



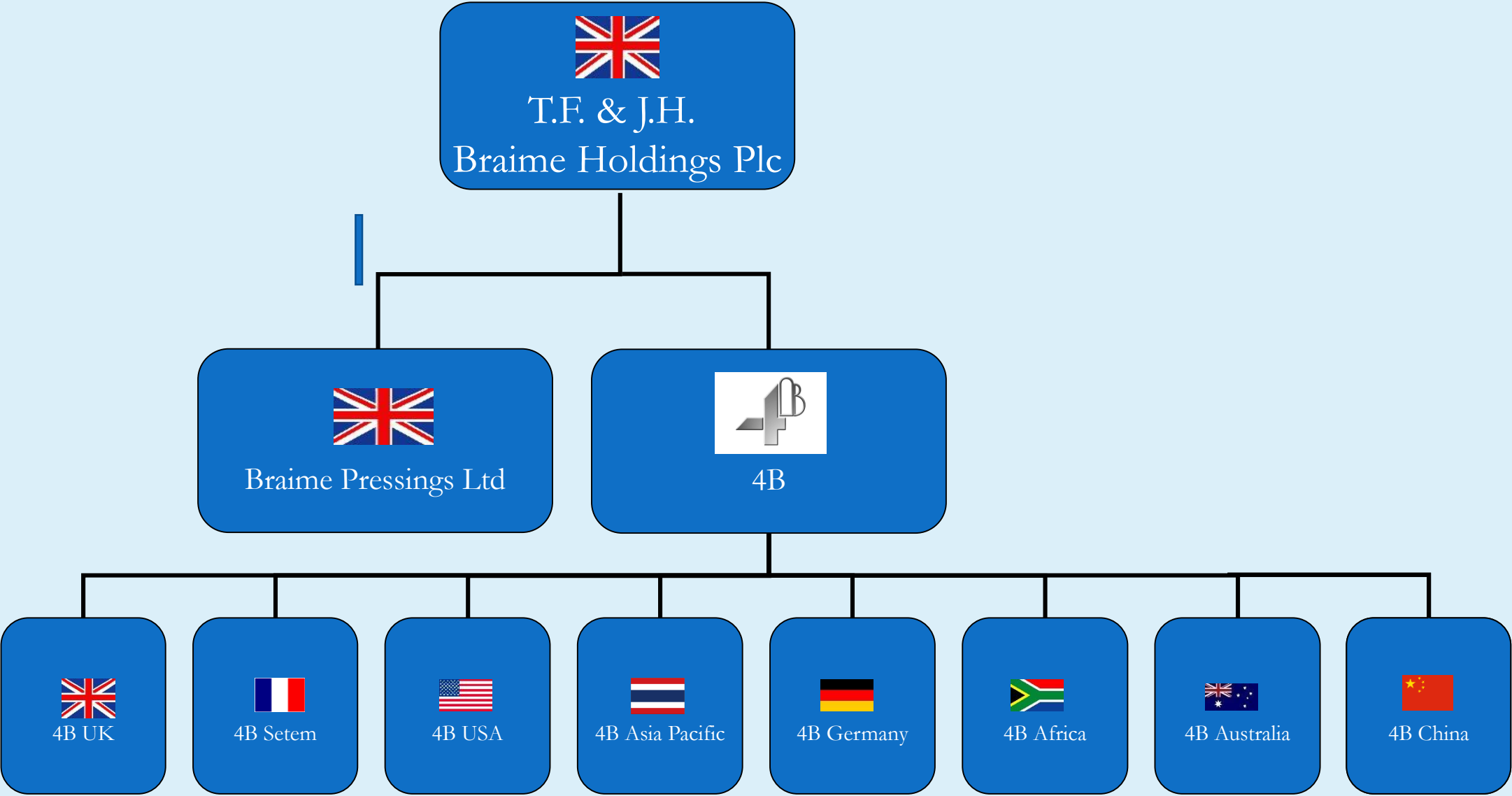
TF & JH Braime (Holdings) PLC

Annual General Meeting

20th June 2019



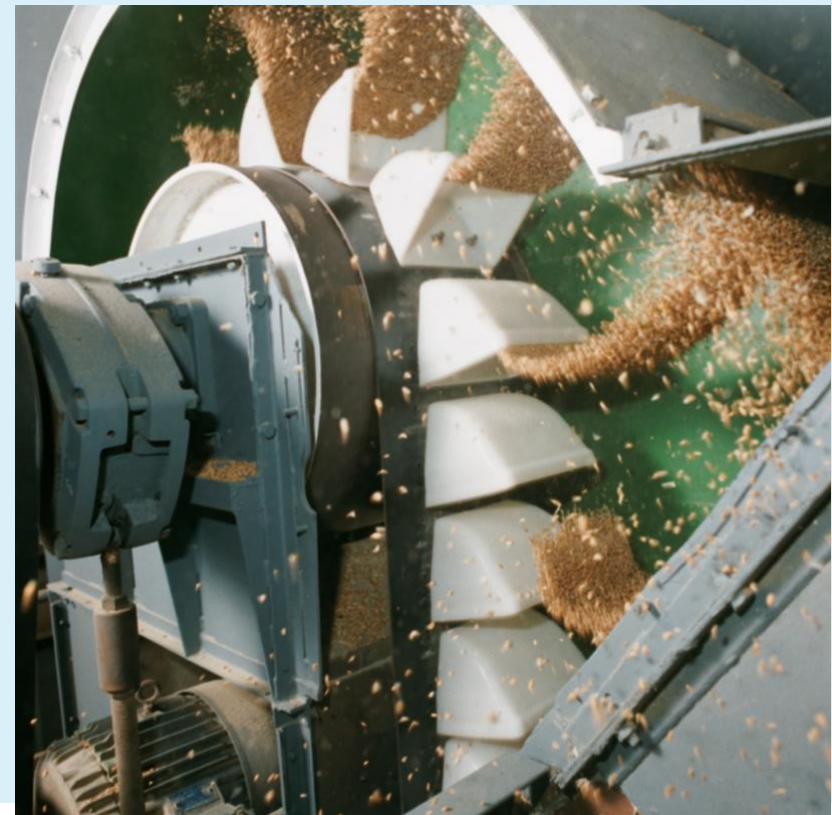
Group Structure



T.F. & J.H. Braime
Holdings P.L.C.

Braime Pressings

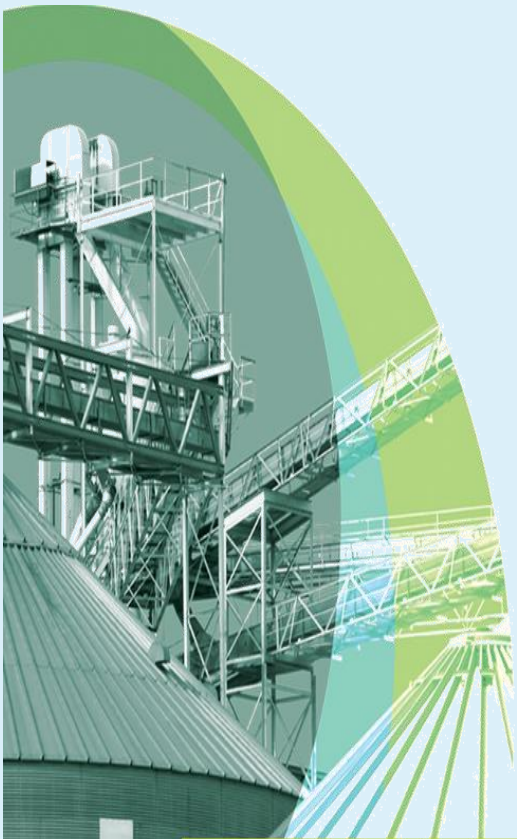
Braime
Components



Summary of Group Performance in 2018



- Group Sales increased by 13.6% to £35.7M maintaining the consistent growth of recent years.
- Operating Profit increased to £3.2M from £2.3M.
- Profit after Tax was £2.2M from £1.6M.
- The above excellent figures result from the Investments we continue to make & from the long term strategy being pursued.



