vimian™

Annual Report

/2021

TIM FLACH

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About Vimian

Improving animal health for better lives

What we are
We are a global group of innovation-driven companies with a shared passion for improving animal health for better lives.

Today, our family of companies deliver innovative, science-led solutions to more than 15,000 veterinary clinics and labs in over 150 countries. Today, we consists of over 600 colleagues globally.

What we do
Vimian brings together unique and fast growing businesses in animal health, with an aim to create a diversified proposition of products, services and solutions of the highest standard.

We unite exceptional companies in selected niches of animal health and help them grow faster. We invest in innovation and new technologies to advance veterinary medicine.

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

Our family of businesses
Today, our group of companies covers four essential and rapidly evolving areas of animal health:

- Specialty Pharma
- MedTech
- Diagnostics
- Veterinary Services

Each area represents a vital part of our ecosystem of empowered entrepreneurs and management teams, who enjoy the strengths and support of a global group while retaining the intimacy, speed and creativity of an owner-led business.

36
offices globally

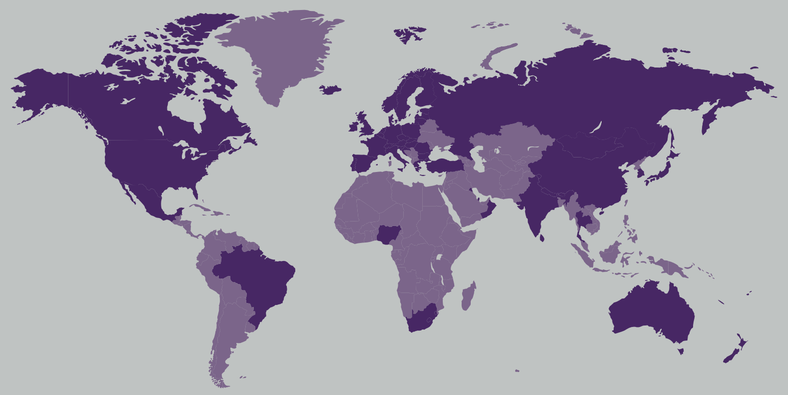
>150
markets reached

20k
SKUs

>600
employees worldwide

1,700
labs

"Our family of companies deliver innovative solutions to more than 15,000 veterinary clinics and labs in over 150 countries"



2021 in brief

High M&A activity and strong organic growth

The creation of Vimian
On April 15, 2021, Fidelio Capital announced the formation of Vimian – a global platform with a clear ambition to lead the ongoing transformation of the animal health market, bringing together the most innovative, high-quality and entrepreneurial businesses.

Initial Public Offering
On June 18, 2021, Vimian's shares were listed on Nasdaq First North Growth Market. Prior to the listing, Vimian carried out a private placement to domestic and international qualified investors. The private placement attracted very strong interest from high-quality institutional investors and was oversubscribed multiple times.

Strong organic growth
During 2021, Vimian delivered strong organic revenue growth of 16.5 per cent against a target of 15 per cent organic growth. All four segments delivered organic growth. Organic growth initiatives included new market entries, the realisation of commercial synergies and new product launches.

17 acquisitions
During 2021, Vimian made 17 acquisitions with combined revenues of EUR 53m. Including the full year effect of all acquisitions closed during 2021, pro-forma revenue reached EUR 209.6m. The acquisition of GlobalOne Pet Products in November with revenues of USD 20 million marked the entry into a new niche segment in specialty nutrition and provides access to a strong retailer network in the US. The global animal health market continues to be fragmented with significant opportunities for further value enhancing M&A. During the year, Vimian has strengthened its reputation as a good home for entrepreneurs and is well positioned to execute on M&A opportunities with a clear strategic fit, potential for synergies and long-term value creation.

Focus on innovation
Vimian invests in innovation in-house and through strategic partnerships. In 2021, Vimian partnered with a Canadian biotechnology company to develop novel vaccines for allergy and atopic dermatitis, launched several new products including pre-filled sample preparation cartridges for more efficient diagnostics and 3D printed orthopedic implants.

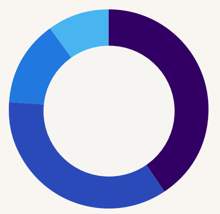
Financial highlights 2021

+143%
Total sales for Vimian Group grew +143% to EUR 173.3 million in 2021, majority driven by acquisitions

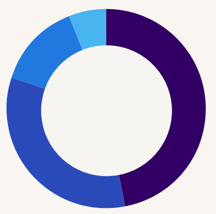
+16.5%
Vimian Group delivered 16.5% organic revenue growth in 2021, with growth in all segments

30.8%
Vimian Group reported 2021 adjusted EBITA margin of 30.8%

2021 sales split by segment

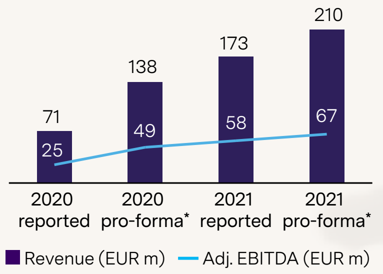


2021 adjusted EBITA split by segment*



*) Adjusted EBITA before central costs

Revenue and EBITDA



*) Including the full year effect of all acquisitions closed during 2021 (as if Vimian owned the companies since 1 January 2021)

Message from our CEO

The creation of Vimian

2021 was an exciting year for Vimian. We created the Group, completed an IPO and exceeded our growth targets, both organic and M&A.

We reported 143 per cent revenue growth, reaching EUR 173.3 million, by far exceeding our target of 30 per cent. We delivered 16.5 per cent organic revenue growth, also ahead of our target of 15 per cent. Including the full year effect of all acquisitions completed during 2021, we reached EUR 209.6 million in pro-forma revenues and pro-forma EBITDA of EUR 66.8 million. We entered new geographies, realised commercial synergies, had an incredible acquisition pace and launched new, ground breaking innovation projects. Our journey to build a global leader in animal health has only just begun and I am very excited about the opportunities ahead of us.

At the beginning of 2021 we created Vimian Group through the combination of several high performing, innovative and entrepreneurial businesses operating in fast-growing, global niches of animal health. Our joint purpose is to improve animal health for better lives. We unite successful entrepreneurs in an environment where they can continue their journey, whilst reaping the benefits of working together in a global group. By leveraging cross-selling opportunities and joint resources, we help these businesses accelerate growth and development beyond what they thought was possible.

Initial Public Offering

2021 was our first year as a public company and I am especially proud about the successful EUR 3 billion initial public offering (IPO) in June. Becoming a listed company puts a new spotlight on the animal health sector, helps attract talent, pushes us forward in developing technology and innovation and provides access to capital to realise our exciting growth agenda.

A record M&A year

2021 was an exceptional year for M&A as we welcomed 17 new companies with revenues of more than EUR 50 million. The companies that joined us extend our geographical reach or product offering, are fast-growing and run by impressive entrepreneurs.

>

"Our journey to build a global leader in animal health has only just begun"

Above market growth

In 2021 we reported 16.5 per cent organic growth, ahead of our target of 15 per cent. We delivered very strong growth in our largest segments, Specialty Pharma and MedTech, accounting for nearly 80 per cent of the Group. We started to realise important commercial synergies between our businesses in MedTech and we successfully launched new products in Diagnostics. In Veterinary Services, revenue growth was impacted by lockdowns but member growth accelerated towards the end of the year. While all our businesses have strong underlying performance, we saw a negative impact on organic growth towards the second half of the year as our customers in Diagnostics, the veterinary laboratories, decreased their usage of our products for human Covid tests.

Investments for the future

The adjusted EBITA margin for 2021 was 30.8 per cent, slightly lower than previous year, reflecting the build up of central Group functions, consolidation of acquisitions with a different financial profile and investments to drive growth and geographic expansion. We continue to invest where we see opportunities and I am confident that our efforts to build a strong, global organisation, ready to capture opportunities in the rapidly growing animal health market, will create significant value over time.

Focus on innovation

Innovation and product development lies at the heart of our business model and is key to unlock growth and improve animal health. While product development is performed in-house, bigger innovation projects are typically done in partnership with innovative companies that have new and unique technology platforms for healthcare. Our most significant initiative in 2021 was the new partnership with a Canadian biotech company to develop novel allergy vaccines for companion animals. This is a truly exciting, next-generation vaccine opportunity that can improve the quality of life of millions of dogs, cats and horses around the world.

Sustainable animal health

Our ambition is to create a global sustainability leader in animal health, continue to accelerate our positive impact and make sure we have the right processes in place to minimise negative footprints. Through our core business, we are in many ways contributing to global sustainability goals, for example in the reduction of antibiotic use, treatment of diseases among animals and diagnosing and preventing zoonotic diseases.

In the second half of 2021 we completed our first stakeholder dialogue with our people, customers, investors and the Board. Through the subsequent materiality analysis, we concluded that the satisfaction and wellbeing of our people, animal welfare and antibiotics' use as well as our environmental footprint, including the supply chain, are areas of focus. Addressing sustainability as a newly formed Group, accelerating our efforts while maintaining our entrepreneurial environment, will be key to success.

Maintaining our culture

People and talent are key to build and grow a Group like Vimian. Many joined our Group to be part of an exciting growth journey in an entrepreneurial environment where we have a collaborative, non-hierarchical culture and dare to challenge conventions and lead innovation. Maintaining this culture, giving the entrepreneurs the freedom they need and daring to invest for the long-run, while growing into a larger public company, will be key for our success.

> **"Maintaining our culture, giving the entrepreneurs the freedom they need and daring to invest for the long-run, while growing into a larger public company, will be key for our success"**

My priority will always be to make Vimian a good home for our people and for the new entrepreneurs that join us, and I will do my best to encourage everyone to think differently, to dare to try, to not be afraid of making mistakes and to be open-minded about how we can improve and do things better.

Positive outlook

Going into 2022 we see robust growth and strong profitability in Vimian. The market for animal health continues to grow and develop at high pace with humanisation of pets, increased awareness of available treatments and enhanced focus on diagnostics to prevent diseases. There is substantial white space to go after across the globe and the market remains fragmented with significant potential for future value-enhancing M&A. For Vimian, we've seen that the increasing number of teams and companies that join the Group extend our animal health network across the globe resulting in an M&A pipeline that is now stronger than ever.

Looking at the situation in Ukraine, I am deeply concerned and my thoughts are with the Ukrainian people. At the outbreak of the war, we donated SEK 1 million to a humanitarian organisation active in Ukraine to support the families there. From a business perspective, we have limited exposure to Russia and Ukraine, and we have no employees or suppliers in the region.

A message of thanks

2021 has been a very intense year for Vimian and our people. I would like to thank the whole team for their hard work and for going above and beyond all expectations to make something happen that wasn't seen as possible. I would also like to thank Fidelio and their investors as well as the anchor investors in the IPO for their support, trust and long-term view on things. Without these we would not be where we are. That goes for our commercial partners, including our distributors and suppliers, too. And finally, I would like to thank our customers, who are everywhere. Together, we improve animal health for better lives.

Fredrik Ullman
CEO

The Global Animal Health Market

Growth expected in all regions and product categories

Macro trends driving growth
The core trends driving strong growth in the animal health market are (i) the 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 66.7bn by 2025
The global animal health market amounted to EUR 44.6 billion in 2020 and grew by 5.1 per cent CAGR between 2016 and 2021. It is expected to see continued strong growth with 2020 to 2025 CAGR of 8.4 per cent, reaching EUR 66.7 billion by 2025. The acceleration in growth is driven by increasing pet ownership and a higher level of product awareness among pet owners.

Impact of Covid
2020 and 2021 have been two exceptional years, with significant impacts from the Corona pandemic. Globally, we have seen a surge in demand for pets, with several countries experiencing double-digit growth in pet ownership. At the same time, during a large part of 2020 many countries were in lockdown which impacted day-to-day operations. The first half of the year saw low levels of activity, and the second half saw a catch-up once restrictions were released. From a Vimian perspective, Covid accelerated sales in Diagnostics in 2020 and at the first half of 2021 as veterinary labs participated in human Covid testing. Veterinary Services on the other hand faced a strong headwind as they could not meet with clinics.

