

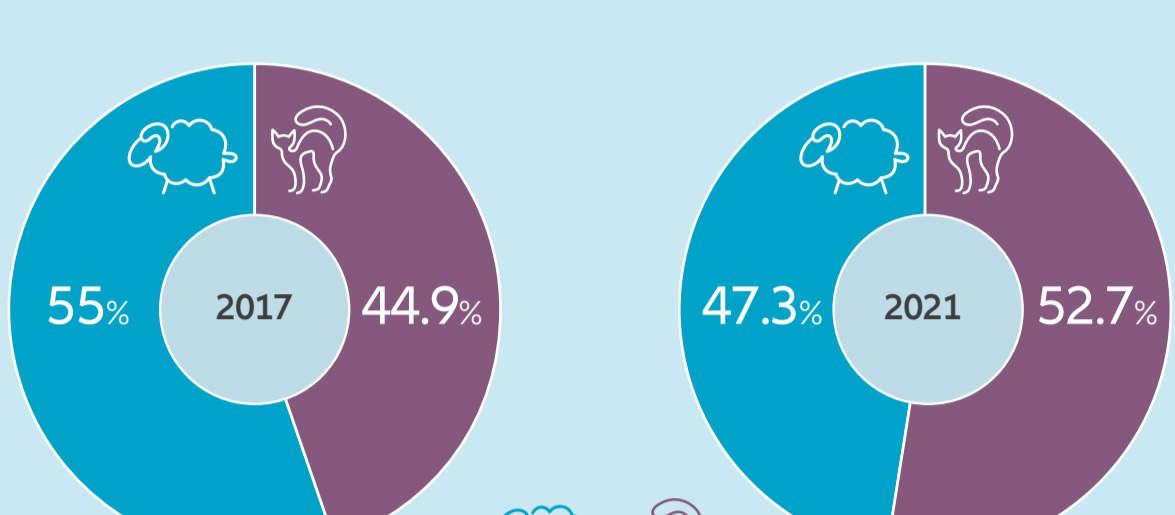
Pet health market: progressing at a fast pace

THE GLOBAL PET CARE MARKET IS CONSTANTLY GROWING



THE GROWTH DRIVERS

Sales share shifting in favour of pet health products⁵



The number of "helicopter pet parents" is increasing, and pets are living longer:

Dog life expectancy has doubled in the past four decades, and housecats now live twice as long as their feral counterparts.⁶

