

TO: Freya Bidco Limited (14856770) of 3rd Floor, 30 Broadwick Street, London, United Kingdom, W1F 8JB ("**Bidco**")

and

Dechra Pharmaceuticals plc (03369634) of 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA ("**Dechra**")

FROM: Paul Nicholas Sandland

2 June 2023

Dear Sirs

Proposed Acquisition of Dechra by Bidco

This undertaking (the "**Undertaking**") is given by me in my capacity as a holder of ordinary shares in Dechra and not in my capacity as a director of Dechra.

1. OFFER

In this Undertaking, the "**Offer**" means the proposed acquisition by or on behalf of Bidco of all the issued and to be issued ordinary share capital of Dechra, to be implemented by way of a court sanctioned scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006 (the "**Act**") between Dechra and the holders of its ordinary shares (or, if Bidco so elects, by way of a Takeover Offer), and substantially on the terms set out in the draft press announcement appended hereto at Schedule 2 (subject to the inclusion of any alternative or additional terms and conditions as may be required to comply with the requirements of the Panel on Takeovers and Mergers (the "**Panel**"), any applicable law or regulation, or as agreed between Bidco and Dechra) (the "**Press Announcement**").

2. CONDITION OF UNDERTAKING

The obligations in paragraphs 5, 7 and 11 of this Undertaking are conditional on the Press Announcement being released no later than 10.00 a.m. (London time) on the date that is one business day from the date of this Undertaking (or such later time and/or date as Dechra and Bidco may agree).

3. OWNERSHIP OF SHARES

I hereby represent, warrant and undertake to Bidco and Dechra that:

3.1 I am, the registered holder of and have the full beneficial interest in (or am otherwise able to control, for the purposes of this letter, the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of) the number of ordinary shares of 1 penny each in the capital of Dechra ("**Dechra Shares**") specified in Part 1 of Schedule 1 (the "**Existing Dechra Shares**") and I hold the Existing Dechra Shares free of any encumbrances or third party rights of any kind whatsoever;

3.2 I am also the holder of the number of options, warrants, awards and other rights (if any) over Dechra Shares as are specified in Part 2 of Schedule 1 (the "**Options**");

- 3.3 the details of the Existing Dechra Shares set out in Schedule 1 are true, complete and accurate in all material respects as at the date of this Undertaking;
- 3.4 save as set out in Schedule 1, I am not interested in any other securities of Dechra and I do not have any rights to subscribe, purchase or otherwise acquire any securities of Dechra; and
- 3.5 I have full power and authority and the right (free from any legal or other restrictions), and will at all times continue to have all relevant power and authority and the right, to enter into this Undertaking, to perform the obligations in this Undertaking in accordance with its terms, to exercise (or, where applicable, procure the exercise of) all voting rights attaching to the Existing Dechra Shares and otherwise to take all necessary actions to approve the Scheme in respect of, and to transfer, the Existing Dechra Shares.

4. **DEALINGS AND UNDERTAKINGS**

- 4.1 Prior to this Undertaking lapsing in accordance with paragraph 10.1, I irrevocably undertake to Bidco and Dechra that (other than in connection with the Scheme), I shall not:
 - 4.1.1 sell, transfer, charge, encumber, create or grant any option or lien over or otherwise dispose of (or permit any such action to occur in respect of) any interest in or otherwise deal in any Dechra Shares or any other shares in Dechra issued or unconditionally allotted to, or otherwise acquired by, me or any shares in the capital of Dechra in respect of which I become the registered holder or beneficial owner on or after the date of this Undertaking ("**Further Dechra Shares**"); or
 - 4.1.2 vote in favour of any shareholder resolution to approve an acquisition of or any other transaction in relation to Dechra which is proposed by any person other than Bidco in competition with the Offer or which would otherwise hinder or impede the implementation of the Scheme or frustrate the Offer; or
 - 4.1.3 accept, or give any undertaking in each case in my capacity as a shareholder (whether conditional or unconditional) to accept, any offer or transaction, or approve any offer or transaction made or proposed to be implemented by way of a contractual offer, scheme of arrangement or otherwise in respect of securities in Dechra by any person other than Bidco in competition with the Offer or which would otherwise hinder or impede implementation of the Scheme or frustrate the Offer; or
 - 4.1.4 except as a result of any Options being exercised or vesting, until the earlier of (i) this Undertaking lapsing in accordance with paragraph 10, or (ii) the Scheme being approved by the court, acquire or otherwise deal or undertake any dealing in any relevant securities of Dechra (or any interest therein) unless the Panel determines and confirms to you that, in respect of such acquisition or dealing, I am not acting in concert with you pursuant to Note 9 to the definition of "Acting in concert" set out in the Code or otherwise; or

4.1.5 other than pursuant to this Undertaking, enter into any agreement or arrangement, incur any obligation or give any indication of intent (or permit such circumstances to occur):

- (a) to do all or any of the acts referred to in paragraphs 4.1.1, 4.1.2, 4.1.3 and 4.1.4 above; or
- (b) in relation to, or operating by reference to, any Dechra Shares and which would or might restrict or impede my ability to comply with this Undertaking, or implementation of the Scheme,

and, for the avoidance of doubt, references in this paragraph 4.1.5 to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not legally binding or subject to any condition, or which is to take effect following termination of this Undertaking.

4.2 Paragraph 4.1 (if and to the extent applicable) shall not restrict me from selling or disposing of Dechra Shares (or interest in such shares) as part of my bona fide tax planning, and provided always that prior to any such disposal: (I) the intended transferee or beneficiary enters into an undertaking in favour of Bidco in terms no less favourable to Bidco than those set out herein and which does not contain this paragraph 4.2 or any clause similar to it; (II) I notify Bidco no less than five business days before such disposal of those terms in their entirety and (other than in relation to any transfer to my spouse, children or a related family trust) obtain Bidco's consent for the transfer, such consent not to be unreasonably withheld or delayed; and (III) such undertaking includes a term obliging the intended transferee or beneficiary to send to Bidco an executed and dated version of the undertaking (in any form) on the day that it is executed and dated.

4.3 I shall accept any proposal made by Bidco to holders of options over Dechra Shares in compliance with Rule 15 of the Code in respect of all such Options held by me, to the extent that the same have not lapsed or been exercised, not later than seven days after Bidco sends such proposals to the holders of options or otherwise ensure that any Dechra shares arising on conversion of or exercise of options or vesting of awards prior to the effective date of the Scheme participate in the Scheme.

5. **UNDERTAKING TO VOTE IN FAVOUR OF THE SCHEME**

5.1 I hereby irrevocably undertake on the terms of this paragraph 5 in respect of the Existing Dechra Shares, the Further Dechra Shares and any other shares or interests in shares attributable to or deriving from such shares (together, the "**Shares**").

5.2 I hereby irrevocably undertake to Bidco and Dechra:

- 5.2.1 to exercise all voting rights attaching to my Shares to vote in favour of all Resolutions (as defined in the Press Announcement), and any related matters, proposed at any general or class meeting (including any adjournment thereof) ("**General Meeting**") and Court-convened meeting ("**Court Meeting**") of Dechra to be convened and held in connection with the Scheme and/or the Offer, or at any adjournment of any such meeting;

5.2.2 to (i) execute (or procure the execution of) all relevant forms of proxy in respect of all of my Shares validly appointing the Chair of such meetings (or any person nominated by Bidco) to vote at any General Meeting or Court Meeting (or any adjournment thereof) in respect of the Resolutions (as so defined) and any related matters; and (ii) lodge (or procure the lodgement of) such executed forms of proxy by 1.00 p.m. on the tenth business day after Dechra publishes the scheme document setting out the terms and conditions of the Scheme (the "**Scheme Document**") (or, in respect of Further Dechra Shares, by 1.00 p.m. on the date which is the fifth business day after acquiring an interest in such shares, if later, provided that I shall use reasonable endeavours to ensure any such proxy forms are received by Dechra's registrars ahead of the deadline for receipt of proxies for the relevant General Meeting or Court Meeting (or any adjournment thereof)) in accordance with the instructions printed on such forms of proxy; and

5.2.3 not to revoke or amend any proxy submitted in accordance with paragraph 5.2.2, either in writing or by voting at any General Meeting or Court Meeting (or any adjournment thereof) or otherwise,

and in each case, to the extent that I am not the registered holder of any Shares, I shall procure that the registered holder(s) of the Shares comply with this paragraph 5 as if the undertakings in this paragraph 5 apply to them directly.

5.3 In the event that the Scheme is modified or amended pursuant to the requirements of, or with the approval of, the Court and in accordance with the terms of the Scheme, I confirm and agree that (except where such modification or amendment would materially adversely affect my rights or interests as a Dechra shareholder) this Undertaking shall continue to be binding *mutatis mutandis* in respect of the Shares.

5.4 I hereby irrevocably undertake that Bidco shall acquire the Shares pursuant to the Scheme free of any lien, charge, option, equity or encumbrance of any nature whatsoever and together with all rights of any nature attaching to those Shares.

6. **POWER OF ATTORNEY**

6.1 In order to secure the performance of my obligations under this Undertaking, I irrevocably appoint any director of Bidco to be my attorney in my name and on my behalf to sign or execute forms of proxy and/or such other deeds or documents, to appoint any person nominated by Bidco to attend a general or class meeting of Dechra or vote on any resolution described in paragraph 7 and to do such other acts and things as may be necessary or desirable for the purpose of giving effect to my obligations under this Undertaking in respect of the Shares. However, the appointment shall only take effect if I have failed to comply with any of my obligations under paragraphs 4, 5, 7 or 11 of this Undertaking within the relevant time specified for compliance with such obligation and then only to the extent necessary to give effect to such obligations.

6.2 I acknowledge that this power of attorney is given by way of security and is irrevocable until this Undertaking lapses in accordance with paragraph 10.1.

7. VOTING RIGHTS AND PREJUDICIAL ACTION

I hereby irrevocably undertake that:

- 7.1 I shall not exercise (or, where applicable, procure the exercise of) any of the voting rights attached to the Shares at the Court Meeting or the General Meeting other than in accordance with this Undertaking;
- 7.2 I shall otherwise exercise (or, where applicable, procure the exercise of) the voting rights attached to the Shares on any resolution which would assist or impact implementation of the Scheme if it were passed or rejected at a general, class or other meeting of Dechra shareholders only in accordance with Bidco's directions;
- 7.3 I shall not requisition, or join in the requisitioning of, any general or class meeting of Dechra for the purposes of voting on any resolution to approve an acquisition of or any other transaction or corporate action in relation to Dechra which is proposed in competition with or which would otherwise be reasonably expected to frustrate, impede or delay the Offer; and
- 7.4 I shall not exercise (nor procure the exercise of) the voting rights attached to the Shares for any resolution which might prevent or delay implementation of the Scheme,

and in each case, to the extent that I am not the registered holder of any Shares, I shall procure that the registered holder(s) of the Shares comply with this paragraph 7 as if the undertakings in this paragraph 7 apply to them directly.
- 7.5 For the purposes of this paragraph 7, I shall execute (or procure the execution of) any form of proxy required by Bidco appointing any person nominated by Bidco to attend and vote at the relevant meeting (or any adjournment thereof) and I shall not revoke or procure the revocation of, or take any action which has the effect of revoking, any such proxy.

8. CONSENTS

I agree to:

- 8.1 promptly inform you of all information in relation to the Shares as you may require in order to comply with the requirements of the Code, the Panel, the Court or of other applicable law or regulation and notify you as soon as reasonably practicable in writing of any material change in the accuracy or import of any such information and consent to the public disclosure of such information;
- 8.2 the inclusion of references to me and to particulars of this Undertaking and my interests in Shares being set out in the Press Announcement, in any other announcement or document issued in connection with the Offer and in the Scheme Document; and
- 8.3 this Undertaking being available for inspection during the offer period (and any related competition reference period) in accordance with Rule 26.2 of the Code or the Listing Rules of the Financial Conduct Authority or its successor from time to time.

9. ANNOUNCING AND PROCEEDING WITH THE OFFER

I acknowledge that the release of the Press Announcement is at Bidco's absolute discretion. For the avoidance of doubt, nothing in this Undertaking shall oblige Bidco to announce or proceed with the Scheme or the Offer.

10. LAPSE OF UNDERTAKING

10.1 This Undertaking and all of my obligations pursuant to this Undertaking will lapse and cease to have effect on the date the Scheme becomes effective or the Takeover Offer (as defined below) is declared unconditional, or prior to that date on the earliest of the following, if:

10.1.1 the Press Announcement is not released by 10.00 a.m. (London time) on the date that is one business day from the date of this Undertaking (or such later time and/or date as Dechra and Bidco may agree); or

10.1.2 the Scheme Document is not sent to shareholders of Dechra within 28 days (or such longer period as the Panel may agree) after the date of the Press Announcement; or

10.1.3 Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Offer and no new, revised or replacement offer or scheme is announced in accordance with Rule 2.7 of the Code at the same time; or

10.1.4 the Scheme lapses or is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Offer or to implement the Offer by way of a takeover offer (as such term is defined in section 974 of the Act) (a "**Takeover Offer**"); or

10.1.5 the Scheme has not become effective by 11.59 p.m. (London time) on the Long Stop Date (as defined in the Press Announcement) (or such later time and/or date as may be agreed between Bidco and Dechra, with the approval of the Court and/or the Panel if required) (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Takeover Offer has not lapsed or been withdrawn); or

10.1.6 the date on which any competing offer for the entire issued and to be issued share capital of Dechra is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective.

10.2 If this Undertaking and my obligations in this Undertaking lapse, I shall have no claim against Bidco or Dechra and neither Bidco nor Dechra shall have any claim against me, in each case other than in respect of any prior breach of any of the terms of this Undertaking.

11. SCHEME OF ARRANGEMENT OR TAKEOVER OFFER

I note that Bidco reserves the right, and may elect, to implement the Offer by way of a Takeover Offer. In the event that it is so implemented, I confirm and agree that this

Undertaking shall continue to be binding *mutatis mutandis* in respect of the Shares and all references to the Scheme shall, where the context permits, be read as references to the Takeover Offer (or to both the Scheme and the Takeover Offer, as appropriate). Notwithstanding the generality of the foregoing, references in this Undertaking:

11.1.1 to voting in favour of the Scheme and voting in favour of the resolutions to be proposed at the Court Meeting and/or the General Meeting (or procuring the same) shall be read and construed as references to accepting (or procuring the acceptance of) the Takeover Offer, which acceptances in such circumstances shall be tendered within five business days of publication of the formal document containing the Takeover Offer (the "**Offer Document**") to Dechra shareholders (or, in respect of Further Dechra Shares, by 1.00 p.m. on the date which is the fifth business day after acquiring an interest in such shares, if later, provided that I shall use reasonable endeavours to ensure any such acceptances are received by Dechra's registrars ahead of the unconditional date) and I shall not withdraw (nor shall I procure the withdrawal of and I shall procure that the registered holder(s) of any Shares shall not withdraw) my acceptances in respect of the Shares. I further undertake, if so required by Bidco, to execute (or, where applicable, procure the execution of) all such other documents or do (or, where applicable, procure the doing of) such other acts as may be necessary or desirable for the purpose of giving Bidco the full benefit of my undertakings;

11.1.2 to the Scheme becoming effective shall be read as references to the Takeover Offer becoming unconditional; and references to the Scheme lapsing or being withdrawn shall be read as references to the closing or lapsing of the Takeover Offer; and

11.1.3 to the Scheme Document shall be read as references to the Offer Document.

12. **OTHER**

12.1 Any time, date or period referred to in this Undertaking may be varied or extended by mutual agreement between the parties but, as regards any time, date and period originally fixed or as varied or extended in accordance with this paragraph 12.1, time shall be of the essence.

12.2 I agree that damages may not be an adequate remedy for breach of this Undertaking and, accordingly, Bidco shall be entitled to the remedies of specific performance, injunction or other equitable remedies.

12.3 The ejusdem generis principle of construction shall not apply to this Undertaking. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.

12.4 In this Undertaking, references to:

12.4.1 "**Offer**" shall include any new, increased, renewed or revised acquisition proposals made by or on behalf of Bidco;

- 12.4.2 "**Code**" means the City Code on Takeovers and Mergers as amended from time to time;
- 12.4.3 "**business day**", "**dealing**" and "**offer period**" shall be interpreted in accordance with the Code as from time to time amended and interpreted by the Panel;
- 12.4.4 being "**interested in**" or having "**interests in**" shares or securities shall be construed in accordance with the Code as from time to time amended and interpreted by the Panel and Part 22 of the Act; and
- 12.4.5 "**relevant securities**" shall be construed in accordance with the Code as from time to time amended and interpreted by the Panel.
- 12.5 No term of this letter is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to it.

13. **GOVERNING LAW AND JURISDICTION**

This Undertaking and all non-contractual obligations arising from or in connection with this Undertaking are governed by and construed in accordance with English law. I submit to the exclusive jurisdiction of the English courts to settle any dispute arising from or connected with this Undertaking (a "**Dispute**") (including a dispute regarding the existence, validity or termination of this Undertaking or relating to any non-contractual or other obligation arising out of or in connection with this Undertaking or its formation). I agree that the English courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, will not argue to the contrary.

SCHEDULE 1

Part 1: Existing Dechra Shares

1	2	3
No. of ordinary shares of 1 penny in Dechra	Exact name(s) of registered holder as appearing on the register of members#	Beneficial owner#
8,672	Paul Nicholas Sandland	Paul Nicholas Sandland

Where more than one, indicate number of shares attributable to each.

Part 2: Options

1	2	3	4	5	5
Name	Share Plan	Date of award	No. of ordinary shares under option	Exercise price per share (£)	Normal vesting date
Paul Nicholas Sandland	Long Term Incentive Plan (LTIP)	22/09/2020	13,901	Nil	05/09/2023
Paul Nicholas Sandland	Long Term Incentive Plan (LTIP)	16/09/2021	*11,000	Nil	08/09/2024
Paul Nicholas Sandland	Long Term Incentive Plan (LTIP)	09/09/2022	18,990	Nil	09/09/2025
Paul Nicholas Sandland	Deferred Bonus Plan	20/09/2022	2,293	Nil	30/08/2024
Paul Nicholas Sandland	Save As You Earn (SAYE)	19/10/2020	627	28.68	01/12/2023

* I have also been granted a tax qualifying option over 330 shares at an exercise price of £49.09 as part of my LTIP award. This tax qualifying option is linked to the nil cost option

such that, at the time of exercise, to the extent that there is a gain in the tax qualifying option, the nil cost option will be forfeited to the value of that gain.

SCHEDULE 2

[Copy of Press Announcement to be inserted]

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION

FOR IMMEDIATE RELEASE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

2 June 2023

RECOMMENDED CASH ACQUISITION

of

Dechra Pharmaceuticals PLC

by

Freya Bidco Limited

(a newly formed company to be indirectly owned by (i) EQT X EUR SCSp and EQT X USD SCSp, each acting through its manager (*gérant*) EQT Fund Management S.à r.l., and (ii) Luxinva S.A.)

**to be implemented by means of a scheme of arrangement
under Part 26 of the Companies Act 2006**

Summary

- The boards of directors of Freya Bidco Limited (“**Bidco**”) and Dechra Pharmaceuticals PLC (“**Dechra**”) are pleased to announce that they have reached agreement on the terms and conditions of a recommended cash acquisition by Bidco of the entire issued, and to be issued, ordinary share capital of Dechra. It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act.
- Under the terms of the Acquisition, each Dechra Shareholder will be entitled to receive:
for each Dechra Share held: 3,875 pence in cash
- The Acquisition Price per Dechra Share represents a premium of approximately:
 - 44 per cent. to the Closing Price of 2,690 pence per Dechra Share on 12 April 2023 (being the last Business Day before the commencement of the Offer Period);

- 49 per cent. to the volume-weighted average price of 2,602 pence per Dechra Share for the one-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period);
- 38 per cent. to the volume-weighted average price of 2,811 pence per Dechra Share for the three-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period); and
- 40 per cent. to the volume-weighted average price of 2,761 pence per Dechra Share for the six-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period).
- The Acquisition values Dechra's entire issued, and to be issued, ordinary share capital at approximately £4,459 million on a fully diluted basis, and implies an enterprise value of £4,882 million and a multiple of approximately 25.9 times Dechra's EBITDA for the twelve months ended 31 December 2022 of £188 million.
- If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Dechra Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Dechra Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, Dechra Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.
- In accordance with the reservations set out by EQT in the announcements by Dechra on 13 April 2023 and 11 May 2023, the Acquisition Price which the Dechra Directors intend to unanimously recommend to Dechra Shareholders is lower than the price disclosed in such announcements.

Recommendation

- The Dechra Directors, who have been so advised by Investec as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice, Investec has taken into account the commercial assessments of the Dechra Directors. Investec is providing independent financial advice to the Dechra Directors for the purposes of Rule 3 of the Takeover Code.
- Accordingly, the Dechra Directors intend to recommend unanimously that Dechra Shareholders vote in favour of the Scheme at the Court Meeting and the resolution(s) to be proposed at the General Meeting as the Dechra Directors who hold Dechra Shares have irrevocably undertaken to do in respect of their own holdings over which they have control, being, in aggregate 433,573 Dechra Shares (representing approximately 0.381 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement. Further details of these undertakings, including

the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

Background to and reasons for the Acquisition

- Bidco views Dechra as a high quality and leading company operating in the attractive animal health pharmaceuticals market, which is expected to benefit from numerous long-term growth drivers including positive demographics, increasing pet ownership, medical innovation and greater focus on animal care within the family.
- Dechra has an attractive portfolio of products and pipeline and is perceived as a leading specialist by vets and customers in the market segments in which it operates. The company is led by a high quality and experienced management team, with a clear vision and strategy for the future direction of the business.
- EQT believes it is well positioned to support Dechra's next phase of growth by virtue of its insights and understanding developed from existing and former investments across the animal health value chain. EQT has a strong track record of deploying capital and expertise into growth-orientated businesses and supporting their management teams in achieving their strategic ambitions.
- Bidco believes that it can support Dechra's strong management team in accelerating its long-term growth potential, and that it can provide, where needed, access to additional capital, expertise and resource to accelerate the longer-term potential of the business. This will enable further investment in its innovative pipeline and execution on its global expansion potential, including via inorganic opportunities. Bidco believes Dechra is better able to achieve its growth potential as a private company than as a public company.

Background to and reasons for the recommendation

- Dechra has a long history in the animal health market and has successfully and consistently grown under the leadership of the Chief Executive Officer, Ian Page, from a UK veterinary wholesale distribution business which was listed on the London Stock Exchange in 2000 with an equity capitalisation of £60 million into a global veterinary pharmaceuticals and related products business, ranked seventh globally by revenues, with operations in 26 countries and 2,470 employees.
- With the sale of the Dechra Group's veterinary distribution business in 2013 the Dechra Group's focus and expertise became solely in the development, manufacture and sales and marketing of high quality Companion Animal Products ("CAP"), Equine, Food producing Animal Products ("FAP") and Nutrition. It is now recognised as a global leader in veterinary endocrinology and topical dermatology, as well as having a broad portfolio of analgesia and anaesthetics products for the treatment of pain. It is also recognised as an innovator in other specialisations such as the treatment of equine lameness and differentiated generics.
- The growth of Dechra has been both organic and through the successful acquisition and integration of businesses. Over the last 25 years, the Dechra Group has acquired more than 20 businesses and regularly in-licensed complementary technology and products to build out the product portfolio. The strategic benefits from the acquisitions can broadly be categorised as: delivering enhanced scale and geographic footprint; manufacturing capacity and new competencies; synergies; as well as enhanced product range and novelty.

- The success of the Dechra Group has been driven by consistent focus over the long-term on the execution of the four key elements of Dechra’s strategy: Pipeline Delivery; Portfolio Focus; Geographical Expansion; and relevant Acquisitions. The Dechra Board has no plans to change this strategy.
- In light of this, the Dechra Board is confident that the Dechra Group is well placed to continue to grow, not least as the animal health market is well supported by long term secular growth trends, notably in the CAP segment of the market. The Dechra Board’s confidence is also founded on the quality of the Dechra Group’s management and employees, the exciting and attractive development pipeline of new products to complement and supplement the Dechra Group’s existing portfolio, bolstered by the acquisition of Piedmont in July 2022, and the many initiatives around the Dechra Group to improve manufacturing quality and efficiency as well as extending its geographical sales footprint.
- Against this backdrop, the Dechra Board received a series of unsolicited proposals from EQT to acquire Dechra. Following initial rejections and further discussion, the Dechra Board indicated to EQT on 3 April 2023 that it had made a proposal which the Dechra Board was minded to recommend and granted EQT access to undertake due diligence. On 13 April 2023, EQT’s interest in Dechra was reported on the newswires and Dechra confirmed in a joint announcement EQT’s conditional proposal to acquire Dechra.
- In concluding that it should recommend EQT’s proposal to shareholders, the Dechra Board has, in addition to the above, considered, in the context of a challenging economic environment, inter alia:
 - The value of the Piedmont pipeline, acquired in July 2022, which, following a Dechra Board review, is broadly unchanged, on a risk adjusted basis. However, the Dechra Board also recognises that there are risks to delivering that pipeline portfolio potential which, assuming the pipeline delivers to plan, are unlikely to materially impact the Dechra Group before 2026.
 - As previously communicated, in financial years 2023 to 2025, the Dechra Board is committed to higher levels of investment than it has incurred historically in both absolute and relative terms, to support the delivery of the pipeline as planned. These longer term investments have, and will continue to have a negative impact on the Dechra Group’s reported earnings and corresponding growth rates in the short term. Against this backdrop, the Dechra Board has committed to prioritising its existing product portfolio and pipeline over the pursuit of new potential opportunities.
 - Whilst the Dechra Board continues to have a high level of confidence in the ability of the leadership and broader management team to meet the potential challenges of delivering the pipeline and other initiatives across the Dechra Group, these longer term initiatives are greater in number than the Dechra Group has managed previously and so carry a degree of execution risk.
 - Dechra’s trading performance, whilst consistent and strong over recent years, in the Dechra Board’s view has not been entirely reflected in the price and valuation rating of the Dechra Shares which have fluctuated significantly in response to various macro-economic factors, notably by anticipated changes in long term interest rates and with it, the likely future cost

of capital and equity returns for the Dechra Group, expectations on inflation, recession and consumer spending power.

