Acquisition of BWI and capital raising

Investor presentation

12 May 2015

Disclaimer

Important notices

This Presentation has been prepared by GUD Holdings Limited (ABN 99 004 400 891) ("GUD" or "Company").

Summary information

This Presentation contains summary information about GUD and its activities current as at 12 May 2015. The information in the Presentation is of a general nature and does not purport to be complete or comprise all information which a shareholder or potential investor may require in order to determine whether to deal in GUD shares. It should be read in conjunction with GUD's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

Not financial product advice

This Presentation is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission) or under any other law. This Presentation does not constitute financial product, investment, legal, taxation or other advice or a recommendation to acquire GUD shares and has been prepared without taking into account the objectives, financial situation or needs of individuals.

Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek financial, legal and taxation advice appropriate to their jurisdiction. The Company is not licensed to provide financial product advice in respect of its shares. Cooling off rights do not apply to the acquisition of GUD shares.

Financial data

All dollar values are in Australian dollars ($) unless stated otherwise.

Past performance

Past performance information, including past share price performance, given in this Presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance

This presentation contains certain "forward-looking statements" including statements regarding our intent, belief or current expectations with respect to the Company's business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Presentation contains such statements that are subject to risk factors associated with an investment in GUD. GUD believes that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially.

Disclaimer (cont.)

Future performance (cont).

Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause the actual results, performances or achievements of GUD to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Presentation, and readers should carefully consider the risks section of this Presentation.

No representation or warranty, expressed or implied, is made as to the fairness or correctness of the information, opinions and conclusions contained in this Presentation. To the maximum extent permitted by law, none of the Company and its related bodies corporate, or their respective directors, employees or agents, nor any other person accepts liability for any loss arising from the use of this Presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability from fault or negligence on the part of the Company, its related bodies corporate, or any of their respective directors, employees or agents.

Investment risk

An investment in GUD shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company. GUD does not guarantee any particular rate of return or the performance of GUD shares.

Not an offer

This Presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and neither this Presentation nor anything contained in it shall form the basis of any contract or commitment. In particular, this Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities in the proposed offering have not been and will not be registered under the U.S. Securities Act of 1933, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities in the proposed offering may not be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This document may not be distributed or released in the United States. Recipients of this document outside Australia should refer to the final section of this Presentation entitled 'International Offer Restrictions'. The information contained in the 'International Offer Restrictions' section of this Presentation is provided as a general guide only. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Disclaimer

Macquarie Capital (Australia) Limited and its affiliates, officers, employees, agents and advisers have not been involved in the preparation of, and have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation and do not take any responsibility for, nor make or purport to make any statements, representations, warranties or undertakings in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

The Company, its related bodies corporate, Macquarie Capital (Australia) Limited and their respective affiliates, officers, employees, agents and advisers to the maximum extent permitted by law, expressly disclaim all liabilities in respect of any expenses, losses, damages or costs incurred by you as a result of the information in this Presentation being inaccurate or due to information being omitted from this Presentation, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the fairness, currency, accuracy, reliability or completeness of information.

The information in this Presentation remains subject to change without notice.

Table of contents

Executive summary

Transaction overview	▪ GUD Holdings Ltd ('GUD') has agreed to acquire 100% of the shares in privately held Brown & Watson International Pty Ltd ('BWI') for base consideration of \$200 million plus an earn-out capped at \$20 million[1] ▪ BWI is a leading supplier of lighting and electrical accessories, primarily for the automotive aftermarket, with a scalable presence in specialty markets such as commercial transport, recreation and marine ▪ Acquisition is expected to complete 1 July 2015[2]
Strategic rationale	▪ BWI is the owner of market leading Narva and Projecta brands in Australia and New Zealand ▪ Similar to Ryco, primarily an aftermarket business (c.85% by sales) supported by continuing growth in Australia's vehicle pool ▪ Leading in-house research and development capabilities allow BWI to be first to market with new products / technologies tailored to the Australian market ▪ 'One-stop shop' for lighting and electrical accessories and battery power and maintenance products with a portfolio of over 6,000 SKUs developed over 30 years ▪ Diverse channel and sales mix with favourable exposure to automotive aftermarket
Transaction funding	▪ Fully underwritten institutional placement subject to bookbuild of approximately 10.6m shares (approximately \$74.5m at \$7.00 underwritten price per share) (the 'Placement') ▪ Non-underwritten share purchase plan ('SPP') seeking to raise \$15m (together with the Placement, the 'Equity Raising') ▪ \$131.3 million of debt to be drawn down from newly refinanced debt facility
Trading update and financial impact	▪ Reaffirm full year EBIT guidance provided at AGM of \$55 – \$60 million[3] ▪ Net debt / EBITDA anticipated to fall to 1.8x by the end of FY16 ▪ GUD expects the acquisition to be mid-teen EPS accretive