Growth in all regions and product categories
Europe and North America accounted for approximately two-thirds of the global animal health market, with rest-of-world ("RoW") representing the remaining one-third. All regional segments are expected to experience accelerated growth between 2020 and 2025.

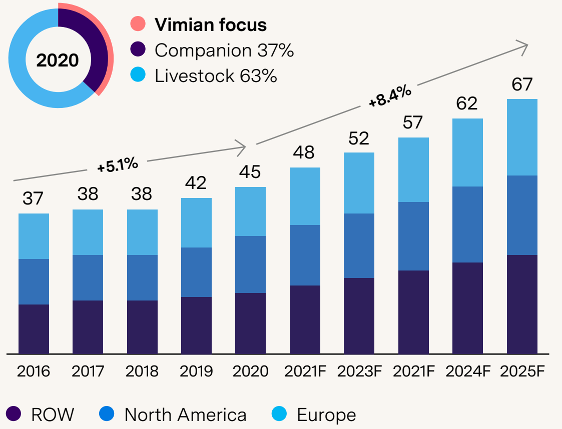
The animal health market is split into feed additives, pharmaceuticals, vaccines, diagnostics and others. All product categories are expected to grow at a CAGR around or above 8 per cent p.a.

Growing awareness of diseases and available products and treatments
There is an increasing awareness, among both pet owners and practitioners, of existing diseases as well as available products and treatments, suggesting that both preventive care and treatments will become more common. This in turn will lead to a higher focus on developing an even better understanding of the health issues facing animals and the novel treatments that can be developed to remedy them.

Additionally, improved education among veterinarians drives demand for animal health products. Education is mainly provided to veterinarians by product developers and suppliers through e.g. workshops, KOLs and sales representatives. Continued focus on simplicity and ease-of-use also makes it easier to get closer to the end customer, allowing pet parents to perform treatments at home, e.g. by switching from injections to tablets or sprays. This enables animal health companies to communicate with pet owners directly, e.g. through product/service education, providing an opportunity to increase awareness of, and long-term demand for, their complete offering.

Animal Health market[1]

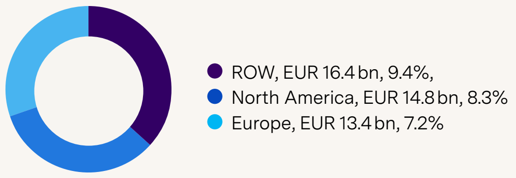
EURbn



1) Market data source Grand View Research

Animal Health market by geography

2020 market size, 2020–2025 CAGR %



Animal Health market by product

2020 market size, 2020–2025 CAGR %

Market segments

Companion animal health market

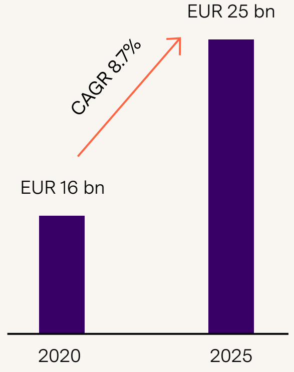
Companion animal health market forecasted to grow 8.7 per cent
Companion animals accounted for 37 per cent of the total animal health market in 2020 and is expected to grow at a CAGR of 8.7 per cent between 2020 to 2025. Vimian primarily focuses on the companion segment. Key drivers of growth are (i) increase in pet ownership, (ii) humanisation of pets, and (iii) growing awareness of diseases and available products and treatments.

Long-term trend of increasing pet ownership
The global increase in pet ownership is attributed to factors such as: (1) Demographic trends, including an ageing population, a growing number of single and childless households, and higher disposable incomes; (2) Humanisation of pets, resulting in longer life spans of companion animals; (3) Growing awareness of the mental and physical health benefits of pet ownership; and (4) Greater flexibility in working conditions (further strengthened by Covid-19).

Humanisation of pets
There is a global shift in how pet owners view their pets, from historically viewing them as possessions to increasingly seeing them as family members. This is driving an increased willingness to support and pay for preventive care, visits to specialised veterinary clinics, regular health check-ups and treatments. Millennials in particular are spending more on pets to ensure their pets' wellbeing.

Highly resilient companion animal segment, largely unaffected by economic downturns
Pet spending showed resilience during the financial crises of 2007–2009 and Covid-19 despite a decline / limited growth in GDP. The surge in pet ownership during Covid-19 has increased the 'installed base', creating positive long-term tailwinds supporting pet spending.

Market growth outlook
The companion animal health segment constitutes 37 per cent of the total animal health market



Livestock health market

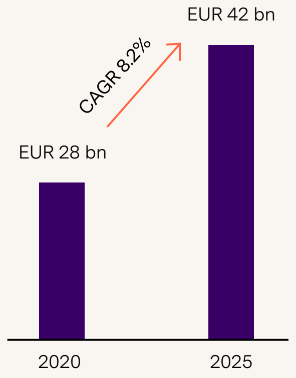
Livestock health market forecasted to grow 8.2 per cent
Livestock accounted for 63 per cent of the total animal health market in 2020 and is expected to grow at a CAGR of 8.2 per cent 2020 to 2025. Vimian is active within the livestock diagnostics market, and expects to grow at a CAGR of 9.5 per cent, ahead of the overall livestock market.

Key drivers of growth are (i) greater demand for animal protein, (ii) increased prevalence and awareness of zoonotic diseases, (iii) tighter government regulations and shifting consumer preferences reducing the use of antibiotics, and (iv) higher productivity focus amongst food producers driving demand for diagnostic testing, monitoring and preventive products and solutions to combat diseases that introduce significant costs.

Reduced use of antibiotics
While the global demand for animal protein is growing, the demand for antibiotic-free ("ABF") meat is expected to increase due to government regulations and shifting consumer preferences.

In 2019, the European Union decided to introduce a ban on the preventative use of antibiotics in animals, effective from January 2022. As producers face pressure from both consumers and regulators to reduce antibiotic use, the risk of disease outbreaks continues to increase. Consequently, there is a growing need for frequent diagnostic monitoring of animal flocks/herds to prevent outbreaks.

Market growth outlook
The livestock health segment constitutes 63 per cent of the total animal health market



Strategy and business model

Vimian is a network of companies working together to improve animal health for better lives. We unite exceptional entrepreneurs and management teams in selected niches of animal health and help them grow faster. We combine the strengths, capabilities, and resources of a large group with the intimacy, speed and creativity of an owner-led business. As a result, individual businesses, while maintaining their autonomy, quick decision making and closeness to customers, significantly improve their ability to accelerate innovation and growth. We invest in innovation and new technologies to advance veterinary medicine. We have an entrepreneurial and passionate culture and we put education and quality at the core of everything we do. We believe that talented entrepreneurs, joined together in a collaborative network, are stronger, faster and more successful.

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

Building a unique ecosystem of ambitious entrepreneurs

We support our companies organically by identifying synergies, R&D and innovation capabilities and provide a broad market and network access. Together as a Group we have a stronger negotiation power and can attract, retain and develop talent across our ecosystem.

We support our companies to unlock opportunities to accelerate growth and reach through M&A. We allocate capital to maximise returns and ensure strategic fit and long-term value creation. We evaluate opportunities to extend into new verticals and sub-verticals.

The vision of our segments

Our operating segments

Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Potential for new segments
The partner of choice for pet specialty pharma	Building a global leader in the veterinary MedTech market	Partner of choice for ONE Health monitoring systems	The natural partner for veterinary clinics and suppliers	

Our foundation and values

Group Sustainability Strategy: Creating a global sustainability leader in animal health

Our culture

Dream Big	Nurture Passion	Drive Ownership	Unique home for great talent	Dare to challenge conventions

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 fast growing niches of the animal health market, with 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
Achievement 2021	143% **Total revenue growth**	16.5% **Organic revenue growth**	30.8% **Adjusted EBITA margin**	€ 53.5m 2021 reported adjusted EBITA € 66.8m 2021 pro-forma* adjusted EBITDA	2.5x 2021 Net Debt/Pro-forma LTM Adjusted EBITDA

*) Including the full year effect of all acquisitions closed during 2021 (as if Vimian owned the companies since 1 January 2021)

Organic growth

Addressing significant white space

Organic growth is a core driver of value creation for Vimian. Vimian believes that leveraging the strengths and support of a global group, while retaining the intimacy, speed and creativity of an owner-led business, creates the optimal balance for growth.

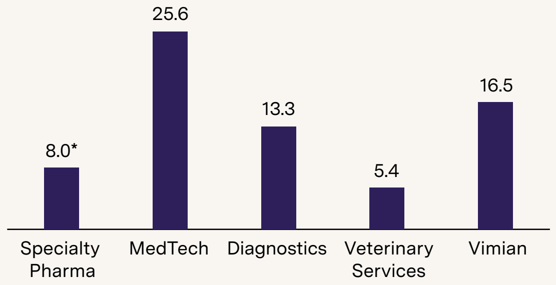
Vimian works closely with all four segments to create a strong and sustainable foundation for long-term value creation, with a focus on building autonomous, empowered and well-incentivised management teams, capable of scaling and driving transformational growth. Vimian devotes significant management resources to identifying key strengths and synergies in all companies that have joined the group.

Together with the entrepreneurs, co-owners and management teams, Vimian supports ambitious strategies in all segments to strengthen growth, profitability and category leadership. The segment's organic initiatives in 2021 included, but were not limited to:

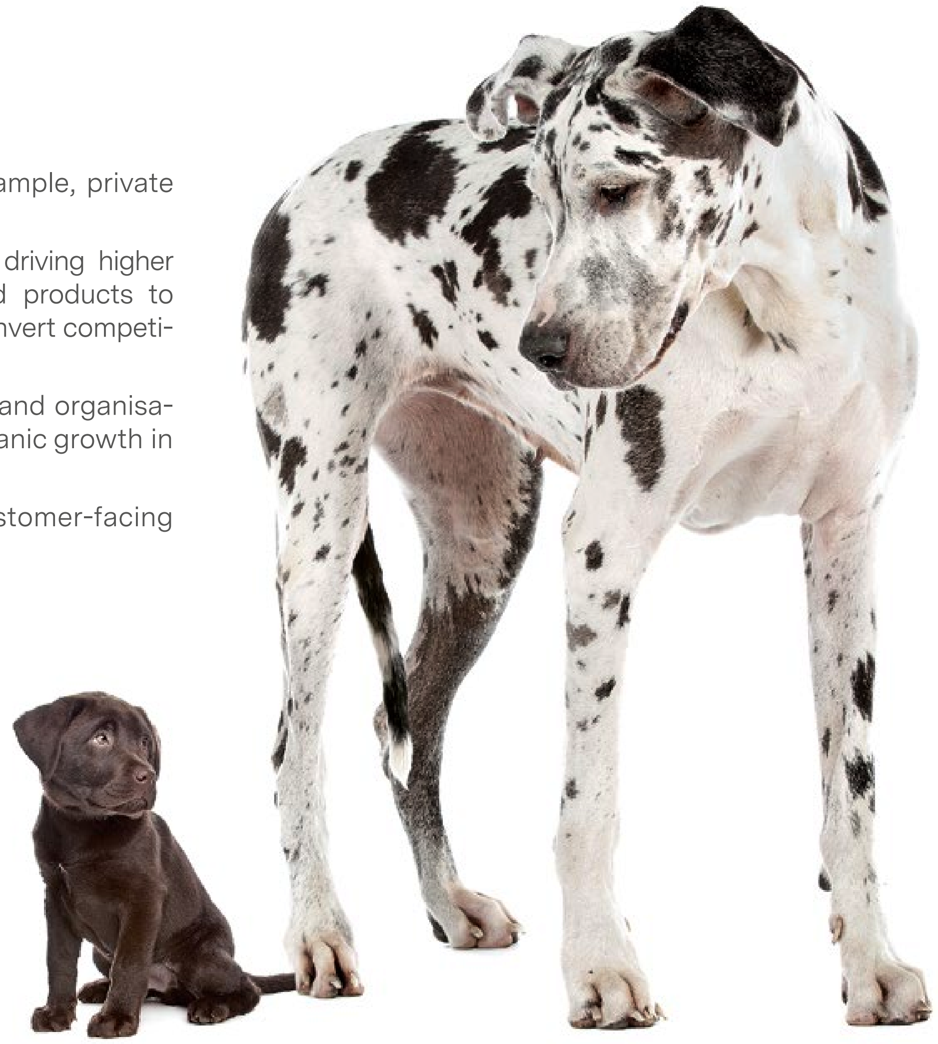
- Greenfield direct entries into new markets with own sales force
- Establishment of direct distribution in key markets
- New product development and launches
- Channel expansion: Direct to Consumer (online)
- Offering new value-adding services, for example VetPlan and VetBusiness, to help veterinary clinics become more professional and efficient, driving value growth of the overall market
- Identifying cross-selling opportunities across portfolios and across companies
- Product bundling
- Key account strategy, for example, private label contracts
- New education and trainings, driving higher awareness of treatments and products to recruit new customers and convert competitive accounts
- Strengthening of managerial and organisational capabilities to drive organic growth in segments
- Investments to build up customer-facing digital services.

Reported organic revenue growth

%



*) Only the month of December consolidated. Pro-forma organic growth, including all acqusitions completed in 2021, c. 30 per cent



Acquisitions

A home for exceptional entrepreneurs

M&A lies at the centre of Vimian's growth strategy to build a global leader in animal health. Vimian identifies and partners with exceptional entrepreneurs and management teams within fast-growing niches of animal health to accelerate innovation and growth.

Since 2015, Vimian has successfully completed 37 acquisitions across Europe, North and South America and Australia/New Zealand. 17 of these acquisitions, with combined revenues of more than EUR 50 million, were signed in 2021.

Long-term relationships

The strategic agenda is focused on identifying, building relationships and partnering with successful companies and strong management teams that complement the Group's existing businesses or mark the entrance into a new attractive market niche. The sourcing process is constantly ongoing in each of Vimian's segments. The teams cultivates long-term relationships with entrepreneurs and are often well positioned if an acquisition opportunity arises. A majority of Vimian's acquisitions have been through bilateral discussions. This also means that Vimian usually has a good knowledge of the acquisition candidate at an early stage, as well as a clear plan and ownership of the integration process.

The global animal health market remains highly fragmented, and there are significant opportunities available for further value-enhancing M&A.

A home for entrepreneurs

Vimian's ambition is to create an ecosystem of successful entrepreneurs in which they can thrive in a dynamic and non-hierarchical environment. The acquired companies maintain autonomy and local management is empowered to allow for quick decision-making close to customers. At the same time Vimian offers the advantage of being part of a global group with, for example synergy potential, new market access and financial resources.

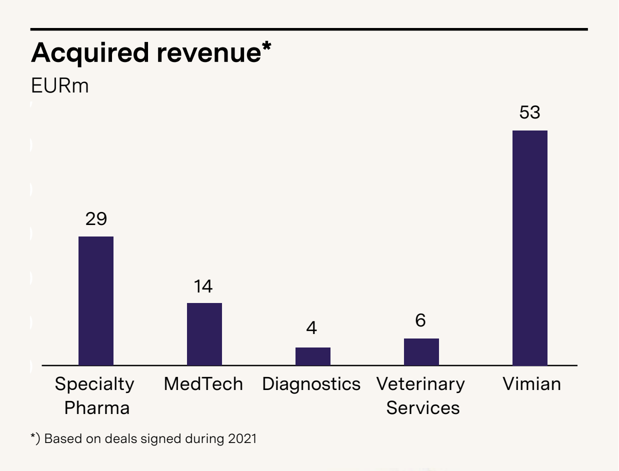
Strategic rationale

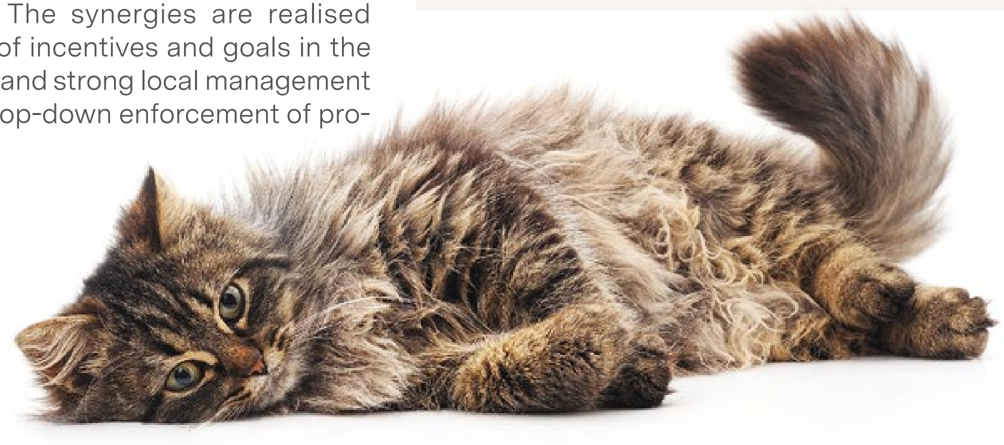
Vimian pursues acquisitions with strong strategic rationale, primarily meeting one or more of the four dimensions of value creation: portfolio expansion, geographic expansion, channel or customer expansion and new capabilities or technology.

In addition to the dimensions of value creation, the assessment of an M&A opportunity always includes financial metrics such as growth, margins and size as well as an evaluation of the company's attractions and risks. The management in each segment are involved at an early stage, take an active part in the process and also spend significant time on evaluating cultural and personal fit.

Becoming part of Vimian's ecosystem

Once a company joins the Vimian Group, it is normally consolidated into one of the four segments and the teams work closely together with the segment's management. Key areas of focus include supporting the management team to deliver on the growth agenda and targets and unlocking synergy potential. The synergies are realised through alignment of incentives and goals in the acquisition process and strong local management teams, rather than top-down enforcement of processes and plans.





Four dimensions of value creation

	Acquisition	Annual Sales	Dimension of value creation: Portfolio expansion	Geographic expansion	Channels / Customers	New capabilities/ Technology
Specialty Pharma	Diavet	**EUR 0.5m**		✓	✓	
	Best Paw	**EUR 2.5m**		✓	✓	
	LDCA	**EUR 5.2m**	✓	✓		
	GlobalOne	**EUR 19m**	✓	✓	✓	
	VetAllergy	**EUR 0.7m**		✓	✓	
MedTech	AdVetis: Geographic expansion	**EUR 5.5m**			✓	
	Freelance Surgical: Portfolio expansion & Geographic expansion	**EUR 6.4m**	✓		✓	
	IMEX	**EUR 2.0m**	✓			
Diagnostics	Svanova	**EUR 1.3m**	✓			
	Check-Points	**EUR 2.8m**	✓			✓
Veterinary Services	IVA	**EUR 1.0m**		✓		
	Six clinics	**EUR 5.3m**	✓			

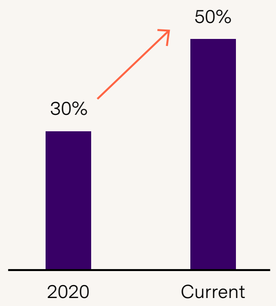
This is GlobalOne Pet Products

- US based specialty nutrition company that joined Vimian in December 2021
- Super premium pet treats and chews for wellbeing, dental health and oral hygiene
- 2021 sales $20m and EBITDA $5m
- A unique opportunity for Vimian to enter a fast-growing niche of the pet treats market
- Nationwide distribution network in the US and Canada and strong retailer relationships Vimian can leverage for its entire non-prescription portfolio
- Levering the strong rawhide free and all naturals trend

AdVetis – An M&A case study

- Distributor consolidated from 28 May 2021
- Establish direct sales in France
- Replace third party products with own brands
- Own brands ~50% of sales vs ~30% in 2020
- Own brands ~20–35pp higher gross margin
- Future cross-selling opportunities with complete Movora portfolio

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



Acquisition LDCA

Strengthening product portfolio and geographic reach

By acquiring Laboratoire de Dermo-Cosmétique Animale (LDCA), a French specialist company in pet dermatology, Vimian strengthened its market position in France. Both companies also gained access to vast new international distribution networks.

LDCA manufactures and develops innovative and evidence-based natural topical products, sold under the Dermoscent® brand, that improve animal wellbeing and skin health.

Global leader

"The Dermoscent® brand is the global leader in animal dermo-cosmetics today," says Pauline Chan-Fabriès, one of the three LDCA founders. "We have 35 evidence-based products in the brand portfolio, and all of them are veterinarian endorsed and well documented. Dermoscent® is the specialist brand conceived by vets for vets."

LDCA was founded in 2003 and its Dermoscent® products are now distributed in more than 45 countries. The company had an annual revenue of over EUR 5 million in the twelve months leading up to its acquisition by Vimian in fall 2021.

International networks

The acquisition of LDCA will enable Vimian to access the French company's international distribution network, which includes strategic overseas markets such as China. It will also strengthen Vimian's market position in France.

But the acquisition will help LDCA grow as well. "We will certainly benefit from Vimian's direct market presence in key geographies as well as its indirect distribution network in new overseas markets," says Chan-Fabriès. "We will also benefit from becoming the French subsidiary of Vimian's Specialty Pharma segment, enabling us to provide the complementary portfolio of Nextmune branded products through vet channels across France and overseas.

We are also very happy to be joining the Vimian family of entrepreneurs and to benefit from an enlarged internal network," adds Chan-Fabriès. "By being part of a global group with the non-hierarchical philosophy of the Vimian management, we ensure support, collaboration and investment when we need it, while retaining our independence and freedom to continue to be creative, imaginative and inventive."

Vimian's four segments

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

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 and specialised nutrition.

~260 employees

41% of total revenue

MedTech

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

~125 employees

36% 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.

~105 employees

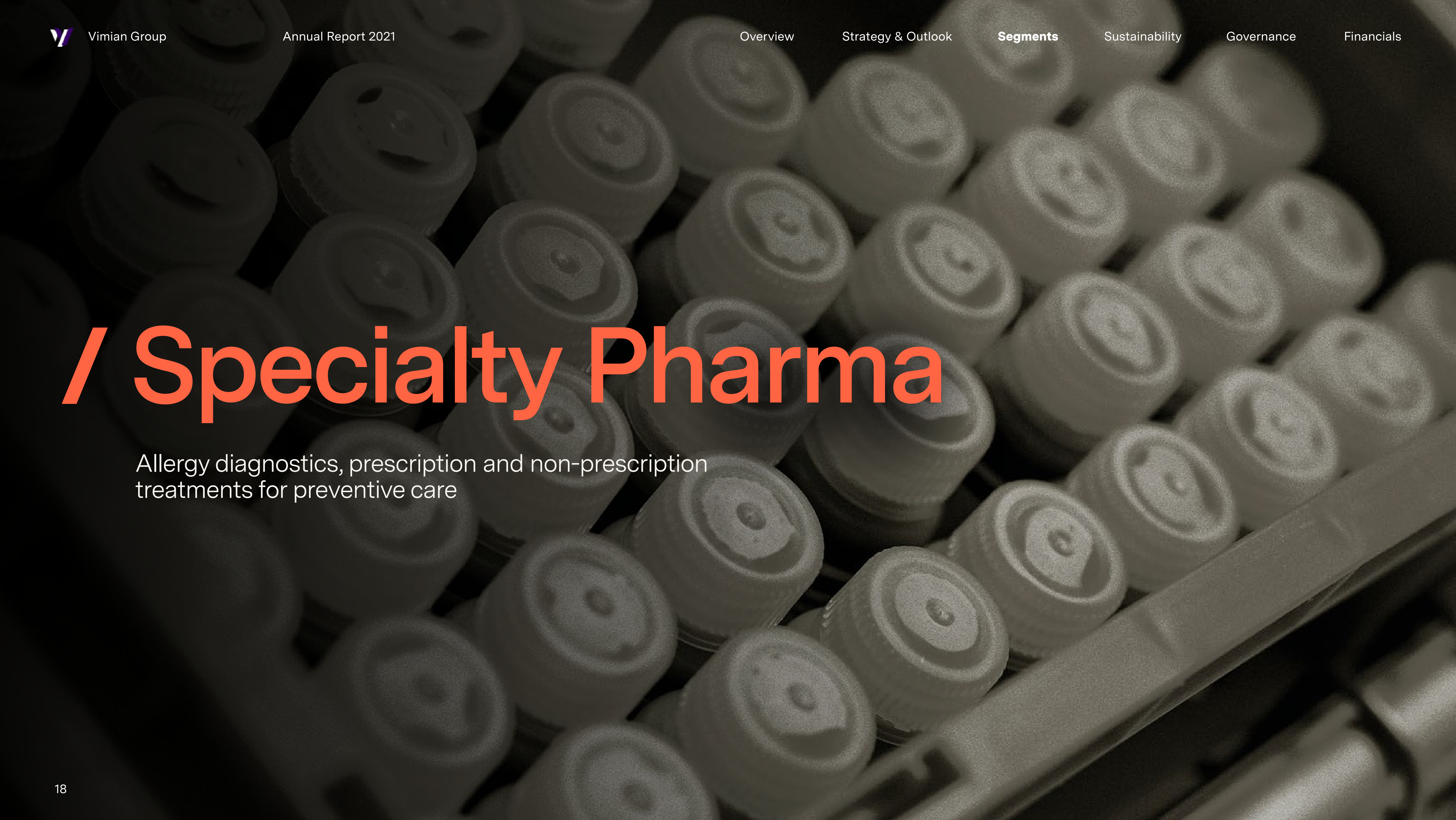
14% of total revenue

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.

