Animalcare Group plc

Interim Report
for the six months ended 31st December 2015

Supplying & Supporting
VETERINARY PROFESSIONALS THROUGHOUT THE UK

Animalcare Group plc

www.animalcaregroup.co.uk

Stock Code: ANCR

WELCOME TO
ANIMALCARE GROUP PLC

Animalcare Group plc is **focused on growing** its veterinary business.

We are a leading supplier of generic veterinary medicines and animal identification products to companion animal veterinary markets.

We develop and sell goods and services to veterinary professionals principally for use in companion animals; operating through UK wholesalers and distribution and development partners in key markets in Western Europe.

We have three product groups:

- Licensed Veterinary Medicines
- Companion Animal Identification
- Animal Welfare Products

INVESTMENT CASE

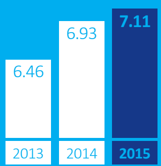
- Animalcare is a sustainable business in a growing market. In the year ended 30th June 2015 Animalcare recorded revenue and gross profit growth of 5.1% and 6.0% respectively; continuing its track record of topline growth
- Animalcare is cash generative and debt free, hence in a strong financial position to invest in future growth
- Animalcare is dividend paying and given its strong balance sheet expects to maintain its current dividend policy during the investment phase
- Animalcare has a clear strategy for growth by investing in the development of enhanced veterinary generic pharmaceuticals to accelerate its progress over the next three to five years

Animalcare Group plc

FINANCIAL HIGHLIGHTS

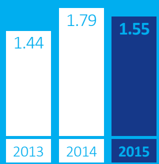
Solid H1 performance while investing for sustainable growth

REVENUE
£m



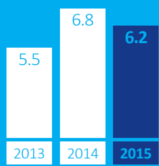
+2.7%
at £7.11m

UNDERLYING OPERATING PROFIT
£m



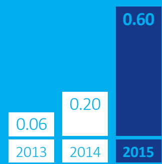
(13.2)%
at £1.55m

UNDERLYING BASIC EPS
Pence



(8.8)%
at 6.2p

PRODUCT DEVELOPMENT EXPENDITURE
£m



+207%
at £0.60m

OPERATIONAL HIGHLIGHTS

- Solid revenue growth from our Licensed Veterinary Medicines group, up 4.2% to £4.58m (2014: £4.40m) against strong comparatives which benefited from a circa £0.2m non-recurring benefit from sales of Buprecare as a result of competitor supply issues.
- New mini microchip launched in a rapidly changing market.
- Planned focus on our export business started in the period and already delivering commercial benefit.
- Continued focus on investment to support future growth, reflected in the £0.16m increase in overheads and a three-fold increase in our product development pipeline expenditure to £0.60m.
- Strong financial position maintained, with Group cash balances increasing by £0.32m to £6.10m since 30th June 2015.

CHAIRMAN'S STATEMENT

"Given the top line growth during the period and increased levels of investment for the future success of Animalcare, your Board remains confident about the prospects and outcome for the full year and beyond."

James Lambert Chairman

Animalcare continues to focus on three product groups: Licensed Veterinary Medicines, Companion Animal Identification and Animal Welfare Products; all sold through veterinary practices. The business has continued to perform well during the first six months of its financial year with sales up by 2.7% to over £7.1m which is particularly pleasing against a very strong first half in FY15, when we benefitted from a competitor supply issue in one of our key pharmaceutical products.

Sales of Licensed Veterinary Medicines increased by 4.2% and this was after growth of 10.6% in the first half of FY15. The sales of our older licensed veterinary products held up well and we increased our export sales during the period.

Companion Animal Identification fell back by 5.2% to £1.2m, which was in line with our 2013 period sales. This was largely due to phasing of sales promotional activity during the period. The companion animal microchipping market has also become significantly more competitive ahead of compulsory microchipping in England, Wales and Scotland in April 2016.

Animal Welfare Products showed growth of 5.1% predominantly due to increased sales of our Infusion Accessories range. During the period we upgraded our range of disinfectants in preparation for the upcoming implementation of the new EU Biocidal Product Regulations. This will offer an opportunity to grow market share as these new regulations are effected.

Operating cash flow continued to be strong during the period and even after much increased levels of capital investment in new products and a final dividend paid during the half our cash position has improved by £0.3m to £6.1m.

