

EBOS Group Ltd
Chairman's Address to the Annual Meeting
31 October 2014

Introduction

Shareholders, ladies and gentlemen, as always, it gives me great pleasure, and some satisfaction to address you at this 92nd Annual General Meeting of your company. Last year I remarked that change is a constant in the EBOS world, and this last year has been no exception.

First, on the subject of change, and politics; it is good to get the election over with. Interestingly, health policy did not loom large in the lead-up to the NZ election, but to be honest nothing did, in the plethora of personal attacks and conspiracy theories which prevailed. Before I forget I must note that Hon Tony Ryall's spell as Health Minister has ended, but he showed a good understanding of how the health system could be optimized to improve outcomes for all New Zealanders, but particularly so through the more efficient logistics systems which underpin the business.

We also extend our best wishes to the new Minister Jonathon Coleman, and we will be looking forward to an opportunity to share with him EBOS' very advanced technological approach to distribution, through our new flagship facility in Melbourne. Our CEO Patrick Davies will comment a bit further on this shortly.

For EBOS, historically change has been mainly around growth by acquisition, however, whilst this is still a factor in 2014, the year was also marked by a "changing of the guard", which was significant given the very long and fruitful tenure of Mark Waller as Managing Director and CEO of the company. Mark's retirement as CEO was always going to be significant, given he has been the driving force and 'face' of the company for over 27 years; but more on that later. Patrick's appointment has resulted in a seamless transition and importantly we have maintained our momentum in our largest market in Australia. Other changes to note are the retirement of our CFO Dennis Doherty after a similar period with the company as Mark, and the appointment of John Cullity to the role. John brings considerable experience in corporate finance in Australia, and hit the ground running with the successful re-negotiation of our banking relationships, and an audit which was as clean as it could be.

Having talked about change I am keen to point out that neither of these executives are lost to the company in the short term. Dennis stayed on in an advisory capacity for a period to smooth the transition, and Mark remains an Executive Director with specific responsibilities for M&A before taking over from me as Chairman, twelve months from now. These changes I have just outlined were signalled well in advance of them taking place. They are part of a well thought out succession plan to ensure our future growth strategies are well managed.

Our Board was also strengthened following the acquisition of Symbion, and I can report favourably on that change as well. I would urge you to support those directors up for re-election this year, as they have served the company well through a period of prodigious growth.

Second, many of our shareholders will have been watching anxiously to see how the first full-year of our greatly enlarged Group would work out. Bedding down the largest

acquisition in our history was always going to be a big call, a real test of our M&A model, and our guiding principle of 'do no harm'.

In fact, the result has been even better than that.

Notwithstanding that our management bandwidth is now stretched across the Tasman in a much bigger way, with major currency cross rate exposure to the AUD/NZD, we more than met our target.

Comparisons with the previous year's earnings are not appropriate this year given the huge increase in size of the Group and its revenues, which now total NZD5.8 Billion, but suffice to say that our results are on track, and earnings per share up a very healthy 34%, year on year.

Net Profit after tax was NZD92.1m with a strong positive cashflow at year-end, of \$114m. Gearing was also improved to 24.4% from 36.3% for 2013, and the favourable re-negotiation of our banking arrangements will result in an increase in term, and improved margins, with reduced costs for EBOS, which augurs well for the current financial year.

This strong performance has enabled us to continue to look after our shareholders and we have declared a final dividend of 20.5 cents per share, imputed to 35%; which mirrors the interim dividend of the same amount. As mentioned in the annual report EBOS has delivered shareholder returns of 19% per annum compounded over the last ten years.

Strategically, we now operate in a significantly different business environment, with much more of our revenues and earnings being derived in Australia.

This is all good, as not only is EBOS market leader in our core businesses in that country, but also we are better able to identify growth opportunities in that market and beyond, in Asia. Our management team in Australia has considerable experience in the market and regulatory conditions there, but in addition sees how some of our key New Zealand competencies, eg., with 3rd party logistics, can be leveraged into Australia to the overall benefit of the Group, and shareholders. We are excited about the further opportunities for profitable growth across all the sectors which we service.

Last but not least, I must emphasise a basic differences between our Group and our competitors in Australia. The enlarged EBOS Group has significantly more diversified income streams, spanning two geographies, two major business sectors in Healthcare and Animal Care, and, through the recently confirmed contract with HBL, a major partnership directly with Government and DHB's across the country.

