Vimian Group

Improving animal health
for better lives

vimian™

Annual Report

/2022

The Sustainability Report consists of p. 35–47.
The Annual Report consists of p. 59–104.

About Vimian

Improving animal health for better lives

About us

Vimian is a global animal health company covering four essential and rapidly evolving areas: Specialty Pharma, MedTech, Diagnostics, and Veterinary Services.

At Vimian, we believe that every animal deserves the best available care. We bring pioneering businesses together to make the market's most innovative offerings accessible to more animal health professionals and pet owners.

Headquartered in Stockholm, Sweden, Vimian reach over 15,000 veterinary clinics and 1,700 labs, sells to over 90 markets, employs close to 900 people and has annual turnover of approximately EUR 280 million.

Our vision

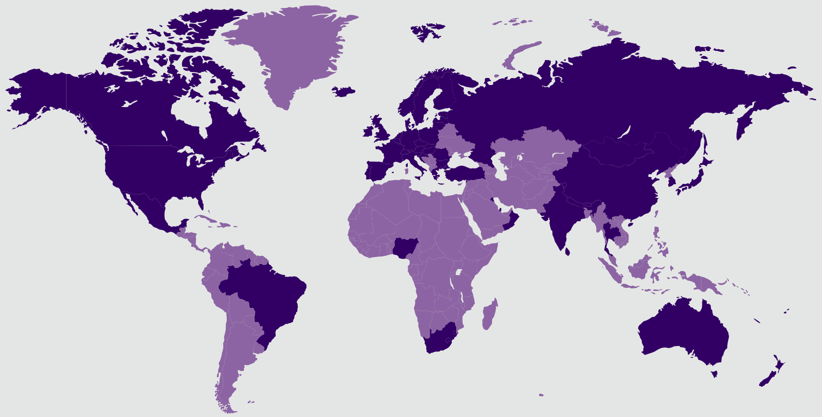
Together, we improve animal health through science and technology for better lives.

Our family

Today, Vimian cover four essential and rapidly evolving areas of animal health:

- Specialty Pharma
- MedTech
- Veterinary Services
- Diagnostics

"Vimian deliver innovative products and solutions to more than 15,000 veterinary clinics and laboratories"



56
offices globally

>90
markets reached

11,000
trained veterinarians

900
employees worldwide

1,700
labs

2022 in brief

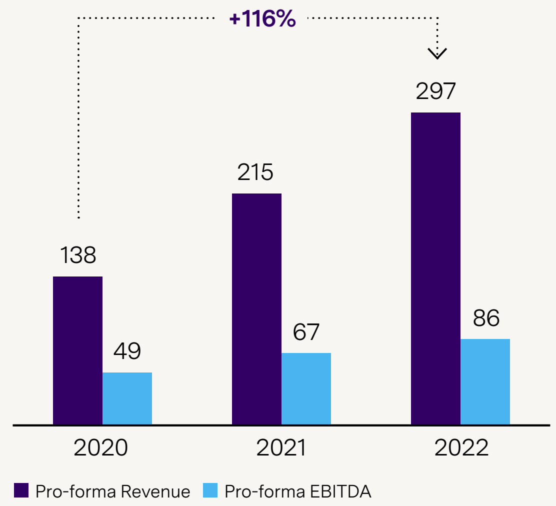
Strong growth and key strategic milestones

A new therapeutic area
In January, Vimian entered a new therapeutic area – Specialty Pharmaceuticals – through the acquisition of Bova UK. Through Bova, Vimian gains access to customised specialty pharmaceuticals for companion animals, a fast-growing niche of the animal health market. Bova also adds significant innovation and production capabilities to Vimian.

Digitalising the service offering
In July, Veterinary Services acquired heiland.com, an online ordering platform for veterinary clinics. The acquisition marked a milestone in Vimian's strategy to digitalize the service offering to member clinics and accelerate sales.

Accelerated innovation
Vimian advanced key innovation initiatives completing the initial launch of next generation allergy tests and successfully passed the first clinical trials for new allergy vaccines. The first surgeries using Vimian's 3D printed orthopedic implants were completed and Vimian entered a new partnership leveraging artificial intelligence to analyse and diagnose parasites.

Pro-forma revenue and EBITDA development



Vimian doubled in size the past two years
Combining organic growth and acquisitions Vimian has more than doubled in size since 2020 reaching pro-forma revenue of EUR 297m and EBITDA EUR 85.7m by the end of 2022.

Capital raise
In October, Vimian successfully completed a directed share issue of SEK 1.5 billion to finance strategic acquisitions and reduce indebtedness. A number of Swedish and international institutional investors subscribed for shares in the directed share issue.

Financial highlights 2022

+62%

Total sales for Vimian Group grew +62% to EUR 281 million in 2022

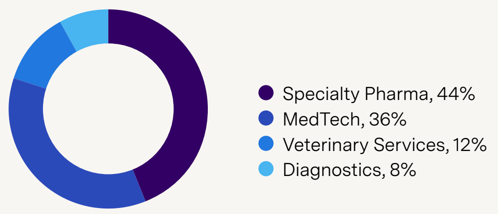
+8.7%

Companion animal organic revenue growth, reported organic growth 3.7%

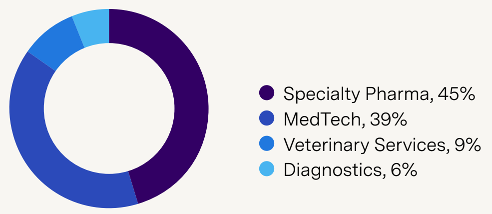
26.1%

Vimian Group 2022 adjusted EBITA margin 26.1%

2022 sales split by segment



2022 adjusted EBITA split by segment*



*) Adjusted EBITA before central costs

Message from our CEO

Resilient business in uncertain times

In a turbulent global environment, our business model showed its resilience and we continued to support veterinary clinics around the world with new innovative products and services to advance animal health.

2022 was another eventful year for Vimian where we entered several new geographies, added a new therapeutic area with Specialty Pharmaceuticals, accelerated digitalisation of our service offering to clinics and rolled out the full MedTech product portfolio to customers across the globe. We continued to improve animal health and support our customers, educating more than 11,000 veterinary professionals during the year.

We delivered strong total revenue growth and welcomed thirteen new businesses to complement our product offering, access new technologies and expand our geographic reach. Our reported organic growth was held back by the phase-out of Covid related sales in Diagnostics, an effect that will abate from the second quarter this year. Overall, we saw more normalised demand in the animal health sector after a year of elevated growth. Our companion animal business, which make up for 94 per cent of Vimian, delivered above market growth of almost 9 per cent including all acquired companies.

During the year we have consolidated companies with different financial profiles and made strategic investments such as new market entries and product launches. This drove near-term margin reset but will be key to re-accelerate organic growth in line with our target. I expect to see leverage on these investments with improving profitability in the coming years.

Strategy review

During fall, we completed a strategy and business plan review confirming our long-term ambition and financial targets. We remain focused on building leading global market positions in niches with unmet medical needs.

In October, we completed a directed share issue of SEK 1.5 billion to reduce indebtedness and finance strategic acquisitions. I would like to extend my sincere gratitude to the large number of Swedish and international institutional investors who support our journey and subscribed for shares.

"We remain focused on building leading global market positions in niches with unmet medical needs"

Customised specialty pharmaceuticals
In January 2022 we achieved an important milestone in Specialty Pharma when we entered a new therapeutic area through the acquisition of Bova. Bova manufactures and distributes customised specialty pharmaceuticals for companion animals, a fast-growing niche of the animal health market where dosages and administration of pharmaceuticals are adapted to specific species and breeds. Bova also adds important innovation and production capabilities to Vimian. In March 2023 we welcomed the non-regulated part of Bova's Australian business. Our ambition is to become a global leader in customised specialty pharmaceuticals.

Advancing allergy diagnostics and treatment
In October, we completed the initial launch of our next generation allergy tests offering more precise and easier testing. Feedback from veterinary specialists was very positive and we proceeded with full commercial launch beginning 2023. During fall, we also completed the first clinical trials for our new allergy vaccines, a positive step in the right direction in our five-year development plan.

A global leader in veterinary orthopedics
In MedTech, we went to market as ONE Movora and rolled out the full product portfolio to customers across all geographies as we integrated all acquisitions in orthopedics. We completed the management transition and welcomed Colleen Flesher with twenty years of medtech experience as new Co-CEO of Movora. In US, the first ankle implant was successfully placed after several years of internal development enabled by Vimian's 3D printing technology, showcasing our commitment to advancing veterinary orthopedics.

Expanding our service offering
In Veterinary Services, we have embarked on the next phase of our journey as a preferred partner to independent veterinary clinics around the world. With the acquisition of online ordering platform heiland.com, and the experienced team we recruited to lead our digitalisation, we now have the technology and competence in place to scale this platform and create an unmatched service offering and a new distribution channel for Vimian. In April, we entered the US through the acquisition of VerticalVet and launched organically in Brazil where we see strong demand from clinics for better procurement terms and support services.

New technology launch in diagnostics
In Diagnostics we have focused on mitigating the revenue decline driven by phase out of Covid related sales and a slower market for livestock diagnostics. We initiated a cost program where we have consolidated our production footprint and reviewed the organisation. We also invested in new growth segments, launching a new diagnostic solution for poultry and new rapid tests for livestock and companion animals combining Indical's technology platform with VetFamily's reach in France.

Towards the end of the year we entered a new partnership leveraging artificial intelligence to analyze and detect parasites. We were able to use our own clinics to rapidly validate the technology and compare with competing offering. Our diagnostic solution is highly sensitive and more affordable for veterinarians. We started to sell the test in the first quarter and I look forward to following the progress.

> "I remain confident about the favourable long-term trends in pet ownership and advanced veterinary care"

Accelerating the sustainability (ESG) agenda
In March, the Board of Directors approved our sustainability strategy focused on our people, animals and the planet. Throughout the year we have established a governance structure, implemented a new policy framework, appointed a full-time resource to manage the sustainability agenda and integrated sustainability in all four segment's business plans. A core team with representatives from across the Group are working to create a solid data-driven foundation which will be critical to reach our ambition to become a global sustainability leader in animal health.

Resilient business in uncertain times
In 2023 we will work on five key areas:

- 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, explore other areas of medtech and drive operational excellence
- 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

While our business model has proved resilient in challenging times, we do face an uncertain global environment near-term. We will focus our attention to accelerate organic growth, strictly monitor cost and create operational leverage. We had a positive start to 2023 and I remain confident about the favourable long-term trends in pet ownership and advanced veterinary care. With our strong positions in attractive niches of the market, I am convinced we can create substantial value over the years to come.

Finally, I would like to thank all our customers and veterinary professionals who work with us on a daily basis, my exceptional 900 colleagues who always walk the extra mile, take ownership and act with a founder's mentality – and not least all our strategic partners that joined us on this exciting journey.

Fredrik Ullman, CEO

The global animal health market

Strong underlying growth drivers

Macro trends driving growth

The core trends driving growth in the global animal health market are (i) increase in pet ownership, (ii) humanisation of pets, (iii) growing awareness of diseases and available products and treatments among pet owners and practitioners, (iv) greater demand for animal protein, (v) prevalence and awareness of zoonotic diseases, (vi) governmental regulations and shifting consumer preferences demanding reduced use of antibiotics, and (vii) productivity focus amongst food producers.

Market forecasted to reach EUR 107bn by 2030

The global animal health market amounted to EUR 56 billion in 2022 having grown at a CAGR of 7.5 per cent between 2017 and 2022. The market is expected to see continued strong growth with a 2022 to 2030 average growth of 8.5 per cent annually, reaching EUR 107 billion by 2030.*

2022 was a challenging year

Following an exceptional period affected by the pandemic in the second half of 2020 and in 2021, with double digit market growth, 2022 has been a challenging year. Rising interest rates and inflation has put consumer disposable income under pressure, also impacting the resilient animal health sector. The global animal health market is estimated to have grown c. 5 per cent in 2022, following 14 per cent growth in 2021.*

North America

North America accounted for 43 per cent of Vimian's sales in 2022. The US is Vimian's single largest market with the majority of operations in MedTech as well as Specialty Nutrition via GlobalOne Pet Products. The US market showed resilient growth during 2022, primarily driven by price increases and mix impact with faster growth in more advanced treatments. The number of veterinary clinic visits is estimated to have declined compared to 2021, but showing stable growth compared to pre-pandemic levels.

Europe

Europe accounted for 49 per cent of Vimian's sales in 2022. Performance of the region has been mixed during 2022, with northern Europe more resilient whilst southern Europe has been harder hit by macroeconomic headwinds.

Rest of world

Rest of World accounted for 8 per cent of Vimian's sales in 2022 with the largest markets Australia, New Zealand and Japan. Growth in this region has seen a similar normalisation of demand during 2022.

A fragmented market

The animal health industry remains fragmented with a vast number of smaller, innovative players operating in specific market niches and local regions. By bringing pioneering businesses together and connecting them to a distribution reach of over 15,000 small and independent veterinary clinics, Vimian make the market's most innovative offerings accessible to more animal health professionals and pet owners.

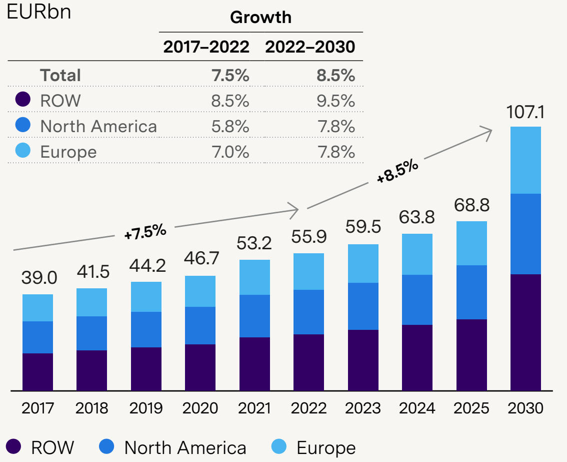
Driving market growth

Vimian contributes to market growth by developing a global distribution and offering extensive professional training and education.

*) Grand View Research, February 2023

Animal health market by region*

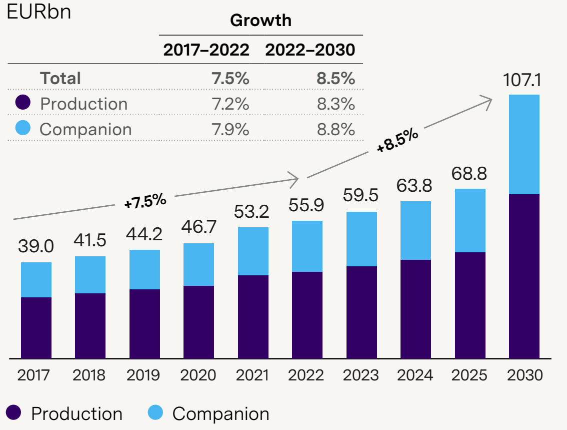
EURbn



*) Market data source Grand View Research

Animal health market by segment*

EURbn



*) Market data source Grand View Research

Strategy and business model

Vimian is building global, leading market positions in select areas of animal health with unmet medical needs. At Vimian, we believe that every animal deserves the best available care. By combining forward-leaning R&D initiatives and bringing pioneering businesses together, Vimian make the market's most innovative products, services, and treatments accessible to more animal health professionals and pet owners. We drive organic growth through innovation and product development, by ensuring full product availability in all geographies and educating veterinary professionals in available treatments and surgeries. We pursue strategic M&A with industrial logic in portfolio expansion, geographic expansion, channel expansion and new technology. Our presence in over 90 markets make us ideally positioned to connect local champions with the global market.

Vision	**Together, we improve animal health through science and technology for better lives**				
Purpose	**Dedicated to improving animal health and the lives of those who care for them**				
How we win as a Group	Capture significant white space – education, sales and marketing	Drive innovation and product development	Unlock new geographies – ensure full product availability in all markets	Realise full potential of combining acquired businesses	Drive value through M&A in highly fragmented market
Our foundation and values	**Creating a global sustainability leader in animal health**				
Our culture	Act like a founder	Connect for impact	Unlock potential in others	Dare to be you	

Our financial targets and performance

Vimian delivers value through organic growth and value adding acquisitions in existing and potential new segments of the animal health market. The group operates in select areas of the animal health market, with unmet medical needs and untapped white space. Vimian has multiple organic growth initiatives ongoing as well as high synergy potential across the group. Improving profitability will reflect scale advantages and realisation of synergies.

	Growth		Margin	Profitability	Capital structure
Medium-term targets set by the Board of Directors	**30%** Total revenue growth	**15%** Organic revenue growth	**~35%**	**€200m**	**<3x**
	Vimian shall achieve revenue CAGR of 30 per cent in the medium-term of which at least 15 per cent is organic		Vimian shall reach an adjusted EBITA margin of approximately 35 per cent medium-term	Vimian shall achieve an annual adjusted EBITA of above EUR 200m by 2025	Net Debt/Pro-forma LTM Adjusted EBITDA, subject to flexibility to fund acquisitions
Achievement 2022	**62%** Total revenue growth	**3.7%** Organic revenue growth	**26.1%** Adjusted EBITA margin	**€73.4m** 2022 reported adjusted EBITA	**3.0x** 2022 Net Debt/Pro-forma LTM Adjusted EBITDA
		8.7% Companion organic growth		**€85.7m** 2022 pro-forma* EBITDA	

*) Including the full year effect of all acquisitions closed during 2022 (as if Vimian owned the companies since 1 January 2022)

Organic growth

Addressing niches with unmet medical needs

Organic growth is a core lever in Vimian's strategy for value creation. Operating in niches with significant unmet medical needs, the fundamental driver of growth is making treatments and products accessible to and known by veterinarians and pet owners.

Vimian has multiple levers to accelerate organic growth including rolling-out the full product portfolio across geographies and sales channels, educating veterinary professionals to drive market growth, entering new geographies and launching new products. These initiatives primarily take place within each of Vimian's four segments, including synergy capture between acquired companies. In addition, Vimian has started to leverage initial cross-selling opportunities between the segments, primarily focused on introducing MedTech and Specialty Pharma products to member clinics in Veterinary Services.

In 2022, Vimian's companion animal business, excluding diagnostics (92 per cent of Vimian) delivered solid 11.5 per cent pro-forma organic growth despite challenging macroeconomic conditions. Growth in Diagnostics was held back by the phase out of Covid sales and market headwinds in livestock diagnostics.

Key organic growth initiatives in 2022 included:

Specialty Pharma

- Established direct distribution and integrated products from acquired companies into Nextmune's country organisations
- Channel expansion and new products onboarded to the fast-growing online direct to consumer channel
- New products onboarded and regional expansion within large retail customer accounts in US
- Increased focus on key customer accounts (laboratories and clinic groups) accelerating sales and new contracts

MedTech

- Acquired product portfolios onboarded and available to all country organisations
- Integrated full brand portfolio in acquired distributors in UK, France and Australia and New Zealand – offering local customer support, shorter delivery times and local sales
- Strengthened sales force in US, Canada, Japan, DACH and Spain
- New product launches – new range of knee joint plates, new imaging equipment
- Extended annual ordering program to all Movora customers including all Movora brands
- 2,102 veterinary professionals educated during the year, driving sales and total market growth

Veterinary Services

- New member recruitment and upgrades of membership in tiered model
- Re-negotiation of strategic partner agreements and addition of new agreements in select markets
- Greenfield entry into Brazil and preparation for greenfield entry into Belgium

Diagnostics

- Focus on new growth segment in poultry – partnership with Evonik and launch of next generation salmonella typing test
- Continued growth of extraction workflow in core veterinary market. Expanding reach and improving value proposition to end-customers
- Launch of new products in core diagnostics segment to meet regional needs

Greenfield entry into Brazil

In September, Vimian successfully entered a new continent opening a branch in Brazil, run by country manager Henry Berger.

- VetFamily brings a business model that is unique for the country
- Clinics are recruited through targeted marketing on social media in combination with traditional sales
- More than 140 members recruited in the first quarter. Key strategic partners and suppliers onboarded
- The Brazilian companion animal health market is one of the world's largest, catering to 150 million pets through more than 20,000 independent veterinary clinics
- The launch marks VetFamily's fastest growth in a new market

Case organic - educating veterinary professionals

Improving quality of care and driving market growth through education

Vimian hosts education and trainings for veterinary professionals to increase quality of care, enable professional development for veterinarians and drive sales and market growth. In 2022, 11,325 veterinary professionals took part in one or several of Vimian's trainings.

Movora offers in-person and digital training courses to general practitioners in surgery and educate veterinary surgeons to perform more advanced orthopedic surgeries. Nextmune hosts digital trainings and seminaries together with key opinion leaders from the industry, educating veterinary professionals within the fields of allergy and dermatology, two areas where Vimian is market leading in innovation and novel therapies.

There is still a significant unmet medical need with many pets suffering from e.g., allergies and joint or skeleton conditions not receiving treatment. Educating more veterinarians to treat these conditions unlocks overall market growth. The educational events also translate into sales, and over time higher customer loyalty. For the veterinary clinics, upskilling their staff enables them to expand their offering with advanced orthopedic surgeries, which in turn can generate new revenue streams.

Movora has an extensive range of more than 500 SKU's with TPLO plates and screws.

Clinics educate surgeons to access new revenue streams

- The knee joint surgery called TPLO (Tibial Plateau Leveling Osteotomy) is one of the most common orthopedic surgeries performed on dogs.
- Movora educates veterinarians to perform TPLO surgeries in their education centers in Boston and Zurich.
- TPLO is an effective long-term solution for the rupture with quick recovery for the animal.
- For clinics, offering TPLI is an opportunity to access new revenue streams. Educating one veterinary surgeon to perform TPLO surgery 10-20 times per week, a clinic can increase weekly revenue by $40,000-80,000.

Driving market growth with new advanced procedures

- The overall prevalence of Hip Dysplasia (HD) in all breeds is about 14 per cent. Some breeds are more affected than others – e.g., 50 per cent of St. Bernards vs 6 per cent[1] of Doberman Pinschers.
- Movora trains surgeons undergoing a specialisation degree in the highly technical Total Hip Replacement (THR) procedure – replacing a painful or damaged hip joint with an artificial one, enabling the animal to pain free movement.
- THR is currently considered the best treatment for management of debilitating conditions of the hip joint in dogs, **with a 90-95% success rate.**

1) https://ofa.org/diseases/disease-statistics/

Case organic - educating veterinary professionals

Industry leading experts with omnichannel access

All Vimian's educations and products are developed in close collaboration with industry leading veterinary specialists to uphold the highest medical standards and latest techniques. In MedTech, 17 specialised veterinary surgeons from both academia and clinics serve on a Global Scientific Advisory Board. Educations are offered in a mix of physical and digital channels and provide credits for continuing professional development such as CPD (continuing professional development) in UK and Netherlands and ATF (Akademie für tierärztliche Fortbildung) in Germany.

2022 highlights;

- **> 1,500 surgeons were educated** in Vimian's training centers in Zurich and Boston
- In Specialty Pharma, **Nextmune educated almost 7,000 veterinarians and participated in 50 congresses in 12 countries.**
- **In MedTech, a new e-learning platform** was launched offering 19 online courses for surgeons, general practitioners and technical residents

Movora Symposium

In 2022, Movora hosted the first global educational event under the Movora brand. 120 veterinarians participated during two days in Las Vegas. The program included lectures, hands-on trainings and panel discussions with 20 world renowned surgeons.

Nextmune participating in 50 congresses in 12 countries

At the ESVD congress in Portugal in September, Nextmune officially presented the new molecular allergy testing technology PAX where Dr. Thierry Olivry, Nextmune's Head of R&D, also lectured.

Case organic – leading innovation

Improving animal health through innovations

Innovation and research is important to advance veterinary medicine and improve animal health. With better and more efficient diagnostic solutions and treatments, more animals can get appropriate care. Vimian pursues innovation in-house as well as in partnership with external parties, for example in partnership with companies that access new technologies, human health care providers and veterinary specialists.

First milestone reached in vaccine development against house dust mite allergen

Next generation allergy vaccines

Nextmune has partnered with **Angany,** a Canadian biotechnology company focused on the development of novel bioparticle-based vaccines, to develop faster acting and more effective vaccines for the long-term prevention of allergy flares in dogs, cats and horses. The development timeline until commercialisation is expected to run until 2025. In 2022, the first key milestone was achieved when a vaccine was confirmed to be safe and induced a strong immune response against the house dust mite allergen Der f 2, one of the most common pet allergens that 30 percent of dogs who have allergies react strongly to.

Next generation allergy testing

For decades, the method for allergy testing in veterinary medicine has been challenged by results that vary considerably with the risk of resulting in a false negative or being difficult to reproduce.

In 2022, Nextmune in partnership with Macro Array Diagnostic, takes on this challenge with a new test called the Pet Allergy Xplorer (PAX). PAX identifies each individual allergenic protein and therefore can ensure more accurate and sensitive information.

PAX is developed based on existing technology for human health care and is unique in animal health. It is the first commercial serological IgE-specific test (blood test) that uses allergen extracts and molecular components to identify which allergens are affecting pets.

The test was introduced to veterinary specialists in September 2022 and the full commercial launch is scheduled for January 2023. Learn more at **https://insights.nextmune.com/pax/petallergyxplorer**

Macro Array Diagnostic's test PAX identifies each individual allergenic protein to ensure more accurate information.

Case organic – leading innovation


During summer 2022, Duncan a miniature horse got a 3D printed left hip replacement.


Rosie, a Labrador, got a 3D printed right ankle replacement.

3D printed veterinary orthopedic implants

Movora is one of the first companies to bring 3D printing to the veterinary field and "print" hip, elbow and ankle implants for companion animals from titanium alloy. The customized implants can meet patient specific clinical problems that cannot be managed through standard products.

Further, the 3D printing enable production of implants with minimum waste since it only uses the exact amount needed for the implant. In 2022, the first successful surgeries with 3D printed orthopedic implants were completed.

Parasite testing with artificial intelligence

The method to determine the prevalence of internal parasites in companion animals has historically been a time-consuming manual process relying on human interpretation of samples. In partnership with a technology provider, Indical Bioscience is launching OvaCyte™, a patent-protected platform technology using artificial intelligence to identify and count intestinal parasite eggs.. The solution requires less than two minutes of the user's time to prepare and load, and the rest of the process is fully automated. The new technology was commercialised beginning of 2023 for the equine and bovine markets, leveraging sales channels of all Vimian's segments.

Strategic acquisitions

Selective approach to achieve desired market positions

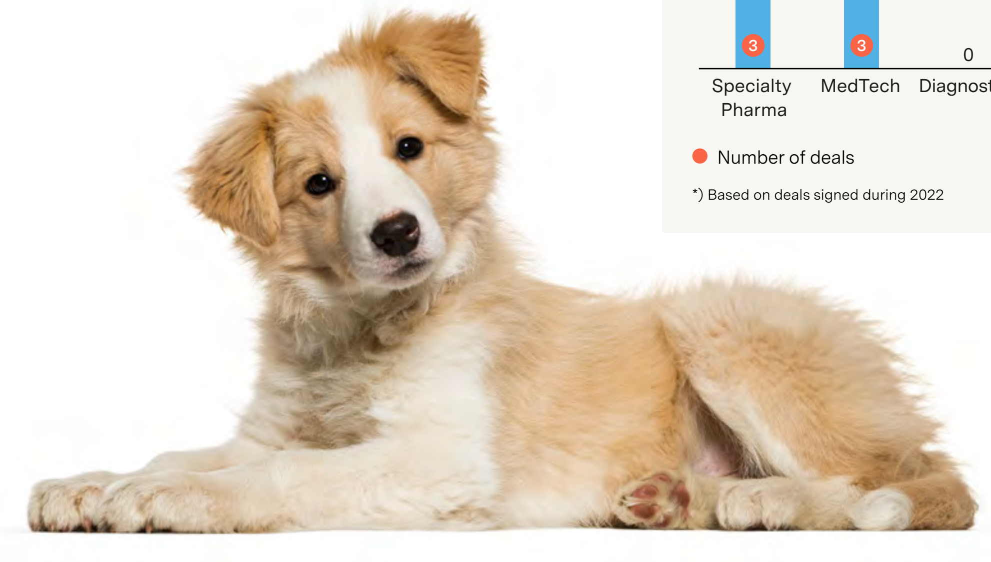
Strategic acquisitions are together with organic growth the core of Vimian's strategy to build a global leader in animal health. Vimian partners with successful entrepreneurs and management teams in companies that have a strategic fit with Vimian's existing businesses and are key to build market leading positions in each of Vimian's segments.

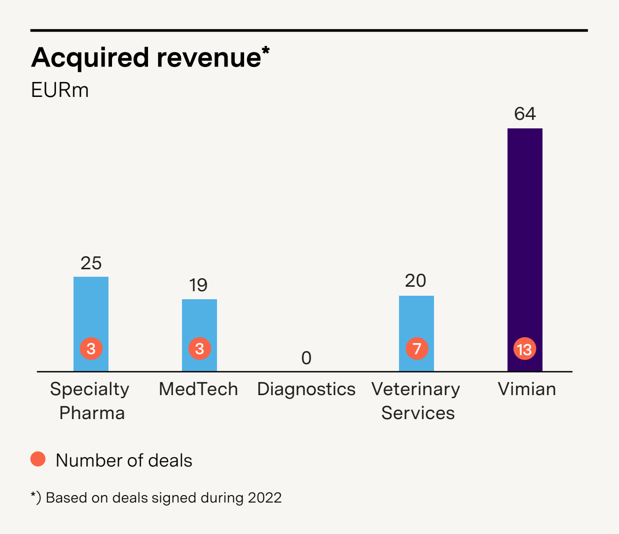
Vimian's inorganic growth strategy is based on four dimensions of value creation: portfolio expansion, geographic expansion, channel- or customer expansion and new capabilities or technology.

The ambition is to create a dynamic and non-hierarchical environment where entrepreneurs can thrive, and local management is empowered to allow for quick decision making close to customers. Synergies are realised through alignment of incentives and goals already during the acquisition, rather than through top-down enforcement of processes and plans. Entrepreneurs and companies joining the Group are offered the advantage of a global group with access to new customers, markets, and competences as well as resources to invest in growth and innovation. The vast majority of Vimian's acquisitions have been sourced through bilateral discussions.

- **Within Specialty Pharma**, Vimian entered a new therapeutic area through the acquisition of Bova UK, a pharmaceutical company focused on customised specialty pharmaceuticals for companion animals. Through Bova UK, Vimian gained access to new innovation and production capabilities. Vimian also complemented its product offering in allergy diagnostics & treatments through the acquisitions of Vet-Allergy and Avacta Animal Health.
- **In MedTech**, Vimian completed three add-on acquisitions expanding its geographical footprint into Australia/New Zealand with Kahu Vet Group, complementing the product portfolio with Everost/Spectrum and accessing a new, loyal customer base with NGD.
- **In Veterinary Services**, Vimian entered the US through the acquisition of VerticalVet adding more than 1,000 new independent member clinics. In July, Vimian acquired the online ordering platform heiland.com, establishing an online sales platform that can be leveraged across all geographies and segments. The Group has also co-invested in four additional clinics.

The global animal health market remains highly fragmented, and there are significant opportunities for further value-enhancing M&A. Vimian is well positioned with a strong network of successful animal health companies that have a clear strategic fit with the Group.





In 2022, Vimian signed 13 strategic acquisitions with combined revenues of c. EUR 64 million.

Select acquisitions with a strong strategic rationale

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 2m	UK	March	◔	◔	◑	○	Fully integrated in Nextmune UK, initial synergies realised
	Viking Blues Pty Ltd (Bova AUS)	EUR 13m	AUS	Q1 2023	●	●	◑	○	Closing Q1 2023
MedTech	Kahuvet	EUR 10m	Australia	March	◔	●	◕	○	Selling full Movora portfolio, delivery time from 1 week to 1 day
	Everost & Spectrum	EUR 6m	US	April	●	○	◕	◔	Integrated in US warehouse, sold in Europe and Asia
	NGD	EUR 3m	US	August	○	○	●	○	Integrated in US warehouse, sold in Europe and Asia
Veterinary Services	Vertical Vet	EUR 6m	US	April	◑	●	●	◔	Movora and Nextmune products sold through VerticalVet platform
	Four veterinary clinics	EUR 11m	Nordics	April/May/August	○	○	◔	◔	
	Heiland.com	EUR 2m	Germany	August	◑	○	●	●	Selling Movora and Nextmune products, expansion prepared

Case M&A – new therapeutic area

Entering a new therapeutic area in Specialty Pharma

In January, Vimian acquired Bova UK, a leading companion animal specialty pharmaceuticals company in the UK. The acquisition marked the entrance into a new therapeutic area, adding significant innovation and production capabilities to the Group.

Specialty pharmaceuticals is an attractive and fast-growing niche of animal health with significant potential for geographic expansion.

Bova develops, manufactures, and commercialises customised specialty pharmaceuticals. The portfolio of consist of 100+ formulations in 11 different dosage forms, customised to facilitate administration to different breeds, weight classes and other critical characteristics. Bova's customer base across UK and ten European markets is served through an online ordering system delivering within 24 hours. During 2022, Bova launched 27 new products and have an additional 40 in the pipeline for 2023.

Specialty pharmaceuticals is strategically important for Vimian's Specialty Pharma segment providing an innovation and commercialisation hub for new products, allowing quick evaluation of efficacy, safety and commercial potential. This is exemplified by a unique advantage when partnering with early-stage bio-tech and pharma companies – innovations can be commercialised prior to the completion of full scale clinical trials and subsequent product registrations. Leveraging this capability, Bova is currently developing an osteoarthritis drug for horses together with a biotech company.

During the first quarter 2023 Vimian completed the acqusition of Viking Blues Pty Ltd (the non-regulated part of Bova in Australia), taking the next steps on the journey to establish a global leader in specialty pharmaceuticals.

This is Bova UK

- Established in 2017 by pharmacist Nick Bova who still leads the company
- The first company to receive Veterinary Medicines Directorate (VMD) authorisation to manufacture sterile veterinary products in the UK
- 100+ specialty pharmaceutical formulations for dogs, cats, horses and exotic animals
- 64 employees
- 1,800 sqm production facility in London covering sterile and non-sterile products
- EUR 13m in annual revenues, c. 40% EBITDA margin
- 37% revenue growth in 2022

Case M&A – building Movora

Building a global leader in veterinary orthopedics

Over the past three years, Vimian has carefully built a global market leader in veterinary orthopedics.

Under the umbrella of the **Movora** brand Vimian supports veterinary clinics across the globe with industry-leading orthopedic solutions, surgical instrumentation, and hands-on education so that clinics can deliver the best outcome for their patients.

A complete product portfolio

During 2020 Vimian combined three companies in veterinary orthopedics – **Kyon** with Swiss made titanium implants, the innovation leader **BioMedtrix** and **VOI** with exceptional sales execution and strong portfolio of plates and screws. Together these companies formed the core of Movora.

Today Movora's brand portfolio has grown through acquisitions and innovation, and spans from surgical instruments, screws and plates to advanced joint solutions as well as 3D printed customised implants.

Establish global reach and local presence

To secure an optimal, direct go to market model with dedicated teams on the ground in key geographies Movora has acquired three distributors in France, UK and Australia & New Zealand.

Being close to customers with local language, order taking and technical support is key to accelerate sales. By the end of 2022 all three distributors carries the full brand portfolio with shorter delivery times and improved customer service.

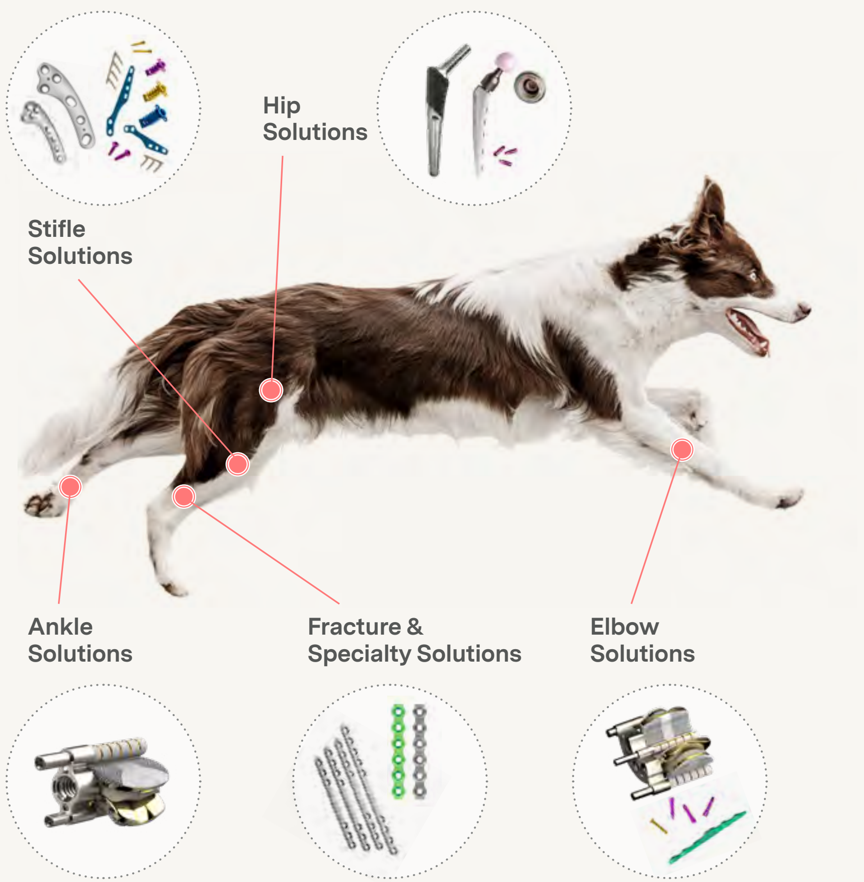
Integrating acquired companies

From working in silos as separate companies the organisation is now working in a matrix structure with regions and functional teams in marketing, education, innovation and R&D. In each region the company goes to market as ONE Movora and sells the full brand portfolio.

Step by step Movora integrates acquired companies, whilst maintaining entrepreneurial freedom, a few early examples:

- IMEX global distribution brought in-house, capturing greater share of margin
- Everost and Spectrum portfolios fully integrated into US warehouse
- Starting to replace global third party instrument sales with Spectrum brand
- Hosted the first total joint replacement education courses in the Freelance lab in UK
- KahuVet selling the full Movora brand portfolio and a range of Nextmune products

Orthopedic Solutions



Surgical products

- Instrumentation
- Pins & Wires
- Surgical Power
- Suture & Wound Closure
- Imaging

Case M&A – building Movora

Combining companies with complementing capabilities and portfolios

Movora was created through the combination of nine companies around the world to create a global leader in veterinary orthopedics covering innovation and product development, sales execution, education, operations and local presence.

	KYON	BioMedtrix	Veterinary Orthopedic Implants	AdVetis Medical	Freelance Surgical	Kahuvet knight benedikt	IMEX Veterinary, Inc.	Everost VetSpectrum	NGD New Generation Devices	Movora
R&D	●	●	◔	○	○	○	◑	◔	◑	●
Product portfolio	◑	◔	◕	◑	◑	◑	◔	◔	◑	●
Sales execution	◔	○	●	●	◕	◕	◔	○	○	●
Other fulfilment	◑	◑	●	◕	◕	◕	◑	○	◔	●
Education	◕	◑	◕	◑	◑	◕	◔	◔	◔	●
Lab facilities	●	◔	○	○	◑	◕	○	○	○	●
KOL management	●	●	◑	◑	◑	◑	◔	◔	◔	●
Local sales	○	○	●	●	●	●	◔	○	◔	●
Key region	Europe & US	US	US	France	UK	NZ & AUZ	US	US	US	●

Illustration shows the step by step creation of Movora as it is today. Combining nine companies around the world to create a total solution for veterinary health professionals excelling in all areas from product development, sales execution, education, operations, supply chain and local presence.