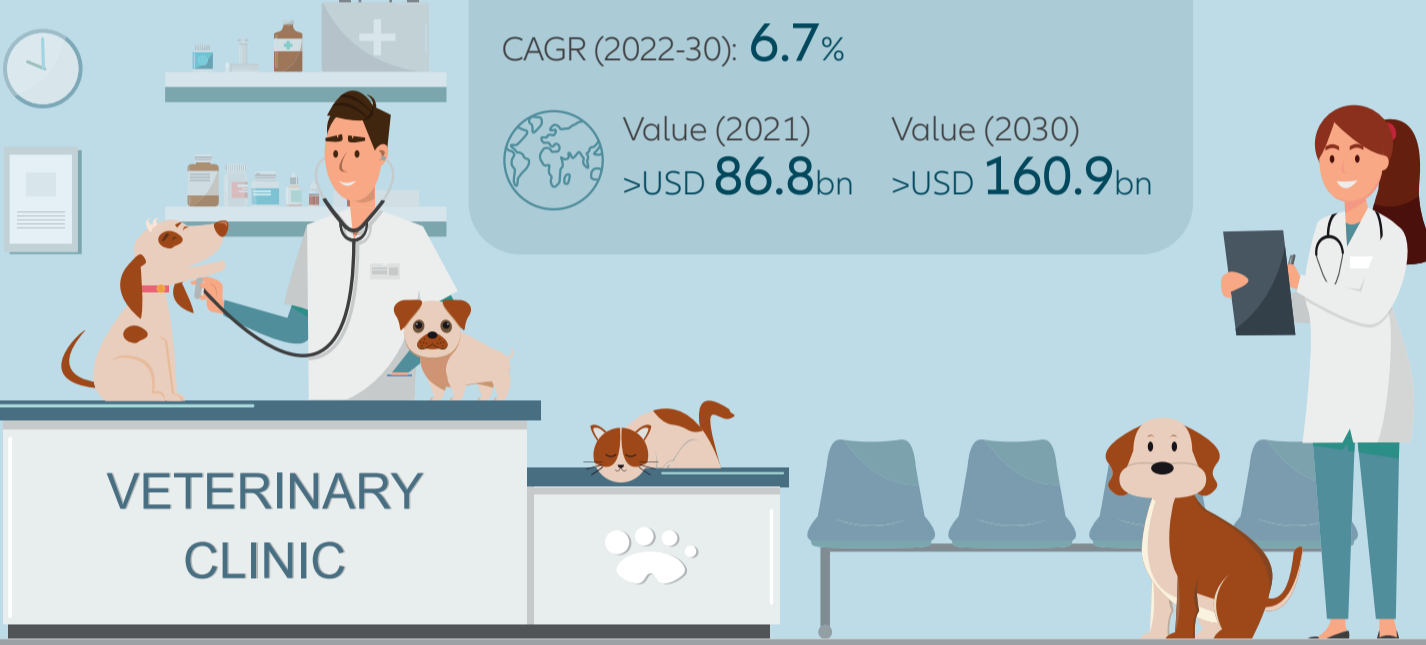
PETS' LONGEVITY IS ENHANCED BY:

1. human-like healthcare
2. a better diet/shift to premium food
3. more frequent vet visits/routine check-ups, driving the growth of vet services market...

Veterinary Services Market⁷

CAGR (2022-30): **6.7%**



Value (2021) >USD **86.8bn** Value (2030) >USD **160.9bn**



... with more pet parents inclined to increase their vet expenses

According to our GRASSROOTS RESEARCH⁸ findings for the US,⁸ **69%** of pet owners would increase their veterinarian expenses if it were necessary to extend their pet's life.

