

**oldfields**

**2019 Annual Report**

Year Ended 30 June 2019

ABN 92 000 307 988

**OLDFIELDS  
HOLDINGS  
LIMITED**

**ANNUAL GENERAL  
MEETING**

**27<sup>th</sup> NOVEMBER  
2019**



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# Chairman & Board

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- Lewis Timms, Chairman



- Steve Hooper, Non Executive Director



- Richard Abela, Managing Director & CEO



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# Agenda

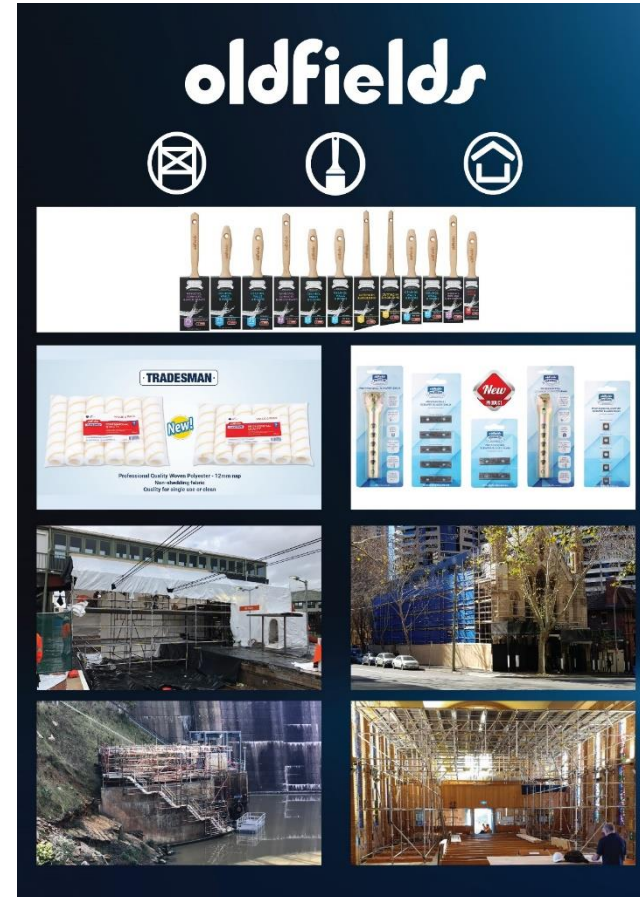
Welcome

Chairman's Address

CFO Address

CEO Address

Resolutions





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Chairman  
Address  
Lewis Timms

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## 2019 Annual Report

Year Ended 30 June 2019

ABN 92 000 307 988

## PLACEMENT OF SHARES



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# Placement of Shares

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Key terms of the Subscription Agreement between the Company and EQM Holdings Pty Ltd as trustee of the EQM Holdings Trust (the Subscriber):

- issue 85,530,329 shares at \$0.06 per share (representing 51.00% of the Company's issued share capital on a fully diluted basis as at the Settlement Date) to the Subscriber

- Total consideration: \$5,131,820

- \$3,100,000 – 2 business days following satisfaction or waiver of all conditions precedent - expected to occur shortly after the AGM

The balance of \$2,031,820 - on or before Settlement Date which is likely to be 18 December 2019 – however may extend by a further 60 days.

# Placement of Shares – Cont'd

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The proceeds from the placement to be applied in the following order of priority:

- Firstly, towards the Agreed Westpac Amounts
- Secondly, towards repayment of the Timms Amount
- The balance for general working capital purposes

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# Placement of Shares – Cont'd

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Under the terms of the Subscription Agreement, the Subscriber has nominated the following person as Non-Executive Director of the Company

- Mr David Baird
- Mr Jie Ma
- Mr Jonathan Doy

The above appointments are subject to the approval of the Placement of Shares to the Subscriber by shareholders at today's AGM.

