



Investor Presentation

Acquisition of bWellness and Equity Raise

20 May 2024

Agenda



1. Acquisition of bWellness and Equity Raising
2. Overview of bWellness
3. Strategic Rationale
4. Financial Impact
5. Nuchev Financial Results Update
6. Equity Raising Details



Mick Myers
Chief Executive Officer &
Chief Financial Officer

Acquisition of bWellness and Equity Raising

Executive Summary



Offer overview

Acquisition overview	- Nuchev has entered into an agreement to acquire 100% of the shares in bWellness Pty Limited (“bWellness”) on a cash-free, debt-free basis for total consideration of \$7.0 million - Implied acquisition multiple of 4.3x FY23 normalised EBITDA of \$1.6 million¹, 3.3x, post identified synergies - Consideration of \$3.5 million in Nuchev scrip and \$3.5 million in cash consideration - The cash component is payable on the following basis: \$2.8 million upfront on acquisition completion; plus \$0.7 million payable in 12-months subject to certain performance and key person retention conditions - The cash component of the acquisition to be funded via a \$5.1 million entitlement offer - The scrip consideration will consist of a placement to Brauer Natural Medicine (“Brauer”), a 50% shareholder of bWellness, of newly issued shares in Nuchev at \$0.1560 per New Share - Brauer is 100% owned or controlled by entities or parties associated with the H&S Group, a major shareholder and strategic partner of Nuchev, who hold a 24.9% interest in Nuchev prior to the acquisition and equity raising² - Retention of founders, major shareholders and key employees of bWellness, Peter Ochsenham (Managing Director) and Rick Piotrowski (General Manager) for 12-months post-acquisition to ensure a smooth and successful transition of ownership to Nuchev
Overview of bWellness	- bWellness is a supplier specializing in prescription-only, high-efficacy, premium health products targeting practitioners and predominately sold through the nats and nuts practitioner channel - Currently sells products in Australia and New Zealand under a variety of owned and licensed brands - FY23A revenue of \$9.0 million and normalised EBITDA of \$1.6 million¹
Acquisition rationale	- Fundamentally aligned to Nuchev’s purpose – “Functional Foods for a Better Life” - Important acquisition to scale Nuchev in its strategy to establish a diversified portfolio of profitable and sustainable businesses - Attractive acquisition metrics, with meaningful identified synergies - bWellness to leverage Nuchev’s ANZ retail, and overseas distribution network, brand management and marketing capabilities - Nuchev gains access to complementary distribution channel & material opportunity for growth through NPD in bWellness’ own-brand BioPractica - Increases scale, diversification and operating cashflow of Nuchev – pro-forma group revenue of \$11.7m in 1HFY24, represents 2.6x growth from previous half, at enhanced margins

Notes:

1. Normalisations are once-off expenses such as transaction and project-based costs

2. H&S Group have achieved their annual performance hurdle for Tranche 1, and therefore the Tranche 1 Performance Options have vested and have been exercised at \$0.25 per share, which results in their shareholding in Nuchev being 24.9%.

Executive Summary



Offer overview

Equity raising detail	▪ The cash component of the acquisition is funded by an entitlement offer (“Entitlement Offer”) for 1 fully paid ordinary share (New Share) for every 2.75 Shares held by eligible Nuchev shareholders to raise up to approximately \$5.1 million ▪ Funds to be applied: (i) to fund the acquisition of the shares of bWellness, (ii) to fund working capital and transaction costs and (iii) towards the Pro forma net cash balance of \$7.5m¹, with no debt ▪ Approximately 32.7 million new fully paid ordinary shares in Nuchev (“New Shares”) to be issued, representing approximately 36.4% of existing shares on issue ▪ The offer will be conducted at \$0.1560 per New Share (“Offer Price”)
Major shareholder support	▪ The equity raising has received support from Nuchev’s major shareholders, with Ben Dingle (Founder and Chairman), Craig Silbery (Non-Executive Director) and H&S Group taking up some or all of their pro-rata entitlement under the Offer ▪ In addition, H&S Group has committed to taking any remaining shortfall in the Entitlement Offer, potentially taking their post-equity raising, post-acquisition holding in Nuchev up to approximately 46.6%² (including acquisition scrip issuance to Brauer who is an associate of H&S Group)
Shareholder approval and EGM	▪ As a result of H&S Group beneficially owning or controlling 50% of bWellness (via its 100% ownership of Brauer), the acquisition is subject to Nuchev shareholder approval ▪ An Independent Expert Report in respect to the acquisition and equity raising will be provided to Nuchev shareholders as part of a Notice of Meeting expected to be dispatched to Nuchev shareholders on or about Tuesday, 21 May 2024 ▪ The acquisition and capital raising is subject to shareholder approval at an EGM of the Company to be held on or about 19 June 2024
H&S Group options exercise	▪ In May 2023 Nuchev entered a distribution and strategic investment agreement with H&S Group, which included a placement of Nuchev shares and the issuance of a three-year performance options package that, if all vested (subject to the achievement of the relevant annual performance hurdles) and exercised, would take H&S Group to a 34.9% ownership in Nuchev – The H&S Transaction was approved by Nuchev shareholders at the extraordinary general meeting on 19 June 2023 ▪ As at 20 May, 2024 H&S Group have achieved their annual performance hurdle for Tranche One Performance Options, and the Tranche 1 Performance Options have therefore vested and have been exercised at \$0.25 per share ▪ This contributes \$1.4 million cash to Nuchev resulting in a pro forma cash balance of \$7.5m¹ following the acquisition and equity raising, with no debt and leaving the Company well-funded to execute its medium-term strategy – This issuance results in H&S Group’s pre-acquisition and equity raising shareholding in Nuchev being 24.9%
Appointment of Chief Executive Officer	▪ Nuchev is pleased to announce the appointment of Mick Myers as Chief Executive Officer ▪ Mick has been acting as Interim CEO and CFO since November 2023

Notes:

1. Pro forma cash balance based on Nuchev cash balance as at 31 March 2024 less upfront cash consideration for bWellness acquisition and transaction related costs.
2. This does not include the Tranche 2 and Tranche 3 Performance Options that were approved at the extraordinary general meeting held on 19 June 2023 and issued to H&S Group in June 2023 which have not yet vested

Acquisition aligned to our growth strategy



1	Leading premium digestion, immunity and <u>wellness</u> <u>nutritionals</u> in multiple categories
2	International growth (China, SE Asia) and stable ANZ business
3	Innovation & repositioning <u>through new product development (NPD)</u> , and offshore growth through best-in-class partners
4	Diversified portfolio of <u>profitable</u> and <u>sustainable</u> businesses

Expanding Our Purpose



Functional foods for a better life

Leading in premium digestion and immunity nutritional products

What We Deliver



Brand Builders



Distribution Network



Product Innovation



Supply Chain Excellence



ASX-Listed

Drivers to Scale

Function	Ingredients	Product Type	Consumer	Region
Digestion	Goat	Infant Formula	Infant	Australia/New Zealand
Immunity	Bovine	Formulated Foods	Child and Student	China
Wellness	Plant	Formulated Beverages	Adult	Asia
	Other	Health & Wellness	Seniors	Middle East
	bWellness Offering	Established within Nuchev	Launching	Future Opportunity