~100 employees

10% of total revenue



/ Specialty Pharma

Allergy diagnostics, prescription and non-prescription treatments for preventive care

Specialty Pharma

Allergy diagnostics, prescription and non-prescription treatments for preventive care

Vimian's Specialty Pharma segment provides diagnostics, prescription and non-prescription treatments worldwide.

Vimian's brand for the Specialty Pharma segment is Nextmune. Its offering, including multiple products sold in over 70 countries, spans four therapeutic areas: Allergy Diagnostics and Treatment, Dermatology and Specialty Care, Specialised Nutrition and Specialty Pharmaceuticals. Most of the company's products target preventive care and chronic conditions.

Vimian's Specialty Pharma segment has four in-house laboratory and manufacturing facilities, as well as using third-party manufacturers to develop and produce products, services and solutions that are designed to shape the future of pet health.

Challenging conventional wisdom

The segment's operations include research, development, production and commercialisation of healthcare solutions for pets, with a view to being an innovative provider. It has over 50 patent families, protecting a portfolio of over 600 products.

Specialty Pharma strategy

Vimian's growth and development strategy for Specialty Pharma is founded on four cornerstones:
1. penetrate existing and new markets,
2. build win-win multichannel client partnerships,
3. exploit white space in key therapeutic areas and
4. strategic M&A.

Route to market

Vimian operates a multichannel go-to-market model, which varies across geographic markets depending on market dynamics. It increasingly operates through direct sales rather than using a distribution model. The broad customer base includes veterinarians, laboratories, wholesalers, retailers and pet owners.

2021 development

The Specialty Pharma segment showed strong growth in 2021, driven by five acquisitions and organic growth. Including all acquisitions completed during the year, pro-forma organic growth was c. 30 per cent. Organic growth was driven by previous years' innovative product launches now reaping rewards, continued development of relationships with corporate clinic groups and an increased understanding among pet owners of chronic conditions. In 2021, Vimian entered a partnership with biotech company Angany to develop novel vaccines for allergy and atopic dermatitis. Adjusted EBITA for the full year 2021 was EUR 22m, strong profitability driven by the scalable business model and commercial initiatives.

Vimian made five acquisitions for its Speciality Pharma segment in 2021:

- **Diavet**, a Spanish allergy diagnostics company to accelerate penetration of existing markets.
- **Nutra Naturals Corporation (BestPaw)**, a Canadian company active in D2C online sales to build multichannel client partnerships and strengthen our D2C business.
- **Laboratoire de Dermo-Cosmétique Animale (LDCA)**, a French pet dermatology specialist to strengthen the dermatology product portfolio and penetrate existing and new markets.
- **GlobalOne Pet Products**, a US pet specialty nutrition company to strengthen the specialised nutrition offering and further penetrate the existing North American markets.
- **VetAllergy**, a Danish based allergy diagnostics company to further penetrate existing markets.

nextmune

"2021 was a very strong year for Nextmune with solid growth across all therapeutic areas and regions. We welcomed five new companies to our team, strengthening our presence in strategically important regions, and complementing the product portfolio. In November, we launched a new, exciting innovation project to develop the next generation allergy vaccines for pets."

Magnus Kjellberg
CEO of Nextmune

+70
countries present

+50
patents

4
production facilities (3 in Europe, 1 in US)

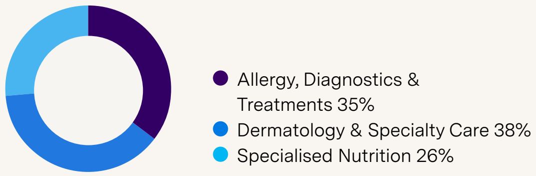
32.1%
2021 adjusted EBITA margin

+1,287%
increase of revenue for Specialty Pharma

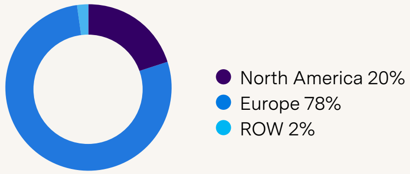
Vimian acquired the remaining 50 per cent of Nextmune shares in Q4 2020

41%
of Vimian's revenue (2021)

Split of 2021 revenue per therapeutic area
%



Split of 2021 revenue per geography
%



Customer split, annual revenues
%

Specialty Pharma — Nextmune's immunotherapy

The making of a champion

With the personalised immunotherapy treatment from Vimian's Specialty Pharma segment Nextmune, Diesel the sport horse overcame traumatic eczema and became a champion.

Like many animals, Diesel used to suffer from atopic dermatitis resulting from pollen allergies. The eczema caused Diesel to itch so much that his skin became badly wounded. Traumatic and painful for Diesel, he could also no longer enter the dressage, marathon and obstacle driving competitions that he was born and bred for as he would fail the routine health checks.

Conventional medications not a cure

While symptomatic medication, a common way to treat atopic dermatitis in animals, would have helped relieve Diesel's symptoms, it would not have cured the allergy. Conventional symptomatic medications also contain steroids, whose use would have further prevented Diesel from entering competitions.

The Nextmune immunotherapy however desensitises the immune system to the allergy that is causing it to overact. It is a personalised treatment produced for individual patients depending on what is causing their allergy. It keeps the allergy under control and ensures that the symptoms are greatly reduced and potentially eliminated.

Full recovery

After Diesel started receiving Nextmune's immunotherapy, he made a full recovery and started competing again. As a sport horse, Diesel travels the world and is in constant contact with new allergens. But to counter this, his Nextmune immunotherapy is reconstituted to account for the new allergens, which are identified using Nextmune's proprietary allergy testing methods.

A Champion

Diesel has now won six Dutch championships. In 2020 he won a gold medal in the Federation for Equestrian Sports Driving World Championships.

"After Diesel started receiving Nextmune's immunotherapy, he made a full recovery and started competing again"

Specialty Pharma

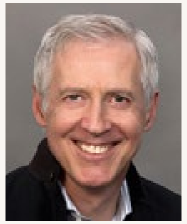
Investing in innovation

As an advisor to Vimian's Specialty Pharma segment Nextmune, Professor of Veterinary Dermatology and Allergy Thierry Olivry helps develop next generation solutions. He explains here why Nextmune continuously innovates to improve the quality of life for animal allergy sufferers.

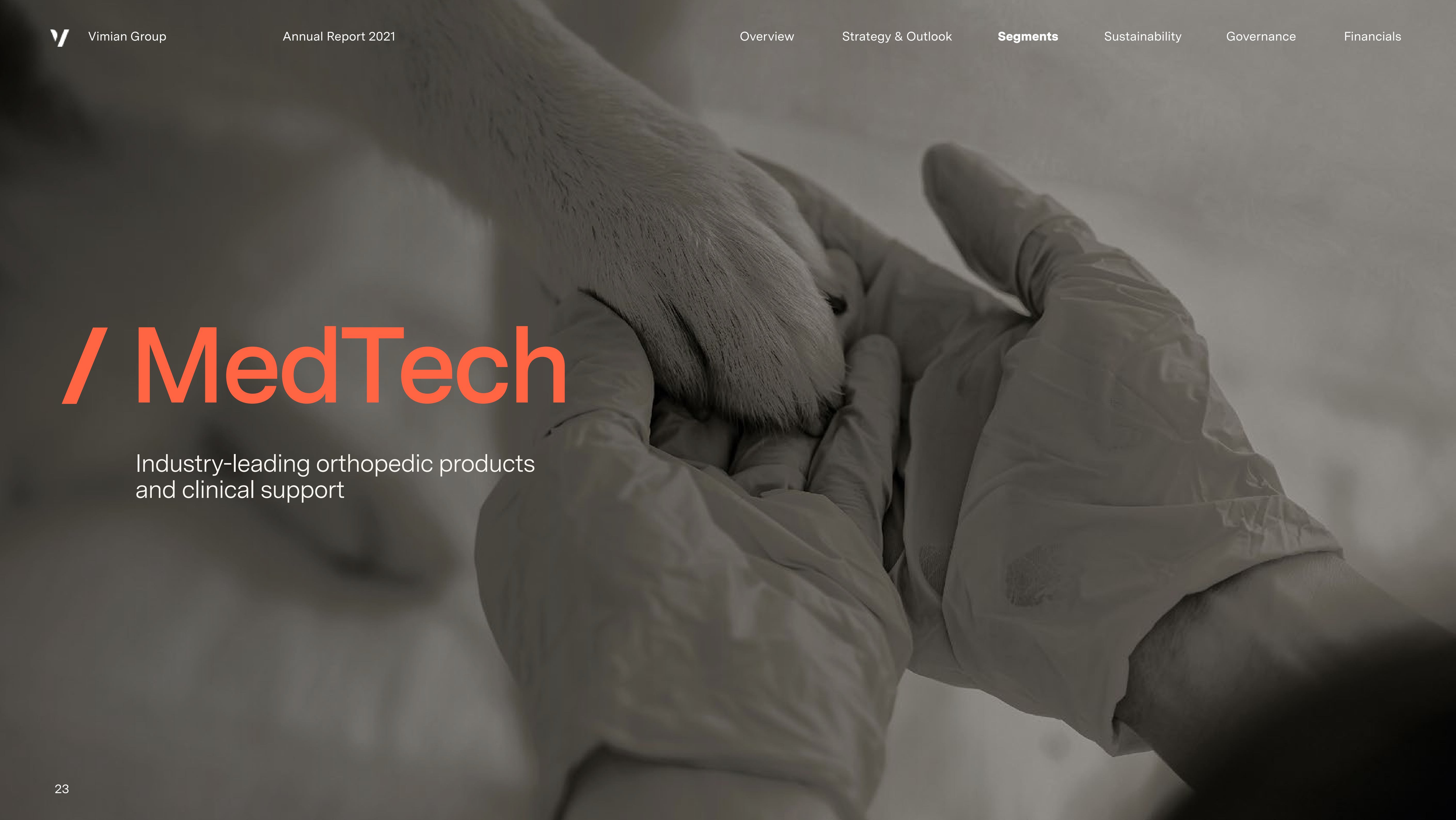
How significant are allergies in companion animals?
Allergies are the most common chronic disease among pets; they are complex, under-diagnosed and often under-treated, and they strongly affect the quality of companion animal's lives. Through innovation, within both diagnostics and treatments, as well as the education of veterinarians and pet owners, we can help more companion animals have a better quality of life.

How is Nextmune currently innovating to diagnose and treat allergies?
Since the beginning of 2021, Nextmune has begun a new R&D chapter by forming partnerships with human biotech companies to develop the most advanced solutions for allergy testing and immunotherapy for animals. Together with MacroArray Diagnostics (MADx), a leading company for human allergy testing in Europe, Nextmune will offer a next-generation, high-level, blood test for dogs, cats and horses. This will be the most advanced veterinary allergy test in the world as it identifies allergic antibody levels against 300 allergens, including both single molecular allergen components and extracts. In November 2021, Nextmune also announced a partnership with the Canadian biotechnology company Angany, whose technology offers a rapid, and highly effective immunotherapy against allergens. It has the potential to easily out-perform more traditional methods of immunotherapy in animals. For example, instead of having to treat pets for more than 6–12 months before the immunotherapy shows benefits, we expect to see a positive effect in less than 3 months.

