Natural beauty and wellness for the world







FY21 Results Presentation

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Dave Fenlon
Group CEO
& Managing Director

Favourite product:
Sukin's for Men Facial Moisturiser

Efee Peell
Group CFO

Favourite product:
Andalou Glycolic Mask

Rory Gration
Group COO

Favourite product:
Sukin's Rosehip Oil

Friday 27 August 2021

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Executive Summary

BWX ENTERS STRATEGIC PARTNERSHIP WITH GO-TO SKINCARE

BWX today enters agreement to acquire 50.1% of leading Australian brand Go-To Skincare; transaction rationale announced separately along with details of a capital raising for ~$100.0m to fund BWX's investment in the Partnership

FY21 FINANCIAL PERFORMANCE

Statutory NPAT increased 60.9% to $23.7m
Underlying EBITDA increased 11.5% to $34.5m[1]
Revenue increased to $194.1m on a reported basis (FY20: $187.7m). Adjusted for constant currency and equity-linked strategic partnership with Chemist Warehouse[2], increased by 8.6% to $203.9m.

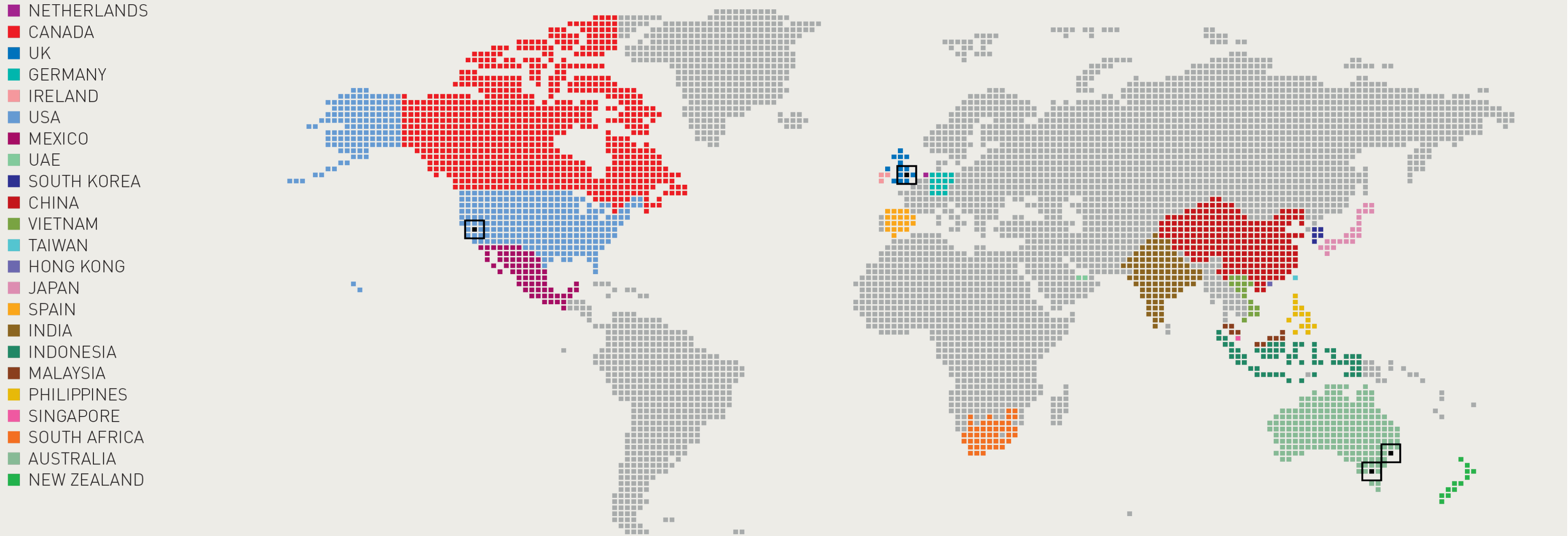
- Gross profit margin improved **134bps to 59.3%**[2]
- Cash position improved to $70.5m and **cash conversion of 74.1%**
- Debt position reduced to $52.4m
- Earnings **per share of 17.1c**
- Fully franked final dividend of **3.1 cents**[3]

Despite COVID-19 driven retail lockdowns, BWX has delivered growth in sales, gross margin and profit, with increased market share across all key categories

(1) EBITDA is a non-IFRS measure that excludes a net $5.9m benefit comprising of $6.9m of Acquisition Related Benefits, $0.2m Share-Based payment relating to the equity-linked strategic partnership with Chemist Warehouse and $0.8m impact of IFRIC agenda decision on configuration and customisation costs in cloud computing arrangements
(2) Constant currency excludes FX impact from USD. This is a non-IFRS measure and excludes $0.2m Share-Based payment expense relating to the equity-linked strategic partnership with Chemist Warehouse
(3) On 27 August 2021, BWX declared its intention to raise approximately $100.0m from an Institutional Placement and Share Purchase Plan. Assuming that these shares are issued prior to the record date, and on the assumption that the full amount is raised, BWX anticipates that it would pay a fully-franked final dividend of 3.1 cents per share

Segment Performance

($A millions)	FY20	FY21[2]	FY21 CC[2]	% CC Growth
Australia + International	$105.6	$118.4	$118.8	12.2%
USA	$82.1	$75.9	$85.1	3.7%
Total Revenue	$187.7	$194.3	$203.9	8.6%



(1) Excludes $0.2m Share-Based payment expense relating to the equity-linked strategic partnership with Chemist Warehouse. This is a non-IFRS measure.
(2) FY21 revenues have been adjusted for constant currency (CC) to exclude FX translation impact. This is a non-IFRS measure.

