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Financial Highlights

- A modest decline in revenue over the previous half year of 7.3% to £3.9m
- UK high street retail performed strongly with a 60% increase on the same period last year
- Loss before tax of £0.4m (HY2017: £0.03m)
- Gross margin up significantly to 58.3% (HY2017: 53.2%) driven by stronger retail sales weighting

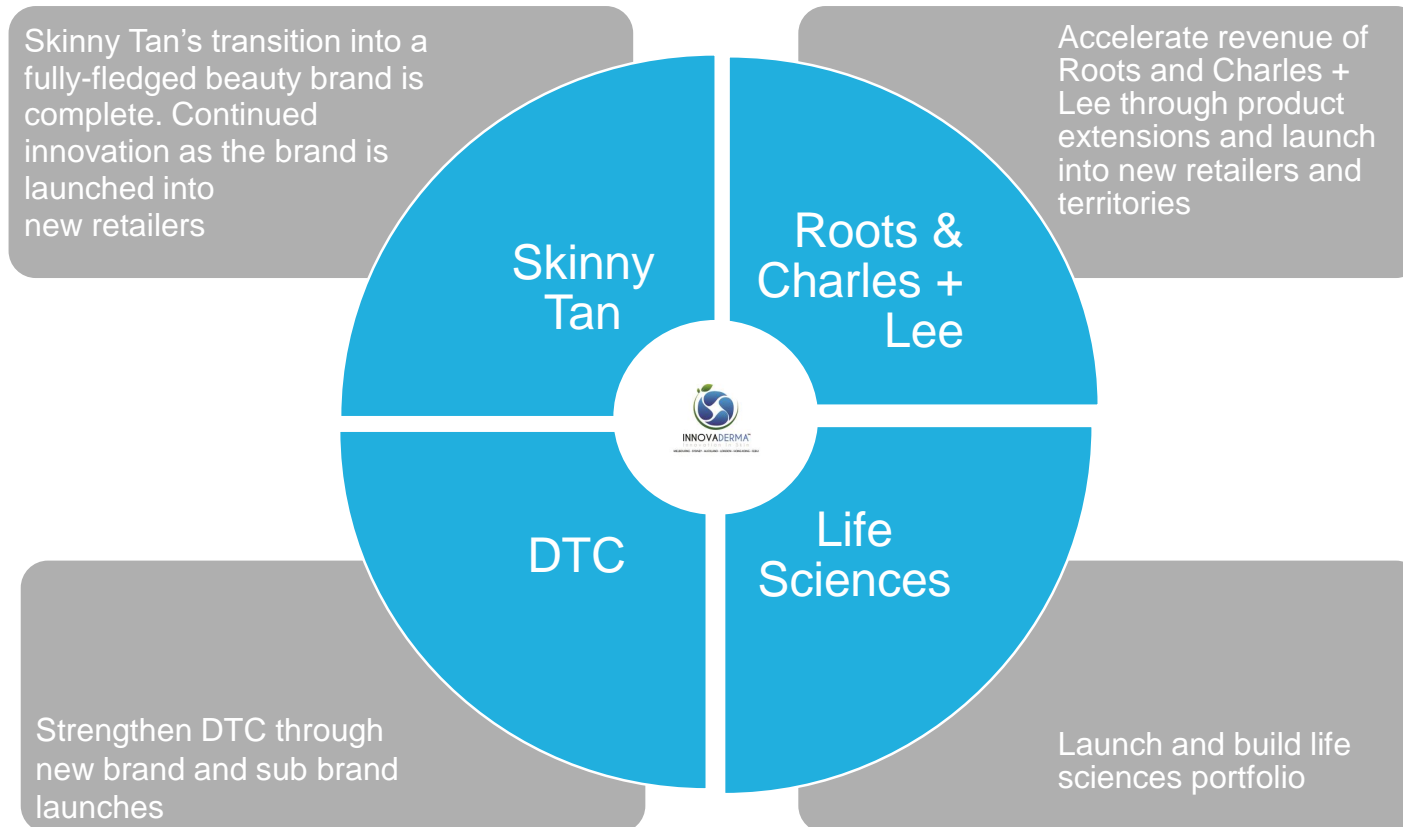
Operational Highlights

- Skinny Tan revenue grew by 15.1% in the high street retail channel
- The Roots Double Effect brand recorded an impressive 252% in revenue growth
- Charles + Lee revenue grew by 66.9% from a modest base against the same period last year
- Significant product development has been undertaken in all three key brands to support upcoming launch initiatives in the UK retail channel along with a focus on creating stronger customer engagement

Strategy

Our Objective

The Company continues to progress its strategy of bringing to market new product development, across multiple categories, which it believes will anchor the future earnings of the business



