

vimian™

Q4

Interim report
January - December

**/ 20
23**

Interim report January - December 2023

A strong platform for profitable growth

Q4 2023

9%

Total revenue growth

7%

Organic revenue growth

26%

Adj. EBITA growth

27.5%

Adjusted EBITA margin

Financial calendar

10 April 2024 Annual report 2023

2 May 2024 Interim report first quarter 2024

15 August 2024 Interim report second quarter 2024

24 October 2024 Interim report third quarter 2024

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Fourth quarter

- Revenue increased by 9 per cent to EUR 82.5m (75.5)
- Organic growth of 7 per cent, companion animal business 8 per cent (excluding Diagnostics)
- Operating profit (EBIT) of EUR 2.7m (11.4) includes a EUR 8m negative impact from adjusting the valuation of the non-current receivable related to the US patent litigation
- Adjusted EBITA EUR 22.6m (18.0) at a margin of 27.5 per cent (23.9). Result EUR -6.3m (-21.0)
- Earnings per share before and after dilution EUR -0.01 (-0.05)
- Cash flow from operating activities of EUR 17.2m (21.1)

Full year 2023 reported

- Revenue increased by 18 per cent to EUR 331.7m (281.3)
- Organic growth of 11 per cent, companion animal business 12 per cent (excluding Diagnostics)
- Operating profit (EBIT) EUR 41.3m (39.4) includes a EUR 8m negative impact from adjusting the valuation of the non-current receivable related to the US patent litigation
- Adjusted EBITA EUR 87.3m (73.4) at a margin of 26.3 per cent (26.1). Profit EUR 10.5m (-7.2)
- Earnings per share before and after dilution EUR 0.02 (-0.02)
- Full year cash flow from operating activities EUR -28.6m (25.3) impacted by the litigation payment in the second quarter, excluding this EUR 37.1m

Full year 2023 pro-forma (PF)

- PF revenue including all acquisitions for the full period 1 January to 31 December 2023, as if Vimian had owned them for the full year period, EUR 335.5m (reported EUR 331.7)
- PF adjusted EBITA EUR 88.8m at a margin of 26.5 per cent (reported EUR 87.3m at 26.3 per cent)
- Net debt reduced by EUR 2m to EUR 285.6m, includes a EUR 8m negative impact from adjusting the valuation of the non-current receivable related to the US patent litigation. Pro-forma leverage 2.9x (3.0x end of September)
- The Board's proposal to the general meeting in May 2024, is to not distribute a dividend for 2023

Significant events during the fourth quarter

- On 1 December MedTech Co-CEO Colleen Fleisher stepped down from her position and Guy Spörri, previously Co-CEO Movora, assumed full responsibility as CEO for the MedTech segment
- On 21 December Vimian appointed Patrik Eriksson as new Chief Executive Officer, effective 1 January 2024

Financial key ratios

EURm, unless stated otherwise	Q4	Q4	Δ%	YTD	YTD	Δ%
	2023	2022		2023	2022	
Revenue	82.5	75.5	9%	331.7	281.3	18%
Organic revenue growth (%) ¹	7%	3%	4 pp	11%	4%	8 pp
Operating profit (EBIT)	2.7	11.4	-76%	41.3	39.4	5%
Adjusted EBITA ¹	22.6	18.0	26%	87.3	73.4	19%
Adjusted EBITA margin (%) ¹	27.5%	23.9%	3.6 pp	26.3%	26.1%	0.2 pp
Profit for the period	-6.3	-21.0	70%	10.5	-7.2	246%
Items affecting comparability ²	-14.3	-1.3	-1,023%	-23.8	-15.3	-56%
Earnings per share before dilution (EUR)	-0.01	-0.05	74%	0.02	-0.02	238%
Earnings per share after dilution (EUR)	-0.01	-0.05	74%	0.02	-0.02	238%
Cash flow from operating activities ³	17.2	21.1	-19%	-28.6	25.3	-212.9%
Net debt/Adjusted LTM EBITDA, Proforma (x) ¹	na	na	-	2.9x	3.0x	-0.1x

¹ Refer to Note 9 and the section on Alternative performance measures for more information.

² Refer to Note 3 and the section on Items affecting comparability for more information.

³ YTD amount includes settlement payment of EUR 65.7m in the US litigation case.



Message from our CEO

A strong platform for profitable growth



We will continue build strong global market positions in niches of the animal health market with unmet medical needs

I am excited to join Vimian and continue building a global animal health company. A few weeks into the new role, I see a committed and highly dedicated team, a strong product portfolio of well-known brands sold in high growth market niches, and longstanding, trustful relationships with the veterinary community. I see significant potential for value creation going forward through both organic and acquisition driven growth.

Looking back at 2023, the global animal health market showed resilience and growth in a year that was characterized by war, geopolitical uncertainty and a tough macroeconomy. Vimian stayed close to its customers, accelerated organic growth to 11 (4) per cent through successful sales and education initiatives. Adjusted EBITA margin improved to 26.3 (26.1) per cent and EPS for the year turned positive to EUR 0.02 (-0.02). Vimian progressed on integration of acquired companies combining operations within markets, internalising distribution, and optimising the global MedTech supply chain. The Group commercialised key innovation projects within allergy and diagnostics and continued to deliver on its ESG agenda focused on people, animals and the planet.

Solid fourth quarter

In the fourth quarter, Vimian delivered EUR 82.5 million of revenue with an adjusted EBITA margin of 27.5 (23.9) per cent. As we integrate acquired companies and improve financial processes across the Group, the quarter includes the full-year impact of EUR 2 million higher R&D capitalisation. The underlying like-for-like margin shows sequential and year-over-year expansion supported by efficiency measures.

Organic growth in the quarter reached 7 per cent with a strong finish to the year in Veterinary Services and continued double-digit growth in Specialty Pharma. MedTech reports slower growth in the fourth quarter, although solid 10 per cent organic growth for the full year. In Diagnostics, fewer disease outbreaks reduced demand for testing in the quarter.

Vimian delivered solid cash flow from operations of EUR 17.2 million in the fourth quarter and further reduced net working capital. The company closed one bolt-on acquisition in Specialty Pharma strengthening the US dermatology portfolio and continued to pay down debt amortising EUR 18.5 million in the quarter taking leverage to 2.9x.

Healthy trading in early 2024

Vimian entered 2024 with high single digit growth in January with continued strong growth in Specialty Pharma and Veterinary Services and overall solid market development.

Following the US patent dispute, the team is progressing work on the indemnification process with the sellers of VOI, and we will update the market once conclusive.

Strategy remains the same

For my first months at Vimian, I will spend ample time to get to know the business, its challenges, and opportunities. The Board has been clear that the overall strategy remains unchanged. We are building strong global market positions in niches of the animal health market with unmet medical needs and sustainable above market growth potential.

We will continue to drive profitable growth and cash flow in our existing operations, keeping a close eye on efficiency and cash generation. Following a year with focus on integration and consolidation, I believe the organisation is ready to execute on select strategic acquisitions during 2024 as pace of consolidation accelerates. We continuously develop our pipeline, building strong relationships with successful entrepreneurs in relevant areas, and see potential for some discussions to pick up momentum during the first half of this year.

Stockholm, February 2024

Patrik Eriksson
CEO of Vimian Group AB (publ)



Group performance

Fourth quarter 2023

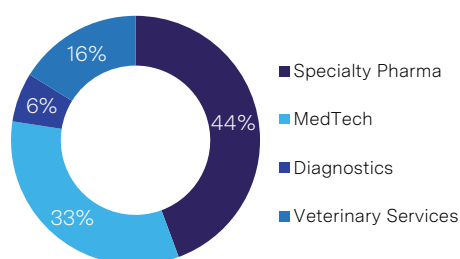


Solid organic growth and improved margin

Revenue

Revenue increased by 9 per cent to EUR 82.5m (75.5). Organic revenue growth was 7 per cent with highest growth in Veterinary Services 22 per cent and Specialty Pharma 10 per cent. Acquisitions contributed to a growth of 5 per cent and currency movements had a negative impact of 3 per cent.

