

# NOTICE OF ANNUAL GENERAL MEETING

WATERCO LIMITED ABN 62 002 070 733

Notice is hereby given that the Annual General Meeting of the shareholders of Waterco Limited ABN 62 002 070 733 (**Company**) will be held at 36 South Street, Rydalmere, NSW 2116 on Friday, 24 October 2025 at 3.00pm Australian Eastern Daylight Time.

## Items of Business

### 1. Financial Report

To receive the Financial Report of the Company and its consolidated group for the financial year ended 30 June 2025 and the related Directors' Report and Independent Audit Report.

### 2. Remuneration Report

To consider and, if thought appropriate, to pass the following non-binding ordinary resolution:

"That the Remuneration Report contained in the Directors' Report for the year ending 30 June 2025 be adopted."

### 3. Re-Election of Director - Dr Ben Hunt

To consider, and if thought appropriate, to pass the following resolution as an ordinary resolution:

"That Dr Ben Hunt, who retires by rotation in accordance with Clause 3.6 of the Constitution, be re-elected as a Director of the Company."

### 4. Re-Election of Director - Professor Judy Raper

To consider, and if thought appropriate, to pass the following resolution as an ordinary resolution:

"That Professor Judy Raper who retires by rotation in accordance with Clause 3.6 of the Constitution, be re-elected as a Director of the Company."

### 5. Fees to Non-Executive Directors

To consider and, if thought appropriate, to pass the following as an ordinary resolution:

"That, for the purposes of Listing Rule 10.17, the total amount of fees that may be paid to the Company's Non-Executive Directors as a whole be set at a maximum of \$600,000 a year".

### 6. Ratification of related party lease - Meadowbrook Lease

To consider, and if thought appropriate, to pass the following as an ordinary resolution:

"That, for the purposes of Listing Rule 10.1 and all other purposes:

(a) the Company's entry into, renewal and performance of the lease between the Company, as lessee, and Mint Holdings Pty. Limited ACN 002 055 165, as lessor, dated 2 May 2016 in respect of the premises at 77 Nealdon Drive, Meadowbrook, Queensland 4131 (Meadowbrook Lease), as summarised in Items 6 and 7 of the Explanatory Notes to the notice of this meeting, including the payment of all rent and outgoings paid under such lease since its entry, renewal and prior to the date of this meeting, be approved and ratified; and

(b) the continued performance by the Company of its obligations under the Meadowbrook Lease be approved."

*An Independent Expert Report prepared by Leadenhall Corporate Advisory Pty Ltd ABN 11 114 534 619 (Expert) in respect of the Meadowbrook Lease is attached at Annexure A.*

*For the reasons detailed in that report, the Expert has concluded that the terms and conditions of the renewal of the Meadowbrook Lease are fair and reasonable to shareholders of the Company not associated with Mr Soon Sinn Goh, executive chair of the Company, and his son, Mr Bryan Goh, executive director of the Company, and their immediate family members.*

## 7. Ratification of related party lease – Knoxfield Lease

To consider, and if thought appropriate, to pass the following as an ordinary resolution:

“That, for the purposes of Listing Rule 10.1 and all other purposes:

- (a) the Company’s entry into and renewal and performance of the lease between the Company, as lessee, and Mint Holdings Pty. Limited ACN 002 055 165, as lessor, dated on or around 15 August 2001 in respect of the premises at Building A, 6 Samantha Court, Knoxfield, Victoria 3180 (Knoxfield Lease), as summarised in Items 6 and 7 of the Explanatory Notes to the notice of this meeting, including the payment of all rent and outgoings paid under such lease prior to the date of this meeting, be approved and ratified; and
- (b) the continued performance by the Company of its obligations under the Knoxfield Lease be approved.”

*An Independent Expert Report prepared by Leadenhall Corporate Advisory Pty Ltd ABN 11 114 534 619 (Expert) in respect of the Knoxfield Lease is attached at Annexure A.*

*For the reasons detailed in that report, the Expert has concluded that the terms and conditions of the Knoxfield Lease are fair and reasonable to shareholders of the Company not associated with Mr Soon Sinn Goh, executive chair of the Company, and his son, Mr Bryan Goh, executive director of the Company, and their immediate family members.*

By order of the Board



**Sin Wei Yong**

Company Secretary

22 September 2025

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## Voting Entitlements

For the purpose of the Annual General Meeting (AGM), the Company has determined that all securities of the Company that are quoted securities at 7:00pm Australian Eastern Daylight Time on 22 October 2025 will be taken, for the purpose of the AGM, to be held by the persons who were registered holders at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

## Proxies

A shareholder has the right to appoint a proxy who need not be a shareholder of the Company. If a shareholder is entitled to two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form (which is enclosed with this Notice of Meeting) and any power of attorney or authority under which they are signed must be received at the share registry of the Company, Computershare Investor Services Pty Ltd, at GPO Box 242, Melbourne, Victoria, 3001 or by facsimile to Computershare on 1800 783 447 (within Australia) or + 61 3 9473 2555 (outside Australia) at least 48 hours prior to the AGM (i.e. by no later than 3.00pm Australian Eastern Daylight Time on 22 October 2025) or any adjournment. Any proxy form received after this deadline, including at the AGM, will be invalid. Shareholders can also vote online at [www.investorvote.com.au](http://www.investorvote.com.au) For Intermediary Online Subscribers (Custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

## Chairman's Voting Intentions on Undirected Proxies

The Chairman intends to vote undirected proxies in favour of each item of business. Where you have appointed the Chairman as your proxy (or the Chairman becomes your proxy by default), you expressly authorise the Chairman to exercise your proxy on Items 2, 5, 6 and 7 (except where you have indicated a different voting intention on your Proxy Form), even though Items 2 and 5 are connected directly or indirectly with remuneration of members of the Company's key management personnel, which includes the Chairman, and Items 6 and 7 relate to transactions in which the Chairman has a material personal interest (by reason of his interest in the counterparty to those transactions, see Items 6 and 7 of the Explanatory Notes for further details). If there is a change to how the Chairman intends to vote undirected proxies, an ASX announcement will be made.

## EXPLANATORY NOTES

### Item 1 - Financial Report

In accordance with section 317 of the *Corporations Act 2001 (Cth)* (**Corporations Act**), the Financial Report, Directors' Report and Independent Audit Report of the Company will be laid before the meeting for consideration. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Independent Audit Report, the Company's accounting policies and the independence of the auditor.

Shareholders may also submit written questions to the auditor in advance, relating to the content of the Independent Audit Report or the conduct of the audit. The questions must be provided to the Company no later than 5 business days before the date of the AGM (i.e. by no later than 5.00pm Australian Eastern Daylight Time on 17 October 2025) by email to [companysecretary@waterco.com](mailto:companysecretary@waterco.com) or by post or deliver them to the Company's Registered Office at 36 South Street, Rydalmere NSW 2116, marked to the attention of the Company Secretary.

### Item 2 - Remuneration Report

The Remuneration Report for the financial year ended 30 June 2025 provides remuneration policy and payment details for persons who were members of the key management personnel for the Company in the financial year ended 30 June 2025.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM.

The vote on this resolution is advisory only and will not bind the Directors or the Company. However, the Directors may take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second AGM on a further resolution that another meeting be held within 90 days (a "spill" meeting) at which all of the Company's Directors who approved the most recent remuneration report (other than the Managing Director) cease to hold office immediately before the end of the spill meeting and resolutions to re-elect those Directors to the offices be put to vote at the spill meeting. At the 2024 AGM, the Remuneration Report was unanimously adopted on a poll.

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of Item 2 by, or on behalf of:

- (a) a member of the Company's key management personnel; and
- (b) an associate of that person or those persons.

For the purposes herein, key management personnel include the Company's Directors, Chief Financial Officer, Chief Commercial Officer and Chief Operating Officer of Davey Water Products Pty Ltd.

