



Tubi Limited
ACN 139 142 493

Prospectus

Prospectus for the initial public offering of up to 28,800,000 ordinary shares in the Company at an offer price of \$0.20 per share to raise \$5,760,000

Lead Manager

KTMCAPITAL

Australian
Legal Adviser



IMPORTANT NOTICES

OFFER

The offer contained in this Prospectus is an invitation to apply for fully paid ordinary shares (**Shares**) in Tubi Limited (ACN 139 142 493) (**Company**). This Prospectus is issued by the Company and Tubi Saleco Limited (ACN 633 281 660) (**Saleco**) for the purposes of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**).

LODGEMENT AND LISTING

This Prospectus is dated 17 May 2019 (**Prospectus Date**) and a copy of this Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. This Prospectus is a replacement prospectus which replaces the prospectus dated 10 May 2019 and lodged with ASIC on that date (**Original Prospectus**). This Prospectus differs from the Original Prospectus. The differences between this prospectus and the Original Prospectus are the inclusion of additional risk disclosure in relation to the Company's ability to forecast tax and an amendment to Section 12 to include a definition of Original prospectus and to update the definition of Prospectus Date to now refer to the date of lodgement of the Original Prospectus with ASIC. The Company has applied to the Australian Securities Exchange (**ASX**) for admission of the Company to the official list of ASX and for quotation of its Shares on ASX. Neither ASIC, ASX or their respective officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates.

EXPIRY DATE

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Prospectus Date.

NOTE TO APPLICANTS

The information contained in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

No person is authorised to give any information or to make any representation in connection with the Offer or the Shares described in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company or the Lead Manager in connection with the Offer.

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in the Shares. There are risks associated with an investment in the Company's Shares, which must be regarded as a speculative investment. Some of the key risks that should be considered are set out in Section 4. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues). There may also be risks in addition to these that should be considered in light of your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional adviser before deciding whether to invest in the Shares.

No person named in this Prospectus warrants or guarantees the Company's performance, the repayment of capital by the Company or any return on investment made pursuant to this Prospectus.

NO OFFER WHERE OFFER WOULD BE ILLEGAL

This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer or to otherwise permit a public offering of the Shares, in any jurisdiction outside Australia. The Offer is not being extended to any investor outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

FINANCIAL INFORMATION AND AMOUNTS

Section 6 of this Prospectus sets out in detail the Financial Information referred to in this Prospectus and the basis of preparation of that Financial Information.

Historical Financial Information is presented on both a statutory and pro forma basis (refer Section 6) and has been prepared and presented in accordance with the recognition and measurement principles of the Australian Accounting Standards (**AAS**) (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

This Prospectus also includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information is consistent with the basis of preparation and presentation of the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is presented on both a statutory and pro forma basis and is unaudited.

The Financial Information is presented in abbreviated form. It does not include all of the presentation and disclosures required by the AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Financial Information in this Prospectus should be read in conjunction with, and is qualified by reference to, the information contained in Sections 6 and 7 and a summary of the Company's significant accounting policies in Schedule 1.

Investors should note that certain financial data included in this Prospectus is not recognised under the AAS, and is classified as 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial measures do not have standardised meanings under AAS, and therefore may not be comparable with similarly titled measures presented by other entities, nor should these be interpreted as an alternative to other financial measures determined in accordance

with AAS. Investors are cautioned not to place undue reliance on any non-IFRS financial information, ratios and metrics included in this Prospectus.

All financial amounts contained in this Prospectus are expressed in Australian dollars and rounded to the nearest \$'000 (thousand) unless otherwise stated. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

DISCLAIMER

No person is authorised by the Company, Saleco or the Lead Manager to give any information or make any representation in connection with the Offer that is not contained in the Prospectus. Only information or representations contained in this Prospectus may be relied on as having been authorised by the Company, Saleco or their respective Directors, the Lead Manager or any other person in connection with the Offer. The Company's business, financial condition, results of operations and prospects may have changed since the Prospectus Date.

This Prospectus contains forward-looking statements concerning the Company's business, operations, financial performance and condition as well as the Company's plans, objectives and expectations for its business, operations, financial performance and condition. Any statements contained in this Prospectus that are not of historical facts may be deemed to be forward-looking statements. You can identify these statements by words such as "aim", "anticipate", "assume", "believe", "could", "due", "estimate", "expect", "goal", "intend", "may", "objective", "plan", "predict", "potential", "positioned", "should", "target", "will", "would" and other similar expressions that are predictions of or indicate future events and future trends.

These forward-looking statements are based on current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates and management's beliefs and assumptions. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors, many of which are in some cases beyond the Company's control. As a result, any or all of the Company's forward-looking statements in this Prospectus may turn out to be inaccurate. Factors that may cause such differences or make such statements inaccurate include, but are not limited to, the risk factors described in Section 4. Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements set out in this Prospectus and are cautioned not to place undue reliance on such forward-looking statements.

These forward-looking statements speak only as at the Prospectus Date. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. You should, however, review the factors and risks the Company describes in the reports to be filed from time to time with ASX after the Prospectus Date.

Certain numerical figures included in this Prospectus may have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

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PAST PERFORMANCE

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

EXPOSURE PERIOD

The Corporations Act prohibits the Company from processing applications for Shares under the Offer in the seven-day period after the date of lodgement of the Original Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further period of up to seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by ASIC and market participants prior to the raising of funds under the Offer. This Prospectus will be made generally available to Australian residents during the Exposure Period without the application form for the Offer by being posted on the following website www.tubigroup.com. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

During the Exposure Period, this Prospectus will be made generally available to Australian residents without the Application Form, by being posted on www.tubigroup.com.

ELECTRONIC PROSPECTUS

This Prospectus will be available in electronic form on the following website: www.tubigroup.com.

OBTAINING AN ELECTRONIC COPY OF THE PROSPECTUS

This Prospectus will be made available in electronic form on the following website: www.tubigroup.com. Information contained on www.tubigroup.com other than the Prospectus, does not form part of this Prospectus.

The Offer constituted by this Prospectus in electronic form is available only to persons receiving this Prospectus in electronic form within Australia. Electronic versions of the Prospectus are generally not available to persons in other jurisdictions.

Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. If unsure about the completeness of this Prospectus received electronically, or a print out of it, you should contact the Company on the above.

Applications for the Shares under this Prospectus may only be made via the electronic Application Form attached to

the electronic version of this Prospectus, available at www.tubigroup.com.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to (in these circumstances) a printed hard copy of the electronic Prospectus or the complete and unaltered electronic version of the Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with Section 724 of the Corporations Act.

COOLING OFF RIGHTS

Cooling off rights do not apply to an investment in Shares pursuant to the Offer. This means that, in most circumstances you cannot withdraw your Application once it has been accepted.

PRIVACY

The Company, Boardroom Pty Limited (ACN 003 209 836) (**Share Registry**) on its behalf, and the Lead Manager may collect, hold, use and disclose personal information provided by investors to allow it to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration of your investment. This means that the Company will need to collect your personal information (for example, your name, address and details of the Securities that you hold). Under the Corporations Act some of this information must be included in the Company's Share register, which will be accessible by the public.

The Company will only use and/or disclose your personal information for the purposes for which it was collected, other related purposes and as permitted or required by law. If you do not wish to provide this information, the Company and the Share Registry may not be able to process your Application.

The Company and the Share Registry may also share your personal information with agents and service providers of the Company or others who provide services on the Company's behalf, some of which may be located outside of Australia where personal information may not receive the same level of protection as that afforded under Australian law.

For more details on how the Company collects, stores, uses and discloses your information, please read the Company's Privacy Policy located at www.tubigroup.com. Alternatively, you can contact the Company by telephone on 02 9331 8725 from 8:30am to 5:30pm AEST, Monday to Friday (excluding public holidays) or email at

companysecretary@tubigroup.com and the Company will send you a copy of its Privacy Policy free of charge. It is recommended that you obtain a copy of this Privacy Policy and read it carefully before making an investment decision.

By completing an Application Form or authorising a broker to do so on your behalf, or by providing the Company with your personal information, you agree to this information being collected, held, used and disclosed as set out in this Prospectus and the Company's Privacy Policy (located at www.tubigroup.com).

The Company's Privacy Policy also contains information about how you can access and seek correction of your personal information, complain about a breach by the Company of the Australian privacy laws, and how the Company will deal with your complaint.

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

DEFINITIONS, ABBREVIATIONS AND TIME

Defined terms and abbreviations used in this Prospectus (unless specified otherwise) are explained in Section 12.

All references to time in this Prospectus refer to Australian Eastern Standard Time (**AEST**) unless stated otherwise.

PHOTOGRAPHS, DATA AND DIAGRAMS

Photographs and diagrams used in this Prospectus which do not have any descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company.

Diagrams used in the Prospectus are illustrative only and may not be drawn to scale and may not accurately reflect the final appearance of the subject matter which it depicts.

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at 10 May 2019.

COMPANY WEBSITE

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred to in this Prospectus, is incorporated in this Prospectus by reference.

Important Dates

Lodgement of the Original Prospectus with ASIC	10 May 2019
Lodgement of this Prospectus with ASIC	17 May 2019
Offer opens	17 May 2019
Offer closes	5:00pm 27 May 2019
Transfer of Shares to successful Applicants	6 June 2019
Expected date for dispatch of holding statements	7 June 2019
Trading of Shares commences on ASX (on a normal settlement basis)	14 June 2019

All dates and times above are Australian Eastern Standard Time (**AEST**). The above timetable is indicative only. The Company and Saleco reserve the right to vary the dates and times set out above subject to the Corporations Act and other applicable law. In particular, the Company and Saleco reserve the right to close the Offer early, extend the Closing Date or accept late Applications without notifying any recipients of this Prospectus or any Applicants. Investors who wish to submit an Application are encouraged to do so as soon as practicable after the Offer opens.

Key Offer Statistics

Company	Tubi Limited
Proposed ASX Code for the Shares	2BE
Securities offered	Fully paid ordinary shares
Offer Price per Share	\$0.20
Number of Shares on issue as at the date of this Prospectus	243,142,400
Total number of Shares available under the Offer	28,800,000
Gross proceeds of the Offer ¹	\$5,760,000
Proceeds of the Offer paid to Selling Shareholder (via Saleco) ²	\$5,414,400
Total number of Shares on issue on completion of the Offer (on an undiluted basis)	243,142,400
Indicative market capitalisation on completion of the Offer (undiluted) ³	\$48.5 million
Number of Options on issue at completion of the Offer	4,500,000
Number of Restricted Stock Units on issue at completion of the Offer	1,500,000
Total number of Shares on issue on completion of the Offer (on a fully diluted basis)	249,142,400
Enterprise value on completion of the Offer ⁴	\$35.1 million

Notes:

1. Calculated by multiplying the total number of Shares to be issued under the Offer by the Offer Price.
2. Gross proceeds of the Offer less costs of the offer to be paid by the Selling Shareholder.
3. Calculated by multiplying the total number of Shares on issue at Completion of the Offer by the Offer Price (assuming no Options are exercised and no RSUs vest).
4. Calculated as indicative market capitalisation on Completion of the Offer (assuming no Options are exercised and no RSUs vest), being \$48.5 million, plus the lease liability of \$138,000 less cash of \$13.494 million.

Chairman's Letter

10 May 2019

Dear Investor,

Tubi Limited ACN 139 142 493 (**Tubi** or the **Company**) is a unique growing mobile manufacturer of High Density Poly Ethylene (**HDPE**) pipes for use in the oil and gas, irrigation, water, mining and infrastructure sectors.

Established in 2009, Tubi has developed its own proprietary technology for modular mobile manufacturing plants for the production of HDPE pipes (**Mobile Plant**). Typically, this pipe is used to carry water or gas where there are productivity and cost benefits from using pipe manufactured in very close proximity to the installation location. Tubi has also developed differentiated pipe reeling and deployment technology for HDPE pipes between 160mm diameter and 305mm diameter, in lengths up to 3000 metres (for 160mm pipe). Tubi's unique (non-reeled) long length pipe deployment systems can transfer pipe up to 650mm in diameter in lengths between 100 metres and 300 metres long. Tubi has granted a licence to a company to use its technology in New Zealand.

Tubi currently operates one plant under contract in Texas, in the United States, and has four new plants under construction. Of these four new plants, one is being constructed under contract for a customer in Texas, one for sale to a customer in New Zealand in accordance with a technology licensing agreement and the remaining two plants are intended for use in the United States. Since 2017, Tubi has produced more than 14,000 tonnes of HDPE pipe in New Zealand and the United States.

This Prospectus has been issued by the Company and Tubi Saleco Limited (**Saleco**) for a public offering of 28,800,000 Shares held by Chiara Corporation Pty Limited, an associated entity of Tubi's founder, Marcello Russo (**Selling Shareholder**), at a sale price of 20 cents each to raise gross proceeds of \$5,760,000 for the Selling Shareholder (before costs payable by the Selling Shareholder).

The Selling Shareholder will continue to hold 14.69% of Tubi following the Offer. The three largest shareholders of Tubi will hold approximately 57.47% of Tubi (in aggregate) following the Offer. These shareholders have agreed to escrow approximately 50% of their Shares for 12 months following the Listing Date and the remaining 50% of their Shares for 24 months following the Listing Date. No new Shares are being offered under the Offer.

This Prospectus contains detailed information about Tubi, its core products, the industry in which Tubi operates and its financial and operating performance; together with a statement of the risks associated with investing in Tubi.

I encourage you to read this Prospectus carefully and in its entirety before making your investment decision. Section 4 includes a description of the key risks associated with an investment in Tubi, which it is important that you understand. These include risks associated with reliance on key personnel, reliance on key customer, business strategy, competition, product liability and supply chain disruption. Accordingly, an investment in Tubi must be considered speculative.

On behalf of my fellow directors, I look forward to welcoming you as a Shareholder of the Company.

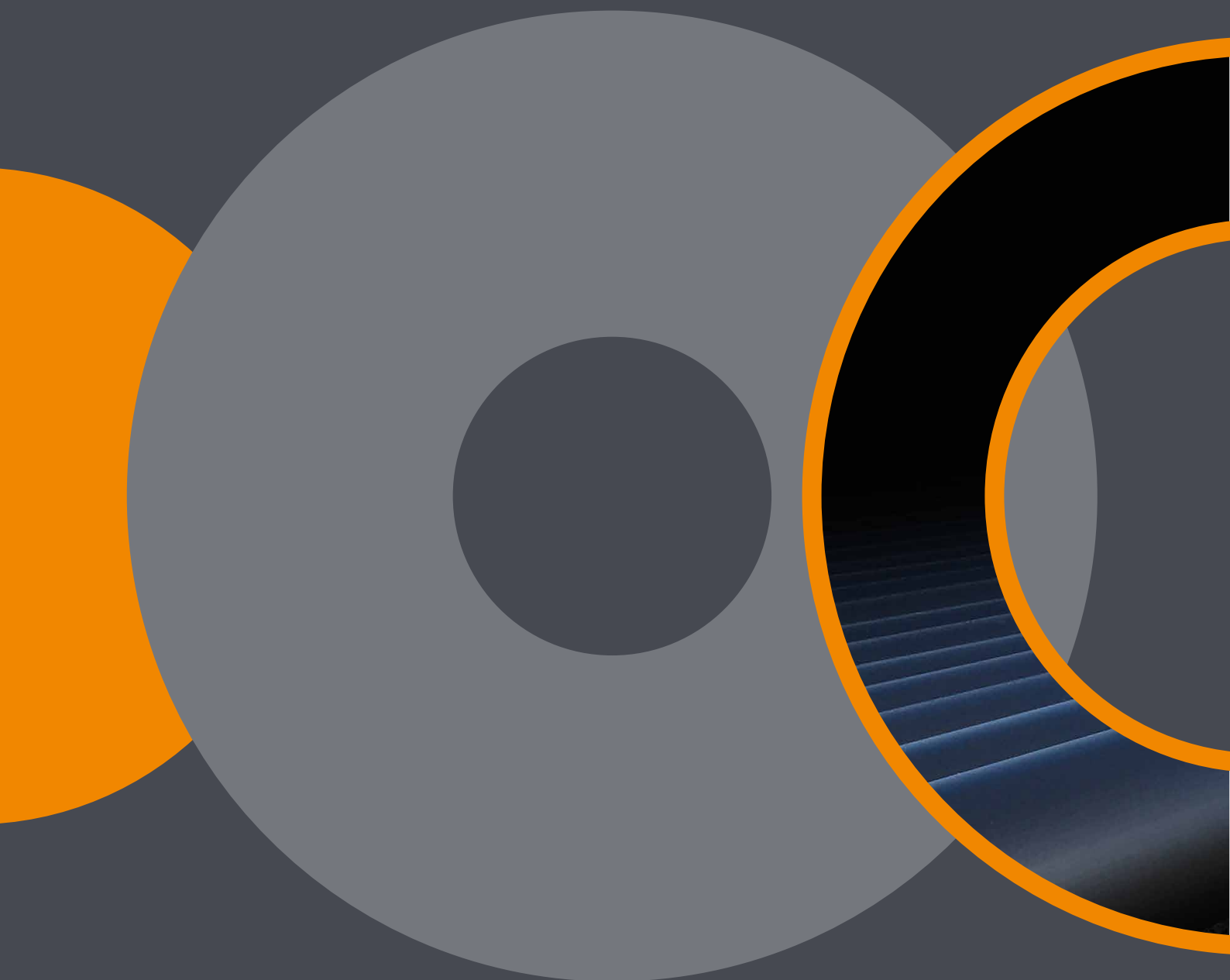
Yours Sincerely,



Michael Tilley
Non-Executive Chairman

01.

Investment Overview



01. Investment Overview

The information set out in this Section is intended to be a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. In deciding whether to apply for Shares under the Offer, you should read this Prospectus carefully and in its entirety. If you are in doubt as to the course you should follow, please consult your professional advisers.

About the Company

Question	Answer	More Information
What is the business of Tubi?	<p>Tubi, founded in August 2009, has developed patented technology which it applies to conventional plastic extrusion equipment with the effect that, equipment that is usually only operable in a fixed plant, can be modularised and transported to locate closer to where there is demand (Mobile Plant).</p> <p>Tubi operates its Mobile Plant to manufacture HDPE pipes for industrial projects, and the oil and gas services industries.</p> <p>All of Tubi's technology is developed in-house by its engineering development team led by the Company's founder, Marcello Russo.</p>	Section 3.1
What products and services does Tubi provide and how does it generate revenue?	<p>HDPE pipe manufacture</p> <p>Tubi's commercialised product is the Mobile Plant. Since March 2017, Tubi has operated the Mobile Plant and produced approximately 14,000 tonnes of HDPE pipes for use in the Central Plains Irrigation Project in New Zealand and in oil and gas projects in the Permian Basin in Texas, United States.</p> <p>Licensing</p> <p>Tubi has agreed to licence its mobile pipe manufacturing technology for use in the New Zealand market to Iplex Pipelines NZ Limited (Iplex). As part of the licence, Tubi has agreed to sell a Mobile Plant to Iplex and provide technical services for three years.</p>	<p>Section 3.3</p> <p>Section 3.6</p> <p>Section 10.2</p>
What industry does Tubi operate in?	<p>Tubi operates in the HDPE pipe manufacturing market.</p> <p>A HDPE pipe is primarily used for the transportation of water or gas. HDPE pipes are used in a large number of applications including:</p> <ul style="list-style-type: none"> > mining and oil and gas projects; > dam, water supply and sewerage projects; > agricultural and irrigation projects; > industrial projects; and > domestic building projects. <p>Within the global HDPE pipe market, Tubi targets users, distributors and manufacturers with large volume HDPE pipe requirements in remote locations, and projects which benefit from long lengths of coiled pipe (greater than 160mm diameter and 100 metres in length) using Tubi's unique pipe reeling and stringing technology.</p>	Section 2

01. Investment Overview

Question	Answer	More Information
Where does Tubi operate?	<p>Tubi currently operates its existing Mobile Plant in the Permian Basin in the United States.</p> <p>Tubi has previously operated the existing Mobile Plant in New Zealand to supply HDPE pipe to Downer New Zealand Ltd (Downer).</p>	Sections 3.1 and 3.2
What is Tubi's strategy?	<p>Tubi intends to build its market presence and grow by delivering on the following strategies:</p> <ul style="list-style-type: none"> > Technology development – Tubi intends to continue its investment in its Mobile Plant technology and develop new solutions which are compatible with the Mobile Plant, such as the commercialisation of Tubi's unique pipe reeling capabilities; > Customer contracts – Maintaining existing customer relationships and developing new market opportunities to take advantage of the benefits provided by the Mobile Plant through: <ul style="list-style-type: none"> • <i>Manufacturing HDPE pipe</i> – Tubi intends to target the oil and gas sector in the United States and Canada, the new oil and gas basins opening up in South America, large scale water projects around the world and mine construction projects in the United States, Canada, Australia and South America. • <i>Technology licensing</i> – Tubi also intends to enter into further licensing arrangements for its technology in circumstances where production demand exceeds Tubi's capacity to meet such demand, and also in markets that Tubi decides not to enter. > Strategic partnerships – Tubi intends to pursue the integration of the Mobile Plant technology with other technology providers to enable the manufacture of pipes using both HDPE and other non-plastic materials, to expand the available market into higher margin customer solutions. 	Section 3.4
Who are Tubi's existing customers?	<ul style="list-style-type: none"> > MPS Enterprises Inc (MPS) – Tubi currently operates one Mobile Plant to produce HDPE pipe in the Permian Basin in Texas, in United States, for MPS, a pipe distributor and installer. Tubi and MPS have entered into a contract for a new Mobile Plant which is under construction and expected to be on-line in late 2019. > Iplex – Tubi has agreed a New Zealand licence for its mobile pipe manufacturing technology to Iplex. Iplex is a wholly owned division of Fletcher Building Ltd of New Zealand. As part of the licensing arrangement, Tubi has agreed to sell one Mobile Plant (which is currently under construction) to Iplex and provide technical services for three years. 	<p>Section 10.1</p> <p>Section 10.2</p>

01. Investment Overview

Question	Answer	More Information
How many Mobile Plants does Tubi operate?	<p>Tubi currently operates one Mobile Plant to produce HDPE pipe for MPS.</p> <p>Tubi has four further Mobile Plants under construction:</p> <ul style="list-style-type: none"> > one Mobile Plant which is under contract to MPS; > one Mobile Plant which is under contract for sale to Iplex; and > two Mobile Plants for which no contracts are currently held, but which are intended to be operated in the United States. 	Sections 3.6, 10.1 and 10.2
What are the competitive advantages of Tubi's business?	<p>Tubi's competitive advantages include the following:</p> <ul style="list-style-type: none"> > its proven Mobile Plant technology; > access to a global market due to its ability to locate the Mobile Plant close to demand; > its established research & development (R&D) capability; and > its experienced management team. 	Sections 3.1 and 3.3
What is Tubi's key technology and who owns the intellectual property?	<p>Tubi's key intellectual property is its registered and unregistered intellectual property rights for its core pipe manufacturing business, including pending patent applications, registered patents and trade mark applications.</p> <p>Tubi owns all registered and unregistered intellectual property required for the conduct of its business.</p>	Sections 3.8 and 8
What are the Company's material contracts?	<p>The Company's material contracts are:</p> <ul style="list-style-type: none"> > Master Dedicated Mobile Manufacturing & Supply Agreements with MPS; > Equipment Purchase Agreement with Iplex; and > an underwriting agreement between the Company, Saleco, and the KTM Capital Pty Limited, being the Lead Manager to the Offer. <p>Tubi has certain component and HDPE raw material supply arrangements with third parties which are not formally contracted. These arrangements are based on repeat purchase orders and long-term business relationships.</p>	Section 10

01. Investment Overview

Key Financial Information

Question	Answer	More Information																																																																																																																																																						
What is the key financial information you need to know about Tubi's financial position?	Tubi's pro forma net asset position of \$20.8m at 31 December 2018 largely reflects Tubi's working capital, historical investment in technology development assets and cash holdings including Tubi's recent pre-IPO capital raising activities.	Section 6																																																																																																																																																						
What is our historical and forecast financial performance?	<table><thead><tr><th></th><th colspan="4">Pro-Forma</th></tr><tr><th>\$'000</th><th>FY2017 (a)</th><th>FY2018 (a)</th><th>FY2019 (a+f)</th><th>FY2020 (f)</th></tr></thead><tbody><tr><td>Revenue</td><td>4,662</td><td>17,381</td><td>31,974</td><td>69,385</td></tr><tr><td>Raw Materials & Direct Costs</td><td>(3,786)</td><td>(14,270)</td><td>(26,363)</td><td>(56,133)</td></tr><tr><td>Gross Profit</td><td>875</td><td>3,111</td><td>5,611</td><td>13,252</td></tr><tr><td>Gross Profit Margins (%)</td><td>18.8%</td><td>17.9%</td><td>17.5%</td><td>19.1%</td></tr><tr><td>Other Income</td><td>440</td><td>94</td><td>43</td><td>–</td></tr><tr><td>EBITDA</td><td>660</td><td>1,899</td><td>4,056</td><td>9,467</td></tr><tr><td>EBITDA Margins (%)</td><td>14.2%</td><td>10.9%</td><td>12.7%</td><td>13.6%</td></tr><tr><td>Depreciation & Amortisation</td><td>(118)</td><td>(722)</td><td>(1,225)</td><td>(3,376)</td></tr><tr><td>EBIT</td><td>542</td><td>1,177</td><td>2,831</td><td>6,090</td></tr><tr><td>EBIT Margins (%)</td><td>11.6%</td><td>6.8%</td><td>8.9%</td><td>8.8%</td></tr><tr><td>Net Interest Income/(Expense)</td><td>(1)</td><td>(5)</td><td></td><td></td></tr><tr><td>Income Tax (Expense)/Benefit</td><td>(97)</td><td>(572)</td><td></td><td></td></tr><tr><td>NPAT</td><td>443</td><td>600</td><td></td><td></td></tr></tbody></table> <table><thead><tr><th></th><th colspan="4">Statutory</th></tr><tr><th>\$'000</th><th>FY2017 (a)</th><th>FY2018 (a)</th><th>FY2019 (a+f)</th><th>FY2020 (f)</th></tr></thead><tbody><tr><td>Revenue</td><td>4,662</td><td>17,381</td><td>31,974</td><td>69,385</td></tr><tr><td>Raw Materials & Direct Costs</td><td>(3,786)</td><td>(14,270)</td><td>(26,363)</td><td>(56,133)</td></tr><tr><td>Gross Profit</td><td>875</td><td>3,111</td><td>5,611</td><td>13,252</td></tr><tr><td>Gross Profit Margins (%)</td><td>18.8%</td><td>17.9%</td><td>17.5%</td><td>19.1%</td></tr><tr><td>Other Income</td><td>440</td><td>94</td><td>43</td><td>–</td></tr><tr><td>EBITDA</td><td>572</td><td>1,779</td><td>3,046</td><td>9,467</td></tr><tr><td>EBITDA Margins (%)</td><td>12.3%</td><td>10.2%</td><td>9.5%</td><td>13.6%</td></tr><tr><td>Depreciation & Amortisation</td><td>(118)</td><td>(722)</td><td>(1,225)</td><td>(3,376)</td></tr><tr><td>EBIT</td><td>454</td><td>1,057</td><td>1,821</td><td>6,090</td></tr><tr><td>EBIT Margins (%)</td><td>9.7%</td><td>6.1%</td><td>5.7%</td><td>8.8%</td></tr><tr><td>Net Interest Income/(Expense)</td><td>(1)</td><td>(5)</td><td></td><td></td></tr><tr><td>Income Tax (Expense)/Benefit</td><td>(71)</td><td>(535)</td><td></td><td></td></tr><tr><td>NPAT</td><td>382</td><td>516</td><td></td><td></td></tr></tbody></table> <p>The information above, which contains non-IFRS financial measures, is intended as a summary only and should be read in conjunction with the more detailed discussion on the Financial Information disclosed in Section 6, including the assumptions, management discussion and analysis and sensitivity analysis, as well as the key risks set out in Section 4.</p>		Pro-Forma				\$'000	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)	Revenue	4,662	17,381	31,974	69,385	Raw Materials & Direct Costs	(3,786)	(14,270)	(26,363)	(56,133)	Gross Profit	875	3,111	5,611	13,252	Gross Profit Margins (%)	18.8%	17.9%	17.5%	19.1%	Other Income	440	94	43	–	EBITDA	660	1,899	4,056	9,467	EBITDA Margins (%)	14.2%	10.9%	12.7%	13.6%	Depreciation & Amortisation	(118)	(722)	(1,225)	(3,376)	EBIT	542	1,177	2,831	6,090	EBIT Margins (%)	11.6%	6.8%	8.9%	8.8%	Net Interest Income/(Expense)	(1)	(5)			Income Tax (Expense)/Benefit	(97)	(572)			NPAT	443	600				Statutory				\$'000	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)	Revenue	4,662	17,381	31,974	69,385	Raw Materials & Direct Costs	(3,786)	(14,270)	(26,363)	(56,133)	Gross Profit	875	3,111	5,611	13,252	Gross Profit Margins (%)	18.8%	17.9%	17.5%	19.1%	Other Income	440	94	43	–	EBITDA	572	1,779	3,046	9,467	EBITDA Margins (%)	12.3%	10.2%	9.5%	13.6%	Depreciation & Amortisation	(118)	(722)	(1,225)	(3,376)	EBIT	454	1,057	1,821	6,090	EBIT Margins (%)	9.7%	6.1%	5.7%	8.8%	Net Interest Income/(Expense)	(1)	(5)			Income Tax (Expense)/Benefit	(71)	(535)			NPAT	382	516			Section 6
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01. Investment Overview

Question	Answer	More Information
On what basis has the Financial Information been prepared?	<p>The Financial Information disclosed in this Prospectus has been presented on a statutory basis and a pro forma basis. The basis of preparation of Historical and Forecast Financial Information disclosed in this Prospectus has been summarised in Section 6.</p> <p>The Pro Forma Financial Information detailed in Section 6 and the Investigating Accountant's Report detailed in Section 7 is based on various best estimates and assumptions. These assumptions should be read in conjunction with the key risks set out in Section 4.</p>	Section 6
How does Tubi intend to fund its operations?	<p>Following Completion of the Offer, Tubi's principal sources of funds will be operating cash flow together with cash on its balance sheet as at the Prospectus Date.</p> <p>The Board will consider further equity or debt funding if appropriate to further accelerate growth or fund a specific project, transaction or opportunity.</p>	Sections 3.4 and 9.4
What is Tubi's dividend policy?	The policy of Tubi is to reinvest all cash flow into the business in order to maximise its growth. Accordingly, no dividends are expected to be paid in the near-term following Tubi's listing on the ASX.	Section 6.9

Summary of Key Risks

Question	Answer	More Information
What are the key risks associated with Tubi's business?	<p>Key risks involved with an investment in Tubi include the general and Company specific risks detailed in Section 4. A summary of the most significant risks is detailed below.</p> <ul style="list-style-type: none"> > Reliance on key personnel – Loss of key management or the inability of Tubi to recruit new personnel with the required technical skills may adversely affect Tubi's ability to implement its strategies and may also affect Tubi's future financial performance. > Reliance on key customers – Tubi derived 100% of its operating revenue in FY17 and FY18, and is expected to derive 100% of its operating revenue in FY19 from the use of its existing Mobile Plant to manufacture HDPE pipe. <p>The Mobile Plant is currently used to manufacture HDPE pipe for MPS. Any default by MPS on its payment obligations to Tubi may adversely affect Tubi's operating and financial performance.</p> <p>The term of the contract under which Tubi uses its existing Mobile Plant to manufacture HDPE pipe for MPS ends in April 2020. Tubi cannot guarantee that the contract will be extended either on similar terms or at all. If Tubi is unable to extend that contract or enter into another contract for the existing Mobile Plant, Tubi's revenue, operating and financial performance will be adversely impacted.</p> <p>Tubi has entered into a New Zealand licensing arrangement with Iplex under which Tubi agrees to supply one Mobile Plant. If Tubi fails to meet its contractual obligations Iplex may terminate the licensing arrangement and Mobile Plant purchase. A termination of the New Zealand licensing arrangement, or a default by Iplex on its payment obligations to Tubi may adversely impact Tubi's operating and financial performance.</p>	Section 4

01. Investment Overview

Question	Answer	More Information
What are the key risks associated with Tubi's business? continued	<ul style="list-style-type: none"> > New Mobile Plant risk – Tubi has committed to build two new Mobile Plants for which it does not yet hold signed customer contracts. A failure by Tubi to secure contracts for the new Mobile Plants either in a timely manner or at all may adversely impact Tubi's operating and financial performance. > Related party risk – Oxleigh Pty Ltd and Bald Hill Quarry Pty Ltd (being entities controlled by Directors Michael Tilley and Anthony Willsallen respectively), will hold approximately 21.34% and 21.44% of Tubi respectively. These shareholders have entered into a Consultation Deed under which each has agreed not to dispose of their Shares without consulting with the other, and may enter voting arrangements in relation to their Shares. Together these shareholders hold 42.48% of the Company. See Section 5.7 for further information. > Counter-party credit risk – Tubi is dependent on the credit worthiness of its key customers MPS and Iplex. A default by either party on its payment obligations may expose Tubi to a significant financial loss. > Competition risk – Tubi competes against other HDPE pipe manufacturers, some of which may have significantly more resources to develop new products or may improve existing products to compete directly with Tubi. > Product Liability risk – Tubi may be subject to product liability claims if a defect in a product sold or supplied by Tubi results in, or is alleged to have resulted in, personal injury or property damage. Tubi may suffer loss as a result of claims for which it is not insured or coverage being denied or in connection with a loss that exceeds Tubi's insured limits. In addition, a product defect may expose Tubi to financial liability, decrease demand for its products or damage Tubi's business reputation, brand names or its relationships with its customers. If any of those events were to occur, they may adversely impact Tubi's operating and financial performance. > Enforcement of customer contracts – Tubi's existing customer contracts, being two contracts with MPS and one contract with Iplex, are governed by laws other than the laws of Australia. There may be difficulties in enforcing these contracts. > Global and jurisdictional risks – Tubi has operations in the US and New Zealand and corporate and head office functions in Australia. As at the Prospectus Date, Tubi derives all of its revenue from operations in foreign countries. <p>Fluctuations in currency exchange rates, the introduction of foreign exchange controls which restrict or prohibit repatriation of funds, and technology export and import restrictions, prohibitions or delays may adversely impact Tubi's operating and financial performance.</p>	Section 4

01. Investment Overview

Question	Answer	More Information
<p>What are the key risks associated with Tubi's business? continued</p>	<ul style="list-style-type: none"> > Insurance risk – While Tubi currently has in place what it reasonably believes to be sufficient levels of insurance to cover general and product liability, directors' and officers' liability and workers compensation claims, there is a possibility that events may arise which are not covered by Tubi's insurance policies. > Supply chain disruption risk (raw materials) – Tubi manufactures HDPE pipe using raw materials (primarily HDPE bead) supplied by third parties. Tubi does not have written contracts with its raw materials suppliers. A disruption to supply of these raw materials may adversely affect Tubi's operating and financial performance. > Supply chain disruption risk (Mobile Plant components) – The Mobile Plant design involves sourcing major components from seven separate suppliers and assembling these components to deliver a working Mobile Plant. Two of these suppliers account for approximately 50% of the finished cost of the assembled Mobile Plant. These arrangements are based on repeat purchase orders and long-term business relationships. A disruption to supply of these components may delay delivery of the new Mobile Plants and adversely impact Tubi's operating and financial performance. > Protection of IP – Tubi is dependent on its ability to effectively identify, protect, defend, and in certain circumstances keep secret, its intellectual property, including business processes and know-how, copyrights, patents, trade secrets and trademarks. There is a risk that Tubi may be unable to detect the unauthorised use of its intellectual property rights in all instances. > Infringement of third party IP rights – The ability of Tubi to maintain protection of its proprietary intellectual property and operate without infringing the proprietary intellectual property rights of third parties is an integral part of its business. In the future, Tubi may be subject to intellectual property or other claims, which are costly to defend, could result in significant damage awards, and could limit its ability to use certain technologies in the future. Regardless of the merits of the claims, intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. To the extent such intellectual property infringement claims are successful, they may have an adverse effect on Tubi's operating and financial performance. <p>Other general risks of an investment in Tubi and more detail on Company specific risks are set out in section 4.</p>	<p>Section 4</p>

01. Investment Overview

Key People, Benefits and Interests

Question	Answer	More Information
Who are the Directors and members of the Executive Team of Tubi?	<p>Board of Directors</p> <p><i>Michael Tilley, Non-Executive Chair of the Board</i></p> <p>Michael Tilley is a highly experienced executive having spent over 30 years advising and managing leading companies in financial services, life insurance and funds management in Australasia.</p> <p>Michael Tilley retired from Challenger Financial Services in 2008, having become Deputy Chairman in 2003 and Chief Executive in 2004.</p> <p>Before taking the CEO role at Challenger, Michael was a Non-Executive Director of Incitec Limited, Chairman and Chief Executive of Merrill Lynch Australasia, Regional Head of Mergers and Acquisitions and a member of the Asian Executive Committee of Merrill Lynch and was a partner at Deloitte Touche Tohmatsu.</p> <p>Michael was a non-executive Director at Orica Ltd from November 2003 until 2013. He was the Chairman of Orica's Safety, Health & Environment Committee and a member of the Audit and Risk and Corporate Governance and Nominations Committees. Michael is a former member of the Takeovers Panel.</p> <p>Michael was appointed non-executive Chairman of Hotel Property Investments in November 2013.</p> <p>Michael holds a Post Graduate Diploma in Business Administration from Swinburne University and is a Fellow of The Australian Institute of Company Directors.</p> <p><i>Anthony "Tony" Willsallen, Non-Executive Director</i></p> <p>Tony Willsallen has 45 years in contracting, farming and heavy equipment. He managed family agricultural enterprises for 35 years before retiring in 2010.</p> <p>Currently Managing Director of a private company involved in quarrying and waste services since 1987. The company produces and supplies quarry products to large infrastructure projects in Southern New South Wales.</p> <p>Tony holds a Bachelor of Agricultural Economics from the University of New England.</p> <p><i>Marcello Russo, Founder and Executive Director Business Development</i></p> <p>Marcello Russo is the founder and an executive Director of Tubi, having steered the Company since inception in 2009. Marcello has had over 25 years of experience in pipe strategy, innovation and manufacture, which is reflected in Tubi's focus on future growth and global industry development.</p> <p>Prior to his present position, Marcello was the General Manager of Cromford (previously Australian Film & Pipe Manufacturing) where he lead and managed over 90 staff. During this period, he facilitated and directed the construction of the Greenfield 70,000 square-metre manufacturing facility, covering a full range of operational and directional imperatives.</p>	Section 5.1

01. Investment Overview

Question	Answer	More Information
Who are the Directors and members of the Executive Team of Tubi? continued	<p><i>Brent Emmett, Independent Non-Executive Director</i></p> <p>Brent Emmett has over 40 years' experience in petroleum exploration, exploration and production management and investment banking.</p> <p>Brent began work as an explorationist in Australia, Papua New Guinea and New Zealand for Esso (now ExxonMobil) and then Elf Aquitaine. He joined Ampolex as Exploration Manager in 1983 and filled general management roles in North and South America, International and Business Development, and was a member of the Executive Committee.</p> <p>From 1997 until 2001 Brent was Managing Director – Oil & Gas Advisory with the investment banking firm of CIBC World Markets.</p> <p>Brent was the Chief Executive Officer and Managing Director of Horizon Oil for 17 years, where he was a member of the Risk Management and Disclosure Committees. He retired as CEO of Horizon Oil in June 2018 and is currently an advisor to the board. He remains actively involved in the oil business as a senior advisor to industry participants.</p> <p>Brent will Chair Tubi's Human Resources Committee.</p> <p>He holds a Bachelor of Science First Class Honours degree in physics and geophysics from Adelaide University, 1973.</p> <p><i>Craig Lawn, Independent Non-Executive Director</i></p> <p>Craig Lawn recently retired from PricewaterhouseCoopers after joining the firm in 1983. Craig was a partner for 20 years, working in Parramatta, Sydney and Brisbane offices.</p> <p>Craig has been directly involved in providing income tax and business advice for over 34 years to a variety of businesses including biotechnology, venture capital, research and technology based organisations. He has been responsible for devising business strategies and structures for research organisations, universities, VC funds, CRC and start-up companies, and advising on corporate and international strategies including R&D, ESOPs, intellectual property and business and technology migration, licensing, tax rollovers, withholding tax, gearing and capital.</p> <p>Craig will Chair the Company's Audit Committee.</p> <p>Craig holds a Bachelor of Economics and Law from the University of Sydney.</p>	Section 5.1

01. Investment Overview

Question	Answer	More Information
Who are the Directors and members of the Executive Team of Tubi? continued	<p><i>Jeffrey Shorter, Chief Executive Officer Tubi Limited and Executive Chairman of the Board of Tubi USA, Inc</i></p> <p>Jeffrey Shorter has been the CEO of Tubi and its subsidiaries (Tubi Group) from 4 December 2018 and is based in Houston, Texas. Jeffrey reports directly to the Board of Directors of Tubi Group and is responsible for all aspects of company, producing HDPE pipe in mobile extrusion factories. Jeffrey was the Energy Group CEO of Sturrock and Robson Group from 2013 – 2016, the President and CEO of Flexsteel Pipeline Technologies Inc. (previously Wellstream) from 2008 – 2013, the Commercial Director – Line Pipe of Tenaris, United States from 2006-2008, the Vice President and General Manager of Maverick Tube Corporation from 2003 – 2006 and had various roles at Cargill from 1994 – 2003 including General Manager of Horizon Milling from 2002-2003.</p> <p>Jeffrey holds a Bachelors of Science Degree in Mechanical Engineering from Michigan Technology University, Houghton, Michigan, 1994 and a Master's Degree in Business Administration from Youngstown State University, Youngstown, Ohio, 2001.</p> <p>Executive Team</p> <p><i>Marcello Russo, Founder and Executive Director Business Development</i></p> <p>As above and refer to section 5.1 for more information.</p> <p><i>Jeffrey Shorter, Chief Executive Officer Tubi Limited and Executive Chairman of the Board of Tubi USA, Inc</i></p> <p>As above and refer to section 5.1 for more information.</p> <p><i>Ian Coates, Company Secretary and Chief Financial Officer</i></p> <p>Ian Coates is a senior finance professional with extensive experience gained working in both small start-ups and large listed corporations. Over his career Ian has held finance and strategy leadership roles in the insurance, construction and manufacturing industries.</p> <p>In 2012, after 20 years working in the finance and Insurance Industry, having worked with the likes of Suncorp Limited and IAG Limited, Ian moved across to lead a major Finance transformation project at CPB Contractors.</p> <p>On completion of the assignment at CPB Contractors, Ian has continued to provide financial consulting support and services to Companies. These have included Paftec Pty Ltd, CC Pines Pty Ltd and NBN. Ian commenced at Tubi in February 2017.</p> <p>Ian manages the day-to-day finance function for Tubi and is responsible for maintaining relationships with key external stakeholders.</p> <p>Ian is a Certified Practicing Accountant. Ian holds a Bachelor of Business from Southern Cross University.</p>	Section 5.1

01. Investment Overview

Question	Answer					More Information
What interests do the Directors hold in Tubi and what significant benefits are payable to Directors and other persons connected with Tubi or the Offer?	Prospectus Date			Immediately following the Offer (undiluted)		Section 5.6
	Director	No. of Shares	% of Shares	No. of Shares	% of Shares	
	Anthony Willsallen ^{1,3}	104,014,980	42.78	104,014,980	42.78	
	Michael Tilley ^{2,3}	104,014,980	42.78	104,014,980	42.78	
	Marcello Russo ⁴	64,527,420	26.54	35,727,420	14.69	
	Craig Lawn ⁵	1,942,500	0.80	1,942,500	0.80	
	Jeffrey Shorter ⁶	—	—	—	—	
	Brent Emmett	—	—	—	—	
	Note:					
	1. 52,132,500 Shares are held by Bald Hill Quarry Pty Ltd, an entity associated with Anthony Willsallen. Bald Hill Quarry Pty Ltd has a relevant interest in the 51,882,480 Shares held by Oxleigh Pty Ltd.					
2. 51,882,480 Shares are held by Oxleigh Pty Ltd, an entity associated with Michael Tilley. Oxleigh Pty Ltd has a relevant interest in the 52,132,500 Shares held by Bald Hill Quarry Pty Ltd.						
3. Bald Hill Quarry Pty Ltd and Oxleigh Pty Ltd are associates. See Section 5.7 for further details.						
4. Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust. The Company has agreed to grant Performance Rights to Marcello Russo in November 2019, see Section 5.5.1 for further details.						
5. Held by Craig Lawn and Joy Lawn as trustee for the Lawn Family Superannuation Fund.						
6. Jeffrey Shorter holds 4,500,000 Options and 1,500,000 Tenure Restricted Stock Units as at the Prospectus Date. On a fully diluted basis, Jeffrey Shorter would hold 6,000,000 Shares, equal to 2.4% of the Company. The Company has agreed to grant Performance Restricted Stock Units to Jeffrey Shorter in November 2019, see Section 5.5.3 for further details.						
> Certain Directors and key executives are eligible to participate in the Company's incentive plans.						
> See Section 5.4 for details of Director remuneration.						

