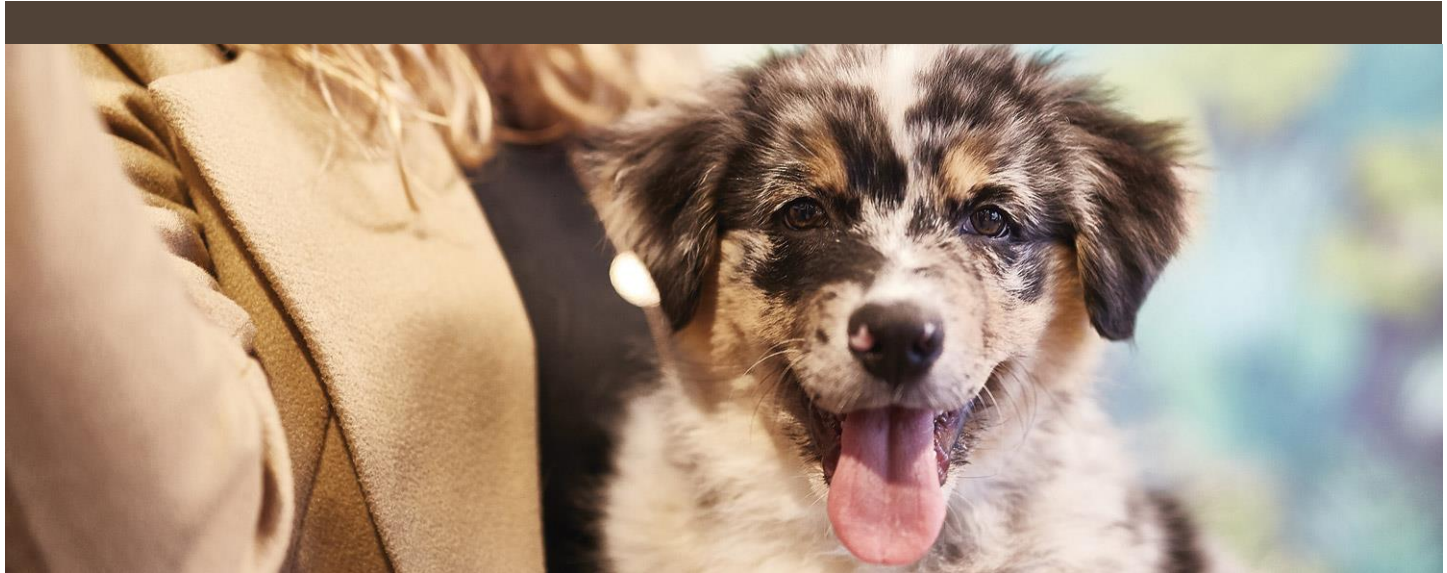


Virbac press pack 2019



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Last update: April 2019



Focusing on animal health, from the beginning



Sébastien Huron
Chairman of the executive board
of the Virbac group

Founded in 1968 by a French veterinarian, Virbac offers a practical range of products and services to diagnose, prevent and treat the majority of pathologies, while improving the animals' quality of life.

"Animal health is at the crossroads of some considerable social, health and environmental challenges: fight against epizootics, food safety, human health, biodiversity... To provide an effective response to these challenges, Virbac, from its inception, has opted to remain independent, to be exclusively dedicated to animal health, and to innovate tirelessly.

Today we devote therefore our energy to developing treatments and vaccines for everyday animal infections, while taking into account emerging or hard-to-fight diseases on a global scale. This approach is key for food producing animals, as the world's needs for widely available high-quality meat and dairy products continue to grow. It's also vital for companion animals, to prolong and improve their quality of life and the well-being of their owners.

In the growing companion animal market, our strategy is based, among

other things, on continuous development in the United States (acquisition of the Sentinel range to Eli Lilly and Company at the beginning of 2015).

