

Baird's Pet Care Pulse

October 2023



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01 Executive Summary



Executive Summary

Baird's Pet Care team spent August 16-18 in Las Vegas for the World Pet Association's SuperZoo. This year's show was abuzz with ~10,000 attendees and ~1,200 exhibitors – with a general consensus around an uptick in show traffic and high-quality attendees.

While most reported continued business momentum, ongoing softness in durable pet products and questions around the sustainability of continued growth as inflation moderates has many looking ahead to Q4 with a bit of unease.

The Fall 2023 edition of Baird's Pet Care Pulse includes a showcase of pet care brands innovating around the world, our team's perspective on the buzz at SuperZoo 2023, the latest outlook for a stubbornly tepid M&A market and a performance update from public company category participants across the pet care landscape.

Note: Contact the Baird Pet Care team for a deeper dive around our latest category perspectives; GIBPetcare@RWBaird.com.



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Pet Showcase



Baird's Pet Showcase

Raising the Bar for Pets' Wellbeing

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Musti
GROUP

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NutriScience
Ingredients Matter.

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Pet Honesty

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**POOCH
PAPER**

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UNAVETS **ultra premium**
direct

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BAIRD **Equity
Research**

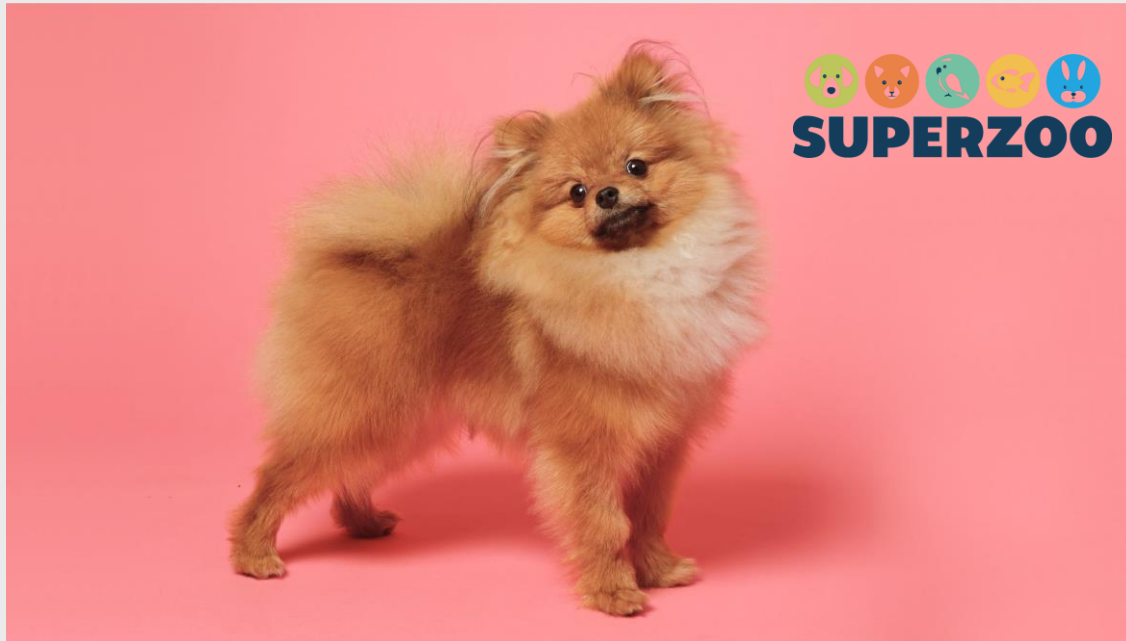
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- Baird's 2023 Pet Showcase brought together pet care companies from around the world and across the value chain to highlight key themes and trends across the sector
- The breadth and diversity of insights that emerged from the Pet Showcase speak to wide-ranging nature of the Showcase participants; large and small, public and private and concepts innovating across the value chain in distinct markets around the world
- The common thread uniting this year's Showcase participants is the continued innovation in wellness – not just for pets but also for pet parents and the world we all share
- Key themes from this year's Pet Showcase include:
 - Shift in consumer demographics creating new commercial opportunities
 - Humanization theme evolving, now with greater focus on holistic wellbeing
 - Emerging focus on proactive and preventative pet health
 - Omni-market distribution moves beyond just online and retail
 - Dramatic innovation and investment driving growth in pet services
- Follow the links to the left to enjoy additional insights and contact the Baird team for a deeper dive on this year's Pet Showcase



SuperZoo 2023 Takeaways





SuperZoo 2023 Takeaways

- 1 Price / volume dynamic continues to unfold, calling into question the sustainability of continued industry growth
- 2 What's next in the humanization theme? An emerging focus beyond diet to health and wellness
- 3 Consumer education will be critical in driving continued adoption and supporting growth in emerging categories
- 4 With the growing proliferation of pet data – the ‘connected pet’ wave is just beginning
- 5 Pet services – not dissimilar from consumer services more broadly – continue to drive pet care category growth
- 6 Industry consolidators eye a return of the M&A markets in earnest – albeit through a very discerning lens



1

Price / volume dynamic continues to unfold, calling into question the sustainability of continued industry growth

- Price continues to serve as the primary driver of category growth (with year-over-year volumes generally flat-to-down)
- While consumables and services are still growing, enduring softness in supplies and durables remains
- Last 4 weeks saw volume declines across both independent pet and MULO channels in the U.S., with significant dollar and volume share increases in private label
- The next 3-6 months will be interesting as many question how growth will fare as inflation moderates while concerns regarding the broader economic outlook persist



2

What's next in the humanization theme?
An emerging focus beyond diet to health
and wellness

- With the proliferation of category participants riding the humanization wave, the question is no longer how long will the humanization trend last
- Rather, the question has shifted to how quickly the U.S. market can narrow the 'adoption gap' with the rest of the world—particularly in fresh / raw nutrition
- Emerging entrants looking to capitalize on this next phase of humanization include exciting brands in the plant based and alternative protein space – preaching the importance of sustainability

3

Consumer education will be critical in driving continued adoption and supporting growth in emerging categories

- Ongoing and deliberate shift from reactive to proactive pet health and wellness
- Supplements / multivitamins / dental continue to grow as consumers look to get ahead of most common pet health issues
- With supply chains generally stabilized – expect a marketing push to drive awareness / education in support of promoting proactive health and wellness



4

With the growing proliferation of pet data – the ‘connected pet’ wave is just beginning

- Continued investment and innovation in technology analogous to the human activity trackers (e.g., Halo Collars, Fi, etc.)
- Potential to support industry shift to proactive health and wellness
- Wide ranging business models across pet tech – including products, subscription-based services, etc. – including powerful opportunity to commercialize underlying data

5

Pet services – not dissimilar from consumer services more broadly – continue to drive pet care category growth

- Still very early stages of growth / innovation / consolidation across both vet and non-vet service categories
- Broad-based, cross-category growth in pet health, daycare, boarding, grooming, training, etc.
- Tremendous investor appetite in the category – whether through consolidation or franchising opportunities



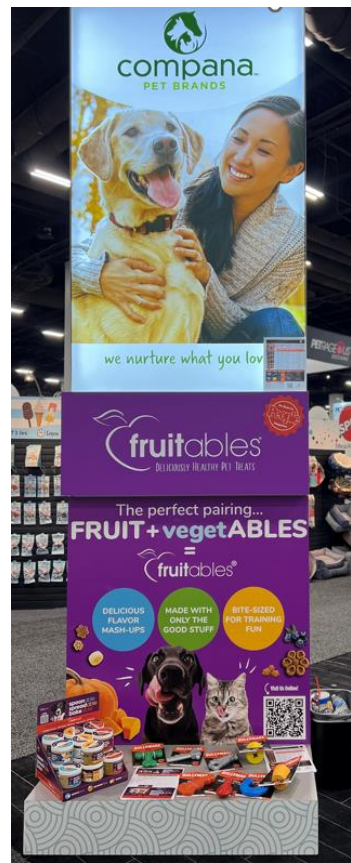
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Industry consolidators eye a return of the M&A markets in earnest – albeit through a very discerning lens

- Select M&A opportunities across the value chain have emerged, though have largely centered on supply chain and services
- Near-term M&A transactions could serve as new benchmarks for investor sentiment and valuation levels
- Emerging PE-backed consolidators and key strategic buyers continue to watch for opportunities – albeit with a very discerning eye given concerns over near term category performance



Generating Buzz at SuperZoo 2023



Brands & Platforms That Caught Our Eye at SuperZoo 2023



Generating Buzz at SuperZoo 2023



Brands & Platforms That Caught Our Eye at SuperZoo 2023



Benebone

LickiMat®

SKOUT'S HONOR®
PET SUPPLY CO.

caitec

halo

earth rated®

worldwise
better products. better planet.™

Petmate



Generating Buzz at SuperZoo 2023



Brands That Caught Our Eye at SuperZoo 2023



03 M&A Update



Pet Care M&A Trends & Perspectives

- 1 After a flurry of activity post-COVID, pet care M&A activity remains relatively subdued – albeit consistent with levels seen pre-COVID
- 2 Ongoing buzz around a perceived ‘warming’ (albeit modest) of pet care M&A – with select opportunities across the sector and value chain in market (from co-manufacturing opportunities to branded treats and chews to multi-site concepts in pet boarding & daycare)
- 3 Interest in and activity around co-manufacturing assets speaks to lingering supply chain imbalance; perceived longevity of this imbalance, long-term margin stability and potential for branded players to pursue vertical integration strategies will weigh heavily on potential valuations
- 4 Branded assets have largely remained on the M&A sidelines – focused on internal priorities as the market awaits clarity on go-forward valuations along with a more robust and active pool of private equity and strategic buyers
- 5 The landscape of sponsor-backed platforms across the pet care landscape continues to grow; watch for these platforms to ramp their M&A efforts following a period of relative quiet (given focus on integration, concerns around availability and cost of capital, etc.)
- 6 Global strategics remain open for business, but extraordinarily selective given lingering macro concerns and internal debates around buy versus build; new and re-emerging participants (Post, Spectrum) are interesting names to watch

