

vimian™
Q2

Interim report
January - June

/ 20
23

Interim report January - June 2023

Strong growth in resilient market

Q2 2023

21%

Total revenue growth

14%

Organic revenue growth

15%

Adj. EBITA growth

25.0%

Adjusted EBITA margin

Financial calendar

8 November 2023 Interim report for the third quarter 2023

15 February 2024 Year-end report 2023

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Second quarter

- Revenue increased by 21 per cent to EUR 81.3m (67.0) with organic growth of 14 per cent
- Operating profit (EBIT) increased by 28 per cent to EUR 10.1m (7.9)
- Adjusting for items affecting comparability of EUR -4.3m (-5.7) and PPA related amortisation, adjusted EBITA increased by 15 per cent to EUR 20.3m (17.7) at a margin of 25.0 per cent (26.4)
- Profit for the quarter totalled EUR 3.2m (10.0)
- Earnings per share before and after dilution EUR 0.01 (0.03). Adjusted earnings per share EUR 0.02

First half

- Revenue increased by 26 per cent to EUR 169.4m (135.0) with organic growth of 13 per cent
- Operating profit (EBIT) increased by 50 per cent to EUR 28.7m (19.1),
- Adjusting for items affecting comparability of EUR -7.0m (-10.4) and PPA related amortisation, adjusted EBITA increased by 22 per cent to EUR 46.4m (38.2) at a margin of 27.4 per cent (28.3)
- Profit for the period totalled EUR 8.7m (15.4)
- Earnings per share before and after dilution EUR 0.02 (0.04). Adjusted earnings per share EUR 0.03
- Cash flow from operating activities EUR -57.4m (10.0) is impacted by the litigation payment, excluding this cash flow from operating activities positive at EUR 8.2m. Net cash flow EUR 9.4m (6.6)

Last twelve months pro-forma (July 2022 to June 2023)

- Pro-forma revenue, including all acquisitions closed between 1 July 2022 and 30 June 2023, as if Vimian had owned them for the full period, EUR 329m (reported 316m)
- Pro-forma adjusted EBITA EUR 85.7m (reported 81.6m) at 26.1 per cent margin (reported 25.9)

Significant events during the second quarter

- 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.
- Following the settlement in the US patent dispute on 4 April, Vimian has initiated the process to retrieve compensation from the Sellers of Vimian's subsidiary VOI as per the indemnification in the purchase agreement from the acquisition of VOI. On 7 May Vimian received information that a complaint was filed against Vimian and three affiliates of Vimian. Three of the main Sellers stated in the complaint that they disagree with Vimian's indemnification claim.
- On 14 April the Board of directors resolved on a share issue of 249,482 ordinary shares and 249,482 C shares as part of the earn-out to the sellers of Kahu Vet Group in accordance with the purchase agreement signed in February 2022
- Vimian hosted its Annual General Meeting on the 2 June 2023. The AGM resolved that no dividends shall be paid to the shareholders, to increase the number of Board members to seven, electing Robert Belkic as new Board member. It was also resolved that the company can issue new shares up to 20 per cent of the total number of outstanding shares in the company and to adopt a long-term incentive programme (LTI 2023) in the form of warrants and employee stock options.
- On the 29 June Vimian announced that CEO Fredrik Ullman, following consultation with the Board, steps down as CEO no later than year-end. The recruitment process for a new CEO has been initiated.



Financial key ratios

EURm, unless stated otherwise	Q2	Q2		YTD	YTD		LTM	Full-year
	2023	2022	Δ%	2023	2022	Δ%	22/23	2022
Revenue	81.3	67.0	21%	169.4	135.0	25.5%	315.7	281.3
Organic revenue growth (%) ¹	14%	1%	13 pp	13%	4%	9 pp	na	4%
Operating profit (EBIT)	10.1	7.9	28%	28.7	19.1	50.2%	48.9	39.4
Adjusted EBITA ¹	20.3	17.7	15%	46.4	38.2	21.5%	81.6	73.4
Adjusted EBITA margin (%) ¹	25.0%	26.4%	-1.4 pp	27.4%	28.3%	-0.9 pp	25.9%	26.1%
Profit for the period	3.2	10.0	-68%	8.7	15.4	-43.6%	-13.9	-7.2
Items affecting comparability ²	-4.3	-5.7	-24%	-7.0	-10.4	-33.2%	-11.9	-15.3
Earnings per share before dilution (EUR)	0.01	0.03	-72%	0.02	0.04	-51.1%	-0.04	-0.02
Earnings per share after dilution (EUR)	0.01	0.03	-72%	0.02	0.04	-51.1%	-0.04	-0.02
Cash flow from operating activities ³	-58.5	-1.1	na	-57.4	10.0	na	-42.1	25.3
Net debt/Adjusted LTM EBITDA, Proforma (x) ¹	na	na	-	na	na	-	3.1x	3.0x

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 Includes settlement payment in US litigation case

Message from our CEO

Strong growth in resilient market



Vimian delivers strong growth in the second quarter leveraging strong global market positions in attractive niches of the animal health market. The sector remains resilient as consumers continue to prioritise spending on better healthcare for pets.

I am pleased to report 14 per cent organic growth in the second quarter, after a strong first quarter, with above market growth in all segments.

The adjusted EBITA margin was 25.0 (26.4) per cent. This reflects the mix effect in Specialty Pharma where US Specialised Nutrition delivers exceptional performance, alongside our investments to drive growth. We are consistently striving to improve performance, working to optimise investments and deliver margin expansion during the second half of the year.

Improved cash flow from operations

We remain focused on cash flow, excluding the litigation payment we deliver EUR 7.2 million in cash flow from operating activities in the second quarter (up from EUR 1 million in first quarter). In the second quarter we pay out a majority of earnings due in 2023, reflecting successful performance of our acquired companies.

Strong momentum across segments

In Specialty Pharma, we continued to deliver on our strategic agenda, launching 20 new products during the quarter, progressing our innovation projects, and preparing to establish direct distribution in more key markets.

In MedTech, we are optimising the supply chain and organisational structure with responsibilities and reporting lines clarified to enhance efficiency and employee satisfaction. We had high level of sales and marketing activities during the second quarter hosting 30 on-site surgery trainings for veterinarians.

In Veterinary Services, recruitment reaches record levels and we have now over 6,000 member clinics in twelve countries, cementing our position as a leading veterinary services platform globally.

We have navigated the past year's headwinds in Diagnostics and deliver double-digit growth driven by strong innovation and sales execution.

Positive outcome in employee survey

In May, we completed our first Group wide employee experience survey showing high levels of engagement, entrepreneurship and a strong sense of belonging in our teams with a good employee Net Promoter Score (eNPS) of 32. Areas for improvement centred around clarity and balance, and each segment have created action plans. On Group level, we will establish a new position during autumn as Head of People with focus on leadership development and employee experience.

Strengthened Board

In June, we welcomed Robert Belkic, previously CFO at Hexagon, to our Board of Directors. Robert brings significant experience of finance and value creation in a public environment, and he will be an important addition to our future development.

