

A large, stylized blue liquid splash graphic that starts from the top right and flows down towards the bottom right corner of the slide. It has several droplets and a main vertical flow.

Oldfields Holdings Ltd

Company Presentation

Chris Giles – Managing Director
October 2012

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Opportunity to participate in the ongoing transformation of an established Australian business. Founded in 1916 and listed on the ASX in 1960, this financial restructure will deleverage the balance sheet allowing the business to continue to improve profitability and cash flow.

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Oldfields Overview

- **Three key business categories:**
 - Paint Applications
 - Scaffolding – Hire and Sales
 - Sheds (and greenhouses)
- **Competitive Advantages:**
 - International product sourcing and manufacture
 - Indonesian JV for paint applications manufacturing and sales
 - Wholly owned scaffolding manufacturing facility in China
 - Senior team has extensive experience in hardware industry
 - Extensive scaffolding and building industry knowledge
- **Established 1916, proudly Australian**

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Financial Restructure Proposal

- Oldfields to repurchase \$10M of bank debt for \$5M
- Oldfields intends to raise \$5.6M by way of a non-renounceable rights issue (on a one new share for one existing share basis) at 10c per share
- Board support with Mr Lewis Timms, an existing major shareholder and Chris Giles, CEO & Director taking up rights
- Total equity increases from \$0.8M to \$10.7M with further increase in equity when Deferred Tax Assets of approx. \$1.7M are brought to account
- Gearing Ratio* improves from 17.3x to approx. 2.7x in FY13
- Bank will provide a term debt facility of \$4M, until June 2015, of which approx. \$3M will be drawn down at the closing of this transaction
- Bank converting approx. \$2.5M of remaining debt for a Deferred Senior Loan Note (DSLN)
- Term debt facility will be on commercial terms and conditions

*Gearing Ratio = Total Debt/EBITDA

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Debt Structure (Post Capital Raising)

1. Senior Debt (\$3.0M)
2. Deferred Senior Loan Note (\$2.5M)
 - Term 10yrs
 - Repayment or partial repayments at anytime, at option of Oldfields
 - Note attracts capital appreciation equal to the share price growth of Oldfields common shares, but capped at 12%
 - Note attracts same level of dividend as normal equity throughout the term of the Note
 - A \$2.5M Note equates to 25M shares, bank receives same dividend distribution as ordinary shareholders
 - If the loan note is repaid or partially repaid in the 1st 5 years Note value appreciation is 12%pa compounding irrespective of the share price movement
 - If share price has increased by more than 12%p.a. compounding, from the rights issue price in 5yrs note is capped at original value +12% p.a.
 - If share price has grown less than 12%p.a. from the rights issue price note value increases at the same % as the Oldfields share price
 - If the share price is lower or the same as the rights issue price after 5 years, the note attracts no interest

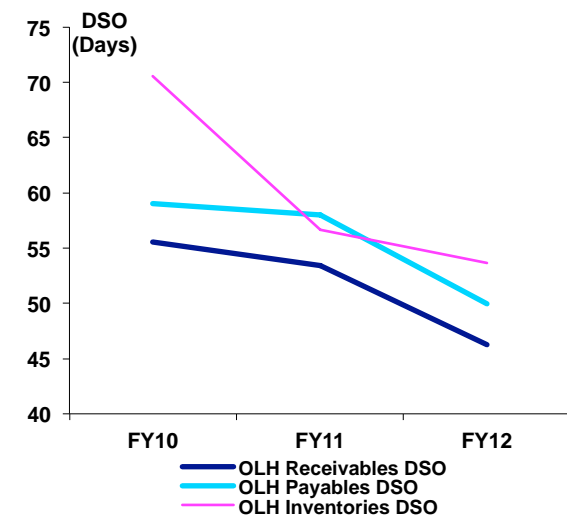
Bank Debt June 30, 2012	15.1M
Capitalised Interest July-Nov	0.4M
Total Bank Debt Nov 30, 2012	15.5M
Buy Back	10.0M
Total Debt Post raising	5.5M
Comprising	
Senior Debt	3.0M
DSLN	2.5M

