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MCPHERSON'S
Est. 1860

HEALTH, WELLNESS & BEAUTY



19TH May 2021

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AGENDA

1. MCPHERSON'S TODAY Grant
2. STRATEGY & OPERATIONAL REVIEW UPDATE Grant
3. STRATEGIC GROWTH PLATFORMS
 - i. Core 6 brands, Key Channels Donna & Lori
 - ii. Health Dawn
 - iii. International Expansion David, Jade & TCG
4. OUR UNIQUE CAPABILITIES
 - i. Customer & Shopper education Lori
 - ii. R&D / Innovation Donna
 - iii. Sustainability Donna
 - iv. Supply Chain Paul
5. FINANCIAL UPDATE Paul
6. SUMMARY & Q&A Grant





1. MCPHERSON'S TODAY

MCPHERSON'S – AT A GLANCE

FY21 Forecast Revenue
\$200 - 205M

340+ Staff
40% Customer facing

1,625 SKU's²
5 No.1 Brands
13 Categories³



1.2M

Points of Distribution
Globally



14

Countries



11,000+

Customer
Stores

+50%¹

of Australian
households
purchased an MCP
brand in the last 12
months

1 IRI Shopper Panel Data MAT 31/1/21 (Multix 50.2%; Manicare 10.2%; Lady Jayne 3.8%; Dr LeWinns 1% HH penetration)

2. MCP Saleable SKU's, A,B, C & N Saleable on the 19th May '21

3. Categories. Australian IRI Categories MCP competes in.

All other metrics source: MCP internal data including ex-factory estimates

HEALTH, WELLNESS & BEAUTY – A STRONG FUTURE

WE'RE OPERATING IN A \$15.2 BILLION MARKET

HEALTH & WELLNESS¹
(\$7.5 Billion, +5.7% vs Year Ago)



NATURAL HEALTH

Immunity & Protection
Sleep & Mood
Joint & Movement
Digestive Health

FUSION 康
health

東方 植物 藥
Oriental
Botanicals®

Soulful

**happy
flora.**

BEAUTY¹
(\$7.7 Billion, +4.6% vs Year Ago)



HEALTHY SKIN & BEAUTY

Cosmeceutical
Australian Natural
Essential Beauty
Clean Beauty

DR. LEWINN'S®

[Akin]

manicare

swisspers®

glam
by manicare

LADY JAYNE®

SugarBaby®
AUSTRALIA

HEALTH, WELLNESS & BEAUTY – A STRONG FUTURE

HEALTH & WELLNESS

BROAD
PENETRATION¹

78%
AUSTRALIAN'S PURCHASE
COMPLEMENTARY MEDICINE
Past 12 months

AGEING
POPULATION²

15% to 22%
Over 65 YRS 2017 Vs 2057

SIZE,
STRENGTH, &
GROWTH³

\$7.5B
AUSTRALIAN HEALTH &
WELLNESS CATEGORY

COVID IMPACT⁷

64%
GLOBAL CONSUMERS ARE
FEARFUL FOR THEIR HEALTH

BEAUTY

MARKET
POSITION⁴

MCP No. 2
AUSTRALIAN BEAUTY
SUPPLIER TO PHARMACY

CONSISTENT
CATEGORY
GROWTH⁵

+4.8%
GLOBAL BEAUTY INDUSTRY
EST. 4YR CAGR to 2025

STRONG ANTI
AGEING
BEAUTY
NEEDS⁶

82% 93% 97%
CHINA USA UK
TOP 2 BOX SURVEY RESULTS

6. ADNA Consumer Research. Women 20 to 50yrs, 88% Strong Agree/Agree that they Like to prevent the signs of ageing on my skin China 88% (n=3,504), USA 93% (n=3,313), UK 97% (n=3,103)

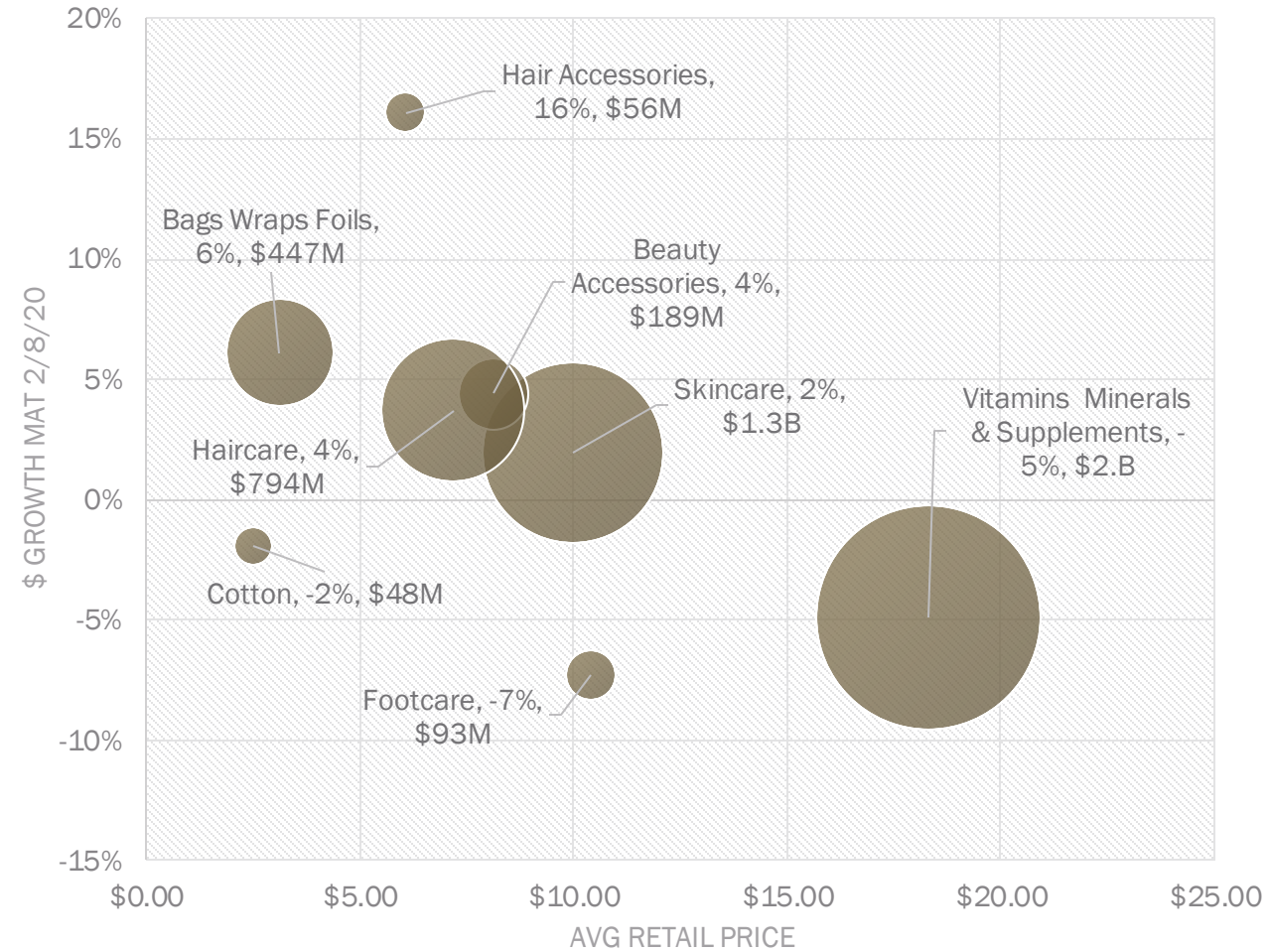
7. Accenture Covid-19 Consumer Research, conducted April 2-6, 2021. Proportion of consumers that agree or significantly agree N= 3074 .

1. Complementary Medicines Australia: Industry Audit & Trends 2020
2. Source: Older Australia at a glance; Australian Institute of Health & Welfare
3. IRI MarketEdge Pharmacy & Grocery
4. IRI market data: MAT FEB 21
5. Statista Beauty & Personal Care Worldwide Outlook 2021 to 2025

MCP - WINNING IN LARGE HW&B CATEGORIES

CATEGORY	Size	MCP Share
Vitamins Mineral Supplements	\$2B	<1%
Skincare	\$1.3B	2%
Haircare	\$794	<1%
Bags Wraps Foils	\$447M	28%
Beauty Accessories	\$189M	40%
Footcare	\$93M	6%
Hair Accessories	\$56M	35%
Cotton	\$48M	61%

MCP CATEGORIES: \$SIZE & GROWTH & AVG RETAIL PRICE



A top-down view of various pharmaceutical products. In the center, there are several open containers: a white jar filled with light brown oval tablets, a white jar with a fine brown powder, a white jar with a bright orange powder, a clear jar with white capsules, and a white jar with dark brown capsules. Scattered around these are individual tablets and capsules of various shapes and colors (white, brown, pink). In the corners, there are more containers, some with pinkish or white creams. The background is a light, textured surface.

