



2016

Chair's Address

Professor Andrew Vizard
Chairman

24 November 2016

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Vertically integrated business model across the animal health value chain



FY16 Statutory Financial Results

Revenue
\$54.1m

Up \$5.5m from
FY16 prospectus
statutory forecast
of \$48.6m

EBITDA
\$2.1m

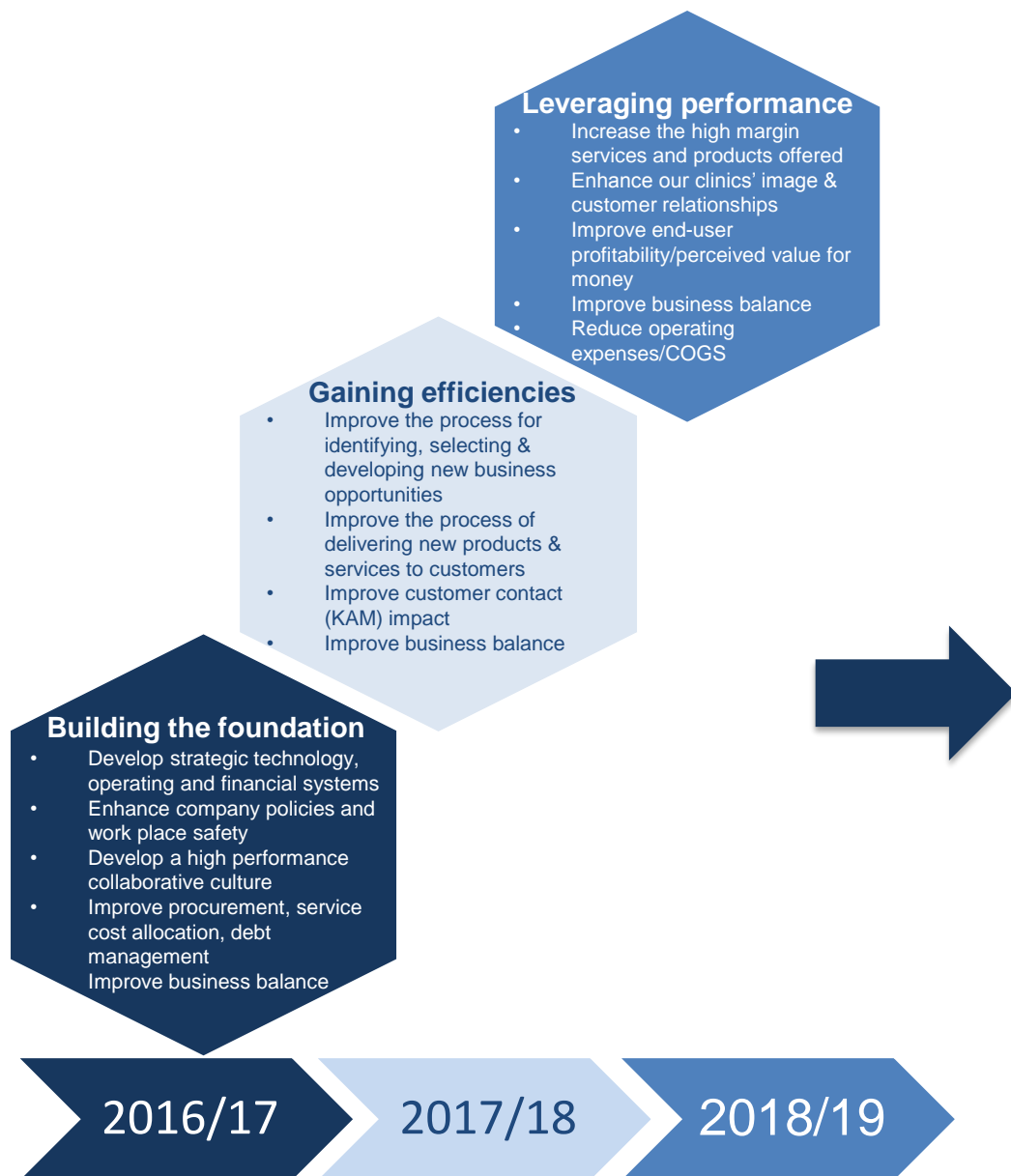
Up \$0.3m vs FY16
prospectus statutory
forecast

NPBT
\$1.1m

Up 94.5% vs FY16
prospectus
statutory forecast



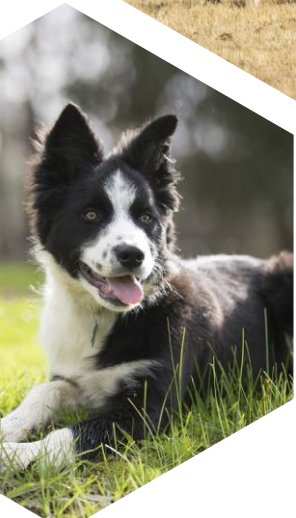
Strategic roadmap: three year plan



Apiam has a robust three phase plan built on a solid foundation of strategic systems, policies and continuous improvement.



