

## ASX Announcement

20 June 2025

# Response To ASX Notice

Waterco Limited (**Waterco** or the **Company**) (**ASX: WAT**) advises that it has been made aware by the ASX of an historical breach of ASX Listing Rule 10.1 arising from lease arrangements entered into in 2021 with a related party entity, Mint Holdings Pty Ltd (Mint Holdings).

## Background

In 2021, Waterco renewed lease agreements with Mint Holdings for the following properties:

- The Meadowbrook Property located at 77–79 Nealdon Drive, Meadowbrook, QLD; and
- The Knoxfield Property located at Building A, 6 Samantha Court, Knoxfield, VIC.

Mint Holdings is classified as a related party of Waterco due to its control by a current director of the Company.

At the time of entering the leases, Waterco obtained independent market rental assessments to support the commercial terms, and the rental arrangements were reviewed and approved by non-interested directors, with relevant parties abstaining from any decisions. These arrangements were consistently disclosed in the Company's annual reports as related party transactions, in line with corporate governance and accounting standards.

However, it has since come to light that when renewal options under the leases are taken into account, the aggregate value of each lease exceeds 5% of Waterco's equity interests as at 31 December 2020. Under Listing Rule 10.1, such arrangements should have been subject to prior security holder approval, which was not sought at the time.

Waterco acknowledges this historical oversight and notes that the breach was entirely inadvertent.

## Remediation Plan

Waterco has engaged constructively with ASX and proposed the following remediation plan, which ASX has accepted:

- Waterco will seek security holder approval at its 2025 Annual General Meeting (expected to be held in October 2025) under and for the purposes of Listing Rule 10.1 for:
  - Entry into the Knoxfield Lease and Meadowbrook Lease (including by exercise of an option for renewal);
  - Past payments under those leases; and
  - For the continuation of those leases.

- This will require Waterco to commission an independent expert's report opining on each of the Knoxfield Lease and Meadowbank Lease for the purposes of Listing Rule 10.5.10.

### **Interim Position**

ASX has advised that Waterco must not make any further payments under the Knoxfield or Meadowbrook leases until security holder approval is obtained for the purposes of Listing Rule 10.1 to remedy the breaches.

### **Governance and Next Steps**

Waterco remains firmly committed to high standards of corporate governance and regulatory compliance. The Company is undertaking a review of its internal compliance framework to ensure stronger controls are in place to assess related party transactions and ensure full compliance with the ASX Listing Rules.

Waterco will continue to work collaboratively with ASX and will keep the market informed of any material developments, in accordance with its continuous disclosure obligations.

This announcement has been authorised for release by the Board of Directors of Waterco Limited.

### **For further information, please contact:**

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### **About Waterco Limited – [www.waterco.com.au](http://www.waterco.com.au)**

Established in 1981 and listed on the ASX in 1989, Waterco (ASX:WAT) manufactures and distributes a diverse range of products for the international swimming pool and water treatment markets. Waterco is also the franchisor of Swimart, Australia and New Zealand's leading network of pool and spa retail outlets and is also the distributor of Zane Pool Heating solutions via a network of Australian dealerships.

Waterco delivers high quality, innovative products at exceptional value in over 40 countries. This includes a comprehensive range of swimming pool and spa equipment and chemicals as well as domestic and industrial water treatment equipment. The company's head office is in Sydney, Australia with international offices, manufacturing plants and warehouses located in Australia, New Zealand, Malaysia, Indonesia, Singapore, China, USA and the UK.