

# vimian™

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

Q1 presentation  
May 2023



## Q1 Highlights

- / Positive start to the year – strong growth and profitability
- / Successful efforts to accelerate organic growth
- / Commercialised key innovation projects – new allergy test and AI enabled parasitology platform
- / Strengthened position in Specialty Pharmaceuticals – closed non-regulated part of Bova in Australia

**88.1**

Million revenue (EUR)

**30%**

Total revenue growth

**13%**

Organic revenue growth

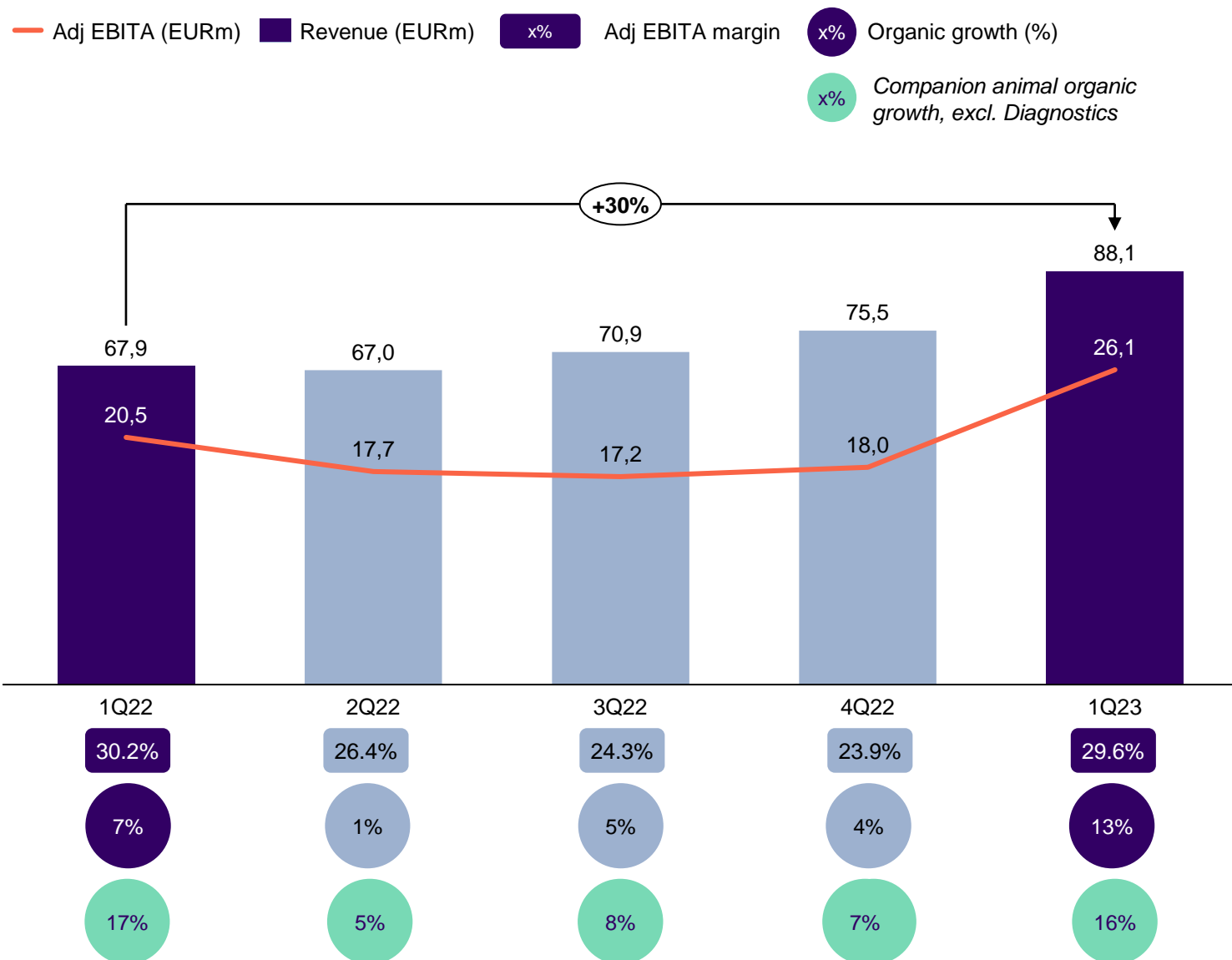
**29.6%**

Adjusted EBITA margin



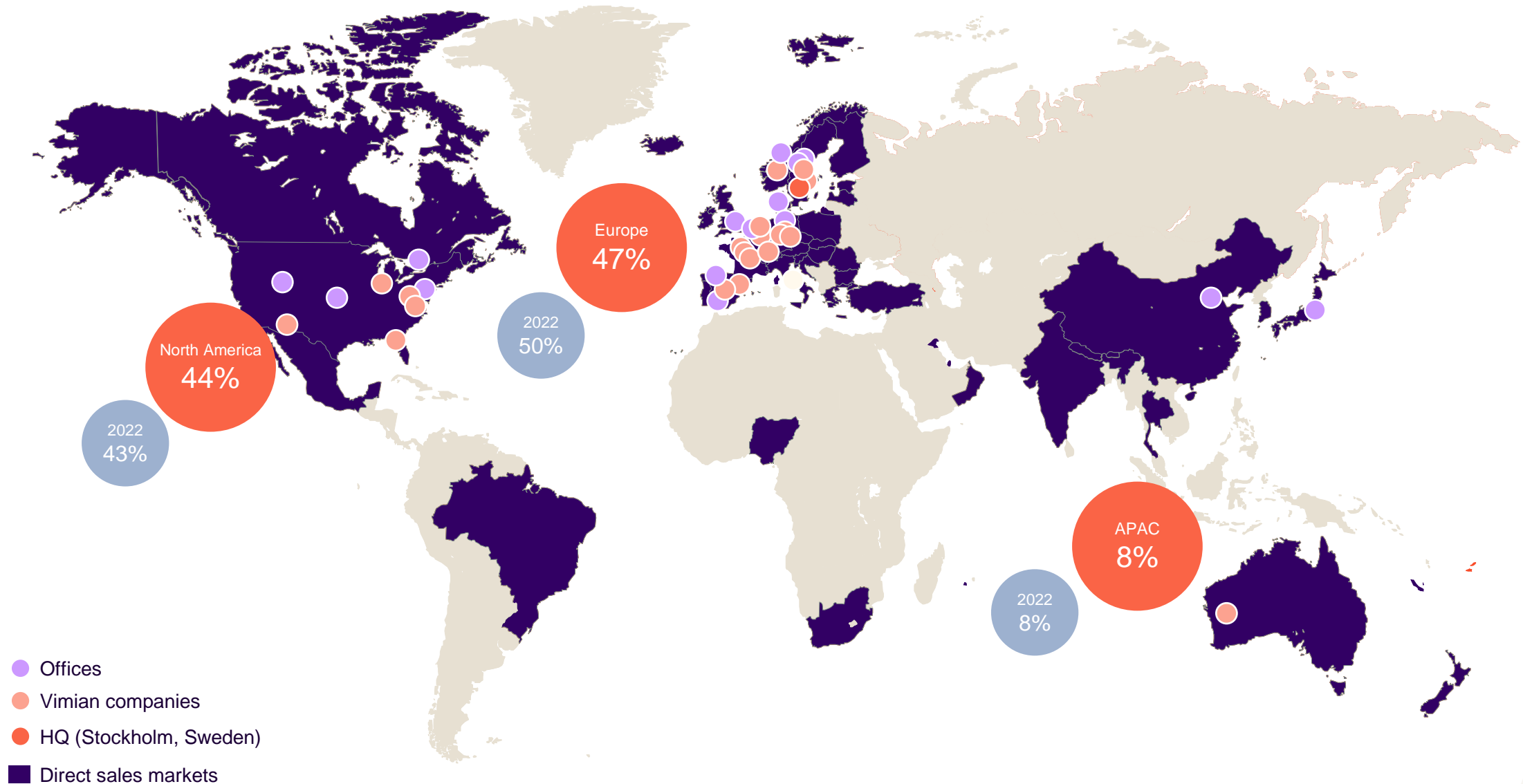
# Strong organic growth and solid profitability

