



Investor Presentation – HY2018

February 2018

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HY2018 HIGHLIGHTS



- **18%** growth in Sales Revenue to \$32.6 million
- **99%** growth in Underlying NPAT¹ to \$1.6 million
- **104%** growth in underlying EBIT¹ to \$2.4 million
- **50%** increase in interim dividend → to 0.75 cps fully franked
- **Acquisition** of South Pack Laboratories (SPL) completed and seamlessly integrated into the Group

¹ Excludes non-recurring transaction costs related to the acquisition of South Pack Laboratories of \$0.3 million (\$0.2 million after tax)

HY2018 FINANCIAL PERFORMANCE

Measure	Underlying Result from continuing operations (\$'m) ¹	Growth
Sales	32.6	18%
EBITDA	3.7	43%
EBIT	2.3	96%
Net Profit Before Tax (NPBT)	2.1	110%
Net Profit After Tax (NPAT)	1.6	91%
Earnings Per Share (EPS)	2.6 cps	66%

¹Excludes non-recurring transaction costs related to the acquisition of South Pack Laboratories of \$0.3 million (\$0.2 million after tax)

OUTLOOK

- Re-iterate past guidance that in the absence of any significant deterioration in economic conditions, the Group expects to deliver a **material increase** in both **sales** and **earnings** for the 2018 financial year.
- The Company has a number of items of new business, along with opportunities in progress, that are expected to drive further growth in the 2019 financial year.
- Following informal approaches in regards to the divestment of certain assets of the Group, the board has appointed Price Waterhouse Coopers (PwC) to evaluate the potential to unlock shareholder value. This re-iterates the board's comments at the recent EGM.

OUTLOOK

Division	Key Developments and drivers
Contract Manufacturing	<ul style="list-style-type: none"> • Full year impact of newly contracted work to flow in FY18 and further in FY19 • Significant further opportunities in various stages of progress expected to drive additional growth • Acquired SPL business performing ahead of expectations • Expected to grow strongly in FY2018 & FY2019
Branded Pharmaceuticals	<ul style="list-style-type: none"> • Solid performance driven by brands with a strong heritage in the pharmaceutical market • Several new products in development with plans to release in balance of FY18 • Continued moderate growth expected
Obesity & Health	<ul style="list-style-type: none"> • Distribution opportunities for IMPROMY being pursued • New products released under both IMPROMY and Celebrity Slim late in the 2nd half of FY2017 and in 1HY18 • New program streams addressing additional health issues to come online under IMPROMY in future years • Expected to grow strongly in FY2018 & FY2019

HALF YEAR ACHIEVEMENTS

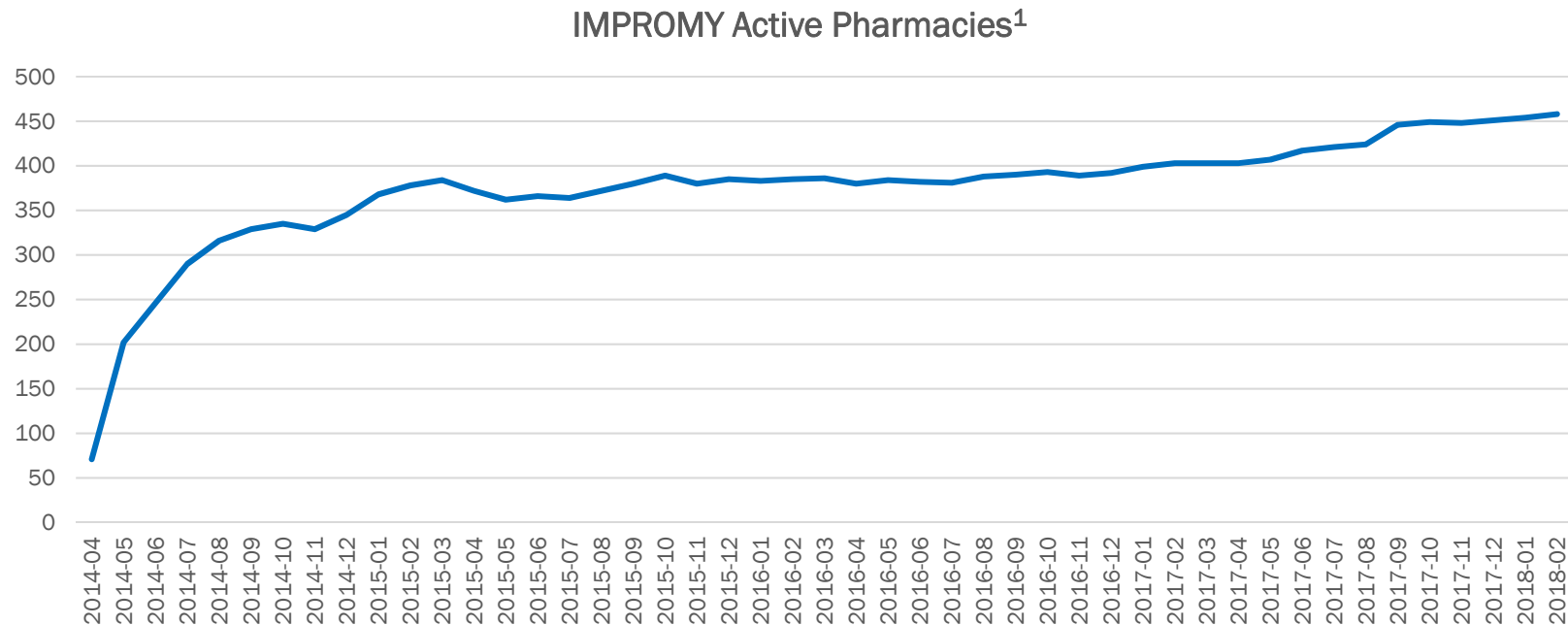


CONTRACT MANUFACTURE

- Acquisition of South Pack Laboratories (“SPL”) in October 2017
- SPL performing **ahead of expectations** for 1st quarter
- Like-for-like growth (excluding SPL) of 8%
- Continued high levels of sales inquiries and leads, confident of ongoing growth into FY2019
- Several new contracts came on line late in the half year, will contribute more in 2nd half and into FY2019
- Capacity exists to continue growth



IMPROMY



IMPROMY

- IMPROMY program developed in conjunction with CSIRO continues to achieve growth in both sales and distribution levels (see graph above showing growth in participating pharmacies)
- New products released late in 2nd half of FY17 (most notably '**Flexi**' by Impromy) gaining strong traction in the market
- Higher investment in the program during the half year, including launch costs for 'Flexi'
- IMPROMY program looking to diversify into further health categories in coming years

¹ Active stores distributing the traditional IMPROMY program. For comparability purposes, pharmacy numbers do not include pharmacies distributing the recently launched 'Flexi' program

CELEBRITY SLIM

- Strong growth in sales for CELEBRITY SLIM
- Celebrity Slim awarded Canstar Blue award – Most satisfied customers for weight loss shakes
- Delivering growth in Woolworths, Coles and through our online portal

celebrityslim
PROGRAM



MOST SATISFIED CUSTOMERS
WEIGHT LOSS SHAKES 2017



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