The new product development programme has made good progress during the half with our in-house team working on several new licences in line with our core strategy. We expect the benefits of the increased spending on these projects will start to show in the 2017 financial year.

Overheads increased during the half by £0.2m in line with our strategy of investing in our people, including a larger and better trained sales force and an increase in marketing spend. This is all focused in preparation for our new pipeline of Licensed Veterinary Medicines delivering growth from 2017 onwards.

As a result of the increased investment mentioned above basic earnings per share reduced from 6.8p to 6.2p, still substantially above the 5.5p achieved during the first half of 2013. Your Board proposes to maintain the interim dividend of 1.8p per share.

Given the top line growth during the period and increased levels of investment for the future success of Animalcare, your Board remains confident about the prospects and outcome for the full year and beyond.

James Lambert
Chairman

BUSINESS REVIEW

Introduction

The Group continues to make good progress in line with its strategy, delivering top line growth during a period of significantly increased investment in both our product development pipeline and our employee base.

Revenues increased by 2.7% to £7.11m (2014: £6.93m) with continued solid growth continuing in our Licensed Veterinary Medicines group. This was against strong comparatives which benefitted from a circa £0.2m non-recurring benefit from sales of Buprecare as a result of supply issues with a competitor product.

Strategically, we continue to focus on making the necessary investment in our business to support future growth. This has resulted in operating expenses increasing by £0.16m to £2.33m, contributing to the 13.2% decline in underlying operating profit to £1.55m (2014: £1.79m).

We have maintained a strong financial position, with Group cash balances increasing by £0.32m since 30th June 2015 to £6.10m. This increase in cash has been delivered despite the circa three-fold rise in our product development expenditure to £0.60m, demonstrating our consistently strong operating cash generation.

Operating results

Revenue £'000	**6 months to 31st December 2015**	6 months to 31st December 2014	% change
Licensed Veterinary Medicines	**4,583**	4,396	4.2%
Companion Animal Identification	**1,196**	1,261	(5.2%)
Animal Welfare Products	**1,335**	1,271	5.0%
Total	**7,114**	6,928	2.7%

The Licensed Veterinary Medicines group, which represents 64% of total revenue, again delivered good growth, with sales up 4.2% versus the prior period to £4.58m. This is particularly pleasing against the very strong comparatives which showed growth of 10.6% on H1 FY14 due in part to the circa £0.2m non-recurring benefit from sales of Buprecare noted above. The overall growth of 4.2% primarily reflects strong sales growth of products launched during FY15, notably Synthadon and Pet Remedy.

Companion Animal Identification sales were down 5.2% to £1.20m. The companion animal identification market has become significantly more competitive ahead of compulsory microchipping in England, Wales and Scotland in April 2016. This imminent change in the law has prompted a modest uptake of microchipping however price competition amongst suppliers has increased. During the last 6 months, the market has seen a rapid movement towards smaller microchips. We have taken active measures to address this market change with the introduction of our own mini microchip.

The decline was partly offset by an increase in sales of export equine chips; we noted phasing of orders adversely impacted FY15. In addition, revenues from our follow on services, in particular insurance, performed well increasing by 7.2%.

Our Animal Welfare Products group grew by 5.0% to £1.34m driven primarily by increased sales of our Infusion Accessories range which represent 55% of this product group's total revenues. We continue to see benefit from the synergies between our IV Fluid range and these associated products. During the period we upgraded our range of disinfectants in preparation for the upcoming implementation of the new EU Biocidal Product Regulations which will offer an opportunity to grow market share as the new regulations are implemented.

BUSINESS REVIEW CONTINUED

Gross profit decreased by 1.8% to £3.9m (2014: £4.0m) primarily driven by a decline in gross margins to 54.6% (2014: 57.1%). This reflects a number of factors including the prior period non-recurring Buprecare benefit noted above and increased export revenues from our Licensed Veterinary Medicines group which generally, due to the distribution model, attract a lower margin than UK based sales.

