



CAPITAL RAISING INVESTMENT  
PROPOSITION SHORT FORM



# Summary

- WNB has multiple organic channels for growth: New products, cross selling, geographic
- WNB is in the process of a roll up of complementary beauty, wellness, and pro-aging (positive aging) products
  - Investments completed with Giving Brands Co (2018) and True Solutions (2019)
  - Strong portfolio of products with improved OPEX
- Opportunity to scale more quickly through:
  - Further product expansion
  - Sales and marketing activities
  - More rapid product development
- Clinics are close to break even
- Clear path to profitability for entire Wellness & Beauty Solutions portfolio
- Recent expanded product launches – such as TANNED Sportsgirl launch / J Bronze Woolworths launch – positive impact on future earnings
- Private label represents a huge opportunity both within existing relationships such as MYER and new partnerships
- Strong product diversity

Major product  
contract wins

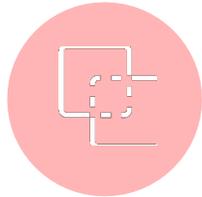
MYER  
Woolworths  
Sportsgirl  
House and Garden  
Bauer

# Goal: \$100M Run Rate & >\$5M NPAT within 3 years



## Organic growth

- Immediate cross selling distribution channels
- New product development
- New product launches
- Additional private label opportunities



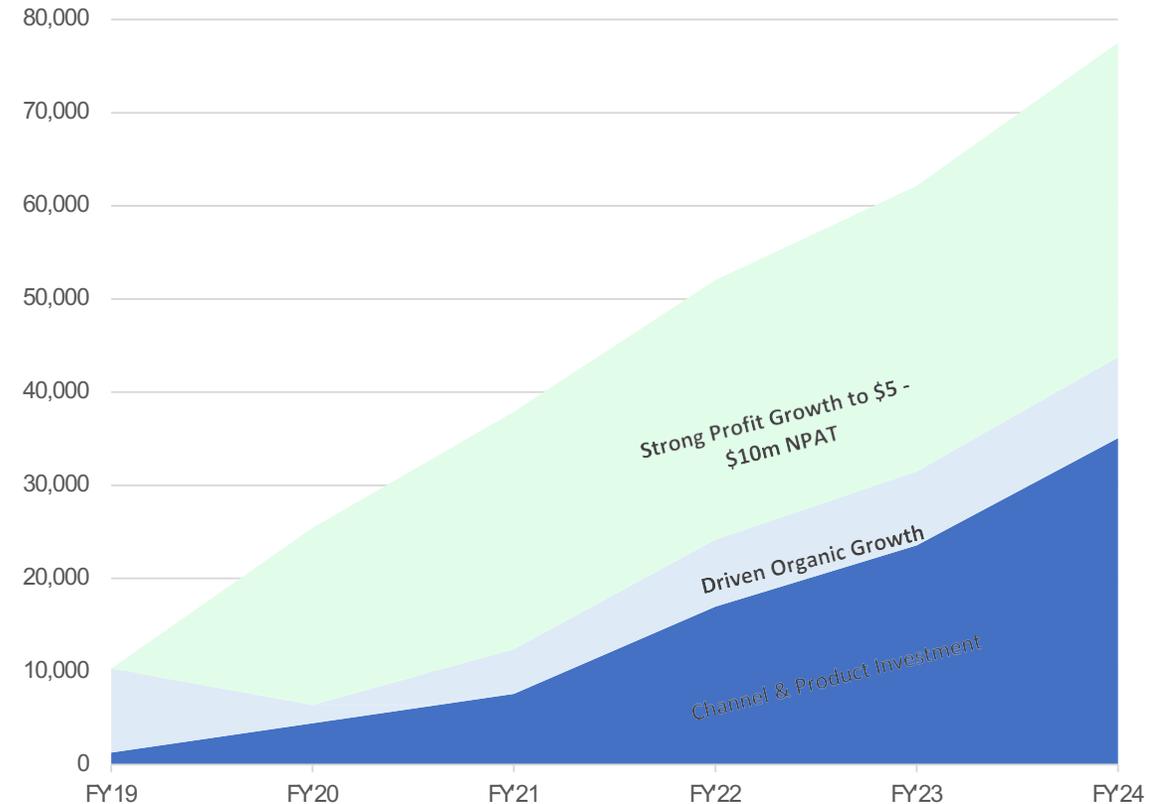
## Product acquisitions and strategic initiatives

