



GROUP
ONE P/L
THOROUGHBREDS

PROSPECTUS

GROUP ONE THOROUGHBREDS (AUST) LTD

ABN 52 639 721 832

TORONADO X KHAMSA SHARES

DATED: 13TH FEBRUARY 2022



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IMPORTANT INFORMATION

Offer

The Offer contained in this Prospectus is an invitation by Group One Thoroughbreds (AUST) Ltd ("**GOT**" or "**Company**") to acquire fully paid Toronado x Khamsa shares ("**Shares**") in the Company.

Prospectus

This Prospectus is dated 13th February 2022 and a copy was lodged with the Australian Securities and Investments Commission ("**ASIC**") on that date.

Expiry date

No shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Exposure period

The *Corporations Act 2001* (Cth) ("**Corporations Act**") prohibits the Company from processing applications for shares in the 7-day period after the date of lodgement of this prospectus with ASIC. This period may be extended by ASIC for a further 7 days. This period is an exposure period to enable this Prospectus to be examined by market participants prior to the raising of funds. Applications received during the exposure period will not be processed until after the expiry of the period. No preference will be given to applications received during that period.

No performance guarantee.

Purchasing shares in the Company should be regarded as speculative and shareholders should regard their shares as an entry in to racing horses for entertainment value rather than returns before accepting this Offer. Prospective shareholders should seek independent professional investment advice before accepting this Offer. Please consult your legal, financial or other professional adviser before making a decision to invest in shares. Horse racing is a speculative venture and no person involved in producing this Prospectus (including the Company and its directors and advisers) guarantees the performance of the Shares or any capital or income.

Offer availability.

The Offer constituted by this Prospectus is only available to persons receiving this Prospectus within Australia and does not constitute an offer in any jurisdiction which, or to any person whom, it will be

unlawful to make such an offer. An application for shares, pursuant to this offer, can only be made by completing and lodging the application form that accompanies this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology such as 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', 'continue' or the negative or other variations of comparable terminology. These statements are based on the Directors' assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. Such statements are subject to risk and uncertainties that could cause actual results to differ materially from those projected. Such statements (none of which is intended as a guarantee of performance) are subject to certain assumptions, risks and uncertainties, which could cause the actual future results, achievements or transaction to differ materially from those projected or anticipated. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. No assurance is or can be given that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Accordingly, you should not place undue reliance on these forward-looking statements.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

Photographs

Photographs used in this Prospectus which do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents.

1. INVESTMENT OVERVIEW

1.1 Summary of Offer

Topic	Information	Reference
What is the Company?	Group One Thoroughbreds Ltd ('GOT') is a horse racing company and has purchased one thoroughbred racehorse with the intention of racing it. GOT is offering Shareholders the opportunity to receive any benefit of race winnings and potential future breeding revenue and proceeds (after paying expenses).	For more information see section 2.1
Why is the Offer being conducted?	The Offer is being conducted to: <ul style="list-style-type: none">• Fund the engagement of the proposed trainers;• Pay the costs incurred by Group One Thoroughbreds and the Directors in respect of the issue of this Prospectus; and• Repay the Company's existing credit facility used to purchase the Horse.	For more information see section 6.2
What are the key risks associated with the Company?	Risks associated with purchasing shares in the Company include the risk of the Horse being injured and unable to race, heavy reliance on directors and other key persons, changes in legislation, the speculative nature of horse racing and liquidity risk.	For more information see section 3
Who will be in control of the Company?	The Directors of the Company are Jeremy Azzopardi, Kirstian Azzopardi and Lisa Pardi.	For more information see section 5.1
Who will benefit from the Offer?	Group One Thoroughbreds will benefit from this Offer as it will be responsible for managing the racing career of the Horse for the Company and will receive a management fee for doing so. Jeremy Azzopardi, the sole director and shareholder of Group One Thoroughbreds, may benefit from this offer in the form of dividends distributed to him, and a salary paid to him by Group One Thoroughbreds in his capacity as sole shareholder of Group One Thoroughbreds.	For more information see sections 2.3.1, 5.2 and 6.3.1

1.2 Key terms and conditions of Offer

Topic	Information
What is the Offer period?	The offer opens on 13th February 2022 and closes on 12th March 2023.
What is the type of Shares being offered?	Fully paid Toronado x Khamsa Shares in the Company.
How many Shares are being offered?	40 fully paid Toronado x Khamsa Shares.
Minimum subscription amount for each Shareholder	1 fully paid Toronado x Khamsa Share.
Minimum subscription amount for Offer to proceed	1 fully paid ordinary Share.
What is the consideration for each Share being offered?	The price of each Share under offer is \$995
Amount to be raised under the Offer	\$39,800
Are the Shares listed?	The Shares are not listed on any stock exchange.
Is the offer underwritten?	The Offer is not underwritten.



2. BUSINESS OVERVIEW

2.1 Nature of the business

GOT is a horse racing company and has purchased one thoroughbred racehorse (the “Horse”) with the intention of managing its racing career, training and racing it. The Horse is 100% owned by the Company.

It is intended that the Company will operate for the career of the Horse, with an expected start date of 13th February 2022, to be extended at the discretion of the Directors or until the Horse retires or has been sold.

The Company intends to generate returns for the Shareholders by effectively managing the Horse’s racing career. This involves engaging and maintaining quality licensed trainers, ensuring the Horse remains healthy, and entering the Horse into appropriate races. The Manager is responsible for managing the Horse’s racing career. Any prize-money won by the Horse will be used in the first instance to pay trainer and jockey expenses. The remainder of the prize- money will be distributed to the Shareholders in the form of dividends. See section 6.4 for more information about the distribution of prize-money.

If an offer is made by a third party to buy the Horse from the Company, the Directors will consider, with consultation from the Manager and the trainers, whether the offer is in the best interests of Shareholders. If the Company considers the offer is in the best interests of Shareholders, Shareholders have a right of first refusal and have the option to purchase the Horse at the offered price.

If in the opinion of the Directors, it is not in the interests of the Shareholders for the Horse to continue to race in a particular class to which the Horse is referable, the Horse will either be sold, or if it is considered to be of no significant commercial value, retired and placed in a good home.

At the end of the Horse’s racing career, the Directors will consider whether the Horse will be sold or transitioned to a breeding programme and will make a recommendation to the Shareholders. A Shareholders’ resolution will then be passed to elect whether to sell the Horse or transition to a breeding programme. In the latter case, the Company may continue for the breeding life of the Horse. If there is no transition to a breeding programme, then the Horse will be sold. If the Horse is a valuable broodmare, it will either be sold through a public auction or to a bloodstock agent. Once the Horse is sold, the Company will be wound up. The sale money will be distributed to creditors and Shareholders in accordance with the Corporations Act.

2.1.1 Thoroughbred industry overview

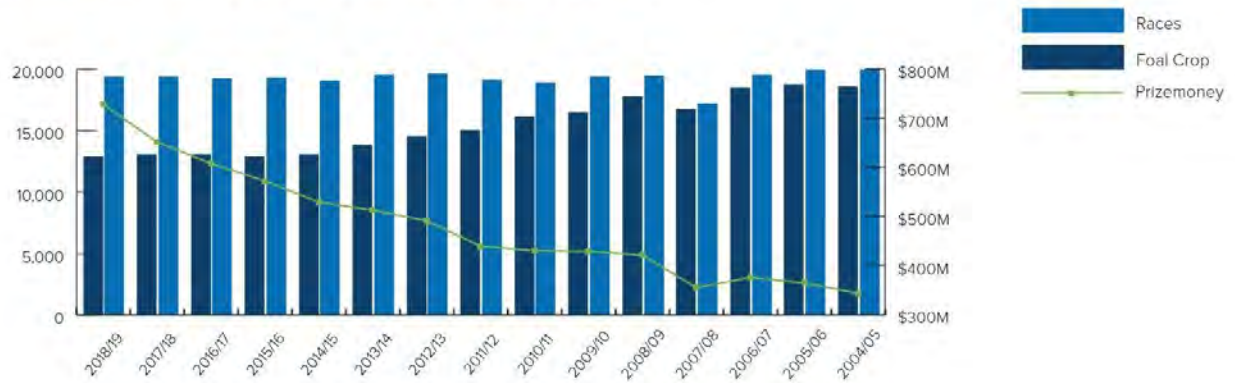
The Australian racing industry makes a significant contribution to the national gross domestic product, employment and government revenue. The economic activity generated by thoroughbred racing and breeding alone contributes more than \$10 billion to the national GDP and, when included in the agricultural sector, is the fourth largest industry in Australia.

The horse racing industry is a mature industry with over 3,000 registered trainers and 800 jockeys. There are approximately 35,000 horses in Australia participating in about 19,000 races per year with prizemoney totalling \$600 million.

The below graphs show the number of races relative to the total pool of prizemoney, and the increase in the prizemoney pool up until 2018.

INDUSTRY TRENDS

Races, Prizemoney and Foal Crops 2004/05 - 2018/19



Stakes and Standard Race Prizemoney 2004/05 - 2019/20

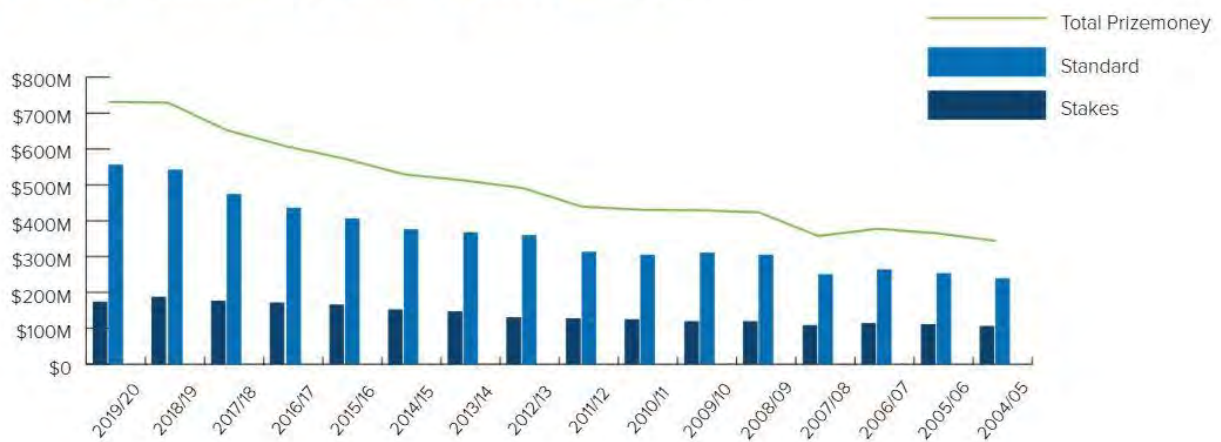


Table 3. Prizemoney and Incentive Payments in Australia 2002/03 - 2019/20

Season	Prizemoney (inc. Trophy)	% Change	Incentive Scheme Payouts	% Change
2019/20	\$730,769,073	0.27%	\$42,329,722	9.24%
2018/19	\$728,809,559	11.80%	\$38,750,650	2.45%
2017/18	\$651,866,124	7.38%	\$37,823,597	9.33%
2016/17	\$607,067,610	6.14%	\$34,595,000	6.18%
2015/16	\$571,973,523	8.16%	\$32,580,425	1.87%
2014/15	\$528,821,379	3.26%	\$31,982,800	0.87%
2013/14	\$512,113,328	4.30%	\$31,707,412	11.50%
2012/13	\$490,980,217	11.82%	\$28,436,286	5.72%
2011/12	\$439,074,032	2.06%	\$26,897,911	4.72%
2010/11	\$430,227,684	0.34%	\$25,685,849	-0.98%
2009/10	\$428,758,934	1.42%	\$25,939,058	21.18%
2008/09	\$422,773,412	18.43%	\$21,405,150	42.40%
2007/08	\$356,972,323	-5.37%	\$15,031,256	-1.25%
2006/07	\$377,213,883	2.01%	\$15,221,215	-4.69%
2005/06	\$369,797,468	6.06%	\$15,969,840	2.08%
2004/05	\$348,653,608	5.90%	\$15,644,845	-8.25%
2003/04	\$329,243,410	3.15%	\$17,052,455	20.39%
2002/03	\$319,199,781	3.39%	\$14,164,200	24.75%

Source: Racing Australia Fact Book 2016/17

The industry is highly regulated. Companies and syndicates operating horse racing businesses are primarily subject to the Australian Rules of Racing administered by Racing Australia Limited. Each Australian State and Territory has a Principal Racing Authority which supervise and licence industry participants. Companies are also subject to the *Corporations Act 2001*. Regulations, racing rules and licensing requirements change from time to time, and the changes could result in the Horse not being able to participate in certain races.