Resilient market

In a continued volatile economic environment, we stay close to our customers, monitoring potential changes in demand. After a very strong month in June, we see mid to high single digit growth in the summer period (July). Overall, momentum is positive, and we remain confident in the sustainable demand for better healthcare for pets.

We settled the US patent dispute in April and are in the process of retrieving compensation under the indemnification protection. Three of the main sellers of VOI filed a complaint in May stating they disagree with Vimian's indemnification claim. We are working hard to finalise this, and the legal process is ongoing with filings to the court.

For my part, I made the difficult decision in June to eventually hand over to a new CEO and the recruitment is ongoing. Vimian will forever have a special place in my heart, and I am proud to see the company standing strong with a robust innovation pipeline and solid demand across all four segments despite the turbulent global environment.

Stockholm, August 2023

Dr. Fredrik Ullman
CEO of Vimian Group AB (publ)



We delivered strong growth in the quarter with positive momentum across segments



Group performance

Second quarter 2023

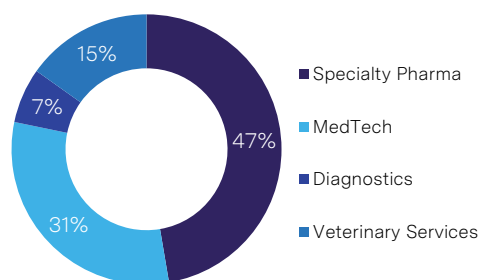


Continued strong organic growth in the second quarter

Revenue

Revenue increased by 21 per cent to EUR 81.3m (67.0). Organic revenue growth was 14 per cent with highest growth in Specialty Pharma 18 per cent and Diagnostics 16 per cent. Acquisitions contributed to a growth of 10 per cent and currency movements negative impact 2 per cent.

Revenue per segment, Q2 2023



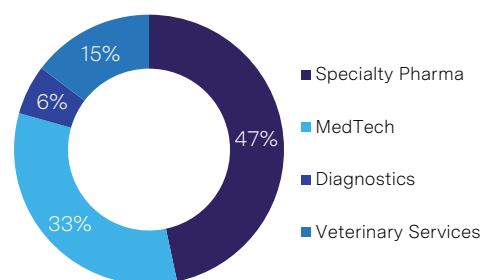
Operating profit

Operating profit amounted to EUR 10.1m (7.9), corresponding to a margin of 12.5 per cent (11.8). Operating profit included items affecting comparability of EUR -4.3m (-5.7). For information on items affecting comparability, refer to Note 3.

Adjusted EBITA

Adjusted EBITA increased by 15 per cent to EUR 20.3m (17.7) at a margin of 25.0 per cent (26.4). The lower margin reflects the mix effect in Specialty Pharma from fast growth in US Specialised Nutrition, and investments to strengthen central functions and enter new markets in Veterinary Services.

Adjusted EBITA per segment, Q2 2023¹



¹ Adjusted EBITA before central costs.

Financial items

Net financial items amounted to EUR -3.2m (3.2). This consists of three main parts: financing costs of EUR -4.4m with an average interest rate of 5.7 per cent during the quarter. A positive impact from adjusted contingent considerations including discounting impacts of EUR 5.5m, reflecting a technical adjustment of the purchase price of one acquisition. This is offset by a negative exchange-rate impact of EUR -4.3m.

Tax

The tax expense for the quarter amounted to EUR -3.7m (-1.1). The high tax expense reflects a taxable result higher than the net result due to 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 quarter

Profit amounted to EUR 3.2m (10.0). Earnings per share before and after dilution amounted to EUR 0.01 (0.03). Adjusted for items affecting comparability of EUR -4.3m (-5.7) adjusted earnings per share amounted to 0.02.

January to June 2023

Revenue

Revenue increased by 26 per cent to EUR 169.4m (135.0). Organic revenue growth was 13 per cent, primarily driven by MedTech growing 17 per cent and Specialty Pharma 14 per cent. Acquisitions contributed to a growth of 13 per cent and there was no impact from currency movements on Group level.

Operating profit

Operating profit amounted to EUR 28.7m (19.1), corresponding to a margin of 16.9 per cent (14.1). Operating profit included items affecting comparability of EUR -7.0m (-10.4). For information on items affecting comparability, refer to Note 3.

Adjusted EBITA

Adjusted EBITA increased by 22 per cent to EUR 46.3m (38.2) at a margin of 27.4 per cent (28.3).

Financial items

Net financial items amounted to EUR -11.7m (1.0). This consists of three main parts: financing costs of EUR -7.4m, adjusted contingent considerations including discounting impacts and a technical purchase price adjustment of EUR 2.4m and a negative exchange-rate impact of EUR -6.7m.

Tax

The tax expense for the period January to June 2023 amounted to EUR -7.3m (-4.6). The high tax expense reflects a taxable result higher than the net result due to 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 8.7m (15.4). Earnings per share before and after dilution amounted to EUR 0.02 (0.04). Adjusted for items affecting comparability of EUR -7.0m adjusted earnings per share amounted to 0.03.

Capital expenditure

Capital expenditure amounted to EUR 1.5m (2.7) primarily related to investments in the new allergy test development in Specialty Pharma and completion of the central North America warehouse and office in Medtech.

Cash flow

Cash flow from operating activities amounted to EUR -57.4m (10.0). This includes the litigation payment of EUR 65.7m. Excluding the litigation payment, cash flow from operating activities improved significantly in the second quarter reaching EUR 8.2m for the period January to June. Cash flow from investing activities of EUR -59.4m (-127.7), primarily related to M&A with two add-on acquisitions closed during H1 2023. Cash flow from financing activities EUR 126.2m (124.3) reflects the draw down of the RCF to finance the litigation payment and significant earn-outs paid.

Net working capital

Net working capital amounted to EUR 75.6m (57.4) at the end of June, up from EUR 72.9m at the end of March. The increase is driven by slightly higher inventory, higher level of accrued income and pre-paid costs partly offset by lower accounts receivables as annual ordering programme customers pay their monthly instalments.

Net debt and cash and cash equivalents

At the end of the period, net debt amounted to EUR 296.1m, versus EUR 292.8m per 31 March 2023. Cash and cash equivalents amounted to EUR 50.8m at the end of the period up from EUR 45.9m at the end of March.

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 and 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 "current receivable". The amount of the receivable under the indemnification is deducted from the net debt.

Per the 30 June, net debt in relation to pro-forma adjusted EBITDA over the past 12-month period was 3.1x, on the same level as per 31 March 2023.

Reports

Vimian's financial reports and presentations are published on our website www.vimian.com.

