

vimian™

Q4 presentation

March 2022



vimian™

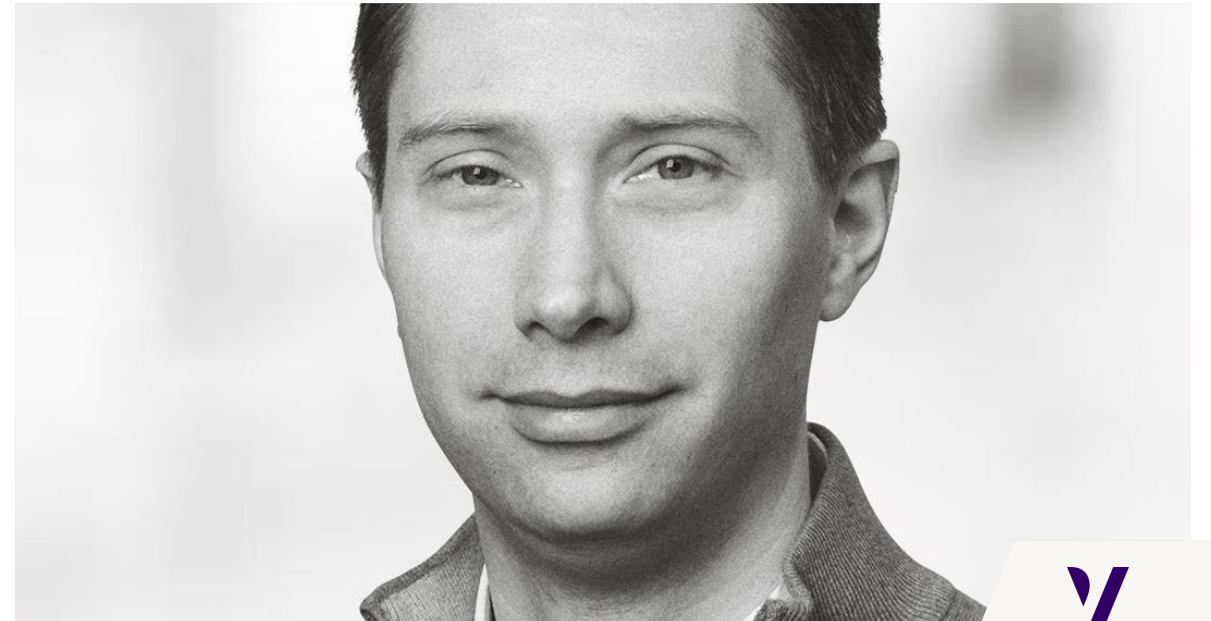
Today's Presenters

/ Dr. Fredrik Ullman

/ Chief Executive Officer

/ Henrik Halvorsen

/ Chief Financial Officer



Fourth Quarter Results



Q4 Key Highlights

- / Welcomed 9 new companies to the Group – expand geographic reach and complement product offering
- / Strong organic growth in MedTech and Specialty Pharma, offset by declines in Diagnostics and Veterinary Services
- / Investments in future growth impact margin – strengthening organisation, entering new markets, building M&A capabilities
- / Veterinary Services recovery from Q4
- / Positive impact from Covid phasing out