2.1.2 Competitors

Direct competitors to the Company's business include:

- Yarramalong Racing Club Ltd;
- Hancox Racing No 8 Ltd;
- Racing Club No 1 Ltd; and
- Racing Club No 2 Ltd

These competitors run similar business models of acquiring, managing, training and racing horses. Horse racing syndicates also operate in the horseracing industry and are competitors to the Company. Syndicates similarly manage, train and racehorses throughout Australia and their horses may race in the same races as the Company's Horse.



2.1.3 Racing colours

The Horse will race in Group One Thoroughbreds' registered silks. The description of the registered colours is Orange, Black Group One Thoroughbreds Logo, Logo On Cap as follows:

Main Set of Colours -

Jacket – Orange, Black Group One Thoroughbreds Logo

Sleeves – Orange sleeves

Cap – Orange Cap with Black Group One Thoroughbreds Logo



2.2 Business assets

2.2.1 Description of the Horse

Colour	Bay
Sex	Filly
Date of Foal	30th September 2020
Sire	Toronado (IRE)
Dam	Khamisa
Brand	t in a circle ns sh – 6 over 0 off sh

2.2.2 The Horse selection process

The Company has purchased the Horse relying on the recommendation from Jeremy Azzopardi, Managing Director of Group One Thoroughbreds Pty Ltd and its bloodstock team. The main emphasis is to purchase horses that are correct and sound horses that are athletic. An invoice for the purchase of the Horse is attached to this Prospectus.

The Horse has had an independent veterinarian, Dr Chris Lawler, perform a clinical inspection. The veterinarian has provided a veterinary certificate (attached to this Prospectus) specifying that the Horse is suitable and fit for racing. The veterinarian certificate discloses that the veterinarian does not have any financial or other interest in the Company or the funds to be raised from the Prospectus.

2.2.3 Purchase of the Horse

Group One Thoroughbreds purchased the Horse from 2022 Inglis Yearling Sale at Warwick Farm NSW using its credit facility. The Horse has been subsequently sold to the Company on credit terms offered by Group One Thoroughbreds (see section 2.6).

2.2.4 Current status of horse

The Horse is currently spelling at Cavallo Park Stud after being purchased from the Inglis Yearling Sale at Warwick Farm NSW.

2.2.5 Horse naming and registration

The Horse is unregistered. The Horse will be named by the Shareholders and registered once the Shares have been issued in full. The Horse will be registered within 45 days of the Shares being issued in full. Each shareholder will have the option to submit 1 name. Once the list of names submitted by the Shareholders is populated by the Manager, the Manager will select the top 3 most popular names (in order of preference) and submit them to the Registrar of Racehorses for registration.

2.2.6 Pedigree details

The Horse's sire and dam are as follows:

- **SIRE – TORONADO (IRE)** (By High Chaparral) Currently standing at the well renowned Swettenham Stud. Equal Leading 3YO Male on the 2013 WTR (Mile). Joint Champion 3YO Miler in Europe in 2013. Joint Champion 3YO Miler in Great Britain 2013. 6 wins-3 at 2-from 6½f to 1m including Royal Ascot Queen Anne Stakes Group 1 and Goodwood Sussex Stakes Group 1. Prize earnings \$1,291,000.
- **DAM – KHAMSA** (by Stratum) Winner at 1100 and placed multiple times in town. Her progeny includes Lucky To Win a winner and placed multiple times in town and Billiethefillie who places as a 2yo and 3yo. She is the daughter of **HAMSA** a 2-time winner and multiple Group 1 performer.

Her pedigree has a strong international presence, she is also the direct descendant to Redoute's Choice, Canny Lad, Mr Prospector and Secretariat.



Photo: TORONADO – Stallion

A pedigree page for the above is attached to this Prospectus.



2.2.7 Mortality insurance

The Horse is insured with HQ Insurance for mortality, theft, life-threatening surgery and extension of cover from 8 February 2022 to 28 February 2023. The sum insured is \$39,800. A certificate of currency is attached to this Prospectus. Renewal of insurance is at the discretion of the Shareholders after the insurance lapses.

2.3 The Manager

The Manager of the Horse is Group One Thoroughbreds. The Manager is responsible for all aspects of the management of the racing career of the Horse, preparation of the Shareholders' annual accounts, the management of communications between the Shareholders and the stables, and the provision of all administrative services.

The Manager's responsibilities include:

- Regular communication with Shareholders by telephone, fax or email regarding training and spelling progress, and regular relay of Trainer's comments.
- Arranging open days for Shareholders to inspect their racehorses and be addressed by the Trainer.
- Provision of general day to day administrative services, provision of pursuing overdue accounts via phone call, email or post.
- Providing Shareholders with Race Day DVDs (where available, track work and other update reports such as nominations, weights, acceptances, pre-race summary, Race Day services, post-race summary review, organisation of disbursement of any trophies, representing the Company in relation to race day steward enquiries etc.)
- Arranging times and dates for Shareholders to inspect their horses at the stables or spelling properties.
- Assistance with Race Day ticketing where applicable.
- Maintain professional indemnity insurance.
- Naming and registration of the Horse.
- Transfers of ownership.

2.3.1 Manager's fees

The Manager is paid a flat fee of \$110.00 (incl. GST) monthly for every 2.5% share to cover all expenses (except extra ordinary costs in accordance with section 6.3.1). Each Shareholder is responsible for a portion of the flat fee in accordance with section 6.3.1.

In the event that a Horse is sold, the Manager is also entitled to a sale fee of 10% (plus GST) of the sale price.

2.4 Significant dependencies

The Company is dependent upon key services provided by the Manager (see section 2.3) and the trainers engaged to provide training services. More details are set out regarding the trainers below.

2.4.1 Proposed trainer/s

John and Chris Ledger are the proposed trainers for the Horse. A trainer's agreement between Ledger Racing and the Company has been executed. A letter of consent to train the Horse from the proposed trainers is attached to this Prospectus.

The contact details are as follows:

Trainer: Ledger Racing
3 Pudrick Street
WANGARATTA VIC 3677
Phone: 03 5721 9446

Ledger Racing is a family run business, and their passion is racing. Ledger Racing has produced what they believe to be one of the premier training bases in NE Victoria.

Ledger Racing is a one stop stable for the horses whole racing career and offer agistment, breaking, pre-training and training. Adjoining the Wangaratta racecourse and set on a tranquil 20-acre property. Ledger Racing own and operate a modern 55 open air barn racing stable complex.

In addition, Ledger racing also own and operate Adrian Park Agistment, 200 acres of peaceful countryside which is located in Killawarra along the Ovens River, 20 minutes away from the Ledger stables.



2.5 Strategy and plans

The Company has been set up to purchase the Horse and manage its entire racing career. The Company is offering Shareholders the opportunity to receive any benefit of race winnings and potential future breeding revenue and proceeds (after expenses).

2.6 Finance arrangements

The Company purchased the Horse from Group One Thoroughbreds using a credit facility provided by Group One Thoroughbreds to enable the Company to pay the purchase price of the Horse and cover the running costs of the Horse until the Company has raised sufficient capital to cover these expenses. The terms of the credit facility are as follows:

- \$39,800 in borrowings available under the credit facility.
- Drawn down funds are not subject to interest.
- The credit facility is provided on an unsecured basis.
- The Company must apply future capital raised under the Offer to repay any amounts drawn down under the credit facility at which time the facility will be terminated.

2.7 Valuation

A valuation by a qualified bloodstock valuer does not accompany this Prospectus as the Horse was acquired by Group One Thoroughbreds at a public auction and there is no conflict of interest in relation to the purchase.



3. RISK FACTORS

3.1 Business risk factors

3.1.1 Horse racing risks

The following risks could impact the ability of the Horse to participate in races:

- Injury to the Horse in the course of its training or when participating in races;
- Sickness, disease or death of the Horse;
- The Horse could prove unsuitable for horse racing; and
- The cost of racing, including managing and training the Horse could increase leading to a reduction in any returns to Shareholders.

Horses can get sick, lame, suffer from disease, feeding disorders, pests or parasites and be unable to race or train for extended periods of time. As a result, the Company may incur significant unexpected expenses such as vet bills and rehabilitation costs. Injury or illness can affect any horse and can reduce or end a horses racing career or ability to produce as a Broodmare.

High class races have a much lower rate of injury than low class races. While this could be attributed to many factors, including the quality of the horse, economics, or medications, the trainer still must make the decision to run a horse or not to run a horse. Because leading trainers consistently get the best horses, injury rates by race class should correspond to injury rates by trainer.

Race Class	Career Ending Injury Rate	Career Ending Injuries	Starts
High	2.27%	553	243,854
Low	4.11%	2,566	624,265

Source: "Trends in Equine Mortality, 1998-2005"

https://www.aphis.usda.gov/animal_health/nahms/equine/downloads/equine05/Equine05_is_Mortality.pdf

If the Horse is unable to participate in a race, the amount of dividends payable is likely to be lower because there will be no prize money attributable to that race. If the Horse is no longer suitable for horse racing because it is permanently injured or suffers from sickness or disease, the Horse will likely be sold at a loss, and this will significantly impact the distributions Shareholders receive upon wind up of the Company.

3.1.2 Reliance on directors and key persons

The Company has no operating history and relies on the skills of the directors, trainers of the Horse and Group One Thoroughbreds to manage the racing career of the Horse. An investment in the Company is therefore heavily dependent on the directors and these other key persons.

The trainers of the Horse are engaged by the Company in accordance with the trainers' standard terms of trade. These standard terms allow the trainers to terminate for convenience on short notice. If this happens, the Horse may be left without a trainer until new trainers are engaged, and the terms of engagement may be on less favourable terms. However, it is likely that Group One Thoroughbreds can secure alternative successful and qualified trainers by using its existing networks and experience in the industry. There will also be delays in the Horse commencing its racing career, with a corresponding increase in expenses and no ability to win prize money for a period.

The Company's ability to effectively manage the Horse's racing career and perform the necessary administrative functions depends upon the performance and expertise of the directors and Group One Thoroughbreds. The loss of these key personnel, or any delay in their replacement, may adversely affect the Horse's performance or eligibility to participate in races, and this will have a negative impact on the amount of dividends to be distributed.



3.1.3 Downturn in horseracing industry

The state of the horseracing industry is largely correlated with the health of the domestic economy. If there is a downturn in economic activity, it is likely that the pool of prizemoney, the level of investment in the industry and the value of the Horse will decrease. This means that upon selling the Horse, the Company will receive less sale proceeds than if the state of the horseracing industry was healthier.

3.1.4 Changes in legislation and regulations

Changes in legislation and regulations such as the Australian Rules of Racing could affect the Horse's ability to participate in races, and therefore could affect the amount of Shareholder returns. In addition, the Company could be subject to additional legal or regulatory requirements if its business, operations or geographic reach expand in the future.

The Company is primarily subject to the Australian Rules of Racing administered by Racing Australia Limited. Each Australian State and Territory has a Principal Racing Authority which supervise and licence industry participants. The Company is also subject to the *Corporations Act 2001*. Legislation and racing rules change from time to time, and the changes could result in the Horse not being able to participate in certain races. This means the Horse will have less chance to win prize money, which will negatively impact on the amount of dividends available for distribution.

3.2 Investment risk factors

3.2.1 No guarantee of returns

Any person investing in shares in the Company should be aware that horse racing is a speculative venture with no guarantee of returns. A person subscribing to this offer should regard their shares as an entry in to racing horses for entertainment value rather than returns. There is also a risk to capital, for example, if the Horse proves unfit for racing, it may be sold off for a price less than its cost-plus ongoing expenses. The best pedigree and training also cannot guarantee a winning horse. The Horse could simply lack the desire or ability to perform at the necessary level.

3.2.2 Trading in Shares may not be liquid

As shares in the Company are not listed on any stock exchange, there is no liquid market for the shares.

