

8 March 2021

**Grafton Group plc
(the “Company”)**

Simplification of the Grafton Unit

Grafton Group plc today announces that further to the resolutions passed by the shareholders at an extraordinary general meeting of the Company held on 21 January 2021 and the company notice issued on the website of the Company by Grafton Group (UK) plc on 4 March 2021 (the “**Company Notice**”), the Simplification of the Grafton Unit (as described below) became effective as of 6.00pm on 7 March 2021.

The Simplification of the Grafton Unit involved: (i) the surrender and cancellation of the ‘A’ Ordinary Shares of the Company in issue as at 6.00pm on 7 March 2021; and (ii) the purchase by the Company of the ‘C’ Ordinary Shares of Grafton Group (UK) plc in issue as at 6.00pm on 7 March 2021 and the related waiver of rights. The ‘A’ Ordinary Shares of the Company were surrendered and cancelled for nil consideration and the ‘C’ Ordinary Shares of Grafton Group (UK) plc were purchased by the Company at nominal value and the consideration waived and retained by Grafton Group (UK) plc as part of its reserves in view of the immateriality of the amount involved relative to the cost of administering payment.

Following the Simplification of the Grafton Unit, a Grafton Unit will consist of an Ordinary Share of €0.05 in the Company and Irish Dividend Withholding Tax (“**DWT**”) will, subject to certain exemptions, apply to all future dividends and other distributions paid by the Company. The Notice of 2021 Annual General Meeting will include (i) a summary of the implications of DWT for shareholders of the Company and the methods by which certain exemptions may be availed; and (ii) an FAQ on DWT. This material on DWT is currently available on the Company’s website at <https://www.graftonplc.com/investors/dividends> and is provided for general information purposes only. It does not cover all DWT matters that may be relevant to a particular shareholder. Each shareholder is urged to consult his/her or its own tax adviser as to the particular Irish and non-Irish tax consequences that may apply to such shareholder.

For further information please contact:

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