Executive Summary

PERFORMANCE BY BRAND





SUKIN remains the #1 Natural Skincare Brand; the #6 Total Skincare Brand and; the #1 Natural Haircare brand in Australian Pharmacy(1)

- Net revenue up 16% YoY and **56% up 2H vs 1H**
- Gross margin maintained at 70-72%

ANDALOU NATURALS remains the #1 Natural Facial Skincare Brand and the #5 Haircare and Body care brand in the US Natural Channel(2)

- Net revenue down 11% YoY and flat YoY in constant currency
- Net revenue **+18% up 2H vs 1H**
- Gross margin improved to 49-51%

MINERAL FUSION remains the #1 Cosmetics brand in US Natural Channel and #2 Natural Cosmetics Brand in US Conventional Channel(2)

- Net revenue down 7% YoY and up 4% YoY in constant currency
- Net revenue **+19% up 2H vs 1H**
- Gross margin maintained at 56-58%

NOURISHED LIFE average basket size increased 17% YoY

- Net revenue up 4% YoY or 6% on a LFL basis (excluding sales of hand wash and hand sanitiser)
- Net revenue -12% down 2H vs 1H
- Gross margin maintained at 33-35% (includes freight)

(1) Data sourced from IRI Market Edge MAT to 27/06/2021 based on data definitions provided by Sukin Australia.
(2) SPINS scan data – MAT to Jul 21

Executive Summary

IT IS THE RIGHT STRATEGY AND NATURAL IS GOING MAINSTREAM

DISCIPLINED EXECUTION AGAINST THREE YEAR STRATEGIC ROADMAP

Continued growth in points of distribution globally, **exceeding 1.4m in FY21** – on pace to achieve **42% more in FY22**, supported by retail partnerships and establishment of a new direct-to-consumer business unit

New manufacturing facility on track for December 2021 opening – expected to deliver margin expansion and **a step change in BWX's operational and financial performance**

FY22 OUTLOOK

The Group continues to closely monitor external conditions with key BWX markets and regions remaining at varying stages of the COVID-19 pandemic recovery
In Australia, the Group has experienced some variability to sales as a result of state based COVID-19 restrictions

In North America, 2H21 performance showed encouraging signs of recovery vs 1H21, however the 1H22 performance remains subject to the COVID-19 situation in this region which remains uncertain

Notwithstanding the near-term uncertainty, the Group expects FY22 to benefit from:

- Full year contribution from Woolworths, which commenced in 2H21;
- Full year contribution from Flora & Fauna;
- Continued strong performance of the Group's direct-to-consumer operations;
- Full year benefits from the Chemist Warehouse Strategic Partnership; and
- Recent distribution gains achieved in key retail channels

As the natural category continues to gain momentum and attract more consumers, BWX is ideally placed to benefit from and accelerate this trend with important investments made in our brands and manufacturing capability

Agenda

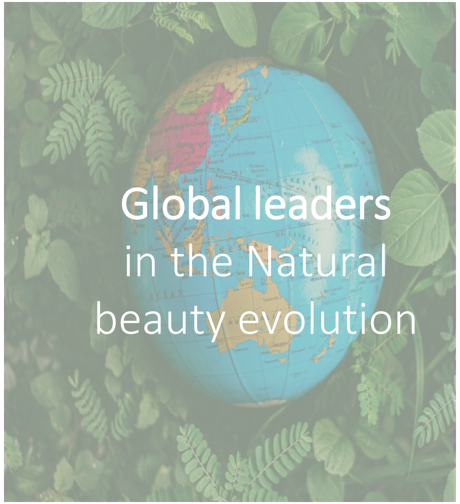

Greta Gillmore Director, Operations & **Alice Burnett** Director, Distribution

Purpose

BWX

NATURAL BEAUTY AND WELLNESS FOR THE WORLD

BWX is proudly a **purpose-driven company**
We exist to **democratise Natural**
Our growing range of products **empower consumers to make conscious choices** to support their health and the health of the planet



Global leaders
in the Natural beauty evolution

1.4 million+
Global points of distribution in FY21

1.2 million+
engaged global Audience

136 products
launched in FY21

Financial Highlights

BWX

	Revenue[1]	EBITDA[2]	Statutory NPAT
FY21	$194.3m	$34.5m	$23.7m
FY20	$187.7m	$30.9m	$14.7m
Change	3.5%	11.5%	60.9%
Adjusted for constant currency[1][3]	$203.9m +8.6%		

In FY21 BWX achieved **+11.5%** growth in EBITDA[2] and delivered increased sales and profit despite persistent global volatility