Case M&A – heiland.com

Digitalising the service offering

In July 2022, Vimian strengthened its service offering to veterinary clinics through the acquisition of heiland.com, a leading German online purchasing portal for veterinary products. Heiland.com is fast-growing with an attractive market position, a proprietary technology and a loyal customer base.

Strengthened service offering and accelerated sales

Heiland.com, offering veterinary pharmaceuticals, consumables, nutrition and more adds an important tool to Vimian's service portfolio. The purchasing portal enables a more efficient and convenient ordering process for both suppliers and clinics.

Key features include the supplier insights tool, where partners and suppliers get deep, real-time insight about spend and trends, as well as the ads-management tool, that enables suppliers to reach customers without local sales force.

Opportunity to scale the digital platform

The acquisition of heiland.com aligns with Vimian's strategy to digitalise a global service offering for veterinary clinics. As a first step in 2022, the portal is integrated with VetFamily Germany, immediately generating synergies as independent clinics on Heiland discover VetFamily and vice versa.

In October 2022, Gustav Grundström, with a background from the e-commerce industry and the streaming world joined Vimian to lead the continued development and geographic expansion of heiland.com.

Over time, heiland.com can be leveraged as an online sales channel for all Vimian products. In September 2022, part of Nextmune's product portfolio was onboarded to the portal.

Heiland.com today

>50,000
Monthly visitors

>130mEUR
Annual gross merchandise value

>100
Suppliers integrated

>1,700
Monthly active users
(15–20% of all veterinarians across Germany)

>90%
Customer retention rate over the last 12 months

>40,000
Products

Integration started in 2022

- Onboarded 87% of the suppliers under contract, up from 78% in 2021
- Increased the number of Stock Keeping Units, reaching 47,000 at the end of the year
- Assessment and prioritization of new markets for geographical roll-out
- Launched a new Insights module and sponsorship opportunities feature for suppliers
- Hired new Head of Product Gustav Grundström to lead the geographic expansion

Vimian's four segments

Vimian targets four animal health segments: Specialty Pharma, MedTech, Veterinary Services and Diagnostics. These segments operate under the brands Nextmune, Movora, VetFamily and Indical Bioscience.

/ Specialty Pharma

Through the Nextmune brand, Vimian is a global provider of diagnostics, prescription and non-prescription treatments for preventive care and treatment of chronic conditions for companion animals. It has a strong position within allergy, dermatology, specialised nutrition and specialty pharmaceuticals.

320 employees

44% of total revenue

/ MedTech

Through the Movora brand, Vimian provides orthopedic implants, power-tools, instruments, sutures and other adjunct products to veterinary clinics and universities. With approx. 6,000 products, it offers one of the broadest portfolios within companion animal orthopedics.

240 employees

36% of total revenue

/ Veterinary Services

Vimian operates in the veterinary services segment by providing services to veterinary clinics through a membership-based platform called VetFamily. The wide ranging service offering provides clinics with support functions that include procurement and new digital services.

230 employees

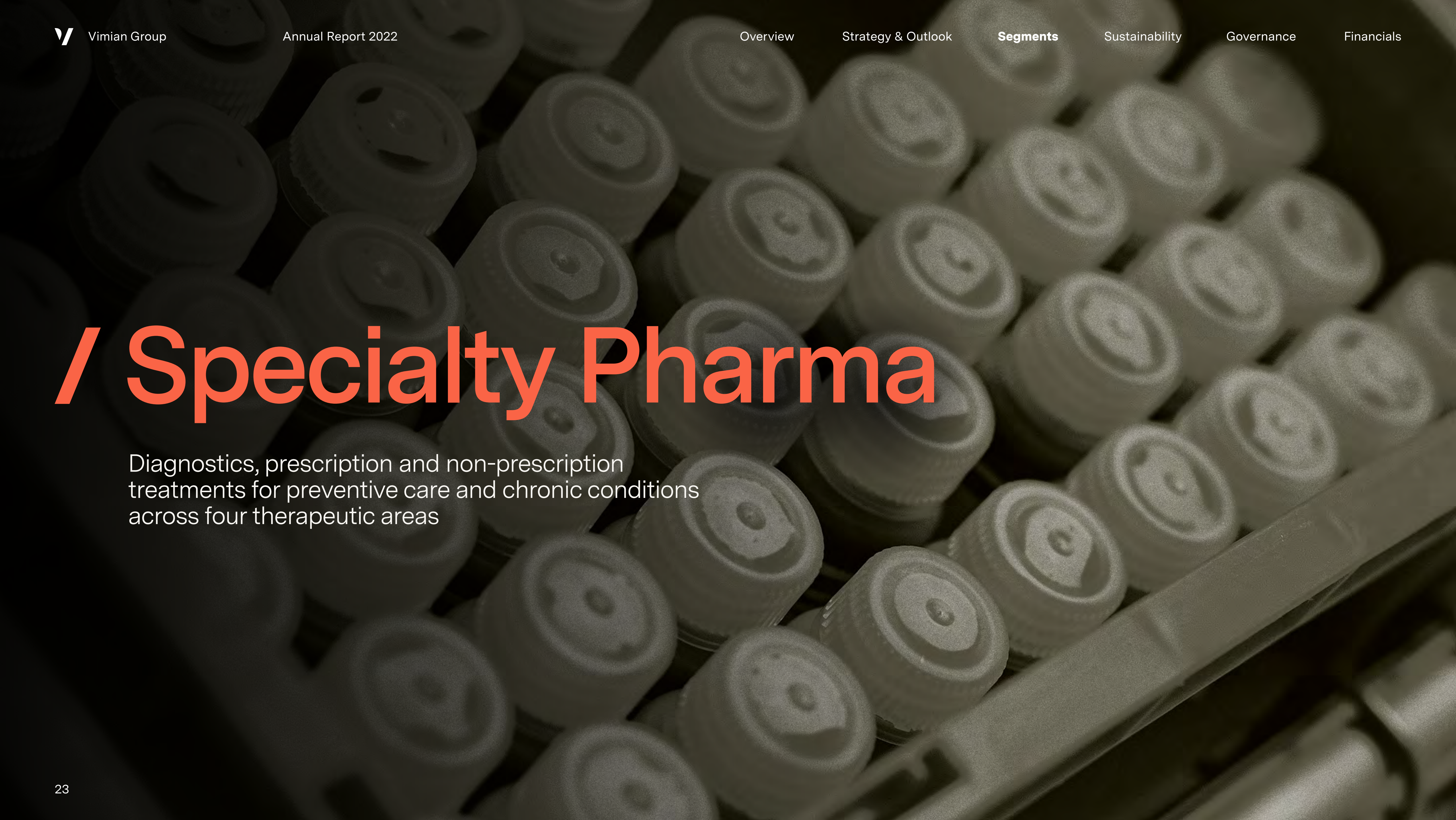
12% of total revenue

/ Diagnostics

Vimian's diagnostics portfolio is marketed under the brand names Indical Bioscience, Svanova, Afosa and Check-Points. The brands' leading molecular and immunodiagnostic solutions are used by public and private laboratories for veterinary specific applications worldwide.

100 employees

8% of total revenue



/ Specialty Pharma

Diagnostics, prescription and non-prescription treatments for preventive care and chronic conditions across four therapeutic areas

Specialty Pharma

Diagnostics, prescription and non-prescription treatments for preventive care and chronic conditions across four therapeutic areas

Vimian's Specialty Pharma segment provides diagnostics, prescription, and non-prescription treatments for preventive care and chronic diseases, to veterinary clinics and laboratories worldwide.

Vimian's brand in Specialty Pharma is Nextmune, reaching more than 20,000 veterinarians in 75 countries. The company is a global leader in allergy, dermatology, specialised nutrition and specialty pharmaceuticals. The portfolio includes proprietary diagnostics, prescription (c.40 per cent) and non-prescription (c.60 per cent) treatments for preventive care and chronic conditions.

Focus on innovation

The segment has seven licensed manufacturing facilities and laboratories and 50 patents, protecting a portfolio of over 700 products. During 2022, more than 50 new products were launched, delivering over EUR 8m in revenue. The pipeline for 2023 contains over 100 new product launches.

Specialty Pharma strategy

Vimian has a two-pronged strategy for the Specialty Pharma segment; to reach full potential in current therapeutic areas and establish presence in adjacent therapeutic areas. This is achieved through:

1. Penetrating existing and new markets
2. Building multichannel client partnerships
3. Exploiting white space in key therapeutic areas
4. Strategic M&A

Route to market

Vimian operates a multichannel go-to-market model, which varies across geographies depending on market dynamics. The broad customer base includes veterinarians, laboratories, wholesalers, retailers, and pet owners.

2022 development

Revenue for the year 2022 increased by 82 per cent to EUR 124m with pro-forma organic growth of 15 per cent. The reported organic growth of 7 per cent is lower due to slower growth in southern Europe. Adjusted EBITA reached EUR 35m with a margin of 28 per cent. The margin reflects

consolidation of the large and fast growing Specialty Nutrition business in the US (GlobalOne) which gives Vimian access to the attractive US pet retail channel.

During 2022, Nextmune reached an important strategic milestone entering specialty pharmaceuticals through the acquisition of Bova UK, strengthened its presence in key markets in Europe and prepared for direct distribution in France, Spain and in the US. The Dermoscent dermatology portfolio is now distributed through the segment's own sales force and new products have been onboarded to the direct-to-consumer online channel, resulting in 60 per cent sales growth online.

A first milestone was reached in the allergy vaccine development together with biotech company Angany, successfully immunizing dogs in laboratory trials. A new partnership was signed with Macro Array Diagnostics to develop and commercialise next generation allergy tests based on molecular allergology for companion animals. Following a successful initial marketing launch for the new allergy tests in September 2022, commercial launch was initiated in Q1 2023.

nextmune

"In 2022, we strengthened our market positions across all therapeutic areas. We also entered a new therapeutic area – specialty pharmaceuticals – through the acquisition of Bova. We reached the first milestone in the development of next generation allergy vaccines, established direct distribution in key geographies and onboarded more products to our fast-growing direct to consumer online channel."

Magnus Kjellberg
CEO of Nextmune

+70
countries present 2022

+50
patents

7
production facilities (4 in Europe, 2 in UK, 1 in US)

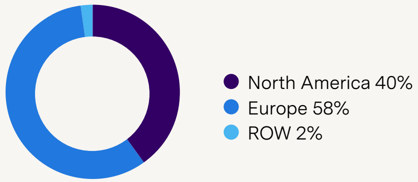
28.4%
2022 adjusted EBITA margin

+15%
pro-forma organic revenue growth, reported organic growth +7%

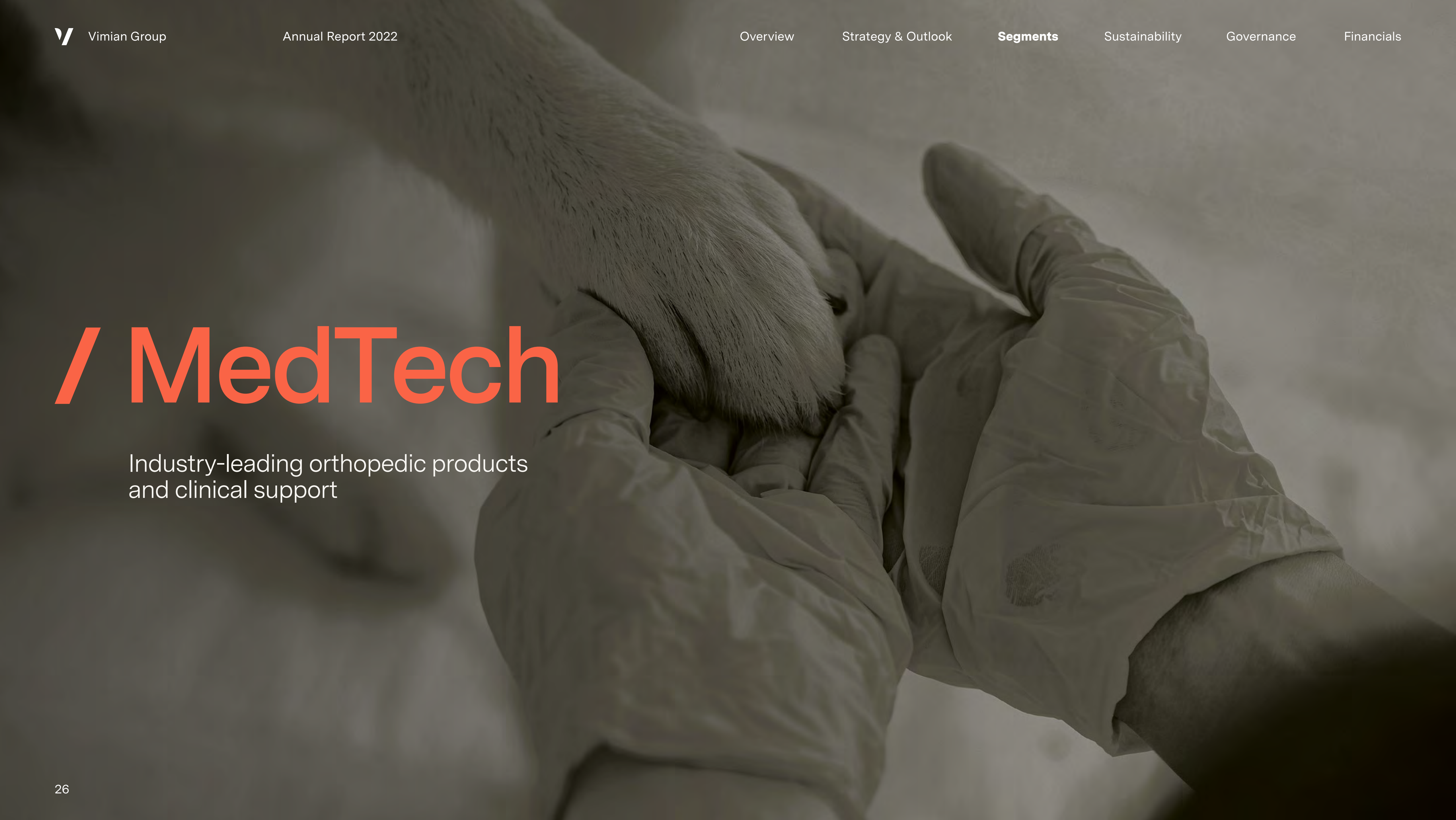
44%
of Vimian's revenue (2022)

Split of 2022 revenue
%

Split of 2022 revenue by region
%



7,000
veterinary professionals educated



/ MedTech

Industry-leading orthopedic products and clinical support

MedTech

Industry-leading orthopedic products and clinical support

Vimian provides orthopedic implants, power tools, instruments, sutures and other adjunct products to veterinary clinics and universities in North America, Europe, and Asia-Pacific. It has one of the broadest and most advanced product portfolios in veterinary orthopedics.

Vimian's brand in the MedTech segment is Movora with over 6,000 products sold under well-known sub-brands in over 50 countries. The portfolio ranges from fracture plates and screws to complete hip replacement systems. Movora has strong R&D and product development capabilities in-house, while production is primarily outsourced to qualified suppliers.

MedTech strategy

Vimian's MedTech strategy is centered around three main initiatives:

1. Expand geographical reach into key markets
2. Expand addressable markets with new products and technologies
3. Capture parts of a large white space and address unmet medical needs

Educating veterinarians in surgery is important to drive market growth and sales as well as to increase customer loyalty. In 2022, more than 2,000 veterinary professionals participated in Movora's trainings (see p. 12–13 for more information about how Vimian works with education).

Route to market

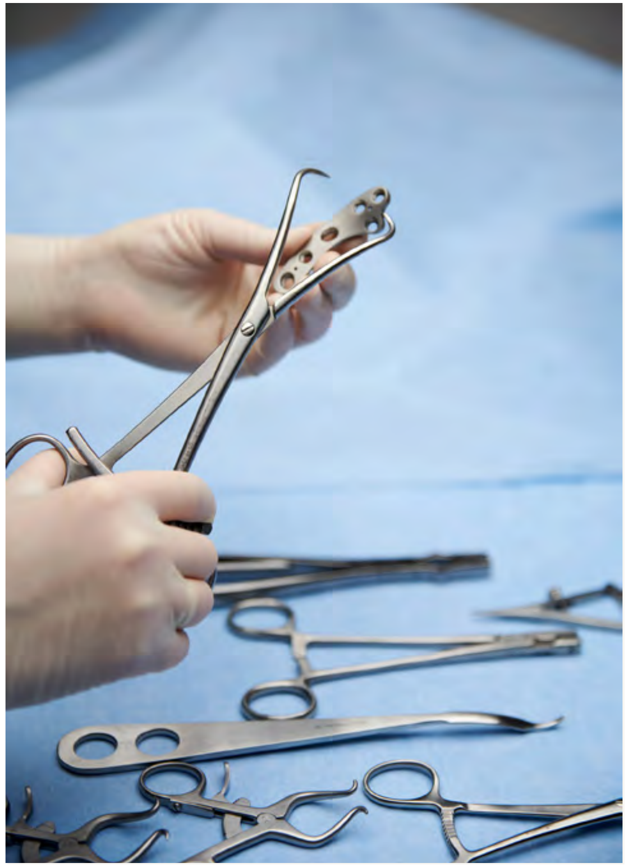
Around 95 per cent of MedTech products are sold through direct orders via phone and e-commerce. Customers are veterinary clinics (primarily orthopedic specialists), large hospitals, corporate groups and veterinary universities.

2022 development

Revenue for the full year 2022 increased by 64 per cent reaching above EUR 100m for the first time. Solid organic growth of 10 per cent, primarily driven by the US. Adjusted EBITA of EUR 31m with a margin of 30 per cent. Consolidation of three acquired distributors has lowered the reported margin, legacy margins are stable. During 2022, Movora participated in a number of conferences and trade shows launching the Movora brand as a leading provider of veterinary orthopedic equipment. In September, Movora hosted the first global educational event under the Movora brand in Las Vegas with 120 attendees from 15 countries.

Integration and synergy realisation from acquired companies and portfolios continued. The full brand portfolio is today available for sale in all European, Asian markets and in the US. The three acquired distributors now carry the full brand portfolio, with shortened delivery times and local customer support in France, UK, Australia and New Zealand. Movora's sales force was strengthened through recruitments in key geographies and several new products were launched including a new range of knee joint (TPLO) plates.

The annual ordering programme, which allows customers to purchase the full year's supply of orthopedic implants and surgical products in the first quarter, was successfully extended to include all customers and all brands. Participation in the programme increased by over 20 per cent year over year. The programme frees up time and allows the sales force to spend the remainder of the year to to serve existing and recruit new customers. The programme is beneficial for customers saving time, securing inventory supply and reducing shipping costs.



Movora

"2022 was a transformative year for Movora. For the first time, we went to market as ONE Movora and rolled out the full product portfolio to customers across all geographies. We were highly active in the market, educating more than 2,000 veterinarians in surgical procedures, hosting a large Movora Symposium and attending 34 trade shows around the globe. In December, we completed the management transition and welcomed Colleen Flesher as new Co-CEO alongside Guy Spörri."

Colleen Flesher
Co-CEO of Movora

Guy C. Spörri
Co-CEO of Movora

60
countries present 2022

60
patents

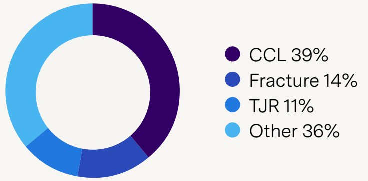
2
manufacturing facilities, including 3D printing

30.2%
2022 adjusted EBITA margin

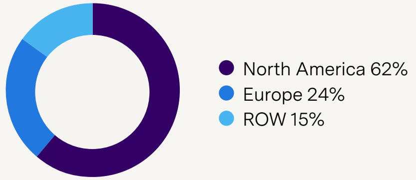
+10%
organic revenue growth for MedTech

36%
of Vimian's revenue (2022)

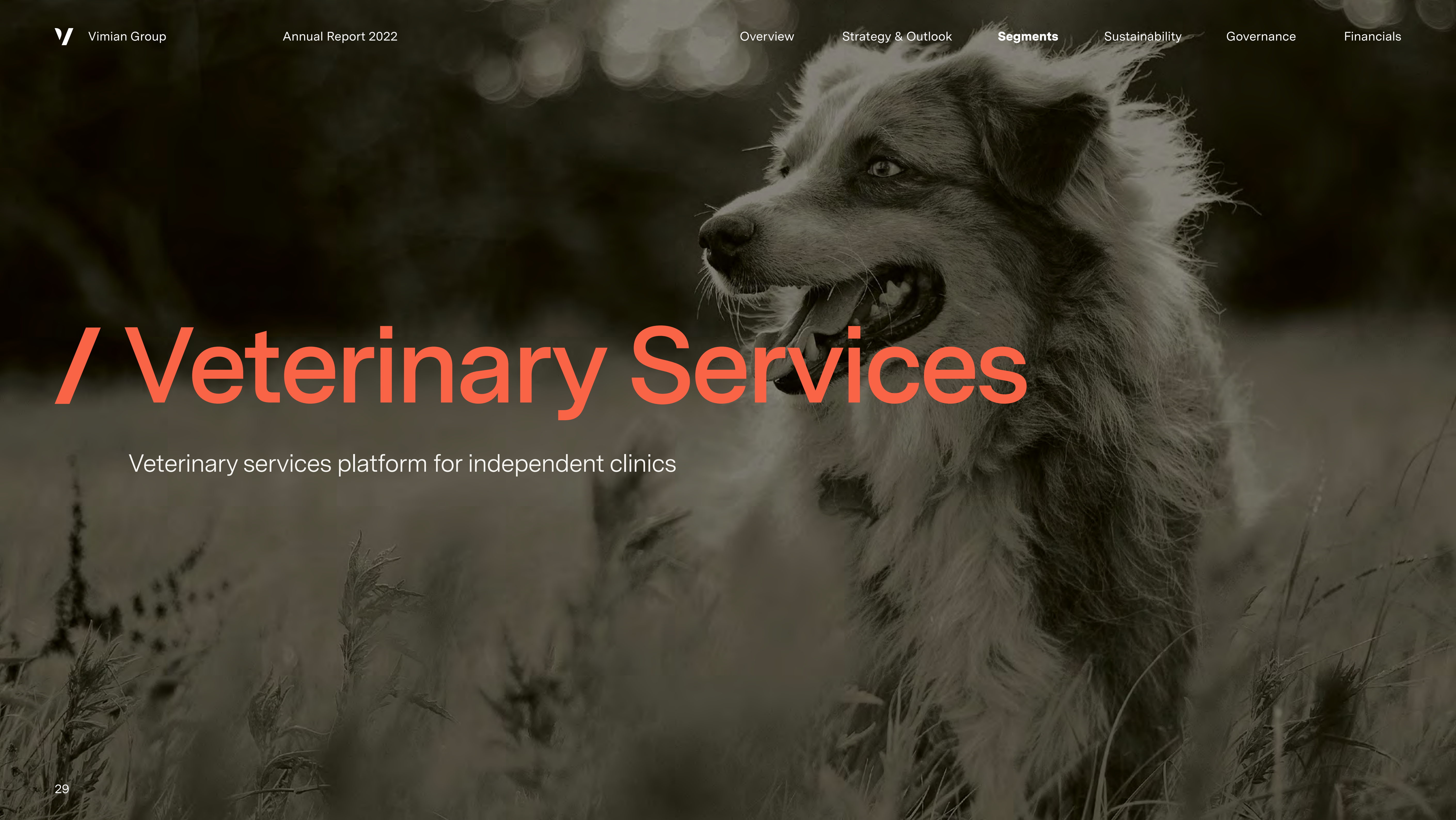
Split of 2022 revenue
%



Split of 2022 revenue by geography
%



2,000
veterinary professionals educated



/ Veterinary Services

Veterinary services platform for independent clinics

Veterinary Services

Veterinary services platform for independent clinics

Vimian's Veterinary Services segment is a global leading services platform for independent veterinary clinics. With a wide range of services such as procurement, marketing, preventive care, digitalisation and HR, member clinics are empowered and supported to remain competitive in a fast moving and changing environment.

Vimian provides services to independent veterinary clinics through a membership-based platform called VetFamily. The services include procurement, preventive care plans, online marketing, education, HR and clinic improvement services. VetFamily also has a partnership program with co-ownership for ten carefully selected member clinics per the end of 2022. Providing a community and connecting clinic owners and veterinarians for best practice sharing is a core component of the offering.

Members

At the end of 2022, VetFamily had 4,900 member clinics across Europe, Australia, US, and Brazil.

Veterinary Services strategy

The growth strategy for the segment centers around four pillars:

1. Grow members in existing countries
2. Expand organically into new territories
3. Grow our share of wallet
4. Expand market reach and product offering through M&A

Route to market

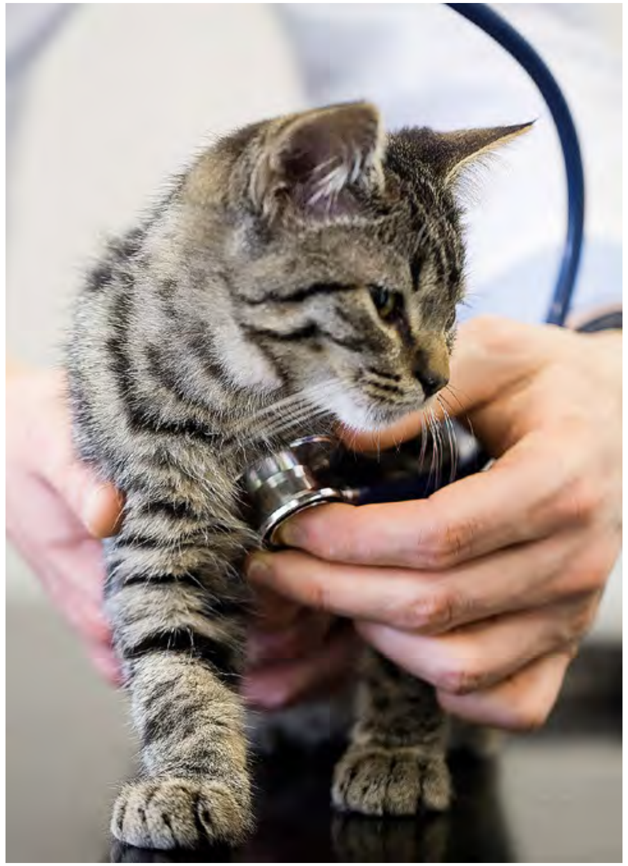
The company has local country organisations in each market where the teams focus on supporting and growing the independent veterinary community allowing them to stay relevant and competitive in an changing environment. The interactions with clinics varies from community events, marketing activities, in clinic presence and digital interaction. Strategic partnership agreements are negotiated by the central procurement team and value-add services are devleoped centrally and offered to clinics in all markets.

2022 development

Revenue increased by 100 per cent to EUR 34m of which 10 per cent was organic growth. During the year VetFamily rolled out its new tiered membership platform and renegotiated several strategic supplier contracts, improving the value proposition for both member clinics and partners. Strong growth in members both organically and through acquisitions, and over 15 per cent of all members are today in the pro tier.

VetFamily reached several strategic milestones during the year; entering the large US market adding 1,100 members, organically launching in the Brazilian market adding 141 members in the first three months, strengthening the team with new skillsets and senior leadership and continued the journey towards digitalising the service offering through the acquisition of heiland.com.

Adjusted EBITA for 2022 was EUR 7.4m with a margin of 22 per cent. The margin contraction reflects investments in new market entries, strengthening the team around heiland.com and consolidation of veterinary clinics now accounting for 30 per cent of segment sales.



VetFamily

11
countries present 2022

4,900
clinic members

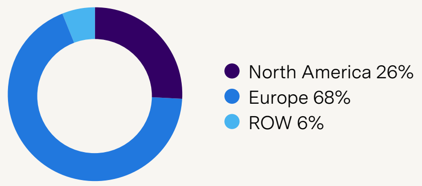
"We reached 4,900 member clinics in 2022 and continued the roll-out of our new tiered membership model. We invested in growth launching our new market Brazil, entering the US through the acquisition of VerticalVet and starting to digitalise our service offering. We built a strong team ready to pursue all our growth opportunities and create an unparalleled offering to support independent clinics across the globe."

Alireza Tajbakhsh
CEO of VetFamily

50,000
Pets on preventive care plans

+10%
organic revenue growth for Veterinary Services

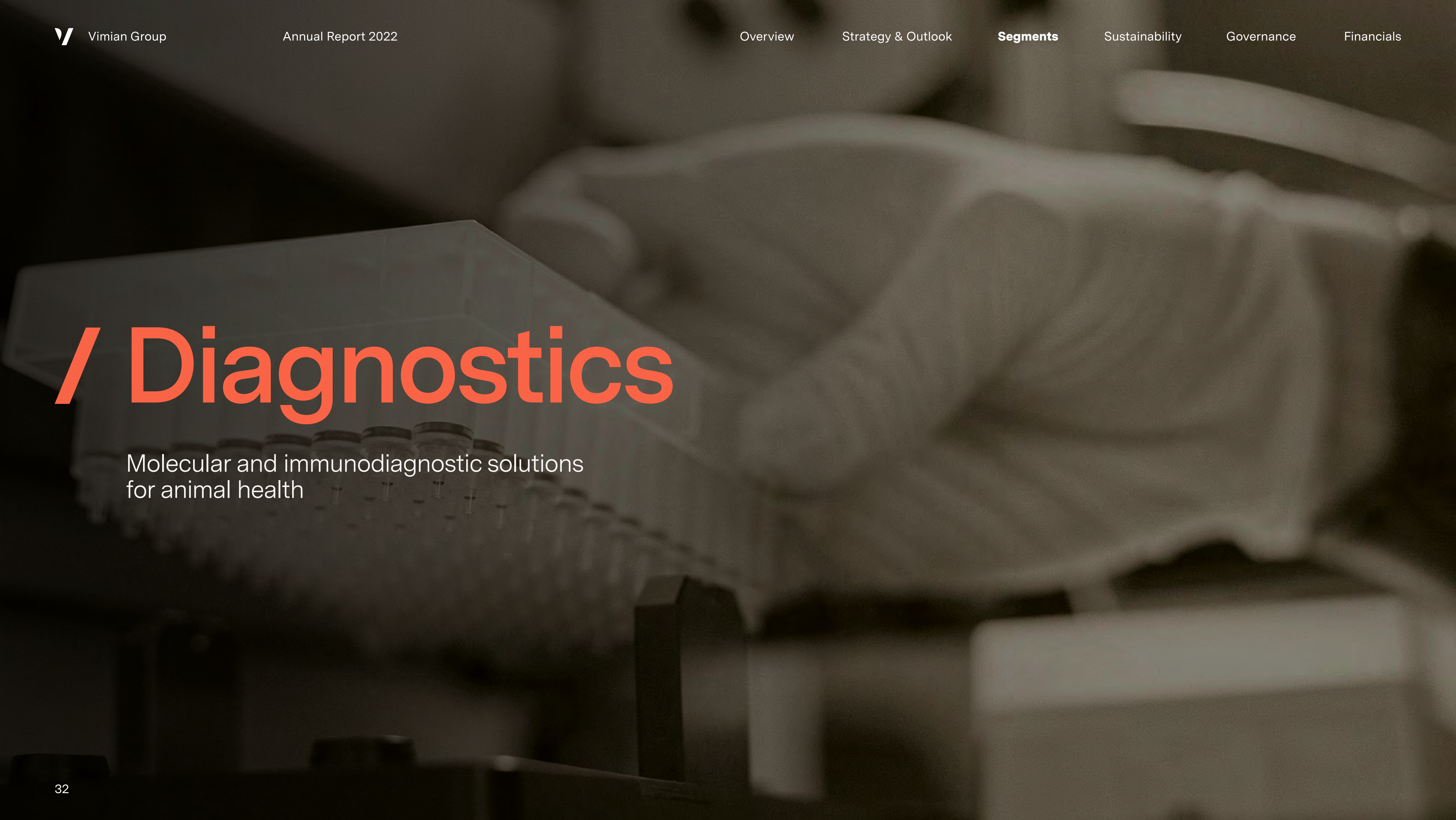
Geographic split of members
%



21.9%
2022 adjusted EBITA margin

12%
of Vimian's revenue (2022)

2,000
veterinary professionals educated



/ Diagnostics

Molecular and immunodiagnostic solutions
for animal health

Diagnostics

Molecular and immunodiagnostic solutions for animal health

Vimian is a global provider of end-to-end molecular and immunodiagnostic solutions. Used by public and private laboratories for veterinary specific applications, the solutions help identify, prevent, monitor, and eradicate diseases in livestock and in companion animals.

Vimian operates in the Diagnostics segment through the company Indical Bioscience. The products, manufactured in Germany and in the Netherlands, are primarily used by laboratories to indicate and diagnose viruses and bacteria. Historically, focus has been on production animals only, but through innovation and partnerships Indical is advancing in the market for companion animal diagnostics.

Improving diagnostics

Vimian provides best-in-class products to laboratories who serve veterinarians, farmers, and integrators. Vimian also works with key opinion leaders, including reference labs, academics, regulators, and food safety authorities to drive product development and innovation. This ensures that products are rapidly available to prevent, control and eradicate diseases.

Diagnostics strategy

Vimian's strategic priorities for Diagnostics include:

1. Expanding the customer proposition with instruments and consumables for fast, easy-to-use and low environmental impact extraction solutions for veterinary and adjacent markets
2. Continuing to develop the core portfolio of PCR and ELISA solutions focused on strategic regions
3. Offer unique solutions for the producer segment (primarily poultry) through partnerships and innovation
4. Unlock companion animal diagnostics leveraging the Vimian network and new disruptive technologies

Route to market

Vimian's Diagnostics segment serves customers in 82 countries, with direct sales in 18 countries and collaboration with over 75 commercial partners. Vimian has a broad base of public and private customers spanning laboratories managed by universities, producers and integrators as well as other biotech companies.

2022 development

Revenue for the full year 2022 declined by 16 per cent to EUR 22m with a 25 per cent organic decline, mainly due to the phase out of Covid related extraction sales. In 2022, sales relating to Covid accounted for ~10 per cent of total sales, down from ~30 per cent in 2021. The core veterinary diagnostics business saw improved performance towards the end of 2022 after a challenging first half with fewer disease outbreaks and macro headwinds. Adjusted EBITA for the full year 2022 was EUR 4.4m with a margin of 19.8 per cent. Indical is starting to unlock cost synergies optimising production footprint and merging offices with Movora in Switzerland.

During 2022, Indical actively worked to reduce cyclicality and to access more recurring revenue streams. Improvements include increased presence in the higher growth and less outbreak-driven poultry segment through a partnership with Evonik and the launch of new products in core livestock diagnostics to better meet regional needs.

INDICAL BIOSCIENCE

"2022 was a transition year for Indical with the phase out of Covid related sales and a challenging market for livestock diagnostics in the new macro-ecnomic environment. We initiated an efficiency program to consolidate our production footprint, we invested in new growth segments and technologies in both companion animal and livestock. Throughout the second half of the year we delivered growth in our core livestock product portfolio."

Stefano Santarelli
CEO of Indical Bioscience

75
countries present 2022

18
countries with direct sales

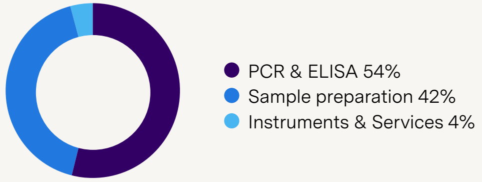
4
production facilities
(2 in Germany, 1 in The Netherlands and 1 in Sweden)

19.8%
2022 adjusted EBITA margin

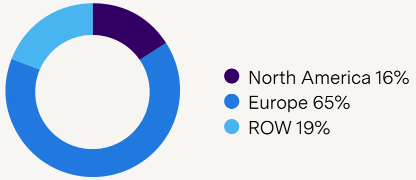
–25%
organic revenue decline mainly due to phase out of Covid-sales

8%
of Vimian's revenue (2022)

Split of 2021 revenue per product
%



Split of 2022 revenue by region
%



20
new products launched

/ Sustainability

Creating a global sustainability leader in animal health

Effective management of ESG (environmental, social and governance) will enable Vimian and our family of businesses to capture and capitalize new opportunities, mitigate risks and minimize any adverse impacts from the group's activities.

Vimian's approach to sustainability is to embed it in the business strategy, in the operations of each segment and in dialogues with stakeholders. The approach is data driven and focused on the most material areas where Vimian can make the most significant impact.

Materiality and sustainability strategy

Materiality and stakeholder engagement

Between October 2021 and February 2022, Vimian completed a materiality assessment to identify the most impactful and important ESG matters for the Group. The materiality analysis included an industry benchmark, stakeholder dialogue including both digital surveys and interviews as well as workshops with Group management. The materiality analysis set the basis for Vimian's sustainability strategy. See Vimian's annual report 2021 p.36 for more information.

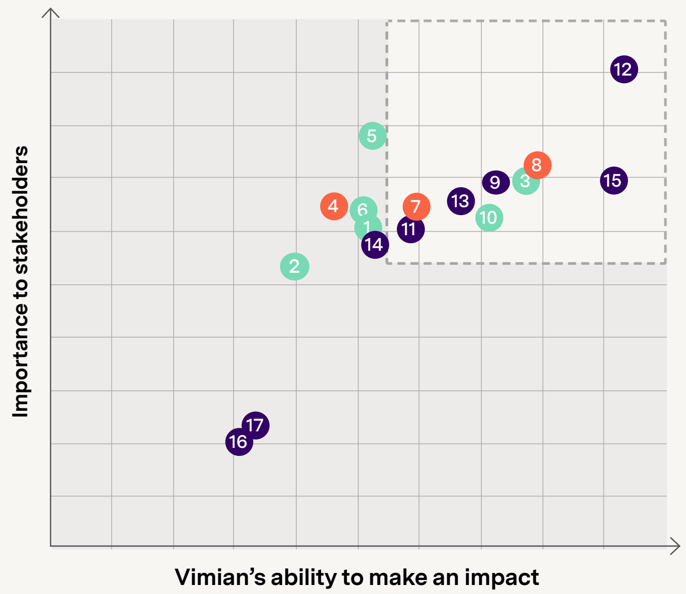
Sustainability (ESG) strategy

Vimian's long-term ambition is to create a global sustainability leader in animal health which includes:

1. To create the best place to work
2. To be the leading innovator of solutions that improve animal welfare and reduce antimicrobial resistance (AMR)
3. To have a clear path towards net-zero climate impact across the value chain

The ESG strategy aims to guide the operating segments in the Group to reach the ambition.

