



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

WAGNERS HOLDING COMPANY LIMITED

25 February 2025

ASX Market Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Wagners H1 FY25 Results – Investor Presentation

Please find attached the Investor Presentation relating to the Company's half year results ending 31 December 2024, for immediate release to market.

This announcement has been authorised for release to the market by Karen Brown, Company Secretary.

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About Wagners:

Wagners is a diversified Australian construction materials and services provider and an innovative producer of New Generation Building Materials. Established in 1989 in Toowoomba, Queensland, Wagners is now an ASX-listed business operating in domestic and international markets. Wagners are a producer of cement, concrete, aggregates, new generation composite products and are world leaders in development of new technology to reduce the impact of heavy construction materials on the environment. Wagners are also providers of transport services, precast concrete and reinforcing steel.

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H1 FY25 RESULTS PRESENTATION

25 FEBRUARY 2025



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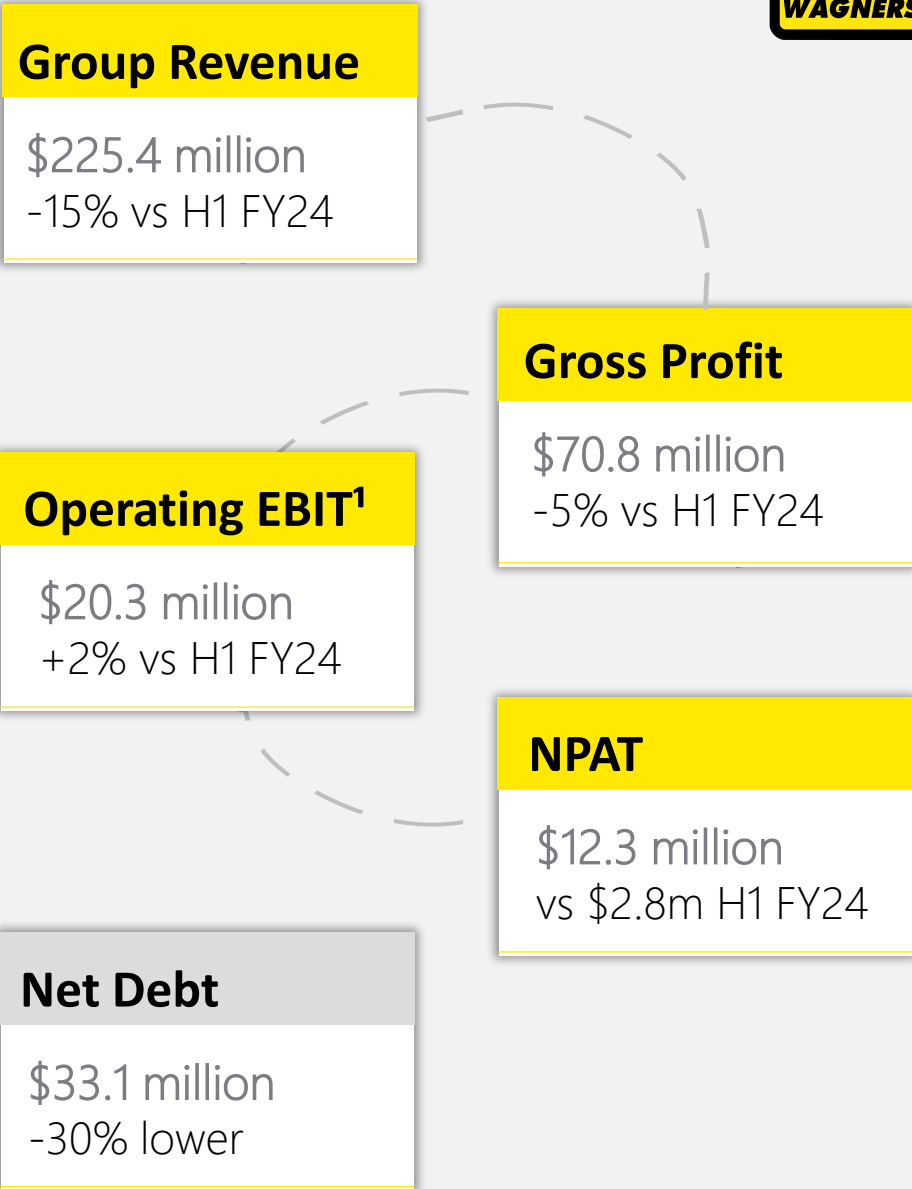
H1 FY25 GROUP HIGHLIGHTS

