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ASX Announcement

29 April 2021

MGH Announces Acquisitions of Central Queensland Quarry, Concrete and Plant Hire businesses and New England, NSW Quarry operations

Leading independent Australian construction materials, equipment and service provider Maas Group Holdings Limited (MGH) has today announced it has entered into agreements to acquire Amcor Quarries and Concrete Pty Ltd (Amcor Quarries), Amcor Excavations Pty Ltd (Amcor Excavations) and the land and business of Willow Tree Gravels.

Amcor Quarries operates a leasehold quarry and fixed and mobile concrete batching plants near Rockhampton in Central Queensland. The quarry currently produces approximately 170kt annually, with significant expansion potential. The quarry has very long life reserves and a permitted capacity of 1mt p.a. Amcor Excavations is a plant hire business located near Moura in Central Queensland which predominantly provides plant hire services to the gas fields of the Western Downs region in Queensland. MGH intends to expand Amcor Excavations in order to take advantage of growth opportunities in the Western Downs region. The Amcor Quarries and Amcor Excavations businesses are strategically aligned to and complement the ongoing organic growth and expansion of MGH's Civil Construction & Hire and Construction Materials segments.

Operating since 1994, Willow Tree Gravels is a leading quarry in the New England region, providing a range of materials and servicing local councils, state authorities and commercial road and rail contractors. Willow Tree currently produces approximately 400 kt annually with an existing permitted capacity of 490kt p.a. with very long life quarry reserves. The Willow Tree acquisition supports the continued regional expansion of the Construction Materials segment.

The Amcor Quarries and Amcor Excavations acquisition price comprises cash payable at completion of \$12.715m, cash contingent consideration of up to \$2.0m payable on the occurrence of future milestones up to and including the second anniversary of completion and a total of 1,415,094 of MGH shares to be issued in two tranches (50% on completion and 50% on the second anniversary of completion) with the first tranche escrowed until the second anniversary of completion. Based on the closing price of MGH shares on 28/4/21, the share consideration is approximately \$4.94m.² Approximately 100 employees will transition to MGH on completion of the Amcor acquisitions. Total assets being acquired include plant, equipment and inventory.

The acquisition price for Willow Tree Gravels is \$10 million cash, payable at completion. The acquisition has been structured as an asset purchase, with assets acquired including land, plant and equipment. Willow Tree currently has 12 employees who are expected to transition to MGH on completion.

The cash component of the acquisitions will be funded from existing debt facilities and cash on hand. The acquisitions remain subject to various customary conditions precedent with completion of each transaction expected to occur during May 2021.

MGH Managing Director and CEO Mr Wes Maas said, “the acquisition of the Amcor businesses represents a significant milestone for MGH as it allows us to expand our operating footprint into Regional Queensland at a time of growing infrastructure and project development expenditure in that market. The acquisition of Willow Tree is an important step in the expansion of our east coast footprint for our quarry operations and provides us with a premier operation with well established relationships in the New England region. We are delighted that these highly successful private family owned businesses that have been well managed for the long-term are joining MGH as we continue to execute on our growth strategy”.

Mr Maas also noted that while each of the acquisitions will be immediately EPS accretive (each being acquired at an enterprise value of approximately 3.5 times FY20 EBITDA¹), the expected contribution from the acquisitions to MGH EBITDA from the date of completion to the end of FY 21 is not expected to be material and the previous earnings guidance provided by MGH on 25 February 2021 of FY21 EBITDA of \$70-\$77m is maintained.

This announcement is authorised by The Board of Directors of MGH

About Maas Group Holdings Limited

MGH is a leading independent Australian construction materials, equipment and service provider with diversified exposures across the civil, infrastructure, mining and real estate end markets.

1 – Normalised FY20 EBITDA unaudited. Amcor Quarries and Concrete Pty Ltd adjusted for discontinued operations.

2- Share consideration based on closing price of MGH 28/04/21. The accounting acquisition value will be determined based on MGH share price at completion.