



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

31 August 2020

Dear Shareholder,

**ACCELERATED PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER
NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS**

On 24 August 2020, Emeco Holdings Limited ACN 112 188 815 (**Emeco**) announced that it was conducting an accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**) for approximately A\$149 million in new fully paid ordinary shares in Emeco (**New Shares**) to eligible shareholders on a 1 for 2.1 basis (1 New Share for every 2.1 existing Emeco ordinary shares held as at the Record Date), at an offer price of A\$0.85 per New Share.

The net proceeds of the Entitlement Offer will be used by Emeco to repay 44% of Emeco's outstanding 2022 Secured Notes.

The Entitlement Offer is being made without a prospectus or product disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (the **Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Institutional Entitlement Offer has already closed and the results announced to ASX.

The Entitlement Offer is joint lead managed and underwritten by Goldman Sachs Australia Pty Ltd ACN 006 797 897 and Macquarie Capital (Australia) Limited ACN 123 199 548 (together the **Joint Lead Managers**).

An offer booklet in relation to the Retail Entitlement Offer will be lodged with ASX and mailed to Eligible Retail Shareholders (as defined below) on or around 31 August 2020.

This is a letter to inform you that you are not an Eligible Retail Shareholder for the purposes of the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to apply for New Shares. **You are not required to do anything in response to this letter but there may be financial and other implications for you as a result of the Entitlement Offer that you should be aware of.**

Eligibility Criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those persons who:

- (a) are registered as a holder of fully paid ordinary shares in Emeco as at 7:00pm (Sydney time), Wednesday, 26 August 2020 (**Record Date**);
- (b) have a registered address on Emeco's share register that is in Australia or New Zealand or are a shareholder that Emeco has otherwise determined is eligible;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States with respect to their shares in Emeco (to the extent such person holds Emeco shares for the account or benefit of such person in the United States);
- (d) were not invited to participate (other than as nominee, in respect of the other underlying holdings) in the Institutional Entitlement Offer (and were not otherwise treated as an ineligible institutional shareholder under the Institutional Entitlement Offer); and

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- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Emeco has determined, pursuant to section 9A of the Corporations Act and ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers to shareholders in all countries outside Australia or New Zealand in connection with the Retail Entitlement Offer. This is due to the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to Emeco of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Emeco ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

Determination of eligibility of shareholders for the purposes of the Retail Entitlement Offer is determined by Emeco with reference to a number of matters. The Joint Lead Managers and each of their affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Emeco wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the documents relating to the Retail Entitlement Offer or be able to subscribe for New Shares under the Retail Entitlement Offer.

Notwithstanding the above, Emeco may agree to extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible.

If you have any questions in relation to any of the above matters, please contact the Emeco Shareholder Information Line on 1300 402 422 (within Australia) or +61 1300 402 422 (outside Australia) from 8:30am to 5:30pm (Sydney time), Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

On behalf of Emeco, we regret that you are not eligible to participate in the Entitlement Offer and thank you for your continued support.

Yours sincerely



Penny Young
Company Secretary
EMECO HOLDINGS LIMITED

IMPORTANT INFORMATION

This letter is issued by Emeco. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any entitlements or securities in Emeco in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of entitlements or Emeco shares.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Emeco and the Joint Lead Managers. Each of Emeco and the Joint Lead Managers and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

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This letter does not constitute an offer to sell, or a 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 New Shares have not been, nor will be, registered under the U.S. Securities Act of 1933 as amended (U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered or sold to any person in the United States or any person acting for the account or benefit of a person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Under the Retail Entitlement Offer, the New Shares will only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) of the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.