Segment performance

Second quarter 2023

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

Q2 2023

25%

Revenue growth

18%

Organic revenue growth

18%

Adjusted EBITA growth

26.4%

Adjusted EBITA margin

Segment – Specialty Pharma

Amounts in EUR 000's	Q2	Q2	Δ	YTD	YTD	Δ	LTM	Full-year
	2023	2022		2023	2022		22/23	2022
Revenue	38,487	30,904	25%	73,008	60,869	20%	136,397	124,258
EBITA	9,031	6,314	43%	16,949	12,983	31%	30,046	26,080
Adjusted EBITA	10,180	8,654	18%	19,525	17,754	10%	37,063	35,293
Adjusted EBITA margin (%)	26.4%	28.0%	-1.6 pp	26.7%	29.2%	-2.4 pp	27.2%	28.4%

Revenue

Revenue in the second quarter grew 25 per cent to EUR 38.5 million (30.9). Strong organic growth of 18 per cent, contribution from acquisitions 9 per cent and negative impact from currency movements of 3 per cent primarily driven by GBP, CAD, NOK, and SEK.

Organic growth accelerated to 18 per cent in the quarter primarily driven by high growth in the US. Positive development in Europe with solid growth in UK, Benelux, and Italy. Continued strong performance in the online direct to consumer channel.

Per therapeutic area, highest growth in Specialised Nutrition (driven by US with over 50 per cent growth) and Specialty Pharmaceuticals. Double digit growth also in Dermatology. As highlighted in the first quarter, Allergy Test and Treatments remains held back by slower uptake in the transfer of volumes to the new PAX test in the US. Treatment sales remain strong at double digits.

During the second quarter 20 new products were launched, taking the total for the year to 45. Key innovation projects are progressing as per plan.

Revenue for the period January to June grew 20 per cent to EUR 73.0 million (60.9). Organic growth of 14 per cent, contribution from acquisitions 8 per cent and negative impact from currency movements of 1 per cent.

Adjusted EBITA

Adjusted EBITA increased to EUR 10.2 million (8.7) at a margin of 26.4 per cent (28.0). The margin

decline is primarily a mix effect driven by strong growth in US Specialised Nutrition. US Specialised Nutrition has improved its margin year over year (in the mid-20's) but its growth to 30 per cent share of segment sales in the quarter (up from 22 per cent last year) causes a negative margin mix effect.

In the US, lower sales of allergy tests (transfer of volumes to the new PAX test) in combination with OPEX investments related to the launch has led to a temporarily lower margin.

Adjusted EBITA for the period January to June increased to EUR 19.5 million (17.8) at a margin of 26.7 per cent (29.2).

Acquisitions

During the quarter a capex investment in a fully invested pharmaceutical manufacturing facility in Australia was completed to gain access to additional sterile and non-sterile production capacity for Specialty Pharmaceuticals.

Several milestones in the integration of acquired companies reached during the quarter:

- Entering a new continent, Australia, with the Allergy Test and Treatment therapeutic area – preparing for launch of allergy portfolio through Bova Australia
- Progressing preparations for internalisation of distribution in Spain during Q3/Q4
- Further cost streamlining as Nextmune UK Labs (previously Avacta Animal Health) is integrated into Nextmune UK

Q2 2023

11%

Revenue growth

8%

Organic revenue growth

13%

Adjusted EBITA growth

28.4%

Adjusted EBITA margin

Segment – MedTech

Amounts in EUR 000's	Q2 2023	Q2 2022	Δ	YTD 2023	YTD 2022	Δ	LTM 22/23	Full-year 2022
Revenue	25,135	22,697	11%	61,630	48,259	28%	114,811	101,440
EBITA	4,841	5,412	-11%	19,079	14,123	35%	35,351	30,395
Adjusted EBITA	7,134	6,321	13%	21,742	16,008	36%	36,328	30,594
Adjusted EBITA margin (%)	28.4%	27.9%	0.5 pp	35.3%	33.2%	2.1 pp	31.6%	30.2%

Revenue

Revenue in the second quarter grew 11 per cent to EUR 25.1 million (22.7). Organic revenue growth 8 per cent, contribution from acquisitions 5 per cent and negative impact from currency movements of 2 per cent.

Strong organic growth of 17 per cent year-to-date, significantly ahead of the veterinary orthopedics market estimated to be growing at mid-single digits. The difference between the first quarter (24 per cent) and the second quarter (8 per cent) is due to the annual ordering programme pulling forward sales into the first quarter.

In the second quarter growth accelerates in Europe after a slightly slower start to the year. Australia and New Zealand delivers solid organic growth above 10 per cent. The US delivers 8 per cent organic growth, as a result of the AOP programme shifting sales to the first quarter.

During the second quarter 30 on-site surgery trainings were held with over 260 participants.

Revenue for the period January to June amounted to EUR 61.6 million (48.3). Organic revenue growth 17 per cent, contribution from acquisitions 10 per cent and negative impact from currency movements of 1 per cent.

Adjusted EBITA

Adjusted EBITA grew 13 per cent to EUR 7.1 million (6.3) at a margin of 28.4 per cent (27.9). This is

normal seasonality for the MedTech segment with high margin in the first quarter, normalising during the rest of the year. The rolling twelve months margin is solid at 31.6 per cent per the end of June (31.6 end of March) strengthening versus 30.2 per cent at the end of 2022, as the segment successfully integrates acquired companies and streamlines the organisation.

Adjusted EBITA for the period January to June amounted to EUR 21.7 million (16.8) at a margin of 35.3 per cent (33.2).

Acquisitions

During the second quarter one small asset deal was completed internalising distribution of IMEX products (a Movora brand) in Canada.

Several milestones in the integration of acquired companies reached during the quarter:

- Fully integrated sales of the NGD product portfolio to Movora US sales force, completing the shift of warehouses, closing legacy locations
- Fully integrated VOI Europe and Kyon, harmonising European operations and logistics
- Further centralized inventory by relocating BioMedtrix finished good stock from New Jersey to Florida distribution centre
- Finalised and implemented organisational alignment across the segment, including in product management and marketing

41%

Revenue growth

9%

Organic revenue growth

28%

Adjusted EBITA growth

26.0%

Adjusted EBITA margin

Segment – Veterinary Services

Amounts in EUR 000's	Q2	Q2	Δ	YTD	YTD	Δ	LTM	Full-year
	2023	2022		2023	2022		22/23	2022
Revenue	12,321	8,713	41%	23,894	14,447	65%	43,049	33,603
EBITA	2,761	574	381%	5,389	846	537%	8,471	3,928
Adjusted EBITA	3,201	2,499	28%	5,930	3,521	68%	9,771	7,362
Adjusted EBITA margin (%)	26.0%	28.7%	-2.7 pp	24.8%	24.4%	0.4 pp	22.7%	21.9%

Revenue

Revenue for the second quarter grew 41 per cent to EUR 12.3 million (8.7). Organic revenue growth of 9 per cent, contribution from acquisitions 34 per cent and negative impact from currency movements of 2 per cent.

Strong recruitment pace with 796 new members in the quarter driven by Brazil, Belgium, and the US, reaching over 6,000 member clinics, which will contribute to revenue growth in the second half of the year. Continued strong conversion to higher membership tiers.

