



TRILOGY
INTERNATIONAL
LIMITED

trilogy ECOYA *goodness* CS&Co.

Craigs Investor Day, March 2017

Angela Buglass, Chief Executive



Trilogy International Limited overview



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&Co distributes international cosmetics, fragrances, skincare and haircare brands in New Zealand.

Consumer Product Brands

trilogy

ECOYA

goodness

Distribution

CS&Co.



Company History



Board of Directors



Grant Baker
Chairman
The Business Bakery
Representative



Stephen Sinclair
Executive Director
The Business Bakery
Representative



Geoff Ross
Director
The Business Bakery
Representative



Mandy Sigaloff
Independent Director



Jack Matthews
Independent Director

Trilogy management team



Angela Buglass
CEO

15 years of skincare and cosmetics experience in the International markets.



Kristy Macgregor
Operations Manager

Background in project management and business development in the UK retail industry, Operations Manager with Trilogy International since 2011.



Claire Barnes
ECOYA General Manager (Maternity Leave)
Over 10 years of sales and marketing experience centred around fashion, advertising and media.



Lindsay Render
CFO

Chartered Accountant with over 15 years commercial experience.



Louise Clayton
Trilogy General Manager

More than 20 years' experience in leading health and beauty teams in NZ.



Sonya Fynmore
Investor Relations Consultant

Over 10 years' experience in the financial markets across multiple jurisdictions.

Consumer Brands

trilogy ECOYA *goodness*



Natural Products

trilogy *goodness*



TRIL

Gravitation towards natural

The global organic personal care market is expected to reach nearly USD 25 billion by 2025¹.

Gastronomia

The question “if you wouldn’t eat something, why would you put it on your skin” has fueled the rise of food-based beauty products.

“58% of Chinese women would pay more for soap, bath and shower products that contain natural plant/fruit ingredients and 45% of Chinese men would pay more.”²”

Prestige brands moving into natural

To mitigate lower growth rate, global brands are also moving into the natural personal care market.

- Estee Lauder acquired Aveda
- Unilever acquired REN Skincare

Sustainability and Traceability

Sustainability and traceability throughout the supply chain is now a key focal point for brands and consumers. Everything from ingredient sustainability, to knowing where the ingredients are sourced, to environmental sustainability.

1. Grandview Research, November 2016

2. Lightspeed GMI/Mintel; Mintel APAC Metro Skincare Report – Feb 2016

Trilogy natural products



- It was the discovery of how beneficial pure, certified organic rosehip oil is for the skin which led to the founding of Trilogy in 2002.
- The quality of Trilogy's Certified Organic Rosehip Oil has cemented the brand's reputation as a pioneer in the natural beauty oil category.
- Today the range consists of over 40 skin care, body care and hair care products loved by customers and celebrities around the world.
- Monitoring industry trends, researching new ingredients and utilising new technologies ensures that Trilogy are at the forefront of product innovation.

30.3%
market share in
New Zealand¹

13.6%
market share in
Australia²

3,500+
stores

1. IRI MarketEdge NZ Pharmacy (self-select), Natural/Organic Skincare, dollars, MAT to 04/12/16
2. IRI MarketEdge AU Pharmacy (self-select), Natural/Organic Facial Skincare, MAT to 08/01/17

Integrity of ingredients throughout production

Trilogy sources from carefully selected fair trade suppliers, with the majority being from Chile, South America and Lesotho, South Africa, where the plant grows wild and flourishes in the dry, high-altitude climate.



High quality rosehip

Trilogy's oil is extracted using a solvent-free cold-pressing process below 30 degrees to maintain the integrity of the oil. Other methods require either the use of chemicals or liquid carbon dioxide.



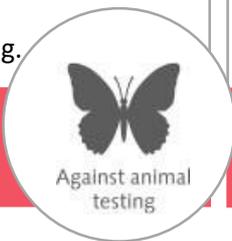
Natural extraction

To ensure consistent high quality oil, we batch-test every barrel on arrival in NZ and must achieve an independent certificate of analysis, guaranteeing a minimum 80% essential fatty acid content.



Consistency of quality

Trilogy's culture is based on our philosophy of sustainable, ethical business practices. Ingredients are sourced using low-impact sustainable methods of development and production, including being overtly against animal testing.



Sustainable production

NATRUE certification on all Trilogy products, offering an independent guarantee.
BioGro NZ Ltd certification on Organic Rosehip Oil, Rosehip Oil Antioxidant+ and Rosehip Oil Light Blend.



Certification

Trilogy partnered with **So They Can**, a not-for-profit organisation investing in areas in severe need in Kenya and Tanzania. Focusing on education and building the local economy through enterprise, not aid, to nurture self sufficiency.



