

BLACKMORES®

MEET THE MANAGEMENT TEAM

VIEW THE LIVE STREAM OF THIS
EXCLUSIVE SHAREHOLDER EVENT

23 MAY 2018

10AM – 12 NOON

<http://live.creomedia.com.au/blackmores23mayupdate>



BLACKMORES®

MEET THE MANAGEMENT TEAM

EXCLUSIVE SHAREHOLDER EVENT

23 MAY 2018



Agenda

BLACKMORES

- CEO Welcome
- Introduction to Executive Team
- Consumer Connectedness and the Australian Retail Market
- Unlocking China
- Education and Expertise
- The Acquisition of Catalent Australia
- Questions

Introducing our Board

BLACKMORES



Marcus C. Blackmore AM
Executive Director



Stephen Chapman
*Chairman
Independent Director*



Richard Henfrey
*Chief Executive Officer
& Managing Director*



Brent Wallace
*Chairman of Audit & Risk Committee
Independent Director*



David Ansell
Independent Director



Helen Nash
*Chairman of People
& Remuneration Committee
Independent Director*



John Armstrong
Independent Director



Jackie McArthur
Independent Director

Meet the Executive Management Team

BLACKMORES



Richard Henfrey
*Chief Executive Officer
& Managing Director*



David Fenlon
*Managing Director
Australia & NZ*



Cecile Cooper
*Company Secretary &
Director of Corporate Affairs*



Peter Osborne
*Managing Director
Asia*



Dr Lesley Braun
*Director
Blackmores Institute*



Aaron Canning
Chief Financial Officer



Eyal Wolstin
*Managing Director
BioCeuticals & Global Therapeutics*

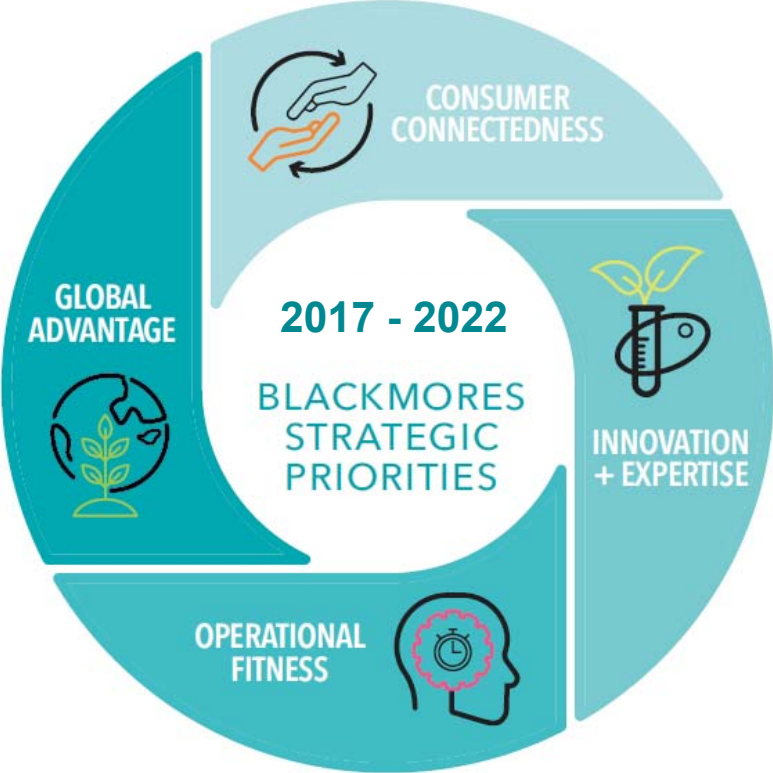


Brett Winn
Chief Information Officer



Jeremy Cowan
*Chief Operations Officer
(commences July 2018)*

Blackmores' Strategic Focus



CONSUMER
CONNECTEDNESS



INNOVATION
+ EXPERTISE



OPERATIONAL
FITNESS



GLOBAL
ADVANTAGE

2017 - 2022

BLACKMORES
STRATEGIC
PRIORITIES



Consumer Connectedness

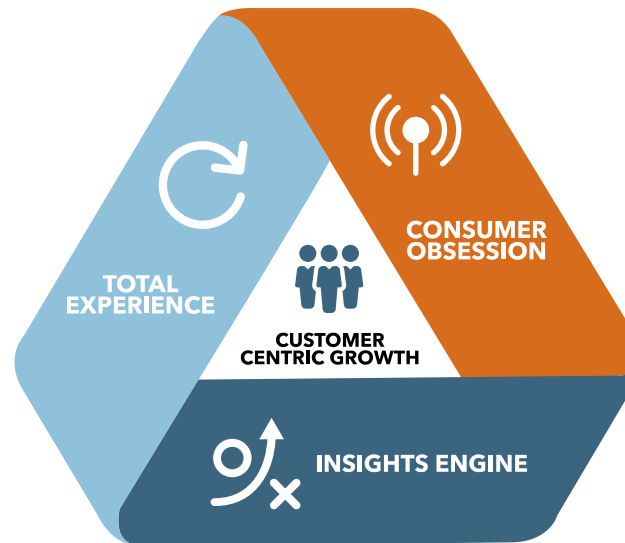
Dave Fenlon
Managing Director Australia & NZ



^ Australia's most trusted vitamin and supplement brand as voted by Australians in the 2009 - 2018 Readers Digest Most Trusted Survey.

