



- ▶ CONSTRUCTION MATERIALS
- ▶ TRANSPORT SERVICES
- ▶ CEMENT, FLYASH & LIME
- ▶ PRECAST CONCRETE
- ▶ REINFORCING STEEL
- ▶ COMPOSITE FIBRE TECHNOLOGIES
- ▶ EARTH FRIENDLY CONCRETE

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**WAGNERS HOLDING COMPANY LIMITED**  
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23 September 2022

The Manager  
Market Announcements Office  
Australian Securities Exchange  
4<sup>th</sup> Floor, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**Wagners Holding Company Limited (ASX:WGN)**  
**2022 Year in Review**

Please find attached the Wagners 2022 Year in Review brochure which is being issued today to WGN shareholders, together with material relating to the 2022 Annual General Meeting.

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

Yours faithfully,

**Karen Brown**

General Counsel and Company Secretary

**Wagners**

Ph: 07 3621 1131 | Email: karen.brown@wagner.com.au

**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.

# INNOVATIVE INTEGRATED INTERNATIONAL



**2022**  
YEAR IN REVIEW





## ABOUT WAGNERS

We are innovative, integrated, and operate internationally. Our diverse businesses, operating under three main business units, Construction Materials and Services (CMS), Composite Fibre Technologies (CFT) and Earth Friendly Concrete® (EFC®), work together to achieve great outcomes for our customers. Each business unit has separate specialist vertically integrated businesses to support and supply materials or services to each other on a timely and cost-competitive basis.

Wagners has a specialist in-house engineering solutions team which provides innovative maintenance and engineering solutions across the CMS, CFT and EFC® business divisions, evidencing the efficiencies achieved by vertical integration and cross-division collaboration.

Our Guiding Principles underpin everything we do. At Wagners, we strive for intrepid progress to achieve beneficial outcomes for all our stakeholders — our people, our customers, our community, and our shareholders.

## GUIDING PRINCIPLES: IT'S FAIR

AT WAGNERS WE STRIVE FOR INTREPID PROGRESS  
TO ACHIEVE BENEFICIAL OUTCOMES. WE WILL:

I

Deal with  
**INTEGRITY**

T

Work  
**TOGETHER**  
to overcome  
challenges

S

Work in  
a **SAFE**  
environment

F

Be **FAMILY**  
conscious

A

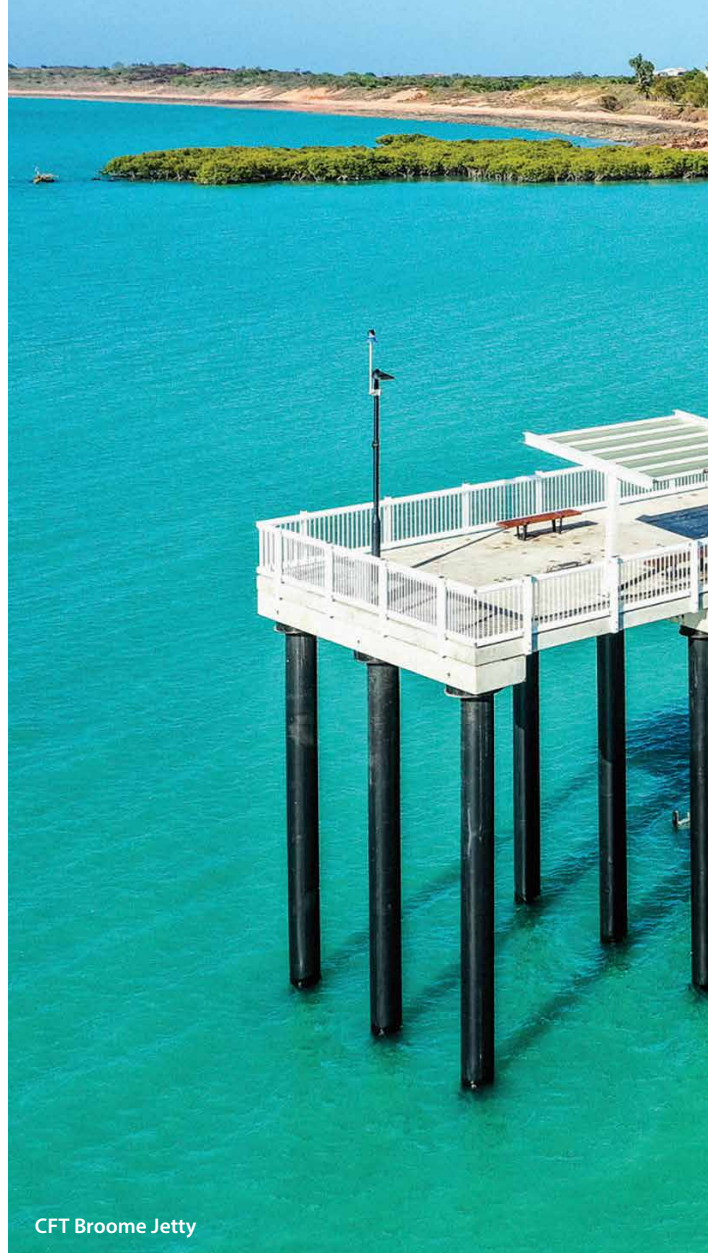
Encourage and  
**ACKNOWLEDGE**  
success

