

# vimian™

## Q3 presentation

16 November 2022



vimian™

# Four attractive niches of animal health

# vimian™

## Specialty Pharma

44% revenue  
320 employees

 **nextmune**

*Leading global provider of*

- / Allergy Diagnostics & Treatment, Dermatology & Specialty Care, Specialised Nutrition, Specialty Pharmaceuticals*
- / Strong in-house R&D and IP protected portfolio*

## MedTech

36% revenue  
240 employees

 **Movora**

- / Leading provider of veterinary orthopedic implants*
- / Over 100 labs per year, training 1,500+ surgeons*
- / Strong in-house R&D and IP-protected portfolio*

## Veterinary Services

13% revenue  
220 employees

 **VetFamily**

- / Membership platform for independent vet clinics*
- / >4,300 members and >40,000 pets on plans*
- / Procurement and tech-enabled services*

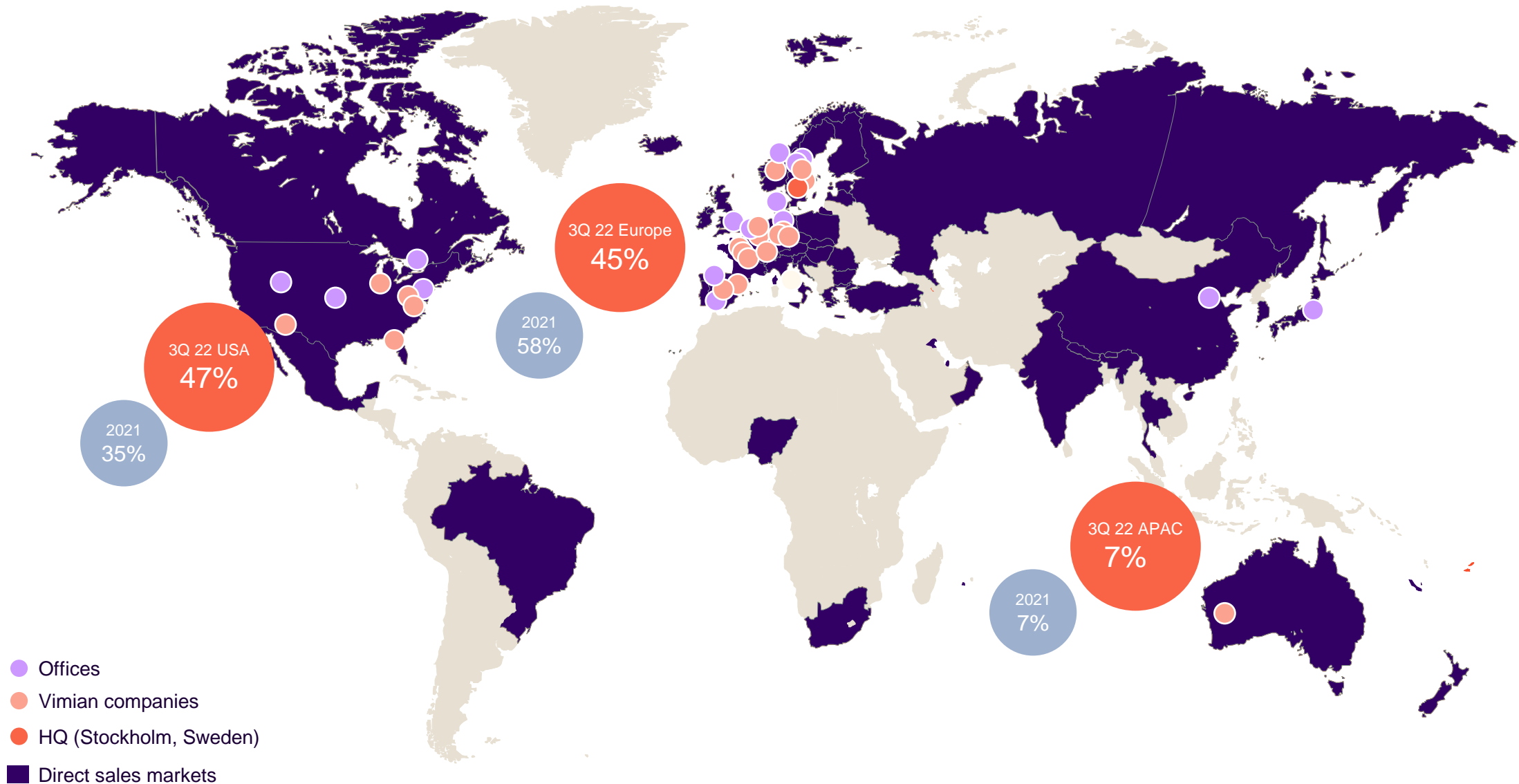
## Diagnostics

7% revenue  
105 employees


**INDICAL**

- / Livestock and companion animal diagnostics*
- / Molecular and immunodiagnostic products*
- / Selling to laboratories for vet specific applications*

