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**Whether or not you intend to attend and/or vote at the Meetings, you are strongly urged to complete, sign and return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible and, in any event, by no later than 11.00 a.m. on 18 July 2023 in the case of the Court Meeting and by 11.15 a.m. on 18 July 2023 in the case of the General Meeting (or, in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting, in each case excluding any part of such 48 hour period falling on a day that is not a working day). You are also strongly encouraged to appoint “the Chair of the meeting” as your proxy. The transmission of a proxy appointment or voting instructions online, electronically through CREST, by post or by email or by any other procedure described in this document will not prevent you from attending, submitting questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting if you are entitled and wish to do so.**

If the Scheme is not Effective on or before 11.59 p.m. on the Long Stop Date, the Scheme will not be implemented and the Acquisition will not proceed.

The Scheme is governed by English law and is subject to the jurisdiction of the Courts of England and Wales. The Scheme shall also be subject to the applicable requirements of the Takeover Code, the Panel, the Listing Rules, the London Stock Exchange, the FCA and the Registrar of Companies.

Any adjournment or postponement of a Meeting or the Sanction Hearing, or a decision by Dechra to propose such an adjournment or postponement, will be communicated to Scheme Shareholders and Dechra Shareholders promptly by Dechra by an announcement made through a Regulatory Information Service. If the meeting or hearing is adjourned to a specified date, the announcement will set out the relevant details of the adjourned meeting or hearing. If no such date is specified the adjourned date will be announced separately through Dechra website at <https://www.dechra.com/investors/cash-offer>.

### 10.3 *Court Meeting*

The Court Meeting is being held with the permission of the Court at 11.00 a.m. on 20 July 2023 and has been convened to enable the Scheme Shareholders on the register of members of Dechra as at the Voting Record Time to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Scheme Shareholder present (in person or by proxy) will be entitled to one vote for each Scheme Share held as at the Voting Record Time.

The approval required at the Court Meeting is the approval of a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting (or any adjournment thereof), representing not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion.**

### 10.4 *General Meeting*

The General Meeting has been convened for 11.15 a.m. on 20 July 2023 (or as soon after that time as the Court Meeting has been concluded or adjourned) to enable all Dechra Shareholders to consider and, if thought fit, approve the Resolution to authorise:

- the Dechra Directors to take all such actions as are necessary or appropriate for implementing the Scheme; and
- certain amendments to the Articles (as described below).

Voting at the General Meeting will be by poll and each Dechra Shareholder present in person or by proxy will be entitled to one vote for each Dechra Share held as at the Voting Record Time. The Resolution will require votes in favour of not less than 75 per cent. of the votes cast by Dechra Shareholders voting in person or by proxy at the General Meeting in order to be passed.

The Resolution, if passed, will authorise certain amendments to the Articles required in connection with the Scheme. The proposed amendments will provide, amongst other things, that subject to the implementation of the Scheme, any Dechra Shares issued to any person (other than Bidco Group or its nominee(s)) on or after the Scheme Record Time will be immediately transferred to Bidco Group, in consideration of the payment of the same cash consideration per Dechra Share as was due to a holder of Scheme Shares under the Scheme. This will avoid any person (other than Bidco Group or its nominee(s)) acquiring or being left with



Dechra Shares after dealings in such shares have ceased trading on the London Stock Exchange's Main Market, which is expected to occur at 6.00 p.m. on the Business Day before the day on which the Scheme becomes Effective. The proposed changes to the Articles are contained in the notice of the General Meeting set out in Part 11 (*Notice of General Meeting*) of this document.

#### 10.5 *Entitlement to vote at the Meetings*

Each holder of Scheme Shares whose name appears on the register of members of Dechra at the Voting Record Time will be entitled to attend and vote at the Court Meeting. Each holder of Dechra Shares whose name appears on the register of members of Dechra at the Voting Record Time will be entitled to attend and vote at the General Meeting. If either Meeting is adjourned, only those Scheme Shareholders (in the case of the Court Meeting) and Dechra Shareholders (in the case of the General Meeting) on the register of members of Dechra at 6.30 p.m. on the day which is two Business Days before the adjourned Meeting will be entitled to attend and vote.

Each Dechra Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a Dechra Shareholder. Please see paragraph 11 of this Part 2 (*Explanatory Statement*) of this document for further information on actions to be taken in order to vote at the Meetings and to appoint proxies.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (in person or by appointing a proxy), please call Dechra's registrars, Equiniti, on +44 (0) 333 207 6537 (if calling from outside 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 submit a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

#### 10.6 *Sanction of the Scheme by the Court*

If the resolutions are passed at the Meetings, and the other Conditions are satisfied or, where applicable, waived, the Scheme will also require the sanction of the Court. The Sanction Hearing is expected to be held towards the end of 2023 or in early 2024 (and, in any event prior to the Long Stop Date), subject to the satisfaction (or, if applicable, waiver) of the Conditions.

As soon as possible following the Sanction Hearing, Dechra shall make an announcement through a Regulatory Information Service stating the decision of the Court and details of whether the Scheme will proceed or has lapsed.

All Scheme Shareholders are entitled to attend the Sanction Hearing in person or to be represented by counsel to support or oppose the sanctioning of the Scheme.

Bidco shall instruct counsel to undertake to the Court on Bidco's behalf to consent and be bound by the Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme.

#### 10.7 *Conditions*

The Conditions to the Acquisition and the Scheme are set out in Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) of this document. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Takeover Code, on or before 11.59 p.m. on the Long Stop Date. In summary, the Scheme is conditional, amongst other things, upon:

- the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) present, entitled to vote and voting, whether in by person or by proxy at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment thereof);
- such Court Meeting being held on or before 11 August 2023 (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));
- all resolutions necessary to approve and implement the Scheme, as set out in the notice of the General Meeting (including the Resolution), being duly passed by the requisite majorities of Dechra Shareholders at the General Meeting (or at any adjournment thereof);

- such General Meeting, or any adjournment of such meeting, being held on or before 11 August 2023 (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));
- the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Bidco and Dechra) by the Court;
- the Sanction Hearing being held on or before the 22nd day after the expected date of such hearing as set out in the expected timetable of principal events on page 13 of this document (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));
- the delivery of a copy of the Court Order to the Registrar of Companies;
- the receipt of antitrust approvals or expiry of applicable waiting periods in the European Union, United States of America, Austria, Brazil and Germany and foreign direct investment approvals or deemed approvals in Australia and Spain, in each case to the extent required, as set out in Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) of this document; and
- the other Conditions not otherwise identified above (but set out in Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) of this document) either being satisfied or, with the exception of certain conditions which are not capable of waiver, waived.

If the Condition that the Scheme must become unconditional and Effective on or before 11.59 p.m. on the Long Stop Date or any Condition referred to in paragraph 2 of Part A of Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) of this document 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, waived that Condition or, with the agreement of Dechra, specified a new date by which that Condition must be satisfied.

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.

#### 10.8 *Effective Date*

The Scheme will become Effective only upon the delivery of a copy of the Court Order to the Registrar of Companies. This is expected to occur on the second Business Day after the date of the Sanction Hearing. The Scheme is expected to become Effective towards the end of 2023 or in early 2024, subject to the satisfaction or (where applicable) waiver of the Conditions.

As soon as practicable on the Effective Date, Dechra or Bidco shall make an announcement through a Regulatory Information Service stating that the Scheme has become Effective.

**Upon the Scheme becoming Effective, it will be binding on all Scheme 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 of, or against, the Scheme at the Court Meeting or in favour of, or against or abstained from voting on the Resolution at the General Meeting).**

If the Scheme is not Effective by 11.59 p.m. on the Long Stop Date (or such later date (if any) as Dechra and Bidco may, with the consent of the Panel, agree and (if required) the Court may allow), the Scheme will not be implemented and the Acquisition will not proceed.

#### 10.9 *Return of documents of title*

If the Scheme lapses or is withdrawn, all documents of title lodged by any Scheme Shareholder with any Form of Proxy shall be returned to such Scheme Shareholder as soon as practicable (and in any event within 14 days of such lapsing or withdrawal) and to the extent that any securities of Dechra are held in escrow by Equiniti in connection with the Scheme, instructions shall be given immediately for the release of such securities.

#### 10.10 *Modifications and revision*

The Scheme contains a provision for Bidco and Dechra jointly to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances for the purpose of approving any such modification, addition or condition.

Any modification or revision to the Scheme shall be made no later than the date which is 14 days prior to the date of the Meetings (or any later date to which such meetings are adjourned). The consent of the Panel must be obtained if it is proposed to revise the Scheme either (i) less than 14 days prior to the date of the Meetings or (ii) following the Meetings.

No modifications may be made to the Scheme once it is Effective.

#### 10.11 *Implementation by way of an Offer*

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 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. The Panel will determine the offer timetable that will apply following any switch to an Offer to which it consents. Bidco must announce a switch to an Offer through a Regulatory Information Service. Any such announcement must include:

- details of all changes in terms and conditions of the Acquisition;
- details of any material changes to other details of the Acquisition;
- an explanation of the offer timetable following the switch to an Offer; and
- an explanation of whether irrevocable undertakings will remain valid following the switch to an Offer.

#### 11. **Action to be taken**

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY OR TRANSMIT A PROXY INSTRUCTION (EITHER ELECTRONICALLY OR THROUGH CREST) AS SOON AS POSSIBLE AND, IN ANY EVENT, BY NO LATER THAN 11.00 A.M. ON 18 JULY 2023 IN THE CASE OF THE COURT MEETING AND 11.15 A.M. ON 18 JULY 2023 IN THE CASE OF THE GENERAL MEETING (OR IN THE CASE OF ANY ADJOURNMENT, NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR THE HOLDING OF THE ADJOURNED MEETING). YOU ARE ALSO STRONGLY ENCOURAGED TO APPOINT "THE CHAIR OF THE MEETING" AS YOUR PROXY.**

The Scheme will require the approval of the Scheme Shareholders at the Court Meeting to be held at Dechra's offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA at 11.00 a.m. on 20 July 2023. The implementation of the Scheme will also require the approval of Dechra Shareholders of the Resolution relating to the Acquisition to be proposed at the General Meeting to be held at the same place at 11.15 a.m. on 20 July 2023 (or as soon thereafter as the Court Meeting has concluded or been adjourned). Notices of the Meetings are set out in Part 10 (*Notice of Court Meeting*) and Part 11 (*Notice of General Meeting*) of this document.

Scheme Shareholders and Dechra Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out below.

Scheme Shareholders and Dechra Shareholders are required to cast or amend proxy voting instructions in respect of the relevant Meeting as soon as possible and, in any event, so as to be received by no later than:

- **11.00 a.m. on 18 July 2023 in the case of the WHITE Form of Proxy for the Court Meeting; and**
- **11.15 a.m. on 18 July 2023 in the case of the BLUE Form of Proxy for the General Meeting,**

(or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting, excluding on part of such 48 hour period falling over a day that is not a working day).

In the case of the Court Meeting only, Scheme Shareholders who have not cast or amended their proxy voting instructions by this time may email a scanned copy of the WHITE Form of Proxy to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting (or any adjournment thereof) or hand the WHITE Form of Proxy to the Chair of the Court Meeting or the Equiniti representative who will be present at the Court Meeting (or any adjournment thereof).

Dechra Shareholders are entitled to appoint a proxy in respect of some or all of their Dechra Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder.

Completing and returning the Forms of Proxy, completing and transmitting a CREST Proxy Instruction or appointing a proxy electronically will not prevent you from attending and voting in person at the Meetings, or any adjournment of the Meetings, if you so wish and are so entitled.

#### ***Online appointment of proxies***

Dechra Shareholders entitled to attend and vote at the Meetings may appoint a proxy electronically by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk) (“**Sharevote**”) and selecting “Dechra Pharmaceuticals” in the drop down menu provided. To use Sharevote, you will need the Voting ID, Task ID and Shareholder Reference Number contained on the proxy card. Shareholders who have registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their usual user ID and password by clicking on the “My Investments” page, then clicking on the link to vote, then following the on-screen instructions. Full details of the procedure to be followed to appoint a proxy online are given on the website at [www.sharevote.co.uk](http://www.sharevote.co.uk).

#### ***Electronic appointment of proxies through CREST***

If you hold Dechra Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Part 10 (*Notice of Court Meeting*) and Part 11 (*Notice of General Meeting*) of this document. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID: RA19) not later than 11.00 a.m. on 18 July 2023 in the case of the Court Meeting and not later than 11.15 a.m. on 18 July 2023 in the case of the General Meeting (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting excluding any part of such 48 hour period falling on a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. In the case of the Court Meeting only, if the CREST proxy appointment or instruction is not received by this time, the WHITE Form of Proxy may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or

handed to the Chair of the Court Meeting or the Equiniti representative who will be present at the Court Meeting (or any adjournment thereof).

Dechra may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

Please note that any electronic communication found to contain a computer virus or other malware will not be accepted.

#### ***Sending Forms of Proxy by post or by email***

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to Dechra's registrars, Equiniti, either (i) by post to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom or (ii) by emailing a scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and in any event not later than the relevant times set out below:

- 11.00 a.m. on 18 July 2023 in the case of the WHITE Form of Proxy for the Court Meeting; and
- 11.15 a.m. on 18 July 2023 in the case of the BLUE Form of Proxy for the General Meeting,

(or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting, excluding on part of such 48 hour period falling over a day that is not a working day).

A reply-paid envelope is provided for use in the United Kingdom only.

Forms of Proxy returned by fax will not be accepted.

If the WHITE Form of Proxy for use at the Court Meeting is not received by Equiniti by 11.00 a.m. on 18 July 2023, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting (or any adjournment thereof) or handed to the Chair of the Court Meeting or the Equiniti representative who will be present at the Court Meeting (or any adjournment thereof). However, if the BLUE Form of Proxy for the General Meeting is not received by Equiniti by 11.15 a.m. on 18 July 2023, it will be invalid.

## **12. Settlement and share certificates**

Subject to the Scheme becoming Effective (and except as provided in paragraph 15 of this Part 2 (*Explanatory Statement*) in relation to certain overseas Dechra Shareholders), settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be effected within 14 days of the Effective Date in the manner set out below.

Except with the consent of the Panel or as provided by the terms of the Scheme, settlement of consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such Scheme Shareholder.

### **12.1 Consideration where Scheme Shares are held in uncertificated form (that is, in CREST)**

A Scheme Shareholder who holds Scheme Shares at the Scheme Record Time in uncertificated form will receive the cash consideration to which it is entitled under the Scheme through CREST by Bidco procuring the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated Scheme Shares in respect of the cash consideration due to them not later than the 14<sup>th</sup> day following the Effective Date.

As from 6.00 p.m. on the Business Day following the Sanction Hearing, each holding of Dechra Shares credited to any stock account in CREST shall be disabled and all Dechra Shares will be removed from CREST in due course thereafter.

Subject to the terms of the Scheme, Bidco reserves the right to pay all or any part of the cash consideration referred to above to all or any Scheme Shareholder(s) who hold(s) Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in paragraph 12.2 of this Part 2 (*Explanatory Statement*) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this paragraph 12.1 or to do so would incur material additional costs.

### **12.2 Consideration where Scheme Shares are held in certificated form**

Settlement of the consideration in respect of Scheme Shares held in certificated form at the Scheme Record Time shall be despatched:



- if the relevant Scheme Shareholder has set up a standing electronic payment mandate with Equiniti for the purpose of receiving dividend payments, such payment is made by way of an electronic payment to the account indicated in such standard electronic payment mandate. Equiniti and Dechra reserve sole discretion to undertake due diligence to authenticate and if necessary disregard the mandate and issue the cash consideration in the form of a cheque as described below; or
- by first-class post (or international standard post, if overseas), by cheque drawn on a branch of a UK clearing bank, unless the amount payable to a Scheme Shareholder exceeds £500,000, in which case Bidco reserves the right to make arrangements with such Scheme Shareholder for electronic payment of such amount in lieu of a cheque; or
- by such other method as may be approved by the Panel.

All such cash payments shall be made in pounds sterling and drawn on a United Kingdom clearing bank. Payments made by cheque shall be payable to the Scheme Shareholders concerned and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under the Scheme to pay the monies represented thereto. Cheques shall be despatched as soon as practicable and within 14 days after the Effective Date to the persons entitled thereto at their respective addresses as appearing in the register of members of Dechra at the Scheme Record Time (or in accordance with any special standing instructions regarding communications), or in the case of joint holders, at the address of that member that stands first in the register of members of Dechra in respect of that holding at the Scheme Record Time. None of Dechra, Bidco or any of their respective nominees or agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person entitled thereto.

If any Scheme Shareholders have not encashed their cheques within six months of the Effective Date, Bidco will procure that the cash consideration due to such Scheme Shareholders under the Scheme will be held for such Scheme Shareholder for a period of 12 years from the Effective Date solely for the purpose of satisfying payment obligations under the Scheme, and such Scheme Shareholders may claim the consideration due to them by written notice to Dechra in a form and with such evidence which Dechra determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.

Payments made by electronic payment will be made within 14 days of the Effective Date, and will be paid to the Scheme Shareholder concerned using the account details indicated in the standing electronic payment mandate set up by such Scheme Shareholder with Equiniti, who reserve sole discretion to undertake due diligence to authenticate and if necessary disregard the mandate and issue the cash consideration in the form of a cheque as described above. The transfer of such amount by way of electronic transfer will be a complete discharge of Bidco's obligation under the Scheme to pay the monies represented thereby.

On the Effective Date, each certificate representing a holding of Dechra Shares in the name of someone other than Bidco will cease to be valid documents of title. Following settlement of the consideration to which Scheme Shareholders are entitled under the Scheme, such Scheme Shareholder will be bound on the request of Dechra either (i) to destroy such certificate(s); or (ii) return such certificate(s) to Dechra, or to any person appointed by Dechra for cancellation.

### **12.3 *Consideration where Scheme Shares acquired by directors or employees of the Dechra Group pursuant to the exercise of Dechra Options***

In the case of Scheme Shares acquired by directors or employees of the Dechra Group (including on the settlement of Dechra Options) after the Court has made the Court Order and prior to the Scheme Record Time, settlement of the consideration will be made by such method as shall be determined by Dechra (including procuring that payments are made through payroll as soon as practicable subject to the deduction of any applicable exercise prices, income taxes and social security contributions (if any)). Payment will be made as soon as reasonably practicable following the later of the Effective Date and that date on which any conditions to payment have been met).

A summary of the effect of the Scheme on the Dechra Share Plans is set out in paragraph 7 of this Part 2 (*Explanatory Statement*) of this document.

### **12.4 *General***

All documents and remittances sent to Scheme Shareholders will be sent at the risk of the person(s) entitled thereto.

In accordance with the Scheme, as from the Scheme Record Time, Dechra shall procure that each holding of Scheme Shares credited to any stock account in CREST shall be disabled. With effect from, or as soon as practicable after, the Effective Date, Dechra shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form. Following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Dechra shall procure that such entitlements to Scheme Shares are rematerialised.

Subject to the completion of the relevant forms of transfer or other instruments or instructions of transfer as may be required in accordance with the Scheme and the payment of any UK stamp duty thereon, Dechra shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

Save as required in relation to the settlement of consideration pursuant to the terms of the Scheme, all mandates and other instructions given to Dechra by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

### **13. Delisting, cancellation of admission to trading and re-registration**

An indicative timetable of principal events setting out, among other things, the expected date of the last day of trading in, and the suspension of, Dechra Shares on the London Stock Exchange's Main Market is on page 13 of this document.