What is the ambition going forward?
Nextmune aims at becoming the animal allergy prevention leader. While other companies develop drugs and biologics aimed at the reactive treatment of allergies, Nextmune will focus on products that prevent these signs occurring in the first place. With no notable innovations in the allergy prevention market in the last two decades, there is potential for high-growth and the development of novel solutions.



Thierry Olivry



/ MedTech

Industry-leading orthopedic products and clinical support

MedTech

Provider of industry-leading orthopedic products and clinical support

Vimian provides orthopedic implants, power-tools, instruments, sutures and other adjunct products to veterinary clinics and universities. It has one of the broadest and most advanced product portfolios in the veterinary medical technology segment.

Vimian operates in the MedTech segment through the company Movora. The company sells over 6,000 different products, ranging from fracture plates to complete hip replacement systems, directly in over 50 countries using three different brands, KYON, BioMedtrix and VOI. It also distributes brands from external suppliers. The production is mostly outsourced to qualified suppliers.

Innovation in focus

By utilising legacy expertise and bringing together key leaders in veterinary medical technology, Vimian delivers a broad range of innovative products and progressive solutions, and the company has strong R&D capabilities. It has over 50 filed, granted, or licensed patents that include products that have won product design awards. Movora has key opinion leader support from over 95 per cent of the teaching universities in the US and multiple universities internationally.

MedTech strategy

Vimian's strategy for the MedTech segment is centred around three main strategic initiatives:

1. expand geographical reach,
2. expand addressable markets with new products and technologies and
3. capture large white space and develop untapped markets.

Training veterinary surgeons in how to use veterinary implants forms an important part of the MedTech segment's sales strategy, and Movora provides over 100 courses and trainings annually worldwide, as well as other instructional and educational resources.

Route to market

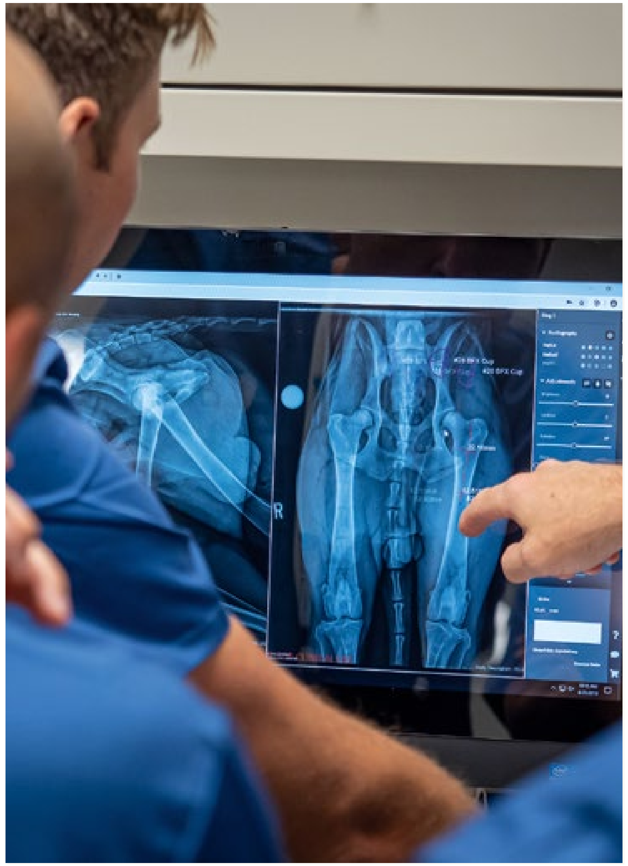
Around 95 per cent of the MedTech segment's products are sold via direct orders via phone and e-commerce. Customers are general practitioners, mobile surgeons and small clinics, large hospitals and chains and universities.

2021 development

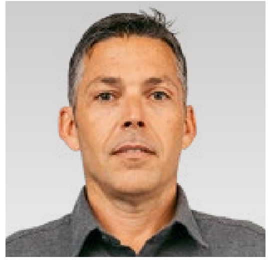
Revenue for the full year 2021 increased by 99 per cent of which 25.6 per cent was organic growth. Growth is driven by successful execution of commercial initiatives, geographic expansion, and education of veterinary surgeons which drives growth of the overall market. During 2021 Vimian launched its full-service orthopedic offering under the Movora brand in Canada and Japan and launched VetClarity, a new imaging division. Adjusted EBITA for the full year 2021 was EUR 20.3m with a margin of 32.7 per cent, reflecting consolidation of distributors and investments in the organisation for future growth.

Vimian made three acquisitions for its MedTech segment in 2021:

- The acquisitions of **AdVetis Medical SAS**, a French distributor, and **Freelance Surgical,** a leading distributor in the UK, help Vimian expand geographical reach and strengthen local presence.
- The acquisition of **IMEX,** a US based manufacturer of high quality external fixature products, helps Vimian to expand addressable markets with new products and technologies.



Movora



"2021 was the year we became One Movora, merging three of the leading companies in veterinary orthopedics. We launched our full-service orthopedic offering under the Movora brand in Canada, US and Japan. Three new companies joined us in 2021, expanding our product offering and extending our geographic reach. We accelerated the pace of innovation, with the focus on key areas such as total joint replacement and lateral suture. We have also built an organisation ready to roll out our full-service offering globally and drive market growth through education."

Patrick Gendreau
Co-CEO of Movora

Christopher Sidebotham
Co-CEO of Movora

Guy C. Spörri
Co-CEO of Movora

53
countries present

12,500
different products

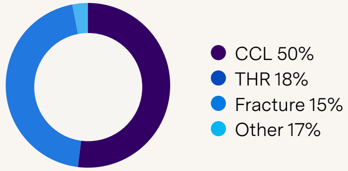
50
patents

32.7%
2021 adjusted EBITA margin

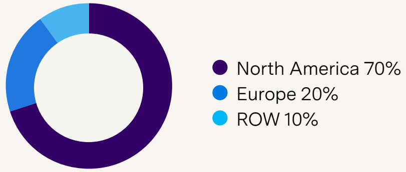
+99%
increase of revenue for MedTech

36%
of Vimian's revenue (2021)

Split of 2021 revenue per product area
%



Split of 2021 revenue per geography
%



Customer split, annual revenues
%

MedTech — 3D printing

New layers of innovation

One of the first companies to use 3D printing in the animal health industry, Vimian's new additive manufacturing cell will produce the most cutting edge animal implants available.

While additive manufacturing has been used to make medical implants for humans for more than a decade, Vimian's MedTech segment Movora is one of the first companies to bring the technology to the veterinary field.

Movora has acquired an additive manufacturing cell that is comprised of two direct metal laser melting printers. Currently in the prototyping phase, the intention is to use the cell to "print" hip, elbow and ankle implants for companion animals from titanium alloy.