Strategic Rationale

Acquisition strategic rationale



1. Fundamentally aligned to Nuchev's purpose & growth strategy of providing "Functional Foods for a Better Life":
 - a) bWellness products are designed to help end consumers with better health and a better life
 - b) Product range is centred on functional health (nutritional, added immunity or digestive-based)
 - c) Focus on 'science-backed' support for their products – many of bWellness' products are supported by extensive clinical trials and/or scientific research
2. Important acquisition to scale Nuchev in its strategy to establish a diversified portfolio of profitable and sustainable businesses
3. bWellness to leverage Nuchev's ANZ retail, and overseas distribution network, brand management and marketing capabilities, and improved governance, strategy & execution capabilities to improve its operations and growth trajectory
4. Nuchev gains access to complementary distribution channel – ANZ practitioners and health food stores, who we expect to enable product upsell and future sales growth for Oli6® immunity & digestive products
5. Material opportunity for growth through NPD in bWellness' own-brand BioPractica
6. Complementary medicines market is large and growing, with material export opportunities
7. Increases scale, diversification and operating cashflow of Nuchev – pro-forma group revenue of \$11.7m in 1HFY24, represents 2.6x growth from previous half, at enhanced margins

Nuchev Group overview, post acquisition



PF FY23A
Revenue
~\$18.0m

PF 1H24A
Revenue
~\$11.5m

PF Net
Cash¹
~\$7.5m

PF Gross
Margin
~38%

Note: 1. Pro forma cash balance based on Nuchev cash balance as at 31 March 2024 less upfront cash consideration for bWellness acquisition and transaction related costs.

Aligned with high growth, significant global markets

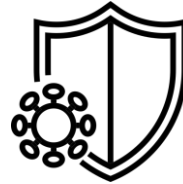


Infant Formula



- Well established in market with Oli6® as foundation product
- Stable demand from the market globally

Nutritional & Immunity



- Immunity+ launched and expanding
- In growth phase – with increasing demand from our target market

Health & Wellbeing



- bWellness European and own brand will facilitate growth into an expanding market
- In high demand

Addressable Market

Infant Formula & Baby Milk

	~\$500 million
Australia/New Zealand	
	~\$50 billion
China / Asia	
	~\$30 billion
Rest of World	

Complementary Medicine

	~\$5.4 billion
Australia/New Zealand	
	~\$1 billion (export market)
Rest of World	

Expanding
Nuchev market
opportunity to

\$6.0bn+

Overview of bWellness

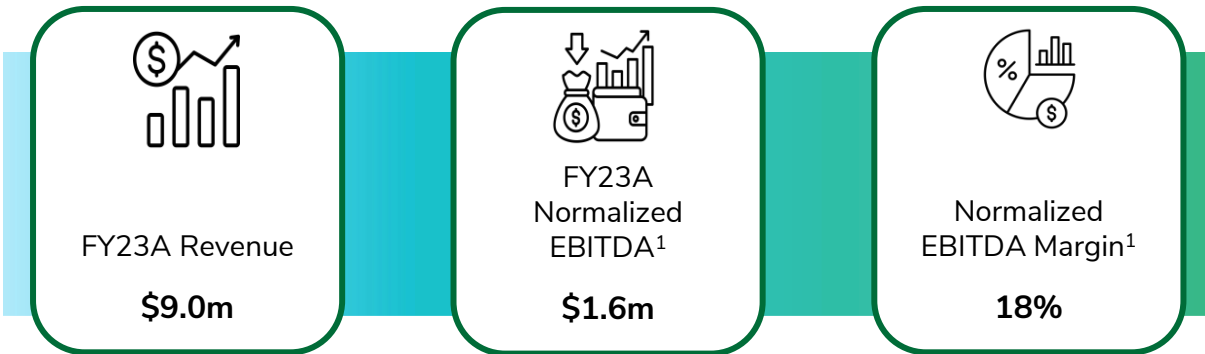
bWellness Overview



Overview of bWellness

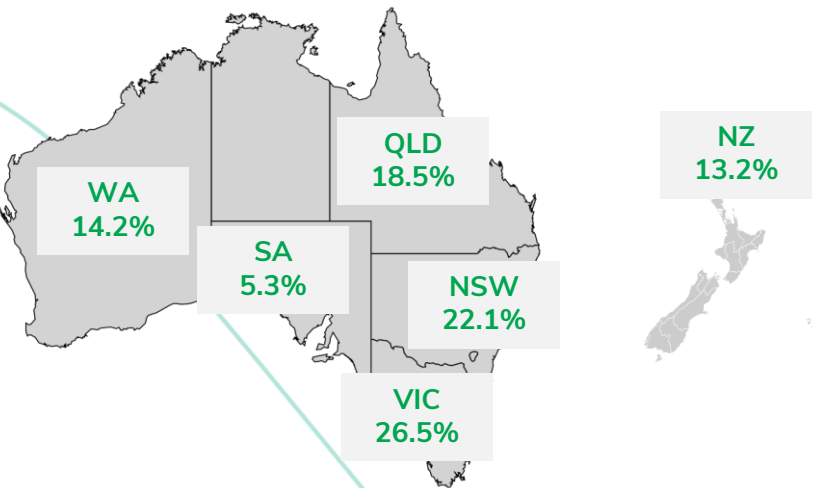
- bWellness began its operations in 2001, specializing in prescription-only, high-efficacy, premium health products targeting practitioners
- Since its founding, bWellness has developed a selection of natural health products. The company owns the leading brand BioPractica and holds exclusive distribution rights for several global health product brands in Australia and New Zealand
- bWellness supplies products to over 9,500 health care professionals in Australia and New Zealand, including naturopaths, pharmacists, nutritionists, and chiropractors
- bWellness places an emphasis on education for practitioners, utilizing various platforms such as large seminars with over 600 attendees, online webinars, paid online courses, podcasts, clinical tools, a technical support hotline and online educational resources
- The company leverages educational initiatives as a key strategy for engaging practitioners, business development, and marketing

Financial snapshot¹



1. Normalisations are one-off expenses such as transaction and project-based costs.

bWellness sales by geography in CY23A



bWellness brand portfolio

1. Owned brand



2. Exclusive brands



3. Other third-party brands





bWellness sales growth strategy



Item	Description
1. Develop new exclusive brand relationships	• Establish new high quality brand relationships • bWellness is actively pursuing other brands for exclusivity to further grow sales in the near-term
2. Own brand (BioPractica) NPD	• Development and manufacture of new products for sale under bWellness' own brand (BioPractica) • Advanced current pipeline of 5 - 6 new high margin products
3. Development of direct sales model (to practitioners or patient end users)	• Use of the new bWellScript portal to achieve direct sales to retail end users in Australia and New Zealand
4. Sales of other new supplier products	• Growth via the sales of new supplier products

