

## **CHAIRMAN'S ADDRESS – 2025 AGM**

**Apiam Animal Health Limited**  
**20 November 2025**

### **Agenda**

Good morning, ladies and gentlemen, and welcome to the 2025 Annual General Meeting of Apiam Animal Health Limited.

On behalf of the Board, I thank you for joining us today and acknowledge your continued support of the company.

Today I'll start with a review of our performance in the 2025 financial year, which we reported to the ASX in detail in August.

I will also provide an update of our more recent trading for the first quarter of FY26 and will finish with some information related to the Scheme of Implementation Deed that we have entered into with Adamantem Capital for the proposed acquisition of all the shares in our Company.

### **FY25 Summary**

Let's start with the review of our last financial year to 30 June 2025. FY25 was a year of transition for Apiam, and while there were areas of progress, overall our financial results were below the Board's expectations.

Our Group revenues were affected by underperformance in our Clinical Vet Services segment which is our largest segment and in FY25 delivered approximately 75% of our Company revenues.

Intensive Animal Veterinary services accounted for the other 25% of Apiam's FY25 revenues and these operations performed more strongly over the period, delivering double digit growth. I'll speak to our segmental performance a little more shortly.

While Apiam did achieve a modest uplift in earnings in FY25, realising early benefits from efficiency initiatives and reduced costs in some areas, the underlying revenue pressures meant that overall earnings were not reflective of what the Company is capable of delivering.

Following a strategic review of underperforming assets, the Board made the decision in the first half to divest Agnes Banks Equine Clinic, which despite significant restructuring, still required considerable management time and intervention. An associated impairment loss of \$4.5 million (pre-tax) was recognised in the Company's accounts and this significantly dampened our statutory result.

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In response to these challenges, the Board determined that a change in leadership was in the Company's best interests. Bruce Dixon was appointed Interim Managing Director in June 2025 and we were pleased to welcome Vita Pepe to the management team on a part-time basis. Bruce and Vita have a long and successful history of turning around underperforming businesses, and since his appointment to the role in June, Bruce has implemented a Strategic Reset Program with associated initiatives already being rolled out across the Company. I'll explain these further shortly.

### **FY25 Results Snapshot**

Turning briefly now to a summary of key FY25 financial metrics.

Group revenue for FY25 was \$207.6 million, representing 1.4% growth on FY24.

Reported EBITDA increased 5.2% to \$25.8 million, while underlying EBITDA (pre-AASB16) rose 3.2% to \$21 million.

We reported a statutory net loss after the Agnes Banks Equine divestment impairment that I just mentioned. While this decision impacted the FY25 result, it was an important step in realigning our business toward more consistent and sustainable returns.

The Board also declared a fully franked final dividend of 1.0 cent per share.

### **Segment Summary – FY25**

I'll now briefly touch on our segment performance in FY25 to provide clarity around the Group result.

As you can see here our Clinical Veterinary Services segment - that is our network of 80 clinics - recorded a 2.2% decline in revenue, and we have set out here in the bullets on the left hand side of the slide the reasons for this drop in revenue performance.

Our ACE Laboratories Diagnostics business weighed most heavily on segment revenues, as export markets of dairy heifers into China dried up. We also saw softer performance in our equine clinics, amidst broader industry contraction and a reduction in animal numbers.

The core companion and mixed animal clinics delivered modest revenue growth at 1.1% but this was below our Group targets for the period.

We did however achieve a 3% reduction in operating expenses across our Clinical Vet Services network through tighter cost control, some redundancies in non-clinical staff roles as well as the impact of divestments.

By contrast, our Intensive Animal Services business performed strongly as summarised by the data on the right side of this slide. Feedlot revenue increased by 18.6% and pig related veterinary revenues grew 9.0% with both segments supported by stronger underlying industry conditions. Earnings in the Intensive Animal segments also performed strongly up 14.9% overall.

## Strategic Reset Program

Rather than dwell on the past, the focus since Q4 FY25 — particularly following Bruce's appointment in June — has been on implementing the right strategies to address our cost base and reposition the Company for sustainable growth.

A Business Improvement team led by Dr Duncan Runciman and Amanda Vardanega was established to support clinics in the bottom quartile of performance. I am pleased to report that, without exception, all clinics have achieved significant improvements in profitability, with many now operating above the company's average margin.

