



PREMIUM SPIRITS WITH AN AUSTRALIAN ACCENT

FY22 RESULTS

TOP SHELF
INTERNATIONAL

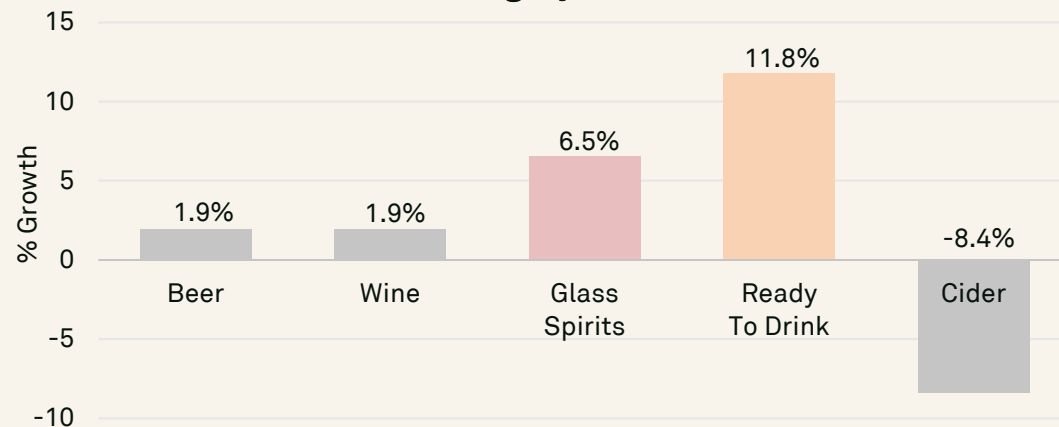
WHY AUSTRALIAN SPIRITS

ONLY 8% OF SPIRITS CONSUMED IN AUSTRALIA ARE AUSTRALIAN BY PROVENANCE

Compared to Beer 80% and Wine 75%.

Australian spirits have an opportunity to follow wine's lead and become internationally-recognised for the quality of its product and a valuable export industry in its own right.

Alcohol Category Performance¹



POSITIONING OUR BRANDS IN HIGH GROWTH CATEGORIES

We are participating in the world's largest, most popular and fastest growing spirits categories, positioning our brands in the premium segments of the market.

Our Australian Spirits Platform competes at scale with international competitors. It is able to capitalise on the global macro trends that are both driving category growth and applying significant, ongoing pressure on supply chains, including the availability of bourbon-style whisky and agave spirit.

Ownership and control of our vertically-integrated assets delivers operational excellence, flexibility and the agility to respond to market demands.

Our brands are currently the fastest growing Australian brands in their respective categories.

OUR AUSTRALIAN SPIRITS PLATFORM

OUR BRANDS

AUSSIE INGENUITY & CHARACTER

NED - Aussie grains, unique process, bold and fearless personality

GRAINSHAKER - Aussie corn, unique distilling and playful personality

<AUSTRALIAN AGAVE> - An ancient process meets Aussie know how, coastal Australian agave with a rogue personality

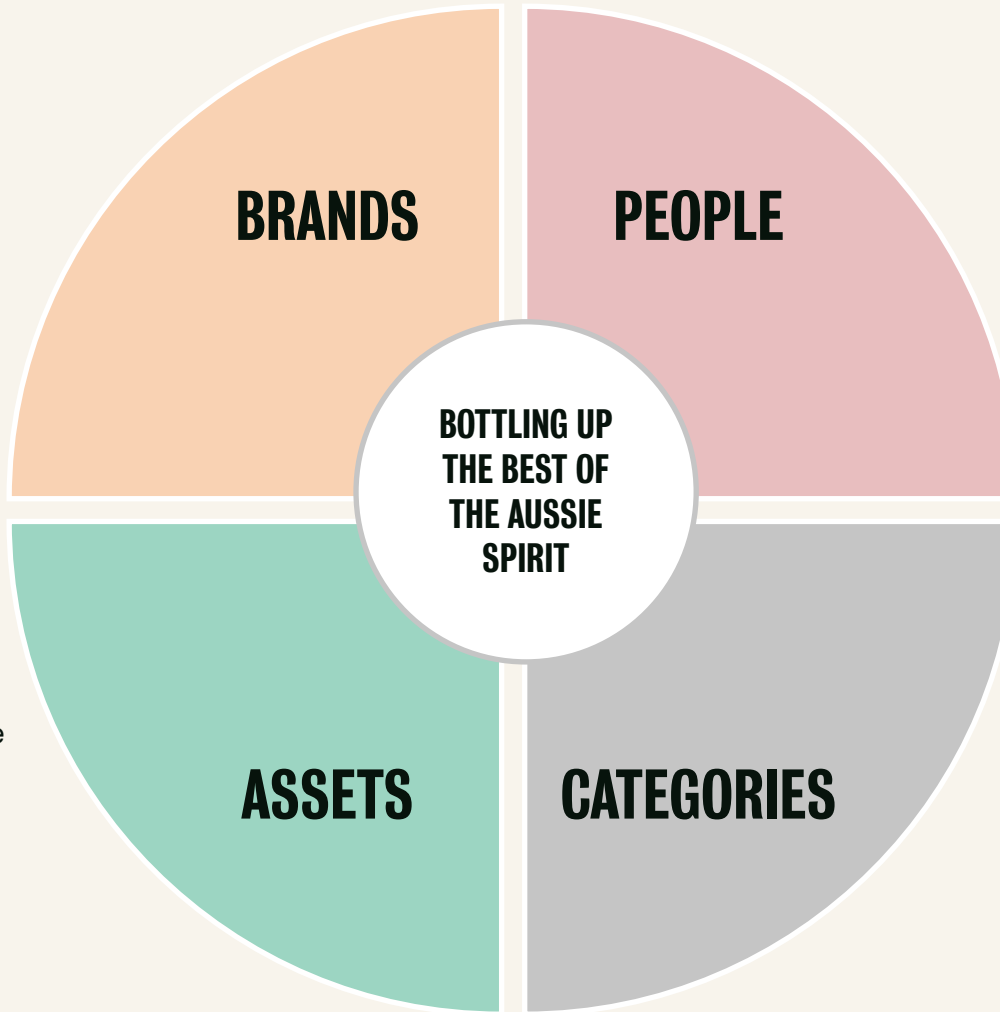
OUR ASSETS

INFRASTRUCTURE SET UP FOR INNOVATION & GROWTH

Assets of scale to commercialise our brands globally. Difficult to replicate, vertically integrated supply chains from plant and grain through to bottle providing control and certainty.

Nimble and fast to bring new products to market because of the capability of our people, facilities and capital.

TOP SHELF
INTERNATIONAL



OUR PEOPLE

ENTREPRENEURIAL & OPTIMISTIC

Our people take the liquid seriously, but not themselves. They are entrepreneurial, brave, bold, optimistic and competitive.

OUR CATEGORIES

TSI BRANDS BUILDING THEIR CATEGORIES

Participating in the world's most popular and fastest growing spirits categories. A modern Australian spirits business that is craft at scale, with global ambitions to take Australian spirits to the world.

PORTFOLIO

THE TEAM

Top Shelf International's portfolio of premium spirit brands with a shared attitude of Australian ingenuity and character

THE PLAYERS

THE PLAYING FIELDS



FEARLESS

Breaking free from tired conventions

Born of the high country

WHISKY



EXHUBERANT

Celebrating the character and warmth of Australian grain

Born of the sweeping plains

VODKA



Brand to be revealed
12 September

ROGUE

An ancient process meets Aussie know how

Born of the coast

AGAVE

ASSETS SCALED TO SUPPORT BRAND AMBITION



DISTILLATION

Vodka 1.2m litres/year
Dark Spirit 1.2m litres/year
(both at 43% ABV)
Further capacity to meet demand



WHISKY MATURATION

2 x Barrel houses
2.09m litres whisky maturing
(43% ABV at 30 June 2021)
558k litres available for harvest in CY23
(43% ABV)



AGAVE SPIRIT FARM

Largest estate outside Mexico
1m plants by FY24 = 120k 9LE cases/year
70% already planted towards target
Plants producing ~3 pups each/year
First pina harvested at 19.5 brix (Aug 2022); target 25-16 brix

PRODUCTION

10,000 cans/hour, 7,000 bottles/hour
Multi pack formats
Quality Assurance; HACCP, Endeavour Drinks Group (EDG), Australian Certified Organics, Nestle, FDA Certifications
20% capacity utilised by TSI brands



FY22 RESULTS PACK



FY22 RESULTS DASHBOARD



#1

Australian Whisky Brand –
Value⁴ & Growth⁵

PRO FORMA REVENUE¹

\$26.6m

(+39% on FY21)

Branded product revenue
+96% H2 on H1

GROSS MARGIN²

27%

(+2.1% on FY21)

BUSINESS INVESTMENTS

Brand \$7.4m

Whisky \$3.7m

Australian Agave \$4.1m

MATURING SPIRIT³

Whisky 2.0m Litres

Agave 2.6m Litres

(at 30 June 2022)

Capacity to also distil 1.2m
litres of Vodka per year

BUSINESS ASSETS

IN USE

\$152.4m

(incl. Brand assets: \$43.8m)