Consumer Connectedness

Our strategy is built around allowing Blackmores to navigate and create change, to get really personal and give experiential value propositions based on data driven insights.



Total Experience

BioCeuticals DNA testing



CLINICAL SERVICES

The future of personalised medicine is here

Ask your healthcare practitioner about DNA testing today

DNA testing available here

Brought to you by BioCeuticals



Education through HCPs/Pharmacists

BioCeuticals

Glutathione Antioxidant

Antioxidant Protection and Detoxification

Key benefits and benefits:

- The "Master antioxidant" in the body.
- The only antioxidant that can regenerate other antioxidants.
- Supports the immune system and improves antioxidant defenses.
- Supports the body's detoxification process.
- Supports the body's ability to fight off free radicals.
- Supports the body's ability to fight off oxidative stress.
- Supports the body's ability to fight off inflammation.
- Supports the body's ability to fight off aging.

See the difference. See the results.

FX Medicine Podcast

FX Medicine SEPTEMBER 2019 VOL 11

A BEAUTIFUL MIND Inside the brain in your belly

Food, bugs and genetics

And BioCeuticals Research: flying saucer

www.blackmores.com.au
For Professional Reference Only

FX Medicine

BLACKMORES INSTITUTE

Home Education

Education

Start learning
Online, free, CPD accredited education designed for healthcare professionals to integrate and apply complementary medicine in clinical practice.

Condition information
Evidence-based recommendations for managing common conditions with complementary medicine.

Ingredient information
Key complementary medicine ingredients, recommended doses, and how they work to treat various health conditions.

BI Education



Asia Symposium

Consumer Obsession

BLACKMORES

Products that change shoppers' habits



Probiotics



Asia beauty range



Superkids range

Personalisation that makes a difference

Introducing
BLACKMORES
Subscribe

Set up a repeat delivery and save

Make it easy to stick to your health and wellbeing goals by ensuring you never run out of your favourite Blackmores products.

Set up a repeat delivery with Blackmores Subscribe, it's simple:



Sign up today to receive
30% off + free shipping*
for the life of your subscription.
Use code **SUBS30** at the checkout.

Sign up today

Blackmores
Subscribe

Blackmores
May 13 at 8:00am · 🌍

Happy Mother's Day all of you strong, brilliant women out there 🌸💕

#Blackmores #BeAWellBeing #MothersDay

To the new mums,
the grand-mums,
the working mums,
the stay-at-home mums,
the boss mums,
the such-a-mum mums...

To every mum, we love you!

Be a Well Being
BLACKMORES

Like Comment Share

You, Susie Diacopoulos, Amy Wagner and 966 others · Most Relevant ▾

75 Shares

Write a comment...

Social media outreach

BLACKMORES
Action plans

Healthy eating for kids in 3 easy steps

4 weeks to better gut health

How to live a sustainable life

Fire up your fitness

Calmer, clearer: 4 weeks to a better you

Build your Personal Plan

Website action plans

Insight – Data Driven

Glocalisation



Why choose Blackmores Odourless Fish Oil 1000?

Always read the label. Use only as directed. If symptoms persist see your healthcare professional.

BLACKMORES
ODOURLESS
FISH OIL 1000

Fish Oil – Australia



BLACKMORES® | 绽放天然生命力
澳佳宝™

“开往深海，追寻心底的自己
感受自然的力量”
Blackmores 澳佳宝 全球健康大使 - 李娜

**从深海冷水鱼萃取鱼油
带回自然的精华**

- 富含Omega-3 (DHA, EPA等多种不饱和脂肪酸)
- 甄选冷水深海小鱼、24小时冷凝加工
- 85年品质传承

BLACKMORES
OMEGA BRAIN
BLACKMORES
ODOURLESS
FISH OIL 1000
BLACKMORES
Kids Fruity
fishies

