

ASX Announcement NVL

25 May 2018

National Veterinary Care acquisitions update

National Veterinary Care Ltd (ASX:NVL) (**NVL**) is pleased to announce that it has entered into binding agreements to acquire two clinics and is finalising terms for the acquisition of a third clinic.

The two clinics under agreement are conditional on final due diligence, board approval and lease assignments. The third clinic will be conditional on completion of due diligence, finalisation of acquisition agreements, and satisfaction of any conditions precedent.

Settlement of these acquisitions is expected to take place by 31 July 2018.

The new clinics are in existing NVL geographic clusters in Queensland and Victoria. The three clinics are expected to deliver annual revenue of approximately \$6.0 million and an aggregate annual EBIT of approximately \$1.84 million.

Total consideration for the three acquisitions will be \$9.6 million, with total upfront payments of \$6.56 million and deferred components of \$3.04 million.

Managing Director Tomas Steenackers said, "The acquisition of these high quality clinics will see NVL start the new financial year having increased our portfolio by 14 clinics since 1 July 2017. These additional three clinics, collectively delivering higher than average annual revenue and strong EBIT margins, will bring total historical annual revenue for the 14 clinics to \$20.7 million."

Completion of these acquisitions will bring NVL's total number of integrated veterinary services businesses to 67.

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About NVL:

NVL aims to be a leading provider of veterinary services in Australia and New Zealand. NVL has acquired and integrated 64 veterinary services businesses across Australia and New Zealand. NVL strives to achieve excellence in clinical care for pets, and to build a platform for loyal, long term relationships with their owners.

The key growth strategies for NVL are expanding the NVL network of clinics through acquisition, and driving organic growth at a clinic level.

For further information please contact:

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