

# vimian™

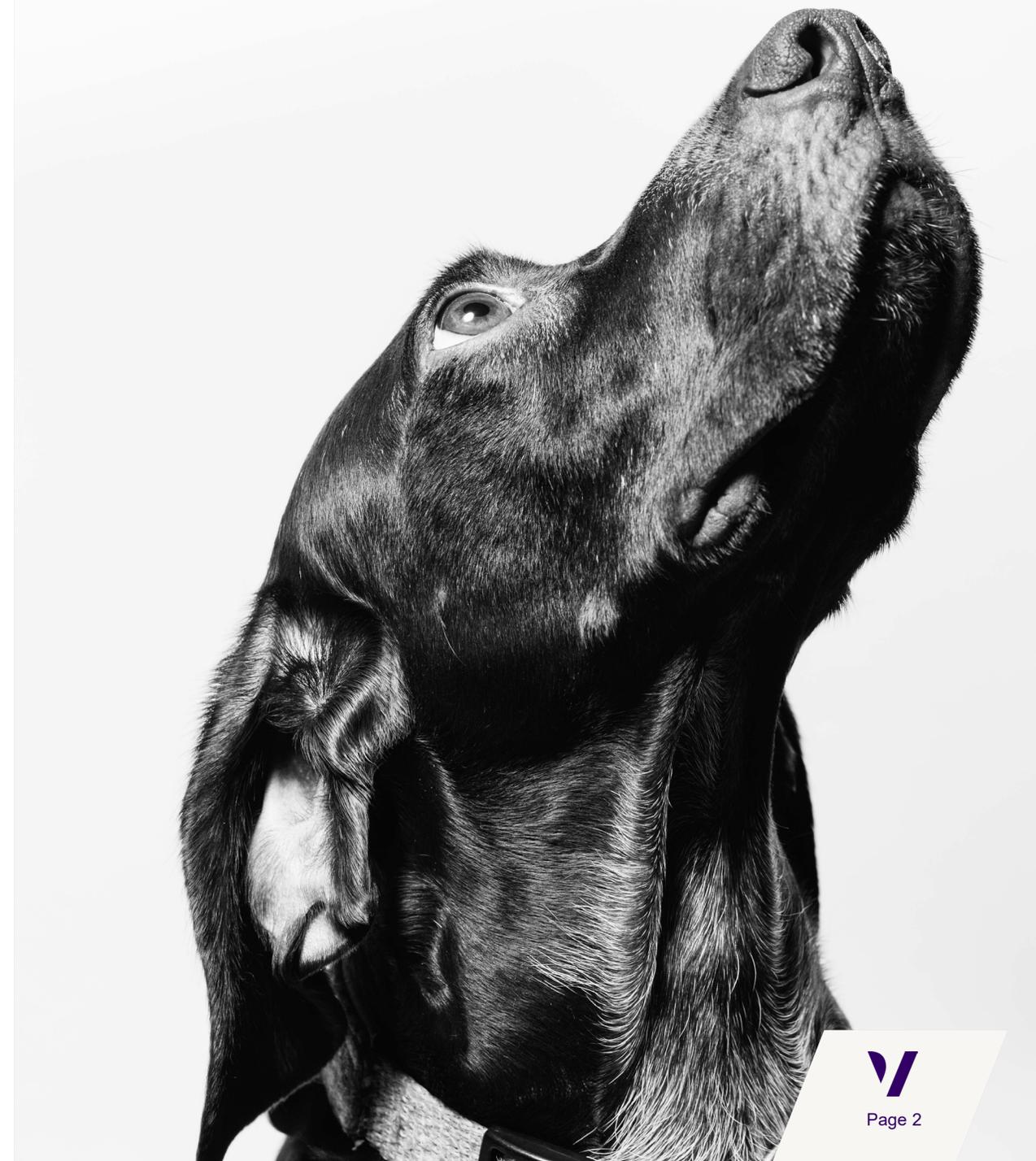
Together, we improve animal health through  
science and technology for better lives

