

Retail Entitlement Offer Booklet Top Shelf International Holdings Limited

(ABN 22 164 175 535)

Details of a 2 for 3 accelerated non-renounceable pro-rata entitlement offer of Top Shelf International Holdings Limited ordinary shares (“New Shares”) at an offer price of A\$0.10 per New Share

Retail Entitlement Offer closes at 5.00pm (AEST) on 17 June 2024

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 5.00pm (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 24 May 2024;
- have a registered address on the TSI share register in Australia or New Zealand as at 7.00pm on the Record Date or 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.

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 29 May 2024. 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 (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 29 May 2024. 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 (Incidental Offers) Exemption Notice 2021. 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 under the Financial Markets Conduct Act 2013. 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 Wednesday, 22 May 2024, 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 2 for 3 accelerated non-renounceable entitlement offer of new fully paid ordinary shares in TSI (**New Shares**) at an offer price of A\$0.10 (**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 Wednesday, 22 May 2024, the proceeds received from the Entitlement Offer will be used to repay a portion of the Company's senior secured loan facility with Longreach Credit Investors and to provide sufficient working capital to fund the Company to profitability and pay transaction costs.

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\$13.9 million.

As announced on Friday, 24 May 2024, TSI successfully completed the Institutional Entitlement Offer raising approximately A\$10.0 million in aggregate. The New Shares issued under the Institutional Entitlement Offer are expected to commence trading on or around Thursday, 30 May 2024.

Under the Retail Entitlement Offer, Eligible Retail Shareholders with a registered address in Australia or New Zealand are entitled to subscribe for 2 New Shares for every 3 existing fully paid ordinary shares in TSI (**Shares**) held at 7.00pm (AEST) on Friday, 24 May 2024 (**Record Date**), at the Offer Price of A\$0.10 per New Share. This is the same price which was offered to institutional investors who participated in the Institutional Entitlement Offer (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:

- 31% discount to the theoretical ex-rights price (**TERP**) of A\$ 0.145¹; and
- 43% discount to last traded price of A\$ 0.175 on 21 May 2024.

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

¹ TERP is calculated by reference to TSI's closing price on 21 May 2024 of A\$0.175 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.

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 Monday, 17 June 2024 (Closing Date).

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

Yours sincerely



Julian Davidson
Chairman, Top Shelf International Holdings Limited

Summary of the Entitlement Offer

Ratio	2 New Shares for every 3 existing Shares in TSI
Offer Price	A\$0.10 per New Share
Size	Up to 139.1m New Shares
Gross proceeds	Up to A\$13.9 million, comprising up to A\$10.0 million under the Institutional Entitlement Offer and up to A\$3.9 million under the Retail Entitlement Offer
Renounceable?	The Entitlement Offer is non-renounceable
Underwritten?	The Entitlement Offer is not underwritten

Key Dates

EVENT ¹	DATE
Record date for the Entitlement Offer (7.00pm AEST)	Friday, 24 May 2024
Retail Entitlement Offer Booklet lodged with ASX Retail Entitlement Offer Booklet and personalised Entitlement and Acceptance Form dispatched to Eligible Retail Shareholders Retail Entitlement Offer opens (9.00am AEST)	Wednesday, 29 May 2024
New Shares issued under the Institutional Entitlement Offer commence trading on ASX	Thursday, 30 May 2024
Retail Entitlement Offer closes (5.00pm AEST)	Monday, 17 June 2024
Issue of New Shares under the Retail Entitlement Offer	Monday, 24 June 2024
Normal ASX trading for New Shares issued under the Retail Entitlement Offer commences	Tuesday, 25 June 2024

¹ 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.

Attaching right to apply for options

As indicated in the Company's announcement of the Offer dated 22 May 2024, Eligible Retail Shareholders who participate in the Offer will be offered the opportunity to apply for one attaching option for every two New Shares issued to them under the Offer, exercisable at \$0.12 per option and expiring on the third anniversary of their grant date (**Attaching Options**), for nil consideration.

The offer of the Attaching Options to Eligible Retail Shareholders will be made separately to this Offer under a prospectus (**Prospectus**) that will be made available when the offer for the Attaching Options is made. A copy of the Prospectus will be made available online and sent via email or post (as applicable) to Eligible Retail Shareholders who have participated in the Offer. Any Eligible Retail Shareholder who participates in the Offer and wishes to apply for Attaching Options will need to complete the application form that will be in or will accompany the Prospectus.

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 5.00pm (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
Option 1: Take up all or part of your Entitlement	<ul style="list-style-type: none">• 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).• The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions).• The Retail Entitlement Offer closes at 5.00pm (AEST) on Monday, 17 June 2024.• 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.• 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.• 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.

Options available to you**Key considerations**

Option 2: Do nothing and let your Entitlements lapse

- To the extent you do not take up all of your Entitlements, your Entitlements lapse.
- Retail Shortfall available for over-subscription.
- 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.
- If you do not take up your Entitlement, you will not receive any payment or value for your Entitlement.
- 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.

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 2 for 3 pro-rata accelerated non-renounceable entitlement offer to Shareholders as at the Record Date at the Offer Price of A\$0.10.

2.1 Institutional Entitlement Offer

On Friday, 24 May 2024, TSI announced that it had successfully completed the Institutional Entitlement Offer, raising approximately A\$10.0 million. Settlement of the Institutional Entitlement Offer is expected to occur on Wednesday, 29 May 2024. The 100,466,901 New Shares to be issued under the Institutional Entitlement Offer are expected to be allotted and commence trading on Thursday, 30 May 2024.

