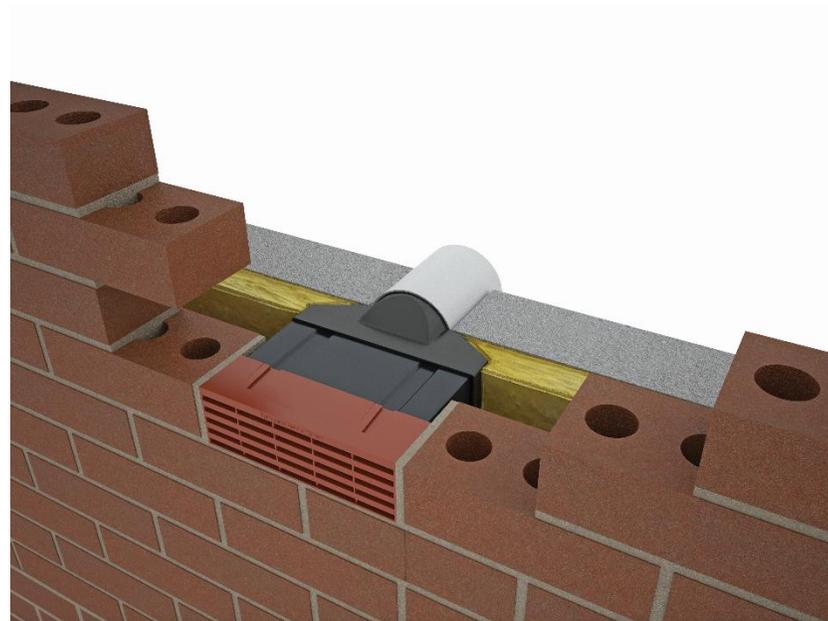


The Alumasc Group plc

Introduction to Alumasc

September 2020



Premium building products, systems and solutions

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- The Board
- History

Paul Hooper
Chief Executive

Sarah Lee
Group Financial Controller



Levolux – Blackfriars Station, London

01

Introducing Alumasc: Investment Proposition

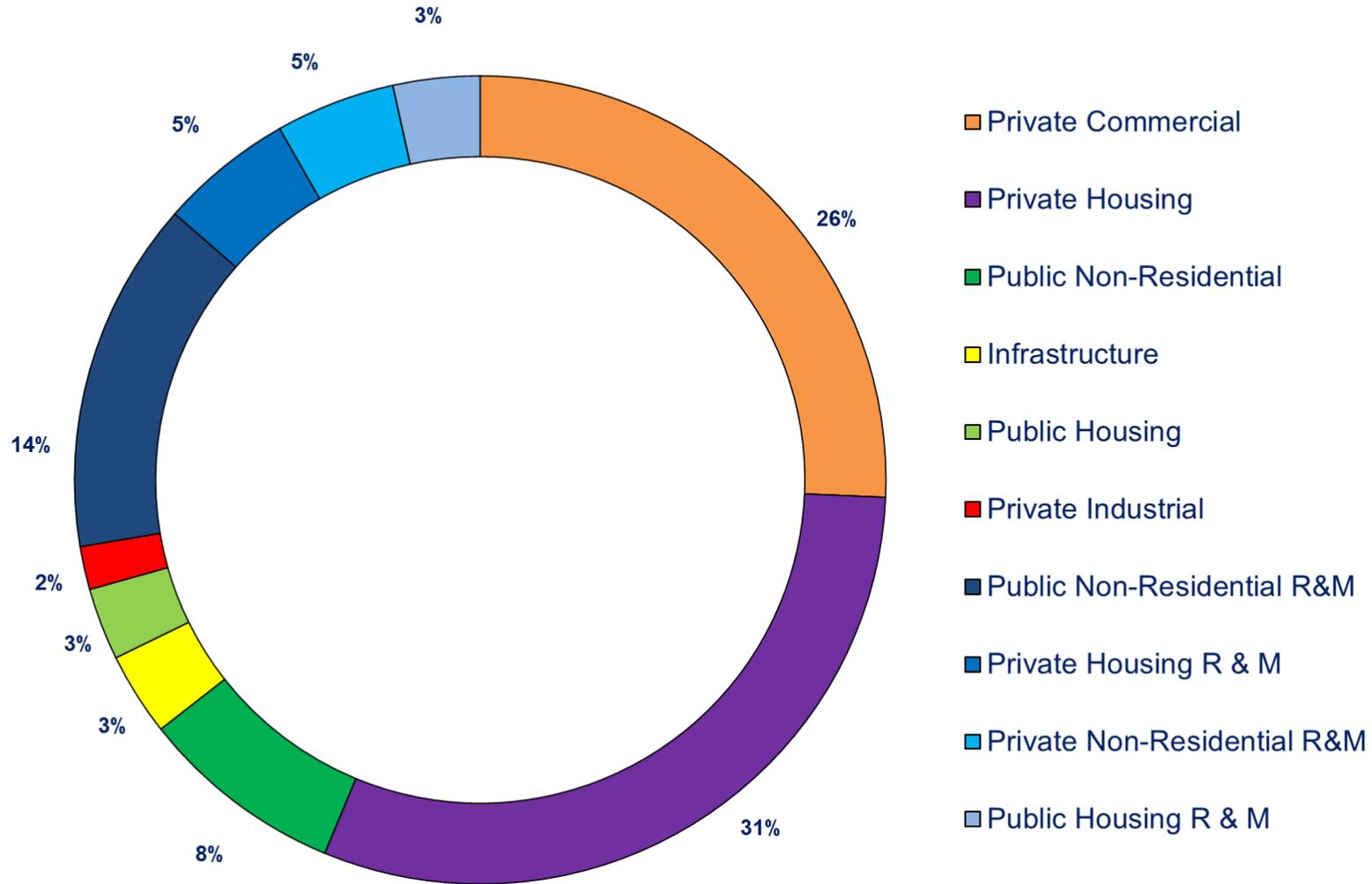


Introducing Alumasc: the investment proposition



- **Alumasc is a UK market leader in the supply of premium building products, systems and solutions**
- **Proven, tried and tested brands: including Alumasc Roofing, Alumasc Water Management Solutions, Wade, Gatic, Levelux and Timloc. All have no. 1-3 market shares**
- **Growth strategy with clearly identified growth drivers:**
 - c.80% of revenues are driven by increasing building regulations and specifications
 - c.80% of revenues relate to long term strategic growth drivers: Water & Energy Management; Bespoke Architectural Solutions and Ease of Construction
 - Pro-active management of the Group's portfolio of business, focused investment planning and operational structure
 - Proven track record in bolt-on acquisitions delivering enhanced value and earnings
- **Diversified business model:**
 - breadth of UK end user markets incorporating new build and refurbishment across the private and public sectors
 - opportunities to further grow export sales beyond current 10% base in geographies such as North America and the Middle & Far East
- **Well established & experienced management team with over 75 years in listed, industrial companies**
- **Recent listing on AIM provides new investors with IHT tax advantages**
- **Proven track record of returns to shareholders**

Diversified UK End User Markets



Strategic Objectives



Alumasc has strong specialised positions in premium building product markets

Specifiers and customers recognise the value added by our products, systems & solutions

Our strategic objectives are to:

- **Grow revenues at a faster average rate than the overall UK construction market**
- **Augment UK revenue growth through development of selected export markets**
 - Levlux – North America; Water Management – Middle & Far East
- **Grow profit at a faster rate than revenue by improving operating margins**
 - through new product development, increasing sales of systems & solutions and operational gearing
- **Generate superior financial returns to shareholders over the medium/longer term, underpinned by growing operating margins and strong ROI**

Organic growth will be supplemented by complementary acquisitions



Alumasc Roofing – Riverside, London

Alumasc Group's Organic Growth Strategy



Specified products



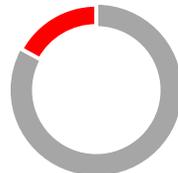
c.80% of group sales driven by specification & regulation