2. STRATEGY AND OPERATIONAL REVIEW

STRATEGIC INTENT



Health, Wellness and Beauty remains our core focus



Growth potential through greater collaboration, alignment and simplification of purpose, including a simplification of the JV strategy



Our near-term focus will be on the growth potential in existing categories from our established brands, capabilities, customers and channels



Brand acquisitions consistent with this definition have been a key component of our transition and will continue to be assessed – but with clear guard rails

OPERATIONAL REVIEW OUTCOMES

TARGET \$300M SALES & \$50M EBIT IN FY26



6 CORE OWNED BRANDS & KEY CHANNELS

- Laser focus on realizing and leverage domestic market capabilities: strong brand positions, executional resources and relationships
- Drive growth by tapping into adjacent markets and R&D



HEALTH & WELLNESS A NEW GROWTH PLATFORM

- The unique” ancient wisdom and modern medicine” hybrid positioning resonating well with consumers
- Ranging upside in Australian Pharmacy and reset from zero in New Zealand
- NPD is a significant growth opportunity



SELECTIVELY EXPAND INTERNATIONAL FOOTPRINT

- De-risking reliance on one brand, one channel, one geography in Export
- Leverage and build on key partnerships in Export, whilst keeping realism in expectations.



COST OPTIMISATION

Amend overheads to reflect the “reset” level of profitability in F21

- Drive efficiencies in Supply Chain and Distribution
- Deliver procurement and component price opportunities
- Reduction in overheads while preserving the core capabilities that drive our proposition

STRATEGIC & OPERATIONAL REVIEW

A. Major Focus Items of the Operational Review drive changes in approach and expectations in 4 key areas:



6 CORE OWNED
BRANDS & KEY
CHANNELS

Greater opportunity in the domestic market than previously appreciated:

- Brand positions, executional resources and relationships are strongest.
- Opportunity to better leverage these capabilities to support sales opportunity via better ranging, customer and channel expansion
- And brand growth is expected to be greater via adjacency opportunity and greater focus on innovation.



THESE INITIATIVES ARE TARGETED TO DELIVER
\$230M SALES & \$29M EBIT BY FY26

STRATEGIC & OPERATIONAL REVIEW

A. Major Focus Items of the Operational Review drive changes in approach and expectations in 4 key areas



HEALTH & WELLNESS

A NEW GROWTH
PLATFORM

The acquisition process and the recent review of Global Therapeutics has driven a sound understanding of the opportunities in this space

- The unique “ancient wisdom and modern medicine” hybrid positioning resonates well with consumers
- Ranging upside is significant in Australian Pharmacy and will be reset in New Zealand
- A significant growth opportunity exists through acceleration of new product development (NPD)



THESE INITIATIVES ARE TARGETED TO DELIVER
\$30M SALES & \$7M EBIT BY FY26

STRATEGIC & OPERATIONAL REVIEW

A. Major Focus Items of the Operational Review drive changes in approach and expectations in 4 key areas



SELECTIVELY EXPAND
INTERNATIONAL
FOOTPRINT

Build on the established success of Dr LeWinn's in China - de-risking reliance on one brand, one channel, one geography in international

- Continue to leverage and build on key partnerships, whilst keeping realism in expectations
- Renewed ranging and support for Dr LeWinn's will increase the breadth of distribution points beyond current levels
- Selectively use Cross Border E-Commerce (CBEC) into other large markets of relevance
- We are progressing non China markets and will leverage for other portfolio brands of relevance



THESE INITIATIVES ARE TARGETED TO DELIVER
\$40M SALES & \$8M EBIT BY FY26

STRATEGIC & OPERATIONAL REVIEW

A. Major Focus Items of the Operational Review drive changes in approach and expectations in 4 key areas



COST OPTIMISATION

We will amend overheads to reflect the “reset” level of profitability in FY21

- Efficiencies will be gained in Supply Chain and Distribution, as we consolidate businesses acquired and optimise
- We will deliver procurement and component price opportunities for formulated brands of scale that are material
- Overheads will be addressed while preserving the core capabilities that drive our proposition

THESE INITIATIVES ARE TARGETED TO DELIVER
\$6M EBIT BY FY23

STRATEGIC & OPERATIONAL REVIEW TARGETS

COST EFFICIENCY AND COST BASE AMENDMENTS PROGRAM

Full Year EBIT impact rises from ~\$3M in FY22 to ~\$6M in FY23

1. Warehouse Efficiencies – programmed efficiencies evolving to ~\$0.8M in FY23 with immediate capture of \$0.4M in FY22
2. Delivery Optimisation – evolving from \$0.6M in FY22 to \$1.0M in FY23
3. Procurement and product cost formulation (COGS reduction) – \$1.0M in FY23
4. Selling, General and Administrative (SG&A) cost improvements of \$2.2M in FY22 evolving to \$3.2M in FY23

	(\$M)	FY22	FY23	Annualised Cost Efficiencies
Warehouse		\$0.4	\$0.4	\$0.8
Delivery		\$0.6	\$0.4	\$1.0
COGS Reduction		\$0.0	\$1.0	\$1.0
SG&A		\$2.2	\$1.0	\$3.2
Total		\$3.2	\$2.8	\$6.0

STRATEGIC & OPERATIONAL REVIEW TARGETS

Confidence in growth

We anticipate FY26 sales of \$300M and EBIT of \$50M

Clear building blocks

Sequenced deliverables to illustrate the pathway to this performance outcome

Enhanced capability

Preservation of core value drivers, but in concert with cost optimisation delivery

Better performance expectation

Leading to a better performance expectation in a lower risk environment

3. STRATEGIC GROWTH PLATFORMS



STRATEGIC PRIORITY 1



6 CORE OWNED BRANDS & KEY CHANNELS

MARKET LEADING BRANDS WITH HEALTHY BRAND METRICS



STRATEGIC PRIORITY 1



#1 Australian Cosmeceutical Brand
TOP 10 FACIAL SKINCARE PHARMACY



#2 Natural Haircare in Pharmacy
+1.6 SHARE POINTS PHARMACY & WOOLWORTHS



#1 Beauty Tools & Accessories
+2.2 SHARE POINTS PHARMACY & GROCERY



#1 Hair Tools & Accessories
+1.9 SHARE POINTS PHARMACY & GROCERY



#1 Sustainable Wraps & Foil
#1 Foil, Bake, Garbage & Freezer Bags



#1 Cotton
+2.6 SHARE POINTS PHARMACY & GROCERY

CORE BRANDS: 5 YEAR VISION



STRATEGIC PRIORITY 1



Drive market share gains in pharmacy through inner and outer beauty innovation
TOP 3 FACIAL SKINCARE



Build scale through channel expansion and efficacious natural credentials
+102% GROWTH



Lead category growth through real estate & salon at home innovation
32% SHARE (+2.7%)



Connect with consumers through style innovation and grocery channel expansion
39% SHARE (+4.0%)



Lead and partner with retail customers to drive sustainable transformation
36% SHARE (+7.3%)



Drive cotton leadership and expand equity into adjacent categories
+\$6.2M RETAIL SALES GROWTH

INNOVATIVE SKINCARE RESONATING WITH CONSUMERS



STRATEGIC PRIORITY 1

DR. LEWINN'S

- **Strong track record for successful new product launches to drive share gains**

- New Marine Collagen Liquid Shots ranked within Top 5 Facial Skincare NPD in the latest Quarter
- Within Chemist Warehouse Marine Collagen Liquid Shots ranking #5 in Dr. LeWinn's range since launch in February
- New potent Eye Serum launched in China leading up to 6.6 Festival and major Domestic activation planned in November 2021
- Renovation of core ranges with increased clinicals 2022
- 34 Dr. LeWinn's R&D projects in the pipeline