However, this does not apply to a vote cast on Item 2 by:

- (c) a person as proxy or attorney for a person who is entitled to vote on Item 2, in accordance with the directions given to the proxy or attorney to vote on Item 2 in that way; or
- (d) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on Item 2, in accordance with a direction given to the Chairman to vote on Item 2 as the Chairman decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

### **Item 3 - Re-Election of Director - Dr Ben Hunt**

Dr. Hunt was appointed to the Board as a Non-Executive Director in June 1998. He has held academic appointments as the Head of the Graduate School of Business, Associate Dean of the Faculty of Business and Associate Professor of Finance at the University of Technology, Sydney (UTS).

He has a doctorate from the Australian National University. Although Dr. Hunt has written extensively on Australian financial markets (he is the co-author of the text Australian Institutions and Markets, 8th Ed.), his knowledge extends to the South East Asian region. He has been a regular presenter of financial seminars in Hong Kong and Singapore for the UK publishing and training company Euromoney.

Dr. Hunt is the Chairman of the Remuneration Committee and a member of the Audit Committee.

He has held no other listed company directorships during the past three financial years.

In accordance with clause 3.6 of the Constitution, Dr Ben Hunt is required to retire at this AGM, and is eligible to offer himself for election. Dr Ben Hunt is offering himself for re-election.

The Board has considered Dr Ben Hunt's re-election as an independent non-executive director of the Company and noted his valuable contribution to the Company stemming from his extensive knowledge of business and finance management. He has a considerable record of consulting in relation to foreign exchange determination and prediction which is relevant to the Company's global operation and risk management practices.

The Board (Dr Ben Hunt abstaining) supports Dr Ben Hunt's re-election and recommend that you vote in favour of Item 3.

### **Item 4 - Re-Election of Director - Professor Judy Raper**

Professor Raper was appointed to the Board as a Non-Executive Director in April 2020. She holds a Bachelor of Engineering (Hons) and has a doctorate from The University of New South Wales. She has held several academic and non-academic appointments in Australia, the United States and the UK as the Dean of Engineering at the University of Sydney, Head of Chemical & Biological Engineering at University of Missouri in United States, Division Director of Chemical, Bioengineering, Environmental Engineering and Transport Systems at the National Science Foundation in United States and Deputy Vice-Chancellor (Research & Innovation) at the University of Wollongong. Her last appointment was Dean and Chief Executive Officer of TEDI-London responsible for the development of a new start-up Engineering Institution (from 2019 to 2023).

Professor Raper is a Fellow of the Australian Academy of Technology, a fellow of the Australian Institute of Company Directors and an Honorary Fellow of Engineers Australia.

Professor Raper is a member of the Remuneration Committee and the Audit Committee of Waterco Limited.

She has held no other listed company directorships during the past three financial years.

In accordance with clause 3.6 of the Constitution, Professor Judy Raper is required to retire at this AGM, and is eligible to offer herself for election. Professor Judy Raper is offering herself for re-election.

The Board has considered Professor Judy Raper's re-election as an independent non-executive director of the Company and noted her invaluable contribution to the manufacturing activities of the Company from her extensive engineering experience. As a chemical engineer, she has a significant knowledge and experience in water treatment process, and is in a good position to advice on new product directions and technologies, as well as research and development initiatives.

The Board (Professor Judy Raper abstaining) supports Professor Judy Raper's re-election and recommend that you vote in favour of Item 4.

## Item 5 - Fees to Non-Executive Directors

In accordance with Listing Rule 10.17, the limit on total aggregate remuneration that may be paid to Non-Executive Directors is fixed by ordinary resolution of a general meeting of shareholders. A previous limit of \$300,000 was approved by shareholders at the Company's 2018 Annual General Meeting. However, given the time that has elapsed since that approval, the Board proposed to increase the amount by \$300,000 so that a new maximum amount of \$600,000 be approved to provide a buffer for future fee increases.

The total fees paid to the Company's Non-Executive Directors, Dr Ben Hunt, Professor Judy Raper and Mr Wayne Beauman in FY2025 was \$248,433.00. No securities have been issued to the Company's Non-Executive Directors under Listing Rule 10.11 or 10.14 with the approval of shareholders within the last three years.

The Directors recommend this maximum aggregate amount with regard to the Company's need to maintain appropriately experienced and qualified Non-Executive Directors.

## Voting Exclusion Statement

The Company will disregard any votes cast in favour of Item 5 by, or on behalf of:

- (a) a member of the Company's key management personnel; and
- (b) an associate of that person or those persons.

For the purposes herein, key management personnel include the Company's Directors, Chief Financial Officer, Chief Commercial Officer and Chief Operating Officer of Davey Water Products Pty Ltd.

However, this does not apply to a vote cast on Item 5 by:

- (c) a person as proxy or attorney for a person who is entitled to vote on Item 5, in accordance with the directions given to the proxy or attorney to vote on Item 5 in that way; or
- (d) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on Item 2, in accordance with a direction given to the Chairman to vote on Item 5 as the Chairman decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

## Items 6 and 7 - Ratification of related party leases

### Background

On 13 June 2025, the Company was informed by ASX that it is in breach of Listing Rule 10.1 in relation to certain leases entered into by the Company and its related party. In order to remedy the breach, the Company is seeking retrospective approval from its shareholders to ratify the entering into and renewal of the leases set out below.

The Company is a lessee under various lease arrangements with Mint Holdings Pty. Limited ACN 002 055 165 (**Mint Holdings**). Mint Holdings is a related party of the Company by reason of being an entity controlled and majority owned by Mr Soon Sinn Goh, executive director and chair of the Company, and his son, Mr Bryan Goh, executive director of the Company, and their immediate family members (collectively, **Related Parties**).

Relevantly, in June 2016, the Company entered into a lease with Mint Holdings in respect of the premises at 77 Nealdon Drive, Meadowbrook, Queensland 4131 (**Meadowbrook Premises**) for a period of 5 years ending 14 June 2021 (**Meadowbrook Lease**). In June 2021, the Company exercised its option to renew the lease for a further 5 years ending 14 June 2026. The Company has a second option to renew the Meadowbrook Lease for a further 5 years, following expiry of the current term to 14 June 2031. The total rent estimated to be payable over the initial term and two option terms under the Meadowbrook Lease is \$7,627,417.00 (including GST), assuming all rent reviews conducted after the date of this Notice is based on CPI only. The details are as follows

Term	Period	Annual rent
Initial Term	15 June 2016 to 14 June 2021	\$2,107,022.00
1 <sup>st</sup> Renewal Term	15 June 2021 to 14 June 2026	\$2,447,177.00
2 <sup>nd</sup> Renewal Term	15 June 2026 to 14 June 2031	\$3,073,218.00
Total		\$7,627,417.00

Further, in August 2021, the Company entered into another lease with Mint Holdings in respect of Building A, 6 Samantha Court, Knoxfield, Victoria 3180 (**Knoxfield Premises**), for an initial term of 5 years expiring 14 August 2026 and three options to renew each for 5 years (**Knoxfield Lease**). The total rent estimated to be payable over the initial term and three option terms under the Knoxfield Lease is \$7,838,764.00 (including GST), assuming all rent reviews conducted after the date of this Notice is based on CPI only. The details are as follows

Term	Period	Annual rent
Initial Term	15 August 2021 to 14 August 2026	\$1,338,213.00
1 <sup>st</sup> Renewal Term	15 August 2026 to 14 August 2031	\$1,664,599.00
2 <sup>nd</sup> Renewal Term	15 August 2031 to 14 August 2036	\$2,124,496.00
3 <sup>rd</sup> Renewal Term	15 August 2036 to 14 August 2041	\$2,711,456.00
Total		\$7,838,764.00

Prior to entering and renewing the Meadowbrook Lease and entering into the Knoxfield Lease, the Company obtained independent market rent appraisals in respect of each of the Meadowbrook Premises and Knoxfield Premises. The Board (Mr Soon Sinn Goh and Mr Bryan Goh abstaining) was satisfied that the terms of the Meadowbrook Lease and the Knoxfield Lease (each, a **Lease**), including the rent payable under each Lease, were reasonable and on arm's length terms, and therefore, shareholder approval was not required for the Company to enter into those transactions for the purposes of Chapter 2E ('Related party transactions') of the *Corporations Act 2001 (Cth)*.