Materiality importance and impact assessment



Sustainability areas

Planet
1. Energy
2. Water and effluents
3. Climate change
5. Disposables and hazardous waste
6. Product design and lifecycle management
10. Supply chain – environmental

Animals
4. Biodiversity
7. Antimicrobial resistance
8. Animal welfare

People
9. Supply chain – human rights
11. Diversity and equal opportunity
12. Occupational health and safety
13. Training/education for employees
14. Training/education for customers
15. Business ethics
16. Tax
17. Economic performance

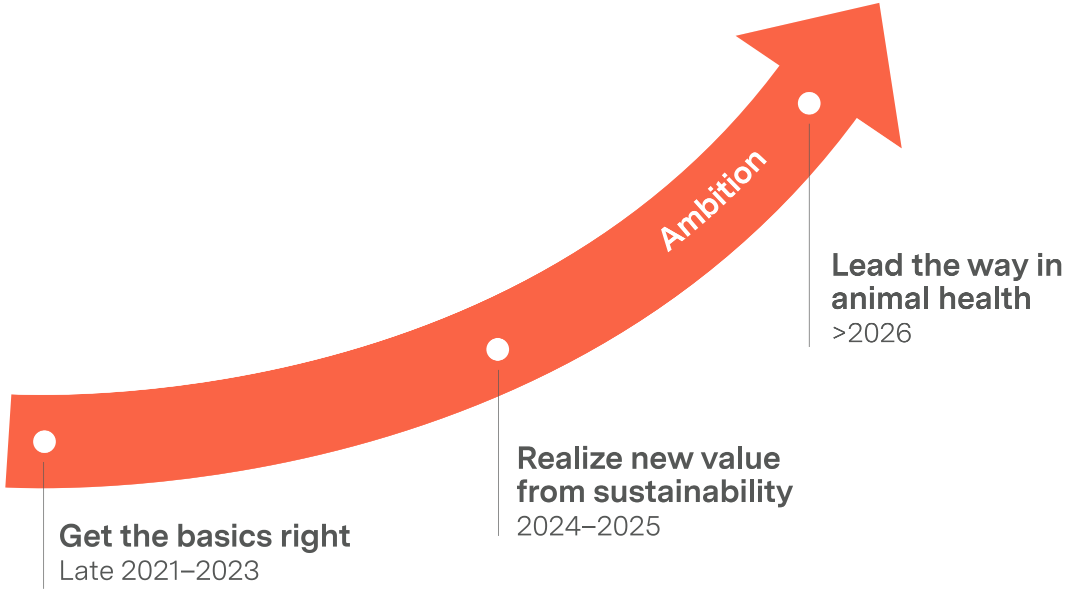
Creating a global sustainability leader in animal health

	People	Animals	Planet
Ambition	Create the best place to work 	Leading innovator of solutions that improve welfare and reduce AMR 	Clear path to transition towards net-zero 
Focus areas	1. Health and wellbeing 2. Training and education 3. Diversity and inclusion 4. Business ethics	5. Animal welfare 6. Antimicrobial resistance (AMR)	7. Climate impact 8. Responsible supply chain

One year into the sustainability strategy

Getting the basics right

As a newly formed Group, the initial focus of the sustainability work during 2022 and 2023 is to "get the basics right". This includes defining the sustainability strategy, integrating sustainability in business plans, allocating the right competencies and resources, implementing foundational policies and frameworks, setting processes for data collection, reporting and establish a KPI baseline with relevant targets.



2022 highlights

- New sustainability strategy approved by the Board and governance function established
- Appointed Group Sustainability Manager fully dedicated to ESG and assigned a sustainability core team with representatives from each segment to ensure implementation
- Integrated sustainability into all four segment's business plans
- Developed foundational ESG policy framework and trained colleagues across the Group

People	**45%** of leaders are women	**37** Nationalities	**67%** of Vimians educated in Code of Conduct
Animals	**11,325** trained animal health professionals	**80** Products launched to improve animal health	**510+** SKUs reducing use of antimicrobials
Planet	**1,793** tCO_2e in Scope 1&2	**86%** of Vimians in purchasing positions trained in Supplier Code of Conduct	

Best place to work

People

Vimian's employees are the Group's most important asset to drive growth and create value. The ambition is to create the best place to work in animal health, where our people thrive personally, professionally and as a team, and are supported to act with integrity and impeccable ethics.

Focus area & commitment	2022 in review	KPI	Status	Target	Activities in 2023	Connection to SDG targets
1. Health and safety Commitment to actively work for a healthy and sound environment, mentally and physically, for our employees with supportive structures and processes in place.	• Three accidents leading to absence from work occurred, none being severe. Each producing unit within Vimian has its own health and safety standards with the main producing units in Specialty Pharma and Diagnostics are ISO certified. • Sick-leave/absenteeism across Vimian in 2022 was relatively low, ranging from 0.2%–2.8% depending on segment. Programs to reduce sick-leave and improve health and wellbeing are currently local and segment/company specific. • A first employee experience survey was completed in the MedTech segment highlighting manager relations and engagement as key strengths, whereas stress levels and learning environment are key areas to improve, currently addressed by the segment's team.	Occupational accidents in production/ laboratories/warehouse Sick-leave eNPS	3 0.2–2.8% 12[1]	0 TBD TBD	• Continuously reinforce vision for zero accidents and mitigate risks related to employee health and safety. • Continuously monitor absenteeism/sick-leave. • Launch a Group-wide employee experience survey with adjacent processes, action plans and targets.	**3.4** By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing **8.8** Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
2. Training and education Commitment to establish attractive structures for education and training to support career development and enhance impact.	• Continuous education and training is today managed on segment/ company level • Recruiting a Group Head of People to Vimian is ongoing to advance the Group-wide offering, primarily targeting leadership development across all segments.	TBD	TBD	TBD	• Recruit and onboard Head of People • Define and roll out the Group wide agenda and KPIs for employee training and education.	**8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
3. Diversity and inclusion Commitment to enable an inclusive and diverse workforce to enhance our ability to drive innovation.	• 37 nationalities are represented across the Group. • Gender diversity at different levels of the organisation varies with a representation of women between 20–62%. Conscious progress has been made in the Board of Directors and in the Group Management team through recruitment strategies and collaborations. • Overall, Vimian aims for a balance between 40–60% between the genders at all levels.	Gender diversity (share of women) Overall Leaders Executive management or leaders of leaders Group Management Board Representation of nationalities	 62% 45% 25% 20% 33% 37	40–60% N/A	• Evaluate employee's perception of inclusion through employee experience survey – formulate action plan for diversity and inclusion accordingly. • Establish, launch and train colleagues in Diversity and inclusion policy.	**5.1** End all forms of discrimination against all women and girls everywhere **5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life **10.2** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
4. Business ethics Commitment to uphold the highest ethical standards and maintain relevant business policies.	• Six foundational policies and code of conducts have been implemented (e.g., whistleblowing). Employee trainings in these policies were held during a "Month of Ethics" to support and guide employees. 67% of colleagues took part in live trainings. • A framework for Mergers and Acquisitions (M&A) has been launched in collaboration with Vimian's M&A team to integrate ESG risks and opportunities in the due diligence process.	Employees trained in Code of Conduct Critical employees[2] trained in ABAC Recorded anti-corruption incidents and share of them being investigated Recorded whistleblowing incidents and share of them being investigated	67% 100% 0 N/A 0 N/A	100% 100% TBD 100% TBD 100%	• Make Code of Conduct part of onboarding for new colleagues and available for all. • Continue recurring training and awareness of ethics.	**16.5** Substantially reduce corruption and bribery in all their forms

1) Represents the first measurement in the MedTech segment.

Driving innovation to improve animal health and welfare, and reduce antimicrobial resistance (AMR)

Animals

Healthy animals have a close link with healthy people, both to reduce spread of infectious diseases e.g., zoonosis[1] and food safety. Also, many studies have shown that having a healthy pet can improve wellbeing and happiness through improved mental health, increased physical activity and reduced loneliness.

Antimicrobial resistance (AMR)
AMR is a major challenge for humanity[2], and the veterinary industry has an important role to play in antimicrobial stewardship, to mitigate overuse of antibiotics and promote more prudent use. Further, AMR stewardship is important to protect biodiversity and maintain the balance of ecosystems. Vimian promotes methods and offers products and solutions to mitigate, prevent and/or ensure prudent use of antimicrobials.

Vimian's ambition is to be the leading global innovator of solutions and standards that increase animal welfare and reduce AMR.

1) An infectious disease that has jumped from animal to humans
2) World Health Organization (WHO)

Focus area & commitment	2022 in review	KPI	Status	Target	Activities in 2023	Connection to SDG targets
5. Animal welfare Commitment to bring new innovations and education to the market that that improve animal health and welfare.	• 80 new products were launched to improve animal health and welfare. See innovation highlights p. 14–15. • 11,325 animal health professionals were educated through webinars, online platforms, in person training and workshops. The trainings covered a variety of topics such as dermatology application, vaccine treatments, orthopedic procedures e.g., total hip replacement, running efficient veterinary clinics and combating animal diseases e.g., Influenza and African swine fever. Education is an enabler for Vimian to grow the market and also reduce the veterinary shortage through supporting veterinarians to expand their offerings and become specialists in their profession. See education highlights p. 12–13. • Established and launched the 'Animal health and welfare first'-policy outlining the commitments to embed animal welfare in the areas most significant to Vimian being education, clinical practice, marketing and communications, One health and laboratory testing and clinical trials. The policy was developed with veterinarians from each segment and Dr Emma Milne BVSc FRCVS, animal welfare and ethics advisor.	New products released that improve animal welfare (#) Educated animal health professionals e.g., surgeons, veterinarians, pet owners, diagnostics professionals.	80 11,325	N/A N/A	• Continue taking new products to market and educating animal health professionals according to the segment's business plans.	There is not a 1-1 relationship between animal health and SDG 3 targets. However, animals play a significant role in the lives of many people, providing food, work, and companionship. Ensuring the health and wellbeing of animals is essential for the wellbeing of people, as the spread of zoonotic diseases from animals to humans can have significant impact on human health.
6. Antimicrobial Resistance (AMR) Commitment to promote and innovate for mitigating, preventing and ensuring prudent use of antimicrobials.	• 510+ SKUs in Vimian actively contribute to reduced use of antimicrobials. Examples include Clorexyderm product line that helps to manage bacterial and fungal growth in the skin and the HyProtect coated orthopedic implants reducing the infection risk for 90 days post surgery. • Vimian's businesses produce content that promote prudent use of antibiotics, for example The Skin Flint podcast, the webinar "Reducing Antibiotic Usage in Practice" and the article "Mitigating the impact of antimicrobial resistance through precision diagnostics".	Solutions that reduce the use of antimicrobials (#SKUs)	518	TBD	• Evaluate launch of relevant antimicrobial stewardship programs and KPI to measure AMR impact.	**3.d.2**, Percentage of bloodstream infections due to selected antimicrobial resistant organisms. There is not a 1-1 relationship between reducing AMR and the **SDG 15** targets. However, AMR poses a significant threat to global health and well-being and reducing its impact is essential for achieving this goal. Reducing the use of antibiotics and promoting more prudent use can help to slow the development of resistance and preserve the effectiveness of these drugs for future generations. The closest target is **15.a** Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.

Towards net-zero climate impact

Planet

It is clear from the 2021 IPPC report that the planet is at a critical point and we must all increase the efforts to limit the impacts of the climate crisis on our planet.

Vimian Group's long-term ambition is to have a clear path towards net-zero climate impact across the value chain and empower our customers with solutions to do the same.

The first step for Vimian is to measure scope 1 and 2, set targets and action plans. The next step will be to measure scope 3 that make up for the majority of Vimian's emissions. An initial overview indicates that purchased good and services, packaging, waste management and logistics are main areas to address.

A large part of the Group's manufacturing and production is outsourced, e.g., fully outsourced in MedTech (37 per cent of the Group's revenues) and Specialty Pharma (43 per cent of revenues) has an even split between contract manufacturers and in-house production. Hence, it is critical to ensure a responsible supply chain with no human- or animal rights abuse, environmental violations, corruption or bribery in our end-to-end value chain.

Focus area & commitment	2022 in review	KPI	Status	Target	Activities in 2023	Connection to SDG targets
7. Climate impact Commitment to actively measure and mitigate our greenhouse gas emissions and negative impact on the planet throughout the value chain.	• Established and implemented Climate and environment policy to define Vimian's commitment to transition towards net-zero climate impact. • Measured baseline of scope 1&2 to 1,793 tCO_2e. Insights show that the largest opportunity to reduce emissions is to transitioning to renewable energy sources and improve energy efficiency in Vimian's facilities. The next step is to set reduction targets and and action plan. • The capability to measure scope 3 through a spend based method was established and will be activated within the next year.	Climate intensity in scope 1&2 tCO_2e	1,793[1]	TBD	• Set targets for scope 1&2 reductions. • Pilot first measurement of scope 3 emissions through spend based method and identify key areas of improvement e.g., reconsider packaging, transportation and waste management. • Evaluate opportunity to commit to Science Based Target initiative (SBTi).	**13.2** Integrate climate change measures into national policies, strategies and planning. **13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
		Employees informed on climate policy (%)	67%	100%		
8. Responsible supply chain Commitment to actively work to create a more responsible supply chain that protects human- and animal rights, the environmental and ethical governance.	• A Supplier code of conduct (SCoC) was defined together with procurement professionals in all segments. The SCoC is to be integrated to each new supplier contract with recurring purchases and estimated annual spend >50,000 EUR as of April 1st 2023. • For existing suppliers, a process to identify and assess high risk suppliers was established and will be initiated during 2023.	Vimians in purchasing positions trained in Supplier code of conduct (SCoC)	86%	100%	• Start measuring new suppliers who have signed SCoC. • Pilot process for screening of established supplier base.	**12.2** By 2030, achieve the sustainable management and efficient use of natural resources. **12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
		New suppliers who have signed SCoC (%)	N/A	100%		
		High-risk suppliers that have been screened	N/A	100%		

1) Incl. companies acquired before 1 Jan 2022, Bova UK and VerticalVet. Excl. production site in Uppsala. Fugitive emissions captured only in Nextmune Italy.

Sustainability governance

Five main governance functions ensure that the sustainability (ESG) strategy is relevant for Vimian's decentralised group and anchored throughout the entire organization.

1

The Vimian Board

- The Board is accountable for approving the sustainability strategy and overseeing the delivery.
- The Board reviews and approves all foundational policies and Code of Conducts.
- The Board receives progress and risk updates every quarter.

2

Group executive management

- The overall sustainability ambition for Vimian is set at a group level.
- Targets to reach the ambition is set for each segment with a common way of measuring.
- The CEO for each segment is accountable to reach their targets and can freely decide how to do so.

3

Sustainability team

- Key representatives from each segment is appointed to drive implementation and provide insights on segment specific needs, risks and opportunities.
- Vimian's sustainability team meet every month and on a need basis.

4

Sustainability lead

- The Head of IR and Communications & Sustainability is part of the Group Executive Management team.
- The Group Sustainability Manager centrally supports the segments and manage the sustainability agenda.

5

Steering documents, available at https://vimian.com/policies-and-procedures/

Code of Conducts

- Business Code of Conduct
- Supplier Code of Conduct

Policies

- Anti-bribery and anti-corruption (ABAC) policy
- Animal welfare policy
- Climate and environment policy
- Diversity and inclusion policy
- Whistleblowing policy

Frameworks

- M&A ESG due diligence framework

Risks and opportunities

The management of sustainability related risks and opportunities is overseen by the Group Sustainability Manager and managed by each segment to allow for the prioritisation of focus areas across the Groups' different operational contexts. Vimian makes a sustainability risk assessment on a yearly and on a demand basis. The following sustainability related risks have been defined together with mitigation measures:

Risk/opportunity area	Time horizon	Risk level	Potential impact	Mitigation efforts	Relates to Vimian's sustainability focus area
Stricter regulations and demand for ESG transparency	Short (1–2 years)	High	• Increased demand for transparency and stricter regulations to display efforts to be compliant with human rights, animal rights and safeguarding the environment can result in increased costs or further investments in order to achieve compliance.	• Increase transparency of Vimian's ways of working through foundational policies and code of conducts. • Preparing Vimian to report according to CSRD requirement and ESRS standards during 2023/24.	All 1–8 focus areas
Human rights, animal rights, protecting the environment and ethical governance	Short and continuous	Low	• Unmanaged negative impacts through own operations or supplier's operations on human rights, animal rights, the environment or ethical governance can cause severe negative impact on human safety and wellbeing, animal welfare and the environment which in turn has a reputational, brand and operations risk for Vimian.	• Continuously drive awareness, guidance and training of the importance of business ethics and always doing the right thing, focused on Vimian's foundational policies and code of conducts. • Implement Supplier Code of Conduct, a supplier risk screening process and a pragmatic system for supplier audits. • Continuously integrate ESG risk and opportunity assessment as part of M&A due diligence process.	4. Business ethics 5. Animal welfare 7. Climate impact 8. Responsible supply chain
Employee mental and physical health and safety	Short and continuous	Medium	• Ensuring safety of employees in production/warehouse and health of employees in relation to mental and physical wellbeing.	• Reinforce a zero vision for accidents and continuously work to improve mitigation efforts for the identified risk areas. • Continuously monitor accidents, sick leave and employee experience.	1. Health and wellbeing
Employee retention	Short and continuous	Medium	• The resignation of key employees or Vimian's failure to attract skilled personnel may have an adverse impact on Vimian's innovation, culture and/or operations.	• Assign resource (Head of People) centrally to establish necessary actions to ensure employee satisfaction, training and development. • Update Diversity and inclusion policy and train employees.	1. Health and wellbeing 2. Training and education 3. Diversity and inclusion

Risk/opportunity area	Time horizon	Risk level	Potential impact	Mitigation efforts	Relates to Vimian's sustainability focus area
Product safety for animal welfare	Short and continuous	Low	• Production or quality errors in solutions directly affecting animals, i.e. nutrition supplements, medications, implants or topical products, regardless of whether the solutions are sold directly to end-customers, veterinarians, animal hospitals or laboratories.	• Each entity within the Vimian Group operates a fit-for-purpose quality assurance function to ensure compliance with any regional market requirements, and that the products uphold high quality in terms of reliability and safety.	5. Animal welfare
Carbon pricing and future environmental taxation	Medium (2–5 years)	Low	• There is uncertainty over the future environmental policy and fiscal landscape in many countries Vimian operates. Increased regulation and other developments related to carbon pricing, broader adjustment taxes, and broader environmental taxation over the medium to long term are anticipated.	• Establishing reduction targets in scope 1 and 2 emissions and initiating measures in scope 3 to ensure Vimian is aware of the biggest emission drivers and have develop a roadmap to reduce. • Conduct a cost vs benefit analysis to commit to SBTi.	7. Climate change
Extreme weather and climate-related natural disasters	Short and continous	Medium	• increased exposure to extreme heat events, heavy rainfall causing flooding and storms - foremost relevant for manufacturing, offices and warehouses in Phoenix, St Augustine, North Carolina and Australia. Consequences are disruption or delays at a site, along with potential for higher energy consumption and cost for cooling to maintain good manufacturing practices, delays and/or losses in distribution and damage to site infrastructure resulting in increased insurance premiums and reputational damage. No material business impact has been identified arising from these short-term events.	• Local sites exposed to higher extreme weather/natural disaster risk to develop contingency plans.	7. Climate change
Increased demand for ethically sourced, produced and low carbon products	Medium	Medium	• Increased demand from customers for product and solutions that are ethically sourced, produced and with a low carbon footprint. • Increased demand from veterinarians and laboratory personnel to reduce consumables e.g., single plastics use and looking to substitute products based on reducing their own greenhouse gas footprint.	• Increase transparency of Vimian's ways of working to reduce negative impacts on the planet including greenhouse gas emissions, waste and energy usage in the Climate and environment policy. • Increase transparency in sourcing through implementing Supplier Code of Conduct in contracts and/or ensuring compliance through supplier's code of conduct. • Review products and solutions with the highest potential to transition to more sustainable packaging, ingredients, and transportation.	7. Climate change

Risk/opportunity area	Time horizon	Risk level	Potential impact	Mitigation efforts	Relates to Vimian's sustainability focus area
Increased demand for and availability of renewable energy	Short/Med	Medium	• Delayed progress to transition towards net-zero climate impact due to unavailability of renewable energy due to increased demand, regional offering or inability to select energy supplier in specific geographic regions. Further, due to increased costs of renewable energy.	• Identifying which sites where a transition to renewable resources would have the highest impact (reduced greenhouse gas emissions and potential cost savings). Evaluation based on local needs/opportunities.	7. Climate change
Change in raw material or sourcing cost	Med/long term	Low	• Costs and availability associated with low carbon products from core sectors, particularly in areas such as raw materials and packaging. • There could be a significant risk associated with increased costs for using high carbon transport models.	• Many of the risks associated with incremental cost exposure are not unique to Vimian. They will also be faced by our peers in the animal health sector which should encourage collaboration.	7. Climate change

> *For further risk analysis see p.61 in the Board of Directors' report.*

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Vimian Group AB (publ), corporate identity number 559234-8923.

Engagement and responsibility
It is the board of directors who is responsible for the statutory sustainability report for the year 2022 on p. 35-47 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's examination of the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A statutory sustainability report has been prepared.

Stockholm May 3, 2023

Grant Thornton Sweden AB

Carl-Johan Regell
Authorized Public Accountant

Taxonomy
As Vimian is not traded on a regulated market it is not considered a large company of general interest, the company is therefore not covered by NFRD1 and does not need to report according to Article 8 of the Taxonomy Regulation.

The Vimian Group share and shareholders

Per the 31 December 2022, Vimian had 1,848 shareholders, of which the top ten held 82.2 per cent of the capital and 84.6 per cent of the votes. During the year the Group completed a directed share issue raising SEK 1.5bn.

Directed share issue

On 14 September 2022 Vimian resolved to carry out a directed issue of 51,727,442 ordinary shares, at a subscription price of SEK 29 per share. Based on the authorization granted by the AGM on 2 June 2022 The Board resolved on a first tranche of 19,227,442 ordinary shares.

On 3 October 2022 Vimian hosted an EGM which unanimously resolved to carry out the second tranche of the issue of new shares, in which Fidelio Vet Holding AB committed to subscribe for 32,500,000 ordinary shares.

Conversion of C-shares

On 10 January 2023, 6.019.086 C-shares were converted into ordinary shares. Pursuant to agreements entered into between Vimian and certain shareholders in connection with the rollover conducted in connection with the listing in 2021, the C-shares will vest over a three-year period. Conversion of the 6,019,086 C-shares relates to vesting of the first third of the C-shares.

Share performance

During 2022 the share price ranged from SEK 24.4 to SEK 83.9, decreasing by 67 per cent in total. The number of shares traded on Nasdaq First North Growth Market during 2022 was 68,650,497 corresponding to a daily average turnover of 271,346 shares per day.

Ownership structure

Per 31 December 2022, Fidelio Capital held 55 per cent of capital and 58 per cent of votes. The ten largest owners represented 82.2 per cent of capital and 84.6 per cent of votes. Financial and institutional investors held 82.4 per cent of capital and 86.8 per cent of votes whilst the Board of Directors and executive management team (excuding Fidelio capital) held 1.2 per cent of capital and 1.3 per cent of votes. Foreign owners accounted for 13.5 per cent of the capital and 12.0 per cent of the votes.

Share information

The number of shares on 31 December 2022 was 441,122,339 of which 18,930,656 were C-shares and 422,191,683 ordinary shares. Pursuant to the company's articles of association, the share capital may not be less than SEKt 500 or more than SEKm 2 and the number of shares may not be less than 300m or more than 1,200m. Ordinary shares and class C shares may be issued. The shares are denominated in SEK with a quota value of approximately SEK 0,001668. Each ordinary share entitles the holder to one vote and each C -share to one tenth of a vote. The Articles of Association contain a central securities depository clause and the shares are registered with Euroclear Sweden AB. All shares carry equal rights to the company's profits and shares of surpluses in the event of liquidation.

Ten largest shareholders

Owners	Vimian	Vimian C	Capital%	Votes%	Verified
Fidelio Capital	242,670,500		55.0	58.0	2022-12-31
SEB Funds	26,465,018		6.0	6.3	2022-12-31
PRG Investment Holdings	15,000,000	7,000,000	5.0	3.7	2022-12-31
Didner & Gerge Funds	15,521,779		3.5	3.7	2022-12-31
AMF Pension & Funds	13,575,897		3.1	3.2	2022-12-31
Danica Pension	11,774,974		2.7	2.8	2022-12-31
Handelsbanken Funds	10,170,250		2.3	2.4	2022-12-31
Investering & Tryghed A/S	7,472,944		1.7	1.8	2022-12-31
Spiltan Funds	6,804,139		1.5	1.6	2022-12-31
Mikael Sjögren	3,461,635	2,209,555	1.4	1.0	2022-12-31
Top 10	**352,917,136**	**9,209,555**	**82.2**	**84.6**	
Others	49,661,152	7,778,526	17.8	15.4	
Total	**402,578,288**	**16,988,081**	**100.0**	**100.0**	

Share Price Development

January–December 2022

What makes Vimian a great investment

Highly profitable and cash generative	**26.1%** Adjusted EBITA margin	**57%** Cash conversion	**3.0x** ND/pro-forma EBITDA
We have only just started our consolidation journey	**62%** Total growth	**13** Acquisitions in 2022	
Outpacing market segments with huge prospects	**3.7%** Organic revenue growth	**8.7%** Companion animal organic growth	
Highly attractive market opportunity	**+8%** Market growth		

Corporate Governance Report

Corporate Governance

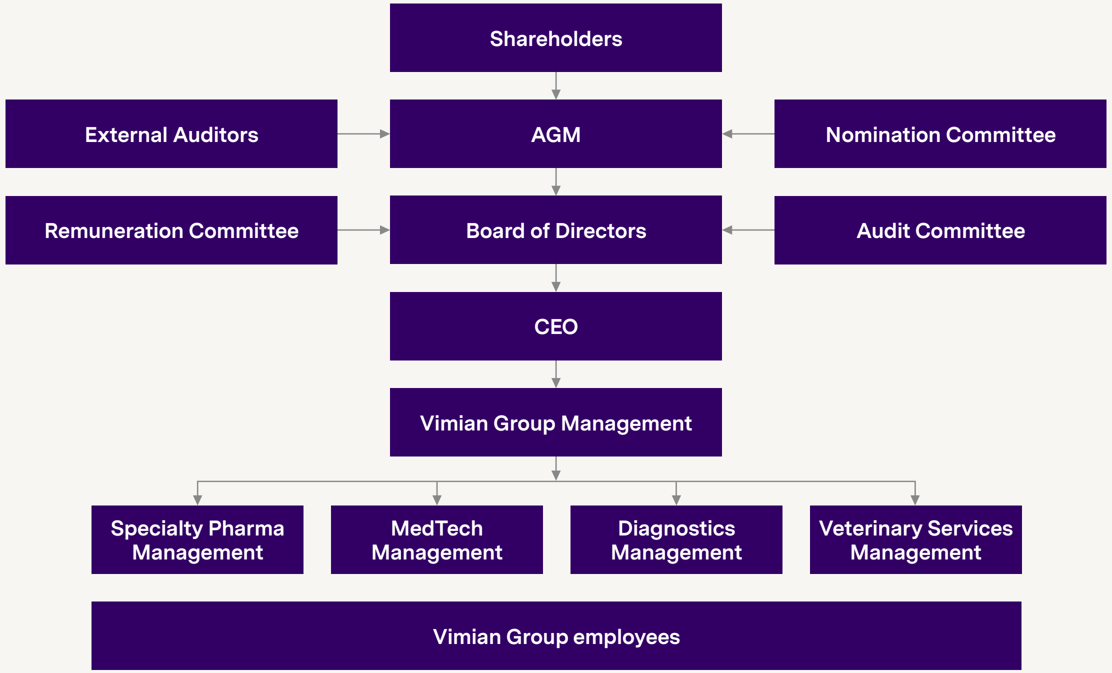
Vimian is a Swedish public limited liability company. Corporate governance in the company is based on Swedish law, internal rules and instructions and the Nasdaq First North Growth Market – Rulebook. Apart from legislation, rules and recommendations, the Articles of Association, adopted at the annual general meeting on May 24, 2021, form the basis for the governance of the company together with the Swedish Code for Corporate Governance. Vimian applies the code in the parts it considers relevant to the company and its shareholders, and taking into account the scope of operations.

Vimian relies on solid corporate governance and management systems with a framework for rules, responsibilities, processes and routines for monitoring performance, internal control and risk management. The primary objective is to effectively protect shareholders and other stakeholders, set a good platform for our employees and create prerequisites for a responsible expansion of our operations. Vimian relies on its subsidiaries and partners around the world to help support its end-users in a way that secures its reputation.

System for internal control and management

Internal control comprises the control of the company's and the Group's organisation, procedures, and support measures. The objective is to ensure that reliable and accurate financial reporting takes place, that the company's and the Group's financial reporting is prepared in accordance with law and applicable accounting standards, that the company's assets are protected and that other requirements are fulfilled. The system for internal control is also intended to monitor compliance with the company's and the Group's policies, principles and instructions.

Internal control also comprises risk analysis and follow-up of incorporating information and business systems. The Group identifies, assesses, and manages risks based on the Group's vision and goals. Risk assessment of strategic, compliance, operational and financial risks shall be performed annually by the CFO and presented to the audit committee and the Board of Directors. The Board of Directors and the Board's audit committee are responsible for internal control. Processes managing the business and delivering value shall be defined within the business man-



agement system. The CEO is responsible for the process structure within the Group.

A self-assessment of minimum requirements of defined controls mitigating identified risks for each business process shall annually be performed and reported to the audit committee and the Board of Directors. The CFO is responsible for the self-assessment process, which is facilitated by the internal control function. In addition, the internal controls function performs reviews of the risk and internal control system according to a plan agreed with the Board of Directors and group management.

The primary forum for financial follow up are monthly business reviews with each of the segments within the group. Each segment is measured against individual and group wide KPIs. Financial and operational targets are continuously measured and monitored and revised as appropriate.

Shareholders' voting rights

Each ordinary share in the company entitles the holder to one vote at general meetings and one class C share entitles the holder to one tenth of a vote at general meetings. Each shareholder is entitled to cast votes equal in number to the number of shares held by the shareholder in the company.

Collecting of powers of attorney and vote by post

The Board of Directors may collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, second paragraph of the Companies Act (2005:551). The Board of Directors has the right before a general meeting to decide that the shareholders shall be able to exercise their right to vote by post before the general meeting.

General Meetings

According to the Swedish Companies Act(2005:551) (Sw. aktiebolagslagen), the general meeting is the company's ultimate decision-making body. At the general meeting, the shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, appropriation of the company's results, discharge from liability of members of the Board of Directors and the CEO, election of members of the Board of Directors and auditors and remuneration to the Board of Directors and the auditors.

The annual general meeting must be held within six months from the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. According to the articles of association, general meetings are convened by publication of the convening notice in the Swedish National Gazette (Sw. Post- och Inrikes Tidningar) and on the company's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Dagens Industri.

Right to participate in general meetings

Shareholders who wish to participate in a general meeting must be included in the shareholders' register maintained by Euroclear Sweden on the day falling six banking days prior to the meeting and notify the company of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend general meetings in person or by proxy and may be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the general meeting in several different ways as indicated in the notice of the meeting. A shareholder may vote for all company shares owned or represented by the shareholder.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the Board of Directors. Such requests must normally be received by the Board of Directors no later than seven weeks prior to the general meeting.

Authorisation

At the annual general meeting June 2, 2022, it was resolved to authorise the Board of Directors to, up and until the next annual general meeting, on one or several occasions and with or without pre-emptive rights for shareholders, to resolve on the issue of new shares, comprising a total of not more than 20 per cent of the total number of outstanding shares in the company after the utilisation of the authorisation. It was also resolved that it shall be possible to make such an issue resolution stipulating in-kind payment, the right to offset debt, pay in cash or other conditions referred to in Chapter 13, section 5 first paragraph item 6 in the Swedish Companies Act.

The purpose of the authorisation is to provide flexibility for acquisitions of companies, businesses, or parts thereof. Any issue of new shares resolved upon pursuant to this authorisation shall be made at market terms and conditions.

Two general meetings in 2022

The Annual General Meeting was held on June 2, 2022. During the meeting, Grant Thornton was re-appointed as the company's auditor, all Board members were re-elected, Gabriel Fitzgerald was re-elected Chairman of the Board and Petra Rumpf was appointed new Board member.

During 2022 the company also held an extraordinary general meeting:

On October 3, 2022 the company held an extraordinary general meeting by postal voting only to resolve on a share issue of not more than 32,500,000 new ordinary shares, entailing an increase in the share capital of not more than SEK 54,198.83223 directed to the shareholder Fidelio Vet Holding AB issue of 475,000 ordinary shares was decided. The new share issue was registered with the Swedish Companies Registration Office in October 2022.

Annual General Meeting 2023

The 2023 Annual General Meeting is scheduled to be held 10.00 (CET) on June 1, 2023, at Vinge's premises on Smålandsgatan 20, SE-111 46 Stockholm, Sweden.

Board of Directors

The Board of Directors is the second-highest decision-making body of the company after the general meeting. According to the Swedish Companies Act, the Board of Directors is responsible for the organisation of the company and the management of the company's affairs, which means that the Board of Directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the financial condition and profits as well as evaluating the operating management. The Board of Directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. The Board of Directors appoints the CEO.

Members of the Board of Directors are normally appointed by the annual general meeting for the period until the end of the next annual general meeting. According to the company's articles of association, the members of the Board of Directors elected by the general meeting shall be not less than three and not more than ten members with no deputy members. The Board of Directors applies written rules of procedure, which are revised annually and adopted by the inaugural Board meeting every year.

The Board of Directors meets according to an annual predetermined schedule. In addition to these meetings, additional Board meetings can be convened to handle issues which cannot be postponed until the next ordinary Board meeting. In addition to the Board meetings, the chairman of the Board of Directors and the CEO continuously discusses the management of the company.

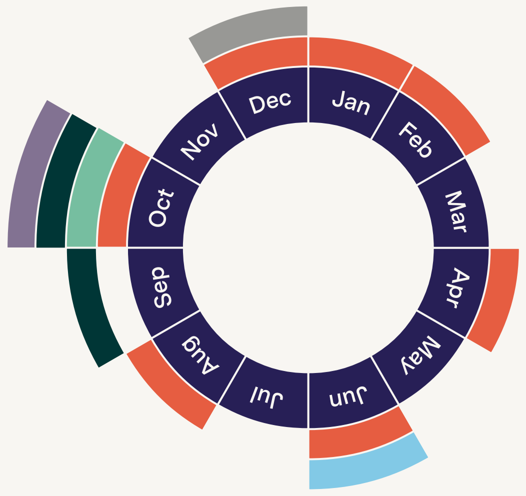
Composition of the Board

Vimian's Board of Directors consists of six ordinary members, including the Chairman of the Board, with no deputy Board members, all of whom are elected for the period up until the end of the annual general meeting 2023.

The 2022 Board consisted of Gabriel Fitzgerald (Chairman), Theodor Bonnier, Martin Erleman, Frida Westerberg, Mikael Dolsten and Petra Rumpf. The Board members are presented on page 55. Frida Westerberg, Mikael Dolsten and Petra Rumpf are independent from the company, its senior management and its major shareholder.

Remuneration to the Board of Directors

At the annual general meeting on June 2, 2022, it was resolved that a fee of EUR 50,000 will be payable to each of the Board members in the company and that no remuneration shall be paid for work in the Board committees of the company. However, the Board members Gabriel Fitzgerald, Martin Erleman and Theodor Bonnier announced that they will refrain from fees.



2022 with the Board of Directors

- Monthly reports
- Board meetings
- Extraordinary board meeting
- Annual Shareholders' meeting
- Strategy & business plan 2023–27
- Next year's budget
- – Review of financial performance
  – Evaluation of collaboration between Board of Directors and the Executive Leadership Team
  – Organisational performance review and succession planning

The work of the Board during 2022

The Board held seventeen meetings during 2022. The yearly cycle for the Board consists of four longer Board meetings covering strategy, business plan, budget and segment deep dives, in addition to standing agenda items such as financial update, ESG and people development, follow up on operational performance in Group companies and acquired entities. In addition to this the Board meets to approve the quarterly financial reports as well as ad-hoc in relation to larger M&A processes and other significant matters. The Board of Directors have created a M&A committee consisting of Gabriel Fitzgerald, Martin Erleman and Theodor Bonnier, with power to approve smaller transactions on behalf of the Board.

Evaluating the Board of Directors and the CEO

The nomination committee is responsible for the evaluation of the Board. During 2022 this was

Composition of the Board

Name	Function	Committee Assignment	Year elected	Independent in relation to the company and management / owners	Board Meeting attendance	Fee (EUR)
Gabriel Fitzgerald	Chairman	Renumeration and Audit	2021		●●●●●●●●●●●●●●●●	0
Theodor Bonnier	Board member	Audit	2021		●●●●●●●●●●●●●●●●	0
Martin Erleman	Board member	Renumeration	2021		●●●●●●●●●●●●●●●●	0
Frida Westerberg	Board member	Audit	2021	●	●●●●●●●●●●●●●●●	50k
Mikael Dolsten	Board member	None	2021	●	●●●●●●●●●●●●●●●	50k
Petra Rumpf	Board member	None	2022	●	●●●●●●●●●●	50k

done through interviews with the Board members as well as an anonymous survey to the Board.

The Board is responsible for evaluating the CEO. During 2022 this was done with the support of an external leadership development firm who conducted a full 360 assessment process including the executive management team, the Board and external stakeholders.

Remuneration committee

Vimian has a remuneration committee consisting of two members: Gabriel Fitzgerald and Martin Erleman. The remuneration committee shall prepare matters concerning remuneration principles, remuneration and other employment terms for the CEO and the executive management. In 2022, the remuneration committee held two meetings.

Audit committee

Vimian has an audit committee consisting of three members: Gabriel Fitzgerald, Theodor Bonnier and Frida Westerberg. The audit committee shall, without it affecting the responsibilities and tasks of the Board of Directors, monitor the company's financial reporting, monitor the efficiency of the company's internal controls, internal auditing, and risk management, keep informed of the auditing of the annual report and the consolidated accounts, review and monitor the impartiality and independence of the auditors and pay close attention to whether the auditors are providing other services besides audit services for the company and assist in the preparation of proposals for the general meeting's decision on election of auditors. In 2022, the audit committee held five meetings.

Nomination committee

At the annual general meeting held on May 24, 2021, it was resolved to adopt the following principles for the nomination committee: The company shall have a nomination committee consisting of a member appointed by each of the three shareholders representing the shareholders with the largest number of votes or ownership, together with the chairman of the Board. The nomination committee shall be constituted based on shareholder statistics from Euroclear Sweden AB as of 30 September each year and other reliable ownership information available by the company at such time and the Board's chairman who will also convene the first meeting of the year of the nomination committee.

The member of the Board of Directors representing the largest shareholder shall be appointed chairman of the nomination committee, unless the nomination committee unanimously appoints another member of the nomination committee as chairman. In the event that, before the date falling three months prior to the annual general meeting, one or more of the shareholders having appointed representatives of the nomination committee have ceased being among the three largest shareholders, representatives appointed by these shareholders shall resign and the shareholders who then make up the three largest shareholders may appoint their representatives in accordance with these instructions. Should a member resign from the nomination committee before its work has been completed and the nomination committee considers it necessary to replace such member, such substitute member is to represent the same shareholder, or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn. Shareholders who have appointed a representative to be a member of the nomination committee shall have the right to dismiss such member and appoint a new representative of the nomination committee. Changes to the composition of the nomination committee must be publicly announced immediately. In 2022, the nomination committee held four meetings.

