

ASX / MEDIA RELEASE

29 April 2020

Reece successfully completes retail component of its \$232 million Entitlement Offer and completes its Share Purchase Plan (“SPP”)

Overview:

- **Retail Entitlement Offer successfully completed, raising approximately \$190 million**
- **The Retail Entitlement Offer was strongly supported by existing retail shareholders, with over 64% take-up from eligible retail shareholders (excluding the Wilson Family and applications for Additional Shares)**
- **The Wilson Family, in their capacity as sub-underwriter, subscribed for approximately \$170 million of shares**
- **The Company received over \$10 million of applications for Additional Shares**
- **The SPP received strong support with total applications of approximately \$47 million and accordingly, Reece has decided to accept the SPP applications in full**
- **The Institutional Placement and SPP have raised a total of approximately \$415 million**

Reece Limited (ASX:REH) (“**Reece**” or the “**Company**”) today announced the successful completion of the retail component of its fully underwritten 3 for 55 pro rata accelerated non-renounceable entitlement offer (“**Entitlement Offer**”) and the non-underwritten Share Purchase Plan (“**SPP**”) announced on Monday, 6 April 2020.

Completion of the retail component of the Entitlement Offer (“**Retail Entitlement Offer**”) and the SPP represents the final stage of Reece's approximately \$647 million equity raising which includes the Entitlement Offer, the fully underwritten institutional placement (“**Placement**”) and the SPP.

Commenting on the outcome of the Entitlement Offer and SPP, Reece Chief Executive Officer, Peter Wilson said:

“We’re delighted by the high level of uptake by our retail investors in the offer. I’d like to personally thank our shareholders for their continued support and confidence in the Company’s long term strategy, as we look to successfully navigate the short term economic uncertainty, whilst also capitalising on opportunities as they arise. With additional balance sheet strength and flexibility, we are well placed to accelerate our global growth strategy as Australia and the rest of the world emerges from the COVID-19 crisis.”

The Retail Entitlement Offer closed at 5.00pm (AEST) on Friday, 24 April 2020 raising approximately \$190 million at \$7.60 per new fully paid ordinary share to be issued in Reece (“**New Share**”). Together with the institutional component of the Entitlement Offer (“**Institutional Entitlement Offer**”), the total amount raised under the Entitlement Offer is approximately \$232 million.

The Retail Entitlement Offer was well supported by eligible retail shareholders with take-up of approximately 64% (excluding the Wilson Family and applications for Additional Shares). Existing retail shareholders applied for a further approximately \$10 million of Additional Shares in excess of their entitlement (“**Additional Shares**”).

As the Entitlement Offer was fully underwritten, New Shares that were not taken up by eligible retail shareholders (including members of the Wilson Family) in the Retail Entitlement Offer were allocated first to the Wilson Family sub-underwriters (approximately \$170 million), and then to eligible retail

shareholders who applied for Additional Shares. As a result of Eligible Retail Shareholders lodging applications for more Additional Shares than are available, the Company has had to implement scale-back arrangements in respect of applications for Additional Shares as follows:

- Eligible Retail Shareholders who applied for \$15,000 of Additional Shares or less have been allocated the number of Additional Shares they applied for.
- Eligible Retail Shareholders who applied for more than \$15,000 of Additional Shares have been allocated \$15,000 of Additional Shares, plus a further number of Additional Shares determined (on a pro rata basis) having regard to (1) their shareholding on the Record Date, (2) the shareholdings on the Record Date of those Eligible Retail Shareholders who applied for more than \$15,000 of Additional Shares, and (3) the number of Additional Shares in excess of \$15,000 they applied for.

Eligible Retail Shareholders should confirm the actual number of New Shares (including any Additional Shares) allocated and issued to them before trading in such shares, and the sale by any Eligible Retail Shareholder of New Shares (including any Additional Shares) prior to receiving their holding statement is at their own risk.

The SPP closed at 5.00pm (AEST) on Friday, 24 April 2020 raising approximately \$47 million, and approximately 6.2 million New Shares are scheduled to be issued at an issue price of \$7.60 per New Share under the SPP. Reece confirms that all valid applications under the SPP were accepted in full. 1,991 out of 4,897 eligible shareholders participated in the SPP.

New Shares issued under the Retail Entitlement Offer and SPP will rank equally in all respects with existing shares in Reece. The New Shares issued under the Retail Entitlement Offer are expected to be allotted on Friday, 1 May 2020. Trading is expected to commence on a normal settlement basis on the ASX on Monday, 4 May 2020. The New Shares issued under the SPP are expected to be allotted on Monday, 4 May 2020. Trading is expected to commence on a normal settlement basis on the ASX the following day.

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