I

Foster  
**INNOVATION**

R

**REQUIRE**  
quality and  
excellence



CFT Broome Jetty



Super quad road train





**\$338 MILLION**

Revenue



**\$21.4 MILLION**

Operating EBIT



**\$7.6 MILLION**

Net Profit After Tax

# OUR YEAR IN REVIEW

Overall, the group delivered a revenue result of \$338 million, a 5% increase on FY21. This overall result was driven by strong demand for construction materials and projects services across the group, particularly in our cement, steel and concrete businesses. Our CFT business continued to grow, experiencing a 33% increase in sales, predominantly coming from pedestrian infrastructure projects. Pleasingly, the US business provided a strong contribution to the sales, providing encouraging signs for the future of this business.

While there has been high demand for construction materials and services, the industry has been faced with increasing costs, including shipping, raw materials, fuel and challenges associated with labour

shortages and supply chain reliability. This has had an impact on Wagners' earnings for FY22, resulting in an operating EBIT of \$21.4 million and statutory net profit after tax of \$7.6 million.

We have made considerable capital investments throughout the period across the Group. This will position the business to deliver growth in service offerings and markets and increase production capacity and efficiencies, ultimately delivering improved performance and growth across all business units.

We have continued to challenge ourselves throughout the year through our strategic pillars of innovation, integration and striving to be a truly international business, to provide a solid platform, and deliver long-term value to our stakeholders.



# AT WAGNERS, WE CONSTANTLY SEEK WAYS TO DIFFERENTIATE OUR BUSINESS AND BE MORE EFFICIENT, SAFER AND MORE ENVIRONMENTALLY RESPONSIBLE.

## INNOVATION

At Wagners, we constantly seek ways to differentiate our business and be more efficient, safer and environmentally responsible.

We achieve this by ensuring innovation is part of our day-to-day operations. It is brought to life by the technical, environmental and research commitments we make that are shaping the future of our business, with our 'Fostering Innovation' Guiding Principle at the forefront of our planning.

We know that investing in innovative solutions gives us a competitive advantage, enabling us to respond proactively to client requirements and community expectations about sustainability.