5yr Share Price Gain	Note Value Appreciation	Note Value (\$M)
0%	0%	2.5
20%	20%	3.0
76%*	76%	4.4
100%	76%	4.4

*76% represents 12%pa compounding

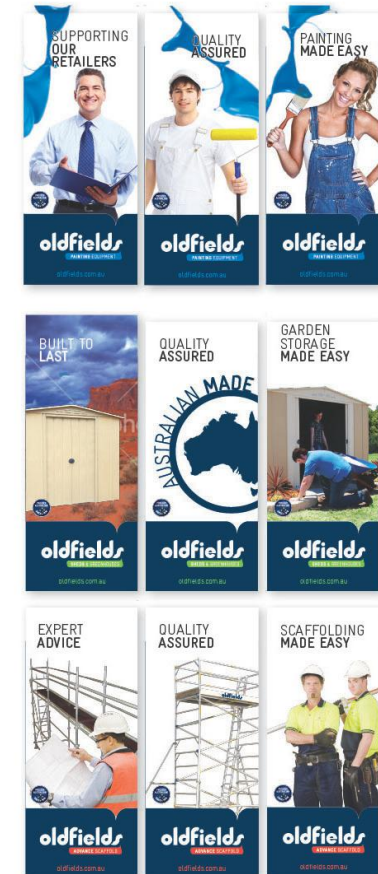
Transformation Highlights

- Implemented cultural change to re-engage with the customer and consumer
- Closed loss making retail sheds and cleaning products businesses
- Good distribution of paint application products in Masters hardware chain and key independent paint stores
- Gained price increases for paint applications products implemented June 2012
- Merged paint applications and sheds sales force
- Rationalised overheads with 8% reduction in costs in FY12 compared to same period last year for continuing operations (\$1.1M)
- Implemented structured cost savings program (Estimated FY13 savings \$920K)
- Debt reduction of \$3m in the past 12mths from asset sales
- Improved working capital management in all key areas
- Average stock turn turns increased from improved inventory management



Oldfields Rebranding

- Bringing the brand into the 21st Century
- Brands being revitalised
- Focus has been on re-engaging trade customers, and developing a strong consumer offering for DIY customers
- All products sold under the Oldfields umbrella



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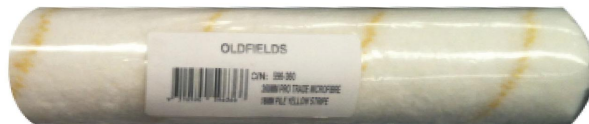


Rebranding

Before



After



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Growth Opportunities

Paint Applications

- New entrant to hardware market presents good opportunity for Oldfields to become a household name once again in the DIY market
- Continue to grow business through improved product offering in DIY and trade paint stores

Scaffolding

- Scaffolding business set to rebound when there is an upturn in construction activity (internal forecast for FY14)
- Recent changes in safety regulations driving requirement for additional scaffold componentry when erecting scaffolding
- Consolidation opportunities in the scaffolding industry

Growth Opportunities

New products

- Opportunities exist for small bolt on acquisitions
- Leverage suppliers' R&D centres for innovation
- Small greenhouses to suit higher density dwellings
- Opportunities to enter complimentary product categories in the hardware market leveraging the Oldfields brand equity
- Regain market leadership in paint brush business through innovative new products

Customers

- International sales expansion direct from overseas production facilities for all businesses
- New distribution routes for Sheds' business through garden centres and major hardware chains
- Re-engaging with core and lapsed customers
- Leverage Oldfields brand strength across all 3 categories

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Financial Information

\$'000's	FY'12	FY'13
Revenue	28,833	29,163
EBITDA	872	2,000*
EBITDA %	3.0%	6.9%
Dep'n & Amort	1,091	1,128
EBIT	(219)	873*
Profit Before Tax	(1,544)	86*
Operating Cash	114	1,417