The last day of dealings in Dechra Shares on the London Stock Exchange's Main Market is expected to be the Business Day immediately after the Sanction Hearing and no transfers will be registered after 6.00 p.m. on that date (other than the registration of Dechra Shares released, transferred or issued under the Dechra Share Plans). It is intended that Dechra will make an application to the London Stock Exchange for the suspension of dealings in Dechra Shares on the London Stock Exchange's Main Market with effect from 7.30 a.m. on the second Business Day following the Sanction Hearing.

Prior to the Effective Date, Dechra will make an application to (i) the London Stock Exchange for the cancellation of the admission to trading of the Dechra Shares on the London Stock Exchange's Main Market and (ii) to the FCA for the cancellation of the Dechra's listing from the Official List on or shortly after the Effective Date.

On the Effective Date, share certificates in respect of Dechra Shares shall cease to be valid and entitlements to Dechra Shares held within the CREST system shall be cancelled.

Following the Scheme becoming Effective, it is also proposed that Dechra be re-registered as a private limited company under the relevant provisions of the 2006 Act.

### **14. United Kingdom taxation**

Your attention is drawn to Part 7 (*United Kingdom Taxation*) of this document which contains a general description of the United Kingdom tax consequences of the Acquisition. Dechra Shareholders who are in any doubt about their taxation position or who are or may be subject to taxation in a jurisdiction outside the United Kingdom should contact an appropriate independent professional tax adviser immediately.

### **15. Overseas Shareholders**

Persons resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom should refer to Part 8 (*Overseas Shareholders*) of this document.

### **16. Further information**

Your attention is drawn to the full text of the Scheme as set out in Part 6 (*The Scheme of Arrangement*) of this document.

Your attention is also drawn to the other parts of this document, which are deemed to form part of this explanatory statement, including in particular: Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*); Part 4 (*Financial and Ratings Information*); Part 5 (*Additional Information*); Part 10 (*Notice of Court Meeting*); Part 11 (*Notice of General Meeting*) and Part 12 (*Dechra FY23 Profit Forecast*).

Yours faithfully

**Investec Bank plc**

**PART 3:**  
**CONDITIONS AND FURTHER TERMS OF THE ACQUISITION  
AND THE SCHEME**

**Part A: Conditions of the Acquisition and the Scheme**

1. The Acquisition is 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 is conditional upon:
  - 2.1 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 11 August 2023 (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 the Resolution being duly passed at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before 11 August 2023 (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 as set out in the expected timetable of principal events on page 13 of this document (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 Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) below, Bidco and Dechra have agreed that the Acquisition is 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 injunction, 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 the 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 the 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 Scheme and 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 Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) above, 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(iii) 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 Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) 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 of Part A of this Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) 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 is subject, *inter alia*, to the Conditions and certain further terms which are set out in this Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) 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 Announcement Date 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 document 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 and the distribution of this document in, into or from jurisdictions other than 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 or into whose possession this document comes should inform themselves about and observe, any applicable requirements.
12. The Acquisition is governed by English law and is subject to the jurisdiction of the English courts. The Acquisition is made on and subject to the Conditions and Further Terms set in this Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*). The Acquisition is 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.

## **PART 4:**

### **FINANCIAL AND RATINGS INFORMATION**

#### **Part A: Financial information relating to Dechra**

The following information is incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited consolidated accounts of Dechra for the financial year ended 30 June 2022 set out in pages 165 to 225 (both inclusive) in Dechra’s annual report for the financial year ended 30 June 2022 available from Dechra’s website at <https://www.dechra.com/investors/annual-reports> by opening the link entitled “Annual Report 2022”;
- the audited consolidated accounts of Dechra for the financial year ended 30 June 2021 are set out in pages 161 to 221 (both inclusive) in Dechra’s annual report for the financial year ended 30 June 2021 available from Dechra’s website at <https://www.dechra.com/investors/annual-reports> by opening the link entitled “Annual Report 2021”; and
- the half-yearly financial report of Dechra for the six-month period ended 31 December 2022 are available from Dechra’s website at <https://www.dechra.com/investors/results-and-presentations> by opening the link entitled “Half Yearly Financial Report for the Period ended 31 December 2022”.

#### **Part B: Dechra ratings and outlooks**

On 4 April 2022, Kroll Bond Rating Agency, LLC assigned a BBB-issuer credit rating to Dechra.

#### **Part C: Financial information relating to Bidco**

As Bidco was incorporated on 9 May 2023 for the purpose of effecting the Acquisition, no financial information is available or has been published in respect of Bidco. Neither Bidco nor any other member of the Bidco Group has traded since its date of incorporation, has paid no dividends and has not entered into any obligations or engaged in any activities other than in connection with the Acquisition and the financing of the Acquisition as described in this document.

Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Dechra Group.

#### **Part D: Bidco ratings and outlooks**

There are no current public ratings or outlooks accorded to Bidco by any rating agencies.

#### **Part E: No incorporation of website information**

For the avoidance of doubt, neither the content of any website accessible from hyperlinks in this document, including the Dechra, EQT, Luxinva, Fremont Capital and CalPERS websites, nor the content of any website accessible from hyperlinks on those websites, is incorporated into, or forms part of, this document.

## PART 5:

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Dechra Directors, whose names are set at paragraph 2.1 of this Part 5 (*Additional Information*), each accept responsibility for the information contained in this document (including any expressions of opinion) other than the information (and expressions of opinion) contained in this document in respect of Bidco, the Bidco Group, EQT, Luxinva, Freemont Capital or CalPERS for which responsibility is taken by the Bidco Directors, the EQT Responsible Persons, the Luxinva Responsible Persons, the Freemont Responsible Person or the CalPERS Responsible Persons, as the case may be pursuant to paragraphs 1.2, 1.3, 1.4, 1.5 and 1.6 below. To the best of the knowledge and belief of the Dechra Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Bidco Directors, whose names are set at paragraph 2.2 of this Part 5 (*Additional Information*), each accept responsibility for the information (and expressions of opinion) contained in this document relating to Bidco, the Bidco Group, the Bidco Directors and close relatives, related trusts and controlled companies including, without limitation, information relating to Bidco's strategy and future intentions for Dechra. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information. For the avoidance of doubt, save as provided otherwise in this document, the Bidco Directors do not accept responsibility for any information (or expressions of opinion) contained in this document relating to EQT, Luxinva, ADIA PED or ADIA or the equity co-investors described in paragraph 10 of this Part 5 (*Additional Information*).
- 1.3 The EQT Responsible Persons, whose names are set out in paragraph 2.3 of this Part 5 (*Additional Information*), each accept responsibility for the information relating to them (and their close relatives, related trusts and other persons connected with them), EQT and Bidco. To the best of the knowledge and belief of the EQT Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.4 The Luxinva Responsible Persons, whose names are set out in paragraph 2.4 of this Part 5 (*Additional Information*), each accept responsibility for the information relating to them (and their close relatives, related trusts and controlled companies), Luxinva, ADIA PED, ADIA and Bidco. To the best of the knowledge and belief of the Luxinva Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.5 The Freemont Responsible Person, whose name is set out in paragraph 2.5 of this Part 5 (*Additional Information*), accepts responsibility for the information relating to Winder and Freemont Capital. To the best of the knowledge and belief of the Freemont Responsible Person (who has taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.6 The CalPERS Responsible Persons, whose names are set out in paragraph 2.6 of this Part 5 (*Additional Information*), each accept responsibility for the information relating to CalPERS. To the best of the knowledge and belief of the CalPERS Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

## 2. Directors and Responsible Persons

2.1 The Dechra Directors and their respective positions are set out below:

<i>Name</i>	<i>Position held</i>
Elizabeth Alison Platt	Non-Executive Chair
Ian David Page	Chief Executive Officer
Paul Nicholas Sandland	Chief Financial Officer
Anthony Gerard Griffin	Managing Director, Dechra Veterinary Products EU
Dr Lawson Macartney	Senior Independent Non-Executive Director
Lisa Jane Bright	Non-Executive Director
John Francis Shipsey	Non-Executive Director
Geeta Gopalan	Non-Executive Director

The registered address of Dechra and the business address of each of the Dechra Directors is 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA.

2.2 The Bidco Directors and their respective positions are set out below:

<i>Name</i>	<i>Position held</i>
Anthony Santospirito	Director
Peter Balslev	Director
Sebastian Shea	Director

The registered address of Bidco and the business address of each of the Bidco Directors is 3<sup>rd</sup> Floor, 30 Broadwick Street, London, United Kingdom, W1F 8JB.

2.3 The EQT Responsible Persons and their respective positions are set out below:

<i>Name</i>	<i>Position held</i>
Conni Jonsson	Founder and Chairperson
Christian Sinding	CEO and Managing Partner
Per Franzén	Head of Private Capital and Deputy Managing Partner
Thomas von Koch	Partner
Marcus Brennecke	Partner and Co-Head of EQT Private Equity Advisory Team
Kristiaan Nieuwenburg	Partner
Eric Liu	Partner, Head of North American Private Equity, and Co-Head of Global Healthcare Sector Team

The business address of each of the above EQT Responsible Persons is Regeringsgatan 25. SE-111 53 Stockholm Sweden.

<i>Name</i>	<i>Position held</i>
Peter Veldman	Head of Fund Management
Sara Huda	Managing Director
Joshua Stone	Managing Director
Patrik Burnäs	Group Head of Fund Operations
Magnus Sjöcrona	Global Head of Risk, Regulatory and Compliance

The business address of each of the above EQT Responsible Persons is 51a Boulevard Royal, 2449 Ville-Haute Luxembourg.

2.4 The Luxinva Responsible Persons and their respective positions are set out below:

<u>Name</u>	<u>Position held</u>
Hamad Shahwan Surour Shahwan Aldhaheri	Executive Director, ADIA Private Equities Department
Saif Surour Omair Almashghouni	Deputy Director, ADIA Private Equities Department
Majed Salem Khalifa Rashed Alromaithi	Executive Director, Strategy & Planning Deputy Chairman, Investment Committee
Jean-Philippe Barade	Head of EMEA, ADIA Private Equities Department
Jerome Mourgue D'Algue	Global Head of Private Equities, ADIA Private Equities Department
Joginder Anand	Senior Counsel, ADIA Legal Division
Kabir Mathur	Head of Asia Pacific, ADIA Private Equities Department
Thomas Chevalier	Counsel, ADIA Legal Division

The business address of each of the above Luxinva Responsible Persons is Abu Dhabi Investment Authority, 211 Corniche Street, PO Box 3600, Abu Dhabi, UAE.

2.5 The Freemont Responsible Person and their position is set out below:

<u>Name</u>	<u>Position held</u>
Jennifer Fan	Chief Asia Officer

The business address of the above Freemont Responsible Person is c/o Freemont Capital Pte. Ltd., 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

2.6 The CalPERS Responsible Persons and their respective positions are set out below:

<u>Name</u>	<u>Position held</u>
Anton Orlich	Managing Investment Director of Private Equity
Daniel Booth	Deputy Chief Investment Officer for Private Markets

The business address of each of the above CalPERS Responsible Persons is 400 Q Street, Sacramento, California 95811, USA.

### 3. Dechra Shares and Dechra Share Plans

At the close of business on 22 June 2023 (being the latest practicable date prior to the publication of this document), the following Dechra Shares were in issue and Dechra Options in respect of Dechra Shares under the Dechra Share Plans were outstanding:

- Dechra Shares in issue: 113,888,190. There were no Dechra Shares held in treasury.
- Dechra Shares which may be issued on the exercise of Dechra Options under the Dechra Share Plans: 1,178,366.

#### 4. Market quotations

The following table sets out the Closing Price for Dechra Shares on the first Business Day in each of the six months immediately before the date of this document, on 12 April 2023 (being the last Business Day prior to the commencement of the Offer Period) and on 23 June 2023 (being the latest available date prior to the publication of this document):

<i>Date</i>	<i>Closing Price (pence)</i>
23 June 2023	3,632
1 June 2023	3,374
2 May 2023	3,706
12 April 2023	2,690
3 April 2023	2,632
1 March 2023	2,726
1 February 2023	2,904
3 January 2023	2,622

#### 5. Disclosure of interests and dealings

##### 5.1 *Definitions and references*

For the purposes of this paragraph 5:

**“acting in concert”** with Dechra or Bidco, as the case may be, means any such person acting or deemed to be acting in concert with Dechra or Bidco, as the case may be, for the purposes of the Takeover Code;

**“arrangement”** includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities of Dechra which may be an inducement to deal or refrain from dealing (other than irrevocable commitments to vote in favour of the Scheme and/or related resolutions);

**“connected adviser”** includes an organisation which (A) is advising Bidco or (as the case may be) Dechra in relation to the Acquisition, (B) is a corporate broker to Bidco or (as the case may be) Dechra, (C) is advising a person acting in concert with Bidco or (as the case may be) Dechra in relation to the Acquisition or in relation to the matter which is the reason for that person being a member of the relevant concert party, in each case, excluding any “exempt principal traders” and any “exempt fund managers”;

**“connected person”** means, in relation to any person who is a director of a company, any other person whose interests in shares the director is taken to be interested in pursuant to Part 22 of the 2006 Act and related regulations;

**“control”** means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code) of a company, irrespective of whether such interest or interests give *de facto* control;

**“dealing”** has the meaning given to it in the Takeover Code and **“dealt”** has the corresponding meaning;

**“derivative”** includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

**“disclosure period”** means the period which began on 13 April 2022 (the date twelve months prior to the commencement of the Offer Period) and ended on 22 June 2023 (being the latest practicable date prior to the publication of this document);

**“relevant securities”** means:

- (a) Dechra Shares and any other securities of Dechra conferring voting rights;
- (b) the equity share capital of any member of the Bidco Group; and
- (c) securities of Dechra and any member of the Bidco Group carrying conversion or subscription rights into any of the foregoing;

“**short position**” means any short position (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;

“**interests in securities**” has the meaning given to it by the Takeover Code, and “**interest**” and “**interested**” in relevant securities have the corresponding meaning; and

“**close relatives**”, “**exempt principal trader**”, “**exempt fund manager**”, “**securities**” and “**voting rights**” have the meanings given to them by the Takeover Code.

#### 5.2 *Persons acting in concert with Dechra*

Other than the Dechra Directors (together with their close relatives and related trusts) and members of the Dechra Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Dechra in respect of the Acquisition and are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Dechra</i>
Investec	30 Gresham Street, London, EC2V 7QP	Financial Adviser

#### 5.3 *Persons acting in concert with Bidco*

In addition to the Bidco Directors, the EQT Responsible Persons and the Luxinva Responsible Persons (together with their close relatives and related trusts), and the members of the Consortium (and any related pension schemes), the persons who, for the purposes of the Takeover Code, are acting in concert with Bidco in respect of the Acquisition and who are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Bidco</i>
BofA Securities	2 King Edward Street, London, EC1A 1HQ	Financial Adviser
Morgan Stanley	25 Cabot Square, Canary Wharf, London, E14 4QA	Financial Adviser

#### 5.4 *Interests, rights to subscribe and short positions in relevant securities of Dechra*

##### *Dechra Directors*

As at the last day of the disclosure period, the interest of the Dechra Directors (and their close relatives, related trusts and connected persons) in the Dechra Shares (apart from the awards which are described below) were as follows:

<i>Name</i>	<i>Number of Dechra Shares</i>	<i>Percentage of existing issued share capital</i>
Ian David Page	370,168	0.325
Zoe Bamford (spouse of Ian David Page)	34,367	0.030
Paul Nicholas Sandland	8,672	0.008
Adele Sandland (spouse of Paul Nicholas Sandland)	3,042	0.003
Anthony Gerard Griffin	37,049	0.033
Elizabeth Alison Platt	3,709	0.003
Lawson Macartney	5,880	0.005
Lisa Jane Bright	1,373	0.001
John Francis Shipsey	0	0.000
Fiona Shipsey (spouse of John Francis Shipsey)	600	0.001
Ishbel Jean Stewart Macpherson*	6,722	0.006

\*As announced by Dechra on 16 June 2023, Ishbel Jean Stewart Macpherson tendered her resignation and stepped down from the Dechra Board with effect from 22 June 2023, prior to the publication of this document.



As at the last day of the disclosure period, the following options in respect of Dechra Shares had been granted to the following Dechra Directors and remained outstanding under the Dechra Share Plans:

<i>Name</i>	<i>Dechra Share Plan</i>	<i>Date of award</i>	<i>No. Of Dechra Shares under option</i>	<i>Exercise price (p)</i>	<i>Normal vesting date</i>
Ian David Page	Long Term Incentive Plan (LTIP)	22/09/2020	32,128*	Nil	05/09/2023
Ian David Page	Long Term Incentive Plan (LTIP)	16/09/2021	23,727	Nil	08/09/2024
Ian David Page	Long Term Incentive Plan (LTIP)	09/09/2022	38,261	Nil	09/09/2025
Ian David Page	Deferred Bonus Plan	20/09/2022	3,580	Nil	30/08/2024
Ian David Page	Save As You Earn (SAYE)	19/10/2020	627	28.68	01/12/2023
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
Anthony Gerard Griffin	Long Term Incentive Plan (LTIP)	22/09/2020	10,303	Nil	05/09/2023
Anthony Gerard Griffin	Long Term Incentive Plan (LTIP)	16/09/2021	6,508	Nil	08/09/2024
Anthony Gerard Griffin	Long Term Incentive Plan (LTIP)	09/09/2022	10,429	Nil	09/09/2025
Anthony Gerard Griffin	Deferred Bonus Plan	20/09/2022	1,655	Nil	30/08/2024

\* Ian David Page has also been granted a tax qualifying option over 926 Dechra Shares at an exercise price of £32.37 as part of his 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.

\*\* Paul Nicholas Sandland has also been granted a tax qualifying option over 330 Dechra Shares at an exercise price of £49.09 as part of his 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.

\*\*\* Paul Nicholas Sandland has also been granted a tax qualifying option over 431 Dechra Shares at an exercise price of £31.99 as part of his 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.