AVAILABLE FUNDING

\$38.7m



#1

Australian Vodka Brand –
Value⁶ & Growth⁷

1. FY22 revenue has been presented on a pro forma basis with the consistent recognition of all domestic channel revenue on a gross excise basis (FY22 incremental revenue on a pro forma basis: \$1.3m; FY21: \$nil). Branded product revenue has also been presented on this pro forma basis (FY22 2H incremental revenue on a pro forma basis: \$1.3m; FY22 1H: \$nil), 2. Gross margin is presented exclusive of contract packaging passthrough revenue (Excise passthrough revenue excluded from the gross margin calculation: FY21: \$0.4m; FY22 \$5.0m), 3. TSI ASX Announcement FY22 Q4 Quarterly Report and Appendix July 2022, 4. AU Liquor (CLG & ALM) Dollars MAT 31/7/22 and Dollars Growth 4 Weeks 31/7/22 (NED Glass & RTD), 5. AU Liquor (CLG & ALM) Dollars Growth % 4 Weeks 31/7/22, Brands >\$0.5m RSV (NED Glass & RTD), 6. Management Estimate (AU Liquor Dollars MAT 31/7/22 + Direct Sales Volume TSI, Glass & RTD), 7. AU Liquor (CLG & ALM) Dollars Growth % 4 Weeks 31/7/22, Brands >\$1.5m RSV