A key factor in this turnaround has been the introduction of daily financial performance measures for every clinic. These real-time insights allow managers to align labour costs with revenue on a daily basis—improving efficiency, accountability, and responsiveness across the network.

With many of these initiatives now being in place for 4-5 months, the early impact of these changes is already visible. With that I'll now take you through Apiam's performance for the first three months of FY26.

### Q1 FY26 Trading Update

As you can see on this slide, we have delivered a strong start to the year, with Group Q1 revenue trending positively, up 3.3% on the same period last year.

In Clinical Veterinary Services, revenue grew 1.3% in the first quarter, with improvements in our companion animal clinics offsetting softer results in equine and the revenue loss associated with our business divestments.

In Intensive Animal Vet Services, we recorded a 10.4% revenue increase, driven by another period of strong double-digit growth in the feedlot segment. Industry conditions in the feedlot sector remain buoyant with strong exports into the US market continuing. Pig veterinary revenues did however soften slightly over the quarter.

Pleasingly, overall Group operating expenses were down 3.6%, reflecting the impact of the Strategic Reset initiatives we have implemented and that I just talked through.

As you can see from the earnings growth trend, the combination of improved revenue growth and solid cost reductions has had a strong positive impact on our results with a 40% uplift in EBITDA.

The strength of this turnaround has also given us the confidence to re-establish a growth pipeline of acquisition targets and new greenfield developments, ensuring the Company is well positioned for the future.

## Scheme Implementation Deed

Now to the Scheme of Arrangement with Adamantem Capital.

Following a period of due diligence on Apiam by Adamantem Capital, the parties entered into a binding Scheme Implementation Deed on 22 October 2025.

Under the Scheme, Adamantem is seeking to acquire 100% of the shares in our Company. This represents a strong endorsement of the Company's strategy, people and potential.

Before turning to the Board's recommendation, it is important that shareholders have a clear understanding of the structure and mechanics of the proposal being put forward.

Under the Scheme, Apiam shareholders will be entitled to receive \$0.87 in cash per share, less a fully franked special dividend of up to \$0.10 per share that the Board may declare prior to implementation. The additional value of franking credits that may be associated with this special dividend will depend on individual shareholder tax circumstances.

As an alternative to receiving the all-cash consideration, eligible Apiam shareholders may elect to receive their consideration in the form of one of the scrip alternatives, which are:

- 100% scrip,
- 25% cash and 75% scrip, or
- 50% cash and 50% scrip.

Any scrip issued will be in the form of "Class B" shares in HoldCo, an unlisted Australian public company that will sit above BidCo, the acquiring entity controlled by Adamantem.

To manage shareholding levels, the scrip consideration is subject to a scaleback mechanism, such that no more than 24% of HoldCo shares may be issued under the Scheme.

This structure allows shareholders to choose between certainty of cash value and continued exposure to the business under Adamantem's ownership, subject to scaleback.

Having outlined the structure of the proposal, I'll now turn to the Independent Expert assessment and the Board's recommendation.

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## Scheme Implementation Deed (continued)

Apiam's Independent Board Committee, comprised of Mr Richard Dennis, Ms Evonne Collier and myself, carefully evaluated the proposal with the assistance of our financial and legal advisers.

Having done so, we unanimously recommend that Apiam shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert concluding, and continuing to conclude that the Scheme is in the best interests of Shareholders.

As a Committee, we believe this transaction represents an attractive outcome for Apiam shareholders, providing certainty of value and an immediate as well as significant premium to trading prices prior to the announcement of the transaction.

In addition, Mr Bruce Dixon who is here with us today and Ms Vita Pepe, who has joined us online - together hold approximately 13% of Apiam's shares. They have each indicated that they intend to vote in favour of the Scheme in their capacity as shareholders – that is of course in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of all shareholders.

Separately, Adamantem also has a call option over around 19.9% of Apiam shares held by former Apiam Managing Director, Dr Chris Richards, which includes a commitment from Dr Richards to vote those shares in favour of the Scheme, unless a superior proposal arises.

In accordance with regulatory requirements, an Independent Expert is preparing an opinion on whether the Scheme is fair and reasonable and in the best interests of all Apiam shareholders.

The Independent Expert's conclusion will be set out in a report that will be included in the Scheme Booklet, which will be distributed to shareholders ahead of the shareholder vote and I'll talk to the transaction timetable on the next slide before we conclude.

