

M&A INDUSTRY REPORT

Pet Care & Services

FOCUS is a leading national M&A firm serving the lower middle market. With over 40 years of experience, a global footprint, and hundreds of completed transactions across diverse industries, FOCUS continues to redefine the banker-client relationship.





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M&A INDUSTRY OVERVIEW

People love their pets. No one questions that simple fact.

People spend money on their pets, whether covering the basics of food and care or the extravagances of dog spa resorts and custom stitched leather collars and leashes. That spending fuels an industry that passed \$150 billion in the US in 2024 (American Pet Products Association). With 94 million households owning at least one pet, and 77% of pet owners reporting that their ownership is unaffected by the current economy, the industry reflects two qualities very attractive to investors: **growth** and **resilience**. (APPA)

In this (occasional) report, **Pets and the Businesses that Love Them**, we explore some of the active areas for M&A, investment activity, and entrepreneurship in the pet industry.

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SPOTLIGHT ON VETERINARY SERVICES: PEGS LOVE PET MDS (AKA VETS)

The fragmented world of veterinary hospitals, clinics and practices is less fragmented than it was ten years ago. Responsible for this change are a handful of private equity firms that have built substantial enterprises by acquiring numerous clinics and hospitals creating platforms; accompanied by one well-resourced strategic player – Mars, Inc. Most acquirers seek 100% acquisitions (often accommodating owners who want to continue practicing), while others (the minority) employ a shared ownership model.

Significant Brands and Backers (per www.privateequityvet.org , Jan 2026)			Most Active Acquirers in 2024/2025 (per Pitchbook)	
Brand	Backer	# clinics	PEG acquirer	# acquisitions or growth investments
Banfield	Mars	1100	Percheron Capital	Made 8 acquisitions focused on animal dermatology
VCA	Mars	870	Shore Capital	Acquired 140+ practices & clinics
BluePearl	Mars	97	Audax	Involved in 30 deals
NVA	JAB	1013	Ufenau Capital Partners	Swiss group investing in veterinary clinics (focus on equine) in Europe, US and Canada through Altano Gruppe
Ethos Veterinary Health	JAB	154		
VetCor	Harvest Partners	917		
Southern Veterinary Partners	Shore Capital Partners	380		
Mission Veterinary Partners	Shore Capital Partners	275		

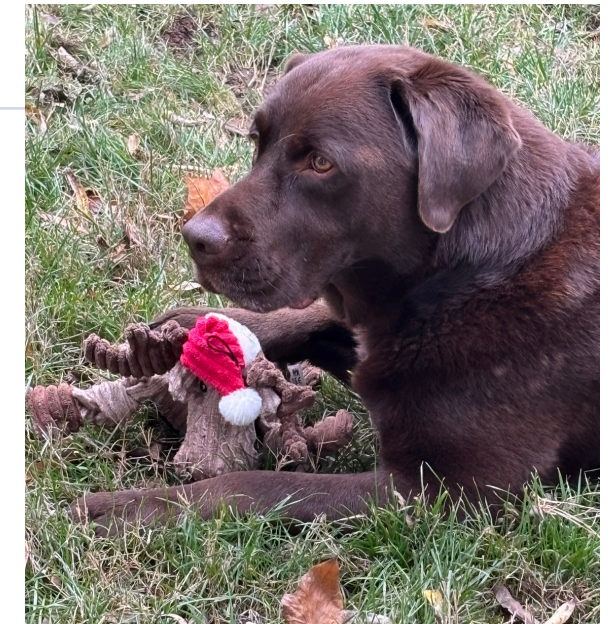
Note that the much higher number of transactions reflected in this list vs. p. 7 indicates CapitalIQ did not capture smaller practice acquisitions in its data.

