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Equity Raising Announcement

Auckland, 23 September 2024: Fletcher Building Limited (“Fletcher Building” or the “Company”) has announced today a NZ\$700 million equity raising (“Equity Raising”) comprising a fully underwritten c.NZ\$282 million institutional placement (“Placement”) and c.NZ\$418 million pro rata accelerated non-renounceable entitlement offer (“Entitlement Offer”).

The Equity Raising is being undertaken as a prudent measure to strengthen the Company’s balance sheet and improve financial stability and resilience in the current challenging environment.

Whilst the Company expects that market conditions will eventually recover, an improved financial position:

- Allows the Company to focus on operational performance;
- Preserves optionality in relation to its portfolio and reduces short term pressure to realise assets at below intrinsic value.

Upon completion of the Equity Raising, Fletcher Building’s pro forma leverage¹ at 30 June 2024 reduces from 1.99x to 1.22x, which supports our commitment to maintaining an investment grade credit rating and covenant headroom under our debt facilities.

CEO commentary

Incoming Group Managing Director and CEO Andrew Reding commented: *“We believe the equity raising bolsters our financial position, assisting us to better endure near-term market headwinds. With a strengthened balance sheet, the Company can focus on executing key operational initiatives in preparation for a market recovery.”*

In addition to the equity raising, Fletcher Building remains committed to ongoing cost reduction initiatives to manage profitability in the current operating environment, and we have targeted approximately NZ\$180 million of gross overhead cost savings to be delivered in FY25.”

¹ Net Debt at 30 June 2024 divided by FY24 EBITDA before significant items including discontinued operations.



Further information

The Company has lodged an Investor Presentation and Offer Document with the NZX and ASX today. The Investor Presentation and Offer Document contain important information including risk factors and foreign selling restrictions with respect to the Offer.

Shareholders with any questions in relation to the Offer, can contact the Fletcher Building Offer Information Line on 0800 991 101 (toll free within New Zealand) or +64 9 488 8794 (within New Zealand) and 1800 501 366 (toll free within Australia) or 61 3 9415 4083 (within Australia) between 8.30am and 5:00pm Monday to Friday. For other questions, shareholders should consult their broker, solicitor, accountant, financial adviser, or other professional adviser.

Conference call today:

Fletcher Building management will host a briefing **today, Monday, 23 September 2024 at 10:30am NZST / 8:30am AEST**. Participants can access the briefing by webcast or teleconference (details below):

Webcast – watch the webcast live at the following link:

<https://edge.media-server.com/mmc/p/bicwk3ka>

Teleconference – register for the briefing by navigating to the following link:

<https://s1.c-conf.com/diamondpass/10042146-pvi56k.html>

Upon registration you will be provided with the dial in number, passcode, and your unique access PIN. To join the teleconference, simply dial the number and enter the passcode followed by your PIN.

An archived replay of the webcast will be available after the presentation.

#Ends

Authorised by:

Haydn Wong

Company Secretary

Stock Exchange Notice: FBU.NZX, FBU.ASX



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Forward looking statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the various and ongoing negotiations in connection to the Offer. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Fletcher Building and cannot be predicted by Fletcher Building and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Fletcher Building operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of Fletcher Building or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or

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guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statements. Statements about past performance are not necessarily indicative of future performance.

Financial information

All dollar values are in New Zealand dollars (\$ or NZ\$) unless stated otherwise.

Investors should be aware that certain financial information included in this announcement including Leverage, Net Debt, EBITDA and EBIT before significant items may be "non-GAAP financial information" under the FMA Guidance Note on disclosing non-GAAP financial information, "non-IFRS financial information" under Regulatory Guide 230 Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission ("ASIC") or "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. The disclosure of such non-GAAP financial measures in the manner included in this announcement would not be permissible in a registration statement under the U.S. Securities Act. Fletcher Building believes this non-IFRS financial information provides, and these non-GAAP financial measures provide, useful information to users in measuring the financial performance and conditions of Fletcher Building. The non-IFRS financial information and these non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and applicable New Zealand accounting standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards and applicable New Zealand accounting standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or non-GAAP financial measures and ratios included in this announcement.

This announcement includes Fletcher Building's pro forma Leverage, which has been adjusted to reflect the impact of the Offer, assuming it occurred as at 30 June 2024. Such pro forma financial information has not been subject to audit or review and is for illustrative purposes only and is not represented as being indicative of the Company's future financial position and/or performance. In addition, the pro forma financial information in this announcement does not purport to be in compliance with Article 11 of Regulation S-X under the U.S. Securities Act and was not prepared with a view towards compliance with the rules and regulations or guidelines of the U.S. Securities and Exchange Commission or the American Institute of Certified Public Accountants for the preparation and presentation of pro forma financial information.



APPENDIX:

Equity Raising

The Equity Raising has the following components:

- a fully underwritten placement of new fully paid ordinary shares to eligible institutional shareholders and new institutional investors (“**Placement**”) to raise NZ\$282 million; and
- a fully underwritten 1 for 4.49 pro rata accelerated non-renounceable entitlement offer of new shares to eligible shareholders (the “**Entitlement Offer**”) to raise approximately NZ\$418 million.

The Equity Raising will be at a fixed price of NZ\$2.40 per new share (the “**Offer Price**”), which represents:

- 12.9% discount to the Theoretical Ex-Rights Price (“**TERP**”)² of \$2.76; and
- 17.0% discount to last close price on NZX of \$2.89 on 20 September 2024.

Approximately 292 million new shares will be issued by Fletcher Building, representing approximately 37% of existing shares on issue.

New shares issued under the Offer will rank equally in all respects with Fletcher Building’s existing ordinary shares.

Jarden is acting as sole lead manager, underwriter and bookrunner to the Equity Raising.

1. Placement

Fletcher Building is undertaking a fully underwritten Placement of new shares to eligible institutional shareholders and new institutional investors to raise NZ\$282 million. The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below).

² TERP is the Theoretical Ex-Rights Price at which Fletcher Building ordinary shares would trade immediately after the ex-rights date for the offer. TERP is calculated with reference to Fletcher Building’s closing share price of NZ\$2.89 on 20 September 2024 and includes all new shares issued under the Placement and the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Fletcher Building ordinary shares will trade immediately after the ex-rights date for the offer will depend on many factors and may not be equal to TERP.



2. Entitlement Offer

Fletcher Building will offer eligible shareholders the right to participate in the Entitlement Offer to raise approximately NZ\$418 million. Eligible shareholders will have the opportunity to apply for 1 New Share for every 4.49 existing Fletcher Building shares held at the Record Date (being 7:00pm NZST / 5:00pm AEST on Tuesday, 24 September 2024).

The Entitlement Offer is non-renounceable, and entitlements will not be tradeable or otherwise transferrable.

Institutional Entitlement Offer

Eligible shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer (the “**Institutional Entitlement Offer**”), which is being conducted today, Monday, 23 September 2024, along with the Placement. Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their entitlement to New Shares. Entitlements not taken up under the Institutional Entitlement Offer will be offered by the Lead Manager to eligible institutional investors at the Offer Price concurrently with the Institutional Entitlement Offer.

Retail Entitlement Offer

The retail component of the Entitlement Offer (the “**Retail Entitlement Offer**”) will be open from 9:00am NZST / 7:00am AEST on Thursday, 26 September 2024 to 5:00pm NZDT / 3:00pm AEDT on Tuesday, 8 October 2024, to eligible retail shareholders with a registered address in New Zealand or Australia, as at the Record Date. Eligible retail shareholders who take up their full entitlement under the Retail Entitlement Offer will also be eligible to subscribe for additional new shares in excess of their entitlements at the Offer Price, up to a maximum of 100% of their entitlements. The entitlements will not be listed on NZX or ASX and there will be no shortfall bookbuild for those entitlements not taken up by eligible retail shareholders or the entitlement of ineligible retail shareholders (the Offer is non-renounceable and any entitlements not taken up will lapse).

Further details about the Retail Entitlement Offer will be set out in the Offer Document.

Shareholders entitled to participate in the Retail Entitlement Offer should visit www.shareoffer.co.nz/fletcherbuilding and apply online by 5:00pm NZDT / 3:00pm AEDT on Tuesday, 8 October 2024.

Offer timetable

Event	Day	Date
Equity Raising announcement & trading halt	Monday	23 September 2024
Placement and Institutional Entitlement Offer opens	Monday	23 September 2024
Placement and Institutional Entitlement Offer closes	Tuesday	24 September 2024
Trading halt lifted	Tuesday	24 September 2024
Record date for the Offer (7:00pm NZST / 5:00pm AEST)	Tuesday	24 September 2024
Retail Entitlement Offer opens	Thursday	26 September 2024
ASX Settlement of Placement and Institutional Entitlement Offer	Friday	27 September 2024
ASX Allotment of New Shares under the Placement and Institutional Entitlement Offer	Monday	30 September 2024
NZX Settlement and Allotment of New Shares under the Placement and Institutional Entitlement Offer	Monday	30 September 2024
Commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer on NZX and ASX	Monday	30 September 2024
Retail Entitlement Offer closes (5:00pm NZDT / 3:00pm AEDT)	Tuesday	8 October 2024
ASX Settlement of Retail Entitlement Offer	Monday	14 October 2024
ASX Allotment of New Shares under the Retail Entitlement Offer	Tuesday	15 October 2024
NZX Settlement and Allotment of New Shares under the Retail Entitlement Offer	Tuesday	15 October 2024

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Commencement of trading of New Shares on NZX and ASX issued under the Retail Entitlement Offer on NZX and ASX	Tuesday	15 October 2024
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Monday	21 October 2024

Note: The above timetable is indicative only and subject to change without notice (subject to applicable laws and the NZX Listing Rules and ASX Listing Rules). All dates and times are New Zealand times (unless noted otherwise above).

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1 for 4.49 Accelerated Non-Renounceable Entitlement Offer of Ordinary Shares

OFFER DOCUMENT

23 September 2024

Go to www.shareoffer.co.nz/fletcherbuilding for more information and to apply.

This is an important document. You should read the whole document before deciding what action to take with your Entitlements. If you have any doubts as to what you should do, please consult your broker or your financial, investment or other professional adviser.

This Offer Document may not be distributed outside New Zealand or Australia, except to certain institutional and professional investors in such other countries and to the extent contemplated in this Offer Document.

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Important Information

GENERAL INFORMATION

This Offer Document has been prepared by Fletcher Building Limited (**Fletcher Building**) in connection with a fully underwritten 1 for 4.49 pro-rata accelerated non-renounceable entitlement offer of New Shares.

The Entitlement Offer is made to Eligible Shareholders in New Zealand pursuant to the exclusion in clause 19 of Schedule 1 of the New Zealand Financial Markets Conduct Act 2013 (the **FMCA**).

The Entitlement Offer is made to Eligible Shareholders in Australia pursuant to the provisions of section 708AA of the Australian Corporations Act 2001 (*Cth*) (the **Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 18-0268).

This Offer Document is not a product disclosure statement or prospectus for the purposes of the FMCA, the Corporations Act or any other law, has not been lodged with the Financial Markets Authority or the Australian Securities and Investments Commission and does not contain all of the information that an investor would find in a product disclosure statement or prospectus or which may be required to make an informed decision about the Entitlement Offer or Fletcher Building.

FURTHER IMPORTANT INFORMATION

A presentation titled "Equity Raising" providing further important information in relation to Fletcher Building and the Entitlement Offer has been published by Fletcher Building on 23 September 2024 (the **Investor Presentation**). A copy of the Investor Presentation and other important information released on 23 September 2024 are available at www.nzx.com and www.asx.com.au under the ticker code "FBU".

The Investor Presentation includes details of the rationale for the Entitlement Offer. It also explains in more detail the expected impact of the Offer, including a non-exhaustive summary of certain key risks associated with Fletcher Building and the Offer.

You should read the Investor Presentation in full, as it contains important information to assist you in making an investment decision in respect of the Entitlement Offer. In particular, you should read and consider Appendix B of the Investor Presentation ("Key Risks") before making an investment decision.

ADDITIONAL INFORMATION AVAILABLE UNDER FLETCHER BUILDING'S CONTINUOUS DISCLOSURE OBLIGATIONS

Fletcher Building is subject to continuous disclosure obligations under the NZX Listing Rules which require it to notify certain material information to NZX. The ASX Listing Rules also require that Fletcher Building immediately provides to ASX all the information which it provides to NZX that is, or is to be, made public.

Market releases by Fletcher Building are available at www.nzx.com and www.asx.com.au under the ticker code "FBU". In particular, Fletcher Building recommends that you read its market announcements (together with the materials attached to those announcements) regarding:

- the Offer released on 23 September 2024 (including the Investor Presentation accompanying the announcement); and
- Fletcher Building's most recent annual report and annual results presentation (for the year ended 30 June 2024) released on 21 August 2024.

Fletcher Building may, during the period of the Entitlement Offer, make additional releases to NZX and ASX. Shareholders should monitor Fletcher Building's market announcements during the period of the Entitlement Offer. To the maximum extent permitted by law, no release by Fletcher Building to NZX or ASX will permit an applicant to withdraw any previously submitted application without Fletcher Building's prior written consent.

MARKET RISK

The market price for the Shares may change materially between the date the Entitlement Offer opens, the date you apply for New Shares under the Entitlement Offer, and the date on which the New Shares are allotted to you.

Accordingly:

- the price paid for New Shares under the Entitlement Offer may be higher or lower than the price at which Shares are trading on the NZX Main Board or ASX at the time New Shares are issued under the Entitlement Offer;
- the market price of Shares following allotment may be higher or lower than the Offer Price; and
- it is possible that up to or after the Retail Allotment Date, you may be able to buy Shares at a lower price than the Offer Price.

Any changes in the market price of Shares will not affect the Offer Price.

WITHDRAWAL AND DATE CHANGES

Subject to compliance with all applicable laws, Fletcher Building reserves the right at any time at its absolute discretion to:

- withdraw all or any part of the Offer (for example, the Placement or the Institutional Entitlement Offer could proceed but the Retail Entitlement Offer could be withdrawn) and the issue of any New Shares under the Entitlement Offer; and/or
- alter any dates or times set out in this Offer Document.

FORWARD-LOOKING STATEMENTS

This Offer Document contains certain forward-looking statements such as indications of, and guidance on, future earnings and financial position and performance. Forward-looking statements can generally be identified by use of words such as 'approximate', 'project', 'foresee', 'plan', 'target', 'seek', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will', 'objective', 'assume', 'guidance', 'outlook' or similar expressions. This also includes statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, targets, objectives and strategies of Fletcher Building and statements about the future performance of and outlook for Fletcher Building's business and Fletcher Building's outlook for the 12 month period ending 30 June 2025. Any indications of, or guidance or outlook on, future earnings or financial position or performance and

future distributions are also forward-looking statements. All such forward-looking statements are not guarantees of future performance and involve known and unknown risks, significant uncertainties, judgements, assumptions, contingencies, and other factors, many of which are outside the control of Fletcher Building, are difficult to predict, and which may cause the actual results or performance of Fletcher Building to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Such forward-looking statements speak only as of the date of this Offer Document. Except as required by law or regulation (including the NZX Listing Rules), Fletcher Building assumes no obligation to provide any additional information or update these forward-looking statements for events or circumstances that occur subsequent to the date of this Offer Document or to update or keep current any of the information contained herein.

Any estimates or projections as to events that may occur in the future are based upon the best judgement of Fletcher Building from the information available as of the date of this Offer Document. A number of factors could cause actual results or performance to vary materially from the estimates, projections or outlook statements.

INVESTORS ARE STRONGLY CAUTIONED NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS, SUCH AS INDICATIONS OF, AND GUIDANCE ON, FUTURE EARNINGS AND FINANCIAL POSITION AND PERFORMANCE.

OFFERING RESTRICTIONS

This Offer Document is intended for use only in connection with the Entitlement Offer to Eligible Shareholders.

This Offer Document does not constitute an offer, advertisement or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer, advertisement or invitation.

This Offer Document may not be sent or given to any person who is not an Eligible Shareholder in circumstances in which the Entitlement Offer or distribution of this Offer Document would be unlawful. The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. In particular, this Offer Document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold, in any country outside New Zealand or Australia, except to Institutional Investors or as Fletcher Building may otherwise determine in compliance with applicable laws.

Neither this Offer Document nor any Acceptance Form may be released or distributed in the United States. This Offer Document and any Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be issued to, or taken up or exercised by, and the New Shares issued pursuant to the Retail Entitlement Offer may not be offered or sold, directly or indirectly, in the United States or to any person in the United States (to the extent that the person holds Shares for the account or benefit of a person in the United States). The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

Further details on the offering restrictions that apply are set out in *Part 4: Terms of the Entitlement Offer*.

If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. Fletcher Building disclaims all liability in respect of any such contravention by any other person.

DECISION TO PARTICIPATE IN THE ENTITLEMENT OFFER

The information in this Offer Document does not constitute a recommendation to acquire or invest in New Shares and is not financial product advice to you or any other person. This Offer Document has been prepared without taking into account your investment objectives, financial or taxation situation or particular needs or circumstances.

Before deciding whether to invest in New Shares, you must make your own assessment of the risks associated with an investment in Fletcher Building (including the summary of key risks in Appendix B of the Investor Presentation ("Key Risks")), and consider whether such an investment is suitable for you having regard to publicly available information (including the Investor Presentation and Fletcher Building's other market releases lodged with NZX and ASX), your personal circumstances and following consultation with a broker or financial, investment or other professional adviser. Please read this Offer Document carefully and in full before making that decision.

NO GUARANTEE

No person named in this Offer Document (nor any other person) guarantees the New Shares to be issued pursuant to the Entitlement Offer or warrants the future performance of Fletcher Building or any return on any investment made pursuant to this Offer Document.

PRIVACY

Any personal information you provide in your Application will be held by Fletcher Building and/or the Registrar at the addresses set out in *Part 6: Directory*.

Fletcher Building and/or the Registrar may store your personal information in electronic format, including in online storage on a server or servers which may be located in New Zealand or overseas. The information will be used for the purposes of administering your investment in Fletcher Building.

This information will only be disclosed to third parties with your consent or if otherwise required or permitted by law. Under the New Zealand Privacy Act 2020 and the Australian Privacy Act 1988 (*Cth*), you have the right to access and correct any personal information held about you.

ENQUIRIES

Any questions about the Entitlement Offer can be directed to your broker or financial, investment or other professional adviser. If you are an Eligible Retail Shareholder and have any questions about the number of New Shares shown in the "Application Form" section of the Offer Website, or how to make an Application, please contact the Registrar whose contact details are set out in *Part 6: Directory*.

TIMES, CURRENCY AND LAWS

Unless otherwise stated, all references in this Offer Document to times and dates are to times and dates in New Zealand, all references to currency are to New Zealand dollars, and all references to applicable statutes and regulations are references to New Zealand statutes and regulations.

DEFINED TERMS

Capitalised terms used in this Offer Document have the meanings given in *Part 5: Glossary*.

Acting Chair's letter

Monday, 23 September 2024

Dear Shareholder,

On behalf of the Board of Fletcher Building Limited (**Fletcher Building** or the **Company**), I invite you to participate in the non-renounceable entitlement offer of new fully paid ordinary shares in Fletcher Building (**New Shares**) at an issue price of NZ\$2.40 (or the A\$ Price) (**Offer Price**) per New Share (**Entitlement Offer**).

The Entitlement Offer forms part of the equity raising announced by Fletcher Building on Monday, 23 September 2024. The Entitlement Offer is being conducted in conjunction with a placement of New Shares to Institutional Investors (**Placement**) to raise in aggregate NZ\$700 million (together, the **Offer**).

The Offer is being undertaken as a prudent measure to strengthen the balance sheet, and supports our commitment to maintaining an investment grade credit rating and covenant headroom under our debt facilities. A strengthened financial position improves resilience in the current challenging environment, allowing the Company to focus on operational performance and preserve optionality in relation to its portfolio.

Net proceeds from the Offer will be used to repay Fletcher Building's existing debt.

DETAILS OF THE ENTITLEMENT OFFER

Under the Entitlement Offer, Eligible Shareholders have the opportunity to purchase 1 New Share at an Offer Price of NZ\$2.40 (or the A\$ Price) for every 4.49 Shares they own at 7.00pm (NZST) / 5.00pm (AEST) on Tuesday, 24 September 2024.

The Offer Price of NZ\$2.40 represents:

- a 12.9% discount to the Theoretical Ex-Rights Price¹ of NZ\$2.76; and
- a 17.0% discount to Fletcher Building's closing share price of NZ\$2.89 on NZX on Friday, 20 September 2024 (being the last trading day before the Offer was announced),

and is the same price at which New Shares are to be issued to institutions under the Institutional Entitlement Offer and the Placement.

You can choose to take up your Entitlement in full, in part or not at all. Entitlements cannot be traded or sold on the NZX Main Board or ASX, nor can they be traded privately. You will receive no value for Entitlements that you have not taken up.

In addition to being able to take up their Entitlements, Eligible Retail Shareholders who take up their Entitlements in full may apply for additional New Shares (up to a maximum amount of Additional New Shares equal to 100% of their Entitlement) not taken up as part of the Retail Entitlement Offer.

The Placement and the Entitlement Offer are fully underwritten by Jarden Partners Limited.

Under the Entitlement Offer, there will be no trading of Entitlements or any shortfall bookbuild of New Shares not taken up. The Placement and the non-renounceable feature of the Entitlement Offer structure will mean that Shareholders who do not participate in the Offer will have their shareholding diluted and will not receive any value for their Entitlements. If a Shareholder does not participate in either the Placement or the Entitlement Offer, their shareholding will be diluted by approximately 27%.

Any New Shares attributable to Entitlements that are not taken up by Eligible Institutional Shareholders, or which are attributable to entitlements that would have been issued to Ineligible Institutional Shareholders had they been entitled to participate, will be offered for sale at the Offer Price to Institutional Investors alongside the Placement, or allocated as Fletcher Building and the Lead Manager may otherwise agree.

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HOW TO APPLY

To participate in the Retail Entitlement Offer, you must apply and pay for your New Shares before 5.00pm (NZDT) / 3.00pm (AEDT) on Tuesday 8 October 2024. You can apply and pay via the Offer Website at www.shareoffer.co.nz/fletcherbuilding.

Further information about how to apply for New Shares in the Retail Entitlement Offer is set out in Part 3 of this Offer Document. If you have a relationship with an NZX Firm or ASX Broker, you may also participate in the Placement through that firm if it has been invited to participate in the Placement.

PURPOSE OF THIS OFFER DOCUMENT

This Offer Document contains important information about the Entitlement Offer.

We encourage you to read it carefully and in full, and to discuss the Entitlement Offer with your broker or your financial, investment or other professional adviser before deciding whether or not to participate in the Entitlement Offer.