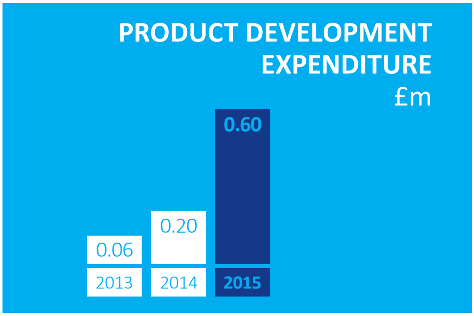
Underlying operating profit decreased by 13.2% to £1.55m (2014: £1.79m) and our operating margin reduced by 400 basis points to 21.8% however the latter is in line with that achieved during FY14, a more comparable period which excludes the non-recurring Buprecare sales benefit. The maintenance of normalised operating margins highlights that whilst overheads increased by £0.2m to £2.3m, as we continue to make the necessary investment in particular in our employee base, the increase in investment is controlled and measured.

Cash flow

The Group cash position increased by £0.32m to £6.10m compared to £5.78m at 30th June 2015. Cash generated by operations continues to be strong at £1.96m (2014: £2.55m) as we maintain robust control over our working capital. As expected our stock position has increased modestly versus FY15 year end, reflecting the growth in sales and contingency stocking in relation to a new supply arrangement for one of our key product ranges.

The increase in cash has been delivered in a period which saw a significant increase in our product development expenditure as shown in the chart opposite.

The three-fold increase in capital expenditure vs 2014 highlights that this important activity for the Group is progressing well and has benefitted from the additions made to the Technical and Business Development teams during FY14. We expect overall FY16 expenditure on our product development pipeline to be in the range of £1.0m to £1.5m.



Earnings per share ("EPS")

Basic underlying EPS decreased by 8.8% to 6.2 pence (2014: 6.8 pence). The statutory basic EPS decreased by 7.6% to 6.1 pence (2014: 6.6 pence) reflecting the lower cost of exceptional items in the period.

Dividend

The Board is pleased to announce a maintained interim dividend of 1.8 pence per share (2014: 1.8 pence per share) reflecting the continued confidence in the medium to long-term growth prospects of the Group. This follows the 11% increase in the total dividend for FY15. The interim dividend will be paid on 6th May 2016 to shareholders on the register on 8th April 2016. The Ordinary shares will become ex-dividend on 7th April 2016.

The Board will continue to monitor the Group's cash position to ensure an appropriate balance between investment for future growth and dividend flow to deliver overall value for our shareholders.

Product pipeline

In line with our strategy of product development and investment, good progress has been made in our product development pipeline, as evidenced by the significant increase in capital expenditure noted above. Development work has continued to focus on identifying new product opportunities and also ways to deliver significant commercial benefit from our existing pharmaceutical products.

Identification
Candidate identification and selection

2015: 34 Projects
2014: 28 Projects

Feasibility
Investment case prepared based on development, contract manufacturing, active ingredient source and market intelligence

2015: 12 Projects
2014: 9 Projects

Development
Data generated from manufacturing and clinical trials

2015: 7 Projects
2014: 7 Projects

Regulatory
Licence application dossier prepared and submitted

2015: 4 NPD + 3 EPD Projects
2014: 3 NPD Projects

Commercial
New product launched

2015: Product launches (H2 FY16) – 1
2014: Product launches – nil

2-3 years to maturity

The diagram opposite highlights the overall position of our pipeline compared to the previous period.

One Existing Product Development product will be commercialised early in H2 delivering significant commercial benefit. Three other in-house product development projects are expected to receive regulatory approval during H2, with commercialisation soon thereafter.

In addition, we continue to seek distribution opportunities to complement our in-house pipeline and one new product will be launched on distribution in H2.

Summary and outlook

We have continued to make strong progress in executing our strategy to drive growth from 2017 onwards. The primary focus remains on reinvesting the Group's free cash in our business to support future growth, with the estimated rate of expenditure on our product development pipeline circa £1.0m to £1.5m per annum.

Export revenues have improved in the period and the new Head of Export Development has made good progress in evaluating existing and new territories and partners to increase our geographic footprint.

The UK veterinary market has consolidated further during the period, presenting revenue growth opportunities albeit at reduced margins.

The introduction of compulsory microchipping in England, Wales and Scotland in April 2016 has presented certain challenges as we highlighted earlier, however as we move past this legislation change, Animalcare has plans in place to maximise the value from this segment beyond the current financial year.

Overall, the Group remains well positioned and remains confident in delivering our near and medium term targets.