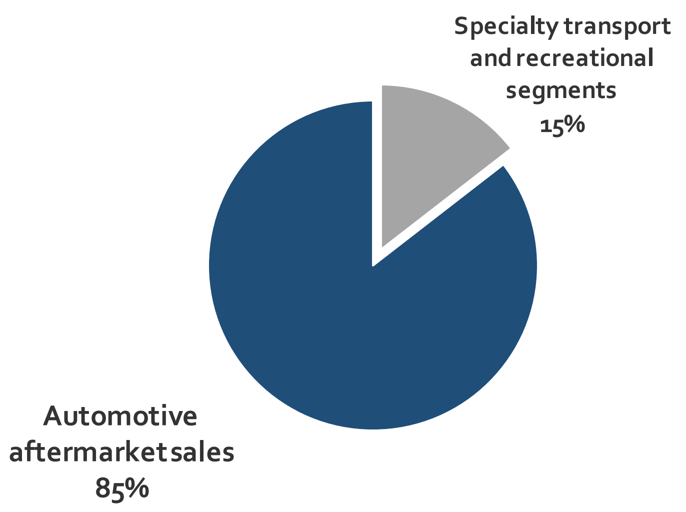
Note: 1. \$187.1m payable upon completion, \$12.9m payable in 1H16. At the forecast FY16 EBIT of \$27.9 million a \$9.1 million earn-out would be paid (after the end of FY16) resulting in a \$209.1 million acquisition price. 2. Subject to satisfaction of very limited conditions precedent. 3. After acquisition costs expensed in FY15 estimated to be \$1.3m.

Overview of BWI

BWI is a leading supplier of lighting and electrical accessories and battery power and maintenance products primarily for the automotive aftermarket, with a scalable presence in specialty markets such as commercial transport, recreation and marine

- Originally established in 1953, BWI is a leader in product development and supply to the automotive aftermarket and specialty transport and recreational segments
- Key brands Narva and Projecta are leading players in their markets, with strong reputations for quality and reliability
  - Narva: Automotive lighting and electrical accessories
  - Projecta: Battery maintenance and battery power products
- Specialty transport and recreational segments comprise c.15% of sales
  - Caravans, semi-trailers, campers and various other specialty markets

Sales by end market[1]



Aftermarket products comprise c.85% of sales

Sold through a variety of channels including trade, retail and wholesale throughout Australia and New Zealand

Source: 1. Company information.

➊ Acquisition of BWI

Strategic rationale

1 Exposure to the automotive aftermarket	– Highly complementary to the GUD Automotive business – Predominantly an aftermarket business (c.85% by sales) – Aftermarket sales driven by total vehicle pool

2 Market leading brands	– Owner of the NARVA and Projecta brands throughout Australia and New Zealand
	  – A market leader in all of the key segments that BWI serves
	  – Reputation for innovative, reliable products with a focus on quality

3 Comprehensive product portfolio	– 'One-stop shop' for a broad range of high quality lighting and electrical accessories and battery power and maintenance products – Deep product range of 6,000 SKUs developed over 30 years
4 Diversified channel and sales mix	– Broad channel and sales mix with favourable exposure to automotive aftermarket and specialty transport and recreational segments
5 Strong financial performance with upside potential	– Clear path to FY16 earnings forecast through introduction of new products and implementation of GUD management processes – Modest capex requirements given outsourced manufacturing
6 Benefits broader automotive business	– Ability to strengthen customer and supplier relationships across the GUD Automotive Group and BWI – Access to new channels

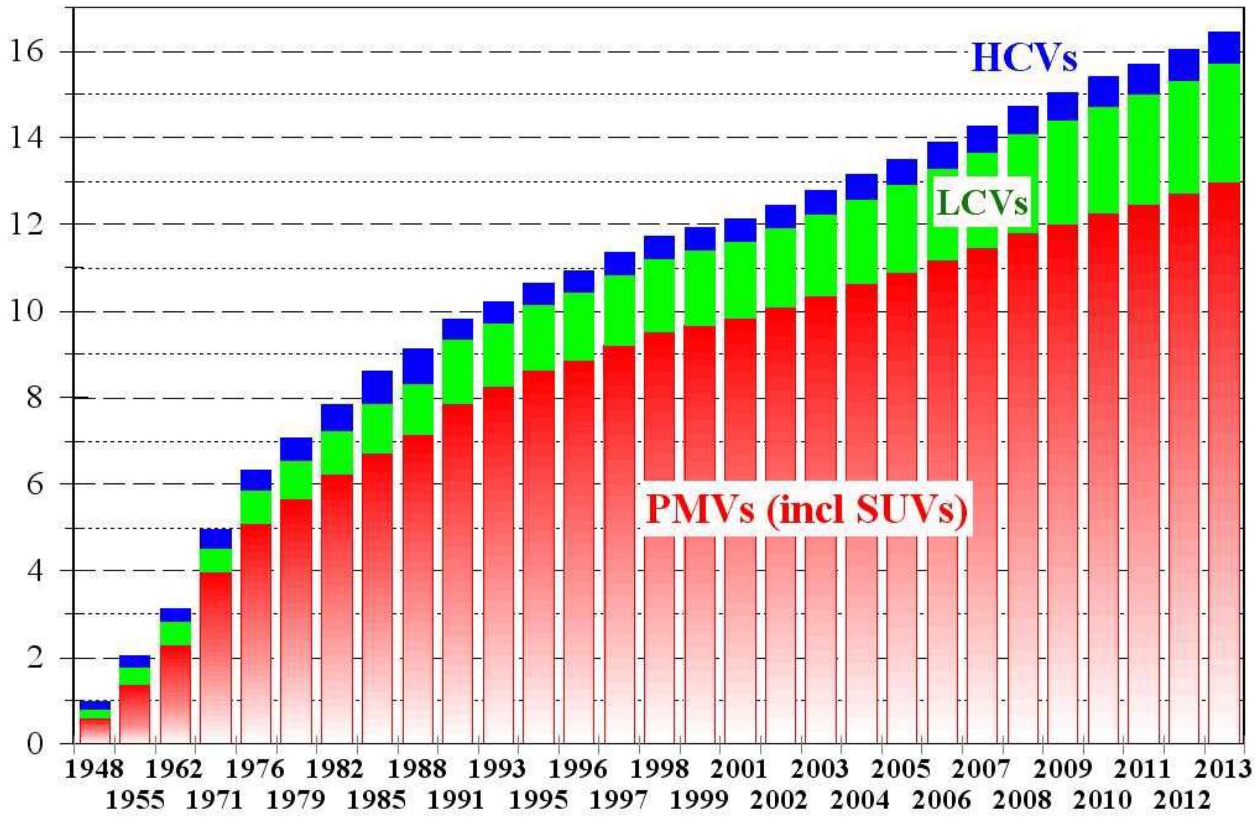
❶ Exposure to the automotive aftermarket