01. Investment Overview

Question	Answer	More Information																																												
Who are the current Shareholders and what will their interest be at Completion of the Offer?	<div>Existing Shareholder</div> <div>Prospectus Date</div> <div>Immediately following the Offer</div> <table><thead><tr><th></th><th>No. of Shares</th><th>% of Shares</th><th>No. of Shares</th><th>% of Shares</th></tr></thead><tbody><tr><td>Anthony Willsallen^{1,3}</td><td></td><td>42.78%</td><td>104,014,980</td><td>42.78%</td></tr><tr><td>Michael Tilley^{2,3}</td><td></td><td>42.78%</td><td>104,014,980</td><td>42.78%</td></tr><tr><td>Marcello Russo⁴</td><td>64,527,420</td><td>26.54%</td><td>35,727,420</td><td>14.69%</td></tr><tr><td>Sub-total</td><td>168,542,400</td><td>69.32%</td><td>139,742,400</td><td>57.47%</td></tr><tr><td>Other Directors and employees</td><td>9,414,000</td><td>3.87%</td><td>9,414,000</td><td>3.87%</td></tr><tr><td>Other Existing Shareholders</td><td>65,186,000</td><td>26.81%</td><td>65,186,000</td><td>26.81%</td></tr><tr><td>Investors in the Offer</td><td>–</td><td>–</td><td>28,800,000</td><td>11.85%</td></tr></tbody></table> <div>Note: 1. 52,132,500 Shares are held by Bald Hill Quarry Pty Ltd, an entity associated with Anthony Willsallen. Bald Hill Quarry Pty Ltd has a relevant interest in the 51,882,480 Shares held by Oxleigh Pty Ltd. 2. 51,882,480 Shares are held by Oxleigh Pty Ltd, an entity associated with Michael Tilley. Oxleigh Pty Ltd has a relevant interest in the 52,132,500 Shares held by Bald Hill Quarry Pty Ltd. 3. Bald Hill Quarry Pty Ltd and Oxleigh Pty Ltd are associates. See Section 5.7 for further details. 4. Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust. The Company has agreed to grant Performance Rights to Marcello Russo in November 2019, see Section 5.5.1 for further details.</div>						No. of Shares	% of Shares	No. of Shares	% of Shares	Anthony Willsallen ^{1,3}		42.78%	104,014,980	42.78%	Michael Tilley ^{2,3}		42.78%	104,014,980	42.78%	Marcello Russo ⁴	64,527,420	26.54%	35,727,420	14.69%	Sub-total	168,542,400	69.32%	139,742,400	57.47%	Other Directors and employees	9,414,000	3.87%	9,414,000	3.87%	Other Existing Shareholders	65,186,000	26.81%	65,186,000	26.81%	Investors in the Offer	–	–	28,800,000	11.85%	Section 11.11
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	What escrow arrangements are in place?	Certain Shareholders will be restricted from dealing in their Shares. These restrictions have been agreed to voluntarily.					Section 11.12																																							
		The table below sets out the periods during which certain Shareholders are restricted from dealing in their Shares pursuant to voluntary restrictions.																																												
		<table><thead><tr><th></th><th colspan="2">12 month escrow period commencing on the Listing Date</th><th colspan="2">24 month escrow period commencing on the Listing Date</th></tr><tr><th>Shareholder</th><th>No. of Shares</th><th>% of Shares</th><th>No. of Shares</th><th>% of Shares</th></tr></thead><tbody><tr><td>Marcello Russo¹</td><td>17,863,710</td><td>7.34</td><td>17,863,710</td><td>7.34</td></tr><tr><td>Tony Willsallen²</td><td>26,066,250</td><td>10.72</td><td>26,066,250</td><td>10.72</td></tr><tr><td>Michael Tilley³</td><td>25,941,240</td><td>10.67</td><td>25,941,240</td><td>10.67</td></tr></tbody></table> <div>Note: 1. Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust. 2. Held by Bald Hill Quarry Pty Ltd. 3. Held by Oxleigh Pty Ltd.</div>							12 month escrow period commencing on the Listing Date		24 month escrow period commencing on the Listing Date		Shareholder	No. of Shares	% of Shares	No. of Shares	% of Shares	Marcello Russo ¹	17,863,710	7.34	17,863,710	7.34	Tony Willsallen ²	26,066,250	10.72	26,066,250	10.72	Michael Tilley ³	25,941,240	10.67	25,941,240	10.67														
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01. Investment Overview

Summary of the Offer

Question	Answer	More Information																
Who are the issuers of this Prospectus?	Tubi Limited ACN 139 142 493 and Tubi Saleco Limited ACN 633 281 660 (Saleco).	Sections 3 and 11.10																
What is Saleco?	Saleco is a special purpose vehicle that was incorporated to facilitate the sale of Shares by the Selling Shareholder.	Section 11.10																
What is the Offer?	<p>Under the Offer, Saleco offers to sell 28,800,000 Shares to raise \$5.76 million on behalf of the Selling Shareholder.</p> <p>On Completion of the Offer, Saleco will acquire 28,800,000 Shares from the Selling Shareholder which will be transferred to successful Applicants under the Offer at the Offer Price.</p> <p>The Company will not issue any new Shares or raise any new capital under the Offer.</p>	Section 9.1																
What do Applicants pay when applying under the Offer?	All Applicants under the Offer will pay \$0.20 per Share.	Section 9.5																
Why is the Offer being conducted?	<p>The Offer is being conducted to:</p> <ul style="list-style-type: none">> enable the Selling Shareholder to partially monetise its investment;> provide liquidity for Shareholders;> provide Tubi with benefits of an increased brand profile that arises from being a listed entity;> provide Tubi with access to the capital markets to improve capital management flexibility; and> assist Tubi in attracting and retaining quality staff.	Section 9.2																
What is the proposed use of the funds raised under the Offer?	<p>The sources and uses of the Offer proceeds re set out below:</p> <table><tr><th>Source of funds</th><th>A\$m</th><th>Uses of funds</th><th>A\$m</th></tr><tr><td>Cash proceeds received from sale of Shares by Saleco</td><td>5.76</td><td>Payment to Selling Shareholder</td><td>5.38</td></tr><tr><td></td><td></td><td>Costs of the Offer paid by the Selling Shareholder</td><td>0.38</td></tr><tr><td>Total source of funds</td><td>5.76</td><td>Total uses of funds</td><td>5.76</td></tr></table>	Source of funds	A\$m	Uses of funds	A\$m	Cash proceeds received from sale of Shares by Saleco	5.76	Payment to Selling Shareholder	5.38			Costs of the Offer paid by the Selling Shareholder	0.38	Total source of funds	5.76	Total uses of funds	5.76	Section 9.4
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		Costs of the Offer paid by the Selling Shareholder	0.38															
Total source of funds	5.76	Total uses of funds	5.76															
Is there a minimum amount to be raised under the Offer?	No, the offer is fully underwritten by the Lead Manager.	Section 9																
Who can participate in the Offer?	<ul style="list-style-type: none">> The Broker Firm Offer is open to Retail Investors resident in Australia.> The Institutional Offer is open to Institutional Applicants in Australia.> The Chairman's List Offer is open to Retail Investors in Australia who have received a Chairman's list invitation from the Company.	Section 9.5																

01. Investment Overview

Question	Answer	More Information
Will the Shares be quoted on ASX?	<p>The Company will apply for admission to the official list of ASX and quotation of shares on ASX (which is expected to be under the ticker 2BE).</p> <p>Completion of the Offer is conditional upon ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>	Section 9.6
Who is the Lead Manager and underwriter to the Offer?	KTM Capital Pty Ltd ACN 086 281 950.	Section 10.4
What are the fees and costs of the Offer?	The Selling Shareholder (via Saleco) will pay to the Lead Manager a lead manager fee equal to 6% plus GST of the total amount raised under the Offer.	Section 11.16
Is the Offer underwritten?	Yes. The Offer is fully underwritten by the Lead Manager subject to the terms of the Underwriting Agreement.	Section 10.4
How do I apply for Shares under the Offer?	<p>The process for applying for Shares in the Company is set out in Section 9.</p> <p>Retail Applicants under the Broker Firm Offer should contact their Broker for instructions on how to complete the Broker Firm Offer Application Form accompanying this Prospectus.</p>	Section 9
What is the minimum Application size under the Offer?	Applications must be for a minimum of 10,000 Shares (\$2,000). There is no maximum value of Shares that may be applied for under the Offer.	Section 9.5
What are the tax consequences of investing in Shares?	<p>A summary of certain tax consequences of participating in the Offer and investing in the Shares is set out in Section 11.14.</p> <p>The tax consequences of any investment in Shares will depend on your personal circumstances. Prospective investors should obtain their own tax advice prior to deciding to invest.</p>	Section 11.14
What is the allocation policy?	The allocation policy will be determined at the discretion of the Lead Manager in consultation with the Company.	Section 9.5
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants under the Offer.	Section 9.5
Is there a cooling-off period?	No	
How can I obtain further information?	<p>If you would like more information or have any questions relating to the Offer, you can contact the Lead Manager on (02) 9235 9900.</p> <p>If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.</p>	



02.

Industry Overview

02. Industry Overview

2.1 Introduction

Tubi has developed patented technology for its Mobile Plant, and uses the Mobile Plant to manufacture HDPE pipe for industrial projects and the oil and gas services industries.

Tubi's technology enables it to produce HDPE pipe at lengths of between 300 metres (for 360mm diameter pipe) and up to 3km for 160mm diameter pipe.

2.2 Use and benefits of HDPE pipe

HDPE pipe is primarily used for the transportation of water or gas. HDPE pipe is used in a large number of applications including:

- > mining and oil and gas projects;
- > dam, water supply and sewerage projects;
- > agricultural and irrigation projects;
- > industrial projects; and
- > domestic building projects.

Typically HDPE pipe is suitable for applications where the pressure per square inch (**PSI**) rating is below 300 PSI.

Benefits of HDPE pipe

HDPE has a number of benefits over alternative pipe options where the pressure rating is below 300 PSI including:

- > HDPE has a higher resistance to corrosion than aluminum, traditional steel or cast iron pipe;
- > HDPE is easier to transport than most alternatives, as it is less susceptible to damage and usually lighter;
- > HDPE is widely available as fixed manufacturing plants are located in most developed countries;
- > HDPE pipe is generally easier and less expensive to lay in the ground than rigid pipes as it requires a less exacting trench resulting in less investment in the trench; and
- > HDPE pipe has high impact resistance and flexibility, and is well suited to installation in dynamic soils including in earthquake-prone areas.

02. Industry Overview

2.3 Size of the global HDPE pipe market

HDPE pipe has been produced since the early 1950s and has been used for irrigation pipe applications since the late 1950s.¹ The gas industry was the first major infrastructure utility to embrace polyethylene pipe.² The size of the global HDPE pipe market is difficult to quantify. However according to the Plastic Pipe Institute, Inc., it is estimated that the total polyethylene pipe, tube and conduit shipments in the United States, Canada and Mexico were:

- > 2017 – 821,157 tonnes; and
- > 2018 – 947,045 tonnes,

which is an increase of 15.3% year on year.

Tubi's intention is to be a niche participant in the HDPE pipe market. By way of comparison, Tubi produced approximately 1,400 tonnes of HDPE pipe in the United States in the financial year ended 30 June 2018.

2.4 How HDPE pipe is manufactured

Pipes made from HDPE are usually manufactured by extrusion. This process starts by feeding plastic material (beads, pellets, granules, flakes or powders) from a hopper into the barrel of the extruder. The material is gradually melted by the mechanical energy generated by turning screws and by heaters arranged along the barrel. The molten polymer is then forced into a die, which shapes the polymer into a pipe that hardens during cooling.³

2.5 Tubi's target markets and projects

Tubi's target markets and projects within the HDPE pipe market for its Mobile Plant technology are:

- > geographically remote large scale projects (generally more than six months dedicated production from a Mobile Plant or 2,000 tonnes of HDPE pipe) in mining, irrigation and oil and gas;
- > large scale projects in regions or countries where no fixed plants exist and where demand for a fixed plant would be uneconomic once the specific project is completed;
- > markets where it is expensive, dangerous, seasonal or unreliable to transport HDPE pipe manufactured at a fixed plant to a project site;
- > projects which would benefit from long lengths of coiled pipe with a diameter of between 160mm and 360mm using Tubi's unique pipe reeling technology, either to reduce cost, increase installation productivity or both; and
- > markets where demand is sufficient to keep a Mobile Plant in production within 50km of the project for at least 6 months.

Tubi does not currently intend to pursue the following segments of the global HDPE market:

- > industrial, household and farming markets in developed economies which require frequent short production runs of different diameter products or smaller diameter products;
- > markets which are based on a large number of orders for supply of small volumes of HDPE pipe;
- > markets located close to existing fixed plants with distribution capabilities; and
- > markets which have available to them a large supply of HDPE pipe from fixed plants which have been fully or near to fully depreciated.

1. https://www.pipa.com.au/wp-content/uploads/2018/09/other-information-2-history_formatted_2015-7-29.pdf.

2. https://www.pipa.com.au/wp-content/uploads/2018/09/other-information-2-history_formatted_2015-7-29.pdf.

3. <https://www.teppfa.eu/production-processes/>

02. Industry Overview

2.6 Competitors

The HDPE pipe market globally is a mature market. Like most mature markets it has experienced significant levels of concentration amongst competitors. Key competitors to Tubi in the United States include WL Plastics, Performance Pipe Industries (a joint venture between Phillips Petroleum and Chevron) and JM Eagle. Each of these competitors operate large scale fixed plants, many have long term industry relationships and benefit from strong customer loyalty, a number are integrated producers of raw materials, even back to gas in the case of Performance Pipe Industries. In Australia the market is largely shared between Iplex and Vinidex a subsidiary of large scale Belgian based manufacturer Aliaxis S.A.

Existing plants are often substantially or fully depreciated and may be able to manufacture and deliver HDPE pipe at a lower cost than Tubi's current or future Mobile Plants. These cost benefits may outweigh the productivity and supply chain benefits offered by Tubi's Mobile Plant technology.

2.7 Regulation and compliance

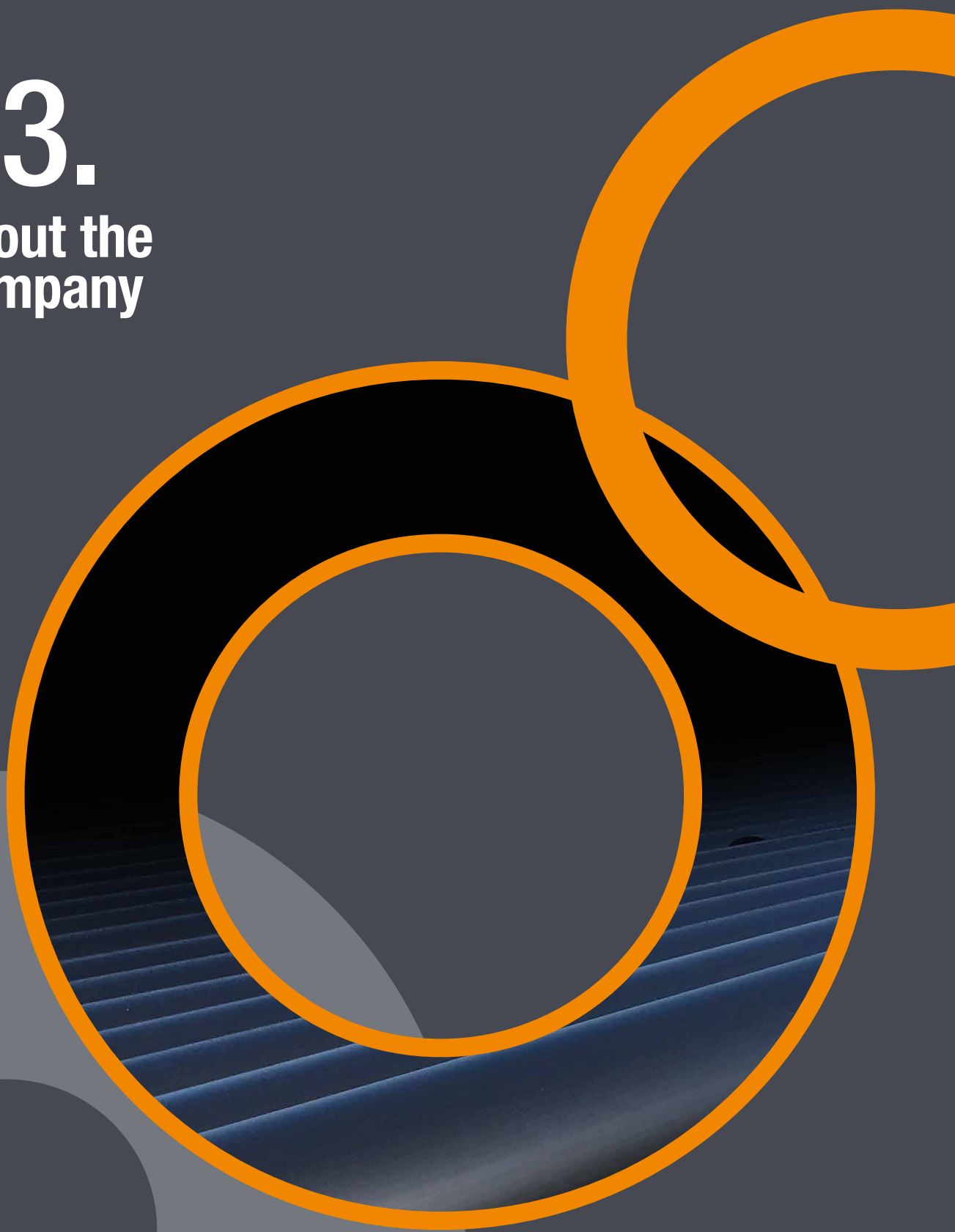
Tubi operates its Mobile Plant on the project site managed by its customer. Tubi requires the customer to obtain and maintain permits and licenses for the specific project. By its nature, the Mobile Plant may be moved from project to project. As permitting and licensing requirements vary depending upon the municipality in which the Mobile Plant is operating, Tubi's permit and licensing obligations (if any) vary depending upon the location of the Mobile Plant.

Tubi holds the following quality assurance accreditations:

- > ISO 9001:2015, ISO 14001:2015, BS OHSAS 18001:2007, AS/NZS 4801:2001, PAS99:2012, ISO 9001:2015, ISO 14001:2015, BS OHSAS 18001:2007 & AS/NZS 4801:2001;
- > Watermark Level 1; and
- > NSF International.

03.

About the
Company



03. About the Company

3.1 About Tubi

Tubi was founded by Marcello Russo in August 2009, and has developed a patented system for the modularisation of plastic extrusion plants (**Mobile Plant**) with the effect that, equipment that is usually only operable in a fixed plant, can be modularised and transported to locate closer to the site where there is demand.

The Mobile Plant is built in a series of containers that can be readily transported between locations. Once on location, the containers can be joined together to make one operating plant.

The Mobile Plant currently operating under contract in Texas, United States, is more than 70 metres long when in operation. The Mobile Plant has an hourly production capability of approximately 1150 kilograms of HDPE pipe and can operate for 23 hours per day. Since March 2017, the Mobile Plant has produced approximately 14,000 tonnes of HDPE pipe for use in the Central Plains Irrigation Project in New Zealand and in various Oil and Gas projects in the Permian Basin in Texas, the United States.

The Mobile Plant can be relocated from being fully operational and producing pipe on one site, to being fully operational and producing pipe on a new site within 50km, in less than 60 hours. Depending on the diameter of the HDPE pipe, the Mobile Plant can produce individual pipes in lengths from 12 metres and up to 3 km.

Tubi has spent almost a decade developing, patenting and proving both its technology that it is a reliable supplier. All of Tubi's technology is developed in-house by its own engineering development team led by founder, Marcello Russo.



Tubi's existing Mobile Plant in operation in New Zealand in 2017 as part of the Central Plains Irrigation Project.

03. About the Company

3.2 Tubi's history

2009	Tubi is founded by Marcello Russo
2013	Anthony Willsallen and Michael Tilley become directors and shareholders
2014	First plant completed and provides pipe to British Gas Coal Seam Gas project in Queensland
2015	Production and reeling trials conducted Supply to ISCO Industries Inc. in Queensland
2016	Downer contract awarded for Central Plains New Zealand Irrigation Project
2017	MPS take or pay contract awarded for production in Midland Texas, United States
2018	Downer contract completed March April – Mobile Plant shipped from New Zealand to Midland Texas, United States May – MPS production commences in United States December – Technology supply agreement with Iplex for New Zealand December – MPS enters into second take or pay contract for United States December – Tubi orders equipment for 2 new Mobile Plants to meet Iplex and MPS contracts
2019	April – Tubi orders equipment to build 2 new Mobile Plants for the United States market



Tubi's existing Mobile Plant in operation in New Zealand in 2017 as part of the Central Plains Irrigation Project.

03. About the Company

3.3 The Mobile Plant

Advantages of the Mobile Plant

The advantages of the Mobile Plant are:

- > Ability to locate close to the demand – The Mobile Plant is transportable and can be moved to areas of demand and located on the customer's site.
- > Longer pipe length – By locating close to demand, transportation is reduced allowing Tubi to produce lengths of HDPE pipes which are longer than those produced by fixed plants. Longer pipe lengths can provide productivity benefits to the installer. These include, less welds between pipes, lower pipe failure risk (due to less welds) and lower installation costs.
- > Simple mobilisation – The Mobile Plant does not require a fixed building or concrete pad to operate.
- > Dedicated production, volume and quality monitoring capability for customers with reduced and simplified supply chain requirements.
- > The ability to meet market demand by either manufacturing for the market or by licensing a third party.

Ability to locate close to the demand

The Mobile Plant can be located on a customer's site. By locating the Mobile Plant on site, it is possible to reduce not only the freight transport task but also the length of the customer's supply chain. Customers may choose to operate with less finished stock which may reduce working capital and management costs. As the Mobile Plant will generally be dedicated to one customer in a remote location, customers can maintain a daily record of both production volume and quality in their own offices through Tubi's computerised manufacturing systems. This is generally not available in fixed plants where one production line may be manufacturing for multiple customers.

Longer pipe lengths

While there are many fixed pipe manufacturing plants around the world, and these plants supply into the same end customer markets as Tubi, these fixed plants are limited by their ability to transport pipe over 160mm in diameter beyond 20 metres in length by road transport laws. Shorter lengths of pipe are often more costly to install as they require a greater number of welds in the installation process. While the reduction in cost will vary significantly based on the design of the pipeline and the diameter of pipe required, a study conducted for an Australian based oil and gas producer identified potential cost savings of up to 20% might be achieved using Tubi's technology.

The Mobile Plant is best suited to meeting demand for one customer for a large scale contract where a Tubi Mobile Plant can be deployed for 6 months or longer at a time. Fixed plants are better placed to serve local markets with multiple customers with variable order volumes or diameters below 160mm.

Simple mobilisation

The Mobile Plant does not require a fixed building or a concrete pad to operate. Tubi's technology also includes levelling technology that enables the Mobile Plant to operate on an earth pad saving the cost of laying and later pulling up a concrete pad. Traditional pipe extrusion plants generally require a concrete pad as a surface upon which they can produce pipe. Tubi is not aware of any other pipe manufacturers which offer mobile plants or the ability to relocate their pipe manufacturing plants in a matter of days.

03. About the Company

FEATURES AND BENEFITS OF THE MOBILE PLANT TECHNOLOGY

FEATURE	BENEFIT
Can relocate to meet demand	Significant transport savings available for remote location demand
Can supply longer pipe lengths	Installation savings available as less welds are required to join segments of pipe
Shorter and simpler supply chain	Easier to manage, efficient and lower working capital
Dedicated customer supply	Tubi technology allows customer real time monitoring of production and build within specifications
No fixed building or concrete pad required for manufacture	Lower cost set up, lower investment in site, shorter lead time to manufacture, lower cost to make good at end
Fully self sufficient	No requirement for connection to services including electricity, town water or gas
Technology can be utilized for all plastic pipe types as well as for lining steel or composite pipes	To date Tubi has only focused on the HDPE market



Pipe produced using Tubi's existing Mobile Plant in New Zealand in 2017 as part of the Central Plains Irrigation Project.

03. About the Company

3.4 Strategy

3.4.1 Tubi's strategy

Tubi aims to continue building its market presence and intends to grow through the following strategies:

Investment in Mobile Plant technology

Investment in the technology of its Mobile Plant capability for both Tubi's own manufacturing requirements and for licensing to third parties.

Development of new technology

Development of new technology solutions which are compatible with the Mobile Plant technology including the commercialisation of Tubi's unique pipe reeling capabilities. Pipe reeling is common around the world for small diameter pipe usually below 160mm. The advantage of reeled pipe is that it is less costly to transport and requires less joins when used in applications that require long lengths. This can lead to higher productivity in the installation process or an increased flow rate as each join or weld results in an interruption to flow rate.

Once pipe gets above 160mm in diameter, it becomes more difficult to reel without flattening the pipe that takes it out of specification. Tubi has developed a series of technology solutions to preserve the ovality of reeled pipe in diameters up to 360mm which enables the delivery of pipe to the point of installation in lengths between 300 metres (for 360mm diameter pipe) and up to 3km for 160 mm diameter pipe while preserving the ovality and integrity of the pipe to ensure it maintains its shape and remains within specifications. The benefits of long lengths of pipe at the point of installation are lower installation cost due to less welds to join the pipe and faster installation. Tubi does not have patents on this technology, however, it does own the engineering drawings and know how. See below for a photograph of Tubi's one pipe reeling plant.



Tubi's pipe reeler in operation in New Zealand in 2017 as part of a reeling trial at the Central Plains Irrigation Project.

03. About the Company

Customer contracts

Tubi's success to date in supplying manufactured pipe to customers such as Downer and MPS and technology to Iplex will enable Tubi to open new market opportunities for its Mobile Plant technology (by way of manufacture or technology licensing). Market opportunities include the oil and gas sector in the United States, Canada and new oil and gas opportunities opening up in the Neuquen Basin in Argentina, large scale water projects around the world and mine construction projects in the United States, Canada, Australia and South America.

Tubi also intends to enter into further licensing arrangements for its technology in circumstances where production demand exceeds Tubi's capacity to meet such demand, and also in markets that Tubi decides not to enter.

Partnerships

Explore partnerships to integrate the Mobile Plant technology with other technology providers to enable the manufacture of pipes using both HDPE and other non-plastic materials to expand the available market into higher margin customer solutions.

3.4.2 Key dependencies of Tubi's business strategy

The key factors that Tubi will depend upon to meet its objectives include:

Manufacturing capability in remote locations

Tubi's strategy relies on its ability to continue to manufacture high quality HDPE pipe in remote locations. This includes being able to maintain a flexible work force prepared to travel often long distances from their principal place of residence.

Intellectual property

Tubi's business strategy relies on it being able to leverage its intellectual property advantages inherent in its Mobile Plant technology. Tubi relies upon this intellectual property and associated development and know-how to create a competitive advantage for Tubi over other pipe suppliers and technology solutions. See Section 3.8 and Section 8 for a description of Tubi's intellectual property rights.

Key customers

Tubi's business strategy relies on leveraging its relationships in the market, including Tubi's relationship with Iplex and MPS. Tubi relies on maintaining its reputation of being able to execute and use the deployment of the Mobile Plant technology both under license and for Tubi manufacture in remote locations as case studies for future sales.

Key personnel

Tubi has put in place measures to retain, reward and recruit relevant and key personnel such as short-term incentive plans and employee share ownership plans. Refer to Section 5 for further information on Tubi's key personnel and Section 11 for more details of Tubi's incentive plans and employee share ownership plans.

Applicants should carefully read all of the risk factors outlined in Section 4 which may also have an impact on the performance of Tubi.

03. About the Company

3.5 Customers

3.5.1 Existing customers

Tubi currently uses its Mobile Plant to produce HDPE pipe under contract for MPS in the United States. MPS is a pipe distributor and installer based in Texas and supplies HDPE pipe to the oil and gas and water industries in Texas. Tubi and MPS entered into two take or pay contracts for separate Mobile Plants in 2018. See Section 10.1 for further details.

During 2017-2018, Tubi used its Mobile Plant to complete a contract for Downer to supply 5,500 tonnes of pipe for use in the Central Plains Irrigation Project in New Zealand.

Tubi has a technology supply agreement in place with Iplex under which Tubi is constructing a Mobile Plant for Iplex for its exclusive use in New Zealand. See Section 10.2 for further details.

3.5.2 Target customers

Tubi targets HDPE pipe users, distributors and/or manufacturers with large volume requirements (usually more than 6 months dedicated production from a plant or 2,000 tonnes of pipe) in remote locations where traditional fixed plants are located often more than 250km away from demand. Tubi's technology also offers potential productivity benefits for customers who have projects suited to long pipe lengths which can reduce costs through reducing the number of welds required to join lengths of pipe where road transport laws limit the length of pipe which may be carried on public roads.

Tubi's prospective customers are most likely involved in large scale, mining, oil and gas or irrigation projects, located a significant distance from a fixed plant with the desire to reduce installation costs. Alternatively they may be an existing pipe supplier in a market where Tubi has no desire to operate long term and for who a mobile plant enables a reduction in the risk of geographic demand shifting within the market.

Tubi utilises a number of methods to attract customers including:

- > direct sales contacts with large volume customers – Tubi does not currently have a dedicated sales team. New customer opportunities are currently identified by its senior management team. Tubi may establish a sales team in the future as its Mobile Plant fleet expands; and
- > direct contact with and word of mouth referral from engineering consultants, machinery suppliers, industry contacts and raw material suppliers.

In addition, Tubi also receives new customer enquiries through its website.

3.6 Expansion of the Mobile Plant fleet

Current and proposed fleet

Tubi currently operates one existing Mobile Plant and has the following four new Mobile Plants under construction:

- > one Mobile Plant to meet its supply obligations to MPS in the Permian Basin (United States) (see Section 10.1 for further details);
- > one Mobile Plant to meet its contractual obligations to Iplex in New Zealand (see Section 10.2 for further details); and
- > two Mobile Plants for which contracts for supply are yet to be sourced, but which are intended to be operated in the United States. Tubi has placed orders for the components for the two Mobile Plants which have been ordered to meet anticipated demand. Tubi is currently discussing options for new contracts to take the production from these Mobile Plants with potential customers in the United States and Canada.

Under its existing two contracts with MPS, Tubi has granted MPS a first right of refusal to contract for the output of any further Mobile Plants Tubi may wish to build. MPS has a right to contract for one or both of the two Mobile Plants currently being built but which are not contracted for sale, on terms similar to the existing contracts, or on terms no less favourable than a third party proposal.

03. About the Company

Tubi is aware of other current customer opportunities in the water sector in the United States, and the oil and gas sectors in the United States and Canada. However, it is not in a position to satisfy those demands at this time. Further, there are numerous opportunities in the mining sector that may become available to Tubi in Australia and Latin America over the next two years.

The lead-time from an enquiry to a contract is often as long as 12 months. The time then required to build and bring into production a new Mobile Plant can range between 9-12 months resulting in a lead to revenue timetable of between 21-24 months. Tubi's orders for the components for two new Mobile Plants which are un-contracted for their production is to seek to shorten this lead to revenue time and in response to the strong demand from prospective customers.

Construction overview

The Mobile Plant design involves sourcing major components from seven separate suppliers and assembling these components to deliver a working Mobile Plant for the manufacture of HDPE pipe. Two of these suppliers account for approximately 50% of the finished cost of the assembled Mobile Plant.

The majority of components for the new Mobile Plants to be delivered prior to December 2019 are now on order. Orders for the components for the two new Mobile Plants to be delivered in the first quarter of calendar 2020 are and will be continued to be ordered between 29 April 2019 and 31 July 2019.

The assembly of a Mobile Plant is usually, but not always, designed to be conducted as close to the market of first use as can be arranged. In the case of the four Mobile Plants currently being built, three will be partially assembled in Houston, Texas in the United States and partially in New Zealand, while the Mobile Plant for Iplex will be assembled in New Zealand.

Construction timing

Of the four new Mobile Plants:

- > two Mobile Plants are scheduled to be delivered by the last quarter of calendar 2019; and
- > two Mobile Plants are scheduled to be delivered in the first quarter of calendar 2020.

Financing the fleet expansion

In April 2019 Tubi completed a pre-IPO issue of 50,000,000 Shares at an issue price of \$0.20 per Share to raise \$10,000,000 to institutional and sophisticated investors (Pre-IPO Capital Raising). The Pre-IPO Capital Raising was managed by the Lead Manager and Tubi paid a management fee of 6.0% plus GST to the Lead Manager. Tubi is not raising funds under the Offer. Tubi believes that it will be able to fund current obligations and future requirements, including the four new Mobile Plants under construction, from its cash flows and the proceeds of the Pre-IPO Capital Raising. A more detailed explanation of Tubi's balance sheet and cash flows is set out in Section 6.

The total assembled value of the four new Mobile Plants will be approximately \$22 million. It is expected that by the 30 June 2019 Tubi will have made payments for all capital expenditures including components and services required to construct and assemble these plants of \$9.95 million. Tubi expects to make further payments of \$12.52 million for capital expenditure during the 2020 financial year, most of which will be for the construction and assembly of these plants. There are not expected to be any payments made for these plants beyond 30 June 2020.

03. About the Company

3.7 Revenue

Excluding one Commercialisation Australia grant from the Commonwealth of Australia for \$2 million received across the 2014 and 2015 financial years, Tubi has historically generated much of its revenue through fixed price take or pay contracts to manufacture HDPE pipe, initially for Downer, and more recently for MPS. In the future it is anticipated that Tubi will generate revenue from four sources:

- > Licensing – Tubi has entered into an agreement with Iplex to license the use of its mobile pipe manufacturing technology in the New Zealand market. This has involved an upfront cash payment and an annual technical services fee over three years. For further information see Section 10.2. For accounting purposes the upfront cash payment is considered a leasing arrangement and the revenue is therefore deferred over the implied term of the arrangement, being eight years. In future Tubi expects that it will enter into further licensing arrangements especially where demand for production exceeds Tubi's capacity to gear up for it or in markets which are either too small or risky for Tubi to enter.
- > Manufacturing (take or pay) – manufacturing pipe under take or pay contracts has been the primary source of Tubi's revenues since commencement of the business. Tubi intends to continue to be a manufacturer of HDPE pipe and in time pipe products made from more complex materials.
- > Manufacturing (other) – manufacturing pipe other than under take or pay contracts in local markets where short to medium term demand exceeds local fixed plant supply and long distance freight costs mean that other suppliers are at a price disadvantage for supply from other markets.
- > Reeling – reeling technology is an area where Tubi has made a significant investment but not yet had an opportunity to pursue revenue opportunities. Tubi believes there are revenue opportunities to utilize its unique and specialized reeling capability and that reeling revenues will form part of the future revenues of Tubi.

Tubi's key costs which impact revenue are:

- > Raw Materials – raw materials used in pipe manufacturing operations. Tubi buys HDPE bead as the only raw material used in its manufacturing process. There are a large number of suppliers of HDPE bead and Tubi buys from a wide range of suppliers based upon price and availability. HDPE bead is generally variably priced based upon supply and demand in the market at the time; and
- > Labour – labour and other operating expenses including fuel and administration costs. A typical manufacturing shift at a Mobile Plant is 12 hours. A Mobile Plant can be operated by one employee. Tubi generally operates with two employees per shift for health and safety reasons. Employees operating the plant typically live in on site accommodation at the plant (provided by Tubi) for a period of two weeks on site and two weeks off. In total, Tubi currently employs a total of 10 employees for manufacturing operations. These included supervisors and maintenance staff. Tubi does not currently use any contractors to operate its Mobile Plant.

3.8 Tubi's intellectual property

A summary of Tubi's intellectual property is set out below. For further details please refer to the Intellectual Property Expert's Report in Section 8.

3.8.1 IP development

Tubi develops and commercialises its technology in-house which allows Tubi to control the practicality and build cost of the design. Tubi is able to do this as it has the manufacturing experience and expertise as a manufacturer using its own technology to quickly determine the cost and value in use of any new design features.

Tubi's development team is led by its founder, Marcello Russo, and is based in Sydney Australia. The team is primarily staffed by specialist contractors on a per project basis. The team has also involved specialists based in Scotland, the United States, New Zealand and Italy over the past five years as Tubi developed its mobile manufacturing technology and its reeling and transport technology. In total, Tubi has invested more than \$12 million in research and development since 2012.

Further Tubi received a \$2 million Commercialisation Grant from The Commonwealth of Australia which was received in part in the 2014 financial year and in part in the 2015 financial year.

03. About the Company

3.8.2 Tubi's intangible assets

Tubi has not capitalised the value of its intellectual property in its accounts. Tubi's primary intellectual property assets are its proprietary modular system for the manufacture of pipe; its know-how, and drawings for the manufacture of reeling equipment for pipe with a diameter in excess of 160mm in diameter and the patents both issued and pending for its technologies and technology applications.

