

Parkin Limited Pitch for Consultant / Non-Exec / Chairman Role March 2021



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1. Summary

KP's Background

Academic qualifications in Engineering, Accountancy and Marketing
Highly experienced manufacturing MD and General Manager
Passionate about manufacturing and succession planning
Received numerous, prestigious business awards

KP's Industrial Relevance

Internationally in Oil and Gas, Mining, and Tunnelling
Understand the characteristics of components made from hard metals
Familiar with most manufacturing processes
Confident selling in remote markets (India, Pakistan and Inner-Mongolia)

Negotiation Experience

Vast experience of negotiating commercially and corporately

Acquisition / Disposal experience – Generic

Fronted or assisted on most types of debt / equity transactions over a 30 year period involving the buying or selling of companies both in the UK and internationally

Acquisition / Disposal experience – Specific

Fronted deals to: raise funds, refinance and restructure debt / equity also, assisted management teams in starting-up or disposing of companies.

2. KP's Background

- Initially studies Engineering and Business
- Post Graduate Diploma in Marketing and Qualified Management Accountant
- Worked in manufacturing companies for 30 years
- Moved into General Management and became an MD at 33
- Considerable deal leading experience (buying and selling)
- Concentrated on turnarounds and business improvements to add value to manufacturing companies
- Passionate about manufacturing, training and communications
- Currently advising management teams on efficiency improvements and adding value to existing businesses
- Numerous prestigious business awards
- Recognised by THE MANUFACTURER as one of the Top 100 UK Manufacturers in 2017
- Sold shares in last investment (Precision Technologies Ltd) in August 2018

Summary

Academic qualifications in Engineering, Accountancy and Marketing
Highly experienced manufacturing MD and General Manager
Passionate about manufacturing and succession planning
Received numerous, prestigious business awards

3. Industrial Relevance

- Oil and Gas (Process filtration, water injection and skid mounted chemical fluid dosing)  
- South Pars / North Dome, Gulf of Mexico, South China Sea, Algeria, Abu Dhabi, North Sea
- Tunnel Boring machine components / spares and large cutter heads (250T) used in demanding environments. 
- China, USA, India



Mine Hoists supplied to Canada:

- Agnico Eagle, Gold Corp (Elenore £10m),
- IamGold (Westwood Mine £15m),
- Lalor (Hudson Bay £7.5m),
- Vale (Totton - Copper Cliffe)



- Thread Gauges supplied to Baker Hughes under API (American Petroleum Institute) Accredited Standards (Spec 5b & 7) for thread verification gauges: Plug, Profile, Ring and Seal.
- Worked with the Nuclear industry in France, UK and Internationally supplying consumables
- Understand the dynamics of most manufacturing processes



Summary Worked Internationally in Nuclear, Incineration, Oil and Gas, Mining, and Tunnelling
 Understand the characteristics of good customer service postures
 Familiar industrial markets including automotive, aerospace and nuclear
 Confident selling in remote markets (India, Pakistan and Inner-Mongolia)



4. Negotiation Experience

- Negotiated the purchase of 13 companies
- Acquiring plc quoted engineering group (Bought Tyzack Turner plc)
- Sold 4*, 214 bedrooomed hotel (Harrogate International plc sold top Queens Moat Houses plc)
- Sold chemicals group to Indian multi-national (MTM Agrochemicals to United Phosphorus plc)
- Sold French engineering group (Eurofiltec to AMA)
- Sold UK engineering group to Indian \$1Bbn group (DavyMarkham to IVRCL plc)
- Successfully reduced costs by shedding unionised labour
- Closed a deal to supply the whole of Flymo rotary blades
- Part of the bidding group for the successful investment of £20 by Rolls-Royce in the Nuclear AMRC in Sheffield
- Headed the UK consortium for the supply of a vacuum vessel for the ITER nuclear fusion plant
- Negotiated a supply agreement for primary filtration equipment in evert French nuclear plant
- Negotiated £500k chemical equipment sale into inner Mongolia
- Negotiated £10m mine hoist deal with Agnico Eagle in Canada
- Negotiated supply of 49 drivetrain components (£2m) to Mercedes Formula 1 team (Precision Technologies Ltd)
- Negotiated £1m gas sweetening plant to UAE
- Negotiated debt facilities in several distressed situations (including Surgical Innovations with Yorkshire Bank)
- Led an MBO of Castings Technology International out of University ownership in January 2021

