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ASX Announcement

21 October 2021

Cleansing notice under section 708(5)(e) of the Corporations Act

Maas Group Holdings Limited (“MGH” or the “Company”) advises that it has issued 690,908 fully paid ordinary shares in the Company (“Shares”) today at an issue price of \$5.50 per Share to a small group of sophisticated investors who have subscribed under the previously announced irrevocable subscription agreements in relation to any shortfall in the now completed Share Purchase Plan. Further details of the irrevocable subscription agreements were contained in MGH’s ASX announcement of 8 September 2021. The balance of the \$15m to be subscribed under the agreements is due to settle in November.

For the purposes of section 708A(6) of the Corporation Act 2001 (Cth) (“Corporations Act”), MGH gives notice that:

- (a) The Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act.
- (b) This notice is being given under paragraph 5(e) of Section 708A of the Corporations Act.
- (c) As a disclosing entity, the Company is subject to regular reporting and disclosure obligations.
- (d) As the date of the notice, MGH has complied with:
 - i. The provisions of Chapter 2M of the Corporations Act as they apply to MGH: and
 - ii. Section 674 of the Corporations Act.

(d) As at the date of the notice, other than as set out below, there is no excluded information, of the type referred to in sections 708A(7) and 708A(8) of the Corporations Act which is required to be set out in this notice pursuant to section 708A(6)(e) of the Corporations Act.

(e) Pursuant to section 708A(6)(e) of the Corporations Act, MGH provides the following additional information, which had previously been excluded from disclosure relying on the continuous disclosure exemption in Australian Securities Exchange (ASX) Listing Rule 3.1A for incomplete proposals and negotiations in relation to proposed acquisitions that remain confidential:

- i. MGH has executed a non-binding term sheet for the acquisition of an operating quarry business in Central Queensland with the term sheet including a binding exclusivity agreement in favour of MGH;

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- ii. MGH is in advanced negotiations with respect to finalising a non-binding term sheet for the acquisition of an operating quarry business in Central Queensland with key commercial terms largely agreed.
- iii. MGH has executed a non-binding term sheet for the acquisition of a residential construction business based in regional NSW which grants binding exclusivity in favour of MGH and remains subject to due diligence and agreement of further commercial terms; and
- iv. MGH has executed a non-binding term sheet for the acquisition of a building supplies business based in regional NSW which grants exclusivity in favour of MGH and remains subject to due diligence and agreement of commercial terms

All of the above proposed transactions were previously disclosed in the Company's cleansing notice of 7 October 2021, are incomplete and remain subject to satisfaction of further conditions including completion of due diligence, agreement of final terms and execution of final binding transaction documentation. Whilst there is no certainty that these proposed acquisitions will complete, it is the Company's current expectation that negotiations in relation to these transactions should conclude within the next few weeks and further details will be provided at the time that binding agreements are entered into.

The consideration for the proposed acquisitions will comprise a mixture of cash and Shares and is expected to be an aggregate of approximately \$49.45 million if all of the acquisitions proceed. The cash consideration will be funded from the Company's existing cash reserves or existing debt facilities and the Shares will be issued under MGH's existing placement capacity under Listing Rule 7.1.

This announcement has been authorised by MGH Board of Directors.

About MAAS Group Holdings Limited

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