HIGH PERFORMANCE NATURAL SKINCARE AND HAIRCARE



STRATEGIC PRIORITY 1

A'KIN

- **Boosting clinical claims to build scale in pharmacy and grocery**
 - 31 clinically proven products within A'kin range
 - Clinically proven A'kin Hair Mask contributing 10% to A'kin Haircare range
 - Clinically proven A'kin Deodorant increasing year on year +139%
 - Build scale and awareness to drive consumer penetration
 - Grocery expansion across haircare, skincare and personal care
 - Invest in new brand campaign “Approved by Nature, Clinically Proven”
 - Evolve packaging and new products in line with clean beauty macro trend



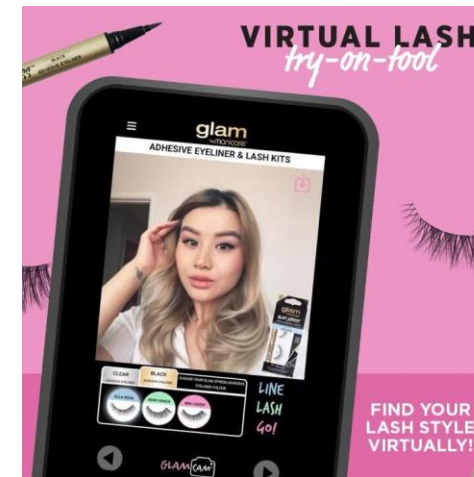
LEVERAGING MACRO TRENDS TO DRIVE CATEGORY GROWTH



STRATEGIC PRIORITY 1

MANICARE

- **\$68M¹ masterbrand connecting through beauty at home macro trend**
 - Continued investment in merchandising real estate and on-line to engage consumers across all path to purchase touch points
 - Focus on skincare beauty tools segment growing +37% to drive increased brand penetration and higher value purchases
 - New lash technologies year on year driving increased consumer demand
 - Partnering with retailers to bring affordable technology innovations to the mass market



¹ IRI Retail Sales Value IRI April '21 MAT. Combines Manicare with Glam By Manicare

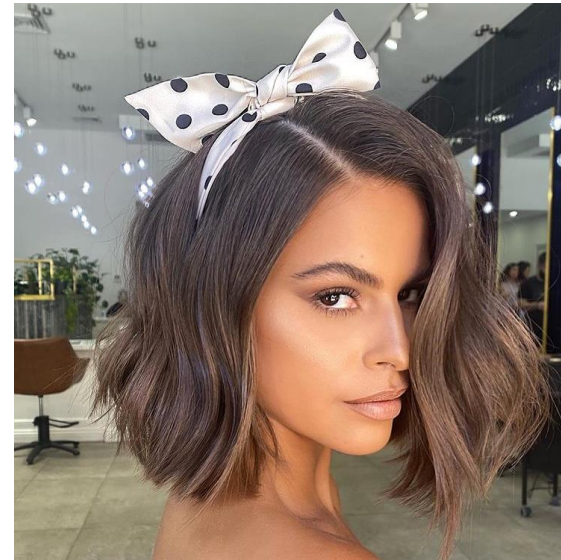
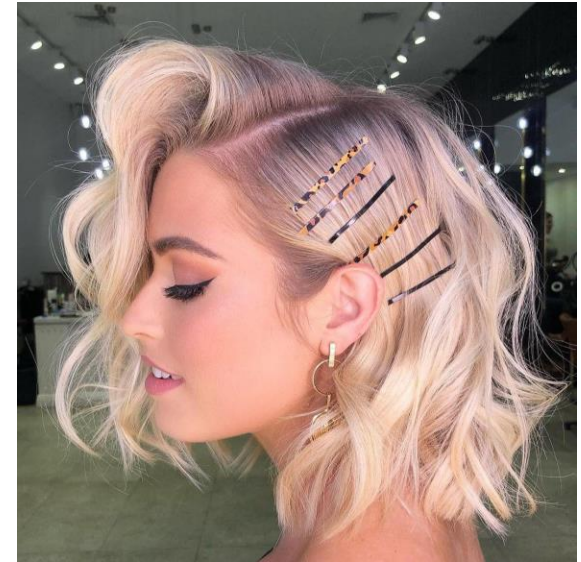
CONSUMER LED INNOVATION DRIVING DOUBLE DIGIT GROWTH



STRATEGIC PRIORITY 1

LADY JAYNE

- Increasing leadership through accessible styling across channels
 - Covid accelerating category growth (+16%) with Lady Jayne leading the charge (+23%) through innovation and high social reach (6.7M)
 - Expansion in grocery represents \$3M incremental retail sales opportunity
 - Leverage leadership in hair brush innovations as the entry point into grocery
 - Target high value hair accessories with fast fashion NPD via expert panel and runway trends



LADY JAYNE® x S.I.R.

STRENGTHENING OUR COMMITMENT TO SUSTAINABILITY

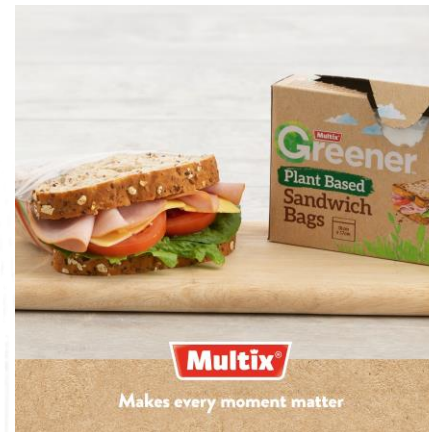


STRATEGIC PRIORITY 1

MULTIX

• Transforming the category with sustainable products

- Continue to drive Multix as the consumer brand of choice to expand distribution:
 - 50.2% household penetration for Multix brand
 - 79% of sustainable buyers buy Multix Greener
- Upsize packs to support sustainability ranges as the everyday norm
- Lead sustainable innovations to protect future generations



INCREASING SUSTAINABLE FOOTPRINT THROUGH PARTNERSHIPS



STRATEGIC PRIORITY 1

SWISSPERS

• Trust, quality and care for the planet

- Covid shift towards trusted brands saw Swisspers achieve 61% share high in the cotton category
- Swisspers expanded sustainable range with 5 cotton tip paper stem products and 6 Eco Biodegradable Wipes launched in the last 12 months
- Continued drive for sustainable, locally sourced cotton enhancements
- Partnering with retailers with plastic reduction initiatives:
 - 562M plastic cotton tips eliminated in supermarkets since change over to paper stems



TARGETED ADJACENCIES TO WIN AND EXPAND OUR EQUITY



STRATEGIC PRIORITY 1



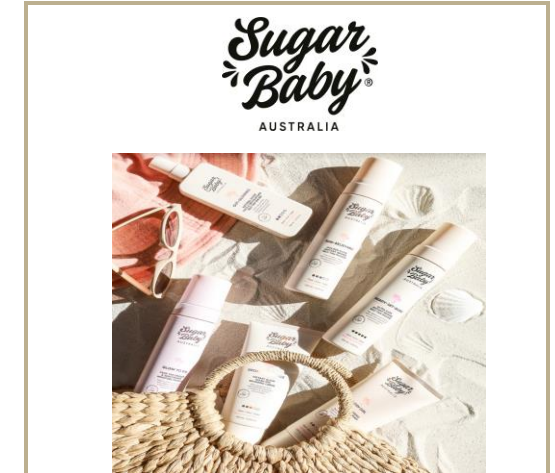
- Manicare expansion into Power Beauty Tools targeting mass channels at affordable price points
- Leverage salon at home beauty trend with clinically proven facial and body tools
- High retail price points \$50 to \$130 drives category value
- Quality, trust and efficacy to target +2.7 share point gains



- Swisspers equity expansion into high growth Baby category
- Baby Needs segment growing +20%
- Target \$3.5M Swisspers Baby Cotton milk range
- 65% of parents are willing to pay more for products that contain Natural plant ingredients.