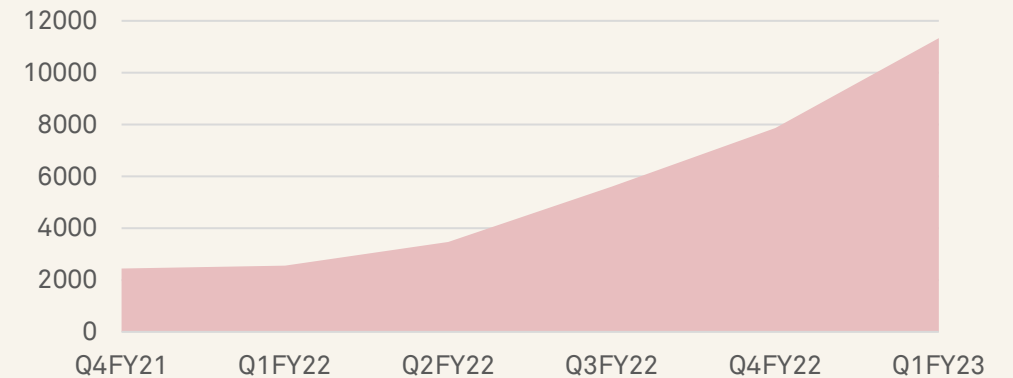
PRIMED FOR DELIVERY AND ACCELERATION

OUR SPIRITS PLATFORM IS PRIMED FOR DELIVERY AND ACCELERATION

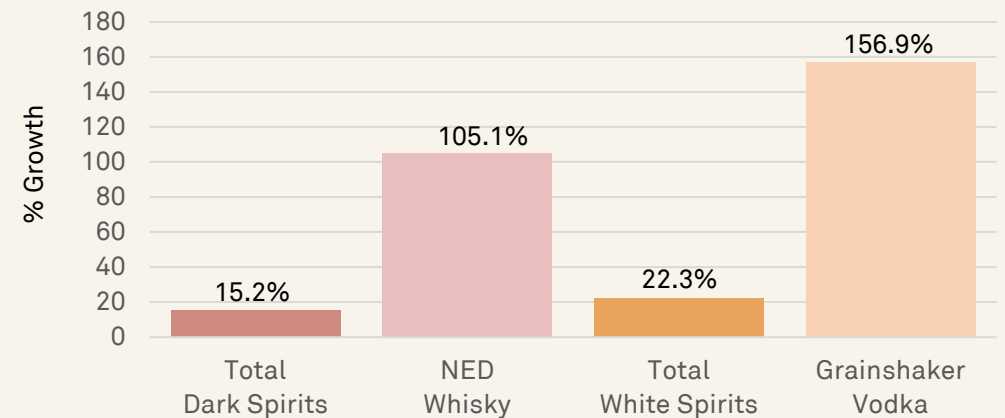


**UNDERPINNED BY OUR PEOPLE AND ASSETS,
AND GROWTH OF THE AUSTRALIAN SPIRITS INDUSTRY**

NED & Grainshaker Distribution Points¹



\$ Growth - TSI Brands vs Category²



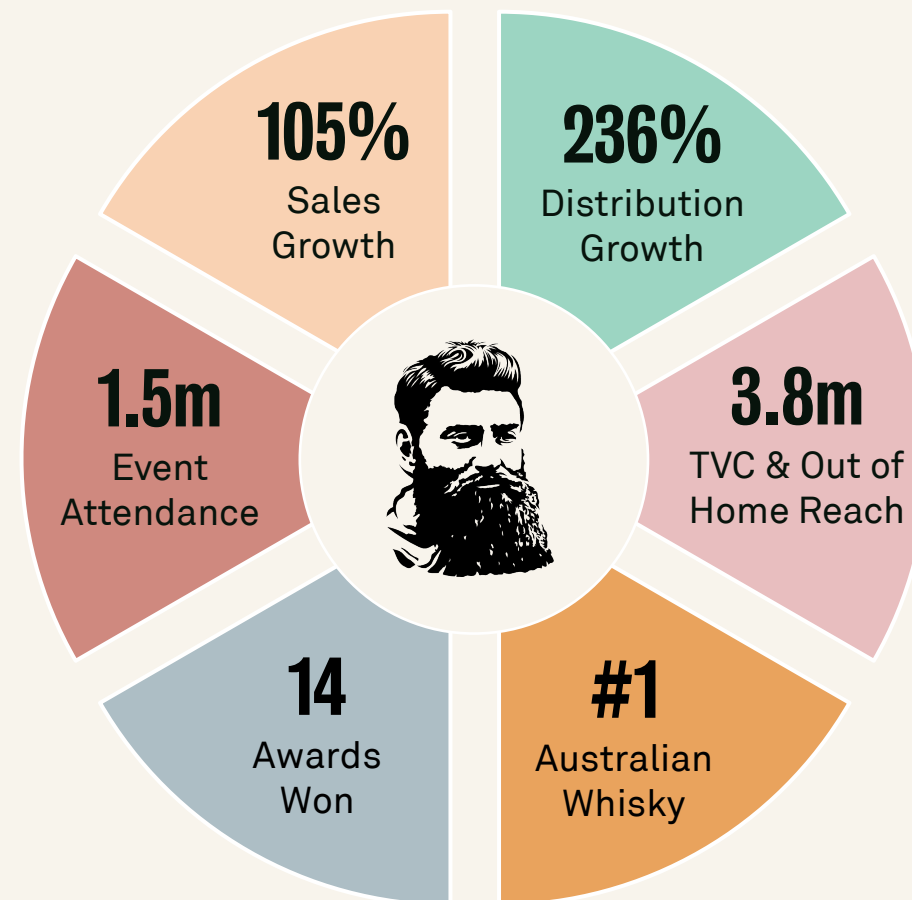
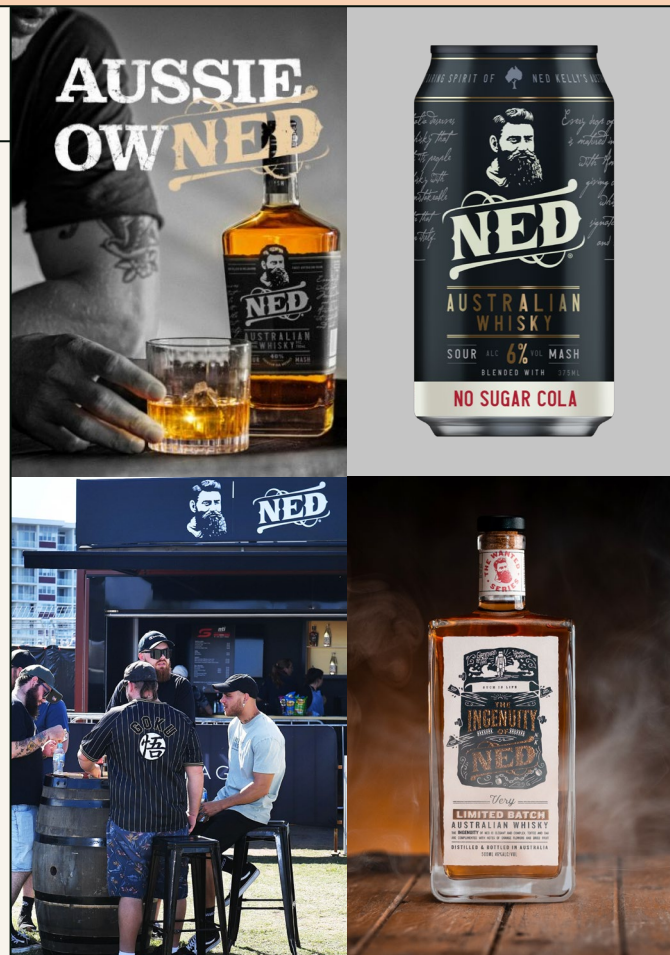
1. Management Estimates. Forecasted 43% increase in distribution points in Q1FY23, 2. Dollars (000s) Growth % YA 4 wks 31/07/22 AU Liquor (CLG & ALM)

BRAND PERFORMANCE

NED WHISKY

Sales, Distribution and Ranging Growth supported by Premiumisation, New Product Development, Events, Awards, and Brand Investment & Communication

- 105% Sales Growth¹
- 236% Distribution Growth²
- #1 Australian Whisky
- #1 Fastest Growing Australian Whisky
- 14 industry spirit competition awards, including 2 Golds for NED Wanted Series³
- 3.8m households reached via TVC and Out of Home advertising⁴
- 1.5m people attending events in 2022 where NED can be purchased⁵



BRAND PERFORMANCE

GRAINSHAKER VODKA

Sales, Distribution and Ranging Growth supported by Premiumisation, New Product Development, Events, Awards, and Brand Investment & Communication