M&A committee

Given the high pace of M&A, the Board of Directors have created a M&A committee consisting of Gabriel Fitzgerald, Martin Erleman and Theodor Bonnier, with power to sign for the Board in relation to smaller deals.

Auditors

The auditor shall review the company's annual reports and accounting, as well as the management of the Board of Directors and the CEO. Following each financial year, the auditor shall submit an audit report and a consolidated audit report to the annual general meeting. Pursuant to the company's articles of association, the company shall have not less than one and not more than two auditors and not more than two deputy auditors.

Grant Thornton Sweden AB has been the company's auditor since January 2021 and was, at the annual general meeting on June 2, 2022 re-elected until the end of the annual general meeting 2023. Carl-Johan Regell (born 1963) is the auditor in charge. Carl-Johan Regell is an authorised public accountant and a member of FAR (professional institute for authorised public accountants). Grant Thornton Sweden AB's office address is Kungsgatan 57, Box 7623, SE-103 94 Stockholm, Sweden.

Board of Directors

Gabriel Fitzgerald

Born 1977. Chairman of the board since 2021.

Education: MSc in Finance from the Stockholm School of Economics and University Medical studies at Linköping University.

Other current assignments: CEO of Fidelio Capital AB, Fidelio Capital II AB and Fidelio Capital I AB. Chairman and/or board member of a number of companies within the Fidelio Capital II AB-group. Board member of Bellbox Holding AB and Pencey Holding AB.

Principal work experience: CEO of Fidelio Capital, investment manager at Nordic Capital and associate at Carnegie Investment Bank.

Shareholding in the company: Gabriel is an ultimate beneficial owner of Fidelio Vet Holding AB, the Principal Owner of the company.

Independent of: The company and executive management: Yes
Major shareholders: No

Mikael Dolsten

Born: 1958. Board member since 2021.

Education: PhD in tumour immunology and M.D. from the University of Lund and visiting professor at Lund University, Medical Faculty.

Other current assignments: Board member of Agilent Technologies.

Principal work experience: Chief scientific officer and president, worldwide research, development and medical at Pfizer, president of worldwide R&D at Pfizer, president and head of R&D at Wyeth Pharmaceuticals, executive vice president and head of pharmaceutical research at Boehringer Ingelheim, global VP at AstraZeneca.

Shareholding in the company: 0 ordinary shares, 0 C shares.
Subscribed for a total of 31,354 warrants in the company under Board LTI 2021.

Independent of: The company and executive management: Yes
Major shareholders: Yes

Petra Rumpf

Born 1967. Board member since 2022.

Education: Bachelor's degree in Economics from Trier University and MBA from Clark University, USA.

Other current assignments: Member of the supervisory board at SHL-Medical. Member of the supervisory board, chair of the ESG task force and member of the technology committee at Straumann Group. Member of the supervisory board and chair of the digital advisory board at VZUG. Member of the advisory board at Lima Corporate.

Principal work experience: Member of the executive management board and global head of dental service organizations at Straumann Group. Member of the executive committee of Nobel Biocare. Several years in the life science and high-tech sectors and over ten years of board experience within the medtech industry.

Shareholding in the company: 40,000 ordinary shares, 0 C shares.

Independent of: The company and executive management: Yes
Major shareholders: Yes

Frida Westerberg

Born 1975. Board member since 2021.

Education: MSc in Finance and Business Administration from Stockholm School of Economics and a CEMS Master in International Management from Bocconi University in Milan.

Other current assignments: Board member of Ework Group AB, Billogram AB, Trollheim Studios AB, Grebretsew AB and deputy board member of Namrega AB.

Principal work experience: Group CEO of Allurity, CEO of IP-Only, deputy CEO and COO of SF Studios, various roles within the Bonnier Group and associate at Goldman Sachs.

Shareholding in the company: 6,500 ordinary shares, 0 C shares. Subscribed for a total of 20,903 warrants in the company under Board LTI 2021.

Independent of: The company and executive management: Yes
Major shareholders: Yes

Martin Erleman

Born 1983. Board member since 2021.

Education: MSc in Finance from the Stockholm School of Economics.

Other current assignments: Chairman and/or board member of a number of companies within the Fidelio Capital II AB-group. Deputy board member of Greenfood AB (publ) and Greenfood MC AB.

Principal work experience: Partner at Fidelio Capital, investment manager at Nordic Capital and analyst at Goldman Sachs.

Shareholding in the company: 0 ordinary shares, 0 C shares. 0 warrants.

Independent of: The company and executive management: Yes
Major shareholders: No

Theodor Bonnier

Born 1989. Board member since 2021.

Education: BSc in Finance and Marketing from the Stockholm School of Economics.

Other current assignments: Deputy CEO of Fidelio Capital AB, Fidelio Capital II AB and Fidelio Capital I AB. Board member of a number of companies within the Fidelio Capital II AB-group, TBON Invest AB and Bellbox Holding AB. Deputy board member of a number of companies within the Fidelio Capital AB-group, a number of companies within the Fidelio Capital II AB-group, Auxo AB, WF Simhold AB, Bisslinge Finans AB, Southern Meadow AB and Berghamnen AB.

Principal work experience: Director at Fidelio Capital.

Shareholding in the company: 0 ordinary shares, 0 C shares. 0 warrants.

Independent of: The company and executive management: Yes
Major shareholders: No

Management 1/2

Fredrik Ullman

Born 1980. CEO since 2021.

Education: BSc in Mechanical Engineering from ETH Zürich and a MEng in Product Development from the KTH Royal Institute of Technology in Stockholm, a MScEng in Industrial engineering and Production, Supply Chain Management and Integrated Product Development and a PhD in Innovation and Technology Management from ETH Zürich.

Other current assignments: Owner of Innoverse GmbH.

Principal work experience: CEO of Indical Bioscience, various positions at Novozymes and Consultant at Bain & Company.

Shareholding in the company: 2,312,663 ordinary shares, 1,214,554 C shares.

Subscribed for a total of 250,836 warrants in the Company under LTI 2021 and 82,142 warrants under LTI 2022.

Carl-Johan Zetterberg Boudrie

Born 1978. CFO since 2022.

Education: MSc in Electrical Engineering from the Royal Institute of Technology and MSc in Business Administration from Stockholm University.

Other current assignments: Owner of Calan Consulting AB.

Principal work experience: CEO at Careium AB, CEO and CFO at DORO AB, CFO at Lekolar, Vice President Business Development at Beijer Electronics, and consultant at Capgemini Invent.

Shareholding in the company: 0 ordinary shares, 0 C shares.

Subscribed for a total of 41,071 warrants in the Company under LTI 2022.

Magnus Kjellberg

Born 1973. CEO of Nextmune since 2017.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Other current assignments: Chairman of the board of a number of subsidiaries within the Group. Board member of a number of subsidiaries within the Group and Nextmune Holding BV, Nextmune BV, Nextmune US LLC, Nextmune AS, Nextmune Scandinavia AB, Nextmune Spain S.L., Nextmune Italy S.r.l., Vetruus Limited and Bova UK Limited.

Principal work experience: VP Corporate Strategy and M&A at Meda.

Shareholding in the company: 2,143,061 ordinary shares, 1,367,912 C shares.

Subscribed for a total of 125,418 warrants in the Company under LTI 2021.

Colleen Flesher

Born 1976 Co-CEO of Movora since 2022.

Education: MSc in Bioengineering from The University of Pennsylvania and MBA from The Pennsylvania State University.

Principal work experience: President & General Manager Lima Corporate in the US, managerial positions in sales, marketing, product development and innovation at Synthes and Johnson & Johnson's MedTech division.

Shareholding in the company: 0 ordinary shares, 0 C shares.

Subscribed for a total of 84,745 warrants in the Company under LTI 2022.

Guy C. Spörri

Born 1980. Co-CEO of Movora since 2020.

Education: MSc in Management, Technology and Economics from ETH Zürich.

Other current assignments: Chairman of the board of KYON AG and Ossium AG. Board member of KYON Pharma (US).

Principal work experience: CEO of KYON, General Manager of Joint Replacement Division at Stryker and Sales Manager at Johnson & Johnson.

Shareholding in the company: 663,889 ordinary shares, 344,318 C shares.

Subscribed for a total of 83,612 warrants in the Company under LTI 2021 and 8,214 warrants under LTI 2022.

Management 2/2

Alireza Tajbakhsh

Born 1983. CEO of VetFamily since 2022.

Education: MSc in Economics and Business Administration from the Stockholm School of Economics.

Other current assignments: Chairman of the board and board member of a number of subsidiaries within the Group. Board member of Famano AB.

Principal work experience: Group CEO of Omnicom Media Group Sweden, COO MTGx and Head of Digital MTG, Chairman of the Board OMD Sweden, Chairman of the Board PHD Sweden, Chairman of the Board Hearts & Science Sweden, Chairman of the Board Drum Sweden. Member of Board Splay Networks & Member of Board Godsmak.se.

Shareholding in the company: 292 064 ordinary shares, 125,170 C shares.

Subscribed for a total of 275,000 warrants in the Company under LTI 2022.

Stefano Santarelli

Born 1981. CEO of Indical Bioscience since 2021.

Education: Bachelor of Economics (Honours) at LUISS Guido Carli University in Rome.

Principal work experience: Ontario Teachers' Pension Plan (OTPP), Bain & Company, Ernst & Young, TIM Telecom Italia, P&G.

Shareholding in the company: 0 ordinary shares, 0 C shares.

Subscribed for a total of 82,142 warrants in the Company under LTI 2022.

Martin Bengtson

Born 1981. Head of M&A since 2021.

Education: MSc in Finance from the Stockholm School of Economics.

Other current assignments: Board member of HRR Holding AB and Danzinger Gatt Invest AB.

Principal work experience: Head of M&A at Doktor.se, Group M&A Manager at AniCura and Investment Manager at Nordic Capital.

Shareholding in the company: 174,250 ordinary shares, 104,550 C shares. 0 warrants.

Maria Dahllöf Tullberg

Born 1981. Head of IR, Communications & Sustainability since 2021.

Education: MSc in Accounting and Financial Management from the Stockholm School of Economics.

Principal work experience: Group Communications Director at AniCura, Head of Marketing & Communications at Moderna Försäkringar and Consultant at JKL Group.

Shareholding in the company: 7,300 ordinary shares, 0 C shares.

Subscribed for a total of 83,612 warrants in the Company under LTI 2021 and 112,689 warrants under LTI 2022.

Carl-Johan Ehn

Born 1974. General Counsel since 2022.

Education: Master of laws - LLM from Lund University. BSc Business Administration – Finance from Lund University

Other current assignments: Board member of Elding Oscarson Arkitekter AB. Board member of Tapster AB

Principal work experience: Vice President and Chief Counsel International Operations at Zoetis. Assistant General Counsel at Pfizer. Attorney (Advokat) at Mannheimer Swartling Law Firm

Shareholding in the company: 17,000 ordinary shares, 0 C shares.

Subscribed for a total of 112,689 warrants in the Company under LTI 2022.

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in Vimian Group AB (publ), corporate identity number 559234-8923.

Engagement and responsibility
It is the board of directors who is responsible for the corporate governance statement for the year 2022 on p. 51–57 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm May 3, 2023

Grant Thornton Sweden AB

Carl-Johan Regell
Authorized Public Accountant

Board of Directors' Report

The Board of Directors and the CEO of Vimian Group AB (publ), Corp. Reg. No. 559234-8923, hereby submit the Annual Report for the Parent Company for the fiscal year January 1 to December 31, 2022 and the group consolidated financial statements for fiscal year January 1 to December 31, 2022. The company is based in Stockholm and the annual report for the Parent Company is in SEK. The financial statements were approved for publication by the Board of the Parent Company on 3 May 2023.

Operations and organisation

Vimian is a global animal health group improving animal health through science and technology. The Group offers a diversified portfolio of products, services and solutions to veterinary and laboratory professionals with sales to more than 90 markets in 2022. The Group operates through four segments in the companion animal and livestock health market: Specialty Pharma, MedTech, Veterinary Services and Diagnostics. The segments operate under the brands Nextmune, Movora, VetFamily and Indical Bioscience. Every animal deserves the best available care. Vimian helps achieve this by bringing pioneering businesses together to make the market's most innovative offerings accessible to more animal health professionals and animal owners.

As per the end of 2022 Vimian Group had approximately 900 employees and 56 offices globally. In 2022, Group Sales amounted to EUR 281.3 million with products and services sold in over 90 markets globally. Vimian Group is a public limited liability company listed on the Nasdaq First North Growth market. The head office is in Stockholm, Sweden.

Performance of the Group's operations

Net sales

For the full year 2022, net sales amounted to EUR 281.3 million (173.3), representing an increase of 62 per cent, of which 3.7 per cent was organic. The companion animal business, excluding Diagnostics, delivered 8.7 per cent organic growth. Including all acquired companies, pro-forma organic growth was 11.5 per cent.

The development of our four segments in 2022 can be summarised as follows:

- **Specialty Pharma** – solid pro-forma organic revenue growth around 15 per cent for the full year 2022, including all companies owned by the 31 December 2022. Growth across all therapeutic areas and regions. Reported organic growth was 7.0 per cent held back by slower growth in Southern Europe.
- **MedTech** – solid organic growth of 10.2 per cent for the full year 2022 in a challenging macroeconomic environment. Stronger growth in the US market offsets a slowdown in Europe.
- **Veterinary Services** – organic growth of 9.6 per cent for the full year 2022 supported by renegotiated supplier contracts and member growth.
- **Diagnostics** – organic decline of 25.4 per cent for the full year 2022 reflects the phase out of Covid related sales. In 2022 Covid accounted for less than 10 per cent of sales, down from 30 per cent in 2021. Growth in the core business improved to mid-single digit positive in the second half of the year with strong execution in all regions offsetting continued macroeconomic headwinds in the livestock diagnostics market.

Operating income

Operating profit amounted to EUR 39.4 million (21.6), corresponding to an operating profit margin of 14 per cent (12.5). Adjusted EBITA amounted to EUR 73.4 million (53.5), corresponding to an adjusted EBITA margin of 26.1 per cent (30.8). The lower margin compared to the previous year reflects consolidation of acquired businesses with a different financial profiles and investments in geographic expansion and innovation.

Seasonality effects

Group revenues and EBITA are to a limited degree affected by seasonality. The four segments have varying, but limited, seasonality patterns, as outlined below:

- **Specialty Pharma:** Q4 is generally a bit stronger, and Q1 is generally a bit weaker. This is driven by customers' general purchasing patterns.
- **MedTech:** Q1 is significantly larger than the other quarters driven by the annual ordering program.
- **Veterinary Services:** Typically slightly lower seasonality during the summer when veterinary clinics are on holidays. For VerticalVet Q3 is a smaller quarter with lower profitability.
- **Diagnostics:** Q4 is generally a bit stronger, and Q1 is generally a bit weaker. This is driven by e.g., budget considerations for state labs.

The high pace of acquisitions within the segments is likely to have an impact on the seasonality pattern of the segments.

Name	Specialty Pharma	MedTech	Veterinary Services	Diagnostics
% of Group sales 2022	44	36	8	12
Share of sales by region, %	Europe 58 N America 40 ROW 2	Europe 24 N America 62 ROW 15	Europe 82 N America 15 ROW 4	Europe 65 N America 16 ROW 19
Organic growth 2022, %	7.0 (pro-forma ~15)	10.2 (pro-forma ~8)	9.6 (pro-forma ~10)	-25.4 (pro-forma ~23)
Total growth 2022, %	82	67	100	-16

Net financial items

Net financial items amounted to EUR -38.3m (-8.9). This consists of three main parts: financing costs of EUR -11.0m, adjusted contingent considerations (incl. discounting impacts) of EUR -21.5m and a negative exchange-rate impact of EUR -5.8m. Higher earn-out related costs reflects upwards probability adjustment of future earn-out payments following very strong performance of acquired companies including Bova Specials, Global One Pet Products and AdVetis.

Tax

Tax expense for the period was EUR -8.1m (-5.0), corresponding to an effective tax rate of 832 per cent. The taxable result is significantly higher than the net result due to tax losses without recognition of deferred tax assets and non-deductible expenses, mainly impairments of contingent liabilities recognised in the financial items. Adjusted for these items the effective tax rate would be 28 per cent (39).

Profit for the period

Profit for the period amounted to EUR -7.2m (7.8). Earnings per share before dilution amounted to EUR -0.02 (0.02). Earnings per share after dilution amounted to EUR -0.02 (0.02).

Financial position

At the end of the period, net debt amounted to EUR 257.5m, versus EUR 168.1m per 31 December 2021. The change in net debt mainly reflects payment for acquisitions completed during the year and repayment of debt using tranche 2 of the share issue approved by the EGM on 3 October 2022. Cash and cash equivalents amounted to EUR 42.2m at the end of the period.

On the 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, The defendants is obliged to make a single payment of USD 70 million, payable in the second quarter of 2023. Per the end of 2022, Vimian has booked an "other current liability" of USD 70 million and a claim of USD 56 million (USD 70 million – USD 20 million withheld at acquisition plus USD 6 million legal costs) towards the sellers of VOI as a "current receivable". This has no impact on net debt. Vimian's view is that through the purchase agreement for the acquisition of VOI, Vimian has contractual indemnification protection for the amount of the settlement and all legal costs to date. For further information see note 23.

At the end of the year, net debt in relation to pro-forma adjusted EBITDA over the past 12-month period was 3.0x, compared to 2.5x per 31 December 2021.

Net debt, k, EUR	2022	2021
Liabilities to credit institutions (long term)	207,112	163,110
Lease liabilities (long term)	9,029	7,273
Other non-current liabilities	35,299	21,412
Liabilities to credit institutions (short term)	-	7,578
Lease liabilities (short term)	4,816	2,406
Other items	43,520	21,430
Cash & Cash Equivalents	-42,199	-55,114
Net debt	**257,512**	**168,095**

Cash flow

Cash flow from operating activities amounted to EUR 25.3m (16.0), with negative impact from higher inventory. Cash flow from investing activities was to EUR -188.5m (-115), primarily related to M&A with 15 acquisitions closed 2022.

Net working capital amounted to EUR 59.7m (35.0) per year-end. The increase s mainly attributable to acquisitions and build-up of inventory in MedTech ahead of the AOP programme and to secure supply in our fast-growing businesses in Specialty Pharma. Compared to the third quarter, net working capital decreased slightly as inventory levels in Specialty Pharma normalised.

Parent Company

Vimian Group AB (publ), reg. no. 559234-8923, which is domiciled in Stockholm, Sweden, only conducts holding and management operations. During the period between January and December, net sales amounted to SEK 26.031k (-) and net loss totalled SEK -74.207k (-70.386).

The Parent Company's financial position is dependent on the financial position and development of its subsidiaries. The Parent Company is therefore indirectly impacted by the risks described in the Risks and risk management section.

Significant events during the fiscal year 2022

- In January, Vimian acquired Bova Holdings Limited a leading companion animal health specialty pharmaceuticals company in the UK. Bova was consolidated in Specialty Pharma 4th February
- In February, Vimian acquired Kahu Vet Group, a supplier of veterinary surgical products in Australia and New Zealand. Kahu Vet Group was consolidated in MedTech 1st March
- In March, Vimian acquired the veterinary allergy division of Avacta Group plc in the UK. The acquisition was consolidated in Specialty Pharma 15th March
- In March, Vimian co-invested in one veterinary clinic in Denmark. The clinic was consolidated in Veterinary Services 1st April
- In April, Vimian acquired Vertical Vet, LLC, a leading provider of procurement and support services to 1,100 member clinics in the US. Consolidated in Veterinary Services from April
- In April, Vimian acquired two product portfolios of veterinary surgical instruments and orthopedic implants in the US. Consolidated in MedTech from April
- In April, Vimian co-invested in two veterinary clinics in Denmark. Consolidated in Veterinary Services from early May
- In May, Vimian signed a partnership agreement to develop novel veterinary allergy tests together with Macro Array Diagnostics, a European provider of diagnostics for human health
- In June, Vimian hosted its 2022 Annual General Meeting where Petra Rumpf was elected new member of the Board, the 2022 Long Term Incentive Program was adopted, and the company received authorisation to issue new shares
- In July, Vimian signed an agreement to acquire Viking Blues Pty Ltd (the non-regulated part of Bova in Australia), operating in the companion animal customised specialty pharmaceuticals

market. Expected to be consolidated in Specialty Pharma during the first quarter of 2023

- In July, Vimian acquired the assets of US based New Generation Devices ("NGD"). Consolidated in MedTech from August
- In July, Vimian acquired a veterinary clinic in Sweden. Consolidated in Veterinary Services in August
- In July, Carl-Johan Zetterberg Boudrie was appointed new CFO and member of Vimian's management team. Carl-Johan assumed his position on 1 November
- In July, Vimian acquired Heiland GmbH ("heiland.com"), a leading online ordering platform offering veterinary pharmaceuticals and other veterinary health products to clinics across Germany. Consolidated in Veterinary Services from August
- In September, Vimian carried out a Directed Share Issue of 51,727,442 shares raising proceeds of SEK 1.5 billion to finance select, strategic acquisitions and reduce indebtedness. The first tranche of the Directed Share Issue was completed in September
- In October, Vimian held an Extraordinary General Meeting which unanimously resolved to carry out the second tranche of the Directed Share Issue of 32,500,000 shares out of the total 51,727,442 shares
- In November, Colleen Flesher was appointed new Co-CEO of Movora and member of Vimian's management team. Colleen assumed her position on 1 December
- In December, Vimian signed an agreement to acquire one veterinary clinic in Sweden. The clinic was consolidated in the Veterinary Services segment from 1 February

Significant events after the fiscal year

- On 10 January, 6,019,086 C-shares were converted into ordinary shares. Pursuant to agreements entered into between Vimian and certain shareholders in connection with the rollover conducted in connection with the listing in 2021, the C-shares will vest over a three-year period. Conversion of the 6,019,086 C-shares relates to vesting of the first third of the C-shares. Following the conversion, there are in total 441,122,339 shares in Vimian, of which 18,930,656 are C-shares, together carrying 1,893,065.6 votes and 422,191,683 are ordinary shares, together carrying 422,191,683 votes. The total number of votes in Vimian is 424,084,748,6.
- On 8 March, Vimian announced amended consideration parameters for the acquisition of Viking Blues Pty Ltd and its intention to issue shares, subject to approval by an EGM held on 24 March 2023.
- On 22 March Vimian acquired Vettr, a veterinary services plaform in Australia. The acquisition will be consolidated as of 3 April 2023.
- On 24 March the Extraordinary General Meeting resolved, with the required majority, to the Board of Director's a proposal to carry out an issue of not more than 15.502.391 new ordinary shares.
- 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, the defendants are obliged to make a single payment of USD 70 million, payable in the second quarter of 2023. Per the end of 2022, Vimian has booked an "other current liability" of USD 70 million and a claim of USD 56 million (USD 70 million minus USD 20 million withheld at acquisition plus USD 6 million of legal costs) towards the sellers of VOI as a "current receivable". This has no impact on net debt. Vimian's view is that through the purchase agreement for the acquisition of VOI, Vimian has contractual indemnification protection for the amount of the settlement and all legal costs to date.
- 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.

Risk and risk management

The Group's ability to identify, map and prevent risk in turn reduces the likelihood of negative events having an impact on operations. Certain risks are of a more general nature such as industry and markets, while other risks are more specific to the company. The following section is not a complete risk analysis but gives an indication of the factors of significance for future development. For sustainability (ESG) related risks, see p.45–47, for more details see Note 23.

Industry and market related risks

A competitive industry

Vimian operates in a competitive industry and increased competition is an ever-present risk. The Group's ability to compete successfully is affected by factors such as pricing power, R&D, consolidation and professionalisation among players in the industry. Large companies with strong financial resources and broad product and service offerings, marketed under well-known and established brands, are operating in most of the Group's markets.

The animal health market has developed a lot in a short time, driven by an increase in the number of pets, the humanisation of pets and increased awareness of animal diseases and available treatments. The increasing turnover for the industry may attract market entries from additional companies previously not active in the same market segments.

Macroeconomic factors

Vimian has a diversified portfolio of products and services and operates in more than 150 countries, where Europe and the United States are its largest markets with most of the production, suppliers and customers. The Group also has large suppliers in other countries such as Taiwan. Changes in the political situation in these regions could adversely affect the Group's sales or costs.

The demand for Vimian's products and services is dependent on the general economic conditions in the animal health market which are in turn impacted by general macroeconomic trends and factors in the countries and regions where Vimian operates. Even if the animal health market has proven to be resilient during economic downturns in the past, this may not be the case in the future.

Geopolitical Factors

With a broad geographic footprint, Vimian is exposed to geopolitical risks across its markets. Consequences following the situation in Ukraine could constitute risks to our businesses, e.g., longer lead times in supply chains, shortage of supply, commodity, energy and distribution costs, and input cost inflation.

Although hard to predict the extent and implications of, we are monitoring closely and taking precautionary actions where required.

Operational Risks

Manufacturing and suppliers

With a majority of the supply chain outsourced, the Group is dependent on the supply of products, components and raw materials to produce, deliver and market its products and services. There is a risk that suppliers will not deliver on time or in accordance with the cost scenario or quality standards to which they have committed. Any delays, interruptions and quality deficiencies could make it difficult or impossible for Vimian to meet customer demand.

Vimian is dependent on its suppliers' compliance with the Group's guidelines and other industry standards regarding environment, work environment, anti-corruption, human-rights and business ethics. If Vimian fails in its assessment and evaluation of such players, this could have an adverse effect on Vimian's reputation, brand and operations.

Vimian purchases a variety of finished products and services as well as some raw materials and is therefore exposed to risks related to price fluctuations both on the underlying raw materials, and the finished goods. Purchasing of implants made from titanium and stainless steel within the MedTech segment is highly dependent on the raw material prices.

Identifying and completing acquisitions

Vimian's growth strategy includes growth through further acquisitions, with its success dependent on several factors, including ability to find suitable acquisition targets, negotiate acceptable purchase terms, secure acquisition financing and obtain any necessary permits from authorities. This strategy exposes the Group to risks such as expected benefits of acquisitions turning out to be lower than expected, unforeseen costs arising, insufficient number of acquisition targets or that the Group fails to find suitable acquisition candidates or is otherwise prevented from making acquisitions as a result, due to for example, competition.

If Vimian fails to implement strategic acquisitions, there is a risk that the Group's expansion and growth are adversely affected or do not take place at all. There is also a risk that acquisitions may be regarded as something negative by the financial market or investors, for example if the consideration is deemed too high or if the acquisition is not considered to be in line with the Group's overall strategy, which in turn may have a negative impact on the price of the Group's share.

Integration of acquired companies or assets

Vimian is exposed to risks related to the integration of acquired entities, such as the inability to retain key personnel or customers, merging costs, organisational costs, unexpected costs and difficulties in achieving the anticipated synergies from the acquisitions and the successful implementation of Vimian's strategy in the integration of the acquisition.

Acquisitions, especially those that are large, complex or difficult to integrate, also require a lot of management attention and resources and accordingly, there is a risk that the acquisition and integration of an acquired business will have a negative impact on the Group's ongoing operations.

Brand and reputation

Vimian conducts its operations through its subsidiaries, which operate under the brands Nextmune, VetFamily, Movora and Indical Bioscience. Vimian is dependent on its ability to maintain a good reputation on the markets where the Group operates, achieve a good reputation on new markets and maintain good relations with current and potential customers, partners and other parties.

Intellectual property

Vimian's long-term success largely depends on the Group's ability to market and protect competitive products. To protect the Group's intellectual property, Vimian relies on a combination of intellectual property, mainly patents, but also trademarks, copyrights and trade secrets as well as confidentiality and license agreements with the Group's employees and other parties. There is a risk that the actions that Vimian has taken or may take in the future are insufficient to maintain and obtain adequate intellectual property protection.

Distributors and agents

Vimian sells its products and services both through its own sales network and through distributors and agents. Maintaining strong relationships with existing distributors and agents and building relationships with new distributors and agents is necessary to ensure that Vimian's products and services are well presented to its customers and made available for purchase.

When using distributors and agents, Vimian faces the risk of its distributors and agents misrepresenting the brand of the Group. There is also a risk that independent distributors and agents start promoting competitors' products and distributors could potentially change their operations and target sales to the same customer categories as Vimian.

Research and development (R&D)

Vimian's future success is dependent on the Group's existing product portfolio, as well as the ability to improve existing proprietary products and services and to develop and introduce new and innovative proprietary products and services that are relevant to its customers. Development of new products and services may also occur through joint ventures or with products that the Group is able to obtain through licenses or acquisitions. Vimian invests in R&D, evaluates new products and technologies that are being developed by third parties and, from time to time, acquires licenses for certain such new products and technologies.

IT systems

To efficiently and securely process data and perform other tasks necessary for the business, Vimian must have well-functioning IT systems. For example, Vimian uses cloud-based systems to a large extent. Vimian could thus be affected by disruptions or disturbances in its systems due to issues such as intrusion, sabotage, computer viruses, bugs, or other factors. Vimian's IT systems are largely decentralised, meaning that each vertical is responsible for its own IT environment. Any interruptions and disruptions to Vimian's IT systems may also have a negative impact on Vimian's brand and reputation.

Processing of personal data
Vimian handles personal data relating to employees and customers. The Group must therefore comply with applicable legislation, including Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons regarding the processing of personal data and on the free flow of such data and repealing Directive 95/46/EC (the "GDPR"). According to the comprehensive data protection legislation, the Group is required to handle personal data in a secure manner and understands, monitors and documents how personal data is handled.

Attracting and retaining key personnel
Vimian's employees are an important asset and key to long-term growth and continued success. The Group is therefore dependent on being able to attract, develop, retain and motivate capable and skilled senior executives and other employees with key competences (for more details see ESG risk p.45-47).

Employee safety and wellbeing
Risk for accidents in production/warehouses and health of employees in relation of mental and physical wellbeing (for more details see ESG risk p. 45-47).

Environment and climate
Stricter regulations on environmental matters can result in increased costs or further investments that are subject to such regulation. Significant negative environmental impacts by Vimian's segments or suppliers may lead to financial fines, loss of license to operate and/or reputational damage (for more details see ESG risk p. 45-47).

Product safety and product liability
Many of the products provided by Vimian are characterised by high demands on quality, safety and efficiency. Vimian's operations therefore require the preparation of, and compliance with, internal procedures within all the Group's markets and regions, to ensure compliance with the requirements for these products. Unexpected safety, quality or efficacy concerns may arise with respect to Vimian's products, regardless of whether the products are sold directly to end-customer or to veterinarians, animal hospitals or laboratories, and whether the products are scientifically or clinically supported.

Internal control
Vimian has a decentralised organisational model, which means that the Group's operative subsidiaries to a large extent are independently responsible for their business and the conduct thereof. Corporate governance in a decentralised organisation imposes strict requirements on procedures concerning, inter alia, financial reporting and monitoring procedures. Should Vimian's internal controls, routines, procedures and management prove to be inadequate or ineffective, it may result in sanctions by local authorities or damage to Vimian's brand and reputation among investors and other stakeholders. The Group follows multiple policies developed for and by the Group and work is continuously done, both centrally and in the Group companies, to further develop our Group policies and implementation and follow-up related to these.

Financial risks
Vimian Group's management of financial risks is centralised at the Group's finance department, which manages its activities within its established risk mandates and limits. Management is conducted in line with the guidelines in the Group's policies and regulations governing specific areas.

Liquidity and financing risk
Liquidity risk is the risk that an entity will have difficulty in fulfilling obligations related to financial liabilities settled with cash or other financial assets on acceptable terms. Vimian manages liquidity risk by continuously monitoring the operations. The company regularly forecasts future cash flows based on different scenarios to to ensure there is sufficient cash and undrawn credit facilities to cover the need of the group. In 1H 2022 a European cashpool was implement in the group and during 2H 2022 a US cashpool was established. Through the cashpooling, it is possible to release liquidity within the group and transparency of existing liquidity.

A part of Vimian's operations is financed through interest-bearing financial liabilities. Consequently, Vimian is, and will in the future be, subject to risks connected to fluctuations on market interest rates. The Group normally borrows from credit institutions at variable interest rates while other financial liabilities carry fixed interest rates. Given the interest-bearing assets and liabilities at variable interest rates per the 31 December 2022, an interest-rate increase of 1 percentage point would impact profit before tax at an amount of kEUR -2 098 (-427). A 1 percentage point interest rate increase mesured in kEUR -1 200, kUSD -429, kGBP -296, kDKK -61 and kSEK -35 and impact equity after tax at an amount of kEUR -1 657 (-337).

Credit risk
Credit risk is the risk that Vimian Group's counterparties are unable to pay their liabilities and thereby cause losses for Vimian Group. Credit risk is mainly attributable to the group's accounts receivables and spread over a large number of customers with a few larger corporate customers. Payment terms are 30 to 60 days and are followed up continuously. Historically, credit losses within the group have been insignificant.

Tax risks
Vimian operates in several jurisdictions and has a diversified portfolio of products, services and solutions in more than 90 countries. Vimian is subject to local tax legislation in multiple jurisdictions and there is a risk that Vimian's understanding and interpretation of tax legislation could be incorrect, or that tax authorities in the relevant jurisdictions may make decisions which differ from Vimian's interpretation, which could

have an adverse effect on the Group's tax costs and effective tax rate. There is also a risk that changed legislations, which may apply retroactively, may adversely affect the Group's results.

In recent years, tax authorities have increased the focus on transfer pricing, an area of high complexity. Negative outcomes in transfer pricing related reviews and disputes may have an adverse effect on Vimian's tax position.

Currency risks

Vimian is subject to currency risks relating to changes in foreign currency exchange rates, which could have an impact on Vimian's income statement and balance sheet. Currency risks refer to transaction exposure as well as translation exposure.

The Group's revenue is primarily denominated in EUR and USD, and expenses are primarily denominated in EUR, USD and SEK, while there is also limited exposure to GBP, NOK, DKK and CHF. However, Vimian considers currency risk attributable to transaction exposure to be low since the Group's revenue in the operations largely corresponds to expenses in the same currency.

Employees and remuneration

Number of employees

The number of employees at the end of December 2022 was approximately 900 (600).

Incentive programs

At the annual general meeting on 2 June 2022, it was resolved to introduce a long-term incentive program, a warrant program for up to 115 employees ("LTI 2022").

Long-Term Incentive programme 2022

LTI 2022 is directed to in total 80 of employees across the Group including 8 members of the Company's executive management team.

The purpose of LTI 2022 is to enable the company to provide remuneration tied to Vimian's s long term value creation to current and future key individuals, employees and consultants and thus align the participants interests with those of the shareholders. The Company has retained the right to, with certain exceptions, repurchase warrants if the participant's employment/assignment with the Company is terminated or if the participant wishes to transfer its warrants prior to 15 June 2025. Subscription for new shares under the LTI 2022 can be made during the period 15 June 2025 to 30 June 2025. LTI 2022 comprises a total of 3,216,193 warrants subscribed by the participants at market value and without any funding from the Company. At subscription, the subscription price per ordinary share shall correspond to 116 per cent of the price in the listing of the Company's shares, corresponding to 38.9 SEK. The subscription price and number of ordinary shares in which each warrant carries an entitlement to shall be recalculated in the event of a split or reversed split of shares, new issue of shares etc. in accordance with market practice.

Sustainability Report

The Group's Sustainability Report is published as part of the annual report on vimian.com. The Sustainability report includes Vimian Group AB and its subsidiaries.

Corporate Governance Report

The Group's Corporate Governance Report can be found on p. 51–57 of the annual report.

Future development

Forecast

Vimian Group does not provide a financial forecast.

The Share

Number of shares and quotient value

Vimian Group's share was listed on Nasdaq First North Growth Market on June 18, 2021, under the ticker VIMIAN. The total number of shares in Vimian Group on December 31, 2022, was 441,136,039, of which 416,172,597 were ordinary shares and 24,963,442 class C shares. Each ordinary share in the company entitles the holder to one vote at general meetings and one class C share entitles the holder to one tenth of a vote at general meetings. The shares are denominated in SEK and the quota value of each share is approximately SEK 0,001668.

Largest shareholders

As per December 31, 2022, Vimian Group had 1,918 shareholders, with the majority owner Fidelio Capital holding 55% of capital and 58% of votes. The ten largest owners represented 82.2% of the capital and 84.6% of the votes.

After Fidelio Capital the largest shareholders were SEB Funds (6.3% of the votes), PRG Investment Holdings (3.7% of the votes), Didner & Gerge Funds (3.7% of the votes) and AMF Pension & Funds (3.2% of the votes).

Articles of Association

The Articles of Association contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendment of the Articles of Association.

Proposed appropriation of profits

Parent Company

At the disposal of the Annual General Meeting (kSEK):	
Share premium reserve	6,167,328
Retained earnings	1,825,345
Net income	-74,207
Total	**7,918,466**
The Board proposes that the profit brought forward be appropriated as follows (SEK):	
Dividend to shareholders	-
To be carried forward	**7,918,466**

Dividend

Vimian aims to invest its profits and cash flows in organic growth initiatives and acquisitions and does not expect to pay dividends for the year 2022. The Board's proposal to the general meeting in June 2023, is to not distribute any dividend for 2022.

Consolidated statement of profit or loss

kEUR	Note	2022	2021
Revenue from contracts with customers	3, 4	281,308	173,350
Revenue		**281,308**	**173,350**
Other operating income		6,511	4,824
Raw material and merchandise	18	-87,315	-50,501
Other external expenses	5	-56,927	-41,877
Personnel expenses	6	-71,012	-42,537
Depreciation and amortisation	13, 14, 15	-27,226	-16,689
Other operating expenses	7	-5,978	-4,973
Operating profit		**39,361**	**21,597**
Finance income	8	12,385	866
Finance expense	9	-50,730	-9,803
Share of profit of an associate	17	-92	99
Profit before tax		**924**	**12,759**
Income tax expense	10	-8,122	-5,000
Profit for the year		**-7,198**	**7,759**
Profit for the year attributable to:			
Equity holders of the parent		-6,742	6,586
Non-controlling interests		-456	1,173
Earnings per share, before and after dilution	11	-0,02	0,02

Consolidated statement of comprehensive income

kEUR	Note	2022	2021
Profit for the year		-7,198	7,759
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	22	-6,929	7,742
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans	28	87	-64
Other comprehensive income for the year, net of tax		**-6,842**	**7,678**
Total comprehensive income for the year, net of tax		**-14,040**	**15,437**
Total comprehensive income attributable to:			
Equity holders of the parent		-13,609	14,240
Non-controlling interests		-430	1,197

Consolidated statement of financial position

Resource

kEUR	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Goodwill	12	464,374	326,921
Intangible assets	13	203,992	152,030
Property, plant and equipment	14	21,518	17,189
Right-of-use assets	15	13,328	9,223
Investment in associates	17	7,578	522
Non-current financial assets	16	4,103	1,275
Deferred tax assets	10	1,976	2,082
Total non-current assets		**716,867**	**509,244**
Current assets			
Inventories	18	61,200	32,996
Trade receivables	16, 23	41,168	30,961
Current tax receivables	10	568	709
Other receivables[1]	16	57,434	5,323
Prepaid expenses and accrued income	19	4,127	6,369
Cash and cash equivalents	16, 20, 23	42,194	55,114
Total current assets		**206,692**	**131,472**
TOTAL ASSETS		923,559	640,716

1) The other receivables differ from the fourth quarter financial report as it has been updated to reflect a claim of kEUR 52.526 relating to the indemnification for the legal dispute in VOI as per the settlement agreement reached the 4 April 2023.

kEUR	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity	22		
Share capital		72	64
Other contributed capital		432,985	294,984
Reserves		-4,460	2,407
Retained earnings including this year's profit		53,216	59,959
Total equity attributable to equity holders of the parent		**481,813**	**357,414**
Non-controlling interests		-316	1,226
Total equity		**481,497**	**358,640**
Non-current liabilities			
Liabilities to credit institutions	16, 23	207,112	163,110
Lease liabilities	15, 23	9,029	7,273
Deferred tax liabilities	10	24,406	17,492
Other non-current liabilities	16, 23	35,229	21,412
Non-current provisions	24, 25	30	97
Total non-current liabilities		**275,806**	**209,385**
Current liabilities			
Liabilities to credit institutions	16, 23	–	7,578
Lease liabilities	15, 23	4,816	2,406
Trade payables	23	18,328	13,283
Current tax liabilities	10	8,179	7,875
Other current liabilities[2]	16, 23	113,576	27,594
Accrued expenses and prepaid income	26	21,358	13,956
Total current liabilities		**166,256**	**72,691**
TOTAL EQUITY AND LIABILITIES		923,559	640 716

2) The other receivables differ from the fourth quarter financial report as it has been updated to reflect a reservation of kEUR 65.652 per the settlement agreement with DePuy Synthes reached the 4 April 2023.

