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WAGNERS HOLDING COMPANY LIMITED

ASX RELEASE

29 September 2023

Requirement to obtain ASX Listing Rule 10.1 approval for related party leases

Wagners Holding Company Limited (the “**Company**”) entered into three leases for concrete batch plants at sites at Coolum Beach, Narangba and Yatala with Wagner Real Estate Investment Pty Ltd, a related party for the purposes of ASX Listing Rule 10.1 (together, **Leasehold Interests**). The entry into these leases was associated with the expansion of the Company’s South East Queensland concrete plant network. The Company did not seek approval from its shareholders at the relevant times.

ASX Listing Rule 10.1

ASX Listing Rule 10.1 requires listed entities to obtain shareholder approval to acquire a substantial asset from a related party unless an exception applies. An asset is substantial if its value exceeds 5% of the company’s equity interests based on its last set of financial statements lodged with the ASX.

To determine whether a lease is a substantial asset, ASX typically calculates the combined rent payable over the term of a lease and any renewal terms. The ASX also has discretion to aggregate transactions for the purposes of determining whether a lease is substantial.

Leasehold Interests

In February 2020, the Company entered into leases for concrete batch plants at properties in Coolum Beach and Narangba, and in October 2020 the Company entered into a lease for the Yatala concrete batch plant.

The Company has disclosed the relevant costs of the Leasehold Interests to its shareholders and the market through its annual and half yearly reports since entering into each of the Leasehold Interests.

The Company entered into each Leasehold Interest with the view that, having regard to the nature of the leases relating to the concrete batch plants, the individual and disclosed year on year costs were not in and of themselves material and therefore each transaction would not constitute an effective transfer of an interest from the Company to a related party, nor would it constitute an unreasonable benefit to them at the expense of the Company.

Following consultation with the ASX, ASX has formed the view that the Leasehold Interests in aggregate, taking into account the 20-year term plus the optional 20-year renewal term of each Leasehold Interest, exceed the 5% of equity interests threshold. The ASX has therefore determined that the Company should have satisfied the requirements of Listing Rule 10.1 and obtained shareholder approval prior to entering into the Leasehold Interests.



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Remedy to satisfy Listing Rule 10.1

To resolve this matter, the Company will seek to obtain shareholder approval, pursuant to Listing Rule 10.1 in a general meeting to be called as soon as practicable.

The Company confirms that this action will not impact the Company's operations.

ENDS

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

For further information, please contact:

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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.