Select Pet Care M&A Transactions

Announced	Target	Acquiror	Category	Target Description
September 2023	 Butternut Box	 GENERAL ATLANTIC		Healthy, fresh dog food delivery service in the UK
September 2023	 GoodVets	 GENERAL ATLANTIC		Animal hospital operator
August 2023	 ALPHIA	 PAI PARTNERS		Pet food and treat manufacturer
July 2023	 PETSMART	 APOLLO		Specialty retailer of pet products and services
June 2023	 Three Dog Bakery THE BAKERY FOR DOGS	 tOspin CONSUMER PARTNERS		Manufacturer of humanized dog treats
June 2023	 Pet Palace PET SOAKING RESORT	 DestinationPet		Pet resort offering boarding and daycare
June 2023	 RAW ADVANTAGE PET FOODS	 BrightPet nutrition group		Co-manufacturer of freeze-dried and frozen food and treats
May 2023	 Vetnique labs	 CRYPHON INDUSTRIES		Developer of supplements and other topical solutions
April 2023	 PET RESORT MANAGEMENT GROUP	 TRIVEST		Boarding, daycare, grooming and training
April 2023	 HESKA	 MARS		Diagnostic solutions for veterinary practitioners
April 2023	 Feeders Pet Supply	 HOUCHEMS INDUSTRIES		Pet food and supply store
March 2023	 SMALLS	 General Mills		Fresh cat food sold direct to consumer
March 2023	 Canidae	 NATURAL BALANCE		Manufacturer of premium, sustainable dog and cat food
March 2023	 LOYAL COMPANION	 PET SUPPLIES PLUS		Pet food and supply store
February 2023	 ROCCO & ROXIE SUPPLY CO.	 PETIQ		Pet treats, cleaning and health products
February 2023	 PET HOSES	 BEACH POINT		Manufacturer of human-grade, natural pet food and treats




























Source: CapIQ; MargerMarket, Baird Global Investment Banking. Select deal activity data is not exhaustive.

Select Pet Care M&A Transactions (Cont.)

Announced	Target	Acquiror	Category	Target Description
February 2023				Portfolio of premium branded pet food and treats
February 2023				Dutch manufacturer of raw pet food
January 2023				Portfolio of branded dog and cat treats
January 2023				Pet boarding, training and daycare
January 2023				Pet medications and supplies
December 2022				Boarding, daycare and grooming
November 2022				Protective boots for dogs
November 2022				Global manufacturer of premium dog and cat food
October 2022				Boarding, daycare, training and grooming
October 2022				Manufacturer of raw and freeze-dried pet food
September 2022				Pet health and wellness offering including dental chews
August 2022				Premium private label pet food manufacturer
July 2022				Veterinary pharmaceuticals
July 2022				Swedish manufacturer of premium pet food
June 2022				Manufacturer of CBD pet supplements
June 2022				Grooming services, pet food and supplies

Source: CapIQ; MergersMarket, Baird Global Investment Banking. Select deal activity data is not exhaustive.

Select Pet Care M&A Transactions (Cont.)

Announced	Target	Acquiror	Category	Target Description
May 2022				Veterinary products, software and services
April 2022				Pet food
April 2022				Manufacturer of pet chews, treats, toys and accessories
April 2022				Manufacturer of dog treats and chews
April 2022				Human grade pet food for dogs and cats
March 2022				Provider of pet aftercare services
February 2022				Premium pet food for dogs and cats
February 2022				Manufacturer of soft chew pet treats
January 2022				Manufacturer of branded and private label dog food
January 2022				Branded portfolio of pet supplements
January 2022				Cat litter cleaning solutions
January 2022				Fresh pet food sold direct to consumer
January 2022				Manufacturer of pet bedding and other accessories
December 2021				Flavor for animal nutritional supplements
September 2021				Natural pet food focused on superfood ingredients

Source: CapIQ; MergersMarket, Baird Global Investment Banking. Select deal activity data is not exhaustive.

04 Public Markets Update



Select Public Market Perspectives



Recent Performance MD&A

Perspectives following August 7, 2023 earnings announcement

- Following a period of considerable noise and disruption, early progress against profit restoration goals is allowing investors to turn their focus back on FRPT's disruptive growth story
- With tailwinds from price starting to fade, the improvement in volume was encouraging and gives us confidence in management's FY23 sales outlook
- Household penetration is also accelerating behind media, improved in-stocks, increased fridge placements, and innovation
- Adj. gross margin increased 110 bps YoY, with lower input/quality costs the key drivers. When combined with expense leverage within logistics and media, Adj. EBITDA margin expanded ~630 bps YoY

