

28 May 2018

Reece successfully completes A\$421 million Entitlement Offer

Overview

- Retail Entitlement Offer successfully completed, raising approximately A\$352 million, which included applications for a total of approximately A\$8 million of Additional Shares
- Retail Entitlement Offer was strongly supported by existing retail shareholders, with over 70% take-up from eligible retail shareholders (excluding the Wilson Family and applications for Additional Shares)
- The Wilson Family, in their capacity as sub-underwriter, subscribed for approximately A\$300 million of shares

Reece Limited (ASX code: REH, **Reece**) today announced the successful completion of the retail component of its fully underwritten 1 for 11 pro rata accelerated non-renounceable entitlement offer announced on Monday, 7 May 2018 (**Entitlement Offer**).

Completion of the retail component of the Entitlement Offer (**Retail Entitlement Offer**) represents the final stage of Reece's approximately A\$600 million equity raising which includes the Entitlement Offer and a fully underwritten institutional placement (**Placement**).

The Retail Entitlement Offer closed at 5.00pm (AEST) on Wednesday, 23 May 2018 raising approximately A\$352 million at A\$9.30 per new fully paid ordinary share to be issued in Reece (**New Share**). Together with the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), the total amount raised under the Entitlement Offer is approximately A\$421 million.

The Retail Entitlement Offer was well supported by eligible retail shareholders. Eligible retail shareholders (excluding members of the Wilson Family) subscribed for approximately A\$23 million of New Shares (representing over 70% take-up) and subscribed for a further approximately A\$8 million of additional New Shares in excess of their entitlement (**Additional Shares**).

As the Entitlement Offer was fully underwritten, New Shares that were not taken up by eligible retail shareholders (including members of the Wilson Family) in the Retail Entitlement Offer were allocated to the underwriter and then in turn first to the Wilson Family sub-underwriters (approximately A\$300 million), then to eligible retail shareholders who applied for Additional Shares (up to a maximum of 45% of their entitlement) and the balance to non-Wilson Family sub-underwriters of the Retail Entitlement Offer, many of whom are existing shareholders of Reece.

Commenting on the outcome of the Entitlement Offer, Reece Chief Executive Officer, Peter Wilson said: *"Following a well-supported Placement and Institutional Entitlement Offer, the success of the Retail Entitlement Offer demonstrates strong investor support for Reece's strategy and the strategic rationale of the acquisition of MORSCO Inc."*

New Shares issued under the Retail Entitlement Offer will rank equally in all respects with existing shares. The New Shares issued under the Retail Entitlement Offer are expected to be allotted on Wednesday, 30 May 2018. Trading is expected to commence on a normal settlement basis on the ASX on the following day.

For further information contact:

Lauren Thomson +61 438 954 729 | Courtney Howe +61 404 310 364