Iain Menneer
Chief Executive Officer

Chris Brewster
Chief Financial Officer

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

Six months ended 31st December 2015

		6 months ended 31st December 2015			6 months ended 31st December 2014		
	Note	Underlying results £'000	Exceptional and other items (i) £'000	Total £'000	Underlying results £'000	Exceptional and other items (i) £'000	Total £'000
Revenue		7,114	–	7,114	6,928	–	6,928
Cost of sales		(3,230)		(3,230)	(2,971)	–	(2,971)
Gross profit		3,884	–	3,884	3,957	–	3,957
Distribution costs		(121)	–	(121)	(135)	–	(135)
Administrative expenses		(2,140)	(59)	(2,199)	(1,948)	(49)	(1,997)
Research & development expenses		(70)	–	(70)	(84)	–	(84)
Operating profit/loss		1,553	(59)	1,494	1,790	(49)	1,741
Finance income/(expense)		13	21	34	13	1	14
Profit/(loss) before tax		1,566	(38)	1,528	1,803	(48)	1,755
Income tax (expense)/credit		(257)	7	(250)	(374)	10	(364)
Total comprehensive income/(loss) for the period		1,309	(31)	1,278	1,429	(38)	1,391
Basic earnings per share	6	6.2p		6.1p	6.8p		6.6p
Fully diluted earnings per share	6	6.1p		6.0p	6.8p		6.6p

Total comprehensive income/(loss) for the period is attributable to the equity holders of the parent.

(i) In order to aid understanding of underlying business performance, the Directors have presented underlying results before the effect of exceptional and other items. These items are analysed in note 3.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – AUDITED

Year ended 30th June 2015

	Note	Underlying results £'000	Exceptional and other items (i) £'000	Total £'000
Revenue		13,536	–	13,536
Cost of sales		(5,963)	–	(5,963)
Gross profit		7,573	–	7,573
Distribution costs		(279)	–	(279)
Administrative expenses		(4,041)	(110)	(4,151)
Research & development expenditure		(143)	–	(143)
Operating profit/(loss)		3,110	(110)	3,000
Finance income		27		27
Finance expense		–	(17)	(17)
Profit/(loss) before tax		3,137	(127)	3,010
Income tax (expense)/credit		(502)	26	(476)
Total comprehensive income/(loss) for the year		2,635	(101)	2,534
Basic earnings per share	6	12.6p		12.1p
Fully diluted earnings per share	6	12.5p		12.0p

Total comprehensive income/(loss) for the year is attributable to the equity holders of the parent.

(i) In order to aid understanding of underlying business performance, the Directors have presented underlying results before the effect of exceptional costs and other items. These items are analysed in note 3.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Six months ended 31st December 2015

	Note	**6 months ended 31st December 2015 Unaudited £'000**	6 months ended 31st December 2014 Unaudited £'000	Year ended 30th June 2015 Audited £'000
Balance at beginning of period		**20,991**	19,453	19,453
Total comprehensive income for the period		**1,278**	1,391	2,534
Transactions with owners of the Company, recognised in equity:				
Dividends paid	5	**(904)**	(838)	(1,217)
Issue of share capital		**46**	11	82
Share-based payments		**60**	73	139
Balance at end of period		**21,471**	20,090	20,991

Animalcare Group plc

CONDENSED CONSOLIDATED BALANCE SHEETS

31st December 2015

	31st December 2015 Unaudited £'000	31st December 2014 Unaudited £'000	30th June 2015 Audited £'000
Non-current assets			
Goodwill	**12,711**	12,711	12,711
Other intangible assets	**2,257**	1,395	1,780
Property, plant and equipment	**271**	330	306
	15,239	14,436	14,797
Current assets			
Inventories	**1,700**	1,938	1,653
Trade and other receivables	**1,909**	2,165	2,247
Cash and cash equivalents	**6,098**	5,037	5,777
	9,707	9,140	9,677
Total assets	**24,946**	23,576	24,474
Current liabilities			
Trade and other payables	**(2,090)**	(1,976)	(2,186)
Current tax liabilities	**(301)**	(481)	(212)
Deferred income	**(233)**	(242)	(234)
	(2,624)	(2,699)	(2,632)
Net current assets	**7,057**	6,441	7,045
Non-current liabilities			
Deferred income	**(724)**	(703)	(724)
Deferred tax liabilities	**(127)**	(84)	(127)
	(851)	(787)	(851)
Total liabilities	**(3,475)**	(3,486)	(3,483)
Net assets	**21,471**	20,090	20,991
Capital and reserves			
Called up share capital	**4,211**	4,194	4,204
Share premium account	**6,500**	6,400	6,461
Retained earnings	**10,760**	9,496	10,326
Equity attributable to equity holders of the parent	**21,471**	20,090	20,991

