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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:

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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



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

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).