



96TH ANNUAL MEETING

16 October 2018



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All currency amounts are in New Zealand dollars unless stated otherwise.



2018 Annual Meeting
Chairman – Mr Mark Waller

AGENDA

- Welcome

- Introducing members of the Board

- Presentations
 - Mark Waller, Chairman
 - John Cullity, Chief Executive Officer

- Business of meeting

- Conclusion

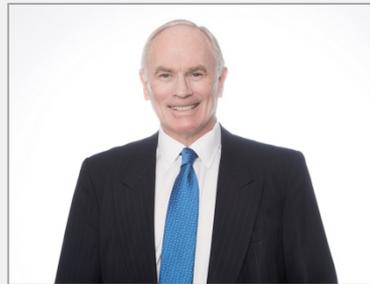
BOARD OF DIRECTORS



Mark Waller
Independent Chairman of
Directors
Appointed 1987
Appointed Chairman 2015



Elizabeth Coutts
Independent
Director
Joined 2003



Stuart McGregor
Non-executive
Director
Joined 2013



Sarah Ottrey
Independent
Director
Joined 2006



Peter Williams
Non-executive
Director
Joined 2013

FY18 SUMMARY RESULTS

NZ\$m	FY18	Reported FY17	Var%	Constant FX Underlying Var% ²
Revenue	7,609.5	7,625.9	(0.2%)	(2.5%)
EBITDA	272.4	234.4	16.2%	10.3%
NPAT¹	149.6	133.3	12.2%	5.5%
Earnings per Share (cents)	98.5c	87.8c	12.1%	5.4%
Total Dividends (cents)	68.5c	63.0c	8.7%	

Note 1: Net profit after tax and non-controlling interests.

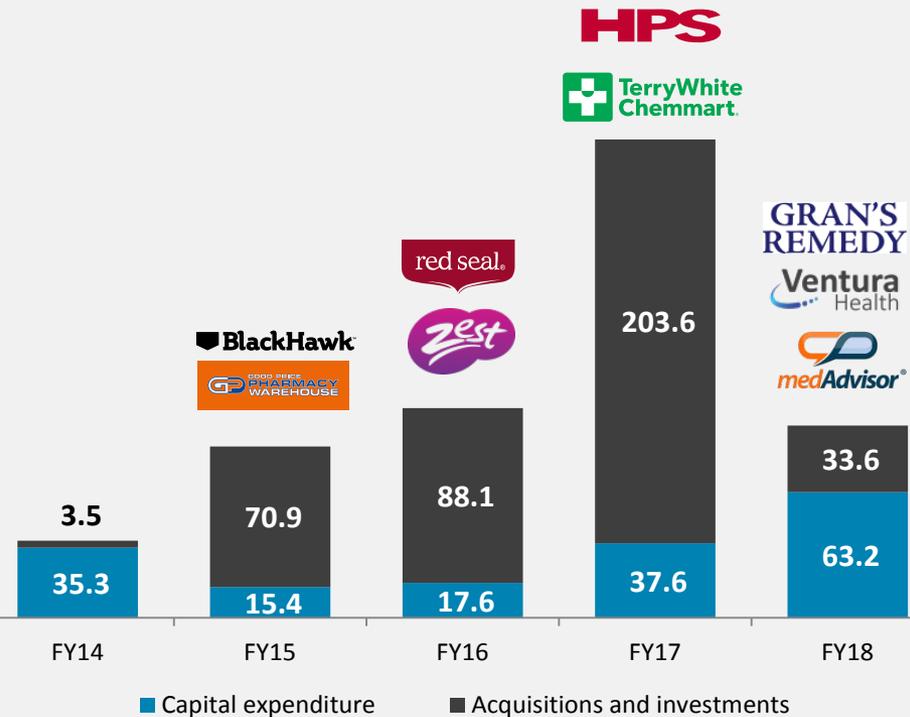
Note 2: Calculated on a constant FX and underlying basis that excludes transaction costs incurred on prior year acquisitions.

5 YEARS POST SYMBION DEAL

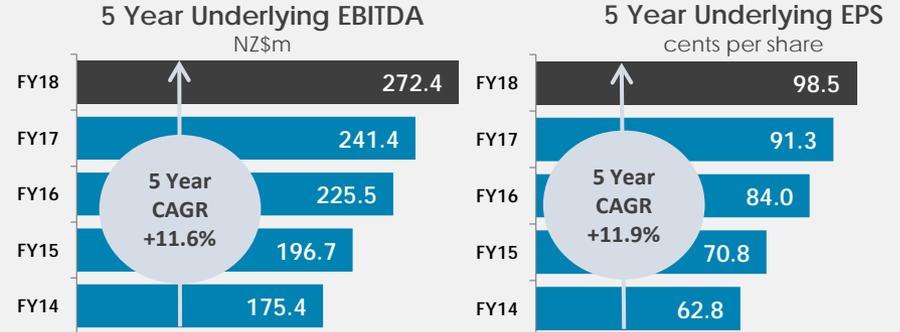
We continue to deliver results whilst reinvesting for growth