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 2 New Shares for every 3 existing Shares held as at the Record Date at 7.00pm (AEST) on Wednesday, 29 May 2024, at the Offer Price of A\$0.10 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 Wednesday, 29 May 2024. The Retail Entitlement Offer Booklet will be dispatched on 29 May, 2024, 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 Monday, 17 June 2024.

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 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 Wednesday, 22 May 2024, 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 institutional investors who participated in the Institutional Entitlement Offer and related bookbuild.

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 2 New Shares for every 3 Shares you held as at the Record Date of 7.00pm (AEST) on 29 May 2024. 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 Monday, 17 June 2024** (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 Monday, 17 June 2024.**

If you take up all or part of your Entitlement you will be issued your New Shares on or about Monday, 24 June 2024. 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 Monday, 17 June 2024 (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

- Registered users: go to 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, 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 Monday, 17 June 2024 (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 or 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 5.00pm (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;
- 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 5.00pm (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.



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- a) assumptions regarding the Company's financial position, business strategies, plans and objectives 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 assurance 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 events is implied or given. Nothing contained in this document nor any information made available to you, 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 update 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.

EXECUTIVE SUMMARY

ersonal use only



INVESTMENT HIGHLIGHTS

ersonal use only

Premium Brand Portfolio

- Australia's first agave spirit range – first release in January 2024
- Portfolio of award-winning, distinctive, well-balanced brands: NED Whisky, Grainshaker Vodka and Act of Treason Australian Agave
- Unrivalled integrated operating platform and capability – capital investment complete in 2023 with commissioning of agave distillery

Right team in place

- Julian Davidson (ex-Lion and Independent Liquor) appointed Chairman and Phil Baldock (ex-Beam Suntory) appointed Non-Executive Director
- Team with significant industry experience and capability to lead the company through the next phase of growth and to profitability

Executing pivot to margin and profit focus

- Focus on brand margin improvement initiatives including brand innovation and New Product Development ('NPD'), channel mix, product premiumisation, and operational excellence including input cost efficiencies, reflected in increased gross margin from 44.1% for 12 months to June 2023 to 47.4% for 12 months to March 2024
- Controllable cost base reduction of \$6.4m in FY24 YTD March 2024 (31% lower vs Prior Comparable Period ('PCP'))
- Underlying EBITDA loss improvement of 46% in FY24 YTD March 2024 period relative to PCP

Primed and funded for profitability

- Australian spirits platform with ample capacity to enable future growth including 2.0m litres of whisky and 0.6m agave plants
- Successful onboarding of Australia's largest national liquor retailer, Endeavour Group (Dan Murphy's and BWS) and expanded ranging with Coles Liquor Group (Liquorland, First Choice and Vintage Cellars) in FY24 1H
- FY25 focus with three brand portfolio on major retail partnership acceleration, on premise expansion and entry into international markets
- Positive EBITDA and operating cash flow breakeven expected by FY25 4Q quarter



Enhanced Balance Sheet

- TSI is undertaking a series of transactions to generate a minimum of \$15.0m of gross proceeds to the Company, comprising a \$13.9m accelerated non-renouncement entitlement offer (subject to minimum of \$10.0m) in conjunction with a sale (& leaseback) of land and related assets for \$5.0m, concurrent with an amendment and extension of its debt facility (together the 'Capital Transactions')
- Proceeds of the Capital Transactions to be used to reduce debt with Longreach Credit Investors by \$5.0m to \$6.0m (maturity extended to 15 December 2025) and provide sufficient working capital to fund the company to profitability

CAPITAL TRANSACTIONS PROVIDE FUNDING TO PROFITABILITY

Equity Raise	Agave Land Sale	Financing Facility Amendment												
<ul style="list-style-type: none"> Capital Raising to raise up to \$13.9m via a 2 for 3 accelerated non-renounceable entitlement offer ('ANREO') at \$0.10/ per share (minimum \$10.0m) Attaching 1-for-2 option at a strike price of \$0.12/share, with a 3-year term ('Attaching Options') The Attaching Options issued under the Entitlement Offer will seek quotation subject to meeting ASX's minimum listing requirements Funds will be used to repay the Longreach Financing Facility by \$5.0m to \$6.0m, pay transaction costs and provide working capital 	<ul style="list-style-type: none"> Sale (and leaseback) of farmland and structural improvement assets at TSI's agave farm TSI retains ownership of the agave plants and distillery production assets Total gross proceeds of \$5.0m to be used for working capital purposes Commencing lease cost of \$0.5m per annum 10-year term with option to extend for further 5 years Right for the Company to repurchase the assets at any future date for a minimum of \$6.5m Completion subject to contractual document finalisation and shareholder approval at extraordinary general meeting which is set to occur towards end of June 	<ul style="list-style-type: none"> Committed term sheet executed on 22 May 2024 with existing lender, Longreach Credit Investors, to amend terms of financing facility Reduction in facility size to \$19.0m (from \$25.0m)¹ Maturity date extended to 15 December 2025 Completion is subject to contractual document finalisation, completion of the equity raise and is expected in early June <table border="1"> <thead> <tr> <th>High level terms</th> <th>Old Facility</th> <th>New Facility</th> </tr> </thead> <tbody> <tr> <td>Facility Size</td> <td>\$25.0m</td> <td>\$19.0m¹</td> </tr> <tr> <td>Cash Interest Rate</td> <td>10.25%</td> <td>12.25%²</td> </tr> <tr> <td>Maturity Date</td> <td>15 Dec 2024</td> <td>15 Dec 2025</td> </tr> </tbody> </table> <p>¹ Assuming 100% participation in the Entitlement Offer ² The new facility also includes paid in kind interest of 2.75%</p>	High level terms	Old Facility	New Facility	Facility Size	\$25.0m	\$19.0m ¹	Cash Interest Rate	10.25%	12.25% ²	Maturity Date	15 Dec 2024	15 Dec 2025
High level terms	Old Facility	New Facility												
Facility Size	\$25.0m	\$19.0m ¹												
Cash Interest Rate	10.25%	12.25% ²												
Maturity Date	15 Dec 2024	15 Dec 2025												
<p>Equity Raise and Agave Land Sale will deliver a minimum of \$15.0m of aggregate cash proceeds, with \$5.0m used to reduce debt and the remainder for working capital purposes</p>														