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COMPANY  
SECRETARY &  
CFO

ALAN LEE

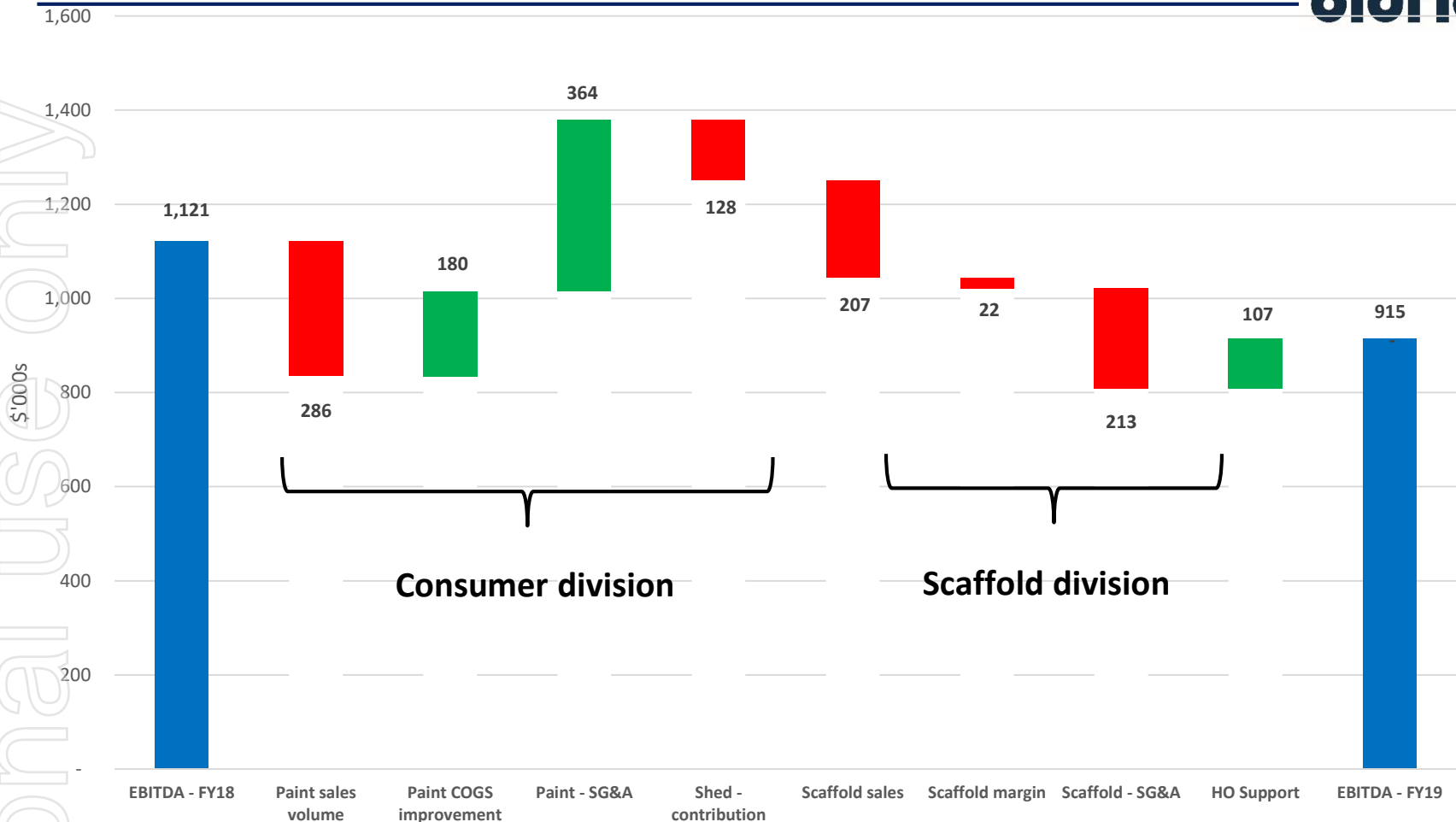
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# Review of Revenue



