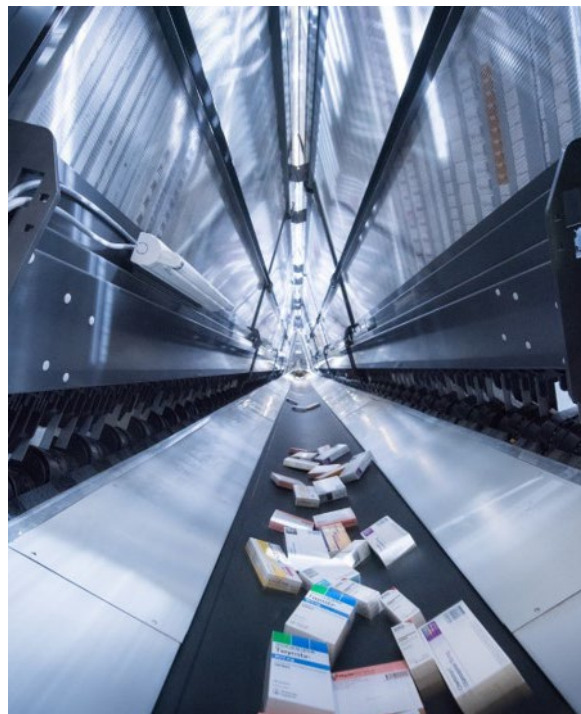




# INVESTOR PRESENTATION

Annual Financial Results  
Full year ended 30 June 2021

18 August 2021



# DISCLAIMER

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This presentation contains a number of non-GAAP financial measures, including Gross Profit, Gross Operating Revenue, EBIT, EBITA, EBITDA, NPAT, Underlying EBITDA, Underlying EBIT, Underlying NPAT, Underlying Earnings per Share, Free Cash Flow, Interest cover, Net Debt, Underlying Net Debt 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 year ended 30 June 2021.

**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. Refer to page 29 for the reconciliation of Statutory to Underlying earnings.**

# GROUP FINANCIAL RESULTS



# FY21 SUMMARY RESULTS

**EBOS' strong performance has continued with another record result**

\$m	Underlying	Var	Statutory	Var
<b>Revenue</b>	<b>9,203</b>	 5.0%	<b>9,203</b>	 5.0%
<b>EBITDA</b>	<b>367.1</b>	 9.2%	<b>363.3</b>	 8.9%
<b>EBIT</b>	<b>294.5</b>	 11.9%	<b>290.7</b>	 11.6%
<b>NPAT</b>	<b>188.2</b>	 15.5%	<b>185.3</b>	 14.0%
<b>EPS (cents)</b>	<b>114.9</b>	 14.0%	<b>113.2</b>	 12.5%
<b>DPS (NZ cents)</b>			<b>88.5</b>	 14.2%
<b>ROCE (%)</b>	<b>18.0%</b>	 0.9%		
<b>Net debt : EBITDA (x)</b>	<b>0.85x</b>	 0.26x		

*Double-digit  
earnings growth*

*Record ROCE*

*Investing for growth*

*Strong balance sheet*

*Increased dividends  
to shareholders*

# KEY HIGHLIGHTS

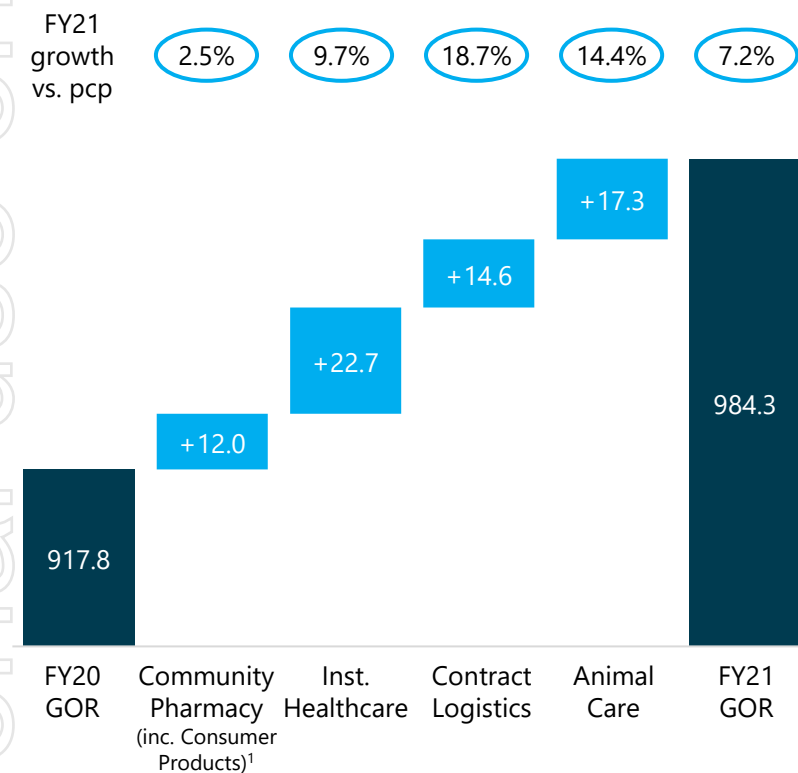
## Strong organic growth in Healthcare and Animal Care and investing for future growth

<b>Healthcare</b> <i>EBIT up 11.4%<sup>1</sup></i>	<ul style="list-style-type: none"><li>Healthcare's strong performance was driven by our Community Pharmacy, TerryWhite Chemmart ("TWC"), Institutional Healthcare and Contract Logistics businesses. Key highlights included:<ul style="list-style-type: none"><li>Community Pharmacy wholesale volume growth;</li><li>TWC network sales growth of 5.3% and 36 net new trading stores added to the network;</li><li>Institutional Healthcare growth driven by specialty medicines and medical consumables demand and medical devices growth;</li><li>Acquisition of Pioneer Medical, a New Zealand based medical devices distribution business; and</li><li>Cost savings compared to last year primarily from improvements in productivity in wholesale operations.</li></ul></li></ul>
<b>Animal Care</b> <i>EBIT up 26.4%</i>	<ul style="list-style-type: none"><li>Animal Care's Vitapet, Black Hawk and Lyppard businesses maintained double-digit sales growth. Key highlights included:<ul style="list-style-type: none"><li>Our key pet brands, Black Hawk and Vitapet strengthened their market positions and capitalised on strong pet care market conditions;</li><li>Lyppard continued its strong performance in the vet, retail and online channels, and benefitted from the acquisition of CH2's vet distribution business announced in H1 FY21; and</li><li>Construction of a new state of the art pet food manufacturing facility.</li></ul></li></ul>
<b>Group</b> <i>NPAT up 15.5%<sup>1</sup></i>	<ul style="list-style-type: none"><li>Excellent operating cash flow of \$298.3m.</li><li>ROCE of 18.0%, which is a record for the Group.</li><li>Further strengthened the balance sheet, with Net Debt : EBITDA reducing to 0.85x. EBOS has no debt maturities until H2 FY23.</li></ul>

