

Universal Biosensors, Inc.
ARBN 121 559 993

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11 April 2024

Dear Securityholder,

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

Today Universal Biosensors, Inc. ARBN 121 559 993 (**UBI** or **Company**) announced a fully underwritten pro-rata non-renounceable entitlement offer of new CHESS depositary interests over fully paid ordinary shares (common stock) in UBI (**New CDIs**) to raise approximately A\$10 million at a ratio of 1 New CDI for every 3.47 existing CDIs (**Existing CDIs**) held at 7:00pm (Melbourne time) on Tuesday, 16 April 2024 (**Record Date**) at an offer price of A\$0.15 (**Offer Price**), together with 1 new attaching option for every New CDI acquired under the Entitlement Offer (**New Options**) (**Entitlement Offer**).

Eligible securityholders who take up their full entitlement may also apply for additional new CDIs (**Additional New CDIs**) together with 1 new option for each Additional New CDI acquired (**Additional New Options**) in excess of their entitlement under a top up facility at the same Offer Price (**Top Up Facility**). The Top Up Facility is not capped, however, to the extent that the Company receives valid applications in excess of the available Additional New CDIs and Additional New Options under the Top Up Facility, the Company reserves the right to scale back applications in its discretion, having regard to the pro rata entitlement of Eligible Securityholders who apply for Additional New CDIs and Additional New Options.

In this letter, each of the New CDIs, New Options, Additional New CDIs and Additional New Options are together, the **Offer Securities**.

Proceeds of the Entitlement Offer shall be applied to:

- sustain growth;
- support ongoing product development;
- fund short term operating losses; and
- operate and expand marketing and sales development, particularly in relation to the sale of UBI's Xprecia Prime device following its recent FDA approval.

The Offer Price of A\$0.15 for the Entitlement Offer represents a discount of:

- 21% to the Company's last close of A\$0.19 on the ASX; and
- 21% to the Company's 5-day volume weighted average price of A\$0.19.

The Entitlement Offer is expected to be open from Friday, 19 April 2024 until 5:00pm (Melbourne time) Wednesday, 1 May 2024.

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 Securityholders. The Entitlement Offer is being made pursuant to a prospectus, lodged with ASX and ASIC today, Thursday, 11 April 2024 (**Prospectus**). Securityholders who are eligible to participate in the Entitlement Offer (**Eligible Securityholders**) are those securityholders who:

- are registered as a holder of Existing CDIs as at the Record Date;
- have a registered address on the UBI share register in Australia or New Zealand as at the Record Date;
- are not in the United States, its possessions and territories, any state thereof 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 (**Regulation S**) promulgated under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or a person elsewhere outside Australia or New Zealand; and
- do not hold CDIs on behalf of another person who resides outside Australia or New Zealand (unless they hold CDIs in another eligible capacity).

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 3.47 Existing CDIs that you held as at the Record Date, together with 1 New Option for each New CDI acquired under the Entitlement Offer if (and only if) an Application Form or BPAY® payment is received by the Company prior to the closing date of the Entitlement Offer in accordance with the Prospectus and your personalised Application Form. If you accept your entitlement in full, you may also apply for Additional New CDIs and Additional New Options in excess of your entitlement, at the Offer Price, pursuant to the Top Up Facility.

How to access the Entitlement Offer

The Prospectus and personalised Application Form is expected to be dispatched to Eligible Securityholders on or about Friday, 19 April 2024.

The Prospectus will also be available as follows:

- **Online:** The Prospectus can be accessed via the ASX's company announcements platform (accessible at www.asx.com.au), and your personalised Application Form can be requested from the Company's Share Registry at www.investorserve.com.au.
- **Paper:** A hard copy (paper) of the Prospectus and personalised Application 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).

Any Eligible Securityholder who wants to acquire Offer Securities under the Entitlement Offer will need to follow the "Applications" and "Payment of Application Monies" instructions in the Prospectus.

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 and New Options to which Eligible Securityholders are entitled (**Your Entitlement**) is shown on the personalised Application Form that accompanies the Prospectus which

can be accessed by entering your personal details (which are set out at the top of this letter) at www.investorserve.com.au.

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

- take up all of Your Entitlement and, if you wish, also apply for Additional New CDIs and Additional New Options under the Top Up Facility;
- take up part of Your Entitlement and allow the balance to lapse;
- do nothing, in which case Your Entitlement will lapse and you will receive no value for those lapsed entitlements.

For further details, see Section 2 of the Prospectus.

If you wish to take up all or part of Your Entitlement, and apply for Additional New CDIs and Additional New Options, please ensure your Application Form or BPAY® payment is received prior to the closing date of the Entitlement Offer (Wednesday, 1 May 2024) in accordance with the Prospectus and your personalised Application Form. You must ensure that your application monies are received by 5.00pm (Melbourne time) 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, the Additional CDIs, the New Options, the Additional New Options, any CDIs received upon the exercise of New Options and Additional Options, and the shares of the Company's common stock evidenced by any of the foregoing (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 the Securities are being made to investors outside the United States that are not, and are not acting for the account or benefit of, U.S. Persons (as defined in Regulation S) in accordance with the exemption from registration under the U.S. Securities Act provided by Regulation S, 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, unless registered under the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States or an applicable exemption from such registration requirements is available. The New Options and the Additional New Options may not be exercised by or for the account or benefit of any U.S. Person unless registered under the U.S. Securities Act or an applicable exemption from such registration requirement is available. No holder of Securities will have the right to require the Company to register any of the Securities under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Hedging transactions involving the Securities may not be conducted unless in compliance with the U.S. Securities Act.