However, as the total estimated rent payable over the term of each Lease exceeded 5% of the value of the total equity interest of the Company at the time of entry into the Leases.

The total equity interest of the Company based on the Company's half year financial statements in respect of the period ended 31 December 2015 and 31 December 2020 (being the last accounts lodged by the Company with ASX prior to entry of the Meadowbrook Lease and entry into the Knoxfield Lease), was \$2,823,800.00 and \$4,668,850.00 respectively.

As such, the Company's entry and renewal of the Meadowbrook Lease and entry into the Knoxfield Lease each constituted the acquisition of a substantial asset from a related party of the Company, for which shareholder approval is required under Listing Rule 10.1.

Accordingly, shareholders are asked to consider, and if thought fit, approve and ratify:

- (a) the Company's entry into and renewal and performance (including continued performance) of the Meadowbrook Lease pursuant to Item 6 of the notice of AGM to which this Explanatory Notes is attached (**Notice**); and
- (b) the Company's entry into and renewal and performance (including continued performance) of the Knoxfield Lease, pursuant to Item 7 of the Notice.

As part of this resolution, shareholders are also asked to approve and ratify all past payments made under the Meadowbrook Lease since its renewal and under the Knoxfield Lease. As at the date of this Notice:

- a total of \$4,024,509.00 (including GST) in rent and \$408,949.00 (including GST) in outgoings have been paid under the Meadowbrook Lease from the commencement of the lease on 15 June 2016 to the date of this Notice; and
- a total of \$1,051,308.00 (including GST) in rent and \$114,957.00 (including GST) in outgoings have been paid under the Meadowbrook Lease from the commencement of the lease on 15 August 2021 to the date of this Notice.

A more detailed summary of the key terms and conditions of each Lease is set out in paragraph (e) below.

An Independent Expert Report prepared by Leadenhall Corporate Advisory Pty Ltd ABN 11 114 534 619 (**Expert**) in respect of the Leases is also attached at Annexure A of this Notice. For the reasons detailed in that report, the Expert has concluded that the terms and conditions of the renewal of the Meadowbrook Lease and the Knoxfield Lease are **fair and reasonable** to shareholders of the Company not associated with the Related Parties (**Non-associated Shareholders**).

#### Applicable provisions of the ASX Listing Rules – Listing Rule 10.1

Listing Rule 10.1 provides that a listed company must not acquire or agree to acquire a substantial asset from, or dispose of or agree to dispose of a substantial asset to:

- 10.1.1 a related party;
- 10.1.2 a child entity;
- 10.1.3 a person who is, or was at any time in the 6 months before the transaction, a substantial (10%+) holder in the company;
- 10.1.4 an associate of a person referred to in Listing Rules 10.1.1 to 10.1.3; or
- 10.1.5 a person whose relationship with the company or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the issue or agreement should be approved by shareholder,

unless it obtains approval of its shareholders.



The Company is proposing to acquire a leasehold interest in land from a related party under Listing Rule 10.1.1 through the Meadowbrook Lease and Knoxfield Lease.

For the purposes of Listing Rule 10.1, an asset (which includes leasehold interests) is a "substantial asset" if its value is equal to 5% of more of the entity's equity interests, as set out in the most recent set of financial accounts lodged with ASX prior to the relevant time. Where an asset is a leasehold interest, the value of such leasehold interest is typically determined by reference to the total rent payable under the lease over its term, including any options terms to renew.

#### Specific disclosures – Listing Rule 10.5

The following information is provided for the purposes of Items 6 and 7 in accordance with Listing Rule 10.5:

(a) **Person from whom substantial asset is being acquired**

Items 6 and 7 each concern the acquisition by the Company of a substantial asset from Mint Holdings Pty. Limited ACN 002 055 165 (**Mint Holdings**).

Mint Holdings is a related party of the Company pursuant to Listing Rule 10.1.1 by reason of it being majority owned and controlled by Mr Soon Sinn Goh, executive director and chairman of the Company, and his son, Mr Bryan Weng Keong Goh, executive director of the Company, and their immediate family members. Mr Soon Sinn Goh and Mr Bryan Goh are also each a director of Mint Holdings.

(b) **Details of substantial asset acquired and consideration for the acquisition**

The entry and renewal of the Meadowbrook Lease and the entry into the Knoxfield Lease by the Company each constitute the acquisition by the Company of a substantial asset from Mint Holdings as the total value of the Company's leasehold interests under each Lease exceeded 5% of the value of the Company's total equity interests at the time of renewal or entry of the relevant Lease.

Specifically:

- (i) the total rent estimated to be payable over the initial term and two option terms under the Meadowbrook Lease is \$7,627,417.00 (including GST) as set out below:

Term	Period	Annual rent
Initial Term	15 June 2016 to 14 June 2021	\$2,107,022.00
1 <sup>st</sup> Renewal Term	15 June 2021 to 14 June 2026	\$2,447,177.00
2 <sup>nd</sup> Renewal Term	15 June 2026 to 14 June 2031	\$3,073,218.00
Total		\$7,627,417.00

- (ii) the total rent estimated to be payable over the initial term and three option terms under the Knoxfield Lease is \$7,838,764.00 (including GST) as set out below:

Term	Period	Annual rent
Initial Term	15 August 2021 to 14 August 2026	\$1,338,213.00
1 <sup>st</sup> Renewal Term	15 August 2026 to 14 August 2031	\$1,664,599.00
2 <sup>nd</sup> Renewal Term	15 August 2031 to 14 August 2036	\$2,124,496.00
3 <sup>rd</sup> Renewal Term	15 August 2036 to 14 August 2041	\$2,711,456.00
Total		\$7,838,764.00

assuming all rent reviews conducted after the date of this Notice is based on CPI only.

This exceeds 5% of the value of the total equity interest of the Company based on the Company's half year financial statements in respect of the period ended 31 December 2015 and 31 December 2020 (being the last accounts lodged by the Company with ASX prior to entry of the Meadowbrook Lease and entry into the Knoxfield Lease), which was \$2,823,800.00 and \$4,668,850.00 respectively.

(c) **Source of funds to pay for acquisition**

All rent and outgoings payable under each of the Leases have been funded out of cashflow from operating activities.

(d) **Timetable for completion of acquisition**

The Company entered into the Meadowbrook Lease in June 2016 and exercised its option to renew the Meadowbrook Lease in June 2021, and entered into the Knoxfield Lease in August 2021. As such, the acquisition of those substantial assets has already been completed.

The purpose of Item 6 of the Notice is to seek the approval of shareholders to ratify the Company's entry into, renewal and performance (including continued performance) of the Meadowbrook Lease.

The purpose of Item 7 of the Notice is to seek the approval of shareholders to ratify the Company's entry into and performance (including continued performance) of the Knoxfield Lease.