Deal Rationale



- **Investors:** PEGs see a fragmented market of small entities with relatively weak infrastructure, supported by consumer demand that is quite resilient. They see opportunities to drive value through improved and centralized administrative and technology infrastructure. The business is also typically cash-based and doesn't rely on 3rd party payers.
- **Practice owners:** Practices can be difficult to sell or otherwise provide an exit for retiring veterinarians. Traditionally younger associates would buy in, but many of them find it more economical to simply set up on their own and attract the client base. Notably, PEGs tend to offer as much as twice what owners could receive from the old model (according to industry broker groups) and are skilled at executing deals quickly.
 - Even for vets who want a partnership model and to stay on, the promise of business management support is often welcome. Additional investment in and access to newer, more sophisticated veterinary equipment is also of significant interest.
- **Job seekers:** Newly minted vets see benefits not traditionally part of the “pay your dues” model. Think signing bonuses, retirement plans, insurance, paid vacations and professional development path.

So...What's not to like?

Some practitioners have not appreciated the “corporatization” of veterinary medicine (not surprising). On a less personal note, research has shown that prices for the consumer have risen, not fallen, over the last decade and the phrases “anti-competitive” and “monopoly” have snuck into the conversation. In 2025 the cost of veterinary services rose 7.1%, compared to the CPI of 2.9% overall (BLS data). And the FTC has intervened on more than one occasion to require an acquirer to divest certain assets before approving a deal, citing anti-competitive trends in certain markets.



Select FTC Actions

 JAB Holdings	Mars Inc.
<ul style="list-style-type: none"> • In 2022 JAB was ordered to divest clinics in CA and TX as a condition of its acquisition of Sage Veterinary Partners. • Also, in 2022 JAB was ordered to divest clinics in Richmond VA; San Francisco; Denver; and Washington DC as a condition of its acquisition of Ethos. 	<ul style="list-style-type: none"> • In 2017, the FTC required Mars to divest 12 clinics in 10 localities as a condition of its acquisition of VCA. 

Has this pressure encouraged investors to look elsewhere in the pet universe?

A look at the recent activity in veterinary practices indicates that some major acquirers have slowed down. Staying in the services area, there has been an uptick in transactions in daycare and pet resort services. The newer “care” industry has been in high growth mode over the last five years (4.9% CAGR according to IBIS) passing \$15 bn; several private equity groups including Mosaic Capital Partners and Trivest Partners) have been active acquirers.

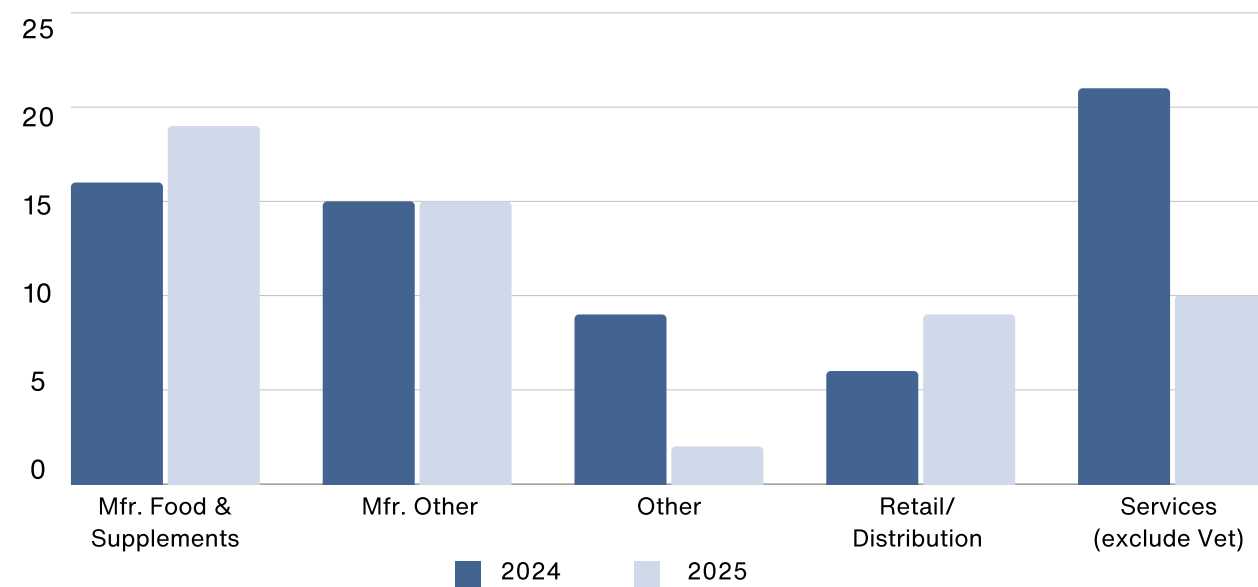
With a business model suited to multi-location growth and/or franchise expansion, we would expect increased activity; the FOCUS multi-unit team has confirmed the fit with the trends they see in that marketplace.