- Transformation of Stratton from a small, bottom shelf product to a proud Men's Grooming brand. Target \$2.2M retail sales
- Targeting everyday grooming and high demand Beard care

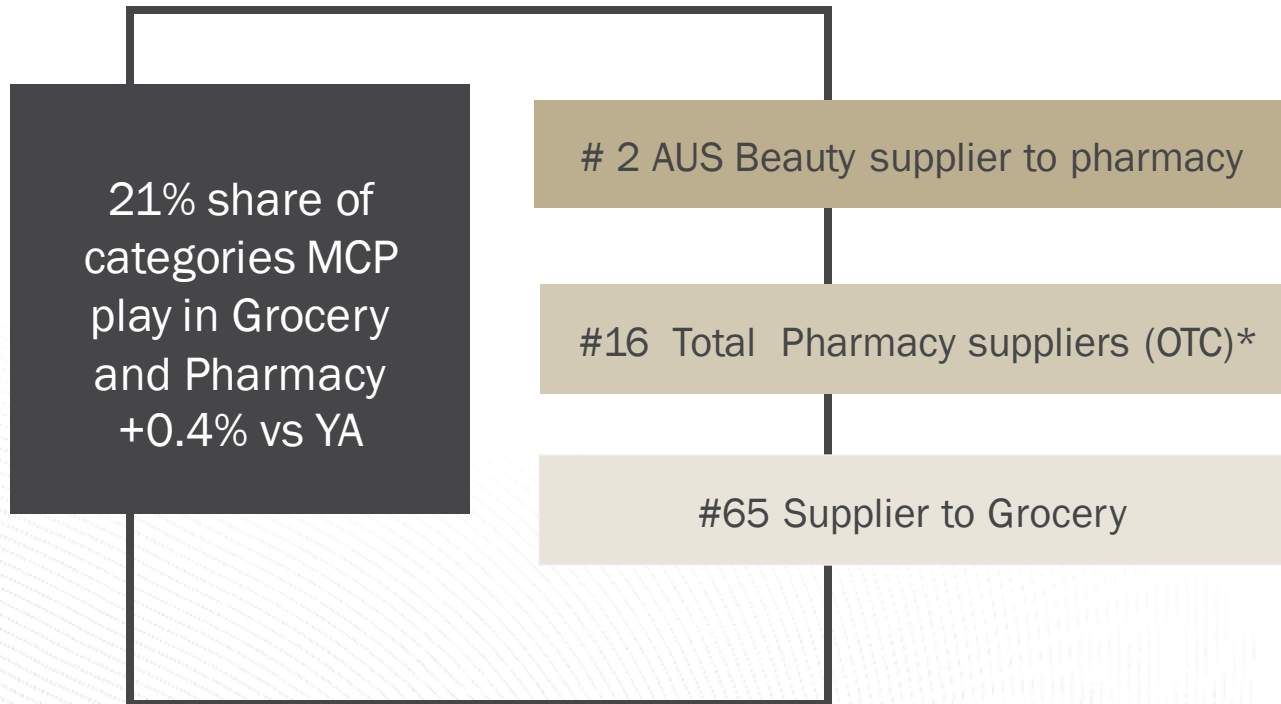


- Sugarbaby refresh targets \$42M¹ pharmacy tanning category
- Gen Z² focused brand – 5 million Australians, on average spent \$448 on cosmetics and skincare in 2020
- Consumers opting for in-home beauty and skin treatment following COVID19
- Beauty e-commerce³ grew 76% v YA driven by 'skinfluencers'

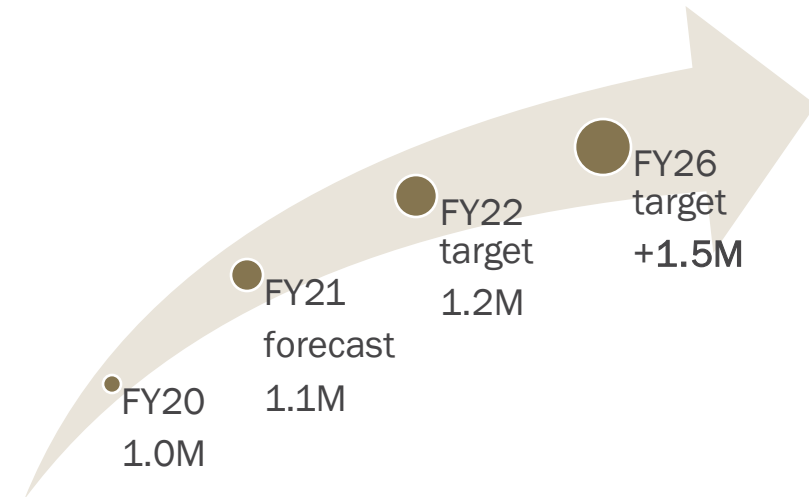
¹ IRI Big Picture Pharmacy Data - Pharmacy Tanning Category MAT Aug '20, ² IRI Market Moves Presentation 2020, January 2021 ² Vogue AU – Move over Millennials, everything we need to know about Gen Z <https://www.vogue.com.au/culture/features/move-over-millennials-everything-to-know-about-gen-z/news-story/2ddef9cb4ff31b7b4934454a002676cf>, ³ IRI Market Moves Presentation 2020, January 2021

POSITIONED FOR GROWTH

 STRATEGIC PRIORITY 1



TOTAL DISTRIBUTION POINTS IN ANZ BEAUTY



MCP Field and Customer Service Team call on **>7,000** Australian & New Zealand Pharmacy and Independent Grocery outlets

*Over The Counter

Source: Data sourced from IRI MarketEdge based on data definitions provided by McPherson's Consumer Products. Australian Pharmacy & Grocery Weighted Market. Beauty Accessories, Hair Accessories Category MAT 14/03/2021; Cotton, Facial Skincare, Haircare category MAT 28/03/21; Australia Grocery Weighted & Metcash BWF Category MAT 28/03/07; IRI Big Picture Report Pharmacy MAT 02/08/20 Grocery MAT 03/01/21 MCP Ex factory and Purveyance report MAT March 2021; MCP customer data base and Purveyance Report as at 1/5/2021

RESPONDING TO SHOPPER BEHAVIOUR SHIFTS FY21

Pivot to online



INCREMENTAL RANGING

+ 1,355

INCREMENTAL ONLINE DISTRIBUTION POINTS

INVESTMENT

+ 30%

INVESTMENT IN MAJOR CUSTOMER ONLINE PLATFORMS v FY20

In store engagement

53%¹

SHOPPERS CHANGE MIND IN STORE

OFF LOCATIONS

+ 39%

INVESTMENT

EDUCATION & RECOMMENDATION

30

EDUCATION BASED ACTIVATIONS IN PHARMACY

¹ <https://insidefmcg.com.au/2020/03/31/disrupting-the-shopper-on-the-path-to-purchase>, MCP Ex factory MAT March 2021; MCP customer trade spend trackers FY20/FY21
All data points refer to FY21 vs FY20

