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ASX ANNOUNCEMENT

28 June 2021

COSTA SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

Costa Group Holdings Limited (Costa; ASX: CGC), Australia's leading grower, packer and marketer of fresh fruit and vegetables today announced the successful completion of the institutional component ("**Institutional Entitlement Offer**") of its fully underwritten 1 for 6.33 pro rata accelerated renounceable entitlement offer with retail rights trading ("**Entitlement Offer**").

Key Highlights

- **Institutional Entitlement Offer successfully completed, raising approximately \$114 million**
- **Institutional Entitlement Offer was strongly supported by eligible Costa institutional shareholders, who took up approximately 90% of their Entitlements**
- **Institutional Shortfall Bookbuild clearing price of \$3.30 per New Share, representing a \$0.30 premium to the Offer Price of \$3.00 per New Share**
- **Costa shares recommence trading on the ASX today**
- **Retail Entitlement Offer opens on Friday, 2 July 2021**

On Wednesday, 23 June 2021, Costa announced an Entitlement Offer to raise approximately \$190 million. The proceeds of the equity raising will fund the acquisition of the business and assets of 2PH Farms Pty Ltd and its related entities ("**2PH**"), a Central Queensland based citrus grower for an upfront consideration of approximately \$200 million in cash¹.

The Institutional Entitlement Offer raised approximately \$114 million from subscriptions for new fully paid ordinary shares in Costa ("**New Shares**") at \$3.00 per New Share ("**Offer Price**"). The Institutional Entitlement Offer attracted strong support from institutional shareholders with a take-up rate by eligible institutional shareholders of approximately 90%².

A bookbuild for Institutional Entitlement Offer shortfall shares was conducted on Thursday, 24 June 2021 to Friday, 25 June 2021 ("**Institutional Shortfall Bookbuild**") and attracted strong demand from both existing

¹ Excludes stamp duty and transaction costs of \$19 million

² Eligible Institutional Shareholders are institutional shareholders who were successfully invited to participate in the Institutional Entitlement Offer (Ineligible Institutional Shareholders are institutional shareholders who are not Eligible Institutional Shareholders)

shareholders and other institutional investors. The bookbuild cleared at a price of \$3.30 per New Share, which represents a premium of \$0.30 to the Offer Price of \$3.00 per New Share.

Eligible institutional shareholders who elected not to take up their entitlements and certain ineligible institutional shareholders will receive \$0.30 for each entitlement sold through the Institutional Shortfall Bookbuild. This payment will be made on or around Friday, 9 July 2021.

Costa Group CEO and Managing Director, Sean Hallahan noted the company was pleased with the outcome of the institutional entitlement offer.

"We thank our institutional shareholders for their strong support of the equity raising. The acquisition of 2PH provides Costa a larger and stronger citrus business with an attractive growth profile. 2PH will complement and enhance our production footprint, our variety offering and market opportunities, both export and domestic. We are delighted to take ownership of 2PH and look forward to supporting its continued success and its globally recognised brand and reputation for quality citrus varieties.

There was strong demand for shortfall shares in the Institutional Shortfall Bookbuild from both existing shareholders and new investors, and we are pleased that institutional shareholders who did not participate and other ineligible institutional shareholders will receive a premium of \$0.30 for their renounced entitlements", said Mr Hallahan.

The next and final stage of the Entitlement Offer is the Retail Entitlement Offer which will open on Friday, 2 July 2021. We encourage Costa's Eligible Retail Shareholders to carefully review the Retail Information Booklet which will be despatched to them on or around Friday, 2 July 2021 before deciding whether to participate. Eligible shareholders can also access information at the Entitlement Offer website.

Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") is expected to raise approximately \$76 million. The Retail Entitlement Offer will open at 10:00am (AEST) on Friday, 2 July 2021 and close at 5:00pm (AEST) on Monday, 19 July 2021.

Under the Retail Entitlement Offer, Eligible Retail Shareholders (as defined below) are being offered the opportunity to subscribe for 1 New Share for every 6.33 existing shares held as at the 7:00pm (AEST) on Monday, 28 June 2021 ("**Record Date**"), at the Offer Price of \$3.00 per New Share.

Eligible Retail Shareholders are shareholders who are registered as a holder of Costa shares as at the Record Date; have a registered address on the Costa share register in Australia or New Zealand; are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds shares for the account or benefit of such person in the United States); are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder and are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer ("**Eligible Retail Shareholders**").

Eligible Retail Shareholders will be allotted entitlements ("**Retail Entitlements**"), which can be traded on the ASX³. If Eligible Retail Shareholders choose not to take up all or part of their Retail Entitlements, they can seek to sell all or part of their Retail Entitlements on the ASX or by transferring entitlements directly to another person ahead of the retail shortfall bookbuild (the "**Retail Shortfall Bookbuild**").