(e) **Summary of material terms of Leases**

The material terms of the Meadowbrook Lease (being the subject of Item 6 of the Notice) are summarised below:

<b>Meadowbrook Lease</b>	
<b>Term</b>	<b>Details</b>
Landlord	Mint Holdings Pty Ltd ACN 002 055 165
Tenant	Waterco Limited ACN 002 070 733
Premises	77 Nealdon Drive, Meadowbrook Queensland 4131 (Lot 65 on RP 908455)
Initial term	5 years from 15 June 2016
Current (renewal) term	5 years from 15 June 2021
Further term	One further term of 5 years from 15 June 2026, exercisable between 4-6 months prior to end of current term
Rent	Initial term: \$370,000 per annum plus GST Current (renewal) term: · \$398,304 per annum plus GST (upon renewal on 15 June 2016) · \$481,537.00 per annum plus GST (currently, following CPI reviews)
Rent reviews	Rent increases annual as per CPI review, but market review to apply at commencement of option terms.
Permitted use	Office and warehouse including the storage of swimming pool and spa chemicals.
Outgoings	Tenant pays 100% of building outgoings
Security deposit	None
Insurance	Public liability insurance of \$20 million; workers compensation, and plate and other glass insurance
Indemnity	Tenant indemnifies Landlord for all claims arising from tenant's occupation (except landlord negligence)
First right to purchase	If the Landlord decides to sell, it must first offer the Premises to the Tenant at market value

The material terms of the Knoxfield Lease (being the subject of Item 7 of the Notice) are summarised below:

<b>Knoxfield Lease</b>	
<b>Term</b>	<b>Details</b>
Landlord	Mint Holdings Pty Ltd ACN 002 055 165
Tenant	Waterco Limited ACN 002 070 733
Premises	Building A, 6 Samantha Court, Knoxfield VIC 3180
Term	5 years from 15 August 2021
Further terms	Three further terms of 5 years each (commencing 15 August 2026, 15 August 2031 and 15 August 2036), not exercisable between 3-6 months prior to the end of the current term
Rent	Initial rent: \$220,000.00 per annum plus GST Current rent: \$260,823.00 per annum plus GST
Rent reviews	Fixed review: annually on 15 August CPI review: at start of option terms (i.e. 15 August 2026, 15 August 2031 and 15 August 2036) Market review: annually during option terms
Permitted use	Warehouse, including storage of pool chemicals/dangerous goods
Outgoings	Tenant pays 100% of building outgoings
Security deposit	None
Insurance	Public liability insurance of \$20 million
Indemnity	Tenant indemnifies Landlord for all claims arising from tenant's occupation (except landlord negligence)



(f) **Voting exclusion statement**

The Company will disregard any votes cast in favour of Item 6 or Item 7 by or on behalf of:

- Mint Holdings controlled and majority owned by Mr Soon Sinn Goh, Director of the Company and Mr Bryan Goh, a Director of the Company;
- any other person who will obtain a material benefit as a result of the Company's entry into any of the Leases (other than a benefit solely by reason of being a shareholder); and
- an associate of that person (or those persons),

However, the Company need not disregard a vote cast in favour of Item 6 or Item 7 if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on Item 6 or Item 7 (as applicable), in accordance with directions given to the proxy or attorney to vote on Item 6 or Item 7 (as applicable) in that way; or
- a person chairing the AGM as a proxy for a person who is entitled to vote on Item 6 or Item 7 (as applicable), in accordance with a direction given to the chair to vote on Item 6 or Item 7 (as applicable) as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the person that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Item 6 or Item 7 (as applicable); and
  - the holder votes on Item 6 or Item 7 (as applicable) in accordance with the directions given by the beneficiary to that person to vote in that way.

(g) **Report on transaction from independent expert**

The Board has appointed Leadenhall Corporate Advisory Pty Ltd ABN 11 114 534 619 (**Expert**) as an independent expert to prepare the Independent Expert Report (**IER**) in relation to the Leases, indicating whether in their opinion each of the Leases is fair and reasonable to non-associated shareholders of the Company. The IER is attached to the Notice at Annexure A and forms part of this Notice.

The purpose of the IER is to assist Non-associated Shareholders to form a view as to whether to approve Item 6 and/or Item 7 of the Notice. The Expert is independent of the Company and has no involvement with, or interest in the outcome of the Leases other than the preparation of the IER.

The Expert has concluded that the terms and conditions of the renewal of the Meadowbrook Lease (Item 6) and the Knoxfield Lease (Item 7) are **fair and reasonable** to the Non-associated Shareholders of the Company.

Shareholders should carefully read and consider the IER before voting on Item 6 and Item 7.

**Consequences of Item 6 being approved**

If shareholder approval is obtained pursuant to Listing Rule 10.1, the Company will be permitted to proceed with the Meadowbrook Lease in compliance with the Listing Rules. As the Meadowbrook Lease has already been executed, this means the Company will be able to continue to perform its obligations under, and benefit from, the Meadowbrook Lease in accordance with its terms.

This outcome provides certainty regarding the Company's ongoing occupancy arrangements and ensures that no compliance or contractual issues arise in connection with the execution of the Meadowbrook Lease.

**Consequences of Item 6 not being approved**

If shareholder approval is not obtained pursuant to Listing Rule 10.1, the Company will continue to be in breach of Listing Rule 10.1 and would be required to discuss with ASX to arrive at a satisfactory outcome in relation to the breach. As the Meadowbrook Lease has been executed, the Company is contractually bound by its terms unless it takes steps to terminate the Meadowbrook Lease (for the purpose ensuring compliance with the Listing Rules).

Termination would not, however, extinguish the Company's obligations under the Meadowbrook Lease, and the Company will remain liable to pay rent for the balance of the lease terms. Based on the total rent estimated to be payable over the initial term and two option terms under the Meadowbrook Lease as specified in paragraph (b) above (being \$7,627,417.00 including GST) and the total rent paid under that Lease to date, the total rent payable by the Company for the balance of the term of the Meadowbrook Lease is \$3,602,908.00.

Having said the above, the landlord (Mint Holdings) would be under a duty to take reasonable steps to mitigate its losses, including making reasonable efforts to re-let the premises. In such circumstances, if Mint Holdings is successful in re-letting, the Company's liability would generally be limited to amounts payable up to the date the new tenancy commences. Notwithstanding this, the potential financial exposure to the Company may still be material.

**Consequences of Item 7 being approved**

If shareholder approval is obtained pursuant to Listing Rule 10.1, the Company will be permitted to proceed with the

Meadowbrook Lease in compliance with the Listing Rules. As the Knoxfield Lease has already been executed, this means the Company will be able to continue to perform its obligations under, and benefit from, the Knoxfield Lease in accordance with its terms.

This outcome provides certainty regarding the Company's ongoing occupancy arrangements and ensures that no compliance or contractual issues arise in connection with the execution of the Knoxfield Lease.

#### Consequences of Item 7 **not** being approved

If shareholder approval is not obtained pursuant to Listing Rule 10.1, the Company will continue to be in breach of Listing Rule 10.1 and would be required to discuss with ASX to arrive at a satisfactory outcome in relation to the breach. As the Knoxfield Lease has been executed, the Company is contractually bound by its terms unless it takes steps to terminate the Knoxfield Lease (for the purpose ensuring compliance with the Listing Rules).

Termination would not, however, extinguish the Company's obligations under the Knoxfield Lease, and the Company will remain liable to pay rent for the balance of the lease terms. Based on the total rent estimated to be payable over the initial term and three option terms under the Knoxfield Lease as specified in paragraph (b) above (being \$7,838,764.00 including GST) and the total rent paid under that Lease to date, the total rent payable by the Company for the balance of the term of the Knoxfield Lease is \$6,787,456.00 including GST.

Having said the above, the landlord (Mint Holdings) would be under a duty to take reasonable steps to mitigate its losses, including making reasonable efforts to re-let the premises. In such circumstances, if Mint Holdings is successful in re-letting, the Company's liability would generally be limited to amounts payable up to the date the new tenancy commences. Notwithstanding this, the potential financial exposure to the Company may still be material.

#### Recommendation of the Board

The Board (Mr Soon Sinn Goh and Mr Bryan Goh abstaining) has considered all aspects of the Leases and considers that the entry into and renewal and performance of the Meadowbrook Lease and entry into and performance the Knoxfield Lease are in the best interests of the shareholders of the Company.

Accordingly, the Board (Mr Soon Sinn Goh and Mr Bryan Goh abstaining) recommend that shareholders vote in favour of each of Item 6 and Item 7.

