

EBOS Group

AGM 2013

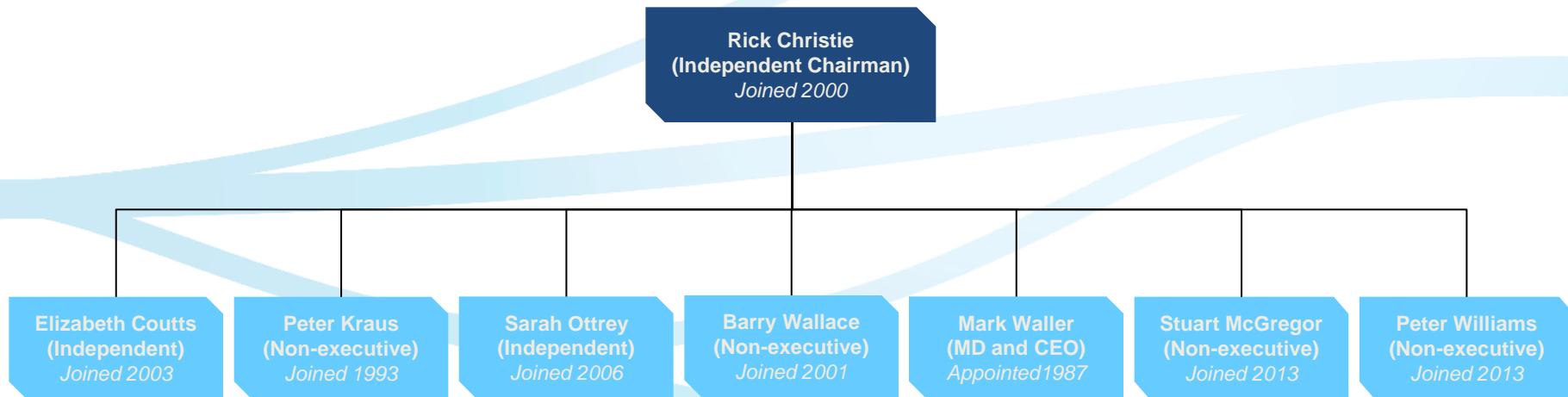
22 October 2013

Agenda

- Welcome
- Introducing the Board members
- Presentations:
 - Rick Christie – EBOS Chairman
 - Mark Waller – EBOS Managing Director
- Q&A
- Business of Meeting

Board of Directors

Experienced Board of Directors





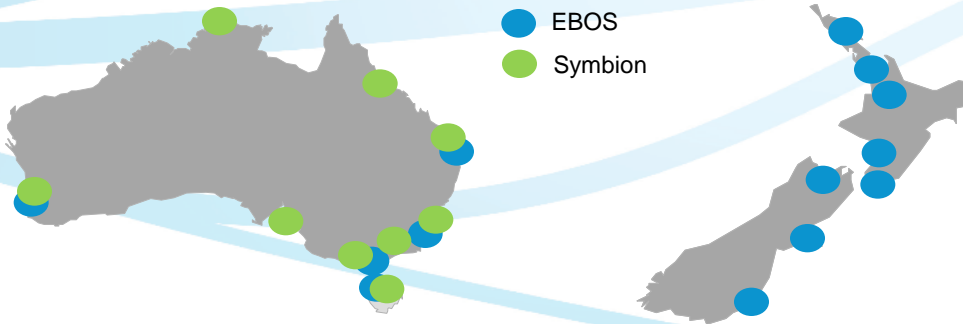
Rick Christie
Chairman's Address
AGM 2013

“THE MORE THINGS CHANGE THE MORE THEY STAY THE SAME”

