

ASX ANNOUNCEMENT

28 June 2021

Probiotec Limited (ASX: PBP) Acquisition of H&H Packaging

Probiotec Limited ("**Probiotec Group**") today announces that its agreed terms to acquire the assets and business of H&H Packaging ("**H&H**") for total cash proceeds of (up to) \$4 million.¹

H&H is a Sydney-based contract packer and manufacturer with a 30-year operating history. The acquisition of H&H will deliver new customers to the Probiotec Group including exciting opportunities to service the industrial, chemical and agricultural markets, widening our overall reach into even more end markets. The acquisition will also add plastic moulding capabilities that can be rolled out across the Probiotec business for our own internal needs as well as to our existing client base, adding an element of vertical integration to the Group. In time, certain H&H functions may be incorporated into the proposed Sydney site consolidation project.

H&H is expected to generate Revenue and EBITDA of approximately \$6 million and \$1 million respectively for the 12 months ended 30 June 2021. The acquisition is expected to be immediately EPS accretive (pre-synergies) from completion. The transaction will be funded from cash reserves and completion is expected to occur at the end of July 2021.

Chief Executive Officer of PBP, Mr Wes Stringer comments: "we look forward to welcoming H&H's employees and customers to the Probiotec Group and continuing to build our manufacturing footprint in Australia via organic growth and further accretive acquisitions".

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About Probiotec

Probiotec Limited is a manufacturer, packer and distributor of a range of prescription and over-the-counter (OTC) pharmaceuticals, complementary medicines and consumer health products, and fast-moving consumer goods. The company owns five manufacturing facilities in Australia and distributes its products both domestically and internationally. Products are manufactured by Probiotec on behalf of a range of clients, including major international pharmaceutical companies.

Further details about Probiotec are available at www.probiotec.com.au

Authorised for release to the ASX by the board of directors.

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¹ \$3.2m payable at completion with a further \$0.8m subject to achievement of an earn out target