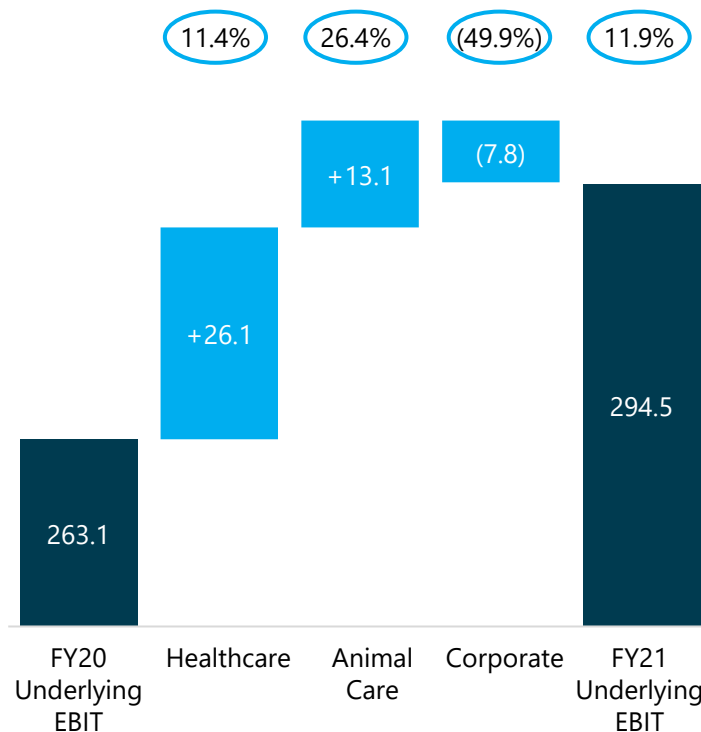
# BUSINESS AND SEGMENT PERFORMANCE

Our Healthcare and Animal Care businesses contributed positively to strong earnings growth

GOR bridge (\$m)



Underlying EBIT bridge (\$m)



# INVESTING FOR GROWTH

Consistent with our strategy of investing for growth, EBOS announces a significant Animal Care investment and a number of Healthcare acquisitions

## Announced today

### *Pet Food Manufacturing Facility Investment*



### *Medical Devices Distribution Acquisition*



### *Additional Acquisition*

- A further acquisition for the Institutional Healthcare division
- High degree of confidence of execution in the near-term

## Announced previously in FY21

### *Medical Devices Distribution Acquisition*



### *Vet Wholesale Acquisition*

**CH2's vet  
wholesale division**

*See pages 8 and 9 for further details*

# PET FOOD MANUFACTURING FACILITY

## EBOS will shortly commence manufacturing Black Hawk through our own new state of the art facility under construction in NSW, Australia

- ~\$80m investment in construction of a new pet food manufacturing facility in NSW, Australia.
- Facilitates insource manufacturing of Black Hawk and accelerates new product development initiatives through the latest manufacturing technologies, allowing EBOS to capitalise on attractive market opportunities.
- Black Hawk has grown sales by more than 4 times under EBOS' ownership and has reached significant scale. It is the leading premium dog food brand in the pet speciality channel in both Australia and New Zealand.
- This scale and brand awareness opens a range of strategic opportunities. Key benefits include:
  - ✓ Flexibility and speed to market in new product development;
  - ✓ Enhance control of product quality and safety and reduce 3<sup>rd</sup> party supply chain risk; and
  - ✓ Capture manufacturer margin.

<b>Timing</b>	<ul style="list-style-type: none"><li>• Construction is well progressed and production will commence in H2 FY22</li></ul>
<b>Facilities description</b>	<ul style="list-style-type: none"><li>• Size: 12,000+ sqm</li><li>• Location: Parkes, NSW, Australia</li></ul>
<b>Investment</b>	<ul style="list-style-type: none"><li>• Total investment of ~\$80m</li><li>• ~\$51m in H2 FY21; ~\$29m in FY22</li></ul>
<b>Expected return</b>	<ul style="list-style-type: none"><li>• Consistent with the Group's overall ROCE over the medium term</li></ul>



# STRATEGIC ACQUISITIONS

**EBOS has completed another acquisition in its medical devices distribution business and has a high degree of confidence of executing a further acquisition in the near term within the Institutional Healthcare division**

**pioneer med**

- Acquired 100% of Pioneer Medical Group, a New Zealand based importer and distributor of spine and major joint implants and associated surgical technologies for orthopaedic and neurosurgery.
- Represents our third medical devices distribution acquisition. The aggregate annualised revenue of the division is now more than \$70m.

## ***Additional acquisition***

- A further acquisition for the Institutional Healthcare division
- High degree of confidence of execution in the near-term

## ***Aggregate features of the acquisitions:***

**~\$80m**  
consideration

**~\$50m**  
annualised revenue

**Strong strategic  
rationale**

**EPS accretive**

Note 1: Consideration in New Zealand dollars converted to Australian dollars using exchange rate of 0.93.  
Note 2: Completion of each acquisition will take place after 30 June 2021.

# ENVIRONMENT, SOCIAL AND GOVERNANCE

EBOS has today launched its ESG program and published its inaugural Sustainability Report

Our ESG program comprises five pillars



## Health & Animal Care Partners

### Delivering essential infrastructure for human and animal health

- Community service role
- Nurturing customer and government relationships

### Implementing robust systems

- Business continuity management
- Data and technology security/privacy



## Consumers & Patients

### Managing the impacts of our products

- Waste and packaging
- Responsible procurement

### Upholding our Quality Promise

- Quality Management System
- Compliance



## Community & Environment

### Environmental Resilience

- Carbon offsetting
- Minimising our impact

### Reaching out to help out

- Supporting causes close to us
- Advancing equity, fairness and opportunity in society



## Our People

- Employee safety, health and wellbeing
- Culture and engagement
- Talent and capability
- Performance and reward – recognition



## Responsible Business

- Legal compliance
- Reporting with integrity
- Ethical behaviour
- Corporate governance

# GROUP PERFORMANCE

\$m	FY21	FY20	Var	Var%
<b>Underlying Results</b>				
<b>Revenue</b>	<b>9,202.9</b>	<b>8,765.5</b>	<b>437.3</b>	<b>5.0%</b>
GOR	984.3	917.8	66.5	7.2%
EBITDA	367.1	336.2	30.9	9.2%
Depreciation & Amortisation	72.6	73.1	0.5	0.7%
<b>EBIT</b>	<b>294.5</b>	<b>263.1</b>	<b>31.4</b>	<b>11.9%</b>
Net Finance Costs	27.6	30.4	2.8	9.1%
Profit Before Tax	266.8	232.7	34.2	14.7%
<b>Net Profit After Tax</b>	<b>188.2</b>	<b>162.9</b>	<b>25.3</b>	<b>15.5%</b>
Earnings per share - cps	114.9c	100.8c	14.1c	14.0%
EBIT margin	3.20%	3.00%	0.20%	
Net Debt <sup>1</sup>	271.3	327.2		
Net Debt : EBITDA <sup>1</sup>	0.85x	1.11x		