Revenue performance in constant currency delivered sales of **$203.9m**[1] or **+8.6%** growth on FY20

Healthy 2H21 sales performance from core brands of Sukin, Andalou Naturals and Mineral Fusion

(1) Excludes $0.2m Share-Based payment expense relating to the equity-linked strategic partnership with Chemist Warehouse
(2) EBITDA is a non-IFRS measure that excludes a net $5.9m benefit comprising of $6.9m of Acquisition Related Benefits, $0.2m Share-Based payment relating to the equity-linked strategic partnership with Chemist Warehouse and $0.8m impact of IFRIC agenda decision on configuration and customisation costs in cloud computing arrangements
(3) Constant currency excludes FX translation impact

Operational Highlights

BWX

Connect to Consumers

Building and scaling a direct-to-consumer (D2C) model

BWX brand.com sites activated in additional countries via **The Hut Group**

D2C business represents **29%** of FY21 group revenue

Brand insight work for global brand positioning and **growth platforms**

Marketing reinvestment at **15%** of FY21 revenue

NPD revenue at **14%** of FY21 revenue

Go Global, Go Mainstream

Total distribution gains at 1.43m

- Chemist Warehouse Group (equity-linked)
- Woolworths Group
- Walmart Canada

Depth of distribution achieved within global retail partners

New product development supporting incremental **distribution growth**

Increasing penetration across **all consumer touchpoints** Pharmacy, Grocery, Mass and E-commerce and all growth markets

Progressing toward achieving **42%** growth in distribution gains in FY22

Invest In Ourselves

New Operations and Manufacturing Facility on track and on budget

Building **capability** across all regions with significant appointments in growth markets

Employee **engagement** survey score in line with FY20 which was a COVID-19 impacted period

Expanded incentive scheme to all BWX employees

AFR Best Places to Work Winner in Manufacturing and Consumer Goods category (2021)

Get Clean & Get Healthy

Board endorsed sustainability targets for 100% recyclable & carbon neutral brands and operations by 2030

Gross Margin improved **134 bps** to **59.3%** in FY21

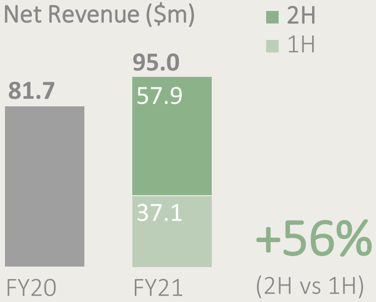
Global Group **Procurement** improving sourcing initiatives (cost and efficiency)

Continued **ERP** upgrades improving reporting

Brand Highlights

BWX

Sukin

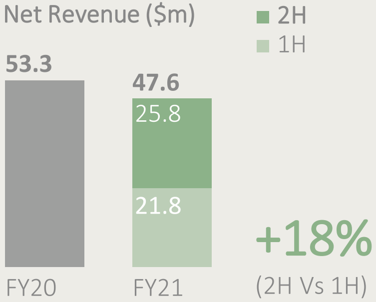


YoY +16% growth

49% FY21 group revenue

FY21 gross margin maintained at **70-72%**

Andalou Naturals

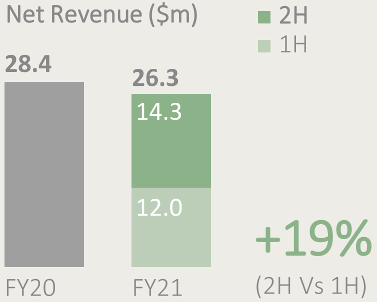


YoY -11% decline or flat in constant currency: $53.0m FY21

24% FY21 group revenue

FY21 gross margin improved to **49-51%**

Mineral Fusion

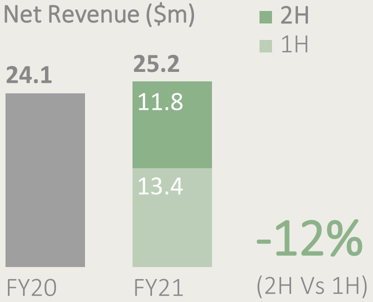


YoY -7% decline or +4% growth in constant currency: $29.5m FY21

14% FY21 group revenue

FY21 gross margin maintained at **56-58%**

Nourished Life



YoY +4% growth or +6% growth on a LFL basis (excludes sales of hand sanitiser + hand wash sales)

13% FY21 group revenue

FY21 gross margin maintained at **33-35%** (includes freight)

sukin®
AUSTRALIAN • NATURAL

BWX

In Australian Pharmacy, Sukin remains the **#1** Natural Skincare Brand(1); the **#6** Total Skincare Brand and; the **#1** Natural Haircare brand(1)

In Australian Grocery, Sukin is the clear **#1** Natural skincare brand(1) and the **#6** Total Skincare brand(1)

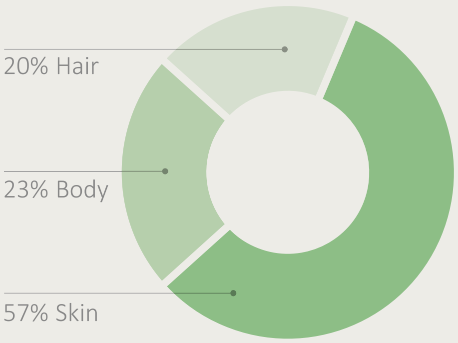
636k points of distribution in FY21

Successful launch into Woolworths Q4 FY21 and immediately became the **#1** Natural skincare brand(1) and the **#6** Total Skincare brand(1) in this channel

Sukin growth supported by further category expansion into Hair and Body across all markets

(1) Data sourced from IRI MarketEdge MAT to 27/06/2021 based on data definitions provided by Sukin Australia.