Community partnership

Goodness = Ch ch chia

goodness



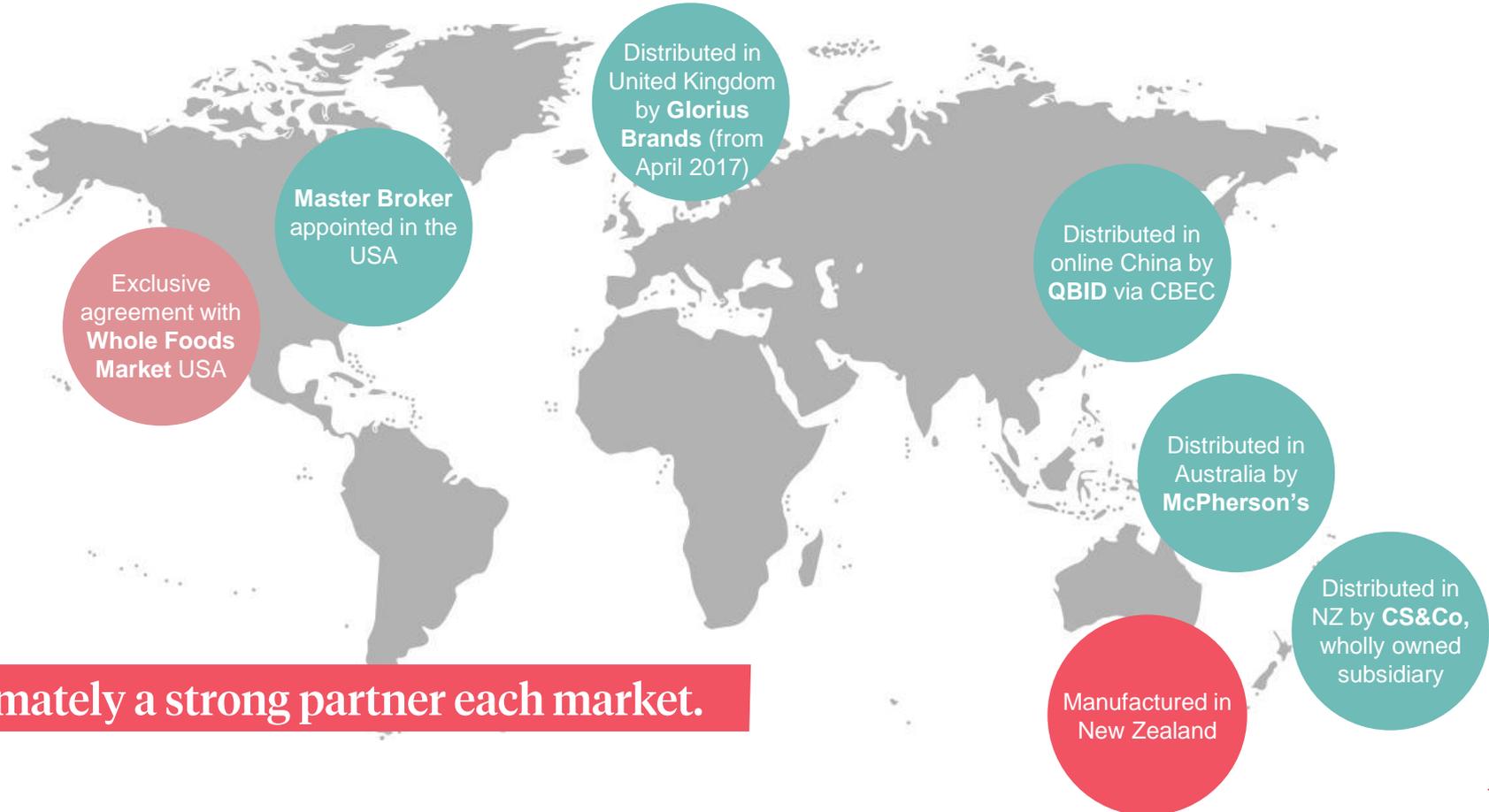
- Chia seeds are a well known superfood that has grown in popularity in recent years.
- Certified organic chia seed oil is the hero product and key ingredient across the Goodness range.
- Goodness chia seed oil has a proven 3:1 ratio of omega 3 and omega 6. Chia seed happens to be one of nature's richest sources of omega 3, the harder of the two to get sufficient levels of.
- Sourced from all over central America, Goodness chia seeds are certified organic from seed to bottle and the oil is cold pressed (solvent-free).

1kg of chia
seeds produces
250ml of chia
seed oil

5.3%
market share in
New Zealand¹

2,000+
Stores in NZ
and Australia

Working with the right partners...



...ultimately a strong partner each market.

Home Fragrance & Bodycare

ECOYA



III

A world where fragrance turns moments into memories



- ECOYA: Derived from two words: ecological (the environment) and soy (soya wax) being the base product.
- Founded in 2004, ECOYA is designed in Auckland, NZ and handcrafted in Sydney, Australia.
- 100% natural soy wax candles with maximum burning time.
- An eco-luxe Australasian fragrance house and bodycare brand, renowned for its iconic natural soy wax candles and seven unique fragrances.

#1 in
New Zealand

Sold in
1,800+
stores

One ECOYA
product sold
every
23 seconds

ECOYA brand differentiation



ECOYA candles are crafted from natural soy wax, rather than the paraffin bi-product of the petroleum industry.

ECOYA bodycare is made from all natural ingredients, free from Parabens, Propylene Glycol, Silicone and Artificial Colours.



Natural ingredients

Fragrance is at the heart and soul of everything ECOYA does. Guided by leading fragrance experts, ECOYA sends us on a journey of the senses, enhancing emotions, enriching gestures, rewarding sincerity, elevating moments and evoking memories.



Fragrance led

The ECOYA brand is built on strong design ethic across all product elements and visual marketing that supports them.

From the vessel, to the packaging and how they look on the shelf in store is at the forefront of how ECOYA Develops products.

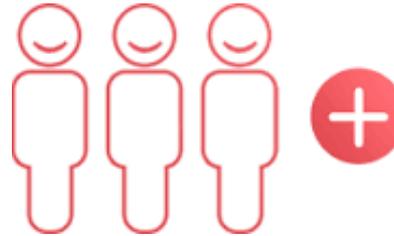


Design ethic

Growth strategy - brands



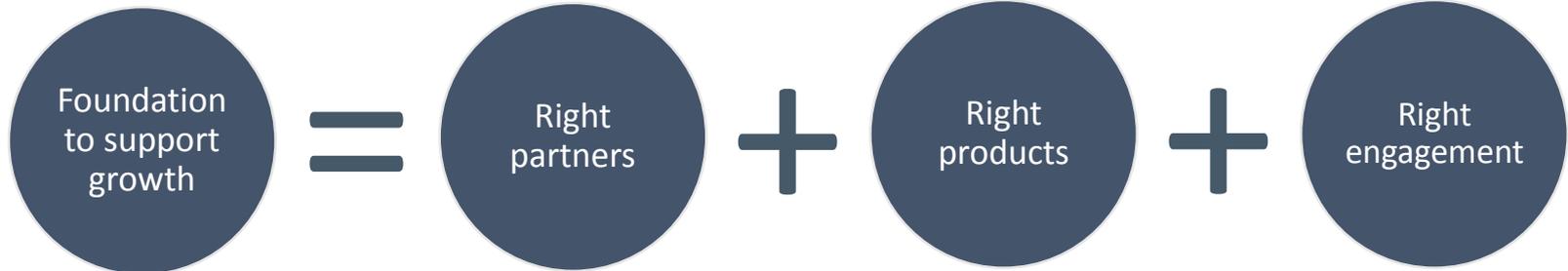
Expand into new markets



Grow consumer base in existing markets



Grow basket size per consumer per visit



Distribution

CS&Co.



CS&Co.

CS&Co, wholly owned NZ distributor



- Trilogi acquired CS&Co in August 2015, New Zealand's largest independent importer and distributor of fragrances, haircare, skincare and toiletries.
- Third party premium beauty products distribution in New Zealand.
- Started distributing Trilogi and Goodness products from July 1, 2016.