Revenue per segment, Q4 2023



Operating profit

Operating profit amounted to EUR 2.7m (11.4) at a margin of 3.3 per cent (15.2). This includes a EUR 8m negative impact from adjusting the valuation of the non-current receivable related to the US patent litigation. Excluding this impact, operating profit was 10.7m. Operating profit included items affecting comparability of EUR -14.3m (-1.3).

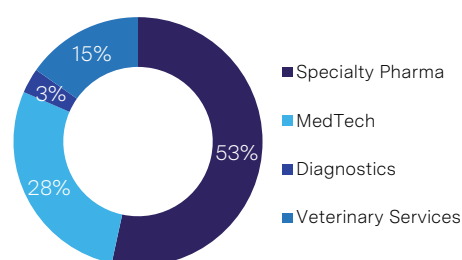
For items affecting comparability EUR -2.6m is in Specialty Pharma primarily related to acquisitions, of which EUR -1m are stay-on bonuses reported as personnel costs, to management of acquired companies. EUR -9.8m is in MedTech, primarily costs related to the US litigation including the valuation adjustment of the non-current receivable. On central level EUR -1.3m primarily relates to the CEO change. For further information on items affecting comparability, refer to Note 3.

Adjusted EBITA

Adjusted EBITA increased by 26 per cent to EUR 22.6m (18.0) at a margin of 27.5 per cent (23.9). The fourth quarter margin benefits from the full-year impact of EUR 2.0m higher R&D capitalisation in Specialty Pharma, as the segment progresses integration and align accounting standards in all entities. Adjusted for the Q1-Q3 benefit, margin is 25.6 per cent. The like-for-like margin (same accounting principles as previous year) of 25.0 per

cent (23.9) shows a sequential and year-over-year improvement.

Adjusted EBITA per segment, Q4 2023¹



¹ Adjusted EBITA before central costs.

Financial items

Net financial items amounted to EUR -9.1m (-29.9). This consists of three main parts: financing costs of EUR -6.3m with an average interest rate of 6.7 per cent during the quarter. On contingent considerations, the quarterly discounting impact of EUR -1.8m is partly offset by the positive impact from probability adjustments of EUR 1.2m, giving a net impact of -0.6m. Negative impact of EUR -2.2m from exchange-rates.

Tax

The positive tax impact for the quarter of EUR 0.1m (-2.6) reflects the reversal of previously accrued taxes and the utilisation of group contribution rights between Swedish entities.

Result for the quarter

Result for the quarter amounted to EUR -6.3m (-21.0). Earnings per share before and after dilution amounted to EUR -0.01 (-0.05).



January to December 2023

Revenue

Revenue increased by 18 per cent to EUR 331.7m (281.3). Organic revenue growth was 11 per cent, primarily driven by Specialty Pharma 14 per cent, MedTech 10 per cent and Veterinary Services 15 per cent. Acquisitions contributed to a growth of 9 per cent and currency movements had a negative impact of 3 per cent.

Operating profit

Operating profit amounted to EUR 41.3m (39.4), corresponding to a margin of 12.4 per cent (14.0). Operating profit included items affecting comparability of EUR -23.8m (-15.3). For information on items affecting comparability, refer to Note 3.

Adjusted EBITA

Adjusted EBITA increased by 19 per cent to EUR 87.3m (73.4) at a margin of 26.3 per cent (26.1).

Financial items

Net financial items amounted to EUR -20.9m (-38.3). This consists of three main parts: financing costs of EUR -18.7m with an average interest rate of 6.0 per cent during the year. On contingent considerations, the discounting impact of EUR -7.8m is offset by the positive impact from probability adjustments of EUR 9.1m, giving a net positive impact of 1.3m. Negative impact from exchange-rates of EUR -3.5m.

Tax

The tax expense for the year amounted to EUR -9.0m (-8.1). The tax expense as percentage of pre-tax profit amounts to 46 per cent. This is elevated by a high level of tax losses without recognition of deferred tax assets and non-deductible expenses, mainly non-realised currency impact recognised in the financial items and impairments of contingent liabilities.

Profit for the period

Profit amounted to EUR 10.5m (-7.2). Earnings per share before and after dilution amounted to EUR 0.02 (-0.02).

Capital expenditure

Capital expenditure for the full year amounted to EUR 9.0m (8.5). The two main areas for

investments are Specialty Pharma; manufacturing facilities and equipment in Specialty Pharmaceuticals, development of the IT platform for allergy customer lifecycle management and MedTech; investments in equipment for education of veterinary professionals and facilities for 3D printing.

Cash flow

Consistent improvement in cash flow from operating activities reaching EUR -28.6m (25.3) for the full year. Excluding the litigation payment of EUR -65.7m paid in the second quarter, cash flow from operating activities of EUR 37.1m. Cash flow from investing activities of EUR -77.7m (-188.5). Cash flow from financing activities EUR 100.5m (150.2) primarily reflects the draw down of the RCF to finance the litigation payment in the second quarter, payment of earn-outs during the year and repayment of EUR 60.2m debt.

Net working capital

Net working capital amounted to EUR 71.1m (59.7) per the end of December at 21 (21) per cent of revenue, a reduction from EUR 77.0m at the end of September (23 per cent of revenue). Inventory reduced by EUR 8m, largest reduction in MedTech. Accounts receivables decline as annual ordering programme customers pay their final instalments. Partly offset by lower accounts payable as the Medtech segment settles some litigation related costs and higher year-end tax provisions.

Net debt and cash and cash equivalents

At the end of the period, net debt amounted to EUR 285.6m (257.5), down from EUR 287.9m per 30 September 2023. This includes the EUR 8m negative impact from adjusting the valuation of the non-current receivable related to the US patent litigation, see note 2 for further information. Cash and cash equivalents amounted to EUR 37.5m (42.2) at the end of the period down from EUR 49.3m at the end of September. External lending has been paid down to EUR 302m down from EUR 325m per the end of September.

Per the 31 December, net debt in relation to pro-forma adjusted EBITDA over the past 12-month period was 2.9x, down from 3.0x per 30 September 2023.

Segment performance

Fourth quarter 2023

Vimian operates through four reporting segments: Specialty Pharma, MedTech, Veterinary Services and Diagnostics

Q4 2023

14%

Revenue growth

10%

Organic revenue growth

46%

Adjusted EBITA growth

35.5%

Adjusted EBITA margin

Segment – Specialty Pharma

Amounts in EUR 000's	Q4	Q4	Δ	YTD	YTD	Δ
	2023	2022		2023	2022	
Revenue	36,580	32,179	14%	147,380	124,258	19%
EBITA	10,352	6,498	59%	35,699	26,080	37%
Adjusted EBITA	12,977	8,913	46%	42,160	35,293	19%
Adjusted EBITA margin (%)	35.5%	27.7%	7.8 pp	28.6%	28.4%	0.2 pp

Revenue

Revenue in the fourth quarter grew 14 per cent to EUR 36.6 million (32.2). Solid organic growth 10 per cent, contribution from acquisitions 8 per cent and negative impact from currency movements 4 per cent.

Per geography, double-digit organic growth in Benelux, UK, US, Spain, and France. Over 40 per cent growth in the online direct to consumer channel.

Per therapeutic area double-digit growth in Specialised Nutrition, Dermatology and European Allergy test and treatments. In the US, allergy is still impacted by slower uptake in the transfer of volumes to the new PAX test. Commercial initiatives to regain momentum launched during the third and fourth quarter. Specialty Pharmaceuticals delivers mid-single digit growth in the fourth quarter, partly impacted by timing of price increases, full-year growth double-digits.

During the fourth quarter 13 new products were launched, taking the total for the year to 78.

Revenue for the period January to December grew 19 per cent to EUR 147.4 million (124.3). Organic growth 14 per cent, contribution from acquisitions 7 per cent and negative impact from currency movements 2 per cent.

Adjusted EBITA

Adjusted EBITA increased to EUR 13.0 million (8.9) at a margin of 35.5 per cent (27.7). Following integration and alignment of accounting standards across all entities, the fourth quarter margin

benefits from the full-year impact of higher levels of R&D capitalisation of EUR 2.0m. Adjusted for the Q1-Q3 benefit, margin is 31.2 per cent. The like-for-like margin (same accounting principles as previous year) of 29.8 per cent (27.7) shows a sequential and year-over-year improvement as efficiency measures start to pay off.