74%

Revenue growth

9.0%

Organic revenue growth

24.7%

EBITA margin

EUR 33m

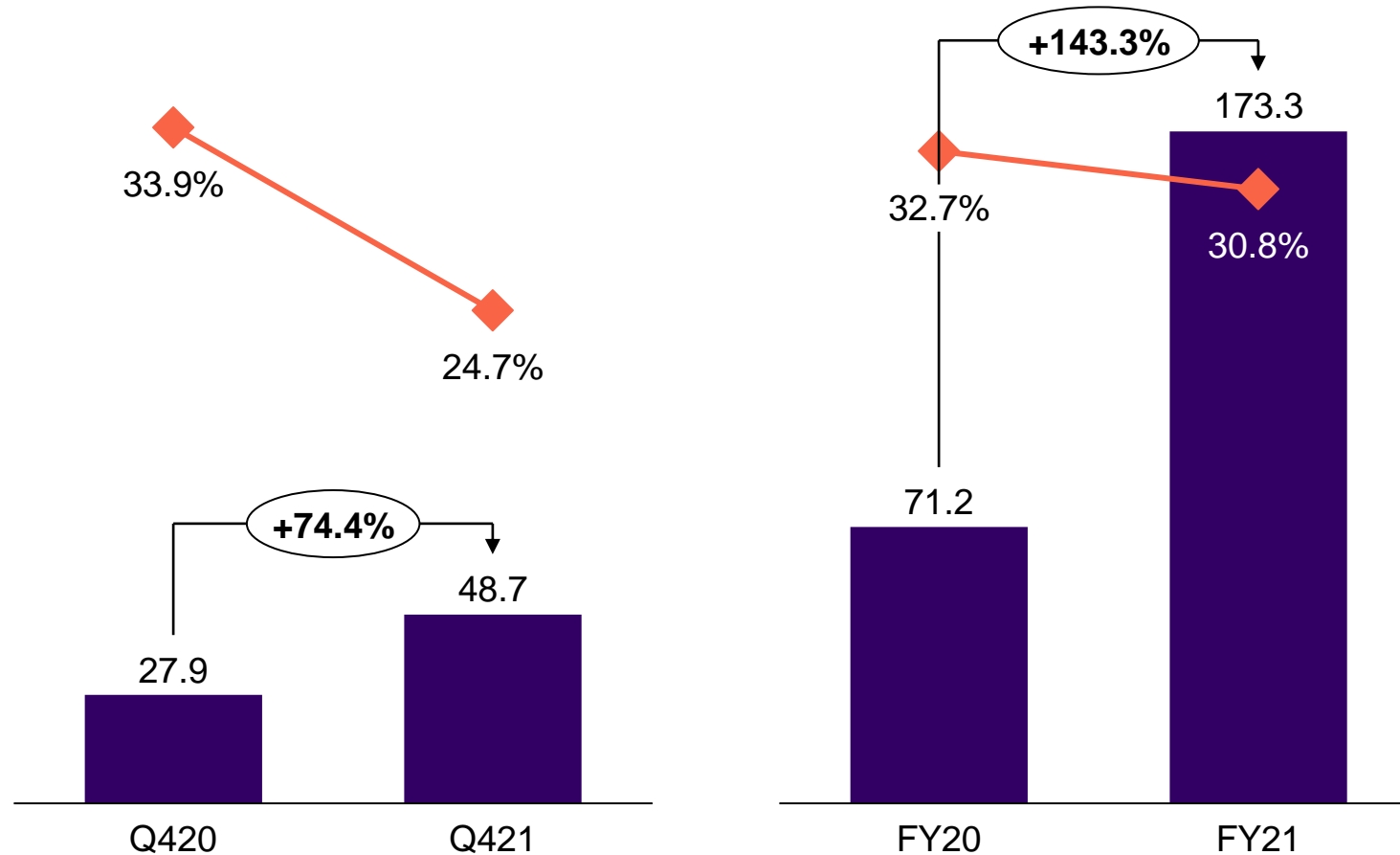
Annualised revenue from acquisitions



Group Financial Highlights – Revenue and Adj. EBITA

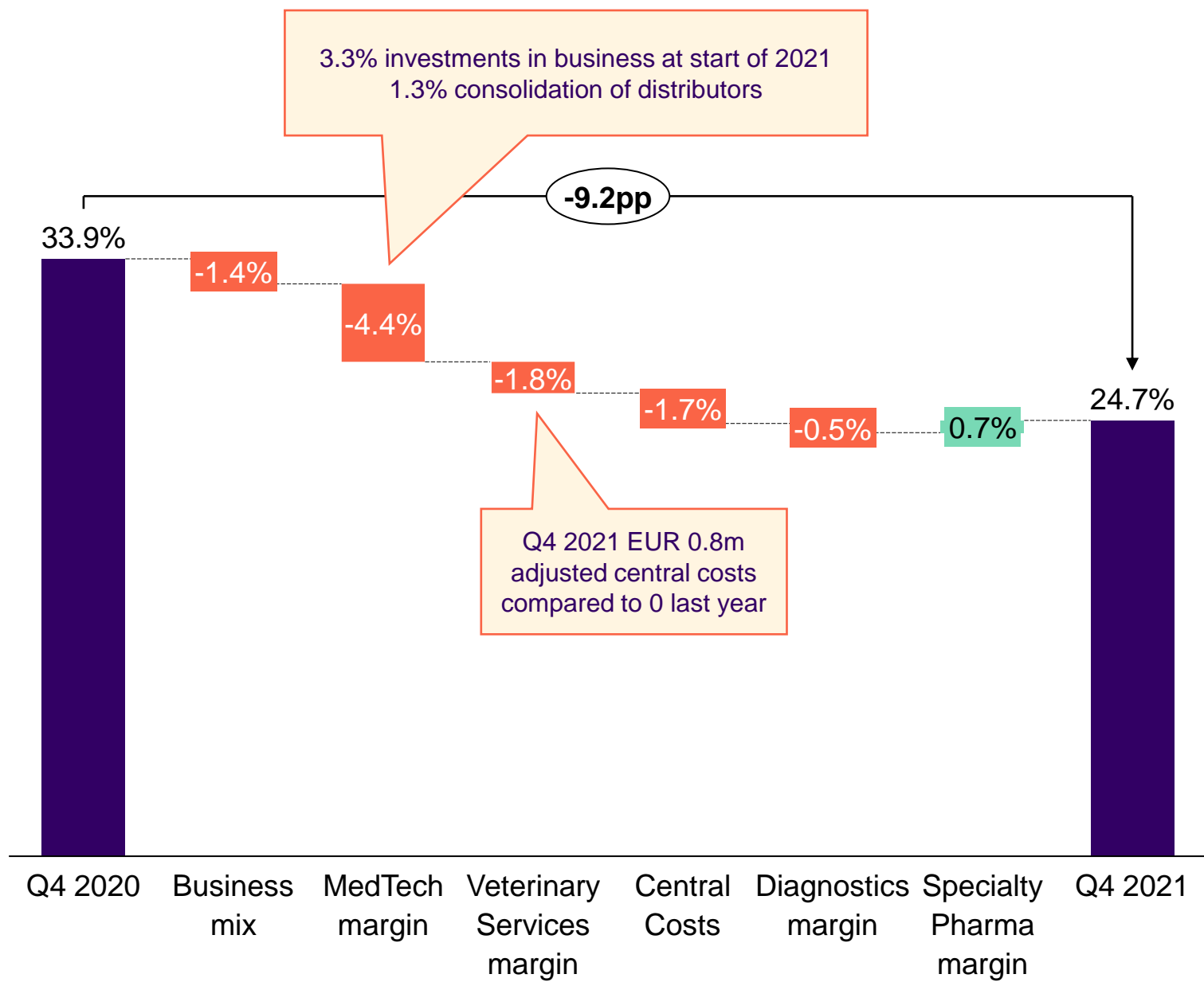
Revenue and Adj. EBITA

—◆— Adj EBITA margin ■ Revenue



Comments

- / Strong revenue growth in Q4 and 2021
- / Growth driven by organic initiatives and a high number of acquisitions
- / Lower margin in Q4, see next page
- / Full year profitability above 30%
- / Strong FY21 operating cash flow EUR 41.4m, with 71% cash conversion
- / Net Debt / PF LTM Adj. EBITDA 2.5x



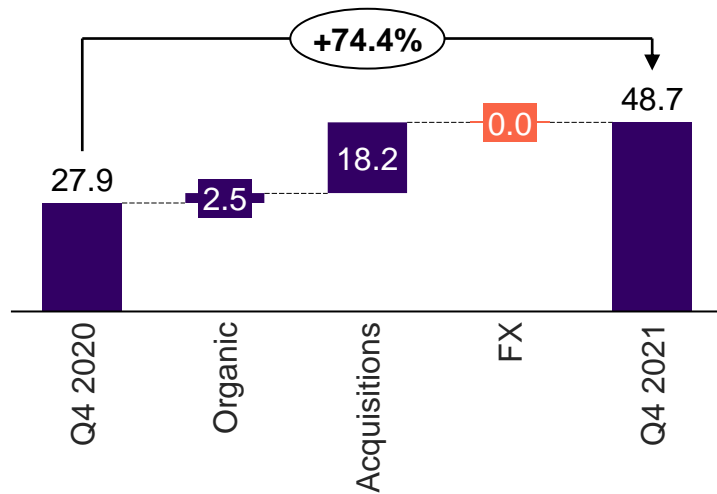
Q4 Margin Bridge

- / **MedTech** – seasonality, investments in business and consolidation of distributors
- / **Veterinary Services** – investment in new markets and M&A capabilities, revenue decline and clinic consolidation
- / **Central Costs** EUR 0.8m in Q4 where we had no central costs last year
- / **Business mix**
- / **Diagnostics** – lower margin reflects less uplift from covid
- / **Specialty Pharma** – improving profitability

