



National  
Veterinary  
Care

*Excellence  
in Vet Care*

# 2016 Annual General Meeting

21 October 2016



# Susan Forrester

Chairperson's Address



**National Veterinary Care Limited (ASX: NVL)  
2016 Annual General Meeting  
21 October 2016  
Chairperson's Address  
Susan Forrester**

Ladies and Gentleman

Good Morning, I'm Susan Forrester, Chairperson of National Veterinary Care Limited (NVL) and I welcome you all to the Annual General Meeting of the Company.

As many of you know our business is the second largest listed veterinary care provider in Australia.

We have 50 veterinary businesses spread across Australia and New Zealand's most populous states. Since 30 June 2016 we have continued our acquisition growth in the market, acquiring a further 9 veterinary services businesses 1 July 2016 and today's date – worthy of note are:

- the entry into the New Zealand market with 7 clinics - This expansion into New Zealand takes NVL's addressable market, within both Australia and New Zealand, from \$2.4 billion to over \$3 billion.
- and the addition of the veterinary services procurement group which settled in July 2016.

Our ability to integrate clinics into our Support Office structure is a core competency of the Group. In the financial year ended 30 June 2016 we focussed on extracting efficiency and productivity gains via the application of technology and process related reengineering. With scale comes opportunity and the importance of crystallising opportunity via these initiatives cannot be underestimated as we continue to build and refine our industry leading model.

With respect to service provision we believe that if the quality of care is excellent, families will not hesitate to trust their pets with us. Our laser like emphasis on quality care filters through all that we do. We have invested heavily in training, our people and our clinics. There is no other way to ensure that families and pet owners' expectations are being met without continual reinvestment and renewal.

To put it simply, we really care about our pets and our people.

I am pleased to stand here today and report that National Veterinary Care achieved underlying pro forma results ahead of Prospectus pro forma expectations.

At 30 June 2016, National Veterinary Care's shares were trading at \$1.30 per share – an increase of approximately 30% since listing on 14 August 2015. At the time of writing this address, the share price was \$2.05 a further increase of 58% since 30 June 2016.

This is a solid performance by any measure.

To ensure adequate available capital for future acquisitions, in October 2016 National Veterinary Care increased its existing finance facility to \$42 million. The increase was supported by existing financiers, again demonstrating the support for the National Veterinary Care business. The additional capacity together with positive cash flow and ongoing strong cash generation places National Veterinary Care in a good position to continue to grow the core business and deliver on its three-tiered growth strategy.

Our three-tiered growth strategy in our commitment to drive growth and delivery Shareholder value in FY 17 include:

- Organic growth of veterinary services through the wellness program, training facility and benchmarking of clinic standards;
- Growth by acquisition of targeted clinics;
- Growth of the managed services

Our investment in professional development platforms promises to revolutionise our ability to deliver training to our employees and indeed to other independent operators.

Our operations support team have seen a step change in its calibre and expertise with a number of key new hires including a new General Manager of Operations (GMO) and Acquisitions Manager. Jason Dowden joins us as GMO from recent experience in the health sector in the UK where he spent several years as part of their senior leadership team. His appointment will undoubtedly complement our already strong Executive. Keith Nicholls comes to us from National Dental Care at which he was responsible for acquisition activity. Keith has worked tirelessly recently extending our geographic reach into New Zealand.

We look forward very much to working with Jason and Keith.

The financial year ended 30 June 2016 was a strong year for NVC and one that could not have been achieved without the immense dedication of the all clinic and support office based staff.

Special appreciation need to be shown for the work of Tomas Steenackers and Katherine Baker whose endless passion, unrelenting commitment and enduring hard work is what has made this business the business that it is and for that they deserve huge credit and our heartfelt thanks.

I would also like to thank my Board, Dr Steve Coles, Alison Sherry and Wes Coote for their focus and commitment during the year. This was a year of firsts for us as a board and I am grateful for the wisdom and experience brought to the board table as we made many decisions during and in addition to our usual board meeting calendar. Finally, I thank our clients, investors and all stakeholders for their support of National Veterinary Care Limited during our first year of trading.

As we look ahead to FY2017 and beyond we feel strongly that we are positioned well to take advantage of opportunities that may arise. The future continues to be bright for NVC and I look forward very much to being part of that future with you.

Thank you for listening to my address. I will now pass to Tomas Steenackers to deliver his CEO's address.