CONTINUED MOMENTUM IN CONSTRUCTION MATERIALS SEGMENT WITH IMPROVED MARGINS

- Revenue of \$225.4 million,
 - Strong performance from core Construction Materials business with revenue +15% to \$129.4 million (H1 FY24: \$112.7 million)
 - Increase in demand for Composite Fibre Technology products with revenues +12% to \$34.7 million (H1 FY24: \$31 million)
 - Decline in Project Services revenue due to completion of large precast tunnel project in FY24
- Operating EBIT¹ of \$20.3 million +2% (H1 FY24: \$19.9 million), exceeding guidance range²
- Net Profit After Tax of \$12.3 million, significantly higher versus H1 FY24 reflecting wind down impairment of EFT operations and improvement in fair value of derivatives
- Strong operating cash flow generation with net debt reduced to \$33.1 million
- FY24 dividend of 2.5 cents per share (\$4.7 million) paid in H1 FY25

1. Operating EBIT includes EFC losses (\$1.1 million in H1 FY24 and \$0.2 million in H1 FY25), and excludes \$5.6 million EFC impairment, \$1.8 million impact of derivative mark-to-market losses in H1 FY24 and \$2.0 million impact of derivative mark-to-market gains in H1 FY25.

2. H1 FY25 Operating EBIT guidance provided at AGM of \$16 – 18 million.



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H1 FY25 HIGHLIGHTS & PERFORMANCE



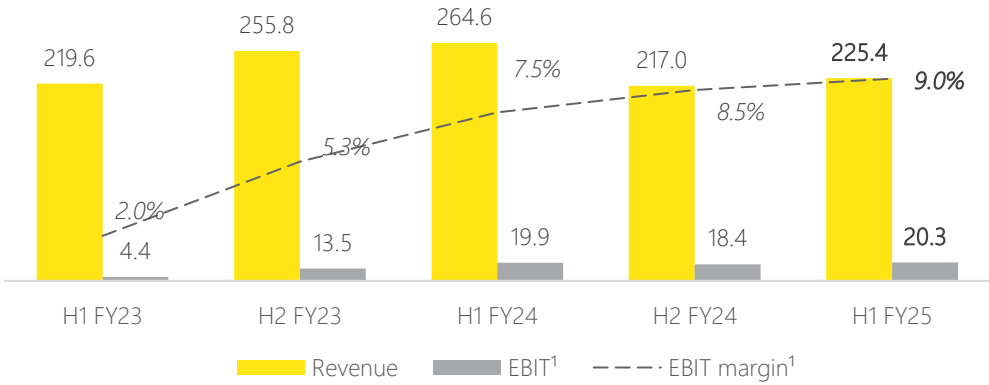
H1 FY25 PERFORMANCE

HIGHER QUALITY REVENUE MIX DRIVING EARNINGS GROWTH

(\$m)	1H FY25	1H FY24	Change
Total Revenue	225.4	264.6	(39.2)
Gross Profit	70.8	74.3	(3.6)
Gross Margin	31.4%	28.1%	3.3%
Other Income	2.3	1.3	1.0
Operating Costs	(40.5)	(41.8)	1.3
Operating EBITDA	32.6	33.8	(1.3)
Depreciation and Amortisation	(12.3)	(13.9)	1.6
Operating EBIT	20.3	19.9	0.4
EBIT Margin	9.0%	7.5%	1.5%
EFC Impairment	-	(5.6)	5.6
Fair value adjustment on derivatives	1.9	(2.0)	3.9
Other	0.2	0.2	0.1
Reported EBIT	22.5	12.5	10.0
Net Finance Costs	(5.6)	(6.8)	1.2
Net profit before tax	16.9	5.7	11.2

- Decline in revenue due to completion of large precast tunnel project in Q3 FY24
- Improved market conditions together with operating efficiencies delivered Operating EBIT margin of 9% versus 7.5% in H1 FY24
- Reported EBIT in H1 FY24 impacted by EFC impairment and movement in derivative mark-to-market (from \$2.0 million loss in H1 FY24 to \$1.9 million gain in H1 FY25)
- Net profit before tax of \$16.9 million vs \$5.7 million in H1 FY24