A MODERN AUSTRALIAN SPIRITS COMPANY

Company Snapshot	Company Platform
<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> Whisky distillation installed capacity of 500k LaL or 140k 9LE p.a Vodka distillation installed capacity of 500k LaL or 140k 9LE p.a Agave distillation installed capacity of 90k LaL or 25k 9LE p.a Significant asset base provides supply for long-term sales targets <ul style="list-style-type: none"> 600k Agave tequilana plants in ground 2.0m litres whisky under maturation (at 43% ABV) – representing c. \$31.0m of future realisable gross margin (using FY24H1 results) Expanded distribution and significant inventory supports future scaling Major capital investment completed with commissioning of agave distillery in December 2023 	 <p>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</p>
	Premium Brand Portfolio
	<p>We are distilling the world's favourite spirits, each with a distinctly Australian character that captures the best of our ingenuity, craftsmanship and daring spirit</p> 

STRATEGIC VISION

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

A NEW MODEL BASED ON VALUE CREATION

- Pivot to margin and profit focus
- 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

- Streamlined business to optimize efficiency and asset utilization
- Award winning liquids and craftsmanship
- Speed and agility to drive innovation

STRATEGIC PARTNERSHIPS

- Ongoing discussions to accelerate international exposure and support the strategic pillars



SIGNIFICANT ASSET BASE SUPPORTED BY INTEGRATED OPERATIONAL PLATFORM

Investment phase completed with commissioning of agave distillery; book value of tangible assets of ~\$58m (i.e. excluding brands)¹



Whisky Assets - VIC

Whisky under maturation:
2.0m litres @43% ABV

Installed Distillation Capacity
Whisky 500k LAL or 340k 9LE p.a.
Vodka 500k LAL or 340k 9LE p.a.

Whisky Maturation
2 x Barrel houses
50% of whisky liquid at maturity

Book value: \$19m



Agave Assets - QLD

Biological and
Distillery assets

Agave Farm
600k plants in ground
160k plants reaching 4-year maturity
in 2024

Installed Distillation
Capacity
Agave 90k LAL or 25k 9LE
p.a.

Book value: \$27m



Production Assets - VIC

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

Management Systems
Flavour Development, Quality Assurance;
HACCP & FDA Certifications

Book value: \$12m

Brand Assets



¹ Book value as at 31 March 2024

BOTTLING UP THE BEST OF THE AUSTRALIAN SPIRIT

THE PLEDGE

Delivery of a world-class premium spirits portfolio

THE PLAYERS



FEARLESS
Breaking free from tired conventions.



EXUBERANT
Celebrating the character and warmth of Australian grain.



ROGUE
An ancient process meets Aussie know-how.

THE PLAYING FIELDS

WHISKY

VODKA

AGAVE / TEQUILA

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



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

With the backing of the Moët Hennessey 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 the Company's IPO in December 2020.

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.

Prior to joining TSI he worked for the Scharwz Group (Germany), 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, he 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.

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BOARD OF DIRECTORS



Julian Davidson
Non-Executive Director

Julian has more than 30 years' experience in leadership roles in Australia, New Zealand and North America. He was formerly the Managing Director of Tooheys Brewery and Lion New Zealand and is currently the Chairman of Behemoth Brewing Company.

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.

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 (NIM).



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.

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GROWTH DRIVERS

	ACT OF TREASON <ul style="list-style-type: none"> National retail and high image on premise ranging for market launch¹ Accelerated distribution across Australian summer 	RANGING EXPANSION ² <ul style="list-style-type: none"> Brand portfolio expansion in retail channels³ through joint venture planning Brand extension partnerships 	INNOVATION <ul style="list-style-type: none"> Flavoured NED Whisky and Grainshaker Vodka⁴ Whisky portfolio premiumisation with NED Grand Reward and Green Sash 	
	INTERNATIONAL MARKETS <ul style="list-style-type: none"> Targeted plan in dedicated International markets NED - US, Korea and Japan Grainshaker - Europe Act of Treason - US 	MARGIN ENHANCEMENT <ul style="list-style-type: none"> Brand input cost improvement initiative program⁵ Efficient contract packaging service business model 	WHISKY RESERVE OPTIMISATION <ul style="list-style-type: none"> Private label opportunities 	

Notes: 1. Act of Treason market launch through 2024 includes blends and reposado (aged expression) Australian Agave product offerings. 2. In FY24, H&M ranging with Endeavour Group reflected new distribution points of over 2,300 of NED Whisky product. 3. NED retail and independent retail channels. 4. Grainshaker Vodka (flavoured product) has added an incremental 640 distribution points through the Coles Liquor Group store network. 5. In FY24, COGS improvement per case improvement of above 50% was realised through input and supplier changes. Business priority to realise similar input cost improvements across core brand product range.

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ACT OF TREASON – SUCCESSFUL LAUNCH (PHASE 1)

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

		
Retail <ul style="list-style-type: none"> National ranging partnership with major retailer launching by June 2024 Mutually constructed launch plans that consist of consumer database targeting, in-store promotion and education, tastings and paid and organic social media 		On Premise <ul style="list-style-type: none"> Sydney, Melbourne, Brisbane, Whitsundays high image accounts <ul style="list-style-type: none"> Centro 86, Sydney's newest tequila bar with bar and menu support Hayman Island, Hamilton Island, Airline Beach Hotel. Back bar, menu support, glassware, collateral Intercept consumer through ritual and cocktail programming, including the All Australian Margarita

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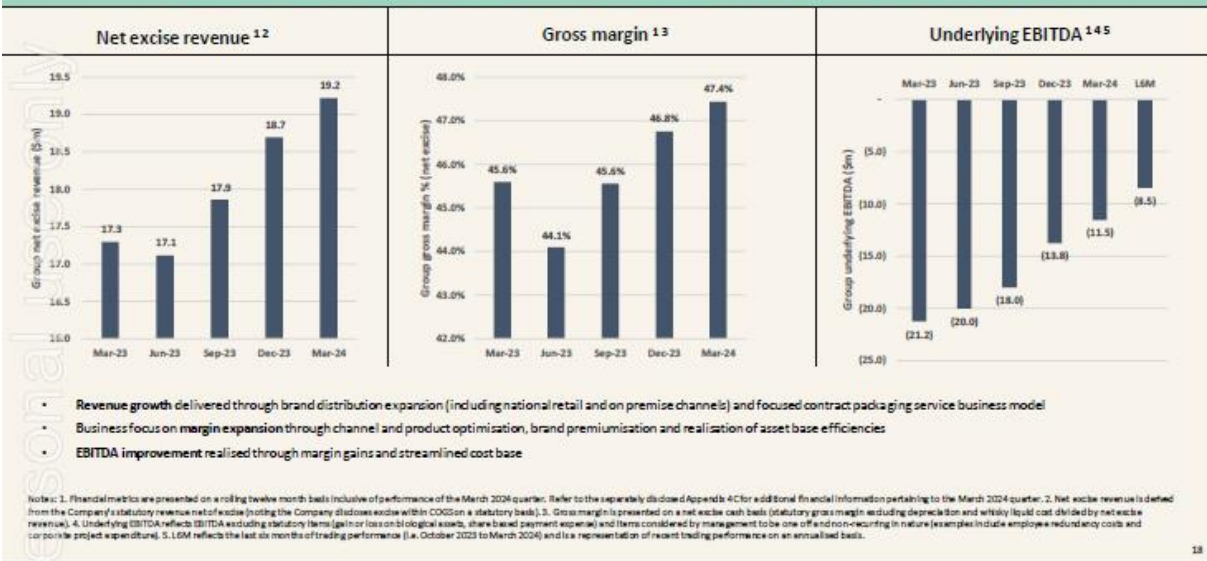
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FINANCIAL INFORMATION



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PERFORMANCE TRENDS - YTD MAR-24

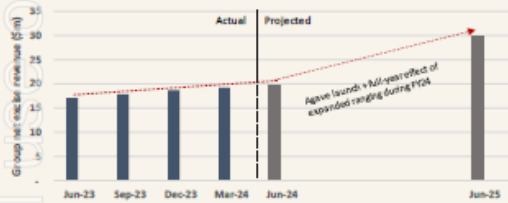


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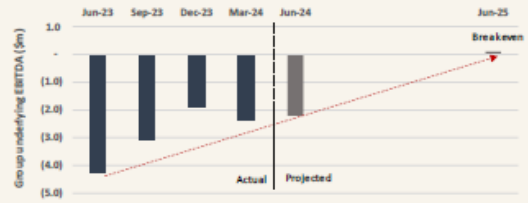
OUTLOOK

Forecast FY25 net excise revenue of \$30m
Underlying EBITDA and breakeven operating cash flows by FY25 Q4

Net excise revenue ¹



Underlying EBITDA ²



- Accelerated growth forecast in FY25 underpinned by Act of Treason Australian Agave in market, expanded retail ranging and on premise distribution, and entry into targeted International markets after business reset and stabilisation during FY24.
- Underlying EBITDA trajectory to breakeven by FY25 Q4 reflects brand margin growth supported by sustained contract packaging operation and cost base right sized during FY24.

Notes: 1. Net excise revenue is presented on a rolling twelve month basis. Actual to March 2024 and projected to June 2024 (i.e. inclusive of forecast FY24 Q4) and June 2025 (i.e. reflective of forecast FY25). 2. Underlying EBITDA is presented on a quarterly basis. Actual to March 2024 and projected to June 2024 and June 2025.

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FY24 1H | PROFIT OR LOSS AND CASH FLOWS

Underlying EBITDA

A\$M	FY24 1H	FY23 1H	Change %
Revenue – gross excise	15.2	14.7	3.4%
Revenue – net excise	10.6	9.0	18.5%
Gross margin ¹	5.4	4.2	28.2%
Cash gross profit %	35.7%	28.8%	n/a
Net excise gross profit %	51.1%	47.3%	n/a
Other income	-	0.2	n/a
Distribution	(0.3)	(0.6)	(43.4%)
Selling	(1.9)	(2.9)	(34.1%)
Marketing	(0.6)	(0.6)	27.9%
Operating	(2.4)	(3.3)	(29.2%)
Operating contribution	0.1	(3.0)	(109.3%)
Business and brand investment	(2.1)	(4.6)	(53.5%)
Contribution margin	(2.0)	(7.6)	(73.1%)
Group support	(2.9)	(3.7)	(20.6%)
Underlying EBITDA ²	(4.9)	(11.2)	(56.0%)

↑ Improvement in Revenue or Costs ↓ Decline in Revenue or Costs

Note 1: Gross margin is disclosed on a cash basis excluding depreciation (FY24 1H: \$0.6 million; FY23 1H: \$0.3 million) and whisky liquor 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 AGX on 29 February 2024.

