






Delivering Our Strategy continued

Our Strategic Growth Drivers	Our Achievements		
	2016	2017	2018
 <p>Pipeline Delivery</p> <p>Deliver our pipeline on time, at the right costs and with the expected returns. Refill the pipeline so that we get a constant flow of new products in future years.</p>	<ul style="list-style-type: none"> Zycortal® approved and launched in the USA in March 2016 and in 14 European markets Osphos launched in 17 additional European countries Several FAP approved, notably Phenocillin® and Solamocta® (for turkeys and ducks) launched in 18 other territories 	<ul style="list-style-type: none"> Signed Animal Ethics licensing agreement, and building pipeline of other in-licensing opportunities Vaccines development strategy defined and new opportunities identified Amoxi-Clav tablet development completed A number of minor FAP market authorisations gained 	<ul style="list-style-type: none"> Two further poultry vaccines registered in EU: Avishield® IBH120 and ND B1 Launch of further Amoxi-Clav dose sizes to complete range for the USA market In-licensing of major new products including Redonyl® Ultra, Vetradent® and BioEquin® Progress in co-development licensing opportunities
 <p>Portfolio Focus</p> <p>Maximise our revenue by increasing market penetration, focusing on targeted therapeutic sectors within CAP, Equine, FAP and Nutrition.</p>	<ul style="list-style-type: none"> Double digit growth in key therapeutic areas Roll-out of digital technologies progressed to plan, with the implementation of our Learning Management System, Delta, enabling product training to be disseminated to sales representatives 	<ul style="list-style-type: none"> Strong CAP and Equine growth continuing across the Group, FAP returned to growth Increased effective use of CRM tools in EU and NA Expanded sales force effectiveness training Unblocking of distribution channels for Putney products in the US opened up market for enlarged NA business growth 	<ul style="list-style-type: none"> Resolution of Nutrition supply and palatability issues, and launch of refreshed cat diets Strong growth in European FAP following antibiotic product alignment and range additions Leveraging CAP product success to increase penetration across Group Continued growth in Equine, with stronger growth in Europe from market penetration and range addition
 <p>Geographical Expansion</p> <p>Leverage our product portfolio into new geographic regions through distribution partners, in-country presence and new country product registrations.</p>	<ul style="list-style-type: none"> Regulatory approvals were obtained in several countries such as Brazil, Egypt and Sri Lanka New start-up in Austria 	<ul style="list-style-type: none"> Several international product registrations achieved Established Dechra Veterinary Products (DVP) International business Commenced appointment of the DVP International team 	<ul style="list-style-type: none"> Over 80 new country registrations of existing portfolio products Acquisition of RxVet expanded our presence in New Zealand Successful establishment of the DVP International team Development of international registrations strategy and prioritisation plan
 <p>Acquisition</p> <p>Expand our geographical footprint and/or enhance our product portfolio through acquisition.</p>	<ul style="list-style-type: none"> Three acquisitions completed: Genera, Brovel and Putney Putney integration helped strengthen our USA presence Genera integration on plan, new business structure defined Registration process of Dechra products commenced in Mexico 	<ul style="list-style-type: none"> Successful integration and operation of Genera, Brovel, Putney and Apex Acquisition of Apex, opening up new bridgehead into Australasia and South East Asia Acquisition of 33% of Medical Ethics Pty Ltd provides the Group with secure access to novel therapeutic areas/product development 	<ul style="list-style-type: none"> Acquisition and successful integration of RxVet, expanding our presence in New Zealand First full year of Apex Acquisition and successful initial integration of AST Farma and Le Vet, providing transformation in EU Pharmaceuticals' portfolio and pipeline
 <p>Strategic Enablers</p> <p>Our strategic enablers, Manufacturing and Supply Chain, People and Technology, support the execution of our strategy.</p>	<ul style="list-style-type: none"> Good progress in our Oracle roll-out with DVP US live in April 2016 Commencement of a new Group Intranet platform for improved communication and information sharing with all employees HR Cloud based IT system implemented in 16 countries 	<ul style="list-style-type: none"> Developed new Manufacturing and Supply Chain strategy Ongoing progress in Oracle deployment IT user hardware standardised across the Group 	<ul style="list-style-type: none"> Progress made in Manufacturing remodelling strategy, in Zagreb and Bladel 12 months without a lost time accident Completion of employee engagement survey Successful implementation of the Oracle project in DVP EU

Key to KPIs:

- 1 Revenue Growth
- 2 Underlying Diluted EPS Growth
- 3 Return on Capital Employed
- 4 Cash Conversion
- 5 New Product Revenue
- 6 Lost Time Accident Frequency Rate
- 7 Employee Turnover

Key to Risks:

- 1 Market Risk
 - 2 Competitor Risk
 - 3 Product Development and Launch Risk
 - 4 Supply Chain Risk
 - 5 Regulatory Risk
 - 6 Acquisition Risk
 - 7 People Risk
 - 8 Antibiotic Regulatory Risk
 - 9 Retention of People Risk
- No change ● Increasing risk

Our Achievements	Our Progress	Future Priorities	Link to KPIs and Risks
2019	2020		
<ul style="list-style-type: none"> Entered into a number of licensing agreements, including a novel canine sedative and an equine gastrointestinal product A number of novel and generic registrations in EU, Mexico and rest of world 15 product launches from Le Vet pipeline 	<ul style="list-style-type: none"> Marboquin tablets, a CAP antibiotic, approved in USA Cosacthen[®] approved in 23 EU territories and Canada Akston proof of concept study commenced 	<ul style="list-style-type: none"> Secure additional novel and innovative opportunities for the Group Progress pipeline development programmes for key projects such as Akston and Tri-Solfer[®] 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; gap: 5px;"> 12345 </div> <div style="display: flex; gap: 5px;"> 23459 </div> <div style="margin-left: 10px;"> <p>➔ Read more about Product Development on pages 40 to 43</p> </div> </div>
<ul style="list-style-type: none"> Moved key Le Vet products from distributors to Dechra marketing companies to generate significant synergies through retention of full margin and enhancing sales focus Development and launch of Dechra Dog & Cat Anaesthesia App FAP growth accelerating against a backdrop of declining antibiotic markets 	<ul style="list-style-type: none"> Delivered growth across all key therapeutic sectors through educational focus Continued to generate significant synergies from AST Farma and Le Vet acquisition 	<ul style="list-style-type: none"> Continue to outperform organically the markets in which we operate Maximise key brands market penetration 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; gap: 5px;"> 12345 </div> <div style="display: flex; gap: 5px;"> 12458 </div> <div style="margin-left: 10px;"> <p>➔ Read more about our Product Categories on pages 12 and 13</p> </div> </div>
<ul style="list-style-type: none"> Expanded into Latin America via the acquisition of Laboratorios Vencofarma do Brasil Ltda (Venco) 43 Product registrations across Israel, South Korea, Macau, Macedonia, Malaysia, Malta, Namibia, Serbia, Ukraine, UAE and Zambia ANZ business leveraged by Caledonian bolt-on 	<ul style="list-style-type: none"> 34 product registrations across Indonesia, South Korea, Myanmar, Nicaragua, Oman, Tanzania, Thailand, UAE, Uruguay and Vietnam Key endocrine brands Vetoryl[®], Felimazole[®] and Zycortal being brought back in-house in ANZ and progressing through the fast track process in Brazil 	<ul style="list-style-type: none"> Intensify focus on growing our own branded international organisations Further extend our distribution business through product registrations and by strengthening relationships with key marketing partners 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; gap: 5px;"> 1234 </div> <div style="display: flex; gap: 5px;"> 2578 </div> <div style="margin-left: 10px;"> <p>➔ Read more about our Geographical Footprint on pages 06 and 07</p> </div> </div>
<ul style="list-style-type: none"> Acquisition and successful integration of Venco Acquisition of trade and assets of Caledonian Holdings Ltd in New Zealand strengthening market position in Equine 	<ul style="list-style-type: none"> Acquisition of an additional 15% of Medical Ethics Pty Ltd Acquisition of Ampharmco LLC in Fort Worth, Texas, a FDA registered facility Acquisition of worldwide rights and assets of Mirataz[®], a transdermal medication for cats 	<ul style="list-style-type: none"> Complete and integrate the acquisition of worldwide rights and assets of Osurnia[®], a long acting treatment for Otitis Externa in dogs Leverage prudent balance sheet position to capitalise on future opportunities 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; gap: 5px;"> 12345 </div> <div style="display: flex; gap: 5px;"> 67 </div> <div style="margin-left: 10px;"> <p>➔ Read more about our Acquisitions on page 24</p> </div> </div>
<ul style="list-style-type: none"> Appointment of additional Non-Executive Director and Group Manufacturing & Supply Director Investments in manufacturing and packing at Skipton, a new solid dose facility in Zagreb and an upgrade to the Bladel sterile facility Oracle ERP embedded 	<ul style="list-style-type: none"> Appointment of Non-Executive Director and Chief Financial Officer Restructured Product Development team and created new position of Chief Scientific Officer Remedied internal supply issues 	<ul style="list-style-type: none"> Extend our digital capabilities Strengthen our IT Systems Invest in the development and infrastructure at our sites to facilitate more in-house manufacturing Execution of our Environmental, Social and Governance strategy 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="display: flex; gap: 5px;"> 1234567 </div> <div style="display: flex; gap: 5px;"> 479 </div> <div style="margin-left: 10px;"> <p>➔ Read more about our Strategic Enablers on pages 36 to 39</p> </div> </div>