Solid organic growth of 9% in the second quarter after 16% in the first quarter giving year-to-date organic growth 12% ahead of the veterinary industry. Strong growth in the legacy business with double digit growth across most markets, largest contribution from Sweden, Netherlands, and France.

Co-owned clinics account for ~40 per cent of segment revenue. Stable development during the second quarter for most clinics resulting in mid-single digit revenue growth year-to-date, in-line with the veterinary industry. Working with the clinics to improve efficiency results in a 2 per cent improvement in adjusted EBITA margin in the quarter.

Revenue for the period January to June amounted to EUR 23.9 million (14.4). Organic revenue growth 12 per cent, contribution from acquisitions 55 per cent and impact from currency movements -2 per cent.

Adjusted EBITA

Adjusted EBITA grew 28 per cent to EUR 3.2 million (2.5) at a margin of 26.0 per cent (28.7). Sequential margin expansion from 23.6 per cent in the first quarter to 26.0 per cent in the second quarter driven by operational leverage. In the second quarter last year the margin was elevated by the first-time consolidation of VerticalVet and did not yet include investments in the organisation and new market expansions from the third quarter 2022 onwards.

Adjusted EBITA for the period January to June amounted to EUR 5.9 million (3.5) at a margin of 24.8 per cent (24.4).

Acquisitions

During the second quarter the acquisition of Vettr, a member services platform for veterinary clinics in Australia, was completed to complement Independent Vets of Australia (IVA), acquired in July 2021.

Several milestones in the integration of acquired companies reached during the quarter:

- Strengthening of the Heiland expansion team including hiring of new CTO to drive strategic development of the platform
- Onboarding of Vettr and initiated collaboration with Independent Vets of Australia (IVA)
- Strengthened business development team for VerticalVet to accelerate wider veterinary Services business across the US

14%

Revenue growth

16%

Organic revenue growth

32%

Adjusted EBITA growth

24.3%

Adjusted EBITA margin

Segment – Diagnostics

Amounts in EUR 000's	Q2 2023	Q2 2022	Δ	YTD 2023	YTD 2022	Δ	LTM 22/23	Full-year 2022
Revenue	5,369	4,714	14%	10,863	11,394	-5%	21,477	22,008
EBITA	1,118	871	28%	2,074	2,699	-23%	2,366	2,990
Adjusted EBITA	1,304	988	32%	2,426	2,904	-16%	3,877	4,356
Adjusted EBITA margin (%)	24.3%	21.0%	3.3 pp	22.3%	25.5%	-3.2 pp	18.1%	19.8%

Revenue

Revenue increased by 14 per cent to EUR 5.4m (4.7). Organic growth of 16 per cent partly offset by negative impact from currency movements of 2 per cent.

Strong acceleration of organic growth to 16 per cent in the second quarter, fourth consecutive quarter of growth in the core veterinary business. No Covid-related sales in the second quarter.

Strong growth across all key regions and product categories.

Revenue for the period January to June amounted to EUR 10.9 million (11.4). Organic revenue declined by 4 per cent, reflecting phase-out of Covid related sales in the first quarter 2023. No impact from acquisitions or currency movements.

Adjusted EBITA

Adjusted EBITA amounted to EUR 1.3m (1.0) at a margin of 24.3 per cent (21.0). Improving profitability supported by operating leverage and progress on the cost optimisation programme. The transfer of production from Uppsala to Leipzig is now almost completed. Parts of the savings will be reinvested into new growth initiatives and the strengthening of select key functions.

Adjusted EBITA for the period January to June amounted to EUR 2.4 million (2.9) at a margin of 22.3 per cent (25.5).

Acquisitions

Progress in the integration of acquired companies reached during the quarter:

- Ovactye innovation partnership progressing as per plan with good ramp up during the quarter in installations and usage in the equine and large animal segment
- Good progress in the development of new products and solutions in both the producer segment and companion animal. New launches planned towards early 2024

Central Costs

Central costs in the second quarter amounted to EUR -1.5m (-0.8), slightly lower than EUR -1.7m in the first quarter. The increase compared to the average run-rate of EUR 1m per quarter during 2022 reflects the full impact of the build-up of central functions and systems in finance, IT, ESG and Legal.

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. Trading volumes 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 30 June 2023

Name	Capital	Votes
Fidelio Capital	53.1%	55.2%
PRG Investment Holdings	5.0%	3.7%
Handelsbanken Fonder	4.9%	5.1%
Finn Pharmaceuticals Trust	3.4%	3.5%
AMF Pension & Fonder	3.0%	3.1%
Danica Pension	2.5%	2.6%
SEB Fonder	2.3%	2.4%
Swedbank Robur Fonder	1.7%	1.7%
Investering & Tryghed A/S	1.6%	1.7%
Avanza Pension	1.6%	1.7%
Total 10	79.1%	80.8%
Others	20.9%	19.2%
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, 17 August 2023

Gabriel Fitzgerald
Chairman

Frida Westerberg

Martin Erleman

Mikael Dolsten

Petra Rumpf

Theodor Bonnier

Robert Belkic

Fredrik Ullman
CEO

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 17 August 2023.

Webcast conference call on 17 August 2023: 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 Fredrik Ullman and CFO Carl-Johan Zetterberg Boudrie, 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.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

kEUR	Note	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Revenue from contracts with customers	3, 4	81,311	67,028	169,395	134,969	281,308
Revenue		81,311	67,028	169,395	134,969	281,308
Other operating income		-602	1,587	136	2,861	6,511
Raw material and merchandise		-24,753	-20,093	-51,955	-41,594	-87,315
Other external expenses		-15,289	-14,812	-30,822	-28,562	-56,927
Personnel expenses		-21,788	-17,401	-41,839	-31,940	-71,012
Depreciation and amortisation		-8,280	-6,292	-15,348	-12,522	-27,226
Other operating expenses		-463	-2,084	-907	-4,125	-5,978
Operating profit		10,136	7,933	28,660	19,087	39,361
Net financial items		-3,216	3,197	-11,721	964	-38,345
Share of profit of an associate		-0	-34	-935	-44	-92
Profit before tax		6,920	11,096	16,005	20,006	924
Income tax expense		-3,694	-1,117	-7,295	-4,562	-8,122
Profit for the period		3,226	9,979	8,710	15,444	-7,198
Profit for the period attributable to:						
Equity holders of the parent		2,994	9,992	8,399	15,415	-6,742
Non-controlling interests		232	-13	311	28	-456
Earnings per share, before and after dilution (EUR)		0.01	0.03	0.02	0.04	-0.02
Average number of shares, before and after dilution (Thousands)		457,047	389,395	449,814	389,395	403,114

kEUR	Note	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Profit for the period		3,226	9,979	8,710	15,444	-7,198
Other comprehensive income						
Items that may be reclassified to profit or loss:						
Exchange differences on translation of foreign operations		2,370	945	-1,540	-1,589	-6,929
Items that will not be reclassified to profit or loss:						
Remeasurement of defined benefit plans		-20	74	130	142	87
Other comprehensive income for the period, net of tax		2,350	1,019	-1,410	-1,447	-6,842
Total comprehensive income for the period, net of tax		-3,134	10,998	-1,410	13,997	-14,040
Total comprehensive income attributable to:						
Equity holders of the parent		-3,541	10,986	-1,922	13,943	-13,609
Non-controlling interests		202	12	306	54	-430

