

ASX RELEASE

Apiam Animal Health Limited (ASX: AHX)

Continued regional expansion in attractive fast growth companion animal markets

- **Acquisition of Harbour City Veterinary Surgery (Gladstone, QLD)**
- **Attractive regional location with strong companion animal focus supporting Apiam's growth strategy**
- **Total consideration of \$2.8M; expected to add \$2.34M in revenue to Apiam on a FY21 proforma basis**

Bendigo, August 25, 2021 – Apiam Animal Health Limited (**Apiam** or the **Company**) today announced that it has entered into binding agreements to acquire the business assets of regional veterinary practice Harbour City Veterinary Surgery (Harbour City Vets) (**the Acquisition**).

The total consideration for the Acquisition is \$2.8 million, of which \$1.96 million will be paid in cash, with the remaining consideration to be paid via the issue of Apiam shares.

Overview of the Acquisitions

Harbour City Vets provides veterinary services for companion animals and is in Gladstone (QLD), a fast growth town south-east of Rockhampton. The clinic employs five veterinarians and eight support staff. Harbour City Vets will form part of Apiam's regional Queensland clinic network, now comprised of ten clinics following significant expansion in FY21.

The Acquisition will add \$2.34 million in revenue to Apiam on a FY21 proforma basis.

Commenting on the Acquisition, Apiam's Managing Director, Dr Chris Richards said *"The acquisition of Harbour City Vets supports our regional growth plans, taking us into a location we believe offer us strategic advantages. The clinic services the attractive and fast-growth companion animal segment, an area that is delivering significant growth for our business as we continue to capture market share."*

Further information

Completion of the Harbour City Vets acquisition is expected on the 31st of August 2021.

Shares issued as consideration to the Acquisition vendors will be subject to Apiam's required acquisition escrow conditions (50% of shares subject to an escrow period of 12-months, with 50% subject to an escrow period of 24-months).

Key employees have entered employment agreements on appropriate engagement and restraint terms and that reflect an ongoing contribution to earnings and execution of Apiam's growth strategy.

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For further information, please contact:

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Authorisation

This announcement was authorised by the Chairman of Apiam Animal Health Limited.

About Apiam Animal Health Limited

Apiam Animal Health is positioned in the Australian market as a vertically integrated animal health business providing a range of products and services to Production and Mixed animals. Apiam Animal Health's strategy is to service Production and Mixed animals throughout their lifecycle, including the provision of veterinary services, ancillary services, genetics, wholesale and retail of related products, together with technical services related to food-chain security.