## FY22 INNOVATION AT A GLANCE

### RESEARCH AND DEVELOPMENT

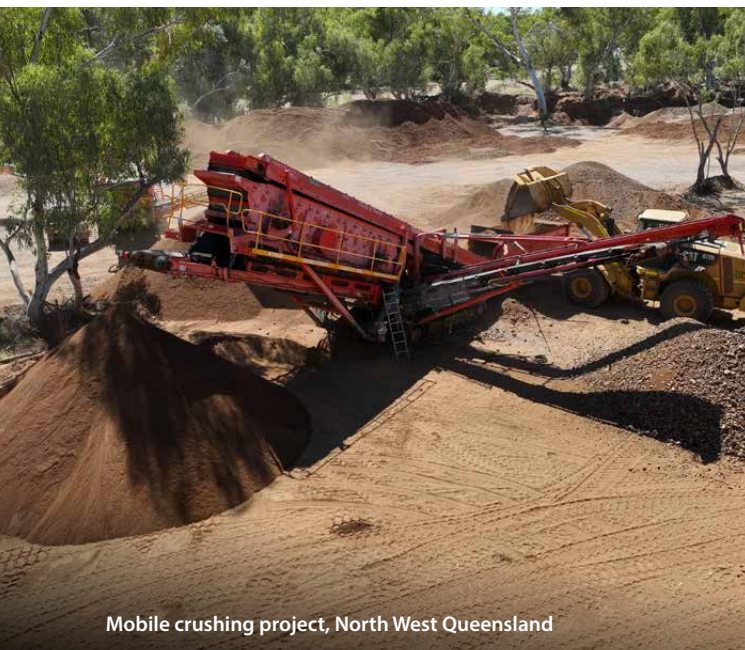
- ▶ Continued research and development into automation of processes across all business units.
- ▶ Continued investment in:
  - ▶ CFT – new products, production efficiencies, capacity.
  - ▶ EFC® – refinement of technology, expansion of applications, identification of new markets.

### NEW PRODUCTS AND MARKETS

- ▶ Expansion of cement product lines following commissioning of a new lime blending station providing more environmentally sustainable cement, with a lower cement content.
- ▶ New product lines – CFT electrical distribution poles.

### PRODUCTION EFFICIENCIES

- ▶ Commissioning of two new pultrusion machines in Australia and one in the US, designed and constructed in-house by Wagners Engineering Solutions team, significantly increasing production capabilities.
- ▶ Commissioning our new 20kg cement bagging plant delivering safer, more efficient production.
- ▶ Increase in vessel sizes shipping raw materials, resulting in reduced carbon emissions per tonne and cost of freight.
- ▶ Investment in automated processing equipment for Wagners' new Brisbane steel facility.
- ▶ Investment in super quad road-trains for bulk haulage projects, providing the largest pay load and most efficient on-road registered trucks ever in Wagners' fleet.



Mobile crushing project, North West Queensland



Pultrusion machine at US facility in Cresson, Texas





CFT Mersey River Bridge, Canada



Wagners' Precast Facility, Brisbane

## INTEGRATED

Wagners is proud of its vertically integrated business model which sees separate specialist divisions connected in order to support and supply materials or services on a timely and cost-competitive basis.

Our broad service offering and vertical integration through our diverse range of business units allows us to provide a 'one-stop shop' to customers.

### Full steam ahead on Sydney Metro

Wagners will be supplying approximately 70,000 tunnel segments for the Sydney Metro – Western Sydney Airport Project over a two-year period, with a contract value of over \$140 million.

After successfully supplying 27,000 segments to the Brisbane Cross River Rail project, the Wagners team now has the opportunity to transfer their skills and experience into another tunnel project.

Preparations for production are well underway, including an intense concrete trial and testing program for the specialised segment mix.

The project will rely on many areas of the integrated Wagners business for support, including an internal supply of reinforcing steel, cement products and concrete.

## INTERNATIONAL

Wagners is firmly established as an international supplier of construction materials and services along with our composite projects and Earth Friendly Concrete® (EFC®). We hold strong international partnerships, operated in seven countries last year, and have scaled-up international operations to better serve our customers.