In food producing animals, our offer relies on the rational use of veterinary drugs and the development of preventative medicine through vaccination. The company has also initiated a major strategic change of direction in the aquaculture field, having - at the end of 2012 - assumed a majority holding (51%) in Centrovit in Chile, one of the few worldwide companies specialized in vaccines for farmed salmon. The production of proteins from aquaculture is indeed the prime source of animal protein worldwide, which explains the interest in this segment for Virbac.

Finally, in addition to the regular launch of new products, Virbac is backing its development with a comprehensive range that covers the

majority of species and pathologies. It is doing all this by strengthening its presence on the major markets, in developed and emerging countries alike, in order to contribute, day after day, to shape the future of animal health."

Key figures 2018

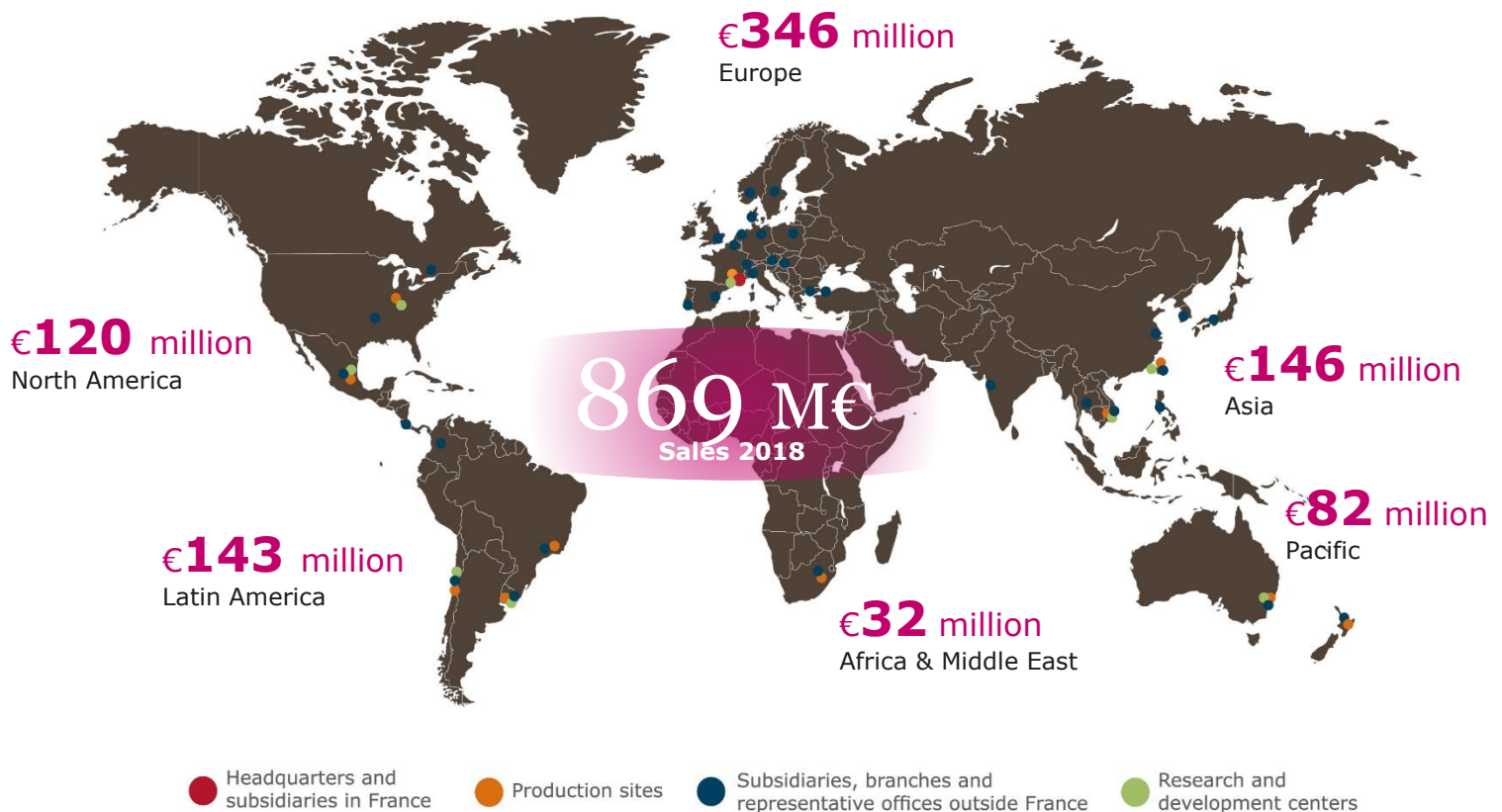
- Sales: €869 million (+4.5% at constant exchange rates and scope compared to 2017)
- Ranks 7th globally
- Present in more than 100 countries
- Sales subsidiaries in 33 countries (4,900 employees)
- Production sites in 10 countries and R&D centers on 5 continents