3.8.3 Intellectual Property Rights

Tubi holds registered and unregistered intellectual property rights for its core pipe manufacturing business, including pending patent applications, registered patents and trade mark applications.

Tubi owns all registered and unregistered intellectual property required for the conduct of its business.

Patents

Tubi has taken steps to protect its mobile pipe extrusion and formation technology by way of registered patents and pending patent applications entitled "Modular Piper Formation Apparatus" in a number of jurisdictions including Australia, United States, Canada, Europe, South Africa, Brazil, Guatemala, the Gulf Co-operation Council and Papua New Guinea.

Pending applications must proceed through examination (i.e. assessment by the relevant country's patent office to determine whether they are eligible for protection) in each of these countries before they will be granted and thereby, enforceable against third parties. Patent protection is country specific, in that Tubi is required to file for protection in each country that it wishes to prevent third parties from using its technology.

Tubi may in future apply for additional patent protection in additional countries that are key markets where it has not already filed for protection. In most jurisdictions, patent protection lasts for a period of 20 years, and accordingly, most patents registered by Tubi will expire by 2030.

Trade Marks

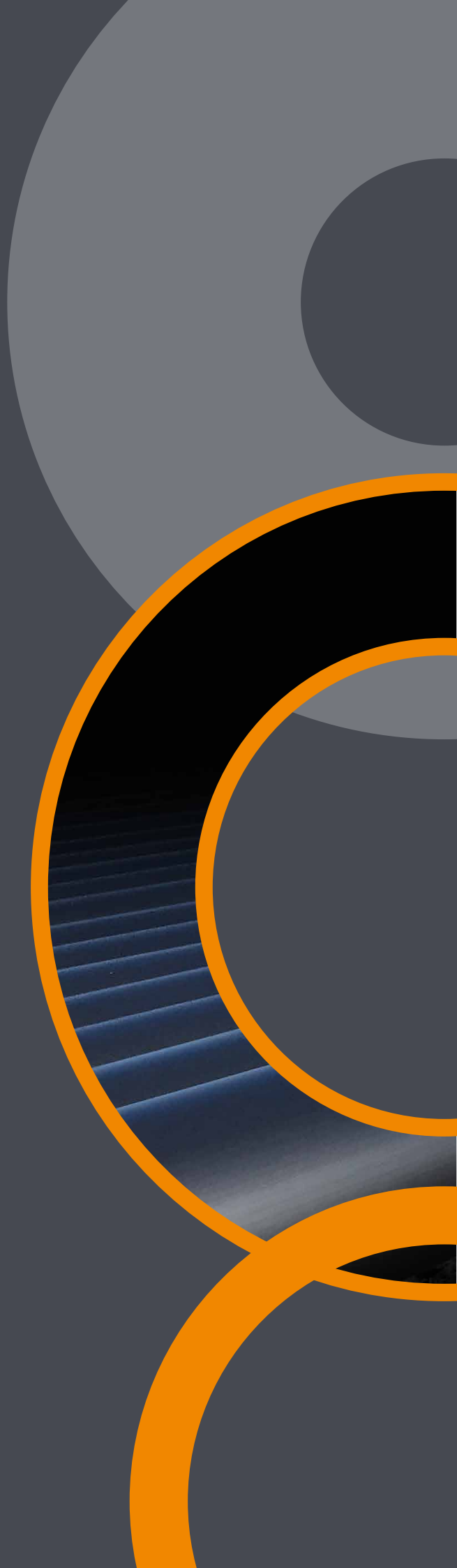
Tubi has filed trade mark applications to protect the "TUBI" brand in the United States (**US**), Australia, Canada, and New Zealand in respect of relevant categories of goods.

These applications are currently under examination (i.e. assessment by the relevant trade mark offices to determine whether they are eligible for protection) in most jurisdictions. Legal proceedings are currently on foot in Australia to remove a third party trade mark that is preventing registration of the "TUBI" trade mark in Australia (Australian Application No. 1883815). Additionally, the US application (US Application No. 79/252185) has received a provisional refusal from the US Patents and Trade Mark Office.

Tubi has limited enforcement rights for the "TUBI" brand unless trade marks are registered, and there is some risk in Australia of past and present infringement of the third party mark which Tubi is now seeking to have removed from the register. Tubi may be required to rebrand their business if the removal action in Australia is unsuccessful, and the objection cannot be overcome in the US. Notwithstanding this, the ability to use the "TUBI" brand does not significantly impact the business' operations and its underlying product offering, which is protected by registered patents in key markets.

04.

Risk Factors



04. Risk Factors

4.1 Introduction

This Section describes some of the potential risks associated with Tubi's business, the industry in which Tubi operates, and an investment in Shares. This Section does not purport to list every risk faced by Tubi now or in the future. Many of these risks, or the consequences of them, are outside the control of Tubi, the Directors and management. If one or more of these risks eventuate, then the future operating performance of Tubi and the value of your investment in Shares may be adversely affected.

The selection of risks outlined in this Section has been based on an assessment of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of Directors and management as at the Prospectus Date, and there is no guarantee or assurance that the importance of the risks will not change or other risks that may adversely impact Tubi will not emerge.

Tubi is subject to a number of risks both specific to Tubi's business activities and of a general nature, which may, either individually or in combination, adversely impact Tubi's future operating and financial performance, investment returns and the value of Tubi's Shares. There can be no guarantee that Tubi will achieve its stated objectives, deliver on its business strategy, or that the forecast financial information or any forward-looking statement contained in this Prospectus will be achieved or eventuate. You should note that past performance may not be a reliable indicator of future performance.

Before applying for Shares, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in Tubi and whether Shares are a suitable investment for you having regard to your investment objectives, financial circumstances and taxation position. An investment in Tubi is not risk free. You should read this Prospectus in its entirety and seek professional guidance from your stockbroker, solicitor, accountant, taxation adviser, financial adviser or other independent and qualified professional adviser before deciding whether to apply for Shares.

4.2 Risks specific to an investment in Tubi

4.2.1 Reliance on key personnel

Tubi currently employs a number of key management personnel who have significant knowledge of the Mobile Plant technology and well-established relationships with Tubi's key customers and suppliers. Tubi's ability to effectively execute its business plan depends on its ability to retain key management personnel and to find effective replacements in a timely manner as required. The loss of any key management personnel, or any delay in replacement, could materially and adversely affect Tubi's business and financial performance.

The successful execution of Tubi's business plan will require the services of additional specialist operations staff with engineering, supervisory and HDPE pipe extruding know how and expertise. There can be no assurance that Tubi will be able to attract or maintain appropriately qualified or experienced additional staff and this may adversely impact Tubi's business and financial performance.

4.2.2 Reliance on key customers

Tubi derived 100% of its operating revenue in FY17 and FY18, and is expected to derive 100% of its FY19 operating revenue, from the use of its existing Mobile Plant to manufacture HDPE pipe. To date Tubi's HDPE pipe manufacturing has been carried out under a contract with a single customer from time to time.

MPS

The term of the contract under which Tubi uses its existing Mobile Plant to manufacture HDPE pipe for MPS ends in April 2020 unless extended and Tubi cannot guarantee that MPS will extend the contract either on similar terms or at all. If Tubi is unable to extend that contract or enter into another contract for the existing Mobile Plant, Tubi's revenue may slow or decline which may adversely impact Tubi's operating and financial performance.

Tubi has entered into a second contract with MPS with a two year term commencing on the date of supply of the new Mobile Plant. If Tubi fails to satisfy its contractual obligations MPS may terminate the contract which may adversely impact Tubi's operating and financial performance. Tubi cannot guarantee that MPS will extend the second contract past the initial two year term either on similar terms or at all.

See Section 10.1 for further information.

04. Risk Factors

Iplex

Tubi has entered into a New Zealand licensing arrangement with Iplex under which Tubi agrees to supply one Mobile Plant. If Tubi fails to meet its contractual obligations Iplex may terminate the licensing arrangement and Mobile Plant purchase. A termination of the New Zealand licensing arrangement may adversely impact Tubi's operating and financial performance. See Section 10.2 for further information.

4.2.3 New Mobile Plant risk

The success of Tubi's business relies on its ability to win manufacturing contracts, whether from its existing manufacturing customer or new customers, in order to keep its existing plant in production with limited loss of production time.

Tubi has committed to build two new Mobile Plants for which it does not yet hold signed customer contracts. A failure by Tubi to secure contracts for the new Mobile Plants either in a timely manner or at all may adversely impact Tubi's operating and financial performance.

4.2.4 Related party risk

Upon Completion of the Offer, Tubi will have a number of substantial holders of its Shares. In particular, Oxleigh Pty Ltd and Bald Hill Quarry Pty Ltd (being entities controlled by Directors Michael Tilley and Anthony Willsallen respectively) will hold approximately 21.34% and 21.44% of Tubi's issued Shares respectively (**Related Party Shareholders**).

The Related Party Shareholders have entered into a Consultation Deed under which each has agreed to not dispose of Shares without first notifying and consulting with the other party on (among other things) the terms, the manner and the extent to which the other party may acquire those shares. The effect of the Consultation Deed is that each Related Party Shareholder (among other things) has a "relevant interest" (as that term is defined in the Corporations Act) in each other's Shares, and has voting power of 42.78% in the Company.

As a result, the Related Party Shareholders would not be restricted under the takeover provisions in Chapter 6 of the Corporations Act (see section 11.13.2) from acquiring the other's Shares, or entering into voting arrangements in relation to their Shares.

This may reduce the likelihood of a takeover and may affect the ability of a prospective bidder to secure a pre-bid stake in the Company. This also means that, if one Related Party Shareholder were to acquire the other's Shares or if the Related Party Shareholders were to enter into voting arrangements in relation to their Shares, the arrangement could allow one or both Related Party Shareholders to have effective control of the Company through the ability to pass ordinary resolutions (and potentially special resolutions depending on Shareholder turnout at general meetings) of the Company. This may (among other things) allow one or both Related Party Shareholders to control the appointment and removal of Directors, and consequently, the financial and operating policies and the strategic direction of the Company.

The Related Party Shareholders may also be able to control the approval of certain transactions involving the Company including the issue of Shares beyond the limits set under the ASX Listing Rules and other Shareholders may be diluted as a result. A further implication is that the available market for Shares is likely to be limited to Shares not held by the Related Party Shareholders or voluntarily escrowed Shares (see section 11.12), being approximately 40.4% of the issued Shares on Completion of the Offer, which may further impede liquidity in, and affect volatility of, the Shares.

For more information on this arrangement please refer to Section 5.7.

4.2.5 Counter-party credit risk

Tubi is currently dependent on the credit worthiness of its key customers MPS and Iplex. In the event that either counterparty were to fall into bankruptcy, fail financially or otherwise default on its payment obligations to Tubi, Tubi may be exposed to significant financial loss both from a failure of that counterparty to pay amounts owing to Tubi for product or plant supplied, and from the failure of that party's ability to meet its contractual obligations to Tubi.

04. Risk Factors

4.2.6 Business strategy risk

Tubi's future growth and financial performance is dependent on Tubi's ability to successfully execute its business strategy. This will be impacted by a number of factors, including Tubi's ability to:

- > find new customers for HDPE pipe it manufactures using its Mobile Plant and for the sale of new technology licenses;
- > finance the construction of new Mobile Plants (other than the four new Mobile Plants described in this Prospectus) to meet new market opportunities;
- > successfully commercialise in new markets, over time, its reeling and stringing technology; and
- > attract and train people to have the skills necessary to meet the expansion demands.

4.2.7 Competition risk

Tubi competes against other HDPE pipe manufacturers. Tubi faces the risk that:

- > existing competitors could increase their market share through aggressive sales and marketing campaigns, product research and development, strategic alliances, or price discounting;
- > existing and potential competitors develop new products or improve existing products to compete with Tubi. Tubi's primary competitors are large and financially strong in comparison with Tubi and have significant resources with which to seek to compete in either developing superior technology or lower cost manufacturing capabilities;
- > Tubi may fail to increase adoption and usage of its products or introduce new products;
- > Tubi may fail to anticipate and respond to changing opportunities, technology, or customer requirements as quickly as its competitors; and
- > new market entrants into the HDPE pipe manufacturing and technology industry could develop HDPE piping products and technology which compete with Tubi's products and technology.

If any of these risks arise, Tubi may compete less effectively and Tubi's ability to secure existing or new business may be compromised, which may have an adverse impact on Tubi's operating and financial performance.

4.2.8 Product liability risk

Tubi is exposed to the risk of product liability claims where a defect in a product sold or supplied by Tubi could result in, results in or is alleged to have resulted in, personal injury or property damage. Tubi may suffer loss as a result of claims for which it is not insured or coverage being denied or in connection with a loss that exceeds Tubi's insured limits. Tubi is not aware of any product defect claims as at the Prospectus Date. However, it is possible that one or more may eventuate in the future, either in the short term or long term. Tubi endeavours to mitigate this risk through the maintenance of its own product liability insurance. However, there remains a risk that existing or future insurance coverage may not be adequate and/or that Tubi will not be able to obtain appropriate insurance cover at an acceptable cost. See also Section 4.2.11.

In addition, a product defect may expose Tubi to financial liability, decrease demand for its products or damage Tubi's business reputation, brand names or its relationships with its customers. If any of those events were to occur, they may have an adverse impact on Tubi's operating and financial performance.

4.2.9 Enforcement of contract risk

Tubi's existing customer contracts, being the two contracts with MPS and one contract with Iplex, are governed by laws other than the laws of Australia. Further contracts are likely to be entered into by Tubi that will also be governed by foreign law. There may be difficulties in enforcing contracts in jurisdictions other than Australia. There may be regulatory or practical considerations that frustrate the enforceability, or enforcement, of such contracts against foreign or foreign-owned counterparties. These matters may have an adverse impact on Tubi's operating and financial performance.

04. Risk Factors

4.2.10 Global and jurisdictional risks

Tubi has operations in the US and New Zealand and corporate and head office functions in Australia. As at the Prospectus Date, Tubi derives all of its revenue from operations in foreign countries. There are certain risks inherent in doing business on an international level, such as unexpected changes in regulatory requirements, tariffs, customs, duties and other trade barriers, difficulties in staffing and managing foreign operations, longer payment cycles, problems in collecting accounts receivable, political instability, expropriation, nationalisation and war.

There may also be fluctuations in currency exchange rates, foreign exchange controls which restrict or prohibit repatriation of funds, technology export and import restrictions or prohibitions and delays from customers, brokers or government agencies. Tubi could also be adversely affected by seasonal reductions in business activity and potentially adverse tax consequences, any of which could adversely impact the success of Tubi's international operations.

4.2.11 Insurance risk

While Tubi currently has in place what it reasonably believes to be sufficient levels of insurance to cover general and product liability, directors' and officers' liability and workers compensation claims, there is a possibility that events may arise which are not covered by Tubi's insurance policies. In those circumstances, Tubi will be liable to cover such costs regardless of the quantum. This could affect Tubi's ability to conduct and operate its business.

Tubi plans to maintain insurance as it considers appropriate for its needs. However, Tubi will not be insured against all risks, either because the appropriate coverage is not available or because Tubi considers the applicable premiums to be excessive in relation to the perceived benefits that would accrue. Accordingly, Tubi may not be fully insured against all losses and liabilities that may unintentionally arise from its operations. Tubi incurring uninsured losses or liabilities, may have an adverse impact on Tubi's operating and financial performance. See also Section 4.2.8.

4.2.12 Exchange rate risks

Tubi operates internationally and in multiple foreign currencies. Accordingly fluctuations in prevailing exchange rates affect Tubi's profitability. For example Tubi manufactures in the US and its receivables and many of its expenses are earned and paid in US Dollars. If the Australian Dollar rises relative to the US Dollar, profits earned in Australian Dollars would be lower than expected or losses incurred would be higher than expected. Based on existing contracts all of Tubi's customer revenues are or will be in US Dollars or New Zealand Dollars, while current operating costs are in US Dollars, New Zealand Dollars and Australian Dollars. Capital expenditure is incurred in a number of currencies with the primary obligations denominated in Euros. However, the mix of currencies in which Tubi pays its costs, earns its revenue and acquires new capital equipment is changing over time. As that mix changes there will likely be a greater impact on profitability from movements in currencies in Australian dollar terms.

4.2.13 Supply chain disruption risk (raw materials)

Tubi's products are manufactured using raw materials (primarily HDPE bead) supplied by third parties which also manufacture raw materials for other companies. In particular, Tubi relies on three key suppliers to supply critical raw materials. The raw materials are used in other products manufactured for other businesses operated by competitors who may have more purchasing power than Tubi. Tubi does not have written contracts with its raw materials suppliers.

The global supply of these raw materials is limited and demand for these raw materials may sometimes outstrip supply. Additionally, from time to time the suppliers of some raw materials may decide to discontinue manufacturing these raw materials, requiring Tubi to find an alternative supplier. A disruption to supply of these raw materials could have a material adverse effect on Tubi's ability to generate revenue, or result in increased costs, while the disruption or delays remain in place. If the disruptions were prolonged and another third-party supplier could not be sourced, this could have a material adverse effect on Tubi's ability to meet existing customer demand and to continue to grow the business. Tubi mitigates this risk by using three or more different raw materials suppliers that are interchangeable, and by not entering into an exclusive supply agreement with any particular supplier.

4.2.14 Supply chain disruption risk (Mobile Plant components)

The Mobile Plant design involves sourcing major components from seven separate suppliers and assembling these components to deliver a working Mobile Plant. Two of these suppliers account for approximately 50% of the finished cost of the assembled Mobile Plant. These arrangements are based on repeat purchase orders and long-term business relationships. A disruption to supply of these components may adversely affect Tubi's ability to construct New Plants, and may have an adverse impact on Tubi's operating and financial performance.

04. Risk Factors

4.2.15 Failure to effectively manage growth

It is expected that Tubi will need to continue to expand its manufacturing capacity, including additional contract manufacturing capacity, and invest in systems and processes to support the development of the business if Tubi gains significant market share over and above its current short-term expectations. If this is not done in a timely, robust and efficient way to handle projected growth it may negatively impact on Tubi's operating and financial performance.

4.2.16 Workplace health and safety

Tubi's employees are at risk of workplace accidents and incidents given the nature of the industry in which Tubi operates. In the event that an employee of Tubi is injured in the course of their employment, Tubi may be liable for penalties or damages under relevant work health and safety legislation. This has the potential to harm both the reputation and financial performance of Tubi.

4.2.17 Environmental claims

Tubi operates in an industry where environmental issues may potentially delay contract performance or result in a shutdown of a project, causing a deferral or preventing receipt of anticipated revenues. The industry is exposed to environmental risks and these may give rise to remediation obligations, civil claims and criminal penalties. Any potential liability or penalty could result in a significant financial loss to Tubi.

4.2.18 Operating risks

Tubi's overall operations may be adversely affected by various factors, including but not limited to failure to sell its products, failure to achieve production, mechanical failure or plant breakdown, unanticipated manufacturing problems, infrastructure availability and unexpected shortages or increases in the cost of raw materials, spare parts, labour, plant and equipment, unanticipated sourcing problems (including delays, disruptions or quality control problems), industrial and environmental accidents, industrial disputes or delays due to government actions. The costs and availability of plant, equipment and raw materials may also adversely impact Tubi's operating and financial performance.

4.2.19 Operations in remote locations

Tubi often operates its Mobile Plant in locations which are long distances (50km to 250 km) from major cities or towns. Often this involves locating the Mobile Plant in geographies which experience extremes of climate from snow and below zero temperatures in winter to daytime temperatures in excess of 50 degrees celsius in summer. Because the Mobile Plant is not located in a fixed building it may be more susceptible to adverse impacts from extreme climatic conditions than a fixed plant located in a building.

Part of the Tubi competitive advantage is its ability to relocate a Mobile Plant in the field to be close to where finished HDPE pipe is being used. This may involve Tubi being required to disconnect its Mobile Plant and transport it between locations more than twice in any year. Whenever large pieces of plant are moved there is a risk that they may be damaged which could result in a significant loss of production, an inability to meet contracted obligations and a significant financial loss. While the fixed assets of Tubi are insured for this risk the insurer may reject a claim or be unable to meet a claim payment. A failure by Tubi to meet its obligations under a contract Tubi may damage Tubi's reputation and its ability to win new contracts.

4.2.20 Protection of IP

The value of Tubi's products is dependent on its ability to effectively identify, protect, defend, and in certain circumstances keep secret, its intellectual property, including business processes and know-how, copyrights, patents, trade secrets and trademarks. There is a risk that Tubi may be unable to detect the unauthorised use of its intellectual property rights in all instances.

Tubi has applied for patent rights to cover its intellectual property. Patent rights constitute an important component of intellectual property. A patent may provide protection for novel (new), inventive (non-obvious) and useful inventions for a limited period, typically 20 years (subject to the payment of renewal fees). Patents are generally country specific, there is no such thing as a world-wide patent. Patents must be obtained in every country where protection is required. In many countries the test for patentability is different from Australia. Tubi has applied for patents in a number of markets (see Section 8). Some of these have been approved, some are pending and others remain subject to review.

04. Risk Factors

Tubi cannot be sure that it will gain patented protection for its intellectual property in those markets where patents have not been sought or not yet granted nor that its patents will stand the test of a legal challenge in those countries where a patent has been granted.

Actions Tubi takes to protect its intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of its intellectual property and proprietary information.

Breach of Tubi's intellectual property may result in the need for Tubi to commence legal action, such as infringement or administrative proceedings, which could be costly, time consuming and potentially difficult to enforce in certain jurisdictions and may ultimately prove unfavourable to Tubi. Tubi's failure to protect its intellectual property rights could have an adverse impact on its operations and financial performance.

Tubi's patents, trademarks, trade secrets and other intellectual property rights are important and valuable assets. Various events outside of Tubi's control pose a threat to its intellectual property rights, as well as to its products and technologies. For example, effective intellectual property protection may not be available or feasible in every country in which Tubi's products and services could be distributed. Also, the efforts Tubi has taken to protect its proprietary rights may not be sufficient or effective.

Although Tubi seeks to obtain patent protection for its innovations, it is possible Tubi may not be able to protect some of these innovations. Moreover, Tubi may not have adequate patent or copyright protection for certain innovations that later turn out to be important. Furthermore, there is always the possibility, despite Tubi's efforts, that the scope of the protection gained will be insufficient or that an issued patent may be deemed invalid or unenforceable.

4.2.21 Infringement of third party IP rights

The ability of Tubi to maintain protection of its proprietary intellectual property and operate without infringing the proprietary intellectual property rights of third parties is an integral part of its business. In the future, Tubi may be subject to intellectual property or other claims, which are costly to defend, could result in significant damage awards, and could limit its ability to use certain technologies in the future. Regardless of the merits of the claims, intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. To the extent such intellectual property infringement claims are successful, they may have an adverse effect on Tubi's business, consolidated financial position, results of operations, or cash flows.

4.2.22 Trade secret risks

Tubi may also seek to maintain certain intellectual property as trade secrets. Tubi relies on its trade secrets and know how, which includes information relating to the development, construction and operation of its manufacturing and pipe reeling and transporting technology. The secrecy of its trade secrets could be compromised by outside parties, or by employees, which could cause Tubi to lose the competitive advantage resulting from these trade secrets. Tubi has not patented its reeling technology as it owns the only drawings for its particular specialty reeling plants and know how for the construction and operation of large diameter pipe reeling plants. The protective measures Tubi employs may not provide adequate protection for Tubi's trade secrets. This could erode Tubi's competitive advantage and materially harm its business. Tubi cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to the trade secrets or disclose such technology, or that Tubi will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret.

4.2.23 Potential acquisition risks

As part of its business strategy, Tubi may make acquisitions or significant investments in other companies or enterprises. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies or enterprises. Further, there is no guarantee that Tubi will make any future acquisitions.

04. Risk Factors

4.3 General investment risk factors

4.3.1 Exposure to general economic and financial market conditions

Once Tubi becomes a publicly listed company on the ASX, it will become subject to the general market risk that is inherent in all securities traded on a stock exchange. The price of Shares quoted on the ASX may rise or fall in a way that is not explained by Tubi's fundamental operations and activities, and the Shares may trade below or above the Offer Price. There is also no guarantee that an active trading market will develop in the Shares. This could be due to a number of factors, including:

- > general economic conditions, including interest rates, exchange rates, inflation rates, commodity prices;
- > general market conditions, including investor sentiment;
- > fluctuations in the local and global market for listed stocks;
- > changes to government policy, legislation or regulation;
- > inclusion and removal from market indices;
- > the nature of markets in which Tubi operates;
- > actual or anticipated fluctuations in Tubi's financial performance and those of other public companies in its sector;
- > general and operational business risks;
- > changes in accounting principles;
- > global hostilities, tensions and acts of terrorism;
- > general operational and business risks;
- > political activism which adversely impacts demand expectations in respect of end user markets including oil and gas, mining and irrigation projects; and
- > deterioration of general economic conditions may also affect Tubi's business operations and the consequent returns from an investment in Shares.

4.3.2 Force majeure risks

Acts of terrorism, an outbreak of international hostilities or fires, floods, earthquakes, labour strikes, civil wars and other natural disasters may cause an adverse change in investor sentiment with respect to Tubi specifically or the stock market more generally, which could have a negative impact on the value of an investment in the Shares.

4.3.3 Equity market fluctuations

Investors are strongly advised to regard an investment in Tubi as a long-term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur. This means the market price of shares may decrease or increase from time to time. Tubi cannot guarantee its future earnings and cannot provide a guaranteed return to investors.

4.3.4 Economic conditions

The operating and financial performance of Tubi is influenced by a variety of general economic and business conditions in the primary markets it operates or plans to operate in (including US, New Zealand, Australia), including the level of inflation, international share markets, interest and currency exchange rates and government fiscal, monetary and regulatory policies. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have a material adverse impact on Tubi's business or financial situation including its ability to fund ongoing operations.

4.3.5 Tax

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. Tax rules or their interpretation for both Tubi and its Shareholders may change. The tax considerations of investing in the Shares may differ for each Shareholder. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in Tubi. See Section 11.14 for further information.

04. Risk Factors

Tubi (through its subsidiaries) conducts its business in various tax jurisdictions (i.e. the United States, Australia and New Zealand). The Company has obtained independent advice on its transfer pricing methodology but there is always a risk that Tubi's transfer pricing methodology may be challenged by the relevant tax authorities in the United States and New Zealand giving rise to additional taxation in those jurisdictions.

Tubi receives R&D tax incentive claims from the Australian Tax Office (ATO). The ATO may conduct a "R&D expenditure audit" which seeks justification for time, asset use and feedstock allocations. There is a risk that, despite putting in place appropriate governance, methodologies and accounting structures to manage this, Tubi does not follow, or is deemed not to have followed, protocols with respect to evidencing valid expenditures to receive the tax incentive claims. As a result, there is a risk the ATO could deny some or all of Tubi's R&D tax incentive claims.

Further, there is no guarantee that Tubi will continue to be receive the R&D tax incentive claims to undertake further research and development. If Tubi is not able to receive the R&D tax incentive claims, then it will need to self-fund its future research and development projects which may affect the amount of research and development undertaken and the time within which it will be able to bring additional products to market.

New tax laws could be enacted at any time. Those enactments could harm Tubi's business and financial performance. Further, existing tax laws could be interpreted, changed, modified or applied adversely to Tubi.

Tubi's Mobile Plant fleet is expanding from one Mobile Plant which has produced HDPE pipe in Australia, New Zealand and is currently in operation in the United States, to four Mobile Plants which are all expected to produce HDPE pipe outside Australia, and also the delivery of one Mobile Plant to New Zealand. The operation of four Mobile Plants outside Australia, and the delivery of one Mobile Plant to New Zealand, creates uncertainty as to the jurisdiction in which taxes will be assessed, as taxation jurisdiction is ultimately a decision made by the taxation authorities of relevant jurisdictions rather than Tubi. While income earned up until 31 December 2018 has been assumed to be predominantly assessable in Australia, Tubi cannot be certain whether income earned outside Australia beyond that date will be assessable in Australia or in the country in which it is earned. There are significant differences between the rate and nature of taxation between countries and in some circumstances, within countries. Given the uncertainty, Tubi is unable to advise of the implications that may arise for investors as a result of any change in taxation jurisdiction. See also Section 4.3.7.

To the maximum extent permitted by law, Tubi, the Directors and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

4.3.6 Long-term investment

Investors are strongly advised to regard an investment in Tubi as a long-term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur. Tubi cannot guarantee its future earnings and cannot provide a guaranteed level or return to investors.

4.3.7 No dividends expected in the foreseeable future

Tubi does not expect to declare any dividends to holders of the Shares in the foreseeable future. Consequently, investors may need to rely on sales of their Shares after price appreciation (which may never occur) as the only way to realise any future gains on their investment. Investors seeking access to dividends should not purchase the Shares.

Moreover, to the extent Tubi pays any dividends, Tubi may not have sufficient franking credits in the future to frank dividends or sufficient conduit foreign income in the future to declare an unfranked dividend (or the unfranked portion of a partially franked dividend) to be conduit foreign income. Alternatively, the franking system and/or the conduit foreign income system may be subject to review or reform.

The Company has a significant deferred franking account debit of approximately \$2.9 million as a result of prior year R&D tax incentive claims which will need to be recouped prior to any franked dividends being payable.

4.3.8 Government and regulatory factors

Changes in government, monetary policies, taxation and other laws can have a significant influence on the outlook for companies and investor returns.

Laws and regulations may be adopted with respect to Tubi's products and operations which could increase costs or limit Tubi's operations.

04. Risk Factors

4.3.9 Possible changes in accounting standards

Australian accounting standards and related pronouncements are set by the Australian Accounting Standards Board (AASB) and are outside Tubi's control and the control of Tubi's Directors. There is a risk that interpretation of existing AASB accounting standards, including those relating to the measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables, may differ. Changes to AASB accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in our financial statements.

4.3.10 Liquidity risk

Tubi will enter into voluntary escrow arrangements under which, at Completion of the Offer, approximately 28.73% of the Shares on issue will not be able to be traded until 12 months after the Listing Date, and approximately a further 28.73% will not be able to be traded until 24 months after the Listing Date. Given the number of Shares restricted from trading, there will only be liquidity with respect to approximately 42.54% of the Shares on issue at Completion of the Offer until such time as applicable escrow periods end. The Shares issued under the Offer will only be listed on ASX and will not be listed for trading on any other securities exchanges. As such, there can be no guarantee that an active market in the Shares will develop or continue, or that the market price of Shares will increase. If a market does not develop or is not sustained, it may be difficult for investors to sell their Shares. Furthermore, the market price for Shares may fall or be made more volatile because of the relatively low volume of trading in Tubi's securities. When trading volume is low, significant price movement can be caused by trading a relatively small number of Shares. If illiquidity arises, there is a real risk that security holders will be unable to realise their investment in Tubi.

4.3.12 Risk of shareholder dilution

In the future, Tubi may elect to issue Shares or engage in capital raisings to fund ongoing working capital requirements or acquisitions that Tubi may decide to make. None are contemplated in the short term following the Offer. While Tubi will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholders at the time may be diluted as a result of such issues of Shares and capital raisings.

4.3.13 Litigation risk

In the ordinary course of business, Tubi may be involved in litigation disputes from time to time. Litigation disputes brought by third parties including, but not limited to customers, suppliers, business partners, employees and government bodies. Such litigation could negatively impact the industry standing of Tubi, cause Tubi to incur unforeseen expenses, occupy a significant amount of management's time and attention and could negatively affect Tubi's business operations and financial position.

4.3.14 Speculative nature of investment

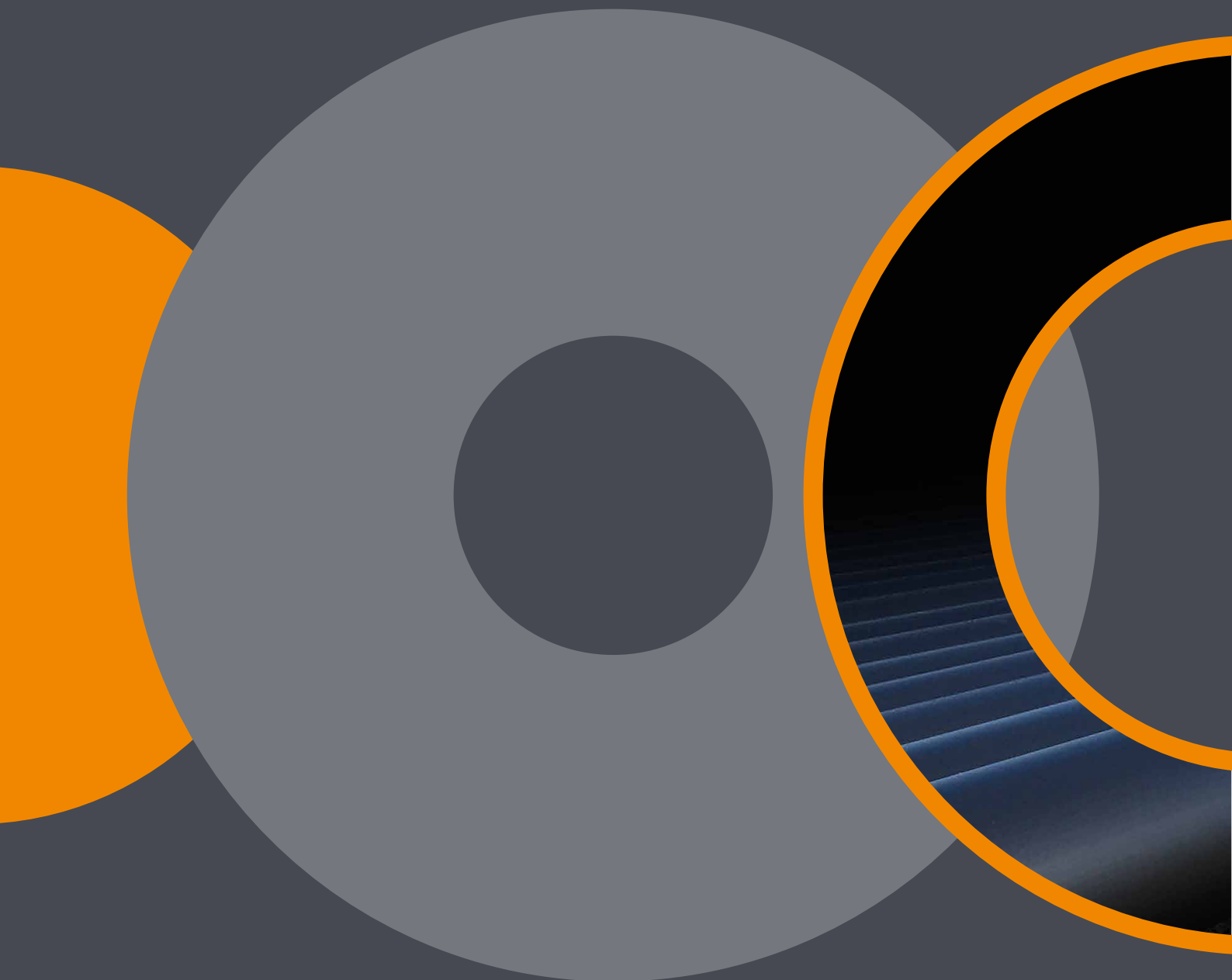
The above list of key risks should not be taken as exhaustive of the risks faced by Tubi or by investors in Tubi. The above risks and others not specifically referred to above may in the future materially affect the Company, its financial performance or the value of the Shares. This is particularly so for an early stage business such as Tubi's. The Shares issued under the Offer carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. Potential investors should therefore consider an investment in Tubi as speculative and should consult their professional advisers before deciding whether to apply for Shares under the Offer.

4.4 Company website

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website or any other website referred to in this Prospectus is incorporated in this Prospectus by reference.

05.

Board, Management and Governance



05. Board, Management and Governance

5.1 Board of Directors

The Board currently comprises six members, two Executive Directors and four Non-Executive Directors including the Chair. The Board has a broad range of experience in technology, product development and listed company directorships and is well placed to lead Tubi.

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance expertise. Biographies of the Board members are provided below.

Michael Tilley

(Chairman and Non-Executive Director)

Michael Tilley is a highly experienced executive having spent over 30 years advising and managing leading companies in financial services, life insurance and funds management in Australasia.

Michael Tilley retired from Challenger Financial Services in 2008, having become Deputy Chairman in 2003 and Chief Executive in 2004.

Before taking the CEO role at Challenger, Michael was a Non-Executive Director of Incitec Limited, Chairman and Chief Executive of Merrill Lynch Australasia, Regional Head of Mergers and Acquisitions and a member of the Asian Executive Committee of Merrill Lynch and was as a partner at Deloitte Touche Tohmatsu.

Michael was a non-executive Director at Orica Ltd from November 2003 until 2013. He was the Chairman of Orica's Safety, Health & Environment Committee and a member of the Audit and Risk and Corporate Governance and Nominations Committees. Michael is a former member of the Takeovers Panel.

Michael was appointed non-executive Chairman of Hotel Property Investments Limited in November 2013.

Michael holds a Post Graduate Diploma in Business Administration from Swinburne University and is a Fellow of The Australian Institute of Company Directors.

Anthony "Tony" Willsallen

(Non-Executive Director)

Tony Willsallen has 45 years in contracting, farming and heavy equipment. He managed family agricultural enterprises for 35 years before retiring in 2010.

He is currently Managing Director of a private company involved in quarrying and waste services since 1987 which produces and supplies quarry products to large infrastructure projects in Southern New South Wales.

Tony holds a Bachelor of Agricultural Economics from the University of New England.

Craig Lawn

(Independent Non-Executive Director)

Craig Lawn recently retired from PricewaterhouseCoopers after joining the firm in 1983.

Craig was a partner for 20 years, working in the Parramatta, Sydney and Brisbane offices.

Craig has been directly involved in providing income tax and business advice for over 34 years to a variety of businesses including biotechnology, venture capital, research and technology based organisations. He has been responsible for devising business strategies and structures for research organisations, universities, venture capital funds, CRC and start-up companies, and advising on corporate and international strategies including R&D, ESOPs, intellectual property and business and technology migration, licensing, tax rollovers, withholding tax, gearing and capital.

Craig will chair the Company's Audit Committee.

Craig holds a Bachelor of Economics and Law from the University of Sydney.

05. Board, Management and Governance

Marcello Russo

(Executive Director Business Development and Founder)

Marcello Russo is the Founder and executive Director of Tubi, having steered the Company since its inception in 2009. Marcello has had over 25 years of experience in pipe strategy, innovation and manufacture, which is reflected in Tubi's focus on future growth and global industry development.

Prior to his present position, Marcello was the general manager of Cromford (previously known as Australian Film & Pipe Manufacturing) where he lead and managed over 90 staff. During this period, he facilitated and directed the construction of the Greenfield 70,000 square-metre manufacturing facility, covering a full range of operational and directional imperatives.

Brent Emmett

(Independent Non-Executive Director)

Brent Emmett has over 40 years' experience in petroleum exploration, exploration and production management and investment banking.

Brent began work as an explorationist in Australia, Papua New Guinea and New Zealand for Esso (now ExxonMobil) and then Elf Aquitaine. He joined Ampolex as Exploration Manager in 1983 and filled general management roles in North and South America, International and Business Development, and was a member of the Executive Committee.

From 1997 until 2001 Brent was Managing Director – Oil & Gas Advisory with the investment banking firm of CIBC World Markets.

Brent was the Chief Executive Officer and Managing Director of Horizon Oil for 17 years, where he was a member of the risk management and disclosure committees. He retired as CEO of Horizon Oil in June 2018 and is currently an advisor to the board. He remains actively involved in the oil business as a senior advisor to industry participants.

Brent will chair Tubi's Human Resources Committee.

He holds a Bachelor of Science First Class Honours degree in physics and geophysics from Adelaide University, 1973.

Jeffrey Shorter

(Chief Executive Officer Tubi Limited and executive Chairman of the Board of Tubi USA)

Jeffrey Shorter has been the CEO of Tubi and its subsidiaries (**Tubi Group**) from 4 December 2018 and is based in Houston, Texas. Jeffrey reports directly to the Board of Directors of Tubi Group and is responsible for all aspects of company, producing HDPE pipe in mobile extrusion factories. Jeffrey has been a Director of Fortis Dental Holdings from 2017 and has oversight of key operations for this start-up company with orthodontic and dermatology branches. Jeffrey was the Energy Group CEO of Sturrock and Robson Group from 2013-2016, the President and CEO of Flexsteel Pipeline Technologies Inc. (previously Wellstream) from 2008-2013, the Commercial Director – Line Pipe of Tenaris, United States from 2006-2008, the Vice President and General Manager of Maverick Tube Corporation from 2003-2006 and had various roles at Cargill from 1994-2003 including General Manager of Horizon Milling from 2002-2003.

Jeffrey holds a Bachelors of Science Degree in Mechanical Engineering from Michigan Technology University, Houghton, Michigan, 1994 and a Master's Degree in Business Administration from Youngstown State University, Youngstown, Ohio, 2001.

Each Director has confirmed to the Company that they anticipate being available to perform their duties as Non-Executive or Executive Director, as the case may be, without constraints from other commitments.