Self-tanning

- UK high street retail revenue increased by 15% compared to the same period last year
- Skinny Tan has already commenced selling in Boots Online and will appear in 1305 Boots stores from mid-March
- Launched Protect & Glow, a range of sunscreens which provide a light bronzing effect in addition to sun protection
- We are in discussions with international retailers through our distributors in Canada
- Skinny Tan has listings in significant retailers in Germany (Douglas) and France (Sephora)
- In South Africa Skinny Tan has won 'Best Self Tanner' in the prestigious Women & Home magazine awards

Skinny Tan– DTC engagement

- We have overseen a period of significant adjustment to our DTC platform brought about by the changes within the social media platforms we advertise on
- Our new DTC strategy which encompasses complimentary channels such as Instagram, Google, Ad Roll and Taboola to provide us with depth and breadth of consumer engagement
- Our DTC has seen a marked improvement in trading in recent weeks provides us with confidence that the strategy is effective and can be capitalised on
- As a result of significant work to improve engagement and selling effectiveness, DTC recorded a 34% increase in revenue for the first six weeks in the second half compared to the same period last year



Haircare

- Product sales of Roots of £0.65m was up from £0.19m
- New product development is rolling out with Curls shampoo and conditioner and Platinum shampoo and conditioner
- We are in discussions with a number of e-tailers for the US market
- Our Korean distributor is in negotiations to secure a launch on a major TV shopping channel
- The new distributor for the Indian market is preparing for launch and we anticipate they will place opening orders later in the year

roots™

Cosmetics and Skincare

- Charles + Lee the brands revenue grew by 67%
- The brand will shortly be on shelves in Australia's largest beauty retailer Priceline in addition to Terry White Chemmart
- The brand launched in New Zealand before Christmas in 80 stores and performed well over the festive season

Life Sciences

- Prolong launched in the United States and Australia in May 2018
- The switch defect has now been resolved and there is a new manufacturer onboard
- The relevant regulatory approvals for Prolong are being finalised and once received, we expect to launch the device in UK and Europe this year
- We expect to have the regulatory clearances necessary to sell the products in India and China this calendar year
- We are in discussions with various distributors to launch GrowLase (Headmaster), a wearable FDA-cleared helmet to aid hair generation and reduce hair loss

Outlook

- Current trading is in line with expectations with our 1st six weeks trading 36% ahead of the same period last year
- The Company has initiated a New Product Development process to help identify new categories in which it believes it can compete and add value
- Skinny Tan has already commenced selling in Boots Online and will appear instore from mid-March. The brand is due to be in 1,305 of Boots' stores and the launch is being backed by a comprehensive digital media, PR, merchandising and promotional program

Trading in line with expectations. Focused on execution

Appendix

Profit & Loss

		Half Year ended 31 December 2018	Half Year ended 31 December 2017
	Note	£	£
Revenue		3,856,047	4,167,845
Cost of sales		(1,621,423)	(1,949,103)
Gross profit		2,234,624	2,218,743
Other Income		13,979	26,308
Marketing expenses		(1,093,309)	(722,220)
Listing expenses		(58,927)	(33,136)
Wages & salaries expenses		(794,195)	(837,582)
Administrative expenses		(724,483)	(684,482)
Profit before tax		(422,311)	(32,369)
Income Tax expense		112,030	0
Net profit for the period		(310,281)	(32,369)
Other comprehensive income		(591)	7,883
Total comprehensive income for the period			(310,872)
Attributable to:			
Owners of the parent		(317,508)	(62,336)
Non-controlling interests		6,636	37,851
Basic & diluted profit/(loss) per share	2	(£0.02)	£0.00

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018 – Unaudited

	As at 31 December 2018 £	As at 30 June 2018 £
Current assets		
Cash and cash equivalents	702,034	1,906,215
Trade and other receivables	1,644,514	1,918,982
Inventory	2,844,784	2,873,533
Prepayment and other assets	306,171	180,139
Total current assets	<u>5,497,503</u>	<u>6,878,868</u>
Non-current assets		
Property, Plant and Equipment	25,820	45,197
Intangible assets	6,139,044	5,694,469
Other assets	16,118	30,368
Deferred tax asset	162,458	158,583
Total non-current assets	<u>6,343,439</u>	<u>5,928,617</u>
Total assets	<u>11,840,942</u>	<u>12,807,485</u>
Current liabilities		
Trade and other payables	1,842,479	2,309,132
Current tax payable	529,950	638,778
Total current liabilities	<u>2,372,428</u>	<u>2,947,910</u>
Non-current liabilities		
Borrowings	-(1,215)	12,627
Deferred tax liability	(39)	3,560
Total non-current liabilities	<u>-(1,254)</u>	<u>16,187</u>
Total liabilities	<u>2,371,175</u>	<u>2,964,097</u>
Net assets	<u>9,469,768</u>	<u>9,843,388</u>