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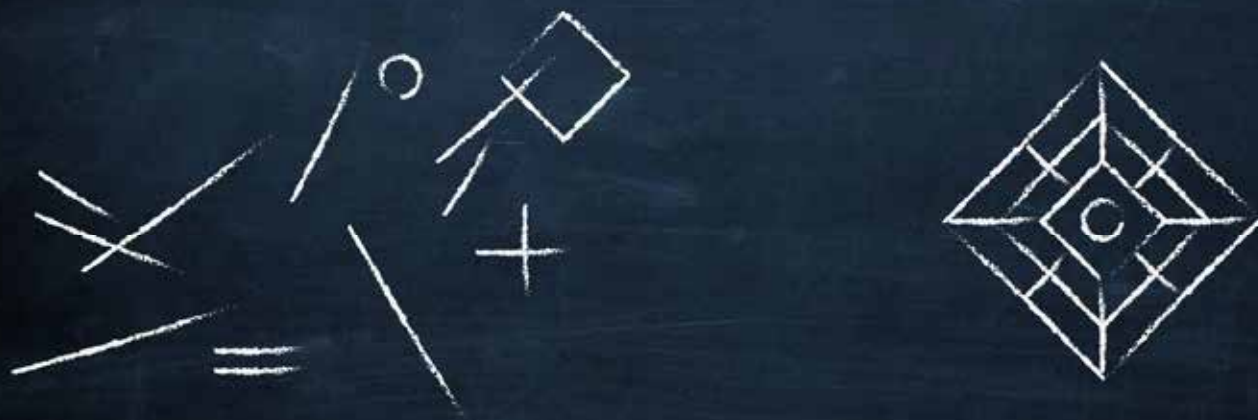


# WATERCO LIMITED

PROPERTY LEASES WITH RELATED PARTIES

OPINION: THE KNOXFIELD LEASE AND MEADOWBROOK LEASE ARE FAIR AND REASONABLE

INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE  
4 SEPTEMBER 2025



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4 September 2025

The Independent Directors  
Waterco Limited  
36 South Street  
Rydalmere NSW 2116

Dear Directors,

## Independent Expert's Report for Waterco Limited

### 1. Introduction

Waterco Limited ("**Waterco**") is an ASX listed company that manufactures and distributes filtration and sanitisation equipment and accessories through retail and franchise networks across Australia, New Zealand, Asia, North America and Europe. Waterco leases a number of properties from Mint Holdings Pty Ltd ("**Mint Holdings**"). Waterco's Chief Executive Officer ("**CEO**") Mr Soon Sinn Goh ("**Mr S S Goh**") and his son Mr Bryan Goh are both directors and shareholders of Mint Holdings.

The leases relate to office and warehouse facilities designated for the storage of chemicals and hazardous materials, and include the following leases:

- ◆ Building A, 6 Samantha Court, Knoxfield, Victoria 3180, entered into on 15 August 2021 ("**Knoxfield Lease**")
- ◆ 77-79 Nealdon Drive, Meadowbrook, Queensland 4131, renewed on 15 June 2021 ("**Meadowbrook Lease**")

(collectively, the "**Leased Properties**" and "**Related Party Leases**").

Further details of the Lease Agreements are set out in Section 3 of our detailed report.

### 2. Purpose of the report

ASX Listing Rule 10.1 requires a listed entity to obtain shareholders' approval before it acquires a substantial asset from a related party. The Related Party Leases are a substantial asset for the purposes of Listing Rule 10.1. Thus, these leases must be approved by shareholders. This approval was overlooked by Waterco at the time of entering the leases. Waterco is therefore in the process of seeking retrospective approval for these leases.

In order to assist shareholders evaluate the Related Party Leases, the directors of Waterco have engaged Leadenhall Corporate Advisory Pty Ltd ("**Leadenhall**") to prepare an independent expert's report assessing whether the Related Party Leases are fair and reasonable to Waterco's shareholders not associated with Mr S S Goh and Mr Bryan Goh ("**Shareholders**"). The approval of the Related Party Leases is being sought at a general meeting of Shareholders.

Further information regarding our scope and purpose is set out in Section 2 of our detailed report.

### 3. Basis of evaluation

In order to assess whether the Related Party Leases are fair and reasonable we have:

- ◆ Assessed it as fair if the lease payments agreed between Waterco and Mint Holdings ("**Agreed Lease Payments**") are lower than or equal to market lease rates and if the terms of the leases are not unfavourable.
- ◆ Assessed it as reasonable if it is fair, or despite not being fair, the advantages to Shareholders outweigh the disadvantages.

Further details of the basis of evaluation are provided in Section 2 of this report.

4. The Knoxfield Lease is fair

Assessed market lease rates

We have assessed the market lease rates for the Knoxfield Lease to be \$220,665 to \$243,825 per annum (excluding GST and outgoings).

Agreed Lease Payments

The Knoxfield Lease specifies an annual rental payment of \$220,000 (excluding GST and outgoings).

Comparison to consideration

We have assessed whether the Knoxfield Lease is fair by comparing our assessed market lease rate with the Agreed Lease Payments offered and also considering the terms of the lease. The lease payment comparison is set out in the table below.

Figure 1: Assessment of fairness



Source: Leadenhall analysis

As set out in the figure above, the Agreed Lease Payment for the Knoxfield Lease is less than the assessed market rental range. In addition, we consider the terms of the Knoxfield Lease to be consistent with the usual terms of commercial leases including the term and rent escalation clauses.

Accordingly, the Knoxfield Lease is fair.

5. The Knoxfield Lease is reasonable

Given the Knoxfield Lease is fair, it is also reasonable. We have also considered the following factors relevant to the reasonableness of the Knoxfield Lease to shareholders:

- ◆ The Knoxfield Lease provides Waterco with security of tenure for a maximum period of 20 years to 14 August 2041, including a further three five year renewal options.

Accordingly, in our opinion the Knoxfield Lease is reasonable.

6. The Meadowbrook Lease is fair

Assessed market lease rates

We have assessed the market lease rates for the Meadowbrook Lease to be \$384,420 to \$420,180 per annum (excluding GST and outgoings).

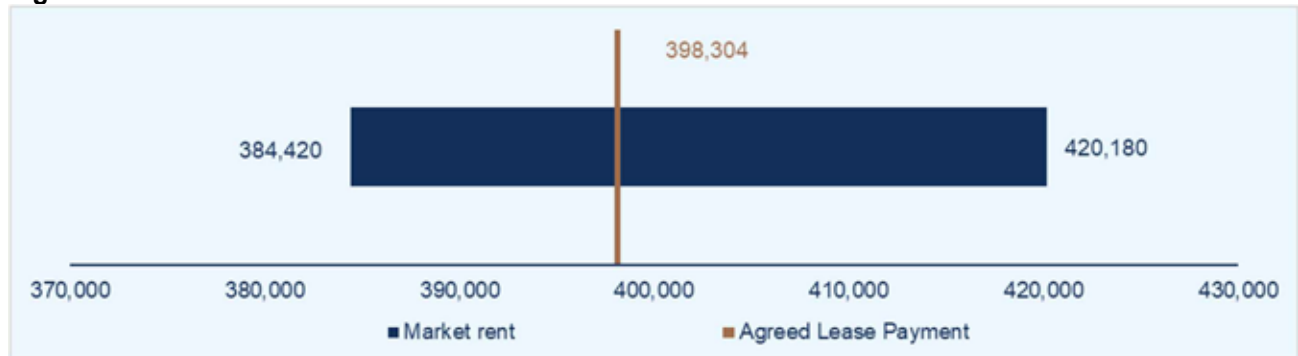
Agreed Lease Payments

The Meadowbrook Lease specifies an annual rental payment of \$398,304 (excluding GST and outgoings).

Comparison to consideration

We have assessed whether the Meadowbrook Lease is fair by comparing our assessed market lease rate with the Agreed Lease Payments offered and also considering the terms of the lease. The lease payment comparison is set out in the table below.

**Figure 2: Assessment of fairness**



Source: Leadenhall analysis

As set out in the figure above, the Agreed Lease Payment for the Meadowbrook Lease is within the assessed market rental range. In addition, we consider the terms of the Meadowbrook Lease to be consistent with the usual terms of commercial leases including the term and rent escalation clauses.

Accordingly, the Meadowbrook Lease is fair.