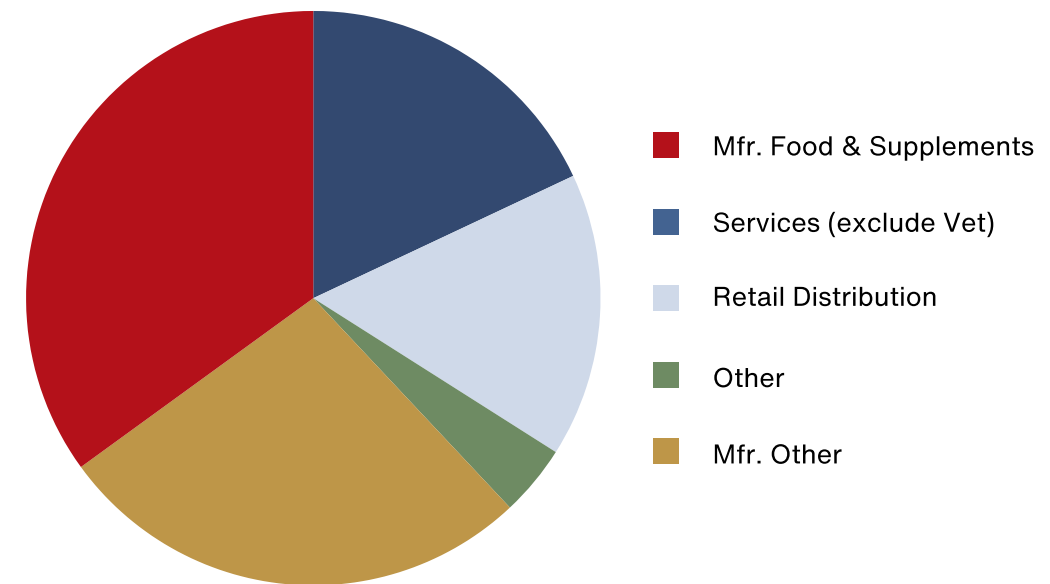
Another interesting angle? Pet insurance. JAB Holdings (see above) owns multiple pet insurance brands across Europe and North America.



Transaction Count by Segment



2025 Transaction Activity



Key Insights

Overall activity in the pet sector over the last two years has been robust, even excluding the veterinary services group. While activity (by deal count) declined from 2024 to 2025, the dropoff was primarily due to decreased activity in the services sector (as tracked by CapitalIQ).

A review of the groups making multiple acquisitions in the past two years (excluding veterinary practices) shows over 80% were backed by private equity or were direct investments of the PEG itself.



The pet sector attracts entrepreneurs who are passionately devoted to their pets, other people’s pets, and animal causes in general. Two notable “pet treat” deals that happened in 2025 were the acquisition of Snif-Snax by Firelight Capital Partners and the acquisition of Riley’s Pets by a subsidiary of SwedenCare (STO:SWECARE), a Swedish public company.