Fish Oil – Asia



China Update



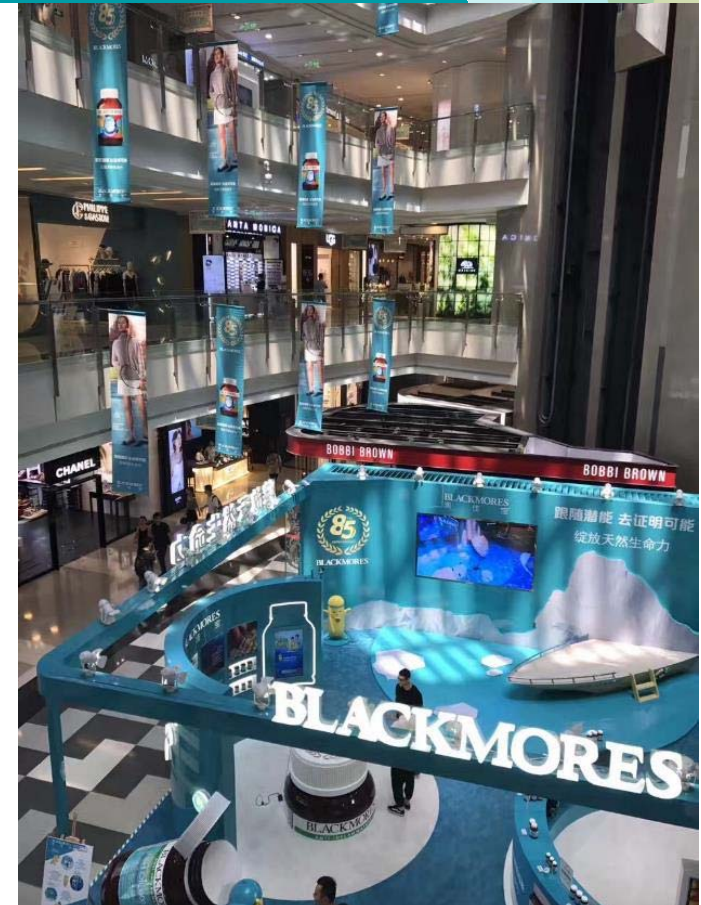
- **Raymond Chan – Deputy Managing Director Asia**
- **Rosa Li – Marketing Director China**
- **Shaun Rutherford – Head of Export**
- **John O’Doherty – Head of Government Relations**

“Opportunities multiply as they are seized” *Sun Tze*

BLACKMORES

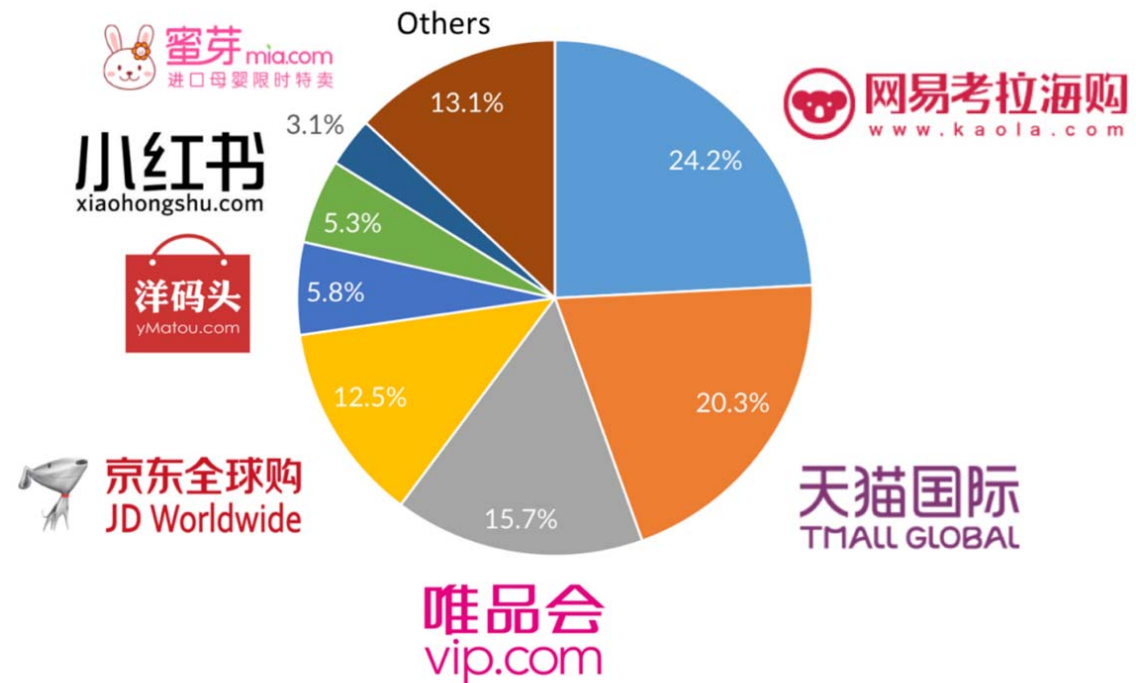
China has emerged as Blackmores’ single most important overseas market