As Chairman, I am often asked how EBOS has been so successful with its strategy of growth by acquisition, and indeed this has prompted me to analyse our approach, in some depth. Time does not allow me to share much of that with you today, however, in summary:

- We work strategically and relentlessly on an extensive opportunity pipeline, which the whole Board reviews and refines at every meeting
- We take a non confrontational approach, and more often than not continue with the management team which we acquire, along with the business
- We only buy good companies at sensible multiples
- We always aim to be No1 or No 2 in the sectors in which we operate

- We put huge emphasis on the post-deal integration of the business and the management.

Perhaps that is the right note to hand over the microphone to Mark, to give him a few moments to reflect on his time as Managing Director and CEO of the company over the last 27 years but more specifically over the last decade.

I will then ask Patrick to comment on the results of the year just past and share his insights into the real strengths of our enlarged EBOS Group, and some comments on what we see as a very bright future.

EBOS Group Ltd
Executive Director's Address to the Annual Meeting
31 October 2014

Introduction

Thank you Rick.

It gives me great satisfaction to be able to speak to our shareholders today after serving the company for the last 27 years as CEO and Managing Director.

I am very proud of what EBOS represents today and truly excited about how we are positioned to take advantage of the many opportunities that no doubt will come our way in the future.

The company today represents a true trans - Tasman business made up of many parts that all play very important roles in the delivery of healthcare services to customers in New Zealand and Australia. We are fundamental to the healthcare infrastructure for these two countries and we pride ourselves on providing the best and most cost efficient service we possibly can to our customers.

We now have a very impressive spread of business activities across these 7 channels which I believe separates us from our competitors and provides us with the platform upon which to drive further growth. These business activities I am highlighting for you today are operative across both Australia and New Zealand.

Whilst the company has been built on Healthcare we have in recent times also expanded into Animal care via the acquisition of firstly Masterpet and then Symbion. Animal care now generates approximately 17% of our EBITDA and we view the continued growth and development of this part of our business as important to providing our shareholders with increased long term returns. We have some further exciting news on that front which our CEO Patrick Davies will share with you later today.

2014 represented the first full year of trading for the Symbion business which we acquired in June 2013. Symbion was by far and away our largest acquisition with an Enterprise Value of NZ 1.1 Billion. I am pleased to report that the twelve month's financial performance of that acquisition as Rick mentioned, exceeded our expectations.

Whilst I recognise that for 2014 financial comparisons to the prior year are not the best way to measure our performance, I would like to provide you with a couple of key statistics so you can fully appreciate the size of your company today.

For the twelve months ended 30 June 2014 we reported:

Revenue of just under \$5.8 Billion, an increase of 216% on the prior year;

Net Profit after tax was \$92.1 Million, up 226% on the prior year;

Our earnings per share of 62.8 cents were up 34% on the prior year; and

Operating cash flow was \$114.2 Million, up 332% on the prior year.

The company today generates approximately 80% of its revenue and EBITDA from Australia however; our first investment in Australia was in 1996 with the acquisition of a business called Richard Thomson & Co in New South Wales. Since that time we have continued to invest in Australia to build a national footprint in the primary care sector.

The latest step in that journey was the acquisition of Symbion as we moved to be the leading regional player.

I have been CEO and Managing Director of EBOS for the last (27) years and during that time I have enjoyed the wonderful support of many people. I am very grateful for the many years of support and counsel I have received from my fellow directors. Their contribution to the running of our company has been invaluable. I would like to particularly thank the Chairman Rick Christie for his full support during my tenure as CEO and Managing Director.

I would also like to thank my long serving CFO Dennis Doherty who officially retires today. He has provided wonderful service to myself, the Board and the company and he should be enormously proud of his achievements. He leaves the business knowing how financially strong it is today and I wish him well for many healthy years enjoying his retirement.

EBOS could not have become the company it is today without the dedicated support, drive and initiative of its employees. One aspect of our business that is truly different to others is the high level of engagement and commitment of our employees. I thank them for their efforts and publicly encourage them to keep doing the best they possibly can to serve the company, their fellow employees and our customers.