# With a global footprint and network of KOLs



\* Revenue split based on 3Q 2022 reported revenue



# Third Quarter 2022

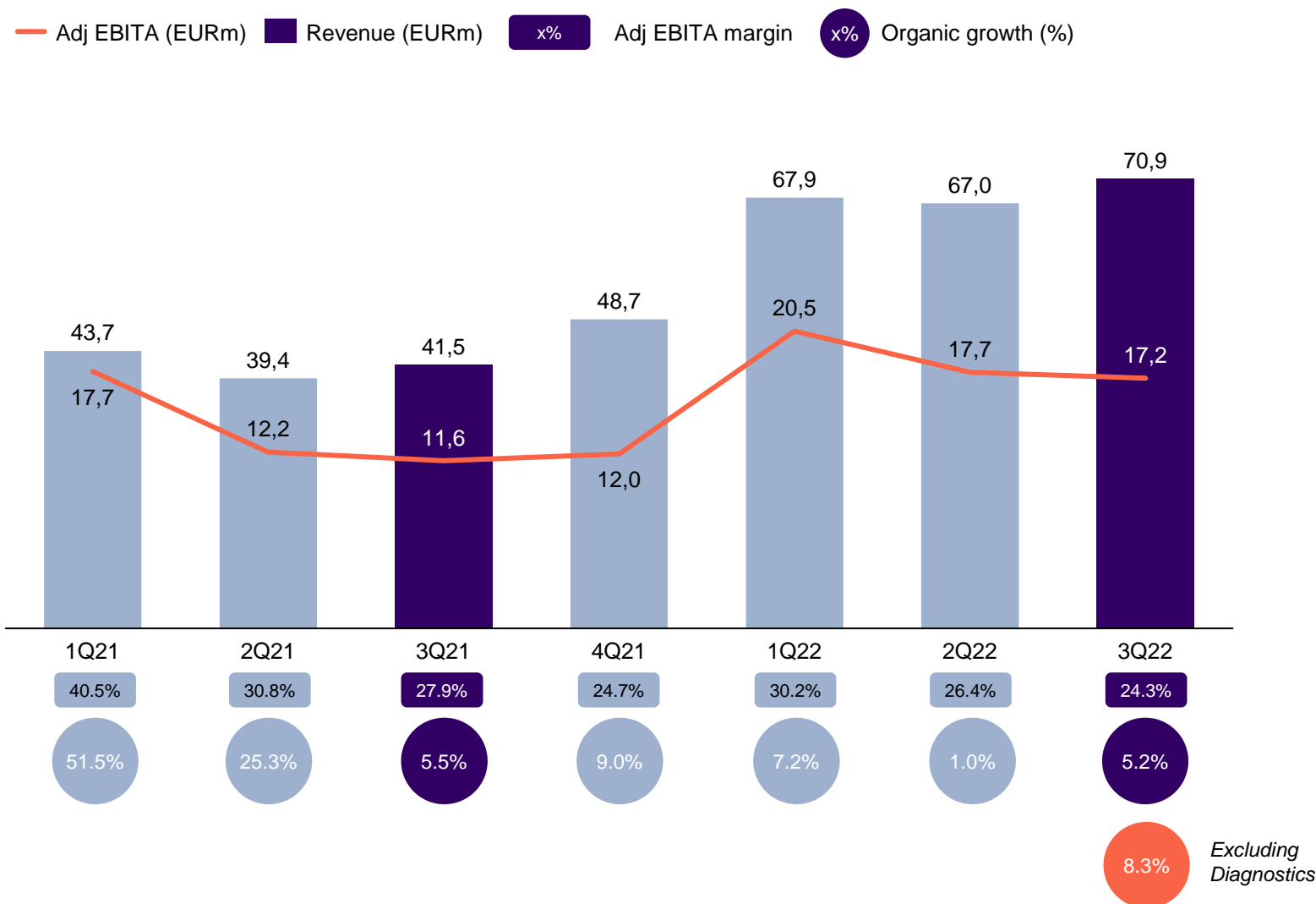
## Q3 highlights

- / Acceleration of growth, solid performance in largest segments
- / Focus on integrating acquired companies
- / Welcomed heiland.com – strategic milestone to digitalise service offering for clinics
- / Strengthened position in customised specialty pharmaceuticals
- / Successful capital raise – strategic acquisitions, reduce indebtedness
- / Completed strategy review and five-year business plan – confirming strong profitable growth outlook



