

## Walmart Stores Increased to 465 with NGS Continuing to Overperform

### HIGHLIGHTS

- Walmart stores stocking NGS products increased from 409 to 465 stores, with products to become available in the additional stores from May 2023.
- NGS continues to overperform in the Growing Up Milk category.
- The Company remains focused on expanding its US business through:
  - Increasing Walmart Sales Velocity through strategic marketing
  - Growing the number of Walmart stores that stock NGS products
  - Expanding product lines stocked in Walmart through further development
  - Gaining additional retail distribution in the US
- Newly appointed CEO, Steve Turner, driving the next stage of growth.
- NGS' new product Happy Tummies® developed in collaboration with Walmart merchant team to be stocked in stores in Q3/Q4 of the 2022 Calendar Year.
- The increase in Walmart stores aligns with the Company's North American growth strategy.

**Nutritional Growth Solutions Ltd (ASX: NGS)** (“NGS” or the “Company”) a global nutrition company is pleased to announce that the number of Walmart stores which NGS products are stocked in has been increased from 409 to 465 stores, representing an increase of 56 stores, with products to become available in the additional stores from May 2023.

The increase in the number of stores follows NGS' continued strong performance in the Growing Up Milk Category, with the Company now achieving a Sales Velocity (number of units sold per store per week) of 1.2 in over 84% of Walmart stores and 0.96 across all stores (as of March 6<sup>th</sup> POS reporting), significantly exceeding expectations.

The Company remains strongly focused on expanding its US business with newly appointed CEO, Steve Turner, driving the next stage of growth. NGS aims to increase revenues in the US by further increasing Walmart Sales Velocity through continued execution of a strategic and targeted North American marketing campaign, with further increases in Sales Velocity likely to

organically result in an increase in the total number of Walmart stores in which NGS products are stocked. The Company will also continue to work with its US sales, distribution and marketing partners to gain further retail distribution in the US, and NGS expects other major US retailers to leverage off the proven sales through Walmart.

A new NGS product, Happy Tummies<sup>®</sup>, which has been developed in collaboration with the merchant team of Walmart, is to be stocked in stores in Q3/Q4 of the 2022 Calendar Year, and the Company will continue to work with the Walmart buyers to identify future opportunities for further product development.

**NGS CEO, Steve Turner, commented:** *"We are very pleased to have the number of Walmart stores that NGS is stocked in increased so early in the relationship. With our products only being on the shelves of Walmart since September 2022, this increase has followed 6 months of sales growth, as we continue to increase sales velocity through our US marketing campaign. With a strong focus on expanding our US business, we look forward to continuing to work with Walmart to expand the number of SKU's, stores and product lines, whilst concurrently aiming to expand our overall distribution in the US."*

Whilst the Company is unable to quantify the revenue that may be earned from the increase in Walmart stores stocking NGS products, it deems the agreement significant as it has the potential to increase the revenues already being earned from sales to Walmart.

It should be noted that the terms of the agreement remain the same as those announced in the Company's ASX Release dated 18 August 2022.

-ENDS-

*This announcement has been authorised for release by the Chairman and CEO of Nutritional Growth Solutions Ltd.*

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### About Nutritional Growth Solutions

Nutritional Growth Solutions is a global nutritional health company focused on the well-being of children. NGS develops, produces and sells clinically tested nutritional supplement formulae for children following 20 years of medical research into pediatric nutrition at Schneider Children's Medical Centre, Israel's largest pediatric hospital. The nutritional supplements market has experienced tremendous growth in recent years, but most attention has been focused on adult users and children under three years of age. The three to twelve-year-old consumers represent a larger market opportunity and NGS is highly differentiated from its competitors with clinically tested products and an expanding product portfolio to capture this market opportunity.

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