## Revenue and Adj. EBITA



- / Strong acceleration of organic growth
- / Exceptional growth in MedTech supported by expanded annual ordering program (AOP)
- / Strong growth in Veterinary Services and Specialty Pharma
- / Three acquisitions closed contributing 16%
- / FX tailwind 2%
- / Gross margin up 0.7pp driven by MedTech
- / Adj EBITA margin down 0.6pp – phase out of Covid sales and OPEX investments primarily in Specialty Pharma

# Strong global footprint, 44% of LTM revenue from North America



\* Revenue split based on LTM reported revenues

# 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-Q123 PF

Adj. EBITA CAGR

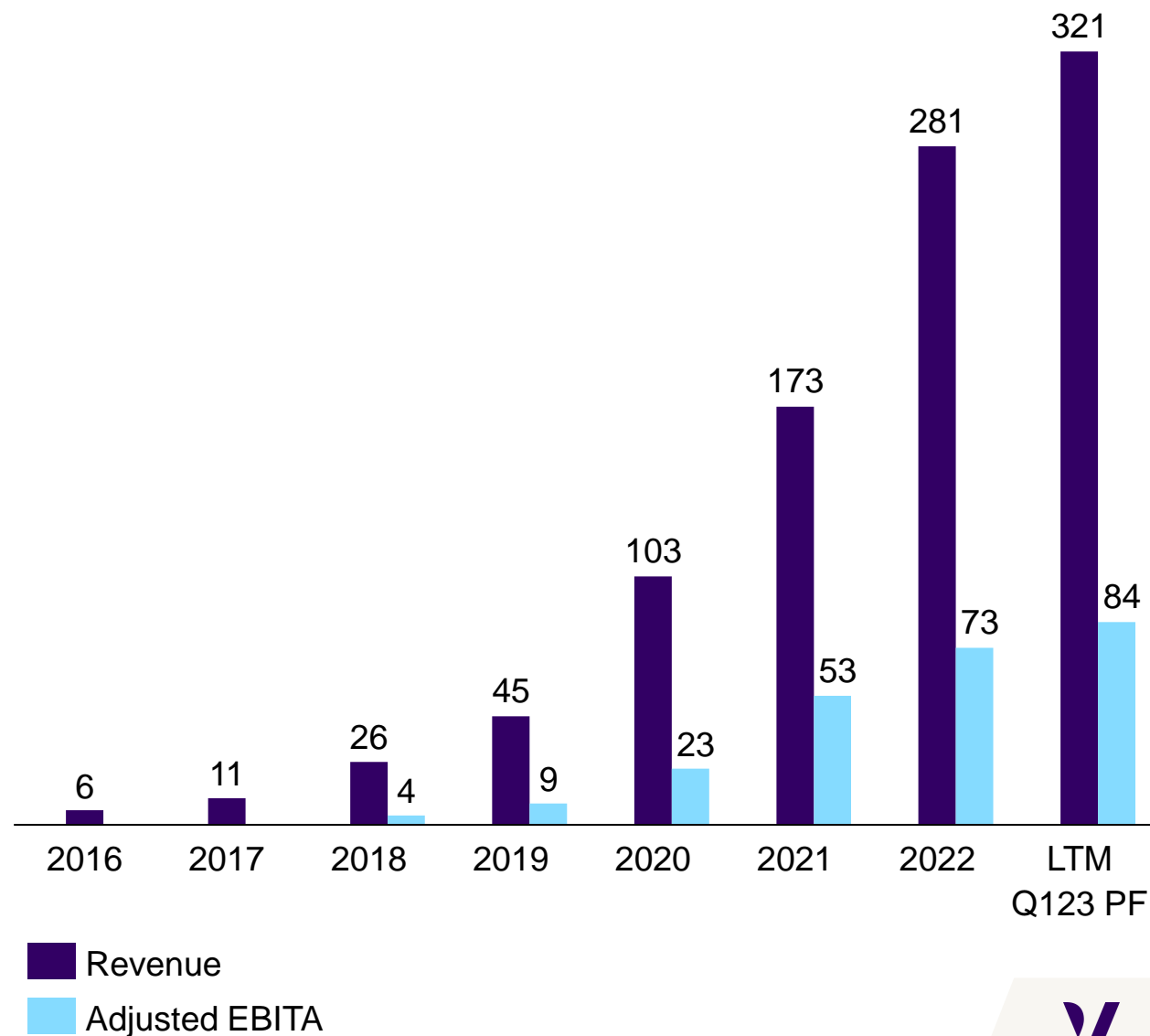
**106%**

2018-Q123 PF

Adj. EBITA margin

**26.2%**

LTM Q123 PF

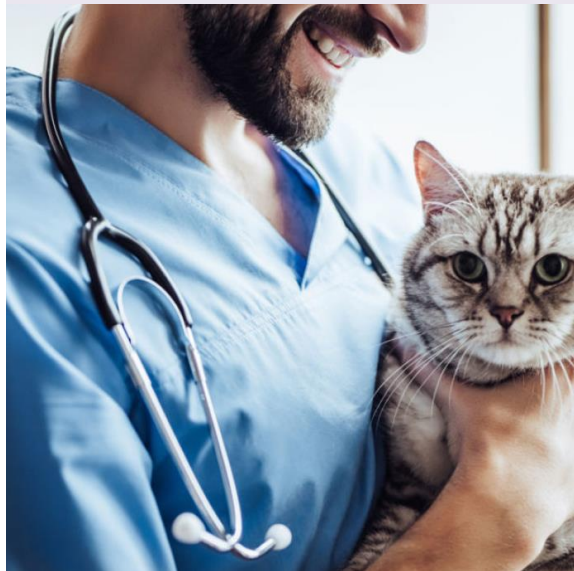


# Four attractive niches with unmet medical needs

## Specialty Pharma

43% revenue  
440 employees

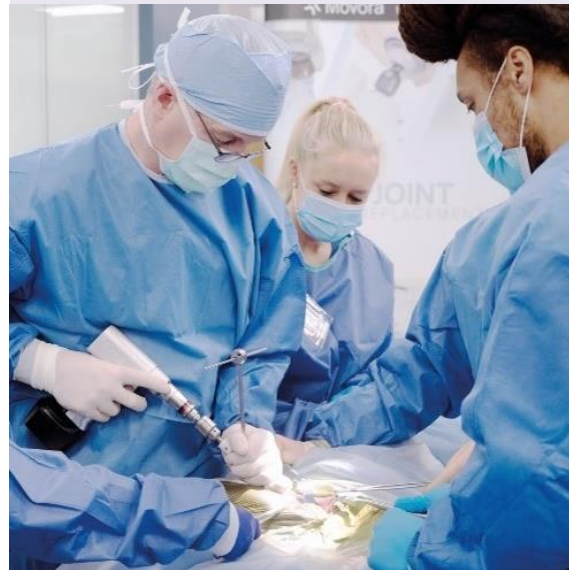
*Allergy Diagnostics & Treatment*  
*Dermatology & Specialty Care*  
*Specialised Nutrition*  
*Specialty Pharmaceuticals*



## MedTech

37% revenue  
257 employees

*Veterinary orthopedic implants*  
*Surgical equipment*  
*Imaging*



## Veterinary Services

13% revenue  
228 employees

*Membership platform*  
*Procurement services*  
*Tech-enabled services*



## Diagnostics

7% revenue  
98 employees

*Livestock diagnostics*  
*Companion animal diagnostics*





# Specialty Pharma

- / Solid organic growth led by Specialised Nutrition and Specialty Pharmaceuticals
- / Successful launch of next generation allergy test in Europe and US, +25 new product launches in Q1
- / Established direct distribution of dermatology and specialty care products in France and Belgium, Spain to follow in H2
- / Strengthened position in Specialty Pharmaceuticals – closed acquisition of non-regulated part of Bova in Australia

