



ASX ANNOUNCEMENT

Placement and Entitlement Offer to raise up to \$6.2 million

12 November 2020

Buderim Group Limited (**Company**) is pleased to announce 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**).

The funds will be used for advertising and marketing activities, capital expenditure and working capital.

Placement

The Placement was successfully completed on Thursday, 12 November 2020, with the Company agreeing to place approximately 12,903,279 new shares (**Placement Shares**) to sophisticated, professional and other investors, to whom no disclosure is required under the Corporations Act 2001, 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

The Entitlement Offer will provide eligible shareholders with the opportunity to 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.

The issue price of \$0.17 per New Share 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 (\$0.235), the last trading day before the Entitlement Offer was announced.

Approximately 23,894,961 New Shares will be offered under the Entitlement Offer. The New Shares will rank equally with existing shares.

Eligible shareholders with a registered address in Australia, New Zealand and Hong Kong will be invited to participate in the Entitlement Offer. The Entitlement Offer will open on Wednesday, 18 November 2020 and close at 5.00pm (Sydney time) on Wednesday, 2 December 2020. Further details about the Entitlement Offer will be set out in the Entitlement Offer Booklet, which the Company expects to despatch to shareholders and release on ASX on Wednesday, 18 November 2020.

In addition to each eligible shareholders entitlement under the Entitlement Offer, eligible shareholders will also be offered the opportunity to apply for additional New Shares (**Top Up Facility**). Eligible shareholders are not assured of being allocated any New Shares in excess of their entitlement under the Top Up Facility, which will be allocated in accordance with the allocation policy outlined in the Entitlement Offer Booklet.

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).

Additional information

Further information on the Capital Raising is provided in the Investor Presentation released on ASX today by the Company. The Investor Presentation includes important information, including the key risks in relation to the Capital Raising.

The Company has engaged Bell Potter Securities Limited and PAC Partners Securities Pty Ltd as Joint Lead Managers and Thomson Geer as legal advisor in relation to the Capital Raising.

Key dates

Event	Date
Announcement of Entitlement Offer and Placement	Thursday, 12 November 2020
Record Date to determine entitlements for the Entitlement Offer	Tuesday, 17 November 2020
Entitlement Offer Opening Date – Entitlement Offer Booklet despatched to eligible shareholders	Wednesday, 18 November 2020
Issue date for Placement Shares	
Entitlement Offer Closing Date	Wednesday, 2 December 2020
Announcement of shortfall (if any) under the Entitlement Offer	Monday, 7 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	

All dates and times are indicative only and subject to change. The Company reserves the right to withdraw the Entitlement Offer or amend all or any of these dates and times without notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.

2020 Annual General Meeting

The Company advises, in accordance with Listing Rule 3.13.1, that it has resolved to change the proposed date for its Annual General Meeting to 10.00am (Brisbane time) on Monday, 21 December 2020.

The Company is proposing to seek shareholder approval to ratify the portion of the Placement Shares issued under ASX Listing Rule 7.1. The Board considers that using the AGM to consider this matter is in the best interests of shareholders rather than potentially having to incur the additional cost of convening an extraordinary general meeting after the AGM.

The Company notes that the ASIC has adopted a 'no action' position in respect of AGMs which are held after 30 November 2020, but before 31 January 2021.

The Notice of AGM is now expected to be despatched to shareholders by Wednesday, 18 November 2020 and the closing time for voting entitlements is now expected to be 7pm (Sydney time) on Friday, 18 December 2020.

This announcement has been authorised for release by the Board of Buderim Group Limited.

ENDS

Media Enquiries:

Mark Rudder
GRACosway
Ph: 0411 362 362

Investor enquiries:

Dennis Lin
Executive Director
Buderim Group Limited
Ph: 0466 137 035

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.

IMPORTANT - This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares to be offered or sold in the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and may not be sold, directly or indirectly, in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state security laws.