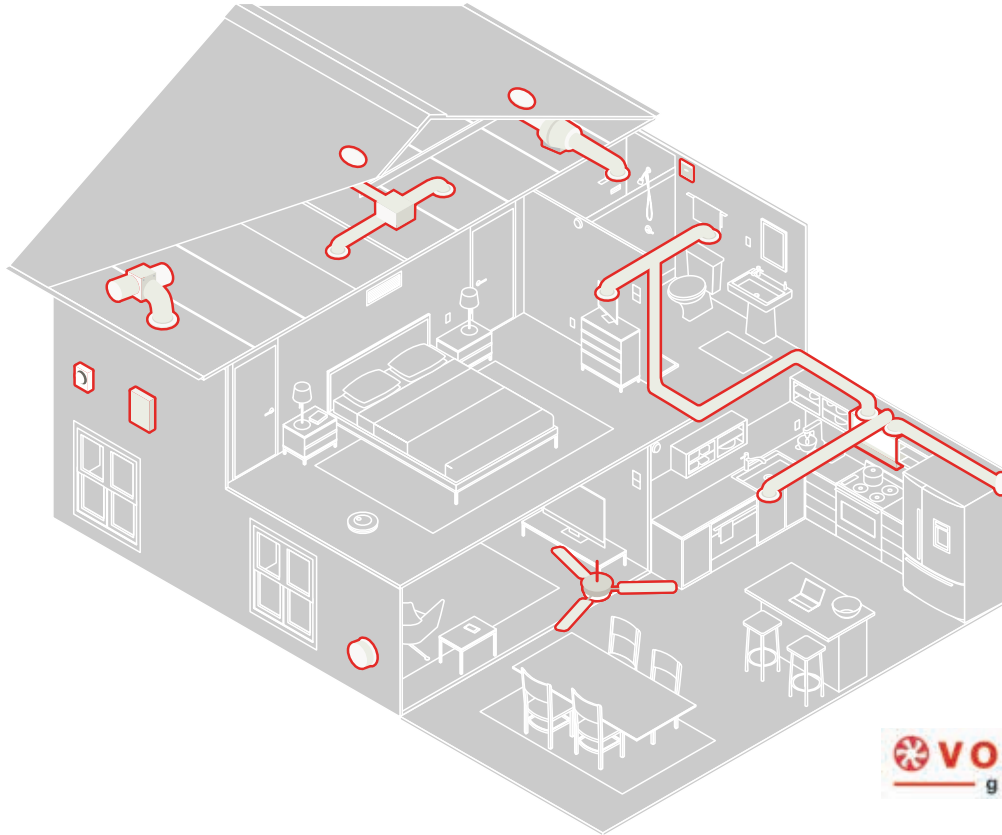


Excellence in ventilation



Welcome to our Reading factory



Ronnie George
Chief Executive Officer
Volution Group plc



Andy O'Brien
Chief Financial Officer
Volution Group plc



John Foley
Managing Director
Volution Ventilation UK

Your safety and wellbeing

**Your safety and wellbeing is paramount
whilst you are visiting us today.**

Agenda

10.00

- > Welcome
- > Your safety whilst on site
- > Our refreshed strategy
- > Organic growth – regulatory drivers
- > Operational Excellence – Reading

10.45

- > Plant tour

11.30

- > Q&A

12.00

- > Lunch

12.30

- > Close



Our refreshed strategy

Before



Organic growth in all our markets



Growth through a disciplined and value-adding acquisition strategy



Further develop Torin-Sifan's range and build customer preference and loyalty



After



Organic growth in all our markets *Now including organic growth in Torin-Sifan*



Growth through a disciplined and value-adding acquisition strategy



Operational Excellence

Ventilation growth drivers



Organic growth in all our markets

Health and wellbeing



Indoor air quality

International coverage of the health effects of indoor pollutants is leading to an increase in demand for ventilation to improve indoor air quality. The number of mechanical ventilation systems installed increases every year.



Mould and condensation control

Cold weather produces more mould and condensation which in turn leads people to look for a solution. Mould is not only unsightly and smelly but also bad for your health, especially the very young and old.



Air-tight, insulated buildings temperature control

Energy recovery ventilation systems are included in modern building design to mitigate over heating and with summer by-pass, recover cooling during the summer and recover heat during the winter.

Ventilation growth drivers *continued*



Organic growth in all our markets

Consumer preference



Noise

Nuisance noise from ventilation is a common issue shared by all customers in all markets. It is also the number one objection in relation to ventilation and is an issue Volution works hard to reduce.



Reducing energy bills through efficiency measures

Increased air tightness of homes due to energy efficiency retrofit schemes such as insulation, has led to a reduction in indoor air quality and therefore an increased demand for ventilation.



Connectivity and control

The home is being revolutionised by the introduction of connected technology, data availability and control through apps and the Google, Amazon and Apple home ecosystems.



Organic growth in all our markets

...driving increasing regulation



Legislation, regulation and guidance

Europe

The EU Energy Performance of Buildings Directive continues to improve insulation and air tightness in buildings across Europe with each country legislating ever more stringent mechanical ventilation requirements.

UK

In the UK, the Future Homes Standard will lead to enhanced standards in ventilation.

