



ASX ANNOUNCEMENT

Dispatch of Entitlement Offer Booklet

18 November 2020

Buderim Group Limited (**Company**) advises that it will today complete the dispatch of the attached documents listed below to eligible shareholders in relation to its pro rata, non-renounceable entitlement offer announced to shareholders on 12 November 2020:

- Entitlement Offer Booklet; and
- Entitlement and Acceptance Form.

Also attached is a letter of notification to ineligible shareholders.

The Entitlement Offer opens today and is scheduled to close at 5.00pm (Sydney time) on Wednesday, 2 December 2020.

This announcement has been authorised for release to ASX by the Board.

ENDS

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Investor enquiries:

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Executive Director
Buderim Group Limited
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About the Company

The Company, through its RHO and MacFarms brands, is the largest vertically integrated orchard to retail macadamia nut processor and marketer in the USA. Macadamia nut contains rich nutrients and beneficial plant compounds, and the Company makes its products from wholesome and unmodified ingredients. The macadamia business forms the basis of the Company's strategic ambitions in becoming a leading independent participant in health and plant based protein food categories.



Buderim Group Limited

ACN 010 978 800

Entitlement Offer Booklet

In relation to

A pro-rata non-renounceable entitlement offer of 1 New Share for every 3.6 Shares held at an issue price of \$0.17 per New Share to raise up to approximately \$4 million (before offer costs).

The Entitlement Offer closes at 5pm (Sydney time) on Wednesday, 2 December 2020.

This Entitlement Offer Booklet is important and should be read in its entirety. If you do not understand any part of this document or are in doubt as to what you should do, you should contact your professional adviser immediately. This document is provided for information purposes and is not a prospectus or other disclosure document under the Corporations Act.

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IMPORTANT INFORMATION

This document is dated Wednesday, 18 November 2020. This Entitlement Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act to shareholders with a registered address in a Permitted Jurisdiction recorded in the register of members on 7pm (Sydney time) Tuesday, 17 November 2020 (**Record Date**).

This document is not a prospectus under Australian law or under any other law and has not been lodged with ASIC. Accordingly, this document does not contain all of the information which would otherwise be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the Company (for example, the information available on the Company's website at www.bugcorporate.com or on ASX's website at www.asx.com) prior to deciding whether to accept your Entitlement and apply for New Shares. The information in this document does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This booklet may contain forward-looking statements, opinions and estimates. Forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this letter and the attached materials. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to the Company as of the date of this letter. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to update these forward-looking statements.

Before making any decision to invest, Eligible Shareholders must make their own investigations and analyses regarding the Company, its business, financial performance, assets, liabilities and prospects, rely on their own inquiries and judgements in the light of their own personal circumstances (including financial and taxation issues) and seek appropriate professional advice.

This Entitlement Offer Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'US person' (as defined in Regulation S under the US Securities Act of 1933, as amended (US Person)). Shares may not be offered or sold in the United States or to, or for the account or benefit of, any US Person absent registration or an exemption from registration. This Entitlement Offer Booklet has been prepared for publication only in a Permitted Jurisdiction and may not be released elsewhere.

In this Entitlement Offer Booklet, references to 'you', are references to Eligible Shareholders and references to 'your Entitlement' and 'your Entitlement and Acceptance Form' are references to the Entitlement and the Entitlement and Acceptance Form, respectively, of Eligible Shareholders.

Capitalised terms have the meaning given to them in section 5.

MESSAGE FROM THE BOARD

18 November 2020

Dear Eligible Shareholders

On behalf of your Directors, I am pleased to invite you to participate in the recently announced 1 for 3.6 pro-rata, non-renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.17 per New Share (**Entitlement Offer**).

On Thursday, 12 November 2020, the Company announced its intention to raise up to approximately \$6.2 million (before offer costs) to fund its refreshed business plan and strategic direction as a health and plant protein food company, anchored by the macadamia business (**Capital Raising**).

The Capital Raising comprises a share placement to raise approximately \$2.2 million (**Placement**) and a non-renounceable Entitlement Offer to raise up to approximately \$4 million (before offer costs). The funds will be used for advertising and marketing activities, capital expenditure, debt reduction and working capital.

Placement

The Placement was successfully completed on Thursday, 12 November 2020, with the Company agreeing to place approximately 12,903,279 Shares (**Placement Shares**) to sophisticated, professional and other investors to whom no disclosure is required under the Corporations Act identified by the Joint Lead Managers, at an issue price of \$0.17 to raise approximately \$2.2 million.

The Company received strong demand from new institutional investors as well as sophisticated and wholesale investors. In conducting the Placement, the Company and its Joint Lead Managers looked to identify new investors based on their alignment with the Company's strategic focus on branded macadamia products and the Company's understanding of each investor's relevant investment strategies, networks and risk profile.

The Placement Shares are expected to be issued on Wednesday, 18 November 2020 and commence trading on ASX on the next business day. The Placement Shares will rank equally with existing shares. The Placement Shares will be issued under the Company's placement capacity pursuant to ASX Listing Rule 7.1.

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to acquire 1 New Share for every 3.6 existing Shares held on the record date, being 7.00pm (Sydney time) on Tuesday, 17 November 2020 (**Entitlement**) at an issue price of \$0.17 per New Share (**Issue Price**).

The Issue Price is the same price offered to investors who participated in the Placement, and represents a 27.7% discount to the closing price of Shares on Monday, 9 November 2020, the last trading day before the Capital Raising was announced.

Approximately 23,894,961 New Shares will be offered under the Entitlement Offer. New Shares issued under the Entitlement Offer will rank equally with existing Shares. Further details of the Entitlement Offer are set out in section 1.

Top Up Facility

Eligible Shareholders may also apply for New Shares in excess of their Entitlement (**Additional New Shares**). Additional New Shares will be sourced from Entitlements that were not taken up by other Shareholders under the Entitlement Offer.

Please see section 1.3 for further details on how Additional New Shares will be allocated to Eligible Shareholders.

Actions required to take up your Entitlement

Your Entitlement to subscribe for New Shares under the Entitlement Offer is set out in your personalised Entitlement and Acceptance Form accompanying this Entitlement Offer Booklet. Instructions on how to participate in the Entitlement Offer are set out in section 2.

The Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 2 December 2020, unless extended. To participate, you need to ensure that either your completed Entitlement and Acceptance Form and Application Money or your Application Money submitted by BPAY® are received before this time in accordance with the instructions set out on the form and in section 2.

Support for the Capital Raising

The Company's Board supports the Capital Raising and each of the Directors who hold Shares will participate in the Entitlement Offer.

In addition, the Company's largest shareholder, Asia Mark Development Limited, has advised that it intends to take up its full Entitlement (approximately \$1.4 million).

Further information

It is important that you carefully read this Entitlement Offer Booklet and the other publicly available information about the Company, including information on our website (www.bugcorporate.com) and consider, in particular, the risk factors referred to in the Capital Raising Presentation in section 3 before making any investment decision.

If you require further information on how to complete the Entitlement and Acceptance Form, please contact the Company on 0466 137 035 (within Australia) or +61 466 137 035 (outside Australia) at any time from 8.30am to 5.00pm (Sydney time) Monday to Friday.

On behalf of the Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely



Guy Cowan
Chairman

KEY FEATURES OF THE ENTITLEMENT OFFER

Summary of Offer

Issue Price	\$0.17 per New Share The Issue Price is the same price offered to investors who participated in the Placement, and represents a 27.7% discount to the closing price of Shares on Monday, 9 November 2020, the last trading day before the Capital Raising was announced.
Entitlement	1 New Share for every 3.6 Shares held on the Record Date of 7.00pm (Sydney time) on Tuesday, 17 November 2020
Additional New Shares available	Eligible Shareholders may apply for New Shares in excess of their Entitlement.
Maximum number of New Shares to be issued under the Entitlement Offer	23,894,961 New Shares
Approximate number of Shares on issue following the Entitlement Offer (including Shares issued under the Placement)	122,820,100 Shares
Amount to be raised if the Entitlement Offer is fully subscribed (before costs)	Up to approximately \$4 million (before offer costs)

Key dates

Announcement of Entitlement Offer	Thursday, 12 November 2020
Record Date to determine Entitlements	7.00pm (Sydney time) Tuesday, 17 November 2020
Despatch of Entitlement Offer Booklet and Entitlement and Acceptance Forms to Eligible Shareholders	Wednesday, 18 November 2020
Opening date of the Entitlement Offer	
Entitlement Offer Closing Date — last date for lodgement of Entitlement and Acceptance Form and payment of Application Money	5pm (Sydney time) Wednesday, 2 December 2020
Trading of New Shares expected to commence on a deferred settlement basis	Thursday, 3 December 2020
Issue of New Shares under the Entitlement Offer	Wednesday, 9 December 2020
Holding statements for New Shares expected to be despatched	Thursday, 10 December 2020
Normal trading of New Shares expected to commence on ASX	

The Company reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer (including extending the Entitlement Offer or accepting late Applications) without notice. Any extension of the closing date will have a consequential effect on the issue date of the New Shares. The commencement of quotation of New Shares is subject to the discretion of the ASX. Eligible Shareholders that wish to participate in the Entitlement Offer are encouraged to subscribe for New Shares as soon as possible after the Entitlement Offer opens.

1 Details of the Entitlement Offer

1.1 The Entitlement Offer

Eligible Shareholders are invited to participate in a pro-rata, non-renounceable Entitlement Offer to raise up to approximately \$4 million (before offer costs). The Entitlement Offer will be conducted on the basis of 1 New Share for every 3.6 Shares held on the Record Date, at an Issue Price of \$0.17 per New Share, which is payable in full on application.

Where fractions arise in the calculation of an Entitlement, they have been rounded up to the next whole number of New Share.

You can also apply for Additional New Shares (described in Section 1.3 below) in addition to your Entitlement by following the instructions set out in Section 2.3.

1.2 Eligible Shareholders

This Entitlement Offer Booklet contains an offer of New Shares to Eligible Shareholders. Eligible Shareholders are those Shareholders who:

- (a) are registered as a holder of Shares on the Record Date;
- (b) have a registered address on the Company's register in a Permitted Jurisdiction;
- (c) are not in the United States, are not a US Person and are not acting for the account or benefit of a person in the United States or a US Person; and
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered or any other approval or formality.

The Entitlements of Eligible Shareholders who also hold options to subscribe for Shares will be calculated on the basis of the number of Shares they hold on the Record Date, disregarding any options which have not been exercised before that time. No performance rights have been granted by the Company.

Shareholders that are not Eligible Shareholders are Ineligible Shareholders.

1.3 Top Up Facility

Eligible Shareholders that have fully subscribed for their Entitlements under the Entitlement Offer will be able to subscribe for additional New Shares (**Additional New Shares**). Additional New Shares will be sourced from Entitlements that were not taken up under the Entitlement Offer.

Eligible Shareholders can subscribe for Additional New Shares under the Top Up Facility by completing the relevant part of the Entitlement and Acceptance Form, or through BPAY[®]. There is no guarantee that those Eligible Shareholders will receive the number of Additional New Shares applied for, or any.

Decisions regarding the operation of the issue of Additional New Shares under the Top Up Facility and any necessary scale back will be made by the Board. In the event that demand for Additional New Shares under the Top Up Facility exceeds the number of Additional New Shares available, the number of Additional New Shares issued to Eligible Shareholders will be scaled back as determined by the Board having regard to the pro rata Entitlement of Eligible Shareholders who apply for Additional New Shares under the Top Up Facility and the strategic alignment of the Eligible Shareholder with the Company.

No Additional New Shares will be issued to an applicant under this Entitlement Offer Booklet if the issue of Additional New Shares would contravene the takeover prohibition in section 606 of the Corporations Act, the Company's Constitution or the Listing Rules.

1.4 Placement of Shortfall Shares

Any New Shares offered under the Entitlement Offer (including the Top Up Facility) that are not applied for will form the Shortfall Shares. The Board reserves the right to place any Shortfall Shares at their discretion within three months after the Closing Date.

1.5 Ranking of New Shares

New Shares and Additional New Shares issued under the Entitlement Offer will rank equally with existing Shares.

1.6 Withdrawal of Entitlement Offer

The Board reserves the right to withdraw all or part of the Entitlement Offer at any time before the issue of New Shares, in which case the Company will refund Application Money without payment of interest.

1.7 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application or payment once it has been accepted, except as allowed by law.

1.8 No Entitlements trading

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements that they do not take up.

1.9 Minimum subscription

There is no minimum subscription for the Entitlement Offer.

1.10 Use of funds

The funds raised will be used to fund the Company's capital investment, debt reduction, working capital and offer costs, and will strengthen the Company's balance sheet.

1.11 Effect on capital structure

The table below provides a pro-forma capital structure of the Company after completion of the Entitlement Offer and Placement (subject to rounding of fractional entitlements and issue of Reconciliation Shares, if required) and assuming:

- (a) no other Shares (other than the Placement Shares) are issued by the Company between the announcement of the Entitlement Offer and the Closing Date; and
- (b) the Entitlement Offer is fully subscribed.

The actual outcome of the Entitlement Offer may differ.

Outcome	Number of Shares
Shares on issue before announcement of the Entitlement Offer and Placement	86,021,860
Approximate number of Shares issued under the Placement	12,903,279
Approximate number of New Shares to be issued under the Entitlement Offer	23,894,961
Approximate number of Shares on issue after the Entitlement Offer and Placement	122,820,100

1.12 **No underwriting**

The Entitlement Offer is not underwritten.

1.13 **Opening and Closing Date for Applications**

The Entitlement Offer opens for acceptances on **Wednesday, 18 November 2020** and all Entitlement and Acceptance Forms and payments of Application Money must be received by no later than 5pm (Sydney time) on **Wednesday, 2 December 2020**, subject to the Directors being able to vary the Closing Date in accordance with the Listing Rules.

1.14 **Reconciliation and rights of the Company**

The Entitlement Offer is a complex structure and in some instances investors may believe that they will own more Shares in the Company than they actually do on the Record Date. This results in a need for a reconciliation. If reconciliation is required, it is possible that the Company may need to issue a small quantity of additional New Shares (**Reconciliation Shares**) to ensure all Eligible Shareholders receive their full Entitlement. Reconciliation Shares will be issued at the Issue Price.

The Company reserves the right to reduce the number of Entitlements, New Shares or Additional New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their claims proved to be overstated or if they (or their nominees/ custodians) fail to provide information to substantiate their claims.

1.15 **Allotment of New Shares and ASX quotation**

It is expected that allotment of the New Shares will take place as soon as practicable after the Closing Date. It is expected that the New Shares will be allotted no later than Wednesday, 9 December 2020. However, if the Closing Date is extended, the date for allotment may also be extended. No allotment of New Shares will be made until permission is granted for their quotation by ASX.

The Company will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares which they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Company's Share Registry or otherwise, or who otherwise purport to trade New Shares in error or which they do not hold or are not entitled to.

1.16 **Impact on control**

The potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect, will depend on a number of factors including Eligible Shareholders' interest in taking up their Entitlements and the level of participation by Eligible Shareholders in the Top Up Facility. However, given the structure of the Entitlement Offer and the preceding Placement, no material impact on control is expected to arise as a result of the Entitlement Offer.

1.17 **Information availability**

Eligible Shareholders can obtain a copy of this Entitlement Offer Booklet from the Company's website at www.bugcorporate.com or by calling the Company on 0466 137 035 (within Australia) or +61 466 137 035 (outside Australia) at any time from 8.30am to 5.00pm, Monday to Friday (excluding public holidays) during the Entitlement Offer period. Persons who access the electronic version of this Entitlement Offer Booklet should ensure that they download and read the entire Entitlement Offer Booklet. The electronic version of this Entitlement Offer Booklet will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling the Share Registry.

2 How to participate

2.1 What you may do — choices available

Before taking any action you should carefully read this Entitlement Offer Booklet and the other publicly available information about the Company on our website (www.bugcorporate.com) and consider the risk factors set out in the Capital Raising Presentation in section 3.

The number of New Shares to which Eligible Shareholders are entitled is shown on the Entitlement and Acceptance Form. If you are an Eligible Shareholder you may:

Alternatives	See section
Take up your Entitlement in full or in part	2.2
Take up your Entitlement in full and apply for Additional New Shares	2.2 and 2.3
Allow your Entitlement to lapse	2.8

2.2 If you wish to accept your Entitlement in full or in part

Either:

Payment by cheque or bank draft

If you are paying for your New Shares by cheque, bank cheque or bank draft, complete and return the Entitlement and Acceptance Form with your payment. The Share Registry must receive your completed Entitlement and Acceptance Form together with full payment for the number of New Shares for which you are applying by no later than **5pm (Sydney time) on Wednesday, 2 December 2020**.

Your cheque, bank cheque or bank draft must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. Your payment must be for the full amount required to pay for the New Shares applied for. Payments in cash will not be accepted.

Cheques must be made payable to 'Buderim Group Limited' and crossed 'Not Negotiable'.

You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your Application will be rejected. We will not re-present any dishonoured cheques.

or:

Pay by BPAY®

If you are paying for your New Shares by BPAY®, please refer to your personalised instructions on your Entitlement and Acceptance Form. Please note that should you choose to pay by BPAY®:

- (a) you do not need to complete or return the Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form;
- (b) amounts received by the Company in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) may be treated as an Application to apply for as many Additional Shares as your Excess Amount will pay for in full; and
- (c) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Money.

When completing your BPAY® payment, please make sure to use the specific Biller Code and unique reference number provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e. where you have multiple holdings), please only use the reference number specific to the Entitlement on that form. If you inadvertently use the same reference number for more than one of your Entitlements, you will be deemed to have applied only for New Shares on the Entitlement to which the reference number applies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by **5pm (Sydney time) on Wednesday, 2 December 2020**.

Excess Application Money that is not sufficient to subscribe for a number of New Shares or Additional New Shares multiplied by the Issue Price will be refunded to you except where that amount is less than \$2.00, in which case it will be retained by the Company. The method by which you receive the refund will be at the discretion of the Company. No interest will be paid to Eligible Shareholders on any Application Money received or refunded.

2.3 Applying for Additional New Shares

If you have applied to take up all of your Entitlement, you may also apply for Additional New Shares.

If you apply for Additional New Shares and your Application is successful (in whole or in part), your Additional New Shares will be issued at the same time that other New Shares are issued under the Entitlement Offer. There is no guarantee that you will receive any Additional New Shares.

The Directors reserve their right to allot and issue Additional New Shares as they determine having regard to the factors set out in section 1.3. To the extent that any Shortfall Shares remain at the Closing Date, the Board also reserves the right to place any Shortfall Shares at their discretion within 3 months after the Closing Date.

2.4 Acceptance of the Entitlement Offer

By completing, and the Company receiving, your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY®, you:

- (a) agree to be bound by the terms of this Entitlement Offer Booklet and the provisions of the Company's constitution;
- (b) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (c) declare that all details and statements made in the Entitlement and Acceptance Form are complete and accurate;
- (d) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer;
- (e) acknowledge that once the Company receives the Entitlement and Acceptance Form or your payment by BPAY®, you may not withdraw it except as allowed by law;
- (f) agree to apply for, and be issued with up to, the number of New Shares that your payment will pay for at the Issue Price of \$0.17 per New Share;
- (g) authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you, and to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;

- (h) declare that you were the registered holder(s) at the Record Date (Tuesday, 17 November 2020) of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (i) acknowledge that the information contained in this Entitlement Offer Booklet is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (j) represent and warrant that the law of any place do not prohibit you from being given this Entitlement Offer Booklet or making an Application for New Shares;
- (k) you acknowledge the statement of risks in the Capital Raising Presentation in section 3 of this Entitlement Offer Booklet and that an investment in the Company is subject to risk;
- (l) represent and warrant that you are an Eligible Shareholder and have read and understood this Entitlement Offer Booklet and the Entitlement and Acceptance Form and that you acknowledge the matters, and make the warranties and representations and agreements contained in this booklet and the Entitlement and Acceptance Form.
- (m) represent and warrant that you are not prohibited by the law of any place from being given this Entitlement Offer Booklet, making an Application for New Shares or being issued New Shares;
- (n) represent and warrant that you are not in the United States and are not a US Person (see section 4.1(c) below), and are not acting for the account or benefit of, a US Person and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (o) acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside a Permitted Jurisdiction, and accordingly, the Entitlements may not be taken up, and the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws; and
- (p) have not and will not send any materials relating to the Entitlement Offer to, or submit any Entitlement and Acceptance form or otherwise purchase New Shares on behalf of, any person referred to in section 2.4(m).

2.5 Payment for New Shares

The Issue Price of \$0.17 per New Share is payable in full on Application.

The Application Money payable for your Entitlement is set out on the Entitlement and Acceptance Form.

Application Money will be held in trust in a subscription account until allotment. Any interest earned on Application Money will be for the benefit of the Company and will be retained by the Company whether or not the allotment of New Shares takes place.

2.6 Notice to nominees and custodians

The Entitlement Offer is being made to all Eligible Shareholders. Nominees or custodians with registered addresses in a Permitted Jurisdiction may be able to participate in the Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Shareholder.

Nominees and custodians who hold Shares as nominees or custodians should note in particular that the Entitlement Offer is not available to beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for an Eligible Shareholder or who are not eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

In particular, persons acting as nominees or custodians for other persons may not take up the Entitlements on behalf of, or send any documents relating to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

The Company is not required to determine whether or not any registered Shareholder is acting as a nominee or custodian or the identity or residents of any beneficial owners of Shares. Where any holder is acting as a nominee or custody in for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws. The Company is not able to advise on applicable foreign laws.

2.7 **Address details and enquiries**

Completed Entitlement and Acceptance Forms should be forwarded in the enclosed reply paid envelope to the Company's Share Registry by mail to the following address:

Buderim Group Limited
c/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001

Please note that payment of Application Money by BPAY[®] does not require the return of the Acceptance Forms.

If you would like further information you can contact your stockbroker, accountant or other professional adviser or call the Company on 0466 137 035 (within Australia) or +61 466 137 035 (outside Australia) at any time from 8.30am to 5.00pm, Monday to Friday (excluding public holidays) during the Entitlement Offer period.

2.8 **If you do not wish to accept all or any part of your Entitlement**

To the extent you do not accept all or any part of your Entitlement, it will lapse.

Entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any value in respect of the Entitlements they do not take up, and their percentage shareholding in the Company will be reduced following the issue of New Shares.

3 Capital Raising Presentation – November 2020



Disclaimer

This investor presentation (**Presentation**) is dated 9 November 2020 and has been prepared by Buderim Group Limited ACN 010 978 800 (**HPP**), which intends to change its company name to "Health and Plant Protein Group Limited" following its upcoming AGM. The material in this Presentation is general background information about HPP and does not comprise all of the material which a shareholder or potential investor in HPP may require to determine whether to deal in shares. It has been prepared based on information available to HPP as at the date of this Presentation, including information from third parties, and has not been independently verified nor does it purport to be complete. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained in this Presentation.

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Certain non-IFRS financial information has been included to assist in making appropriate comparisons with period periods to assess the operating performance of the business. HPP uses these measures to assess the performance of the business and believes that the information is useful to investors. Non-IFRS information has not been subject to auditor review.

Unless otherwise stated, all dollar values are in Australian dollars (\$) or A\$. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding.

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Corporate Strategy



Focus on higher margin sustainable business in health and plant protein categories, anchored by macadamia business



Health

All better-for-you products, that promote a healthy lifestyle and provide education and opportunity for proper nutrition



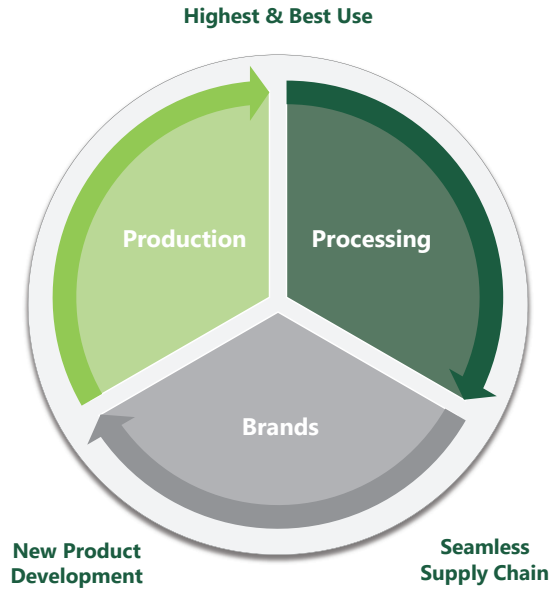
Plant Protein

Plant-based proteins that complements people's diet as the trends and eating habits shift to a more sustainable and holistic approach



HPP

The ultimate parent company that provides healthier plant-based protein products across multiple brands, categories, and touch points for consumers



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Key Highlights and Outlook



Q1 Highlights

- Group Gross Profit up 107% quarter on quarter with strong final contribution from the Ginger business
- Sale of the Ginger business was completed on 30 September 2020
- Cash balance increased to \$14.9 mn for the quarter*
- Macadamia continue to see improved gross margin performance in retail branded products, despite challenging trading conditions and limited tourist activities in Hawaii
- Macadamia continues to increase share of market in our current categories.

**in accordance with the 4C activity report, the Company made a \$5mn repayment to AMD on 1 October 2020*

Outlook

- Health and Plant Protein Group (**HPP**) is ready for its refreshed strategic focus, anchored by its core business in branded macadamia
- The business is preparing for the upcoming holiday season in the USA with corresponding campaigns and the expected consumer sentiments post COVID-19 environments and the USA election
- The orchard has had favourable climatic conditions for production to be in line with or better than expectations
- Strong demand and pipeline of macadamia products through existing and new accounts.

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Corporate History



HPP has, through both organic and inorganic growth, come to be one of the largest vertically integrated branded macadamia nut businesses in the world



HPP has a strong strategic shareholder base that can assist with its global ambitions beyond the US, including Asia.

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Macadamia = Health Plant Protein



Macadamia delivers material nutrition including the largest macronutrients (fat, protein, carbohydrates) to the smallest phytochemicals thought to help prevent diseases

Macadamia, therefore, serves as the anchor of our health and plant protein business

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Financial Overview



Working Capital (30 September 2020) ¹	FY20
Cash	\$14.9m
Trade Receivables	\$1.1m
Inventory	\$22.2m
Total Current Assets	\$38.2m
Trade Creditors	(\$2.9)m
Other Payables	(\$2.4)m
Working Capital Facility	(\$12.7)m
Net Working Capital²	\$20.2m

¹Based on unaudited management accounts

²Net Working Capital does not include \$10m Convertible Notes currently on issue

Financial Highlights

- \$5m convertible note repayment completed on October 1, 2020
- Overall reduction in debt from October 1, 2020 including the revolving 120 day working capital facility with Greensill Capital UK
- Material inventory expected to convert to cash by Q3 of FY2021.
- ²\$20.2m Net Working Capital provides scope to grow the business, invest in our people and plant & equipment

HPP's Kapua Orchards (Kona, Hawaii) is one of the largest contiguous macadamia orchards in the world, and is independently valued at c. A\$45mn

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Operational Overview



Vertically integrated macadamia production, processing & brand company focussed on the US market

SUPPLY SECURITY

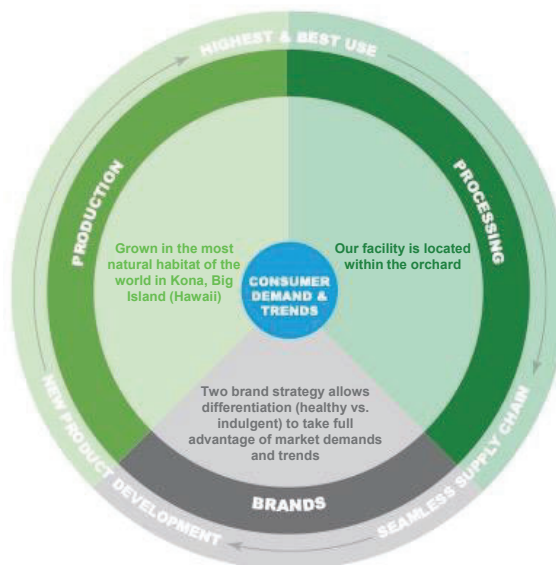
- 2.6% of all world macadamia nut production*
- 35.5% of all USA production*

ASSET BACKING

- Orchard is independently valued at c. A\$ 45mn

NATURAL HEDGE AGAINST PRICES

- Vertical integration allows the business to have a natural hedge and better predictability on cost of goods/production
- World macadamia production is expected to materially increase at a rate potentially quicker than demand, creating further cost optimization opportunities.



CRACKING FACILITY

- Ownership of this processing element allows control/understanding on kernel recovery rates
- Understanding of the kernel also allows the business to continue explore with highest and best use opportunities
- Some of the possibilities include beverage, healthy energy bars, and other keto and vegan friendly items.



*IMC conference papers 2018 and actual production

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52,700 store distribution + e-Commerce + brand led = better margins

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Key Leadership Team



A highly experienced management team with a track record in scaling globally focused consumer brands



Dennis Lin | *Executive Director* | Strategic Leadership, High Growth Execution in FMCG | Australia

Dennis has been involved with the business since 2016 and has a specific focus on strategically directing above industry growth in key markets such as USA and China through organic growth and acquisition activities.



Lisa Davis | *CFO & Company Secretary* | Finance, Regulatory Compliance, Systems | Australia

Lisa joined the business in early 2019 and has been instrumental in working through the transformation of the business. She is responsible for Finance as well as IT systems.



Adam Cunningham | *Commercial Manager* | Global Macadamia Knowledge, Supply Chain | Australia

Adam has spent over 12 years with the business and has intimate knowledge of macadamia supply chains throughout the world. Adam is mainly responsible for commercial aspects of the business.



Mark Crawford | *Head of Operations* | Production, Supply Chain, Operations | Hawaii

Mark has been with the business and its predecessor for over 30 years. Having spent much of his time in Hawaii, Mark oversees production, processing and operational matters.



KC Blinn | *GM of Sales & Marketing* | Marketing, E-Commerce, High Growth Brands | California

With significant background and experience in marketing FMCG products, KC has been driving the branding and marketing strategies since joining in late 2018. This includes extending the business' digital penetration including e-commerce activities.



Claude Weiller | *Senior National Sales Manager* | Strategic Sales, Account Management | California

Claude has been a strategic sales executive for over 30 years, and he manages the team in maintaining accounts that generate distribution footprint of over 52,000 offline stores in the USA.

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Our Brands



Two brand strategy allows differentiation (healthy & indulgent) to take full advantage of market demands and trends



- Targeting flavoursome snacks and confectionary, appealing to a broad market audience
- Heritage brand (established 1977)



- FDA approval for Heart Healthy Claim on label
- Targeting healthy snacking audience, a premium and above industry growth category

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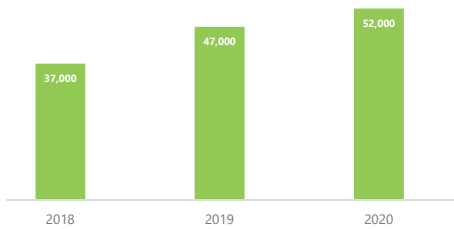
Our Distribution Network



HPP products are sold through a substantial distribution network that can be leveraged for cross-selling / revenue synergies for new products & brands



Distribution Points - US Stores



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Sales & Marketing



Distribution network spans the entire US \$6.0bn Nut Market, accounting for 0.5% of total FY20 sales

- HPP products distributed through a network which extends to all 50 states across the US and continues to grow
- HPP continues to foster market awareness of both MacFarms and Royal Hawaiian brands via:

a) Sponsorships with key sporting teams to encourage health eating:



Anaheim Ducks



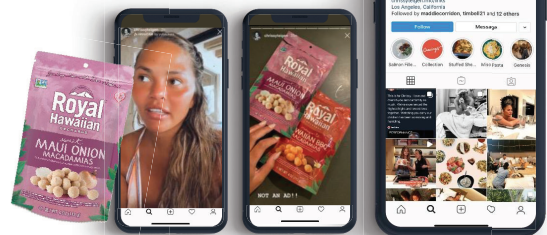
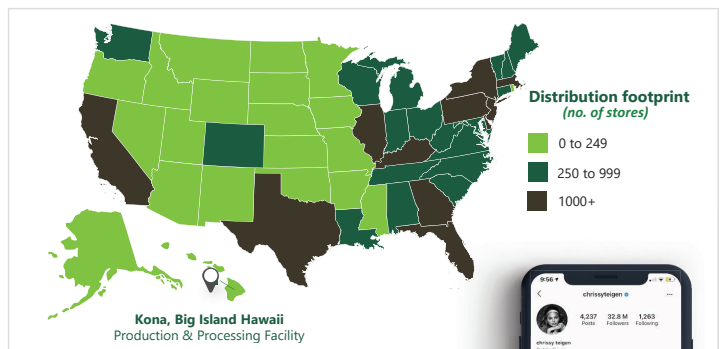
New York Yankees

b) Lifestyle Specific Media that showcase our product to targeted core demographics

ORIGIN.

c) Sampling Activations that get product into the hands of consumers

d) E-commerce campaigns that tactically engage with consumers



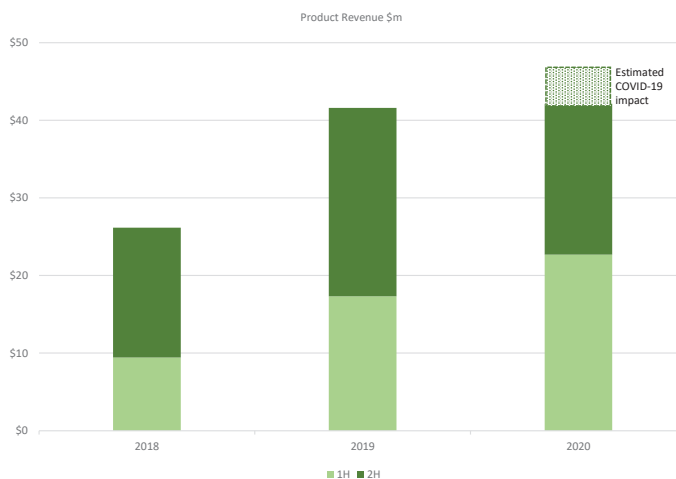
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Track Record of Growth



HPP has delivered stable revenue growth

- The business has achieved a level of commercialised scale (FY20 revenue of c. A\$40mn) with a much larger addressable market in the USA and beyond;
- There remains significant opportunities to continue consumer engagement and further increasing offtake and also distribution points;
- Through its vertically integrated model, HPP will continue to consolidate and look for highest and best use of macadamia that can supply consumer trends, including plant based beverages and products;
- In addition, HPP will leverage its existing sales and marketing infrastructure and knowledge to explore asset light brand opportunities in the health and plant protein space that are margin and earnings accretive.



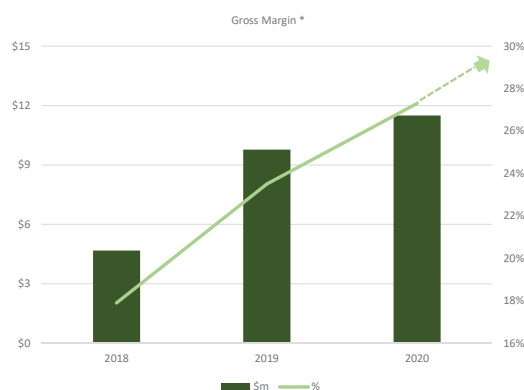
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Gross Margin



HPP continues to build upon improved margins

- Following the acquisition of RHO in 2018, HPP implemented a range of initiatives which resulted in increased gross margin performance year on year across all sales channels;
- Gross margin net of trade spend up 380 basis points to 27.3% vs 2019;
- Q1 2021 margin performance ahead of plan and continues to build upon the platform set by these initiatives;
- Focus on driving increased sales through higher margin channels (eg. branded products in larger networks with high customer engagement levels);
- NPd driven by strategic objective of achieving highest and best use of macadamia;
- HPP is targeting to achieve blended gross margin across all retail products to be above 30% over the next 18 months¹



¹This is an internal financial metric for management purposes and not a forecast or forward looking statement regarding gross margin outcomes.

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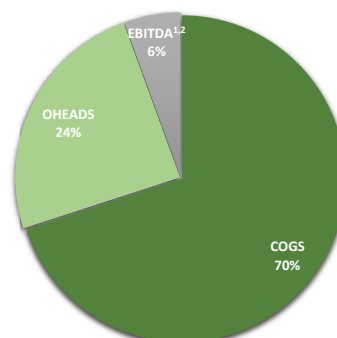
* Gross margin on branded retail products net of trade spend

Profitability – EBITDA



HPP to leverage increasing sales and margins to drive EBITDA performance

- Sale of the Ginger division has created a more focused and agile business readily able to leverage market opportunities in the health and plant protein space;
- Building on the current gross margin of 27.3%, HPP is focused on revenue growth coupled with increasing gross margins to generate enhanced EBITDA performance
- Since completion of the Ginger division sale, HPP has focused its efforts on being agile and maintaining a disciplined approach on costs, particularly overheads;
- Overhead expenditure percentage of 24% of revenue is anticipated to decline on back of increased sales revenue to drive EBITDA results;
- Additional consumer engagement through the existing distribution network is also expected to drive further efficiencies;
- HPP is targeting an underlying EBITDA of greater than 6% of revenue.



¹Underlying HPP EBITDA performance after 30 September 2020 divestment of the Ginger operations not comparable to historical reported EBITDA for the macadamia segment on or before 30 September 2020, due to changes in internal overhead allocations after divestment

²HPP has targeted a underlying EBITDA margin of at least 6% – this is an internal financial metric for management purposes and not a forward looking statement regarding EBITDA outcomes.

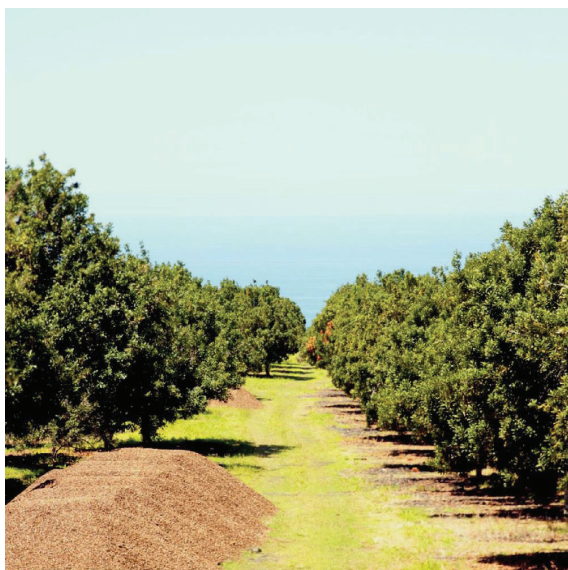
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Balance Sheet and Asset Backing



HPP will maximise shareholder value through continuing to assess options to further optimise its assets



- HPP has \$10mn of convertible notes held by its largest shareholder AMD;
- In addition to its cash and inventory balance, Kapua Orchards is an aggregation of blocks on Big Island, Hawaii that is valued at c. A\$45mn;
- The location is a well known tourist area and has seen significant urbanisation;
- In the past, HPP has managed the orchards and monetised parts of the orchards that are not delivering expected production efficiencies;
- HPP will continue to focus on having a secure supply chain to ensure that it is able to be a leading branded FMCG business;
- As the strategy is to focus on brand-led growth, the board will continue to assess the balance sheet to ensure that the assets are delivering returns commensurate with a high growth FMCG business to maximise shareholder value.

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Strategic Overview



Long-term Growth Strategy



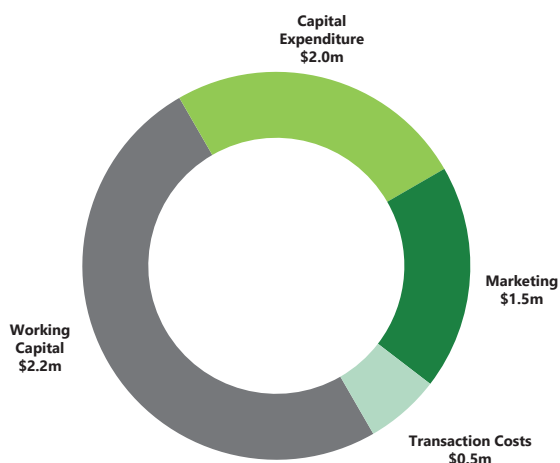
Strategic initiatives to become global leader in health and plant protein utilizing macadamia business as a platform business



Capital Raising



HPP is undertaking an \$6.2m capital raise to accelerate growth strategy & provide capital for acquisition strategy



Capital Raise

- HPP will raise \$6.2m via a private placement & rights issue

Use of Funds¹

- Capital expenditure including agricultural & manufacturing equipment
- Marketing to expand brand building campaign, support new product offerings and launch in international markets
- Working Capital
- Transaction Costs

¹ Use of funds is indicative only of HPP's present intention. HPP reserves the right to apply funds towards such uses as the Board determines from time to time having regard to HPP's corporate and business strategies and circumstances at the time.

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Capital Raise Overview



Offer Size & Structure

Placement to institutional and sophisticated investors raising up to \$2.2m and Rights Issue raising \$4.0m, or as otherwise advised

The placement will result in approximately 12,903,279 new shares being issued, representing approximately 15% of HPP's existing issued share capital. The placement is not underwritten

Ranking

New shares issued under the Placement and Rights Issue will rank equally with existing HPP shares on issue

Offer Price

The Institutional Placement and Rights Issue is priced at \$0.17, representing:
 27.7% discount to last close at \$0.2350
 27.8% discount to 5-day VWAP¹ of \$0.2356
 20.4% discount to 30-day VWAP¹ of \$0.2135

Joint Lead Managers

Bell Potter Securities Limited and PAC Partners Securities Limited

	Number of Shares
Existing Shares on Issue	86.0m
New Shares to be issued under Placement	12.9m
New Shares to be issued under Rights Issue	23.5m
Total Shares on issue post the Offer	122.4m

¹VWAP measured on 9 November 2020

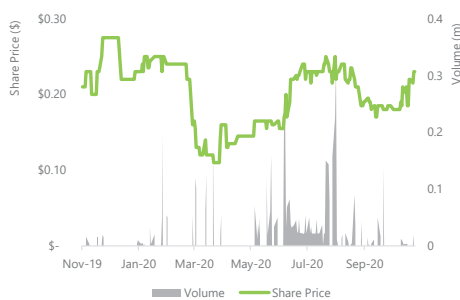
Indicative Timetable



Description	Date
Trading Halt	Tuesday, 10 November 2020
Bookbuild conducted for placement	Wednesday, 11 November 2020
Trading Halt Lifted & Announcement of Placement and Entitlement Offer	Thursday, 12 November 2020
Record date for Entitlement Offer	Tuesday, 17 November 2020
Settlement of Placement Shares	Wednesday, 18 November 2020
Allotment of Placement Shares	Wednesday, 18 November 2020
Entitlement Offer Opens	Wednesday, 18 November 2020
Entitlement Offer Closes	Wednesday, 2 December 2020
Announcement of results of Entitlement Offer results	Monday, 7 December 2020
Allotment of Entitlement Offer Shares	Wednesday, 9 December 2020

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Capital Structure



(ASX:BUG)

Share Price (9-Nov-2020)	\$0.235
52 Week High / Low	\$0.28 / \$0.11
Market Capitalisation	\$20.2m
Shares on Issue	86.0m
Options Issued	2.0m

Share Register (9-Nov-2020)		Shares	%
1	Asia Mark Development Limited	28.8m	33.4%
2	Mr John Cheadle	13.2m	15.3%
3	Citicorp Nominees Pty Limited	9.0m	10.5%
4	Randell Management Services Pty Ltd <Timms Super Fund Account>	4.9m	5.7%
5	Rubicon Family Office Pty Limited	4.2m	4.9%
6	Bundaberg Sugar Group Ltd	2.3m	2.7%
7	Ace Property Holdings Pty Ltd	2.2m	2.6%
8	Redarea Pty Ltd <The Templeton Family A/C>	1.4m	1.7%
9	HSBC Custody Nominees (Australia) Limited	0.9m	1.1%
10	Mr Andrew Paul Bond + Mrs Karen Michelle Bond <The Karand Family A/C>	0.8m	0.9%
Top 10		67.7	78.8%
Total Shares on Issue		86.0	100.0%

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Key Risks



1.1 General

There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company, its products, the industry in which it operates and the outcome of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that forward-looking statements will be realised.

This section describes certain, but not all, risks associated with an investment in the Company. Each of the risks set out below could, if it eventuates, have a material adverse impact on the Company's operating performance, financial performance, financial position, liquidity and the value of its Shares.

Before deciding to invest in the Company, potential investors should read the entire Entitlement Offer Booklet and the risk factors that could affect the financial performance of the Company.

You should carefully consider these factors in light of your personal circumstances and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

1.2 Specific Risk Factors

In addition to the general risks set out in sections 1.1 and 1.3, the Directors believe that there are a number of specific factors that should be taken into account before investors decide whether or not to apply for Shares. Each of these factors could have a materially adverse impact on the Company's operating performance, financial performance, financial position, liquidity and the value of its Shares.

These include:

(a) Impact of COVID-19

The ongoing COVID-19 pandemic has had a significant impact on the global economy and the ability of businesses, individuals and governments to operate. Emergency powers and restrictions have been enacted in the USA and other markets in which the Company operates, which, amongst other things, has restricted travel and the ability of individuals to leave their homes and travel to places of work. There may be further changes in USA policy which may increase the restrictions travel or business operations.

The Company has already experienced a material adverse impact on its financial performance and its ability to progress key sales opportunities over the second half of Q3 and Q4 FY2020.

COVID-19 has significantly increased unemployment in the USA and it could reduce further consumer discretionary spending and demand for the Company's products.

Given the high degree of uncertainty surrounding the extent and duration of COVID 19, it is not currently possible to assess the full impact of COVID-19 on the Company's business. However, a number of aspects of the Company's business may be directly or indirectly affected by government, regulatory or health authority actions, work stoppages, lockdowns, quarantines and travel restrictions associated with COVID-19, including:

- (i) disruption to the Company's supply chain and workforce, particularly the availability of products and logistics (including shipping of materials and finished goods);
- (ii) government imposed shut downs of manufacturing and distribution centres affecting the supply of products to customers; and

- (iii) customers of the Company ceasing to operate and the Company not being able to collect outstanding receivables or customers materially adjusting trading terms, impacting the Company's sales.

There is a risk that if the duration of events surrounding COVID-19 are prolonged, the Company may need to take additional measures in order to respond appropriately (eg restructuring to reduce further costs from its business and raising additional funding).

There are also other changes in the domestic and global macroeconomic environment associated with the events relating to COVID-19 that are beyond the control of the Company and may be exacerbated in an economic recession or downturn. These include but are not limited to (i) changes in inflation, interest rates and foreign currency exchange rates; (ii) changes in employment levels and labour costs; (iii) changes in aggregate investment and economic output; and (iv) other changes in economic condition which may affect the revenue or costs of the Company.

Key Risks



(b) Funding risk

The Company has implemented a funding strategy comprising its working capital facility with Greensill Capital UK Limited and the raising of additional equity to meet its immediate and near term capital requirements. There is no guarantee however that the funds raised under this strategy or that the equity raised under the Entitlement Offer will be sufficient or adequate to meet the Company's ongoing funding requirements under its current business plan.

The Company's net cash flows from operating activities for the June 2020 and September 2020 quarters were \$956,000 and negative \$1,904,000 respectively. Cash and cash equivalents on hand as at 30 September 2020 was \$14,919,000.

If the Company requires access to further funding at any stage in the future, there can be no assurance that additional funds will be available either at all or on terms and conditions which are commercially acceptable to the Company. If the Company is unable to obtain such additional capital, it may be required to reduce the scope of its anticipated activities or sell down assets, which could adversely affect its business, financial condition and operating results.

(c) Liquidity risk

The management of liquidity to meet the cashflow requirements of the Company including the purchase of inventory, payments to staff and suppliers and the payment of debts as and when they fall due is important to the Company's business operations.

Unexpected reductions in sales or increases to operating or other costs could result in the Company's cash requirements being over and above its available liquidity. To the extent that the Company's operating cash flows, debt facilities and equity base are insufficient to meet its requirements for ongoing operations, for example, because the COVID-19 related restrictions prevail longer than expected, the Company may need to seek additional funding.

(d) Financial risk

Any dispute, or breakdown in the relationship, between the Company and its senior lender or convertible noteholder, could adversely impact the business if the Company's financial position deteriorates, or the Company is otherwise in breach of its financing terms, and its senior lender or convertible noteholder is unwilling to grant waivers or amendments to financing facilities, potentially resulting in debt covenant breaches or other defaults. If a breach of any of those covenants occur, the Company's senior lender or convertible noteholder may seek to exercise enforcement rights under its financing facility, including requiring immediate payment, which may lead to forced asset sales or default and have a material adverse effect on the financial performance and position of the Company.

While the Company currently has the support of its senior lender and convertible noteholder, it cannot guarantee that this will always be the case.

(e) Sales and revenue risk

The Company recorded negative cash outflows from operating activities for the September 2020 quarter due to difficult trading conditions (including as a result of COVID 19). There is a risk that sales may take longer than expected to return to normal levels or not return to normal levels at all (including due to the impact of COVID-19).

The Company's revenue also depends, in part, on its ability to respond to current market trends, which can be impacted by a variety of factors, including changing tastes and dietary habits of consumers, entry of new market participants and changes in the purchasing patterns of the Company's customers. Responding to new market trends can require significant investment. If the Company fails to anticipate, identify, or react to changes in market trends on a timely basis, it could experience reduced demand and/ or profit margins for its products, which could in turn adversely affect financial performance.

(f) Inventory risk

At 30 June 2020, macadamia inventory amounted to approx. \$22.1m, comprising finished goods, raw materials and biological assets.

The Company has increased its US promotional activity in an attempt to drive consumer purchasing and reduce inventory levels. However, if the Company is not able to improve sales to the level required to sell through inventory, there is a risk that the carrying value of inventory will need to be written down. This may have a material adverse impact on the Company's reported financial performance.

The Board regularly monitors impairment risk and, consistent with accounting standards, the Company periodically assesses the carrying value of its assets.

Key Risks



(g) Weather, climate and growing conditions risk

The Company is exposed to Hawaiian weather patterns, disease and insect infestations and natural disasters, for example volcanic activity, drought, extreme heat, floods, hail and associated changes in agricultural activity. Variability in weather conditions and natural disasters may impact key drivers of the Company's earnings including harvest size and quality and economic activity. There has also been an increased frequency of natural disasters globally in recent years and it is expected that this trend will continue.

The Company is exposed to a number of potential climate change related risks, including increased operating costs due to carbon pricing policies and impacts on harvest yields and supply chain from climate change and extreme weather events.

Any of these risks could result in the Company losing all or part of its harvest and the associated revenue stream. Such a loss could have a material impact on the operations and financial performance and prospects of the Company. For example, in FY2020, high rainfall contributed to an increased level of macadamia inventory write downs totalling approx. \$1.53m, primarily due to an increased level of aflatoxin affected kernel. Aflatoxin is a mould which occurs when nut-in-shell is exposed to high moisture for extended periods.

(h) Processing risks

(i) General

There are risks which are inherent in processing operations including machinery breakdowns, damage from flood and fire, below standard workmanship or materials, employee issues (including accidents) and workplace health and safety issues. Any adverse impact on production could have a materially adverse impact on the Company's ability to meet customer needs, customer claims risk and financial performance.

(ii) Regulatory risk

The Company is required to comply with a range of laws and regulations, including food standards, labelling and packaging, consumer protections, employment, property and the environment, quarantine, customs and tariffs, and taxation.

In particular, the Company's Hawaiian operations are subject to extensive regulation by the US Food and Drug Administration, the USDA, the United States Environmental Protection Agency and other state, local and foreign authorities in jurisdictions where the Company's products are manufactured, processed or sold. The Company is also subject to California's Proposition 65, which requires that clear and reasonable warnings be given to consumers who are exposed to certain chemicals deemed by the state of California to be dangerous.

These regulations govern the manufacturing, importation, processing, packaging, storage, distribution, advertising and labelling of the Company's products. Amendments to existing regulations, increased production at existing facilities or any expansion into new operations and jurisdictions, may require the Company to obtain additional licenses and permits and potential changes to its methods of operations at costs that could be substantial. This may have a material adverse impact on the Company's financial performance and prospects.

The Company's compliance with applicable regulations may be time-consuming, expensive or costly and failure to comply could subject the Company to civil remedies, including fines, injunctions, recalls or seizures and possible criminal sanctions.

(iii) Foreign operations risk

The Company's operations in Hawaii and the USA are subject to the risks of operating in foreign jurisdictions. The operating and financial performance of the Company is highly exposed to economic and business conditions in the USA, including levels of consumer spending, inflation, interest rates and exchange rates, access to debt and capital markets, government fiscal, monetary and regulatory policies.

A prolonged deterioration in economic conditions in the USA (whether or not due to COVID-19, civil unrest or otherwise), including an increase in interest rates or a decrease in consumer and business demand, may have a material adverse impact on the Company's business or financial condition.

(iv) Supply risk

The Company's processing operations depend on obtaining raw materials, parts and components, equipment and other supplies, including services from reliable suppliers in adequate quality and quantity, in a timely manner. For example, the Company has long term supply arrangement with nut producer RHO which provides material volume of macadamias for the Company's processing operations.

It may be difficult for the Company to substitute one supplier for another, increase the number of suppliers or change one component for another in a timely manner or at all due to the interruption of supply or increased industry demand (including as a result of COVID-19). This may adversely affect the Company's operations (for example, the efficiency and profitability of its processing operations).

The prices of raw materials, parts and components and equipment may increase due to changes in supply and demand. In addition, currency fluctuations and the weakening of the Australian dollar against foreign currencies may adversely affect the Company's purchasing power for raw materials, parts and components and equipment from foreign suppliers.

If the Company is unable to secure key supply inputs in a timely and economically acceptable manner, it could have a materially adverse effect on its ability to meet customer demand and maintain gross margin.

Key Risks



(i) Product liability risk

Any contamination, spoilage, or the presence of foreign objects or substances in the Company's products may injure its customers. The risk of injury can result from activities throughout the life cycle of the Company's products, including growing, harvesting, packaging, processing or sale phases. The Company may have limited ability to mitigate these risks, for example where title to produce has passed to a customer or where the risk arises from product tampering.

The risk of injury from the Company's products exposes the Company to loss of product, damage to relationships with customers, liability (including monetary judgements, fines, injunctions, and criminal sanctions) and negative publicity. Even if a product liability claim is unsuccessful or is not fully pursued, negative publicity surrounding any assertion that the Company's product has caused injury could adversely affect its reputation and brands.

While the Company maintains insurance cover for some of these risks, it may not be able to recover fully under those policies in all circumstances, and any amounts that it does recover may not be sufficient to offset any damage to the financial performance, reputation or prospects of the Company caused by any produce contamination, recall or produce liability claim or the negative publicity surrounding such event or claim.

(j) Brand risk

The Company's success in generating revenue and increasing its market share is based on the success of the brands that it distributes and sells, namely the MacFarms and Royal Hawaiian Orchards brands. Reliance on key brands makes the Company vulnerable to brand damage from negative publicity, product tampering or recalls, material delays in the supply of the key brands of such products to customers (including in connection with COVID-19) which may increase the risk of inventory and asset write-downs.

The Company's ability to maintain protection of its proprietary intellectual property (including trade marks) and operate without infringing the proprietary intellectual property rights of third parties is a critical part of its business. If the Company fails to protect its intellectual property rights it may be exposed to potential infringement and/or cybersquatting from competitors or third parties, which may have an adverse financial impact.

(k) Information technology upgrade risk

The Company relies heavily on its computer hardware, software and information technology systems to operate its business. The Company is currently upgrading its information technology system to a cloud-based platform, which is expected to be completed by end of CY2020. There is a risk that the transition and data migration could cause unexpected system disruptions or loss of business information. Should this occur, or if the Company's information technology systems or disaster recovery processes are otherwise not adequate, there may be a negative impact on the Company's performance.

(l) Cybersecurity risk

Any data or information security breach has the potential to result in unauthorised access (including targeted phishing operations), disclosure, loss and/or misuse of company information and funds which may cause significant business and reputational damage, adverse regulatory and financial impacts and legal proceedings. Additionally, business interruptions due to a failure of operating systems could impact the operations of the Company and lead to financial loss.

(m) Counterparty risk

There is a risk that counterparties (including customers and suppliers) may fail to meet their contractual obligations (particularly to the extent that counterparties are facing financial distress, including as a result of COVID-19) resulting in financial loss to the Company and impacting on the Company's business relationships and operations.

The Company cannot guarantee that its counterparties will fulfil these obligations or that the Company will successfully manage counterparty credit and performance risk. While the Company holds insurance products to insure credit related losses with policy specifications and insured limits that the Company's consider are customarily carried for business of a similar nature and size, the failure of customers to meet their financial obligations to the Company may adversely impact on the Company's revenue and the financial position, performance and prospects.

(n) Major customer risk

The Company sells its products to a number of large customers, including several large supermarket chains and other retailers. The Company's top three retail comprised 57% of total FY2020 macadamia sales. Some of these large customers currently, or could in the future, wield significant market power due to their size, putting them in a strong negotiating position with the Company.

There is a risk that if key customers terminate their contracts with the Company (or allow them to expire without renewing them), change the terms to be less favourable than those currently on foot, or promote the products of one or more of the Company's competitors, it may materially impact the financial position, performance and prospects of the Company.

(o) Supply chain risk

Disruption to the Company's supply chain may have a material adverse effect on the productivity and results of the Company's operations during the affected period. Any material damage or disruption to the Company's supply chain (including as a result of COVID-19) will impair the Company's ability to deliver its products and result in significant disruption to the business and the Company's customers.

Key Risks



(p) Competition risk

The Company operates in a business environment and sector which is highly competitive. This competitive environment can be significantly affected by local market forces, such as new market entrants and changes in economic conditions and product demand. Any increased competition from new and existing competitors can impact on the Company's ability to generate sales, lead to a loss of market share and cause a reduction in profitability. Such changes to the competitive environment in which the Company operates may have an adverse impact on the Company's financial position, performance and prospects.

(q) Insurance risk

The Company maintains insurance coverage that is substantially consistent with industry practice. However, there is no guarantee that such insurances or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

Any future increase in the cost of such insurance policies, or an inability to fully renew or claim against insurance policies as a result of the current economic environment and the impact of COVID-19 (for example, due to a deterioration of an insurer's ability to honour claim, a hardening of insurance markets or reduced capacity or willingness to insure), could adversely affect the Company's business, financial condition, risk profile or operational results.

(r) Foreign exchange and interest rate risk

(i) Foreign exchange risk – the Company's material revenue and costs are denominated in US dollars and the Company's corporate costs are denominated in Australian dollars. Accordingly, adverse exchange rate movements between the Australian dollar and US dollar may have a materially adverse effect on the Company's financial performance and profitability in Australian dollar terms.

(ii) Interest rate risk – the Company will be subject to the risk of rising interest rates associated with borrowing on a variable rate basis. To the extent that the Company does not hedge effectively (or at all) against movements in interest rates, such interest rate movements may adversely affect the Company's profitability.

(s) Personnel risk

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends on its senior management and its key personnel. If any member of the senior management team ceases their engagement with the Company there may be a detrimental impact on the Company's prospects.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

(t) Dividends

There is no guarantee that the Company will pay dividends at any time in the future. Future determinations as to the payment of dividends will be at the discretion of the Board and will depend on the availability of profits, the operating results and financial condition of the Company, future capital requirements, covenants in relevant financing agreements, general business and financial conditions (including the current impact of COVID-19 on global economic conditions).

(u) Share market liquidity and realisation risk

There may be few potential buyers of the Company's Shares on the ASX at any time. This may affect the prevailing market price at which Shareholders are able to sell their Shares. Further, there is a risk that the Company's convertible noteholder may sell its Shares at a future date. This could cause the price of the Company's Shares to decline.

(v) Dilution risk

Shareholders who do not participate in the Entitlement Offer will have their percentage shareholding in the Company diluted. Even if Shareholders take up their full entitlement, their percentage shareholding in the Company may still be diluted as a result of the Placement. There is also a risk that Shareholders may have their investment diluted by future capital raisings or issues of new equity securities by the Company.

Key Risks



1.3 General Risk Factors

(a) Share market

On completion of the Entitlement Offer, the New Shares may trade on ASX at higher or lower prices than the Offer Price. Investors who decide to sell their New Shares after the Entitlement Offer may not receive the amount of their original investment. There can be no guarantee that the price of New Shares will increase after listing. The price at which the New Shares trade on ASX may be affected by the financial performance of the Company and by external factors over which the Directors and the Company have no control.

These factors include movements on international share and commodity markets, local interest rates and exchange rates, domestic and international economic conditions, government taxation, market supply and demand and other legal, regulatory or policy changes.

(b) Dependence on general economic conditions

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, access to debt and capital markets, government fiscal, monetary and regulatory policies.

A prolonged deterioration in general economic conditions (whether or not due to COVID-19), including an increase in interest rates or a decrease in consumer and business demand, could be expected to have a material adverse impact on the Company's business or financial condition. Changes to laws and regulations or accounting standards which apply to the Company from time to time could adversely impact on the Company's earnings and financial performance.

(c) Issue of additional securities

Shareholders who do not participate in this Entitlement Offer, or who do not take up all of their Entitlement under the Entitlement Offer, will have their percentage security holding in the Company diluted by not participating to the full extent in the Entitlement Offer. In certain circumstances, the Board may issue equity securities without any vote or action by Shareholders. If the Company were to issue any equity securities the percentage ownership of existing Shareholders may be further reduced and diluted.

(d) Legislative and regulatory changes

Legislative or regulatory changes, including property or environmental regulations or regulatory changes in relation to products sold by the Company, could have an adverse impact on the Company.

Contact:

Dennis Lin
Executive Director

E: dlin@buderimgroup.com



4 Additional information

4.1 Shareholders outside of a Permitted Jurisdiction

This Entitlement Offer Booklet and accompanying Entitlement and Acceptance Form do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify the New Shares, or to otherwise permit an offering of New Shares, outside a Permitted Jurisdiction. The New Shares may not be offered in a jurisdiction outside of a Permitted Jurisdiction where such an offer is not made in accordance with the laws of that place, unless otherwise determined by the Directors.

The distribution of this Entitlement Offer Booklet in jurisdictions outside of a Permitted Jurisdiction may be restricted by law and therefore persons who come into possession of this document outside of a Permitted Jurisdiction should seek advice on, and observe, any such restrictions. A failure to comply with these restrictions may constitute a violation of applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from certain countries to Australia may apply, an Eligible Shareholder's Application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive that Eligible Shareholder's Application Money.

It is the responsibility of any applicant to ensure compliance with any laws of the country relevant to their Application. Return of a duly completed Entitlement and Acceptance Form and/or payment of Application Money will be taken by the Company to constitute a representation that there has been no breach of such laws and that the applicant is physically present in a Permitted Jurisdiction.

The Board may, in its absolute discretion, resolve to issue and allot New Shares to an Eligible Shareholder on the condition that the Board in its absolute discretion is satisfied that the issue of New Shares within 3 months of the Closing Date by the Company does not breach any applicable laws.

(a) New Zealand securities law requirements

The New Shares are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This Entitlement Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Entitlement Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

(b) Hong Kong

WARNING: the contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong (**C(WUMP)O**), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or

any documents issued in connection with it. Accordingly, the Entitlements and New Shares have not been and will not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO and any rules made under that ordinance) or in circumstances which do not result in this document being a 'prospectus' as defined in the C(WUMP)O or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong, or elsewhere that is directed at, or the contents of which are likely to be accessed and read by, the public of Hong Kong (except if permitted to do so under the securities law of Hong Kong) other than with respect to Entitlements or New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance).

(c) **United States**

The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, a US person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

This Entitlement Offer Booklet is neither an offer to sell nor a solicitation of an offer to buy securities as those terms are defined under the US Securities Act. The Entitlement Offer is not being made to US persons or persons in the United States.

4.2 **Ineligible Shareholders**

The Company is not extending the Entitlement Offer to Ineligible Shareholders having regard to the cost of complying with legal and regulatory requirements outside of the Permitted Jurisdictions, the number of Ineligible Shareholders and the number and value of New Shares which could be offered to Ineligible Shareholders.

Where this Entitlement Offer Booklet has been dispatched to Ineligible Shareholders, it is provided for information purposes only.

In limited circumstances the Company may elect to treat as Eligible Shareholders certain Shareholders who would otherwise be Ineligible Shareholders, provided the Company is satisfied that it is not precluded from lawfully issuing New Shares to such Shareholders either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous.