- Growing the product portfolio through strategic acquisition or in-licensing
- Additive revenue opportunities
- Opportunity for further industry consolidation to build WNB to scale



## Geographic expansion

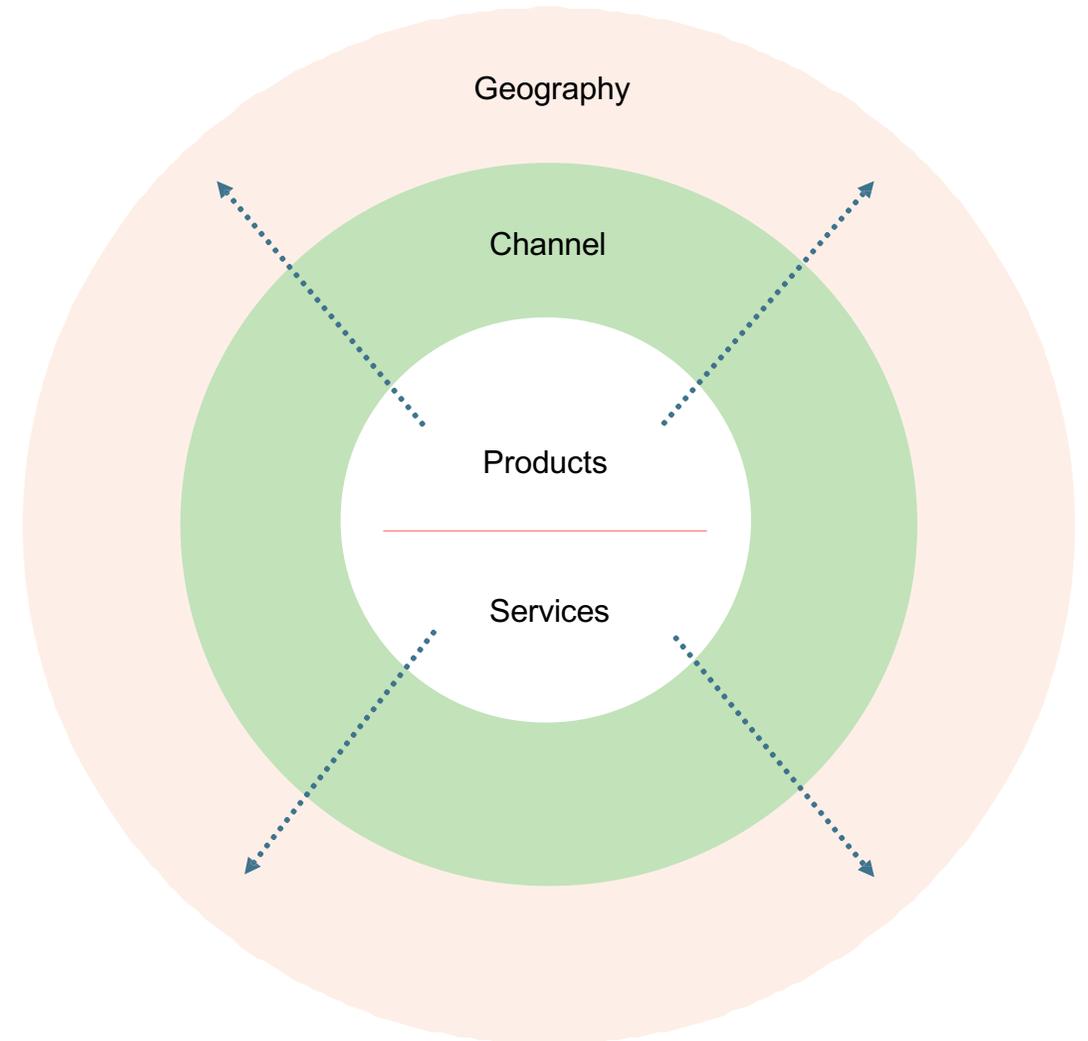
- Expansion of existing brands into high demand markets in Asia, Europe and North America
- Licensing and distribution opportunities