Australasia

Similar programmes in Australasia will continue to tighten the requirements with New Zealand now requiring mechanical ventilation in all new build and rental properties.

Reading project

The project was undertaken to rationalise our constrained production facilities in Slough and Reading into a new facility to provide capacity headroom for our ambitious long-term growth plans, including the manufacture of newly developed products.



Old Slough

- > Fan assembly and component storage
- > Administrative functions
- > Too small
- > Outgrown layout
- > High running costs
- > No room for expansion
- > Logistics inefficiencies

Old Reading

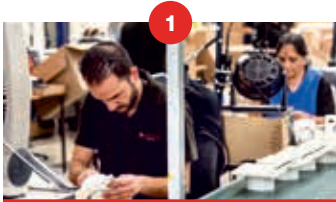
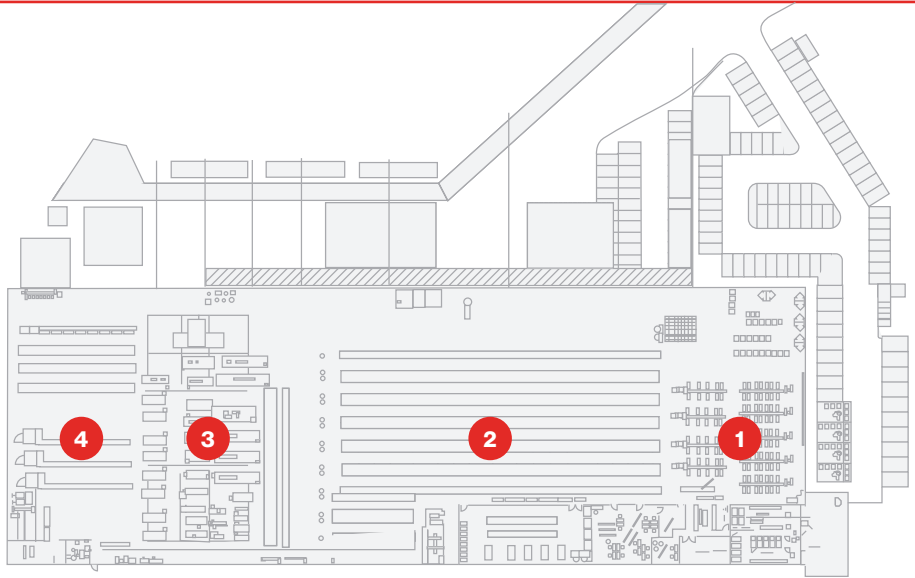
- > Injection moulding
- > Ducting extrusion
- > Kit packing
- > Finished goods storage and dispatch
- > Insufficient power from local grid
- > We are growing
- > We are insourcing more fan production
- > We are cross-selling more



Consolidating a combined footprint of 66,000 sq ft into a new purpose-built 100,000 sq ft factory whilst retaining skills and experience.

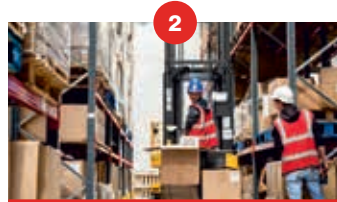
Factory layout in Reading

219 Production Employees



Fan assembly and kit packing

18 fan assembly lines



Warehouse and dispatch

6,500 pallet spaces



Moulding

39 injection moulding machines



Ducting

4 rigid and 3 flexible extruders



Injection moulding

Vertically integrated plastic injection moulding underpins Operational Excellence

- > 28 million individual plastic parts moulded each year
- > 1,600 tonnes of plastic raw materials (ABS and HIP) used in the process each year
- > 41 employees, including specialist tool setters
- > 39 injection moulding machines, from 25 tonnes to 450 tonnes (£3 million investment at current cost)
- > Operating with 3 shifts, 5 days a week
- > 1,100 moulding tools, replacement cost c.£20 million



Ducting extrusion

Flexible manufacturing supports sales of ventilation systems and accessory kits

- > 7 million metres of rigid, semi-rigid and flexible ducting extruded each year
- > 4 rigid ducting lines, extruding 2,300 tonnes of recycled PVC annually
- > 3 flexible ducting extrusion lines, consuming 300 tonnes of bead wire and PVC film
- > Operating with 3 shifts, 5 days a week
- > Efficiently operated by 14 employees
- > Plant replacement cost of c.£2.5 million



Fan assembly and kit packing

Number 1 product range of residential fans in the European market

- > 2.5 million fan units assembled annually across 18 lines
- > Operating with 1 shift, 5 days a week
- > 112 employees in assembly, kitting and line feeders
- > Kitting 1.9 million individual kits annually
- > Fan assembly for:
 - > UK and export
 - > Intercompany support to the Nordics, Central Europe and Australasia
- > A total of 8,000 individual SKUs in the total portfolio



Warehouse and dispatch

Unrivalled distribution capability and product range servicing our markets

- > 8 bay 14 metre high warehouse, 6,500 racked spaces
- > Optimised wave picking information from our ERP system
- > Shipping 50,000 orders annually, 4,750 lines per week direct to more than 2,500 delivery locations in the UK
- > Managed and operated by 52 employees
- > UK market leading product range and service offer



Plant tour

Summary

What we have demonstrated today is our unique capability to provide an unrivalled range of products and services to our markets.

Thank you

Q&A