Q1 presentation  
May 2024



## Q1 Highlights

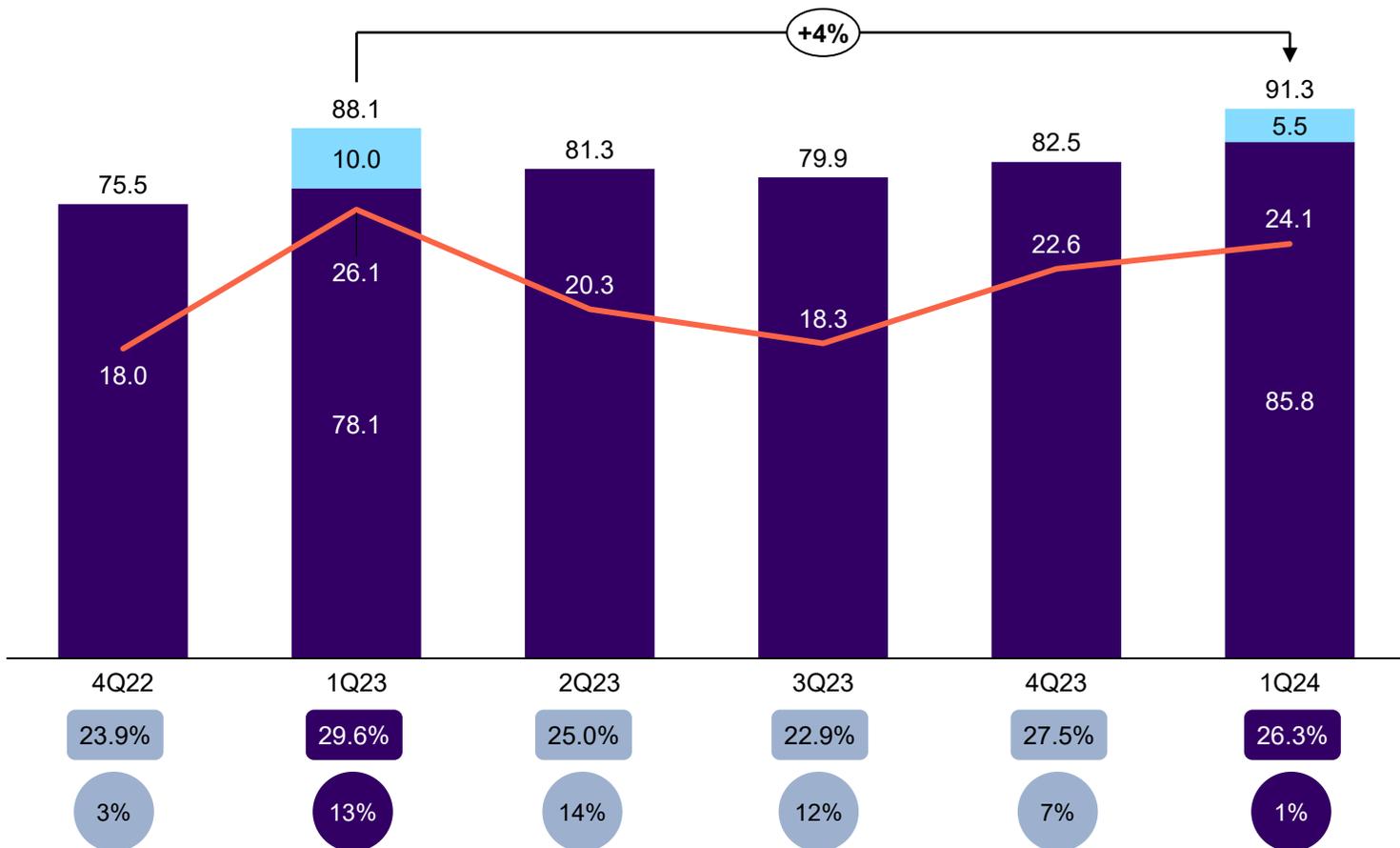
- / Reduced annual ordering programme in US MedTech to better phase sales across the year, with no impact on full year
- / Strong organic growth in Veterinary Services and Specialty Pharma
- / Completed successful capital raise and announced new financial targets



# Q1 group performance impacted by normalising sales pattern in MedTech

## Revenue and Adj. EBITA

— Adj EBITA (EURm)   AOP revenue   Revenue (EURm)   x% Adj EBITA margin   x% Organic growth (%)



### Q1 development

#### Net revenue

- / Lower organic growth of 1% reflects reduced US MedTech AOP
- / Contribution from acquisitions 3% – one bolt-on acquisition closed in MedTech
- / No impact from FX

#### Adj EBITA

- / Adjusted EBITA margin 26.3% also impacted by the smaller AOP





# Specialty Pharma

- / Strong organic growth 11% primarily driven by US Specialised Nutrition and European Allergy
- / Positive impact from cross-sales, rolling out products in new channels and markets
- / Initiated studies on client-owned dogs in the development for next generation allergy vaccines