Consolidated statement of changes in equity

kEUR	Note	Equity attributable to equity holders of the parent						
kEUR	Note	Share capital	Other contributed capital	Translation reserve	Retained earnings including this year's profit	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Opening balance 1 Jan 2021		2	178,574	-5,247	50,691	224,020	50,226	274,246
Profit or loss for the year		–	–	–	6,586	6,586	1,173	7,759
Other comprehensive income		–	–	7,654	–	7,654	24	7,678
Total comprehensive income		–	–	7,654	6 586	14,240	1,197	15,437
Transactions with the owners	22							
Share issue		62	459,155	–	–	459,217	–	459,217
Ongoing share issue		–	1,275	–	–	1,275	–	1,275
Transaction costs		–	-545	–	–	-545	–	-545
Dividends		–	–	–	–	–	-652	-652
Shareholder contributions		–	12,815	–	–	12,815	640	13,454
Warrant program		–	1,142	–	–	1,142	–	1,142
Transactions with non-controlling interests		–	-357,432	–	2,681	-354,751	-50,184	-404,935
Total		62	116,411	–	2,681	119,154	-50,197	68,957
Closing balance 31 Dec 2021		64	294,984	2,407	59,958	357,414	1,226	358,640
Opening balance 1 Jan 2022		64	294,984	2,407	59,958	357,414	1,226	358,640
Profit or loss for the year		-	-	-	-6,742	-6,742	-456	-7,198
Other comprehensive income		-	-	-6,868	-	-6,868	25	-6,842
Total comprehensive income		-	-	-6,868	-6,742	-13,609	-430	-14,040
Transactions with the owners								
Share issue		7	137,961	–	–	137,969	–	137,969
Ongoing share issue		–	–	–	–	–	-4	-4
Transaction costs		–	-1,619	–	–	1,619	–	-1,619
Dividends		–	–	–	–	–	–	–
Shareholder contributions		–	–	–	–	–	–	–
Warrant program		–	1,658	–	–	1,658	–	1,658
Transactions with non-controlling interests		–	–	–	–	–	-1,107	-1,107
Total		7	138,001	–	–	138,008	-1,111	136,898
Closing balance 31 Dec 2021		72	432,985	–4,460	53,216	481,812	–315	481,497

Consolidated statement of cash flow

kEUR	Note	2022	2021
Operating activities			
Operating profit		39,361	21,597
Adjustments for non-cash items	27	30,702	18,087
Interest received		21	520
Interest paid		-10,389	-8,463
Paid income tax		-7,677	-5,878
Cash flow from operating activities before changes in working capital		**52,017**	**25,863**
Cash flow from change in working capital			
Change in inventories		-19,817	-4,259
Change in operating receivables		-3,758	-5,562
Change in operating liabilities		-3,130	-28
Cash flow from operating activities		**25,313**	**16,014**
Investing activities			
Acquisition of a subsidiary, net of cash acquired	31	-171,261	-102,456
Investments in associates		-6,964	-550
Proceeds from sale of associates		–	–
Dividend from associates		–	126
Investments in intangible assets		-4,486	-6,085
Investments in property, plant and equipment		-5,822	-5,407
Proceeds from sale of property, plant and equipment		–	–
Investment in other financial assets		–	-762
Proceeds from sale of financial assets		–	137
Cash flow from investing activities		**-188,533**	**-114,997**

kEUR	Note	2022	2021
Financing activities			
New share issue		137,969	50,120
Warrant program		1,658	1,142
Shareholder contributions		–	–
Transaction costs		-1,619	-545
Proceeds from borrowings	27	150,549	175,526
Repayment of borrowings	27	-133,160	-102,017
Payment of lease liabilities	27	-5,168	-2,295
Transactions with non-controlling interests		–	2,010
Cash flow from financing activities		**150,229**	**123,941**
Cash flow for the year		-12,990	24,958
Cash and cash equivalents at beginning of the year		55,114	29,663
Exchange-rate difference in cash and cash equivalents		70	493
Cash and cash equivalents at end of the year	20	**42,194**	**55,114**

Notes

All amounts are in tEUR unless otherwise stated

Note 1 Significant accounting policies

The consolidated financial statements comprise of the Swedish parent company Vimian Group AB (publ), with corporate identity number 559234-8923, and its subsidaries.

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 medicine, diagnostics and medtech 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 Board of Directors approved this document on 3 May, 2023 and will be presented to the annual general meeting 1 June, 2023 for approval.

Basis for preparation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU). The Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 1, Supplementary Accounting Rules for Groups, issued by the Swedish Financial Reporting Board, were also applied by the Group.

The consolidated financial statements have been prepared based on the assumption of going concern. Assets and liabilities are measured based on cost, with the exception of certain financial instruments that are measured at fair value. The consolidated financial statements have been prepared in accordance with the acquisition method, and all subsidiaries in which a controlling interest is held have been consolidated as of the date this interest was received.

The preparation of financial statements and application of accounting standards according to IFRS requires managerial judgment. The areas that include a large degree of estimates and assumptions, either because their nature is complex or since they have significant impact on the reported results and financial position, are described in Note 2 . These estimates and assumptions are based on historical experience and other factors that are considered to be reasonable under current circumstances. Actual outcome may differ from the estimates if the estimates or circumstances change.

Unless otherwise indicated, the accounting policies stated below have been applied consistently to all periods presented in the consolidated financial statements.

Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has a controlling interest. The Group controls an entity when it is exposed to or has the right to a variable return from its holding in the entity and has the possibility to affect this return through its influence in the entity. Subsidiaries are included in the consolidated financial statements from the date on which controlling influence is transferred to the Group, and are excluded from the consolidated financial statements from the date on which the controlling interest ceases.

Subsidiaries are recognised in accordance with the acquisition method, which entails viewing the acquisition of a subsidiary as a transaction through which the Group indirectly acquires the assets of the subsidiary and assumes its liabilities. The acquisition analysis determines the fair value of the identifiable assets, assumed debts and any non-controlling interests on the date of acquisition. Any acquisition-related costs that arise, except for acquisition-related costs attributable to issues of equity instruments or debt instruments, are recognised directly in profit or loss for the year. Contingent consideration is recognised at fair value on the date of acquisition. The Group only has contingent considerations that are classified as financial liabilities. These are remeasured at the end of the respective accounting periods. Changes in fair value are recognised as either finance income or finance expense. In the case of business combinations where the transferred consideration exceeds the fair value of the acquired assets and assumed liabilities that are separately recognised, the difference is recognised as goodwill. Should the difference be negative, which is known as a bargain purchase, it is recognised directly in profit or loss.

For step acquisitions, goodwill is determined on the date on which controlling interest arises. Previous holdings are measured at fair value and the difference between the carrying amount of the holding immediately before the transaction and the fair value is recognised in profit or loss. In cases where the holdings were recognised as associates before controlling interest arose, the result from the divestment of the associate is recognised under Share of profit of an associate. If further participations are acquired after controlling interest has been received, these are recognised in equity as a transaction between owners.

Transactions eliminated during consolidation

Intra-group receivables and liabilities, revenue or expenses, and unrealised gains or losses arising from intra-group transactions between group companies are eliminated in their entirety when preparing the consolidated financial statements.

Associates

Companies in which the Group exercises significant but not controlling interest – which is presumed to be the case when holdings total at least 20% and at most 50% of the votes – are recognised as associates. This assumes, moreover, that the ownership does not comprise a joint arrangement.

Associates are recognised in accordance with the equity method. In applying the equity method, the investment is initially measured at cost in the consolidated statement of financial position, and the carrying amount subsequently increases or decreases in order to take into account the Group's share of earnings and other comprehensive income from its associates after the acquisition date. If the Group's share of losses in an associate exceeds its holdings in the associate, the Group does not recognise any further losses if the Group has not assumed any obligations on behalf of the associate. The Group's share of earnings and other comprehensive income in an associate are included in the Group's profit or loss and other comprehensive income.

At the end of every reporting period, an assessment is made as to whether an impairment requirement exists for the investment in an associate. If this is the case, an impairment amount is calculated corresponding to the difference between the recoverable amount and the carrying amount. The impairment is recognised in profit or loss under Share of profit of an associate.

Cont. note 1

Currency

Functional currency and reporting currency

The functional currency of the Parent Company is Swedish kronor (SEK), which comprises the reporting currency for the Parent Company, whereas the presentation currency of the Group is the euro (EUR) since the majority of the Group's operations has EUR as its functional currency. All amounts are presented in thousands of euro ("kEUR"), unless otherwise indicated.

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate on the balance-sheet date. Non-monetary items, measured at historical cost in a foreign currency, are translated using the exchange rates at the dates of the initial transactions. Exchange differences that arise during translation are recognised in profit or loss. Net exchange gains and losses in operating receivables and liabilities are recognised in operating profit while net exchange gains and losses in financial assets and liabilities are recognised as financial items.

Translation of foreign subsidiaries

Assets and liabilities in foreign operations are converted from the functional currency of the foreign operation into the Group's reporting currency at the exchange rate prevailing at the balance sheet date. Revenues and expenses in a foreign operation are converted into the reporting currency at an average rate that is an approximation of the exchange rates that existed at the respective transaction dates. Translation differences arising from foreign exchange translation of foreign operations are recognized in other comprehensive income and accumulated in the translation reserve in equity. When control ceases for a foreign operation, the associated translation differences are reclassified from the translation reserve in equity to profit or loss.

Classification

Non-current assets and non-current liabilities consist essentially of amounts that are expected to be recovered or paid more than twelve months from the balance-sheet date. Current assets consist essentially of amounts that are expected to be realised during the Group's normal operation cycle, which is twelve months after the reporting period. Current liabilities consist essentially of amounts that are expected to be settled during the Group's normal operation cycle, which is twelve months after the reporting period.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM), which is the function that is responsible for the allocation of resources and the assessment of the operating segment results. In the Group, this function has been identified as the CEO. An operating segment is a part of the Group that conducts operations from which revenue can be generated and costs incurred, and for which independent financial information is available. The division of the Group into segments is based on the internal structure of the Groups' business operations, which means that the Group's operations have been divided into four reporting segments: Specialty Pharma, MedTech, Diagnostics and Veterinary Services.

The same accounting policies are used in the segments as for the Group.

Revenue from contracts with customers

Revenue is recognised when a performance obligation has been fulfilled, which is when control over a promised good or service transfers to the customer. Control can transfer over time, or at a point in time. Revenue corresponds to the amount the company expects to receive as consideration for the good or service transferred. The Group's revenue is divided primarily into the following four revenue streams with a focus on improved animal health: Specialty Pharma, MedTech, Diagnostics and Veterinary Services. The Group analyses customer agreements in the respective business areas based on the "five step" model to determine when the revenue shall be recognised. The five steps that are analysed are:

Step 1: Identify a contract between at least two parties where rights and obligations exist.

Step 2: Identify the various promises (performance obligations) in the contract.

Step 3: Establish the transaction price, meaning the amount of consideration that the company expects to receive in exchange for the goods or services offered. The transaction price will be adjusted for variable components, for example, any discounts.

Step 4: Allocate the transaction price among the various performance obligations.

Step 5: Recognise revenue when the performance obligations have been fulfilled, meaning when control has transferred to the customer. This is done either at a point in time or over time, if any of the criteria indicated in the standard have been met.

Specialty Pharma

Revenue from Specialty Pharma pertains to sales in the field of allergy diagnostics, allergy treatment and other closely related products and services. Customers comprise primarily of veterinary clinics and retailers of the Group's products. The sales contract normally consists of a framework agreements from which separate purchase orders are called off. The term of the contract is generally short, but longer contracts exist as annual volume discounts are included in some contracts.

Vimian considers the Group's performance obligations in Specialty Pharma consist of delivering each individual product to the customer. The transaction price is normally based on the current price list, but there are volume discounts that are normally determined on an annual basis. The transaction price is proportionally allocated to the respective performance obligations, meaning to each individual product. All performance obligations are met upon delivery to the customer based on the applicable terms of delivery, and revenue is consequently recognised at a single point in time.

MedTech

Revenue from MedTech pertains to sales of orthopaedic implants for domestic pets and related instruments, as well as other closely related products and services. The sales contract consists essentially of separate purchase orders that are completed over brief periods of time. The Group has also signed partnership agreements with clinics who could receive bonuses based on whether they achieve predetermined sales goals.

The Group considers the obligation to deliver each individual product to the customer to be a distinct performance obligation. The transaction price comprises both fixed and variable components. The fixed portion consists of prices according to the current price list, and variable components comprise of discounts, bonus credits and product returns. Revenue is recognised when control transfers to the customer, which consists of the point in time when the product is delivered to the customer and the performance obligation is fulfilled. Products that are sold as a consignment are owned by the Group and recognised as revenue upon sale to the end customer, based on reporting from the distributor.

Diagnostics

Revenue from Diagnostics pertains to sales of various diagnostic products and services for identification of viruses and bacteria among livestock and domestic pets, as well as services related to servicing sold diagnostic machinery. The Group sells internally manufactured products and acts as a distributor for other brands where the Group is the principal, and offers service and products under its own brand in accordance with OEM contracts. The contracts generally run in the short to medium term.

Vimian considers the obligation to deliver each individual product or service to the customer to be a distinct performance obligation. The transaction price is fixed and based on the current price list, though sometimes with discounts. The performance obligation in Diagnostics, for sale of both products and services, is fulfilled at a point in time corresponding to the point in time when control transfers to the customer.

Veterinary Services

Revenue from Veterinary Services consists largely of revenue from centrally negotiated purchasing agreements that are made available to veterinary clinics that have joined Vimian's membership offer for veterinary clinics. Revenue is also generated from membership sales to vet-

Cont. note 1

erinary clinics, services in business development for clinics (VetBusiness) and VetPlan, which is a subscription-based digital healthcare plan comprising of preventive health services. Additionally the group owns a growing number of veterinary clinics in Sweden and Denmark. Sales in those clinics consist of services provided by veterinaries and sales of over the counter products as well as prescription medicines. Both the services and the sales of products are distinct performances based on stand alone prices decided by the clinics. Revenue is recognized upon performance of the services or delivery of the goods.

Vimian's obligation in the centrally negotiated purchasing agreements consists of marketing the supplier's products to clinics that have joined the service. The obligation comprises a series of distinct services, which means that each respective contract includes one performance obligation. The transaction price is variable, and based on the clinics' purchases from the supplier. The variable consideration is allocated to the period in which the related service was performed. The performance obligation is fulfilled over the period of time when the Group performs the marketing service, which means that revenue is recognised over time.

The membership contracts include one performance obligation with a fixed transaction price. Revenue is recognised over the term of the contract, as the clinic simultaneously receives and consumes the benefits provided by the Group. The contracts pertaining to VetBusiness may contain one or more performance obligations, depending on the specific contractual circumstances. The transaction price is normally fixed, and the performance obligation is fulfilled over the period of time that the services are performed. Vimian's obligations for VetPlan consist of a series of distinct services that comprise a single performance obligation. The transaction price consists primarily of variable components that are dependent on the veterinary clinics' utilisation of the concept. Revenue is recognised over time as the clinic simultaneously receives and consumes the benefits provided by the Group.

Additionally the group owns a growing number of veterinary clinics in Sweden and Denmark. Sales in those clinics consist of services provided by veterinaries and sales of over the counter products as well as prescription medicines. Both the services and the sales of products are distinct performances based on stand alone prices decided by the clinics. Revenue is recognized upon performance of the services or delivery of the goods.

Employee benefits

Short-term employee benefits

Short-term employee benefits to employees such as salaries, social security contributions and holiday pay are expensed in the period when the employees perform their services.

Defined contribution pension plans

A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if the separate legal entity does not have sufficient assets to pay all benefits to employees that relate to the employees' service during current or prior periods. The Group therefore has no additional risk. The Group's obligations pertaining to fees for defined contribution pension plans are recognised as an expense in profit or loss at the rate they are accrued as the employees perform services for the Group during the period.

Defined benefit pension plans

A defined benefit pension plan is a pension plan under which the Group has an obligation to pay contractual remuneration to the employees. The Group thereby bears both the actuarial and the investment risk. The Group has provided defined benefit pension plans for five employees in Switzerland since 2020 with a net obligation of kEUR 0 as of 31 December 2022 (163k FY21).

The expense of the defined benefit pension plan, as well as the scope of the pension obligation, is calculated yearly by independent actuaries using the projected unit credit method, which involves distributing the expense over the employee's term of service. The calculation uses actuarial assumptions such as personnel turnover, future salary increases, life expectancy and retirement age. Actuarial gains and losses on revaluations due to experience-based adjustments and changes in actuarial assumptions are recognised in other comprehensive income for the period in which they arise. Other expenses are recognised in profit and loss, service expenses as part of personnel expenses and interest expenses in net financial items.

Termination benefits

An expense for benefits in connection with the termination of employment is recognised only if the entity is demonstrably obligated, without any realistic possibility of withdrawal, by virtue of a formal detailed plan to prematurely terminate an employment contract. When benefits are paid as an offer to encourage voluntary redundancy, an expense is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

Finance income and expenses

Finance income

Finance income consists of interest income and any capital gains on financial assets. Interest income is recognised in accordance with the effective interest method. The effective interest rate discounts estimated future cash payments and receipts during the financial instrument's expected term to the recognised net value of the financial receivable or the liability. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. Finance income is recognised in the period to which it is attributable.

Finance expense

Finance expenses consist primarily of interest expenses on liabilities, which are calculated based on application of the effective interest method and interest expenses on lease liabilities. Finance expenses are recognised in the period to which they are attributable.

The exchange gains and losses recognised as finance income and expenses, respectively, are recognised net.

Income taxes

Income tax consist of current tax and deferred tax. Income taxes are recognised in profit or loss, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is also recognised in other comprehensive income or in equity.

Current tax is tax to be paid or refunded relating to the current year, with the application of the tax rates enacted, or substantively enacted, by the end of the reporting period. Current tax also includes adjustments of current tax attributable to prior periods.

Deferred income tax is recognised in its entirety, according to the balance sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Temporary differences are not taken into consideration in the recognition of goodwill or in the initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit. Nor are temporary differences attributable to shares in subsidiaries that are not expected to be reversed in the foreseeable future taken into consideration. The valuation of deferred tax is based on how, and in which jurisdiction, the underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated by applying the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in that jurisdiction when the deferred tax asset is realised or when the deferred tax liability is settled.

Deferred tax assets on deductible temporary differences and loss carry-forwards are only recognised to the extent that it is probable they can be utilised. The value of the deferred tax assets is reduced when it is no longer considered probable that they can be utilised. Deferred tax assets and deferred tax liabilities are set off if there is a legal right to set off tax receivables against tax liabilities and the deferred tax is attributable to the same unit in the Group and the same tax authority.

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Earnings per share

Earnings per share before dilution are calculated by dividing the net profit attributable to the equity holders of the parent by a weighted average of the number of shares outstanding during the year.

Earnings per share after dilution is calculated by dividing the net profit or loss attributable to equity holders of the parent (adjusted where applicable) by the sum of the weighted average number of ordinary shares outstanding and potential ordinary shares that may give rise to a dilution effect. A dilution effect from potential ordinary shares is only recognised if a conversion to ordinary shares were to result in a reduction in earnings per share after dilution.

Intangible assets

An intangible asset is recognised if it is probable that the future economic benefits attributable to the asset will flow to the entity and if the cost can be reliably measured. An intangible asset is measured at cost at initial measurement in the financial statements. Intangible assets that have a determinable useful life are recognised at cost less amortisation and any impairment. Intangible assets with an indefinite useful lives are tested annually for impairment and whenever there are indications that an impairment may be required. The useful life of intangible assets with indefinite useful lives is also reassessed at the end of each reporting period.

Intangible assets recognised in business combinations

The intangible assets arising from the Group's business combinations consist of goodwill, customer relations, trademarks and trade names, technology and other.

Goodwill represents the difference between the cost of a business combination and the fair value of the net assets acquired. Goodwill is measured at cost less any accumulated impairments. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the business combination. The factors that comprise recognised goodwill are primarily related to revenue and cost synergies, personnel, and know-how. Goodwill is considered to have an indefinite useful life and is thereby impairment tested on at least an annual basis.

Other intangible assets arising in connection with business combinations are recognised at cost less accumulated amortisation and any accumulated impairments. Other intangible assets that are considered as having a finite useful life are amortised using planned amortisation periods, which are found in the Amortisation methods section below.

Internally generated intangible assets

The Group's internally generated intangible assets pertain primarily to developed IT systems and technological development. The Group's development projects are divided into two phases: the research phase and the development phase. Costs arising in the research phase are routinely expensed as they arise and are never subsequently capitalised. Costs arising in the development phase are capitalised as intangible assets when, in the opinion of management, it is probable that they will result in future economic benefits for the Group, the criteria for capitalisation have been met and the costs can be reliably measured.

In April 2021, International Financial Reporting Interpretations Committee published an agenda decision on accounting for cloud computing costs. The new guidance addresses configuration and customization costs on a supplier's application in a cloud arrangement. Depending on facts and circumstances, some costs should be recognized as operating expenses when the work is performed. The application of the guidance have lead to that less costs are being capitalised in 2022 following the clarification. The group considered the amounts involved in prior periods were not material.

Internally generated intangible assets are recognised at cost less any accumulated amortisation during the development phase. The costs that are capitalised include costs for materials, direct salaries and other directly attributable costs such as consultant fees. All other costs that do not meet the criteria for capitalisation are expensed in profit and loss as they arise. Internally generated assets under development are impairment tested at least yearly.

Amortisation methods

Intangible assets are systematically amortised over the estimated useful life of the asset. The useful life is reviewed at the end of each reporting period and adjusted as needed. When determining the amortisable amount of the assets, the residual value of the asset is taken into account where applicable. Intangible assets with a finite useful life are amortised from the date they are available for use. The estimated useful lives of material intangible assets are as follows:

Goodwill	Indefinite
Internally generated intangible assets	5-10 years
Customer relationships	7–10 years
Patents	5–16 years
Brands and trademarks	7–15 years/indefinite
Technology	4–10 years

Property, plant and equipment

Property, plant and equipment are recognised as an asset in the statement of financial position if it is probable that future economic benefits will flow to the entity and the cost of the asset can be reliably measured. Property, plant and equipment are recognised at cost less accumulated depreciation and any impairment. Cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The carrying amount of an asset is derecognised from the statement of financial position when it is disposed or divested or when no future economic benefits are expected from the use or disposal of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the sales price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating income/expenses.

Additional expenditures

Additional expenditures are added to the cost of the asset only to the extent that it is probable that the future economic benefits associated with the asset will flow to the Group and the cost can be reliably measured. All other additional expenditures are recognised as an expense in the period in which they arise.

Depreciation methods

Depreciation is recognised on a straight-line basis over the estimated useful life of the asset. The estimated useful lives are:

– Buildings	15–30 years
– Equipment, tools, fixtures and fittings	2–10 years

The depreciation methods applied, residual values and useful lives are reassessed on an annual basis.

Leases

The Group is only a lessee.

When a contract is signed, the Group determines whether the contract is or contains a lease based on the substance of the agreement. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease liabilities

At the commencement date of a lease, the Group recognises a lease liability corresponding to the present value of the lease payments to be made over the lease term. The lease term is defined as the non-cancellable period together with periods covered by an option to extend or terminate the lease if the Group is reasonably certain of exercising such options. The lease payments include fixed payments (less any incentives receivable), variable lease payments that depend on an index or a rate (e.g. a reference interest rate) and amounts that are expected to be paid under residual value guarantees. Additionally, the lease payments include the exercise price for an option to purchase the underlying asset, or penalties to be paid for termination in accordance with a termination option, if it is reasonably certain that such options will be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period they are incurred.

To calculate the present value of lease payments, the Group uses the implicit rate in the contract if it can be easily determined, otherwise is the incremental borrowing rate as of the commencement date of the lease used. After the commencement date of a lease, the lease liabil-

Cont. note 1

ity is increased to reflect the interest on the lease liability and decreased with lease payments. Additionally, the value of the lease liability is remeasured as a result of modifications, changes to the lease term, changes in lease payments or changes in an assessment of whether to purchase the underlying asset.

Right-of-use assets

The Group recognises right-of-use assets in the statement of financial position at the commencement date of the lease (i.e. the date on which the underlying asset is made available for use). Right-of-use assets are measured at cost less accumulated depreciation and any impairments, and adjusted for remeasurements of lease liabilities. The cost of right-of-use assets includes the initial value recognised for the attributable lease liability, initial direct costs, and any prepaid lease payments on or before the commencement date of the lease less any incentives received. Provided that the Group is not reasonably certain that the ownership of the underlying asset will be assumed upon expiration of the lease, the right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life.

Application of practical expedients

The Group applies the practical expedient for short-term leases, which are defined as leases that, at the commencement date, has a lease term of 12 months or less after consideration of any options to extend the lease. Lease payments for short-term leases are expensed on a straight-line basis over the lease term. For leases where the underlying assets is of low-value, a lessee can choose to expense lease payments on a straight-line basis over the lease term on a lease-by-lease basis. During all the periods presented in these financial statements, Vimian has chosen not to apply this exemption, which means that lease liabilities and right-of-use assets are also recognised for leases where the underlying asset is of low value.

Impairment of non-financial assets

The Group conducts an impairment test in the event there are indications that there has been a decrease in the value of the tangible or intangible assets, i.e. whenever events or changes in circumstances indicate that the carrying amount is not recoverable. This also applies to right-of-use assets attributable to leases. Moreover, assets with an indefinite useful life, meaning the Group's goodwill and certain recognised brands, are impairment tested annually by calculating the recoverable amount of the asset regardless of whether there are indications of a decrease in value or not.

Impairment is recognised at the amount by which the carrying amount of the asset exceeds its recoverable amount. A recoverable amount comprise of the higher of fair value less costs of disposal and a value in use, which constitutes an internally generated value based on future cash flows. When determining impairment requirements, assets are grouped down to the smallest level where cash inflows that are largely independent of the cash inflows from other assets exist (cash-generating units). When impairment requirements are identified for a cash-generating unit or group of units, the impairment amount is primarily allocated to goodwill. Other assets in the unit, or group of units, are subsequently proportionally impaired. When calculating value in use, future cash flows are discounted at a discount rate that takes into account risk-free interest and risk related to the specific asset. An impairment is recognised in profit or loss.

Previously recognised impairment is reversed if the recoverable amount is deemed to exceed the carrying amount. However, there is no reversal of an amount greater than what the carrying amount would have been if impairment had not been recognised in previous periods. An impairment and any reversal of impairment is recognised in profit or loss. Impairments are only reversed if there has been a change in the assumptions that formed the basis for the latest calculation of the recoverable amount of the asset. However, impairment of goodwill is never reversed.

Financial instruments

Financial instruments are every form of agreement that gives rise to a financial asset in one entity and a financial liability or an equity instrument in another entity. Financial instruments that are recognised in the statement of financial position include the following assets; non-current financial assets, trade receivables, other receivables, accrued income and cash and cash equivalents. Financial liabilities include liabilities to credit institutions, other non-current liabilities, contingent consideration, trade payables and accrued costs. Measurement of the financial instruments depends on how they have been classified.

Recognition and derecognition

Financial assets and liabilities are recognised when the Group becomes a party under the contractual terms of the instrument. Transactions with financial assets are recognised on the transaction date, which is the date when the Group undertakes to acquire or dispose of the assets. Trade receivables are recognised in the statement of financial position once an invoice has been sent and the Group's right to consideration is unconditional. Liabilities are recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Trade payables are recognised once the invoice has been received.

A financial asset is removed from the statement of financial position (in whole or in part) when the rights in the contract have been realised or expired, or when the Group no longer has control over it. A financial liability is removed from the statement of financial position (in whole or in part) when the obligation of the agreement is fulfilled or in another way is extinguished. A financial asset and a financial liability are offset and recognised, net, in the statement of financial position when there is a legal right to offset the recognised amounts and the intention is either to settle the net amount or to realise the asset at the same time as the liability is settled. Gains and losses from derecognition from the statement of financial position, as well as modifications, are recognised in profit or loss. At each reporting date, the entity evaluates the need for impairment relating to expected credit losses for a financial asset or group of financial assets, as well as any other existing credit exposure.

Classification and measurement

Financial assets

Debt instruments: classification of financial instruments that are debt instruments is based on the Group's business model for asset management and the character of the contractual cash flows of the asset. The instruments are classified at:

– Amortised cost;
– Fair value through other comprehensive income; or
– Fair value through profit or loss.

Financial assets are classified at amortized cost if the contractual terms give rise to payments that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held under business model whose objective is to hold financial assets in order to collect contractual cash flows. Financial assets classified at amortized cost are initially measured at fair value including transaction costs. These assets are subsequently measured at amortized cost using the effective interest method. The assets are subject to impairment testing based on expected credit losses. The financial assets of the Group classified at amortised cost are presented in Note 16 Financial instruments.

The Group does not hold any financial assets classified at fair value through other comprehensive income or any financial assets that constitute debt instruments classified at fair value through profit or loss.

Financial liabilities

Financial liabilities, with the exception of contingent consideration, are classified at amortised cost. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. Following initial recognition, they are measured at amortised cost using the effective interest method. The Group's contingent consideration are classified and recognised as a financial liability measured at fair value through profit or loss. Changes in fair value are recognised as either finance income or finance cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to postpone payment of the liability for at least 12 months after the balance-sheet date. Borrowing costs are charged to profit or loss for the period to which they are attributable. Accrued interest is recognised as part of short-term borrowing from credit institutions, in the event that settlement of the interest is expected within 12 months of the balance-sheet date.

Fair value is measured according to the description in Note 16 Financial instruments.

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Impairment of financial assets

Financial assets, except those classified at fair value through profit or loss, or equity instruments that are measured at fair value through other comprehensive income, are subject to impairment for expected credit losses. Impairment for credit losses in accordance with IFRS 9 are forward-looking, and a loss allowance is made when there is an exposure to credit risk, normally at the initial recognition of an asset or receivable. Expected credit losses reflect the current value of all deficits in the cash flow attributable to defaults, either for the following 12 months or for the expected remaining term of the financial instruments, depending on the type of asset and on credit impairment since initial recognition.

The simplified approach is applied for trade receivables. In the simplified approach, a loss reserve is recognised for the expected remaining term of the receivable or asset.

For other items covered by expected credit losses, a three-stage impairment model is applied. Initially, and on every balance-sheet date, a loss reserve is recognised for the next 12 months, or alternately for a shorter period of time depending on remaining maturity (stage 1). If there has been a substantial increase in credit risk since the initial recognition that results in a rating below investment grade, a loss reserve is recognised for the remaining maturity of the asset (stage 2). For assets deemed to be credit impaired, reservations for expected credit losses continue to be made for the remaining maturity (stage 3). For credit-impaired assets and receivables, the calculation of interest income is based on the carrying amount of the asset, net of loss reserves, in contrast to the gross amount as in previous stages. The Group's assets are deemed to be at stage 1, meaning that no material increase in credit risk has occurred.

The measurement of expected credit losses is based on different methods, see Note 16 Financial instruments. Credit impaired assets and receivables are individually assessed based on historical data, and current and forward-looking information. The measurement of expected credit losses considers potential collateral and other credit enhancements such as guarantees.

The financial assets are recognised at amortised cost in the balance sheet, meaning net of gross value and loss reserve. Changes in loss reserve are recognised in profit or loss.

Inventories

Inventories are measured at the lower of cost or net realisable value. Costs are calculated using the "first in, first out" method, and include all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is defined as the sales price reduced by selling expenses.

Cash and cash equivalents

Cash and cash equivalents consist of cash and cash equivalents and immediately available balances with banks and equivalent institutions. Cash and cash equivalents are subject to the loss provision requirements for expected credit losses.

Equity

The company's shares consist of ordinary shares, which are recognised as share capital. The share capital is recognised at its quota value, and the excess portion is recognised as Other contributed capital. Transaction costs that can be directly attributed to the issue of new shares are recognised, net of tax, in equity as a deduction from the proceeds of the issue.

Provisions

A provision is recognised in the statement of financial position when the entity has an existing legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Where the effect of when a payment is made is significant, provisions are calculated by discounting the anticipated future cash flow at an interest rate before tax that reflects current market assessments of the time value of money and, if applicable, the risks associated with the liability. Provisions are reassessed at the end of every reporting period.

Contingent liabilities

A contingent liability is recognised when there is a possible commitment arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or when there is a commitment that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required.

Government grants

Grants attributable to profit or loss are recognised as other operating income and is systematically allocated to profit or loss in the same way and over the same periods as the costs the grant is intended to compensate for. Loans that can be forgiven are recognised as revenue when it is reasonably certain that the conditions for waiver will be met. Government grants are recognized as income when it is reasonably certain that the grant will be received and that the Group will fulfil the conditions associated with the grant.

Cash flow

The statement of cash flow has been prepared using the indirect method, meaning that earnings are adjusted for non-cash transactions as well as revenue or expenses attributable to investing or financing activities.

Note 2 Assessments and assumptions

In preparing the 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. These assessments are based on experience and the assumptions that Group Management and the Board of Directors deem plausible under the prevailing circumstances. The actual outcome may then differ from these assessments if other conditions arise. These estimates and assumptions are routinely evaluated and are deemed not to involve any significant risk for material adjustments in the carrying amounts of assets and liabilities during the next financial year. Changes in estimates are recognised in the period when the change is made if the change affects that period only, or in the period when the change is made and in future periods if the change affects the period in question as well as future periods. The assessments and sources of uncertainty in the estimates that were the most material in preparing the entity's financial statements are described below.

Purchase price allocations
In connection with business combinations, a purchase price allocation is carried out in which the fair value on the acquisition date of acquired identifiable assets as well as assumed liabilities and contingent liabilities is recognized. Critical estimates and assessments are required for valuation of specific assets, such as inventory, in the purchase price allocation. The valuation of specific intangible assets that have been identified in the purchase price allocation is based on forecasts of the future that contain key estimates and assessments concerning future events. Actual values may therefore differ from those included in the purchase price allocation.

Internally generated intangible assets
The Group capitalises certain development costs as intangible assets in the statement of financial position. Capitalisation of development costs is based on factors including the assessment of whether future economic benefits will be generated by the asset and whether it is technically feasible to complete the asset so that it can be used in the business. The assessment of which development projects that meet the criteria for capitalisation are thus largely based on whether the future economic benefits can be substantiated by investment calculations. The estimates in these calculations affect what is capitalised as assets, and amortised in subsequent periods, and which amounts are immediately expensed.

Inventories
Inventories are recognised at the lower of cost and net realisable value. The cost consists of direct costs of goods, direct salaries and attributable indirect manufacturing costs based on normal manufacturing capacity, but excludes any borrowing costs. The cost for inventories is established less discounts. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Measurement of contingent consideration
Contingent consideration arising from business combinations are measured at fair value at the acquisition date. When a contingent consideration meets the definition of a financial liability, it is remeasured at fair value through profit or loss at each reporting date. The Group uses discounted cash flows to determine fair value. The main assessments and estimates made consist of the probability of fulfilling each performance goal and the discount rate.

Note 3 Operating segments

For accounting and monitoring, the Group has divided its operations into four operating segments based on how the CEO evaluates the Group's operations.

Specialty Pharma – Vimian's brand in Specialty Pharma is Nextmune reaching more than 20,000 veterinarians in 75 countries. The offering spans four therapeutic areas: Allergy Diagnostics and Treatment, Dermatology and Specialty Care, Specialised Nutrition and Specialty Pharmaceuticals. The portfolio includes proprietary diagnostics, prescription (40%) and non-prescription (60%) treatments for preventive care and chronic conditions.

MedTech – Vimian's brand in MedTech is Movora providing orthopedic implants, power tools, instruments, sutures and other adjunct products to veterinary clinics and universities in North America, Europe, and Asia-Pacific. It has one of the broadest and most advanced product portfolios in veterinary orthopedics. The company sells over 6,000 different products under well-known product brands in over 50 countries. The portfolio ranges from fracture plates and screws to complete hip replacement systems.

Diagnostics - Vimian's brand in Diagnostics is Indical Bioscience with products, manufactured in Germany and the Netherlands, primarily used by laboratories to indicate and diagnose viruses and bacteria. Historically focus has been on production animals but through innovation and partnerships the company is increasingly participating in the market for companion animal diagnostics.

Veterinary Services - Vimian provides services to independent veterinary clinics through a membership-based platform called VetFamily. The services include procurement, preventive care plans, online marketing, education, HR and clinic improvement services. Providing a community and connecting clinic owners and veterinarians for best practice sharing is a core component of the offering.

Vimian has central functions at Group level in finance, legal, M&A, IR, communication and sustainability. The central functions support all operating segments and are responsible for the Group's financial reporting and communication.

The performance of the operating segments are followed up on a monthly basis through monthly business calls. Revenue, adjusted EBITA (adjusted earnings before interest, tax and amortization and write-downs on acquisition-related intangible assets), cash flow and working capital are some of the metrics that are evaluated on a monthly basis.

Cont. note 3

2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Elimina-tions	Group total
Revenue								
Revenue from external customers	124,258	101,440	22,008	33,603	281,308	–	–	281,308,
Revenue from internal customers	-43	–	1,127	749	1,832	–	-1,832	–
Total revenue	**124,215**	**101,440**	**23,135**	**34,351**	**283,141**	**–**	**-1,832**	**281,308,**
Adjusted EBITA	**35,293**	**30,594**	**4,356**	**7,362**	**77,605,**	**-4,185**	**–**	**73,420,**
Items affecting comparability[1]	-9,213	-199	-1,366	-3,434	-14,212	-1,111	–	-15,323
EBITA	**26,080**	**30,395**	**2,990**	**3,928**	**63,393**	**-5,296**	**–**	**58,097**
Amortisation of acquisition-related intangible assets	-9,486	-5,837	-889	-2,524	-18,736	–	–	-18,736
Net financial items	-14,605	-2,715	-363	-7,549	-25,232	-13,113	–	-38,345
Share of profit of an associate	–	–	–	–	-92	–	–	-92
Profit before tax	**1,989**	**21,843**	**1,738**	**-6,236**	**19,333**	**-18,409**	**–**	**924**
1. Specification of items affecting comparability								
Acquisition-related costs	8,607	1,275	1,075	2,312	13,269	57	–	13,326
Systems update	–	–	–	–	–	67	–	67
Restructuring costs	320	348	220	452	1,340	14	–	1,355
Inventory step-up	–	–	–	–	–	–	–	–
IPO and financing related costs	–	8	35	–	43	44	–	88
Other[1]	286	-1,432	36	670	-441	928	–	488
Total items affecting comparability	**9,213**	**199**	**1,366**	**3,434**	**14,212**	**1,111**	**–**	**15,323**
Other disclosures								
Investments	3,451	2,179	1,637	75	7,342	1,175	–	8,517
Total assets	450,622	276,256	52,021	146,810	925,709	8,775	-12,027	922,457
Total liabilities	78,163	100,970	12,546	35,821	227,501	214,508	-1,050	440,959

1) In Specialty Pharma, EUR 4,797 of the acquisition-related costs are stay-on bonuses, reported as personnel costs in the period, to management of acquired companies.
2) Negative items affecting comparability in MedTech reflects reversal of legal fees paid in 2021 related to the patent litigation in the US of EUR 1,631k in 2022 which has been offset against the indemnification.