FURTHER INFORMATION

We also encourage you to read through all of Fletcher Building's recent announcements, particularly the Investor Presentation and other materials released on Monday, 23 September 2024 at www.nzx.com and www.asx.com.au under the ticker code "FBU". In particular, you should read and consider Appendix B of the Investor Presentation ("Key Risks") for a non-exhaustive summary of certain key risks associated with Fletcher Building and the Offer, before making an investment decision. You can also access information, including the Investor Presentation and announcements regarding the Entitlement Offer on the following website at www.shareoffer.co.nz/fletcherbuilding.

If you have any questions about the Entitlement Offer, please email fletcherbuilding@computershare.co.nz or call the Computershare Investor Information Line on 0800 991 101 (toll free within New Zealand) or +64 9 488 8794, otherwise for Australian shareholders 1800 501 366 (toll free within Australia) or +61 3 9415 4083 in each case from 8:30am to 5:00pm Monday to Friday (excluding public holidays), or contact your broker or your financial, investment or other professional adviser.

Reflecting their commitment to Fletcher Building, I am pleased to confirm that all directors of Fletcher Building who hold Shares intend to take up their full entitlements under the Entitlement Offer.

On behalf of the Board, thank you for your continued support, and we welcome your consideration of, and participation in, the Entitlement Offer.

Yours sincerely,



Barbara Chapman
Acting Chair
Fletcher Building Limited



Barbara Chapman, Acting Chair

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¹Theoretical Ex-Rights Price (TERP) is the theoretical price at which Fletcher Building ordinary shares would trade immediately after the ex-rights date for the Entitlement Offer. TERP is calculated with reference to Fletcher Building's closing share price of NZ\$2.89 on NZX on Friday, 20 September 2024 (being the last trading day before the Offer was announced) and includes all New Shares issued under the Placement and Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Fletcher Building's ordinary shares will trade immediately after the ex-rights date for the Offer will depend on many factors and may not be equal to TERP.

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Part 1: Key Details

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ISSUER	Fletcher Building Limited
ENTITLEMENT OFFER	<p>The Entitlement Offer is a pro-rata accelerated non-renounceable entitlement offer to Eligible Shareholders of 1 New Share for every 4.49 Existing Shares held as at the Record Date (being 7.00pm (NZST) / 5.00pm (AEST) on Tuesday, 24 September 2024).</p> <p>Entitlements cannot be traded on the NZX Main Board or ASX, or privately transferred.</p> <p>Eligible Retail Shareholders who take up their Entitlement in full may also apply for Additional New Shares (up to a maximum of 100% of their Entitlement) that are attributable to Entitlements not taken up by other Eligible Retail Shareholders (together with those attributable to Entitlements of Ineligible Retail Shareholders).</p> <p>Eligible Shareholders will receive no value for Entitlements that they do not take up.</p>
ENTITLEMENT OFFER SIZE	The amount to be raised under the Entitlement Offer is approximately NZ\$418 million (before costs) (as part of a total Offer size of NZ\$700 million).
PURPOSE OF THE OFFER	Fletcher Building intends that the net proceeds raised from the Offer will be used to repay existing debt, as set out in further detail in the Investor Presentation.
OFFER PRICE	NZ\$2.40 (or the A\$ Price) per New Share.
EXISTING SHARES CURRENTLY ON ISSUE	783,043,596 Existing Shares.
APPROXIMATE NUMBER OF NEW SHARES BEING OFFERED UNDER THE OFFER	292 million New Shares.
NEW SHARES	The same class as (and ranking equally with) Existing Shares
ENTITLEMENTS	<p>Eligible Shareholders are entitled to subscribe for 1 New Share for every 4.49 Existing Shares held as at the Record Date at the Offer Price. Fractional entitlements will be rounded down to the nearest New Share.</p> <p>Eligible Shareholders may take up all or some or none of their Entitlements.</p> <p>If Eligible Shareholders do nothing, their Entitlements will lapse and they will not be able to subscribe for any New Shares. They will receive no value for Entitlements that they have not taken up.</p>

ELIGIBLE RETAIL SHAREHOLDERS

You are an Eligible Retail Shareholder if you meet the following requirements:

- you are registered as a holder of Shares as at the Record Date;
- you have an address recorded on Fletcher Building's share register in New Zealand or Australia;
- you are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent you hold Shares and are acting for the account or benefit of such person in the United States);
- you are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder; and
- you are eligible under all applicable securities laws to receive the Retail Entitlement Offer.

RETAIL ENTITLEMENT OFFER

If you are an Eligible Retail Shareholder, you can take the following actions:

- **OPTION 1: TAKE UP RETAIL ENTITLEMENTS**
Take up some or all of your Retail Entitlements before the Retail Entitlement Offer closes at 5.00pm (NZDT) / 3.00pm (AEDT) on Tuesday, 8 October 2024.
- **OPTION 2: TAKE UP ALL AND APPLY FOR MORE**
If you take up your Retail Entitlements in full, you may also apply for Additional New Shares up to a maximum of 100% of your Entitlement.
- **OPTION 3: DO NOTHING**
Do nothing, in which case your Retail Entitlements will lapse, and you will not be able to apply for New Shares.

Retail Entitlements cannot be traded on the NZX Main Board, the ASX or privately transferred.

See *Part 3: Actions to be taken by Eligible Shareholders* for more details on these options.

INSTITUTIONAL ENTITLEMENT OFFER

Eligible Institutional Shareholders will be invited by the Lead Manager to participate in the Institutional Entitlement Offer.

Institutional Entitlements cannot be traded on the NZX Main Board, the ASX or privately transferred.

HOW TO APPLY**ELIGIBLE RETAIL SHAREHOLDER**

An application by an Eligible Retail Shareholder can only be made (together with payment) by using the online acceptance form at www.shareoffer.co.nz/fletcherbuilding.

ELIGIBLE INSTITUTIONAL SHAREHOLDER

The Lead Manager will seek to contact Eligible Institutional Shareholders and advise them of the terms and conditions of participation in the Entitlement Offer and to confirm their application process.

UNDERWRITING

The Offer is fully underwritten by the Underwriter in accordance with the terms of the Underwriting Agreement.

Part 2: Key Dates

INSTITUTIONAL ENTITLEMENT OFFER

This timetable is relevant to participants in the Institutional Entitlement Offer, which is being conducted alongside the Placement. Eligible Retail Shareholders should refer to the important dates for the Retail Entitlement Offer set out on the following page.

DATE	KEY EVENT
MONDAY 23 September 2024	Trading halt commences on NZX Main Board and ASX and announcement of offer
	Institutional Entitlement Offer and Placement open at 9.00am (NZST) / 7.00am (AEST)
TUESDAY 24 September 2024	Institutional Entitlement Offer and Placement close
	Record Date 7.00pm (NZST) / 5.00pm (AEST)
	Announcement of results of Institutional Entitlement Offer and Placement
	Trading halt lifted on NZX Main Board and ASX
FRIDAY 27 September 2024	Settlement of Institutional Entitlement Offer and Placement on ASX
MONDAY 30 September 2024	Settlement of Institutional Entitlement Offer and Placement on NZX Main Board
	Allotment of New Shares under the Institutional Entitlement Offer and Placement on NZX Main Board and ASX
	Trading of New Shares commences on NZX Main Board and ASX

The dates set out in the table above are subject to change and are indicative only. Fletcher Building reserves the right to alter the timetable (including by extending the closing dates for the Offer or accepting late Applications, either generally or in particular cases), subject to applicable laws and the NZX Listing Rules. Fletcher Building reserves the right to withdraw all or any part of the Offer at any time prior to the issue of the New Shares at its absolute discretion.

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RETAIL ENTITLEMENT OFFER

This timetable is relevant to participants in the Retail Entitlement Offer. Eligible Institutional Shareholders should refer to the important dates for the Institutional Entitlement Offer set out on the previous page.

DATE	KEY EVENT
TUESDAY <i>24 September 2024</i>	Record Date 7.00pm (NZST) / 5.00pm (AEST)
WEDNESDAY <i>25 September 2024</i>	Announce A\$ Price
THURSDAY <i>26 September 2024</i>	Opening Date: Retail Entitlement Offer opens at 9.00am (NZST) / 7.00am (AEST)
TUESDAY <i>8 October 2024</i>	Closing Date: Retail Entitlement Offer closes at 5.00pm (NZDT) / 3.00pm (AEDT)
FRIDAY <i>11 October 2024</i>	Announcement of results of Retail Entitlement Offer
MONDAY <i>14 October 2024</i>	Settlement of Retail Entitlement Offer on ASX
	Settlement of Retail Entitlement Offer on NZX Main Board
TUESDAY <i>15 October 2024</i>	Allotment of New Shares under the Retail Entitlement Offer on NZX Main Board and ASX
	Trading of New Shares commences on NZX Main Board and on ASX
MONDAY <i>21 October 2024</i>	Despatch of holding statements for New Shares issued under the Retail Entitlement Offer

The dates set out in the table above are subject to change and are indicative only. Fletcher Building reserves the right to alter the timetable (including by extending the closing dates for the Offer or accepting late Applications, either generally or in particular cases), subject to applicable laws and the NZX Listing Rules. Fletcher Building reserves the right to withdraw all or any part of the Offer at any time prior to the issue of the New Shares at its absolute discretion.

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Part 3: Actions to be taken by Eligible Shareholders

A.

ACTIONS AVAILABLE TO ELIGIBLE RETAIL SHAREHOLDERS

If you are an Eligible Retail Shareholder, you may:

1. take up all or some of your Retail Entitlements;
2. take up all of your Retail Entitlements and apply for Additional New Shares; or
3. do nothing.

These options are expanded on below.

OPTION 1

TAKE UP ALL OR SOME OF YOUR RETAIL ENTITLEMENTS

You may elect to take up all or some of your Retail Entitlements to subscribe for New Shares at the Offer Price.

If you take up only some of your Retail Entitlements:

- you will receive no value for your Retail Entitlements not taken up; and
- your percentage holding in Fletcher Building will be diluted as a result of the Entitlement Offer.

To take up all or some of your Retail Entitlements, you need to apply online at www.shareoffer.co.nz/fletcherbuilding before **5.00pm (NZDT) / 3.00pm (AEDT) on the Closing Date (Tuesday, 8 October 2024, unless extended)**. You will be required to enter your CSN/Holder number (or HIN or SRN if they are an Australian domiciled Shareholder) which you hold your Shares under.

PAYMENT

Payment for your New Shares must be by way of direct credit.

If your address is shown in Fletcher Building's share register as being in New Zealand on the Record Date, you must:

- apply using New Zealand dollars at the Offer Price; and
- pay for your New Shares by way of direct credit.

If your address is shown in Fletcher Building's share register as being in Australia on the Record Date, you must:

- apply using Australian dollars at the A\$ Price; and

- pay for your New Shares by way of EFT/direct credit.

More detail on payment options is included in the online acceptance form. Cheques will not be accepted.

OPTION 2

TAKE UP ALL AND APPLY FOR MORE

In addition to being able to take up your Retail Entitlements, if you take up your Retail Entitlements in full, you may also apply for Additional New Shares attributable to Entitlements that are not taken up by other Eligible Retail Shareholders (together with New Shares attributable to Entitlements of the Ineligible Retail Shareholders) up to a maximum amount of Additional New Shares equal to 100% of your Entitlement.

If you apply for Additional New Shares, you will need to pay for both your Retail Entitlements and for the Additional New Shares that you are applying for at the Offer Price.

Additional New Shares will be issued at the Offer Price. It is possible that you may be able to buy Shares at a lower price than the Offer Price up to or after the Retail Allotment Date.

The number of Additional New Shares you will receive will depend on the allocation made to you. Allocations and any necessary scaling of applications for Additional New Shares will be determined by Fletcher Building and the Lead Manager, with the objective of treating Eligible Retail Shareholders fairly and taking into account their pro-rata allocation across the Placement and the Entitlement Offer. If applications for Additional New Shares are scaled, you may not receive Additional New Shares in respect of any or all of your application monies, in which case excess application monies will be refunded without interest (subject to a minimum refund amount of NZ\$5.00).

OPTION 3

DO NOTHING

If you do not take up any of your Retail Entitlements (or receive an allocation of New Shares under the Placement), your shareholding in Fletcher Building will be diluted by approximately 27% as a result of the Offer. You will not be able to subscribe for Additional New Shares in respect of the Retail Entitlements not taken up. You will receive no value for Entitlements that you have not taken up.

B.

ACTIONS AVAILABLE TO ELIGIBLE INSTITUTIONAL SHAREHOLDERS

The Lead Manager will seek to contact Eligible Institutional Shareholders and advise them of the terms and conditions of participation in the Institutional Entitlement Offer and to confirm their application process.

C.

WHAT OPTIONS DO INELIGIBLE SHAREHOLDERS HAVE?

Ineligible Shareholders are unable to participate in the Entitlement Offer.

D.

FURTHER INFORMATION

Enquiries about the Entitlement Offer can be directed to the Computershare Investor Information Line on 0800 991 101 (toll free within New Zealand) or +64 9 488 8794, otherwise for Australian shareholders 1800 501 366 (toll free within Australia) or +61 3 9415 4083, in each case from 8:30am to 5.00pm Monday to Friday (excluding public holidays) or contact your broker or your financial, investment or other professional adviser.

If you have any questions about the number of New Shares shown in the "Acceptance Form" section of the Offer Website, or how to make an Application, please contact the Registrar. Contact details for the Registrar are set out in *Part 6: Directory*.



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Part 4: Terms of the Entitlement Offer

1. THE ENTITLEMENT OFFER

- a) The Entitlement Offer is an offer of New Shares under a pro-rata accelerated non-renounceable entitlement offer (referred to as an **ANREO**).
- b) Under the Entitlement Offer, Eligible Shareholders have an entitlement to subscribe for 1 New Share for every 4.49 Existing Shares held as at the Record Date (being 7.00pm (NZST) / 5.00pm (AEST) on Tuesday, 24 September 2024) at the Offer Price.
- c) The number of Entitlements to which an Eligible Shareholder is entitled to be issued will, in the case of fractions, be rounded down to the nearest whole number. Entitlements are not rounded up to a minimum holding.
- d) The New Shares issued under the Offer will be the same class as, and will rank equally with, Existing Shares which are quoted on the NZX Main Board and ASX. Fletcher Building will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board and ASX.
- e) The Entitlement Offer is a non-renounceable offer. If you are an Eligible Shareholder you may take up all, part or none of your Entitlements. If you take up your Entitlements in full, you may apply for Additional New Shares, up to a maximum amount of Additional New Shares equal to 100% of your Entitlement.
- f) If you are either an Ineligible Shareholder or you are an Eligible Shareholder and you do not take up any of your Entitlements or receive any Shares under the Placement, your shareholding in Fletcher Building will be diluted by approximately 27%. Even if you are an Eligible Shareholder and you take up your Entitlements in full (but do not receive any Shares under the Placement or under the oversubscription facility), your shareholding in Fletcher Building will be diluted by approximately 11% as a consequence of the Placement. You will receive no value for Entitlements that you have not taken up.
- g) Certain institutional shareholders and investors in the United States may be invited to participate in the U.S. Private Placement to be conducted concurrently with the Offer, and will be contacted directly by Fletcher Building with the relevant offer documentation in relation thereto.

2. OFFER SIZE

- a) Fletcher Building expects to raise approximately NZ\$418 million (before costs) through the Entitlement Offer (as part of a total Offer size of NZ\$700 million), which is fully underwritten by the Underwriter.
- b) The approximate number of New Shares being offered under the Offer is 292 million New Shares, representing approximately 37.3% of the Existing Shares.
- c) There is no minimum amount that must be raised for the Offer to proceed.

3. OFFER PRICE

- a) The Offer Price is NZ\$2.40 (or the A\$ Price) per New Share and must be paid in full on application.
- b) The A\$ Price will be the Australian dollar equivalent of NZ\$2.40 determined using the Exchange Rate. The A\$ Price is expected to be announced by Fletcher Building on Wednesday, 25 September 2024.
- c) Payment of the Offer Price must be made in accordance with the online application process. If your address is shown in Fletcher Building's share register as being in New Zealand on the Record Date, you must apply using New Zealand dollars at the NZ\$ Offer Price. If your address is shown in Fletcher Building's share register as being in Australia on the Record Date, you must apply using Australian dollars at the A\$ Price.

- d) Application monies received will be held in a trust account with the Registrar until the corresponding New Shares are allotted or the application monies are refunded. Interest earned on the application monies will be for the benefit, and remain the property, of Fletcher Building and will be retained by Fletcher Building whether or not the issue of New Shares takes place.
- e) Any refund of application monies will be made without interest and within five Business Days following the Retail Allotment Date or the date that the decision not to proceed with the Offer is made (as the case may be). Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to the relevant Shareholder is less than NZ\$5.00.

4. DECISION TO PARTICIPATE

- a) The information in this Offer Document does not constitute a recommendation to invest in New Shares and is not financial product advice. This Offer Document has been prepared without taking into account the investment objectives, financial or taxation situation or particular needs or circumstances of any applicant.
- b) Before deciding whether to invest in New Shares, you must make your own assessment of the risks associated with an investment in Fletcher Building (including the summary of key risks in Appendix B of the Investor Presentation ("Key Risks")), and consider whether such an investment is suitable for you having regard to publicly available information (including the Investor Presentation, Fletcher Building's other market releases lodged with NZX and ASX) and the publicly available information referred to in the "Important Information" section of this Offer Document under the heading "Additional information available under Fletcher Building's continuous disclosure obligations"), your personal circumstances and following consultation with a broker or a financial, investment or other professional adviser. You can also access information, including the Investor Presentation and announcements regarding the Offer, at www.nzx.com and www.asx.com.au under the ticker code "FBU".

5. WITHDRAWAL AND LATE APPLICATIONS

- a) Subject to compliance with all applicable laws, Fletcher Building reserves the right to withdraw the Offer (or any of the Institutional Entitlement Offer, Retail Entitlement Offer or Placement, and irrespective of whether or not all of them are withdrawn), and the issue of any New Shares under the Offer, at any time at its absolute discretion.
- b) Fletcher Building may accept late Applications and application monies, either generally or in particular cases, but has no obligation to do so. Fletcher Building may accept or reject (at its discretion) any Application which it considers to have been completed incorrectly or correct any errors or omissions in any Application.
- c) If any Application is not accepted, all applicable application monies will be refunded without interest to the relevant Entitlement holder. Refunds will not be paid where the aggregate amount of the refund payable to the relevant Entitlement holder is less than NZ\$5.00.
- d) Once submitted, and subject to all applicable law, an Application may not be withdrawn in part or full without Fletcher Building's prior written consent.

6. OVERVIEW OF THE ENTITLEMENT OFFER

- a) The Entitlement Offer comprises:
- i. the Institutional Entitlement Offer (which will be conducted alongside the Placement); and
 - ii. the Retail Entitlement Offer.
- b) The Offer comprises both the Placement and the Entitlement Offer.

7. PURPOSE OF THE OFFER

All net proceeds from the Offer will be used to repay existing debt, as set out in further detail in the Investor Presentation.

8. OFFER STRUCTURE

Fletcher Building has chosen to undertake the Placement and the Entitlement Offer to raise capital. The Entitlement Offer is structured as an accelerated non-renounceable entitlement offer (referred to as an ANREO).

BEST INTERESTS OF FLETCHER BUILDING

The Board considers that the placement and ANREO structure is in the best interests of Fletcher Building, after carefully considering alternative structures, and weighing the benefits of this structure against the expected impact on non-participating Shareholders. In determining that the Placement and Entitlement Offer is in the best interests of Fletcher Building, the Board has considered:

- a) **FAIRNESS TO SHAREHOLDERS:** the pro-rata nature of an ANREO allows all Eligible Shareholders to take up at least their pro-rata portion of the Entitlement Offer. Eligible Retail Shareholders who take up all their Entitlements will have the opportunity to offset any dilution to their shareholding as a result of the Placement by applying for additional New Shares forming part of any shortfall in the Retail Entitlement Offer, up to a maximum amount of New Shares equal to 100% of their Entitlement. Eligible Institutional Shareholders will have the opportunity to apply for New Shares in the Placement and which form part of any shortfall in the Institutional Entitlement Offer. Accordingly, while the Placement is not pro-rata, Eligible Shareholders are expected to have the opportunity to avoid or mitigate dilution.
- b) **BENEFITS OF OFFER STRUCTURE:** the ANREO structure is the most common pro-rata offer structure utilised by ASX listed companies to raise equity capital, and has a number of benefits as compared to a renounceable pro-rata offer structure. The Board considered that the key benefits of a placement and ANREO structure, based on independent expert investment banking advice obtained from Jarden, are:
 - i. **BETTER PRICING:** a placement and ANREO structure allows Fletcher Building to price the Offer at a smaller discount than would be the case for a renounceable pro-rata offer structure or without a placement, including as a result of the execution certainty described below. This minimises the dilutionary impact on non-participating Shareholders. The offer structure also provides certainty to existing Shareholders as to the price they will pay to subscribe for New Shares in excess of their pro-rata Entitlement given the fixed Offer Price.
 - ii. **ALLOCATION FLEXIBILITY:** an ANREO, together with a placement, gives Fletcher Building greater flexibility when selecting which investors are allocated New Shares under the Placement or any shortfall under the Entitlement Offer, when compared to a renounceable pro-rata offer structure. This allows allocations of New Shares under the Placement, and attributable to Unexercised Institutional Entitlements, to be prioritised to high-quality investors who are expected to support the company over the long term, enhancing the prospects of solid aftermarket performance of the Shares.
 - iii. **EXECUTION CERTAINTY:** given the purpose for which the funds are being raised under the Offer, it is important to Fletcher Building to have certainty as to the receipt of the Offer proceeds. Accordingly, it was important that the Placement and the Entitlement Offer are fully underwritten. A placement and ANREO are able to be more easily underwritten and at better pricing than alternative offer structures. In particular, the accelerated nature of an ANREO enables completion of the Entitlement Offer quicker than a traditional rights issue or an accelerated renounceable entitlement offer. This faster timetable means the period of risk associated with potential market volatility between the Entitlement Offer opening and settlement is reduced, which in turn supports greater participation by both sub-underwriters and Shareholders, as well as better pricing. The absence of any shortfall bookbuilds (as seen in renounceable pro-rata offer structures) also enables greater sub-underwriting support. These elements have enabled the Offer to be fully underwritten with better pricing than would have been available for a renounceable offer structure.

IMPACT OF NON-PARTICIPATION IN THE OFFER

The placement and ANREO structure will mean that Shareholders who do not participate in the Offer will have their shareholding diluted and will not receive any value for their Entitlements. If a Shareholder does not participate in either the Placement or Entitlement Offer, their shareholding will be diluted by approximately 27%. Fletcher Building has obtained foreign securities law advice confirming that overseas Shareholders holding approximately 99.8% of its Shares will be eligible to participate in the Entitlement Offer. Any Ineligible Shareholders would equally have been unable to participate in a renounceable pro-rata offer structure.