- As previously communicated, the Dechra Board is confident that Dechra's end customer demand has continued to be ahead of the animal health market in its major geographies. However, the trading environment in the current financial year has been more volatile and challenging than previously anticipated, representing unprecedented and, by nature, short term trading headwinds. In the US, the impact of the now widely reported de-stocking by US distributors has been deeper and longer than initially expected and had a material impact on Q3 (January to March 2023) performance, although there are encouraging signs that this is now rebounding. A similar de-stocking pattern has also been experienced in the UK during April 2023, due to certain wholesalers managing financial year-end inventory levels, although order patterns are beginning to show signs of normalising. In the rest of Europe, the market appears to be slowing in response to a changing macro-economic environment and country specific dynamics. Accordingly, the Dechra Board announced an update on its expectations for the year ending 30 June 2023 on 22 May 2023.
- The Dechra Board expects that full year underlying operating profit for the year ending 30 June 2023 will be materially below £186 million, the guidance provided within Dechra's interim results announced on 27 February 2023 ("**FY23 Profit Forecast**"). This guidance constitutes a profit forecast for the purposes of Rule 28.1 of the Takeover Code and supersedes the profit forecast included in the 22 May 2023 announcement and consequently the Dechra Directors' confirmation statements pursuant to Rule 28.1(c)(i) of the Takeover Code are no longer required. A further update on the Dechra Board's expectations for the year ending 30 June 2023 will be provided in the Scheme Document, including such relevant requirements of Rule 28.1(c)(iii) of the Takeover Code.
- Subsequent to Dechra's 22 May 2023 announcement EQT approached the Dechra Board with a revised proposal of 3,875 pence per share, in respect of which the Dechra Board confirmed it would provide a unanimous recommendation.
- Since the IPO in 2000 to 12 April 2023, being the latest practicable date prior to Dechra's announcement that it had received a proposal from EQT and therefore the last Business Day before the commencement of the Offer Period, Dechra has produced a total shareholder return of 3,471 per cent. compared to the FTSE100 of 177 per cent. and FTSE250 of 425 per cent. over the same period. The Dechra Board has considered this exceptional performance in the context of the future potential for Dechra as a listed business and contrasted that opportunity with the merits of the Acquisition. The Dechra Board believes the Acquisition is at a level that enables shareholders to accelerate the crystallisation of value in full in cash at a level which is commensurate with its judgments, the opportunities and risks of future potential performance.
- The terms of the Acquisition represent a premium of 49 per cent. to Dechra's volume-weighted average price for the one-month period ended 12 April 2023 and of 40 per cent. to Dechra's volume-weighted average price for the six-month period ended 12 April 2023, being the latest practicable date prior to Dechra's announcement that it had received a proposal from EQT and therefore the last Business Day before the commencement of the Offer Period. The Acquisition, therefore, provides shareholders the opportunity to realise their holdings at material premiums to historical performance.

- EQT, a growth-orientated investor that takes a long-term view, has confirmed to the Dechra Board that it considers Dechra to be a high quality business with a strong management team and sound strategy whose prospects can be underpinned and enhanced without the strictures of being a listed business and can provide, where required, access to additional capital, know-how and resources, informed by its extensive experience in the animal health sector, to accelerate the longer term growth potential of the business. The Dechra Board believes this to be in the interests of employees and all stakeholders.
- Accordingly, the Dechra Board has concluded that the Acquisition fairly reflects both the strength of the Dechra business and its future prospects as well as the risks attendant on delivering that longer term value for shareholders.

Irrevocable undertakings

- Bidco has received irrevocable undertakings from the Dechra Directors who hold Dechra Shares to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer), in respect of, in aggregate, 433,573 Dechra Shares (representing approximately 0.381 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement). These undertakings will remain binding in the event that a higher competing offer for Dechra is made.
- Bidco has also received irrevocable undertakings from certain Dechra Shareholders who are close relatives of certain of the Dechra Directors to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer), in respect of, in aggregate, 38,009 Dechra Shares (representing approximately 0.033 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement). These undertakings will also remain binding in the event that a higher competing offer for Dechra is made.
- Bidco has, therefore, received irrevocable undertakings in respect of a total of 471,582 Dechra Shares (representing approximately 0.414 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement).
- Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

Information relating to Bidco, EQT and Luxinva

- Bidco is a private limited company incorporated in England and Wales. Bidco is a newly-formed vehicle, to be indirectly owned by (i) EQT Funds and (ii) Luxinva, a wholly-owned subsidiary of the Abu Dhabi Investment Authority (“ADIA”) managed by the Private Equities department of ADIA (“ADIA PED”). Bidco was formed for the purposes of the Acquisition and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition. As at the Effective Date, it is intended that Bidco will be indirectly owned in the following proportions (i) EQT will own 74 per cent. and (ii) Luxinva will own 26 per cent.

- EQT is a leading global private markets investor focused on active ownership, founded in Sweden nearly three decades ago. Today, EQT manages EUR 119 billion in fee-generating assets across private equity, infrastructure and real estate and has investment advisory teams based in offices in 20 countries across the UK, Europe, Asia Pacific and the Americas. With its Wallenberg family heritage and a distinctly Scandinavian approach to doing business, EQT uses a thematic investment strategy and value creation approach that values long-term perspective and entrepreneurial freedom. EQT's purpose is to future-proof companies and make a positive impact for all, while striving to be the most reputable investor and owner.
- Luxinva is a wholly-owned indirect subsidiary of ADIA, managed by ADIA PED. ADIA PED is an investment department of ADIA. ADIA's purpose is to receive funds of the Government of Abu Dhabi allocated for investment and to invest those funds for the benefit of the Emirate of Abu Dhabi. ADIA manages a substantial global diversified portfolio of investments, with assets under management in excess of US\$100 billion of which ADIA PED represents between 7-12%. ADIA is a long term, value driven investor, mandated to build value in a systematic and structured manner.

Information relating to Dechra

- Dechra was formed 26 years ago and is listed on the Premium Segment of the London Stock Exchange's Main Market. The Dechra Group is a global developer, manufacturer and supplier of products to service the veterinary profession worldwide. Dechra's products can be largely split into four main categories (percentage of sales for the year ended 30 June 2022):
 - **Companion Animal Products (74.6 per cent.)** – products focused on dogs and cats. The majority of the products are prescription only medicines (POMs). Key therapeutic sectors include endocrinology, dermatology, analgesia and anaesthesia, cardiology, and critical care. Demand for these products is principally driven by pet owners wanting to provide better care for their animals. Dechra has developed a strong position in providing specialist and clinically necessary novel products. The Dechra Group also supply a range of products which complement these products in key therapeutic sectors where Dechra is seen as the company of choice by many veterinarians.
 - **Food producing Animal Products (11.6 per cent.)** – the key therapeutic areas are water soluble antibiotics, vaccines, locomotion and pain management. The products are predominately POMs that are prescribed by veterinarians. Dechra's portfolio is positioned to match current best practice prescribing habits. Additionally, Dechra's Brazilian vaccines business is providing growth and is anticipated to continue to provide growth opportunities in future years as the Dechra Group seek global registrations.
 - **Equine (7.2 per cent.)** – this is a sector in which few animal health companies specialise due to the relatively small number of horses in the world. Equine veterinarians are specialised in the species and operate out of either mixed practices or, increasingly, specialist equine centres. Dechra offers a wide range of products supporting the equine veterinarian, from pain management to products for anaesthesia, dermatology and lameness. Although there is a big overlap, the market can be divided roughly into high performance sports horses and leisure horses and ponies. High value

sports horses will be treated at almost any cost. Dechra has developed a strong position in lameness and pain management with unique products that have superior efficacy compared to historical treatments.

- **Nutrition (5.1 per cent.)** – Dechra’s range of pet foods is predominantly focused on high quality nutrition to support therapeutic conditions in dogs and cats such as allergies, obesity, heart disease and kidney disease. The ability of Dechra to offer its wide range of products, branded *Specific*®, is necessary to remain competitive in this sector. The veterinary recommendation is respected by pet owners which allows them to take a small but significant part of the diet market. Dechra’s focus is predominantly therapeutic diets which are not available for self-selection through supermarkets and require advice from the veterinarian.

Timetable and conditions

- It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to effect the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement).
- The Acquisition is conditional on, among other things, the approval of the requisite majority of Dechra Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of Dechra Shareholders, present and voting at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares voted. In addition, a special resolution implementing the Scheme must be passed by Dechra Shareholders representing at least 75 per cent. of votes cast at the General Meeting. In addition, following the Court Meeting the Scheme must be sanctioned by the Court.
- The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement along with certain other terms; the full terms and conditions will be provided in the Scheme Document.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the associated forms of proxy, will be posted to Dechra Shareholders as soon as practicable and in any event within 28 days of this announcement (or such later time as Dechra, Bidco and the Panel agree) and the Meetings are expected to be held as soon as reasonably practicable thereafter. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Dechra’s website at <https://www.dechra.com/investors/cash-offer>.
- The Acquisition is currently expected to complete towards the end of 2023 or early 2024, subject to the satisfaction or (where applicable) waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be set out in the Scheme Document.
- Commenting on this announcement, Elizabeth Alison Platt, the Chair of Dechra, said:

“Since IPO in 2000, the successful pursuit of our growth strategy under Ian’s leadership has seen Dechra develop from a specialist UK only veterinary distribution business into a global veterinary pharmaceuticals and related products business, ranked seventh globally

by revenues, with operations in 26 countries and over 2,400 employees. Dechra is now recognised as a global leader in therapeutic areas such as endocrinology and topical dermatology, as well as being an innovator in specialisations such as the treatment of equine lameness and differentiated generics.

The Dechra Board considers EQT, together with ADIA, to be highly experienced investors with a strong sector understanding who will, we believe, prove to be responsible and supportive owners of Dechra and who can build on this legacy and further accelerate the Dechra Group's growth. As such, it is our view that accepting this proposal represents the best interests of all stakeholders and in particular represents a compelling opportunity for shareholders to realise, in cash and with certainty, Dechra's potential for future value creation."

- Commenting on this announcement, Anthony Santospirito, Partner in the EQT Private Equity advisory team, said:

"Dechra is a high-quality, innovative business founded in the UK with an impressive global footprint. With medical innovation accelerating and pet ownership increasing, the animal health sector is expected to benefit from long-term growth and we believe Dechra is well positioned to participate in this significant opportunity.

We plan to support Dechra's talented management team accelerating their business strategy and long-term growth in an increasingly competitive environment by providing, where needed, additional investment in its innovative pipeline and further supporting global expansion. We believe that private ownership will enable Dechra's management team to take a longer-term view as it focuses on accelerating growth."

This summary should be read in conjunction with the following announcement and the Appendices. The conditions to, and certain further terms of, the Acquisition are set out in Appendix 1. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of undertakings received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.

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Kirkland & Ellis International LLP is acting as legal adviser to Bidco and EQT, and Freshfields Bruckhaus Deringer LLP is acting as legal adviser to Luxinva and ADIA.

DLA Piper UK LLP is acting as legal adviser to Dechra.

Further information

*Merrill Lynch International (“**BofA Securities**”), which is authorised by the Prudential Regulation Authority (“**PRA**”) and regulated by the Financial Conduct Authority (“**FCA**”) and the PRA in the United Kingdom, is acting exclusively for EQT, Luxinva and Bidco and for no one else and will not be responsible to anyone other than EQT, Luxinva and Bidco for providing the protections afforded to its clients or for providing advice in relation to the matters referred to in this announcement. Neither BofA Securities, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of BofA Securities in connection with this announcement, any statement contained herein or otherwise.*

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*Investec Bank plc (“**Investec**”), which is authorised in the United Kingdom by the PRA and regulated in the UK by the FCA and the PRA, is acting exclusively for Dechra and no one else in connection with the subject matter of this announcements and shall not be responsible to anyone other than Dechra for providing the protections afforded to clients of Investec, nor for providing advice in connection with the Approach or any matter referred to herein. Neither Investec nor any of its affiliates (nor any of its or their respective directors, officers, employees, representatives or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the Approach, this announcement, any statement contained herein or otherwise.*

This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Dechra in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.

This announcement contains inside information in relation to Dechra for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of Dechra is Melanie Hall, Company Secretary. Dechra's Legal Entity Identifier is 213800J4UVB5OWG8VX82.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Overseas Shareholders

The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the Listing Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The availability of the Acquisition to Dechra Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Dechra Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly

or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

Notice to U.S. Dechra Shareholders

The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “U.S. Exchange Act”). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.

It may be difficult for U.S. holders of Dechra Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and Dechra are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of Dechra Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court’s judgement.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, EQT, Luxinva or their nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Dechra Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, BofA Securities and Morgan Stanley will continue to act as exempt principal traders in Dechra shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be

reported to a Regulatory Information Service and will be available on the London Stock Exchange website, www.londonstockexchange.com/.

U.S. Dechra Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein. U.S. Dechra Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.

Forward Looking Statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Bidco and Dechra contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Dechra about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and Dechra (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco's, Dechra's, any member of the Bidco Group's or any member of the Dechra Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, Dechra's, any member of the Bidco Group's or any member of the Dechra Group's business.

Although Bidco and Dechra believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Dechra can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits from the proposed transaction not

being realised as a result of changes in general economic and market conditions in the countries in which Bidco and Dechra operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Bidco and Dechra operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Dechra, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Dechra Group, there may be additional changes to the Dechra Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations, neither Bidco nor Dechra is under any obligation, and Bidco and Dechra expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights

to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk/, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Dechra's website at <https://www.dechra.com/investors/cash-offer> by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks is incorporated by reference or forms part of this announcement.