Group Financial Highlights – organic growth

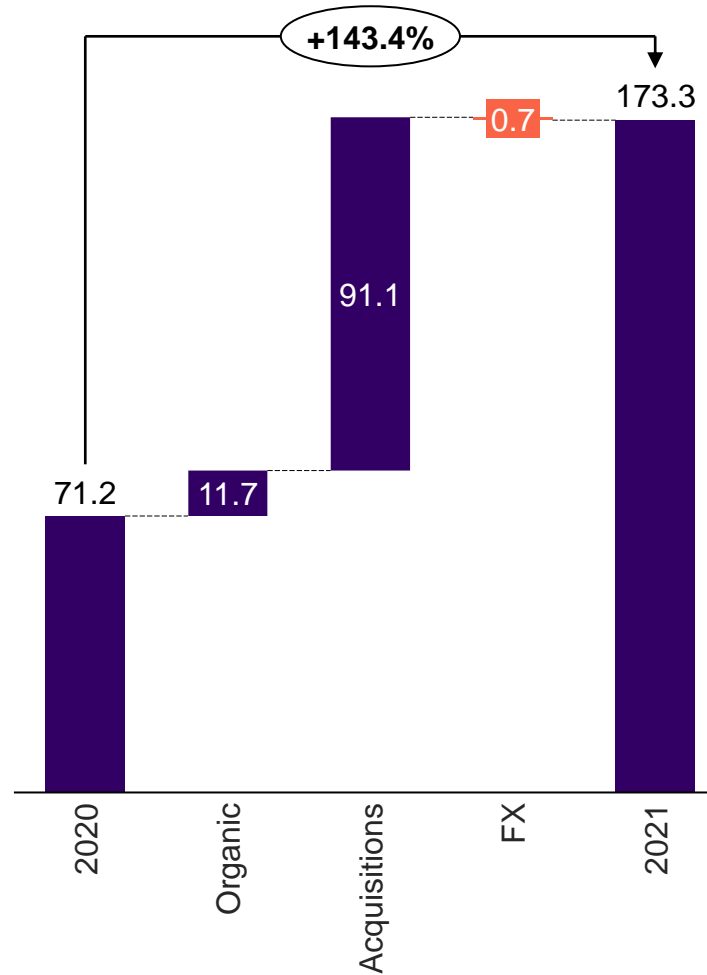
Q421 organic vs acquired growth

■ Revenue (EUR m)



FY21 organic vs acquired growth

■ Revenue (EUR m)



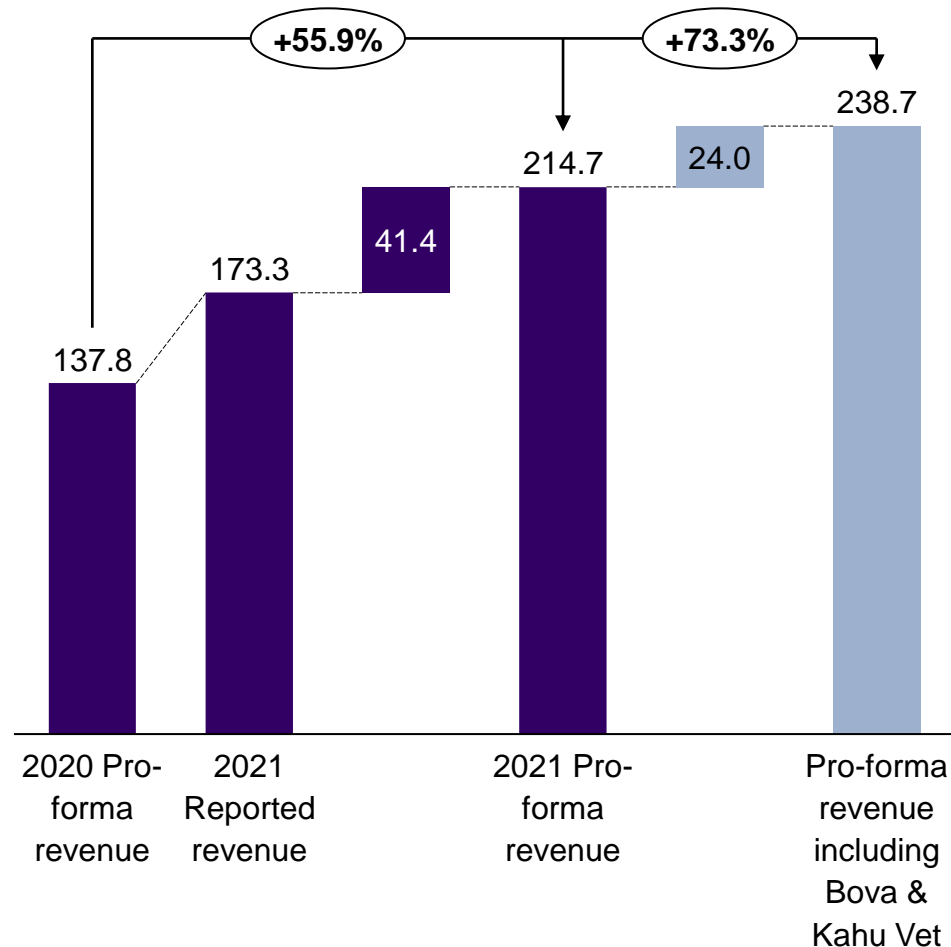
Comments

- / Very strong total revenue growth in Q4 and 2021
- / Q4 organic growth of 9.0%. MedTech key driver, offset by decline in Covid-related sales in Diagnostics
- / 2021 organic growth 16.5% FY21, positive growth in all segments
- / Specialty Pharma strong underlying growth, only December consolidated

Pro-forma including all acquisitions – we have almost doubled the business

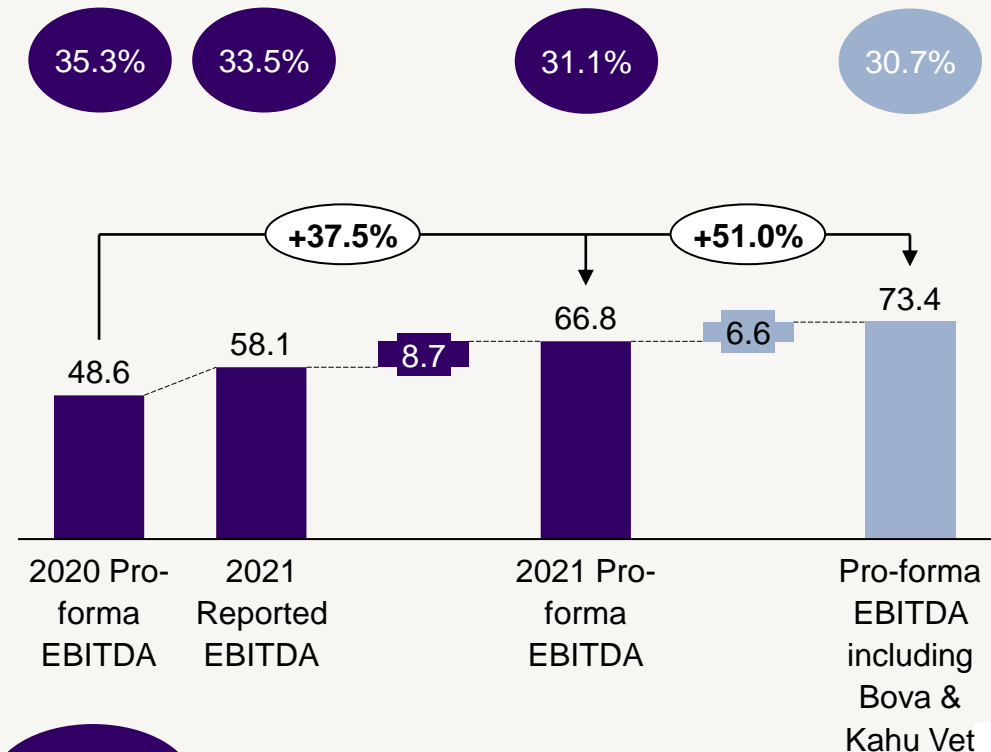
FY21 Reported and Pro-forma revenue (LTM)

