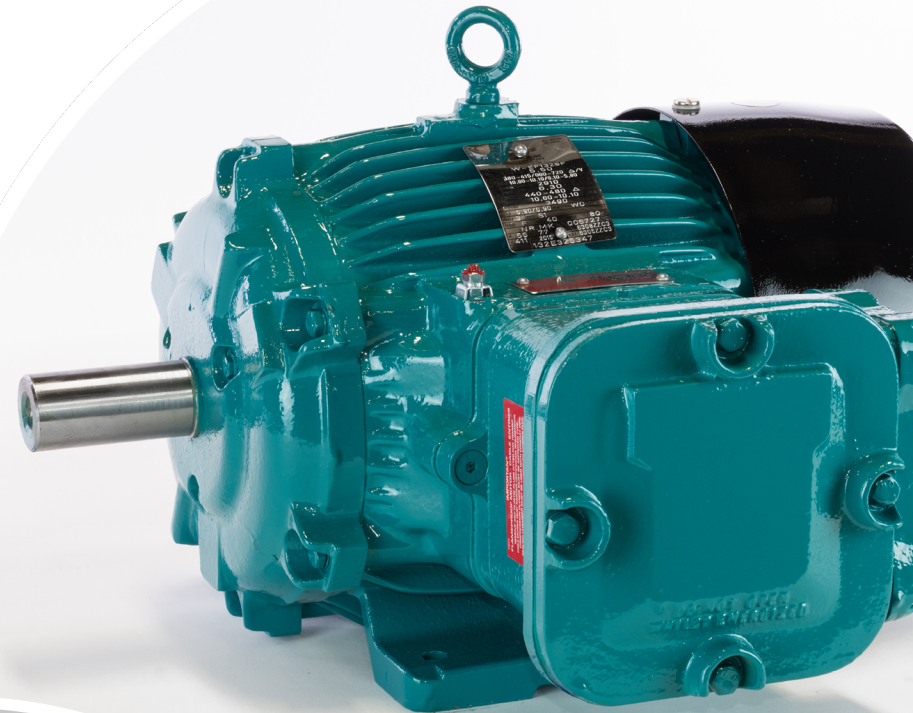


Brook Crompton Holdings Ltd AGM Shareholder Update

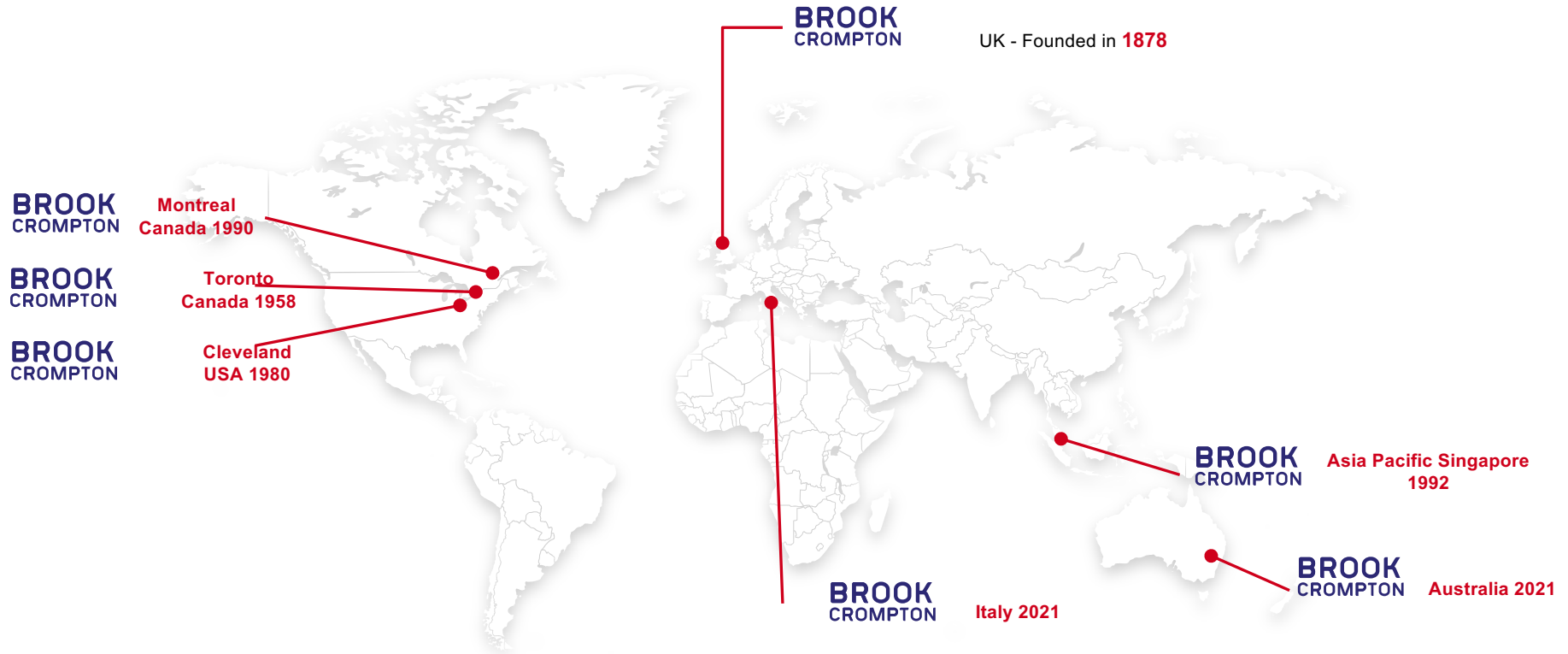
Regional Developments: Italy and Australia

