

Quad-C Agrees to Sell its Stake in Compassion-First to JAB

Compassion-First Founder and CEO John Payne to Continue Leadership and Execute on Company's Vision to be the Mayo Clinic of Veterinary Medicine

CHARLOTTESVILLE VA. AND LUXEMBOURG – February 25, 2019 – Quad-C Management, Inc. (“Quad-C”), a leading middle market private equity fund, and JAB today announced that they have signed a definitive agreement in which Quad-C will sell its stake in Compassion-First Pet Hospitals (“Compassion-First”), a family of well-known and respected specialty, emergency and general practice veterinary hospitals across the United States, to JAB, based on a total enterprise valuation of \$1.215 billion. The purchase price takes into consideration the value of certain post-closing tax benefits. Veterinary service providers who are currently investors in the company will maintain a significant stake going forward, and Compassion-First’s management team, including the Founder and CEO John Payne, will also continue to be significant investors and lead the company in the next phase of its development.

Compassion-First operates a network of 41 hospitals and treatment facilities across 13 states, primarily in urban and suburban areas. Founded in 2014, Compassion-First provides specialty, emergency and general veterinary care supported by seamless multidisciplinary collaboration among its veterinarians. Through its partnership model of delivering care, Compassion-First is committed to redefining how veterinary practices interact and connect with one another.

“It has been a pleasure to work with John Payne and the Compassion-First team to create a differentiated platform in veterinary medicine,” said Tim Billings, Partner at Quad-C. “We started with a small group of hospitals in the Mid-Atlantic region five years ago and have assembled an amazing group of hospitals across the country. Quad-C is proud to have been partners with all of the exceptional veterinarians and employees who have joined the Compassion-First family and we wish the team continued success.”

“I would like to thank Quad-C for its outstanding support and guidance during our foundational years at Compassion-First and setting us up for future success,” said John Payne, President, CEO and Founder of Compassion-First Pet Hospitals. “As we look to the next chapter in our company’s evolution, we can think of no better partner and shareholder than JAB, which brings a very long-term time horizon to its investments. Their support will allow Compassion-First to continue investing in our doctors, our technology and our practice to produce the highest-quality care and supply the tools, training, collaboration and leadership to make that care accessible in a growing number of communities.”

“We are pleased to invest behind John and the management team as Compassion-First continues to deliver industry-leading organic growth and execute on its long-term strategy,” said David Bell, Partner at JAB. “The dedication to being the best place for veterinarians to work, the absolute commitment to putting patients first and the continual focus on innovation to improve the lives of both pets and their families are values very much in line with the those at JAB, and we look forward to partnering with John and his team to further Compassion-First’s success.”

JAB will be investing equity capital from JAB Consumer Fund, an investment fund backed by a group of like-minded, long-term oriented investors, as well as directly from JAB Holding Company.

Jefferies LLC serves as exclusive financial advisor to Compassion-First through its Global Retail Healthcare franchise and Gibson, Dunn & Crutcher, LLP is acting as legal counsel to Compassion-First. Skadden, Arps, Slate, Meagher & Flom LLP is acting as legal counsel for JAB.

About Compassion-First Pet Hospitals

Compassion-First Pet Hospitals is a family of well-known and respected specialty, emergency and general practice veterinary hospitals across the United States. Founded in 2014 by John Payne, Compassion-First Pet Hospitals is comprised of hospitals working together through collaboration to advance veterinary medicine and increase access to multidisciplinary expertise. Compassion-First focuses on placing pet owners and their pets at the center of care. For a list of Compassion-First Pet Hospitals, visit <http://www.compassionfirstpets.com>.

About JAB Holding Company

JAB Holding Company and JAB Consumer Fund invest in companies with premium brands, attractive growth and strong cash flow dynamics in the consumer category.

Together, JAB Holding Company and JAB Consumer Fund have controlling stakes in Keurig Dr Pepper, a challenger and leader in the North American beverage market, Jacobs Douwe Egberts (JDE), the largest pure-play FMCG coffee company in the world, Panera Bread, a leading bakery-cafe company, Pret A Manger, a leading company in the ready-to-eat food market, Peet's Coffee & Tea, a premier specialty coffee and tea company, Caribou Coffee Company, a specialty retailer of high-quality premium coffee products, Einstein Noah Restaurant Group, Inc., the leader in the North-American bagel category, Krispy Kreme Doughnuts, a global leader in doughnuts and other premium-quality sweet treats, and in Espresso House, the largest branded coffee shop chain in Scandinavia.

JAB Holding Company is also the largest shareholder in Coty Inc., a global leader in beauty, and owns a controlling stake in luxury goods company Bally as well as a minority stake in Reckitt Benckiser PLC, a global leader in health, hygiene and home products. For more information, please visit the company's website at: <http://www.jabholco.com>.

About Quad-C

Founded in 1989 and headquartered in Charlottesville, Virginia, Quad-C is a middle market private equity firm focused on investing in well-established business services, consumer, general industrial, healthcare, specialty distribution and transportation / logistics companies. In its nearly three-decade history, Quad-C has invested over \$3 billion of capital in over 65 companies. The Quad-C team is committed to partnering with entrepreneurs and management teams to accelerate growth and create long-term value. www.quadcmanagement.com

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