- Expecting strong revenue growth in Paint Applications partially offset by revenue decline in scaffolding due to continued softness in the construction sector
- Growth from DIY hardware outlets and price increases
- EBITDA growth largely from improved margins from price increases and identified and implemented cost savings
 - Product cost reductions \$170K
 - Overhead cost reductions \$750K
- PBT improvement from cost savings and lower interest expense savings of \$500K pa in 2012/13 and a further \$300K in 2013/14

*Excludes one off \$5M profit on discount on debt buy back

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Pro-forma Balance Sheet

Applying the results of the capital raising to the most recent published balance sheet, and applying capitalised interest from July 12 to Nov 12 assuming 100% take up of rights

Item	As at June 2012	Change	Post Rights Issue & Capitalised Interest Jul-Nov
Current Assets	\$ 9,126,611	\$176,418	\$ 9,303,029
Non Current Assets	\$ 11,436,698	\$ 0	\$ 11,436,698
Total Assets	\$ 20,563,309	\$176,418	\$ 20,739,727
Current Liabilities	\$ 19,320,273	(\$ 14,668,704)	\$ 4,651,569
Non Current Liabilities	\$ 486,936	\$ 4,910,720	\$ 5,397,656
Total Liabilities	\$ 19,807,209	(\$9,757,984)	\$ 10,049,225
Total Equity	\$ 756,100	\$9,934,402	\$ 10,690,502

Assume post rights issue raises \$5.3M net of transaction costs

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Corporate Structure

Item	June 30, 2012	Post Raising Pro Forma
Senior Debt	\$14.1M	\$ 3.0M
Cash at Bank	\$ 0.4M	\$ 0.6M
Trade Facility	\$ 1.0M	Incl. in Senior Debt
Deferred Senior Loan	Nil	\$ 2.5M
Total Equity	\$ 0.8M	\$10.7M
% top 20 shareholders	88.6%	n/a

Risks

- Oldfields exposed to general and economic risks associated with the residential and commercial construction sector particularly through the scaffold division
- If Oldfields does not raise at least \$5M (either through debt or equity funding), Oldfields will not be able to make the \$5M payment as it is required to do under the terms of its facility agreement. This will result in Oldfields defaulting under the facility agreement and the value of shareholders investment in Oldfields will diminish
- Possible loss of one or more major customers
- Possible loss of key contract
- Loss of key staff
- Expansion into new retail opportunities does not match expectations
- Competitive pressures in construction sector impacting operating margin
- Currency movements (+/- 5% in A\$/US\$ impacts EBIT by \$220K)

Appendix

Recent Activity

Oldfields Scaffold undertakes a wide range of activity from hire of mobile towers, house wraps for buildings to major construction projects with Maritime Services, Qantas and others



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Rebranding to meet the new Oldfields Customers

OLDFIELDS PREMIUM BRUSHES



2011



2012

FEATURES



> Use with all paints
> Use on all surfaces
> Easy to clean



> Holds more paint
> Better coverage



> Smooth finish
> More accuracy



> Light & comfortable
> Easy to use



> Maintenance shape
> Long term use
> No filament loss



Use with all paints and surfaces, including
interior and exterior, water-based or
oil-based paints, undercoats, primers,
woodstains, sealers and varnishes.

- Focus on 'Oldfields' brand
- Unified packaging
- More 'premium' feel to packaging
- Improved features section
- Improved description & size

Garden Sheds and New Greenhouses



Board and Senior Management

- Independent Chairman and Audit Committee Chair, Julie Garland-McLellan FAICD: professional company director, internationally renowned governance authority, civil engineer and MBA, former AICD Council member, senior executive with BHP and KPMG.
- Managing Director, Chris Giles: Bachelor of Commerce, CPA qualified. 25 years experience in senior financial and general management roles in the fast moving consumer goods industry. Shareholder with 700,000 shares.
- Non-executive director, Lewis Timms: Bachelor of Business (Accounting and Audit), Registered Tax Agent, Real Estate and Business Agent. 25 years experience in accounting and audit, 18 years experience in commercial real estate and project management. Major Shareholder with 19,692,264 shares.
- CFO and Company Secretary, Rob Coleman: Bachelor of Commerce (Accounting), Certified Practicing Accountant. Senior management experience in multi-location wholesale industry.