### CFT in Cresson, Texas

CFT USA now has a manufacturing facility in Cresson, Texas. The first pultrusion machine, which manufactures our CFT products, is now fully commissioned and the size of the team has increased from 4 to 22 to ensure we have the appropriate operational, sales and management personnel in place to service the US market. Over 10% of the CFT sales from FY22 were generated from the US, which is extremely encouraging. With the manufacturing facility established and appropriately resourced, we are excited by the new business opportunities in FY23 and beyond.

### Romford ready

Our new EFC® activator production facility at Romford, UK is now close to being commissioned presenting Wagners with an exciting opportunity for geographical coverage into the London and European markets to deliver EFC®.

We expect continued growth in volumes in this region, particularly given the "green" interest in built environment, which EFC® provides over normal OPC concrete.

EFC® has made strong headway in the UK over the last year, with major organisations showing keen interest in adopting our technology for future construction works.

## PEOPLE, COMMUNITY AND SAFETY



### FY22 AT A GLANCE

- ▶ Over 850 employees working in seven countries – 20% increase from FY21
- ▶ Wagners introduced an employee benefits program offering a variety of incentives to encourage and reward employees
- ▶ Employee engagement survey undertaken seeking feedback on the workplace, our culture and ways we can make improvements.

### Safety

The safety of people is our number one commitment at Wagners. We are resolute in the continued investment in the capability of our people, our systems and our processes to achieve a safe work place and effective risk management. Our safety culture is underpinned by accountability and an indefatigable focus on reporting to support learning, understanding and improvement.

In FY22 we implemented new safety, quality and environmental reporting software that will make work easier. The new system complements our mature Integrated management system for Quality, Safety and the Environment and will provide a stable platform as we grow and expand internationally.

We aim to leverage system and process improvements realised this year to support our people with individual learning and development, work more efficiently with our contractors and improve the safety of our operations by refining our approach to critical risk management.





Yamba Zig-zag using Wagner's CFT products



Cement truck, Pinkenba

## Leaders in the making

In FY22, our first cohort of employees completed the Wagner's in-house emerging leadership program.

Participants took part in projects and shared knowledge, and were supported by mentors to help progress ideas, discuss goals and achieve outcomes. Upon completion of the course, participants achieved a Certificate IV in Leadership and Management.

We look forward to further supporting our employees improving their knowledge and skills through the leadership program.

## Striving for gender equality

In FY22, Wagner's completed its Workplace Gender Equality reporting under the *Workplace Gender Equality Act 2012* (the Act). The reporting process helps identify gender equality issues and allows for action plans to be implemented.

We aim to support and promote gender equality within the construction, transport and industrial services sectors by developing innovative ways to maintain and grow our own diverse workforce.

We continue to encourage diversity in our employment across the company in a variety of different roles and businesses, from road train drivers and production operators, to apprentices, managers and executives.

## COMPOSITE FIBRE TECHNOLOGIES (CFT)

CFT products, designed by Wagner's, are durable construction materials that can be used in place of timber and steel in many outdoor applications. CFT products save hardwood resources, are lightweight, and resistant to rust, corrosion and chemical attack. They are increasingly being specified in Australia and overseas for boardwalks, bridges, walkways, marinas and as cross-arms for electrical distribution networks. Our Queensland manufacturing facility is now home to six pultrusion machines and a new cross-arm automation line, using six state-of-the-art robots controlled by advanced programming technology.

### FY22 AT A GLANCE

- ▶ Strong revenue growth – 33% increase
- ▶ 430km pultrusion manufactured
- ▶ 131 pedestrian infrastructure projects completed in Australia
- ▶ 20 projects delivered in the US
- ▶ 50% increase in production capacity at Wellcamp manufacturing facility
- ▶ US manufacturing facility established in Cresson, Texas

## Celebrating 20 years

This year, we celebrated 20 years since Wagner's first introduced an in-house pultrusion process at our Anzac Avenue workshop in Toowoomba, which started with the installation of a basic pultrusion machine to create square hollow profiles. While production had troubled beginnings in 2002, the team undertook ongoing training, improvements and rebuilds, resulting in a superior product.