The steady expansion of Australia's vehicle pool underpins demand for the automotive aftermarket parts industry

- Fundamental demand drivers of the aftermarket parts industry are attractive
  - Aftermarket sales are dependent on the vehicle pool
  - Number of vehicles in Australia's vehicle pool continues to grow
- Aftermarket sales comprise c.85% of BWI's total sales
  - Benefit from a high degree of non-discretionary demand and low degree of volatility

Vehicles on the road[1]

Million vehicles; at census date; excludes motorcycles



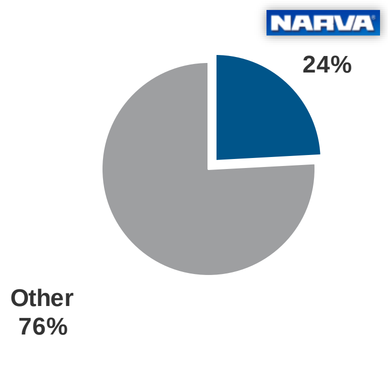
Source: 1. Australian Automotive Intelligence, ABS Motor Vehicle Census (various years). HCV: heavy commercial vehicle; LCV: light commercial vehicle; PMV: passenger motor vehicle; SUV: sports utility vehicle.

❷ Market leading brands

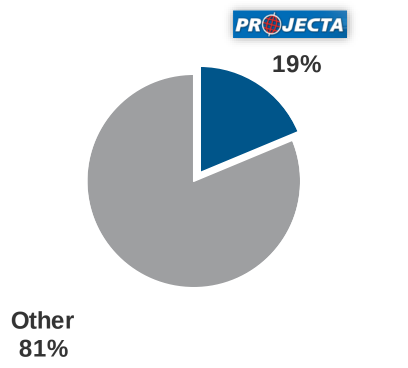
Narva and Projecta have a reputation for quality, reliability and innovation

- Key brands Narva and Projecta generate c.75% and c.15% of group revenue respectively
  - The Narva line offers high quality lighting and electrical accessories incorporating innovative features and technology
  - Projecta provides excellence in battery maintenance and battery power with a focus in the rapidly growing recreational industry
  - Leading players in their respective industries, with Narva and Projecta holding c.24% and c.19% market share respectively
- Sub-brands Big Red, AC Pro and Maxilight enable BWI to provide a full service offering across each price and quality segment
- All brands have in-house R&D capability
  - Enables BWI to react quickly to consumer trends and to tailor products to market conditions

Estimated market share[1]



Lighting and electrical accessories



Battery maintenance and power products

Source: 1. Market share estimates sourced from BWI management.

❸ Comprehensive product portfolio

BWI's extensive product range is a key point of difference, offering retailers a "one-stop shop" for all their automotive lighting and electrical accessories and battery power and maintenance product needs

- Portfolio of over 6,000 SKUs offers a compelling point of differentiation with retailers / wholesalers
- Customer benefits in logistics, quality control, merchandising and service
- A leading player in the majority of product categories offered

Lighting and electrical accessories[1]

	NARVA	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Competitor 5
Driving Lights & Worklamps	✓	✓	✗	✗	✓	✓
LED Truck & Trailer lighting	✓	✓	✗	✓	✗	✓
Halogen & performance globes	✓	✗	✓	✗	✗	✓
Terminals, cable and cable ties	✓	✗	✗	✗	✗	✗
Emergency Lighting (beacons)	✓	✓	✗	✗	✗	✗
Accessories (fuses, trailer plugs etc.)	✓	✗	✗	✗	✗	✗

Battery maintenance and power products[1]

	PROJECTA	Competitor 1	Competitor 2	Competitor 3	Competitor 4
Battery chargers	✓	✓	✓	✓	✓
Solar Panels /Kits	✓	✗	✗	✗	✓
Jump starters	✓	✓	✗	✗	✗
Booster cables	✓	✓	✓	✗	✗
Inverters	✓	✗	✓	✗	✓
Battery terminals	✓	✗	✓	✗	✗
Dual Battery Systems	✓	✗	✗	✗	✓

