

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported) September 1, 2023



WATSCO, INC.

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction of Incorporation)

1-5581
(Commission
File Number)

59-0778222
(IRS Employer
Identification No.)

2665 South Bayshore Drive, Suite 901
Miami, Florida
(Address of principal executive offices)

33131
(Zip Code)

(305) 714-4100

Registrant's Telephone Number, Including Area Code

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name on each exchange on which registered
Common stock, \$0.50 par value	WSO	New York Stock Exchange
Class B common stock, \$0.50 par value	WSOB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.02. Unregistered Sales of Equity Securities.

Item 8.01. Other Events.

On September 1, 2023 (the “Closing Date”), Gateway Supply, LLC, a Delaware limited liability company and a wholly owned subsidiary of Watsco, Inc., a Florida corporation (the “Company”), acquired the plumbing and HVAC distribution business (the “Business”) of Gateway Supply Company, Inc., a South Carolina corporation (“Seller”), pursuant to the acquisition of substantially all of the assets and the assumption of certain of the liabilities of the Business under a previously reported purchase agreement dated as of July 28, 2023 (the “Purchase Agreement”). Pursuant to the Purchase Agreement, the purchase price for the Business was \$103 million determined as of the Closing Date. Approximately \$4 million of the purchase price payable to Seller was paid in cash, and the balance was paid by delivery of an aggregate of 280,215 shares (the “Issued Shares”) of the Company’s Common stock, par value \$0.50 per share (“Common stock”). The number of Issued Shares was determined on the Closing Date based in part upon the average closing price of the Common stock for the ten trading days immediately preceding the Closing Date. Of the Issued Shares, 21,228 shares (the “Lockup Shares”) are subject to a contractual restriction that generally prohibits the sale or other transfer of the Lockup Shares by the Seller for a period of one year following the Closing Date with respect to half of such shares, and two years following the Closing Date with respect to the other half of such shares.

As previously reported, the Issued Shares have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), and the Company offered the Issued Shares in reliance upon the exemptions from registration contained in Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder. The Seller represented to the Company that it is an “accredited investor” as defined in Rule 501(a) under the Securities Act and that it was acquiring the Issued Shares for investment and not with a view to distribution thereof in violation of the Securities Act. In accordance with the Company’s obligations under a registration rights agreement entered into on September 1, 2023, by and among the Company and the sellers party thereto, the Company agreed to register the resale of the Issued Shares (other than Lockup Shares) under the Company’s currently effective Registration Statement on Form S-3 (File No. 333-260758).

The offer and sale of the Issued Shares described in this Current Report on Form 8-K have not been registered under the Securities Act or any state securities laws. The Issued Shares may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This Current Report on Form 8-K is not an offer to sell or the solicitation of an offer to buy the securities described herein.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
5.1	Opinion of Greenberg Traurig, P.A.
23.1	Consent of Greenberg Traurig, P.A. (included in Exhibit 5.1 hereto)
104	Cover Page Interactive Data File (formatted as Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WATSCO, INC.

Dated: September 5, 2023

By: /s/ Ana M. Menendez
Ana M. Menendez,
Chief Financial Officer

September 5, 2023

Watsco, Inc.
2665 South Bayshore Drive
Suite 901
Coconut Grove, Florida 33133

Re: Registration Statement on Form S-3 (File No. 333-260758)

Ladies and Gentlemen:

We have acted as counsel to Watsco, Inc., a Florida corporation (the "Company"), in connection with the Company's registration of 258,987 shares of the Company's Common stock, par value \$0.50 per share (the "Shares"), covered by the above-referenced registration statement (including the prospectus contained therein, the "Registration Statement"), filed by the Company with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), together with the Prospectus Supplement, dated September 5, 2023 (the "Prospectus Supplement"), filed with the Commission pursuant to Rule 424(b)(7) under the Securities Act, relating to the resale of the Shares by the selling shareholders named in the Prospectus Supplement. The Shares were issued pursuant to that certain Asset Purchase Agreement, dated as of July 28, 2023 (the "Purchase Agreement"), by and among the Company, Gateway Supply, LLC, Gateway Supply Company, Inc. and the owners identified on the signature pages thereto.

In connection with our representation of the Company and the preparation of this opinion letter, we have examined, considered and relied upon the following documents (collectively, the "Documents"):

1. the Registration Statement and all amendments thereto, and the related form of prospectus contained therein, in the form in which it was transmitted to the Commission;
2. the Prospectus Supplement, in the form transmitted to the Commission for filing on September 5, 2023 pursuant to Rule 424(b)(7) under the Securities Act;
3. the Purchase Agreement;
4. the Company's Articles of Incorporation, as amended, as filed with the Department of State of the State of Florida;
5. the Company's Bylaws, as amended;
6. resolutions adopted by the Board of Directors of the Company in respect of the issuance of the Shares, certified as of the date hereof by an officer of the Company; and

7. such other documents and matters of law as we have considered necessary or appropriate for the expression of the opinions contained herein.

In rendering the opinions set forth below, we have assumed without investigation the following: (i) the genuineness of all signatures and the authenticity of all Documents submitted to us as originals, the conformity to authentic original documents of all Documents submitted to us as copies and the veracity of the Documents; (ii) each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so; (iii) each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory; and (iv) the obligations of each party set forth in the Documents are valid and binding obligations of such party and are enforceable against such party in accordance with all stated terms.

As to various questions of fact material to this opinion, we have relied, to the extent we deemed reasonably appropriate, upon representations of officers or directors of the Company and upon documents, records and instruments furnished to us by the Company, without independently checking or verifying the accuracy of such documents, records and instruments.

Based upon the foregoing, and subject to the qualifications, assumptions and limitations set forth herein, we are of the opinion that the Shares have been duly authorized and validly issued and are fully paid and nonassessable.

This opinion letter is limited to the matters stated herein, and no opinions may be implied or inferred beyond the matters expressly stated herein. The opinions expressed herein are as of the date hereof, and we assume no obligation to update or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. We do not express any opinion herein concerning any law other than the laws of the State of Florida and the federal laws of the United States.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Company's Current Report on Form 8-K relating to the issuance of the Shares (the "Current Report"), which is incorporated by reference in the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Current Report and such incorporation by reference into the Registration Statement, of which the Prospectus Supplement forms a part, and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder.

Sincerely,

GREENBERG TRAURIG, P.A.

By: /s/ Drew M. Altman, Esq.
Drew M. Altman, Esq.