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TRILOGY  
INTERNATIONAL  
LIMITED  
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trilogy

ECOYA

**goodness**

CS&Co.

27 May 2016

***Trilogy International delivers FY16 revenue growth of 127% and EBITDA growth of 208%***

***Penetration of natural skincare market continues to gain momentum globally***

***Trans-tasman markets continue to perform above expectations***

**Highlights:**

- Revenue increased by \$46.5m to \$83.1m, including a CS&Co contribution of \$28.6m
- EBITDA growth of 208% reflects strong revenue growth and CS&Co post acquisition contribution
- Excluding CS&Co, revenue increased 49% and EBITDA increased 118%
- Full year dividend of \$0.0545 per share, up 51% on the previous year
- Australia and New Zealand continue to be key markets, with 29% and 78% revenue growth respectively (excluding CS&Co)
- All Trilogy Natural Products and Home Fragrance & Bodycare geographies delivered double digit revenue growth, with positive progress in the US and Asia
- Goodness launched in April 2015 and has achieved a healthy position in the natural skincare segment of the grocery channel
- CS&Co acquisition completed, delivering \$4.8m of EBITDA over 7.5 months to the Group
- Yesterday announced the acquisition of 25% stake in the largest Chilean based rosehip producer, Sociedad Agricola Y Forestal Casino SpA (“Forestal Casino”)

12 months to 31 March 2016	2016 (\$m)	2015 (\$m)	YoY (%)	YoY (\$m)
Revenue	83.1	36.6	127%	46.5
EBITDA	16.3	5.3	208%	11.0
NPAT	9.4	4.5	108%	4.9
EBITDA margin	20%	15%		
Earnings per share (EPS) (dollars)	0.15	0.07	114%	0.08
Dividend per share (DPS) (cents)	5.45	3.60	51%	1.85

TIL – *Trilogy International Limited (NZX:TIL)* cultivator of essential natural skincare and home fragrance brands and distribution company today announced FY16 financial results for the year ended 31 March 2016.

Trilogy International delivered revenue growth of 49% (excluding CS&Co) for the twelve months to 31 March 2016. Strong continued performance across each of the segments and international markets reflects effective global sales efforts, brand promotion and benefits from the increasing recognition of rosehip and chia based skincare products.

Geoff Ross, Chairman of TIL said: “During FY16 we gained further momentum from our brands and our overall business. The strategies for our Trilogy and Ecoya products continued to deliver solid growth for TIL, which we expect to continue.

We have built a strong team at TIL, and are very excited about the global opportunity ahead. The FY17 strategy will see investment in developing new products and building new markets to create an even larger platform this year, for continued growth in the future.

We are committed to creating a high value export business of real scale. It's an exciting path to be on, and we have confidence in our strategy.”

Commenting on the annual results Angela Buglass, Chief Executive Officer, said: "As we anticipated, FY16 has been an incredible year of growth and change for the Trilogy International business, at both an organisational and brand level. It follows a record year in FY15 and each of our brands posted growth in both revenue and profit for FY16.

The August acquisition of leading NZ beauty distributor CS&Co added to our overall revenue and profitability and will allow us to further develop our home market of New Zealand as we align our new distribution arm with the skincare division.

During the year we joined the Ecoya and Trilogy offices together which has nurtured greater collaboration between the teams and has started to produce some valuable synergies, both culturally and to the bottom line.”

### **Trilogy remains the #1 brand in Pharmacy Self Select.**

Trilogy Natural Skincare's continued success of rosehip oil and the global groundswell in the natural and organic beauty market has underpinned growth in all key markets. In New Zealand Pharmacy, the Natural/Organic Skincare segment grew 21.4% and Trilogy grew 38.8%.<sup>1</sup> In Australian Pharmacy, the Natural/Organic Skincare segment grew 26.7% and Trilogy grew 67.3%.<sup>2</sup>

Goodness, our emerging chia based natural supermarket brand, has exceeded objectives in its first year in market. In FY16 we opened over 1600 doors across

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<sup>1</sup> Aztec data as at 20/03/16 NZ Pharmacy Facial Skincare

<sup>2</sup> Aztec data as at 06/03/16 AU Pharmacy Facial Skincare

Australia and New Zealand, and the focus now moves to increasing sales and depth of consumer penetration in the dynamic grocery channel across both home markets. In New Zealand Grocery, the Total Natural/Organic skincare market has grown at 41% and in less than one year, Goodness market share of this segment has reached 4.8%.<sup>3</sup>

**One ECOYA product is now sold every 23 seconds around the world.**

ECOYA growth has been driven by continued strong profitable retail relationships and driving the depth of distribution in both the Australian and New Zealand markets. Continued success with limited editions for Christmas, summer and winter delivered 20% more in value. In the UK, we have seen category and brand growth through new display investment in new retail partnerships.

**Acquisition of CS&Co provides New Zealand distribution capability**

The acquisition of CS&Co has provided the Group with a leading New Zealand distribution platform and robust earnings profile to support continued expansion. CS&Co will commence distribution of our Trilogy and Goodness products throughout New Zealand, from July 2016.

**Acquisition of 25% stake in Forestal Casino, the largest Chilean based Rosehip producer**

As announced yesterday, the acquisition delivers future supply certainty of certified organic Rosehip oil for TIL while enabling Forestal Casino to expand at a faster rate to meet growing demand. Forestal Casino has a long history in organic rosehip production and has supplied TIL with high quality rosehip oil since 2010. Their future plans to expand production of rosehip supports TIL's growing global demand and increased focus on new products and innovation.

## **Future Outlook**

As we look to the future, Trilogy International will take confident strides in the dynamic consumer sectors of Natural Products and Home Fragrance to increase revenue and profitability in Australia and New Zealand to support meaningful opportunities in other markets.

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<sup>3</sup> Aztec data MAT to 27/03/16 NZ Grocery Facial Skincare

We will continue to out-perform the market in FY17. Leveraging that growth, we will continue to expand our investments in new business opportunities and markets to sustain future growth.

Angela Buglass, Chief Executive Officer, commented, “during FY17 Trilogy International will support its future focused growth through investment in brand and marketing, product innovation, working capital, technology, internal functionality, and people. This will enable us to be fit for the future, continuing to provide our consumers with quality products and grow our business.”

### **About Trilogy International Ltd**

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

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

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