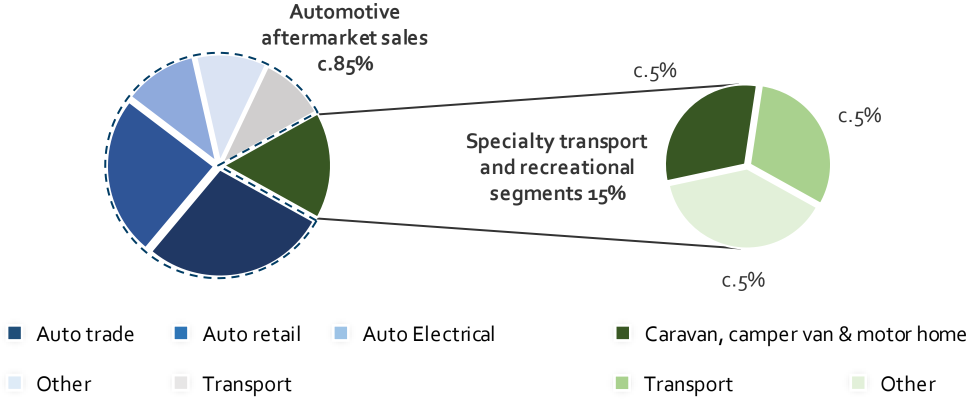
Source: 1. BWI management data, public information. Market presence is where a comprehensive product range is available.

❹ Diverse channel and sales mix

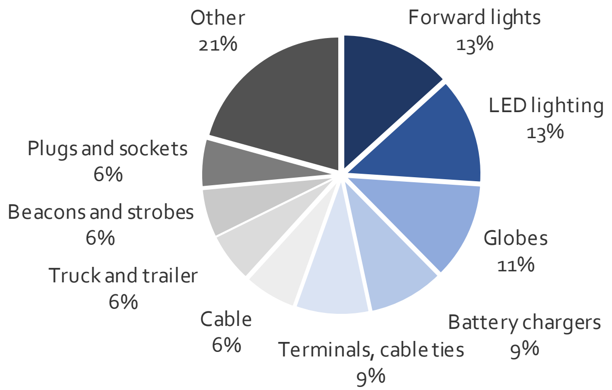
By servicing a wide range of customers through a number of channels BWI has created a resilient business model that is expected to provide opportunities for GUD Automotive in the medium term

- Broad channel and sales mix with favourable exposure to core automotive aftermarket segment
  - Exposure is spread across a number of end markets including trade, auto retail, industrial and auto electric
- Expansive product portfolio diversified across a range of categories
  - Largest category contributes less than 15% of sales

Broad sales exposure[1]



Diversified product portfolio[1]



Source: 1. Company information. BWI Australian sales revenue only.

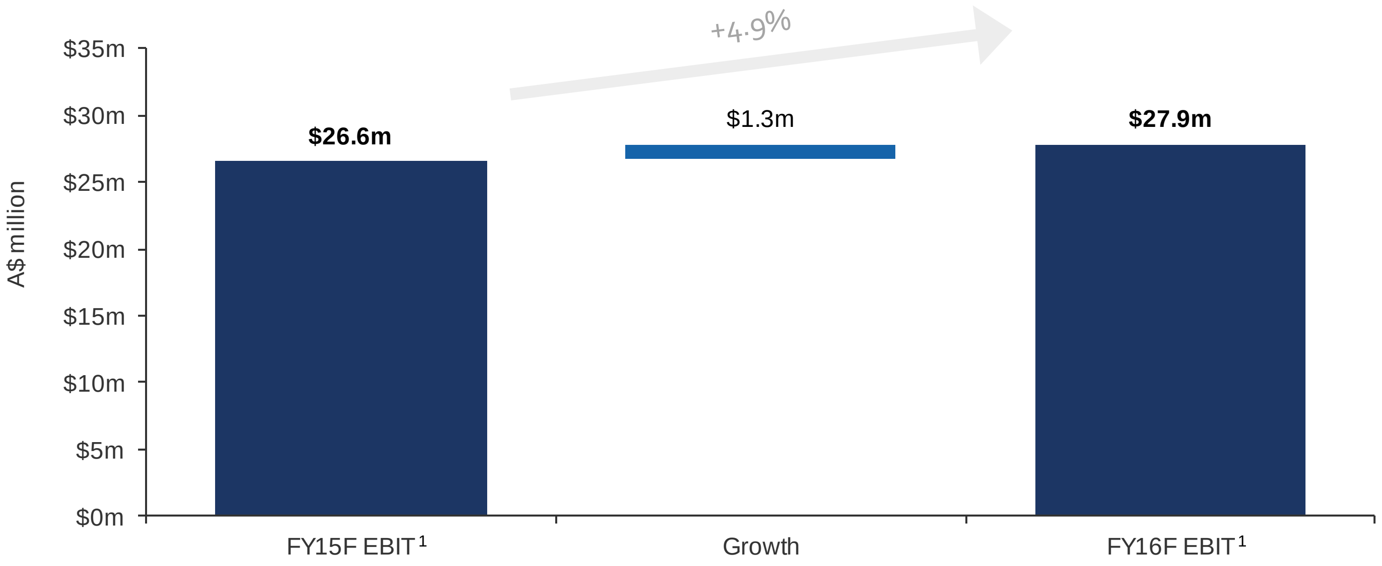
5 Strong expected financial performance in Fy15 & FY16

Clear path to anticipated FY16 earnings growth

Expected financial performance

- FY15F EBIT of $26.6m on forecast sales of $109m[1]
- Anticipated uplift in FY16F EBIT through (a) introduction of new products (b) improved sourcing (c) other initiatives
- FY16F EBIT of $27.9m on forecast sales of $117m[1]

BWI FY15F – FY16F earnings bridge[1]



Source: 1. Company information. Note FY15F EBIT has been presented on a like-for-like basis with FY16 to reflect operations under GUD ownership.