Includes all acquisitions closed before 31st December 2021 as if we had owned the companies from 1st January 2021



FY21 Reported and Pro-forma Adj EBITDA (LTM)

Includes all acquisitions closed before 31st December 2021 as if we had owned the companies from 1st January 2021



X%

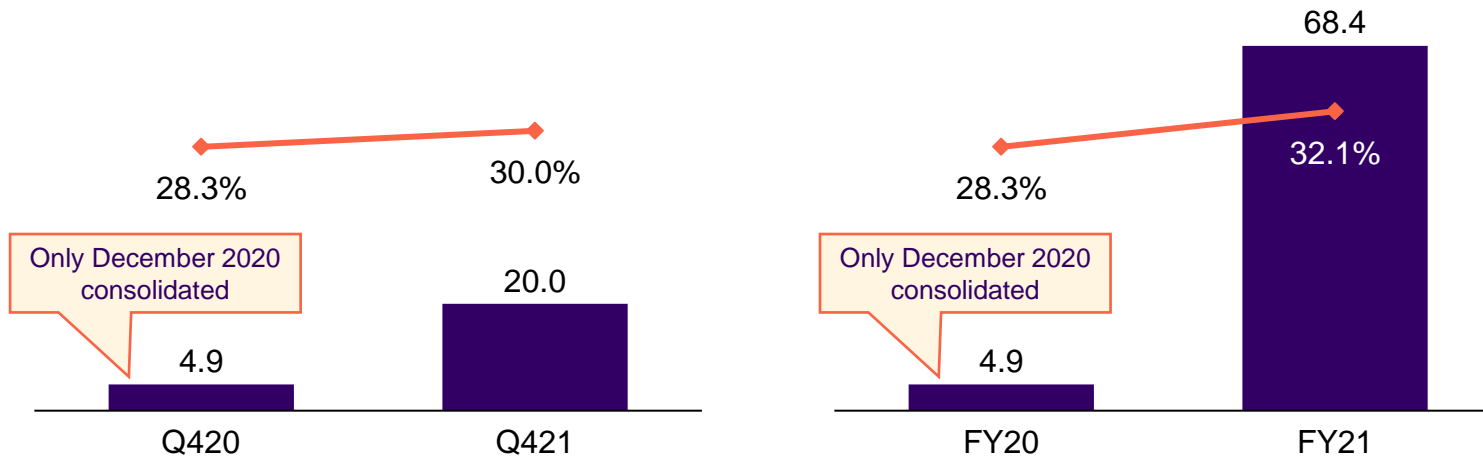
Adj. EBITDA margin



Specialty Pharma – Strong Growth and Exceptional pace of M&A

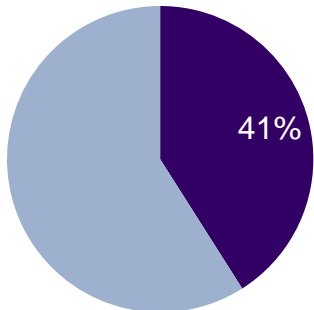
Revenue and Adj. EBITA

— Adj EBITA margin ■ Revenue

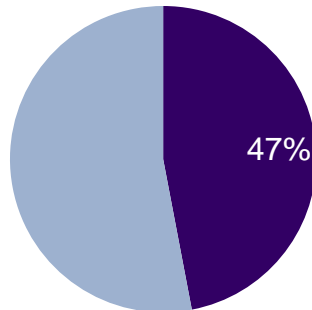


Specialty Pharma share of Vimian Group

Q4 Revenue



Q4 EBITA



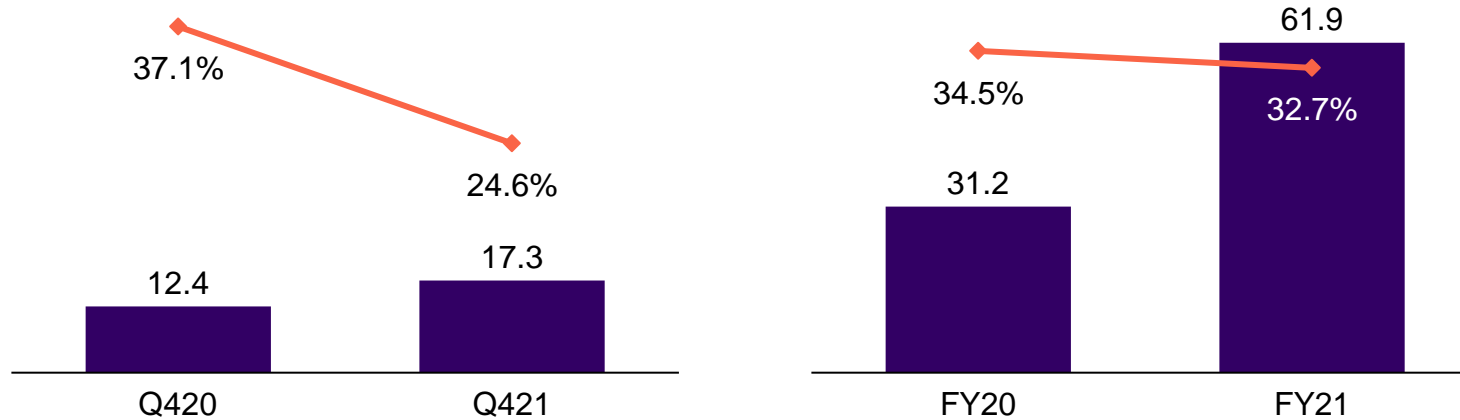
Comments

- / Continued outstanding performance
- / Strong pro-forma organic growth ~25% in Q4 and ~30% 2021
- / Growth in all therapeutic areas and regions
- / Advancing positions in the market
- / Highly profitable business, 2021 margin 32.1% up from 29.7% 2020 pro-forma
- / Completed five acquisitions in 2021