## 5.5 *General*

Save as disclosed in this paragraph 5, as at the end of the disclosure period:

- (i) neither Bidco, the Bidco Directors, the EQT Responsible Persons, the Luxinva Responsible Persons, the Freemont Responsible Person, the CalPERS Responsible Persons nor (in the case of the Bidco Directors, the EQT Responsible Persons, the Luxinva Responsible Persons, the Freemont Responsible Person and the CalPERS Responsible Persons) any of their close relatives, related trusts or controlled companies, nor any other person acting in concert with Bidco, nor any person with whom Bidco or any person acting in concert with Bidco had an arrangement, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Dechra nor had any such person dealt in any relevant securities of Dechra during the disclosure period;



- (ii) neither Dechra, nor any of the Dechra Directors, nor (in the case of the Dechra Directors) any of their close relatives, related trusts or controlled companies, nor any person acting in concert with Dechra, nor any person with whom Dechra or any person acting in concert with Dechra had an arrangement, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Dechra and nor had any such person dealt in any relevant securities of Dechra in the period commencing on the first day of the Offer Period and ending on the last day of the disclosure period;
- (iii) neither Dechra, Bidco, nor any person acting in concert with Dechra or Bidco, had borrowed or lent (including for these purposes any financial collateral arrangements of a kind referred to in Note 4 on Rule 4.6 of the Takeover Code) any relevant securities in Dechra (save for any borrowed shares which have been either on-lent or sold);
- (iv) save for the irrevocable undertakings described in paragraph 8 of this Part 5 (*Additional Information*), there is no arrangement relating to relevant securities in Dechra which exists between Bidco or any person acting in concert with Bidco and any other person, nor between Dechra or any person acting in concert with Dechra and any other person;
- (v) save as disclosed herein, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any person acting in concert with it and any of the Dechra Directors or the recent directors, shareholders or recent shareholders of Dechra having any connection with or dependence upon or which is conditional upon the Acquisition;
- (vi) save as disclosed herein and save that Bidco reserves the right to transfer any such shares to any other member of the Wider Bidco Group, there is no agreement, arrangement or understanding whereby the beneficial ownership of any Dechra Shares to be acquired by Bidco pursuant to the Scheme will be transferred to any other person;
- (vii) Dechra has not redeemed or purchased any relevant securities of Dechra in the period commencing on the first day of the Offer Period and ending on the last day of the disclosure period; and
- (viii) neither Dechra, nor any of the Dechra Directors, nor (in the case of the Dechra Directors) any of their close relatives, related trusts or controlled companies, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Bidco, and nor had any such person dealt in any relevant securities of Bidco in the period commencing on the first day of the Offer Period and ending on the last day of the disclosure period.

## **6. Service contracts and letters of appointment of the Dechra Directors**

### **6.1 *Executive Directors***

The following executive Dechra Directors have entered into service agreements with Dechra Group as summarised below:

#### **(i) Ian David Page**

The terms of Ian David Page's service contract with Dechra as Chief Executive Officer of Dechra are summarised below:

- (a) Ian David Page's service contract, dated 1 September 2008, as amended from time to time, states that his continuous employment commenced on 1 May 1989, and his appointment as Chief Executive Officer commenced on 5 November 2001 and will continue until terminated by either Ian David Page giving not less than six months written notice to Dechra or by Dechra giving not less than twelve months written notice to Ian David Page.
- (b) Under the terms of the service contract, Ian David Page is entitled to a salary at such rate as agreed from time to time between the parties and subject to an annual review in July each year. Ian David Page's current salary, effective from 1 January 2023, is £612,000. There is no additional entitlement or further remuneration in respect of overtime. Dechra will reimburse Ian David Page for all reasonable and authorised out of pocket expenses (including hotel and travelling expenses) wholly necessarily and exclusively incurred by him in the discharge of his duties.

- (c) Ian David Page is also entitled to participate in an annual bonus scheme on such terms as may be decided from time to time by the Dechra Remuneration Committee.
- (d) Ian David Page is entitled to a car up to a value at the discretion of the Dechra Board and of a type that the Dechra Board shall consider appropriate. Dechra will pay all road fund licences, insurance premiums, maintenance and repair expenses, fuel, oil and other running expenses in respect of the car. Dechra reserves the right to withdraw this benefit if Ian David Page is convicted of a serious motoring offence and may from time to time, at its discretion, replace the make or type of the car. Under the terms of the service contract, Ian David Page indemnifies Dechra in respect of all income tax payable by Dechra on his behalf in relation to the company car and Dechra will be entitled to make deductions from Ian David Page's salary or other payments due to him to satisfy such income tax liability.
- (e) Ian David Page is eligible to become a member of the Dechra occupational pension scheme in place from time to time. If elected, Dechra will contribute a sum, currently equivalent to 8 per cent. of Ian David Page's salary, into the scheme on his behalf. Dechra reserves the right to vary or terminate the pension arrangements.
- (f) Ian David Page is also entitled to participate in, subject to Dechra's discretion:
  - a. private medical expenses insurance for himself, his spouse and his children; and
  - b. life insurance that provides coverage of four times his salary.
- (g) Ian David Page is entitled to sickness pay and shall be paid his salary for up to 26 weeks in aggregate in any period of 12 months.
- (h) Ian David Page is entitled to 30 working days' paid holiday (in addition to normal bank and public holidays), of which not more than 15 working days may be taken consecutively. Ian David Page shall be entitled to 2 days' holiday for each completed month of service in the holiday year in which his appointment terminates. Upon termination of his appointment, Ian David Page shall be entitled to salary in lieu of any outstanding holiday entitlement or may be required to repay to Dechra any salary received in respect of holiday entitlement taken in excess of his proportionate holiday entitlement.
- (i) On termination of his service contract, Ian David Page may also be placed on garden leave for any period of his notice, during which period he will remain as an employee of Dechra and continue to receive his salary and all other contractual benefits. During such time he will be subject to restrictive covenants customary for a service contract of this time. On termination Ian David Page will also be subject to restrictive covenants customary for a service contract for a period of six months after the termination of his appointment.
- (j) Under the terms of his service contract, Ian David Page, at the discretion of Dechra, may receive payment in lieu of notice. This payment will be equal to the salary for the unexpired period of notice under the terms of the service contract.

(ii) Paul Nicholas Sandland

The terms of Paul Nicholas Sandland's service contract with Dechra as Chief Financial Officer of Dechra are summarised below:

- (a) Paul Nicholas Sandland's service contract, dated 30 October 2019, as amended from time to time, states that his continuous employment commenced on 4 January 2010, and his appointment as Chief Financial Officer commenced on 30 October and will continue until terminated by either Paul Nicholas Sandland giving not less than six months written notice to Dechra or by Dechra giving not less than twelve months written notice to Paul Nicholas Sandland.
- (b) Under the terms of the service contract, Paul Nicholas Sandland is entitled to a salary at such rate as agreed from time to time between the parties and subject to an annual review in September each year). Paul Nicholas Sandland's current salary, effective from 1 January 2023, is £417,150. There is no additional entitlement or further remuneration in respect of overtime. Dechra will reimburse Paul Nicholas Sandland for all reasonable and authorised out of pocket expenses (including hotel and travelling expenses) wholly necessarily and exclusively incurred by the Executive in the discharge of his duties.

- (c) Paul Nicholas Sandland is also entitled to participate in an annual bonus scheme on such terms as may be decided from time to time by the Dechra Remuneration Committee.
- (d) Paul Nicholas Sandland is entitled to a car up to a value at the discretion of the Board and of a type that the Board shall consider appropriate for Paul Nicholas Sandland having regard to the capacity in which he is employed for use in the performance of his duties. Dechra will pay all road fund licences, insurance premiums, maintenance and repair expenses, fuel, oil and other running expenses in respect of the car. Paul Nicholas Sandland must take good care of the car and procure that the provisions of any insurance policy relating to it are observed, ensure that the car is not taken out of the United Kingdom without the prior written consent of the Company and comply with the Company's rules and policies relating to the provision of company cars. Dechra reserves the right to withdraw this benefit if Paul Nicholas Sandland is convicted of a serious motoring offence and may from time to time, at its discretion, replace the make or type of the car. Under the terms of the service contract, Paul Nicholas Sandland indemnifies Dechra in respect of all income tax payable by Dechra on his behalf in relation to the company car and Dechra will be entitled to make deductions from Paul Nicholas Sandland's salary or other payments due to him to satisfy such income tax liability.
- (e) Paul Nicholas Sandland is eligible to join the pension scheme operated by Dechra in accordance with Part 1 of the Pensions Act 2008, as amended from time to time. Dechra reserves the right to vary or terminate the pension arrangements.
- (f) Paul Nicholas Sandland is also entitled to participate in, subject to Dechra's discretion:
  - a. private medical expenses insurance for himself and, where applicable, his spouse/partner and children; and
  - b. life insurance that provides coverage of four times the basic salary.
- (g) Paul Nicholas Sandland is entitled to sickness pay and shall be paid his salary for up to 26 weeks in aggregate in any period of 12 months.
- (h) Paul Nicholas Sandland is entitled to 27 working days' paid holidays (inclusive of statutory holiday) of which not more than 15 working days may be taken consecutively. Paul Nicholas Sandland will be entitled to 2 days' holiday for each completed month of service in the holiday year in which his appointment terminates. Upon termination of his appointment, Paul Nicholas Sandland shall be entitled to salary in lieu of any outstanding holiday entitlement or may be required to repay to Dechra any salary received in respect of holiday entitlement taken in excess of his proportionate holiday entitlement.
- (i) On termination of his service contract, Paul Nicholas Sandland may also be placed on garden leave for any period of his notice, during which period he will remain as an employee of Dechra and continue to receive his salary and all other contractual benefits. During such time he will be subject to restrictive covenants customary for a service contract of this time. On termination Paul Nicholas Sandland will also be subject to restrictive covenants customary for a service contract for a period of six months after the termination of his appointment.
- (j) Under the terms of his service contract, Paul Nicholas Sandland, at the discretion of Dechra, may receive payment in lieu of notice. This payment will be equal to the salary for the unexpired period of notice under the terms of the service contract.

(iii) Anthony Gerard Griffin

The terms of Anthony Gerard Griffin's service contract with Eurovet Animal Health B.V. (a subsidiary of Dechra) as Managing Director of Dechra Veterinary Products Europe are summarised below:

- (a) Anthony Gerard Griffin's service contract, dated 15 August 2012, as amended from time to time, states that his continuous employment commenced on 1 May 2012, and his appointment as Managing Director of Dechra Veterinary Products Europe commenced on 23 May 2012 and will continue until terminated by either Anthony Gerard Griffin giving not less than six months written notice to Dechra or by Dechra giving not less than twelve months written notice to Anthony Gerard Griffin.

- (b) Under the terms of the service contract, Anthony Gerard Griffin is entitled to a salary at a rate as agreed from time to time between the parties and subject to annual review in July each year, such rate to include 8 per cent. holiday pay which will be paid once a year in May. Anthony Gerard Griffin's current salary, effective from 1 January 2023, is €367,679.39. There is no additional entitlement or further remuneration in respect of overtime. Anthony Gerard Griffin will also receive a monthly payment of €566 in respect of a representative's allowance to cover all small personal expenses whilst on business. Dechra will reimburse Anthony Gerard Griffin for all reasonable and authorised out of pocket expenses (including hotel and travelling expenses) wholly necessarily and exclusively incurred by the Executive in the discharge of his duties.
- (c) Anthony Gerard Griffin is also entitled to participate in an annual bonus scheme on such terms as may be decided from time to time by the Dechra Remuneration Committee.
- (d) Anthony Gerard Griffin is entitled to a car up to a value at the discretion of the Board and of a type that the Board shall consider appropriate. Dechra will pay all road fund licences, insurance premiums, maintenance and repair expenses, fuel, oil and other running expenses in respect of the car. Dechra reserves the right to withdraw this benefit if Anthony Gerard Griffin is convicted of a serious motoring offence and may from time to time, at its discretion, replace the make or type of the car. Under the terms of the service contract, Anthony Gerard Griffin indemnifies Dechra in respect of all income tax payable by Dechra on his behalf in relation to the company car and Dechra will be entitled to make deductions from Anthony Gerard Griffin's salary or other payments due to him to satisfy such income tax liability.
- (e) Anthony Gerard Griffin participated in a pension plan administered by Nationale Nederlanden during his employment with his former employer, AUV Holdings B.V. Under the terms of the service contract, Anthony Gerard Griffin will continue to take part in the pension scheme with Nationale Nederlanden and Dechra will take Anthony Gerard Griffin's previous employment with AUV Holdings B.V. (from 1 July 1993) into account regarding the accrual of pension rights with Nationale Nederlanden. Dechra reserve the right to vary or terminate the pension arrangements.
- (f) Anthony Gerard Griffin is also entitled to participate in, subject to Dechra's discretion:
  - a. private medical expenses insurance for himself and, where applicable, his spouse and children; and
  - b. life insurance that provides coverage of four times the basic salary.
- (g) Anthony Gerard Griffin is entitled to 40.5 working days' paid holiday (inclusive of statutory holiday), of which not more than 15 working days may be taken consecutively. Upon termination of his Appointment, Anthony Gerard Griffin shall be entitled to salary in lieu of any outstanding holiday entitlement or may be required to repay to Dechra any salary received in respect of holiday entitlement taken in excess of his proportionate holiday entitlement.
- (h) On termination of his service contract, Anthony Gerard Griffin may also be placed on garden leave for any period of his notice, during which period he will remain as an employee of Dechra and continue to receive his salary and all other contractual benefits. During such time he will be subject to restrictive covenants customary for a service contract of this time. On termination Anthony Gerard Griffin will also be subject to restrictive covenants customary for a service contract for a period of six months after the termination of his appointment.
- (i) Under the terms of his service contract, Anthony Gerard Griffin, at the discretion of Dechra, may receive payment in lieu of notice. This payment will be equal to the salary for the unexpired period of notice under the terms of the service contract.

## 6.2 *Non-Executive Directors*

The following Non-Executive Directors have entered into letters of appointment with Dechra Group as summarised below:

- (i) Elizabeth Alison Platt, Lawson Macartney, Lisa Jane Bright, John Francis Shipsey and Geeta Gopalan (“**NEDs**”) have entered into letters of appointment for an initial term of twelve months. Any renewal of this period is subject to annual re-election by Dechra Shareholders at the relevant annual general meeting in accordance with Dechra’s Articles.
- (ii) Each NED letter of appointment is terminable by either party on three month’s prior written notice.
- (iii) Each NED is paid an annual fee, to be paid in equal instalments monthly in arrears and subject to an annual review by the Dechra Board.
- (iv) Lisa Jane Bright and Lawson Macartney’s letters of appointment include the requirement that they must accumulate Dechra Shares equivalent in value to 50 per cent. of their annual fee in the first three years of their initial appointment.
- (v) On termination of the NEDs’ appointment, entitlement of fees is only in respect of any such fees that may have accrued to the date of the termination.
- (vi) Elizabeth Alison Platt, John Francis Shipsey and Geeta Gopalan’s letters of appointment state that their fee will exclude the chairing of committees and certain additional responsibilities, such as taking on the role of senior independent director.
- (vii) Each NED letter of appointment confirms that the NED is covered by Dechra’s directors’ and officers’ liability insurance.
- (viii) Each NED letter of appointment includes a non-compete restriction for a period of six months following termination of their appointment.

<i>Director</i>	<i>Date of Director’s Appointment</i>	<i>Date of Original Letter of Appointment</i>	<i>Director’s Current Annual Base Fee (effective from 1 January 2023)</i>	<i>Shareholding Requirement</i>	<i>Notice Requirement</i>
Elizabeth Alison Platt	1 March 2020	19 February 2020	£206,000	As agreed from time to time by the Dechra Board	3 months
Lawson Macartney	1 December 2016	9 November 2016	£60,471	50 per cent. of annual fee	3 months
Lisa Jane Bright	1 February 2019	29 November 2018	£60,471	50 per cent. of annual fee	3 months
John Francis Shipsey	1 June 2022	16 May 2022	£60,471	As agreed from time to time by the Dechra Board	3 months
Geeta Gopalan	1 January 2023	17 December 2022	£60,471	As agreed from time to time by the Dechra Board	3 months

## 6.3 *Amendments to Dechra Director agreements*

Save as set out in this paragraph 6:

- (i) no Dechra Director is entitled to commission or profit sharing arrangements;
- (ii) other than statutory compensation and payment in lieu of notice, no compensation is payable by Dechra to any Dechra Director upon early termination of their appointment; and
- (iii) no service agreement or letter of appointment of any Dechra Director was entered into or amended in the six month period prior to the date of this document.



## 7. Material contracts and offer-related arrangements

During the period beginning on the date falling two years before the commencement of the Offer Period and ending on the last practicable date prior to the publication of this document, Bidco, the Wider Bidco Group and Dechra and their respective subsidiaries, as applicable, entered into the following material contracts (other than contracts entered into in the ordinary course of business) and the offer-related arrangements summarised in paragraph 7.3 of this Part 5 (*Additional Information*)).

### 7.1 *Dechra material contracts*

#### (i) Note purchase agreement

##### *Background*

On 14 July 2022, Dechra entered into a note purchase agreement (“**Note Purchase Agreement**”) with New York Life Insurance Company, New York Life Insurance and Annuity Corporation, Brighthouse Life Insurance Company, Massachusetts Mutual Life Insurance Company, The Northwestern Mutual Life Insurance Company, Prudential Legacy Insurance Company of New Jersey, The Prudential Insurance Company of America and Thrivent Financial for Lutherans (“**Purchasers**”) which authorised the creation, issue and sale by Dechra to the Purchasers of €50,000,000 3.64 per cent. Series A Senior Notes due 14 July 2029 (“**Series A Notes**”) and €100,000,000 3.93 per cent. Series B Senior Notes due 14 July 2032 (“**Series B Notes**”) (the Series A Notes and Series B Notes together the “**Notes**” and each a “**Note**”).

As at the date of the Note Purchase Agreement, the principal amount of Notes held by each Purchaser (“**Principal Amount**”) was as follows:

- (a) New York Life Insurance Company: €8,500,000 Series B Notes;
- (b) New York Life Insurance and Annuity Corporation: €56,500,000 Series B Notes;
- (c) Brighthouse Life Insurance Company: €8,000,000 Series A Notes;
- (d) Massachusetts Mutual Life Insurance Company: €20,000,000 Series B Notes;
- (e) The Northwestern Mutual Life Insurance Company: €27,000,000 Series A Notes;
- (f) Prudential Legacy Insurance Company of New Jersey: €7,500,000 Series A Notes;
- (g) The Prudential Insurance Company of America: €7,500,000 Series A Notes; and
- (h) Thrivent Financial for Lutherans: €15,000,000 Series B Notes.

##### *Purpose*

The proceeds of the sale of the Notes are to be used for the repayment of existing financial indebtedness and/or general corporate purposes.

##### *Availability and repayment*

The outstanding Principal Amount of the Series A Notes shall be repaid in full on 14 July 2029, together with semi-annual interest payments at the rate of 3.64 per cent. per annum.

The outstanding Principal Amount of the Series B Notes shall be repaid in full on 14 July 2023, together with semi-annual interest payments at the rate of 3.93 per cent. per annum.

##### *Fees*

Dechra agrees to pay all reasonable costs and expenses incurred by the Purchasers and each other holder of a Note in connection with the Note Purchase Agreement and any amendments, waivers or consents under or in respect of the Note Purchase Agreement.

##### *Guarantees and security*

The Note Purchase Agreement is unsecured.

Various subsidiaries of Dechra were required to execute and deliver a subsidiary guarantee on or before the date of the Note Purchase Agreement, pursuant to which the guarantors jointly and severally guarantee the payment of all sums payable by Dechra in respect of the Notes.

### *Representations, warranties, undertakings and events of default*

The Note Purchase Agreement contains customary representations and warranties, information undertakings, financial covenants (which test Dechra's interest cover and leverage) and other affirmative and negative covenants and events of default, each with appropriate carve-outs and materiality thresholds. It also contains customary representations from the Purchasers in relation to tax status and source of funds.

