

ASX & Media Release

Apiam Animal Health Limited

(ASX: AHX)

FY17 Full Year Revenue & Earnings Guidance

Melbourne, May 26, 2017 – In preparing to report on its first full 12-month reporting period in 2017 since listing on the ASX in December 2015, Apiam Animal Health Limited (**Apiam** or the **Company**) is providing the following trading and outlook update for the 2017 financial year (**FY2017**).

In line with the revenue outlook provided in the Company's Half Year Report lodged with the ASX in February 2017, we confirm that revenue for FY2017 is anticipated to be in the range of approximately \$96-\$98 million, and report that underlying EBITDA is anticipated to be in the range of approximately \$7.2-\$8.5 million.

As previously advised, the Company's focus has been to continue to execute its three-year strategic plan, with a focus on successfully integrating acquired businesses and building a platform for future growth with the capacity to deliver revenue synergies, organic growth and strategic acquisitions.

An important component of this integration process has been the investment in an Enterprise Resource Planning (**ERP**) system which went live on May 1, 2017 – on time and on budget. The Practice Management System (**PMS**) will now be rolled out across all of clinics over FY2018 and is expected to deliver synergies on revenue and operating costs.

In anticipation of expected growth, and as additional initiatives are being implemented, the Company's cost base has increased as a result of investment in systems and resources, which are essential to its growth plans. Also there has been a small reduction in gross margin as a result of business mix.

Apiam's business strategies and long term value creation objectives are on track, notwithstanding the inherent challenges and volatility in some of the segments in which the Company operates.

The Company continues to identify strategic acquisitions to leverage our cost base once our integration platforms are in place.

The Company also recently opened a satellite clinic at Nathalia clinic in Northern Victoria, as part of its ongoing program to expand its footprint and ability to service rural customers, through these clinics.

The strategic benefits of such future acquisitions and satellite clinics will further strengthen the Company's positioning as the leader in regional and rural veterinary services.

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For further information, please contact:

Dr Chris Richards
Managing Director
Apiam Animal Health Limited
chris@apiam.com.au

Kyahn Williamson
WE Buchan
03 9866 4722
kwilliamson@buchanwe.com.au

About Apiam Animal Health Limited

Apiam Animal Health is positioned in the Australian market as a vertically integrated animal health business providing a range of products and services to Production and Mixed animals. Apiam Animal Health's strategy is to service Production and Mixed animals throughout their lifecycle, including the provision of veterinary services, ancillary services, genetics, wholesale and retail of related products, together with technical services related to food-chain security.