Acting on health issues, all around the world



For more than 50 years, Virbac devotes its energy to the development of treatments and vaccines for everyday animal infections, while taking into account emerging or hard-to-fight diseases on a global scale.





Caring for animals, improving animal production



Simple to administer, easy to handle, supported by educational advice and services... every pharmaceutical and biological drug as every nutritional and diagnostic product is designed for optimal daily use.

- **Parasiticides:** all over the world, internal and external parasites are one of the main problems in animal health. Specific formulations developed from the main molecules used to treat both companion animals and food producing animals, as well as a wide range, provide a clear illustration of Virbac's values: innovation and customer-driven focus.

- **Antibiotics:** its skill in formulation development enables Virbac to give veterinarians and farmers access to antibiotics (associated to anti-inflammatories if necessary) designed to meet their needs, in the context of a responsible use of antibiotics.

- **Vaccines:** as the foundations for the effective prevention of the major diseases in companion and food producing animals, Virbac's range of vaccines differentiates itself through the variety and quality of its offer.

- **Dermatology:** a pioneer in veterinary dermatology, Virbac provides veterinarians and pet owners with a wide and innovative range of products.

- **Diagnostics:** Virbac offers veterinarians quick in-clinic diagnostic tests with associated services, thus ensuring both practicality and performance.

- **Dental hygiene:** tartar, dental plaque, bad breath... just some of the many concerns of pet owners for which Virbac brings efficient and easy-to-use products.

- **Reproduction:** Virbac offers differentiated and innovative products for canine reproduction, designed for veterinarians. The company is also developing its offer for food producing animals in this domain.

- **Aquaculture:** Virbac has a large range of drugs intended for aquaculture production around the world: salmon, trout, tilapia, pangasius, prawns, etc. This range focuses in particular on the prevention of the main bacterial and viral diseases through major innovations such as oral vaccination.

- **Petfood:** Virbac offers a wide range of high quality petfood which meets the nutritional requirements of dogs and cats at each stage of their life and according to their level of health.

- **And also:** Virbac provides veterinarians, farmers and pet owners with other health solutions (geriatrics, behavior, anesthesia...) as well as electronic identification chips.

A full range of services

Combined with its products, Virbac has developed a full range of services: technical and scientific supports; national and international congresses, webcast conferences; clinical audit, coaching, management training; diagnostics assistance software, animal monitoring tool... These are all tools and programs designed to help veterinarians and farmers in enhancing their medical expertise, growing their activity or even improving their customer relations.



Companion animals: a privileged partnership with veterinarians



6th-ranking laboratory in the world on the companion animal market, Virbac now devotes a major part of its sales efforts and research & development investments to this segment.