# Tomas Steenackers

CEO's Address

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# CEO's AGM Presentation

21 October 2016



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# Business Snapshot





# Business Snapshot- National Vet Care



**NVC Clinics**



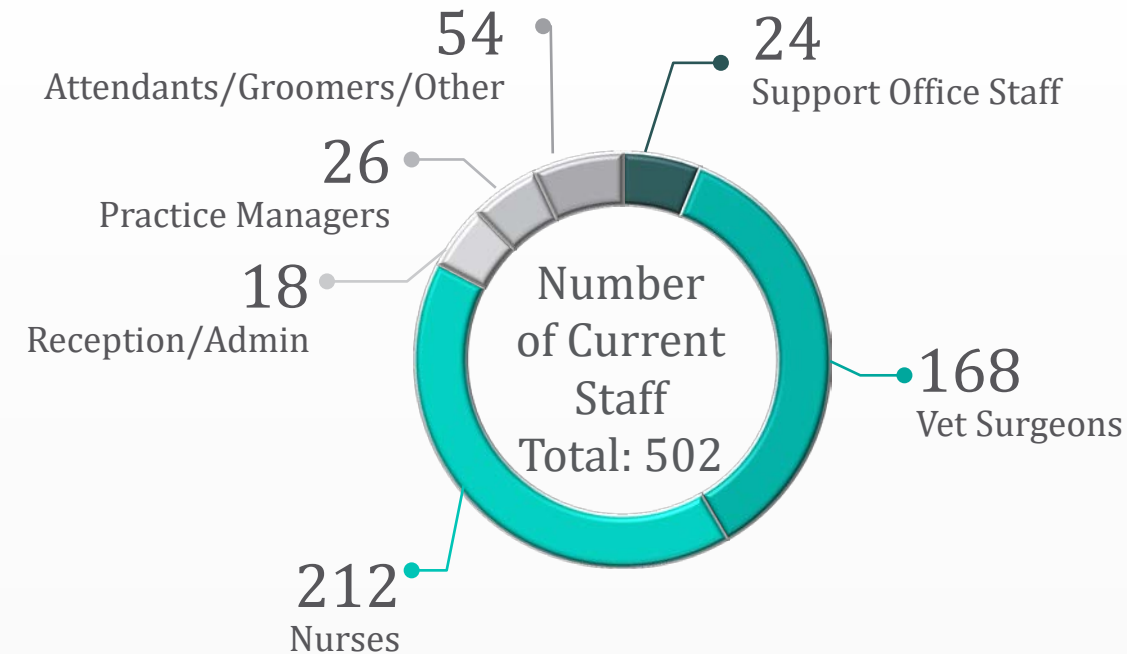
**Centre of Excellence  
(Training Academy)**



**Management Services  
& Procurement Group**

# Business Overview

- NVL is a provider of veterinary services to companion animals in Australia and New Zealand
- 50 owned businesses:
  - 45 general practice clinics
  - 5 business-to-business operations
- Introduced Management Services and Procurement Group (United Vets Group and Complete Vet Systems) covering over 312 clinics
- Group proudly employs 168 Veterinary Surgeons
- Number of current staff is 502



# Australia and New Zealand Portfolio





# Growth and Strategy Outlook



# Growth Strategy

NVC has three core growth platforms, each with attractive returns and significant runway remaining as it strives to increase its market share.

## Organic Growth of Veterinary Services



- Expansion of the Wellness Program – Best for Pet.
- Benchmarking of clinical standards across practices via the practice management system (leading to the identification of training opportunities to optimise product/service offer).
- Better pet care, leading to increased revenue streams through the upskilling of veterinary professionals through the Centre of Excellence – Training Academy.
- In-house provision of more complex services to reduce external referrals outside of NVC.

## Growth by Acquisition



**Significant opportunity for further industry consolidation in the veterinary services sector due to:**

- The fragmented nature of the industry
- The changing characteristics of the veterinary workforce.