- A highly complex market in a state of constant change
- World’s most digitally advanced, socially active market
- The cross-border e-commerce market continues to undergo rapid evolution – we have strong partnerships and a unique understanding of new opportunities
- We are well established to capture significant growth
- We are further evolving our strategy and building our structure, staff capabilities, operations, supply chain and governance
- An A\$250 million business set for strong growth



The Big Get Bigger – Evolution of cross border e-commerce

Market share of main e-commerce players in China



Source: iiMedia Research, WalktheChat

Enhancing our Platform & Retail Partnerships

- Platforms requiring deeper account engagement with brands
- Evolving platform servicing models
 - Flagship store purchasing and management
 - Direct sourcing by some platforms requires direct account management model development
 - Distributors and traders also having to evolve their roles
- Blackmores rapidly expanding our customer teams
- Awards for exceptional performance
 - Tmall Global “100 Million+ Club of 2018” award at Super TG1000 2018 Global Partners Summit, which is regarded as Oscar in e-commerce
 - Yunji Strategic Partnership Award
- Alibaba strategic partnerships – Blockchain, IP protection
- Continued expansion in offline channels – Watsons, Mother & Baby Stores



Alibaba BlockChain Pilot Launch April 2018



Winning with Kaola

BLACKMORES

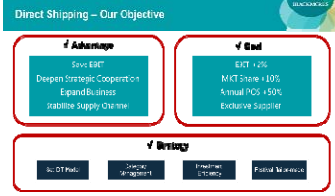
Jul 2017

- Super Brand Day & 85th Anniversary
- Li Na live stream
- 1m unique views
- **Most viewed brand**
- Joint PR conference with Kaola CEO



Aug 2017

- **Kaola Go Direct**
- Strategy partner
- Deepen relationship
- Investment efficiency
- Category management



Nov 2017

- D11 POS **+481% vs LY.**
- **Blackmores VDS No.1 brand on 11.12**



Apr 2018

- Women's Health Campaign
- Gained **+20K new fans**



May 2018

- Jul 17 – May 18
- Sell in **more than doubled vs LY**



网易考拉海购CEO张蕾女士与BLACKMORES公司主席Macus先生合影留念互赠礼品



Aug 2017

- Flagship Store Tmall Partner transfer and relaunch within only one month



Sept 2017

- Deep co-operation on Blackmores Sydney Running Festival
- Tmall offered national brand day
- **Flagship store scan sales +700%**



Nov 2017

- Singles Day (11/11)
- Blackmores Flagship Store surpassed last year's performance in first 2 hours
- **Flagship store scan sales +77%**



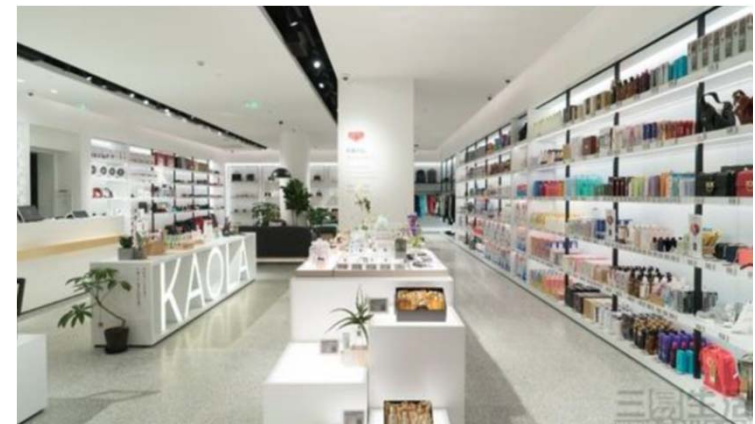
Jan 2018

- Blackmores first Huanju Day
- Deep cooperation with Tmall leveraging Australian Open
- **Flagship store scan sales +100%**



China's 'New Retail' – Evolution Continues

- Platforms are becoming retailers
- 'Bonded store' model
 - 3 pilot stores in Hangzhou
 - Plans to expand to thousands of outlets across China
- QR code scan, pay via cross-border e-commerce (CBEC)
 - 24 hour delivery, but ...
 - Aim to enable take at time of purchase
 - ...then it's really just a normal retail store!
- Potential opportunity for health supplement category in China via broader availability of products
- Still plenty of challenges BUT this could be the leveller between CBEC and normal retail



