

ANAGENICS

ASX: AN1

CEO - Address

Presented by:

Matthew Dudek

CEO – Anagenics Limited



2022

Who we are today

A strong growing portfolio of assets

Underpinned by profitable, trusted and validated leading brands



We have a plan ...

Business transformation journey to date



Labour and operational costs
TOTAL SAVINGS

\$825k

F23 YTD savings

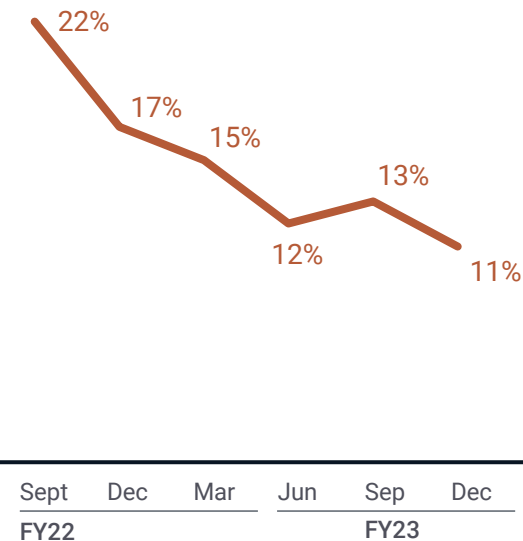
OBJECTIVE

Reduce costs to reinvest
in high-value growth initiatives

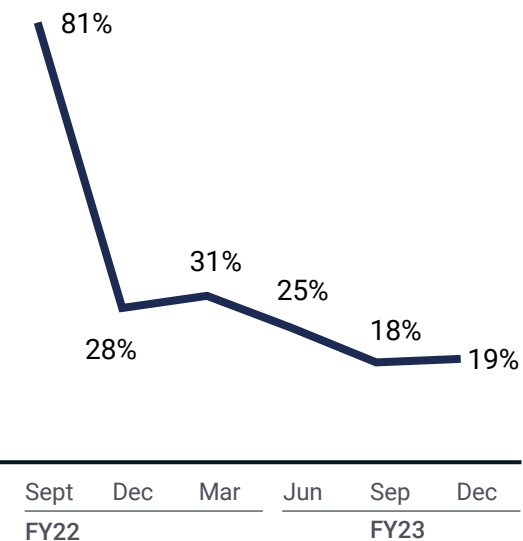
STAFF COSTS



ADVERTISING & PROMOTION



OTHER OVERHEADS



Expressed as proportion of revenue (%)

What we have achieved to date

Business improvement highlights

BLC Cosmetics

Purchase completion and integration



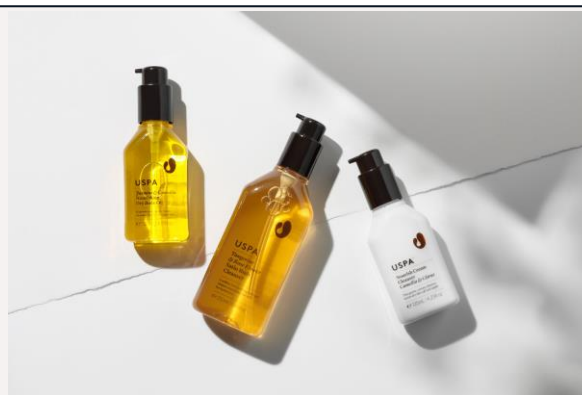
Revenue (\$9M) / EBITDA (\$1M) business

Professional network of salons / spas across AU and NZ (+1,100 doors)

Consolidation of common back-end business support functions across AN1

Non performing assets

Business simplification and cost savings



Advangen Japan divestment (\$0.6M loss p.a) with retained long-term royalty on IP – AN1 now debt free

Advangen USA – appointment of Medaltus, new distributor (\$0.1M cost saving p.a)

Headcount reductions (41%) and corporate cost saving measures (~\$1.0M p.a)

New acquisitions & extensions

Brands & products



Inika Organic – new exclusive brand distribution (\$1.5M revenue p.a)

USPA – new brand acquisition (IP) (\$0.4M revenue p.a)

Evolis – natural supplements launch in Nov 22 (let there be hair – “LTBH”)