6 Benefits of a combined GUD and BWI automotive

The acquisition of BWI will enable GUD to benefit from stronger customer relationships, broader end market exposure and add further experience to the senior management team

1 *Strengthen combined GUD and BWI customer relationships*

Trade

Retail

Wholesale

2 *Utilise BWI relationships to expand Ryco / Wesfil to additional end markets*

Electrical

Mining

Transportation

Marine

3 *Proven management team with deep sector experience*

GUD

Bob Pattison
Chief Executive Officer[1]
BWI

BWI

Tim Miller
General Manager
BWI

Note. 1. To be appointed post completion.

❷

Terms and funding

Transaction parameters

Consideration structure

- Expected purchase price[1] of $209.1m
  - $200 million base purchase price[2]
  - Earn-out of up to $20 million ($9.1 million assuming FY16 forecast of $27.9m is achieved)
- Earn-out to be calculated after the completion of the 2016 fiscal year:
  - For each $1m of BWI FY16 EBIT in excess of A$26.6m, GUD to pay a A$7m earn-out (on a straight line basis)
  - Expected to be debt funded and paid post FY16 close

FY16 EBIT	Enterprise value
$26.6m	$200m
Uplift: +$1.0m	Earn-out: +$7m

Up to a $20m earn-out cap

Transaction metrics

	Based on FY16 EBIT forecast			
FY16F EBIT	$27.9m	$28.0m	$29.0m	$30.0m
Earn-out base EBIT	$26.6m	$26.6m	$26.6m	$26.6m
Uplift	**$1.3m**	**$1.4m**	**$2.4m**	**$3.4m**
Earn-out multiple	7.0x	7.0x	7.0x	7.0x
Earn-out	**$9.1m**	**$9.8m**	**$16.8m**	**$20.0m**
Base consideration	$200.0m	$200.0m	$200.0m	$200.0m
Total consideration	**$209.1m**	**$209.8m**	**$216.8m**	**$220.0m**
Acquisition multiple	7.5x	7.5x	7.5x	7.3x

Note: 1. Purchase price includes a customary true-up for net debt and actual working capital on completion above or below a target subject to a cap. 2. $187.1m payable upon completion, $12.9m payable in 1H16.

Acquisition terms and funding

Key acquisition terms

Purchase price	▪ Expected purchase price of $209.1m; $200m base price, $9.1m expected earn-out (assuming BWI FY16 forecast EBIT is achieved)
Equity Raising	▪ Fully underwritten institutional Placement of approximately 10.6m shares (approximately $74.5m at $7.00 underwritten floor price) ▪ Non-underwritten share purchase plan ('SPP') seeking to raise $15m to eligible shareholders in Australia and New Zealand, up to $15,000 per shareholder
Debt	▪ $131.3 million of debt to be drawn down from refinanced debt facility (see page 20)[1]
Timing	▪ The Acquisition is expected to complete 1 July 2015[2]

Sources and uses[3]

Sources	AUDm
Placement to institutional investors	74.5
Base acquisition debt[4]	131.3
Earn-out acquisition debt[5]	9.1
Total	**214.9**

Uses	AUDm
BWI purchase price	200.0
Costs associated with the transaction (and capital raising)	5.8
Expected earn-out payment[4]	9.1
Total	**214.9**

Note: 1. Participation in the SPP will result in less debt drawn. 2. Subject to very limited conditions precedent. 3. Excludes any proceeds raised under the SPP. 4. Proceeds from base acquisition debt and placement to fund $187.1m payable upon completion and $12.9m payable in 1H16. 5. Earn-out expected to be debt funded and paid post FY16 close; would increase should earnings be above forecast.

Equity raising details

Equity component

Placement	▪ Fully underwritten institutional placement of approximately 10.6m shares (approximately $74.5m) ▪ Fully underwritten floor price of $7.00 per new share under the Placement with final issue price determined via a bookbuild ("Placement Price") ▪ Underwritten floor price represents a 7.8% discount to the closing price of $7.59 on 11 May 2015
Share Purchase Plan ("SPP")	▪ A non-underwritten Share Purchase Plan of $15,000 per eligible shareholder will be offered following the placement ▪ The Share Purchase Plan will seek to raise $15 million[1] ▪ SPP issue price at lower of Placement Price and a 2.5% discount to the 5 trading day VWAP up to and including the date the SPP is scheduled to close ▪ Eligible shareholders are those who are registered on the record date of 11 May 2015 (7.00pm, Melbourne time) with a registered address in Australia or New Zealand
Ranking	▪ New shares will rank equally with existing GUD Holdings Limited shares
Underwriting	▪ Placement is fully underwritten by Macquarie Capital (Australia) Limited

Note: 1. The Company may, in its absolute discretion, undertake a scale back to the extent and manner it sees fit.

Indicative capital raising timetable

Key dates – Placement

12 May 2015	Announcement of offer & trading halt request
12 May 2015	Placement conducted
13 May 2015	Trading halt lifted
18 May 2015	Settlement of placement
19 May 2015	Allotment and trading of placement shares

Key dates – Share Purchase Plan

7.00pm 11 May 2015	Record Date
18 May 2015	SPP materials despatched to eligible shareholders
18 May 2015	SPP opens
5 June 2015	SPP closes
12 June 2015	Allotment of SPP shares
15 June 2015	Commencement of trading of New Shares on ASX

Note: Date and times are indicative only and subject to change without notice. GUD Holdings Limited reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act. All dates are in 2015 and refer to Melbourne, Australia time.

