

Veternity, world reference in pet funeral services, announces growth of 8% and a 7th country of operations: The United States

The general assembly of 18th March 2021 was the occasion for Veternity's management (ex La Compagnie Des Veterinaires) to present its detailed business report for 2019-2020 and unveil its future prospects for development. The Group, expert in pet funeral services for the past 25 years, reached a turning point in the deployment of its model in 2019-2020. Its brand Esthima (launched on the BtoC sector in November 2020) has an 80% market share in France today. The Group owns a network of 23 crematories in Europe (France, Germany, Belgium, Poland and Czech Republic) and is accelerating the deployment of funeral agencies across the continent, with 10 to date. The Group also has great expectations for North America where it already owns 2 crematories in Canada and 4 in the United States.

Last year was impacted by a global health crisis, however, Veternity Group and its activities were resilient and even performed well. A growth of the turnover by 8 %, good profitability and a bigger share of turnover from abroad demonstrate how resilient and well managed the model is.

Philippe Thomas, CEO Veternity, Veterinarian

"25 years ago, 200 veterinarians decided to launch an ethical alternative to rendering services with the aim of offering our pets a respectful end of life. We started as a 100% French SME, and we developed our expertise, our activities, and our personalised funeral offer, to meet pet owners' expectations and spread our model across the world. Today, we are an Intermediate Sized Enterprise, thanks to our implementation in 7 countries and to the strong commitment of our 450 colleagues. Together, we are building the world leader of pet funeral services. Despite a difficult context, in both sanitary and economic terms, our model has proven solid and resilient. We have even pushed our ambition further by continuing our international development setting up a first site in the United States and by deploying new pet funeral agencies in France for the 730 000 owners who do not go to vet hospitals for their pets. This led to a gratifying growth of our turnover, internationally. The success story has begun! With our transformation and the deployment of our model, and with the help of a new investor, we are targeting 1 M€ of turnover, a presence in more than 10 countries and an even more strategic partnership with our veterinarian partners."

Highlights 2019-2020

➤ Resilience of the business model throughout the sanitary crisis

The Covid 19 health crisis has impacted the entire global economy and stopped many sectors. Veternity was hit during the first lockdown and yet its stable results demonstrated how resilient the model is. This performance was made possible because of the unique nature of the group targeting both B2B and B2C markets, and most of all because our 450 colleagues across the world are extremely committed.

➤ **A new identity for the group**

La Compagnie des Vétérinaires has adopted a new corporate identity: Veternity. In line with our new strategy, this brand name reflects our mission, our vision and the values we have as a major stakeholder in a global ethical project, at the service of pet owners and dealing with after death care. More than ever, we are partners to pet health professionals, in France, as well as internationally and Veternity wishes to reassert its DNA in order to become the world leader in pet funeral services.

➤ **First implementation in the United states**

Following the creation of a subsidiary in Canada in 2019, and the development of subsidiaries in Montreal and Ottawa, Veternity Group has officially been present in the USA since the 31st of July 2020. In spite of the crisis and the lockdown, the Group succeeded in finalising the purchase of four PWW (Paw Whiskers and Wags) crematories in Georgia and North Carolina. These are a strong and stable starting point for the Group's development and other perspectives of expansion are under study in the surrounding states to spread the model.

➤ **Lyon, Waterloo, Warsaw, focus on a European network of funeral agencies**

Supporting mourning families is at the heart of the services proposed by the brands belonging to Veternity. The new and innovative model combines the specific know-how of animal crematories with funeral agencies located in town centres. Following the opening of several funeral agencies in Germany, France inaugurated its first Esthima funeral agency near Lyon, in Decines-Charpieu. Since then the model has spread across Europe: 2020 saw the opening of the first satellite agencies in Waterloo, Belgium, and in Poland with the first implementation in Warsaw.

➤ **Veternity opens its fifth centre in Germany with its brand Cremare**

The Group has been the owner of a fifth crematory in Germany since the 1st of June 2020, after the acquisition of a centre in Erolzheim. Germany is the second largest market for the group and has experienced strong development. Its objective is to cover the whole territory. Veternity is planning to set up 10 to 12 new centres in Germany over the next four years.