1900+
stores

#1 distributor
of fragrance in
New Zealand*



*CTFA annual survey statistics

Financial Highlights

H1 FY17

TIL



Financial overview

Six months ending 30 Sept 2016



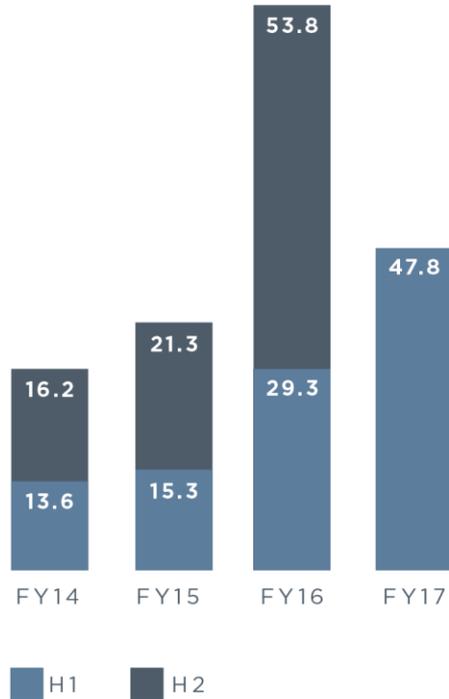
NZ\$ m	H1 FY17	H1 FY16	YoY	YoY (%)
Revenue	47.8	29.3	18.4	63%
Gross profit	24.2	17.1	7.2	42%
% margin	50.7%	58.1%		
EBITDA	7.2	5.3	1.8	34%
% margin	15.0%	18.2%		
EBIT	6.0	5.1	0.9	17%
% margin	12.5%	17.4%		
NPAT	3.5	3.2	0.3	10%
EPS	0.05	0.05		



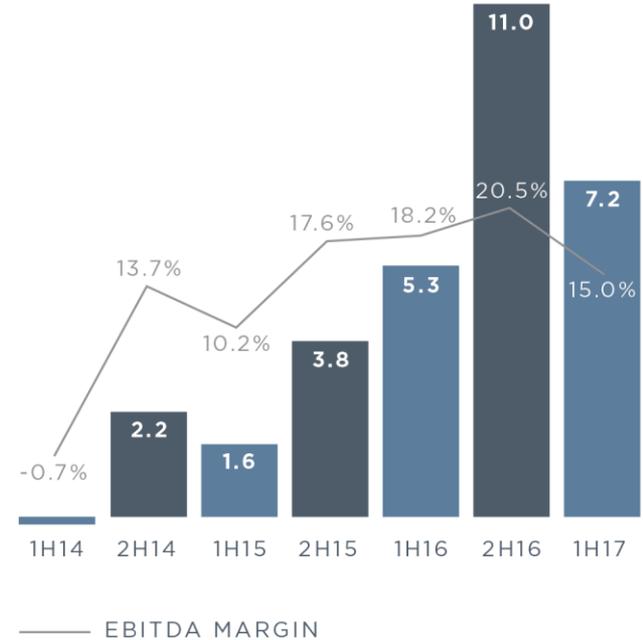
Group revenue and EBITDA



REVENUE (\$M)



GROUP EBITDA (\$M)



Strong balance sheet provides financial flexibility



NZ\$ m	H1 FY16	H2 FY16	FY16	H1 FY17
Cashflow from operating activities	(3.4)	9.1	5.7	(4.3)
Cashflow from investing activities	(34.2)	(1.3)	(35.5)	(5.7)
Cashflow from financing activities	35.6	(5.1)	30.5	8.4
TOTAL increase/(decrease)	(2.0)	2.7	0.7	(1.6)

Term Debt

Term debt is down 38% following successful capital raise during the period.

Net Operating Cashflow

Net operating cashflow of (\$4.3m) reflects the seasonal operating outflows that occur in the first half of the financial year as inventory levels are built up and brand development executed to support the Christmas sales period in the second half. In addition, higher inventory on hand relating to the transition of Trilogy and Goodness to an internal distributor, CS&Co.

Segment results



Natural Products



35%
of Total
Revenue

NZ\$ m	H1 FY17	HoH (%)
Revenue ¹	17.8	15%
EBITDA	4.5	(18%)
Adj. EBITDA ²	6.7	22%

Inter-Company Elimination

Inter-segment sales represents the sales between Trilogy and Goodness and CS&Co, TIL's wholly owned subsidiary and NZ distributor for Trilogy and Goodness. For the six month period ending 30 September 2016, these were \$3.04m. The combined sales from external customers and inter-segment sales in New Zealand represent total sales for Natural Products in NZ. The above revenue mix includes inter-segment sales to show the true performance of the brands. For the purpose of reporting, the inter-segment sales are eliminated from the Natural Products segment so revenue is not double counted in group revenue.

¹ Pre inter-company elimination.

² Adjusted for one-off items: CS stock adjustment and investment in Goodness.

³ CS&Co comparisons use the Pro Forma financials which include the 4.5 month period of trading in FY16 prior to CS&Co being acquired by TIL.

Home Fragrance & Bodycare



18%
of Total
Revenue

NZ\$ m	H1 FY17	HoH (%)
Revenue	9.0	4%
EBITDA	0.34	12%

Distribution



48%
of Total
Revenue

NZ\$ m	H1 FY17	HoH (%)
Revenue	24.0	28% ³
EBITDA	3.6	37% ³

Questions



Disclaimer



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All currency amounts are in NZ dollars unless stated otherwise.