MedTech – Very strong organic growth 25.4% in Q4

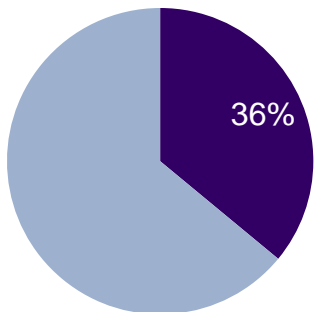
Revenue and Adj. EBITA

— Adj EBITA margin ■ Revenue

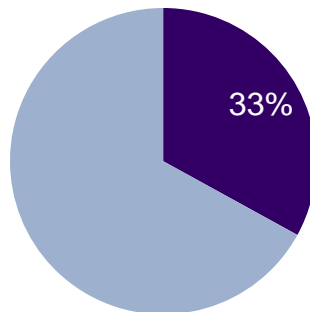


MedTech share of Vimian Group

Q4 Revenue



Q4 EBITA



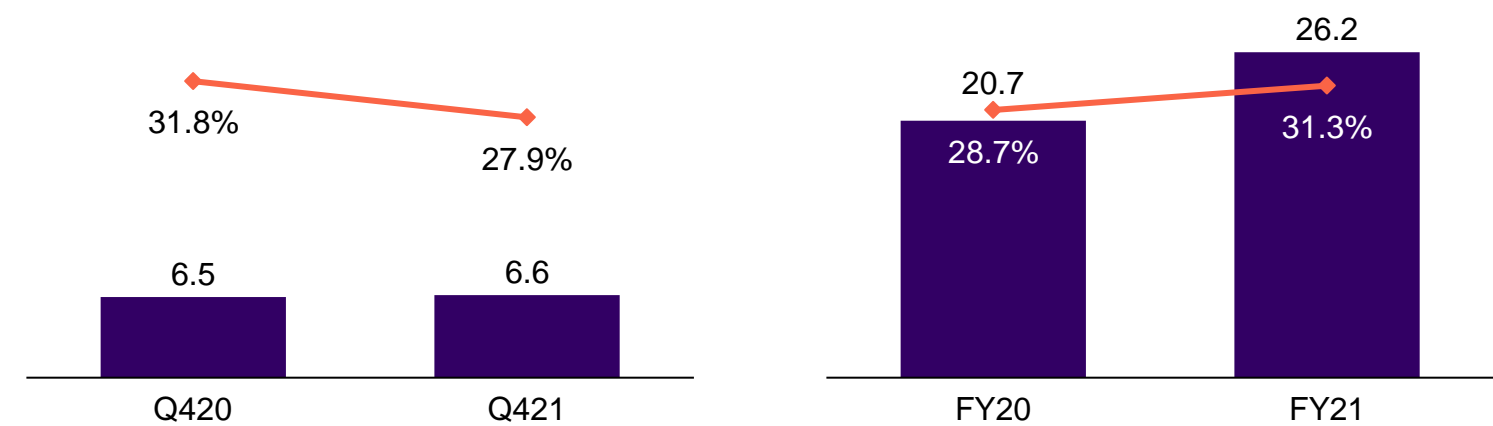
Comments

- / Very strong organic growth 25.4% in Q4 and 25.6% 2021
- / Strong growth all regions and product areas, exceptional growth in Japan
- / Realising commercial synergies according to plan (Movora CN, JPN & US launched)
- / Profitability impacted by seasonality, investments and new acquisitions

Diagnostics – Core business solid, phase out of Covid sales impact organics

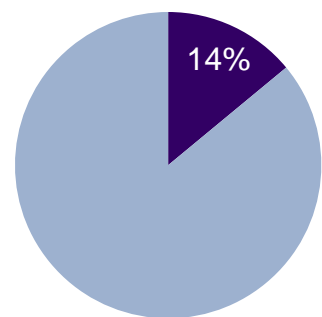
Revenue and Adj. EBITA

Adj EBITA margin Revenue

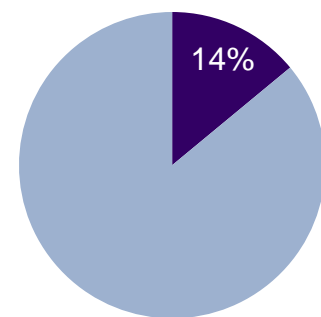


Diagnostics share of Vimian Group

Q4 Revenue



Q4 EBITA



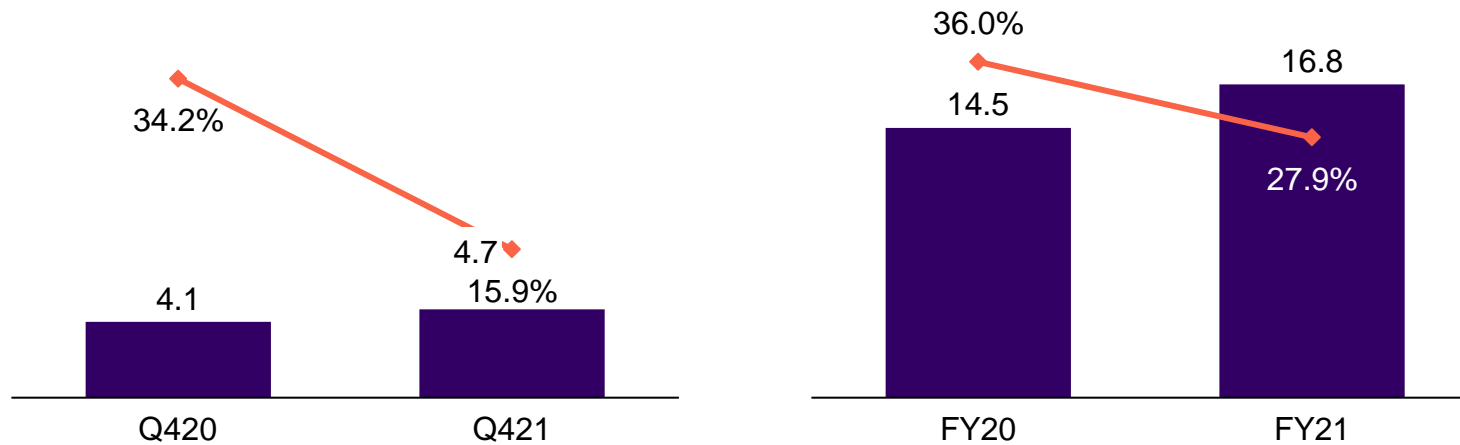
Comments

- / Solid underlying momentum in diagnostics for veterinary applications
- / Q4 and spring 2022 impacted by phase out of Covid sales
- / 20% of Q421 Covid-related sales, significantly lower than peak levels in Q420 and Q121
- / Full year 2021 profitability improving

