

**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**August 8th, 2011**

## **Heat gets Hotter with Outstanding New Board and Shareholders**

Leading cosmetics distributor The Heat Group is proud to announce the company has new blue chip shareholders and Board of Directors.

“With sales of almost \$80million and a commitment to continue with this success and growth, it was important we took a fresh look at our business, Board and shareholders to ensure we were well placed for future opportunities,” says Founder and Managing Director Gillian Franklin.

Investing in the company are leading businessman and former Director of the Reserve Bank of Australia Hugh Morgan AC, Senior Vice President of Ascent Pharmaceuticals Michael Story, ex-Managing Director of National Foods Ashley Waugh, and founder of Aspect Computing and current non-executive Director of Tatts Group and other companies, Lyndsey Cattermole AM. Two members of Heat’s highly regarded Executive team have also come onboard – CFO Ruth Richardson Clark and Marketing Director Clare Lubrano Di Diego.

The six new shareholders join Franklin and former shareholder Alan Chang of Wingo, one of Asia’s largest cosmetic manufacturers. The new team replace previous shareholders Carol Schwartz and Geoff Morgan.

“Heat is now the largest Australian cosmetic company and we are very proud of that. Our success over the past 10 years has been achieved with the expertise and commitment of our founding shareholders, in particular Carol and Geoff. We have enjoyed a terrific partnership with them and are appreciative of the financial and strategic support they provided to the business from start up to now,” explains Franklin.

“As we now commence our journey for the next 10 years, it was an opportune time to attract new and diverse expertise around our board table. With very ambitious plans, I am excited about this change and the prospects it brings,” says Franklin.

Mr Hugh Morgan will be the new Chairman of the company.

Shareholder biographies are included in press release.

**For further information and to interview Gillian Franklin please contact:**

Elisa Tubecki  
PR Manager  
The Heat Group

M – 0437 457 611

E – [elisat@heatgroup.com.au](mailto:elisat@heatgroup.com.au)

The Heat Group distributes leading cosmetic and accessory brands, Max Factor, COVERGIRL, Bourjois, Ulta3, NYC, Elite and Essence, and is recognised as one of Australia's most successful entrepreneurial companies. Founded in 2000, Heat prides itself on its unique company culture and sums this up in four words given to it by the Heat team: creative, dynamic, passionate, smart. To learn more about Heat go to [www.heatgroup.com.au](http://www.heatgroup.com.au)

## NEW SHAREHOLDER BIOGRAPHIES

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### **HUGH MORGAN**

Leading Australian businessman Hugh Morgan is the former CEO of Western Mining Corporation and former President of Business Council of Australia (2003-2005). The Howard Government appointed him to the Board of the Reserve Bank of Australia where he was the Director for 14 years.

Currently, he is the Principal of First Charnock, Chairman of the Order of Australia Association Foundation Limited, Trustee Emeritus of The Asia Society (New York), Patron of Creativity Australia, and Patron of The Song Room, Chairman of the JNF Environmental Scholarship Fund and President of the National Gallery of Victoria Foundation.

Morgan is a past Executive Committee Member of the World Business Council for Sustainable Development and past Co-Chair of the Commonwealth Business Council.

### **MICHAEL STORY**

Senior Vice President Operations Development of Ascent Pharmaceuticals, Michael Story is an expert in pharmacy with vast experience across brand development, market development and major pharmacy retail chains.

Prior to Ascent Pharmaceuticals, Story was General Manager for My Chemist/Chemist Warehouse taking the business from \$120million to \$900million. He was also imperative to the success of Sigma Pharmaceuticals over a 10 year period, increasing revenue and profit, and implementing the structural change from cooperative to ASX listed.

Story was responsible for the development of generic pharmaceutical business into new South East Asia markets, new products coming off patent and niche products with distribution opportunities. He also developed and managed strategic partnerships with Pfizer, Merck Sharp Dome, Glaxo and Lunbeck.

### **ASHLEY WAUGH**

Ashley Waugh's most recent role as Managing Director of National Foods boasted a company turnover of \$3billion. National Foods is the largest supplier to both Coles and Woolworths, and the brand portfolio includes household names including King Island Cheese, Yoplait, Pura Milk, Berri Juice and Just Juice.

Waugh has strong expertise in corporate governance, acquisitions, brand development, sourcing and overall strategic management. He was educated at London Business School, Duke University (The Fuqua School of Business) and Massey University.

### **LYNDSEY CATTERMOLE AM**

At age 25, Lyndsey Cattermole founded Aspect Computing, the largest Australian Software and Services Company, going on to be a major force in Australian ICT with 1300 employees. She remained as the Managing Director from 1974 to 2003, before selling the business to KAZ Group Limited.

Cattermole has been at the forefront of the Australian IT Industry including the Australian Computer Society, the Prime Minister's Science and Engineering Council, the Federal Government Electronic, Electrical and Information Industry Board, and the Multimedia Advisory Committee. She has also held many board and membership positions on a range of government, advisory, association and not for profit committees. In particular, she formed the Murdoch Children's Research Institute, one of Australia's largest biomedical research institutes.

Cattermole is currently a non-executive Director of Treasury Wine Estates, Tatts Group and PaperlinX Limited. She also holds directorships with the Melbourne Theatre Company, the Victorian Major Events Company, MPH Agriculture and Melbourne Rebels Rugby Union.

With a Bachelor of Science from the University of Melbourne, Cattermole is a Fellow of the Australian Computer Society.

### **RUTH RICHARDSON CLARK**

For over two years, Ruth Richardson Clark has been the CFO of The Heat Group. With a distinguished career across FMCG and professional services spanning a period in excess of 20 years, Richardson Clark commenced her career in the NSW Public Service. After joining a small chartered accounting public practice, she moved to Panel Kerr Forster (a second tier Chartered Accounting Firm) as an auditor. During this time, Richardson Clark worked on the National Foods Group account and was then offered a position at National Foods.

Richardson Clark moved to Melbourne and after eight years with National Foods, joined ERG Group, another listed company with offices in Australia and throughout Europe. After two years as Group Financial Controller in Australia, she took a role as the European Financial Controller based in Brussels. Richardson Clark then returned to Australia and commenced with The Heat Group.

### **CLARE LUBRANO DI DIEGO**

Lubrano Di Diego has been the Marketing Director of The Heat Group for almost a year. She knows the Australian cosmetics market intimately and has worked through all levels.

Lubrano Di Diego spent over 10 years with L'Oreal working in the Consumer Products and Professional Products divisions, and has valuable experience with L'Oreal, Maybelline and Garnier. Prior to this, Lubrano Di Diego worked on national and international accounts at the Publicis Advertising Agency in Paris for almost 10 years. Her fluent French is a great asset with the Heat distributed brand Bourjois, as well as her industry and strategic knowledge across all brands.

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