# Group Financial Highlights Q3 2022

## Revenue and Adj. EBITA



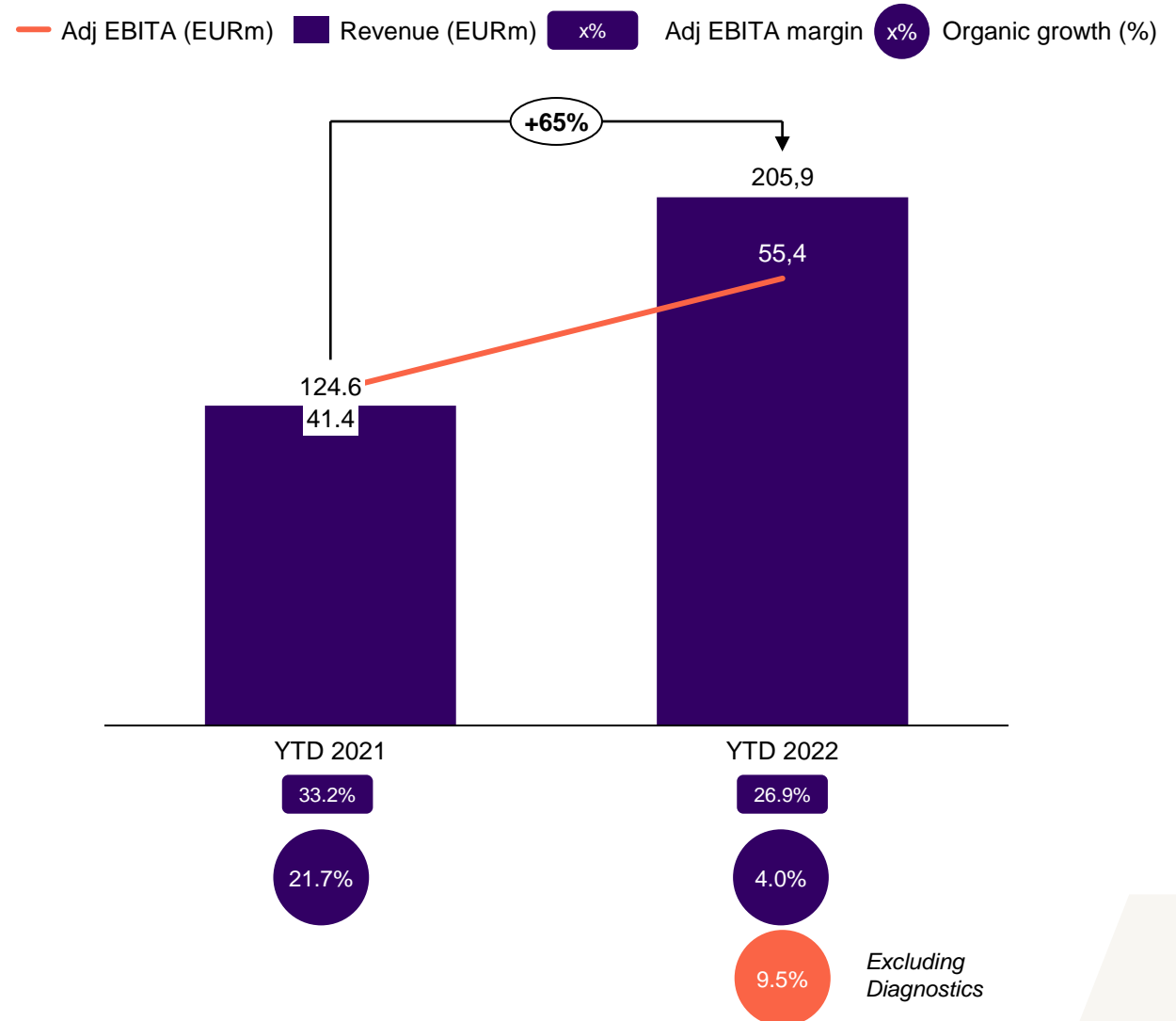
- / Total revenue growth 70.9%
- / Organic growth 5.2%, companion animal businesses 8.3%
- / Pro-forma organic growth ~7%, companion animal businesses ~8%
- / Acquired growth 60%
- / FX tailwind 5.6%, mainly USD/EUR
- / Adj EBITA margin primarily reflecting consolidation of acquired businesses, strategic business investments



# Group Financial Highlights YTD 2022

- / Total revenue growth 65.1%
- / Organic growth 4.0%, companion animal 9.5%
- / Acquired growth 54.8%
- / FX tailwind 6.3%, mainly USD/EUR
- / Adj EBITA margin below last year, primarily reflecting consolidation of acquired businesses
- / Solid margin in legacy parts of Specialty Pharma & MedTech