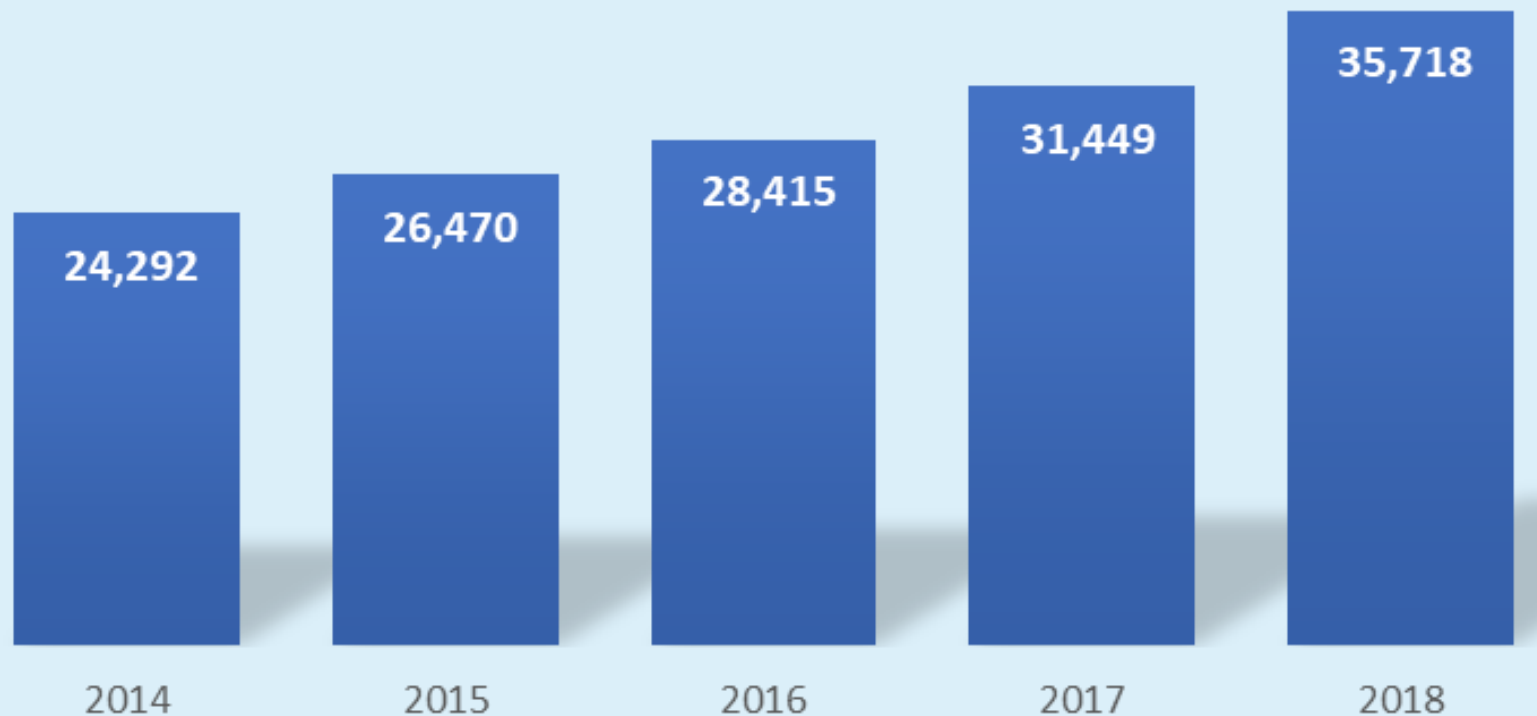
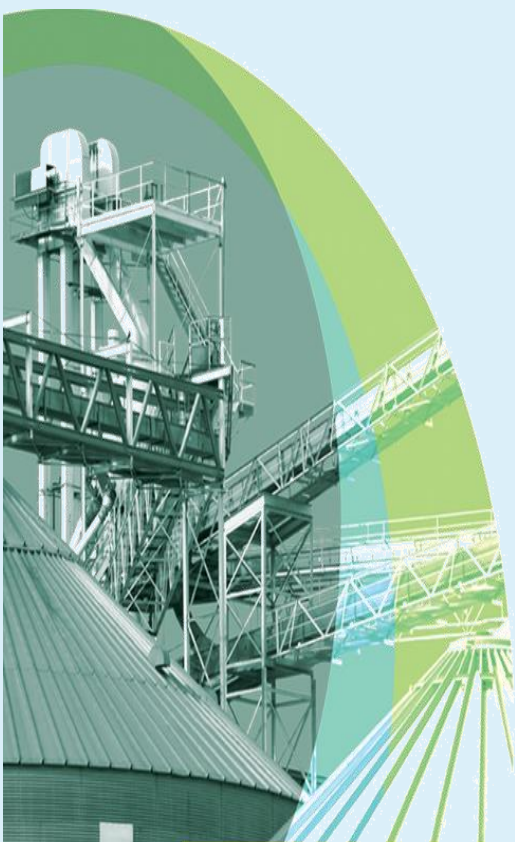
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Maintaining Consistent Revenue Growth