INVESTMENT IN SHOPPER FY22

 STRATEGIC PRIORITY 1

Engaging shoppers in their path to purchase



INVESTMENT

+22% investment online & social vehicles



POINT OF PURCHASE

+23% spend in off locations v FY21
Continued investment in category solutions



EDUCATION & RECOMMENDATION

38 education based activations in Pharmacy

STRATEGIC PARTNERSHIPS

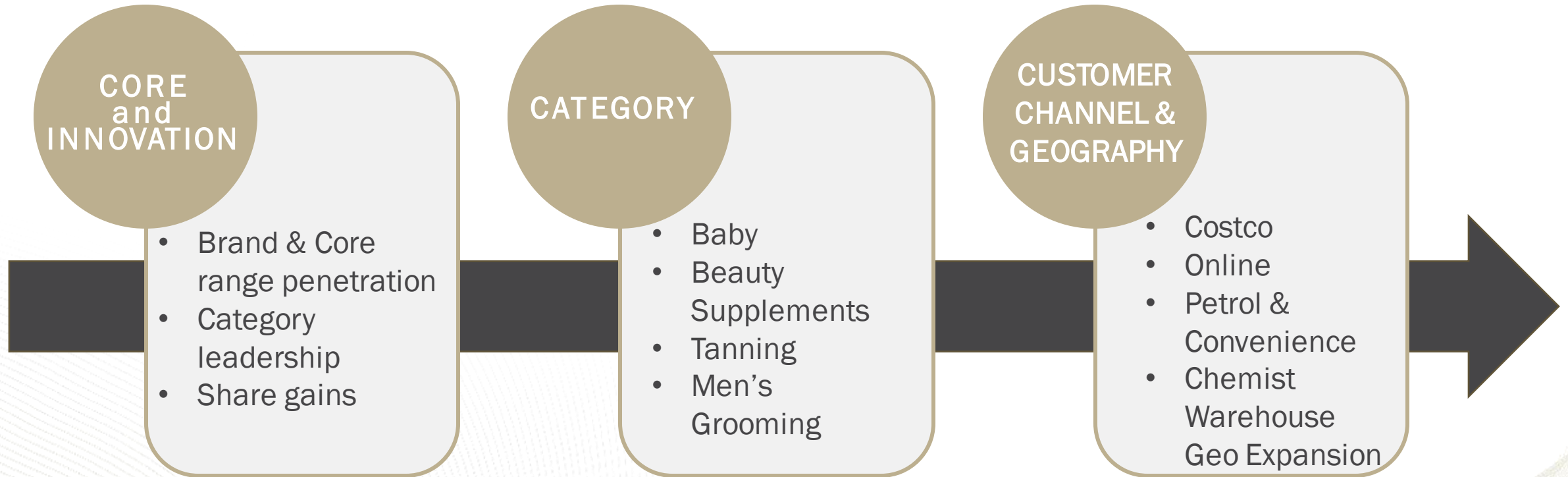
 STRATEGIC PRIORITY 1



1. RSV = Retail Sales Value

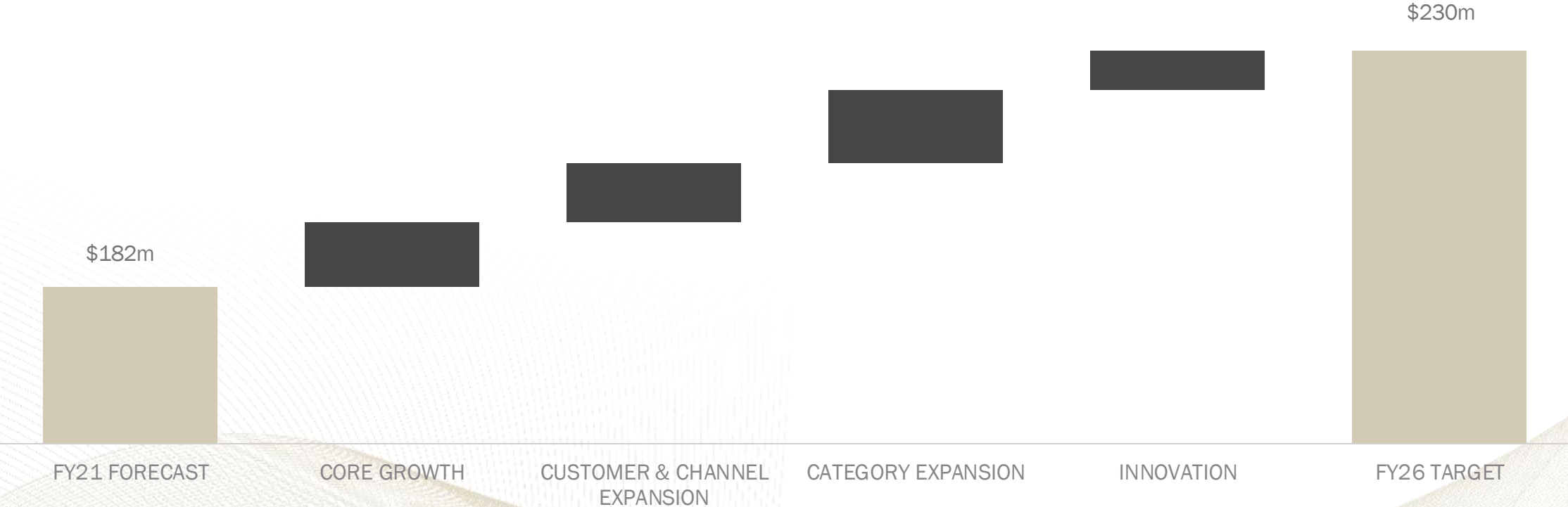
ANZ 5 YEAR GROWTH DRIVERS

 STRATEGIC PRIORITY 1



TOTAL ANZ: KEY DELIVERABLES & TARGETS

SALES: BASE AUSTRALIA & NZ BUSINESS*



*Base ANZ Business includes Singapore & excludes the Health Division
SALES FY21 - FY26 Target

STRATEGIC PRIORITY 2



HEALTH AND WELLNESS

A NEW GROWTH PLATFORM

HEALTH & WELLNESS: A NEW GROWTH PLATFORM

STRATEGIC PRIORITY 2

STRATEGIC RATIONALE

Enter in to the health and wellness category and provide a new platform for growth



Product and market expansion



Ability to leverage across platforms and generate operating efficiencies



DELIVERABLES

- Acquired Global Therapeutics to form McPherson's Health Division
- 71% of the Health team have a Health qualification
- Regulatory and innovation capability
- Fusion Health brand – strong resonance with consumers

- Global category valued at over US\$50B¹
- Australian vitamin & dietary supplement category AUD\$3.9B²
- Growth plan for the international and domestic markets
- New product development focused on fast growth segments

- Strong supply chain focus
- Health qualified team now driving Happy Flora and Soulful
- Operational efficiencies in distribution
- Leverage capability in international markets

1. Statista: Size of the vitamin supplement market worldwide 2019
2. Complementary Medicines Australia: Industry Audit and Trends 2020

MCP HEALTH BRANDS A KEY GROWTH PILLAR

 STRATEGIC PRIORITY 2

Momentum building...

- Inventory and in-stock position strongest since February 2019
- April '21 strongest sales month since September '19 (Excluding March '20 COVID-19 impact)
- Focused retailer and consumer campaigns
- Operational review kick started 5 year strategic growth plan
- Health capability transitioned into McPherson's



TRANSITION TO MCPHERSON'S HEALTH

STRATEGIC PRIORITY 2

Successfully transitioned into McPherson's warehousing and IT systems in March

- April 2021 go live, McPherson's Health full transition
- Products currently manufactured by Blackmores moving to an Australian contract manufacturer as per acquisition requirement
- Q4 FY21 Health Division commenced selling A'kin and JV brand Happy Flora into the health food channel
- Warehouse efficiencies & delivery optimisation captured in supply chain cost based amendments program



HERBAL & TRADITIONAL PRODUCTS A HIGH GROWTH SUB SEGMENT

 STRATEGIC PRIORITY 2

\$3.9B VITAMINS / NATURAL HEALTH CATEGORY¹



78%¹ of Australians have purchased at least one form of complementary medicine in the last year

83%¹ of Australian women have purchased at least one form of complementary medicine in the last year

1 of 3¹ Australians using complementary medicines to manage symptoms of chronic pain

52%² herbal, traditional or complementary supplements consumed daily

Australian complementary medicines  **55%¹** 2014/2019 CAGR

Herbal & Traditional Products  **57%¹** 2014/2019 CAGR

1. Complementary Medicines Australia: Industry Audit and Trends 2020

2. T-garage Consumer Research: Fusion Health brand and category exploration Feb '21

CONSUMER INSIGHTS VALIDATE FUSION'S UNIQUE & STRONG BRAND POSITIONING

STRATEGIC PRIORITY 2

On initial exposure the Fusion Health brand appears modern and credible with clear cues to nature, eastern philosophies and current scientific approaches

Red palette

Strong cues to Chinese medicine principles or ingredients

Ancient wisdom

Suggests roots in Chinese medicine. Respected and believable

Modern medicine

Safe, reassuring, underpinned by science, rigorous testing



ancient wisdom **modern medicine**[®]

Yin and Yang

Suggests balance between old and new or East and West

Plant iconography

Natural, herbal, plant-based products

Fusion

Modern terminology, scientific, on trend (heard a lot in cooking) feels both exciting and safe

FOUR CORE PILLARS – TARGETING \$30M IN SALES BY 2026

STRATEGIC PRIORITY 2

1

**Pharmacy Growth /
Improve Core Range
Compliance**

- Double pharmacy distribution
- Improve 'shopability'
- Merchandising solution
- Create destination

2

**New Zealand
& eCommerce**

- Refresh and relaunch NZ
- New Market Singapore eCommerce
- Grow eCommerce through customer partnerships

3

**New Product
Development**

- Ideation plan developed
- Collaboration with ingredient experts exploring new opportunities

