

Dear Shareholder,

Cenversa FY22 YTD Performance Update

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

- FY22 October Year to Date Results
- Share Price
- Interim Dividend Announcement
- DRP Reinvestment
- Offer Information Statement

Established in 1960, Cenversa Ltd (formerly Cenvet Pty Ltd) became a leading distributor of products and service solutions to the animal health and pet retail industry.

In 2013, Cenversa became a public company inviting customers, employees and investors to subscribe for shares and participate in the future success of the business. Since 2013, our return on investment for shareholders has grown considerably.

Today, Cenversa generates annualised revenue in excess of \$155m, supplies approximately 3,000+ wholesale customers, ships over 7,000 orders per month and has approximately 320 shareholders listed on the company's share registry. Since 2018, our underlying EBITDA* has doubled with expectations that it will now exceed \$10m annualised by the end of 2022.

The next few years are shaping up to be just as exciting as the last with the Cenversa Board's decision to prepare the company for a liquidity event such as a share market listing (ASX listing) or trade sale by late 2022. A liquidity event will aim to maximise value for all shareholders and allow the company to become a larger participant in the animal health and pet retail markets both in Australia and globally.

FY22 October Year to Date Results

Our management accounts confirm the company is on track to achieve our FY22 full-year EBITDA budget of \$10.6m which excludes earnings from planned acquisitions made between now and 30th June 2022.

Our results are of great significance for the company and continue to be achieved through the following:

- Further strengthening of the NextGen model.
- Strong general product sales to existing and new clients.
- Improved utilisation of infrastructure and resources.
- The introduction of new exclusive product ranges.
- Maintaining expense management in line with forecasted revenue budgets.

Cenversa's 'high level' FY22 YTD performance as at the end of October shows strong growth for the first four month trading. Detailed below (table 1) is the group's Year-to-Date performance compared to the same period in the prior year.

Table 1. Year-to-Date Performance (4 Months Trading)*

Key Performance Indicator (KPI)	FY22 Year-to-Date Performance as at 31 October 2021*	FY21 Year-to-Date Performance as at 31 October 2020*	FY22 % Change on FY21
Gross Sales Revenue	\$55.556m	\$50.558m	9.89% ↑
Gross Trading Profit	\$12.132m	\$9.592m	26.48% ↑
Net Profit Before Tax	\$2.202m	\$1.577m	39.63% ↑
Underlying EBITDA	\$3.521m	\$2.421m	45.44% ↑

*Figures are based on unaudited management accounts. Underlying EBITDA – Earnings before tax, depreciation, amortisation & acquisition costs associated with veterinary practices.

The Cenversa Board will continue to focus on earnings growth and diversification for the remainder of FY22 in-line with the Board's *Business Strategy & Diversification Plan*. Whilst our wholesaling activities will remain an important part of our business with revenue continuing to experience near double digit growth this year; other activities are expected to create significant outcomes for our trading results between now and the end of FY23.

In FY14, general wholesaling accounted for 81% of earnings. By comparison, in FY22, EBITDA generated from wholesaling activities is forecasted to represent as little as 20.06% of total earnings due to diversification.

Our FY22 YTD results are the best recorded in the company's history and provide an excellent foundation for growth over the remainder of FY22.

Share Price

The Cenversa Share price has continued to grow and increase in value with transactions regularly taking place between new and existing shareholders.

