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Animalcare Group PLC
28 February 2024

ANIMALCARE GROUP PLC
(the "Company" or the "Group")

Disposal of Identicare Ltd

Material value creation for shareholders from non-core asset

28 February 2024. Animalcare Group plc, the international animal health business, announces that it has disposed of its majority shareholding in Identicare Ltd ("Identicare") to BG Bidco 21 Limited, a newly incorporated company owned by funds managed by Bridgepoint Advisors II Limited, for a cash consideration of £24.9m (the "Consideration") payable upon completion of this sale. This represents a significant crystallisation of value for the Company and its shareholders from a non-core asset and allows the Company to focus on growth in its pharmaceutical-based animal health market.

Identicare is a UK-based pet microchipping and pet owner-focused services company. As part of the Group's strategy to focus on pharmaceuticals and to drive growth through launching innovative products, Identicare was separated from the UK pharmaceuticals business within Animalcare Ltd in March 2021, with specialist leadership brought in. The decisions taken by the Company to instil new leadership and with this, a strategic repositioning of the business to make it attractive to specialist investors has enabled Animalcare to today crystallise the value of its investment in Identicare.

Upon receipt of the Consideration and after fees associated with the transaction, the Company's net cash is expected to be around £27.0m.

The disposal of Identicare significantly strengthens the balance sheet of the Group and enables us to accelerate our organic and inorganic growth initiatives and deliver long-term value creation for shareholders. We continue to see a large number of opportunities and this transaction increases our confidence in being able to execute on that pipeline.

The Company expects to announce its preliminary unaudited results on 9 April 2024 and will announce further updates to its business development and capital allocation strategies at that time.

As of 31 December 2023, Identicare had net liabilities of approximately £6.9m and for the 12 months to 31 December 2023, an EBITDA* of approximately £1.7m and profit before tax of approximately £0.1m.

Jenny Winter, Chief Executive Officer commented: "I'm very proud to see what we have achieved with Identicare in recent years. Today's decision to crystallise the value from the sale is the logical next step,

significantly strengthening our balance sheet and giving us additional financial flexibility and firepower as we concentrate on growing our pharmaceutical-focused animal health business."

Notes

Identicare financials are taken from December management accounts and are unaudited.

** EBITDA is defined as earnings before interest, tax, depreciation, amortisation, exceptional items and share based payments.*

About Animalcare

Animalcare Group plc is a UK AIM-listed international veterinary sales and marketing organisation. Animalcare operates in seven countries and exports to approximately 40 countries in Europe and worldwide. The Group is focused on bringing new and innovative products to market through its own development pipeline, partnerships and via acquisition.

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