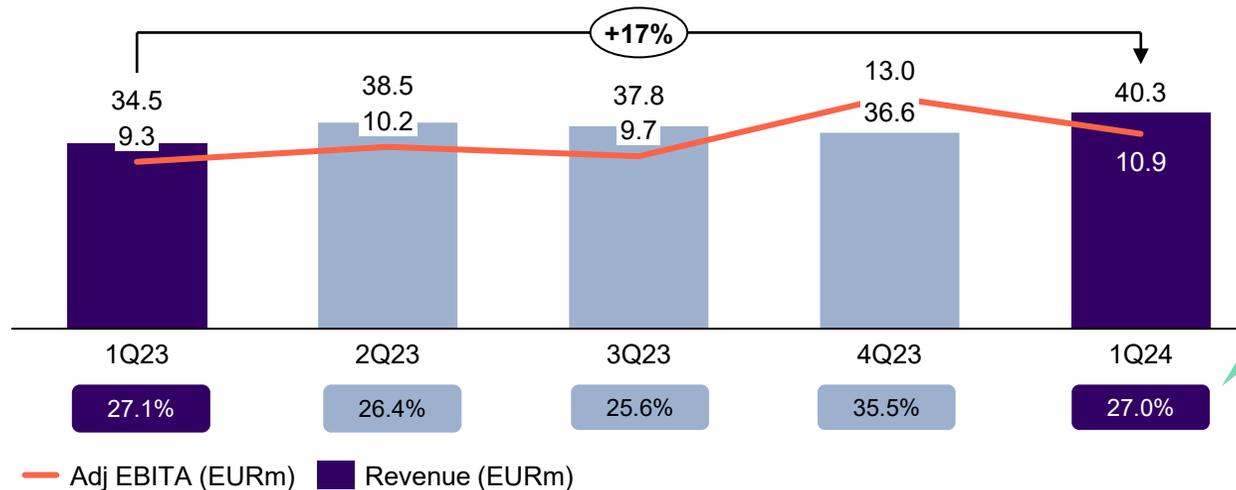
**11%**

Organic growth

**17%**

Adj. EBITA growth

## Revenue and Adj. EBITA



Broadly stable margin year-over-year

Margin below Q4 levels as Q4 included full-year impact of R&D capitalisation





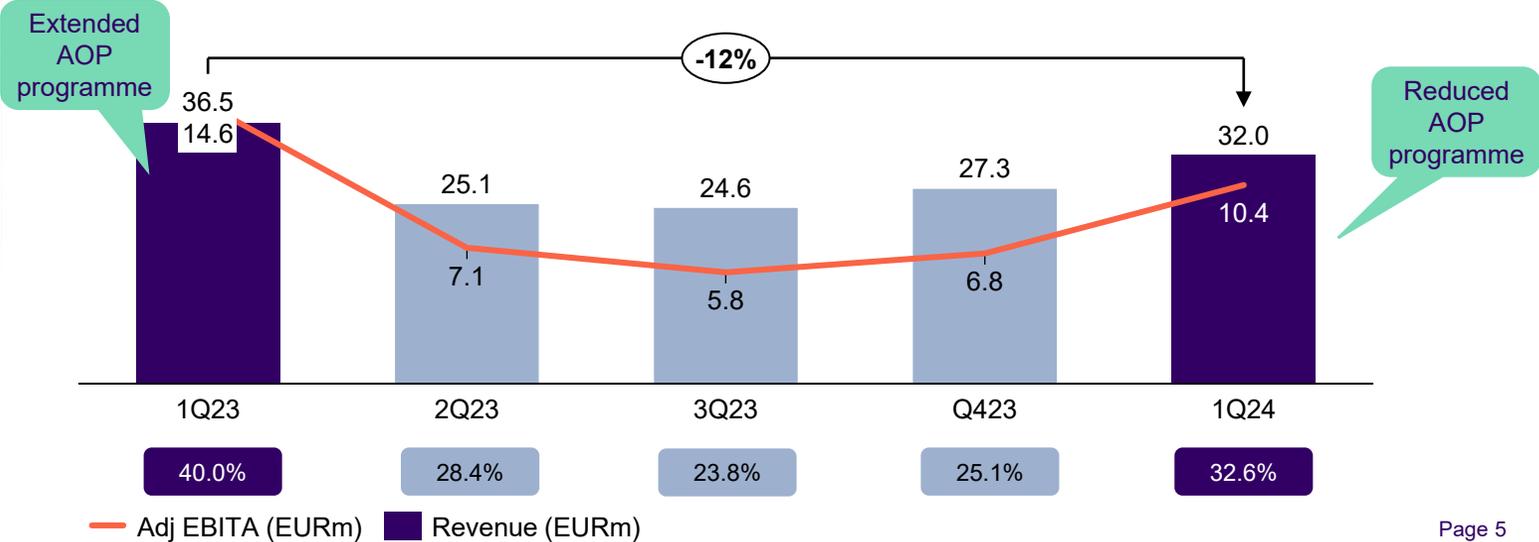
# MedTech

- / Organic revenue decline of 12% reflects reduction of annual ordering programme to better match sales with customer consumption
- / AOP reduced with EUR 4.5m – sales to be fulfilled in remaining quarters
- / Continued high-single digit organic growth in Canada, Europe, APAC

**-12%**  
Organic decline

**-29%**  
Adj. EBITA decline

## Revenue and Adj. EBITA





# Veterinary Services

- / Strong 15% organic growth across key geographies
- / Solid recruitment pace with 350 new members, good conversion to higher membership tiers
- / Co-owned clinics delivers high-single-digit growth, ahead of the veterinary clinic market