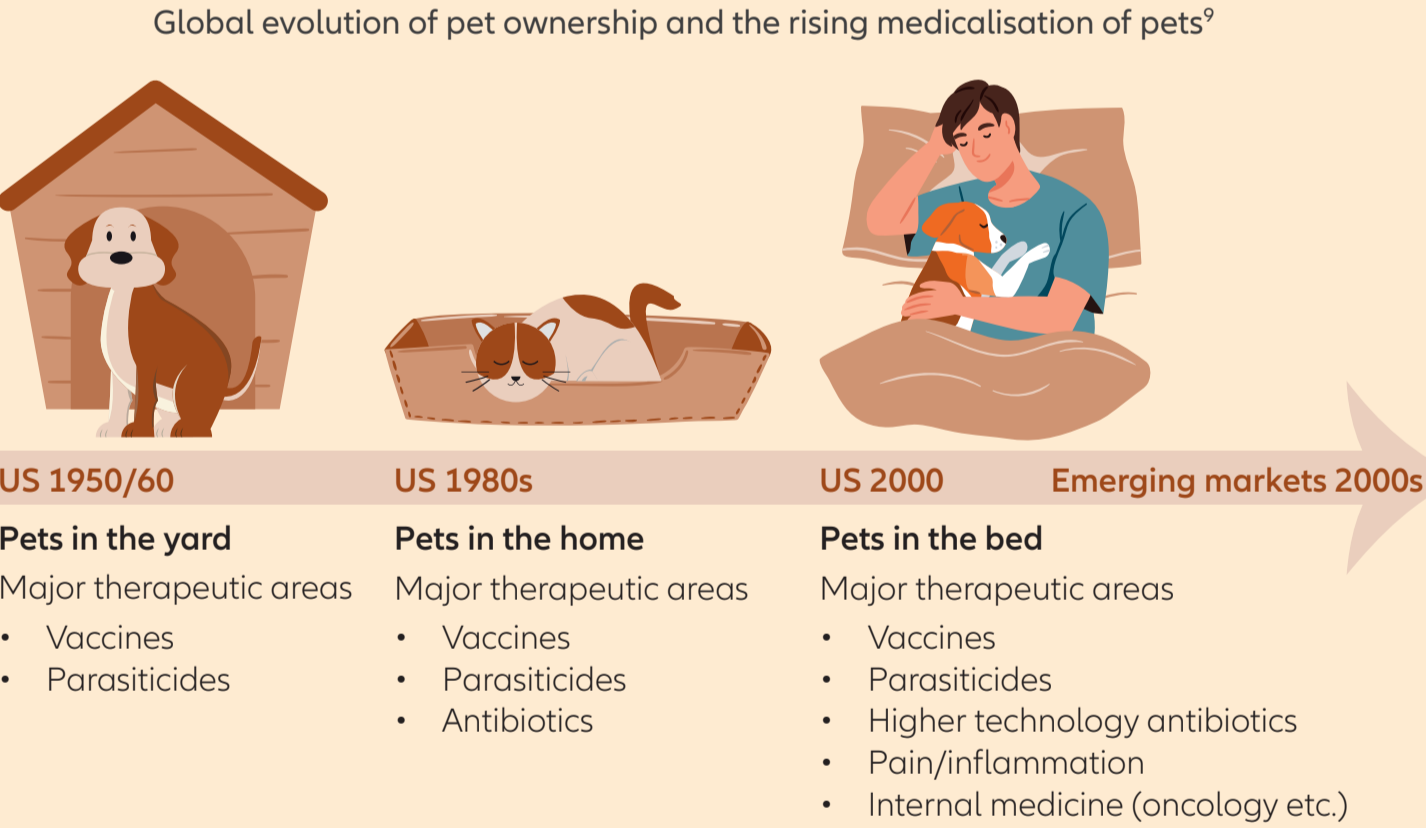
Rising implementation of digital diagnostics:

-  faster and more efficient clinical decision-making;
-  holistic view of diagnostics for a more accurate interpretation of results and determination of next steps

With increasing longevity of pets, the demand for drugs, vaccines and supplements that address special nutritional needs and preventive care requirements of (senior/geriatric) pets is rising.

THE ECONOMIC EFFECTS OF CHANGING PET MEDICATION

Global evolution of pet ownership and the rising medicalisation of pets⁹



ROOM FOR IMPROVEMENT OPENS UP INVESTMENT OPPORTUNITIES



IMPLICATIONS FOR INVESTORS

- Lower development costs and shorter development times for vaccines;
- Increasing understanding by pet parents that vaccines are important for maintaining animal health, and to prevent zoonoses transfers from pets (rabies is estimated to cause **59,000** human deaths annually in over 150 countries¹²)
- Transition from treating pet diseases to preventing them could drive the growth of preventive care and the digitalisation of clinical treatments



¹ APFA, 2022.
² Global Market Insights, November 2022.
³ China's Pet Industry, PWC China, 2022 Update.
⁴ Global Market Insights: Veterinary Services Market, June 2022.
⁵ HealthForAnimals: Global State of Pet Care, July 2022.
⁶ Science.org: A dog that lives 300 years? Solving the mysteries of aging in our pets. December, 2015.
⁷ Global Market Insights: Veterinary Services Market, June 2022.
⁸ Survey of pet owners in the US 2018.
⁹ Credit Suisse, October 2018.
¹⁰ National Library of Medicine: Familiarity and Use of Veterinary Services by US Resident Dog and Cat Owners. March, 2020.
¹¹ 2021 PDSA Animal Wellbeing (PAW) Report. May, 2021.
¹² World Health Organization.

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