Snif-Snax

Story

Family-owned business founded in 2016 by a salmon industry veteran alongside his wife and daughter, all committed dog rescuers and owners. Snif-Snax produces award-winning, human grade all natural premium dog treats. The treats are sold on the company’s website, through Chewy, and distributed nationwide to retailers via a partnership with Phillips Pet Food & Supplies



Deal

Snif-Snax was acquired by private equity group Firelight Capital Partners in August 2025. Deal terms not announced but reportedly the deal was supported by \$23.5m in debt financing from the Gladstone Capital Corp BDC (per Pitchbook). Firelight was an early investor in Three Dog Bakery, exiting that investment in 2023 when TDB was acquired for \$58m.

Riley’s Pets

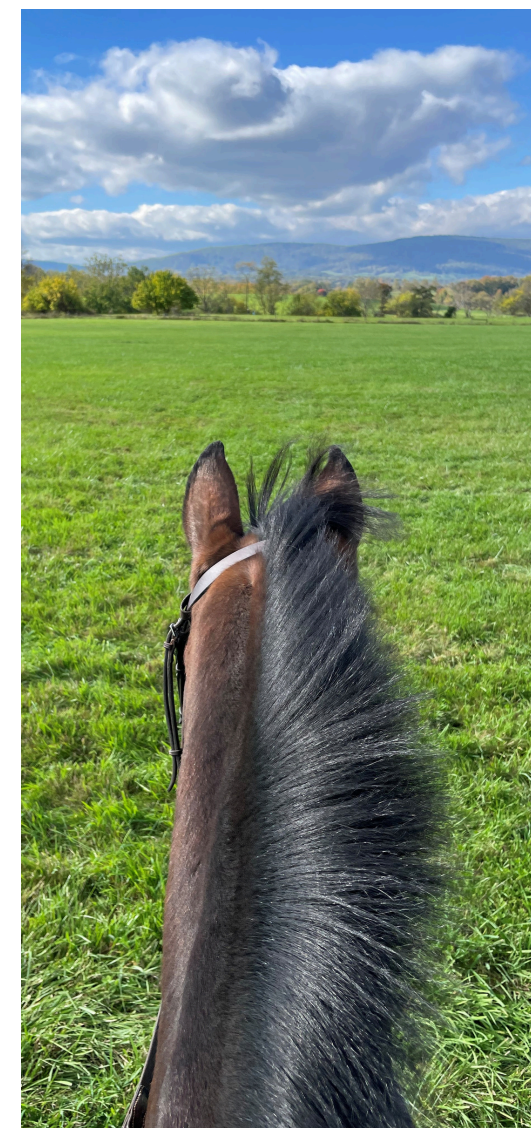
Story

Founded in 2012 in St Louis, MO, Riley’s makes organic pet treats, including biscuits, jerky, and single ingredient products. SwedenCare had tested the sales of Riley’s products through the Amazon channel via its US subsidiary, Pet MD Brands, in 2023 prior to acquisition.



Deal

Strategic acquirer SwedenCare AB bought Riley’s in 2024 for more than 2X 2023 revenue after its very successful Amazon test. SwedenCare commented that Riley’s provides entry into the “fast-growing” market for organic pet treats in the US, and that the buyer may also expand the brand internationally.



What Buyers Are Looking For...Depends on the Buyer (of course)

At the risk of sounding glib, it DOES depend on the buyer since each buyer brings its own rationale for an acquisition. At a high level, this addresses what the acquisition brings to the buyer's strategic growth plan; and it could also incorporate the prospective "fit" whereby each party can leverage the strengths of the other. In the long run, better fit usually means higher "value" -- regardless of which side of the transaction you are on.

So, drilling down to what matters...