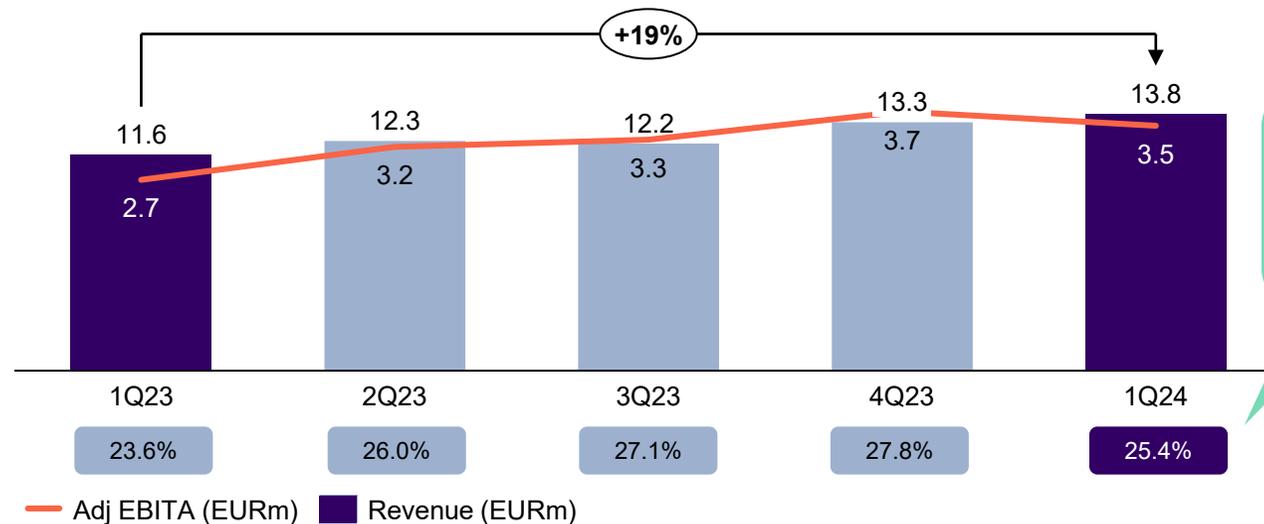
**15%**

Organic growth

**28%**

Adj. EBITA growth

## Revenue and Adj. EBITA



Margin up year over year. Lower than Q4 due to investments in digital platform





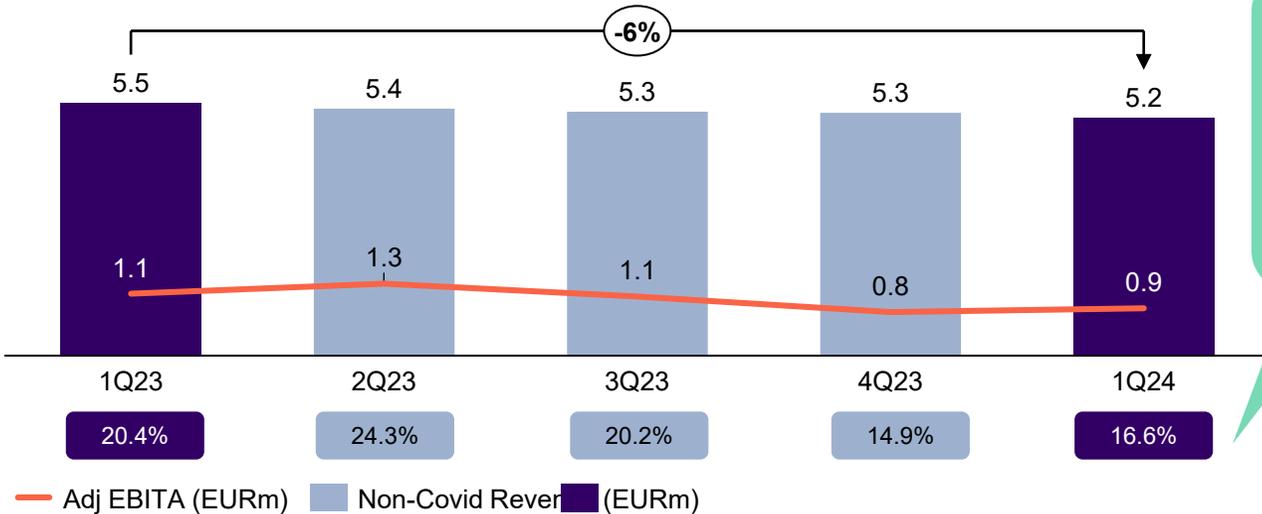
# Diagnostics

- / Organic decline 6% reflects lower levels of disease outbreaks
- / Progressing innovations targeting companion animal diagnostics, ramping up investments over the year
- / Launching the new AI based parasitology platform Ovacyte for companion animals in second quarter

**-6%**  
Organic decline

**-24%**  
Adj. EBITA decline

## Revenue and Adj. EBITA



Low margin reflects investments in companion animal launch which will accelerate in coming quarters