Recent Performance MD&A

Perspectives following August 30, 2023 earnings announcement

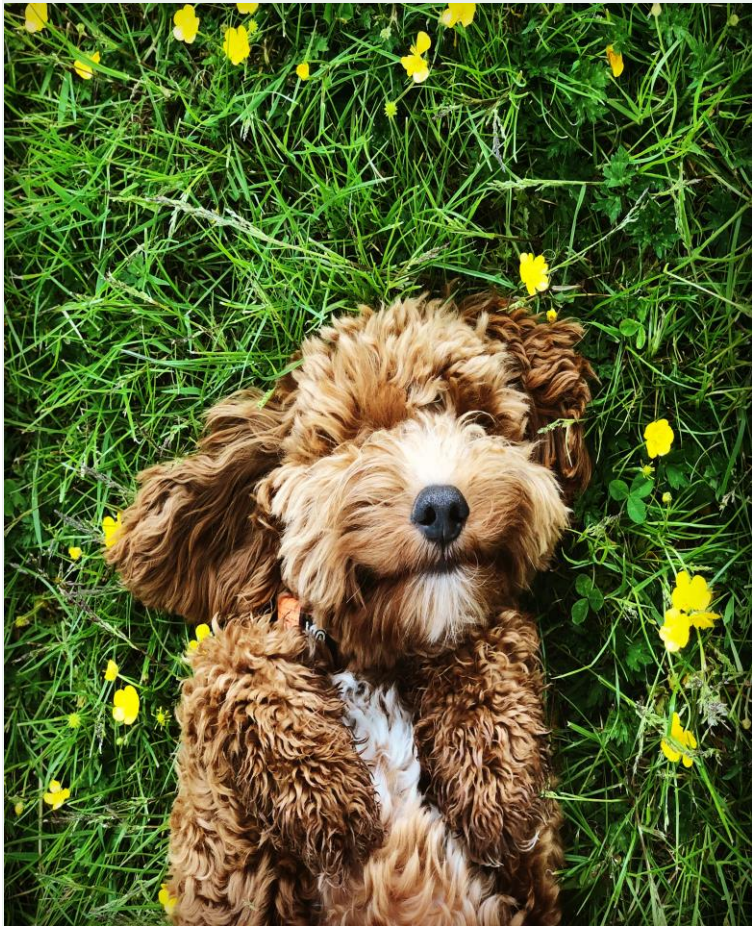
- Growth in Q2 was driven by increasing net sales per customer while the number of active customers experienced modest declines compared to last year
- Autoship remains to be a key differentiator and represents a Chewy-specific tailwind, outside of inflation, working to increase net sales per customer
- Autoship penetration has continued to climb to 75%+ of sales and Chewy has started to see some of those customers increase their cross-category purchases (i.e., ~20% of active customers are now engaged with pharmacy)
- With a majority of sales in consumables and healthcare, Chewy is more insulated than peers but not immune to a softer consumer backdrop with management making note of a more discerning consumer making selective trade downs

Recent Performance MD&A

Perspectives following August 24, 2023 earnings announcement

- Petco reduced FY23 Adj. EBITDA guidance down by ~11% (topline unchanged) based on the expected continuation of category mix shift and pricing actions aimed to be more competitive
- Breaking down category performance, services continued to perform well, consumables continued to grow, albeit at a more moderate pace and supplies continued to decline
- Management has spoken of more value conscious consumers putting pressure on discretionary categories – in response, Petco is selectively reducing prices on key products, adding more value-based offerings and leaning into the customer loyalty program to stabilize the supplies category

Select Public Market Perspectives (Cont.)



Highlights from September 20, 2023 earnings announcement

- Recent shifts to more value-oriented products and channels, along with smaller pack sizes highlights consumer's uncertainty around economic outlook
- More time spent working from offices has also hampered sales of wet foods and treats
- Despite ongoing headwinds, General Mills remains bullish on long-term prospects for the category
- Additional capacity - expected to be online later this year - will allow for insourcing of additional production and drive margin improvement



Highlights from August 4, 2023 earnings announcement

- Early days post acquisition, but pet contribution has well exceeded underwriting case
- Improved service levels and ability to rebuild customer inventories has been a key driver
- Near term plans to revitalize pet brands via enhanced marketing
- Long term objective to build a platform for inorganic growth in pet



COLGATE-PALMOLIVE

Highlights from July 28, 2023 earnings announcement

- Continued strong performance for Hill's (double digit organic growth) despite lapping very large numbers
- Much of the recent volume decline originates in emerging markets; U.S. volumes only down slightly against a very difficult comparison
- Potential for a bit of near-term sluggishness given the amount of pricing that has been taken over the past 3-4 quarters; getting pricing and margins right is critical to support advertising levels necessary to drive penetration
- Remain bullish on nutrition in general – and premium nutrition in particular

Individual Company Performance Metrics

(\$ in millions)