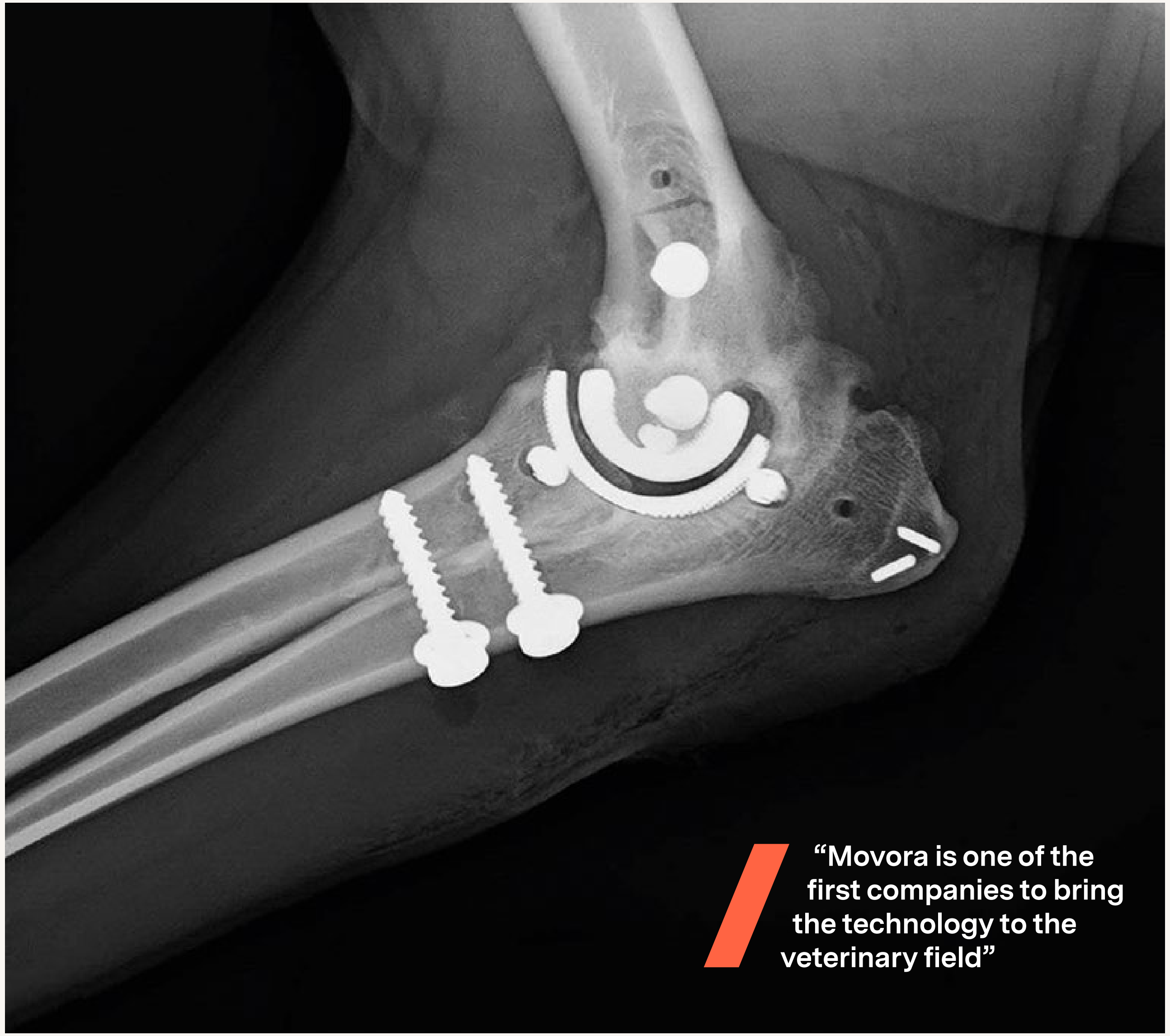
Building layers

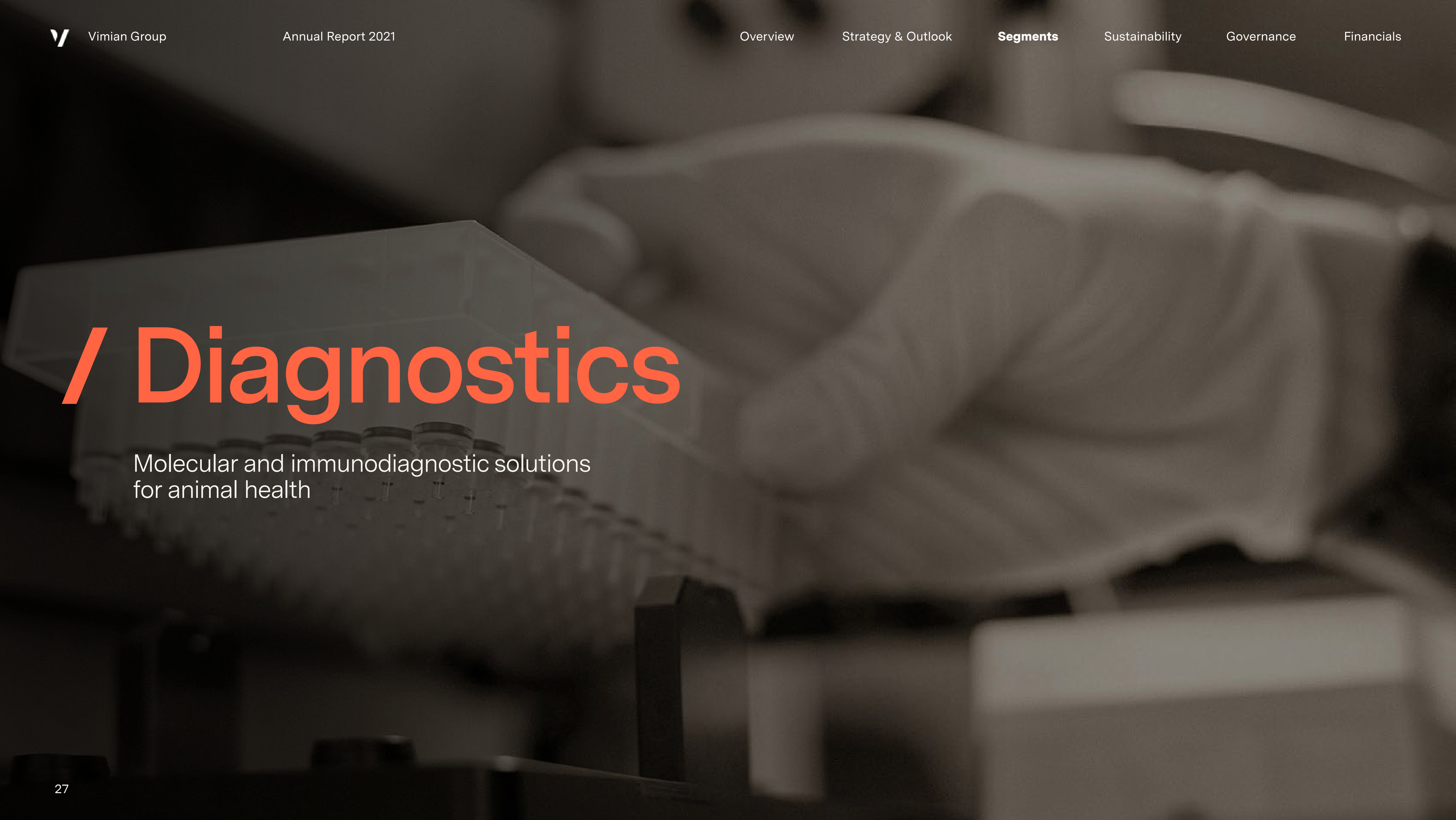
Traditional manufacturing processes work by shaping bulk pieces of material. They also require a 'bone ingrowth' surface to be applied to the implant after it has been machined and therefore necessitate the involvement of other vendors in the manufacturing process.

The additive manufacturing process, also called 3D printing, builds parts layer-by-layer through melting and solidifying powders. It means that lattice structures for bone ingrowth surfaces can be integrated into implants, giving engineers the freedom to design implant structures and features with nearly any geometry they desire.

Customised implants improve quality of life

With in-house additive manufacturing, Vimian can cut the not insignificant costs of using a third-party vendor and reduce design limitations that come with traditional processes. It enables Vimian to exceed its current production capacity and produce both standard and customised implants quicker. It also enables Vimian to design and create the most superior implants available, including customised implants for all types and sizes of animals, where standardised implants might not have been available. Customised implants fit better and the lattice structures for bone ingrowth speed up the healing process, both contributing to higher quality of life for the patient.





/ 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 companion animals.

Vimian's brand for the Diagnostics segment is Indical Bioscience. The products are manufactured in Germany, Sweden and The Netherlands. During 2021 Vimian's Diagnostics segment launched over 30 new products and sold a significant volume of the newly launched "prefilled" cartridges, that help reduce waste and time required in extraction processes. The company successfully completed over 40 tenders and has seen very strong growth in the US, the largest diagnostics market, and APAC, a fast emerging diagnostics market.

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 its Diagnostics segment include:

1. expanding the customer proposition with instruments and consumables for fast, easy-to-use and low environmental impact extraction solutions,
2. continuing to develop the core portfolio of PCR and ELISA solutions and
3. further expanding the presence in adjacent segments and markets.

Route to market

Vimian's Diagnostics segment serves customers in 82 countries, with direct sales in 18 countries. The remaining countries are sold to via 75+ commercial partners. Vimian has a broad customer base spanning state laboratories, university laboratories, private veterinary laboratories, producer and integrator laboratories and other biotech companies.

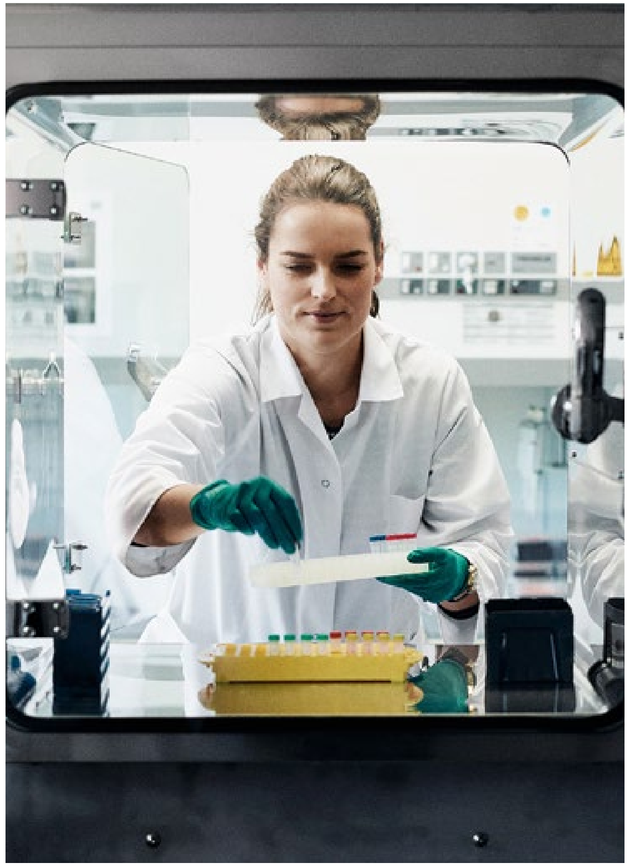
2021 development

Revenue for the full year 2021 increased by 27 per cent of which 13.3 per cent was organic growth. The segment continued to benefit from extraction and instrument sales related to Covid, as veterinary labs participated in Covid testing for humans. The core veterinary diagnostics business with PCR and ELISA tests delivered robust organic growth. Adjusted EBITA for the full year 2021 was EUR 8.2m with a margin of 31.3 per cent, higher than the previous year.

Vimian made two acquisitions in its Diagnostics segment in 2021:

- **Svanova**, a Swedish company active in livestock diagnostics, strengthening Vimian's position in livestock diagnostics.
- **Check-Points**, a Dutch company focusing on salmonella and antimicrobial resistance diagnostics, marking Vimian's first steps into food safety and antimicrobial resistance diagnostics.

In 2021 Vimian also signed a development and distribution agreement with AeroCollect, a Danish company whose cutting edge innovation revolutionises sample collection of airborne pathogens technology in veterinary diagnostics.



INDICAL BIOSCIENCE

"In 2021, we delivered solid organic growth, with our veterinary diagnostics business growing double-digits. During the pandemic, veterinary labs used our extraction solutions for Covid tests, boosting revenue at the start of the year and strengthening customers relationships. We have made significant progress in expanding our core portfolio reach and positioning by adding unique diagnostics solutions, Savanova, Check-Points and AeroCollect, to our portfolio and by developing new assays and solutions that will help us drive significant growth in the future"

Stefano Santarelli
CEO of Indical Bioscience

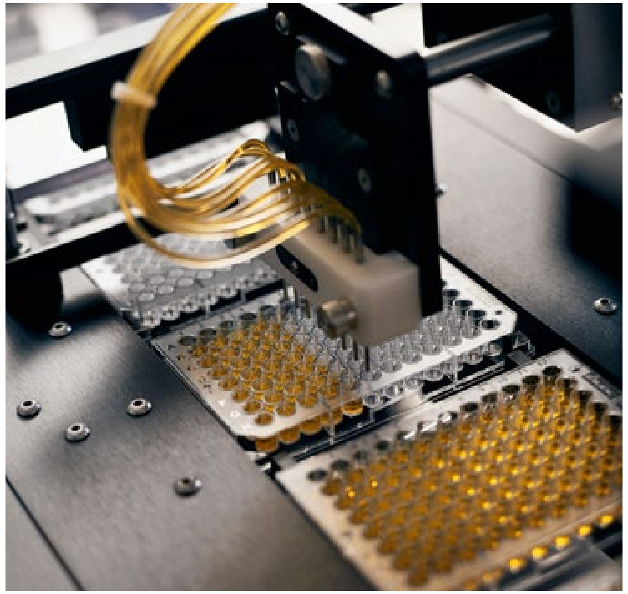
82
countries present

18
countries with direct sales

4
production facilities

2 in Germany, 1 in Sweden and 1 in The Netherlands.

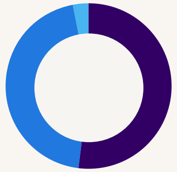
31.3%
2021 adjusted EBITA margin



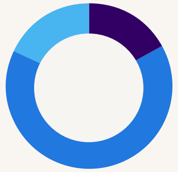
+27%
increase of revenue for Diagnostics

14%
of Vimian's revenue (2021)

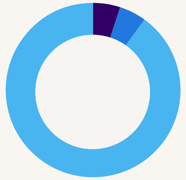
Split of 2021 revenue per product
%



Split of 2021 revenue per geography
%



Customer split, annual revenues
%



Diagnostics — INDICAL SmartLab subscription

Making diagnostics more accessible

With the INDICAL SmartLab subscription, Vimian is making diagnostic solutions more accessible to veterinary and environmental laboratories around the world.

The INDICAL SmartLab subscription was launched by Vimian in October 2020 to democratise access to automated nucleic acid extraction for laboratories around the world.

