

Fact Sheet

Skellerup is a New Zealand based designer, manufacturer and distributor of polymer products and vacuum systems. We are recognised for providing innovative and engineered solutions for customers in dairy rubberware, water and related infrastructure, roofing, plumbing, automotive, mining and a range of other industrial applications.

We have two divisions – Industrial and Agri – and employ a diverse and highly skilled workforce of over 750 people. Our ethos is to develop strong and deep relationships with key partners, in particular original equipment manufacturers (OEMs) and major distributors. Our customers see us as a key part of their R&D team and our branded products carry a strong and reliable reputation.

Over 75% of our revenue is generated from international markets.

We have manufacturing and distribution facilities and partners in New Zealand, Australia, China, Vietnam, UK, Italy and the USA. We are focused on expanding into new growth markets through leveraging our innovative and world leading polymer expertise.



Financial Performance

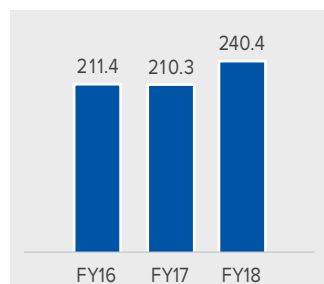
NZ\$ Million	FY16	FY17	FY18
Revenue	211.4	210.3	240.4
EBITDA	36.8	40.4	47.2
Depreciation & amortisation	(7.5)	(7.8)	(7.4)
EBIT	29.4	32.8	39.8
Finance costs	(0.4)	(1.4)	(1.9)
Tax expense	(8.4)	(9.3)	(10.6)
NPAT	20.5	22.1	27.3
Earnings cents per share	10.7	11.5	14.1
Dividends cents per share	9.0	9.5	11.0
Operating cash flow	30.9	21.2	28.3
Cash net of debt	(26.9)	(35.8)	(30.7)
Capital & intangible expenditure	38.9	12.6	5.4

Segment EBIT

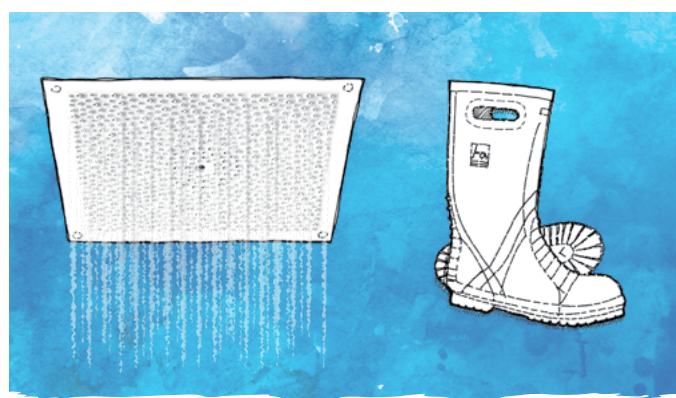
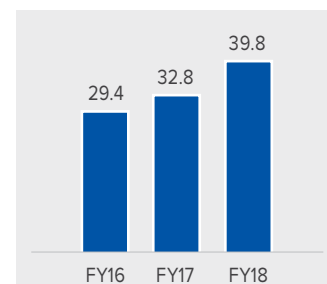
NZ\$ Million	FY16	FY17	FY18
Agri EBIT	18.8	19.8	22.8
Industrial EBIT	15.3	17.1	20.8
Corporate EBIT	(4.6)	(4.1)	(3.9)
Total EBIT	29.5	32.8	39.8

In FY18 we again delivered improved earnings from both the Industrial and Agri Divisions

REVENUE (NZD m)



EBIT (NZD m)



Directors

Liz Coutts

Independent Chair

Liz brings an extensive range of governance roles in both the public and private sector to our Board.

Alan Isaac

Independent

Alan has a strong track record of improving organisational performance in business and sport.

John Strowger

Independent

John is a partner at Chapman Tripp specialising in securities, corporate, contract and M&A law.

David Cushing

Non-executive

David has expertise across a broad range of industries with over 20 years experience as a director of public companies.

David Mair

Executive

David is the CEO of Skellerup and has wide ranging international experience at director and executive level and particular expertise in managing global operations.

Management

David Mair

CEO

David was appointed CEO in August 2011.

Graham Leaming

CFO

Graham was appointed in December 2012 and has extensive experience in managing international business growth and change.



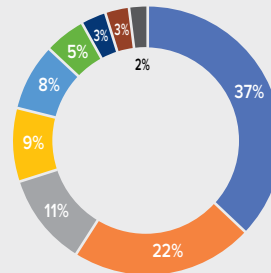
SKELLERUP
SKELLERUP HOLDINGS LIMITED

Industrial Division

Recent growth in earnings is mainly attributable to increased sales into water and roofing applications in international markets. This reflects a successful strategy to build a more robust earnings base that is less dependent on commodities such as oil and iron ore and more focused on water infrastructure.