	FY18	FY19	FY18 v FY19	Mov't %
Sheds	246	195	(51)	(20.7%)
Paint	4,933	4,246	(687)	(13.9%)
<b>Consumer</b>	<b>5,179</b>	<b>4,441</b>	<b>(738)</b>	<b>(14.2%)</b>
Scaffold	20,832	20,319	(513)	(2.5%)
Unallocated	(113)	(5)		
<b>Total Group</b>	<b>25,898</b>	<b>24,755</b>	<b>(1,143)</b>	<b>(4.4%)</b>

# EBITDA Bridge – FY19 vs FY18





# EBITDA to NPAT - FY19 vs FY18



	2019 \$000's	2018 \$000's	Change %
<b>Group Revenue (Net)</b>	<b>24,755</b>	<b>25,898</b>	<b>(4.4%)</b>
<b>Net Profit after Tax</b>	<b>(228)</b>	<b>1,550</b>	<b>(114.7%)</b>
<small>add backs</small> DSLN Debt Revaluation	(508)	(1,936)	
Interest	355	286	
Depreciation & Amortisation	880	912	
Income Tax Expense	416	309	
<b>EBITDA</b>	<b>915</b>	<b>1,121</b>	<b>(18.4%)</b>

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## 2019 Annual Report

Year Ended 30 June 2019

ABN 92 000 307 988

CHIEF EXECUTIVE  
OFFICER

RICHARD ABELA



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# Review of 2019 & building blocks laid - Scaffolding

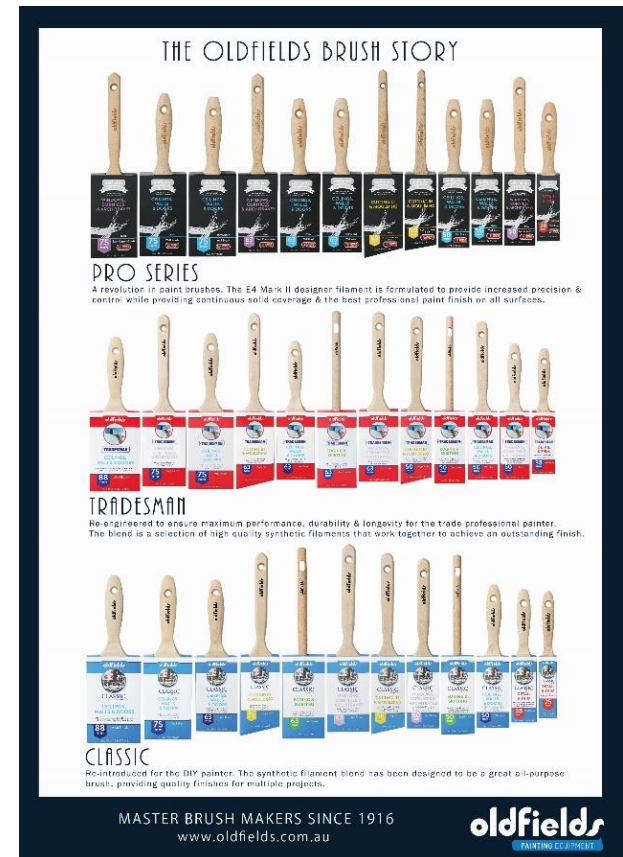
- Oldfields has not been spared from the building slow down
  - Trading conditions has seen an escalation in unstructured quoting and as such a corresponding tightening of profit margins has ensued.
- Progress is being made in the on boarding of counter cyclical revenue streams
  - Revenue mix is improving outside of traditional construction with Vic and SA leading the way.
- National accounts beginning to take hold with a growing number of cross border major clients.
- Strengthening our branch / state structures remains a major focus.
  - Operational build up is well underway that will provide the back end support required for growth.
- Scaffold sales in China have commenced



