



Investor Strategic Update

15 August 2024

ABOUT JATCORP

Jatcorp Limited (ASX:JAT) is an ASX-listed, Australian health and wellness consumer goods company recognised for its innovative and unique health and functional food products.



Founded in 2008, Jatcorp has grown into a leading, vertically integrated house of brands providing premium health and wellness products from Australia and New Zealand- to the Asia Pacific.

Jatcorp has recently welcomed a new management team to transform-the Company from a manufacturer to a leading consumer goods company focused on building brands that resonate with consumers.

The FY25 strategy is focused on strengthening our brand portfolio and introducing even more products that consumers love and trust to market.

THE JATCORP VISION

To become a health and wellness consumer goods leader in the Asia Pacific region.



LEADERSHIP TEAM



Sunny (Jianxin) Liang
CHIEF EXECUTIVE OFFICER AND
EXECUTIVE DIRECTOR

Sunny Liang boasts over a decade of experience in the export industry, specialising in infant formula, health supplements, skincare, and personal care products. As CEO and Executive Director at Jatcorp, Mr Liang leverages his expertise to drive the company's strategic initiatives.

Previously, Mr Liang excelled as a Senior Business Development Director at a prominent export and e-commerce company, where his leadership facilitated significant growth, secured key contracts, expanded brands, and penetrated new markets. His efforts culminated in an impressive annual turnover exceeding \$400 million.

Mr Liang's operational oversight has spanned multiple regions, including Australia, China, Vietnam, and other Asian countries.



Dennis (Peng) Shen
NON-EXECUTIVE CHAIRMAN

Mr Shen brings over 20 years of expertise in financial management and business development for large companies. He holds a Master of Finance degree from the University of Melbourne.

As the former Chief Financial Officer of Yancoal Australia, Mr Shen honed his leadership skills in M&A, financial management, corporate governance, and investor relations within the Australian market. Additionally, he has served as Director and Company Secretary at China Shenhua Energy, a global leader in integrated energy, listed on both HKSE and SHSE.

Before his tenure with China Shenhua, Mr Shen was a senior consultant at Deloitte Touche Tohmatsu, where he developed a strong foundation in financial consulting and advisory services. His comprehensive background and strategic insight make him a valuable asset to Jatcorp.



Jack (Zhan) Wang
MANAGING DIRECTOR

Jack Wang brings a decade of expertise in cross-border e-commerce, complemented by eight years of retail experience in maternity and infant products. His extensive business footprint spans China, Korea, Japan, and Southeast Asia, underscoring his proficiency in market development and sales strategies.

Currently, Mr Wang serves as a Director at both Pacific Healthy International Holdings Pty Ltd and Pacific Healthy ANZ Pty Ltd. Both companies are industry leaders in the distribution of dairy products, vitamins, and cosmetics, with a strong focus on the Australian and Asian markets.



Kieran Pryke
INDEPENDENT NON-EXECUTIVE DIRECTOR

Kieran brings over two decades of financial expertise to the board of Jatcorp. His career is distinguished by significant contributions to financial leadership and strategic insights. Previously, Mr Pryke served as Chief Financial Officer at Lend Lease Real Estate Investments and GPT from 1996 to 2009.

Kieran's expertise was further demonstrated in key roles such as Group Executive at Grocon (2016-2019) and Chief Financial Officer at Australand Property Group (2010-2014). Mr Pryke also holds or has held director positions on the boards of notable companies, including Aventus Property Group and Boom Logistics Limited.



Li Yang
CHIEF FINANCIAL OFFICER

Li Yang has over two decades of expertise in financial reporting, compliance, and business analysis within the machinery manufacturing, FMCG, and commercial trading sectors.

Previously, Ms. Yang held senior financial roles such as Finance Manager and Financial Controller at CNH Industrial, Anheuser-Busch InBev, and Fuji Oil Holdings. Her extensive experience spans China, the UK, and Australia, showcasing her ability to add significant value to Jatcorp.

Ms. Yang has been a CPA in Australia for over 10 years.

RECENT COMPANY HISTORY

2018–2019

New range of Neurio Lactoferrin products launched in the Australia, New Zealand and China markets through its subsidiary Sunnya Pty Ltd;

2022

New Board appointed

Business strategy updated to focus on building consumer brands and vertical integration

2023

New Chief Operating Officer appointed in January

Production efficiency improved at its ANMA manufacturing facility

ANMA acquisition completed

Moroka brand launched targeting new consumer demographics

Major OEM manufacturing contract with BTNature signed

2024

COO appointed to Chief Executive Officer

Neurio relaunched on Tmall, JD.com and several other e-commerce marketplaces in China

Market presence established in Hong Kong and Vietnam

Two consecutive quarters of positive cash flow achieved



COMPANY PROFILE

STRENGTHS



High Demand Products

Growing demand for immunity and gut health consumer products across key markets in the Asia Pacific.



