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EBOS ANNOUNCES PROPOSED NEW INVESTMENT IN AUSTRALIAN RETAIL PHARMACY

EBOS Group Limited (EBOS Group) has entered into an agreement to merge its Chemmart business with the Terry White Group businesses to create one of Australia's largest retail pharmacy networks.

The combined businesses will have retail turnover of approximately \$2 billion per annum and approximately 500 pharmacies.

EBOS Group will sell the Chemmart business and subscribe for shares in Terry White Group Limited (TWG), which will result in EBOS Group consolidating TWG in its financial statements from completion. The expected earnings impact is not material to EBOS Group.

Completion of the transaction is subject to a number of conditions, including TWG shareholder approval. Subject to the satisfaction or waiver of those conditions, the transaction is expected to complete in late October 2016.

EBOS Group CEO Patrick Davies said the merger would provide both immediate and long term benefits through building the strongest retail pharmacy network in Australia, underpinned by a substantial and sophisticated retail pharmacy model.

"Chemmart and Terry White Group have strong, vibrant brands that have established leadership positions within the market," Mr Davies said. "The pharmacy industry is positioned for growth with Australia's ageing population and positive community attitudes towards health and wellbeing. The combined businesses will take a leadership position on health services within community pharmacy, whilst also maintaining a value for money offering."

"This merger is about capitalising on those strengths and continuing to develop competitive and sustainable businesses for pharmacy owners while also significantly increasing our ability to meet the evolving needs of our customers."

"This is another important step in our strategy to position EBOS Group for further growth in retail pharmacy in Australia."

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EBOS Group

EBOS Group is the largest Australasian wholesaler and distributor of healthcare, medical and pharmaceutical products across its key divisions of community pharmacy, institutional healthcare and contract logistics. It is also a leading Australasian animal care products marketer and distributor.

Chemmart

Chemmart, part of the EBOS Group, is Australia's leading wellbeing pharmacy franchisor with a network of approximately 270 pharmacies throughout Australia.

Terry White Group

Terry White Group Limited is the parent company of the Terry White Chemists and Chemplus franchisors. Headquartered in Brisbane, Australia, the Group provides a sophisticated support structure to a network of approximately 230 pharmacies.