSTRALIAN AGAVE

To unearth and unleash the potential of agave
from the land Down Under



ACT OF TREASON - GO TO MARKET (PHASE 1)

Win industry influencers and early adopters via high impact activity supporting marquee on premise and retail



Retail

- National ranging partnership with major retailer on shelf June 2024.
- Mutually constructed launch plans that consist of consumer database targeting, in store promotion and education, tastings and paid and organic social media

Direct to Consumer

- First batch of product sold out online within 24 hours



On Premise

- Sydney, Melbourne, Brisbane, Whitsundays high image accounts
 - Centro 86, Sydney's newest tequila bar. Back bar and menu support
 - Hayman Island, Hamilton Island, Airlie Beach Hotel. Back bar, menu support, glassware, collateral
- Intercept consumer through ritual and cocktail programming, including the All Australian Margarita.

PR LAUNCH – JANUARY 2024

National media coverage across all mediums; first batch of product sold out in 24 hours



Act of Treason is first Australian agave spirit - The Spirits Business
thespiritsbusiness.com • 2 min read



Anoska Tucker-Evans

A Queensland farm has created Australia's first tequila – grown and produced here in the Sunshine State – you just can't call it tequila.

Top Shelf International took over the 450ha plot of land in the Whitsundays, between Bowen and Airie Beach, five years ago in the hope of making Australia's answer to the hugely popular white spirit.

They planted a whopping 600,000 agave plants – the main ingredient in tequila – and with the climate and conditions precisely mimicking those of tequila's homeland Mexico, the plants took off.

The result is the company's first tequila-style product Act of Treason, called as such be-

cause Mexico's Tequila Regulatory Council prohibits any other region outside the Central American country from calling the agave spirit "tequila".

While it may not be able to be called as such, Act of Treason is tequila in every sense of the word said Top Shelf International CEO Trent Fraser.

"The spirit that we have put in the bottle is of exceptional quality and I'm really proud and confident that it will stack up against some of the best in the world," said Mr Fraser, who previously established tequila brands overseas.

In fact it already has with the trial version of the product receiving a gold medal and

trophy for Alternative Spirit of the Year at the Australian Distilled Spirit Awards in Melbourne, as well as bronze medals at the San Francisco and London international spirits competitions.

"I do see this beautiful lifted pear and pineapple but a real grassiness," said Mr Fraser. "It has this soft minerality and balance and elegance to it and I think people will be surprised by the approachability of it and I have to put it down to the terroir."

The first official release of the agave spirit will go on sale on January 17 through the company's website, before being available at top-end tequila bars and restaurants

throughout Australia, ahead of its launch into Endeavour Group bottle shops in a few months.

"We're only doing a few 100 bottles initially. It's a small run and a small harvest while we get our sea legs," said Mr Fraser.

Once fired up though, the farm has the capacity to be one of the largest agave spirit producers in the world.

SO WHAT IS TEQUILA?

THE OFFICIAL VERSION
Regional alcoholic beverage distilled from must, directly and originally prepared from the material extracted in the factory premises of an Authorized Manufacturer

Australian agave spirit, Act of Treason, now available

by Andy Young
January 17, 2024



Act of Treason, the all-Australian agave spirit developed in Queensland with a pioneering new era of agave plant has finally arrived, with bottles available to buy from today.

The inaugural First Harvest Blanco from the agave spirit farm and distillery in Queensland's Whitsundays, which is home to more than 600,000 Agave tequilana, the same plant that has been used in the distillation of a certain Mexican spirit, which this is not, but it can be used in surprisingly similar ways.

With this Act of Treason launch you can now create all-Australian Margaritas, offer it to your customers to sip slowly or use in many other popular cocktails.

Act of Treason has been grown and developed by Top Shelf International, and CEO Trent Fraser spoke about the opportunities for the brand.

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A UNIQUE AUSTRALIAN AGAVE ASSET

Purpose built agave spirit distillery and production facility powered by renewable energy



GROUP FINANCIAL INFORMATION



FY24 1H | PROFIT OR LOSS AND CASH FLOWS

Group profit or loss

	FY24 1H	FY23 1H
Revenue	15.2	14.2
Gross margin ¹	5.4	4.2
Other income	-	0.2
Distribution	(0.3)	(0.6)
Selling	(1.9)	(2.9)
Marketing	(0.8)	(0.6)
Operating	(2.4)	(3.3)
Operating contribution	0.1	(3.0)
Business and brand investment	(2.1)	(4.6)
Contribution margin	(2.0)	(7.6)
Group support	(2.9)	(3.7)
Underlying EBITDA ²	(4.9)	(11.2)
Cash gross profit %	35.7%	28.8%
Net excise gross profit %	51.1%	47.3%

Note 1: Gross margin is disclosed on a cash basis excluding depreciation (FY24 1H: \$0.6 million; FY23 1H: \$0.3 million) and whisky liquid cost (FY24 1H: \$0.4 million; FY23 1H: \$0.5 million).

Note 2: A reconciliation from reporting to underlying EBITDA inclusive of adjusted statutory and non-recurring items is set out in TSI's Interim Financial Report – 31 December 2023 lodged with the ASX on 29 February 2024.

Group cash flows

	FY24 1H	FY23 1H
Operating		
Business investment ³	(2.7)	(5.3)
Trading activities	(6.1)	(10.9)
Operating – total	(8.7)	(16.2)
Investing		
Business investment ³	(4.1)	(2.8)
Other	(0.2)	(0.6)
Investing – total	(4.3)	(3.4)
Operating and investing – total	(13.0)	(19.6)
Financing		
Equity	25.0	-
Debt	(10.0)	8.0
Financing costs	(2.1)	(1.8)
Financing –total	13.0	6.2
Net cash flows	(0.1)	(13.4)
Closing cash position	2.8	6.7

Note 3: Business investment includes investment in brand, whisky and Australian agave assets (\$6.8 million in total. Significant expenditure in FY24 1H included the completion of the agave distillery (\$4.1 million).

GROUP FINANCIAL POSITION – 31 DEC 2023

Group Net Tangible Assets

	Dec-23	Jun-23
Cash	2.8	2.9
Trade and other receivables ¹	6.1	4.0
Inventories ²	12.1	11.9
Property, plant & equipment	34.9	32.4
Agave plant biological assets	20.0	19.4
Right-of-use assets	5.3	5.7
Other	1.0	1.0
Tangible assets – total	82.1	77.1
Trade and other payables	(10.9)	(14.0)
Provisions	(1.1)	(1.2)
Lease liabilities	(6.8)	(6.9)
Borrowings ³	(23.6)	(32.9)
Liabilities – total	(42.4)	(55.1)
Net tangible assets ⁴	39.7	22.0

Note1: TSI had a \$2.1 million receivable from the 2023 retail entitlement offer shortfall to be received in the March quarter of 2024.

Note 2: TSI's inventories are recognised at cost for accounting purposes. At 31 December 2023, TSI's maturing inventories held at cost of \$9.8 million represented a future gross margin of approximately \$31 million (applying margins recognised in FY24 1H).

Note 3: TSI's financing facility was drawn to \$25.0 million at 31 December 2023 (30 June 2023: \$35.0 million).

Note 4: TSI's net asset position of \$40.1 million at 31 December 2023 as per TSI's Interim Financial Report includes intangible assets (\$2.5 million) and deferred tax liabilities (\$2.1 million) in addition to the net tangible assets summarised opposite.