

Fax Cover Sheet

Form 604 (Notice of change of interests of substantial holder)

Bubs Australia Limited (ASX:BUB)

To: Manager, Company Announcements
Company: ASX Limited
Fax: 1300135638

Date: 24 April 2019
Pages: 30 (including this page)

Contact: C2 Capital
Steve.lin@c2capitalpartners.com

Form 604

Corporations Act 2001 Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Bubs Australia Limited (Bubs)

ACN/ARSN 060 094 742

1. Details of substantial holder (1)

Name C2 Capital Global Export-To-China Fund, L.P. (C2 Capital) and each entity listed in Annexure A (C2 Relevant Entities)

ACN/ARSN (if applicable) N/A

There was a change in the interests of the substantial holder on

18 / 04 / 2019

The previous notice was given to the company on

3 / 04 / 2019

The previous notice was dated

3 / 04 / 2019

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares (Shares)	27,921,622	6.28%	76,288,510	15.00%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
18 / 04 / 2019	C2 Capital and each of the C2 Relevant Entities	Issue of Shares pursuant to Subscription Agreement between C2 Capital and Bubs (a copy of which is attached as Annexure B).	\$0.65 per Share	48,366,888 Shares	48,366,888 Shares

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
C2 Capital	C2 Capital	C2 Capital	C2 Capital has a relevant interest under section 608(1)(a) of the Corporations Act as it is the registered holder of the relevant Shares.	48,366,888 Shares	48,366,888
C2 Capital	Rupert Robin Soar Penelope Anne Gandar Johannes Gommans Catherine Jane Taylor	Rupert Robin Soar Penelope Anne Gandar Johannes Gommans Catherine Jane Taylor	C2 Capital has a relevant interest under section 608(8) of the Corporations Act and will become the registered holder of the securities upon registration of the securities transfer under the Off-Market Transfer Agreement of 31 March 2019 (refer to previous notice dated 3 April 2019).	27,921,622 Shares	27,921,622
C2 Relevant Entities	C2 Capital	C2 Capital	Each C2 Relevant Entity has the same relevant interests as C2 Capital under section 608(3)(b) of the Corporations Act.	76,288,510 Shares	76,288,510

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
C2 Capital	Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands
C2 Relevant Entities	Refer to Annexure A

Signature

print name Darren Riley capacity Director

sign here



date 24 / 04 / 2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

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ANNEXURE A

This is the annexure marked 'A' of 1 page (including this page) referred to in the Notice of Change of Interests of Substantial Holder.

24 April 2019

Name	Registered Address
C2 Capital Partners GP, L.P.	Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands
C2 Capital Partners GP Limited	Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands
Alibaba Investment Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Alibaba Group Holding Limited	Trident Trust Company (Cayman) Limited, Fourth Floor, One Capital Place, P.O. Box 847, George Town, Grand Cayman, Cayman Islands

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ANNEXURE B

This is the annexure marked 'B' of 26 pages (including this page) referred to in the Notice of Change of Interests of Substantial Holder.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

24 April 2019



Share subscription agreement

C2 Capital Global Export-to-China Fund, L.P.
and

BUBS Australia Limited
ACN 060 094 742

Subscription of shares

2019

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THIS AGREEMENT is made on 31 March 2019

BETWEEN:

- (1) **C2 Capital Global Export-To-China Fund, L.P.** whose registered office is at c/o Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands (the **Subscriber**); and
- (2) **BUBS Australia Limited** ACN 060 194 742 whose registered office is at 2-4/6 Tilley Lane, Frenchs Forest NSW 2086 (the **Company**).

RECITAL:

- (A) The Company has agreed to issue the Subscription Shares to the Subscriber and the Subscriber has agreed to subscribe for the Subscription Shares and pay the Subscription Price to the Company, on the terms of this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document:

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as appropriate.

Authorisation means the following and includes any renewal or amendment of them:

- (a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and
- (b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.

Board means the board of directors of the Company.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales and Hong Kong.

C2 Capital Board Nominee has the meaning given in clause 6.1(a).

Claim means any claim, action, proceeding or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Cleansing Statement means a notice in relation to the Subscription Shares given by the Company in accordance with section 708A(5) of the Corporations Act which complies with section 708A(6) of the Corporations Act.

Completion means the completion of the subscription for and allotment and issue of the Subscription Shares in accordance with this document, and **Complete** has a corresponding meaning.

Completion Cash Payment means \$24 million.