# 2023 Sustainability (ESG) highlights

**People**  
*Best place to work*

**32**  
eNPS

**78**  
Inclusion index

**94%**  
Employees trained  
in ethics

**51%**  
Female leaders

**Animals**  
*Leading innovator of  
solutions that improve  
welfare and reduce AMR*

**15k**  
Trained animal health  
professionals

**111**  
Products launched

**425**  
SKUs reducing use of  
antimicrobials

**Planet**  
*Clear path towards net-  
zero climate impact*

**78k**  
Emissions (tCO<sub>2</sub>e) in  
Scope 1,2 and 3

**43%**  
Material suppliers assessed  
against Supplier Code

**100%**  
Employees in purchasing  
trained in Supplier Code

**Governance**

**A**  
Elevated ESG ranking





# First Quarter Financials

EUR m	Q1 2024 January – March	Q1 2023 January – March
<b>Adjusted EBITA</b>	<b>24.1</b>	<b>26.1</b>
Adjusted EBITA margin (%)	26.3%	29.6%
Non-recurring items	-5.1	-2.6
PPA related amortisation	-5.6	-4.9
<b>Operating profit (EBIT)</b>	<b>13.4</b>	<b>18.5</b>
EBIT margin (%)	14.6%	21.0%
Net financial items	-7.9	-8.5
Profit before tax	5.5	9.1
Tax	-1.8	-3.6
<b>Profit for the period</b>	<b>3.7</b>	<b>5.5</b>

## Q1 Income Statement

/ Operating profit (EBIT) EUR 13.4m (18.5)

/ Non-recurring items EUR -5.1m (-2.6)

- Litigation related costs in MedTech
- M&A related costs in Specialty Pharma

/ Net financial items of EUR -7.9m (-8.5)

- Financing costs EUR -6.5m – interest rate 6.7%
- Contingent considerations – quarterly discounting impact -1.8m and impact from probability adjustments of -3.0m
- Positive FX impact EUR 3.4m

/ Tax expense EUR -1.8m (-3.6)

EUR m	Q1 2024 January – March	Q1 2023 January – March
<b>EBIT</b>	<b>13.4</b>	<b>18.5</b>
Cash flow from operating activities before change in NWC	13.2	21.3
Change in NWC	-2.0	-20.2
<b>Cash flow from operating activities</b>	<b>11.2</b>	<b>1.1</b>
Cash flow from investing activities	-6.1	-17.2
Cash flow from financing activities	-4.1	19.5
<b>Cash flow for the period</b>	<b>1.0</b>	<b>3.4</b>
<b>Cash and cash equivalents</b>	<b>38.1</b>	<b>45.9</b>

## Q1 Cash Flow

/ NWC EUR 75.3m at 22% of revenue, up from EUR 71.1m at the end of December

/ Inventory down EUR -0.6m –continued inventory reduction in MedTech

/ Account receivables up EUR 11m – AOP revenue paid in instalments, US Specialised Nutrition built trade receivables after very high growth in March

/ Accounts payable increased by EUR 6.8m.

/ Cash flow from operating activities EUR 11.2m (1.1)

/ Cash flow from investing activities EUR -6.1m (-17.2)

/ Capex EUR -3.9m – mainly R&D and build out of lab capacity

/ LTM capex EUR -15.8m at 4.7% of sales up from 3.2% in Q123, increase in capex as % of sales primarily relates to higher R&D capitalisation