Shareholders may sell their shares to a third party or an existing Shareholder. To facilitate this, the Company will maintain a register of the shares that any Shareholder wishes to make available for sale and will inform any prospective purchaser who expresses an interest. However, the Company is legally constrained from soliciting for purchasers on behalf of sellers or otherwise make a market for shares.



4. FINANCIAL INFORMATION

4.1 Financial affairs

Group One Thoroughbreds (AUST) LTD

ACN: 639 721 832

TORONADO X KHAMSA SHARES

Balance Sheet

As at 9th February 2022

Assets		
Current assets:	2022	2021
Cash	-	-
Accounts Receivable	-	-
Inventory	-	-
Shareholder Funds	39,800	-
Petty Cash	-	-
Total current assets	39,800	-
Fixed (Long Term) Assets:	2022	2021
Long Term Investments	-	-
Property, Plant, and equipment	-	-
Less accumulated depreciation	-	-
Intangible assets	-	-
Total fixed assets	-	-
Other assets:	2022	2021
Deferred income tax	-	-
Other	-	-
Total other assets	-	-
Total assets	39,800	-
Liabilities and owner's equity		
Current liabilities:	2022	2021
Accounts payable	-	-
Short -term loans	-	-
Income taxes payable	-	-
Accrued salaries and wages	-	-
Unearned revenue	-	-
Current portion of long term debt	-	-
Total current liabilities	-	-
Long-term liabilities:	2022	2021
Long-term debt	-	-
Deffered income tax	-	-
Other	-	-
Total long-term liabilities	-	-
Owner's equity:	2022	2021
Paid Capital	39,800	-
Unpaid Capital	-	-
Retained earnings	-	-
Other	-	-
Total owner's equity	39,800	-
Total liabilities and owner's equity	39,800	-

An auditor's report and pro forma balance sheet accompanies this Prospectus.

5. BOARD AND MANAGEMENT

5.1 Board of Directors

The Company's Board comprises 3 Directors. A biography of each Director is contained in the table below.

Director	Biography
Jeremy Azzopardi	<p>Jeremy Azzopardi has been involved in the horse racing industry for over 18 years as an owner, breeder and director chairman of a major syndicator back in 2004. Owning racehorses is a passion for Jeremy. He has also purchased, managed and marketed multiple Group One winners and performers.</p> <p>Jeremy has a wealth of knowledge and experience both in the financial and thoroughbred industries. Jeremy was self-employed for over 15 years in finance, and currently holds a Certificate IV in business, a Certificate IV in finance and banking; a Certificate III in marketing; a MFAA Anti Money Laundering/Counter Terrorism Certificate and Attained a MFAA Accredited Mortgage Consultant Certificate.</p> <p>Jeremy's experience as a mortgage banker for 10 years, excelled him to venture and start his own private lending business. Jeremy's business was authorised by 3 leading trustee companies to manage their second-tier mortgage-backed securities and lend to wholesale and retail clients.</p> <p>Jeremy's private lending business grew rapidly where he employed over 9 fulltime staff and 13 consultants and had over \$200 million under management. In 2007, he decided to follow his passion full time and reluctantly sold his private lending business.</p>
Kirstian Azzopardi	<p>Kirstian Azzopardi has a wealth of experience in the financial aspect of business and currently has a Certificate IV in Accounting and Bookkeeping. For 7 years, Kirstian was the operations manager for Hot Source Enterprises and had key responsibilities in the company. She was responsible for all accounts payable and receivable, sales training, administrative duties for the director and marketing strategies for existing clients. Kirstian has been involved in the Racing industry for many years and has seen her contract for many major syndicators in Australia.</p>
Lisa Pardi	<p>Lisa Pardi has over 10 years' experience working for M7 Link Sydney in the quality control department, client liaison, procedures and management. She brings a wealth of knowledge in all aspects of client liaison.</p>

5.2 Interests of Directors

Jeremy Azzopardi is the sole director and shareholder of Group One Thoroughbreds, the Manager, who will receive benefits from the Company in relation to fees payable for administration, marketing and accounting services which will be provided by Group One Thoroughbreds. Jeremy Azzopardi may benefit from this arrangement through distributions of dividends to him as a shareholder of the Manager. He is also paid a salary for his role as director of the Manager. The constitution of the Company allows the directors of Group One Thoroughbreds to retain any profits made through this arrangement.



5.3 Corporate directory

Directors:	Mr. Jeremy Azzopardi Mrs. Kirstian Azzopardi Ms. Lisa Pardi
Registered Office:	68 Woodview Avenue LISAROW NSW 2250
Company Secretary:	68 Woodview Avenue LISAROW NSW 2250
Bankers:	ANZ 160 Mann Street Gosford NSW 2250
Auditor:	Prospect Accountants Mr. Tim Meehan PO Box 354 Balwyn North VIC 3104
Compliance Lawyers:	The Fold Legal Pty Ltd Ms. Jaime Lumsden GPO Box 1843 Sydney NSW 2001

6. DETAILS OF THE OFFER

6.1 Structure of the Offer

This Prospectus relates to an offer of 40 fully paid Toronado x Khamsa Shares. Each Shareholder must subscribe to a minimum of 1 fully paid Toronado x Khamsa Share at \$995.00 per share. A person who subscribes to this offer and becomes a Shareholder is responsible for a proportion of the ongoing costs and upkeep of the Horse in accordance with section 6.3.1.

6.1.1 Minimum subscription

The minimum subscription for this offer to proceed is 1 share. No shares will be issued until the minimum subscription has been achieved.

6.1.2 Maximum subscription

The maximum subscription for this offer is 40 shares.

If the maximum subscription is not achieved, Shareholders have the option to:

- Have their purchase price of their subscription amount refunded in full within 30 days:or
- Retain their shares in the Company with a reduced minimum number of shares, in which case a supplementary prospectus will be sent to all Shareholders.

6.2 Proposed use of proceeds

The total gross proceeds under the offer is expected to be \$39,800. The proceeds of the offer will be applied as follows:

	Amount
<i>INCOME - Shareholder's Funds from the offer</i>	\$39,800.00
<i>Interest earned over 1 year (approximately)</i>	\$0.00
TOTAL	\$39,800.00
<i>EXPENDITURE (1 YEAR)</i>	
<i>Purchase of Horse</i>	\$17,600.00
<i>Spelling fees Cavallo Park Stud 45 days</i>	\$3,190.00
<i>Breaking in fee</i>	\$5,500.00
<i>Floating fee from Inglis (Warwick Farm) to Cavallo Park (Richmond)</i>	\$440.00
<i>Floating Fee from Cavallo Park Stud to Doran Park (Breaking)</i>	\$220.00
<i>Veterinary Costs (vitamins, drenching, dental, shoeing etc.)</i>	\$1,540.00
<i>Mortality Insurance (1 year \$39,800)</i>	\$2,325.00
<i>Veterinary and Scoping costs</i>	\$1,220.00
<i>Inglis Race Series</i>	\$1,925.00
<i>Golden Slipper nomination</i>	\$440.00
<i>BOBS Bonus scheme</i>	\$990.00
<i>Compliance Fee, Accounting and Auditing</i>	\$1,100.00
<i>License and Document Formation fees</i>	\$550.00
<i>Registration & Lodging Syndicate Fee</i>	\$545.00
<i>Bloodstock Fee - Sheamus Mills</i>	\$880.00
<i>ASIC Lodgement and signoff</i>	\$660.00
<i>Financial Audit</i>	\$330.00
<i>Legal Fees</i>	\$345.00
TOTAL	\$39,800.00
<i>Surplus (based on full subscription)</i>	\$0.00

6.3 Terms and conditions of the offer

Topic	Summary	
What is the type of security being offered?	Fully paid Toronado x Khamsa Shares in the Company.	
What are the rights and liabilities attached to the security being offered?	<p>The following rights and entitlements are attached to the offered shares:</p> <ul style="list-style-type: none"> • Entitlement to dividends for profit generated by horse racing prize money; • Entitlement to potential future breeding revenue and proceeds; • The shares will rank equally on any return of capital by the Company. Upon the winding up of the Company, any surplus monies from the proceeds of all the Company's assets shall be distributed to Shareholders in accordance with the provision of the Corporations Act; • The Shares are full voting shares; • Subject to the Company's Constitution and the Corporations Act, Shares in the Company are freely transferable. <p>Shareholders are responsible for the payment of all costs associated with maintaining, training and racing the Horse. The estimated ongoing expenses are outlined in section 6.3.1.</p>	
What is the consideration for each security being offered?	The price of each share under offer is \$995.	
What is the offer period?	<p>The offer opens on 13th February 2022.</p> <p>The offer closes on 12th March 2023.</p>	
Is the offer for the issue of new securities or the sale of existing securities?	This offer is for the issue of new securities.	
When will Shareholders receive confirmation their application has been successful?	<p>Dispatch of share certificates upon successful subscription to the offer will occur by no later than 3rd April 2023.</p> <p>Unsuccessful applicants will also be notified at this time and monies paid will be refunded within 30 days of the close of this Prospectus.</p>	
Are the securities listed?	The shares in the Company are not listed on any stock exchange.	
Is the offer underwritten?	The offer is not underwritten.	
Are there any escrow arrangements?	There are no escrow arrangements.	
Where will funds raised be held?	All funds raised by this Prospectus shall be held in a designated Trust Account, namely Group One Thoroughbreds Ltd Account held with the ANZ Bank at Gosford NSW, until such time as the offer closes or the minimum number of shares has been taken up.	
What is the Company's capital structure?	Toronado x Khamsa shares on issue as at 13th February 2022	40
	Maximum number of Toronado x Khamsa Shares to be issued under this Offer	40
	Total on Offer completion	40

Topic	Summary
Are there any significant taxation implications?	There may be taxation implications associated with owning and disposing of Shares. As these implications will depend upon a Shareholder's particular circumstances, all potential Shareholders are encouraged to obtain their own taxation advice in respect of acquiring, holding and selling Shares.

6.3.1 Estimated ongoing costs obligations

Each Shareholder is responsible for the following ongoing expenses.

Total ongoing expenses – the following horse expenses are indicative and payable monthly by each Shareholder. The Manager advises that a flat fee of \$110.00 (incl. GST) per month per share (the equivalent of 2.5% share) OR \$220.00 (incl. GST) per month for 2 shares (the equivalent of 5% share) is payable to the Manager to cover all horse expenses. These fees are inclusive of any administration fee paid to Group One Thoroughbreds.

Nomination and acceptance fees for most races are included, except for nominations for major races such as the Auction House Sponsored races such as Inglis and Magic Millions race series and City type races, Black Type such as Listed and Group races also Country Championship race series, Transport to City racecourses such as Randwick and interstate floating which fees are payable by the Shareholders in addition to these ongoing expenses.

The trainer's daily training rate is \$110.00 (including GST) and is included in the total ongoing expenses. Note, the trainers' daily training rate may change subject to industry increases and this may result in changes to the flat fee.

Extra-Ordinary Expenses – Each shareholder is also responsible for paying extra ordinary expenses incurred by the company in proportion to their shares held. The flat fee only covers up to \$300.00 (including GST) of basic vet care per consultation. The flat fee expense does not include extra-ordinary costs such as insurance renewal, major veterinary fees, major race nominations or acceptance fees. These costs are payable by the Shareholders in proportion to their share/s held.

6.4 Dividend policy / prize money and sales proceeds distribution

All prizemoney won by the Horse will be distributed as dividends and deposited directly into the Shareholder's account by Stakes Payment.

The Manager is not entitled to any of the prize money, breeders' bonus or incentive scheme payments.

In accordance with the Rules of Racing in Australia, prizemoney is distributed to the Shareholders after remunerations are distributed to the trainer, jockey, welfare program and jockey insurance, and the withholding of any funds required to cover major race acceptances for which the Horse is eligible or nominated. The percentages are automatically determined by each state and may vary from State to State.

6.4.1 Distribution from sale of Horse

In the event that the Horse is sold, the Company will be wound up and distributions to Shareholders will be made in accordance with the Corporations Act.

6.4.2 Trophies and prize distribution

In an event the Horse wins a trophy or an item that is not listed in the race book with a dollar value, such as a saddle cloth or rug, the Manager will conduct a draw for all Shareholders to participate in. Once a Shareholder has won a particular item or trophy, they may not participate in the next draw until all Shareholders have had the opportunity to receive such an item or trophy.