However, the level of dilution suffered by Shareholders who do not participate in the Placement or Entitlement Offer (including Ineligible Shareholders) is expected to be less under this offer structure as a result of the better pricing described above, when compared to a renounceable pro-rata offer structure. Unless an Eligible Shareholder takes up their Entitlements in full and applies for, and is allocated, a number of additional New Shares equal to at least 67% of their Entitlements, their shareholding in Fletcher Building will be diluted as a consequence of the issue of New Shares under the Placement and Entitlement Offer.

EXPERT ADVICE OBTAINED

Fletcher Building has obtained independent expert investment banking advice from Jarden in relation to the merits of the offer structure, which is consistent with the explanation above as to why a placement and ANREO structure has been selected and is in the best interests of Fletcher Building. Although Jarden acts as the Lead Manager (and a related company acts as the Underwriter) to the Offer, Fletcher Building and its Board concluded that it was still appropriate for Jarden to provide this advice in these circumstances, as the advice was given in a manner that considers the best interests of all Shareholders, generally. To the maximum extent permitted by law, Jarden does not accept any liability to Shareholders in relation to the contents of this Offer Document or the choice of offer structure by the Board.

9. QUOTATION ON THE NZX MAIN BOARD AND ASX

- a) Fletcher Building will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board and ASX.
- b) The New Shares will be quoted on the NZX Main Board, and an application will be made by Fletcher Building for the New Shares to be quoted on ASX. The NZX Main Board is a registered market operated by NZX (which is a licensed market operator regulated by the FMCA). Neither NZX nor ASX accepts any responsibility for any statement in this Offer Document. The fact that NZX or ASX may approve the New Shares for quotation is not to be taken in any way as an indication of the merits of Fletcher Building.
- c) You cannot trade in any New Shares issued to you pursuant to this Entitlement Offer, either as principal or agent, until quotation of the New Shares on the NZX Main Board and ASX in accordance with the NZX Listing Rules and ASX Listing Rules.
- d) Fletcher Building expects that trading on the NZX Main Board and ASX of the New Shares issued under:
 - i. the Institutional Entitlement Offer and Placement will commence on Monday, 30 September 2024; and
 - ii. the Retail Entitlement Offer will commence on Tuesday, 15 October 2024

10. INSTITUTIONAL ENTITLEMENT OFFER

OVERVIEW OF THE INSTITUTIONAL ENTITLEMENT OFFER

- a) Fletcher Building is offering Eligible Institutional Shareholders the opportunity to subscribe for 1 New Share for every 4.49 Existing Shares held as at the Record Date at the Offer Price. This ratio and the Offer Price are the same as for the Retail Entitlement Offer. The Lead Manager will seek to approach Eligible Institutional Shareholders, who may take up all, part or none of their Entitlements.
- b) The Institutional Entitlement Offer will be conducted alongside the Placement and opens at 9.00am (NZST) / 7.00am (AEST) on Monday, 23 September 2024 and closes on Tuesday, 24 September 2024 (subject to Fletcher Building's right to modify these dates and times).
- c) Institutional Entitlements will not be quoted and cannot be traded on the NZX Main Board or ASX or privately transferred.

ELIGIBILITY UNDER THE INSTITUTIONAL ENTITLEMENT OFFER

- d) The Institutional Entitlement Offer is only open to Eligible Institutional Shareholders. Fletcher Building and the Lead Manager will determine the Shareholders who will be treated as Eligible Institutional Shareholders for the purpose of determining the Shareholders to whom an offer of New Shares will be made under the Institutional Entitlement Offer. In exercising their discretion, Fletcher Building and the Lead Manager may have regard to a number of matters, including legal and regulatory requirements and logistical and registry constraints. Fletcher Building and the Lead Manager will also agree on which Shareholders will be treated as Ineligible Institutional Shareholders.
- e) To the maximum extent permitted by law, Fletcher Building, the Lead Manager, the Underwriter and each of their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents, disclaim any duty, responsibility or liability (including for negligence) in respect of the exercise of their discretion to determine the eligibility of Shareholders for the purposes of the Institutional Entitlement Offer.
- f) Fletcher Building reserves the right to reject any application for New Shares under the Institutional Entitlement Offer that it considers comes from a person who is not an Eligible Institutional Shareholder.

ACCEPTANCE OF ENTITLEMENT UNDER THE INSTITUTIONAL ENTITLEMENT OFFER

- g) The Lead Manager may seek to contact Eligible Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Entitlement Offer and seek confirmation of their Institutional Entitlements under the Entitlement Offer. Applications for New Shares by Eligible Institutional Shareholders can only be made in accordance with that process.
- h) New Shares attributable to the Institutional Entitlements that are not taken up by Eligible Institutional Shareholders, or that would have been issued to Ineligible Institutional Shareholders had they been entitled to participate, will be offered for sale at the Offer Price to Institutional Investors (including Eligible Institutional Shareholders) by the Lead Manager alongside the offer of New Shares under the Placement. Allocations and any necessary scaling of applications for such New Shares will be determined by Fletcher Building and the Lead Manager with the objective of treating Eligible Institutional Shareholders fairly and taking into account their pro-rata allocation across the Placement and the Entitlement Offer. Fletcher Building and the Lead Manager retain discretion to scale individual bids for additional New Shares on a differential basis.

SETTLEMENT OF THE INSTITUTIONAL ENTITLEMENT OFFER

- i) Settlement of the Institutional Entitlement Offer will occur on the Institutional Settlement Date together with Settlement of the Placement in accordance with arrangements advised by the Lead Manager. Each investor remains responsible for ensuring its own compliance with the Takeovers Code and other applicable law.

11. RETAIL ENTITLEMENT OFFER

OVERVIEW OF THE RETAIL ENTITLEMENT OFFER

- a) Fletcher Building is offering Eligible Retail Shareholders the opportunity to subscribe for 1 New Share for every 4.49 Existing Shares held as at the Record Date at the Offer Price. This ratio and Offer Price are the same as for the Institutional Entitlement Offer.
- b) The Retail Entitlement Offer opens on Thursday, 26 September 2024 and closes at 5.00pm (NZDT) / 3.00pm (AEDT) on Tuesday, 8 October 2024 (subject to Fletcher Building's right to modify these dates and times). No cooling-off rights apply to applications submitted under the Entitlement Offer.
- c) Entitlements will not be quoted and cannot be traded on the NZX Main Board or the ASX or privately transferred.

ELIGIBILITY UNDER THE RETAIL ENTITLEMENT OFFER

- d) The Retail Entitlement Offer is only open to Eligible Retail Shareholders (or other Shareholders as at the Record Date who Fletcher Building considers, in its discretion, may be treated as an Eligible Retail Shareholder). The Retail Entitlement Offer does not constitute an offer to any person who is not an Eligible Retail Shareholder (including any Ineligible Retail Shareholder or Ineligible Institutional Shareholder). In particular, Shareholders who are in the United States or who are acting for the account or benefit of a person in the United States (to the extent such Shareholders are acting for the account or benefit of a person in the United States) are not eligible to participate in the Retail Entitlement Offer.
- e) Any person allocated New Shares under the Institutional Entitlement Offer or the Placement does not have any entitlement to participate in the Retail Entitlement Offer in respect of those New Shares.
- f) Fletcher Building reserves the right to reject any application for New Shares under the Retail Entitlement Offer that it considers comes from a person who is not an Eligible Retail Shareholder.
- g) To the maximum extent permitted by law, Fletcher Building, the Lead Manager, the Underwriter and each of their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents disclaim any duty, responsibility or liability (including for negligence) in respect of the exercise of their discretion to determine the eligibility of Shareholders for the purposes of the Retail Entitlement Offer.

ACCEPTANCE OF ENTITLEMENT UNDER THE RETAIL ENTITLEMENT OFFER

- h) Eligible Retail Shareholders can apply for New Shares online at www.shareoffer.co.nz/fletcherbuilding by 5.00pm (NZDT) / 3.00pm (AEDT) on the Closing Date (Tuesday, 8 October 2024, unless extended). They will be required to enter their CSN/Holder number (or HIN or SRN if they have an address shown in Fletcher Building's share register as being in Australia on the Record Date) which they hold your Shares under.
- i) Eligible Retail Shareholders are not obliged to subscribe for any or all of the New Shares to which they are entitled under the Entitlement Offer. They may choose to take up all, part or none of their Retail Entitlements.
- j) Any person outside New Zealand or Australia who takes up a Retail Entitlement in the Retail Entitlement Offer (and therefore applies for New Shares) through a New Zealand or Australian resident nominee, and their nominee, will be deemed to have represented and warranted to Fletcher Building that the Entitlement Offer can be lawfully made to their nominee pursuant to this Offer Document.
- k) Any person in the United States or that is acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States) is not permitted to participate in the Retail Entitlement Offer.

APPLICATION TO TAKE UP ADDITIONAL NEW SHARES

- l) Eligible Retail Shareholders who have taken up their Retail Entitlements in full may apply for Additional New Shares that are attributable to Entitlements that are not taken up by other Eligible Retail Shareholders (together with New Shares attributable to Entitlements of Ineligible Retail Shareholders) up to a maximum amount of Additional New Shares equal to 100% of their Entitlement. Eligible Retail Shareholders may apply for these Additional New Shares as directed via the Application Form on the Offer Website.
- m) Payment must be made for both the full Retail Entitlements and for any Additional New Shares applied for. Applications for Additional New Shares must be paid for in the same currency as the payment for the Entitlements. For example, if Eligible Retail Shareholders apply for their Entitlements using the A\$ Price, then any Additional New Shares that they are applying for must also be paid for in Australian dollars at the A\$ Price.
- n) Allocations and any necessary scaling of applications for Additional New Shares will be determined by Fletcher Building and the Lead Manager, with the objective of treating Eligible Retail Shareholders fairly and taking into account their pro-rata allocation across the Placement and the Entitlement Offer. Fletcher Building and the Lead Manager retain discretion to scale individual applications for Additional New Shares on a differential basis.
- o) The number of New Shares received by an Eligible Retail Shareholder may be less than the number of Additional New Shares for which that Eligible Retail Shareholder has applied. If applications for Additional New Shares are scaled or not accepted, excess application monies will be refunded without interest. Refunds will not be paid where the aggregate amount of the refund payable to a Shareholder is less than NZ\$5.00. Refunds of any Additional New Shares will be paid within five Business Days of the Retail Allotment Date.
- p) Eligible Retail Shareholders who do not take up their Retail Entitlements in full will not be eligible to apply for Additional New Shares.

SETTLEMENT OF THE RETAIL ENTITLEMENT OFFER

- q) Settlement of the Retail Entitlement Offer will occur on the Retail Settlement Date.

12. SECURITY TRANSACTION STATEMENTS

- a) Security transaction statements for New Shares allotted under the Entitlement Offer will be issued and mailed as soon as practicable after the relevant Allotment Date. Applicants under the Entitlement Offer should confirm their allocation before trading in the New Shares. Applicants can do so by contacting the Registrar, whose contact details are set out in *Part 6: Directory*.
- b) Shareholders selling New Shares prior to receiving a security transaction statement do so at their own risk. None of Fletcher Building, the Lead Manager, the Underwriter, the Registrar and each of their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents, accepts any duty, responsibility or liability (including for negligence) should any person attempt to sell or otherwise deal with New Shares before the security transaction statement showing the number of New Shares allotted to the applicant is received by the applicant for those New Shares.

13. NOMINEES

- a) The Retail Entitlement Offer is being made to Eligible Retail Shareholders. Nominees and custodians with registered addresses in eligible jurisdictions, irrespective of whether they participated under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.
- b) Nominees and custodians who hold Existing Shares as nominees or custodians will receive a letter from Fletcher Building. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:
 - i. beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;

- ii. Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Institutional Entitlement or not);
 - iii. Ineligible Institutional Shareholders; or
 - iv. Shareholders who are not eligible under applicable securities laws to receive an offer under the Retail Entitlement Offer.
- c) In particular, persons acting as nominees for other persons must not acquire or take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States) will not be entitled to exercise Entitlements under the Retail Entitlement Offer.
- d) Fletcher Building is not required to determine whether or not any registered Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Existing Shares or Entitlements. Where any Shareholder is acting as a nominee for a foreign person, that Shareholder or purchaser, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Fletcher Building is not able to advise on foreign laws. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

14. OVERSEAS SHAREHOLDERS

- a) The Entitlement Offer is open only to Eligible Shareholders.
- b) Ineligible Shareholders will not be issued Entitlements and cannot participate in the Entitlement Offer. The Entitlement Offer is not open to Ineligible Shareholders as Fletcher Building considers that it is unduly onerous and unreasonable for Fletcher Building to make the Entitlement Offer into those jurisdictions where Ineligible Shareholders are situated having regard to the number of securities held by Ineligible Shareholders, the number and value of New Shares that they would be offered and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those places.
- c) It is the responsibility of each Shareholder to ensure that any participation complies with all applicable laws and that each beneficial owner on whose behalf such Shareholder is submitting the Application is not in the United States.
- d) This Offer Document is intended for use only in connection with the Entitlement Offer to Eligible Shareholders. It does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.
- e) This Offer Document is not to be sent or given to any person outside New Zealand or Australia in circumstances in which the Entitlement Offer or distribution of this Offer Document would be unlawful. In particular, this Offer Document may not be sent or given to any person in the United States. The distribution of this Offer Document (including an electronic copy) outside New Zealand or Australia may be restricted by law. If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law, including as set out below.
- f) No person may purchase, offer, sell, distribute or deliver New Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the New Shares, in any jurisdiction other than in compliance with all applicable laws and regulations.
- g) Certain institutional shareholders and investors in the United States may be invited to participate in the U.S. Private Placement conducted concurrently with the Offer, and will be contacted directly by Fletcher Building with the relevant offer documentation in relation thereto.
- h) To the maximum extent permitted by law, Fletcher Building, the Lead Manager, the Registrar and each of their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents, disclaim any duty, responsibility or liability (including for negligence) as to whether a person is eligible to participate in this Offer.

15. INTERNATIONAL OFFER RESTRICTIONS

This Offer Document does not constitute an offer of Entitlements or New Shares in any jurisdiction in which it would be unlawful. In particular, this Offer Document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold, in any country outside New Zealand except to the extent permitted below.

AUSTRALIA

The offer of New Shares under the Entitlement Offer is being made in Australia pursuant to the provisions of Section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 18-0268).

This Offer Document is not a prospectus, product disclosure statement or any other formal disclosure document for the purposes of Australian law or the Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under Australian law or the Corporations Act. It may contain references to dollar amounts which are not Australian dollars, may contain financial information which is not prepared in accordance with Australian law or practices, may not address risks associated with investment in foreign currency denominated investments and does not address Australian tax issues.

Fletcher Building is a company which is incorporated in New Zealand and the relationship between it and its investors will be largely governed by New Zealand law.

This Offer Document has not been, and will not be, lodged or registered with the Australian Securities and Investments Commission or the Australian Securities Exchange and Fletcher Building is not subject to the continuous disclosure requirements that apply in Australia.

Prospective investors should not construe anything in this Offer Document as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Corporations Act.

BERMUDA

This Offer Document may be distributed, and the New Shares may be offered and sold, only from outside Bermuda to institutional and professional investors in Bermuda. No offer or invitation to subscribe for New Shares may be made to the public in Bermuda or in any manner that would constitute engaging in business in or from within Bermuda. In addition, no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

CANADA (BRITISH COLUMBIA, ONTARIO AND QUEBEC PROVINCES)

This Offer Document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Offer Document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Offer Document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators and "permitted clients" within the meaning of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Offer Document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and received by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

Fletcher Building as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Offer Document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

CAYMAN ISLANDS

This Offer Document may be distributed, and the New Shares may be offered and sold, only from outside the Cayman Islands to institutional and professional investors in the Cayman Islands. No offer or invitation to subscribe for New Shares may be made to the public in the Cayman Islands or in any manner that would constitute carrying on business in the Cayman Islands.

EUROPEAN UNION (FRANCE, GERMANY AND NETHERLANDS)

This Offer Document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Offer Document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

HONG KONG

WARNING: This Offer Document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this Offer Document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Offer Document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Offer Document, you should obtain independent professional advice.

JAPAN

The New Shares have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors.

Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

NORWAY

This Offer Document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this Offer Document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

SINGAPORE

This Offer Document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This Offer Document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this Offer Document immediately. You may not forward or circulate this Offer Document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

SWITZERLAND

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Offer Document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this Offer Document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this Offer Document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This Offer Document is personal to the recipient and not for general circulation in Switzerland.

UNITED ARAB EMIRATES

This Offer Document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this Offer Document nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This Offer Document may be distributed in the UAE only to "professional investors" (as defined in the SCA Board of Directors' Decision No.13/RM of 2021, as amended).

No offer of New Shares will be made to, and no subscription for New Shares will be permitted from, any person in the Abu Dhabi Global Market or the Dubai International Financial Centre.

UNITED KINGDOM

Neither this Offer Document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Offer Document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Offer Document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Offer Document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Offer Document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this Offer Document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Offer Document.

UNITED STATES

This Offer Document does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States, and may not be distributed to any person in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The Entitlements may not be exercised by, and the New Shares issued pursuant to the Retail Entitlement Offer may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States (to the extent that the person holds Shares for the account or benefit of a person in the United States). The Entitlements may only be exercised, and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold, outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

16. UNDERWRITING AGREEMENT

- a) Fletcher Building has requested that the Underwriter underwrite the Offer and the Underwriter has agreed to do so on the terms set out in the Underwriting Agreement.
- b) A summary of the principal terms of the Underwriting Agreement are set out as follows:
 - i. The Underwriter will subscribe for any New Shares that are not subscribed for by Eligible Shareholders or Institutional Investors under the Placement, at the Offer Price, in accordance with the terms of the Underwriting Agreement.
 - ii. The Underwriter may terminate its obligations under the Underwriting Agreement, including by reason of events which have, or are likely to have, a material adverse effect on Fletcher Building, the Shares or the Offer. These may be as a result of events specific to Fletcher Building or as a result of external events, such as material or fundamental changes in financial, economic and political conditions in certain countries or financial markets. The Underwriter may also terminate the Underwriting Agreement where certain conditions to the Underwriting Agreement or its underwriting obligations have not been satisfied or waived.
 - iii. Fletcher Building provides certain undertakings to the Underwriter, including that for a period of four months after the Retail Allotment Date, Fletcher Building must not:
 - A. allot or issue any Shares or other equity securities of the Company (whether preferential, redeemable, convertible or otherwise) or allow the issue of any equity securities by any subsidiary (other than to another subsidiary);
 - B. issue or grant any right or option that entitles the holder to call for the issue of Shares by the Company or that is otherwise convertible into, exchangeable for or redeemable by the issue of, Shares or other equity securities issued by the Company;
 - C. create any debt instrument or other obligation which may be convertible into, exchangeable for or redeemable by, the issue of Shares or other equity securities issued by the Company;
 - D. otherwise enter into any agreement whereby any person may be entitled to the allotment and issue of any Shares or other equity securities issued by the Company; or
 - E. indicate in any way or make any announcement of an intention to do any of the foregoing or take any action having a similar effect to any of the foregoing,other than with the Underwriter's consent (which may not be unreasonably withheld or delayed) or pursuant to specified exceptions.
 - iv. Fletcher Building has agreed to indemnify the Underwriter, the Lead Manager and their respective affiliates against certain losses related to the Offer.
 - v. Fletcher Building has given warranties in the Underwriting Agreement, including warranties relating to the content and accuracy of this Offer Document, compliance by Fletcher Building with relevant laws, the existence of no litigation which may be material in the context of the Offer and the valid issue and allotment of New Shares.
 - vi. The Underwriter has the power to appoint sub-underwriters.
 - vii. The Underwriting Agreement contains other termination events, representations, warranties and indemnities that are customary for an offer of this nature.

17. SALE OF SHARES

- a) Shares can be traded on:
 - i. the NZX Main Board by instructing a NZX Firm. The Authorisation Code (FIN) and Common Shareholder Number (CSN) will be required to be given to the NZX Firm being instructed to effect the trade; or
 - ii. on the ASX by instructing an ASX Broker. The Holder Identification Number (HIN) or Securityholder Reference Number (SRN) will be required to be given to the ASX Broker being instructed to effect the trade.
- b) Brokerage fees may be payable in respect of that trade. Financial and tax advice should be sought before effecting any trade of Shares.

18. DIVIDEND POLICY

Fletcher Building's dividend policy can be found at www.fletcherbuilding.com/investor-centre/shareholder-information/dividend-information/.

19. SIGNIFICANCE OF SENDING IN AN APPLICATION / DECLARATIONS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS

By completing an Application to take up Retail Entitlements under the Retail Entitlement Offer, you will be deemed to have made the following declarations, representations, warranties and agreements to and for the benefit of Fletcher Building:

- a) you confirm that you have read and understood this Offer Document (including the "*Important Information*" section) and the Investor Presentation (including Appendix B of the Investor Presentation ("Key Risks")) in their entirety;
- b) you agree to be bound by the terms and conditions of the Entitlement Offer set out in this Offer Document;
- c) you acknowledge and agree that the determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer is, in each case, determined by reference to a number of matters, including legal and regulatory requirements and logistical and registry constraints and the discretion of Fletcher Building and the Lead Manager;
- d) you agree that, to the maximum extent permitted by law, each of Fletcher Building and the Lead Manager, and each of their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents, disclaim any duty, responsibility or liability (including for negligence) in respect of:
 - i. the exercise or otherwise of their discretion to determine of eligibility of Shareholders for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer; and
 - ii. the determination of your allocation of New Shares;
- e) you agree that your Application, on the terms and conditions of the Entitlement Offer set out in this Offer Document, will be irrevocable and unconditional (i.e., it cannot be withdrawn);
- f) you declare and certify to Fletcher Building that you are an Eligible Retail Shareholder, including that you were a registered holder of Existing Shares as at the Record Date and you are a resident of an eligible jurisdiction (and are not a resident of the United States), being New Zealand or Australia;
- g) you represent and warrant (for the benefit of Fletcher Building, the Lead Manager, the Underwriter and their respective affiliates) that you are eligible to participate in the Entitlement Offer;
- h) you represent and warrant that the law of any other place does not prohibit you from being given this Offer Document, nor does it prohibit you from making an Application;
- i) you represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States in connection with the subscription for New Shares under the Entitlement Offer, and you are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New Shares under the Entitlement Offer and under any applicable laws and regulations;
- j) you understand and acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, and that the Entitlements may not be issued to or purchased, taken up and/or exercised by, and the New Shares issued pursuant to the Retail Entitlement Offer may not be offered or sold to, directly or indirectly, any persons in the United States or any persons who are acting for the account or benefit of a person in the United States (to the extent such persons hold Shares for the account or benefit of a person in the United States). You further understand and acknowledge that the Entitlements and the New Shares issued pursuant to the Retail Entitlement Offer may only be offered, sold and resold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S. In addition, you represent, warrant and acknowledge that the Entitlements may not be purchased, and may not be exercised, by any person in the United States;

- k) you represent and warrant that you are subscribing for Entitlements and/or purchasing New Shares outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S, and you are not engaged in the business of distributing securities;
- l) you represent and warrant that you and each person on whose account you are acting have not and will not send this Offer Document or any other information relating to the Entitlement Offer to any person in the United States;
- m) you acknowledge that, if you decide to sell or otherwise transfer any New Shares, you will only do so in the regular way for transactions on the NZX Main Board or ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- n) you confirm that all details and statements in your Application are complete and accurate;
- o) without limiting Fletcher Building's discretion to accept, reject or scale back any Application, you authorise Fletcher Building (and its officers or agents) to correct any error in, or omission from, your Application and to complete the Application by the insertion of any missing details;
- p) you agree to be bound by Fletcher Building's constitution;
- q) you acknowledge and agree that Fletcher Building has the right to reduce the number of New Shares allocated to you if your Entitlements claim proves to be overstated, if you fail to provide information requested by Fletcher Building to substantiate your claim, or if you are not an Eligible Shareholder, in which case:
 - i. you will bear any and all losses caused by subscribing for New Shares in excess of your Entitlements, and any actions you are required to take in this regard; and
 - ii. you are treated as continuing to have taken up or not taken up your remaining Entitlements
- r) you acknowledge that none of Fletcher Building or the Lead Manager or their respective related bodies corporate and affiliates, including in each case their respective directors, officers, partners, employees, representatives and agents, has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase New Shares under the Entitlement Offer; and
- s) you acknowledge the risk that the market price for the Shares may change materially between the Opening Date, the date you make an Application and the Retail Allotment Date. Accordingly, you acknowledge that:
 - i. the price paid for New Shares may be higher or lower than the price at which Shares are trading on the NZX Main Board or ASX at the time New Shares are issued under the Entitlement Offer;
 - ii. the market price of New Shares following allotment may be higher or lower than the Offer Price; and
 - iii. it is possible that up to or after the Retail Allotment Date, you may be able to buy Shares at a lower price than the Offer Price;
- t) you acknowledge and certify that, if you are acting as a custodian, each beneficial holder on whose behalf you are submitting the Application is an Eligible Shareholder, and is not in the United States, and you have not sent this Offer Document or any other information relating to the Entitlement Offer to any person in the United States; and
- u) you agree to provide (and direct your custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and/or, if applicable, of your holding of Existing Shares as at the Record Date.