- 157% Sales Growth¹
- 5.1k% Distribution Growth²
- #1 Australian Vodka
- #1 Fastest Growing Australian Vodka
- 7 industry spirit competition awards, including Gold for Grainshaker Wheat³
- 2.1m households reached via Out of Home advertising⁴
- 2m people attending events in 2022 where Grainshaker can be purchased⁵



FY23 OUTLOOK

HIGH CONFIDENCE IN DELIVERY OF STRATEGY



PORTFOLIO

Launch Australian Agave Brand and complete TSI's Australian Spirits Portfolio

REVENUE

FY23 Jul / Aug YTD revenue growth of 184% above the prior comparative period in FY22¹

CHANNEL & VELOCITY GROWTH

43% increase in distribution points forecast in Q1FY23¹

BRAND ACTIVATION

Continued investment to build brand and drive further channel and velocity growth

CATEGORY

Domestic – Value growth (Glass Spirits +6.5%³, RTD +11.8%³)
Global – Tequila category forecast to double in size in next decade to US\$24bn⁴

FUNDING

Extension of credit facility with Longreach Credit by \$20m to \$45m²
Maturity date extended by 12 months to December 2024

ASSETS

Australian Agave harvesting, distillery and production facility.
Extracting increased value from maturing spirits inventory (whisky & agave)

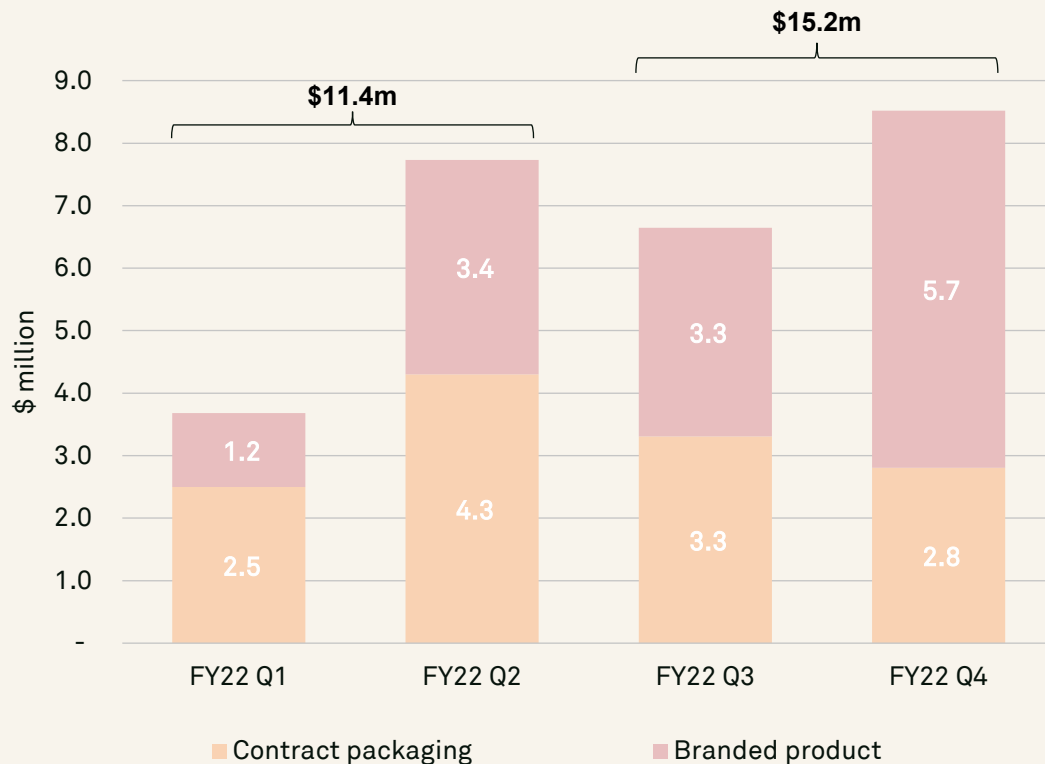


PLATFORM

Capitalising on our brand portfolio and platform to realise operating leverage

REVENUE

GROUP REVENUE (\$M)¹



TSI's FY22 revenue of **\$26.6m** reflected growth of **38.7%** on a pro forma basis attributable to:

Branded product revenue of **\$13.7m**, up **7.7%** on FY21. Critically FY22 2H branded product revenue of **\$9.1m** was up **96.2%** on FY22 1H reflecting:

- unconstrained whisky supply from March 2022 enabling increased sales of NED Whisky, particularly into the off premise channel;
- distribution growth inclusive of commencement of ranging with Coles Liquor Group (Liquorland, First Choice and Vintage Cellars) of NED Whisky and Grainshaker Vodka from March 2022; and
- strong demand over the summer festival and event season and continued demand from the on premise channel after a severely impacted FY22 1H due to COVID-19 lockdowns, particularly in Victoria and New South Wales.

Contract packaging revenue of **\$12.9m**, up **99.5%** on FY21, reflecting ongoing demand from TSI's portfolio of major retail and craft beverage customers. Importantly, the contract packaging demand is optimising the utilisation and productivity of TSI's production assets.

