



**Chief Executive Officer – Elect**  
**AGM Address**  
**Wednesday 25 January 2016**

Thank you Stephen and thank you Chairman.

Good afternoon everyone and at the outset I'd like to say that it is a privilege to be appointed to the CEO role and to speak with you today. I also echo Stephen's sentiments regarding the good performance and position of the company.

I've been part of the team that has developed the company strategy and I have every confidence that we can build on this and continue to deliver value for shareholders.

We will continue to be diligent with our financial management as we look to exploit organic growth through the Priceline Pharmacy brand which retains a strong pipeline of stores looking to join the brand. There is no other retailer of our scale in this sector with a brand for women that has our strength of brand marketing assets. When complemented by our consistent Pharmacy Distribution assets we have the right foundations. If other opportunities arise that make sense for us to pursue then we have the capacity to address them as well.

In relation to the current year, our trading has been steady across the business, we've seen a good retail trading period up to Christmas despite variable weekly demand.

- We expect to record NPAT for the first half of the financial year of \$29.0m, up 14.6% on the prior comparable period, and on track for a strong full year performance in the current climate
- Total sales growth in the Priceline Pharmacy network year to date is 3.6%
- Priceline Pharmacy LFL sales growth up to Christmas was 1.4%, since then we've seen some overall slowness in the market with LFL sales for the week ending 14 January now at 0.6%. Core categories have performed strongly in this time and overall have maintained our market share position.
- Our store openings are on track to see us with at least 450 stores at the half year and 462 by the year end





- Reported net debt position is expected to be positive before the end of the calendar 2017

The forecast half year results clearly continue our momentum and should further reinforce shareholder confidence.

I know that our staff are passionate about what we do and are keen to tackle new challenges to improve the business. So I add my thanks to all API staff for their contribution to the results in 2016 and I would like to thank the Board for providing me the opportunity to work closely with the entire API team in delivering more success in the future.

Finally I would like to thank Stephen for his generosity in providing a seamless handover to me in the last few months.

Thank you and I'll hand back to the Chairman.