20. GOVERNING LAW

This Offer Document, the Entitlement Offer and any contract resulting from it are governed by the laws of New Zealand, and each applicant submits to the exclusive jurisdiction of the courts of New Zealand.

Part 5: Glossary

A\$

The lawful currency of Australia.

A\$ PRICE

The Australian dollar equivalent of NZ\$2.40 determined using the Exchange Rate, which is expected to be announced by Fletcher Building on Wednesday, 25 September 2024.

ACCEPTANCE FORM

The online acceptance form in the "Acceptance Form" section of the Offer Website.

ADDITIONAL NEW SHARES

New Shares which are attributable to any Unexercised Retail Entitlements which are applied for by Eligible Retail Shareholders who take up their Retail Entitlements in full.

AEDT / AEST

Australian Eastern Daylight Time / Australian Eastern Standard Time.

ALLOTMENT DATE

In respect of the:

- a) Institutional Entitlement Offer, Monday, 30 September 2024; and
- b) Retail Entitlement Offer, Tuesday, 15 October 2024,

being the dates that allotment of the New Shares under those components of the Entitlement Offer are expected to occur.

ANREO

A pro-rata accelerated non-renounceable entitlement offer.

APPLICATION

An application to take up Retail Entitlements under the Retail Entitlement Offer and, if applicable, apply for Additional New Shares, made using an Acceptance Form.

ASIC

The Australian Securities and Investments Commission.

ASX

ASX Limited, or the market it operates as the context requires.

ASX BROKER

Any ASX participating organisation.

ASX LISTING RULES

The official listing rules of ASX as they apply to Fletcher Building as a foreign exempt listed issuer, as amended or waived by ASX from time to time and for so long as Fletcher Building is admitted to the official list of such exchange.

BOARD

The board of directors of Fletcher Building.

BUSINESS DAY

A time between 8.30am and 5.30pm in New Zealand on a day on which the NZX Main Board is open for trading.

CLOSING DATE

5.00pm (NZDT) / 3.00pm (AEDT) on Tuesday, 8 October 2024, being the date that Applications (with payment) must be received by the Registrar to participate in the Retail Entitlement Offer, unless extended.

CORPORATIONS ACT

The Australian Corporations Act 2001 (Cth).

ELIGIBLE INSTITUTIONAL SHAREHOLDER

A Shareholder as at the Record Date and who:

- a) has an address recorded on Fletcher Building's share register in New Zealand, Australia, Bermuda, Canada (British Columbia, Ontario and Quebec provinces), Cayman Islands, European Union (France, Germany Netherlands), Hong Kong, Japan, Norway, Singapore, Switzerland, United Arab Emirates (excluding Dubai International Financial Centre and Abu Dhabi Global Market), the United Kingdom or the United States (in respect of the U.S. Private Placement only); and
- b) is an Institutional Investor (or a nominee of an Institutional Investor) and is invited to participate in the Institutional Entitlement Offer by Fletcher Building and the Lead Manager,

and is not a Shareholder who Fletcher Building and the Lead Manager agree is an Ineligible Institutional Shareholder for the purposes of the Offer; provided that any such Shareholder in the United or holds Shares for the account or benefit of a person in the United States is an Eligible Institutional Shareholder only if it is an Approved U.S. Shareholder (as defined in the Underwriting Agreement).

ELIGIBLE RETAIL SHAREHOLDER

A Shareholder as at the Record Date and who:

- a) has an address recorded on Fletcher Building's share register in New Zealand or Australia;
- b) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Shares and is acting for the account or benefit of such person in the United States);
- c) is not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder; and
- d) is eligible under all applicable securities laws to receive the Retail Entitlement Offer.

ELIGIBLE SHAREHOLDER

An Eligible Retail Shareholder or an Eligible Institutional Shareholder.

ENTITLEMENT

The entitlement to subscribe for 1 New Share for every 4.49 Existing Shares held as at the Record Date at the Offer Price, issued pursuant to the Entitlement Offer.

ENTITLEMENT OFFER

The Institutional Entitlement Offer and the Retail Entitlement Offer.

EXCHANGE RATE

The A\$:NZ\$ exchange rate published by the Reserve Bank of New Zealand on its website at 3.00pm (NZST) on Tuesday, 24 September 2024.

EXISTING SHARE

A Share on issue as at the Record Date.

FLETCHER BUILDING

Fletcher Building Limited.

FMA

The New Zealand Financial Markets Authority.

FMCA

The New Zealand Financial Markets Conduct Act 2013.

INELIGIBLE INSTITUTIONAL SHAREHOLDER

A person who is registered as a holder of Shares as at the Record Date with an address recorded on Fletcher Building's share register outside the jurisdictions listed in the definition of "Eligible Institutional Shareholder" but who, if the Shareholder's address was in one of those jurisdictions, would be likely to be an Institutional Investor in the reasonable opinion of Fletcher Building and the Lead Manager, including a person who Fletcher Building and the Lead Manager agree will be an Ineligible Institutional Shareholder for the purposes of the Entitlement Offer; provided that any such Shareholder that is in the United States or holds Shares for the account or benefit of a person in the United States is an Ineligible Institutional Shareholder unless such person is an Approved U.S. Shareholder (as defined in the Underwriting Agreement).

INELIGIBLE RETAIL SHAREHOLDER

A person who is registered as a holder of Shares as at the Record Date who is not an Eligible Retail Shareholder, an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.

INELIGIBLE SHAREHOLDER

A Shareholder who is not an Eligible Shareholder.

INSTITUTIONAL ENTITLEMENTS

Entitlements issued to Eligible Institutional Shareholders pursuant to the Institutional Entitlement Offer.

INSTITUTIONAL ENTITLEMENT OFFER

The offer of New Shares to Eligible Institutional Shareholders. Where the context requires, it also includes the offer of New Shares attributable to Entitlements that are not taken up by Eligible Institutional Shareholders, or which are attributable to entitlements that would have been issued to Ineligible Institutional Shareholders had they been entitled to participate.

INSTITUTIONAL INVESTOR

A person:

- a) in New Zealand, who the Lead Manager invites to participate in the Placement and, in relation to the Institutional Entitlement Offer, is a "wholesale investor" under the FMCA;
- b) in Australia, who is a person to whom an offer of shares for issue may be lawfully made without disclosure under Part 6D.2 of the Corporations Act because of sections 708(8) or 708(11) of the Corporations Act;
- c) in Bermuda, who is an institutional or professional investor in Bermuda and has received all communications in relation to the Institutional Entitlement Offer from outside Bermuda;
- d) in Canada, who is in the Provinces of British Columbia, Ontario or Quebec and who is (i) an "accredited investor" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators and (ii) a "permitted client" within the meaning of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
- e) in Cayman Islands, who is an institutional or professional investor in the Cayman Islands and has received all communications in relation to the Institutional Entitlement Offer from outside the Cayman Islands;
- f) in the European Union (France, Germany and Netherlands), who is a "qualified investor" as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union;
- g) in Hong Kong, who a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- h) in Japan, who is a Qualified Institutional Investor, as defined in Article 2, paragraph 3 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948);
- i) in Norway, who is a "professional client" as defined in the Norwegian Securities Trading Act of 29 June 2007 no. 75;
- j) in Singapore, who Fletcher Building and the Lead Manager consider is an "institutional investor" or an "accredited investor" as such terms are defined in the Securities and Futures Act 2001 of Singapore;
- k) in Switzerland, who is a professional client in the meaning of article 4(3) of the Swiss Financial Services Act ("FinSA") or has validly elected to be treated as a professional client pursuant to article 5(2) of the FinSA;
- l) in the United Arab Emirates (excluding Dubai International Financial Centre and Abu Dhabi Global Market), who is a "professional investor" (as defined in the Securities and Commodities Authority Board of Directors' Decision No.13/RM of 2021, as amended);
- m) in the United Kingdom, who is a person who is a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation, and is within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended); or
- n) in any other jurisdiction to whom Fletcher Building and the Lead Manager consider an offer of Entitlements or New Shares may be made without the need for any registration, a lodged prospectus or other formality (other than a formality with which Fletcher Building is willing to comply),

provided that if such a person is in the United States, it is only an Institutional Investor if it is an Approved U.S. Shareholder or Approved U.S. Investor (as defined in the Underwriting Agreement).

INVESTOR PRESENTATION

The presentation dated 23 September 2024 in relation to Fletcher Building and the Offer titled "Equity Raising".

INSTITUTIONAL SETTLEMENT DATE

In respect of settlement of New Shares under the Institutional Entitlement Offer:

- a) on ASX, Friday, 27 September 2024; and
- b) on the NZX Main Board, Monday, 30 September 2024,

being the dates that settlement of the New Shares issued under the Institutional Entitlement Offer are expected to occur.

LEAD MANAGER

Jarden Securities Limited.

NEW SHARE

An ordinary share in Fletcher Building expected to be offered under the Offer of the same class as (and ranking equally in all respects with) Existing Shares at the Allotment Date.

NZ\$ OR \$

The lawful currency of New Zealand.

NZDT / NZST

New Zealand Daylight Time / New Zealand Standard Time.

NZX

NZX Limited.

NZX FIRM

An entity designated as an NZX Firm under the Participant Rules of NZX.

NZX LISTING RULES

The listing rules of the NZX Main Board, as amended from time to time and for so long as Fletcher Building is admitted to the official list of such exchange.

NZX MAIN BOARD

The main board equity securities market operated by NZX.

OFFER

The offer of New Shares pursuant to the Placement and the Entitlement Offer.

OFFER DOCUMENT

This offer document.

OFFER PRICE

NZ\$2.40 (or the A\$ Price) per New Share.

OFFER WEBSITE

The website at www.shareoffer.co.nz/fletcher-building, where Eligible Shareholders can access further information about the Entitlement Offer and where Applications (together with payment) can be made using the online application form.

OPENING DATE

Thursday, 26 September 2024, being the date that Applications may be made by Eligible Retail Shareholders to participate in the Retail Entitlement Offer.

PLACEMENT

The underwritten placement of New Shares to Institutional Investors (including Eligible Institutional Shareholders) announced by Fletcher Building on 23 September 2024 to raise approximately \$282 million.

RECORD DATE

7.00pm (NZST) / 5.00pm (AEST) on Tuesday, 24 September 2024.

REGISTRAR

Computershare Investor Services Limited.

RETAIL ALLOTMENT DATE

Tuesday, 15 October 2024, being the date that allotment of the New Shares issued under the Retail Entitlement Offer is expected to occur.

RETAIL ENTITLEMENT OFFER

The offer of New Shares to Eligible Retail Shareholders.

RETAIL ENTITLEMENTS

Entitlements issued to Eligible Retail Shareholders pursuant to the Retail Entitlement Offer.

RETAIL SETTLEMENT DATE

In respect of settlement of New Shares under the Retail Entitlement Offer:

- a) on ASX, Monday, 14 October 2024; and
- b) on the NZX Main Board, Tuesday, 15 October 2024.

SHARE

One fully paid ordinary share in Fletcher Building.

SHAREHOLDER

A registered holder of Shares on issue.

TAKEOVERS CODE

The Takeovers Code set out in the schedule to the Takeovers Regulations 2000.

UNDERWRITER

Jarden Partners Limited.

UNDERWRITING AGREEMENT

The agreement entered into between Fletcher Building and the Underwriter, a summary of the principal terms of which are set out in *Part 4: Terms of the Entitlement Offer* under the heading "*Underwriting Agreement*".

UNEXERCISED RETAIL ENTITLEMENTS

Retail Entitlements that:

- a) Eligible Retail Shareholders have not taken up by the Closing Date; and
- b) Ineligible Retail Shareholders would have received if they were Eligible Retail Shareholders.

UNITED STATES OR U.S.

The United States of America.

U.S. PRIVATE PLACEMENT

The offer and sale of New Shares by Fletcher Building to certain Eligible Institutional Shareholders and Institutional Investors in the United States as part of the Institutional Entitlement Offer and the Placement (as the case may be) in the manner contemplated by the Underwriting Agreement.

U.S. SECURITIES ACT

The U.S. Securities Act of 1933, as amended.

Part 6: Directory

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ISSUER	Fletcher Building Limited 810 Great South Road Penrose Auckland 1061 New Zealand	
LEAD MANAGER AND UNDERWRITER	Jarden Securities Limited (as Lead Manager) and Jarden Partners Limited (as Underwriter) Level 32, PwC Tower 15 Custom Street West Auckland 1011 New Zealand	
LEGAL ADVISORS	NEW ZEALAND Bell Gully Level 14, Deloitte Centre 1 Queen Street Auckland 1010 New Zealand	AUSTRALIA Herbert Smith Freehills ANZ Tower 161 Castlereagh Street Sydney NSW 2000 Australia

If you have any queries about your Entitlements or how to make an Application, please contact the Registrar at:

REGISTRAR	NEW ZEALAND Computershare Investor Services Limited Level 2, 159 Hurstmere Road, Takapuna Auckland 0622 New Zealand	or	Private Bag 92119 Victoria Street West New Zealand
	Telephone: +64 9 488 8794 Freephone: 0800 991 101 Website: www.shareoffer.co.nz/fletcherbuilding Email: fletcherbuilding@computershare.co.nz		
	AUSTRALIA Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia		
	Telephone: +61 3 9415 4083 Freephone: 1800 501 366		

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Equity Raising

Investor Presentation

23 September 2024

Important Notice & Disclaimer (1 of 7)

This presentation has been prepared by Fletcher Building Limited (the **Company**, the **Group**, or **Fletcher Building**) in relation to an offer of new shares in the Company (**New Shares**) by way of a placement to eligible institutional and other selected investors (**Placement**) and a 1-for-4.49 pro rata non-renounceable accelerated entitlement offer to eligible shareholders (**Entitlement Offer**, together with the Placement, the **Offer**).

The Offer is made to eligible shareholders and other investors in New Zealand pursuant to the exclusion in clause 19 of schedule 1 of the New Zealand Financial Markets Conduct Act 2013 (the **FMCA**).

The Offer is made to eligible shareholders and other investors in Australia in reliance on sections 708AA and 708A of the Australian Corporations Act 2001 (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 and ASIC Instrument 18-0268.

INFORMATION OF A GENERAL NATURE

This presentation contains summary information about the Company and its activities that is current as of the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a product disclosure statement for the purposes of the FMCA or a prospectus or other disclosure document for the purposes of the Corporations Act or the laws of any other jurisdiction. The Company is subject to disclosure obligations that requires it to notify certain material information to NZX Limited (**NZX**) and ASX Limited (**ASX**). This presentation should be read in conjunction with the Company's 2024 annual report, market releases and other periodic and continuous disclosure announcements released to NZX and ASX, which are available at www.nzx.com and www.asx.com.au under the ticker code "FBU". No information set out in this presentation will form the basis of any contract.

NZX AND ASX

The New Shares will be quoted on the NZX Main Board following completion of the Offer, and an application will be made by the Company for the New Shares to be quoted on the ASX. Neither NZX nor ASX accepts any responsibility for any statement in this presentation. NZX is a licensed market operator, and the NZX Main Board is a licensed market under the FMCA.

NOT FINANCIAL PRODUCT ADVICE

This presentation does not constitute legal, financial, tax, accounting, financial product or investment advice or a recommendation to acquire the Company's securities (including the New Shares), and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and consult a financial advice provider, solicitor, accountant or other professional adviser if necessary.

INVESTMENT RISK

An investment in securities in the Company is subject to investment and other known and unknown risks, many of which are difficult to predict and are beyond the control of the Company. Refer to Appendix B "Key Risks" for a non-exhaustive summary of certain key risks associated with the Company and the Offer. Neither the Company nor any other person named in this presentation guarantees the performance of the Company or any return on any securities of the Company.



Important Notice & Disclaimer (2 of 7)

NOT AN OFFER

This presentation is not a prospectus or product disclosure statement or other offering document under New Zealand or Australian law or any other law (and will not be filed with or approved by any regulatory authority in New Zealand, Australia or any other jurisdiction). This presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction.

Any decision to purchase New Shares in the Offer must be made on the basis of all information provided in relation to the Offer, including information to be contained or referred to in the separate offer document made available on NZX and ASX (Offer Document) and the Company's other periodic and continuous disclosure announcements released to NZX and ASX. Any investor or eligible shareholder who wishes to participate in the Offer should consider the Offer Document, in addition to the Company's other periodic and continuous disclosure announcements released to NZX and ASX, in deciding to apply for New Shares under the Offer. Anyone who wishes to apply for New Shares under the Entitlement Offer will need to apply in accordance with the instructions contained in the Offer Document and the application form or as otherwise communicated to the shareholder. The release, publication or distribution of this presentation (including an electronic copy) outside New Zealand or Australia may be restricted by law. Any recipient of this presentation who is outside New Zealand or Australia must seek advice on and observe any such restrictions. Refer to Appendix C "International Offer Restrictions" of this presentation for information on restrictions on eligibility criteria to participate in the Placement and the institutional component of the Entitlement Offer.

RESTRICTIONS ON DISTRIBUTION

This presentation is not for distribution or release in the United States. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be unlawful. The Entitlements and New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States, except in transactions exempt from, or not subject to, the registration requirements under the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the retail component of the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

The information in this presentation has been prepared on the basis that all offers of New Shares in Australia under the Offer will be made to Australian resident investors to whom an offer of shares for issue may lawfully be made without disclosure under Part 6D.2 of the Corporations Act because of sections 708A or 708AA of that Corporations Act as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 and ASIC Instrument 18-0268.

DISCLAIMER

To the maximum extent permitted by law, each of the Company, the arranger, lead manager and underwriter of the Offer (together, the Arranger) and their respective related bodies corporate and affiliates including, in each case, their respective shareholders, directors, officers, employees, agents and advisers, as the case may be (each, a Specified Person) disclaims and excludes all liability (whether in tort (including negligence) or otherwise) for any direct or indirect loss, expense, damage, cost or other consequence (whether foreseeable or not) suffered by any person as a result of their participation in the Offer or from the use of or reliance on the information contained in, or omitted from, this presentation, from refraining from acting because of anything contained in or omitted from this presentation or otherwise arising in connection therewith (including for negligence, default, misrepresentation or by omission and whether arising under statute, in contract or equity or from any other cause). To the maximum extent permitted by law, no Specified Person makes any representation or warranty, either express or implied, as to the currency, fairness, accuracy, completeness or reliability of the information and conclusions contained in this presentation, and you agree that you will not bring any proceedings against or hold or purport to hold any Specified Person liable in any respect for this presentation or the information in this presentation and waive any rights you may otherwise have in this respect.



Important Notice & Disclaimer (3 of 7)

DISCLAIMER (cont.)

None of the Arranger, nor its respective affiliates, related bodies corporate, directors, officers, partners, employees, agents or advisers (Advisers) have independently verified or will verify any of the content of this presentation and none of them are under any obligation to you if they become aware of any change to or inaccuracy in the information in this presentation.

No Adviser has authorised, permitted or caused the issue, submission, dispatch or provision of this presentation and none of them makes or purports to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. No Adviser takes responsibility for any part of this presentation, or the Offer, and makes no recommendations as to whether you or your related parties should participate in the Offer, nor do they make any representations or warranties to you concerning the Offer. You represent, warrant and agree that you have not relied on any statements made by any Adviser in relation to the Offer and you further expressly disclaim that you are in a fiduciary relationship with any of them, and agree that you are responsible for making your own independent judgment in relation to any matter arising in connection with this presentation. No Adviser accepts or shall have any liability to any person in relation to the distribution of this presentation from or in any jurisdiction.

Determination of eligibility of investors for the purposes of the institutional component of the Entitlement Offer and the retail component of the Entitlement Offer is, in each case, determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Arranger and the Company. The Company, Arranger and each other Specified Person disclaim any duty or liability (including for negligence) in respect of the exercise of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

If you do not reside in a permitted offer jurisdiction, you will not be able to participate in the Offer. The Company, Arranger and each other Specified Person disclaim any duty or liability (including for negligence) in respect of the determination of your allocation.

This presentation contains data sourced from and the views of independent third parties. In such data being replicated in this presentation, no Specified Person makes any representation, whether express or implied, as to the accuracy of such data. The replication of any views in this presentation should not be treated as an indication that the Company or any other Specified Person agrees with or concurs with such views.

PAST PERFORMANCE

Past performance information provided in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) a promise, representation, warranty, guarantee or indication as to the past, present or future performance of the Company.



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Important Notice & Disclaimer (4 of 7)

FORWARD-LOOKING STATEMENTS

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company, including the FY25 Outlook on slide 13. Forward-looking statements can generally be identified by use of words such as 'approximate', 'project', 'foresee', 'plan', 'target', 'seek', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will', "objective", 'assume', 'guidance', 'outlook' or similar expressions.

