



**27 October 2022**  
**NZX/ASX Code: EBO**

**EBOS ANNUAL MEETING 2022**

Please see attached the Chair's speech, CEO's speech and presentation materials for the Annual Meeting of shareholders to be held today.

**Authorised for lodgement with NZX and ASX by the Board of EBOS Group Limited**

**For further information, please contact:**  
Martin Krauskopf  
Executive General Manager, Strategy and M&A  
EBOS Group Limited  
+61 3 9918 5555

**EBOS Group Limited**  
**2022 Annual Meeting**  
**Chair's Speech**

It gives me great pleasure to report on the 2022 financial year and provide shareholders with an update on the latest activity occurring within EBOS at this the 100<sup>th</sup> Annual Meeting of EBOS Group Limited.

One hundred years of dedication, innovation, vision, resilience and teamwork are the values that have shaped EBOS Group's transformation from a humble company into New Zealand and Australia's largest healthcare and animal care company.

From the commencement of operations in 1922, Early Brothers Trading Company, the founding corporation of today's EBOS Group, provided a broad range of products and wholesale services that catered to the needs of communities across New Zealand. It is therefore with a great deal of satisfaction that, 100 years later, through our diversified range of healthcare and animal care businesses, EBOS continues to serve and provide for communities across New Zealand, Australia and now Southeast Asia.

Our story has been enriched through an investment strategy to build a diverse portfolio of high-performing, market-leading businesses backed by our shareholders and talented workforce. It is through our collective efforts that we lead the way in providing the high-quality healthcare and animal care products and services that our customers deserve.

Since 2013, when EBOS acquired pharmaceutical wholesaler Symbion, the Group has undertaken more than twenty acquisitions through a proven investment strategy. This approach has delivered more than 700% in shareholder returns over the last 10 years. To date, our workforce has grown to nearly 5,000-strong across 109 locations in New Zealand, Australia, and Southeast Asia and in FY22 EBOS exceeded revenues of A\$10 billion for the first time. Our CEO, John Cullity, will talk more about our financial performance in his presentation shortly.

That we can now meet today in person after the disruption of the past two years is wonderful and it is something that we don't take for granted. The indications are that we are emerging from this pandemic, but it is important to remember that different communities and sectors that we operate in will have different trajectories. We are also very mindful of the health and wellbeing challenges our staff, customers, suppliers and stakeholders may still face. From an EBOS perspective we will continue to relentlessly focus on our role as an essential services provider to communities across New Zealand, Australia and Southeast Asia.

For those of you who have taken the opportunity to review our 2022 Annual Report you will read of the combined strength of EBOS' being the sum of its parts working in unison with a shared vision for success. You will read of the importance of our people and culture as we highlight employees such as Perina Kuljis who recently retired after an amazing 52 years with our ProPharma business here in Auckland. There is also Terry Hayes who is still with us 42 years after commencing his career with

Faulding in 1978 and Martin O'Sullivan who has been with our Animal Care business for 41 years and skipped school to help his uncle who was a Masterpet sales representative and was subsequently offered a part time role at the company. The rest, as is said, is history.

We also acknowledge Terry and Rhonda White, featured in the Annual Report, who I know are viewing today's proceedings on line. Terry and Rhonda founded the Terry White pharmacy brand some 63 years ago in Queensland. This business is now an integral part of the EBOS portfolio with over 500 stores across Australia.

It is important in our centenary year that we pay tribute to the partnerships with our valued shareholders, customers, business partners, and especially our employees – past and present – who have been an integral part of our journey.

As I have done at previous years' presentations, I think it is important to reinforce that our continued success is underpinned by our adherence to a disciplined strategy of:

1. Continuing to protect, build or acquire leading market positions in a range of Healthcare and Animal care sectors;
2. Focusing on generating strong operating cash flows to allow for further investment and improved returns to shareholders; and
3. Investing for growth both organically and through complementary business acquisitions.

John will talk in more detail about our performance in FY22 and the value creation strategy which has enabled us to deliver another year of strong returns.

Consistent with our strategy of investing for growth, during FY22 we completed the \$1.2 billion acquisition of LifeHealthcare, which is a leading independent distributor of third-party medical devices and in-house manufactured allograft material in Australia, New Zealand and Southeast Asia. The acquisition accelerates our medical devices strategy, further diversifies and expands our group operations and establishes our presence in the Asian region. John Cullity will talk more about the merits of the transaction in his presentation.

The transaction was partly funded by a placement of shares conducted in December 2021 and a retail offer which closed in January 2022. The Board and executive team spent considerable time canvassing the range of capital raising options and the placement and retail offer structure was considered to be in the best interests of the Company and preferred because:

- it was regarded as challenging to undertake a traditional rights issue over the Christmas and New Year period; and
- it allowed pricing with a smaller discount to the market price than would be typical for a traditional rights issue, meaning less dilution for those shareholders who were unable to (or chose not to) participate.

A major consideration for the Board in determining the appropriate capital raising structure was to ensure fairness for all shareholders.

The retail offer price was structured to provide participating shareholders with downside pricing protection for the period between the announcement of the placement and retail offer and closing of the retail offer.

Further, in recognition of the strong support from our retail shareholders, the Board decided to increase the size of the retail offer, setting it at an amount that provided all participating eligible shareholders with their pro rata allocation (up to the maximum application amount).

In the first week of October I had the pleasure of travelling to Parkes, New South Wales for the official opening of our new pet food manufacturing facility. Our Pet Care Kitchen, as it is referred to, represents a very important part of our strategy to invest and grow our business, expand our customer base and provide critical employment opportunities across Australia.

Built at a cost of eighty two million dollars, the facility underlines our ongoing commitment to our Animal Care business and specifically the production of our leading range of dry pet food – Black Hawk. The equipment and manufacturing process at the facility is world class and we currently employ 60 people from the surrounding area having recently increased operations to 24 hours, 5 days a week.

This investment is the culmination of the journey so far for our Animal Care business which started back in 2011 with the acquisition of Masterpet and veterinarian wholesaler Lyppard. This was followed in 2014 with the purchase of the Black Hawk brand. Today after a sustained period of growth our Animal Care business generates revenues of over \$500m.

Whilst acknowledging earlier that the impact of COVID-19 on our day to day lives is diminishing, there continues to be ongoing impacts across many areas of EBOS' operations, and this has required us to be flexible in managing situations as they arise. We continue to maintain prudent controls with the objective of keeping our people safe, and our primary distribution facilities open to ensure the uninterrupted supply of products across the communities we service.

To encourage all our employees to get vaccinated against COVID-19, EBOS provided flexibility for all staff to receive the vaccine during work hours and in August 2021 we introduced an incentive program for all 'double dose' vaccinated employees. Linked to the incentive program, EBOS committed to donate to UNICEF's VaccinAid appeal for every eligible vaccinated employee. The total amount committed to UNICEF was in excess of \$217,000.

We thank and congratulate all of our employees who made the commitment to protecting themselves and their families, their colleagues and the wider community by getting vaccinated.

We strive to build an engaged, diverse and talented workforce at EBOS. During FY22, we implemented online Integrity Training which included training on our Code of Ethics and

Discrimination and Harassment. We also commenced Cultural Awareness training in New Zealand after a successful rollout in Australia in FY21. We celebrated International Women's Day and our 'Be Well from Anywhere' Program offered staff a range of activities to improve their wellbeing and keep them connected.

Safety in the workplace continues to be a major focus for EBOS and was further strengthened by the establishment of the Group Safety Committee, chaired by the CEO, with representatives from across our business units. The Committee focuses on developing Group-wide health and safety initiatives, identifying areas for further improvement and facilitating learning and experience in safety matters across the Group. In FY22, it was pleasing to see a continued reduction in recordable injuries. This positive result reinforces our focus on ensuring the ongoing safety and wellbeing for all employees.

As reported in previous years, eligible EBOS employees have the option to become shareholders and benefit from the success of our company. I am pleased to advise that almost 60% of employees are now currently listed as EBOS shareholders.

As with ESG we believe this type of employee engagement creates shareholder value and promotes strong alignment between our people and shareholders.

During FY22, EBOS developed strategies for several high priority topics within our ESG Program. This included setting targets, milestones and KPI's for areas including Environmental Stewardship, Consumer Packaging, Ethical Sourcing and Our People.

EBOS is committed to reducing carbon emissions from its business operations. We are progressing plans to work towards carbon neutrality, aiming to be carbon neutral for Scope 1 emissions in FY23, Scope 1 and 2 emissions by FY27 and Scope 1, 2 and 3 building emissions by FY28. You can read more about what this means and why it is important for EBOS to play our role in more detail in our Sustainability Report.

We have received positive feedback from the investment community on our ESG program and I look forward to keeping you updated as we make further progress in this area.