No profit forecasts, estimates or quantified benefits statements

The FY23 Profit Forecast set out in this announcement is a profit forecast for the purposes of Rule 28 of the Takeover Code. The Scheme Document will include the relevant reports for the purposes of Rule 28.1(c)(iii) of the Takeover Code. Save for the FY23 Profit Forecast, no statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Dechra for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Dechra.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Dechra Shareholders, persons with information rights and participants in Dechra Share Plans may request a hard copy of this announcement by: (i) telephoning Equiniti on +44 (0) 371 384 2050. If calling from outside of the UK, please ensure the country code is used. Lines will be open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales); or (ii) submitting a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex

BN99 6DA, United Kingdom. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Dechra Shareholders, persons with information rights and other relevant persons for the receipt of communications from Dechra may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

General

Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises as a result of an “Agreed Switch” (as defined therein)) an acceptance condition set at 75 per cent. of the Dechra Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with Dechra and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the Dechra Shares).

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Dechra Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase Dechra Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, Dechra confirms that, as at the date of this announcement, it had in issue 113,884,141 ordinary shares of 1 pence each. Dechra does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB0009633180.

Disclaimer

The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of EQT and EQT Funds will be made only

through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.

The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION

FOR IMMEDIATE RELEASE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

2 June 2023

RECOMMENDED CASH ACQUISITION

of

Dechra Pharmaceuticals PLC

by

Freya Bidco Limited

(a newly formed company to be indirectly owned by (i) EQT X EUR SCSp and EQT X USD SCSp, each acting through its manager (*gérant*) EQT Fund Management S.à r.l., and (ii) Luxinva)

to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006

1 INTRODUCTION

The boards of directors of Bidco and Dechra are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash offer to be made by Bidco for the entire issued, and to be issued, ordinary share capital of Dechra.

It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to effect the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement). The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement.

2 THE ACQUISITION

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and the full terms and conditions to be set out in the Scheme Document, each Dechra Shareholder will be entitled to receive:

for each Dechra Share held: 3,875 pence in cash

The Acquisition Price per Dechra Share represents a premium of approximately:

- 44 per cent. to the Closing Price of 2,690 pence per Dechra Share on 12 April 2023 (being the last Business Day before the commencement of the Offer Period);
- 49 per cent. to the volume-weighted average price of 2,602 pence per Dechra Share for the one-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period);
- 38 per cent. to the volume-weighted average price of 2,811 pence per Dechra Share for the three-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period); and
- 40 per cent. to the volume-weighted average price of 2,761 pence per Dechra Share for the six-month period ended 12 April 2023 (being the last Business Day before the commencement of the Offer Period).

The Acquisition values Dechra's entire issued, and to be issued, ordinary share capital at approximately £4,459 million on a fully diluted basis, and implies an enterprise value of £4,882 million and a multiple of approximately 25.9 times Dechra's EBITDA for the twelve months ended 31 December 2022 of £188 million.

The Dechra Shares will be acquired pursuant to the Acquisition fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Effective Date.

In accordance with the reservations set out by EQT in the announcements by Dechra on 13 April 2023 and 11 May 2023, the Acquisition Price which the Dechra Directors intend to unanimously recommend to Dechra Shareholders is lower than the price disclosed in such announcements.

3 BACKGROUND TO AND REASONS FOR THE ACQUISITION

Bidco views Dechra as a high quality and leading company operating in the attractive animal health pharmaceuticals market, which is expected to benefit from numerous long-term growth drivers including positive demographics, increasing pet ownership, medical innovation and greater focus on animal care within the family.

Dechra has an attractive portfolio of products and pipeline and is perceived as a leading specialist by vets and customers in the market segments in which it operates. The company is led by a high quality and experienced management team, with a clear vision and strategy for the future direction of the business.

EQT believes it is well positioned to support Dechra's next phase of growth by virtue of its insights and understanding developed from existing and former investments across the animal health value chain. EQT has a strong track record of deploying capital and expertise into growth-orientated businesses and supporting their management teams in achieving their strategic ambitions.

Bidco believes that it can support Dechra’s strong management team in accelerating its long-term growth potential, and that it can provide, where needed, access to additional capital, expertise and resource to accelerate the longer-term potential of the business. This will enable further investment in its innovative pipeline and execution on its global expansion potential, including via inorganic opportunities. Bidco believes Dechra is better able to achieve its growth potential as a private company than as a public company.

4 RECOMMENDATION

The Dechra Directors, who have been so advised by Investec as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice, Investec has taken into account the commercial assessments of the Dechra Directors. Investec is providing independent financial advice to the Dechra Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Dechra Directors intend to recommend unanimously that Dechra Shareholders vote in favour of the Scheme at the Court Meeting and the resolution(s) to be proposed at the General Meeting as the Dechra Directors who hold Dechra Shares have irrevocably undertaken to do in respect of their own holdings over which they have control, being, in aggregate 433,573 Dechra Shares (representing approximately 0.381 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement. Further details of these undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

5 BACKGROUND TO AND REASONS FOR THE RECOMMENDATION

Dechra has a long history in the animal health market and has successfully and consistently grown under the leadership of the Chief Executive Officer, Ian Page, from a UK veterinary wholesale distribution business which was listed on the London Stock Exchange in 2000 with an equity capitalisation of £60 million into a global veterinary pharmaceuticals and related products business, ranked seventh globally by revenues, with operations in 26 countries and 2,470 employees.

With the sale of the Dechra Group’s veterinary distribution business in 2013 the Dechra Group’s focus and expertise became solely in the development, manufacture and sales and marketing of high quality Companion Animal Products (“CAP”), Equine, Food producing Animal Products (“FAP”) and Nutrition. It is now recognised as a global leader in veterinary endocrinology and topical dermatology, as well as having a broad portfolio of analgesia and anaesthetics products for the treatment of pain. It is also recognised as an innovator in other specialisations such as the treatment of equine lameness and differentiated generics.

The growth of Dechra has been both organic and through the successful acquisition and integration of businesses. Over the last 25 years, the Dechra Group has acquired more than 20 businesses and regularly in-licensed complementary technology and products to build out the product portfolio. The strategic benefits from the acquisitions can broadly be categorised as: delivering enhanced scale and geographic footprint; manufacturing capacity and new competencies; synergies; as well as enhanced product range and novelty.

The success of the Dechra Group has been driven by consistent focus over the long-term on the execution of the four key elements of Dechra's strategy: Pipeline Delivery; Portfolio Focus; Geographical Expansion; and relevant Acquisitions. The Dechra Board has no plans to change this strategy.

In light of this, the Dechra Board is confident that the Dechra Group is well placed to continue to grow, not least as the animal health market is well supported by long term secular growth trends, notably in the CAP segment of the market. The Dechra Board's confidence is also founded on the quality of the Dechra Group's management and employees, the exciting and attractive development pipeline of new products to complement and supplement the Dechra Group's existing portfolio, bolstered by the acquisition of Piedmont in July 2022, and the many initiatives around the Dechra Group to improve manufacturing quality and efficiency as well as extending its geographical sales footprint.

Against this backdrop, the Dechra Board received a series of unsolicited proposals from EQT to acquire Dechra. Following initial rejections and further discussion, the Dechra Board indicated to EQT on 3 April 2023 that it had made a proposal which the Dechra Board was minded to recommend and granted EQT access to undertake due diligence. On 13 April 2023, EQT's interest in Dechra was reported on the newswires and Dechra confirmed in a joint announcement EQT's conditional proposal to acquire Dechra.

In concluding that it should recommend EQT's proposal to shareholders, the Dechra Board has, in addition to the above, considered, in the context of a challenging economic environment, inter alia:

- The value of the Piedmont pipeline, acquired in July 2022, which, following a Dechra Board review, is broadly unchanged, on a risk adjusted basis. However, the Dechra Board also recognises that there are risks to delivering that pipeline portfolio potential which, assuming the pipeline delivers to plan, are unlikely to materially impact the Dechra Group before 2026.
- As previously communicated, in financial years 2023 to 2025, the Dechra Board is committed to higher levels of investment than it has incurred historically in both absolute and relative terms, to support the delivery of the pipeline as planned. These longer term investments have, and will continue to have a negative impact on the Dechra Group's reported earnings and corresponding growth rates in the short term. Against this backdrop, the Dechra Board has committed to prioritising its existing product portfolio and pipeline over the pursuit of new potential opportunities.
- Whilst the Dechra Board continues to have a high level of confidence in the ability of the leadership and broader management team to meet the potential challenges of delivering the pipeline and other initiatives across the Dechra Group, these longer term initiatives are greater in number than the Dechra Group has managed previously and so carry a degree of execution risk.
- Dechra's trading performance, whilst consistent and strong over recent years, in the Dechra Board's view has not been entirely reflected in the price and valuation rating of the Dechra Shares which have fluctuated significantly in response to various macro-economic factors, notably by anticipated changes in long term interest rates and with

it, the likely future cost of capital and equity returns for the Dechra Group, expectations on inflation, recession and consumer spending power.

- As previously communicated, the Dechra Board is confident that Dechra's end customer demand has continued to be ahead of the animal health market in its major geographies. However, the trading environment in the current financial year has been more volatile and challenging than previously anticipated, representing unprecedented and, by nature, short term trading headwinds. In the US, the impact of the now widely reported de-stocking by US distributors has been deeper and longer than initially expected and had a material impact on Q3 (January to March 2023) performance, although there are encouraging signs that this is now rebounding. A similar de-stocking pattern has also been experienced in the UK during April 2023, due to certain wholesalers managing financial year-end inventory levels, although order patterns are beginning to show signs of normalising. In the rest of Europe, the market appears to be slowing in response to a changing macro-economic environment and country specific dynamics. Accordingly, the Dechra Board announced an update on its expectations for the year ending 30 June 2023 on 22 May 2023.
- The Dechra Board expects that full year underlying operating profit for the year ending 30 June 2023 will be materially below £186 million, the guidance provided within Dechra's interim results announced on 27 February 2023. This guidance constitutes a profit forecast for the purposes of Rule 28.1 of the Takeover Code and supersedes the profit forecast included in the 22 May 2023 announcement and consequently the Dechra Directors' confirmation statements pursuant to Rule 28.1(c)(i) of the Takeover Code are no longer required. A further update on the Dechra Board's expectations for the year ending 30 June 2023 will be provided in the Scheme Document, including such relevant requirements of Rule 28.1(c)(iii) of the Takeover Code.
- Subsequent to Dechra's 22 May 2023 announcement EQT approached the Dechra Board with a revised proposal of 3,875 pence per share, in respect of which the Dechra Board confirmed it would provide a unanimous recommendation.
- Since the IPO in 2000 to 12 April 2023, being the latest practicable date prior to Dechra's announcement that it had received a proposal from EQT and therefore the last Business Day before the commencement of the Offer Period, Dechra has produced a total shareholder return of 3,471 per cent. compared to the FTSE100 of 177 per cent. and FTSE250 of 425 per cent. over the same period. The Dechra Board has considered this exceptional performance in the context of the future potential for Dechra as a listed business and contrasted that opportunity with the merits of the Acquisition. The Dechra Board believes the Acquisition is at a level that enables shareholders to accelerate the crystallisation of value in full in cash at a level which is commensurate with its judgments, the opportunities and risks of future potential performance.
- The terms of the Acquisition represent a premium of 49 per cent. to Dechra's volume-weighted average price for the one-month period ended 12 April 2023 and of 40 per cent. to Dechra's volume-weighted average price for the six-month period ended 12 April 2023, being the latest practicable date prior to Dechra's announcement that it had received a proposal from EQT and therefore the last Business Day before the

commencement of the Offer Period. The Acquisition, therefore, provides shareholders the opportunity to realise their holdings at material premiums to historical performance.

- EQT, a growth-orientated investor that takes a long-term view, has confirmed to the Dechra Board that it considers Dechra to be a high quality business with a strong management team and sound strategy whose prospects can be underpinned and enhanced without the strictures of being a listed business and can provide, where required, access to additional capital, know-how and resources, informed by its extensive experience in the animal health sector, to accelerate the longer term growth potential of the business. The Dechra Board believes this to be in the interests of employees and all stakeholders.

Accordingly, the Dechra Board has concluded that the Acquisition fairly reflects both the strength of the Dechra business and its future prospects as well as the risks attendant on delivering that longer term value for shareholders.

6 INFORMATION RELATING TO BIDCO, EQT AND LUXINVA

Bidco

Bidco is a private limited company incorporated in England and Wales. Bidco is a newly-formed vehicle to be indirectly owned by (i) EQT Funds and (ii) Luxinva, a wholly-owned subsidiary of ADIA managed by ADIA PED. Bidco was formed for the purposes of the Acquisition and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition. As at the Effective Date, it is intended that Bidco will be indirectly owned in the following proportions (i) EQT will own 74 per cent. and (ii) Luxinva will own 26 per cent.

The current directors of Bidco are Anthony Santospirito, Peter Balslev and Sebastian Shea. Further details in relation to Bidco will be contained in the Scheme Document.