4.3 **Taxation consequences**

The taxation consequences of any investment in New Shares will depend upon your particular circumstances. Potential investors must make their own enquiries concerning the taxation consequences of an investment in the Company. Applicants should consult their tax adviser for advice applicable to their individual needs and circumstances. Neither the Company nor any of their officers, employees or agents, nor its taxation or other advisers accepts any liability or responsibility in respect of taxation consequences connected with the Entitlement Offer.

4.4 **Privacy**

The Company collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Entitlement and Acceptance Form or making a payment for New Shares by BPAY®, each Eligible Shareholder agrees that the Company may use the information provided by an Eligible Shareholder for the purposes set out in this privacy statement and may disclose

it for those purposes to the Share Registry and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses and professional advisers, and to ASX and other regulatory authorities.

Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. A fee may be charged for access. You can request access to your personal information by telephoning or writing to the Share Registry.

4.5 **Not investment advice**

The Entitlement Offer complies with the requirements of section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

This Entitlement Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It is also not investment advice and does not take into account your investment objectives, financial situation, tax position and particular needs. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to invest.

4.6 **Future performance and forward looking statements**

Except as required by law, and only to the extent so required, no person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Entitlement Offer. Past Share price performance provides no guidance as to future Share price performance.

4.7 **Governing law**

This Entitlement Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of Applications are governed by the laws applicable in Queensland, Australia and each Eligible Shareholder submits to the exclusive jurisdiction of the courts of Queensland, Australia.

4.8 **Interpretation**

Some capitalised words and expressions used in this Entitlement Offer Booklet have meanings which are explained in section 5.

A reference to time in this Entitlement Offer Booklet is to the local time in Brisbane, Australia, unless otherwise stated. All financial amounts in this Entitlement Offer Booklet are expressed in Australian dollars, unless otherwise stated.

4.9 **Disclaimer of representations**

No person is authorised to provide any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Entitlement Offer Booklet.

Any information or representation that is not in this Entitlement Offer Booklet may not be taken as having been authorised by the Company or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, none of the Company, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made in connection with this Entitlement Offer.

5 Definitions

Additional New Shares	New Shares that Eligible Shareholders may apply for in excess of their Entitlement under the Top Up Facility.
Application	The arranging for payment of Application Money through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Money.
Application Money	Money paid by Eligible Shareholders for New Shares.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as applicable.
Board	The board of Directors from time to time.
Closing Date	5pm (Sydney time) on Wednesday, 2 December 2020.
Company	Buderim Group Limited ACN 010 978 800.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company and Directors means the directors acting as a Board.
Eligible Shareholder	A Shareholder as described in section 1.2, subject to any election by the Company under section 4.2 and the provisions of section 2.6.
Entitlement	The entitlement to 1 New Share for every 3.6 Shares held on the Record Date. The entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Entitlement Offer Booklet.
Entitlement Offer	The offer of New Shares made in this Entitlement Offer Booklet.
Entitlement Offer Booklet	This booklet as varied, supplemented or replaced from time to time.
Ineligible Shareholder	A Shareholder that is not an Eligible Shareholder.
Issue Price	\$0.17 per New Share.
Joint Lead Managers	Bell Potter Securities Limited ACN 006 390 772 and PAC Partners Securities Pty Ltd ACN 623 653 912.
Listing Rules	The official listing rules of ASX, as amended or waived by ASX from time to time.
New Shares	Shares to be allotted and issued offered under the Entitlement Offer including, as the context requires, any additional shares issued under any shortfall.
Opening Date	Wednesday, 18 November 2020.
Option	An option to acquire a Share.
Permitted Jurisdiction	Australia, New Zealand and Hong Kong.

Placement	The placement of approximately 12,903,279 Shares to sophisticated, professional and other investors to whom no disclosure is required under the Corporations Act, at the Issue Price to raise approximately \$2.2 million as announced by the Company on Thursday, 12 November 2020.
Placement Shares	12,903,279 Shares issued under the Placement.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Record Date	7pm (Sydney time) on Tuesday, 17 November 2020.
Register	The register of Shareholders required to be kept under the Corporations Act.
Share	A fully paid ordinary share in the Company.
Share Registry	Computershare Investor Services Pty Limited.
Shareholder	A holder of Shares.
Shortfall Shares	New Shares available under the Entitlement Offer that are not subscribed for by Eligible Shareholders by the Closing Date (including as part of any Top Up Facility).
Top Up Facility	The top up facility under which certain Eligible Shareholders may elect to subscribe for Additional New Shares.
US or United States	United States of America, its territories and possessions, any State of the United States of America and the District of Columbia.
US Person	The meaning given in Regulation S under the US Securities Act.
US Securities Act	The <i>United States Securities Act of 1933</i> , as amended.

CORPORATE DIRECTORY

Directors

Guy Cowan – Non-Executive Chairman
Dennis Lin – Executive Director
Qi (Christina) Chen – Non-Executive Director
Peter O'Keeffe – Non-Executive Director
Andrew Bond – Non-Executive Director

Senior management

Dennis Lin – Executive Director
Lisa Davis – Chief Financial Officer and Company Secretary
Adam Cunningham – Commercial Manager
Mark Crawford – Head of Operations
KC Blinn – General Manager of Sales & Marketing
Claude Weiller – Senior National Sales Manager

Registered office

Buderim Group Limited
Level 5
303 Coronation Drive
Milton QLD 4064

Share Registry

Computershare Investor Services Pty Limited
Level 1
200 Mary Street
Brisbane QLD 4000

Website

<http://www.bugcorporate.com>

Auditor

PricewaterhouseCoopers
Level 23
480 Queen Street
Brisbane QLD 4000

Legal advisors

Thomson Geer Lawyers
Level 28, Waterfront Place
1 Eagle Street
Brisbane QLD 4000



Buderim Group Limited
68 010 978 800

For all enquiries:

Phone:  the Company 0466 137 035



BUG
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Entitlement Offer — Entitlement and Acceptance Form

 **Your payment must be received by 5.00pm (Sydney time) Wednesday, 2 December 2020**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Entitlement Offer Booklet dated 18 November 2020.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Buderim Group Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.


Turn over for details of the Offer →

Entitlement and Acceptance Form

X 9999999991

IND

STEP 1 Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Existing shares entitled to participate as at
7.00pm (Sydney time) Tuesday, 17 November 2020:

Entitlement to New Shares
on a 1 for 3.6 basis:

Amount payable on full acceptance
at \$0.17 per New Share:

4,000


1

\$0.01

STEP 2 Make Your Payment by 5.00pm (Sydney time) Wednesday, 2 December 2020


To avoid postal delay make your payment via **BPAY** either online or by phone with your bank using the payment details below.

BPAY

	Billers Code: 999999 Ref No: 1234 5678 9123 4567 89
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Contact your financial institution to make your payment from your cheque or savings account.

Cheque, bank draft or money order

 Make your cheque, bank draft or money order payable to "**Buderim Group Limited**" and cross "**Not Negotiable**".
Return your payment with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

BPAY

Neither Computershare Investor Services Pty Limited (CIS) nor Buderim Group Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

MAIL

Neither CIS nor Buderim Group Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuers (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

[Detach here](#) - - -

Buderim Group Limited Acceptance Payment Details

Entitlement taken up:

Number of additional New Shares applied for:

Amount enclosed at \$0.17 per New Share: **A\$**



Entitlement No: 12345678
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000



BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.

Contact & Cheque Details

Contact Name _____ **Daytime Telephone** _____

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+0000000001-3051+14



18 November 2020

Dear Shareholder

Pro-rata non-renounceable entitlement offer – Notification to Ineligible Shareholders

Buderim Group Limited (**Company**) announced on 12 November 2020 that it is undertaking a capital raising to raise up to approximately \$6.2 million (before offer costs) to fund its refreshed business plan and strategic direction as a health and plant protein food company, anchored by the macadamia business (**Capital Raising**).

The Capital Raising comprises a share placement to raise up to approximately \$2.2 million (**Placement**) and a pro rata, non-renounceable entitlement offer to raise up to approximately \$4 million (**Entitlement Offer**).

Under the Entitlement Offer, eligible shareholders can subscribe for 1 new share (**New Share**) for every 3.6 shares held at 7pm (Sydney time) on Tuesday, 17 November 2020 (**Record Date**) at an issue price of \$0.17 per New Share.

This letter is to inform you that, unfortunately, you are not eligible to participate in the Entitlement Offer. You are not required to do anything in respect to this letter.

Why am I not eligible to participate in the Entitlement Offer?

Shareholders who are eligible to participate in the Entitlement Offer (**Eligible Shareholders**) are those persons who:

- are registered as a holder of ordinary shares in the Company as at the Record Date;
- have a registered address on the Company's register of members in Australia, New Zealand and Hong Kong;
- are not in the United States and are not a US Person (as defined in Regulation S under the US Securities Act of 1933, as amended) and are not acting for the account or benefit of a US Person; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered or any other approval or formality.

The Company has determined, pursuant to section 9A(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers to shareholders in all countries outside of Australia, New Zealand and Hong Kong in connection with the Entitlement Offer.

This is due to the legal and regulatory requirements in countries other than Australia, New Zealand and Hong Kong and the potential costs to the Company of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Company shares they hold and the relatively low value of New Shares to which those shareholders would be entitled to subscribe for.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder stated above.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, the Company wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer.

As an ineligible shareholder, you are not required to do anything in response to this letter.

On behalf of the directors and management of the Company, we regret that you are not eligible to participate in the Entitlement Offer and thank you for your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Guy Cowan', with a stylized flourish extending to the right.

Guy Cowan
Chairman