Completion Time means immediately after the Condition Precedent has been satisfied, provided it will be no earlier than 12 April 2019 or such other time and date as agreed in writing by the Company and the Subscriber in writing.

Condition Precedent means the condition precedent set out in clause 3.1.

Constitution means the constitution of the Company.

Controller has the same meaning as in the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Deloraine Acquisition means the Company's purchase of 100% of the issued shares in Australia Deloraine Dairy Group Limited 澳大利亚德洛兰乳业集团有限公司 (British Virgin Islands company number 1889990).

Deloraine Completion means completion of the Deloraine Acquisition in accordance with the Deloraine SPA.

Deloraine SPA means the sale and purchase agreement dated on or about the date of this document between (among others) the Company and the Deloraine Vendors relating to the Deloraine Acquisition.

Deloraine Vendors means Dynamic Best Group Limited, Stable Charter Limited and Succeed Venture Limited.

Director means a director of the Company.

Encumbrance means:

- (a) a security interest that is subject to the PPSA;
- (b) any other mortgage, charge, pledge or lien; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation or which gives a creditor priority over unsecured creditors in relation to any property.

Government Agency means:

- (a) a government or government department or other body;
- (b) a governmental, semi-governmental or judicial person including a statutory corporation; or
- (c) a person (whether autonomous or not) who is charged with the administration of a law.

Insolvency Event means, in respect of a person:

- (a) an administrator being appointed to the person;
- (b)
 - (i) a Controller or analogous person being appointed to the person or any of the person's property;
 - (ii) an application being made to a court for an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to the person or any of the person's property; or
 - (iii) an appointment of the kind referred to in subparagraph (ii) being made (whether or not following a resolution or application);
- (c) the person who has the benefit of an Encumbrance or any agent on its behalf, appointing a Controller or taking possession of any of the person's property (including seizing the person's property within the meaning of section 123 of the PPSA) or otherwise enforcing or exercising any rights under the Encumbrance or Chapter 4 of the PPSA;
- (d) the person being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;
- (e) an application being made to a court for an order for its winding up;
- (f) an order being made, or the person passing a resolution, for its winding up;
- (g) the person:
 - (i) suspending payment of its debts, ceasing (or threatening to cease) to carry on all or a material part of its business, stating that it is unable to pay its debts or being or becoming otherwise insolvent; or
 - (ii) being unable to pay its debts or otherwise insolvent;
- (h) the person taking any step toward entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors;
- (i) a court or other authority enforcing any judgment or order against the person for the payment of money or the recovery of any property; or
- (j) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved by the Subscriber.

Listing Rules means the listing rules of the ASX.

Loss means any loss, damage, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Representatives means any of a person's directors, officers, employees, financial advisers, attorneys, legal advisers, accountants, consultants or agents.

Securities means Shares, any securities or instruments convertible into Shares, and any options to subscribe for any such Shares or convertible securities or instruments.

Share means an issued ordinary share in the capital of the Company.

Subscription Price means, for each Subscription Share, \$0.65.

Subscription Shares means 48,366,888 fully paid Shares.

Warranties means the warranties, undertakings and representations set out in Schedule 3 and **Warranty** has a corresponding meaning.

1.2 **Rules for interpreting this document**

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) A reference to **\$** or **dollars** is a reference to Australian dollars.
- (g) A reference to time is a reference to Sydney time.
- (h) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (i) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
- (j) The expressions **subsidiary**, **holding company** and **related body corporate** each have the same meaning as in the Corporations Act.

1.3 **Business Days**

If the day on or by which a person must do something under this document is not a Business Day:

- (a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and
- (b) in any other case, the person must do it on or by the previous Business Day.

2. **SUBSCRIPTION FOR SUBSCRIPTION SHARES**

2.1 **Issue and subscription**

The Subscriber agrees to subscribe for and pay the Subscription Price for the Subscription Shares, and the Company agrees to allot and issue the Subscription Shares to the Subscriber on the terms of this document.

3. **CONDITION PRECEDENT**

3.1 **Condition Precedent**

Completion is conditional on:

- (a) the Company and the Deloraine Vendors having satisfied all of their respective obligations in order for Deloraine Completion to occur, other than the Company's obligation to pay the Completion Cash Payment to the Deloraine Vendors; and
- (b) the Company having given a written notice to the Subscriber in the form of Schedule 4.