EQT

EQT is a leading global private markets investor focused on active ownership, founded in Sweden nearly three decades ago. Today, EQT manages EUR 119 billion in fee-generating assets across private equity, infrastructure and real estate and has investment advisory teams based in offices in 20 countries across the UK, Europe, Asia Pacific and the Americas. With its Wallenberg family heritage and a distinctly Scandinavian approach to doing business, EQT uses a thematic investment strategy and value creation approach that values long-term perspective and entrepreneurial freedom. EQT's purpose is to future-proof companies and make a positive impact for all, while striving to be the most reputable investor and owner.

Luxinva / ADIA PED

Luxinva is a wholly-owned indirect subsidiary of ADIA, managed by ADIA PED. ADIA PED is an investment department of ADIA. ADIA's purpose is to receive funds of the Government of Abu Dhabi allocated for investment and to invest those funds for the benefit of the Emirate of Abu Dhabi. ADIA manages a substantial global diversified portfolio of investments, with assets under management in excess of US\$100 billion of

which ADIA PED represents between 7-12%. ADIA is a long term, value driven investor, mandated to build value in a systematic and structured manner.

7 INFORMATION RELATING TO DECHRA

Dechra was formed 26 years ago and is listed on the Premium Segment of the London Stock Exchange's Main Market. The Dechra Group is a global developer, manufacturer and supplier of products to service the veterinary profession worldwide. Dechra's products can be largely split into four main categories (percentage of sales for the year ended 30 June 2022):

- **Companion Animal Products (74.6 per cent.)** – products focused on dogs and cats. The majority of the products are prescription only medicines (POMs). Key therapeutic sectors include endocrinology, dermatology, analgesia and anaesthesia, cardiology, and critical care. Demand for these products is principally driven by pet owners wanting to provide better care for their animals. Dechra has developed a strong position in providing specialist and clinically necessary novel products. The Dechra Group also supply a range of products which complement these products in key therapeutic sectors where Dechra is seen as the company of choice by many veterinarians.
- **Food producing Animal Products (11.6 per cent.)** – the key therapeutic areas are water soluble antibiotics, vaccines, locomotion and pain management. The products are predominately POMs that are prescribed by veterinarians. Dechra's portfolio is positioned to match current best practice prescribing habits. Additionally, Dechra's Brazilian vaccines business is providing growth and is anticipated to continue to provide growth opportunities in future years as the Dechra Group seek global registrations.
- **Equine (7.2 per cent.)** – this is a sector in which few animal health companies specialise due to the relatively small number of horses in the world. Equine veterinarians are specialised in the species and operate out of either mixed practices or, increasingly, specialist equine centres. Dechra offers a wide range of products supporting the equine veterinarian, from pain management to products for anaesthesia, dermatology and lameness. Although there is a big overlap, the market can be divided roughly into high performance sports horses and leisure horses and ponies. High value sports horses will be treated at almost any cost. Dechra has developed a strong position in lameness and pain management with unique products that have superior efficacy compared to historical treatments.
- **Nutrition (5.1 per cent.)** – Dechra's range of pet foods is predominantly focused on high quality nutrition to support therapeutic conditions in dogs and cats such as allergies, obesity, heart disease and kidney disease. The ability of Dechra to offer its wide range of products, branded *Specific*®, is necessary to remain competitive in this sector. The veterinary recommendation is respected by pet owners which allows them to take a small but significant part of the diet market. Dechra's focus is predominantly therapeutic diets which are not available for self-selection through supermarkets and require advice from the veterinarian.

Dechra reports through four operating segments:

- **EU Pharmaceuticals Segment** – Dechra Veterinary Products markets and sells Dechra’s products in 19 countries via its own sales and marketing organisations. Its main distribution centre is in Denmark. This segment encompasses Dechra Pharmaceuticals Manufacturing and Supply, which manufactures and supplies Dechra’s product range efficiently to the highest quality standards maintaining a reliable supply chain. Approximately 48% of Dechra’s pharmaceuticals are produced in-house and the remaining are managed through external supply relationships. There are manufacturing sites in Croatia, the Netherlands and the UK.
- **North American Pharmaceuticals Segment** – Dechra Veterinary Products markets and sells Dechra’s products via its own sales and marketing organisations or via distributors in Canada, Mexico and the US, this last territory being the world’s largest animal health market. In addition, there are manufacturing sites in California, Florida and Texas.
- **International Pharmaceuticals Segment** – Dechra Veterinary Products markets and sells Dechra’s products in 66 countries either via its sales and marketing organisations (Australia, New Zealand (ANZ), South Korea and Brazil) or via distributors. Dechra has manufacturing facilities and a Product Development and Regulatory Affairs presence in Australia and Brazil.
- **Product Development and Regulatory Affairs** – Develops Dechra’s own branded veterinary product portfolio of novel, generic and generic plus pharmaceuticals and related medical products. It obtains licences for the products, manages post approval adverse event reporting, periodic product renewals and other activities required to maintain the product licences. Product Development and Regulatory Affairs have a presence in Australia, Brazil, Canada, Croatia, Netherlands, Mexico, UK and the US.

8 IRREVOCABLE UNDERTAKINGS

As described above, Bidco has received irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer) from all of the Dechra Directors who own Dechra Shares, in respect of their own holdings over which they have control, being, in aggregate, 433,573 Dechra Shares (representing approximately 0.381 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement) and from certain Dechra Shareholders who are close relatives of certain of the Dechra Directors in respect of, in aggregate, 38,009 Dechra Shares (representing approximately 0.033 per cent. of the existing issued ordinary share capital of Dechra) as at 1 June 2023, being the Business Day prior to the date of this announcement). The undertakings will remain binding in the event that a higher competing offer for Dechra is made.

Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

9 FINANCING OF THE ACQUISITION

The cash consideration payable to Dechra Shareholders under the terms of the Acquisition will be financed by: (i) equity to be invested by investment vehicles managed by EQT. It is expected that on or following the Effective Date, certain of such equity commitments will be provided by equity co-investors in investment vehicles managed by EQT (such co-investors would be passive and not be granted any governance or control rights over Bidco or any member of the Bidco Group or Dechra Group). Further information will be set out in the Scheme Document; (ii) equity to be invested by Luxinva; and (iii) debt to be provided under the Interim Facilities Agreement.

BofA Securities and Morgan Stanley, in their capacities as joint financial advisers to Bidco, are satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Dechra Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

10 OFFER-RELATED ARRANGEMENTS

Confidentiality Agreement

On 6 April 2023, EQT, on behalf of Bidco, and Dechra entered into a Confidentiality Agreement in relation to the Acquisition, pursuant to which, amongst other things, EQT, on behalf of Bidco has undertaken to: (i) subject to certain exceptions, keep information relating to Dechra and the Acquisition confidential and not to disclose it to third parties; and (ii) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of (a) completion of the Acquisition and (b) 6 April 2025. The Dechra Confidentiality Agreement also contains undertakings from EQT and its affiliates that for a period of 12 months after the date of the Dechra Confidentiality Agreement, it will not: (a) encourage or assist any distributor, agent, customer or supplier of the Wider Dechra Group, in relation to goods and services which are similar to goods or services supplied by or to the Dechra Group, to restrict, vary or cease that relationship other than in the ordinary and usual course of EQT's existing business; and (b) solicit or offer to employ or engage any employee of the Dechra Group involved in discussions relating to the Acquisition (subject to customary carve-outs).

Cooperation Agreement

Pursuant to the Cooperation Agreement, Bidco and Dechra have, amongst other things, each agreed to: (i) cooperate in relation to obtaining any consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; and (ii) cooperate in preparing and implementing appropriate proposals in relation to the Dechra Share Plans. In addition, Bidco has agreed to certain provisions if the Scheme should switch to an Offer. The Cooperation Agreement will terminate in certain circumstances, including if the Acquisition is withdrawn, terminated or lapses, a third party announces a firm intention to make an offer for Dechra which completes, becomes

effective or becomes unconditional, if prior to the Long Stop Date any Condition has been invoked by Bidco (with the consent of the Panel), if the Dechra Directors withdraw their recommendation of the Acquisition or if the Scheme does not become Effective in accordance with its terms by the Long Stop Date or otherwise as agreed between Bidco and Dechra. Pursuant to the terms of the Cooperation Agreement and the requirements of Paragraph 3(g)(i) of Appendix 7 to the Takeover Code, Bidco undertakes that it will deliver a notice in writing to Dechra and the Panel on the Business Day prior to the Sanction Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Scheme Conditions); or (ii) to the extent permitted by the Panel, that it intends to invoke or treat as unsatisfied or incapable of satisfaction one or more Conditions.

Bid Conduct Agreement

Bidco, EQT and Luxinva have entered into the Bid Conduct Agreement, pursuant to which they have agreed certain principles in accordance with which they intend to cooperate in respect of the Acquisition.

Pursuant to the Bid Conduct Agreement, it is agreed that each of EQT and Luxinva will make certain material decisions with respect to the conduct of the Acquisition unanimously

The terms of the Bid Conduct Agreement also include an agreement not to pursue a competing proposal to the Acquisition with respect to Dechra or take any action to frustrate the Acquisition or directly or indirectly solicit, encourage or otherwise facilitate any enquiries or the making of any offer or proposal by a third party to make a competing proposal to the Acquisition, in each case for so long as the Bid Conduct Agreement is in force.

The Bid Conduct Agreement will terminate in certain circumstances, including 14 days after the date on which the Acquisition becomes effective or wholly unconditional; at such time as the Acquisition is withdrawn or lapses; at such time as a competing bid in relation to Dechra becomes effective or wholly unconditional; at such time as one of the parties withdraws from participating in the Acquisition in accordance with the terms of the Bid Conduct Agreement; or at such time as the parties thereto agree.

Joint Defence Agreement

Dechra, EQT, Luxinva and their respective external legal counsels have entered into the Joint Defence Agreement, originally dated 14 April 2023 and novated and restated on 2 June 2023, the purpose of which is to ensure that the exchange or disclosure of certain materials relating to the parties only takes place between their respective external legal counsels and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of privilege, right or immunity that might otherwise be available.

Commercial Clean Team Agreement

Dechra, EQT and Luxinva have entered into the Commercial Clean Team Agreement, originally dated 5 May 2023 and novated and restated on 2 June 2023, the purpose of which is to set out the terms governing the disclosure of competitively sensitive

information (including in relation to Dechra's pipeline products) by Dechra or Dechra's external legal counsel to EQT and Luxinva's respective external legal counsel and external experts, as well as the related collection and analysis and potential destruction of such competitively sensitive information.

11 DISCLOSURE OF INTERESTS IN DECHRA SECURITIES

Except for the irrevocable undertakings referred to in paragraph 8 above and Appendix 3, as at 1 June 2023 (being the last practicable date prior to the date of this announcement) neither Bidco, nor any of its directors, nor, so far as Bidco is aware, any person treated as acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Acquisition (i) had any interest in or right to subscribe for or had borrowed or lent any Dechra Shares or securities convertible or exchangeable into Dechra Shares, or (ii) had any short positions in respect of relevant securities of Dechra (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, or (iii) has borrowed or lent any relevant securities of Dechra (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold, or (iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

12 DIRECTORS, MANAGEMENT, EMPLOYEES, PENSIONS, RESEARCH AND DEVELOPMENT AND LOCATIONS

Bidco's strategic plans for Dechra

As set out in paragraph 3, Bidco believes that Dechra is a high quality and leading company in the animal health market with an attractive portfolio of products and pipeline led by an experienced and strong management team, with a clear vision and strategy for the future direction of Dechra.

Bidco believes that the successful execution of the four key elements of Dechra's strategy: Pipeline Delivery; Portfolio Focus; Geographical Expansion; and Acquisitions meeting well-defined criteria, can be underpinned and enhanced without the pressures of being a listed business and private ownership can allow access to additional capital and resources to accelerate the longer term potential of the business.

Prior to this Announcement, consistent with market practice, Bidco was granted access to Dechra's senior management for the purposes of confirmatory due diligence. However, because of the constraints of a public offer process, Bidco has not yet had access to sufficiently detailed information to formulate specific plans or intentions regarding the impact of the Acquisition on Dechra.

Therefore, following the Acquisition becoming Effective, Bidco intends to work with Dechra's management to undertake an in-depth review of the Dechra Group.

Bidco expects that this evaluation will be completed within approximately six months from the Effective Date. In addition to improving its understanding of the business, the evaluation will include:

- engaging with the key stakeholders (including, but not limited to, employees, veterinary professionals, suppliers and, where applicable, regulators) of the Dechra Group; and
- assessing opportunities to accelerate potential investment that will support Dechra's growth ambitions and overall strategy, particularly in Dechra's innovative pipeline and potential for further geographical expansion.

Employees and management

Bidco attaches great importance to the skill and experience of Dechra's management and employees and recognises that the employees and management of Dechra have been and will continue to be key to the continued success of the Dechra Group.

Once Dechra ceases to be a listed company, a very limited number of listed company-related functions may be reduced in scope, capable of being merged or reorientated or become unnecessary to align with Dechra's new status as a private company. This may lead to a very limited reduction in the headcount of the Dechra Group. Bidco confirms that its intention is for any individuals impacted to be treated in a manner consistent with Dechra's high standards, culture and practices, including, where possible and appropriate offering affected individuals alternative roles within the Group.

Other than as described above, Bidco does not intend to make any other reductions to the Dechra Group's headcount or changes to the conditions of employment or the balance of skills and functions of the employees and management of the Dechra Group.

It is intended that, with effect from the Effective Date, each of the Non-Executive Directors of Dechra shall resign from their office.

