



19 December 2023

## Oldfields Secures Exclusive US Distributor

Oldfields Holdings Limited (ASX: OLH) (**Oldfields** or **Company**) is pleased to announce a significant development for Oldfields that will enhance our market presence and growth prospects and make a material revenue contribution commencing in the second half of 2024.

Oldfields has appointed Clear Port Distributors LLC as its sole and exclusive distributor in the United States of its Paint Tools and Accessory products and Oldfields manufactured scaffolding. Clear Port Distributors will trade as Oldfields USA.

Clear Port Distributors is a private business based in Florida, recently established for the purpose of distributing Oldfields products, by an executive team with corporate and operational experience in logistics-intensive operations specifically in supply chain management, consumer packaged goods and mass-merchandise retailers in the United States.

The appointment positions Oldfields strategically in the U.S. market, providing us with a dedicated distributor to expand our reach and efficiently serve our growing customer base.

The appointment of and collaboration with Clear Port Distributors brings the following strategic benefits:

- **US Market Expertise:** experience and understanding of the U.S. market for Oldfields products which will contribute to our market penetration and brand visibility.
- **Logistics:** a distribution capability across the United States through Clean Port Distributor's 3PL strategy.
- **Local US customer support:** a US local presence providing more support for our US based customers.
- **Market Expansion:** opening doors to new opportunities and the immense potential of the U.S. market.

Oldfields has already received its first purchase order valued at USD895,000 and expects US sales to make a materially positive revenue contribution in the second half. Oldfields expects a first half EBITDA result in the range of \$400,000 – 500,000.



Oldfields has entered into a legally binding exclusive Distribution and Licensing agreement with Clear Port Distributors. The material terms of the agreement are:

**Term:** Evergreen 12-month terms unless notice of termination given between 3 and 6 months before end of the term in which case agreement ends on expiry of the then current term.

**Exclusivity and restrictions on Distributor:** Distributor has exclusive right to promote, distribute and sell paint brushes, roller covers, painting accessories and scaffolding manufactured by Oldfields within US. Exclusivity after first year is conditional on meeting agreed sales targets. Distributor has first right of refusal to be appointed exclusive distributor for Canada and Mexico. Distributor must not sell competing products.

**Oldfields IP:** Distributor has a licence to use Oldfields IP in the performance of its distribution obligations including the right to carry on business as 'Oldfields USA'.

**Product sales:** Distributor will purchase products from Oldfields at agreed arm's length prices.

**Royalty:** in addition, Distributor will also pay Oldfields a quarterly royalty based on gross sales.

**Other:** The agreement also contains provisions relating to ordering, pricing, delivery and other terms and conditions of sale, marketing and promotion, record keeping, intellectual property, warranties, indemnities, limitations on liability and termination, which are commonly found in international distribution agreements of comparable size, nature and type.

We are confident that Clear Port Distributors shares our commitment to excellence and will play a pivotal role in achieving our strategic objectives.

As always, we remain dedicated to creating sustainable value for our shareholders and look forward to updating you on the progress of this exciting venture in the coming quarters.

This announcement has been approved by the Board.

For further information, contact Michael Micallef, CEO & Managing Director

**Michael Micallef**  
CEO & Managing Director

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