**9%**

Organic growth

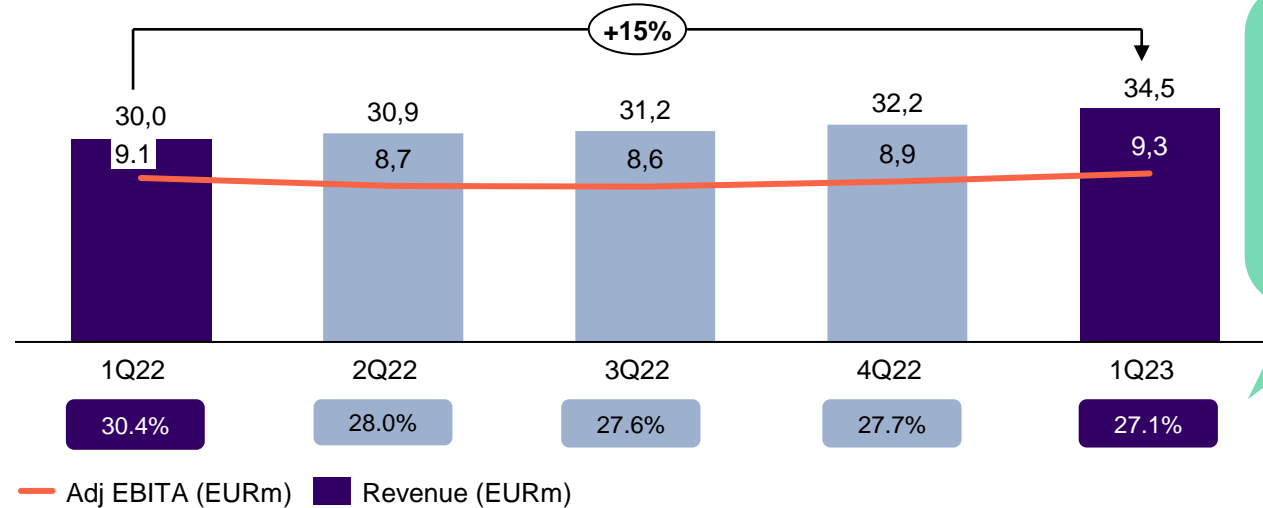
**3%**

Adj. EBITA growth

**-3.3pp**

Adj. EBITA margin

## Revenue and Adj. EBITA



Lower margin reflects OPEX investments in PAX launch, US Specialty Nutrition, Specialty Pharmaceuticals and internalising distribution





# MedTech

/ Exceptional organic growth and margin driven by successful annual ordering programme (“AOP”)

- Customers acquiring estimated full year demand in Q1
- Paying in monthly instalments – receivables in Q1

