



BRAAS MONIER

BUILDING GROUP

Planned acquisition of Golden Clay Industries (GCI),
leader in clay tiles in Malaysia

Braas Monier's presence in the Asia Pacific region



China
Plants: 7
Employees: 507 FTE



Malaysia
Plants: 8
Employees: 586 FTE



India
Plants: 2
Employees: 131 FTE



Indonesia
Plants: 4
Employees: 196 FTE

Extending leadership position in Top5 market with sizeable synergies and additional strategic options



Technically advanced and well-invested clay business, with a strong brand adding to existing market leadership position ...

Factory with H-cassette and rubber mold technology for tiles and fittings, located in Johor (South Malaysia), maximum capacity of approx. 1.8 million m², second extrusion line with tunnel kiln built in 2005



... creates a compelling strategic position with sizeable synergies to be expected

- Increased domestic sales in Malaysian market based on combined strengthened leadership position and broader product offering
- Additional components sales, leveraging local components factory in Rawang
- Savings in variable and fixed costs
- Strategic platform to address other Asian Pacific clay tile markets in the mid to high quality segment (with Cobert addressing the premium segment)

- ▶ GCI is the leader in clay roof tiles, operating one of two clay tile plants located in Malaysia
- ▶ Strong brand recognition supported by own sales force
- ▶ Attractive and relatively mature Malaysian market with stable demand for mid quality to premium roofing products
- ▶ Trend towards renovation to further support the demand for clay tiles

Products portfolio includes 2 main profiles plus the newly launched flat profile, all H-cassette technology and rubber mold



GCI Marseille

A classic profile that never goes out of style, Marseille's double-valley shape creates a distinctive Mediterranean look.

GCI 'S' Pantile

A unique wavy 'S' profile with clean, crisp lines yielding bold European architecture.



GCI Egal

Malaysia's first flat clay roof tile with its minimalist look, complementing today's modern architecture.



Factory impressions



The Press
Clay bats are pressed to specific profile molds.



The Drier
Pressed tiles are fed to the Drier to eliminate all moisture content.



Automated Handling and Transfer
Dried tiles are transferred automatically to the colouring unit for different colour & finishing selections.



The Kiln
Dried tiles are assembled in individual refractory H-supports to be fired at 1,060°C in the patented Hydrocasing Tunnel Kiln for high durability and excellent insulation properties.

Strategic acquisition for an attractive price

- ▶ Enterprise Value of approx. MYR 90 million*
 - ▶ Cash consideration of MYR 67 million
 - ▶ Bank debt of MYR 18 million
 - ▶ Sale of Existing Stock over time (discounted) approximately MYR -12 million
 - ▶ Earn Out (discounted) of max. MYR 16 million**

- ▶ EV / EBITDA 2015e (w/o synergies) of around 8.8x
- ▶ Incl. expected synergies of MYR 8 million (by 2017) EV / EBITDA 2015e at around 5.0x
- ▶ Exceeding the company's internal hurdle rate for investment projects

in MYR m	2014 (pro-forma, unaudited)	2015e (w/o synergies)	2016e (incl. synergies)	Mid-term potential (incl. GCI synergies)
Revenues	35.0	~ 36	~ 44	MYR > 55 m
EBITDA	8.5	~ 10	~ 15	MYR > 21 m

- ▶ Additional sustaining Capex p.a. of approximately MYR 2 million
- ▶ If closing occurs in October 2015, revenue and EBITDA contribution would be expected to be approx. MYR 6 million and MYR 1.7 million, respectively, for 2015.

* incl. one-time cash restructuring expenses of approximately MYR 1 million

** expected to be cash effective earliest in 2017