



ASX ANNOUNCEMENT

Chairman's remarks to AGM

30 November 2012

At the request, and for the benefit, of shareholders who could not attend the Symex 2012 AGM the following is a summary of opening remarks made by the Chairman.

It goes without saying this has been a disappointing year for shareholders.

The demise of the Oleo chemical business where we went from a profit of \$5.9M in FY11 to a loss of \$2.4M in FY12 year is the major reason for the company's disappointing performance.

In saying that I have to say that the management did a good job in very difficult circumstances. But the weight of the tallow price (as high as \$1,040 per tonne), the AUD, declining market prices due to lower palm stearin prices and our inability to achieve price increases to offset those cost increases (\$2.5M) took their toll.

The domestic market which was previously 20% of the business, suffered dramatic volume and price decreases due to customers moving to imports.

This is a case of another Oleo chemical business based on tallow closing its doors.

It is a sad day when you have to close a business that has been in existence for 158 years. The Board wishes the employees that have been retrenched the best in their future endeavours. It is a pity the government does not recognize businesses which are exporters and are hit by the high dollar. The other consideration in closing Oleo was the future cost increases due to the carbon tax which are not recoverable in price given the large volume of exports.

Every effort was made to sell this business but to no avail.

The consumer products business (Pental) was also not without its problems. The delisting of the Huggies brand and the loss of \$4M in sales to the retail sector was a bitter blow. This had been one of our best performing growth brands but was taken from the shelf due to a competitor launching a new product that was backed by \$10M in advertising and promotional deals.

NZ also performed poorly with promotional expenditure not delivering the sales performance. This is now under control.

Although the White King brand has not yet delivered on its goals much progress has been made. Without White King there is no doubt the company would have been in far worse shape.

Much work is still to be done. The focus on truly combining the White King and Pental businesses to maximize cost reduction opportunities is well under way. I am sure the White King purchase will be the revitalisation of this company. The work done in solving the warehousing and freight problems is well underway. Systems have been implemented to keep control of promotional spending. Brands have been

repositioned and new products introduced. The opportunities in new products and new distribution channels give the company true growth opportunities.

The retail market is still very tough - it is extremely difficult to get price rises. We expect this competitive retail situation to remain. We must adapt and find the ways to be the quality low cost producer - I believe we are well on the way.

The year saw the introduction of a new management team – Alan Fisher was appointed CEO and his contribution to get the company through this period is greatly appreciated. The same goes for Charlie McLeish – his efforts in turning around the Pental business like Alan, has been outstanding.

The appointment of the right CFO in Albert Zago was critical - we have appointed an excellent person.

As I said much is still to be done. Alan Fisher will take you through a more detailed presentation.

Finally, we will be reconstituting the Board as we move from an Oleo chemical business to an FMCG business. This will require the addition of new board skills. We will be appointing a search firm to do an assessment of the board and come up with a series of recommendations regarding the future composition of the board.

I would like to thank all employees in what has been a very difficult year. I would also like to thank my fellow directors who had the strength to see through the many uncontrollable issues that faced us in this past year.

Here is to the future of Pental - there are exciting opportunities ahead. Thank you for your support.

About Symex Holdings Limited

Symex's Pental Consumer Products Division is Australia's largest manufacturer of soap, supplying its own brands of Country Life, Natural Selections, Sunlight, Velvet, Knights Castile and Lux Flakes, together with the sale of icon brands such as Jiffy Firelighters, Softly premium wool wash, Huggie fabric softener, Country Homestead wool mix, Sureguard moth and silverfish repellent, Hi Speed iron cleaner and Close Up and Aim toothpastes. More information on Pental is available at: www.pental.com.au