/ US market positive trend, APAC and Europe slower start

/ Focus on integration of acquired companies and supply chain

**24%**

Organic growth

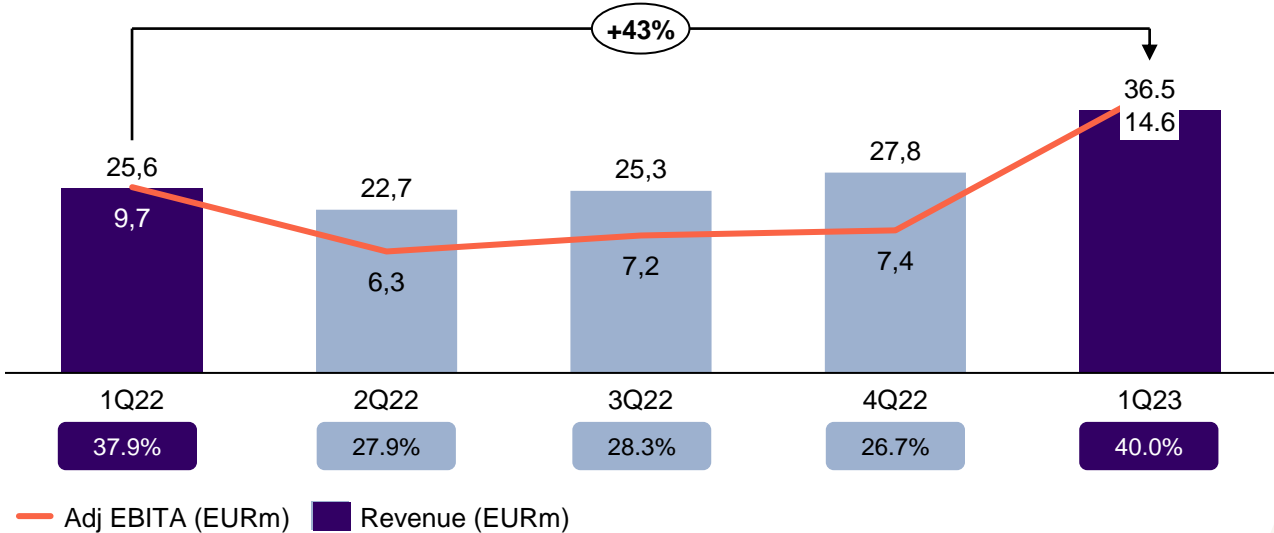
**51%**

Adj. EBITA growth

**+2.1pp**

Adj. EBITA margin

## Revenue and Adj. EBITA







# Veterinary Services

- / Strong organic growth with double digit growth in most markets
- / Strong member growth +400 new members in Q1 – now 5,300 members
- / High pace in membership upgrades
- / Welcomed Vettr to complement Australian services offering and one clinic in Sweden