## Revenue and Adj. EBITA



# Strong track record since 2016

/ High-growth verticals with untapped white space

/ Growth driven both by strong organic performance and continuous M&A

/ Multiple organic growth initiatives underway and synergy potential

Revenue CAGR

**80%**

2018–3Q22<sup>(3)</sup>

Adj. EBITDA margin

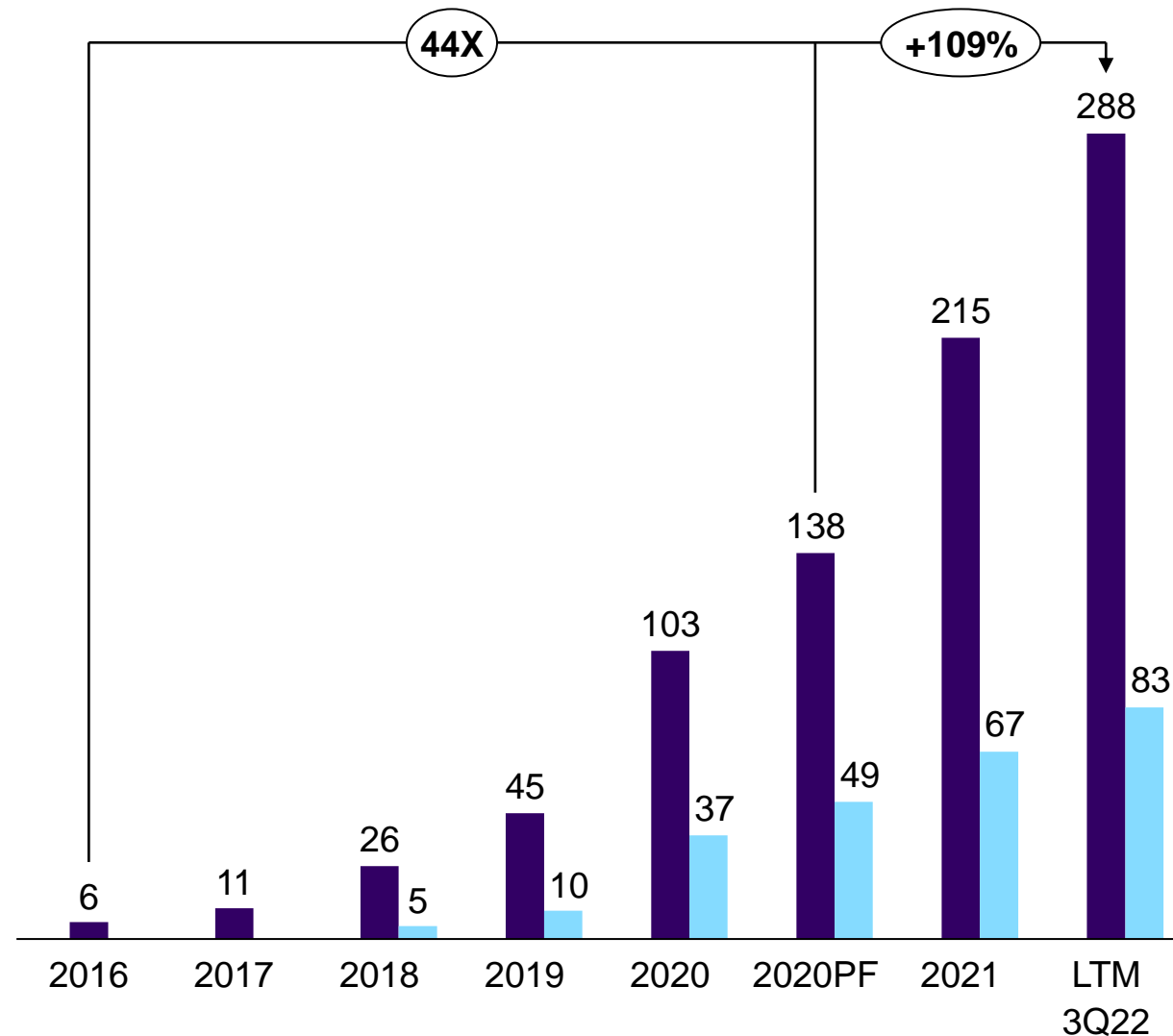
**29%**

LTM3Q22

Adj. EBITDA CAGR

**102%**

2018-3Q22<sup>(3)</sup>



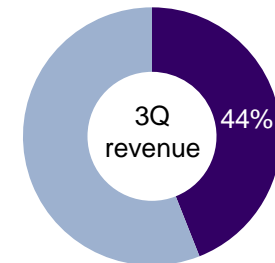
■ Pro-forma Revenue ■ Pro-forma EBITDA







# Specialty Pharma



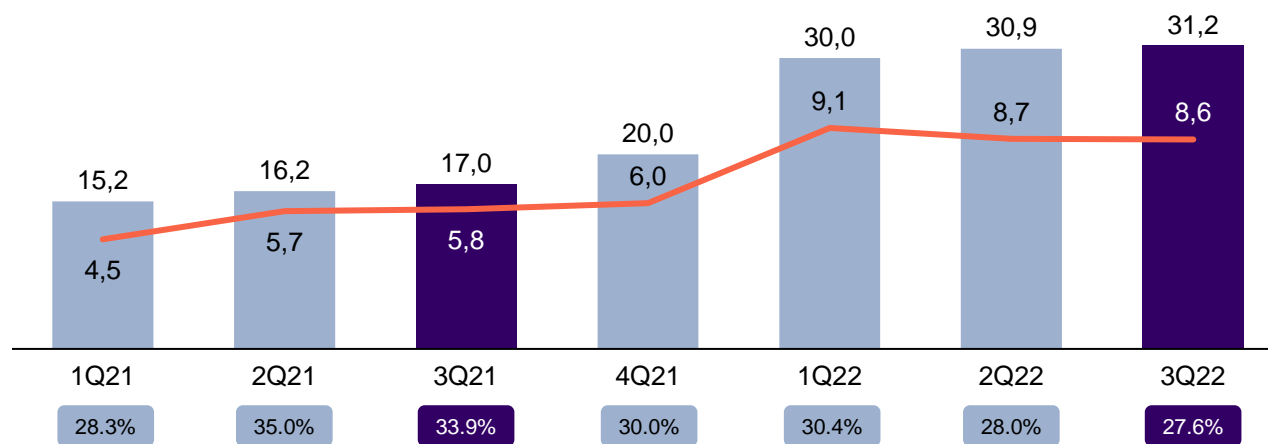
/ Solid quarter with 9% pro-forma organic growth giving YTD 17.5%

- ✓ >40% growth in Specialty Pharmaceuticals (Bova UK) - strengthened market positions and innovation capabilities, 24% of 3Q sales from new products
- ✓ Double digit growth in GlobalOne Pet Products, 12% of 3Q sales from new products
- ✓ >60% growth online (direct to consumer) following successful product roll-out

/ Successful marketing launch of next generation allergy test in September

/ Good progress integrating acquired companies – Avacta (now Nextmune UK labs), VetAllergy and Dermoscent Inc. now merged into Nextmune country organisations

