



Shareholder Presentation

August 2016



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ABOUT US

ASX listed, BWX Limited is a vertically integrated developer, manufacturer, distributor and marketer of branded skin and hair care products with an emphasis on the 'Natural' segment of the beauty and personal care market.

BWX strives to consistently build shareholder value through the timely and efficient execution of its strategies which are designed to maximize EPS growth over the medium to long term whilst minimising risk.



STRATEGIES

Increasing domestic & international distribution of BWX's brands

Developing range extensions for BWX's brands

Identifying suitable brands and businesses for acquisition

Developing new proprietary brands and products for distribution to new and existing markets

Further developing existing service relationships with BWX's major customers



Company Highlights



COMPANY HIGHLIGHTS FY16

Successful IPO

FY16 Revenue of \$54.0m

FY16 EBITDA of \$20.2m

FY16 Basic EPS of 14.08 cents following share consolidation

FY16 NPAT of \$12.0m

Maiden dividend payable in October of 4.8 cents per share

Outperformed prospectus forecasted EBITDA by 15.4%

Successful acquisition of Lightning Brokers

Export expansion through UK's number one health food retailer Holland and Barrett

Progressed implementation of the Company's China export strategy

Established Sukin Flagship stores on JD.com and Tmall.com, two of the World's largest online retailers

Increased production capacity



COMPANY FY16 FINANCIAL OVERVIEW & ACHIEVEMENTS

Full Year 2016 Financial Highlights

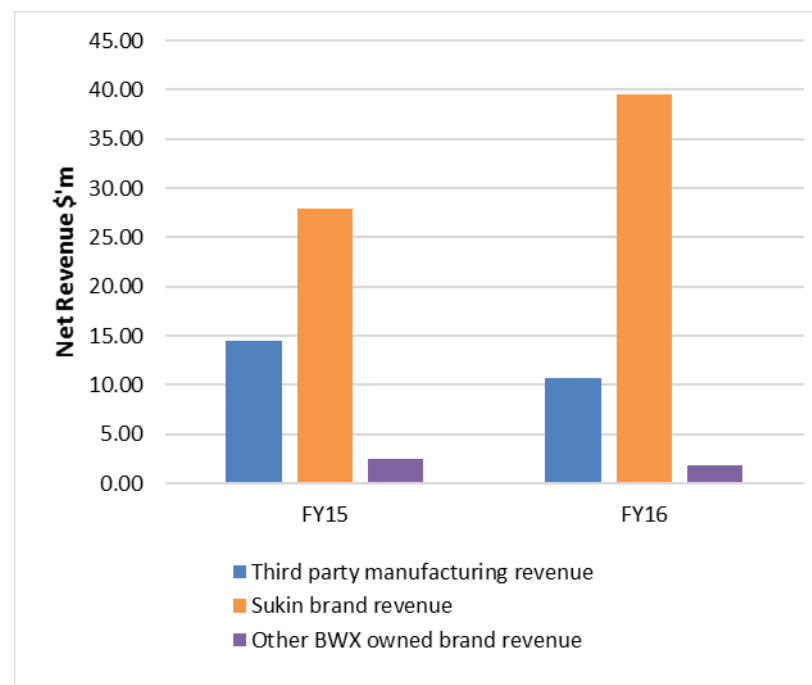
- IPO completed with listing on ASX on 11 November 2015
- Basic EPS of 14.08 cents per share following share consolidation
- \$54.0m Revenue is a 19.7% increase in pro-forma corresponding period
- \$20.2m EBITDA is a 36.5% increase in pro-forma corresponding period
- \$19.2m EBIT is a 34.3% increase in pro-forma corresponding period
- \$12.0m NPAT is a 25.0% increase in pro-forma corresponding period
- \$3.0m net debt position at 30 June 2016 following repayment of debt facility on IPO, acquisition of Lightning Brokers and payment of final Sukin deferred consideration

Attractive Financial Profile

- BWX gross margin forecast to be maintained at approximately 62% in FY17
- BWX EBITDA forecast to increase by 30% in FY17
- Low debt and capital light operating model