#### (ii) Placing Agreement

On 20 July 2022, Investec and Dechra entered into a placing agreement ("**Placing Agreement**") pursuant to which Investec agreed to use its reasonable endeavours to procure placees for Dechra Shares at a price of 3,430 pence per share ("**Placing**"), in connection with the acquisitions referred to in paragraphs 7.1(iii) and (iv) below. In consideration of its services under the Placing Agreement, and subject to its obligations under the Placing Agreement having become unconditional and the Placing Agreement not being terminated, Dechra agreed to pay to Investec a market standard rate of commissions in connection with the Placing. In addition to the commission, Dechra agreed to pay (or reimburse where appropriate) all costs, charges, fees and expenses in relation to or incidental to the Placing, including the fees of its and Investec's professional advisers, the fees of the FCA and the London Stock Exchange, all properly incurred out of pocket expenses, disbursements of Investec, other professional fees and all stamp duty and stamp duty reserve tax (if any) and other similar duties and taxes. Dechra gave certain customary representations and warranties to Investec as to the accuracy of the information contained in the announcement made in connection with the Placing. In addition, Dechra gave customary indemnities to Investec and certain warranties and indemnities given by Dechra in the Placing Agreement were unlimited as to time and amount. The obligations of Investec under the Placing Agreement were subject to customary terms and conditions for a transaction of this type.

#### (iii) Agreement and Plan of Merger with Piedmont Animal Health Inc.

On 20 July 2022, Dechra Holdings US Inc. (a wholly owned subsidiary of Dechra) ("**Dechra US**") and its wholly owned subsidiary Penguin Merger Sub Inc. ("**Merger Sub**") entered into an agreement and plan of merger with (among others) Piedmont Animal Health Inc. ("**Piedmont**") in connection with the acquisition of Piedmont for US \$210 million (on a debt-free and cash-free basis, subject to normal closing adjustments).

Pursuant to the agreement, Merger Sub was merged with and into Piedmont. The separate corporate existence of Merger Sub ceased, and Piedmont continued as the surviving corporation, being the successor to all the property, rights, powers, privileges, liabilities and obligations of both Merger Sub and Piedmont. Each issued and outstanding share of Piedmont was converted into the right to receive a portion of the consideration and each issued and outstanding share of Merger Sub was converted into one share of Piedmont (as the corporation surviving the merger).

Under the agreement, Piedmont gave customary covenants, representations, warranties and indemnities to Dechra US and Merger Sub, and Dechra US and Merger Sub gave customary covenants, representations, warranties and indemnities to Piedmont. Such representations, warranties and indemnities were subject to customary limitations under the agreement.

The agreement set out the legal formalities to be fulfilled by the parties prior to and following completion.

#### (iv) Stock Purchase Agreement with shareholders of Med-Pharmex Holdings Inc.

On 26 August 2022, Dechra US entered into a stock purchase agreement with (among others) the stockholders of Med-Pharmex Holdings Inc. ("**Med-Pharmex**") ("**MP Sellers**"), pursuant to which Dechra US agreed to purchase all the issued and outstanding equity interests of Med-Pharmex on the terms and conditions of the agreement.

The total consideration paid under the agreement was US \$260 million on a debt-free and cash-free basis, subject to normal closing adjustments.

Under the agreement, the MP Sellers gave customary covenants, representations, warranties and indemnities to Dechra US and Dechra US gave customary covenants, representations, warranties and indemnities to the MP Sellers. Such representations, warranties and indemnities were subject to customary limitations under the agreement.

The agreement set out the legal formalities to be fulfilled by the parties prior to and following completion.

(v) Revolving Facility Agreement

*Background*

On 31 March 2023, Dechra entered into a multicurrency revolving credit facility agreement (“**Revolving Facility Agreement**”) with, among others:

- (a) the following subsidiaries of Dechra: Dechra Limited, Dechra Veterinary Products Limited, Dechra Finance Limited, Dechra Finance Sterling Limited, Dechra Finance Australia Limited, Dechra Veterinary Products, LLC and Dechra Holdings US Inc.), as original borrowers (together with Dechra) (“**Borrowers**”, each a “**Borrower**”);
- (b) the following subsidiaries of Dechra: Dechra Limited, Dechra Veterinary Products Limited, Dechra Finance Limited, Dechra Finance Sterling Limited, Dechra Finance Australia Limited, Dechra Veterinary Products A/S, Dechra Veterinary Products Deutschland GmbH, Eurovet Animal Health B.V., AST Farma B.V., Le Vet. Beheer B.V, Le Vet. B.V., Dechra Holdings Netherlands B.V., Dechra Veterinary Products, LLC, Dechra Holdings US Inc, Genera d.d., Dechra Veterinary Products SAS and Dechra Veterinary Products (Australia) Pty. Ltd, as guarantors (together with Dechra) (“**Guarantors**”);
- (c) BNP Paribas, CaixaBank SA, Crédit Industriel et Commercial, Handelsbanken plc, HSBC UK Bank plc, PNC Bank, Santander UK plc and The Governor and Company of the Bank of Ireland, as lenders (“**Lenders**”); and
- (d) Banco Santander, S.A., London Branch, as agent (the “**Agent**”).

From the date of the Revolving Facility Agreement, the Lenders make available to the Borrowers a multicurrency revolving loan facility (“**Revolving Facility**”) in an aggregate amount equal to £340,000,000 (which may be increased on Dechra’s request), split between the Lenders as follows:

- (a) BNP Paribas, London Branch: £55,000,000;
- (b) CaixaBank SA UK branch: £35,000,000;
- (c) Crédit Industriel et Commercial, London Branch: £35,000,000;
- (d) Handelsbanken plc, acting through Large Corporate North Branch: £35,000,000;
- (e) HSBC UK Bank plc: £55,000,000;
- (f) PNC Bank, National Association: £35,000,000
- (g) Santander UK plc: £55,000,000; and
- (h) The Governor and Company of the Bank of Ireland: £35,000,000.

*Purpose*

The Revolving Facility is to be used towards the general corporate and working capital purposes of the Dechra Group including, but not limited to, refinancing certain financial indebtedness of the Dechra Group and acquisitions.

A Lender may provide all or part of its commitment as an Ancillary Facility (as defined in the Revolving Facility Agreement), if agreed with Dechra (provided that the maximum aggregate amount of such ancillary commitments of all Lenders shall not at any time exceed £100,000,000).

*Availability and repayment*

The Revolving Facility is made available to the Borrowers until one month prior to the fifth anniversary of the Revolving Facility Agreement (“**Termination Date**”) (unless extended by a period of 12 or 24 months in accordance with the terms of the Revolving Facility Agreement).

Each loan drawn under the Revolving Facility (a “**Loan**”) is payable at the end of an interest period that is selected by a Borrower. If the Loan is not a compounded rate loan, such period can be one, three or six months. If the Loan is a compounded rate loan, such period shall be the applicable reference rate terms or any other period agreed between Dechra, the Agent and the Lenders (which cannot be longer than six months).



The Borrowers are permitted to have outstanding up to 11 Loans in total at any one time.

#### *Fees*

Fees payable under the Revolving Facility Agreement and associated fee letters include commitment fees, arrangement fees and agency fees. Interest, commission and fees shall also be payable on Ancillary Facilities, at a rate to be determined by agreement between the relevant Ancillary Lender (as defined in the Revolving Facility Agreement) and Borrower of such Ancillary Facility.

#### *Guarantees and security*

The Revolving Facility Agreement is unsecured.

The payment and performance of all obligations under the Revolving Facility Agreement (and the finance documents related to such) is jointly and severally guaranteed by the Guarantors.

#### *Representations, warranties, undertakings and events of default*

The Revolving Facility Agreement contains customary representations, information undertakings, financial covenants (which test Dechra's interest cover and leverage), general undertakings and events of default, each with appropriate carve-outs and materiality thresholds.

## 7.2 ***Bidco and Wider Bidco Group material contracts***

### **(i) Term Sheet**

The Term Sheet sets out the agreement of the members of the Consortium, being EQT and Luxinva, pursuant to which (i) they will each hold their investment in the Bidco Group and the Dechra Group once combined following the Acquisition becoming Effective (together, the “**New Group**”), and (ii) certain other matters relating to regulating the governance, shareholding structure and activities of the New Group. These principal terms will then be documented in a long form shareholders' agreement between EQT and Luxinva.

Under the terms of the Term Sheet, and subject to certain step-down provisions, EQT shall be entitled to appoint two directors, as well as a chair and three further independent directors to the board of Freya Holdco S.à r.l. (“**Topco**”). Subject to certain step-down provisions, Luxinva shall be entitled to appoint one director to the board of Topco and be consulted in respect of the appointment of the chair and independent directors by EQT. The CEO and CFO of the Dechra Group are to be jointly appointed by the Consortium, subject to the terms of the Term Sheet.

Certain activities of the New Group will be subject to customary veto rights in favour of the members of the Consortium and/or the board of Topco. These include, among other things, certain alterations to the constitutional documents, business plan or budget of the New Group and tax policies, major acquisitions and disposals, settling litigation, fundamental changes to the nature or scope of the business, amendments to certain policies of the New Group, and other customary minority protection veto rights.

As set out in paragraph 9 of this Part 5 (*Additional Information*), each member of the Consortium may syndicate part of their funding commitments to one or more co-investors in accordance with the Term Sheet before or within nine months of the Acquisition becoming Effective.

Subject to the syndication right above, affiliate transfers, transfers with EQT consent, transfers in connection with any listing or IPO and transfers pursuant to their Luxinva transfer, tag-along and drag-along rights, Luxinva may not undertake a private sale of their shares in Topco until the date falling on the earlier of (i) seven years from the Acquisition becoming Effective and (ii) two years from the date on which EQT notifies Luxinva of an intention to initiate an exit (the “**Lock-up Period**”). Any private sale undertaken by a Consortium member after the Lock-up Period shall be subject to a right of first offer (the “**ROFO**”) in favour of the other Consortium member. The Term Sheet also includes a consent right in favour of Luxinva in respect of certain fund-to-fund transfers.

EQT retains control of the timing, structure and manner of any future liquidity event, subject to the right of Luxinva to be consulted and to drag EQT (i) after the eighth anniversary of the Acquisition becoming Effective provided that EQT has not initiated an exit prior to expiry of this eight-year period or (ii) after the end of the Lock-up Period if such exit would achieve a specified return hurdle.

Finally, the Term Sheet includes other customary provisions, such as (i) pre-emption rights in favour of each member of the Consortium on an allotment of securities, (ii) non-solicitation undertakings by the Consortium members, (iii) information rights, and (iv) certain tax matters.

(ii) Interim Facilities Agreement

Under the terms of the Interim Facilities Agreement, the Interim Lenders agree to make available to Bidco an interim term loan facilities in an aggregate principal amount equal to: (a) £625,000,000 (to be redenominated into USD in accordance with the terms of the Interim Facilities Agreement) (“**Interim Term Facility B1**”); and (b) £625,000,000 (to be redenominated into EUR in accordance with the terms of the Interim Facilities Agreement) (“**Interim Term Facility B2**”, and together with Interim Term Facility B1, the “**Interim Facilities**”).

The proceeds of loans drawn by Bidco under the Interim Facilities are to be applied, among other things, towards (directly or indirectly) (i) the refinancing of certain financial indebtedness of the Dechra Group; (ii) the payment of the purchase price of the Acquisition and related amounts required in connection with the Acquisition; and (iii) the payment of costs, fees, expenses and taxes incurred in connection with the foregoing transactions, the Acquisition and the transactions contemplated in connection therewith.

The Interim Facilities are available to be drawn in the following currencies: (a) the Interim Term Facility B1 is available to be utilised in US dollars; and (b) the Interim Term Facility B2 is available to be utilised in euros.

The Interim Term Facility B is available to be drawn, subject to satisfaction of the conditions precedent set forth in the Interim Facilities Agreement, from the date of the Interim Facilities Agreement to 11.59 p.m. on the last day of the TLB Certain Funds Period (as defined below).

Under the Interim Facilities Agreement, the “**TLB Certain Funds Period**” is defined as the period from (and including) the date of the Interim Facilities Agreement to (and including) the earliest of:

- (a) where the Acquisition proceeds by way of a scheme of arrangement, the earlier of (i) the date on which such scheme of arrangement lapses (including, subject to exhausting any rights of appeal, if a relevant court refuses to sanction such scheme of arrangement) or it is irrevocably withdrawn with the consent of Bidco and the Panel or by order of the Court; and (ii) the date which is six weeks after the Long Stop Date;
- (b) where the Acquisition is to be consummated pursuant to a takeover offer, the earlier of (i) the date on which such takeover offer lapses, terminates or is irrevocably withdrawn with the consent of the Panel; and (ii) the date which is eight weeks after the Long Stop Date; and
- (c) the date on which Dechra has become a wholly owned subsidiary of Bidco and all of the consideration payable under the Acquisition in respect of Dechra has been paid in full,

or, in each case, such later date as is agreed by Bidco and the original lenders under the Interim Facilities Agreement provided that neither (x) a switch from a scheme of arrangement to a takeover offer or from a takeover offer to a scheme of arrangement; (y) any launch of a new takeover offer or replacement scheme of arrangement (as the case may be); nor (z) any amendments to the terms or conditions of a scheme of arrangement or a takeover offer, shall constitute a lapse, termination or withdrawal for the purposes of paragraphs (a) and (b) immediately above, subject to (i) in the case of any switch from a scheme of arrangement to a takeover offer or from a takeover offer to a scheme of arrangement or any launch of a new takeover offer or replacement scheme of arrangement (as the case may be), Bidco having notified the original lenders and the agent under the Interim Facilities Agreement, on or prior to the date of a lapse, termination or withdrawal of the scheme of arrangement or takeover offer (as the case may be) for the purposes of paragraphs (a) and (b) immediately above, that it intends to launch a takeover offer (or new takeover offer, as the case may be) or a scheme of arrangement (or a replacement scheme of arrangement, as the case may be) and the applicable Rule 2.7 announcement for the takeover offer (or new takeover offer, as the case may be) or scheme of arrangement (or a replacement scheme of arrangement, as the case may be) is released within twenty Business Days after that date and delivered to the agent under the Interim Facilities Agreement; and (ii) in the case of any switch or other change from a scheme of arrangement to a takeover offer or any launch of a new takeover offer (including any amendment to the terms and conditions of a takeover offer), (unless otherwise agreed with the original lenders (acting reasonably)) the relevant offer document includes an acceptance

condition that is not less than 75 per cent. of the issued ordinary share capital of Dechra on a fully diluted basis or such lower threshold as is agreed by all Interim Lenders) and is otherwise in compliance with the undertakings set out under the Interim Facilities Agreement; and

- (d) the date on which long form financing documentation are signed by all the relevant parties and become unconditionally effective and the lenders thereunder (or the agent on their behalf) have confirmed that all conditions precedent to the availability and utilisation of the facilities under the long form financing documentation have been irrevocably satisfied and the Financial Advisers have confirmed to Bidco that the long form financing documentation and any ancillary finance documents are in a form satisfactory to the Financial Advisers.

Under the Interim Facilities Agreement, the “**Initial Closing Date**” is defined as the date on which (a) first payment is made to the shareholders of Dechra as required by the takeover offer or scheme of arrangement (as applicable) in accordance with the Takeover Code; and (b) first drawdown under Interim Term Facility B, have occurred.

The final maturity date of the Interim Facilities is the date which falls 60 days after the Initial Closing Date (the “**Final Repayment Date**”) (by which date the Interim Facilities would need to be replaced and refinanced). The Interim Facilities may also be voluntarily prepaid and/or cancelled at any time on one Business Day’s prior notice.

The Interim Facilities Agreement contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, permitted holding company activity, dividends and share redemption, acquisitions and mergers and conduct of the takeover offer and/or scheme of arrangement), indemnities and events of default, each with appropriate carve-outs and materiality thresholds and applicable to Bidco and, in certain instances, are also applicable to Freya Holdco Limited.

The rate of interest payable on each loan drawn under the Interim Facilities is the aggregate of the applicable margin plus the applicable Funding Cost (as defined below). The applicable margin on each Interim Facility is 6.25 per cent. per annum.

“**EURIBOR**” means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the agent under the Interim Facilities Agreement may specify another page or service displaying the relevant rate after consultation with Bidco.

“**Funding Cost**” means: (a) for loans denominated in USD, Term SOFR provided that if the resulting rate of Term SOFR is less than zero point seventy-five (0.75) per cent. per annum Term SOFR shall be deemed to be zero point seventy-five (0.75) per cent. per annum; and (b) for loans denominated in euro, EURIBOR, provided that if the resulting rate of EURIBOR is less than zero (0) per cent. per annum EURIBOR shall be deemed to be zero (0) per cent. per annum, subject to customary replacement rates if EURIBOR or Term SOFR is unavailable.

“**Term SOFR**” means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate) or, on the appropriate page of such other information service which publishes that rate from time to time in place of CME Group Benchmark Administration Limited. If such page or service ceases to be available, the agent under the Interim Facilities Agreement may specify another page or service displaying the relevant rate after consultation with Bidco.

Underwriting fees and upfront fees, among other fees, are also payable under the terms of the Interim Facilities Agreement and ancillary documentation.

The secured parties under the Interim Facilities Agreement receive the benefit of security including (a) an English law security interest over all the shares of Bidco; (b) an English law security interest over intra-group loan receivables held against Bidco together with a limited course floating charge granted by Freya Holdco Limited; and (c) an English law fixed and floating charge debenture granted by Bidco.

(iii) EQT Equity Commitment Letter

In connection with their equity financing of Bidco, the EQT Funds have each, on a several basis, entered into the EQT Equity Commitment Letter, which sets out the basis on which the EQT Funds will invest, directly or indirectly, in immediately available funds, their respective share of £2,802,703,356.37 in Bidco to enable Bidco to pay the consideration payable for the Scheme Shares. Pursuant to the terms of the EQT Equity Commitment Letter, the EQT Funds will procure that such investment has occurred on or before the date by which Bidco must pay the cash consideration due pursuant to the Scheme or Offer.

(iv) Luxinva Equity Commitment Letter

Luxinva has entered into the Luxinva Equity Commitment Letter, which sets out the basis on which (i) Luxinva will invest, in immediately available funds, £1,000,000,000.00 into Freya Holdco S.à r.l.; and (ii) Freya Holdco S.à r.l. will procure that such amount is applied in full by it and its subsidiaries to enable Bidco to use such funds to finance the relevant proportion of the consideration payable under the Acquisition.

### 7.3 *Offer-related arrangements*

(i) Exclusivity and Standstill Agreement

On 24 January 2023, EQT and Platinum Ivy B 2018 RSC Limited (“**Platinum Ivy**”), an affiliate of Luxinva managed by ADIA PED, entered into the Exclusivity and Standstill Agreement in relation to the Acquisition pursuant to which, amongst other things, EQT and Platinum Ivy agreed to certain confidentiality obligations and Platinum Ivy agreed to certain standstill and exclusivity obligations and restrictions on contact with persons at EQT and Dechra. As set out in the Bid Conduct Agreement, the confidentiality, standstill and exclusivity obligations and (to the extent they relate to contact with Dechra and certain related persons) the restrictions on contact, have been replaced and superseded by similar obligations and restrictions in the Bid Conduct Agreement.

(ii) Confidentiality Agreement

On 6 April 2023, EQT, on behalf of Bidco, and Dechra entered into the 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 Confidentiality Agreement also contains undertakings from EQT and its affiliates that for a period of twelve 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).