Cash Flows

A\$M	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 and financing costs	(12.1)	6.2
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. Brand and whisky inventory investment is reflected as operating cash flow and capital expenditure including oak barrel pool investment is reflected as investing cash flow. Significant expenditure in FY24 1H included the completion of the agave distillery (\$4.1 million).

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PRO FORMA FINANCIAL POSITION

Pro Forma Net Tangible Assets - 31 Dec 2023

A\$ m	Statutory Jun-23	Statutory Dec-23	Minimum \$30.0m		Maximum \$13.9m	
			PF adj.	Pro forma	PF adj.	Pro forma
Cash	2.9	2.8	3.5	11.3	11.2	14.0
Trade and other receivables	4.0	6.1	-	6.1	-	6.1
Inventories ¹	11.9	12.1	-	12.1	-	12.1
Property, plant & equipment	32.4	34.9	-	34.9	-	34.9
Agave biological assets	19.4	20.0	-	20.0	-	20.0
Right-of-use assets	5.7	5.3	-	5.3	-	5.3
Other	1.0	1.0	-	1.0	-	1.0
Tangible assets – total	77.1	82.1	3.5	90.6	11.2	98.3
Trade and other payables	(14.0)	(10.9)	-	(10.9)	-	(10.9)
Provisions	(1.2)	(1.1)	-	(1.1)	-	(1.1)
Lease liabilities	(6.9)	(6.8)	(5.0)	(11.8)	(5.0)	(11.8)
Borrowing ¹	(32.9)	(23.6)	3.6	(20.0)	4.6	(19.0)
Liabilities – total	(55.1)	(42.4)	(0.4)	(43.8)	(0.4)	(42.8)
Net tangible assets²	22.0	39.7	7.1	46.8	10.8	50.5

The pro forma net tangible assets represents the illustrative impact of the three Capital Transactions inclusive of the proposed capital raise as at 31 December 2023:

- **Equity raise:** Gross proceeds of minimum of \$30.0m and up to \$13.9m;
- **Agave asset sale & leaseback:** Gross proceeds of \$5.0m; and
- **Debt facility amendment and extension:** Reduction in senior debt facility of \$5.0m and up to \$6.0m with proceeds from the S&LB and equity raise;
- **Total transaction costs** associated with the Capital Transactions is expected to be approximately \$2.8m - \$3.0m.

Note 1: TSJ's financing facility was drawn to \$25.0 million at 31 December 2023 (30 June 2023: \$35.0 million). The extinguishment of the existing debt facility will include the non-cash write-off of previously capitalised borrowing costs (\$1.4 million).

Note 2: TSJ's inventories are recognised at cost for accounting purposes. At 31 December 2023, TSJ's maturing inventories held at cost of \$5.8 million represented a future gross margin of approximately \$31.0 million (applying margins recognised in FY24 H1).

Note 3: TSJ's net asset position of \$40.1 million at 31 December 2023 as per TSJ'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.

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CAPITAL RAISING OVERVIEW

Accelerated non-renounceable entitlement offer to raise up to \$13.9m

Offer & Structure

- Capital raising comprising:
 - 2 for 3 non-underwritten pro-rata accelerated non-renounceable entitlement offer (ANREO) to raise up to \$13.9m (Entitlement Offer), subject to a minimum of \$10.0m
 - The offer also includes a 1:2 free attaching option with an exercise price of A\$0.12, expiring 3 years from date of issue. The Company intends to list the options subject to shareholder approval and meeting ASX minimum listing requirements (Attaching Options) (together the Offer)
- Up to 139.1m new Shares to be issued under the Entitlement Offer, with up to 69.6m new Attaching Options
- New Shares will rank equally in all respects with existing TSI ordinary shares from the date of their issue

Offer Price

- All New Shares under the Entitlement Offer to be offered at \$0.10 per New Share (Offer Price)
 - 42.9% discount to last close of A\$0.175 on 21 May 2024
 - 31.0% discount to the Theoretical Ex-Rights Price (TERP) of A\$0.145¹

Lead Managers

- PAC Partners and Salter Brothers Capital are acting as Joint Lead Managers to the Offer.

Note 1: The theoretical ex-rights price (TERP) is the theoretical price at which TSI shares should trade after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TSI shares trade at that time will depend on many factors and may not be equal to TERP. TERP is calculated by reference to TSI's closing price on ASX on 21 May 2024 of \$0.175

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USE OF FUNDS

Minimum \$15.0m of gross proceeds provides \$10.0m of working capital and reduces loan balance by \$5.0m

Source of funds	Minimum A\$10.0m	Maximum A\$13.9m
Entitlement Offer	10.0	13.9
Agave Asset Sale and Leaseback	5.0	5.0
Cash (as at 31 March 2024)	2.0	2.0
Total	17.0	20.9

Use of funds	Minimum A\$10.0m	Maximum A\$13.9m
Reduction of Longreach Financing Facility	5.0	6.0
Working Capital (incl. costs of the Capital Transactions)	12.0	14.9
Total	17.0	20.9

Share Capital Structure	Minimum A\$10.0m		Maximum A\$13.9m	
	Shares	%	Shares	%
Shares:				
Existing Shares on Issue	208.7	67.6%	208.7	60.0%
New Entitlement Offer Shares	100.0	32.4%	139.1	40.0%
Total Shares – Post Offer	308.7	100.0%	347.8	100.0%
Options:				
Existing Options & Performance Rights	17.3		17.3	
Attaching Options	50.0		69.6	