This growth has been driven by two factors; high value components that are a small but critical part in a finished system and application of our technical expertise to carefully targeted adjacent opportunities. The water market provides a significant opportunity as population growth and ageing infrastructure requires investment in water related infrastructure. Designing and manufacturing products that must meet increasingly stringent potable water standards requires a depth of technical knowledge and understanding few other companies have. Skellerup is well placed to meet this demand through our relationships with major pipe and tapware customers.

NZ\$ Million	FY16	FY17	FY18
Revenue	132.0	131.2	151.5
EBIT	15.3	17.1	20.8
EBIT%	11.6	13.1	13.7

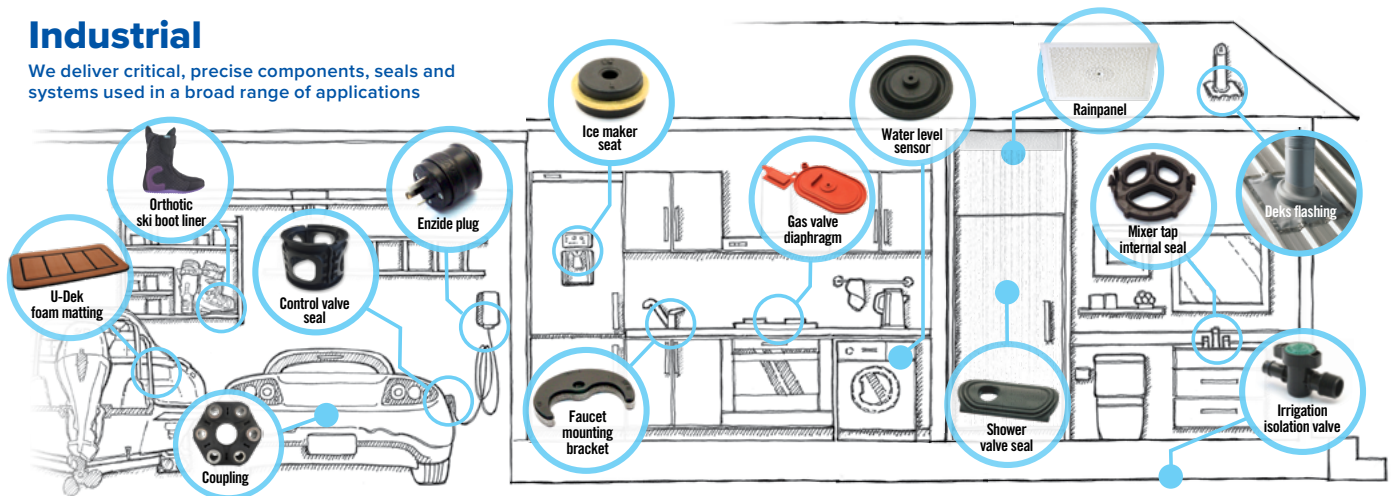


FY18 Industrial Division Revenue by Application

- Water/Waste
- Roofing
- Automotive/Machinery
- Extraction/Processing
- General
- Appliance
- Sports/Marine
- Electrical
- Health

Industrial

We deliver critical, precise components, seals and systems used in a broad range of applications

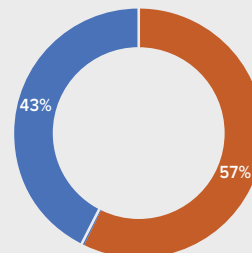


Agri Division

The Agri Division is a global leader in dairy rubberware design and manufacture. NZ is our largest single market but international markets contributed 57% of revenue in FY18 with strong growth prospects. This is driven by a growing Asian middle class and global demand for milk protein. Our products safeguard milk quality, and animal health and welfare.

Our Agri division is also home to rubber footwear. Our product range still includes our iconic Red Band gumboot, which celebrates 60 years in 2018 and has also been expanded to include specialist boots for fire, forestry and the electricity industries. Opening of the integrated development and manufacturing facility in November 2016 completes a successful transition from the Woolston site to the Wigram Business Park. With this new facility we have the capacity to deliver growth across our international markets.

NZ\$ Million	FY16	FY17	FY18
Revenue	79.6	79.2	89.0
EBIT	18.8	19.8	22.8
EBIT%	23.6	24.9	25.6



Agri FY18 Revenue

- International
- New Zealand

Agri

We produce essential dairy consumables and rubber footwear