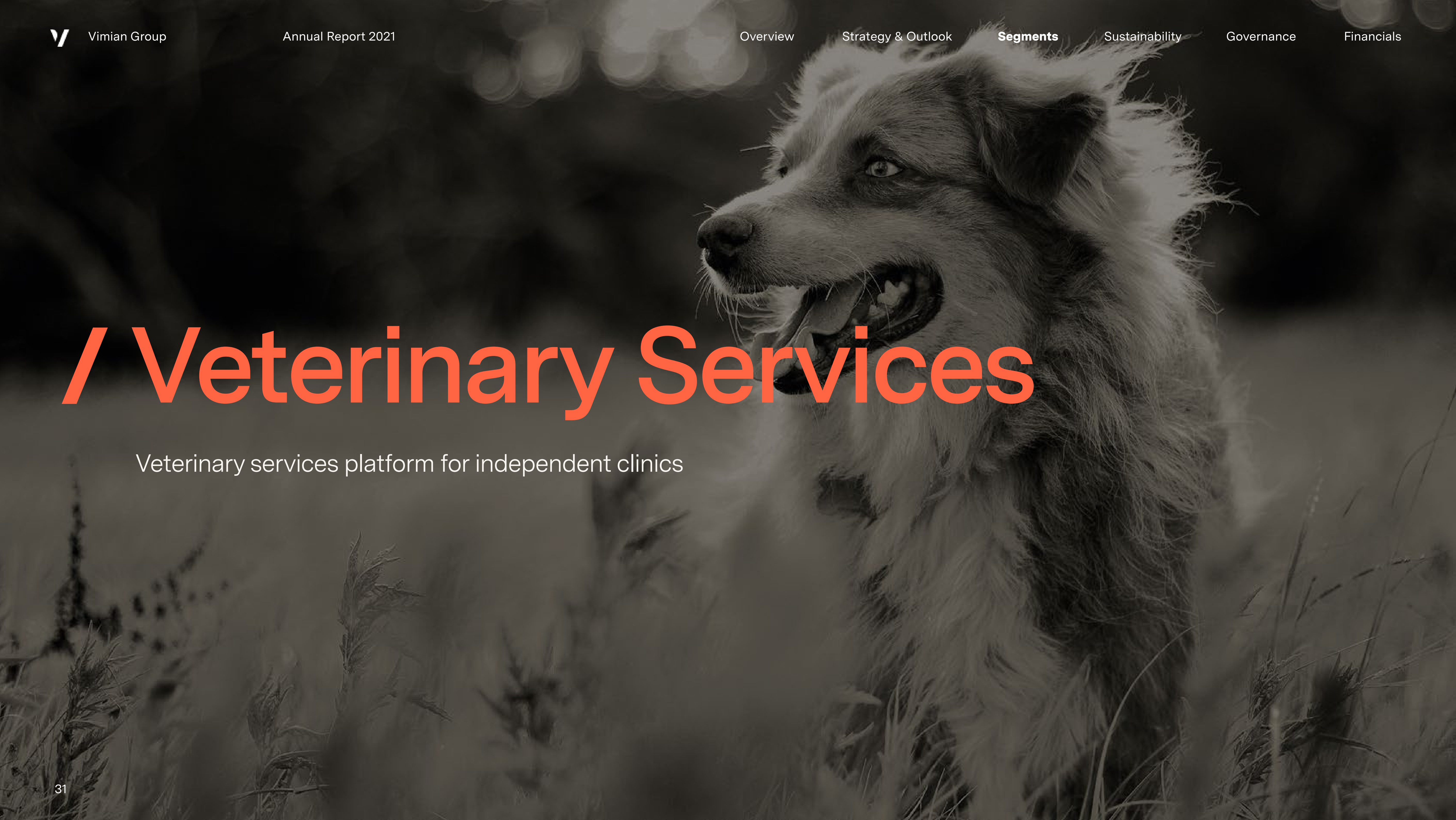
Reliable insights
"Automated and reliable nucleic acid extraction is the foundation for gathering clear insights about the pathogens and the pathogenic status of animals," says Dr Moritz Kneipp, Senior Global Product Manager at Vimian's Diagnostics segment business Indical Bioscience. "These insights help determine the best treatment path forward, yielding the best outcome possible."

The subscription gives customers access to the IndiMag 48s instrument for nucleic acid extraction and scheduled deliveries of the required consumables on a monthly or quarterly basis. Support from Vimian's technical experts is included as well.

Peace of mind
"The INDICAL SmartLab subscription gives our customers flexibility in their business models," says Kneipp. "They can scale their laboratory business up or down depending on market demand. Our solution also reduces waste, as the laboratories can choose our flexible consumables sizes according to what they need, saving costs and plastic pollution. Further, the bundle of products and available support enhances consistency in the extraction workflow."

"The INDICAL SmartLab subscription enable accurate treatment of diseases, better animal health and a reduction of the spread of diseases amongst animals and humans"

However, Kneipp adds, perhaps most importantly: "The increased accessibility to consistent diagnostics worldwide will enable accurate treatment of diseases, better animal health and therefore a reduction of the spread of diseases amongst animals and humans."



/ Veterinary Services

Veterinary services platform for independent clinics

Veterinary Services

Veterinary services platform for independent clinics

Vimian's Veterinary Services segment provides a wide range of services to veterinary clinics.

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

Value adding solutions
VetFamily's purpose is to help veterinary clinics improve today and be ready for tomorrow. This means VetFamily provides member services that create value or save time for clinics through alleviating and removing cumbersome administrative tasks, and that are easy to implement, use and grow with. This allows veterinary clinics to focus on what they are passionate about; improving animal health.

Veterinary Services strategy
The growth strategy for the Veterinary Services segment includes

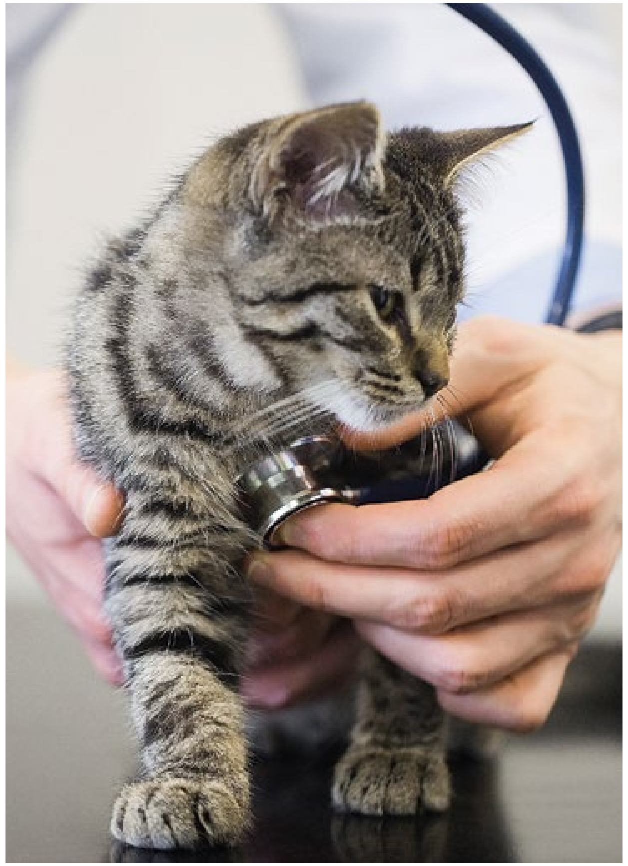
1. increasing the number of member clinics in existing markets,
2. increasing the services offered and the usage of services,
3. expanding organically into new geographical markets and
4. extending market reach and product offering through M&A.

Members
VetFamily's members consist of a wide range of animal hospitals and veterinary clinics in seven European countries, Australia and China. Most members focus on companion animals, but some are equine or production animal clinics. Most members are stand-alone independent clinics.

2021 development
Revenue for the full year 2021 increased by 16 per cent of which 5.4 per cent was organic growth. Member recruitment was impacted by lockdowns limiting clinic visits, but reaccelerated in the fourth quarter. The segment expanded its geographic footprint and launched several value-added services including VetFamily Pro. Adjusted EBITA for 2021 was EUR 4.7m with a margin of 27.9 per cent, reflecting investments in new markets, a M&A team and consolidation of clinics.

Vimian made seven acquisitions for its Veterinary Services segment in 2021:

- The acquisition of **Independent Vets of Australia**, a membership platform that provides procurement and support services to Australian veterinary clinics, marked Vimian's first entry into Australia.
- The acquisition of a majority stake in **Skovshoved Dyreklinik**, Vimian's first co-investment in a veterinary clinic in Denmark, marked the launch of VetFamily's co-investment programme.
- Co-investment in **five additional veterinary clinics** in the Nordics.



VetFamily

9
countries present
Denmark, Sweden, Norway, France, Germany, Netherlands, Spain, Australia and China.

+3,000
clinic members

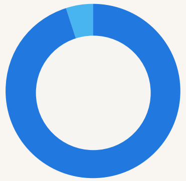
"In 2021, we entered Australia through the acquisition of IVA, a service platform for veterinary clinics. We have listened to our members' feedback and launched a clinic co-investment programme allowing us to unlock further potential with our co-owners. We have also rolled out our new Pro membership level in Sweden and Norway successfully and built a new tiered membership model ready for roll out next year. While member recruitment slowed during the first half of 2021 as the pandemic limited clinic visits, momentum reaccelerated towards the end of the year."

Alireza Tajbakhsh
CEO of VetFamily

6,400
member veterinarians

+16%
increase of revenue for Veterinary Services

Geographic split of members, %



27.9%
2021 adjusted EBITA margin

10%
of Vimian's revenue (2021)

45k
Pets on plan

Veterinary Services — co-ownership

Co-ownership program

During 2021, Vimian's Veterinary Services segment extended its service offering to include co-ownership in veterinary clinics.

The purpose of the programme is to support our member clinics to unlock higher performance or plans for succession whilst maintaining entrepreneurial autonomy. And with a strong strategic rationale, this co-ownership program:

- Provides a unique opportunity to build on our existing strong clinic relations.
- Drives growth and profitability in these clinics through our existing service offering.
- Creates significant higher business engagement with our key supplier partners.
- Enables opportunities to boost growth and innovation across Vimian's segments by working closer to veterinary clinics.
- Strengthens the Veterinary Services segment's unique position as the trusted partner and advisor for independent veterinary clinics.

"It has been essential that I still have co-ownership of the clinic. It is not a phase-out of my active life as a veterinarian, but a new and exciting chapter which at the same time future-proofs the clinic, the employees and the workplace"

Claus Sloth, founder and owner of Skovshoved Dyreklinik

During 2021 Vimian has invested in six clinics, all Nordic VetFamily members, with annualised revenue of around EUR 5.3 million. The co-ownership program is expected to grow over the coming years as Vimian's Veterinary Services segment partners with more high-quality clinics in the Nordics and continental Europe.

Sustainability

Creating a global sustainability leader in animal health

Vimian and our family of businesses share a fundamental belief that the strategic and effective management of environmental, social and governance (ESG) risks and opportunities are critical to create long-term value for societies and stakeholders alike.

A sustainable purpose and business idea

Vimian's purpose is to improve animal health and the lives of those who care for them. Through our business model (p. 11) and core oprations, focused on preventing and treating diseases among animals, Vimian contributes to global sustainability goals. Our products and services help prevent and monitor zoonotic diseases, enable responsible use of antibiotics and improve health and wellbeing among animals and the people who care for them. Now, the Group aims to further accelerate its positive impact and minimise negative footprints. In the beginning of 2022, Vimian defined a long-term strategic ambition to create a global sustainability leader in animal health. This ambition is well aligned with Vimian's vision to together improve animal health through science and technology for better lives.

Building the foundation

To reach our long-term ambition we have divided our sustainability work into three horizons, see illustration. As a newly formed group, in 2021, Vimian's initial focus is to build a solid foundation for sustainable development and reporting. Horizon 1 includes establishing a sustainability strategy, ensuring the right competencies and resources, implementing relevant policies and frameworks, setting processes for data collection and setting a KPI baseline with relevant targets on a Group level. Part of this work is already complete, including approval by the Board of Directors of a sustainability strategy and its implementation plan, establishment of a governance function and the appointment of a Group Sustainability Manager and the setting of key priorities together with our stakeholders.

Ambition

Horizon 3. Lead the way in animal health (>2026)

Horizon 2. Realise new value from sustainability (2024–2025)

Horizon 1. Build a solid foundation for sustainable development and reporting (Now–2023)

Materiality analysis

Stakeholder dialogue and impact assessment

Between October 2021 and February 2022, Vimian completed a materiality analysis to identify the most impactful and important sustainability areas for the Group. The materiality analysis included an industry benchmark, stakeholder dialogue and workshops with Group management.

Industry benchmark

To initiate the materiality analysis, Vimian reviewed the sustainability reports of 17 relevant peers, to identify if and how sustainability was reported, what the most common sustainability topics were and what reporting standards these companies used. From this benchmarking process, Vimian identified relevant areas to include in the stakeholder dialogue and stakeholder interviews.

Stakeholder dialogue

A stakeholder dialogue was conducted to capture the views of Vimian's most important stakeholders and incorporate these into the sustainability agenda and reporting for the Group. The stakeholder dialogue included a digital survey, provided in six languages, for employees as well as customer representatives from the different segments. The survey had 276 respondents. The results of the survey were complemented by insights from 13 interviews with key institutional investors and the Board of Directors to ensure the robustness and relevance of the analysis.