# Review of 2019 and building blocks laid - Paint



- Product innovation continues to drive our paint agenda Nov 17
  - We now have solidified our place with the Pro Series Brush
  - Other hero products are and will continue to be rolled out
- Pro Series Roller and now Pro series Brush are the benchmarks.
- Key account agreements
  - Additional key accounts are being added
  - These accounts are providing additions to traditional income streams in Scaffolding and Paint.
- International strategy rolling out





# Capacity Building – New skills

- New senior People and Performance resource employed to drive & support change
- Renewed focus on skills and capabilities at all levels
- All structures are under review to ensure both back end and front end capacity is strong.
- Stronger KPI and performance metrics now being rolled out



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# New energy new future – 103 years in and a new beginning !

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- Expand into China & Asia market (Scaff).
- Scaffolding - Continue build structure in branches that will facilitate expansion.
- Develop paint internationally
- Paint – continue to reclaim trade and industrial market leadership
- New branding to reflect new direction



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# Focus for areas for 2020

1. Work with the new board
  - 3 year plan to be presented in the first qtr. of 2020
2. People / skill / capacity
  - Up skilling continues to be our main focus area at all levels of the organisation.
  - Continue building a culture of belief and growth to our rightful market share.
3. Paint – The number one supplier to the trade !
  - Product innovation rollout to accelerate
  - Reach into new markets both domestically and international
4. Scaffolding – Internal Capacity / External Service
  - Branch build and new locations to be developed
  - Build inventory capacity and internal expertise
5. International – new markets have started



# First Half 2020

- Consolidation / change year in difficult conditions in preparation for growth.
- 1<sup>st</sup> quarter of the 2019/20 year was tough while the 2<sup>nd</sup> quarter begins to get the business back on track
- Key people placements are now starting to demonstrate potential in segments of the business ... more to come.



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## 2019 Annual Report

Year Ended 30 June 2019

ABN 92 000 307 988

# ITEMS OF BUSINESS



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# Financial Statements & Reports

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To receive and consider the following reports of the company for the financial year ended 30 June 2019;

- The financial report ( which includes the Statement of Financial Position, Statement of Comprehensive Income, Cash Flow Statement and Directors Declaration); and
- The Director's Report and Auditor's Report

# Resolution 1

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## Re-election of William Lewis Timms as a Director

“That William Lewis Timms, who retires by rotation in accordance with the Company's Constitution, and being eligible offers himself for re-election as a Director, be re-elected as a Director.”

# Resolution 2

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## Remuneration Report

“That the FY2019 Remuneration Report be adopted”

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# Resolution 3

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## Placement of Shares

*"That for the purposes of Chapter 2E and item 7 of section 611 of the Corporations Act and for all other purposes, the issue of the Subscription Shares to the Subscriber as consideration for the payment of the Subscription Amount on the terms and conditions set out in the Explanatory Memorandum be approved."*

# Resolution 4

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## Appointment of Mr David Baird as a Director

*"That, subject to the passing of Resolution 3, for the purposes of rule 6.1(c) of the Company's constitution and for all other purposes, Mr David Baird be appointed as a Non-Executive Director of the Company with effect on and from the issue of the Subscription Shares to the Subscriber".*

# Resolution 5

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## Appointment of Mr Jie Ma as a Director

*"That, subject to the passing of Resolution 3, for the purposes of rule 6.1(c) of the Company's constitution and for all other purposes, Mr Jie Ma be appointed as a Non-Executive Director of the Company with effect on and from the issue of the Subscription Shares to the Subscriber".*

# Resolution 6

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## Appointment of Mr Jonathan Doy as a Director

*"That, subject to the passing of Resolution 3, for the purposes of rule 6.1(c) of the Company's constitution and for all other purposes, Mr Jonathan Doy be appointed as a Non-Executive Director of the Company with effect on and from the issue of the Subscription Shares to the Subscriber".*

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Q & A