28th April 2022

Richard Eason - CEO



Brook Crompton Global Footprint 2022

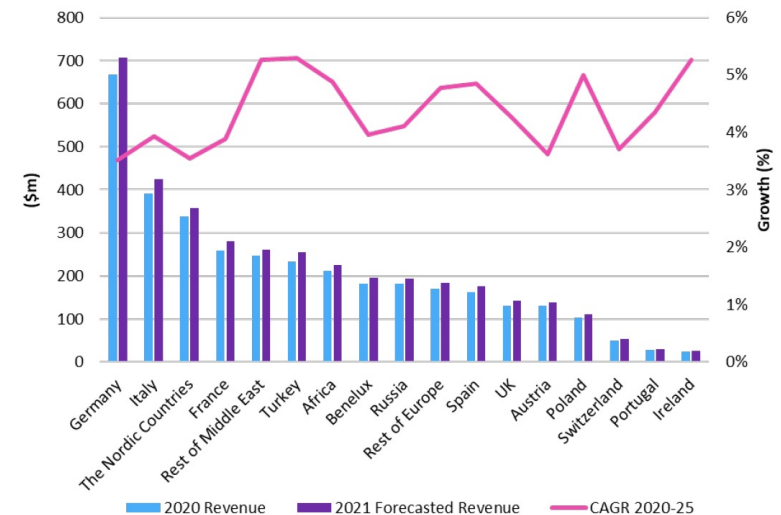


BC currently has 6 sales offices.
6 warehouses – Australia, Canada, Italy, UK, USA with potential to add regional hub for AP in Vietnam close to Wolong manufacturing plant in 2022 / 2023

Strategic Rationale Behind Investment

- Italy 2nd largest market for motors in EMEA region after Germany
- Distribution channel is the norm (unlike Germany)
- Distribution is BC core competence
- Historical market of strength for BC
- Good brand / product recognition

Figure 20: EMEA market for LV motors by market



Source: Omdia

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Supporting Circumstances

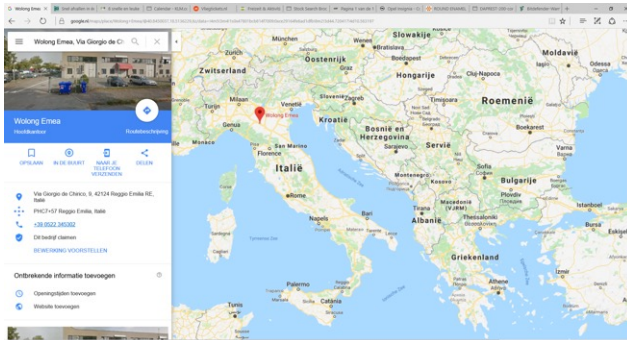
- Reduction in UK market size by 27% over 8 years
 - BCH to look for growth in other regions.
- Brexit made it impossible to export from UK to EU and certain markets
 - Requirement for EUR1 certificates for MENA
 - Complications with VAT triangulation rules / shipping costs
- Opportunity to acquire distribution business located in central Italy
 - Utilise UK, Canada, USA model in Italy
 - Support with BCH Group expertise

Sales KPI Projection

- 2022 annualized equivalent revenue Euro 4500 K
- Growth potential 15% year on year to 2025
- Target Gross Margin 22%

BC Italy warehouse Reggio Emilia, Italy

6 FTE across sales, operations and finance



Situated 150KM from Milan

Size: 1200 sqm

Amount off Motors: ± 9000 pcs
Currently ± 1000 Pallet places
(we will increase capacity by 20% with 2 new racking)



Strategic Rationale Behind Investment

- Large BC, GE, and other Wolong Group installed base.
- Main sales channels through distributors / service partners to end users.
- Strong similarity to UK, CAN, USA channels
- Distribution is BC core competence
- Historical market of strength for BC
- Brand / product recognition

Figure 19: Asia & Oceania market for LV motors by market



Source: Omdia

© 2021 Omdia

Supporting Circumstances

- Expected regeneration of coal / mining industry post CoVid-19
- Opportunity to represent Wolong GE IM, and ATB Morley brands with large installed base in the market
- Time sensitive opportunity to introduce specific ranges of products within our portfolio into the market at competitive price point
 - Reduced competition on these products
 - Strong regional market close to our chosen location
- UK Australia trade agreement has refocused some core BC customers

Sales KPI Projection

- Effective trading started March 2022
 - Inventory delivery June 2022
 - Target annualized equivalent revenue US\$ 2900 K
- Development target revenue US\$ 5500 K by 2025
- Target Gross Margin 25%

BC Australia warehouse Brisbane

Currently 1 sales FTE, planned 3 FTE across sales, operations with finance support from Singapore.



Situated in Brisbane, Size: 600 sqm. Amount off Motors: ± 2000 pcs. Currently ± 460 Pallet places
Small modification facility
Support from local service partners for enhanced modifications

**Thanks to the Shareholders, the Employees, and
the Board of Directors for the ongoing support**