7. GLOSSARY

ASIC means the Australian Securities and Investments Commission.

GOT or Company means Group One Thoroughbreds (Aust) Ltd (ABN 52 639 721 832)

Group One Thoroughbreds or Manager means Group One Thoroughbreds Pty Ltd (ABN 35 628 388 241).

Board means the board of directors of the Company.

Director means a director of the Company.



Prospectus means this document, being a prospectus for the purpose of Chapter 6D of the Corporations Act and any supplementary or replacement prospectus.

Share means a fully paid Toronado x Khamsa share in the capital of the Company.

Shareholder means a registered holder of a Share.

8. EXECUTION OF PROSPECTUS

This Prospectus has been duly executed by or on behalf of each of the Directors whose name appears below on the date of this Prospectus. The Directors accept no responsibility for the information contained within this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is accurate and does not omit anything likely to affect the import of such information. Each Director of the Company consents to the lodgement of this Prospectus with ASIC.


.....
Jeremy Azzopardi
Director and Secretary
.....
Kirstian Azzopardi
Director
.....
Lisa Pardi
Director



9. HOW TO APPLY FOR SHARES

Applications to acquire 1 Share in the Prospectus will only be accepted on the application form attached to this Prospectus. The application form must be fully completed.

Application forms must be accompanied by payment in Australian dollars for an amount equal to the application monies. Payment can be made via cheque, direct deposit or credit card. Cheques must be made payable to "Group One Thoroughbreds (Aust) Ltd" and crossed "Not Negotiable".

Alternatively, you may make payment of application monies via direct transfer to the following account:

ANZ BANK
Group One Thoroughbreds (Aust) Ltd
BSB: 012 633
Account Number: 425473268

Reference: please ensure that you reference the payment in the same name as your share application form.

Applications must be for a minimum of 1 Share offered under this Prospectus. Applications may be made for additional Shares in the Prospectus in multiples of one.

The completed Application Form, together with application monies or remittance advice, must be returned to the Director by email to jeremy@grouponethoroughbreds.com.au, fax to 02 4311 3777 or delivery to the following address:

Jeremy Azzopardi
Group One Thoroughbreds (Aust) Ltd
PO Box 9570
Wyoming NSW 2250

Applicants should read this Prospectus in its entirety, before deciding to complete and lodge an Application Form.

An application constitutes an offer by the applicant to acquire 1 Share in the Company on the terms and subject to the conditions set out in this Prospectus. The Director reserves the right to reject any application, including but not limited to applications that have been incorrectly completed, or are accompanied by cheques that are dishonoured or have not cleared.



10. APPLICATION FORM

Toronado x Khamisa Shares

Complete in block letters and return the application form. You are advised to keep a copy for your records.

Surname: Dr/Mr/Ms/Mrs/Miss
(One name ONLY to be entered)

Given Names.....

Address.....

Suburb.....State.....Postcode.....

Birth Date:.....Occupation.....

Telephone BusinessHome

Mobile.....Fax.....

Email

These Shares will/will not be held in a Syndicate name.

Syndicate Name (if applicable)

Horse Name Suggestion:

I hereby agree to become a Shareholder in the Company on the basis that I will have..... Share (s).

Account details of where dividends are to be deposited:

Account Name:

BSB:

Account Number:

Payment Method:

☐ Cheque

☐ Direct Deposit

☐ Credit Card (please fill out details below)

Credit Card Details

☐ Visa

☐ MasterCard

☐ Amex

☐ Diners

Card Number

Expiry

CVV Number:

Signature:



Declaration

By signing this application form, I agree and declare that:

1. I have read, understood and agree to be bound by the Prospectus.
2. I am not under any disqualification or other disability under the Rules of Racing.
3. I am over the age of eighteen years.
4. I am not an undischarged bankrupt.
5. I acknowledge that I have had the opportunity to obtain independent legal and financial advice relative to my acquisition of shares in the Prospectus.

..... Name of Shareholder

..... Signature of Shareholder

..... Date

BAY FILLY

Foaled 30th September 2020)

(SIRE)	High Chaparral.....	Sadler's Wells.....	Northern Dancer.....
TORONADO (IRE)	Wana Doo.....	Kasora.....	Darshaan.....
(DAM)	Stratum	Grand Slam	Gone West.....
KHAMSA		Wedding Gift	Always Fair
2011	Hamsa	Redoute's Choice.....	Danehill
		Bourgeois.....	Luskin Star.....
		Fusaichi Pegasus	Mr. Prospector
		Livealifeoflove.....	Hennessy.....

TORONADO (IRE) (Bay 2010-Stud 2015). 6 wins-3 at 2, Royal Ascot Queen Anne S., Gr.1. Sire of 479 rnrs, 298 wnrs, 21 SW, inc. Masked Crusader (MVRC William Reid S., Gr.1), Tribhuvan, Still a Star, Tactical, Treasured Star, Affair to Remember, Senor Toba, Toro Strike, Solaia, Amazonie, Illykato, Mouillage, Bois d'Argent, Rainbiel, Shelby Cobra, Alwaab, Laverrod, Stone Tornado, Taos, Tuned, Wasmaya, SP Scissor Step, Air Comfort, etc.

1st Dam

KHAMSA, by Stratum. Winner at 1100m, 2d SAJC Seaton Hotel H., 3d SAJC Schweppes H. This is her fourth foal. Her third foal is a 2YO. Dam of two foals to race-
 Lucky to Win (g. by Deep Field). **Winner** at 1350m, A\$90,520, in 2020-21, 2d ATC Agency Real Estate H., Davali Thoroughbreds H., 3d ATC XXXX H.
 Billiethefillie (f. by Super One). Placed at 2 & 3 to 2021-22.

2nd Dam

Hamsa (USA), by Fusaichi Pegasus. 2 wins at 7f, 1m, US\$160,768, Belmont Allowance, 2d Belmont Gazelle S., **Gr.1**, Meadowlands Honey Bee H., **L**, 3d Aqueduct Kamikazie Rick S., **L**, 4th Belmont Mother Goose S., **Gr.1**. Dam of 5 named foals, 4 to race, **all winners**, inc:-
 Hamslette. **4 wins** at 1400m, 1600m, A\$158,300, to 2020-21, 2d MRC Tristan Parisienne H., MVRC Ascend Sales Trophies H., 3d MRC Le Pine Funerals H.
 Iron Dome. **2 wins** at 1200m, 1400m, 3d BRC Inglis Classic Sale H.
 Khamsa. **Winner**. See above.
 To's Family. **6 wins** at 1200m in Macau.

3rd Dam

LIVEALIFE OF LOVE (USA), by Hennessy. Unraced. Dam of 10 named foals, 8 to race, **7 winners**, inc:-
SRUMIDDLYUMPTIOUS (Roman Ruler). **5 wins** at 5½f, 6f, US\$236,150, Penn National Femme Fatale S., **L**, Monmouth Just Smashing S., **L**, Fort Monmouth S., **L**, 2d Aqueduct Ruby Rubles S., **L**, 3d Pimlico Primonetta S., **L**, Delaware Park Dashing Beauty S., **L**, 4th Presque Isle Downs Inaugural S., **L**.
Hamsa (Fusaichi Pegasus). **2 wins**. See above.
Ephesian (Fastnet Rock). **3 wins** at 1300m, 1400m, A\$88,255, 3d MVRC Inglis Banner 2YO S., **RL**.
 I'm in Love. **3 wins** at 1350m, 1900m, Ipswich TC Ray White P. Producer.
 Liveinthefastlane. **3 wins** from 1400m to 1650m, A\$186,080, to 2020-21, MRC Ladbrokes H., 2d ATC Quincy Seltzer H., 3d ATC Polytrack Provincial Champs Final, TAB H.
 Mellow Cammie. **3 wins** at 6½f, 7f in U.S.A.
 Lightning Rock. **Winner** at 1600m.

4th Dam

VIVA SEC, by Secretariat. 10 wins from 6f to 1m, US\$307,022, Aqueduct Dark Mirage S., **L**, Grey Flight H., **L**, 2d Aqueduct Correction H., **Gr.3**, Belmont Grey Flight H., **L**, Cicada S., **L**, 3d Aqueduct Bed o' Roses H., **Gr.3**, Belmont Imperatrice H., **L**. Dam of 15 foals, 10 to race, **8 winners**, inc:-
K S Fury (Gulch). **8 wins**, US\$148,984, 2d Calder Glitterman H., **L**, Sportsman's Park Breeders' Cup H., **L**, 3d Gulfstream Park Eillo H., **L**.
Viva Deputy (Deputy Minister). **6 wins**, US\$146,000, 2d Fair Grounds Thanksgiving H., **L**, Colonel ER Bradley S., **L**, Louisiana Downs Alysheba H., **L**. Sire.
Delagating (Deputy Minister). **4 wins**, 3d Garden State Vineland H., **Gr.3**. Dam of-
JUST RULER (Cox's Ridge). **6 wins** from 1m to 9f, US\$239,995, Fairplex Ralph M Hinds Pomona H., **L**, Fresno Harvest H., **L**. Sire.
 Candor. **Winner** at 2 in U.S.A. Dam of-
PERFECTLY CANDID (Pleasantly Perfect). **5 wins-4** at 2-from 5f to 8½f, US\$244,719, Hoosier Park Miss Indiana S., **L**, City of Anderson S., **L**.
K. C. Super Pet (Gulch). **2 wins** at 2, 3d Hawthorne Gold Digger S., **L**. Producer.
Escrow Agent (El Gran Senor). **Winner** at 2 in GB, 2d Meadowlands Salem County S., **L**, 3d Garden State Forsythia S., **L**. Dam of-
VICAR (Wild Again). **4 wins-2** at 2-from 7f to 9f, US\$835,142, Gulfstream Park Florida Derby, **Gr.1**, Fountain of Youth S., **Gr.1**, Churchill Downs Allowance 2YO, 2d Churchill Downs Kentucky Jockey Club S., **Gr.2**, Belmont Jerome H., **Gr.2**, 3d Keeneland Blue Grass S., **Gr.1**, Phoenix S., **L**, 4th Saratoga King's Bishop S., **Gr.1**. Sire.
SHEEPSKOT (Easy Goer). **5 wins** from 6f to 1m, US\$153,446, Thistledown Lady Mannequin H., **L**, 3d Sportsmans Lady Hallie H., **L**. Dam of-
ASTRONOMER ROYAL (Danzig). **3 wins-1** at 2-at 1200m, 1600m, £54,882, €308,837, US\$12,000, Longchamp Poule d'Essai des Poulains, **Gr.1**, Curragh Greenlands S., **Gr.3**, Newbury First Great Western 2YO S., 3d Royal Ascot St James's Palace S., **Gr.1**, 4th Chantilly Prix Jean Prat, **Gr.1**, Newmarket July Cup, **Gr.1**. Sire.
NAVESINK RIVER (Unbridled). **5 wins** from 8½f to 13f, US\$331,105, Gulfstream Park Pan American H., **Gr.2**, Aqueduct Gallant Fox H., **L**, Coyote Lakes S., **L**, 2d Gulfstream Park Mac Diarmida H., **Gr.3**, Delaware Park Kelso H., **L**, 4th Gulfstream Park Breeders' Cup H., **Gr.1**, Aqueduct Discovery H., **Gr.3**, Meadowlands Pegasus H., **Gr.3**.
Mama Dean (Woodman). **7 wins** at 9f, US\$260,188, Aqueduct Allowance, 2d Aqueduct Bed o' Roses H., **Gr.3**. Dam of-