Maiden Full Year Dividend

- Dividend declared of 4.8 cents based on full year FY16
- The Company reiterates its target dividend payout ratio of 35% to 50%



COMPANY FY16 OVERVIEW & ACHIEVEMENTS

Market leading brand – Sukin

- Australia's No.1 selling 'natural' skin care brand in pharmacies
- Sales of BWX's flagship brand continued to grow at 40%+ FY16

Range extensions

- Continued successful roll out of Sukin's Super Greens sub range
- Introduction of new Sukin's Oil Balancing sub range
- Completed regeneration of the Edward Beale product range

Management

- Continued investment in management as a platform for growth
- Strengthened capabilities across all business functions

Production

- Completion of expansion of production capacity
- Capex project resulted in approximately 50% increased production capacity

Substantial growth opportunities

- Continued growth in established domestic retail network
- Significant expansion in export distribution

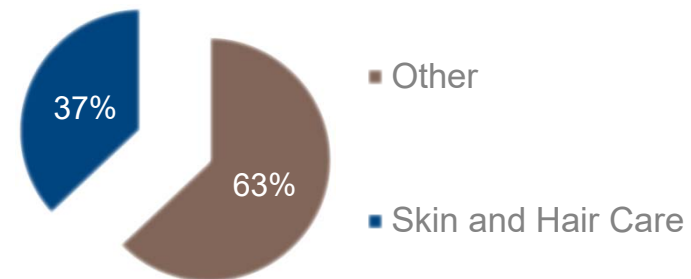
Industry Overview



GLOBAL BEAUTY AND PERSONAL CARE MARKET

BWX operates in the beauty and personal care market in Australia and internationally

- BWX and its flagship brand Sukin operate predominantly in the skin and hair care segments of the broader beauty and personal care market.
- In 2015 the global beauty and personal care market generated sales in excess of USD\$465 billion.
- The Australian beauty and personal care market generated sales in excess of A\$6.7 billion in 2015 of which skin and hair care products accounted for approximately 37% of the total market.



Australian Beauty and Personal Care Market by Segment



Euromonitor International 2015

AUSTRALIAN PHARMACY CHANNEL

BWV's flagship brand Sukin operates in the skin care segment of the beauty and personal care market

- The majority of Sukin products are sold through pharmacies.
- Australian consumers spent A\$5.6 billion on non-prescription over the counter products in pharmacies in FY15.
- Sales of skin care products in Australian pharmacies for the 12 months ending 26th June 2016 grew by 11.5% from the previous corresponding 12-month period.



Nielsen Data MAT 26th June 2016

'NATURAL' SKIN CARE MARKET SEGMENT

The Sukin brand targets the
'natural' segment of the beauty
and personal care market

- The 'natural' skin care segment outperformed the broader skin care market with year on year growth of 39.7% in the 12 months ending the 26th of June 2016.
- Strong awareness about the efficacy of natural and organic personal care products and lifestyle drive the market. Consumers are making cleaner, greener lifestyle choices for themselves and their families.
- Rising concerns for health and safety, increases *green* consciousness. Growing awareness about the hazards of synthetic chemicals have fuelled the demand for natural and organic personal care products.

Nielsen Data MAT 26th June 2016



Business Overview



BWX SUKIN BRAND



SUKIN

BRAND ATTRIBUTES

Natural
Formulated
Skin Care

Affordable

Cruelty
Free

Environmentally
Sustainable

Vegan
Friendly

Accessible

Made
In
Australia

Carbon
Neutral



SUKIN HIGHLIGHTS

Sukin

*"Skincare that doesn't
cost the earth"*

Export
Growth

Australia's
Leading
"Natural"
Skin Care

40% +
Increased
Revenues
FY16

SUKIN

DOMESTIC GROWTH DRIVERS

Sukin aims to increase market share by:

- Improving displays
- Increasing the number of retail outlets
- Upgrading position in retail outlets
- Maximising existing shelf space
- In store promotions
- Digital marketing
- E-commerce
- The media
- Basket size
- Range extensions