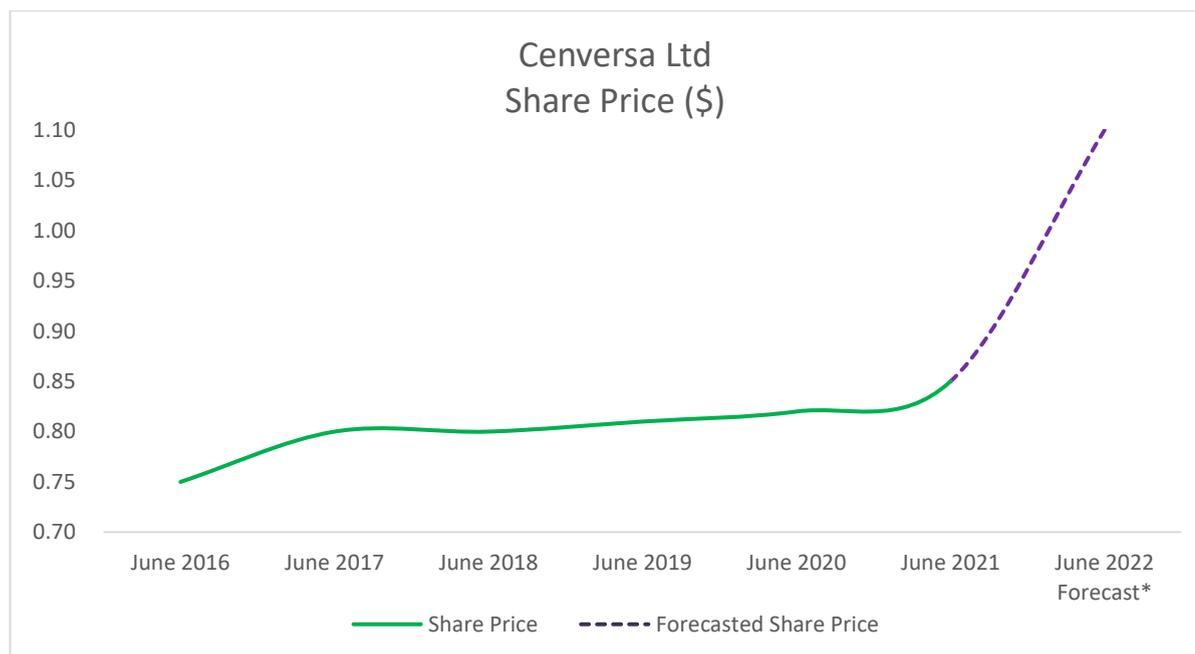
The Share Price Trend graph in Table 2 shows the growth of the share price since 2016. The most recent sales being at 85c per share with investors subscribing for shares through the *2021 Cenversa Share Offer and Bonus Share Offer*.

Interim Dividend Announcement

Since establishing Cenversa Ltd as a public company in FY14, shareholder dividends have been paid each year. The board has continued the policy of paying annual dividends to shareholders by declaring an interim dividend of 1.5c per ordinary share following the AGM on 30th November 2021.

The dividend is fully franked and will be paid to shareholders on 10th December 2021. All shareholders listed on the share registry as at 29th November 2021 will be entitled to receive the dividend.

Table 2. Share Price Trend



* Based on previous and current share transactions, the price per share is anticipated to increase based on the group's financial performance FY22 YTD. **PLEASE NOTE:** Buyers and sellers determine the actual market price paid per share and shareholders should make their own enquiries and analysis when determining the future value and/or price of shares in Cenversa Ltd.

Dividend Reinvestment Plan

For those shareholders participating in the Dividend Reinvestment Plan (DRP), the directors have set the DRP price for the latest interim dividend at 85c per share.

Under the DRP, you may elect to have dividends paid on your Cenversa Shares automatically reinvested in additional Cenversa Shares. The DRP is an optional no cost programme and you can join, vary or withdraw your participation from the DRP at any time subject to its terms and conditions. For full details of the DRP plan including FAQs please visit <https://cenversa.com.au/shareholder-resources/>

Changes to DRP participation for the interim dividend being paid on the 10th December 2021 can be made up to 4pm AEST on 9th December 2021. If you would like to amend, participate or check your DRP settings then please log into your Registry Direct account at www.registrydirect.com.au and update the DRP preference for your Cenversa shareholding.

For Shareholders electing not to participate in the DRP, declared dividends will be paid in the normal way by electronic funds transfer to your nominated bank account in Registry Direct.

Offer Information Statement closing 17th December 2021

To help support the capital requirements of the business, the company issued an Offer Information Statement (OIS) in December 2020 to raise up to \$5.525m in additional capital.

The offer is open to all investors until 4pm AEST 17th December 2021 and the proceeds of the capital raising are being used to support the ongoing acquisition of veterinary practices as part of Cenversa's NextGen strategy.

- Under the OIS share offer, larger share investors applying for over 200,000 shares are eligible for up to 20% 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 20% bonus shares under the OIS Share Offer provided that their related veterinary practice/s 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 85c to 70.8c per share. The OIS is capped at \$5.525m and applications for over 75% of the offer have already been accepted. Subscriptions for shares are processed on a receipt of application basis and a copy of the OIS is available to download from <https://cenversa.com.au/share-offers>.

If you have any questions regarding this update or would like any additional information regarding our OIS share offer closing on 17th December 2021 then please do not hesitate to contact our Company Secretary at shareholders@cenversa.com.au.

Thank you for choosing to be a valued Cenversa shareholder. We really appreciate you being part of the Cenversa family and I look forward to providing more updates on our progress throughout 2022.

Until next time

.... I would like to wish you and your family a very Merry Christmas and a safe holiday season on behalf of the entire Cenversa team.

Kind Regards,



Lionel Bloom
Chairman & CEO