None of the Group's customers individually represent 10% or more of the Group's revenue.

2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Elimina-tions	Group total
Revenue								
Revenue from external customers	68,445	61,938	26,171	16,797	173,350	–	–	173,350
Revenue from internal customers	–	4	485	37	526	–	-526	–
Total revenue	**68,445**	**61 942**	**26,655**	**16,834**	**173,876**	**–**	**-526**	**173,350**
Adjusted EBITA	**21,965**	**20,280**	**8,202**	**4,693**	**55,140**	**-1,669**	**–**	**53,471**
Items affecting comparability[1]	-3,889	-4,869	-1,873	-761	-11,393	-8,434	–	-19,826
EBITA	**18,075**	**15,410**	**6,329**	**3,933**	**43,747**	**-10,102**	**–**	**33,645**
Amortisation of acquisition-related intangible assets	-5,427	-4,317	-757	-1,547	-12,048	–	–	-12,048
Finance income	60	37	416	353	866	–	–	866
Finance expense	-2,642	-1,877	-423	-113	-5,055	-4,748	–	-9,803
Share of profit of an associate	–	–	–	99	99	–	–	99
Profit before tax	**10,067**	**9,253**	**5,565**	**2,725**	**27,610**	**-14,851**	**–**	**12,759**
1. Specification of items affecting comparability								
Acquisition-related costs	4,069	1,477	1,189	617	7,352	6	–	7,358
Systems update	31	18	–	25	74	24	–	98
Restructuring costs	–	65	90	68	222	–	–	222
Inventory step-up	–	851	–	–	851	–	–	851
IPO and financing related costs	50	632	285	28	995	8,267		9,262
Other[1]	-261	1,826	310	23	1,899	137	–	2,036
Total items affecting comparability	**3,889**	**4,869**	**1,873**	**761**	**11,393**	**8,434**	**–**	**19,826**
Other disclosures								
Investments	1,500	3,469	1,769	82	6,821	75	–	6,897
Total assets	340,946	167,766	45,598	66,572	620,882	20,057	-223	640,716
Total liabilities	39,286	42,571	15,675	13,913	111,445	170,854	-223	282,076

1) Main items in Other are: Specialty Pharma: Forgiveness of PPP loan following Covid; MedTech: Payment of uncollected sales taxes in the US in the MedTech segment. The uncollected sales taxes relate to the period from and including 2013 to date; Diagnostics: Joint R&D project which was cancelled in Q2. Costs relate to write-off of previously capitalised assets.

None of the Group's customers individually represent 10% or more of the Group's revenue.

Cont. note 3

Disclosures per country in which the Group has operations	2022 Revenue from external customers	2021 Revenue from external customers
Sweden	10,044	6,430
USA	113,538	56,038
Netherlands	6,519	6,209
Germany	13,810	13,663
France	18,393	11,942
United Kingdom of Great Britain and Northern Ireland	30,965	11,727
Italy	22,005	23,081
New Zealand	6,342	338
Denmark	13,246	5,525
Other countries	46,446	38,397
Total	**281,308**	**173,350**

Disclosures per country in which the Group has operations	2022 Non-current assets	2021 Non-current assets
Sweden	162,742	117,945
USA	189,236	170,124
Italy	73,708	75,385
Netherlands	17,525	34,130
Germany	41,535	20,210
Switzerland	19,643	22,435
France	44,049	31,324
United Kingdom	103,870	13,084
New Zealand	19,097	–
Denmark	25,922	6,903
Other countries	14,628	13,825
Total	**711,955**	**505,364**

External revenue is based on where the customers are localised and the carrying amounts of the non-current assets are based on where the assets are localised. Non-current assets as described above include intangible assets (including goodwill), property, plant and equipment and right-of-use assets.

Note 4 Revenue from contracts with customers

2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	53,114	13,906	17,512	16,206	100,738
North America	13,656	42,230	5,006	–	60,892
Rest of the world	1,674	5,802	3,653	591	11,720
Revenue from contracts with customers	**68,444**	**61,938**	**26,171**	**16,797**	**173,350**

2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	72,057	23,930	14,235	27,483	137,705
North America	49,756	62,791	3,601	4,911	121,059
Rest of the world	2,446	14,720	4,172	1,209	22,545
Revenue from contracts with customers	**124,258**	**101,440**	**22,008**	**33,603**	**281,308**

Contract assets	2022	2021
Opening balance	2,109	4,869
Material changes in contract assets		
due to business combinations	–	2,052
Changes attributable to the normal course of business	397	-4,812
Closing balance	**2,506**	**2,109**

Contract liabilities	2022	2021
Opening balance	287	74
Material changes in contract liabilities		
due to business combinations	–	–
Changes attributable to the normal course of business	263	213
Closing balance	**550**	**287**

Contract assets comprise of accrued income to which the company's right is conditional on continued performance in accordance with the contract. When the company's right to payment is unconditional, the asset is recognised as a trade receivable. Contract liabilities are advance payments from customers for which performance obligations have not been satisfied. Contract liabilities are recognised as revenue when the performance obligation of the contract is satisfied (or has been satisfied). All of the Group's performance obligations are expected to be completed within one year from signing the contract.

Note 5 Audit fees

	2022	2021
Grant Thornton		
Audit assignment	620	735
Other auditing activities	–	–
Tax advisory services	139	67
Other services	183	344
Total	**942**	**1,145**
Wallace Plese + Dreher		
Audit assignment	27	34
Other auditing activities	16	–
Tax advisory services	4	7
Other services	7	2
Total	**54**	**42**
BDO		
Audit assignment	10	–
Other auditing activities	–	–
Tax advisory services	3	–
Other services	–	–
Total	**13**	**–**
Nyman Libson Paul LLP		
Audit assignment	36	–
Other auditing activities	–	–
Tax advisory services	6	–
Other services	–	–
Total	**42**	**–**
Introvision		
Audit assignment	29	–
Other auditing activities	–	–
Tax advisory services	–	–
Other services	88	–
Total	**117**	**–**
Total audit fees	**1,168**	**1,188**

Audit assignment refers to the auditor's work on the statutory audit, and auditing activities refers to various types of assurance services. Other services are such services as are not included in the audit assignment or tax advisory services.

Note 6 Employees and personnel expenses

Average number of employees	2022 Average number of employees	2022 Women, %	2022 Men, %	2021 Average number of employees	2021 Women, %	2021 Men, %
Parent entity	8	50	50	6	67	33
Subsidiaries in:						
USA	161	61	39	138	59	41
UK	76	47	53	18	50	50
Germany	74	61	39	81	65	35
Italy	55	49	51	53	49	51
France	53	56	44	41	50	50
Netherlands	51	64	36	52	62	38
Sweden	57	65	35	37	63	37
Denmark	44	86	14	8	74	26
Switzerland	25	38	62	25	38	62
Spain	25	75	25	22	75	25
Japan	17	79	21	3	–	100
Norway	12	91	9	12	91	9
China	7	36	64	10	40	60
Austria	6	64	36	1	–	100
Australia	5	35	65	3	38	62
Canada	5	67	33	5	60	40
Brazil	2	33	67	3	33	67
New Zealand	1	20	80	–	–	–
Total in Group	**684**	**60**	**40**	**517**	**58**	**42**

Personnel expenses	2022	2021
Subsidiaries[1]		
Salaries and other remuneration	54,675	33,445
Social security contributions	6,538	5,654
Pension costs	1,659	947
Other personnel costs	6,392	1,724
Total	**69,265**	**41,770**
Parent company[1]		
Salaries and other remuneration	1,108	540
Social security contributions	405	146
Pension expenses	179	54
Other personnel expenses	54	28
Total	**1,747**	**767**

1) All employees including CEO and senior executives

CEO and senior executives 2022	Base salary	Variable remuneration	Pension expense	Other remuneration	Total
Fredrik Ullman, CEO[3]	349		22	7	378
Other senior executives (9)	1,922	178	113	86	2,300
Total	**2,271**	**178**	**135**	**94**	**2,678**

CEO and senior executives 2021	Base salary	Variable remuneration	Pension expense	Other remuneration	Total
Fredrik Ullman[3]	297	–	12	17	326
Other senior executives (6)	1,455	93	83	100	1,732
Total	**1,752**	**93**	**95**	**117**	**2,058**

Remuneration for senior executives

During the year the group employed 9 senior executives, due to shifts in positions during 2022 the amounts relate to 12 different individuals. Variable remuneration refers to bonus. Other remuneration refers to health insurance, business representation and travel expenses.

Board fees[4] 2022	Board fees	Variable remuneration	Pension expense	Other remuneration	Total
Carl Gabriel Lindsay Fitzgerald, Chairman & Board member	–	–	–	–	–
Martin Bengt Nilsson Erleman, Board member	–	–	–	–	–
Theodor Simon Josef Bonnier, Board member	–	–	–	–	–
Mikael Göran Dolsten, Board member	50	–	–	–	50
Petra Rumpf, Board member	–	–	–	–	–
Frida Marie-Louise Westerberg, Board member	50	–	–	–	50
Total	**100**	**–**	**–**	**–**	**100**

Board fees 2021	Board fees	Variable remuneration	Pension expense	Other remuneration	Total
Carl Gabriel Lindsay Fitzgerald, Chairman & Board member	–	–	–	–	–
Martin Bengt Nilsson Erleman, Board member	–	–	–	–	–
Theodor Simon Josef Bonnier, Board member	–	–	–	–	–
Mikael Göran Dolsten, Board member	50	–	–	–	50
Frida Marie-Louise Westerberg, Board member	50	–	–	–	50
Total	**100**	**–**	**–**	**–**	**100**

3) The CEO's employment agreement may be terminated by the Company subject to twelve months notice and by the Employee subject to twelve months notice.
4) According to the decision of the Annual General Meeting 24 May 2021 and 2 June 2022.

Cont. note 6

Warrant programs

At the annual general meeting on 2 June 2022, it was resolved to introduce a long-term incentive program, a warrant program for up to 115 employees ("LTI 2022").

LTI 2022 is directed to in total 80 of employees across the Group including 8 members of the Company's executive management team.

The purpose of LTI 2022 is to enable the company to provide remuneration tied to Vimian's s long term value creation to current and future key individuals, employees and consultants and thus align the participants interests with those of the shareholders. The Company has retained the right to, with certain exceptions, repurchase warrants if the participant's employment/assignment with the Company is terminated or if the participant wishes to transfer its warrants prior to 15 June 2025. Subscription for new shares under the LTI 2022 can be made during the period 15 June 2025 to 30 June 2025.

LTI 2022 comprises a total of 3,246,192 warrants subscribed by the participants at market value and without any funding from the Company. At subscription, the subscription price per ordinary share shall correspond to 116 per cent of the price in the listing of the Company's shares, corresponding to 38.9 SEK. The subscription price and number of ordinary shares in which each warrant carries an entitlement to shall be recalculated in the event of a split or reversed split of shares, new issue of shares etc. in accordance with market practice.

LTI 2022 comprises a total of 3,216,193 warrants subscribed by the participants at market value and without any funding from the Company. At subscription, the subscription price per ordinary share shall correspond to 116 per cent of the price in the listing of the Company's shares, corresponding to SEK 38,9. The subscription price and number of ordinary shares in which each warrant carries an entitlement to shall be recalculated in the event of a split or reversed split of shares, new issue of shares etc. in accordance with market practice.

At the annual general meeting on 24 May 2021, it was resolved to introduce two long-term incentive programs: (i) a warrant program for certain members of the executive management ("LTI 2021"), and (ii) a warrant program for two independent members of the board of directors of the Company ("Board LTI 2021").

LTI 2021 is directed to in total six members of the Company's executive management team.

The purpose of LTI 2021 is to render possible for certain participants a remuneration tied to Vimian's long term value creation and thus align participants' interests with those of the shareholders. The Company has retained the right to, with certain exceptions, repurchase warrants if the participant's employment/assignment with the Company is terminated or if the participant wishes to transfer its warrants prior to 17 June 2024. Subscription for new shares under the LTI 2021 can be made during the period 17 June 2024 to 17 July 2024.

LTI 2021 comprises a total of 919,732 warrants subscribed by the participants at market value and without any funding from the Company. At subscription, the subscription price per ordinary share shall correspond to 116 per cent of the price in the listing of the Company's shares, corresponding to SEK 88,20. The subscription price and number of ordinary shares in which each warrant carries an entitlement to shall be recalculated in the event of a split or reversed split of shares, new issue of shares etc. in accordance with market practice.

Board LTI 2021 is directed to the two independent members of the board in the Company, Mikael Dolsten and Frida Westerberg. The participants have by private means financed the acquisition of warrants at market value, which are vested during a three-year period. The Company has retained the right to repurchase one third (1/3) of the warrants for each year (calculated up until the next coming annual general meeting) of which the board members, respectively, does not remain in office during a three-year period. In addition, the Company has the right to repurchase all of the warrants if the participants during the three-year period are not available for re-election. The purpose is for the board members to have strong incentives to remain in office and work for the Company on a long-term basis. At subscription, the subscription price per ordinary share shall correspond to 116 per cent of the price in the listing of the Company's shares. The subscription price and number of ordinary shares in which each warrant carries an entitlement to shall be recalculated in the event of split or reversed split of shares, new issue of shares etc. in accordance with market practice.

In total, Board LTI 2021 comprises 52,257 warrants, entitling to subscription of the same number of new ordinary shares in Vimian.

Black-Scholes model – inputdata	LTI 2022	LTI 2021	Board LTI 2021
Excercise price (SEK)	38,90	88,20	88,20
Grant date	23 Nov 2022	17 June 2021	17 June 2021
End date	15 June 2025	17 June 2024	17 June 2024
Share price at grant date (SEK)	33,51	76,00	76,00
Expected volatility (%)	33.9	31.0	31.0
Expected yield (%)	13.56	13.56	13.56
Risk free interest rate (%)	2.30	0.26	0.26

Since the warrants were subscribed at market value, no employee expenses were recorded for the warrant programs.

Note 7 Other operating expenses

	2022	2021
Acquisition-related expenses	5,548	3,852
Foreign exchange losses	294	260
Loss on disposal of property, plant and equipment	35	15
Other expenses	102	846
Total	**5,978**	**4,973**

Note 8 Finance income

	2022	2021
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	–	–
Total recognised in profit or loss	**–**	**–**
Assets measured at amortised cost:		
Interest income from trade receivables	21	21
Interest income from other financial assets	–	4
Total interest income in accordance with the effective interest method	**21**	**25**
Other finance income:		
Exchange differences – income, financial items	12,363	838
Other income	–	4
Total	**12,363**	**842**
Total finance income	**12,384**	**866**

Note 9 Finance expense

	2022	2021
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	21,530	950
Total recognised in profit or loss	**21,530**	**950**
Liabilities measured at amortised cost		
Interest expense liabilities to credit institutions	10,180	4,736
Interest expense other financial liabilities	210	1,769
Total interest expense in accordance with the effective interest method	**10,390**	**6,505**
Other finance expense:		
Exchange differences – expense, financial items	18,148	2,133
Other expenses	-	1
Interest expense lease liabilities	662	212
Total	**18,810**	**2,347**
Total finance expense	**50,730**	**9,803**

Note 10 Income Tax Expense

	2022	2021
Current tax		
Current tax on profit for the year	11,811	8,526
Adjustment relating to prior years	-190	-3
Total current tax	**11,621**	**8,523**
Deferred tax		
Deferred tax attributable to temporary differences	-3,500	-3,523
Total deferred tax	**-3,500**	**-3,523**
Recognised tax in profit or loss	**8,121**	**5,000**

Reconciliation of effective tax rate	**2022**	**2021**
Profit before tax	**924**	**12,758**
Tax at the domestic rates applicable to profits in the country concerned	260	4,185
Tax effect of:		
Changes in tax rates	1	106
Non-deductible expense	6,970	5,567
Deductible costs not recognized in P&L	-178	-3,111
Non-taxable income	-558	-387
Share of results of an associate	26	-1,340
Increase in tax losses without recognition of deferred tax assets	1,974	–
Utilisation of unrecognised loss carry-forwards	-184	-
Tax attributable to prior years	-190	-19
Recognised tax	**8,121**	**5,000**

Tax expense for the period was EUR -8.1m (-5.0), corresponding to an effective tax rate of 879 per cent. The taxable result is significantly higher than the net result due to tax losses without recognition of deferred tax assets and non-deductible expenses, mainly impairments of contingent liabilities recognised in the financial items. Adjusted for these items the effective tax rate would be 28 per cent (39).

Cont. note 10

Disclosure on deferred tax assets and tax liabilities

The tables below specify the tax effect of temporary differences:

Deferred tax assets	Right-of-use assets	Loss carry-forwards	Other	Total
Opening balance 1 Jan 2021	21	615	245	880
From business combinations	4	–	–	4
Recognised:				
In profit or loss	22	363	775	1,160
Translation differences	–	4	5	9
Through other comprehensive income	–	–	29	29
Closing balance 31 Dec 2021	47	982	1,054	2,082
From business combinations				
Recognised:				
In profit or loss	26	493	-827	-307
Translation differences	–	70	69	139
Through other comprehensive income	–	61	–	61
Reclassifications	–	-99	99	–
Closing balance 31 Dec 2022	73	1,508	395	1,975

Deferred tax liabilities	Untaxed reserves	Intangible assets	Other	Total
Opening balance 1 Jan 2021	152	13,282	1,569	15,003
From business combinations	–	4,745	–	4,745
Recognised:				
In profit or loss	721	-2,664	-420	-2,363
Translation differences	–	12	95	107
Closing balance 31 Dec 2021	873	15,376	1,244	17,492
Opening balance 1 Jan 2022	873	15,376	1,244	17,492
From business combinations	–	11,103	–	11,103
Recognised:				
In profit or loss	-727	-3,084	4	-3,808
Translation differences	-134	-291	44	-381
Reclassifications	–	1,009	-1,009	–
Closing balance 31 Dec 2022	12	24,113	283	24,406

There are loss carry-forwards for which deferred tax assets have not been recognised in the balance sheet in the amount of kEUR 4,417 (6,643) which have no time limit. Deferred tax assets were not recognised for these items, since it was not deemed probable that the Group would be able to utilise them to offset future taxable profits.

Note 11 Earnings per share

Basic earnings per share	2022	2021
Profit for the year attributable to equity holders of the parent	-6,742	6,586
Weighted average number of ordinary shares outstanding[1]	403,114,126	349,950,852
Basic earnings per share	**-0.02**	**0.02**

Diluted earnings per share	2022	2021
Profit for the year attributable to equity holders of the parent	-6,742	6,586
Weighted average number of ordinary shares outstanding	403,114,126	349,976,508
Diluted earnings per share	**-0.02**	**0.02**

Reconciliation weighted average number of shares	2022	2021
Weighted average number of ordinary shares outstanding, basic	403,114,126	349,950,852
Dillutive effect from outstanding warrants[2]		25,656
Weighted average number of ordinary shares outstanding, diluted	**403,114,126**	**349,976,508**

1) Basic earnings per share are calculated by dividing the net profit attributable to the equity holders of the parent by a weighted average of the number of shares outstanding during the year. Both ordinary shares and C-shares are included in the earnings per share calculations since both have the same right to dividend. Vimian Group AB was registered with the Swedish Companies Registration Office on 2 January 2020. During 2022 ordinary shares have been issued. On the 14 September 2022 Vimian resolved to issue 84.227.442 new ordinary shares in two tranches, the second trance was approved by an extraordinary general meeting of shareholders on 3 October 2022. The new share issue was registered with the Swedish Companies Registration Office in September and October 2022.

Share issues after that date has been reflected in calculating the average number of share from the respective share issue date.

2) There are outstanding warrants that may be converted to ordinary shares which may impact diluted earnings per share. Changes in the market price of the share may change the dilutive effect in future periods. Information about outstanding warrants are described in note 6. In 2022 no dilution was recorded as all outstanding warrants are out of the money.

Note 12 Goodwill

Cost	Goodwill
Opening balance 1 Jan 2021	**229,690**
From business combinations	92,850
Exchange differences on translation of foreign operations	4,381
Closing balance 31 Dec 2021	**326,921**
Opening balance 1 Jan 2022	**326,922**
From business combinations	137,558
Exchange differences on translation of foreign operations	-106
Closing balance 31 Dec 2022	**464,374**

Impairment testing

The Group performs impairment tests for intangible assets with indefinite useful lives at least once annually, meaning goodwill and certain brands recognised in connection with the Group's business combinations. For further information on business combinations, refer to Note 31 Business combinations.

Goodwill is allocated to cash-generating units when performing impairment tests. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination. Each cash-generating unit or group of cash-generating units to which goodwill is allocated, corresponds to the lowest level in the Group at which the goodwill in question is monitored for internal management purposes, which for Vimian is the operating segment level (Note 3).

The carrying amount of goodwill with an indefinite useful life is allocated to the operating segments as follows:

2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total
Goodwill	253,600	102,064	17,776	90,934	**464,374**

2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total
Goodwill	192,816	81,422	17,348	35,336	**326,921**

Cont. note 12

Impairment test 2022

Impairment testing of the Group's goodwill involves assessing whether a unit's recoverable amount is higher than its carrying amount for each cash-generating unit to which goodwill is allocated. As of 2022, the recoverable amount has been calculated on the basis of the unit's value in use, which represents the present value of the entity's expected future cash flows without regard to any future business expansion and restructuring. The calculation of value in use has been based on:

31 Dec 2022	Specialty Pharma	MedTech	Diagnostics	Veterinary Services
Pre-tax discount rate (%)	14.9	16.8	15.0	15.0
Forecast period, years	4	4	4	4
Terminal cash flow growth rate (%)	2	2	2	2
EBITDA margin assumed (%)	28-36	30-34	27-35	28-36

For the groups of cash-generating units, the discounted cash flow model includes forecasting future cash flows from operations based on group management's long-term cash flow forecasts, which are based on the subsidiaries' budgets and forecasts aggregated by segment. The budget covers the next year and the forecast is for the next three years. Cash flows after the forecast period are calculated with an assumption of long-term growth of 2 per cent per year. Forecasted future cash flows do not include receipts and payments from financing operations. The important assumptions that drive expected cash flows are sales volumes, prices, EBITA margin, changes in working capital and the need for investments. Values have been estimated on these variables mainly based on and in accordance with historical experience and expected economic conditions.

The present value of future cash flows per operating segment have been calculated at a discount rate where each segment's weighted average cost of capital is calculated through market-based assessments of the time value of money and specific risks for each segment.

The calculations for 2022 show that the value in use exceeds the carrying amount of all operating segments and no impairment requirement has thus been identified.

Sensitivity analyses indicate that carrying values for all operating segments can be defended if the assumption of long-term growth changes by one percentage point or if the discount rate is raised by one percentage point. Additionally the impairment test shows that lowering the EBITDA assumptions with 1 per cent would not impact the carrying values.

Impairment test 2021

For the groups of cash-generating units, the discounted cash flow model includes forecasting future cash flows from operations based on group management's long-term cash flow forecasts, which in turn are based on the subsidiaries' budgets and forecasts aggregated by operating segment. The budget covers the next year and the forecast the next three years. Cash flows after the forecast period are calculated with an assumption of long-term growth of 2 per cent per year. Forecasted future cash flows do not include receipts and payments from financing operations. The important assumptions that drive expected cash flows are sales volumes, prices, EBITA margin, changes in working capital and the need for investments. Values have been estimated on these variables mainly based on and in accordance with historical experience and expected economic conditions.

The present value of future cash flows per operating segment have been calculated at a discount rate where each segment's weighted average cost of capital is calculated through market-based assessments of the time value of money and specific risks for each segment.

The calculations for 2021 show that the value in use exceeds the carrying amount of all operating segments and no impairment requirement has thus been identified.

Sensitivity analyses indicate that carrying values for all operating segments can be defended if the assumption of long-term growth changes by one percentage point or if the discount rate is raised by one percentage point.

Note 13 Intangible assets

Cost	Internally generated intangible assets	Customer relationships	Patents & licenses	Brands and trademarks	Technology	Total intangible assets
At 1 Jan 2021	**1,227**	**50,140**	**38**	**51,560**	**21,017**	**123,982**
Separate acquisition	–	686	–	–	814	1,501
From business combinations	–	20,526	–	12,542	6,928	39,997
Internally developed	4,584	–	–	–	–	4,584
Reclassifications	8	-139	–	206	138	213
Sales/disposals	-310	-142	–	–	–	-452
Exchange differences	-10	2,009	–	335	482	2,816
At 31 Dec 2021	**5,499**	**73,081**	**38**	**64,644**	**29,379**	**172,641**
Separate acquisition	–	54	9	172	189	424
From business combinations	–	47,491	–	6,149	14,768	68,408
Internally developed	4,062	–	–	–	–	4,062
Reclassifications	–	–	–	–	–	–
Sales/disposals	268	–	–	–	-268	–
Exchange differences	-287	-3,940	–	679	708	-2,841
At 31 Dec 2022	**9,542**	**116,686**	**47**	**71,644**	**44,775**	**242,694**
Amortisation						
At 1 Jan 2021	-130	-4,347	-18	-1,479	-1,638	-7,613
Amortisation for the year	-521	-6,973	-4	-2,602	-2,411	-12,511
Sales and disposals	–	–	–	**71**	–	**71**
Reclassifications	**-3**	**-173**	–	**-19**	**-21**	**-216**
Exchange differences	-6	-246	4	-19	-74	-341
At 31 Dec 2021	**-660**	**-11,739**	**-18**	**-4,047**	**-4,145**	**-20,609**
Amortisation for the year	-195	-9,801	-14	-1,845	-8,355	-20,210
Sales and disposals	–	–	–	–	–	–
Reclassifications	175	71	–	-71	-175	–
Exchange differences	53	2,202	-4	116	-250	2,117
At 31 Dec 2022	**-628**	**-19,267**	**-36**	**-5,847**	**-12,924**	**-38,702**
Closing balance at 31 Dec 2021	**4,839**	**61,342**	**20**	**60,597**	**25,234**	**152,032**
Closing balance at 31 Dec 2022	**8,914**	**97,418**	**11**	**65,798**	**31,851**	**203,992**

Acquired intangible fixed assets recognized in business combinations, such as customer relationships, brands and trade marks, Technology have been valued at the discounted value of future cash flow. Customer relationships are amortised over a period between 7 – 10 years and are based on historical customer turnover rates and competition on the market. Brand and trademarks are amortized over 7–15 years and are based on the brand and trademarks assessed lifetime of the acquired brand/portfolio. Technology is amortized over 4–10 years depending on the expected usefull lifetime of the technologies.

Note 14 Property, plant and equipment

Cost	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Total property, plant and equipment
At 1 Jan 2021	6,124	5,941	818	12,883
Additions	1,068	4,277	50	5,395
From business combinations	777	1,037	90	1,904
Sales and disposals	–	-47	–	-47
Reclassifications	49	5	-150	-96
Exchange differences on translation of foreign operations	284	293	107	684
At 31 Dec 2021	**8,302**	**11,507**	**915**	**20,724**
Additions	1,591	3,694	462	5,747
From business combinations	–	1,393	352	1,745
Sales and disposals	–	-312	-205	-517
Reclassifications	380	11	-378	13
Exchange differences on translation of foreign operations	108	416	29	495
At 31 Dec 2022	**10,381**	**16,708**	**1,118**	**28,207**
Depreciation				
At 1 Jan 2021	**-39**	**-1,195**	**-149**	**-1,383**
Depreciation for the year	-279	-1,643	-241	-2,163
Sales and disposals	–	15	–	15
Reclassifications	-6	218	-116	96
Exchange differences on translation of foreign operations	-9	-68	-22	-99
At 31 Dec 2022	**-333**	**-2,673**	**-528**	**-3,534**
Depreciation for the year	-692	-3,165	-165	-4,021
Sales and disposals	–	170	128	298
Reclassifications	-185	-144	329	0
Exchange differences on translation of foreign operations	143	436	-11	568
At 31 Dec 2022	**-1,067**	**-5,376**	**-247**	**-6,690**
Closing balance at 31 Dec 2021	**7,969**	**8,834**	**387**	**17,189**
Closing balance at 31 Dec 2022	**9,315**	**11,332**	**871**	**21,518**

Note 15 Leases

The Group's material leases mainly comprise leases of premises. In addition, the Group has leases for vehicles and equipment. The Group thus classifies its leases into the categories of "Premises" and "Other." The table below presents the Group's outstanding balances for right-of-use assets, lease liabilities and movements for the year:

	Right-of-use-assets			
	Premises	Other	Total	Lease liabilities
At 1 Jan 2021	**4,607**	**665**	**5,272**	**5,326**
Additions	6,534	852	7,386	3,117
Depreciation	-1,458	-493	-1,950	–
Concluded leases	-1,445	-32	-1,477	–
Remeasurement of leases	-75	3	-72	1,925
Translation differences	62	3	65	112
Interest expense	–	–	–	205
Lease payments	–	–	–	-1,005
At 31 Dec 2021	**8,225**	**998**	**9,223**	**9,679**
Additions	5,986	855	6,841	6,679
Depreciation	-2,785	-570	-3,355	–
Concluded leases	-42	-61	-103	-103
Remeasurement of leases	391	65	456	449
Translation differences	262	5	267	275
Interest expense	–	–	–	411
Lease payments	–	–	–	-3,546
At 31 Dec 2022	**12,037**	**1,292**	**13,328**	**13,845**

The amounts recognised in the consolidated statement of profit or loss for the year attributable to leasing activities are presented below.

	2022	2021
Depreciation expense of right-of-use assets	-3,355	-1,950
Interest expense on lease liabilities	-411	-205
Total	**-3,767**	**-1,746**

Cash outflow related to lease contracts amounts to kEUR 3,546 for the financial year 2022 (1,005). For a maturity analysis of the Group's lease liabilities, see note 23 Financial risks.

Note 16 Financial instruments

Financial assets and liabilities as of 31 Dec 2021	Financial instruments measured at fair value through profit or loss	Financial instruments measured at amortised cost	Total carrying amount
Financial assets			
Non-current financial assets	–	1,275	1,275
Trade receivable	–	30,961	30,961
Other receivables that are financial instruments	–	4,387	4,387
Accrued income	–	2,109	2,109
Cash and cash equivalents		55,114	55,114
Total	**–**	**93,846**	**93,846**
Financial liabilities			
Liabilities to credit institutions	–	170,688	170,688
Lease liabilities	–	9,679	9,679
Other non-current liabilities	–	920	920
Contingent consideration	24,700	–	24,700
Trade payables	–	13,283	13,283
Other current liabilities that are financial instruments	–	21,028	21,028
Accrued expenses	–	9,033	9,033
Total	**24,700**	**224,632**	**249,332**

Financial assets and liabilities as of 31 Dec 2022	Financial instruments measured at fair value through profit or loss	Financial instruments measured at amortised cost	Total carrying amount
Financial assets			
Non-current financial assets	–	1,381	1,381
Trade receivable	–	41,168	41,168
Other receivables that are financial instruments	–	54,148	54,148
Accrued income	–	2,506	2,506
Cash and cash equivalents	–	42,194	42,194
Total		**141,397**	**141,397**
Financial liabilities			
Liabilities to credit institutions	–	207,112	207,112
Lease liabilities	–	13,845	13,845
Other non-current liabilities	–	4,158	4,158
Contingent consideration	74,591		74,591
Trade payables	–	18,328	18,328
Other current liabilities that are financial instruments	–	70,996	70,996
Accrued expenses	–	21,358	21,358
Total	**74,591**	**335,797**	**410,388**

The carrying amount of current receivables and liabilities, such as trade receivables and trade payables, and for non-current liabilities with a variable interest and lease liabilities, is deemed to be a good approximation of the fair value.

The Group has no financial assets or liabilities that are offset in the accounts or that are subject to legally binding netting agreements. The maximum credit risk of the assets comprises the net amount of the carrying amounts in the tables above. The Group did not receive any pledged assets for the financial net assets.

The other current receivables include an amount of kEUR 52.526 relating to the indemnification for the legal dispute in VOI. An amount of kEUR 65.652 included in other current liabilities is a reservation per the settlement agreement with DePuy Synthes. The difference between the payable and the receivable is caused by settlement of an initial amount of 20m USD withheld at acquisition of VOI as well as settlement of the legal fees. The indemnified amount is classified as current as it is expected to be paid within 1 year as per the obligation in the original agreement with the sellers.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The table below shows financial instruments measured at fair value based on the classification in the fair value hierarchy. The different levels have been defined as follows:

Level 1 Quoted (unadjusted) market prices for identical assets or liabilities in active markets.

Level 2 Inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (i.e. price quotations) or indirectly (i.e. derived from price quotations).

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value as of 31 Dec 2022				
Contingent consideration	–	–	74,591	**74,591**
Financial liabilities measured at fair value as of 31 Dec 2021				
Contingent consideration	–	–	24,700	**24,700**

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 kEUR 31,071, Q4 2022 (21,216 FY 2021) and other current liabilities kEUR 43,520, Q4 2022 (3,484 FY 2021). 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.

Call options

The group holds multiple call options for acquiring equity interest in non-listed companies classified as Associated companies (BySpectra and Telenostics) . Additionally the group holds an call option to acquire a 51% stake in a company where the group has no current equity interest. As of 31 December 2022 none of the options represent any intrinsic value and have been valued at zero in the Consolidated financial statements.

Contingent consideration	2022	2021
Opening balance	**24,700**	**2,466**
Business combinations	43,202	23,053
Paid out	-17,981	-1,850
Change in fair value recognised in profit or loss	26,020	946
Exchange differences	-1,351	86
Closing balance	**74,591**	**24,700**

Note 17 Investment in associates

1 January – 31 December 2021

The Group's only investment in associate as end of 2021 was Oxane. The Associate shares is owned by VetFamily SAS in France. The organisation is a SaaS platform that helps veterinary clinics to improve the service level and customer experience to pet owners. Main focus is on subscription services and pet owner communication for preventive care.

Corp. Reg. No.	Registered office	Share,%	Voting rights,%
FR: 808 584 916	Valbone	17.85	**24.9**

1 January – 31 December 2022

During 2022 the group has made further two investments in associates through the acquisitions of minority stakes in BySpectra and Telenostic.

BySpectra is a Portuguese company in the process of developing an instrument for blood measurement in vet clinics for dogs and cats. Telenostic is an Irish Company offering an AI based parasitology platform. All shares are owned by Indical Switzerland AG.

BySpectra

Corp. Reg. No.	Registered office	Share, %	Voting rights, %
PT: 516 678 183	Porto	15	**15**

Telenostics

Corp. Reg. No.	Registered office	Share,%	Voting rights,%
IE: 582 029	Kilkenny	20.1	**20.1**

	31 Dec 2021
Share of comprehensive income of associates	99
Income is allocated in Balance Sheet as follow:	–
Share of profit of associate	99
Total	**99**

	31 Dec 2021
Carrying amount of share in associate	522
Carrying amount of investment in associates is allocated in Balance Sheet as follow:	–
Investment in associates	550
Share of profit of associate	-28
Total	**522**

	31 Dec 2022
Share of comprehensive income of associates	-92
Income is allocated in Balance Sheet as follow:	–
Share of profit of associate	-92
Total	**-92**

	31 Dec 2022
Carrying amount of share in associate	7,578
Carrying amount of investment in associates is allocated in Balance Sheet as follow:	–
Carrying amount at start of the year	522
Investment in associates	7,148
Share of profit of associate	-92
Total	**7,578**

Note 18 Inventories

	2022	2021
Raw materials and consumables	5,910	1,664
Products in progress	4,584	3,108
Finished goods and goods for resale	50,045	28,205
Advance payments to suppliers	661	18
Revaluation*	-	–
Carrying amount	**61,199**	**32,996**

*) Management has in 2021, after finalisation of the tax situation, assessed that the temporary differences between book values and tax values of certain intangible assets acquired were smaller than initially anticipated. Furthermore, management has also identified that the inventory in the opening balance was overstated with EUR 620 thousands and has therefore decreased the inventory value and increased goodwill. See Note 31 for further information about the updated purchase price allocation.

Impairment of inventory at net realisable value for the 2022 financial year amounted to kEUR 12 (5). Impairment was recognised in profit or loss under the item 'Raw materials and merchandise'.

Note 19 Prepaid expenses and accrued income

	2022	2021
Prepaid insurance	100	127
Other prepaid expenses	1,521	4,133
Accrued income	2,506	2,109
Carrying amount	**4,127**	**6,369**

Note 20 Cash and cash equivalents

	2022-12-31	2021-12-31
Bank balances	42,187	55,114
Cash in hand	7	–
Carrying amount	**42,194**	**55,114**

The Group has no blocked bank balances.