Net Revenue ($m)



ANDALOU
NATURALS

BWX

In US Natural Channel, Andalou Naturals remains the **#1** Natural Skincare Brand[1] and the **#5** Natural Haircare and Body Care Brand[1]

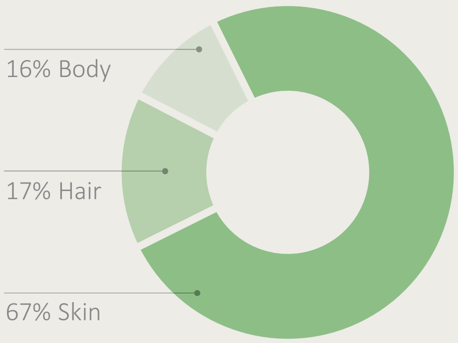
383k points of distribution in FY21

Growth supported by innovative NPD and continued global roll out of Andalou Naturals products instore and online via localised websites

LFL sales growth impacted by slower retail recovery in the US and EU markets, remaining flat in constant currency

(1) SPINS scan data – MAT to Jul 21

Net Revenue ($m)



In the US Natural Channel, Mineral Fusion remains the **#1** Cosmetics Brand and, in the US, Conventional Channel improved to the **#2** Natural Cosmetics Brand[1]

Mineral Fusion outperforming in a category that is down overall, with improved foot traffic in Q4 FY21

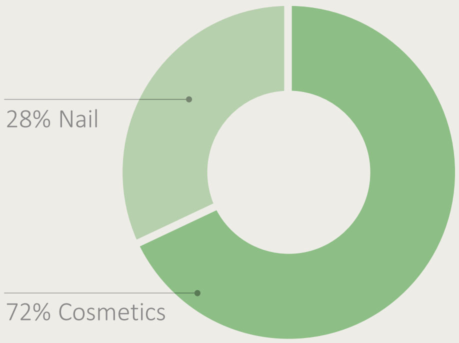
408k points of distribution in FY21

The colour cosmetics market is poised for a recovery for the remainder of CY21, leading to a robust industry backdrop for 2022

Mineral Fusion growth fuelled by continued e-commerce and marketing investment; distribution gains across all sales channels; and transforming the customer experience with innovations like virtual try-on and product diversity

(1) SPINS scan data – MAT to July 21

Net Revenue ($m)



Nourished Life

Improved profitability due to reduction of promotional frequency and increasing promotional effectiveness

Brand repositioning launched Q4 FY21

Launch of 67 new brands or 2450+ new products in FY21 whilst exiting underperforming brands

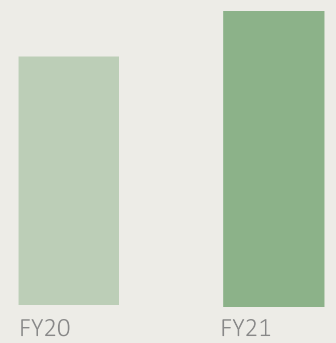
Enhanced customer retention with active customer churn rate of +8% vs pcp

Revenue from Electronic Direct Marketing +13% vs pcp

New contacts +28% vs pcp

Outlook for growth supported by establishment of new D2C business unit following 100% acquisition of Flora & Fauna and reinvestment of synergies captured

Average **Basket Size +17% vs FY20**



Financial Summary

Buddika Perera Supply Chain Manager

Financial Performance

- **Statutory NPAT** increased **60.9%** in FY21 vs FY20
- **Net Revenue**[1] increase by **8.6%** on a constant currency basis
- **Gross Profit Margin** increased 134 bps to **59.3%**
- **Operating Expenses** increased by 3.9% and reflects controlled and strategic investment across marketing initiatives, along with building people capability across the Group
- **Depreciation & Amortisation** has increased by 15.3% driven by acquisitions of plant and equipment and intangible assets
- **Group effective tax rate** of 22.8%[3]
- **Fully franked final dividend**[4] of 3.1 cents per share determined for FY21 within dividend pay-out guidance of 35-50%
- **Earnings per share** of 17.1c, 44.9% growth on FY20

AUD million	FY20	FY21	Change	Constant Currency	Change
Revenue[1]	187.7	194.3	3.5%	203.9	8.6%
Gross Profit	108.8	115.3	6.0%		
Gross Profit Margin	58.0%	59.3%	134bps		
Operating Expenses	-79.4	-82.5	3.9%		
Other Income	1.5	1.7	13.3%		
EBITDA[2]	30.9	34.5	11.5%		
EBITDA margin[2]	16.5%	17.8%	127bps		
Equity Strategic Partnership	-	-0.2	-		
Cloud Computing Costs	-0.9	-0.8			
Acquisition-Related Cost/Benefit	-0.1	6.9	-		
Depreciation & Amortisation	-6.1	-7.1	15.3%		
Interest Expense	-4.0	-2.6	-34.7%		
Tax	-5.0	-7.0	39.2%		
NPAT - Reported	**14.7**	**23.7**	**60.9%**		
EPS - Reported	11.8	17.1	44.9%		
Dividend per share	3.9	4.1	5.1%		

(1) Excludes $0.2m Share-Based payment expense relating to the equity-linked strategic partnership with Chemist Warehouse
(2) EBITDA is a non-IFRS measure that excludes a net $5.9m benefit comprising of $6.9m of Acquisition Related Benefits, $0.2m Share-Based payment relating to the equity-linked strategic partnership with Chemist Warehouse and $0.8m impact of IFRIC agenda decision on configuration and customisation costs in cloud computing arrangements
(3) Effective tax rate impacted by the Acquisition-related benefits deemed as non-assessable for income tax purposes
(4) On 27 August 2021, BWX declared its intention to raise approximately $100.0m from an Institutional Placement and Share Purchase Plan. Assuming that these shares are issued prior to the record date, and on the assumption that the full amount is raised, BWX anticipates that it would pay a fully-franked final dividend of 3.1 cents per share

Balance Sheet

- **Strong balance sheet** maintained and improved cash position of **$70.5m**
- **Trade and other receivables** increased by 10.2% and reflective of sales volume with our debtor day ratio in line with last year.
- **Inventory** increased by 19.6% compared to pcp to support our transition into our new operations facility during 1H FY22 along with supporting new increases in distribution points during Q1 FY22
- **Trade and other payables** increased compared to pcp, reflecting purchasing and supplier term outcomes
- **Financial liabilities** include bank debt ($52.4m) and deferred consideration and payments on acquisition
- In accordance with **AASB 16 Leases** accounting standard, the Group recognises a right of use asset ($9.0m) and lease liability ($10.8m)

(1) Restated to include impact of IFRIC agenda decision on configuration and customisation costs in cloud computing arrangements

AUD million	JUN 20[1]	JUN 21	Change FY21
Assets			
Cash	28.6	70.5	41.9
Trade and other receivables	39.9	43.9	4.0
Inventories	36.8	44.0	7.2
Prepayments	1.7	3.0	1.3
Contract Assets	-	3.6	3.6
Right of use asset	12.6	9.0	-3.6
Plant and equipment	5.7	19.9	14.2
Intangible assets and goodwill	318.1	300.1	-18.0
Investments in associates	-	0.9	0.9
Other assets	-	1.6	1.6
Total assets	**443.5**	**496.5**	**53.0**
Liabilities			
Trade and other payables	31.7	43.9	12.2
Financial liabilities	70.3	52.5	-17.8
Lease Liabilities	14.8	10.8	-4.0
Current tax liabilities	1.7	6.2	4.5
Employee benefits	1.9	2.3	0.4
Deferred tax liabilities	25.1	22.0	-3.1
Total liabilities	**145.5**	**137.7**	**-7.8**
Net assets	**298.0**	**358.8**	**60.8**