I would also like to thank you our shareholders for supporting the company over many years. We have a wonderful supportive group of shareholders many of whom have been on the journey for a long period of time. As recently as June 2013 we called on shareholders to contribute capital to the company to support our plans to acquire Symbion and the response was overwhelming. We trust that you are also in turn satisfied with your investment. Our fundamental purpose has been to drive returns to shareholders and I am pleased that over the last 10 years we have delivered total annual compound shareholder returns of 19%.

The Company today is very different to when I started but it is also extremely well placed to compete in this age of global consolidation. We have had to stay ahead of the competition to survive and our focus on being either number 1 or 2 in the markets we operate in has held us in good stead. Patrick Davies our new CEO will expand further on the breadth of the company's operations for you later.

Whilst my role is changing I look forward to being able to report to you in 12 months, as your new Chairman on more exciting new opportunities that we have either completed or are working on for the long term growth of our company.
Thank you.

EBOS Group Ltd
Chief Executive Officer's Address to the Annual Meeting
31 October 2014

Introduction

Good afternoon ladies and gentlemen it is a pleasure to be with you today and to share a little bit about our company with you. This is my first Annual Meeting as Chief Executive and I'm very grateful to the Board for their confidence in me and in particular I'm very fortunate to have Mark Waller's support in the transition period and more importantly his ongoing involvement with EBOS as we continue to build this wonderful company in the years ahead.

Mark has spoken of the substantial increase in the size of the EBOS Group and also the split of our revenue and earnings by country. This slide shows you the split of our earnings between Healthcare and Animal Care and the quantum of the earnings. We continue to generate the majority of our earnings from our broad portfolio of Healthcare businesses but the Animal Care division is an important contributor and provides a positive diversification of our earnings.

There has been much commentary on the impact of the Australian Government healthcare reforms on our business and this is to be expected given the important position we hold in the Australian healthcare market.

Successive Australian Governments have been adjusting the funding environment for healthcare over many years and we have been able to expand our business successfully in this environment throughout this time.

Our focused approach to running our businesses is to

- Drive for operational excellence and efficiency
- Invest in infrastructure that will help us manage our costs over the long term
- Implement pricing policies to limit the impact of Govt reforms on our revenue and margin
- Focus on managing our working capital keenly to generate good cash flows
- Continue to seek appropriately priced acquisitions and investments to expand our company, and I will talk to this point shortly

To be successful in our pharmaceutical wholesale operations we need to invest in world class distribution facilities that are tailored to meet the needs of our pharmacy and hospital customers and the vital medicines and healthcare products that we range. Our pharmaceutical wholesale operations in both New Zealand and Australia are critical parts of the healthcare infrastructure of both countries and we have a long history of success in these businesses.

Just last month in Melbourne we opened our latest state of the art distribution centre and I'd like to show you a short video about this facility.

It is a very impressive facility and it will serve us well for many years into the future. This facility was delivered on time and budget and is operating well at this early stage.

Some of the other milestones worth highlighting are:

- The Health Benefits Limited contract to supply all District Health Boards in New Zealand has been executed and we are working closely with the relevant parties to bring this contract to life
- In August 2014 we made a strategic 25% investment in the Good Price Pharmacy Warehouse business with the benefits of that investment now translating to increased earnings
- Our Chemmart business opened 28 new stores in FY14 with membership now 328 stores
- Executive management roles now aligned with the new business structure with a strong focus on trans-Tasman business leadership
- Renegotiated our banking facilities on extended terms and improved margins

I am delighted to announce that earlier today the Board approved a major new acquisition for our Animal Care business. We have reached agreement to acquire BlackHawk Premium Pet Care Pty Ltd for NZ\$57.8 million (A\$52 million).

Blackhawk is a rapidly growing range of premium pet food in Australia and is a complementary fit for our Masterpet business.

This acquisition is expected to be EPS accretive in FY15 and will further enhance our position in the Animal Care sector where we remain attracted to the long term dynamics of this industry

In closing I'd like to make a couple of comments about our current trading and near-term profit expectations.

We have made a positive start to the new financial year with trading for the first quarter approximately 10% higher than last year.

On that positive note I'll finish and let Rick continue with the other matters of this meeting.

Thank you

EBOS Group Limited

92nd Annual Meeting

31 October 2014

Life Matters.®

Important Information

The material contained in this presentation is of general information about EBOS' activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. Nothing in this presentation should be construed as a recommendation or forecast by EBOS or an offer to sell or a solicitation to buy or sell shares. It does not take into account the investment objectives, financial situation or needs of a particular investor. These should be considered with or without professional advice when deciding if an investment is appropriate.