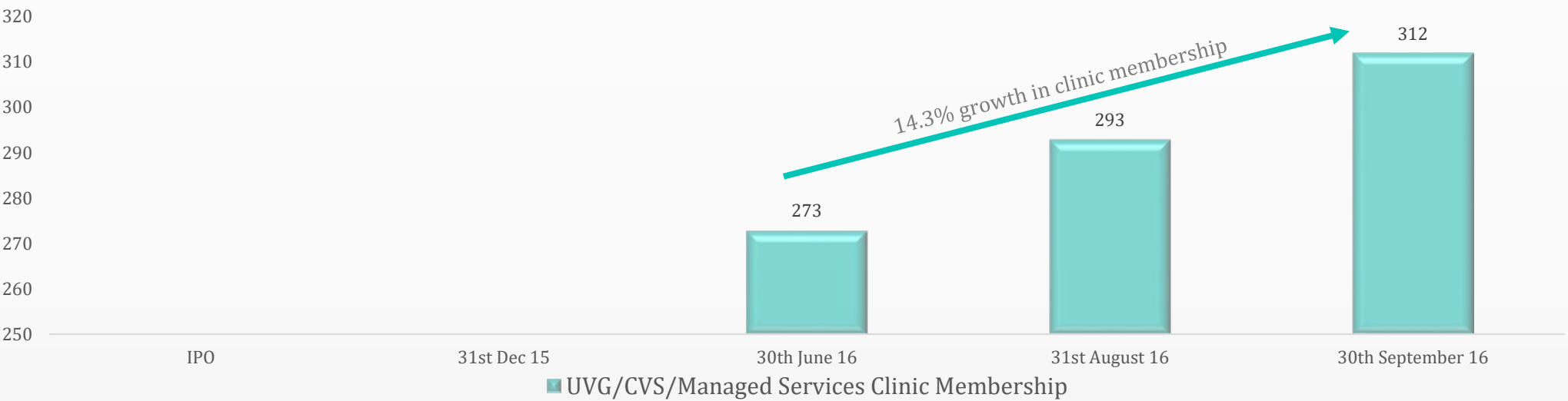
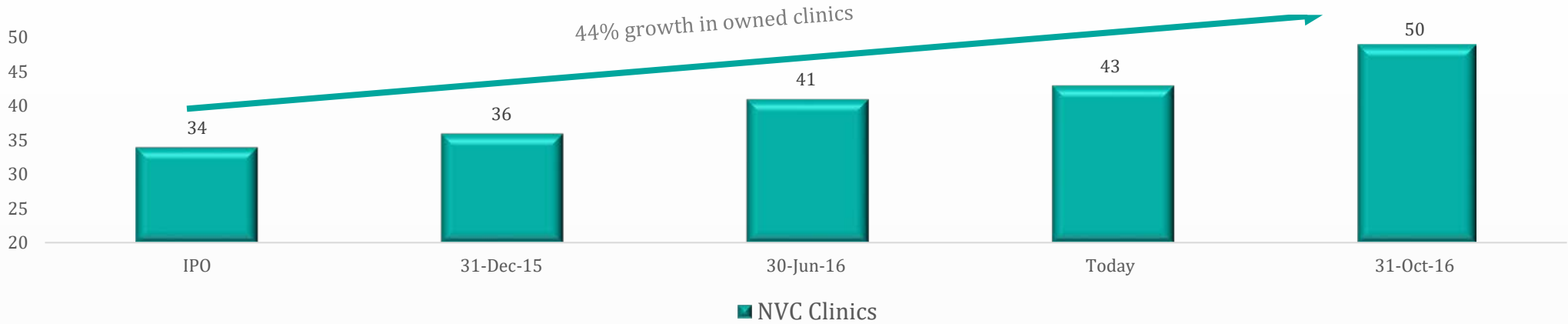
## Growth of Management Services and Procurement Group



**Significant opportunity to grow the management services and procurement business unit by leveraging**

- NVC's stronger buying power
- NVC's Centre of Excellence- Training Academy.
- NVC's Systems
- Providing support to smaller independent clinics (approx. 1,506 clinics in Australia)

# Growth Achieved since IPO





# Questions





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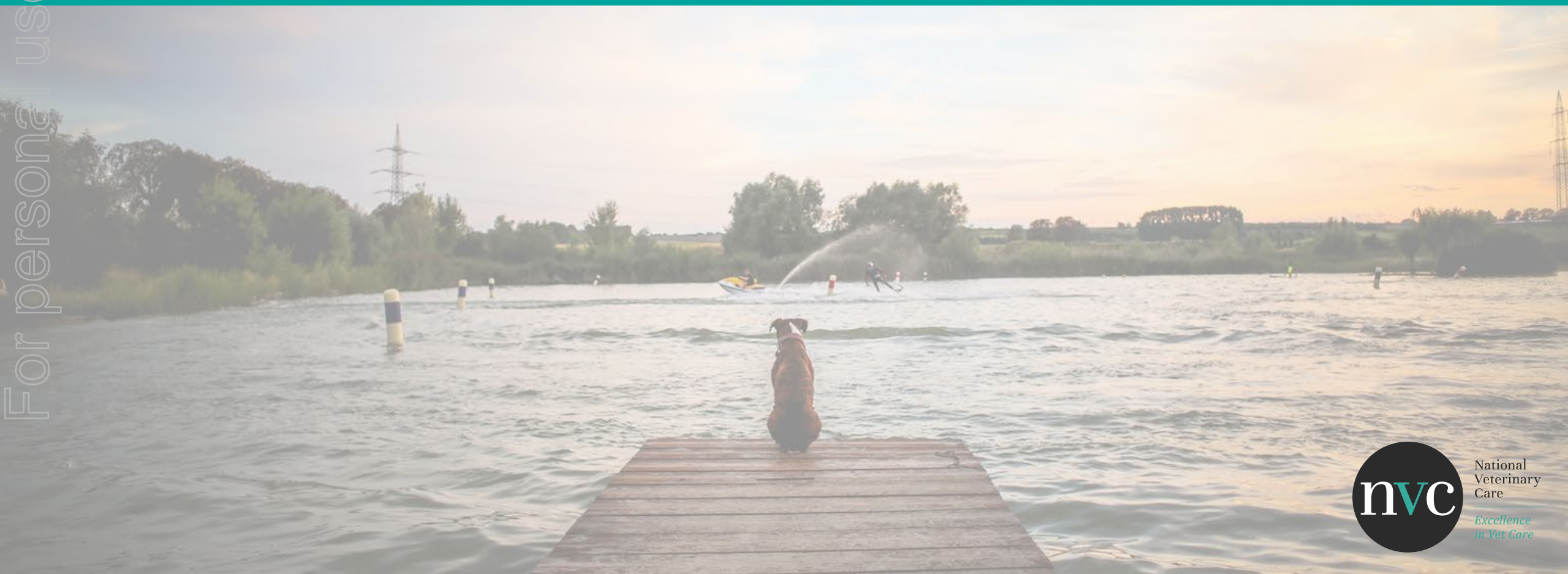
# Formal Business