Pro forma financial information

As at 31 December 2014	GUD	Impact of transaction and capital raising	Post-balance date adjustment	MergeCo
Current assets				
Cash	27.9	2.4	(14.2)	16.1
Accounts receivable	106.8	25.6	-	132.4
Inventory	120.2	19.0	-	139.2
Other	31.1	0.2	-	31.3
Total current assets	**286.0**	**47.2**	**(14.2)**	**319.0**
Non current assets				
PPE	34.4	3.8	-	38.2
Intangible assets	167.6	164.8	-	332.4
Other	10.0	2.4	-	12.4
Total non current assets	**212.0**	**170.9**	**-**	**382.9**
Total assets	**498.1**	**218.1**	**(14.2)**	**702.0**
Current liabilities				
Accounts payable	86.7	2.9	-	89.6
Borrowings	15.1	-	-	15.1
Other	19.0	5.0	-	23.9
Total current liabilities	**120.8**	**7.9**	**-**	**128.7**
Non current liabilities				
Borrowings	120.4	139.3	-	259.7
Other	7.3	0.2	-	7.5
Total non current liabilities	**127.6**	**139.5**	**-**	**267.2**
Total liabilities	**248.4**	**147.5**	**-**	**395.9**
Net assets	**249.7**	**70.7**	**(14.2)**	**306.1**
Issued capital	184.6	72.4	-	257.0
Non-controlling interest	29.5	-	-	29.5
Other	35.6	(1.7)	(14.2)	19.6
Total equity	**249.7**	**70.7**	**(14.2)**	**306.1**

Note to borrowings: Borrowings have been offset by amounts capitalised in respect of the debt facilities.

Pro forma balance sheet

- Pro forma balance sheet shows consolidated balances as if transaction was completed on 31 December 2014
- The following pro forma adjustments have been made:
  - Cash and retained earnings post-balance date adjustment of $14.2m to reflect impact of March 2015 dividend
  - Value of intangibles has been increased to reflect the indicative purchase price allocation which results in a goodwill number of $164.8m based on the expected purchase price at FY16 forecast earnings
  - Borrowings have been adjusted to reflect the debt funded portion of the purchase consideration (including transaction costs).
  - Issued capital has been adjusted to reflect the portion of the purchase consideration to be funded via the placement (net of equity raising costs)
  - Retained earnings adjusted to reflect impact of transaction costs
  - The impact of the transaction and capital raising acquisition column includes the indicative fair value of BWI's net identifiable assets at acquisition date. Upon completion, a formal purchase price allocation will be performed.
- Pro forma gearing[1] at 31 December 2014 of c.46% (from c.30%)

Notes: 1. Net debt / (net debt + equity).

Corporate debt facility

Overview

- GUD has refinanced its existing $150m facility simultaneously with the transaction
- New facility to be used for acquisitions (including acquisition of BWI) and general corporate purposes
- Net debt / EBITDA anticipated to fall to 1.8x by the end of FY16

Features

- Unsecured A$300m revolving cash advance facility
  - Tranche A (revolver): $185m – refinance existing facilities and general purpose
  - Tranche B (amortising): $115m – BWI acquisition[1]
- 5 year tenor
- Competitive pricing – an expected improvement of 30 bps compared with previous facility in FY16

Headroom

- Ample covenant headroom post acquisition to continue to support organic growth and explore bolt on acquisition opportunities should they arise

Source: Company information.
Note: 1. Additional debt required to fund the acquisition of BWI – expected to be $16.3 million for total expected debt funding of $131.3 million – to be drawn from Tranche A.

❸

Trading update

Trading update

GUD is progressing well with strategic initiatives and reaffirms FY15 guidance of $55 – 60m EBIT[1]

- Impact of FX has been managed through price increases and an effective hedging strategy
- Dexion improvement to continue:
  - Operations in Malaysia are on track and continually improving
  - Sales contribution from previously delayed projects
- Sunbeam to benefit from joint venture opportunities and further profit improvement program contributions
- Davey contribution from international sales to be assisted by lower Australian dollar in second half
- Continued solid performances expected from Automotive, Oates and Lock Focus
- Initial innovation initiatives to be introduced:
  - Davey new generation chlorinator, variable speed pump and Lock Focus garage door
  - Window locks, Sunbeam Oster blenders (April 2015) and breakthrough products (H1 FY16)
- **Maintain full year FY15 EBIT guidance provided at AGM of $55 - $60 million[1]**

Note: 1. After acquisition costs expensed in FY15 estimated to be $1.3m.

A

Risks

A. Risks overview and operational risks

Introduction

GUD is subject to a variety of risk factors. Some of these are specific to its business activities, while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of GUD, its investment returns and the value of an investment in shares in GUD.

The risks listed below are not an exhaustive list of risks associated with an investment in GUD, either now or in the future, and this information should be considered in conjunction with all other information in this Presentation. Many of the risks described below are outside the control of GUD, its Directors and management. There is no guarantee that GUD will achieve its stated objectives or that any forward looking statements or forecasts will eventuate.

