

Pet MD Brands, Inc., one of Swedencare AB's North American subsidiaries, has acquired the American brand Riley's® Organics, which sells and markets premium organic treats for dogs

Pet MD Brands, a subsidiary of Swedencare AB (publ) ("Swedencare"), has acquired the American brand, Riley's. The total purchase price, on a cash- and debt free basis, is 7.5 million USD (78.4 million SEK) and paid through a cash settlement to the seller. Through this acquisition, Swedencare has established a presence in the fast-growing organic treats market for dogs in the United States. The deal has been completed in two steps; 30% was acquired at the beginning of Q4 2023 with an option to buy the remaining 70% in H1 2024. Swedencare has elected to exercise and close on the option today, January 2nd, 2024. The transaction has been financed from operating cash flow and has not affected Swedencare's ability to make quarterly amortizations on its long-term loans.

An initial joint test launch of Riley's products took place in Pet MD's Amazon channel beginning in January 2023, resulting in over 2 million USD of Riley's sales growth in this channel.

Riley's net revenue was approximately 3.2 million USD during the last fiscal year (January 2023 – December 2023).

"Through the acquisition of Riley's, we have now entered the fast-growing organic treat market in North America. Pet parents have made organic pet treats one of the fastest growth categories and entering this category will allow Swedencare to utilize the Pet MD Brands team and technology to accelerate the excellent above industry growth both Riley's and Pet MD Brands have seen throughout 2023. We see exciting opportunities to quickly add Riley's high quality, organic, and premium products and cross-sell into the U.S. Veterinary and the U.S. Pet Retail markets through our existing North American brands. In addition, we are exploring expanding the range internationally through other Swedencare subsidiaries." says Brian Nugent, CCO of Swedencare North America.

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About Swedencare

Swedencare, a listed company on NASDAQ First North Growth Market, specializes in pet healthcare and produces, markets and sells premium products in the global and fast-growing market. The company has a wide range of strong brands and products within most therapy areas, including Animal Pharmaceuticals®, Nutravet®, NutriScience, Pet MD®, Stratford®, VetWELL®, NaturVet® as well as ProDen PlaqueOff® for oral health to dogs and cats. Swedencare's headquarter is in Malmö, Sweden with subsidiaries located in nine countries with products sold in more than sixty countries. Swedencare's sales have increased significantly over the last few years with strong margins and profits.

About Riley's Pets

Riley's Pets, through its primary brand Riley's®, is a leading supplier of organic and premium treats for dogs, with some products containing only single-sourced ingredients, such as dehydrated chicken, sweet potato, and turkey tendons. For more product information, visit www.rileypets.com.

Attachments

[Pet MD Brands, Inc., one of Swedencare AB's North American subsidiaries, has acquired the American brand Riley's® Organics, which sells and markets premium organic treats for dogs](#)