CASH FLOW STATEMENTS

Six months ended 31st December 2015

	6 months ended 31st December 2015 Unaudited £'000	6 months ended 31st December 2014 Unaudited £'000	Year ended 30th June 2015 Audited £'000
Comprehensive income for the period before tax	**1,528**	1,755	3,010
Adjustments for:			
Depreciation of property, plant and equipment	**61**	55	73
Amortisation of intangible assets	**129**	141	359
Finance income	**(13)**	(13)	(27)
Share-based payment award	**60**	73	139
Release of deferred income	**–**	(26)	(14)
Operating cash flows before movements in working capital	**1,765**	1,985	3,540
(Increase)/decrease in inventories	**(47)**	482	767
Decrease/(increase) in receivables	**337**	(282)	(392)
Increase/(decrease) in payables	**(96)**	368	608
Cash generated by operations	**1,959**	2,553	4,523
Income taxes paid	**(161)**	(293)	(631)
Net cash flow from operating activities	**1,798**	2,260	3,892
Investing activities:			
Payments to acquire intangible assets	**(598)**	(195)	(812)
Payments to acquire property, plant and equipment	**(34)**	(26)	(7)
Interest received	**13**	13	27
Net cash used in investing activities	**(619)**	(208)	(792)
Financing:			
Receipts from issue of share capital	**46**	11	82
Equity dividends paid	**(904)**	(838)	(1,217)
Net cash used in financing activities	**(858)**	(827)	(1,135)
Net increase in cash and cash equivalents	**321**	1,225	1,965
Cash and cash equivalents at start of period	**5,777**	3,812	3,812
Cash and cash equivalents at end of period	**6,098**	5,037	5,777
Comprising:			
Cash and cash equivalents	**6,098**	5,037	5,777

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

31st December 2015

1. GENERAL INFORMATION

Animalcare Group plc ("the Company") is a company incorporated in England and Wales under the Companies Act 2006 and is domiciled in the United Kingdom. The condensed set of financial statements as at, and for, the six months ended 31st December 2015 comprises the Company and its subsidiary, Animalcare Ltd (together referred to as the "Group"). The nature of the Group's operations and its principal activities are set out in the latest Annual Report.

This Interim Report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The information contained herein has not been reviewed by the Group's auditor.

The prior year comparatives are derived from the audited financial information as set out in the Group's Annual Report for the year ended 30th June 2015 and the unaudited financial information in the Group's Interim Report for the six months ended 31st December 2014. The comparative figures for the financial year ended 30th June 2015 are not the Group's statutory accounts. Those accounts have been reported on by the Group's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include any reference to matters to which the auditors drew attention without qualifying their report and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The Interim Report for the six months ended 31st December 2015 was approved by the Board of Directors and authorised for issue on 10th February 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the condensed consolidated interim financial information for the six months ended 31st December 2015 has been prepared using accounting policies consistent with those of the Company's annual accounts for the year ended 30th June 2015, which were prepared in accordance with IFRSs as adopted by the European Union.

Taxes on income in the interim periods are accrued using the estimated tax rate that would be applicable for the full financial year.

The following new standards and interpretations are mandatory for the first time for the financial period beginning 1st July 2015:

Annual Improvements to IFRSs 2010–2012 Cycle

Annual Improvements to IFRSs 2011–2013 Cycle

Adoption where applicable has not had a material effect on the Group's financial information.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31st December 2015

Going concern

The principal risks and uncertainties facing the Group remain those set out in the latest Annual Report.

For the purposes of their assessment of the appropriateness of the preparation of the interim financial information on a going concern basis, the Directors have considered the current cash position and forecasts of future trading including working capital and investment requirements.

During the period the Group met its day-to-day general corporate and working capital requirements through existing cash resources. At 31st December 2015 the Group had cash on hand of £6.1 million (30th June 2015: £5.8 million).

The Group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Group should have sufficient cash resources to meet its requirements for at least the next 12 months. Accordingly, the adoption of the going concern basis in preparing the interim financial information remains appropriate.