This section discusses the key risks attaching to an investment in shares in GUD, which may affect the future operating and financial performance of GUD and the value of GUD shares (before and after the proposed acquisition of BWI). Before investing in GUD shares, you should consider whether this investment is suitable for you having regard to publicly available information (including this Presentation), your personal circumstances and following consultation with financial or other professional advisers. Additional risks and uncertainties that GUD is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect GUD's operating and financial performance.

Operational risks

Brand names may diminish in reputation and value

Brand names are crucial assets to each of the businesses within GUD and the success of GUD is heavily reliant on its reputation and branding. Unforeseen issues or events which place GUD's reputation at risk may impact on its future growth and profitability. The reputation and value associated with these brand names could be adversely impacted by a number of factors, including failure to provide customers with the quality of product and service standards they expect, disputes or litigation with third parties such as employees, suppliers or customers, or adverse media coverage.

Movements in the Australian Dollar / US Dollar (A$/US$) exchange rate

GUD purchases a significant proportion of product from international suppliers. These purchases, as well as associated freight charges, are typically denominated in US Dollars. Movements in the A$/US$ exchange rate may impact the cost of product sourcing for GUD, potentially impacting sales volumes and margins.

While GUD engages in hedging activities to mitigate some of this exposure to foreign exchange rate movements from time to time, movements in exchange rates may still impact GUD's financial performance.

Reduction in consumer spending

General levels of consumer sentiment and consumer spending in GUD's regions of operation may impact operational and financial performance. Consumer spending and sentiment can, in turn, be influenced by several factors, including the level of general economic growth, employment, population and income growth, interest and inflation rates. A significant or sustained decline in consumer spending may materially impact the performance of GUD.

A. Operational risks (cont.)

Operational risks (cont.)

Supply chain risks

As a distributor of products, GUD will be particularly dependent on the continuing operation of its supply chain, and is dependent on suppliers and freight providers to ensure the delivery of products to its customers in full and on time. Supply chain disruption resulting in the delayed or non-delivery of products may have a significant impact on the performance of GUD.

Relationship with suppliers

GUD relies on numerous key suppliers in Australia, China and other Asian countries. Any loss of these key suppliers may have an adverse effect on GUD's sales and/or terms of trade. In addition, any change in GUD's relationship with its suppliers, or in terms of trade, could have an adverse impact on GUD's prospects.

Material increases in suppliers' production costs could lead to higher costs and therefore impact GUD's margins, or require GUD to source products from other locations. In this event, existing gross margins may not be able to be maintained.

In addition, any delays in lead times on orders from suppliers could impact GUD's sales.

Faulty or defective products

GUD may face risks associated with faulty or defective products. Breaches of its obligations may have a significant impact on GUD's financial performance.

Direct sourcing and 'home brand' risk

As a distributor of products, GUD may also be exposed to the risk of its customers sourcing product directly from manufacturers, particularly in relation to product ranges where there is a low degree of product differentiation (e.g. automotive filters, toasters, brushware, etc.). This may lead to decline in the sales volume of GUD and may represent a threat to GUD's operational and financial performance.

Reduced access to retail shelf space

Product sales may be adversely impacted if the retail shelf space available to GUD to display its products in customers' stores is reduced by its retail customers.

Competition from other distributors

The market in which GUD's businesses operate are competitive, and GUD is likely to face intense competition from a number of other distributors, which may represent a threat to GUD's operating and financial performance.

Reliance on key personnel

GUD's growth and profitability may be limited by the loss of key senior management personnel, the inability to attract new suitably qualified personnel or by increased compensation costs associated with attracting and retaining key personnel.

A. Operational risks (cont.) and acquisition risks

Specific risks relating to the existing businesses of GUD

GUD has a diverse mix of operating businesses which expose the company to a broad range of industry sectors. The operating businesses may be influenced by general economic and share market conditions as described below. Additionally, the demand for GUD's heating and cooling appliances, water pumps, water conservation products and pool and spa products is subject to variation due to climatic conditions in Australasia (its key geographic market).

Current and future funding requirements

GUD's ability to service its debt, and refinance expiring debt on acceptable terms, will depend on its future performance and cash flows, which in turn will be affected by various factors, some of which are outside of GUD's control (such as changes in interest and foreign exchange rates, and general economic conditions). Any inability to secure sufficient debt funding (including to refinance on acceptable terms) from time to time or to service its debt may have a material adverse effect on GUD's financial performance and prospects. In particular, to the extent that additional equity or debt funding is not available from time to time on acceptable terms, or at all, GUD may not be able to take advantage of acquisition and other growth opportunities, develop new ideas or respond to competitive pressures.

Acquisition risks

Completion risk

Completion of the acquisition is conditional on GUD receiving the proceeds of the underwritten Placement and certain banking (debt) funding on or before completion.

Financing risk

Under the terms of the bank facilities which will be utilized to partially fund the proposed acquisition of BWI and its subsidiaries, GUD is required to ensure that BWI and its subsidiaries become guarantors under the bank facilities. This funding requirement means that the shareholders of GUD will need to approve the giving of the guarantees by BWI and its subsidiaries by special resolution passed at a General Meeting of GUD shareholders. It is intended that this approval will be sought at the next annual general meeting of GUD. If the giving of the guarantees by BWI and its subsidiaries is not approved by special resolution of GUD shareholders, then GUD will be in breach of its banking facilities, and GUD may (at the option of its banks) be required to renegotiate the terms of its bank facilities or to refinance its bank facilities on terms that may be less advantageous than the current terms, or its banks may potentially terminate the bank facilities and require repayment of the amounts lent.

A. Acquisition risks (cont.)

Acquisition risks (cont.)

Reliance on information provided

GUD undertook a due diligence process in respect of BWI, which relied in part on the review of financial and other information provided by the vendors of BWI. Despite taking reasonable efforts, GUD has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, GUD has prepared (and made assumptions in the preparation of) the financial information relating to BWI on a stand-alone basis and also to the GUD Group post-acquisition ("Combined Group") included in this Presentation in reliance on limited financial information and other information provided by the vendors of BWI. GUD is unable to verify the accuracy or completeness of all of that information. If any of the data or information provided to and relied upon by GUD in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of BWI and the Combined Group may be materially different to the financial position and performance expected by GUD and reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on GUD.

Analysis of acquisition opportunity

GUD has undertaken financial, business and other analyses of BWI in order to determine its attractiveness to GUD and whether to pursue the acquisition. It is possible that such analyses, and the best estimate assumptions made by GUD, draws conclusions and forecasts that are inaccurate or which are not realised in due course. To the extent that the actual results achieved by BWI are different than those indicated by GUD's analysis, there is a risk that the profitability and future earnings of the operations of the Combined Group may be materially different from the profitability and earnings expected as reflected in this Presentation.

Integration risk

The acquisition involves the integration of the BWI business, which has previously operated independently to GUD. As a result, there is a risk that the integration of BWI may be more complex than currently anticipated, encounter unexpected challenges or issues and takes longer than expected, diverts management attention or not deliver the expected benefits and this may affect GUD's operating and financial performance. Further, the integration of BWI's accounting functions may lead to revisions, which may impact on the Combined Group's reported financial results.

Historical liability

If the acquisition of BWI completes, GUD may become directly or indirectly liable for any liabilities that BWI has incurred in the past, which were not identified during its due diligence or which are greater than expected, and for which the market standard protection (in the form of insurance, representations and warranties and indemnities) negotiated by GUD prior to its agreement to acquire BWI turns out to be inadequate in the circumstances. Such liability may adversely affect the financial performance or position of GUD post-acquisition.

A. Acquisition risks (cont.) and general risks

Acquisition risks (cont.)

Change of control risk

As the acquisition of BWI will result in a change in control of BWI, there could be adverse consequences for GUD. For example, contracts to which BWI is a party may be subject to review or termination in the event of a change of control of BWI.

Acquisition accounting

In accounting for the acquisition in the pro-forma combined balance sheet, GUD has performed a preliminary fair value assessment of all of the assets, liabilities and contingent liabilities of BWI. GUD will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of BWI post-acquisition, which may give rise to a materially different fair value allocation to that used for purposes of the pro-forma financial information set out in this Presentation. Such a scenario will result in a reallocation of the fair value of assets and liabilities acquired to or from goodwill and also an increase or decrease in depreciation and amortisation charges in the Combined Group's income statement (and a respective increase or decrease in net profit after tax).

General risks

Economic factors

Changes in the economic climate in which GUD will operate may adversely impact its financial performance. The majority of GUD's operations are located in, or service, the Australian and New Zealand markets.

Changes in economic factors in these regions, such as economic growth, employment levels, interest and inflation rates, foreign exchange rates, consumer sentiment and spending, market volatility, global commodity prices, labour costs, transportation costs, commodity costs and the availability and cost of credit could adversely impact the financial and/or operational performance of GUD or the value of GUD shares.

Market prices

The market price of GUD shares will fluctuate due to various factors, many of which are non-specific to GUD, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, and investor perceptions. In the future, these factors may cause GUD shares to trade at a lower price.

Interest rates

While GUD takes reasonable steps to protect itself through the use of hedges, rising interest rates may nonetheless adversely impact GUD's interest payments on its floating rate borrowings, which may adversely impact the performance of GUD's business.

Changes to government, monetary or fiscal policy or regulatory regimes

Changes to key government policies or regulatory regimes affecting the businesses of GUD, including those in the areas of industrial relations and tax, may affect the operational and financial performance of GUD.

B

International offer restrictions

B. International offer restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

European Economic Area - Belgium, Germany, Luxembourg and Netherlands

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity that has two or more of (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) and (iii) an annual net turnover of more than €50,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Company or any underwriter for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France.

Such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-1 to D.411-3, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation and/or (ii) a restricted number of non-qualified investors (cercle restreint d'investisseurs) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-4, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

B. International offer restrictions

France (cont.)

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than (i) to "professional investors" (as defined in the SFO) or (ii) in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations"). The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to (i) qualified investors as defined in Regulation 2(l) of the Prospectus Regulations and (ii) fewer than 100 natural or legal persons who are not qualified investors.

B. International offer restrictions (cont.)

Malaysia

This document may not be distributed or made available in Malaysia. No approval from the Securities Commission of Malaysia has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered or made available for purchase in Malaysia except in an exemption from the prospectus and approval requirements of Securities Commission of Malaysia.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold within New Zealand, or allotted with a view to being offered for sale in New Zealand, other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- any natural person who is registered as a professional investor with the Norwegian Financial Supervisory Authority (No. Finanstilsynet) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- to fewer than 100 natural or legal persons (other than "professional investors"); or
- in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

B. International offer restrictions (cont.)

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined in the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

B. International offer restrictions (cont.)

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.