New Sukin Display



SUKIN DOMESTIC GROWTH DRIVERS

Point of sale promotions

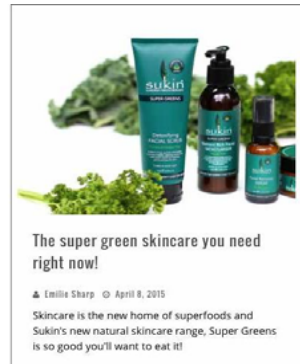


Ramon Cheah/ January 11, 2016 / FITNESS • HEALTH

My in-flight travel beauty tips and must-haves

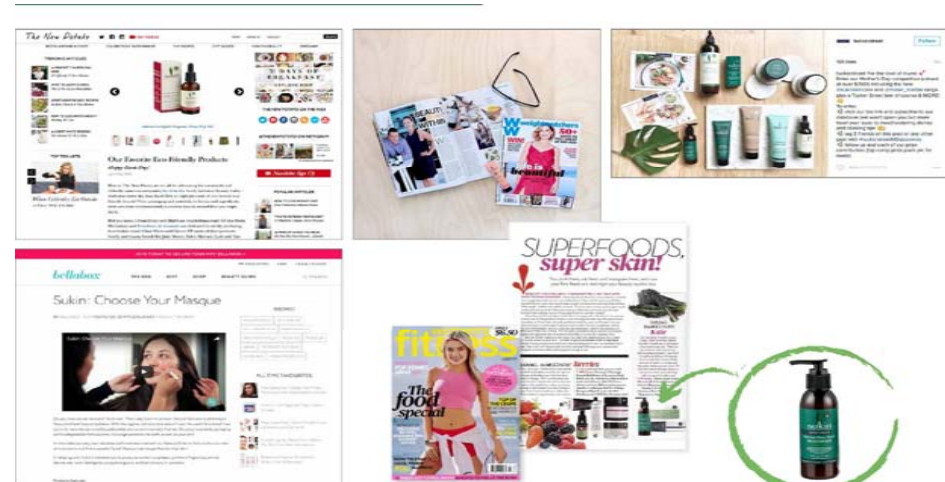


I'm very lucky in that I get to travel the globe sourcing the best wellness hotspots to bring back just for you. Having the opportunity to travel is not only a truly rewarding experience, but it enables me to give you (my readers) an insight into the wide world of health and wellness. The content I share on this blog aims to inspire you to live a happy, long and healthy life. There is always one mantra I repeat every single day: "Your health is your greatest wealth and without it you have nothing to fall back on." So, go travel the world and live life to its fullest.



- ## Sukin in the Press

"Once this savvy consumer reads reviews and purchases any product within the Sukin range they will be hooked for life"



SUKIN

DOMESTIC GROWTH DRIVERS

- Increase ranging in existing outlets
- Increasing basket size
- New product launches and range extensions



Oil Balancing sub
range released first
half FY16

Revenue contribution of new product lines FY16

New product lines 11.2%



Sales of existing product lines 88.8%

SUKIN DOMESTIC GROWTH DRIVERS

Sukin Baby



To be launched in August “BABY”



SUKIN

EXPORT OPPORTUNITIES

Export markets represent a substantial growth opportunity for the Sukin brand

- The largest export markets in FY16 were New Zealand, UK, China, Canada, Singapore and the UK.
- Products exported through a variety of different distribution channels.
- BWX management intends to expand Sukin's presence and penetration in several of these high growth markets during FY17.