Structural growth



c.80% of group sales relate to long-term strategic growth drivers

International markets



Export sales c.10% of group sales

- Empower talented people
- Leverage strong brands
- Continuous innovation and development
- Strong customer service
- Invest in strategic priorities
- Drive intra-group revenues and cost synergies

Satisfied customers



Motivated employees



Sustainable growth



Superior financial returns



Long term value creation



Alumasc Group's Acquisition Strategy



- Identification of potential target businesses
- Integration: synergistic benefits
- Cross selling
- New market penetration

Value add to Group brands ✓

Value add to financial performance ✓

Value add to sales growth ✓

Value add to sustainable growth ✓

Track record: acquisition of Wade International

Adding value by targeted acquisitions

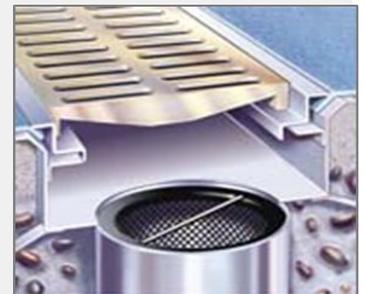
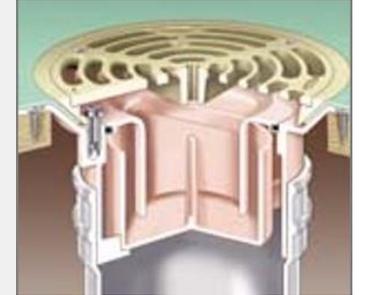


The business:

- A leading manufacturer / supplier of high quality metal drainage products and access covers with a premium brand
- Owns a c.52,000 sq. ft. factory in Halstead, Essex
 - additional capacity and land for expansion
- Strong positioning in surface water drainage (internal & external) and roof drainage
- Complements AWMS' strengths in roof and through building drainage and Gatic's strengths in higher capacity civil drainage

Acquisition financials:

- Enterprise value £8.0m, settled in cash at completion
- Year to 30 June 2018 statutory results : revenue £5.3m; PBT £1.3m; EBITDA £1.6m
- Acquisition multiples:
 - EV/EBITDA : 5.0 times
 - EV/EBIT : 6.2 times
- Strongly earnings enhancing in the first full year of Alumasc's ownership