Adjusted EBITA for the period January to December increased to EUR 42.2 million (35.3) at a margin of 28.6 per cent (28.4). The like-for-like margin, on basis of the same accounting principles as previous year, comes in at 27.2 (28.4) per cent for the full-year.

Acquisitions and Operational Highlights

The segment acquired the assets of US based company VetBiotek, strengthening its portfolio in veterinary dermatology. Through this acquisition Specialty Pharma can launch a complete multi-modal portfolio in the US, like in Europe, and can launch novel formulations in Europe.

Focus on integration of acquired companies, operational efficiency and driving organic growth during the quarter:

- Commercial roll-out of PAX equine across Europe following launch at the ESVD conference.
- Hosted allergy awareness month across Europe with high levels of KOL and educational activity.
- Signed new customer contract in Specialized Nutrition US
- Advancing allergy vaccine development with Angany, verified positive results from final laboratory dog study in Q4, ensuring move to first client owned dog study in Q1 2024.



Q4 2023

-2%

Revenue growth

1%

Organic revenue growth

-8%

Adjusted EBITA growth

25.1%

Adjusted EBITA margin

Segment – MedTech

Amounts in EUR 000's	Q4	Q4	Δ	YTD	YTD	Δ
	2023	2022		2023	2022	
Revenue	27,269	27,848	-2%	113,502	101,440	12%
EBITA	-2,958	10,391	-128%	21,288	30,395	-30%
Adjusted EBITA	6,835	7,428	-8%	34,427	30,594	13%
Adjusted EBITA margin (%)	25.1%	26.7%	-1.6 pp	30.3%	30.2%	0.2 pp

Revenue

Revenue in the fourth quarter declined by 2 per cent to EUR 27.3 million (27.8). Organic revenue growth of 1 per cent, no contribution from acquisitions and negative impact from currency movements of 3 per cent.

Organic growth of 10 per cent for the full-year is ahead of the veterinary orthopedics market estimated to be growing at mid-single digits.

Lower organic growth of 1 per cent in the fourth quarter is due to slightly softer trading in the US. Continued solid high-single digit organic growth in Europe and strong acceleration in APAC with double-digit growth.

Revenue for the period January to December amounted to EUR 113.5 million (101.4). Organic revenue growth 10 per cent, contribution from acquisitions 5 per cent and negative impact from currency movements of 3 per cent.

Adjusted EBITA

Adjusted EBITA declined 8 per cent to EUR 6.8 million (7.4) at a margin of 25.1 per cent (26.7). Margin recovers from the third quarter low but is still below last year's level given sales of high margin products during the fourth quarter last year and investments in the organisation since the second half of last year.

Adjusted EBITA for the period January to December amounted to EUR 34.4 million (30.6). The full year margin of 30.3 per cent (30.2) eliminates seasonality and better reflects underlying profitability which is gradually improving as the company continues to integrate acquired entities and realise synergies.

Acquisitions and Operational Highlights

Focus on integration of acquired companies, operational efficiency and driving organic growth during the quarter:

- During the fourth quarter 28 on-site surgery trainings were held with over 250 participants taking the total for the year to 107 trainings with more than 1,000 participants
- Merged US and Europe/APAC organisation under the lead of one CEO Guy Spörri
- Implemented regional product managers - an extension of our Global Product managers - to further drive the Movora product solutions portfolio by region.
- Progressing work to optimise supply chain further reducing global inventory levels in the fourth quarter.

37%

Revenue growth

22%

Organic revenue growth

109%

Adjusted EBITA growth

27.8%

Adjusted EBITA margin

Segment – Veterinary Services

Amounts in EUR 000's	Q4	Q4	Δ	YTD	YTD	Δ
	2023	2022		2023	2022	
Revenue	13,327	9,748	37%	49,402	33,603	47%
EBITA	3,545	1,111	219%	12,151	3,928	209%
Adjusted EBITA	3,704	1,774	109%	12,938	7,362	76%
Adjusted EBITA margin (%)	27.8%	18.2%	9.6 pp	26.2%	21.9%	4.3 pp

Revenue

Revenue for the fourth quarter grew 37 per cent to EUR 13.3 million (9.7). Organic revenue growth of 22 per cent, contribution from acquisitions 17 per cent and negative impact from currency movements of 2 per cent.

Continued high recruitment pace with more than 500 new members in the quarter driven by Brazil, France and Spain and continued positive conversion to higher membership tiers.

Strong organic growth of 22 per cent in the fourth quarter giving full-year organic growth 15 per cent, well ahead of the animal health market. Solid performance in existing markets with high-single to double-digit growth, and positive revenue contribution from new markets Brazil and Belgium.

Co-owned clinics account for ~40 per cent of segment revenue. Revenue growth accelerates to high-single digits in the fourth quarter, ahead of the veterinary market. Work to support clinics to improve efficiency continued and resulted in a 2.5 percentage points improvement in adjusted EBITA margin.

Revenue for the period January to December amounted to EUR 49.4 million (33.6). Organic revenue growth 15 per cent, contribution from acquisitions 34 per cent and negative impact from currency movements 3 per cent.

Adjusted EBITA

Adjusted EBITA grew 109 per cent to EUR 3.7 million (1.8) at a margin of 27.8 per cent (18.2). Margin expansion mainly driven by strong growth in core business, profitability improvement for co-owned clinics and favourable currency movements with significant cost base in SEK.

Adjusted EBITA for the period January to December amounted to EUR 12.9 million (7.4) at a margin of 26.2 per cent (21.9).

Acquisitions and Operational Highlights

Focus on integration of acquired companies, operational efficiency and driving organic growth during the quarter:

- New country manager for Independent Vets of Australia started during quarter and collaborations with Vettr to realise synergies are ongoing.
- High activity in several integration and operational projects within the segment, including data management, financial reporting, and ERP-implementation.
- Continued focus on leveraging the segment's digital skillset and expertise in several integration projects across Vimian, including shared CRM and data warehouse.
- Continued strong momentum in all markets and in particular US, with positive member recruitment momentum and strong partner collaborations.

-7%

Revenue decline

-5%

Organic revenue decline

-9%

Adjusted EBITA decline

14.9%

Adjusted EBITA margin

Segment – Diagnostics

Amounts in EUR 000's	Q4	Q4	Δ	YTD	YTD	Δ
	2023	2022		2023	2022	
Revenue	5,280	5,679	-7%	21,446	22,008	-3%
EBITA	414	-174	-338%	3,283	2,990	10%
Adjusted EBITA	789	871	-9%	4,287	4,356	-2%
Adjusted EBITA margin (%)	14.9%	15.3%	-0.4 pp	20.0%	19.8%	0.2 pp

Revenue

Revenue declined 7 per cent to EUR 5.3m (5.7). Organic decline of 5 per cent and negative impact from currency movements of 2 per cent. No impact from acquisitions.

Organic decline of 5 per cent in the fourth quarter reflects lower levels of outbreaks and market testing in key regions, primarily DACH.

Revenue for the period January to December amounted to EUR 21.4 million (22.0). Organic revenue declined by 2 per cent, impacted by the phase-out of Covid related sales in the first quarter of 2023 and challenging market conditions in livestock diagnostics. Excluding impact of Covid sales, organic growth at 9 per cent, ahead of the livestock market. Negative impact from currency movements of 1 per cent, no impact from acquisitions.

Adjusted EBITA

Adjusted EBITA amounted to EUR 0.8m (0.9) at a margin of 14.9 per cent (15.3).

Adjusted EBITA for the period January to December amounted to EUR 4.3 million (4.4) at a stable margin of 20.0 per cent (19.8). Negative impact of lower sales from the phase out of Covid related to first quarter 2023 was offset by the benefit of the cost optimisation programme.

Acquisitions and Operational Highlights

Continued progress on integration and streamlining between legacy entities.

The segment continues to win new opportunities across markets and product segments.