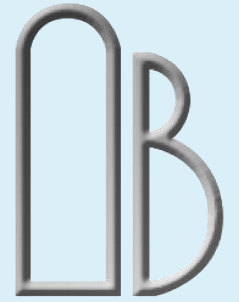
Turnover £'000



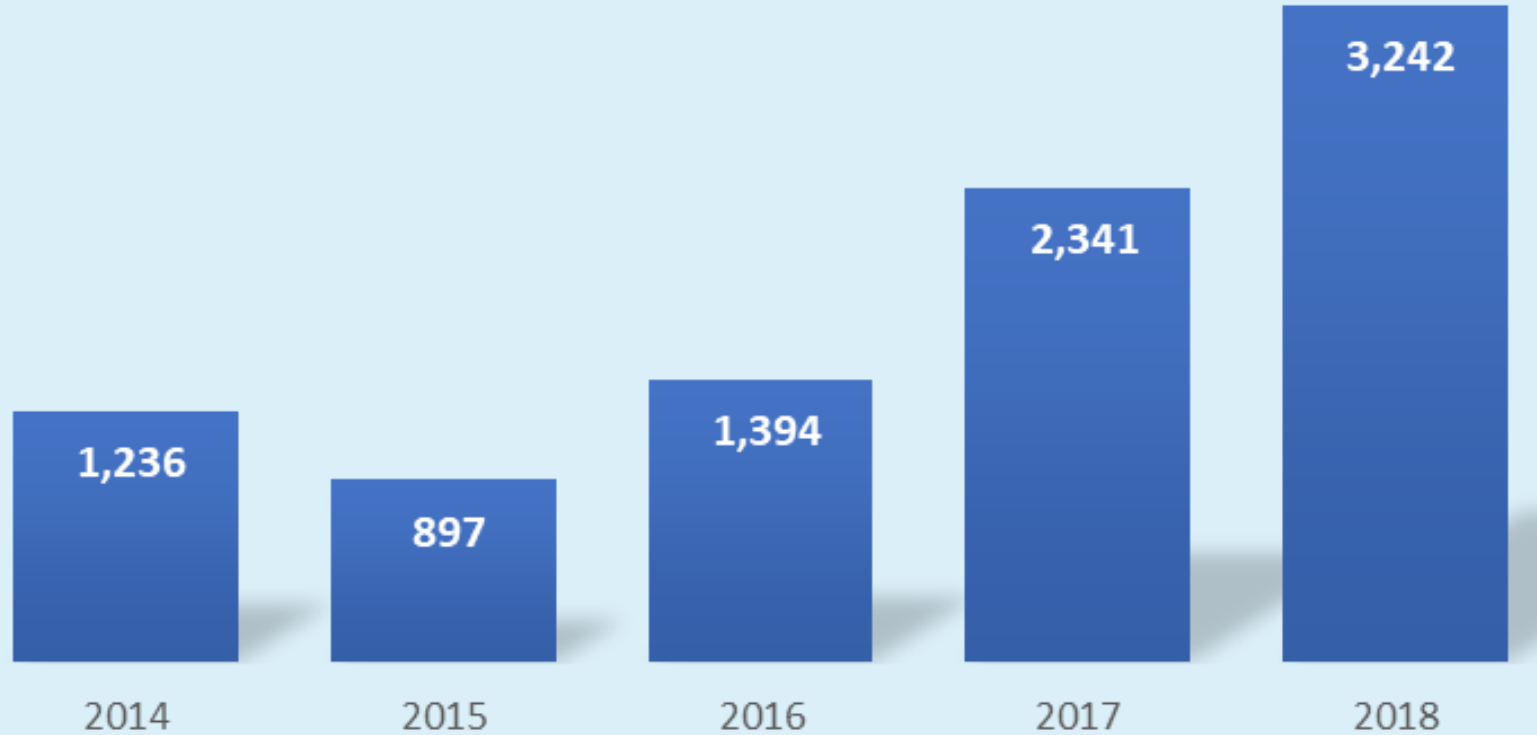
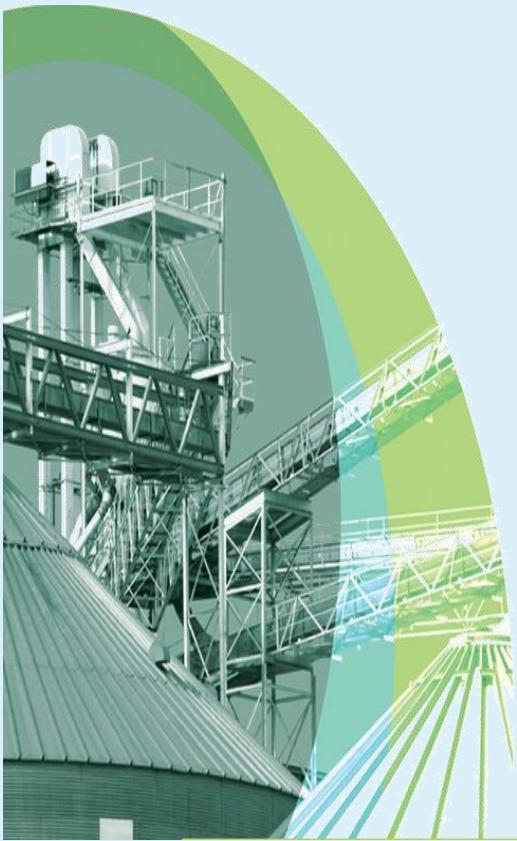
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Increase in Group Operating Profit



Operating profit £'000





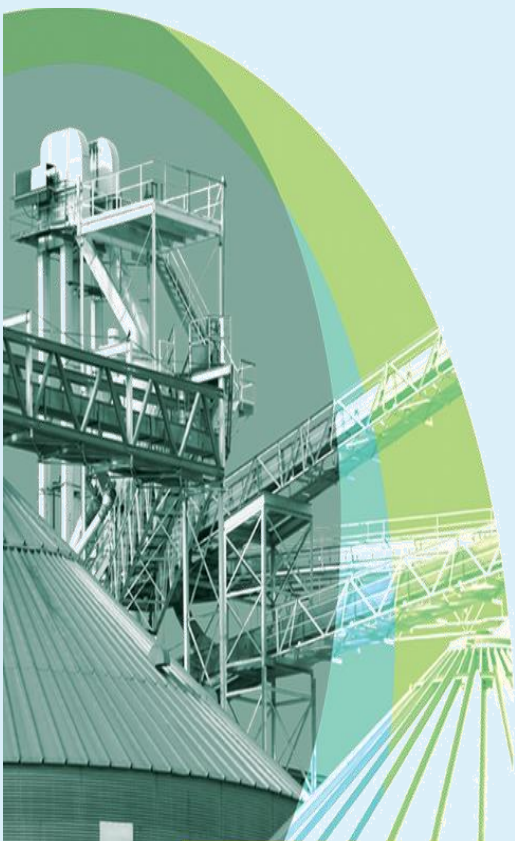
Board committed to increasing Dividends, subject to performance & the need to finance continuing growth.