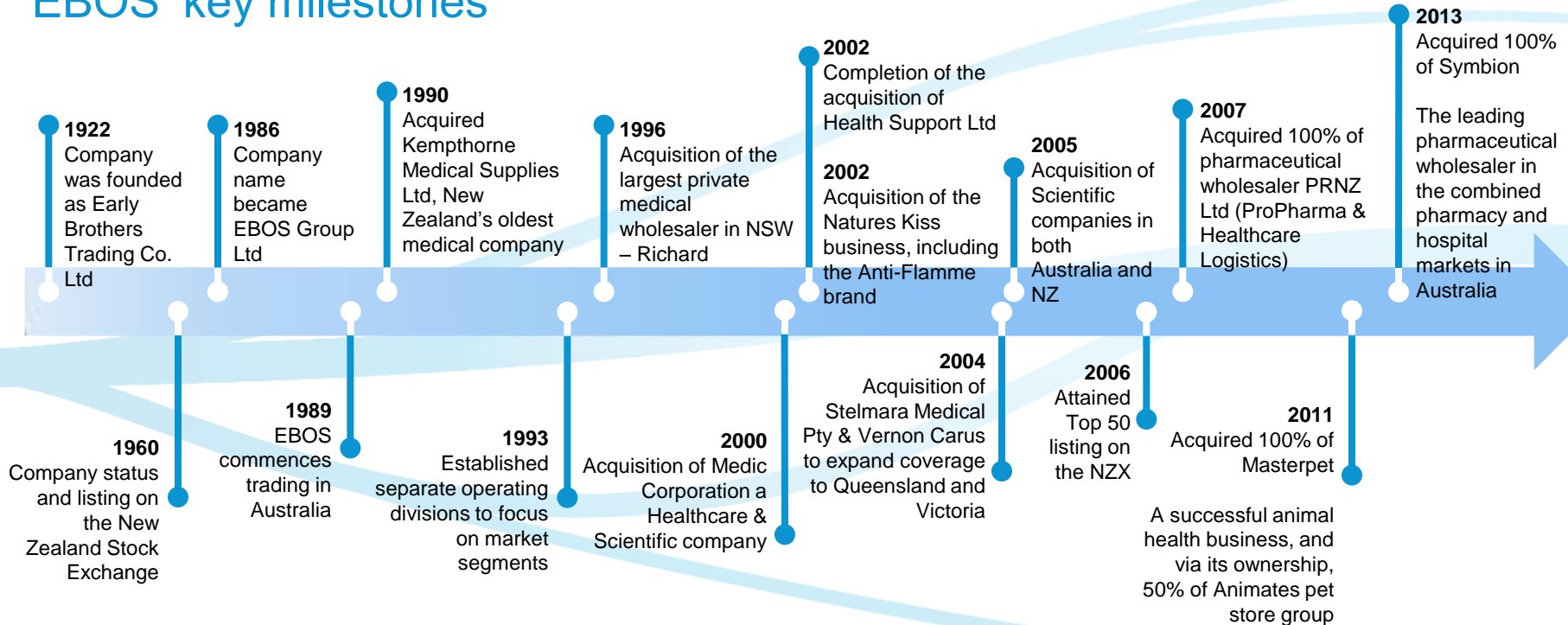
Momentous year in which EBOS became a true Trans Tasman leader in the areas of its core operations

The increased scale of EBOS will provide the critical infrastructure required by healthcare and animal care customers and suppliers

EBOS and Symbion operating locations



EBOS' key milestones



Another rewarding year for shareholders

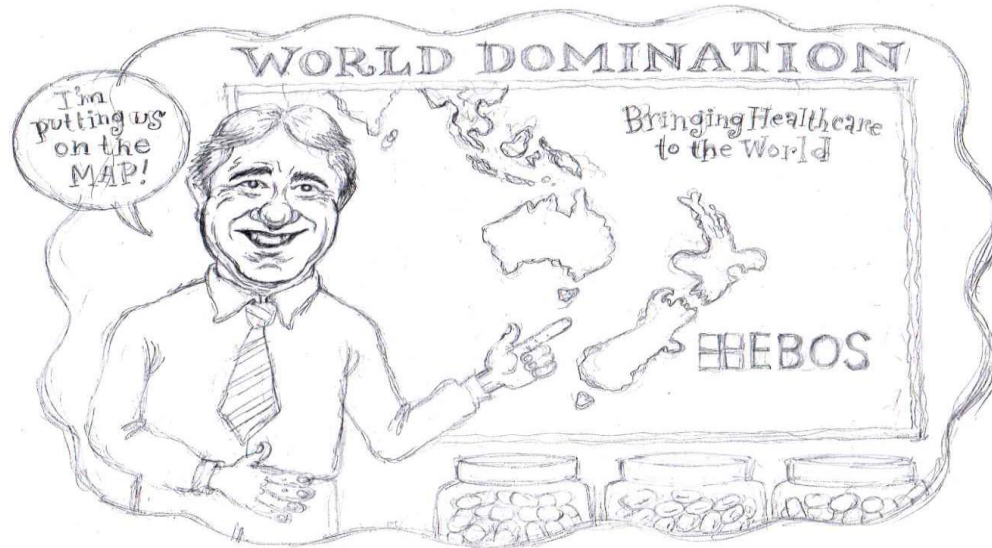
Positive market reaction to the Symbion acquisition

April: An interim dividend of 17.5 cents a share fully imputed

June: A two for 53 bonus issue of ordinary shares

October: A final dividend of 15 cents a share – partially imputed

Congratulations Mark



Recipient of the 2013 Champion Canterbury Award
“SPECIAL COMMENDATION” for Outstanding
Contribution to the Canterbury Community

Managing Director's Address: Mark Waller

Introduction

- Financial performance for year ending 30 June 2013
- Symbion transaction completed
 - Accompanied with a short Video Clip of Symbion's Greystanes plant
- How the company looks now
- PFI – how we are tracking to how we said we would
- Future Strategy
- Opportunities
- Investment philosophy