Equity

Share Capital	1,738,281	1,727,771
Share premium	8,290,415	8,219,525
Merger reserve	(721,132)	(721,132)
Warrant Reserve	0	132,000
Foreign Exchange reserve	(135,753)	(157,099)
Non-controlling interest	207,606	234,465
Retained Profit/Accumulated Losses)	90,350	407,858
Total equity and reserves	<u>9,469,768</u>	<u>9,843,388</u>

Consolidate statement of financial position

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 July 2018 TO 31 December 2018- Unaudited

	Half Year ended 30 December 2018	Half Year ended 30 December 2017
	£	£
Cash flows from operating activities		
Receipts from customers	4,130,514	5,044,414
Payments to suppliers and employees	(4,780,667)	(6,863,517)
Taxes Paid	(116,302)	(213,785)
Net cash used by operating activities	<u>(766,455)</u>	<u>(2,032,888)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(22,811)	(11,509)
Payments for product development	0	(51,814)
Payments for Intangibles	(444,575)	0
Net cash paid on acquisition of subsidiaries	(73,173)	(105,878)
Net cash used by investment activities	<u>(540,558)</u>	<u>(169,201)</u>
Cash flows from financing activities		
Proceeds from issue of shares	132,000	4,454,860
Repayments of borrowings	0	(61,178)
Payments for convertible notes	0	0
Transaction costs for shares issued	(50,535)	(518,254)
Net cash from financing activities	<u>81,465</u>	<u>3,875,428</u>
Increase in cash and cash equivalents	(1,225,548)	1,673,339
Cash and cash equivalents at the beginning of the period	1,906,215	1,906,215
Effect of movement in foreign exchange rates	21,367	168,439
Cash and cash equivalents at the end of the period	<u>702,034</u>	<u>3,747,992</u>

Consolidate
statement of
cash flows

The Board



Founder & Executive Chairman - Haris Chaudhry

Haris' career spans 19 years with significant experience in creating growth for public & private companies internationally. Haris has worked as Director for Global Partnerships & Business Development for Carbon Planet Limited (a public company), a world leader in the carbon economy with emissions reductions projects around the globe. Haris also worked for Rocksoft Limited (a public company) as Director for Asia-Pacific where he set up business distribution and channel distribution partners throughout Asia-Pacific and in Europe. He held Senior Business Development roles with Upstream, a fully owned subsidiary of Fuji-Xerox Australia. Haris is Fellow of the Australian Institute of Management and a member of the Australian Institute of Company Directors. Haris is a proven entrepreneur with public and private companies and experienced in delivering on growth potential and opportunities.



Kieran Callan – Chief Executive Officer

Kieran is an international executive who studied Law but decided that the commercial world would offer more diversity and challenge. Kieran has more than three decades of experience in senior management and Chief Executive Officer roles within FMCG businesses with a strong track record of delivering significant and profitable growth. During his diverse career, Kieran was Chief Executive Officer at Joval Group, an international wine and food distribution business where he significantly improved profitability and opened up new international markets. He also held senior management positions at PZ Cussons including Managing Director of Cussons (UK and Australia) and was the founding director of National Australia Bank's private equity business.

Kieran was a graduate of the first ever Australian Institute of Company Directors CDC course; achieving a Merit assessment. He has facilitated for AICD since 2000 and is a Fellow of the Institute. Kieran is based in the UK.



Executive Director/Finance Director - Joe Bayer

Joe has over three decades of executive experience gained in healthcare, pharmacy, consumer products, M&A and capital raising. He has worked globally in senior executive roles for some of the largest consumer and healthcare companies including CSR, Faulding, Mayne Health and Fletchers. Joe also served as Chairman for Cynergy Health (Australia) and is Principal of Cygenta Capital & Advisory where he has advised a number of listed and private companies on strategy, capital markets and restructuring. Until recently he was Chief Executive Officer for Kain Corporate & Commercial Lawyers. Joe is a Fellow of CPA Australia and a Graduate of the Australian Institute of Company Directors.

The Board



Non Executive Director – Rodney Turner

Rodney has been Head of Regulatory & Clinical Affairs and Compliance for some of the largest pharmaceutical companies globally. He currently serves as Head of ANZ Regulatory Affairs for Sandoz Pty Ltd (one of the largest global pharmaceutical companies) and worked previously with iNova Pharmaceuticals, Valeant Pharmaceuticals, Ventracor, Gambro & Fresenius-Kabi Australia. Rodney is a Graduate of the Australian Institute of Company Directors.



Non Executive Director – Ross Andrews

Ross has more than 30 years' corporate advisory experience working with quoted companies, predominately in the UK. He was a main board director of Zeus Capital, the investment bank, until setting up his own consultancy business. He is a member of the Chartered Institute for Securities and Investment and is currently Chairman of standard listed Golden Rock Global plc and Kazai Capital Plc as well as a non-executive director of AIM quoted Integumen plc and Minerva Lending Plc. Ross is also senior adviser to the NEX Exchange and he currently resides in the United Kingdom.