The Company has assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles and concluded that Craig Lawn and Brent Emmett are independent directors. Marcello Russo is not considered independent due to his role as Executive Director Business Development and founder of Tubi. Michael Tilley and Tony Willsallen are not considered independent as each is associated with a substantial shareholder of Tubi.

05. Board, Management and Governance

5.2 Executive team

The Company has a highly experienced executive team as set out below:

Marcello Russo

(Executive Director Business Development and Founder)

See Section 5.1.

Jeffrey Shorter

(Chief Executive Officer Tubi Limited and executive Chairman of the Board of Tubi USA)

See Section 5.1.

Ian Coates

(Company Secretary and Chief Financial Officer)

Ian Coates is a senior finance professional with extensive experience gained working in both small start-ups and large listed corporations. Over his career Ian has held finance and strategy leadership roles in the insurance, construction and manufacturing industries.

In 2012, after twenty years working in the Finance and Insurance Industry, having worked with the likes of Suncorp Limited and IAG Limited, Ian moved across to lead a major finance transformation project at CPB Contractors.

On completion of the assignment at CPB Contractors, Ian has continued to provide financial consulting support and services to Companies. These have included Paftec Pty Ltd, CC Pines Pty Ltd and NBN. Ian commenced at Tubi in February 2017.

Ian manages the day-to-day finance function for Tubi and is responsible for maintaining relationships with key external stakeholders.

Ian is a Certified Practising Accountant. Ian holds a Bachelor of Business from Southern Cross University.

5.3 Director disclosures

No Director of the Company has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director of the Company or which is relevant to an investor's decision as to whether to subscribe for Shares.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

05. Board, Management and Governance

5.4 Directors and remuneration

5.4.1 Non-executive Director remuneration

Tubi has entered into an appointment letter with each of its Non-executive Directors. The following table sets out the Non-executive Directors' annual remuneration payable for the year ending 30 June 2019:

Director	Director's fees
Michael Tilley	\$75,000 per annum for services as Chair of the Board
Tony Willsallen	\$50,000 per annum for services as a Non-Executive Director \$5,000 for services as a member of the Audit Committee \$2,500 for services as a member of the Human Resources Committee
Craig Lawn	\$50,000 per annum for services as a Non-Executive Director \$10,000 for services as Chair of Audit Committee \$2,500 for services as a member of the Human Resources Committee
Brent Emmett	\$50,000 per annum for services as a Non-Executive Director \$5,000 for services as a member of the Audit Committee \$5,000 for services as Chair of the Human Resources Committee

Tubi's shareholders have approved the maximum aggregate annual cash fee pool from which non-executive directors may be paid for their services as members of the Board, exclusive of expense reimbursement and equity grants, being \$750,000. Any increase to the aggregate amount needs to be approved by shareholders. Directors will seek the approval of shareholders from time to time, as appropriate.

5.4.2 Executive director remuneration

Please see Section 5.5 for a summary of the remuneration and benefits payable by the Company to its executive directors Marcello Russo and Jeffrey Shorter.

5.5 Executive remuneration

The terms of the employment agreements for Marcello Russo, Ian Coates (applying from 1 July 2019) and Jeffrey Shorter (applying from 1 March 2019) are summarised below.

5.5.1 Marcello Russo – Founder and Executive Director Business Development

Marcello Russo is employed by the Company in the position of Executive Director Business Development. Marcello is employed on a full-time basis and his fixed annual remuneration for the year ending 31 December 2019 is \$259,000 inclusive of superannuation and subject to tax deductions. Marcello's fixed annual remuneration for the year commencing 1 January 2020 is \$300,000 inclusive of superannuation and subject to tax deductions.

Marcello is eligible to receive the following short term cash incentives:

- > for the financial year ending 30 June 2019, up to \$66,000 (gross) subject to achievement of performance hurdles relating to Tubi's HDPE pipe production volumes;
- > for the financial year ending 30 June 2020, up to 50% of his base salary (gross), subject to satisfactory achievement of individual and Company performance hurdles as determined by the Company in its absolute discretion; and
- > from 1 July 2020, eligible to participate in any senior executive short term incentive plan.

05. Board, Management and Governance

The Board has resolved to grant Performance Rights to Marcello on or about 30 November 2019 under the Company's Long Term Incentive (**LTI**) Plan. The aggregate number of Performance Rights to be granted will be calculated by dividing \$150,000 by the VWAP of the Shares over the five trading days immediately prior to 30 November 2019. Subject to and performance hurdles, the Performance Rights will vest in equal tranches on or about the below dates:

- > Tranche 1: 30 August 2020;
- > Tranche 2: 30 August 2021; and
- > Tranche 3: 30 August 2022,

The vesting conditions, performance hurdles and general terms of the Performance Rights are summarised in Section 11.9. Marcello's Performance Rights may be cash settled, at the discretion of the Board.

Marcello's employment contract contains express provisions protecting the Company's confidential information and intellectual property. Marcello's employment contract contains mutual non-disparagement obligations which survive the termination of employment.

Under the terms of Marcello's employment contract, either party is entitled to terminate Marcello's employment by giving six months' written notice.

After termination of employment, the employment contract provides that Marcello will be subject to non-compete and non-solicitation of employee restrictions for a period of 12 months following the termination or cessation of employment.

5.5.2 Ian Coates – Company Secretary and Chief Financial Officer

Ian Coates is employed by the Company in the position of Company Secretary and Chief Financial Officer. Ian is employed on a full-time basis and his fixed annual remuneration to 30 June 2019 is \$225,000 per annum inclusive of superannuation and subject to tax deductions. Ian's fixed annual remuneration from 1 January 2020 will be \$250,000 inclusive of superannuation and subject to tax deductions.

Ian is eligible to receive the following short term cash incentives:

- > for the financial year ending 30 June 2019, up to \$40,000 subject to achievement of performance hurdles relating to Tubi's HDPE pipe production volumes;
- > for the financial year ending 30 June 2020, up to 50% of his base salary (gross) subject to satisfactory achievement of individual and Company performance hurdles as determined by the Company in its absolute discretion; and
- > from 1 July 2020, eligible to participate in any senior executive short term incentive plan.

The Board has resolved to grant Performance Rights to Ian on or about 30 November 2019 under the Company's LTI Plan. The aggregate number of Performance Rights to be granted will be calculated by dividing \$125,000 by the VWAP of the Shares over the five trading days immediately prior to 30 November 2019. Subject to satisfaction of the vesting conditions and performance hurdles, the Performance Rights will vest in equal tranches on or about the below dates:

- > Tranche 1: 30 August 2020;
- > Tranche 2: 30 August 2021; and
- > Tranche 3: 30 August 2022,

The vesting conditions, performance hurdles and general terms of the Performance Rights are summarised in Section 11.9.

Ian's employment contract contains express provisions protecting the Company's confidential information and intellectual property. Ian's employment contract contains mutual non-disparagement obligations which survive the termination of employment.

Under the terms of Ian's employment contract, either party is entitled to terminate Ian's employment by giving six months' written notice.

After termination of employment, the employment contract provides that Ian will be subject to non-compete and non-solicitation of employee restrictions for a period of 12 months following the termination or cessation of employment.

05. Board, Management and Governance

5.5.3 Jeffrey Shorter – Chief Executive Officer Tubi Limited and Executive Chairman of the Board of Tubi USA

Jeffrey Shorter is employed as Chief Executive Officer of Tubi Limited (appointed 1 March 2019) and executive Chairman of the Board of Tubi USA. Jeffrey is employed on a full-time basis and his fixed annual remuneration is US\$225,000 per annum, less applicable deduction and withholdings. Jeffrey's fixed annual remuneration from 1 January 2020 will be US\$300,000, less applicable deductions and withholdings.

Jeffrey is eligible to receive short term cash incentive payments as follows:

- > for the period to 30 June 2019, up to US\$40,000 (gross) subject to achievement of performance hurdles relating to Tubi's HDPE pipe production volumes;
- > for the period 1 July 2019 to 31 December 2019, up to US\$56,250 (gross) subject to achievement of performance hurdles relating to Tubi's financial performance and the commissioning of new Mobile Plants; and
- > from 1 July 2020, eligible to participate in any senior executive short term incentive plan.

Jeffrey is also eligible to participate in the Company's United States Share Incentive (**SI**) Plan and was granted 4,500,000 Options on 30 April 2019. The exercise price of each Option is A\$0.20 per Share. The Options vest on the below dates provided that Jeffrey is an employee of Tubi on the applicable vesting date:

- > 1,500,000 Options: 30 August 2020;
- > 1,500,000 Options: 30 August 2021; and
- > 1,500,000 Options: 30 August 2022.

The general terms of the options are summarised in Section 11.7.

Jeffrey has also been granted 1,500,000 Tenure Restricted Stock Units (**Tenure RSUs**) under the SI Plan. The Tenure RSUs vest on the below dates provided that Jeffrey is an employee of Tubi on the applicable date:

- > 500,000 Tenure RSUs: 20 August 2020;
- > 500,000 Tenure RSUs: 30 August 2021; and
- > 500,000 Tenure RSUs: 30 August 2022.

The general terms of the TRSUs are summarised in Section 11.8.

The Board has resolved to grant Performance Restricted Stock Units (**Performance RSUs**) to Jeffrey on or about 30 November 2019 under the Company's SI Plan. The aggregate number of Performance RSUs to be granted will be calculated by dividing US\$150,000 (converted to A\$) by the VWAP of the Shares over the five trading days immediately prior to 30 November 2019. Subject to satisfaction of the vesting conditions and the performance hurdles, the Performance RSUs will vest in equal tranches on or about the below dates:

- > Tranche 1: 30 August 2020;
- > Tranche 2: 30 August 2021; and
- > Tranche 3: 30 August 2022,

The vesting conditions and general terms of the Performance RSUs are summarised in Section 11.9.

Jeffrey is eligible to participate in any Tubi USA sponsored benefit plans or programs in effect from time to time, including but not limited to a health plan and 401(k) plan, subject to the terms and conditions of such plans.

Jeffrey's employment contract is for an indefinite term and can be terminated by Tubi USA with or without cause or due to Jeffrey's death or disability, or by Jeffrey with or without good reason. Tubi USA may terminate Jeffrey's employment without cause by providing 30 days' written notice of termination. If Jeffrey is terminated by Tubi USA without cause or if Jeffrey terminates his employment contract for good reason, the company must pay him 6 months' base salary then in effect and up to 6 months of premiums under the company's group health plan applicable to executive-level employees, subject to Jeffrey executing a deed of release on terms mutually agreed by Tubi USA and Jeffrey. For any other termination or resignation, Jeffrey will only be owed any salary or other amounts accrued up through the date of termination.

05. Board, Management and Governance

Jeffrey's employment contract contains mutual non-disparagement obligations which survive the termination of employment. Jeffrey is also party to a separate agreement which contains express provisions protecting Tubi USA's confidential information and intellectual property and includes a six month post-termination non-compete provision.

In the event that Jeffrey ceases to be employed by Tubi USA, he has agreed to cooperate in good faith with Tubi USA in connection with a defence, prosecution or investigation or any proceeding involving the Group, in exchange for payment of a reasonable daily rate, in certain circumstances and subject to all applicable law.

5.6 Interests of Directors

Other than as set out below or elsewhere in the Prospectus, no Director or proposed director:

- > has or had at any time during the two years preceding the date of this Prospectus an interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company or in the Offer; and
- > has been paid or agreed to be paid any amount, or has been given or agreed to be given any other benefit, either to induce him or her to become, or to qualify him or her as, a Director or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

5.6.1 Directors interests in Shares

	Shares as at the Prospectus Date	Options and Tenure RSUs held as at the Prospectus Date	& holding of Shares at the Prospectus Date (undiluted)	Shares after Completion of the Offer	Options and Tenure RSUs held immediately following Completion of the Offer	% holding of Shares immediately following Completion of the Offer (undiluted)	% holding of Shares immediately following Completion of the Offer (fully diluted)
Anthony Willsallen ^{1,3}	104,014,980	–	42.78%	104,014,980	–	42.78%	41.75%
Michael Tilley ^{2,3}	104,014,980	–	42.78%	104,014,980	–	42.78%	41.75%
Marcello Russo ⁴	64,527,420	–	26.54%	35,727,420	–	14.69%	14.34%
Craig Lawn ⁵	1,942,500	–	0.80%	1,942,500	–	0.80%	0.78%
		4,500,000 Options 1,500,000 Tenure RSUs			4,500,000 Options 1,500,000 Tenure RSUs		
Jeffrey Shorter ⁶	–	–	–	–	–	–	2.41%
Brent Emmett	–	–	–	–	–	–	–

Note:

1. 52,132,500 Shares are held by Bald Hill Quarry Pty Ltd, an entity associated with Anthony Willsallen. Bald Hill Quarry Pty Ltd has a relevant interest in the 51,882,480 Shares held by Oxleigh Pty Ltd.
2. 51,882,480 Shares are held by Oxleigh Pty Ltd, an entity associated with Michael Tilley. Oxleigh Pty Ltd has a relevant interest in the 52,132,500 Shares held by Bald Hill Quarry Pty Ltd.
3. Bald Hill Quarry Pty Ltd and Oxleigh Pty Ltd are associates. See Section 5.7 for further details.
4. Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust. The Company has agreed to grant Performance Rights to Marcello Russo in November 2019, see Section 5.5.1 for further details.
5. Held by Craig Lawn and Joy Lawn as trustee for the Lawn Family Superannuation Fund.
6. The Company has agreed to grant Performance RSUs to Jeffrey Shorter in November 2019, see Section 5.5.3 for further details.

05. Board, Management and Governance

5.6.2 Indemnification of Directors and Officers

The Company has entered into deeds of indemnity, access and insurance with each Director. Under these deeds, the Company has agreed to indemnify, to the extent permitted by the Corporations Act, each Director in respect of certain liabilities which the Director may incur as a result of, or by reason of (whether solely or in part), being or acting as an officer of the Company. These liabilities include losses or liabilities incurred by the Director to any other person as an officer of the Company, including legal expenses. The Company has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for seven years after they cease to act as officers.

5.6.3 Related party interests

Other than as set out below or elsewhere in this Prospectus, there are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest:

- > the compensation arrangements with Directors and executive officers, which are described in Section 5.4 and Section 5.5;
- > the indemnification arrangements with the Directors which are described in Section 5.6.2;
- > \$20,000 paid to Craig Lawn for his services as a member of the Due Diligence Committee in relation to the Offer;
- > rental payments made by the Company to Marcello Russo, Director, for the use of an office owned by Marcello Russo or his associate; and
- > consulting fees paid by the Company to an entity associated with Ian Coates, Company Secretary, for certain consulting services provided by Ian Coates. These services are no longer provided.

5.6.4 Policy for approval of related party transactions

The Company's Audit Committee is responsible for reviewing and approving all transactions in which the Company is a participant and in which any parties related to the Company, including its executive officers, Directors, beneficial owners of more than 5% of the Company's Shares, immediate family members of the foregoing persons and any other persons whom the Board determines may be considered related parties of the Company, has or will have a direct or indirect material interest.

The Audit Committee or its Chair, as the case may be, will only approve those related party transactions that are determined to be in, or are not inconsistent with, the best interests of the Company and its Shareholders, after taking into account all available facts and circumstances as the Audit Committee or the Chairperson determines in good faith to be necessary. Transactions with related parties will also be subject to Shareholder approval to the extent required by the ASX Listing Rules.

5.7 Dealings in Shares

Two Existing Shareholders of Tubi, being Bald Hill Quarry Pty Limited (**Bald Hill**) and Oxleigh Pty Ltd (**Oxleigh**) (which are entities controlled by Directors Anthony Willsallen and Michael Tilley respectively) (**Related Party Shareholders**), entered into a consultation deed (**Consultation Deed**) on 8 May 2019. Under the Consultation Deed, subject to applicable voluntary escrow restrictions (see section 11.12), each Related Party Shareholder has agreed with the other to not dispose of any Shares (or to enter into any transaction which would create or dispose of any legal, beneficial or economic interest in their Shares) without first notifying the other party of its intention to do so and consulting in good faith with the other party on (among other things) the terms, the manner and the extent to which the other party may acquire those Shares.

The number of Shares subject to the disposal restriction will decrease to the extent Shares are disposed of as permitted under the Consultation Deed and will increase to the extent a party acquires Shares as permitted under the takeover provisions in Chapter 6 of the Corporations Act (see section 11.13.2).

05. Board, Management and Governance

The effect of the Consultation Deed is that each Related Party Shareholder is associated with the other (as they propose to act in concert with one another with respect to the Company's affairs), that each has a "relevant interest" (as that term is defined in the Corporations Act) in each other's Shares (as each restricts the ability of the other to dispose of their Shares under the Consultation Deed) and that each has 42.78% "voting power" (as that term is defined in the Corporations Act) in the Company.⁴ Consequently, as at the Completion of the Offer:

- > Oxleigh holds 51,882,480 Shares, representing 21.33% of the Shares;
- > Bald Hill holds 52,132,500 Shares, representing 21.44% of the Shares;
- > each Related Party Shareholder has a "relevant interest" in the other Related Party Shareholder's Shares, representing a "relevant interest" in 42.78% of the Shares; and
- > the Related Party Shareholders have a combined 42.78% "voting power" (as that term is defined in the Corporations Act) in the Company.

The Company is not a party to the Consultation Deed and cannot enforce the Consultation Deed. Only the shareholders may enforce compliance with those disposal restrictions.

The Consultation Deed automatically terminates when a Related Party Shareholder no longer holds any Shares.

5.8 Equity Incentive Plans

5.8.1 Australian Long Term Incentive Plan

The Company has recently adopted an employee incentive plan known as the Tubi Limited Long Term Incentive Plan (**LTI Plan**), to assist in the reward, retention and motivation of the Company's Directors, senior management, and other employees. The LTI Plan is intended to assist with aligning the interests of participants with shareholders by providing an opportunity for Eligible Participants to earn equity interests in the Company.

Under the rules of the LTI Plan, the Board has discretion to offer:

- > a full-time or part-time employee of any Group Company or a Director Options to acquire shares and/or Performance Rights to acquire Shares; and
- > any other person who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Options to acquire shares and/or Performance Rights to acquire Shares inclusive of any Options, Performance Rights or similar instruments issued under any other incentive plan operated by the Company.

(each recipient is an **Eligible Employee** and the above awards are collectively the **Awards**).

In each case the Awards can be made subject to vesting conditions and/or performance hurdles as determined by the Board.

The terms and conditions of the LTI Plan are set out in comprehensive rules. A summary of the rules of the LTI Plan is set out below:

- > The LTI Plan is open to Eligible Employees as determined by the Board. Participation is voluntary.
- > The Board may determine the type and number of Awards to be issued under the LTI Plan to each participant and other terms of issue of the Awards, including but not limited to:
 - what conditions and/or performance hurdles must be met by a participant in order for an Award to vest (if any);
 - the amount payable to be paid by a participant on the grant of Awards (if any);
 - the exercise price of any option granted to a participant;
 - the period during which a vested option can be exercised; and
 - any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or vesting of Performance Rights.
- > When any conditions and/or performance hurdles have been satisfied, their Options/Performance Rights will become vested and will be exercisable into Shares.
- > Each vested Option and Performance Right enables the participant to be issued or to be transferred one Share upon exercise or vesting (as applicable), or an equivalent cash value, subject to the rules governing the LTI Plan and the terms of any particular offer.

4. This involves calculating the number of voting shares in the Company in which a person and the person's associates have a "relevant interest".

05. Board, Management and Governance

- > Participants holding Options or Performance Rights are not permitted to participate in new issues of Securities by the Company but adjustments may be made to the number of Shares over which the options or Performance Rights are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the LTI Plan and the ASX Listing Rules.
- > If a “change of control event” occurs to the Company, and unless the Board determines otherwise, all granted Awards will immediately vest.

A “change of control” event will occur when a person or entity becomes a legal or beneficial owner of 50% or more of the issued capital of the Company; a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or the Board determines that there are circumstances that have occurred or are likely to occur which will result in significant changes to the structure or control of the Company which may adversely affect the value of the Awards. A “change of control” event does not include the listing of the Company on the ASX.

- > If a participant becomes a “bad leaver”:
 - all vested options which have not been exercised will continue in force and remain exercisable for 30 days, unless the Board in its sole and absolute discretion determines otherwise; and
 - all unvested options and/or performance rights will automatically be forfeited by the participant for the payment by the Company to the participant of nominal consideration.

A participant will be a “bad leaver” if the participant resigns (other than because they have died or resign due to incapacity arising from serious personal illness or injury), is terminated for performance or is terminated or dismissed for misconduct, unless the Board determines otherwise in its absolute discretion.

- > If a participant is a “good leaver”:
 - unless the Board determines otherwise any and all vested options held by the participant which have not been exercised will continue in force and remain exercisable for 12 months; and
 - the Board may determine the manner in which any unvested Awards held by the participant will be dealt with.

A participant is a “good leaver” if they are not a “bad leaver”.

- > The LTI Plan limits the number of Awards that the Company may grant without Shareholder approval, such that the sum of all Awards on issue (assuming all options and Performance Rights were exercised) do not at any time exceed in aggregate 5% of the fully diluted share capital of the Company as at the date of any proposed new Awards.
- > The Board may delegate management and administration of the LTI Plan, together with any of their powers or discretions under the LTI Plan, to a committee of the Board or to any one or more persons selected by them.
- > Subject to the ASX Listing Rules and the Constitution, the Board may at any time amend the LTI Plan or the terms and conditions upon which Awards have been issued under the LTI Plan provided, generally, that the amendment does not materially reduce the rights of any Participant in respect of Awards granted to them.
- > The Board may elect to use an employee share trust or other mechanism for the purposes of holding Awards for Participants under the Plan, and delivering Plan Shares on behalf of Participants upon exercise of Options and/or Performance Rights (as the case may be).

5.8.2 United States Share Incentive Plan

The Company has recently adopted an employee incentive plan known as the Tubi Limited Share Incentive Plan (**SI Plan**), to assist in the reward, retention and motivation of certain of the Group’s Directors, senior management, and other employees. The SI Plan is intended to assist with aligning the interests of participants with shareholders by providing an opportunity for eligible participants to earn equity interests in the Company.

Under the rules of the SI Plan, the Board has discretion to offer any person who is declared by the Board in its sole and absolute discretion to be eligible (**Eligible Employee**) to receive grants of options to acquire Shares and/or restricted stock units to acquire Shares (**Awards**).

In each case the Awards can be made subject to vesting conditions and/or performance hurdles as determined by the Board.

05. Board, Management and Governance

The terms and conditions of the SI Plan are set out in comprehensive rules. A summary of the rules of the SI Plan is set out below:

- > The SI Plan is open to Eligible Employees as determined by the Board. Participation is voluntary.
- > The Board may determine the type and number of Awards to be issued under the SI Plan to each participant and other terms of issue of the Awards, including but not limited to:
 - what conditions and/or performance hurdles must be met by a participant in order for an Award to vest (if any);
 - the amount payable to be paid by a participant on the grant of Awards (if any);
 - the exercise price of any option granted to a participant;
 - the period during which a vested option can be exercised; and
 - any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or vesting of restricted stock units.
- > When any conditions and/or performance hurdles have been satisfied, their options/restricted stock units will become vested and will be exercisable into Shares.
- > Each vested option and restricted stock unit enables the participant to be issued or to be transferred one Share upon exercise or vesting (as applicable), subject to the rules governing the SI Plan and the terms of any particular offer.
- > Participants holding options or restricted stock units are not permitted to participate in new issues of Securities by the Company but adjustments may be made to the number of Shares over which the options or restricted stock units are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the SI Plan and the ASX Listing Rules.
- > If a “change of control event” occurs to the Company, and unless the Board determines otherwise, all granted Awards will immediately vest.

A “change of control” event will occur when a person or entity becomes a legal or beneficial owner of 50% or more of the issued capital of the Company; a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or the Board determines that there are circumstances that have occurred or are likely to occur which will result in significant changes to the structure or control of the Company which may adversely affect the value of the Awards. A “change of control” event does not include the listing of the Company on the ASX.

- > If a participant becomes a “bad leaver”:
 - all vested options which have not been exercised will continue in force and remain exercisable within 30 days of the participant becoming a bad leaver, unless the Board in its sole and absolute discretion determines otherwise;
 - all vested restricted stock units which have not been settled will be immediately settled in plan shares, unless the Board in its sole and absolute discretion determines otherwise; and
 - all unvested Awards will automatically be forfeited by the participant for the payment by the Company to the participant of nominal consideration.

A participant will be a “bad leaver” if the participant resigns (other than because they have died or resign due to incapacity arising from serious personal illness or injury), is terminated for performance or is terminated or dismissed for misconduct, unless determined otherwise by the Board in its sole discretion.

- > If a participant is a “good leaver”:
 - unless the Board determines otherwise any and all vested Options held by the participant which have not been exercised will continue in force and remain exercisable for 12 months;
 - all unvested Options will be automatically forfeited by the participant for the payment by the Company to the participant of nominal consideration;
 - all vested Restricted Stock Units which have not been settled will be immediately settled in Shares; and
 - the Board may determine, in its sole and absolute discretion, the manner in which the unvested Restricted Stock Units will be dealt with.

A participant is a “good leaver” if they are not a “bad leaver”.

05. Board, Management and Governance

- > The SI Plan limits the number of Awards that the Company may grant without Shareholder approval, such that the sum of all Awards on issue (assuming all options and restricted stock units were exercised) do not at any time exceed in aggregate 5% of the fully diluted share capital of the Company as at the date of any proposed new Awards inclusive of any Options, Restricted Stock Units or similar instruments issued under any other incentive plan operated by the Company.
- > The Board may delegate management and administration of the SI Plan, together with any of their powers or discretions under the SI Plan, to a committee of the Board or to any one or more persons selected by them.
- > Subject to the ASX Listing Rules and the Constitution, the Board may at any time amend the SI Plan or the terms and conditions upon which Awards have been issued under the SI Plan provided, generally, that the amendment does not materially reduce the rights of any Participant in respect of Awards granted to them.
- > The Board may elect to use an employee share trust or other mechanism for the purposes of holding Awards for Participants under the Plan, and delivering Plan Shares on behalf of Participants upon exercise of Options and/or restricted stock units (as the case may be).

There are also certain rules of the SI Plan which are applicable to Awards granted under the SI Plan to participants who are residents of the United States (**U.S Persons**'), including that:

- > A U.S Person may only be granted an Award if they are a U.S employee, consultant or member of the Board of a Group entity.
- > A consultant is only eligible to become a participant if they are a natural person providing bona fide services to a Group entity and such services are not:
 - in connection with the offer or sale of securities in a capital-raising transaction; or
 - performed to directly or indirectly promote or maintain a market for the Company's securities.
- > No U.S. Person shall be eligible to be granted an Award prior to the date such person commences employment or other personal service relationship with a Group entity.
- > No option granted to an eligible U.S. Person shall have an exercise price that is less than 100% of the fair market value of a Share on the date that the option is granted.

The Tubi Board has resolved and adopted a policy that there will be no option or share plan incentives awarded to non-executive directors of the Company.

5.9 Corporate governance

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisers as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest. Any issue concerning a Director's ability to properly act as a director will be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

5.9.1 Board's role in risk oversight

The Board's role in risk oversight includes receiving reports from management and the Audit Committee on a regular basis regarding material risks faced by the Company and applicable mitigation strategies and activities. Those reports detail the effectiveness of the risk management program and identify and address material business risks such as technological, strategic, business, operational, financial, human resources and legal/regulatory risks. The Board and its committees consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks including appropriate activity to address those risks.

The responsibilities of the Board are set down in the Company's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles. A copy of the Company's Board Charter is available on the Company's website at <https://tubigroup.com/>.

05. Board, Management and Governance

5.9.2 Board Committees

As set out below, the Board has established three standing committees to facilitate and assist the Board in fulfilling its responsibilities. The Board may also establish other committees from time-to-time to assist in the discharge of its responsibilities.

Each committee has the responsibilities described in the committee charter (which has been prepared having regard to the ASX Corporate Governance Principles) adopted by the Company. A copy of the charter for the above committees is available on the Company's website at <https://tubigroup.com/>.

Committee	Overview	Members
Audit Committee	Oversees the Company's corporate accounting and financial reporting, including auditing of the Company's financial statements and the qualifications, independence, performance and terms of engagement of the Company's external auditor.	Craig Lawn (Chair) Anthony Willsallen Brent Emmett
Human Resources Committee	Establishes, amends, reviews and approves the compensation and equity incentive plans with respect to senior management and employees of the Company including determining individual elements of total compensation of the Chief Executive Officer and other members of senior management. The Human Resources Committee is also responsible for reviewing the performance of the Company's executive officers with respect to these elements of compensation.	Brent Emmett (Chair) Craig Lawn Anthony Willsallen
Nomination Committee	Recommends the Director nominees for each annual general meeting and ensures that the audit, compensation and nominating & corporate governance committees of the Board have the benefit of qualified and experienced independent directors.	Michael Tilley (Chair) Anthony Willsallen Craig Lawn Brent Emmett

5.9.3 Corporate governance policies

The Company has also adopted the following policies, each of which has been prepared having regard to the ASX Corporate Governance Principles and is available on the Company's website at <https://tubigroup.com/>.

- > **Code of Conduct** – This policy sets out the standards of ethical behaviour that the Company expects from its Directors, officers and employees;
- > **Continuous Disclosure Policy** – Once listed on ASX, the Company will need to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act to ensure the Company discloses to ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares. As such, this policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations;
- > **Risk Management Policy** – This policy is designed to assist the Company to identify, assess, monitor and manage risks affecting the Company's business;
- > **Securities Trading Policy** – This policy is designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws;
- > **Shareholder Communications Policy** – This policy sets out practices which the Company will implement to ensure effective communication with its Shareholders;
- > **Diversity Policy** – This policy sets out the Company's objectives for achieving diversity amongst its board, management and employees; and
- > **Privacy Policy** – This policy sets out how the Company collects, holds, uses and discloses personal information.

05. Board, Management and Governance

5.10 ASX Corporate Governance Principles

The Board has evaluated the Company's current corporate governance policies and practices in light of the ASX Corporate Governance Principles. A brief summary of the approach currently adopted by the Company is set out below.

Principle 1 – Lay solid foundations for management and oversight

The Board's responsibilities are defined in the Board Charter.

The Company has also established a clear delineation between the Chairman's responsibility for the Company's strategy and activities, and the day-to-day management of operations conferred upon the Chief Executive Officer and certain other officers of the Company. The Human Resources Committee evaluates the performance of senior executives.

Principle 2 – Structure the Board to add value

Whilst the Board will comprise of six Directors at Listing, the majority of the Directors will not be comprised of independent Directors as recommended by the ASX Corporate Governance Principles, the roles of Chairman and Chief Executive Officer are exercised by two separate individuals.

As the Company is still in an early stage of development, it has not yet undertaken a formal review of the Board's performance. However, the Board Charter provides for an annual self-assessment of the Board's performance against the Board Charter.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

The Company has adopted a Code of Conduct, as well as a Securities Trading Policy, a Diversity Policy and a procedure for related party transactions.

Principle 4 – Safeguard the integrity of corporate reports

The Company has established an Audit Committee which complies with the ASX Corporate Governance Principles to oversee the integrity of its corporate reports.

Principle 5 – Make timely and balanced disclosure

The Company is committed to providing timely and balanced disclosure to the market in accordance with its Continuous Disclosure Policy.

Principle 6 – Respect the rights of Shareholders

The Company has adopted a Shareholder Communications Policy for Shareholders wishing to communicate with the Board. The Company seeks to recognise numerous modes of communication, including electronic communication, to ensure that its communication with Shareholders is frequent, clear and accessible.

All Shareholders are invited to attend the Company's annual general meeting, either in person or by representative. The Board regards the annual general meeting as an excellent forum in which to discuss issues relevant to the Company and accordingly encourages full participation by Shareholders. Shareholders have an opportunity to submit questions to the Board and to the Company's auditors.

Principle 7 – Recognise and manage risk

In conjunction with the Company's other corporate governance policies, the Company has adopted a Risk Management Policy, which is designed to assist the Company to identify, evaluate and mitigate risks affecting the Company. In addition, the Board has established three standing committees to provide focused support in key areas. Regular internal communication between the Company's management and Board supplements the Company's quality system, complaint handling processes, employee policies and standard operating procedures which are all designed to address various forms of risks.

Principle 8 – Remunerate fairly and responsibly

The Company has established a Human Resources Committee as set out in this Section 5.9.2. The Company will provide disclosure of its Directors' and executives' remuneration in its annual report.

An abstract graphic on the left side of the page. It features several overlapping circles. The top circle has an orange border and contains a blue staircase. Below it is a grey circle, and at the bottom is an orange circle. The background is a solid dark grey.

06.

Financial Information

06. Financial Information

6.1 Introduction

6.1.1 Background

On 10 May 2019, Tubi Pty Ltd was converted into a public company. The financial statements of Tubi Limited are a continuation of Tubi Pty Ltd. The historical financial information presented in this financial Section has been based on the audited and reviewed accounts of Tubi Limited (formerly Tubi Pty Ltd).

6.1.2 Overview of Financial Information

The summary financial information ("**Financial Information**") for Tubi in this Section 6 includes:

Historical Financial Information	Section
Statutory historical income statements for FY17 and FY18 and the statutory historical income statements for 1H18 and 1H19 (together the " Statutory Historical Income Statements ")	6.3
Pro-forma historical income statements for FY17 and FY18 and the pro-forma historical income statements for 1H18 and 1H19 (together the " Pro-Forma Historical Income Statements ")	6.3
A reconciliation of the Pro-Forma Historical Income Statements to the Statutory Historical Income Statements	6.3.1
Statutory and pro-forma balance sheet as at 31 December 2018	6.4
Statutory historical cash flow statements for FY17 and FY18 and the statutory historical cash flow statements for 1H18 and 1H19 (together the " Statutory Historical Cash Flow Statements ")	6.5
Pro-forma historical cash flow statements for FY17 and FY18 and the pro-forma historical cash flow statements for 1H18 and 1H19 (together the " Pro-Forma Historical Cash Flow Statements ")	6.5
A reconciliation of the Pro-Forma Historical Cash Flow Statements to the Statutory Historical Cash Flow Statements	6.5.1
Forecast Financial Information	Section
Pro-forma and statutory forecast income statements for FY19 and FY20 ("Forecast Income Statements")	6.3
A reconciliation of the pro-forma forecast income statements to the statutory forecast income statements	6.3.1
Pro-forma and statutory forecast cash flow statements for FY19 and FY20 ("Forecast Cash Flow Statements")	6.5
A reconciliation of the pro-forma forecast cash flow statements to the statutory forecast income statements	6.5.1

Also summarised in this Section 6 are:

- > the basis of preparation of the Financial Information (see **Section 6.2**);
- > Management's discussion and analysis of the Historical and Forecast Financial Information (see **Section 6.6**);
- > the Directors' best estimate general and specific assumptions and commentary underlying the Forecast Financial Information (refer to **Section 6.7**);
- > the analysis of the key sensitivities in respect of the Forecast Financial Information (refer **Section 6.8**); and
- > Tubi's proposed dividend policy (refer **Section 6.9**).

06. Financial Information

The information in this Section 6 should also be read in conjunction with the risk factors set out in Section 4, the significant accounting policies set out in Schedule 1 and other information contained in this Prospectus.

Tubi has a 30 June financial year end. As such, any references in this Section to “FY” refer to 30 June financial year end and “HY” refer to a 31 December financial half year.

All amounts disclosed in the tables in this Section 6 are prepared in Australian dollars and, unless otherwise noted, are rounded to the nearest \$1,000. Any discrepancies between totals and sums of components in tables or figures contained in this Prospectus are due to rounding.

6.2 Basis of preparation and presentation of the Financial Information

6.2.1 Overview

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles of the Australian Accounting Standards (“AAS”) issued by the Australia Accounting Standards Board (“AASB”), which are consistent with International Financial Reporting Standards (“IFRS”) and interpretations issued by the International Accounting Standards Board. Tubi’s significant accounting policies are set out in Schedule 1 and have been consistently applied throughout the financial periods presented, unless otherwise stated.

The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Directors are responsible for the preparation and presentation of the Financial Information.

In accordance with AASB 8: Operating Segments, Tubi has one reportable segment, being the manufacturing of HDPE pipe and the sale of technology licenses to manufacture HDPE pipe.

6.2.2 Preparation of historical financial information and pro forma historical financial information

The Financial Information has been reviewed and reported on by PKF Corporate Finance (NSW) Pty Ltd (“PKFCF”) whose Investigating Accountant’s Report (“IAR”) is set out in Section 7. Investors should note the scope and limitations of the IAR.

The Historical Financial Information has been extracted from Tubi’s audited statutory financial statements for FY17 and FY18 and reviewed statutory financial statements for 1H19 (which include comparative financial information for 1H18).

The statutory financial statements for FY17 and FY18 were audited by PKF(NS) Audit & Assurance Limited (“PKF”), which has issued an unqualified opinion. The statutory financial statements for 1H19 (including comparative financial information for 1H18) were reviewed by PKF, which has issued an unqualified opinion.

The Pro-Forma Historical Income Statements and Pro-Forma Historical Balance Sheet has been prepared solely for the purposes of inclusion in this Prospectus.

The Pro-Forma Historical Income Statements are based on audited statutory historical income statements for FY17 and FY18, reviewed statutory historical income statements for 1H19 (including comparative financial information for 1H18) and adjustments relating to one-off income/expenses.

The Pro-Forma Historical Balance Sheet has been derived from the reviewed statutory historical balance sheet as at 31 December 2018 adjusted for certain material transactions since that date, as if they had taken place as at 31 December 2018.

Investors should note that past results are not a guarantee of future performance.

06. Financial Information

6.2.3 Preparation of Forecast Financial Information

The Forecast Financial Information has been prepared solely for inclusion in this Prospectus.

The Forecast Financial Information has been prepared by Tubi based on an assessment of current economic and operating conditions and best estimate general and specific assumptions regarding future events and actions as set out in Section 6.7.

The Forecast Financial Information is based on reviewed results for the 1H19 and the Directors' best estimates for 2H19 and FY20, having regard to actual results to 31 March 2019 based on Tubi's unaudited management accounts, and trading performance up until the date of lodgement of the Prospectus. Statutory Forecast Financial Information represents Tubi's best estimates of the financial performance and cash flows which they expect to report in their general purpose statutory financial statements for FY19 and FY20.

The Forecast Financial Information is subject to the risks set out in Section 4. The inclusion of these assumptions and the risks is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur.

Tubi believes the best estimate assumptions, when taken as a whole, to be reasonable at the time of preparing this Prospectus. However, this information is not fact and investors are cautioned not to place undue reliance on the Forecast Financial Information. Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information, and that this may have a material positive or material negative effect on Tubi's actual financial performance or financial position. In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies many of which will be outside the control of Tubi, the Directors and management, and are not reliably predictable. Accordingly, Tubi, the Directors, nor any other person can give investors any assurance that the outcomes discussed in the Forecast Financial Information will arise.

The basis of preparation and presentation of the Forecast Financial Information, to the extent applicable, is consistent with the basis of preparation and presentation for the Historical Financial Information unless otherwise noted.

Tubi has no intention to update or revise the Forecast Financial Information or other forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Forecast Financial Information should be read in conjunction with the best estimate assumptions in Section 6.7, the sensitivity analysis in Section 6.8, the risk factors in Section 4 and other information set out in this Prospectus.

6.2.4 Explanation of certain non-IFRS measures

Tubi uses certain measures to manage and report on the business that are not recognized under AAS. These measures are collectively referred to as non-IFRS measures (**non-IFRS financial measures**). The principle non-IFRS financial measures that are referred to in this Prospectus include the following:

- > EBITDA is earnings before interest, taxation, depreciation and amortisation; and
- > EBIT is earnings before interest and taxation.

These measures are reconciled to net profit/(loss) after tax (**NPAT**) in Section 6.3.

Although the Directors believe that these measures provide useful information about the financial performance of Tubi, they should be considered as supplements to the income statement and cash flow measures that have been presented in accordance with the AAS and not as a replacement for them. Because these non-IFRS financial measures are not based on AAS, they do not have standard definitions, and the way Tubi has calculated these measures may differ from similarly titled measures used by other companies. Readers should therefore not place undue reliance on these non-IFRS measures.

6.3 Historical and forecast income statements

Table 6.1 below sets out the pro-forma historical and statutory income statements for the FY17 and FY18 and the pro-forma and statutory forecast income statements for FY19 and FY20. For an explanation of the key income statement line items refer to **Section 6.6**.

06. Financial Information

In preparing the statutory and pro-forma forecast income statements, income tax has been excluded as Tubi is unable to forecast income tax as:

- > the jurisdictions in which the Mobile Plants will operate has not been settled, and the taxes payable in the United States vary between States;
- > the manner in which the two Mobile Plants for which Tubi does not have a contract will be operated (ie by take or pay contracts, joint venture arrangements, or used to manufacture HDPE pipe for sale into the open market) has not been settled, and the structure will determine the tax payable; and
- > the operations of four Mobile Plants outside Australia, and the delivery of one Mobile Plant to New Zealand, creates uncertainty as to the jurisdiction in which taxes will be assessed, as taxation jurisdiction is ultimately a decision made by the taxation authorities of relevant jurisdictions rather than Tubi. Income earned up until 31 December 2018 has been assumed to be predominantly assessable in Australia, and Tubi cannot be certain whether income earned outside Australia beyond that date will be assessable in Australia or in the country in which it is earned. There are significant differences between the rate and nature of taxation between countries and in some circumstances, within countries. See Section 4.3.5 for further information.

