

31 OCTOBER 2014

EBOS ANNOUNCES ACQUISITION OF BLACKHAWK PREMIUM PET CARE

- **EBOS has acquired BlackHawk Premium Pet Care Pty Ltd for NZ\$57.8 million (A\$52 million)**
- **Acquisition is immediately earnings per share accretive and is effective 31 October 2014**

EBOS Group Limited is pleased to announce that it has acquired BlackHawk Premium Pet Care Pty Ltd ("BlackHawk") for NZ\$57.8 million as part of the company's expansion into the fast-growing premium pet food sector.

EBOS Group Chief Executive, Patrick Davies said the BlackHawk acquisition would be immediately earnings per share accretive and has been funded from the Group's existing debt facilities.

"This acquisition is strategically important for our Animal Care division as it represents a significant direct investment in the premium pet food category in Australia, which we estimate to have a market size of approximately NZ\$720 million (A\$650 million)," Mr Davies said.

BlackHawk is a rapidly growing premium pet food brand sold exclusively through Australian pet stores and veterinary clinics.

"Our Animal Care division has a strong route to market for both pet shops and veterinarians and we look forward to further leveraging the sales growth of BlackHawk through our existing market channels to drive increased market share," Mr Davies said.

EBOS' terms with the vendor include the potential for a further earn out payment by 31 December 2015 upon achievement of certain financial targets.

BlackHawk's brands are focused on the premium pet food market and the company's products represent some of Australia's fastest growing in the category receiving strong support from within the breeder community and independent pet stores.

Mr Davies said growth in the premium pet food market was being driven by key trends including the ongoing humanisation of pets, consumer preparedness to increase spend on premium end products and consumer shifts towards products with better quality ingredients.

"The BlackHawk brand is well placed to continue to take advantage of these fundamental market dynamics," he said.

EBOS' Animal Care division generates approximately 16% of the Group's overall earnings. It provides the EBOS Group with a significant and important diversification of earnings as well as realising higher margins than our Healthcare business.

"The long term market dynamics for Animal Care are very attractive and provide us with the confidence to continue to seek assets like BlackHawk to further improve shareholder returns."

Patrick Davies

Chief Executive Officer

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