



Bubs Australia Limited
ACN 060 094 742
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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

COMPLETION OF RETAIL ENTITLEMENT OFFER

Melbourne, Thursday, 28 July 2022: Bubs Australia Limited (ASX: BUB) (“**Bubs**” or the “**Company**”) is pleased to announce the completion of the retail component (“**Retail Entitlement Offer**”) of its underwritten¹ 1 for 10.42 pro-rata accelerated non-renounceable entitlement offer (“**Entitlement Offer**”) that was announced on Tuesday, 5 July 2022.

The Retail Entitlement Offer closed at 5.00pm (AEST) on Tuesday, 26 July 2022 and raised approximately \$22.9 million at \$0.52 per fully paid ordinary share in the Company (“**New Share**”). Together with the institutional component of the Entitlement Offer and the Institutional Placement (“**Institutional Offer**”) that raised approximately \$40.1m, the total amount raised is \$63.0m (“**Equity Raising**”). The Retail Entitlement Offer was underwritten¹ by Citigroup Global Markets Australia Pty Limited and Bell Potter Securities Limited (together, the “**Joint Lead Managers**”). The Equity Raising was co-managed by PAC Partners Securities Pty Ltd (“**PAC Partners**”).

As announced on Tuesday, 5 July 2022, the proceeds of the Equity Raising are expected to be used to fund:

- working capital to assist with the immediate scale up of group activities given the additional accelerated and rapid market expansion;
- inventory build given the current logistics environment;
- USA market operating expenses (including marketing, administration, employment costs, and consultancy fees);
- capital expenditure required to expand canning capability to include a second high-speed canning line at the Deloraine facility to triple capacity in order to meet the growth in demand; and
- the costs associated with the Equity Raising.

¹ Refer to slides 41-44 of the investor presentation dated Tuesday, 5 July 2022 for a description of the terms and conditions of the underwriting arrangements.



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Valid applications for approximately 12.7 million New Shares, amounting to approximately \$6.6 million, were received from Eligible Retail Shareholders (as defined in Bubs' Retail Entitlement Offer Information Booklet released to ASX on Thursday, 14 July 2022). The remaining approximately 31,349,49 New Shares not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer will be allotted to sub-underwriters of the Entitlement Offer.

New Shares issued under the Retail Entitlement Offer will rank equally in all respects with existing Bubs ordinary shares. Settlement of the Retail Entitlement Offer is scheduled for Monday, 1 August 2022. The New Shares are expected to be issued on Tuesday, 2 August 2022 and commence trading on the ASX on a normal settlement basis on Wednesday, 3 August 2022. Holding statements in respect of New Shares issued under the Retail Entitlement Offer are expected to be dispatched on Tuesday, 9 August 2022.

This announcement is authorised by the Board of Bubs.

END

Media and Investor Inquiries

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About Bubs Australia Limited (ASX: BUB)

Founded in 2006 in Australia, Bubs' purpose is to grow happy, healthy families through clean nutrition.

Bubs® A2 Beta-Casein Protein, Bubs Organic® Grass-fed, and Easy-Digest Goat Milk Infant Formula, along with Bubs Organic® baby food range, cater for all feeding occasions and stages of a child's development during their first 1,000 days of life.

Bubs® products are widely sold in major supermarkets and pharmacies throughout Australia, as well as exported to ten markets across China, Southeast Asia, the Middle East and USA.

Consumer Website: bubsaustralia.com

Investor Centre: investor.bubsaustralia.com



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DISCLAIMER

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Bubs, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Bubs' business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Bubs, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Bubs as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Bubs, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

No offers in breach of foreign securities law

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "US Securities Act") or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this announcement may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration



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requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Bubs' securities.

Involvement of Joint Lead Managers

None of the Joint Lead Managers and their related bodies corporate and affiliates, and each of their respective officers, directors, partners, employees, consultants, contractors, agents and advisers ("**Beneficiaries**"), nor any of PAC Partners and their related bodies corporate and affiliates, and each of their officers, directors, partners, employees, consultants, contractors, agents and advisers have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement and there is no statement in this announcement which is based on any statement made by the Joint Lead Managers or any of their Beneficiaries, nor do they make any recommendation as to whether any potential investor should deal in Bubs' securities. There is no statement in this announcement which is based on any statement made by the Joint Lead Managers or any other Beneficiary. To the maximum extent permitted by law, the Joint Lead Managers and the Beneficiaries expressly disclaim all liabilities (including for fault, negligence, or negligent misstatement) in respect of, and take no responsibility for, any part of this announcement, and make no representation or warranty (whether express or implied) regarding any part of this announcement, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this announcement (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Bubs or which a prospective investor may require in evaluating a possible investment in Bubs).

Neither the Joint Lead Managers nor the Beneficiaries make any recommendation as to whether any potential investor should deal in Bubs' securities. Further, none of the Joint Lead Managers, the Beneficiaries nor PAC Partners accept any fiduciary obligations to or duty of care to or relationship with any investor or potential investor in connection with the Equity Raising or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Equity Raising and any other transaction or other matter arising in connection with this announcement.

The Joint Lead Managers and the Beneficiaries may, from time to time, have interests in the new securities under the Equity Raising or other securities of Bubs, including providing corporate advisory or other financial advisory services to Bubs and/or managing the offering of such New Shares under the Equity Raising. Further, they may have long or short positions in, act as market maker or buy or sell those securities or associated



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derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities. A Beneficiary may act as a lender and/or counterparty to Bubs or its affiliates and may or now in the future provide financial accommodation or services to Bubs or its affiliates.

Determination of eligibility of investors

Determination of eligibility of investors for the purposes of the Equity Raising is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Bubs and/or the Joint Lead Managers. To the maximum extent permitted by law, Bubs, the Joint Lead Managers, and the Beneficiaries each disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise.