►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
ACN 622 632 848

22 February 2023

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

Dear Sir

Wagners Holding Company Limited (ASX:WGN)
Investor Presentation for Half Year ending 31 December 2022

Please find attached the Investor Presentation relating to the Company's half year results ending 31 December 2022, for immediate release to market.

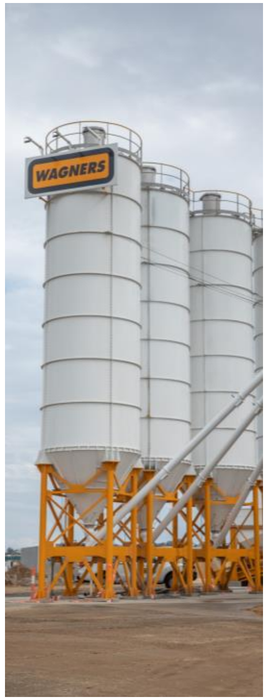
This announcement has been authorised for release to the market by the Board.

For further information, please contact:

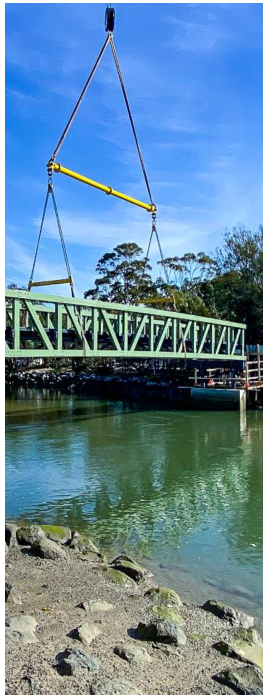
Karen Brown
Company Secretary
Ph. 07 3621 1131

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.





WAGNERS 1H FY23

RESULTS PRESENTATION

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1H FY23 HIGHLIGHTS

1H FY23 SUMMARY

- Highlights
  - Strong revenue increases across both CMS and CFT
- Challenges
  - Margin pressures in concrete
  - Slower ramp up of precast project
  - Delayed commissioning of CFT automated processing line
  - Lower than expected sales and margins in USA CFT
  - Increased costs
- Implemented price increases across lower margin businesses
- H2 Focus
  - Cost control
  - EFC review
  - Urgent review to address structure, strategy and performance

CONSTRUCTION MATERIALS AND SERVICES

- Revenue of $191 million – 25% increase on 1H FY22
- EBIT $14.2 million (1H FY22: $18.6m)
- Positives
  - 20% increase in cement sales
  - Increased sales across business
  - Commencement of new bulk haulage projects
- Challenges
  - Major precast tunnel segment project impacted by slow ramp up
  - Flat concrete volumes with slow improvement in sell price
  - Transport under performed - labour shortages, late delivery of vehicles and high repair and maintenance
  - Reduced margins due to higher input costs

SHEPTON QUARRY, QLD

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COMPOSITE FIBRE TECHNOLOGIES

- **Financial Performance**
  - Revenue $28.4 million - 54% increase in sales
  - EBIT loss of -$1.8million (1H FY22 profit: $0.4m)
- **Australia / New Zealand**
  - Strong sales across business
  - Crossarm margins impacted by increased input costs and inefficient manufacturing
  - Custom build impacted by legacy low margin fixed price contracts and manufacturing inefficiencies
  - Increased costs in raw materials and shipping
- **USA**
  - Stage 1 of facility now established

EARTH FRIENDLY CONCRETE

- Highlights
  - Working on additional use cases and improved applications
  - Continuation of approval processes with a focus on UK and Europe
  - Commitments from customers to adopt EFC technology

- Challenges
  - Increased expenses with UK/Europe expansion
  - Delayed commissioning of UK manufacturing facility
  - Delayed uptake of carbon reducing technologies caused by global conditions
  - Lack of government support globally for the adoption of technologies like EFC

- Watch points
  - Sales take up
  - Change in market landscape
  - Strategic review

CEMENT POWDER TANKER, TOOWOOMBA QLD

FINANCIAL PERFORMANCE

1H FY23 PROFIT & LOSS – SUMMARY

($m)	1H FY23	1H FY22	Change	2H FY22	Change
Operating Revenue	**219.8**	**172.2**	**47.6**	**166.3**	**53.5**
Gross Profit	112.1	94.9	17.2	90.0	22.1
	51%	*55%*	*-4%*	*54%*	*-3%*
Operating Costs	92.1	70.6	21.5	69.1	23.0
Operating EBITDA	**20.0**	**24.3**	**-4.3**	**20.9**	**-0.9**
Depreciation and Amortisation	13.5	11.7	1.8	12.5	1.0
Operating EBIT	**6.5**	**12.6**	**-6.1**	**8.4**	**-1.9**
EFC - EBIT	**-2.3**	**-1.9**	**-0.4**	**-1.3**	**-0.9**
Statutory EBIT	**4.2**	**10.7**	**-6.4**	**7.0**	**-2.8**
Net profit after tax	**-0.8**	**4.7**	**-5.5**	**2.9**	**-3.4**

