



Top Shelf International Holdings Ltd

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

14 July 2021

ASX ANNOUNCEMENT (ASX: TSI)

Unaudited revenue result for the 12-month period ended 30 June 2021 (“FY21”)

Top Shelf International Holdings Limited (“Top Shelf” or “the Company”), Australia’s leading premium spirits company, provides an update on its FY21 revenue result.

FY21 pro forma unaudited revenue result

Top Shelf delivered pro forma unaudited revenue of **\$20.0 million** in FY21 representing:

- **Achievement of the pro forma revenue forecast** as set out in the Company’s initial public offering (IPO) prospectus dated 12 November 2020;
- Pro forma revenue growth of **160%** on the prior comparative period (12-month period ended 30 June 2020 (“FY20”)); and
- Growth of Top Shelf’s branded product revenue (NED Whisky and Grainshaker Vodka) of **211%** from **\$4.0 million** in FY20 to **\$12.7 million** in FY21.

Top Shelf’s Chief Executive Drew Fairchild stated *“Achievement of our IPO pro forma revenue forecast is an outstanding result and represents another milestone in our ambition to be Australia’s premier and largest international multi branded spirits company. The revenue growth achieved in the second half of FY21 was particularly pleasing. We are on track and on trend.*

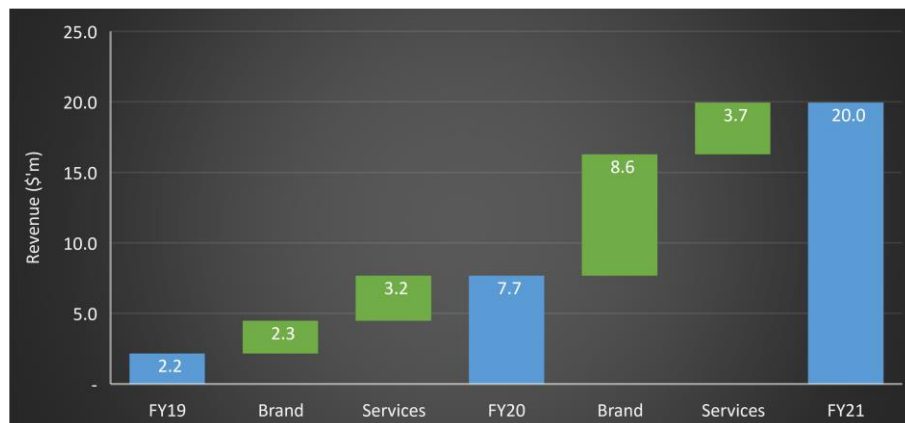
“NED Australian Whisky and Grainshaker Hand Made Australian Vodka are two of the fastest growing premium spirit brands in Australia. The FY21 revenue result demonstrates the strength of the NED Whisky brand, as we continued to sell all the whisky we had available while growing the price realised per litre.

“Grainshaker Vodka is going from strength to strength as evidenced by the release of a new 700mL proprietary bottle and recent acceptance of ranging of the brand in both key retail and on-premise venues including the 250 store network of IGA Liquor Victoria and Cellarbrations and Bottle-O 150 store network in Queensland, and an on-premise arrangement across Melbourne hospitality venues operated by Good Company Bar Group.

“Our strategic objectives include the continued investment in whisky and agave, the launch of an Australian Agave brand in early FY22 and continuing to expand our customer network building on the successes of domestic and international growth demonstrated in FY21.

“We look forward to providing an update on the production volume and net sales value of our inventory across Whisky, Vodka and Agave next week.”

Chart 1: FY19 – FY21 pro forma revenue growth profile



Top Shelf's pro forma revenue in FY21 of \$20.0 million was inclusive of:

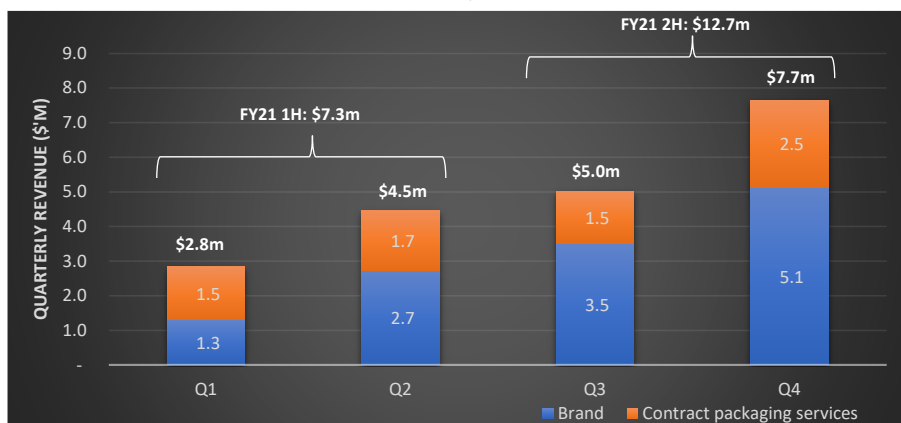
Branded product (NED Whisky and Grainshaker Vodka) – growth of \$8.6 million or 211% from FY20 to \$12.7 million – reflecting:

- the increasing scale of Top Shelf's whisky maturation capability and quality enabling the sales expansion of the NED Whisky product range and complementary introduction of super premium product offerings;
- the national retail ranging of NED Whisky bottle and Ready To Serve (RTS) products with Independent Brands Australia (IBA), consisting of Cellarbrations, Bottle O and IGA liquor outlets, from September 2020; and
- the brand launch of Grainshaker Vodka in October 2020 and strong subsequent on-premise demand.

Contract packaging services – growth of \$3.7 million or 102% from FY20 to \$7.3 million – reflecting the annualised performance of contract packaging services provided to major beverage and craft customers after commissioning of the Company's canning and bottling capabilities in October 2019.

Note: FY19 revenue of \$2.2 million included branded product sales of \$1.8 million and contract packaging services of \$0.4 million.

Chart 2: FY21 pro forma revenue quarterly profile



NED Whisky and Grainshaker Vodka revenue growth in 2H relative to 1H of 115% from \$4.0 million to \$8.6 million reflected:

- continued demand growth for NED Whisky products via the Australian Liquor Marketers (ALM) and IBA retail distribution networks, with notable growth in Western Australian and Queensland markets;
- the introduction of the limited release NED Whisky 'Wanted Series' super premium 500mL bottle and 8.0% ABV RTS products through the ALM and IBA retail distribution networks, and NED Whisky new make spirit 20L barrels via e-commerce channels;
- commencement of international sales of NED Whisky and Grainshaker Vodka bottle and RTS products to China supported by relationships established with locally based Chinese buyers; and
- strong on-premise demand for Grainshaker Vodka and initial fulfilment orders to commence retail ranging of Grainshaker Vodka products with IBA Victoria and Queensland in early FY22.

Contract packaging services revenue growth of 24% from \$3.3 million to \$4.0 million reflected ongoing services provided to a portfolio of customers including the onboarding of Pinnacle Drinks in the second half of FY21.

FY21 statutory unaudited revenue result

Top Shelf delivered unaudited statutory revenue of \$19.2 million in FY21 representing growth of 149% or \$11.5 million on FY20.

Pro forma to statutory unaudited revenue result reconciliation

\$ million	FY19	FY20	FY21
Pro forma	2.2	7.7	20.0
1. Contract packaging service revenue – produced to order not picked up	-	-	(0.8)
Statutory	2.2	7.7	19.2

Reconciliation notes:

1. As at 30 June 2021, produced to order, not picked up finished goods representing \$0.8 million of contract packaging service revenue pursuant to contract packaging services provided by Top Shelf to Pinnacle Drinks in the second half of FY21 has been recognised as revenue on a pro forma basis. Top Shelf anticipates the dispatch to customer of this volume will occur during July and August 2021 at which point the revenue will be recognised by the Company on a statutory basis. (Produced to order but not picked up finished goods on hand at 30 June 2020: \$nil).

Top Shelf anticipates releasing its FY21 fourth quarter Appendix 4C quarterly cash flow report by Wednesday 28 July 2021 and its FY21 Appendix 4E preliminary financial report by the end of August 2021 in accordance with ASX listing rules 4.7B and 4.3B respectively.

End

This announcement was approved by the Company's Chief Executive Officer Drew Fairchild, on behalf of the Top Shelf Board.

For more information (investors and media):

For further information, please visit our investor website <https://www.topshelfgroup.com.au/investors> or contact investor relations at info@topshelfgroup.com.au or on (03) 8317 9990

About Top Shelf

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

The Company has expertise in the development and production of distilled spirits, undertakes a significant level research and development and operates modern fermentation, distillation and packaging facilities in Campbellfield, Victoria.

The Company is creating Australia's first agave spirit range and is developing an Agave farm in The Whitsundays region of Queensland specifically chosen for the suitability of its climate for growing blue agave. In development of the farm the Company has committed to the application of up-to-date and innovative horticultural practices.

In addition to distilling and manufacturing its own portfolio of spirit brands, Top Shelf also provides canning, bottling and packaging services to a range of customers.