- Dogs, cats, horses and new companion animals (rodents, birds, reptiles, etc.) represent more than 40% of the global veterinary market.
- Virbac derives 58% of its sales in this segment, where it ranks 6th in the world.
- The keys to performance on this market are ability to innovate, breadth of range and communication with professionals and animal owners, who have a growing influence on purchase behavior.
- A pioneer in the booming companion animal segment, the company now devotes a major part of its sales efforts and of its research & development investments to this segment. Moreover, Virbac occupies positions of leadership in several segments (vaccines, dermatology, dental, electronic identification and reproduction) and also offers an innovative range on high-volume markets (internal/external parasiticides and dog/cat nutrition).
- Virbac made a notable breakthrough in the petfood market with the launch of a new range of hyperpremium petfood, Veterinary HPM.

Virbac completely revised the classic nutritional approach to develop foods with more protein and fewer carbohydrates, much closer to the natural carnivorous diet of dogs and cats. Virbac launched first the preventive range to maintain good health for dogs and cats depending on their age. In November 2016, Veterinary HPM Adult Small & Toy was described by the French independent consumer association UFC-Que Choisir as one of the "best choices" among the twenty complete dog foods tested. In 2017, Virbac launches the therapeutic range to help dogs and cats suffering from various diseases to recover a good health.

- Founded on proximity, the Virbac marketing model is underlain by outstanding knowledge of its customers (monitoring of requirements, focus groups, immersion in the field, satisfaction surveys, etc.). Through a personalized relationship (availability, advice, service culture, etc.), Virbac offers its customers a winner-winner partnership: support during the development of their technical, marketing and administrative activity, as well as management.

Main product categories

- **43% of the market: external parasiticides and wormers.**
Key Virbac products: Effitix, Iverhart Max, Sentinel Flavor Tabs, Sentinel Spectrum, Milpro and Equimax.
- **17% of the market: vaccines.**
Key Virbac products: CaniLeish and the ranges Canigen, Feligen and Leucogen.
- **9% of the market: antibiotics.**
Key Virbac product: Rilexine.
- **31% of the market: anti-inflammatories, cardiology specialties, dermatology, ophthalmology, auricular products, dentistry, anesthetics and other pharmaceutical products.**
Key Virbac products: Suprelorin, Soloxine, Easotic, Epiotic, Cyclavance, Cortavance, shampoo range, dental hygiene range and Zoletil.



Food producing animals: a **dynamic** development



The 7th-ranking laboratory in the world in the food producing animal market, Virbac wishes to grow its positions thanks to a strategy based mainly on product differentiation to meet the farmers' needs in terms of economic performance, practicality and quality.

- The medicines for food producing animal market (swine and poultry, ruminants and fish) represents nearly 60% of the global veterinary market.
- Virbac derives 42% of its sales in this segment, where it ranks 7th in the world.
- This market, in which stringent regulatory restraints prevail, is characterized by regular growth, associated in particular with the rise in animal protein requirements globally, especially in the emerging countries.
- The company is already extensively represented in the major antibiotic and parasiticide segments.
- Virbac wishes to grow its positions thanks to a strategy based mainly on product differentiation to meet the farmers' needs in terms of economic performance, practicality and quality. Therefore its portfolio comprises both generics and differentiated products not only on account of their user-friendliness but also of their combination of active ingredients. Objective: to make it simpler for farmers to

implement individual or collective treatments, thanks to products whose user-friendliness and/or formulation are expedient to therapeutic efficacy and/or safe use.

- The Virbac strategy is also tied up with the rational use of veterinary medication and positions Virbac in the development of preventive medicine (via vaccination).

- Following a number of external growth operations, Virbac is therefore now the holder of vaccines for ruminants and swine.

Moreover, end of 2012, the acquisition of a majority stake in Centrovét (51%), a major aquaculture player, has allowed Virbac to initiate a major strategic change of direction in the oral vaccination of farmed salmon. Thanks to this acquisition, Virbac has padded out its range aimed at salmon-producing countries, especially Norway, Chile and Canada.

Main product categories

- **39% of the market: vaccines**

Key Virbac products: the ranges Singvac, Cydectin Websters, Lepto 3 way, Bovisan, Clostrisan, Suigen Cholera and App Pm vaccines, SRS, IPN and ISA aquaculture oral vaccines.