FY16 Building the Foundation Highlights



- Develop strategic technology & services, operating and financial systems
- Develop a high performance, collaborative culture
- Enhance company policies and workplace safety
- Improve procurement, service cost allocation and debt management
- Improve business balance and growth

Develop strategic technology & services, operating and financial systems

- Development of integrated systems and processes that improve efficiencies, reduce risk.
- Hive People and Culture system facilitating setting of KPIs aligned with business strategy
- Scoping of finance and practice management integrated platform (ERP and PMS)
- Customer data management systems



Customer data management systems to improve efficiencies

Develop a high performance, collaborative culture

- Retain and leverage intellectual capacity within the business
- Expert knowledge exchange and collaboration across Company
- Focused investment in people and culture:
 - Accelerated Graduate Program
 - Veterinary Services Advisory Committees
 - Key Account Managers
 - Employee Assistance Program (EAP)
 - Intranet development and deployment



Accelerated Graduate Program in place



Collaborative approach to knowledge dissemination and service development



Key Account Managers being phased in to support acquisition clinics

Enhance company policies and workplace safety

- Establishing a WHS framework to provide a safe working environment
- Corporate Policies and Procedures to decrease risk and ensure the same standardised processes are followed across the business



Ensuring the safety of our staff is a priority



Improve procurement, service cost allocation and debt management

- Agreements with key suppliers have been secured and implemented
- Improve working capital by implementing debtor day policy and systems
- Improve inventory control



Improve business balance and growth

- Acquisitions subject to strict selection criteria
- Extending ancillary services

QVG Acquisition

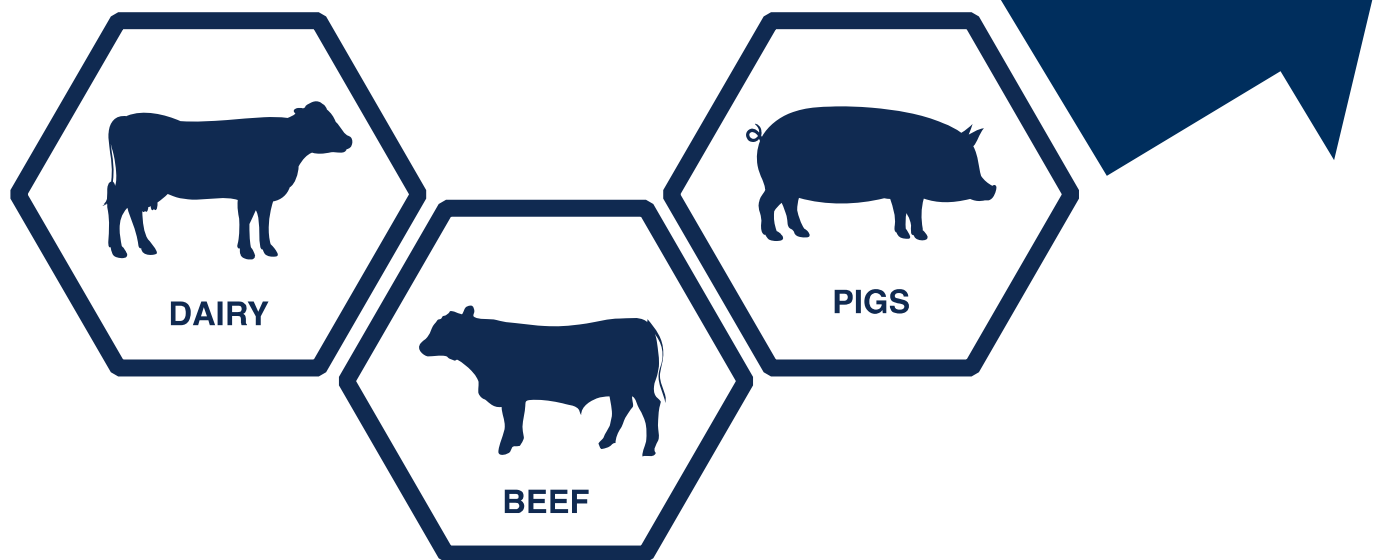


Quirindi Vet Group overview :

- One of Australia's largest rural veterinary groups
- Located in Liverpool Plains, NSW
- Business services:
 - veterinary services to large beef production systems throughout Australia (Quirindi Feedlot Services)
 - Equine reproductive services at custom built centre near Scone, NSW
 - Livestock and companion practice in Quirindi
- Revenue of \$12.2m in FY16



Industry fundamentals are favourable



Strategic roadmap: three year plan



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