TARGET COMPANY STATEMENT

in response to the partial takeover offer by

MANGAWHAI COLLECTIVE LIMITED

to acquire 43.93667% of the fully paid ordinary shares in

BREMWORTH LIMITED

not currently held or controlled by Mangawhai Collective at a price of NZ$0.90 per share

IMPORTANT
This is an important document and requires your immediate attention.
You are strongly encouraged to read the entire contents carefully before making a decision on whether to accept or reject the offer. If you are unsure about any aspect of the offer, you should seek guidance from a financial, legal, or taxation adviser. An Independent Adviser's Report on the merits of the offer is included in this statement as an Annexure and should be reviewed carefully in conjunction with the other information included in this document.

PURPOSE OF THIS TARGET COMPANY STATEMENT

The purpose of this Target Company Statement is to:

- provide you with information about the partial takeover offer ("**Offer**") made by Mangawhai Collective, which held or controlled 19.73% of the Shares in Bremworth prior to the Offer, to acquire 43.94% of the Shares in Bremworth not already held or controlled by Mangawhai Collective;
- set out the recommendation of the Directors of Bremworth in respect of the Offer;
- provide you with information that could reasonably be expected to be material to your decision whether to accept or reject the Offer, including information about the scaling of acceptances that may apply if the Offer is oversubscribed; and
- comply with the disclosure requirements under Schedule 2 of the Takeovers Code.

YOUR DECISION

This Target Company Statement does not take into account your individual investment objectives, financial situation or needs. You must make your own decisions and seek your own advice in this regard.

The information and recommendations contained in this Target Company Statement do not constitute, and should not be taken as constituting, financial advice, financial product advice, tax advice or legal advice.

If you are in any doubt as to what you should do, you should seek advice from your financial, tax or legal advisers before making any decision regarding the Offer.

PARTIAL TAKEOVER OFFER

The Offer is a partial takeover offer for 43.94% of the Shares in Bremworth not already held or controlled by Mangawhai Collective. You may accept the Offer in respect of any number of your Shares. However, if you accept more than 43.94% of your Shares into the Offer, your acceptance over the 43.94% threshold will be scaled in accordance with the Takeovers Code, meaning that Mangawhai Collective will not acquire all of the Shares you tender into the Offer. This means that, even if you accept the Offer in full and the Offer succeeds, you may retain a significant portion of your Shares.

FORWARD-LOOKING STATEMENTS

This Target Company Statement contains certain forward-looking statements. You should be aware that there are risks (both known and unknown), uncertainties, assumptions and other important factors that could cause the actual conduct, results or performance of Bremworth to be materially different from the future conduct, market conditions, results or performance expressed or implied by such statements or that could cause future conduct to be materially different from historical conduct.

Deviations as to future conduct, market conditions, results and performance are both normal and to be expected.

Forward-looking statements generally may be identified by the use of forward-looking words such as 'aim', 'anticipate', 'believe', 'estimate', 'expect', 'forecast', 'foresee', 'future', 'intend', 'likely', 'may', 'planned', 'potential', 'should', 'target' or other synonyms.

None of Bremworth, its directors, officers, employees or advisers, nor any other person, gives or makes any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Target Company Statement will actually occur. You are cautioned against relying on any such forward-looking statements.

PRIVACY AND PERSONAL INFORMATION

Bremworth and its directors, officers, employees and advisers may collect personal information in the process of responding to the Offer. Such information may include the name, contact details and shareholdings of Shareholders. The primary purpose of the collection of personal information is to assist Bremworth to respond to the Offer. Personal information may be stored in hard copy form or electronic form, including with third party data storage facilities and in cloud storage located inside or outside New Zealand.

Personal information of the type described above may be disclosed to Computershare, print and mail service providers, Related Companies of Bremworth and Bremworth's service providers and advisers.

Shareholders have certain rights to access personal information that has been collected. Shareholders who wish to access their own personal information should contact Computershare in the first instance.

RESPONSIBILITY FOR INFORMATION

Other than as set out below, this Target Company Statement has been prepared by, and is the responsibility of, Bremworth.

The Independent Adviser's Report has been prepared by, and is the responsibility of, the Independent Adviser, Clarien Partners. Bremworth and its directors, officers, employees and advisers have not been involved in the preparation of the Independent Adviser's Report, other than to provide information to, or answer questions from, the Independent Adviser. Bremworth and its directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the Independent Adviser's Report.

Any references in this Target Company Statement to any website are for informational purposes only. No information contained on any website forms part of this Target Company Statement.

TIMES AND DATES

All references to times and dates in this Target Company Statement are to New Zealand time, unless otherwise stated. Any obligation to do an act by a specified time in New Zealand time must be done in any other jurisdiction by the specified New Zealand time.

CURRENCY

Unless expressly specified, all references to currency in this Target Company Statement are to New Zealand dollars.

EFFECT OF ROUNDING

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target Company Statement are subject to the effect of rounding. Accordingly, actual calculations may differ from amounts set out in this Target Company Statement.

DEFINED TERMS

Capitalised terms set out in this Target Company Statement have the meanings given to them in the Glossary.

DATE OF THIS TARGET COMPANY STATEMENT

This Target Company Statement is dated 15 September 2026.

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SECTION 1: LETTER FROM THE BOARD SUB-COMMITTEE

Dear Shareholder,

On 4 September 2026, Bremworth received a partial takeover offer from Mangawhai Collective Limited ("**Mangawhai Collective**") under the Takeovers Code for 43.94%[1] of the fully paid ordinary shares in Bremworth not already held or controlled by Mangawhai Collective (the "**Offer**"). The key terms of the Offer are summarised at paragraph 2.1.

A sub-committee of the Directors of Bremworth, being Trevor Burt, Julie Bohnenn and Murray Dyer (the "**Committee**") was tasked with considering the Offer and preparing this Target Company Statement. All members of the Committee are independent of Mangawhai Collective.

In managing Bremworth's response to this Offer and to the Floorscape proposal, the Committee has sought to maximise value and preserve choice for all Bremworth Shareholders. In fulfilling this responsibility, the Committee has carefully considered the alternatives available to the Company and Shareholders, including proposals that provided an opportunity for Shareholders to realise value for all of their Shares.

With the Floorscape proposal no longer proceeding, the Committee is now focused on providing Shareholders with a clear, independent and comprehensive assessment of the Mangawhai Collective partial takeover offer so that each Shareholder can make an informed decision based on their own circumstances.

This Target Company Statement has been prepared in compliance with the requirements of the Takeovers Code. Appended to this Target Company Statement is the Independent Adviser's Report on the merits of the Offer.

YOUR DIRECTORS' RECOMMENDATION

The Committee unanimously recommends that you **ACCEPT** the Offer. The Independent Adviser has assessed the value of Bremworth Shares to be in the range of NZ$0.87 to NZ$1.07 per Share, and the Offer price of NZ$0.90 per Share is within that range. As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances.

Accepting the Offer allows you to realise certain cash value for a portion of your Shares now, at a price the Independent Adviser considers to be within its assessed value range, at a time when the future market price of Bremworth Shares is uncertain.

The Committee strongly encourages you to read this Target Company Statement, including the Independent Adviser's Report, carefully and in full before deciding what action to take in respect of the Offer.

You should also be aware that the Offer is a partial takeover offer for 43.94% of the Shares in Bremworth not already held or controlled by Mangawhai Collective. You may accept the Offer in respect of any number of your Shares. However, if you accept more than 43.94% of your Shares into the Offer, your acceptances over that threshold will be scaled in accordance with the Takeovers Code, such that Mangawhai Collective will not acquire all of the Shares you tender into the Offer. This means that, even if you accept the Offer in full and the Offer succeeds, you may nonetheless retain a significant portion of your Shares.

If you are in any doubt as to any aspect of the Offer or as to what action you should take, you should seek independent financial, legal or tax advice from your own professional adviser.

Yours sincerely,

Trevor Burt
Chair of the Bremworth Independent Sub-Committee

[1] For ease of reference, the percentage of Shares sought by Mangawhai Collective has been to two decimal places in this Target Company Statement.

SECTION 2: WHY YOU SHOULD ACCEPT THE OFFER

SECTION 2: WHY YOU SHOULD ACCEPT THE OFFER

Accepting the Offer allows you to realise certain cash value for a portion of your Shares now. This section sets out the rationale behind the Committee's recommendation that you accept the Offer.

2.1 Key terms of the Offer

The full terms and conditions of the Offer are set out in Mangawhai Collective's offer document which was despatched on 4 September 2026. The key terms of the Offer are as follows:

Offeror: Mangawhai Collective Limited, a New Zealand company whose sole director is David McDougall Ferrier. As at the Notice Date, Mangawhai Collective held or controlled 13,633,842.1681 Shares, being approximately 19.73% of the 69,089,365 Shares on issue.

Shares sought: 43.94% of the Shares not already held or controlled by Mangawhai Collective (24,365,309 Shares). If the Offer is successful, Mangawhai Collective would hold or control 55% of the Shares.

Offer price: NZ$0.90 per Share in cash.

Minimum Acceptance Condition: Mangawhai Collective must receive acceptances which, together with the Shares it already holds or controls, take its holding to 55% of the voting rights in Bremworth ("**Minimum Acceptance Condition**").

Other conditions: The Offer is also subject to further conditions including, among other things, that no distributions, share issues or other changes to Bremworth's capital structure occur, that the Bremworth group's business is carried on in the ordinary course, that no material adverse change occurs, and that no restraining order or similar proceeding affecting the Offer arises. The full list of conditions is included in Mangawhai Collective's Offer.

Lock-up Deeds: Shareholders holding or controlling 32.24% of the voting rights in Bremworth have entered into lock-up deeds dated 8 and 9 August 2026 ("**Lock-up Deeds**") under which they have agreed to accept the Offer for all of their Shares ("**Locked-up Shareholders**"), subject to the Offer being made on the terms of those deeds and the offer price being within the Independent Adviser's valuation range.

As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances. This means that any acceptances over the 43.94% threshold will be scaled, with the level of scaling dependent on the final number of Shares tendered into the Offer.

Scaling: You may accept the Offer for any number of your Shares. If you accept for more than 43.94% of your Shares, your acceptance over that threshold will be scaled in accordance with the Takeovers Code, in which case Mangawhai Collective will not acquire all of the Shares you tender. A worked example of scaling is set out in Schedule 2.

Timing and procedure: Bremworth received Mangawhai Collective's Offer on 4 September 2026. The Offer is open for acceptance until 11.59pm on 2 October 2026, and may be extended in accordance with the Takeovers Code. Mangawhai Collective must declare the Offer unconditional no later than 10 Business Days after 2 October 2026, failing which the Offer will lapse and no Shares will be acquired. Acceptances are irrevocable except in the limited circumstances permitted by the Takeovers Code, and payment will be made no later than five Business Days after the later of the date the Offer becomes unconditional, the date your acceptance is received and the initial closing date of the Offer.

2.2 The Committee unanimously recommends you ACCEPT the Offer

Having considered the terms of the Offer and the Independent Adviser's Report, the Committee unanimously recommends that Shareholders **ACCEPT** the Offer. The principal reasons for the Committee's recommendation are set out below.

The Offer price is within the Independent Adviser's assessed value range. The Independent Adviser has assessed the underlying value of Bremworth Shares to be in the range of NZ$0.87 to NZ$1.07 per Share. The Offer price of NZ$0.90 per Share in cash is within that range.

The Offer is highly likely to proceed. Shareholders holding or controlling 32.24%

of the voting rights in Bremworth (22,274,411 Shares) have entered into Lock-up Deeds under which they have agreed to accept the Offer for all of their Shares. As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances.

Control will pass to Mangawhai Collective. Assuming the Offer proceeds, Mangawhai Collective will hold a controlling stake in Bremworth. Mangawhai Collective will be able to carry the vote on any ordinary resolution of Shareholders, including a resolution to appoint or remove directors, which will mean other Shareholders have a reduced ability to influence the direction of the Company. Further, with Mangawhai Collective holding a controlling stake in Bremworth, it is unlikely that any control offer will be made through which Shareholders could realise value for their remaining Shares without Mangawhai Collective approval or participation. Accepting the Offer therefore allows you to receive a certain amount of cash for some of your Shares now.

Liquidity of Shares following the Offer will likely be lower. Assuming the Offer proceeds, the free-float will reduce and resulting liquidity in Bremworth Shares is likely to be even lower. This factor may negatively impact the price at which Bremworth Shares trade following the Offer. Accepting the Offer allows you to receive a certain amount of cash for some of your Shares now.

The price at which Shares will trade following the Offer is not certain. The price at which Shares trade following the Offer will depend on many factors, including but not limited to, the level of liquidity for Bremworth Shares, the effects of any changes Mangawhai Collective may introduce and the general operating and financial performance of the Company.

The Offer allows you to realise certain value now. While the initiatives to improve Bremworth's operating performance are well advanced, trading conditions remain challenging and there is no certainty as to Bremworth's future performance or the future market price of Bremworth Shares. Although the Offer is a partial offer and you will retain a portion of your Shares (and so continue to participate in any future improvement or deterioration in Bremworth's performance), accepting the Offer allows you to realise cash for at least some of your Shares now, at a price within the Independent Adviser's assessed value range.

You should consider your own circumstances and objectives, and take your own advice, before making a decision.

SECTION 3: FREQUENTLY ASKED QUESTIONS

FREQUENTLY ASKED QUESTIONS

This section answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Shareholders. This section should be read together with all other parts of this Target Company Statement.

3.1 **What is the Offer?**

The Offer is a partial takeover offer made by Mangawhai Collective under the Takeovers Code for 43.94% of the fully paid ordinary Shares not already held or controlled by Mangawhai Collective. Mangawhai Collective is offering $0.90 cash per Share for those Shares. If the Offer is successful, Mangawhai Collective will hold 55% of the Shares in Bremworth. As the Offer is a partial offer, acceptances over the 43.94% threshold, including those of the Locked-up Shareholders, will be scaled in accordance with the Takeovers Code. See paragraph 3.10 for more information on scaling.

3.2 **Who is Mangawhai Collective?**

Mangawhai Collective is an entity controlled by David McDougall Ferrier and incorporated in New Zealand. Mr Ferrier is also the sole director of Mangawhai Collective. As at the Notice Date, Mangawhai Collective held or controlled 13,633,842.1681 Shares, representing approximately 19.73% of the Shares on issue.

3.3 **What is a partial takeover offer?**

A partial takeover offer is an offer to acquire only a specified percentage of the Shares held by each Shareholder (rather than all of their Shares). In this case, Mangawhai Collective is seeking to acquire 43.94% of the Shares not already held or controlled by it. This means that, even if you accept the Offer for all of your Shares, you may retain a significant proportion of your shareholding in Bremworth after the Offer closes.

3.4 **What happens if the Offer is successful?**

If the Offer is successful, Mangawhai Collective will hold a controlling interest of 55% of the Shares in Bremworth. Bremworth will remain listed on the NZX Main Board. You are likely to remain a Shareholder in Bremworth following the Offer, but with Mangawhai Collective as the controlling Shareholder.

As the holder of greater than 50% of the Shares, Mangawhai Collective will effectively be able to carry the vote on any ordinary resolution of Shareholders (including a resolution to appoint or remove a director).

3.5 **What are the conditions of the Offer?**

The Offer is conditional on, among other things, Mangawhai Collective receiving acceptances which, together with Shares already held or controlled by it, will result in it holding or controlling 55% of the voting rights in Bremworth. The Offer is also subject to a number of further conditions as summarised in paragraph 2.1.

3.6 **What happens if the Offer is unsuccessful?**

If a condition of the Offer is not satisfied or waived by Mangawhai Collective, the Offer will lapse and Shareholders will be released from the Offer.

3.7 **What are the Lock-up Deeds and what do they mean for the Offer?**

Mangawhai Collective has entered into Lock-up Deeds with Shareholders who, as at 9 August 2026, together held or controlled approximately 32.24% of the voting rights in Bremworth. Under the Lock-up Deeds, each of those Shareholders has agreed to accept the Offer in respect of all of their Shares, subject to the Offer being made on the terms described in the Lock-up Deeds and the Offer price being within the Independent Adviser's valuation range. As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances. . This means that your acceptance will be scaled if you accept the Offer for more than 43.94% of your Shares.

YOUR SHAREHOLDING AND ENTITLEMENTS

3.8 **How many of my Shares can I accept into the Offer?**

You may accept the Offer in respect of any number of your Shares (up to and including all of your Shares). However, if you accept more than 43.94% of your Shares into the

Offer, your acceptance will be scaled in accordance with the Takeovers Code.

3.9 **Must I accept the Offer for all my Shares or can I accept only some?**

You are entitled to accept the Offer for all or a specific (lesser) number of your Shares. You do not have to accept the Offer for all of your Shares.

3.10 **What is scaling?**

Scaling occurs when the total number of Shares validly accepted into the Offer exceeds the number of Shares Mangawhai Collective is seeking to acquire under the Offer. In that case, the Takeovers Code requires Mangawhai Collective to acquire Shares from accepting Shareholders on a scaled (proportionate) basis. Each Shareholder's pro-rata Share (or such lesser amount that is tendered into the Offer by the Shareholder) is acquired first and then any additional Shares are scaled back proportionately across all acceptors who tendered more than their pro-rata Share. This means that, to the extent you tender more than 43.94% of your Shares into the Offer, Mangawhai Collective will not acquire all of the Shares you tender into the Offer. A worked example of scaling is set out in Schedule 2.

ACCEPTING THE OFFER

3.11 **How do I accept the Offer?**

Full instructions for accepting the Offer will be set out in the Offer document sent to you by Mangawhai Collective. You will be able to accept the Offer by following the instructions in that document, which include completing an Acceptance Form.

3.12 **When does the Offer close?**

The closing date for the Offer is 2 October 2026 (unless extended by Mangawhai Collective in accordance with the Takeovers Code).

3.13 **When do I have to make a decision on the Offer?**

The Offer will remain open until the closing date of 2 October 2026. Mangawhai Collective may extend the Offer in accordance with the Takeovers Code. You do not need to make a decision immediately and may wish to wait until closer to the closing date before deciding whether to accept. Bremworth will keep you informed of any material developments.

3.14 **Can I withdraw my acceptance?**

Once you have accepted the Offer, you may only withdraw your acceptance in limited circumstances prescribed in the Takeovers Code. Otherwise, your acceptance will be irrevocable.

3.15 **What if I accept the Offer and then another offer from another party comes in?**

If you accept the Offer, you will generally be unable to accept any other offer under the Takeovers Code which may be made unless and until the Offer lapses.

3.16 **What if I accept the Offer and then Mangawhai Collective increases the Offer price?**

Under the Takeovers Code, all Shareholders benefit equally from any price increase. If you have already accepted and the price under the Offer is later increased, you would receive the higher price if the Offer is successful.

3.17 **How will I know if the terms of the Offer change?**

Notice of any variation or change in the Offer will be sent by Mangawhai Collective to each Shareholder and to Bremworth, the Takeovers Panel and NZX in accordance with the Takeovers Code.

3.18 **Could I be forced to sell my Shares?**

You cannot be forced to sell your Shares under the Offer. However, once given, acceptances may not be withdrawn by Shareholders except in the limited circumstances prescribed in the Takeovers Code.

3.19 **When will I be paid if I accept the Offer?**

Under the Takeovers Code, payment must be made within five Business Days of the later of the date on which you accept the Offer, the date on which the Offer becomes unconditional, and the initial closing date of the Offer. The expected timing for payment is set out in the Offer document.

3.20 **If the Offer is successful, will Bremworth remain listed?**

Bremworth will remain listed on the NZX regardless of whether the Offer is successful or not. Any future decision to de-list Bremworth from the NZX would typically require shareholder approval (and holders of greater than 10% of the Shares would typically be precluded from voting on the resolution to approve de-listing).

RECOMMENDATION AND ADVICE

3.21 **What is the Committee's recommendation?**

The Committee unanimously recommends that you **ACCEPT** the Offer.

The Offer price of NZ$0.90 per Share is within the Independent Adviser's assessed value range of NZ$0.87 to NZ$1.07 per Share. As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances.

Accepting the Offer allows you to realise certain cash value for a portion of your Shares now, at a price the Independent Adviser considers to be within its assessed value range. More information on the Committee's recommendation can be found at 2.2.

3.22 **What does the Independent Adviser say?**

Bremworth has engaged an Independent Adviser to prepare a report on the merits of the Offer. A copy of the Independent Adviser's Report is included in this Target Company Statement as an Annexure. You are strongly encouraged to read the Independent Adviser's Report in full before making any decision.

3.23 **What if I have further questions?**

If you have any questions in relation to the Offer or this Target Company Statement, please email shareholders@bremworth.co.nz.

SECTION 4: STATUTORY INFORMATION UNDER SCHEDULE 2 OF THE TAKEOVERS CODE

This Section contains information that must be contained in, or must accompany, a Target Company Statement in accordance with Schedule 2 of the Takeovers Code.

4.1 DATE

This Target Company Statement was prepared, and is current, as at 15 September 2026.

4.2 *OFFER*

This Target Company Statement relates to the partial takeover offer (the "**Offer**") dated 4 September 2026 made by Mangawhai Collective Limited ("**Mangawhai Collective**") to acquire 43.94% of the fully paid ordinary shares in Bremworth Limited ("**Bremworth**" or the "**Company**") that Mangawhai Collective does not already hold or control, at a price of NZ$0.90 per Share in cash.

The Takeover Notice in respect of the Offer was received by Bremworth after market close on 14 August 2026.

If the Offer is successful, Mangawhai Collective will hold or control 55% (and no less than 50.01%) of the voting rights in Bremworth.

4.3 *TARGET COMPANY*

The name and address of Bremworth is:

Bremworth Limited
7 Grayson Avenue
Papatoetoe
Auckland 2104
New Zealand

Bremworth can be contacted by email at shareholders@bremworth.co.nz.

4.4 *DIRECTORS OF BREMWORTH*

The current directors of Bremworth Limited are:

- Robert James Hewett (Chair)
- Trevor John Burt
- Julie Anne Bohnenn
- Murray James Dyer

As announced on 10 September 2026, Trevor Burt, Julie Bohnenn and Murray Dyer have tendered their resignations as directors of Bremworth, effective from the date of publication of Bremworth's FY26 Annual Report (expected to be in late September).

Mr Burt, Mrs Bohnenn and Mr Dyer considered it was appropriate to step down at this point to allow for a transition to new leadership following the Offer, but after they had completed their responsibilities in respect of providing a recommendation on the Offer via this Target Company Statement and finalising the FY26 statutory accounts.

The Committee has not had any discussions with Mr Ferrier regarding his intentions for Bremworth following the Offer (assuming it is successful) so cannot offer any comment on the merits of any operational changes or strategic initiatives that may be implemented in the future.

4.5 *OWNERSHIP OF EQUITY SECURITIES OF BREMWORTH*

Ownership interests of Directors and Senior Managers of Bremworth

(a) Shares

The table below sets out the number and the percentage of Shares held or controlled by Senior Managers of Bremworth or their Associates. None of the Directors of Bremworth or their Associates hold or control any Shares or other Bremworth equity securities as at the date of this Target Company Statement.

Name	Beneficial/Non-Beneficial Interest	Number of Shares held or controlled	Percentage of total Shares
Victor Tan	Beneficial[2]	80,770	0.117%
	Beneficial[3]	167,479	0.242%
	Non-beneficial[4]	1,542	0.002%
	Non-beneficial[5]	82,498	0.119%
Craig Woolford	Beneficial[6]	121,154	0.175%

(b) Options

As noted in the NZX announcement released 10 April 2025, former Chief Executive Officer, Greg Smith, retained 1,000,000 options in Bremworth upon ceasing his employment. The NZX announcement can be found at https://www.nzx.com/announcements/449908.

Mr Smith's options were subject to a vesting schedule that required certain total shareholder return performance hurdles to be achieved before the options could vest. None of the relevant performance hurdles were achieved at any of the relevant vesting dates. As a result, none of Mr Smith's options have become Vested Options. Accordingly, all of Mr Smith's options have now lapsed.

4.6 *OWNERSHIP INTERESTS OF HOLDERS OR CONTROLLERS OF 5% OR MORE OF SHARES OR OTHER BREMWORTH EQUITY SECURITIES*

The table below sets out the number and the percentage of Shares held or controlled by any other person holding or controlling 5% or more of the Shares, to the knowledge of Bremworth derived from the most recent substantial product holder notices filed at https://www.nzx.com/companies/BRW/announcements as at 14 September 2026 or as otherwise known to Bremworth from disclosure of beneficial shareholding information.

Name	Number of Shares held or controlled	Percentage of total Shares
Mangawhai Collective Limited	13,633,842.1681	19.734%

[2] Mr Tan holds such Shares in his personal capacity.

[3] Mr Tan holds such Shares in his capacity as one of three trustees (the other trustees being Jacintha Tan and Wayne Keung Chung) for a trust in respect of which he is also a discretionary beneficiary.

[4] Jacintha Tan, an associate of Mr Tan for the purposes of the Takeovers Code, holds such Shares in her personal capacity.

[5] Mr Tan holds such Shares in his capacity as one of three trustees (the other trustees being Wayne Keung Chung and Colleen Linda Chung) for a trust in respect of which he is not a beneficiary.

[6] Mr Woolford holds such Shares in his personal capacity.

Rural Aviation (1963) Limited	4,283,821	6.200%
Custodial Services Limited	7,321,130	10.597%

To Bremworth's knowledge, no other person holds or controls 5% or more of a class of equity securities of Bremworth.

4.7 *ISSUE OF EQUITY SECURITIES OR OBTAINING OF BENEFICIAL INTEREST IN EQUITY SECURITIES*

In the two-year period ending on the date of this Target Company Statement, no Director or Senior Manager of Bremworth, or their Associates, has:

- been issued with any equity securities of Bremworth; or
- obtained a beneficial interest in any equity securities of Bremworth under any Bremworth employee share scheme or other remuneration arrangement, with the exception of Mr Tan's beneficial interest in 80,770 Shares in his personal capacity and Mr Woolford's beneficial interest in 121,154 Shares in his personal capacity.

4.8 *TRADING IN BREMWORTH EQUITY SECURITIES BY DIRECTORS AND SENIOR MANAGERS OF BREMWORTH*

No Directors, Senior Managers or their Associates have acquired or disposed of any Shares during the six-month period before 14 September 2026 (being the latest practicable date before the date of this Target Company Statement), other than 80,770 Shares issued to Mr Tan and 121,154 Shares issued to Mr Woolford under Bremworth's employee incentive scheme.

4.9 *TRADING IN BREMWORTH EQUITY SECURITIES BY HOLDERS OR CONTROLLERS OF 5% OR MORE OF BREMWORTH EQUITY SECURITIES*

Schedule 1 of this Target Company Statement sets out, in respect of any acquisition or disposal of Bremworth Shares by persons known by Bremworth to hold or control 5% or more of the Bremworth Shares during the six-month period before the latest practicable date before the date of this Target Company Statement, being 14 September 2026, the number and designation of the Bremworth Shares and:

(a) in the case of a single transaction in any week, the number of Bremworth Shares, the consideration per Bremworth Share and the week of the transaction;

(b) in the case of multiple transactions in any week, the total number of Bremworth Shares acquired or disposed of in the week and the weighted average consideration.

Except as set out in Schedule 1 no other person known to Bremworth to hold or control 5% or more of the Bremworth Shares has acquired or disposed of any Bremworth Shares during the six-month period before the latest practicable date before the date of this Target Company Statement, being 14 September 2026.

4.10 *ACCEPTANCE / REJECTION OF OFFER*

Mr Tan holds beneficial interest in 167,479 Shares by virtue of being a trustee for a trust in respect of which he is also a discretionary beneficiary. The trustees intend to accept the Offer on behalf of the trust

Mr Tan also holds beneficial interest in a further 80,770 Shares in his personal capacity. Mr Tan intends to accept the Offer.

Jacintha Tan, an associate of Mr Tan, holds 1,542 Shares in her personal capacity. Jacintha Tan intends to accept the Offer.

Mr Woolford holds beneficial interest in 121,154 Shares in his personal capacity. Mr Woolford intends to accept the Offer.

4.11 *OWNERSHIP OF EQUITY SECURITIES OF MANGAWHAI COLLECTIVE OR ITS RELATED COMPANIES*

Neither Bremworth, nor any Director, Senior Manager or any of their Associates, holds or controls any equity securities of Mangawhai Collective or any of its Related Companies.

4.12 *TRADING IN EQUITY SECURITIES OF MANGAWHAI COLLECTIVE OR ITS RELATED COMPANIES*

Neither Bremworth, nor any Director, Senior Manager or any of their Associates has acquired or disposed of any equity securities of Mangawhai Collective or any of its Related Companies during the six-month period before 14 September 2026 (being the latest practicable date before the date of this Target Company Statement).

4.13 *ARRANGEMENTS BETWEEN MANGAWHAI COLLECTIVE AND BREMWORTH*

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Mangawhai Collective or any Associates of Mangawhai Collective and Bremworth or any Related Company of Bremworth in connection with, in anticipation of, or in response to, the Offer.

4.14 *RELATIONSHIP BETWEEN MANGAWHAI COLLECTIVE AND DIRECTORS AND SENIOR MANAGERS OF BREMWORTH*

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Mangawhai Collective or any Associates of Mangawhai Collective, and any Director or Senior Manager of Bremworth or any Related Company of Bremworth in connection with, in anticipation of, or in response to, the Offer.

No Directors or Senior Managers of Bremworth are also a director or senior manager of Mangawhai Collective or any of its Related Companies.

For completeness, Rob Hewett (who is a Director and the Chair of Bremworth) is also a director and chair of Woolscour Holdings Limited (trading as WoolWorks). Mr Ferrier, the sole director of Mangawhai Collective, is also a director of Woolscour Holdings Limited. To maintain independence and manage any potential perception of a conflict of interest, Bremworth's response to the Offer has been overseen by the Committee. Mr Hewett is not a member of the Committee.

4.15 *AGREEMENT BETWEEN BREMWORTH AND ITS DIRECTORS AND SENIOR MANAGERS*

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Bremworth or any Related Company of Bremworth and any Directors or Senior Managers or their Associates of Bremworth or its Related Companies, under which a payment or other benefit may be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office in connection with, in anticipation of, or in response to, the Offer.

4.16 *INTERESTS OF DIRECTORS AND SENIOR MANAGERS OF BREMWORTH IN CONTRACTS OF MANGAWHAI COLLECTIVE OR ITS RELATED COMPANIES*

No Director or Senior Manager or their Associates of Bremworth has an interest in any contract to which Mangawhai Collective or any of its Related Companies is a party.

4.17 INTERESTS OF BREMWORTH'S SUBSTANTIAL SECURITY HOLDERS IN MATERIAL CONTRACTS OF MANGAWHAI COLLECTIVE OR ITS RELATED COMPANIES

No person who, to the knowledge of the Directors or the Senior Managers of Bremworth, holds or controls 5% or more of any class of equity securities of Bremworth, has an interest in any material contract to which Mangawhai Collective or any of its Related Companies is a party.

4.18 ADDITIONAL INFORMATION

In the opinion of the Directors, no additional information, to the knowledge of Bremworth, is required to make the information contained in the Offer document correct or not misleading.

4.19 RECOMMENDATION

The Committee unanimously recommends that Shareholders accept the Offer.

The key reasons for the Committee's recommendation are set out in Section 2 of this Target Company Statement.

For completeness, Rob Hewett (who is a Director and the Chair of Bremworth) is also a director and chair of Woolscour Holdings Limited (trading as WoolWorks). Mr Ferrier, the sole director of Mangawhai Collective, is also a director of Woolscour Holdings Limited. To maintain independence and manage any potential perception of a conflict of interest, Bremworth's response to the Offer has been overseen by the Committee. Mr Hewett is not a member of the Committee.

You are encouraged to read this Target Company Statement and the Independent Adviser's Report carefully and in full.

4.20 ACTIONS OF BREMWORTH

There are no material agreements or arrangements (whether legally enforceable or not) of Bremworth or any Related Companies of Bremworth entered into as a consequence of, in response to, or in connection with, the Offer.

There are no negotiations underway as a consequence of, in response to, or in connection with, the Offer that relate to, or could result in:

- an extraordinary transaction, such as a merger, amalgamation or reorganisation, involving Bremworth or any of its Related Companies;
- the acquisition or disposition of material assets by Bremworth or any of its Related Companies;
- an acquisition of equity securities by, or of, Bremworth or any of its Related Companies; or
- any material change in the equity securities on issue, or policy relating to distributions, of Bremworth.

4.21 EQUITY SECURITIES OF BREMWORTH

As at the date of this Target Company Statement, Bremworth has 69,089,365 Shares on issue. All Shares are fully paid.

Subject to certain provisions in the constitution of Bremworth and the NZX Listing Rules, each Share confers upon the holder the right to:

- an equal share in dividends authorised by the Board;
- an equal share in the distribution of surplus assets on liquidation of Bremworth;
- participate in certain further issues of equity securities by Bremworth; and

- cast one vote on a show of hands or cast one vote per Share on a poll, at a meeting of Shareholders on any resolution, including a resolution to:
  - appoint or remove a director or auditor;
  - alter Bremworth's constitution;
  - approve a major transaction;
  - approve an amalgamation involving Bremworth; and
  - put Bremworth into liquidation.

4.22 *FINANCIAL INFORMATION*

A copy of Bremworth's most recent annual report (for the year ended 30 June 2025) and half year report (for the six months ended 31 December 2025) are available on Bremworth's website at https://bremworth.co.nz/pages/results-reports.

On 25 February 2026, Bremworth made an announcement on the NZX by way of market update in respect of the FY26 half year trading results and outlook. A copy of that announcement is available at https://www.nzx.com/announcements/468131.

Bremworth announced its unaudited financial results for the year ended 30 June 2026 to the NZX on 31 August 2026, and a copy is available on NZX and on Bremworth's website at https://bremworth.co.nz/pages/investor-centre. The annual report for Bremworth will be finalised and made available to Shareholders in due course and placed on Bremworth's website at https://bremworth.co.nz/pages/investor-centre.

Shareholders should carefully review the announcements from Bremworth above and the Independent Adviser's Report, which describe the changes in Bremworth's financial position over the preceding financial year.

Other than as set out elsewhere in this Target Company Statement, or as contained in the Independent Adviser's Report and in the announcements referred to above:

(a) as at 14 September 2026 (being the latest practicable date prior to the date of this Target Company Statement), there have been no other known material changes in the financial or trading position, or prospects, of Bremworth since Bremworth's most recent annual report (for the year ended 30 June 2025); and

(b) there is no other information about the assets, liabilities, profitability and financial affairs of Bremworth that could reasonably be expected to be material to the making of a decision by Shareholders to accept or reject the Offer.

Each person who is an offeree of the Offer may also request from Bremworth a hard copy of Bremworth's most recent annual or half yearly report by making a written request to Computershare at the contact details set out in the Directory.

4.23 *INDEPENDENT ADVICE ON MERITS OF THE OFFER*

Clarien Partners Limited is the Independent Adviser that has provided a report in relation to the merits of the Offer. A copy of the full Independent Adviser's Report is set out as an Annexure to this Target Company Statement.

4.24 *ASSET VALUATIONS*

There are no asset valuations contained or referred to in this Target Company Statement.

4.25 ***PROSPECTIVE FINANCIAL INFORMATION***

The Independent Adviser's Report contains prospective financial information in relation to Bremworth. The principal assumptions on which the prospective financial information is based are set out in the Independent Adviser's Report.

Other than the prospective financial information referred to above, this Target Company Statement does not refer to any other prospective financial information about Bremworth.

4.26 ***SALES OF UNQUOTED EQUITY SECURITIES UNDER THE OFFER***

There are no unquoted equity securities that are the subject of the Offer.

4.27 ***MARKET PRICES FOR QUOTED EQUITY SECURITIES UNDER THE OFFER***

The Shares are quoted on the NZX Main Board.

The closing price on the NZX Main Board of Shares on:

- 14 September 2026 (being the latest practicable Business Day before the date on which this Target Company Statement was sent to Shareholders), was NZ$0.71; and

- 13 August 2026, being the last day on which NZX was open for business before the date on which Bremworth received the Takeover Notice, was NZ$0.72.

The highest and lowest closing market prices of Shares on the NZX Main Board (and the relevant dates) during the six months before 13 August 2026, being the last day on which NZX was open for business before the date on which Bremworth received the Takeover Notice, were as follows:

- the highest closing market price was NZ$0.89 per Share on the NZX Main Board (on 3 July 2026); and

- the lowest closing market price was NZ$0.65 per Share (on 6 August 2026 and 7 August 2026).

Shareholders should note that the price at which Bremworth Shares have traded during the periods above is likely to have been affected by the Floorscape scheme of arrangement.

There were no issues of equity securities, changes in the equity securities on issue, or any distributions that could have affected the market prices referred to above. There is no other information about the market price of Shares that would reasonably be expected to be material to the making of a decision by the offerees to accept or reject the Offer.

4.28 ***OTHER INFORMATION***

Other information about the merits of the Offer is set out in the Independent Adviser's Report, which is included as an Annexure to this Target Company Statement. The Directors are not aware of any additional information, which is not required to be disclosed elsewhere in this Target Company Statement, that could reasonably be expected to be material to the making of a decision by the offerees to accept or reject the Offer.

4.29 ***BOARD APPROVAL OF TARGET COMPANY STATEMENT***

The contents of this Target Company Statement have been approved by the Directors of Bremworth, other than the Independent Adviser's Report, which has been prepared by Clarien Partners Limited.

4.30 *CERTIFICATE PURSUANT TO RULE 26 OF THE TAKEOVERS CODE*

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by Bremworth Limited under the Takeovers Code.

Trevor Burt
Independent Director

Julie Bohnenn
Independent Director

Craig Woolford
Chief Executive Officer

Victor Tan
Chief Financial Officer

SCHEDULE 1: TRADING IN BREMWORTH SECURITIES

TRADING OF BREMWORTH SHARES BY HOLDERS OR CONTROLLERS OF 5% OR MORE OF BREMWORTH SHARES ON ISSUE DURING THE PREVIOUS SIX MONTHS

Mangawhai Collective Limited

Week starting	Week ending	Description	Acquisition or Disposal	Number of Shares	Consideration per Share / weighted average consideration per Share
20 July 2026	26 July 2026	Ordinary shares	Acquisition	3,711,881	Nil[1]
13 July 2026	19 July 2026	Ordinary shares	Acquisition	171,067	$0.7375
06 July 2026	12 July 2026	Ordinary shares	-	-	-
29 June 2026	5 July 2026	Ordinary shares	-	-	-
22 June 2026	28 June 2026	Ordinary shares	-	-	-
15 June 2026	21 June 2026	Ordinary shares	-	-	-
8 June 2026	14 June 2026	Ordinary shares	-	-	-
1 June 2026	7 June 2026	Ordinary shares	Acquisition	12	$0.7350
25 May 2026	31 May 2026	Ordinary shares	Acquisition	80,953	$0.7047
18 May 2026	24 May 2026	Ordinary shares	Acquisition	914,554	$0.7919
11 May 2026	17 May 2026	Ordinary shares	Acquisition	106,418	$0.7330
4 May 2026	10 May 2026	Ordinary shares	Acquisition	74,607	$0.7132
27 April 2026	3 May 2026	Ordinary shares	Acquisition	449,420	$0.7170
20 April 2026	26 April 2026	Ordinary shares	-	-	-
13 April 2026	19 April 2026	Ordinary shares	-	-	-
6 April 2026	12 April 2026	Ordinary shares	-	-	-
30 March 2026	5 April 2026	Ordinary shares	Acquisition	11,000	$0.7953
23 March 2026	29 March 2026	Ordinary shares	Acquisition	34,500	$0.7838
16 March 2026	22 March 2026	Ordinary shares	Acquisition	50,000	$0.7676

9 March 2026	15 March 2026	Ordinary shares	Acquisition	4,515	$0.6995
2 March 2026	8 March 2026	Ordinary shares	Acquisition	688,731	$0.7548
23 February 2026	1 March 2026	Ordinary shares	Acquisition	7,147,241	$0.8000

[1] 48,415 shares were acquired at a weighted average consideration of $0.73. The remaining 3,663,466 shares acquired in this week had no consideration per share disclosed.

Rural Aviation (1963) Limited

Date	Description	Acquisition or disposal	Number of Shares	Consideration per Share / weighted average consideration per Share
27 February 2026	Ordinary Shares	Off market disposal to Mangawhai Collective Limited	4,283,821	$0.80

SCHEDULE 2: WORKED EXAMPLE OF SCALING

WHEN IS THE OFFER SUBJECT TO SCALING?

The Offer is a partial takeover offer to acquire 43.94% of the Shares not already held or controlled by Mangawhai Collective (the "**Specified Percentage**").

Bremworth has 69,089,365 Shares on issue, of which Mangawhai Collective holds or controls 13,633,842.1681 Shares (approximately 19.73%).

Mangawhai Collective is therefore seeking a further 24,365,309 Shares under the Offer (the "**Specified Number**"), which would take its holding to 55% of the Shares (37,999,151.1681 Shares). If Mangawhai Collective receives acceptances for more than 24,365,309 Shares and the Offer becomes unconditional, acceptances will be scaled including those of the Locked-up Shareholders.

Shareholders have agreed under the Lock-up Deeds to accept the Offer in respect of all of the Shares held or controlled by them, representing 32.24% of the voting rights in Bremworth (22,274,411 Shares). As at the date of this Target Company Statement there have also been acceptances of the Offer sufficient to ensure that, together with the Shares held by the Locked-up Shareholders, the Minimum Acceptance Condition of 55% will be satisfied and the Offer will become unconditional as to acceptances. This means that any acceptances over the 43.94% threshold will be scaled, with the final level of scaling dependent on the final number of Shares tendered into the Offer.

SCALING UNDER THE TAKEOVERS CODE

Under the Takeovers Code a two-step process is applied to calculate any necessary scaling.

STEP 1
At Step 1, Mangawhai Collective must take up from each accepting Shareholder the **lesser** of:

- 43.93667% of all the Shares held by that accepting Shareholder; or
- the full number of Shares for which that Shareholder accepted the Offer, where that number is equal to or less than 43.93667% of the Shareholder's total holding of Shares.

At the end of the Step 1 calculations, Mangawhai Collective is able to determine the total number of Shares still required to achieve the Specified Number of 24,365,309 Shares (to get to 55% ownership of Bremworth).

> ***Example**: Assume that the Shareholders subject to the Lock-up Deeds accept the Offer for all of their Shares (22,274,411 Shares) and that other Shareholders accept the Offer for a further 17,725,589 Shares, so that total acceptances are 40,000,000 Shares (and assuming every accepting Shareholder accepts the Offer for all of their Shares). At Step 1, 17,574,668 Shares would be acquired (being* 43.93667*% of 40,000,000), with a further 6,790,641 Shares required to achieve a holding of 24,365,309 Shares.*

STEP 2
At Step 2, Mangawhai Collective determines:

- the number of Shares for which it received acceptances which were not taken up at Step 1 (the "**Surplus Shares**"); and
- the total number of additional Shares it needs to take up in order to achieve 55% ownership of Bremworth.

Those additional Shares are acquired from the Shareholders who accepted the Offer for more than 43.93667% of their Shares (termed "**Surplus Acceptors**"). Mangawhai Collective will take up Shares from each Surplus Acceptor on a proportionate basis relative to the total number of Surplus Shares.

That proportion is calculated as follows:

$$\frac{\textit{Total number of Shares required to achieve 55\% ownership after Step 1}}{\textit{Total number of Surplus Shares}}$$

> ***Example****: On the same assumptions, Shareholders accepted the Offer in respect of 40,000,000 Shares and Mangawhai Collective took up 17,574,668 Shares at Step 1. This leaves 22,425,332 Surplus Shares held by Surplus Acceptors. Accordingly, the proportion of each Surplus Acceptor's Surplus Shares taken up by Mangawhai Collective at Step 2 is calculated as follows:* ***6,790,641 ÷ (40,000,000 – 17,574,668) = 30.28%***
> *Therefore, in this example, Mangawhai Collective must take up from each Surplus Acceptor 30.28% (rounded to two decimal places) of that Surplus Acceptor's Surplus Shares.*
>
> *In this example, assuming a Shareholder accepts the Offer for its entire holding of 1,000 Shares, that Shareholder would have 439 Shares acquired at Step 1 and a further 169 Shares acquired at Step 2, being 608 Shares in total. That Shareholder would be left with 392 Shares following the close of the Offer.*

A Shareholder who accepts the Offer in respect of 43.93667% of its holding of Shares (or a lesser number of Shares) will not be subject to any scaling if the Offer is successful.

A S S U M P T I O N S

This worked example is illustrative only. It assumes that:

(a) there are 69,089,365 Shares on issue, with no change in that number between the date of the Takeover Notice and completion of the Offer;

(b) Mangawhai Collective does not waive the 55% minimum acceptance condition, and declares the Offer unconditional;

(c) total acceptances of 40,000,000 Shares are received, comprising all of the Shares subject to the Lock-up Deeds together with further acceptances from other Shareholders, and every accepting Shareholder accepts the Offer for all of their Shares (the actual level of acceptances is not known and the resulting scaling percentage will differ);

(d) fractions of a Share are rounded down to the nearest whole Share; and

(e) no Specified Holder Certificates are received (where they are, rule 14E of the Takeovers Code requires Mangawhai Collective to look through the registered holding and treat each Specified Person as the Surplus Acceptor).

WITH A PARTIAL TAKEOVER OFFER IT IS LIKELY THAT SHAREHOLDERS WILL NOT BE ABLE TO SELL ALL OF THEIR SHARES. IF THE OFFER SUCCEEDS AND SCALING APPLIES, IT IS LIKELY THAT SHAREHOLDERS WILL RETAIN A SIGNIFICANT PORTION OF THEIR SHARES AFTER THE OFFER

SCHEDULE 3: GLOSSARY

The meanings of terms used in this Target Company Statement are set out below:

Acceptance Form means the acceptance form to be used to accept the Offer, which accompanies the Offer document

Associate has the meaning given to that term in the Takeovers Code

Board means the board of directors of Bremworth

Bremworth or **Company** means Bremworth Limited

Bremworth Group means Bremworth and its subsidiaries

Business Day means any day other than a Saturday, Sunday or statutory public holiday in Auckland, New Zealand

Committee means the Board sub-committee of independent Directors of Bremworth, being Trevor Burt, Julie Bohnenn and Murray Dyer, formed to consider and respond to the Offer and prepare this Target Company Statement

Companies Act means the Companies Act 1993

Computershare means Computershare Investor Services Limited

Director means each director of Bremworth from time to time

Directory means the directory setting out certain contact details on the final page of this Target Company Statement

Floorscape means Floorscape Limited

Government Agency means any government, any department, officer or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity

Independent Adviser or Clarien means Clarien Partners Limited, which was appointed by Bremworth as independent adviser to prepare the Independent Adviser's Report and approved by the Takeovers Panel

Independent Adviser's Report means the independent adviser's report prepared by the Independent Adviser in relation to the Offer, as amended or updated from time to time and including any supplementary or replacement report, stating its opinion on the merits of the Offer

Lock-up Deeds means the lock-up deeds dated 8 and 9 August 2026 between Mangawhai Collective and certain Shareholders, under which those Shareholders agreed to accept the Offer in respect of all of their Shares

Locked-up Shareholders means the Shareholders party to Lock-up Deeds

Mangawhai Collective means Mangawhai Collective Limited

Minimum Acceptance Condition means the condition of the Offer that Mangawhai Collective receives acceptances which, together with the Shares already held or controlled by it, result in it holding or controlling 55% of the voting rights in Bremworth

Notice Date means 14 August 2026, being the date on which Bremworth received the Takeover Notice

NZX means NZX Limited, and where the context requires, the main board financial market that it operates

NZX Listing Rules means the NZX Listing Rules as amended from time to time

Offer means a partial takeover offer made under the Takeovers Code by Mangawhai Collective to acquire 43.94% of the fully paid ordinary shares in Bremworth not already held or controlled by Mangawhai Collective at a price of NZ$0.90 cash per share

Register means the register of Shares maintained by Computershare on behalf of Bremworth

Related Company has the meaning given to that expression in section 2(3) of the Companies Act, read as if the reference to "company" in that section included any body corporate or entity, wherever incorporated

Senior Manager has the meaning given to that term in the Takeovers Code

Share means a fully paid ordinary share in Bremworth

Shareholder means a person who is registered in the Register as the holder of one or more Shares from time to time

Specified Holder means a person who holds Shares on behalf of more than one other person and who is required to complete a Specified Holder Certificate in accordance with the Takeovers Code

Specified Holder Certificate means the certificate required under rules 14A to 14D of the Takeovers Code to be completed and returned by a Specified Holder with its Acceptance Form

Specified Number means 24,365,309 Shares, being the number of Shares sought by Mangawhai Collective under the Offer

Specified Percentage means 43.94%, being the percentage of the Shares not already held or controlled by Mangawhai Collective that is sought under the Offer

Specified Person means a person on whose behalf a Specified Holder holds Shares

Surplus Acceptor means a Shareholder who accepts the Offer in respect of more than the Specified Percentage of its Shares

Surplus Shares means the Shares in respect of which acceptances were received but which were not taken up at Step 1 of the scaling process described in Schedule 2

Takeover Notice means the takeover notice dated 14 August 2026 from Mangawhai Collective under rule 41 of the Takeovers Code advising of its intention to make the Offer

Takeovers Code means the takeovers code set out in the schedule to the Takeovers Regulations 2000 (SR2000/210) as amended, including any applicable exemption granted by the Takeovers Panel under the Takeovers Act 1993

Takeovers Panel means the Takeovers Panel established by section 5(1) of the Takeovers Act 1993

Target Company Statement means this document together with its annexures

Tax means all forms of taxation including all statutory or governmental taxes, levies, duties, rates, stamp and transaction duty, or any goods and services tax, value added tax or consumption tax imposed by a Government Agency, and includes: (a) any reassessments of any such taxation; (b) loss of Relief; and (c) all penalties, interest, fines or the like imposed in respect of any such taxation or loss of Relief

DIRECTORY

REGISTERED OFFICE AND ADDRESS FOR SERVICE

Bremworth Limited
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New Zealand

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New Zealand

Phone: 0800 808 303 or +64 9 277 6000
Website: Bremworth.co.nz

DIRECTORS

Robert James Hewett, Independent Chair
Trevor John Burt, Independent Director
Julie Anne Bohnenn, Independent Director
Murray James Dyer, Independent Director

SENIOR MANAGERS

Craig Woolford, Chief Executive Officer
Victor Tan, Chief Financial Officer and Company Secretary

LAWYERS

Russell McVeagh

FINANCIAL ADVISER

Montarne Limited

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Phone: +64 9488 8777
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Independent Adviser's Report in relation to the partial Takeover Offer from Mangawhai Collective Limited

Clarien confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transaction considered in the report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Clarien has satisfied the Takeovers Panel that it is independent under the Takeovers Code for the purposes of preparing this report.

15 September 2026

EXECUTIVE SUMMARY

1. Introduction

Bremworth Limited (**Bremworth** or the **Company**) manufactures and sells carpets and rugs primarily in New Zealand and Australia. It also owns one of New Zealand's largest wool procurement firms, Elco Direct Limited (**Elco Direct**).

In February 2025 Bremworth announced a strategic review of its ownership structure. That review led to negotiations with several parties and to Bremworth entering into a Scheme Implementation Agreement (**SIA**) with Floorscape Limited (**Floorscape**) to acquire 100% of the Bremworth shares on issue. Floorscape is a wholly owned subsidiary of Mohawk Industries Inc (**Mohawk**), the owner of Godfrey Hirst. The transaction was to be implemented by way of a scheme of arrangement under the Companies Act (the **Floorscape Scheme**) and was conditional on approval from the Commerce Commission.

From October 2025 to June 2026 the Commerce Commission undertook a detailed review of the Floorscape Scheme and clearance was eventually provided on 30 June 2026. During the consultation period with the Commerce Commission, David Ferrier, Henry Ferrier and Mangawhai Collective Limited (**Mangawhai**) increased its shareholding in Bremworth from 4.98% to 19.01%. In early July 2026 shareholders representing approximately 38% of Bremworth's voting rights (including Mangawhai) announced that they collectively intended to vote against the Floorscape Scheme. At this juncture, the Floorscape Scheme lapsed.

Today, Mangawhai owns 19.7% of the shares in Bremworth. On 4 September 2026 Mangawhai made a partial offer under the Takeovers Code to purchase an additional 43.94% of the equity securities in Bremworth not currently held by Mangawhai or its associates at a price per ordinary share of NZ$0.90 (the **Offer**). The Offer is therefore for 35.3% of the outstanding shares in Bremworth, which if successful would take Mangawhai's holding in Bremworth to 55.0%.

The conditions of the Offer include:

- Mangawhai receiving acceptances under the Offer which, when taken together with the Bremworth shares already held or controlled by it, will result in Mangawhai holding 55% of the Bremworth shares (the **Minimum Acceptance Condition**).
- conditions to protect Mangawhai against any substantial change in the form and operations of Bremworth or the markets it operates in while the Offer is open. Mangawhai may waive any of these conditions at its discretion but cannot unreasonably rely on them.

2. Key Conclusions

- **Clarien has valued the equity in Bremworth in the range of $60 million to $74 million, or $0.87 to $1.07 per ordinary share.**
  - The Offer price of $0.90 per ordinary share is within Clarien's value range.
  - Clarien's valuation assumes that Bremworth continues as a going concern and achieves the projected turnaround in its financial performance. These assumptions are by no means assured.
  - The Offer price of $0.90 implies a 29% premium to the 1-month volume weighted average price (**VWAP**) on the day before the Offer was announced[1].
- **The Offer has satisfied the Minimum Acceptance Condition[2].**
  - Mangawhai currently holds or controls 19.7% of Bremworth's total voting rights and it has entered into Lock Up Deeds with the Lock Up Shareholders who collectively own approximately 32.2% of the voting shares in Bremworth, obliging those shareholders to accept the Offer[3]. Since the Offer was made owners of a further 3.6% of the shares on issue have accepted the Offer. As at the date of this report Mangawhai has received sufficient acceptances to take its shareholding to 55.6% and therefore the Offer will satisfy the Minimum Acceptance Condition. Mangawhai is not permitted to acquire more than 55% of the shares in Bremworth under the Offer structure.
  - As total acceptances already exceed 55% of the shares on issue, acceptances will be scaled back and Bremworth shareholders will retain a shareholding in Bremworth after the Offer is closed. A shareholder who accepts the Offer in respect of their entire shareholding has certainty only that 43.94% of those shares will be acquired. Any scaling of acceptances will apply on the same basis to all shareholders who accept the Offer, including the Lock Up Shareholders.
  - Due to the partial Offer the free float will reduce and the Bremworth shares are likely to be less liquid.
  - The remaining conditions of the Offer may be waived at Mangawhai's discretion. There is no Commerce Commission approval or other regulatory consent requirement that could delay the Offer being declared unconditional.
  - If the Offer is successful Mangawhai will have effective, but not absolute control of Bremworth. It will be able to control the composition of the Board and the outcome of ordinary resolutions, but not necessarily special resolutions, which require 75% of the votes cast.
  - From 10 August 2026 to 10 September 2026 Bremworth traded in the range of $0.66 to $0.79 per share.
  - Bremworth remains in the early stages of its turnaround. Shareholders who retain their investment are exposed to the risks associated with this projected turnaround including continuing economic headwinds and competition in the Australian and New Zealand flooring markets. These risks are balanced against the strength of the Bremworth brand, the potential

[1] 10 August 2026 being the day it was announced that Mangawhai had entered into the Lock-Up Deeds. Due to the timing of the Floorscape Scheme and various announcements leading up to the Mangawhai Offer, a VWAP of an undisturbed share price over a longer period of time is not possible.

[2] The conclusions relating to the level of shareholding accepted into the offer were based on acceptances as at 15 September 2026.

[3] Each Lock Up Shareholder must accept the Offer, or procure acceptance of the Offer, in respect of all Bremworth shares it holds or controls, within one working day after the independent adviser's report is released to NZX, provided the value range ascribed by the independent advisers spans the Offer price. As the Offer price is within Clarien's valuation range, the report has considered the shares held by Lock Up Shareholders to be accepted into the offer.

benefit from extension of the product range into synthetic carpets, the cost reductions already achieved, and a refreshed management team with a defined growth plan. Dividends are unlikely until there is confidence in Bremworth's cash flow and outlook.

- On 3 September 2026 Bremworth was presented with a revised scheme implementation agreement from Floorscape at a fixed price of $0.95 per share for 100% of the shares in Bremworth. Mangawhai rejected this revised scheme and without the support of major shareholders the Board did not progress discussions with Floorscape. As the Offer price is within the Clarien valuation range, the Lock Up Shareholders are unable to accept a superior offer, and if Mangawhai declares the Offer unconditional any subsequent full takeover offer would require Mangawhai to sell its shareholding.

3. Other Matters

This is a summary of Clarien's opinion. The full report from which this summary has been extracted is attached and should be read in conjunction with this summary. A detailed assessment of the merits of the Offer is outlined in section 6 of this report. Clarien's opinion is to be considered as a whole. Selecting portions of the analyses or factors considered by it, without considering all the factors and analyses together, could create a misleading view of the process underlying the opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary. Accepting the Offer is a matter for individual shareholders based on their own view as to value and future market conditions, risk profile, liquidity preference, portfolio strategy, tax position and other factors. These are investment decisions upon which Clarien does not offer an opinion and are independent of a decision on whether to accept the Offer. Shareholders should consult their own professional adviser in this regard.

CLARIEN PARTNERS LIMITED

15 September 2026

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GLOSSARY

TERM	DEFINITION
BLM	Broadloom lineal metres
Bremworth or the Company	Bremworth Limited
Clarien	Clarien Partners Limited
DCF	Discounted cash flow
EBIT	Earnings before interest and tax
EBITA	Earnings before interest, tax and amortisation
EBITDA	Earnings before interest, tax, depreciation and amortisation
Elco Direct	Bremworth's wool procurement business
Floorscape	Floorscape Limited, a wholly owned subsidiary of Mohawk
FY25	The financial year ended 30 June 2025
FY26	The financial year ended 30 June 2026
FY27	The financial year ending 30 June 2027
FY28	The financial year ending 30 June 2028
LM	Lineal metres
Lock Up Deeds	The deeds under which the Lock Up Shareholders have agreed to accept the Offer in respect of their Bremworth shares
Lock Up Shareholders	The Bremworth shareholders, holding approximately 32.2% of the voting shares in Bremworth, that have entered into Lock Up Deeds
Mangawhai	Mangawhai Collective Limited
Minimum Acceptance Condition	The condition that acceptances received under the Offer, together with the Bremworth shares already held or controlled by Mangawhai, result in Mangawhai holding 55% of the Bremworth shares
Mohawk	Mohawk Industries Inc, the owner of Godfrey Hirst
NPAT	Net profit after tax
NZX	NZX Limited, the licensed New Zealand stock exchange
The Offer	Mangawhai's partial takeover offer under the Takeovers Code to acquire an additional 43.94% of the equity securities in Bremworth not held by Mangawhai or its associates, at a price of NZ$0.90 per ordinary share
p.a.	Per annum
Floorscape Scheme	The proposed acquisition of 100% of the Bremworth shares on issue by Floorscape, to be implemented by way of a scheme of arrangement under the Companies Act, which lapsed in July 2026
SIA	The Scheme Implementation Agreement entered into between Bremworth and Floorscape in respect of the Floorscape Scheme
Takeovers Code	The Takeovers Code set out in the Schedule to the Takeovers Regulations 2000
VWAP	Volume weighted average price

1 Terms of the Partial Takeover Offer from Mangawhai

1.1 Background

Bremworth Limited (**Bremworth** or the **Company**) manufactures and sells carpets and rugs primarily in New Zealand and Australia. It also owns one of New Zealand's largest wool procurement firms, Elco Direct Limited (**Elco Direct**). Bremworth listed on the New Zealand Stock Exchange (**NZX**) in 1984.

Over the last ten years Bremworth's financial performance has been impacted by a series of significant events including structural changes in the industry with a progressive shift to synthetic carpets and other alternative flooring, the COVID-19 pandemic, and most recently Cyclone Gabrielle which forced the closure of Bremworth's key Napier plant.

In February 2025 Bremworth finalised an insurance claim for flood damage resulting from Cyclone Gabrielle, receiving a final payment of $42 million. The effects of Cyclone Gabrielle on Bremworth's aspirations were significant. The closure of the Napier plant meant Bremworth had to endure substantially higher costs of externally sourced yarn, longer product lead times, consequential increased working capital requirements, numerous quality issues and general operational disruption. Bremworth's net cash declined from $42.2 million at 30 June 2025 to $26.9 million at 30 June 2026, largely due to operational losses and capital expenditure on remediation of the Napier plant.

The final insurance payout related to Cyclone Gabrielle in early 2025 was followed by a series of significant corporate events which included:

- the announcement of a Strategic Review of the Company's ownership following several approaches from parties expressing interest in Bremworth;
- the replacement of five directors and significant changes to the management team including the replacement of the CEO; and
- negotiations with several parties, which led to Bremworth entering into a Scheme Implementation Agreement (**SIA**) with Floorscape Limited (**Floorscape**) to acquire 100% of the Bremworth shares on issue. Floorscape is a wholly owned subsidiary of Mohawk Industries Inc (**Mohawk**) (the owner of Godfrey Hirst). The transaction was to be implemented by way of a scheme of arrangement under the Companies Act (the **Floorscape Scheme**) and it was conditional on approval from the Commerce Commission.

From October 2025 to June 2026 the Commerce Commission undertook a detailed review of the Floorscape Scheme and clearance was eventually provided on 30 June 2026. During the consultation period with the Commerce Commission, David Ferrier, Henry Ferrier and Mangawhai Collective Limited (**Mangawhai**) increased its shareholding in Bremworth from 4.98% to 19.01%. In early July 2026 shareholders representing approximately 38% of Bremworth's voting rights (including Mangawhai) announced that they collectively intended to vote against the Floorscape Scheme. As it was clear that the Floorscape Scheme could not be approved by Bremworth's shareholders, the Board of Bremworth resolved to cease discussions with Floorscape regarding a potential extension of the Floorscape Scheme.

Today, Mangawhai owns 19.7% of the shares in Bremworth. On 4 September 2026 Mangawhai made a partial offer under the Takeovers Code to purchase an additional 43.94% of the equity securities in Bremworth not currently held by Mangawhai or its associates at a price per ordinary share of NZ$0.90 (the **Offer**).

If the Offer is successful, this would result in Mangawhai holding up to 55% (and no less than 50.01%) of the voting rights. There is no guarantee that shareholders selling into the Offer will be able to realise the Offer price for all of their shares as excess acceptances would be scaled back.

Mangawhai has entered into lock-up deeds (the **Lock Up Deeds**) with shareholders (**Lock Up Shareholders**) representing approximately 32.2% of the voting shares in Bremworth.

1.2 Details of the Offer

The formal takeover offer document was sent to Bremworth shareholders on 4 September 2026 and remains open for acceptance until 11.59pm on 2 October 2026, unless extended in accordance with the Takeovers Code.

Under the Offer Mangawhai intends to acquire 43.94% of the Bremworth shares not already held or controlled by it for cash consideration of $0.90 per Bremworth share, which if successful would result in Mangawhai holding 55% of the Bremworth shares on issue.

The conditions of the Offer include:

- Mangawhai receiving acceptances under the Offer which, when taken together with the Bremworth shares already held or controlled by it, will result in Mangawhai holding 55% of the Bremworth shares (the **Minimum Acceptance Condition**). Mangawhai may waive the Minimum Acceptance Condition at its discretion, provided that the acceptances received will result in Mangawhai holding or controlling more than 50% of the Bremworth shares.
- Several other conditions are set out in paragraph 8.1 of the Offer Terms and Conditions in the Offer sent to Bremworth Shareholders. As standard in takeover offers, some of the conditions included protect Mangawhai against any substantial change in the form and operations of Bremworth or the markets it operates in while the Offer is open for acceptance.

Mangawhai may waive any conditions of the Offer at its discretion but cannot unreasonably rely on them. However, if Mangawhai waives the Minimum Acceptance Condition, it cannot waive the condition that it must receive acceptances from shareholders that will result in Mangawhai holding or controlling more than 50% of the voting rights in Bremworth.

The material terms of the Lock Up Deeds with each Lock Up Shareholder are:

- Each Lock Up Shareholder must accept the Offer, or procure acceptance of the Offer, in respect of all Bremworth shares it holds or controls, within one working day after the independent adviser's report is released to NZX, provided the value range ascribed by the independent advisers spans the Offer price.
- The Offer price must be at least $0.90 per share. Mangawhai cannot reduce the Offer price, but it may increase the Offer price. A Lock Up Shareholder must still accept the Offer if Mangawhai varies it in a manner permitted by the Takeovers Code.
- Lock Up Shareholders retain all voting rights attaching to their shares until those shares are transferred to Mangawhai under the Offer.

If the conditions of the Offer are satisfied Bremworth shareholders that accept the Offer will receive payment within five working days of the later of:

- the date the Offer becomes unconditional;
- the date on which the Bremworth shareholder's acceptance is received by Mangawhai; and
- the Initial Closing Date, being 2 October 2026.

In practice the Offer will not be declared unconditional until the Offer is closed. This is to ensure the impact of the scaling on the shares accepted into the Offer can be calculated.

1.3 Requirements of the Takeovers Code

The Takeovers Code came into effect on 1 July 2001, replacing the New Zealand Stock Exchange Listing Rules and the Companies Amendment Act 1963 requirements governing the conduct of company takeover activity in New Zealand. The Takeovers Code seeks to ensure that all shareholders are treated equally and, on the basis of proper disclosure, are able to make informed decisions on shareholding transactions that may impact on their own holdings.

Bremworth is a Code Company for the purposes of the Takeovers Code. Rule 6 of the Takeovers Code, the fundamental rule, states that a person (along with its associates) who holds or controls:

a) less than 20% of the voting rights in a code company may not become the holder or controller of an increased percentage of the voting rights in the code company unless, after that event, that person and that person's associates hold or control in total not more than 20% of the voting rights in the code company;

b) 20% or more of the voting rights in a code company may not become the holder or controller of an increased percentage of the voting rights in the code company.

Rule 7 of the Takeovers Code sets out the exceptions to the fundamental rule. Rule 7 states that a person may become the holder or controller of an increased percentage of the voting rights in a code company under the following circumstances:

a) by an acquisition under a full offer;

b) by an acquisition under a partial offer;

c) by an acquisition by the person of voting securities in the code company or in any other body corporate from one or more other persons if the acquisition has been approved by an ordinary resolution of the code company in accordance with the code;

d) by an allotment to the person of voting securities in the code company or in any other body corporate if the allotment has been approved by an ordinary resolution of the code company in accordance with the code;

e) if:

(i). the person holds or controls more than 50%, but less than 90%, of the voting rights in the code company; and

(ii). the resulting percentage held by the person does not exceed by more than 5 the lowest percentage of the total voting rights in the code company held or controlled by the person in the 12-month period ending on, and inclusive of, the date of the increase;

f) if the person already holds or controls 90% or more of the voting rights in the code company.

The Takeovers Code specifies responsibilities and obligations for both Mangawhai and Bremworth as bidder and target respectively. Bremworth's response to the Offer, known as a target company statement, must contain the information prescribed in the Second Schedule of the Takeovers Code, and is to include or be accompanied by an Independent Adviser's Report (or summary thereof).

1.4 Profile of Mangawhai

Mangawhai Collective Limited is the investment company of David Ferrier, a long-standing participant in the New Zealand wool sector and a 37.5% shareholder in Woolscour Holdings Limited (**Woolworks**). Woolworks operates the largest wool scouring facility in New Zealand, processing approximately 80% of the New Zealand wool clip through plants in Hawke's Bay and South Canterbury. David Ferrier holds his 37.5% interest alongside Tanarra Capital Partners (50%) and Silver Fern Farms Co-operative (12.5%).

Mangawhai has stated that it will seek Bremworth board representation if its Offer is successful. Mangawhai has not identified publicly any specific material changes it intends to make to Bremworth's business activities, material assets or capital structure but it will have the ability to influence or control such decisions if the Offer is successful. Mangawhai has stated that it intends to encourage the Board to explore opportunities to work collaboratively with other New Zealand upstream and downstream wool industry participants to extract further efficiencies and to evaluate potential industry consolidation. Mangawhai also intends that a substantial portion of Bremworth's cash reserves will be invested in operations and the continued remediation of the Napier site.

2 Scope of the Report

2.1 Purpose of the Report

The Independent Directors of Bremworth have engaged Clarien Partners Limited (**Clarien**) to prepare an Independent Adviser's Report to comply with the Takeovers Code in respect of the Offer. Clarien is independent of Bremworth and Mangawhai and has no involvement with, or interest in, the outcome of the Offer.

Rule 21 of the Takeovers Code requires the Independent Adviser to report on the merits of an offer. The term "merits" has no definition either in the Takeovers Code itself or in any statute dealing with securities or commercial law in New Zealand. While the Takeovers Code does not prescribe a meaning of the term "merits", it suggests that "merits" include both positives and negatives in respect of a transaction.

A copy of this report will accompany the Target Company Statement to be sent to all Bremworth shareholders. This report is for the benefit of the shareholders of Bremworth other than Mangawhai. The report should not be used for any purpose other than as an expression of Clarien's opinion as to the merits of the Offer. This report should be read in conjunction with the Qualifications, Declarations and Consents outlined at Appendix E.

2.2 Basis of Evaluation

Clarien has evaluated the Offer by reviewing the following factors:

- the estimated value range of Bremworth and the price of the Offer when compared to that value range;
- the likelihood of an alternative offer and alternative transactions that could realise fair value;
- the likely market price and liquidity of Bremworth shares in the absence of the Offer;
- the partial nature of the Offer and the potential impact of scaling;
- any advantages or disadvantages for Bremworth shareholders of accepting or rejecting the Offer;
- the current trading conditions for Bremworth;
- the timing and circumstances surrounding the Offer;
- the attractions of Bremworth's business; and
- the risks of Bremworth's business.

2.3 Approach to Valuation

Clarien has estimated the value range of Bremworth with reference to its full underlying value. In Clarien's opinion the price to be paid under a full takeover should reflect the full underlying value of the company. The support for this opinion is twofold:

- the Takeovers Code's compulsory acquisition provisions apply when the threshold of 90% of voting rights has been reached. In some cases, the compulsory acquisition price must be certified as fair and reasonable (or determined to be fair and reasonable) by an independent expert. In these scenarios, the Takeovers Code seeks to avoid issues of premiums or discounts for minority holdings by providing that a class of shares is to be valued as a whole, with each share then being valued on a pro rata basis. In other words, a minority shareholder is to receive its share of the full underlying value. Clarien believes that the appropriate test for fairness under a full or partial takeover offer where the offeror will gain control is the full underlying value, prorated across all shares. The rationale for this opinion is that it would be inconsistent for one group of minority shareholders, those selling under compulsory acquisition, to receive a different price under the same offer from those who accepted the offer earlier; and

- under the Takeovers Code the acquisition of voting rights in a "code" company which results in a shareholder increasing their holding through or above the 20% threshold can only be made under an offer to all shareholders unless the shareholders otherwise give approval. As a result, a controlling shareholding (generally accepted to be no less than 40% of the voting rights) cannot be transferred without the acquirer making an offer on the same terms and conditions to all shareholders (unless shareholders consent). Prior to the introduction of the Takeovers Code some market commentators held the view that where a major shareholder had a controlling shareholding, any control premium attached only to that shareholding. One of the core foundations of the Takeovers Code is that all shareholders be treated equally. In this context, any control premium is now available to all shareholders under a takeover offer (in a scenario where an offeror will gain control), regardless of the size of their shareholding or the size of the offeror's shareholding at the time the offer is made.

Accordingly, Clarien is of the opinion that not only because shares acquired under a compulsory acquisition scenario will receive a price equivalent to full underlying value, but because the control premium is now available to all shareholders, the share price under either a full or partial takeover offer where the offeror will gain control should be within or exceed the prorated full underlying valuation range of the company.

Bremworth has been valued at fair market value, which is defined as the estimated price that could be realised in an open market over a reasonable period of time assuming that potential buyers have full information.

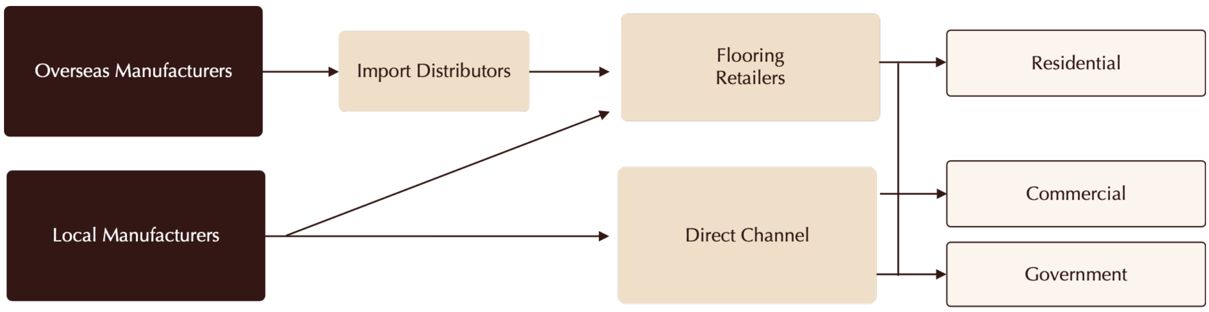
Clarien's opinion is to be considered as a whole. Selecting portions of the analyses or factors considered by it, without considering all the factors and analyses together, could create a misleading view of the process underlying the opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary. For the avoidance of doubt, Appendices A to E form part of this report.

3 Overview of the Australasian Carpet Industry

3.1 Overview

The structure of the carpet industry in Australia and New Zealand is similar - with local and overseas manufacturers supplying directly to local distributors and specialist retailers - which in turn supply products to residential, commercial, and government customers. Some manufacturers also have direct supply contracts with government and commercial organisations:

AUSTRALASIAN CARPET INDUSTRY STRUCTURE



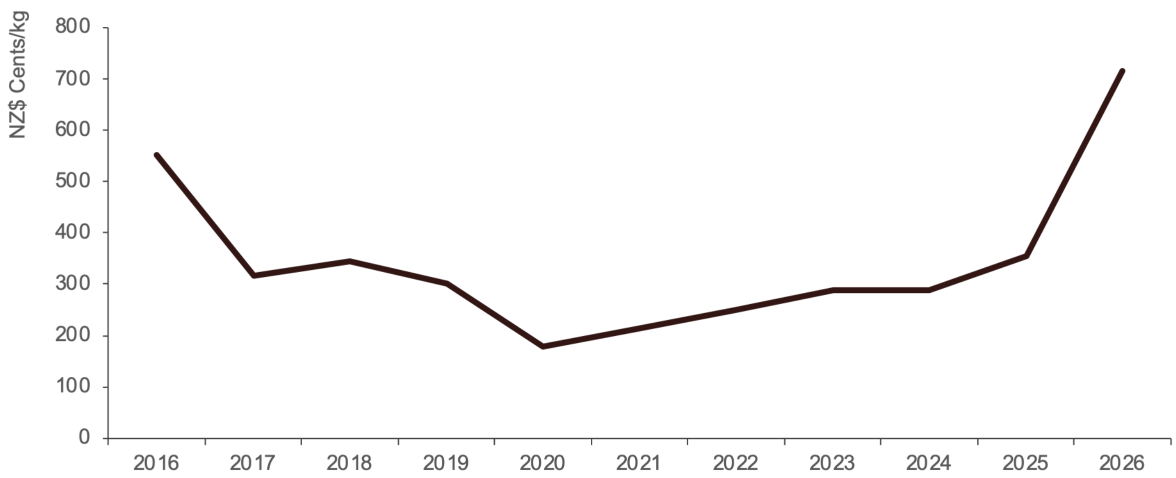
3.2 Yarn

Most carpet is generally made from either wool or nylon (a synthetic polymer) yarn.

Wool has long been the gold standard for carpet - particularly for high-end residential and luxury commercial carpets. Its key raw material advantage is its natural resilience or crimp (which allows it to spring back after compression), and its inherent fire resistance. Wool is predominantly used in New Zealand, Australian and British carpets and is often spun into blended yarns (e.g. 80% wool/20% nylon) for enhanced durability.

The prices of wool over the last ten years are summarised below:

THE PRICE OF STRONG WOOL OVER THE LAST 10 YEARS



Source: FUSCA Strong Wool

The price of wool was high in 2016 due to global demand, especially for strong wool used in carpet manufacturing.[4] Global lockdowns from early 2020 led to a material decrease in activity in commercial construction and manufacturing, which significantly reduced demand for strong wool. Since 2021 prices have remained relatively flat until recently when wool prices have again risen. The FUSCA Strong Wool Price exceeded $7.14/kg in mid-2026, marking a 10-year high and a material increase over the previous year. Since the peak in June 2026 prices have come down slightly but remain elevated.

Nylon is the most widely used synthetic carpet fibre globally. Nylon's main advantages are its wear resistance, elasticity and affordability compared to wool. It is often treated with stain-resistant chemicals. The price of nylon yarn - like wool - can be volatile, directly tracking the cost of crude oil and the global supply/demand balance for its chemical precursors.

The efficiency and automation of synthetic production make turning nylon products into yarn far more cost-effective than the natural, labour-intensive process of preparing wool. The nylon manufacturing process is a streamlined, automated industrial procedure which minimises waste and labour. In contrast wool processing involves multiple distinct physical and mechanical stages (scouring, carding[5] and spinning) that are more susceptible to variations in raw fibre quality and require more manual handling.

The price for nylon was historically relatively stable until there was a significant increase in prices caused by the impact of lockdowns, which led to supply chain disruptions and a spike in energy and raw material costs. Since 2022 prices have corrected due to market oversupply, slowing global demand from a softer global economy and a decline in supply chain costs as ocean freight costs stabilised.

3.3 New Zealand

The New Zealand wholesale carpet market (comprising both woollen and synthetic products) was estimated to generate annual revenues of approximately NZ$278 million in 2025[6].

The market share of traditional residential carpet has steadily decreased[7] over the last five years, reflecting in part a growing number of households opting for alternative, hard-surface flooring solutions such as Luxury Vinyl Tile, engineered timber, polished concrete, or large-format tiles. Some of these products are perceived to have superior durability, water resistance, and easier maintenance. Hard surfaces are generally regarded as the dominant choice in new construction and remodelling.

Over the last 30+ years there has also been a progressive decline in demand for wool carpet, which in 1990 represented an approximate 90% share of the carpet market. By 2023 wool carpets represented less than 20% of the carpet market[8] with synthetic carpets representing the balance.

Competition in the carpet market is primarily between local manufacturers and importers of synthetic products. There are three carpet manufacturers in New Zealand which together are estimated to represent approximately half of the wholesale carpet market. Imports have grown significantly over the last 20 years - increasing from 19% of the total carpet sold in 2005 to nearly 50% of the wholesale market by 2024[9].

The barriers to importing carpet into New Zealand are considered low, leading to a wide range of importers entering the market focused on synthetic carpets. Key importers include Belgotex, Victoria

[4] IBISWorld - Wool Wholesaling in New Zealand – July 2025

[5] Carding refers to the process of preparing raw wool fibres for spinning by disentangling them, aligning them, and removing impurities.

[6] IBISWorld - Wool Wholesaling in New Zealand – July 2025

[7] IBISWorld - Furniture and Floor Covering Wholesaling in New Zealand – July 2025

[8] Primary Wool Co-Operative Limited 2023

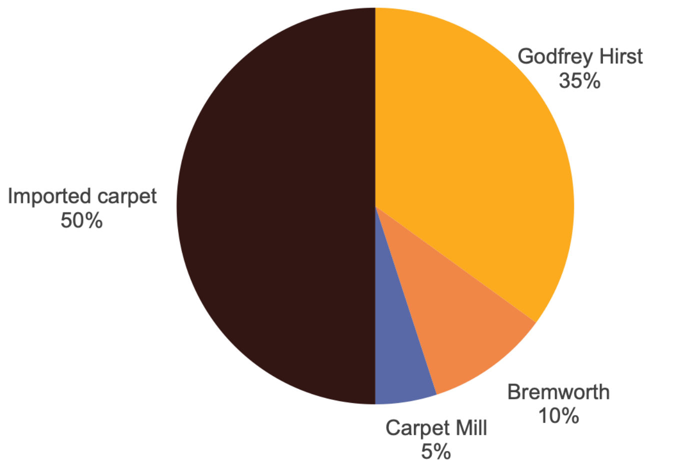
[9] Mohawk Clearance Document for New Zealand Commerce Commission.

Carpets, Jacobsen and Shaw Contract. Many New Zealand flooring retailers also source products direct from overseas manufacturers.

While some imported carpets are subject to tariffs, protective measures for local manufacturers have reduced over time. Free trade agreements with major carpet-exporting countries such as China have contributed to the reduction in tariffs and other trade barriers. A recent free trade arrangement with the United Arab Emirates (**UAE**) is expected to drive a continued increase in the volume of carpets imported into New Zealand. [10]

New Zealand's local manufacturers are Godfrey Hirst, Bremworth and Carpet Mill. Godfrey Hirst has an estimated market share of approximately 35%, Bremworth 10%, and Carpet Mill approximately 5%:

NEW ZEALAND CARPET WHOLESALE REVENUE MARKET SHARE



Source: Mohawk Clearance Document for New Zealand Commerce Commission.

In 2026, the total value of carpets and other textile floor coverings imported into New Zealand was approximately NZ$180 million.[11]

The three largest import markets are China, UAE and Australia, which collectively represented NZ$120 million or approximately two thirds of the total import value in 2026. The share of imports from China and the UAE has increased from $37 million in 2016 (or 25% of total imports) to $86 million in 2026 (or 48% of total imports). During the same period, the import value from Australia and the USA has decreased and imports from other countries have remained flat, demonstrating the power of the low cost of manufacturing in countries such as China. Woollen carpets as a percentage of New Zealand's total carpet imports by value has increased over the last five years.[12] Local manufacturers are having to increasingly compete with both imported synthetic and woollen products.

In 2026 New Zealand's total exports of carpets and other textile floor coverings were approximately NZ$87 million, down from NZ$151 million in 2016.[13]

[10] Mohawk Clearance Document for New Zealand Commerce Commission.

[11] Statistics New Zealand (based on value for duty)

[12] Mohawk Clearance Document for New Zealand Commerce Commission.

[13] Statistics NZ (based on free on board value)

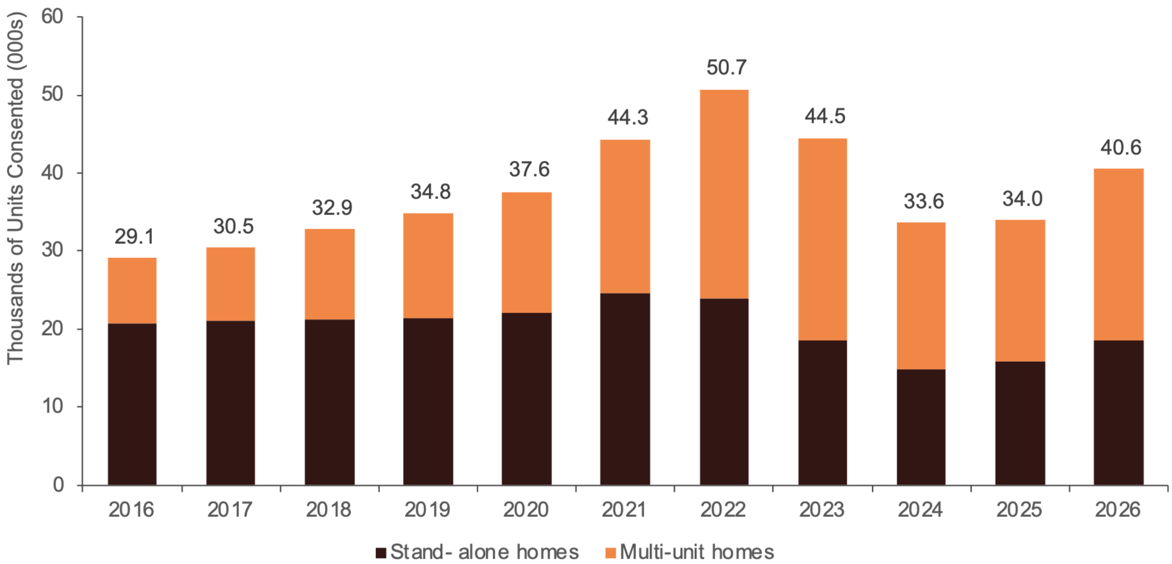
Carpets are primarily sold in New Zealand by specialist flooring retailers. The floor retail market is characterised by three major retailers and a large number of smaller retailers that operate independently. The largest specialist flooring retailers in New Zealand are:

- ***Carpet Court -*** operates approximately 65 stores throughout New Zealand. It sells approximately 400,000 BLM of carpet p.a. and approximately 300,000 square metres of hardwood flooring p.a.[14] Carpet Court is owned by private equity-backed The Interiors Group.
- ***Flooring Xtra -*** operates a franchise model with more than 60 stores throughout New Zealand. Flooring Xtra is a cooperative company that is privately owned by its franchisee store owners.
- ***Harrisons Carpets & Flooring -*** operates a franchise model with more than 50 mobile service vans providing in-home service. It is privately owned and part of the Harrisons group of businesses whose services include solar energy systems, curtains and blinds and kitchens and cabinets.

The larger flooring retailers benefit from economies of scale when competing against the smaller retailers.

In New Zealand demand for carpet is driven by a range of factors including the level of residential and non-residential building activity, renovation activity, and the use of carpet as a flooring option. The following chart shows the number of new homes consented in New Zealand for the years ended June 2016 to 2026.

NEW DWELLINGS CONSENTED IN NEW ZEALAND OVER THE LAST 10 YEARS (000)



Source: Statistics NZ

The composition of new dwelling consents has changed over the last ten years, with the proportion of multi-unit dwellings rising significantly from 28% in 2016 to 54% in 2026.

Commercial developers responsible for multi-unit projects commonly select synthetic carpet rather than wool. The preference for synthetic carpeting is primarily driven by its lower cost.

In 2026 the number of consents for new dwellings reached 40,600 homes, representing a 22% decrease from the recent peak in 2022. Despite this decline, consent levels remain higher than those recorded prior to 2020.

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[14] Based on Carpet Court Company Profile document.

3.4 Australia

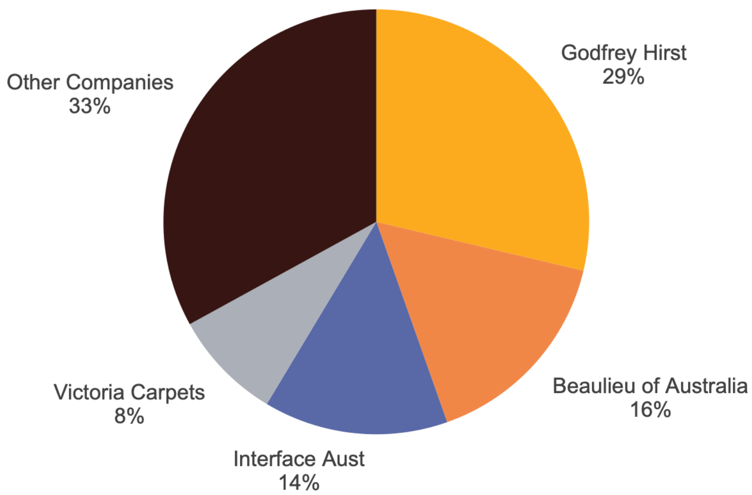
The Australian carpet and textile floor covering market was estimated at approximately A$916 million in 2025.[15] This was down from A$1,055 million in 2015, reflecting a decrease in construction activity and increased demand for alternative flooring products similar to the trends observed in New Zealand.

The Australian carpet market is similar to New Zealand with domestic manufacturers competing with importers offering lower priced products (including synthetic products). In 2025 imports of carpet into Australia accounted for more than 40% of domestic sales. China is the number one supplier of carpet into Australia, followed by India, the UAE and New Zealand.[16] New Zealand has a free trade agreement with Australia which assists in enabling its manufacturers (such as Bremworth) to be competitive. However, Australia also has free trade agreements with other major carpet-exporting countries, such as China.

The carpet and textile floor covering manufacturing industry exhibits a high degree of market share concentration with the top four manufacturers representing approximately 67% of the industry's revenue. The largest domestic carpet manufacturers in Australia are:

- ***Godfrey Hirst*** – supplies the domestic and export market with both residential and commercial carpets.
- ***Beaulieu Australia*** – one of Australia's leading producers of polypropylene and solution-dyed nylon stain-resistant carpets for commercial and residential use.
- ***Interface*** – the Australian division of Interface Inc, which is based in Atlanta, US. The company specialises in producing synthetic surfaces for offices, educational institutes, health and aged-care providers, retailers and the hospitality sector.
- ***Victoria Carpets*** – has two sites in Victoria with a carpet manufacturing site in Dandenong and a wool processing and spinning mill in Bendigo which produces yarns for the Dandenong site.

AUSTRALIA - CARPET WHOLESALE REVENUE MARKET SHARE



[15] IBISWorld - Carpet and Textile Floor Covering Manufacturing in Australia October 2025

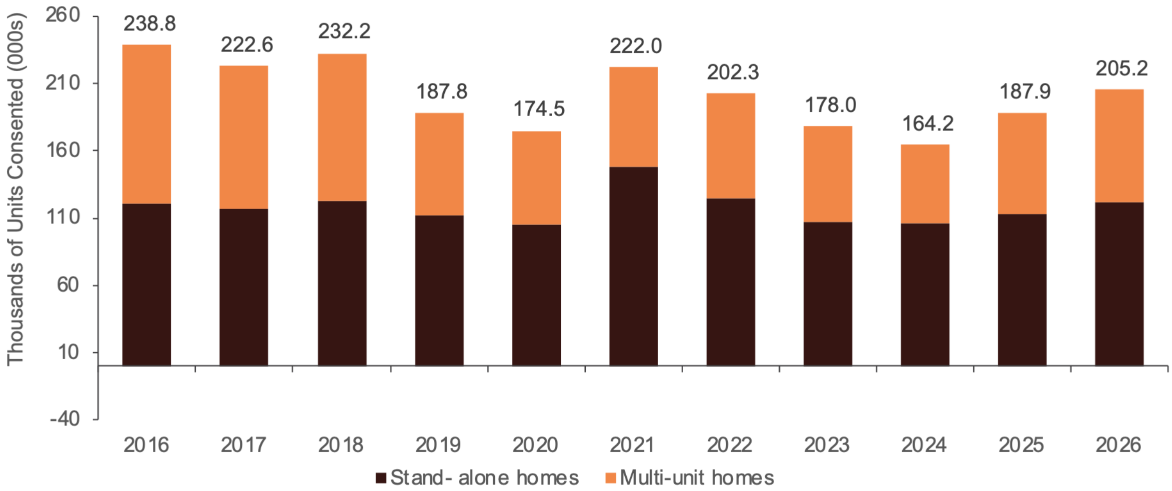
[16] IBISWorld - Carpet and Textile Floor Covering Manufacturing in Australia October 2025

Carpets are primarily sold in Australia to the residential market by specialist flooring retailers. The largest specialist flooring retailers in Australia are:

- ***Carpet Court*** - franchise owned model with a network of more than 200 stores throughout Australia. Carpet Court in Australia is not part of the same group as the New Zealand Carpet Court brand.
- ***Newfurn Floor Coverings*** - operates more than 140 stores in Australia under the *Choices Flooring*, *Style Flooring* and *Interiors* brands.
- ***Carpet Call*** - operates more than 110 stores in Australia.
- ***Harvey Norman*** - retails furniture, bedding, computers and electrical products and also sells a significant amount of floor coverings in Australia.

The demand for carpet in Australia is driven by similar factors to the New Zealand market including the level of residential and non-residential building activity and renovation activity. The following chart shows the number of new homes consented in Australia for the years ended June 2016 to 2026. The recent data indicates that the Australian market is recovering from a low period of construction activity.

NEW DWELLINGS CONSENTED IN AUSTRALIA OVER THE LAST 10 YEARS (000)



Source: Australian Bureau of Statistics

4 Profile of Bremworth

4.1 Introduction

Bremworth traces its origins to 1972 when Tony Timpson and Grant Biel established a carpet manufacturing business in Auckland. The Company has grown through a series of mergers and acquisitions and traded through successive economic cycles and swings in the wool price, while consumer preferences have shifted steadily towards synthetic carpets and other flooring alternatives.

Today Bremworth has two business divisions:

- ***Bremworth's Carpets & Rugs*** (**Bremworth Carpets**), which manufactures and sells carpets and rugs using woollen and synthetic yarns. Bremworth Carpets is the larger division, representing approximately 60% of its revenue in FY26. Bremworth Carpets comprises:
  - Bremworth Spinners Limited - which owns and operates the felted and woollen yarn spinning facilities in Napier and Whanganui;
  - Bremworth Carpets & Rugs Limited - which operates the tufted carpet manufacturing plant in Auckland and sells carpet and rugs to flooring specialists and carpet retailers throughout New Zealand and to overseas markets other than Australia; and
  - Bremworth Pty Limited, which distributes and sells Bremworth's carpets and rugs in Australia.
- ***Elco Direct***, which is one of New Zealand's largest wool procurement firms.

4.2 Bremworth Carpets

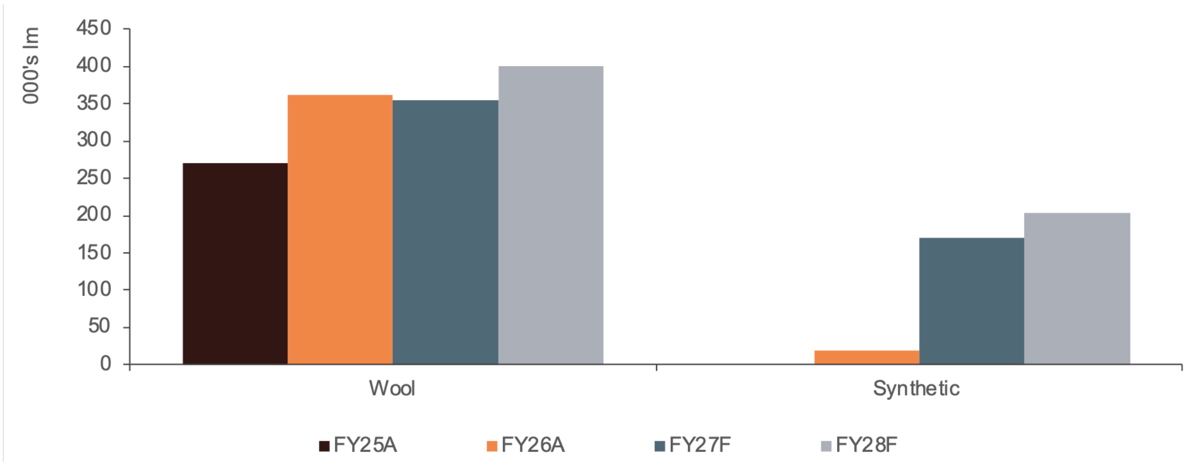
4.2.1. Products

Bremworth Carpets' major markets are New Zealand and Australia, where it sells to specialist flooring retailers and commercial customers. The following charts show Bremworth Carpets' actual and forecast sales volume by country (by lineal metres (**LM**)):

BREMWORTH CARPETS - SALES BY COUNTRY (000 LM)

Historically, Bremworth Carpets sold more synthetic carpet in New Zealand and more woollen carpet in Australia. This changed about five years ago when Bremworth stopped selling synthetic carpet in both countries and shifted away from supplying high-volume, low-value carpet to the commercial segment. Bremworth re-entered the synthetic carpet market in 2025. The following charts show Bremworth Carpets' actual and forecast sales volume by product segment:

BREMWORTH CARPETS - SALES BY PRODUCT TYPE (000 LM)



The following comments are relevant when reviewing the charts above:

- Bremworth Carpets has been selling a premium range of branded rugs for over seven years. It sells rugs direct to customers via its website, offering the consumer the ability to customise the size and shape of the rug.
- Bremworth also sells mid to high end carpets to the commercial segment of the Australia and New Zealand markets. In FY26 this included contracted sales to a customer at below cost. The contract ended in FY26.
- Sales of synthetic carpets were low relative to expectations in FY26 but are expected to represent 32% of total sales volumes in FY27 as Bremworth anticipates regaining some of the market share it lost when it exited the synthetic market in FY21.
- Bremworth has addressed production quality issues and largely completed the sell-down of lower-quality inventory that had built up over the last few years. Financial performance is expected to improve due to the benefits from returning to producing yarn in Napier for less than the cost of sourcing woollen yarn from external providers, particularly with an anticipated uplift in sales volumes if economic conditions improve.
- The FY27 forecast assumes an increase in first grade wool sales, the majority of which reflects a projected increase in demand from Australia. New Zealand wool sales in FY27 are consistent with FY26 volumes reflecting the increase in the wool price, which has been passed through into higher carpet prices and subdued demand due to the economic environment.
- The FY28 forecast assumes sales volumes continue to increase due to Bremworth continuing to grow market share in New Zealand and Australia. The sales volumes for both wool and synthetic carpets assumed in FY28 remain lower than what Bremworth was achieving prior to the change to the all-wool strategy in 2020.

4.2.2. Manufacturing

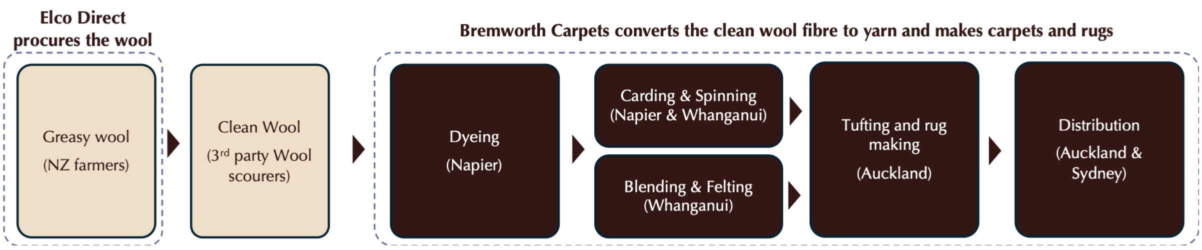
Bremworth has manufacturing at three sites:

- ***Awatoto, Napier*** – in 2016 Bremworth consolidated its yarn dyeing and spinning operations to a primary hub in Napier. All wool dyeing and 75% of woollen spun yarn production were being done in Napier when the plant was taken offline in February 2023 due to flood damage caused by Cyclone Gabrielle. While the wool dyeing operation was reinstated quickly, Bremworth did not reinstate carding and spinning yarn at Napier until October 2025. In the intervening period Bremworth sourced woollen spun yarn from external suppliers while also increasing the capability of its Whanganui plant to produce woollen spun yarn. Bremworth has not reinstated Napier to pre-flood capacity and capability. The reinstatement programme is a staged reinstatement – with selected key pieces of plant and equipment reinstated as demand requires it.
- ***Castlecliff, Whanganui*** – this site specialises in the production of high-quality felted yarns. Bremworth also has the capability to blend dyed and undyed wool into a homogenous fibre, card wool into a curly form and spin wool at its Whanganui facility.
- ***Papatoetoe, Auckland*** – this site manufactures carpets and rugs from both wool and synthetic yarns. It is currently operating at less than 30% of its total production capacity.

The Napier and Whanganui properties are owned by Bremworth. The Papatoetoe property was sold and leased back in 2020 with the current lease expiring in 2034 with a six-year renewal right to 2040.

The simplified flow diagram below illustrates the manufacturing process for woollen carpets and rugs:

BREMWORTH CARPETS – SIMPLIFIED MANUFACTURING PROCESS



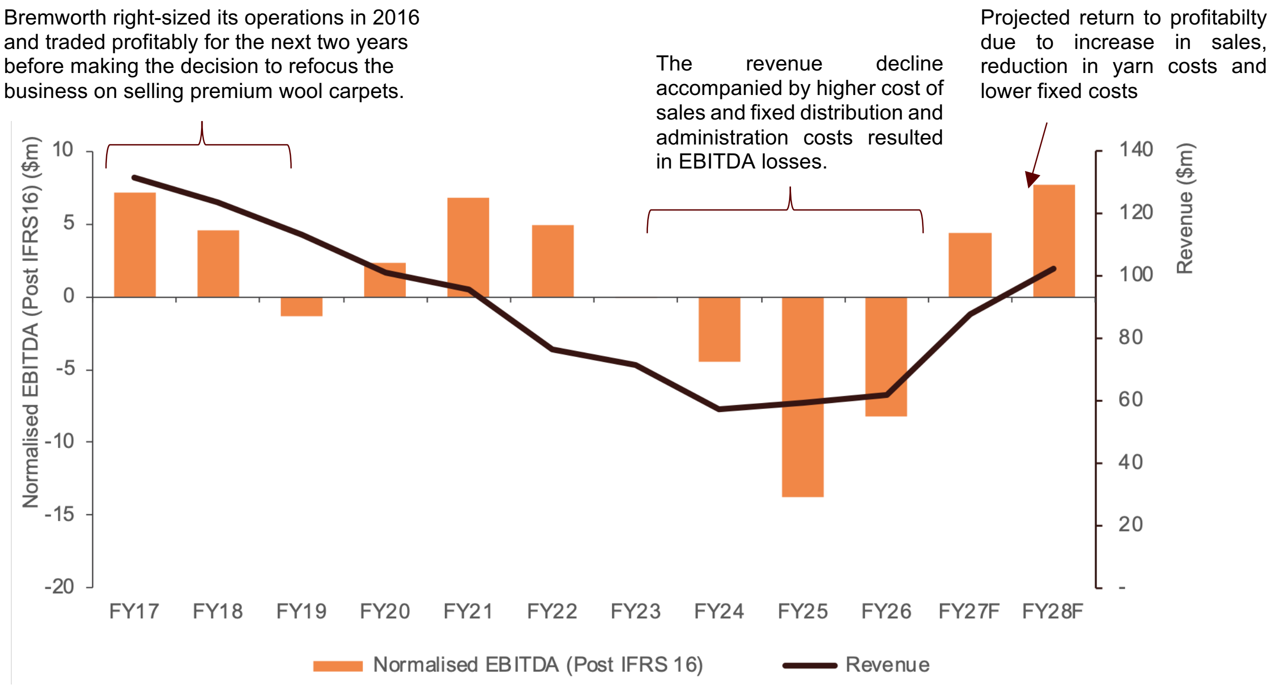
Source: Bremworth

Elco Direct procures a large proportion of its wool for Bremworth Carpets. The wool is then cleaned by a neighbouring wool scouring operation, Woolworks, which up until 2018 was partially owned by a related party, Cavalier Wool. Bremworth Carpets dyes the clean wool in Napier before processing it into woollen yarn in Napier and woollen and felted yarns in Whanganui or felted wool in Whanganui. The finished yarns are then transported to Bremworth Carpets' tufting and rug-making facility in Auckland. The tufting and rug-making operation in Auckland also sources nylon yarns from overseas suppliers to make synthetic carpets. Bremworth uses third-party distribution centres for its carpets in Auckland (for overflows) and Sydney.

4.2.3. Historical Events and Financial Performance

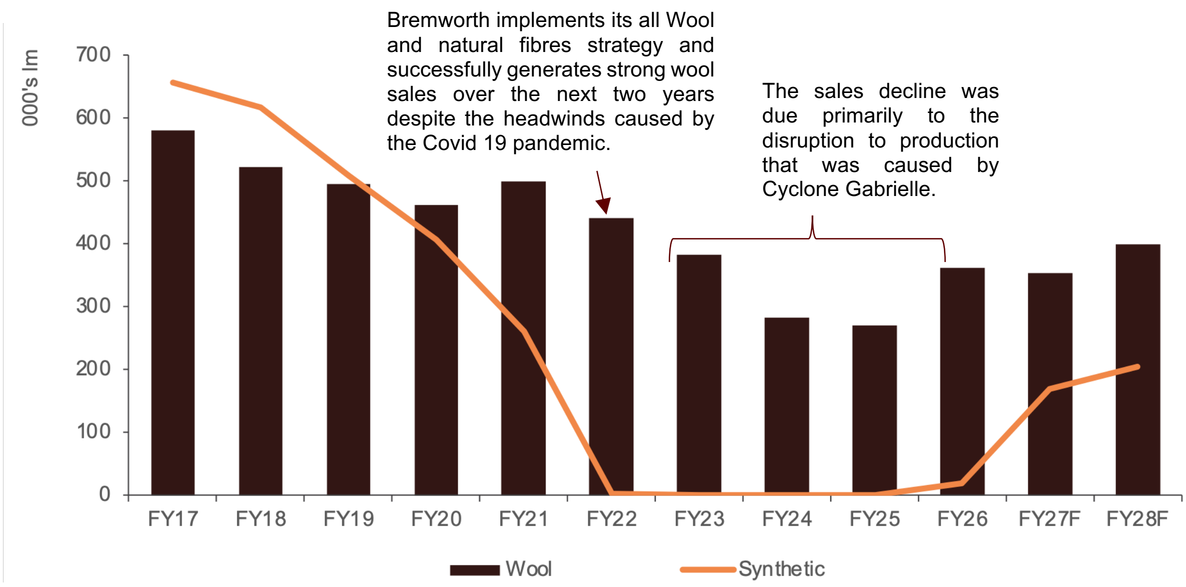
The following chart illustrates the actual financial performance of Bremworth Carpets from FY17 to FY26 and the forecast for FY27 and FY28. The detailed forecast assumptions for FY27 and FY28 are summarised in section 4.5.

BREMWORTH CARPETS
FINANCIAL PERFORMANCE SINCE FY17[17] ($MILLIONS)



Source: Bremworth annual reports and Clarien analysis

BREMWORTH CARPETS - SALES BY PRODUCT TYPE SINCE FY17 (000 LM)



Source: Bremworth management reports and Clarien analysis

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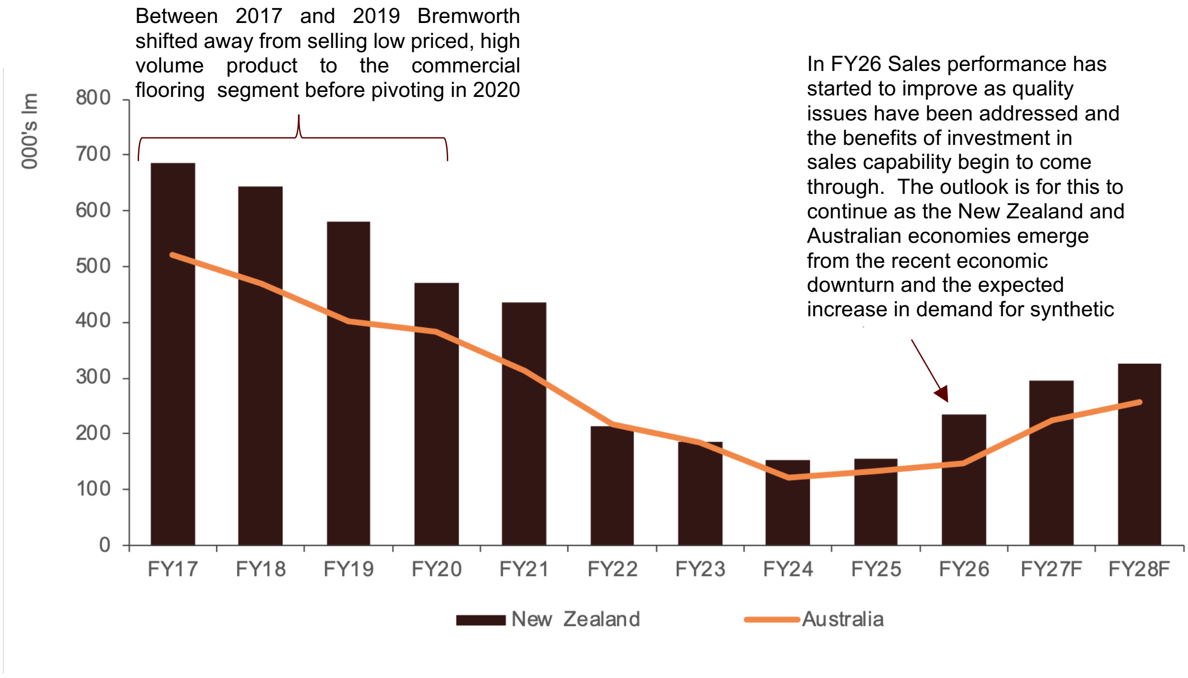
[17] Actual costs for Bremworth Carpets for FY17 to FY20 have been adjusted to include the rent payable under the sale and leaseback of the Papatoetoe property.

BREMWORTH CARPETS - SALES BY COUNTRY SINCE FY17 (000 LM)



Source: Bremworth management reports and Clarien analysis

The following comments are relevant when reviewing the graphs above:

- In 2015 Bremworth began implementing a new strategic plan that focused on strengthening its balance sheet, investing in its core broadloom carpet business and reducing its cost base by further right-sizing its manufacturing capacity in response to lower sales volumes. The new strategy started with the restructure of its Australian operations, selling the loss-making Ontera Modular Carpets tile business and consolidating yarn making. Bremworth also implemented cost-saving initiatives including the closure of the Christchurch plant, relocation of felted yarn[18] manufacturing to Whanganui and consolidation of all woollen yarn spinning operations to a single hub in Napier. The net result of these initiatives was that Bremworth achieved an increase in its profitability despite lower sales volumes.
- By the late 2010s increasing competition (particularly in the mid to lower end of the market) led to another change in Bremworth's strategy to focus on wool and higher-margin products. Hard flooring continued to grow in the market at the expense of soft flooring, and synthetic carpets' popularity increased. In 2019 Bremworth announced its new vision, which involved a transformational shift to "a *wool focused, design led business*"[19] that would build on its 50-year heritage and expertise in wool flooring and leverage its reputation for quality, brand strength and product innovation. The strategy was predicated on growing the woollen carpet segment of the flooring market globally, repositioning Bremworth as a small-scale manufacturer of high-quality woollen carpets sold to customers around the world and replacing high-volume, lower-margin synthetic carpet with lower-volume, higher-margin woollen carpet.
- Between 2020 and 2021 Bremworth adopted a new brand identity, sold its Papatoetoe property, downsized its Auckland manufacturing operation and increased its wool spinning capacity in

[18] Felted yarn is yarn that has been processed into a dense, non-woven fabric through a process called felting, which uses moisture, heat, and agitation to mat the fibres together.

[19] CEO address to shareholders at the Company's annual meeting on 27 November 2019.

Napier and Whanganui. Collectively these changes were in anticipation that while it would stop making synthetic carpet, some of the loss in volume would be replaced by selling more, higher-value wool carpets. Despite having some initial success in New Zealand with this strategy, Bremworth's sales performance in Australia continued to decline. The decision to exit synthetic carpets and the declining revenue from the sale of wool carpets to Australia contributed to Bremworth's carpet revenue halving from FY18 to FY25. Execution of the strategy was also constrained by restricted access to overseas markets during the COVID-19 pandemic and the economic downturn that followed.

- Cyclone Gabrielle in February 2023 had a material impact on the Company as it resulted in the closure of Bremworth's Napier spinning plant. Prior to the flood Bremworth's Napier plant had been producing 75% of Bremworth's total yarn for its Auckland tufting operation and 100% of dyed fibre for the Whanganui felting plant. The Company had to quickly pivot and establish new, external sources for woollen yarn. This significantly impacted Bremworth's performance due to the higher cost of externally sourced yarn, longer lead times, increased working capital requirements, quality issues and the fixed costs associated with the Napier site, including site remediation.

In May 2025 Bremworth began implementing the following further strategic initiatives:

- ***Yarn production.*** Bremworth selectively recommissioned its Napier plant such that all its woollen spun and felted yarns are now manufactured at its Napier and Whanganui facilities (just as it did pre-Cyclone Gabrielle). This is expected to result in an improvement in quality, a significant reduction in lead times and inventory requirements, and a reduction in the overall cost of yarn.
- ***Re-entering the synthetic carpet segment.*** Bremworth announced that it would re-enter the synthetic carpet segment in May 2025. It completed carpet design and product development and put in place new supply arrangements for nylon yarn in FY26, and has been manufacturing a limited range of synthetic carpets. Bremworth advises that the main flooring retailers have been supportive of its re-entry into the synthetic segment and while sales in both NZ and Australia have been slower than anticipated, these are expected to grow with the uncertainties brought about by the Floorscape Scheme now behind the Company.
- ***Refocus on Australasian retail.*** The focus has shifted to improving sales performance in New Zealand and Australia. There has also been a shift away from direct-to-consumer channels to focus on providing greater sales support for its retailer channel.
- ***Investment in sales force.*** Bremworth reduced its sales resource when it moved to the all-wool strategy and has now rebuilt that capability, adding sales representatives in-market to work directly with flooring retailers. Management has advised that the reduction in sales resource meant Bremworth did not maintain its relationships with flooring retailers in Australia, where its market share declined when it exited the synthetic carpet market. Management expects the additional in-market resource to support the sales growth assumed in the FY27 and FY28 forecasts.

4.3 Elco Direct

Elco Direct is one of New Zealand's largest wool buyers with a focus on the North Island. It buys greasy (or unscoured) wool (main clip, oddments and dags) direct from farmers each year, which it sells primarily to wool exporters. It also supplies Bremworth Carpets with 40-50% of its wool requirements. Bremworth accounts for between 5-10% of Elco Direct's total wool volumes.

Elco Direct has relationships with approximately 2,500 farmers throughout the North Island and employs staff at four locations in Cambridge (head office), Taumarunui, Raetihi and Whanganui. The company also has wool buyers covering other wool-growing regions in the North Island.

Elco Direct provides Bremworth with security of supply and full traceability to the source of its wool. Wool supply has become increasingly important as New Zealand's wool clip has continued to decline over time.

Elco Direct's revenues and gross profit fluctuate each year with volume and wool prices. Its operating costs are largely fixed. A summary of Elco Direct's historical financial performance for the five years to FY26 is set out below:

ELCO DIRECT - FINANCIAL PERFORMANCE (NZ$ MILLIONS)

YEAR ENDED 30 JUNE	2022	2023	2024	2025	2026
Revenue (including intercompany revenue)	**21.6**	**19.8**	**25.5**	**31.4**	**49.4**
Cost of sales	(19.9)	(18.2)	(23.1)	(28.9)	(46.0)
Gross profit	**1.6**	**1.7**	**2.5**	**2.5**	**3.4**
Operating expenses	(1.0)	(1.2)	(1.4)	(1.5)	(1.2)
EBITDA – pre IFRS-16	**0.7**	**0.5**	**1.1**	**0.9**	**2.2**
Operating Ratios					
Gross profit margin %	*7.6%*	*8.4%*	*9.8%*	*7.8%*	*6.8%*
EBITDA – pre IFRS-16 margin %	*3.1%*	*2.5%*	*4.2%*	*3.0%*	*4.4%*

4.4 Bremworth Historical Financial Performance

A summary of Bremworth's historical financial performance for the five years to FY26 is set out below:

BREMWORTH - FINANCIAL PERFORMANCE (NZ$ MILLIONS)

YEAR ENDED 30 JUNE	2022	2023	2024	2025	2026
Bremworth Carpets	76.3	71.5	57.1	59.5	61.8
Elco Direct	19.2	18.2	23.2	28.9	44.8
Total Revenue	**95.5**	**89.7**	**80.3**	**88.4**	**106.6**
Cost of sales	(65.8)	(65.0)	(60.8)	(76.9)	(92.0)
Gross profit	**29.7**	**24.7**	**19.5**	**11.5**	**14.6**
Distribution expenses	(16.3)	(16.2)	(14.6)	(15.1)	(15.0)
Administration expenses	(10.6)	(11.1)	(12.1)	(12.8)	(9.1)
Total Expenses	**(26.9)**	**(27.3)**	**(26.6)**	**(27.9)**	**(24.1)**
Other Income	0.7	0.5	0.5	0.5	0.1
Normalised EBIT	**3.5**	**(2.0)**	**(6.6)**	**(15.9)**	**(9.4)**
Restructuring costs & other abnormal items	-	13.6	11.0	35.1	(1.9)
Net finance income/(expense)	(0.9)	(0.5)	0.5	0.2	0.1
Income tax	(0.4)	(0.3)	(0.3)	(0.3)	(0.2)
Reported NPAT	**2.2**	**10.7**	**4.6**	**19.1**	**(11.4)**
Pre IFRS-16 Calculations:					
Normalised EBIT	3.5	(2.0)	(6.6)	(15.9)	(9.4)
Add: Depreciation on Right of Use Assets	1.0	1.0	1.1	1.1	1.2
Deduct: Lease costs	(3.0)	(2.9)	(2.2)	(2.3)	(2.4)
Normalised EBIT – pre IFRS-16	**1.4**	**(4.0)**	**(7.7)**	**(17.0)**	**(10.6)**
Add: Depreciation of Fixed Assets	0.9	0.8	0.9	1.2	1.7
Normalised EBITDA – pre IFRS-16	**2.3**	**(3.2)**	**(6.9)**	**(15.8)**	**(8.9)**
Operating Ratios					
Change in revenue %	*(14.4%)*	*(6.1%)*	*(10.5%)*	*10.1%*	*20.5%*
Gross profit margin %	*31.1%*	*27.6%*	*24.3%*	*13.0%*	*13.7%*
Normalised EBITDA – pre IFRS-16 margin %	*2.4%*	*(3.5%)*	*(8.6%)*	*(17.9%)*	*(8.4%)*

The following comments are relevant when reviewing the table above:

- Bremworth's financial performance has been adjusted to remove the impact of NZ IFRS 16 by including actual lease payments. NZ IFRS 16 artificially increases EBITDA because it removes lease payments from operating costs. Clarien's view is that lease costs are an operating cost of the business. Adjusting for NZ IFRS 16 also enables comparison of implied multiples with the transaction and sharemarket evidence set out in section 5.3, as the comparable companies, in particular those in the United States, are not required to apply NZ IFRS 16.
- The decision to exit the synthetic carpet segment during FY21 resulted in a revenue loss of approximately $19 million in FY22. The revenue decline in FY23 and FY24 was driven by a combination of the disruption to Bremworth's supply chain resulting from Cyclone Gabrielle and reduced market demand for flooring products due to the decline in residential construction and renovation activity.

- The financial losses on a normalised basis through the period shown primarily reflect:
  - ***a decline in revenue in FY24.*** Bremworth Carpets' total operating expenses have been relatively consistent from FY21 to FY25 reflecting the fixed cost nature of its flooring business. The decision to exit the synthetic carpet segment did not translate to any meaningful reduction in operating overheads. The build-up of inventory over this period also increased warehousing and storage costs.
  - ***a gross profit margin % decrease in FY25.*** The reduction in gross margin % is largely related to the shift to sourcing yarn from offshore suppliers at higher prices than what Bremworth was able to produce in Napier (including associated international freight costs) and reduced utilisation at Bremworth's three manufacturing locations impacting the recovery of fixed production costs and provisions relating to the write down and write offs of inventory.
  - ***sales volumes in FY26 being below expectations.*** Sales volumes were materially lower than forecast and were generated from lower-margin contracts and products, with revenue more heavily weighted towards a loss-making contract, clearances and seconds as Bremworth cleared old inventory. Revenue from first-grade wool products was lower than FY25 and sales of synthetic products were materially below expectations. The losses from Bremworth Carpets were partially offset by an improved performance from Elco Direct, which generated Normalised EBITDA – pre IFRS-16 of $2.2 million, up $1.3 million on FY25, reflecting improved trading conditions and higher wool prices.
- A meaningful reduction in administration expenses has occurred following the cost-out initiatives implemented by management to right-size the finance, IT, administration and sales support functions. Clarien notes that the strategic review and the Floorscape Scheme consumed a considerable amount of management time and potentially discouraged carpet retailers from re-signing Bremworth as a supplier for the new synthetic product range.
- Other income between FY22 and FY25 primarily relates to income from the New Zealand Government's Sustainable Food and Fibre Futures Fund and Waste Minimisation Fund.

A breakdown of abnormal items between FY22 and FY26 is outlined below:

BREMWORTH – SUMMARY OF ABNORMAL ITEMS ($ MILLIONS)

YEAR ENDED 30 JUNE	2022	2023	2024	2025	2026
Cyclone Gabrielle-insurance income	**-**	**35.5**	**26.5**	**42.2**	**-**
Payroll related expenses	-	(5.3)	(4.4)	(0.2)	-
Ongoing costs	-	(2.6)	(4.4)	(0.2)	-
Site clean-up	-	(6.4)	(1.0)	-	-
Cost incurred to avoid loss of revenues	-	-	(3.5)	(2.2)	-
Voluntary redundancies	-	-	(1.4)	-	-
Asset write-offs (including reversals)	-	(7.6)	0.8		-
Total Cyclone Gabrielle-expenses	**-**	**(21.9)**	**(13.9)**	**(2.6)**	-
Cyclone Gabrielle-related (net income)	**-**	**13.6**	**12.6**	**39.7**	-
Restructuring expenses	-	-	(1.6)	(2.7)	(2.8)
Onerous contract provision	-	-	-	(0.9)	(0.1)
Whanganui fire & related claim	-	-	-	(0.9)	1.0
Gain from property sale & leaseback	-	-	-	-	-
Total Abnormal Items	**-**	**13.6**	**11.0**	**35.1**	**(1.9)**

The following comments are relevant when reviewing the table above:

- Bremworth received a total of $104.2 million in compensation for Cyclone Gabrielle-related insurance claims from FY23 to FY25, with the final settlement payment for all claims being received in February 2025.
- Bremworth recognised a total of $38.4 million in Cyclone Gabrielle claim-related expenditure from FY23 to FY25, including:
  - $10.0 million of payroll-related expenses for employees whom Bremworth continued to pay but who were unable to work. This was primarily employees who had been working at the Napier site but also included some staff in Whanganui and Auckland;
  - $7.4 million of costs associated with the clean-up of the Napier site;
  - $7.1 million of costs in relation to the disruption caused to Bremworth's operations; and
  - costs incurred to avoid loss of revenues ($5.6 million), primarily reflecting the difference between the cost of externally sourced yarn compared to the cost at which the yarn was produced at the Napier site.
- Bremworth incurred $7.1 million in restructuring expenses over the last five years including:
  - $1.6 million in FY24 associated with further downsizing of the business and workforce; and
  - $2.7 million and $2.8 million in restructuring costs in FY25 and FY26 respectively, including the costs of the strategic review.
- Bremworth also recognised a $1.0 million provision (in FY25 and FY26) for a contract that was entered into during FY25. Management concluded following a review of the pricing structure that the Company would incur unavoidable costs to fulfil the contract that would result in a loss on sale of the carpet when it was delivered to the customer.
- In May 2025 a fire broke out at Bremworth's Whanganui yarn spinning plant resulting in damage to the property and inventories.

4.5 Forecast Financial Performance

A summary of the forecast for FY27 and FY28, with a comparison against FY26 is set out below:

FORECAST FINANCIAL PERFORMANCE ($ MILLIONS)

YEAR ENDED 30 JUNE	2026A	2027F	2028F
Bremworth Carpets	61.8	87.9	102.5
Elco Direct	44.8	42.9	46.7
Total Revenue	**106.6**	**130.8**	**149.2**
Cost of sales	(92.0)	(103.2)	(116.6)
Gross profit	**14.6**	**27.6**	**32.5**
Distribution expenses	(15.0)	(15.6)	(16.6)
Administration expenses	(9.1)	(9.8)	(9.8)
Total Expenses	**(24.1)**	**(25.4)**	**(26.4)**
Other Income	0.1	-	-
Normalised EBIT	**(9.4)**	**2.2**	**6.1**
Restructuring costs & other abnormal items	(1.9)	1.5[20]	-
Net finance income/(expense)	0.1	(0.3)	(0.4)
Income tax	(0.2)	(0.3)	(0.3)
Reported NPAT	**(11.4)**	**3.1**	**5.4**
Pre IFRS-16 Calculations:			
Normalised EBIT	(9.4)	2.2	6.1
Add: Depreciation on Right of Use Assets	1.2	1.3	1.2
Deduct: Lease costs	(2.4)	(2.5)	(2.5)
Normalised EBIT – pre IFRS-16	**(10.6)**	**1.0**	**4.8**
Add: Depreciation of Fixed Assets	1.7	2.0	2.0
Normalised EBITDA – pre IFRS-16	**(8.9)**	**3.0**	**6.8**
Operating Ratios			
Change in revenue %	*20.5%*	*22.7%*	*14.0%*
Gross profit margin %	*13.7%*	*21.1%*	*21.9%*
Normalised EBITDA – pre IFRS-16 margin %	*(8.4%)*	*2.3%*	*4.6%*

FY27 and FY28 reflect a projected turnaround in Bremworth's financial performance as a result of implementing a new strategic growth plan and the reinstatement of the Napier plant.

Bremworth's management has advised that while current market conditions are challenging, it considers the business to be strategically and operationally positioned to capitalise on an eventual recovery in residential construction and renovation activity. Management has confidence in the brand, the differentiated product offering and customer base. Bremworth's management expects the financial performance to improve in FY27 and FY28 as the benefits of revenue initiatives, cost reductions and manufacturing improvements are progressively realised. The timing and pace of any broader market recovery nevertheless remain uncertain.

The extent to which Bremworth will successfully achieve the planned turnaround in financial performance will be dependent on several factors, including:

- when and to what extent flooring retailers in Australia and New Zealand begin to see any uplift in consumer demand for new carpet;

[20] The $1.5 million in FY27 relates to the gain on sale of property sold in Napier.

- when and to what extent Bremworth begins to gain sales momentum. Bremworth began offering its limited range of synthetic carpets for sale in November 2025 and initial sales have been lower than expected but incremental growth each month is being achieved. Management has advised that resolution of the strategic review and the termination of the Floorscape Scheme have removed a source of uncertainty for retailers. This is reflected in recent engagements with Australian retailers, which are supported by some order momentum;
- whether the change from a design-led marketing strategy to deploying more sales resource in-market will deliver greater sales momentum and turn around Bremworth's declining market share in Australia;
- the extent to which competitor pricing behaviour in Australia and New Zealand constrains Bremworth's ability to retain volume and to recover recent input cost increases through price;
- whether Bremworth is able to improve utilisation of its tufting operations; and
- whether the medium term market opportunities management has identified in North America and China convert into meaningful sales volumes.

The forecast uplift in profitability in FY27 and FY28 is a function of the following key assumptions:

KEY MANUFACTURING & SALES METRICS

YEAR ENDED 30 JUNE	2025	2026	2027	2028
Volume of wool used to make yarn (tonnes)	**n/a**	**1,685**	**2,066**	**2,343**
Average cost of wool ($/kg of yarn produced)	**$4.57**	**$5.40**	**$7.90**	**$7.90**
Volume of yarn used to manufacture carpet (tonnes)	**652**	**1,551**	**1,901**	**2,155**
Volume of carpet sold (LM 000s)	**303**	**387**	**524**	**604**
Woollen carpet	303	367	354	400
Synthetic carpet	-	20	170	204
Average carpet sales revenue per LM ($)	**$183**	**$154**	**$168**	**$170**
Woollen carpet	$183	$158	$207	$212
Synthetic carpet	-	$83	$86	$87
Average cost of yarn ($/kg)				
Internal yarn - Napier	-	$18	$20	$20
Internal yarn - Whanganui	$18	$19	$20	$19
Tufted volumes (LM 000s)	**310**	**412**	**516**	**596**
Woollen carpet	310	368	341	386
Synthetic carpet	-	44	175	210
Average manufactured cost per LM ($)	**$124**	**$119**	**$122**	**$119**
Woollen carpet	$124	$117	$145	$145
Synthetic carpet	-	$64	$67	$67

The following comments are relevant when reviewing the tables above:

- The spinning plant in Napier became operational in October 2025, allowing Bremworth to stop using higher-cost woollen yarn sourced from external suppliers in its carpet production.
- Bremworth's budget shows that the Company expects to sell approximately 170,000 LM of synthetic carpet in FY27, with sales volumes increasing each month. The forecast for FY28 assumes that the volume of synthetic and woollen carpet sales then effectively plateaus at June 2027 levels, with the annualised effect of growth in sales volumes during FY27 explaining the uplift in revenue in FY28. The FY28 forecast is therefore considered a closer representation of the sustainable level of earnings that Bremworth can achieve if management is successful in growing the volume of synthetic carpet sales. While it may take some time for Bremworth to achieve this level of sales, it is a significantly lower volume than what Bremworth was selling before it introduced its all-wool strategy in 2020.
- The FY27 and FY28 forecasts assume the cost of wool remains high. Bremworth implemented an average price increase of approximately 9% across its carpet range to recover higher wool and other input costs. The full year effect of that increase is reflected in the forecast increase in average carpet sales revenue per LM from $154 in FY26 to $168 in FY27.
- Forecast tufted volumes in FY27 and FY28 remain below the volume which management has indicated is required to fully recover the fixed costs of the tufting operations. The forecast therefore does not assume full absorption of tufting overheads.
- Total distribution and administration expenses are forecast to increase from $24.1 million in FY26 to $25.4 million in FY27 and $26.4 million in FY28. The increase reflects the additional sales resource being deployed in-market, particularly in Australia, together with general cost inflation. The forecast improvement in earnings is largely a function of gross margin expansion and operating leverage rather than a reduction in the overhead base.
- The FY28 EBITDA is highly sensitive to relatively small movements across a range of variables. For example, Bremworth's management estimates that a 5% movement in sales volumes would decrease or increase EBITDA in FY28 by approximately 25%.

4.6 Financial Position

Bremworth's financial position between 30 June 2024 and 2026 is summarised below:

FINANCIAL POSITION ($ MILLIONS)

AS AT 30 JUNE	2024	2025	2026
Inventories	29.3	28.0	29.1
Trade receivables	9.2	11.1	14.1
Trade payables	(14.2)	(9.2)	(14.8)
Provisions for employee entitlements	(4.3)	(3.8)	(4.1)
Provisions for warranties and other claims	(1.5)	(2.0)	(2.1)
Accruals and other current assets & liabilities	(2.1)	(0.6)	(1.4)
Net Working Capital	**16.5**	**23.4**	**20.8**
Fixed assets	13.2	17.0	20.4
Right of use (net liability)	(9.1)	(8.8)	(8.4)
Deferred tax asset	0.4	0.5	0.6
Other non-current assets & liabilities	1.7	(0.9)	0.6
Net Operating Assets	**22.8**	**31.3**	**33.9**
Cash and equivalents	31.6	42.2	26.9
Net assets	**54.4**	**73.3**	**60.8**
Shares on issue at period end (million)	70.07	70.56	69.09
Net assets per share	$0.78	$1.04	$0.88

Source: Bremworth and Clarien analysis

The following comments are relevant when reviewing the table above:

- The movement in trade payables reflects the working capital requirements of Elco Direct, which is highly seasonal and working capital intensive.
- Inventory increased by $1.1 million in FY26 but its composition changed materially. Bremworth sold down sub-standard yarn and carpet over the 12 month period and rationalised slower-moving lines, while increasing its stock of internally produced yarn following the return to production of the Napier plant. Management has also shortened the supply chain and placed greater emphasis on the availability of key SKUs and samples. As a result, Bremworth's inventory profile as at 30 June 2026 is materially improved relative to the previous two years and better aligned with customer requirements.
- Cash and equivalents decreased by approximately $15.3 million in the 12 months to 30 June 2026, primarily reflecting the operating losses incurred in FY26 together with capital expenditure. Included within cash and equivalents is $4.9 million of restricted cash. Bremworth's banking facilities include guarantees provided by its Bank to third parties in respect of the Company's lease and other operating commitments, and the restricted cash is held as security against those guarantees.
- The lease at the Wiri distribution centre ended in early 2024. The distribution function was relocated back into the manufacturing site in Papatoetoe. The Company's lease obligations relate primarily to its Auckland property as well as a property in Cambridge that is being utilised by its wool procurement business, Elco Direct.
- In 2020 the Papatoetoe property was sold (and leased back) for net proceeds of $25 million. The leaseback of the Papatoetoe property introduced $1.6 million p.a. in rental operating costs (with provision for annual inflation adjustments). Bremworth estimated the present value of the lease obligations for the initial 14-year term at $19.3 million but recognised a right-of-use asset of only

$9.6 million. In accordance with NZ IFRS, this has resulted in a reported net liability of $8.4 million. The large difference between the asset value and the lease obligation arises because, under sale and leaseback accounting, the right-of-use asset is measured based on the retained portion of the previous carrying amount while the significant gain on the sale was largely recognised at settlement.

- Bremworth has sold a property in Napier for net proceeds of $1.7 million. This is likely to be settled in December 2026.

4.7 Cash Flow

Bremworth's cash flow from FY23 to FY26 is summarised below:

CASH FLOW ($ MILLIONS)

YEAR ENDED 30 JUNE	2023	2024	2025	2026
Customer receipts	91.2	80.8	86.9	104.0
Payments to suppliers & employees	(88.5)	(91.6)	(108.8)	(113.3)
GST refunded/(paid)	1.2	0.8	(2.1)	(0.1)
Lease costs	(2.9)	(2.2)	(2.3)	(2.4)
Grants & other income	0.6	0.3	0.2	0.2
Income tax paid	(0.2)	(0.1)	(0.2)	(0.1)
Adjusted Operating Cash Flow	**1.3**	**(11.9)**	**(26.3)**	**(11.8)**
Net receipts from Cyclone Gabrielle claims	24.7	7.0	41.0	-
Whanganui fire related income	-	-	0.5	1.2
Investment in fixed assets	(1.9)	(4.0)	(5.5)	(5.6)
Net Cash Flow before Financing Activities	**24.2**	**(8.9)**	**9.7**	**(16.3)**
Net interest income	0.3	1.3	1.1	0.9
Buyback and cancellation of shares (net of employee advances)	-	-	(0.1)	-
Net Cash Flow	**24.5**	**(7.7)**	**10.6**	**(15.4)**

Source: Bremworth and Clarien analysis

The following comments are relevant when reviewing the table above:

- Bremworth's adjusted operating cash (before insurance income and expenditures relating to Cyclone Gabrielle) decreased from positive $1.3 million in FY23 to negative $26.3 million in FY25.
- In FY26 Bremworth's adjusted operating cash improved, when compared with FY25, but overall the Company generated cash losses of $11.8 million due to the reasons summarised in section 4.4.
- Between FY23 and FY26 Bremworth invested approximately $17.0 million in fixed assets, with approximately $11 million relating to the staged reinstatement of property, plant and equipment at Napier. The capital expenditure on Napier reinstatement is largely complete.
- Bremworth has forecast capital expenditure in FY27 of approximately $3.0 million, including $0.8 million on IT systems and $1.4 million on manufacturing plant upgrades.

4.8 Capital Structure and Ownership

As at 17 August 2026 there were 2,305 registered shareholders in Bremworth:

BREMWORTH – MAJOR SHAREHOLDERS AS AT 17 AUGUST 2026

	NUMBER OF SHARES	PERCENTAGE
Mangawhai	13.6	19.7%
Rural Aviation	4.3	6.2%
Terence Harison, Michelle Scott and TRT Trustee Limited	2.6	3.8%
Suzanne Timpson and Fairlie Milne	2.4	3.5%
Matthew Timpson	2.4	3.5%
Top 5 shareholders	**25.3**	**36.6%**
Other Lock Up Shareholders	10.6	15.3%
Other shareholders yet to accept the Offer	33.2	48.0%
Total	**69.1**	**100.0%**

Source: NZX

The following comments are relevant when reviewing the table above:

- Rural Aviation is owned by interests associated with Grant Biel (one of the founders of Cavalier Carpets). On 2 March 2026 it was announced that Rural Aviation had sold half of its shareholding to Mangawhai.
- The price paid by Mangawhai for the Rural Aviation shareholding was $3.4 million, or $0.80 per share. The price was a premium to the closing 26 February 2026 price of $0.66. Shares jumped to $0.77 following the announcement of this trade.
- Mangawhai has entered into Lock Up Deeds with the next four largest shareholders and the majority of the top 10 shareholders.

4.9 Share Price Performance and Liquidity

The following table shows the price ranges, volume weighted average prices (**VWAP**) and the volume of Bremworth shares traded on the NZX prior to 10 August 2026 (the day it was announced that Mangawhai had entered into the Lock Up Deeds):

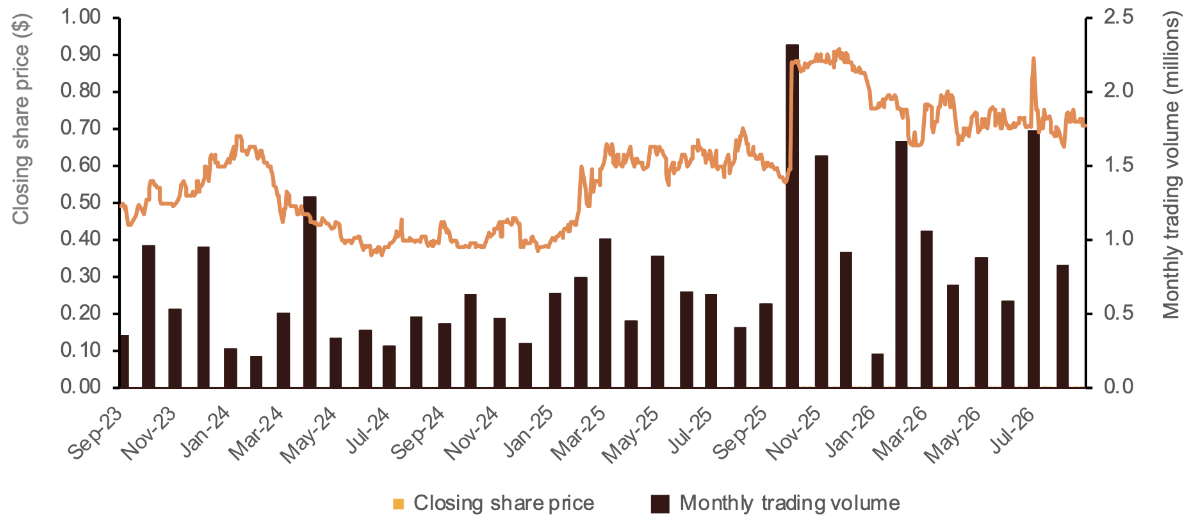
SHARE PRICE HISTORY

TIME PERIOD	LOW	HIGH	VWAP	VOLUME (000S)
1 month	0.65	0.75	0.70	1,560
3 months	0.65	0.89	0.73	3,320
6 months	0.64	0.89	0.72	6,870
12 months	0.56	0.93	0.77	12,570

Source: NZX Company Research, Clarien analysis

The share price and trading volume history of Bremworth shares from 1 September 2023 to 31 August 2026 is depicted below:

BREMWORTH SHARE PRICE AND VOLUMES SINCE SEPTEMBER 2023



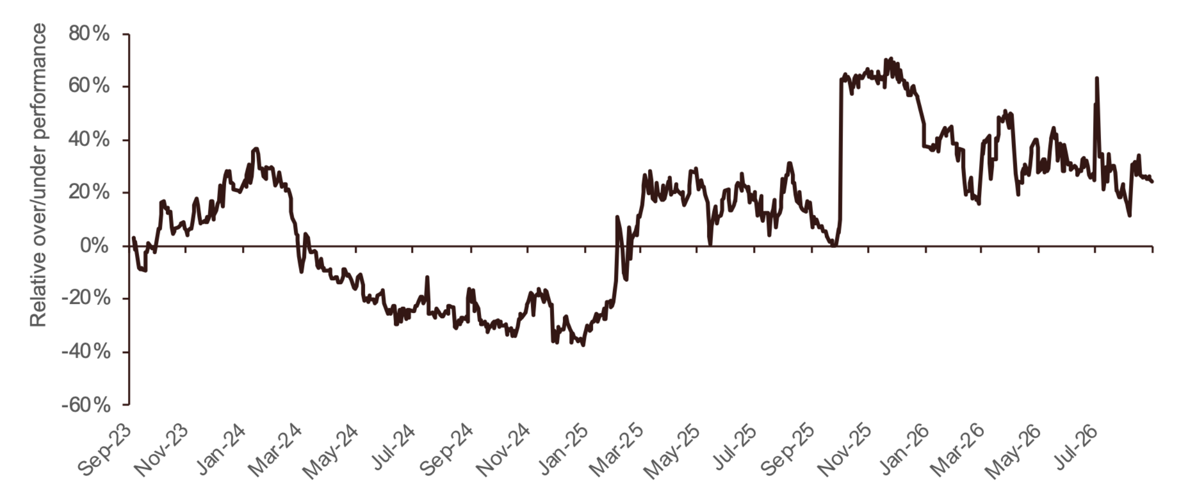
Source: NZX Company Research, Clarien analysis

Between September 2023 and January 2025 Bremworth's share price ranged between $0.44 and $0.65. On 4 February 2025 the Company announced that it had settled its insurance claim and the share price rose to $0.60. Over the following months shares traded at prices between a low of $0.49 and a high of $0.70 before closing at $0.62 on 1 October 2025. During this period Bremworth announced board and management changes, released results for FY25 and continued to keep the market updated about the ongoing strategic review.

On the day the Floorscape Scheme was announced (2 October 2025) the share price increased to $0.88 per share. Between the announcement of the Floorscape Scheme and 7 July 2026 (the day it was announced the Floorscape Scheme lapsed) the shares traded in a range of $0.64 to $0.93. On 6 July 2026 Mangawhai and other shareholders announced they would not vote in favour of the Floorscape Scheme, which resulted in the share price declining to $0.65. Since the announcement of the Lock Up Deeds, the share price has traded between $0.66 and $0.79.

Between September 2023 and August 2026 Bremworth's share price has outperformed the NZX50 Gross Index.

BREMWORTH SHARE PRICE PERFORMANCE VERSUS NZX50 GROSS INDEX



Source: Capital IQ, Clarien analysis

5 Valuation of Bremworth

5.1 Preferred Methodology

5.1.1. Overview

Clarien's valuation of Bremworth is an estimate of fair market value as a going concern, which is defined as the price that could be realised for an asset in an open market over a reasonable period with all potential buyers in possession of full information. Clarien has assumed that potential buyers will acquire the whole company and on that basis the value ascribed to Bremworth incorporates a premium for control.

The valuation of Bremworth exceeds the price at which, under current market conditions and in the absence of a takeover offer or similar proposal, its shares could be expected to trade on the share market. Share prices for listed companies typically reflect trades in small parcels of shares or portfolio interests and therefore do not usually include any premium paid to obtain control of the company.

5.1.2. Preferred Approach

The most reliable evidence as to the value of a business is the price at which the business or a comparable business has been bought and sold in an arm's length transaction. In the absence of direct market evidence of value, estimates of value are made using methodologies that infer value from other available evidence. There are four primary valuation methodologies commonly used for valuing businesses:

- capitalisation of earnings or cash flows;
- discounting of projected cash flows;
- industry rules of thumb; and
- estimation of the aggregate proceeds from an orderly realisation of assets.

Each of these valuation methodologies has application in different circumstances. The primary criterion for determining which methodology is appropriate is the actual practice adopted by purchasers of the type of business involved. A detailed description of each of these methodologies is outlined at Appendix C.

The strategic initiatives described in section 4.2.3 are only part-way through implementation. Sales of the reintroduced synthetic range have been slower than expected, although month-on-month growth in volumes is now being achieved in both Australia and New Zealand.

In FY26 Bremworth also:

- successfully reinstated production of wool-based yarns in Napier;
- materially improved the composition of its yarn and carpet stock by disposing of a significant amount of clearance and seconds stocks;
- substantially fulfilled its obligations under an onerous contract with a large customer; and
- restructured operations to right size its distribution and administration functions.

Bremworth's FY27 budget shows the carpet division returning to profitable trading in FY27. In Clarien's opinion there is a reasonable prospect that Bremworth will achieve its budget but notes that, while market conditions are starting to improve slowly, the trading environment remains challenging and some market participants are competing aggressively. Consequently, the rate of improvement in financial performance over the near term may prove slower than forecast but, in Clarien's opinion, remains achievable in time if management succeeds in executing its current sales strategy.

A discounted cash flow methodology is often preferred in circumstances where there is a business turnaround as it allows the valuer to explicitly assess changes in future cash flows and more specifically in this case, the expected changes in the volume of carpet sales over time. However, the approach requires medium to long term financial projections which were not available at the date of this report. Accordingly, Clarien has placed primary reliance on a capitalisation of earnings methodology to value Bremworth and considered the aggregate proceeds from an orderly realisation of assets as a cross-check.

5.2 Summary

Clarien has valued Bremworth in the range $60 million to $74 million, which corresponds to a value of $0.87 to $1.07 per share. The valuation is summarised below:

BREMWORTH – VALUATION SUMMARY ($ MILLIONS)

	VALUE RANGE	
$ MILLIONS EXCEPT WHERE STATED	LOW	HIGH
Enterprise value	**35.2**	**49.4**
Other assets and liabilities	(1.8)	(2.3)
Cash & cash equivalents at 30 June 2026	26.9	26.9
Value of equity	**60.3**	**74.0**
Fully diluted shares on issue (millions)	69.1	69.1
Value per share	**$0.87**	**$1.07**

The valuation reflects the strengths and weaknesses of Bremworth and takes account of the following:

- ***Competitive Landscape.*** Bremworth has been competing in the flooring markets in New Zealand for over six decades and in Australia since the 1980s. Competition in the flooring markets has progressively intensified through this period as the New Zealand and Australian economies opened to imported products. Consumer preferences have also changed with alternatives such as synthetic carpets and later hard flooring options becoming more prevalent. There has also been industry consolidation which has led to fewer larger domestic manufacturers of carpets and fewer larger scale retail chains and buying groups in competition with large scale manufacturers offshore. Bremworth therefore competes as a comparatively small-scale manufacturer against larger domestic and offshore competitors and an increasingly concentrated retail customer base, which limits its pricing power.
- ***Brand Strength & Competitive Advantage.*** Bremworth is a widely recognised brand associated with high-quality woollen carpets and enjoys well-established sales channels in New Zealand and is re-establishing its sales channels in Australia. The Company has a competitive advantage in woollen carpets given its ability to access wool and produce high quality spun and felted yarn in sufficient quantities to meet the requirements of its carpet manufacturing operation.
- ***Market Recovery & Economic Outlook.*** Market conditions continue to prove challenging. Evidence of an increase in sales demand from the anticipated economic upturn in Australia and New Zealand only started to emerge in late 2025 before the Iranian conflict caused further disruption. The outlook is more favourable in comparison to the last two financial years but there remains considerable uncertainty and Clarien believes it will be some time before activity gradually increases in the residential housing and commercial construction sectors in New Zealand.

- ***Bremworth has successfully launched a limited range of synthetic carpets.*** The volume of synthetic carpets sold has been increasing month on month since the first sales were made in New Zealand in November 2025 and Australia in January 2026. However, total synthetic carpet sales for the year ended 30 June 2026 were well below what management had budgeted for, which in part can be attributed to delays in the launch of this new range of products. The number of retailers taking up the new product offering and sales growth generally has also been slower than expected, which management believes is due to subdued consumer demand and the uncertainty caused by the Floorscape Scheme, which led some retailers to delay their decision to stock Bremworth's synthetic carpet range.
- ***Winning back market share in Australia is critical.*** It is evident that Bremworth began to lose market share in Australia when it moved to an all-wool strategy in late 2020. The reintroduction of a limited range of synthetic carpets may enable Bremworth to win back some retailers who stopped selling its products five years ago because it could not offer both synthetic and woollen carpets. According to management the change to deploying more sales reps in Australia has also been well received by carpet retailers. However, winning back market share in Australia is by no means assured.
- ***The rightsizing of operations is now largely complete.*** The change in strategy in mid 2025 led to Bremworth reintroducing the sale of a limited range of synthetic carpets with the intention that higher volumes of carpet production would lead to economies of scale for Bremworth's manufacturing and sales operations. Management also restructured its carpet manufacturing operations and administration functions to right size cost structures for the volume of yarn and carpet currently being made. This resulted in a substantial reduction in operating expenses. Production of yarn in Napier has also been reinstated and Bremworth has sold a significant volume of clearance and seconds stock to improve the quality of its finished goods inventory, supporting the planned growth in sales.
- ***Execution Risk.*** The Company has faced both external headwinds and internal challenges as management implemented the change in strategy in FY26. By comparison the outlook for FY27 appears more favourable, with operational changes largely complete and market conditions showing some signs of improvement. Bremworth has also successfully manufactured and sold a significant volume of synthetic carpet in the past and Clarien believes it is reasonable to expect that the Company can do so again but there remains considerable execution risk.

5.2.1. Earnings

Bremworth's FY27 Budget reflects a continuation of the turnaround in the financial performance of its Carpets division. While the FY27 Budget shows Bremworth returning to profitability, it is not considered representative of a sustainable level of earnings if management succeeds in implementing the current growth strategy. The FY28 forecast shows the potential uplift in profitability if Bremworth can return to selling the volume of woollen carpets it was selling in FY22 and FY23 and make the step up to selling, on average, approximately 17,000 lineal metres of synthetic carpets a month.

Having regard to the risks associated with achieving the FY28 forecast, Clarien has adopted a range of $6.4 million to $7.6 million as the EBITDA for valuation purposes. Note that EBITDA for valuation purposes is pre IFRS-16 and includes an allowance for the expected cost savings that are available to multiple acquirers (refer section 5.2.3 below).

5.2.2. Other Assets & Liabilities

The table below provides a breakdown of the value separately ascribed to specific assets & liabilities of the Company:

BREMWORTH – OTHER ASSETS & LIABILITIES

$ MILLIONS EXCEPT WHERE STATED	LOW	HIGH
Tax losses	5.5	6.0
Proceeds from the sale of surplus land in Napier	1.7	1.7
Provisions for warranties	(2.1)	(2.1)
Investment in working capital required to support sales growth	(7.0)	(8.0)
Other assets & liabilities	**(1.8)**	**(2.3)**

The following comments are relevant when reviewing the table above:

- Bremworth has conditionally sold some surplus land in Napier. The transaction is expected to settle in December 2026.
- Bremworth has substantial tax losses carried forward in Australia and New Zealand. The tax losses in Australia relate to Ontera Modular Carpets, which is a discontinued business. Bremworth has no plans to re-enter the modular tile business. Consequently, Bremworth is not able to utilise its tax losses carried forward in Australia and will continue to pay income tax in Australia.
- Bremworth's accumulated tax losses carried forward in New Zealand totalled $32 million at 30 June 2026.[21] Clarien has determined a present value range for the tax losses carried forward in New Zealand by assuming that Bremworth's assessable income in New Zealand for the foreseeable future falls within the range of earnings adopted for valuation purposes.
- Bremworth had a provision for warranty claims of $2.1 million at 30 June 2026, which Clarien has adopted as a reasonable estimate of the likely costs to be incurred going forward to remedy claims in relation to past carpet sales.
- Earnings for valuation purposes represent an estimate of the sustainable level of earnings if management can successfully achieve the forecast increase in volume of carpet sales. However, Bremworth will have to fund a higher level of working capital in order to produce and sell more carpet than what is currently being sold by its carpet division.

5.2.3. Synergies

Valuation practice allows for the recognition of cost savings (and other synergies) that would theoretically be achievable across multiple acquirers, but it excludes any synergies that are unique to a particular buyer. An acquirer of Bremworth should be able to achieve savings in overheads relating to the costs of operating as a publicly listed entity. Accordingly, Clarien has excluded an estimated $0.8 million of the forecast costs associated with Bremworth's NZX listing, including directors' fees, audit fees, consultancy fees and share registry costs.

[21] This is the gross amount of the tax losses carried forward. The deferred tax benefit arising from these losses carried forward is approximately $9 million at an effective tax rate of 28%.

5.3 Earnings Multiple Analysis

5.3.1. Implied Multiples

The enterprise value of $35.2 million to $49.4 million implies the following valuation parameters:

BREMWORTH – IMPLIED VALUATION PARAMETERS

	VARIABLE ($ MILLION)	RANGE OF PARAMETERS	
		LOW	HIGH
Enterprise Value range ($ million)		**35.2**	**49.4**
Multiple of EBITDA (times)			
Year ending 30 June 2027 (inc synergies)	3.8	9.3	13.1
Year ending 30 June 2028 (inc synergies)	7.6	4.6	6.5
EBITDA for valuation purposes	6.4 - 7.6	5.5	6.5
Multiple of EBIT (times)			
Year ending 30 June 2027 (inc synergies)	1.8	19.6	27.5
Year ending 30 June 2028 (inc synergies)	5.6	6.2	8.7
EBIT for valuation purposes	4.4 – 5.6	8.0	8.8

The capitalisation multiples calculated above can be compared to the EBITDA multiples inferred from prices at which shares in comparable listed companies are trading and the value parameters of transactions involving other similar businesses operating in the flooring product manufacturing and distribution industry. Average earnings multiples implied by the transaction price of successful transactions and by the share prices of comparable listed companies are summarised below:

MARKET MULTIPLES

	HISTORICAL	FORECAST
Average EBITDA multiples from transaction evidence (<$200 million)	5.9	na
Average EBITDA multiples for comparable companies	7.1	7.4
Average EBIT multiples from transaction evidence (<$200 million)	7.1	na
Average EBIT multiples for comparable companies	10.9	10.8

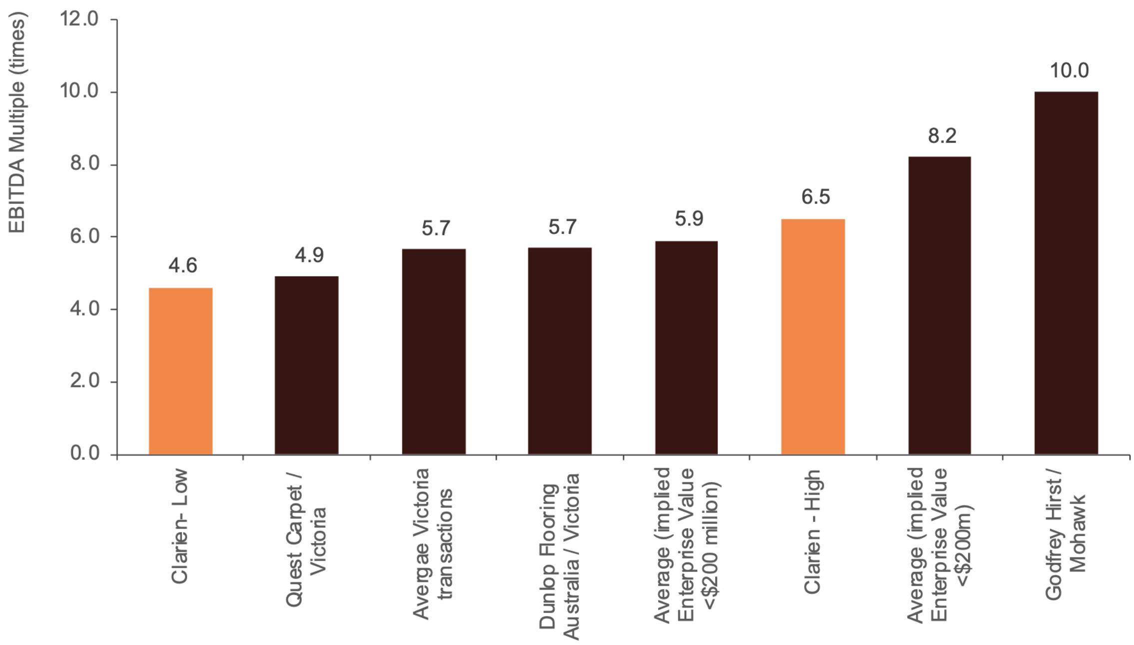
While none of the listed companies or transactions examined are directly comparable with Bremworth, the implied EBITDA and EBIT multiples provide a framework to assess the valuation of Bremworth.

Having regard to the strengths and weaknesses of Bremworth as summarised in section 5.2 and the comparable evidence set out below, Clarien considers the multiples implied by the valuation range to be appropriate.

The implied multiples based on the EBITDA adopted for valuation are consistent with the multiples implied by transactions involving businesses of a comparable scale. The implied forecast EBITDA multiples from Clarien's valuation of Bremworth at the low end of the range are below the multiples implied by the share prices of the comparable listed companies, which Clarien considers appropriate having regard to the difference in scale and diversification, Bremworth's concentration in two markets, its recent trading history and the execution risk attaching to the forecast earnings.

The forecast EBITDA multiples implied by Clarien's valuation are compared with the transaction evidence below:

IMPLIED EBITDA MULTIPLES VS COMPARABLE TRANSACTION EVIDENCE



When comparing the implied multiples of Clarien's valuation of Bremworth with comparable transaction evidence it is important to consider the following:

- Over the last ten years there have been numerous transactions globally in the flooring sector. Victoria PLC (**Victoria**) and Mohawk have been particularly active in consolidating the flooring product manufacturing and distribution industry[22].
- Victoria is a significant global manufacturer and distributor of flooring products headquartered in the UK. Victoria has completed many bolt-on acquisitions over time. The average implied EBITDA multiple across 11 transactions completed by Victoria between 2015 and 2022 was 5.7 times. The average enterprise value across these transactions was approximately NZ$90 million.
- The average historical implied EBITDA multiple involving companies with an enterprise value less than $200 million is approximately 5.9 times, which is materially lower than the average historical implied EBITDA multiple for larger companies of 8.2 times. Larger companies typically trade at higher implied multiples when compared to smaller companies. This typically reflects several attributes including greater diversification, economies of scale, quality of management and operations and, in some instances, strategic value to the acquirer, which could include the potential for the realisation of meaningful synergies. Two of the recent large transactions in the sector were undertaken by Mohawk (the owner of Floorscape):
  - In 2018 Mohawk completed the acquisition of Godfrey Hirst for an enterprise value of A$466 million (equivalent to approximately NZ$516 million). Godfrey Hirst was the largest flooring business in New Zealand and Australia. It was a vertically integrated business, manufacturing in both New Zealand and Australia and supplying both broadloom and modular carpet together with a range of hard surface products. The transaction was completed before the current downturn in residential construction and it was performing strongly at the time. This was

[22] Clarien has included the transaction evidence related to recent Mohawk acquisitions where the company being acquired was broadly comparable and there was sufficient public information to derive implied transaction multiples.

considered a large strategic acquisition for Mohawk which, combined with Godfrey Hirst's financial performance at the time of the transaction, may assist in explaining the high implied multiples at 10 times historical EBITDA and 12.5 times historical EBIT.

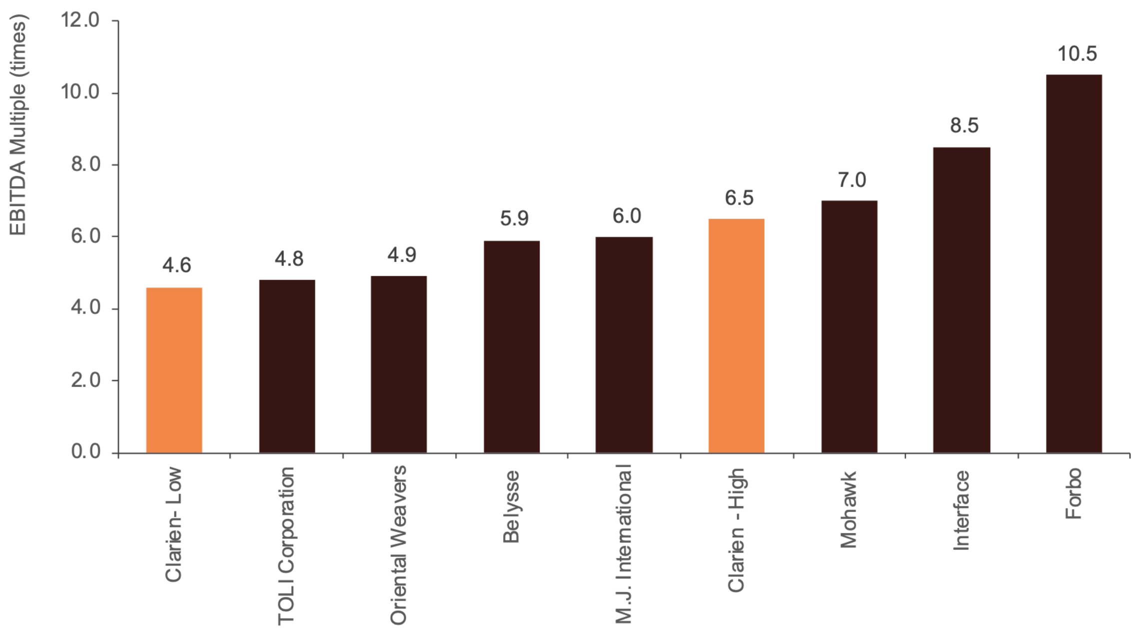
- In 2018 Mohawk acquired Eliane S/A, a Brazilian based ceramics tile business for an enterprise value of US$247.8 million (equivalent to approximately NZ$376 million). The higher implied multiples for this transaction at 10.3 times historical EBITDA and 13.8 times historical EBIT also reflect the strategic nature of the acquisition for Mohawk and the large size of the transaction.

Clarien would expect Bremworth to be valued at a discount to these two large transactions, due to the scale difference in the operations.

- There have been two other relevant transactions in Australasia - Victoria's acquisitions of Dunlop Flooring Australia and Quest Carpets. Both of these companies were of similar scale to Bremworth in regard to revenue and earnings and were acquired at implied multiples of 5.7 times and 4.9 times historical EBITDA respectively.

The forecast EBITDA multiples implied by Clarien's valuation are compared with the implied multiples of comparable listed companies below:

IMPLIED EBITDA MULTIPLES VS SHARE MARKET RATINGS OF SELECTED LISTED COMPANIES[23]



When comparing the implied multiples of Clarien's valuation of Bremworth with share market ratings of listed companies it is important to consider the following:

- The multiples implied by the valuation reflect Clarien's estimate of full underlying value (i.e. a value incorporating a premium for control). The trading multiples for the comparable companies do not reflect any premium for control. The multiples are based on closing share prices as at 10 September 2026.

[23] Where available Clarien has used the implied forecast EBITDA multiples for comparison.

- There are no publicly listed companies that primarily operate as flooring product manufacturers in Australia and New Zealand. Clarien has therefore considered the multiples implied by share market prices of publicly listed flooring product manufacturers that operate internationally. Mohawk is the closest comparable company as the owner of Godfrey Hirst, which competes in Australia and New Zealand.
- Mohawk's share price has been volatile over the last six months. It has recently increased off the back of a strong financial performance in the second quarter of 2026 and an optimistic outlook on future demand, with management stating that home renovations are becoming increasingly popular in most of Mohawk's markets. Demand for its product has remained stronger than expected despite the conflict in Iran and broader economic uncertainty, particularly in the commercial sector. Mohawk continues to seek strategic acquisitions to expand offerings in new and existing markets, which until recently included the acquisition of Bremworth. Brokers forecast only a small increase in earnings for FY27 due to continued macroeconomic headwinds, which may explain why long-term share price performance has been mixed. Brokers remain cautious on the outlook due to factors such as trade policy, raw input costs and a slowing economy's impact on demand for home renovations and new builds.
- Clarien has elected to exclude Victoria PLC from the listed comparable analysis, as its current and forecast performance (based on broker coverage) significantly skews its implied multiples and it is a clear outlier. In 2025 Victoria had its worst-performing year since 2016, and brokers forecast financial performance to deteriorate further in 2026, struggling with weak demand in Europe and further afield. Victoria is also highly leveraged. Brokers forecast financial performance to improve at a modest pace in FY27 and beyond, although the implied multiples are still significantly higher than other companies in the sector.
- Forbo is trading at the highest forward multiples (excluding outliers) of the companies being compared. Forbo has had a strong 12 months, with its share price up approximately 20%, which can largely be attributed to its half-year report which was released in late July, which showed growth in net sales and stronger recurring operating profit and confirmed full-year guidance.
- Belysse Group is trading at lower implied multiples compared to past performance and its peers. Over the last 12 months, Belysse's share price has declined approximately 44%. Belysse has suffered from declining revenues and profitability over the past few years due to weak demand from Europe, while maintaining relatively high debt levels. Brokers forecast sales and earnings to improve from FY27 onwards but the share price remains at a record low. Broker coverage is limited; however one broker considers the share price considerably undervalued following the selloff over the previous 12 months, with a positive earnings outlook, leadership change and resilient demand in the United States contributing to upside potential. One European broker values Belysse at approximately 5.0 times forecast recurring EBITDA.
- There are considerable differences between the operations and scale of the comparable listed companies when compared with Bremworth. In addition, care needs to be exercised when comparing multiples of New Zealand companies with internationally listed companies. Differences in regulatory environments, share market and broader economic conditions, taxation systems and accounting standards hinder comparisons.
- The companies selected have varying financial year ends. The data presented in the graph above is the most recent annual historical result plus the subsequent forecast year.
- An explanation regarding the interpretation of the above multiples is included at Appendix D.

5.4 Orderly Realisation of Assets

Clarien considered an assessment of the value of Bremworth shares by adopting the orderly realisation of assets methodology as a cross-check to its capitalisation of earnings valuation. The table below provides a breakdown of estimated proceeds from the orderly realisation of assets:

BREMWORTH – PROCEEDS FROM AN ORDERLY REALISATION OF ASSETS

$ MILLIONS EXCEPT WHERE STATED	BOOK VALUE	NET REALISABLE VALUE
Land & Buildings	9.1	13.4
Plant & Machinery	19.7	14.1
Other Fixed Assets	1.5	1.0
Impairment Provision	(9.9)	-
Sub-total – Fixed Assets	**20.4**	**28.4**
Inventory	29.1	25.6
Cash & Short-term Deposits	26.9	26.9
Other Assets & Liabilities	(8.2)	(8.4)
Net Lease Liabilities	(8.4)	(7.9)
Deferred Tax Asset & Intangibles	1.0	1.8
Aggregate value	**60.8**	**66.6**
Fully diluted shares on issue (millions)	69.1	69.1
Value per share	**$0.88**	**$0.96**

The estimate of the aggregate proceeds that Bremworth shareholders would receive from the orderly realisation of assets and liquidation of the group of companies takes account of the following:

- Bremworth owns property in Napier, Raetihi, Taumarunui and Whanganui. The book values for these properties are materially lower than their current capital values and high level, indicative assessments of market value for the properties at Waitangi Road, Napier and Leamington St, Whanganui provided by Bayleys in March 2025 and July 2024 respectively. Accordingly, Clarien has adopted estimates of the net realisable value for the properties having regard to this market evidence, as that was all that was available at the date of this report.
- Management has provided its assessment of the net realisable value of all inventory on hand at 30 June 2026 and those items of the plant and machinery that it believes would be saleable in the event of an orderly realisation of assets.
- Other fixed assets comprise motor vehicles, office furniture, computer equipment and computer software.
- At different times Bremworth has recorded general provisions for the impairment of the book value of its fixed assets. Most recently, this included provisions related to the damage caused by Cyclone Gabrielle to the property and other assets in Napier. While these provisions remain on Bremworth's balance sheet, they are not applicable under an orderly realisation of assets approach, which involves an assessment of net realisable value of individual assets in their current state and condition.
- Other assets and liabilities include trade receivables, trade payables, employee entitlements and provisions for warranty claims and make good provisions in relation to property leases. The book value of these assets and liabilities is considered representative of their net realisable value today.
- At 30 June 2026 the fair value of lease liabilities was $15.8 million which represents the present value of future lease payments through to the end of the term of each property lease assuming no renewal takes place. The largest component of Bremworth's lease liabilities relates to its head office and manufacturing facility in Papatoetoe, which has a further 8 years before it reaches the

end of its initial 14-year term. In Clarien's opinion Bremworth would find it challenging to sublet the Grayson Ave property but it is conceivable that the land has a higher and better use and the landlord may be willing to accept a lesser amount from Bremworth if it were to surrender the lease. Accordingly, Clarien has assumed that Bremworth would incur 50% of the fair value of lease liabilities in the event of an orderly realisation of assets and winding up of the companies.

- Bremworth has been voted New Zealand's most trusted carpet brand for 13 consecutive years. It is therefore likely that the Company would be able to sell the brand and related intellectual property in the event of an orderly realisation of assets. Clarien has estimated the net realisable value of the brand using the relief from royalty method and assuming a royalty of 0.5% on FY26 woollen carpet sales.

An orderly realisation of assets and winding up of operations and legal entities will take time and the Company would incur costs over and above the costs to sell individual assets that are reflected in their net realisable values. Bremworth will have to maintain a skeleton staff to administer the sell down of assets, liquidation of companies and return of capital to shareholders. It is also likely to incur redundancy costs and some costs to conclude existing contractual arrangements with suppliers and customers. Any delays in selling assets, exiting property leases and unwinding other contractual arrangements will add cost and uncertainty as to the outcome of the liquidation process.

Accordingly Clarien has concluded that the value Bremworth shareholders will receive from an orderly realisation of assets would be less than $0.96 per share and it will take a considerable amount of time before the net proceeds are fully distributed to shareholders.

6 Merits of the Offer

6.1 The Value of the Offer

- ***Clarien's assessment of the value of Bremworth.*** In Clarien's opinion the full underlying value of Bremworth's shares is in the range of $0.87 to $1.07 per share. This represents the value of 100% of the equity in Bremworth and therefore includes a premium for control. In Clarien's opinion the offer price under a takeover offer where the offeror will gain control should be within, or exceed, the pro-rated full underlying valuation range of the company. The Offer price of $0.90 per share is within Clarien's assessed value range for Bremworth's shares. The chart below compares the Offer price with Clarien's assessed value range for Bremworth's shares and Bremworth's share price immediately prior to the announcement of the Offer.

CLARIEN VALUATION RANGE VERSUS THE OFFER PRICE AND PRE-OFFER SHARE PRICE (NZ$ PER SHARE)

Clarien's valuation assumes that Bremworth continues as a going concern and achieves the projected turnaround in its financial performance. These assumptions are by no means assured.

- ***The premium implied by the Offer.*** The Offer price of $0.90 implies a 29% premium to the 1-month VWAP on the day before the Offer was announced[24].

- ***Comparable company and comparable transaction data.*** Clarien considers the forecast FY28 EBITDA multiples implied by the Offer price to be reasonable in the context of the comparable company and transaction evidence set out in section 5.3, and the strengths and weaknesses of Bremworth.

[24] 10 August 2026 being the day it was announced that Mangawhai had entered into the Lock-Up Deeds. Due to the timing of the Floorscape Scheme and various announcements leading up to the Mangawhai Offer, a VWAP of an undisturbed share price over a longer period of time is not possible.

6.2 The timing and circumstances surrounding the Offer

Over the last 10+ years Bremworth has implemented a range of strategic initiatives that have included the divestment of businesses and several restructures to reduce operating costs and right-size manufacturing capacity in response to lower sales volumes. Bremworth's most significant strategic shift was in 2020 when the Company moved to an all-wool and natural fibres strategy.

While Bremworth had some initial success with this new strategy in New Zealand, its sales performance in Australia declined. The shutdown of Bremworth's Napier spinning plant in 2023 as a result of the flooding associated with Cyclone Gabrielle materially impacted Bremworth's ability to execute on its all-wool strategy. This led to Bremworth having to source yarn externally, resulting in higher costs, longer lead times, increased working capital requirements and periodic quality issues. Bremworth's financial performance has deteriorated since 2023 due to the continued impact of the Napier spinning plant shutdown, a challenging economic environment in New Zealand and an increase in competition from lower-priced imported synthetic products and alternatives such as hardwood floors.

Over the last 18 months Bremworth has also implemented a range of strategic initiatives which have included:

- the re-entry into the synthetic carpet segment in New Zealand and Australia to grow volumes and meet the demands from its sales channels; and
- aligning the cost base with its lower manufacturing volumes. This has included a complete review of the business operations to simplify the business and maximise efficiency.

Board changes and the appointment of several new senior executives took place over the first six months of 2025. In February 2025 Bremworth announced that it was commencing a strategic review of its ownership structure which led to the Floorscape Scheme. In early July 2026 Mangawhai and shareholders representing approximately 38% of Bremworth's voting rights announced that they intended to vote against the Floorscape Scheme, which led to the Floorscape Scheme lapsing. On 4 September 2026, Mangawhai made the Offer which if successful will result in Mangawhai holding up to 55% (and no less than 50.01%) of the voting rights.

6.3 Potential outcomes of the Offer

Mangawhai currently holds or controls 19.7% of Bremworth's total voting rights and it has entered into Lock Up Deeds with the Lock Up Shareholders who collectively own approximately 32.2% of the voting shares in Bremworth, obliging those shareholders to accept the Offer[25]. Since the Offer was made owners of a further 3.6% of the shares on issue have accepted the Offer. As at the date of this report Mangawhai has received sufficient acceptances to take its shareholding to 55.6% and therefore the Offer will satisfy the Minimum Acceptance Condition[26]:

[25] Each Lock Up Shareholder must accept the Offer, or procure acceptance of the Offer, in respect of all Bremworth shares it holds or controls, within one working day after the independent adviser's report is released to NZX, provided the value range ascribed by the independent advisers spans the Offer price. As the Offer price is within Clarien's valuation range, the report has considered the shares held by Lock Up Shareholders to be accepted into the offer.

[26] The conclusions relating to the level of shareholding accepted into the offer were based on acceptances as at 15 September 2026.

SHARES HELD OR CONTROLLED BY MANGAWHAI AND SHARES YET TO ACCEPT THE OFFER

SHARE	SHARES ON ISSUE (MILLIONS)	SHAREHOLDING PERCENTAGE (%)
Mangawhai Collective	13.6	19.7%
Lock Up Shareholders	22.3	32.2%
Other Shareholders accepted into the Offer	2.5	3.6%
Shares held or accepted into the Offer	**38.4**	**55.6%**
Other shareholders yet to accept the Offer	30.7	44.4%
Total shares on issue	**69.1**	**100.0%**

Mangawhai is not permitted to acquire more than 55% of the issued shares in Bremworth under the Offer. As the total acceptances have resulted in Mangawhai holding more than 55% of the shares on issue, acceptances will be scaled back and shareholders who accept more than 43.94% of their shares into the Offer will not be able to sell all of those shares into the Offer. The table below shows examples of various levels of total acceptances to the Offer, and the implications for accepting shareholders:

NUMBER AND % OF SHARES ACCEPTED INTO THE OFFER THAT WOULD BE ACQUIRED BY MANGAWHAI

% OF SHAREHOLDING ACCEPTED TO THE OFFER & MANGAWHAI'S SHAREHOLDING	% OF SHARES THAT ARE ACCEPTED INTO THE OFFER	% OF SHARES ACCEPTED INTO THE OFFER THAT WILL BE ACQUIRED BY MANGAWHAI POST SCALING	EXAMPLE: NUMBER OF SHARES THAT WILL BE ACQUIRED BY MANGAWHAI UNDER THE OFFER, ASSUMING A SHAREHOLDER HAS 1,000 BREMWORTH SHARES AND TENDERS 1,000	EXAMPLE: NUMBER OF SHARES OWNED AFTER THE OFFER HAS CLOSED, ASSUMING A SHAREHOLDER HAS 1,000 SHARES AND TENDERS 1,000
55.6%	**35.9%**	**98.3%**	**983**	**17**
60.0%	40.3%	87.6%	876	124
65.0%	45.3%	77.9%	779	221
70.0%	50.3%	70.2%	702	298
75.0%	55.3%	63.8%	638	362
80.0%	60.3%	58.5%	585	415
85.0%	65.3%	54.0%	540	460
90.0%	70.3%	50.2%	502	498
95.0%	75.3%	46.9%	469	531
100.0%	80.3%	43.9%	439	561

The table above shows that a shareholder who accepts the Offer in respect of their entire shareholding has certainty only that 43.94% of those shares will be acquired and that they will retain the balance. The level of scaling increases as the overall acceptance level increases e.g. if all Bremworth shareholders accept the Offer for all of their shares, Mangawhai will only acquire 43.94% of each shareholder's shares.

All shareholders are treated equally in a partial offer regardless of the size of their shareholding, including the Lock Up Shareholders. Accordingly, there is no certainty as to what proportion of shares an accepting shareholder will be able to sell if the Offer is successful. This is a less appealing feature of partial offers. This lack of certainty is problematic for communications with shareholders but is in line with the rules of the Takeovers Code.

6.4 Implications for Bremworth shareholders if the Offer is successful

If the Offer is successful, Bremworth will remain a listed company with Mangawhai owning a cornerstone shareholding and having effective control over Bremworth. In these circumstances:

- Mangawhai will become the cornerstone shareholder in Bremworth with a shareholding of 55.0%. The free float will reduce and the Bremworth shares are likely to be less liquid.
- At a shareholding of 55.0% Mangawhai would have effective, but not absolute control of Bremworth. Mangawhai would be able to control the Board and therefore key decisions affecting the business such as strategy, dividend policy, appointment of Directors, acquisitions and divestments and capital programmes. Mangawhai would be able to dictate the outcome of ordinary resolutions put to shareholders. It would not be able to control but would have significant influence over special resolutions (those resolutions requiring 75% of votes cast in respect of the resolution). Special resolutions often relate to transformational events such as major transactions or changes to the constitution. There are protections for minority shareholders in the NZX Listing Rules and the Companies Act.
- If the Offer is declared unconditional, Mangawhai will become the majority shareholder in Bremworth and will seek Bremworth board representation (but has not yet made a decision on who or how many representatives it will seek to appoint).
- Under the creep provisions of the Takeovers Code, from 12 months after the Offer Mangawhai will be able to acquire up to a further 5% of the voting rights in Bremworth in any 12-month period without making a further partial or full takeover offer for Bremworth.
- Mangawhai could, if it wished, sell down some of its shareholding without the prior approval of Bremworth shareholders. Mangawhai could not sell its entire shareholding to another party unless either Bremworth shareholders approve the transaction in advance or the other party makes a full or partial offer conditional upon receiving acceptances of more than 50%.
- The attraction of Bremworth as a takeover target could be impacted if the Offer is successful. For any scheme of arrangement or subsequent takeover offer for 100% of the company from another party to be successful, it would require Mangawhai to sell its current, or any increased, shareholding in Bremworth to the new offeror.

6.5 Other merits of the Offer

In assessing the other merits of the Offer Clarien considered the following factors:

- The Offer is subject to a number of conditions, which may be waived at Mangawhai's discretion. These discretionary conditions principally relate to material changes to the Bremworth business and capital structure. There are no material conditions such as Commerce Commission approval or other regulatory consent requirement that could lead to a material delay in the Offer being declared unconditional.
- There is no need for Bremworth shareholders to accept the Offer immediately. Shareholders who do accept the Offer, under most circumstances, cannot withdraw their acceptance. As the Offer has achieved the Minimum Acceptance Condition it is unlikely a higher price would be offered.
- Mangawhai may choose to extend its Offer period. The Offer is due to close on 2 October 2026. Under the rules of the Takeovers Code the Offer may not be open for acceptance for more than 90 days after the date of the Offer, in this case 3 December 2026.
- Bremworth shareholders who choose not to accept the Offer will have decided that they wish to retain their investment in Bremworth for the longer term. There is no certainty regarding the ongoing performance of Bremworth or that a subsequent offer from Mangawhai (or another

acquirer) will be forthcoming. The risks and benefits associated with an investment in Bremworth are outlined in section 5.2 and section 6.6 below.

- From 10 August 2026 to 10 September 2026 Bremworth traded in the range of $0.66 to $0.79 per share.
- On 10 September 2026 Bremworth announced that independent directors Trevor Burt, Julie Bohnenn and Murray Dyer had tendered their resignation from the Board, effective immediately following the approval and publication of Bremworth's FY26 annual report (expected in late September 2026). Chair Rob Hewett will remain on the Board to provide continuity through this period. Bremworth will therefore need to appoint at least two further directors to meet the board composition requirements of the NZX Listing Rules, which require a minimum of three directors, at least two of whom must be independent. If the Offer is successful, Mangawhai will be in a position to determine those appointments and, as a consequence, the future Board composition.

6.6 Risks and benefits of an investment in Bremworth

As the Offer is a partial offer capped at 55%, shareholders in Bremworth are highly likely to retain a shareholding in Bremworth, albeit smaller shareholdings. The outlook for Bremworth is therefore very relevant to shareholders in deciding whether to support or reject the Offer.

Clarien highlights the following key observations for shareholders when considering retention of Bremworth shares:

- ***Deferred Distributions:*** Mangawhai stated that it will use the cash available following the Offer for operational purposes and for the continued remediation of Bremworth's Napier site[27]. There are unlikely to be any dividends until there is confidence in Bremworth's cash flow and outlook.
- ***Share Price Volatility***: As the Offer is a partial takeover, the potential reversal of some or all of the share price appreciation observed following the Offer's announcement will impact all shareholders.
- ***Liquidity Risk:*** Bremworth is a relatively small NZX-listed entity with low trading liquidity. If the Offer is successful, Mangawhai will control 55% of the Bremworth shares, reducing the free float, and liquidity is therefore likely to contract.

A key consideration for shareholders is whether Bremworth's share price will increase over time. While higher value outcomes could theoretically eventuate, Bremworth remains in the very early stages of its turnaround. The significant challenges Bremworth is facing include:

- continuing economic headwinds with weaker volumes, margin pressure and subdued consumer demand across key markets;
- rebuilding its share of the Australian market for its woollen carpets and growing sales of its new, limited range of synthetic carpets in the highly competitive flooring markets in Australia and New Zealand, where the Company must compete with much larger-scale, multinational carpet and flooring manufacturers;
- expanding its very small presence in the rest of the world despite limited sales capability;
- scaling up its manufacturing operations by recruiting sufficient skilled labour to return its Napier spinning operation to full production and increasing carpet production in Auckland;
- addressing inefficiencies in its warehousing and logistics operations; and
- rightsizing its distribution and administration functions to fit an organisation that is earning significantly less revenue than it has in the past.

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Balanced against these challenges, Clarien notes the following potential benefits for shareholders who retain their investment in Bremworth:

- Bremworth retains a sound balance sheet, with $26.9 million of net cash at 30 June 2026, providing the funding to implement its strategic growth plan without an immediate need to raise additional capital;
- the Bremworth brand and its position as New Zealand's best-known woollen carpet manufacturer, together with vertical integration into wool procurement through Elco Direct;
- the extension of the product range into synthetic carpets from November 2025 materially increases the size of the market Bremworth is able to address, and the return of the Napier spinning operation to production has reduced yarn costs, lead times and quality issues;
- the cost reductions already achieved, with administration expenses reducing from $12.8 million in FY25 to $9.1 million in FY26 and revenue increasing 20.5% to $106.6 million, provide early evidence of progress. Bremworth is also operating from a low earnings base, such that a relatively modest recovery in volumes and margins would translate into a material improvement in earnings and potentially value; and
- a refreshed management team is now in place with a defined strategic growth plan.

6.7 Likelihood of alternative offers

Once Floorscape received approval from the Commerce Commission and the Floorscape Scheme lapsed, there were no barriers for it to make a takeover offer under the Takeovers Code. To date, Floorscape and other potential acquirers have not elected to make a takeover offer under the Takeovers Code. On 3 September 2026 Bremworth was presented with a revised scheme implementation agreement from Floorscape at a fixed price of $0.95 per share for 100% of the shares in Bremworth. Mangawhai rejected this revised scheme and without the support of major shareholders the Board did not progress discussions with Floorscape.

Under the Lock Up Deeds the Lock Up Shareholders are unable to accept a superior offer and Mangawhai already has sufficient acceptances to reach the 55% Minimum Acceptance Condition.

If Mangawhai declares its Offer unconditional, the likelihood of a takeover offer from another party is substantially reduced. At the conclusion of the Offer, Mangawhai will own a controlling shareholding in Bremworth. Any alternative partial offer that would result in the offeror holding more than 20% but not more than 50% of Bremworth (should one be forthcoming) would require the approval of Bremworth shareholders, which would therefore require the support of Mangawhai. Any takeover offer for 100% of Bremworth would require Mangawhai to sell its shareholding in Bremworth to the new offeror for an alternative full takeover offer to be successful. Given Mangawhai effectively blocked the Floorscape Scheme, it is unlikely that Mangawhai would support a takeover in the short term unless it was at a substantial premium to the Offer price.

6.8 Acceptance or rejection of the Offer

Deciding whether or not to accept the Offer is a matter for individual shareholders based on their own view as to value and future market conditions, risk profile, liquidity preference, portfolio strategy, tax position and other factors. In particular, taxation consequences will vary widely across shareholders. Shareholders will need to consider these consequences and, if appropriate, consult their own professional adviser(s).

CLARIEN PARTNERS LIMITED

15 September 2026

APPENDIX A – RECENT TRANSACTION EVIDENCE

The following table sets out the implied multiples of historical EBITDA and EBIT implied by transactions involving flooring product manufacturing and distribution businesses globally. The transactions have been segmented into two groups based on the implied enterprise values.

RECENT TRANSACTION EVIDENCE[28]

DATE	TARGET	TRANSACTION	IMPLIED ENTERPRISE VALUE (NZ$ MILLIONS)	HISTORICAL EBITDA MULTIPLE (TIMES)	HISTORICAL EBIT MULTIPLE (TIMES)
Implied Enterprise Value <$200 million					
Jun 2023	Tapeçarias Ferreira	Arta Capital	123	8.5	n.a.
Oct 2022	International Wholesale Tile	Victoria	50	4.1	n.a.
Dec 2021	Valley Wholesale Carpets	Likewise Group	57	5.1	n.a.
Jun 2021	Cali Bamboo	Victoria	142	7.5	n.a.
May 2021	Edel Group	Victoria	116	6.9	n.a.
Aug 2019	Ibero Alcorense	Victoria	27	5.0	n.a.
Nov 2018	Ege Carpets	MEDF Holdings	170	6.7	10.8
Oct 2017	Ceramiche Serra	Victoria	96	5.4	5.7
May 2017	Tai Ping Commercial business	Private buyer	133	n.a.	8.1
Feb 2017	Avalon and Grassinc	Victoria	37	n.a.	6.0
Dec 2016	Dunlop Flooring Australia	Victoria	35	5.7	6.9
Sep 2015	Interfloor	Victoria	159	6.5	n.a.
Aug 2015	Quest Carpets	Victoria	39	4.9	n.a.
Jul 2015	Marquis Industries	LiveDeal	58	4.3	5.4
Jan 2015	Whitestone Weavers	Victoria	24	n.a.	6.8
Median (implied Enterprise Value <$200 *million*)				**5.6**	**6.8**
Average (implied Enterprise Value <$200 *million*)				**5.9**	**7.1**
Implied Enterprise Value > NZ$200 million					
Dec 2025	Tarkett SA	Tarkett Participation	2,895	5.6	8.4
Jan 2024	Signature Systems	Myers Industries	588	7.8	14.3
Jun 2022	Vitromex	Mohawk	523	10.0	19.0
Nov 2021	Balta Group UK Rugs & Carpets	Victoria	292	5.0	n.a.
Oct 2018	Eliane S/A	Mohawk	376	10.3	13.8
Jun 2018	Nora Systems	Interface	647	9.0	12.6
Nov 2017	Godfrey Hirst	Mohawk	516	10.0	12.5
Median (implied Enterprise Value >$200m)				**9.0**	**13.2**
Average (implied Enterprise Value >$200m)				**8.2**	**13.4**
Median (all transactions)				**6.5**	**8.4**
Average (all transactions)				**6.8**	**10.0**

Source: Capital IQ. Clarien analysis[29]

[28] Where possible Clarien has calculated the implied multiple on a pre-IFRS16 basis.

[29] Clarien analysis based on company announcements and, in the absence of company published financial forecasts, brokers' reports. Where company financial forecasts are not available, the median of the financial forecasts prepared by a range of brokers has generally been used to derive relevant forecast value parameters. The source, date and number of broker reports utilised for each company depends on analyst coverage, availability and recent corporate activity.

A description of each transaction is summarised below.

Tarkett SA / Tarkett Participation

After a multi-year privatisation strategy, Tarkett SA was officially delisted from Euronext Paris on 23 December 2025, following a buyout procedure initiated by Tarkett Participation. This investment vehicle, a partnership between Wendel and the Deconinck family, successfully acquired the remaining 1.3% of shares at €17 per share after reaching a 98.7% stake in November. Although the initial 2021 buyout offer began at €20 per share, the final 2025 valuation implied a market capitalisation of €1.1 billion and an enterprise value of €1.6 billion. Based on 2024 earnings, this implied multiples of 8.4 times EBIT and 5.6 times EBITDA. The 2025 financial results are not available.

Tapeçarias Ferreira / Arta Capital

In 2023 Arta Capital agreed to acquire Tapeçarias Ferreira de Sá, S.A. from Sherpa Capital Entidad Gestora, SGEIC, S.A. for more than €70 million. Tapeçarias Ferreira reported EBITDA of €8.2 million and revenue of €25 million in 2022. The company designs and manufactures carpets and rugs. The company offers hand-tufted, hand-woven, hand-knotted and related products. It serves restaurants and hotels, bars, yachts, residential projects, stores, commercial offices, public buildings, and museums and sells its products through showrooms. The purchase price implied a multiple of 8.5 times historic EBITDA.

International Wholesale Tile / Victoria

In 2022 Victoria announced that it had agreed to acquire Florida based distributor International Wholesale Tile (**IWT**) for US$28.5 million. For the year ended March 2022, IWT reported revenues of US$63.2 million and EBITDA of approximately US$7.0 million. The purchase price implied a multiple of 4.1 times historical EBITDA. A further capped payment was payable to the vendors upon achieving growth and earnings targets. The acquisition was part of a strategy of acquiring successful distributors that sell the same categories of product that it manufactures and sells in Europe. IWT was a specialty distributor of ceramic and porcelain tiles, natural stone, luxury vinyl tiles and decorative glass tiles.

Valley Wholesale Carpets / Likewise Group

In 2021, Likewise Group agreed to acquire Valley Wholesale Carpets for consideration of £30.0 million (including deferred consideration). This comprises initial consideration of £24.0 million which is payable at or shortly after acquisition completion, deferred consideration of £1.0 million and the issue of 5.0 million ordinary shares in Likewise. Valley Wholesale Carpets generated revenue of £47.3 million and adjusted EBITDA of £5.7 million in the year ended 30 September 2021. Valley Wholesale Carpets operates as a distributor and wholesaler of carpets, carpet underlay and vinyl flooring. The purchase price implied a multiple of 5.1 times historic EBITDA.

Cali Bamboo / Victoria

In 2021 Victoria announced that it had agreed to acquire Cali Bamboo Holdings Inc (**Cali**), a multi-channel US flooring distributor with approximately 50% of its revenue from direct to consumer and direct to contractor channels, ~30% from specialty retailers and ~20% from sales via national home centres. For the 12 months to April 2021 Cali generated annual revenue of US$171.6 million and normalised EBITDA of US$13.8 million. The purchase price implies an EBITDA multiple of 7.5 times historical EBITDA.

Edel Group / Victoria

In 2021 Victoria acquired Edel Group BV, a Netherlands based manufacturer and distributor of artificial grass and carpets. In 2020, Edel generated revenues of EUR 47.6 million and normalised EBITDA of EUR 10 million. Victoria had existing operations in the artificial grass market and Edel allowed Victoria to insource its manufacturing which was outsourced.

Ibero Alcorense / Victoria

In 2019 Victoria announced the acquisition of Ibero Alcorense Sl. Total consideration includes a completion payment of €9.4 million and contingent consideration subject to Ibero meeting specific performance targets of up to €6.2 million. The completion payment represents less than 3 times historical EBITDA and assuming the contingent consideration is paid in full, the purchase price would represent a multiple of approximately 5 times EBITDA for the 12 months prior to completion. For 2018, Ibero reported revenues of €30.9 million and EBITDA of €3.1 million. Ibero manufactures and markets ceramic tiles and is based in Spain.

Ege Carpets / MEDF Holdings

Ege Carpets A/S designs, manufactures and sells carpets in Europe. In 2018 MEDF Holding A/S acquired a 19% stake in Ege Carpets. The acquisition of this stake implied multiples of 6.7 times EBITDA for the previous 12 months and 10.8 times EBIT for the previous 12 months. In 2021, Ege Carpets generated approximately 80% of its revenues from European countries and the remaining 20% from other international markets.

Ceramiche Serra / Victoria

In 2017 Victoria agreed to acquire Ceramiche Serra S.p.A. for approximately €56.5 million. €36.5 million of the total consideration was paid on completion with the €20 million balance to be paid over four years, subject to the business meeting annual EBITDA targets. Assuming the contingent consideration is paid in full, the acquisition represents a multiple of 5.4 times EBITDA. In 2016, Ceramiche Serra reported revenues of €28.2 million, EBITDA of €10.5 million and EBIT of €10 million. The purchase price implies multiples of 5.4 times historical EBITDA and 5.7 times historical EBIT including the earn outs.

Tai Ping Carpets Commercial business / Private buyer

In 2017, Thailand Carpet Manufacturing Public Company Limited signed a sale and purchase agreement to acquire the commercial business of Tai Ping Carpets International Limited for HKD 728.5 million. During 2016, the commercial business reported turnover of THB 3.4 billion (HKD 736.63 million) and operating profit of THB 415.94 million (HKD 90.12 million). The purchase price implied a multiple of 8.1 times historical EBIT.

Avalon and Grassinc / Victoria

In 2017 Victoria acquired Avalon and Grassinc for €25.1 million. Under the terms of agreement, the total consideration for the acquisition comprised an initial cash consideration of €11.2 million, deferred cash consideration of €5.1 million payable in instalments over four years and a contingent cash consideration of up to approximately €8.8 million dependent on EBITDA growth and other criteria over the four years post completion. During 2016, Avalon and Grassinc generated total revenues of €20.4 million and EBIT of €4.2 million. Avalon and Grassinc designs, manufactures, and distributes artificial grass. The purchase price implies a multiple of 6 times historical EBIT (including deferred consideration and the earn out).

Dunlop Flooring Australia / Victoria

In 2016 Victoria announced that it had agreed to acquire the business and assets of Dunlop Flooring from Pacific Brands for A$34 million. Dunlop Flooring is a manufacturer of carpet underlay sold under the *Dunlop* brand. Dunlop operates from sites in Sydney and Melbourne. For the year ended 30 June 2016 Dunlop Flooring generated revenues of A$50.8 million, EBITDA of A$6.0 million and EBIT of A$4.9 million. The purchase price implied multiples of 5.7 times historical EBITDA and 6.9 times historical EBIT.

Interfloor / Victoria

In 2015 Victoria announced that it had agreed to acquire Interfloor Group Limited for a total enterprise value of GBP 65 million. Interfloor is a UK based manufacturer of carpet underlay. For the year to May 2015 Interfloor recorded sales of GBP 72.3 million and EBITDA of GBP 10.02 million. The purchase price implied an historic EBITDA multiple of 6.5 times.

Quest Carpets / Victoria

In 2015 Victoria announced that it had agreed to acquire Quest Carpets, an Australian manufacturer and distributor of carpets and floor coverings, for initial cash consideration of A$24.5 million and deferred cash consideration of A$10.5 million. The total consideration represents a multiple of 4.9 times Quest's normalised EBITDA for the year to June 2015 of A$7.1 million. Its revenues for this period were A$59.8 million. Quest operates from facilities in Dandenong (near Melbourne) employing a workforce of more than 200 people. Quest sells its products across Australia and New Zealand.

Marquis Industries / LiveDeal

In 2015 LiveDeal Inc and key management entered into an agreement to acquire Marquis Industries Inc for US$27.6 million. Management retained a 20% stake. The purchase price implied multiples of 4.3 times historical EBITDA and 5.4 times historical EBIT. Marquis Industries manufactures and sells carpet yarns and residential carpets primarily in North America. It also sells vinyl and wood floorcoverings and hard surface flooring.

Whitestone Weavers / Victoria

In 2015 Victoria announced that it had agreed to acquire the Whitestone Weavers group of companies for initial cash consideration of GBP 5.75 million and deferred cash consideration totalling GBP 6.55 million in three separate payments to January 2018. Additional payments of up to GBP 1.5 million were payable if annual EBITDA growth targets were achieved over a three year period post completion. Employing more than 100 people, Whitestone designs, sells and distributes carpets across the UK. Its product portfolio consists of woven and tufted carpets in both wool and synthetic yarns. Whitestone outsources manufacturing to companies that do not form part of the existing Victoria group. The purchase price implied a multiple of 6.8 times EBIT (excluding the earn out component).

Signature Systems / Myers Industries

In 2024, Myers Industries Inc announced that it had agreed to acquire Signature Systems for approximately US$350 million, financed through both an existing credit facility and a new senior secured term loan. Signature Systems engineers, manufactures and distributes premium composite matting, turf protection systems and portable event flooring for a range of applications. Signature Systems is well-known for providing flooring solutions to a range of commercial customers, including the Olympics and the US Army. The company is based in Texas with production operations in Florida. Projected adjusted EBITDA in 2023 was US$44 million, with an optimistic growth outlook. The purchase price implied multiples of 7.8 times historical EBITDA and 14.3 times historical EBIT.

Vitromex / Mohawk

In 2022, Mohawk entered into an agreement to purchase the Vitromex ceramic tile business from Grupo Industrial Saltillo for approximately US$293 million. Vitromex is a Mexican manufacturer of both premium and low-cost ceramic tiles, which is the most common type of flooring used in Mexico. Vitromex operates five manufacturing facilities throughout Mexico and has a distribution centre in Texas. Vitromex had sales of approximately US$240 million in 2022. The acquisition aligns with Mohawk's longstanding strategy of acquiring premier tile businesses in diverse markets. The purchase price implied multiples of 10 times historical EBITDA and 19 times historical EBIT (post-IFRS 16).

Balta Group UK Rugs and Carpets divisions / Victoria

In 2021 Victoria announced that it had agreed to acquire the Rugs and UK carpet divisions of Balta Group NV for approximately EUR 180 million. For the year ended March 2021, the acquired divisions generated revenues of EUR 307 million and EBITDA of EUR 35.5 million. The purchase price implies an historic EBITDA multiple of 5.0 times. The rugs division (with revenues of EUR 183 million) manufactures and distributes mechanically woven rugs and is the largest producer and number two globally with manufacturing in Belgium, Turkey and distribution warehouses in Belgium and the USA. The carpet division (with revenues of EUR 103 million) has manufacturing in Belgium and is complementary to Victoria's existing carpet operations in the UK.

Eliane S/A / Mohawk

In 2018 Mohawk announced that it had agreed to acquire Eliane S/A - Revestimentos Cerâmicos (**Eliane**) for approximately US$250 million. Eliane engages in the development, production, and sale of ceramic tiles in Brazil. Its products include facade, floor, metal, wall, pool, and porcelain type tiles in various styles. It also exports its products to South America, North America, Europe, Africa, and Oceania. 80% of its revenues were generated from the domestic Brazilian market. Eliane has production capacity of 36 million square metres of tiles per year across six factories. The purchase price implied multiples of 10.3 times historic EBITDA and 13.8 times historic EBIT.

Nora Systems / Interface

In 2018, Interface announced it had signed an agreement to acquire 100% of Nora Systems for approximately US$420 million, financed through an existing credit facility. Nora Systems manufactures sustainable rubber floor coverings, providing products to commercial customers across a range of sectors, including healthcare and transportation. In 2017, Nora Systems had sales of EUR 229 million. Nora Systems is based out of Weinheim, Germany and employed 1,100 at the time of acquisition. With the acquisition, Interface planned to grow its presence in EMEA and serve a wider range of commercial customers with a forward-looking focus on sustainability. The purchase price implied multiples of 9.0 times historical EBITDA and 12.6 times historical EBIT.

Godfrey Hirst / Mohawk

In 2017 Mohawk announced the acquisition of Godfrey Hirst Group, the leading flooring company in Australia and New Zealand. Godfrey Hirst provides a range of flooring products in Australia and New Zealand including broadloom, modular carpet and hard surface products for the residential and commercial sectors.

APPENDIX B – COMPARABLE LISTED COMPANIES

The following table sets out the implied EBITDA and EBIT multiples for international listed companies that are involved in the manufacturing and distribution of flooring products:

SHAREMARKET RATINGS OF SELECTED LISTED FLOORING PRODUCT COMPANIES[30,31]

ENTITY	MARKET CAPITALISATION ($NZ MILLIONS)	EBITDA MULTIPLE (TIMES)[32]		EBIT MULTIPLE (TIMES)[33]	
		HISTORICAL	FORECAST	HISTORICAL	FORECAST
Mohawk	13,240	7.6	7.0	12.5	11.4
Interface	3,416	9.9	8.5	12.2	10.5
Forbo	2,907	11.2	10.5	15.3	14.1
Oriental Weavers	631	5.3	4.9	7.7	7.3
TOLI Corporation	444	4.8	n.a.	8.4	n.a.
M.J. International	60	6.0	n.a.	n.m.	n.a.
Belysse	35	5.1	5.9	9.3	n.a.
Median		**6.0**	**7.0**	**10.8**	**10.9**
Average		**7.1**	**7.4**	**10.9**	**10.8**

Source: Clarien analysis, Capital IQ. n.a. not available, n.m. not meaningful

A description of each of the comparable listed companies is outlined below:

Mohawk

Mohawk is one of the largest global suppliers of floor covering products, manufacturing in 19 countries and employing over 40,000 people as of December 2025. Mohawk produces carpet, tiles, hardwood, laminate and natural stone products which are distributed and sold through brands in North America, Europe, South America and Oceania. Mohawk had a relatively flat FY25 compared with the previous year with revenues of approximately US$10.8 billion, impacted by lagging demand in the residential sector across key markets and geopolitical tensions. In 2025, Mohawk generated 40% of its revenue from its global ceramic flooring business, 34% from its North American flooring business and 26% from the rest of the world. Mohawk's global ceramic business was its most profitable segment. FY26 is forecast to be a stronger year for Mohawk, off the back of tariff refunds in Q2, key management changes and a stronger price/volume mix, particularly in the commercial sector. The company owns a wide range of brands and is an active acquirer, including the acquisition of Godfrey Hirst in 2018.

Interface Inc

Interface is a global flooring company headquartered in the USA, providing carpet tile and resilient flooring products for commercial and residential applications with six manufacturing locations worldwide. In 2025, the company's revenues were US$1.4 billion, and it generated an adjusted EBITDA of ~US$218 million. 61% of its 2025 revenues were from the Americas, with the rest collectively reported under Europe, Middle East, Africa and Asia. Interface is widely known for its modular carpet solutions and resilient rubber flooring products, used in education, healthcare and office settings. Interface has

30 The companies selected have a variety of year ends. The financial information presented in the Historic column corresponds to the most recent actual annual result. The forecast column corresponds to the forecast for the subsequent year.

31 Clarien has calculated trading multiples on a pre-IFRS16 basis. A pre-IFRS16 approach enables consideration of trends in each business (in particular EBITDA and EBIT margins) on a consistent basis; and is consistent with the comparable transaction multiples.

32 Represents gross capitalisation (that is, the sum of the market capitalisation adjusted for minorities, plus borrowings less cash as at the latest balance date) divided by EBITDA.

33 Represents gross capitalisation divided by EBIT.

had a strong start to FY26, with revenue beating management guidance and broker estimates, as a result of growth across all market segments and disciplined restructuring.

Forbo

Forbo is a Swiss company focused on the production and sale of floor coverings, building and construction adhesives and power transmission and conveyor technology. Forbo operates 25 production and distribution sites. The flooring systems division produces linoleum, vinyl flooring, carpet tiles and textile flooring. Total revenue declined in FY25 with the flooring business contributing approximately 68% to total revenue. Europe is Forbo's largest market, generating over 65% of sales. Forbo is exposed to economic headwinds persisting into 2026 but maintains strong market positions in both North America and Europe. Brokers forecast a slight uplift in earnings in FY26, helped along by cost-management and new leadership.

Oriental Weavers

Oriental Weavers is a machine-woven rug and carpet producer headquartered in Egypt. The company produces a range of carpets including tufted, woven and printed carpets. Oriental Weavers operates 8 facilities in Egypt and 1 in the United States. Oriental Weavers is the largest producer of machine woven carpets in the world, distributing to over 130 countries. In 2025, 77% of its revenues were from woven carpets, 17% from tufted carpets and 6% were from non-woven carpets. Approximately 34% of its revenues are generated in Egypt, 29% from the Americas, 24% from Europe and 13% from other international markets. Broker coverage is limited; however, those that cover Oriental Weavers note its international pricing power, EGP devaluation and a strong balance sheet as countering forces to soft demand in 2026, forecasting a modest uplift in earnings for 2026.

TOLI Corporation

TOLI Corporation is a Japan-based manufacturer of flooring products and other interior goods, with 5 production facilities in Japan and 1 overseas. Originally focusing on linoleum flooring, TOLI has grown and evolved and now manufactures carpets, vinyl, curtains and other interior goods. The company employs approximately 1,900 staff and distributes through 30 overseas distributors. TOLI has had a strong start to FY27, with operating profit up 49.5% from the same quarter last year. The company is not covered by brokers and therefore forecast earnings multiples are not available.

M.J. International

M.J. International engages in the production and sale of luxury vinyl tile floors with a focus on OEM manufacturing for global clients. M.J. International is based in Taiwan, and in 2025, ~47% of its revenues were from Europe, ~38% were from North America and the remaining 15% were generated from Taiwan, China and other markets. M.J. International has three plants in China and is one of the largest manufacturers of Luxury Vinyl Tile and Stone Plastic Composite flooring in Asia. The company is not covered by brokers and therefore forecast earnings multiples are not available. M.J. International's historic EBIT multiple is abnormally higher than its peers so Clarien has excluded it from the EBIT multiple analysis. M.J. International's high EBIT multiple is primarily due to a large annual depreciation which largely reflects a major capital expenditure programme undertaken in the late 2010s-2021, when M.J. International constructed and opened a new SPC plant in Taiwan and a regional office and distribution centre in Georgia, USA. Those assets continue to be depreciated at a high rate while annual capital expenditure has since normalised, which explains why depreciation is materially out of step with current investment. M.J. International's subdued profitability and share price performance indicate that the earnings benefits of this investment have yet to be realised and have coincided with a difficult economic environment for the company and its export-focused model.

Belysse

Belysse Group NV is a Belgium-based manufacturer of commercial and residential flooring solutions, with a focus on tiled and broadloom carpet. In 2025, 57% of its revenues were from the US and 43% were from Europe. Adjusted EBITDA dropped significantly in 2025, with soft demand from the European Residential segment the largest contributor to the drop. The financial performance has recently improved driven by a strong order book from the United States and lower fixed costs. Belysse has also implemented price increases and surcharges in response to rising input costs (attributable to the ongoing conflict in the Middle East), but brokers remain pessimistic on FY26 EBITDA, forecasting a modest decrease.

APPENDIX C – VALUATION METHODOLOGY DESCRIPTION

Capitalisation of Earnings

Capitalisation of earnings or cash flows is most appropriate for businesses with a substantial operating history and a consistent earnings trend that is sufficiently stable to be indicative of ongoing earnings potential. This methodology is not particularly suitable for start-up businesses, businesses with an erratic earnings pattern or businesses that have unusual expenditure requirements. This methodology involves capitalising the earnings or cash flows of a business at a multiple that reflects the risks of the business and the stream of income that it generates. These multiples can be applied to different earnings or cash flow measures including EBITDA, EBITA, EBIT or net profit after tax. These are referred to respectively as EBITDA multiples, EBITA multiples, EBIT multiples and price earnings multiples. Price earnings multiples are commonly used in the context of the share market. EBITDA, EBITA and EBIT multiples are more commonly used in valuing whole businesses for acquisition purposes where gearing is in the control of the acquirer.

Where an ongoing business with relatively stable and predictable earnings is being valued Clarien uses capitalised earnings or operating cash flows as a primary reference point. Application of this valuation methodology involves:

- estimation of earnings or cash flow levels that a purchaser would utilise for valuation purposes having regard to historical and forecast operating results, non-recurring items of income and expenditure and known factors likely to impact on operating performance; and
- consideration of an appropriate capitalisation multiple having regard to the market rating of comparable businesses, the extent and nature of competition, the time period of earnings used, the quality of earnings, growth prospects and relative business risk.

The choice between the parameters is usually not critical and should give a similar result. All are commonly used in the valuation of industrial businesses. EBITDA can be preferable if depreciation or non-cash charges distort earnings or make comparisons between companies difficult, but care needs to be exercised to ensure that proper account is taken of factors such as the level of capital expenditure needed for the business and whether any amortisation of intangible assets relates to ongoing cash costs. EBITA avoids the distortions of goodwill amortisation. EBIT can better adjust for differences in relative capital intensity.

Determination of the appropriate earnings multiple is usually the most judgemental element of a valuation. Definitive or even indicative offers for a particular asset or business can provide the most reliable support for selection of appropriate earnings multiple. In the absence of meaningful offers, it is necessary to infer the appropriate multiple from other evidence.

The primary approach used by valuers is to determine the multiple that other buyers have been prepared to pay for similar businesses in the recent past.

A pattern may emerge from transactions involving similar businesses with sales typically taking place at prices corresponding to earnings multiples within a particular range. While averages or medians can be determined it is not appropriate to simply apply such measures to the business being valued. The range will generally reflect the growth prospects and risks of those businesses. Mature, low growth businesses will, in the absence of other factors, attract lower multiples than those businesses with potential for significant growth in earnings. The most important part of valuation is to evaluate the attributes of the specific business being valued and to distinguish it from its peers to form a judgement as to where on the spectrum it appropriately belongs.

An alternative approach in valuing businesses is to review the multiples at which shares in listed companies in the same industry sector trade on the sharemarket. This gives an indication of the price levels at which portfolio investors are prepared to invest in these businesses. Share prices reflect trades in small parcels of shares (portfolio interests) rather than whole companies and it is necessary to adjust for this factor.

The analysis of comparable transactions and sharemarket prices for comparable companies will not always lead to an obvious conclusion as to which multiple or range of multiples will apply. There will often be a wide spread of multiples, and the application of judgement becomes critical. Moreover, it is necessary to consider the attributes of the business being valued and decide whether it warrants a higher or lower multiple than the comparable companies. This assessment is essentially a judgement.

Discounted Cash Flow

Discounting of projected cash flows has a strong theoretical basis. It is the most commonly used method for valuation in a number of industries, and for the valuation of start-up projects where earnings during the first few years can be negative. DCF valuations involve calculating the net present value of projected cash flows. This methodology allows the valuer to explicitly assess the effect of a turnaround in the business, the ramp up to maturity or significant changes expected in capital expenditure patterns. The cash flows are discounted using a discount rate, which reflects the risk associated with the cash flow stream. Considerable judgement is required in estimating future cash flows and it is generally necessary to place great reliance on medium to long-term projections prepared by management. The discount rate is also not an observable number and must be inferred from other data (usually only historical). None of this data is particularly reliable so estimates of the discount rate necessarily involve a substantial element of judgement. In addition, even where cash flow forecasts are available the terminal or continuing value is usually a high proportion of value. Accordingly, the multiple used in assessing this terminal value becomes the critical determinant in the valuation (i.e. it is a “de facto” cash flow capitalisation valuation). The net present value is typically extremely sensitive to relatively small changes in underlying assumptions, few of which are capable of being predicted with accuracy, particularly beyond the first two or three years. The arbitrary assumptions that need to be made and the width of any value range mean the results are often not meaningful or reliable. Notwithstanding these limitations, DCF valuations are commonly used and can at least play a role in providing a check on alternative methodologies, not least because explicit and relatively detailed assumptions need to be made as to the expected future performance of the business operations.

Industry Rules of Thumb

Industry rules of thumb are commonly used in some industries. These are generally used by a valuer as a “cross check” of the result determined by a capitalised earnings valuation or by discounting cash flows, but in some industries rules of thumb can be the primary basis on which buyers determine prices. It should be recognised that rules of thumb are usually relatively crude and prone to misinterpretation.

Realisation of Assets

Valuations based on an estimate of the aggregate proceeds from an orderly realisation of assets are commonly applied to businesses that are not going concerns. They effectively reflect liquidation values and typically attribute no value to any goodwill associated with ongoing trading.

A net assets approach is also commonly used to value going concerns in circumstances where the valuer can reference market prices or independent valuations of the assets that are owned by the entity (e.g. valuations of property investment vehicles where the independent property valuations are available for the individual properties).

APPENDIX D – INTERPRETATION OF MULTIPLES

Earnings multiples are normally benchmarked against two primary sets of reference points:

- the multiples implied by the share prices of listed peer group companies; and
- the multiples implied by the prices paid in acquisitions of other companies in the same industry.

In interpreting and evaluating such data it is necessary to recognise that:

- multiples based on listed company share prices do not include a premium for control and are therefore often (but not always) less than multiples that would apply to acquisitions of controlling interests in similar companies. However, while the premium paid to obtain control in takeovers is observable (typically in the range 20-35%) it is inappropriate to simply add a premium to listed multiples. The premium for control is an outcome of the valuation process, not a determinant of value. Premiums are paid for reasons that vary from case to case and may be substantial due to synergy or other benefits available to the acquirer. In other situations, premiums may be minimal or even zero. There are transactions where no corporate buyer is prepared to pay a price in excess of the prices paid by share market investors;
- acquisition multiples from comparable transactions are therefore usually seen as a better guide when valuing 100% of a business but the data tends to be less transparent and information on forecast earnings is often unavailable;
- the analysis will give a range of outcomes from which averages or medians can be determined but it is not appropriate to simply apply such measures to the company being valued. The most important part of valuation is to evaluate the attributes of the specific company being valued and to distinguish it from its peers to form a judgement as to where on the spectrum it belongs;
- acquisition multiples are a product of the economic and other circumstances at the time of the transaction. However, each transaction will be the product of a unique combination of factors, including:
  - economic factors (e.g. economic growth, inflation, interest rates) affecting the markets in which the company operates;
  - strategic attractions of the business – its strengths and weaknesses, market position of the business, strength of competition and barriers to entry;
  - the company's own performance and growth trajectory;
  - rationalisation or synergy benefits available to the acquirer;
  - the structural and regulatory framework;
  - investment and share market conditions at the time; and
  - the number of competing buyers for a business;
- acquisitions and listed companies in different countries can be analysed for comparative purposes, but it is necessary to consider differences in overall share market levels and rating between countries, economic factors (economic growth, inflation, interest rates), market structure (competition etc) and the regulatory framework. It is not appropriate to adjust multiples in a mechanistic way for differences in interest rates or share market levels;
- acquisition multiples are based on the target's earnings, but the price paid normally reflects the fact that there were cost reduction opportunities or synergies available to the acquirer (at least if the acquirer is a "trade buyer" with existing businesses in the same or a related industry). If the target's earnings were adjusted for these cost reductions and/or synergies the effective multiple paid by the acquirer would be lower than that calculated on the target's earnings;

- while EBITDA multiples are commonly used benchmarks, they are an incomplete measure of cash flow. The appropriate multiple is affected by, among other things, the level of capital expenditure (and working capital investment) relative to EBITDA. In this respect:
  - EBIT multiples can in some circumstances be a better guide because (assuming depreciation is a reasonable proxy for capital expenditure) they effectively adjust for relative capital intensity and present a better approximation of free cash flow. However, capital expenditure is lumpy, and depreciation expense may not be a reliable guide. In addition, there can be differences between companies in the basis of calculation of depreciation; and
  - businesses that generate higher EBITDA margins than their peer group companies will, all other things being equal, warrant higher EBITDA multiples because free cash flow will, in relative terms, be higher (as capital expenditure is likely to be a smaller proportion of earnings).

APPENDIX E – QUALIFICATIONS, DECLARATIONS AND CONSENTS

1. Qualifications

The Clarien group of companies provides corporate advisory services in relation to mergers and acquisitions, capital raisings, corporate restructuring and financial matters generally. One of the primary activities of Clarien is the preparation of corporate and business valuations and the provision of independent advice and expert's reports in connection with mergers and acquisitions, takeovers and capital reconstructions.

The persons responsible for preparing this report on behalf of Clarien are Peter Jackson, BCom, CA, Christopher Smith, BCom, PGDipFin, MAppFin, Jake Sheehan, BCom (Hons) and Jake Eagar, BCom, BA. Each has a significant number of years of experience in relevant corporate advisory matters.

2. Limitations and Reliance on Information

Clarien's opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. The report is based upon financial and other information provided by the directors, management and advisers of Bremworth. Clarien has considered and relied upon this information. Clarien believes that the information provided was reliable, complete and not misleading and has no reason to believe that any material facts have been withheld.

The information provided has been evaluated through analysis, enquiry, and review for the purposes of forming an opinion as to the underlying value of Bremworth. However, in such assignments time is limited and Clarien does not warrant that these inquiries have identified or verified all of the matters which an audit, extensive examination or "due diligence" investigation might disclose.

The time constraints imposed by the Takeovers Code are tight. This timeframe restricts the ability to undertake a detailed investigation of Bremworth. In any event, an analysis of the merits of the offer is in the nature of an overall opinion rather than an audit or detailed investigation. Clarien has not undertaken a due diligence investigation of Bremworth. In addition, preparation of this report does not imply that Clarien has audited in any way the management accounts or other records of Bremworth. It is understood that, where appropriate, the accounting information provided to Clarien was prepared in accordance with generally accepted accounting practice and in a manner consistent with methods of accounting used in previous years.

An important part of the information base used in forming an opinion of the kind expressed in this report is the opinions and judgement of the management of the relevant enterprise. That information was also evaluated through analysis, enquiry and review to the extent practicable. However, it must be recognised that such information is not always capable of external verification or validation.

The information provided to Clarien included projections of future revenues, expenditures, profits and cash flows of Bremworth prepared by the management of Bremworth. Clarien has used these projections for the purpose of its analysis. Clarien has assumed that these projections were prepared accurately, fairly and honestly based on information available to management at the time and within the practical constraints and limitations of such projections. It is assumed that the projections do not reflect any material bias, either positive or negative. Clarien has no reason to believe otherwise.

However, Clarien in no way guarantees or otherwise warrants the achievability of the projections of future profits and cash flows for Bremworth. Projections are inherently uncertain. Projections are predictions of future events that cannot be assured and are necessarily based on assumptions, many of which are beyond the control of management. The actual future results may be significantly more or less favourable.

To the extent that there are legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, regulations, and policies, Clarien assumes no responsibility and offers no legal opinion or interpretation on any issue. In forming its opinion, Clarien has assumed, except as specifically advised to it, that:

- the title to all such assets, properties, or business interests purportedly owned by Bremworth is good and marketable in all material respects, and there are no material adverse interests, encumbrances, engineering, environmental, zoning, planning or related issues associated with these interests, and that the subject assets, properties, or business interests are free and clear of any and all material liens, encumbrances or encroachments;
- there is compliance in all material respects with all applicable national and local regulations and laws, as well as the policies of all applicable regulators other than as publicly disclosed, and that all required licences, rights, consents, or legislative or administrative authorities from any government, private entity, regulatory agency or organisation have been or can be obtained or renewed for the operation of the business of Bremworth, other than as publicly disclosed;
- various contracts in place and their respective contractual terms will continue and will not be materially and adversely influenced by potential changes in control; and
- there are no material legal proceedings regarding the business, assets or affairs of Bremworth, other than as publicly disclosed.

3. Disclaimers

It is not intended that this report should be used or relied upon for any purpose other than as an expression of Clarien's opinion as to the merits of the Offer. Clarien expressly disclaims any liability to any Bremworth security holder who relies or purports to rely on the report for any other purpose and to any other party who relies or purports to rely on the report for any purpose whatsoever.

This report has been prepared by Clarien with care and diligence and the statements and opinions given by Clarien in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Clarien or any of its officers or employees for errors or omissions however arising in the preparation of this report, provided that this shall not absolve Clarien from liability arising from an opinion expressed recklessly or in bad faith.

Clarien has had no involvement in the preparation of the Target Company Statement issued by Bremworth and has not verified or approved any of the contents of the Target Company Statement. Clarien does not accept any responsibility for the contents of the Target Company Statement (except for this report).

4. Independence

Clarien and its related entities do not have any shareholding in or other relationship or conflict of interest with Bremworth or Mangawhai that could affect its ability to provide an unbiased opinion in relation to the Offer. Clarien had no part in the formulation of the Offer. Its only role has been the preparation of this report. Clarien will receive a fixed fee for the preparation of this report. This fee is not contingent on the outcome of the Offer. Clarien will receive no other benefit for the preparation of this report. Clarien considers itself to be independent for the purposes of the Takeovers Code.

5. Information

Clarien has obtained all the information that it believes is desirable for the purposes of preparing this report, including all relevant information which is or should have been known to any Director of Bremworth and made available to the Directors. Clarien confirms that in its opinion the information provided by Bremworth and contained within this report is sufficient to enable Bremworth security holders to understand all relevant factors and make an informed decision in respect of the Offer. The following information was used and relied upon in preparing this report:

5.1. Publicly Available Information

- Bremworth's Annual Reports for the financial years ended 30 June 2016 to 2026;
- Bremworth's presentations for the financial years ended 30 June 2016 to 2025; and
- Broker research, industry reports and press articles.

5.2. Non-Public Information

- Bremworth's 2025 and 2026 Board Papers;
- Bremworth's 2027 Budget;
- Bremworth's 2028 Forecast; and
- Bremworth's management accounts for FY24, FY25, FY26 and FY27 (to July 2026).

6. Declarations

Bremworth has agreed that it will indemnify Clarien and its employees and officers in respect of any liability suffered or incurred as a result of or in connection with the preparation of the report. This indemnity will not apply in respect of the proportion of any liability found by a Court to be primarily caused by any conduct involving gross negligence or wilful misconduct by Clarien. Bremworth has also agreed to indemnify Clarien and its employees and officers for time spent and reasonable legal costs and expenses incurred in relation to any inquiry or proceeding initiated by any person. Where Clarien or its employees and officers are found to have been grossly negligent or engaged in wilful misconduct Clarien shall bear the proportion of such costs caused by its action. Any claims by Bremworth are limited to an amount equal to the fees paid to Clarien.

Advance drafts of this report were provided to the directors and executive management of Bremworth. Certain changes were made to the drafting of the report as a result of the circulation of the draft report. There was no alteration to the methodology, evaluation or conclusions as a result of issuing the drafts.

7. Consents

Clarien consents to the issuing of this report in the form and context in which it is to be included in the Target Company Statement to be sent to security holders of Bremworth. Neither the whole nor any part of this report nor any reference thereto may be included in any other document without the prior written consent of Clarien as to the form and context in which it appears.