## Revenue and Adj. EBITA



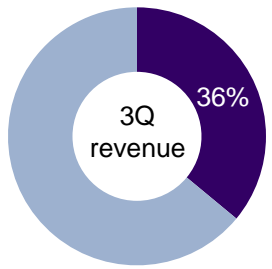
Solid legacy margin with selective investments in Q3: -1.5pp reflects investment in roll out of full portfolio in key markets & channels, high market activity with trade shows

— Adj EBITA (EURm) ■ Revenue (EURm)



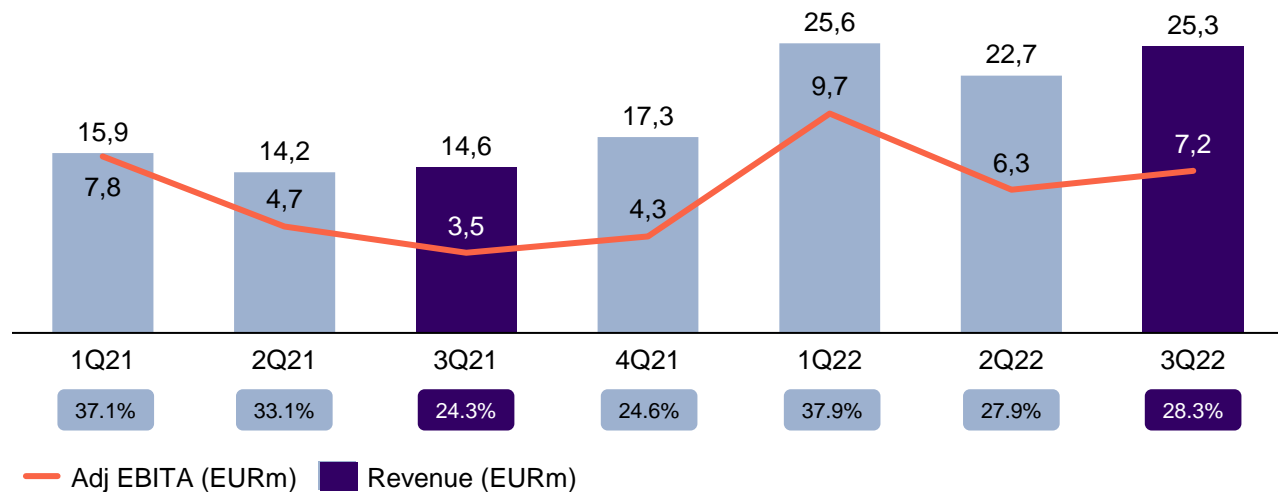


# MedTech



- / Solid quarter with 9.9% organic growth giving YTD 10.1%
- / Strong momentum in US, high activity among surgeons and patients on waitlists – education key to unlock higher caseload
- / Back orders reduced to \$600k. Mid-term price increases on parts of portfolio
- / All acquired distributors now carry full Movora brand portfolio

## Revenue and Adj. EBITA



# Educations to unlock market growth

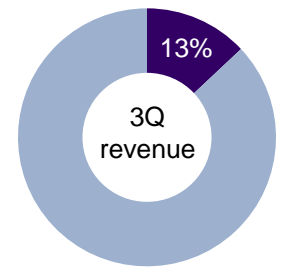
- / 94 physical surgery trainings YTD
- / 1130 veterinary professionals attended
- / Movora Symposium in September - 120 attendees from 15 countries
- / Inauguration of new Movora education center in Boston in summer
- / True surgical suite experience, lecture classroom, demonstration with screencast, fluoroscopy and digital radiology



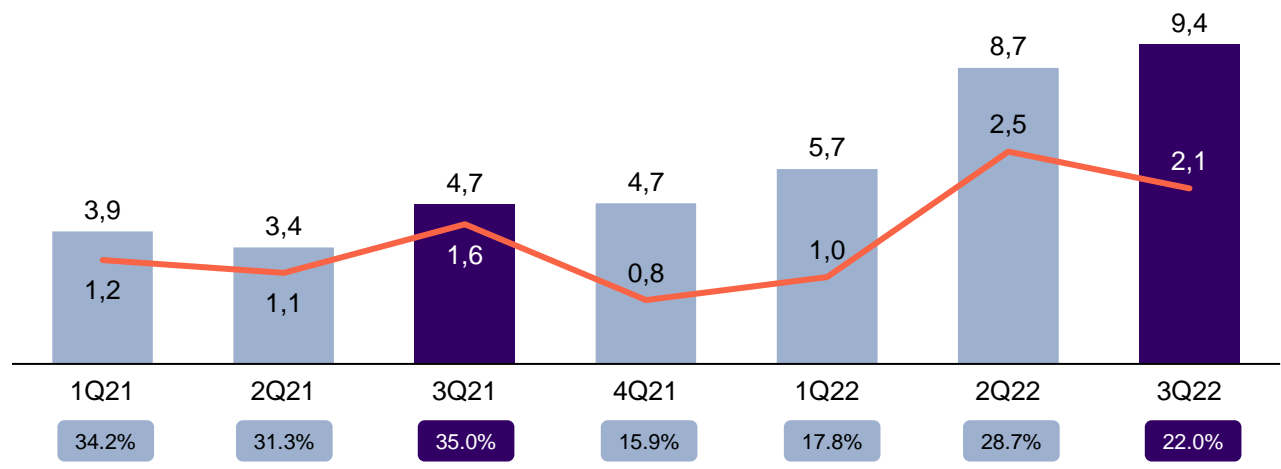


# Veterinary Services

- / 2.5% organic growth impacted by timing of revenue bookings last year, strong underlying organic growth
- / Strong member growth despite clinic summer holidays
- / Strengthened team around heiland.com to prepare expansion and unlock full potential
- / Launched new market Brazil targeting ~30k independent clinics