(iii) Cooperation Agreement

On 2 June 2023, Bidco and Dechra entered into the Cooperation Agreement with respect to the conduct of the Acquisition. The terms of the Cooperation Agreement provide that (amongst other things):

- (a) Bidco shall use all reasonable efforts to secure 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 (“**Clearances**”) as soon as reasonably practicable and Dechra shall provide all such assistance and information as may reasonably be required by Bidco for the purposes of obtaining the Clearances;
- (b) Bidco and Dechra have agreed to certain customary undertakings to cooperate in relation to such Clearances and to not take any frustrating action in relation thereto;
- (c) Bidco has agreed to provide Dechra with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; and

- (d) Bidco and Dechra have agreed to certain customary undertakings cooperate in preparing and implementing appropriate proposals in relation to the Dechra Share Plans and other employee-related matters.

The Cooperation Agreement records the intention of Bidco and Dechra to implement the Acquisition by way of the Scheme, subject to Bidco's right to switch to an Offer in certain circumstances. Bidco has agreed to certain customary provisions if the Scheme should switch to an Offer.

The Cooperation Agreement shall be terminated with immediate effect if:

- (e) Bidco and Dechra so agree in writing;
- (f) upon service of a written notice by Bidco to Dechra if the Dechra Board: (i) withdraws, adversely modifies or adversely qualifies the recommendation provided in the Announcement; (ii) makes an announcement to that effect; (iii) fails to include the recommendation in the Scheme Document; (iv) announces that it intends to delay the convening of the Court Meeting or the General Meeting (with the consent of Bidco and except where for reasons outside of Dechra's control); (v) announces that the Dechra Directors recommend, intend or are minded to recommend any firm or possible offer which would result in any person other than Bidco acquiring "control" of Dechra; or (vi) after the approval of the Resolution announces that it will not implement the Scheme, and, in each case, no third firm or possible offer announcement has been made;
- (g) upon service of notice by any party if:
  - (A) prior to the Long Stop Date, any Condition has been invoked by Bidco (where the invocation of the relevant Condition has been permitted by the Panel);
  - (B) prior to the Long Stop Date, a third party announces a firm intention to make an offer or revised offer for Dechra which completes, becomes effective or is declared or becomes unconditional;
  - (C) the Acquisition is withdrawn, terminated or lapses in accordance with its terms prior to the Long Stop Date and, where required, with the consent of the Panel (other than in certain limited circumstances);
  - (D) the Scheme is not approved by the Scheme Shareholders at the Court Meeting and/or the Dechra Shareholders do not approve the Resolution to be proposed at the General Meeting, or the Court refuses to sanction the Scheme; or
  - (E) the Effective Date has not occurred by the Long Stop Date (unless otherwise agreed by Bidco and Dechra in writing or required by the Panel).

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.

#### (iv) Bid Conduct Agreement

On 2 June 2023, Bidco, EQT and Luxinva 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.

(v) 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.

(vi) 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.

**8. Irrevocable undertakings**

**8.1 Dechra Directors**

The following Dechra Directors (or, in the case of Ishbel Jean Stewart Macpherson, former Dechra Director) 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:

<i>Name</i>	<i>Total number of Dechra Shares</i>	<i>Percentage of existing issued share capital</i>
Ian David Page*	370,168	0.325
Paul Nicholas Sandland*	8,672	0.008
Anthony Gerard Griffin	37,049	0.033
Elizabeth Alison Platt	3,709	0.003
Ishbel Jean Stewart Macpherson**	6,722	0.006
Lawson Macartney	5,880	0.005
Lisa Jane Bright	1,373	0.001
<b>TOTAL***</b>	<b>433,573</b>	<b>0.381</b>

Notes:

\* In addition to the Dechra Shares held by Ian David Page and Paul Nicholas 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 8.2 below.

\*\* As announced by Dechra on 16 June 2023, Ishbel Jean Stewart Macpherson resigned from the Dechra Board with effect from 22 June 2023, however, her irrevocable undertaking remains in force.

\*\*\* John Francis 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 8.2 below.

The undertakings listed in this paragraph 8.1 of this Part 5 (*Additional Information*) will continue to be binding in the event that a higher competing offer is made for Dechra.

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 this paragraph 8.1 of this Part 5 (*Additional Information*) cease to be binding on the earlier of the following occurrences (i) 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; (ii) 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; (iii) 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 (iv) the date on which any competing offer for the entire issued, and to be issued, ordinary share capital of Dechra is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes Effective.

## 8.2 *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:

<i>Name</i>	<i>Total number of Dechra Shares</i>	<i>Percentage of existing issued share capital</i>
Zoe Bamford (spouse of Ian David Page)	34,367	0.030
Adele Sandland (spouse of Paul Nicholas Sandland)	3,042	0.003
Fiona Shipsey (spouse of John Francis Shipsey)	600	0.001
<b>TOTAL</b>	<b>38,009</b>	<b>0.033</b>

The irrevocable undertakings referred to in this paragraph 8.2 of this Part 5 (*Additional Information*) cease to be binding on the earlier of the following occurrences (i) 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; (ii) 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; (iii) 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 (iv) the date on which any competing offer for the entire issued, and to be issued, ordinary share capital of Dechra is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes Effective

## 9. **Financing arrangements relating to Bidco and cash confirmation**

- 9.1 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 EFMS; (ii) equity to be invested by Luxinva; and (iii) debt to be provided under the Interim Facilities Agreement. Certain of such equity commitments to be provided by investment vehicles managed by EFMS will be provided by equity co-investors in investment vehicles managed by EFMS (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), as described in paragraph 10 of this Part 5 (*Additional Information*). If any further syndication of the funding commitments of the EQT Funds or Luxinva occurs prior to the Scheme becoming Effective, an announcement will be made by Bidco in respect of this through a Regulatory Information Service.
- 9.2 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.

## 10. Equity Co-Investors

- 10.1 In connection with the equity financing of Bidco, EFMS, in its capacity as the manager of one or more passive co-investment vehicles, managed and controlled by EFMS (the “**Co-Investment Vehicles**”) has accepted subscriptions from certain investors and/or their affiliates or other associated entities, to subscribe for interests in a Co-Investment Vehicle, through which such investors will hold minority indirect interests in Bidco (the “**Equity Co-Investors**”). The Equity Co-Investors will not be granted any governance or control rights over Bidco or any member of the Bidco Group or the Dechra Group. For the avoidance of doubt, the EQT Equity Commitment Letter does not reflect any amounts proposed to be committed by any Equity Co-Investor.
- 10.2 As at the date of this document, the commitments to the Co-Investment Vehicles total, in the aggregate, £824,980,000, which would comprise a maximum economic indirect interest as at the date of this document of approximately 21.6 per cent. in Bidco.
- 10.3 Details of the maximum potential indirect interest of the main Equity Co-Investors in Bidco (if provided) and certain further information on such Equity Co-Investors are set out below. The maximum potential indirect interests set out below reflect a combination of the indirect interest of the Equity Co-Investor in Bidco, in the aggregate, via its participation as a passive investor in a Co-Investment Vehicle and through its limited partner interest in the relevant EQT Fund.

<i>Equity Co-Investor (or its affiliate(s) and/or related investing vehicles(s))</i>	<i>Equity Co-Investor’s approx. max. per cent. indirect interest in Bidco</i>
Winder	9.93 per cent.
CalPERS	6.34 per cent.

### **Winder**

- 10.4 Winder Pte. Ltd. (“**Winder**”) is a private Singapore-based investment company whose assets are managed by Freemont Capital. Winder’s purpose is to make financial investments on a global basis with a particular focus on industrial equities where it sees long term value. Freemont Capital is a Singapore-based asset management company that manages several financial investments in industrial listed equities as well as private equity portfolios on a global basis.

### **CalPERS**

- 10.5 CalPERS is a California State government agency duly organized and existing under the California Public Employees’ Retirement Law, having its principal offices at 400 Q Street, Sacramento, California 95811, USA. As of 9 June 2023, CalPERS manages approximately \$457 billion in a wide range of asset classes, including global listed equities, global fixed income, private equity, private debt, real assets and infrastructure on behalf of more than 2 million current and retired California state, school, and public agency employees. Further information regarding CalPERS can be found on their website at <https://www.calpers.ca.gov>.

## 11. Bases and sources

- 11.1 As at 22 June 2023 (being the latest practicable date prior to the publication of this document), there was 113,888,190 Dechra Shares in issue. There were no Dechra Shares held in treasury. The International Securities Identification Number for the Dechra Shares is GB0009633180.
- 11.2 Any references to the fully diluted issued ordinary share capital of Dechra are based on:
- (i) the 113,888,190 Dechra Shares referred to in paragraph 11.1 above; and
  - (ii) 1,178,366 Dechra Shares which may be issued on or after the date of this document pursuant to the Dechra Share Plans and share awards as at 22 June 2023 (being the latest practicable date prior to the publication of this document).
- 11.3 A value of approximately £4,459 million for the entire issued, and to be issued, ordinary share capital of Dechra is based on:
- (i) the Acquisition Price of 3,875 pence per Scheme Share; and
  - (ii) Dechra’s fully diluted issued ordinary share capital of 115,066,556 Dechra Shares, as set out in paragraph 11.2 above.



- 11.4 The implied enterprise value for Dechra of £4,882 million is calculated by reference to the valuation of the Acquisition referenced in paragraph 11.3 above plus reported net debt of £423.3 million as at 31 December 2022.
- 11.5 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.
- 11.6 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 twelve months ended 30 June 2022, and the unaudited, consolidated financial statements of Dechra for the six months ended 31 December 2022.
- 11.7 The volume-weighted average prices and total shareholder returns have been derived from Bloomberg data.
- 11.8 Certain figures included in this document have been subject to rounding adjustments.

## **12. Other Information**

- 12.1 Investec has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 12.2 Each of Investec and PwC has given and has not withdrawn its written consent to the inclusion in this document of its report on the Dechra FY23 Profit Forecast in the form and context in which it appears in Part C and Part B respectively of Part 12 (*Dechra FY23 Profit Forecast*) of this document.
- 12.3 Each of BofA Securities and Morgan Stanley has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 12.4 There is no agreement, arrangement or understanding (including any compensation arrangements) between Bidco or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of Dechra or any person interested or recently interested in Dechra Shares having any connection with or dependence on or which is conditional upon the outcome of the Acquisition.
- 12.5 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Dechra Shares to be acquired by Bidco will be transferred to any other person, save that Bidco reserves the right to transfer any such shares to any member of the Bidco Group. Save as disclosed in this document, no member of the Bidco Group holds any interest in the relevant securities of Dechra.
- 12.6 The aggregate fees and expenses which are expected to be incurred by Bidco in connection with the Acquisition are estimated to amount to approximately £127.2 million excluding applicable VAT. This aggregate number consists of the following categories (in each case excluding applicable VAT):
- (i) financing arrangements: £47.5 million;
  - (ii) financial and corporate broking advice: £28.8 million;
  - (iii) legal advice £10.3 million;
  - (iv) accounting advice: £1.9 million;
  - (v) public relations advice: £0.5 million;
  - (vi) other professional services: £5.9 million; and
  - (vii) other costs and expenses: £32.3 million.
- 12.7 The aggregate fees and expenses which are expected to be incurred by Dechra in connection with the Acquisition are estimated to amount to approximately £25 million excluding applicable VAT. This aggregate number consists of the following categories (in each case excluding applicable VAT):
- (i) financial and corporate broking advice: £20 million;
  - (ii) legal advice: £3.54 million;
  - (iii) accounting advice: £0.43 million;

- (iv) public relations advice: £0.01 million;
- (v) other professional services: £0.96 million; and
- (vi) other costs and expenses: £0.05 million.

12.8 Save as disclosed in this document, the Dechra Directors are not aware of any significant change in the financial or trading position of Dechra which has occurred since 31 December 2022, being the date of the end of the last financial period for which half-yearly financial information was published.

12.9 A consolidated list of information incorporated by reference in this document is set out in Part 4 (*Financial and Ratings Information*) of this document. Dechra Shareholders and other persons who received this document may request a hard copy of such documents incorporated by reference. A copy of any such documents or information incorporated by reference will be sent free of charge if requested by (i) telephoning Equiniti on +44 (0) 333 207 6537. If calling from outside 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, stating your name, and the address to which the hard copy should be sent. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

### 13. Documents on display

Copies of the following documents will be available, free of charge, on Dechra's website at <https://www.dechra.com/investors/cash-offer> during the course of the Acquisition:

- (i) the irrevocable undertakings referred to in paragraph 8 of this Part 5 (*Additional Information*);
- (ii) the Exclusivity and Standstill Agreement referred to paragraph 7.3(i) of this Part 5 (*Additional Information*);
- (iii) the Term Sheet referred to in paragraph 7.2(i) of this Part 5 (*Additional Information*);
- (iv) the EQT Equity Commitment Letter referred to in paragraph 7.2(iii) of this Part 5 (*Additional Information*);
- (v) the Luxinva Equity Commitment Letter referred to in paragraph 7.2(iv) of this Part 5 (*Additional Information*);
- (vi) the Interim Facilities Agreement referred to in paragraph 7.2(ii) of this Part 5 (*Additional Information*), as well as related conditions precedent confirmation letter, fee letter, commitment letter and agency and security agency fee letter;
- (vii) the Confidentiality Agreement referred to in paragraph 7.3(ii) of this Part 5 (*Additional Information*);
- (viii) the Cooperation Agreement referred to in paragraph 7.3(iii) of this Part 5 (*Additional Information*);
- (ix) the Bid Conduct Agreement referred to in paragraph 7.3(iv) of this Part 5 (*Additional Information*);
- (x) the Joint Defence Agreement referred to in paragraph 7.3(v) of this Part 5 (*Additional Information*);
- (xi) the Commercial Clean Team Agreement referred to in paragraph 7.3(vi) of this Part 5 (*Additional Information*);
- (xii) the financial and ratings information referred to in Part 4 (*Financial and Ratings Information*) of this document;
- (xiii) the Announcement;
- (xiv) the existing Articles;
- (xv) a draft of the Articles as proposed to be amended by the Resolution;
- (xvi) Bidco's articles of association and memorandum of association;

- (xvii) the reports prepared by PwC and Investec in relation to the Dechra FY23 Profit Forecast for the purposes of Rule 28 of the Takeover Code;
- (xviii) the letters of consent referred to in paragraphs 12.1, 12.2 and 12.3 of this Part 5 (*Additional Information*); and
- (xix) a copy of this document and the Forms of Proxy.

26 June 2023

**PART 6:**

**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE**

**CR-2023-002051**

**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**

**COMPANIES COURT (CHD)**

**IN THE MATTER OF DECHRA PHARMACEUTICALS PLC**

**– and –**

**IN THE MATTER OF THE COMPANIES ACT 2006**

SCHEME OF ARRANGEMENT

*(under Part 26 of the Companies Act 2006)*

BETWEEN

DECHRA PHARMACEUTICALS PLC

AND

THE SCHEME SHAREHOLDERS

*(as hereinafter defined)*

**PRELIMINARY**

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>“£” or “pence”</b>	the lawful currency of the United Kingdom;
<b>“2006 Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Acquisition”</b>	the proposed cash acquisition by Bidco of the entire issued, and to be issued, ordinary 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;
<b>“Bidco”</b>	Freya Bidco Limited, a private limited company incorporated in England and Wales with registered number 14856770;
<b>“Bidco Group”</b>	Bidco and its subsidiary undertakings and where the context permits, each of them;
<b>“Business Day”</b>	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;
<b>“certificated” or “in certificated form”</b>	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);
<b>“Conditions”</b>	the conditions to the Acquisition and the Scheme, as set out in Part 3 ( <i>Conditions and Further Terms of the Acquisition and the Scheme</i> ) of the Scheme Document and any reference to a numbered Condition shall be a reference to the Condition set out in the paragraph of Part A of Part 3 ( <i>Conditions and Further Terms of the Acquisition and the Scheme</i> ) bearing such number;

<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve this Scheme, including any adjournment, postponement or reconvention thereof, to be held at Dechra’s offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA at 11.00 a.m. on 20 July 2023;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act;
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations);
<b>“Dechra”</b>	Dechra Pharmaceuticals PLC, a public limited company incorporated in England and Wales with registered number 03369634;
<b>“Dechra Options”</b>	the options or awards granted under or pursuant to the Dechra Share Plans;
<b>“Dechra Share Plans”</b>	the Dechra Unapproved Share Option Scheme, the Dechra Approved 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 and the Dechra 2021 Deferred Bonus Plan;
<b>“Dechra Shares”</b>	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 <b>“Dechra Share”</b> means any one of them;
<b>“Effective”</b>	the Scheme having become effective in accordance with its terms upon the delivery of the Court Order to the Registrar of Companies;
<b>“Effective Date”</b>	the date upon which this Scheme becomes Effective;
<b>“Equiniti”</b>	Equiniti Limited, being Dechra’s registrars;
<b>“Euroclear”</b>	Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738;
<b>“Excluded Shares”</b>	the Treasury Shares;
<b>“holder”</b>	a registered holder and includes any person entitled by transmission;
<b>“Long Stop Date”</b>	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;
<b>“members”</b>	members of Dechra on the register of members at any relevant date or time;
<b>“Optionholder Letters”</b>	the letters and enclosures to be sent to the holders of Dechra Options in connection with this Scheme;
<b>“Panel”</b>	the Panel on Takeovers and Mergers, or any successor from time to time;
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time (including by means of the Uncertificated Securities (amendment and EU Exit) Regulations 2019 (SI 2019/679));

<b>“Scheme”</b>	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Dechra and Bidco;
<b>“Scheme Document”</b>	the circular published by Dechra on 26 June 2023 in connection with, among other matters, this Scheme;
<b>“Scheme Record Time”</b>	6.00 p.m. on the Business Day immediately following the date of the Sanction Hearing;
<b>“Scheme Shareholders”</b>	the holders of Scheme Shares at any relevant date or time;
<b>“Scheme Shares”</b>	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 Dechra Shares which are for the time being held by Dechra as treasury shares within the meaning of the 2006 Act;
<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	shall be construed in accordance with the 2006 Act;
<b>“Treasury Shares”</b>	any Dechra Shares which are for the time being held by Dechra as treasury shares within the meaning of the 2006 Act;
<b>“uncertificated” or “in uncertificated form”</b>	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; and
<b>“Voting Record Time”</b>	6.30 p.m. on the day which is two days (excluding non-working days) before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned meeting.

References to “Clauses” and “sub-Clauses” are to clauses and sub-clauses of this Scheme, and references to time are to London time.