# Organic Growth – Super Charging Our Existing Portfolio

- Organic growth achieved through commercialisation of new and existing product lines, through the following activities:
  - Omnichannel marketing
  - Immediate cross selling distribution channels
  - Pipeline design, development and new range launches
  - Additional private label opportunities
  - Increase in bricks and mortar listing, online, B2C, B2B
  - Diversified revenue opportunity through pharmacy, FMCG and professional markets



# Retail Industry Driving New Opportunities

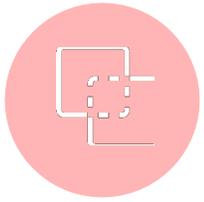
- Traditional retailers with large “bricks and mortar” infrastructure under pressure with low retail shopping sentiment
- Fashion retailers expanding to beauty (H&M, Lululemon, CottonOn)
- Consumers, particularly millennials, are looking for transparent and sustainable products
- Retailers pivoting to private label products as a margin grab



**85%** consumers say they **trust a private brand** just as much as a national brand. **81% purchase a private brand** product during every shopping trip

Private brand dollar **sales grew 4%** in 2018, nearly **six times** the growth of **national brand sales**.

Premium private label sales accounted for nearly **one-third of dollar volume** and drove **8% of growth** in the segment in 2017.



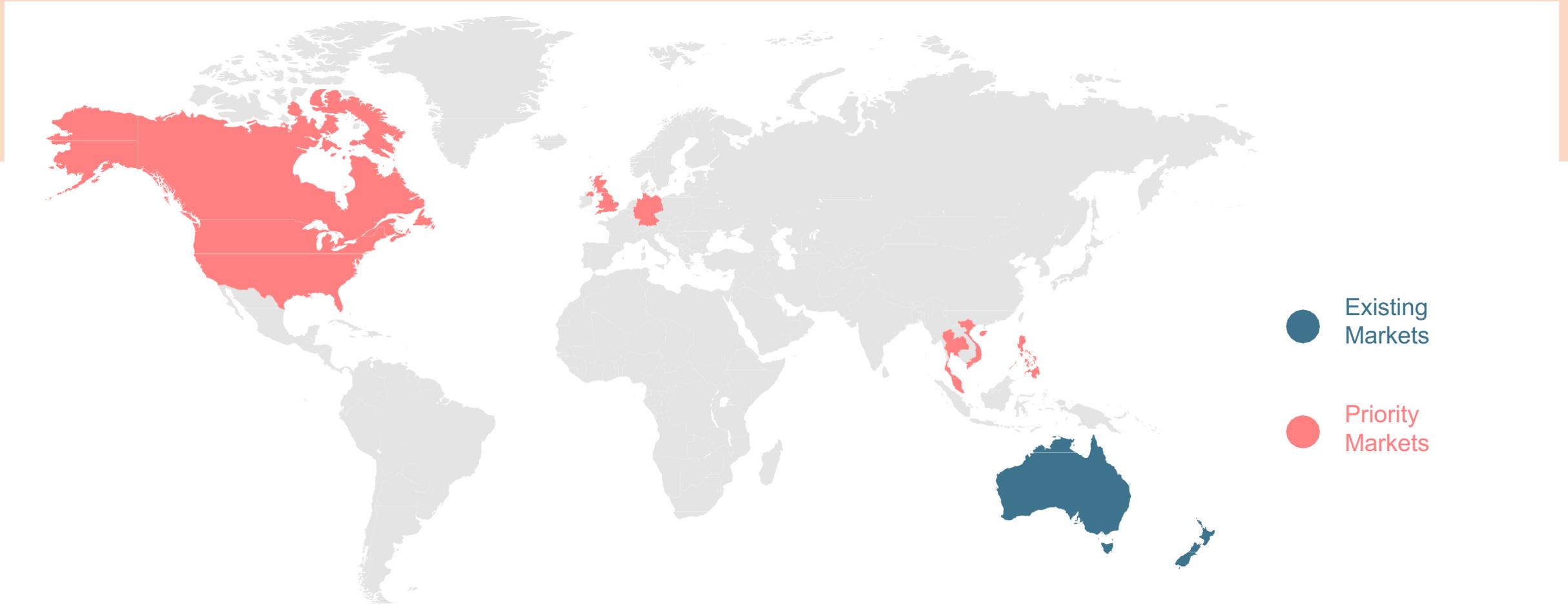
# Product acquisitions and strategic initiatives