2014 ANNUAL MEETING

Chairman

Mr Rick Christie

Agenda

- Welcome
- Introducing members of the Board
- Presentations:
 - Rick Christie – EBOS Chairman
 - Mark Waller – EBOS Executive Director
 - Patrick Davies – EBOS Chief Executive Officer
- Q&A
- Business of meeting

Board of Directors



Rick Christie
Independent Chairman
of Directors
Joined 2000



Elizabeth Coutts
Independent Director
Joined 2003



Peter Kraus
Non-executive Director
Joined 1993



Sarah Ottrey
Independent Director
Joined 2006



Barry Wallace
Non-executive Director
Joined 2001



Mark Waller
Executive Director
Appointed 1987



Stuart McGregor
Non-executive Director
Joined 2013



Peter Williams
Non-executive Director
Joined 2013

Corporate Governance and Leadership changes

Transition plans complete

- Management transition plan announced in February 2014 now in place
- Mr Rick Christie – Chairman EBOS, will retire at the AGM in October 2015
- Mark Waller - Executive Director with primary focus on mergers and acquisitions for the next 12 months. Will assume role of EBOS Chairman in October 2015
- Patrick Davies is the new CEO for EBOS Group
- Dennis Doherty has retired as CFO for EBOS Group
- John Cullity is the new CFO for EBOS Group
- Revised executive management structure is now in place

Transformational year for EBOS

FY 2014

- Net Profit of \$92.1 million up 226% on the prior year
- Full 12 month contribution from Symbion in the Group's result
- Dual listing on ASX completed in December 2013
- Debt facilities refinanced at improved margin and extended terms
- Full Year dividends of 41c per share
- Management transition plan enacted

2014 ANNUAL MEETING

Executive Director's Address

Mr Mark Waller

EBOS Group today

Trans Tasman Healthcare and Animal care business portfolio

Healthcare						Animal Care
Pharmacy Wholesale	Contract Logistics	Sales & Marketing	Hospital & Homecare Logistics	Consumer Products	Pharmacy Retail	Pet Care & Vet
   	 		    	  	  	   

Where are we today :

- EBOS is the largest diversified Australasian marketer, wholesaler, distributor of healthcare, medical and pharmaceutical products, and a leading animal care products distributor and marketer
- EBOS holds market leading positions across many industry segments

Financial Results Summary

Major increase in operating earnings and cash flow

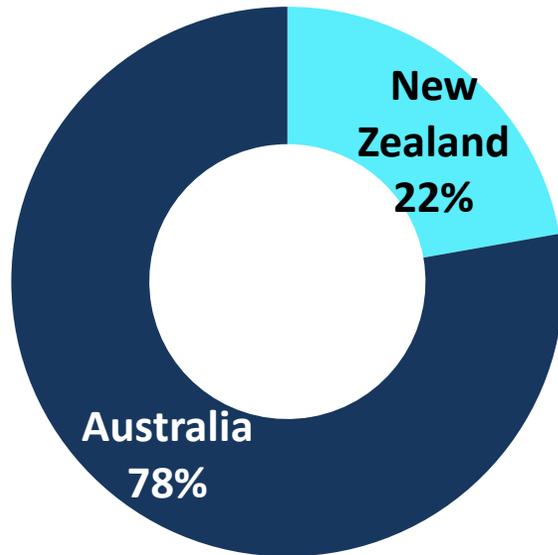
NZ \$m	FY 2014	FY 2013	Var %
Revenue	5,760.1	1,823.2	216%
EBITDA	178.2	58.2	206%
Net Profit After Tax	92.1	28.2	226%
EPS - cps	62.8	46.8	34%
Operating cash flow	114.2	26.4	332%
Net Debt / EBITDA	1.8 x	3.0 x	

- FY14 results include Symbion for the full 12 month period
- EPS growth of 34% demonstrates the benefits of the Symbion acquisition
- Operating cash flow of \$114.2m takes the business to a new level