Complementary medicines – market overview



Approximately 75% of people in Australia regularly use complementary medicines



Sales in vitamin and dietary supplemental and herbal medicines are increasing, estimated at approximately \$2.0 million in 2022

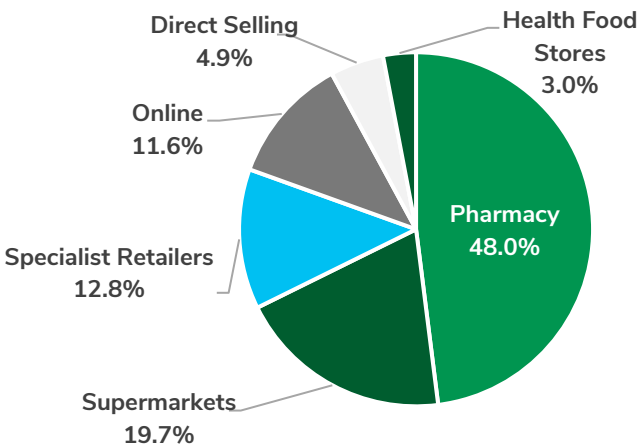


Complementary medicines are increasingly vital in addressing chronic health conditions, with immunity products emerging as the fastest growing segment



Total industry revenue for complementary medicine was \$5.4 billion in 2023

Sales channels for complementary medicines



Nuchev and bWellness have overlapping end market sales channels to optimise group distribution

There is a sizeable export market for Australian complementary medicines

Total Australia Complementary Medicine Exports in 2023:
~A\$1.0bn



Increased opportunity to access global markets for Nuchev and bWellness combined product suite with broader range of products

Financial Impact

Pro forma Profit and Loss



A\$m	Nuchev		bWellness		Pro Forma Group	
	FY23A	1H 24 ¹	FY23A	1H 24	FY23A	1H 24
Revenue	8.8	6.6	9.0	4.9	17.8	11.5
Revenue growth %						
Less: Cost of sales	(6.9)	(4.7)	(4.4)	(2.6)	(11.3)	(7.3)
Gross profit²	1.9	1.9	4.6	2.3	6.5	4.2
Gross profit margin %	21.6%	29.2%	51.2%	46.6%	36.6%	36.6%
Normalised gross profit margin %					40.3%	37.8%
Add: Other Income	0.2	0.1	0.1	0.0	0.3	0.1
Less: Operating expenses	(10.7)	(5.4)	(3.4)	(1.7)	(14.0)	(7.1)
EBITDA	(8.5)	(3.4)	1.3	0.6	(7.2)	(2.8)
Add: Normalisations	-	-	0.3	0.1	0.3	0.1
Normalised EBITDA	(8.5)	(3.4)	1.6	0.7	(6.9)	(2.7)
Add: Synergies					0.5	0.2
Normalised EBITDA (post-synergies)	(8.5)	(3.4)	1.6	0.7	(6.4)	(2.5)
EBITDA margin %	(97.2%)	(51.8%)	18.0%	14.5%	(36.2%)	(21.5%)

Commentary & assumptions:

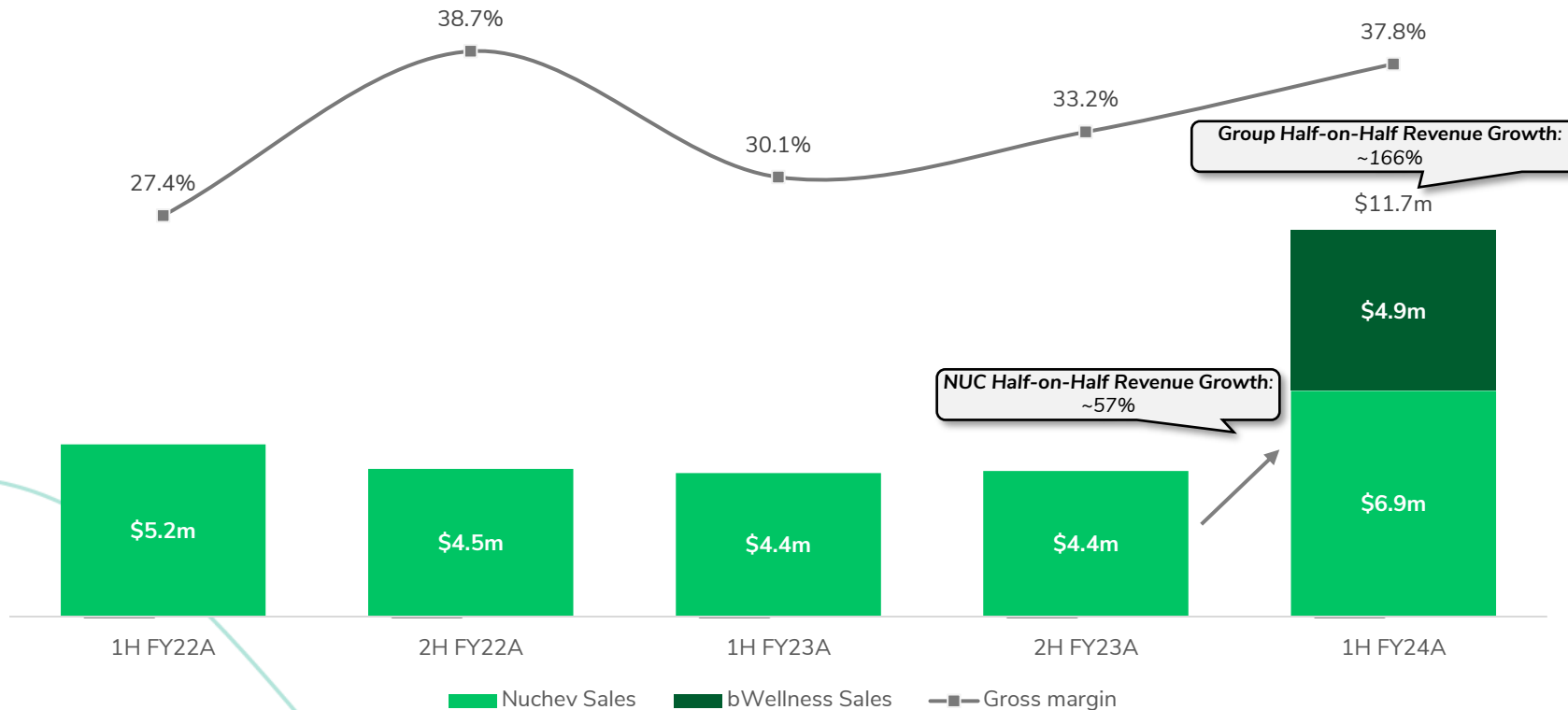
- Nuchev delivers combined revenues of **\$11.5m** 1HFY24; **\$17.8** million for FY23
- Normalised gross margin of 38% is a significant uplift on Nuchev's current margin. This reflects the efficiency potential of the enlarged entity
- Proforma cash balance is \$7.5 million, leaving Nuchev material capital for growth post transaction³
- Synergies of ~\$0.5 million have been identified, which the company believes is conservative

Note: 1. 1H24A revenue reflects ~\$200k fair value adjustment for H&S Group options previously not included in reported revenue. 2. Cost of sales and gross profit reflects end of year accounting adjustment for inventory obsolescence, which decreases reported gross profit. Normalised gross profit margin removes the margin impact of these adjustments. 3. Pro forma cash balance based on Nuchev cash balance as at 31 March 2024 less upfront cash consideration for bWellness acquisition and transaction related costs.