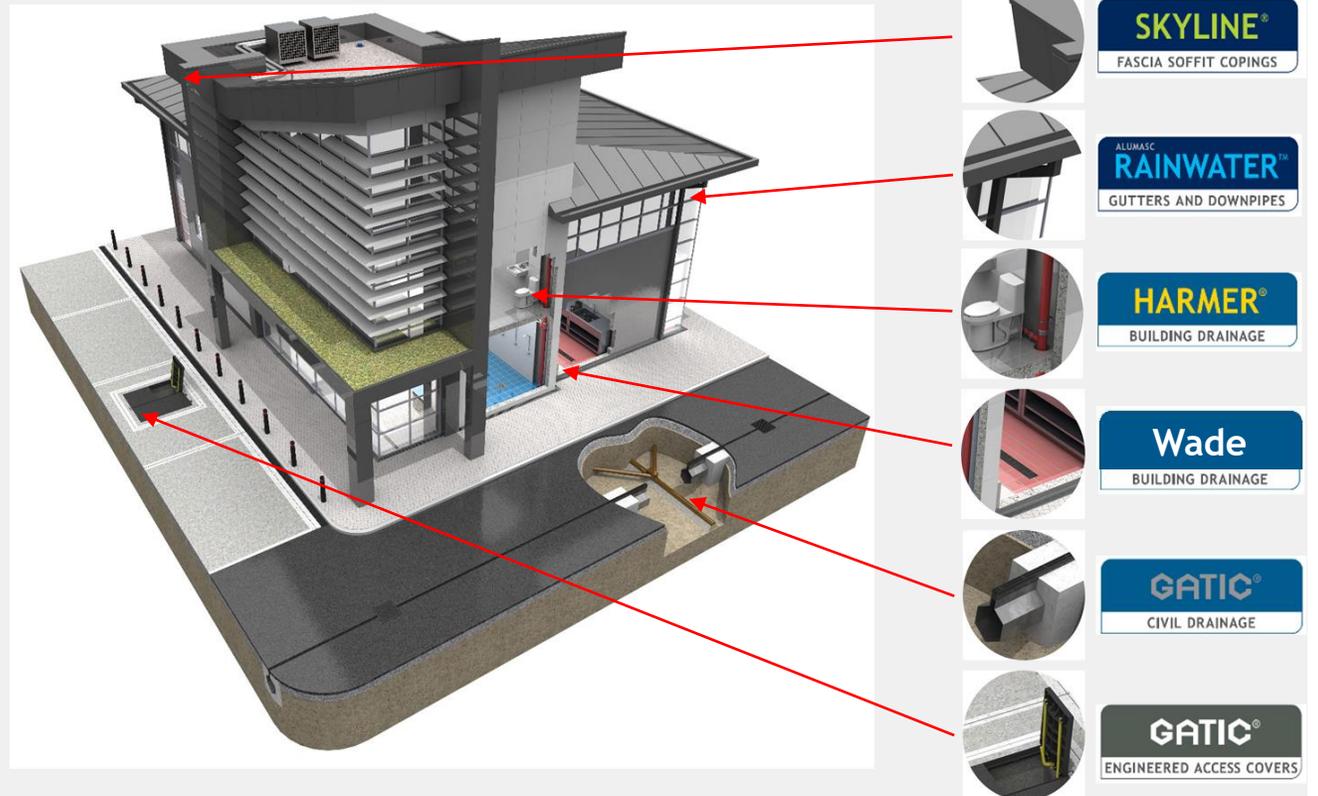
Wade – Delivering synergistic value

The synergistic potential was significant:

- **Enhances Alumasc’s “rain to drain” range of systems:**
 - has facilitated growth in specification sales and divisional cross-selling
 - extends Alumasc’s end user market reach into food / pharmaceutical sectors
- **Export market development potential**
 - especially Middle East
- **Divisional property synergies**
 - Saving c.£200k pa of previously leased property costs
- **Shared divisional management functions, systems & processes**
 - Sales, sales support HR, purchasing, marketing, finance & IT
 - Saving c.£500k annualised into FY 2019/20
- **Divisional knowledge and best practice sharing**



“Rain to Drain” Strategy





Water Management



Nature of business

- Solutions that manage and attenuate water inside and outside buildings
- Integrated “Rain to Drain” solutions in the built environment

Growth drivers

- Legislation aimed at conservation, attenuation and control of water
- Structural engineering specifications
- Building regulations

Potential

- “Rain to drain” synergies, including from the acquisition of Wade
- Increase divisional export sales, with focus on Gatic and Wade products/systems
- Grow operating margins through new product introductions, operational efficiency and gearing
- Specification cross-selling (see Alumasc Roofing)



Water Management – AWMS – Harmer SML – Neobankside, London

Building Envelope: Roofing



Nature of business

- Premium waterproofing solutions for flat roofs
 - including green roofs, blu-roofs and roofing support services

Growth drivers

- Architectural specifications
- Building regulations

Potential

- Specification led cross-selling of a “building envelope” of AlumasC exterior building products including solar shading/screening systems, balconies & balustrades and water management
- Outperformance of UK construction market through continued market share gain and introduction of new products and systems (including AlumasC’s “Rain to Drain” strategy)



AlumasC Roofing – Green Roof - Banbridge, N. Ireland

Building Envelope: Levolux

Nature of business

- Design & supply of solar shading & architectural screening and balcony & balustrading systems
- Installation option for systems in the UK only

Growth drivers

- Architectural specifications
- UK building regulations (Part L) relating to energy management

Potential

- Business development opportunities arising from the new Alumasc Building Envelope specification sales approach together with Alumasc Roofing
- Development of embryonic UK balconies & balustrading business
- Development of North American export business
- Growth in operating margins through operational efficiencies and balancing supply only versus supply and install project portfolio