TABLE 6.1 HISTORICAL & FORECAST INCOME STATEMENTS

	Pro-Forma				Statutory			
\$'000	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)
Revenue	4,662	17,381	31,974	69,385	4,662	17,381	31,974	69,385
Raw Materials & Direct Costs	(3,786)	(14,270)	(26,363)	(56,133)	(3,786)	(14,270)	(26,363)	(56,133)
Gross Profit	875	3,111	5,611	13,252	875	3,111	5,611	13,252
Gross Profit Margins (%)	18.8%	17.9%	17.5%	19.1%	18.8%	17.9%	17.5%	19.1%
Other Income	440	94	43	–	440	94	43	–
Employee Benefits Expense	(275)	(525)	(710)	(1,112)	(275)	(525)	(710)	(1,112)
Travel & Accommodation	(70)	(228)	(244)	(188)	(70)	(228)	(244)	(188)
Repairs & Maintenance	(77)	(68)	(23)	(0)	(77)	(68)	(23)	(0)
Legal & Professional	(45)	(148)	(112)	(188)	(133)	(269)	(172)	(188)
Consultancy	(61)	(124)	(75)	(125)	(61)	(124)	(75)	(125)
Rental Expense	(15)	(68)	(19)	(113)	(15)	(68)	(19)	(113)
Insurance	(56)	(56)	(81)	(509)	(56)	(56)	(81)	(509)
Share Based Payments	–	–	(81)	(487)	–	–	(81)	(487)
Other Operating Expenses	(56)	(90)	(253)	(1,065)	(56)	(90)	(1,203)	(1,065)
EBITDA	660	1,899	4,056	9,467	572	1,779	3,046	9,467
EBITDA Margins (%)	14.2%	10.9%	12.7%	13.6%	12.3%	10.2%	9.5%	13.6%
Depreciation & Amortisation	(118)	(722)	(1,225)	(3,376)	(118)	(722)	(1,225)	(3,376)
EBIT	542	1,177	2,831	6,090	454	1,057	1,821	6,090
EBIT Margins (%)	11.6%	6.8%	8.9%	8.8%	9.7%	6.1%	5.7%	8.8%
Net Interest Income/(Expense)	(1)	(5)			(1)	(5)		
Income Tax (Expense)/Benefit	(97)	(572)			(71)	(535)		
NPAT	443	600			382	516		

Note: tax has been removed from forecasts based on the uncertainty of the jurisdiction of future plants.

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Table 6.2 below sets out the pro-forma and statutory historical income statements for 1H18 and 1H19.

TABLE 6.2 HISTORICAL INCOME STATEMENTS FOR 1H18 AND 1H19

\$'000	Pro-Forma		Statutory	
	1H18 (a)	1H19 (a)	1H18 (a)	1H19 (a)
Revenue	10,084	17,172	10,084	17,172
Raw Materials & Direct Costs	(7,184)	(14,354)	(7,184)	(14,354)
Gross Profit	2,900	2,819	2,900	2,819
Gross Profit Margins (%)	28.8%	16.4%	28.8%	16.4%
Other Income	–	43	–	43
Employee Benefits Expense	(131)	(328)	(131)	(328)
Travel & Accommodation	(49)	(141)	(49)	(141)
Repairs & Maintenance	(49)	(22)	(49)	(22)
Legal & Professional	(21)	(61)	(86)	(61)
Consultancy	(52)	(41)	(52)	(41)
Rental Expense	(12)	(19)	(12)	(19)
Insurance	(33)	(6)	(33)	(6)
Other Operating Expenses	3	(50)	3	(50)
EBITDA	2,556	2,192	2,491	2,192
EBITDA Margins (%)	25.3%	12.8%	24.7%	12.8%
Depreciation & Amortisation	(401)	(530)	(401)	(530)
EBIT	2,155	1,662	2,090	1,662
EBIT Margins (%)	21.4%	9.7%	20.7%	9.7%
Net Interest Income/(Expense)	(0)	(12)	(0)	(12)
Income Tax (Expense)/Benefit	(210)	(513)	(191)	(513)
NPAT	1,944	1,137	1,899	1,137

6.3.1 Reconciliation of pro-forma income statements to statutory income statements

Table 6.3 below provides a reconciliation between the pro-forma historical and forecast income statements and the statutory historical and forecast income statements:

TABLE 6.3 RECONCILIATION OF PRO-FORMA INCOME STATEMENTS TO STATUTORY INCOME STATEMENTS

\$'000	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)	1H18 (a)	1H19 (a)
Pro-Forma EBIT	542	1,177	2,831	6,090	2,155	1,662
Less: One-off Offer Costs	–	–	(950)	–	–	–
Less: One-off Legal Expenses	(88)	(121)	(60)	–	(65)	–
Statutory EBIT	454	1,057	1,821	6,090	2,090	1,662

06. Financial Information

6.4 Pro forma historical balance sheet

The pro forma historical balance sheet as at 31 December 2018 is based on the reviewed statutory historical balance sheet as at 31 December 2018, adjusted for certain material transactions since that date, as if they had taken place as at 31 December 2018.

The pro forma historical balance sheet in Table 6.4 is provided for illustrative purposes only and is not represented as being necessarily indicative of Tubi's financial position upon completion of the Offer.

TABLE 6.4 PRO FORMA HISTORICAL BALANCE SHEET AS AT 31 DECEMBER 2018

As at 31 December 2018						
\$'000	Note	Actual (Reviewed)	Impact of Pre-IPO Capital Raisings Note 1	Impact of Other Material Transac- tions Note 2	Impact of the Offer Note 3	Pro-Forma
Current Assets						
Cash & Cash Equivalents	Note 4	3,412	10,659	–	(950)	13,122
Trade & Other Receivables		3,465	–	–	–	3,465
Inventories		2,232	–	–	–	2,232
Other Assets		4,007	–	–	–	4,007
Total Current Assets		13,116	10,659	–	(950)	22,826
Non-Current Assets						
Property, Plant & Equipment		8,265	–	–	–	8,265
Intangible Assets		262	–	–	–	262
Deferred Tax Assets		–	180	–	285	465
Total Non-Current Assets		8,527	180	–	285	8,992
TOTAL ASSETS		21,644	10,839	–	(665)	31,818
Current Liabilities						
Trade & Other Payables		4,567	–	–	–	4,567
Borrowings		2,767	–	(2,628)	–	138
Current Tax Liabilities		605	–	–	–	605
Employee Benefits		159	–	–	–	159
Other Liabilities		3,799	–	–	–	3,799
Total Current Liabilities		11,897	–	(2,628)	–	9,269
Non-Current Liabilities						
Deferred Tax Liabilities		1,747	–	–	–	1,747
Total Non-Current Liabilities		1,747	–	–	–	1,747
TOTAL LIABILITIES		13,644	–	(2,628)	–	11,015
NET ASSETS		8,000	10,839	2,628	(665)	20,803
Equity						
Issued Capital	Note 5	4,839	10,839	2,628	–	18,306
Reserves		129	–	–	–	129
Retained Earnings		3,032	–	–	(665)	2,367
TOTAL EQUITY		8,000	10,839	2,628	(665)	20,803

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Note 1: Impact of Pre-IPO Capital Raisings

Pro-forma adjustments have been taken up to reflect the impact of the following issues of shares:

- > In February 2019, Tubi issued 208,469 Shares (pre-Share Split, i.e. 6,254,070 post-Share Split) at an issue price of \$6.04 per Share to raise a total of \$1,259,000. There were no material costs incurred in relation to this issue; and
- > In April 2019, Tubi issued 50,000,000 Shares (post-Share Split) at an issue price of \$0.20 per Share to raise a total of \$10,000,000 before costs. Costs associated with this issue amounted to approximately \$600,000.

Note 2: Impact of Other Material Transactions

Pro-forma adjustments have been taken up to reflect the impact of the following material transaction which took place subsequent to 31 December 2018 and has and/or is expected to take place prior to 30 June 2019:

- > In April 2019, loans payable by Tubi to entities related to the Directors and/or shareholders amounting to \$2.63 million, were converted into Shares at an issue price of \$6.00 per Share (pre Share Split).

Note 3: Impact of the Offer

The following pro-forma adjustments have been taken up to reflect the impact of the Offer:

- > Costs of the Offer estimated to amount to approximately \$0.95 million which have been taken up against equity and retained earnings as required by AAS. This excludes costs of the Offer to be paid by the Selling Shareholder.
- > Proceeds of the Offer (less certain transaction costs) will be paid to the Selling Shareholder (via Saleco).

Note 4: Movements in Cash & Cash Equivalents

The following table provides a reconciliation between actual and pro-forma cash as at 31 December 2018:

TABLE 6.5 RECONCILIATION OF CASH & CASH EQUIVALENTS

	\$'000
As at 31 December 2018	3,412
Proceeds from February 2019 Capital Raising	1,259
Proceeds from the Pre-IPO Capital Raising	10,000
Costs relating to the Pre-IPO Capital Raising	(600)
Costs relating to the Offer	(950)
Pro-Forma	13,122

Note 5: Movements in Issued Capital

The following Table 6.6 provides a reconciliation between actual and pro-forma issued capital as at 31 December 2018:

TABLE 6.6 RECONCILIATION OF ISSUED CAPITAL

	#	\$'000
As at 31 December 2018	5,791,531	4,839
February 2019 Capital Raising	208,469	1,259
Sub-Total	6,000,000	6,098
Conversion on 1:30 Share Split	180,000,000	6,098
Pre-IPO Capital Raising	50,000,000	9,580
Conversion of Borrowings	13,142,400	2,628
Pro-Forma	243,142,400	18,306

06. Financial Information

6.4.1 Liquidity, capital resources and indebtedness

Following Completion of the Offer, Tubi's principal source of funds will be cash on its balance sheet.

Tubi expects that its operating cash flows, together with cash on its balance sheet will be sufficient to meet its operational requirements and business needs, and position Tubi to grow its business in accordance with the entity's stated objectives. Historically since 2017 Tubi has operated on a positive cash flow from operations basis before capital expenditure.

Tubi had pro forma cash and cash equivalents of \$13.1 million as at 31 December 2018, reflecting the expected cash and cash equivalents balance had the Pre-IPO Capital Raisings and Offer occurred as at 31 December 2018.

TABLE 6.7 PRO-FORMA NET CASH/(DEBT) AS AT 31 DECEMBER 2018

	\$'000
Cash & Cash Equivalents	13,122
Current & Non-Current Debt	(138)
Total Net Cash/(Debt)	12,983

6.4.2 Contractual obligations and capital commitments

As at 31 December 2018 Tubi had lease obligations of \$138,000 as a consequence of an 18 month rent to buy agreement for plant and equipment. Tubi also has a number of capital commitments for the completion of agreements to acquire new plants.

Tubi's capital commitments under non-cancellable orders for new plant are presented in Table 6.8.

TABLE 6.8 CAPITAL COMMITMENTS SUBSEQUENT TO 31 DECEMBER 2018 KNOW AS AT THE DATE OF THIS PROSPECTUS

\$'000	Lease Commitments	Capital Commitments	Total
January 2019 to June 2019	(63)	(5,870)	(5,933)
July 2019 to December 2019	(63)	(12,022)	(12,085)
January 2020 to June 2020	(12)	(519)	(531)
Total	(138)	(18,411)	(18,549)

06. Financial Information

6.5 Historical and forecast cash flow statements

Table 6.9 below sets out the pro-forma and statutory historical cash flow statements for FY17 and FY18 and the pro-forma and statutory forecast cash flow statements for FY19 and FY20.

TABLE 6.9 HISTORICAL & FORECAST CASH FLOW STATEMENTS

\$'000	Pro-Forma		Statutory			
	FY2017 (a)	FY2018 (a)	FY2017 (a+f)	FY2018 (f)	FY2019 (a+f)	FY2020 (f)
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers	3,736	20,243	3,736	20,243	31,510	68,803
Payments to Suppliers & Employees	(2,907)	(16,902)	(2,995)	(17,023)	(26,981)	(55,672)
Net Interest Received/(Paid)	(1)	(5)	(1)	(5)	39	–
Income Taxes Paid	(32)	(192)	(32)	(192)	(175)	(974)
Net Cash Provided by/(used in) Operating Activities	796	3,143	708	3,022	4,393	12,158
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments for Intangible Assets	(52)	(43)	(52)	(43)	(24)	–
Payments for Property, Plant & Equipment	(565)	(1,869)	(565)	(1,869)	(9,953)	(12,541)
Net Cash Provided by/(used in) Investing Activities	(618)	(1,912)	(618)	(1,912)	(9,976)	(12,541)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from the Issue of Shares	1,165	674	1,165	674	10,659	–
Proceeds of Borrowings	–	218	–	218	14	–
Repayment of Borrowings	–	–	–	–	(79)	–
Costs Relating to the Offer/IPO	–	–	–	–	(950)	–
Net Cash Provided by/(used in) Financing Activities	1,165	892	1,165	892	9,644	–
Net increase/(decrease) in Cash & Cash Equivalents	1,343	2,123	1,256	2,002	4,061	(383)

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The table below sets out the pro-forma and statutory historical cash flow statements for 1H18 and 1H19.

TABLE 6.10 HISTORICAL CASH FLOW STATEMENTS FOR 1H18 AND 1H19

\$'000	Pro-Forma		Statutory	
	1H18 (a)	1H19 (a)	1H18 (a)	1H19 (a)
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	10,939	20,735	10,939	20,735
Payments to Suppliers & Employees	(10,781)	(16,777)	(10,846)	(16,777)
Net Interest Received/(Paid)	(0)	(12)	(0)	(12)
Income Taxes Paid	196	(48)	196	(48)
Net Cash Provided by/(used in) Operating Activities	354	3,898	289	3,898
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for Intangible Assets	(255)	(14)	(255)	(14)
Payments for Property, Plant & Equipment	(169)	(4,083)	(169)	(4,083)
Net Cash Provided by/(used in) Investing Activities	(424)	(4,097)	(424)	(4,097)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Borrowings	–	(79)	–	(79)
Net Cash Provided by/(used in) Financing Activities	–	(79)	–	(79)
Net increase/(decrease) in Cash & Cash Equivalents	(70)	(279)	(135)	(279)

6.5.1 Reconciliation of pro-forma cash flow statements to statutory cash flow statements

The table below provides a reconciliation between the pro-forma historical and forecast cash flow statements and the statutory historical and forecast cash flow statements:

TABLE 6.11 RECONCILIATION OF PRO-FORMA CASH FLOW STATEMENTS TO STATUTORY CASH FLOW STATEMENTS

\$'000	FY2017 (a)	FY2018 (a)	FY2019 (a+f)	FY2020 (f)	1H18 (a)	1H19 (a)
Pro-Forma Net Cash Flows	1,343	2,123	5,071	(383)	(70)	(279)
Less: One-off Offer Costs	–	–	(950)	–	–	–
Less: One-off Legal Expenses	(88)	(121)	(60)	–	(65)	–
Statutory Net Cash Flows	1,256	2,002	4,061	(383)	(135)	(279)

06. Financial Information

6.6 Management discussion and analysis of Historical and Forecast Financial Information

6.6.1 Overview

This Section 6.6 sets out a discussion of the main factors which affected Tubi's operating and relative financial performance in FY17, FY18, 1H18 and 1H19 and a discussion of the key factors and assumptions underpinning the forecast financial performance for FY19F and FY20F. Comments relating to the forecast financial performance in FY19F and FY20F should be read in conjunction with the key forecast assumptions set out in Section 6.7.

The discussion of these general factors is intended to provide a brief summary only and does not detail all the factors that affected historical operating performance, not everything which may affect Tubi's operating and financial performance in the future.

The information in this Section 6.6 should also be read in conjunction with the risk factors set out in Section 4 and the other information contained in this Prospectus.

6.6.2 Revenue and other income

Tubi derives revenue largely through the following means:

- > The sale of technology licenses for Mobile Plants. In 2018 Tubi agreed to construct and provide a Mobile Plant to Iplex. Under this agreement Tubi will assemble a Mobile Plant and supply it with technical support with rights for Iplex to manufacture HDPE pipe in New Zealand utilizing Tubi's patented mobile manufacturing technology. No revenue from this agreement has been recognized in the period up to and including FY19. Revenue in FY20 will be recognised as lease income over eight years in accordance with AAS.
- > The operation of Mobile Plants to manufacture HDPE pipe. In FY17 and for part of FY18 Tubi manufactured HDPE pipe in New Zealand under contract to Downer. In the FY18, FY19F and FY20F years Tubi did or expects to manufacture HDPE pipe in the United States under contract to MPS Inc under one or more contracts. In the FY18 and FY19F years this revenue was from the operation of one Mobile Plant, in the FY20F year it is anticipated that for part of the year Tubi will operate two Mobile Plants to manufacture HDPE pipe under contract for MPS Inc and two more plants for customers who are yet to be contracted. If contracts are not able to be secured for these additional Mobile Plants Tubi intends to manufacture and sell pipe into local markets in Texas in the United States. The first Mobile Plant is assumed to come into full production in November 2019, the second Mobile Plant in February 2020 and the third plant in March 2020.

6.6.3 Operating expenses

Key operating expenses categories for Tubi include:

- > Purchase of raw materials for use in the manufacturing operations. Raw materials purchases constitute the largest part of Tubi's operating costs. Raw materials are generally acquired in the open market at the prevailing cost at the time of order. Raw materials generally account for more than 50% of the sale price of finished HDPE pipe manufactured by Tubi and account for more than 70% of total costs in Tubi's manufacturing process.
- > Employee expenses are the costs of salary wages, superannuation and other on costs incurred for management, plant operators and plant supervisors.
- > Depreciation is a non-cash cost of operating Tubi's Mobile Plant. One plant in each of FY17, FY18, FY19 and four Mobile Plants for the whole or part of FY20F.
- > Other operating expenses- include travel expenses, the cost of purchasing fuel for operating the Mobile Plant, maintenance supplies, accounting and administration expenses.

06. Financial Information

6.6.4 FY18 compared to FY17

TABLE 6.12 PRO FORMA INCOME STATEMENTS: FY18 COMPARED TO FY17

\$'000	Pro-Forma			
	FY2017 (a)	FY2018 (a)	Change \$	Change %
Revenue	4,662	17,381	12,719	272.8%
Raw Materials & Direct Costs	(3,786)	(14,270)	(10,483)	276.9%
Gross Profit	875	3,111	2,236	255.4%
Gross Profit Margins (%)	18.8%	17.9%	-0.9%	-4.7%
Other Income	440	94	(346)	-78.6%
Employee Benefits Expense	(275)	(525)	(250)	91.0%
Travel & Accommodation	(70)	(228)	(157)	223.0%
Repairs & Maintenance	(77)	(68)	9	-11.4%
Legal & Professional	(45)	(148)	(103)	226.2%
Consultancy	(61)	(124)	(63)	102.5%
Rental Expense	(15)	(68)	(53)	356.4%
Insurance	(56)	(56)	0	-0.6%
Other Operating Expenses	(56)	(90)	(34)	60.4%
EBITDA	660	1,899	1,240	187.9%
EBITDA Margins (%)	14.2%	10.9%	-3.2%	-22.8%
Depreciation & Amortisation	(118)	(722)	(604)	512.9%
EBIT	542	1,177	636	117.3%
EBIT Margins (%)	11.6%	6.8%	-4.8%	-41.7%
Net Interest Income/(Expense)	(1)	(5)	(4)	381.4%
Income Tax (Expense)/Benefit	(97)	(572)	(474)	487.6%
NPAT	443	600	157	35.4%

06. Financial Information

Revenue

Revenue of \$17.4 million in FY18 was an increase of more than \$12.7 million over FY17 largely driven by eight months of manufacturing in New Zealand for The Central Plains Irrigation project and then two months of lost production due to transporting the plant from New Zealand to Texas, United States followed by two months of manufacturing in Texas, United States for the MPS Inc contract. This compares to three months of production in FY17 for The Central Plains Irrigation Project.

Other Income

Tubi made a claim for a R&D tax refund of \$0.44 million in FY17. No claim was made in FY18.

Raw Materials & Direct Costs

The cost of sales increased by \$10.48 million in FY18 to \$14.27 million. The cost of purchasing raw materials utilized in the manufacture of pipe increased by \$7.91million in FY18 over FY17 and remained more than 70% of the cost of sales. The increase in the cost of purchasing raw materials was the result of higher production levels, higher raw material prices, and exchange rate movements where the A\$ declined in value against the value of the US\$.The next largest cost in the cost of sales was production wages which increased by \$0.53 million between FY17 and FY18. Other direct costs including fuel, maintenance and freight costs increased \$2.04 million primarily due to increase in production levels.

Operating expenses

Operating expenses increased by \$0.65 million in FY18 primarily due to the cost of relocating the Mobile Plant to the United States, international travel costs associated with start up of production in the United States and legal fees.

Depreciation

Depreciation increased by \$0.60 million in FY18 primarily due to the mobile manufacturing plant being in production for 10 months in FY18 rather than three months in FY17 and additional capital expenditure on plant and equipment.

Net cash flows

Net cash flows from operating activities increased by \$2.3 million in FY18 over FY17 primarily due to the operation of the Mobile Plant for a period of 10 months in 2018 rather than three months in 2017.

Overall net cash flows increased to \$2.12 million in FY18, compared to \$1.34 million in FY17 driven by the increase in operating cash flows noted above, partially offset by an increase in payments for property, plant and equipment required for NZ and start-up in the US.

06. Financial Information

6.6.5 1H19 compared to 1H18

TABLE 6.13 PRO FORMA INCOME STATEMENTS: 1HY19 COMPARED TO 1HY18

	Pro-Forma			
\$'000	1HY18 (a)	1HY19 (a)	Change \$	Change %
Revenue	10,084	17,172	7,088	70.3%
Raw Materials & Direct Costs	(7,184)	(14,354)	(7,170)	99.8%
Gross Profit	2,900	2,819	(81)	-2.8%
Gross Profit Margins (%)	28.8%	16.4%	-12.3%	-42.9%
Other Income	–	43	43	–
Employee Benefits Expense	(131)	(328)	(197)	150.3%
Travel & Accommodation	(49)	(141)	(92)	188.9%
Repairs & Maintenance	(49)	(22)	27	-55.2%
Legal & Professional	(21)	(61)	(40)	187.8%
Consultancy	(52)	(41)	11	-21.1%
Rental Expense	(12)	(19)	(7)	56.8%
Insurance	(33)	(6)	27	-80.9%
Other Operating Expenses	3	(50)	(53)	-1712.9%
EBITDA	2,556	2,192	(364)	-14.2%
EBITDA Margins (%)	25.3%	12.8%	-12.6%	-49.6%
Depreciation & Amortisation	(401)	(530)	(129)	32.3%
EBIT	2,155	1,662	(493)	-22.9%
EBIT Margins (%)	21.4%	9.7%	-11.7%	-54.7%
Net Interest Income/(Expense)	(0)	(12)	(12)	2881.0%
Income Tax (Expense)/Benefit	(210)	(513)	(302)	143.7%
NPAT	1,944	1,137	(807)	-41.5%

Revenue

Revenue in 1H19 increased by \$7.1 million over the same period in 1H18. This was primarily due to higher selling prices and higher production levels.

Raw Materials & Direct Costs

Cost of sales in 1H19 were \$7.2 million higher than in 1H18 primarily due to higher prices for raw materials and higher production levels and the consequent use of more raw material. Raw material purchases increased by 99.6% in 1H19 over 1H18. Raw material costs increased faster than revenue in the 1H19. Direct costs also increased faster than revenue as the business scaled up manufacturing labour costs in preparation for the second contracted plant to satisfy the second MPS contract and the two additional plants on order for the United States market.

Operating expenses

Operating expenses increased by \$0.33 Million in 1H19 over 1H18 primarily due to management salaries and international travel costs to support the manufacturing operations in Texas, United States.

06. Financial Information

Depreciation

Depreciation costs were generally similar in 1H19 compared with 1H18 due to the Mobile Plant producing for 6 months in both periods. While the absolute cost of depreciation was higher in 1H19 than in 1H18 this reflects the impact of additional capital expenditure during FY18 of \$0.78 million and the impact of straight line depreciation on plant already being depreciated in FY17.

Net cash flow

Net cash flow from operating activities increased by \$3.54 million in 1H19 over 1H18 primarily due to deposits received from Iplex.

Overall net cash flow was negative \$0.21 million in 1H19 down from negative \$0.70 million in 1H18 due primarily to deposit for new plants.

6.6.6 FY19F compared to FY18

TABLE 6.14 PRO FORMA INCOME STATEMENTS: FY19 COMPARED TO FY18

\$'000	Pro-Forma			
	FY2018 (a)	FY2019 (a+f)	Change \$	Change %
Revenue	17,381	31,974	14,593	84.0%
Raw Materials & Direct Costs	(14,270)	(26,363)	(12,093)	84.7%
Gross Profit	3,111	5,611	2,500	80.4%
Gross Profit Margins (%)	17.9%	17.5%	-0.4%	-2.0%
Other Income	94	43	(51)	-54.5%
Employee Benefits Expense	(525)	(710)	(185)	35.3%
Travel & Accommodation	(228)	(244)	(16)	7.1%
Repairs & Maintenance	(68)	(23)	46	-66.8%
Legal & Professional	(148)	(112)	36	-24.3%
Consultancy	(124)	(75)	49	-39.7%
Rental Expense	(68)	(19)	48	-71.6%
Insurance	(56)	(81)	(25)	45.0%
Share Based Payments	–	(81)	(81)	–
Other Operating Expenses	(90)	(253)	(163)	182.6%
EBITDA	1,899	4,056	2,157	113.5%
EBITDA Margins (%)	10.9%	12.7%	1.8%	16.1%
Depreciation & Amortisation	(722)	(1,225)	(503)	69.7%
EBIT	1,177	2,831	1,653	140.4%
EBIT Margins (%)	6.8%	8.9%	2.1%	30.7%

06. Financial Information

Revenue

Revenue is expected to increase in FY19F by \$14.6 million over FY18 due primarily to the Mobile Plant operating for a full 12 months during the financial year and higher selling prices. During the FY19F year production has generally been focused on larger diameter and larger wall thicknesses which has also contributed to the increase in total kilograms produced and higher revenue.

Cost of sales

Cost of sales are expected to increase in FY19F over FY18 by approximately \$12.1 million due to higher raw material prices and increased production due to more manufacturing days and thus greater production and more purchases of raw materials and more production labour. Raw materials continue to be expected to account for more than 70% of cost of sales.

Operating expenses

Operating expenses are expected to increase in FY19F over FY18 by approximately \$0.29 million due to the relocation of the Mobile Plant from New Zealand to Texas in the United States. This has resulted in higher management costs and higher international travel costs. Further in FY19F Tubi has increased its management capabilities through the appointment of a new Chief Executive and relocated other senior management into support roles for the assembly of four new Mobile Plants currently being planned for delivery to Iplex, Tubi's USA manufacturing operations to fulfill Tubi's obligations under its second supply agreement with MPS Inc. and an additional two plants for which contracts have not yet been signed.

Net cash flow

Net cash flows from operations are expected to increase by approximately \$1.3 million in FY19F over FY18.

Overall net cash flow is anticipated to increase by approximately \$2.9 million in FY19F over FY18. Capital raisings totalling \$10.7 million during the FY19F will be largely offset by capital expenditure for plants totalling approximately \$10 million.

06. Financial Information

6.6.7 FY20F compared to FY19F

TABLE 6.15 PRO FORMA INCOME STATEMENTS: FY20 COMPARED TO FY19

Pro-Forma				
\$'000	FY2019 (a+f)	FY2020 (f)	Change \$	Change %
Revenue	31,974	69,385	37,411	117.0%
Raw Materials & Direct Costs	(26,363)	(56,133)	(29,770)	112.9%
Gross Profit	5,611	13,252	7,641	136.2%
Gross Profit Margins (%)	17.5%	19.1%	1.6%	8.8%
Other Income	43	–	(43)	-100.0%
Employee Benefits Expense	(710)	(1,112)	(402)	56.7%
Travel & Accommodation	(244)	(188)	56	-23.1%
Repairs & Maintenance	(23)	(0)	23	-99.9%
Legal & Professional	(112)	(188)	(75)	67.1%
Consultancy	(75)	(125)	(50)	67.3%
Rental Expense	(19)	(113)	(93)	486.4%
Insurance	(81)	(509)	(428)	526.4%
Share Based Payments	(81)	(487)	(406)	500.0%
Other Operating Expenses	(253)	(1,065)	(812)	320.8%
EBITDA	4,056	9,467	5,411	133.4%
EBITDA Margins (%)	12.7%	13.6%	1.0%	7.6%
Depreciation & Amortisation	(1,225)	(3,376)	(2,151)	175.6%
EBIT	2,831	6,090	3,259	115.1%
EBIT Margins (%)	8.9%	8.8%	-0.1%	-0.9%

Revenue

Revenue in FY20F is anticipated to be \$69.9 million up by more than \$37.4 million over FY19F. This is primarily due to the introduction of a second Mobile Plant to the United States to meet the requirements of the second MPS supply agreement and two further Mobile Plants for which contracts are yet to be signed. The second plant to supply MPS is expected to be in production for eight months in FY20F year. Plants three and four are assumed to be in production for five and four months each in FY20F year. Revenue is also likely to increase in FY20F over FY19F due to the delivery of a Mobile Plant in New Zealand to Iplex and the recognition of lease payments and fees for technical support. The lease payments which will be recognised over eight years are forecast to commence by the end of IHFY20F period and the technical support fees are assumed to be earned during 2HY20F period. There were no lease or technical support fees earned or recognised in the FY19F year.

Cost of Sales

Cost of sales is forecast to increase by \$29.8 million in the FY20F period over the FY19F period due to the introduction of three new Mobile Plants into the United States based manufacturing operations with the first commencing manufacture by the end of the first half, the second in February 2020 and the third in March 2020. Labour costs for manufacturing are expected to increase in the FY20F period also reflecting the operation of the second plant for part of the forecast period and the supply of technical services to Iplex.

06. Financial Information

Operating expenses

Operating expenses are forecast to increase by approximately \$2.2 million in FY20F over FY19F due primarily to costs associated with building out the management capabilities of Tubi to operate four multiple Mobile Plants in the United States, for the cost of providing technology support to Iplex for its Mobile Plant in New Zealand and for the additional costs associated with becoming an entity listed on the Australian Stock Exchange.

Depreciation

Depreciation is forecast to increase by \$2.1 million in FY20F over FY19F due to the addition of three Mobile Plants at Tubi's operations in the United States and the plant in New Zealand.

Net cash flow

Cash flow from operations is forecast to increase by \$7.7 million in FY20F over FY19F due to the increase in production following the commencement of three new plants in the USA and the up front payment of \$5 million by Iplex for a right to use and operate a Mobile Plant in the New Zealand market.

Overall net cash flow in FY20F is forecast to be negative \$0.38 million down from \$5.07 million in the FY19F year primarily due to capital expenditure in FY20 and the impact of the \$10.7 million proceeds from new capital raised in the FY19F year.

6.7 Assumptions underlying the Forecast Financial Information

The Forecast Financial Information is based on various best estimate assumptions concerning future events, including those set out below, which should be read in conjunction with the Investigating Accountants Report in Section 7, the risk factors set out in Section 4, the sensitivity analysis set out in Section 6.8 and all other information set out in this Prospectus.

Tubi believes the best estimate assumptions when taken as a whole to be reasonable at the time of preparing this Prospectus. However, this information is not fact and investors are cautioned not to place undue reliance on the Forecast Financial Information.

The actual results are likely to vary from that forecast and any variation may be materially positive or negative. The assumptions upon which the Forecast Financial Information is based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of Tubi and its Directors, and are not reliably predictable.

Accordingly, none of Tubi, its Directors, or any other person can give any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

6.7.1 Assumptions

General assumptions

In preparing the Forecast Financial Information, the following general assumptions relating to the forecast periods have been adopted by Tubi:

- > No material changes in applicable AAS or other mandatory professional reporting requirements or the Corporations Act, which have a material impact on Tubi's financial performance, financial position, accounting policies, financial reporting or disclosure;
- > There is no material change in the competitive and operating environments in which Tubi operates;
- > There is no material change in the legislative regimes (including tax) and regulatory environment in which Tubi operates;
- > There is no material amendment to, or termination of, any material agreement relating to Tubi's business other than as disclosed in this Prospectus;
- > There is no significant deviation from current market expectations of economic conditions relevant to the sector in the Forecast period (for example business confidence);
- > There are no material changes in exchange rates;
- > There are no significant disruptions to the continuity of operations of Tubi (and there are no other material changes in Tubi's business);

06. Financial Information

- > There are no material acquisitions, disposals, restructures or investments for Tubi other than as set out in this Prospectus;
- > There are no material changes to Tubi's corporate and funding structure other than as set out in, or contemplated by, this Prospectus;
- > There is no loss of key management personnel and Tubi will maintain the ongoing ability to recruit and retain required personnel required to support the future growth of the business;
- > There are no claims or material litigation, including industrial action or other disturbances, that will arise or be decided or settled to the detriment of Tubi;
- > There are no additional contingent liabilities that will arise or be realised to the detriment of Tubi;
- > None of the key risks set out in section 4 eventuates, or if they do, none of them has a material adverse impact on the operations of Tubi; and
- > The Forecast Financial Information is based on reviewed results for 1H19 and the Directors best estimates for 2H19 and FY20 having regard to actual results to March 2019 based on Tubi's unaudited management accounts, and trading performance up until the date of lodgement of the Prospectus.

Specific Assumptions

In preparing the Forecast Financial Information, the following best estimate, specific assumptions and policies have been adopted by Tubi:

Revenue and other income

Revenue and other income comprise of sales of HDPE pipe from Tubi's Mobile Plant in the United States during FY19F and during FY20F from one plant for the full year and a second plant for 8 months of the year, a third plant for 5 months and a fourth plant for 4 months of the FY20F year. Revenues have been forecast at the prevailing selling price as at March 2019. Selling prices can and do vary from time to time; they are pegged to raw material purchasing prices. Revenues are also earned in US dollars but reported in Australian dollars. Tubi has assumed a US dollar to Australian dollar exchange rate of 71 cents US per Australian dollar for the purpose of these forecasts. Volatility in raw material pricing and exchange rates mean that it is highly probable that the actual reported sales revenue will vary materially from the forecast. See section 6.8 for sensitivity analysis on both raw material prices and exchange rates.

In FY20F revenue also includes an amount for leasing a Mobile Plant payable by Iplex for a license to operate Tubi technology on one plant in New Zealand and fees for the provision of technology support for the operation of that plant. Under AAS the lease amounts payable by Iplex will be recognised over eight years and therefore less than 7% of the total lease payments will be recognised as revenue in FY20F. As the plant is not forecast to be operational until the last nine months of the FY20F period only a portion of the annual contracted technology support fee has been recognized.

Cost of sales

Cost of sales are forecast on the basis of expected manufacturing production levels and current raw material pricing. Due to the nature of sales contracts, minimum volumes are able to be calculated. Cost of sales however, is a factor of volume and raw material price and other manufacturing cost inputs. Raw material prices are volatile and respond to demand, exchange rates, oil prices, and competition amongst suppliers. Raw materials are usually more than 70% of Tubi's cost of sales. While raw material prices can be volatile and difficult to predict, the company is generally able to pass on the higher prices to its customers. Forecasts are based on current raw material pricing. Cost of sales are also recognized in Australian dollars but paid in US dollars so may fluctuate in line with the US dollar Australian dollar exchange rate. Wages are the other main expense in cost of sales. Wages costs are reasonably predictable in US dollars but volatile when translated back into Australia dollars for reporting purposes.

06. Financial Information

Operating expenses

Operating expenses are forecast based on the day to day operational requirements of Tubi, recognizing the growing cost of supporting more than one Mobile Plant in the United States and the Iplex technology support agreement in New Zealand.

Tubi expects the above operating expenses will continue to rise in the short term as its operations in the United States expand and as it continues to expand both its mobile manufacturing capacity and to seek to sell technology rights to other markets. In addition Tubi will recognize the cost of being a public company from the FY19F year and these costs are expected to be as much as \$0.7 million in the FY20F year. These costs are expected to commence on completion of the IPO and include the remuneration of four Non-Executive Directors, additional audit and legal costs, listing fees, share registry costs, Directors' and Officers' insurance premiums, investor relations, annual general meeting and annual report costs.

6.8 Sensitivity analysis

The Forecast Financial Information included in Section 6.3 is based on a number of estimates and assumptions as described in Section 6.7. These estimates are subject to business, economic, relative exchange rate and competitive uncertainties and contingencies, many of which are beyond the control of Tubi, Tubi's Directors and management, and based upon assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the forecasts, set out below in table 6.15 is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key assumptions.

The changes in the key assumptions set out in the sensitivity analysis are intended to provide a guide only and are not indicated to be indicative of the complete range of variations that may be experienced. Variations in actual performance could exceed the ranges shown.

TABLE 6.16 SENSITIVITY ANALYSIS

Driver	Note	Increase/ Decrease	Pro-Forma FY2019 EBIT		Pro-Forma FY2020 EBIT	
			Increase \$'000	Decrease \$'000	Increase \$'000	Decrease \$'000
AUD/USD Exchange Rate		+/- 10%	120	(98)	1,104	(903)
Pricing	Note 1	+/- 10%	931	(931)	6,832	(6,832)
Volume	Note 1	+/- 10%	155	(155)	1,230	(1,230)
Cost of COGS	Note 1	+/- 10%	776	(776)	5,602	(5,602)
Overhead Expenses		+/- 10%	76	(76)	379	(379)
Delay in Plant Deployments	Note 2	+ 1 Month	–	–	–	(1,154)

Note 1: These sensitivities have only been applied in relation to the sales of HDPE pipe.

Note 2: This sensitivity considers the impact on EBIT should each of the forecast plant deployments be delayed by one (1) month in FY2020.

06. Financial Information

6.9 Dividend policy

Tubi has not forecast a dividend payment in FY19F or FY20F. The company plans to invest all cash flow into the business in order to maximize growth. Accordingly, no dividends are expected to be paid during the foreseeable future following the Company's listing on the ASX.

The Directors cannot and do not give any assurances as to the extent, timing, level of franking or payment of any dividends in the future period as all of the foregoing are dependent upon a number of factors including the level of future earnings, the amount of tax paid, the financial position of Tubi, future operating conditions and future cash requirements to fund growth.

6.10 Forthcoming changes to Australian Accounting Standards

The AASB has recently issued revised accounting standards in relation to revenue recognition (AASB 15), financial instruments (AASB 9) and leases (AASB 16).

The revised AASB 15 and AASB 9 become effective for reporting periods commencing on or after 1 January 2018 and therefor are first applicable to the Group's financial reporting with respect to 1HY19. The adoption of these two revised standards has no material impact on the Group.

The revised AASB 16 becomes effective for reporting periods commencing on or after 1 January 2019 and therefor is first applicable to the Groups financial report with respect to 1HY20. The adoption of this revised standard will have an impact on the Group's financial reporting of leases however it is noted that the Group had no material leases historically. Leasing arrangement with Iplex has been accounted for consistent with requirements of AASB 16, with leasing income recognised over eight years starting in FY20F year. Tubi does not expect to enter into any other material leases during the periods set out in the Financial Information contained in this Prospectus.

6.11 General

All directors confirm that they have made enquiries and nothing has come to their attention to suggest that Tubi is not continuing to earn profit from continuing operations up to the date of application.

07.

**Investigating
Accountant's Report**



07. Investigating Accountant's Report



9 May 2019

The Directors
Tubi Limited & Tubi Saleco Limited
2 Hopetoun Street
Paddington NSW 2000

Dear Directors,

INVESTIGATING ACCOUNTANT'S REPORT

PART 1 - INDEPENDENT LIMITED ASSURANCE REPORT ON TUBI LIMITED HISTORICAL AND FORECAST FINANCIAL INFORMATION

1. Introduction

PKF Corporate Finance (NSW) Pty Limited ("**PKFCF**", "**We**", "**Us**") have been engaged by Tubi Limited ("**Tubi**" or the "**Company**") to prepare this report for inclusion in the Prospectus (the "**Prospectus**") to be dated on or about 10 May 2019 relating to the offer of ordinary shares in the Company and initial listing on the Australian Securities Exchange ("**ASX**") ("**IPO**").

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

2. Scope

You have requested PKFCF to perform a limited assurance engagement in relation to the financial information described below and disclosed in the Prospectus.

2.1. Historical Financial Information

The Historical Financial Information comprises of the following:

- pro-forma and statutory historical consolidated income statements for the years ended 30 June 2017 and 2018, and the six (6) months ended 31 December 2017 and 2018, along with a reconciliation of pro-forma and statutory results for these periods;
- pro-forma and statutory historical consolidated statements of cash flows for the years ended 30 June 2017 and 2018, and the six (6) months ended 31 December 2017 and 2018, along with a reconciliation of pro-forma and statutory results for these periods; and
- pro-forma and statutory historical consolidated statement of financial position as at 31 December 2018.