## Revenue and Adj. EBITA



Q3 is a seasonally smaller quarter given holidays

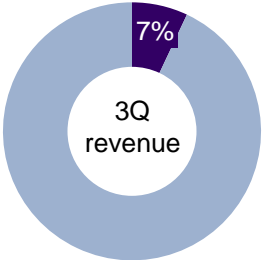
Lower margin reflects new market entries, strengthening of HQ and consolidation of clinics

— Adj EBITA (EURm) ■ Revenue (EURm)



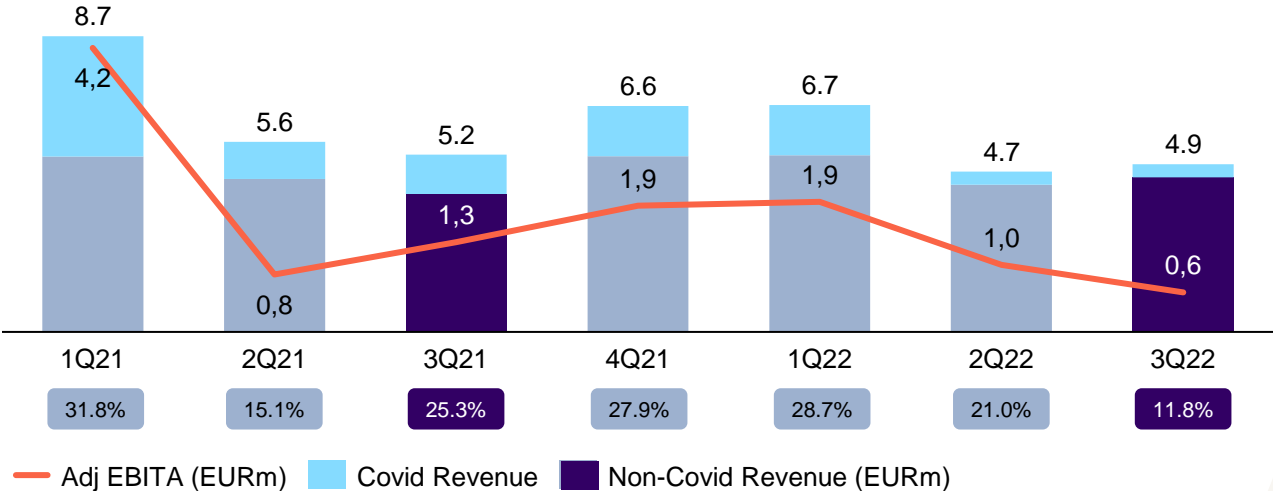


# Diagnostics



- / 16.9% organic decline due to Covid phase out, excluding Covid impact organic growth around 10%
- / Strong execution in all regions have offset macroeconomic headwinds in livestock diagnostics
- / Focus on new growth segments and cost synergies in acquired companies across production and offices

## Revenue and Adj. EBITA












Q3 adj. EBITA and margin impacted by lower Covid sales and exceptional scrapping worth c4%