Existing employment rights and pensions

Bidco confirms that, following the Acquisition becoming Effective, the existing contractual and statutory employment rights, including pension rights, of all Dechra management and employees will be fully safeguarded in accordance with applicable law.

Dechra operates a number of pension schemes worldwide, including a Dechra Group stakeholder personal pension scheme made available to certain employees, including in the UK, with contributions varying depending on length of service and/or grade, and state-run defined contribution schemes in France and the Netherlands. Dechra also operates jubilee (or long service) awards to employees in the Netherlands, Germany and Croatia, amounting to a liability of £0.3 million in total as at 30 June 2022.

Bidco does not intend to make any changes to the current employer pension contribution arrangements, the accrual of benefits for existing members or the rights of admission of new members.

Management incentive arrangements

Following the Acquisition becoming Effective, Bidco intends to review the management, governance and incentive structures of Dechra. Bidco has not entered

into, and has not had discussions on proposals to enter into, any form of incentivisation arrangements with members of Dechra's management, but may have discussions and enter into such discussions for certain members of the Dechra management team following the Effective Date.

Headquarters, locations, fixed assets and research and development

Following the Acquisition becoming Effective, Bidco intends that Dechra will continue to operate as a standalone business group. Currently, Dechra generates a large proportion of its revenue from each of North America and Europe. Recognising the different currencies of such jurisdictions, Bidco is considering a reorganisation of Dechra's North American and European corporate entities into sub-groups underneath two separate holding companies (each ultimately controlled by Bidco or its holding companies). Such group reorganisation would take place following the Effective Date and would not impact employee headcount or the functions of Dechra employees.

Bidco has no plans to undertake any material restructurings or change in, and does not anticipate that the North American and European reorganisation would have any effect on, the locations of Dechra's fixed assets or places of business. Bidco also has no plans to change the location or functions of Dechra's headquarters in Northwich, other than in respect of the listed company-related functions as described above.

Furthermore, no changes are envisaged with respect to the locations of Dechra's manufacturing or research and development facilities, in each case, subject to the outcome of Bidco's strategic review (which will include evaluating opportunities to: (i) expand certain facilities; (ii) expand research and development facilities related to pipeline development; (iii) re-allocate manufacturing of certain products between existing facilities to maximise potential of each facility; and (iv) expand the commercial set-up) and Bidco intends for Dechra to maintain a level of expenditure on research and development which is at least consistent with past practice.

Trading Facilities

Dechra Shares are currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in paragraph 16, applications will be made for the cancellation of the listing of Dechra Shares on the Official List and the cancellation of trading of Dechra Shares on the London Stock Exchange and steps will be taken to re-register Dechra as a private company.

None of the statements in this paragraph 12 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

13 DECHRA SHARE PLANS

Participants in the Dechra Share Plans will be contacted regarding the effect of the Acquisition on their options and awards under the Dechra Share Plans and an appropriate proposal will be made to such participants which reflects their options and awards under the Dechra Share Plans in due course. Details of the impact of the Scheme on each of the Dechra Share Plans and the proposals will be set out in the Scheme Document.

14 SCHEME PROCESS

The Acquisition is subject to the Conditions and certain further terms referred to in Appendix 1 to this announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date (or such later date as the Bidco and Dechra may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of Dechra Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of each class of the Scheme Shares held by those Dechra Shareholders;
- the resolution(s) necessary to implement the Scheme and the Acquisition is/are passed by the requisite majority of Dechra Shareholders at the General Meeting;
- following the Court Meeting and General Meeting and satisfaction and/or waiver (where applicable) of the other Conditions, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by the Bidco and Dechra); and
- following such sanction, an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

The Conditions in paragraphs 1 and 2 of Appendix 1 to this announcement provide that the Scheme will lapse (under the authority of Rule 13.5(b) of the Takeover Code) if:

- the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of the Court Meeting and the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Dechra);
- the Sanction Hearing to approve the Scheme is not held by the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Dechra); or
- the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as Bidco and Dechra may, with the consent of the Panel, agree and (if required) the Court may allow).

If any Condition in paragraph 2 of Part A of Appendix 1 to this announcement is not capable of being satisfied by the date specified therein, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 8.00 a.m. on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Dechra, specified a new date by which that Condition must be satisfied.

Once the necessary approvals from Dechra Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has

been approved by the Court, the Scheme will become Effective upon delivery of a copy of the Court Order to the Registrar of Companies. Subject to the satisfaction of the Conditions, the Scheme is expected to become Effective towards the end of 2023 or early 2024.

Upon the Scheme becoming Effective: (i) it will be binding on all Dechra Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Dechra Shares will cease to be valid and entitlements to Dechra Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Takeover Code, the consideration for the transfer of the Scheme Shares to Bidco will be despatched no later than 14 days after the Effective Date.

Any Dechra Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The resolution(s) to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Dechra Shares issued after the Scheme Record Time (other than to Bidco and/or their nominees) to be automatically transferred to Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Bidco and their nominees) holding shares in the capital of Dechra after the Effective Date.

Further details of the Scheme, including expected times and dates for each of the Court Meeting, the General Meeting and the Sanction Hearing, together with notices of the Court Meeting and the General Meeting, will be set out in the Scheme Document. It is expected that the Scheme Document and the Forms of Proxy accompanying the Scheme Document will be published as soon as practicable and in any event within 28 days of this announcement (or such later date as the Bidco and Dechra may, with the consent of the Panel, agree and, if required, the Court may approve).

15 DIVIDENDS

If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Dechra Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Dechra Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, Dechra Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

16 DELISTING, AND CANCELLATION OF TRADING AND RE-REGISTRATION

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading in Dechra Shares on the London Stock Exchange's Main Market and the listing of the Dechra Shares from the Official List on or shortly after the Effective Date.

It is expected that the last day of dealings in Dechra Shares on the Main Market of the London Stock Exchange is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

It is intended that Dechra will be re-registered as a private limited company and for this to take effect as soon as practicable on or following the Effective Date.

17 DOCUMENTS

Copies of the following documents will be available promptly on Dechra's website, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at <https://www.dechra.com/investors/cash-offer> and in any event by no later than noon on the Business Day following this announcement:

- this announcement;
- the Confidentiality Agreement;
- the Cooperation Agreement;
- the Bid Conduct Agreement;
- the Joint Defence Agreement;
- the Commercial Clean Team Agreement;
- the irrevocable undertakings referred to in paragraph 8 above and summarised in Appendix 3 to this announcement;
- the documents entered into for the financing of the Acquisition referred to in paragraph 9 above, including the Interim Facility Agreement; and
- the consents from financial advisers to being named in this announcement.

Neither the content of the website referred to in this announcement, nor any website accessible from hyperlinks, is incorporated into or forms part of this announcement.

18 GENERAL

Bidco reserves the right to elect (with the consent of the Panel and subject to the terms of the Cooperation Agreement) to implement the acquisition of the Dechra Shares by way of an Offer as an alternative to the Scheme. In such event, the Offer will be

implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to (i) make a request to the FCA to cancel the listing of the Dechra Shares from the Official List; (ii) make a request to the London Stock Exchange to cancel trading in Dechra Shares on its Main Market; and (iii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Dechra Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase Dechra Shares otherwise than under the Scheme or any Offer, including pursuant to privately negotiated purchases.

The Acquisition will be on the terms and subject to the conditions set out herein and in Appendix 1, and to be set out in the Scheme Document. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of undertakings received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4. The formal Scheme Document will be sent to shareholders of Dechra within 28 days of this announcement (or on such later date as may be agreed with Dechra and the Panel).

BofA Securities and Morgan Stanley (as joint financial advisers to Bidco) and Investec (as financial adviser to Dechra) have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

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Kirkland & Ellis International LLP is acting as legal adviser to Bidco and EQT, and Freshfields Bruckhaus Deringer LLP is acting as legal adviser to Luxinva and ADIA.

DLA Piper UK LLP is acting as legal adviser to Dechra.

Further information

*Merrill Lynch International (“**BofA Securities**”), which is authorised by the Prudential Regulation Authority (“**PRA**”) and regulated by the Financial Conduct Authority (“**FCA**”) and the PRA in the United Kingdom, is acting exclusively for EQT, Luxinva and Bidco and for no one else and will not be responsible to anyone other than EQT, Luxinva and Bidco for providing the protections afforded to its clients or for providing advice in relation to the matters referred to in this announcement. Neither BofA Securities, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of BofA Securities in connection with this announcement, any statement contained herein or otherwise.*

*Morgan Stanley & Co. International plc (“**Morgan Stanley**”), which is authorised by the PRA and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for EQT, Luxinva and Bidco and for no one else in connection with the possible offer. In connection with such matters, Morgan Stanley, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in connection with the possible offer, the contents of this announcement or any other matter referred to herein.*

*Investec Bank plc (“**Investec**”), which is authorised in the United Kingdom by the PRA and regulated in the UK by the FCA and the PRA, is acting exclusively for Dechra and no one else in connection with the subject matter of this announcements and shall not be responsible to anyone other than Dechra for providing the protections afforded to clients of Investec, nor for providing advice in connection with the Approach or any matter referred to herein. Neither Investec nor any of its affiliates (nor any of its or their respective directors, officers, employees, representatives or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the Approach, this announcement, any statement contained herein or otherwise.*

This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Dechra in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.

This announcement contains inside information in relation to Dechra for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of

this announcement on behalf of Dechra is Melanie Hall, Company Secretary. Dechra's Legal Entity Identifier is 213800J4UVB5OWG8VX82.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Overseas Shareholders

The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the Listing Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The availability of the Acquisition to Dechra Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Dechra Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an

Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

Notice to U.S. Dechra Shareholders

The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “U.S. Exchange Act”). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.

It may be difficult for U.S. holders of Dechra Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and Dechra are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of Dechra Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court’s judgement.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, EQT, Luxinva or their nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Dechra Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, BofA Securities and Morgan Stanley will continue to act as exempt principal traders in Dechra shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website, www.londonstockexchange.com/.

U.S. Dechra Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein.

U.S. Dechra Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.

Forward Looking Statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Bidco and Dechra contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Dechra about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and Dechra (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “prepares”, “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “projects”, “synergy”, “strategy”, “scheduled”, “goal”, “estimates”, “forecasts”, “cost-saving”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco’s, Dechra’s, any member of the Bidco Group’s or any member of the Dechra Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco’s, Dechra’s, any member of the Bidco Group’s or any member of the Dechra Group’s business.

Although Bidco and Dechra believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Dechra can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Bidco and Dechra operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Bidco and Dechra operate and changes in laws or in supervisory expectations or requirements. Other unknown or

unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Dechra, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Dechra Group, there may be additional changes to the Dechra Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations, neither Bidco nor Dechra is under any obligation, and Bidco and Dechra expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk/, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Dechra's website at <https://www.dechra.com/investors/cash-offer> by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks is incorporated by reference or forms part of this announcement.

No profit forecasts, estimates or quantified benefits statements

The FY23 Profit Forecast set out in this announcement is a profit forecast for the purposes of Rule 28 of the Takeover Code. The Scheme Document will include the relevant reports for the purposes of Rule 28.1(c)(iii) of the Takeover Code. Save for the FY23 Profit Forecast, no statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Dechra for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Dechra.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Dechra Shareholders, persons with information rights and participants in Dechra Share Plans may request a hard copy of this announcement by: (i) telephoning Equiniti on +44 (0) 371 384 2050. If calling from outside of the UK, please ensure the country code is used. Lines will be open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales); or (ii) submitting a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Dechra Shareholders, persons with information rights and other relevant persons for the receipt of communications from Dechra may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

General

Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises as a result of an "Agreed Switch" (as defined therein)) an acceptance condition set at 75 per cent. of the Dechra Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with Dechra and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the Dechra Shares).

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Dechra Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase Dechra Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, Dechra confirms that, as at the date of this announcement, it had in issue 113,884,141 ordinary shares of 1 pence each. Dechra does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB0009633180.

Disclaimer

The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of EQT and EQT Funds will be made only through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration

thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.

The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.

Appendix 1
Conditions and Further Terms of the Transaction

Part A
Conditions to the Scheme and Acquisition

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date.

Conditions of the Scheme

2. The Scheme will be subject to the following Conditions:
 - 2.1 (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shares held by Dechra Shareholders who are on the register of members of Dechra (or the relevant class or classes thereof) at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof), and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Dechra with the consent of the Panel (and that the Court may approve if required));
 - 2.2 (i) the Resolution(s) being duly passed at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Dechra with the consent of the Panel (and that the Court may approve if required));
 - 2.3 (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Bidco and Dechra)); and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Dechra with the consent of the Panel (and that the Court may approve, if required)); and
 - 2.4 the delivery of a copy of the Court Order to the Registrar of Companies.