Note 21 Group companies

The parent entity's, Vimian Group AB (publ), holdings in direct and indirect subsidiaries included in the consolidated financial statements are shown in the following table:

Company	Corp. Reg. No.	Registered office	Equity, % / voting interest, % 31 Dec 2022	31 Dec 2021
Vimian Group AB (publ)	SE: 559234-8923	Stockholm	Parent entity	Parent entity
Vimian FinCo AB	SE: 559313-2474	Stockholm	100	100
VOI Holdings LLC	US: 85-0879106	Florida	100	100
Vimian Pharma Holding AB	SE: 559133-6093	Stockholm	100	100
Nextmune HoldCo AB	SE: 559062-0901	Stockholm	100	100
Nextmune MC AB	SE: 559062-0893	Stockholm	100	100
Nextmune AB	SE: 559062-0927	Stockholm	100	100
Nextmune Holding B.V.	NL: 64273091	Lelystad	100	100
Nextmune B.V. (previously Artuvet Animal Health B.V.)	NL: 64401898	Lelystad	100	100
Nextmune Onroerend goed B.V. (previously Artuvet Onro-erengoed B.V.)	NL: 39046747	Lelystad	100	100
Nextmune US LLC (previously Spectrum Veterinary LLC)	EIN: 35-2589699	Arizona	100	100
Nextmune AS (previously Dr. Baddaky AS)	NO: 918605495	Skotterud	100	100
Nextmune Scandinavia AB (previously Dr. Baddaky Europe AB)	SE: 556625-5799	Eda	100	100
Nextmune S.L. (previously Alergovet S.L.)	ES: B81706962	Madrid	100	100
Aristavet Veterinärspezialitäten GmbH & Co. KG	DE: HRA 551246	Weingarten	100	100
Aristavet Verwaltungsgesellschaft mbH	DE: HRB 200711 B	Weingarten	100	100
Nextmune Italy S.r.l.	IT: MI-2067898	Cremona	100	100
Nextmune Ltd (previously Vetruus Limited)	UK: 07672523	Buckinghamshire	100	100
Nextmune Strawfield LLC	EIN: 85-2641732	Indiana	100	100
Nextmune Holding US INC	US: 87-3615002 (EIN)	Indiana	100	100
GlobalOne Pet Products LLC	US: 45-4149123 (EIN)	Texas	100	100
GlobalOne Pet INC	US: 26-2893539 (EIN)	Aliso Viejo	100	100
Diagnostico y Aplicaciones de Veterinaria S. L.	ES: B86633906	Madrid	0	10100
Nutra Naturals Corporation	CA:1019852-8	Toronto	100	100
Laboratoire de Dermo-Cosmetique Animale SaS	FR:448 582 932	Labruguière	100	100
Dermocent Inc	US: 85-2851759 (EIN)	Texas	0	0
Laboratório de saúde animal Dermoscent Ltda unipessoal	BR: 42.763.251/0001-78	Rio de Janeiro	100	100
Strawfield Pets AB	SE: 559270-5858	Stockholm	100	100
VetAllergy ApS	DK:42999911	Aalborg	100	–
Nextmune Laboratories Ltd (previously Avacta Animal Health)	BB: 03879639	Weatherby	100	–
Bova Holdings Ltd	UK: 121736	London	100	–
Bova Specials UK Ltd	UK: 10075021	London	100	–
Nextmune Holding Australia PTY limited	AUS: 25408409	Phegans Bay	100	–
Vimian Services Holding AB (previously Akial Holdco AB)	SE: 559181-1418	Stockholm	100	100
Akial AB	SE: 559179-2949	Stockholm	100	100

Company	Corp. Reg. No.	Registered office	Equity, % / voting interest, % 31 Dec 2022	31 Dec 2021
VetFamily Holding AB	SE: 559173-4693	Danderyd	100	100
VetFamily AB	SE: 556969-5371	Stockholm	100	100
VetFamily ApS	DK: 26416418	Århus	100	100
VetFamily AS	NO: 914 470 595	Billingstad	100	100
Vetfamily Belgium B.V.	794770488	Mechelen	100	0
VetFamily B.V.	NL: 857467694	Amsterdam	100	100
VetFamily GmbH	AT: 494053 z	Mödling	100	100
VetFamily GmbH	DE: HRB 79580	Kempen	100	100
VetFamily SAS	FR: 840 410 161	Dardilly	100	100
Bourgelat SAS	FR: 522 025 063	Ceyzeriat	0	100
VetFamily Solutions SAS (previously Pick & Go Consulting)	FR: 529 067 621	Saint-Laurent-de-Gosse	0	100
SAS Elia-Digital	FR: 832 877 211	Rennes	100	100
VetFamily Partners S.L.U.	ES: 2019C3632470 158V	Madrid	100	100
VetFamily Limited	HK: 71680320-000-03-20-1	Hong Kong	100	100
VetFamily China	91110113MA01Q2793N	Beijing	100	100
Heiland GmbH	DE: HRB 143772	Hamburg	100	–
VetFamily US Inc	US: EIN88-1148549	Wilmington	100	–
Vertical Vet LLC	US: FEIN 38-4047938	Cornelius	100	–
VetFamily Brazil Ltda	BR: 35238417637	Sao Paolo	100	–
VetFamily Pty Ltd	AU: 651 051 535	New South Wales	100	100
Independent Vets of Australia	AU: ABN 86 612 789 090	New South Wales	100	100
VetFamily CZ s.r.o.	CZ17303109	Prague	100	–
VetFamily SK s. r. o.	54718830	Bratislava	100	–
VetFamily PL sp. zo.o.	5213988989	Warsaw	100	–
VetFamily Clinic Development I AB	SE: 559321-4892	Stockholm	100	100
VetFamily Clinic Development II AB	SE: 559321-4900	Stockholm	100	100
VetFamily Clinic Development ApS	DK: 42489530	Højbjerg	100	100
Avedøre Dyreklinik ApS	DK: 28887388	Hvidovre	70	70
Skovshoved Dyreklinik ApS	DK: 42490121	Charlottenlund	90	90
Brunder Dyrehospital ApS	DK: 40089861	Brønderslev	80	80
Brøndby Dyreklinik ApS	DK: 42686506	Brøndby	80	–
Højbjerg Dyreklinik ApS	DK: 26086434	Højbjerg	70	–
Rødkaersbro Dyreklinik ApS	DK: 42686530	Rødkaersbro	80	–
Gentofte Dyreklinik ApS	DK: 27380190	Gentofte	75	–
ApS CentrumDyreklinik, København V	DK: 27512259	Copenhagen	80	–
Smådjursveterinären A6 AB	SE: 556729-4862	Jönköping	100	–
Årstakliniken AB	SE: 556757-8355	Årsta	100	–

Cont. note 21

Company	Corp. Reg. No.	Registered office	Equity, % / voting interest, % 31 Dec 2022	31 Dec 2021
Vimian Medtech Holding AB (previously Ossium TopCo AB)	SE: 559192-1217	Stockholm	100	100
Ossium HoldCo LLC	EIN: 35-2685233	Delaware	100	100
Ossium BidCo LLC	EIN: 38-4141242	Delaware	100	100
Movora LLC (prev. Ossium NewCo LLC)	EIN: 36-4968289	Delaware	100	100
IMEX Veterinary, LLC	US 75-2342164	Texas	100	100
Movora K.K (prev. Movora Co Ltd)	Japan-0104-01-133995	Tokyo	100	100
Kyon Pharma	EIN 20-8097072	Delaware	100	100
Ossium HoldCo AB	SE: 559192-1225	Stockholm	100	100
Ossium AG	CHE-311.274.721	Zürich	100	100
Kyon AG	CHE-100.420.064	Zürich	100	100
VOI Corporation Inc	85-0999735	Florida	100	100
Veterinary Orthopedic Implants, LLC	EIN: 36-3907253	Delaware	100	100
VOI Canada, ULC	767634694	Ontario	100	100
VOI Europe, SARL	FR: 82944460300023	Orly	100	100
Freelance Surgical	GB: 4039065	Bristol	100	100
AdVetis Medical SAS	FR: 810 473 454	Paris	100	100
Ossium Management Co LLC	US: 35-269199850	San Francisco	0	100
Movora NZ Limited	NZ: 8297887	Auckland	100	–
Kahu Veterinary Equipment Limited	NZ: 2378428	Auckland	100	–
Practical CPD Limited	NZ: 6153907	Seven Hills	100	–
Knight Benedikt Australia Pty Ltd	NZ: 78647150874	Seven Hills	100	–
BioMedtrix LLC	US: 04-3696458	New Jersey	100	100
Vimian Diagnostics Holding AB	SE: 559131-0882	Stockholm	100	1
Indical TopCo AB	SE: 559117-7901	Stockholm	100	100
Indical MidCo AB	SE: 559117-7893	Stockholm	0	100
Indical Switzerland AG	CHE -252.359.828	Küsnacht	100	100
Indical Sweden AB	SE: 559275-9616	Uppsala	100	100
Indical Holding GmbH	DE: HRB 34249	Leipzig	100	100
Indical Inc	EIN: 38-4060283	Delaware	100	100
Indical Bioscience GmbH	DE: HRB 12760	Leipzig	100	100
Afosa Animal Welfare & Food GmbH	DE: HRB 16625 P	Dahlewitz	100	100
Check Points Holding B.V.	NL:KvK 17149407	Wageningen	100	100
Check Points Health B.V.	NL:KvK 09166695	Wageningen	100	100
Check Points B.V.	NL: KvK 17149425	Wageningen	100	100
Check Points Brazil	CNPJ 32.466.113/0001-73	Santa Catarina	100	100

As of 31 December 2022 Indical Midco AB has been merged into Indical Topco AB. Ossium Management Co LLC, Ossium Newco LLC, Bourgelat SAS and Dermoscent INC have all been liquidated during 2022 for operational restructuring reasons.

For more information about the Group's business combinations, refer to note 31 Business combinations.

Note 22 Equity

Share capital

The share capital as of 31 December 2022 was SEK 735,640 (649,121). The number of shares was 441,122,339 (389,394,897) of which 416,172,597 (364,445,155) ordinary shares and 24,963,442 (24,949,742) C-shares. The par value is approximately 0,001668 SEK per share (0,001668 SEK per share). Total share capital as of 31 December 2022 amount to kSEK 736 (649) which corresponds to approximately kEUR 72 (62). Both ordinary shares and C-shares are entitled to dividend. The ordinary shares carry one vote each whereas the C-shares carry one-tenth vote each. The C-shares may, upon request by a shareholder and by a resolution by the board of directors be reclassified to ordinary shares.

	2022 Ordinary shares	C-shares
Number of shares outstanding at beginning of the year[1]	**364,445,155**	**24,949,742**
Share issue first tranche, September[1]	19,227,442	
Share issue second tranche, October[2]	32,500,000	
Number of shares outstanding on end of the year	**416,172,597**	**24,949,742**

2) On the 14th September 2022 Vimian resolved to carry out a directed issue of 51,727,442 ordinary shares, at a subscription price of SEK 29 per share. Based on the authorization granted by the Annual General Meeting held on 2 June 2022 The Board of Directors of Vimian resolved on a first tranche of the Directed Share Issue ("Tranche 1") of 19,227,442 ordinary shares.

3) The Extraordinary General Meeting on the 3rd October 2022 unanimously resolved to carry out a directed issue of 32,500,000 new ordinary shares constituting the second tranche in the issue of new shares announced by Vimian on 14 September 2022, in which Fidelio Vet Holding AB ("Fidelio") committed to subscribe for 32,500,000 ordinary shares.

Warrant program

Warrant program consists of the contributions received in light of LTI 2022.

Transaction costs

The transaction costs consist of all costs related to the share issue under the first and second tranche as previously described.

Reserves

The Group's reserve in its entirety refers to a translation reserve, which encompasses all exchange difference that arise when translating the financial statements of foreign operations that have prepared their financial statements in a different functional currency than the currency in which the consolidated financial statements are presented. The Group presents its financial statements in EUR. Accumulated exchange differences are recognised in profit or loss on divestment of the foreign operation.

Note 23 Financial risks

The Group's earnings, financial position and cash flow are impacted by both changes in the business environment and by the Group's own actions. The objective of risk-management activities is to define and analyse the risks faced by the entity and, as far as possible, prevent and limit any negative effects. Through its operations, the Group is exposed to different types of financial risks: credit risk, market risk (interest-rate risk, currency risk and other price risk) as well as liquidity risk and refinancing risk. The Board is ultimately responsible for the Group's risk activities, including financial risks. The treasury policy, which is adopted by the Board, establishes the division of responabilities and control of financial matters between the Board, CEO, CFO and the treasury function. Risk activities include identifying, assessing and evaluating the risks faced by the Group. Priority is assigned to the risks that are estimated to have the greatest negative impact on the Group, based on an overall assessment of potential effect, probability and consequences. The Group's overall aim for financial risks is to minimise unforeseen adverse effects on the Group's earnings and financial position. The main objective of the treasury policy is to maintain a low level of financial risk and to manage risk safely.

Credit risk

Credit risk is the risk that the Group's counterparty in a financial instrument is unable to fulfil its obligations and thus causes a financial loss for the Group. The Group's credit risk primarily arises through receivables from customers and investing cash and cash equivalents. At each reporting date, the Group evaluates the credit risk of existing exposures, taking into account forward-looking

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factors. The financial assets for which the Group has made provisions for expected credit losses are presented below. In addition to the assets below, the Group also monitors its provision requirements for other financial instruments. In situations where the amounts are not deemed to be insignificant, loss allowances are also made for these financial instruments.

Credit risk in trade receivables (simplified approach for credit risk provision)

Credit risk for the Group is primarily attributable to trade receivables and the Group's aim is to continuously monitor this credit risk. The Group's customers comprise primarily of veterinary clinics and retailers of the Group's products. The Group's trade receivables are spread across a large number of customers, with some credit risk concentration to some larger corporate customers. The Group has established guidelines to ensure that products are sold to customers with a suitable credit background. Payment terms are normally between 30 to 60 days depending on the counterparty. Historical credit losses amount to insignificant amounts in relation to the Group's revenues. The Group applies the simplified approach to recognising expected credit losses on trade receivables. This means that reserves for expected credit losses are recognised for the full lifetime of the receivables, which is expected to be less than one year for all receivables. The Group applies a rating-based method for calculating expected credit losses based on probability of default, loss given default and exposure at default. For cases in which an external credit rating is not available for the counterparty, an internal assessment of the counterparty's credit rating is performed based on the company's previous experience of the customer and other available information. Individual assessments are made for credit-impaired assets and receivables as well as individually significant receivables, which take into account past, current and forward-looking information. Collective assessments are carried out for non-credit impaired receivables and receivables that are not individually significant.

The Group has defined default as when payment of a receivable is 90 days or more past due, or if other factors indicate default. In such cases, an individual assessment is performed to estimate the expected credit loss in addition to the loss ratio. The Group writes down a receivable when there is no longer any expectation of receiving payment and when active measures to obtain payment have been discontinued. The credit quality of receivables that are not more than 90 days past due is considered good, based on historically low customer losses and considering forward-looking factors.

	2022			2021		
Age analysis of trade receivables	**Gross**	**Impairment**	**Loss ratio, %**	**Gross**	**Impairment**	**Loss ratio, %**
Trade receivables not yet due	29,154	–	–	21,201	-11	–
Past due trade receivables						
0–30 days	6,704	-1	–	5,691	-9	–
31–60 days	2,638	-6	–	2,418	-1	–
61–90 days	906	-4	–	163	-3	2
91–120 days	1,907	-144	-8	608	-172	28
>120 days	326	-311	-95	637	-58	9
Total	**41,634**	**-466**	**1**	**30,719**	**-253**	**1**

Expected credit losses for trade receivables (simplified approach)	2022	2021
Opening balance	**253**	**381**
Reversal of prior years' reserves	-195	-280
Impairment	429	171
Confirmed credit losses	-21	-19
Recovered, previously written-off amounts	–	–
Exchange difference	–	–
Closing balance	**466**	**253**

Cash and cash equivalents

The Group's credit risk also relates to deposits of cash and cash equivalents and surplus liquidity. The Group's aim is to continuously monitor credit risk attributable to deposits. For cash and cash equivalents, expected credit losses are deemed to be insignificant based on the counterparty's credit rating, wherefore expected credit losses are not recognised. The Group continuously monitors any changes in expected credit losses for cash and cash equivalents. In the treasury policy, Vimian has established principals that limit the amount of exposure to finansial credit risk per counterparty and a credit rating of S&P's single A or higher is minimum.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, a financial instrument will vary due to changes in market prices. IFRS divides market risks into three types: currency risk, interest-rate risk and other price risks. The market risks that primarily impact the Group are interest-rate risks.

Interest-rate risk

Interest-rate risk is the risk that the fair value of, or future cash flows from, a financial instrument will vary due to changes in market interest rates. The aim is to not be exposed to future fluctuations in interest-rate changes that impact the Group's cash flow and earnings to a greater extent than the Group can manage. A significant factor affecting interest-rate risk is the fixed interest rate period. The Group is primarily exposed to interest-rate risk attributable to the Group's loans to credit institutions carrying variable interest rates. Vimian's financing sources primary consist of equity, cash flow from operating activities and borrowings. Interest-bearing debt exposes the Group to interest rate risk. The Group normally borrows from credit institutions at variable interest rates while other financial liabilities carry fixed interest rates. Given the interest-bearing assets and liabilities at variable interest rates at the reporting date, an interest-rate increase of 1 percentage point in central bank rates at the reporting date would impact profit before tax as follows:

	2022	2021
EUR (in kEUR)	1277	950
USD (in kUSD)	429	794
GBP (in kGBP)	296	–
DKK (in kEUR)	61	–
SEK (in kSEK)	35	–

				Carrying amount	
Interest-bearing liabilities	**Currency**	**Due date**	**Interest**	**2022**	**2021**
Liabilities to credit institutions EUR	EUR	2026-05-24	Variable	87,500	87,500
Liabilities to credit institutions USD	USD	2026-05-24	Variable	42,897	40,447
RCF (Liabilities to credit institutions)	EUR	Revolving 3 months	Variable	40,200	7,500
RCF (Liabilities to credit institutions)	USD	Revolving 3 months	Variable	–	38,909
RCF (Liabilities to credit institutions)	GBP	Revolving 3 months	Variable	29,621	
RCF (Liabilities to credit institutions)	DKK	Revolving 3 months	Variable	6,051	
RCF (Liabilities to credit institutions)	SEK	Revolving 3 months	Variable	3,505	–
Total				**209,774**	**174,356**

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Currency risk

Currency risks is the risk that the fair value of, or future cash flows from, a financial instrument will vary due to changes in foreign exchange rates. Currency risks mainly relate to the translation of foreign operations' assets and liabilities into the presentation currency of the Group, known as translation exposure. In addition, the Group's sales and purchases in foreign currencies, known as transaction exposure, result in currency risk. The Group's revenue is primarily denominated in EUR and USD, and expenses are primarily denominated in EUR, USD and SEK, while there is also limited exposure to GBP, NOK, DKK and CHF. However, Vimian considers currency risk attributable to transaction exposure to be low since the Group's revenue in the operations largely corresponds to expenses in the same currency.

Liquidity risk and refinancing risk

Liquidity risk is the risk that an entity will have difficulty in fulfilling obligations related to financial liabilities settled with cash or other financial assets on acceptable terms. Vimian manages liquidity risk by continuously monitoring the operations. The company regularly forecasts future cash flows based on different scenarios to to ensure there is sufficient cash and undrawn credit facilities to cover the need of the group. In spring 2022 a European cashpool was implement in the group and during autumn 2022 a US cashpool was established. Through the cashpooling, it is possible to release liquidity within the group and transparency of existing liquidity.

Risk is mitigated by the Group's liquidity reserves, which are immediately available and described in the treasury policy. The Group's operations are partly equity financed and financed through external loans. The Group has commitments (covenants) with creditors, which measure the leverage ratio in relation to EBITDA. The Group fulfilled all its covenants in historical periods. The Group has a credit amount granted for its credit facility amounting to kEUR 400,397. The total liquidity reserve amount in total of kEUR 232,818 of which cash and cash equivalents kEUR 42,194 and undrawn comited credit facilies totalled kEUR 190,624 (88,591) unutilised overdrafts. At 31 December 2022, kEUR 209,773 of the facilities had been draw.

On 19 December 2021, a new loan facility of kEUR 135,000 were signed with Nordea Bank Abp, Filial Sverige and DNB with start date 2022-01-01 . In June 2021, Vimian was listed on the Nasdaq First North Growth market, thus opening up the public markets for financing of the Group. And end of September 2022, Vimian Group made a emission of kSEK 1,500,000, subsequently to this emission the highest interest bearing debt have been repaid.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are presented in the table below. Financial instruments carrying variable interest are calculated using the interest rate at the reporting date. Liabilities have been included in the period when repayment may be required at the earliest.

	2022					
Maturity analysis	**0–3 months**	**3–12 months**	**1–3 years**	**3–5 years**	**>5 years**	**Total**
Liabilities to credit institutions				207,112		207,112
Contingent considerations	3,015	40,505	29,359	1,712		74,591
Other liabilities that are financial instruments	4,404	65,652	4,158			74,214
Lease liabilities	1,012	2,988	6,272	2,417	2,435	15,124
Trade payables	18,328					18,328
Accrued expenses	1,550	19,808				21,358
Total	**28,309**	**128,953**	**39,789**	**211,241**	**2,435**	**410,727**

	2021					
Maturity analysis	**0–3 months**	**3–12 months**	**1–3 years**	**3–5 years**	**>5 years**	**Total**
Liabilities to credit institutions	7,509	190	800	162,189	–	170,688
Contingent considerations	–	1,700	9,300	16,400	–	27,400
Other liabilities that are financial instruments	–	12,484	9,121	–	–	21,606
Lease liabilities	772	2,064	4,045	2,448	349	9,679
Trade payables	11,272	2,011	–	–	–	13,283
Accrued expenses	12,132	1,824	–	–	–	13,956
Total	**31,686**	**20,273**	**23,267**	**181,037**	**349**	**256,611**

Below are the Group's credit facilities, other than the Group's bank loans, that are available at the balance sheet date:

kEUR	**Currency**	**Amount 2022**	**Utilised 2022**	**Amount 2021**	**Utilised 2021**
Overdraft	EUR	2,420	–	–	–
RCF	EUR	132,580	40,200	135,000	46,409
RCF	USD	135,000	39,177	–	–
Total		**270,000**	**79,377**	**135,000**	**46,409**

Capital management

According Vimian Group financial targets for capital management, net debt in relation to the trailing 12-month EBITDA may not exceed a multiple of 3.0. However, the target permits certain flexibility to temporarily exceed the debt level in order to fund business combinations. In accordance with Group's dividend policy , Vimian aims to invest its profits and cash flows in organic growth initiatives and acquisitions and does not expect to pay dividends in the medium term.

In the historical periods encompassed by these financial statements, the Group's segments have been managed with the aim of having some, but not high, level of debt in order to contribute to the return on equity. The objective was high consistent growth, both through acquisitions and organic growth.

Note 24 Provisions

	Warranty provision	Other provisions	Total
At 1 Jan 2021	95	328	423
Utilised during the year	–	-28	-28
From business combinations	–	-307	-307
Exchange differences on translation of foreign operations	2	7	10
31 Dec 2021	97	–	97
Arising during the year			
Utilised during the year	-67	–	-67
From business combinations	–	–	–
Reversed unutilised amount	–	–	–
Exchange differences	–	–	–
31 Dec 2022	30	–	30

Note 25 Government grants

	2022	2021
Opening balance	14	300
Received during the year	–	272
Released to the statement of profit or loss	-14	-569
Exchange differences	–	11
Closing balance	–	14

Government grants was received for salaries and employer contributions primarily regarding relating to the Covid pandemic in various countries.

Note 26 Accrued expenses and prepaid income

	2022	2021
Accrued holiday pay	2,471	1,082
Accrued social security contributions	445	368
Accrued salaries and fees	2,671	3,185
Accrued interest	393	1,166
Other accrued expenses	14,995	7,867
Prepaid income	384	287
Carrying amount	21,358	13,956

Note 27 Cash-flow statement

Adjustments for non-cash items	2022	2021
Adjustments in operating profit		
Depreciation and amortisation	27,227	16,689
Change in provisions	-67	87
Exchange differences	129	346
Inventory step-up	–	858
Other non-cash items	3,413	108
Total	30,702	18,087

Changes in liabilities attributable to financing activities

			Non-cash changes			
	1 Jan 2022	Cash flow from financing activities	Business combinations	Exchange differences	Other	31 Dec 2022
Liabilities to credit institutions	170,688	27,882	–	8,542	–	207,112
Other financial liabilities	21,072	-10,493	–	-1,050	–	9,529
Lease liabilities	9,679	-5,168	4,478	276	4,580	13,845
Total liabilities attributable to financing activities	**201,439**	**12,221**	**4,478**	**7,768**	**4,580**	**230,486**

			Non-cash changes			
	1 Jan 2021	Cash flow from financing activities	Business combinations	Exchange differences	Other	31 Dec 2021
Liabilities to credit institutions	80,579	90,170	-528	467	0	170,688
Other financial liabilities	31,554	-15,368	3,492	1,393	0	21,072
Lease liabilities	5,326	-2,034	3,241	-467	3,613	9,679
Total liabilities attributable to financing activities	**117,460**	**72,768**	**6,205**	**1,393**	**3,613**	**201,439**

Not 28 Defined benefit pension plans

The Group has defined benefit pension plans in Switzerland from 2021. The Group's defined benefit pension plans are funded with Helvetia. The Group's net benefit obligations are valued by an authorised actuary in Switzerland. The Group has identified several risks in the investments of the pension plan assets. The defined benefit pensions expose the Group to various risks, including risks attributable to life expectancy, salary level etc., which affect the company's pension obligations. Changes in these assumptions will impact the carrying amount of the pension obligations. The plan assets in Switzerland consist in their entirety of insurance with Helvetia.

Defined benefit pension costs	2022	2021
Amounts recognised through profit or loss		
Current service expense	117	66
Net interest expense	–	–
Administrative expense	10	8
Total pension expense recognised through profit or loss	**127**	**74**
Amounts recognised through other comprehensive income (before tax)		
Actuarial gains and losses	-307	84
Return on plan assets	22	–
Other changes	76	–
Total pension expense recognised through other comprehensive income	**-209**	**84**

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Change in the present value of the defined benefit obligations	2022	2021
Opening balance at 1 Jan	**1 656**	**685**
Current service expense	117	61
Interest expense	5	2
Remeasurement of pensions, due to	–	–
Changed demographic assumptions	–	-51
Changed financial assumptions	-182	-12
Experience-based adjustments	-125	141
Pension payments	–	–
Payment of contributions from employees	86	61
Benefits paid using plan assets or the entity's assets	27	740
Effect from acquired companies	–	–
Exchange differences	86	30
Closing balance at 31 Dec	**1 670**	**1,656**

Change in the fair value of plan assets	2022	2021
Fair value of plan assets at the beginning of the year	1,494	609
Interest income	5	2
Remeasurement – return on plan assets	-22	–
Contributions by employer	86	61
Contributions by employees	86	63
Administrative expense	-10	-8
Benefits paid by the plan	27	740
Exchange differences	82	28
Fair value of plan assets at the end of the year	**1,748**	**1,494**

Changes in defined benefit net liability/ (asset)	2022	2021
Defined benefit net liability/ (asset) at beginning of the year	163	76
Defined benefit pension expense recognised through profit or loss	127	68
Defined benefit pension expense recognised through other comprehensive income	-210	78
Contributions by employer	-86	-63
Exchange differences	6	4
Defined benefit net liability/ (asset) at end of the year	**-**	**163**

	2022	2021
Discount rate (%)	2.25	0.30
Change in interest credit rate on retirement savings	2.25	0.39
Future salary increases (%)	1.75	1.25
Future pension increases (%)	0.00	0.00
Average life expectancy	BVG 2020	BVG 2020

The Group has identified the discount rate, change in interest rate on retirement savings, future salary increases and future pension increases as the most material actuarial assumptions for calculating defined benefit pension obligations. Changes in the actuarial assumptions affect the present value of the net obligation. The discount rate is determined by referring to the market-based return on medium- and long-term risk-free investments at the end of the reporting period, issued in the same currency in which the remuneration will be paid, and that have maturities corresponding to the pension obligation in question.

The table below presents the sensitivity of the pension obligations to changes in the discount rate. The sensitivity analysis is based on changes in a single actuarial assumption, while other assumptions remain unchanged. This method shows the sensitivity for a single assumption. This is a simplified method since actuarial assumptions are usually correlated.

Sensitivity analysis of actuarial assumptions	Impact on defined benefit obligation 2022	2021
Discount rate		
0.25% increase	-33	-33
0.25% decrease	36	37

Future expected contributions to defined benefit pension plans	2022	2021
Expected contributions from the employer to the plan during the next reporting period	86	83
Expected contributions from the employee to the plan during the next reporting period	86	83
Expected benefit payments during the next reporting period	204	184

The weighted average maturity of the defined benefit plan obligation is estimated at 14 years as per 31 December 2021.

Note 29 Pledged assets and contingent liabilities

Pledged assets for own liabilities to credit institutions	2022	2021
Pledge in shares in group companies	–	–
Pledge of trade receivables	–	–
Pledge of inventories	–	–
Total	**–**	**–**

Contingent liabilities	2022	2021
Guarantees	590	22
Total	**590**	**22**

Note 30 Related-party transactions

A list of the Group's subsidiaries, which also are the entities to which the parent company is a related party, is found in Note 21 Group Companies. All intra-group transactions are fully eliminated in the consolidated financial statements.

For information regarding remuneration of Group management, see Note 6 Employees and personnel expenses.

The Group's other transactions with related parties comprise:
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 2022 transactions with related parties amounted to kEUR 700, primarily services provided by previous owners of acquired companies during the initial handover period.

Warrant program
During 2022 members of the executive management team subscribed for a total of 798,692 warrants as part of the 2022 LTIP programme.

Shareholder contribution from Fidelio Capital
Fidelio Vet Holding AB subscribed for 32,500,000 ordinary shares in the new share issue completed in October 2022. The subscription price was SEK 29 per ordinary share, which was determined in the accelerated book building procedure carried out by Carnegie Investment Bank AB on 14 September 2022.

Note 31 Business combinations

Acquisitions 2022

The following acquisitions have been completed during the financial year 2022:

Company	Deal type	Based	Segment	Consolidation month
Vet Allergy	Asset	Denmark	Specialty Pharma	Jan
Brøndby Dyreklinik ApS	Asset	Denmark	Veterinary Services	Jan
Smådjursveterinären A6 AB	Share	Sweden	Veterinary Services	Feb
Rødkærsbro Dyreklinik	Asset	Denmark	Veterinary Services	Feb
Kahu Veterinary Equipment Limited	Share	New Zeeland	MedTech	March
Bova Holdings Limited	Share	United Kingdom	Specialty Pharma	Feb
Avacta Animal Health	Share	United Kingdom	Specialty Pharma	March
Gentofte Dyreklinik ApS	Share	Denmark	Veterinary Services	April
Vertical Vet LLC	Share	United States	Veterinary Services	April
Spectrum and Everost brands	Asset	United States	MedTech	April
Centrum Dyreklinik Copenhagen ApS	Share	Denmark	Veterinary Services	May
Højbjerg Dyreklinik ApS	Share	Denmark	Veterinary Services	May
Årstakliniken	Share	Sweden	Veterinary Services	Aug
New Generation Devices	Asset	United States	MedTech	Aug
Heiland GmbH	Share	Germany	Veterinary Services	Aug

1 Jan 2021 - 31 Dec 2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group
Impact from acquisitions included in group consolidated reporting					
Revenue	14.4	14.4	–	13.1	41.9
Pre-tax profit	–	3.5	–	1.7	5.2
Impact if all acquisitions had closed 1 January 2022					
Revenue	15.9	20.2	–	18.3	54.4
Pre-tax profit	0.2	4.6	–	1.9	6.7

VetAllergy
On 31 January 2022, the Group acquired the business in Vet-Allergy ApS ("Vet-Allergy") structured as an asset deal. Vet-Allergy is a Danish company acquired to strengthen Vimians position as a leading provider of veterinary allergy diagnostics and treatments in Scandinavia. The acquisition of Vet-Allergy gave rise to goodwill of kEUR 2.141 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 49.

Brøndby Dyreklinik ApS
On 5 January 2022, the Group acquired the business in Brøndby Dyreklinik ApS ("Brøndby"), structured as an asset deal. Brøndby is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Brøndby gave rise to goodwill of kEUR 424 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 56.

Smådjursveterinären A6 AB
On 1 February 2022, the Group acquired 100% of the shares and votes in Smådjursveterinären A6 AB ("Smådjursveterinären"). Smådjursveterinären is a Swedish veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Smådjursveterinären gave rise to goodwill of kEUR 738 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 58.

Rødkærsbro Dyreklinik
On 2 February 2022, the Group acquired the business in Rødkærsbro og Karup Dyreklinikker ApS ("Rødkærsbro") structured as an asset deal. Rødkærsbro is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Rødkærsbro gave rise to goodwill of kEUR 432 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 70.

Kahu Veterinary Equipment Limited
On 1 March 2022, the Group acquired 100% of the shares in Kahu Veterinary Equipment Limited ("Kahuvet"). Kahuvet is a New Zealand-based supplier of veterinary products in New Zealand and Australia. The acquisition of Kahuvet gave rise to goodwill of kEUR 10.220 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to an established assembled workforce, valuation of future growth prospects and high barriers to entry the niche industry Kahuvet is operating in due to the cost of establishing supplier and customer relationships and building up the wide range of products that KahuVet is able to provide. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 337.

Bova Holdings Limited
On 4 February 2022, the Group acquired 100% of the shares in Bova Holdings UK Ltd ("Bova"). Bova is a leading companion animal health specialty pharmaceuticals company in the United Kingdom. The acquisition of Bova gave rise to goodwill of kEUR 58,649 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily represents the potential to generate business in the future from new customers and formulations, including through geographical expansion. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 1,508.

Avacta Animal Health
On 15 March 2022, the Group acquired 100% of the shares in Avacta Animal Health Limited ("Avacta"), a carve out of the veterinary allergy division of Avacta Group plc in the United Kingdom. Avacta provides veterinary allergy diagnostic solutions through its laboratory and re-sells Nextmune's immunotherapy products to veterinary clinics across the UK. The acquisition of Avacta

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gave rise to goodwill of kEUR 1,975 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 358.

Gentofte Dyreklinik
On 1 April 2022, the Group acquired 75per cent of the shares and votes in Gentofte Dyreklinik ApS. Gentofte is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Gentofte gave rise to goodwill of kEUR 7,262 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 86.

VerticalVet, LLC
On 1 April 2022, the Group acquired 100% of the shares in Vertical Vet LLC ("Vertical Vet"). Vertical Vet is a leading provider of procurement and support services to over 1,100 member clinics in the US. The acquisition of Vertical Vet gave rise to goodwill of kEUR 25,517 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to Trademarks, Vet Clinic Contracts, and Partner contracts. This transaction is treated as an asset deal for US tax purposes and consequently there is not expected to be a deferred tax liability arising on step up of intangible assets. Acquisition-related costs amounted to kEUR 1,115.

Everost and Spectrum product portfolios
On 4 April 2022, the Group acquired two product portfolios of veterinary surgical instruments and orthopedic implants, Everost and Spectrum, in the US. The acquisition is a carve-out from a healthcare company, structured as an asset deal. The acquisition gave rise to no goodwill. Acquisition related transaction costs amounted to kEUR 199.

Centrum Dyreklinik ApS
On 2 May 2022, the Group acquired 80 per cent of the shares and votes in Centrum Dyreklinik ApS. Centrum is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Centrum gave rise to goodwill of kEUR 3,314 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 53.

Højbjerg Dyreklinik ApS
On 4 May 2022, the Group acquired 70 per cent of the shares and votes in Højbjerg Dyreklinik ApS. Højbjerg is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments co-ownership programme. The acquisition of Højbjerg gave rise to goodwill of kEUR 2,913 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 64.

Årstakliniken
On 1 August 2022, the Group acquired 100 per cent of the shares and votes in Årstakliniken. Årstakliniken is a veterinary clinic, and the investment was made as part of the Veterinary Service Segments clinic expansion. The acquisition of Årstakliniken gave rise to goodwill of kEUR 3,743 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Acquisition-related costs amounted to kEUR 75.

New Generation Devices
On 1 August 2022, the Group acquired the assets of New Generation Devices ("NGD"). NGD offers a selected range of veterinary orthopedic implants to veterinary clinics across the United States The acquisition gave rise to goodwill of kEUR 7,166. There are no acquisition related expenses.

Heiland GmbH
On 1 August 2022, the Group acquired 100 per cent of the shares of heiland GmbH ("heiland"). heiland is a leading online ordering platform offering veterinary pharmaceuticals and other veterinary products to veterinary clinics across Germany. The acquisition gave rise to kEUR 13,584 of goodwill in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily represents the potential to generate business in the future by using the platform to it's full potential throughout the group. The acquisition related expenses amounted to kEUR 296.

Preliminary purchase price allocation summary of acquisitions closed during the period January–December 2022

Acquired net assets on acquisition date	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Intangible assets	30,507	13,293	–	24,608	68,408
Property, plant and equipment	1,020	164	–	561	1,745
Right-of-use assets	1,090	–	–	617	1,707
Non-current financial assets	–	58	–	–	58
Deferred tax assets	–	–	–	–	–
Inventories	1,145	6,900	–	342	8,387
Trade receivables and other receivables	949	1,655	–	1,190	3,794
Cash and cash equivalents	946	444	–	2,627	4,017
Interest-bearing liabilities	–	-207	–	-788	-995
Lease liabilities	-1,090	–	–	-617	-1,707
Deferred tax liabilities	-5,756	-2,258	–	-3,090	-11,104
Trade payables and other operating liabilities	-1,280	-3,374	–	-2,321	-6,975
Identified net assets	**27,532**	**16,674**	**–**	**23,130**	**67,335**
Non-controlling interest measured at fair value	–	–	–	–	–
Goodwill	62,295	17,336	–	57,927	137,558
Total purchase consideration	**89,827**	**34,011**	**–**	**81,057**	**204,893**
Purchase consideration comprises:					
Cash	63,903	27,173	–	65,022	156,098
Equity instruments	–	–	–	–	–
Contingent consideration	25,924	6,837	–	16,036	48,797
Vendor note	–	–	–	–	–
Previously held equity interest in the acquiree remeasured at step acquisition	–	–	–	–	–
Total purchase consideration	**89,827**	**34,010**	**–**	**81,058**	**204,895**
The acquisition's impact on the Group's cash flow					
Cash portion of purchase consideration	-63,903	-27,173	–	-65,022	-156,098
Acquired cash	946	444	–	2,627	4,017
Total	**-62,957**	**-26,729**	**–**	**-62,395**	**-152,081**
Acquisition-related costs	-1,915	-536	–	-1,859	-4,310
Net cash outflow	**-64,872**	**-27,265**	**–**	**-64,254**	**-156,391**

Cont. note 31

Individually significant purchase price allocations closed during the period January - December 2022

Acquired net assets on acquisition date	BOVA Holdings Limited	VerticalVet LLC
Intangible assets	30,505	14,702
Property, plant and equipment	974	206
Right-of-use assets	1,036	–
Non-current financial assets	–	–
Deferred tax assets	–	–
Inventories	1,065	–
Trade receivables and other receivables	799	406
Cash and cash equivalents	718	972
Interest-bearing liabilities	–	–
Lease liabilities	-1,036	–
Deferred tax liabilities	-5,756	–
Trade payables and other operating liabilities	-1,282	-1,101
Identified net assets	**27,024**	**15,185**
Non-controlling interest measured at fair value	–	–
Goodwill	58,180	25,517
Total purchase consideration	**85,204**	**40,702**
Purchase consideration comprises:		
Cash	60,635	36,434
Equity instruments	–	–
Contingent consideration	24,569	4,269
Vendor note	–	–
Previously held equity interest in the acquiree remeasured at step acquisition	–	–
Total purchase consideration	**85,204**	**40,702**
The acquisition's impact on the Group's cash flow		
Cash portion of purchase consideration	-60,635	-36,434
Acquired cash	718	972
Total	**-59,917**	**-35,462**
Acquisition-related costs	-1,508	-1,115
Net cash outflow	**-61,424**	**-36,577**

Purchase price allocations for acquisitions that have taken place during Januari – December 2022 are preliminary as the group has not received definitively established information from the acquired companies. Vimian is currently analysing the final values of certain recently acquired companies. No significant adjustments are expected.

