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TRILOGY
INTERNATIONAL
LIMITED
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Trilogy International delivers over \$100 million revenue in FY17

*Revenue growth of 25% to \$103.7 million
EBITDA growth of 19% to \$19.4 million*

trilogy

ECOYA

goodness

CS&Co.

26 May 2017 - Trilogy International Limited (NZX:TIL, ASX:TIL) (the company or TIL) today announced another record result with revenue for the 12 months ended 31 March 2017 of \$103.7 million.

Angela Buglass, Chief Executive Officer of TIL, said, “it has been a big year for TIL; we delivered over \$100 million in revenues for the first time in the company’s history, we made an investment in Forestal Casino to help secure supply of rosehip oil, and implemented key initiatives to streamline the way we work as a group, including investing in operational infrastructure to set a strong foundation for the future.

Equally, the brands have been working to deliver on key objectives. Trilogy has just launched its flagship store on Tmall Global and is now sold in over 6,000 stores globally. ECOYA had another successful year with limited edition launches, delivering 28% of total ECOYA sales for the year and is currently in the exciting process of re-launching the ECOYA brand.”

The Board has declared a fully imputed annual dividend of 4.5 cents per share which is equivalent to 55% of FY17 business earnings excluding CS&Co and after interest and tax. The dividend will be paid on 30 June 2017 to investors on record as at the close of business on 23 June 2017.

TIL’s Chairman, Grant Baker, said, “the Board is pleased to maintain the same total cash dividend as the FY16 value, while retaining adequate earnings to fund future investment opportunities to drive capital growth for Trilogy shareholders”.

FY17 Financial Highlights:

- Revenue of \$103.7 million, an increase of 25%
- EBITDA of \$19.4 million, an increase of 19%
- NPAT of \$12.7 million, an increase of 35% including the benefit from the CS&Co contingent consideration adjustment
- Natural Products delivered \$38.8 million¹ revenue, an increase of 13%. Excluding the one-off CS Company Limited (CS&Co) inventory adjustment², Natural Products revenue grew by 17%
- Home Fragrance & Bodycare delivered \$21.4 million revenue, an increase of 7%
- Full twelve months’ contribution from CS&Co delivered \$53.4 million revenue including the distribution of TIL Natural Products, an increase of 27% compared to pro forma FY16
- Term debt down 78% following the successful capital raise during the year

Unless otherwise stated, comparisons included in this release are to the comparable period, the twelve-month period ending 31 March 2016.

1. Pre inter-company elimination
2. CS&Co inventory adjustment reflects the one-off impact of ~\$1.6m from changing distributor to CS&Co and not being able to recognise initial stock build as revenue.

12 months ending March 31, 2017 (\$m)	FY17	FY16	YoY	YoY (%)
Revenue	103.7	83.1	20.6	25%
EBITDA³	19.4	16.3	3.1	19%
NPAT	12.7	9.4	3.3	35%
EBITDA Margin	19%	20%		
Earnings per share (EPS) (dollars)	0.18	0.15		
Dividend per share (DPS) (cents)		5.45		

3. EBITDA excluding contingent consideration adjustment/remeasurement and gains on derivatives (refer note 5 of financial statements).

Revenue of \$103.7 million, an increase of 25%

TIL's group revenue increased by \$20.6 million to \$103.7 million for the twelve months to 31 March 2017.

TIL's home markets of New Zealand and Australia continued to drive performance representing 88% of revenue for the period. This reflects the strength of the TIL brands as they continue to acquire new consumers and build brand loyalty, strong non domestic consumption sales for Trilogy into China, and the internalised distribution of Trilogy and Goodness combined with the annualised contribution of CS&Co.

EBITDA of \$19.4 million, an increase of 19%

TIL delivered EBITDA growth of 19% for the 12-month period to 31 March 2017. TIL invested more in sales and marketing in the brands and in people to support the larger organisation.

The full year inclusion of the distribution business, which in line with industry standards operates at lower margins, lowered the overall group margin.

Excluding acquisition costs and the loss attributable to the investment in TIL's newest brand Goodness, EBITDA would have been \$21.1 million.

Outlook

TIL expects underlying revenue growth in FY18 to be consistent with FY17 for each segment of the business.

TIL Group EBITDA will continue to grow, despite gross margin compression as a result of higher raw material prices within Trilogy skincare.

Consistent with prior years, we expect revenue and EBITDA to be skewed towards the second half.

About Trilogy International Limited

TIL - *Trilogy International Limited* (NZX:TIL, ASX:TIL) is a cultivator of essential natural products and home fragrance brands: Trilogy Natural Products, ECOYA and Goodness Natural Beauty Lab in New Zealand and around the world. It's subsidiary CS Company Limited (CS&Co) distributes international cosmetics, fragrances, skincare and haircare brands in New Zealand.

Visit <http://investors.tilbrands.com> to learn more.

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