Veterinary Services – Challenging Q4, confident in recovery

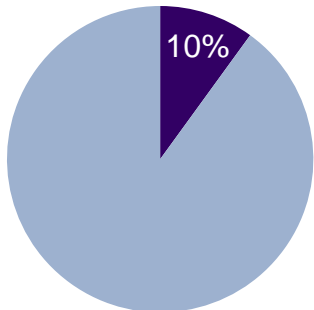
Revenue and Adj. EBITA

— Adj EBITA margin ■ Revenue

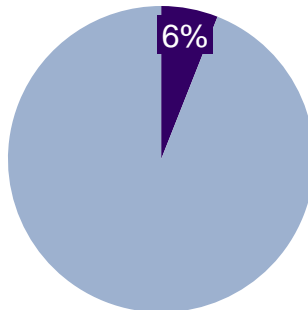


Veterinary Services share of Vimian Group

Q4 Revenue














Q4 EBITA





Comments

- / Q4 performance not satisfactory, but confident in recovery
- / Q4 organic decline 5.3%; tough comps, low member recruitment and supplier contract renegotiations
- / Member recruitment accelerated in Q4
- / Lower margin reflects investments into new markets, M&A capacity, top-line decline and consolidation of clinics

17 acquisitions in 2021 with combined annual revenue of EUR 53m

| | Acquisition | Segment | Geography | Annual Sales | Close | Strategic Rationale |
|----|--|---------------------|-----------|--------------|----------|---|
| 1Q |  Svanova | Diagnostics | Europe | EUR 1.3m | 31/03-21 | Strengthen position in livestock diagnostics |
| |  DIAVET | Specialty Pharma | Europe | EUR 0.5m | 05/03-21 | Acquisition of allergy business in Spain strengthening market position and allergy portfolio |
| 2Q |  BestPaw Nutra Naturals | Specialty Pharma | N America | EUR 2.5m | 28/05-21 | Strengthen offering for North American D2C market |
| |  AdVetis Medical | MedTech | Europe | EUR 5.5m | 28/05-21 | Boost local presence in French orthopedic market |
| |  IVA Independent Vets of Australia | Veterinary Services | Australia | EUR 1.0m | 01/07/21 | New market entry Australia |
| |  SKOVSHOVED DYREKLINIK | Veterinary Services | Europe | EUR 1.2m | 01/07-21 | Majority co-ownership in clinic for extended VetFamily support and membership |
| 3Q |  Check-Points | Diagnostics | Europe | EUR 2.8m | 01/09-21 | First step into food safety and antimicrobial resistance |
| |  Dermoscent LABORATOIRE | Specialty Pharma | Europe | EUR 5.2m | 01/10-21 | Boost OTC and dermatology portfolio. Strengthen position in France and provide further capillarity through international distributor network |
| Q4 | Five Veterinary Clinics | Veterinary Services | Europe | EUR 4.1m | | Majority co-ownership in five clinics for extended VetFamily support and membership |
| |  FREELANCE surgical Veterinary Division | MedTech | UK | EUR 6.4m | 01/12-21 | Important milestone in our strategy to establish direct sales in certain key markets around the world |
| | Global One Pet Products | Specialty Pharma | N America | EUR 19m | 13/21-21 | Help Vimian meet its strategic objectives to strengthen its specialised nutrition therapeutic area and further penetrate the existing US and Canadian markets |
| |  IMEX Veterinary, Inc. | MedTech | N America | EUR 2m | 21/12/21 | US based manufacturer and provider of high quality external fixture products |
| |  Vet-Allergy | Specialty Pharma | Europe | EUR 0.7m | 31/01/22 | Strengthening allergy portfolio in Denmark |

2022 has started strong – Two acquisitions with combined revenue EUR 19m

| 1Q | Acquisition | Segment | Geography | Annual Sales | Strategic Rationale |
|----|---|------------------|-----------|--------------|--|
| |  | Specialty Pharma | UK | EUR 10m | <i>Important milestone in our strategic ambition to add new therapeutic areas to Vimian's Specialty Pharma segment. Acquisition of leading innovator in specialty pharmaceuticals for companion animal health in UK and Australia with strong financial growth and profitability</i> |
| |  | MedTech | Australia | EUR 8.8m | <i>Acquisition of Australian distributor to strengthen market presence</i> |

This is GlobalOne Pet Products

- / Entering new very fast growing niche
- / Strong retailer relationships Vimian can leverage for its entire non-prescription portfolio in US and Canada
- / Internationalise GlobalOne portfolio through Nextmune retail and veterinary distribution network in Europe
- / Create next-generation rawhides with active ingredients using Nextmune's insight into nutraceuticals and R&D capabilities



Rewardables

LUKE & MIKE'S



This is

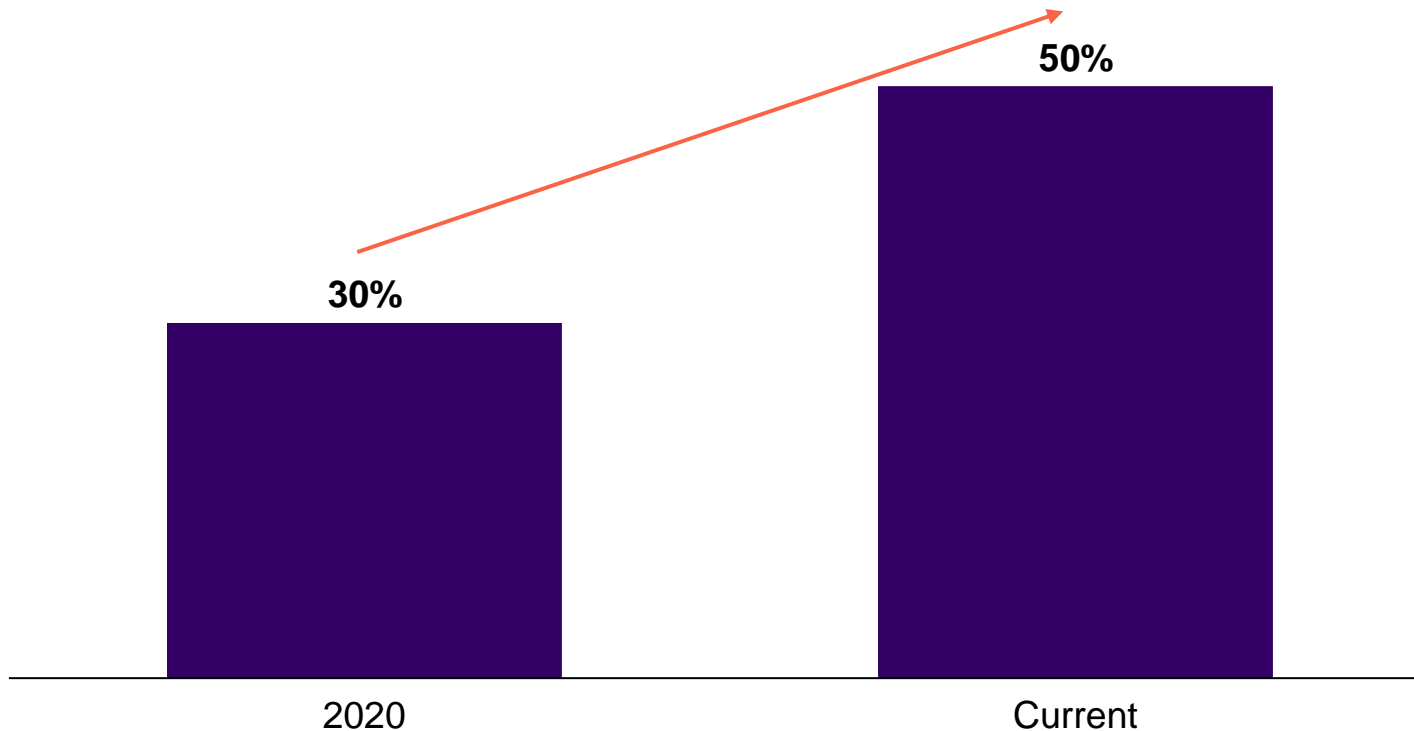


- / Milestone in strategic ambition to add new therapeutic areas to Specialty Pharma
- / Significant space for continued growth in UK – and potential to expand in Europe and US
- / Opportunity for Bova to leverage Nextmune's commercial infrastructure



AdVetis – An M&A case study

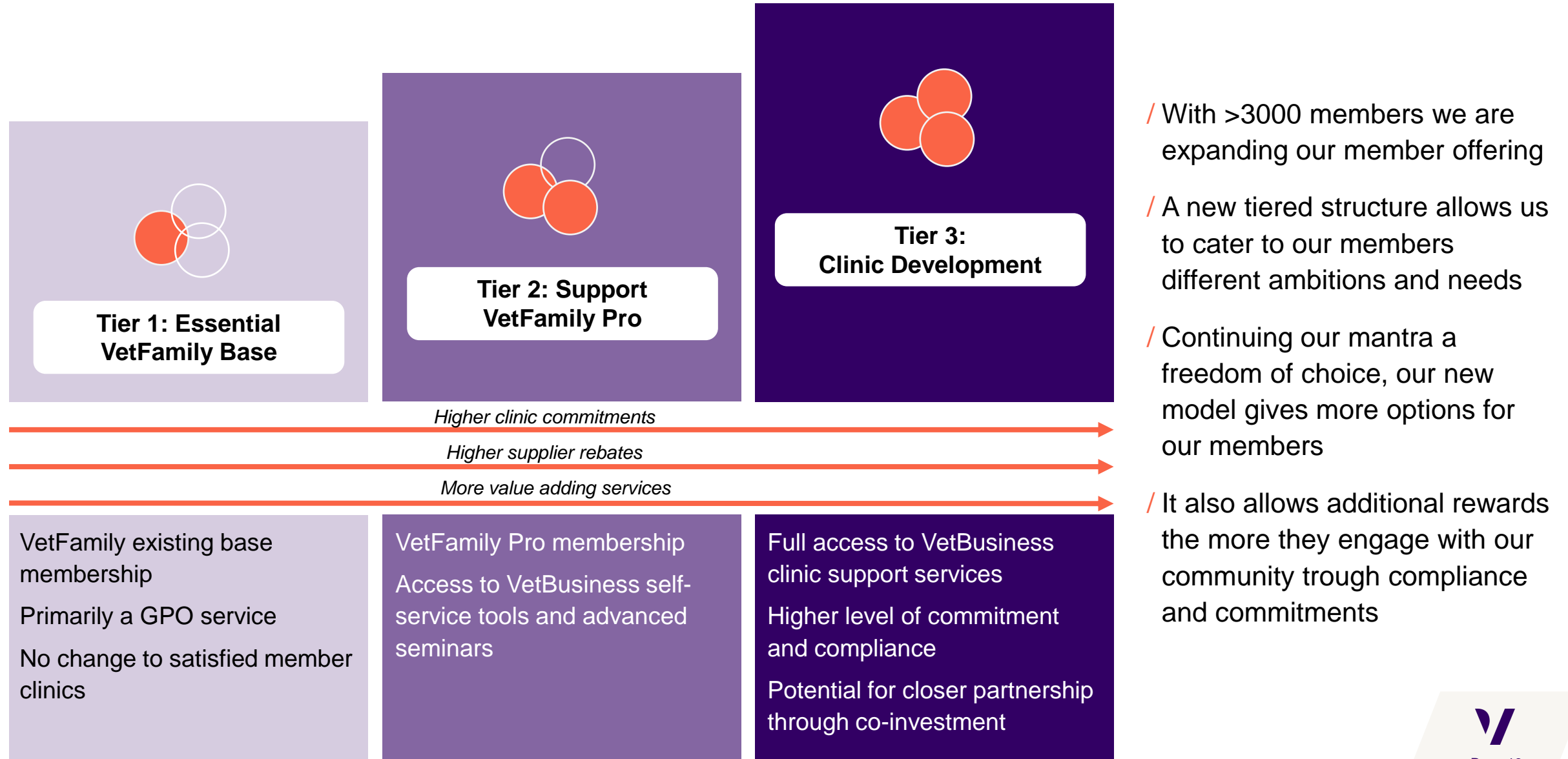
Movora & AdVetis branded products as % of total sales in France



- / Distributor consolidated from 28 May 2021
- / Establish direct sales in France
- / Replace third party products with own brands
- / Own brands ~50% of sales vs ~30% in 2020
- / Own brands ~20-35pp higher gross margin
- / Drives improved margin over time

- / Future cross selling opportunities with complete Movora portfolio

VetFamily Strategy – New membership tiering caters for members different ambitions and needs, enabling us to create more value for our members



Clinic Development – Co-investment allows a deeper partnership when desired

Strong strategic rationale

- / Additional, optional service offered to clinic members
- / Significant revenue potential in existing business
- / Drive in-clinic growth and profitability through existing VetFamily services
- / Facilitating faster innovation across Vimian
- / High returns on capital deployed
- / To date we have invested in six clinics, with annualised revenue of around EUR 5m
- / The co-investment program is expected to grow, aiming to add EUR 20-30m revenue per year, as we partner with high-quality clinics in the Nordics and continental Europe

"It has been essential that I still have co-ownership of the clinic. We can maintain the same high professional standard and potentially lift the level even more. It is not a phase-out of my active life as a veterinarian, but a new and exciting chapter which at the same time future-proofs the clinic, the employees and the workplace."