Investments made (NZ\$m)

\$569m over last 5 years



Results achieved

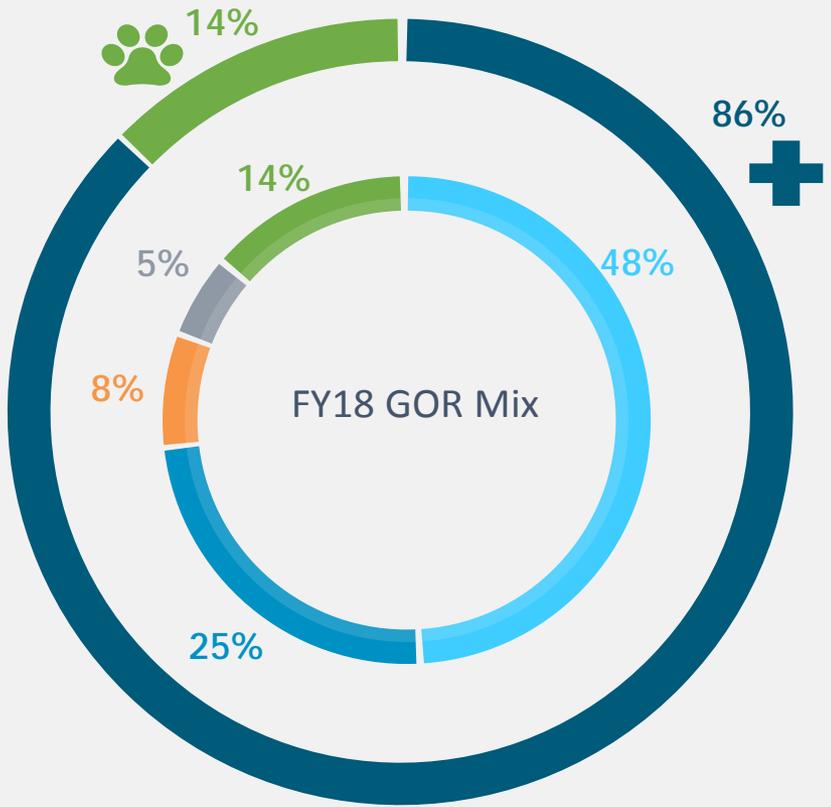


EBOS Share Price (NZ\$) Last 5 Years performance



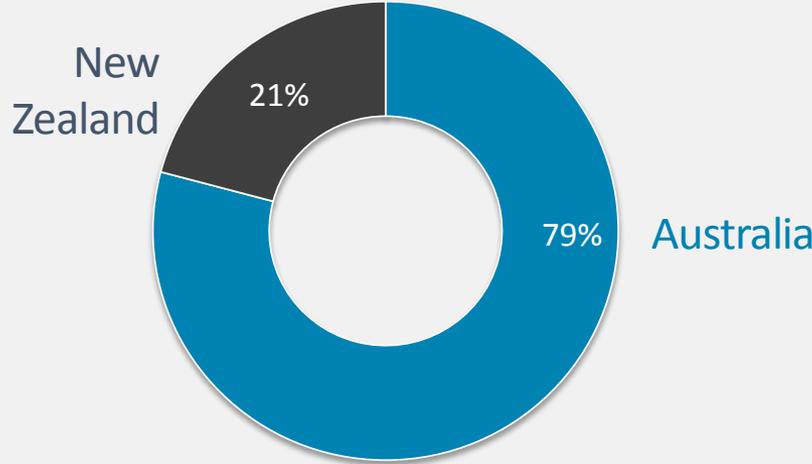
BUSINESS SEGMENT OVERVIEW

Gross Operating Revenue (GOR) FY18

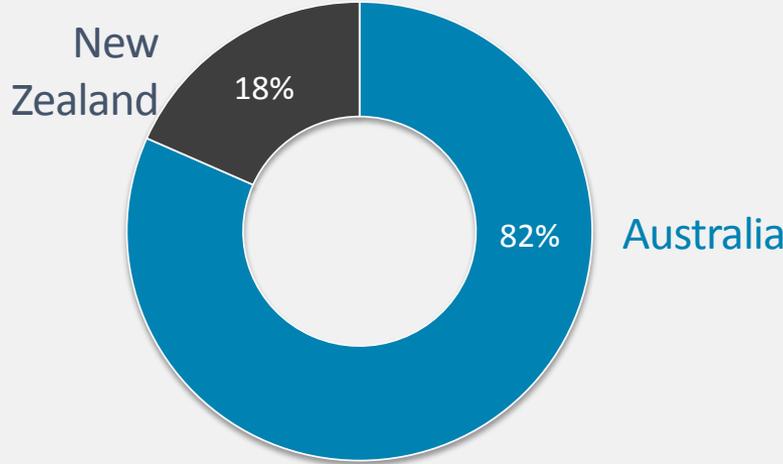


- Health Care
- Pharmacy (Wholesale and retail)
- Contract Logistics
- Animal Care
- Institutional Healthcare
- Consumer Products