Company	LTM Revenue	2022A Margins			LTM Margins			Revenue Growth			EBITDA Growth		EBIT Growth	
		Gross	EBITDA	EBIT	Gross	EBITDA	EBIT	2021A	2022A	2023P	2022A	2023P	2022A	2023P
Pet Nutrition		32.5%	19.0%	14.9%	33.5%	18.9%	15.5%	1.0%	6.2%	6.7%	(2.5%)	10.7%	(2.9%)	11.2%
Colgate-Palmolive Company	\$18,676	57.0%	23.1%	20.1%	56.9%	21.1%	18.2%	5.8%	3.1%	7.7%	(5.2%)	10.7%	(5.7%)	11.2%
↳ Pet Nutrition Segment	4,049	N/A	N/A	22.9%	N/A	N/A	20.0%	14.8%	12.1%	N/A	N/M	N/A	(5.7%)	N/A
Freshpet, Inc.	668	31.2%	(2.9%)	(8.7%)	30.0%	(1.2%)	(8.3%)	33.5%	39.9%	26.1%	N/M	N/M	N/M	N/M
General Mills, Inc.	20,094	32.7%	19.4%	16.5%	32.6%	18.4%	15.7%	1.8%	4.1%	5.6%	(4.9%)	8.7%	(4.8%)	9.7%
↳ Pet Segment	2,473	N/A	N/A	18.4%	N/A	N/A	18.0%	9.6%	19.8%	N/A	N/M	N/A	(4.1%)	N/A
Nestlé S.A.	106,718	45.4%	19.4%	16.6%	45.3%	19.4%	16.7%	0.3%	6.8%	3.5%	5.5%	13.5%	6.1%	8.4%
↳ Pet Care Products	20,351	N/A	N/A	19.3%	N/A	N/A	23.8%	6.1%	12.8%	N/A	N/M	N/A	4.5%	N/A
Post Holdings, Inc.	6,625	25.5%	14.2%	8.0%	26.0%	14.4%	8.5%	(5.1%)	18.2%	20.0%	5.9%	40.9%	9.1%	56.2%
↳ Pet Brands Acquired from SJM ⁽¹⁾	275	N/A	N/A	N/A	N/A	N/A	21.7%	N/A	N/A	N/A	N/M	N/A	N/M	N/A
The J. M. Smucker Company	8,461	32.2%	18.7%	13.2%	34.4%	20.2%	15.4%	(3.5%)	5.6%	(4.8%)	(2.5%)	8.5%	(2.9%)	34.6%
↳ U.S. Retail Pet Foods Segment ⁽¹⁾	2,750	N/A	N/A	15.8%	N/A	N/A	16.6%	(7.4%)	9.2%	N/A	N/M	N/A	24.7%	N/A
Pet Products & Supplies		30.4%	7.2%	4.4%	30.4%	7.6%	4.7%	20.8%	0.1%	(2.6%)	(15.5%)	53.5%	(22.5%)	3.5%
Central Garden & Pet Company	\$3,267	29.2%	9.6%	7.1%	29.3%	9.8%	7.1%	20.2%	(2.0%)	0.3%	(5.7%)	6.7%	(7.7%)	3.5%
↳ Pet Segment	1,834	N/A	13.1%	10.9%	N/A	13.6%	10.6%	8.4%	(1.9%)	N/A	(1.9%)	N/A	(3.2%)	N/A
Spectrum Brands Holdings, Inc.	2,928	31.5%	4.9%	1.8%	31.5%	5.3%	2.2%	21.4%	2.3%	(5.4%)	(25.4%)	100.3%	(37.3%)	N/M
↳ Global Pet Care Segment	1,134	N/A	14.5%	7.7%	N/A	16.4%	10.3%	12.1%	(0.5%)	N/A	(15.3%)	N/A	(17.9%)	N/A
Pet Retail & Services		35.0%	7.0%	3.8%	35.3%	5.9%	2.7%	19.9%	11.6%	4.7%	3.3%	9.9%	(3.9%)	8.5%
Chewy, Inc.	\$10,802	28.0%	1.2%	0.6%	28.3%	0.9%	0.2%	24.4%	13.6%	11.5%	N/M	N/M	N/M	N/M
Petco Health and Wellness Company, Inc.	6,166	40.2%	7.0%	3.8%	39.2%	5.9%	2.7%	18.0%	3.9%	3.7%	(6.1%)	11.3%	(17.6%)	11.6%
Tractor Supply Company	14,761	35.0%	12.5%	10.1%	35.3%	12.5%	10.0%	19.9%	11.6%	4.7%	12.8%	8.4%	9.8%	5.4%
↳ Livestock & Pet Products	7,748	N/A	N/A	N/A	N/A	N/A	N/A	19.9%	18.7%	N/A	N/M	N/A	N/M	N/A
Pet Health		56.6%	22.8%	8.8%	57.3%	27.8%	19.0%	19.5%	3.9%	9.4%	0.7%	15.5%	4.1%	41.3%
Elanco Animal Health Incorporated	\$4,324	56.6%	22.8%	8.8%	57.3%	22.5%	8.2%	45.6%	(7.4%)	(0.8%)	(3.2%)	(2.9%)	3.7%	121.2%
IDEXX Laboratories, Inc.	3,514	59.5%	30.0%	26.7%	60.0%	33.0%	29.8%	18.8%	4.7%	9.4%	(2.5%)	19.1%	(3.6%)	21.2%
PetiQ, Inc.	999	22.8%	7.2%	3.6%	22.6%	8.2%	4.7%	19.5%	(1.2%)	12.0%	13.2%	44.9%	41.6%	61.5%
Trupanion, Inc.	1,007	3.6%	(3.5%)	(4.7%)	3.8%	N/M	N/M	39.2%	29.5%	19.4%	N/M	N/M	N/M	N/M
Zoetis Inc.	8,222	69.7%	41.2%	36.3%	70.2%	41.2%	36.3%	16.5%	3.9%	6.5%	3.9%	11.9%	4.4%	12.8%
Total Mean		37.5%	14.0%	10.0%	37.7%	15.5%	11.2%	17.3%	8.5%	7.5%	(1.1%)	21.7%	(0.4%)	29.8%
Total Median		32.5%	13.3%	8.4%	33.5%	14.4%	8.5%	19.2%	4.4%	6.1%	(2.5%)	11.3%	(2.9%)	12.2%