The Scheme now proceeds to shareholder consideration, and I encourage all shareholders to read the Scheme Booklet in full and to participate in the forthcoming shareholder meeting.

## Indicative Scheme timetable

Turning now to the indicative timetable for the Scheme.

The Scheme Booklet, which will include the Independent Expert's report, is expected to be sent to shareholders in mid- December.

Apiam shareholders will then have the opportunity to vote on the Scheme at a meeting of shareholders, which is expected to take place on, or around, February 3rd 2026.

If the Scheme is approved by Apiam shareholders, and the Court subsequently approves its implementation, the transaction would then move to implementation shortly thereafter most likely in February, at which time the Scheme consideration would be distributed to shareholders in accordance with their elections and scaleback outcomes.

We will continue to keep shareholders updated as the process progresses, and all key dates will be confirmed in the Scheme Booklet you will receive in December.

As Apiam enters this next phase, whether under new ownership or as a continuing public company, the Board remains confident in the strength of the business.

The progress made in recent months reflects the dedication of our people and the resilience of the regional and rural veterinary markets in which we operate.

On behalf of the Board, I thank all employees for their commitment during this period of change.

And thank you to all shareholders for your continued support as we work to deliver the best possible outcome for all.

### Authorisation

This announcement is authorised for release by the Board of Directors of Apiam Animal Health Limited.

**--Ends--**

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#### **About Apiam Animal Health Limited**

Apiam Animal Health is committed to providing best in class care for its clients, the animals in their care and the communities where people live and work. The Company's purpose, to enrich the lives of animals, people and communities, is applied across all business operations from vet clinics to production animal consultancy, logistics and laboratory with vets and allied staff sharing expertise and specialist knowledge. Apiam is focused on meeting the needs of its clients and shaping the future of the industry to deliver best practice animal health and welfare at a local level and nationally.

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# Apiam Animal Health Ltd

## Annual General Meeting

20 November 2025

# AGENDA

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**FY25 IN REVIEW**



**RECENT TRADING UPDATE – Q1 FY26**



**TRANSACTION UPDATE  
(BINDING SCHEME IMPLEMENTATION DEED WITH ADAMANTEM CAPITAL)**

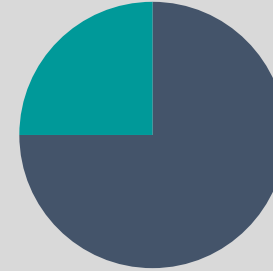
# FY25 REVIEW

Group revenues affected by underperformance in Clinical Vet Services segment

Modest uplift in earnings; with some efficiencies realised

Divestment of several underperforming assets

New Interim MD appointed (Mr Bruce Dixon) in Q4; Strategic Reset Program implemented



SEGMENT REVENUE SPLIT (FY25):

Clinical Vet Services: 75%  
Intensive Animal Vet Services: 25%



# FY25 RESULTS SNAPSHOT



## REVENUE

**\$207.6M**

↑ 1.4% vs FY24

## EBITDA (reported)

**\$25.8M**

↑ 5.2% vs FY24

## EBITDA (underlying; pre AASB 16)<sup>1</sup>

**\$21.0M**

↑ 3.2% vs FY23

## NPAT (reported)

**\$0.8M**

↓ (83.1)% in FY24

*(After impairment loss of \$4.5M pre-tax basis)*

**Notes:**

1. Underlying earnings are non-IFRS measures and exclude one-off acquisition, integration & restructuring costs (tax effected where applicable at NPAT level)

# SEGMENT SUMMARY- FY25



## CLINICAL VET SERVICES SEGMENT

(2.2)%

Reported segment growth FY25

(3.0)%

Operating expense reduction FY25

+1.0%

Segment EBIT Growth

- Companion & mixed animal clinics: Revenue +1.1% vs FY24
- ACE Laboratories Diagnostics: Revenue ↓54.7%
- Equine Clinics: Revenue ↓5.4%
- Dairy: Revenue in-line with FY24



## INTENSIVE ANIMAL VET SERVICES SEGMENTS

Feedlot + Pigs segment performance % growth vs PCP

FY24

FY25

Revenue

+2.3%

+13.1%

EBIT

(before head office cost allocation)

+14.9%

- Improved underlying industry conditions in FY25
  - Beef feedlot revenue +18.6% vs FY24
  - Pig revenue +9.0% vs FY24
- Feedlot cycle expected to remain strong into FY26. Record production & exports forecast – US herd remains in rebuilding phase (*refer Meat & Livestock Australia*)