- Revenue increases in both volumes and sell prices across most business units
- Direct cost increases across most imported manufacturing costs, including shipping
- Operating costs increased across wages, fuel and repairs and maintenance
- Higher expenditure in EFC and CFT offshore

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HY23 CASHFLOW

- Cash flow is impacted by the lower EBITDA, offset by no real movement in working capital
- Capital expenditure to increase capacity and operational efficiencies

($m)	1H FY23	1H FY22	Change	2H FY22	Change
EBITDA	**17.8**	**22.4**	**-4.5**	**19.8**	**-1.9**
Changes in working capital	0.4	-11.7	12.1	-13.8	15.1
Finance costs	-4.6	-5.8	1.2	-4.6	0.0
Income tax paid	-0.9	-0.7	-0.2	-0.7	-0.3
Cash flow from operations	**12.7**	**4.2**	**8.5**	**-0.2**	**12.9**
Capital Expenditure - Net	**-15.1**	**-14.5**	**-0.6**	**-9.0**	**-6.1**
Borrowings - Net	**10.3**	**-0.2**	**10.4**	**9.8**	**0.4**
Net cash flow	**7.8**	**-10.5**	**18.4**	**0.6**	**7.2**

HY23 NET DEBT

- Debt partly used to fund capital expenditure
- The level of capital expenditure will be reduced going forward
- Full compliance with all banking covenants and sufficient headroom in facilities

($m)	Dec-22	Jun-22	Change
Cash and cash equivalents	20.0	12.2	7.8
Gross debt	106.2	94.3	11.9
Net Debt	**86.2**	**82.1**	**4.1**

CASTLEREAGH QUARRY, QLD

OUTLOOK

CONSTRUCTION MATERIALS AND SERVICES

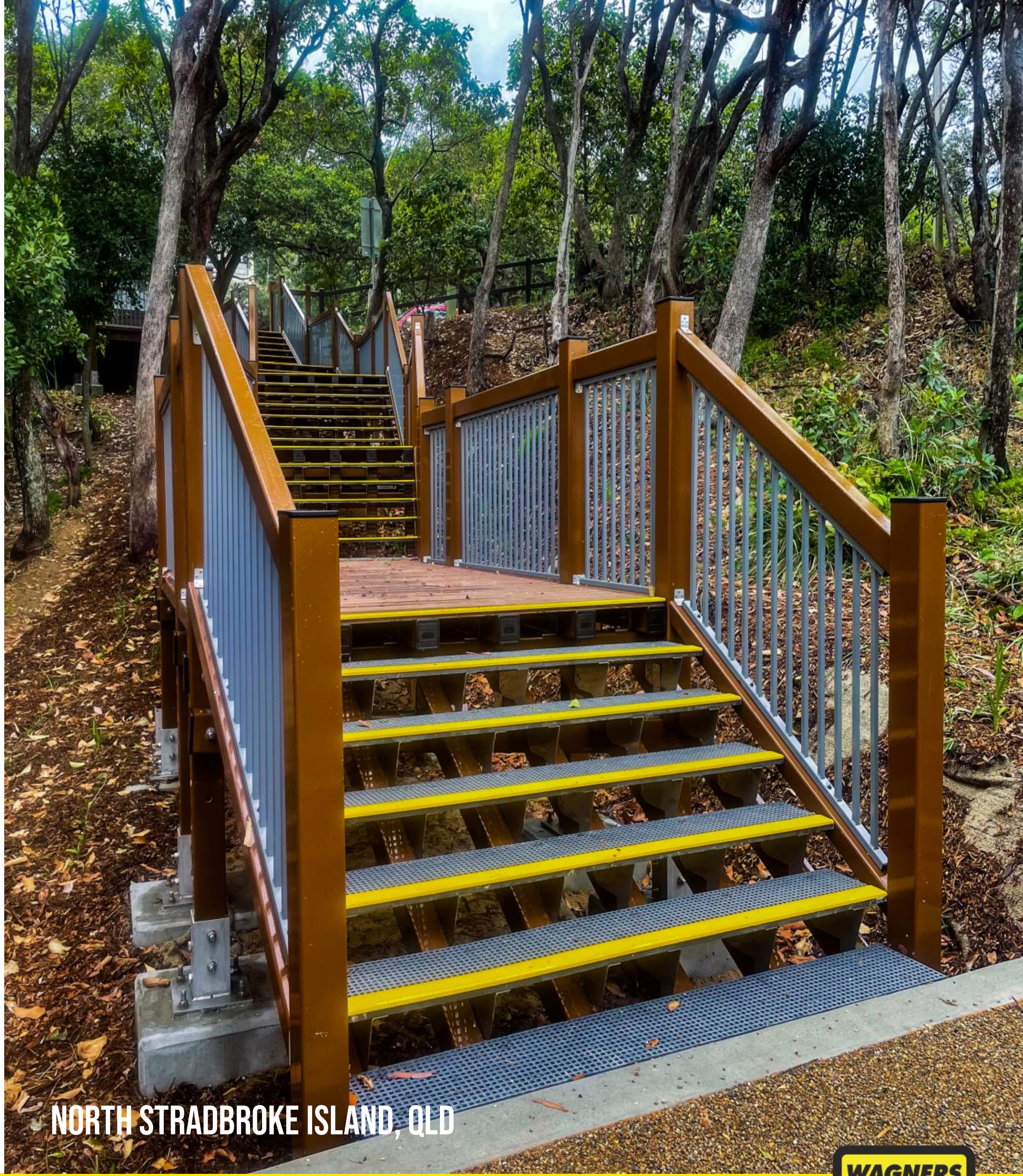
- Construction materials and services demand to remain high with 2032 Olympics $7billion funding agreement to provide long term opportunities
- Strong cement volumes expected to continue
- Concrete volumes and margins to increase with improved market conditions
- Major precast tunnel segment project to contribute to improved results in 2H FY23 & FY24
- New secured projects and upgraded equipment to deliver improved performance in bulk haulage operations
- Improved margins generally with strict pricing policies implemented along with implemented cost controls