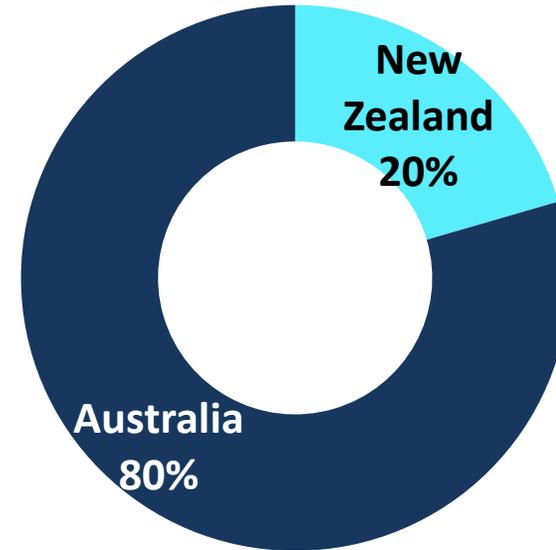
Geographic information

Major shift in revenues and earnings to Australia post Symbion acquisition

Revenues
(12 months to June 2014)



EBITDA
(12 months to June 2014)



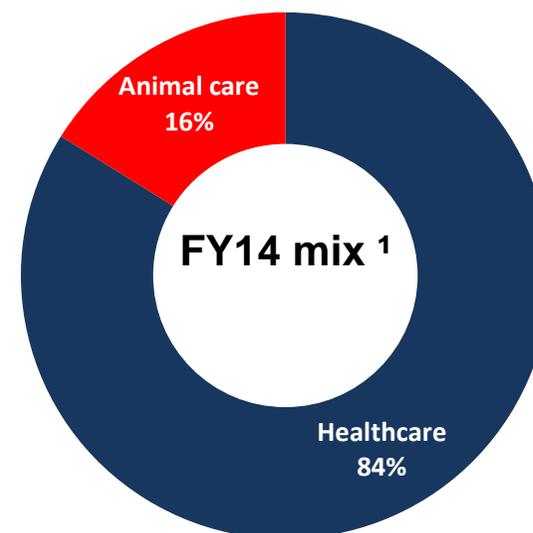
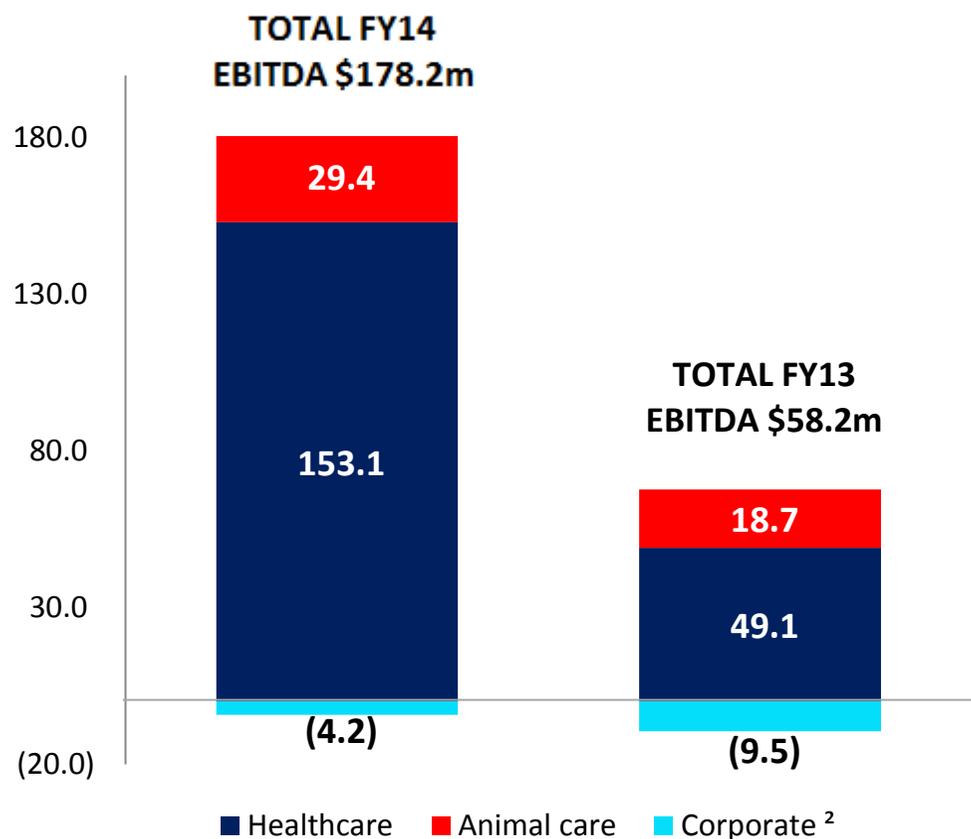
2014 ANNUAL MEETING