Slewcie. Placed at 3, 3d Down Royal Ulster Oaks. Dam of-
LET'SGOFORIT (Verglas). Champion Sprinter in Scandinavia in 2014 & 2015. **21 wins** from 1000m to 1750m in Sweden, Jagersro Zawawi Cup, **Gr.3**-twice, Jägersro Sprint, **L**-twice, 2d Jagersro Zawawi Cup, **Gr.3**, Jägersro Sprint, **L**.
 Currane. Unplaced. Dam of-
CELTIC CHANT (Songandaprayer). **8 wins** from 6f to 8½f, US\$241,410, Aqueduct Cagey Exuberance S., **L**.
 In Escrow. Raced twice. Dam of-
MR. AFLEET (Afleet Alex). **10 wins**-1 at 2-from 1000m to 2000m to 2021 in Korea, Seoul KRA Cup Classic, **L**.
 French Ribbon. **3 wins** at 6f, 7f in U.S.A. Dam of-
 Granrubleau. Unraced. Dam of-
SOUTACHE (Backtalk). **3 wins** at 2, US\$454,140, Gulfstream Park In Reality S., **L**, 2d Gulfstream Park Hutcheson S., **Gr.3**.
 Zum Solitair. **Winner** at 2 in U.S.A. Dam of-
 Natalie Natalie. **Winner** at 6f in U.S.A. Dam of-
 Runfromthetorm. **Winner** at 5½f in U.S.A. Dam of-
CHE MAGA (Violence). **6 wins** at 1000m, 1400m to 2021-22 in Argentina, San Isidro Clasico Ocurrencia, **Gr.3**, Palermo Clasico Loteria de La Ciudad de Buenos Aires, **Gr.3**, Clasico Republica de Panama, **Gr.3**, 2d Palermo Clasico Venezuela, **Gr.2**.
 Vivaladiva. **Winner** at 6f in U.S.A. Producer.
 El Diabla. Placed at 2 in U.S.A. Producer.
 Viva Girl. Unraced. Dam of-
 Officer Philly. **11 wins** from 5½f to 8½f, US\$194,994 in U.S.A. Dam of-
SASSY MISS OFFICER (Brother Derek). **3 wins**-1 at 2-from 1m to 8½f, US\$165,453, Indiana Grand Hoosier Breeders Sophomore S. (3YOf), **L**, 2d Indiana Grand Indiana First Lady S., **L**.
 Vivalita. Unraced. Dam of-
 Friend of a Friend. **Winner** at 2 in U.S.A. Dam of-
 Dazzling Display. **Winner** at 6f in U.S.A. Dam of-
CALEDONIAN (Concord Point). **3 wins**-1 at 2-at 6f, 6½f, US\$205,115, Aqueduct Jimmy Winkfield S., **L**, Lost in the Fog S., **L**.
 Viva la Viva. Unraced. Dam of-
READY TO LIVE (More Than Ready). **2 wins** at 2, US\$84,500, Louisiana Downs Rebel S., **L**, 2d Retama Park La Senorita S., **L**. Dam of-
READY TO PROPHET (Smart Missile). **3 wins** at 1100m, 1350m, A\$297,820, Scone RC Denise's Joy S., **L**, 3d ATC Nivison S., **Gr.3**.
Viva la Slew (Doneraile Court). **2 wins** at 2, 3d Calder BL's Sweep S., **L**. Dam of-
ITSMYLUCKYDAY (Lawyer Ron). **9 wins**-3 at 2-from 5f to 9f, US\$1,706,350, Saratoga Woodward S., **Gr.1**, Gulfstream Park Holy Bull S., **Gr.3**, Monmouth Salvator Mile S., **Gr.3**, Gulfstream Park Derby, **L**, Monmouth Majestic Light S., **L**, Gulfstream Park Best of the Rest S., **L**, Calder Foolish Pleasure S., **L**, Fasig Tipton Turf Dash S., **L**, 2d Pimlico Preakness S., **Gr.1**, Saratoga Whitney H., **Gr.1**, Gulfstream Park Florida Derby, **Gr.1**, 3d Belmont Kelso H., **Gr.2**. Sire.
 Livealifeoflove. See above.

5th Dam

VIVA LA VIVI, by *Royal Note*. **15 wins**, US\$233,320, Aqueduct Correction H., **Gr.3**, Santa Anita Santa Paula H., **Gr.3**, Hollywood Park Sequoia H., **L**, Santa Anita Monrovia H., **L**, 2d Aqueduct Vagrancy H., **Gr.3**, Hollywood Park Sequoia H., **Gr.3**, Bay Meadows Redwood City H., **L**, Hillsborough H., **L**, Sacramento Mother Lode H., **L**. Dam of 7 named foals, 3 to race, **all winners**, inc:-
VIVA SEC (Secretariat). **10 wins**. See above.
 Viva Aviva. **Winner** at 6f in U.S.A. Dam of-
VIVA ZAPATA (Affirmed). **2 wins**-1 at 2-at 1000m, 1400m, Chantilly Prix du Gros-Chene, **Gr.2**, 2d Evry Prix Servanne, **L**, 3d Longchamp Prix de Saint-Georges, **Gr.3**, 4th Maisons-Laffitte Prix Imprudence, **L**. Dam of-
DooHulla (Stravinsky). **2 wins**-1 at 2-at 6f, 3d Newmarket Bosra Sham S., **L**, Goodwood CSMA & Frizzell 80th Anniversary 2YO S. Dam of-
HESHEM (Footstepsinthesand (GB)). Champion Older Turf Male Miler in UAE in 2016-17. **5 wins** at 1900m, 2000m, €182,410, QAR211,200, 4,404,000Dhs, Maisons-Laffitte Prix Eugene Adam, **Gr.2**, Chantilly Prix de Mont Griffon, Prix de la Victoire, Prix de Chauvry, 2d Meydan Dubai Turf, **Gr.1**, Chantilly Prix Dollar, **Gr.2**, Qatar Gold Trophy, **L**, Chantilly Prix Darshaan.
XANADOU - RAINBOW CHIC (H.K.) (Peintre Celebre (USA)). **8 wins**-2 at 2-from 1600m to 1900m, €107,340, HK\$7,914,125, Chantilly Prix Paul de Moussac, **Gr.3**, HKJC Audemars Piguet Royal Oak H., Happy Valley Vase-3 times, 2d HKJC January Cup, **L**.
 Mexican Hawk. **Winner** at 10¼f, 3d Newbury Sanctuary Group S. Dam of-
ACCIPITER (Showcasing). **3 wins** at 2, Ayr Harry Rosebery S., **L**, 4th Newbury St Hugh's S., **L**.
VALLEYCREEK KID (Septieme Ciel). **2 wins**-1 at 2-at 6f, Arapahoe Gold Rush Futurity, **L**.
 Viva le Slew. **Winner** in U.S.A.
 Viva's Lady. Unraced. Dam of-
 Clay Springs. **Winner** at 6½f in U.S.A. Dam of-
REATT PASS (Benton Creek). **14 wins**-2 at 2-to 6½f, US\$188,685, Turf Paradise Ann Owens Distaff H., **L**, 2d Turf Paradise Arizona Breeders Futurity (2YOf), **L**.

6th Dam

DRAEGO, by *Count Speed*. **3 wins** in U.S.A. Dam of 13 foals, 6 to race, **all winners**, inc:-
VIVA LA VIVI (Royal Note). **15 wins**. See above.
 Mr D Go. **10 wins**-2 at 2- in U.S.A.
 Drayjay. **2 wins** in U.S.A.
 Fayemay. **2 wins** in U.S.A.
 Urbanite. **2 wins** in U.S.A.
 Little Oink. **Winner** at 2 in U.S.A.
 Mini Quinn. Unraced. Dam of-

WITCH OF SALEM (Salem). **8 wins**, US\$79,738, Thistledown Cuyahoga Lassie S., **L**, 3d Thistledown Sugar & Spice H., **L**.
Decree. **3 wins** in U.S.A. Sire.

**Ledger Racing Pty Ltd**

ABN 27 088 835 492

J & K Ledger

Lot 3 Purbrick Street Wangaratta Vic 3677

PO Box 1178 Wangaratta Vic 3677

Phone: (03) 5721 9446**Wangaratta Stables:** (03) 5721 2238**Mobile:** 0418 573 956 (John)**Email:** ledgerracing@bigpond.com**Fax:** (03) 5721 2239

10 February 2022

Group One Thoroughbreds

Po Box 9570

WYOMING NSW 2250

Dear Mr J. Azzopardi

RE: Training the 2020 Toronado out of Khamsa filly.

We, John and Chris Ledger of Ledger Racing, hereby agree to train the 2020 Toronado out of Khamsa filly from my stables at Wangaratta VIC for the syndicate being formed by Group One Thoroughbreds in accordance with my standard terms of trade.

We are excited to be training the 2020 Toronado out of Khamsa filly. The Sire Toronado by High Chaparral currently stands at well renowned Swettenham Stud. Equal Leading 3YO Male on the 2013 WTR (Mile). Joint Champion 3YO Miler in Europe in 2013. Joint Champion 3YO Miler in GB in 2013. 6 wins-3 at 2-from 6½f to 1m including Royal Ascot Queen Anne Stakes Group 1 and Goodwood Sussex Stakes Group 1. Prize earnings \$1,291,000.

Khamsa by Stratum. Winner at 1100 and placed multiple times in town. Her progeny include Lucky To Win a winner and placed multiple time in town and Billiethefillie place as a 2yo and 3yo. She is the daughter of Hamsa a 2-time winner and multiple Group 1 performer. Her pedigree has a strong international presence, she is also the direct descendant to Redoute's Choice, Canny Lad, Mr Prospector and Secretariat.

She is VOBIS GOLD Bonus scheme eligible and we will be taking advantage of the extra prizemoney on offer.

Group One Thoroughbreds, in my opinion have bought a nice filly and recommend her to any prospective buyer considering becoming an owner.

I look forward to having great success with her and this syndicate.

Regards,

Dr Chris Lawler BVSc & Associates

Veterinarians in Equine Practice

“Braeside”

23 Bridges Road

GERRINGONG NSW 2534

Email: drclawler1@gmail.com

Phone: 0419 341313

8th February, 2022

VETERINARY REPORT

Horse: Toronado x Khamsa '20

Signalment: Bay yearling filly

Brands: Left shoulder = t in a circle
Right shoulder = 6 over 0

Microchip: 985100012190783

Examined at: Barn H, Inglis Sales Complex, Warwick Farm, NSW, 2170

At the request of *Mr Jeremy Azzopardi* as agent for Group 1 Thoroughbreds, a veterinary examination of the above horse was undertaken at the Inglis Sales Complex, Warwick Farm, New South Wales on the 8th February, 2022. The purpose of the examination was to provide a Veterinary Certificate for inclusion in the Product Disclosure Statement (PDS) for syndication by Group 1 Thoroughbreds.

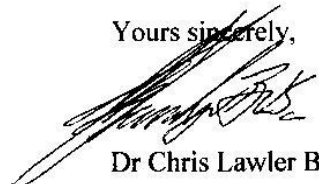
Clinical Examination

The clinical examination included heart, ophthalmic eye examination, teeth examination, limb flexion and joint palpation which were normal. The examination also included a review of the radiographs for the above horse provided in the repository. The horse was examined at rest and at the walk. There was no evidence of previous abdominal surgery, infection or disease, lameness, laminitis or ataxia.

In my opinion, at this time, the Toronado x Khamsa '20 presented as suitable for purchase as a racehorse as can be determined from the examination performed as described. Toronado x Khamsa '20 is suitable for public syndication and mortality insurance.

I confirm that I do not have any current or intended future financial or other interest in the above mentioned horse, the proposed syndication or Group 1 Thoroughbreds and this letter may be relied upon by prospective investors who invest in the horse.

Yours sincerely,



Dr Chris Lawler BVSc

This certificate has been prepared for inclusion in the disclosure statement issued by the Syndicate and at the time of examination can be relied upon as a true document. The issuing veterinarian has no financial or other interest in the Syndicate or monies raised by the Syndicate. The examination was performed using EVA guidelines.



Certificate of Insurance

Group One Thoroughbreds Pty Ltd
PO Box 9570
WYOMING NSW 2250

Date: 09.02.2022
Invoice No: I1082840

We confirm insurance has been arranged in accordance with the details shown below and subject to the premium having been paid.

Class Bloodstock Mortality Schedule **Policy No.** LON00002836/2021

Placed With Lonmar Global Risks
Corn Exchange 55 Mark Lane
LONDON EC3R 7NE

Period 08.02.2022 to 28.02.2023

Summary of Cover

BLOODSTOCK INSURANCE SCHEDULE

WE ACT FOR THE INSURER NOT YOU

We arrange for the issue, variation or disposal of the insurance and the handling and settlement of any claims as Agent of the Insurer, not you. This means that we act in the Insurer's interests not yours.

We have a "Binding Authority" from the Insurer. This means we can enter into the insurance and/or handle or settle claims on their behalf without reference to them, provided it is within the Binding Authority they have given us.

