

vimian™

Q4 presentation

8 March 2023



vimian™

Four attractive niches with unmet medical needs

Specialty Pharma

43% revenue

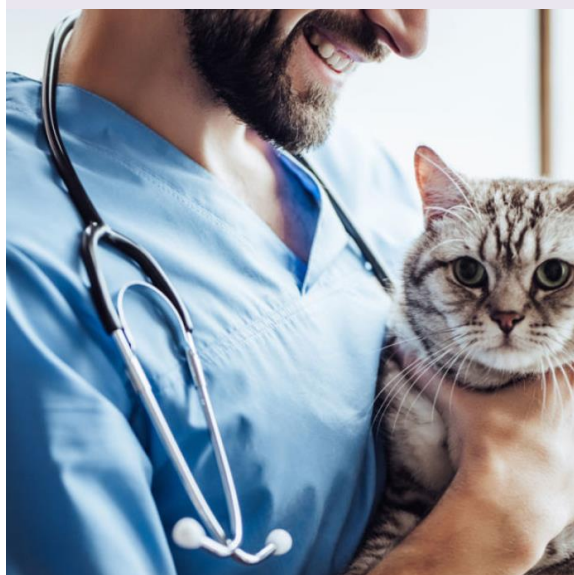
323 employees

Allergy Diagnostics & Treatment

Dermatology & Specialty Care

Specialised Nutrition

Specialty Pharmaceuticals



MedTech

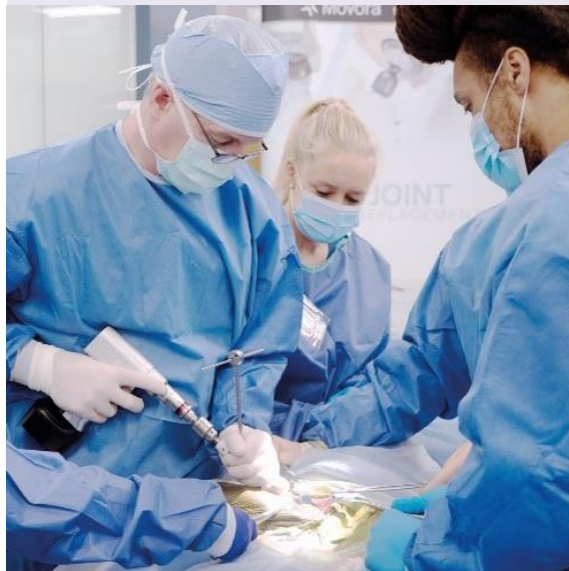
37% revenue

238 employees

Veterinary orthopedic implants

Surgical equipment

Imaging



Veterinary Services

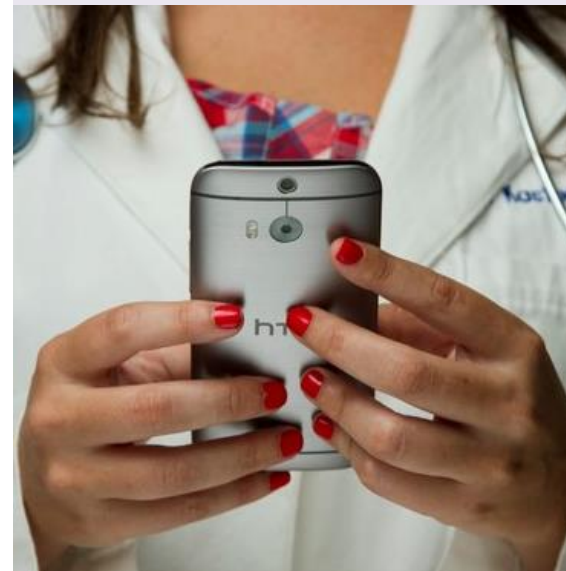
13% revenue

232 employees

Membership platform

Procurement services

Tech-enabled services



Diagnostics

8% revenue

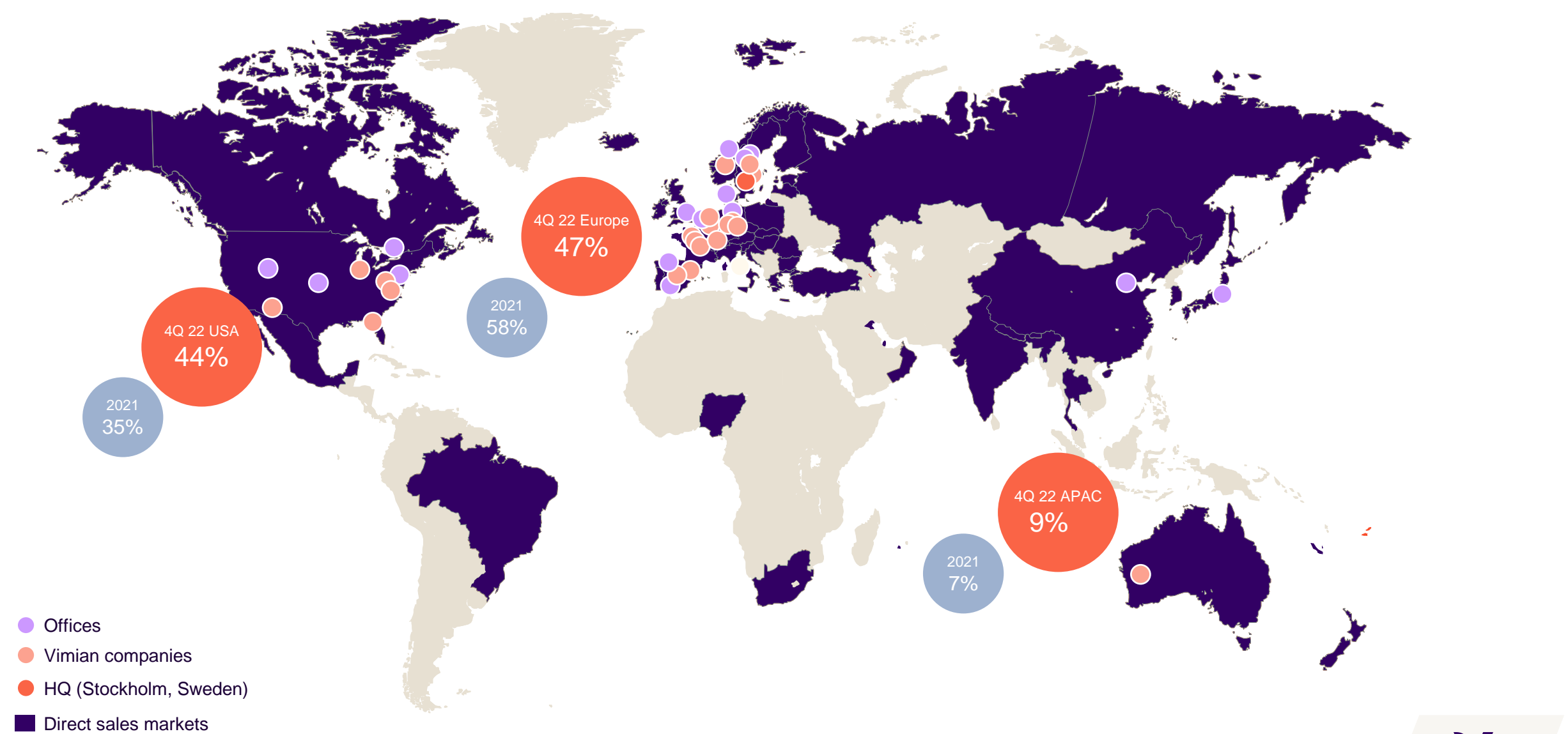
99 employees

Livestock diagnostics


Companion animal diagnostics



A global footprint and network of KOLs



* Revenue split based on 4Q 2022 reported revenue



Fourth Quarter 2022

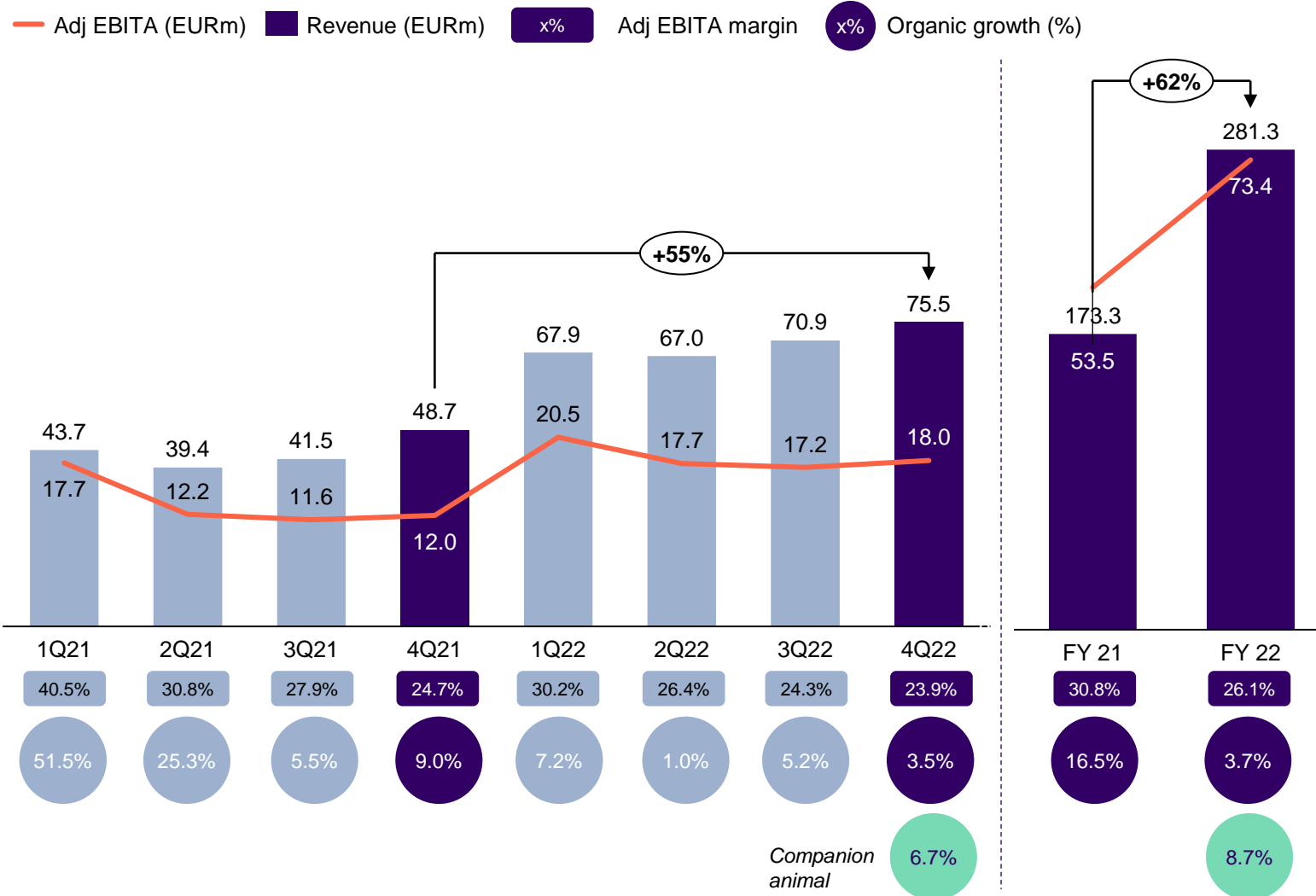
Q4 highlights

- / Stable quarter – strong organic growth in US, southern Europe slower
- / Strong total sales and EBITA growth
- / Focus on integrating acquired companies and accelerate organic growth – staying cautious on cost
- / High level of market activity, educations and trade shows
- / Colleen Flesher new Co-CEO of Movora
- / Positive start to 2023 – high single digit organic growth



Fourth quarter delivers strong 50% growth in adjusted EBITA

Revenue and Adj. EBITA



- / Solid 6.7% Q4 organic growth in companion animal business (8.7% FY)
- / Full-year pro-forma organic growth in companion +11.5%
- / Reported organic growth held back by phase out of covid sales and exposure to S Europe (15% of group)
- / No new acquisitions closed in Q4, effect of earlier acquisitions 47.3% (FY 53.8%)
- / FX tailwind 4.2%, mainly USD/EUR (FY 4.8%)
- / Q4 gross margin -1.8pp, excluding GlobalOne +1.3pp (FY -1.9pp/+1.6pp)
- / Adj EBITA margin reflects consolidation of acquired companies and strategic investments

Strong track record since 2016

- / Niches with unmet medical needs, untapped white space
- / Growth driven both by organic initiatives and continuous M&A
- / Multiple organic growth initiatives underway and synergy potential