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kEUR	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
Non-current assets				
Goodwill		506,505	449,748	464,374
Intangible assets		215,920	199,378	203,992
Property, plant and equipment		23,879	20,399	21,518
Right-of-use assets		12,995	11,822	13,328
Investment in associates		6,689	1,474	7,578
Non-current financial assets		3,488	1,176	4,103
Deferred tax assets		2,583	1,003	1,976
Total non-current assets		772,059	685,000	716,867
Current assets				
Inventories		67,170	51,332	61,200
Trade receivables		54,529	37,924	41,168
Current tax receivables		81	852	568
Other receivables		57,522	5,760	57,434
Prepaid expenses and accrued income		11,241	6,609	4,127
Cash and cash equivalents		50,786	61,701	42,194
Total current assets		241,329	164,179	206,692
TOTAL ASSETS		1,013,388	849,179	923,559
Equity				
Share capital		74	64	72
Other contributed capital		467,450	294,984	432,985
Reserves		-14,911	935	-4,460
Retained earnings including this period's profit		70,656	74,052	53,216
Total equity attributable to equity holders of the parent		523,270	370,035	481,813
Non-controlling interests		49	520	-316
Total equity		523,318	370,555	481,497
Non-current liabilities				
Liabilities to credit institutions		325,484	303,204	207,112
Lease liabilities		9,675	9,465	9,029
Deferred tax liabilities		28,091	31,948	24,406
Other non-current liabilities	5	35,596	34,213	35,229
Non-current provisions		156	30	30
Total non-current liabilities		399,002	378,860	275,806
Current liabilities				
Liabilities to credit institutions		5	76	-
Lease liabilities		3,840	2,815	4,816
Trade payables		26,874	17,562	18,328
Current tax liabilities		9,626	6,403	8,179
Other current liabilities	5	34,883	55,159	113,576
Accrued expenses and prepaid income		15,840	17,748	21,358
Total current liabilities		91,068	99,763	166,256
TOTAL EQUITY AND LIABILITIES		1,013,388	849,179	923,559

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

kEUR	Equity attributable to equity holders of the parent							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	Non-controlling interests		
Opening balance 1 January 2022	64	294,984	2,407	59,958	357,414	1,226	358,640	
Profit for the period	-	-	-	15,416	15,416	28	15,444	
Other comprehensive income	-	-	-1,472	-	-1,472	25	-1,447	
Total comprehensive income	-	-	-1,472	15,416	13,943	54	13,997	
Transactions with owners								
Ongoing share issue	-	-	-	-	-	-6	-6	
Transactions with non-controlling interests	-	-	-	-1,321	-1,321	-755	-2,076	
Total	-	-	-	-1,321	-1,321	-761	-2,082	
Closing balance 30 June 2022	64	294,984	935	74,053	370,036	518	370,555	
Opening balance 1 January 2023	72	432,985	-4,461	53,216	481,812	-315	481,497	
Profit for the period	-	-	-	8,399	8,399	311	8,710	
Other comprehensive income	-	-	-1,410	-	-1,410	53	-1,357	
Total comprehensive income	-	-	-1,410	8,399	6,989	364	7,353	
Transactions with owners								
Share issue	2	34,494	-	-	34,496	-	34,496	
Transaction costs	-	-36	-	-	-36	-	-36	
Warrant program	-	6	-	-	6	-	6	
Total	2	34,465	-	-	34,467	-	34,467	
Closing balance 30 June 2023	74	467,450	-5,871	61,615	523,269	49	523,318	

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kEUR	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Operating activities					
Operating profit	10,136	7,933	28,660	19,087	39,361
Adjustments for non-cash items	7,888	10,601	16,224	18,541	30,702
Interest received	19	7	50	7	21
Interest paid	-3,848	-4,056	-6,777	-4,934	-10,389
Paid income tax	-5,270	-4,757	-7,943	-7,253	-7,677
Cash flow from operating activities before change in working capital	8,925	9,728	30,214	25,448	52,017
Change in inventories	-3,947	-8,534	-6,712	-10,891	-19,817
Change in operating receivables	602	7,187	-19,551	-4,407	-3,758
Change in operating liabilities ¹	-64,080	-9,503	-61,369	-172	-3,130
Cash flow from operating activities	-58,501	-1,123	-57,419	9,978	25,313
Investing activities					
Acquisition of a subsidiary, net of cash acquired	-39,207	-44,735	-53,329	-122,081	-171,261
Investments in associates	-0	-520	-	-820	-6,964
Proceeds from sale of associates	-	-	-	-	-
Dividend from associates	-	-	-	-	-
Investments in intangible assets	-408	-671	-2,237	-2,027	-4,486
Investments in property, plant and equipment	-2,700	-1,155	-3,918	-3,035	-5,822
Proceeds from sale of property, plant and equipment	43	213	43	213	-
Investments in other financial assets	72	-	72	-	-
Proceeds from sale of financial assets	-	99	-	99	-
Cash flow from investing activities	-42,201	-46,770	-59,370	-127,651	-188,533
Financing activities					
New share issue	-	-	-	-	137,969
Warrant program	-	-	-	-	1,658
Shareholder contributions	-	-	-	-	-
Transaction costs	-	573	-	-	-1,619
Transaction costs arrangement fees	-	-	-	-	-
Proceeds from borrowings	136,970	10,144	157,171	125,482	150,549
Repayment of borrowings	-29,024	-	-29,024	-	-133,160
Payment of lease liabilities	-1,227	-475	-1,937	-1,223	-5,168
Transactions with non-controlling interests	-	-	-	-	-
Cash flow from financing activities	106,720	10,242	126,211	124,259	150,229
Cash flow for the period	6,018	-37,651	9,422	6,586	-12,990
Cash and cash equivalents at beginning of the period	45,879	99,737	42,194	55,114	55,114
Exchange-rate difference in cash and cash equivalents	-1,111	-386	-830	1	70
Cash and cash equivalents at end of the period	50,786	61,701	50,786	61,701	42,194

CONDENSED PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

KSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Revenue	-6,953	11,366	-	13,360	26,031
Other operating income	14,909	-3,824	15,122	2,158	12,242
Total operating income	7,956	7,542	15,122	15,518	38,273
Other external expenses	-10,866	-14,034	-29,921	-29,442	-51,282
Personnel expenses	-9,359	-3,353	-15,330	-6,401	-17,470
Depreciation and amortisation	-33	-33	-66	-66	-132
Other operating expenses	-158	1,030	-242	661	-423
Operating profit	-12,461	-8,849	-30,436	-19,730	-31,033
Group contributions	-	-	-	-	13,071
Net financial items	121,709	-5,975	128,598	-8,168	-56,254
Profit before tax	109,248	-14,823	98,162	-27,898	-74,207
Income tax expense	-	-	-	-	-
Profit for the period	109,248	-14,823	98,162	-27,898	-74,207