ASSURED: Group One Thoroughbreds Pty Ltd
and others for their respective rights and interests.

TYPE OF COVER: All Risks of Mortality

1 Description: **UNNAMED (Toronado x Khamsa)**
DOB: **2020** Sex: **Filly** Use: **Rearing/Training**
Sum Insured: \$ **39,800** Interest: **100%** State: **NSW** Country: **AU**

TOTAL LIMIT OF
UNDERWRITERS

LIABILITY: \$ 39,800

SITUATION: Whilst anywhere in Australia/New Zealand including transit

Mr Jeremy Azzopardi
Group One Thoroughbreds Pty Ltd
PO Box 9570
WYOMING NSW 2250

2022 CLASSIC YEARLING SALE

TUESDAY, 8 FEBRUARY 2022

TAX INVOICE

Date: 11-Feb-2022

Account: AZZOJ

Invoice number: 30094733

Lot	Description	Sire/Dam	Sale Price	GST	Total
807	B. Filly	Toronado (IRE)/Khamsa (AUS)			
	Purchase of Lot 807 at 2022 Classic Yearling Sale		16,000.00	1,600.00	17,600.00
	Scope Fee		165.00	16.50	181.50
	Race Series Nomination Fee		1,750.00	175.00	1,925.00
SUBTOTAL			\$17,915.00	\$1,791.50	\$19,706.50
TOTAL AMOUNT DUE					\$19,706.50

TERMS ARE 90 DAYS FROM DATE OF PURCHASE - please pay by May 9, 2022

PAYMENT OPTIONS

EFT directly into our ANZ account:

William Inglis & Son Ltd - Bloodstock Sales

BSB: 012-003

Account: 8379-29209

SWIFT Code: ANZ BAU 3M

Please email your remittance to

accounts@inglis.com.au

Cheque:

Please attach this slip to your cheque and send to:

William Inglis & Son Limited

PO Box 388 Moorebank NSW 1875

Credit card / Debit Card:

We accept VISA, Mastercard, Amex and Diners.

pay.thoroughbredpayments.com.au/inglis



Account	AZZOJ
Reference	30094733
Amount Due	\$19,706.50



TAX INVOICE

Group One AUST LTD

Invoice Date
9 Feb 2022

Invoice Number
INV-0362

Reference
TORONADO X KHAMSA

ABN
35 628 388 241

Group One Thoroughbreds
Pty Ltd
PO BOX 9570
WYOMING NSW 2250
T : 1800 998 652
F : 02 4311 3777

Due Date: 27 Jun 2023
BSB: 012-633 ACCOUNT NO: 4174-63158
kirstian@grouponethoroughbreds.com.au

Description	Quantity	Unit Price	GST	Amount AUD
Purchase of Horse	1.00	16,000.00	10%	16,000.00
Breaking In Fee	1.00	5,000.00	10%	5,000.00
Spelling fees Cavallo Park Stud 45 days	1.00	2,900.00	10%	2,900.00
Floating fee from Inglis (Warwick Farm) to Cavallo Park (Richmond)	1.00	400.00	10%	400.00
Floating Fee from Cavallo Park Stud to Doran Park (Breaking)	1.00	200.00	10%	200.00
Veterinary Costs (vitamins, drenching, dental, shoeing etc.)	1.00	1,400.00	10%	1,400.00
Mortality Insurance (1 year \$39,800)	1.00	2,113.64	10%	2,113.64
X rays, Clinicals and Scoping costs	1.00	1,109.09	10%	1,109.09
Inglis Race Series	1.00	1,750.00	10%	1,750.00
Golden Slipper nomination	1.00	400.00	10%	400.00
BOBS Bonus scheme	1.00	900.00	10%	900.00
Compliance Fee, Accounting and Auditing	1.00	1,000.00	10%	1,000.00
License and Document Formation fees	1.00	500.00	10%	500.00
Registration & Lodging Syndicate Fee	1.00	495.45	10%	495.45
Bloodstock Fee – Sheamus Mills	1.00	800.00	10%	800.00
ASIC Lodgement and signoff	1.00	600.00	10%	600.00
Financial Audit	1.00	300.00	10%	300.00
Legal Fees	1.00	313.64	10%	313.64
Subtotal				36,181.82
TOTAL GST 10%				3,618.18
TOTAL AUD				39,800.00

Group One Thoroughbreds (AUST) LTD

TORONADO X KHAMSA SHARES

ACN: 639 721 832

Pro Forma Balance Sheet

As at 9th February 2022

Assets		
e Current assets:	2022	2021
Cash	-	-
Accounts Receivable		-
Inventory	39,800	-
Prepaid Expenses		-
Short Term Investments		
Total current assets	39,800	-
e Fixed (Long Term) Assets:	2022	2021
Long Term Investments	-	-
Property, Plant, and equipment	-	-
Less accumulated depreciation	-	-
Intangible assets	-	-
Total fixed assets	-	-
e Other assets:	2022	2021
Deferred income tax	-	-
Other		
Total other assets	-	-
Total assets	39,800	-

Liabilities and owner's equity		
e Current liabilities:	2022	2021
Accounts payable		-
Short -term loans	-	-
Income taxes payable	-	-
Accrued salaries and wages	-	-
Unearned revenue	-	-
Current portion of long term debt	-	-
Total current liabilities	-	-
e Long-term liabilities:	2022	2021
Long-term debt		
Deferred income tax	-	-
Other		
Total long-term liabilities	-	-
e Owner's equity:	2022	2021
Paid Capital	39,800	-
Unpaid Capital		
Retained earnings		
Other	-	-
Total owner's equity	39,800	-
Total liabilities and owner's equity	39,800	-

Partnership Agreement

2020 Bay filly by Toronado (IRE) out of Khamsa

A. The Horse Ownership

The Horse will be registered with the Registrar of Racehorses once the Shares have been sold.

B. The Syndicate Manager

The Manager of the Syndicate will be Group One Thoroughbreds (Director: Mr. J. Azzopardi).

The Syndicate Manager will be required to manage the Syndicate in accordance with the terms of this Partnership Agreement (PA) and any rules, regulations or guidelines made by the Rules of Racing in respect of such manager or management. The Manager is responsible for all aspects of the management of the racing career of the Horse, preparation of the Syndicate's annual accounts, the management of communications between the Shareholders and the stables, and the provision of all administrative services.

The Partnership Agreement legislated under Sections A to L can be revised or amended, deleted or added to at the discretion of the Syndicate Manager, being part or wholly modified.

C. Horse Description

Colour	Bay
Sex	Filly
Date of Foal	30th September 2020
Sire	Toronado (IRE)
Dam	Khamsa (AUS)
Brand	t in a circle ns sh – 6 over 0 off sh

D. Nature of Shareholdings

- a. The Horse shall be owned by the Shareholders, the equivalent of 100%.
- b. No person disqualified under the Rules of Racing shall be eligible to become or to continue as a member of the Partnership.

E. Naming of Horse

The Horse is unregistered. The Horse will be named by the Shareholders and registered once the Shares have been fully sold. The horse will be registered within 45 days of the Shares becoming fully sold. Each shareholder will have the option to submit 1 name. Once the list of names submitted by the Shareholders is populated by the Manager, the Manager will select the top 3 most liked names (in order of preference) and submit them to the Registrar of Racehorses for registration.

F. Proposed/Estimated Ongoing Expenses and Other Obligations

- a. **Ongoing Expenses** – the following horse expenses are indicative and payable monthly by each Shareholder. The Manager advises that a fixed flat fee of \$110.00 (incl. GST) per month per share (the equivalent of 2.5% share) OR \$220.00 (incl. GST) per month for 2 shares (the equivalent of 5% share) is payable for ongoing upkeep expenses.

The Potential Shareholder should also be aware that the Ongoing Expense does not include extra-ordinary costs such as insurance renewal, basic veterinary fees in excess of \$300 per consultation which will be on charged to the Shareholders reflective of their shareholding, major race nominations or acceptance fees.

All prices include GST (where applicable). The Ongoing Expenses disclosed in Section 6.2 Proposed use of Proceeds of the enclosed Prospectus, such as Agistment, Training etc., are covered up to 31st March 2022, and the shareholders take over the Ongoing Expenses from 1st April 2022. This means that the first Fixed Flat Fee will be due on 1st May 2022. The Fixed Flat Fee incorporates Group One Thoroughbreds' administration costs and will provide the following:

- i. Regular communication with Shareholders by telephone, fax or email regarding training and spelling progress, and regular relay of Trainer's comments.
- ii. Arranging open days for partners to inspect their racehorses and be addressed by the Trainer.
- iii. Provision of general day to day administrative services, provision of pursuing overdue accounts via phone call, email or post.
- iv. Providing Shareholders with RaceDay DVD's (where available, track work and other update reports such as nominations, weights, acceptances, pre-race summary, RaceDay services, post-race summary review, organization of disbursement of any trophies, representing the syndicate in relation to race day steward enquiries etc.)
- v. Arranging times and dates for Shareholders to inspect their horses at the stables or spelling properties.
- vi. Assistance with RaceDay ticketing where applicable.

- vii. Liaise with the financial Ombudsman office.
- viii. Maintain Professional Indemnity Insurance.
- ix. Naming and Registration of the Racehorse.
- x. Transfers of Ownership (where applicable).
- xi. Registering an Ordinary Syndicate (where applicable).

Fees on early termination are payable up to and including the final date of the Shareholder's ownership.

- b. **Inclusions in the Ongoing Expenses** – Nomination and acceptance fees for most races are included, except for nominations for major races such as the Auction House Sponsored races such as Inglis and Magic Millions race series and City type races, Black Type such as Listed and Group races and Country Championship race series, Transport to City racecourses such as Randwick and interstate floating which fees are payable by the Shareholders in addition to these ongoing expenses.
- c. **Procedure of Monthly Direct Debit for Ongoing Expenses** -
 - i. each Shareholder will pay monthly, in arrears, the Fixed Flat Fee which will be Direct Debited on the 1st of each Month.
 - ii. the Trainer and other Third Party Service Provider fees are included in the Monthly Fixed Flat Fee.
- d. **Trainers and Suppliers Fees** – are billed to Group One Thoroughbreds in arrears for the previous month's fees and expenses and payable by Group One Thoroughbreds. These fees are incorporated in the Monthly Fixed Flat Fee.

The trainers daily training rate is \$93.50 including GST. PLEASE NOTE: the trainers daily training rate may change subject to industry increases and forms part of the Fixed Flat Fee and is not charged on top of the Fixed Flat Fee.

- e. **Management Fee (MF)** – Group One Thoroughbreds does not charge a Management Fee.
- f. **Default** – Should any Shareholder neglect payment of the Ongoing Expenses as described in Section F(a) of the RPA for a period in excess of fourteen (14) days, the following may occur:
 - i. If payment defaults on or around the 1st of the month (when payment is due), Group One's Accounts Department will contact the Defaulting Shareholder via email, mail or fax to issue an Overdue Notice reminder for the failure of payment giving the Defaulting Shareholder 7 days to forward full payment of the outstanding amount. Should payment not be received within that 7-day period, a second Overdue reminder, requesting immediate payment and suspension of updates. Should payment not be received within that 7-day period a Default Notice, requesting immediate payment, will be issued via email or fax and a formal letter will be posted by the Syndicate Manager, giving the

Defaulting Shareholder a further 7 days to make contact with Group One's Accounts Department to finalise their outstanding account. Should payment not be received within that 7-day period, a Second Default Notice will be issued, giving the Defaulting Shareholder a further 7 days to make payment. The Shareholder must still pay their new statement by the 1st of the next month. Should payment not be received within that 14-day period, a Final Notice (Share Repossession Pending) will be issued via email or fax and a formal letter will be posted by the Syndicate Manager, giving the Defaulting Shareholder a final 7 days to make payment of the total amount owing. Failure to comply with the Final Notice (Share Repossession Pending), will result in proceedings by Group One Thoroughbreds to confiscate and take possession of the shareholdings of the Defaulting Shareholder to recover any outstanding debts, by means of sale of the shares by Public Offer. Without any further notice, the Defaulting Shareholder shall cease to be a Shareholder and will have no interest in the assets and income of this said Partnership. The Syndicate Manager has the right to suspend a Shareholder's entitlement whilst in default.

ii. Should the Defaulting Shareholder's payments fail 3 times within a 12-month period, then they may forfeit any rights and privileges of the Partnership and furthermore, the Syndicate Manager will have the right to sell the shareholding/s by Public Offer at the Defaulting Shareholder's expense to recover the debt of the Defaulting Shareholder. The Defaulting Shareholder will not be entitled to receive any compensation for the confiscated or repossessed interest in the Partnership or receive any further payment out of the assets or profits of the Partnership.

iii. Shareholders who pay their monthly fees via direct deposit are advised that should their payment be late over 2 consecutive months, they lose the privilege of paying directly and will be placed back onto our direct debit payment method which is a policy of Group One Thoroughbreds.

iv. If a shareholder defaults on payment and is overdue more than 30 days, interest at the rate of 10% per annum will be charged and invoiced in the following month.

v. The purchase and sale of the Share/s of the Defaulting Shareholder will be effective as soon as practicable after the price has been determined and the Syndicate Manager will execute as trustee of the Defaulting Shareholder all such documents and do all things as are necessary to complete such sale and purchase. The Shareholder in default hereby nominates, constitutes and appoints the Syndicate Manager under power of attorney to execute and implement procedures as will be necessary to sell, convey and assure a buyer the Share or Shares so sold.