3. EXCEPTIONAL AND OTHER ITEMS

Six months ended 31st December 2015

	6 months ended 31st December 2015 Unaudited £'000	6 months ended 31st December 2014 Unaudited £'000	Year ended 30th June 2015 Audited £'000
Amortisation of acquired intangible assets	**59**	59	119
Supplier legal dispute	**–**	(10)	(9)
Interest rate swap refund	**–**	(18)	(18)
Fair value movements on foreign currency hedging	**(21)**	17	35
Total exceptional and other items	**38**	48	127

4. REVENUE AND OPERATING SEGMENTS

During the period, the principal activity of the Group was the supply and distribution of veterinary medicines, identification and other products for companion animals.

The Chief Operating Decision Maker ("CODM") is considered to be the Board of Directors of Animalcare Group plc. Performance assessment is primarily based on underlying operating profit and cash generation. The Group solely comprises one reportable segment, being Animalcare.

An analysis of revenue by product group is disclosed within the Business Review.

5. DIVIDENDS

	6 months ended 31st December 2015 Unaudited £'000	6 months ended 31st December 2014 Unaudited £'000	Year ended 30th June 2015 Audited £'000
Ordinary final dividend paid for the year ended 30th June 2014 of 4.0p per share	**–**	839	839
Ordinary interim dividend paid for the year ended 30th June 2015 of 1.8p per share	**–**	–	378
Ordinary final dividend paid for the year ended 30th June 2015 of 4.3p per share	**904**	–	–
	904	839	1,217

The interim dividend was approved by the Board of Directors on 10th February 2016 and has not been included as a liability as at 31st December 2015.

6. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the total comprehensive income for the period attributable to ordinary equity holders of the Company by the weighted average number of fully paid ordinary shares outstanding during the period.

The dilutive effect of share options is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares from the start of the period. The dilutive potential ordinary shares of the Company are share options and the Long Term Incentive Plan.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31st December 2015

The following income and share data was used in the earnings per share computations:

	6 months ended 31st December 2015 Unaudited	6 months ended 31st December 2014 Unaudited	Year ended 30th June 2015 Audited	**6 months ended 31st December 2015 Unaudited**	6 months ended 31st December 2014 Unaudited	Year ended 30th June 2015 Audited
	Underlying earnings £'000	Underlying earnings £'000	Underlying earnings £'000	**Total earnings £'000**	Total earnings £'000	Total earnings £'000
Total comprehensive income attributable to equity holders of the Company	**1,309**	1,429	2,634	**1,278**	1,391	2,534
	No.	No.	No.	**No.**	No.	No.
Basic weighted average number of shares	**21,032,392**	20,962,390	20,982,367	**21,032,392**	20,962,390	20,982,367
Dilutive potential ordinary shares	**305,260**	16,222	123,127	**305,260**	16,222	123,127
Fully diluted weighted average number of shares	**21,337,652**	20,978,612	21,105,494	**21,337,652**	20,978,612	21,105,494
Total earnings per share:						
Basic	**6.2p**	6.8p	12.6p	**6.1p**	6.6p	12.1p
Fully diluted	**6.1p**	6.8p	12.5p	**6.0p**	6.6p	12.0p

7. CAUTIONARY STATEMENT

This Interim Management Report ("IMR") consists of the Chairman's Statement and the Operational and Financial Review, which have been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The IMR should not be relied upon by any other party or for any other purpose.

The IMR contains a number of forward looking statements. These statements are made by the Directors in good faith based upon the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward looking information.

This IMR has been prepared for the Group as a whole and therefore emphasises those matters which are significant to Animalcare Group plc and its subsidiaries when viewed as a whole.

8. INTERIM REPORT

The Group's Interim Report for the six months ended 31st December 2015 was approved and authorised for issue on 10th February 2016 and is expected to be posted to shareholders during the week commencing 15th February 2016. Further copies will be available to download on the Company's website at: www.animalcaregroup.co.uk and will also be available from the Company's head office at 10 Great North Way, York Business Park, Nether Poppleton, York, YO26 6RB.

SHAREHOLDER NOTES

Animalcare
Group plc

ADDRESS
10 Great North Way
York Business Park, York
YO26 6RB

CONTACT
T: +44 (0) 1904 487687
F: +44 (0) 1904 487611
E: investors@animalcare.co.uk
W: www.animalcaregroup.co.uk