KSEK	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets			
Intangible assets	13,674	6,461	16,875
Property, plant and equipment	492	625	559
Shares in subsidiaries	6,169,308	6,161,177	6,169,308
Non-current group receivables	6,049,385	3,526,881	4,060,975
Total non-current assets	12,232,860	9,695,145	10,247,717
Current assets			
Group receivables	-68,424	16,558	52,954
Other receivables	11,712	10,985	2,053
Prepaid expenses and accrued income	90,232	650	750
Cash and cash equivalents	-	770	-
Total current assets	33,520	28,963	55,757
TOTAL ASSETS	12,266,380	9,724,108	10,303,474
Equity			
Share capital	966	649	736
Share premium	5,512,061	4,666,615	6,167,328
Retained earnings	2,811,224	1,842,208	1,825,345
Profit for the period	102,221	-27,898	-74,207
Total equity	8,426,471	6,481,574	7,936,077
Non-current liabilities			
Liabilities to credit institutions	3,829,701	3,227,144	2,295,854
Group non-current liabilities	2,764	7,259	-
Total non-current liabilities	3,832,465	3,234,403	2,295,854
Current liabilities			
Group payables	-	122	3,786
Trade payables	6,429	3,811	61,267
Other current liabilities	1,209	816	1,215
Accrued expenses and prepaid income	-194	3,382	5,275
Total current liabilities	7,444	8,131	71,543
TOTAL EQUITY AND LIABILITIES	12,266,380	9,724,108	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.

Note 3. Operating segments

Apr-Jun 2023	Specialty		Veterinary		Total	Group		Group
	Pharma	MedTech	Diagnostics	Services	segments	functions	Eliminations	total
Revenue								
Revenue from external customers	38,487	25,135	5,369	12,321	81,311	-	-	81,311
Revenue from internal customers	44	10	20	-74	-	-	-	-
Total revenue	38,531	25,145	5,388	12,247	81,311	-	-	81,311
Adjusted EBITA								
Adjusted EBITA	10,180	7,134	1,304	3,201	21,818	-1,526	-	20,292
Items affecting comparability	-1,149	-2,293	-186	-440	-4,067	-268	-	-4,335
EBITA	9,031	4,841	1,118	2,761	17,751	-1,794	-	15,957
Amortisation of acquisition-related intangible assets	-3,130	-1,656	-230	-804	-5,820	-	-	-5,820
Net financial items	-6,949	58	59	-4,619	-11,451	7,300	-	-4,150
Share of profit of an associate and joint venture	-	-	-	-0	-0	-	-	-0
Profit before tax	-1,047	3,243	944	-1,726	1,413	5,506	-	6,920
Specification of items affecting comparability								
Acquisition-related costs ¹	1,039	499	75	381	1,994	5	-	1,999
Systems update	-	-	-	-	-	185	-	185
Restructuring costs	-	-	111	55	165	-	-	165
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	-	-	-	18	-	18
Other ²	110	1,794	-	4	1,908	60	-	1,967
Total items affecting comparability	1,149	2,293	186	440	4,067	268	-	4,335
Other disclosures								
Investments	503	784	123	139	1,549	-	-	1,549
Total assets	498,367	294,475	51,143	159,214	1,003,199	10,190	-1	1,013,388
Total liabilities	81,042	32,313	9,809	42,312	165,477	327,229	-2,635	490,070

¹ In Specialty Pharma, EUR 918k 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 other than the VOI litigation.

Financial reports

Group

Apr-Jun 2022	Specialty		Veterinary		Total	Group		Group
	Pharma	MedTech	Diagnostics	Services	segments	functions	Eliminations	total
Revenue								
Revenue from external customers	30,904	22,697	4,714	8,713	67,028	-	-	67,028
Revenue from internal customers	75	-	501	282	859	-	-859	-
Total revenue	30,979	22,697	5,215	8,995	67,886	-	-859	67,028
Adjusted EBITA								
Adjusted EBITA	8,654	6,321	988	2,499	18,462	-794	-	17,668
Items affecting comparability	-2,340	-909	-117	-1,924	-5,291	-397	-	-5,687
EBITA	6,314	5,412	871	574	13,171	-1,191	-	11,981
Amortisation of acquisition-related intangible assets	-1,859	-1,305	-313	-570	-4,048	-	-	-4,048
Net financial items	-2,065	-1,417	-1,220	-1,144	-5,845	9,042	-	3,197
Share of profit of an associate and joint venture	-	-	-	-34	-34	-	-	-34
Profit before tax	2,391	2,689	-662	-1,174	3,244	7,852	-	11,096
Specification of items affecting comparability								
Acquisition-related costs	2,340	290	63	1,514	4,208	2	-	4,210
Systems update	-	-	-	-	-	-	-	-
Restructuring costs	-	-	26	314	340	-	-	340
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	4	-	4	10	-	14
Other ¹	-	619	24	96	739	384	-	1,123
Total items affecting comparability	2,340	909	117	1,924	5,291	397	-	5,687
Other disclosures								
Investments	830	1,311	402	73	2,616	75	-	2,691
Total assets	456,655	233,780	47,563	116,046	854,044	10,449	-15,315	849,179
Total liabilities	92,601	57,890	15,551	21,149	187,191	303,025	-11,592	478,624

¹ In Specialty Pharma, EUR 1.080 of the acquisition-related costs are earnout payments, reported as personnel costs in the period, to management of acquired companies.

² Majority of costs in Other relates to legal fees in USA due to patent litigation in MedTech.



Financial reports

Group

Jan-Jun 2023	Specialty		Veterinary		Total	Group		Group
	Pharma	MedTech	Diagnostics	Services	segments	functions	Eliminations	total
Revenue								
Revenue from external customers	73,008	61,630	10,863	23,894	169,395	-	-	169,395
Revenue from internal customers	14	10	20	47	91	-	-91	-
Total revenue	73,022	61,640	10,883	23,941	169,486	-	-91	169,395
Adjusted EBITA								
Items affecting comparability	-2,576	-2,663	-352	-541	-6,132	-841	-	-6,973
EBITA	16,949	19,079	2,074	5,389	43,491	-4,076	-	39,415
Amortisation of acquisition-related intangible assets	-5,581	-3,160	-452	-1,560	-10,753	-	-	-10,753
Net financial items	-8,300	-14,205	628	-6,950	-28,827	16,172	-	-12,655
Share of profit of an associate and joint venture	-	-	-	-935	-935	-	-	-935
Profit before tax	3,069	1,714	2,246	-3,120	3,909	12,096	-	16,005
Specification of items affecting comparability								
Acquisition-related costs ¹	1,970	535	75	403	2,984	5	-	2,988
Systems update	-	21	-	-	21	665	-	686
Restructuring costs	-	-	277	133	410	-	-	410
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	-	-	-	-	112	-	112
Other ²	606	2,107	-	4	2,717	60	-	2,777
Total items affecting comparability	2,576	2,663	352	541	6,132	841	-	6,973
Other disclosures								
Investments	893	958	220	182	2,254	-	-	2,254
Total assets	498,367	294,475	51,143	159,214	1,003,199	10,190	-1	1,013,388
Total liabilities	81,042	32,313	9,809	42,312	165,477	327,229	-2,635	490,070

¹ In Specialty Pharma, EUR 1,850k 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.