Vertically Integrated Operations

One of few vertically integrated brand companies of Australian and New Zealand health and wellness products in the Asia Pacific.



Improving Financials

Improving financials with two consecutive quarters of net profit.



Increased Manufacturing Efficiency

Strategic investments made into expanding manufacturing capability at the ANMA facility, positioning the company to capitalise on future growth.



Expert Leadership and Management Team

Jatcorp's leadership and management team has extensive market know-how and a track record of success in building consumer brands.



Growth Opportunities

Multiple levers identified to deliver further scale in key target domestic and international markets.

POPULAR CONSUMER BRANDS

Neurio®

JAT's most renowned brand in the Asian market offers a comprehensive range of products to support the health of individuals of all ages, This extensive product line features

Lactoferrin-enriched dairy powder formulations, which are pivotal in promoting well-being across generations.

Leading Position in Lactoferrin category:

JAT proudly holds the top rank as China's leading cross-border e-commerce (CBEC) platform for sales in the Lactoferrin category, solidifying its position as a market leader.



MOROKA®

Moroka offers a scientifically crafted formula rich in nutrients, supporting immune and gastrointestinal health for ages 3 to seniors. Moroka is the fastest growing Lactoferrin brand in China's CBEC channel ranked #3 on Tmall by revenue

Research-Based Innovations

Since 2021, collaborations with leading universities have refined Moroka's premium formulations, enhancing ingredient efficacy.

Expanding High-End Clientele

As JAT's premium lactoferrin product line, Moroka caters to high-end consumers, broadening our customer base.



THE POWER OF LACTOFERRIN

Lactoferrin: A Treasured Component for Immunity

- Versatile Protein: also present in breast milk, lactoferrin is a rare and valuable protein
- Production: Requires 14 litres of milk and advanced technology to produce just one gram
- High-Value Ingredient: Celebrated for its immune-boosting attributes and potential health benefits

Market Insights

- Growth Potential: The global lactoferrin market is expected to reach USD350 million by 2027, growing at a CAGR of 8.5% from 2020 to 2027*
- Asia Pacific Focus: This region is a major driver of market growth, with increasing consumer awareness and demand for immune-supporting products**

Why Lactoferrin?

- Immune Support: Enhances immune function and protects against infections
- Health Benefits: Includes anti-inflammatory properties, and gut health and iron regulation support
- Scientific Backing: Supported by extensive research and clinical studies

Source:

*: Grand View Research, "Lactoferrin Market Size, Share & Trends Analysis Report By Function (Iron Absorption, Anti-inflammatory), By Application (Infant Formula, Pharmaceuticals, Food & Beverages), By Region, And Segment Forecasts, 2020 - 2027"

***: ReportLinker, "Asia-Pacific Lactoferrin Market - Growth, Trends, COVID-19 Impact, and Forecasts (2022 - 2027)"

KEY DISTRIBUTION CHANNELS

JATCORP'S BRANDS ARE SOLD ON SOME OF THE LEADING E-COMMERCE MARKETPLACES IN THE ASIA PACIFIC



Tmall Global
(China D2C E-Commerce)



Shopee
(D2C E-Commerce in Southeast Asia)



Douyin (China's TikTok)
(China Short Video and
Influencer E-Commerce)



JD Worldwide
(China D2C E-Commerce)



Lazada
(D2C E-Commerce in Southeast Asia)



Kuaishou
(China Short Video and
Influencer E-Commerce)



Pinduoduo
(China D2C E-Commerce)



Lazada
(D2C E-Commerce in Singapore)



VIP.com
(China D2C E-Commerce)

RECENT HIGHLIGHTS



Enhanced Manufacturing Efficiency

Improved production efficiency at its ANMA manufacturing operations with the integration of new machinery and improved packaging.

Investments made in FY24 will boost sachet line production capacity by 70% allowing the company to meet market demand.



Improving Financial Performance

Jatcorp's financial performance has been improving with two consecutive quarters of positive cash flow.



New Distribution Channels and Geographical Markets

Newly established presence for the Neurio brand on China's CBEC marketplaces (Tmall, JD.com etc).

Building distribution network in new geographies, including Vietnam.



New Product Development

Three products launched in FY24 with an additional seven products in development for FY25 launch.