## Statutory Results

Revenue	9,202.9	8,765.5	437.3	5.0%
EBITDA	363.3	333.6	29.7	8.9%
EBIT	290.7	260.5	30.2	11.6%
Profit Before Tax	263.0	230.1	33.0	14.3%
Net Profit After Tax	185.3	162.5	22.8	14.0%
Earnings per share - cps	113.2c	100.6c	12.6c	12.5%

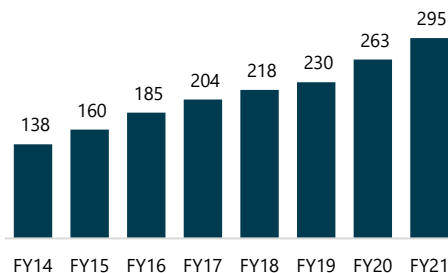
- Revenue of \$9,202.9m, an increase of \$437.3m or 5.0%:
  - Healthcare up 4.4%.
  - Animal Care up 17.0%.
- Underlying EBIT of \$294.5m, an increase of \$31.4m or 11.9%:
  - Healthcare up 11.4%.
  - Animal Care up 26.4%.
- Underlying EBIT margin expanded to 3.20% (from 3.00%).
- Underlying NPAT and EPS increased by 15.5% and 14.0%, respectively.
- Net Debt : EBITDA ratio of 0.85x attributable to strong earnings growth and disciplined capital management.

# LONG TERM TRACK RECORD

EBOS has delivered consistent financial performance through the cycle

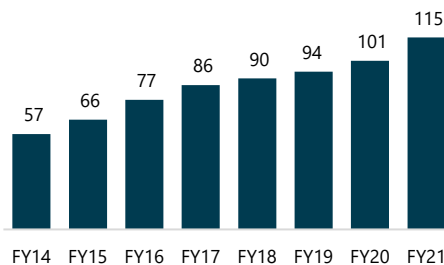
## Underlying EBIT (\$m)

11.4% CAGR



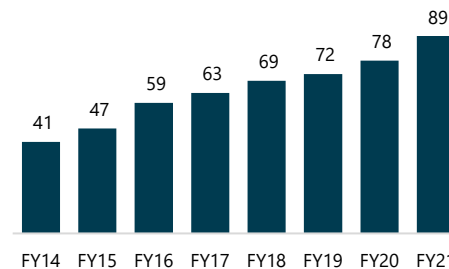
## Underlying EPS (\$ cents per share)

10.6% CAGR



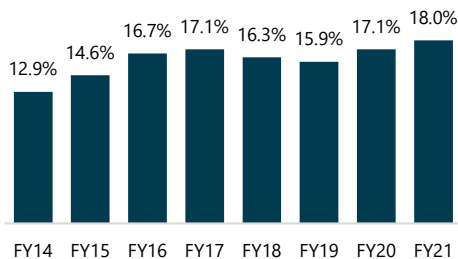
## DPS (NZ\$ cents per share)

11.6% CAGR



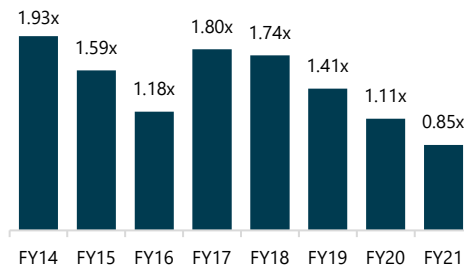
## Return on capital employed (%)

15% target



## Net Debt : EBITDA

Significant funding headroom



## Summary

- ✓ Strong earnings growth.
- ✓ Stable dividend growth and payout ratio.
- ✓ Disciplined focus on working capital management and cash flow generation.
- ✓ Disciplined focus on ROCE > 15% target.
- ✓ Strong balance sheet with growth headroom.

# HEALTHCARE RESULTS



# HEALTHCARE SEGMENT

**Healthcare segment Underlying EBIT growth of 11.4%, with strong performances in both Australia and New Zealand**

\$m	FY21	FY20	Var\$	Var%
Revenue	8,705.4	8,340.4	364.9	4.4%
Underlying EBIT	254.9	228.9	26.1	11.4%
<i>Underlying EBIT%</i>	2.93%	2.74%		

## Australia

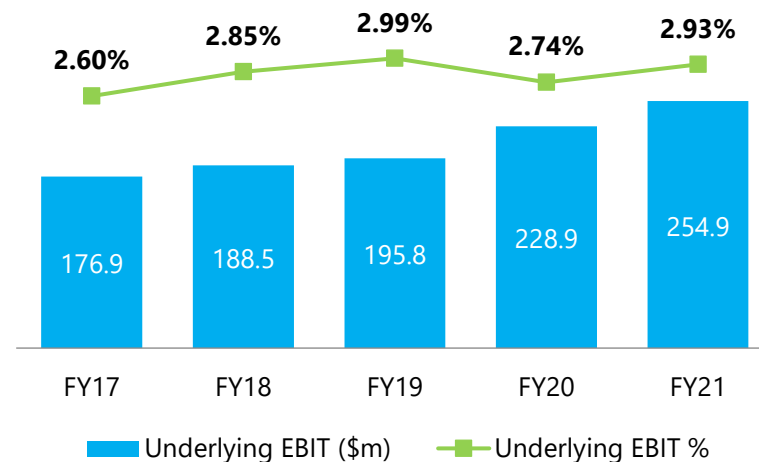
Revenue	6,920.6	6,676.5	244.2	3.7%
Underlying EBIT	216.0	192.2	23.9	12.4%
<i>Underlying EBIT%</i>	3.12%	2.88%		

## New Zealand

Revenue	1,784.7	1,664.0	120.8	7.3%
Underlying EBIT	38.9	36.7	2.2	6.0%
<i>Underlying EBIT%</i>	2.18%	2.20%		

- Revenue growth of 4.4% was driven by the performances of Community Pharmacy, TWC, Institutional Healthcare and Contract Logistics.
- Underlying EBIT growth of 11.4% is primarily from increased wholesale sales, cost savings from productivity improvements, TWC's performance and continued growth in our medical devices and Contract Logistic businesses.

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



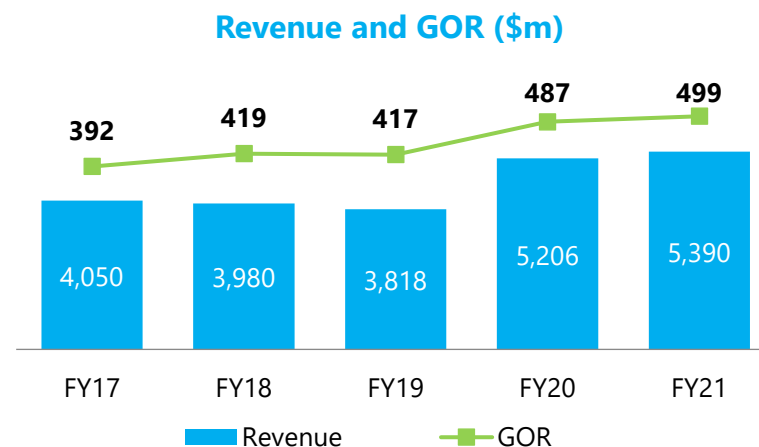
# COMMUNITY PHARMACY

- The Consumer Products division has been absorbed into Community Pharmacy effective 1 July 2021.
- Revenue increased by \$184.4m (3.5%) and GOR increased by \$12.0m (2.5%), benefitting from:
  - Increased wholesale revenue in both Australia and New Zealand; and
  - Strong performance of our community pharmacy retail brands, including TWC.
- Revenue was negatively impacted by PBS pricing reforms (approximately \$83m).
- Productivity improvements in wholesale operations across all sites, particularly the Brisbane and Melbourne facilities.
- The 7th Community Pharmacy Agreement commenced from July 2020 and provides the wholesale business with additional certainty with increased CSO funding.