4

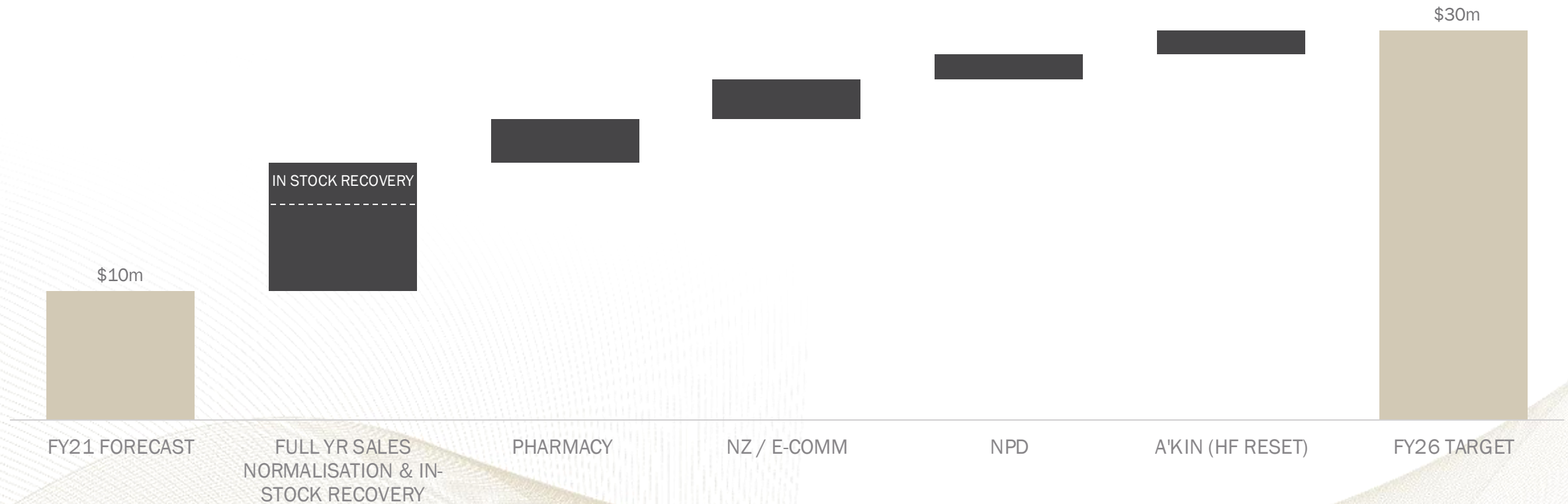
**Health Food &
Brand Opportunities**

- Grow Health Food share
- Targeted investment driving core brands
- Education solutions enabling quality consumer experience
- Represent all MCP health focused products in market

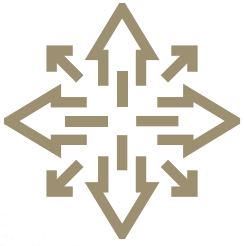
HEALTH & WELLNESS DIVISION TARGETING \$30M BY FY26

 STRATEGIC PRIORITY 2

SALES: HEALTH DIVISION



STRATEGIC PRIORITY 3

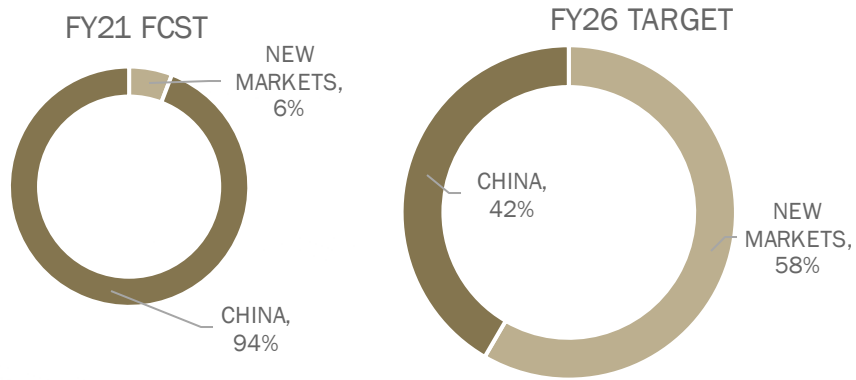


EXPAND INTERNATIONAL FOOTPRINT

EXPAND OUR INTERNATIONAL FOOTPRINT

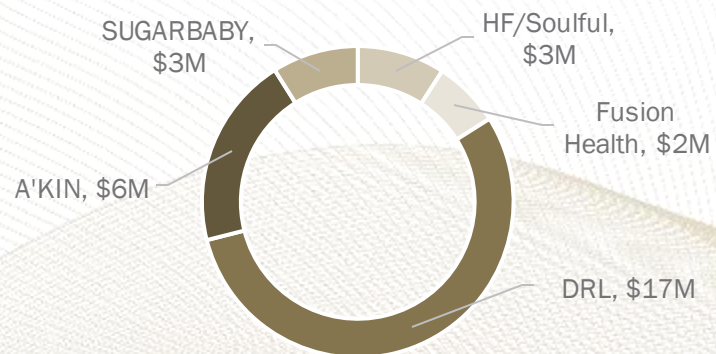


i. REBALANCING INTERNATIONAL GROWTH



ii. MCP SKIN CARE & HEALTH PORTFOLIO (\$M)

INCREMENTAL SALES: FY21 TO FY26 TARGET




USA - WIN WITH DR. LEWINN'S VIA ONLINE



STRATEGIC PRIORITY 3

By FY26 target USA as 3RD largest Dr LeWinn's market outside Australia & China

MARKET INSIGHT	SIZE USD\$30B¹ Skin care market ('21) Growing at 3.7%	STRENGTH 42%² Shop online for beauty (Top 3 channel), with online share forecast to reach 48% by '23.	MARKET SITUATION 86%³ Beauty sales online not from the Top 20 manufacturers
	PURCHASE INTENT 71%⁴ Top 2 Box Purchase Intent - Dr LeWinn's Triple Action Day Defense Anti-Ageing Serum	BRAND APPEAL 15%⁴ Top Box "Very Appealing score" DRL USA consumer research	CONSUMER NEEDS Anti-Ageing⁵ 57% claim as Top functional need Females 30 to 50
DRL STRENGTH	ONLINE TO OFFLINE  In FY22 target the \$1.3bill in retail sales of skincare, driving share gains	BEAUTY E-COMMERCE PLATFORMS TARGET 3 Top 10 Beauty E-Commerce platforms to expand penetration by FY23	SPECIALTY RETAIL DOORS TARGET 250 By FY24 specialty retail doors over the next 2- 3 years from Sephora, ULTA Beauty or Bath & Body Works

1. Statista 2021 USA Skincare Retail Sales Value
 2&3. NPD Online sales of prestige beauty -19th Nov '20
 4. ADNA Consumer Online survey of 3,313 20 - 50yr old women across USA from 15th to 17th April 2021 . 15% claim DRL as a Very Appealing brand
 5 ADNA USA consumer research . 57% Completely Agree that they like to prevent the signs of ageing on my skin"

UK & EU – PACED ROLLOUT FOR DR. LEWINN'S



STRATEGIC PRIORITY 3

	UK	GERMANY	FRANCE
MARKET INSIGHT	US\$3.9B Skin care market ('21) <i>Statista</i>	US\$4.6B Skin care market ('21) <i>Statista</i>	US\$4.0B Skin care market ('21) <i>Statista</i>
	UK E-COMMERCE	UK PARTNER	RUSSIA
CHANNEL OPPORTUNITY	41% prestige skincare sales in (Jan-Oct), growing at +54% Vs YA. * NPDP Online sales of prestige beauty -19th Nov '20	Online partner Specialist online platform partner identified. Commercial terms commenced	69% Russian female consumers plan to continue buying cosmetics online * Miguel Agency Russia Survey 2020
	PURCHASE INTENT	POSITIVE APPEAL	TREND
CONSUMER INSIGHT	43% Top 2 Box Purchase Intent - Dr LeWinn's Triple Action Day Defence Anti-Ageing Serum*	33% Consumers find Dr LeWinn's very appealing when viewed video for the first time*	UK, FR, GER Sign of recovery +33% UK total prestige beauty increase 1st half 2020 * NPDP Group 2021

Online survey of 3103 20 - 50yr old women across UK from 24th to 27th April 2021

Strategy

FY23

- Top 5 online beauty platform, delivering 500 brands and 30,000 products

FEELUNIQUE

FY24

- Target a further 2 out of the Top 10 Beauty E-Commerce platforms to expand penetration.
- Launch in Top 200 specialty retail doors from Boots (2,336 UK doors) or Waitrose & Partners (335 doors)



FY25

- Paced European market expansion - 1 market/year
- Penetrating key local retailers and e-comm platforms

FY26

- By FY26 Dr LeWinns for UK & Europe is targeted to be the 4th largest region (sales revenue) for Dr LeWinn's after Australia, China & the USA