Half-Yearly Performance (H1 FY23 – H1 FY25)

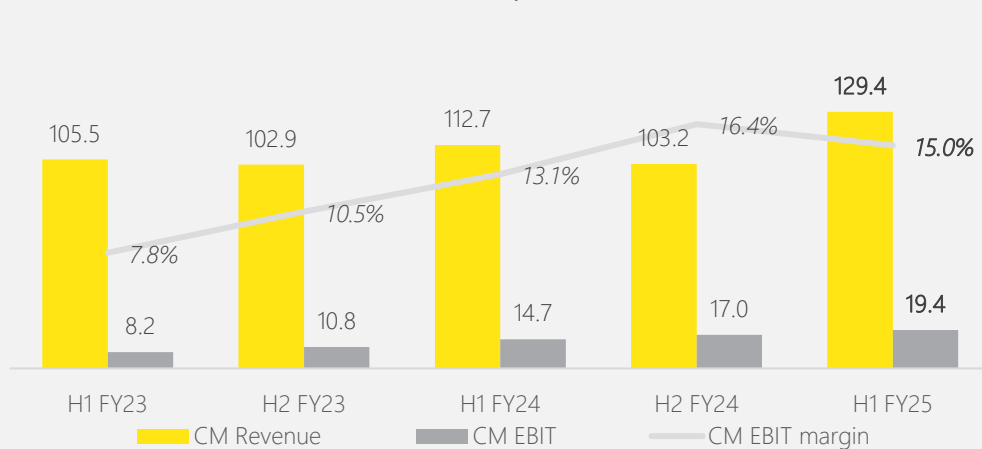


1. Operating EBIT normalised for impairments relating to EFC (\$5.6 million, H1 FY24 and Wacol (\$3.2 million, H2 FY24).

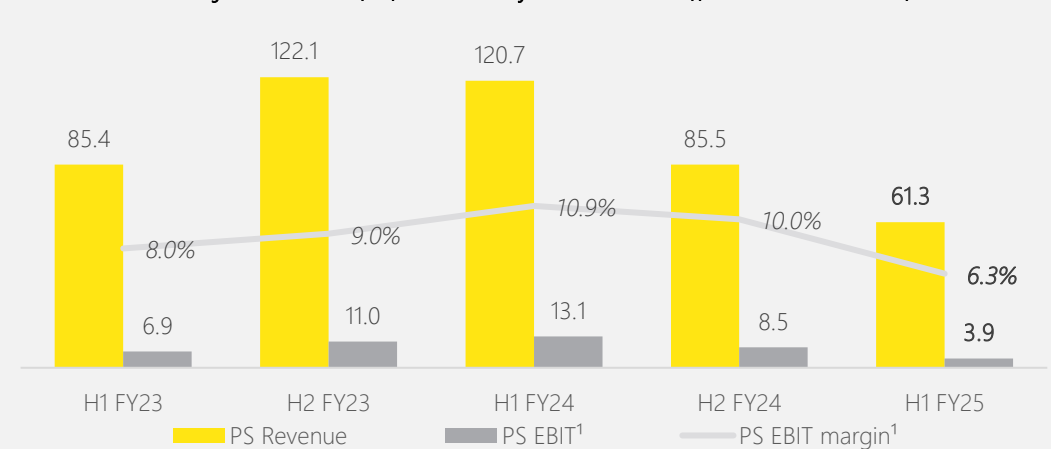
H1 FY25 SEGMENT RESULTS – CM & PROJECT SERVICES

STRONG CONSTRUCTION MATERIALS SEGMENT PERFORMANCE

Construction Materials (CM) Half-Yearly Performance (H1 FY23 - H1 FY25)



Project Services (PS) Half-Yearly Performance ((H1 FY23 - H1 FY25)¹



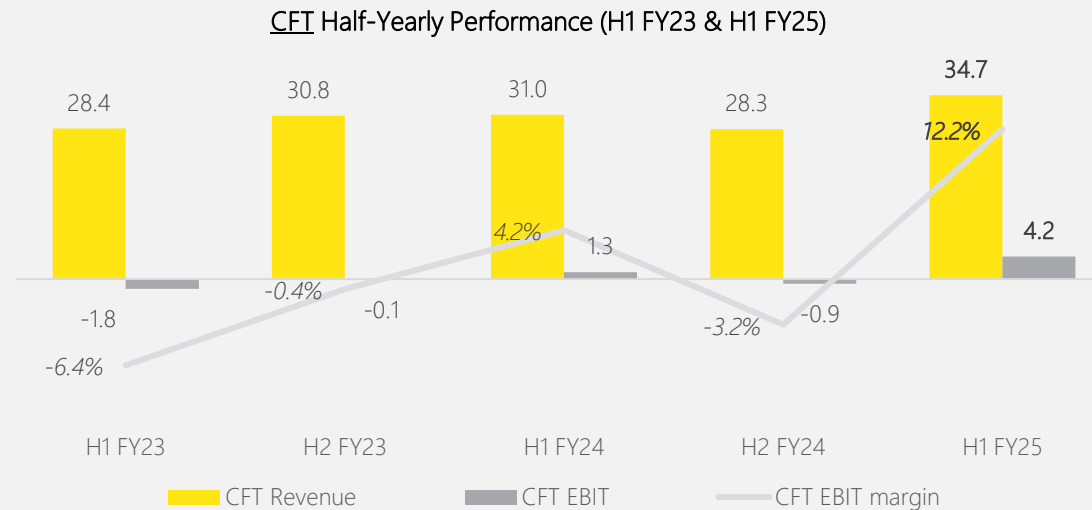
- Construction Materials revenues grew by \$16.7 million (+15%) versus pcp, while also growing \$26.2 million (+25%) vs H2 FY24
 - H1 FY25 Construction Materials EBIT margin improved to 15.0% vs H1 FY24 at 13.1%
- Project Services revenues were lower in H1 FY25 due to completion of projects in FY24 and in line with the cyclical nature of this segment, resulting in a decline of \$59.4 million versus pcp, and a decline of \$24.2 million vs H2 FY24
 - EBIT and contribution margin also declined

1. After normalising for Wacol impairment (\$3.2 million) in H2 FY24).

H1 FY25 SEGMENT RESULTS – CFT



IMPROVING FINANCIAL PERFORMANCE ACROSS CFT EVIDENT AS MARGINS AND PROFITABILITY IMPROVE



- CFT revenues increased by \$3.7 million (+12%) versus pcg, while also growing \$6.4 million (+23%) vs H2 FY24
- CFT H1 FY25 EBIT margins improved substantially:
 - driven by improved crossarm and composite power pole production efficiencies in ANZ as well as higher-margin custom-build projects
- CFT USA losses have reduced compared to prior halves (\$0.5)million in H1 FY25, down from \$(1.9) million in H2 FY24 and \$(2.3) million in pcg)

H1 FY25 SEGMENT HIGHLIGHTS

CONSTRUCTION MATERIALS (CM)

- **Overall** – continued improvement in demand for Construction Materials across South-East Queensland, driving higher margins
- **Cement** – consistent volumes with increased contribution from Wagners' concrete plants
 - Revenue stable
 - Increase in EBIT due to 5% improvement in margin
- **Concrete** – improved performance reflecting increasing volumes, operational efficiencies and positive market conditions
 - Continued expansion of South-East Queensland plant network during period:
 - Yatala plant construction completed, now operational
 - Construction of Wulkuraka plant commenced
 - Two new sites secured and working through planning process, construction planned to commence CY25
 - Another site under contract
 - Additional sites that align with expansion strategy
- **Quarries** – investment in Wellcamp quarry plant now delivering additional capacity and production efficiencies

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H1 FY25 SEGMENT HIGHLIGHTS

PROJECT SERVICES (PS)

- **Overall** – Project Services revenue of \$61 million in line with expectations, down 49% versus H1 FY24
- **Bulk Haulage** – revenue down 29%, reflecting completion of two projects in FY24
- **Precast** – only minor revenue given large precast tunnel project completed Q3 FY24
- **Concrete Projects** – project-related work on central Queensland wind farm project (completed December 2024)

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H1 FY25 SEGMENT HIGHLIGHTS

COMPOSITE FIBRE TECHNOLOGIES (CFT)