Revenue CAGR

81%

2018–2022

Adj. EBITDA CAGR

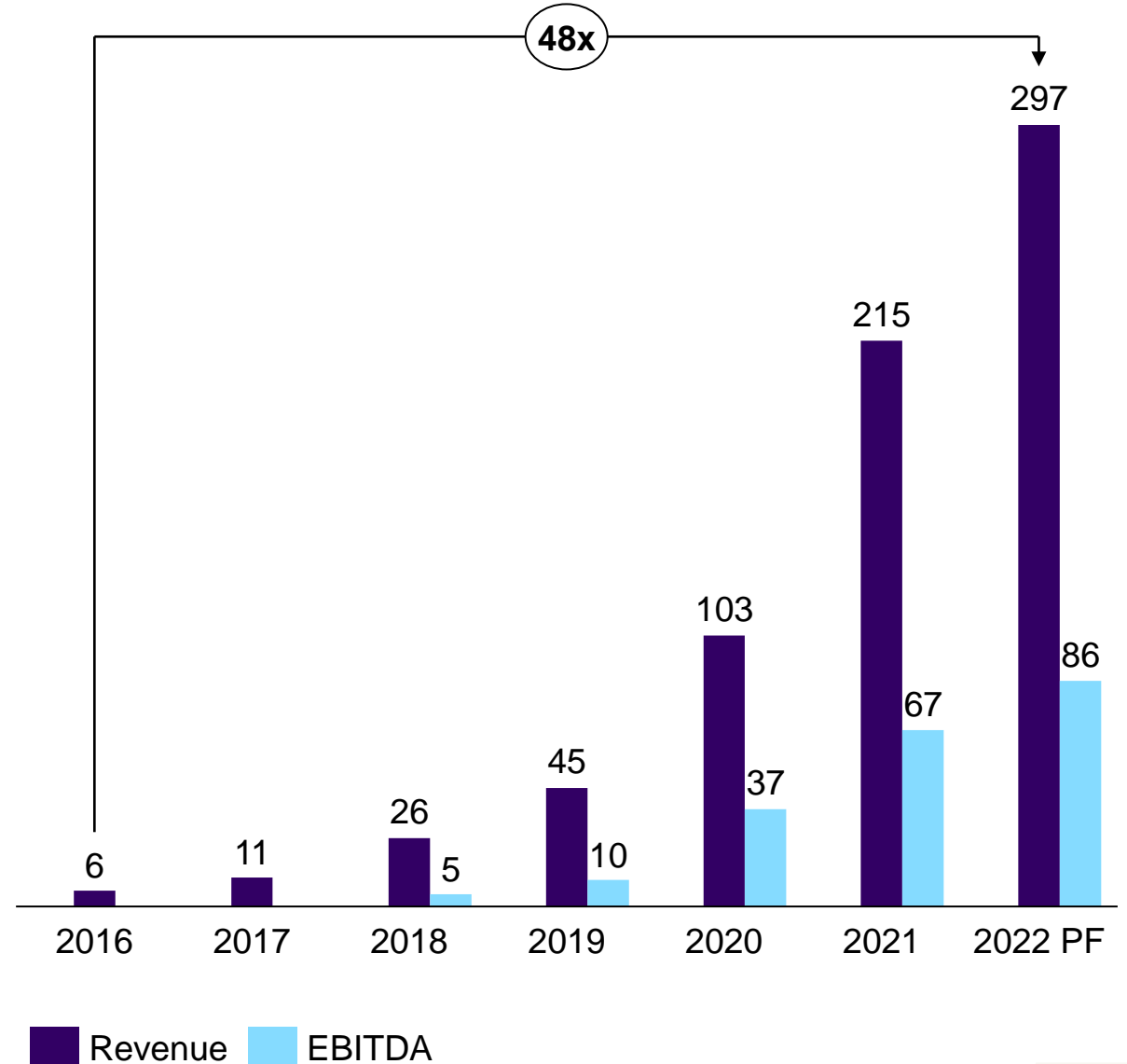
105%

2018–2022

Adj. EBITDA margin

29%

2022





Specialty Pharma

- / Solid 7% pro-forma organic growth giving full year 15%
- ✓ >25% growth in Specialty Pharmaceuticals, ~30% of Q4 sales from new products
- ✓ >35% growth in US Specialized Nutrition, ~20% of Q4 sales from new products
- / Softer market in Southern Europe in Q4 – monitoring closely
- / Strong traction at multiple congresses, successful Allergy Awareness Month
- / Acquired Axaeco Jan-23, optimise operations and supply chain in Scandinavia
- / Direct distribution of dermatology and nutrition in France and Belgium, >15 product launches and global launch of new allergy test in Q1