The recently launched OvaCyte platform (AI powered parasitology platform) is developing as per plan with good ramp up in installations and usage in the equine and large animal segment during the quarter, ahead of the launch of the companion animal solution in 2024.

Central Costs

Central costs in the fourth quarter amounted to EUR -1.7m (-1.5) at broadly the same level as the third quarter. For the full-year central costs of EUR -6.5m (-4.2m) reflects the build-up of the central team responsible for finance, ESG, legal, data and people.

Seasonal effects

Vimian assesses that its revenues and EBITA to a limited degree are affected by seasonality. The four segments have varying, but limited, seasonality

patterns. The strongest seasonality effect can be seen in MedTech, where the first quarter is typically the strongest quarter due to the AOP programme. For all segments, trading volumes are slightly negatively affected by holiday periods.

Risks and uncertainties

Vimian Group's and the parent company's business risks and risk management, as well as the management of financial risks, are described on pages 58-61 in the 2022 Annual Report published at www.vimian.com.

Ownership structure 31 December 2023

Name	Capital	Votes
Fidelio Capital	55.3%	56.8%
Handelsbanken Fonder	4.8%	5.0%
PRG Investment Holdings	3.9%	3.6%
Finn Pharmaceuticals Trust	3.4%	3.5%
Danica Pension	2.5%	2.6%
Swedbank Robur Fonder	1.9%	2.0%
Avanza Pension	1.8%	1.8%
SEB Fonder	1.7%	1.8%
Investering & Tryghed A/S	1.6%	1.7%
Mikael Sjögren	1.4%	1.0%
Total 10	78.4%	79.6%
Others	21.6%	20.4%
Total	100.0%	100.0%

Declaration of the Board of Directors and Chief Executive Officer

The Board of Directors and Chief Executive Officer declare that the interim report provides a true and fair view of the development of the Group's and parent company's business, its financial position and results, and describes significant risks and uncertainties faced by the parent company and the companies included in the Group.

Stockholm, 15 February 2024

Gabriel Fitzgerald
Chairman

Frida Westerberg

Martin Erleman

Mikael Dolsten

Petra Rumpf

Theodor Bonnier

Robert Belkic

Patrik Eriksson
CEO

This report has been reviewed by the company's auditors.

Prior to publication this information constituted inside information that Vimian Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the above contact persons, at 07:45 am CEST on 15 February 2024.

Webcast conference call on 15 February 2024: In connection with the interim report, Vimian will hold a webcast conference call in English at 09:00 am CEST. Vimian will be represented by CEO Patrik Eriksson, CFO Carl-Johan Zetterberg Boudrie and Movora CEO Guy Spörri, who will present the interim report and answer questions. Information regarding telephone numbers is available at www.vimian.com/investors. The presentation will be available at www.vimian.com/investors after publication of the interim report. The webcast will be available at the same address after the live broadcast.

Auditors' review report

Vimian Group AB (publ), reg. no. 559234-8923

Introduction

We have reviewed the condensed consolidated interim financial information of Vimian Group AB (publ) as of December 31, 2023 and for the twelve-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material aspects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and the Swedish Annual Accounts Act for the Parent company.

Stockholm 15 February 2024
Grant Thornton Sweden AB

Carl-Johan Regell
Authorized Public Accountant

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

kEUR	Note	Q4 2023	Q4 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue from contracts with customers	3, 4	82,456	75,455	331,730	281,308
Revenue		82,456	75,455	331,730	281,308
Other operating income		-396	2,139	61	6,511
Raw material and merchandise		-24,365	-23,556	-102,304	-87,315
Other external expenses		-23,471	-11,810	-68,546	-56,927
Personnel expenses		-22,236	-20,377	-85,368	-71,012
Depreciation and amortisation		-8,405	-7,926	-32,032	-27,226
Other operating expenses		-885	-2,477	-2,271	-5,978
Operating profit		2,698	11,448	41,271	39,361
Net financial items		-9,055	-29,879	-20,900	-38,345
Share of profit of an associate		0	-24	-923	-92
Profit before tax		-6,357	-18,455	19,448	924
Income tax expense		77	-2,587	-8,963	-8,122
Profit for the period		-6,281	-21,042	10,484	-7,198
Profit for the period attributable to:					
Equity holders of the parent		-6,458	-20,540	9,840	-6,742
Non-controlling interests		177	-502	644	-456
Earnings per share, before/after dilution (EUR)		-0.01	-0.05	0.02	-0.02
Average number of shares, before/after dilution (Thousands)		457,118	440,063	453,497	403,114

kEUR	Note	Q4 2023	Q4 2022	Jan-Dec 2023	Jan-Dec 2022
Profit for the period		-6,281	-21,042	10,484	-7,198
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		-3,546	-9,324	-270	-6,929
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plans		-9	-57	95	87
Other comprehensive income for the period, net of tax		-3,554	-9,381	-175	-6,842
Total comprehensive income for the period, net of tax		-9,835	-30,423	10,309	-14,040
Total comprehensive income attributable to:					
Equity holders of the parent		-10,019	-29,921	9,660	-13,609
Non-controlling interests		184	-502	649	-430

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kEUR	Note	31 Dec 2023	31 Dec 2022
Non-current assets			
Goodwill		505,577	464,374
Intangible assets		213,550	203,992
Property, plant and equipment		24,237	21,518
Right-of-use assets		11,419	13,328
Investment in associates		8,030	7,578
Non-current financial assets		49,539	4,103
Deferred tax assets		2,396	1,976
Total non-current assets		814,747	716,867
Current assets			
Inventories		60,291	61,200
Trade receivables		46,116	41,168
Current tax receivables		1,892	568
Other receivables		3,997	57,434
Prepaid expenses and accrued income		9,139	4,127
Cash and cash equivalents		37,500	42,194
Total current assets		158,936	206,692
TOTAL ASSETS		973,684	923,559

kEUR	Note	31 Dec 2023	31 Dec 2022
Equity			
Share capital		74	72
Other contributed capital		467,878	432,985
Reserves		-4,635	-4,460
Retained earnings including this period's profit		63,056	53,216
Total equity attributable to equity holders of the parent		526,373	481,813
Non-controlling interests		338	-316
Total equity		526,711	481,497
Non-current liabilities			
Liabilities to credit institutions		302,042	207,112
Lease liabilities		8,269	9,029
Deferred tax liabilities		27,362	24,406
Other non-current liabilities	5	34,300	35,229
Non-current provisions		109	30
Total non-current liabilities		372,081	275,806
Current liabilities			
Liabilities to credit institutions		27	-
Lease liabilities		3,463	4,816
Trade payables		19,747	18,328
Current tax liabilities		8,050	8,179
Other current liabilities	5	27,915	113,576
Accrued expenses and prepaid income		15,618	21,358
Provisions		72	-
Total current liabilities		74,892	166,256
TOTAL EQUITY AND LIABILITIES		973,684	923,559

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

kEUR	Equity attributable to equity holders of the parent						Non-controlling interests	Total equity
	Share capital	Other contributed capital	Translation reserve	Retained earnings including this period's profit	Total equity attributable to equity holders of the parent			
Opening balance 1 January 2022	64	294,984	2,407	59,958	357,413	1,226	358,640	
Profit for the period	-	-	-	-6,742	-6,742	-456	-7,198	
Other comprehensive income	-	-	-6,868	-	-6,868	25	-6,842	
Total comprehensive income	-	-	-6,868	-6,742	-13,609	-430	-14,040	
Transactions with owners								
Share issue	7	137,961	-	-	137,969	-	137,969	
Ongoing share issue	-	-	-	-	-	-4	-4	
Transaction costs	-	-1,619	-	-	-1,619	-	-1,619	
Warrant programme	-	1,658	-	-	1,658	-	1,658	
Transactions with non-controlling interests	-	-	-	-	-	-1,107	-1,107	
Total	7	138,001	-	-	138,008	-1,111	136,898	
Closing balance 31 December 2022	72	432,985	-4,461	53,216	481,812	-315	481,497	
Opening balance 1 January 2023	72	432,985	-4,461	53,216	481,812	-315	481,497	
Profit for the period	-	-	-	9,840	9,840	644	10,484	
Other comprehensive income	-	-	-175	-	-175	9	-166	
Total comprehensive income	-	-	-175	9,840	9,665	653	10,318	
Transactions with owners								
Share issue	2	34,494	-	-	34,496	-	34,496	
Transaction costs	-	-44	-	-	-44	-	-44	
Warrant program	-	443	-	-	443	-	443	
Transactions with non-controlling interests	-	-	-	-	-	-	-	
Total	2	34,893	-	-	34,895	-	34,895	
Closing balance 31 December 2023	74	467,878	-4,636	63,056	526,372	338	526,711	

