

ASX RELEASE

Apium Animal Health Limited (ASX: AHX)

Apium releases H1 FY2019 Results Diversified business model underpinning growth

Melbourne, February 25, 2018 – Apium Animal Health Limited (**Apium** or the **Company**) today released its financial results for the 6 months to 31 December 2018 (H1 FY2019).

The key highlights from Apium's results were:

- Robust and diversified business model underpinning growth across market cycles and varying industry conditions;
- Revenue of \$56.0 million in H1 FY2019, representing 10.4% growth over H1 FY2018 (pcp). Excluding the impact of acquisitions, revenue grew at 2.0% vs pcp;
- Gross profit of \$28.5 million (+16.4% vs pcp) driven by a targeted change in business mix towards higher value, lower volume transactions. Excluding the impact of acquisitions, gross profit grew at 3.8% vs pcp;
- Underlying EBITDA of \$5.0 million in H1 FY2019 (+11.0% vs pcp)¹;
- Underlying NPAT of \$2.0 million (in-line with pcp)¹;
- Successfully executing strategic plan to build process and capacity, grow animal numbers and leverage services and products across footprint;
- Continued cost management focus with limited operating expense growth (excluding acquisitions and new clinic costs);
- New market opportunities such as genetic exports and product distribution on-track to provide complementary and counter-seasonal revenue streams;
- Apium on-track to deliver revenue and earnings growth in FY2019; and
- Interim dividend of 0.8 cents per share, fully franked.

Apium's Managing Director, Dr Chris Richards, said:

"Apium has delivered another period of solid growth, despite drier conditions in some of our regional operating areas, industry conditions and market cycles. The strength of our diversified business model and new business initiatives have underpinned our growth. I am pleased that a targeted change in our business mix has also delivered results with gross profit improving 16% half on half. Our operating expenses continue to be a key focus for management, with operating expense growth before acquisitions and new clinic costs being limited to 0.9% compared to pcp."

"Expansion of product distribution, entry into international markets and growth in the companion animal market is expected to continue to deliver growth in the second half. We will also continue

¹ Underlying EBITDA and NPAT exclude one-off acquisition, integration & corporate restructuring expenses totalling \$0.5M (pre-tax) in H1 FY2019 (tax effected where applicable at NPAT level).

our strategic focus on Apiam's key business drivers and expect to deliver revenue and underlying earnings growth in FY2019."

H1 FY2019 Conference Call Details

Investors are invited to join a conference call hosted by Managing Director Chris Richards and Chief Financial Officer Matt White at 10am AEDT on Monday 25th February 2019.

To access the call please use the dial in details below.

Conference ID: 121103

Australia Toll Free:	1 800 558 698
Alternate Australia Toll Free:	1 800 809 971
Australia Local:	02 9007 3187
New Zealand Toll Free:	0800 453 055
NZ Local (Auckland):	09 929 1687
NZ Local (Wellington):	04 974 7738
NZ Local (Christchurch):	03 974 2632
China Wide:	4001 200 659
Canada:	1855 8811 339
France:	0800 913 848
Germany:	0800 182 7617
Hong Kong:	800 966 806
India:	0008 0010 08443
Japan:	0053 116 1281
Malaysia:	1800 816 294
Singapore:	800 101 2785
South Korea:	00 798 142 063 275
South Africa:	0800 999 976
UAE:	8000 3570 2705
United Kingdom:	0800 051 8245
United States:	(855) 881 1339

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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 8866 1214
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.