Increase of 12.5% in the Dividend Paid on 2018 Result

1st Interim Dividend - October 2018 3.5p (2017 - 3.10p).

2nd Interim Dividend - May 2019 8.0p (2018 – 7.10p).

Total for 2018 - 11.5p (2017 – 10.2p).



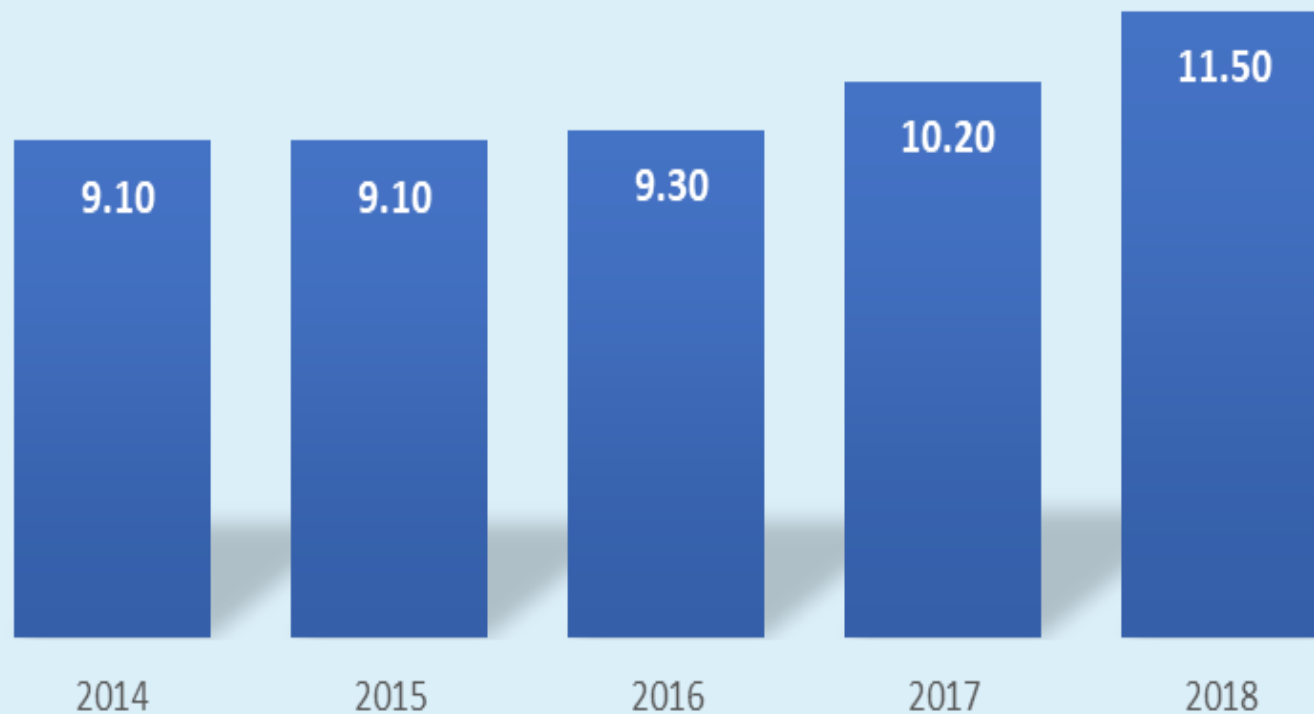
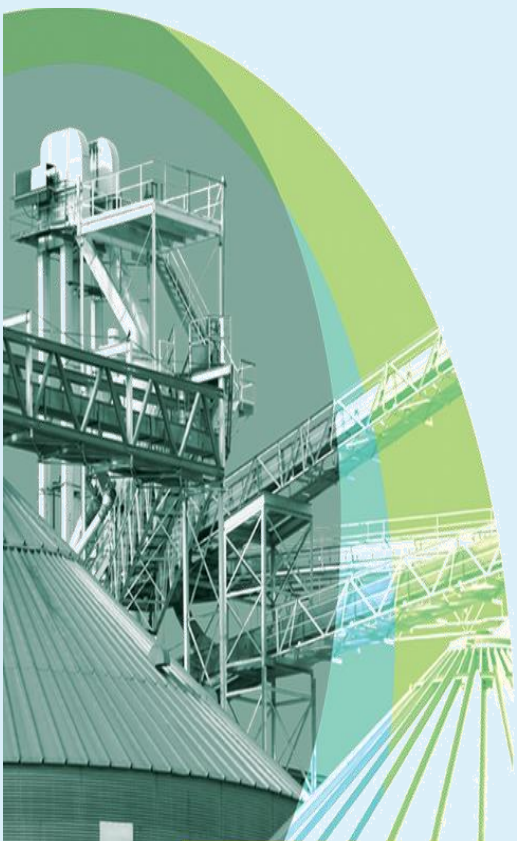
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Dividends – 5 Year History



Dividends paid pence per share



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Cash Flow - 2018



- The Company generated £3.5M. After deducting the additional working capital to support the increase in Sales, Cash generated in 2018 was reduced to £2.4M.
- Cash paid in 2018 for Capital Investments absorbed £1.8M.
- After Interest Charges, Loan Interest, Repayment of Loans & Payment of Dividends, the cash generated by the Company was reduced to just £0.5M.
- A constant balancing act to finance competing needs;-
 - for the working capital to continue overseas growth &
 - for new Equipment to remain competitive.



