

ASX RELEASE

7 March 2023

SECOS receives firm commitments for \$3 million Institutional Placement

- **SECOS successfully raises \$3.0 million via a well supported Placement to existing and new institutional investors**
- **Share Purchase Plan to be offered to eligible existing shareholders to raise up to a further \$1 million on the same terms**
- **Proceeds will be applied to expansion of the Company's MyEco range including biodegradable and 95% post-consumer waste soft-plastic recycled products, marketing costs, ERP system implementation and working capital**

Sustainable and eco-friendly bioplastics developer SECOS Group Limited (ASX: SES) ("SECOS" or the "Company") is pleased to announce that it has received firm commitments from institutions and sophisticated investors qualifying under s708 of the Corporations Act 2001 (Cth) to subscribe for a placement of 46.46 million fully paid ordinary shares ("Shares") in the Company at an issue price of \$0.065 per Share to raise gross proceeds of \$3.02 million ("Placement"). Investors will also receive one free attaching option for every one share subscribed.

The Placement received strong support from existing shareholders and attracted new investors. The Placement Shares will be issued in a single tranche using the Company's existing capacity under ASX Listing Rules 7.1 and 7.1A and will not require general shareholder approval. Director Don Haller Jr. has subscribed for US\$137,500 (A\$203,408) in the Placement which will be subject to shareholder approval at the Company's Annual General Meeting.

SECOS' CEO and Executive Director, Richard Tegoni, said: *"This well-supported Placement will allow SECOS to hit the ground running for the rest of FY23 and beyond to deliver on significant opportunities to increase sales of the Company's compostable and biodegradable products. It continues the momentum from the Company's recent announcements of entering into 770 stores in Coles in Australia and the exclusive sales agreement with NASDAQ listed Jewett-Cameron Trading Company in the US."*

Placement

Under the Placement, SECOS will issue 46,461,929 new shares at the Placement Price of A\$0.065 per share which represents a 7.1% discount to the last traded price of the Company's shares on 3 March 2023, and a 9.6% discount to the 5-day volume weighted average price of SECOS shares prior to undertaking the Placement. New Shares issued under the Placement will rank equally with existing ordinary shares from the date of issue.

Investors in the Placement will also receive one free attaching option for every one share subscribed. The options will be unlisted, with an exercise price of \$0.10 per share, exercisable within a two-year term.

SECOS Group Limited (ASX: SES)

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Share Purchase Plan

In conjunction with the Placement, the Company will undertake a Share Purchase Plan (“SPP”) to provide eligible shareholders in Australia and New Zealand with the opportunity to increase their shareholdings and to assist in funding SECOS’ anticipated growth on the same terms as the Placement. Under the SPP eligible shareholders will be offered the opportunity to subscribe for up to \$30,000 of new SECOS shares. The issue price under the SPP will be A\$0.065 per share, and investors will receive one free attaching option for every one share subscribed for. The options will be unlisted, with an exercise price of \$0.10 per share, exercisable within a two-year term.

The SECOS Board is targeting to raise up to A\$1.0 million through the SPP to support the Company’s growth initiatives.

All persons registered as a SECOS shareholder on the Record Date of 6 March 2023 with an address on the register in Australia or New Zealand are eligible to participate in the SPP.

The proceeds of the Placement and Share Purchase Plan Issue will be used to fund:

- Expansion of the Company’s MyEco range, including both biodegradable products and the new 95% post-consumer waste recycled soft-plastics range
- A national marketing campaign to support the MyEco product range
- Implementation of a Global ERP System
- General working capital
- Costs of the offer

All new shares issued under the Placement and SPP will rank equally with existing fully paid ordinary shares from the date of issue and will carry the same voting rights, dividend rights and other entitlements as existing fully paid ordinary shares.

Canaccord Genuity (Australia) Limited is the Lead Manager for the Placement and the Share Purchase Plan.

The key indicative dates for the Capital Raising are as follows:

Date	Event
Monday, 6 March 2023	Trading Halt
Monday, 6 March 2023	Placement Bookbuild
Monday, 6 March 2023	SPP Record Date Identify those shareholders who may participate in the SPP Offer
Tuesday, 7 March 2023	Trading Halt Ends
	SPP Offer and Placement Announcement Date

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Date	Event
Tuesday, 14 March 2023	SPP Offer Opening Date Lodgement of Prospectus with ASIC and ASX
	Allotment of Placement Shares and Options
Wednesday, 15 March 2023	Appendix 2A (Placement) including lodgement of cleansing statement
Tuesday, 4 April 2023	SPP Offer Closing Date
Wednesday, 5 April 2023	SPP Offer Announcement of Results Company announces results of SPP
Tuesday, 11 April 2023 (before noon)	SPP Offer Allotment Date Issue date under SPP Offer Lodgement of Appendix 2A (SPP Offer)
	SPP Offer Dispatch Date Dispatch of holding statements
Wednesday, 12 April 2023	SPP Offer Trading Date Normal trading of SPP Offer Shares

*Please note that this timetable is indicative only and may be subject to change at the Company's discretion, subject to the *Corporations Act 2001* (Cth) and the Listing Rules.

This announcement was authorised for release by the Board of SECOS Group Limited

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About SECOS Group Limited

SECOS Group Limited (ASX: SES) is a leading developer and manufacturer of sustainable packaging materials. SECOS supplies its proprietary biodegradable and compostable resins, packaging products and high-quality cast films to a blue-chip global customer base. SECOS Group is integrated from resin production, into film (cast and blown) production and can develop bespoke compostable solutions for a range of applications.

SECOS holds a strong patent portfolio and the global trend toward sustainable packaging is fueling the Company's growth.

The Company's headquarters and Global Application Development Centre are based in Melbourne, Australia. SECOS has a Product Development Centre and manufacturing plant for bioplastic resins and finished products in China and a bioplastic resins plant in Malaysia. The Company also produces high quality cast films in Malaysia.

SECOS has sales offices in Australia, Malaysia, China, and USA, with a network of leading distributors across North Americas, Mexico and Latin Americas, Europe, Asia, the Middle East, Africa, and India.

Disclaimer and Explanatory Notes Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning SECOS' planned operational program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "budget", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although SECOS believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, including but not limited to risks and uncertainties relating to impacts that may arise from Covid-19, and no assurance can be given that actual results will be consistent with these forward-looking statements. SECOS confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

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