This also includes statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, targets, objectives and strategies of the Company, statements about the industry and the markets in which the Company operates and statements about the future performance of, and outlook for, the Company's business. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. All such forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of the Company, are difficult to predict, and which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Such forward-looking statements speak only as of the date of this presentation. Except as required by law or regulation (including the NZX Listing Rules and the ASX Listing Rules), the Company undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to the date of this presentation or to update or keep current any of the information contained herein.

Any estimates or projections as to events that may occur in the future (including projections of sales, earnings and overhead cost-outs) are based upon the best judgement of the Company from the information available as of the date of this presentation.

A number of factors could cause actual results or performance to vary materially from the projections, including the key risks set out in this presentation. Investors should consider the forward-looking statements in this presentation in light of those risks and disclosures.

In particular, investors should be aware that the statements in slides 12, 13, 15 and 16, and other statements and information regarding outlook, growth or strategy (collectively, the "outlook information") are forward-looking statements. The outlook information has been prepared by the Company based on an assessment of current economic and operating conditions, inflationary pressures and various assumptions regarding future factors, events and actions, including in relation to supply-chain constraints, material availability and construction cost inflation challenges facing the construction sector, the competitive environment and general macro-economic drivers. Investors should note that given the significant uncertainties that exist in the current operating conditions, the outlook information may not be achieved. The outlook information assumes the success of the Company's business strategies, the success of which may not be realised within the period for which the outlook information has been prepared, or at all. The outlook information is subject to a number of risks, including the risks set out in this presentation. Investors should be aware that the timing of actual events, and the magnitude of their impact, might differ from that assumed in preparing the outlook information, which may have a material negative effect on the Company's actual financial performance, financial position and cash flows. In addition, the assumptions upon which the outlook information is based are subject to significant uncertainties and contingencies, many of which are outside the Company's control, are not reliably predictable, and it is not reasonably possible to itemise each item. Accordingly, neither the Company nor any other person can give investors assurance that the outcomes discussed in the outlook information will be achieved.

Investors are strongly cautioned not to place undue reliance on any forward- looking statements, such as indications of, and guidance on, outlook, future earnings and financial position and performance.



Important Notice & Disclaimer (5 of 7)

GENERAL

For the purposes of this Disclaimer and Important Notice, "presentation" means these slides, any oral presentation of these slides by the Company, any question-and-answer session that follows that oral presentation, hard copies of this presentation and any materials distributed at, or in connection with, that presentation.

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice. The Company reserves the right to withdraw, or vary the timetable for the Offer, without notice.

When used in this report, references to the 'Company' are references to Fletcher Building Limited. References to 'Fletcher Building' or the 'Group' are to Fletcher Building Limited, together with its subsidiaries and its interests in associates and joint ventures. All references to financial year FY24 in this report are to the financial year ended 30 June.

ACCEPTANCE

By attending or reading this presentation, you agree to be bound by the foregoing limitations and restrictions and, in particular, will be deemed to have represented, warranted, undertaken and agreed that: (i) you have read and agree to comply with the contents of this Important Notice and Disclaimer; (ii) you are permitted under applicable laws and regulations to receive the information contained in this presentation; (iii) you will base any investment decision solely on information released by the Company via NZX and ASX (including the Offer Document); and (iv) this presentation may not be reproduced in any form or further distributed to any other person, passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

FINANCIAL INFORMATION

All dollar values are in New Zealand dollars (\$) or NZD) unless otherwise stated.

The Company's statutory financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The financial information in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance of the Company, including the historical trading price of the shares, cannot be relied upon as an indicator of (and provides no guidance as to) future performance of the Company, including the future trading price of shares.

Certain figures, amounts, percentages, estimates, calculations of value and fractions provided in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.



Important Notice & Disclaimer (6 of 7)

NON-GAAP FINANCIAL INFORMATION

This presentation includes certain financial measures that are "non-GAAP (generally accepted accounting practice) financial information" under Guidance Note 2017: 'Disclosing non-GAAP financial information' published by the New Zealand Financial Markets Authority, "non-IFRS financial information" under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' and "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Exchange Act of 1934, as amended (U.S. Exchange Act). Disclosure of such non-GAAP financial measures in the manner included in this presentation would not be permissible in a registration statement under the U.S. Exchange Act. Such financial information and financial measures (including EBIT before significant items, EBITDA before significant items, Net Debt, Net Senior Debt, Economic Debt, Gross Debt, Leverage, Gross leverage, Senior leverage, Return on Funds Employed, Total Capital, and accompanying financial ratios) have not been subject to audit or review, and do not have standardised meanings prescribed under NZ IFRS, Australian Accounting Standards (AAS) or IFRS and therefore, may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with NZ IFRS, AAS or IFRS. Investors are cautioned not to place undue reliance on any such non-GAAP financial measures included in this presentation. Non-GAAP financial information has not been subject to audit or review.

PRO FORMA FINANCIAL INFORMATION

This presentation includes a pro forma net debt and Fletcher Building's pro forma liquidity position, which have been adjusted to reflect the impact of the Offer, assuming it occurred as at 30 June 2024. The pro forma financial information provided in this presentation is for illustrative purposes only and is not represented as being indicative of the Company's future financial position and/or performance. The pro forma net debt on slides 17 and 18 has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in NZ IFRS (other than that it includes adjustments which have been prepared in a manner consistent with NZ IFRS, that reflect the impact of certain transactions as if they occurred as at 30 June 2024). In addition, the pro forma financial information in this presentation does not purport to be in compliance with Article 11 of Regulation S-X under the U.S. Securities Act and was not prepared with a view towards compliance with the rules and regulations or guidelines of the U.S. Securities and Exchange Commission or the American Institute of Certified Public Accountants for the preparation and presentation of pro forma financial information. Pro forma financial information has not been subject to audit or review.

BASIS OF PREPARATION

The Group has prepared unaudited pro forma financial information as at 30 June 2024 based on audited statutory financial statements of the Group as at that date in order to provide investors with the illustration of the impact of the proposed equity raising on the net debt position of the Group and related credit metrics.

The financial information presented (excluding pro forma adjustments) has been prepared on a basis consistent with the recognition and measurement principles as disclosed by the Group in its Statement of Accounting Policies contained within the 30 June 2024 Annual Report. The accounting policies adopted by the Directors are in accordance with Generally Accepted Accounting Practice in New Zealand, which is the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). They are also in accordance with International Financial Reporting Standards.



Important Notice & Disclaimer (7 of 7)

KEY ASSUMPTIONS

The pro forma financial information presents the assumed impact of the proposed equity raising as if it had occurred on 30 June 2024. It has been assumed that proceeds from the equity raising of NZ\$700m is applied to repay existing debt of NZ\$678m and to cover the estimated transaction costs of the Offer of NZ\$22m.

The assumption in the pro forma financial information is therefore a 0% redemption of USPP Notes. If, a part or all of the net equity proceeds were to be applied to redeem USPP Notes, transaction costs associated with the redemption of USPP Notes would be dependent on the level of Notes redeemed. Costs associated with repayment of the USPP Notes in full are currently estimated at NZ\$25m. These costs are not included in the pro forma financial information presented. The assumption in the pro forma financial information is that there is also no conversion of institutional capital notes to equity.

NON-GAAP MEASURES

The following Non-GAAP information has been presented in this presentation, including:

- **EBIT before significant items:** FY24 Earnings from continuing operations before Interest, Tax and Significant Items
- **EBITDA before significant items:** FY24 Earnings from continuing operations before Interest, Tax, Depreciation, Amortisation and Significant Items
- **Economic Debt:** Current borrowings plus non-current borrowings less value of derivatives used to manage changes in hedged risks on debt instruments
- **Net Debt:** Economic Debt less cash and cash equivalents
- **Gross Debt:** Net Debt plus current lease liabilities plus non-current lease liabilities plus cash and cash equivalents plus value of derivatives used to manage changes in hedged risks on debt instruments
- **Funds:** Net Debt plus book equity less deferred tax assets (adjusted to exclude deferred tax liabilities on brands)
- **Leverage:** Net Debt divided by EBITDA before significant items including discontinued operations
- **Gross Leverage:** Gross debt divided by EBITDA before significant items including discontinued operations
- **Return on Funds Employed (ROFE):** EBIT before significant items divided by average funds
- **Significant Items:** Refers to significant items for transactions or events outside of the Group's ongoing operations that have a significant impact on reported profit. This policy provides stakeholders with additional useful information to assess the year-on-year trading performance of the Group

Refer to Appendix A: Reconciliation of Non-GAAP information for a detailed breakdown of the calculation of Gross Debt.



Taking decisive and pre-emptive action

Equity raising to strengthen the balance sheet, and improve financial stability and resilience

SEEKING TO RAISE \$700M OF EQUITY...



...TO STRENGTHEN THE BALANCE SHEET...



...AND IMPROVE FINANCIAL STABILITY AND RESILIENCE

Fletcher Building is seeking to raise \$700 million of equity, comprising:

- ~\$282 million fully underwritten placement; and
- ~\$418 million fully underwritten accelerated non-renounceable entitlement offer

Upon completion of the equity raising:

- Pro forma FY24 Leverage¹ reduces from 1.99x to 1.22x, within the Group's 1.0-2.0x target range
- Pro forma FY24 Gross Leverage¹ reduces from 4.15x to 3.38x
- Supports our commitment to maintaining an investment grade credit rating and covenant headroom under our debt facilities

Capital structure post raising expected to improve financial stability and resilience in the current challenging environment

- Allows us to focus on operational performance in preparation for an expected market recovery
- Preserves optionality and reduces short term pressure for asset realisations at below intrinsic value

Note:
(1) Refer to non-GAAP measures on page 8 for definitions of the pro forma financial metrics.



Strong investment thesis

Focused on markets that have attractive long-term opportunities

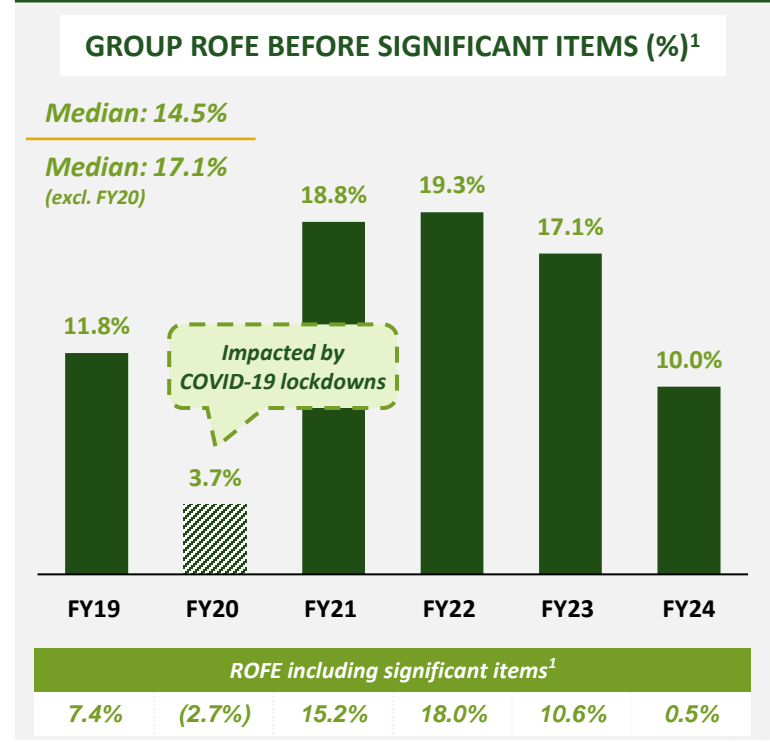
WE OPERATE IN ATTRACTIVE MARKETS...

- 1 *Population dynamics & infrastructure deficit underpin long term sector demand*
- 2 *Long term economic and political stability support strong pipeline of residential, non-residential & infrastructure construction*

...WHERE WE HAVE WELL POSITIONED BUSINESSES...



...HISTORICALLY ENABLING ATTRACTIVE RETURNS



Note:
 (1) Refer to non-GAAP measures on page 8 for definitions of the pro forma financial metrics.



Key recent developments

Fletcher Building has continued to execute on operational and strategic initiatives

DELIVERY IN 2024

NEW LEADERSHIP TEAM MEMBERS appointed with deep industry experience and a track record of performance

FAST-TRACKED BALANCE SHEET IMPROVEMENTS with 50% sale of Fiji Construction and signing of Tradelink divestment

JOINT INDUSTRY RESPONSE IN RELATION TO WA PLUMBING has been agreed in principle

ARRANGED COVENANT AMENDMENTS¹ in relation to bank debt (SFA and Club Loan) and USPP Notes announced in June 2024

OPERATIONAL PERFORMANCE INITIATIVES with accelerated cost reduction, particularly overheads, capex reduction and working capital management

REFINANCED TRANCHE D OF THE SYNDICATED FACILITY AGREEMENT, with the next material debt maturity not until FY27

PROGRESS ON LEGACY PROJECTS with Horizon Hotel handed over and NZICC Contract Works Insurance settled and paid, Pūhoi to Warkworth (P2W) full works completion, and no change to legacy construction provisions from HY24

Note:

(1) As announced on 3 June 2024, the covenant amendments enable Fletcher Building to rely on more favourable terms for covenant testing for the period 4 June 2024 to December 2025 (if required). Should Fletcher Building need to rely on the amended covenant levels, it will not pay a dividend unless it agrees to be tested by, and complies with, existing covenant levels. See "Debt Covenants" section of Key Risks in Appendix B.



Update on material matters

Significant progress made on WA plumbing and legacy construction projects

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WA PLUMBING

- **A Joint Industry Response (JIR) to the WA plumbing failures has been agreed in principle**
- Iplex® AU and the WA Government have committed to cover direct costs of repairs by participating builders to WA homes affected by the plumbing failures: 80% by Iplex® AU (but not capped) and 20% by the WA Government (capped at A\$30 million)
- **On the assumption that the JIR is finalised, the Company expects to record a pre-tax provision of ~A\$155 million in its FY25 financial statements** comprising:
 - Iplex® AU's share of costs to repair affected WA homes: ~A\$120 million¹
 - Iplex® AU's costs of installing leak detectors to all relevant WA homes: ~A\$20 million
 - Iplex® AU's associated administration costs over the life of the JIR: ~A\$15 million
- **Cash outflows are expected to be phased over ~5 years: ~A\$40m – \$50m in year 1 and ~A\$15m – \$35m p.a. in subsequent 4 years**
 - These cash outflows assume BGC joins the JIR; if it does not, cash outflows are expected to be proportionally lower
- **Claims and proceedings are ongoing, and risks remain, whether JIR is finalized or not²**

LEGACY CONSTRUCTION

- During FY24, **full works completion was achieved on P2W roading project, and on the Horizon Hotel portion** of New Zealand International Convention Centre (NZICC) project
- **Remaining Legacy construction projects are nearing completion; no change to legacy construction provisions from HY24**
 - **NZICC:** on track for completion during FY25 (with building construction work targeted for completion in CY24, with commissioning and hand over targeted for 2H FY25); forecast margin in line with provision at HY24 results
 - **Wellington International Airport Carpark (WIAL Carpark):** remedial works progressing, on track for completion during FY25
 - Until works completed, risks to time and cost to complete remain and these provisions are not final³
- **Legacy cash flows:** expect c.\$170m outflow in 1H25, c.\$70m inflow in 2H25 (with P2W inflow assumed mainly in 2H)

Note:

(1) Refer to ASX/NZX announcement on 30 August 2024; "Fletcher Building Industry Response to WA Plumbing Issues" for the key assumptions of the cost provision. Iplex® AU's costs are not capped.

(2) See "WA Plumbing" section of Key Risks in Appendix B.

(3) See "NZICC" and "WIAL" sections of Key Risks in Appendix B.



Recent trading and FY25 outlook

Market headwinds have weighed on recent performance and near-term outlook; management have targeted c.\$180m of cost savings to be delivered in FY25 to partially offset the impact of inflation and continuing market weakness

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MARKET CONTEXT

- Challenging market conditions with slowing demand, inflationary and competitive pressures
- Macroeconomic backdrop of higher interest rates and inflation have persisted throughout the year
- Building market activity in New Zealand and Australia has declined considerably



JULY & AUGUST TRADING

- **Materials & Distribution:** market volumes down 10 – 15% YoY¹, revenues down 7% YoY¹, pressure on margins
- **Resi & Devt:** house sales averaging ~14/week (compared to ~20/week in pcp¹)
- **Construction:** improved earnings and margins YoY¹
- **Total Group overheads:** down 2% YoY¹, cost out more than offsetting inflation
- **Cash flows:** tracking ahead of plan from focused working capital management

FY25 OUTLOOK

- Planning for **FY25 market volumes in our NZ & AU Materials & Distribution businesses to be c.10 – 15% lower vs FY24** (consistent with our expectation at FY24 results), the Group remains vigilant to potential for further market weakness
- **Management are targeting c.\$180m of gross overhead cost out savings in FY25** to partially offset the impact of inflation and continuing market weakness
- **This gross cost-out benefit is expected to be phased c.40% in 1H and c.60% in 2H**
- **Forecast earnings remain sensitive to market conditions**
 - **Materials & Distribution:** an additional +/-5% change in market volumes is estimated to equate to +/- \$80 – 90 million in annualised EBIT impact
 - **Resi & Devt:** an additional +/- 100 settlements per year is equivalent to +/- c.\$15 million in annualised EBIT impact
- **The next trading update will be provided at the time of the ASM**

Note:
(1) Prior corresponding period (pcp) is used to reference the corresponding period from the previous year.

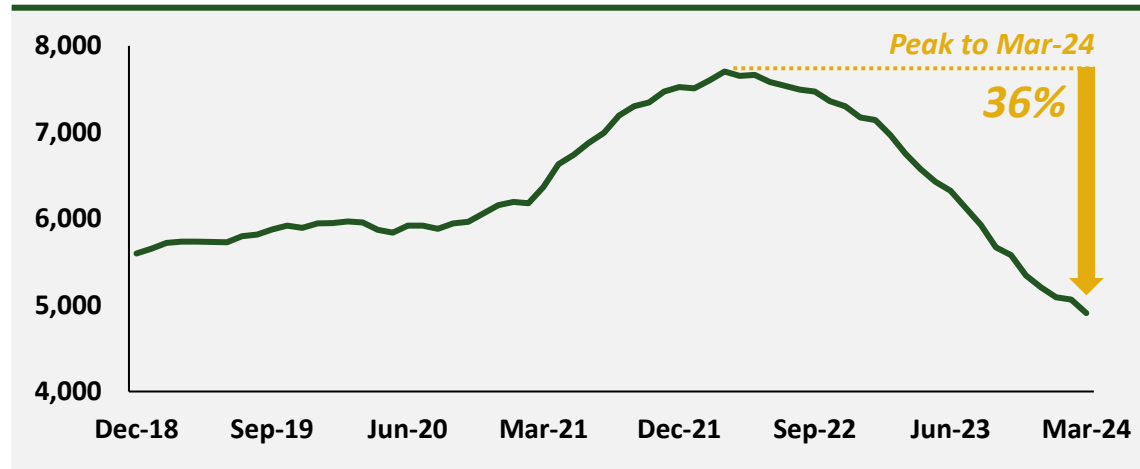


Contextualising the market backdrop

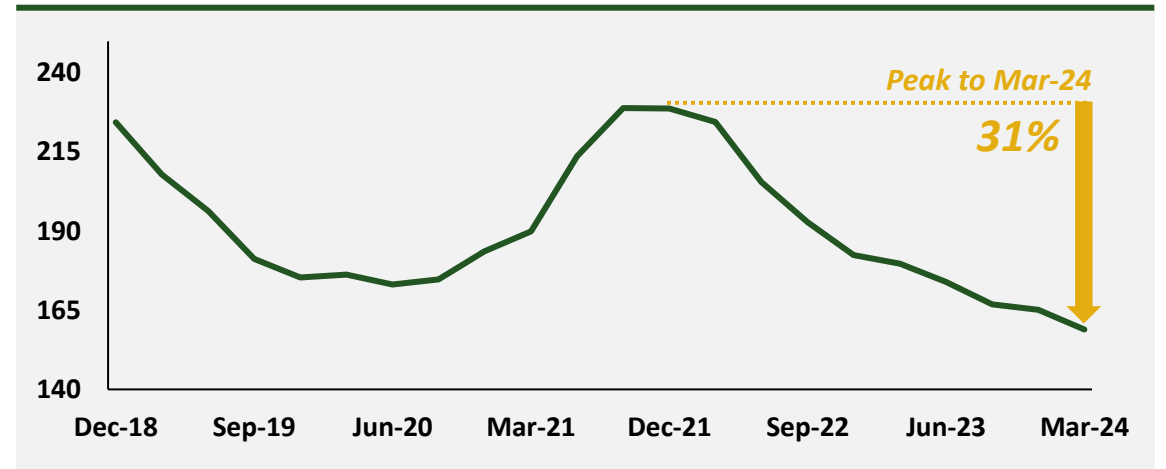
With >50% of revenue exposed to residential construction, the c.30 – 40% decline in A&NZ housing activity over the last 2 years has weighed on Fletcher Building’s earnings. Significant operating leverage expected once market volumes recover

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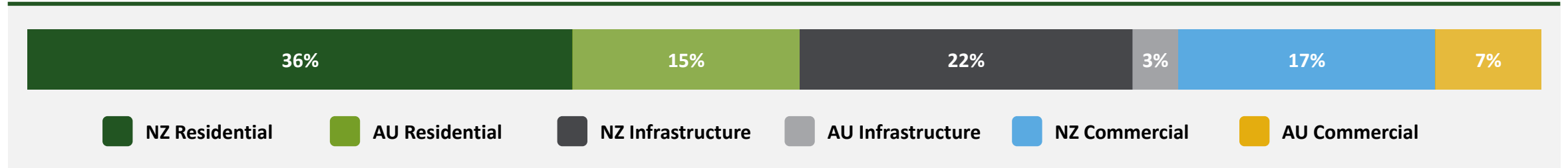
NZ RESIDENTIAL SQUARE METERAGE CONSENTED ('000s) | ROLLING 12 MONTH



AUS DWELLINGS COMMENCED ('000s) | ROLLING 12 MONTH



FLETCHER BUILDING FY24 REVENUE BY MARKET (%)



Update on near-term priorities

Fletcher Building remains focused on delivering on near-term milestones

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ONGOING COST REDUCTION INITIATIVES TO MANAGE PROFITABILITY in the current operating environment, with ~\$180 million of gross overhead cost savings (before impact of inflation) targeted to be delivered in FY25

Implementation of **WESTERN AUSTRALIAN PLUMBING JOINT INDUSTRY RESPONSE**

FOCUS ON EFFECTIVE EXECUTION OF IN-FLIGHT GROWTH INITIATIVES (e.g. wood panels, frame & truss) to position the Company to capitalise once market returns

PRIORITIES GOING FORWARD

CONTINUED FOCUS ON CASH GENERATION through strict discipline on working capital and capex

COMPLETE TRADELINK DIVESTMENT (expected to be 30 September)