F22 Results

STATEMENT OF FINANCIAL PERFORMANCE

	F22 A\$'000	F21 A\$'000
Revenue	9,235	5,816
Cost of sales	(4,170)	(2,113)
Gross Profit	5,065	3,704
	55%	64%
Fair value gain on deferred consideration	1,000	-
Other income	769	1,503
Impairments	(1,309)	(4)
Operating expenses	(9,282)	(8,027)
EBITDA	(3,757)	(2,824)
Foreign exchange gain / (loss)	356	(266)
Depreciation & amortisation	(173)	(197)
EBIT	(3,574)	(3,287)
Interest	(70)	(55)
Profit before tax	(3,644)	(3,342)
Income tax expense	(5)	(45)
Profit after tax	(3,649)	(3,387)
EBITDA - underlying	(2,899)	(2,715)

BALANCE SHEET

	Jun-22 A\$'000	Jun-21 A\$'000
CURRENT ASSETS		
Cash and cash equivalents	3,285	6,728
Inventories	4,448	2,550
Other current assets	1,038	2,010
	8,771	11,288
NON CURRENT ASSETS		
Plant and equipment	281	86
Intangibles	3,463	1,425
Other non current assets	411	494
	4,154	2,005
TOTAL ASSETS	12,925	13,293
CURRENT LIABILITIES		
Trade and other payables	1,292	1,064
Loans and Borrowings	562	338
Other current liabilities	1,804	513
	3,658	1,915
NON-CURRENT LIABILITIES		
Loans and borrowings	768	601
Lease liabilities	87	243
Other non current liabilities	122	100
	977	943
TOTAL LIABILITIES	4,635	2,859
NET ASSETS	8,290	10,434

We are making progress ...