Smart Retail – Blackmores China WeChat Store



BLACKMORES®
澳 佳 宝

真妳·真赞

WOMEN'S
HEALTH
CAMPAIGN

Glorify the True

BLACKMORES®
澳 佳 宝

扛得住骂的妳
因为一句
贴心话
却湿了双眼

林玲 31岁 | 销售总监

真妳·真赞

You

女性生理平衡益生菌

坚强如妳
为妳点赞



KAOLA.COM



真妳 真赞

Insights to Engage

BLACKMORES

BLACKMORES
澳佳宝

总有小情绪的**妳**
如今面对挑战
也乐观从容

徐璐 22岁 | 职场新人

真妳·真赞

白桦果糖 月见草精华 天然维生素E



BLACKMORES
澳佳宝

扛得住骂的**妳**
因为一句贴心话
却湿了双眼

李静 31岁 | 销售总监

真妳·真赞

黑玛果糖 女性生理平衡益生元 天然维生素E



BLACKMORES
澳佳宝

上个月
还爱撒娇的**妳**
说长大就长大

冯石蕊 27岁 | 准妈妈

真妳·真赞

天然维生素E 孕妇黄金营养素 天然维生素E



BLACKMORES
澳佳宝

天天吵着
要减肥的**妳**
产后倒成了辣妈

胡冰 29岁 | 辣妈

真妳·真赞

天然维生素E 每日益生菌 天然维生素E



Social Influencers to Disrupt and Create Buzz

- Young idols from China's hottest online singing show
- Loved by e-commerce platforms; high social appeal drives online traffic



BLACKMORES
澳佳宝

始终激励我的
是用努力
把握幸运的妳
妳, 真的很赞

朱星杰 | 澳佳宝点赞官

真妳·真赞

BLACKMORES
澳佳宝

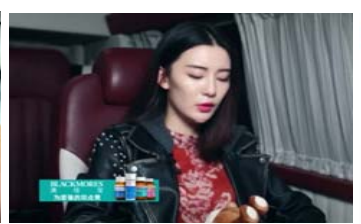
每一个普通的妳
对我而言, 都不普通
绽放妳自己
妳, 本来就很赞

Jeffrey | 澳佳宝点赞官

真妳·真赞

Amplify through Targeted Media Partnerships

160 MILLION VIEWS!



Kaola.com Cooperation – 270% Increase in Daily Sales!



网易考拉海购

- 270% increase in daily sales
- 20,000 new brand fans

A highly successful campaign – but we're not finished yet...

- 160 million page views
- 83 million social impressions
- 94K increase in Blackmores Weibo & WeChat fans
- +28% value growth on Alibaba platforms in April
- 40% of sales contributed by female health products
- +1.2% share growth on Tmall Global in probiotics



唯品会
全球精选 正品特卖



小红书RED
小红书社区



Data source: Apr. Selected Equities & early data; campaign period Apr. 16th – May 18th

Blackmores Education for Daigous

BLACKMORES

- Taking a leadership approach by offering an industry first education platform for daigous developed by **Blackmores Institute**
- An innovative platform offering education tools and resources to more than **40,000** daigous
- Access to **60+** Blackmores online assets including product fact sheets, condition videos and eLearning in both Mandarin and English
- **Blackmores Education** certificate for course completion
- Free online education this is mobile friendly so they can learn anywhere, anytime!



概况视频，
产品介绍视频，
产品详情，测验



澳佳宝官方认
证的结业证书



在线课程



Gift Store Activation

BLACKMORES

- There are an estimated 1,200 gift stores in Australia
- Trial commenced with pipeline into gift stores in Sydney and Melbourne
- Ability to influence the end consumer through daigous, tourists and consumer platforms in China
- Regular sharing of Blackmores digital content
- Trade launch event and brand training for gift store owners and daigous



Positive Progress with Chinese Regulations

Chinese Government key changes

China's 19th Party Congress (Oct 2017)

- Xi Jinping policies written into Constitution – health a major focus

National People's Congress (March 2018)

- Removal of term limits
- Major restructuring of 26 Ministries and Departments
- Establishment of National Health Commission



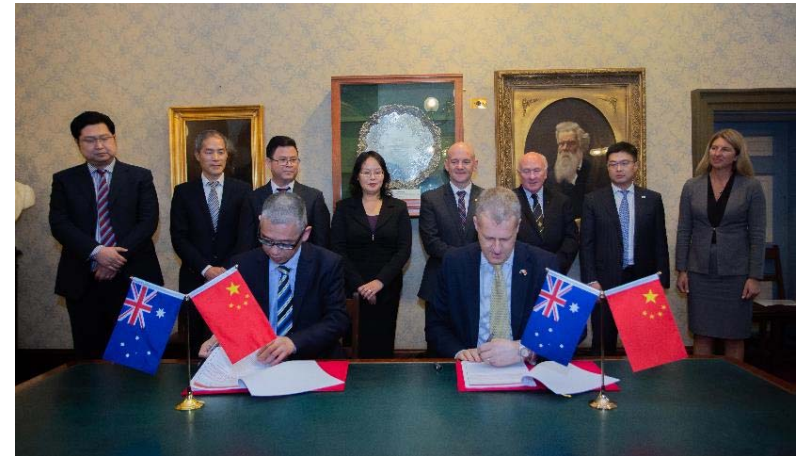
Positive Progress with Chinese Regulations