Housebuilding Products



Nature of business

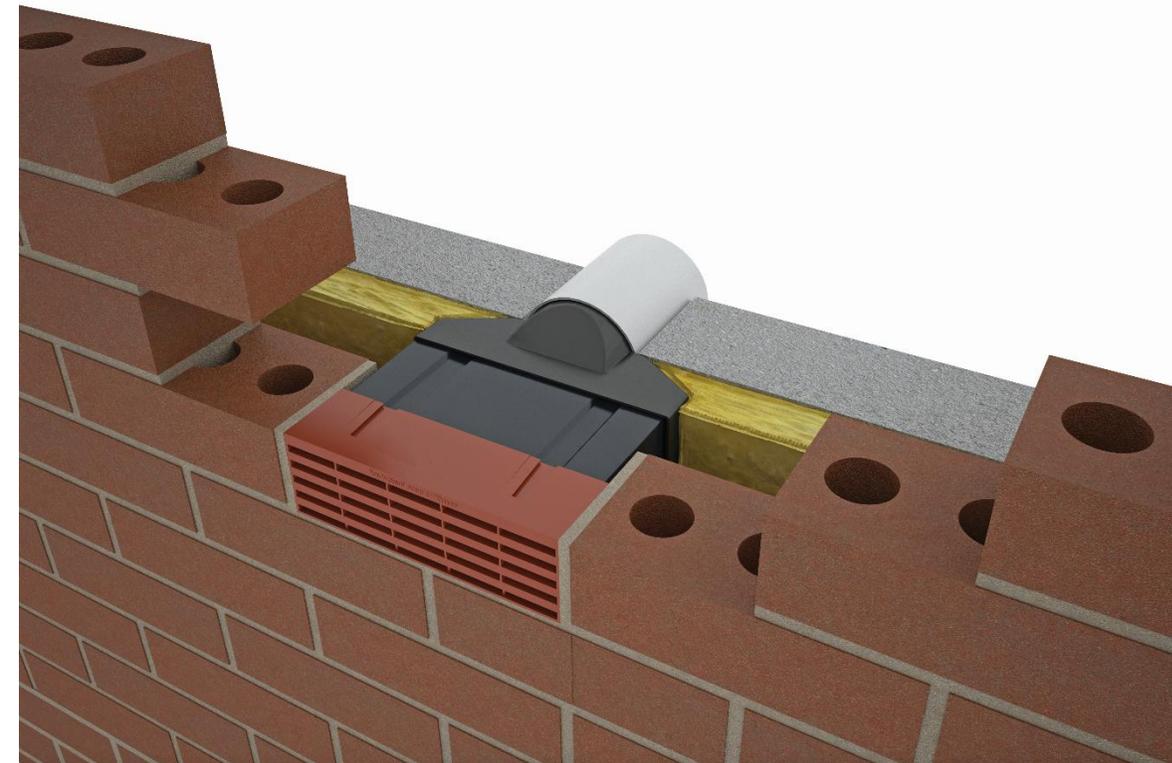
- Supply of premium house building products
 - e.g. passive ventilation products, cavity closers, cavity trays, access panels, loft doors & dry roof verges etc.

Growth drivers

- Growth in UK house building demand and current under supply of houses
- Legislation and building regulations

Potential

- Outperformance relative to the UK construction market with continued market share growth through product range development and best in class customer service
- Leverage strong sales channels through product portfolio expansion and excellent customer service
- Margin improvement through operational efficiency and additional operational flexibility, utilising the new factory commissioned in early 2018 and significant investment in new machinery and automation in 2019



Timloc – AdaptAir



03
Summary

Summary : the investment proposition



- **Proven market leadership with broad range of premium building products, systems and solutions with strong brands**
- **Diversified end user market portfolio and geographic reach reduces risk**
- **Growth strategy: clearly identified growth drivers, strategic positioning in “fast flowing streams” and strong market shares**
- **Recent listing on AIM provides new investors with IHT tax advantages**
- **Proven track record of returns to shareholders**