#### **7. The Meadowbrook Lease is reasonable**

Given the Meadowbrook Lease is fair, it is also reasonable. We have also considered the following factors relevant to the reasonableness of the Meadowbrook Lease to shareholders:

- ◆ The Meadowbrook Lease provides Waterco with security of tenure for a maximum period of ten years to 14 June 2031, including a further five year renewal option.
- ◆ Between April and June 2020 during the onset of the COVID-19 pandemic, Mint Holdings provided to Waterco with rental relief totalling \$29,361 through a 30% rent reduction, indicating it may continue to be supportive of Waterco going forward.

Accordingly, in our opinion renewing the Meadowbrook Lease is reasonable.

#### **8. Opinion**

In our opinion, the Knoxfield Lease and Meadowbrook Lease are fair and reasonable to Shareholders. This opinion should be read in conjunction with our detailed report which sets out our scope, analysis and findings in more detail.

Yours faithfully

Richard Norris  
**Director**

Katy Lawrence  
**Director**

*Note: All amounts stated in this report are in Australian dollars unless otherwise stated.  
Tables in this report may not add due to rounding.*

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**LEADENHALL CORPORATE ADVISORY PTY LTD**

ABN 11 114 534 619

**Australian Financial Services Licence No: 293586**

***FINANCIAL SERVICES GUIDE***

Leadenhall Corporate Advisory Pty Ltd ("**Leadenhall**" or "**we**" or "**us**" or "**our**" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

**Financial Services Guide**

In providing this report, we are required to issue this Financial Services Guide ("**FSG**") to retail clients. This FSG is designed to help you to make a decision as to how you might use this general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

**Financial Services We are Licensed to Provide**

We hold Australian Financial Services Licence 293586 which authorises us to provide financial product advice in relation to securities (such as shares and debentures), managed investment schemes and derivatives.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product. Our report will include a description of the circumstances of our engagement and the party who has engaged us. You will not have engaged us directly but will be provided with a copy of the report because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial service licensee authorised to provide the financial product advice contained in that report.

**General Financial Product Advice**

The advice produced in our report is general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

**Benefits that We May Receive**

We charge fees for providing reports. These fees will be agreed with the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Leadenhall is entitled to receive a fixed fee of \$25,000 (excl. GST) for preparing this report. This fee is not contingent upon the approval of the Related Party Leases.

Except for the fees referred to above, neither Leadenhall, nor any of its directors, consultants, employees or related entities, receive any pecuniary or other benefit, directly or indirectly, for or in connection with the provision of this report.

**Remuneration or Other Benefits Received by our Employees, Directors and Consultants**

All our employees receive a salary. Our employees are eligible for bonuses which are not based on the outcomes of any specific engagement or directly linked to the provision of this report. Our directors and consultants receive remuneration based on time spent on matters.

### **Independence**

At the date of this report, Leadenhall and its related entities do not have, and have not had within the previous two years, any business or professional relationship with Waterco or their related entities. In addition, Leadenhall and its related entities do not have any financial or other interest in Waterco or their related entities that could reasonably affect its ability to provide an unbiased opinion in relation to the Transactions. We therefore consider ourselves to be independent for the purpose of this engagement, in accordance with *Regulatory Guide 112: Independence of Experts*.

### **Referrals**

We do not pay commissions or provide any other benefits to any person for referring clients to us in connection with the reports that we are licensed to provide.

### **Complaints Resolution**

As the holder of an Australian Financial Services Licence, we are required to have a system in place for handling complaints from persons to whom we have provided reports. All complaints must be in writing, to the following address:

Leadenhall Corporate Advisory Pty Ltd  
Level 13, 111 Elizabeth St  
Sydney NSW 2000

Email: [office@leadenhall.com.au](mailto:office@leadenhall.com.au)

We will try to resolve your complaint quickly and fairly and will endeavour to settle the matter within 14 days from the time the matter is brought to our attention.

If you do not get a satisfactory outcome, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution services that are free to consumers and can be contacted as follows:

Website: [www.afca.org.au](http://www.afca.org.au)

By post: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

### **Compensation Arrangements**

Leadenhall holds professional indemnity insurance in relation to the services we provide. The insurance cover satisfies the compensation requirements of the Corporations Act 2001.

4 September 2025

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## 1 BACKGROUND

Waterco is an ASX listed company that manufactures and distributes filtration and sanitisation equipment and accessories through retail and franchise networks across Australia, New Zealand, Asia, North America and Europe. Waterco leases a number of properties from Mint Holdings. Waterco's CEO, Mr S S Goh and his son Mr Bryan Goh are both directors and shareholders of Mint Holdings.

The Related Party Leases relate to office and warehouse facilities designated for the storage of chemicals and hazardous materials, and include the following leases:

- ◆ Knoxfield Lease – annual rental amount of \$220,000 at the start of the initial term
- ◆ Meadowbrook Lease – annual rental amount of \$398,304 at the start of the renewal term.

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## 2 SCOPE

### 2.1 Purpose of the report

ASX Listing Rule 10.1 requires a listed entity to obtain shareholders' approval before it acquires a substantial asset from a related party. An asset is substantial if its value, or the consideration being paid for it, is 5% or more of the equity in the listed entity, as set out in its latest accounts lodged with the ASX. Guidance Note 24 issued by ASX ("GN24") provides further guidance for listed companies in relation to the acquisition or disposal of substantial assets from related parties, and in the context of leases states that:

*"To determine the value of that leasehold interest, ASX will typically look at the total rent payable under the lease over its term (including any option to renew) to determine whether or not it equals or exceeds 5% of the equity interests of the entity, as set out in the latest accounts given to ASX under the Listing Rules. If it does, ASX will regard the lease as a substantial asset and the transaction will require security holder approval under Listing Rule 10.1"*

In accordance with GN24, two of the Related Party Leases are a substantial asset for the purposes of Listing Rule 10.1. Thus, these leases must be approved by Shareholders. This approval was overlooked by Waterco at the time of entering the leases. Waterco is therefore in the process of seeking retrospective approval for these leases.

ASX Listing Rule 10.5.10 requires that the Notice of Meeting sent to shareholders in respect of the acquisition or disposal of a substantial asset from a related party must include a report on the transaction from an independent expert. The independent expert's report must state whether the transaction is fair and reasonable to shareholders.

The directors of Waterco have therefore requested Leadenhall to prepare an independent expert's report assessing whether:

- ♦ the Knoxfield Lease is fair and reasonable to Shareholders; and
- ♦ the Meadowbrook Lease is fair and reasonable to Shareholders.

This report has been prepared for the exclusive purpose of assisting Shareholders in their assessment of the Knoxfield Lease and the Meadowbrook Lease.

### 2.2 Basis of evaluation

#### Introduction

*Regulatory Guide 111 Content of Expert Reports ("RG111")* issued by the Australian Securities & Investments Commission ("ASIC") requires a separate assessment of whether a related party transaction under Listing Rule 10 is 'fair' and whether it is 'reasonable'. We have therefore considered the concepts of 'fairness' and 'reasonableness' separately. The basis of assessment selected and the reasons for that basis are discussed below.

#### Fairness

RG111.57 requires an expert assessing a related party transaction to compare the benefit provided by the entity to the related party (i.e. lease payment) with the consideration being provided to the entity (i.e. leasehold interest). However, it is standard market practice to compare the agreed lease payments specified in the terms of the Related Party Leases and the market lease rates for the Leased Properties. We consider the commonly adopted approach to be more useful to Shareholders than a strict interpretation of RG111.57. We have therefore assessed the Related Party Leases as fair if the payments do not exceed market rates and the terms of the leases are not unfavourable. We also note that if we had compared the gross benefit with the consideration in accordance with RG111.57, our conclusion would be the same.

#### Reasonableness

In accordance with RG111, we have defined the Related Party Transactions as being reasonable if they are fair, or if, despite not being fair, Leadenhall believes that there are sufficient reasons for Shareholders to vote for the proposals. We have therefore considered whether the advantages to Shareholders of the Related Party Leases outweigh the disadvantages. To assess the reasonableness of the Related Party Leases we have considered the following significant factors recommended by RG111.62:

- ◆ Opportunity costs
- ◆ Alternatives available to Waterco
- ◆ Respective bargaining position of Waterco and Mint Holdings
- ◆ Any special value of the leases to Waterco

We have also considered other significant advantages and disadvantages to Shareholders of the Related Party Leases.