We were very pleased to be able to announce the recent appointment of Mark Bloom as an independent director effective 16 September of this year.

Mark will join EBOS' Board with over 35 years' experience as an executive and will bring substantial value to the EBOS Board because of his extensive commercial and financial experience with listed companies in Australia and globally. You will hear from Mark shortly as he seeks election from shareholders.

Succession planning for directors remains a focus of the Board given there are directors with long tenures who have indicated an intention to retire over the next few years. The Board will continue the process to ensure that a range of potential candidates with the necessary skills, diverse backgrounds, cultural fit and experience in different geographic markets, are considered.

Following Mark Bloom's appointment, the Board now consists of 43% female representation, including myself as Chair. Across the EBOS Executive Leadership Team, the female representation is currently 36%. Across the wider organisation, females make up nearly 57% of total employees, not including the LifeHealthcare Group.

The Directors announced a final dividend of NZ 49.0 cents per share. In combination with the interim dividend, this brings total dividends declared for FY22 to NZ 96.0 cents per share representing an increase of 8.5% on the previous year.

We all hope the uncertainty of the last two years is behind us and a degree of normality can return to our day to day lives. From EBOS's perspective we will continue to remain vigilant in maintaining health and safety protocols for all of our employees.

We will continue to follow our strategy as we strive to provide superior risk adjusted returns for shareholders.

To all of our shareholders thank you for your ongoing support and trust in the Board, executive and employees of EBOS.

To our employees across New Zealand, Australia and Southeast Asia. Thank you. Your continued commitment and contributions are the bedrock of EBOS.

To John and his executive team, thank you. The quality of our executive team is of the highest order as evidenced by the performance of the Group in FY22 and previous years. I will now hand over to John for a more in-depth review of the operational performance of the business.

Thank you.

**EBOS Group Limited**  
**2022 Annual Meeting**  
**CEO's Speech**

Thank you, Liz, and good afternoon shareholders.

I am extremely pleased to be able to join everyone this afternoon in person. I am equally pleased to report on the performance of our company for the 2022 financial year and honoured to be the CEO as we celebrate the 100<sup>th</sup> anniversary of EBOS' operations.

In reviewing the Group's record result for FY22, I would like to echo the Chair's sentiments in acknowledging the wonderful contribution all our employees have made to the business over the last 12 months in what continued to be a challenging environment. As Liz mentioned we do look forward with a degree of optimism that the worst of the pandemic is behind us but as you have heard and will hear we are still having to manage some uncertainty in relation to our operations.

Before continuing with my report however, I'd like to share with you our latest corporate video that provides a visual overview of EBOS' key activities over the last 12 months.

***(A copy of the video will be made available on the Company's website: [www.ebosgroup.com](http://www.ebosgroup.com))***

The video provides a snapshot of the amount of activity that has taken place over the year and certainly provides you with an insight into the continued broadening scope of your company.

I also encourage you to take the opportunity to review this year's annual report which covers in greater detail many of the year's activities and also provides readers with an insight into how we became the company we are today.

We are very proud of our heritage, we thank all those who have been part of our journey, and we look forward to the next one hundred years.

It is therefore fitting that in our centenary year we were able to announce another record result including revenues exceeding \$10 billion for the first time.

Our FY22 result has been driven by strong organic growth in both our Healthcare and Animal Care segments as well as benefitting from a period where we completed a number of acquisitions.

The key highlights included:

- Double-digit earnings growth;
- The acquisition of LifeHealthcare as well as four additional bolt-on acquisitions;
- Continued capital investment into our operational infrastructure to support our growth; and
- Maintaining a strong balance sheet within our target gearing range.

The key financial headlines of our full year results were:

- Revenue increased by 16.6% to over \$10.7 billion;

- Underlying EBIT increased by 20.5% to \$355 million; and
- Underlying NPAT increased by 21.3% to \$228 million.

As Liz commented upon earlier as a result of the strong earnings growth we were able to increase total dividends to shareholders for FY22 to NZ 96.0 cents per share representing an increase of 8.5% on the previous year.

This slide provides further detail on our financial results for FY22 and a comparison to the prior year. This is included for the record and I have already touched on the key points on the previous slide.

In reviewing these highlights, you can see FY22 continues our long term track record of delivering strong and steady performance with a focus on earnings and dividend growth, cash flow, return on capital employed and maintaining a strong balance sheet.

Since 2014 we have achieved compound annual growth of approximately 11% per annum for both Earnings per Share and Dividends per Share.

The Group once again saw strong performances from both our Healthcare and Animal Care segments, highlighting the benefits of our diversified portfolio of market leading businesses and our strategy of investing for growth.

The key highlights were:

- The growth in Community Pharmacy which was driven by customer and market share gains, increased sales of high value specialty medicines and the return of Pfizer products to the wholesale channel;
- TWC's network continued its trajectory of store growth with the addition of 51 additional stores and the network now exceeds 500 stores; and
- Our Institutional Healthcare division continuing its strong performance, driven by sales of specialty medicines as well as organic and inorganic growth in our medical consumables and medical devices markets.

Our Animal Care segment capitalised on strong conditions in the pet care market. Our key brands, Blackhawk and Vitapet, continued to either increase or maintain their leadership positions in their respective markets.

I am also pleased to announce that we have now completed the commissioning of our new state of the art pet food manufacturing facility in Parkes, New South Wales and the facility was officially opened in the first week of October. We continue to see increased consumer demand for Black Hawk, and in response, we have now introduced a third shift at the site earlier than initially projected and are operating 24 hours per day, 5 days per week.

COVID-19 continues to impact our various businesses in different ways. In FY22, overall we estimate that it had a positive net impact to Group earnings.

In FY22 we undertook five acquisitions all within our Healthcare segment as opportunities presented themselves for us to further build scale particularly in our medical devices and medical consumables businesses.

The acquisition of Sentry Medical, an Australian distributor of medical consumable products to hospitals, general practitioners, aged care facilities and government agencies, further strengthened EBOS' presence in the distribution of medical consumables.

Our medical devices business continued its growth trajectory with the acquisition of Pioneer Medical, a New Zealand importer and distributor of spine and major joint implants primarily for orthopaedic and neurosurgery, and MD Solutions, an Australian distributor of medical devices and consumables for a wide range of procedures including interventional oncology, urology and gastroenterology.

As Liz mentioned in her presentation, in May 2022, EBOS completed its largest ever acquisition with the \$1.2 billion purchase of the LifeHealthcare Group, a leading independent distributor of third-party medical devices in Australia, New Zealand and Southeast Asia.

The transaction, which includes LifeHealthcare, Australian Biotechnologies and a majority investment in Transmedic, further diversifies our healthcare portfolio and increases our presence in the higher margin medical devices sector. The addition of Singapore headquartered medical technology provider Transmedic to our portfolio gives our company its first material investment in Southeast Asia. Together with our other medical devices businesses they form a business unit within EBOS of approximately 1,000 employees across the region.

LifeHealthcare provides EBOS' medical devices division with an enlarged operating platform providing the Group with far greater depth to service original equipment manufacturer (OEM) relationships across our region as well as enhancing our ability to expand and develop new relationships and growth opportunities.

I am pleased to report that since completion, integration of LifeHealthcare with our broader medical devices distribution operations has been progressing well.

In recent years our organic growth has been very strong and as a result we continue to invest in our operational infrastructure which in FY22 included:

- Completing the construction and commissioning of our new pet food manufacturing facility in Parkes, New South Wales;
- Completing the construction of two new medical consumable distribution centres in Sydney and Perth;
- Expansion of our pharmaceutical wholesale distribution centres in Brisbane and Melbourne; and we have also
- Commenced the construction of two new contract logistics distribution centres in Sydney and Auckland.

These investments are consistent with our strategy of investing for growth and will position the Group to continue expanding services to customers.

I would now like to provide an overview of our segment performance.

Our Healthcare segment generated revenue growth of 17.1% and Underlying EBIT growth of 24%, with both our Australian and New Zealand Healthcare businesses growing earnings at broadly consistent rates.

This performance was driven by strong organic growth across pharmacy wholesale, TerryWhite Chemmart, medical consumables distribution and our Contract Logistics businesses, supplemented by the completion of five acquisitions.

Throughout 2022, EBOS continued to work closely with Health New Zealand and the Maori Health Authority in the distribution of the COVID-19 vaccines, PPE and Rapid Antigen Tests across the country. We are proud to be playing a central role in these ongoing critical initiatives and to be chosen as the country's leading provider of logistical services.

Our TerryWhite Chemmart business achieved a significant milestone, adding 51 stores to exceed 500 total stores in the network, reinforcing its leading position in community pharmacy.