Fees on early termination are payable up to and including the final date of the Shareholder's Ownership.

G. Ownership, Redemption and Withdrawal

Ownership

Each Shareholder of not less than 5% of the horse will be entitled to have his/her name appear in the racebook as a co-Shareholder of the horse. If a share is owned jointly by 2 or more people, the Syndicate Manager will be entitled to require those persons to, at their own cost, register an ordinary syndicate and to own the share in the name of that syndicate.

Each Shareholder hereby authorises the Syndicate Manager to do all things required to be done by a Shareholder in order to conform to the requirements of this Partnership Agreement and the Rules of Racing, including without restriction, authority to sign on behalf of the Shareholder all documentation required to be signed by the Shareholder and lodged with the Registrar of Racehorses to give effect to any application for registration of the Horse and/or transfer of ownership.

Redemption and Withdrawal

Shareholders in this Racing Partnership subscription must be aware that when purchasing a share/s you become the Shareholder of that said share/s. Shareholders are obligated for the life of the Syndicate as Shareholders of the share/s, and are not permitted to rescind on their obligations and must adhere to the Proposed/Estimated Ongoing Expenses and Other Obligations Section F of the RPA. Shareholders will have no right to have your shares in the Syndicate redeemed or bought back prior to the termination or winding up the syndicate.

Before purchasing a share, each Shareholder should consider the purchase of the share as a long-term investment for the life of the Syndicate. The Syndicate Manager will not be obligated to sell a share on behalf of the Shareholder. In the event that the Promoter or Syndicate Manager sells a share/s on behalf of a Shareholder, the Promoter/Syndicate Manager will be entitled to charge a practical commission in consideration for arranging the sale.

A Shareholder will not be able to offer for purchase, or issue invitations to buy Shares, unless the prospective purchaser is provided with a Syndicate Agreement prepared by the Syndicate Manager in accordance with the provisions of the Syndicate Agreement. There will be no ready market for the Shares.

The Syndicate Manager will not be obliged to sell a Share on behalf of a Shareholder. The Syndicate Manager can offer the existing Shareholders the resale of a Shareholders shares who is seeking to exit the Syndicate and upon reaching an agreement of resale price, Group One Thoroughbreds will be entitled to a 5% sales commission fee (plus gst) on the gross resale price. Group One or any affiliated or external participants may make an offer to purchase the existing Shareholders share/s and if agreed upon by both parties, will take over the resale shares and the risk from the date of the Transfer of Ownership. Group One or any external participant may seek market to resell the share/s or keep and race the horse.

In the event that a shareholder has made the decision to leave or sell his/her share, they must first offer the sale of that share/s within the syndicate.

Fees on early termination are payable up to and including the final date of the Shareholder's ownership.

Accounts preparation fee – Each shareholder is responsible for the fees incurred by the Company for the preparation of the Company's annual accounts. Accounts preparation fees ("APF") in respect of the relevant financial year will be charged on the 1st July each year, unless you cease as a Shareholder prior to which you will be charged for the number of months you held your share. The APF is \$44.00 including GST per owner.

This amount will be direct debited from the Shareholders nominated bank account to be credited to Group One Thoroughbreds' account in respect to the Partnership. The APF is applicable and payable up until a partnership is ceased or the death or retirement of a horse or a Shareholder ceasing to exist as a Shareholder by way of sale or default of a share. This fee can be direct debited from the said Shareholders account at that point. This fee covers:

- a) The Opening and maintaining a separate bank account in respect of the Racing Partnership which account maybe used for the deposit and payment of moneys relating to the operation of the Racing Partnership.
- b) Accounts/Bookkeeping services rendered.
- c) Providing or arranging for the provision of all necessary accounting, taxation and legal advice to the Syndicate.
- d) Keeping a register of Owners, which contains their names, addresses, contact details (including telephone and facsimile numbers and email addresses), and the number of Shares held by each Owner, the date upon which the Owner was entered in the register and the date upon which any person ceased to be an Owner.
- e) If required by ASIC or the Lead Regulator:
 - i. making available all the records of the Syndicate, including the Accounts, secretarial records, share register and transfer journal;
 - ii. providing all information requested in relation to the Syndicate; and
 - iii. lodging a copy of the Accounts and all other documentation relating to the performance of the Syndicate forwarded to Owners at the same time as the Accounts and such other documentation is forwarded to the Owners

H. The Manager's Responsibilities

a) The Manager is Group One Thoroughbreds. The Director of Group One Thoroughbreds is Jeremy Azzopardi. The Manager is responsible for all aspects of the management of the racing career of the Horse, the management of communications between the Manager and the stables and will make decisions on behalf of the Shareholders pertaining to the Horse on offer.

b) The Manager shall be the first registered Shareholder in the Racing Partnership. The Manager's duties include:

i. Liaising with the Trainer and keeping all Shareholders current with the progress of the Horse.

ii. Keeping a register noting the names and addresses of each Shareholder and the number of shares held by each, the date on which the Shareholder entered in the Register of Racehorses and the date on which any person ceased to be a Shareholder.

iii. Notifying the Principal Racing Authority and Registrar of Racehorses in writing of every change in a Shareholder of the Racing Partnership, every change in the percentage of a Shareholder's Share in the Racing Partnership and every change in a Shareholder's address within a period of FOURTEEN (14) days of the change.

iv. Complying punctually in all respects with the requirements of the Rules of Racing, local Rules of Racing, the Principal Racing Authorities, the Registrar of Racehorses, ASIC and the Corporations Act 2001 from time to time in relation to the Horse and the Racing Partnership.

v. Representing the Shareholders in any official barrier draws, trophy presentations and any promotions/media events regarding the Horse.

c) The Manager may at any time give the Shareholders not less than one months' notice in writing of his/her intention to retire as Manager and will cease to have any rights and obligations as Manager from the date of that notice.

I. Distribution from Sale or Stud and or Breeding

In the event that the Horse is sold, a 10% (plus gst) sale fee of the sale price is payable by the Shareholders to Group One Thoroughbreds. (Should a valuation be required to determine the sale price, this will be acquired at the Shareholder's expense, by a bloodstock valuer who is a member of the Federation of Bloodstock Agents (FBA). Should the Horse go to Stud and or Breeding, Group One Thoroughbreds will be eligible to TWO (2) lifetime service rights per annum for the lifetime of the standing stallion and 5% (plus gst) of the sale price (only in the event of the horse being an entire and being retired to stud).

Irrespective of whether or not the Syndicate Manager, being Group One Thoroughbreds, is voted off as the syndicate manager of the Horse, Group One Thoroughbreds will have the right to negotiate stud and breeding of the said Horse

of this Partnership Agreement.

End of the Horses career – Shareholders will vote to retire or sell the Horse. Group One Thoroughbreds has the discretion and first right of refusal to put together an offer to purchase the Horse from the Shareholders and/or give all Shareholders the opportunity to remain Shareholders in the partnership or sell or relinquish their shares.

J. Meetings/Decisions

i. In the event that the horse is a colt/entire and the horse needs to be gelded all shareholders must achieve a 51% majority vote (if the vote is tied, the Syndicate Manager has the casting vote) to keep the horse as an entire unless written expert advice is obtained by a veterinarian, trainer and the Syndicate Manager that the necessity of the horse requires to be gelded due to the well-being of the horse and safety of the track riders and training staff.

ii. The trainer, as stated in Section 2.3.1 of the Prospectus, is the first appointee by the Syndicate Manager. The Syndicate Manager will arrange for the trainer to train the horse and prepare the horse for training. The Syndicate Manager may at any time, remove the trainer and either engage the services of another appropriately licensed person to act in that capacity. The new trainer may be interstate and not within the same jurisdiction of the initial trainer. The Syndicate Manager will confer with all Shareholders with regards to a change of trainer before a decision is made.

iii. In the event that a Shareholder has made the decision to leave or sell his or her share, they must first offer the sale of that share/s within the syndicate. Under no circumstances is it the responsibility of Group One Thoroughbreds to sell the share/s on behalf of the shareholder. It is the full responsibility of the Shareholder to maintain their shareholding until such time that the share is either sold or relinquished. It is an ownership much like the purchase of a property or home and is for the term of the racing career of the horse.

iv. Group One Thoroughbreds can be removed or replaced as Manager of the Career of the Horse if a memorandum signed by the shareholders representing a majority interest in the Horse (that is, a vote by Shareholders with an interest of more than 50% in the Horse) votes for their removal. In the event where a Manager is removed or replaced, Group One Thoroughbreds will cease to provide the services referred to AR 63(2) of the Australian Rules of Racing. These services include:

- entering, nominating, accepting or scratching such Horse for any race;
- engage a jockey to ride such Horse for any race;
- receive any prize money or trophy won by such Horse; or
- act for and represent the joint Shareholders, lessees or Shareholders in relation to the Horse in all respects for the purpose of the Rules.

Group One Thoroughbreds will continue to act as Manager of the Syndicate to provide the remaining services expressed in Section H of the RPA. That is, the

Manager is responsible for all aspects of the management of the racing Career of the Horse, preparation of the Syndicate's annual accounts for submission to the Lead Regulator, the management of communications between the Shareholders and the Stables, and the provision of all administrative services and trust accounts of the syndicate.

If Group One Thoroughbreds is removed as the Manager of the Horse, it does not give up its entitlements to the disclosed stud fee, breeding or sale fee as per Section I of the RPA.

Management of the Horse and the Syndicate will continue by Group One Thoroughbreds up until all shareholders have paid the termination fee in full. This early termination fee is enforced as a charge to compensate us for failure to satisfy the contract by the syndicate Shareholders.

We will not charge you an early termination fee if it is a result of a proven material breach pursuant to Section H of the RPA.

vi. A Shareholder or Shareholders who own not less than 30% of the Shares may either call a meeting of Shareholders or request the Syndicate Manager to call a meeting of Shareholders, upon giving at least 21 days written notice to the other Shareholders, the Syndicate Manager and the Racing Manager. In the event the Syndicate Manager receives such a request, the Syndicate Manager must within 14 days of receipt thereof, call a meeting of Shareholders, which must be held within 1 month of receipt of the request.

vii. A voting resolution binds all Shareholders, whether or not they participate. No objection may be made to any vote cast unless the objection is made at the time of convening. The decision of the Syndicate vote on any matter is final.

K. Prize-money Distribution

All prize-money won by the Horse will be deposited directly into the Shareholder's account by Stakes Payment. The Manager is not entitled to any of the prize money, breeders' bonus or incentive scheme payments.

In accordance with the Rules of Racing in Australia, prize-money is distributed to the Shareholders after remunerations are distributed to the trainer, jockey, welfare program and jockey insurance, and the withholding of any funds required to cover major race acceptances for which the Horse is eligible or nominated. The percentages are automatically determined by each state and may vary from State to State.

L. Trophies and Prize Distribution

In an event the Horse wins a trophy or an item that is not listed in the racebook with a dollar value, such as a saddle cloth or rug, the Manager will conduct a draw for all Shareholders to participate in. Once a Shareholder has won a particular item or trophy, they may not participate in the next draw until all Shareholders have had the opportunity to receive such an item or trophy.