Consumer insights from e-commerce presence provide deep insights of consumer preferences



Litigation Progress

Favourable judgements by the Supreme Court of NSW with further legal outcomes expected in FY25

Legal costs related to the litigation expected to substantially decrease in FY25.

STRATEGIC PILLARS



Manufacturing Excellence

Adhere to good manufacturing practice principles while enhancing efficiency to consistently produce our high-quality product range and effectively meet market demand. Capitalise on recent investments in the ANMA manufacturing facility to expand production capacity.

Product Development

Leverage our deep consumer insights to develop world-class products that drive engagement with new consumer demographics.

Distribution

Broaden the company's distribution in key overseas markets such as China. Continue expanding into new and emerging markets, particularly within Southeast Asia.

Consumers

Engage with our consumers through an omnichannel presence, building a strong brand connection. Utilize artificial intelligence and other technologies to enhance and support the customer experience.

OUTLOOK

New Geographies & Distribution Channels

Jatcorp will continue to build its presence in new geographies, ensuring the Neurio and Moroka products are accessible to a broader audience through its expanding omnichannel presence. This expansion will be supported by strategic partnerships and collaborations, strengthening Jatcorp's presence in key markets and driving international growth.

New Products

Jatcorp expects to launch several new products in FY25, with three currently in the final stages of development. These new offerings will broaden Jatcorp's product portfolio, engaging new consumer demographics and driving growth and diversification. Continuous innovation remains a cornerstone of the Company's strategy.

M&A Opportunities

Jatcorp will actively explore merger and acquisition opportunities that complement the Company's existing offerings and enhance its market position. These strategic M&A activities aim to drive synergy, expand market reach, and consolidate Jatcorp's presence in key industry segments, fostering long-term growth.

Litigation/Legal Costs

Jatcorp anticipates a significant reduction in legal costs, which are expected to have peaked in FY24. While these matters are still before the courts, the Company anticipates further legal outcomes in FY25, contributing to a more stable financial outlook and allowing for reallocation of resources.

Developing ESG Framework

Jatcorp has plans to further develop and implement its Environmental, Social, and Governance (ESG) framework in FY25. Integrating sustainable practices, enhancing social responsibility, and developing robust governance structures will be key priorities, ensuring the Company's growth aligns with ethical and sustainable principles.

DISCLAIMER

This document has been prepared by Jatcorp Limited ACN 122 826 242 (Company). By accepting a copy of this document you warrant and undertake to the Company that you agree to be bound by the terms and conditions set out below.

This document is not a prospectus, product disclosure statement or other offer document under Australian law or under any other law and has not been filed, registered or approved by regulatory authorities in any jurisdiction. This document does not constitute an offer, invitation, solicitation or recommendation to acquire any shares in the Company. The information contained in this document is not intended to be relied upon as advice or a recommendation to investors and does not take into account the investment objectives, financial situation, taxation situation or needs of any particular investor. An investor must not act on the basis of any matter contained in this document but must make its own assessment of the Company and conduct its own investigations and analysis. Investors should assess their own individual financial circumstances and consider talking to a financial adviser, professional adviser or consultant before making any investment decision. The information contained in this document is supplied in summary form and does not contain all information necessary to make an investment decision.

Neither the Company nor any of its directors, officers, employees, contractors, agents or advisers (Limited Party) makes any representations or warranties, express or implied, as to or takes responsibility for, the accuracy, reliability, completeness or fairness of the information, opinions, forecasts, reports, estimates and conclusions contained in this document. No Limited Party represents or warrants that this document is complete or that it contains all information about the Company that a prospective investor may require in evaluating a possible investment in the Company. To the maximum extent permitted by law, each Limited Party expressly disclaims any and all liability, including, without limitation, any liability arising out of fault, negligence or omission on the part of any person, for any loss or damage arising from the use of, or reliance on, information contained in this document or otherwise arising in connection with it.

Certain statements in this document constitute forward looking statements and comments about future events, including with respect to the financial condition, results of operations and business of the Company and certain plans and objectives of the management of the Company. Such forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Forward looking statements are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, you are cautioned to not place undue reliance on any forward looking statement. Past performance is not indicative of future performance and no guarantee of future returns is implied or given. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the Company. No Limited Party or any other person makes any representation as to the accuracy or likelihood of the fulfilment of any forward-looking statements, or gives any assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this document will occur.



JATCORP LIMITED

ASX: JAT

Contact

502/2 Bligh Street Sydney
NSW 2000 Australia

<https://jatcorp.com.au>

For Media Enquiries
Email: Media@jatcorp.com

For Investor Enquiries
Email: ir@jatcorp.com



@JatcorpLimited



Jatcorp Limited