Additionally, the TWC pharmacy network has been responsible for delivering approximately 20% of all Australian community pharmacy administered COVID-19 and flu vaccinations, highlighting the important role our network partners have played during the pandemic.

In recognition of the efforts of the 1,500 vaccinating pharmacists, TWC received the 2022 Customer Experience of the Year Award from Inside Retail in the Medium to Large Business category.

With the milestone 500th store opening, administering one million COVID-19 vaccinations and award-winning communication campaigns, TWC has cemented its reputation as one of Australia's leading community pharmacy networks.

Our Animal Care business also had a strong performance for the year, with Revenue growth of just under 9% and EBIT growing by 15.3% as we continued to benefit from strong pet market conditions.

These strong trading conditions are the result of a combination of an increased pet population, the humanisation of pets and the premiumisation of pet products, which we have highlighted in past results.

Pleasingly, our key brands, Black Hawk and Vitapet, continued to either increase or maintain their leadership positions in their respective market segments.

We are also pleased to announce that we have recently launched a new range of Black Hawk treat and puppy food products, consistent with our strategy of leveraging this strong brand into new product categories.

The completion of our new pet food manufacturing facility in Parkes, NSW has been very timely, in an environment where global supply chains have been challenged. Having our own local manufacturing capabilities provides us with a real competitive advantage in a market where supplier out-of-stocks have been commonplace.

Further to the Chair's comments earlier regarding EBOS' ESG program, we continued throughout the year with a range of activities, sponsorships and partnerships focussed on our employees, environment and community.

In addition to the sizeable donation made to UNICEF mentioned earlier we have continued to assist with other charitable causes across our communities such as our Healthcare teams sourcing crucial medical supplies for Ukraine after an urgent plea for help on behalf of the Australian Federation of Ukrainian Organisations. Domestically, we once again supported Ovarian Cancer Australia, LandSAR, BackTrack, Fight MND (Motor Neuron Disease) and Cerebral Palsy Alliance.

Throughout the year we again activated our ECHO program which stands for Environment, Community and Helping Others. Our 'Be Well at Work Day' included sessions on mental health and well-being, physical exercise, safety month and recognising the 'RUOK?' awareness program. Our Match Funding programme also continued throughout the year with EBOS matching the donations and funds raised by employees for many charity based events and activities.

In Australia, we continued to implement action items within our Reconciliation Action Plan, identifying areas where we can further develop appropriate and relevant initiatives for our business.

We were also pleased to celebrate our 15-year partnership with Greenfleet this year. Since 2007, EBOS has been offsetting the estimated greenhouse gas emissions from transport associated with customer deliveries of healthcare products in Australia, totaling more than 90,000 tonnes of CO<sub>2</sub>. We look forward to continuing this very important and long-standing partnership.

We are also progressing with our scoping of an 18.8MW solar farm, proposed to be located in Parkes alongside our new pet food manufacturing facility, which would meet the current and future electricity needs of the Group's Australian operations.

Further information on our sustainability and community initiatives is available in our 2022 Sustainability Report and I invite you all to have a read of that document which is now available on our website and also attached to this year's Annual Report.

In closing, I would like to provide some brief commentary on our current trading performance.

EBOS has had a pleasing start to the FY23 financial year with strong revenue and earnings growth recorded across both our Healthcare and Animal Care segments.

For the three months ended 30 September 2022, the Group recorded revenue of approximately \$3.0 billion and Underlying EBITDA of approximately \$142 million.

This reflects double-digit organic growth compared to the prior corresponding period as well as contribution from acquisitions completed in FY22.

The effects of COVID-19 continue to impact our various businesses both positively and negatively.

Key positive impacts include: strong pharmacy foot traffic due to COVID-19 related product and service demand, continued demand for medical consumables, growth in demand for contract logistics services associated with COVID-19 related products and increased consumer spending on pets.

Key negative impacts include: reduction in elective surgeries impacting sales to hospitals for products such as medical devices, higher rate of supplier out-of-stock levels, operational inefficiencies due to COVID-19 protocols and labour constraints and other supply-side constraints leading to cost increases for freight and other items.

The Group has proven to be very resilient throughout the Covid 19 pandemic, however given the global economic and geopolitical environment there are material uncertainties that may impact upon the Group's future trading performance.

Finally, I would like to sincerely thank my executive team and all of our employees who have shown incredible dedication, strength and resilience in managing all that has been put before them during these unprecedented times.

I would also like to thank our Chair and Directors for their guidance and support during the last 12 months.

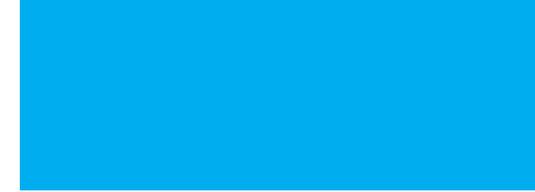
Thank you for your attention and your ongoing support as shareholders.

I'll now hand back to Liz to continue with the formal business of the meeting.

Thank you.

# 100<sup>TH</sup> ANNUAL MEETING

27 October 2022



# DISCLAIMER

The information in this presentation was prepared by EBOS Group Limited ("EBOS" or the "Group") with due care and attention. However, the information is supplied in summary form and is therefore not necessarily complete, and, to the extent permitted by law, no representation is made as to the accuracy, completeness or reliability of the information. In addition, neither EBOS nor any of its subsidiaries, directors, employees, shareholders nor any other person shall have liability whatsoever to any person for any loss (including, without limitation, arising from any fault or negligence) arising from this presentation or any information supplied in connection with it.

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This presentation contains a number of non-GAAP financial measures, including Gross Profit, Gross Operating Revenue, EBITDA, EBITA, EBIT, NPAT, Underlying EBITDA, Underlying EBIT, Underlying NPAT, Underlying Earnings per Share, Free Cash Flow, Underlying Cash from Operating Activities, Underlying Free Cash Flow, Net Debt, Net Debt : EBITDA and Return on Capital Employed. Because they are not defined by GAAP or IFRS, EBOS' calculation of these measures may differ from similarly titled measures presented by other companies and they should not be considered in isolation from, or construed as an alternative to, other financial measures determined in accordance with GAAP. Although EBOS believes they provide useful information in measuring the financial performance and condition of EBOS' business, readers are cautioned not to place undue reliance on these non-GAAP financial measures.

The information contained in this presentation should be considered in conjunction with the consolidated financial statements for the full year ended 30 June 2022.

**All currency amounts are in Australian dollars unless stated otherwise.**

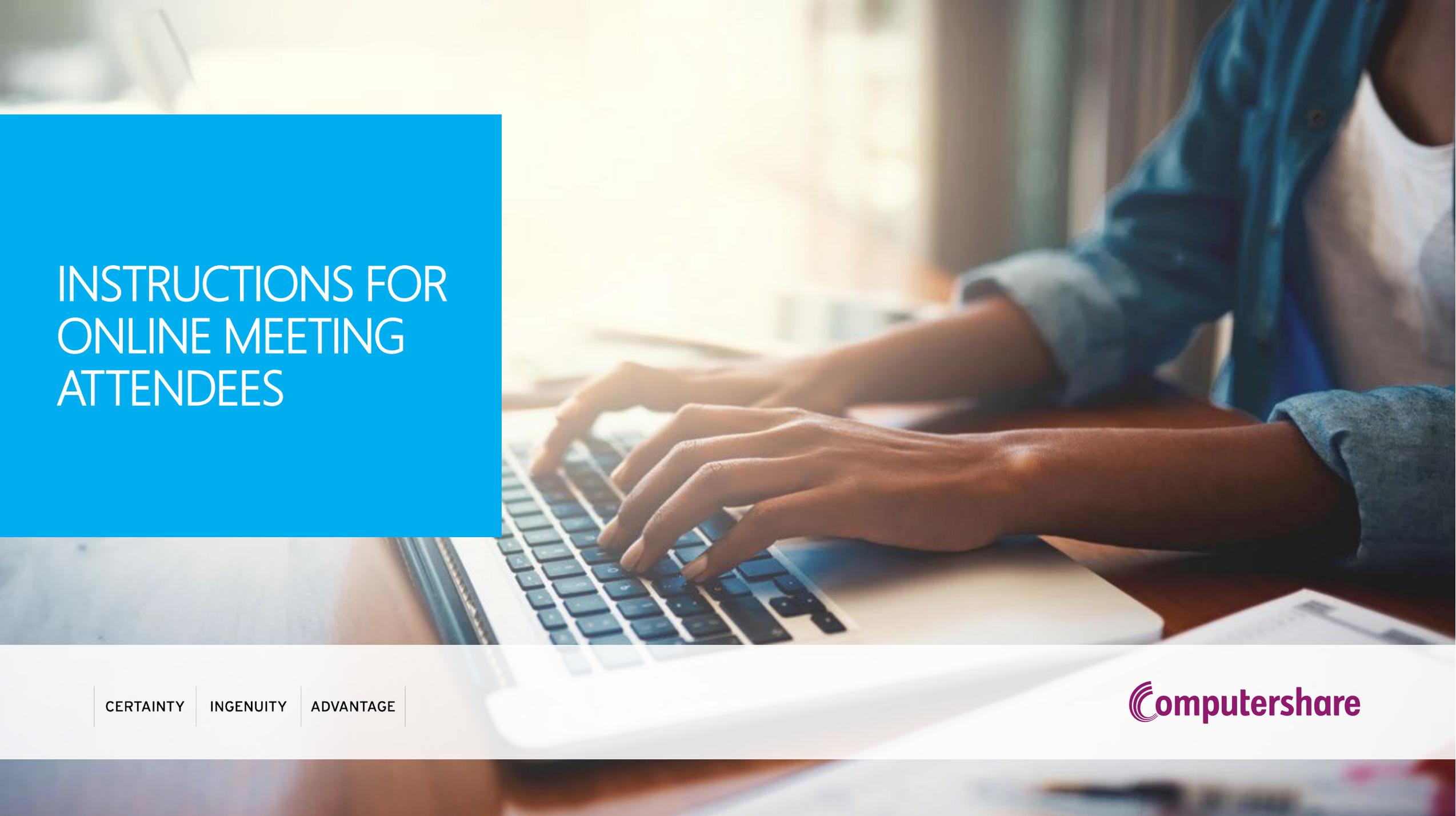
**All amounts are presented inclusive of IFRS16 Leases, except for periods FY19 and prior, unless stated otherwise.**