Susan Forrester



# Resolution 1: Financial Statements and Reports

To receive and consider the financial statements and reports of the Directors and the Auditor for the Company and its controlled entities for the financial year ended 30 June 2016.



# Resolution 2: Re-election of Dr Stephen Coles

“That Dr Stephen Coles, who retires as a Director of the Company in accordance with ASX Listing Rule 14.4 and rule 19.3 of the Company’s constitution, and being eligible, be elected as a Director of the Company”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>25,575,319</b>	<b>99.59%</b>
<b>Open / Undirected (Chairman)</b>	<b>85,536</b>	<b>0.33%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>21,000</b>	<b>0.08%</b>
<b>Abstain</b>	<b>31,000</b>	

# Resolution 3: Remuneration Report

“That the Remuneration Report, that forms part of the Directors’ Report of the Company, for the year ended 30 June 2016 be adopted.”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>23,008,006</b>	<b>97.32%</b>
<b>Open / Undirected (Chairman)</b>	<b>538,536</b>	<b>2.28%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>94,465</b>	<b>0.40%</b>
<b>Abstain</b>	<b>16,000</b>	

# Resolution 4 (a): Ratification of Issue of Shares

“That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 118,280 fully paid ordinary shares in the Company previously issued at \$1.395 per share, in relation to the acquisition of Complete Veterinary Systems, to those persons set out in the Explanatory Memorandum.”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>25,122,954</b>	<b>97.79%</b>
<b>Open / Undirected (Chairman)</b>	<b>538,536</b>	<b>2.10%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>29,365</b>	<b>0.11%</b>
<b>Abstain</b>	<b>22,000</b>	



# Resolution 4 (b): Ratification of Issue of Shares

“That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 453,914 fully paid ordinary shares in the Company previously issued at \$1.307 per share, in relation to the acquisition of United Vets Group, to those persons set out in the Explanatory Memorandum.”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>25,122,954</b>	<b>97.79%</b>
<b>Open / Undirected (Chairman)</b>	<b>538,536</b>	<b>2.10%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>29,365</b>	<b>0.11%</b>
<b>Abstain</b>	<b>22,000</b>	

# Resolution 4 (c): Ratification of Issue of Shares

“That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 120,328 fully paid ordinary shares in the Company previously issued at \$1.635 per share, in relation to the acquisition of Upper Hutt Veterinary Clinic, to those persons set out in the Explanatory Memorandum.”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>25,119,114</b>	<b>97.77%</b>
<b>Open / Undirected (Chairman)</b>	<b>542,376</b>	<b>2.11%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>29,365</b>	<b>0.11%</b>
<b>Abstain</b>	<b>22,000</b>	

# Resolution 5: Grant of Securities to Tomas Steenackers under the Employee Loan Plan

“That for the purposes of Listing Rule 10.14 and for all other purposes the issue of 250,000 ordinary shares to Mr Tomas Steenackers, an executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum which forms part of the Notice of Meeting.”

## Proxies:

In respect of this item of business, the following proxies have been received:

	Votes Received	% of proxies received (excluding absentions)
<b>For</b>	<b>24,044,549</b>	<b>97.40%</b>
<b>Open / Undirected (Chairman)</b>	<b>542,376</b>	<b>2.20%</b>

The Chairman intends voting open / undirected proxies in favour of the resolution

	Votes Received	% of proxies received (excluding absentions)
<b>Against</b>	<b>99,930</b>	<b>0.40%</b>
<b>Abstain</b>	<b>26,000</b>	

Thank you