Impact on Blackmores

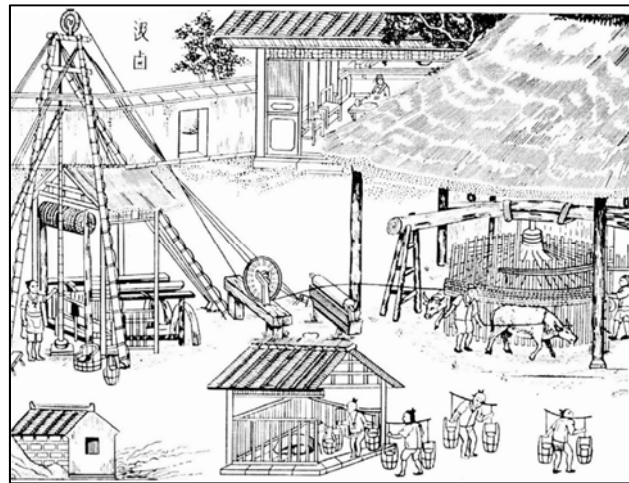
- Streamlining China's regulatory arrangements
- CFDA, AQSIQ, SAIC functions merged into single body
- Overlapping policy jurisdictions removed
- Simplifying customs processes

Overall

- Changes are positive for Blackmores
- Blackmores welcomes the strong focus on health and simplification of regulations
- We continue to work very closely with Chinese Government
- Blackmores is a major supporter of China International Import Expo



Blackmores understands China...



“When the wind of Change blows, some build walls, while others build windmills”