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INDICATIVE TIMETABLE

Event	Date
Announcement of Offer	22 May 2024
Institutional Entitlement Offer opens	22 May 2024
Institutional Entitlement Offer closes	23 May 2024
Entitlement Offer Record Date	24 May 2024
Announcement of results of Institutional Entitlement Offer	24 May 2024
Shares commence trading on an ex-entitlement basis	24 May 2024
Retail offer booklet dispatched to Eligible Retail Shareholders and Retail Entitlement Offer Opens	29 May 2024
Settlement of New Shares issued under the Institutional Entitlement Offer	29 May 2024
Issue and commencement of trading of New Shares under and Institutional Entitlement Offer	30 May 2024
Retail Entitlement Offer closes	17 June 2024
Announcement of results of Retail Entitlement Offer	20 June 2024
Issue of New Shares under the Retail Entitlement Offer	25 June 2024

Note: Timetable is indicative only and subject to change

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INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person is to bid New Shares, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

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 (Incidental Offers) Exemption Notice 2021.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (A) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as sub terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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RISKS



KEY RISKS

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

Marketing and sales strategies

It is anticipated that the costs of developing and expanding the Company's business will continue to increase as its business and production grow. There is a risk that the brands and sales and marketing strategies, initiatives, and campaigns the Company implements will not resonate with potential customers or fail to capture market share. Such failure may adversely affect the Company's ability to attract new customers, hindering its operating and financial performance.

Legal, regulatory and safety 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), and may become 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 the Company and its suppliers and service providers. Increased sales volumes for the Company's products, which may necessitate sourcing raw ingredients from new suppliers, multiple product and increased production runs and new product development, may exacerbate the risk of non-compliance. Failure to comply with the relevant laws and regulations around product standards may result in a monetary fine or other penalty, litigation, additional costs (such as product recall and disposal costs), loss of inventory, delayed supply of the Company's products or demand for the Company's services, adverse publicity, damaged brand and reputation or a loss of consumer confidence.

The Company 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 disclosure), 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 the Company's business. New laws, or the alteration of current laws, could impact the Company's ability to successfully implement its business strategy.

Consumer trends

The Australian alcoholic beverage market in which the Company operates is subject to changing trends (such as reduced drinking), demands, preferences and attitudes, tastes and dietary habits of end consumers, views advanced by social media influencers and celebrities, socio-economic development, and other economic conditions (such as increasing interest rates, cost of living expenses and reduced discretionary spending).

Failure to anticipate, identify and react to these trends in a timely manner may result in reduced demand and price reductions for final products, materially impacting revenue. For example, consumer and customer demand for the Company's Act of Treason Australian Agave product may be lower than anticipated, and/or it may take longer to build market momentum than anticipated.

Customer and distribution partner support

The risk of losing a key customer or distribution partner, including but not limited to Australian Liquor Merchants (ALM), Fremont Liquor (FL), Cole Liquor Group (CLG) and Endeavour Group (EG), or loss of general consumer support may adversely affect the Company's operating or financial performance. Distribution networks with ALM operate under ALM's brand and trading terms and conditions, which can be terminated on short notice and without penalty, which may result in a decrease in the volume of products that the Company is able to provide to its customers. Further, ALM is under no obligation to purchase a particular volume of the Company's products or to continue purchasing the Company's products at all.

Any of the Company's key customer and distribution relationships (including ALM, FL, CLG and EG) may be lost or impaired, for example if customers experience any dissatisfaction with the Company's products or services or end consumers fail to purchase the Company's products. The loss of any of the Company's key customers and distribution partners (including ALM, FL, CLG or EG) or a significant reduction in the volume of products purchased or services required by one or more key customers may adversely impact the Company's operating or financial performance.

Brand and reputation

The reputation of the Company's products and brands, and their associated values could be impacted by factors such as perceived or actual quality issues, a delay or failure to supply products, a regulatory breach, adverse media coverage, and workplace incidents or disputes with the Company's workforce. A material adverse impact to the reputation of the Company's products, services or brands could adversely affect customer relationships, resulting in loss of business, contract and market share, negatively impacting the Company's financial and operating performance.

Growth

The Company operates in a highly competitive market and may not be able to maintain competitive prices for its products and services, and may not succeed in implementing its growth strategies (such as building sales velocity in existing channels, expanding retail ranging and accessing new markets). This could be due to the inability 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 to a strategy when required. There is also a risk that the Company is unable to scale supply of its product in a timely manner to grow its business or meet customer demands, such as the failure to produce whisky products due to time constraints involved in its production.

KEY RISKS CONT'D

General economic conditions

The Company's operating and financial performance is influenced by a variety of general economic and business conditions, including the level of inflation, interest rates, commodity prices, ability to access funding, supply and demand conditions and government, fiscal, monetary and regulatory policies. Prolonged deterioration in these conditions, including an increase in interest rates, an increase in the cost of capital or a decrease in consumer demand, could have a material adverse impact on the Company's operating and financial performance.

Key personnel

The Company's success depends on the continued active participation of its senior management team. These employees are an important part of the Company's business strategy and success as they have extensive industry experience and knowledge of the Company's business. If the Company were to lose any of its senior management team or if it was unable to employ replacement personnel with the requisite level of experience to adequately operate the Company's business, its respective operations and financial performance could be adversely affected. Further, failure to attract and retain certain personnel may adversely affect the Company'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 the Company's operating and financial performance and growth prospects.