- **25% of the market: antibiotics** (intramammary, injectable and oral).

Key Virbac products: Virbactan DC, Rilexine LC/DC, Mastitar, Penclox in intramammary vaccines, Readycef/Citius, Shotaflo/Maxflo, Shotapen, Multibio injectable, Fortius, Suramox/Stabox Premix and oral soluble powders...

- **19% of the market: parasiticides**

Key Virbac products: the ranges Virbamec (pour-on, injectable, Platinum, F...) and Cydectin, oral wormers (Oxfenil, Prodose, Flukare), pour-on (Deltanil, Néopriniil)...

- **17% of the market: anti-inflammatories, reproduction, anesthetics, metabolism and other specialities**

Key Virbac products: Multimin, Diaproof, Enerlyte Plus, Ostovet, Calgophos, Virbagest, Prosolvin, Cyclix...



Innovating together

in the service of **veterinary medicine**



Established in key territories, Virbac product innovation teams from all over the world collaborate with each other, while developing external partnerships.

- Whatever the target species, Virbac has a specific innovative model based on both technological advances and listening to the customers.

- Unlike human health, innovation in veterinary medicine is not only generated by basic research. Virbac has therefore always focused its investments and the work of its R&D teams on applied

research and development by promoting synergies between on-the-field teams and researchers.

- The company possesses extensive professional expertise, especially in formulation, which enables it to develop original formulations that optimize treatment safety and efficacy while amplifying their compliance.

- In addition to innovation from Virbac R&D teams around the world, the company regularly develops external partnerships with biotechnological companies, universities and research laboratories. The company also leads an active business development policy, both commercial and technological (a source of future innovative R&D products).





50 years of innovation



Founded on both technological advances and listening to the customers, Virbac innovation aims to improve the treatment of animal diseases and facilitate veterinary practice.

- **2018: first dental technology** that fights both the oral and digestive causes of bad breath in dogs
- **2017: first analyzer in veterinarian clinics in Europe** that makes it possible to simultaneously measure four biomarkers in dogs (CPSE, progesterone, T4, cortisol)
- **2016: first veterinary dermatological technology** to stimulate endogenous antimicrobial peptides and limit microbe adherence.
- **2015: first injectable for cattle** combining ceftiofur and ketoprofen in Europe.
- **2013: first antiviral and antibacterial oral vaccines** for salmon, given in the food.
- **2011: first vaccine** against canine leishmaniosis in Europe.
- **2009: first auricular treatment for otitis in dogs** combining miconazole, gentamicin and hydrocortisone aceponate.
- **2008: first deslorelin-based implant** for chemical castration of male dogs.
- **2007: first broad spectrum chewable** anthelmintic in the United States for use in dogs to prevent canine heartworm disease and for the treatment and control of roundworms, hookworms and tapeworms.

2007: first corticoid spray with targeted action for dermatitis in dogs thanks to hydrocortisone aceponate.