EXPAND ASIA & MENA* SKINCARE BRANDS WITH EXISTING PARTNERS



MARKET INSIGHT	SIZE	GROWTH	GDP
	\$235B¹ ASIA/MENA MARKET SIZE 2021 Beauty & Personal Care	+8.5%² MENA Beauty & Personal care set to grow twice as fast as global ('21 to '26)	ASEAN-6³ Increasing share of global GDP and forecast to increase post COVID
	ASIA	MENA	E-COMMERCE
CHANNEL OPPORTUNITY	+55%⁴ Of consumers claim they will permanently change their online shopping behavior	19.5% to 30.2%⁵ User penetration 2021-2025	60%⁶ of Dr LeWinn's & A'Kin FY21 forecast sales are expected to come from E-Commerce
	DEMAND FOR NATURAL	ANTI AGEING	TREND
CONSUMER INSIGHT	>50%⁷ of consumers in Singapore look for products that are paraben-free, cruelty-free, natural, fragrance-free and sls-free	98%⁸ of consumers in Singapore look to prevent the signs of ageing on their skin	80%⁹ of consumers would continue to shop online after covid lockdown (Singapore)

Strategy

KEY GROWTH MARKETS

Vietnam

- Highest growth in skin care in Asia (ex – China & Australia)

Malaysia

- 2nd highest growth in skin care in Asia
- Neighbours Singapore - provides economies of scale

Gulf Cooperation Council (GCC)

- Distributors aligned with growth opportunity for Dr LeWinn's across GCC

KEY RETAILERS FY22

Accelerate penetration in Top 5 beauty platforms



Target top 300: Watsons stores (6,300 stores, 11 countries) or Guardian stores (715 stores) for Dr LeWinn's & Akin core ranging



1.&2. Statista 2021 Outlook – personal care / ecommerce Asia & United Arab Emirates

3. IMF, Macrobond, Bloomberg, ANZ Research

4. Euromonitor International COVID-19 Voice of the industry survey April-2020

5. Statista: Asia ecommerce personal care penetration Asia 2021.

6. Internal MCP Expansion Forecast

7&9. Accenture and the World Wildlife Fund, surveying 500 Singaporeans on online purchasing decisions October 2020

8 ADNA online survey of 3,220 20-50y/o women in Singapore, 24th-26th April 2021

*MENA = Middle East & North Africa

DR. LEWINN'S – A STRONG BRAND IN CHINA



STRATEGIC PRIORITY 3

\$A80M¹
underlying brand value
in the hands of the
Chinese consumer

Despite challenging
market conditions
YTD demand in China
remains stable at
-2%³ in value

9% of Chinese female
respondents found
Dr. LeWinn's very
appealing as a brand²

CBEC remains
strategically important
for Dr. LeWinn's growth
in China

THE FUTURE

Exclusive partnership

- Measurable returns from a growing channel
- Direct engagement with resellers as brand advocates

Strengthening of Partnership

- Building the consumer base
- Expanding sales opportunities within the relationship model

Elevating Marketing Activation

- New marketing platforms and media
- Expanded marketing support for the brand

New Partnerships **TCG GROUP**

BRAND ARCHITECTS

- Engaging in new relationships with expertise to support our existing partners in driving expansion

¹. Access Corporate Group Brand Team Sales Report FY21 YTD End March Dr. LeWinn's Volume & Value

². ADNA Research 3504 women asked in an online questionnaire in Tier 1 and Tier 2 cities, May 2021

³. Access Corporate Group Internal Data as quoted in MCPASX Announcement 29th April, 2021

CHINA LANDSCAPE CONTINUOUSLY CHANGING



STRATEGIC PRIORITY 3

TCG GROUP

BRAND ARCHITECTS

Strong Growth in China CBEC Sales¹

Consistent growth between 2018 and 2021 in CBEC¹

Total ecommerce in China is expected to grow 44% by 2024²



Leverage strength in consumer demand in China

Dr. LeWinn's is playing in the right channel.

Opportunity to expand scope within ecommerce

".....it's unlikely that all of the...sales...that disappeared as the Daigou trade to China slumped will eventually return."³

"Brand AU" continues to face challenges requiring agility in approach

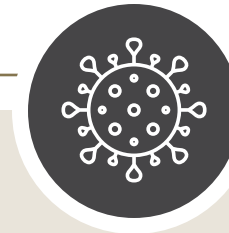


Dr. LeWinn's was sheltered from a bigger impact as a result of the exclusive ABM relationship

Brands must adapt to the changing market conditions and how they access and keep the attention of consumers

COVID-19 accelerated an ongoing trend of consumers in China shifting towards online channels.⁴

The pandemic triggered a self-care, beauty & skincare boom in China



Brands must connect with the demands of the Chinese consumers and be direct in their marketing messages to leverage trends and keep up with the pace of the market

China Beauty Market worth 600B RMB by 2023.⁵

Anti Ageing represents nearly ¾ of the skincare category in China and is growing +63% year on year.⁶



With the consumer base and demand for skincare in the CBEC space growing, the key is knowing how to connect with Chinese consumers in a meaningful way.

1. <https://www.tmgrouppacific.com/tmas-2021-china-ecommerce-insights/>

2. China Skinny 2021 Skincare & Beauty Tracker

3. Australian Financial Review, 22 April 2021

4. <https://www.mckinsey.com/~/media/mckinsey/featured%20insights/china/china%20still%20the%20worlds%20growth%20engine%20after%20covid%2019/mckinsey%20china%20consumer%20report%202021.pdf>

5. Euromonitor China Cosmetics Industry Report 2020

6. China – Beaute Research Retail Panel – Skincare Growth Contributors

FUSION HEALTH CBEC OPPORTUNITY



STRATEGIC PRIORITY 3

TCG GROUP

BRAND ARCHITECTS

Health Supplement market size expected to rise 280B RMB by 2023¹

CAGR forecasted at 14% between 2019 and 2023¹



Accelerate Local Market Activation

Fusion Health opportunity as the demand grows for Health Supplements in China

Australia & USA leaders in Health Supplements for the China market.²

“Brand AU” dominates with 22.3% market share in cross border and social ecommerce.²

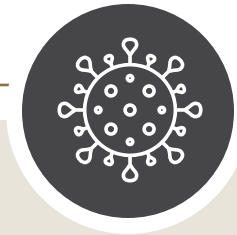


Demand for Australian Health Supplements has not declined.

This, despite the issues facing Australian brands in China.

Health Supplement purchase intent increased among Chinese consumers.²

Increased health awareness since the pandemic has resulted in increased purchase intent for Health Supplements.²



Leverage growing consideration for health & safety

Building the marketing foundations in China will help connect Chinese consumers with Fusion Health

Traditional Supplements are most favoured.¹

Chinese online shoppers favour traditional and nutritional product types.¹



Driving High Conversion

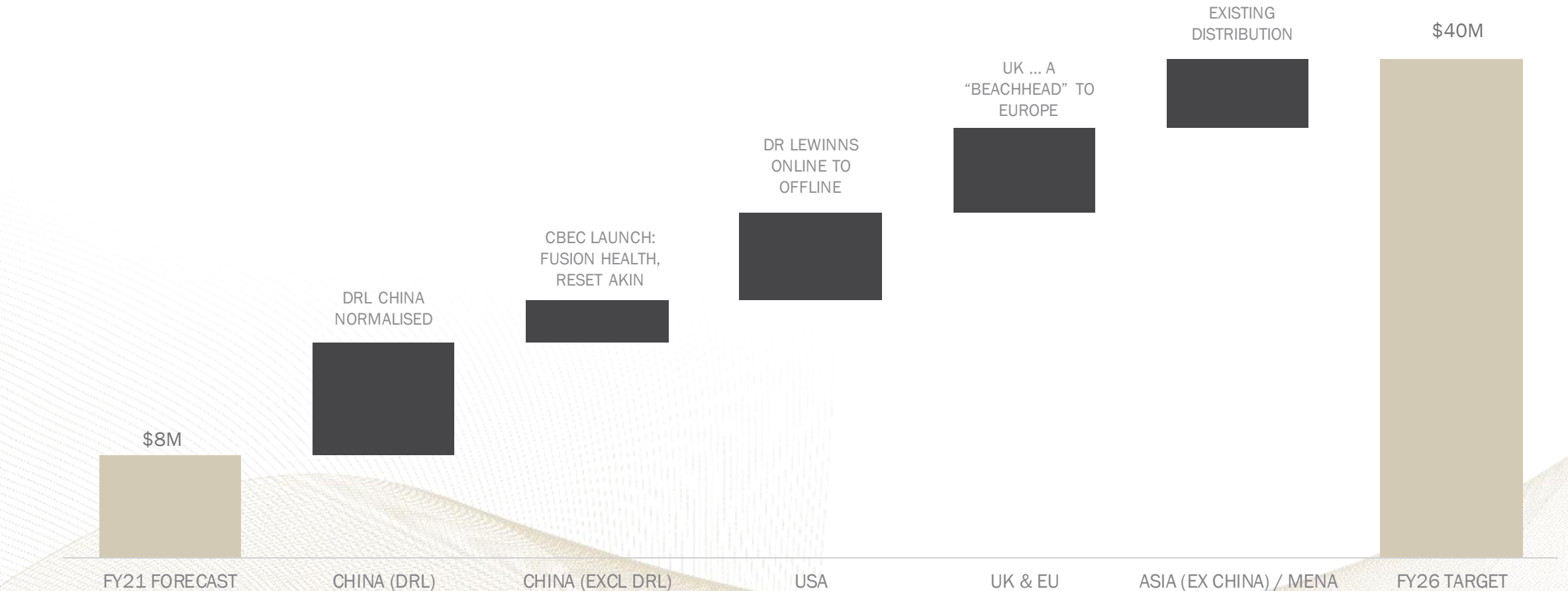
Fusion Health offers a natural connection between use and ingredients for Chinese Consumers which can drive high conversions in online shopping