FY18 Revenue by country



FY18 EBITDA by country



EBOS STRATEGIC APPROACH



Our Healthcare and Animal Care strategic focus is centred on



Investing for Growth

Two types of investments:

- **Acquisitions:** we have a successful track record of deal execution.
- **Internal Capex:** investment to lift productivity, manage costs and deliver better customer service.

Leading Market Positions

We aim to have positions of scale in the markets we operate in and maximise opportunities across our wide range of businesses wherever possible.

Disciplined Capital Management

- Cash generation to drive scope for further investment which allows for dividends to be paid in the range of 60-70% of Net Profit After Tax.
- Acquisitions and new business focus on supporting the Group's return on capital employed.

We focus on delivering profitable growth and superior returns



2018 Annual Meeting
CEO – Mr John Cullity

2018 STRATEGIC HIGHLIGHTS

Investments and New Business

Investments of \$33.6m made in FY18

- 14.1% investment in ASX listed, MedAdvisor Ltd (October 2017). Australia's leading digital medication management company.
- Acquisition of Gran's Remedy (March 2018). New Zealand leading foot care consumer health brand.
- Acquisition of Ventura Health (April 2018). Management company of Australian pharmacy retail group.
- HPS acquired in June 2017 and fully integrated.

Capex of \$63.2m in FY18

- A new 25,000m² Contract Logistics facility in Sydney opened in June 2018.
- New highly automated wholesale distribution centre opened in Brisbane on 15 October 2018.



New Sydney Contract Logistics facility.



New Brisbane wholesale distribution facility

2019 BUSINESS & INVESTMENT UPDATE

We have made an active start to the FY19 year

Previously announced – 2 July 2018 – Chemist Warehouse tender win

- In July 2018, EBOS was notified it won the tender to act as the exclusive third party distributor of pharmaceutical products to more than 400 Chemist Warehouse and My Chemist stores in Australia.
- EBOS expects to enter into a five-year supply agreement, to take effect from 1 July 2019, with the potential for an extension of a further 3 years.
- EBOS estimates that sales to the Chemist Warehouse Group stores will generate approximately A\$1 billion in revenue in the first year of operations.



New acquisition

- In September 2018, EBOS acquired **Warner & Webster**, a medical & surgical supplies wholesaler with operations in Victoria and South Australia. The business focuses on servicing Primary Care (GP's) and Aged care and strengthens our EBOS Healthcare business in Australia.



CORPORATE VIDEO

- The corporate video that will be shown at the Annual Meeting can be viewed on the EBOS Group website at www.ebosgroup.com

FY18 SEGMENT PERFORMANCE



HEALTHCARE

NZ\$m	FY18	FY17	Var	Constant FX Var
Revenue	7,197.6	7,202.7	(0.1%)	(2.3%)
EBITDA	235.9	208.8	13.0%	10.4%
EBIT	205.2	187.1	9.7%	7.2%
EBITDA%	3.28%	2.90%	38pts	38pts

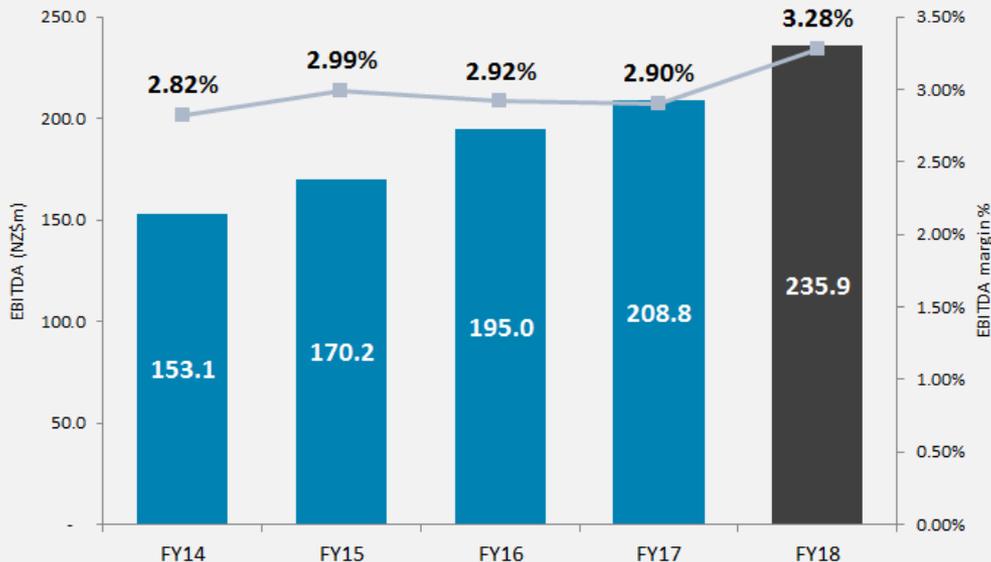
EBITDA increase of \$27.1m or 10.4% (constant FX):

