



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

31 August 2020

Dear Shareholder,

**ACCELERATED PRO-RATA NON-RENOUCEABLE ENTITLEMENT OFFER
NOTIFICATION TO ELIGIBLE 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 new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.85 per New Share (**Offer Price**) to raise approximately A\$149 million.

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

This letter is to inform you about the Entitlement Offer and to explain that, if you are an Eligible Retail Shareholder (as defined below), you will be able to purchase 1 New Share for every 2.1 existing Emeco ordinary shares held on the record date of 7:00pm (Sydney time) on Wednesday, 26 August 2020 (**Entitlement**). New Shares under the Entitlement Offer will be fully paid and rank equally in all respects with existing Emeco ordinary shares from their date of issue. Fractional Entitlements will be rounded up to the nearest whole number of shares.

What is the Entitlement Offer?

The Entitlement Offer is being made by Emeco 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, meaning that the Entitlement Offer does not require disclosure under Part 6D.2 of the Corporations Act and no prospectus or product disclosure document is required to be prepared in relation to the Entitlement Offer.

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**).

Eligible Retail Shareholders are shareholders in Emeco 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) did not receive an offer 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
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who are not Eligible Retail Shareholders are ineligible shareholders. In particular, shareholders that are in the United States or that are acting for the account or benefit of a person in the United States (to the extent such person holds Emeco ordinary shares for the account or benefit of such persons in the United States) are not eligible to participate in the Retail Entitlement Offer.

According to our records, you satisfy the eligibility criteria for an Eligible Retail Shareholder.

Retail Offer Booklet

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Retail Entitlement Offer.

The Entitlement Offer is non-renounceable which means that Entitlements are non-transferable and cannot be traded on the ASX or any other exchange, nor can they be privately transferred. If Eligible Retail Shareholders take no action they will not be allocated New Shares or receive any value in respect of the Entitlements they do not take up and their Entitlements will lapse.

Key Dates for the Retail Entitlement Offer

Event	Date (Sydney time)
Entitlement Offer materials lodged with ASX and announcement of Entitlement Offer	24 August 2020
Record Date to identify Eligible Retail Shareholders entitled to participate in the Retail Entitlement Offer	7:00pm 26 August 2020
Retail Entitlement Offer Opening Date	31 August 2020
Last day to extend the Retail Offer	10 September 2020
Retail Entitlement Offer Closing Date	5:00pm 15 September 2020
Results of Retail Entitlement Offer announced on ASX	18 September 2020
Settlement of Retail Entitlement Offer	21 September 2020
Issue of New Shares under the Retail Entitlement Offer	22 September 2020
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	23 September 2020
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	24 September 2020

The timetable above is indicative only and may be subject to change. Emeco reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Emeco reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX.

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.

We look forward to continuing our strong relationship with all of our shareholders.

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.