Attribute	Rationale
Differentiated brand positioning	Well-defined brands that resonate with customers are especially important in a crowded market
Demonstrated & durable growth	Signals stability, particularly when paired with at least 5 yrs of operating history. Reduces forecasting and "fad" risk
Pricing power & margin resilience	Good margins and flexibility to preserve them with pricing supports attractive economics
Product innovation with defensibility	Sequence of innovative products/services dispels concern of "one-off" or hero SKUs
Loyal, data-rich customer base	Repeat customer purchasing patterns showcasing strong LTV/CAC metrics, supported by granular customer datasets
Scalable & diversified distribution	Proven success across channels (DTC, retail, international, platforms) demonstrates multiple expansion options
Operational readiness and infrastructure	From manufacturing to service delivery, supply chains to accounting, tested, growth-ready systems drive value
Management team depth	Leadership, functional area skills, industry expertise – people are often the most critical components of any acquisition
Growth opportunities	Credible avenues for expansion, especially those where groundwork is in place and pipeline activity is strong, drive interest and enhance valuation

PUBLIC COMPS

Pet Manufacturing

Company Name	Business Description	Enterprise Value \$(000)	Revenue \$(000)	Ebitda \$(000)	Revenue Multiple	EBITDA Multiple	
Fevara plc (LSE:FVA)	Fevara plc develops, manufactures, and sells research-proven supplements, including feed licks, blocks, bagged minerals, and boluses for cattle, sheep, and horses.	90.1	106.4	2.7	0.8x	18.4x	
Anpario plc (AIM:ANP)	Anpario plc, together with its subsidiaries, manufactures and distributes natural animal feed additives for animal health, nutrition, and biosecurity.	142.3	59.3	10.8	2.4x	13.0x	
Freshpet, Inc. (NasdaqGM:FRPT)	Freshpet, Inc., together with its subsidiaries, manufactures, distributes, and markets natural fresh meals and treats for dogs and cats.	3856.9	1102	165.4	3.5x	22.7x	
Swedencare AB (publ) (OM:SECARE)	Swedencare AB (publ), together with its subsidiaries, develops, manufactures, markets, and sells animal healthcare products for cats, dogs, and horses.	601.2	297.7	51.8	2.0x	10.6x	
		High	3,856.90	1,102.00	165.4	3.5x	22.7x
		Low	90.1	59.3	2.7	0.8x	10.6x
		Mean	1,172.60	391.4	57.7	2.2x	16.2x
		Median	371.7	202.1	31.3	2.2x	15.7x

Private equity deals in the pet food manufacturing space in the period 2023 – 2025, as tracked by GF Data, show strong multiples (over 8X EBITDA). As would be expected, larger deals attract higher multiples (see charts below).

Years	Revenue Multiple	EBITDA Multiple	Size - EBITDA (all years)	EBITDA Multiple
2023 - 2025	1.3X	8.3X	\$5 - \$8m	8.3X
			>\$10m	9.2X