\$m	FY21	FY20	Var (\$)	Var (%)
<b>Revenue</b>				
Community Pharmacy	5,289.3	5,090.2	199.2	3.9%
Consumer Products	100.6	115.4	(14.8)	(12.8)%
Total	5,390.0	5,205.6	184.4	3.5%

<b>GOR</b>				
Community Pharmacy	464.4	445.1	19.3	4.3%
Consumer Products	34.7	42.0	(7.3)	(17.5)%
Total	499.1	487.1	12.0	2.5%

<b>GOR %</b>		
Community Pharmacy	8.78%	8.74%
Consumer Products	34.4%	36.4%
Total	9.26%	9.36%



## One of Australia's leading community pharmacy networks with over 465 stores

- TWC added 36 net new pharmacies to its national network in FY21, continuing its record growth in store numbers.
- Together with recent growth and a strong pipeline for new store openings, TWC is targeting 500 trading stores by 30 June 2022.
- Above market growth in network sales with total sales up 5.3% and like-for-like sales up 3.6%.
- Growth in media spend outpacing the market, delivering strong brand improvements and maintaining our position as the second largest advertiser in the Australian retail pharmacy sector.
- Industry leading pharmacist education programs with over 1,000 delegates attending our signature 'Masterclass' event this year.
- Delivered a transformational change in supplier engagement levels according to the recent Advantage industry survey<sup>1</sup>.
- Over 400 TWC pharmacies across the country are supporting COVID-19 vaccinations in their communities with 300 already delivering the service.
- Continued pharmacist vaccination leadership in flu.
- Investment in MyTWC digital platform to enhance omnichannel capabilities.

## Network sales growth in FY21

**Total sales** up 5.3%

Like-for-like up 3.6%

**Dispensary sales** up 6.5%

Like-for-like up 4.8%

**Script volumes** up 4.4%

Like-for-like up 2.6%

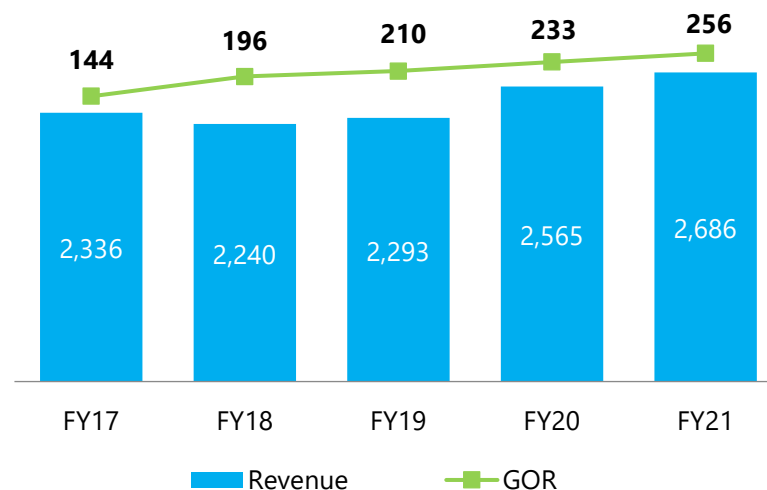


# INSTITUTIONAL HEALTHCARE

- Institutional Healthcare revenue increased by \$120.9m (4.7%) and GOR increased by \$22.7m (9.7%), largely from increases in new specialty medicines, combined with strong growth in the medical consumables sector and acquisitions in the medical devices sector.
- Symbion Hospitals revenue grew by 4.2% primarily from sales of specialty medicines.
- Our businesses in both Australia and New Zealand benefitted from the continued customer demand for medical consumables.
- Continued expansion in medical devices distribution through the acquisitions of Pioneer Medical and Cryomed. We have now acquired three businesses and expect to generate aggregate annualised revenues of approximately \$70m in this sector. We continue to pursue further bolt-on acquisitions focusing on those therapeutic areas that offer strong rates of organic growth.
- Compared with the higher first half GOR growth rate of 15.5%, the second half GOR growth of 4.6% reflects cycling of strong customer demand in H2 FY20 due to COVID-19 related demand.

\$m	FY21	FY20	Var\$	Var%
Revenue	2,686.0	2,565.1	120.9	4.7%
GOR	255.9	233.2	22.7	9.7%
GOR%	9.53%	9.09%		

Revenue and GOR (\$m)



# CONTRACT LOGISTICS

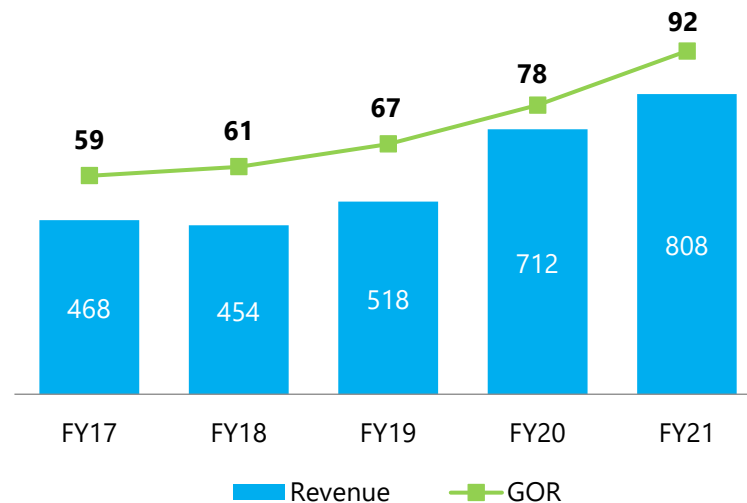
- Contract Logistics revenue increased by \$95.3m (13.4%) and GOR by \$14.6m (18.7%), attributable to growth in Australia due to an increased number of principals and increasing pharmaceutical principal sales, as well as growth in New Zealand with increased demand for protective equipment, testing kits and COVID-19 vaccines assisting our performance.
- Contract Logistics currently services approximately 160 overseas manufacturers and is well placed for further growth in Australia and New Zealand.