Nuchev building financial scale



Pro forma Group half year sales and GM% for FY22A – 1H 24A¹



Commentary & assumptions:

- Half year Nuchev sales profile has remained relatively constant in recent times
- Material growth in Nuchev sales have occurred in 1HFY24 representing impact of H&S Group distribution agreement executed in May 2023
- The addition of bWellness to the Group materially enhances the scale and quality of the of the business
- **Pro-forma group revenue of \$11.7m in 1HFY24, represents 2.6x growth from previous half, at enhanced margins**
- Pro-forma group gross margin improves to ~38%, with upside potential from increased own-brand NPD and sales growth
- bWellness contributes meaningful positive EBITDA to Nuchev

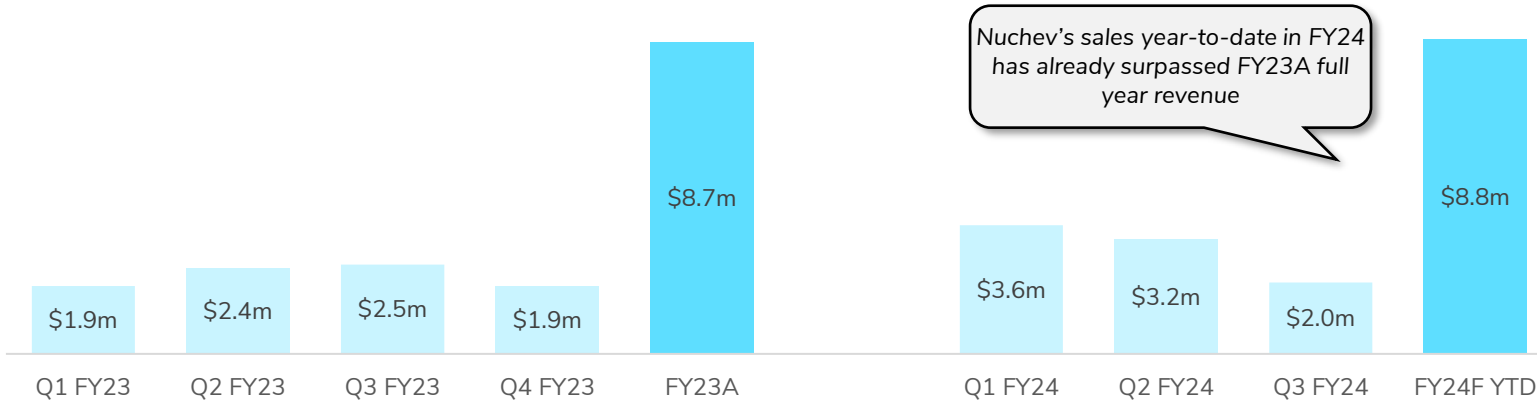
1. Revenue and gross margin is presented to exclude impact of reported accounting adjustments for H&S options issuance and inventory obsolescence.

Nuchev Performance Update

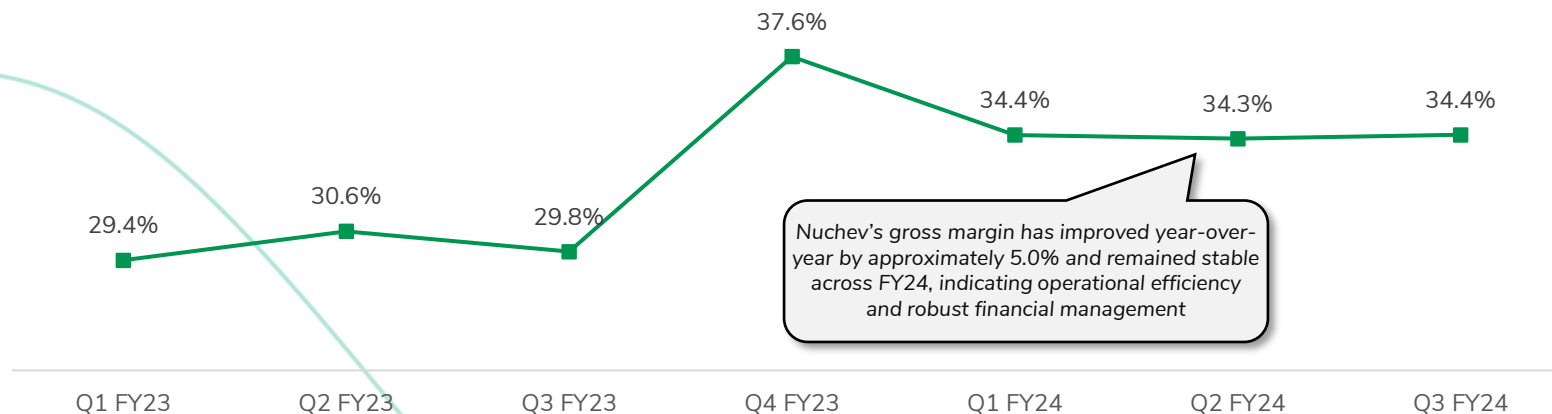
Nuchev Q3 FY24 Financial Update



Nuchev quarterly sales FY23 and YTD FY24F¹



Nuchev quarterly normalized gross margin FY23 and YTD FY24F²



Commentary & assumptions:

- Nuchev has had robust revenue growth, with FY24 year-to-date sales exceeding total FY23 revenue
- There has also been a notable uptick of around **5.0%** year-on-year in gross margin, highlighting Nuchev's improved cost management strategies and operational efficiencies
- Nuchev's adept control over costs will play a pivotal role in driving synergies post-transaction, laying the foundation for sustainable long-term growth

H&S Group performance update:

- H&S Group have achieved their year one sales performance hurdles, and therefore the first tranche of the H&S Group options vested and have been exercised at \$0.25, contributing an additional \$1.4 million in cash to the Group
- The Nuchev and H&S Group relationship is strong, and operating performance is expected to continue to improve year-on-year
- Nuchev pro forma 31 March 2024 cash of **\$7.5m³ with no debt**, leaving it well-funded to execute its medium-term strategy

Note: 1. Sales amount is presented excluding the ~\$200k fair value adjustment for H&S options. 2. Cost of sales and gross profit reflects end of year accounting adjustment for inventory obsolescence, which decreases reported gross profit. Normalised gross profit margin removes the margin impact of these adjustments. 3. Pro forma cash balance based on Nuchev cash balance as at 31 March 2024 less upfront cash consideration for bWellness acquisition and transaction related costs.

Nuchev's strategic agreement with H&S Group



Since 2009, H&S Group has built a comprehensive distribution network (off-line and online), forging the path to become one of Australia's largest local and export wholesalers for infant formula, vitamins and supplements, skincare and personal care into China, Hong Kong, Macau, Vietnam and Southeast Asia (SEA).