**16%**

Organic growth

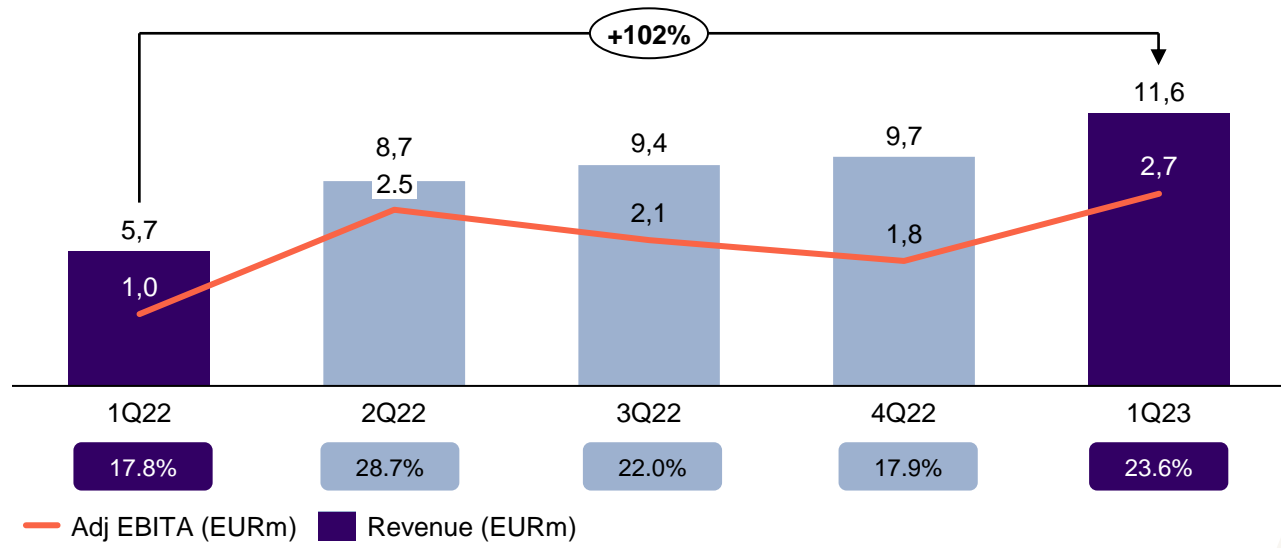
**167%**

Adj. EBITA growth

**+6.1 pp**

Adj. EBITA margin

## Revenue and Adj. EBITA





# Diagnostics

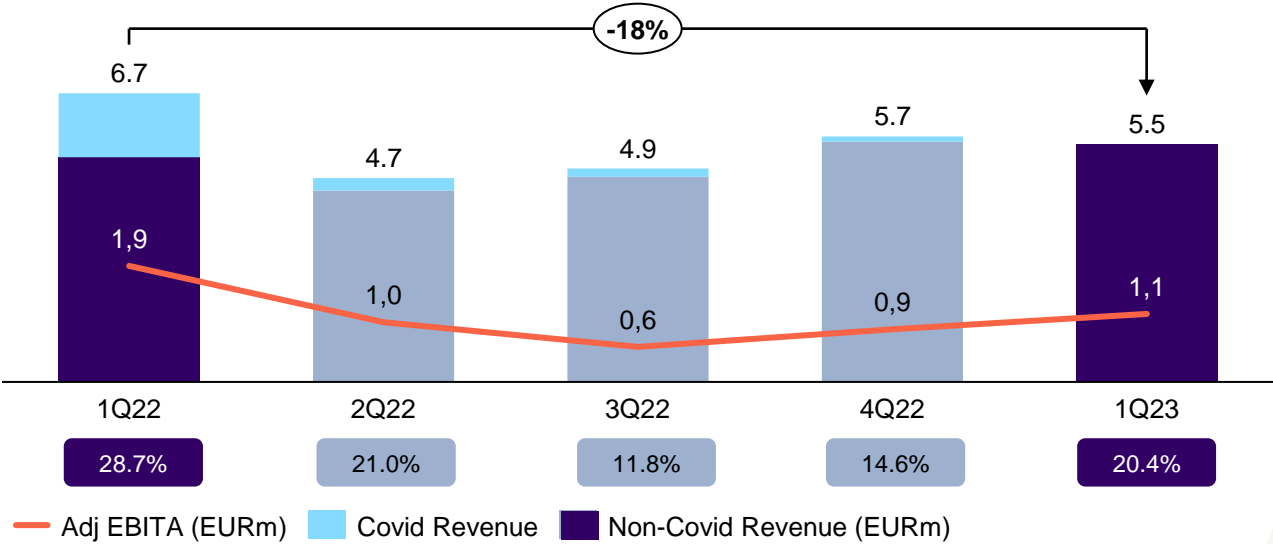
- / 18 per cent organic decline in Q1, final quarter with significant phase-out of Covid related sales (~20% of sales in Q122)
- / Continued growth in core veterinary portfolio in improving market conditions
- / Cost program starting to generate results
- / New AI enabled platform to detect and analyse parasites

**6%**  
Organic growth  
excluding Covid

**-41%**  
Adj. EBITA  
decline

**-8.3pp**  
Adj. EBITA margin

## Revenue and Adj. EBITA





# First Quarter Financials

EUR m	Q1 2022 January – March	Q1 2023 January – March
Revenue	67.9	88.1
Gross profit	46.4	60.9
Gross margin (%)	68.4%	69.1%
Operating profit (EBIT)	11.2	18.5
EBIT margin (%)	16.4%	21.0%
Adjusted EBITA	20.5	26.1
Adjusted EBITA margin (%)	30.2%	29.6%
Profit before tax	8.9	9.1
Profit for the period	5.5	5.5

## Q1 Income Statement

/ Total revenue growth 30%

/ Gross margin strengthening 0.7pp

/ Non-adjusted EBIT margin up 4.6pp to 21%

/ Lower amount of non-recurring items EUR 2.6m (4.8)

/ Lower adj. EBITA margin reflects phase out of Covid in Diagnostics and OPEX investments in Specialty Pharma

