

**Rubicon Water**

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**\$16.0 million fully underwritten Placement to reduce debt and to fund international growth,  
\$2.0 million Share Purchase Plan and operational and guidance update**

**Summary**

- Firm commitments received for a fully underwritten two tranche Placement of approximately 64.0 million shares at a price of \$0.25 per share to raise \$16.0 million (before costs)
- Placement was supported by new and existing institutional and high net worth investors along with commitments from Rubicon's board and key management personnel
- The net proceeds of the capital raising will be used to reduce debt, so as to provide future facility headroom for working capital requirements generated from the pipeline of international growth projects
- All Rubicon Directors and some key management personnel intend to participate in the Placement up to an aggregate of \$9.2 million, subject to shareholder approval at an extraordinary general meeting ("**EGM**") to be held on or around 11 September 2024 and to be allotted under the second tranche of the Placement
- The Company also intends to undertake a non-underwritten Share Purchase Plan ("**SPP**") offer to raise up to a further \$2.0 million

Rubicon Water Limited (ASX: RWL, "**Rubicon**" or the "**Company**") is pleased to advise that the Company has received firm commitments for a fully underwritten two tranche placement of approximately 64.0 million new fully paid ordinary shares in Rubicon ("**New Shares**") at a price of \$0.25 per New Share to raise \$16.0 million ("**Placement**").

The Placement issue price represents a 21.9% discount to the last closing price of \$0.32 on Friday, 2 August 2024 and a 23.3% discount to the 5-day VWAP of \$0.326 ("**Offer Price**").

**Rubicon CEO, Bruce Rogerson, commented:**

*"We are delighted with the support we have received from new and existing investors, which demonstrates confidence in our near-term global growth opportunity. Having worked through the challenges of recent years, we are sharply focused on leveraging our established long term customer relationships in key markets and delivering on Rubicon's significant and exciting project pipeline over the coming months and years."*

Proceeds from the Placement (subject to shareholder approval for Tranche 2), together with existing cash, will be applied to strengthen Rubicon's balance sheet, providing further financial flexibility and headroom to support the working capital requirements of Rubicon's pipeline of international growth projects.

Initially, a portion of the capital will be allocated to reducing Rubicon's existing bank debt and drawn Director Loans.

Proceeds will help to further bolster working capital requirements, providing adequate funding to support Rubicon in accelerating its growth opportunities.

### Placement Details

The Placement comprises the issue of approximately 64.0 million New Shares at an offer price of \$0.25 to raise total proceeds of \$16.0 million (before costs). The Placement is fully underwritten and will take place in two tranches:

- A **"Tranche 1 Placement"** to raise approximately \$6.5 million via the issue of approximately 25.9 million New Shares within Rubicon's existing placement capacity under Listing Rule 7.1; and
- A **"Tranche 2 Placement"** to raise approximately \$9.5 million via the issue of approximately 38.1 million New Shares, including to certain Directors, subject to shareholder approval at an EGM to be held on or around 11 September 2024.

Details of the time and venue for the EGM will be provided in a notice of meeting to be despatched to shareholders in due course.

Rubicon will resume trading on the ASX from market open today, Wednesday, 7 August 2024. The New Shares issued under Tranche 1 of the Placement are expected to settle on Monday, 12 August 2024 and be issued and commence trading on the ASX on a normal settlement basis on Tuesday, 13 August 2024. New Shares issued under the Placement will rank equally with the Company's existing shares on issue.

Morgans Corporate Limited and Wilsons Corporate Finance Limited are acting as Joint Lead Managers and Joint Underwriters to the Placement. Gilbert + Tobin is acting as Legal Adviser to the Placement.

### Operational and Guidance Update

In FY24, Rubicon secured a record \$33 million of orders in the US market (up 200%+ pcp) (unaudited), including a notable 5-year contract in late June 2024 for its FarmConnect Solution.

Significant investment is continuing within target markets to grow pipelines and contract works, providing Rubicon with a positive view on the growth outlook for the business.

A strategic review of Rubicon's Chinese operations is underway. Rubicon has reversed previously recognised revenue attributed to the delayed China projects, resulting in an uplift of inventory of circa \$3 million, which has already started to be re-deployed to other projects where it can be utilised and monetised more quickly.

As outlined in Rubicon's ASX release dated 15th July 2024, the Company's full year FY24 underlying EBITDA guidance range reflects a loss of between \$5.3 million and \$5.8 million after China adjustment, unaudited (FY23 underlying EBITDA loss \$8.8 million).

Rubicon has provided preliminary FY24 revenue and gross margin percentage ranges in the investor presentation released to the ASX on today's date of \$56.0 million-\$60.0 million and 39.0%-41.0% respectively. The investor presentation also includes Rubicon's preliminary unaudited cash flow position for FY24. These FY24 figures are preliminary, unaudited figures which remain subject to Board approval at the completion of the Company's audit process, and may change.

### Pro Forma Debt Funding Position

The impact of the Placement on Rubicon's pro forma debt position (unaudited) will be:

- Reduction in pro forma net debt as at 30 June 2024 from ~\$31.2 million to ~\$15.2 million
- Finance facility with HSBC renewed in August 2023, current facility limit of \$31.8 million (excluding credit card facilities of \$0.4 million)

- Company will have undrawn debt funding (net of cash) of \$22.8 million, following the payback of the drawn directors' loans and reduction of drawn bank loans
- The pro forma debt-to-equity ratio is 22% following completion of the Offer, reducing from 59% as at 30 June 2024

These figures are prior to the payment of costs associated with the Placement.

### Share Purchase Plan

In addition to the Placement, Rubicon intends to undertake a SPP to raise up to approximately \$2.0 million. The proposed SPP will provide shareholders with the opportunity to increase their holding by up to \$30,000 of new Shares at the same Offer Price as the Placement without incurring any brokerage or transaction costs.

The SPP recognises the ongoing support of Rubicon's shareholders and has been sized taking into consideration the makeup of the Rubicon share register. Rubicon will reserve the right to increase the size of the SPP or to scale back applications in its absolute discretion.

Further information will be provided on the SPP in due course.

### Director Participation

All Rubicon Directors and some key management personnel intend to participate in the Placement up to an aggregate of \$9.2 million.

Director participation of up to \$8.8 million is subject to shareholder approval at an EGM to be held in or around 11 September 2024 and be allotted under the second tranche of the Placement.

### Timetable\*

Summary of Key Dates	Time / Date (2024)
Trading Halt	Monday, 5 August
Placement bookbuild conducted	Monday, 5 August to Tuesday, 6 August
Trading halt lifted, announce completion of Placement	Wednesday, 7 August
Settlement of New Shares under Tranche 1 of the Placement	Monday, 12 August
Allotment and Quotation of New Shares under Tranche 1 of the Placement	Tuesday, 13 August
EGM to approve issue of New Shares under Tranche 2 of the Placement	Wednesday, 11 September
Settlement of New Shares under Tranche 2 of the Placement	Friday, 13 September
Allotment and trading of New Shares under Tranche 2 of the Placement	Monday, 16 September

*\*The dates set out in the timetable above are indicative only and are subject to change without notice. Any change in the timetable does not affect the rights or obligations an investor or shareholder has as a result of accepting an allocation in the Placement.*

This announcement has been authorised for release to the ASX by:

### The Rubicon Disclosure Committee

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