Summary – Vast experience of negotiating commercially and corporately

5. Acquisition / Disposal Experience – Generic

MBO – 4 full transactions (one plc)

MBI / BIMBO – Bought Precision Technologies with existing managers in 2015 and sold my share in 2018. Part of MBO team of Tyzack plc,

Acquisitions – 10 acquisitions in Europe and the UK

JV's – JV's with Indian and Pakistani companies

Disposals – Many subsidiary and company disposals including Eurofiltec and DavyMarkham in 2010

Buying out of pre-pack – Eurofiltec in Stoke-on-Trent purchased with debt out of pre-pack

Refinancing - Rescheduling of debts and retention of facilities – Surgical Innovations plc

Start-Ups - Assisted the management team of R3 Products raise finance to start up this plastic recycler

Class one transactions Headed a plc acquisition (Tyzack Sons and Turner in 1988 with KPMG)

Restructuring – Most of the companies have had debt and equity restructuring

Turnarounds – This is Parkin Ltd's key skill set

Summary Fronted or assisted on most types of debt / equity transactions over a 30 year period involving the buying or selling of companies both in the UK and internationally

6. Acquisition / Disposal experience – Specific

- 1986 – Oversaw the building of a 214 bedroomed 4* hotel in Harrogate and sold to trade buyer in 1986
- 1988 – Class one transaction at Tyzack plc to acquire competitor (Tyzack Son's and Turner plc)
- 1989 – Junior member of MBO team buying Tyzack plc
- 1997 – Turned around and sold MTM Agrochemicals to UPL (India)
- 1999- Bought Eurofiltec sa in a take private transaction from Focus Dynamics plc
- 2000 – Acquired 3 companies in France to bolt onto the Group
- 2000 – Acquired Vanpipe Ltd via a pre-pack out of administration
- 2004 – Sold the Eurofiltec Group to a trade buyer (AMA)
- 2005 – Set up a trading company in China to sell Chlorine Technology into Inner Mongolia
- 2006 – Turned around and acquired DavyMarkham from Kvaerner plc
- 2010 – Sold DavyMarkham to IVRCL (India)
- 2011 – Help raise funds for recycling start-up (R3 Products)
- 2013 – Restructured the finances and acquired shares in Knight-Warner
- 2014 – Turned around and restructured the finances of Surgical Innovations plc
- 2015 – Raised funds to lead a BIMBO of Precision Technologies Ltd
- 2018 – Sold my shareholding in Precision Technologies
- 2021 – Led an MBO of Castings Technology International out of University ownership in January 2021

Summary Fronted deals to: raise funds, refinance and restructure debt / equity also, assisted management teams in starting-up or disposing of companies.

7. Summary of Skills and Style

- **Skills' Match**
 - General management qualifications and experience. Understand the challenges facing growing SME's. Committed to quality and employee skills
- **Industrial Experience Match**
 - Understand the dynamics of the machining and fabricating heavy components. Close relationship with Universities, Believe in exploiting service, installation and spare parts opportunities. Worked with most types of welding and codes (including electron beam welding for Nuclear applications)
- **What I can bring**
 - Strategic vision, Total punctuality at all times, Focus on customer service and sustainable high quality
- **Coaching**
 - Already proven and registered, Able to develop highly effective internal communications, Fostering the continuous development of apprentices
- **Strategic Positioning**
 - Innovative R&D seen to be a key strategic influence on the business, Development of internal skills is critical, Close liaison with Universities to develop IP will protect the market position
- **Sales and Marketing**
 - Strategic alliances with key suppliers and customers, Link marketing activities to QA system for consistency, Be perceived as the world leader
- **Quality, Sales and Marketing**
 - H&S must be the first business propriety, Quality system used to control and monitor most business activities, Development of a continuous improvement culture using the quality system as its base
- **Employee Development and Succession**
 - Initiate a world class apprentice training centre, Engage with all employees to enhance individual skills, Ensure that the families are included in the business culture
- **Supplier Partnering**
 - Close liaison is essential , Verification of key suppliers' sustainability requires constant reviews, Preference for local / regional purchasing wherever feasible
- **KP's Relevant Networks**
 - Extensive manufacturing and supply chain network, Links to Vice Chancellors and Faculty Heads at Universities, Well known in the manufacturing industries