Retail Entitlements not taken up under the Retail Entitlement Offer, and Retail Entitlements that would have been issued to ineligible retail shareholders had they been entitled to participate in the Retail Entitlement Offer, will be offered for sale through the Retail Shortfall Bookbuild. The amount realised for those Retail Entitlements (the "**Retail Premium**"), if any, will be remitted to holders of those Retail Entitlements at the close of the Retail Entitlement Offer, and to ineligible retail shareholders⁴. The Retail Premium, if any, is expected to be paid on or about Friday, 30 July 2021.

Eligible Retail Shareholders should carefully read the Retail Information Booklet and accompanying personalised entitlement and acceptance form which are expected to be despatched on or around Friday, 2 July 2021 ("**Retail Information Booklet**"). The Retail Information Booklet will also be made available at the offer website.

Retail Information Booklets and personalised entitlement and acceptance forms will be sent electronically to those eligible retail shareholders who have elected to receive communications from Costa electronically.

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Retail Entitlements after the trading period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. In the event that holders are not able to take up their Retail Entitlements, those Retail Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

Costa's ordinary shares are expected to resume trading from market open today on an ex-entitlement basis.

³ Trading on a deferred settlement basis from Monday, 28 June 2021 until Thursday, 1 July 2021, then trading on a normal settlement basis from Friday, 2 July 2021 until Monday, 12 July 2021

⁴ All shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders or Ineligible Institutional Shareholders are ineligible retail shareholders ("**Ineligible Retail Shareholders**").

Summary of Key Dates⁵

Event	Date
Institutional Entitlement Offer opened	Wednesday, 23 June 2021
Institutional Entitlement Offer closed	Thursday, 24 June 2021
Institutional bookbuild closed (11:00am AEST)	Friday, 25 June 2021
Costa shares recommence trading	Monday, 28 June 2021
Retail rights commence trading (on deferred settlement basis) ⁷	Monday, 28 June 2021
Entitlement Offer record date (7:00pm AEST)	Monday, 28 June 2021
Retail Information Booklet and Application and Entitlement Forms despatched to Eligible Retail Shareholders	Friday, 2 July 2021
Retail Entitlement Offer opens	Friday, 2 July 2021
Settlement of New Shares issued under Institutional Entitlement Offer	Tuesday, 6 July 2021
Allotment and commencement of trading of New Shares issued under the Institutional Entitlement Offer	Wednesday, 7 July 2021
Close of retail rights trading	Monday, 12 July 2021
Retail Entitlement Offer closes (5:00pm AEST)	Monday, 19 July 2021
Retail Entitlement Offer shortfall bookbuild	Thursday, 22 July 2021
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 27 July 2021
Allotment of New Shares issued under the Retail Entitlement Offer ("Final Allotment")	Wednesday, 28 July 2021
New Shares under the Final Allotment commence trading on ASX on a normal settlement basis	Thursday, 29 July 2021
Despatch of confirmation for New Shares issued under the Final Allotment; Payment of Retail Premium (if any)	Friday, 30 July 2021

⁵ All dates and times are indicative and subject to change without notice; AEST refers to Australian Eastern Standard Time. Costa reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. In particular, Costa reserves the right to extend the closing date for the Retail Entitlement Offer, to withdraw the Entitlement Offer at any time prior to the issue of New Shares and/or to accept late applications either generally or in specific cases.

Further information

Further details of the Entitlement Offer are set out in the Investor Presentation which was released to the ASX on Wednesday, 23 June 2021. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer.

UBS acted as financial adviser and King & Wood Mallesons acted as legal adviser to Costa in relation to the transaction.

If you have any questions in relation to the Entitlement Offer, please contact the Costa Offer Information Line on 1300 407 677 (within Australia), +61 1300 407 677 (outside Australia) at any time between 8:30am and 5:30pm (AEST) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

Release authorised by the Costa Group Holdings Limited Board.

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About Costa (ASX:CGC)

Costa is Australia's leading grower, packer and marketer of fresh fruit & vegetables and operates principally in five core categories: berries, mushrooms, glasshouse tomatoes, citrus and avocados. Operations include approximately 5,000 planted hectares of farmland, 30 hectares of glasshouse facilities and three mushroom growing facilities across Australia. Costa also has strategic foreign interests, with majority owned joint ventures covering six blueberry farms in Morocco and four berry farms in China, covering approximately 600 planted hectares.

For further information contact:

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any applicable US state securities laws. The entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States to persons that are not acting for the account or benefit of persons in the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act. In addition, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of a person in the United States) will not be eligible to purchase or trade entitlements on ASX or otherwise, or take up or exercise entitlements purchased on ASX or otherwise, or transferred from another person.