The statutory financial statements of the Company for the:

- years ended 30 June 2017 and 30 June 2018 were audited; and
- six (6) months ended 31 December 2017 and 31 December 2018 were reviewed,

by PKF(NS) Audit & Assurance Limited Partnership ("**PKF Audit**") in accordance with Australian Auditing Standards. The audit /review opinions issued to shareholders of the Company relating to those statutory financial statements were unqualified.

PKF Corporate Finance (NSW) Pty Limited
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PKF Corporate Finance (NSW) Pty Limited is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For our office locations visit www.pkf.com.au

07. Investigating Accountant's Report



Pro-forma Historical Financial Information reflects the impact of the Pro-Forma Adjustments (as described in Section 6 of the Prospectus) on the financial performance and position of the Company.

The Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial report prepared in accordance with the Corporations Act 2001 (Cth).

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information and the event(s) or transaction(s) to which the Pro-Forma Adjustments relate, as described in Section 6 of the Prospectus. Due to its nature, the Pro-Forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance, and/or cash flows.

The Pro-Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the Offer and associated transactions on the Company's financial position as at 31 December 2018.

For the purposes of preparing this report we have performed limited assurance procedures in relation to the Historical Financial Information in order to state whether, on the basis of the procedures described, anything comes to our attention that would cause us to believe that Historical Financial Information is not prepared or presented fairly, in all material respects, by the directors in accordance with the stated basis of preparation.

Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with management, directors and advisors of the Company; and
- review of working papers, accounting records and other documents of the Company and its auditors.

2.2. Forecast Financial Information and directors' best estimate assumptions

You have requested PKFCF to perform limited assurance procedures in relation to the:

- pro-forma and statutory forecast consolidated income statements for the years ending 30 June 2019 and 2020; and
- pro-forma and statutory forecast consolidated statements of cash flows for the years ending 30 June 2019 and 2020,

of the Company (the responsible party) as described in Section 6.3 of the Prospectus (the "Forecast Financial Information"). The directors' best-estimate assumptions underlying the Forecast Financial Information are described in Section 6.3 of the Prospectus. As stated in Section 6.3 of the Prospectus, the basis of preparation of the Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Company's accounting policies.

We have performed limited assurance procedures in relation to the Forecast Financial Information, set out in Section 6.3 of the Prospectus, and the directors' best-estimate assumptions underlying it in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions do not provide reasonable grounds for the Forecast Financial Information;
- in all material respects the Forecast Financial Information is not:
 - prepared on the basis of the directors' best-estimate assumptions as described in the Prospectus; and
 - presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards and the Company's accounting policies;
- the Forecast Financial Information itself is unreasonable.

07. Investigating Accountant's Report



Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with management and directors of the Company of the factors considered in determining their assumptions; and
- examination, on a test basis, of evidence supporting:
 - the assumptions and amounts in the Forecast Financial Information; and
 - the application of accounting policies used in the Forecast Financial Information.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion.

3. Directors' Responsibilities

The directors of the Company are responsible for the preparation of:

- the Historical Financial Information, including the selection and determination of the pro-forma transactions and/or adjustments made to the Statutory Historical Financial Information;
- the Forecast Financial Information, including the directors' best-estimate assumptions on which the Forecast Financial Information is based and the sensitivity of the Forecast Financial Information to changes in key assumptions.

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

4. Our Responsibilities

Our responsibility is to express limited assurance conclusions on the Financial Information, based on the review procedures performed and the evidence obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and / or Prospective Financial Information*.

Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures to the accounting records in support of the Financial Information.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about the Historical Financial Information and the Forecast Financial Information.

5. Conclusions

5.1. Review statement on the Pro-Forma Historical Financial Information

Based on our independent review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as set out in Section 6 of the Prospectus, comprising:

- the statutory and pro-forma historical income statements of Tubi for the years ended 30 June 2017 and 2018 and the six (6) months ended 31 December 2017 and 2018;
- the statutory and pro-forma historical statements of cash flows of Tubi for the years ended 30 June 2017 and 2018 and the six (6) months ended 31 December 2017 and 2018; and
- the pro-forma historical statement of financial position of Tubi as at 31 December 2018,

is not prepared or presented fairly, in all material respects, on the basis of the pro forma transactions and/or adjustments described in Section 6 of the Prospectus, and in accordance with

07. Investigating Accountant's Report



the recognition and measurement principles prescribed in Australian Accounting Standards, and the Company's accounting policies.

5.2. Forecast Financial Information and the Directors' Best-Estimate Assumptions

Based on our procedures, which are not an audit, nothing has come to our attention which causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of the Forecast Financial Information do not provide reasonable grounds for the Forecast Financial Information; and
- in all material respects, the Forecast Financial Information:
 - is not prepared on the basis of the directors' best-estimate assumptions as described in Section 6.2 of the Prospectus; and
 - is not presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards, and the Company's accounting policies; and
- the Forecast Financial Information itself is unreasonable.

The Forecast Financial Information has been prepared by the Company's management and adopted and disclosed by the directors in order to provide prospective investors with a guide to the potential financial performance of the Company for the years ending 30 June 2019 and 2020.

There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation may be material.

The directors' best-estimate assumptions on which the Forecast Financial Information is based relate to future event(s) and/or transaction(s) that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the directors' best-estimate assumptions on which the Forecast Financial Information is based, however such evidence is generally future-oriented and therefore speculative in nature. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the Forecast Financial Information. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in Section 4 of the Prospectus. The sensitivity analysis described in Section 6.8 of the Prospectus demonstrates the impact on the Forecast Financial Information of changes in key best-estimate assumptions. We express no opinion as to whether the Forecast Financial Information will be achieved.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

6. General Advice Warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

7. Independence

PKFCF does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. PKFCF will receive a professional fee for the preparation of this Independent Limited Assurance Report.

07. Investigating Accountant's Report



8. Restriction on Use

Without modifying our conclusions, we draw attention to Section 6 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Information to which it relates, for any purpose other than that for which it was prepared.

9. Consent

PKFCF has consented to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, PKFCF makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

10. Financial Services Guide

The PKFCF Financial Services Guide is contained in Part Two of this Investigating Accountant's Report.

Yours faithfully

PKF Corporate Finance (NSW) Pty Limited

A handwritten signature in black ink, appearing to read 'Andrew Jones'.

Andrew Jones
Director

A handwritten signature in black ink, appearing to read 'Vikas Nahar' with a star symbol below it.

Vikas Nahar
Principal

07. Investigating Accountant's Report



PART TWO – FINANCIAL SERVICES GUIDE

9 May 2019

What is a Financial Services Guide?

This Financial Services Guide ("FSG") is an important document the purpose of which is to assist you in deciding whether to use any of the general financial product advice provided in the form of an investigating accountant's report by PKF Corporate Finance (NSW) Pty Limited (ABN 65 097 893 957) ("PKFCF"). The use of "we", "us" or "our" is a reference to PKFCF as the holder of Australian Financial Services Licence ("AFSL") No. 295872.

The contents of this FSG include:

- who we are and how we can be contacted;
- what services we are authorised to provide under our AFSL;
- how we (and any other relevant parties) are remunerated in relation to any general financial product advice we may provide;
- details of any potential conflicts of interest; and
- details of our internal and external dispute resolution systems and how you can access them.

Information about us

What financial services are we licensed to provide?

The AFSL we hold authorises us to provide the following financial services to both retail and wholesale clients:

Provide financial product advice for the following classes of financial products:

- securities;
- interests in managed investment schemes excluding investor directed portfolio services; and
- deposit and payment products limited to:
 - basic deposit products;
 - deposit products other than basic deposit products; and
 - debentures, stocks or bonds issued or proposed to be issued by a government.

Our responsibility to you

We have been engaged by the Directors of Tubi Ltd ("Client") to prepare an independent limited assurance report providing a review opinion (negative assurance) with respect to the financial information set out in Section 6 of the Prospectus to be issued by the Client on or around 10 May 2019. You are not the party or parties who engaged us to prepare the Report. We are not acting for any person other than the party or parties who engaged us. We are required by law to give you an FSG because the Report is being provided to you.

The liability of PKFCF is limited to the contents of this FSG and the Report referred to in this FSG.

Information about the general financial product advice we provide

The financial product advice provided in the Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in the Report is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is being provided to you in connection with the acquisition or potential acquisition of a financial product issued by another party, we recommend you obtain and read carefully the relevant offer document provided by the issuer of the financial product. The purpose of the offer document is to help you make an informed decision about the acquisition of a financial product. The contents of the offer document will include details such as the risks, benefits and costs of acquiring the particular financial product.

PKF Corporate Finance (NSW) Pty Limited
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For our office locations visit www.pkf.com.au

07. Investigating Accountant's Report



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AFS Compliance Manager
PKF Corporate Finance (NSW) Pty Limited
GPO Box 5446
SYDNEY NSW 2001
Telephone: +61 2 8346 6000 Fax: +61 2 8346 6099

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Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Telephone: (03) 9613 7366 Fax: (03) 9613 6399
Internet: <http://www.fos.org.au>

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Info line: 1 300 300 630
Email: infoline@asic.gov.au
Internet: <http://www.asic.gov.au/asic/asic.nsf>

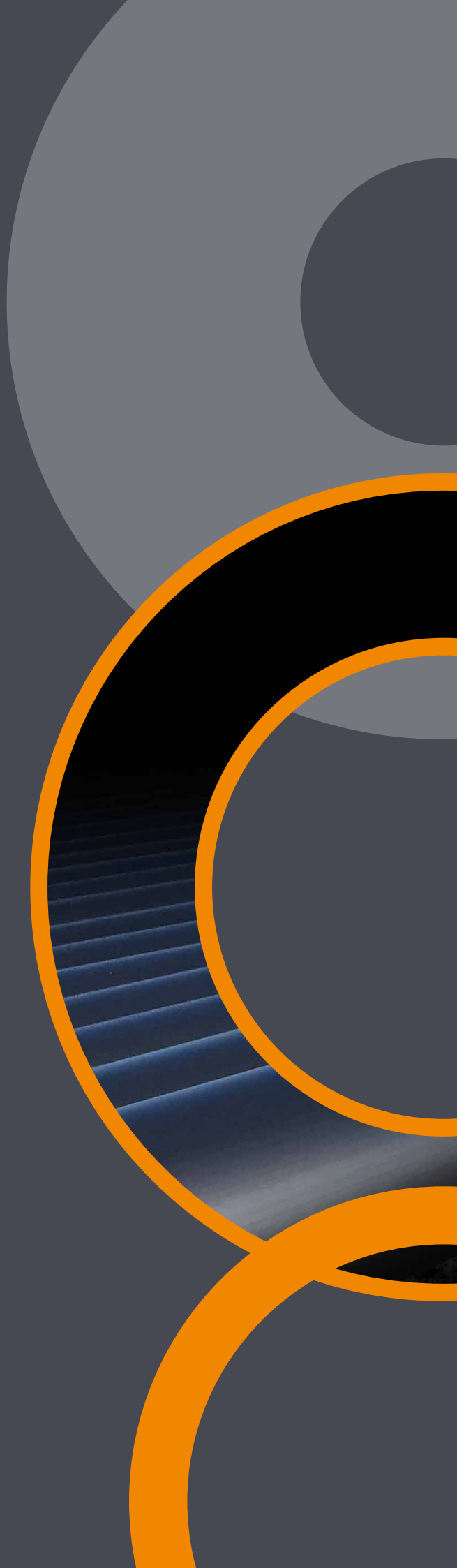
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08.

**Intellectual Property
Expert's Report**



08. Intellectual Property Expert's Report



The Board of Directors
Tubi Pty Ltd
2 Hopetoun St
Paddington NSW 2021

2 May 2019

Dear Sirs

Due Diligence Report for a Prospectus for Tubi Pty Ltd
Our Ref: G91076

1. Summary

This intellectual property report ("Report") has been prepared at the request of the Chief Financial Officer of Tubi Pty Ltd ("Tubi"). The Report provides information on the current status of the patents and patent applications owned by Tubi and trade mark applications owned by Tubi for inclusion in a Prospectus to be lodged at the Australian Securities & Investments Commission.

The Report sets out details of the various granted patents and pending patent applications shown in 'Appendix A' and trade mark applications shown in 'Appendix B', as well as their status as at the date indicated in the Report. The Report is correct to the best of our knowledge as at the date of the Report, subject to the limitations and qualifications set out in Section 5 of the Report (in particular, subject to the limited sources of information described in Section 5.1 of the Report).

2. INTELLECTUAL PROPERTY

2.1. Meaning of Intellectual Property

The term "intellectual property" refers to the collection of registrable and non-registrable rights, including rights in patents, designs, trade marks, plant varieties, copyright, confidential information and trade secrets. Intellectual property shares many of the characteristics associated with real and personal property. For example, intellectual property is an asset, and as such it can be bought, sold, licensed, exchanged, or gratuitously given away like any other form of property. Further, the intellectual property owner, in this instance Tubi, has the right to prevent the unauthorised use or sale of the property.

This Report deals only with intellectual property in the form of patents, patent applications and trade marks.

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08. Intellectual Property Expert's Report



2.2. Patents

Patent rights constitute an important component of intellectual property. Patents cover inventions and provide a monopoly in exchange for an inventor's full disclosure of his or her invention to the public. A patent provides protection for novel (new), inventive (non-obvious) and useful inventions for a limited period, typically 20 years (subject to the payment of renewal fees). Patents may be granted in respect of new or improved products and methods in almost all areas of current scientific, commercial and industrial activities. However, as there is no such thing as a worldwide patent, patents must be obtained in every country where protection is required. In many countries the test for patentability is different from that in Australia.

Commercialisation of patented products and processes may require any party other than the patent owner wishing to use such developments to obtain a licence subject to payment of royalties.

2.3. Inventorship and Ownership

Typically, a patent for an invention may only be granted to the inventor(s), or to a person who has entitlement to the invention by way of assignment or other means. The ownership and entitlement of Tubi to the patents and patent applications is discussed in more detail below in Section 4.1.

2.4. Process for Obtaining Patent Protection

In most countries of the world the process of protecting patent rights begins with the submission of a patent application comprising a patent specification describing the invention. Filing an Australian patent application (provisional or complete) or other initial patent application in an overseas country, which permits such a filing, satisfies this requirement. Countries that allow Australian applicants to file such applications include the United Kingdom and the United States.

A fundamental requirement of the patent system is that the invention is novel and inventive at the time of filing, relative to what was publicly known or used at the date of the application. Accordingly, it is imperative that the specification contains a full disclosure of the invention. A patent specification generally consists of a description of the invention and so-called "claim(s)", which define the scope of the invention. The description also typically provides background information, such as a description of existing products, manufacturing or testing methods or processes and related problems, which enables an Examiner and others to assess the application for inventiveness.

Once the initial application has been filed, further applications in other overseas countries must be filed within twelve (12) months, pursuant to an International Treaty called the Paris Convention, otherwise rights to the invention may be lost in these countries. In this regard, the Paris Convention provides that the filing of an initial patent application establishes a priority date for the invention in all other countries which are party to this Convention, including countries

08. Intellectual Property Expert's Report



such as the United States, Japan and Australia, as well as jurisdictions such as the European Union.

The filing of further patent applications in overseas countries may be pursued individually or in some instances by filing an application with a regional patent office that does the work for a number of countries, such as the European Patent Office and the African Regional Industrial Property Organisation. Under such regional systems, an applicant requests protection for the invention in one or more countries, and each country decides as to whether to offer patent protection within its borders. The World Intellectual Property Organisation-administered Patent Cooperation Treaty ("PCT") provides for the filing of a single international patent application which has the same effect as national applications filed in the designated countries. An applicant seeking protection may file one application and request protection in as many signatory states as needed.

It should be noted that at present there are 152 member states that are party to the PCT and if patent protection is required in a country that is not party to the PCT then individual applications must be filed in these countries by the twelve (12) month anniversary of the initially filed application. For example, countries that are not party to the PCT include the Gulf Co-Operation Council and Venezuela.

Applications filed individually in countries rather than via the PCT are examined under the national laws of those countries. However, a PCT application is considered under the terms of the PCT. Once the PCT application has been filed it is subjected to what is called an "international search", carried out by one of the major patent offices. The search results are then communicated to the patent applicant in an "international search report", which is a listing of published documents that might affect the patentability of the invention claimed in the international application. On the basis of the international search report the applicant may decide to withdraw the application. However, if the PCT application is not withdrawn, it is, together with the international search report, published by the International Bureau.

If the applicant decides to continue with the international application, then within thirty (30) months of the provisional patent application filing date, national patent applications need to be filed. The applicant can also request preliminary examination, which is a report prepared by one of the major patent offices that gives a preliminary and non-binding opinion on the patentability of the claimed invention.

Once the PCT process has been completed then the national or regional phase is undertaken, as the PCT application itself does not mature into patents. The applicant may choose to enter one or more of the countries designated in the original PCT application. Entry into the national phase is essentially the same as filing a national application in the first instance. Thus, the standard documentation and fee requirements will need to be satisfied in each country, and for non-English speaking countries that will include translating the PCT specification into the language of the relevant country. Failure to enter the national phase within the thirty (30) month period will result in abandonment of the ability to secure patent protection in most PCT countries.

08. Intellectual Property Expert's Report



The national or regional applications progress under the jurisprudence and legislation of each country or region. In most jurisdictions, such as Australia, Europe, United States and Japan, examination by the relevant patent office comprises an examination of the art to which the invention pertains as it existed at the priority date of the application. This examination establishes what is referred to as the "state of the art". The patent application is measured against the state of the art and an assessment is made regarding whether the invention described in the application is novel, inventive and useful. Therefore, the time required to complete the process of examination differs from country-to-country and the scope or protection may differ depending upon the law of each country. In general, it will take several years from the date of application until the patent is actually granted.

With respect to regional applications, like the European application, this involves filing a single application designating any of the countries that are signatories to the Paris Convention covering that region. The single application is subjected to examination, and assuming that the application is allowed, it will proceed to the grant phase. The applicant can then elect to have patents validated in all or some of the originally designated countries, and the individual patents then function as though they were patents granted under standard national procedures.

2.5. Granted Patents: Renewal fees, validity, exploitation and enforcement

Once a patent has been granted renewal fees will need to be paid, otherwise the patent will cease. It should also be noted that grant of a patent does not guarantee that the patent is valid or enforceable, and Griffith Hack provides no assurance that the pending patent applications owned by Tubi will be granted or will be held valid and enforceable following grant, and likewise that the granted patents are valid and enforceable.

Notwithstanding the issue regarding guaranteed enforceability, once a patent has been granted and throughout the lifetime of a patent, the proprietor has the exclusive rights to use the patented technology. This means that they can decide to exclusively use it for their own benefit (for instance, by means of application in their own products) and prevent others from using it. Alternatively, they can allow others to use it under the terms of a license agreement. The terms of the license agreement generally define the limited scope of the use of the patents and patent applications and the consideration to be paid for the use of it.

Enforcement of patent rights varies from country-to-country. The remedies for unauthorised use (patent infringement) available to the patent owner often include an injunction, which effectively stops further infringement of the patent, damages or account of profits, and costs. In some countries the patent owner can also file criminal complaints against the infringer.

3. PATENT PORTFOLIO AS AT 2 MAY 2019

Tubi is the patent owner of the following:

- Patent Family associated with PCT/AU2011/00066 ("Patent Family 1")

08. Intellectual Property Expert's Report



- Initial patent application AU 2019901016 ("Patent Family 2")

Tubi has used the Paris Convention and the PCT described above by filing the patents and patent applications listed in the **attached** overview for Patent Family 1 ('**Appendix A**').

3.1. Patent Family 1 – Modular Pipe Formation Apparatus

This family consists of 7 granted patents in Australia (there are 2 in Australia), Canada, Chile, Europe, the Gulf Co-Operation Council, and South Africa. The European granted patent has been validated in Austria, Denmark, France, Germany, the United Kingdom, Italy, Norway, and Sweden. This family also consists of 4 pending patent applications in Brazil, Papua New Guinea, the United States, and Venezuela. As each jurisdiction considers the validity of the patent claims subject of its respective pending patent application, it cannot be assumed that the pending patent applications (or any applications stemming from them) will proceed to grant.

Dependent on requirements in the different jurisdictions, there are differing scopes of patent claims in different jurisdictions. Below is the one of the independent patent claims of one of the Australian granted patents (AU 20112017116) which proceeded to grant.

*"1. A modular plastic pipe formation apparatus comprising:
a plurality of modules where each module comprises at least one component of the pipe formation apparatus located therein;
external supports for supporting respective modules; and
internal supports for supporting the components within the modules;
wherein both the external and internal supports are adjustable to enable the plurality of components to be aligned for pipe formation."*

Australian patent 20112017116 was subject of a substantive opposition where the cited prior art was fully considered (*Vinidex Pty Limited v Tubi Pty Ltd* [2018] APO 12). In that decision, the Hearing Officer found at paragraph 103:

While I accept that using shipping containers as mobile workshops or to house various components may be well known, the claimed invention is about housing different components of the extrusion line within a plurality of modules or containers and aligning and joining the components while they are still retained within their respective containers or modules. Prior to the applicant Tubi coming up with this concept, the only company that had done something to address the problem of transportation and installation of large diameter pipes for remote location was KWH, but their solution was to transport the components of the extrusion line in shipping containers to the remote site and set up a conventional extrusion line on a prepared concrete surface within a permanent or semi-permanent enclosure. They did not come up with the concept of assembling the extrusion line components while still retaining the components in their respective shipping containers, strongly suggesting that this was not an obvious thing to do.

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We are satisfied that all applications were filed within the regulated time limits and in accordance with the formalities requirements. In some circumstances, when applications are filed outside of the regulated time limits and not in accordance with the formalities then this can lead to their invalidity.

First, Tubi filed the provisional application in Australia on 22 January 2010.

Subsequently, the PCT Application was filed within 12 months (according to the Paris Convention) on 21 January 2011. We have reviewed the Priority Document (available from the WIPO database) which confirms the relationship between the provisional application and the PCT Application.

As discussed above, the Gulf Co-Operation Council ("GCC") and Venezuela do not form part of the Patent Cooperation Treaty (PCT), so as a result, these applications were also filed in accordance with the Paris Convention at the same time as the PCT Application, that is within 12 months of the priority application. All GCC countries are members of the Paris Convention. Although, the GCC Office itself is not a member of the Paris Convention, it respects the Paris Convention's rules and was filed on 21 January 2011, the same date as the PCT Application. Venezuela is a part of the Paris Convention, and was filed on 24 January 2011. The 12-month date for filing the convention applications was 22 January 2011 which was a Saturday. When the last day of this period falls on a day on which a national Office is not open for the filing of applications in the country where protection be being claimed, then the period is extended to the next subsequent working day, that is Monday 24 January 2011.

Subsequently, national phase applications were filed from the PCT Application in Australia, Brazil, Canada, Chile, Papua New Guinea, South Africa, the United States, and Europe. We confirm the status of the Canadian, US and European patents directly from the local patent office websites as indicated in Appendix A. We also confirm the status as indicated in Appendix A of Australia, Brazil, Canada, Chile, Papua New Guinea, South Africa, the United States, and Europe from our records which show that renewal payments were made in the validating countries for Europe and the other jurisdictions in January 2019 in compliance.

Based on our investigations, we can confirm that the national phase filings for Australia, Canada, Europe, Brazil, Chile, Papua New Guinea, South Africa, and the US were filed from the PCT Application.

3.2. Patent Family 2 –Modular Pipe Formation Apparatus

This patent family consists of 1 provisional application in Australia filed on 26 March 2019.

A PCT Application or individual applications in respective countries must be filed within 12 months (according to the Paris Convention) to retain the priority date of 26 March 2019.

4. FURTHER ISSUES

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4.1. Ownership

i. Patent Family 1

Typically, a patent for an invention may only be granted to the inventor(s), or to a person who has entitlement to the invention by way of assignment or other means from the inventor(s). We have examined whether there are any issues regarding ownership by or entitlement of and Tubi with respect to this patent family and we are satisfied that unencumbered ownership and entitlement with respect to the subject matter of this patent family is held by Tubi.

The inventor listed on the assignment recorded with the USPTO in relation to the US Application is Marcello Russo, and he is also listed on the Australian Patent Office Database as the inventor of the Australian patents. The inventor executed an assignment document assigning his rights respectively to Tubi. We have reviewed the assignment document and confirm that the assignor (the inventor) assigned the subject matter of Patent Family 1 entitled "*Modular Pipe Formation Apparatus*" to Tubi. This assignment document also covers all patents and patent applications in the family.

It is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention. We are unaware of the existence of any such third party in relation to the patent applications and patents set out in Appendix A.

To the best of our knowledge, to date, there has been no third party challenge to the validity or ownership of the patents/patent applications in Patent Family 1.

ii. Patent Family 2

All rights to the invention have been assigned by the inventor, Marcello Russo, to Tubi. We have reviewed the executed assignment document and confirm the assignor (the inventor) assigned the subject matter of the provisional application entitled "*Modular Pipe Formation Apparatus*" to Tubi.

4.2. Third Party Rights

It is possible that the technology in respect of which the patent applications in the patent families have been filed falls within the scope of, and may thus infringe, a patent of a third party. We have not conducted any searches or taken any further steps to identify any patents which may be infringed by the exploitation of the products referred to in the patents/applications included in this Report.

4.3. Enforceability

Once a patent has been granted, the owner may initiate infringement proceedings against an alleged infringer of the property. Patent infringement proceedings cannot be initiated on the

08. Intellectual Property Expert's Report



basis of a pending application. Filing an application does not mean that the applicant is free to commercialise the invention, as it is possible that the intellectual property rights or common law rights of another party may be infringed by doing so.

As at 2 May 2019 we are not aware of an application referred to in this report being the subject of any current opposition or litigation. We have not, however, conducted an infringement search in order to attempt to identify rights of any other parties.

The acceptance of the claims of Australian patent 2011207116 was unsuccessfully opposed and the claims of Australian patent 2011207116 has proceeded to grant. No appeal was lodged to the opposition decision and the time period for doing so has passed.

4.4. Validity of Patent Applications

The ultimate validity of the claims of patent can be guaranteed and can be challenged:

- (a) during examination;
- (b) in opposition proceedings once the application has been examined and found allowable;
- (c) in court during revocation proceedings brought by a third party; or
- (d) during infringement proceedings initiated against an alleged infringer by the patentee.

As not all of the patent rights set out in section 3 are granted i.e. some are still pending patent applications that will undergo examination in due course, it cannot be assumed that these applications (or any applications stemming from them) will proceed to grant or, if grant is achieved, that the claims will remain in their present form. It is possible, for example, that the scope of the claims of the pending patent applications may be restricted during examination of the application. However, for the patents that have granted the claims as granted are now unlikely to be amended unless as a result of third-party action as a result of, for example, infringement litigation.

5. LIMITATIONS AND QUALIFICATIONS

5.1. Information sources

In preparing this Report, in addition to reviewing our internal databases, we relied upon information contained in relevant publicly available databases. Griffith Hack is not responsible for the accuracy of the information available in public databases and accordingly cannot guarantee the accuracy of this information.

5.2. Jurisdictional requirements

Each jurisdiction has its own laws and particular requirements that need to be met for the grant and maintenance of patents. Accordingly, the assessment patentability varies from jurisdiction-to-jurisdiction, and inventions which may be granted and registrable in one jurisdiction may be excluded from grant and registration in another. Moreover, the different jurisdictional

08. Intellectual Property Expert's Report



requirements may result in variation of the scope of patent protection obtained for the same patent in different jurisdictions.

The outcome of examination of the patent application by the office of one jurisdiction is not binding on the office of any other jurisdiction. Similarly, international PCT searches and examination reports are not binding on national patent applications during examination in the national phase. Examination of patent applications often occurs at different times in different jurisdictions. This means there is also a risk that a patent may be granted on application in one jurisdiction, and that a third party patent may subsequently be cited during examination of another patent application that has been filed elsewhere.

In some jurisdictions there is a duty to disclose certain information to the relevant patent office. This information can include relevant prior art information known to the applicant or its agents or search results issued in respect of corresponding foreign applications. Failure to disclose such information may adversely affect the validity and/or enforceability of the patent.

We further note that there may be changes to patent law in a particular jurisdiction from time-to-time which may have an impact on patents in the relevant country.

5.3. Patentability search limitations

A patentability search, such as international searches carried out by various patent offices under the PCT procedure, cannot be guaranteed to locate all prior art that may exist which is potentially relevant to the assessment of novelty and inventive step of a claimed invention. Such searches are generally computer-based searches and are dependent on the database search strategy and the coverage provided by the databases used. For example, the databases may not cover older published documents and/or certain jurisdictions. Further, all patentability searches are subject to the accuracy of records, as well as the indexing and classification of the subject matter comprising the records. The scope of each search is also dependent on the search strategy utilised and, for example, the keyword(s) selected for the search. Accordingly, although patentability searches provide a reasonable indication of patentability, it is not possible to guarantee that every relevant prior art record has been located and considered. As a result, any conclusions regarding the validity of the claims of a particular patent based on patent office searches should be regarded as indicative rather than conclusive.

Further, non-provisional patent applications are not normally published until at least 18 months from the earliest acceptable priority date. Accordingly, a patentability search would not normally identify any third party patent application that is potentially relevant to the assessment of patentability that has a priority date which is less than 18 months prior to the date of the patentability search. Delays between official publication and the incorporation of information into the relevant database can also occur, which means that some documents may not be located in a patentability search.

5.4. Patentability of an invention

08. Intellectual Property Expert's Report



Besides documentary prior art, public use of an invention and non-confidential oral disclosures before the priority date of a patent application may also be relevant to the assessment of patentability of invention to which the patent application relates. As patentability searches are conducted on published documents, they would not locate such other forms of prior art disclosures.

Commercialisation or secret use of an invention in a jurisdiction by, or with the authority of, a patent applicant (or their predecessor in title) before the priority date of a patent application that has been filed in the jurisdiction by the applicant in respect of the invention, can also be relevant to the patentability of intervention and the validity of any patents that may ultimately be granted on the application. Such commercial exploitation or secret use would not normally be identified by documentary patentability searches of publicly accessible databases.

5.5. Opposition Proceedings

Some jurisdictions, such as Australia, allow for accepted patent applications to be opposed by a third party. Others, for example Europe, have post-grant opposition. Successful opposition proceedings may result in some or all of the claims of an application being refused. Successful opposition proceedings to a granted patent may result in some or all of the claims being held invalid or restricted in breadth.

As stated above, Australian patent 2011207116 was unsuccessfully opposed and all of the claims proceeded to grant.

5.6. Entitlement to claimed priority date

In Australia, for subject matter contained in a non-provisional patent application to be entitled to the priority date established by a corresponding priority patent application or provisional patent application there must be a "real and reasonably clear disclosure" of the subject matter in the priority application. Similar provisions apply in other jurisdictions. Subject matter disclosed in a non-provisional patent application that is not contained in a corresponding priority application is generally only entitled to the filing date of the non-provisional application as a priority date.

5.7. Renewal fees

Tubi recognises that renewal fees must be paid in order to maintain its patents and trade marks. At the time of preparing this report no patents or trade marks have lapsed for the failure to pay renewals.

6. Trade Marks

A trade mark is a way of identifying a unique product or service.

Australian trade mark law is based on common-law use-based rights as well as the Trade Marks Act 1995 (Cth). Use-based rights are less certain than registration, and depend on the mark

08. Intellectual Property Expert's Report



having developed a reputation in the region in which a company seeks to enforce its common-law trade mark. Thus, registration provides advantages such as constructive notice and nationwide rights.

Section 17 of the Trade Marks Act defines a trade mark as “a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person”. Accordingly trade marks are not restricted to logos and the like.

The procedure to register a trade mark in Australia is much the same as other countries. A completed application is filed with IP Australia. Examination of the application is undertaken to ensure compliance with formalities and substantive requirements. If an application is accepted, it will be published for opposition purposes for three months, during which time third parties may oppose registration on certain grounds. If there are no oppositions, or any oppositions are overcome, a certificate of registration will be issued.

The term of registration in Australia is 10 years, which may be extended for additional periods of 10 years. Failure to use a registered trade mark for a period of three years or more may expose the registration to cancellation on the grounds of non-use.

Tubi has trade mark applications in Australia, and New Zealand and an international registration for Canada, the United States as outlined in ‘**Appendix B**’. We performed a search of the Australian trade mark database, the Canadian trade mark database, the New Zealand trade mark database, and the United States trade mark database and confirm the status of each trade mark application. Full details of the trade mark applications are included in Appendix B. All four trade mark applications are currently in ongoing examination and are not yet registered. (Although, acceptance is due on the New Zealand trade mark application later in May 2019.)

7. Qualifications & Independence

Griffith Hack is a firm of patent and trade mark attorneys and lawyers that provide advice in relation to all aspects of intellectual property. Griffith Hack has extensive experience protecting and defending intellectual property rights and commercialising products and services. Griffith Hack provides a comprehensive intellectual property service through its patent and trade mark attorney practices, law firm, consultancy arm and through its partnership with a major international renewal service. Griffith Hack has been retained by Tubi to draft, prosecute and maintain the patents and patent applications in their portfolio. Griffith Hack was also retained to advise and represent Tubi in the opposition proceedings of AU20112017116.

Griffith Hack has no involvement in the preparation of the Prospectus by Tubi, other than the preparation of this Report. Griffith Hack is therefore considered independent of Tubi for the purpose of preparing this Report and gives its consent for inclusion of this Report in the Prospectus.

08. Intellectual Property Expert's Report



The people responsible for preparing this Report are David Hughes, Principal of Griffith Hack Patent & Trade Mark Attorneys, and Jennifer Wyndham-Wheeler, Senior Associate of Griffith Hack Patent & Trade Mark Attorneys.

Yours faithfully
GRIFFITH HACK

A handwritten signature in black ink, appearing to be "D. Hughes".

David Hughes
Principal
david.hughes@griffithhack.com

A handwritten signature in blue ink, appearing to be "J. Wyndham-Wheeler".

Jennifer Wyndham-Wheeler
Senior Associate
jennifer.wyndham-wheeler@griffithhack.com

08. Intellectual Property Expert's Report

Patent Family 1: Modular Pipe Formation Apparatus

Country	Official No.	Effective Filing Date	Priority Date	Status as of 2 May 2019
PCT	PCT/AU2011/00066	21 Jan 2011	22 Jan 2010	national phase entered
Australia	2011207116	21 Jan 2011	22 Jan 2010	granted
Australia	2016203821	21 Jan 2011	22 Jan 2010	granted
Brazil	BR1120120180975	21 Jan 2011	22 Jan 2010	exam requested
Canada	2787679	21 Jan 2011	22 Jan 2010	granted
Chile	52.230	21 Jan 2011	22 Jan 2010	granted
Papua New Guinea	PG/P/2012/00081	21 Jan 2011	22 Jan 2010	exam requested
South Africa	2012/05347	21 Jan 2011	22 Jan 2010	granted
United States	15/647920	21 Jan 2011	22 Jan 2010	filed - ready for examination
Europe	2525959	21 Jan 2011	22 Jan 2010	granted
Austria	2525959	21 Jan 2011	22 Jan 2010	validated
Denmark	2525959	21 Jan 2011	22 Jan 2010	validated
France	11734258.4	21 Jan 2011	22 Jan 2010	validated
Germany	60 2011 024 53.4	21 Jan 2011	22 Jan 2010	validated
Italy	502016000060042	21 Jan 2011	22 Jan 2010	validated
United Kingdom	11734258.4	21 Jan 2011	22 Jan 2010	validated
Norway	2525959	21 Jan 2011	22 Jan 2010	validated
Sweden	11734258.4	21 Jan 2011	22 Jan 2010	validated
Gulf Co-Operation Council	GC0003662	21 Jan 2011	22 Jan 2010	granted
Venezuela	2011-000069	24 Jan 2011	22 Jan 2010	filed

Legend

PCT Application

Convention Applications

National Phase applications

European validations

08. Intellectual Property Expert's Report

Patent Family 2: Modular Pipe Formation Apparatus

Country	Official No.	Filing Date	Priority Date	Status as of 2 May 2019
Australia	2019901016	26 March 2019	26 Mar 2019	provisional application

08. Intellectual Property Expert's Report

Trade Mark Schedule – TUBI Pty Ltd

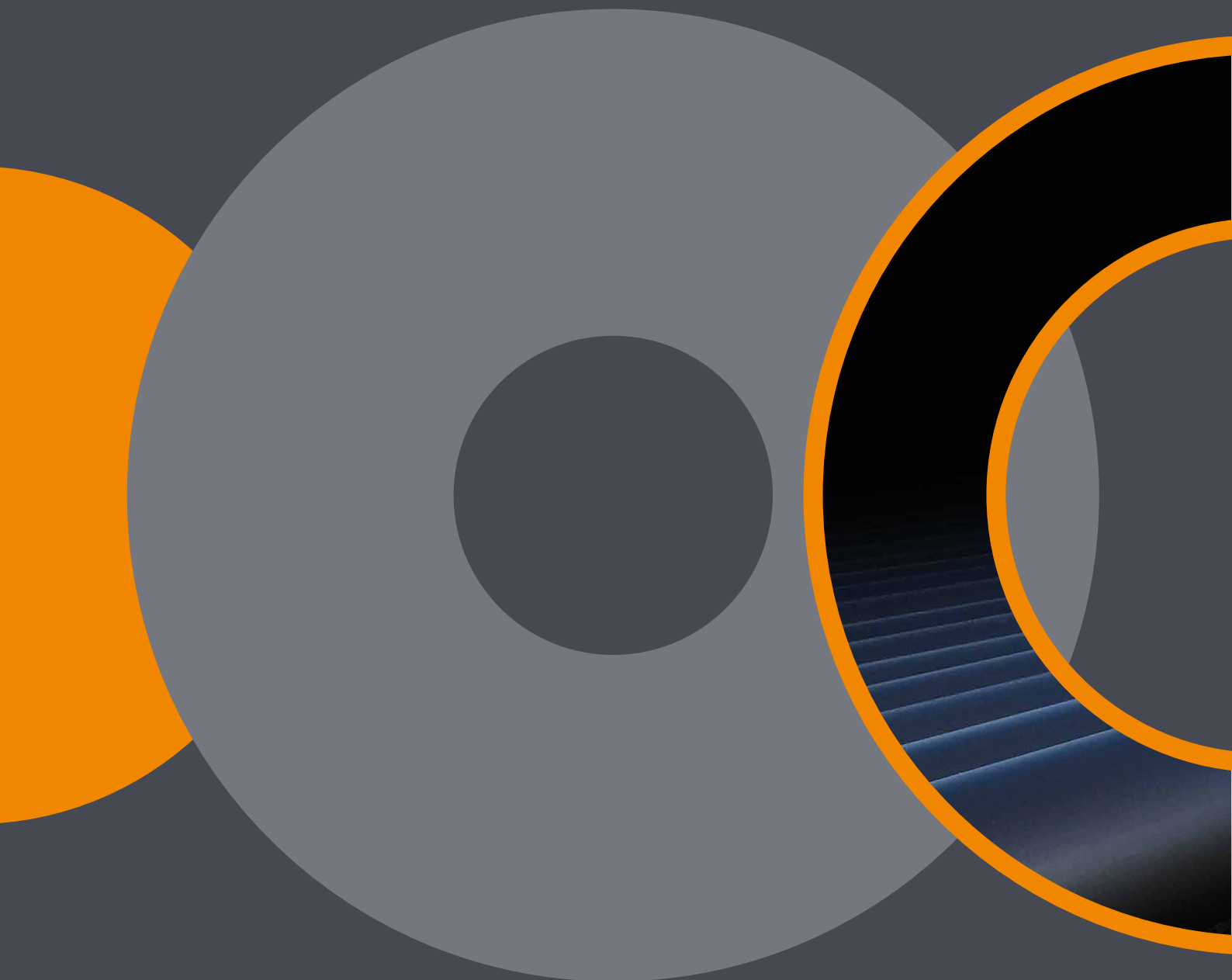
Trade Mark Application/Registration No.	Trade Mark/ Title	Country	Classes	Goods/Services	Filing Date/ Priority Date	Case Status	Registration Date/ Renewal Date	Owner/ Owner Address
1883815	TUBI	Australia	07,11,19	<p>Class 7: Machines and machine tools; machine coupling and transmission components (except for land vehicles); machines for manufacturing plastic pipes and pipelines; apparatus and machines for the welding of materials; extrusion machines; mechanical reeling apparatus; parts, fittings and accessories for the aforesaid goods</p> <p>Class 11: Apparatus for water supply and sanitary purposes; pipes, including plastic pipes (parts of sanitary installations); safety apparatus and fittings for water pipes, including valves, stop cocks and T pieces; parts, fittings and accessories for the aforesaid goods</p> <p>Class 19: Building materials (non-metallic); Non-metallic pipes for building purposes; non-metallic water and drain pipes; non-metallic water fittings incorporating flow control (parts of water pipes); plastic extrusion materials for building purposes (finished products); non-metallic pipelines; parts, fittings and accessories for the aforesaid goods</p>	31/10/2017	<p>Examination in progress</p> <p>Acceptance Deadline deferred (pending an outcome of the removal proceedings)</p> <p>Evidence in Support due for Removal</p> <p>Opponent: deadline pending – estimated to be 3 July 2019</p>	N/A	TUBI PTY LTD 2 Hopetoun Street Paddington NSW 2021 Australia
1926670	TUBI	Canada	07,11,19	<p>Class 7: Machines and machine tools; machine coupling and transmission components (except for land vehicles); machines for manufacturing plastic pipes and pipelines; apparatus and machines for the welding of materials; extrusion machines; mechanical reeling apparatus; parts, fittings and accessories for the aforesaid goods</p> <p>Class 11: Apparatus for water supply and sanitary purposes; pipes, including plastic pipes (parts of sanitary installations); safety apparatus and fittings for water pipes, including valves, stop cocks and T pieces; parts, fittings and accessories for the aforesaid goods</p> <p>Class 19: Building materials (non-metallic); Non-metallic pipes for building purposes; non-metallic water and drain pipes; non-metallic water fittings incorporating flow control (parts of water pipes); plastic extrusion materials for building purposes (finished products); non-metallic pipelines; parts, fittings and accessories for the aforesaid goods</p>	23/10/2018	<p>Application filed</p> <p>Waiting for examination</p>	N/A	TUBI PTY LTD 2 Hopetoun Street Paddington NSW 2021 Australia

08. Intellectual Property Expert's Report

Trade Mark Application/Registration No.	Trade Mark/ Title	Country	Classes	Goods/Services	Filing Date/ Priority Date	Case Status	Registration Date/ Renewal Date	Owner/ Owner Address
US TM No. 79/252185	TUBI	United States of America	07,11,19	Class 7: Machines and machine tools; machine coupling and transmission components (except for land vehicles); machines for manufacturing plastic pipes and pipelines; apparatus and machines for the welding of materials; extrusion machines; mechanical reeling apparatus; parts, fittings and accessories for the aforesaid goods Class 11: Apparatus for water supply and sanitary purposes; pipes, including plastic pipes (parts of sanitary installations); safety and regulating accessories for water pipes, including valves, and stop cocks; parts for the aforesaid goods Class 19: Building materials (non-metallic); Non-metallic pipes for building purposes; non-metallic water and drain pipes; non-metallic parts of rigid water pipes incorporating flow control (parts of water pipes); building materials made of extruded plastics; non-metallic pipelines; parts for the aforesaid goods	23/10/2018	Examination in progress Provisional Refusal received Deadline to respond to provisional refusal 16 September 2019	N/A	TUBI PTY LTD 2 Hopetoun Street Paddington NSW 2021 Australia
International Registration No. 1450489								
1079637	TUBI	New Zealand	07,11,19	Class 7: Machines and machine tools; machine coupling and transmission components (except for land vehicles); machines for manufacturing plastic pipes and pipelines; apparatus and machines for the welding of materials; extrusion machines; mechanical reeling apparatus; parts, fittings and accessories for the aforesaid goods Class 11: Apparatus for water supply and sanitary purposes; pipes, including plastic pipes (parts of sanitary installations); safety apparatus and fittings for water pipes, including valves, stop cocks and T pieces; parts, fittings and accessories for the aforesaid goods Class 19: Building materials (non-metallic); Non-metallic pipes for building purposes; non-metallic water and drain pipes; non-metallic water fittings incorporating flow control (parts of water pipes); plastic extrusion materials for building purposes (finished products); non-metallic pipelines; parts, fittings and accessories for the aforesaid goods	31/10/2017	Under Examination Acceptance pending and expected towards the end of May 2019		TUBI PTY LTD 2 Hopetoun Street Paddington NSW 2021 Australia

09.