## **2.3 Individual circumstances**

We have evaluated the Related Party Leases for Shareholders as a whole. We have not considered their effect on the particular circumstances of individual investors. Due to their personal circumstances, individual investors may place a different emphasis on various aspects of the Related Party Leases from the one adopted in this report. Accordingly, individuals may reach a different conclusion to ours on whether the Related Party Leases are fair and reasonable. If in doubt investors should consult an independent financial adviser about the impact of the Related Party Leases on their specific financial circumstances.

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## 3 RELATED PARTY LEASES

### 3.1 Background

The Related Party Leases we have been asked to assess are summarised below:

**Table 1: Related Party Leases**

Lease	Property
<b>Knoxfield Lease</b>	Building A, 6 Samantha Court, Knoxfield, Victoria 3180
<b>Meadowbrook Lease</b>	77-79 Nealdon Drive, Meadowbrook, Queensland 4131

Source: Waterco

### 3.2 Knoxfield Lease

The property is an office and warehouse complex situated in Knoxfield, an eastern Melbourne suburb with both residential and industrial characteristics. It is positioned within a cul-de-sac that connects to Gilbert Park Drive. On-site parking is provided, with additional unrestricted parking available along Samantha Court.

Waterco uses the property for warehousing and has held a lease at the property since 2006. The current lease agreement commenced on 15 August 2021 and has an initial term of five years. The rent at commencement of the lease was \$220,000 per annum.

A summary of the Knoxfield Lease terms is set out below.

**Table 2: Knoxfield Lease terms**

Key term	Knoxfield Lease
<b>Premises</b>	Building A, 6 Samantha Court, Knoxfield, Victoria 3180
<b>Lettable area</b>	2,392 sqm
<b>Lessor</b>	Mint Holdings Pty Ltd
<b>Lessee</b>	Waterco
<b>Commencement date</b>	15 August 2021
<b>Lease term</b>	Five years up to a maximum of 20 years including option periods
<b>Options</b>	Option 1: further period of five years from 15 August 2026 Option 2: further period of five years from 15 August 2031 Option 3: further period of five years from 15 August 2036
<b>Commencing rental</b>	Initial term: \$220,000 (excluding GST) per annum
<b>Rent review</b>	First term: annual consumer price index ("CPI") review Further term(s): market review on commencement of option terms (i.e. 15 August 2026, 15 August 2031 and 15 August 2036) and annual CPI reviews. CPI reviews are not undertaken during years where a market review occurs.
<b>Outgoings</b>	Tenant must pay its portion of: (a) Outgoings that benefit the whole building: based on the premises' proportion of the total building area. (b) Outgoings benefiting multiple but not all premises: based on the proportion of benefiting area (c) Outgoings benefiting only the premises: 100% payable by tenant.
<b>Permitted use</b>	Warehouse including storage of pool chemicals and dangerous goods.
<b>GST</b>	Payable in addition to the rental payments

Source: Waterco

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### 3.3 Meadowbrook Lease

The property consists of office and warehouse facilities located in Meadowbrook, a suburb in south-east Brisbane near the Logan and M1 motorways. It is positioned within an established industrial area that contains a mix of industrial warehouses with varying ages and features.

Waterco uses the property for warehousing and office space and has held a lease at the property since 2001. The current lease agreement commenced on 15 June 2016 and was renewed on 15 June 2021 for a further five year term. The rent at commencement of the renewal period was \$398,304 per annum.

A summary of the Meadowbrook Lease terms is set out below.

**Table 3: Meadowbrook Lease terms**

Key term	Meadowbrook Lease
<b>Premises</b>	77-79 Nealdon Drive, Meadowbrook, Queensland 4131
<b>Lettable area</b>	3,555 sqm
<b>Lessor</b>	Mint Holdings Pty Ltd
<b>Lessee</b>	Waterco
<b>Commencement date</b>	15 June 2016
<b>Lease term</b>	Five years up to a maximum of 15 years including option periods
<b>Options</b>	Option 1: further period of five years from 15 June 2021. This option was exercised by Mint Holdings and Waterco. Option 2: further period of five years from 15 June 2026.
<b>Commencing rental</b>	Initial term: \$370,000 (excluding GST) per annum from 15 June 2016. Renewal term: \$398,304 (excluding GST) per annum from 15 June 2021.
<b>Rent review</b>	(a) CPI reviews: undertaken annually by reference to the CPI for Brisbane, provided that the annual rent for any year is not less than the annual rent for the previous year. (b) Market rent reviews: undertaken at the commencement of a further term, provided that if the market review results in a rent lower than the previous year, the rent will remain at the prior year's amount. CPI reviews are not undertaken in years where there is a market review.
<b>Outgoings</b>	Payable by Waterco.
<b>Permitted use</b>	Office and warehouse including storage of swimming pool and spa chemicals.
<b>GST</b>	Payable in addition to the rental payments.

Source: Waterco

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## 4 MARKET RENTAL FOR RELATED PARTY LEASES

We have engaged Peter Fay (“**Mr Fay**”) and Brad Twidale (“**Mr Twidale**”) property valuation experts from Jones Lang LaSalle Advisory Services Pty Limited (“**JLL**”) to provide an opinion on the market rent for the Related Party Leases as at 15 June 2021. We have confirmed that JLL, Mr Fay and Mr Twidale are independent of Waterco and that Mr Fay and Mr Twidale are competent in the assessment of market rent valuations.

A summary of the market rent value of the Related Party Leases is set out in the table below.

**Table 4: Market value of Related Party Leases**

Lease	Property Expert	Date	Market rent value (\$'000)	
			Low	High
<b>Knoxfield Lease</b>	Mr Fay	15 June 2021	220.7	243.8
<b>Meadowbrook Lease</b>	Mr Twidale	15 June 2021	384.4	420.2

Source: JLL

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## 5 AGREED LEASE PAYMENTS

### 5.1 Summary

A summary of the lease payments agreed between Waterco and Mint Holdings in respect of the Knoxfield Lease and the Meadowbrook Lease is set out in the table below.

**Table 5: Agreed Lease Payments**

Lease	Term	Commencement/ renewal date	Agreed Lease Payment (\$'000)
<b>Knoxfield Lease</b>	Initial	15 August 2021	220.0
<b>Meadowbrook Lease</b>	Renewal	15 June 2021	398.3

Source: Waterco

### 5.2 Knoxfield Lease

The Knoxfield Lease specifies an annual rental payment of \$220,000 (excluding GST and outgoings), commencing 15 August 2021. This amount will be subject to an annual CPI review in the initial term of the lease. For each subsequent term, a market rent review will be conducted at the commencement of the option periods (specifically on 15 August 2026, 15 August 2031 and 15 August 2036), in addition to annual CPI reviews<sup>1</sup>.

### 5.3 Meadowbrook Lease

The initial term of the Meadowbrook Lease commenced on 15 June 2016 with an annual rental amount of \$370,000 (excluding GST and outgoings), increasing annually in line with the CPI for Brisbane. The rent amount for the period 15 June 2020 to 14 June 2021 (the final year of the initial term) was \$396,258. This amount aligns with the initial rent (of \$370,000) adjusted by Brisbane's annual CPI changes.

On 14 June 2021, the Meadowbrook Lease was renewed by Waterco and Mint Holdings and the annual rent amount was adjusted to \$398,304 (excluding GST) per annum.

<sup>1</sup> CPI reviews will not take place in years when a market review is conducted.

## 6 EVALUATION

### 6.1 Fairness

In order to assess whether the Related Party Leases are fair, we compared the agreed lease payments and the market lease rates for the Leased Properties. The Related Party Leases are considered fair if the payments do not exceed market rates and the terms of the leases are not unfavourable.

#### Knoxfield Lease

The result of our lease payment comparison for the Knoxfield Lease is summarised in the figure below.