Source: S&P Capital IQ as of September 18, 2023.

(1) As of April 2023, Post completed its acquisition of select pet brands from The J.M. Smucker Company. LTM segment performance reflects two months of operations, noting that EBIT margin is based on product costs only. Sales for the U.S. Retail Pet Foods Segment of SJM expected to decline meaningfully as quarters roll off given the acquisition.

Individual Company Valuation Metrics

(\$ in millions)

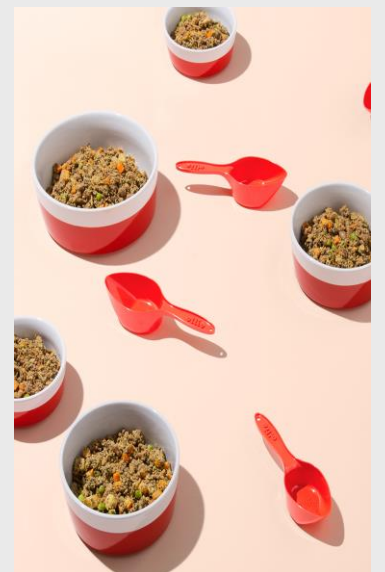
Company	Market Cap.	Enterprise Value	Stock Performance		% of 52-Wk. High	EV / Revenue			EV / EBITDA			Net Debt / EBITDA ⁽¹⁾	P/E Ratio		Relative P/E ⁽²⁾	
			2022	YTD 2023		LTM	2023P	2024P	LTM	2023P	2024P		2022A	2023P	2023P	10 Yr Avg
Pet Nutrition			(11.8%)	(4.4%)	87.4%	3.0x	3.0x	2.9x	13.4x	13.6x	12.8x	3.0x	24.5x	17.5x	0.85x	0.96x
Colgate-Palmolive Company	\$61,051	\$69,333	(7.7%)	(6.3%)	90.0%	3.7x	3.6x	3.4x	17.6x	15.1x	14.1x	2.0x	31.9x	23.3x	1.13	1.06
Freshpet, Inc.	3,506	3,540	(44.6%)	37.8%	85.9%	5.3	4.7	3.8	N/M	63.0	36.6	N/M	N/M	N/M	N/M	N/M
General Mills, Inc.	38,416	49,667	24.4%	(21.2%)	72.7%	2.5	2.4	2.4	13.4	12.1	11.5	3.0	17.8	15.2	0.74	0.75
Nestlé S.A.	314,403	376,751	(15.9%)	(1.3%)	90.5%	3.5	3.6	3.4	18.2	16.7	15.9	3.0	20.2	21.4	1.04	0.96
Post Holdings, Inc.	5,388	11,374	(19.9%)	(2.5%)	89.0%	1.7	1.6	1.5	11.9	9.4	9.2	6.3	33.3	17.5	0.85	1.58
The J. M. Smucker Company	12,949	16,563	16.7%	(20.0%)	77.7%	2.0	2.1	2.1	9.7	9.8	9.6	2.1	24.5	12.9	0.63	0.83
Pet Products & Supplies			(34.5%)	28.0%	95.1%	0.8x	0.8x	0.8x	11.0x	7.8x	7.5x	2.7x	15.5x	27.4x	1.33x	1.32x
Central Garden & Pet Company	\$2,327	\$3,183	(28.8%)	26.0%	97.3%	1.0x	1.0x	0.9x	9.9x	9.4x	9.3x	2.7x	15.5x	17.8x	0.87x	1.01x
Spectrum Brands Holdings, Inc.	2,825	1,885	(40.1%)	30.0%	92.9%	0.6	0.6	0.6	12.1	6.2	5.6	N/M	N/M	37.0	1.80	1.64
Pet Retail & Services			(37.1%)	(48.2%)	36.3%	0.7x	0.7x	0.6x	12.9x	12.4x	11.5x	2.3x	26.2x	20.4x	0.99x	1.50x
Chewy, Inc.	\$8,262	\$7,357	(37.1%)	(48.2%)	36.3%	0.7x	0.7x	0.6x	75.5x	21.3x	16.8x	N/M	N/M	33.2x	1.62x	N/M
Petco Health and Wellness Company, Inc.	1,087	2,505	(52.1%)	(57.2%)	28.0%	0.4	0.4	0.4	6.9	5.3	5.2	3.9	28.7	14.8	0.72	1.99
Tractor Supply Company	22,794	23,902	(5.7%)	(6.9%)	83.4%	1.6	1.6	1.5	12.9	12.4	11.5	0.6	23.7	20.4	0.99	1.01
Pet Health			(56.9%)	10.4%	80.3%	2.7x	2.6x	2.5x	18.8x	17.6x	21.4x	1.4x	45.4x	28.3x	1.66x	1.82x
Elanco Animal Health Incorporated	\$5,814	\$11,469	(56.9%)	(3.4%)	80.3%	2.7x	2.6x	2.5x	11.8x	11.7x	11.0x	5.8x	N/M	14.0x	0.68x	N/M
IDEXX Laboratories, Inc.	37,378	38,284	(38.0%)	10.4%	79.7%	10.9	10.4	9.4	33.0	31.8	28.6	0.8	51.1	45.8	2.23	1.83
PetIQ, Inc.	552	923	(59.4%)	105.0%	90.6%	0.9	0.9	0.8	11.3	9.6	8.7	4.5	N/M	23.6	1.15	1.99
Trupanion, Inc.	1,201	1,187	(64.0%)	(38.9%)	42.0%	1.2	1.1	1.0	N/M	N/M	57.3	0.3	N/M	N/M	N/M	N/M
Zoetis Inc.	82,696	87,564	(39.9%)	22.6%	92.1%	10.6	10.2	9.4	25.8	23.5	21.4	1.4	39.7	33.0	1.61	1.64
Total Mean			(29.3%)	1.6%	76.8%	3.1x	3.0x	2.7x	19.3x	17.2x	17.0x	2.8x	28.6x	23.6x	1.0x	1.2x
Total Median			(37.6%)	(3.0%)	84.6%	1.8x	1.8x	1.8x	12.5x	12.1x	11.5x	2.7x	26.6x	20.9x	0.9x	1.0x
S&P 500			(19.4%)	16.0%	97.0%	2.8x	2.8x	2.6x	14.5x	13.7x	12.5x	1.1x	25.9x	20.5x	1.00x	1.00x