Acquisitions 2021	Specialty Pharma		MedTech	Diagnostics	Veterinary Services	Group total
Acquired net assets on acquisition date	GlobalOne Pet Products LLC ("GOP")	Excluding GOP				
Intangible assets	16,728	8,281	11,851	2,070	1,066	39,996
Property, plant and equipment	91	988	360	294	177	1,910
Right-of-use assets	176	18	566	607	551	1,918
Non-current financial assets	–	–	95	–	–	95
Deferred tax assets	–	–	–	–	4	4
Inventories	1,122	995	1,855	1,501	65	5,537
Trade receivables and other receivables	2,570	1,309	2,410	359	202	6,849
Cash and cash equivalents	3,803	1,256	2,590	317	792	8,759
Interest-bearing liabilities	–	-721	-90	–	–	-811
Lease liabilities	-176	-18	-566	-1,030	-551	-2,341
Deferred tax liabilities	–	-2,066	-2,143	-438	-97	-4,745
Trade payables and other operating liabilities	-7,447	-852	-1,999	-782	-518	-11,596
Identified net assets	**16,867**	**9,191**	**14,928**	**2,898**	**1,691**	**45,574**
Non-controlling interest measured at fair value	–	–	–	–	-645	-645
Goodwill	33,061	21,982	20,441	5,900	11,466	92,850
Total purchase consideration	**49,928**	**31,173**	**35,369**	**8,798**	**12,511**	**137,779**
Purchase consideration comprises:						
Cash	42,821	29,001	21,987	6,697	10,708	111,215
Equity instruments	–	–	2,820	–	–	2,820
Contingent consideration	7,107	2,171	10,562	2,101	1,803	23,744
Vendor note	–	–	–	–	–	–
Previously held equity interest in the acquiree remeasured at step acquisition	–	–	–	–	–	–
Total purchase consideration	**49,928**	**31,173**	**35,369**	**8,798**	**12,511**	**137,779**
The acquisition's impact on the Group's cash flow						
Cash portion of purchase consideration	-42,821	-29,001	-21,987	-6,697	-10,708	-111,215
Acquired cash	3,803	1 256	2 590	317	792	8,759
Total	**-39,018**	**-27,745**	**-19,397**	**-6,380**	**-9,916**	**-102,456**
Acquisition-related costs	-925	-512	-1,014	-262	-289	-3 001
Net cash outflow	**-39,943**	**-28,257**	**-20,411**	**-6,641**	**-10,204**	**-105,457**

No significant changes in the Group's purchase price allocations were made during the financial year regarding previous years' acquisitions.

Cont. note 31

1 Jan 2021 - 31 Dec 2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group
Impact from acquisitions included in group consolidated reporting					
Revenue from contracts with customers	3.8	3.3	1.6	1.4	10.2
Pre-tax profit	0.2	–	–	0.2	0.4
Impact if all acquisitions had closed 1 january 2021					
Revenue from contracts with customers	27.3	12.4	3.0	3.8	46.4
Pre-tax profit	3.3	0.1	–	0.8	4.2

Note 32 Events after the balance-sheet date

On 10 January 2023, 6.019.086 C-shares were converted into ordinary shares. Pursuant to agreements entered into between Vimian and certain shareholders in connection with the rollover conducted in connection with the listing in 2021, the C-shares will vest over a three-year period. Conversion of the 6,019,086 C-shares relates to vesting of the first third of the C-shares.

Following the conversion, there are in total 441,122,339 shares in Vimian, of which 18,930,656 are C-shares, together carrying 1,893,065.6 votes and 422,191,683 are ordinary shares, together carrying 422,191,683 votes. The total number of votes in Vimian is 424,084,748,6.

On 8 March, Vimian announced amended consideration parameters for the acquisition of Viking Blues Pty Ltd and its intention to issue shares, subject to approval by an EGM held on 24 March 2023.

On 22 March Vimian acquired Vettr, a veterinary services plaform in Australia. The acquisition will be consolidated as of 3 April 2023.

On 24 March the Extraordinary General Meeting resolved, with the required majority, to the Board of Director's a proposal to carry out an issue of not more than 15.502.391 new ordinary shares.

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, the defendants are obliged to make a single payment of USD 70 million, payable in the second quarter of 2023. Per the end of 2022, Vimian has booked an "other current liability" of USD 70 million and a claim of USD 56 million (USD 70 million minus USD 20 million withheld at acquisition plus USD 6 million of legal costs) towards the sellers of VOI as a "current receivable". This has no impact on net debt. Vimian's view is that through the purchase agreement for the acquisition of VOI, Vimian has contractual indemnification protection for the amount of the settlement and all legal costs to date.

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.

Parent company's income statement

kSEK	Note	2022	2021
Operating income			
Net revenue	2	26,031	47,672
Other operating income		12,242	5,227
Total operating income		**38,273**	**52,899**
Operating expenses			
Other external expenses	3	-51,282	-100,040
Personnel costs	4	-17,470	-7,781
Depreciation and write-downs of tangible and intangible assets		-132	-74
Other operating expenses		-423	-336
Total operating expenses		**-69,306**	**-108,231**
Operating profit/loss		**-31,033**	**-55,332**
Group contributions	5	13,071	139,710
Interest income and similar items		102,687	
Interest expenses and similar items	6	-158,932	-154,763
Profit/Loss after financial items		**-74,207**	**-70,386**
Profit before tax		**-74,207**	**-70,386**
Net profit/loss for the year		**-74,207**	**-70,386**

Parent company's total comprehensive loss/income for the year

kSEK	Note	2022	2021
Net profit/loss for the year		-74,207	-70,386
Other comprehensive loss/income		–	–
Total comprehensive loss/income for the year		**-74,207**	**-70,386**

Parent company's statement of financial position

kSEK	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	8	16,875	4,633
Machinery and equipment	9	559	691
Shares in subsidiaries	10	6,169,308	6,161,177
Non-current group receivables	11	4,060,975	2,014,301
Total non-current assets		**10,247,717**	**8,180,803**
Current assets			
Receivables from group companies		52,954	23,535
Other current receivables		2,053	12,682
Prepaid expenses and accrued income	12	750	460
Cash and bank	13	–	43,545
Total current assets		**55,757**	**80,222**
TOTAL ASSETS		10,303,474	8,261,025

kSEK	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	14	736	649
Development fund		16,875	4,633
Ongoing share issue		–	13,041
Total restricted equity		**17,611**	**18,323**
Share premium		6,167,328	4,648,941
Retained earnings		1,825,345	1,912,606
Profit/loss for the year		-74,207	-70,386
Total non-restricted equity		**7,918,466**	**6,491,161**
Total equity		**7,936,077**	**6,509,484**
Non-current liabilities	16		
Non-current liabilities to financial creditors	15	2,295,854	1,658,429
Total non-current liabilities		**2,295,854**	**1,658,429**
Current liabilities			
Current liabilities to financial creditors	16		76,702
Accounts payable		3,786	655
Payables from group companies		61,267	7,155
Other current liabilities		1,215	504
Accrued expenses and prepaid income	17	5,275	8,097
Total current liabilities		**71,543**	**93,112**
TOTAL EQUITY AND LIABILITIES		10,303,474	8,261,025

Parent company's statement of changes in equity

	Restricted equity			Non-restricted equity				
kSEK	Share capital	Ongoing share issue	Other restricted equity	Share premium fund	Retained earnings	Development fund	Profit/loss for the year	Total equity
Opening balance 1 Jan 2021	25	–	–	–	1,782,902	–	-1	1,782,926
Profit or loss for the year	–	–	–	–	–	–	-70,386	-70,386
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	–	–	-70,386	-70,386
Transactions with the owners								
Share capital	–	–	–	–	–	–	–	–
Development fund	–	–	4 633	–	–	–4,633	–	–
Warrant program	–	–	–	11,625	–	–	–	11,625
Share issue	624	–	–	4,647,406	–	–	–	4,648,030
Ongoing share issue	–	13 041	–	–	–	–	–	13,041
Transaction costs	–	–	–	-6,873	–	–	–	-4,349
Deferred tax effects	–	–	–	1,416	–	–	–	-1,108
Shareholder contributions	–		–	–	129,705	–	–	129,705
Total	624	13 041	4 633	4,653,574	129,705	-4,633	-70,386	4,796,944
Closing balance 31 Dec 2021	649	13 041	4 633	4,653,574	1,912,607	-4,633	-70,387	6,509,484
Opening balance 1 Jan 2022	649	13 041	4 633	4,653,574	1,912,607	-4,633	-70,387	6,509,484
Profit or loss for the year	–	–	–	–	- 74 207	–	–	-74 207
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	-74 207	–	–	-74 207
Transactions with the owners								
Share capital	–	–	–	–	–	–	–	–
Development fund	–	–	12 242	–	–	-12 242	–	–
Warrant program	–	–	–	18 454	–	–	–	18 454
Share issue	87	–	–	1 513 040	–	–	–	1 513 127
Ongoing share issue	–	-13 041	–	–	–	–	–	-13 041
Transaction costs	–	–	–	-17 740	–	–	–	-17 740
Deferred tax effects	–	–	–	–	–	–	–	–
Shareholder contributions	–	–	–	–	–	–	–	–
Total	87	-13 041	12 242	1 513 754	–	-12 242	-85	1 500 800
Closing balance 31 Dec 2022	736	-0	16 875	6 167 328	1 838 400	-16 875	-70 387	7 936 077

Parent company's statement of cash flow

kSEK	Note	2022	2021
Operating activities			
Operating loss		-31,033	-55,332
Adjustments for non-cash items	18	-132	-5,847
Interest received		102,687	16,295
Interest paid		-107,989	-11,857
Cash flow from operating activities before changes in working capital		**-36,467**	**-56,741**
Cash flow from change in working capital			
Change in operating receivables		-19,080	-36,677
Change in operating liabilities		55,133	16,409
Cash flow from operating activities		**-414**	**-77,009**
Investing activities			
Investments in intangible assets		-12,242	-4,633
Investments in property, plant and equipment		0	-765
Investment in subsidiaries		-124,359	-103,212
Investment in other financial assets		-2,046,673	-1,993,351
Cash flow from investing activities		**-2,183,274**	**-2,101,961**
Financing activities			
New share issue		1,500,000	517,927
Warrant program		18,451	–
Transaction costs		**-17,213**	**-5,457**
Proceeds from borrowings		1,042,502	1 658,428
Repayments		**-405,077**	
Change in financing liabilities			76,702
Cash flow from financing activities		**2,138,663**	**2,247,600**
Cash flow for the year		**-45,025**	**68,630**
Cash and cash equivalents at beginning of the year		43,545	25
Exchange-rate difference in cash and cash equivalents		1,480	-25,110
Cash and cash equivalents at end of the year	13	**0**	**43,545**

Parent company's notes

Note 1 Significant accounting policies

The parent company Vimian Group AB, has prepared its annual report in accordance with the Annual Accounts Act (1995: 1554) and the recommendation RFR 2 "Accounting for legal entities" issued by the Swedish Financial Reporting Board. The parent company applies the same accounting principles as the Group with the exceptions and additions specified in RFR 2 Accounting for legal entities. This means that IFRS is applied with the deviations listed below. The deviations that occur are caused by the limitations in the possibilities of applying IFRS in the parent company as a result of the Annual Accounts Act and current tax rules. The accounting principles for the parent company set out below have been applied consistently to all periods presented in the parent company's financial reports, unless otherwise stated.

Formation

The income statement and balance sheet are prepared for the parent company in accordance with the Annual Accounts Act, while the statement of comprehensive income, the statement of changes in equity and the statement of cash flow are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

Share of profit from group companies

Dividends are reported when the right to receive payment is deemed secure. Revenues from the sale of group companies are reported when control of the group company has been transferred to the buyer.

Taxes

In the parent company, deferred tax liabilities attributable to the untaxed reserves are reported with gross amounts in the balance sheet. The year-end appropriations are reported with the gross amount in the income statement.

Shares in subsidiaries

Shares in subsidiaries are reported in the parent company in accordance with the acquisition value (cost) method. In cases where the carrying amount exceeds the companies' consolidated value, a write-down is made that is charged to the income statement. An impairment test is carried out at the end of each reporting period. In cases where a previous write-down is no longer justified, this is reversed. Transaction costs are included in the carrying amount of the shares.

Assumptions are made about future conditions to calculate future cash flows that determine the recoverable amount. The recoverable amount is compared with the carrying amount of these assets and forms the basis for any impairment or reversals. The assumptions that affect the recoverable amount the most are future earnings development, discount rate and useful life. If future external factors and conditions change, assumptions may be affected so that the reported values of the parent company's assets change.

Group and shareholder contribution
The parent company reports both received and paid group contributions and appropriations in accordance with the alternative rule. Provided shareholder contributions by the parent company are recognized directly in equity with the recipient and are reported as shares and participations with the parent company. Shareholders' contributions received are reported as an increase in unrestricted equity.

Financial Instrument
Due to the connection between accounting and taxation, the rules on financial instruments according to IFRS 9 are not applied in the parent company as a legal entity, but the parent company applies the acquisition value method in accordance with the ÅRL. In the parent company, financial fixed assets are thus valued at acquisition value and financial current assets according to the lowest value principle, with the application of write-downs for expected credit losses in accordance with IFRS 9 regarding assets that are debt instruments.

The parent company applies the exemption from valuing financial guarantee agreements for the benefit of subsidiaries and associated companies and joint ventures in accordance with the rules in IFRS 9, but instead applies the principles for valuation in accordance with IAS 37 Provisions, contingent liabilities and contingent assets.

Impairment of financial assets
Financial assets, including intra-group receivables, are written down for expected credit losses. For a method regarding write-downs for expected credit losses, see the Group's Note 23 Financial risks

Expected credit losses for cash and cash equivalents have not been reported, as the amount has been judged to be insignificant.

Note 2 Operating income

2022	Advisory, management and other administrative fees	Total revenue
Revenue		
Revenue within the Group	26,031	26,031
Total revenue	**26,031**	**26,031**

2021	Advisory, management and other administrative fees	Total revenue
Revenue		
Revenue within the Group	47,672	47,672
Total revenue	**47,672**	**47,672**

Note 3 Fees to the Auditor

	2022	2021
Grant Thornton		
Audit assignment	1,484	1,408
Other auditing activities	–	0
Tax advisory services	–	0
Other services	1,414	3,355
Total	**2,898**	**4,763**

Note 4 Employees and personnel expenses

	2022			2021		
	Average number of employees	Women, %	Men, %	Average number of employees	Women, %	Men, %
Average number of employees	8	50	50	6	67	33

Personnel expenses*	2022	2021
Salaries and other remuneration	11,081	5,478
Social security contributions	4,052	1,478
Pension expenses	1,770	543
Other personnel expenses	566	281
Total	**17,470**	**7,781**

CEO and senior executives Jan 1–Dec 31 2022	Base salary	Variable remuneration	Pension expense	Other remuneration	Total
Fredrik Ullman, CEO[3]					
Other senior executives (4)	4,916	60	484	226	5,686
Total	**4,916**	**60**	**484**	**226**	**5,686**

CEO and senior executives Jan 1–Dec 31 2021	Base salary	Variable remuneration	Pension expense	Other remuneration	Total
Fredrik Ullman, CEO[3]					
Other senior executives (3)	1,823	–	277	55	2,155
Total	**1,823**	**–**	**277**	**55**	**2,155**

Variable remuneration refers to bonus.

Other remuneration refers to health insurance, business representation and travel expenses.

1) Vimian Group AB, did not have any employees during financial year 2020. Group management was formed during 2021, and comprises nine individuals, three of whom were employed in the parent company Vimian Group AB.
3) CEO in Vimian Group AB is employed in another subsidiary of the group.

Board fees Jan 1–Dec 31 2022, EURk	Board fees	Variable remuneration	Pension expense	Other remuneration	Total
Carl Gabriel Lindsay Fitzgerald, Chairman & Board member	–	–	–	–	–
Martin Bengt Nilsson Erleman, Board member	–	–	–	–	–
Theodor Simon Josef Bonnier, Board member	–	–	–	–	–
Mikael Göran Dolsten, Board member	50	–	–	–	50
Frida Marie-Louise Westerberg, Board member	50	–	–	–	50
Petra Rumpf, Board member					
Total	**100**	**–**	**–**	**–**	**100**

Cont. note 4

Jan 2–Dec 31 2021, EURk	Board fees	Variable remuneration	Pension expense	Other remuneration	Total
Carl Gabriel Lindsay Fitzgerald, Chairman & Board member	–	–	–	–	–
Martin Bengt Nilsson Erleman, Board member	–	–	–	–	–
Theodor Simon Josef Bonnier, Board member	–	–	–	–	–
Mikael Göran Dolsten, Board member	50	–	–	–	50
Frida Marie-Louise Westerberg, Board member	50	–	–	–	50
Total	100	–	–	–	100

2) According to the decision of the Annual General Meeting, 24 May 2021.

Note 5 Finance income

	2022	2021
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	–	–
Total recognised in profit or loss	–	–
Assets measured at amortised cost:		
Interest income from trade receivables	–	–
Interest income from other financial assets	102,687	16,295
Total interest income in accordance with the effective interest method	102,687	16,295
Other finance income:		
Exchange differences – income, financial items	–	123,415
Other income	–	–
Total	–	123,415
Total finance income	102,687	139,710

Note 6 Finance expense

	2022	2021
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	–	–
Total recognised in profit or loss	–	–
Liabilities measured at amortised cost		
Interest expense liabilities to credit institutions	87,103	20,885
Interest expense other financial liabilities		503
Total interest expense in accordance with the effective interest method	87,103	21,388
Other finance expense:		
Exchange differences – expense, financial items	50,943	129,335
Other expenses	20,886	4,040
Total	71,829	133,375
Total finance expense	158,932	154,763

Note 7 Income tax expense

	2022	2021
Current tax	–	–
Current tax on profit for the year	–	–

Reconciliation of effective tax rate	2022	2021
Profit before tax	-74,207	-70,386
Parent Company's Tax rate (20,06%)	14,886	14,499
Tax effect of:		
Increase in tax losses without recognition of deferred tax assets	-14,886	-14,499
Recognised tax	–	–
Effective tax rate	0%	0%

Note 8 Intangible assets

	Internally generated intangible assets	Customer relationships	Patents & licences	Brands and trademarks	Technology	Total intangible assets
Cost						
At 2 Jan 2021	–	–	–	–	–	–
Internally developed	4,633	–	–	–	–	4,633
At 31 Dec 2021	4,633	–	–	–	–	4,633
Internally developed	12,242					12,242
At 31 Dec 2022	16,875	–	–	–	–	16,875
Amortisation						
At 2 Jan 2021	–	–	–	–	–	–
Amortisation for the year	–	–	–	–	–	–
At 31 Dec 2021	–	–	–	–	–	–
Amortisation for the year						–
At 31 Dec 2022	–	–	–	–	–	–
Closing balance at 31 Dec 2021	4,633	–	–	–	–	4,633
Closing balance at 31 Dec 2022	16,875	–	–	–	–	16,875

As of 31 December 2022, the parent company's intangible assets included capitalization of development fees for the implementation of ERP systems. Amortisation of the system begins when the system is taken into use.

Note 9 Property, plant and equipment

	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Total property, plant and equipment
Cost				
At 2 Jan 2021	–	–	–	–
Additions	–	626	139	765
At 31 Dec 2021	–	626	139	765
Additions				0
At 31 Dec 2022	–	626	139	0
Depreciation				
At 2 Jan 2021	–	–	–	–
Depreciation for the year	–	-70	-4	-74
At 31 Dec 2021	–	-70	-4	-74
Depreciation for the year		-125	-7	-132
At 31 Dec 2022	–	-195	-11	-206
Closing balance at 31 Dec 2021	–	556	135	691
Closing balance at 31 Dec 2022	–	431	128	559

Note 10 Shares in subsidiaries

	2022	2021
Opening balance	6,161,177	1,782,902
Acquisition	-116,228	116,253
Shareholder contribution	124,359	4,262,022
Closing balance	**6,169,308**	**6,161,177**

Below is the list of the parent entity's, holdings in direct shares. For more information about indirect shares refer to the group's Note 21 Group companies.

2021 Company	Corp. Reg. No.	Registered office	Total Equity 2021-12-31	Profit/loss 2021	Equity/voting interest, %	Shares
Vimian FinCo AB	SE: 559313-2474	Stockholm	4,627,985	-15,654	100	338,734,629
VOI Holdings LLC	US: 85-0879106	Florida	–	–	100	412,073
Freelance Surgical Ltd.	GB: 4039065	Bristol	183,629	3,883	100	6,400

2022 Company	Corp. Reg. No.	Registered office	Total Equity 2022-12-30	Profit/loss 2021	Equity/voting interest, %	Shares
Vimian FinCo AB	SE: 559313-2474	Stockholm	4,627,985	-15,654	100	338,734,629
VOI Holdings LLC	US: 85-0879106	Florida	–	–	100	412,073

During 2022 the participation in Freelance Surgical Ltd. has been internally divested to Vimian MedTech Holding AB.

Vimian FinCo AB, which is 100% owned by Vimian Group AB, was started in April 2021. Vimian FinCo AB then acquired Vimian Pharma Holding AB, Vimian Service Holding AB, Vimian Diagnostics Holding AB and Vimian MedTech Holding AB through capital contribution and non-cash issues.

Note 11 Non-current group receivables

	2022	2021
Opening balance	2,014,301	–
Distributed during the year	2,046,674	2,014,301
Closing balance	**4,060,975**	**2,014,301**

Note 12 Prepaid expenses and accrued income

	2022	2021
Prepaid insurance	–	63
Other prepaid expenses	750	397
Carrying amount	**750**	**460**

Note 13 Cash and cash equivalents

	2022	2021
Bank balances	–	43,545
Carrying amount	**–**	**43,545**

In 2022 the group started using a cashpool facility in name of Vimian Finco. Therefor there is no cash reported in Vimian Group AB. The available funds in the cashpool are reported as group receivable/payables.

Note 14 Equity

Share capital
The share capital as of 31 December 2022 was SEK 735,640 (649,121). The number of shares was 441,122,339 (389,394,897) of which 416,172,597 (364,445,155) ordinary shares and 24,949,742 (24,949,742) C-shares. The par value is approximately 0,001668 SEK per share (0,001668 SEK per share). Total share capital as of 31 December 2022 amount to kSEK 736 (649) which corresponds to approximately kEUR 72 (62). Both ordinary shares and C-shares are entitled to dividend. The ordinary shares carry one vote each whereas the C-shares carry one-tenth vote each. The C-shares may, upon request by a shareholder and by a resolution by the board of directors be reclassified to ordinary shares.

All shares have the same rights to the Group's remaining net assets. All shares are fully paid and no shares are reserved for transfer. No shares are held by the company itself or its subsidiaries. For more information, shares refer to the Group's Note 22 Equity.

Note 15 Non-current liabilities

	2022			2021		
	1–5 years	>5 years	Total	1–5 years	>5 years	Total
Liabilities to credit institutions	2,295,854	–	2,295,854	1,658,429	–	1,658,429
Total	**2,295,854**	**–**	**2,295,854**	**1,658,429**	**–**	**1,658,429**

Note 16 Liabilities relating to several items

The total liquidity reserve amount in undrawn facilities amount kEUR 190,624 (88,591). At 31 December 2022, kEUR 209,773 of the facilities had been draw.

	2022	2021
Non-current liabilities		
Liabilities to credit institutions	2,295,854	1,658,429
Current liabilities	–	–
Liabilities to credit institutions	0	76,702
Total	**2,295,854**	**1,735,131**

Note 17 Accrued expenses and prepaid income

	2022	2021
Accrued holiday pay	677	683
Accrued social security contributions	930	435
Accrued salaries and fees	307	702
Other accrued expenses	3,361	6,277
Carrying amount	**5,275**	**8,097**

Note 18 Cash-flow statement

	2022	2021
Depreciation and amortisation	132	74
Exchange differences	0	-5,921
Total	**132**	**-5,847**

Note 19 Proposed appropriation of net income

At the disposal of the Annual General Meeting (KSEK):	
Share premium reserve	6,167,328
Retained earning	1,825,345
Net income	-74,207
Total	**7,918,466**

Disposal of the net income	
To be carried forward	7,918,466

Assurance

The income statements and balance sheets will be presented to the Annual General Meeting on June 1, 2023 for adoption.

The Board of Directors and CEO of Vimian Group affirm that this Annual Report was prepared in accordance with generally accepted accounting policies in Sweden and that the consolidated financial statements were prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and the Council issued on July 19, 2002 on the application of international accounting standards. The Annual Report and consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and earnings. The Board of Directors' Report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm 3 May, 2023

Gabriel Fitzgerald
Chairman

Martin Erleman
Board member

Mikael Dolsten
Board member

Frida Westerberg
Board member

Theodor Bonnier
Board member

Petra Rumpf
Board member

Fredrik Ullman
CEO

Our auditor's report was submitted on 3 May, 2023
Grant Thornton Sweden AB

Carl-Johan Regell
Authorised Public Accountant

TRANSLATION OF THE SWEDISH ORIGINAL

Auditor’s report

To the general meeting of the shareholders of Vimian Group AB (publ). Corporate identity number 559234-8923

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Vimian Group AB for the year 2022. The annual accounts and consolidated accounts of the company are included on p. 59–104 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor’s Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on p. 2–50 and 107–110. The Board of Directors and the Managing Director are responsible for the other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company’s and the group’s ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company’s internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting poli-

cies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Vimian Group AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:
- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we assess whether the proposal is in accordance with the Companies Act.

Stockholm, May 3, 2023
Grant Thornton Sweden AB

Carl-Johan Regell
Authorized Public Accountant

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	Reason for Usage
Revenue growth[1]	Change in Revenue in relation to the comparative period.	The measure is used by investors, analysts and the company's management to evaluate the company's growth.
Organic Revenue Growth[1]	Change in Revenue in relation to the comparative period adjusted for acquisition and divestment effects and any currency impacts. Acquired businesses are included in Organic growth when they have been part of the Group for 12 months. The Currency impact is calculated by translating the accounts for year N-1 of subsidiaries having a functional currency different than the currency of the issuer with N exchange rate.	Organic growth is used by investors, analysts and the company's management to monitor the underlying development of revenue between different periods at constant currency and excluding the impact of any acquisitions and/or divestments.
EBITDA[1]	Operating profit excluding amortisation, depreciation and impairment of intangible and tangible assets.	The measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation and depreciation of intangible and tangible fixed assets as well as independent of taxes and the Company's financing structure.
EBITDA margin[1]	EBITDA in relation to Revenue.	The measure reflects the business's operating profitability before amortisation and depreciation of intangible and tangible fixed assets. The measure is an important component, together with revenue growth, to follow the Company's value creation.
Adjusted EBITDA[1]	EBITDA adjusted for items affecting comparability.	The measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation and depreciation of intangible and tangible fixed assets as well as independent of taxes and the Company's financing structure. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.
Items affecting comparability[1]	Income and expense items that are considered to be important to specify to users of the financial information since they affect comparability.	A separate disclosure of items affecting comparability is relevant to provide to users of the financial information to give further understanding of the financial performance when comparing of financial performance between periods.
Adjusted EBITDA margin[1]	Adjusted EBITDA in relation to Revenue.	The measure reflects the business's operating profitability before amortisation and depreciation of intangible and tangible fixed assets. The measure is an important component, together with revenue growth, to follow the Company's value creation. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.
Amortisation PPA related[1]	Amortisation of intangible assets that were originally recognised in connection with business combinations.	Specification of amortisation in different categories since management differentiates amortisation when calculating EBITA.
Other amortisation[1]	Amortisation of intangible assets that were acquired separately outside any business combination.	Specification of amortisation in different categories since management differentiates amortisation when calculating EBITA.
EBITA[1]	Operating profit excluding amortisation of intangible assets that were originally recognised in connection with business combinations.	The measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation of intangible assets as well as independent of taxes and the Company's financing structure.
EBITA margin[1]	EBITA in relation to Revenue.	The measure reflects the business's operating profitability before amortisation of intangible assets. The measure is an important component, together with revenue growth, to follow the Company's value creation.
Adjusted EBITA[1]	EBITA adjusted for items affecting comparability.	The measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation of intangible assets as well as independent of taxes and the Company's financing structure. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.
Adjusted EBITA margin[1]	Adjusted EBITA in relation to Revenue.	The measure reflects the business's operating profitability before amortisation of intangible assets. The measure is an important component, together with revenue growth, to follow the Company's value creation. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.
Operating profit (EBIT)[1]	Operating profit as reported in the Income statement, i.e. profit for the period excluding finance income, finance costs, share of profit of an associate and income tax expense.	The measure shows the profitability from the operations of the parent company and its subsidiaries.
Operating margin[1]	Operating profit/loss in relation to Revenue.	The measure reflects the operational profitability of the business. The measure is an important component, together with revenue growth, to follow the Company's value creation.
Debt[1]	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).	Debt is a component when calculating Net debt.
Net debt[1]	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 is a measure used to follow the development of debt and the size of the refinancing need. Since cash and cash equivalents can be used to pay off debt at short notice, net debt is used instead of gross debt as a measure of the total loan financing.
Net debt / Adjusted EBITDA[1]	Net debt in relation to a 12 months period of Adjusted EBITDA.	The measure is a debt ratio that shows how many years it would take to pay off the Company's debt, provided that its net debt and Adjusted EBITDA are constant and without taking into account the cash flows regarding interest, taxes and investments.
Leverage ratio[1]	Debt in relation to equity.	The measure shows the relation between the Company's two forms of financing. The measure shows how large a share the debt financing has in relation to the owners' invested capital. The measure reflects the financial strength, but also the leverage effect of the debt. A higher leverage ratio means a higher financial risk and a higher financial leverage on invested capital.

Key Ratios	Definition	Reason for Usage
Equity ratio[1]	Equity in relation to total assets.	The measure reflects the Company's financial position. A high equity ratio provides a readiness to be able to handle periods of weak economic growth. At the same time, a higher equity ratio creates a lower financial leverage.
Net Working Capital[1]	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 (excluding contingent considerations, deferred payments, vendor notes and shareholder loans related to business combinations).	Working capital is a measure of the company's short-term financial status.
Net Working Capital/ Revenue[1]	Net Working Capital as a per centage of Revenue.	Used to evaluate how efficient the Group is at generating cash in relation to revenue.
Capex[1]	Cash flow from investments in Tangible and Intangible assets excluding investments in Real estate and Internally generated intangible assets. Tangible and intangible assets included in the net assets of business combinations are excluded.	Capex is a measure of the company's historical investments and is used as input in calculating Free cash flow and Cash conversion.
Operating cash flow[1]	EBITDA less increase/plus decrease in working capital from cash flow statement and capital expenditures.	The measure reflects the Company's ability to generate cash flows.
Cash conversion[1]	Operating cash flow in relation to EBITDA.	The measure reflects how efficient the Company utilises its capital expenditures and working capital in relation to EBITDA.
Proforma revenue[1]	Revenue for all acquisitions closed between the 1st January and 31 December 2022, as if they had been consolidated from the 1st January.	This measure reflects a fair view of the business's revenue for a full year period.
Adjusted EBITDA, Proforma[1]	EBITDA for all acquisitions closed between 1st January and 31 December 2022, as if they had been consolidated from the 1 January. Proforma EBITDA is adjusted for items affecting comparability.	This measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation and depreciation of intangible and tangible fixed assets as well as independent of taxes and the Company's financing structure. The measure is adjusted for the impact of items affecting comparability to increase comparability over time. The measure also reflects all closed acquisitions as if they were consolidated for the full period.
Adjusted EBITDA margin, Proforma[1]	Adjusted proforma EBITDA in relation to proforma revenue.	This measure reflects the business's operating profitability and enables comparison of profitability over time, regardless of amortisation and depreciation of intangible and tangible fixed assets as well as independent of taxes and the Company's financing structure. The measure is an important component, together with revenue growth, to follow the Company's value creation. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time. The measure also reflects all closed acquisitions as if they were consolidated for the full period.
Acquisition related expenses[1]	Expenses related to legal and financial due diligence as well as integration costs.	
Restructuring costs[1]	Costs relating to integration and synergies between legacy and acquired businesses.	

1) Definitions of Alternative performance measures are to be found in the definition list.

Alternative performance measures not defined in accordance with IFRS for the group-Based on reported figures

	1 Jan–31 Dec	
EURm	2022	2021
Revenue growth (%)	62.3	143.4
Organic revenue growth (%)	3.7	16.5
EBITDA	66,587	38,285
EBITDA margin (%)	23.7	22.1
Adjusted EBITDA	81,910	58,111
Adjusted EBITDA margin (%)	29.1	33,5
EBITA	58,097	33,645
EBITA margin (%)	20.7	19.4
Adjusted EBITA	73,420	53,471
Adjusted EBITA margin (%)	26.1	30.8
Operating profit	39,361	21,597
Operating margin (%)	14.0	12.5
Net debt	257,512	168,095
Net debt / Adjusted EBITDA (x) (12 months)	3.1	2.9
Leverage ratio (%)	62.2	62.2
Equity ratio (%)	52.2	56.0
Net working capital	59,674	34,983
Capital expenditure	-8,517	-6,897
Operating cash flow	46 689	41,366
Cash conversion (%)	57.0	71.2

Alternative performance measures not defined in accordance with IFRS for the group – Based on proforma figures

	1 Jan–31 Dec
EURm	2022
Proforma revenue	297,006
Adjusted EBITDA, Proforma	85,699
Adjusted EBITDA margin, Proforma	28.9
Net debt	257,512
Net debt / Adjusted EBITDA, Proforma (x)	3.0

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 use 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 need not necessarily be comparable to similar metrics presented by other companies. The reconciliations are presented in the tables below.

	1 Jan–31 Dec	
EURm	2022	2021
Revenue growth		
Revenue	281,308	173,350
Revenue growth (%)	**62.3**	**143.4**
– of which organic revenue growth (%)	3.7	16.5
EBITDA margin		
Operating profit	39,361	21,597
Depreciation and Other Amortisation	8,490	4,640
Amortisation PPA related	18,736	12,048
EBITDA	66,587	38,285
Revenue	281,308	173,350
EBITDA margin (%)	**23.7**	**22.1**
Items affecting comparability		
M&A related costs	13,326	7,358
ERP / System Upgrades	67	91
Restructuring costs	1,355	222
Inventory step-up	–	851
IPO related costs	88	9,403
Other	488	1,901
Sum Items affecting comparability	**15,323**	**19,826**

EURm	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Adjusted EBITDA		
EBITDA	66,587	38,285
Items affecting comparability	15,323	19,826
Adjusted EBITDA	**81,910**	**58,111**
Adjusted EBITDA Margin		
Adjusted EBITDA	81,910	58,111
Revenue	281,308	173,350
Adjusted EBITDA margin (%)	**29.1**	**33.5**
EBITA margin (%)		
Operating profit	39,361	21,597
Amortisation	18,736	12,048
EBITA	**58,097**	**33,645**
Revenue	281,308	173,350
EBITA margin (%)	**20.7**	**19.4**
Adjusted EBITA		
EBITA	58,097	33,645
Items affecting comparability	15,323	19,826
Adjusted EBITA	**73,420**	**53,471**
Adjusted EBITA margin (%)		
Adjusted EBITA	73,420	53,471
Revenue	281,308	173,350
Adjusted EBITA margin (%)	**26.1**	**30.8**
Operating profit margin (%)		
Operating profit	39,361	21,597
Revenue	281,308	173,350
Operating profit margin (%)	**14.0**	**12.5**
Net debt		
Liabilities to credit institutions (long term)	207,112	163,110
Lease liabilities (long term)	9,029	7,273
Other non-current liabilities	35,229	21,412
Liabilities to credit institutions (short term)	0	7,578
Lease liabilities (short term)	4,816	2,406
Other items[1]	43,520	21,430
Cash & Cash Equivalents	-42,194	-55,114
Net debt	**257,512**	**168,095**

EURm	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Net debt / Adjusted EBITDA		
Net debt	257,512	168,095
Adjusted EBITDA (12 months)	81,910	58,111
Net debt / EBITDA (x)	**3.1x**	**2.9**
Proforma revenue		
Reported revenue	281,308	173,350
Proforma period, revenue	15,698	36,208
Proforma revenue	**297,006**	**209,558**
Adjusted EBITDA, Proforma		
Reported Adjusted EBITDA (12 months)	81,910	58,111
Proforma period Adjusted EBITDA	3,789	8,661
Adjusted EBITDA, Proforma	**85,699**	**66,772**
Adjusted EBITDA margin, Proforma		
Proforma revenue	297,006	209,558
Adjusted EBITDA, Proforma	85,699	66,772
Adjusted EBITDA margin, Proforma	**28.9**	**31.9**
Net debt / Adjusted EBITDA, Proforma		
Net debt	257,512	168,095
Adjusted EBITDA, Proforma	85,699	66,772
Net debt / Adjusted EBITDA, Proforma (x)	**3.0x**	**2.5**
Leverage ratio		
Debt	299,706	223,209
Shareholder equity	481,497	358,640
Leverage ratio (%)	**62.2**	**62.2**
Equity ratio		
Shareholder equity	481,497	358,640
Total assets	922,456	640,716
Equity ratio (%)	**52.2**	**56.0**

EURm	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Net working capital		
Inventory	61,200	32,996
Trade receivables	41,168	30,961
Current tax receivables	568	709
Other current receivables	4,908	5,323
Prepaid expenses and accrued income	4,127	6,369
Trade payables	-18,328	-13,283
Current tax liabilities	-8,179	-7,875
Other current liabilities[2]	-4,404	-6,163
Provisions	-30	-97
Accrued expenses and deferred income[2]	-21,358	-13,956
Net working capital	**59 674**	**34,983**
Operating cash flow		
Adjusted EBITDA	81,910	58,111
Changes in working capital[3]	-26,704	-9,849
Capital expenditures	-8,517	-6,897
Operating cash flow	**46,689**	**41,366**
Cash conversion		
Operating cash flow	46,689	41,366
Adjusted EBITDA	81,910	58,111
Cash conversion (%)	**57.0**	**71.2**

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.
3) Changes in working capital from cash flow statement.

Information to shareholders

Invitation to Annual General Meeting
The shareholders of Vimian Group AB is hereby called to the 2023 Annual General meeting on 2 June, 2023. The meeting will be held at 9 a.m. (CEST) at Vinge's premises on Smålandsgatan 20, SE-111 46 Stockholm, Sweden.

More information available at the company's website vimian.com

Right to attend
Shareholders who wish to attend the general meeting must:

- be recorded in the share register kept by Euroclear Sweden AB (the Swedish Central Securities Depository) on Thursday 25 May, 2023, and
- notify the company of their intention to attend the Annual General Meeting by Monday 29 May, 2023.

Shareholders may attend general meetings in person or by proxy and may be accompanied by up to two assistants. A shareholder may vote for all company shares owned or represented by the shareholder. Shareholders with nominee-registered shares should request their nominee to have the shares temporarily owner-registered with Euroclear Sweden AB latest by Monday 29 May, 2023.

Information about the resolutions passed by the Annual General Meeting will be published on 2 June 2023, as soon as the outcome of postal votes are fully compiled.

Financial Calendar

May 4, 2023	Interim report Q1 2023
June 2, 2023	Annual General Meeting 2023
August 17, 2023	Interim report Q2 2023
November 8, 2023	Interim report Q3 2023
February 15, 2024	Year-end report Q4 2023

Notice of attendance
Notice of attendance should be provided in writing to:

Vimian Group AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden,

or via e-mail to GeneralMeetingService@euroclear.com

Dividend
Vimian aims to invest its profits and cash flows in organic growth and acquisitions and does not expect to pay a dividend for the year 2022.

The Board's proposal to the general meeting in June 2023, is to not distribute any dividend for 2022.

IR contact
Maria Dahllöf Tullberg,
Head of Investor Relations
maria.tullberg@vimian.com
Phone: +46 736 26 88 86

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Vimian Group AB (publ)
Riddargatan 19
SE-114 57 Stockholm
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