Details of the Offer



09. Details of the Offer

9.1 What is the Offer?

This Prospectus relates to the sale of 28,800,000 Shares by Saleco at a price of \$0.20 per Share to raise \$5,760,000.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus and is fully underwritten by the Lead Manager.

The Shares rank equally in all respects with the other Shares issued by the Company. The rights and liabilities attaching to the Shares are set out in Section 11.6.

Offer structure

The Offer comprises:

- > The Institutional Offer, which consists of an invitation to certain Institutional Applicants in Australia and a number of other authorised jurisdictions to apply for Shares (see Section 9.5);
- > The Broker Firm Offer, which is open to Australian resident Retail Investors who have received a firm allocation from their broker (see Section 9.5); and
- > The Chairman's List Offer, which is open to persons in Australia who have received a Chairman's list invitation from the Company (see Section 9.5).

The allocation of Shares between the Broker Firm Offer, the Chairman's List Offer and the Institutional Offer will be determined by agreement between the Lead Manager and the Company, having regard to the allocation policies described in Section 9.5.

There will be no general public offer of Shares made under the Offer. Members of the public wishing to apply for Shares under the Offer must do so through a Broker with a firm allocation of Shares.

9.2 Purpose of the Offer

The Offer is being conducted to:

- > enable the Selling Shareholder to partially monetise its investment;
- > provide liquidity for Shareholders;
- > provide Tubi with benefits of an increased brand profile that arises from being a listed entity;
- > provide Tubi with access to the capital markets to improve capital management flexibility; and
- > assist Tubi in attracting and retaining quality staff.

9.3 Is the Offer underwritten?

The Offer is fully underwritten by the Lead Manager. A summary of the Underwriting Agreement, including the events which would entitle the Lead Manager to terminate the Underwriting Agreement, is set out in Section 10.4.

The Company reserves the right to close the Offer early, to accept late Applications or extend the Offer without notifying any recipient of this Prospectus or any Applicant.

09. Details of the Offer

9.4 Source and use of Offer proceeds

The Offer proceeds will be applied as follows:

Source of funds	A\$m	% of funds raised
Cash proceeds received from sale of Shares by Saleco	5.76	100
Total sources	5.76	100

Use of funds	A\$m	% of funds raised
Payment to Selling Shareholder	5.38	93.4%
Costs of the offer paid by Saleco	0.38	6.6%
Total uses	5.76	100

The Selling Shareholder will pay the Lead Manager's underwriting fee of 6.0% plus GST.

Tubi will pay the other costs of the Offer, see Section 11.16 for further information.

The Board believes its operating cash flows, together with cash on its balance sheet will be sufficient to meet its operational requirements and business needs, and position Tubi to grow its business in accordance with Tubi's stated objectives.

9.5 Summary terms of the Offer

Topic	Summary
What is the type of security being offered?	Shares (being fully paid ordinary shares in the Company).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 11.6.
What is the Offer Price?	\$0.20 per Share.
What is the Offer Period?	<p>The key dates, including details of the Offer Period, are set out on page 02.</p> <p>The key dates are indicative only and may change. Unless otherwise indicated, all times are stated in Sydney time.</p> <p>The Company, in consultation with the Lead Manager, reserves the right to vary any and all of the dates and times without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the date the Offer closes, or to accept late Applications, either generally or in particular cases, to cancel or withdraw the Offer before Settlement, in each case without notifying any recipient of the Prospectus or any Applicants).</p> <p>If the Offer is cancelled or withdrawn before the issue or transfer of Shares all Application Monies will be refunded as soon as possible in accordance with the Corporations Act.</p>
What are the cash proceeds to be raised under the Offer?	<p>A\$5,760,000 (before costs) will be raised under the Offer, by Saleco from the sale of Shares under the Offer, which will be remitted to Saleco (net of costs).</p> <p>The Company will not raise any funds under the Offer.</p>

09. Details of the Offer

Topic	Summary
Who can apply under the Offer?	<p>The Broker Firm Offer is open to Australian resident Retail Investors clients who have received a firm allocation of Shares from their Broker.</p> <p>The Institutional Offer is open to Institutional Applicants in Australia and the Company has already received commitments from the Institutional Applicants under the Institutional Offer.</p> <p>The Chairman's List Offer is open to persons in Australia who have received a Chairman's list invitation from the Company.</p>
How to Apply	<p>Instructions for how to apply under your relevant Offer will be detailed in the Offer Letter provided to you or by your Broker. For further information please contact the Company Secretary on 02 9331 8725 or via email to companysecretary@tubigroup.com.</p>
Application Monies	<p>Application Monies will be accepted by BPAY. The relevant details will be on your Offer Letter or provided to you by your Broker.</p>
What is the minimum and maximum application under the Offer?	<p>Applications must be for a minimum of 10,000 Shares (\$2,000).</p> <p>There is no maximum number or value of Shares that may be applied for under the Offer.</p> <p>The Company, Saleco and the Lead Manager reserve the right to reject any Application or to allocate a lesser number of Shares than applied.</p>
Is the Offer underwritten?	<p>Yes. The Lead Manager has fully underwritten the Offer in accordance with the Underwriting Agreement. Details are provided in Section 10.4.</p>
What is the allocation policy?	<p>The basis of allocation of Shares under the Offer will be determined at the discretion of the Lead Manager in consultation with the Company.</p> <p>The Company may reject any Application or allocate a lesser amount of Shares than those applied for at its absolute discretion.</p>
Will the Shares be listed?	<p>The Company will apply to the ASX for admission to the Official List and quotation of its Shares on the ASX under the code 2BE.</p> <p>Completion of the Offer is conditional on, among other things, the ASX approving the application. If approval is not given within three months after the application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time.</p> <p>ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.</p>
When are the Shares expected to commence trading?	<p>14 June 2019.</p>
When will I receive confirmation of whether my Application has been successful?	<p>Holding Statements will be sent to successful Applicants on or around 7 June 2019.</p>

09. Details of the Offer

Topic	Summary
Are there any escrow arrangements?	Yes. Details are provided in Section 11.12.
Is there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer. Refer to Section 10.4 for details of the fees payable by Saleco to the Lead Manager.
Are there any tax considerations?	Yes. Please refer to Section 11.14 for an overview of certain Australian tax and duty implications for investing in Shares under the Offer. Note that it is recommended that all potential investors consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning an disposing of Shares, having regard to their specific circumstances.
Who do I contact if I have further queries?	If you would like more information or have any questions relating to the Offer, you can contact the Company Secretary on 02 9331 8725 or at companysecretary@tubigroup.com . If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.

9.6 ASX listing

No later than seven days after the date of this Prospectus, the Company will apply to ASX for admission to the official list of ASX and for its Securities to be granted official quotation by ASX. The Company is not currently seeking a listing of its Shares on any stock exchange other than ASX.

The fact that ASX may admit the Company to the official list of ASX and grant official quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares offered for subscription under the Offer. ASX takes no responsibility for the contents of this Prospectus. Normal settlement trading in the Shares, if quotation is granted, will commence as soon as practicable after the issue of holding statements to successful Applicants.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive confirmation of their allotment will do so at their own risk.

If permission for quotation of the Shares is not granted within three months after the date of this Prospectus, all Application Amounts received by the Company will be refunded without interest as soon as practicable.

9.7 Discretion regarding the Offer

The Company may withdraw the Offer at any time before the issue of Shares to Successful Applicants. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company and the Lead Manager also reserve the right, subject to the Corporations Act, to extend the Offer or any part of it, to accept late Applications or bids either generally or in particular cases to reject any Application or bid, or to allocate to any Applicant or bidder fewer Shares than the amount applied or bid for.

09. Details of the Offer

9.8 Substantial holders

The table below sets out the interests of the existing Shareholders as at the date of this Prospectus and immediately following the Offer who hold a substantial interest in Securities of the Company. The table does not reflect any Shares which the Existing Shareholders may subscribe for under the Offer.

	Prospectus Date		Immediately following the Offer	
	Number of Shares	% of Shares	Number of Shares	% of Shares
Existing Holders				
Bald Hill Quarry Pty Ltd ACN 003 764 725	52,132,500	21.44%	52,132,500.00	21.44%
Oxleigh Pty Ltd ACN 073 673 417	51,882,480	21.34%	51,882,480.00	21.34%
Chiara Corporation Pty Ltd ACN 153 348 460 as trustee for Russo Family Trust	64,527,420	26.54%	35,727,420.00	14.69%
Ryder Capital Limited	16,250,000	6.68%	16,250,000	6.68%

9.9 Overseas distribution

No action has been taken to register or qualify the offer of Shares under this Prospectus, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia.

9.10 Offer only made where lawful to do so

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. This Prospectus does not constitute an offer in any place in which, or to whom, it would not be lawful to make such an offer. Persons into whose possession this document comes should inform themselves about and observe any restrictions on acquisition or distribution of the Prospectus. Any failure to comply with these restrictions may constitute a violation of securities laws.



10.

Material Contracts

10. Material Contracts

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section contains a summary of the material contracts and their substantive terms which are not otherwise disclosed elsewhere in this Prospectus.

10.1 Master Dedicated Mobile Manufacturing & Supply Agreements with MPS Enterprises, Inc.

Overview

The Company, Tubi USA and MPS have entered into the following Master Dedicated Mobile Manufacturing and Supply Agreements:

- > dated 1 February 2018 in relation to the existing Mobile Plant (**First MSA**); and
- > dated 4 December 2018 in relation to a Mobile Plant under construction (**Second MSA**),

(together, the **MSAs**).

Under each MSA, MPS can request that Tubi USA manufacture certain HDPE pipe on MPS's work site in accordance with agreed specifications. MPS agrees to purchase a minimum quantity of HDPE pipe each year during the term of the MSA. Tubi USA provides a limited one year warranty on the HDPE pipe.

MPS has a first right of refusal to enter into an MSA for additional Mobile Plants to be constructed and deployed in the United States during the term of each MSA, on terms similar to the existing contracts, or on terms no less favourable than a third party proposal.

Term and termination

First MSA – the term of the First MSA commenced on or about 1 April 2018 for an initial term of two years. Following the initial term the First MSA automatically renews for additional one year terms, unless either MPS or Tubi USA provides at least 30 days advance notice of non-renewal.

Each party has the right to terminate the First MSA immediately for failure to rectify a material breach after 30 days' written notice, or immediately if the other party becomes insolvent or otherwise able to pay its debts.

Beginning on the first anniversary of the commencement of the First MSA, either party may terminate the agreement or any purchase order under the agreement without cause by giving five days' written notice in which case liquidated damages will be payable by the terminating party to the non-terminating party.

Second MSA – the term of the Second MSA will commence when the Mobile Plant (which is under construction) is deployed to a work site by MPS, which the Company expects to be delivered by the end of September 2019. The initial term of the agreement will be two years. Following the initial term the Second MSA automatically renews for additional one year terms, unless either MPS or Tubi USA provides at least 30 days advance notice of non-renewal.

If the construction period (which commenced 4 December 2018) is delayed due to parts, labor and/or machinery shortages or supply chain delays or delays in immigration of work force needed for assembly of the Mobile Plant, MPS and Tubi shall negotiate reasonable extensions or modifications to the construction period by mutual consent provided that the construction period must not exceed one year. MPS has agreed that the Mobile Plant may be delivered by September 2019.

Each party has the right to terminate the Second MSA immediately for failure to rectify a material breach after 30 days' written notice, or immediately if the other party becomes insolvent or otherwise able to pay its debts.

Beginning on the first anniversary of the commencement of the Second MSA, either party may terminate the agreement or any purchase order under the agreement without cause by giving five days' written notice in which case liquidated damages will be payable by the terminating party to the non-terminating party.

10. Material Contracts

Warranties and indemnification

Tubi has provided customary warranties and representations in favour of MPS, including in relation to compliance with labour and occupational health and safety laws and the specifications and standard of pipe to be manufactured using the respective Plants in each MSA.

Each party indemnifies the other from all claims relating to injuries to their respective employees and contractors and damage to their property; and from injuries of third parties and third party property damage to the extent caused by the negligence or fault of that party.

10.2 Material contracts with Iplex

Overview

Tubi entered into an Equipment Purchase Agreement with Iplex on 21 December 2018 (**Equipment Purchase Agreement**). Under the Equipment Purchase Agreement Tubi agreed to supply equipment including a Mobile Plant (**Iplex Plant**) to Iplex. Tubi currently expects that the Iplex Plant will be constructed in the fourth quarter of 2019.

The total purchase price payable by Iplex under the Equipment Purchase Agreement is payable in instalments upon satisfaction of the following milestones:

- > Milestone Payment 1 – 40% of the purchase price was by Iplex following execution of the Equipment Purchase Agreement;
- > Milestone Payment 2 – 50% of the purchase price payable within five business days of presentation of an invoice by the Company following delivery of the equipment to Iplex's premises; and
- > Milestone Payment 3 – 10% of the purchase price payable within five business days of presentation of an invoice by the Company following the issue of a certificate of acceptance by Iplex indicating that the equipment is working in compliance with the requisite specifications and performance standards.

Milestone Payment 1 has been received but the Iplex Plant has not yet been delivered to Iplex's premises.

Under the Equipment Purchase Agreement Iplex is prohibited from selling or otherwise transferring the Iplex Plant to any other entity or person. Tubi has a right of first refusal to repurchase the Iplex Plant if Iplex wishes to sell or otherwise transfer the Iplex Plant to a third party who is not a related party of Tubi. The Plant may only be transferred to a third party if the licence agreement referred to below is also transferred (and that licence agreement duplicates the rights of Tubi in the Equipment Purchase Agreement in relation to use outside New Zealand and subsequent transfers).

Iplex is only permitted to use the Iplex Plant in New Zealand, however may transport the Iplex Plant to another country for use in that country with the consent of Tubi.

Either party may terminate the Equipment Purchase Agreement if the other party breaches a material obligation which is not capable of remedy, or is not remedied within 14 days' notice, or upon an insolvency event occurring in relation to the other party. In addition, Iplex has a right to terminate the Equipment Purchase Agreement if the Company fails to perform its obligations such that an acceptance certificate is not issued within 3 months after the requisite time.

Warranties and indemnities

Tubi has provided customary warranties and representations in favour of Iplex, including in relation to title to the Iplex Plant, the specifications and performance of the Iplex Plant and intellectual property.

Tubi has provided an indemnity in favour of Iplex, in respect of claims, demands, damages, losses or liabilities incurred by or awarded against Iplex arising out of or in connection with a breach by Tubi of certain specified warranties and representations.

10. Material Contracts

Other contractual arrangements with Iplex

In connection with the Equipment Purchase Agreement, Tubi also entered into the following ancillary agreements with Iplex:

> **Deed of License of Intellectual Property dated 21 December 2018 (License Agreement).**

Under the Licence Agreement Tubi grants to Iplex an exclusive (in New Zealand), irrevocable, royalty free (subject to certain conditions) and transferrable (subject to certain conditions) license in the intellectual property held by the Company and used in relation to the operation, maintenance or repair of the Iplex Plant (Licensed IP). Iplex may only use the Licensed IP in New Zealand.

Tubi may not use or transfer the Licensed IP, or grant any further licence of the Licensed IP for use in New Zealand, without the prior approval of Iplex.

Unless terminated earlier, the exclusivity period of the Licensed IP is for 25 years, after which it may be terminated by the Company by written notice. Upon termination of the License Agreement, Iplex continues to have a non-exclusive license to use the Licensed IP in New Zealand for operation of the Iplex Plant.

Indemnities are given by each party in favour of the other party and its employees and representatives in connection with a breach of certain specified provisions of the Licence Agreement.

> **Contract for Services dated 21 December 2018 (Services Agreement).**

Under the Services Agreement, Tubi's subsidiary Tubi New Zealand Limited agrees to provide certain support services to Iplex in relation to the operation of the Iplex Plant.

The term of the Services Agreement is for three years commencing on a date to be agreed, or two months before the date set out in the works programme under the Equipment Purchase Agreement.

A services fee is payable by Iplex for the three year term, payable in monthly instalments. However, if Iplex terminates the Services Agreement during the three year term (other than for a breach by Tubi New Zealand Limited), then the remaining services fee shall be payable to the Company within 20 business days of termination of the Services Agreement.

10.3 Other arrangements with key third party providers

The Group has entered into the following supply arrangements with third party providers of goods and services to support the Business:

- > Tubi has entered into purchase orders with various suppliers in respect of equipment to be used by the Group to construct the second Mobile Plant for MPS and the Iplex Plant. Given the nature of the plants, they will be constructed using equipment from a range of suppliers and then delivered to the construction sites in the United States and New Zealand respectively, where employees of the Group will manage construction of the Mobile Plants.
- > Tubi's products are manufactured using raw materials (primarily HDPE bead) supplied by third parties which also manufacture raw materials for other companies. In particular, Tubi relies on three key suppliers to supply critical raw materials. Tubi does not have written contracts with its raw materials suppliers.
- > Three lease agreements have been entered into in respect of minor items of plant used as part of the facilities of the business. Pursuant to these lease agreements, ownership of equipment will transfer to a Group entity once the equipment has been paid for in full. In respect of one of these lease agreements, the Group has exercised the option to purchase and made all relevant payments such that Tubi NZ Limited now has title and ownership of the relevant equipment.
- > A logistics service agreement in relation to logistics management of the Group's operations in the United States.

10. Material Contracts

10.4 Underwriting agreement

The Offer is fully underwritten by the Lead Manager pursuant to the Underwriting Agreement dated on or around the date of this Prospectus between the Lead Manager, the Company and Saleco. Under the Underwriting Agreement, the Lead Manager have agreed to arrange and manage the Offer and act as lead manager and bookrunner for the Offer.

For the purpose of this Section 10.4, offer documents means the following documents issued or published by, or on behalf of, the Company and Saleco with their prior approval, in respect of the Offer, which comprises the Prospectus, any application form and any supplementary document.

Fees and expenses

Subject to the Lead Manager satisfying their underwriting obligations under the Underwriting Agreement, Saleco will pay the Lead Manager, an underwriting fee equal to 6.0% (plus GST) of the proceeds from the Offer Proceeds (**Underwriting Fee**).

The Lead Manager may at any time appoint sub-underwriters, co-managers, co-lead managers, and brokers in consultation with the Company and Saleco, to co-arrange, co-manager or sub-underwrite up to the total number of Shares under the Offer. All sub-underwriting commissions and fees payable to any sub-underwriters, co-managers, co-lead managers, and brokers will be paid by the Underwriter out of the Underwriting Fee.

Obligations of the Underwriter

Subject to the Lead Manager consulting with the Company regarding the identity of the Applicants, the Lead Manager has exclusive right to nominate Applicants for any Shares it underwrites under the Offer (**Shortfall Shares**). The Lead Manager will participate in the due diligence process established for the purposes of the Offer and coordinate the Offer and identify suitable potential allottees of Shares under the Offer.

The Lead Manager must also ensure that:

- > the Company's indicative share register will satisfy all applicable ASX requirements (including in relation to spread and free float); and
- > the Company's share register, immediately following the Allotment Date, will satisfy all applicable ASX requirements (including in relation to spread and free float).

Termination Events

If any of the following events occur before Completion, the Lead Manager may, at any time after the Lead Manager becomes aware of the events, without cost or liability to itself, terminate the Underwriting Agreement by notice in writing:

- > a statement in the Prospectus is misleading or deceptive, a material matter is omitted from the Prospectus or the Lead Manager forms the opinion, acting reasonably, that the Prospectus fails to satisfy Sections 710 or 711 of the Corporations Act;
- > the Prospectus does not contain all such information as investors and their professional advisers would reasonably require and reasonably expect to find in it for the purpose of making an informed assessment of the assets, liabilities, financial position and performance, profits, losses and prospects of the Company and the rights attaching to the Shares;
- > any information made available by or on behalf of the Company or Saleco to the Lead Manager in relation to the Company or the its group entity or the Offer is misleading or deceptive;
- > any adverse change occurs in the assets, liabilities, financial position and performance, profits, losses or prospects of the Company including any adverse change in the assets, liabilities, financial position and performance, profits, losses or prospects of the Company (and its subsidiaries) from those disclosed in the Prospectus;

10. Material Contracts

- > at any time after the issue of the Prospectus:
 - the Company becomes aware of a matter that is materially adverse from the point of view of an investor;
 - a significant change arises after the date of the Prospectus, that would have been required to be included in the Prospectus when the Prospectus was prepared;
 - a significant change occurs that causes the Prospectus to contain a misleading or deceptive statement in the Prospectus or have caused an omission from the Prospectus of information required under the Corporations Act;
- > hostilities not presently existing commence or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand or the United States of America;
- > the S&P/ASX All Ordinaries Index decreases to a level that is at least 10% below the level of that Index as at the close of trading on the date of the Underwriting Agreement and remains at or below that level for three consecutive business days;
- > the Small Ordinaries Index decreases to a level that is at least 10% below the level of that Index as at the close of trading on the date of the Underwriting Agreement and remains at or below that level for three consecutive business days;
- > there is introduced or there is announced a proposal to introduce into the Parliament of Australia or any State of Australia a new law or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt a new policy, any of which does or is likely to prohibit or regulate, in a materially adverse way, the principal business of the Company, the Offer, capital issues generally or stock markets generally;
- > there occurs any material adverse change or disruption to the financial markets of Australia, the United States or other major international financial market, or there occurs any change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the reasonable judgment of the Lead Manager, impracticable to market the Offer or to enforce contracts to purchase the Shares or is reasonably likely to materially and adversely affect the success of the Offer;
- > a Director is charged with an indictable offence;
- > there occurs a contravention by the Company (or its subsidiaries) of the Corporations Act or its constitution;
- > ASX refuses to grant approval to the official quotation of the Shares or the approval is granted subject to any condition which is unacceptable to the Lead Manager (acting reasonably) on or before completion of the Offer;
- > ASX withdraws its approval to the official quotation of the Shares;
- > any of the following notifications are made in respect of the Offer:
 - ASIC issues an order (including an interim order) under section 739 of the Corporations Act;
 - ASIC holds a hearing under section 739 of the Corporations Act;
 - ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or the Prospectus;
 - an application is made by ASIC for an order under section 1324B of the Corporations Act in relation to the Prospectus;
 - any person (other than the Lead Manager) who has previously consented to the inclusion of its name in any offer document withdraws that consent;
 - any person (other than the Lead Manager) gives a notice under section 730 of the Corporations Act in relation to an offer document;
- > there is a default by either the Company or Saleco in the performance of any of their material obligations under the Underwriting Agreement;
- > a representation or warranty contained in the Underwriting Agreement on the part of the Company or Saleco is or becomes untrue or incorrect in any material respect and the matters rendering the warranty untrue or incorrect are not remedied to the satisfaction of the Lead Manager prior to the issue of a notice for the Shares to be taken up by the Lead Manager due to a shortfall;
- > any of the Material Contracts (other than the Underwriting Agreement) are:
 - varied without the Lead Manager's prior written consent; or
 - repudiated, rescinded or terminated without the Lead Manager's prior written consent;
- > any litigation, arbitration or other legal proceeding is commenced against the Company (or its subsidiary); or

10. Material Contracts

- > the following conditions precedents are not satisfied:
 - the provision of a due diligence report to the Lead Manager in an agreed form;
 - the provision of a legal opinion in relation to the Prospectus to the Lead Manager from the Company's solicitors in an agreed form; and
 - lodgement of the Prospectus with ASIC on or before 10 May 2019 substantially in the form in relation to which the Lead Manager has given its consent to be named.

Any exercise of any rights that the Lead Manager may have to terminate the Underwriting Agreement is without prejudice to any other rights the Lead Manager may have under the Underwriting Agreement or at law.

Conditions, warranties, undertakings and other terms

The Underwriting Agreement contains certain standard representations, warranties and undertakings by the Company and Saleco to the Lead Manager as well as common conditions precedent, including the receipt by the Lead Manager of the final due diligence report and ASX indicating that it will grant permission for quotation of the Shares on the ASX.

The representations and warranties given by the Company relate to matters such as conduct of the Company, power and authorisations, information provided by the Company, information in this Prospectus and compliance with laws and the ASX Listing Rules. The Company also provides additional representations and warranties in connection with the business and affairs of the Company including in relation to taxation and eligibility for listing. Saleco has also provided warranties and representations that, it is in compliance with the Corporations Act.

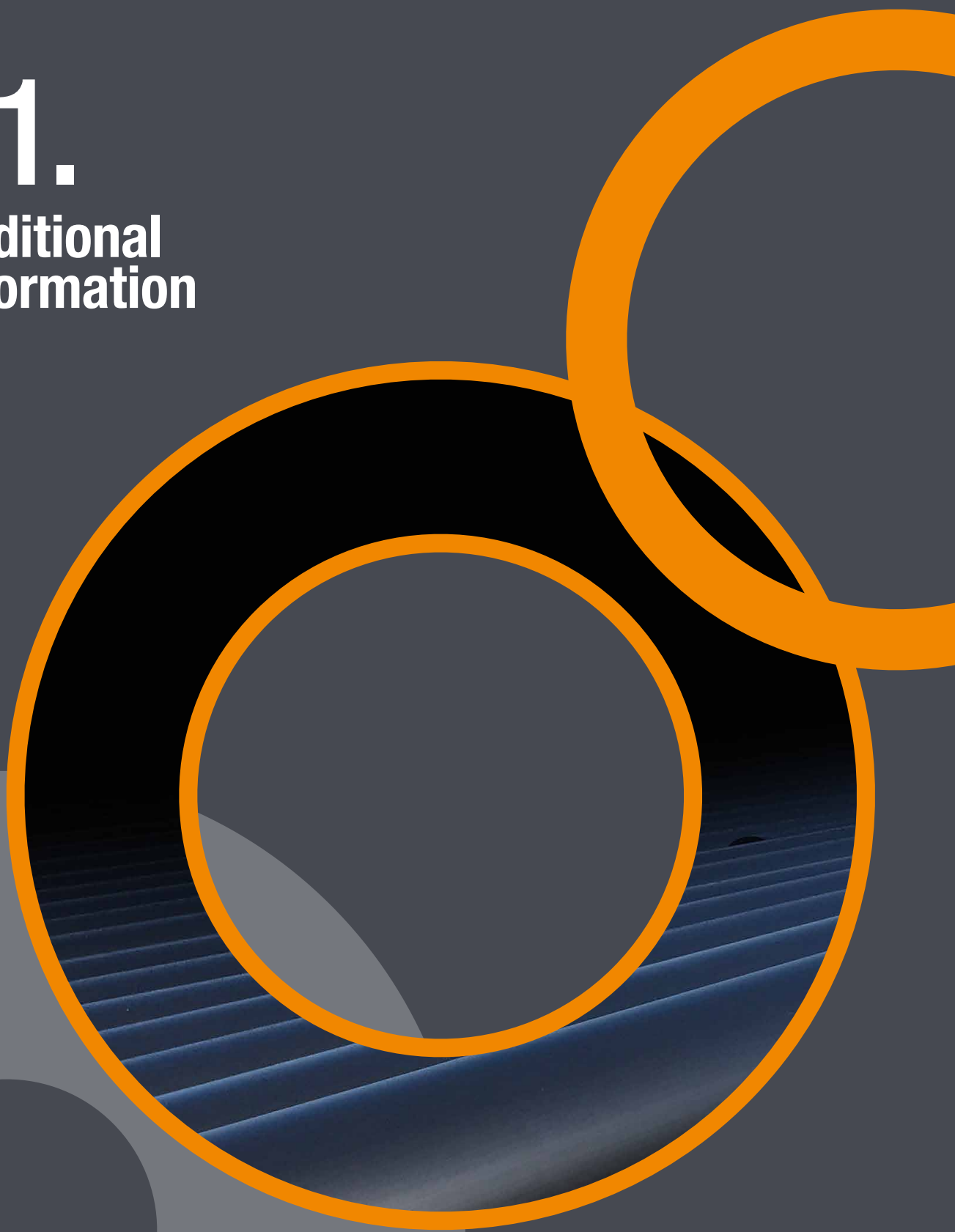
The Company's undertakings include that it will not, until 90 days after Completion, issue (or agree to issue) or indicate in any way that it may or will issue or agree to issue any Shares or other securities that are convertible or exchangeable into equity, or that represent the right to receive equity, without the prior written consent of the . This undertaking is subject to certain exceptions, including any issue made pursuant to this Prospectus, an employee share plan, a non-underwritten dividend reinvestment or a bonus share plan.

Indemnity

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct, recklessness or gross negligence of any indemnified party, the Company and the Vendor agree to keep the Lead Manager and their representatives indemnified from losses suffered by them in connection with the Offer or the appointment and role of Lead Manager pursuant to the Underwriting Agreement.

11.

**Additional
Information**



11. Additional Information

11.1 Incorporation

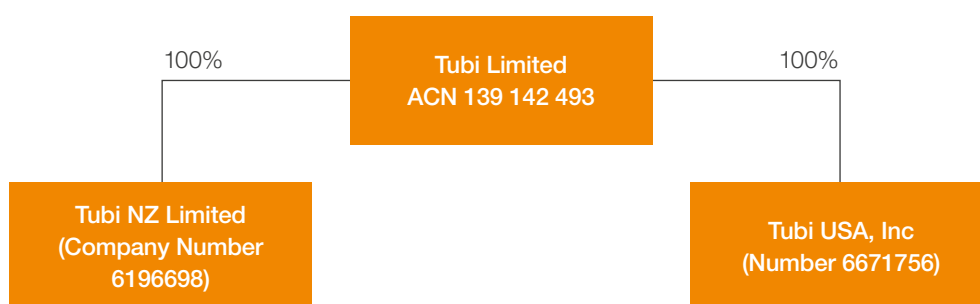
The Company was incorporated on 28 August 2009 as a proprietary company limited by shares. The Company converted into a public company limited by shares on 10 May 2019.

11.2 Balance date and company tax status

The accounts for the Company will be made up to 30 June annually.

The Company will be taxed as a public company.

11.3 Group structure



Tubi USA is a wholly-owned subsidiary of the Company which was registered in Delaware, United States in December 2017. Tubi USA was registered to do business in the State of Texas, United States, by filing an Application for Registration of a Foreign For Profit Corporation on February 8, 2018, with the Texas Secretary of State. It is the manufacturer under both of the MSAs with MPS.

Tubi New Zealand Limited is a wholly-owned subsidiary of the Company. It was established in December 2017 to supply long lengths of HDPE pipe for Downer in New Zealand. It provides operational and maintenance services to Iplex in respect of the plant to be supplied pursuant to the Equipment Purchase Agreement with Iplex.

11.4 Current capital structure

The issued capital of the Company as at the date of this Prospectus is set out in the table below:

Class of Security	Number
Shares	234,142,400
Options	4,500,000
Tenure RSUs	1,500,000

11. Additional Information

11.5 Capital structure following the Offer

On Completion of the Offer, the issued share capital of the Company will comprise the following:

Class of Security	Number based on Minimum Subscription
Shares	234,142,400
Options	4,500,000
Restricted Stock Units	1,500,000

The Board has resolved to grant the Performance Rights and Performance RSUs on or around 30 November 2019. See Section 5.5 for further information.

11.6 Rights attaching to the Shares

The Shares will be fully paid ordinary shares and the Shares will rank pari passu with the Shares currently on issue.

Detailed provisions relating to the rights attaching to the Shares are set out in the Company's Constitution and the Corporations Act. A copy of the Company's Constitution can be inspected during office hours at the registered office of the Company and Shareholders have the right to obtain a copy of the Company's Constitution, free of charge by contacting the Company on +61 2 9331 8725.

The detailed provisions relating to the rights attaching to Shares under the Constitution and the Corporations Act are summarised below:

Each Share will confer on its holder:

- > the right to receive notice of and to attend general meetings of the Company and to receive all financial statements, notices and documents required to be sent to them under the Company's Constitution and the Corporations Act;
- > the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per Shareholder) and on a poll (one vote per Share) subject to the rights and restrictions on voting which may attach to or be imposed on Shares;
- > the right to receive dividends, according to the amount paid up on the Share;
- > the right to receive, in kind, the whole or any part of the Company's property on a winding up, subject to priority given to holders of Shares that have not been classified by ASX as 'restricted securities' and the rights of a liquidator to distribute surplus assets of the Company with the consent of members by special resolution; and
- > subject to the Corporations Act and the ASX Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied with the approval of Shareholders in general meeting by special resolution.

11.7 Options

As at the Prospectus Date, the Company has granted the following Options to Jeffrey Shorter:

Number of existing Options	Exercise price	Expiry
4,500,000	\$0.20	30 April 2024

11. Additional Information

Each Option will entitle the holder to subscribe for one Share on payment of the exercise price.

The Options will not be listed on the ASX or any other listing authority, stock exchange or market.

The following terms apply to the Options:

- > Adjustment to exercise price – the exercise price of an Option will be adjusted in the following circumstances:
 - pro rata issue – if the Company makes a pro rata issue of Shares, to existing Shareholders (except a bonus issue) the exercise price of an Option will be reduced proportionally (in accordance with the ASX Listing Rules); or
 - bonus issue – if the Company makes a bonus issue of Shares or equity securities (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment), the number of Shares which must be issued on exercise of an Option will be increased proportionally and no change will be made to the exercise price.
- > Transfer – the Options may only be transferred with the prior consent of the Board or by force of law.

11.8 Restricted Stock Units

Tenure RSUs

As at the Prospectus Date, the Company has granted the following Tenure RSUs to Jeffrey Shorter:

Number of existing Tenure RSUs	Expiry
1,500,000	30 August 2023

On satisfaction of the vesting conditions, each Tenure RSU will automatically convert into one Share.

The Tenure RSUs will not be listed on the ASX or any other listing authority, stock exchange or market.

The Tenure RSUs may only be transferred with the prior consent of the Board or by force of law.

Performance RSUs

The Board has resolved to grant Performance RSUs to Jeffrey Shorter on or about 30 November 2019. The aggregate number of Performance RSUs to be granted will be calculated by dividing US\$150,000 (converted to A\$) by the VWAP of the Shares over the five trading days immediately prior to 30 November 2019.

On satisfaction of the vesting conditions, and performance hurdles, each Performance RSU will automatically convert into one Share. Performance RSUs have a nil exercise price and no consideration is payable by the holder of the Performance RSU on vesting.

The vesting condition for each tranche of Performance RSUs are that Jeffrey is an employee of Tubi or Tubi USA at the applicable vesting date.

The performance hurdles for each tranche of Performance RSUs are:

- > positive total shareholder return during the prior financial year; and
- > 10% per annum growth in earnings per Share in the prior financial year.

The following terms apply to the Performance RSUs:

- > Transfer – the Performance RSUs may only be transferred with the prior consent of the Board or by force of law.
- > Expiry Date – the Performance RSUs will expire on 30 August 2023. Unexercised Tenure RSUs will automatically lapse on 30 August 2023.

If both the vesting condition and performance hurdles are not satisfied, the relevant tranche of Performance RSUs will be added to the immediately subsequent tranche and the relevant performance hurdle will be added to the immediately subsequent performance hurdle. If both the vesting condition and performance hurdles are not satisfied by the third and final tranche, all Performance RSUs will automatically lapse.

11. Additional Information

11.9 Performance Rights

The Board has resolved to grant, on or about 30 November 2019:

- > Performance Rights equivalent to \$150,000 to Marcello Russo; and
- > Performance Rights equivalent to \$125,000 to Ian Coates.

The aggregate number of Performance Rights to be granted will be calculated by dividing the amount of the award by the VWAP of the Shares over the five trading days immediately prior to 30 November 2019. Performance Rights are an entitlement to receive a Share for no consideration upon satisfaction of applicable vesting conditions and performance hurdles. Performance Rights will vest and be automatically exercised upon a recipient meeting the vesting condition (as described below) and to the extent that Tubi meets the relevant performance hurdles (as described below). Marcello's Performance Rights may be cash settled, at the discretion of the Board.

The vesting condition is that the holder of the Performance Right must remain an employee or Director of the Company up to and including the applicable vesting date.

The performance hurdles for each tranche are:

- > positive total shareholder return during the prior financial year; and
- > 10% per annum growth in earnings per share in the prior financial year.

If both the vesting condition and performance hurdles are not satisfied, the relevant tranche of Performance Rights will be added to the immediately subsequent tranche and the relevant performance hurdle will be added to the immediately subsequent performance hurdle. If both the vesting condition and performance hurdles are not satisfied by the third and final tranche, all Performance Rights will automatically lapse.

11.10 Saleco

Saleco, a special purpose vehicle incorporated in New South Wales, Australia, was established on 6 May 2019 to facilitate the sale of Shares by the Selling Shareholder. It is wholly-owned by Marcello Russo, a Director of the Company.

The Selling Shareholder, the Company and Saleco have entered into the IPO Sell Down Deed under which the Selling Shareholder agrees to sell 28,800,000 of its existing Shares to Saleco, which will be sold by Saleco into the Offer, free from encumbrances and third party rights.

The existing Shares which Saleco acquires from the Selling Shareholder will be transferred to Successful Applicants at the Offer Price.

Saleco has no material assets, liabilities or operations other than its interests in and obligations under the Underwriting Agreement and the IPO Sell Down Deed. The directors of Saleco are Michael Tilley, Anthony Willsallen and Brent Emmett. The shareholder of Saleco is Marcello Russo. Separate indemnification agreements between each of Michael Tilley, Anthony Willsallen, Brent Emmett, Jeff Shorter, Marcello Russo, Craig Lawn and the Company described on substantially the same terms as Section 5.6.2 have been entered into in relation to their activities as officers and directors of Saleco, including as to any loss which they may incur as a consequence of the Offer.