**Underlying results exclude the impact of one-off items.**

# WELCOME

2022 Annual Meeting





# INSTRUCTIONS FOR ONLINE MEETING ATTENDEES

CERTAINTY

INGENUITY

ADVANTAGE

 **Computershare**

# HOW TO PARTICIPATE IN MEETING – ONLINE (Q&A)

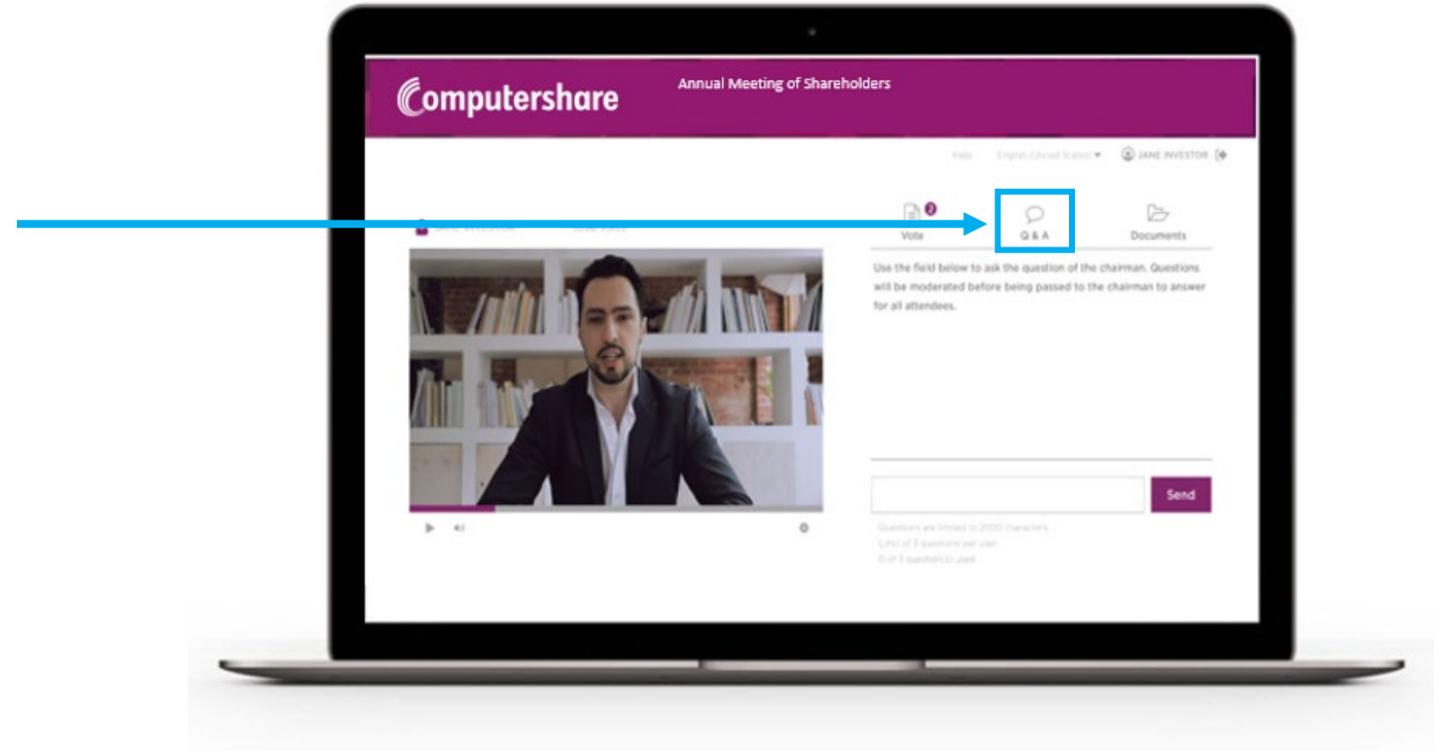
## Shareholder & Proxyholder Q&A Participation

### Written Questions:

If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

### Help:

The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



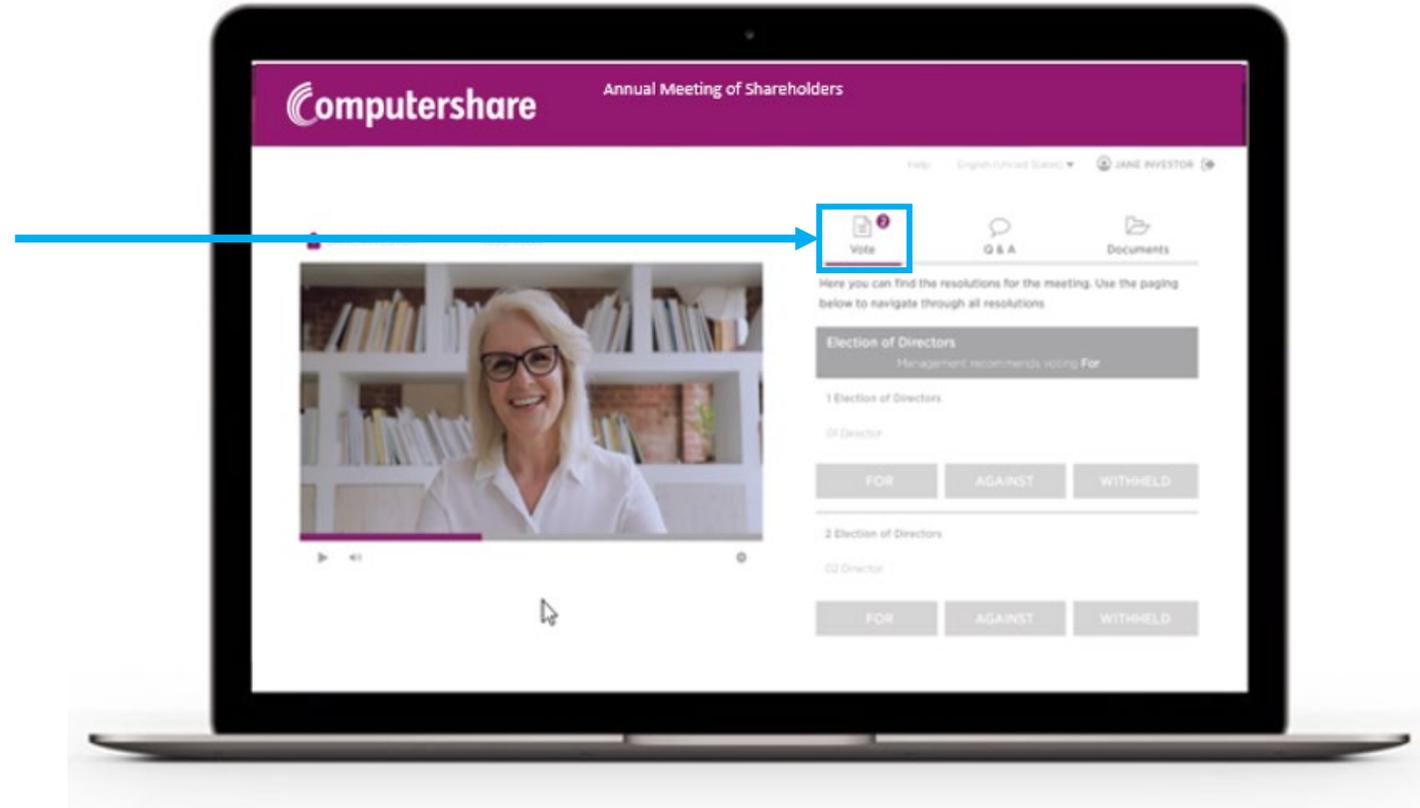
# HOW TO PARTICIPATE IN MEETING - ONLINE (VOTING)

## Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.