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kEUR	Q4 2023	Q4 2022	Jan-Dec 2023	Jan-Dec 2022
Operating activities				
Operating profit	2,698	11,448	41,271	39,361
Adjustments for non-cash items	11,795	7,140	36,793	30,702
Interest received	197	6	549	21
Interest paid	-6,227	-2,136	-18,927	-10,389
Paid income tax	-136	-777	-9,401	-7,677
Cash flow from operating activities before change in working capital	8,328	15,681	50,285	52,017
Change in inventories	6,730	1,137	542	-19,817
Change in operating receivables	7,754	2,240	-8,248	-3,758
Change in operating liabilities ¹	-5,601	2,079	-71,154	-3,130
Cash flow from operating activities	17,211	21,136	-28,576	25,313
Investing activities				
Acquisition of a subsidiary, net of cash acquired	-2,562	-22,250	-61,583	-171,261
Investments in associates	-	-6,086	-	-6,964
Proceeds from sale of associates	-	-	-	-
Dividend from associates	-	-	-	-
Investments in intangible assets	-3,901	-1,342	-6,979	-4,486
Investments in property, plant and equipment	-2,791	-1,928	-7,926	-5,822
Proceeds from sale of property, plant and equipment	-1	-235	23	-
Investments in other financial assets	154	624	-1,212	-
Proceeds from sale of financial assets	-	-	-	-
Cash flow from investing activities	-9,102	-31,217	-77,677	-188,533
Financing activities				
New share issue	-	88,183	-	137,969
Warrant program	29	1,658	443	1,658
Shareholder contributions	-	-	-	-
Transaction costs	-4	-1,619	-44	-1,619
Transaction costs arrangement fees	-	-	-	-
Proceeds from borrowings	14	4,275	164,697	150,549
Repayment of borrowings	-18,477	-88,226	-60,242	-133,160
Payment of lease liabilities	-1,372	-3,243	-4,309	-5,168
Transactions with non-controlling interests	-	-	-	-
Cash flow from financing activities	-19,809	1,027	100,544	150,229
Cash flow for the period	-11,701	-9,053	-5,709	-12,990
Cash and cash equivalents at beginning of the period	49,339	51,177	42,194	55,114
Exchange-rate difference in cash and cash equivalents	-138	70	1,014	70
Cash and cash equivalents at end of the period	37,500	42,194	37,500	42,194

¹ Year-to-date 2023 amount includes settlement payment in US litigation case EUR 65.7m

CONDENSED PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

KSEK	Q4 2023	Q4 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	-	5,489	-	26,031
Other operating income	5,771	8,577	30,185	12,242
Total operating income	5,771	14,066	30,185	38,273
Other external expenses	-8,239	-16,135	-51,145	-51,282
Personnel expenses	-21,489	-5,832	-43,282	-17,470
Depreciation and amortisation	-33	-33	-132	-132
Other operating expenses	-796	-106	-1,969	-423
Operating profit	-24,787	-8,039	-66,342	-31,033
Group contributions	-	13,071	-	13,071
Net financial items	-65,301	-39,357	70,221	-56,245
Profit before tax	-90,087	-34,325	3,879	-74,207
Income tax expense	6,588	-10,543	9,193	-
Profit for the period	-83,500	-44,868	13,072	-74,207

KSEK	31 Dec 2023	31 Dec 2022
ASSETS		
Non-current assets		
Intangible assets	13,780	16,875
Property, plant and equipment	426	559
Shares in subsidiaries	6,169,308	6,169,308
Non-current group receivables	5,706,129	4,060,975
Other non-current assets	8,888	-
Total non-current assets	11,898,532	10,247,717
Current assets		
Group receivables	44,391	52,954
Other receivables	9,843	2,053
Prepaid expenses and accrued income	2,910	750
Cash and cash equivalents	-	-
Total current assets	57,144	55,757
TOTAL ASSETS	11,955,677	10,303,474
Equity		
Share capital	762	736
Share premium	6,564,700	6,167,328
Retained earnings	1,768,013	1,825,345
Profit for the period	13,072	-74,207
Total equity	8,346,548	7,936,077
Non-current liabilities		
Liabilities to credit institutions	3,345,750	2,295,854
Group non-current liabilities	0	-
Total non-current liabilities	3,345,750	2,295,854
Current liabilities		
Group payables	243,877	3,786
Trade payables	3,148	61,267
Other current liabilities	1,708	1,215
Accrued expenses and prepaid income	14,646	5,275
Total current liabilities	263,379	71,543
TOTAL EQUITY AND LIABILITIES	11,955,677	10,303,474

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Significant accounting policies

The interim condensed consolidated financial statements comprise of the Swedish parent company Vimian Group AB (publ), with corporate identity number 559234-8923, and its subsidiaries. The Group's primary operations are offering products and services in animal health for domestic pets and livestock around the world. The Group offers goods and services in Specialty Pharma, MedTech and Diagnostics as well as services and advice for veterinary professionals. The Parent Company is a limited liability company with its registered office in Stockholm, Sweden. The address of the head office is Riddargatan 19, 114 57 Stockholm.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The Group's interim report is prepared in accordance with IAS 34 Interim financial reporting and applicable parts of the Swedish Annual Accounts Act (1995:1554). The interim report of the parent company is prepared in accordance with the Swedish Annual Accounts Act chapter 9, Interim financial reporting and Recommendation RFR 2 Accounting for Legal Entities. The Group and Parent Company have applied the same accounting principles, basis of calculation, and assumptions as those applied in the Consolidated financial statements of Vimian Group AB as of and for the financial year ended 31 December 2022. For a complete description of the Group's and Parent Company's applied accounting principles, see note 1 of the Consolidated financial statements of Vimian Group AB as of and for the financial year ended 31 December 2022. Disclosures according to IAS 34 are presented in the financial statements as well as corresponding notes on page 22-38, which are an integrated part of the interim condensed consolidated financial statements. All amounts are presented in thousands of Euro ("kEUR"), unless otherwise indicated.

Note 2. Key estimates and assumptions

In preparing the interim financial statements, corporate management and the Board of Directors must make certain assessments and assumptions that impact the carrying amount of asset and liability items and revenue and expense items, as well as other information provided. The actual outcome may then differ from these assessments if other conditions arise. The key estimates and assumptions correspond to the ones described in the Consolidated financial statements of Vimian Group AB as of and for the financial year ended 31 December 2022.

Significant estimates during the financial year 2023 concerns the value of the non-current receivable related to the US patent litigation. On 4 April 2023, Vimian's subsidiary Veterinary Orthopedic Implants LLC ("VOI") reached a settlement agreement with DePuy Synthes Products, Inc. and DePuy Synthes Sales, Inc. resolving the patent dispute between the parties. Under the terms of the agreement, Vimian paid USD 70 million during the second quarter. Vimian originally booked a corresponding claim of USD 59 million (USD 70 million minus USD 20 million withheld at acquisition plus USD 9 million of legal costs) towards the sellers of VOI as a "non-current receivable". Per the 31 December the valuation of the non-current receivable is adjusted down by USD 8.6m (EUR 8m) to ensure a prudent accounting approach. The amount of the receivable is deducted from the net debt. We cannot speculate on timing or outcome of the process but will provide information to the market once conclusive.

Note 3. Operating segments

Oct-Dec 2023	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Eliminations	Group total
Revenue								
Revenue from external customers	36,580	27,269	5,280	13,327	82,456	-	-	82,456
Revenue from internal customers	5	4	-3	21	27	-	-27	-
Total revenue	36,585	27,274	5,277	13,348	82,483	-	-27	82,456
Adjusted EBITA								
Items affecting comparability	-2,625	-9,793	-375	-159	-12,952	-1,314	-	-14,266
EBITA	10,352	-2,958	414	3,545	11,353	-2,971	-	8,382
Amortisation of acquisition-related intangible assets	-3,108	-1,504	-229	-843	-5,684	-	-	-5,684
Net financial items	-7,813	-1,800	92	1,954	-7,566	-1,489	-	-9,055
Share of profit of an associate and joint venture	-	-	-	0	0	-	-	0
Profit before tax	-569	-6,262	281	4,654	-1,897	-4,460	-	-6,357
Specification of items affecting comparability								
Acquisition-related costs ¹	2,564	-	13	128	2,705	-	-	2,705
Systems update	-	-	-	-	-	141	-	141
Restructuring costs	-	-	362	27	389	-	-	389
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	-	-	-	135	-	135
Other ²	61	9,793	-	4	9,858	1,038	-	10,896
Total items affecting comparability	2,625	9,793	375	159	12,952	1,314	-	14,266
Other disclosures								
Investments	2,645	1,419	186	407	4,656	-	-	4,656
Total assets	491,633	270,159	49,337	152,330	963,460	10,227	-3	973,684
Total liabilities	69,681	26,936	8,881	41,201	146,700	313,458	-13,185	446,972

¹ In Specialty Pharma, EUR 1,007k of the acquisition-related costs are stay-on bonuses, reported as personnel costs in the period, to management of acquired companies.

² Main items in other are legal fees related to the VOI litigation and the valuation adjustment of the non-current receivable related to the US patent litigation.

Oct-Dec 2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Eliminations	Group total
Revenue								
Revenue from external customers	32,179	27,848	5,679	9,748	75,455	-	-	75,455
Revenue from internal customers	34	-	297	151	482	-	-482	-
Total revenue	32,213	27,848	5,976	9,899	75,937	-	-482	75,455
Adjusted EBITA								
Adjusted EBITA	8,913	7,428	871	1,774	18,987	-983	-	18,003
Items affecting comparability	-2,415	2,963	-1,045	-663	-1,161	-110	-	-1,271
EBITA	6,498	10,391	-174	1,111	17,826	-1,093	-	16,733
Amortisation of acquisition-related intangible assets	-2,478	-1,739	-222	-845	-5,284	-	-	-5,284
Net financial items	-8,127	628	-550	-3,256	-11,305	-18,574	-	-29,879
Share of profit of an associate and joint venture	-	-	-	-24	-24	-	-	-24
Profit before tax	-4,108	9,280	-945	-3,014	1,213	-19,667	-	-18,454
Specification of items affecting comparability								
Acquisition-related costs	1,914	390	851	-35	3,120	0	-	3,120
Systems update	-	-	-	-	-	-	-	-
Restructuring costs	256	348	194	125	923	-	-	923
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	-	-	-	-0	-	-0
Other ¹	245	-3,701	-	574	-2,882	110	-	-2,772
Total items affecting comparability	2,415	-2,963	1,045	663	1,161	110	-	1,271
Other disclosures								
Investments	1,157	516	943	1	2,618	729	-	3,347
Total assets	450,622	276,256	52,021	146,810	925,709	9,877	-12,027	923,559
Total liabilities	78,163	100,970	12,546	35,821	227,501	215,610	-1,050	442,062

¹ In Specialty Pharma, EUR 1,564 of the acquisition-related costs are earnout payments, reported as personnel costs in the period, to management of acquired companies.

² Negative items affecting comparability in Medtech reflects the reversal of legal fees related to the patent litigation in the US of EUR 5,506k in Q4 2022 which has been activated on the balance sheet.

Jan-Dec 2023	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Eliminations	Group total
Revenue								
Revenue from external customers	147,380	113,502	21,446	49,402	331,730	-	-	331,730
Revenue from internal customers	28	60	20	86	193	-	-193	-
Total revenue	147,408	113,562	21,466	49,488	331,923	-	-193	331,730
Adjusted EBITA								
Items affecting comparability	-6,461	-13,139	-1,004	-787	-21,390	-2,451	-	-23,841
EBITA	35,699	21,288	3,283	12,151	72,421	-8,925	-	63,496
Amortisation of acquisition-related intangible assets	-11,792	-6,168	-909	-3,357	-22,226	-	-	-22,226
Net financial items	-9,283	-21,310	413	-5,862	-36,042	15,142	-	-20,900
Share of profit of an associate and joint venture	-	-	-	-923	-923	-	-	-923
Profit before tax	14,624	-6,190	2,787	2,009	13,230	6,217	-	19,448
Specification of items affecting comparability								
Acquisition-related costs ¹	5,767	550	13	543	6,873	5	-	6,877
Systems update	-	21	-	-	21	869	-	890
Restructuring costs	-	-	991	234	1,225	-	-	1,225
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	-	-	-	334	-	334
Other ²	694	12,568	-	9	13,271	1,244	-	14,514
Total items affecting comparability	6,461	13,139	1,004	787	21,390	2,451	-	23,841
Other disclosures								
Investments	4,312	3,277	793	652	9,034	-	-	9,034
Total assets	491,633	270,159	49,337	152,330	963,460	10,227	-3	973,684
Total liabilities	69,681	26,936	8,881	41,201	146,700	313,458	-13,185	446,972

¹ In Specialty Pharma, EUR 3,776k of the acquisition-related costs are stay-on bonuses, reported as personnel costs in the period, to management of acquired companies.

² Main items in other are legal fees related to the VOI litigation and valuation adjustment of the non-current receivable related to the US patent litigation.

Jan-Dec 2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Eliminations	Group total
Revenue								
Revenue from external customers	124,258	101,440	22,008	33,603	281,308	-0	-	281,308
Revenue from internal customers	-43	-	1,127	749	1,832	-	-1,832	-
Total revenue	124,215	101,440	23,135	34,351	283,141	-0	-1,832	281,308
Adjusted EBITA								
Adjusted EBITA	35,293	30,594	4,356	7,362	77,605	-4,185	-	73,420
Items affecting comparability	-9,213	-199	-1,366	-3,434	-14,212	-1,111	-	-15,323
EBITA	26,080	30,395	2,990	3,928	63,393	-5,296	-	58,097
Amortisation of acquisition-related intangible assets	-9,486	-5,837	-889	-2,524	-18,736	-	-	-18,736
Net financial items	-14,605	-2,715	-363	-7,549	-25,232	-13,113	-	-38,345
Share of profit of an associate and joint venture	-	-	-	-92	-92	-	-	-92
Profit before tax	1,989	21,843	1,738	-6,236	19,333	-18,409	-	924
Specification of items affecting comparability								
Acquisition-related costs	8,607	1,275	1,075	2,312	13,269	57	-	13,326
Systems update	-	-	-	-	-	67	-	67
Restructuring costs	320	348	220	452	1,340	14	-	1,355
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	8	35	-	43	44	-	88
Other ¹	286	-1,432	36	670	-441	928	-	488
Total items affecting comparability	9,213	199	1,366	3,434	14,212	1,111	-	15,323
Other disclosures								
Investments	3,451	2,179	1,637	75	7,342	1,175	-	8,517
Total assets	450,622	276,256	52,021	146,810	925,709	9,877	-12,027	923,559
Total liabilities	78,163	100,970	12,546	35,821	227,501	215,610	-1,050	442,062

¹ In Specialty Pharma, EUR 4,797 of the acquisition-related costs are earnout payments, reported as personnel costs in the period, to management of acquired companies.

² Negative items affecting comparability in Medtech reflects the reversal of legal fees related to the patent litigation in the US of EUR 5,506k in Q4 2022 which has been activated on the balance sheet.

Note 4. Revenue from contracts with customers

Oct-Dec 2023	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	19,720	5,534	3,415	10,947	39,616
North America	13,585	19,613	678	1,765	35,641
Rest of the World	3,274	2,122	1,187	616	7,199
Revenue from contracts with customers	36,580	27,269	5,280	13,327	82,456

Oct-Dec 2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	17,413	6,289	3,645	7,837	35,184
North America	13,592	17,149	879	1,696	33,317
Rest of the World	1,174	4,410	1,156	214	6,954
Revenue from contracts with customers	32,179	27,848	5,679	9,748	75,455

Jan-Dec 2023	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	79,658	24,614	13,006	40,169	157,448
North America	57,661	73,442	3,333	6,838	141,273
Rest of the World	10,060	15,446	5,107	2,395	33,008
Revenue from contracts with customers	147,380	113,502	21,446	49,402	331,730

Jan-Dec 2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	72,057	23,930	14,235	27,483	137,704
North America	49,756	62,791	3,601	4,911	121,058
Rest of the World	2,446	14,720	4,172	1,209	22,546
Revenue from contracts with customers	124,258	101,440	22,008	33,603	281,308

Revenue from external customers in Sweden amounted to EUR 18.6m (10.0) during the period January to December 2023.

Note 5. Financial instruments

The carrying amount of the Group's financial instruments measured at fair value regards contingent considerations (see below). The carrying amount of other financial assets and liabilities is deemed to be a good approximation of the fair value.

Contingent consideration

In some of the Group's business combinations, part of the purchase price has been in the form of contingent consideration. The contingent considerations depend on the future earnings or sales of the acquired companies.

The contingent considerations will be settled in cash. The contingent considerations are included in the following line items in the statement of financial position: other non-current liabilities 26,579 kEUR Q4 2023 (31,071 kEUR Q4 2022) and other current liabilities 21,146 kEUR Q4 2023 (43,520 kEUR Q4 2022). The contingent considerations are measured at fair value by discounting the expected cash flows by a risk adjusted discount rate. The contingent considerations are classified as level 3 in the fair value hierarchy.

Contingent consideration	Jan - Dec 2023	Jan - Dec 2022
Opening balance	74,591	24,700
Business combinations	17,696	43,202
Paid out	-44,476	-17,981
Change in fair value recognised in P&L	557	26,020
Exchange differences on translation of foreign operations	-643	-1,351
Closing balance	47,725	74,591

Note 6. Business combinations

The following acquisitions have been completed during the period January to December 2023:

Company	Deal type	% acquired	Based	Segment	Consolidation month	Annual sales	Good-will	Transaction costs
Axaeco Logistics AB	Share	100%	Sweden	Specialty Pharma	Jan	1.9	0.2	0.1
Viking Blues Pty Ltd	Share	100%	Australia	Specialty Pharma	Mar	10.0	34.0	0.8
Din Veterinär i Helsingborg Holding AB	Share	100%	Sweden	Veterinary Services	Feb	4.9	6.2	0.1
Vettr Pty Ltd	Share	100%	Australia	Veterinary Services	Apr	1.2	3.4	0.3
Kruth-Halling Professional Corporation	Asset	100%	Canada	MedTech	May	0.2	0.0	0.1
Respit LLC	Asset	100%	United States	Specialty Pharma	Aug	0.2	0.0	0.0
Vetbiotek LLC	Asset	100%	United States	Specialty Pharma	Dec	1.0	0.0	0.6

Preliminary purchase price allocations per operating segment during the period January-December 2023:

Acquired net assets on acquisition date based on preliminary PPA	Specialty			Veterinary	Group total
	Pharma	MedTech	Diagnostics	Services	
Intangible assets	25,739	157	-	2,880	28,776
Property, plant and equipment	976	-	-	91	1,066
Right-of-use assets	-	-	-	-	-
Non-current financial assets	-	-	-	-	-
Deferred tax assets	-	-	-	-	-
Inventories	417	48	-	150	615
Trade receivable and other receivables	1,591	-	-	224	1,816
Cash and cash equivalents	434	-	-	1,196	1,630
Interest-bearing liabilities	-	-	-	-	-
Lease liabilities	-	-	-	-	-
Deferred tax liabilities	-5,675	-	-	-704	-6,379
Trade payables and other operating liabilities	-699	-	-	-723	-1,421
Identified net assets	22,784	205	-	3,114	26,103
Non-controlling interest measured at fair value	-	-	-	-	-
Goodwill	34,317	-	-	9,481	43,799
Total purchase consideration	57,101	205	-	12,596	69,902
Purchase consideration comprises:					
Cash	10,014	205	-	8,518	18,736
Equity instruments	32,749	-	-	-	32,749
Contingent consideration and deferred payments	14,338	-	-	4,078	18,416
Total purchase consideration	57,101	205	-	12,596	69,902
Impact of acquisition on Group's cash flow					
	Specialty			Veterinary	
	Pharma	MedTech	Diagnostics	Services	Group total
Cash portion of purchase consideration	-10,014	-205	-	-8,518	-18,736
Acquired cash	434	-	-	1,196	1,630
Total	-9,579	-205	-	-7,322	-17,106
Acquisition-related costs	-1,477	-	-	-370	-1,848
Net cash outflow	-11,057	-205	-	-7,692	-18,954

For the acquisitions closed during the period January to December 2023, the amount of income and pre-tax profit included in the group's report on comprehensive income for the reporting period are per segment: Specialty Pharma income EURk 7,551 pre-tax profit EURk 2,249 and Veterinary Services income EURk 5,578 and pre-tax profit EURk 1,285. On a pro-forma basis if all acquisitions had closed 1 Januari 2023 this would have been Specialty Pharma income EURk 10,620, pre-tax profit EURk 3,428, and Veterinary Services income EURk 6,247 and pre-tax profit EURk 1,510.

Preliminary purchase price allocations for individually significant acquisitions during the period January-December 2023:

Acquired net assets on acquisition date based on preliminary PPA	Viking Blues Pty Ltd
Intangible assets	22,791
Property, plant and equipment	976
Right-of-use assets	-
Non-current financial assets	-
Deferred tax assets	-
Inventories	-
Trade receivable and other receivables	1,458
Cash and cash equivalents	388
Interest-bearing liabilities	-
Lease liabilities	-
Deferred tax liabilities	-5,675
Trade payables and other operating liabilities	-625
Identified net assets	19,312
Non-controlling interest measured at fair value	-
Goodwill	34,071
Total purchase consideration	53,383
Purchase consideration comprises:	
Cash	6,469
Equity instruments	32,749
Contingent consideration and deferred payments	14,165
Total purchase consideration	53,383
Impact of acquisition on Group's cash flow	Viking Blues Pty Ltd
Cash portion of purchase consideration	-6,469
Acquired cash	388
Total	-6,082
Acquisition-related costs	-812
Net cash outflow	-6,894

Note 7. Related-party transactions

There have been no significant changes in the relationships with related parties for the Group or the Parent Company compared to the information provided in the Annual Financial statements. During the fourth quarter of 2023 Fidelio capital invoiced Vimian SEK 2.7m of legal fees that they have incurred on behalf of Movora in relation to the US litigation process.

Note 8. Events after the balance-sheet date

No significant events after the balance-sheet date.

Note 9. Alternative performance measures

Alternative Performance Measures (APMs) are financial measures of historical or future financial performance, financial position or cash flows that are not defined in applicable accounting regulations (IFRS). APMs are used by Vimian when it is relevant to monitor and describe Vimian's financial situation and to provide additional useful information to users of financial statements. These measures are not directly comparable to similar key ratios presented by other companies.

Definitions and reason for usage

Key Ratios	Definition
Organic Revenue Growth	Vimian reports organic revenue growth to show performance of the underlying business. It is calculated as the like for like revenue growth excluding impact from acquisitions, divestments, and currency impacts. Acquired companies are included in organic growth when they have been part of the group for 12 months.
EBITA	Vimian reports EBITA to show the operating profitability independent of taxes, financing structure and amortisation. It is calculated as operating profit excluding amortisation of intangible assets that were originally recognised in connection with business combinations.
EBITA margin	EBITA margin, calculated as EBITA in relation to revenue, allows the Group to track development of profitability.
Adjusted EBITA	Vimian reports adjusted EBITA, EBITA excluding costs that are considered as non-recurring, to give a clearer view of the underlying performance of the operations. Majority of non-recurring items are related to acquisitions.
Adjusted EBITA margin	The adjusted EBITA margin shows adjusted EBITA in relation to revenue and provides a view of how profitable the core operations of the business are.
Items affecting comparability	Income and expense items that are considered to be non-recurring. Vimian reports adjusted EBITA and EBITDA, which are adjusted for items affecting comparability to give a fairer view of the underlying business. Generally accepted NRI's include acquisition and integration related costs, litigation related costs if material, significant restructuring costs, costs related to projects such as the initial public offering.
Amortisation PPA related	Amortisation of intangible assets that were originally recognised in connection with business combinations.
Net debt	Vimian reports net debt to allow investors to assess the Group's ability to make strategic investments and meet its financial obligations. Net debt is calculated as cash and cash equivalents less liabilities to credit institutions, lease liabilities, other non-current liabilities and specific items included in other current liabilities (contingent considerations, deferred payments, vendor notes and shareholder loans related to business combinations).
Net debt / Adjusted EBITDA	Net debt in relation to the last 12 months adjusted EBITDA.

Key Ratios	Definition
Net Working Capital	Vimian reports net working capital as a measure of the Group's short term financial status. It contains inventory, trade receivables, current tax receivables, other current receivables, prepaid expenses and accrued income, less trade payables, current tax liabilities, accrued expenses and deferred income, provisions and other current liabilities.
Capex	Vimian's definition of cash flow from investments in tangible and intangible assets excludes investments in real estate and internally generated intangible assets. Tangible and intangible assets included in the net assets of business combinations are excluded.
Proforma revenue	Vimian reports pro-forma revenue to show a fair view of the size of the Group including all entities that it owns per the date of the report. It is calculated by taking reported revenue for the last twelve months with revenue for all acquisitions closed during the last twelve months, as if they had been consolidated the full period
Adjusted EBITDA, Proforma	Vimian reports pro-forma EBITDA to show a fair view of the size of the Group including all entities that it owns per the date of the report. It is calculated by taking reported adjusted EBITDA for the last twelve months with adjusted EBITDA for all acquisitions closed during the last twelve months, as if they had been consolidated the full period.
Adjusted EBITDA margin, Proforma	Adjusted proforma EBITDA in relation to proforma revenue.
Acquisition related expenses	Expenses related to legal and financial due diligence as well as integration costs.
Restructuring costs	Costs relating to integration and synergies between legacy and acquired businesses

Alternative performance measures not defined in accordance with IFRS for the group - Based on reported figures

(EURm, unless otherwise stated)	1 Oct-31 Dec		1 Jan-31 Dec	
	2023	2022	2023	2022
Revenue growth (%)	9%	55%	18%	62%
Organic revenue growth (%)	7%	3%	11%	4%
EBITDA	11,176	19,374	73,312	66,587
EBITDA margin (%)	13.6%	25.7%	22.1%	23.7%
Adjusted EBITDA	25,442	20,644	97,153	81,910
Adjusted EBITDA margin (%)	30.9%	27.4%	29.3%	29.1%
EBITA	8,382	16,732	63,495	58,097
EBITA margin (%)	10.2%	22.2%	19.1%	20.7%
Adjusted EBITA	22,648	18,003	87,336	73,419
Adjusted EBITA margin (%)	27.5%	23.9%	26.3%	26.1%
Operating profit	2,698	11,448	41,271	39,361
Operating margin (%)	3.3%	15.2%	12.4%	14.0%
Capital expenditure	-4,656	-3,347	-9,034	-8,517
Cash flow from operating activities ¹	17,211	21,136	-28,576	25,313

¹ Year-to-date cash flow from operating activities includes settlement payment in US litigation case

Alternative performance measures not defined in accordance with IFRS for the group - Based on proforma figures

(EURm, unless otherwise stated)	1 Jan - 31 Dec
	LTM (2023)
Proforma revenue	335,532
Adjusted EBITDA, Proforma	98,589
Adjusted EBITDA margin, Proforma	29.4%
Net debt	285,575
Net debt / Adjusted EBITDA, Proforma (x)	2.9x

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of alternative performance measures not defined in accordance with IFRS for the group

Certain statements and analyses presented include alternative performance measures (APMs) that are not defined by IFRS. The Company believes that this information, together with comparable defined IFRS metrics, are useful to investors as they provide a basis for measuring operating profit and ability to repay debt and invest in operations. Corporate management uses these financial measurements, along with the most directly comparable financial metrics under IFRS, to evaluate operational results and value added. The APMs should not be assessed in isolation from, or as a substitute for, financial information presented in the financial statements in accordance with IFRS. The APMs reported are not necessarily comparable to similar metrics presented by other companies. The reconciliations are presented in the tables below.

(EUR thousands, unless otherwise stated)	1 Oct-31 Dec		1 Jan-31 Dec	
	2023	2022	2023	2022
Adjusted EBITA and EBITDA				
Revenue	82,456	75,455	331,730	281,308
EBITA	8,382	16,732	63,497	58,097
EBITDA	11,176	19,374	73,312	66,587
Items affecting comparability	14,266	1,271	23,841	15,323
Adjusted EBITA	22,648	18,003	87,337	73,420
Adjusted EBITDA	25,442	20,644	97,153	81,910
Adjusted EBITA margin (%)	27.5%	23.9%	26.3%	26.1%
Adjusted EBITDA margin (%)	30.9%	27.4%	29.3%	29.1%

(EUR thousands, unless otherwise stated)	1 Oct-31 Dec	
	2023	2022
Net debt		
Liabilities to credit institutions (long term)	302,042	207,112
Lease liabilities (long term)	8,269	9,029
Other non-current liabilities	34,300	35,229
Liabilities to credit institutions (short term)	27	-0
Lease liabilities (short term)	3,463	4,816
Other items ¹	21,146	43,520
Cash & Cash Equivalents	-37,500	-42,194
Other non-current receivables ³	-46,172	-
Net debt	285,575	257,512

(EUR thousands, unless otherwise stated)	31 Dec	
	2023	2022
Net working capital		
Inventory	60,291	61,200
Trade receivables	46,116	41,168
Current tax receivables	1,892	568
Other current receivables	3,997	4,908
Prepaid expenses and accrued income	9,139	4,127
Trade payables	-19,747	-18,328
Current tax liabilities	-8,050	-8,179
Other current liabilities ²	-6,700	-4,404
Provisions	-180	-30
Accrued expenses and deferred income	-15,618	-21,358
Net working capital	71,141	59,674

¹ Shareholder loans, deferred payments, vendor notes and contingent considerations included in other current liabilities

² Other current liabilities as reported in the statement of financial position less shareholder loans, deferred payments, vendor notes and contingent considerations related to business combinations

³ The value of the non-current receivable related to the US patent litigation has been adjusted down by EUR 8m

(EUR thousands, unless otherwise stated)	1 Jan - 31 Dec LTM (2022/2023)	1 Jan-31 Dec 2022
Proforma revenue		
Reported revenue	331,730	281,308
Proforma period, revenue	3,802	15,698
Proforma revenue	335,532	297,006
Adjusted EBITA, Proforma		
Reported Adjusted EBITA (12 months)	87,337	na
Proforma period Adjusted EBITA	1,424	na
Adjusted EBITA, Proforma	88,761	na
Adjusted EBITA margin, Proforma		
Proforma Revenue	335,532	na
Adjusted EBITA, Proforma	88,761	na
Adjusted EBITA margin, Proforma	26.5%	na
Adjusted EBITDA, Proforma		
Reported Adjusted EBITDA (12 months)	97,153	81,910
Proforma period Adjusted EBITDA	1,436	3,789
Adjusted EBITDA, Proforma	98,589	85,699
Adjusted EBITDA margin, Proforma		
Proforma Revenue	335,532	297,006
Adjusted EBITDA, Proforma	98,589	85,699
Adjusted EBITDA margin, Proforma	29.4%	28.9%
Net debt/Adjusted EBITDA, Proforma		
Net debt	285,575	257,512
Adjusted EBITDA, Proforma	98,589	85,699
Net debt/Adjusted EBITDA, Proforma (x)	2.9x	3.0x

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