- CFT revenues +12% versus H1 FY24, driven by strong crossarm, power pole and custom-build demand in Australia & New Zealand (ANZ)
- CFT ANZ – improved margins delivered across all product lines, resulting in a +31% increase in segment EBIT versus H1 FY24, driven by:
 - Process improvement and production efficiencies; and
 - Improved selling prices
- Demand for crossarms remained strong, pole orders continued, while custom build projects were delivered at improved margins
- CFT USA – improved performance with losses significantly reduced with right-sizing of business and a number of new projects secured for delivery throughout CY2025

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H1 FY25 BALANCE SHEET

IMPROVED OPERATING RESULTS DRIVES MEANINGFUL DEBT REDUCTION

WORKING CAPITAL

(A\$m)	Dec-24	Jun-24	Change
Trade and other receivables	50.9	68.5	(17.6)
Inventories	42.0	39.9	2.2
Trade and other payables	(42.3)	(54.6)	12.3
Current tax assets/(liabilities)	(7.3)	(4.7)	(2.6)
Net working capital	43.4	49.1	(5.7)

NET DEBT

(A\$m)	Dec-24	Jun-24	Change
Cash and cash equivalents	22.4	18.7	3.7
Debt	55.5	66.3	(10.8)
Net Debt	33.1	47.6	(14.5)

- Receivables reduced \$17.6 million vs. Jun-24, due to:
 - Final claim for the large precast tunnel project outstanding at Jun-24, received in Jul-24;
 - Lower volumes in cement and concrete operations in Dec-24 compared to Jun-24; and
 - Improved collections, particularly within bulk haulage business unit
- Inventory increased \$2.2 million, reflecting timing of delivery of imported material for cement and steel
- Trade and other payables declined \$12.3 million due to the decreased activity in Dec-24 compared to Jun-24
- \$14.5 million decrease in net debt, due to improved operating results and release of working capital
- Funding the expansion of concrete plant network available through existing debt facilities

H1 FY25 CASH FLOW STATEMENT

CASH CONVERSION FROM IMPROVED OPERATING RESULTS REDUCES DEBT

(A\$m)	H1 FY25	H1 FY24	Change
EBITDA	32.6	33.8	(1.3)
Non-cash items	(1.0)	(0.4)	(0.6)
Changes in working capital	2.8	20.8	(18.1)
Changes in provisions	(0.6)	2.3	(2.9)
Net finance costs	(5.7)	(7.0)	1.3
Income tax paid	(1.1)	(3.5)	2.4
Cash flow from operations	26.9	46.2	(19.3)
Capital expenditure	(8.4)	(7.7)	(0.6)
Proceeds from sale of assets	2.0	1.1	0.9
Cash flows from investing activities	(6.3)	(6.6)	0.3
Repayment of lease liabilities	(2.8)	(2.3)	(0.5)
Repayment of borrowings (net)	(10.8)	(18.1)	7.3
Dividends Paid	(4.7)	-	(4.7)
Cash flows from financing activities	(18.3)	(20.4)	2.1
Net increase (decrease) in cash	2.3	19.1	(16.9)

- Reduction in cash flow from operations due to prior period movements in working capital
- Capex spend of \$8.4 million in H1 FY25 included replacement of bulk haulage and materials transport vehicles, plant upgrades and replacements in cement
- FY24 dividend of 2.5 cents per share (\$4.7 million) was paid during the period



FY25 OUTLOOK



FY25 SEGMENT OUTLOOK

SEGMENT-SPECIFIC CONSIDERATIONS FOR FY25 OUTLOOK:

CONSTRUCTION MATERIALS (CM)

- Cement volumes expected to be softer in H2 vs H1, however cost savings on raw material inputs should deliver improved margins
- Concrete volumes expected to increase with continuing strong demand in South-East Queensland
- Improved performance expected from Quarries based on secured pipeline and expected market demand

PROJECT SERVICES

- Company will continue to invest in bulk haulage assets through FY25, to deliver improved efficiencies and reduce repair & maintenance
- No major projects secured to deliver material revenue in FY25
- Continue to pursue new project opportunities to replace projects completed in FY24
- Precast business to exit Wacol facility (Q4 FY25), relocate to new Company-owned purpose-built precast facility at Ipswich

COMPOSITE FIBRE TECHNOLOGIES (CFT)