H&S Group distribution expertise and existing Nuchev relationship expected to materially benefit Group operations post-acquisition



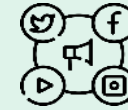
Over 14 years experience and success in the China CBEC channel



60+ online e-Tail stores across major platforms, such as Tmall, JD, Kaola, Taobao and Pinduoduo)



Supplies to ANZ **Giftshops** and **Pack-n-Send warehouses** for the speciality Daigou market



Supplies to major **Tier 1, 2 and 3 POP's e-commerce platforms**, social networks and O2O channels in China (such as Moms Time, BMHOG & Hipac)



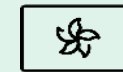
650+ Employees, 8+ warehouses (3PL), logistics teams



More than **20 major AU, NZ, US and UK Brands** across various categories - Mother & Baby, Skin Care and Personal Care



Supplies to modern and traditional **trade in SEA market** (Vietnam, Singapore, Cambodia etc.)



Supplies over **3,500+ open and modern trade outlets** in Hong Kong & Macau in cooperation with a strategic partner

Equity Raising Details

Details of the Offer



Offer overview	
Offer structure and size	- Entitlement Offer (“Entitlement Offer” or the “Offer”) of 1 fully paid ordinary share (New Share) for every 2.75 Shares held by eligible shareholders to raise up to approximately \$5.1 million at a price of \$0.1560 per Share - Approximately 32.7 million new fully paid ordinary shares in NUC (“New Shares”) to be issued, representing ~36.4% of existing shares on issue. This is based on the Entitlement Offer being fully subscribed.
Offer price	The offer will be conducted at \$0.1560 per New Share (“Offer Price”), representing Nuchev’s 30-Day VWAP up to and including 14 May 2024
Use of proceeds	- Funds to be applied: - To fund the acquisition of the target company, bWellness - To fund working capital and transaction costs - Contributes to the Pro forma net cash balance of \$7.5m¹, with no debt
Major shareholder and Board commitment	- The equity raising has received support from Nuchev’s major shareholders, with Ben Dingle (Founder and Chairman), Craig Silbery (Non-Executive Director) and H&S Group taking up some or all of their pro-rata entitlement under the Offer - In addition, H&S Group has committed to taking any remaining shortfall in the Entitlement Offer, potentially taking their post-equity raising, post-acquisition holding in Nuchev up to approximately 46.6%² (including acquisition scrip issuance to Brauer who is an associate of H&S Group)
Entitlement offer	- The Entitlement Offer will open on Monday, 20 May 2024 and close on Thursday, 20 June 2024, and be eligible to Australian and New Zealand investors - Under the Entitlement Offer, eligible shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement
Jurisdictions	Australia and New Zealand, as well as those covered by Regulation S of the U.S. Securities Act of 1933
Ranking	New Shares issued under the Entitlement Offer and Scrip Placement to Brauer will rank equally with all existing Nuchev shares from their date of issue
Lead manager	Wilsons Corporate Finance is Financial Advisor and Lead Manager for this transaction

Note: 1. Pro forma cash balance based on Nuchev cash balance as at 31 March 2024 less upfront cash consideration for bWellness acquisition and transaction related costs.

Note 2: This does not include the Tranche 2 and Tranche 3 Performance Options that were approved at the extraordinary general meeting held on 19 June 2023 and issued to H&S Group in June 2023 which have not yet vested.

Capital raising timetable



Key events	Date
Announce Entitlement Offer and bWellness acquisition	Monday, 20 May 2024
Notice of Extraordinary General Meeting sent to shareholders	Monday, 20 May 2024
Record Date	7:00pm Friday, 24 May 2024
Entitlement Offer opens	Monday, 27 May 2024
Extraordinary General Meeting	10am AEST, Wednesday, 19 June 2024
Entitlement Offer closes	5pm AEST, Thursday, 20 June 2024
Announce results of the Entitlement Offer to ASX	Monday, 24 June, 2024
Settlement Date for Entitlement Offer	Tuesday, 25 June 2024
Acquisition of bWellness finalised	Friday, 28 June 2024
Quotation of New Shares issued under the Capital Raising commences	Friday, 28 June 2024

Concluding highlights



Increased Scale & Diversity

1H FY24 proforma revenue **\$11.5m**;
FY23 proforma revenue **\$17.8m**, pro
forma net cash balance of **\$7.5m¹**



Institutional Relevance

Increased scale, diversification and operating profitability will bring Nuchev closer to institutional relevance



Strong Margin Profile

bWellness has FY23A standalone gross margin of **51.2%** with pro forma FY23A Group normalised gross margin of **40%**, and **positive EBITDA contribution**



Improved Cashflow

The acquisition of bWellness is anticipated to accelerate Nuchev's trajectory toward achieving cash flow positivity



Operating Efficiencies

Cross-business marketing, supply chain and distribution expertise applied across combined group



Strong Strategic Alignment

Nuchev and bWellness are fundamentally aligned on purpose and strategy, which is expected to deliver synergistic benefits via complementary products and operational efficiencies to drive sustained long-term growth

Key risks

Key risks



There are various risks that are both specific to Nuchev and its subsidiaries (“the Group”) and of a general nature, which may affect the future operating and financial performance of the Group and outcome of an investment in Nuchev. Effective risk management is central to Nuchev’s approach to driving sustainable, profitable growth. Nuchev retains a comprehensive risk management framework, identifying types of risk that may have a material impact to the business, and assessing these risks on the basis of likelihood, magnitude and impact. The risk management framework encompasses all areas of Nuchev’s operations and includes economic, environmental and reputational risk. The risk management framework is regularly reviewed and updated by Nuchev.

This section describes some, but not all, of the material business risks that may be associated with an investment in Nuchev and the occurrence or consequences of some of the risks described below are partially or completely outside the Group’s control. Additional risks and uncertainties that the Group is unaware of, or that it currently considers immaterial, could also become important factors that adversely affect the future operating or financial performance of the Group or Nuchev Shares.

Before making an investment decision to apply for New Shares under this Entitlement Offer, consideration should be given to obtaining financial and/or other professional advice as well as considering the risks described in this section and the other information provided in this presentation, the Offer Document, or released to the market by Nuchev.

Nuchev may fail to implement its strategy successfully

Nuchev’s strategy is to grow its business across multiple sales channels by building a trusted and strong brand position and quality products that deliver functional benefits to consumers. This is complemented by Nuchev’s marketing strategy, which is focused on building exposure and brand awareness, encouraging product trials and engendering consumer loyalty to drive repeat purchases. There is a risk that Nuchev is unsuccessful in managing its key sales channels and associated sales strategies. Travel restrictions associated with a global pandemic, such as COVID-19, may also have an adverse impact on the speed with which Nuchev is able to develop new business and new markets as part of its growth strategy. Such failure, and the costs incurred in seeking to implement its strategy, may materially and adversely affect the financial performance and future prospects of Nuchev. There is a risk that Nuchev may not accurately forecast or manage its inventory levels, which may result in Nuchev incurring additional costs and foregoing revenue. For example, if Nuchev produces excess product that it cannot sell in a timely manner, the excess product may need to be sold at a discount, otherwise the excess product will become obsolete and Nuchev may be required to bear the costs of the surplus product and recognise inventory write-down costs. If Nuchev is unable to manage its inventory effectively, this may have a material adverse impact on the financial position of Nuchev and its operating results.