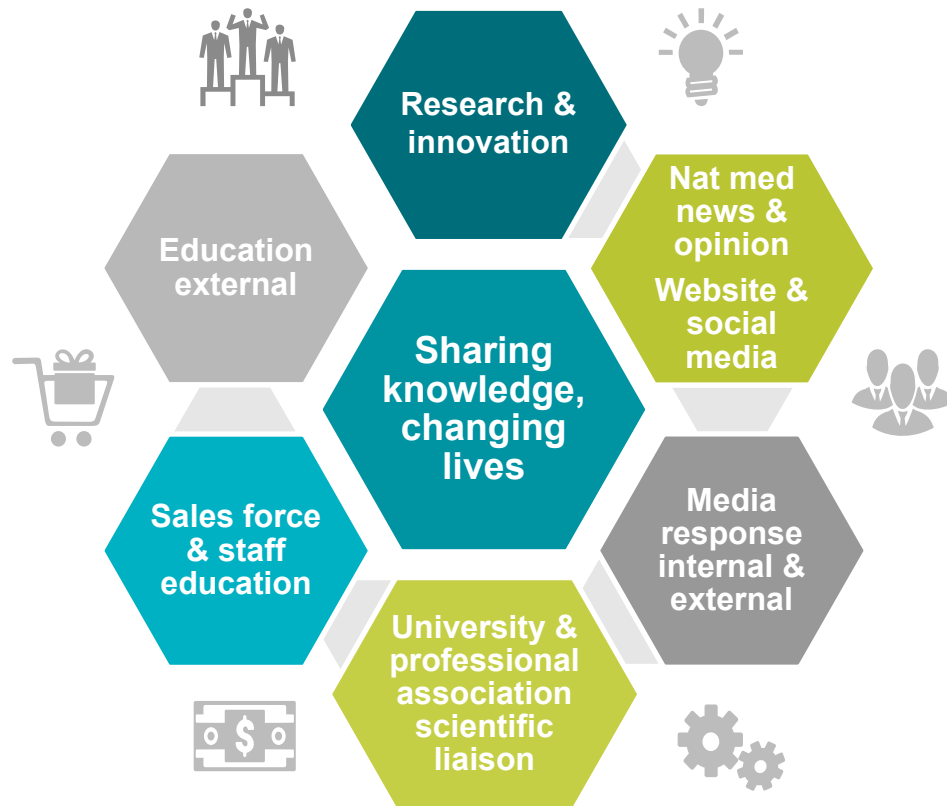
Traditional Chinese proverb



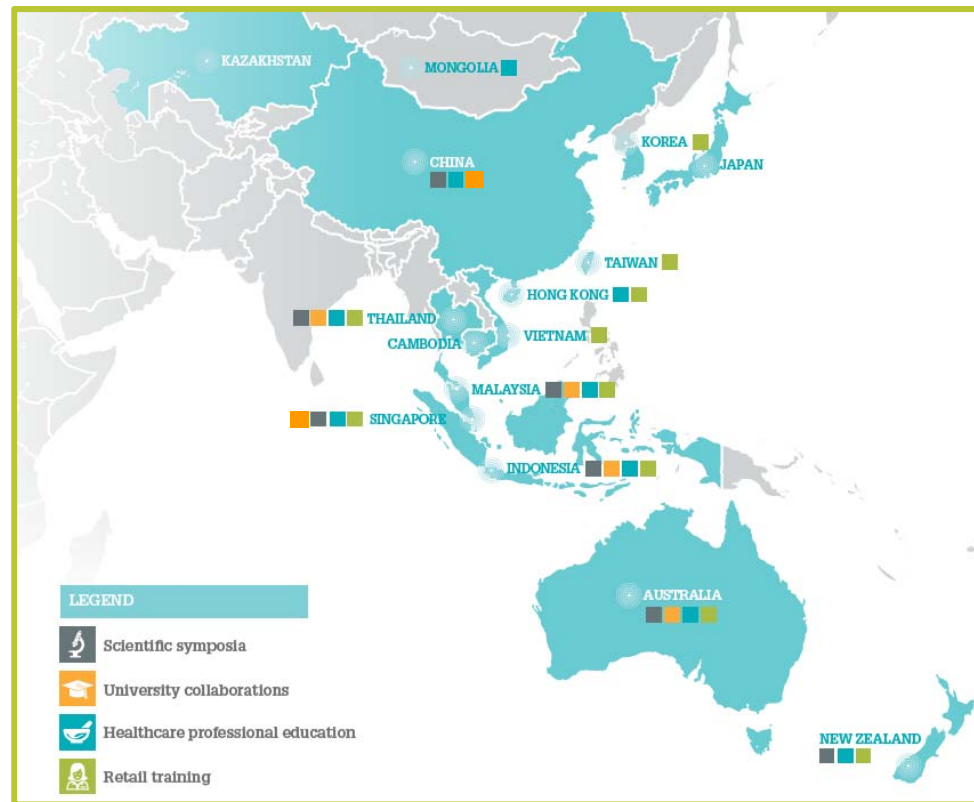
Leveraging education & expertise

Associate Professor Lesley Braun
Director, Blackmores Institute

Blackmores Institute: Improving Public Health with Natural Medicine



Deepening Engagement across the Asia-Pacific Region



1

Blackmores Academy

Harnessing technology to extend and scale-up online learning opportunities

2

Accredited Pharmacy Programs

CM training supported through education programs in Malaysia, Thailand, Singapore and Australia

3

Extending Education to Consumers

In Chinese markets – to respond to large e-commerce interest and daigou influence

4

Research Strategy

Two tiered approach, global and local research programs

5

University Partnerships

Such as Tsinghua University to improve health literacy



Global research program and partnerships



RESEARCH PROJECTS

Scientifically rigorous research to improve public health outcomes



ACADEMIC & PRACTICE GRANTS

Supporting future industry leaders to build capacity, expertise and research



PARTNERSHIPS

Advancing knowledge and understanding of CM across the region



NICM

The science of integrative medicine





Research – Playing on the World Stage



- **Partnerships to develop, test and bring to market unique, effective, safe, natural health solutions for better health**
- **Developing and testing next generation formulas**
 - Looking at world trends in VDS ingredients and delivery systems
 - Population demographics, health care systems, consumer needs and interests
 - Opportunity windows to fill medication gaps
- **Utilising research partnerships across the globe**
 - Universities
 - Start-up innovation groups
 - Global companies with extensive R&D labs and capabilities
 - Open innovation model



The Need for Pharmacist Education

Australian research shows

- Consumers look to their pharmacist for advice about CM:
 - 92% thought pharmacists should provide safety information about CMs
 - 90% thought they should routinely check for interactions
 - 87% thought they should recommend effective CMs
- While pharmacists have a basic knowledge of CM, there is a gap in knowledge and confidence
- Research from Thailand and Malaysia confirms similar results

Customers want insight and advice from Pharmacists about the best treatments for them



Pharmacy is a key point of purchase for CM



There is a need for specialised education, focusing on evidence-based CM

Importance of Bespoke Education for our Markets

China



Main Channel:
E-commerce

Education focus:
Consumer education

*Social media health communications
and daigou e-learning*

Australia



Main Channels:
Grocery & pharmacy

Education focus:
**Pharmacists & retail
assistants**

*In store via online delivery,
face-to-face events and training*

Indonesia



Main Channel:
Pharmacy

Education focus:
Product advisors

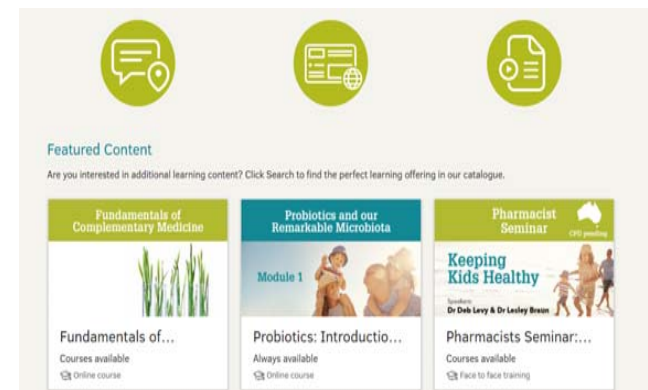
*In store via online delivery,
face-to-face events and training*

