



- ▶ CONSTRUCTION MATERIALS
- ▶ PROJECT SERVICES
- ▶ COMPOSITE FIBRE TECHNOLOGIES
- ▶ EARTH FRIENDLY CONCRETE

WAGNERS HOLDING COMPANY LIMITED

19 November 2024

ASX Market Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

BY ELECTRONIC LODGEMENT

Wagners Holding Company Limited

2024 Annual General Meeting Addresses

In compliance with listing rule 3.13.3, please find attached the following addresses which will be presented at the Annual General Meeting of Wagners Holding Company Limited being held today at 10:00am:

1. 2024 AGM Address from the Chairman, Mr Denis Wagner; and
2. 2024 AGM Address from the Managing Director, Mr Cameron Coleman.

This announcement has been authorised for release to the market by the Board.

Regards,

Karen Brown

General Counsel and Company Secretary

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WAGNERS HOLDING COMPANY LIMITED (ACN: 622 632 848)



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CHAIRMAN'S ADDRESS

Welcome to our shareholders and guests both here in person and via video link, we are pleased to present an improved result for the financial year 2024.

The overall construction materials business has continued to show better performance, this can be attributed to the improved operational efficiencies that have been a focus for the last 18 months, in addition to more reasonable market conditions, in both cement and concrete. Our plans to continue to grow our concrete plant network are ongoing and will be done in a responsible way.

All of our divisions in the project services sector, transport, concrete, quarries and precast all met our expectation this year. We have a sound base of experience, equipment and people to grow this project work going forward. We see many opportunities in the renewable power sector and we have a focus on this market.

The Composites business has set a good platform for growth this year, both in Australia and the USA. We have finalised many legacy projects that have lingered over a number of years. We have enjoyed ongoing success with our utility poles and we are leading the world with this technology. The acceptance of our pedestrian structures has improved and we ended the year with good order book in both countries.

One of our Directors, Lynda O'Grady did not seek reappointment this year. I would like to highlight the contribution Lynda O'Grady has made to Wagners since our listing in 2017. She has provided the Board with firm and valuable perspectives and we wish Lynda every success going forward.

Can I acknowledge and thank all those who have made a positive contribution to Wagners during FY 24 and we look forward to a very successful 2025.

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MANAGING DIRECTOR'S ADDRESS

Good morning Ladies and Gentlemen, and welcome to Toowoomba for our AGM.

I'm pleased to be able to join you here today following much improved business performance compared to last year. Demand for construction materials and services remained strong throughout the year and market conditions were stable.

I'll start by taking you through an overview of our financial performance for FY24.

On a consolidated basis the group delivered a revenue result of \$481 million, an operating EBIT of \$40 million and Net Profit After Tax of \$10 million. This is a significant improvement from what we've delivered in recent years.

In summary, we've seen overall strong demand for construction materials and services, together with improvement in our gross margins. We experienced strong cement volumes, particularly in Q4, with increased contribution from our concrete plants.

Our concrete business is delivering record volumes. These volumes, our focus on cost control measures and stable market conditions have resulted in improved performance this year. Efforts continued on the expansion of our South-East Queensland concrete plant network with a new site becoming operational and other sites secured for development throughout the period.

Breaking this down into our reporting segments, the South-East Queensland Construction Materials business delivered improved results on last year, with revenue of \$216 million and an EBIT result of \$32million.

The Project Services segment (or contracting business) achieved revenue and EBIT results consistent with FY23. This included a significant contribution from a large precast tunnel project as we've discussed previously.

There were mixed results in our Composite Fibre Technologies (CFT) business. It has been pleasing to see some extremely positive signs that should deliver improved performance in FY25, including improved margins, particularly in the Australian business.

The Australia/New Zealand business delivered growth in both revenue and underlying EBIT, reflecting increased demand for our composite products. Crossarm volumes improved compared to the prior year. And, efficiencies generated from the investment made in automated processing equipment delivered improved margins.

Demand for light and utility poles continued to increase during the year and the business secured two new long term contracts for the supply of CFT power poles throughout New South Wales and Queensland.

While the custom build division experienced record levels of demand for our product, as we've previously highlighted the result was negatively impacted by an unfavourable project in New Zealand. CFT USA also negatively impacted profitability with a \$4.2 million loss in FY24, reflecting the investment made throughout the year, as the business continues to establish itself in the US market.

If we now look at the first few months of this year, performance for the first quarter has remained positive, with strong demand for construction materials and services and our composite products, continuing. More specifically:

- Cement volumes have remained steady, however we have seen some improvement in margins;
- Concrete volumes have continued to increase with October being a record month;
- Project Services has not performed as expected with a number of bulk haulage projects impacted by various client related matters. We also completed one bulk haulage project at the end of August that has not yet been replaced. As we've highlighted previously, there is currently no replacement for the Sydney Precast Tunnel project which will impact the precast business contribution to this year's result.
- With the legacy projects that impacted last year's results now behind us, our composites business has had an extremely positive start to FY25, across crossarms, poles and custom build with improved margins being delivered in each of these areas. The losses in the US have also reduced significantly with both the right sizing of the business and a number of new projects being secured for delivery this financial year.

Based on this performance year to date, we are forecasting a half year EBIT result in the range of \$16million to \$18million. By way of comparison, the reported first half operating EBIT result for the prior year was \$20million, which included a significant contribution from the precast business.

We remain committed to growing our South-East Queensland concrete business. We recently opened the Yatala plant, south of Brisbane, and work has commenced on the Wulkuraka concrete plant, just to the West of Brisbane, near Ipswich. We have another three sites, now under contract, ready for construction of additional concrete batch plants. These batch plants provide a critical path to market for our vertically integrated businesses, including cement, flyash and aggregates.

While we supply products to a number of major projects across the entire business, the locals in the room would be pleased to note that in the last month, we have also secured the supply of concrete and reinforcing steel to the new Toowoomba Hospital. This is one of the larger construction projects being undertaken in our region and we are proud to be associated with it.

Looking now at our outlook, we remain confident, with demand for our core products expected to remain strong. We have a solid forward order book across all areas of the business with several contracts secured for the longer-term supply of materials and project services.

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There is also a robust civil infrastructure pipeline in South East Queensland, particularly with the 2032 Olympics now well and truly on our radar, requiring significant construction materials and services to deliver on the infrastructure requirements for those games. We also have exposure to the resources sector which has and will continue to provide value and opportunity to our business.

We expect demand for our composite products to continue to increase, as asset owners understand the whole of life cost benefit our products provide. We are well placed to service these requirements given the investment we have made over previous years.

We believe our strategy remains sound and our business is well positioned to take advantage of these opportunities in our sector.

None of this is possible without our people. I would like to take this opportunity to thank the entire Wagners' team for their efforts throughout FY24 and look forward to continuing to grow our business together.

Thanks also to the Board of Directors, who provide valued guidance and remain committed to delivering value to our stakeholders.

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