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Capital Investment in 2018



- Capex Expenditure was £ 1.8M (2017-£0.7M).
Compares to the Av. 5 Year Annual spend of £0.9M.

Principal items:-

- Re-Locating the Group's US Manufacturing Plant in our Morton, Illinois Facility & purchasing new Injection Moulding Machines.
- New 300 Tonne Hydraulic Press for Braime Pressings.
- Further new Robotic Manufacturing Cell for Braime Pressings.
- Tooling for overseas Manufacturing.
- New Processing Equipment for 4B Australia.



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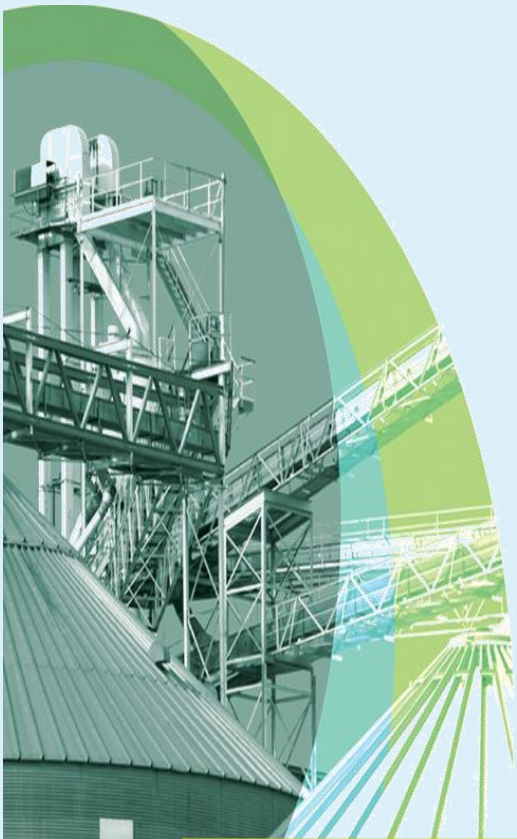
New Injection Moulding Facility Relocated in 4B USA Facility in Morton Illinois





Group Focus

- Quality. Supplying the Best and not the Cheapest Product.
- Continuous Productivity Improvement through Investment.
- Developing new Products which are “Better by Design”.
- Extending our Market reach into new Markets.
- Operating a Federal Management Style.



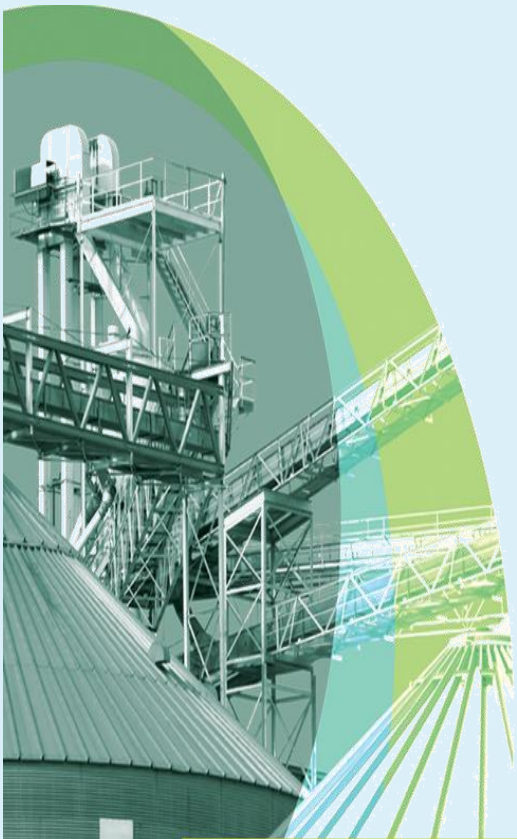
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Focus on Quality.



- Braime Pressings holds ISO 9001:2015 & manufactures to the Automotive Standard IATF 16949:2016.
- In practical Terms our reject rate has to be below 25 Parts per Million.
- Braime Elevators holds ISO 9001:2015 – the latest QC standard.
- 4B Group have invested in Certifying their products for use in Hazardous Zones, worldwide, including CSA, ATEX, IECEx, CE, and many more International Approval Authorities.
- Both businesses continue to invest in the latest Control equipment to permanently eliminate problems.



