



ASX: MCP

1 July 2022

McPherson's Commences Strategic Alliance with Chemist Warehouse Group

Further to the announcement by McPherson's Limited ("McPherson's" or "MCP") on 24 March 2022, McPherson's Directors are very pleased to announce that the unique strategic alliance with Chemist Warehouse Group ("CWG" or "Chemist Warehouse") has commenced.

As part of the strategic alliance, McPherson's has today issued Chemist Warehouse 14,223,817 fully paid ordinary shares in MCP at a value of \$0.88 each, based on the 5-day VWAP of McPherson's shares on the ASX up to 22 March 2022.

Chemist Warehouse is now a substantial shareholder of McPherson's, with a holding of 9.9% of McPherson's shares currently on issue (on a fully diluted basis). As previously announced, the Shares will be escrowed for a period of 2 years subject to market standard stand-still arrangements.

The other agreements entered into between McPherson's and Chemist Warehouse mentioned in the announcement of 24 March 2022 have also commenced. These include:

- A long-term Exclusive Distribution Agreement, under which McPherson's has been appointed as Chemist Warehouse's exclusive distributor of a select portfolio of Chemist Warehouse-owned or controlled health and beauty brands outside of the Chemist Warehouse network in Australia and New Zealand; and
- A Preferred Brand Agreement, under which Chemist Warehouse will increase the portfolio of McPherson's brands which CWG currently ranges in Australia and New Zealand, and recognise McPherson's as a preferred supplier of CWG. This agreement has an initial term of five years, with Chemist Warehouse having three five-year options to extend the arrangement.

The MCP and CWG teams have been working closely together to optimise related planning and execution of operational aspects of the strategic alliance, which is structured to deliver significant commercial and operational benefits to MCP.

Authorisation

This ASX announcement has been authorised by the McPherson's Limited Board of Directors.

For further information please contact:

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About McPherson's Limited

McPherson's, established in 1860, is a leading supplier of Health, Wellness and Beauty products in Australasia, with operations in Australia, New Zealand and Asia. McPherson's markets and distributes beauty care, hair care, skin care and personal care items such as facial wipes, cotton pads and foot comfort products, as well as a range of kitchen essentials such as baking paper, cling wrap and aluminium foil.

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McPherson's manages some significant brands for agency partners; however, the majority of revenue is derived from the company's diversified portfolio of owned market-leading brands, including Manicare, Lady Jayne, Dr. LeWinn's, A'kin, Swisspers, Multix, Moosehead and Maseur.

For further information on McPherson's business and its strategy and to view our most recent corporation video please refer to the company's website <http://www.mcphersons.com.au>

About Chemist Warehouse Group

Chemist Warehouse is Australia's largest pharmacy retailer with over 500 franchised stores operating under the banners "Chemist Warehouse" and "My Chemist" throughout Australia, and other "Chemist Warehouse" branded operations in The People's Republic of China, Ireland and New Zealand.

Chemist Warehouse is focused on providing competitive pricing and an extensive product range to customers, which has facilitated rapid historical growth and international expansion. Chemist Warehouse is the largest international merchant on Alibaba's online marketplace, Tmall Global, which is the largest cross-border online marketplace and has strong traction with Chinese consumers.

