Bremworth

Media release   **4 February 2025**

Cyclone Gabrielle insurance settlement

NZX-listed wool carpet manufacturer Bremworth (NZX: BRW) advises that:

- it has reached a full and final settlement agreement with its insurers in relation to the claims made for the loss of, or damage to, property, plant and equipment, and for the consequent disruptions to the business, caused by Cyclone Gabrielle in February 2023

- the amount of the settlement has been agreed at $104.2 million, leaving a further $42.2 million to be paid by the insurers – after taking into account progress payments paid to date of $62.0 million [1]

- the balance of $42.2 million is expected to be paid as soon as possible and in any event no later than the end of February 2025.

Greg Smith, CEO, says that the settlement is significant because it provides Bremworth with certainty as it continues to assess what the best approach is to rebuild the business to pre-cyclone capability.

Bremworth has, to date, reinstated its Napier dyehouse and related services as well as a yarn twisting line. Reinstatement of other yarn-finishing equipment is also nearing completion. This will provide for Bremworth to differentiate key product lines in the future.

George Adams, Chair, says that the insurance claims for both material damage and business interruption have been complex and time consuming and that the Directors are pleased with the outcome and appreciative of the support received from the insurers and its advisers throughout the claims process.

The Board and management will provide a further update on the post-cyclone review of the business, taking into account the insurance settlement, when Bremworth releases its FY25 half year results for the six months ended 31 December 2024 towards the end of February.

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[1] All amounts referred to are exclusive of GST, with GST to be added where applicable.