/ High net financial items of EUR 8.5m

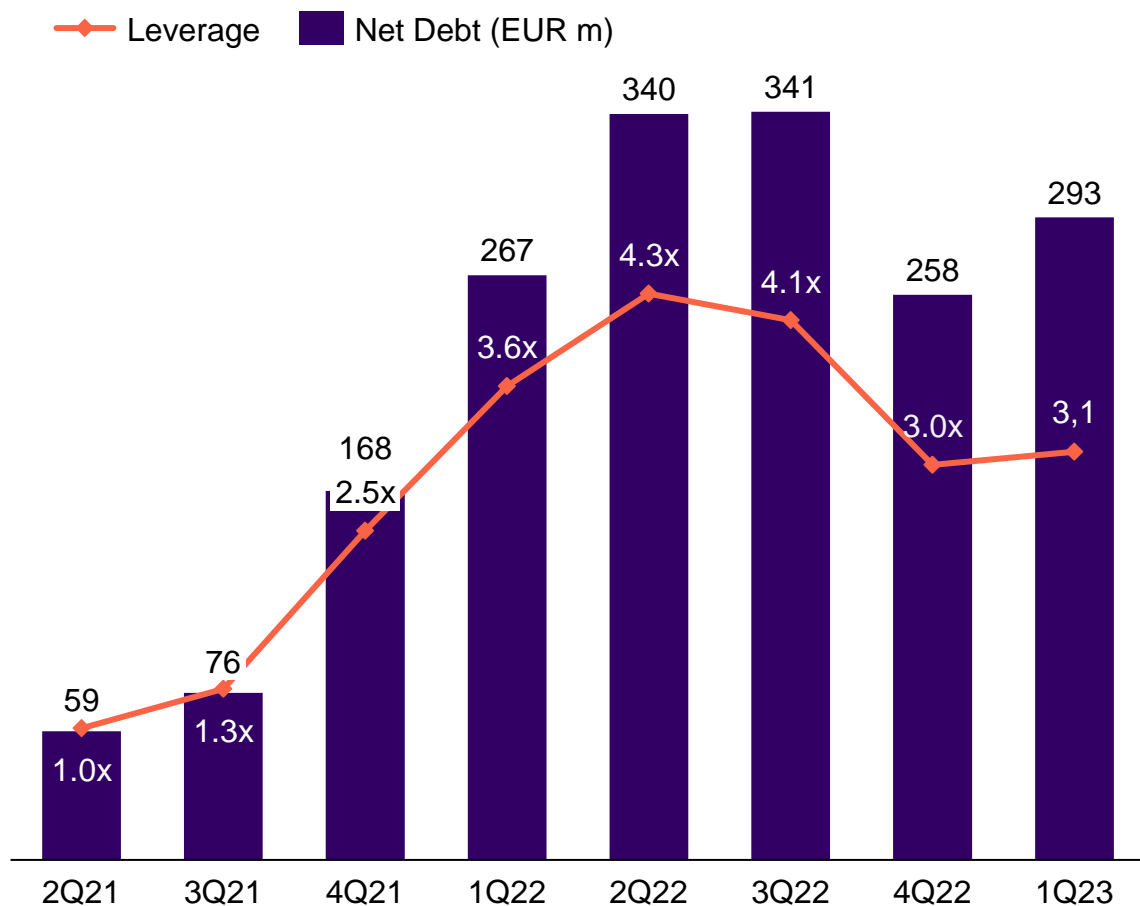
- Interest costs EUR 3.0m – interest rate 4.8%
- Contingent considerations EUR 3.1m – discount effect and probability adjustment for strong performance of acquired companies
- FX impact EUR 2.4m

/ Tax EUR 3.6m

## Q1 Cash Flow and Financial Position

EUR m	Q1 2022 January - March	Q1 2023 January - March
Cash flow from operating activities before change in NWC	15.7	21.3
Change in NWC	(4.6)	(20.2)
<b>Cash flow from operating activities</b>	<b>11.1</b>	<b>1.1</b>
Cash flow from investing activities	(80.9)	(17.2)
Cash flow from financing activities	114.0	19.5
<b>Cash Flow for the period</b>	<b>44.2</b>	<b>3.4</b>

- / Positive net cash flow of EUR 3m
- / Negative change in NWC EUR 20.2m primarily driven by receivable in MedTech related to the annual ordering programme where customers pay in monthly instalments
- / Lower cash outflow from investing activities given focus on integration of recently acquired companies
- / Cash and cash equivalents end of Q1 EUR 45.9m up from EUR 42.2m Q421



## Net Debt and Leverage

/ Net debt per 31 March 2023 EUR 292.8m

/ Cash and cash equivalents EUR 45.9m

/ Net Debt / LTM Pro-forma EBITDA 3.1x at target level

/ Settlement US patent dispute – payment USD 70m Q223

- Other current liability USD 70m
- Current receivable USD 56m (70m – 20m withheld + 6m legal costs)
- No impact on net debt.

## Current trading

- / All segments off to a good start of the year
- / Expanded AOP implies sales pull-forward from Q2-Q3
- / Diagnostics returned to growth in April
- / Settlement in US patent dispute in April - process to retrieve compensation under indemnification protection ongoing
- / EUR 47.5m of earn-outs accounted for payable within 12 months of which the majority will be paid out during Q2



# Advancing the ESG agenda

- / Sustainability Report released 3 May
- / Scope 1&2 emissions below peer average
- / Annual all-employee “Month of Ethics” in February
- / ESG criteria now integrated in commercial DD process
- / New Group-wide employee survey in May
- / 45% of leaders are women, improved diversity in 2022
- / Focus on quantitative targets, preparing for CSRD







## 2023 focus

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

/ 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