Source: S&P Capital IQ as of September 18, 2023.

(1) Calculated based on LTM EBITDA.

(2) Reflects P/E ratio relative to the S&P 500.

05 Who We Are



Baird's Comprehensive Coverage of Pet Care



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Dogs

Cats

Birds

Fish

PET SUPPLIES

Grooming

Pharmacy

Training

Veterinary Services



Baird's Experience Across Pet Care



freshpet

\$350,000,028
Common Stock

Follow-on Offering

freshpet

\$345,345,000
Common Stock

Follow-on Offering

CENTRAL
Garden & Pet

\$200,000,000
Common Stock

Follow-on Offering

CLAYTON
DUBLIEK
& RICE

Acquisition of

RADIO SYSTEMS
CORPORATION

Senior Secured Notes

PET SUPPLIES PLUS

A Portfolio Company of

Sentinel
CAPITAL PARTNERS

Sale to

FRANCHISE
GROUP INC.

PET SUPPLIES PLUS

A Portfolio Company of

IRVING PLACE CAPITAL

Sale to

Sentinel
CAPITAL PARTNERS

DIAMONDBACK
DRUGS

Recapitalization by

SHERIDAN
CAPITAL PARTNERS

Freshpet

\$179,687,505
Common Stock

Initial Public Offering

Freshpet

Sale of 25% stake to

Tyson

Caring for pets since 1868

Sergeant's

Sale to

Perrigo

Rejuvenate

Sale to

Spectrum
Brands

petco
THE HEALTH + WELLNESS CO.

\$607,200,000
Common Stock

Follow-on Offering

petco
THE HEALTH + WELLNESS CO.

\$993,600,000
Common Stock

Initial Public Offering

DIAMONDBACK
DRUGS

A portfolio company of

SHERIDAN
CAPITAL PARTNERS

Recapitalized by

TAILWIND

nulo
healthier together™

Received Minority Investment from

Apax

Advisor

WellPet
at the heart of all we do

A Portfolio Company of

HEARST CAPITAL

Senior Secured Credit Facilities

WEIMAN

A Portfolio Company of

CORTEC Group

Sale to

THE CARLYLE GROUP

And

TA ASSOCIATES

Bradshaw Home

A Portfolio Company of

ONCAP

Sale to

ARBOR
INVESTMENTS

petvalu
your pet • your store

Senior Secured Credit Facilities

ROARK
CAPITAL GROUP

Acquisition of

petvalu

\$110,000,000

DDC
DNA Diagnostics Center

A Portfolio Company of

MTS **OAKTREE**

Sale to

GHO
CAPITAL

Pestell
NUTRITION

Sale to

WIND POINT PARTNERS

EVRIHOLDER

A Portfolio Company of

the edgewater funds and JZ PARTNERS

Sale to

KAINOS
CHANGE CAPITAL AT WORK

Tiendanimal

A Portfolio Company of

MIURA
PRIVATE EQUITY

Sale to

EMEFIN

Musti
GROUP

€160,000,000
Common Stock

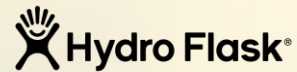
Initial Public Offering

* Tombstones denote transactions completed by bankers while at another firm.