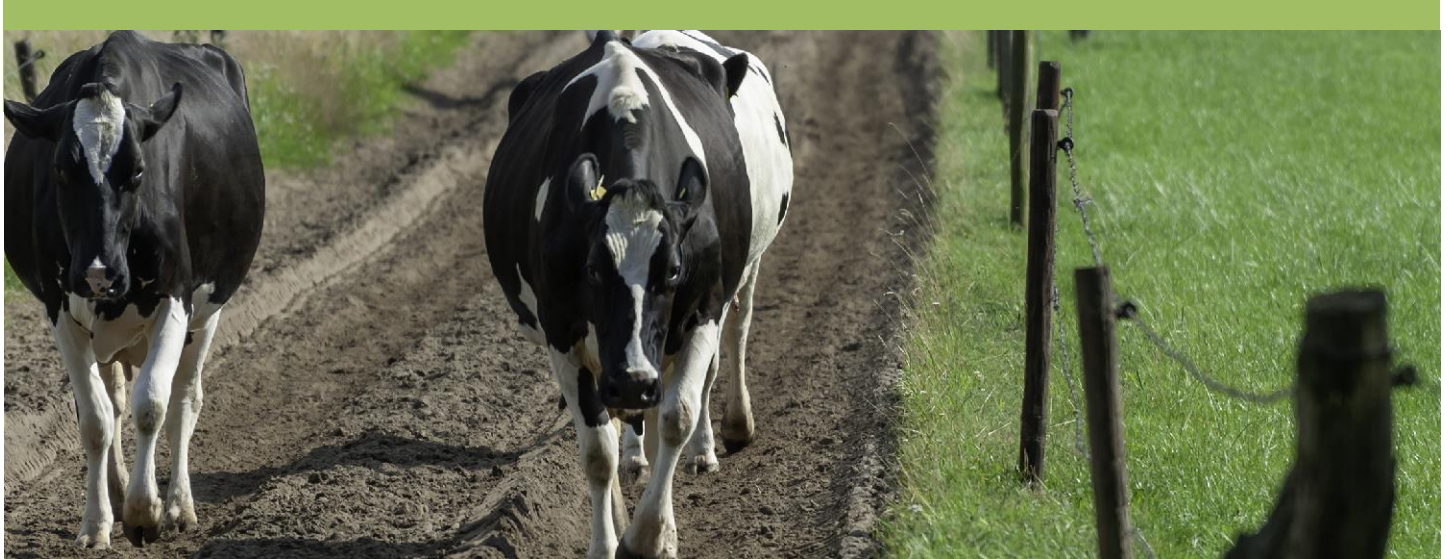
- **2003: first injectable** combination of zeranol and an endectocide, for cattle.
- **2001: first veterinary interferon** for dogs and cats in Europe.
- **1996: first wormer in oral gel for horses** combining ivermectin and praziquantel.
- **1995: first coated amoxicillin in a medicinal premix** for treating respiratory diseases in pigs and poultry.
- **1991: first oral anti-rabies vaccine** for foxes in Europe obtained by selective double mutation.
- **1988: first genetically engineered vaccine** against feline leukemia, a disease caused by a retrovirus affecting the immune system.
- **1986:** new slow-release intraruminal device (bolus) to prevent parasitic infestations in cattle.
- **1981: first homologous vaccine** against canine parvovirus.
- **1977: first cephalosporin** in veterinary medicine, in France, available for dogs, cats and cattle.
- **1970: first insecticide collar** for dogs, produced by extrusion.

A reactive supply chain responding to the highest quality standards

With highly responsive industrial facilities and production plants located as close to markets as possible, Virbac is able to produce and sell a broad range of products that meet the highest international standards. To protect its supplies, maintain a high level of quality throughout the production chain and guarantee the safety of its products, the Group relies on a network of suppliers and contract manufacturers selected on stringent criteria.



Making responsible choices for a sustainable future



Long-term development of a company involves searching for a harmonious balance between three principles: caring for people, respect for the environment and economic performance. Virbac has been committed from the beginning to making progress in all three areas.

• **Social responsibility:** respect for humankind has been one of the key values of the founder of the company. The company is committed to preserving this tradition and to cultivating it by supplementing it with ambitious skills development policies.

• **Economic responsibility:** the company's goal is to continue posting the steady and profitable growth it has seen almost annually since its founding. This development is primarily based on solid

organic growth, regularly supplemented by targeted acquisitions.

• **Environmental responsibility:** the company very operations guarantee high quality levels (for example, compliance with Good manufacturing practices and with Good laboratory practices). The search for energy savings and respect for the environment are also increasingly integrated systematically in key company decisions (investments, transport, product design...).

Some key initiatives

• Virbac sustainable development report is certified by the GRI (international standard network for sustainability reporting).



• Virbac has been selected (since 2009) by the Gaïa Index, a French index that not only measures economic, but also social and environmental performance.