TSI has commenced FY23 strongly with anticipated revenue growth of 184% in the July / August period above the prior comparative period in FY22 (branded product and contract packaging).

1. Group revenue is presented on a pro forma basis to reflect all domestic channel sales (inclusive of Coles Liquor Group) consistently on a gross excise basis (FY22 Q3: \$0.2m; FY22 Q4: \$1.1m).

PROFIT OR LOSS

GROUP PROFIT OR LOSS

| | 1H | 2H | FY22 | FY21 |
|--|---------------|---------------|---------------|---------------|
| Revenue | 11.4 | 15.2 | 26.6 | 19.2 |
| Gross margin | 2.4 | 3.1 | 5.5 | 4.7 |
| Agave plant fair value gain | 3.1 | 3.2 | 6.3 | 5.6 |
| | | | | |
| Distribution | (0.6) | (0.4) | (1.0) | (0.7) |
| Selling | (2.6) | (3.3) | (5.9) | (4.2) |
| Marketing | (1.7) | (1.9) | (3.6) | (1.0) |
| Operating | (2.1) | (2.2) | (4.3) | (2.6) |
| Operating contribution | (1.5) | (1.5) | (3.1) | 1.8 |
| Business investment | (2.0) | (3.0) | (5.1) | (2.2) |
| Contribution margin | (3.5) | (4.5) | (8.1) | (0.5) |
| Group support | (3.2) | (2.6) | (5.9) | (5.8) |
| Underlying EBITDA | (6.8) | (7.2) | (14.0) | (6.2) |
| | | | | |
| Underlying gross profit % ¹ | 27.0% | 27.0% | 27.0% | 24.9% |
| Net excise gross profit % ² | 36.8% | 39.8% | 38.1% | 36.9% |
| Product COGS as % of net excise revenue | -63.6% | -51.6% | -56.7% | -63.0% |
| Operating + Group Costs as % of revenue | -89.5% | -68.4% | -77.8% | -74.5% |

In FY22, TSI's revenue growth and underlying gross profit margin delivered gross margin of **\$5.5m** (up 17% from \$4.7m in FY21).

TSI's underlying gross profit margin reflected:

- price realisation through the brand update of NED Whisky and new product development;
- customer mix; and
- an increased focus on higher margin on premise and international activities.

In FY22, TSI has continued to invest in the enhancement of its operational capability and commenced the leverage realisation of this capability, reflected in:

- TSI continued with the establishment of a national sales footprint across on and off premise channels and marketing capability to serve the brand portfolio;
- across FY22, TSI's operating and group support function costs held steady, decreasing relative to revenue in FY22 2H.

TSI has maintained its investment in brand building (inclusive of marquee sponsorships) **(\$3.8m)** and the Australian Agave project **(\$1.3m)** (reflected in the Business investment line).

1. Underlying gross profit % is presented exclusive of contract packaging passthrough revenue. Excise passthrough revenue excluded from the underlying gross profit calculation: FY21: \$0.4 million; FY22 1H: \$2.6 million; FY22 2H: \$2.4 million.

2. Net excise gross profit % is calculated by gross margin divided by statutory revenue net of excise.

NET ASSET POSITION

GROUP NET ASSET POSITION (\$M)

| | Jun-22 | Jun-21 |
|--|---------------|---------------|
| Cash | 20.1 | 9.5 |
| Trade and other receivables | 6.5 | 8.0 |
| Inventories | 11.3 | 7.4 |
| Property, plant & equipment | 28.9 | 27.2 |
| Right-of-use assets | 6.2 | 6.3 |
| Agave plant biological assets | 15.7 | 7.7 |
| Other | 17.1 | 11.6 |
| Assets – total | 105.8 | 77.8 |
| Trade and other payables | (13.1) | (11.9) |
| Provisions | (1.2) | (0.7) |
| Lease liabilities | (7.1) | (6.9) |
| Borrowings | (23.9) | (14.9) |
| Liabilities – total | (45.3) | (34.4) |
| | | |
| Net assets | 60.5 | 43.4 |
| Capital in use | 51.7 | 41.9 |
| Business assets in use ¹ | 152.4 | n/a |

TSI has continued to invest in business assets during FY22 and at 30 June 2022 had capital in use of \$51.7 million (30 June 2021: \$41.9m). The investment in FY22 is reflected in the balance sheet:

- NED Whisky assets (\$3.7m) (inclusive of new make whisky inventory and maturation assets);
- Australian Agave assets (\$2.9m) (inclusive of agave agronomy and the distillery project; and
- Campbellfield production site efficiency improvement and capability assets (\$1.1m).

The investment is recognised on balance sheet at cost or accounting fair value.

TSI's strategic growth plans are underpinned by secure access to over 2.0 million litres of whisky under maturation (@ 43% ABV) and an equivalent of 2.6 million litres of agave spirit (@ 43% ABV) on hand at 30 June 2022.

The net sales values at 30 June 2022 of maturing spirit inventory totalled \$359.6 million (30 June 2021: \$271.8 million). Whisky under maturation represented \$144.9 million (\$71.4 per litre) and agave spirit represented \$214.7 million (\$83.5 per litre). The whisky and agave spirit net sales value per litre applied at 30 June 2022 was consistent with 30 June 2021.

1. Business assets in use calculated as capital in use (\$51.7m) (defined as net assets excluding cash, borrowings and deferred tax assets) and intangible assets recognised off balance sheet (\$100.4m). Intangible asset valuation at 30 June 2022 independently prepared by EverEdge Global Pty Ltd.

CASH FLOWS

GROUP CASH FLOWS (\$M)

| | FY22 | FY21 |
|---|---------------|---------------|
| Statutory EBITDA | (18.0) | (10.3) |
| Exclude non-cash profit or loss items | (4.9) | (3.5) |
| Working capital investment (incl. agave agronomy) | (1.2) | (4.1) |
| Capital expenditure | (4.9) | (6.7) |
| Research & development income | 0.9 | 0.8 |
| Property security deposits | - | (0.1) |
| Net cash flow before financing activities | (28.1) | (24.0) |
| Lease payments | (1.1) | (0.8) |
| Net financing costs | (1.4) | (1.3) |
| Net proceeds from borrowings | 8.6 | 1.5 |
| Net proceeds from capital raising activities | 32.6 | 32.4 |
| Net cash flow | 10.7 | 7.8 |
| | | |
| Closing cash position | 20.1 | 9.5 |
| Available funds ¹ | 38.7 | 18.3 |

Notwithstanding the challenging trading conditions recently experienced, particularly in FY22 1H, TSI continued to invest in strategic priorities and business capabilities during FY22 to position the business for success in future periods.

This investment has been recognised through TSI's profit or loss and balance sheet:

Profit or loss:

- Investment in advance of revenue in TSI's national selling capability and brand activation in FY22 (\$5.9m). With an experienced sales force in place and access to whisky, the benefits are expected to be realised across FY23; and
- Brand asset investment (\$7.4m) (inclusive of NED Whisky brand refresh, new product development, in-house marketing capability and marquee sponsorships).

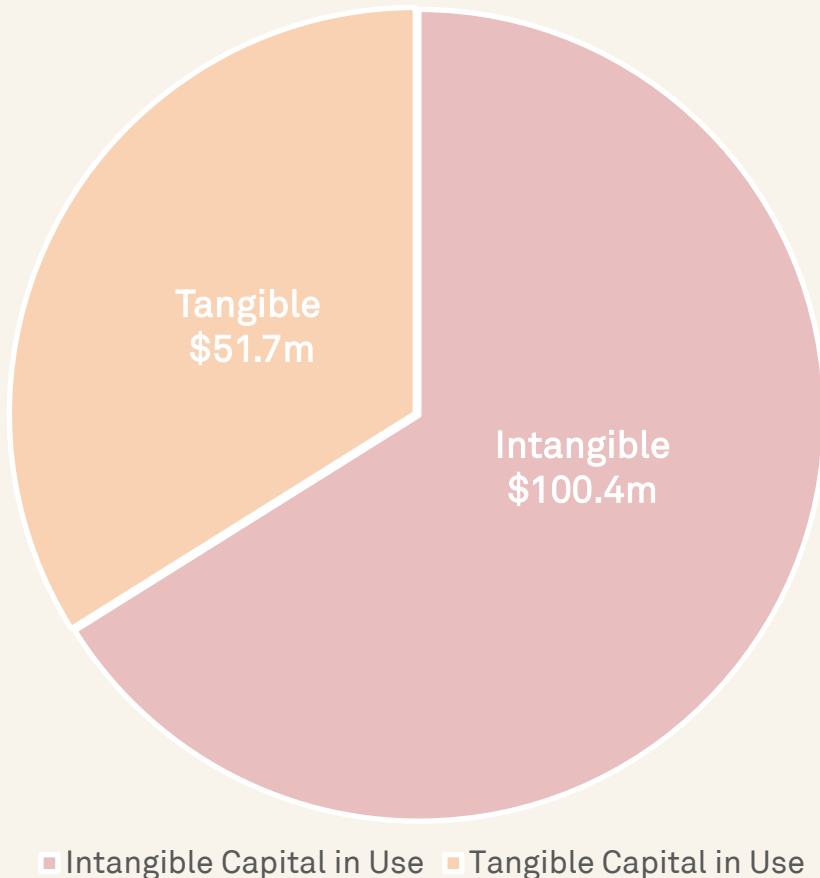
Balance sheet:

- NED Whisky future supply (\$3.7m); and
- the Australian Agave Project (BS: \$2.7m; P&L: \$1.3m) (inclusive of brand and market entry preparation, agave agronomy and the distillery project).