- Demand for composite products in FY25 expected to remain consistent with H1
- Multiple custom build projects secured for delivery in H2 FY25
- Further improvement in CFT USA in H2 compared to H1

MEDIUM-TERM OUTLOOK

THE MEDIUM-TERM DEMAND ENVIRONMENT FOR WAGNERS PRODUCTS AND SERVICES REMAINS ENCOURAGING

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Recent growth in core product volumes expected to continue into FY25+



Strong forward order book across the business, with several contracts secured for longer-term supply of materials and projects



Ongoing demand for innovative new products, driven by effort to reduce construction costs, increase energy efficiency and improve sustainability

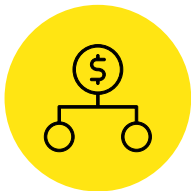


Favourable resources environment & robust civil infrastructure pipeline in South East Queensland¹ (population growth, 2032 Olympics, etc)

1. Queensland Major Projects Pipeline 2023 (<https://qmca.com.au/advocacy/2023-queensland-major-projects-pipeline-report/>).

SUMMARY

BUSINESS STRATEGY LEVERAGES WAGNERS QUALITY ASSETS, PERSONNEL AND CULTURE WITH STRONG ALIGNMENT AND INTEGRATION



WELL-INVESTED, HIGH-QUALITY ASSET BASE

significant capital invested
across business units – difficult
to replicate



VERTICAL INTEGRATION

enabling security of supply and
increased margins



ATTRACTIVE END MARKETS

consisting of high-quality,
diversified customer base



DISTRIBUTION FOOTPRINT

strategically-located
sites across Queensland,
selectively expanding



FUNDAMENTAL DEMAND DRIVERS

ability to capitalise on
global infrastructure and resources
sector growth



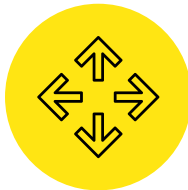
CULTURE OF INNOVATION

focus on R&D, contributing to
meaningful inhouse expertise
and IP



AGILITY & INDEPENDENCE

greater ability to react to
customer demands in flexible
and timely manner



EXPANSION & CONSOLIDATION

opportunities granting
flexibility and optionality to
expand both domestically &
overseas



APPENDIX



SEGMENT REPORTING



REPORTED SEGMENT RESULTS

	Construction Materials (CM)			Project Services (PS)			Composite Fibre Tech (CFT)		
(\$m)	H1 FY25	H1 FY24	Change	H1 FY25	H1 FY24	Change	H1 FY25	H1 FY24	Change
Revenue	129.4	112.7	16.7	61.3	120.7	(59.5)	34.7	31.0	3.7
EBIT	19.4	14.7	4.7	3.9	13.1	(9.3)	4.2	1.3	2.9
EBIT Margin	15.0%	13.1%	1.9%	6.3%	10.9%	-4.6%	12.2%	4.3%	8.0%

PROFORMA SALES AND EBIT ADJUSTMENTS TO SEGMENT RESULTS

CFT USA Sales							(1.8)	(1.0)	
CFT USA EBIT							0.5	2.3	

WHO IS WAGNERS?

WAGNERS



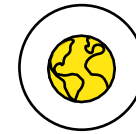
Established in 1989 in Toowoomba (Queensland), Wagners is an ASX-listed diversified provider of construction materials, globally



Innovative, vertically-integrated producer of new generation building materials, as well as a diverse range of project-specific products and services



One of the largest producers and suppliers of cement in South-East Queensland, supplying approximately one third of the market's cement requirements



Customers include leading domestic and international construction material providers, building and construction companies as well as infrastructure, mining and general contractors

CONSTRUCTION MATERIALS



WAGNERS CORE BUSINESS IS UNDERPINNED BY WELL-INVESTED NETWORK OF HIGH-QUALITY ASSETS & KEY PERSONNEL

Construction Materials spans a variety of interrelated businesses covering residential, industrial, infrastructure, resources and renewables

CONSTRUCTION MATERIALS

Wagners provides a variety of construction materials to core customers – across industries – leveraging its concrete operations as a critical channel to market:



Concrete – operation of both fixed and mobile plants, covering remote/regional locations



Cement – manufacturing of bulk & bagged cement



Aggregates – delivering crushed rock, direct from Wagners-owned quarry operations