\$m	FY21	FY20	Var\$	Var%
Revenue	807.5	712.3	95.3	13.4%
GOR	92.3	77.7	14.6	18.7%

*Note: GOR % not relevant as sales are predominantly on consignment.*

Revenue and GOR (\$m)



# ANIMAL CARE RESULTS

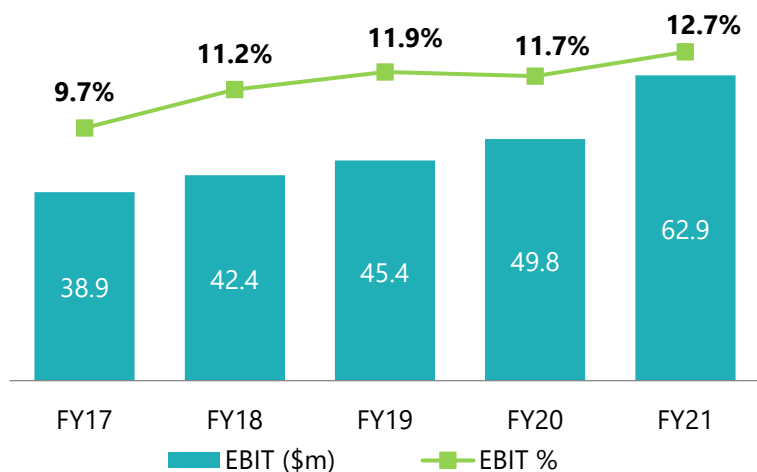


# ANIMAL CARE SEGMENT

Animal Care has continued to capitalise on strong pet market conditions

\$m	FY21	FY20	Var\$	Var%
Revenue	497.5	425.1	72.4	17.0%
EBIT	62.9	49.8	13.1	26.4%
EBIT%	12.7%	11.7%		




EBIT (\$m and %)



- Animal Care revenue increased by \$72.4m (17.0%) and EBIT increased by \$13.1m (26.4%) due to strong performances by our key brands and businesses – Black Hawk, Vitapet and Lyppard.
- The Australian and New Zealand pet market continues to experience strong trading conditions, supported by well established trends, including the humanisation of pets, further accelerated by ongoing COVID-19 conditions that have resulted in people spending more time at home with their pets.
- Black Hawk and Vitapet recorded double-digit sales growth and both brands continued to increase or maintain share in their respective market segments.
- Lyppard continued to perform strongly and the second half was further supported by the acquisition of CH2's vet wholesale distribution business in November 2020.
- Investment in the new state of the art pet food manufacturing facility allows insourced manufacturing of Black Hawk and accelerates new product development opportunities.

# CONTINUED PRODUCT AND BRAND GROWTH

Our key brands and Lyppard demonstrated double-digit sales growth

Categories	FY21 sales growth	Sales growth drivers
<b>Black Hawk</b> 	12.4%	<ul style="list-style-type: none"> <li>Strong consumer support for our products.</li> <li>Continued investment in marketing to drive increased brand awareness and retail support.</li> </ul>
<b>Vitapet</b> 	10.1%	<ul style="list-style-type: none"> <li>Increasing market share in Australia and maintaining share in New Zealand.</li> <li>Strong new product pipeline.</li> <li>Marketing support to grow brand awareness.</li> </ul>
<b>Lyppard</b> 	20.7%	<ul style="list-style-type: none"> <li>Growth in the online and retail channels and major customers within the Vet channel.</li> <li>Acquisition of CH2's vet distribution business.</li> </ul>

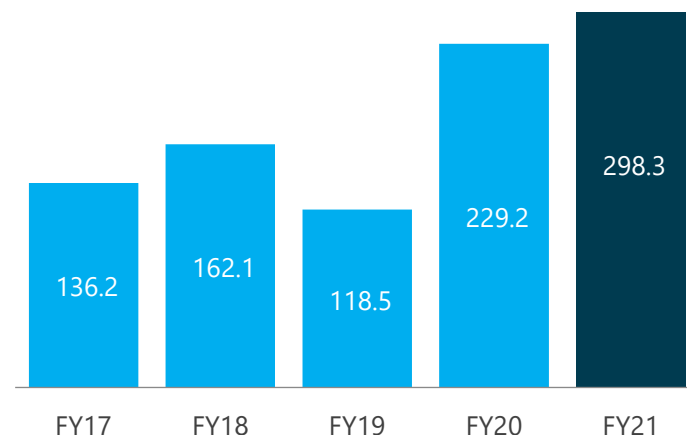
# FINANCIAL INFORMATION AND CURRENT TRADING



# CASH FLOW

\$m	FY21	FY20	Var\$	Var%
<b>Statutory EBITDA</b>	<b>363.3</b>	<b>333.6</b>	<b>29.7</b>	<b>8.9%</b>
Net interest paid	(27.6)	(30.4)	2.8	
Tax paid	(72.2)	(69.0)	(3.2)	
Net working capital and other movements	34.8	(5.0)	39.8	
<b>Cash from Operating activities</b>	<b>298.3</b>	<b>229.2</b>	<b>69.1</b>	<b>30.1%</b>
Capital expenditure – pet food facility	(50.9)	-	(50.9)	
Capital expenditure – Business as usual	(31.1)	(28.9)	(2.2)	
<b>Capital expenditure – Net</b>	<b>(82.0)</b>	<b>(28.9)</b>	<b>(53.1)</b>	
<b>Free Cash Flow</b>	<b>216.3</b>	<b>200.3</b>	<b>16.0</b>	<b>8.0%</b>

Cash from Operating activities (\$m)



- Operating Cash Flow of \$298.3m is above the last year by \$69.1m, driven by strong earnings growth and continued disciplined working capital management.
- Business as usual capex of \$31.1m relates to group operations. Pet food manufacturing facility capex of \$50.9m incurred within H2 FY21 is expected to generate returns consistent with the Group's overall ROCE over the medium term.

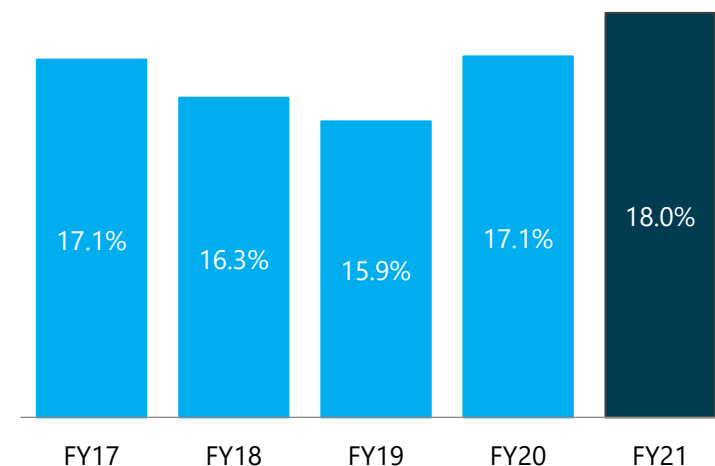
# WORKING CAPITAL AND ROCE

## Working Capital

\$m	FY21	FY20	FY19
<b>Net Working Capital</b>			
Trade receivables	1,098.9	984.6	865.7
Inventory	784.8	737.7	723.5
Trade payables/other	(1,622.3)	(1,417.2)	(1,307.3)
<b>Total</b>	<b>261.3</b>	<b>305.1</b>	<b>281.9</b>
<b>Cash conversion days</b>	<b>14</b>	<b>15</b>	<b>18</b>

- Working capital management discipline is a key focus of EBOS and another strong performance saw an improvement in our industry leading cash conversion cycle to 14 days.