- (B) The share capital of Dechra as at the close of business on 22 June 2023 (being the latest practicable date prior to the date of this Scheme) was £1,138,881.90 divided into 113,888,190 Dechra Shares, all of which were credited as fully paid and none of which were held in treasury. Each Dechra Share carries the right to one vote at a general meeting of Dechra and, therefore, the total number of voting rights in Dechra as at 22 June 2023 is 113,888,190.
- (C) As at 22 June 2023 (being the latest practicable date prior to the date of this Scheme), up to 1,178,366 Dechra Shares may be issued on or after the date of this Scheme pursuant to the Dechra Share Plans.
- (D) Bidco was incorporated on 9 May 2023 under the laws of England and Wales as a private company limited by shares for the purposes of carrying out the Acquisition.
- (E) As at the close of business on 22 June 2023 (being the latest practicable date prior to the date of this Scheme), no Dechra Shares were registered in the name of or beneficially owned by Bidco or any other member of the Bidco Group.
- (F) Bidco has agreed, subject to the satisfaction or (where applicable) waiver of the Conditions (other than Conditions 2.3(i) and 2.4 set out in Part 3 (*Conditions and Further Terms of the Acquisition and the Scheme*) of the Scheme Document), to appear by counsel at the hearing to sanction this Scheme and to submit to be bound by and to undertake to the Court to be bound by this Scheme in so far as it relates to Bidco and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## THE SCHEME

### 1. Transfer of the Scheme Shares

- (a) Subject to the terms of this Scheme, on and with effect from the Effective Date, Bidco (and/or its nominee(s)) shall acquire all of the Scheme Shares with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or attaching or accruing to them at the Effective Date or thereafter attaching thereto, including (without limitation) voting rights and the right to receive and retain in full all dividends and other distributions (if any), and any other return of capital (whether by way of reduction of share capital or share premium account or otherwise), proposed, announced, authorised, declared, made or paid in respect of the Scheme Shares by reference to a record date falling on or after the Effective Date.
- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco (and/or its nominee(s)) and such transfer shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer, or by means of CREST and, to give effect to such transfer(s), any person may be appointed by Bidco as attorney and/or agent and/or otherwise and is hereby authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Scheme Shareholder to execute and deliver as transferor a form or forms or other instrument of transfer (whether by deed or otherwise) of, or give any instructions to transfer, or to procure the transfer by means of CREST of, such Scheme Shares and every form or instrument or instruction of transfer so executed or instruction given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred. Such form or instrument or instruction of transfer (rather than the Court Order) shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco (and/or its nominee(s)), together with the legal interest in such Scheme Shares, pursuant to such form or instruction or instrument or transfer, or by means of CREST.
- (c) Pending the transfer of the Scheme Shares on the Effective Date and the registration of Bidco (or its nominee(s)) as the holder of any Scheme Share in the register of members of Dechra to reflect such transfer, with effect from the Effective Date each Scheme Shareholder irrevocably:
- (i) appoints Bidco (and/or its nominee(s)) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares, and any or all rights and privileges (including the right to requisition the convening of a general meeting of Dechra or of any class of its shareholders) attaching to its Scheme Shares;
  - (ii) appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and do such things, as may in the opinion of Bidco and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including without limitation, an authority to sign any consent to short notice of any general or separate class meetings of Dechra as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general or separate class meetings of Dechra (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
  - (iii) authorises Dechra and/or its agents to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Dechra in respect of Scheme Shares (including any share certificate(s) or other document(s) of title issues as a result of conversion of their Scheme Shares into certificated form),  
  
such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.
- (d) Dechra shall register, or procure the registration of, any transfer(s) of Scheme Shares effected in accordance with Clause 1(a) and Clause 1(b) of this Scheme.



## **2. Consideration for the transfer of the Scheme Shares**

- (a) In consideration for the transfer of the Scheme Shares to Bidco and/or its nominee(s) pursuant to Clause 1(a) and Clause 1(b) of this Scheme, Bidco shall (subject to the remaining provisions of this Clause 2) pay to or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing in the register of members of Dechra at the Scheme Record Time):

**for each Scheme Share                      3,875 pence in cash**

- (b) If, prior to the Effective Date, any dividend and/or distribution and/or other return of capital or value is announced, declared, authorised, made, paid or becomes payable in respect of the Scheme Shares, Bidco shall be entitled to reduce the consideration payable under the terms of the Acquisition for the Scheme Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value so announced, declared, authorised, made, paid or payable per Scheme Share.
- (c) Subject always to sub-Clause 2(d) of this Scheme, if Bidco exercises the right referred to in sub-Clause 2(b) of this Scheme to reduce the consideration payable for each Scheme Share:
- (i) the relevant Scheme Shareholders shall be entitled to receive and retain that dividend and/or other distribution and/or other return of capital in respect of the Scheme Shares they hold;
  - (ii) any reference in this Scheme and the Scheme Document to the consideration payable under this Scheme shall be deemed a reference to the consideration as so reduced; and
  - (iii) the exercise of such right shall not be regarded as constituting any revision or modification of the terms of this Scheme.
- (d) To the extent that any such dividend and/or other distribution and/or other return of capital is announced, authorised, declared, made, paid or becomes payable and: (i) the Scheme Shares are transferred pursuant to the Scheme on a basis which entitles Bidco to receive the dividend and/or distribution and/or return of capital and to retain it; or (ii) such dividend and/or distribution and/or other return of capital is cancelled, the consideration shall not be subject to change and shall not be reduced in accordance with Clause 2(b) of this Scheme.

## **3. Settlement of consideration**

- (a) As soon as practicable after the Effective Date, and in any event no later than 14 days after the Effective Date (unless the Panel consents otherwise), Bidco shall satisfy the consideration due to Scheme Shareholders pursuant to Clause 2 as follows:
- (i) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, Bidco shall procure: (a) that if the relevant Scheme Shareholder has set up a standing electronic payment mandate with Dechra's registrars, Equiniti, for the purpose of receiving dividend payments from Dechra, such payment shall be made by way of an electronic payment to the account indicated in such standing electronic payment mandate. Equiniti and Dechra reserve sole discretion to undertake due diligence to authenticate and if necessary disregard the mandate and issue the cash consideration in the form of a cheque as described in (b); or (b) otherwise that payment is made by cheque drawn on a branch of a UK clearing bank for the sums payable to the relevant Scheme Shareholders entitled thereto in accordance with Clause 2, provided that if the amount payable to any Scheme Shareholder who has not set up a standing electronic payment mandate exceeds £500,000, Bidco reserves the right to agree with such person to facilitate electronic payment of such consideration in lieu of a cheque. Bidco further reserves the right to make payment of the said consideration by any other method approved by the Panel;
  - (ii) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, Bidco shall instruct or procure the instruction of Euroclear to create an assured payment obligation in respect of the sums payable to the relevant Scheme Shareholders in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements, provided that Bidco reserves the right to make payment of the said sums by electronic payment or by cheque as set out in Clause 3(a)(i) or by any other method approved by the Panel if, for any reason, it wishes to do so; and



- (iii) in the case of Scheme Shares issued or transferred or otherwise acquired on the exercise of Dechra Options after the Court has made the Court Order and prior to the Scheme Record Time, Bidco shall procure the payment of the sums payable to the persons entitled thereto in respect of such Scheme Shares by such method as shall be determined by Dechra (including, but not limited to, procuring that payments are made either by cheque or directly into the relevant director or employee bank account through the payroll, subject to the deduction of applicable exercise prices, income taxes and social security contributions, in each case, in accordance with the terms of the Optionholder Letters).
- (b) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares shall be removed from CREST in due course.
- (c) All deliveries of notices, cheques or statements of entitlement pursuant to this Scheme shall be effected by sending the same by first class post (or international standard post, if overseas) (or by such other method as may be approved by the Panel) in prepaid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Dechra at the Scheme Record Time (except that, in the case of joint holders, Bidco reserves the right to send the same to the address of the holder whose name stands first in the register of members of Dechra in respect of such joint holding at the Scheme Record Time), and none of Bidco, Dechra or their respective nominees or agents shall be responsible for any loss or delay in the transmission or delivery of any notices, cheques or statements of entitlement sent in accordance with this Clause 3(c) which shall be sent at the risk of the persons entitled thereto.
- (d) All cheques shall be in pounds sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder concerned (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of Dechra in respect of such joint holding at the Scheme Record Time), and the encashment of any such cheque, in each case as referred to in Clause 3(d) shall be a complete discharge to Bidco of its obligations under this Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date.
- (e) In respect of payments made through CREST, Bidco shall instruct, or procure the instruction of, Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements within 14 days of the Effective Date. The instruction of Euroclear shall be a complete discharge of Bidco's obligations under this Scheme in relation to payments made through CREST.
- (f) All payments made by way of electronic transfer as authorised or permitted under the terms of this Scheme shall be paid to the Scheme Shareholder concerned using the account details indicated in the standing electronic payment mandate set up by such Scheme Shareholder with Dechra's registrars, Equiniti, and the transfer of such amount by way of electronic transfer shall be a complete discharge to Bidco for the monies represented thereby.
- (g) Settlement of the consideration payable to Scheme Shareholders under this Scheme shall, except as provided in this Scheme and except with the consent of the Panel, be implemented in full without regard to any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such Scheme Shareholder.
- (h) In the case of Scheme Shares issued or transferred pursuant to the Dechra Share Plans after the making of the Court Order and prior to the Scheme Record Time, the cash consideration due under the Scheme in respect of those Scheme Shares will be settled by such method as shall be determined by Dechra (including, but not limited to, procuring that payments are made through payroll as soon as possible subject to the deduction of the applicable exercise price, income taxes and social security contributions).
- (i) In the case of Scheme Shareholders that have not encashed cheques sent to them in accordance with this Scheme within six months from the Effective Date, Bidco shall procure that the consideration due to such Scheme Shareholders under the Scheme will be remitted to Dechra within six months and one week from the Effective Date to be held by it on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may (subject to the legal requirements of any jurisdiction relevant to the Scheme Shareholder) claim the consideration due to them (plus interest accrued thereon, if any but not of expenses and taxes) by written notice to Dechra in a form which Dechra determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.

- (j) The provisions of this Clause 3 shall be subject to any condition or prohibition imposed by law.

#### **4. Share certificates and transfer of entitlements**

With effect from, or as soon as practicable after, the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to be valid as documents of title to the Scheme Shares represented thereby and every Scheme Shareholder shall be bound on the direction of Dechra to deliver up their share certificate(s) representing Scheme Shares to Dechra (or any person appointed by Dechra to receive such certificates) or, as it may direct, to destroy the same;
- (b) Dechra shall procure that Euroclear is instructed to cancel the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form;
- (c) following cancellation of the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form, Dechra shall procure that such entitlements to Scheme Shares are rematerialised; and
- (d) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with Clause 1 and the payment of any UK stamp duty thereon, Dechra shall make or procure to be made the appropriate entries in the register of members of Dechra to reflect the transfer of the Scheme Shares to Bidco (and/or its nominee(s)).

#### **5. Mandates**

All mandates and other instructions to Dechra in force at the Scheme Record Time relating to Scheme Shares shall cease to be valid and effective on the Effective Date with the exception of those mandates that will be used for the issue of the Scheme consideration.

#### **6. Effective Date**

- (a) This Scheme shall become Effective as soon as a copy of the order of the Court sanctioning this Scheme under section 899 of the 2006 Act shall have been delivered to the Registrar of Companies in England and Wales.
- (b) Unless this Scheme shall have become Effective on or before 11.59 p.m. on the Long Stop Date, this Scheme shall never become Effective.

#### **7. Modification**

Dechra and Bidco may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code. For the avoidance of doubt, no modifications may be made to the Scheme once it has taken effect.

#### **8. Governing Law**

This Scheme is governed by the laws of England and Wales and is subject to the jurisdiction of the English courts.

Dated: 26 June 2023

## PART 7:

### UNITED KINGDOM TAXATION

The following information is intended only as a general guide to current UK tax legislation as applied in the United Kingdom and published HM Revenue and Customs practice (which may not be binding on HM Revenue & Customs) as it applies to disposing of Dechra Shares at the date of this document, both which are subject to change, possibly with retrospective effect. In particular, paragraph 1 of this Part 7 (*United Kingdom Taxation*) of this document applies only to Scheme Shareholders resident and, in the case of an individual, domiciled for tax purposes in (and only in) the UK and to whom “split year” treatment does not apply, who hold their Scheme Shares as an investment (other than where a tax exemption applies, for example, under a pension arrangement or an ISA or a Lifetime ISA), who have not (and are not deemed to have) acquired their Scheme Shares by virtue of an office or employment, and who are the absolute beneficial owners thereof (“**UK Holders**”). Scheme Shareholders holding their Scheme Shares via a depository receipt system or a clearance service should note that they may not always be the absolute beneficial owners thereof (although generally HM Revenue and Customs will treat such holders as beneficial owners of the underlying Scheme Shares). The discussion does not address all possible tax consequences relating to the Schemes. Certain categories of Scheme Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs and exemptions, those connected with Dechra, and those for whom the Scheme Shares are employment-related securities, may be subject to special rules and this summary does not apply to such Scheme Shareholders.

This section is not intended, and shall not be construed to be, legal or taxation advice to any particular Dechra Shareholder. Any Dechra Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than the United Kingdom, should consult their professional adviser. In particular, Dechra Shareholders should be aware that the tax legislation of any jurisdiction where the Dechra Shareholder is resident or otherwise subject to taxation (as well as the UK) may have an impact on the tax consequences of disposing of the Dechra Shares. The following paragraphs do not consider the UK taxation consequences should Bidco (with consent of the Panel) elect to implement the Acquisition by way of an Offer.

#### 1. UK Taxation of Chargeable Gains

##### *Individual Scheme Shareholders*

A Dechra Shareholder who is either resident or, in the case of an individual, ordinarily resident for tax purposes in the UK and whose Dechra Shares are subject to the Scheme will be treated as making a disposal of such Dechra Shares for the purposes of the UK taxation of chargeable gains (“**UK CGT**”). Such a disposal may, depending upon the Dechra Shareholder’s circumstances and subject to available exemptions or reliefs, give rise to a chargeable gain or allowable loss for UK CGT purposes.

For UK resident or ordinarily resident individual Dechra Shareholders, any chargeable gain arising after taking account of reliefs and exemptions will generally be subject to capital gains tax at the rate of ten per cent. or, for higher rate taxpayers, twenty per cent. Personal representatives and trustees will also pay capital gains tax at a flat rate of twenty per cent.

The capital gains annual exemption (£6,000 for 2023/2024) may be available for UK resident or ordinarily resident individual Dechra Shareholders to offset any chargeable gain (to the extent it has not already been utilised).

##### *Scheme Shareholders within the charge to UK Corporation Tax*

Subject to available exemptions, reliefs or allowances, chargeable gains arising on a disposal of Scheme Shares under the Scheme by a UK Holder within the charge to UK corporation tax will be subject to UK corporation tax at the applicable rate. For companies whose profits are under £50,000 the applicable rate (for the 2023/2024 financial year) is the small profits rate of 19 per cent. For companies whose profits are in excess of £250,000 the applicable rate for that year is the main rate of 25 per cent. Companies whose profits fall between £50,000 and £250,000 can claim marginal relief which gives them an effective rate between 19 per cent. and 25 per cent.

For UK resident Dechra Shareholders within the charge to UK corporation tax and who acquired their shares before 31 December 2017, an indexation allowance may be available to reduce the amount of the chargeable gain realised (but not to create or increase any allowable loss) on a disposal of the Scheme Shares.

## **2. Stamp Duty and Stamp Duty Reserve Tax**

No UK stamp duty or stamp duty reserve tax should be payable by Dechra Shareholders as a result of the disposal of Dechra Shares held by them under the Acquisition.

## PART 8:

### OVERSEAS SHAREHOLDERS

#### 1. General

This document has been prepared for the purposes of complying with English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the UK.

The availability of the Acquisition to holders of Dechra Shares who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. It is the responsibility of any person outside the UK into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

The release, publication or distribution of this document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable requirements. 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.

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 Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must observe these restrictions and must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. Doing so may render invalid any purported vote in respect of the Acquisition.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

**Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme.**

#### 2. US holders of Dechra Shares

US holders of Dechra Shares should note that the Scheme relates to the shares of a UK company that is a “foreign private issuer” as defined under Rule 3b-4 under the U.S. Exchange Act and will be governed by English law. Accordingly, neither the proxy solicitation rules nor the tender offer rules under the U.S. Exchange Act will apply to the Acquisition and to the Scheme. Moreover, the Acquisition and the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Financial information included in this document has been prepared in accordance with accounting standards applicable in the UK that may not be comparable with the accounting standards applicable to financial statements of US companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. If Bidco were to elect to implement the acquisition of the Dechra Shares by way of an Offer, the Offer will be made in compliance with applicable US securities laws and regulations.

Neither the U.S. Securities and Exchange Commission nor any securities commission of any state of the US nor any other US regulatory authority has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the US.

In accordance with normal UK practice, Bidco, its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Dechra Shares outside the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn, in compliance with applicable law, including the U.S. Exchange Act. 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 UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

The receipt of cash pursuant to the Acquisition by a US holder of Dechra Shares as consideration for the transfer of its Dechra Shares pursuant to the Scheme will likely be a taxable transaction for US federal income tax purposes and may also be a taxable transaction under applicable state and local tax laws, as well as foreign and other tax laws. Each US holder of Dechra Shares is strongly advised to consult an appropriately qualified independent professional tax adviser immediately with respect to the tax consequences of the Scheme applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

### **3. UK Taxation of certain overseas shareholders**

Non-UK holders should not be subject to United Kingdom taxation of chargeable gains in respect of the Scheme, however they may be subject to foreign taxation depending on their personal circumstances. No UK stamp duty or Stamp Duty Reserve Tax (SDRT) should generally be payable by Non-UK holders on the transfer of their Dechra Shares under the Scheme.

References above to “**Non-UK holders**” are to Dechra Shareholders who are not resident for tax purposes in the United Kingdom, have not within the past five years been resident or ordinarily resident for tax purposes in the United Kingdom and are not carrying on a trade (or profession or vocation) in the United Kingdom.

If an individual is only temporarily resident outside the United Kingdom for capital gains tax purposes as at the date of disposal, the individual could, on becoming resident for tax purposes in the United Kingdom again, be liable for United Kingdom taxation of chargeable gains in respect of disposals made while the individual was temporarily resident outside the United Kingdom for capital gains tax purposes.



## PART 9:

### DEFINITIONS

The following definitions apply throughout this document, other than in Part 6 (*The Scheme of Arrangement*) of this document and the notices of the Meetings, unless the context requires otherwise.