Issues with manufacturing or storage facilities

The equipment and management systems necessary for the operation of the Company'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, the Company has a significant amount of product inventory stored in a number of facilities, including whisky that must be laid down for a statutory minimum of two years. The Company'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.

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

The Company leases the properties at which its Victorian manufacturing and storage facilities are located, and intends to enter a sale and leaseback agreement for the leased assets of its Eden Leslie agave farm. While the Company 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, the Company would need to establish its operations (or part of its operations) at another property, which would cause the Company to incur significant financial cost and result in material interruption to its business.

Packaging arrangements

The Company's contract packaging arrangement with its primary contract packaging customer expires on 31 December 2024. Although the Company is currently engaging with the customer in relation to contract packaging opportunities beyond 31 December 2024, there is no guarantee that the arrangement is extended or (where it is not extended) that the Company is able to onboard alternative customers within the necessary timeframe.

Supply chain

The Company's relationships with its existing suppliers are not always formally documented or auditable, and some of these third party providers also have relationships with the Company's competitors. Therefore, the Company may not be able to retain its relationship with its third party suppliers.

Further, the quantity, yield and quality of the Company's products may be adversely affected by weather or climatic and growing conditions (including climate change). Any adverse change to weather or climatic conditions may impact the availability and sustainability of raw ingredients used by the Company, including the grains required to produce whisky and vodka, as well as the agave plants planted at the Eden Leslie agave farm harvested to produce Australian agave spirit. If a weather or climatic condition disrupts the Company's supply chain, the Company may not be able to source suitable raw ingredients and this may have a material adverse impact on the Company's operations and financial performance.

The incidence of a biosecurity event such as a disease outbreak in the agave crop at the Eden Leslie 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 the Company, which may in turn materially and adversely impact the Company'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 the Company's products. This may adversely impact demand for the Company's products and have an adverse effect on the Company's financial performance.

The Company may fail to accurately forecast or manage its inventory levels. For example, if the Company produces excess product that it cannot sell in a timely manner, the excess product may need to be sold at a discount and the Company 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 the Company and its operating results.

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KEY RISKS CONT'D

Manufacturing cost increases

The Company may be adversely impacted by increases in manufacturing costs, including material increases in: (i) key ingredient prices such as grains required to produce whisky and vodka; and (ii) energy inputs such as electricity, LPG and biofuel. The availability and price of key ingredients used in the Company's products are influenced by global demand and supply factors outside of the Company's control, and may be impacted by, amongst other things, climatic or environmental conditions or biosecurity events and the Company'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 the Company. If there is a significant increase in the cost of the inputs of the Company's products, this may have a material adverse effect on the Company's operating and financial performance.

Confidential information

The Company's finished products and the recipes and processes to produce them are confidential to the Company and are of significant value to the Company. There is a risk that the value of the Company's confidential information may be compromised. Any such breaches or competitive products could erode the Company's market share. This could have a material adverse impact on the Company's operating and financial performance and growth prospects.

Litigation risk

Legal and other disputes (including industrial disputes and class actions) may arise from time to time in the ordinary course of operations (including product liability claims, intellectual property disputes, contractual disputes, indemnity claims, occupational health and safety claims and employment disputes). Any such dispute may impact earnings and affect the financial performance and security value of the Company's assets and may have a material adverse effect on the Company's operations and any potential losses to the Company may be significant. Further, the outcome of litigation cannot be predicted with certainty and adverse litigation outcomes could adversely affect the Company's business, financial condition and reputation.

Climate change risk

The Company's failure to mitigate the impact of physical and transitional climate change impacts and associated legislative requirements could result in operations that are not adequately resilient to these impacts and in turn result in reputational harm to the Company. As the climate changes, the Company may experience harvest and / or production challenges in relation to the production of Act of Treason Australian Agave. For example, it may be affected by more frequent extreme weather events and changing temperatures that may erode the Company's ability to meet market demand.

Current and future debt levels

The Company has a debt liability as part of its capital structure. Although the Company has reduced its debt level over the past 12 months and intends to do so further with proceeds from the Offer, the material consequences are the following:

- The Company will need to use a portion of cash from its operating activities to pay interest on its debt;
- The Company's debt facility has covenants in relation to financial performance and minimum cash reserves. A breach of these covenants, if not waived by the Company's debt provider, may result in the need to fund repayment of debt out of its operating cash flow asset dispositions or equity raising;
- To the extent that facilities mature and are not replaced, extended or refinanced the Company will need to fund repayment of debt out of its operating cash flow asset dispositions or equity raising;
- The Company's flexibility in planning for, or reacting to, change in its business and the industry in which it operates may be limited because available cash flow after paying principal and interest on debt may not be sufficient to make the capital and other expenditures needed to address these changes;
- The Company's ability to obtain financing in the future for its development program, working capital, capital expenditures, acquisitions or other purposes may be limited because of the restrictions contained in debt agreements; and
- The Company's ability to make acquisitions and take advantage of significant business opportunities may be negatively affected if it needs to obtain the consent of its lenders to take any such action or if, because of existing debt levels, it is not able to obtain additional financing for these opportunities.

The Company may not achieve profitability in the envisaged manner and / or timeframe.

The Company 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 the Company to alter its operational plan or deliver the plan in a timeframe different from that currently envisaged.

General risk management systems and controls

The Company relies on internal risk management control systems to appropriately manage various risks to which its business is subject. While there is segregation in hierarchy within the risk management systems and processes, there is a risk that these systems will prove ineffective due to human error, fraud, a breach of data security or inadequate processes across its operations. Depending on the nature and scale of a failure to maintain or update and implement an appropriate risk management system, such failures could have a material adverse effect on the Company's operations and as a consequence the losses to the Company may be significant.

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KEY RISKS CONT'D

Impact of inflation and associated excise increases

The Australian government imposes the excise duties 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). Under the current system, further increases in inflation will result in further automatic excise increases. Such increases will also increase the price of the Company's products and may have an adverse effect on consumer buying patterns and adversely impact the Company's financial performance. In addition, governments may review and impose additional excise or other taxes on spirits.

Taxation

Future changes in tax law, including changes in interpretation or application of the law by the courts or taxation authorities, or any changes with respect to franking, may affect the taxation treatment of an investment in the Company's securities or the holding and disposal of those securities. Further, changes in tax law, or changes in the way tax law is expected to be interpreted may impact the future tax liabilities of the Company.

The Company has requested a payment plan with the Australian Tax Office in relation to its existing excise obligations. The outcome of this request may adversely influence the timing of future cash flows.

Changes in accounting standards and their interpretation

Changes in accounting or financial reporting standards or changes to the interpretation of those standards could materially adversely impact the reported financial performance and position of the Company.

Future financing

The Company 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 the Company from being able to raise the relevant debt or equity. Consequently, if the Company is unable to access funding when required, this may have a material adverse effect on the Company'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.

General risks associated with an investment in Shares

There are general risks associated with investments in equity capital such as the Company shares. The trading price of the Company's 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 the Company shares (over which the Company 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;
- changes in government regulation and policy; 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 the Company, its directors or any other person guarantees the market performance of the New Shares.

There have been significant fluctuations and volatility in the prices 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.

Shareholder dilution

In the future, the Company may seek to issue new shares to fund or raise proceeds for (among other things) acquisitions that the Company may decide to make. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capacity it is able to issue within a 12-month period (other than where exceptions apply), shareholders may be diluted as a result of such issue of shares and fundraising.

No guarantee of future dividends

The Company currently has no plans to pay a dividend. There is no guarantee that the Company 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 the Company and the price of the Company's shares. These events can have an adverse impact on the demand for the Company's goods and services and its ability to conduct its business. The Company 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 the Company's operations, financial performance and viability.

Transaction transactions

The information presented in this presentation assumes that the other two Capital Transactions complete in accordance with the terms of their respective bidding term sheets. The Company is in the process of negotiating definitive long form documentation to give effect to those term sheets, but there is no guarantee that the parties will agree and execute those documents or that the Capital Transactions will ultimately complete (notwithstanding that the term sheets are expressed to be legally binding). If these transactions do not occur as a result of a failure to satisfy conditions (or otherwise), the financial and other information set out in this presentation would not be accurate and the failure to complete those transactions may have a material adverse impact on TS's future operations and financial performance. For example, there will be no guarantee that TS will be able to repay its debt, including those under the existing Longreach Financing Facility.

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 33½% 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 Wednesday, 29 May 2024 (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) 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 Wednesday, 22 May 2024 (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 Friday, 24 May 2024;
- 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.

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, the Share Registry.

Subject to official quotation being granted, it is expected that the issue of New Shares under the Retail Entitlement Offer will take place on Tuesday, 25 June 2024 and that normal trading of New Shares allotted under the Retail Entitlement Offer will commence at 10.00am (AEST) on Tuesday, 25 June 2024. 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)²:

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

Shares on issue as at Record Date	208,675,861
Shares issued under the Institutional Entitlement Offer	100,466,901
Maximum number of New Shares to be issued under the Retail Entitlement Offer	22,447,310
Maximum number Shares on issue on completion of the Retail Entitlement Offer	331,590,073

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.

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.

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.

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 5.00pm (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. 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 5.00pm (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 Joint Lead Managers

Salter Brothers Capital Pty Ltd (ACN 671 596 535) and PAC Partners Securities Pty Ltd (ACN 623 653 912) have agreed to act as the joint lead managers (each a **Joint Lead Manager**, together the **Joint Lead Managers**), arranger and bookrunner in respect to the Entitlement Offer.

As is customary with these types of arrangements:

- TSI has agreed, subject to certain carve-outs, to indemnify the Joint Lead Managers, their respective 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
- TSI and the Joint Lead Managers have given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer.

The fees to be paid to the Joint Lead Managers are set out in TSI's Investor Presentation. The Joint Lead Managers 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 Joint Lead Managers' role in the Entitlement Offer.

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.

AEST means Australian Eastern Standard Time.

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).

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 2 New Shares for every 3 existing Shares held by eligible Shareholders on the Record Date at an Offer Price of A\$0.10 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.

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 Joint Lead Managers 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 Wednesday, 22 May 2024, incorporated in Section 4 of this Retail Entitlement Offer Booklet.

Joint Lead Managers has the meaning given to that term in section 6.16 of this Retail Entitlement Offer Booklet.

Launch Announcement means the announcement released to the ASX on Wednesday, 22 May 2024 in relation to the Entitlement Offer, incorporated in Section 4 of this Retail Entitlement Offer Booklet.

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\$0.10 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 Friday, 24 May 2024.

Retail Entitlement Offer means the accelerated non-renounceable pro-rata entitlement offer to Eligible Retail Shareholders to subscribe for 2 New Shares for every 3 Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of A\$0.10 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.

Salter Brothers has the meaning given to that term in section 6.16 of this Retail Entitlement Offer Booklet.

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.

TERP means the theoretical ex-rights prices calculated by reference to TSI's closing price on 21 May 2024 of A\$0.175 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.

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/>

JOINT LEAD MANAGERS

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

PAC Partners Securities Pty Ltd
Level 29, 360 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