

ASX Announcement

28 June 2022

BWV LIMITED – \$23.2m FULLY UNDERWRITTEN CAPITAL RAISE FY22 & FY23 GUIDANCE

Melbourne, Australia – BWV Limited (ASX:BWV) (“the Company” or “the Group”) today announces a fully underwritten \$23.2m capital raise and FY22 and FY23 guidance.

Capital Raise Overview

The capital raise comprises a:

- \$13.5m placement to sophisticated and professional investors (“**Placement**”); and
- \$9.7m “1 for 10” traditional non-renounceable entitlement offer (“**Entitlement Offer**”) (together with the Placement, the “**Offer**”)

The Offer was led by existing substantial shareholders Bangarra Group (“**Bangarra**”) and Tattarang Ventures No. 2 Pty Ltd (“**Tattarang**”).

Debt Reduction

Proceeds from the Offer will be used to accelerate debt reduction and for working capital.

Pro forma net debt at 30 June 2022 is expected to be in a range of \$58m to \$62m. Pro forma net debt at 30 June 2023 is expected to reduce to \$23m.

FY22 Guidance

Updated revenue and earnings guidance (before significant items³) for FY22 are summarised in the table below.

A\$m	FY21 actual	FY22 forecast (updated)	change vs pcp (midpoint)
Revenue	194.1	206	6%
Underlying Revenue ¹	194.3	212	9%
EBITDA	33.4	6 - 10	(76)%
Underlying EBITDA ²	34.5	12 - 16	(59)%
NPAT		(10) - (14)	
NPATA ⁴		(8) - (12)	

All numbers in the table above are expressed before including significant items³ for FY22.

The Board believes it is likely that BWV’s intangible assets may be impaired to a level significantly below their carrying value.

¹ Excludes Chemist Warehouse cost of equity-linked strategic partnership expense

² Non-IFRS measure that excludes Chemist Warehouse cost of equity-linked strategic partnership expense

³ Significant items may include impairment expense and other possible material one-off items

⁴ NPATA is a non-IFRS measure that is defined as net profit after tax adjusted for the tax effected amortization arising from acquisition related intangible assets

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FY23 Guidance

BWX provides the following forecast revenue and EBITDA guidance for FY23.

A\$m	FY22 forecast	FY23 Forecast	change vs pcp (midpoint)
Revenue	206	260 - 270	29%
EBITDA	6 - 10	45 - 49	488%

The FY22 trading update and FY23 guidance are based on unaudited accounts. BWX plans to release its audited accounts as part of its FY22 results announcement to the market on 26 August 2022.

Board Renewal

The current Independent Non-Executive Directors (“**NEDs**”) of BWX will work towards an orderly Board transition. The BWX Board is committed to nominate up to four new Independent NEDs for shareholder approval at the Company’s Annual General Meeting on 16 November 2022. The BWX board is also committed to proposing a new incentive plan for key personnel which will also be put to a shareholder vote at the AGM.

Following completion of the Placement, Tattarang will be entitled to nominate one Director to the BWX Board as long as it has at least a 10% shareholding in BWX.

Details of the Offer

The Placement of new fully paid ordinary shares is fully underwritten at a price of A\$0.60 per share, representing a 48.7% discount to last closing price of A\$1.17 per BWX share on 23 June 2022, being the last trading day before BWX entered a trading halt.

Approximately 38.6m new fully paid ordinary shares in BWX (“**New Shares**”) are to be issued under the Offer, representing 24% of BWX’s existing ordinary shares on issue.

Bell Potter is lead manager and underwriter to the Offer.

Investor Presentation

For further information, please refer to the Investor Presentation also lodged today with the ASX.

Conference Call

BWX will host a teleconference call today, 28 June 2022, for investors and analysts commencing at 9.30am AEST. It is recommended participants pre-register via this link:
<https://s1.c-conf.com/diamondpass/10023175-g0oaw47.html>

Indicative Timeline

Event	Date
Trading Halt	Friday, 24 June 2022
Announcement of Placement and Entitlement Offer, lodgement of Appendix 3B and cleansing notice for Entitlement Offer	Before Market Tuesday, 28 June 2022

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Entitlement Offer Record Date	Friday, 1 July 2022
Settlement of Placement Shares Lodgement of Appendix 2A for Placement Shares	Friday, 1 July 2022
Entitlement Offer Document dispatched and Entitlement Offer opens	Monday, 4 July 2022
Allotment of Placement Shares	Monday, 4 July 2022
Entitlement Offer closes	5:00pm, Wednesday, 13 July 2022
Announcement of results of Entitlement Offer	Monday, 18 July 2022
Settlement of Entitlement Shares and lodgement of Appendix 2A for Entitlement Shares	Tuesday, 19 July 2022
Allotment of Entitlement Shares	Wednesday, 20 July 2022

Please note that all dates above are indicative only.

-ENDS-

Authorised for release by the Board Directors of BWX Limited

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About BWX

BWX's purpose is creating Natural beauty and wellness for the world as a vertically integrated developer, manufacturer, distributor, and marketer of branded products in the Natural subcategory of the broader beauty and personal care market. The Group owns, manufactures, and distributes products predominantly under the Sukin, Andalou Naturals, and Mineral Fusion brands. BWX also sells a wide range of wellness products (own-brand, private-label and third-party) across multiple categories via the Flora & Fauna and Nourished Life e-commerce sites. Effective 30 September 2021, BWX acquired a majority stake in Go-To Skincare, an Australian skin care provider selling a range of simple, trusted and effective products for the masstige segment of the broader skin care category.

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