SUKIN EXPORT OPPORTUNITIES

Activities in the UK

Holland and Barrett

- Holland and Barrett one of the UK's leading health retailers are now retailing Sukin's Supergreens and Oil Balancing sub ranges
- Holland and Barrett previously retailed a selection of Sukin's core range of products in a 142 of their leading stores, the popularity of those products created the opportunity for the Supergreens and newly introduced Oil Balancing products to be ranged in approximately 700 stores
- The roll out of the Supergreens and the Oil Balancing product ranges commenced during Q4 FY16



SUKIN

EXPORT OPPORTUNITIES

Recent activities in the UK

Boots

- The UK's leading pharmacy, health and beauty retailer Boots, has accepted BWX's flagship brand Sukin for ranging in Q2 FY17.
- Boots will initially range 27 of Sukin's best-selling SKU's in approximately 80 of their highest turnover stores. In addition 14 of these SKU's will be sold through a further 140 of their selected high street locations. The products will also be available from Boot's 2,500 strong retail outlet network as well as their online store.
- The products selected by Boots are comprised of several core range products, along with the popular Super Greens and recently released Oil Balancing sub ranges.
- Based in Nottingham, Boots UK is an integral part of Walgreens Boots Alliance, a global leader in Pharmacy Health, Wellbeing and Beauty with in excess of 13,000 direct outlets in 11 countries.
- The group is also the largest pharmacy retailer in both Europe and North America.

SUKIN EXPORT OPPORTUNITIES

China

- The company's China strategy continues to develop as planned
- After an extensive due diligence process throughout H2FY16 the Company now has now engaged a select group of export partners to supply key Chinese e-commerce platforms
- In addition BWX has established Sukin Flagship stores on both JD.com and Tmall.com, two of the World's largest online retailers
- These initiatives are geared towards increasing brand awareness, generating brand equity and driving growth of the Sukin product range in both the Chinese e-commerce market and extensive Daigou network



COMPLEMENTARY BRANDS

In addition to Sukin, BWX owns a range of complementary skin and hair care brands

edward beale[®] SALON SERIES

Edward Beale re launched into the market with updated formulations, packaging and positioning

Currently ranged in Priceline with a promotional Calendar in place

Plans to expand distribution of the range and increase retail doors in H2FY17



COMPLEMENTARY BRANDS



- Uspa is a premium range of skin care and hair care products formulated specifically for professional beauty therapists
- Uspa products are distributed in the Australian market to day spas and beauty salons both directly and through a network of State based distributors.
- There are substantial opportunities for growth both domestically and internationally
- The Uspa brand is currently in the final phase of development of its next generation product lines due for release Q2FY17



COMPLEMENTARY BRANDS

Derma
Sukin

**Natural
Skin Care
Brand for
Sensitive Skin**



Natural skin care range formulated for consumers with sensitive skin.


skincare australia

**Natural
Skin Care
Brand**



Face, body and hair care products produced using rose hip oil.

DISTRIBUTION

BWX directly controls circa 75 percent of its own domestic distribution

- BWX utilises a network of independent distributors in conjunction with its wholly owned Lightning Distribution to service its domestic retail base of pharmacies, health food and speciality stores
- The BWX Lightning Distribution business is responsible for approximately 55 percent of Sukin distribution to Australian pharmacies
- Each of these distributors has an independent salesforce helping to drive demand through the retail network
- BWX manages its key relationships through direct engagement with banner groups



BWX PRODUCT AND DEVELOPMENT CAPABILITIES

BWX has the in-house capability to rapidly develop and commercialise new products in response to consumer trends

- BWX have both full R&D facilities and the expertise to develop new products from conception through to shelf readiness
- BWX has an extensive database of proprietary formulations.
- BWX's products are produced at its purpose built facility
- BWX controls the production cycle for its products
- The production facility is readily scalable to meet increased demand
- BWX provides product development and manufacturing services to select third party brands and customers
- The BWX production facility is certified to ISO 22217:2006 'Guidelines on Good Manufacturing Practices (GMP)' standard to complying with Australian, European and Asian regulations.



Board & Management



BOARD



Denis Shelley
Chairman

Experienced marketing executive with more than 30 years in a range of brands, FMCG and manufacturing.

Broad industry background encompassing health and beauty, personal care, intimate apparel, household products and pharmaceuticals.

Past roles include Group Chairman of Sara Lee Australia, CEO Sara Lee South Africa, CEO Sara Lee Household & Body Care Australia, Group Marketing director Reckitt & Colman South Africa, President of Nutrimetics Australia.



John Humble
Chief Executive Officer
and Managing Director

More than 20 years' experience in formulating, developing and producing personal care products.

