

wienerberger

EQS Post-admission Duties announcement: Wienerberger AG / Publication according to § 119 (9) BörseG

Wienerberger AG: Other admission duties to follow

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Report of the Managing Board of Wienerberger AG on the exclusion of the purchase right (subscription right) of existing shareholders pursuant to Sec. 65 para. 1b in conjunction with 71 Para. 1 in conjunction with 153 para. 4 Austrian Stock Corporation Act

1. Sale of treasury shares by other means and authorization to exclude the purchase right (exclusion of subscription rights)

By resolution of the 153rd Annual General Meeting of Wienerberger AG, FN 77676f (the "**Company**"), held on 3 May 2022, the Managing Board (*Vorstand*) was authorized pursuant to Sec. 65 para. 1b of the Austrian Stock Corporation Act (*Aktiengesetz* – "**AktG**"), for a period of five years from the date of the resolution and subject to approval of the Supervisory Board (*Aufsichtsrat*), to sell treasury shares of the Company by other means than on the stock exchange or through a public offering and furthermore by excluding the quota-based purchase right of the shareholders (exclusion of subscription rights). Based on this authorization, the Managing Board resolved to sell treasury shares in the Company (the "**treasury shares**") by other means than on the stock exchange or through a public offering and to use them, subject to the approval of the Supervisory Board, subject to an exclusion of shareholders' subscription rights. In addition to a cash consideration, up to 395,000 treasury shares shall be sold as a non-cash transaction currency for the acquisition of all shares in the four Danish companies Strøjer Tegl A/S, Strøjer Tegl Systems A/S, Strøjer Ejendomme A/S and Strøjer Ler A/S (jointly the "**Acquisition**") from Strøjer Holding ApS, Denmark (the "**Seller**") at a valuation of EUR 26.00 per treasury share subject to an exclusion of shareholders' subscription rights. The final number of treasury shares for the Acquisition will be determined on the basis of the valuation of EUR 26.00 per treasury share by applying the Danish Krone/Euro exchange rate over an average period as set out in the purchase agreement. The delivery date for treasury shares is expected to be in the second quarter of 2023. The required approval of the Supervisory Board for the aforementioned use of treasury shares is expected to be obtained on 27 March 2023.

2. Interest of the Company

The treasury shares are intended to be used as a non-cash purchase price component for the Acquisition and delivered to the Seller subject to an exclusion of subscription rights of shareholders. This is advantageous for and in the interest of the Company for several reasons: (i) The use of treasury shares of a listed stock corporation is common and recognized in international M&A transactions. The well-proven procedure allows for a quick and flexible payment of the purchase price for the sake of executing the Acquisition; (ii) In comparison to a public placement of treasury shares or a sale on the stock exchange, the planned use of treasury shares for the Acquisition does not involve the risk of negative price fluctuations (particularly in volatile markets) resulting in detrimental effects on the execution of the transaction; (iii) Additionally, the use of treasury shares expands the shareholder structure of the Company to include a long-term investor. Wienerberger has agreed with the Seller on a lock-up period of several years with regard to the treasury shares delivered to the Seller. The shares are therefore in firm hands for this period; (iv) A public offering of treasury shares would require a considerable amount of time and money, considering, inter alia, the preparation of a prospectus, and would possibly also entail risks of prospectus liability; (v) The use of treasury shares for the Acquisition is advantageous for the Company because liquidity requirements for the Acquisition can be reduced.

3. Adequacy, necessity and proportionality

The exclusion of subscription rights for the use of treasury shares as a non-cash component of the transaction currency for the Acquisition is appropriate for the sake of achieving the stated objectives in the interest of the Company. The exclusion of subscription rights is necessary and proportionate for this purpose: (i) The objectives and advantages pursued with the use of treasury shares to finance the Acquisition cannot be achieved to the same extent in the event of a sale of the treasury shares while maintaining subscription rights of shareholders or a sale on the stock exchange or by means of a public offering. The Company would not be able to react in a quick and flexible manner and would be exposed to market risks and enormous costs if it were to create the liquidity required for the Acquisition by selling shares; (ii) The use of treasury shares as a non-cash part of the transaction currency for the Acquisition secures the transaction and is carried out whilst taking into account the stock market price of the Company shares. Moreover, the Seller is incentivized to support a seamless and complete integration of the companies subject to the Acquisition into the Wienerberger Group. Eventually, the Seller himself benefits from possible positive effects on the share price of the Company associated thereto; (iii) By contrast, a sale of treasury shares with subscription rights would require considerable lead time and would occasion higher costs than the use of treasury shares for the Acquisition, without allowing for a flexible execution of the transaction. Furthermore, there would be considerable time restrictions, partly stemming from the usual trading volumes of the Company's shares on the Vienna Stock Exchange and volume restrictions for share sale programs associated thereto, as well as negative price effects to be expected due to the selling pressure during a sale program; (iv) The extent of the use of treasury shares is clearly limited to up to 395,000 treasury shares (corresponding to up to around 0.35% of the nominal share capital), so that any 'dilution' of shareholders with regard to their respective ownership interest in the Company remains within reasonable limits. Since the valuation for the treasury shares is reasonably set at EUR 26.00 per treasury share, for the shareholders there is no risk of dilution comparable to a capital increase if the treasury shares are used as a non-negotiable part of the transaction currency. Although the participation interest of a shareholder changes, simply the ownership structure is restored which existed prior to the repurchase of the treasury shares by the Company and which has temporarily changed for the Company by virtue of restricting the rights arising from such treasury shares pursuant to Sec. 65 para. 5 AktG.

For the reasons stated, the purposes and measures pursued in the interests of the Company – which, in any case, are also indirectly linked to the interests of all shareholders – by means of excluding subscription rights prevail and thus the exclusion of shareholders' subscription rights is not disproportionate, but necessary and appropriate. In addition, the use of treasury shares for the Acquisition and the exclusion of subscription rights are subject to the approval, and thus the control, of the Supervisory Board of the Company.

4. Justification of the selling price

The selling price of the treasury shares was determined in customary negotiations with the Seller, with due regard to the price level of the Company's shares on the Vienna Stock Exchange. Due to the valuation of the treasury shares taking into consideration the stock market price of the Company's shares, shareholders will not suffer any disproportionate disadvantage due to pro rata dilution of shares. The agreed valuation price takes into account the share price level of the previous 12 months. The protection of shareholders' interests is also ensured by the fact that the value of the four Danish companies to be acquired by Wienerberger Group was analyzed in the course of the

Treasury shares to be sold have the same rights (notably profit entitlements) as the existing shares (ISIN AT0000831706). The rights arising from the shares are thus included in the valuation of such shares on the capital market (in particular the stock market price). Therefore, such rights arising from the shares are also priced into the valuation when used for the Acquisition.

With due regard to the aforementioned reasons, the intended exclusion of subscription rights is suitable, necessary, proportionate and objectively justified and required in the overriding interest of the Company. This report of the Management Board will be published on the website of the Company registered in the commercial register (*Firmenbuch*) and additionally distributed electronically throughout Europe. Reference will be made to this publication by notice in the official journal (*Amtsblatt*) of the Wiener Zeitung. The approval of the Supervisory Board of the Company is required for the exclusion of subscription rights and for the sale of treasury shares. Pursuant to Sec. 65 para. 1b in conjunction with Section 171 para. 1 of the Austrian Stock Corporation Act (*Aktiengesetz*), a resolution of the Supervisory Board on this matter will be adopted no earlier than two weeks after the publication of this report and the actual sale of treasury shares will take place in compliance with the applicable statutory requirements.

The Managing Board of Wienerberger AG

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End of News

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