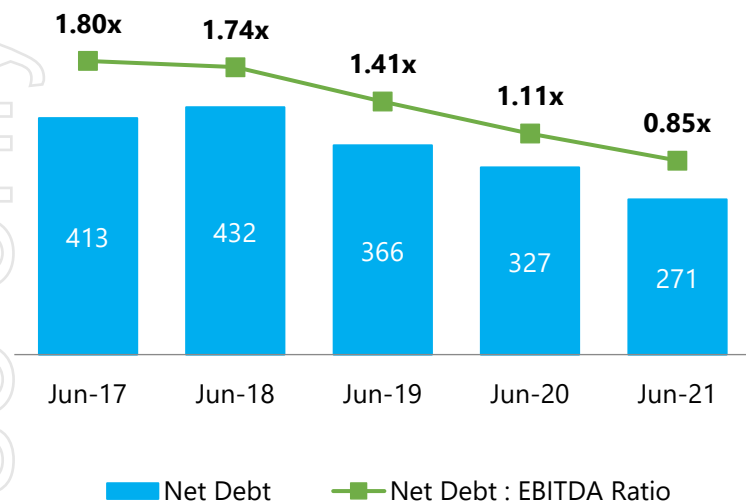
## Return on Capital Employed (ROCE)



- Return on Capital Employed of 18.0% at June 2021 is above June 2020 by 0.9% and is a record for the Group.
- Reflects strong earnings growth and disciplined capital management.

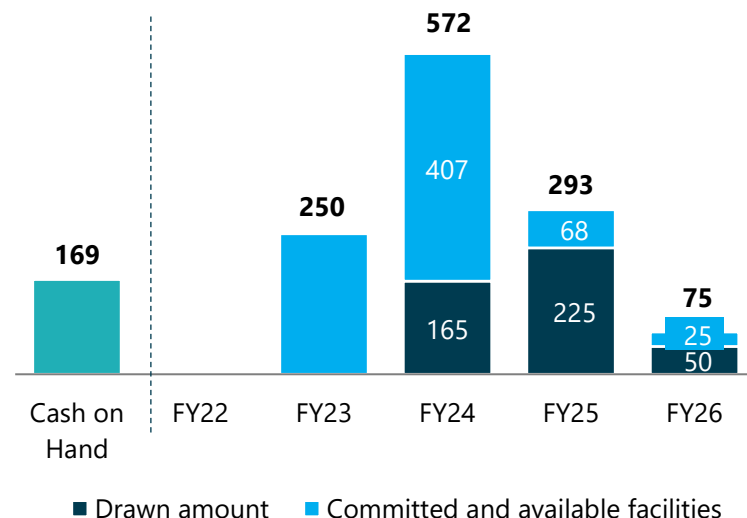
# NET DEBT AND MATURITY PROFILE

## Net Debt and Net Debt : EBITDA ratio<sup>1</sup>



- Net Debt<sup>1</sup> of \$271m at June 2021, with a Net Debt : EBITDA<sup>1</sup> ratio of 0.85x (1.11x at June 2020).
- Current gearing retains significant capacity to fund future growth opportunities.

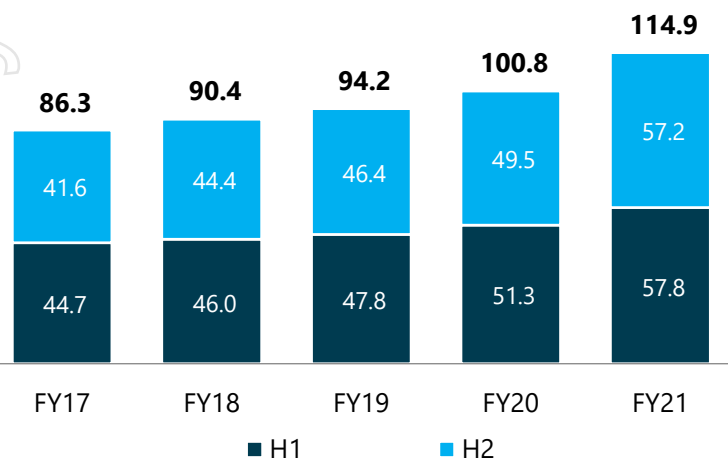
## Cash and Debt Maturity Profile



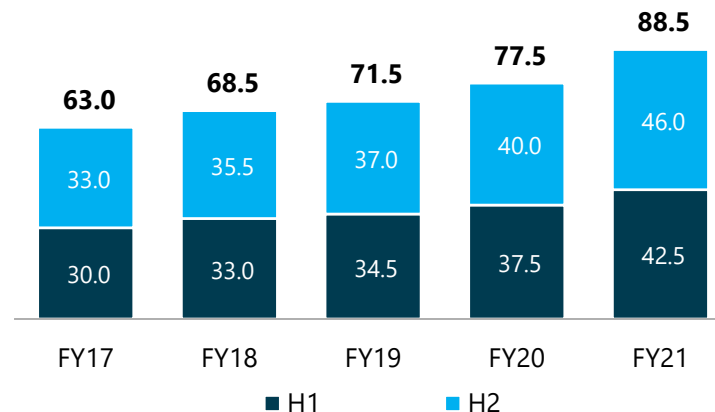
- In H2 FY21, EBOS entered into a new \$75m secured term debt facility for the construction of the new pet food manufacturing facility. The facility expires in June 2026.
- EBOS has no maturities in its debt facilities until H2 FY23.

# EARNINGS AND DIVIDENDS PER SHARE

Underlying Earnings per Share (A\$ cents)



Dividends per Share (NZ\$ cents)



- Underlying EPS of 114.9 cents representing growth of 14.0% in FY21.
- Final dividend of 46.0 NZ cents declared (imputed to 25% and franked to 100% for New Zealand and Australian tax resident shareholders, respectively).
- Total dividends declared for FY21 of 88.5 NZ cents representing growth of 14.2%.
- Full year dividend payout ratio of 72%, on an underlying basis<sup>1</sup>.
- Reflecting the Group's strong operating performance, cash flow and balance sheet, the DRP will not be available for the final dividend.
- EBOS is pleased to advise shareholders that it has revised its dividend policy to declare dividends representing between 60% to 80% of NPAT (reflecting an improvement compared to the previous policy of declaring dividends not less than 60% of NPAT). The average payout ratio over the last five years has been approximately 72%.

# FY22 OUTLOOK

- EBOS is pleased with the strong earnings growth in FY21 and expects to be able to generate further growth in FY22.
- The Group's portfolio of businesses has proven to be very resilient throughout the COVID-19 pandemic, however lockdowns in New Zealand and Australia are evidence of the material uncertainties that exist and that may impact upon the Group's future trading performance.
- Capital expenditure for FY22 is expected to remain elevated as a result of the completion of the new pet care manufacturing facility, which will result in additional expenditure of approximately \$30 million over and above business-as-usual capex.
- EBOS has a strong balance sheet and is well positioned to pursue growth opportunities.
- A performance update will be provided to shareholders at the Annual Meeting on 19 October 2021.