• Since 2009 in France, Virbac has been a signatory of the diversity charter recognized by the Halde (*Haute autorité pour la lutte contre les discriminations et l'exclusion*).

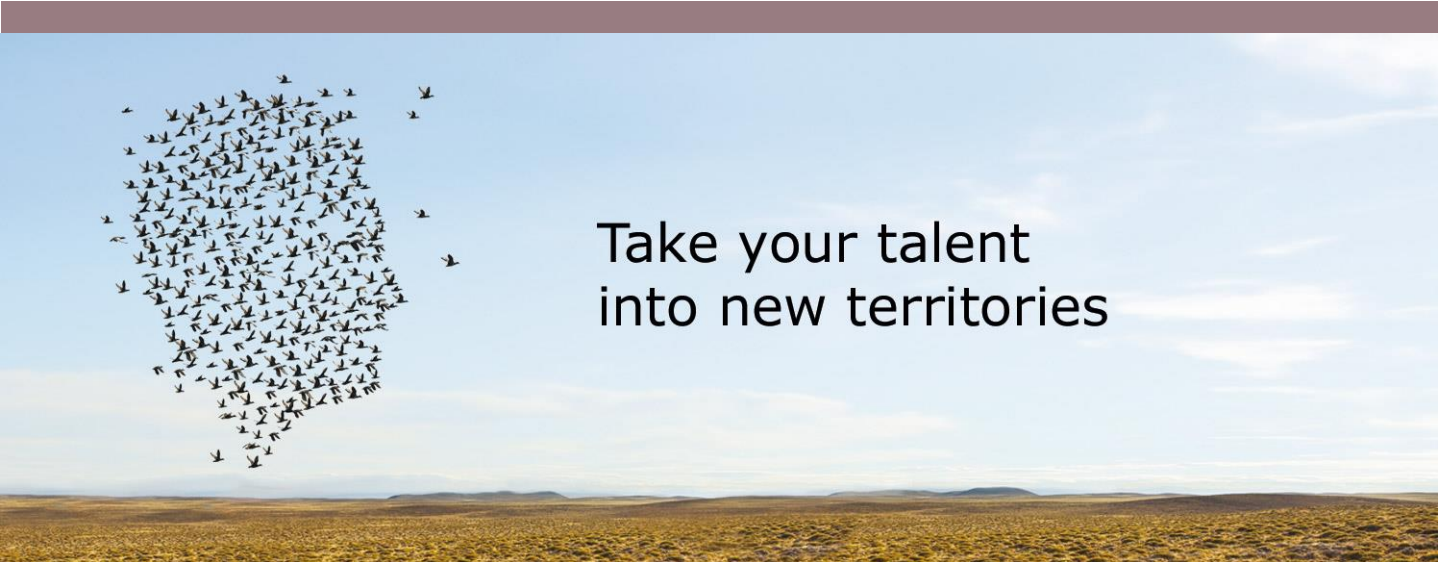
Animal health at the heart of ecosystems' health

The Virbac Foundation has been promoting since 2015 a One Health program in several transfrontier parks in Zimbabwe. A field action that contributes to rabies vaccination of domestic dogs, to awareness increase of the villagers on zoonoses and to the improvement on cattle nutrition. The key objectives of the programme: the reduction of the risk of spread and transmission of these lethal zoonosis to animal and human populations, the prevention of the emergence of other diseases and the improvement of the health status of local communities.





Experiencing a unique human adventure



Take your talent
into new territories

Virbac is a growing company that offers real development opportunities. Joining the company means taking part in a unique human adventure in which the engagement of each individual contributes to make animal health progress.

The company's future depends on its capacity to innovate, invent, propose and take action. This is why Virbac attracts or appoints the best talents to key positions within the organization. The company will give them all the full recognition they deserve. At Virbac, freedom of expression, autonomy and responsibility are crucial to the personal development of every individual and to the company's success. In order to reflect these specificities, the employer value proposition is supported by three pillars.