7%

PF organic growth Q4

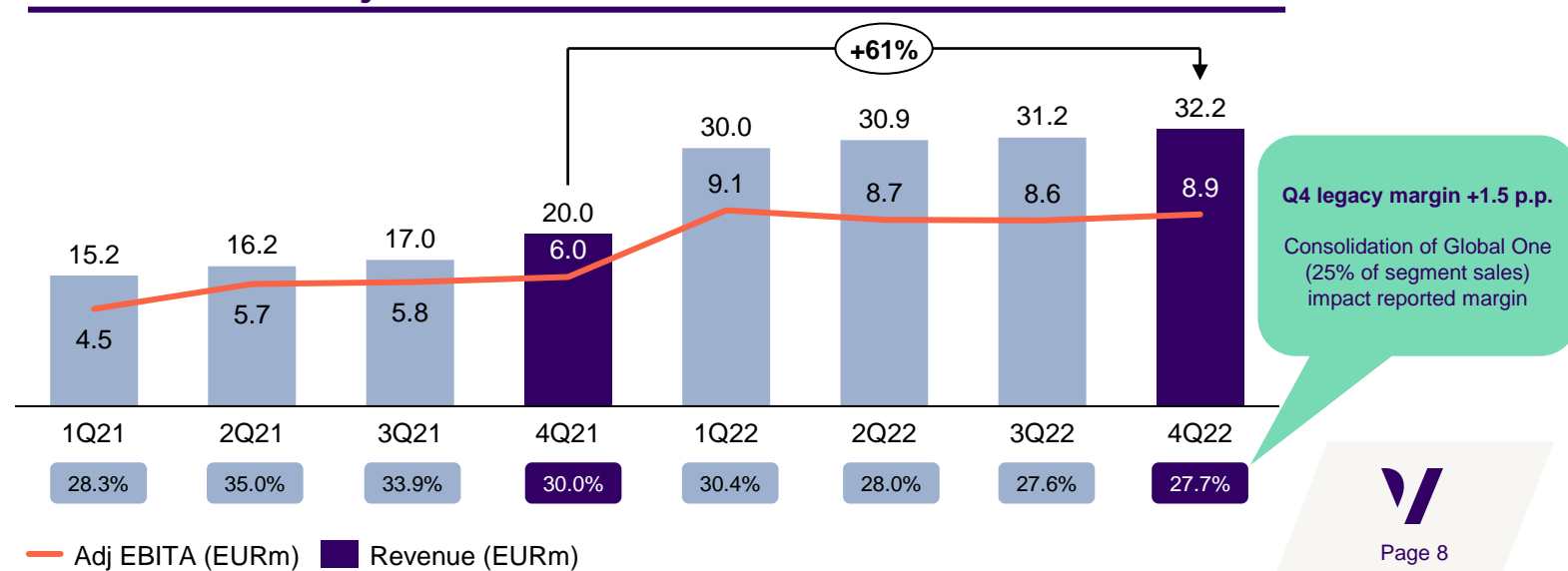
49%

Adj. EBITA growth Q4

1.5pp

Legacy margin expansion Q4

Revenue and Adj. EBITA



Bova Australia – building a global leader in Specialty Pharmaceuticals

- / Second key milestone in strategy to build a global position in fast-growing niche of companion animal health
- / Market leader in Australia, founded in 2008 by Nick Bova – offers a wide range of prescription pharmaceuticals adapted to different breeds and in various dosage forms
- / Adding ~EUR 10m in revenues to Vimian, almost 40% EBITDA margin, 5-year CAGR ~15%
- / Amended financing to align incentives and secure strong commitment from entrepreneur

Specialty Pharma – four therapeutic areas

Prescription ~40%

Allergy Diagnostics & Treatment

“Gold standard”
allergy tests and
immunotherapy
treatments



Specialty Pharmaceuticals

Extensive offering in
compounded
pharmaceuticals /
specials



Over the counter ~60%

Dermatology & Specialty Care

Extensive range of
scientifically leading
specialty OTC care
products



Specialised Nutrition

Extensive range of
specialized nutrition
OTC products



Bova AUS

Portfolio
expansion

Geographic
expansion

Channels /
Customers

New
capabilities/
technology



MedTech

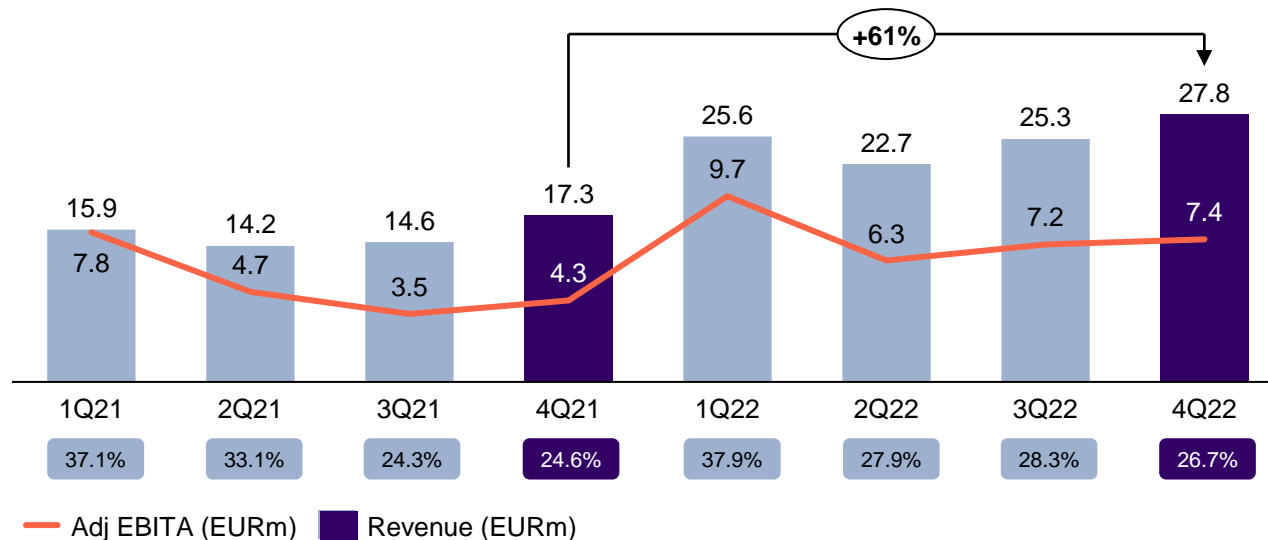
- / Solid 10% organic growth giving full year 10%
- / Strong momentum in US, successful participation in veterinary surgery congress ACVS in October
- / Good growth in acquired distributors confirming strategic importance of direct presence in key geographies
- / Colleen Flesher new Co-CEO – focus on operational excellence

10%
Organic growth
Q4

75%
Adj. EBITA
growth Q4

+2.1pp
Adj. EBITA margin
expansion Q4

Revenue and Adj. EBITA





Veterinary Services

- / Solid 9.9% organic growth giving full year organic growth 9.6%
- / Continued focus on new tiered member model, re-negotiation of strategic partner agreements
- / Strong member growth with more than 300 new members in Q4. New market Brazil off to a strong start
- / Strengthened team around heiland.com

