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Mosaic Brands Limited

(ASX: MOZ)

ASX Release

On-Market Share Buyback Program

Sydney, 6 February 2020 – Mosaic Brands Limited (**Mosaic** or the **Company**) advises that it has decided to initiate a new on-market share buyback up to the maximum aggregate amount of \$10.0 million during the period 20 February 2020 to 19 February 2021.

The Board has determined that an on-market buyback is an appropriate capital management tool given the strength in the Company's balance sheet and anticipated positive future earnings generation. The objectives of the on-market share buyback are to utilise the Company's surplus capital as well as increase both the earnings per share and return on equity. The Company is proposing to fund the share buyback from existing cash reserves.

Capital Structure

Based on the Company's closing share price of \$1.62 on 5 February 2020, the maximum aggregate buyback amount would equate to approximately 6.38% of the Company's issued capital.

The maximum number of shares the Company is permitted to acquire in the on-market buyback is 9,681,293 shares, which is 10% of the lowest number of shares on issue during the previous 12 months. Accordingly, the on-market share buyback will not require shareholder approval.

Commencement Date

Under the *Corporations Act 2001* (Cth), the earliest date that the Company will be permitted to buyback any shares on market is 20 February 2020, being 14 days from the date of this announcement.



Living our purpose with shared values and behaviours.

Substantial Holders

The Company has discussed the on-market share buyback with its major shareholder, Alceon Group Pty Ltd (**Alceon**). Alceon has indicated to the Company that it will not participate in the on-market share buyback.

Assuming the Company acquires the maximum 9,681,293 shares and Alceon does not sell any shares through the buyback, the impact of the buyback on Alceon's percentage shareholding in Mosaic can be summarised as follows:

Shareholder Name	Holding percentage as at today's date	Holding percentage if the maximum number of shares are bought
Alceon Group Pty Ltd	35.97%	39.70%

An Appendix 3C in respect of the on-market share buyback is **attached**.

For further information please contact:

Luka Softa

Company Secretary and Chief Financial Officer

t: 02 8577 7784 e: Luka.Softa@nonibgroup.com.au

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

Mosaic Brands Limited

96 003 321 579

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On market buy back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Fully Paid Ordinary Shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	96,812,930
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval not required
7	Reason for buy-back	To enhance shareholder value
8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)	N/A

⁺ See chapter 19 for defined terms.

On-market buy-back

- | | | |
|----|---|---|
| 9 | Name of broker who will act on the company's behalf | Wilsons Stockbroking and Advisory Limited |
| 10 | Deleted 30/9/2001. | |
| 11 | If the company/trust intends to buy back a maximum number of shares - that number

<small>Note: This requires a figure to be included, not a percentage.</small> | 9,681,293 |
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | 12 Months |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions | N/A |

Employee share scheme buy-back

- | | | |
|----|---|-----|
| 14 | Number of shares proposed to be bought back | N/A |
| 15 | Price to be offered for shares | N/A |

Selective buy-back

- | | | |
|----|--|-----|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | N/A |
| 17 | Number of shares proposed to be bought back | N/A |
| 18 | Price to be offered for shares | N/A |

Equal access scheme

19	Percentage of shares proposed to be bought back	N/A
20	Total number of shares proposed to be bought back if all offers are accepted	N/A
21	Price to be offered for shares	N/A
22	⁺ Record date for participation in offer Cross reference: Appendix 7A, clause 9.	N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here: Date: 6 February 2020
(~~Director~~/Company secretary)

Print name: Luke Softa

⁺ See chapter 19 for defined terms.