Fourth Quarter Financials



Income Statement

| EUR m | 2021 Oct – Dec | 2020 Oct – Dec | 2021 Jan – Dec | 2020 Jan – Dec |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 48.7 | 27.9 | 173.3 | 71.2 |
| Adjusted EBITA | 12.0 | 9.5 | 53.5 | 23.3 |
| Operating profit | 4.1 | 3.8 | 21.6 | 5.9 |
| Profit before tax | 1.9 | 54.0 | 12.8 | 55.5 |
| Profit for the period | 2.0 | 53.2 | 7.8 | 52.3 |

- / Strong growth in revenue and EBITA
- / Operating profit increased to EUR 4.1m from EUR 3.8m in Q4
- / Profit measures in 2020 impacted by acquisition of Nextmune
- / Positive tax booking in Q4, reflecting internal invoicing of central costs

| Percent | 2021 Jan-Dec | 2020 Jan-Dec | Delta |
|---------|--------------|--------------|-------|
|---------|--------------|--------------|-------|

| | | | |
|-----------------|-----|-----|---------|
| Cash Conversion | 71% | 49% | +23 ppt |
|-----------------|-----|-----|---------|

| EUR m | 2021 Jan-Dec | 2020 Jan-Dec | Delta |
|-------|--------------|--------------|-------|
|-------|--------------|--------------|-------|

| | | | |
|--|------|------|------|
| Cash flow from operating activities before change in NWC | 25.9 | 13.3 | 12.6 |
|--|------|------|------|

| | | | |
|---------------|-------|-------|-------|
| Change in NWC | (9.8) | (8.5) | (1.4) |
|---------------|-------|-------|-------|

| | | | |
|--|-------------|------------|-------------|
| Cash flow from operating activities | 16.0 | 4.8 | 11.2 |
|--|-------------|------------|-------------|

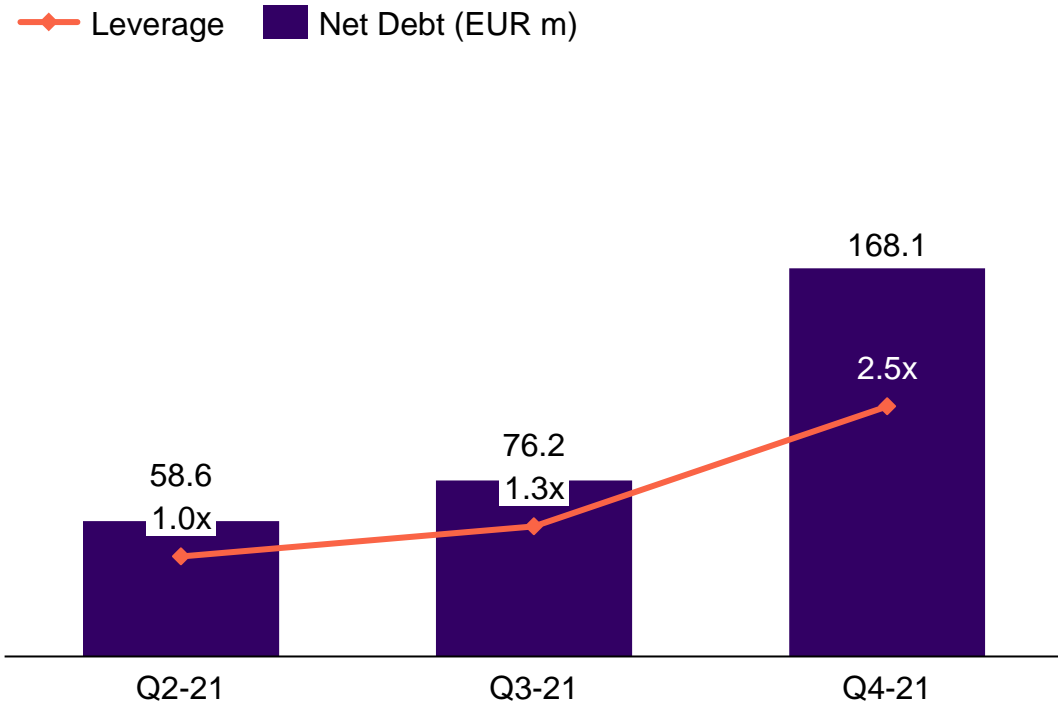
| | | | |
|-------------------------------------|---------|---------|-------|
| Cash flow from investing activities | (115.0) | (105.2) | (9.8) |
|-------------------------------------|---------|---------|-------|

| | | | |
|-------------------------------------|-------|-------|-----|
| Cash flow from financing activities | 123.9 | 118.6 | 5.4 |
|-------------------------------------|-------|-------|-----|

| | | | |
|---------------------------------|-------------|-------------|------------|
| Cash Flow for the period | 25.0 | 18.1 | 6.8 |
|---------------------------------|-------------|-------------|------------|

Cash Flow and Financial Position

- / Cash conversion of 71% in 2021, reflecting strong cash generation in Vimian
- / Strong increase in cash flow from operating activities, mainly driven by strong growth
- / Cash flow from investing activities reflecting strong M&A performance during the year
- / Cash flow from financing activities reflect primary issue of equity and increased debt to finance acquisitions
- / Cash and cash equivalents end of December EUR 55.1m



Net Debt and Leverage

- / Net debt at the end of the period amounted to EUR 168.1m
 - Cash and cash equivalents EUR 55.1m
- / Net debt over PF LTM adj. EBITDA of 2.5x
 - Up from 1.3x in Q3, reflecting additional debt to finance acquisitions

Current trading

Solid underlying growth but investments still weighing on margins

- / Russia and Ukraine around EUR 700k of sales in 2021. Halting shipments to Russia, around EUR 150k receivables at risk
- / Organic growth impacted by decline in covid related sales in Diagnostics
- / Investments in organic expansion, new market entries and M&A capabilities continues to weigh on margins
- / **Specialty Pharma** robust trends seen in 2021 continues. Strong profitability underpinned by commercial initiatives. GlobalOne Pet Products delivers very strong growth, but has a different margin profile
- / **MedTech** good start to annual ordering programme with a high number of new customers signed up. Sequential improvement in margins but very tough Q1 comps
- / **Diagnostics** similar trends as in Q4 as covid-related sales continues to phase out, very tough comps given backfilling of orders in Q1 2021
- / **Veterinary Services** Veterinary Services should see improvement from Q4. Investments in new market entries, M&A capabilities and consolidation of clinics continues to weigh on margins

2021 Summary

- / Historical year for Vimian
- / High pace of M&A and organic growth
- / Margin pressure from organisational build up and investments for growth. No gross margin dilution
- / Positive market outlook with significant white space
- / Pro-forma revenue almost doubled from EUR 137.8m 2020 to EUR 214.7m 2021
- / Almost half way to our 2025 target EUR 200m Adj EBITA
- / On track building a leading global animal health company - Vimian

143%
Revenue growth

16.5%
Organic revenue growth

30.8%
Adj. EBITA margin

EUR 53m
Annualised revenue from acquisitions



Q&A