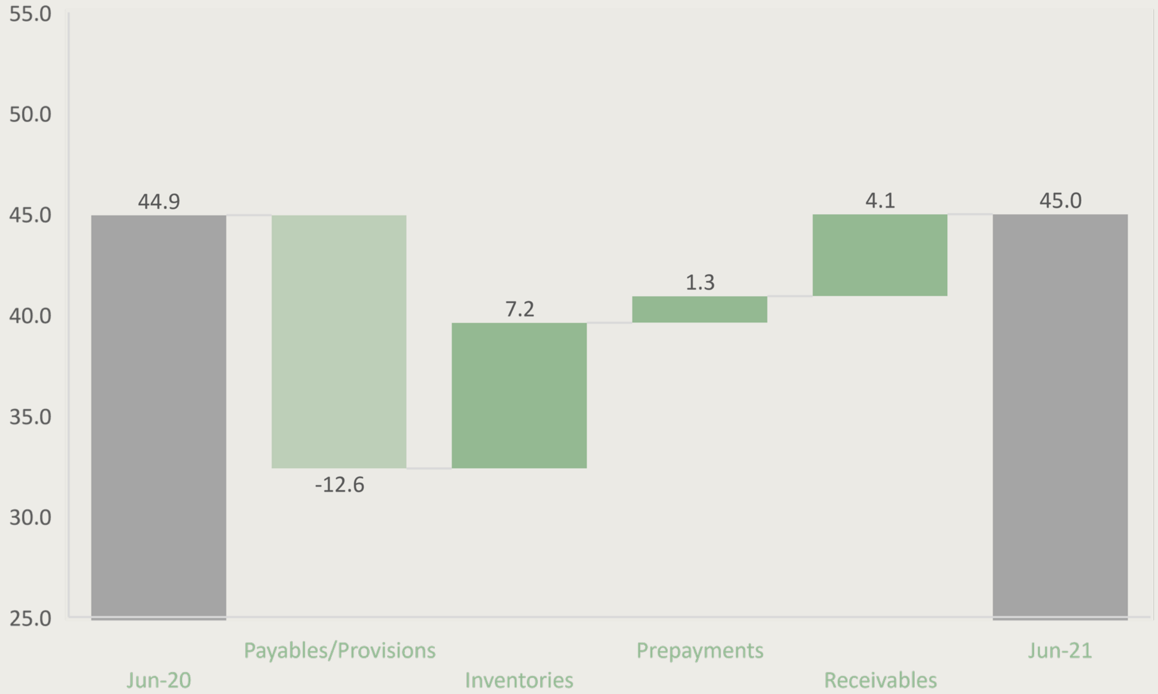
Working Capital

Working capital well maintained to support sales growth along with new product development and global retailer launches

The Group significantly increased its **cash position** to $70.5m in FY21 (from $28.6m at FY20)

Inventory movement reflects strong momentum in new distribution gains coming online early in Q1 FY22, coupled with securing transition into our new operations facility

Working Capital Movements ($m)



Cash Flow Reconciliation

- **Cash conversion** ratio of 74.1% highlights the healthy cash generating profile of the Group and reflects the sustainable approach to working capital management
- **Capital expenditure** in line with expectations, has increased to support new manufacturing facility
- **Tax payments** are in line with expectations

AUD million	FY20	FY21
EBITDA[1]	30.9	34.5
Working Capital Movements	1.6	-0.1
Non-Recurring Costs	-0.1	-0.5
Interest Expense	-3.2	-2.6
Tax	-0.7	-4.3
Other	-0.5	-1.5
Operating Cash Flow	**28.0**	**25.5**
Capital Expenditure - Operational	-6.3	-6.1
Capital Expenditure - New Manufacturing Facility	-	-10.2

(1) EBITDA is a non-IFRS measure that excludes a net $5.9m benefit comprising of $6.9m of Acquisition Related Benefits, $0.2m Share-Based payment relating to the equity-linked strategic partnership with Chemist Warehouse and $0.8m impact of IFRIC agenda decision on configuration and customisation costs in cloud computing arrangements

Strategy & Outlook

Nicole Ozenir Senior Purchasing Officer & **Sandi Foran** Purchasing Manager APAC

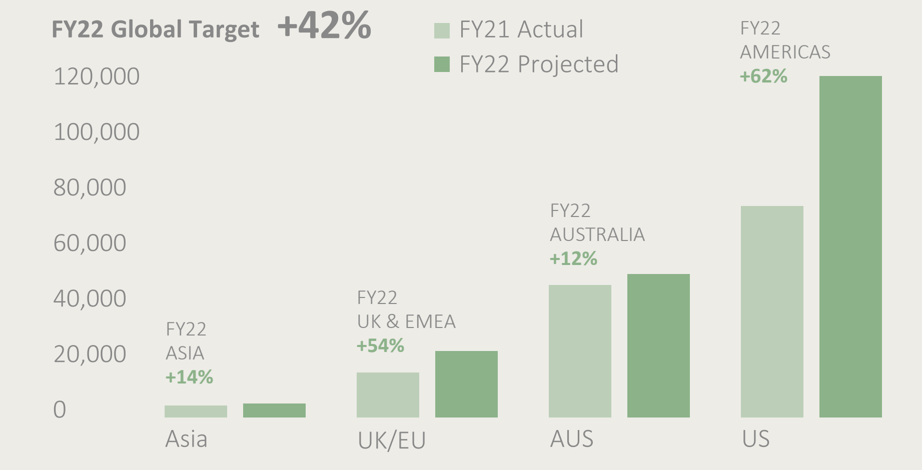
Strategic Scorecard

BWX

	Connect to Consumers	Go Global, Go Mainstream	Invest In Ourselves	Get Clean & Get Healthy
Strategic Progress…	Global **direct-to-consumer expansion** **Continuing reinvestment** in marketing NPD pipeline targeting **high growth categories**	Points of distribution on pace for **42% growth in FY22** Deepening of **cross border e-commerce** penetration to complement global retail presence	**Building a fully integrated and agile Operations & Manufacturing Facility** LTIFR improved to 2 years, no lost time Maintained **strong Net Promoter Score**	**Targeting 100% recyclable & carbon neutral** brands & operations by 2030 Solid procurement savings and trade spend investment supporting **gross margin improvements** **ERP assisting** inventory planning for targeted & efficient retail promotions
Continuing to Improve…	Share of D2C revenues from **29% to 38% of total group revenue by end of FY23** **Marketing ROI**	Select international expansion opportunities through the **formation of a global business development team** Acceleration of roll out of localised websites and marketing **via strategic partnerships**	**Stock turn efficiencies** S&OP systems to **reduce out-of-stocks and cash burn**	Gross margin improvement with new operations facility Cost base and maintaining commitment **not to drive cost faster than sales growth** Reporting and insights through the **implementation of PowerBI**

Expanding Points of Distribution Globally

BWX delivered 1.4 million in points of distribution for FY21
& we are on pace to deliver 2 million global points of distribution by FY22



	Sukin Australian Natural	Andalou Naturals	Mineral Fusion
FY21	635,788	382,934	407,624
FY22	935,422 +47%	522,053 +36%	564,094 +38%

Target for 2 million points of distribution are planned across the full financial year
in line with roll out plans and retailer review schedules

Complementary Omni-Channel Approach

BWX

We are dedicated to driving omni-channel distribution growth, ensuring that the presence of our brands is evolving with the shopping habits of our consumers

+50 Global E-tailer Partnerships

19,860 Points of Distribution Sold Online

12 Owned E-commerce Sites Globally

178 Global Retail Partnerships

25 Active Markets

18,601 Retailing Outlets

Direct-to-Consumer Focus

BWX

- Establishing BWX's **D2C business unit** led by Julie Mathers, Founding CEO of Flora & Fauna, with a vision to better service the **fast-growing** online community of **conscious consumers**
- Combined **scale** and **customer reach** positions BWX to benefit from the **structural market shift** toward online shopping
- Opportunities to leverage **supply chain**, **procurement**, and **cross-selling** to unlock more growth and reinvestment
- Synergies to be realised across marketing; NPD and range extensions; distribution and efficiencies - **supporting case for margin enhancement**
- EPS accretive in FY22 and **strongly EPS accretive by FY24**

flora&fauna

Nourished Life

Direct-to-Consumer Strategy

- Flora & Fauna and Nourished Life are market-leading platforms **each bringing a unique customer value proposition** through respective product and category offerings, with **minimal overlap in customers (~13%) and SKUs (<20%)**
- **80%** of combined SKUs are not available in mainstream retail
- Improved segment performance through enhanced customer experience; **SKU and category rationalisation**; a **strategic approach to promotions** supporting hero brands; and operational efficiencies
- Share of D2C revenues to increase **from 29% in FY21 to 38% of total group revenue by FY23**

flora&fauna

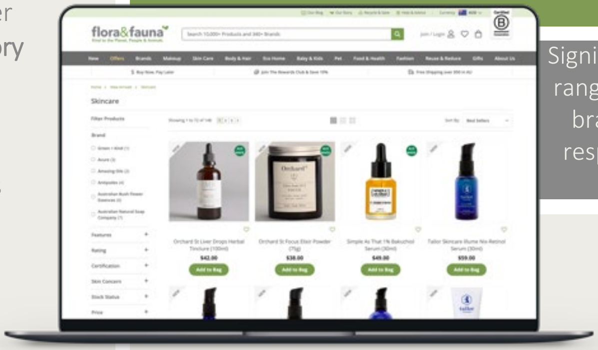
100% vegan eco-retailer with a core focus on ethical and sustainable products
Winning in categories of eco, eco home, skincare, personal care

~340 brands and 10,000 SKUs
~300k unique visits per month
25-34 age group dominant

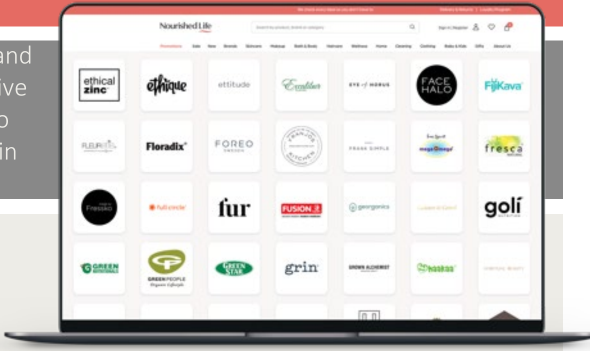
Nourished Life

100% Natural beauty and wellness retailer with a core focus on inner and outer beauty
Winning in categories of Natural beauty, health and wellness

~300 brands and 8,000 SKUs
~400k unique visits per month
35-44 age group dominant



Significant cross-selling opportunities and range expansion with access to exclusive brands and private label; leaning into respective category strengths to win in skincare, body and hair



Acquisition of GO-TO®

- BWX has entered into a Share Purchase Agreement to acquire a 50.1% interest in Go-To for ~$89m
- Represents a strategically and financially compelling opportunity for BWX to partner with one of Australia's leading skin care brands
- Track record of growth with FY21 revenue of $36.8m and EBITDA of $11.6m
- Pre-synergies, expected to be mid-single digit FY21 EPS accretive on a pro-forma basis from year one

Founded in 2014 by Australian beauty editor and entrepreneur Zoë Foster Blake, Go-To offers simple, effective, trustworthy skin care based on best-in-class botanical ingredients

Significant brand equity and loyal customer following with a focus on education and communication

Best-in-class e-commerce platform capturing the brand's unique value proposition by offering customers a seamless shopping experience