04

Appendices

- **Board**
- **History**
- **Proposed Divisional Segmentation of Results**

Chairman

- John McCall - Ex-Consolidated Goldfields; led the buyout of Alumasc in 1984

Executive Directors

- Paul Hooper - Chief Executive - ex-BTR plc, Williams Holdings plc and Rexam plc
- Gilbert Jackson - Executive Director - ex-IKO, Marley Waterproofing and Polypipe Civils Ltd
- Michael Leaf - Executive Director - ex-Ideal Standard (UK)

Non-Executive Directors

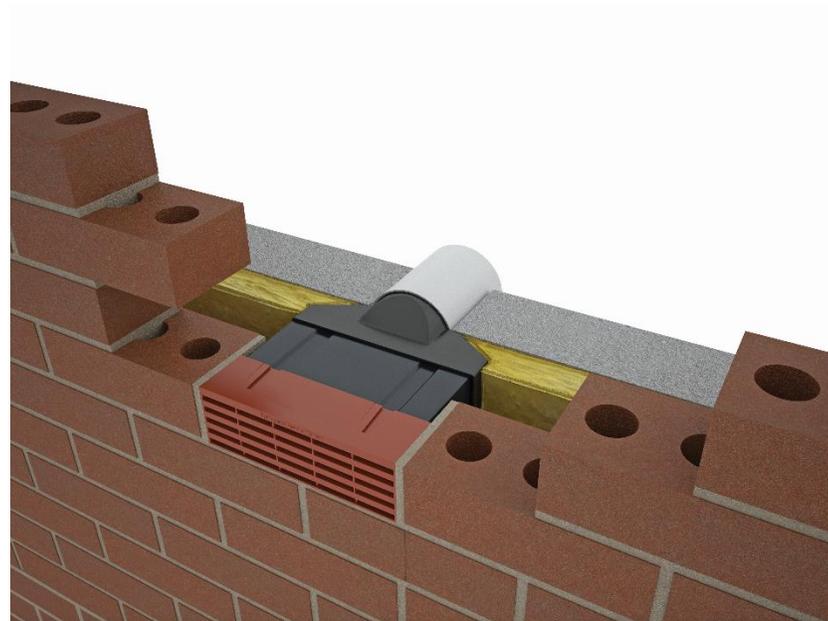
- Jon Pither - Non-Executive Director of a number of companies
- David Armfield - Partner of Kinetix Critchelys Corporate Finance LLP, Non-Executive Director at Xeros Technology Group plc, ex-partner at PwC
- Stephen Beechey - Executive Director of the Wates Group and sits on their Group Executive Committee and the Construction Group Board
- Vijay Thakrar - Non-Executive Director of MK Dons Sports & Education Trust, Treatt plc and Walker Greenbank plc. Previously served as Non-Executive Director on various Boards, including The Quoted Companies Alliance and Quorn Foods, ex-partner at Deloitte and E&Y

- Long standing engineering heritage dating back to the 1940's
- A division of Consolidated Goldfields until taken private by our current Chairman, John McCall, in 1984
- Listed on the London Stock Exchange in 1986: the group comprised engineering, industrial and building products businesses
- 1990's - success as the UK's leader in the production of aluminium beer barrels, further engineering/industrial acquisitions
- Building products business originated from cast aluminium rainwater products made by our principal engineering business
- 2000's - growth and acquisition of building products businesses, divestment of engineering/industrial businesses
- 2006/07 - Alumasc moves to construction and building materials sector of Stock Exchange list
 - Acquisition of Levolux for £13m
 - Divestment of Brock Metal for £10m
- Last 10 years - further three building products acquisitions, and the divestment of remaining Engineering Products businesses in 2015/16
- 2016/17 - Alumasc's first full financial year as a focused building products group
- 2018 - Acquisition of Wade, commissioning of the new Timloc factory and the sale of the Facades business
- 2019 - Re-listing of shares on AIM, merger of pension schemes, simplification of group structure

The Alumasc Group plc

Thank you

www.alumasc.co.uk



Premium building products, systems and solutions