**Figure 3: Assessment of fairness – Knoxfield Lease**



Source: Waterco and Leadenhall analysis

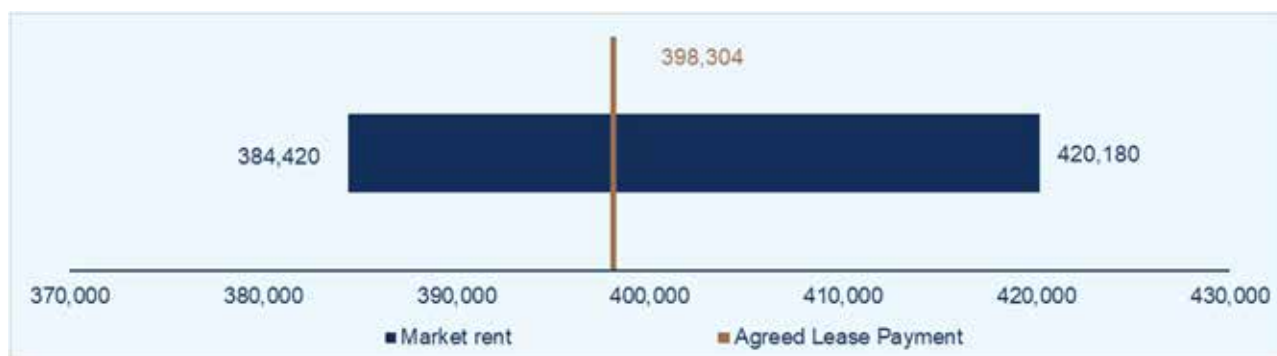
As set out in the figure above, the Agreed Lease Payment for the Knoxfield Lease is less than the assessed market rental range. In addition, we consider the terms of the Knoxfield Lease to be consistent with the usual terms of commercial leases including the term and rent escalation clauses.

Accordingly, the Knoxfield Lease is fair.

#### Meadowbrook Lease

The result of our lease payment comparison for the Meadowbrook Lease is summarised in the figure below.

**Figure 4: Assessment of fairness – Meadowbrook Lease**



Source: Waterco and Leadenhall analysis

As set out in the figure above, the Agreed Lease Payment for the Meadowbrook Lease is within the assessed market rental range. In addition, we consider the terms of the Meadowbrook Lease to be consistent with the usual terms of commercial leases including the term and rent escalation clauses.

Accordingly, the Meadowbrook Lease is fair.

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## 6.2 Reasonableness

We have defined the Related Party Leases as reasonable if they are fair, or despite not being fair, there are sufficient reasons for Waterco's shareholders to vote for the proposal. We have also considered the advantages and disadvantages of the Related Party Leases to shareholders.

### **Knoxfield Lease**

Given the Knoxfield Lease is fair, it is also reasonable. We have also considered the following factors relevant to the reasonableness of the Knoxfield Lease to shareholders:

- ◆ The Knoxfield Lease provides Waterco with security of tenure for a maximum period of 20 years to 14 August 2041, including a further three five year renewal options.

Accordingly, in our opinion the Knoxfield Lease is reasonable.

### **Meadowbrook Lease**

Given the Meadowbrook Lease is fair, it is also reasonable. We have also considered the following factors relevant to the reasonableness of the Meadowbrook Lease to shareholders:

- ◆ The Meadowbrook Lease provides Waterco with security of tenure for a maximum period of ten years to 14 June 2031, including a further five year renewal option.
- ◆ Between April and June 2020 during the onset of the COVID-19 pandemic, Mint Holdings provided Waterco with rental relief totalling \$29,361 through a 30% rent reduction, indicating it may continue to be supportive of Waterco going forward.

Accordingly, in our opinion renewing the Meadowbrook Lease is reasonable.

## 6.3 Opinion

In our opinion, the Knoxfield Lease and Meadowbrook Lease are fair and reasonable to Shareholders.

An individual shareholder's decision in relation to the Related Party Leases may be influenced by their own particular circumstances. If in doubt, the shareholder should consult an independent financial adviser.



**APPENDIX 1: GLOSSARY**

Term	Meaning
Agreed Lease Payments	Lease payments agreed between Waterco and Mint Holdings
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited
AUD	Australian Dollar
Corporations Act	The Corporations Act 2001
FSG	Financial Services Guide
Knoxfield Lease	Lease for Building A, 6 Samantha Court, Knoxfield, Victoria 3180, entered into on 15 August 2021
Leadenhall	Leadenhall Corporate Advisory Pty Ltd
Meadowbrook Lease	Lease for 77-79 Nealdon Drive, Meadowbrook, Queensland 4131, renewed on 15 June 2021
Mint Holdings	Mint Holdings Pty Ltd
Related Party Leases	Waterco's leased properties from Mint Holdings
RG111	Regulatory Guide 111: Content of Expert Reports
Shareholders	Current non-associated shareholders of Waterco
Mr S S Goh	Waterco CEO Mr Soon Sinn Goh
Waterco	Waterco Limited

## APPENDIX 2: QUALIFICATIONS, DECLARATIONS AND CONSENTS

### Responsibility and purpose

This report has been prepared for Waterco's shareholders for the purpose of assessing the Related Party Leases are in the best interests of Shareholders. Leadenhall expressly disclaims any liability to any shareholder, or anyone else, whether for our negligence or otherwise, if the report is used for any other purpose or by any other person.

### Reliance on information

In preparing this report we relied on the information provided to us by Waterco being complete and accurate and we have assumed it has been prepared in accordance with applicable Accounting Standards and relevant national and state legislation. We have not performed an audit, review or financial due diligence on the information provided. Drafts of our report were issued to Waterco's management for confirmation of factual accuracy.

### Market conditions

Leadenhall's opinion is based on prevailing market, economic and other conditions as at the date of this report. Conditions can change over relatively short periods of time. Any subsequent changes in these conditions could impact upon the conclusion reached in this report.

As a valuation is based upon expectations of future results it involves significant judgement. Although we consider the assumptions used and the conclusions reached in this report are reasonable, other parties may have alternative expectations of the future, which may result in different valuation conclusions. The conclusions reached by other parties may be outside Leadenhall's preferred range

### Indemnities

In recognition that Leadenhall may rely on information provided by Waterco and their officers, employees, agents or advisors, Waterco has agreed that it will not make any claim against Leadenhall to recover any loss or damage which it may suffer as a result of that reliance and that it will indemnify Leadenhall against any liability that arises out of Leadenhall's reliance on the information provided by Waterco and their officers, employees, agents or advisors or the failure by Waterco and their officers, employees, agents or advisors to provide Leadenhall with any material information relating to this report.

### Qualifications

The personnel of Leadenhall principally involved in the preparation of this report were Richard Norris, BA (Hons), FCA, M.App.Fin, F.Fin, Katy Lawrence, BCom., CA, GradDipAppFin, CA BV Specialist and Nick Kipriotis BCom. (IntSt), CA.

This report has been prepared in accordance with "APES 225 – Valuation Services" issued by the Accounting Professional & Ethical Standards Board and this report is a valuation engagement in accordance with that standard and the opinion is a Conclusion of Value.

### Independence

Leadenhall has acted independently of Waterco. Compensation payable to Leadenhall is not contingent on the conclusion, content or future use of this report.

For personal use only

WAT

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AEDT) on Wednesday, 22 October 2025.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE  
FLAT 123  
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SAMPLEVILLE VIC 3030

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**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark ☒ to indicate your directions

## Step 1

## Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of Waterco Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Waterco Limited to be held at 36 South Street, Rydalmere, NSW 2116 on Friday, 24 October 2025 at 3:00pm (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 5, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Items 2 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman, and Items 6 and 7 relate to transactions in which the Chairman has a material personal interest (by reason of his interest in the counterparty to those transactions).

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2, 5, 6 and 7 by marking the appropriate box in step 2.

## Step 2

## Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-Election of Director – Dr Ben Hunt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-Election of Director – Professor Judy Raper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Fees to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Ratification of related party lease – Meadowbrook Lease	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7 Ratification of related party lease – Knoxfield Lease	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3

## Signature of Securityholder(s)

*This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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Computershare