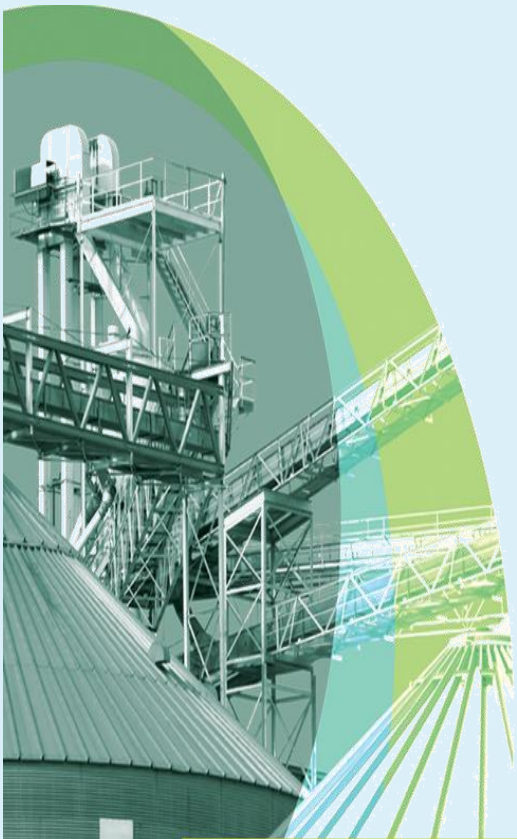
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Improve Productivity through Investment.



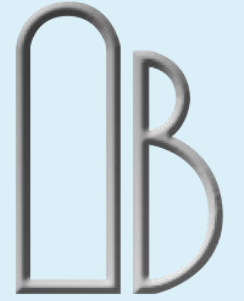
- In essence this means every year producing more output with fewer people.
- Change is understandably unpopular - subject culturally to strongly resistance - and very challenging to achieve.
- As consumers, we are very demanding and Corporate customers demand annual “cost downs” as the norm.
- So continuously striving to reduce the cost of manufacture through Investment is critical.



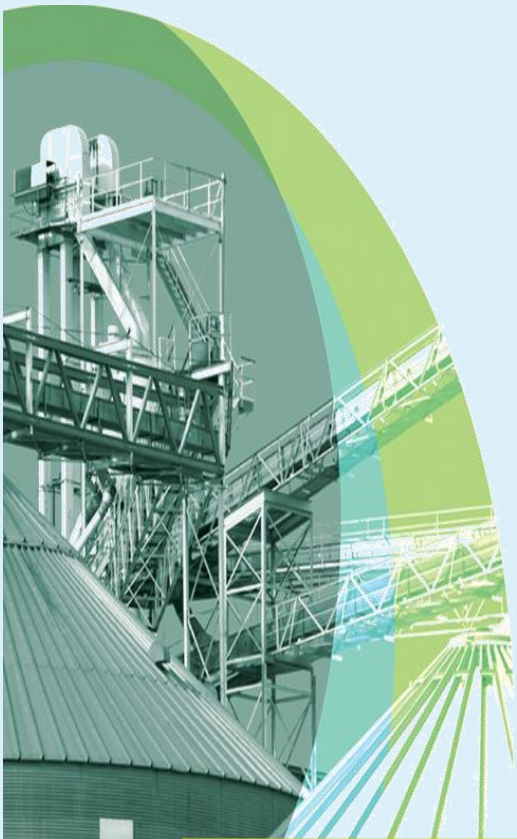
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Developing New Product – “Better By Design”



- Stemming from from the Founders of the Company.
- The Braime business was developed by two engineers who introduced entirely new Manufacturing Processes.
- Both were “Serial Inventors” – over 40 Patents –
not of revolutionary product, but by making innovative improvements to common Products in wide use.
- So they didn’t invent the 1st Oilcan – but invented one with a Drip Free Spout, Built in Grit Excluder, Forced Feed Pump etc.
- This concept applied to every product they produced.



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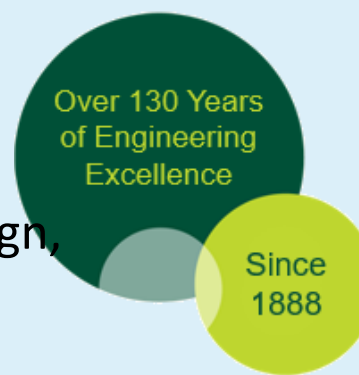

New Manufacturing Processes



The Founders also developed new Manufacturing Processes:-

- Pioneers in introducing to the UK the new Technology of the Plastic Deformation of Steel, called today “ Deep Drawn Presswork”.
- Designed & Built their own Premises< Tooling and Manufacturing Machines.
- First to make Oilcans as Pressings instead of welded fabrications.
- First to make a Range of Elevator Buckets replacing welded products.
- Developed a revolutionary method of making Rifling Bands for Military Shells

As a Group we have tried to follow this same path focused on product Design,
“Excellence in Engineering since 1888”