8. Skills' match

- *General management qualifications and experience*
- *Understand the challenges facing growing SME's*
- *Committed to quality and employee skills*

- Health and Safety is my number one business priority at all times
- Academic qualifications in Engineering, Marketing and Accountancy
- Held board level positions for the last 30 years (MD for 25)
- Worked on the shop floor
- Believe in long term, high quality supplier relationships
- Used to coaching senior managers and directors
- Hands off approach once a strategic direction has been agreed
- Empathy with SME's and issues faced
- Sit on the steering committee at Sheffield University for PhD Advanced Materials Systems (Metallurgy)
- Work closely with R&D functions to ensure developments are punctual
- Take a personal interest in the shop floor and all the employees
- Committed to skills development and an effective apprentice training scheme
- Used to implementing 5S and lean throughout the company
- Promote highly effective communications both internally and externally

9. Industrial experience match

- *Understand the dynamics of the supply chain, distribution and working capital*
- *Close relationship with Universities*
- *Believe in exploiting service, installation and spare parts opportunities*

- Driven efficiency improvements in Manufacturing and Distribution plants
- Ran a manufacturing plant with machine / fabrication shops and assembly functions at the age of 27
- Developed process filtration equipment and consumables for international F&B / Pharmaceutical customers
- Worked on intricate 3mm surgical instrumentation and F1 component manufacture and distribution
- Recently worked on an assignment in a packaging automation business supplying the international milk industry
- Understand modern robotics applications and the requirements for accurate placing devices in warehouses
- Understand the Nuclear, Aerospace Mining, Pharmaceutical, Transmission and Medical equipment markets
- Developed close relationships with Universities for research and academic development
- Run companies with integrated design, manufacturing, assembly and supply of spare parts
- Understand the importance and profitability in sub-contract design and manufacturing functions
- Worked closely with the AMRC in Sheffield in Aerospace and Nuclear machining and fabrication requirements

10. What I bring

- *Strategic vision*
- *Total punctuality at all times*
- *Focus on customer service and sustainable high quality*

- Considerable hands-on industrial experience
- Strategic vision with cascaded business plans / objectives
- Leading formal board meetings
- Coaching teams to perform at their best
- Improving motivation of teams
- Injecting enthusiasm
- Understanding of all company disciplines
- Excellent communication skills both externally and internally
- Empathy with the workforce
- Total punctuality philosophy throughout the business
- High quality image, excellent housekeeping and customer service focus
- Ability to win leading industry awards
- Excellent network of industrialists and academics

11. Coaching

- *Already proven and registered*
- *Able to develop highly effective internal communications*
- *Fostering the continuous development of apprentices*

- Voted on of the Top 100 Manufacturing People in 2017 by The Manufacturer Magazine
- Entrepreneur in residence with the Connect Yorkshire
- Parkin Ltd provides coaching sessions for SME boards
- Many lectures on the importance of internal communications
- Developing communication skills in senior teams
- Focussing efforts on the business and away from confrontation
- Promoting employee participation in ideas
- Removal of blame culture and implantation of root cause followed by agreed corrective action
- Making use of the quality system at all times
- Encouraging apprentice development and management training for apprentices
- *Previously, Specialist Manufacturing Consultant – MAS and Approved Coach with the Growth Accelerator*

12. Strategic positioning

- *Innovative R&D seen to be a key strategic influence on the business*
- *Development of internal skills is critical*
- *Close liaison with Universities to develop IP will protect the market position*