10%

Organic growth
Q4

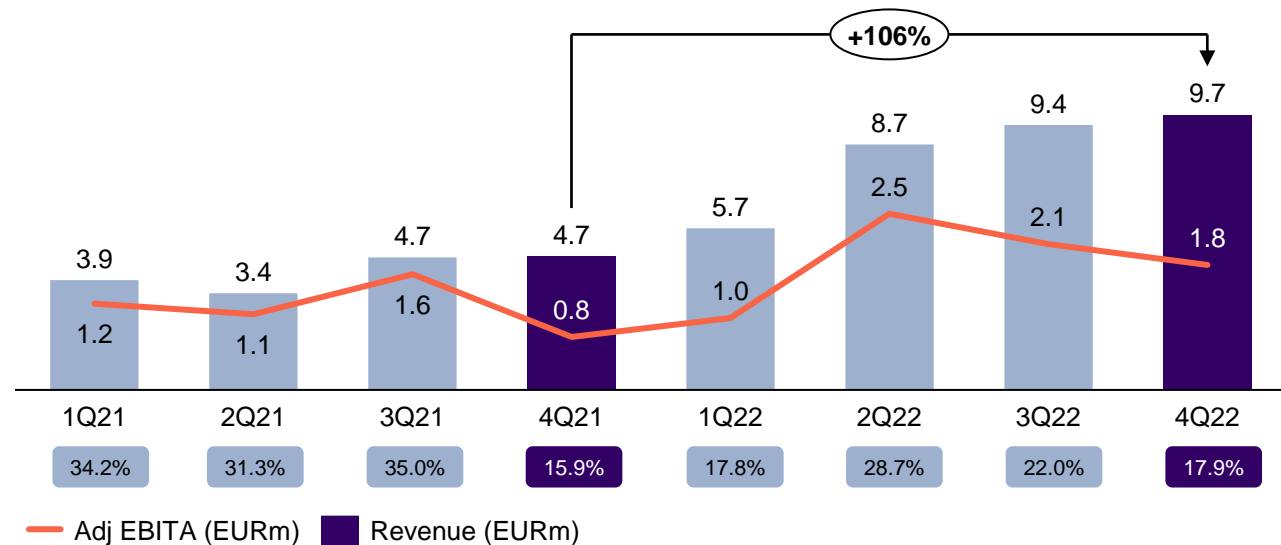
136%

Adj. EBITA growth
Q4

+2pp

Adj. EBITA margin
expansion Q4

Revenue and Adj. EBITA



Lower margin reflects new market entries, strengthening of HQ and consolidation of clinics (30% of segment sales)





Diagnostics

- / 17.7% organic decline in Q4 giving full year -25%, reflecting Covid phase-out (EUR 1.5m in Q4 2021)
- / Excluding Covid impact organic growth around 3% in Q4
- / Underlying livestock market conditions improving
- / Focus on new growth segments and cost synergies in acquired companies across production and offices

3%

Organic growth
excluding Covid
in Q4

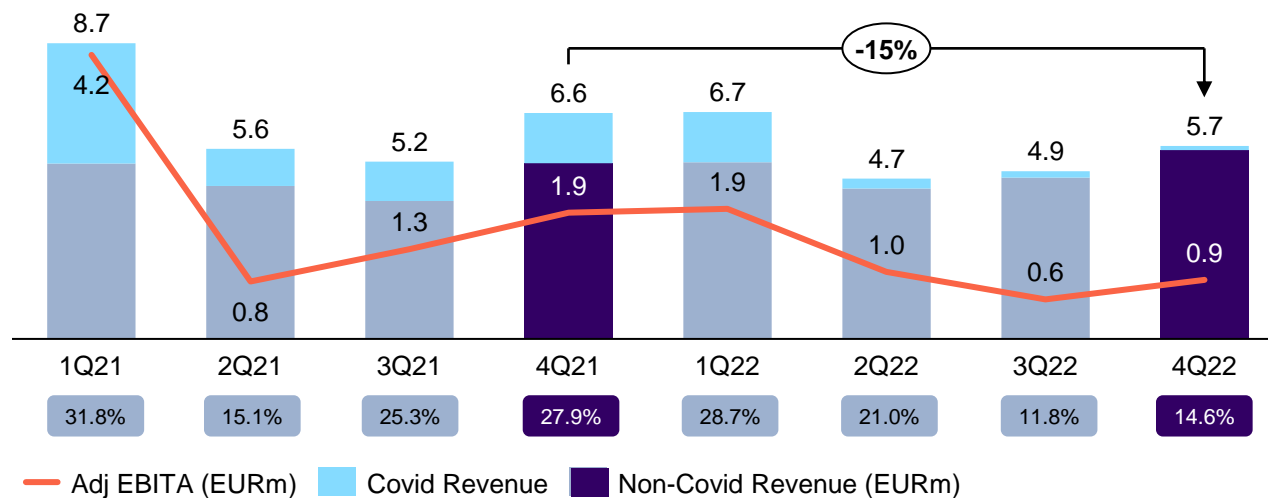
-53%

Adj. EBITA
decline Q4

-12.6pp

Adj. EBITA margin
development Q4

Revenue and Adj. EBITA




































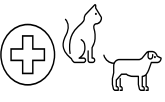











Q4 adj. EBITA and margin impacted by lower Covid sales and exceptional scrapping worth c3%

Company taking action on cost optimisation



Thirteen acquisitions signed 2022 with combined revenue EUR 64m

Segment	Company	Revenue EURm	Geography	Closing month	Portfolio expansion	Geographic expansion	Channels / Customers	New capabilities / Technology	Integration status
Specialty Pharma		EUR 10m	UK	February					Foundation for geographic expansion, accelerated product launches and established Nextmune innovation hub
		EUR 1.9m	UK	March					Fully integrated in Nextmune UK, initial synergies realised
		EUR 7.9m	AUS	Q1 2023					Closing Q1 2023
MedTech		EUR 8.8m	Australia	March					Selling full Movora portfolio, delivery time from 1 week to 1 day
		EUR 5.2m	US	April					Integrated in US warehouse, sold in Europe
		EUR 3.7m	US	August					Integrated in US warehouse, sold in Europe
Veterinary Services		EUR 5.5m	US	April					Movora and Nextmune products sold through VerticalVet platform
		EUR 12.3m	Nordics	April / May / August / Feb					Four veterinary clinics part in the co-investment programme
		EUR 1.7m	Germany	August					Selling Movora and Nextmune products, expansion prepared