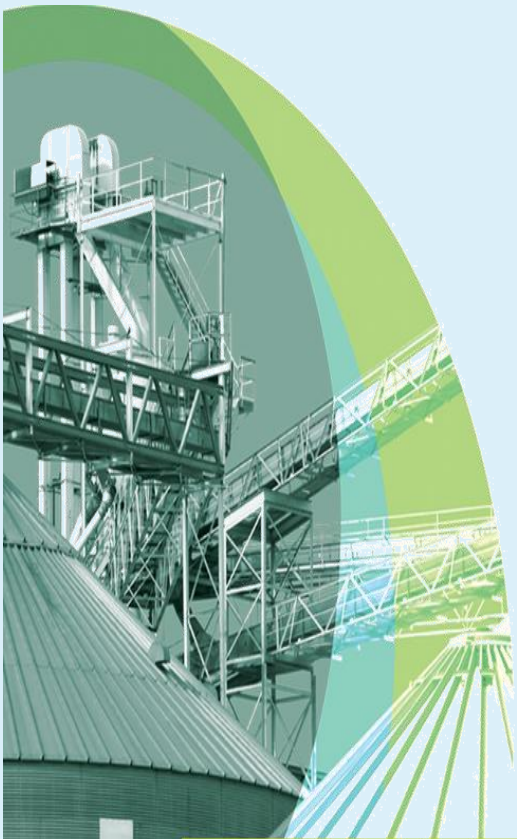
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“Better by Design”



- This has been the marketing Slogan of the Group for years and is what separates ourselves from our competitors.
- By this we mean looking at problems faced by engineers in our industry sector & re-designing or creating new product to provide customers with practical valuable solution-
“Quality, Innovation and Value”
- 5 Examples of innovative, Patented, and branded product:-
 - The Starco Elevator Bucket & Head Design.
 - 4B Bolt & Go Chain.
 - The 4B Watchdog 3 in one Monitoring System.
 - The Whirligig Speed Monitor.
 - The Touchswitch Alignment Monitor.



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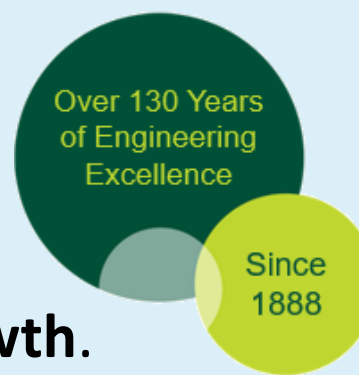

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Federal Management Style



- Our Senior Managers, almost all qualified professional Engineers, are encouraged to pursue their own ideas.
- Overseas we provide our Subsidiaries with Guidelines, financial support and incentives.
- However based on the fact that the Circumstances, Opportunities, Competition and Culture are different in every country or region, we give our local Executives the maximum possible freedom to decide on the Products they focus on and on the way they choose to market them.
- The business encourages our Senior Managers, in the UK and overseas to be pro-active and pursue their own ideas.

I believe this is the reason behind our continuing steady growth.



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Honoured by recent two visitors to our Group HQ



130 years celebration – Presentation of a Plaque from the Yorkshire Society



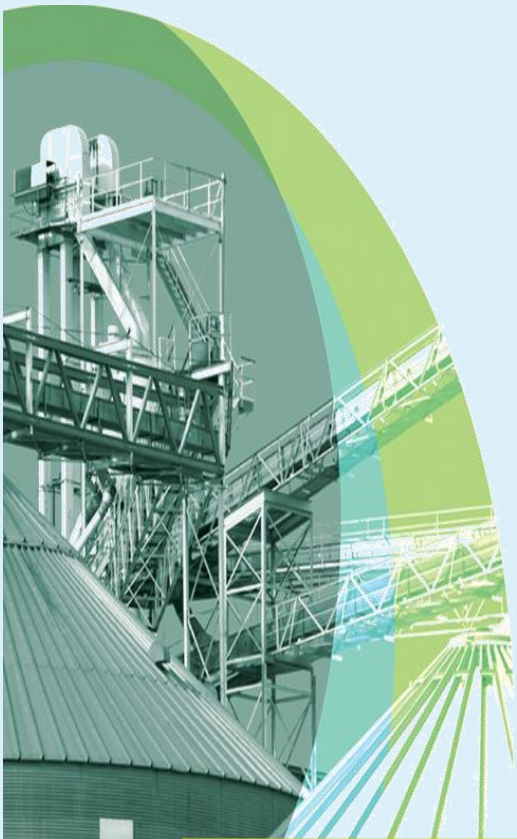
HRH, the Duke of Kent, Visiting our Premises & Meeting our Employees



Outlook



- After an initial Slow start to 2019, the Group is currently trading marginally above the same point last year.
- Market conditions globally are deteriorating.
- Retaliatory trade sanctions by China on the import of grain from the US are having a dampening effect on the US Market.
- Based on the Group's Strategy of gradually expanding both our Product Range and simultaneously extending our global Markets, the long-term prospects for the Group remain positive.
- Our Results will always be affected both by economic conditions and also heavily exposed to Exchange Rate Fluctuations.



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