## SUPPORTING INFORMATION



# RECONCILIATION OF STATUTORY TO UNDERLYING RESULTS

\$m	FY21				FY20			
	EBITDA	EBIT	PBT	NPAT	EBITDA	EBIT	PBT	NPAT
<b>Statutory result</b>	<b>363.3</b>	<b>290.7</b>	<b>263.0</b>	<b>185.3</b>	<b>333.6</b>	<b>260.5</b>	<b>230.1</b>	<b>162.5</b>
Transaction costs incurred on M&A	3.8	3.8	3.8	2.9	2.6	2.6	2.6	2.1
Tax credit for NZ depreciation charge	-	-	-	-	-	-	-	(1.7)
Net of one-off items	3.8	3.8	3.8	2.9	2.6	2.6	2.6	0.3
<b>Underlying result<sup>1</sup></b>	<b>367.1</b>	<b>294.5</b>	<b>266.8</b>	<b>188.2</b>	<b>336.2</b>	<b>263.1</b>	<b>232.7</b>	<b>162.9</b>

# SEGMENT EBITDA AND EBIT RECONCILIATION

\$m	EBITDA				EBIT			
	FY21	FY20	Var\$	Var%	FY21	FY20	Var\$	Var%
<b>Healthcare</b>								
Pre IFRS16	280.0	257.4	22.5	8.8%	248.2	224.3	23.8	10.6%
add IFRS16 impact	36.2	33.0	3.3		2.9	1.9	1.0	
<b>Statutory</b>	<b>316.2</b>	<b>290.4</b>	<b>25.8</b>	<b>8.9%</b>	<b>251.1</b>	<b>226.3</b>	<b>24.9</b>	<b>11.0%</b>
add One-off items	3.8	2.6	1.2		3.8	2.6	1.2	
<b>Underlying</b>	<b>320.0</b>	<b>293.0</b>	<b>27.0</b>	<b>9.2%</b>	<b>254.9</b>	<b>228.9</b>	<b>26.1</b>	<b>11.4%</b>
<b>Animal Care</b>								
Pre IFRS16	63.6	52.3	11.4	21.7%	62.5	49.6	12.9	26.1%
add IFRS16 impact	5.7	5.4	0.3		0.4	0.2	0.2	
<b>Statutory</b>	<b>69.4</b>	<b>57.7</b>	<b>11.7</b>	<b>20.3%</b>	<b>62.9</b>	<b>49.8</b>	<b>13.1</b>	<b>26.4%</b>
<b>Corporate</b>								
Pre IFRS16	(23.6)	(15.8)	(7.8)	(49.7%)	(23.6)	(15.7)	(7.8)	(49.7%)
add IFRS16 impact	1.3	1.3	0.0		0.2	0.1	0.0	
<b>Statutory</b>	<b>(22.3)</b>	<b>(14.5)</b>	<b>(7.8)</b>	<b>(54.0%)</b>	<b>(23.4)</b>	<b>(15.6)</b>	<b>(7.8)</b>	<b>(49.9%)</b>
<b>EBOS Group</b>								
Pre IFRS16	320.0	294.0	26.1	8.9%	287.1	258.2	29.0	11.2%
add IFRS16 impact	43.3	39.6	3.6		3.5	2.3	1.2	
<b>Statutory</b>	<b>363.3</b>	<b>333.6</b>	<b>29.7</b>	<b>8.9%</b>	<b>290.7</b>	<b>260.5</b>	<b>30.2</b>	<b>11.6%</b>
add One-off items	3.8	2.6	1.2		3.8	2.6	1.2	
<b>Underlying</b>	<b>367.1</b>	<b>336.2</b>	<b>30.9</b>	<b>9.2%</b>	<b>294.5</b>	<b>263.1</b>	<b>31.4</b>	<b>11.9%</b>

Note 1: Underlying results is a Non-GAAP measure which adjusts for the effects of one-off items.

# RECONCILIATION OF CHANGES TO IFRS16 LEASE ACCOUNTING: INCOME STATEMENT

\$m	Statutory pre IFRS16				IFRS16 Impact		Statutory			
	FY21	FY20	Var\$	Var%	FY21	FY20	FY21	FY20	Var\$	Var%
<b>Group Income Statement</b>										
<b>Revenue</b>	<b>9,202.9</b>	<b>8,765.5</b>	<b>437.3</b>	<b>5.0%</b>	-	-	<b>9,202.9</b>	<b>8,765.5</b>	<b>437.3</b>	<b>5.0%</b>
Gross Operating Revenue	984.3	917.8	66.5	7.2%	-	-	984.3	917.8	66.5	7.2%
<b>EBITDA</b>	<b>320.0</b>	<b>294.0</b>	<b>26.1</b>	<b>8.9%</b>	<b>43.3</b>	<b>39.6</b>	<b>363.3</b>	<b>333.6</b>	<b>29.7</b>	<b>8.9%</b>
Depreciation & Amortisation	32.9	35.8	2.9	8.1%	39.7	37.3	72.6	73.1	0.5	0.7%
<b>EBIT</b>	<b>287.1</b>	<b>258.2</b>	<b>29.0</b>	<b>11.2%</b>	<b>3.5</b>	<b>2.3</b>	<b>290.7</b>	<b>260.5</b>	<b>30.2</b>	<b>11.6%</b>
Net Finance Costs	19.9	22.3	2.3	10.5%	7.7	8.1	27.6	30.4	2.8	9.1%
Profit Before Tax	267.2	235.9	31.3	13.3%	(4.2)	(5.8)	263.0	230.1	33.0	14.3%
Tax Expense / (Benefit)	80.2	68.9	(11.3)	(16.4%)	(1.2)	(0.4)	79.0	68.5	(10.4)	(15.2%)
Outside Equity Interest	1.2	1.0	0.2	24.5%	-	-	1.2	1.0	0.2	24.5%
<b>Net Profit after Tax</b>	<b>188.2</b>	<b>168.0</b>	<b>20.2</b>	<b>12.0%</b>	<b>(2.9)</b>	<b>(5.5)</b>	<b>185.3</b>	<b>162.5</b>	<b>22.8</b>	<b>14.0%</b>
Earnings per share - cps	115.0c	104.0c	11.0c	10.6%	(1.8)	(3.4)	113.2c	100.6c	12.6c	12.5%
<b>EBITDA by Segment</b>										
Healthcare	280.0	257.4	22.5	8.8%	36.2	33.0	316.2	290.4	25.8	8.9%
Animal Care	63.6	52.3	11.4	21.7%	5.7	5.4	69.4	57.7	11.7	20.3%
Corporate	(23.6)	(15.8)	(7.8)	(49.7%)	1.3	1.3	(22.3)	(14.5)	(7.8)	(54.0%)
<b>Group</b>	<b>320.0</b>	<b>294.0</b>	<b>26.1</b>	<b>8.9%</b>	<b>43.3</b>	<b>39.6</b>	<b>363.3</b>	<b>333.6</b>	<b>29.7</b>	<b>8.9%</b>
<b>EBIT by Segment</b>										
Healthcare	248.2	224.3	23.8	10.6%	2.9	1.9	251.1	226.3	24.9	11.0%
Animal Care	62.5	49.6	12.9	26.1%	0.4	0.2	62.9	49.8	13.1	26.4%
Corporate	(23.6)	(15.7)	(7.8)	(49.7%)	0.2	0.1	(23.4)	(15.6)	(7.8)	(49.9%)
<b>Group</b>	<b>287.1</b>	<b>258.2</b>	<b>29.0</b>	<b>11.2%</b>	<b>3.5</b>	<b>2.3</b>	<b>290.7</b>	<b>260.5</b>	<b>30.2</b>	<b>11.6%</b>

# COVID-19 FINANCIAL IMPACTS

The estimated net overall financial impact from COVID-19 on the Group in FY21 was slightly positive

## Positive impacts

## Negative impacts

### Healthcare

- Institutional Healthcare benefitted from increased demand for protective equipment.
- Contract Logistics benefitted from customer requirements mainly for protective equipment, testing kits and COVID-19 vaccines.