Chief Executive Officer's Address

Mr Patrick Davies

Segment earnings overview

EBITDA NZ\$ million



- Earnings mix of the business has further concentrated on Healthcare post the Symbion acquisition

EBOS response to Australian Government Healthcare reforms

- Focus on operational excellence and efficiency
- Capital expenditure tailored to maximise operational efficiencies
- Implemented pricing policies to limit the impact of reduced sales revenue and margin from PBS reforms
- Focus on working capital management to generate solid and reliable cash flows from our Healthcare assets and in turn fund our new business opportunities
- Continue to seek appropriately priced strategic acquisitions and investments

Major capital expenditure in Victorian Healthcare facility

Completed in September 2014



- New Melbourne Distribution centre in Keysborough Victoria (pictured) went live in September 2014 on time and on budget

Other major milestones completed in 2014

Significant progress made

- Health Benefits Limited (HBL) contract to supply all District Health Boards in New Zealand now executed
- In August 2014 we made a strategic 25% investment in the Good Price Pharmacy Warehouse (GPPW) business with the benefits of that investment now translating to increased earnings
- Our Chemmart business opened 28 new stores in FY14 with membership now 328 stores
- Executive management roles now aligned with the new business structure with a strong focus on Trans Tasman business leadership
- Renegotiated our banking facilities on extended terms and improved margins

EBOS acquires BlackHawk Premium Pet Care

Animal care acquisition

- Major new acquisition for EBOS' Animal Care business
- EBOS has acquired BlackHawk for NZ\$57.8 million (A\$52 million)
- Complementary fit for our Masterpet business in Australia
- Acquisition is EPS accretive in FY15



FY15 Trading Update

- Trading for the first quarter FY15 is approximately 10% higher than last year.

2014 ANNUAL MEETING

Questions and Answers

2014 ANNUAL MEETING

Business of the Meeting

Resolution 1

Annual Report and Financial statements

- To consider and receive the Annual Report and the financial statements for the year ended 30 June 2014 and the audit report thereon

Resolution 2

Director re-Election – Elizabeth Coutts

- To consider the re-Election of Elizabeth Coutts as a director of the Company

Elizabeth Coutts

BMS, CA

Independent Director

Elizabeth Coutts was appointed to the EBOS Group Limited Board in July 2003. She is a member of the Audit and Risk Committee and the Nomination Committee. She is Chair of Urwin & Co Limited, and director of NZ Directories Holdings Ltd (and subsidiaries), Ports of Auckland Limited, Ravensdown Fertiliser Co-operative Limited, Sanford Limited, Skellerup Holdings Limited and Tennis Auckland Region Incorporated, and member, Marsh New Zealand Advisory Board. She is Chair of the Inland Revenue Risk and Assurance Committee, Chair Auckland Branch and National Council member of 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 and the Health Funding Authority, 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.



Resolution 3

Director re-Election – Barry Wallace

- To consider the re-Election of Barry Wallace as a director of the Company

Barry Wallace

MCOM (HONS), CA

Non-Executive Director

Barry Wallace was appointed to the EBOS Group Limited Board in October 2001. He is Chairman of the Audit and Risk Committee and member of the Remuneration Committee.

Barry is a chartered accountant with a background in financial management. He is a director of Allum Management Services Ltd, Whyte Adder No 3 Limited, Strand Holdings Limited, Herpa Properties Limited, Ecostore Company Limited, Huckleberry Farms Limited, and Peton Villas Limited. He is a former Chief Executive of Health Support Limited and is the Finance Director of a private group of companies and trusts.



Resolution 4

Director re-Election – Peter Williams

- To consider the re-Election of Peter Williams as a director of the Company

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 Interpharma Investments Limited, a leading distributor of healthcare products in Asia, and of Pharma Industries Limited. He is also a director of Cambert, a company marketing health and personal care products in South East Asia.



Resolution 5

Auditor re-appointment and remuneration

- To record the reappointment of Deloitte as Auditors and authorise the Board to determine the auditors remuneration.

2014 ANNUAL MEETING

Thank you for attending
Please join us for Refreshments