M. Buy Now Pay Later (Interest Free Payment Plan)

Group One Thoroughbreds offers a Buy Now Pay Later (BNPL) interest free Payment Plan, which is similar to the likes of AfterPay. This incentive enables Shareholders to purchase shares in the horse on offer, over 4 repayments.

How it works:

1. A 25% deposit of the Share Price is payable upfront on sign up.
2. The balance of the Share Price to be paid over 3 equal monthly instalments commencing the following month after the initial 25% deposit is paid on sign up.
3. Interest Free Terms

Repayment Schedule:

1. If an owner purchases their share between the 1st and 15th of the month, their instalments will be due on the 15th of the following 2 months.
2. If an owner purchases their share between the 16th and the end of the month, their instalments will be due on the 30th of the following 2 months.

Default Schedule:

1. If a Shareholder defaults, they will be issued a Default Notice giving the Defaulting Shareholder 7 days to make payment.
2. If no payment is received, the Defaulting Shareholder will be sent a Final Notice – Share Repossession Pending, giving a further 7 days to pay.
3. If payment is still not received after the 7 days, a notice to repossess is issued to advise the Defaulting Shareholder that the share/s have been confiscated and sold by means of Public Offer to recover the balance outstanding for the share/s.

APPLICATION FORM

Partnership Agreement

2020 Filly by Toronado (IRE) out of Khamsa

Complete in block letters & return entire Partnership Agreement. You are advised to keep a copy for your records

Surname: Dr/Mr/Ms/Mrs/Miss
(One name ONLY to be entered)

Given Names.....

Address

StatePostcode

Birth Date:Occupation

Telephone BusinessHome

MobileFax

Email

This share will/will not be held in a Syndicate name.

Syndicate Name:(only if you have a registered syndicate)

Horse Name Suggestion:

I hereby agree to become a Shareholder in the abovementioned Partnership on the basis that I will have share (s).

By signing this agreement, I agree and declare that:

1. I have read, understood and agree to be bound by the Partnership Agreement, Rules of Racing and the Product Disclosure Statement.
2. I am not under any disqualification or other disability under the Rules of Racing.
3. I am over the age of eighteen years.
4. I am not an undischarged bankrupt.
5. I agree for my contact details to be supplied to the other Shareholders in this Racing Partnership.
6. I acknowledge that I have had the opportunity to obtain independent legal and financial advice relative to my acquisition of shares in the Product Disclosure Statement.

I hereby give Jeremy Azzopardi the authority to sign the original official registration papers of this Horse for my share on my behalf. I also give authority for prize-money to be paid to a third party, that being:

..... Name of Shareholder

..... Signature of Shareholder

...../...../..... Date



**GROUP
ONE**
THOROUGHBREDS

www.grouponethoroughbreds.com.au

GROUP ONE THOROUGHBREDS
AFSL 001273496



"GIVING OWNERS THE EDGE"

DIRECT DEBIT REQUEST FORM

APPLICANT DETAILS

First name:

Last name:

Company Name (if applicable):

ABN:

Email:

D.O.B.:

Phone:

Address:

Suburb:

Country:

State:

Postcode:

PAYMENT METHOD

☐

Bank Transfer

☐

Credit Card (refer to second page)

BSB:

Account No.:

Account Holder Name:

I hereby register with Thoroughbred Payments (operated by ZenPay Pty Ltd ABN 056 881 942) and authorise Thoroughbred Payments (User ID 470911) or my merchant to process payments of recurring or varying amounts from my nominated card or bank account.

I confirm the information above is true and correct and that I have read, understood and agree to be bound by this Customer Registration Form (CRF) and Thoroughbred Payments' [Terms & Conditions](#) (TPTC).

I understand that this arrangement will remain in place until such time as it is cancelled by me, my merchant or Thoroughbred Payments, and all payment related queries or disputes will need to be resolved between me and my Merchant.

I also understand that transactions will appear on my card / bank statement as "THOROUGHbred PAYMENTS BALMAIN AU".

I hereby give permission to Group One Thoroughbreds Pty Ltd to complete the online form using the details provided on this form on my behalf.

Signature:





Credit / Debit Card

Please circle one:



VISA



Card Number:



Card Holder Name:

Expiration:

MM:

YY:

CVV:

[illegible]

Suffix		
A	U	S

Foal Year of Birth			
y	y	y	y

Part A Individual Owner (When completing this section you are required to provide ALL the information requested below)

Date of Birth / /
 / / /

Surname _____ Given Names _____

Part B Registered Syndicate (When completing this section you are required to provide ALL the information requested below)

Registered Syndicate Name	Syndicate Manager

☐ Tick this box if the syndicate has owned horses previously and you wish to add this horse to the syndicate.

Part C Company, Firm or Stud (When completing this section you are required to provide ALL the information requested below)

Company, Firm or Stud Name	Name of Representative

☐ Tick this box if the horse is to be leased or will not be racing.

Part D Contact Details (When completing this section you are required to provide ALL the information requested below.)

[illegible]

Daytime Phone Mobile * Mobile or Email MUST be supplied. Email

Part E Bank Details (Only complete bank details if split payment is required.)

[illegible]

Part F Declare your GST Status

When do I supply an ABN?

- If you are registering a horse in the name of a Company, Firm or Stud, the Company, Firm or Stud must be registered as a syndicate with a Principal Racing Authority (PRA) or the horse must be leased to an eligible party for racing purposes. Only under these circumstances can an owner, provided their horse racing activities are conducted as an enterprise and the enterprise is registered for GST, quote the ABN of that enterprise.

- If an owner's horse racing activity is conducted as a recreational pursuit or hobby, an ABN cannot be provided and you must declare yourself as a hobbyist. You can only quote an ABN if the ABN is for an enterprise that is racing horses as part of that enterprise.
- Individual members of a syndicate must not provide their own ABN. The syndicate must be registered for GST and provide an ABN.
- If your ABN or GST status change, it is your responsibility to advise Racing Australia by completing the Change of GST Status form.

Is this enterprise GST registered for racing purposes? ☐ No – I am a hobbyist ☐ Yes If yes, please supply ABN

Part G Owner Declaration

By signing this application I agree and declare that:

- As a condition of the registration of this horse, I will refrain from taking any step or authorising any party to take any step which will interfere with the important role that RA, the principal racing authorities and the race clubs play in the administration of racing and in the provision of racing materials, including without limitation: (a) preventing or restricting any of these entities from using or publishing the name of this horse; (b) taking any step which will or may adversely affect or otherwise limit their administration, promotion and reporting of thoroughbred racing; (c) applying to register as a trade mark the name, image, jockey silks or any other indicia associated with this horse; or (d) asserting or bringing any claim of ownership of any intellectual property rights in the name, image, jockey silks or other indicia associated with this horse.
- As a condition of the registration of this horse (Rule AR 18A (1)), and in consideration for the registration of **this horse, I hereby agree that Racing Australia Limited (ACN 105 994 330) owns all rights, title or interest** (including but not limited to copyright, goodwill and reputation) in the name, image, jockey silks and any other indicia associated with the horse, whether existing before or after I sign this form.
- If I own by force of law any right, title or interest (including but not limited to copyright) in the name, image, jockey silks and any other indicia associated with this horse, whether existing before or after I sign this form, I hereby and unconditionally assign all such intellectual property rights to Racing Australia Limited (ACN 105 994 330) in consideration for the registration of this horse.
- In consideration for the assignment and undertakings in Rule AR 18A (1), Rule AR 18A (2) provides for Racing Australia grant to the owner(s) a non-exclusive, royalty-free and transferable licence to:
 - Use the name, image, jockey silks and other indicia associated with the horse the subject of this form where Racing Australia owns the intellectual property in such indicia for any purpose related to racing, training, promoting and otherwise dealing with the horse, including merchandising; and
 - Sub-license the same to any other person.
- As a condition of the registration of this horse, I will comply with and be bound by the Australian Rules of Racing and the Local Rules, Regulations, By-Laws and Conditions of the Principal Racing Authority in whose State or Territory I reside or in which the horse shall race.
- The names on this form fully disclose the true, complete and accurate ownership of the horse.

- I am over the age of 18 years at the time of signing this application.
- I have read and understood the sections on pages 1 & 2 entitled 'Fitness and Propriety of Applicants', '**Privacy and Personal Information**', '**GST Declaration**', '**Appointment of Manager**' and '**Assignment and Licence**'.
- Before signing a Transfer of Ownership or Change of Share % form on behalf of any remaining owners, I will notify all such owners of the changes to the ownership composition and structure.
- I consent to any future changes to the ownership composition and structure, provided there are no changes to the share percentage of each remaining owner.
- If there is a change to the ownership composition and structure, but I am a remaining owner and there is no change to my share percentage, I authorise the owner who is the manager at that time (if it is not me) to sign any Transfer of Ownership and Change of Share % forms on my behalf.
- RA, or any Principal Racing Authority to the maximum extent permitted by law, is not liable to make any payment for any claim, loss or liability that may arise from the manager (whether me or a future manager) signing on behalf of another person.
- I indemnify RA, or any Principal Racing Authority, against any claim, loss, damage, liability, cost or expense that arises from me signing a Transfer of Ownership or Change of Share % form on behalf of another person.

Signature	Share
	%
	Date
	<div> <div>d</div> <div>d</div> <div>/</div> <div>m</div> <div>m</div> <div>/</div> <div>y</div> <div>y</div> <div>y</div> <div>y</div> </div>

Second (2nd) Syndicate Member (if applicable):

The name of the Syndicate, for racing purposes, will be known as:

Syndicate Name:	
------------------------	--

Personal Information:

Title:	First Name:	Surname:	Date of Birth:
Address:			State:
Post Code:			
Phone No (Business Hours):		Mobile No (if differs to phone no. for business hours):	
Email Address:			
Individual Share Percentage (%) held by you within this Syndicate (For example, you individually hold a 10% share within this Syndicate):			%

PERSONAL INFORMATION: To assist in making ownership determinations, the Registrar must assess the fitness and propriety of each applicant. This assessment requires the collection of sensitive information. In order to protect each individual's privacy certain necessary information has not been requested on the application form, however, all applicants must read the following questions: 1. In the past 10 years, have you been convicted of, or is there a pending charge against you, for any offence involving (a) Violence against a person; or (b) Dishonest or criminal activity? 2. Have you ever been convicted under the Australian Rules of Racing or rules of any racing authority? If any applicant should answer "yes" to any of these questions, the applicant must notify the Registrar in writing prior to the lodgement of the application. Such notification must include full details of the conduct in question. The Registrar will advise in writing within seven days of having received such notification. That advice should be retained by the applicant as evidence that the appropriate notification has been made. You are advised that should it be established that an individual has neglected or failed to truthfully respond to questions 1(a), 1(b), or 2, this application and any other application concerning the individual may be refused or cancelled at any time. If the notification has previously been advised to the Registrar, there is no need to do so again. The Committee of any Club or the Stewards may punish any person who makes any false or misleading statement or declaration in respect of any matter in connection with the administration or control of racing under AR175(gg). Inaccuracies or omissions may also lead to penalties and refusal or cancellation of the Registration of this horse (AR17)

PRIVACY: The Registrar of Racehorses collects information about you when you submit this application to register a racehorse. The Registrar will use that information to assess your application and if approved, your ongoing status as an owner. To do that, the Registrar may disclose your information to other racing bodies. On occasion, the Registrar may disclose names and contact details to racing organizations including race clubs and owners or breeders associations. However, this information will only be disclosed when the Registrar is of the opinion that such communication may be of interest or benefit to you. If you do want to receive such communication, you may advise the Registrar of that fact at any time. You can gain access to and request changes be made to your information held by the Registrar at any time. You do not have to supply the information requested, but if the information is not provided the Registrar may refuse to accept your application.

Signature:



By signing above, you are acknowledging that you have read and understood the Rules of Racing relating to owners, the Personal Information statement above, the Privacy Statement above, and the Standard Syndicate Agreement displayed on page 6 of this application form. An updated copy of the Rules of Racing can be located within the Racing Victoria Website – www.rv.racing.com

Please note: this 'Register a Syndicate' form must be submitted to Racing Victoria in its entirety. Failure to lodge the complete form will result in the deferment of this application to register a syndicate. In this instance, the application form will be returned to the Manager for completion.