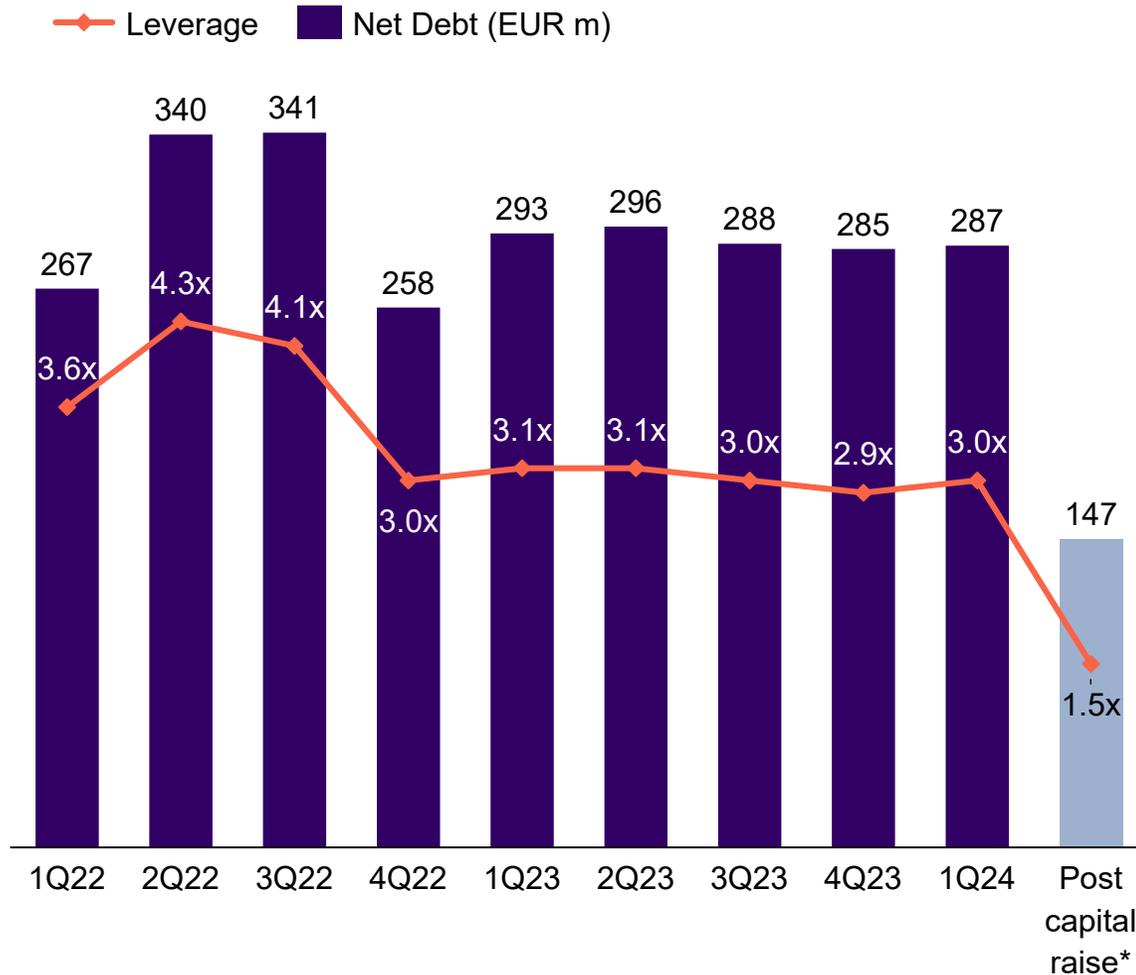
/ Acquisition of VTS EUR -2.6m

/ Cash flow from financing activities EUR -4.1m (19.5)

/ EUR -3m repayment of debt



## Net Debt and Leverage



/ Net debt per 31 March 2024 EUR 287.4m

/ Cash and cash equivalents EUR 38.1m

/ Repayment of external debt of EUR 3m in Q1

/ Net Debt / LTM Pro-forma EBITDA 3.0x

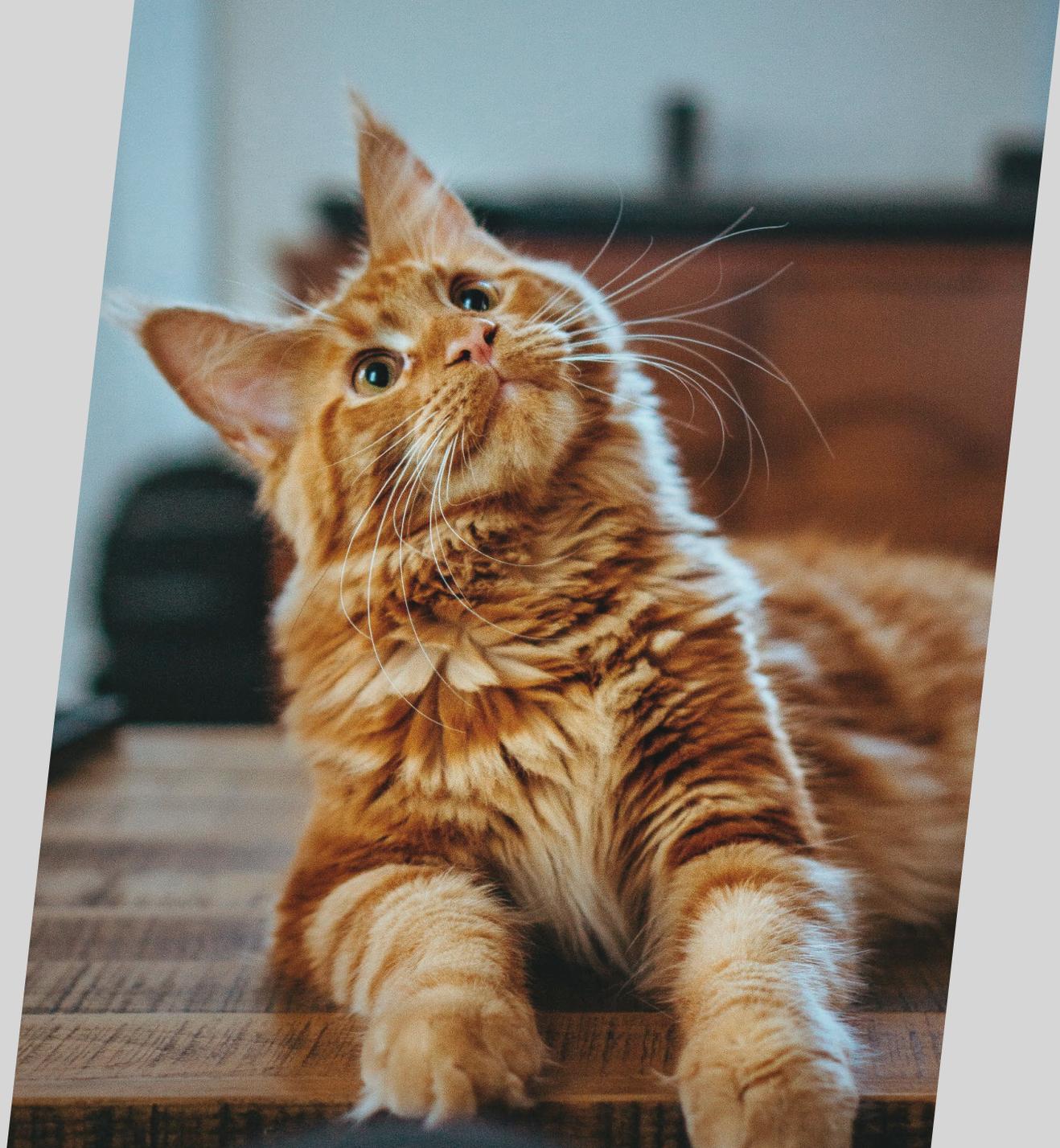
/ Leverage down to 1.5x, as funds from the capital raise were received in April