- Understand the need to be an innovative company producing advanced solutions
- Research and development commitment is a pillar of strategy
- Continuous improvement and product development will allow the market leading position to continue
- Working as a team, recruiting locally and having an active local presence is important
- Customer and supplier relationships are key to understanding the future technology
- Close technical associations with Universities and research centres is important
- Internal development of technical and manufacturing skills key to innovation
- Management of distributors and agents key to successful international expansion
- Securing and protecting IP will help protect innovation
- Growth by strategic acquisitions could be considered
- Marketing and promotional activities are essential to maintain recognition as market leader

13. Sales and Marketing

- *Strategic alliances with key suppliers and customers*
- *Link marketing activities to QA system for consistency*
- *Be perceived as the world leader*

- Consistent high quality approach
- Association with key suppliers and customers wherever possible
- Include as many employees in the PR and marketing activities
- Ensure the web site has key contacts with pictures
- Develop consistency linked to quality standards
- Mirror external marketing with internal communications and signage
- Develop open days, demonstration areas and permeant exhibitions
- Consider the use of mobile exhibition stands
- Review the marketing costs of entering into new markets
- Develop a branding culture throughout the business and local community

14. Quality, Health and Safety

- *H&S must be the first business propriety.*
- *Quality system used to control and monitor most business activities*
- *Development of a continuous improvement culture using the quality system as its base*

- Must be considered the number one business priority
- CE markings critical to market recognition
- Accreditations are vital to credibility and customer acceptance
- Internal H&S standards must be constantly improved and monitored
- H&S committee have considerable executive powers
- First item on Board agenda is H&S
- Quality system is a key tool towards continuous improvement
- Removal of “Blame Culture” and full root cause investigation followed by agreed corrective actions
- Maximum use of flow charts and removal of as much paperwork as possible
- Available at all times for external auditing by customers or their representatives
- Ensure apprentices operate within the system
- Use QA as part of the marketing tools

15. Employee development and succession

- *Initiate a world class apprentice training centre*
- *Engage with all employees to enhance individual skills*
- *Ensure that the families are included in the business culture*

- Developing a pipeline of apprentices by engaging with local schools
- Build a world class apprentice training centre
- Introducing a tailored training scheme at the local college for apprentices
- Become the centre of excellence for apprentice training
- Undertake annual training needs analysis with employees suggesting courses for themselves
- Review skills gaps and develop succession plans
- Undertake reviews of available skills before introducing new technologies
- Map each employee's future opportunities within the business
- Identify future leaders at an early stage
- Encourage customer interfaces with all employees wherever possible
- Engage with families via open days and social events
- Initiate a graduate training scheme / university sponsorship scheme using local labour
- Consider an Academy for apprentice training established by the family as a charitable trust

16. Supplier Partnering

- Close liaison is essential*
- Verification of key suppliers' sustainability requires constant reviews*
- Preference for local / regional purchasing wherever feasible*

- Work closely with key suppliers to develop new methods and concepts
- Ensure that the key supplier base has been audited for sustainability
- Exploit marketing opportunities with suppliers wherever feasible
- Encourage suppliers to use the company's products in their marketing testimonials
- Develop close relationships with suppliers to ensure service levels are optimised
- Understand suppliers' financial status and ability to accept standard credit term
- Review JV opportunities with suppliers
- Consider the use of consignment stocks for key components
- Encourage suppliers to assist in value engineering exercises
- Promote the use of local suppliers / Made in Yorkshire accredited suppliers
- Consider exchanging suppliers' apprentices or training apprentices for key suppliers

17. Key Roles of Chairman

Main Duties

- Overview of business performance against agreed metrics and ethical standards
- Keep the stakeholders informed of the performance of the business and strategic changes
- Ensure that there are adequate and effective financial and operating controls in the business
- Oversee and risk assess new product and new market penetration
- Monitor improvements in company's efficiency
- Consider and review capital expenditure proposals
- Ensure that there are adequate succession plans in place to cover senior management roles
- Consider and propose to shareholders potential acquisition opportunities
- Ensure that health and safety are a business priority

Key Tasks / Responsibilities

- Coach the directors and senior management in areas of collaborative strategic thinking and decision making
- Assist in the initiation and monitoring procedures for continuous improvement initiatives.
- Identify key high level decision makers in strategically important business sectors
- Assist in establishing corrective action proposals for major deviations from agreed KPI's
- Assist in the selection of senior appointments in the company
- Chair the salary and appointments committee
- Review and comment on the annual budget
- Assist in developing a strategy for the future sustainability of the business