11. Additional Information

11.11 Existing Holders

The table below sets out the interests of the Existing Holders as at the date of this Prospectus and immediately following the Offer. The table does not reflect any Shares which the Existing Holders may subscribe for under the Offer.

	Immediately prior to the Offer		Immediately following the Offer	
	Number of Shares	& of Shares	Number of Shares	% of Shares (undiluted)
Existing Holders – Entity associated with				
Anthony Willsallen ^{1,3}	104,014,980	42.78%	104,014,980	42.78%
Michael Tilley ^{2,3}	104,014,980	42.78%	104,014,980	42.78%
Subtotal^{1,2,3}	104,014,980	42.78%	104,014,980	42.78%
Marcello Russo ⁴	64,527,420	26.54%	35,727,420	14.69%
Other Directors and employees	9,414,000	3.87%	9,414,000	3.87%
Other shareholders	65,186,000	26.81%	65,186,000	26.81%
New Holders under the IPO				
New Holders	N/A	N/A	28,800,000	11.85%
Total	243,142,400	100%	243,142,400	100.00%

Note:

- 52,132,500 Shares are held by Bald Hill Quarry Pty Ltd, an entity associated with Anthony Willsallen. Bald Hill Quarry Pty Ltd has a relevant interest in the 51,882,480 Shares held by Oxleigh Pty Ltd.
- 51,882,480 Shares are held by Oxleigh Pty Ltd, an entity associated with Michael Tilley. Oxleigh Pty Ltd has a relevant interest in the 52,132,500 Shares held by Bald Hill Quarry Pty Ltd.
- Bald Hill Quarry Pty Ltd and Oxleigh Pty Ltd are associates. See section 5.7 for further details.
- Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust.

11.12 Escrow Arrangements

Certain Existing Shareholders will be restricted from dealing in their Shares. These restrictions have been agreed to voluntarily.

The table below sets out the periods during which certain Shareholders are restricted from dealing in their Shares pursuant to voluntary restrictions.

Shareholder	12 month escrow period from the Listing Date		24 month escrow period from the Listing Date	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Marcello Russo ¹	17,863,710	7.34	17,863,710	7.34
Anthony Willsallen ²	26,066,250	10.72	26,066,250	10.72
Michael Tilley ³	25,941,240	10.67	25,941,240	10.67
Total	69,871,200	28.73	69,871,200	28.73

Note:

- Held by Chiara Corporation Pty Ltd as trustee for the Russo Family Trust.
- Held by Bald Hill Quarry Pty Ltd.
- Held by Oxleigh Pty Ltd.

11. Additional Information

Shareholders that have agreed to voluntary escrow arrangements may be released from those restrictions to enable:

- > the Shareholder to accept an offer under a takeover bid in relation to their escrowed Shares if the offers under the takeover bid are for all of the Shares or for a specified proportion of the Shares, holders of at least half of the Shares the subject of the bid that are not held by the escrowed Shareholders have accepted the takeover bid and, if the offer is conditional, the bidder and the escrowed Shareholder agree in writing that a Holding Lock (as defined in section 2 of the ASX Settlement Operating Rules) will be re-applied to each escrowed Share that is not unconditionally bought by the bidder under the off-market bid;
- > the escrow shares held by the escrowed Shareholders to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals;
- > the Shareholder to transfer those restricted securities in an off-market transaction to an entity the escrowed Shareholder controls, or following the escrowed Shareholder's death, or to the escrowed Shareholder's spouse or children, provided in each circumstance, the transferee enters into a deed under which it undertakes to be bound by the same escrow restrictions as the escrowed Shareholder; and
- > the Shareholder to comply with an order of a court or regulatory authority of competent jurisdiction compelling any restricted securities to be disposed of or a security interest granted over them, or, to take an action with the prior consent of the Company where the action is necessary to alleviate financial hardship.

11.13 Ownership restrictions

The sale and purchase of shares in Australia are regulated by a number of laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 11.13 contains a general description of these laws.

11.13.1 *Foreign Acquisitions and Takeovers Act 1975 (Cth) and Federal Government Foreign Investment Policy*

Generally, the Foreign Acquisitions and Takeovers Act 1975 (FATA) applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more unassociated foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A "direct interest" is an interest of 10% in the entity but may include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting. An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without a no objection notification or contravening a condition in a no objection notification.

11.13.2 Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of relevant interests in issued voting shares in listed companies, and unlisted companies with more than 50 members, if, as a result of the acquisition, the acquirer's (or another party's) voting power in that company would increase from 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company either themselves or through an associate.

11. Additional Information

11.14 Australian taxation implications of investing under the Offer

The following tax comments are based on the tax law in Australia in force as at the date of the Prospectus. Australian tax laws are complex. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor. During the ownership of the Shares by investors, the taxation laws of Australia and/or their interpretation may change. The precise implications of ownership or disposal of the Shares will depend upon each Shareholder's specific circumstances. Shareholders should seek their own professional advice on the taxation implications of holding or disposing of the Shares, taking into account their specific circumstances.

The following information is a general summary of the Australian income tax, stamp duty and goods and services tax (GST) implications for Australian resident individuals, complying superannuation entities, trusts, partnerships and corporate investors that hold their Shares on capital account. These comments do not apply to Shareholders that hold Shares as trading stock and/or on revenue account, non-Australian resident investors, other investors who are exempt from Australian income tax or investors subject to the Taxation of Financial Arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth).

To the extent permitted by applicable law, the Company disclaims all liability to any Shareholder or other party for all costs, loss, damage and liability that the Shareholder or other party may suffer or incur arising from or relating to or in any way connected with the contents of this Section or the provision of this Section to the Shareholder or other party or the reliance on this Section by the shareholder or other party.

Taxation issues, such as (but not limited to) those covered by this Section, are only one of the matters an investor needs to consider when making a decision about a financial product. Investors should consider taking advice from someone who holds an Australian financial services licence before making such a decision.

11.14.1 Dividends paid on shares

Dividends may be paid to Shareholders by the Company where the relevant legal requirements have been satisfied. The Company may attach "franking credits" to such dividends where specific requirements are satisfied. Franking credits broadly represent the extent to which a dividend is paid by the Company out of profits that have been subject to Australian tax at the Australian corporate level. It is possible for a dividend to be fully franked, partly franked or unfranked.

It should be noted that the concept of a dividend for Australian income tax purposes is very broad and can include payments that are made in respect of such things as off-market share buy-backs.

11.14.1.1 Australian tax resident individuals and complying superannuation entities

Dividends paid by the Company on a Share will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income (some superannuation funds may be exempt in relation to the Shares to the extent they are held to support current pension liabilities) in the year the dividend is paid, together with any franking credit attached to that dividend (subject to satisfying the "qualified person" rules outlined at Section 11.14.1.4). Such Shareholders should then be entitled to a tax offset equal to the franking credit attached to the dividend. The tax offset can be applied to reduce the tax payable on the Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Shareholder's taxable income, such Shareholders should be entitled to a tax refund equal to the amount of the excess, subject to changes proposed by the current Federal Government opposition party.

To the extent that the dividend is unfranked, the Shareholder should include the dividend in their assessable income with no tax offset.

11.14.1.2 Australian tax resident corporate shareholders

Corporate Shareholders are also required to include both the dividend and associated franking credit (subject to satisfaction of the qualified person rules outlined at Section 11.14.1.4) in their assessable income. They are then allowed a tax offset up to the amount of the franking credit on the dividend. Where the tax offset exceeds the tax payable, the excess cannot give rise to a refund for a company but can be converted into carry forward tax losses.

An Australian resident corporate Shareholder should also be entitled to a credit in its own franking account to the extent of the franking credit attached to the distribution received. This will allow the corporate Shareholder to pass on the benefit of the franking credits to its own Shareholder(s) on the payment of dividends.

11. Additional Information

11.14.1.3 Australian tax resident trusts and partnerships

Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include the dividend and any attached franking credit (subject to satisfaction of the qualified person rules) in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the franking credit received by the Shareholder.

As the qualified person rules (referred to at Section 11.14.1.4) are particularly complex in the context of distributions/dividends received indirectly via a trust or partnership, it is recommended that Shareholders seek independent advice on tax consequences arising in these circumstances.

11.14.1.4 Australian tax resident shares held "at risk"

The benefit of franking credits can be denied where a Shareholder is not a "qualified person", in which case the Shareholder will not need to include an amount for the franking credits in their assessable income and should also not be entitled to a tax offset.

Broadly, to be a "qualified person", a Shareholder must satisfy the holding period rule and the related payment rule.

Under the holding period rule, a Shareholder is required to hold Shares "at risk" for more than 45 days continuously over a specified period in order to qualify for franking benefits, including franking credits. This period is measured as the period commencing the day after the Shares were acquired and ending on the 45th day after the Shares become ex-dividend. In the ordinary case, this means that the holding period rule should be satisfied provided that the Shares have been held "at risk" for a continuous period of 45 days (not including the date of acquisition or disposal) at some time during the period of ownership of the Shares. Very broadly, Shares are held "at risk" to the extent that no material "positions" are adopted in relation to the Shares which have the effect of diminishing the economic exposure associated with holding the Shares (for example, certain option and derivative agreements, or agreements to sell the Shares).

There are some exceptions to the holding period rule, including where the total franking offsets of an individual in a year of income do not exceed \$5,000 (small holding exception). Special rules also apply to trusts and beneficiaries.

Under the related payment rule, a different testing period applies where the Shareholder has made, or is under an obligation to make, a related payment in relation to the dividend. A related payment is one where a Shareholder or their associate effectively passes on the benefit of the dividend to another person. The related payment rule requires the Shareholder to have held the Shares at risk for the continuous 45 day period as above but during the period commencing on the 45th day before, and ending on the 45th day after, the day the Shares become ex-dividend. Practically, the related payment rule should not impact Shareholders who do not pass the benefit of the dividend to another person.

As noted above, the qualified person rules can be quite complex. Shareholders should seek independent professional advice to determine if these requirements, as they apply to them, have been satisfied.

11.14.1.5 Australian capital gains tax implications for Australian tax resident Shareholders on a disposal of Shares

Australian tax resident Shareholders who hold their Shares on capital account will be required to consider the impact of the Australian capital gains tax (CGT) provisions in respect of the disposal of their Shares.

Where the capital proceeds received on disposal of the Shares exceed the CGT cost base of those Shares, Australian tax resident Shareholders will be required to recognise a capital gain. The CGT cost base of the Shares should generally be equal to the issue price or acquisition price of the Shares plus, among other things, incidental costs associated with the acquisition and disposal of the Shares. In respect of the CGT cost base of the Shares, this amount may be reduced as a result of receiving non-assessable distributions from the Company, such as returns of capital.

Conversely, Australian tax resident Shareholders may recognise a capital loss on the disposal of Shares where the capital proceeds received on disposal are less than the reduced CGT cost base of the Shares.

11. Additional Information

All capital gains and losses recognised by an Australian tax resident Shareholder for an income year are added together. To the extent that a net gain exists, such Shareholders should be able to reduce the gain by any amount of unapplied net capital losses carried forward from previous income years (provided certain loss recoupment tests are satisfied). In the event the Shareholder has unapplied revenue losses, these may similarly be applied to reduce the gain (subject to the relevant loss recoupment tests). Any remaining net gain (after the application of any carried forward capital losses) will then be required to be included in the Australian tax resident Shareholder's assessable income (subject to the comments below in relation to the availability of the CGT discount concession) and will be taxable at the Shareholder's applicable rate of tax. Where a net capital loss is recognised, the loss will only be deductible against future capital gains. Capital losses are capable of being carried forward indefinitely, provided the relevant loss recoupment tests are satisfied.

Non-corporate Shareholders (individuals, complying superannuation entities or trustees) may be entitled to a concession which discounts the amount of capital gain that is assessed. Broadly, the concession is available where the Shares have been held for at least 12 months prior to disposal. The concession results in a 50% reduction in the assessable amount of a capital gain for an individual or trustee Shareholder, and a one third reduction of a capital gain for an Australian tax resident complying superannuation entity Shareholder. The concession applies to any net capital gain (i.e. it applies after capital losses have been deducted against any gains). The concession is not available to corporate Shareholders.

In relation to trustee Shareholders, the rules surrounding capital gains and the CGT discount are complex. The benefit of the CGT discount may flow through to relevant beneficiaries of the trust, provided those beneficiaries are not corporate entities. Shareholders which are trustees should seek specific advice as to the circumstances in which a beneficiary may be entitled to a CGT discount.

11.14.2 Tax File Number

A shareholder is not obliged to quote their tax file number (TFN), or where relevant, Australian Business Number (ABN), to the Company. However, if a TFN or ABN is not quoted and no exemption is applicable, income tax is required to be deducted by the Company at the highest marginal tax rate plus the Medicare levy from certain dividends paid (including unfranked and partially franked dividends). However, Australian tax resident Shareholders may be able to claim a tax credit in respect of the tax deducted in their income tax returns.

There is no withholding requirement in respect of fully franked dividends paid by the Company on the Shares.

11.14.3 Stamp Duty

Shareholders should not be liable for stamp duty in respect of their acquisition of Shares under this Prospectus, unless they acquire, either alone or with an associated/related person, an interest of 90% or more in the Company. Under current stamp duty legislation, no stamp duty would ordinarily be payable by Shareholders on any subsequent transfer of Shares while the Company remains listed on ASX. Shareholders should seek their own advice as to the impact of stamp duty in their own particular circumstances.

11.14.4 Australian Goods and Services Tax

Under current Australian GST law, GST should not be payable in respect of the issue of Shares by the Company which will constitute an input taxed financial supply made to Australian Shareholders. No GST should be payable on the receipt of dividends on the basis that dividends are not considered a taxable supply.

However, Australian Shareholders may incur GST on costs associated with the acquisition or disposal of Shares of the Company such as brokerage, or other professional advisory services. A full input tax credit may not be available to Shareholders on these expenses as they are in connection with a financial supply.

Australian Shareholders should seek their own advice to determine whether they will be entitled to claim GST incurred on any costs associated with the acquisition of Shares.

11. Additional Information

11.15 Interests of experts and advisers

Other than as set out below, or as otherwise disclosed in this Prospectus, no person named in this Prospectus as providing professional or advisory services in connection with the preparation of this Prospectus or any firm in which any such person is a partner:

- > has or had at any time during the two years preceding the date of the Prospectus, any interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company or the Offer; or
- > has been paid or agreed to be paid any amount or given or agreed to be given any other benefit for services rendered by them in connection with the formation or promotion of the Company or the Offer.
- > KTM Capital Pty Ltd (ACN 086 281 950) (AFSL 247149) have acted as Lead Manager to the Offer. Saleco has paid or agreed to pay a minimum amount of \$345,000 (exclusive of GST) in respect of these services.
- > PKF Corporate Finance (NSW) Pty Limited has acted as the Australian Investigating Accountant and provided the Investigating Accountant's Report in Section 7. The Company has paid or agreed to pay an amount of approximately \$90,000 (plus disbursements and GST) in respect of these services. Further amounts may be paid to PKF Corporate Finance (NSW) Pty Limited in accordance with time-based charges.
- > DLA Piper Australia has acted as the Australian legal adviser to the Company in relation to the Offer. The Company has paid or agreed to pay an amount of approximately \$350,000 (plus disbursements and GST) up to the date of this Prospectus in respect of these services. Further amounts may be paid to DLA Piper Australia in accordance with its normal time-based charges.
- > Griffith Hack has acted as the intellectual property expert in relation to the Offer. The Company has paid or agreed to pay an amount of approximately \$8,700 (plus disbursements and GST) up to the date of this Prospectus in respect of these services. Further amounts may be paid to Griffith Hack in accordance with its normal time-based charges.

11.16 Offer expenses

The Selling Shareholder (via Saleco) will pay the Lead Manager's underwriting fee of 6.0% (plus GST) of the Offer proceeds.

The Company has paid or will pay the costs of the Offer other than the Lead Manager's underwriting fee as set out below (excluding GST and disbursements):

Offer costs (including GST)	A\$'000
Legal fees	A\$350,000
Investigating accounting fees	A\$90,000
Intellectual property adviser fee	A\$8,700
ASX Listing fee	A\$116,912

11. Additional Information

11.17 Consents

Each of the following parties has given and has not, before the issue of this Prospectus, withdrawn its written consent to being named in the Prospectus and to the inclusion, in the form and context in which it is included, of any information described below as being included with its consent.

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors of the Company, any underwriters, persons named in the Prospectus with their consent as having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading or deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name and any statement or report included in this Prospectus with the consent of that party as described below:

- > KTM Capital Pty Ltd (ACN 086 281 950) (AFSL 247149) has consented to being named as Lead Manager to the Offer, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by KTM Capital Pty Ltd (ACN 086 281 950) (AFSL 247149);
- > PKF Corporate Finance (NSW) Pty Limited has consented to being named in the Corporate Directory of this Prospectus as the Company's Investigating Accountant and to the inclusion of its Investigating Accountant's Report in Section 7 in the form and context in which it is included;
- > DLA Piper Australia has consented to being named in the Corporate Directory of this Prospectus as the Australian legal adviser to the Company, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by DLA Piper Australia;
- > Griffith Hack has consented to being named in the Corporate Directory of this Prospectus as the intellectual property expert and to the inclusion of the Intellectual Property Expert's Report in the form and context in which it is included, but it does not make any other statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Griffith Hack;
- > Boardroom Pty Limited (ACN 003 209 836) has consented to being named in the Corporate Directory and elsewhere in this Prospectus as the Share Registry for the Company. Boardroom Pty Limited (ACN 003 209 836) has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registry to the Company. Boardroom Pty Limited (ACN 003 209 836) has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus; and
- > Plastic Pipe Institute has consented to being named in the Prospectus and to the inclusion of all statements by Plastic Pipe Institute or said to be based on statements by Plastic Pipe Institute in the form and context in which they are included in Section 2.3 of the Prospectus, but it does not make any other statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Plastic Pipe Institute.

11.18 ASX and ASIC waivers and confirmations

The Company has applied with ASIC for certain relief from, and modifications to the following provisions of the Corporations Act:

- > relief from section 606 so that the takeovers provisions of the Corporations Act will not apply to certain relevant interest that the Company would otherwise acquire in those Shares held by escrowed Shareholders by reason of the voluntary escrow agreements in relation to those Shares as described in Section 11.12; and
- > modification of section 707(3) so as to permit the 'on-sale' of Shares issued by the Company prior to the Prospectus Date without a disclosure document, without such sales being deemed an indirect issue for the purposes of that section.

The Company will apply for a waiver from ASX of Listing Rule 10.14, to the extent necessary, to permit the Company to grant performance rights to Marcello Russo and Performance RSUs to Jeffrey Shorter, Directors of the Company, as described in Section 5.5 above.

11. Additional Information

11.19 Legal proceedings

To the knowledge of the Directors, at the Prospectus Date there is no material current, pending or threatened litigation with which the Company is directly or indirectly involved, which the Company believes is likely to have a material impact on the business or the financial results of the Company.

11.20 Investor considerations

Before deciding to participate in this Offer, you should consider whether the Shares to be issued are a suitable investment for you. There are general risks associated with any investment in the stock market. The value of Shares listed on ASX may rise or fall depending on a range of factors beyond the control of the Company.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser.

The potential tax effects relating to the Offer will vary between investors. Investors are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

11.21 Governing law

This Prospectus and the contracts that arise from the acceptance of Applications under the Offer are governed by the law applicable in New South Wales, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

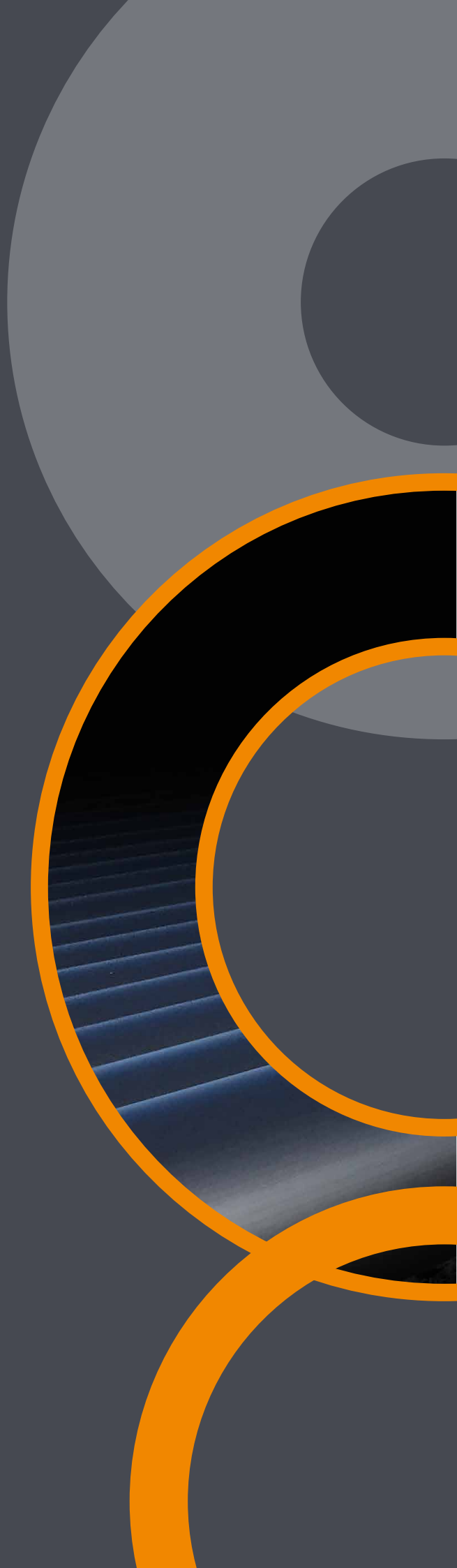
11.22 Statement of Directors

Other than as set out in this Prospectus, the Directors and Saleco Directors report that after due enquiries by them there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

Each Director and Saleco Director has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

12.

Defined Terms



12. Defined Terms

In this Prospectus:

Term	Definition
AAS	Australian Accounting Standards.
AASB	Australian Accounting Standards Board.
AEST	Australian Eastern Standard Time.
AIFRS	Australian International Financial Reporting Standards.
AFSL	Australian Financial Services Licence.
Allotment Date	The date on which the Shares are transferred under the Offer.
Applicant	A person who submits a valid Application Form and required Application Amount pursuant to this Prospectus.
Application	An application for Shares under this Prospectus.
Application Amount or Application Monies	Money submitted by Applicants under the Offer.
Application Form	The application form attached to or accompanying this Prospectus for investors to apply for Shares under the Offer.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning ascribed to that term in the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691 or the market it operates, as the context requires.
ASX Corporate Governance Principles	The corporate governance principles and recommendations of the ASX Corporate Governance Council as at the date of this Prospectus.
ASX Listing Rules	The official Listing Rules of ASX as amended or waived and applicable to the Company from time to time.
ATO	The Australian Taxation Office.
Award	Each Award under the LTI Plan and SI Plan as set out in section 11.
Board	The board of directors of the Company.
Broker	Any ASX participating organisation selected by the Lead Manager in consultation with the Company to act as a broker to the Offer.
Broker Firm Offer	Has the meaning ascribed to that term in section 9.5.
CGT	Capital Gains Tax.
Chairman's List Invitation	An invitation under this Prospectus to selected investors in Australia nominated by the Chairman of the Company to participate in the Chairman's List Offer on a firm basis up to the allocation of Shares nominated by the Chairman of the Company.
Chairman's List Offer	The offer under this Prospectus to persons who receive a Chairman's List Invitation.
Closing Date	The date that the Offer closes.
Company or Tubi	Tubi Limited ACN 139 142 493.
Completion	The completion of the Offer.

12. Defined Terms

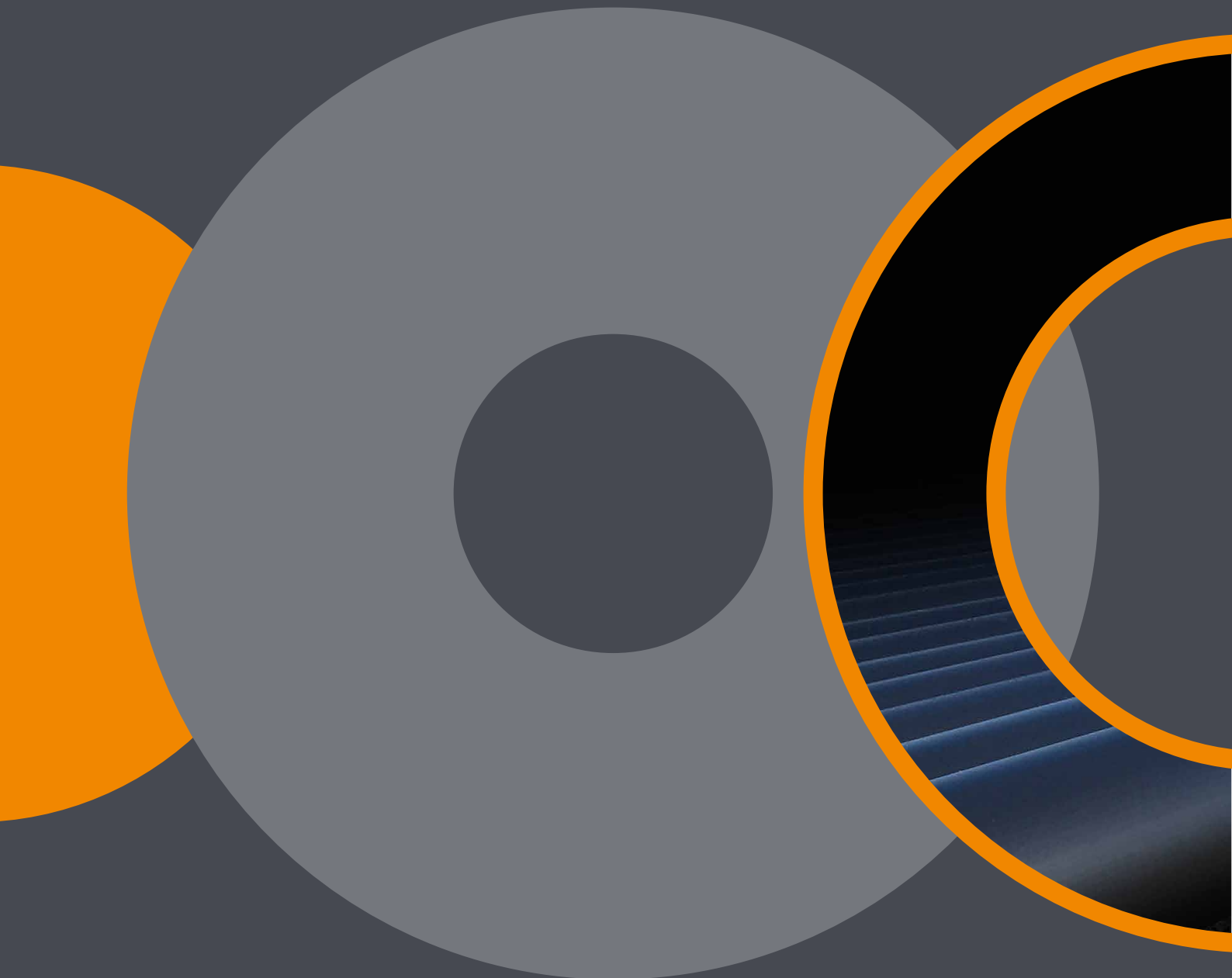
Term	Definition
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Directors	The directors (including any alternate directors) of the Company as at the date of this Prospectus.
Equipment Purchase Agreement	Equipment Purchase Agreement between Tubi and Iplex dated 21 December 2018.
Existing Holder or Existing Shareholder	A shareholder of the Company immediately prior to the Offer.
Exposure Period	The seven day period after the date of lodgement of the Original Prospectus with ASIC (as extended by ASIC (if applicable)).
Financial Information	The financial information set out in section 6.
Forecast Financial Information	The forecast financial information set out in section 6.
Group or Tubi Group	The Company, Tubi USA, and Tubi New Zealand Limited.
General Offer	Has the meaning ascribed to that term in Section 8.1.
HDPE	High density polyethylene.
Historical Financial Information	The historical financial information set out in section 6.
IASB	International Accounting Standards Board.
IFRS	International Financial Reporting Standards.
IPO	Initial Public Offer.
Institutional Applicant	An Applicant to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus (or other formality, other than a formality which the Company is willing to comply with), including in Australia persons to whom offers or invitations can be made without the need for a lodged prospectus under section 708 of the Corporations Act (disregarding section 708AA), and excluding a retail client within the meaning of section 761G of the Corporations Act.
Institutional Offer	An invitation to certain Institutional Applicants in Australia to apply for Shares under this Prospectus.
Iplex	Iplex Pipelines NZ Limited.
LTI Plan	Long Term Incentive Plan as described in section 5.8.1.
Lead Manager	KTM Capital Pty Ltd ACN (086 281 950) (AFSL 247 149).
Listing Date	14 June 2019.
Maximum Subscription	The maximum amount being sought by the Company under the Offer, being \$5,760,000.
MPS	MPS Enterprises, Inc.
Mobile Plant	A mobile modular extrusion plant.

12. Defined Terms

Term	Definition
Offer	The offer of Shares to raise \$5,760,000.
Offer Period	The period during which investors may subscribe for Shares under the Offer.
Offer Price	\$0.20 per Share.
Official List	The official list of ASX.
Option	An option to acquire one Share in the Company.
Original Prospectus	The Prospectus issued by the Company and Saleco dated 10 May 2019, which was lodged with ASIC on that date and is replaced by this Prospectus.
Performance Rights	Has the meaning described in section 5.8.
Pre-IPO Capital Raise	Has the meaning described in section 3.6.
Privacy Policy	The privacy policy of the Company which can be located at www.tubigroup.com .
Prospectus	This Prospectus, dated 17 May 2019, for the offer of Shares and includes the electronic form of that Prospectus.
Prospectus Date	The date on which the Original Prospectus was lodged with ASIC, being 10 May 2019.
PSI	Pressure per square inch.
Retail Applicant	An Applicant who is not an Institutional Applicant.
Saleco	Tubi Saleco Limited (ACN 633 281 660).
Saleco Directors	The directors of Saleco.
Security	Includes a Share which is the subject of the Offer and any other right, or any other equity interest in the Company.
Selling Shareholder	Chiara Corporation Pty Ltd ACN 153 348 460 as trustee for Russo Family Trust.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share.
Share Registry	Boardroom Pty Limited ACN 003 209 836.
SI Plan	The Share Incentive Plan as described in section 5.8.2.
Tubi USA	Tubi USA, Inc.
Underwriting Agreement	The underwriting agreement entered into by the Company, Saleco and the Lead Manager as described in Section 10.4.
U.S. Person	A person who is a resident of the United States of America or otherwise subject to income taxation by the United States of America.

SCHEDULE 1:

Significant Accounting Policies



Schedule 1: Significant Accounting Policies

1. Basis of Preparation

The Financial Information has been prepared in accordance with the recognition and measurement principles of AAS issued by the AASB which are consistent with IFRS and interpretations issued by the International Accounting Standards Board.

The Financial Information, except for the cash flow information, has been prepared on an accruals basis and are based on historical cost unless otherwise stated.

The Financial Information has been prepared on a going concern basis.

2. Basis for Consolidation

The Financial Information include the financial position and performance of controlled entities.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity.

All controlled entities have a June financial year end.

3. Income Tax

Income tax expense recognised in the income statements comprises current income tax expense plus deferred tax expense.

Current income tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the period and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- > The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- > Taxable temporary differences arising on the initial recognition of goodwill.
- > Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Schedule 1: Significant Accounting Policies

4. Leases

Applicable up to 30 June 2019

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

Lease payments for finance leases, where substantially all of the risks and benefits remain with the lessee, are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Applicable from 1 July 2019

With the exception of short-term leases and leases for low value assets, all leases are initially recognised as a liability (representing the present value of future lease payments) with a corresponding 'right-of-use' asset also capitalised in the statement of financial position (representing the cost of the asset comprising the initial lease liability, any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset, less and lease incentive received).

A depreciation charge (recognised as an operating cost in the income statement) is subsequently recognised against the 'right-of-use' asset as follows:

- > where the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, over the useful life of the underlying asset; or
- > otherwise, from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term.

Interest on the lease liability is recognised as a expense (included in finance costs) and represents the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

For classification with the statement of cash flows, lease payments are separated into both a principal (financing activities) and interest (either operating or financing activities) component.

5. Revenue & Other Income

Applicable up to 30 June 2018

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Other Income

Other income is recognised on an accruals basis when the Group is entitled to it.

Schedule 1: Significant Accounting Policies

Applicable from 1 July 2018

Revenue from Contracts with Customers

Revenue is recognized at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group:

- > identifies the contract with a customer;
- > identifies the performance obligations in the contract;
- > determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- > allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- > recognises revenue when or as each performance obligations is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, and potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Other Income

Other income is recognised on an accruals basis when the Group is entitled to it.

6. Goods & Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

7. Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Schedule 1: Significant Accounting Policies

8. Property, Plant & Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Plant and equipment is depreciated on a straight line or reducing balance basis (as appropriate) over the assets useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation Rate
Plant and Equipment	10 – 20%
Furniture, Fixtures and Fittings	20%
Motor Vehicles	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

9. Financial Assets

Financial assets are assigned to different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans & Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Group's trade and other receivables fall into this category of financial instruments.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case by case basis.

10. Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Group's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Trade & Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Schedule 1: Significant Accounting Policies

11. Impairment of Non-Financial Assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non financial assets.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

12. Intangibles

Patents & Trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life of 20 years.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

13. Cash & Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

14. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bonds, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

15. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

16. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

17. Foreign Currency Transactions & Balances

Functional & Presentation Currency

The functional currency of each of the Group's entities is the currency of the primary economic environment in which that entity operates. The Financial Information is presented in Australian dollars, which is the parent entity's functional currency.

Schedule 1: Significant Accounting Policies

Transactions & Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statements, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statements.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- > assets and liabilities are translated at year end exchange rates prevailing at that reporting date;
- > income and expenses are translated at average exchange rates for the period where the average rate approximates the rate at the date of the transaction; and
- > retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the income statement in the period in which the operation is disposed.

18. Critical Accounting Estimates & Judgments

The directors have made estimates and judgements during the preparation of the Financial Information regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the Financial Information, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key Estimates – Impairment of Property, Plant & Equipment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

Key Estimates – Provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Key Estimates – Asset Useful Lives

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and definite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

This is an Application Form for Shares in Tubi Limited (**Company**) on the terms set out in the Replacement Prospectus dated 17 May 2019. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares. This Application Form and your payment must be received by **5.00pm (Sydney Time) on the closing date.**

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website <https://www.boardroomlimited.com.au/corp/privacy-policy>

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in or accompanied by the Replacement Prospectus dated 17 May 2019. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. During the Offer period, the Company will send you a free copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

[illegible]

C	Write the name(s) you wish to register the Shares in (<i>see reverse for instructions</i>)																								
Applicant #1																									
Name of Applicant #2 or <Account Designation>																									
Name of Applicant #3 or <Account Designation>																									

D

Write your postal address here

Number/Street

Suburb/Town

State


Postcode

E **CHESS participant – Holder Identification Number (HIN)**

X													
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***Important please note** if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.*

F	Enter your Tax File Number(s), ABN, or exemption category																			
	Applicant #1										Applicant #2									
	<input type="text"/>										<input type="text"/>									
	Applicant #3																			
<input type="text"/>																				

G	Cheque payment details –  PIN CHEQUE(S) HERE. Cheque to be made in accordance with the instruction from your broker. If payment is made by cheque, enter cheque details below.				
	Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A\$

H	Contact telephone number (daytime/work/mobile)	Contact Name
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>
	E-mail Address	<input type="text"/>

By submitting this Application Form with your Application Monies, I/we declare that I/we:

- | | | | | |
|---|--|---|---|--|
| ✓ have read the Prospectus in full; | ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus; | ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus); | ✓ am/are over 18 years of age; | ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia. |
| ✓ have received a copy of the electronic Prospectus or a print out of it; | ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company; | ✓ acknowledge that my/our Application may be rejected by the Company in its absolute discretion; | ✓ agree to be bound by the constitution of the Company; | |
| ✓ have completed this Application Form in accordance with the instructions on the form and in the Prospectus. | | ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us; | ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital; | |
| ✓ Declare that the Application Form and all details and statements made by me/us are complete and accurate; | ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it; | | ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and | |

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

A If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of \$2,000). Multiply by A\$0.20 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.

C Write your **full name**. Initials are not acceptable for first names.

D Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**

F Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFNs is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form. However, if no TFN is quoted your dividends and distributions may be taxed at the highest marginal tax rate plus medicare levy.

G Applicants pay their Application Monies to their Broker in accordance with the relevant Broker's directions. Please contact your broker for further instructions.

H Enter your **contact details, including name, phone number and e-mail address**, so we may contact you regarding your Application Form or Application Monies.

Note that **ONLY** legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Mail your completed Application Form with your cheque(s) or bank draft attached to your broker, and complete the broker details below:

[illegible]

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Tubi Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and discloses your information please contact the Company at the address or telephone number shown in the Prospectus.

Tubi Limited

ABN 25 139 142 493

Chairman's List Application Form

A Please enter the Priority Code from your Invitation here:

This is an Application Form for Shares in Tubi Limited (**Company**) on the terms set out in the Replacement Prospectus dated 17 May 2019. This form is to be used by general public applicants who have received an invitation to participate from Tubi Limited. Applicants must quote the Entitlement Number from their invitation in the space above. If a valid Entitlement Number is not quoted this application may be considered to be invalid. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares. This Application Form and your cheque or bank draft must be received by **5.00pm (Sydney Time) on the closing date**.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Replacement Prospectus dated 17 May 2019 contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Prospectus carefully before applying for Shares.

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website <https://www.boardroomlimited.com.au/corp/privacy-policy>

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in or accompanied by the Replacement Prospectus dated 17 May 2019. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. During the Offer period, the Company will send you a free copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

B Number of Shares you are applying for

x \$0.20 per Share =

Minimum of 10,000 Shares to be applied for

C Total amount payable

\$

D Write the name(s) you wish to register the Shares in (*see reverse for instructions*)

Applicant #1

Name of Applicant #2 or <Account Designation>

Name of Applicant #3 or <Account Designation>

E Write your postal address here – offer available to holders with a registered address in Australia

Number/Street

Suburb/Town

State

Postcode

F CHESS participant – Holder Identification Number (HIN)

☒

Important please note if the name and address details above in sections D and E do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.

G Enter your Tax File Number(s), ABN, or exemption category

Applicant #1

Applicant #2

Applicant #3

H Cheque payment details – **✕** PIN CHEQUE(S) HERE. Cheque to be made payable to "Tubi Limited" and crossed Not Negotiable. Enter cheque details below.

Name of drawer of cheque

Cheque no.

BSB no.

Account no.

Cheque Amount A\$

I Contact telephone number (daytime/work/mobile)

Contact Name

Email address

Declaration By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the instructions on the form and in the Prospectus.
- ✓ declare that the Application Form and all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** Enter the Priority Code from your Invitation to participate in the Offer. If a valid Entitlement Number is not provided this application may not be considered valid.
- B** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of \$2,000). Multiply by A\$0.20 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **C**.
- D** Write your **full name**. Initials are not acceptable for first names.
- E** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- G** Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFNs is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form. However, if no TFN is quoted your dividends and distributions may be taxed at the highest marginal tax rate plus medicare levy.
- H** Complete **cheque details** as requested. Make your cheque payable to "Tubi Limited". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia.
- I** Enter your **contact details, including name, phone number and e-mail address**, so we may contact you regarding your Application Form or Application Monies..

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
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Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:

Tubi Limited
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Tubi Limited
C/-Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

The Offer closes at 5:00 p.m. (Sydney Time) on 27 May 2019, unless varied in accordance with the Corporations Act and ASX Listing Rules.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Tubi Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and discloses your information please contact the Company at the address or telephone number shown in the Prospectus.

Corporate Directory

Company

Tubi Limited ACN 139 142 493

2 Hopetoun Street
Paddington NSW 2021
Phone 02 9331 8725
Email companysecretary@tubigroup.com
Web www.tubigroup.com

Directors

Michael Tilley	Non-Executive Chair of the Board
Marcello Russo	Executive Director Business Development and Founder
Jeffrey Shorter	Chief Executive Officer Tubi Limited and Executive Chairman of the Board of Tubi USA, Inc
Tony Willsallen	Non-Executive Director
Craig Lawn	Independent Non-Executive Director
Brent Emmett	Independent Non-Executive Director

Registered Office

2 Hopetoun Street
Paddington NSW 2021

Proposed ASX Code

2BE

Investigating Accountant

PKF Corporate Finance (NSW) Pty Limited

1 O'Connell Street
Sydney NSW 2000

Lead Manager

KTM Capital Pty Ltd
(ACN 086 281 950) (AFSL 247149)

Level 2
16-18 O'Connell Street
Sydney NSW 2000

Australian Legal Adviser

DLA Piper Australia

Level 22
No.1 Martin Place
Sydney NSW 2000

Registry

Boardroom Pty Limited (ACN 003 209 836)

Suite 46
Level 5
320 Adelaide St
Brisbane QLD 4000



www.tubigroup.com