# INTRODUCING OUR BOARD

2022 Annual Meeting

1986 Healthmark created through the amalgamation of Stevens Pharmaceuticals, Community Pharmacy, and Pharmacy Wholesale (Auckland) Ltd.

1992 Zuehlig Distribution commences in NZ. Healthcare Logistics, a distributor of pharmaceutical products in NZ, is established as Zuehlig Distribution. sells products through medical and retail channels.

1996 Chemmart Pharmacy launches in the Australian market.

2013 EBOS acquires Symbion. The acquisition of Symbion makes EBOS the largest diversified marketer, wholesaler and distributor of healthcare, medical and pharmaceutical products in Australasia.

2014 EBOS acquires Black Hawk Premium Pet Care.

2016 EBOS exceeds \$1 billion in revenue.

# BOARD OF DIRECTORS



**Elizabeth Coutts**  
Independent Chair of  
the Board  
*Joined 2003*  
*Appointed Chair 2019*



**Dr Tracey Batten**  
Independent Director  
*Joined 2021*



**Mark Bloom**  
Director  
*Joined 2022*



**Stuart McGregor**  
Independent Director  
*Joined 2013*



**Stuart McLauchlan**  
Independent Director  
*Joined 2019*



**Sarah Ottrey**  
Independent Director  
*Joined 2006*



**Peter Williams**  
Independent Director  
*Joined 2013*

# EXECUTIVE LEADERSHIP TEAM



**John Cullity**  
Chief Executive  
Officer



**Leonard Hansen**  
Chief Financial Officer



**Brett Barons**  
CEO, Symbion



**Julie Dillon**  
CEO, Animal Care



**Matt Muscio**  
CEO, Medical Technology



**Janelle Cain**  
General Counsel



**David Lewis**  
Executive General  
Manager



**Andrea Bell**  
Chief Information  
Officer



**Simon Bunde**  
EGM Strategic  
Operations, ESG and  
Innovation



**Jacinta McCarthy**  
Group General  
Manager, Human  
Resources



**Martin Krauskopf**  
EGM,  
Strategy and M&A

# AGENDA

01 Presentation: Elizabeth Coutts, Chair

02 Presentation: John Cullity, CEO

03 Business of Meeting

04 Conclusion

PRESENTATION

ELIZABETH COUTTS  
CHAIR

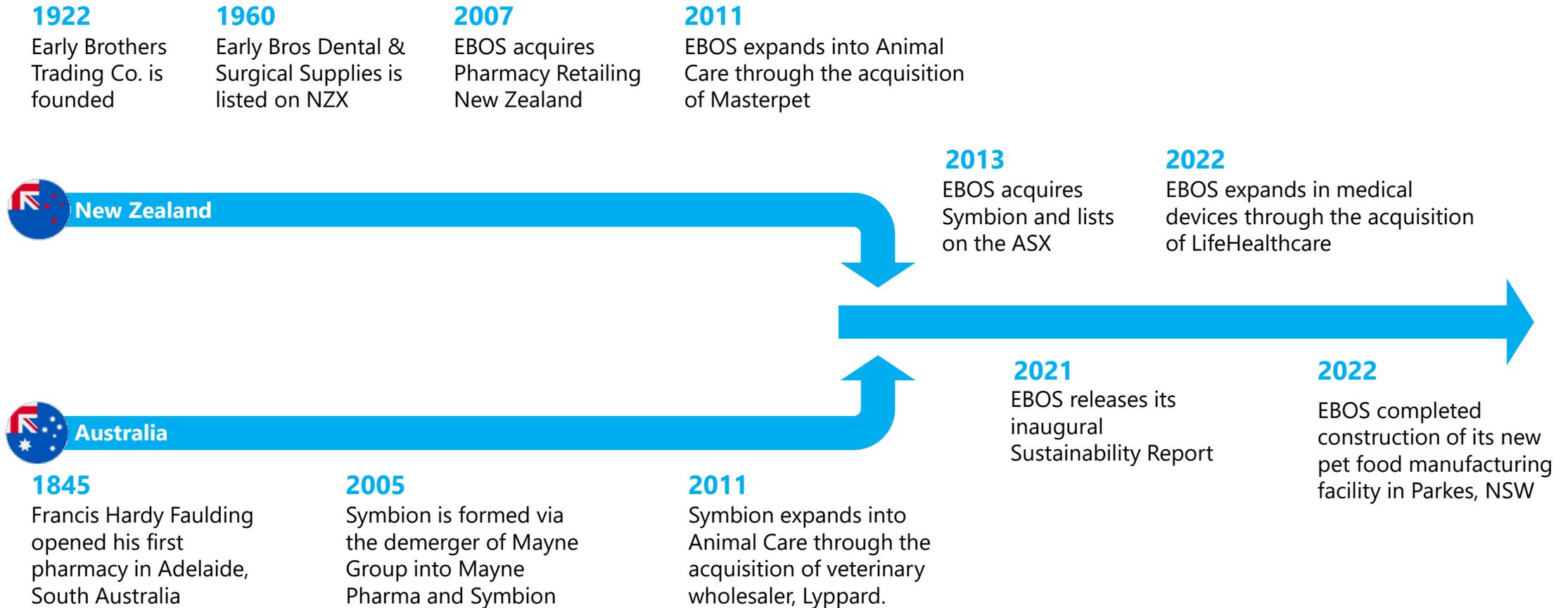
2022 Annual Meeting



01

# OUR TRANS-TASMAN HISTORY

EBOS' history stretches back 100 years in New Zealand and 175+ years in Australia.



# OUR STRATEGY

**Our continued success is underpinned by our adherence to a disciplined strategy of:**

- Continuing to protect, build or acquire leading market positions in a range of Healthcare and Animal Care sectors;
- Focusing on generating strong operating cash flows to allow further investment and improved returns to shareholders; and
- Investing for growth – both organic and acquisitions through disciplined investments in Healthcare and Animal Care.

The strategic direction of EBOS is both proven and sound. It has driven significant returns for shareholders over many years and we are confident that the business will continue to deliver future growth.



# LIFE HEALTHCARE ACQUISITION

**Consistent with our strategy of investing for growth, during FY22 we completed the \$1.2 billion acquisition of LifeHealthcare.**

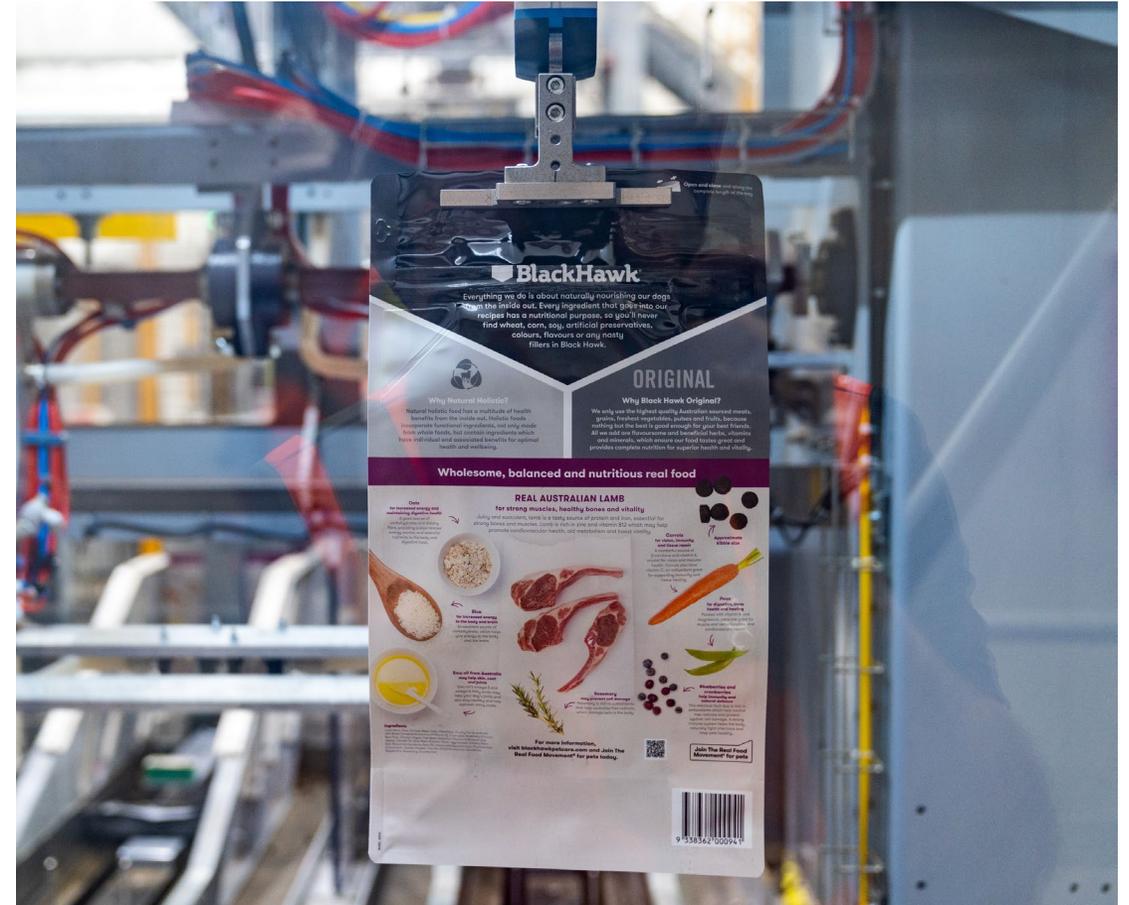
- Substantially accelerates EBOS' medical devices strategy and creates significant scale.
- Enhances and diversifies EBOS' existing medical devices portfolio while facilitating entry into new therapeutic areas and introducing new original equipment manufacturer (OEM) relationships.
- Provides EBOS' medical devices business with sufficient breadth and depth to service OEM's across the entire South East Asia Pacific region.
- Expands and diversifies EBOS' earnings by segment and geography and increases exposure to the high growth medical devices sector.
- Establishes the Group's initial entry into South East Asia.
- Creates a platform for EBOS to capitalise on additional future growth opportunities.