“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, ordinary 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 Scheme Share;
“ADIA”	Abu Dhabi Investment Authority;
“ADIA PED”	the Private Equities Investment Department of ADIA;
“Announcement”	the joint announcement of the Acquisition by Bidco and Dechra under Rule 2.7 of the Takeover Code, released on the Announcement Date;
“Approved Share Option Scheme”	the Dechra Approved Share Option Scheme;
“Announcement Date”	2 June 2023;
“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;
“Articles”	the articles of association of Dechra, as amended from time to time;
“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, as described in paragraph 7.3(iv) of Part 5 ( <i>Additional Information</i> ) of this document;
“Bidco”	Freya Bidco Limited, a private limited company incorporated in England and Wales with registered number 14856770;
“Bidco Directors”	the directors of Bidco whose names are set out in paragraph 2.2 of Part 5 ( <i>Additional Information</i> ) of this document and “ <b>Bidco Director</b> ” shall mean any one of them;
“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;
“CalPERS”	the California Public Employees’ Retirement System;
“CalPERS Responsible Persons”	the responsible persons of CalPERS whose names are set out in paragraph 2.6 of Part 5 ( <i>Additional Information</i> ) of this document;
“certificated” or “in 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);

<b>“Closing Price”</b>	the closing middle market price of a Dechra Share as derived from the Daily Official List on any particular trading day;
<b>“Co-Investment Vehicles”</b>	has the meaning given to it in paragraph 10.1 of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Commercial Clean Team Agreement”</b>	the commercial clean team agreement between Dechra, EQT and Luxinva, originally dated 5 May 2023 and novated and restated on 2 June 2023, as described in paragraph 7.3(vi) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Conditions”</b>	the conditions to the Acquisition and the Scheme, as set out in Part 3 ( <i>Conditions and Further Terms of the Acquisition and the Scheme</i> ) of this document and any reference to a numbered Condition shall be a reference to the Condition set out in the paragraph of Part A of Part 3 ( <i>Conditions and Further Terms of the Acquisition and the Scheme</i> );
<b>“Confidentiality Agreement”</b>	the confidentiality agreement dated 6 April 2023 between EQT and Dechra, as described in paragraph 7.3(ii) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“connected person” or “persons connected”</b>	in relation to person A, any person whose interests in shares person A is taken to be interested in pursuant to Part 22 of the 2006 Act and related regulations;
<b>“Consortium”</b>	EQT and Luxinva;
<b>“Cooperation Agreement”</b>	the cooperation agreement dated 2 June 2023 between Bidco and Dechra relating to, amongst other things, the implementation of the Acquisition, as described in paragraph 7.3(iii) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Meeting”</b>	the meeting of the Scheme 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, notice of which is set out in Part 10 ( <i>Notice of Court Meeting</i> ) of this document, to be held at Dechra’s offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA at 11.00 a.m. on 20 July 2023;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act;
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations);
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, the CREST International Manual, the CREST Rules, the Registrars Service Standards, the Settlement Discipline Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedure and the CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996);
<b>“CREST Proxy Instruction”</b>	a proxy appointment or instruction made using the CREST service, by way of the appropriate CREST message, which must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual;
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange;
<b>“DBP”</b>	the Dechra 2021 Deferred Bonus Plan;
<b>“Dealing Disclosure”</b>	an announcement by a party to an offer or a person acting in concert as required by Rule 8 of the Takeover Code;



<b>“Dechra”</b>	Dechra Pharmaceuticals PLC, a public limited company incorporated in England and Wales registered with registered number 03369634;
<b>“Dechra Board” or “Dechra Directors”</b>	the directors of Dechra whose names are set out in paragraph 2.1 of Part 5 ( <i>Additional Information</i> ) of this document and <b>“Dechra Director”</b> shall mean any one of them;
<b>“Dechra Directors’ Remuneration Policy”</b>	the directors’ remuneration policy approved by Dechra Shareholders from time to time;
<b>“Dechra FY23 Profit Forecast”</b>	the Dechra profit forecast for the financial year ending 30 June 2023, as set out in Part A of Part 12 ( <i>Dechra FY23 Profit Forecast</i> ) of this document;
<b>“Dechra Group”</b>	Dechra and its subsidiary undertakings and where the context permits, each of them;
<b>“Dechra Options”</b>	the options or awards granted under or pursuant to the Dechra Share Plans;
<b>“Dechra Remuneration Committee”</b>	the remuneration committee of the Dechra Board;
<b>“Dechra Share Plans”</b>	the Unapproved Share Option Scheme, the Approved Share Option Scheme, the LTIP, the DBP, the SAYE and the Global SAYE;
<b>“Dechra Shareholders”</b>	holders of Dechra Shares;
<b>“Dechra Shares”</b>	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 <b>“Dechra Share”</b> means any one of them;
<b>“Disclosed”</b>	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 the Announcement; (iv) in any other announcement to a Regulatory Information Service prior to the publication of the 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 Announcement Date to Bidco or Bidco’s officers, employees, agents or advisers (in their capacity as such);
<b>“Disclosure Guidance and Transparency Rules”</b>	the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA;
<b>“Effective”</b>	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;
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective;
<b>“EFMS”</b>	EQT Fund Management S.à r.l. acting in its capacity as manager ( <i>gérant</i> ) (within the context required);
<b>“Equiniti”</b>	Equiniti Limited, being Dechra’s registrars;
<b>“EQT”</b>	EFMS acting in its capacity as manager ( <i>gérant</i> ) of the EQT Funds (unless specified otherwise);
<b>“EQT Equity Commitment Letter”</b>	the equity commitment letter dated 2 June 2023 between the EQT Funds and Bidco, as described in paragraph 7.2(iii) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“EQT Funds”</b>	EQT X EUR SCSp and EQT X USD SCSp;

<b>“EQT Responsible Persons”</b>	the responsible persons of EQT whose names are set out in paragraph 2.3 of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Euroclear”</b>	Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738;
<b>“Excluded Shares”</b>	the Treasury Shares;
<b>“Exclusivity and Standstill Agreement”</b>	the standstill and exclusivity agreement between EQT and Platinum Ivy dated 24 January 2023, as described in paragraph 7.3(i) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“FCA”</b>	the Financial Conduct Authority, or its successor from time to time;
<b>“FCA Handbook”</b>	the FCA’s Handbook of rules and guidance as amended from time to time;
<b>“Financial Advisers”</b>	BofA Securities and Morgan Stanley;
<b>“Forms of Proxy”</b>	the WHITE form of proxy for use by Scheme Shareholders in connection with the Court Meeting and the BLUE form of proxy for use by Dechra Shareholders in connection with the General Meeting, as the context requires, both of which accompany this document;
<b>“Freemont Capital”</b>	Freemont Capital Pte. Ltd.;
<b>“Freemont Responsible Person”</b>	the responsible person of Freemont Capital whose name is set out in paragraph 2.5 of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“General Meeting”</b>	the general meeting of Dechra Shareholders to be convened to consider and if thought fit pass, <i>inter alia</i> , the Resolution in relation to the Scheme, including any adjournments thereof, notice of which is set out in Part 11 ( <i>Notice of General Meeting</i> ) of this document, to be held at Dechra’s offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA at 11.15 a.m. on 20 July 2023 (or as soon thereafter as the Court Meeting is concluded or adjourned);
<b>“Global SAYE”</b>	the Dechra Global Save As You Earn Plan 2018;
<b>“holder”</b>	a registered holder and includes any person entitled by transmission;
<b>“Interim Facilities Agreement”</b>	the interim facilities agreement between (amongst others) Bidco, Freya Holdco Limited as parent, the original lenders named therein and Wilmington Trust (London) Limited as agent and security agent dated 2 June 2023, as described in paragraph 7.2(ii) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Interim Lender”</b>	has the same meaning as given to the term “Lender” under the Interim Facilities Agreement;
<b>“Investec”</b>	Investec Bank plc;
<b>“Joint Defence Agreement”</b>	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, as described in paragraph 7.3(v) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Listing Rules”</b>	the rules and regulations made by the FCA under the Financial Services and Markets Act 2000 (as amended) and contained in the FCA’s publication of the same name, as amended from time to time;
<b>“London Stock Exchange”</b>	London Stock Exchange plc or its successor;
<b>“Long Stop Date”</b>	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;
<b>“LTIP”</b>	the Dechra 2017 Long Term Incentive Plan;
<b>“Luxinva”</b>	Luxinva S.A.;

<b>“Luxinva Equity Commitment Letter”</b>	the equity commitment letter dated 2 June 2023 between Luxinva and Freya Holdco S.à r.l., as described in paragraph 7.2(iv) of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Luxinva Responsible Persons”</b>	the responsible persons of Luxinva whose names are set out in paragraph 2.4 of Part 5 ( <i>Additional Information</i> ) of this document;
<b>“Main Market”</b>	the main market of the London Stock Exchange;
<b>“Market Abuse Regulation”</b>	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;
<b>“Meetings”</b>	the Court Meeting and the General Meeting;
<b>“members”</b>	members of Dechra on the register of members at the relevant time;
<b>“Morgan Stanley”</b>	Morgan Stanley & Co. International plc;
<b>“Non-Executive Directors”</b>	the non-executive members of the Dechra Board;
<b>“Offer”</b>	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, ordinary share capital of Dechra, and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
<b>“Offer Period”</b>	the offer period (as defined by the Takeover Code) relating to Dechra which commenced on 13 April 2023;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Opening Position Disclosure”</b>	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;
<b>“Overseas Shareholders”</b>	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers, or its successor from time to time;
<b>“PRA”</b>	the Prudential Regulation Authority, or its successor from time to time;
<b>“PwC”</b>	PricewaterhouseCoopers LLP;
<b>“Registrar of Companies”</b>	the registrar of companies in England and Wales;
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time (including by means of the Uncertificated Securities (amendment and EU Exit) Regulations 2019 (SI 2019/679));
<b>“Regulatory Authority”</b>	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;
<b>“Regulatory Information Service”</b>	a regulatory information service as defined in the FCA Handbook;

<b>“relevant securities”</b>	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;
<b>“Resolution”</b>	the special resolution to be proposed at the General Meeting in connection with, <i>inter alia</i> , the implementation of the Scheme and certain amendments to be made to the articles of association of Dechra, as set out in the notice of General Meeting set out in Part 11 ( <i>Notice of General Meeting</i> ) of this document;
<b>“Restricted Jurisdiction”</b>	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;
<b>“Sanction Hearing”</b>	the Court hearing to sanction the Scheme under section 899 of the 2006 Act and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;
<b>“SAYE”</b>	the Dechra Save As You Earn Option Scheme;
<b>“Scheme”</b>	the scheme of arrangement under Part 26 of the 2006 Act between Dechra and the holders of the Scheme Shares, the full terms of which are set out in Part 6 ( <i>The Scheme of Arrangement</i> ) of this document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Dechra and Bidco;
<b>“Scheme Document”</b>	this document to be sent to Dechra Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Meetings;
<b>“Scheme Record Time”</b>	6.00 p.m. on the Business Day immediately following the date of the Sanction Hearing (or such other date and/or time as Bidco and Dechra may agree);
<b>“Scheme Shareholders”</b>	the holders of Scheme Shares at any relevant date or time;
<b>“Scheme Shares”</b>	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 Dechra Shares which are for the time being held by Dechra as treasury shares within the meaning of the 2006 Act;
<b>“Spanish FDI Authority”</b>	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;
<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	shall be construed in accordance with the 2006 Act;
<b>“Takeover Code”</b>	the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time;
<b>“Term Sheet”</b>	the term sheet entered into between EQT and Luxinva on 2 June 2023, as described in paragraph 7.2(i) of Part 5 ( <i>Additional Information</i> ) of this document;

<b>“Third Party”</b>	any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, authority (including any national or supranational anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any jurisdiction, including, for the avoidance of doubt, the Panel;
<b>“Treasury Shares”</b>	any Dechra Shares which are for the time being held by Dechra as treasury shares within the meaning of the 2006 Act;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“Unapproved Share Option Scheme”</b>	the Dechra Unapproved Share Option Scheme;
<b>“uncertificated” or “in uncertificated form”</b>	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;
<b>“U.S. Exchange Act”</b>	the U.S. Securities Exchange Act of 1934;
<b>“Voting Record Time”</b>	6.30 p.m. on the day which is two days (excluding non-working days) before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned meeting;
<b>“Wider Bidco Group”</b>	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; and
<b>“Wider Dechra Group”</b>	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.

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.

**PART 10:**  
**NOTICE OF COURT MEETING**

**IN THE HIGH COURT OF JUSTICE**

**CR-2023-002051**

**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**

**COMPANIES COURT (CHD)**

**INSOLVENCY AND COMPANIES COURT JUDGE BARBER**

**IN THE MATTER OF DECHRA PHARMACEUTICALS PLC**

– and –

**IN THE MATTER OF THE COMPANIES ACT 2006**

NOTICE IS HEREBY GIVEN that by an order dated 23 June 2023 made in the above matters the High Court of Justice in England and Wales (the “**Court**”) has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of the Scheme Shares as at the Voting Record Time (each as defined in the scheme of arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 (the “**2006 Act**”) between Dechra Pharmaceuticals PLC (the “**Company**”) and the holders of the Scheme Shares (the “**Scheme**”), and that such meeting shall be held at Dechra’s offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA on 20 July 2023 at 11.00 a.m., at which place and time all holders of Scheme Shares are requested to attend.

At the meeting the following resolution will be proposed:

“That the scheme of arrangement dated 26 June 2023, between the Company and the Scheme Shareholders (as defined in the scheme of arrangement), a print of which has produced to this meeting and, for the purposes of identification, signed by the Chair hereof, in its original form or with or subject to any modification, addition or condition which may be agreed in writing by the Company and 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.) (“**Bidco**”) and approved or imposed by the Court, be approved and the directors of the Company be authorised to take all such actions as they consider necessary or appropriate for carrying the scheme of arrangement into effect.”

A copy of the said scheme of arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the 2006 Act are incorporated in the document of which this notice forms part.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning to such term in the document of which this notice forms part.

***Right to appoint a proxy; procedure for appointment***

**Holders of Scheme Shares entitled to attend and vote at the meeting may vote in person at the said meeting or they may appoint another person or persons, whether a member of the Company or not, as their proxy or proxies, to exercise all or any of their rights to attend and vote in their stead. A proxy need not be a member of the Company.**

**Voting on the resolution to approve the scheme of arrangement will be by poll, which shall be conducted as the Chair of the Court Meeting may determine. It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly encouraged to complete, sign and return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible and, in any event, by no later than 11.00 a.m. on 18 July 2023 in the case of the Court Meeting (or in the case of any adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting, in each case excluding any part of such 48 hour period falling on a day that is not a working day).**



If you have not appointed a proxy online or electronically by the time above, you may email a scanned copy of the WHITE Form of Proxy to [ProxyVotes@equiniti.com](mailto:ProxyVotes@equiniti.com) any time prior to the commencement of the Court Meeting (or any adjournment thereof) or hand a WHITE Form of Proxy to the Chair of the Court Meeting or the Equiniti representative who will be present at the Court Meeting (or any adjournment thereof), before the taking of the poll at the Court Meeting and it will be valid.

A WHITE Form of Proxy for use at the meeting is enclosed with this notice. Completion and return of the form of proxy (or transmission of a proxy appointment or voting instruction online or electronically through CREST as set out below) shall not prevent a holder of Scheme Shares from attending and voting at the meeting if they are entitled to and wish to do so.

#### *Electronic appointment of proxies through CREST*

Scheme Shareholders who hold Scheme Shares through CREST and who wish to appoint a proxy or proxies for the Court Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so in accordance with the procedures set out in the CREST Manual which can be viewed at <http://www.euroclear.com>. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & International Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The appointment must, in order to be valid, be transmitted so as to be received by Equiniti (CREST Participant ID RA19) at least 48 hours prior to the Court Meeting (excluding any part of such 48 hour period falling on a day that is not a working day). No message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

#### *Online appointment of proxies*

Scheme Shareholders entitled to attend and vote at the meeting may appoint a proxy electronically by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk) (“Sharevote”) and selecting “Dechra Pharmaceuticals” in the drop down menu provided. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code which can be found on your share certificate. To use Sharevote, you will need the Voting ID, Task ID and Shareholder Reference Number contained on the proxy card. Shareholders who have registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their usual user ID and password by clicking on the “My Investments” page, then clicking on the link to vote, then following the on-screen instructions.

For an electronic proxy to be valid, your appointment must be received by Equiniti by no later than 11.00 a.m. on 18 July 2023 (or if the Court Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned meeting excluding any part of such 48 hour period falling on a day that is not a working day).

Please note that any electronic communication found to contain a computer virus or other malware will not be accepted.

#### *Sending WHITE Forms of Proxy by post or by email*

As an alternative to appointing proxies online or electronically through CREST, Scheme Shareholders may return a WHITE Form of Proxy for use at the Court Meeting. Instructions for its use are set out on the form. It is requested that the WHITE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to

the Company's registrars, Equiniti, either (i) by post to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or (ii) by emailing a scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and ideally not later than 11.00 a.m. on 18 July 2023 (or, in the case of an adjournment of the Court Meeting, 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the adjourned meeting).

If the WHITE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting (or any adjournment thereof) or handed to the Chair of the Court Meeting or the Equiniti representative who will be present at the Court Meeting (or any adjournment thereof).

#### *Voting Record Time*

Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the register of members of the Company at 6.30 p.m. on 18 July 2023 or, if the meeting is adjourned, on the day which is two Business Days before the date of such adjourned meeting. In each case, changes to the register of members of the Company after such time shall be disregarded in determining the rights of any person to attend and vote (in person or by proxy) at the Court Meeting.

#### *Joint Holders*

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, whether in person or by proxy, at the Court Meeting, however, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

#### *Corporate Representatives*

As an alternative to appointing a proxy, any holder of Scheme Shares which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its power as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

By the said Order, the Court has appointed Ian David Page or, failing him, Paul Nicholas Sandland or, failing him, any other Dechra Director, to act as Chair of the meeting and has directed the Chair to report the result of the meeting to the Court.

The said scheme of arrangement shall be subject to the subsequent sanction of the Court.

DLA Piper UK LLP  
*Solicitors for the Company*

Dated: 26 June 2023

1. The statement of rights of holders of Scheme Shares in relation to the appointment of proxies described in this Notice of Court Meeting does not apply to nominated persons (as defined below) in their capacity as such. Such rights can only be exercised by Scheme Shareholders.
2. Any person to whom this notice is sent who is a person nominated under section 146 of the 2006 Act to enjoy information rights (a "**nominated person**") may, under an agreement between them and the member by whom they were nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.



**PART 11:**  
**NOTICE OF GENERAL MEETING**  
**DECHRA PHARMACEUTICALS PLC**

*(Incorporated in England and Wales with registered number 03369634)*

NOTICE IS HEREBY GIVEN that a general meeting of Dechra Pharmaceuticals PLC (the “**Company**”) shall be held at Dechra’s offices at 6 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich CW9 7UA on 20 July 2023 at 11.15 a.m. (or as soon thereafter as the Court Meeting has concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which shall be proposed as a special resolution (terms defined in the document of which this notice forms part shall have the same meaning in this notice unless otherwise expressly defined):

**SPECIAL RESOLUTION**

1. THAT:

- (a) for the purpose of giving effect to the scheme of arrangement dated 26 June 2023 (as amended or supplemented) (the “**Scheme**”) between the Company and the holders of Scheme Shares, a print of which has been produced to this meeting and for the purposes of identification signed by the Chair of the meeting, in its original form or subject to any modification, addition or condition agreed in writing by the Company and Bidco and approved or imposed by the Court, the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 154:

**“154 SCHEME OF ARRANGEMENT**

154.1 In this article 154, references to the “**Scheme**” are to the scheme of arrangement dated 26 June 2023 between the Company and the holders of its Scheme Shares under Part 26 of the Act in its original form or with or subject to any modification, addition or condition agreed by the Company and Freya Bidco Limited (“**Bidco**”) approved or imposed by the High Court of Justice of England and Wales in accordance with its terms. Expressions defined in the Scheme shall have the same meanings in this article 154 (save as expressly defined in these articles).

154.2 Notwithstanding any other provision of these articles, if the Company issues or transfers out of treasury any Dechra Shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco or any subsidiary of such parent undertaking, or any nominee of Bidco (each a “**Bidco Company**”)) at or after the adoption of this article 154 and at or before the Scheme Record Time, such shares shall be issued or transferred subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or subsequent holders of such shares shall be bound by the Scheme accordingly.

154.3 Subject to the Scheme becoming Effective and notwithstanding any other provisions of these articles, if any Dechra Shares are issued or transferred out of treasury or transferred pursuant to article 154.4 below to any person or his nominee (a “**New Member**”) (other than to a Bidco Company) at or after the Scheme Record Time (the “**Post-Scheme Shares**”) they shall be immediately transferred to Bidco (or to such person as it may direct in writing (the “**Purchaser**”)) who shall be obliged to acquire all Post-Scheme Shares in consideration for, and conditional on, the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share as that New Member would have been entitled to under the Scheme for those Post-Scheme Shares had they been Scheme Shares, provided that the cash payment per share to be paid to a New Member pursuant to this article 154.3 may be adjusted by the Directors, in such manner as the auditors of the Company may determine, on any reorganisation of or material alteration to the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the close of business on the Effective Date. References in this article to Dechra Shares shall, following such adjustment, be construed accordingly.

