19th March 2019

Dear Shareholder,

Cenversa FY19 Update

Entering into our sixth year as a public company I thought it timely to recap on our journey and update you on our medium term plans.

On behalf of the directors for Cenversa Ltd, I am pleased to provide you with the following update on our Company's activities including:

- January 2019 Year to Date Results
- Business Strategy & Diversification Plan
- Interim Dividend Announcement
- Share Price
- New Share Offer
- FY20/FY21 Forecasts
- Planning for a significant "Event" in 2022

Established in 1960, Cenversa became a leading distributor of products and service solutions to the animal health and pet retail industry.

In 2013, Cenversa become a public company inviting customers and employees to subscribe for shares and participate in the future success of the business. Since that time, annual sales have grown more than 64%.

Today, Cenversa generates annual revenue of over $150m, has approximately 275 shareholders, 4000 veterinary clinics and pet retailers as customers and over 170 full-time employees.

The next six years are shaping up to be just as exciting as the last with the Cenversa Board's decision to prepare the company for a possible share market listing (IPO) by 2022. An IPO will aim to maximise value for shareholders and to allow the company to become a larger participant in the animal health and pet retail markets both in Australia and globally.

January 2019 Year to Date Results

Our management accounts confirm the company is on track to achieve our FY19 full-year EBITDA budget of $4.3m which excludes earnings from any acquisition made between now and 30th June 2018.

These results are of great significance especially when you consider the company is dealing with a revenue shortfall of $11m this financial year.

Let me explain.

If you are a customer of Cenversa Ltd or one of its subsidiaries such as Cenvet Australia Pty Ltd, then you would be well aware that Zoetis made a decision in September 2018 to stop supplying their products to the veterinary market via the traditional wholesaler network.

Whilst many veterinarians have not favoured the move made by Zoetis, the financial impact on Cenversa was a decrease in annual sales by over $11m. The associated decrease in revenue had the potential to severely affect our performance in FY19, however, the strength of the strategic plan put in place by the Cenversa Board back in 2015 has mitigated the impact of the Zoetis decision on Cenversa's profitability.

Censversa's 'high level' half yearly performance compared to the same period in the prior year is outlined in the table below:

Key Performance Indicator (KPI)	2019 Year-to-Date Performance as at 31 January 2019	2018 Year-to-Date Performance as at 31 January 2018*
Gross Sales Revenue	$89.262m	$89.132m
Gross Profit	$12.955m	$12.941m
EBITDA	$2.530m	$2.498m

*Figures are based on unaudited management accounts.

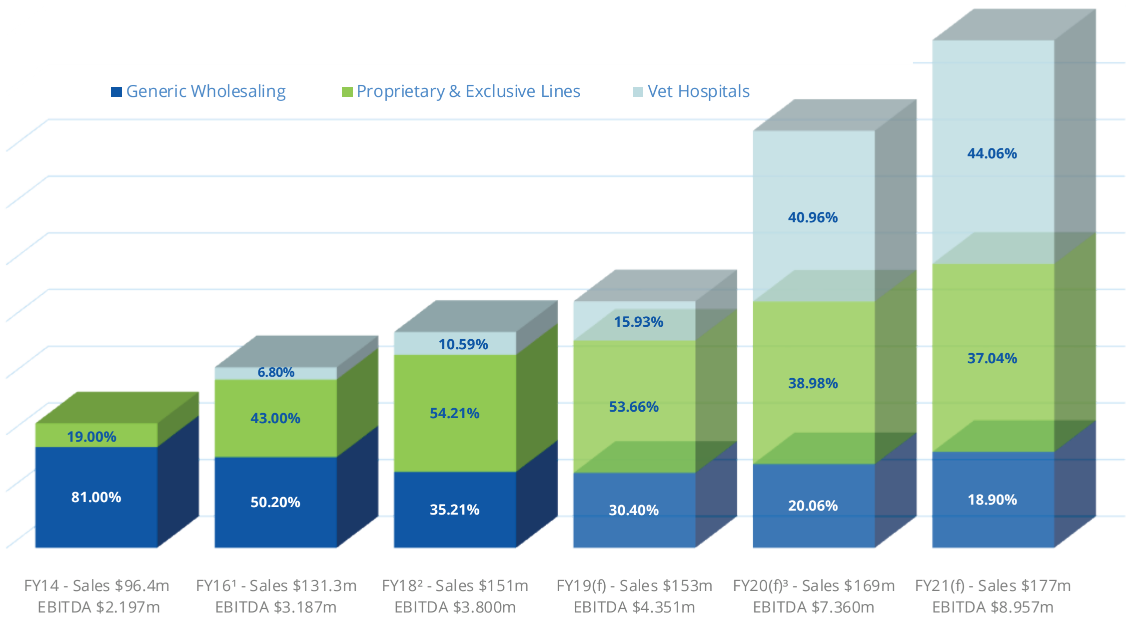
The above results continue to be achieved through the following:

- Strong general product sales to existing and new clients.
- Improved utilisation of infrastructure and resources.
- The launch of new products to market.
- The introduction of new exclusive product ranges and equipment.
- Expense management in line with forecasted revenue budgets.

Our half yearly results are the best recorded in the company's history since becoming a public company and further indicate Cenversa is on track for another impressive year in 2019.

Business Strategy & Diversification Plan

The Cenversa Board will continue to focus on earnings growth and diversification in the short to medium term. Whilst our wholesaling activities will remain a key component of our business, other activities are expected to add significant returns to Cenversa Ltd between now and FY23 over the next few years. In FY14 general wholesaling accounted for 81% of earnings. In FY20, EBITDA generated from wholesaling activities is expected to represent only 20.06% of total earnings due to diversification.



1. Pre Extraordinary Impairment Expenses

2. Includes extraordinary expenditure of approximately $250K, namely new product/ exclusive agency establishment costs

3. Assumes OIS fully subscribed and the $8m invested in FY19 and FY20 to acquire veterinary hospitals with a forecast EBITDA to sales ratio of circa 22%.

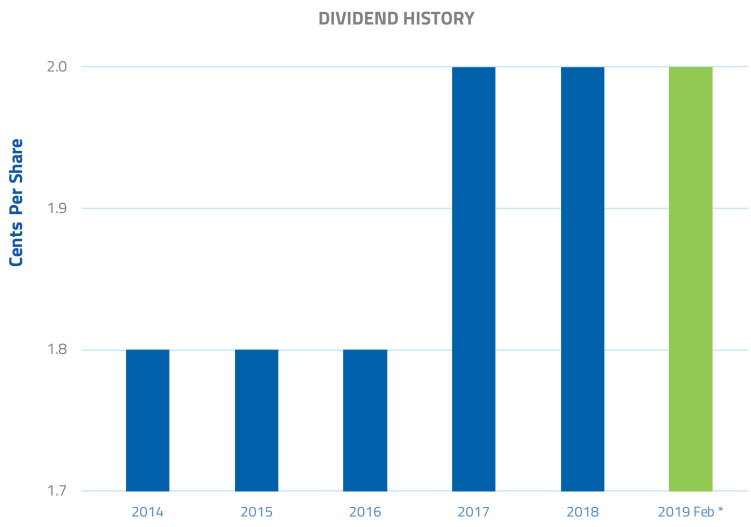
Business Strategy & Diversification Plan (cont.)

To achieve the desired outcome, the board intends to concentrate on executing the two key strategies:

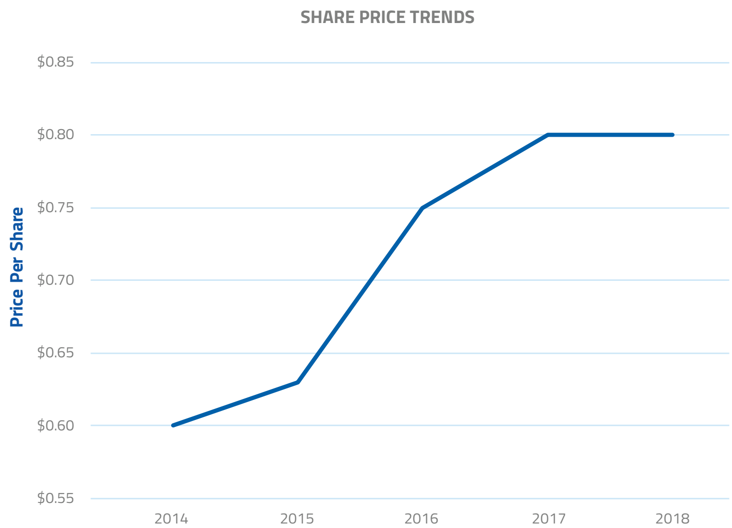
1. Expand the Cenversa NextGen veterinary hospital acquisition model. Acquire equity interests (up to 80%) in established, well-located veterinary hospitals in partnership with the next generation of Australia's leading veterinarians.
2. Continue to develop proprietary products and exclusive agency arrangements. Expand the suite of proprietary and exclusive agency products in partnership with select manufacturers, including investments in these businesses.

Interim Dividend Announcement

Since establishing Cenversa Ltd as a public company in FY14, an annual dividend has been paid each year. The board has continued the policy of paying annual dividends to shareholders by declaring an interim dividend of 2.0c per ordinary share last month. The dividend is fully franked will be paid to shareholders on the 30 June 2019. All shareholders listed on the share registry as at 21 February 2019 will be entitled to the dividend.



* A dividend of 2c per share was declared in February 2019 and payable in June 2019.



Share Price

The Cenversa Share price has experienced significant capital growth (33%) since 2013 based on arm's length transactions amongst new and existing shareholders.

Since becoming a public company in 2013, existing Cenversa shareholders have sold 3,436,650 shares amongst new and existing shareholders in over 100 separate transactions.

The share price trend graph shows the growth in Cenversa's share price since becoming a public company. The most recent sales since 2017 were conducted at 80c per share.

New Share Offer

In January 2019, Cenversa Ltd released an Offer Information Statement (OIS) to raise $8m to fund investments in allied businesses including veterinary hospital.

Under the OIS share offer, larger share investors applying for over 300,000 shares are eligible for up to 30% in bonus shares if they hold the shares for 3 years.

Veterinarians and/or their related entities who apply for a minimum of 5,000 shares are also entitled to 30% bonus shares under the OIS Share Offer provided that their veterinary practice pledges 75% of their hospital purchases to Cenvet Australia Pty Ltd for a 3-year period. Cenvet Australia is a wholly owned subsidiary of Cenversa Ltd.

The bonus share arrangement effectively reduces the OIS subscription share price from 80c to 62c per share. The OIS is capped at $8m and applications for shares will be processed based on receipt of application.

A copy of the OIS is available for download from **www.cenversa.com.au/share-offers**. However, if you require any additional information regarding the OIS then please don't hesitate to contact the company secretary at **shareholders@cenversa.com.au**

FY20/FY21 Forecasts

Sales revenue is expected to increase to $169m in FY20* and to $177m in FY21. The corresponding profit (EBITDA) for FY20 is projected to be $7.3m, increasing to $8.9m in FY21 when the full impact of the hospital acquisitions is expected to take effect. These forecasts are based on the current Cenversa share offer being fully subscribed and $8m of the capital raised being used to fund acquisitions that will continue to perform as they have over the last three years.

Planning for a significant "Event" in 2022

To maximise value for shareholders and to allow the company to become a larger participant in the animal health and pet retail markets both in Australia and globally, the Cenversa Board is now planning for a possible share market listing (IPO) by 2022.

If you have any questions regarding this update or would like any more information regarding our new share offer, then please don't hesitate to contact me directly.

Thank you for choosing to be a valued Cenversa shareholder.

Kind Regards,

Lionel Bloom

Lionel Bloom

Chairman & CEO

* Based on Generic Wholesaling organic growth of 3%, 17% growth in proprietary and exclusive lines and hospital acquisitions the company has agreed to complete between now and 30 June 2019.