3.2 **Reasonable endeavours**

The Company must use its reasonable endeavours to obtain the satisfaction of the Condition Precedent, including procuring performance by a third party. The Company must keep the Subscriber informed of:

- (a) any circumstances which may result in the Condition Precedent not being satisfied in accordance with its terms; and
- (b) any rescission, variation or termination (whether actual or purported) of the Deloraine SPA.

3.3 **Subscriber's benefit**

The Condition Precedent is for the benefit of the Subscriber and, if it is not fulfilled by 22 April 2019 or a later date agreed by the parties, then the Subscriber may at any time before Completion terminate this document by notice to the Company.

3.4 **Effect of termination**

If this document is terminated under clause 3.3 then, in addition to any other rights, powers or remedies provided by law:

- (a) each party is released from its obligations under this document other than in relation to clauses 8 ("Confidentiality") and 12.2 ("Liability for expenses"); and
- (b) each party retains the rights it has against the other party in connection with any breach or claim that has arisen before termination.

4. COMPLETION

4.1 Time and place of Completion

Completion will take place at the Completion Time at the same place where the Deloraine Completion takes place, being the offices of Ashurst Australia at Level 26, 181 William Street, Melbourne, Victoria or at any other date, time or place agreed by the Company and the Subscriber.

4.2 Subscriber's obligations at Completion

At Completion, the Subscriber will:

- (a) deliver to the Company an application for the Subscription Shares duly completed and executed by the Subscriber, in the form set out in Schedule 1 or in any other form the Company agrees to accept;
- (b) pay (or procure payment of):
 - (i) at the direction of the Company, part of the Subscription Price equal to the Completion Cash Payment to the Deloraine Vendors in immediately available funds by bank transfer to the bank account nominated by the Company (with the Subscriber to provide evidence of the relevant bank transfer); and
 - (ii) the balance of the Subscription Price to the Company in immediately available funds by bank transfer to the bank account nominated by the Company (with the Subscriber to provide evidence of the relevant bank transfer), or in any other form that the Company may agree to accept as payment; and
- (c) deliver to the Company a consent to act as a Director completed and executed by Dawson Steven Lin (the initial C2 Capital Board Nominee), who is to be appointed as a new Director in accordance with this document.

4.3 Company's obligations at Completion

At Completion, the Company will:

- (a) allot and issue the Subscription Shares to the Subscriber;
- (b) register the Subscriber as the holder of the Subscription Shares; and
- (c) notwithstanding any other provision in this document, procure that the Board appoints Dawson Steven Lin (the initial C2 Capital Board Nominee) as a new Director (such appointment to take effect immediately after Completion).

4.4 Company's obligations following Completion

- (a) On or as soon as practicable after Completion, the Company must:
 - (i) confirm in writing to the Subscriber that Deloraine Completion has occurred;
 - (ii) apply to ASX and use its best endeavours to obtain official quotation of the Subscription Shares by ASX; and
 - (iii) deliver to the Subscriber a holding statement showing the Subscriber as the holder of the Subscription Shares.

- (b) The Company must issue a Cleansing Statement on the day when Completion occurs, as soon as practicable after Completion. However, if Completion occurs after close of the ASX announcements platform on that day, the Company must instead issue a Cleansing Statement prior to the commencement of ASX trading on the next Business Day after the day when Completion occurs.

4.5 **Subscriber's obligation to Complete**

The Subscriber is not required to Complete at the Completion Time if:

- (a) the Condition Precedent remains unsatisfied and has not been waived in writing by the Subscriber;
- (b) an Insolvency Event has occurred in respect of the Company;
- (c) a Warranty given by the Company is not correct, or is misleading, in a material respect; or
- (d) trading in shares of the Company on ASX is suspended for more than three days between the date of this document and the Completion Time.

4.6 **Completion simultaneous**

In respect of Completion:

- (a) the obligations of the parties under this document are interdependent; and
- (b) all actions required to be performed will be taken to have occurred simultaneously on Completion.

4.7 **Dividends**

To the extent the Company declares any dividends after the date of this document and prior to the Completion Time, the Subscriber acknowledges and agrees that the Subscription Shares will not have any rights to receive those dividends.

5. **WARRANTIES**

5.1 **By each party generally**

Each party represents and warrants to the other party that each of the Warranties set out in Part 1 of Schedule 3 is true and correct at the date of this document and will be so at all times before and including the Completion Time.

5.2 **By the Company**

The Company represents and warrants to the Subscriber that each of the Warranties set out in Part 2 of Schedule 3 is true and correct at the date of this document and will be so at all times before and including the Completion Time.

5.3 **Separate Warranties**

Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.