COMPLETE REMAINING LEGACY PROJECTS (NZICC and WIAL) in FY25, and progress resolution of legacy claims

PERMANENT CHAIR APPOINTMENT to finalise Board refresh

MEASURED ASSESSMENT OF PORTFOLIO CHOICES, focus on realising full value for any divestments



Putting this all together

Fletcher Building investment thesis remains in place; well-positioned once market volumes recover

1 THE FLETCHER BUILDING INVESTMENT THESIS REMAINS...

- We operate in markets that have attractive long-term opportunities underpinned by favourable population dynamics, and a stable economic and political backdrop
- We have well positioned businesses that have historically enabled attractive returns

2 ...HOWEVER, MARKET HEADWINDS HAVE WEIGHED ON RECENT PERFORMANCE AND THE NEAR-TERM OUTLOOK

- Persistent inflation and high interest rates have affected housing demand, impacting market volumes
- Peak-to-Mar-24 decline in A&NZ housing activity of c.30 – 40%

3 EQUITY RAISING TO STRENGTHEN THE BALANCE SHEET, AND IMPROVE FINANCIAL STABILITY AND RESILIENCE

- Allows us to focus on operational performance in preparation for a market recovery
- Preserves optionality and reduces short term pressure for asset realisations at below intrinsic value

4 WELL-POSITIONED ONCE MARKET VOLUMES RECOVER

- Significant operating leverage expected to position the Company to capitalise once market returns
- Balance sheet improvement allows us to focus on executing operational and strategic initiatives



Sources & uses and pro forma Net Debt

The Offer reduces FY24 pro forma Net Debt from \$1,766m to \$1,088m

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SOURCES	NZ\$M	USES	NZ\$M
<i>Placement proceeds</i>	282	<i>Repayment of existing indebtedness</i>	678
<i>Entitlement Offer proceeds</i>	418	<i>Estimated fees and expenses of the Offer</i>	22
Total sources	700	Total uses	700

NET DEBT POSITION		AS AT 30 JUN-24	IMPACT OF THE OFFER	AS AT 30 JUN-24 PRO FORMA
<i>Economic Debt¹</i>	NZ\$M	2,077	(678)	1,399
<i>Less: Cash and cash equivalents</i>	NZ\$M	(311)	—	(311)
Net Debt¹	NZ\$M	1,766	(678)	1,088

The pro forma financial information presents the assumed impact of the proposed equity raising as if it had occurred on 30 June 2024. It has been assumed that proceeds from the equity raising of NZ\$700m is applied to repay existing debt of NZ\$678m³ and to cover the estimated transaction costs of the Offer of NZ\$22m

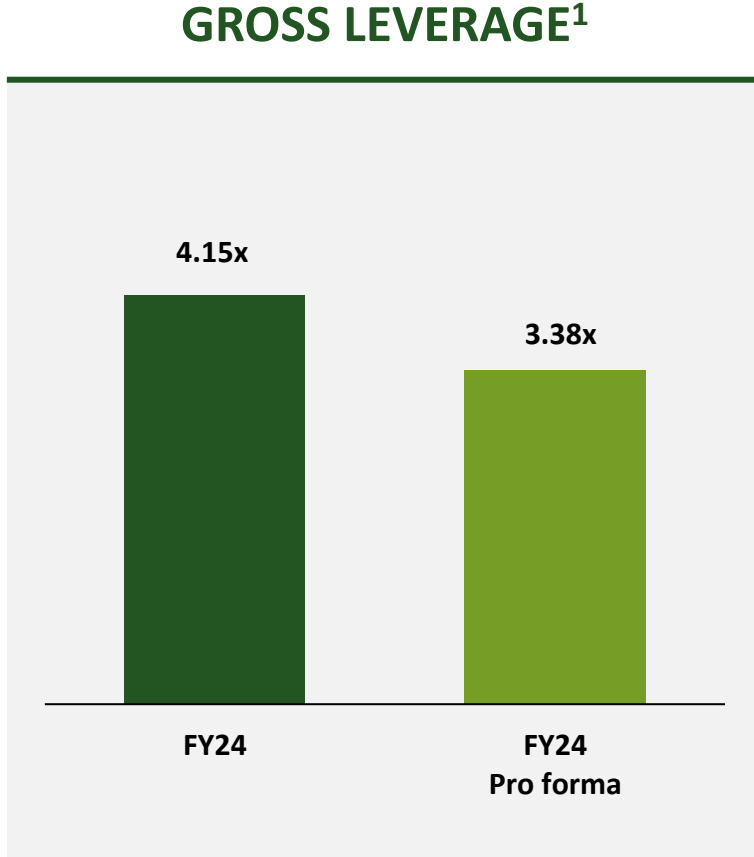
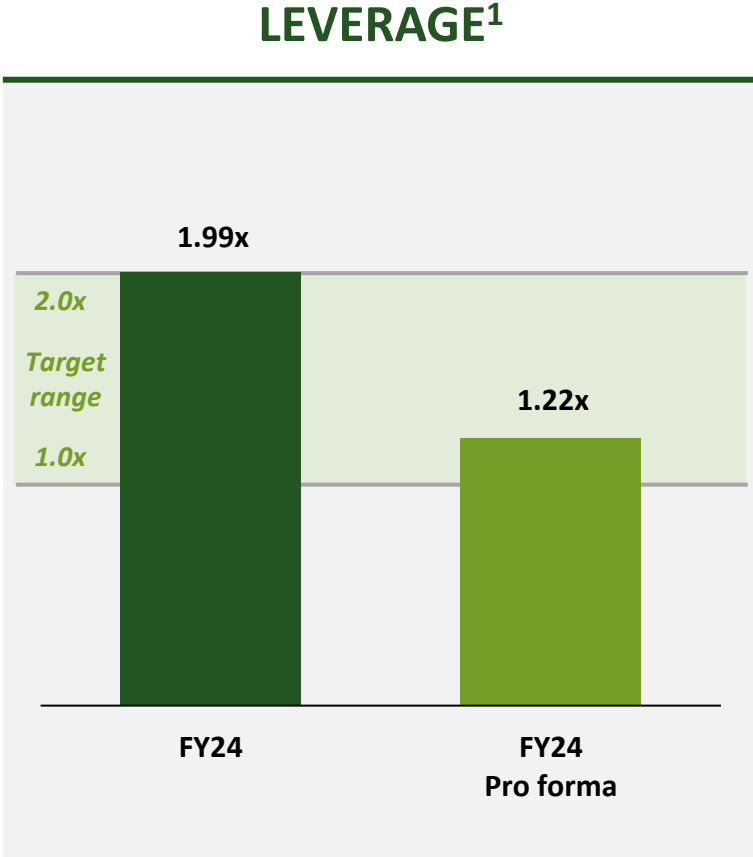
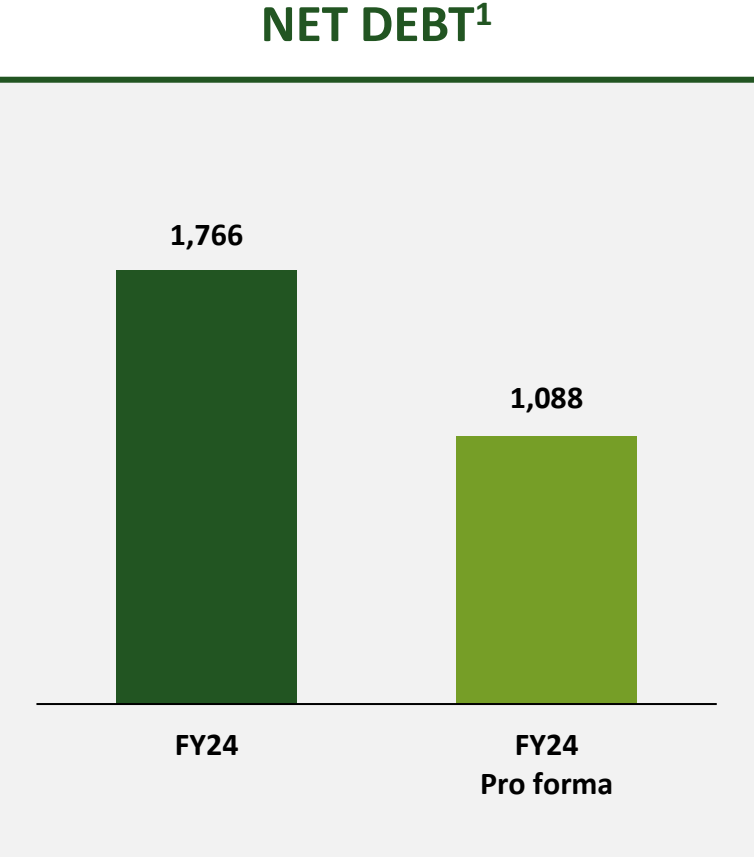
Note:
 (1) Refer to the non-GAAP measures section on page 8 for definitions of the pro forma financial metrics.
 (2) Refer to the Pro forma Financial Information section on page 7 for the basis of providing such information.
 (3) Debt repayment programme to be worked through with lenders.



Pro forma credit metrics

The Offer reduces FY24 pro forma leverage¹ to 1.22x (within our 1.0 – 2.0x target range); supports our commitment to maintaining an investment grade credit rating and covenant headroom

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Note:
(1) Refer to non-GAAP measures section on page 8 for definitions of the pro forma financial metrics



Offer details

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OFFER SIZE AND STRUCTURE	<ul style="list-style-type: none"> → Fletcher Building is seeking to raise NZ\$700 million (“Offer”) via a: <ul style="list-style-type: none"> → ~NZ\$282 million placement to eligible investors (“Placement”); and → 1 for 4.49 pro-rata accelerated non-renounceable entitlement offer to raise ~NZ\$418 million (“Entitlement Offer”) → Approximately 292 million of New Shares to be issued by Fletcher Building (37.3% of current shares on issue)
USE OF PROCEEDS	<ul style="list-style-type: none"> → All net proceeds from the Offer will be used to repay existing debt
OFFER PRICE	<ul style="list-style-type: none"> → NZ\$2.40 per new share (“Offer Price”). The Offer Price represents a: <ul style="list-style-type: none"> → 12.9% discount to the Theoretical Ex-Rights Price (“TERP”)¹ of NZ\$2.76 → 17.0% discount to last close price on NZX of NZ\$2.89 on 20 September 2024 → The Australian dollar Offer Price for eligible Australian retail shareholders will be announced on 25 September 2024
INSTITUTIONAL ENTITLEMENT OFFER	<ul style="list-style-type: none"> → Eligible institutional shareholders will be invited to take up their entitlements in an accelerated Institutional Entitlement Offer → The Entitlement Offer is non-renounceable and any entitlements not taken up will lapse
RETAIL ENTITLEMENT OFFER	<ul style="list-style-type: none"> → Eligible retail shareholders in Australia and New Zealand will be invited to take up their entitlements in a Retail Entitlement Offer → Eligible retail shareholders may also subscribe for additional new shares in excess of their entitlements at the Offer Price, up to a maximum of 100% of their entitlements → The entitlements will not be listed on NZX or ASX and there will be no shortfall bookbuild for those entitlements not taken up by eligible retail shareholders or the entitlement of ineligible retail shareholders. The Entitlement Offer is non-renounceable and any entitlements not taken up will lapse
RANKING	<ul style="list-style-type: none"> → New Shares issued under the Offer will rank equally in all respects with Fletcher Building’s existing ordinary shares
UNDERWRITING	<ul style="list-style-type: none"> → The Placement and Entitlement Offer are fully underwritten by Jarden Partners Limited

Note:
 (1) TERP is calculated with reference to Fletcher Building’s closing share price of NZ\$2.89 on 20 September 2024 and includes all new shares issued under the Placement and the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Fletcher Building ordinary shares will trade immediately after the ex-rights date for the offer will depend on many factors and may not be equal to TERP.



Offer timetable

EVENT (DATES ARE SUBJECT TO CHANGE AND ARE INDICATIVE ONLY)

	DAY	DATE
Equity raising announcement & trading halt	Monday	23 September 2024
Placement and Institutional Entitlement Offer opens	Monday	23 September 2024
Placement and Institutional Entitlement Offer closes	Tuesday	24 September 2024
Trading halt lifted	Tuesday	24 September 2024
Record date for the Offer (7.00pm NZST / 5.00pm AEST)	Tuesday	24 September 2024
Retail Entitlement Offer opens	Thursday	26 September 2024
ASX Settlement of Placement and Institutional Entitlement Offer	Friday	27 September 2024
ASX Allotment of New Shares under the Placement and Institutional Entitlement Offer	Monday	30 September 2024
NZX Settlement and Allotment of New Shares under the Placement and Institutional Entitlement Offer	Monday	30 September 2024
Commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer on NZX and ASX	Monday	30 September 2024
Retail Entitlement Offer closes (5.00pm NZDT / 3.00pm AEDT)	Tuesday	8 October 2024
ASX Settlement of Retail Entitlement Offer	Monday	14 October 2024
ASX Allotment of New Shares issued under the Retail Entitlement Offer	Tuesday	15 October 2024
NZX Settlement and Allotment of New Shares issued under the Retail Entitlement Offer	Tuesday	15 October 2024
Commencement of trading of New Shares issued under the Retail Entitlement Offer on NZX and ASX	Tuesday	15 October 2024
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Monday	21 October 2024

SHAREHOLDERS ENTITLED TO PARTICIPATE IN THE RETAIL ENTITLEMENT OFFER SHOULD VISIT WWW.SHAREOFFER.CO.NZ/FLETCHERBUILDING AND APPLY ONLINE BY 5.00PM (NZDT) / 3.00PM (AEDT) ON TUESDAY, 8 OCTOBER 2024

→ Shares purchased on-market following announcement of the equity raising and shares purchased via the Placement will not settle prior to the record date for the Entitlement Offer



APPENDIX

A) RECONCILIATION OF NON-GAAP INFORMATION

B) KEY RISKS

C) INTERNATIONAL OFFER RESTRICTIONS



APPENDIX A | Reconciliation of Non-GAAP information

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Reconciliation to Gross Debt		AS AT JUN-24
<i>Net Debt</i>	NZ\$M	1,766
<i>Add: Lease liabilities¹</i>	NZ\$M	1,579
<i>Add: Cash and cash equivalents</i>	NZ\$M	311
<i>Add: Value of derivatives used to manage changes in hedged risks on debt instruments</i>	NZ\$M	31
Gross Debt	NZ\$M	3,687

Reconciliation to EBIT from continuing operations			AS AT JUN-24
<i>EBIT from continuing operations before significant items</i>	NZ\$M		509
<i>Significant items²</i>	NZ\$M		(333)
<i>EBIT continuing operations³</i>	NZ\$M		176
Reconciliation to EBITDA before significant items including discontinued operations			AS AT JUN-24
<i>EBIT from continuing operations before significant items</i>	NZ\$M		509
<i>EBIT from discontinued operations before significant items</i>	NZ\$M		7
<i>Depreciation and amortisation</i>	NZ\$M		373
<i>EBITDA before significant items including discontinued operations</i>	NZ\$M		889

Note:

- (1) Includes lease liabilities pertaining to assets held for sale.
- (2) Significant items are disclosed in Note 2.2 of Consolidated Financial Statements 2024
- (3) EBIT from continuing operations is reconciled to GAAP measures in Full Year results presentation August 2024.



APPENDIX B | Key Risks (1 of 15)

KEY RISKS – IMPORTANT: PLEASE READ

This section summarises the key risks that Fletcher Building has identified in connection with the Offer and an investment in Fletcher Building shares. Investors should read this section carefully because these risks may materially adversely affect the future operating and financial performance of Fletcher Building, and its share price.

Like any investment, there are risks associated with an investment in Fletcher Building shares. This section does not set out all of the risks related to an investment in Fletcher Building shares, the future operating or financial performance of Fletcher Building, the Offer, or general market or industry risks. The summary of key risks set out below represent Fletcher Building's current assessment of these risks; however that may change either during the course of the Offer or following the Offer. The risks set out below are not listed in order of importance. Some risks may be unknown and other risks, currently believed to be immaterial, could turn out to be material. There is no certainty as to the severity or likelihood of any such foreseen and unforeseen impacts arising nor whether any mitigating action will be effective or can be taken. Accordingly, the key risks that Fletcher Building faces are inherently uncertain and will continue to change over time.

Investors should make their own assessment of the key risks set out in this section before deciding whether to invest (or invest further) in Fletcher Building shares. Investors should also refer to Fletcher Building's previous NZX and ASX announcements, including its 2024 Annual Report and the presentation in relation to its annual results for the year ending 30 June 2024. Investors should also consider whether such an investment is suitable in light of their individual risk profile, investment objectives and personal circumstances (including financial and taxation issues). Investors are encouraged to consult with a financial or other professional adviser.

ECONOMIC CONDITIONS

The building and construction industry in which the Group operates is cyclical and affected by factors that are beyond Fletcher Building's control. These factors include:

- the performance of New Zealand and Australian economies generally, and in particular the performance of the New Zealand and Australian residential building sector;
- monetary policies, interest rates and inflation levels in New Zealand and Australia. For example, higher interest rates usually reduce mortgage financing, which adversely impacts on residential construction activity and house sales prices, and also impact on Fletcher Building's borrowing costs. Cost inflation can impact on Fletcher Building's costs to complete construction projects, both for third parties and its own projects, and/or impact on its margins;
- the availability and allocation of government funding for public infrastructure and other building programmes (including regional development programmes);
- population growth (which may be impacted in particular by levels of net migration);
- the level of demand for construction materials and services generally; and
- the price and availability of labour and other key input costs such as energy, raw materials, and shipping / distribution costs.

If general economic or market conditions were to remain challenging for an extended period, or were to deteriorate further than levels currently anticipated by Fletcher Building, this could have a material adverse effect on Fletcher Building's operating results and financial position. A deterioration in Fletcher Building's operating results could also impact Fletcher Building's ability to comply with its banking and USPP covenants in the future (see "Debt covenants" below).



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APPENDIX B | Key Risks (2 of 15)

COMPETITION

Fletcher Building operates in competitive markets, involving both domestic suppliers and imported product suppliers. The competitive environment can be significantly affected by local market forces, such as new market entrants, production capacity utilisation, economic conditions and product demand. Competition may lead to product price volatility risk.

The industries in which Fletcher Building competes may be subject to disruptive change from new technologies. If Fletcher Building is not able to develop or access new technologies and anticipate or respond to disruptions in its markets, Fletcher Building may suffer a decrease in the demand for its goods and services, which may have a material adverse effect on results of Fletcher Building's operations and its financial position.

CONTRACTUAL

The Group has a diverse portfolio of business units. The execution of onerous contract(s) by any one of the business units may result in the Group being responsible for liabilities or performance under contracts that are commercially adverse.

PERFORMANCE OF SUB-CONTRACTORS

Non-performance or delays in performance by sub-contractors or where performance is considered sub-standard, may expose the Group to potential liabilities or loss (in particular if the Group is not able to obtain recovery in such circumstances due to its contractual arrangements with, or the financial standing of, the relevant sub-contractor). This could have a material adverse effect on Fletcher Building's financial performance and position.

BUSINESS RESILIENCE

Fletcher Building's operations and financial position could be materially adversely impacted by any significant damage or destruction or extended operational interruption to its key manufacturing equipment or facilities, construction projects or land development opportunities, including by way of weather, flooding, seismic event, or other natural disaster. There is no guarantee that Fletcher Building would obtain full recovery under its insurance policies (post self insurance retention) for any loss suffered due to these events, or that reimbursement will be received in a timely manner or that insurance of key risks will continue to be practical and cost-effective.

SUPPLY CHAIN

The Group's supply chain may face a variety of challenges such as pandemics, logistical and public infrastructure constraints or disruption to key suppliers.

Disruption to business unit or Group operations through ineffective coordination and control of the organisational supply chain (or critical pieces of equipment or raw materials) may result in operational disruption, contractual damages and reputational harm. This could have a material adverse effect on Fletcher Building's financial performance and position.



APPENDIX B | Key Risks (3 of 15)

COST REDUCTIONS

Fletcher Building has actively sought to identify cost saving and cash preservation opportunities available to the Group in order to respond to the lower market volumes it is experiencing. It is possible that the assumptions made by Fletcher Building and the resulting conclusions in relation to the nature and extent of the cost saving and cash preservation opportunities are ultimately inaccurate or fail to be fully realised, or the level of cost savings and cash preservation achieved are different from those indicated by Fletcher Building's analysis. If that was to occur, there is a risk that the profitability and future earnings and cash flows of the operations of Fletcher Building may be different from the profitability, earnings and cash flows expected as reflected in this presentation. In addition, any material unanticipated capital expenditure (or cost overruns in relation to budgeted capital expenditure) may reduce the benefit of any cost saving and cash preservation opportunities.

Some of the cost savings and cash preservation opportunities will result from a deferral of capital expenditure, including for growth, and a reduction in the size of its workforce. There is a risk that any deferral of capital expenditure, or reduction in headcount, could have adverse operational consequences for Fletcher Building or require additional expenditure in the future (see also "Technology resilience" below).

CAPITAL SUFFICIENCY AND DEBT LEVELS

Fletcher Building has undertaken a capital sufficiency assessment exercise to assist in determining the size of the Offer. Fletcher Building believes that a successful equity raise of \$700 million, together with its ongoing cost saving initiatives, will provide Fletcher Building with sufficient headroom in relation to its banking and USPP covenants through FY25. This assessment is based on what Fletcher Building considers to be a reasonable set of assumptions (assessed together with relevant sensitivities for those assumptions). If insufficient funds are raised under the Offer, or the Offer does not complete, or if Fletcher Building does not achieve various strategic objectives during FY25, Fletcher Building would need to consider alternative deleveraging or funding strategies. Failure to carry out those alternative strategies in a timely manner may have a material adverse impact on Fletcher Building.

There also remains a risk that economic conditions in New Zealand and Australia deteriorate further below anticipated levels, or remain adverse for longer than is anticipated, further (or budgeted) cost saving measures cannot be achieved, or a material recovery in revenue and profitability takes longer than expected. In that scenario, Fletcher Building may have reduced headroom against its banking and USPP covenants and therefore an increased risk of breach. It may also have insufficient equity and/or liquidity to meet its capital and operational requirements and would need to re-assess its balance sheet, capital expenditure, portfolio settings and operations. It may also need to access additional equity or debt funding, which could have an adverse effect on Fletcher Building's shareholder returns and/or its earnings.

DEBT COVENANTS

Fletcher Building is reliant upon continued external debt sources to fund its business and execute on its strategy. Fletcher Building has various covenants in relation to its banking and USPP facilities, including interest coverage ratios and a leverage covenant. Factors such as a decline in operational and financial performance, or if Fletcher Building does not achieve various strategic objectives during FY25, could lead to Fletcher Building breaching its debt covenants. In certain circumstances, lenders may require that such banking facilities be repaid within a relatively short timeframe. Under such a scenario, there is no guarantee that Fletcher Building will be able to secure alternative financing on commercially acceptable terms or at all.