- Identified strategic initiatives, including channel and product investment opportunities
- Product portfolio expansion through product acquisition or in-licensing with immediate revenue additive opportunities
- Secured manufacturing underpinned by strategic partnerships allowing greater margins, ensuring production quality and quantities are met in line with expansion needs



# Geographic Expansion

- Rapid growth achieved through:
  - Geographic expansion into high in demand markets including Asia, Europe and North America mitigating seasonal peaks and troughs
  - Globalised licensing opportunity together with local industry and media alliances driving Australian Made capabilities into international markets.



# Immediate Focus

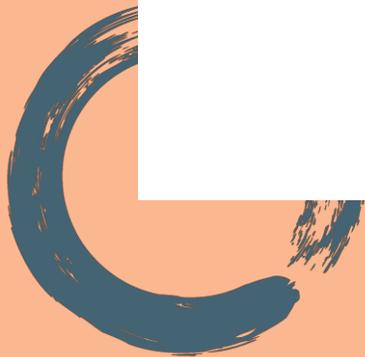
NEXT 3-6 MONTHS



BROOKE HOGAN

- Launch of pro-aging cosmeceutical range targeting millennials in partnership with Brooke Hogan
  - 7 preventative products sold through professional clinics and retailer
- J bronze and ELLE makeup ranged in all True Solutions 1300 clinic and spas
- ELLE kids and ELLE Baby launched in Asia
- ELLE makeup launched in Canada and US through retail partner
- Strong presence at COSMOPROF Hong Kong in November –leading trade show in the world for the entire cosmetics and professional beauty industry

# An Opportunity to Invest in Growth to Create a Globally Scaled Business



# Capital raise to enable rapid scale and capitalise on opportunities

- Raise \$5m through Placement
- Expected support from existing large shareholders
- Launched strong investor relations program to “unveil” the WNB business and opportunities and move the business into an environment of stronger awareness
- Strong news flow in the immediate future

# Use of Funds

\$5m + Capital Raise		
Production and Working Capital needs:		
Product Manufacturing	\$2m	Manufacture & Launch
Geographic Expansion	\$1.5m	Manufacture & Launch
Total Product Scale Up	\$3m	
Talent Investment & Capabilities	\$500k	Across TSA, GBCo, Clinics & Board
Strategic Initiatives:		
Channel & Product Investment	\$1m	
Total	\$5m	

# Financial forecast

	<b>FY20 (\$000)</b>	<b>FY21 (\$000)</b>
Revenue	\$20m - \$25m	\$30m - \$35m
GP	\$7m - \$8m	\$11m - \$13m
OPEX	\$6m - \$7m	\$9 - \$10m
NPAT	≈(\$1m)	≈\$2m

\* Assumes 2020 annualised number – note True Solutions acquired part way through Q1.

# GP by Product

## OWNED PRODUCTS

	FY20	FY21	FY22	FY23
GP	53%	56%	56%	56%

\*GP includes direct costs (such as warehousing and export tariffs)

\*GP uplift on increased MOQ's

## PRIVATE LABEL

	FY20	FY21	FY22	FY23
GP	43%	43%	43%	43%

## LICENSED PRODUCTS

	FY20	FY21	FY22	FY23
GP	39%	46%	52%	52%

\* Increases in manufacturing orders allow for significant volume discounts

\* GP uplift on increased MOQ's

\*\* GP includes all royalties and license fees payable, as well as export tariffs

## CLINICS / TRUE SOLUTIONS

	FY20	FY21	FY22	FY23
GP	27%	32%	33%	33%

\*All clinic costs such as occupancy and employee expenses included, resulting in lower GP margins

### Growth Strategy