- Sales impacted as a result of lockdowns which drove lower foot traffic in some retail pharmacies, especially in CBDs, as well as a reduced cough and cold season.
- Consumer Products sales were impacted by lower daigou sales, category declines (particularly from a reduced cold and flu season) and delays in product supply.
- Institutional Healthcare sales were impacted by reduced GP visitations and reduced travel vaccines.

### Animal Care

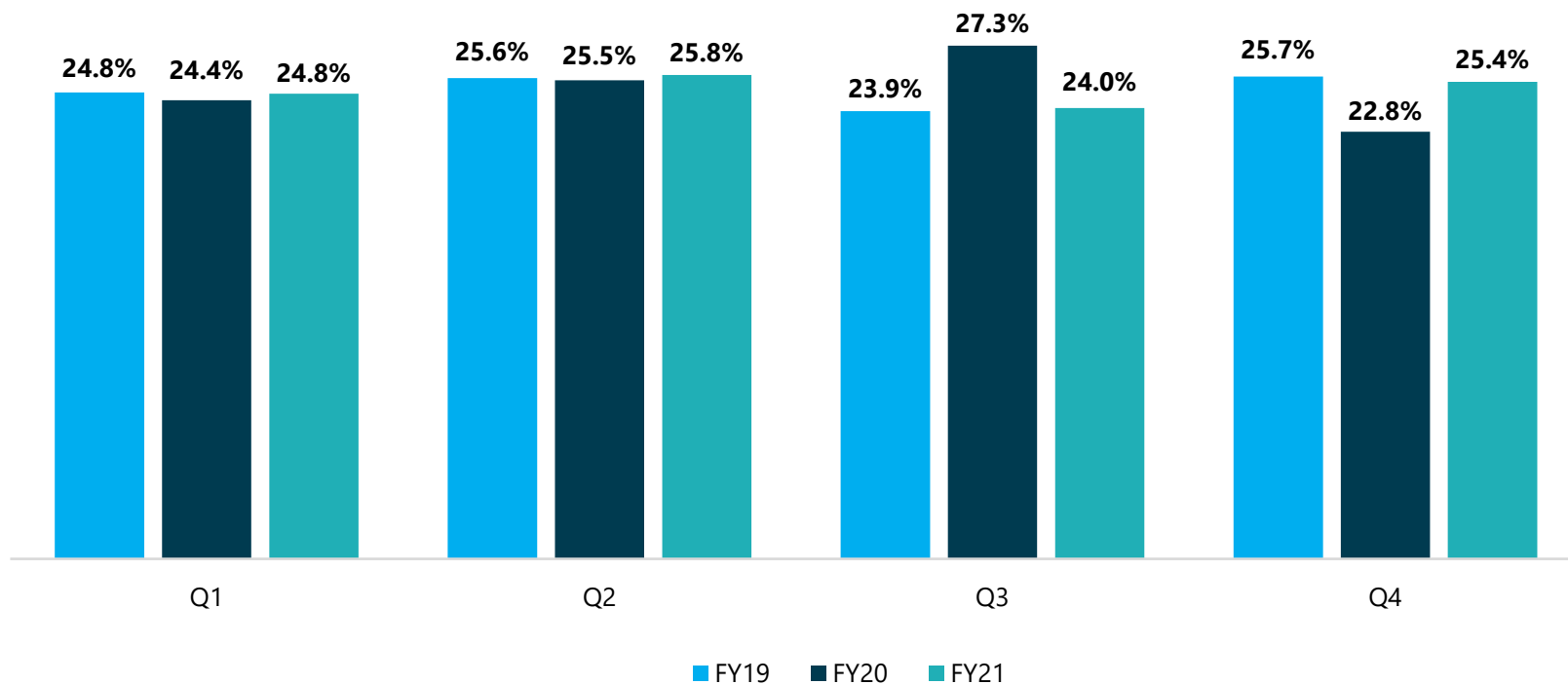
- Black Hawk, Vitapet and Lyppard benefitted from increased consumer spending on pets.

***During COVID-19 market conditions, EBOS has benefitted from its industry leading distribution network, the defensive nature of our products and services, our scale and diversity and a strong balance sheet.***

# COVID-19 SEASONALITY IMPACT

The Group's revenue seasonality returned to pre COVID-19 trends in FY21 as last year included higher than normal revenue in Q3 FY20 and lower than normal revenue in Q4 FY20.

Revenue Seasonality by quarter (%)



# GLOSSARY OF TERMS AND MEASURES

**Except where noted, common terms and measures used in this document are based upon the following definitions:**

Term	Definition
Revenue	Revenue from the sale of goods and the rendering of services.
Gross Operating Revenue (GOR)	Revenue less cost of sales and the write-down of inventory.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
Underlying EBITDA	Earnings before interest, tax, depreciation, amortisation and adjusted for one-off items.
EBIT	Earnings before interest and tax.
Underlying EBIT	Earnings before interest and tax and adjusted for one-off items.
PBT	Profit before tax.
Underlying PBT	Profit before tax and adjusted for one-off items.
NPAT	Net Profit After Tax attributable to the owners of the company.
Underlying NPAT	Net Profit After Tax attributable to the owners of the company and adjusted for one-off items.
One-off items	Transaction costs incurred on M&A activities and tax credit for NZ depreciation charge.
Free Cash Flow	Cash from operating activities less capital expenditure net of proceeds from disposals.
Earnings per share (EPS)	Net Profit after tax divided by the weighted average number of shares on issue during the period in accordance with IAS 33 'Earnings per share'.
IFRS	International Financial Reporting Standards.
Underlying EPS	Underlying NPAT divided by the weighted average number of shares on issue during the period in accordance with IAS 33 Earnings per share.
Underlying Net Debt	Net debt excluding the impacts of IFRS16 Leases.
Net Debt : EBITDA	Ratio of Underlying net debt at period end to the last 12 months Underlying EBITDA, adjusting for pre acquisition earnings of acquisitions for the period.
Return on Capital Employed (ROCE)	Underlying earnings before interest, tax and amortisation of finite life intangibles for 12 months (EBITA) divided by closing capital employed (excluding IFRS16 Leases and including a pro-rata adjustment for entities recently acquired, significant capital projects and strategic investments during the period).

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