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One of Wall Street's most active Consumer advisors



\$200+ Billion

Consumer M&A volume since 2010



500+

Consumer M&A transactions since 2010



18

Dedicated senior Consumer bankers



100+

Completed equity assignments since 2010

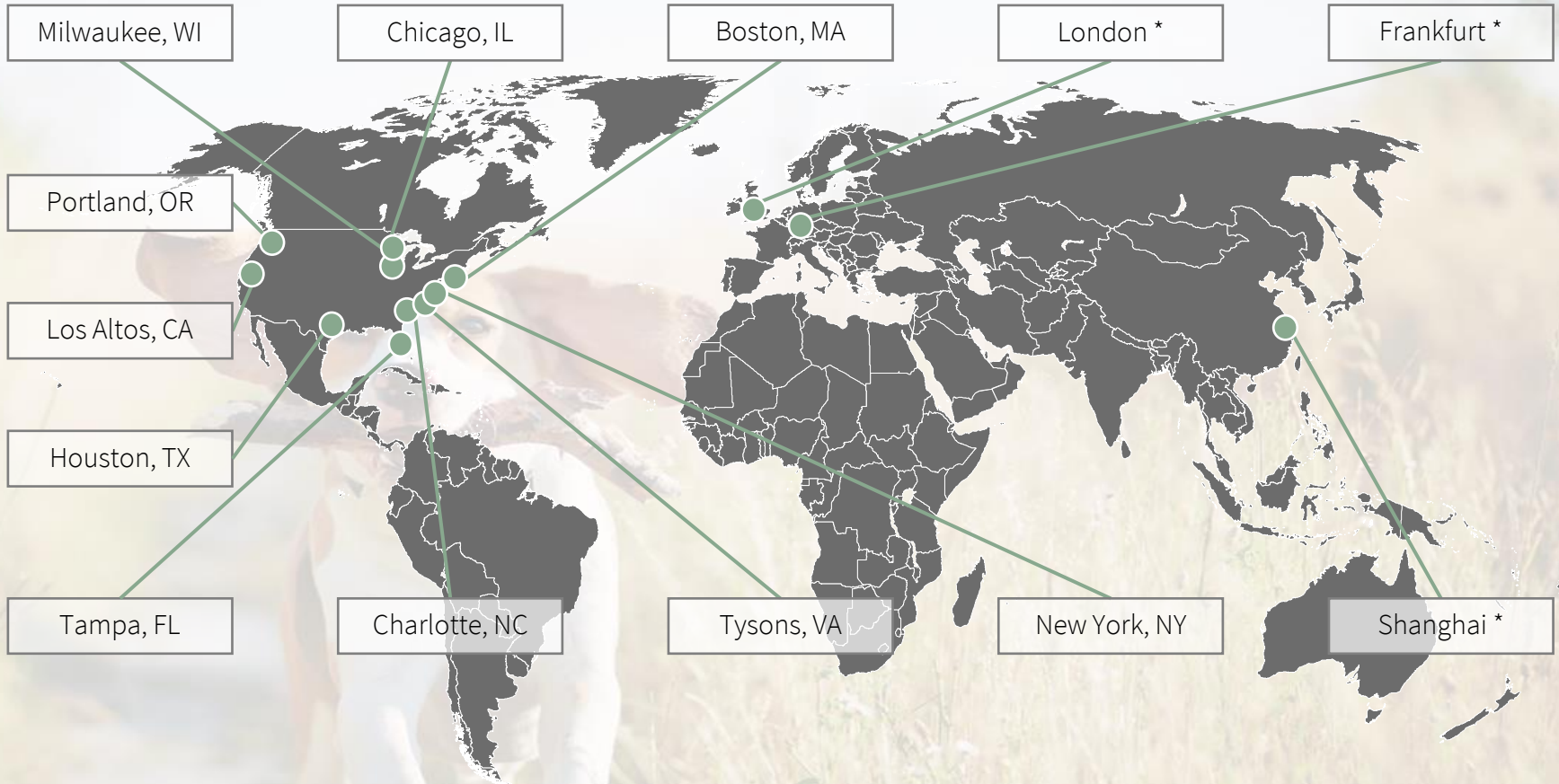


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“ How we succeed is as important as if we succeed

“ We deliver great outcomes by putting clients first



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and **200** Office Locations

Global Reach with **400+**
Investment Banking
Professionals in the U.S.,
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to Work For®** 2004 – 2023
(ranked **#23** in 2023)

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1,260+ M&A Transactions
Completed Since 2010

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