Our Solution

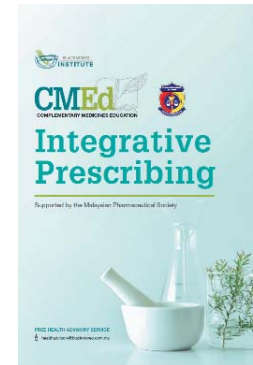


High quality online natural medicine education

- Business enabler – authority in natural health
- Improves quality recommendations and advice about our brand proposition and products or services
- Differentiates us from other VDS companies
- Customers learn anytime, anywhere, on any device
- Four languages: English, Mandarin, Bahasa Indonesian, Thai



Our Solution: CMed Accredited Pharmacist Education



Guide to INTEGRATIVE PRESCRIBING

A person-centred approach to better health outcomes

Low	High	Low	High
<p>Check for drug-drug interactions:</p> <ul style="list-style-type: none"> Check for drug-drug interactions Check for drug-herb interactions Check for herb-herb interactions 	<p>Check for drug-herb interactions:</p> <ul style="list-style-type: none"> Check for drug-herb interactions Check for herb-herb interactions 	<p>Check for herb-herb interactions:</p> <ul style="list-style-type: none"> Check for herb-herb interactions 	<p>Check for herb-herb interactions:</p> <ul style="list-style-type: none"> Check for herb-herb interactions

Using the Dispensary as a pharmacological guide:

Check for dispensary use in a CMed Certified Pharmacist's dispensary

Check for dispensary use in a CMed Certified Pharmacist's dispensary

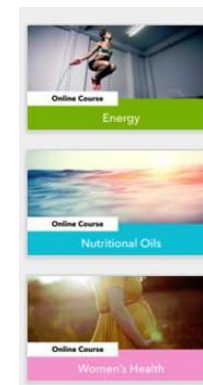
Check for dispensary use in a CMed Certified Pharmacist's dispensary



The Need for Consumer Education

Market research shows:

- Education can be used to engage online shoppers and instore customers
- Increases trust in the brand, loyalty and customer satisfaction
- Improves the customer experience
- Helps to improve natural health literacy



Tsinghua University Partnership: Helping improve natural health literacy in China

The value of a quality university partner

- Leverage Blackmores Institute's knowledge of natural health to encourage the promotion of evidence-based natural health information

Why Tsinghua

- Tsinghua University No. 1 in China and top 25 internationally
- Shared interest in public health and educating society
- Very prestigious and influential with strong ties to government and policy makers

Why Health Communications via journalist program

- Promote credible, evidence-based reporting of natural medicine
- The aim is to improve consumer health literacy around important public health messages such as women's health and the Healthy China Policy 2030





Operational Fitness



Blackmores' manufacturing strategy and the acquisition of Catalent Australia

Overview of Catalent Australia

BLACKMORES

- Announced plans in April to acquire 100% of Catalent Australia, including the manufacturing facility in Victoria
- Total acquisition cost of AUD \$43.2 million, fully debt funded and positive impact on EPS from year one
- Completion by 31 October 2019
- 265 employees
- Blackmores has a 30-year relationship with this facility
- 30,756m² – manufacturing facilities, buildings and land
- Halal compliant, TGA and international regulator certified
- Ability to deliver up to 50% of Blackmores' manufacturing requirements for softgel capsules and solid dose tableting
- One of Blackmores' top two suppliers based on quality audits



Strategic Rationale

- Ensures Blackmores products remain Made in Australia
- Vertical integration giving Blackmores greater control over production
- Increased agility to respond to changing market conditions
- Furthers Blackmores quality and R&D program
- Protects Asian business with significant number of product registrations associated with the facility. Product registrations in Asia are of increasing importance
- Greater control over intellectual property
- Furthers direct ingredient sourcing capabilities
- Opportunity to deliver operational efficiencies by configuring the site for Blackmores products



The Blackmores logo consists of the word "BLACKMORES" in a white, uppercase, serif font, centered within a teal-colored circle. The background of the slide features a blue sky with out-of-focus green foliage on the right side, and a graphic of overlapping circles in teal and yellow on the left side.

BLACKMORES®

Thank you

Please join us for lunch

Campus Tours starting at Reception in 15 minutes