General Conditions

3. In addition, subject as stated in Part B of this Appendix 1, Bidco and Dechra have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Antitrust

European Union

- 3.1 Insofar as the Acquisition constitutes, or is deemed to constitute, a concentration with a Union dimension within scope of Council Regulation (EC) 139/2004 (as amended) (the “**Regulation**”), or the European Commission otherwise accepts jurisdiction to review the Acquisition under the Regulation:
- 3.1.1 the European Commission having issued a decision under Article 6(1)(b), 6(2), 8(1) or 8(2) of the Regulation, or being deemed to have done so under Article 10(6) of the Regulation, declaring the Acquisition compatible with the internal market; and/or
 - 3.1.2 following a referral by the European Commission of the Acquisition (or part of it) to a relevant national competition authority under Article 9 of the Regulation, all such relevant competition authority or authorities having issued or being deemed to have issued a decision with equivalent effect to that referred to in paragraph 3.1.1 above with respect to those parts of the Acquisition referred to it or them, as the case may be, and, to the extent relevant, the European Commission issuing a decision referred to in paragraph 3.1.1 above with respect to any part of the Acquisition retained by it;

United States of America

- 3.2 all applicable filings having been made and any applicable waiting period under the Hart Scott Rodino Antitrust Improvements Act of 1976 (as amended) and the regulations made thereunder relating to the Acquisition having expired, lapsed or been terminated;

Austria

- 3.3 insofar as the Acquisition is subject to a mandatory filing requirement under the Austrian Cartel Act, the Austrian Federal Competition Authority and the Austrian Federal Cartel Prosecutor having approved the consummation of the Acquisition (whether conditionally or unconditionally) and/or the applicable waiting periods having expired;

Brazil

- 3.4 insofar as the Acquisition is subject to a mandatory filing requirement under the Antitrust Law 12.529 of 30 November 2011, the Administrative Council for Economic Defense of Brazil (CADE) having approved the consummation of the Acquisition (whether conditionally or unconditionally) and/or the applicable waiting periods having expired;

Germany

- 3.5 insofar as the Acquisition requires pre-closing clearance under the German Act Against Restraints of Competition (Gesetz gegen Wettbewerbsbeschränkungen), the German Competition Authority (Bundeskartellamt) having approved the consummation of the Acquisition (whether conditionally or unconditionally) and/or the applicable waiting periods having expired;

Regulatory

Australia

- 3.6 insofar as the Acquisition is subject to a mandatory filing requirement under the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) (“**FATA**”), receipt of a written notice under FATA by or on behalf of the Treasurer of the Commonwealth of Australia stating, or to the effect that, the Commonwealth Government does not object to the Acquisition, with or without imposing conditions, or otherwise the Treasurer of the Commonwealth of Australia ceasing to be empowered to make any order under Part 3 of FATA in respect of the Acquisition;

Spain

- 3.7 insofar as the Acquisition is subject to a mandatory filing requirement under the Law 19/2003 of 4 July, on the legal regime of capital movements and economic transactions abroad (“**Spanish FDI Act**”), the Spanish FDI Authority: (i) having confirmed that no approval under the Spanish FDI Act is needed in relation to the Acquisition; or (ii) having approved the consummation of the Acquisition (whether conditionally or unconditionally);

Other Third Party clearances

- 3.8 other than in relation to the matters referred to in Conditions 3.1 to 3.7, no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would:
- 3.8.1 make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Dechra Group by any member of the Wider Bidco Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit or restrain, restrict or impede the implementation of the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Wider Dechra Group by any member of the Wider Bidco Group or require an amendment of the Scheme;
- 3.8.2 require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Bidco Group of all or any part of their businesses, assets or property or

impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider Bidco Group taken as a whole or in the context of the Acquisition;

- 3.8.3 impose any material limitation on the ability of any member of the Wider Bidco Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Dechra (or any member of the Wider Dechra Group) or on the ability of any member of the Wider Dechra Group or any member of the Wider Bidco Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Dechra Group to an extent which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
- 3.8.4 other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the 2006 Act, require any member of the Wider Bidco Group or the Wider Dechra Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Dechra Group or any asset owned by any third party which is material in the context of the Wider Dechra Group or the Wider Bidco Group, in either case taken as a whole;
- 3.8.5 result in any member of the Wider Dechra Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition; or
- 3.8.6 impose any limitation on the ability of any member of the Wider Bidco Group and/or any member of the Wider Dechra Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Dechra Group in a manner which is adverse and material to the Wider Bidco Group and/or the Wider Dechra Group, in each case taken as a whole or in the context of the Acquisition;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any Dechra Shares or otherwise intervene having expired, lapsed, or been terminated;

- 3.9 other than in relation to the matters referred to in Conditions 3.1 to 3.7, all notifications, filings or applications which are deemed by Bidco to be necessary or reasonably considered to be required in any relevant jurisdiction having been made in connection with the Acquisition and all necessary waiting and other

time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed by Bidco, acting reasonably, to be necessary or reasonably considered to be required in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Dechra by any member of the Wider Bidco Group having been obtained on terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Dechra Group or the Wider Bidco Group has entered into contractual arrangements in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Dechra Group, any member of the Bidco Group or the ability of Bidco to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

- 3.10 no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider Dechra Group by any member of the Wider Bidco Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Dechra Group by any member of the Wider Bidco Group;

Confirmation of absence of adverse circumstances

- 3.11 except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Dechra Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities in Dechra or because of a change in the control or management of any member of the Wider Dechra Group or otherwise, would or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Dechra Group taken as a whole or to the financing of the Acquisition:

- 3.11.1 any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider

Dechra Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- 3.11.2 the rights, liabilities, obligations, interests or business of any member of the Wider Dechra Group or any member of the Wider Bidco Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Dechra Group or any member of the Wider Bidco Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- 3.11.3 any member of the Wider Dechra Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Dechra Group taken as a whole or in the context of the Acquisition;
- 3.11.4 any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Dechra Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Dechra Group otherwise than in the ordinary course of business;
- 3.11.5 other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Dechra Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- 3.11.6 the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Dechra Group being prejudiced or adversely affected; or
- 3.11.7 the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Dechra Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- 3.11.8 any liability of any member of the Wider Dechra Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;

No material transactions, claims or changes in the conduct of the business of the Dechra Group

- 3.12 except as Disclosed, no member of the Wider Dechra Group having since 31 December 2022:
- 3.12.1 save as between Dechra and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Dechra Shares on the exercise of options or vesting of awards granted in the ordinary course under the Dechra Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Dechra Shares out of treasury;
 - 3.12.2 recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to Dechra or one of its wholly-owned subsidiaries;
 - 3.12.3 save as between Dechra and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider Dechra Group taken as a whole;
 - 3.12.4 save as between Dechra and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary course of business and to an extent which is material in the context of the Wider Dechra Group taken as a whole;
 - 3.12.5 issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between Dechra and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
 - 3.12.6 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract,

transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long-term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be materially restrictive on the business of any member of the Wider Dechra Group to an extent which is or is reasonably likely to be material to the Wider Dechra Group taken as a whole;

- 3.12.7 entered into any licence or other disposal of intellectual property rights of any member of the Wider Dechra Group which are material in the context of the Wider Dechra Group and outside the normal course of business;
- 3.12.8 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Dechra Group save for salary increases, bonuses or variations of terms in the ordinary course;
- 3.12.9 proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Dechra Group which, taken as a whole, are material in the context of the Wider Dechra Group taken as a whole;
- 3.12.10 (i) (excluding the trustee of any pension scheme(s) established by a member of the Wider Dechra Group other than Dechra itself) made, agreed or consented to or procured any significant change to: (a) the terms of any existing trust deeds, rules, policy or other governing documents, or entered into or established any new trust deeds, rules, policy or other governing documents, constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Dechra Group or their dependants and established by a member of the Wider Dechra Group (a “**Relevant Pension Plan**”); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or (d) the basis or rate of employer contribution to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law; or (ii) enter into or propose to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (iii) carried out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any

Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would, having regard to the published guidance of the Pensions Regulator give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 and 38A of the Pensions Act 2004 in relation to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law;

- 3.12.11 other than to replace a vacancy on the board of directors of a corporate trustee, changed the trustee or trustee directors or other fiduciary or any Relevant Pension Plan;
- 3.12.12 entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
- 3.12.13 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or made any other change to any part of its share capital to an extent which (other than in the case of Dechra) is material in the context of the Wider Dechra Group taken as a whole;
- 3.12.14 other than with respect to claims between Dechra and its wholly owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
- 3.12.15 made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- 3.12.16 (other than in respect of a member of the Wider Dechra Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which is material in

the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;

- 3.12.17 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
- 3.12.18 entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- 3.12.19 terminated or varied the terms of any agreement or arrangement between any member of the Wider Dechra Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider Dechra Group taken as a whole; or
- 3.12.20 taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Dechra Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

No material adverse change

- 3.13 since 31 December 2022, and except as Disclosed, there having been:
 - 3.13.1 no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Dechra Group to an extent which is material to the Wider Dechra Group taken as a whole or to the financing of the Acquisition;
 - 3.13.2 no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Dechra Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Dechra Group or to which any member of the Wider Dechra Group is or may become a party (whether as claimant or defendant or otherwise) which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Dechra Group taken as a whole, and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of

the Wider Dechra Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Dechra Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Dechra Group taken as a whole;

- 3.13.3 no contingent or other liability having arisen, increased or become apparent which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Dechra Group to an extent which is material to the Wider Dechra Group taken as a whole
 - 3.13.4 no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Dechra Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have a material adverse effect on the Wider Dechra Group taken as a whole; and
 - 3.13.5 no member of the Wider Dechra Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider Dechra Group taken as a whole;
- 3.14 since 31 December 2022, except as Disclosed, Bidco not having discovered:
- 3.14.1 that any financial, business or other information concerning the Wider Dechra Group publicly announced or disclosed to any member of the Wider Bidco Group at any time prior to the date of this announcement by or on behalf of any member of the Wider Dechra Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Dechra Group taken as a whole or in the context of the Acquisition;
 - 3.14.2 that any member of the Wider Dechra Group is subject to any liability, contingent or otherwise and which is material in the context of the Wider Dechra Group taken as a whole; or
 - 3.14.3 any information which affects the import of any information disclosed to Bidco at any time prior to the date of this announcement by or on behalf of any member of the Wider Dechra Group which is material in the context of the Wider Dechra Group taken as a whole;

Environmental liabilities

- 3.15 except as Disclosed, Bidco not having discovered that, in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property)

or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, no past or present member of the Wider Dechra Group, in a manner or to an extent which is material in the context of the Wider Dechra Group, (i) having committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) having incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) being likely to incur any material liability (whether actual or contingent), or being required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider Dechra Group taken as a whole;

Intellectual property

- 3.16 except as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Dechra Group which would be reasonably likely to have a material adverse effect on the Wider Dechra Group taken as a whole or is otherwise material and adverse in the context of the Acquisition, including:
- 3.16.1 any member of the Wider Dechra Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Dechra Group and material to its business being revoked, cancelled or declared invalid;
 - 3.16.2 any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Dechra Group to, or the validity or effectiveness of, any intellectual property that is material to the business of the Wider Dechra Group;

Anti-corruption and sanctions

- 3.17 except as Disclosed, Bidco not having discovered that (to an extent that is material in the context of the Wider Dechra Group taken as a whole):
- 3.17.1 any past or present member of the Wider Dechra Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;
 - 3.17.2 any member of the Wider Dechra Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
 - 3.17.3 any past or present member of the Wider Dechra Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the

European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; or

- 3.17.4 a member of the Dechra Group has engaged in a transaction which would cause the Bidco Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states; or

No criminal property

- 3.18 except as Disclosed, Bidco not having discovered that any asset of any member of the Wider Dechra Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B
Further terms of the Acquisition

1. Subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix 1, except Conditions 1, 2.1(i), 2.2(i), 2.3(i) and 2.4 which cannot be waived. If any of Conditions 2.1(ii), 2.2(ii) or 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Dechra to extend the relevant deadline.
2. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix 1 above that are capable of waiver by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 4, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Condition 1 (subject to Rule 12 of the Takeover Code), Conditions 2.1(i), 2.2(i), 2.3(i) and 2.4 in Part A of Appendix 1 above, and, if applicable, any acceptance condition if the Acquisition is implemented by means of an Offer, are not subject to Rule 13.5(a) of the Takeover Code.
5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Bidco.
6. If the Panel requires Bidco to make an offer or offers for Dechra Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
7. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme, subject to the Panel's consent and (while the Cooperation Agreement is continuing) to the terms of the Cooperation Agreement. In such event, such Offer will be implemented on the same terms and conditions so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises as a result of an "Agreed Switch" (as defined therein)) an acceptance condition set at 75 per cent. of the Dechra Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with Dechra and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the Dechra Shares). If the Acquisition is effected by way of an Offer, and such Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Offer, Bidco

intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Dechra Shares in respect of which the Offer has not been accepted.

8. The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix 1 and to the full terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the Listing Rules, the provisions of the Takeover Code and the applicable requirements of the Panel and the London Stock Exchange.
9. Dechra Shares will be acquired by Bidco fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them as at the Effective Date, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the Acquisition becomes Effective.
10. If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or distribution and/or other return of capital or value is announced, declared, made or paid in respect of the Dechra Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Dechra Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph 10 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Scheme or the Acquisition. In such circumstances, Dechra Shareholders would be entitled to retain any such dividend, distribution and/or return of capital or value.
11. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
12. The Scheme will be governed by English law and be subject to the jurisdiction of the Court, to the Conditions set out above and full terms to be set out in the Scheme Document. The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.
13. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Appendix 2

Sources and Bases of Information

In this announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used.