Our CFT Research and Development team has since pioneered more innovative proprietary machines that deliver consistent and strong structural products for electrical power, construction and public infrastructure.

We are proud of the team for persevering through earlier challenges, enabling Wagner's to celebrate this important milestone.

## Bigger and better

CFT's biggest profile from our largest pultrusion machine was produced during this year, with the pultrusion machine designed and built in house by Wagner's. This machine produces a profile suitable for use as electrical distribution poles and for driven piles. The machine is one of two new production lines commissioned during the year, increasing production capacity at our Wellcamp facility by 50%.

The pultrusion team is following up the success of this profile with an even larger profile.

# FUTURE FOCUS

While there were a number of challenges that the business faced in FY22, we remain positive about the ability to deliver improvements in performance in FY23 and beyond. The investment in our people, plant and equipment and research and development both in Australian and globally, ensures this.

## CMS

The outlook for the construction materials and services business is positive. With a number of contracts secured, the focus is on the delivery of these projects and pursuing additional opportunities to deliver growth and add value to Wagners vertically integrated businesses.

Contracts secured include:

- ▶ The supply of precast concrete tunnel segments for the Sydney Metro – Western Sydney Airport Project;
- ▶ The supply of over 65,000m<sup>3</sup> of concrete to a wind farm project;
- ▶ The remobilisation on a contract crushing project in central Queensland delivering over \$20 million in revenue for FY23;
- ▶ Many long-term bulk haulage contracts, securing revenue that supports the capital invested in fleet upgrades and expansion.

Construction activity is expected to increase across south-east Queensland delivering growth in volume across a number of business units.

With the realisation of the production efficiencies following significant capital investment in FY22 and our ability to now pass on the increased costs, the business is expected to deliver improved results in FY23.

## CFT

Following recent capital investment both in Australia and the US, we expect significant growth from both operations. In Australia and New Zealand, new products, such as power poles, light poles, marine piles and conveyor rollers, provide new markets for CFT. The investment in new plant and equipment and automated processes will also deliver production efficiencies to product lines, particularly in cross arms.

With our US facility in Cresson, Texas now operational, growth is expected with the region presenting exciting opportunities from a large-scale market. Production capacity will also be increased with additional pultrusion machines to be commissioned. The US team is now well resourced to service this growing market, particularly in the pedestrian infrastructure area where we are already experiencing a growing demand.

We now have dedicated business development resources across Australia, New Zealand, US, UK and the Middle East, to ensure we are able to pursue all international opportunities for the use of CFT.

## EFC®

We have a firm focus on growing sales in the UK and Europe where consumers clearly value the green credentials of EFC®. With supply agreements now in place with a number of precast customers, volumes are expected to increase. The UK and European market is very focused on carbon reduction and specifically zero cement concrete, which puts our EFC® technology at the forefront in this space.

In Australia, our concrete plants are now able to supply EFC® as an alternative to OPC concrete, and there is a strong focus on sales, with the investment in our Brisbane manufacturing facility.



# EARTH FRIENDLY CONCRETE (EFC®)

EFC® is a new class of concrete based on geopolymer technology developed by Wagners. More sustainable than traditional concrete, with around 70% less embodied CO<sub>2</sub> saving 250kg of CO<sub>2</sub> per cubic metre poured, it is made from a binder consisting of industrial waste products, ground granulated blast furnace slag and pulverised fly ash with no Portland Cement.

This process significantly reduces carbon emissions compared to concrete produced with Ordinary Portland Cement. EFC® has better performance and durability than conventional concrete, particularly in demanding applications such as corrosive sewerage and chloride environments along with heavy load-bearing pavement applications. As this product continues to develop, it will be a major disrupter to the traditional concrete market internationally.