Reinforcing steel – manufacture and supply of reinforcing steel products



PROJECT SERVICES

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WAGNERS PROJECTS-RELATED BUSINESS FOCUSES ON PROVIDING CRITICAL PRODUCTS & SERVICES TO MAJOR PROJECTS, GLOBALLY

This segment predominantly focusses on large infrastructure and resources projects



PROJECT SERVICES

Wagners also provides additional services and project-related solutions to various projects, including:



Bulk haulage – providing bulk haulage to minerals and resources customers



Mobile concrete services – on-site concrete batching



Contract crushing – on-site mobile crushing



Precast concrete – commonly used in bridges, overpasses and tunnels

COMPOSITE FIBRE TECHNOLOGIES

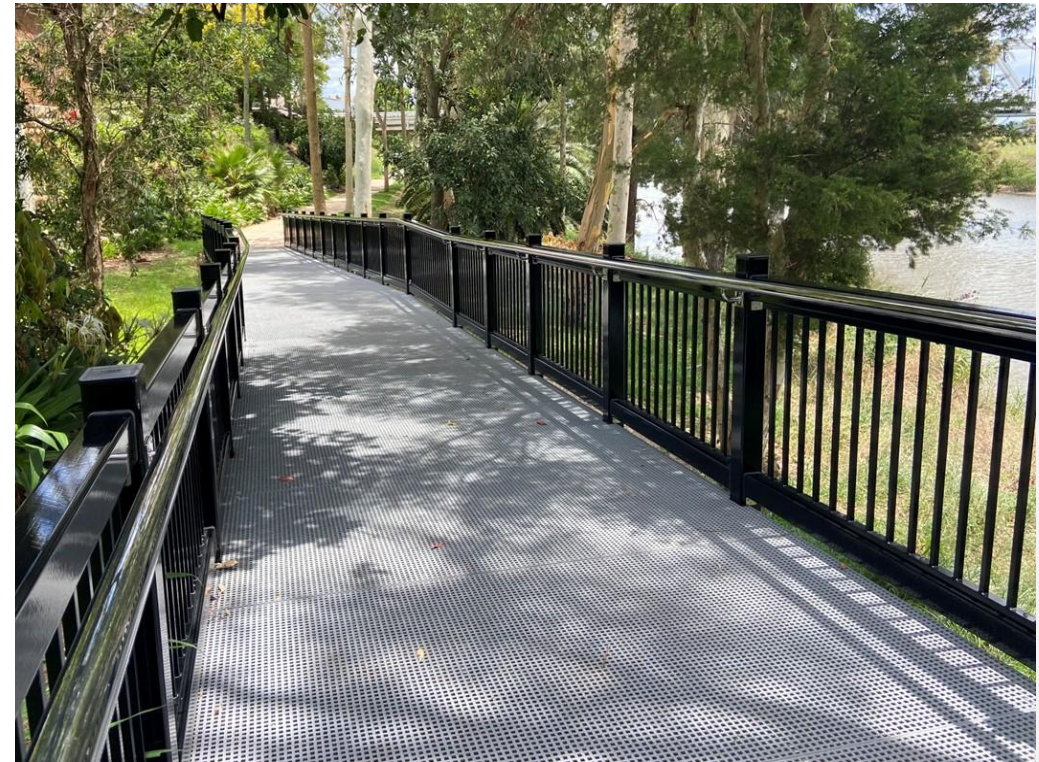
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WAGNERS INHOUSE DESIGN AND MANUFACTURING CAPABILITY PROVIDES ADDED INTELLECTUAL PROPERTY VIA ITS CFT BUSINESS

Representing a significant opportunity, Wagners CFT business has dedicated sales and business development teams globally

COMPOSITE FIBRE TECHNOLOGIES (CFT)

- Light-weight, non-corrosive, non-conductive composite building materials
- Designed and manufactured inhouse by custom pultrusion machines, including establishment of US facility
- Significant efforts directed on manufacturing methodology and expertise, to achieve consistently predictable materials
- Overcomes limitations, removing variability of traditional materials (e.g. steel rust, timber rot)
- Products engineered into many community infrastructure projects (e.g. electrical cross arms and power poles, pedestrian infrastructure, road bridges)



DISCLAIMER

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