1. The fully diluted issued ordinary share capital of 115,066,556 Dechra Shares is based on:
 - 1.1 113,884,141 Dechra Shares in issue as at 31 May 2023 (being the latest practicable date before this announcement); plus
 - 1.2 1,182,415 Dechra Shares which may be issued on or after the date of this announcement pursuant to the Dechra Share Plans and share awards as at 30 May 2023 (being the latest practicable date before this announcement).
2. A value of approximately £4,459 million for the entire issued and to be issued share capital of Dechra is based on:
 - 2.1 the Acquisition Price of 3,875 pence per Dechra Share; and
 - 2.2 Dechra's fully diluted issued ordinary share capital of 115,066,556 Dechra Shares, as set out in paragraph 1 above.
3. The implied enterprise value for Dechra of £4,882 million is calculated by reference to the valuation of the Acquisition referenced in paragraph 2 above plus reported net debt of £423.3 million as at 31 December 2022.
4. Dechra's EBITDA for the twelve months ended 31 December 2022 of £188 million is based on underlying EBITDA of £190.6 million for the financial year ended 30 June 2022, and £101.3 million and £98.9 million for the six-month periods ended 31 December 2021 and 31 December 2022, respectively.
5. Unless otherwise stated, the financial information of Dechra is extracted (without material adjustment) from the annual report and audited accounts of the Dechra Group for the 12 months ended 30 June 2022, and the unaudited, consolidated financial statements of Dechra for the six months ended 31 December 2022.
6. The volume-weighted average prices and total shareholder returns have been derived from Bloomberg data.
7. Certain figures included in this announcement have been subject to rounding adjustments.

Appendix 3 Details of Irrevocable Undertakings

1. Directors

The following Dechra Directors have given irrevocable undertakings to vote in favour of the resolutions (including the Scheme) relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept the Offer) in respect of their own beneficial holdings of Dechra Shares:

Name	Total Number of Dechra Shares	Percentage of existing issued share capital
Ian Page*	370,168	0.325
Paul Sandland*	8,672	0.008
Tony Griffin	37,049	0.033
Alison Platt	3,709	0.003
Ishbel Macpherson	6,722	0.006
Lawson Macartney	5,880	0.005
Lisa Bright	1,373	0.001
John Shipsey**	Nil	0.000
TOTAL	433,573	0.381

* In addition to the Dechra Shares held by Ian Page and Paul Sandland, their respective spouses (Zoe Bamford and Adele Sandland) hold 34,367 Dechra Shares and 3,042 Dechra Shares respectively in their own name and have signed separate undertakings as outlined in paragraph 2 below.

** John Shipsey does not hold Dechra Shares in his own name, however, his spouse, Fiona Shipsey holds 600 Dechra Shares in her own name and she has signed a separate irrevocable undertaking as outlined in paragraph 2 below.

These irrevocable undertakings also extend to any Dechra Shares acquired by the Dechra Directors as a result of the vesting of awards or the exercise of options under the Dechra Share Plans.

The irrevocable undertakings referred to in paragraph 1 above cease to be binding on the earlier of the following occurrences: (i) this announcement not having been released by 10.00 a.m. (London time) on the date that is one Business Day from the date of the undertaking (or such later date as Bidco and Dechra may agree); (ii) the Scheme Document is not sent to Dechra Shareholders within 28 days (or such later period as the Panel may agree) after the date of this announcement; (iii) Bidco announces, with the

consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced at the same time; (iv) the Scheme lapses or is withdrawn in accordance with its terms and Bidco publicly confirms that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of an Offer or otherwise; (v) the Scheme has not become Effective by 11.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and Dechra, with the approval of the Court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Takeover Code, and such Offer has not lapsed or been withdrawn)); or (vi) the date on which any competing offer for the entire issued, and to be issued, share capital of Dechra is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes Effective.

2. Close relatives of certain Dechra Directors

The following holders of Dechra Shares, being close relatives of certain Dechra Directors, have given irrevocable undertakings to vote in favour of the resolutions (including the Scheme) relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept the Offer) in respect of their own beneficial holdings of Dechra Shares:

Name	Total Number of Dechra Shares	Percentage of existing issued share capital
Zoe Bamford (spouse of Ian Page)	34,367	0.030
Adele Sandland (spouse of Paul Sandland)	3,042	0.003
Fiona Shipsey (spouse of John Shipsey)	600	0.001
TOTAL	38,009	0.033

The irrevocable undertakings referred to in paragraph 2 above cease to be binding on the earlier of the following occurrences: (i) this announcement not having been released by 10.00 a.m. (London time) on the date that is one Business Day from the date of the undertaking (or such later date as Bidco and Dechra may agree); (ii) the Scheme Document is not sent to Dechra Shareholders within 28 days (or such later period as the Panel may agree) after the date of this announcement; (iii) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced at the same time; (iv) the Scheme lapses or is withdrawn in accordance with its terms and Bidco publicly confirms that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of an Offer or otherwise; (v) the Scheme has not become Effective by 11.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and Dechra, with the approval of the Court and/or the Panel, if required (other

than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Takeover Code, and such Offer has not lapsed or been withdrawn)); or (vi) the date on which any competing offer for the entire issued, and to be issued, share capital of Dechra is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes Effective.

Appendix 4 Definitions

The following definitions apply throughout this document unless the context otherwise requires:

“2006 Act”	the Companies Act 2006, as amended from time to time
“2022 Dechra Annual Report”	the annual report and audited accounts of the Dechra Group for the year ended 30 June 2022
“Acquisition”	the proposed cash acquisition by Bidco of the entire issued, and to be issued, share capital of Dechra by means of the Scheme, or should Bidco so elect, and where required the Panel consent and subject to the terms of the Cooperation Agreement, by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof
“Acquisition Price”	3,875 pence per Dechra Share
“Articles”	the articles of association of Dechra from time to time
“associated undertaking”	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations)
“ADIA”	Abu Dhabi Investment Authority
“ADIA PED”	the Private Equities investment department of ADIA
“Authorisations”	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals, in each case of a Third Party
“Bid Conduct Agreement”	the agreement between Bidco, EQT and Luxinva relating to bid conduct in connection with the Acquisition dated 2 June 2023
“Bidco”	Freya Bidco Limited
“Bidco Board”	the directors of Bidco

“Bidco Group”	Bidco and its subsidiary undertakings and where the context permits, each of them
“BofA Securities”	Merrill Lynch International
“Business Day”	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business
“certificated” or “certificated form”	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST)
“Closing Price”	the closing middle market price of a Dechra Share as derived from the Daily Official List on any particular date
“Commercial Clean Team Agreement”	the commercial clean team agreement between Dechra, EQT and Luxinva, originally dated 5 May 2023 and novated and restated on 2 June 2023
“Condition”	each of the conditions listed in Part A of Appendix 1 and any reference to a numbered Condition shall be a reference to the Condition set out in the paragraph of Part A of Appendix 1 bearing such number
“Confidentiality Agreement”	the confidentiality agreement dated 6 April 2023 between EQT and Dechra
“Cooperation Agreement”	the cooperation agreement dated on or around the date of this announcement between Bidco and Dechra
“Court”	the High Court of Justice in England and Wales
“Court Meeting”	the meeting of Dechra Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve the Scheme, including any adjournment thereof
“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear UK

	& Ireland Limited is the operator (as defined in CREST)
“Daily Official List”	the daily official list of the London Stock Exchange
“Dealing Disclosure”	an announcement by a party to an offer or a person acting in concert as required by Rule 8 of the Takeover Code
“Dechra”	Dechra Pharmaceuticals PLC
“Dechra Board” or “Dechra Directors”	the directors of Dechra
“Dechra Group”	Dechra and its subsidiary undertakings and where the context permits, each of them
“Dechra Share Plans”	the Dechra Unapproved Share Option Scheme, the Dechra 2017 Long Term Incentive Plan, the Dechra Global Save As You Earn Plan 2018, the Dechra Save As You Earn Option Scheme, the Dechra Approved Share Option Scheme and the Dechra 2021 Deferred Bonus Plan
“Dechra Shareholder(s)”	holders of Dechra Shares
“Dechra Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 1p each in the capital of Dechra and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective and “Dechra Share” means any one of them
“Disclosed”	the information fairly disclosed by or on behalf of Dechra: (i) in the 2022 Dechra Annual Report; (ii) in the Half Year Results for the six months period ended 31 December 2022; (iii) in this announcement; (iv) in any other announcement to a Regulatory Information Service prior to the publication of this announcement; (v) in writing (including via the virtual data room operated by or on behalf of Dechra in respect of the Acquisition) or orally in meetings and calls by Dechra management prior to the date of this announcement to Bidco or Bidco’s officers, employees, agents or advisers (in their capacity as such)
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA

“EQT”	EQT Fund Management S.à r.l. acting for an on behalf of the EQT Funds in its capacity as manager (<i>gérant</i>)
“EQT Funds”	EQT X EUR SCSp and EQT X USD SCSp
“Effective”	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of the Offer, the Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code
“Excluded Shares”	the Treasury Shares
“Effective Date”	the date on which the Acquisition becomes Effective
“FCA”	the Financial Conduct Authority
“FCA Handbook”	the FCA’s Handbook of rules and guidance as amended from time to time
“FY23 Profit Forecast”	the Dechra profit forecast for the financial year ending 30 June 2023, as defined in this announcement
“General Meeting”	the general meeting of Dechra Shareholders to be convened to consider and if thought fit pass, inter alia, the Resolution(s) in relation to the Scheme including any adjournments thereof
“Interim Facilities Agreement”	the interim facilities agreement between (amongst others) Bidco, the original lenders named therein and Wilmington Trust (London) Limited as agent and security agent dated on or about the date of this announcement
“Investec”	Investec Bank plc
“Joint Defence Agreement”	the confidentiality and joint defence agreement between Dechra, EQT, Luxinva and their respective external legal counsels, originally dated 14 April 2023 and novated and restated on 2 June 2023
“London Stock Exchange”	the London Stock Exchange plc or its successor

“Long Stop Date”	4 March 2024 or such later date as may be agreed between Bidco and Dechra and, if required, the Panel and the Court may allow
“Luxinva”	Luxinva S.A.
“Market Abuse Regulation”	Regulation (EU) 596/2014, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended
“Meetings”	the Court Meeting and the General Meeting
“Morgan Stanley”	Morgan Stanley & Co. International plc
“Offer”	subject to the consent of the Panel and the terms of the Cooperation Agreement, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the 2006 Act, the offer to be made by or on behalf of Bidco to acquire the entire issued, and to be issued, share capital of Dechra, and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
“Offer Period”	the offer period (as defined by the Takeover Code) relating to Dechra which commenced on 13 April 2023
“Official List”	the Official List of the FCA
“Opening Position Disclosure”	an announcement pursuant to Rule 8 of the Takeover Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Acquisition
“Overseas Shareholders”	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	the Panel on Takeovers and Mergers
“PRA”	the Prudential Regulation Authority
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Regulatory Authority”	any central bank, ministry, governmental, quasigovernmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger

	control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction
“Regulatory Information Service”	a regulatory information service as defined in the FCA Handbook
“relevant securities”	as the context requires, Dechra Shares, other Dechra share capital and any securities convertible into or exchangeable for, and rights to subscribe for, any of the foregoing
“Resolution(s)”	the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, a special resolution proposed in connection with, inter alia, implementation of the Scheme and certain amendments to be made to the articles of association of Dechra
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Dechra Shareholders in that jurisdiction
“Sanction Hearing”	the Court hearing to sanction the Scheme
“Scheme”	the proposed scheme of arrangement under Part 26 of the 2006 Act between Dechra and the holders of the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Dechra and Bidco
“Scheme Document”	the document to be sent to Dechra Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Meetings
“Scheme Record Time”	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the

	Business Day immediately following the date of the Sanction Hearing
“Scheme Shares”	all Dechra Shares: (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, in each case other than any Excluded Shares
“Spanish FDI Authority”	the Sub-directorate General for Foreign Investment (<i>Subdirección General de Inversiones Exteriores</i>) and the General Directorate of International Trade and Investments (<i>Dirección General de Comercio Internacional e Inversiones</i>), within the Spanish Ministry of Industry, Trade and Tourism (<i>Ministerio de Industria, Comercio y Turismo</i>) and any other relevant foreign direct investment authority in Spain, including the Spanish Council of Ministers, as applicable
“subsidiary”, “subsidiary undertaking” and “undertaking”	shall be construed in accordance with the 2006 Act
“Takeover Code”	the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time
“Treasury Shares”	any Dechra Shares which are for the time being held by Dechra as treasury shares within the meaning of the 2006 Act
“UK” or “United Kingdom”	means United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	a share or other security title to which is recorded in the relevant register of the share or security as being held in uncertificated form, in CREST, and title to which, by virtue of the Regulations may be transferred by means of CREST
“Voting Record Time”	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined

“Wider Bidco Group”

Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent

“Wider Dechra Group”

Dechra and associated undertakings and any other body corporate, partnership, joint venture or person in which Dechra and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent (excluding, for the avoidance of doubt, Bidco and all of its associated undertakings which are not members of the Dechra Group)

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All references to “pounds”, “pounds Sterling”, “Sterling”, “GBP”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom.

All times referred to are London time unless otherwise stated.

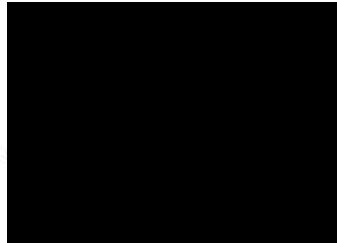
A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.

Dated: 2 June 2023

Signed as a deed by)

PAUL SANDLAND)

in the presence of:)



Signature of witness

Name of witness

Address of witness

Occupation of witness