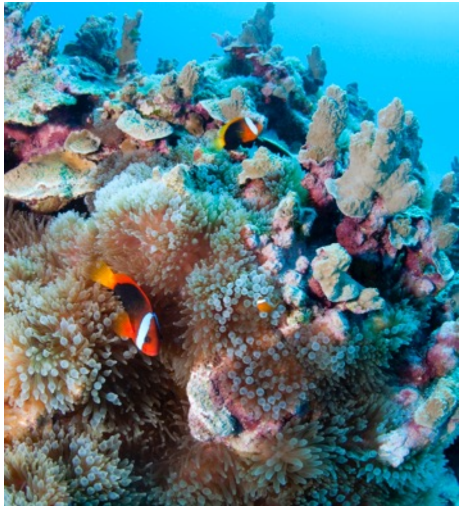
Significant acceleration of BWX's strategy with a complementary product suite providing high quality growth and diversification for BWX via enhanced D2C channels and expansion into "masstige" subcategory both domestically and internationally

Sustainability

BWX

BWX aims to be a leader in sustainability and demonstrate excellence in environmental, social and governance issues

We're taking positive steps to minimise our impact on the environment, improve employee safety and wellbeing, and provide natural and efficacious products to our customers and consumers



Sustainability Goals	Environmental, Social & Governance Focus
✓ Carbon neutral for all brands by end FY23 (Sukin carbon neutral since 2008) and operations by 2030	✓ ESG & Sustainability Committee created at Board level to oversee ESG risks and identify sustainability opportunities. Enhanced ESG report with GRI focus.
✓ All packaging to be diverted from landfill	✓ AFR Best Places to Work Winner in Manufacturing and Consumer Goods category (2021)
✓ Minimum 50% average recycled content in all packaging and 100% recycled content across all PET bottles, cartons and shippers	✓ Targeted reduction in gender pay disparity in FY22, no gap by FY25
✓ Become a certified B-Corporation at Group level (verification now underway)	✓ BeXtra Safe program driving significant drop-in long-term injury frequency rates ✓ Achieved ISO 45001 Stage 1 Certification in Australian operation

New Operations Facility

All key milestones being met and on track to open in December calendar year 2021

Expected to deliver material EBITDA growth over and above the current Three Year Strategic Plan

- **Automated, high-speed** production lines that will drive significant per unit cost reduction and deliver margin expansion to help fuel future growth
- **Triple throughput** compared to existing site, with total manufacturing capacity expected to increase to >100m+ units
- **Enhanced control** over end-to-end supply chain, more flexibility and scalability for future growth
- **Investment in R&D**, laboratory facilities and pilot plant to accelerate our innovation and speed to market

4 years(1) expected pay back	Labour productivity and efficiency gains
	Material cost reduction
	Material waste reduction of ~50%
	Enhanced sustainability goals
	Expected to be EPS accretive in FY23 and onwards

(1) Expected payback of four years from completion in relation to the full capital investment of $33.7m to fund the new operations facility

Artist's impression


July 2021


August 2021

Scaling the Natural Trend Globally

BWX

Supportive macro trends

Self-care trends sustained across all categories of skin, body, hair with growing category demand for Natural beauty

The rise of the conscious consumer helping to accelerate growth

Digital penetration will continue to grow globally, complementing BWX's in-store brand footprint

Australia is behind other developed markets for retail penetration with **~10%** of all retail sales online, versus **20%** (USA, UK)

E-commerce revenue growth in Australia is growing at **9%** versus **6%** for department store revenue (CAGR 2020-2024)[1]

(1) Euromonitor database. Online retail penetration rate calculated as E-Commerce Sales over Retail Sale.
(2) Approximated category size based on all available category data and classification of natural.

Growth of Natural by Market

Skin, Body & Hair Categories Combined (All values in USD)	Australia	USA (inc Cos)	United Kingdom	Global
	$1.5 billion +6.0% CAGR	$31.3 billion +5.8% CAGR	$5.6 billion +4.7% CAGR	$260 billion
Value of Natural Market[2]	$230m	$2.5b	$340m	$33.2b
BWX Share ($) of Natural Market	26%	1.5%	1.3%	

FY22 Outlook

IT IS THE RIGHT STRATEGY AND NATURAL IS GOING MAINSTREAM

The Group continues to closely monitor external conditions with key BWX markets and regions remaining at varying stages of the COVID-19 pandemic recovery.

In Australia, the Group has experienced some variability to sales as a result of state based COVID-19 Restrictions.

In North America, 2H21 performance showed encouraging signs of recovery vs 1H21, however the 1H22 performance remains subject to the COVID-19 situation in this region which remains uncertain.

Notwithstanding the near-term uncertainty, the Group expects FY22 to benefit from:

- Full year contribution from Woolworths, which commenced in 2H21;
- Full year contribution from Flora & Fauna;
- Continued strong performance of the Group's direct-to-consumer operations;
- Full year benefits from the Chemist Warehouse Strategic Partnership; and
- Recent distribution gains achieved in key retail channels

As the natural category continues to gain momentum and attract more consumers, BWX is ideally placed to benefit from and accelerate this trend with important investments made in our brands and manufacturing capability

Questions

BWX

Colin Lai Group Financial Controller