Reported Consolidated Income Statement for the Financial Year Ended 30 June 2013

	<u>2013</u>	<u>2012</u>	
	NZ\$ million	NZ\$ million	
REVENUE	1,823.20	1,428.70	+27.6%
EBITDA	58.2	46.9	+24.1%
EBIT	51.8	43.0	+20.5%
EBT	42.2	36.1	+16.9%
(TAX)	(14.0)	(8.2)	
NPAT	28.2	27.9	

Income Statement Excluding Symbion Acquisition # for the Financial Year Ended 30 June 2013

	<u>2013</u>	<u>2012</u>	
	NZ\$ million	NZ\$ million	
REVENUE	1,482.20	1,428.70	+ 3.7%
EBITDA	53.6	46.9	+14.4%
EBIT	49.2	43.0	+14.4%
EBT	41.1	36.1	+13.9%
(TAX)	(11.6)	(8.2)	
NPAT	29.5	27.9	+ 5.5%
























(# Excludes Symbion results for June 2013 and associated one-off transaction costs)

Symbion Transaction Overview

- Symbion transaction positions EBOS as mainstream player of significant scale in Australian and New Zealand healthcare and animal care.
 - No1 in combined pharmacy and hospital pharmaceutical wholesale distribution in NZ and Australia
 - No1 pharmacy wholesaler in NZ
 - No2 pharmacy wholesaler in Australia
 - No1 hospital pharmaceutical distribution in NZ
 - No1 hospital pharmaceutical distribution in Australia
 - No1 and 2 in pre-wholesale and 3PL in New Zealand and Australia
- Well placed to adapt to Australian healthcare reform by leveraging NZ experience.
- Symbion management has demonstrated capability to grow business – 15.2% CAGR in EBITDA 2007-12.
- Increased capabilities to take advantage of new and existing opportunities
 - 3PL in Australia
 - Animal care
 - Quality brand and product offering across all channels
 - Leverage Symbion expertise in veterinary wholesale
- Increased scale allows operational efficiencies
 - Optimise use of premises, operations and back office functions

A greater breadth of service offering and capability

Complementary businesses with a high degree of alignment, 89% overlap

HEALTHCARE					ANIMAL CARE
Logistics and Distribution	Manufacturer Services	Pharm. & Hospital Wholesaling	Sales & Marketing	Retail brands & Services	Veterinary / pet products
<p>3rd party distribution & logistics solutions. Distribution systems and electronic ordering of supplies for healthcare providers</p>	<p>Product management solutions to pharmaceutical companies. Clinical trial logistics and depot services</p>	<p>Specialist wholesaler and distributor of ethical, OTC and consumer products to pharmacies and public and private hospitals</p>	<p>Sales and marketing of a wide range of healthcare products across consumer, primary care, hospital, aged care and international markets</p>	<p>Retail pharmacy brand ownership, sales of branded product and operation of pharmacy support and management systems</p>	<p>Veterinary wholesaler, distributor and retailer of animal healthcare products, pet accessories and premium foods across Australasia</p>
  		 	 		  
 	 	 	 	   	

Prospective Information 6 months ended 31 December 2013

NZ\$ *

Forecast (PFI) numbers for our first 6 months were:

- | <u>REVENUE</u> | <u>EBITDA</u> | <u>EBT</u> | <u>NPAT</u> |
|----------------|---------------|------------|-------------|
| \$3.17bn | \$103.6m | \$69.6m | \$48.7m |
- Earnings per share 33c (based on 147.3m shares) – up 13% of first half 2013.
 - Net debt \$383m.
 - Net Cash Surplus from operations \$42.7m.

* **PLEASE NOTE:**

Reported NZ\$ earnings will be affected by the actual versus forecast NZD/AUD exchange rate

AT THE END OF OUR FIRST QUARTER WE ARE ON TARGET

Future strategy

Leverage the combined group's scale and broad set of capabilities to enhance revenue growth and margin improvement

Healthcare

- Expand 3PL offering in Australia using Symbion's scale / infrastructure and EBOS' 3PL expertise
- Expand the existing EBOS Australian medical consumable business utilising Symbion's scale and infrastructure
- Increase contribution from business activities that are less reliant on government policy e.g. OTC products and clinical trials
- Leverage group buying power and management expertise

Animal care

- Expand into veterinary wholesale in New Zealand
- Utilise combined Australian resources to significantly enhance both Lyppard's and Masterpet's market presence
- Leverage group buying power and management expertise

Opportunities

Further acquisitions possible to extend offering.