➤ **Esthima the new pet funeral brand in France**

The launch of Esthima in France is a powerful symbol of the transformation of the group. This new offer reflects our ambition to become a pioneering leader in pet funeral services by satisfying the new societal expectations and environmental demands. Officially launched on November 2nd 2020, Esthima offers personalised funerals for the families who do not call upon the veterinarian when their furry companion passes away. With an 80% market share in France, Veternity offers with Esthima an innovative offer based on active listening, advice, and transparency.

➤ **Performances and financial results 2020**

On 30th September 2020, the consolidated turnover of the Group reaches 44.5 M€ (without the USA). The increase is + 7.36% in one year, compared to 41,477 M€ at 30/09/2019.

The added value reaches 27.9 M€, i.e. 62.76% of the turnover and the EBITDA is 6.2 M€ (without USA) i.e. 13.9% of the turnover. The Group treasury settles at 8,783 K€ and the gross debt at 13,823 K€. The net debt rate reaches 12.65% of the equity.

Perspectives of development for Veternity

➤ **In France : reinforce proximity with pet owners**

In Europe, the business model relies on covering the territory, via the set up or acquisition of crematories located in city outskirts, and the creation of satellite funeral agencies in city centres. This network is particularly well developed in Germany with 6 crematories and 5 funeral agencies. The duplication of this model is accelerating in Europe with openings in Belgium and Poland, and most particularly in France with Lyon and the acceleration of openings in big cities : Seclin (near Lille) opened 1st March 2021, Neuilly and Vincennes (near Paris) opening end of May 2021. Other agency openings are planned in big cities by 2023.

➤ **Veternity accelerates its European expansion.**

Veternity is gaining a stronger foothold in Europe. The Group has reinforced its presence in Germany, Poland and Belgium. Early 2021, Veternity acquired a Czech company, Kerberos Pet Crematory, owner of a crematory in Zapy near Prague, and 2 agencies in Prague and Milevsko. The Group is also targeting new markets such as Portugal, Spain or Italy.

➤ **North America, a significant growth potential for Veternity**

Following Montreal, Veternity is pursuing its development in Canada with the acquisition of Resting Paws 30th June 2020 in Ottawa. Surveys are being carried out to acquire new structures and open the first funeral agencies on the continent. With the acquisition of its first 4 crematories in the United States, Veternity has now a strong foothold and is able to deploy on the East and South coasts. Objective: to reach 20 agencies and 12 crematories in the USA by 2026.

➤ **Ready for B Corp in 2023 !**

In 2020, Veternity group set up an international CSR Department. Objective: provide the group with a solid CSR plan to strengthen its responsibility and obtain the B Corp label in 2023 for France and Belgium. The other countries of the Group will follow. A concrete kick off this year with the assessment of the Group's carbon footprint, and products and services life cycle analysis with the help of an external research office.

➤ **Accelerate Veternity Group's digital transformation.**

With its experience of the marketplace and of CRM with pet owners (appointment booking and vet application) DIGIVET – the group's subsidiary dedicated to digital solutions for veterinarians - has become the internal provider of Veternity contributing to its digital development on the B2C market. DIGIVET has gathered a pool of dynamic CRM Ecommerce and web marketing experts in Lyon: the B2C platform is an ensemble of digital solutions and skills at the service of the markets (France and Germany mostly) aiming to help them meet their B2C transformation objectives. Among the proposed solutions, a seamless digital customer journey with appointment booking and an online shop to bring the end customer, the owners of animals reaching the end of their life, closer to Veternity group's services.

The business report is available at :

<https://www.veternitygroup.com/espace-presse/>



About Vternity

Vternity Group was created over 25 years ago around an ethical project: offer respectful after death care for pets. Until then the bodies were sent to rendering services and were processed into raw material or animal flours. In 1995, 200 veterinarians from the North of France joined forces to create a first cremation centre, following a cooperative model. Since then Vternity has experienced multiple growth stages to represent today an 80% share on the French market. The group is today present in seven countries, including the United States since 2020. Its ambition: become the international leader of pet funeral services. Key figures for Vternity: 45 M€ of turnover in 2020 / + 8% of growth each year / 7 brands present in 6 countries / 480 colleagues.

Contacts press : Vanessa Gellibert and Emilie Van Durme

AGENCE MCD_MOT COMPTE DOUBLE

vgellibert@motcomptedouble.fr – 00 33 6 80 06 04 16

evandurme@motcomptedouble.fr – 00 33 7 87 94 96 11