18. Strategic Roles of Chairman



19. Possible Timetable for first Quarter (for discussion)

- Meet with directors and senior managers (as a team and individually)
- Address the workforce with the other directors and shareholders present
- Understand the current order position and capacity requirements
- Review the business plans and KPI's
- Review the order pipeline and key prospects
- Review any contractual or legal issues in the business
- Review the 13 week cash forecast
- Meet with key customers and suppliers
- Meet with the auditors / lawyers
- Understand the types of queries being directed to the board
- Establish a daily 10 minute stand up meeting each day with the board
- Review exhibition and future marketing commitments
- Review recruitment and training plans
- Formalise board meetings with agenda, papers and minutes
- Agree and commence the roll out of a cascading 100 day plan

20. Questions – The Business

- Current management style
- Vulnerability to new technology (Robotics / Computer Systems / Industry 4.0 integration)
- Flexibility of workforce
- Income / profit split between components / service / spares
- Cash flow profile
- Trading in the current year
- Spare capacity for expansion
- Availability of local labour
- Risk of the loss of key personnel
- Ability to sub-contract
- Partnerships with Universities
- Competitors' relationships
- Memberships of industry bodies / associations
- Capital expenditure requirements
- Patented protection / IP
- Overseas expansion opportunities

21. Relevance to the Business

- **Deal Experience**
Significant number of successful and award-winning deals both acquiring and disposing of companies. Extensive connections in banking and equity / PE houses. Credible buyer with references and experience
- **Skills' Match**
General management qualifications and experience. Understand the challenges facing growing SME's. Committed to quality and constantly improving employee skills.
- **Industrial Experience Match**
Understand the dynamics of the manufacture of high quality components both one-offs and commodities. Close relationship in place with Universities. Believe in exploiting good customer service and spare parts opportunities together with premium pricing "Fast Track Manufacturing"
- **What I can bring**
Strategic vision. Total punctuality at all times. Focus on customer service and sustainable high quality.
- **Networks / Professional Connections**
Extensive high level connections with leading accountants, Lawyers and Banks together with PE houses. Member / Chair of leading Yorkshire societies and associations. 14,000 LinkedIn contacts and extensive network of associates in manufacturing
- **Strategic Positioning**
Innovative R&D seen to be a key strategic influence upon the business. Development of internal skills is critical. KP's close liaison with Universities to develop IP will protect the market positions is vital.
- **Sales and Marketing**
Strategic alliances with key suppliers and customers. Linking marketing activities to the QA system for consistency. Perceived as the world class leader
- **Quality, Health and Safety**
H&S is the first business propriety at every level in the company. Quality system used to control and monitor most business activities. Development of a continuous improvement culture using the quality system as its base.

22. Union Participation

DavyMarkham Shop Stewards Work To Secure Firm's Future

"Our company is heading towards a much brighter future, thanks to the efforts of our MD, Kevin Parkin, and the JSSC wants to work with him in a spirit of collaboration and reach acceptable agreements that benefit the workforce and the company," says Michael Jay. "We feel we can find the right solutions to the challenges we face by working collectively, in order to achieve our ultimate goals of secure jobs and better pay.'

Kevin's a strong believer in unions and we have established a very sound working relationship,' says Sam Wragg. "The JSSC are certainly not 'yes men', but we appreciate that we have shared goals with management, in that we all want DavyMarkham to succeed.'

One move in the right direction was last year's reintroduction of the company's apprenticeship scheme, with the help and support of Doug Patterson, Regional Officer for Unite,

"At times in the past, it has been hard to keep a demotivated workforce on board, but our JSSC Chairman, Sam, and his Deputy, Andy, have done an excellent job and now we're beginning to see positive results,' concludes Secretary, Mick Jay.

"Kevin Parkin has a fresh vision to succeed and, as a union, we must work with him and accept the need for change. After all, we can't press for a healthy future with DavyMarkham and high quality terms & conditions for the workforce, yet at the same time pretend that everything will remain the same.'

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