Financial reports

Group

Jan-Jun 2022	Specialty		Veterinary		Total	Group		Group
	Pharma	MedTech	Diagnostics	Services	segments	functions	Eliminations	total
Revenue								
Revenue from external customers	60,869	48,259	11,394	14,447	134,969	-	-	134,969
Revenue from internal customers	75	-	501	409	986	-	-986	-
Total revenue	60,944	48,259	11,895	14,857	135,955	-	-986	134,969
Adjusted EBITA								
Items affecting comparability	-4,772	-1,885	-206	-2,675	-9,537	-899	-	-10,436
EBITA	12,983	14,123	2,699	846	30,651	-2,915	-	27,736
Amortisation of acquisition-related intangible assets	-4,718	-2,569	-454	-909	-8,649	-	-	-8,649
Net financial items	-3,865	-1,744	82	-1,102	-6,629	7,593	-	964
Share of profit of an associate and joint venture	-	-	-	-44	-44	-	-	-44
Profit before tax	4,400	9,810	2,327	-1,209	15,329	4,678	-	20,006
Specification of items affecting comparability								
Acquisition-related costs	4,772	625	121	2,251	7,769	57	-	7,826
Systems update	-	-	-	-	-	67	-	67
Restructuring costs	-	-	26	327	353	14	-	368
Inventory step-up	-	-	-	-	-	-	-	-
IPO and financing related costs	-	8	35	-	43	44	-	88
Other ¹	-	1,251	24	96	1,371	717	-	2,088
Total items affecting comparability	4,772	1,885	206	2,675	9,537	899	-	10,436
Other disclosures								
Investments	1,051	1,390	522	359	3,321	243	-	3,564
Total assets	456,655	233,780	47,563	116,046	854,044	10,449	-15,315	849,179
Total liabilities	92,601	57,890	15,551	21,149	187,191	303,025	-11,592	478,624

¹ In Specialty Pharma, EUR 1.674 of the acquisition-related costs are earnout payments, reported as personnel costs in the period, to management of acquired companies.

² Majority of costs in Other relates to legal fees in USA due to patent litigation in MedTech.

Note 4. Revenue from contracts with customers

Apr-Jun 2023	Specialty			Veterinary	
Geographic region	Pharma	MedTech	Diagnostics	Services	Group total
Europe	20,094	4,764	3,394	9,738	37,990
North America	15,360	17,076	717	1,722	34,875
Rest of the World	3,032	3,295	1,258	861	8,446
Revenue from contracts with customers	38,487	25,135	5,369	12,321	81,311

Apr-Jun 2022	Specialty			Veterinary	
Geographic region	Pharma	MedTech	Diagnostics	Services	Group total
Europe	18,271	6,630	3,062	6,709	34,672
North America	12,015	12,769	692	1,683	27,159
Rest of the World	618	3,298	959	320	5,196
Revenue from contracts with customers	30,904	22,697	4,714	8,713	67,028

Jan-Jun 2023	Specialty			Veterinary	
Geographic region	Pharma	MedTech	Diagnostics	Services	Group total
Europe	39,153	10,982	6,595	19,259	75,989
North America	29,979	43,269	1,607	3,393	78,248
Rest of the World	3,876	7,380	2,662	1,241	15,159
Revenue from contracts with customers	73,008	61,630	10,863	23,894	169,395

Jan-Jun 2022	Specialty			Veterinary	
Geographic region	Pharma	MedTech	Diagnostics	Services	Group total
Europe	34,979	11,473	7,517	12,181	66,150
North America	24,820	31,101	1,888	1,683	59,493
Rest of the World	1,070	5,684	1,989	583	9,326
Revenue from contracts with customers	60,869	48,259	11,394	14,447	134,969

Revenue from external customers in Sweden amounted to EUR 10.1m during the period January to June 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 27,290 kEUR Q2 2023 (23,629 kEUR Q2 2022) and other current liabilities 27,111 kEUR Q2 2023 (32,704 kEUR Q2 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 - Jun 2023	Jan - Jun 2022	Jan - Dec 2022
Opening balance	74,591	24,700	24,700
Business combinations	17,093	36,710	43,202
Paid out	-36,384	-354	-17,981
Change in fair value recognised in P&L	-517	-5,228	26,020
Exchange differences on translation of foreign operations	-381	505	-1,351
Closing balance	54,402	56,333	74,591

Note 6. Business combinations

The following acquisitions have been completed during the period January to June 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	Jan	10.0	28.4	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	5.0	0.3
Kruth-Halling Professional Corporation	Asset	100%	Canada	MedTech	May	0.2	0.2	0.1

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

Acquired net assets on acquisition date based on preliminary PPA	Specialty			Veterinary	Group total
	Pharma	MedTech	Diagnostics	Services	
Intangible assets	22,791	-	-	367	23,158
Property, plant and equipment	976	-	-	91	1,066
Right-of-use assets	-	-	-	-	-
Non-current financial assets	-	-	-	-	-
Deferred tax assets	-	-	-	-	-
Inventories	410	-	-	150	560
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	-	-	-	-76	-76
Trade payables and other operating liabilities	-699	-	-	-678	-1,377
Identified net assets	25,503	-	-	1,274	26,777
Non-controlling interest measured at fair value	-	-	-	-	-
Goodwill	28,642	205	-	11,159	40,006
Total purchase consideration	54,146	205	-	12,433	66,783
Purchase consideration comprises:					
Cash	7,222	205	-	8,518	15,945
Equity instruments	32,749	-	-	-	32,749
Contingent consideration and deferred payments	14,165	-	-	3,915	18,080
Total purchase consideration	54,136	205	-	12,433	66,774
Impact of acquisition on Group's cash flow					
	Specialty			Veterinary	
	Pharma	MedTech	Diagnostics	Services	Group total
Cash portion of purchase consideration	-7,222	-205	-	-8,518	-15,945
Acquired cash	434	-	-	1,196	1,630
Total	-6,788	-205	-	-4,927	-11,920
Acquisition-related costs	-875	-	-	-370	-1,245
Net cash outflow	-7,663	-205	-	-5,298	-13,166

For the acquisitions closed during the period January to June 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 2,789, pre-tax profit EURk 864 and Veterinary Services income EURk 2,457 and pre-tax profit EURk 542. On a pro-forma basis if all acquisitions had closed 1 July 2022 this would have been Specialty Pharma income EURk 5,083, pre-tax profit EURk 1,598, and Veterinary Services income EURk 4,009 and pre-tax profit EURk 917.