Further, where existing loans either approach or reach maturity, Fletcher Building may seek to renegotiate with existing and new lenders to extend the maturity date of those loans. Fletcher Building's earnings profile, credit rating, state of the economy, credit appetite and other factors may influence the outcome of those negotiations. Where refinancing occurs at a higher cost and or, more restrictive terms, this may impact the profitability and financial flexibility of Fletcher Building's operations.



APPENDIX B | Key Risks (4 of 15)

CREDIT RATING

Fletcher Building has a current credit rating with Moody's Investors Service of Baa3 on negative outlook. This credit rating, or any change to it, can influence Fletcher Buildings access to sources of funding through the public debt capital markets and to a lesser extent, the private placement markets. There is a risk that adverse movement in the credit rating to sub-investment grade, or maintenance of "negative outlook" for an extended period, may adversely impact on the Company's debt refinancing activities in terms of credit appetite from lenders and/or result in increased costs and more restrictive terms associated with funding the Company's debt.

ABILITY TO PAY DIVIDENDS

Fletcher Building did not declare a dividend for FY24 and it is not known when Fletcher Building will be in a position to start paying dividends, and whether any dividends will be at historic levels (or at all).

The Group's current dividend policy is to pay out between 50% and 75% of net earnings (excluding significant items) and having regard to available cash flow. Currently, decisions on dividend must be made with reference to the covenant amendments put in place with the Group's lenders in June 2024. If, during the covenant amendment period a dividend was to be declared, the Group must confirm to its senior lenders (banks and USPP) that it is able comply with the original covenant levels immediately before and after making the distribution and comply with any other covenant contained in the debt documentation that applies to dividends. In addition, adverse operational or financial performance in any period may mean that Fletcher Building is unable to pay a dividend in respect of that period.

M&A AND GROWTH PROJECT RISKS

Fletcher Building periodically considers divestment and acquisition opportunities, including receiving third party approaches from time to time. Fletcher Building's incoming Chief Executive Officer is intending to conduct a strategic/portfolio review of the Group. However, there can be no assurance that Fletcher Building will identify suitable divestment or acquisition opportunities or other projects at acceptable prices, or successfully execute those opportunities within suitable timeframes.

In addition, Fletcher Building's past and future divestments and acquisitions may be subject to unanticipated risks and liabilities, or may disrupt its operations. Divestments may result in claims against Fletcher Building under warranties or indemnities, which could have a material impact on Fletcher Building's financial position. Acquisitions may not deliver projected benefits or value, and integrations may not be successful, resulting in interruptions to the achievement of business strategy. Due diligence undertaken in making acquisitions may not have identified all liabilities and risks associated with the relevant business. This may divert management's attention and resources from Fletcher Building's day-to-day operations.

In addition, past and future organic growth projects undertaken by Fletcher Building may fail to deliver projected benefits or value.

Any such matters could have a material adverse effect on Fletcher Building's financial performance and position.



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APPENDIX B | Key Risks (5 of 15)

PROPERTY SALES AND SITE ACQUISITIONS

Fletcher Building's Residential & Development division acquires sites and develops them into residential homes and apartment buildings. If residential property prices in New Zealand were to remain challenging for an extended period, or were to deteriorate further than levels anticipated by Fletcher Building, this could impact Residential and Development's ability to sell developed properties at prices which are acceptable to it.

Separately, to support its ongoing pipeline, Residential & Development relies on being able to acquire further land for development at suitable terms and price. Residential & Development also enters into joint venture funding arrangements to assist to fund developments.

If risks were to occur in relation to these aspects of Residential & Development's business model, this could impede Residential and Development's growth strategy, cash flows and Fletcher Building's future financial performance and position.

PRODUCT LIABILITY

The Group manufactures and/or sells a range of products and services that are required to meet local and international standards and regulations. Fletcher Building may, from time to time, experience manufacturing or product defects or other claims relating to products or services that it manufactures, sells or provides. Defects in products manufactured or sold by, or services provided by, Fletcher Building could be difficult or costly to correct, cause significant customer relations and business reputation problems, result in product recalls, harm Fletcher Building's financial results and result in damage to or claims by its customers, suppliers or other parties (including where the product has been incorporated into a broader structure). A number of products manufactured or supplied by Fletcher Building rely on third parties to install the product correctly or comply with the product specifications in order for the product to perform as intended. A failure by a third party to install such products correctly or comply with product specifications could result in claims and loss to Fletcher Building. Any of these matters could have a material adverse effect on Fletcher Building's financial performance and position.

Material product quality claims that the Group are currently subject to include:

- Various claims in relation to the ProFit pipes supplied by Iplex® Australia in Western Australia. These matters are discussed in other key risks below.
- Laminex® Australia is the subject of a number of silica-related personal injury claims in Australia. See note 12 to the FY24 Financial Statements for the provision made in respect of these claims.
- Fletcher Insulation® Australia is the subject of claims relating to installed glass wool insulation containing an imported foil. See note 12 to the FY24 Financial Statements for the provision made in respect of these claims.

Whilst the Group has provisioned for the estimated costs associated with these known claims, there remain risks that the Group's final exposure to these claims will be greater than the amounts currently allowed for.

CONSTRUCTION RISK

As part of its business, the Group's Construction division has exposure for defects in construction projects following their completion. That exposure arises from the terms of the relevant contract, including any agreed defects period, or at law. In assessing the Group's exposure, the Group applies estimates and judgements, including assessing the merits of the claim, the cost to repair and the likelihood of the receipt of payment or other recovery.



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APPENDIX B | Key Risks (6 of 15)

CONSTRUCTION RISK (cont.)

More generally, the Group's Construction division is engaged to construct and maintain a wide range of building and infrastructure projects across New Zealand and the South Pacific, including under long term construction contracts with fixed prices or margin at risk components. The Group is therefore exposed to a variety of risks in relation to these construction projects, including in relation to unrecoverable cost inflation, design risk, delays, subcontractor costs, availability and performance, consenting, weather and ground conditions, sufficiency of insurance and recovery of insurance proceeds, compensation for variations and extensions of time and other circumstances outside its control. These risks can result in claims against the Group (including for damages in relation to delays) and loss of margin (either by contract or as a result of non-recovered costs).

The Group is subject to a range of claims and disputes in connection with its portfolio of construction projects, many of which are resolved in they ordinary course. Material construction disputes that the Group is currently subject to include in relation to the construction of the New Zealand International Convention Centre, the Pūhoi to Warkworth roading project, and the Wellington International Airport carpark. These matters are discussed in more detail in other key risks below.

Any such matters could have a material adverse effect on Fletcher Building's financial performance and position.

NEW ZEALAND INTERNATIONAL CONVENTION CENTRE (NZICC) – PROGRAMME TO COMPLETE

There is no material change to the position outlined in the Company's FY24 Annual Report on the programme to complete NZICC:

- constructions works are targeted to complete by the end of calendar 2024, with commissioning and handover targeted in the first half of calendar 2025; and
- no change to the \$165 million provision that was recognised in February 2024.

The assessment of the net cost to complete the project continues to rely on the application of estimates and judgements (e.g., programme to complete and cost estimates for certain trades) and, as such, may be subject to change as the project progresses. It is possible that the final provision could be below or above the levels currently allowed for due to changes in costs to complete, and the timing of completion.

As noted in the FY24 Annual Report, the Horizon Hotel, which forms part of the NZICC project, has been completed and handed over to SkyCity.

Risks relating to disputes and claims (both by The Fletcher Construction Company Limited (FCC) and against FCC) are discussed below.

LITIGATION RISK - GENERAL

Fletcher Building is subject to the usual business risk that disputes or litigation may arise from time-to-time in the course of its business activities. Fletcher Building's 2024 Annual Report discloses a number of such disputes, claims and litigation, including the product liability and construction disputes described elsewhere in this presentation. Fletcher Building is also the subject of class action proceedings filed against it in the Supreme Court of Victoria concerning allegations that between 17 August 2016 and 23 October 2017 the Group misrepresented the performance and financial position of its Building + Interiors business and failed to disclose information as to its true financial position.

These disputes, and any new disputes or litigation, could be a material impact on Fletcher Building's financial position. In particular, if any current litigation or disputes are not resolved in line with Fletcher Building's expectations (including, where applicable, any relevant provisions) then this could have a material impact on Fletcher Building's financial position.



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LITIGATION RISK - WA PLUMBING – JOINT INDUSTRY RESPONSE

As announced on 30 August 2024, Iplex® Pipelines Australia Pty Limited (**Iplex® AU**), together with the Western Australian Government (**WA Government**) and key industry stakeholders, reached an in-principle agreement to address plumbing failures occurring in some Western Australian (**WA**) homes constructed with Typlex Pro-fit pipes (the **plumbing failures** and **Joint Industry Response** or **JIR**), the key elements of which are:

- All affected homes in WA will be entitled to have their leaks repaired and, in more extensive cases, rooms or homes re-piped, by the builder of that home.
- Together, Iplex® AU and the WA Government have proposed to cover the direct costs of that work programme incurred by those builders who participate in the industry response: 80% by Iplex® AU and 20% by the WA Government.
- Iplex® AU estimates its share of those direct costs will be up to ~A\$120m (but this is not capped). The WA Government's contribution is capped at A\$30m.
- The JIR is entered into by the parties on a no liability, no admissions basis. All participants have agreed to a "no sue" provision as to part of the proposed agreement, but rights to cross claim or join parties to third party actions are unaffected.
- In addition, eligible WA homeowners will be offered, free of charge, the installation of a leak detector unit by Iplex® AU (~A\$20m of the anticipated ~A\$155m provision).

The terms of the JIR do not include a recall order of the Typlex Pro-fit pipes.

Parties continue to work to finalise the JIR long form documentation and were targeting that to occur by the end of September 2024. There is a likelihood that time frame will not be met.

- Until the JIR is formalised, there is no certainty of its final terms, including whether there may be any material changes from the in principle terms announced on 30 August 2024 (the **In Principle Terms**).
- It is possible that some or all of the proposed participants in the JIR may withdraw or seek to withdraw, such that no formal agreement is agreed. If that were to occur, it is uncertain what would follow, but further litigation and regulatory risk for Iplex® AU (and other parties) may arise. There are circumstances in which a failure to reach a JIR could have material adverse implications for Iplex® AU and the Group, for example if the WA Government was to successfully order a compulsorily recall the Pro-fit pipes. While any decision to pursue that path would be contested by Iplex® AU, if ultimately a product recall was required, the cost to Iplex® AU in performing a recall order could have a material negative impact on the Group's financial position.
- While the JIR is being finalised, the existing claims against Iplex® AU (a class action and a separate action brought by BGC, as to which see below) progress. Developments in those proceedings could have implications on the terms of, or ability to finalise, the JIR. It is possible that participants in the JIR may seek to withdraw or amend the terms of the JIR as a result of these proceedings and, if that were to happen this could have material adverse implications for Iplex® AU and the Group.



APPENDIX B | Key Risks (8 of 15)

LITIGATION RISK - WA PLUMBING – JOINT INDUSTRY RESPONSE (cont.)

If the JIR is finalised consistent with the In Principle Terms, other risks will remain including:

- The class action described below will continue. It is being brought on behalf of all homeowners in Australia (not just those in WA) who have relevant Pro-fit pipes in their homes and seeks a wider range of damages than covered by the JIR. Also, if BGC is not a party to the JIR, it will be able to continue its action against Iplex® AU in relation to the plumbing failures, as described below. These matters overlap in scope but, as stated in the 30 August 2024 announcement by Fletcher Building and the FY24 Financial Statements, an adverse finding in either of them could have a material adverse impact on the Group.
- The WA Government has reserved its rights in relation to future actions if those actions are based on information obtained by it after the date of the JIR.
- Additional claims may be brought against Iplex® AU. For example, it is possible that further litigation may be brought on behalf of other builders who are not participating in the JIR, or homeowners or insurers (including by way of additional class actions). The terms of the JIR do not require a homeowner to release or waive any rights they may have against Iplex® AU or any other participant in the JIR.
- The JIR (both work programme and funding rates) may also be renegotiated if a different outcome results from any other type of future third party lawsuit. However, that change would only apply to amounts or activities required from that point forward. All amounts spent in performing the JIR to that point, either by Iplex® AU or other parties, cannot be reclaimed retrospectively.

There has been no change to the assessment of the expected provision that Fletcher Building expects to make in its FY25 financial statements if the JIR is finalised, being the pre-tax provision of approximately A\$155m which was announced on 30 August 2024. However, that provision does not represent an assessment of the litigation risk or other risks to the Group relating to the plumbing failures outside the JIR itself. That provision is the Group's assessment of the cost to it of meeting its commitments under the JIR, if that JIR is agreed. However, Iplex® AU's direct costs under the In Principle Terms are not capped. If the JIR is agreed on the In Principle Terms but Iplex® AU's direct costs exceed its expected share of those costs, or it incurs significant litigation or other costs outside of the JIR itself in relation to the plumbing failures, then this could have a material adverse effect on the financial position of the Group.

If entry into the JIR is delayed beyond September 2024, Iplex® AU will need to consider its position in relation to continuing to fund participating builders on the terms of its existing Investigation Fund.

LITIGATION RISK - WA PLUMBING – CLASS ACTION

A class action has been served on Iplex® AU on behalf of all homeowners, Australia-wide, alleging that the Pro-fit product was not of acceptable quality at the time of supply and seeking a broad range of damages. This is detailed in Note 26 of the Company's FY24 Financial Statements.

In summary, based on current facts and circumstances, Iplex® AU has not concluded that it is responsible for the matter or that it has a present obligation to any party beyond the Investigation Fund it has put in place. As noted above, if the JIR is agreed, Iplex AU will recognise a provision for its commitment to provide leak detectors and fund participating builders certain agreed direct costs under that agreement.

There is no certainty on the outcome, amount or timing of any formal dispute resolution of this matter. If the class action is successful, then this could have a material adverse effect on the financial position of the Group.



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LITIGATION RISK - WA PLUMBING – BGC CLAIM

As announced on 27 August 2024, WA home builder, BGC, has filed legal proceedings against Iplex® AU, in relation to the Iplex® Pro-fit Pipes issues. Iplex® AU intends to defend the proceedings.

BGC is now raising allegations in relation to the capacity of Iplex® AU (and its related Australian entities) to meet the quantum of liability that BGC alleges Iplex® AU is or will be responsible for, and that it is dissipating, or may dissipate, assets for the purposes of frustrating future recovery action, including the proceeds of the Tradelink sale. While these claims are rejected, there is a risk that a Court or a regulator may, in response to BGC seeking such orders or otherwise, impose orders or other restrictions which prevent or restrict Iplex® AU and other Australian group members from moving assets to Fletcher Building. Fletcher Building will vigorously oppose the imposition of any such order or restriction.

If BGC maintains these proceedings, there is no certainty as to the outcome, amount or timing of any formal dispute resolution. As noted above, an adverse outcome in these proceedings, or the imposition of any such orders or restrictions, may have a material adverse effect on the financial position of the Group.

LITIGATION RISK - NZICC – THIRD PARTY LIABILITY INSURANCE AND SUBCONTRACTOR CLAIMS

In connection with the NZICC fire:

- FCC has claims under the project-specific third party liability (TPL) insurance policy (some of which the TPL insurers have agreed to cover and some of which the TPL insurers have declined to cover and FCC is disputing). FCC's proceedings against the TPL insurers are ongoing, including an upcoming trial in October 2024 relating to certain policy interpretation questions;
- SkyCity has made claims against FCC in connection with carparks at the NZICC. The TPL insurers have accepted cover for claims in relation to the first tranche of carparks, but whether other claims in connection with the second tranche of carparks to be delivered to SkyCity are covered by the TPL policy continues to be in dispute. FCC denies it is liable to SkyCity for any such amounts; and
- FCC has made claims against FCC's waterproofing subcontractors, XAM Limited (the new name of MPM Waterproofing Services Limited) and JEL Limited (engaged by XAM). A portion of these claims, if successful, may be covered by the TPL insurance policy, or other available insurance (if any), but this may be disputed. If these claims are not covered by insurances, it is not expected that XAM and JEL will have other assets sufficient to cover any liability.

While FCC considers it has good grounds to recover material amounts under the TPL policy, no amount has been recognised to be recovered under the TPL policy or from XAM and JEL in the project provision in the FY24 Financial Statements. See Note 3 (Construction Accounting).

These matters may take some time to be resolved and, while these matters continue, there is no certainty on the outcome, amount or timing of any dispute resolution.

LITIGATION RISK - NZICC PROJECT – SKYCITY CLAIMS

As the project approaches completion, the prospect of further claims from SkyCity in relation to the NZICC project and the delays in delivery of the NZICC project increases (in addition to the specific claims described in the key risk immediately above). SkyCity has indicated in its most recent financial statements that "where SkyCity's costs are not recoverable under the SkyCity group's insurance policies, recovery of those costs will be sought from FCC".



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LITIGATION RISK - NZICC PROJECT – SKYCITY CLAIMS (cont.)

SkyCity has, from time to time, alleged that it has claims against FCC under the building works contract for liquidated damages for delay in excess of the maximum liability cap for liquidated damages in the building works contract. FCC's view is that it has paid all liquidated damages owing under that contract in full, and, there is no proper basis for the maximum liability cap for liquidated damages to be exceeded in the circumstances; and, therefore, no further amounts are owing to SkyCity. Accordingly, any claim will be defended. If, such a claim were to be made by SkyCity, Fletcher Building anticipates the face amount of such claim may be material.

The project forecast and expected final margin does not allow for any claim by SkyCity in respect of liquidated damages in excess of the maximum liability cap under the building works contract. If SkyCity were to bring such a claim in respect of the NZICC project, there is no certainty on the outcome, amount or timing of any legal proceedings. However, if such a claim were to be made and:

- following determination of any proceedings brought, such a claim was successfully brought against FCC, it may have a material adverse effect on the financial position of the Group; or
- if any settlement agreement was reached as part of any proceedings, such amount may be material.

LITIGATION RISK - WELLINGTON INTERNATIONAL AIRPORT CARPARK (WIAL CARPARK)

There has been no material change to the position outlined in FY24 Annual Report, including:

- no change to the provision of \$15m is included in the Group's FY24 Financial Statements; and
- FCC continues to work with WIAL to agree a remediation solution to quality issues identified on the carpark and to settle claims.

These matters may take some time to be resolved and, while the dispute continues, there is no certainty on the outcome, amount or timing of any settlement discussions or formal dispute resolution. It is possible that the final provision could be below or above the levels currently allowed for and would ultimately depend on the solution agreed and associated costs, and final claim settlements.

LITIGATION RISK - PŪHOI TO WARKWORTH (P2W) – COVID-19 CLAIM

The Fletcher Construction Company Limited (FCC) and its joint venture partner, Acciona (the Construction JV) have lodged a claim with the Northern Express Group (NX2) and Waka Kotahi NZ Transport Agency (Waka Kotahi) for the impacts and delays arising from COVID-19 and other weather events. FCC owns 50% of the Construction JV.

As noted in the FY24 Annual Report:

- Waka Kotahi has provided some interim and potentially refundable financial support but no agreement for variations for compensation or extensions of time have been reached.
- If no agreement for variations for compensation or extensions of time are reached, the Construction JV will incur unrecoverable costs and liquidated damages (from 16 August 2022, being the current contractual Planned Service Commencement Date to mid-June 2023).
- Unless the Construction JV and Waka Kotahi agree otherwise, that claim will be resolved through an agreed dispute resolution process, unlikely to be earlier than 2026.
- An assumed recovery for these claims have been included in the determination of the final project position and estimated final margin.



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LITIGATION RISK - PŪHOI TO WARKWORTH (P2W) – COVID-19 CLAIM (cont.)

These matters may take some time to be resolved and, while the dispute continues, there is no certainty on the outcome, amount or timing of any settlement discussions or formal dispute resolution, and there is the potential that some or all of the amount already paid to FCC in respect of these matters may need to be repaid. It is possible that the final recovery could be below or above the levels expected for and would ultimately depend on the final claim settlement or the determination under dispute resolution (as applicable). If the recovery is materially less than the amount Fletcher Building has assumed it will recover, this may have a material adverse effect on the financial position of the Group.

LITIGATION RISK - P2W – CWI INSURANCE

The Construction JV has lodged material claims under the Contract Works Insurance (CWI) policy for damage to the project works caused by landslips and weather events during construction.

As noted in the FY24 Annual Report:

- For claims that have been notified, coverage has been confirmed under the CWI policy.
- An assumed recovery for all events has been included in the determination of the final project position and estimated final margin.

While the CWI insurers have paid some provisional amounts on account to the Construction JV:

- the claims assessment process remains to be completed by the CWI insurers;
- there remain differences to be resolved in discussion with CWI insurers; and
- in the event that the parties cannot resolve their differences, a formal dispute process may be needed to resolve those matters.

These matters may take some time to be resolved and, until resolved, there is no certainty on the timing or outcome or amount of any resolution, and there is the potential that some or all of the amount already paid to FCC may need to be repaid. It is possible that the final recovery could be below or above the levels currently assumed for and would ultimately depend on the final claim settlement or the determination under any dispute resolution (as applicable). If the recovery is materially less than the amount Fletcher Building has assumed it will recover, this may have a material adverse effect on the financial position of the Group.

LITIGATION RISK - P2W – OTHER POTENTIAL CLAIMS

As noted in the FY24 Annual Report, the Construction JV will expect to make claims against some of its suppliers and may be subject to claims against it by suppliers and subcontractors. The Group considered these positions in conjunction with other facts and circumstances known to it in assessing whether an additional provision was required to be recognised in respect of the project as at 30 June 2024. No additional provision was recognised in the FY24 Financial Statements for this project. There has been no change to that position.

However, there remains a risk that, ultimately, the full amount of the Construction JV's claims will not be recovered.



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LITIGATION RISK - NEW ZEALAND COMMERCE COMMISSION – WINSTONE WALLBOARDS REBATES

As announced on 23 August 2024, the Commerce Commission advised Fletcher Building that it believes that Winstone Wallboards Limited's use of retroactive tiered rebates between 1 January 2017 and 31 December 2022 amounted to a breach of the Commerce Act and intends to file proceedings against Winstone Wallboards by late October 2024.

Winstone Wallboards disagrees with the Commerce Commission's conclusion and intends to defend the proceedings vigorously, including because:

- during the Building Markets Products Study, merchants told the Commerce Commission that the rebate structures were not a factor that inhibited competition; and
- the Commerce Commission comprehensively investigated Winstone Wallboards on this topic in 2014, concluding that Winstone Wallboards' market share was driven by its attractive overall product and service offering, not the rebates, and that the evidence did not support a conclusion the rebates breached the Commerce Act.

Any legal proceedings may take some time to be resolved and, there is no certainty on the outcome, amount or timing of any such proceedings.