- **Continuous development:** working at Virbac means operating in an environment of continuous development, offering

professional growth for all and opportunities for those eager to take initiatives.

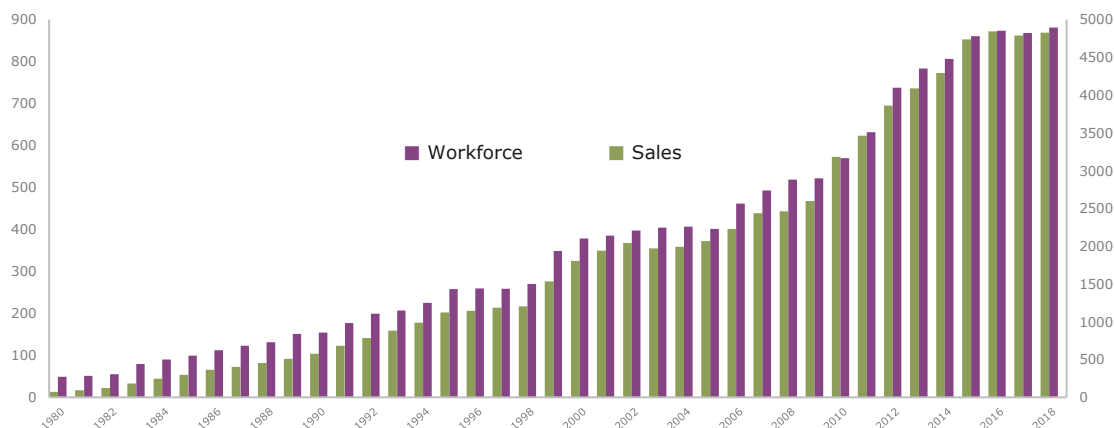
- **Innovative thinking dedicated to animal health:** working at Virbac means putting emphasis on creativity across the board and benefiting from empowerment to address customers' needs within agreed guidelines.

- **People centric:** working at Virbac means joining a company that puts people at the heart of the organization.

2018 key figures

- Workforce: **4,900** employees
- **79%** of employees are proud to tell they work at Virbac (Great Place to Work survey 2018)
- **6%:** annual growth for 10 years
- **44%** worldwide leaders and managers are women
- **100** professions dedicated to animal health
- **3** training days per employee and per year on average

Average annual workforce and sales growth since 1980



Shaping the future
of animal health

Virbac



Corporate governance: the supervisory board



Comprising six members including three independent members, the supervisory board ensures the permanent control of the management of the executive board, the regular review of the accounts and of all major projects and investments.



First line (from left to right)

- **Marie-Hélène Dick-Madelpuech**, chairwoman
- **Grita Loeb sack**, independent member
- **Sylvie Gueguen**, employee representative
- **Solène Madelpuech**, member

Second line (from left to right)

- **Philippe Capron**, independent member
- **Olivier Bohuon**, independent member
- **Pierre Madelpuech**, vice-chairman

- **Xavier Yon**, non-voting advisor

Stock market and shareholder structure

- Listed in Paris Stock Exchange since 1985 (NYSE Euronext)
- Shareholding: 49.7% Dick family / 50.3% public
- 65.8% of voting rights held by the founder's family



Corporate governance: the executive board



Virbac is a public limited company with an executive board and supervisory board whose headquarters is located in Carros (France). Comprising four members, the executive board is responsible for the company's strategic and operational management.



• **Sébastien Huron**
Chairman of the executive board
(since 2017)

Doctor of veterinary medicine
Member of the executive board
since 2012



• **Christian Karst**
General manager and executive
vice-president Corporate Development

Doctor of veterinary medicine
Member of the executive board
since 1996



• **Habib Ramdani**
Group chief financial officer

Member of the executive board
since 2016



• **Jean-Pierre Dick**
Responsible for special projects and
chairman of the *Fondation d'Entreprise*
Virbac, a corporate foundation

Doctor of veterinary medicine
Member of the executive board
since 1996