# STRATEGIC RESET PROGRAM Q4 FY25

## Business Improvement Team: Multi-Disciplinary Clinic Support Group Established

- Team launched to focus on clinic performance to ensure delivery of high standards of care to patients (team includes high performing vets and business managers from the business)
- Tasked with ensuring clinic leadership is equipped to deliver on financial metrics

## Clinic Performance Oversight Intensified

- Operational KPI's monitored with greater frequency and accountability at individual clinic level
- Initial focus to work with lower-quartile performance clinics to drive revenue growth

## “Right-size” Head Office

- Clinics to take on greater responsibility for operations
- Additional Head Office redundancies in June & July 2025, delivering \$1.5M in annualised operating expense savings into FY26



## Foundation for FY26 Growth Strategy

Strategic reset to improve financial performance & shareholder returns



# Q1 FY26 TRADING

\$M <sup>1</sup>	FY26 Q1 (Jul-Sep)	FY25 Q1 (Jul-Sep)	% chg
Revenue	52.2	50.5	+3.3%
Gross profit	34.6	33.6	+3.2%
Operating expenses	27.4	28.4	(3.6)%
EBITDA (reported)	7.2	5.1	+40.7%

- Revenue growth reflects varied performance in segments across the portfolio
  - **Clinical Vet Services (+1.3%)** : growth in companion animal veterinary revenues offset by equine performance in Q1 + impact of divestments
  - **Intensive Animal Vet Services (+10.4%)**: feedlot revenue growth remains very strong; softening in pig veterinary revenues over period
- Strategic Reset Program initiatives reducing cost base across all business areas



Notes  
1 Preliminary and unaudited estimates

# SCHEME IMPLEMENTATION DEED

## APIAM ENTERED INTO A BINDING SCHEME IMPLEMENTATION DEED WITH ADAMANTEM CAPITAL IN OCTOBER

Adamantem is seeking to acquire 100% of the shares in Apiam

### PROPOSED SCHEME CONSIDERATION FOR APIAM SHAREHOLDERS

- \$0.87 cash / share less special dividend of up to \$0.10 / share
- Apiam shareholders can also elect scrip consideration alternatives being
  - 100% scrip consideration;
  - 25% cash & 75% scrip consideration; or
  - 50% cash & 50% scrip consideration
- Scrip consideration will be in HoldCo<sup>1</sup> (an unlisted Australian public company) and will be subject to scaleback to ensure that the total number of HoldCo shares issued under the Scheme does not exceed 24% of the shares on issue in HoldCo
- Apiam Board is permitted to pay a fully franked special dividend of up to \$0.10 per share. Further benefits from franking credits of up to \$0.04 per share may be available subject to individual tax circumstances



Notes:

<sup>1</sup> HoldCo will be the holding company of BidCo an entity controlled by Adamantem Capital

# SCHEME IMPLEMENTATION DEED (continued)

- Apiam's Independent Board Committee **unanimously recommend** that Apiam shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interest of Shareholders
- An Independent Expert has been appointed to assess the Scheme of Arrangement, and this report will be included in the Scheme booklet to be sent to Apiam shareholders

## Offer Premium (@\$0.87 / cash per share)

Implied AHX Enterprise Value (\$M)<sup>1</sup>

**\$228.4M**

Premium to undisturbed AHX closing price (15 Aug)<sup>2</sup>

**63%**

Premium to 30-day AHX VWAP (up to & incl. 15 Aug)<sup>2</sup>

**58%**

- Further details relating to the Scheme of Arrangement are contained in Apiam's announcement to the ASX on 22 October 2025

### Notes:

<sup>1</sup> Assumes 187.9m shares on issue, net debt of \$63.1m as at 30 June 2025 and adjusted for payment of FY25 final dividend of \$1.8m

<sup>2</sup> Being the last trading day before announcement of Adamantem non-binding indicative proposal to acquire Apiam

# INDICATIVE SCHEME TIMETABLE

Scheme booklet distributed to Apiam shareholders	Mid December 2025
Scheme meeting of Apiam shareholders	On (or around) 3 February 2026
Implementation of Scheme of Arrangement (subject to Apiam shareholder approval)	February 2026

# Disclaimer

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## **Board Authorisation**

**This announcement was authorised by the Board of Directors of Apiam Animal Health Limited**