## FY22 AT A GLANCE

- ▶ 6,000m<sup>3</sup> EFC® placed
- ▶ EFC® in projects and trials throughout Australia, UK, Europe and India
- ▶ 7% increase in international EFC® volumes
- ▶ 1500t of carbon saved through use of EFC® compared to Ordinary Portland Cement
- ▶ Continued investment in technology and applications
- ▶ International expansion
- ▶ Strong partnerships established securing both EFC® offtake and raw materials supply chain

## New partnership strengthens Earth Friendly Concrete® in the UK

EFC® has entered into a new UK partnership deal with leading building materials

supplier Ibstock, a UK leading manufacturer of clay and concrete building products, to create ultra-low carbon products.

The partnership bolsters EFC®'s presence in the UK after it announced in November 2021 at COP26 (the 2021 United Nations climate change conference) that London is set to be a major operating hub.

The partnership will see EFC®'s ultra-low carbon, zero cement technology integrated into Ibstock's diverse portfolio of high-performance building products for the construction industry, including its range of products for the rail, infrastructure and UK housing markets.

EFC® has so far been used in London on High Speed 2 (HS2) with over 2,000m<sup>3</sup> poured for the temporary works piling mats as well as haul roads and crane bases. At Silvertown tunnel, more than 300m<sup>3</sup> of EFC® has been used to date for its temporary works. So far in the UK market, EFC® has saved approximately 2,000 tonnes of CO<sub>2</sub> since it launched in 2020.



In November, EFC® also announced a partnership deal with German sustainable building materials and aggregates firm, Holcim. Holcim will integrate its industrial waste binder systems with EFC® technology across the European market, bolstered by technical certification from Germany's Deutsches Institut für Bautechnik (DIBt).

## CONSTRUCTION MATERIALS AND SERVICES (CMS)

Wagners' CMS division manufactures and supplies cement, concrete, flyash, reinforcing steel and aggregates. With a growing network of concrete plants, Wagners is a convenient source of pre-mixed concrete for projects, also providing mobile and on-site concrete batching, crushing and haulage services. Underlining the efficiencies achieved by vertical integration and cross-division collaboration, our engineering solutions team supports other divisions on projects and ensures the efficient operation of all machinery and transport.



## FY22 AT A GLANCE

- ▶ Increase revenue – \$294 million
- ▶ Cement – record sales from Pinkenba manufacturing facility; revenue increase of 11%
- ▶ Concrete – plant network expansion and 18% increase in volumes. Mobile concrete projects delivered in the renewable energy sector
- ▶ Steel – Revenue doubled with expansion of the reinforcing steel business, opening a second facility in Brisbane
- ▶ Precast – completed Cross River Rail Project (CRRP) and secured supply of around 70,000 precast concrete tunnel segments for the Sydney Metro project, commencing October 2022; contract value of approximately \$140 million; project almost three times the size of the completed CRRP
- ▶ Transport – new contracts secured. Over \$7 million invested in upgrades and additions to fleet, with the productivity benefits from this investment to be realised in FY23
- ▶ Quarries – 22% increase in volumes from fixed quarry sites. Over \$7 million invested in plant and equipment which will yield significant savings in production costs once commissioning complete.

## Keep on truckin'

The Wagners team at McArthur River Mine (MRM) was hard at work in FY22, moving bulk concentrate from the mine to the shipping facility at Bing Bong Port. In FY23 we will realise the benefit of the capital investment in super quad road train units, that will significantly improve the efficiency of the haulage operations on the project. These haulage units have the highest pay load and are the most efficient units ever utilised within Wagners' fleet.

Wagners secured this haulage contract in November 2021 and will see us haul up to 3 million tonnes of zinc and lead concentrate between McArthur River Mine to the Bing Bong Loading Facility over three years. The contract value is approximately \$33 million.

# WAGNERS

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