



31<sup>st</sup> August 2016

## FY2016 Results Release

**Total Face Group Limited** (TFG) is pleased to announce its financial results for financial year 2016.

We would like to thank our shareholders, for your continued support as we build an exciting growing company with an extraordinary team of doctors, clinicians and support staff to become the most respected and influential non-invasive medical aesthetic business in Australia.

### Highlights

- Revenue growth of 9% compared to the pro-forma prior year 2015<sup>1</sup>
- Heber Davis achieved year on year revenue growth of 6%
- The acquisitions of Face Today and Rejuven8, as disclosed in the Company's prospectus, contributed \$1.2m to FY16 group revenue
- During the period CoolSculpting® contributed 11% to revenue an increase of greater than 300% on the prior period
- FY16 gross profit margin increased to 71% (FY15 pro forma 62%)

	FY16	HY16	FY15 PRO FORMA	FY15
Revenue	\$7,917,645	\$2,988,554	\$5,940,641	\$2,293,694
Gross Profit	\$5,654,016	\$2,357,983	\$3,708,274	\$1,644,735
Gross Profit Margin	71%	79%	62%	72%
Clinical Profit	\$1,458,140			
Clinical Profit Margin	18%			
Corporate Costs	\$1,590,808			
<b>Underlying EBITDA<sup>2</sup></b>	<b>(\$132,668)</b>	<b>(\$264,736)</b>	<b>\$193,694</b>	<b>(\$744,261)</b>
Underlying EBITDA Margin	-1.7%	-8.9%	3.3%	-32.4%
Non recurring costs	788,197			
<b>EBITDA</b>	<b>(\$920,865)</b>			
EBITDA Margin	-12%			
less Depreciation	\$557,570			\$159,242
less Net Interest Expense	\$134,619			\$181,512
<b>Net Loss</b>	<b>(\$1,613,054)</b>	<b>(\$562,670)</b>	<b>(\$287,781)</b>	<b>(\$1,085,015)</b>
Borrowings	\$1,491,237	\$1,743,690		\$1,034,869
Cash	\$2,601,306	\$576,817		\$371,947

<sup>1</sup>FY15 Pro forma reflects the audited 2015 Total Face Group and Heber Davis financial results as disclosed in the Company's prospectus.

<sup>2</sup> Excludes \$0.8m in non-recurring costs relating to acquisition and integration costs



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FY2016 has been a year of setting foundations that will shape the Company in the years ahead. During the period we hired leading industry professionals, created and strengthened critical supplier relationships and began negotiations with the 5 clinics that joined the group post balance date.

In July 2016 the company completed a capital raise of \$10m. The proceeds of this raise was used to acquire 5 additional clinics across Queensland, ACT and Victoria giving the company 14 treatment clinics across the eastern seaboard of Australia. Further, in September 2016 we will re-open our Prahran site as our first retail skin solutions clinic in Melbourne.

### **About Total Face Group Limited**

TFG is Australia's largest group of premium cosmetic clinics offering Cosmetic Injectable treatments, Skin Solutions and CoolSculpting® body fat reduction treatments. With medical clinics across Melbourne, Sydney, Queensland and the ACT, Total Face Group provides an honest, consistent and highly professional medical approach to facial rejuvenation and body sculpting treatments.

Our clinics have been providing clinical excellence for 27 years to men and women in Australia. It is our commitment to education, safety and product choice, which places us as a leading and trusted national provider of cosmetic treatments.



## Appendix 4E

### Results for announcement to the market

#### Details of the reporting period and the previous corresponding period

Reporting Period: Year ended 30 June 2016 (FY16)  
 Previous corresponding period(s): Period ended 30 June 2015 (FY15)

#### Results for announcement to the market

	FY 16	FY15	Movement	\$ Change	% Change
Revenue from ordinary activities	7,944,844	2,295,572	Increase in revenue	\$5,649,272	246%
Profit (Loss) from ordinary activities after tax attributable to members	(1,613,054)	(1,085,015)	Increase in loss	\$528,039	49%
Net profit (loss) for the period attributable to members	(1,613,054)	(1,085,015)	Increase in loss	\$528,039	49%

#### Dividends

No dividends declared during the period. No dividends declared subsequent to the financial year end.

#### Explanation of Results

In the financial year 2016, the Company has:

- Acquired Heber Davis Pty Ltd, providing an initial entry into the NSW market
- Completed a \$6m capital raising and ASX listing (January 2016)
- Completed business acquisitions of “Rejuven8” (24 February 2016), “Face Today” (2 February 2016) and “Lase By the Sea” (1 March 2016)
- Further investment in “TESSA”, our proprietary end-to-end clinical and operational support system
- Installed additional revenue enhancing equipment into new and existing clinic network

Since 30 June 2016, the Company has:

- Completed secondary market capital raising \$10m
- Acquired COZmedics (3 clinics in QLD), Facial Artistry (ACT) and Endless Solutions (Port Melbourne)
- Invested further in the body fat reduction modality through the implementation of additional CoolSculpting® machines across the clinic network



- Become a strategic partner with “Business Chicks” providing growth opportunities through direct engagement with our target market

**Financial Statements**

The audited financial statements upon which the results within this announcement are based are provided in the annual report released today.

**Net tangible assets**

	At 30 June 2016	At 30 June 2015	% Change
Net tangible assets per security	\$0.039	\$0.016	137%

There was a reconstruction in October 2015 of 11:1 of fully paid ordinary shares, the net tangible asset per security for the previous period has been adjusted on a 1:11 basis for comparison.

**Details of entities over which control has been gained or lost during the period**

Name of the entity	Heber Davis Pty Ltd Control gained through acquisition of 100% of share capital
The date of the gain or loss of control	9 <sup>th</sup> October 2015
The contribution of such entities to the reporting entity’s profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	Net profit from ordinary activities before income tax expense of \$423,533 for the period 9 <sup>th</sup> October 2015 to 30 June 2016.  The net profit from ordinary activities before tax for the period 1 July 2014 to 30 June 2015 was \$462,429.
Details of the acquisition are set out in Note 22 of the consolidated financial report contained in the annual report attached.	

**TOTAL FACE GROUP LIMITED**