Constrained access to raw materials, and/or increase in production and logistics costs

The availability and price of raw goat ingredients used in Nuchev’s products are influenced by global demand and supply factors outside Nuchev’s control, which may include ongoing impacts associated with COVID-19.

Nuchev may be adversely impacted by increases in production and logistics costs, including material increases in raw goat ingredient prices, toll processing, logistics and distribution cost. If there is a significant increase in the cost of the inputs of Nuchev’s products, this may have a material adverse effect on Nuchev’s operating and financial performance. Changes in foreign exchange rates may also negatively impact on Nuchev’s production costs. [In certain circumstances, Nuchev’s purchases of raw goat ingredients may be transacted in Euros. Accordingly, fluctuations or volatility in the exchange rate between the Australian dollar and Euro may have an adverse impact on Nuchev’s costs of production, which may materially adversely affect Nuchev’s operating and financial performance.]

Loss of key channel partner or channel partner support

Nuchev distributes its products through various sales channels, including Australian retailers and China Cross Border E-Commerce (CBEC). Nuchev’s key channel partner relationships may be lost or impaired if channel partners experience financial difficulty or insolvency (with such risk potentially heightened by the occurrence of a global pandemic, such as COVID-19) or by dissatisfaction with Nuchev’s business or products. The loss of any of Nuchev’s key channel partners, or a significant reduction in the sales made to one or more key channel partners, may adversely impact Nuchev’s operating or financial performance.

Inability to deliver revenue growth through new product development (NPD)

Nuchev operates in the highly competitive fast-moving consumer goods (“FMCG”) industry and is subject to existing and growing competition from domestic and international producers of infant formula and other nutritional products. Nuchev may be unable to invest in developing new products and launching these in relevant markets within the timeframe or volumes intended, impacting Nuchev’s ability to generate sales and compete within existing and/or emerging market opportunities.

Key risks (continued)



Increased market competition

Nuchev operates in the highly competitive fast-moving consumer goods industry and is subject to existing and growing competition from domestic and international producers of infant formula and other nutritional products. Increased competition may impact the volume or price of products that Nuchev is able to sell, which may have a material and adverse impact on Nuchev's revenue and, in particular, its future growth prospects.

Failure to comply with food safety and quality standards

As with other food products, the raw ingredients used in Nuchev's manufacturing process as well as Nuchev's final products are susceptible to deterioration, contamination, tampering, adulteration or may otherwise be unsafe or unfit for sale or consumption throughout all stages of the supply chain (including storage). This may result from various factors, including human error, equipment failure or other external factors that may impact Nuchev and its third-party suppliers and service providers. Non-compliance with food safety regulations and quality standards, and associated adverse publicity, could damage Nuchev's brand and reputation, reduce demand for Nuchev's products and result in other adverse consequences for Nuchev, including regulatory penalties, other litigation and product recall and disposal costs. These factors could materially adversely affect the financial performance and future growth prospects of Nuchev.

Domestic or foreign regulatory changes impacting Nuchev's operations

Nuchev must comply with a range of laws and regulations in Australia and in foreign jurisdictions in which Nuchev sources its ingredients or sells its products. Compliance with these laws and regulations, and the ability to comply with any change to these laws and regulations, is material to the success of Nuchev's business. Failure to comply may result in a monetary fine or other penalty (such as losing the ability to operate), additional costs, adverse publicity or a loss in consumer confidence in Nuchev's products, which could have a material adverse effect on Nuchev's operating and financial performance and reputation. Furthermore, new laws or regulations may be introduced or there may be a change to the existing laws or regulations or revised interpretations of those laws or regulations in the relevant jurisdictions. Such regulatory changes could impact Nuchev's ability to successfully implement its business strategy and result in increased costs, damage to Nuchev's reputation and loss of consumer confidence in Nuchev's products, which in turn could have a material impact on the operating and financial performance, position and future prospects of Nuchev.

Changes in taxation laws and their interpretation

Changes in tax law or changes in the way tax laws are interpreted may impact the level of tax that Nuchev is required to pay or collect, shareholder returns, the level of dividend imputation or franking or the tax treatment of a shareholder's investment. In particular, both the level and basis of taxation may change. Tax law is frequently being changed, both prospectively and retrospectively. Further, the status of some key tax reforms remains unclear at this stage. Additionally, tax authorities may review the tax treatment of transactions entered into by Nuchev. Any actual or alleged failure to comply with, or change in the application or interpretation of, tax rules applied in respect of such transactions, may increase Nuchev's tax liabilities or expose it to legal, regulatory or other actions.

Brand or reputational damage

Nuchev's reputation and the value associated with its Oli6® brand could be impacted by a number of factors such as:

- Quality issues with Nuchev's products;
- A failure or delay in supplying of products;
- The actions of Nuchev's third party suppliers and their customers (including their employment practices or treatment of staff);
- A regulatory breach;
- Adverse media coverage (including social media) or publicity about Nuchev's products or practices (whether valid or not) or changes in the public perception of the goat milk product industry; or
- Employment practices including treatment of staff and/or workplace incidents.

A material adverse impact to the reputation of Nuchev or the Oli6® brand could negatively affect channel partner relationships, consumer loyalty and employee retention, which may result in loss of business, loss of contracts and loss of market share, and have a material adverse effect on Nuchev's financial and operating performance and future prospects.

Force majeure events

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of Nuchev and the price of Nuchev shares. These events can have an adverse impact on the demand for Nuchev's goods and services and its ability to conduct its business. Nuchev has only a limited ability to insure against some of these risks. If any of these events occur, there may be a material adverse impact on Nuchev's operations, financial performance and viability.

Key risks (continued)



Nuchev's reliance on third party suppliers and service providers exposes it to third party risks

Nuchev's business model involves outsourcing key processes (such as production, processing, blending, canning and logistics) to third party suppliers and service providers. There is a risk that a disruption to the operations of any of Nuchev's key third party suppliers could restrict, interrupt or otherwise adversely affect Nuchev's supply chain. While Nuchev has access to alternate third-party suppliers, there is a risk that it may not be able to secure an appropriate substitute at short notice. Significant disruption to Nuchev's supply chain may adversely affect Nuchev's financial performance and future prospects. The availability and price of ingredients used in Nuchev's products are influenced by global demand and supply factors outside Nuchev's control, as well as other external or international factors such as the war in Ukraine, climate change, biosecurity and/or other environmental events. Any of these occurrences may lead to a disruption in Nuchev's supply chain. Nuchev may also be adversely impacted by increases in production and logistics costs, including increases in ingredient prices, toll processing, logistics and distribution costs. If there is a significant increase in the cost of the inputs of Nuchev's products, and the Group is unable to pass on these increases to customers, this may have a material adverse effect on Nuchev's operating and financial performance. Changes in foreign exchange rates may also negatively impact on Nuchev's production costs. In certain circumstances, purchasing of ingredients may be transacted in foreign currencies. exclusive arrangements with one of Nuchev's competitors, this would restrict Nuchev's ability to source from that provider and may have a material adverse effect on Nuchev's operations, financial performance and growth prospects.

