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ASX ANNOUNCEMENT

30 October 2019

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 underwritten¹ 1 for 4 pro rata accelerated renounceable entitlement offer with retail rights trading ("Entitlement Offer").

Key Highlights

- **Institutional Entitlement Offer successfully completed, raising approximately \$87 million**
- **Institutional Entitlement Offer was strongly supported by eligible Costa institutional shareholders, who took up approximately 88% of their Entitlements**
- **Institutional Shortfall Bookbuild clearing price of \$2.30 per New Share, representing a \$0.10 premium to the Offer Price of \$2.20 per New Share**
- **Costa shares recommence trading on the ASX today**
- **Retail Entitlement Offer opens on Wednesday, 6 November 2019**

On Monday, 28 October 2019, Costa announced an Entitlement Offer to raise approximately \$176m. The equity raising will strengthen Costa's balance sheet risk and ensure that Costa has an appropriate capital structure in place to support the continuation of the Company's growth strategy in light of the recent trading and market uncertainty.

The Institutional Entitlement Offer raised approximately \$87 million from subscriptions for new fully paid ordinary shares in Costa ("New Shares") at \$2.20 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 88%².

A bookbuild for Institutional Entitlement Offer shortfall shares was conducted on Tuesday, 29 October 2019 to Wednesday, 30 October 2019 ("Institutional Shortfall Bookbuild") and attracted strong demand from both

¹ Subject to the qualifications set out in Note 1 of slide 7 of the investor presentation issued by Costa dated 28 October 2019

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)

existing shareholders and other institutional investors. The bookbuild cleared at a price of \$2.30 per New Share, which represents a premium of \$0.10 to the Offer Price of \$2.20 per New Share.

Eligible institutional shareholders who elected not to take up their entitlements and certain ineligible institutional shareholders will receive \$0.10 for each entitlement sold through the Institutional Shortfall Bookbuild. This payment will be made on or around Tuesday 12 November 2019.

Costa Group CEO, Harry Debney noted the company was pleased with the outcome of the institutional entitlement offer.

"We are very pleased our shareholders have strongly supported the equity raising, which is part of a prudent approach to ensure Costa's balance sheet will continue to allow the company to deliver on current and future growth initiatives in order to deliver strong shareholder returns in the medium to long term.

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 \$0.10 for their renounced entitlements", said Mr Debney.

The next and final stage of the Entitlement Offer is the Retail Entitlement Offer which will open on Wednesday, 6 November 2019 and we encourage Costa's Eligible Retail Shareholders to carefully review the Retail Information Booklet which will be despatched to them on or around Wednesday, 6 November 2019 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 \$90 million. The Retail Entitlement Offer will open at 9.00am (AEDT) on Wednesday, 6 November 2019 and close at 5:00pm (AEDT) on Monday, 18 November 2019.

Under the Retail Entitlement Offer, eligible retail shareholders are being offered the opportunity to subscribe for 1 New Share for every 4 existing shares held as at the Record Date (7:00pm (AEDT) on Thursday, 31 October), at the Offer Price of \$2.20 per New Share.

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").

³ Trading on a deferred settlement basis from Wednesday, 30 October 2019 until Wednesday 6 November 2019, then trading on a normal settlement basis from Thursday, 7 November 2019 until Monday, 11 November 2019

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 29 November 2019.

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 Wednesday, 6 November 2019 ("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.

Eligible retail shareholders are shareholders who are registered as a holder of Costa shares as at the Record Date; have a registered address in Australia or New Zealand; are not in the United States or 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 do not hold shares on behalf of an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder (to that extent); and are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer ("Eligible Retail Shareholders").

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 (Wednesday, 30 October 2019) on an ex-entitlement basis.

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 opens	28 October 2019
Institutional Entitlement Offer closes	29 October 2019
Institutional bookbuild closes (8:00am AEDT)	30 October 2019
Costa shares recommence trading	30 October 2019
Retail rights commence trading (on deferred settlement basis) ⁷	30 October 2019
Entitlement Offer record date (7:00pm AEDT)	31 October 2019
Retail Information Booklet and Application and Entitlement Forms despatched to Eligible Retail Shareholders	6 November 2019
Retail Entitlement Offer opens	6 November 2019
Settlement of New Shares issued under Institutional Entitlement Offer	8 November 2019
Allotment and commencement of trading of New Shares issued under the Institutional Entitlement Offer	11 November 2019
Close of retail rights trading	11 November 2019
Retail Entitlement Offer closes (5:00pm AEDT)	18 November 2019
Retail Entitlement Offer shortfall bookbuild	21 November 2019
Settlement of New Shares issued under the Retail Entitlement Offer	26 November 2019
Allotment of New Shares issued under the Retail Entitlement Offer ("Final Allotment")	27 November 2019
New Shares under the Final Allotment commence trading on ASX on a normal settlement basis	28 November 2019
Despatch of confirmation for New Shares issued under the Final Allotment; Payment of Retail Premium (if any)	29 November 2019

⁵ All dates and times are indicative and subject to change without notice; AEDT refers to Australian Eastern Daylight 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 Monday, 28 October 2019. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer.

UBS AG, Australia Branch are acting as sole lead manager, bookrunner and underwriter to the Entitlement Offer. King & Wood Mallesons are serving as legal adviser to Costa.

If you have any questions in relation to the Entitlement Offer, please contact the Costa Offer Information Line on 1800 990 479 (within Australia), +61 1800 990 479 (outside Australia) at any time between 8:30am and 5:30pm (AEDT) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

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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 4,500 planted hectares of farmland, 30 hectares of glasshouse facilities and seven mushroom growing facilities across Australia. Costa also has strategic foreign interests, with majority owned joint ventures covering six blueberry farms in Morocco and three berry farms in China.

For further information contact:

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