Fourth Quarter Financials

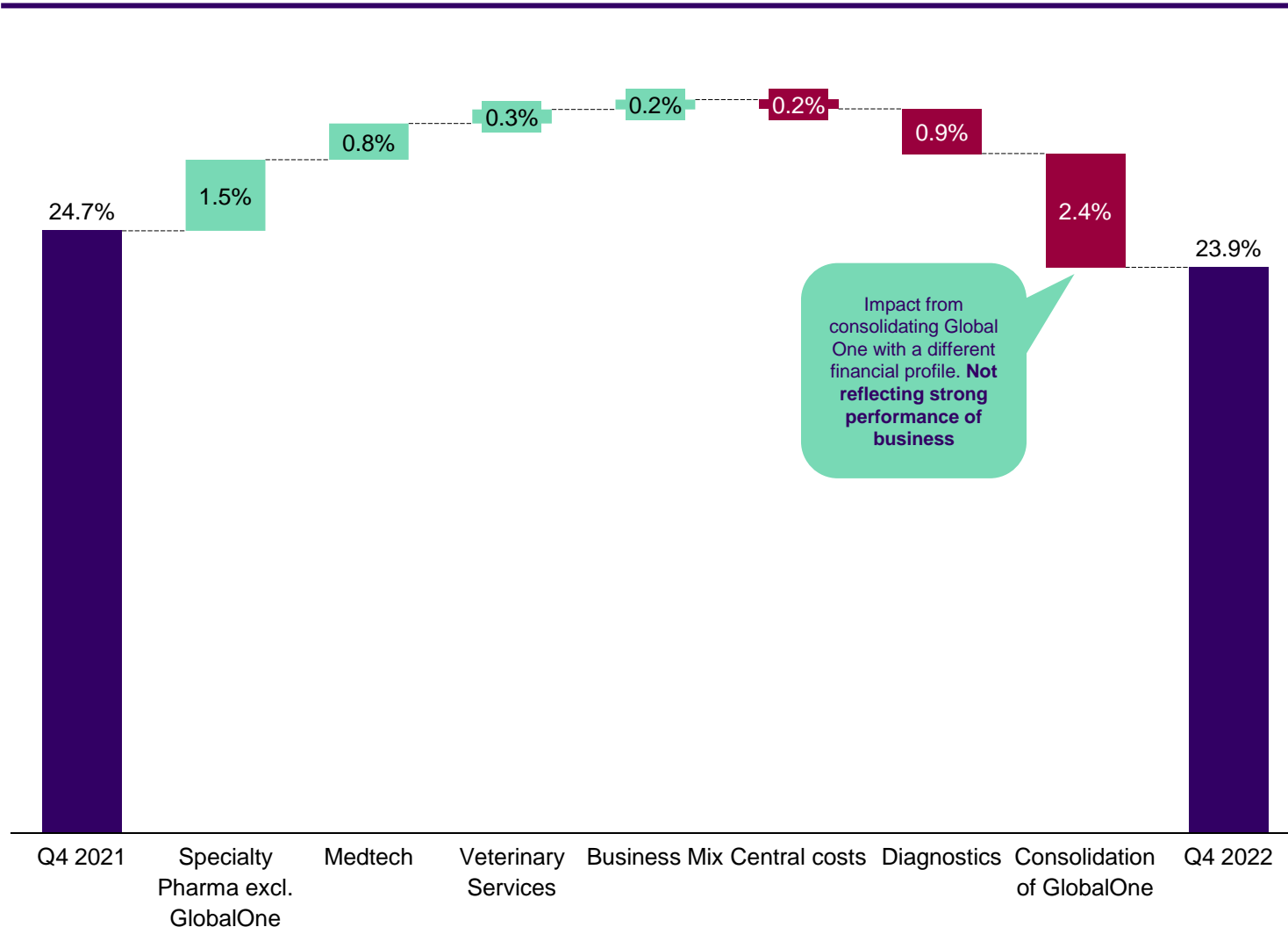
EUR m	2022 Oct – Dec	2021 Oct – Dec	2022 Jan – Dec	2021 Jan – Dec
Revenue	75.5	48.7	281.3	173.4
Adjusted EBITA	18.0	12.0	73.4	53.5
Operating profit	11.4	4.1	39.4	21.6
Profit before tax	(18.5)	1.9	0.9	12.8
Profit for the period	(21.0)	2.0	(7.2)	7.8

Q4 Income Statement

- / Strong growth in revenue and operating profit
- / Operating profit margin improve from 8.3% to 15.2%
- / Lower non-recurring items reflects reversal of legal costs related to VOI litigation
- / High financial items drives pre-tax loss
 - Interest costs EUR 2.8m – coupon 4.9%
 - Contingent considerations EUR 24.1m – discount effect and probability adjustment for strong performance of acquired companies
 - FX impact EUR 3m
- / Full year effective tax rate 832%
 - Higher taxable result due to tax losses without recognition of deferred tax assets and non deductible expenses related to earn-outs
 - Adjusted for these items the effective tax rate would be 28%

Fourth quarter margin development primarily a mix effect

Year over year development of adjusted EBITA margin



- / Gross margin +1.3pp pre-consolidation of GlobalOne, including -1.8pp
- / Year over year margin improvement in MedTech and Veterinary Services
- / Central costs EUR 1.0m Q4 2022 vs EUR 0.8m Q4 2021
- / Lower margin in Diagnostics reflects lower Covid-sales and impact from exceptional scrapping
- / Specialty Pharma underlying margin +1.5pp

Percent	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Cash Conversion	110%	82%	57%	71%

EUR m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Cash flow from operating activities before change in NWC	15.7	0.1	52.0	25.9
Change in NWC	5.5	(0.8)	(26.7)	(9.8)
Cash flow from operating activities	21.1	(0.7)	25.3	16.0
Cash flow from investing activities	(31.2)	(80.1)	(188.5)	(115.0)
Cash flow from financing activities	1.0	45.3	(150.2)	123.9
Cash Flow for the period	(9.1)	(30.2)	(13.0)	25.0