Company taking action on cost optimisation



# Twelve acquisitions signed YTD with combined revenue EUR 54m

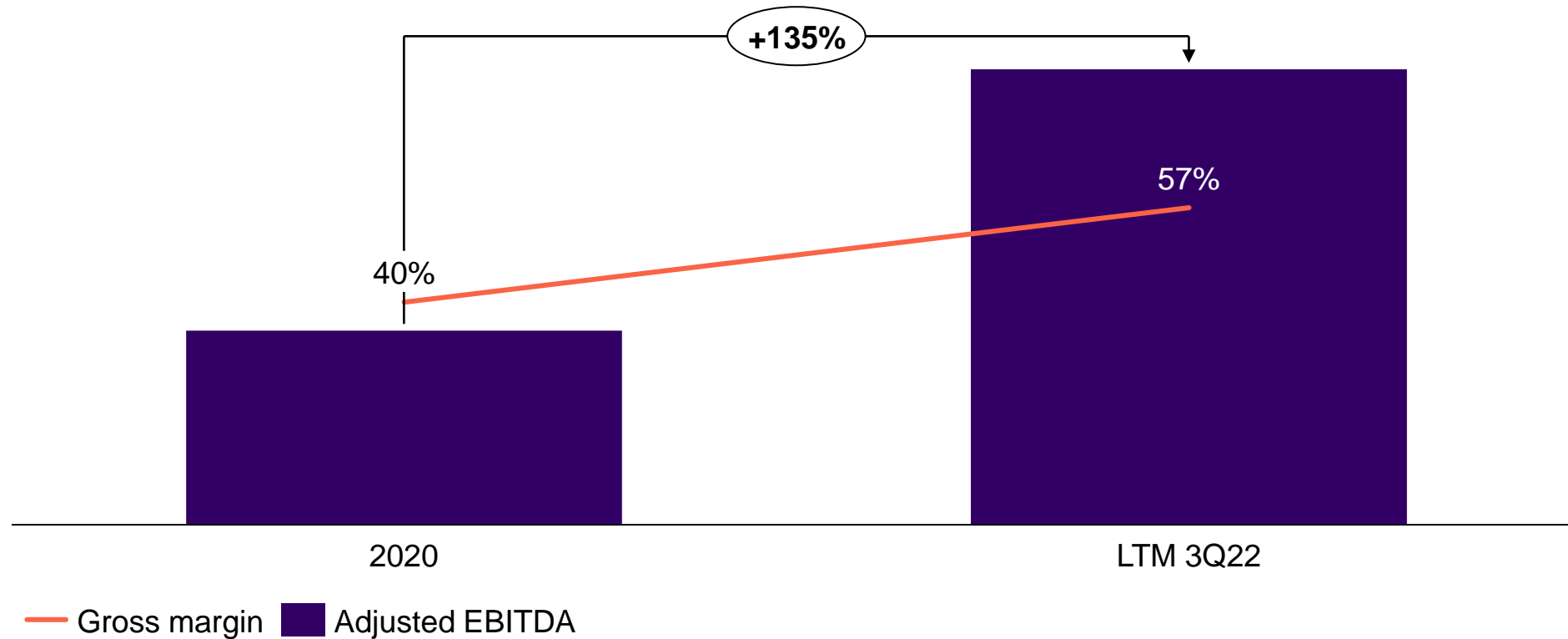
Segment	Company	Revenue EURm	Geography	Closing month	Portfolio expansion	Geographic expansion	Channels / Customers	New capabilities / Technology	Integration status
Specialty Pharma	 BOVA UK	EUR 10m	UK	February	●	◐	◐	●	Foundation for geographic expansion, accelerated product launches and established Nextmune innovation hub
	 Avacta ANIMAL HEALTH	EUR 1.9m	UK	March	◐	◐	◐	○	Fully integrated in Nextmune UK, initial synergies realised
	 BOVA AUS	EUR 7.9m	AUS	Q1 2023	●	●	◐	○	Closing Q1 2023
MedTech	 Kahuvet	EUR 8.8m	Australia	March	◐	●	◐	○	Selling full Movora portfolio, delivery time from 1 week to 1 day
	 EVEROST SPECTRUM	EUR 5.2m	US	April	●	○	◐	◐	Integrated in US warehouse, sold in Europe
	 NGD	EUR 3.7m	US	August	○	○	●	○	Integrated in US warehouse, sold in Europe
Veterinary Services	 VerticalVet	EUR 5.5m	US	April	◐	●	●	◐	Movora and Nextmune products sold through VerticalVet platform
		EUR 7.2m	Nordics	April / May / August	●	○	◐	○	
	 heiland.com	EUR 1.7m	Germany	August	◐	○	●	●	Selling Movora and Nextmune products, expansion prepared

# Case Study. Distributor acquisition – drive growth and profitability

Improved gross margin from ~40% in 2020 to ~57% LTM 3Q22




EBITDA increased by 135%

**9.2x MoM in 1.5 years (at current Vimian valuation)**



# Vimian has created a unique platform across the value chain

## VIMIAN PRODUCT PORTFOLIO

Category	Comment
<b>Specialty Pharma</b> 	Allergy diagnostics & treatment Dermatology & specialty care Specialised nutrition Speciality Pharmaceuticals <b>NEW 2022</b>
<b>MedTech</b> 	Leading in veterinary orthopedic implants Arthroscopy Imaging <b>NEW 2022</b> 3D printed implants <b>NEW 2022</b>
<b>Diagnostics</b> 	PCR Immunology Rapid tests for livestock & companion <b>NEW 2022</b>

## VIMIAN SERVICE PLATFORM



## VET CLINICS



## PET PARENTS







# Third Quarter Financials

## Income Statement

- / Strong growth in revenue and adjusted EBITA
- / Significant uplift in operating profit
- / Loss before tax of EUR 0.6m due to high financial items
- / Higher interest rates and costs related to contingent considerations
- / YTD tax rate 28.6%

EUR m	2022 Jul – Sep	2021 Jul – Sep	2022 Jan – Sep	2021 Jan – Sep
Revenue	70.9	41.5	205.9	124.6
Adjusted EBITA	17.2	11.6	55.4	41.4
Operating profit	8.8	4.5	27.9	17.5
Profit before tax	(0.6)	2.4	19.4	10.9
Profit for the period	(1.6)	(0.3)	13.8	5.7

Percent	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep
Cash Conversion	5%	61%	39%	68%

EUR m	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep
Cash flow from operating activities before change in NWC	10.9	8.2	36.3	25.8
Change in NWC	(16.7)	(3.2)	(32.2)	(9.0)
<b>Cash flow from operating activities</b>	<b>(5.8)</b>	<b>5.0</b>	<b>4.1</b>	<b>16.8</b>
Cash flow from investing activities	(29.7)	(17.7)	(157.3)	(34.9)
Cash flow from financing activities	24.9	0.3	149.2	73.3
<b>Cash Flow for the period</b>	<b>(10.5)</b>	<b>(12.5)</b>	<b>(3.9)</b>	<b>55.1</b>