Original founder of Leisure and Hospitality Services Pty Ltd (now merged into BWX Ltd) in 1993.

Instrumental in positioning BWX in the 'natural' personal care space.

Worked with Sukin in developing its IP/formulations since 2007.



Aaron Finlay
Finance
Director

More than 20 years' experience as a chartered accountant and company secretary.

Has extensive public company experience in executive and director roles for ASX listed companies, including Mayne Pharma Group Limited (an ASX top 200 company), where Mr Finlay was instrumental in the acquisition of Mayne Pharmaceuticals International in 2009.

Also held roles as Australian CFO of INVESCO and Head of Group Tax & Treasury for INVESCO's global operations in London.



Craig Bottomley
Independent Non-
Executive Director

More than 20 years' experience establishing and developing commercial ventures in manufacturing and import/export. He has developed national and international sales channels for a number of local and domestic products.

One of the founders of Halcygen Pharmaceuticals Ltd working as COO and Executive Director from 2005 to 2010. Instrumental in acquiring Mayne Pharmaceuticals International in 2009, now Mayne Pharma Group Limited.



Ian Campbell
Independent Non-
Executive Director

Over 30 years of senior management and operational experience in manufacturing, sales and marketing, brand management, mergers and acquisitions, industrial relations and OH&S.

Currently a director of ASX listed Mirrabooka Investments Ltd.

14 years as Managing Director of ASX 200 GUD Holdings Ltd.

10 years with Pacific Dunlop Cables Group, the last six as Managing Director.

Financial Information



BWX FINANCIAL INFORMATION

HISTORICAL

Consolidated Income Statement	Pro forma historical (1)				Actual		
	6 months			FY15	6 months		
\$m	30-Jun-14	31-Dec-14	30-Jun-15		31-Dec-15	30-Jun-16	FY16
Revenue	16.7	22.0	23.1	45.1	27.5	26.5	54.0
Cost of sales	-7.8	-9.9	-9.6	-19.5	-11.3	-9.3	-20.6
Gross profit	8.9	12.1	13.5	25.6	16.2	17.2	33.4
Other revenue	-	-	-	-	0.1	1.1	1.2
Operating Costs	-4.3	-5.7	-5.1	-10.8	-6.5	-7.9	-14.4
EBITDA normalised	4.6	6.4	8.4	14.8	9.8	10.4	20.2
Acquisition and restructuring costs	-4.0	0	0	0	0	-0.4	-0.4
EBITDA	0.6	6.4	8.4	14.8	9.8	10.0	19.8
Depreciation and amortisation	-0.2	-0.2	-0.3	-0.5	-0.3	-0.3	-0.6
EBIT	0.4	6.2	8.1	14.3	9.5	9.7	19.2
Interest	-0.5	-0.5	-0.7	-1.2	-0.5	-0.7	-1.2
Profit before tax	-0.1	5.7	7.4	13.1	9.0	9.0	18.0
Income tax expense	-1.0	-1.8	-1.7	-3.5	-2.7	-3.3	-6.0
NPAT	-1.1	3.9	5.7	9.6	6.3	5.7	12.0
Gross margin	53.3%	55.0%	58.4%	56.8%	58.9%	64.9%	61.9%
EBITDA normalised margin	27.5%	29.1%	36.4%	32.8%	35.6%	39.2%	37.4%
NPAT margin	-6.6%	17.7%	24.7%	21.3%	22.9%	21.5%	22.2%

1 pro-forma historical results as presented in the Company's prospectus dated 20 October 2015