Q4 Cash Flow and Financial Position

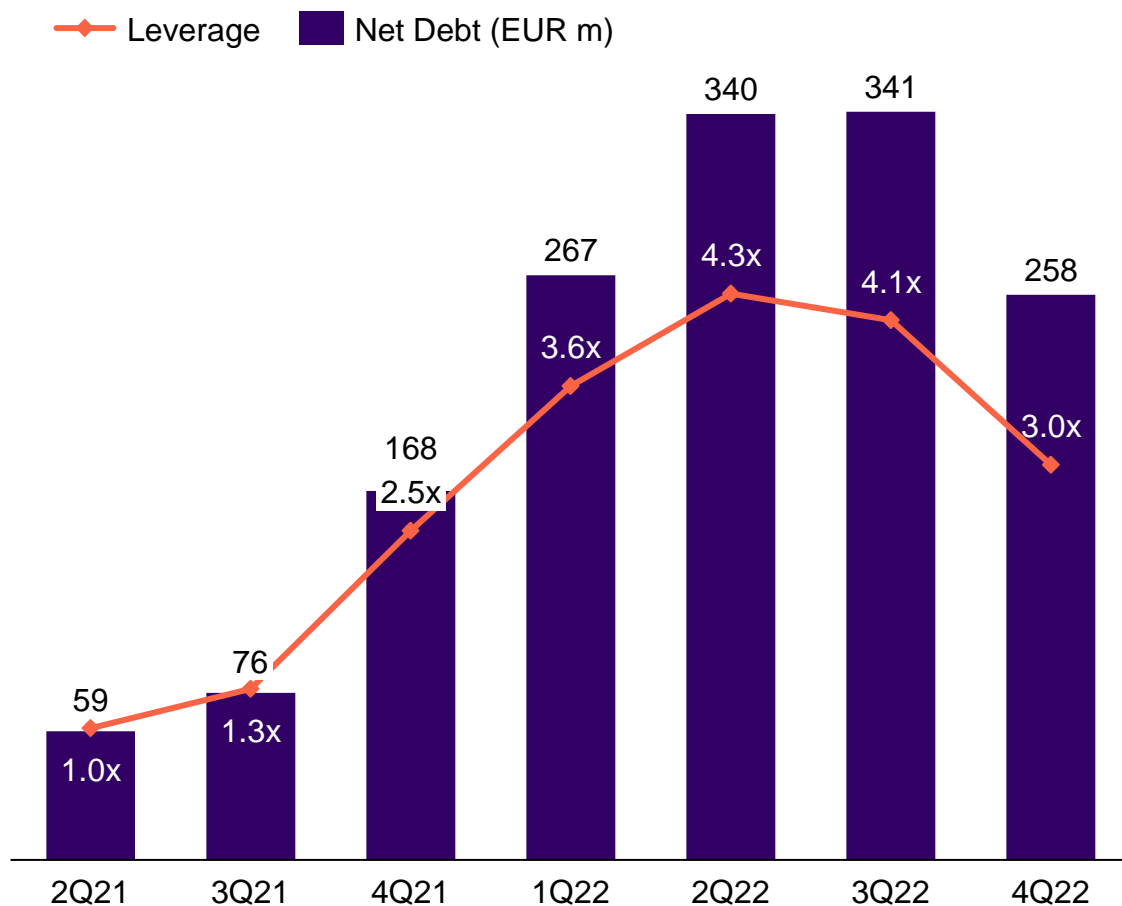
/ 110% cash conversion in Q4, 57% 2022

/ Operating cash flow 4Q EUR 22.8m (2022 46.7m)

/ Positive change in NWC driven by lower inventory in Specialty Pharma. MedTech inventory levels remain high ahead of annual ordering programme in Q1 2023

/ Lower cash outflow from investing activities given focus on integration of recently acquired companies

/ Cash and cash equivalents end of Q4 EUR 42.2m down from EUR 55.1m Q421



Net Debt and Leverage

/ Net debt per 31 December 2022 EUR 258m

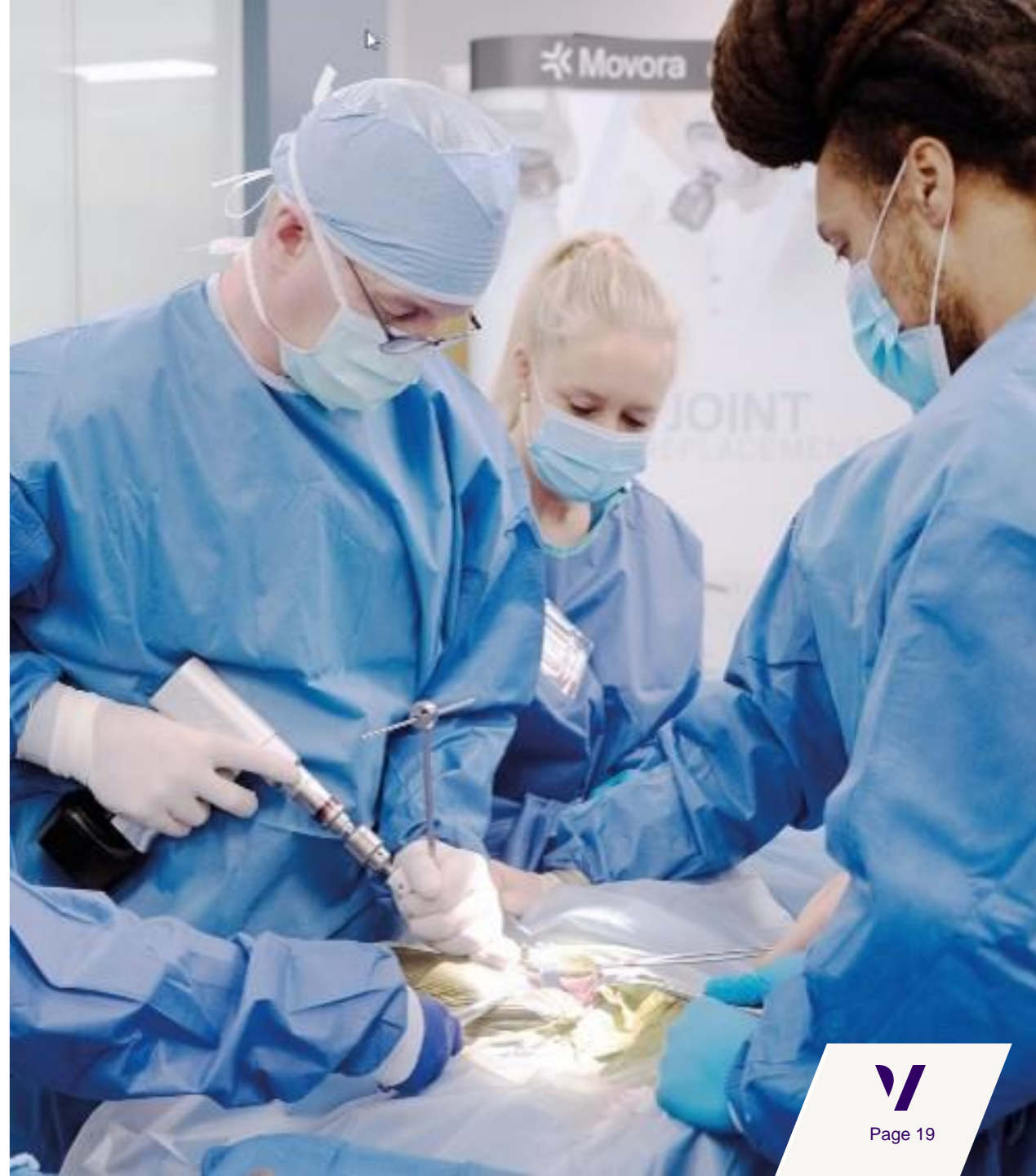
/ Cash and cash equivalents EUR 42.2m

/ Net Debt / LTM Pro-forma EBITDA 3.0x

/ Share issue of SEK 1.5bn completed 3 October, proceeds used to pay down external debt