1. TSI executed a facility amendment deed in August 2022 to extend its borrowing base facility by \$20m to \$45m with the facility maturity date extended by 12 months to December 2024. \$10m of the facility extension is unconditionally available from September 2022.

TSI – A BRANDED PREMIUM SPIRITS COMPANY

TSI Asset Portfolio \$A



TSI has been investing in a scalable platform for many years inclusive of infrastructure and capability, high quality spirit inventory, brand, customer relationships and other business assets.

As noted on the prior page, this investment has historically been recognised through TSI's profit or loss or balance sheet. As such, much of this investment has been recognised as expenditure or at cost on TSI's balance sheet for accounting purposes (as opposed to market or fair value).

TSI's asset portfolio has recently been independently valued by EverEdge Global Pty Ltd (EverEdge). The EverEdge valuation assessed that TSI had determinable intangible assets of \$100.4m as of 30 June 2022 incremental to the capital in use recognised on TSI's balance sheet.

The EverEdge valuation identified the following intangible asset categories:

- Brand (\$43.8m)
- Relationships (20.8m)
- Data, confidential information and capability (\$21.9m)
- Other (\$10.9m)

AGAVE

**TO UNEARTH AND UNLEASH THE POTENTIAL
OF AGAVE FROM THE LAND DOWN UNDER**

The Agave Tequilana Weber plant has been made famous in Mexico.

The generosity of this special plant however has been confined and limited to only one country, one region, one terroir.

Like wine, the time has come for this plant to flourish beyond its native land, and be shared with the world.

The Australian Agave Project breaks with tradition and celebrates this bold ambition.

**Coming Soon
Australia Agave Brand Reveal
12 September 2022**



**WE DON'T BUY OUR
CARBON CREDITS.
WE GROW AND
SEQUESTER THEM**



AUSTRALIAN AGAVE
PROJECT 20°S 148°E

APPENDIX



APPENDIX

REVENUE AND MARGIN (\$M)

| | | | FY22 | FY21 |
|--|-------------|-------------|-------------|-------------|
| | 1H | 2H | FY | FY |
| Revenue ¹ | | | | |
| Brand | 4.6 | 7.8 | 12.4 | 12.7 |
| Contract packaging services | 6.8 | 6.1 | 12.9 | 6.5 |
| Revenue - total | 11.4 | 13.9 | 25.3 | 19.2 |
| COGS | | | | |
| Product COGS | (4.2) | (4.7) | (8.9) | (8.0) |
| Excise | (4.8) | (6.1) | (10.9) | (6.5) |
| COGS - total | (9.0) | (10.8) | (19.8) | (14.5) |
| Gross margin | 2.4 | 3.1 | 5.5 | 4.7 |
| | | | | |
| Underlying gross profit % ² | 27.0% | 27.0% | 27.0% | 24.9% |
| Net excise gross profit % ³ | 36.8% | 39.8% | 38.1% | 36.9% |
| Statutory gross profit % | 20.8% | 22.3% | 21.6% | 24.4% |

1. Revenue in this appendix is presented on a statutory basis, 2. Underlying gross profit % is presented exclusive of contract packaging passthrough revenue. Excise passthrough revenue excluded from the underlying gross profit calculation: FY21: \$0.4m; FY22 1H: \$2.6m; FY22 2H: \$2.4m, 3. Net excise gross profit % is calculated by gross margin divided by statutory revenue net of excise.

EBITDA TO NET LOSS AFTER TAX (\$M)

| | FY22 | FY21 |
|----------------------------------|---------------|---------------|
| Underlying EBITDA | (14.0) | (6.2) |
| Non-cash and non-recurring items | (4.0) | (4.1) |
| Statutory EBITDA | (18.0) | (10.3) |
| Depreciation and amortisation | (1.2) | (0.8) |
| EBIT | (19.1) | (11.1) |
| Net finance costs | (2.6) | (2.8) |
| Income tax | 5.3 | 3.1 |
| Net loss after tax | (16.4) | (10.7) |

Non recurring items

During FY22, the Group recognised the following non cash and non-recurring items that have been excluded from underlying EBITDA:

- Share based payments expense (\$0.4m)
- Write off of debtor amounts in relation to legacy customers, with whom TSI no longer directly trade (\$0.6m)
- Inventory write-off in relation to obsolete packaging and expired finished products (\$1.0m)
- Loss on disposal of fixed assets inclusive of cessation of The Distiller hospitality and consumer experience venue (\$0.9m)
- Corporate costs including employee termination and other non recurring corporate activities (\$1.0m)

PREMIUM SPIRIT HOLDINGS

We currently have 2.0m litres of whisky maturing and the equivalent of 2.6m of agave spirit.

In next 5 years we will produce a further 3.9m litres of whisky, of which 2.2m litres will be available for sale within this period.

The total volume available for sale in this period is 5.9m litres.

In addition to our whisky and agave maturing spirit inventory, TSI also has the capacity to distil 1.2m litres of vodka per year at 43% ABV.