\* Leverage post capital raise calculated as net debt including funds from the capital raise over LTM pro-forma adjusted EBITDA per 31 March 2024





**Helping our members to improve  
today and be ready for tomorrow**



# VetFamily is a global, leading veterinary services platform supporting 7,550 clinics across 11 markets

## Overview

- Membership-based platform providing **services and a vibrant community** for vet clinics and partners
- **Unrivalled scale** and the only player with international presence
- Pay-per-use business model with **high share of recurring revenues**
- **Partner** with animal health companies **across all key categories and services**

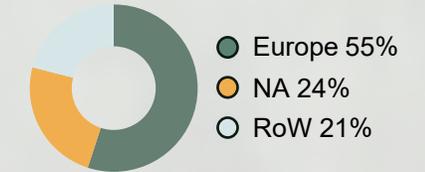
## Geographic footprint



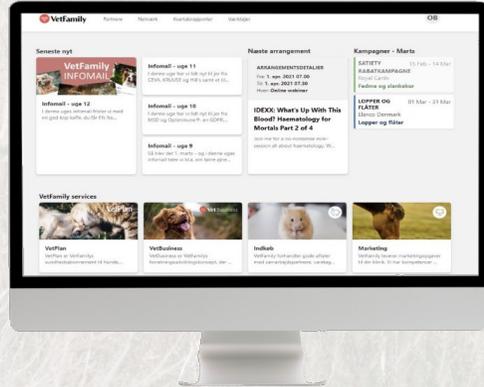
Revenue split, % (2023)



Member split, % (2023)

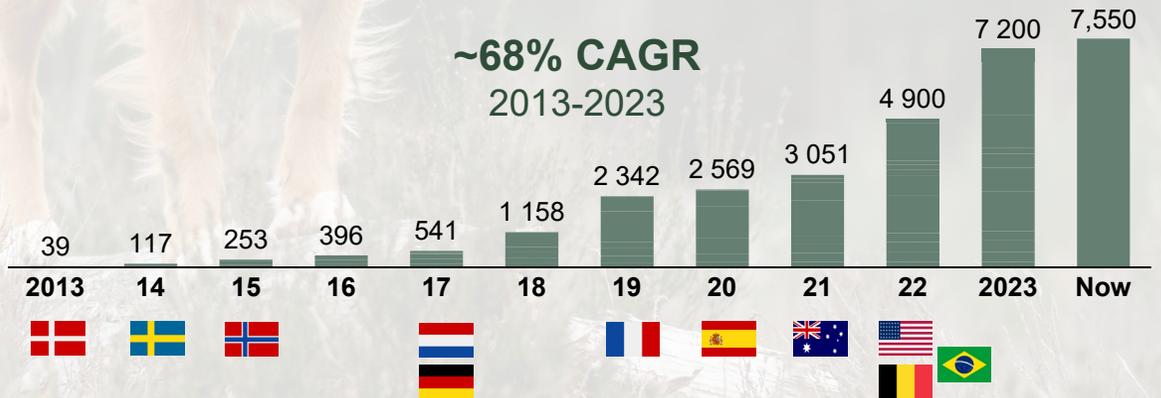


## Services platform and digital ecosystem



- Purchasing
- Admin & HR
- Digital services platforms
- Education & events
- Co-ownership programme
- Marketing

## Member growth



# Being an independent clinic is challenging and overwhelming with all non-care work tasks



# Our business can on a high level be divided into three main areas



## Partner services

*Commercial agreements on local, regional and global level with key industry partners*

**40-50%**



## Clinic services

*Value adding services  
The more mature market, the higher share of services*

**20-25%**



## Clinic operations

*Co-ownership in 11 clinics  
Leverage VF offering to simplify clinic operations & drive clinic operational excellence*