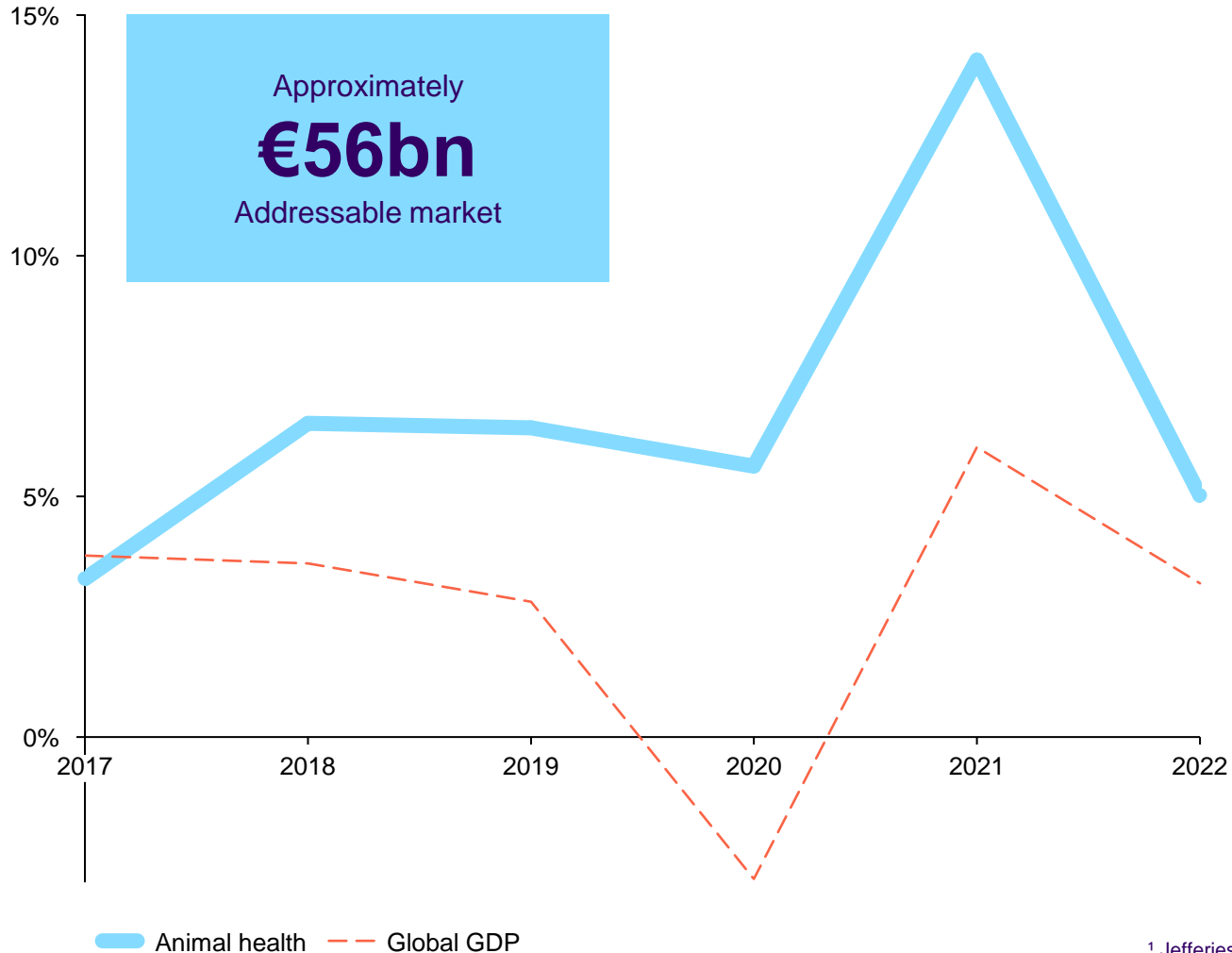
US patent dispute

- / In January, a jury found wilful infringement of VOI and Fidelio, Synthes awarded 59.5 MUSD in damages
- / Per 31st Dec 2022, Vimian has booked a claim on the VOI sellers for the fine, and a liability toward the plaintiffs for the judgment – no net debt impact
- / VOI strongly disagrees with verdict – an appeal has a strong basis
- / Judgment from district court expected during 2023, including damages and potential enhancement at judge's discretion
- / Collateral to the court required to appeal – preparing for different outcomes
- / Vimian believes the full cost of all procedural cost, damages, and interests will be recouped under the indemnification protection, up to USD 99.9m



2022 market update – growth normalising post-pandemic peak

Animal Health industry revenue growth² (%)



Growth normalising after post-pandemic peak

- / Normalisation of demand post pandemic peak
- / N America solid growth primarily price and mix
- / Europe softer, held back by southern Europe
- / Australia & New Zealand solid growth
- / Animal health sector resilient
- / Petcare least affected by household spending cuts
- / Category consumers are least likely to reduce spend on¹
- / Market forecasted to grow at 8.5% CAGR 2023-30²

¹ Jefferies Global Healthcare consumer survey November 2021 ²GrandViewResearch Feb 2023

Current trading Jan - Feb

- / Positive start to 2023 – high single digit growth
- / Implementing price increases in most segments
- / Negative impact from phase out of Covid sales
 - 1Q22; 20% of sales in Diagnostics, 2Q22; 5% of sales in Diagnostics
- / Strong performance in AOP programme in Movora
 - Sales pull forward from Q2-Q3
 - Revenue & receivable booked in Q1, cash payments throughout the year
- / Tightened financial calendar – updated today





2022 – solid year in challenging macroeconomy

- / Resilient sector, more normalised demand
- / Strong total sales and EBITA growth
- / Solid pro-forma organic growth in companion animal business
- / Consolidation of acquired companies and investments for growth impacted margin
- / Milestones achieved across several dimensions - new market entries, new therapeutic area, full MedTech portfolio in all geographies
- / Advanced innovation pipeline – allergy, diagnostics, orthopedics
- / Accelerated ESG agenda - integrated into segment business plans, new governance structure, new policy framework and allocation of resources





2023 focus

/ Positive start for Vimian, but uncertain times - closely monitor demand, cost control

/ Clear ambition to re-accelerate organic growth

/ Five key areas in focus:

- Grow Specialty Pharma via >50 product launches, roll-out of existing products and services in additional markets and channels, and addressing whitespace through education
- Grow total market size in orthopedics through educations, work on operational excellence, explore other areas of medtech beyond orthopedics
- Expand and digitalise our service offering to more independent clinics and new geographies
- Penetrate producer segment via precision farming initiatives and enter companion animal diagnostics with new technologies
- Accelerate our ESG agenda focused on people, animals and the planet



Q&A