- Australia up 11.9% assisted by the full year contributions of HPS (acquired June 2017) and TWC (acquired October 2016).
- New Zealand up 4.6%.

Revenue decrease of \$5.1m or 2.3% (constant FX):

- Australia down 4.4% due to FY18 hepatitis C revenue being \$364m lower than last year (constant FX). Monthly HepC sales were steady in the second half of FY18.
- New Zealand revenue up 6.2%, with growth from all business units.

FY14 to FY18 – EBITDA and EBITDA %



FY18 SEGMENT PERFORMANCE



ANIMAL CARE

NZ\$m	FY18	FY17	Var	Constant FX Var
Revenue	411.9	423.2	(2.7%)	(5.1%)
EBITDA	49.8	44.7	11.3%	9.0%
EBIT	46.2	41.2	12.2%	9.8%
EBITDA%	12.08%	10.57%	151pts	151pts

EBITDA increase of \$5.1m or 9.0% (constant currency):

- Black Hawk sales growth in Australia of 23%.
- Earnings were negatively impacted by \$3.3m: due to costs associated with the launch of Black Hawk in New Zealand and exiting the Mars agency business.
- EBITDA margin% increase reflects our strategic focus on developing our key brands.

FY14 to FY18 – EBITDA and EBITDA %



FY19 TRADING UPDATE

- We have made a solid start to the first quarter of FY19, with strong growth in Animal care and modest underlying growth in Healthcare attributable to increasingly competitive market dynamics.
- On the basis of our current trading performance, we expect the Group to generate underlying earnings growth in FY19 with further growth forecast into FY20 as we commence servicing the Chemist warehouse volumes.



2018 Annual Meeting Business of the Meeting

ITEM 1

Annual Report and Financial Statements

- To consider and receive the annual report and the financial statements for the year ended 30 June 2018 and the audit report thereon.

ITEM 2

Director re-election – Elizabeth Coutts

To consider the re-election of Elizabeth Coutts as a director of the Company. Elizabeth Coutts retires by rotation and being eligible offers herself for re-election.

Elizabeth Coutts

ONZM, BMS, CA

Independent Director



Elizabeth Coutts was appointed to the EBOS Group Limited Board in July 2003. She is Chairman of the Audit and Risk Committee and a member of the Remuneration Committee. She is Chair of Ports of Auckland Ltd, Urwin & Co Limited, Oceania Healthcare Ltd and Skellerup Holdings Limited and Director of the Yellow Group of Companies and Tennis Auckland Region Incorporated and Member, Marsh New Zealand Advisory Board. She is President of the Institute of Directors Inc.

Elizabeth is a former Chairman of Meritec Group, Industrial Research and Life Pharmacy Limited, former director of Air New Zealand Limited, the Health Funding Authority and Sanford Limited, former Deputy Chairman of Public Trust, former board member of Sport NZ, former member of the Pharmaceutical Management Agency (Pharmac), former Commissioner for both the Commerce and Earthquake Commissions, former external monetary policy adviser to the Governor of the Reserve Bank of New Zealand and former Chief Executive of the Caxton Group of Companies.

ITEM 3

Director re-election – Peter Williams

To consider the re-election of Peter Williams as a director of the Company. Peter Williams retires by rotation and being eligible offers himself for re-election.

Peter Williams

Non-executive Director



Peter Williams was appointed to the EBOS Group Limited Board in July 2013. Peter has been an executive of The Zuellig Group since 2000. Peter is a director of Pharma Industries Limited, Green Cross Health Limited and CB Norwood Pty Ltd. He is also a director of Cambert, a company marketing health and personal care products in South East Asia.

ITEM 4

Auditor fees and expenses

- That the directors be authorised to fix the fees and expenses of Deloitte as the auditor of the Company.

**Thank you for
attending**

**Please join us for
refreshments**



www.ebosgroup.com