Evidence of success with acquisitions

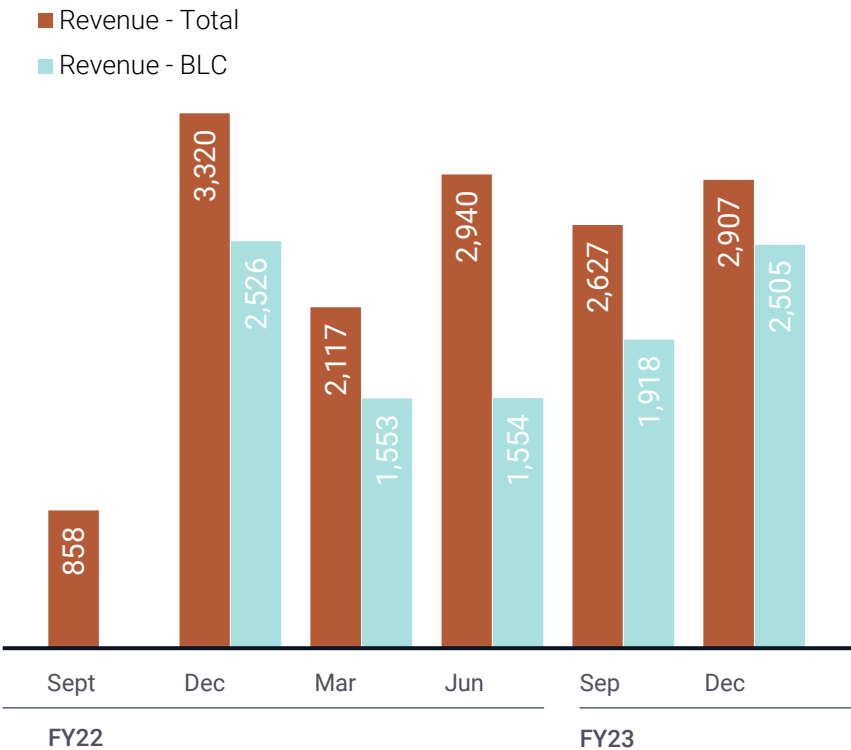
SUCCESS INDICATORS

+70%
in EBITDA since Mar. 22

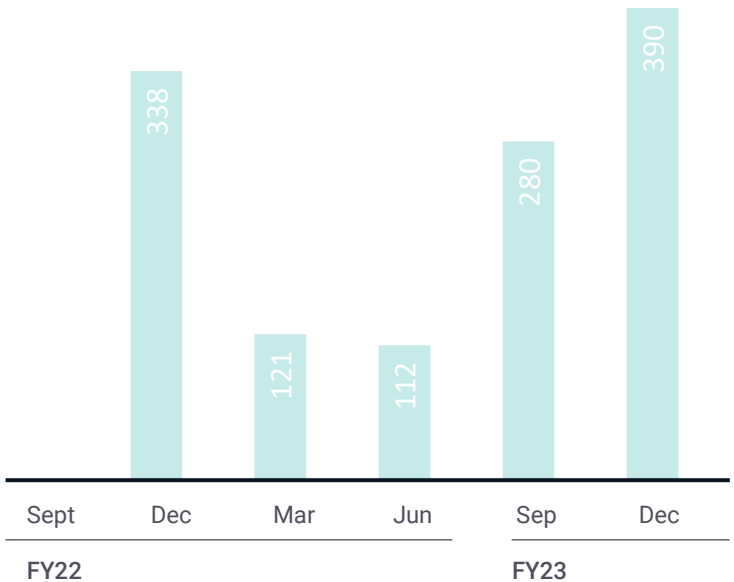
\$2.9m
in revenue in last quarter

Growing BLC
new brands
investment in B2C (e-Comm)

REVENUE - \$'000



BLC EBITDA - \$'000



How is the sector growing?

The market opportunity in Australia

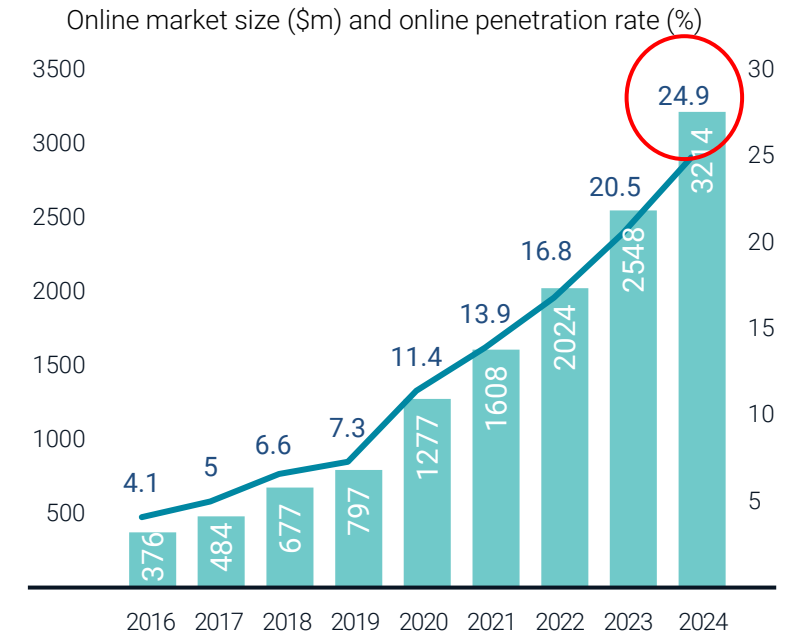
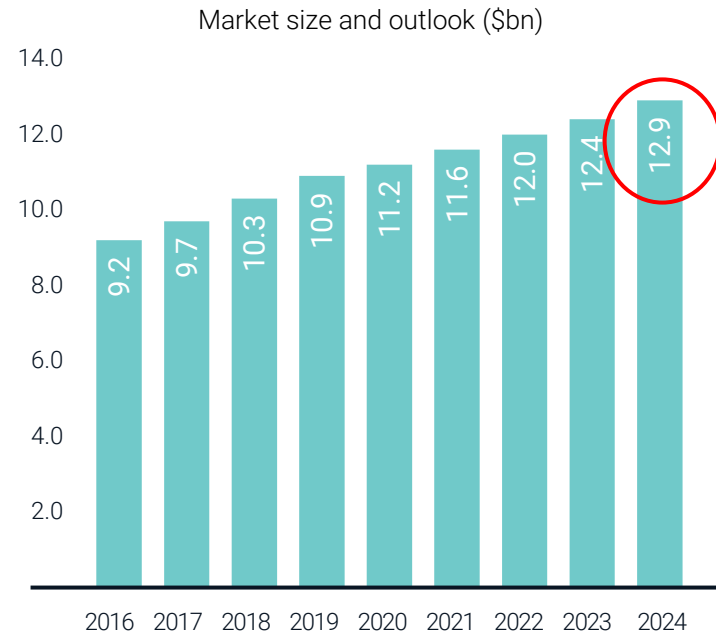
Growth expected to continue ...

3.4% pa



The Australian beauty and personal care market is projected to grow each year, with ~25% of sales being made online (by F24)

Australian beauty and personal care market



Source: Frost & Sullivan

Building on our unique anti-hair loss technology ...

évolis®



Evolis Japan

1. Divestment of a mature asset
2. Derisking balance sheet (\$1.3M)
3. Net cost savings ~ \$0.6M p.a
4. Earn-out upside of 3% to 2037

eCommerce (& website DTC)

1. 21% of sales to customers
2. Investment in specialist staff
3. Targeting to double volumes in F23

White Label Opportunities

1. Licensing technology
2. Revenue ~ \$0.5M p.a

China

1. Cross Border eCommerce (CBEC)
2. Revenue ~ \$0.8M (F23 forecast)
3. Tmall Direct / JD (80% of CBEC)

Evolis USA

1. Appointment of Medaltus
2. Amazon marketplace partnership
3. Cost savings \$0.1M p.a

Brand refresh & product offering

1. New packaging
2. Channel repositioning
3. Competitive pricing
4. New supplement range ("LTBH")

What is our plan for success in F23?

Building a competitive portfolio to drive growth

ENHANCE E-COMMERCE PROFITABILITY

Streamlined and simplified platforms



Grow direct-to-consumer reach to 40% revenue

Product-led branding and consumer-centric digital experiences

Position brands to leverage online markets

PROFIT FAST FROM MERGERS AND ACQUISITIONS

Strengthened portfolio with trusted brands



Sustain strong pipeline of advanced opportunities

Acquire complementary businesses to amplify returns across tech, brands and platforms

Secured strategic shareholder support and M&A integration expertise (HNG)

INNOVATE TO GROW ORGANICALLY

Continued competitive advantage



Research & development (tax funded)

Improve efficiencies through testing

Ongoing release of scientifically-validated products

Thank you

Approved for release to the
ASX by the Board of Directors

Sandy Beard
Chairman
p: +61 412 308 263

Matthew Dudek
Chief Executive Officer
p: +61 455 503 790

Scott Greasley
Executive Director
p: +61 473 152 598

Anagenics Limited
Suite 204, Level 2
55 Clarence Street
Sydney, NSW, 2000

e: info@anagenics.com

w: www.anagenics.com

Disclaimer

Forward Looking Statement and Disclosures.

This presentation is not making any offer, inducement, solicitation or invitation of any kind by communication of this presentation to the recipient and under no circumstances is it to be construed as, a prospectus or an advertisement. Without limiting the generality of the foregoing, this presentation is intended to be communicated only to such persons as Anagenics is legally able to send it and who are legally able to receive it in their jurisdiction of residence. If you are not such a person, please return it to Anagenics immediately. Information in this presentation is believed by Anagenics to be fair and accurate but neither Anagenics nor any other person accepts responsibility for such fairness or accuracy. This presentation has not been formally verified. No reliance may, nor should be placed upon the contents of this presentation by any person for any purposes whatsoever. Except where otherwise indicated herein, the information provided in this presentation is based on matters as they exist as of the date of preparation and not as of any future date and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date hereof. Recipients should not construe the contents of this

presentation (or any discussions relating to it) as legal, tax, regulatory, financial, investment, accounting or other advice or as a recommendation by Anagenics or any other person in respect of any matter whatsoever. While Anagenics believes that any projected returns, or other forward-looking statements, included in this presentation relating to pipeline or illustrative investments are based on assumptions and valuation methodologies that are reasonable under the circumstances, the actual realised returns on any such investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in this presentation are based. Accordingly, the actual realised return of any such investments mentioned herein may differ materially from the projected returns indicated herein. Historic experience of any persons associated with Anagenics, and past, targeted or projected performance, is not necessarily indicative of future results and there can be no assurance that any targeted or projected returns will be achieved. The information contained herein, unless otherwise indicated, is subject to change and Anagenics assumes no obligation to update the information herein.

No representation or warranty, express or implied, is or will be given by Anagenics or any of its directors, members, shareholders, partners, officers, employees, consultants, advisers or agents (together, its "Related Persons"), and, without prejudice to any liability for, or remedy in respect of, fraudulent misrepresentation, no responsibility or liability or duty of care is, or will be, accepted by Anagenics or any of its Related Persons as to the fairness, accuracy, completeness, currency, reliability or reasonableness of the information or opinions contained in this presentation, or of any other written or oral information made available to any recipient or its advisers in connection with this presentation. Accordingly, none of Anagenics or its Related Persons shall be liable (save in the case of fraud) for any loss (whether direct, indirect or consequential) or damage suffered by any person as a result of relying on any statement in, or omission from, this presentation. This presentation and the rights and obligations of the recipients arising out of or in connection with it are governed by the laws of Australia, and the courts of Australia shall have exclusive jurisdiction to hear and decide any proceedings relating to any claim or dispute arising from or in connection with this presentation.