**30-40%**



# Achievements since the IPO

## VetFamily at IPO



FY20 EUR 14.5m reported revenue



2,600+ member clinics



Presence in 7 countries



Predominantly Northern Europe/Nordics



One size fits all approach



Small but strong team with service scalability limitations

## VetFamily today



FY23 EUR 49.4m reported revenue



7,550+ member clinics



Presence in 11 countries



Global clinic support organization



Tiered and tailored clinic and partner offering



Organization well prepared for accelerated growth

>3x  
total revenue growth since IPO

## Commentary

- Revenue CAGR 51% FY20-23
- Strong growth in both existing and new markets
- 3 acquisitions to enter new markets
- Organic entry into Belgium and Brazil
- Global reach opening for new strategic collaborations with key partners
- Differentiated offering to better meet clinic and partner needs
- Significantly invested in our internal capabilities in digital, data & insights

# Clear strategy to drive accelerated growth and improve profitability



**Increase # of member clinics in existing markets**



**Grow service offering to member clinics and partners**



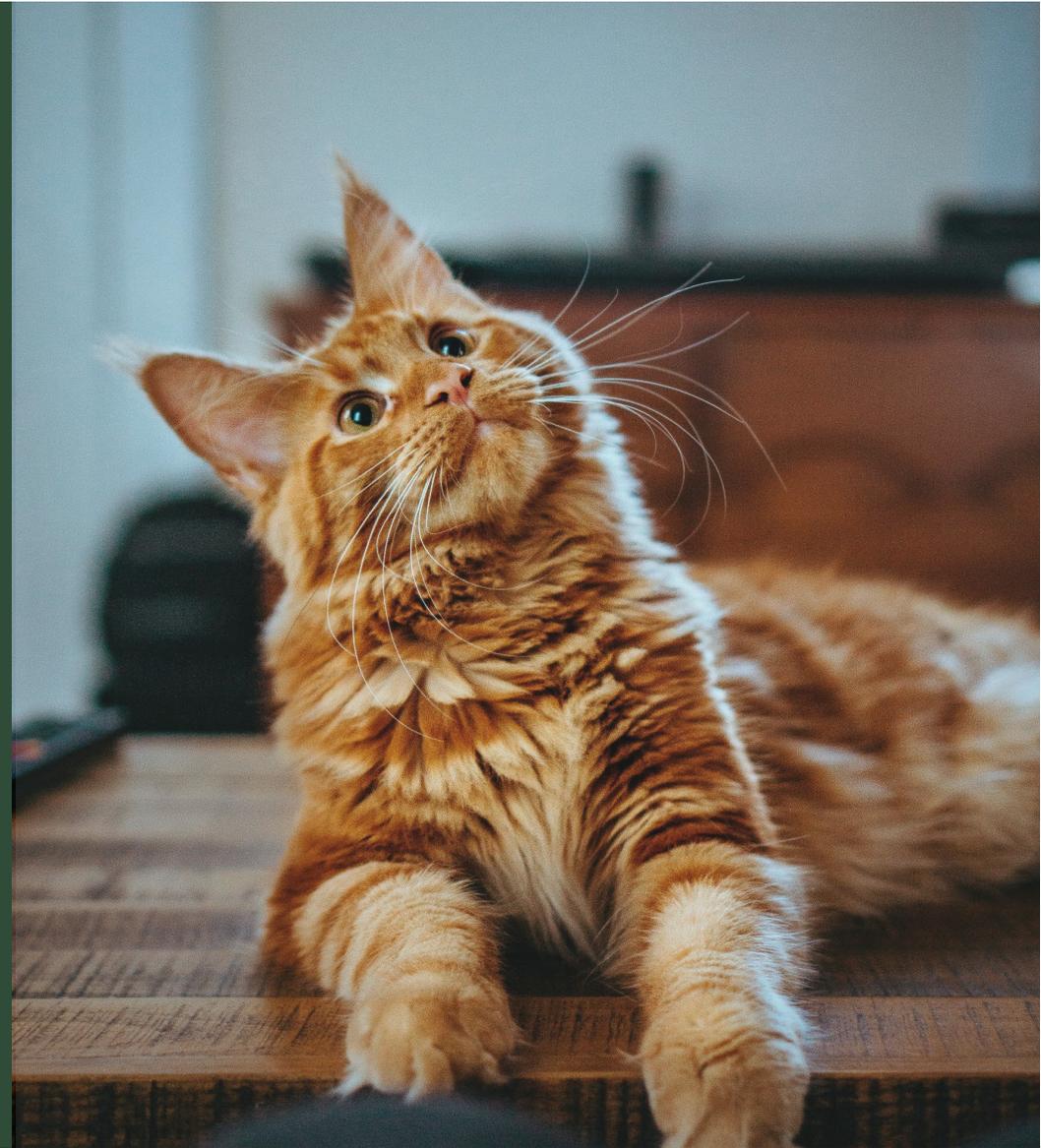
**Expand organically into new geographical markets**



**Extend market reach and product offering through M&A**



**Leverage Vimian's geographical and industry footprint**



# Q&A