# PET CARE KITCHEN

## Our Animal Care Journey.

- \$82 million investment.
- State-of-the-art, world class equipment.
- Provides employment opportunities for over 60 people in Parkes, NSW.
- Our Animal Care business commenced in 2011 with the acquisition of Masterpet and Lyppard, followed by Black Hawk in 2014 and today it generates revenue of over \$500 million.



# COVID-19 HEALTH AND SAFETY

**The indications are that we are over the worst of the pandemic but naturally we all remain vigilant and very cautious.**

- Our businesses continue to follow COVID-19 protocols.
- We continue to maintain prudent controls with the objective of keeping our people safe, and our primary distribution facilities open to ensure the uninterrupted supply of products across the communities we service.
- EBOS introduced an incentive program for all 'double dose' vaccinated employees. Linked to the incentive program, EBOS committed to donate to UNICEF's VaccinAid appeal for every eligible vaccinated employee. The total amount committed to UNICEF was \$217,000.
- We thank and congratulate all of our employees who made the commitment to protecting themselves and their families, their colleagues and the wider community by getting vaccinated.

# OUR PEOPLE

**We strive to build an engaged, diverse and talented workforce at EBOS.**

- We implemented online Integrity Training which included training on our Code of Ethics and Discrimination and Harassment.
- We also commenced Cultural Awareness training in New Zealand after a successful rollout in Australia in FY21.
- Safety in the workplace continues to be a major focus for EBOS and was further strengthened by the establishment of the Group Safety Committee.
- Continued reduction in recordable injuries.
- Almost 60% of eligible employees are now currently listed as EBOS shareholders.



# SUSTAINABILITY AND COMMUNITY

## Our five pillars

Health & Animal Care Partners

Consumers & Patients

Community & Environment

Our People

Responsible Business

## Our key initiatives

### Strategies Developed



- **Environmental Stewardship**
  - Minimising our impact
  - Carbon offsetting
- **Consumer Packaging**
- **Ethical Sourcing**
- **Our People**

### Solar Array



The EBOS Board has approved the scoping of an 18.8 MW solar array to demonstrate the Group's commitment to cutting carbon emissions. This array is sized to meet current and estimated future electricity needs of our Australian operations.

### Key milestones in EBOS' pathway to carbon neutrality<sup>1</sup>



**FY23 aiming for**  
Carbon neutral for  
Scope 1 emissions

**FY27 aiming for**  
Carbon neutral for  
Scopes 1 and 2 emissions

**FY28 aiming for**  
Carbon neutral for Scopes 1,  
2 and 3 building emissions

# OUR BOARD

- Appointment of Mark Bloom as an independent director effective 16 September 2022.
- Succession planning for directors remains a focus of the Board.
- The Board will continue the process to ensure that a range of potential candidates with the necessary skills, diverse backgrounds, cultural fit and experience in different geographic markets, are considered.

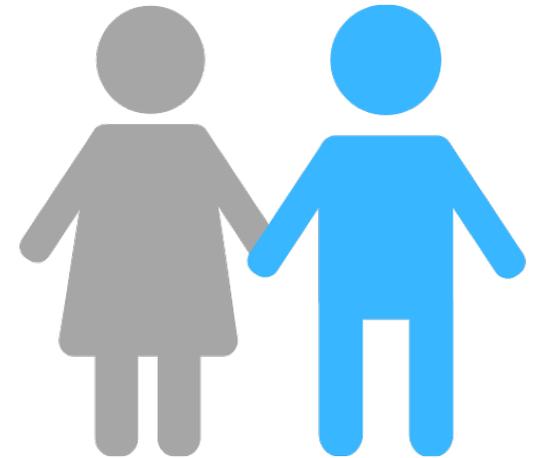
# DIVERSITY

## Board

The EBOS Board consists of **43% female** representation including the Chair.

## Executive Leadership Team

The EBOS ELT also has a **36% female** representation whilst across the wider organisation females make up **57% of total employees<sup>1</sup>**.



Note 1: Not including LifeHealthcare, Australian Biotechnologies and Transmedic.

# DIVIDEND

## Final Dividend

EBOS' Directors announced a **final dividend of NZ 49.0** cents per share, fully franked for Australian taxation purposes and 25% partially imputed for New Zealand taxation purposes.

## Full Year

Taking the **full-year dividend to NZ 96.0 cents per share, an increase of 8.5%** on the prior year.

The New Zealand company tax rate is 28%. Therefore, a dividend that is partially imputed with 25% of the maximum allowable imputation credits implies an 8.86% imputation percentage in relation to the gross taxable amount of the dividend.

# PRESENTATION

## JOHN CULLITY CEO

2022 Annual Meeting



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# FY22 RESULT HIGHLIGHTS

**Our FY22 result was driven by strong organic growth in both our Healthcare and Animal Care segments as well as acquisitions.**

- Healthcare's strong performance was driven by our Community Pharmacy, TerryWhite Chemmart ("TWC"), Institutional Healthcare and Contract Logistics businesses.
- Animal Care continues to achieve strong organic growth, capitalising on pet care market conditions.
- Completed five acquisitions, including LifeHealthcare, as well as continued investments in our operational infrastructure.
- Underlying operating cash flow of \$291.0m.
- ROCE of 18.6%, higher than FY21 and in line with expectations.
- Net Debt : EBITDA increased to 1.94x driven by the acquisition of LifeHealthcare and other investments and is within target range.
- Full year dividends per share of NZ96.0 cents, an increase of 8.5%, compared to FY21.

## FY22 financials<sup>1</sup>

**Revenue**  
**\$10.7b**  
**+16.6%**

**EBIT**  
**\$355.0m**  
**+20.5%**

**NPAT**  
**\$228.2m**  
**+21.3%**

**ROCE**  
**18.6%**

# FY22 SUMMARY RESULTS

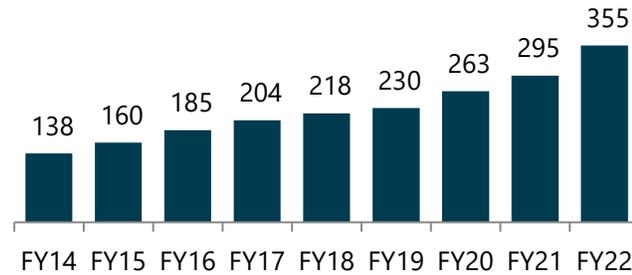
A\$m	Underlying				Statutory			
	FY22	FY21	Var \$	Var%	FY22	FY21	Var \$	Var%
Revenue	10,734.1	9,202.9	1,531.2	16.6%	10,734.1	9,202.9	1,531.2	16.6%
<b>EBITDA</b>	<b>436.8</b>	367.1	69.7	19.0%	<b>405.8</b>	363.6	42.5	11.7%
<b>EBIT</b>	<b>355.0</b>	294.5	60.5	20.5%	<b>323.9</b>	290.7	33.3	11.5%
<b>Net Profit After Tax</b>	<b>228.2</b>	188.2	40.0	21.3%	<b>202.6</b>	185.3	17.3	9.3%
Earnings per Share (cents)	129.0c	114.9c	14.0c	12.2%	114.5c	113.2c	1.3c	1.2%
Total Dividends (NZ cents)					96.0c	88.5c	7.5c	8.5%

# LONG TERM TRACK RECORD

EBOS has delivered consistent financial performance over the long term.