BWX FINANCIAL INFORMATION

FY15 AND FY16 COMPARISON OF SELECTED FINANCIAL INFORMATION

	Pro forma historical (1)	Actual	
\$m	FY15	FY16	Change
Revenue	45.1	54.0	19.7%
Cost of sales	-19.5	-20.6	5.6%
Gross profit	25.6	33.4	30.5%
Other revenue	-	1.2	n/a
Costs	-10.8	-14.4	33.3%
EBITDA normalised	14.8	20.2	36.5%
Acquisition and restructuring costs	-	-0.4	n/a
EBITDA	14.8	19.8	33.8%
Depreciation and amortisation	-0.5	-0.6	20.0%
EBIT	14.3	19.2	34.3%
Interest	-1.2	-1.2	0.0%
Profit before tax	13.1	18.0	37.4%
Income tax expense	-3.5	-6.0	71.4%
NPAT	9.6	12.0	25.0%
Revenue growth on pcip	n/a	19.8%	n/a
Gross margin	56.8%	61.9%	510 bpts
EBITDA normalised margin	32.8%	37.4%	460 bpts
EBITDA margin	32.8%	36.7%	390 bpts
EBIT margin	31.7%	35.6%	390 bpts
NPAT margin	21.3%	22.2%	90 bpts

1 pro-forma historical results as presented in the Company's prospectus dated 20 October 2015

BWX FINANCIAL INFORMATION

BALANCE SHEET AS AT 30 JUNE 2016

	Statutory
Current assets	
Cash and cash equivalents	2.7
Trade and other receivables	11.6
Inventory	11.2
Other assets	-
Total current assets	25.5
Non-current assets	
Property, plant and equipment	3.2
Intangible assets	76.9
Deferred tax assets	0.6
Total non-current assets	80.7
Total assets	106.2
Current liabilities	
Trade and other payables	3.1
Borrowings ¹	6.5
Income tax payable	4.3
Provisions	0.8
Total current liabilities	14.7
Non-current liabilities	
Borrowings	0.5
Provisions	0.2
Total non-current liabilities	0.7
Total liabilities	15.4
Net assets	90.8

¹ includes \$1m deferred consideration on the acquisition of Lightning

CASH FLOW AS AT 30 JUNE 2016

	Statutory
Cash flows from operations	
Receipts from customers	51.2
Payments to suppliers and employees	-38.4
Payments for transaction costs	-0.4
Income taxes paid	-1.2
Net interest paid	-1.1
Net cash from operating activities	10.1
Cash flow from investing activities	
Purchase of property plant and equipment	-0.8
Acquisition of intangible assets	-0.1
Net cash outflow on acquisition of business	-5.8
Net cash flows used in investing activities	-6.7
Cash flows from financing activities	
Proceeds from issue of shares	20.0
Capital raising costs	-1.6
Repayment of financial liabilities	-22.2
Net cash used in financing activities	-3.8
Net increase in cash	-0.4
Cash and cash equivalents at beginning of period	3.1
Cash and cash equivalents at 30 June 16	2.7

Corporate Structure



CORPORATE STRUCTURE

Key Statistics	
Shares on Issue (undiluted)	91.6m
Indicative market capitalisation at \$5.40 per share	\$494.6m
Net debt at 30 June 2016	\$3.0m
Indicative enterprise value	\$497.6m

Of the shares currently, 13,886,398 shares or 15.2% of the issued capital are on issue to the Board and are subject to voluntary escrow until 11 Nov 2016. An additional 930,752 are on escrow until 30 June 2017.

Of the shares currently on issue, 2,050,000 have been issued in accordance with the Company's employee loan plan.

The Company has 5,940,000 options on issue over fully paid ordinary shares in the Company with an exercise price of \$2.00, an expiry date of 30 September 2018.

BWX has an undrawn \$15m debt facility which may be used to fund or part fund future acquisitions.



Company Summary



COMPANY SUMMARY & OUTLOOK

The Company is very pleased with its financial results and operating performance in its first year as an ASX listed company. We look forward to continuing the growth of the company through FY17.

- Owner and Producer of Leading Pharmacy Brand – Sukin
- Leader in the High Growth ‘Natural’ skin care market
- Vertically integrated business Manufacturing own Brands
- Growth Opportunities in both Domestic and Export markets
- Multiple new Product Launches
- High Quality Management
- Attractive Financials and EPS growth
- Forecast EBITDA growth of 30% FY17
- Maiden Dividend of 4.8 cents per share
- FY17 Forecast Dividend pay out ratio 35 to 50%





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