- 154.4 Any New Member may, prior to the issue or transfer of Post-Scheme Shares to the New Member pursuant to the exercise of an option or satisfaction of an award under one of the Dechra Share Plans, give not less than two business days' written notice to the Company in such manner as the board shall prescribe of his or her intention to transfer the beneficial ownership of some or all of such Post-Scheme Shares to his or her spouse or civil partner and may, if such notice has been validly given, on or before such Post-Scheme Shares being issued or transferred to the New Member, immediately transfer to his or her spouse or civil partner beneficial ownership of any such Post-Scheme Shares, provided that such Post-Scheme Shares (including both legal and beneficial ownership thereof) will then be immediately transferred to the Purchaser pursuant to article 154.3 above. If notice has been validly given pursuant to this article 154.4 but the beneficial owner does not immediately transfer to his or her spouse or civil partner the beneficial ownership of the Post-Scheme Shares in respect of which notice was given, the legal and beneficial ownership will be transferred to the Purchaser pursuant to article 154.3 above. If notice is not given pursuant to this Article 154.4, both the legal and beneficial ownership of the Post-Scheme Shares will be immediately transferred to the Purchaser pursuant to article 154.3 above.
- 154.5 To give effect to any transfer of Post-Scheme Shares required by this article 154, the Company may appoint any person as attorney or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and do all such other things and execute and deliver all such documents or deeds as may in the opinion of the attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares.
- 154.6 The Purchaser shall settle or procure the settlement of the consideration due under article 154.3 by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares no later than 14 days after the issue or transfer of the Post-Scheme Shares to the New Member.
- 154.7 If the Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) section 6(b) of the Scheme, this article 154 shall cease to be of any effect.
- 154.8 Notwithstanding any other provision of these articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser“.

By order of the Board  
*Company Secretary*

*Registered office*  
24 Cheshire Avenue  
Cheshire Business Park  
Lostock Gralam  
Northwich  
CW9 7UA

**Notes:**

- (1) Members of the Company entitled to attend and vote at the meeting may vote in person at the said meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead. A proxy need not be a member of the Company.
- (2) A BLUE Form of Proxy is enclosed with this notice. Instructions for use are shown on the form. Completing and returning a Form of Proxy will not prevent a Dechra Shareholder from attending and voting at the General Meeting (or any adjournment of the meeting) in person, should they subsequently decide to do so.
- (3) To be valid, a BLUE Form of Proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, must be received at the offices of Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time of the General Meeting (in other words, by 11.15 a.m. on 18 July 2023) or, as the case may be, the adjourned meeting (in each case excluding any part of such 48 hour period that is not a working day). A

reply-paid envelope has been provided for this purpose for use in the United Kingdom only. BLUE Forms of Proxy returned by fax will not be accepted.

- (4) You may appoint more than one proxy provided that each proxy is appointed to exercise rights attaching to different shares.
- (5) If you wish to appoint multiple proxies, you may: (a) photocopy a BLUE Form of Proxy, fill in each copy in respect of different Dechra Shares and send the multiple forms together to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or alternatively (b) call Equiniti on the number in paragraph (23) below who will then issue you with multiple proxy forms. In each case, please ensure that all of the multiple proxy forms in respect of one registered holding are sent in the same envelope if possible.
- (6) Subject to the following principles where more than one proxy is appointed, where a BLUE Form of Proxy does not state the number of Dechra Shares to which it applies (a “**blank proxy**”) then that proxy is deemed to have been appointed in relation to the total number of Dechra Shares registered in your name (the “**member’s entire holding**”). In the event of a conflict between a blank proxy and BLUE Form of Proxy which does state the number of Dechra Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different Dechra Shares) and remaining shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
- (7) Where there is more than one proxy appointed and the total number of Dechra Shares in respect of which proxies are appointed is no greater than your entire holding, it is assumed that proxies are appointed in relation to different Dechra Shares, rather than that conflicting appointments have been made in relation to the same Dechra Shares.
- (8) If two or more valid but different instruments of proxy are received in respect of the same Dechra Share for use at the same General Meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that Dechra Share and if the Company is unable to determine which was the last received, none of them shall be treated as valid in respect of that Dechra Share.
- (9) If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.
- (10) Where the aggregate number of Dechra Shares in respect of which proxies are appointed exceeds your entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced *pro rata* (on the basis that as far as possible, conflicting forms of proxy should be judged to be in respect of different Dechra Shares).
- (11) Where the application of paragraph (10) above gives rise to fractions of shares, such fractions will be rounded down.
- (12) If you appoint a proxy or proxies and then decide to attend the General Meeting in person and vote using your poll card, then your vote in person will override the proxy vote(s). If your vote in person is in respect of your entire holding then all proxy votes will be disregarded. If, however, you vote at the General Meeting in respect of less than your entire holding, if you indicate on your polling card that all proxies are to be disregarded, that shall be the case; but if you do not specifically revoke proxies, then your vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding your entire holding.
- (13) In relation to paragraph (12) above, in the event that you do not specifically revoke proxies, it will not be possible for the Company to determine your intentions in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
- (14) Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the register of members of the Company at 6.30 p.m. on 18 July 2023 or, if the General Meeting is adjourned, on the day which is two days before the date of such adjourned meeting. In each case, changes to the register of members of the Company after such time shall be disregarded.
- (15) Dechra Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the General Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so in accordance with the procedures set out in the CREST Manual (which can be viewed at <http://www.euroclear.com>). No message received through the CREST network after this time will be accepted. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (16) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The appointment must, in order to be valid, be transmitted so as to be received by Equiniti (CREST Participant ID RA19) at least 48 hours prior to the General Meeting (excluding any part of such 48 hour period that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (17) CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (18) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (19) Dechra Shareholders entitled to attend and vote at the General Meeting may appoint a proxy electronically by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk) (“Sharevote”) and selecting “Dechra Pharmaceuticals” in the drop down menu provided. To use Sharevote, you will need the Voting ID, Task ID and Shareholder Reference Number contained on the proxy card. Shareholders who have registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their usual user ID and password by clicking on the “My Investments” page, then clicking on the link to vote, then following the on-screen instructions. For an electronic proxy to be valid, your appointment must be received by Equiniti by no later than 11.15 a.m. on 18 July 2023 (or if the General Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned meeting excluding any part of such 48 hour period falling on a day that is not a working day). Please note that any electronic communication found to contain a computer virus or other malware will not be accepted.

- (20) A Dechra Shareholder which is a corporation and which wishes to be represented at the General Meeting by a person with authority to speak, vote on a show of hands and vote on a poll (a corporate representative) must appoint such a person by resolution of its directors. A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it were an individual member of the Company provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same Dechra Shares.
- (21) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of other joint holders. For this purpose, seniority will be determined by the order in which the names stand in the Company's register of members in respect of the joint holding.
- (22) Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under section 146 of the 2006 Act ("**nominee**"): (a) the nominee may have a right under an agreement between the nominee and the member by whom they were nominated, to be appointed, or have someone else appointed, as a proxy for the General Meeting; or (b) if the nominee does not have any such right or does not wish to exercise such right, the nominee may have a right under any such agreement to give instructions to the member as to the exercise of voting rights.
- The statement of the rights of Dechra Shareholders in relation to the appointment of proxies in notes (1) to (12) (inclusive) and (14) to (19) (inclusive) does not apply to a nominee. The rights described in such notes can only be exercised by Dechra Shareholders of the Company.
- (23) If you are in any doubt about completing the BLUE Form of Proxy please telephone Equiniti on (i) telephoning Equiniti on +44 (0) 333 207 6537. If calling from outside 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). Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Equiniti cannot provide advice on the merits of the Acquisition or give any financial, legal or tax advice.
- (24) Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by way of a letter addressed to the Chair.
- (25) As at 22 June 2023 (being the latest practicable date before the publication of this notice), the Company's issued share capital consisted of 113,888,190 ordinary shares of one pence each, carrying one voting right each. The Company does not hold any ordinary shares in treasury. Therefore, the total voting rights as at 22 June 2023 were 113,888,190.
- (26) Voting on the resolution at the General Meeting will be conducted on a poll rather than a show of hands.
- (27) Except as provided above, members who wish to communicate with the Company in relation to the Court Meeting should do so using the following means: (a) calling Equiniti's shareholder helpline on +44 (0) 333 207 6537. If calling from outside 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 (b) contacting the Company Secretary at the address shown above.

No other methods of communication will be accepted and you may not use any electronic address provided either in this notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

## PART 12:

### DECHRA FY23 PROFIT FORECAST

#### Part A: Dechra FY23 Profit Forecast

On 27 February 2023, Dechra released its interim results for the six months ended 31 December 2022 which included guidance for the year ending 30 June 2023 comprising: “Trading patterns at the start of 2023 have been unpredictable in the US, where wholesalers have been reducing inventory levels. In the second half, we have re-commenced sales in South Korea, we expect an improving contribution from Med-Pharmex and will see the benefit of two recent new product launches, *Zenalpha* and *Zycosan*. Based on the recent US de-stocking and current exchange rates, the Board now expects full year underlying operating profit to be at the lower end of analyst expectations”.

On 22 May 2023, Dechra released a further unscheduled unaudited trading update for the year ending 30 June 2023 which stated that: “The 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 during the period from January to April 2023 has been more volatile and challenging than anticipated when the Board reported its interim results on 27 February 2023. Accordingly, the Board confirms that full year underlying operating profit for the year ending 30 June 2023 will be below £186 million, the guidance provided within the Company’s interim results announced on 27 February 2023”.

In addition, on 2 June 2023 Dechra announced the recommended cash offer by Bidco which included additional guidance for the year ending 30 June 2023 consisting of: “The Dechra Board expects that full year underlying operating profit for the year ending 30 June 2023 will be **materially** below £186 million”.

As at the date of this document, the Dechra Directors provide further guidance for the current financial year and that they expect that full year underlying operating profit for the year ending 30 June 2023 will not exceed £168 million (“**Dechra FY23 Profit Forecast**”), which constitutes a profit forecast for the purposes of Rule 28.1 of the Takeover Code.

#### *Basis of preparations and assumptions*

Dechra presents underlying operating profit as operating profit adjusted for the impact of exceptional, one-off or non-trading related items such as amortisation of acquired intangibles, cloud computing arrangement costs, impairment of assets, remeasurement of contingent consideration, unwind of fair value uplift of inventory on acquisitions and expenses relating to acquisitions and subsequent integration activities.

The basis of preparation used by the Dechra Directors in making the Dechra FY23 Profit Forecast included the following sources of financial information: (i) the unaudited half year results for the six-month period ended 31 December 2022; (ii) the unaudited management accounts for the five-month period ended 31 May 2023; and (iii) an internal unpublished forecast for the year ending 30 June 2023 constituting the remainder of the current financial year.

The Dechra FY23 Profit Forecast was prepared on the basis of the following principal assumptions, any of which could turn out to be incorrect and therefore affect the validity of the Dechra FY23 Profit Forecast:

#### *Factors beyond Dechra’s control and influence:*

- There will be no change to current prevailing global macroeconomic and political conditions (including any recession, geopolitical tension, further escalation of conflict or war in or affecting areas where the Dechra Group generates its revenues or where its key customers are based (or any sanctions imposed in response to any such events)) which is material in the context of the Dechra FY23 Profit Forecast.
- The ordering patterns of the Dechra Group’s wholesale customers will not materially change from the level or manner assumed by the Dechra Group’s estimates for the forecast period which is material in the context of the Dechra FY23 Profit Forecast.
- There will be no unanticipated change in interest rates or inflationary pressures compared to the Dechra Group’s estimates, which could affect the Dechra Group’s customers’ budgeted expenditure on the Dechra Group’s products or which impacts the Dechra Group’s cost base, including its workforce, supply chain, or other expenses and which is material in the context of the Dechra FY23 Profit Forecast.



- There will be no change in the legislation or regulation impacting on the Dechra Group's operations or the accounting policies and standards to which it is subject which is material in the context of the Dechra FY23 Profit Forecast.
- There will be no business disruptions that materially affect the Group or its key markets/customers, including as a result of any natural disaster, act of terrorism, cyber-attack and/or widespread technology disruption issue.
- There will be no material movements in foreign exchange rates compared with the Dechra Group's estimates not mitigated by current hedging arrangements.
- There will be no litigation, contractual dispute or regulatory action which is material in the context of the Dechra Group.

*Factors within Dechra's control and influence:*

- The Dechra Group's manufacturing and supply chain operations will continue to perform as expected and are able to fulfil sales orders assumed in the Dechra FY23 Profit Forecast.
- Spend relating to product development projects under the direction of the Dechra Group is incurred as anticipated in the Dechra FY23 Profit Forecast.
- No significant acquisitions, disposals, developments, corporate partnerships or agreements will be entered into by the Dechra Group and no existing corporate partnerships or agreements will be terminated or amended, in each case, which have an adverse impact on the Dechra Group's income or expenditure which is material in the context of the Dechra FY23 Profit Forecast.
- The Dechra Group's accounting policies will be consistently applied over the forecast period to 30 June 2023 so far as is material to the Dechra FY23 Profit Forecast.
- No material change in the present management or control of the Dechra Group or its existing operational strategy during the period to 30 June 2023.

***Reports***

As required by Rule 28.1(a) of the Takeover Code, PwC, Dechra's reporting accountants, and Investec, financial adviser to Dechra, have each prepared a report in respect of the Dechra FY23 Profit Forecast. Part B of this Part 12 (*Dechra FY23 Profit Forecast*) contains PwC's report on the Dechra FY23 Profit Forecast. Part C of this Part 12 (*Dechra FY23 Profit Forecast*) contains Investec's report on the Dechra FY23 Profit Forecast.

## Part B: Report from PwC

The following is the full text of a letter from PwC to the Dechra Directors and Investec:



The Directors  
Dechra Pharmaceuticals PLC  
24 Cheshire Avenue  
Cheshire Business Park  
Lostock Gralam  
Northwich  
CW9 7UA  
United Kingdom

Investec Bank plc (solely in its capacity as a “**Financial Adviser**”)  
30 Gresham Street  
London  
EC2V 7QP  
United Kingdom

26 June 2023

Dear Ladies and Gentlemen

### **Profit forecast on Dechra Pharmaceuticals PLC**

We report on the profit forecast (“**Profit Forecast**”) by the Directors included in the Scheme Document issued by Dechra Pharmaceuticals PLC (“**Company**”) and its subsidiaries (together the “**Group**”) dated 26 June 2023 (the “**Scheme Document**”) to the effect that:

“As at the date of this document, the Dechra Directors provide further guidance for the current financial year and that they expect that full year underlying operating profit for the year ending 30 June 2023 will not exceed £168 million (“**Dechra FY23 Profit Forecast**”), which constitutes a profit forecast for the purposes of Rule 28.1 of the Takeover Code.”

This report is required by Rule 28.1(a)(i) of the City Code on Takeovers and Mergers (“**Takeover Code**”) and is given for the purpose of complying with that requirement and for no other purpose.

### **Opinion**

In our opinion, the Profit Forecast has been properly compiled on the basis stated and that the basis of accounting used is consistent with the Company’s accounting policies.

The Profit Forecast has been made in the context of the disclosures in Part 12 of the Scheme Document setting out the principal assumptions supporting the Profit Forecast.

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*PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH  
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, [www.pwc.co.uk](http://www.pwc.co.uk)*

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## **Responsibilities**

It is the responsibility of the Directors to prepare the Profit Forecast in accordance with the requirements of Rule 28 of the Takeover Code.

It is our responsibility to form an opinion, as required by Rule 28.1(a)(i) of the Takeover Code, as to the proper compilation of the Profit Forecast and to report that opinion to you as to whether the Profit Forecast has been properly compiled on the basis stated.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed or to the shareholders of the Company as a result of the inclusion of this report in the Scheme Document and for any responsibility arising under Rule 28.1(a)(i) of the Takeover Code to any person as and to the extent therein provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.2 of the Takeover Code, consenting to its inclusion in the Scheme Document.

## **Basis of preparation of the Profit Forecast**

The Profit Forecast has been prepared on the basis stated in Part A of Part 12 of the Scheme Document and is based on the unaudited interim financial statements for the six months ended 31 December 2022, the unaudited management accounts for the five months ended 31 May 2023 and a forecast to 30 June 2023. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Company.

## **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“FRC”) in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Company. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed and whether any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we express no opinion as to whether the actual profits achieved will correspond to those shown in the Profit Forecast and the differences may be material.

Yours faithfully,

PricewaterhouseCoopers LLP  
Chartered Accountants



## Part C: Report from Investec

*The following is the full text of a letter from Investec to the Dechra Directors:*



Investec Bank plc  
30 Gresham Street  
London  
EC2V 7QP

The Directors  
Dechra Pharmaceuticals PLC  
24 Cheshire Avenue  
Cheshire Business Park  
Lostock Gralam  
Northwich  
CW9 7UA  
26 June 2023

Dear Sirs

We refer to the profit forecast of Dechra Pharmaceuticals PLC (“**Dechra**” or the “**Company**”) for the year ending 30 June 2023 as set out in Part A of Part 12 of the Scheme Document issued by the Company on 26 June 2023 (“**FY23 Profit Forecast**”) for which the Directors of Dechra are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (“**Takeover Code**”). The FY23 Profit Forecast disclosed in the Scheme Document supersedes the profit forecast included in the 2 June 2023 announcement.

We have discussed with you and your Senior Management team the FY23 Profit Forecast, together with the assumptions and the basis upon which it has been prepared by you, and you have confirmed to us that all information relevant to the FY23 Profit Forecast has been disclosed to us. The FY23 Profit Forecast is subject to uncertainty and our work has not involved an independent examination or verification of any of the financial or other information underlying the FY23 Profit Forecast. We have relied upon the accuracy and completeness of all the financial and other information provided to us by, or on behalf of, the Company or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We have also discussed the FY23 Profit Forecast and the assumptions, accounting policies and calculations adopted in arriving at the FY23 Profit Forecast with PricewaterhouseCoopers LLP (“**PwC**”), and we have considered the opinion set out in the letter from PwC dated 26 June 2023, addressed to yourselves and ourselves on this matter and which is set out in Part B of Part 12 of the Scheme Document.

On the basis of the foregoing, we consider that the FY23 Profit Forecast, for which you as Directors of Dechra are solely responsible, has been prepared with due care and consideration.

This letter is provided solely having regard to the requirements of, and in connection with, Rules 28.1(c)(iii) and 28.1(a)(ii) of the Takeover Code and for no other purpose. We do not accept any responsibility to the Company or its shareholders or to any person other than the Directors of the Company in respect of the contents of this letter. No person other than the Directors of the Company may rely on this letter and, to the fullest extent permitted by law, we exclude and disclaim all liability (whether in contract, tort or otherwise) to any other person for any loss suffered by any such other person as a result of, or in connection with this letter, any of the work undertaken in connection with this letter, any of the results or conclusions that may be derived from this letter, or any written or oral information provided in connection with this letter.

Yours truly,

Investec Bank plc

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Investec Bank plc    30 Gresham Street, London EC2V 7QP    +44 (0)20 7597 40000

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