- Clearly Symbion has been our focus
- We get to see a lot of companies
- We have the financial head room for the right acquisition

HBL preferred bidder status and finalisation of contract with Ministry of Health creates platform for step-up in logistics expertise

- Potentially very significant transaction for us
- Speaks to our logistics capability
- It is a big tick of approval by the government

Investment Philosophy



Proven Model

Do no harm

Buy good companies

...with good management

...at attractive multiples

... that add to our core competences in healthcare and animal care

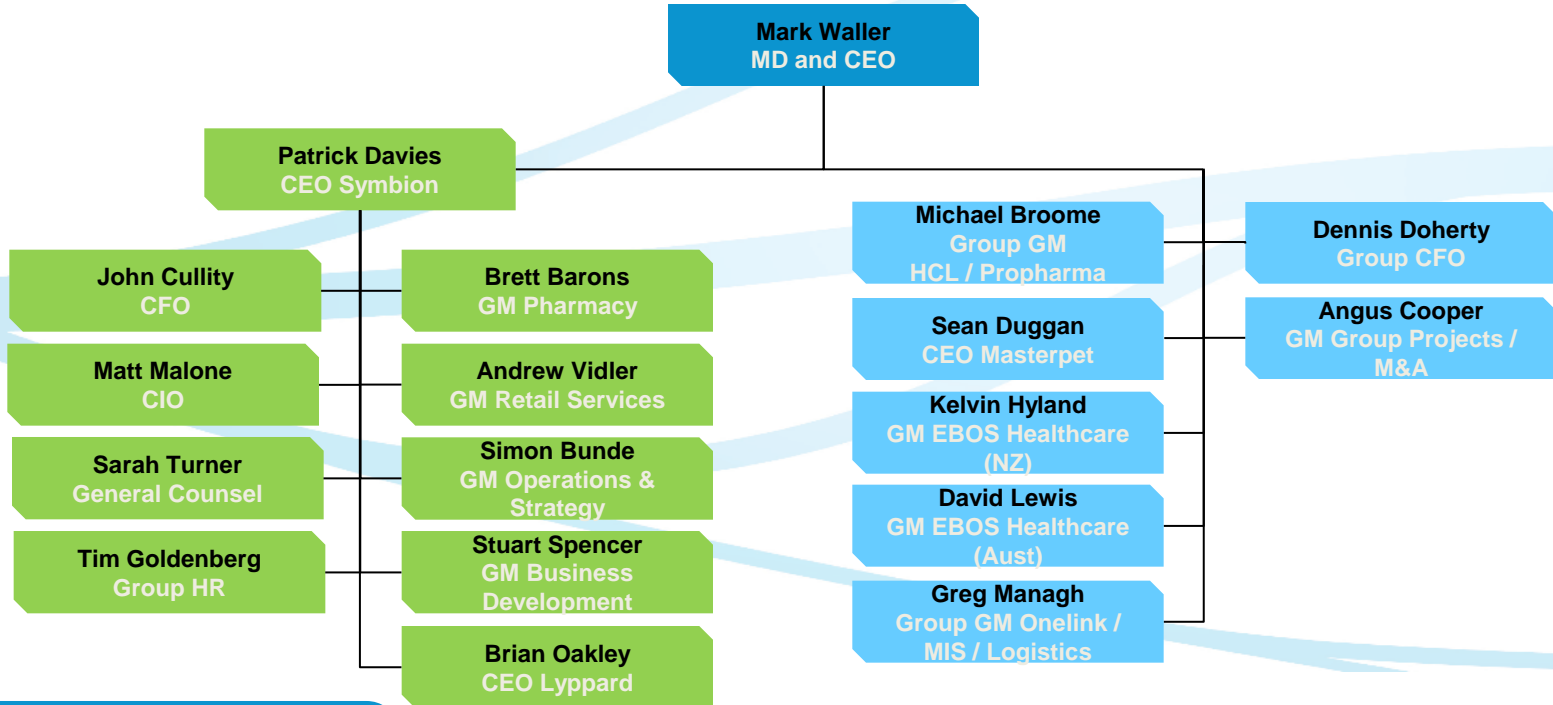
We've been doing this a long time and we plan on keeping going

Proven track record of performance

- 20 investments in 12 years
- Revenue growth from \$80.8m to \$6b in 12 years
- Returns over the past 10 years of 19% p.a.
- EBITDA CAGR of 8.7% 2007-12

Management team

Highly skilled executive management team



Q&A

RESOLUTIONS

Resolution 1

‘To consider and receive the Annual Report and the financial statements for the year ended 30 June 2013 and the audit report thereon’

Resolution 2

To consider the re-Election of Rick Christie as a director of the Company.

Resolution 3

To consider the re-Election of Sarah Ottrey as a director of the Company.

Resolution 4

To consider the re-Election of Peter Kraus as a director of the Company.

Resolution 5

To record the reappointment of Deloitte as Auditors



Refreshments