Top Ten

Key Strategic Developments Over 25 Years

The Company was incorporated in May 1997 to effect the management buyout from Lloyds Chemist plc.

Three years later, in 2000, the issued ordinary share capital of Dechra was listed on the London Stock Exchange. Since 2000, the Company has grown strongly through a combination of innovation, organic growth and acquisition.

01
2000

IPO

Although it could be argued that the management buyout in 1997 should be the first key strategic development, it was not until our UK market listing in 2000 that the strategic vision for Dechra's future started to materialise. We were predominantly operating services through National Veterinary Services (NVS), a veterinary distribution business; at the time our strategy was not as clearly defined and was broad in its objectives. In the placing prospectus for the IPO, one strand of our strategy that has remained to this day, was to invest cash, which at the time was mainly derived from services, into developing novel products.

1997 ▶

Read more about our Product Development on pages 35 to 39

Read more about our Acquisitions on pages 29 and 31

02
2001

Clear Focus on Product Development to Increase our Presence as a Pharmaceutical Company

At this time over 80% of the Group's profits and over 95% of Group turnover was derived from NVS. Also in the Group were Dales Pharmaceuticals that manufactured a few pharmaceutical products and Arnolds Veterinary Products (prior to re-branding as DVP), which sold these products alongside instruments and consumables. At the time NVS had to sell many human products to fulfil demand for new pet treatments as veterinarians' capabilities in specialised areas of medicine proliferated and pet expenditure increased due to the strengthening of pet/human bond. Using this distribution data we identified product usage trends and key therapeutic sectors in which to focus our development spend, mainly on niche, novel products, initially with an emphasis on endocrinology.

Strategic Growth Driver:

Key to Strategic Growth Drivers:

- Pipeline Delivery
- Portfolio Focus
- Geographical Expansion
- Acquisition

03
2003

Acquisition Strategy

Although we had made acquisitions prior to 2003, they were of diagnostic laboratories, which complemented the Services segment of our business. This provided excellent experience in the acquisition process helping us to form a strategy to strengthen our pharmaceutical business. The first successes were the acquisitions of the Vetivex® range of products and the rights to Equidone® Gel for the US market. At the same time, our early product development efforts started to produce results, with Vetoryl® and Felimazole® gaining approval in the EU. At this time, however, we were only able to sell them directly within the UK; we had to sell them through third party companies within the EU, giving up a lot of margin. We therefore started to research target acquisitions that would provide us with reach into Europe.

Strategic Growth Driver:

04
2005

Geographical Expansion

As our product development portfolio expanded it became evident that we needed to find a way to operate within the world's largest companion animal market, the USA. Our first sales, marketing and regulatory office outside of the UK was opened in Kansas City in 2005, as a future platform to market products we had under The US Food and Drug Administration (FDA) review at the time: *Vetoryl*, *Felimazole* and *Equidone*. Although this was our first new market, geographical expansion really took a greater priority with the formation of our International team in 2016.

Strategic Growth Driver:

05
2008

Acquisition of VetXX

At this point in our development we had successfully registered products across Europe but needed a platform to sell them ourselves. With our burgeoning pipeline we found a solution to retain margin in-house through the acquisition of VetXX, a business we had been pursuing as an acquisition target for two years. It provided a platform into 14 European countries, significantly strengthened our Companion Animal Market (CAP) portfolio and gave us critical mass. We now had the ability to market and sell our own development products across Europe.

Strategic Growth Driver:

06
2008

US Trading Commences

Shortly prior to the approval of *Vetoryl* and *Felimazole* by the FDA, we completed a long term licensing deal to sell the veterinary products of Pharmaderm. The combined portfolio gave us sufficient sales volumes to merit the development of a sales, marketing, regulatory and technical support infrastructure, providing a platform to grow and strengthen our presence in this critical market.

Strategic Growth Driver:

09
2015-2022

Rapid Development
Although there was no one single event during this period, it has been a hugely important time in our development. We added the fourth pillar to our strategy, Portfolio Focus, which is about maximising the return from our key products in all the major markets. Our four pillar strategy has served us well as we accelerated our acquisition activity, which included Putney, Genera, Apex, Brovel, Venco, AST Farma and Le Vet and the acquisition of the products Orotaz®, Osurnia® and Laverdia®. We expanded geographically into Poland, Canada, Austria, Italy, Mexico, Brazil, Australia and New Zealand. We have also put greater emphasis on novel product development and have significantly increased investment in our pipeline.

Strategic Growth Driver:

07
2012

Acquisition of Eurovet
Although prior to 2012 we had acquired Dermapet, Gentrix and HY-50®, the acquisition of Eurovet was the first deal that could be classed as truly transformational. It gave us a significant presence in Germany, a country in which we were not operating; it added significant critical mass to our CAP portfolio and provided an entrance and a footprint in Europe for FAP. Most significantly, it took us to a point where we were no longer dependent on the services business with the majority of profits now being derived from the pharmaceutical business.

Strategic Growth Driver:

2022

08
2013

Divestment of Services
Following the successful integration of Eurovet and a number of other smaller acquisitions, although a very tough decision for management to make, it became evident that NVS and NationWide Laboratories were no longer relevant to our future strategy. We managed the successful divestment of the services businesses to a US acquirer, which cleared the debt off our balance sheet, providing cash to make further acquisitions and cemented our strategy as a fully focused veterinary pharmaceutical company.

10
2022

25

ANNIVERSARY

After 25 years our Strategy, our Values and our Strategic Enablers, (People, Manufacturing and Supply Chain, Technology and ESG) have established us as one of the leading and fastest growing global animal health companies. The evolution of our strategic objectives and the strengthening of the business through all four pillars have served us well and will continue to be the main drivers of future growth.

Strategic Growth Driver: