



FOR GOOD LOOKS

ASX ANNOUNCEMENT

TOTAL FACE GROUP LIMITED

MARKET UPDATE

10 October 2018

Further to recent announcements, **Total Face Group Ltd** (ASX:TFG) ("TFG" or "the Company") is pleased to update that it has successfully completed the acquisition of The Giving Brands Company Pty Ltd and undergone restructuring that repositions the Company to become a leading player in the Australian skincare, beauty and wellness industry.

Capital Raising

As announced on 28 September 2018, the Company successfully placed 140,000,000 ordinary shares at \$0.05 to raise \$7 million before costs. This was approved by shareholders at the general meeting held on 27 September 2018. The Company raised a further \$1.4 million from the issue of 27,829,537 shares as part of the Company's non-renounceable Entitlement Offer. TFG has the ability, but not the obligation, to place a further 32,170,463 shares, equating to \$1.6 million on the same terms for a period of 90 days and is currently in advanced discussion with a number of interested parties.

The proceeds of the Placement and Entitlement Offer, excluding any shortfall to be placed, will be used to drive growth in both the clinic network and retail brands, restructure/extinguish debt and reposition the Company.

On relisting, the Company is well funded with a cash balance of \$8m.

Acquisition of The Giving Brand Company Pty Ltd (GBCo)

As announced on 3 July 2018, the Company has completed the acquisition of GBCo, for a total consideration of 51,725,552 TFG shares, as approved by shareholders at the general meeting held 27 September 2018.

As part of the acquisition, Ms Christine Parkes, Founder and CEO of GBCo has been appointed Chief Executive Officer and Managing Director of Total Face Group and will work alongside a refreshed Board with extensive experience within retail, cosmetic medicine, skincare and capital markets.

Strategic Update

As a result of the acquisition, TFG has undergone restructuring measures to consolidate the two businesses, reposition the Company and unlock its potential within the Australian beauty and wellness industry.

TOTAL FACE GROUP LIMITED

ABN 43 169 177 833

PO Box 317, Collins Street West, Melbourne VIC 8007

WWW.TOTALFACEGROUP.COM.AU

As part of these restructuring measures, Kerstin Grant, Group Operations Manager has resigned and John Graham has been appointed as Group Manager of Clinical Operations. John provides an enormous amount of experience in the aesthetics industry after 12 years at Galderma.

The Total Face Group is now comprised of a clinic network – a number of centrally located wellness clinics that provide laser hair removal, body reshaping, remedial therapies and injectables, with an overarching wellness approach, as well as a retail brands arm that creates and distributes an assortment of beauty and lifestyle product ranges in collaboration with world renowned magazines, such as ELLE [fashion magazine]. The Company also owns leading Australian tanning range Jbronze.

The Company's strategy is to drive growth with a vertically integrated business model that begins with refreshing the clinic network, broadening its service offering to include a balance between health, wellness and beauty and introducing the Jbronze brand into clinics. The Company will also create its own collection of skincare products to support its clinical offering, enabling TFG to increase profit margins and capitalise on growing demand in the sector.

The Company continues to build its relationships by partnering with leading magazine brands to launch new skincare collections and diversify the revenue base into mainstream retail doors. To support its strategy and drive sales, TFG will secure brand ambassadors to stimulate product engagement and drive traffic to the brands - creating a platform of growth for new and repeat clientele.

Further information on the Company's strategic position is contained in Ms Parkers Letter to Shareholders, dated 10 October 2018.

The Company confirms it is in compliance with Listing Rule 3.1.

-ENDS-

For more information contact:

Investor Relations

Christine Parkes
CEO and Managing Director
christine.parkes@totalfacegroup.com.au
+61 467 350 509

Media Enquiries

Imogen Conyers
Media & Capital Partners
Imogen.conyers@mcpartners.com.au
+61 4 051 912 57

TOTAL FACE GROUP LIMITED

ABN 43 169 177 833

PO Box 317, Collins Street West, Melbourne VIC 8007

WWW.TOTALFACEGROUP.COM.AU