WACOL PRECAST YARD, QLD

COMPOSITE FIBRE TECHNOLOGIES

- Sales growth through new product lines and markets
- Continued investment in new product development, innovation, and manufacturing capacity

- Australia / New Zealand
    - Capacity and efficiency gains at Wellcamp facility will improve margins
    - Encouraging market for utility poles following first deliveries in 1H FY23



COMPOSITE FIBRE TECHNOLOGIES

- USA
  - Stage 1 of facility established
  - Business fully resourced to service market opportunities
  - Improved contribution expected for 2H FY23
  - Encouraging signs with improved pipeline and secured forward orders

CONCLUSION

- 1H FY23 results below expectations
- Board and management's focus on implementing immediate changes
- Forecast FY23 EBIT - $14million to $16million

• 1H FY2023	$4.2million
• 2H FY2023	$9.8 to $11.8million
• FY2023	$14 to $16million

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DISCLAIMER

The material contained in this presentation is a summary of Wagners Holding Company Limited's (Wagners) activities and results, current at the date of preparation, 22 February 2023. The information in this presentation is in summary form only, general in nature and does not purport to be complete.

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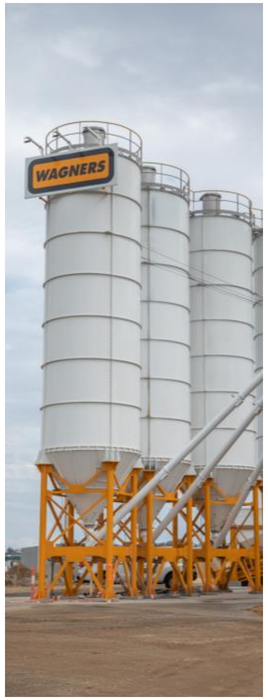




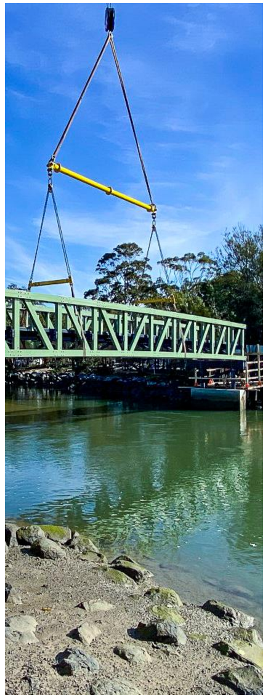

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