## Cash Flow and Financial Position

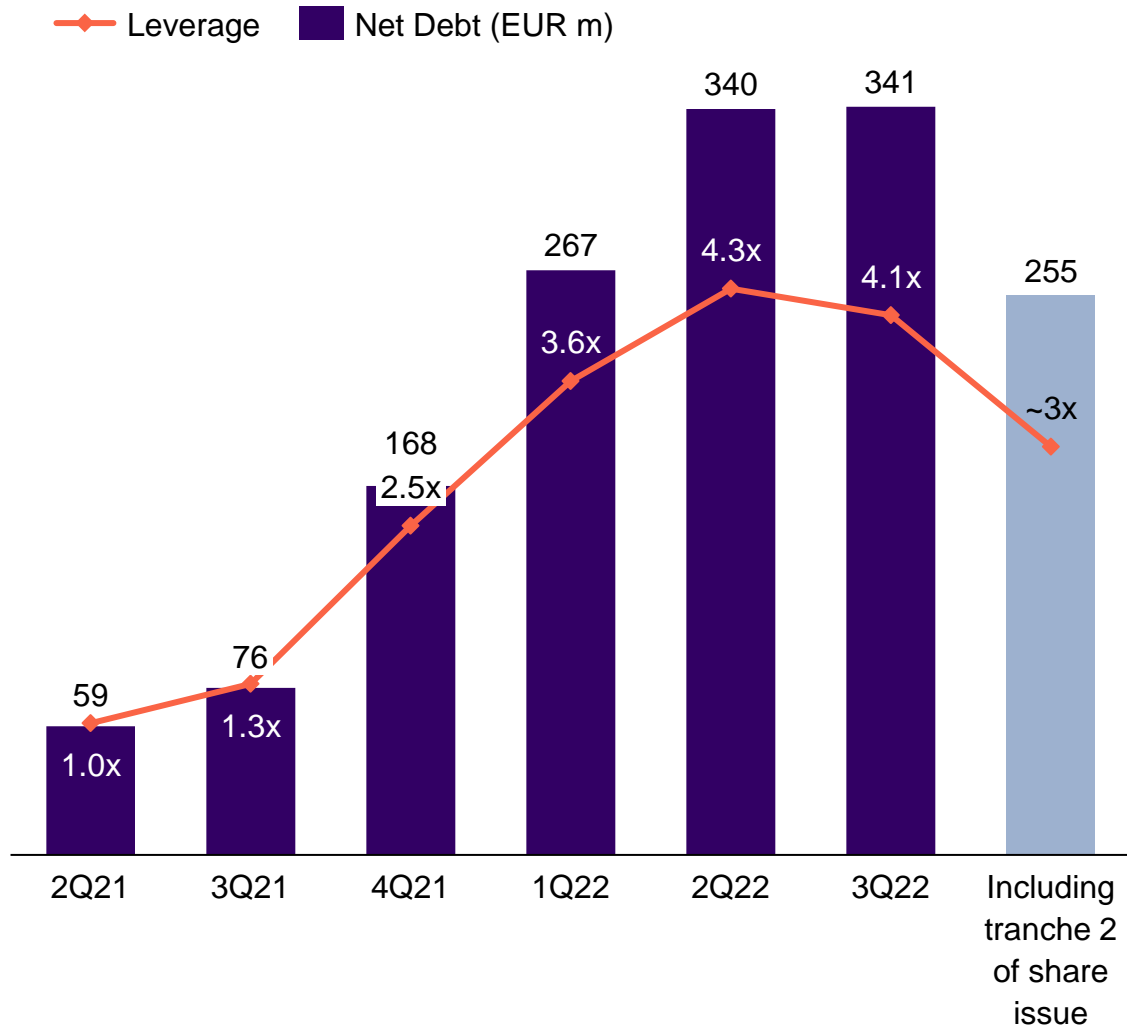
/ Cash conversion of 5% in 3Q, 39% YTD

/ Operating cash flow 3Q EUR 1m (9M 24)

/ Change in NWC driven by build up of inventory in MedTech ahead of annual ordering programme in Q1 2023 and to secure supply in fast-growing businesses in Specialty Pharma

/ Cash flow from investing activities mainly reflects recent acquisitions

/ Cash and cash equivalents end of Q3 EUR 51.2m broadly in line with EUR 55.1m year end



## Net Debt and Leverage

/ Net debt per 30 September 2022 EUR 340.9m

/ Cash and cash equivalents EUR 51.2m

/ Net Debt / LTM Pro-forma EBITDA 4.1x

/ Including second tranche of directed share issue approved on the 3<sup>rd</sup> October, leverage at ~3x

## Current trading in Q4

- / Companion animal health market shows resilience with growth
- / October shows similar trend in organic growth as in Q3
- / Strengthened market positions
- / Continued higher levels of inventory ahead of annual ordering programme in MedTech





## Q3 summary

- / Withstanding period of exceptional uncertainty – accelerated organic growth vs Q2
- / Solid performance in largest segments
- / Margin reflects consolidation of acquired companies, and high level of market activity
- / Focus on integration and selective execution of M&A pipeline
- / Completed strategy review and five-year business plan – confirming strong growth outlook
- / ESG integrated into segment business plans – people, animals, planet
- / Well positioned in attractive niches with focus on advanced care, chronic diseases and ageing pet population
- / Continuing our journey building a leading, global animal health company



# Q&A

