

Universal Biosensors, Inc.  
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20 April 2022

Dear Securityholder,

**UNIVERSAL BIOSENSORS INC ARBN 121 559 993 - ENTITLEMENT OFFER - NOTIFICATION TO ELIGIBLE SECURITYHOLDERS OF ENTITLEMENT OFFER**

On 20 April 2022, Universal Biosensors Inc ARBN 121 559 993 (**UBI** or **Company**) announced a fully underwritten pro-rata non-renounceable rights issue of new CHESS depositary interests over fully paid ordinary shares in UBI (**New CDIs**) to raise approximately \$20 million (**Entitlement Offer**) at a ratio of 1 New CDI for every 6.85 existing CDIs held on Tuesday, 26 April 2022 (**Record Date**).

Eligible securityholders who take up their full entitlement may also apply for additional new CDIs up to an additional 100% of their entitlement under a top up facility (**Additional CDIs**), subject to discretionary scale back by the Company (**Top Up Facility**). The Company is also undertaking a non-underwritten placement of New CDIs to institutional investors to raise a minimum of A\$5 million (**Placement**), with the ability to accept oversubscriptions under the Placement. The results of the Placement are expected to be announced on Thursday, 21 April, until which time the Company will remain in trading halt.

Proceeds of the Entitlement Offer shall be applied to:

- accelerate existing product development initiatives;
- scale up of UBI's manufacturing capability to cope with the demands of new technology;
- provide working capital to support:
  - in-market sales growth of existing products;
  - expansion of specialist laboratory services;
  - marketing and business development.

The Offer Price of A\$0.77 for the Entitlement Offer and Placement represents a discount of:

- 2% to the Company's last close of A\$0.79 on the ASX; and
- 5% to the Company's 5 day volume weighted average price of A\$0.81

The Entitlement Offer is expected to be open from Friday, 29 April 2022 until Friday, 20 May 2022.

This letter is to inform you about the Entitlement Offer, and to explain how you may access information regarding the Entitlement Offer, as an Eligible Securityholder (as defined below).

The Entitlement Offer will be offered to eligible UBI securityholders (as defined below). The Entitlement Offer is being made without a prospectus or product disclosure statement, in accordance with section 708AA of the *Corporations Act 2001* (Cth).

Securityholders who are eligible to participate in the Entitlement Offer (**Eligible Securityholders**) are those Securityholders who on the Record Date:

- are registered as a holder of UBI CDIs;
- have a registered address on the UBI CDI register in Australia or New Zealand as at the Record Date;
- are not in the United States, its possessions and territories, or any state or the District of Columbia (**United States**), and are not, and are not acting for the account or benefit of, a U.S. Person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**), (to the extent you hold existing CDIs and are acting for the account or benefit of U.S. Person); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

UBI writes to you as a registered Eligible Securityholder of the Company as at the Record Date. As an Eligible Securityholder you will be offered an allocation of 1 New CDI for every 6.85 existing UBI CDIs that you held as at the Record Date if (and only if) application monies are received via BPAY®, cheque or money order prior to the closing date of the Entitlement Offer in accordance with the Entitlement Offer Booklet and your personalised Entitlement and Acceptance Form. If you accept your entitlement in full, you may also apply for Additional CDIs, up to a maximum of an additional 100% of your entitlement, at the Offer Price, pursuant to the Top Up Facility.

### **How to access the Entitlement Offer**

The Entitlement Offer Booklet is expected to be dispatched to Eligible Securityholders on or about Friday, 29 April 2022.

The Entitlement Offer Booklet will be available:

- **Online:** The Entitlement Offer Booklet can be accessed via the ASX's company announcements platform (accessible at [www.asx.com.au](http://www.asx.com.au)), and your personalised Entitlement and Acceptance Form can be requested from the Company's Share Registry at [www.investorserve.com.au](http://www.investorserve.com.au).
- **Paper:** A hard copy (paper) of the Entitlement Offer Booklet and personalised Entitlement and Acceptance Form can be accessed from the Company's Share Registry, by contacting the Share Registry at 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia). Please note there may be some delays in the delivery of the Entitlement Offer Booklet via post (including because of ongoing disruption caused by COVID-19).

Any Eligible Securityholder who wants to acquire New CDIs (and apply for Additional CDIs) under the Entitlement Offer will need to follow the "How to apply" and "Payment by BPAY" or "Payment by cheque or money order" instructions in the Entitlement Offer Booklet.

Eligible Securityholders who do not take up their entitlement under the Entitlement Offer in full or in part will not receive any value in respect of those entitlements not taken up and will have their interest in UBI diluted as a result.

### **Actions required by Eligible Securityholders**

The number of New CDIs to which Eligible Securityholders are entitled (**Your Entitlement**) is shown on the personalised Entitlement and Acceptance Form that accompanies the Entitlement Offer Booklet which can be accessed by entering your personal details (which are set out at the top of this letter) [www.investorserve.com.au](http://www.investorserve.com.au).

The choices available to Eligible Securityholders are described in the Entitlement Offer Booklet. In summary, Eligible Securityholders may:

- take up all or part of Your Entitlement;
- take up all of Your Entitlement and apply for Additional CDIs;
- do nothing, in which case Your Entitlement will lapse and you will receive no value for those lapsed entitlements.

UBI retains the flexibility to scale back applications for Additional CDIs at its discretion having regard to the pro rata entitlement of Eligible Securityholders who apply for Additional CDIs.

For further details, see Section 2 of the Entitlement Offer Booklet.

If you wish to take up all or part of Your Entitlement, and apply for Additional CDIs, please pay the application monies via BPAY®, cheque or money order prior to the closing date of the Entitlement Offer Friday, 20 May 2022 in accordance with the Entitlement Offer Booklet and your personalised Entitlement and Acceptance Form. You must ensure that your application monies are received by 5.00pm on the closing date.

#### **Further Information**

If you have any questions in relation to any of the above matters, please contact call the Company on +61 3 9213 9000 or the Share Registry on 1300 737 760 (from within Australia) or +61 2 9290 9600 (from outside Australia) at any time between 8.30am and 5.30pm (AEST), Monday to Friday during the Entitlement Offer Period.

For other questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

Yours sincerely,

**John Sharman**  
Chief Executive Officer  
Universal Biosensors Inc

The offer and sale of the New CDIs and the Additional CDIs, and the shares of the Company's common stock underlying any such New CDIs or Additional CDIs (collectively, the "Securities"), have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Offers and sales of Securities to investors outside the United States that are not, and are not acting for the account or benefit of, U.S. Persons in the Offer are being conducted in a manner exempt from registration under the U.S. Securities Act pursuant to Regulation S under the U.S. Securities Act, and the Securities will be "restricted securities" for purposes of Rule 144 under the U.S. Securities Act. Accordingly, the Securities may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person except in compliance with the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States or pursuant to an exemption from, or in a transaction exempt from or not subject to such registration requirements and any other applicable securities laws. No holder of Securities will have the right to require the Company to register any of the Securities under the U.S. Securities Act. Hedging transactions involving the Securities may not be conducted unless in compliance with the U.S. Securities Act and applicable United States securities laws.