1. <https://www.tmogroup.asia/health-supplement-report-2020-chinese-market/>
2. Vitamin-and-Health-Supplements-market-in-China-report-by-daxue-consulting

INTERNATIONAL EXPANSION TARGETING \$40M BY FY26



SALES: INTERNATIONAL EXPANSION



4. OUR UNIQUE CAPABILITIES



EDUCATING OUR PEOPLE, CUSTOMER AND SHOPPER

SHOPPER

+58 how to videos

MCPHERSON'S ACADEMY

+200 active participants per month

QUALIFIED TRAINING TEAM

6 Qualified naturopaths
2 Qualified beauty advisors



3 M Views
How to tutorials



30
Education based
activations



+2000
Retail assistants
trained



14
Customer
events



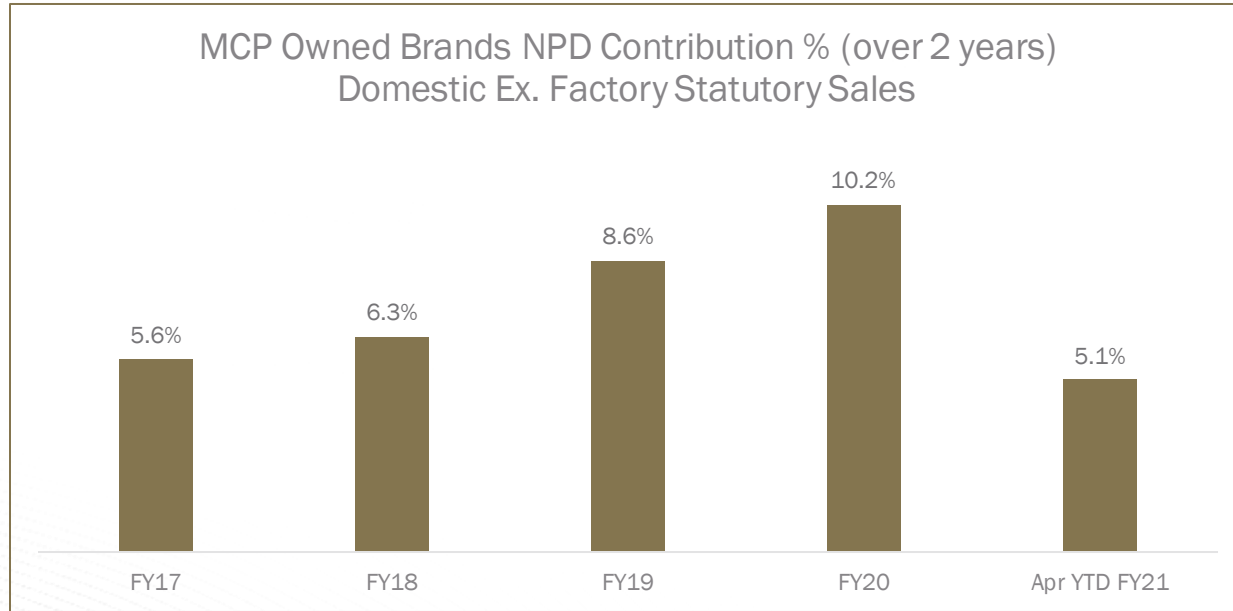
30
Internal training
events



MCPHERSON'S
EST. 1860

Training Academy

INNOVATION SUCCESS DRIVING SUSTAINABLE GROWTH



3 R&D, 6 R&D, 11 R&D, 15 R&D

aware

HealthcareProduct Specialists

Foreign market registrations

1. Australia
2. India
3. Thailand
4. Japan
5. UAE
6. South Korea
7. Malaysia
8. Singapore
9. Philippines
10. Indonesia



EXPANSION INTO BEAUTY NUTRITION



#1 NATURAL HAIRCARE SHAMPOO & CONDITIONER NPD



#1 HAIR ACCESSORIES NPD



#1 COTTON SUSTAINABLE NPD

SUSTAINABILITY – OUR GOALS

OUR GOALS

MORE. LESS. NONE
Sustainable Development. Reduced Environmental Footprint

SOURCE RESPONSIBLY
Reduce Operational Impact. Collaboration. Transparency

PEOPLE & COMMUNITY
Sustainable Trusted Organisation. Improve Society

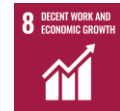
WHAT WE'LL DO

- Reduction in Total Greenhouse Gas Emissions with an aim to achieve net zero Scope 1 and 2 carbon emissions by 2030
- Reduce the amount of non-recyclable, non-reusable or non-compostable packaging in our products by at least 25% by 2025
- Implementation of the Australasian Recycling Label on at least 60% of our Core Owned and JV products by 2022

- Continue to drive a modern slavery management framework in line with Australian Modern Slavery Act
- Have full traceability or certification for critical ingredients and components by 2025

- Become a certified B-Corp by 2025
- Annually report on our performance against our stated commitments and goals

ADDRESSING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



GAIN EFFICIENCIES AND SAVINGS ACROSS SUPPLY CHAIN

ADAPTABLE & FLEXIBLE	AVAILABLE CAPACITY	DAILY DELIVERIES	STAFF RETENTION
	+40% Significant headroom in pick line	7,600+ 1,600 Australian Postcodes	80+ Tenure > 19 Years
EFFICIENCY	SUPPLY CHAIN COSTS	COVID RESPONSE	ALTERNATE SUPPLY
	\$7.5M hard savings Last five years	Top 150 SKUs COVID response	88% China based supply can be sourced from alternate country
FUTURE PROOFING	TRUSTED PARTNERS	ADAPTING	MCP HEALTH
	60% formulated product now at Aware	8 OUT 20 IN (incl Health) Exit and entry of Brands into MCP	Confirmed supply MCP Health ex Blackmores facility



5. FINANCIALS

SALES & EBIT TARGET SUMMARY - 5 YEAR PLAN

	SALES (\$M)		UNDERLYING EBIT (\$M)	
	FY21 Forecast	FY26 Target	FY21 Forecast	FY26 Target
All figures \$M				
Total Australian and NZ Business ¹	\$182	\$230		\$29
Health & Wellness ²	\$10	\$30		\$7
International ³	\$8	\$40		\$8
Cost optimisation				\$6
Total	\$200	\$300	\$10 - \$13	\$50

1. Total ANZ Business includes Singapore (base business only) & excludes the Health Division
2. Health & Wellness = Fusion Health & Oriental Botanicals
3. Countries include China Dr Lewinn's, China other, USA, UK, Europe, Asia & Middle East/North Africa

STRONG BALANCE SHEET PRESENTS OPPORTUNITY

Strategic M&A

Management will continue to review strategic, complementary, EPS accretive M&A opportunities

Capital management initiatives

Capital Management initiatives put on hold throughout the bid process will be reconsidered

High dividend payout ratio

Current dividend policy is to pay a minimum of 60% of underlying NPAT subject to cash requirements

Return of high franking credits

Franking credits currently total ~\$25M

6. SUMMARY



STRATEGIC & OPERATIONAL REVIEW TARGETS

Confidence in growth

We anticipate FY26 sales of \$300M and EBIT of \$50M

Clear building blocks

Sequenced deliverables to illustrate the pathway to this performance outcome

Enhanced Capability

Preservation of core value drivers, but in concert with cost optimisation delivery

Better performance expectation

Leading to a better performance expectation in a lower risk environment

M

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Q&A