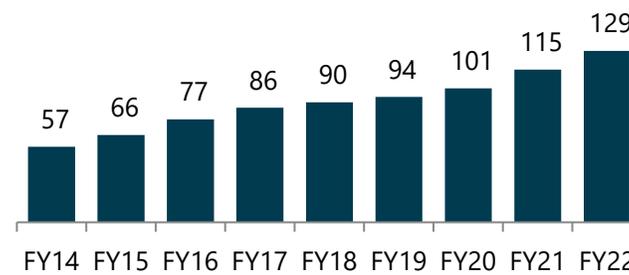
## Underlying EBIT (\$m)

12.5% CAGR



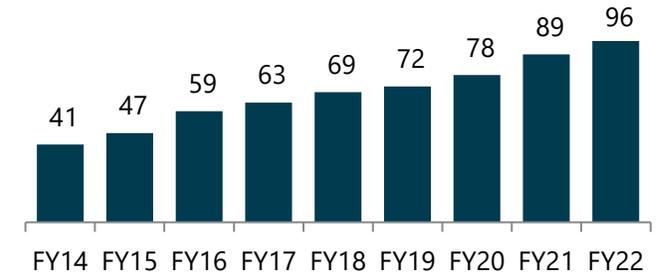
## Underlying EPS (cents per share)

10.8% CAGR



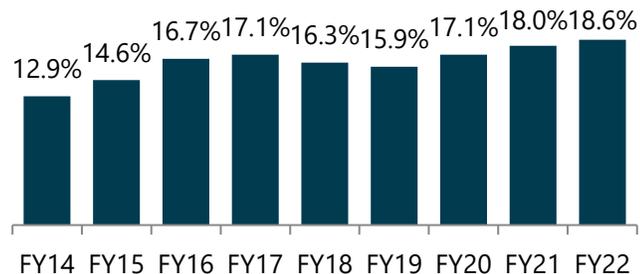
## DPS (NZ cents per share)

11.2% CAGR



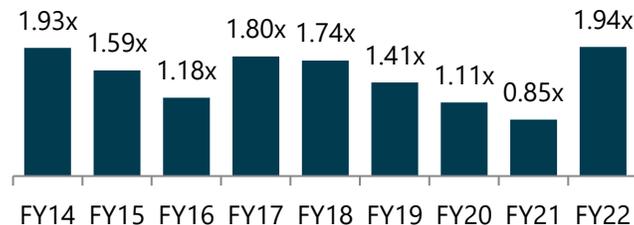
## Return on capital employed (%)

15% target



## Net Debt : EBITDA

Within target range



## Summary

- ✓ Strong earnings growth.
- ✓ Stable dividend growth and payout ratio.
- ✓ Disciplined focus on working capital management and cash flow generation.
- ✓ Disciplined focus on ROCE.
- ✓ Gearing within target range.

# KEY BUSINESS HIGHLIGHTS

## Strong performances from both our Healthcare and Animal Care segments.

- Growth in Community Pharmacy was driven by customer and market share gains, increased sales of high value specialty medicines and the return of Pfizer products to the wholesale channel.
- TWC's network continued its trajectory of store growth with the addition of 51 additional stores and the network now exceeds 500 stores.
- Our Institutional Healthcare division continued its strong performance, driven by sales of specialty medicines as well as organic and inorganic growth in medical consumables and medical devices.
- Our Animal Care segment capitalised on strong conditions in the pet care market.
- We completed the commissioning of our new state-of-the-art pet food manufacturing facility in Parkes, New South Wales.
- We estimate that COVID-19 had a positive net impact to Group earnings.

# STRATEGIC ACQUISITIONS

EBOS completed five acquisitions in FY22.



- Pioneer Medical Group is a New Zealand importer and distributor of spine and major joint implants primarily for orthopaedic and neurosurgery



- Sentry Medical is an Australian distributor of medical consumable products to wholesalers, hospitals and primary care facilities



- MD Solutions is an Australian distributor of a range of medical devices and consumables for interventional oncology, urology and gynaecology, pathology and diagnostics, gastroenterology, and ear, nose and throat procedures

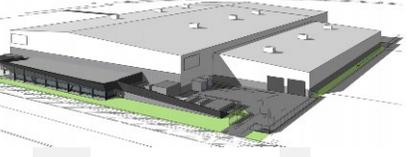


- LifeHealthcare is a leading independent distributor of third party medical devices, consumables, capital equipment and inhouse manufactured allograft material in Australia, New Zealand and South East Asia

**Small medical consumables distributor**

- A small Australian-based distributor of surgical and medical consumable products

# CONTINUED INVESTING FOR GROWTH

Project	Location	Status	Segment / Division
	Parkes	Construction and commissioning completed	Animal Care
	Sydney Perth	Completed	Institutional Healthcare
	Brisbane Melbourne	Completed	Healthcare
	Sydney Auckland	In progress	Contract Logistics

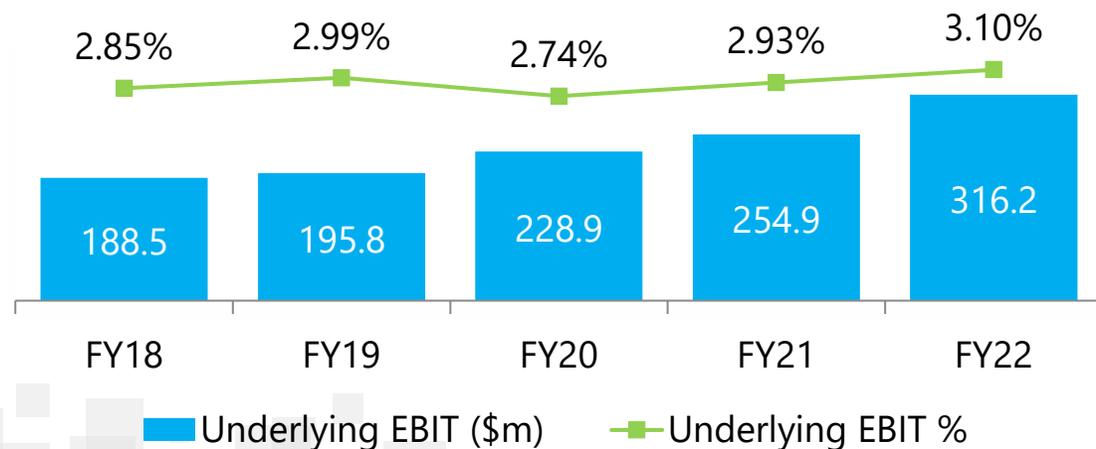
# FY22 SEGMENT PERFORMANCE

## Healthcare

A\$m	FY22	FY21	Var\$	Var%
Revenue	10,192.8	8,705.4	1,487.4	17.1%
Underlying EBIT	316.2	254.9	61.2	24.0%
<i>Underlying EBIT %</i>	<i>3.10%</i>	<i>2.93%</i>		

- The performance of our Healthcare segment reflects strong organic growth supplemented by the completion of five acquisitions.
- Strong growth was generated across pharmacy wholesale, TWC, medical consumables distribution and our contract logistics businesses.
- Despite ongoing cost pressures across labour and freight, EBIT margins were slightly improved.

### Underlying EBIT (\$m and %)



# TERRYWHITE CHEMMART

One of Australia's leading community pharmacy networks with over 500 stores.

- TWC added 51 new network partners to its national network in FY22 growing the network to over 500 stores.
- TWC's network partners delivered over 1.7m vaccinations in FY22 representing approximately 18%<sup>1</sup> and 20%<sup>1</sup> of the total COVID-19 and flu vaccinations in community pharmacy, respectively.
- Marketing and media investment has increased significantly for the year, delivering strong brand improvements and coverage and maintaining its position as the second largest advertiser in the Australian retail pharmacy sector<sup>2</sup>.
- In recognition of the efforts of the 1,500 vaccinating pharmacists, TWC received the 2022 Customer Experience of the Year Award from Inside Retail in the Medium to Large Business category.
- TWC has cemented its reputation as one of Australia's leading community pharmacy networks.

## Network sales growth in FY22<sup>3</sup>

**Total sales** up 13.9%

Like-for-like up 11.9%

**Dispensary sales** up 11.7%

Like-for-like up 9.7%

**Script volumes** up 6.7%

Like-for-like up 4.8%



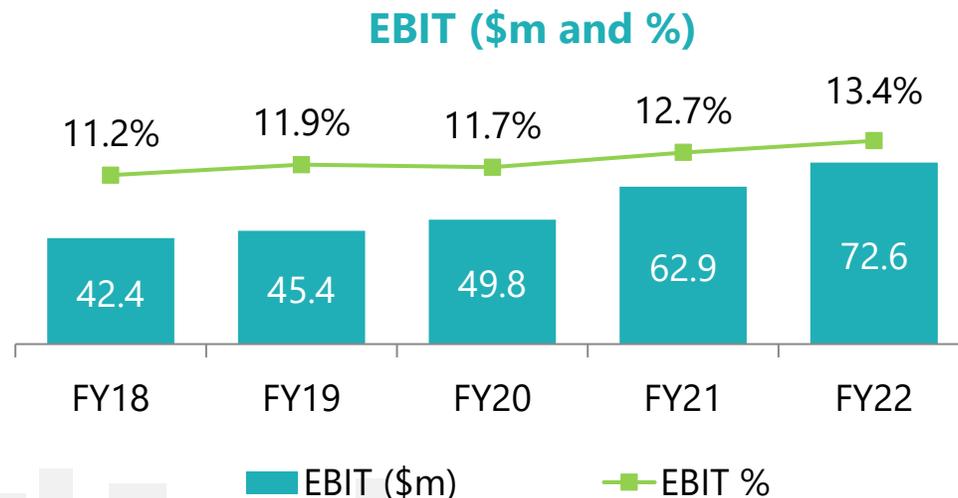
### Notes:

1. Australian Immunisation Register for 1 July 2021 to 30 June 2022, accessed on 22 July 2022.
2. Source: Landsberry & James AQX, June 2022.
3. Excludes remuneration received for vaccinations.

# FY22 SEGMENT PERFORMANCE

## Animal Care

A\$m	FY22	FY21	Var\$	Var%
Revenue	541.3	497.5	43.8	8.8%
EBIT	72.6	62.9	9.6	15.3%
<i>EBIT %</i>	<i>13.4%</i>	<i>12.7%</i>		



- Our Animal Care care segment benefitted from strong performances from our leading brands and businesses – Black Hawk, Vitapet and Lypard.
- The pet market continues to experience strong trading conditions, supported by well established trends, including the humanisation of pets and premiumisation of products.
- New Black Hawk treat and puppy food products launched and are performing in line with expectations.
- Pet food manufacturing facility update:
  - Construction and commissioning phases completed in FY22;
  - In response to increased consumer demand for Black Hawk, we are now producing pet food 24 hrs a day, 5 days a week; and
  - The new facility enhances our local supply chain capabilities and is a competitive advantage in this environment.

# ENVIRONMENT, SOCIAL, GOVERNANCE – IN ACTION

Supporting our ESG program EBOS is committed to employee and social responsibility across New Zealand and Australia.

<p><b>EMPLOYEES</b></p>	<ul style="list-style-type: none"> <li>• Employee engagement survey.</li> <li>• Health, safety and wellbeing.</li> <li>• Employee Assistance Program (EAP).</li> <li>• New workplace policies.</li> </ul>	
<p><b>ENVIRONMENT</b></p>	<ul style="list-style-type: none"> <li>• Over 12,000 tonnes of carbon offset.</li> <li>• 15 year partnership with Greenfleet</li> <li>• Launch of second Sustainability Report.</li> <li>• Scoping of Solar Array project.</li> </ul>	
<p><b>COMMUNITY</b></p>	<ul style="list-style-type: none"> <li>• UNICEF VaccinAid Donation \$217k</li> <li>• Reconciliation Action Plan – Year 3</li> <li>• LandSAR – NZ Search + Rescue.</li> <li>• \$160k of medical supplies for Ukraine</li> </ul>	

# FY23 TRADING UPDATE

- EBOS has had a pleasing start to the FY23 financial year with strong revenue and earnings growth recorded across both our Healthcare and Animal Care segments.
- For the three months ended 30 September 2022, the Group recorded revenue of approximately \$3.0 billion and underlying EBITDA of approximately \$142 million.<sup>1</sup>
- This reflects double-digit organic growth compared to the prior corresponding period as well as contribution from acquisitions completed in FY22.
- The effects of COVID-19 continue to impact our various businesses both positively and negatively.
  - Key positive impacts include: strong pharmacy foot traffic due to COVID-19 related product and service demand, continued demand for medical consumables, growth in demand for contract logistics services associated with COVID-19 related products and increased consumer spending on pets.
  - Key negative impacts include: reduction in elective surgeries impacting sales to hospitals for products such as medical devices, higher rate of supplier out-of-stock levels, operational inefficiencies due to COVID-19 protocols and labour constraints and other supply-side constraints leading to cost increases for freight and other items.
- The Group has proven to be very resilient throughout the COVID-19 pandemic, however given the global economic and geopolitical environment there are material uncertainties that may impact upon the Group's future trading performance.

# Natural Health

## BUSINESS OF MEETING

2022 Annual Meeting



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# ITEM 1

## Annual Report and Financial Statements

To consider and receive the annual report and the financial statements for the year ended 30 June 2022 and the audit report thereon.



# ITEM 2

## Resolution 1: Election of Director – Mark Bloom

**It is hereby resolved that Mark Bloom be elected as a director of the Company**

### **Election of Director – Mark Bloom**

Mr Bloom was appointed as a director by the Board to fill a casual vacancy effective 16 September 2022. Mr Bloom is currently a non-executive director of ASX listed Abacus Property Group, AGL Energy Limited (Chair, Audit & Risk Committee) and Pacific Smiles Group Limited. Mr Bloom has over 35 years' experience as a finance executive. Mr Bloom was Chief Financial Officer at ASX listed Scentre Group Limited from its formation in July 2014 through to his retirement in April 2019. Prior to the formation of Scentre Group Limited, Mr Bloom was the Deputy Group CFO of Westfield Group for 11 years. Prior to his career at Westfield and Scentre Group, Mr Bloom held a number of senior finance roles including being CFO and executive director for insurance and financial services companies Liberty Life, South Africa and Manulife Financial, Canada, over a period of 20 years. Mr Bloom holds a Bachelor of Accountancy and Bachelor of Commerce from the University of Witwatersrand, South Africa and is a Member of Chartered Accountants Australia and New Zealand.

The Board considers Mark Bloom is an Independent Director as referred to in the NZX Listing Rules. Pursuant to NZX Listing Rule 2.7.1 and ASX Listing Rule 14.4, a director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment. Mr Bloom retires in accordance with NZX Listing Rule 2.7.1 and ASX Listing Rule 14.4, and offers himself for election.



# ITEM 3

## Resolution 2: Re-election of Director – Stuart McLauchlan

**It is hereby resolved that Stuart McLauchlan be re-elected as a director of the Company**

### **Re-election of Director – Stuart McLauchlan**

Stuart McLauchlan (BCOM, FCA, CFInstD) was appointed to the EBOS Group Limited Board in July 2019 and was last elected by shareholders on 15 October 2019. He is Chairman of the Audit and Risk Committee and a member of the Remuneration Committee.

Mr McLauchlan is a Chartered Fellow of the Institute of Directors and a Past President. He is a chartered accountant, partner of GS McLauchlan & Co, and a Fellow of the New Zealand Institute of Chartered Accountants. He is currently chairman of Scott Technology Ltd and ADInstruments Ltd. He is a director of Argosy Properties Ltd as well as a number of private companies. He is also a governor of the New Zealand Sports Hall of Fame, a member of the Marsh New Zealand Advisory Board and a member of the Advisory Board to the Partridge Jewellers group. He was formerly a director of Ngai Tahu Tourism Ltd.

The Board considers Stuart McLauchlan is an Independent Director as referred to in the NZX Listing Rules. Pursuant to NZX Listing Rule 2.7.1 and ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual meeting following the director's appointment, or 3 years, whichever is longer. Mr McLauchlan retires in accordance with NZX Listing Rule 2.7.1 and ASX Listing Rule 14.4, and offers himself for re-election.



# ITEM 4

## Resolution 3: Auditor's remuneration

**It is hereby resolved that the directors of the Company be authorised to fix the fees and expenses of Deloitte as auditor of the Company.**

Deloitte is automatically reappointed as the auditor of the Company under section 207T of the Companies Act 1993. Pursuant to section 207S of the Companies Act 1993, this resolution authorises the directors to fix the fees and expenses of the auditor.

# ITEM 5

**To consider any other business that can be properly brought before the meeting.**

# CONCLUSION

2022 Annual Meeting



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THANK YOU FOR JOINING US



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