PUBLIC COMPS

Pet Pharma

Company Name	Business Description	Enterprise Value \$(000)	Revenue \$(000)	Ebitda \$(000)	Revenue Multiple	EBITDA Multiple	
Phibro Animal Health Corporation (NasdaqGM:PAHC)	Phibro Animal Health Corporation operates as an animal health and mineral nutrition company.	2839.9	1464.3	228.8	1.9x	11.7x	
ECO Animal Health Group plc (AIM:EAH)	ECO Animal Health Group plc, together with its subsidiaries, manufactured and supply animal health products internationally.	85.3	115.9	12	0.7x	6.5x	
Vetoquinol SA (ENXTPA:VETO)	Vetoquinol SA, a veterinary pharmaceutical company, designs, develops, and sells veterinary drugs and non-medicinal products for cattle, pigs, dogs, and cats.	992.7	628.2	123	1.6x	7.6x	
Virbac SA (ENXTPA:VIRP)	Virbac SA manufactures and sells a range of products and services for companion and farm animals.	3829	1690.5	309.6	2.3x	11.8x	
Animalcare Group plc (AIM:ANCR)	Animalcare Group plc develops, sells, and distributes licensed veterinary pharmaceuticals, and services for companion and production animals, and equine veterinary markets.	272.3	109.5	9.8	2.5x	24.4x	
Zoetis Inc. (NYSE:ZTS)	Zoetis Inc. engages in the discovery, development, manufacture, and commercialization of medicines, vaccines, diagnostic products and services, biodevices, genetic tests, and precision animal health solutions for the animal health industry.	61362.6	9467	4066	6.5x	14.7x	
Elanco Animal Health Incorporated (NYSE:ELAN)	Elanco Animal Health Incorporated, an animal health company, innovates, develops, manufactures, and markets products for pets and farm animals worldwide.	16230.6	4591	882	3.5x	17.3x	
Vimian Group AB (publ) (OM:VIMIAN)	Vimian Group AB (publ) engages in the animal health business worldwide. It operates through Specialty Pharma, MedTech, Diagnostics, and Veterinary Services segments.	1783.4	501.5	123.5	3.5x	14.3x	
Labiana Health, S.A. (BME:LAB)	Labiana Health, S.A. develops, manufactures, sells, and markets animal and human health medicine products.	74.5	84.6	11.1	0.9x	6.7x	
		High	61,362.60	9,467.00	4,066.00	6.5x	24.4x
		Low	74.5	84.6	9.8	0.7x	6.5x
		Mean	9,718.90	2,072.50	640.7	2.6x	12.8x
		Median	1,783.40	628.2	123.5	2.3x	11.8x

PUBLIC COMPS

Pet Retail

Company Name	Business Description	Enterprise Value \$(000)	Revenue \$(000)	Ebitda \$(000)	Revenue Multiple	EBITDA Multiple	
Central Garden & Pet Company (NasdaqGS:CENT)	Central Garden & Pet Company produces and distributes various products for the lawn and garden, and pet supplies markets in the United States.	2949.1	3090	346	1.0x	6.6x	
PetMed Express, Inc. (NasdaqGS:PETS)	PetMed Express, Inc., together with its subsidiaries, operates as a pet pharmacy in the United States.	36.8	187	(28.8)	0.2x	NM	
Pets at Home Group Plc (LSE:PETS)	Pets at Home Group Plc engages in the omnichannel retailing of pet food, pet related products, and pet accessories in the United Kingdom.	1790.1	1986.8	215.2	0.9x	6.0x	
BARK, Inc. (NYSE:BARK)	BARK, Inc., a dog-centric company, provides products, services, and content for dogs.	155.3	423.7	(30.2)	0.4x	NM	
Chewy, Inc. (NYSE:CHWY)	Chewy, Inc., together with its subsidiaries, engages in the e-commerce business in the United States.	10834.1	12584.2	285.3	0.9x	27.4x	
Musti Group Oyj (HLSE:MUSTI)	Musti Group Oyj operates as a pet care specialist in Finland, Sweden, and Norway.	964.3	600.4	27.1	1.6x	14.9x	
Petco Health and Wellness Company, Inc. (NasdaqGS:WOOF)	Petco Health and Wellness Company, Inc., operates as a health and wellness company, focuses on enhancing the lives of pets, pet parents, and its Petco partners.	3453.4	5998.5	313.5	0.6x	4.0x	
Pet Valu Holdings Ltd. (TSX:PET)	Pet Valu Holdings Ltd. engages in the retail and wholesale of pet foods and pet-related supplies for dogs, cats, fish, birds, reptiles, and small animals in Canada.	2040.7	836.4	137.7	2.4x	12.3x	
		High	10,834.10	12,584.20	346	2.4x	27.4x
		Low	36.8	187	(30.2)	0.2x	4.0x
		Mean	2,778.00	3,213.40	158.2	1.0x	11.9x
		Median	1,915.40	1,411.60	176.5	0.9x	9.5x

DEALS

Consumer Transactions



has been acquired by



has been acquired by



has been acquired by



has acquired



has received an investment from



has been acquired by



has been acquired by



has been acquired by



has received debt from



has been acquired by



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