Climate, environmental or biosecurity events impacting Nuchev's supply chain

The quantity and quality of Nuchev's products may be adversely affected by weather or climatic conditions (including climate change). If a weather or climatic condition disrupts Nuchev's supply chain, this may have a material adverse impact on Nuchev's operations and financial performance.

Nuchev's outsourced suppliers are required to comply with environmental laws and regulations when manufacturing Nuchev's products. The storage, use, production and transportation of Nuchev's products or other inputs in the production process involves the risk of accidents, spills or contamination. Any of these occurrences could cause harm to the environment, which may lead to disruption in Nuchev's supply chain, regulatory sanctions and remedial costs, and which could negatively impact Nuchev's operating and financial performance. There may also be adverse reputational impacts on Nuchev and its business through its association with any third party supplier involved in an adverse environmental incident. The incidence of a biosecurity event such as a disease outbreak in the goat herds supplying milk to AVH Dairy could lead to a reduction in available raw goat ingredient supply to Nuchev, which may in turn materially and adversely impact Nuchev's operations, financial performance and reputation.

Nuchev's business may be adversely affected by political or economic instability in foreign markets

A key focus of Nuchev's growth strategy is the opportunity presented by markets outside of Australia, in particular, China. These foreign markets may include developing markets that are politically or economically less stable than those of developed countries, and sales of premium consumer goods (including Nuchev's products) and associated revenue generated from such sales may be adversely affected by factors such as war or other hostilities, economic instability or political interference or uncertainty. Legal and regulatory systems are subject to ongoing change and there is uncertainty as to whether and how current laws and regulations will apply to certain events or circumstances.

Cyber related risks including network and data security loss, theft or corruption risks

Nuchev may face risks associated with network and/or system security including unauthorised access to data. The risks associated may include but are not limited to:

- network and perimeter security threats such as hacking, phishing and/or social engineering scams;
- the risk to storage and backup of sensitive data including customer data shared with 3rd parties, and;
- the risk of data theft and/or unauthorised access i.e. including Nuchev's intellectual property which may be inappropriately shared with competitors

These risks are ultimately associated with failures in securing and maintaining data and systems that may be accessed by staff and/or third parties, including third parties acting on behalf of the Company. Nuchev stores data in its own systems and networks, and with a variety of third-party service providers. Exploitation or hacking of any of Nuchev's systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on Nuchev's business, financial condition and results. Further, if Nuchev's systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers. Nuchev is unaware of any hacking associated with Nuchev's data and systems, but it is possible that Nuchev may experience negative publicity if their systems are able to be hacked at some point in the future.

Key risks (continued)



Nuchev's success is linked with its ability to attract and retain key management personnel

Failure to attract and retain key management and operating personnel may adversely affect Nuchev's ability to execute its business strategy and may result in a material increase in the cost of obtaining appropriately experienced personnel, which in turn could also have a materially adverse impact on Nuchev's operating and financial performance and growth prospects.

Nuchev may be involved in litigation or other disputes

Nuchev may, from time to time, be subject to litigation and other claims or disputes in the ordinary course of its business or otherwise, including product liability claims, intellectual property disputes and contractual disputes. The outcome of litigation cannot be predicted with certainty and adverse litigation outcomes could adversely affect Nuchev's business, financial condition and reputation.

Nuchev may be unable to access funding

In the event that Nuchev has an insufficient level of capital and liquidity to support its normal business activities, Nuchev may be required to raise new equity or debt financing to enable continued business growth. If there is a deterioration in the level of liquidity in the debt and equity markets, or the terms on which debt or equity is available, this may prevent Nuchev from being able to raise the relevant debt or equity. Consequently, if Nuchev is unable to access funding when required or on satisfactory terms, this may have a material adverse effect on Nuchev's financial position and hinder its ability to execute its growth strategy effectively.

Risks associated with an investment in shares

There are general risks associated with investments in equity capital such as Nuchev shares. The trading price of Nuchev shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for New Shares being less or more than the Offer Price. Generally applicable factors that may affect the market price of Nuchev shares (over which Nuchev and its directors have no control) include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in interest rates and the rate of inflation;
- change in government regulation and policies;
- announcement of new technologies; and
- geopolitical instability, including international hostilities and tensions and acts of terrorism, which may also in turn impact global trade flows.

No assurance can be given that the New Shares will trade at or above the Offer Price. None of Nuchev, its directors or any other person guarantees the market performance of the New Shares.

There have been significant fluctuations and volatility in the prices of equity securities in the past few years, which may have been caused by general rather than company-specific factors, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geopolitical instability and global hostilities and tensions. Any of these events and resulting fluctuations may materially adversely impact the market price of Nuchev shares.

No guarantee of future dividends

Nuchev currently has no plans to pay a dividend. There is no guarantee that Nuchev will generate sufficient cash flow from its operations in the future to pay dividends.

Risk of shareholder dilution

In the future, Nuchev may also elect to issue new shares to fund or raise proceeds for acquisitions Nuchev may decide to make. While Nuchev will be subject to the constraints of the ASX Listing Rules, regarding the percentage of its capacity it is able to issue within a 12-month period (other than where exceptions apply), shareholders may be diluted as a result of such issues of shares and fundraisings.

Appendices

Sale Agreement summary (1/2)



Sale Agreement overview

Completion date	The acquisition is expected to complete on 28 June 2024
Conditions Precedent	The Sale Agreement contains several conditions precedent: (a) Nuchev's shareholders approving the issue of shares to Brauer Natural Medicine Pty Ltd (Brauer) at an extraordinary general meeting to be held on Wednesday, 19 June 2024. (b) Completion of Nuchev's entitlement offer to existing shareholders to raise capital in connection with funding the Purchase Price. (c) Formalising legal arrangements with the software developer for the IT platform for an online prescribing and ordering platform. (d) Key personnel entering into contracting agreements with bWellness (to effect a smooth transition). (e) Obtaining a W&I policy on terms acceptable to both Nuchev and the sellers. (f) No material adverse change event occurring between the signing date and closing. (g) bWellness lodging a revised tax return (h) bWellness obtaining a release of certain bank securities.
Change of control consent	bWellness has been appointed the exclusive distribution partner of European brand owners including Protina, BioGaia and Heel (Key Distribution Contracts). The counterparties to the Key Distribution Contracts have agreed not to exercise change of control rights on completion of the Proposed Acquisition.
Non-Compete	The Sellers (apart from Brauer) undertake not to compete with the business within Australia and New Zealand for 3 years. Brauer has an existing business where some overlap may arise in product sales. It has agreed not to solicit sales of products of key distribution partners such as Protina and Heel for 3 years.
Termination rights	Nuchev has customary rights to terminate the sale agreement including where there is a failure to fulfill a condition precedent that is for the benefit of Nuchev, where the sellers breach a material provision of the sale agreement, where a receiver/ liquidator is appointed to the bWellness group.

