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EBOS announces agreement to acquire all minority shares in Terry White Group Limited

EBOS Group Limited (EBOS) is pleased to announce that it has reached agreement with Terry White Group Limited (TWG) to acquire all of the minority shares in TWG by way of scheme of arrangement. If the scheme is implemented, TWG will become a 100% owned subsidiary of EBOS.

EBOS, through its wholly owned subsidiary EBOS PH Pty Ltd, currently holds just over 50% of the shares in TWG, originally acquired on 31 October 2016 when the former Terry White Group merged with the EBOS-owned Chemmart business.

EBOS Chief Executive Officer, John Cullity said that EBOS has a long-standing relationship with TWG and that its move to full ownership at this time would provide a number of economic and strategic benefits to both EBOS shareholders and TerryWhite Chemmart franchisee members.

“TerryWhite Chemmart (TWCM) represents one of the largest retail pharmacy networks in Australia and has developed a distinct brand proposition in a highly competitive market.”

“EBOS is committed to achieving long-term sustainable growth for TWG and TWCM members and a strongly resourced management company is critical in the face of a highly competitive and evolving retail pharmacy sector and continuing industry reforms,” Mr Cullity said.

“We’re confident that TWCM’s distinct offering, together with a strong, proven retail capability make TWG a highly scalable business. EBOS’ move to full ownership at this time is a natural progression of the strong relationship that has been built between EBOS and TWG.”

EBOS Chairman, Mark Waller said today’s announcement reinforces EBOS’ ongoing commitment to TWCM members.

“EBOS has long been committed to building TerryWhite Chemmart into a stronger, more competitive and dynamic retail network,” Mr Waller said.

“Working together with a major integrated healthcare organisation such as EBOS will enable TWG to achieve the scale and strength required to fulfil its potential to become Australia’s pre-eminent health-focussed retail pharmacy group.”

The acquisition is for cash consideration of approximately AUD\$50 million and is forecast to be earnings per share accretive in FY19.

The acquisition is subject to a number of conditions, including TWG minority shareholder approval. Subject to the satisfaction or waiver of those conditions, the transaction is expected to complete in late December 2018.

For the 2018 financial year, EBOS delivered a record NPAT of \$149.6 million. The results reflect a year of strong organic growth combined with the added benefit of a number of strategic acquisitions.

EBOS Group Limited is the largest and most diversified Australasian marketer, wholesaler and distributor of healthcare, medical and pharmaceutical products. It is also a leading marketer and distributor of recognised consumer products and animal care brands.

For further information, please contact:

Media:

New Zealand

Geoff Senescall, Senescall Akers
+64 21 481 234

Australia:

James Aanensen
PRX
+61 410 518 590

Investor Relations:

Mark Connell
Investor Relations Manager, EBOS Group Ltd
+61 402 995 519