FMA INVESTIGATION IN RELATION TO COMPLIANCE WITH CONTINUOUS DISCLOSURE OBLIGATIONS

The Financial Markets Authority (the **FMA**) is currently investigating Fletcher Building's compliance with its continuous disclosure obligations in relation to the release of information in the announcements it made on 5 February 2024 (titled "Update on NZICC and WIAL Carpark projects") and 14 February 2024 (titled "HY24 Results") (the **Investigation**), following a referral by NZ RegCo under section 352(1)(b) of the Financial Markets Conduct Act 2013.

In June 2024, the FMA issued to Fletcher Building an information-gathering notice under section 25 of the Financial Markets Authority Act 2011 in relation to the Investigation.

The Investigation is ongoing, and the outcome is not known at this time. However, Fletcher Building believes that the release of information in the relevant announcements in February 2024 complied with its continuous disclosure obligations. If the FMA was to determine that Fletcher Building did not comply with its continuous disclosure obligations, Fletcher Building may be subject to adverse consequences.

PEOPLE

The failure by the Group to attract, retain and engage our people (including engagement with collective representation groups) negatively impacting business units or the Group. The failure of the current processes to attract and retain talented staff can have a negative impact on the functioning of a business unit and the Group. Additionally, industrial action by collective representation groups can cause operational disruption.

WORKPLACE HEALTH AND SAFETY

Due to the nature of the industries in which Fletcher Building operates, there is a risk of accidents or unsafe operations causing damage, injury or death. Notwithstanding the preventative measures which Fletcher Building (or any sub-contractor) has taken or may take, there can be no assurance that accidents (for example, production or logistics) or unsafe operations will not occur and damage the environment and/or injure Fletcher Building's own personnel or third parties. Such events may result in additional costs and fines (including potential criminal liability in certain circumstances), or business disruption, and may jeopardise Fletcher Building's reputation and credibility.



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TECHNOLOGY RESILIENCE

Like many businesses, Fletcher Building is dependent on information technology systems to maintain its operations. Failure to provide reliable, resilient, adaptable and efficient technology infrastructure may impact the operations of the business units or the Group. This may in turn create reputation damage or potentially materially adversely impact the financial performance and position of the Group.

In late 2021, Fletcher Building commenced a multi-year process designed to transition all the Group's manufacturing and distribution business units to a single integrated ERP system. In June 2024, the project was paused for 25 months as part of the Group's cost saving and cash preservation initiatives, with only four of the Group's approximately 30 business units having transitioned to the platform by 30 June 2024. While remediation work is being done on legacy systems in the interim, the pausing of this programme increases the risk of difficulties being encountered with the Group's technology infrastructure. In addition, if a decision is taken not to recommence the project, the carrying value of the asset of approximately \$105 million may need to be significantly written-down.

DATA BREACH / CYBER SECURITY

Fletcher Building's information technology systems hold confidential personal information and other commercially sensitive information. There is a risk that data held by Fletcher Building may be accessed or used in an unauthorised manner, including due to a cyber-attack. The frequency and sophistication of cyber-attacks on businesses is growing, and Fletcher Building has suffered security incidents. If Fletcher Building suffered a major cyber-attack or data security breach, Fletcher Building's operations could be impacted, its reputation damaged or it could be required to incur material costs to recover critical services or repair systems or assets. Fletcher Building may also incur fines, penalties or claims as a result of any privacy breach. Any such matters could have a material adverse effect on Fletcher Building's financial performance and position.

INSURANCE

The availability of insurance to Fletcher Building on acceptable terms and price is not guaranteed. It is possible that the occurrence of an event may not be fully covered, or covered at all, by insurance, or that Fletcher Building may not be able to obtain insurance cover for certain risks in the future or at commercially acceptable prices and other terms, including both in relation to its general corporate risks and also in relation to specific projects. This could have a material adverse effect on Fletcher Building's financial performance and position.

GOVERNMENT REGULATIONS

Fletcher Building is subject to various laws and regulations applicable to businesses generally in New Zealand and Australia and markets in which it operates. These include statutes, regulations, standards and laws affecting land usage, zoning, planning, building and building products, chain of responsibility, environmental, climate change, consumer protection and employment practices. Fletcher Building cannot guarantee that its business units will at all times be successful in complying with all demands of relevant laws and regulatory authorities (including existing licences) in a manner which will not materially adversely affect its business, financial condition or results of operations.

Changes to regulation and laws may have a materially adverse effect on Fletcher Building's business, financial condition or results of operation. For example, proposed changes to the Building Code to facilitate imports of building products may adversely impact Fletcher Building's operations and financial performance.



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APPENDIX B | Key Risks (14 of 15)

GOVERNMENT REGULATIONS (cont.)

One specific risk results from the changes to Emissions Trading Scheme (ETS) arising from the Climate Change Response (Late Payment Penalties and Industrial Allocation) Amendment Act, which was passed in August 2023. This change has the potential to materially impact Golden Bay (GB) through increased costs and resulting market share erosion over the longer term. Because GB is the only domestic manufacturer of cement in New Zealand, the amendments have an unintended consequence of disincentivising the acceleration of decarbonisation by GB. The amendments accelerate the timeframe for when GB incurs emission compliance costs (moving from 2040 to 2030) whilst continuing to allow importers of higher-carbon cement to face no New Zealand ETS compliance costs. The amendments also introduce re-baselining of the GB emissions every 5 years. This will affect GB's plans to invest in decarbonisation at the Portland plant and as a result affects the future of cement production at its Portland plant. While Fletcher Building is currently engaging with the New Zealand Government on the issues raised by these recent amendments and Fletcher Building's proposed solutions, there is no certainty that the issue will be resolved in a manner that is satisfactory to GB. If this matter is not resolved in a manner that is satisfactory to GB, this could potentially require GB to considering moving to an import model. This could potentially materially impact Fletcher Building's financial performance and position.

Fletcher Building may be unable to obtain relevant licences, consents and approvals (and renewals) to enable it to establish new operations, progress land development opportunities or to continue operation of existing facilities, or may suffer significant costs and delays in attempting to obtain such licences and approvals.

ENVIRONMENT

Fletcher Building is subject to a broad range of environmental laws, regulations and standards in New Zealand and Australia (including those that impose limitations on the discharge of pollutants into the air and water and establish standards for the treatment, storage and disposal of waste products). They also impose liability on Fletcher Building for the costs of remediating contaminated sites. This results in significant compliance costs, and could expose Fletcher Building to legal liability (including potential damage claims or fines for noncompliance) or place limitations on the development of Fletcher Building's operations.

Additionally, Fletcher Building's operations are subject to environmental permit requirements. If Fletcher Building cannot obtain or maintain required environmental permits for its existing and planned operations in a timely manner or at all, Fletcher Building may be subject to additional costs or fines.

Fletcher Building's operations entail risk of environmental damage, and Fletcher Building could incur liabilities in the future arising from the discharge of pollutants into the environment, waste disposal practices, or accidents, as well as changes in enforcement policies or newly discovered conditions.

Some properties owned or leased by Fletcher Building contain asbestos. In the ordinary course of business, Fletcher Building complies with applicable asbestos management requirements, including maintaining registers and implementing asbestos management programs in relation to on-site works. There is a risk that previously unidentified asbestos may be found on properties. Also, there is a risk in Australia that a person may contract an asbestos related illness and bring a personal injury claim against Fletcher Building.

Any such matters could have a material adverse effect on Fletcher Building's financial performance and position.



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APPENDIX B | Key Risks (15 of 15)

CLIMATE CHANGE

Fletcher Building has substantial building products and concrete businesses in New Zealand and building products businesses in Australia, and as such it is exposed to risks emanating from changes in carbon related policies, both in New Zealand and Australia, and potentially in countries for upstream supply chains, for emissions and/or energy intensive materials. Such changes may manifest initially as increased energy costs, and possibly emissions pricing mechanisms, but may eventually also threaten reliability of supply.

While Fletcher Building endeavours to manage climate risk, including via undertaking scenario analysis to understand the risks and opportunities that climate change presents to its business currently, and into the future, it is a risk which is rapidly evolving. Climate change presents both transition risks and physical risks (including a weather-related event). In addition, Fletcher Building's climate reporting could also expose Fletcher Building to potential liability in certain circumstances. A failure to adequately manage climate risk could have a material adverse impact on Fletcher Building's financial performance and position.

UNDERWRITING RISK

Fletcher Building has entered into an underwriting agreement under which the Underwriter has agreed to fully underwrite the Offer, subject to the terms and conditions of the underwriting agreement. If certain events occur, the Underwriter may terminate the underwriting agreement.

Such "termination events" include the occurrence of events which have, or are likely to have, a material adverse effect on Fletcher Building, its shares or the Offer. These may be as a result of events specific to Fletcher Building or as a result of external events, such as material or fundamental changes in financial, economic and political conditions in certain countries or financial markets.

Termination of the underwriting agreement would result in no proceeds being raised under the Offer and would require Fletcher Building to consider alternative funding strategies.

INVESTMENT IN EQUITY CAPITAL

There are general risks associated with investments in equity capital. In recent times the trading price of Fletcher Building's ordinary shares on NZX and ASX has fluctuated materially. Fluctuations can occur for many reasons, including as a result of movements in equity capital markets in New Zealand, Australia and internationally.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of Fletcher Building, its directors, the underwriter, lead manager or any other person guarantees the market performance of the New Shares.



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APPENDIX C | International Offer Restrictions (1 of 4)

This document does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside New Zealand except to the extent permitted below.

AUSTRALIA

The offer of New Shares under the Offer is being made in Australia in reliance on the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and the ASIC Instrument 18-0268 or otherwise to persons to whom the offer of securities for issue may lawfully be made without disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) (**Corporations Act**) in accordance with the applicable exemptions in sections 708(8) or 708(11) of the Corporations Act. This presentation is not a prospectus, product disclosure statement or any other formal "disclosure document" for the purposes of Australian law and is not required to, and does not, contain all the information which would be required in a "disclosure document" under Australian law. This document may contain references to dollar amounts which are not Australian dollars, may contain financial information which is not prepared in accordance with Australian law or practices, may not address risks associated with investment in foreign currency denominated investments and does not address Australian tax issues. The Company is a company which is incorporated in New Zealand and the relationship between it and investors will be largely governed by New Zealand law. This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or the Australian Securities Exchange and the Company is not subject to the continuous disclosure requirements that apply in Australia.

Prospective investors should not construe anything in this document as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Corporations Act.

BERMUDA

This document may be distributed, and the New Shares may be offered and sold, only from outside Bermuda to institutional and professional investors in Bermuda. No offer or invitation to subscribe for New Shares may be made to the public in Bermuda or in any manner that would constitute engaging in business in or from within Bermuda. In addition, no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

CANADA (BRITISH COLUMBIA, ONTARIO AND QUEBEC PROVINCES)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.



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APPENDIX C | International Offer Restrictions (2 of 4)

CANADA (BRITISH COLUMBIA, ONTARIO AND QUEBEC PROVINCES) (CONT.)

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

CAYMAN ISLANDS

This document may be distributed, and the New Shares may be offered and sold, only from outside the Cayman Islands to institutional and professional investors in the Cayman Islands. No offer or invitation to subscribe for New Shares may be made to the public in the Cayman Islands or in any manner that would constitute carrying on business in the Cayman Islands.

EUROPEAN UNION (FRANCE, GERMANY AND NETHERLANDS)

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

HONG KONG

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.



APPENDIX C | International Offer Restrictions (3 of 4)

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JAPAN

The New Shares have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors.

Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

NORWAY

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

SINGAPORE

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

SWITZERLAND

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.



APPENDIX C | International Offer Restrictions (4 of 4)

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UNITED ARAB EMIRATES

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This document may be distributed in the UAE only to "professional investors" (as defined in the SCA Board of Directors' Decision No.13/RM of 2021, as amended).

No offer of New Shares will be made to, and no subscription for New Shares will be permitted from, any person in the Abu Dhabi Global Market or the Dubai International Financial Centre.

UNITED KINGDOM

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

UNITED STATES

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This document may not be distributed or released in the United States.

Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the retail component of the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.



Section 1: Issuer information (mandatory)

Name of issuer	Fletcher Building Limited		
Class of Financial Product	Ordinary Shares		
NZX ticker code	FBU		
ISIN (If unknown, check on NZX website)	NZFBUE0001S0		
Name of Registry	Computershare Investor Services Limited		
Type of corporate action (Please mark with an X in the relevant box/es)	Share Purchase Plan/retail offer		Renounceable Rights issue or Accelerated Offer
	Capital reconstruction		Non-Renounceable Rights issue or Accelerated Offer
	Call		Bonus issue
	Placement	X	
Record date	24/09/2024		
Ex Date (one business day before the Record Date)	23/09/2024		
Currency	NZD / AUD		
External approvals required before offer can proceed on an unconditional basis?	No		
Details of approvals required	N/A		

Section 2: Rights issue or Accelerated Offer

(delete full section if not applicable, or mark rows as N/A if not applicable)*

If Accelerated Offer, structure	Accelerated Non-renounceable Entitlement Offer (ANREO)
Number of Rights to be issued or entitlements available for security holders in the Accelerated Offer	174,397,237
Maximum number of Equity Securities to be issued if offer is fully subscribed	174,397,237
ISIN of Rights (if applicable)	N/A
Oversubscription facility	Y
Details of scaling arrangements for oversubscriptions	Eligible retail shareholders (as defined in the offer document for the ANREO dated 23 September 2024)

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	(Offer Document) who have taken up all of their entitlements in full may apply for additional new shares under the ANREO, up to a maximum amount of new shares equal to 100% of their entitlements. Allocations and any necessary scaling of additional new shares applied for by eligible retail shareholders who take up their entitlements in full will be determined by Fletcher Building Limited and Jarden Securities Limited (in its capacity as lead manager), with the objective of treating eligible retail shareholders fairly and taking into account their pro-rata allocation across the Placement and the ANREO.			
Entitlement ratio (for example 1 for 3) Please contact NZX ahead of announcing the offer if each Right will be exercisable for more or less than one Equity Security (i.e unless prior arrangement is made, Rights will be exercisable on a one for one basis)	New	1	Existing	4.49
Treatment of fractions	Entitlements are not rounded up to a minimum holding. The number of new shares to which an eligible shareholder is entitled will, in the case of fractions of new shares, be rounded down to the nearest whole number.			
Subscription price (per Equity Security)	\$2.40 (or the A\$ Price, as defined in the Offer Document)			
Letters of entitlement mailed	26/09/2024			
Offer open	26/09/2024			
Offer close	08/10/2024			
Quotation date (if Rights will be quoted)	N/A			
Allotment date	Market open on: 30/09/2024 (institutional component of ANREO) 15/10/2024 (retail component of ANREO)			
Section 7: Placement				
Number of Equity Securities to be issued	117,456,539 ordinary shares			
Issue price per Equity Security	\$2.40			
Maximum dollar amount of Equity Securities to be issued	\$281,895,693			
Proposed issue date	30/09/2024			
Existing holders eligible to participate	Y			
Related Parties eligible to participate	Y			

Basis upon which participation by existing Equity Security holders will be determined	All eligible institutional shareholders (as defined in the Offer Document) will be invited to participate in the Placement component of the offer. Eligible retail shareholders (as defined in the Offer Document) may be able to participate in the Placement via their brokers who bid for new shares in the Placement on behalf of their retail clients.
Purpose(s) for which the Issuer is issuing the Equity Securities	All net proceeds from the Offer will be used to repay existing debt.
Reason for placement rather than a pro-rata rights issue or an offer under a Share Purchase Plan in which the Issuer's existing Equity Security holders would have been eligible to participate	<p>Fletcher Building has chosen to undertake a Placement and ANREO to raise capital. The board of Fletcher Building considers that the placement and ANREO structure is in the best interests of Fletcher Building, after carefully considering alternative structures, and weighing the benefits of this structure against the expected impact on non-participating Shareholders. In determining that the Placement and Entitlement Offer is in the best interests of Fletcher Building, the board has considered:</p> <p>(a) Fairness to Shareholders: the pro-rata nature of an ANREO allows all Eligible Shareholders to take up at least their pro-rata portion of the Entitlement Offer. Eligible Retail Shareholders who take up all their Entitlements will have the opportunity to offset any dilution to their shareholding as a result of the Placement by applying for additional New Shares forming part of any shortfall in the Retail Entitlement Offer, up to a maximum amount of New Shares equal to 100% of their Entitlements. Eligible Institutional Shareholders will have the opportunity to apply for New Shares in the Placement and which form part of any shortfall in the Institutional Entitlement Offer. Accordingly, while the Placement is not pro rata, Eligible Shareholders are expected to have the opportunity to avoid or mitigate dilution.</p> <p>(b) Benefits of Offer structure: The ANREO structure is the most common pro-rata offer structure utilised by ASX listed companies to raise equity capital, and has a number of benefits as compared to a renounceable pro-rata offer structure. The board considered that the key benefits of a placement and ANREO structure, based on independent expert investment banking advice obtained from Jarden, are:</p> <p>(i) Better pricing: a placement and ANREO structure allows Fletcher Building to price the Offer at a smaller discount than would be the case for a renounceable pro-rata offer structure or without a placement, including as a result of the execution certainty described below. This minimises the dilutionary impact on non-participating Shareholders. The offer structure also provides certainty to existing Shareholders as to the price they will pay to</p>

	<p>subscribe for New Shares in excess of their pro rata Entitlement given the fixed Offer Price.</p> <p>(ii) Allocation flexibility: an ANREO, together with a placement, gives Fletcher Building greater flexibility when selecting which investors are allocated New Shares under the Placement or any shortfall under the Entitlement Offer, when compared to a renounceable pro-rata offer structure. This allows allocations of New Shares under the Placement, and attributable to Unexercised Institutional Entitlements, to be prioritised to high-quality investors who are expected to support the company over the long term, enhancing the prospects of solid aftermarket performance of the Shares.</p> <p>(iii) Execution certainty: given the purpose for which the funds are being raised under the Offer, it is important to Fletcher Building to have certainty as to the receipt of the Offer proceeds. Accordingly, it was important that the Placement and the Entitlement Offer are fully underwritten. A placement and ANREO are able to be more easily underwritten and at better pricing than alternative offer structures. In particular, the accelerated nature of an ANREO enables completion of the Entitlement Offer quicker than a traditional rights issue or an accelerated renounceable entitlement offer. This faster timetable means the period of risk associated with potential market volatility between the Entitlement Offer opening and settlement is reduced, which in turn supports greater participation by both sub-underwriters and Shareholders, as well as better pricing. The absence of any shortfall bookbuilds (as seen in renounceable pro-rata offer structures) also enables greater sub-underwriting support. These elements have enabled the Offer to be fully underwritten with better pricing than would have been available for a renounceable offer structure.</p>
Equity Securities to be issued subject to voluntary escrow	N
Number and class of Equity Securities to be issued that will be subject to voluntary escrow and the date from which they will cease to be escrowed	N/A
Section 8: Lead Manager and Underwriter (mandatory)	
Lead Manager(s) appointed	Y



Name of Lead Manager(s)	Jarden Securities Limited
Fees, commission or other consideration payable to Lead Manager(s) for acting as lead manager(s)	Fletcher Building agrees to pay a lead management fee of 0.6% of the total gross proceeds raised under the Placement and ANREO.
Underwritten	Y
Name of Underwriter(s)	Jarden Partners Limited
Extent of underwriting (i.e. amount or proportion of the offer that is underwritten)	The Placement and the ANREO are fully underwritten by Jarden Partners Limited.
Fees, commission or other consideration payable to Underwriter(s) for acting as underwriter(s)	Fletcher Building agrees to pay an underwriting fee of 1.9% of the total gross proceeds raised under the Placement and ANREO.
Summary of significant events that could lead to the underwriting being terminated	A summary of the significant events that could lead to the underwriting being terminated are set out under the heading "Underwriting Agreement" in Part 4 of the Offer Document.
Section 9: Authority for this announcement (mandatory)	
Name of person authorised to make this announcement	Haydn Wong, General Counsel and Company Secretary
Contact person for this announcement	Haydn Wong, General Counsel and Company Secretary
Contact phone number	+64 (0)21 606 267
Contact email address	haydn.wong@fbu.com
Date of release through MAP	23/09/2024

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

23 September 2024

NZX Limited
Level 1, NZX Centre
11 Cable Street
WELLINGTON

Copy to:

ASX Limited
Exchange Centre
Level 6, 20 Bridge Street
Sydney NSW 2000
AUSTRALIA

FLETCHER BUILDING LIMITED (NZX:FBU; ASX:FBU)

**NOTICE PURSUANT TO CLAUSE 20(1)(A) OF SCHEDULE 8 TO THE
FINANCIAL MARKETS CONDUCT REGULATIONS 2014**

1. Fletcher Building Limited (**Fletcher Building**) announced on 23 September 2024 that it intends to undertake a fully underwritten offer of new fully paid ordinary shares in Fletcher Building (**New Shares**) of the same class as already quoted on the Main Board operated by NZX Limited and the Australian Securities Exchange (**ASX**) operated by ASX Limited, by way of:
 - (a) a placement of New Shares to eligible institutional and other selected investors to raise approximately \$282 million (**Placement**); and
 - (b) a pro-rata 1 for 4.49 accelerated non-renounceable entitlement offer of New Shares to eligible shareholders in New Zealand, Australia and other selected jurisdictions (**Entitlement Offer**) to raise approximately \$418 million,(the Placement and Entitlement Offer, together the **Offer**).
2. The Offer is being made to investors in New Zealand in reliance upon the exclusion in clause 19 of Schedule 1 to the Financial Markets Conduct Act 2013 (**FMCA**) and in Australia pursuant to sections 708AA and 708A of the Australian

Corporations Act 2001 (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 and ASIC Instrument 18-0268.

3. Fletcher Building will offer and issue the New Shares under the Offer to investors in Australia without disclosure under Part 6D.2 of the Corporations Act.
4. This notice is provided under:
 - (a) subclause 20(1)(a) of Schedule 8 to the Financial Markets Conduct Regulations 2014 (**Regulations**); and
 - (b) paragraph 708A(12J) (as notionally inserted by ASIC Instrument 18-0268) of the Corporations Act and paragraph 708AA(2)(f) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 18-0268) of the Corporations Act.
5. As at the date of this notice:
 - (a) Fletcher Building is in compliance with the continuous disclosure obligations that apply to it in relation to the ordinary shares in Fletcher Building;
 - (b) Fletcher Building is in compliance with its financial reporting obligations (as defined in subclause 20(5) of Schedule 8 to the Regulations);
 - (c) Fletcher Building has complied with its obligations under rule 1.15.2 of the ASX Listing Rules; and
 - (d) there is no information that is "excluded information" (as defined in subclause 20(5) of Schedule 8 to the Regulations) in respect of Fletcher Building.
6. The Offer is not expected to have any material effect or consequence on the "control" (as defined in clause 48 of schedule 1 to the FMCA) of Fletcher Building.

#ENDS

Authorised by:

Haydn Wong
Company Secretary

Important notice

This communication is not for distribution or release in the United States. This communication does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States, except in transactions exempt from, or not subject to, registration under the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

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