Sale Agreement summary (2/2)



Sale Agreement overview	
Consideration	The consideration payable by Nuchev is A\$7.0 million (Purchase Price). It consists of a combination of cash and scrip consideration payable on completion, comprising: (a) 22,435,898 Shares in Nuchev (valued at an issue price of A\$0.1560 and escrowed for two years); and (b) A\$2,800,000 cash; and (c) A\$700,000 cash, which is subject to the earn-out structure described below The purchase price is also subject to adjustments for movements in working capital and net debt as described below.
Earn-out structure	The earn-out payment is structured as follows: (a) 50% of earn-out payable on successful retention of key vendor management for up to 12 months after completion of the Proposed Acquisition; and (b) 50% earn-out payable on the Company achieving an EBITDA of at least A\$1.7 million in the 12 months after Completion of the Proposed Acquisition.
Adjustments to Target Working Capital and Net Debt	The Purchase Price will adjust up or down to the extent the working capital on completion of the Proposed Acquisition (Completion) is 5% more or less than bWellness' 12-month average monthly net working capital for the 12 months to 29 February 2024 (Target Working Capital) . Additionally, there is a net debt adjustment to capture tax provisions and other indebtedness on completion of the Proposed Acquisition.
Representations and warranties	The sale agreement includes customary representations and warranties and indemnities including relating to compliance with historical tax obligations.
Warranty and indemnity insurance	Nuchev expects to acquire a buy-side warranty and indemnity insurance policy in respect of warranties and indemnities given under the sale agreement. The policy is being finalised and is expected to provide cover for up to \$7.0m. The policy will contain customary terms including exclusions and limits of liability.

Offer Jurisdictions



This presentation has not been filed, lodged, registered, reviewed or approved by any regulatory authority in any jurisdiction and recipients of this presentation should keep themselves informed of, and comply with and observe, all applicable legal and regulatory requirements. This presentation does not constitute an offer (or the solicitation thereof) in any jurisdiction in which such an offer (or the solicitation thereof) is not permitted under applicable law.

Any failure to comply with this restriction may constitute a violation of the applicable securities laws. The recipient in any jurisdiction where distribution of this presentation is prohibited or restricted must inform itself of, and comply with, any such prohibitions or restrictions. If the recipient is in any doubt about any of the contents of this presentation, it should obtain independent professional advice. The recipient represents that it is able to receive this presentation without contravention of any unfulfilled registration requirements or other legal restrictions in the jurisdiction in which it resides or conducts its business.

No action has been taken or will be taken in any jurisdiction by Nuchev that would permit the possession or distribution of this presentation in any country or jurisdiction where specific action for that purpose is required.

This presentation does not constitute an offer of New Shares of Nuchev in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

United States

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to (i) "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act), and (ii) dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

New Zealand

This presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Disclaimer



This presentation is provided by Nuchev Limited (ACN 163 225 090) (Nuchev) to provide summary information about Nuchev and its respective subsidiaries (together, the Group) in relation to a pro-rata non-renounceable entitlement offer of fully paid ordinary shares in Nuchev (New Shares) to all eligible shareholders of Nuchev (Entitlement Offer). Wilsons Corporate Finance Limited (ABN 65 057 547 323) (AFSL 238383) is acting as lead manager (Lead Manager). Nuchev and the Lead Manager reserve the right to withdraw the Offer or vary the Offer. Statements in this presentation are made as at the date of the presentation and the information in this presentation remains subject to change without notice. The information in this presentation is of a general nature and does not purport to be complete, is provided solely for information purposes and should not be relied upon by the recipient. This presentation is not a prospectus, disclosure document or offering document under Australian law or under any other law. This presentation is not, and does not constitute, or form any part of, an offer to sell or issue, or the solicitation, invitation or recommendation to purchase any securities. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. This presentation does not purport to summarise all information that a recipient should consider when making an investment decision, and should not form the basis of any decision by a recipient.

Recipients should carry out their own investigations and analysis of the Group and verify the accuracy, reliability and completeness of the information contained in this presentation or any other form of communication to which the recipient is permitted access in the course of evaluating an investment in Nuchev.

No liability: To the maximum extent permitted by law, none of Nuchev, the Group or their respective affiliates or related bodies corporate or any of their respective officers, directors, employees and agents (Related Parties) or the Lead Manager, its respective affiliates or related bodies corporate or any of their respective officers, directors, employees and agents, nor any other person, accepts any responsibility or liability for, and makes no recommendation, representation or warranty concerning, the content of this presentation, Nuchev, the Group or Nuchev securities including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of or reliance on any of the information contained in this presentation or otherwise arising in connection with it.

Not financial product advice: Reliance should not be placed on the information or opinions contained in this presentation. This presentation is for informational purposes only and is not a financial product or investment advice or recommendation to acquire Nuchev securities and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. You should make your own assessment of an investment in Nuchev and should not rely on this presentation. In all cases, you should conduct your own research of Nuchev and the Group and analysis of the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of Nuchev, the Group and its business, and the contents of this presentation. You should seek legal, financial, tax and other advice appropriate to your jurisdiction.

Past performance: Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance: This presentation contains certain forward-looking statements with respect to the financial condition, operations and business of the Group and certain plans and objectives of the management of Nuchev. Forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms “believes”, “estimates”, “anticipates”, “expects”, “predicts”, “intends”, “plans”, “goals”, “targets”, “aims”, “outlook”, “guidance”, “forecasts”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which because of their nature may cause the actual results or performance of the Group to be materially different from the results or performance expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the political and economic environment in which the Group will operate in the future, which may not be reasonable, and are not guarantees or predictions of future performance. No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved, or that there is a reasonable basis for any of these statements or forecasts. To the full extent permitted by law, Nuchev, the Group and their respective affiliates and related bodies corporate and each of their respective Related Parties and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this presentation (including, but not limited to, any assumptions or expectations set out in the presentation).

Financial data: All figures in the presentation are Australian Dollars unless stated otherwise.

The distribution of this presentation in jurisdictions outside of Australia and New Zealand may be restricted by law and you should observe any such restrictions. This presentation may not be distributed or released in the United States, or any other jurisdiction which would be illegal. In particular, this presentation does not constitute any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any ‘US person as defined in Regulation S under the US Securities Act of 1933 (US Securities Act). The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares under the Entitlement Offer may not be taken up by, and the shares to be offered and sold in the Entitlement Offer may not be offered or sold, directly or indirectly, to any person in the United States or any person that is acting for the account or benefit of a person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any applicable US state securities laws. The shares to be offered and sold in the Entitlement Offer may only be offered and sold outside of the United States to person that are not acting for the account or benefit of persons in the United States in ‘offshore transactions’ (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

By attending an investor presentation or briefing, or by accepting, accessing or reviewing this presentation, you acknowledge and agree to the terms set out in this disclaimer.