Acquired net assets on acquisition date based on preliminary PPA	Viking Blues Pty Ltd
Intangible assets	24,590
Property, plant and equipment	1,053
Right-of-use assets	-
Non-current financial assets	-
Deferred tax assets	-
Inventories	-
Trade receivable and other receivables	1,573
Cash and cash equivalents	418
Interest-bearing liabilities	-
Lease liabilities	-
Deferred tax liabilities	-6,123
Trade payables and other operating liabilities	-674
Identified net assets	20,836
Non-controlling interest measured at fair value	-
Goodwill	36,761
Total purchase consideration	36,761
Purchase consideration comprises:	
Cash	6,980
Equity instruments	35,334
Contingent consideration and deferred payments	15,283
Total purchase consideration	57,597
	Viking Blues Pty Ltd
Impact of acquisition on Group's cash flow	Ltd
Cash portion of purchase consideration	6,980
Acquired cash	-418
Total	6,562
Acquisition-related costs	812
Net cash outflow	7,374

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 second quarter of 2023 the company has issued and transferred 249,482 ordinary shares and 249,482 C-shares to the previous owners of Kahu Vet Group as part of the earn-out in accordance with the purchase agreement signed in February 2022.

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.
Adjusted EPS	Vimian reports adjusted EPS, excluding the impact of non-recurring items, to give a clearer view of net profit for the Group excluding costs that are considered non-recurring.
Items affecting comparability	Income and expense items that considered to be non-recurring. Vimian reports adjusted EBITA, EBITDA and EPS, which are adjusted for items affecting comparability to give a fairer view of the underlying business.
Amortisation PPA related	Amortisation of intangible assets that were originally recognised in connection with business combinations.

Key Ratios	Definition
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.
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 Apr-30 Jun		1 Jan-30 Jun		1 Jan-31 Dec
	2023	2022	2023	2022	2022
Revenue growth (%)	20%	70%	26%	62%	62%
Organic revenue growth (%)	14%	1%	13%	4%	4%
EBITDA	18,416	14,225	44,008	31,609	66,587
EBITDA margin (%)	22.6%	21.2%	26.0%	23.4%	23.7%
Adjusted EBITDA	22,751	19,913	50,981	42,045	81,910
Adjusted EBITDA margin (%)	28.0%	29.7%	30.1%	31.2%	29.1%
EBITA	15,956	11,981	39,414	27,736	58,097
EBITA margin (%)	19.6%	17.9%	23.3%	20.5%	20.7%
Adjusted EBITA	20,291	17,668	46,387	38,172	73,419
Adjusted EBITA margin (%)	25.0%	26.4%	27.4%	28.3%	26.1%
Operating profit	10,136	7,933	28,660	19,087	39,361
Operating margin (%)	12.5%	11.8%	16.9%	14.1%	14.0%
Capital expenditure	-1,549	-2,691	-2,254	-3,564	-8,517
Cash flow from operating activities ¹	-58,501	-1,123	-57,419	9,978	25,313

¹ 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 Jul - 30 Jun
	LTM (2023)
Proforma revenue	328,964
Adjusted EBITDA, Proforma	94,975
Adjusted EBITDA margin, Proforma	28.9%
Net debt	296,097
Net debt / Adjusted EBITDA, Proforma (x)	3.1x

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 Apr-30 Jun		1 Jan-30 Jun		1 Jan-31 Dec
	2023	2022	2023	2022	2022
Adjusted EBITA and EBITDA					
Revenue	81,311	67,028	169,395	134,969	281,308
EBITA	15,956	11,981	39,414	27,736	58,097
EBITDA	18,416	14,225	44,008	31,609	66,587
Items affecting comparability	4,335	5,687	6,973	10,436	15,323
Adjusted EBITA	20,291	17,668	46,387	38,172	73,420
Adjusted EBITDA	22,751	19,913	50,981	42,045	81,910
Adjusted EBITA margin (%)	25.0%	26.4%	27.4%	28.3%	26.1%
Adjusted EBITDA margin (%)	28.0%	29.7%	30.1%	31.2%	29.1%

(EUR thousands, unless otherwise stated)	1 Apr-30 Jun		1 Jan-30 Jun		1 Jan-31 Dec
	2023	2022	2023	2022	2022
Net debt					
Liabilities to credit institutions (long term)	325,484	303,204	325,484	303,204	207,112
Lease liabilities (long term)	9,675	9,465	9,675	9,465	9,029
Other non-current liabilities	35,596	34,213	35,596	34,213	35,229
Liabilities to credit institutions (short term)	5	76	5	76	-0
Lease liabilities (short term)	3,840	2,815	3,840	2,815	4,816
Other items ¹	27,157	51,842	27,157	51,842	43,520
Cash & Cash Equivalents	-50,786	-61,701	-50,786	-61,701	-42,194
Net debt	296,097	339,914	296,097	339,914	257,512

(EUR thousands, unless otherwise stated)	30 Jun		31 Dec
	2023	2022	2022
Net working capital			
Inventory	67,170	51,332	61,200
Trade receivables	54,529	37,924	41,168
Current tax receivables	81	852	568
Other current receivables	2,648	5,760	4,908
Prepaid expenses and accrued income	11,241	6,609	4,127
Trade payables	-26,874	-17,562	-18,328
Current tax liabilities	-9,626	-6,403	-8,179
Other current liabilities ²	-7,726	-3,317	-4,404
Provisions	-	-30	-30
Accrued expenses and deferred income	-15,840	-17,748	-21,358
Net working capital	75,602	57,418	59,674

¹ Consists of shareholder loans, deferred payments, vendor notes and contingent considerations related to business combinations included in the balance sheet item 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.

(EUR thousands, unless otherwise stated)	1 Jul - 30 Jun LTM (2022/2023)	1 Jan-31 Dec 2022
Proforma revenue		
Reported revenue	315,735	281,308
Proforma period, revenue	4,883	15,698
Proforma revenue	320,618	297,006
Adjusted EBITA, Proforma		
Reported Adjusted EBITA (12 months)	81,634	na
Proforma period Adjusted EBITA	5,054	na
Adjusted EBITA, Proforma	86,688	na
Adjusted EBITA margin, Proforma		
Proforma Revenue	315,735	na
Adjusted EBITA, Proforma	86,688	na
Adjusted EBITA margin, Proforma	27.5%	na
Adjusted EBITDA, Proforma		
Reported Adjusted EBITDA (12 months)	88,008	81,910
Proforma period Adjusted EBITDA	6,967	3,789
Adjusted EBITDA, Proforma	94,975	85,699
Adjusted EBITDA margin, Proforma		
Proforma Revenue	320,618	297,006
Adjusted EBITDA, Proforma	94,975	85,699
Adjusted EBITDA margin, Proforma	29.6%	28.9%
Net debt/Adjusted EBITDA, Proforma		
Net debt	296,097	257,512
Adjusted EBITDA, Proforma	94,975	85,699
Net debt/Adjusted EBITDA, Proforma (x)	3.1x	3.0x

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