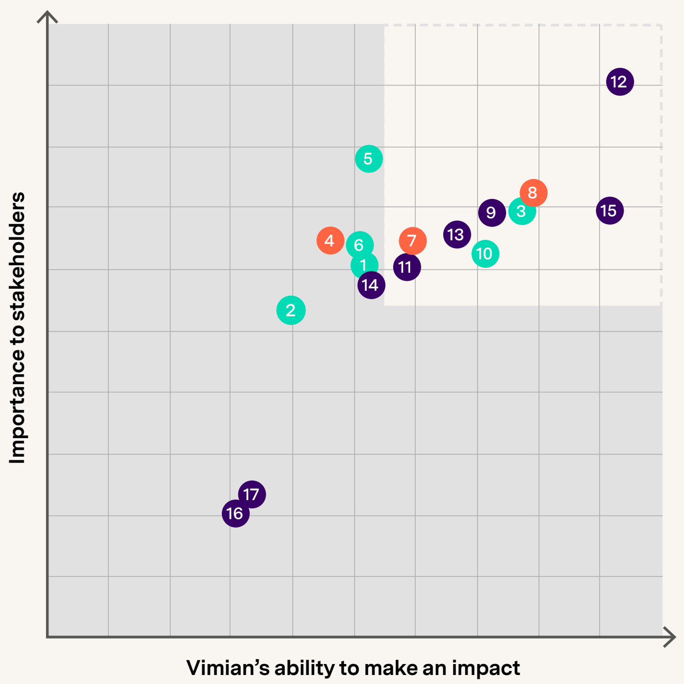
"All of the issues presented are of proven importance. I consider the priorities to be working on minimising antibiotic use, with a lifecycle perspective, and promoting an inclusive work environment within the Group with a focus on employee wellbeing"

Customer

Prioritisation of focus areas

Following the stakeholder dialogue, the Group's management team participated in a workshop to calibrate the results from the survey and interviews, and to identify and agree which areas of sustainability were most important to stakeholders and where Vimian can make the biggest impact. The most material areas identified set the basis for the sustainability strategy, see graph to the right.

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 etics
16. Tax
17. Economic performance

Vimian's sustainability strategy

Creating a global sustainability leader in animal health

The purpose of the sustainability strategy is to guide the operating segments and entrepreneurs in the Group to accelerate innovation and sustainable long-term growth, while retaining their autonomy. The strategy sets a shared vision and ambition for the Group, provides a common platform for the follow-up of performance, while ensuring the independence of the individual businesses to define which initiatives will be most impactful for them.

"The level of ambition needs to be manageable, honest and specific"

Investor

Vision

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

Long-term ambition

Creating a global sustainability leader in animal health

People	Animals	Planet
To be the most attractive employer in animal health, leading employee motivation, wellbeing and inclusiveness, and acting with integrity and impeccable ethics	To be the leading global, innovator of products and standards that increase animal welfare and reduce antimicrobial resistance	To transition Vimian Group towards a net-zero climate impact company across the value chain and empower our customer with solutions to do the same
3 Good health and well-being; 8 Decent work and economic growth; 5 Gender equality; 10 Reduced inequalities; 16 Peace, justice and strong institutions	3 Good health and well-being	13 Climate action; 12 Responsible consumption and production

Focus areas

People	Animals	Planet
1. Employee health and wellbeing 2. Employee training and education 3. Diversity & Inclusion 4. Business ethics	5. Animal welfare 6. Antimicrobial resistance	7. Climate change 8. Responsible supply chain

Enabled by our values

- Dream Big
- Nurture Passion
- Drive Ownership
- Unique home for great talent
- Dare to challenge conventions

People

Becoming the most attractive employer in animal health

Extraordinary businesses are built by extraordinary people and Vimian's employees are the Group's most important asset to drive growth and create value. People related topics and specifically health, wellbeing and employee training were highly prioritised by stakeholders in the stakeholder dialogue. Further, focus on diversity and inclusion is important to achieve Vimian's commitment to accelerate innovation. Today, our colleagues represent over 41 different nationalities and 47 per cent of the Group's employees are women. Vimian has 44 per cent women in leadership positions, 10 per cent in executive management and 20 per cent in the Board of Directors. The Group has a clear ambition to increase diversity on management and Board level near-term.

Vimian's long-term people ambition is to be the most attractive employer in animal health, leading employee motivation, wellbeing and inclusiveness, and acting with integrity and impeccable ethics. To set the foundation for sustainable development and reporting, the following actions and KPIs* have been defined within four focus areas:

1. Employee health and wellbeing

Commitment	Actively work for a healthy and sound environment for our employees with the supportive structures and processes in place
Actions until end of 2022	· Secure HR competency to drive employee health and wellbeing commitment · Develop process for quarterly data collection · Gather data on sick leave and accidents in production and warehouses · Reinforce vision for zero accidents
Action until end of 2023	· Implement Group employee satisfaction survey · Continuously work to identify and mitigate risks related to employee health, safety and wellbeing · Define targets and action plans for employee satisfaction and wellbeing
KPIs	· Occupational accidents in production/warehouse (frequency and absolute numbers) (#) · Sick leave (%) · Employee satisfaction index (%)
Connected to UN's SDG targets 3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	▪ **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 labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

2. Employee training and education

Commitment	Establish attractive structures for education and training to promote competence development and employee engagement
Actions until end of 2022	· Secure HR competency to drive employee training and education · Define people ambition for training and education
Action until end of 2023	· Define and implement short and long-term competence and engagement enhancing programmes in segments and/or at Group level
KPIs	· To be decided following evaluation of employee satisfaction and assessment of competence development needs
Connected to UN's SDG targets 8 DECENT WORK AND ECONOMIC GROWTH	▪ **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

*) Data collection for KPIs takes place in 2022 (see page 35 for description of timeline).

3. Diversity and inclusion

Commitment	Enable an inclusive and diverse workforce to enhance our ability to drive innovation
Actions until end of 2022	· Revisit and implement equal opportunity policy (inform relevant employees, suppliers and/or customers) · Develop process for annual data collection · Set targets for diversity and inclusion at employee, management and board level
Action until end of 2023	· Define and implement action plan for diversity and inclusion at employee, management and board level
KPIs	· Gender distribution at employee, management and board level (%) · Representation of nationalities (#)
Connected to UN's SDG targets	▪ **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	Uphold the highest ethical standards and maintain relevant business policies
Actions until end of 2022	· Establish, implement and communicate whistle blowing platform in necessary languages · Identify and train case managers to receive and take action on whistle blowing cases · Establish Code of Conduct, inform and train employees and request commitment to follow it · Define ESG framework for mergers and acquisitions due diligence and integration
Actions until end of 2023	· Maintain training and governance structure for anti-corruption, Codes of Conduct and whistle blowing · Implement framework for M&A due diligence and integration · Make whistle blowing platform available to customers and suppliers.
KPIs	· Employees who have signed Code of Conduct (%) · Critical employees trained in anti-corruption (%) · Recorded anti-corruption incidents (#) · Recorded whistle blowing incidents (#)
Connected to UN's SDG targets	▪ **16.5** Substantially reduce corruption and bribery in all their forms

/ Case

An inclusive employer

Vimian is committed to being an equal opportunity employer and ensuring that everyone across the Group feels included and able to contribute in the best way they can, regardless of background, ethnicity, religion, gender, age or sexual preferences.

A recent example of putting this commitment into practice comes from one of Vimian's segments, which includes an Equal Employment Opportunity statement in its staff handbook. Local management showed its commitment to this statement by fully supporting an employee who transitioned gender.

The employee's new name and how they wanted to be addressed and referred to (pronouns), was introduced to all colleagues. Additional training was conducted with staff in order to ensure that the employee felt fully supported by colleagues throughout the gender transition.

Animals

Increasing animal welfare and reducing antimicrobial resistance (AMR)

Across Vimian Group, we share a passion for making a positive impact through the improvement of animal health and welfare. There is a close link between animal and human health, for example, using diagnostics to prevent zoonosis. Further, several studies have demonstrated a positive connection between pets and the physical and mental health of their owners.

Vimian's ambition is to be the leading global innovator in animal health solutions and standards that increase animal welfare and reduce AMR, which the World Health Organisation ranks as one of the top 10 threats to global and public health.

Vimian defines animal welfare in accordance with the Five Freedoms framework, a globally recognized golden standard encompassing both mental and physical wellbeing of animals. The framework includes; freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury ad disease; freedom to express normal and natural behavior; and freedom from fear and distress.

5. Animal welfare

Commitment	Promote ways of working and solutions throughout the value chain that contribute to improved animal health and welfare
Actions until end of 2023	· Establish and implement animal health policy · Inform suppliers and customers about animal welfare policy · Promote ways of working that enhance animal welfare within the scope of Vimian's segments · Improve standard of care through innovation and education
KPIs	· New products released/updated that enhance animal welfare (#) · Educated animal health professionals across segments (#) e.g. surgeons, veterinarians, diagnostics professionals

6. Antimicrobial resistance (AMR)

Commitment	Create and promote innovation projects and preventative methods to reduce the use of antibiotics
Actions until end of 2023	· Create a clear AMR position on Vimian's solutions that have both a direct and indirect impact on mitigating the use of antibiotics · Promote prudent use of antibiotics within the scope of Vimian's segments · Identify KPIs to measure direct and indirect AMR impact
KPIs	· Annual sales increase of solutions that reduce the use of antibiotics (#)
Connected to UN's SDG targets	· **3.d.2**, Percentage of bloodstream infections due to selected antimicrobial-resistant organisms

Case Diagnostics

New diagnostic solution to increase animal welfare

AeroCollect, a new product in the Vimian Diagnostics' segment Indical Bioscience, enables famers to test for several pathogens in their entire flocks accurately and efficiently with just one non-invasive air sample collection.

Collecting samples to monitor the health of animal flocks can be challenging. The traditional process for diagnosing disease in flocks involves a combination of interpreting clinical symptoms and undertaking spot tests of selected animals using blood or swab samples. Relying on clinical symptoms means that production may already have been compromised.

Vimian's AeroCollect is an innovative technology that means bacteria and viruses can be captured and retained directly from the air quickly with one simple easy-to-use device. The sample can then be analysed quickly with no need for sample preparation.

AeroCollect ensures better animal welfare, production quality and reduces the use of antibiotics, all key components for a more sustainable future.

Planet

Towards net-zero climate impact across the value chain

As a global group we have a responsibility to address the climate impact of our direct and indirect operations, including helping to meet the targets set in the United Nation's Sustainable Development Goals. Operating a responsible supply chain is of high importance for two reasons. Firstly, a large part of the Group's manufacturing and production is outsourced, with the MedTech segment, which represents 36 per cent of the Group's revenues, fully outsourcing, and the Specialty Pharma segment, which represents 41 per cent of revenues, having an even split between contract manufacturers and in-house production. Secondly, the majority of emissions are covered in scope 3.

Vimian Group's long-term ambition is to transition towards a net-zero climate impact company across the value chain and empower our customers with solutions to do the same. To set the foundation for sustainable development and reporting the following actions and KPIs* have been defined:

7. Climate change

Commitment	Actively measure and mitigate our greenhouse gas emissions and negative impact on the planet throughout the value chain
Actions until end of 2022	· Establish and implement climate policy · Establish process and decide system provider to measure emissions in scope 1&2 · Set targets and action plan to reduce emissions in scope 1&2
Actions until end of 2023	· Establish capability to measure scope 3 emissions and start journey towards science-based emission reduction targets
KPIs	· Climate intensity, scope 1&2 tonnes CO_2e/MSEK sales · Employees informed on climate policy (%)
Connected to UN's SDG targets 13 CLIMATE ACTION	▪ **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

8. Responsible supply chain

Commitment	Actively work to create a more responsible supply chain where we mitigate our environmental impact and safeguard human rights
Actions until end of 2022	· Establish a Supplier Code of Conduct (SCoC) and a digital self-assessment framework · Ensure sustainability competence among purchasing positions – supporting them to use suppliers with low climate impact and high ethical standards · Ensure that SCoC is signed by all new suppliers and known to established suppliers · Identify high-risk suppliers
Actions until end of 2023	· Have high-risk suppliers do a self-assessment to identify ESG risks and opportunities. Develop a constructive dialogue to collaboratively eradicate/mitigate identified risks
KPIs	· New suppliers who have signed SCoC (%) · Vimian employees in purchasing positions trained in SCoC (%) · High-risk suppliers that have conducted self-assessment (%)
Connected to UN's SDG targets 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	▪ **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

*) Data collection for KPIs takes place in 2022 (see page 35 for description of timeline).

Case Veterinary Services

Creating sustainable clinics through a new community

The team at VetFamily have created a new service program to support member clinics in achieving their increasing aspirations to be more sustainable by reducing carbon emissions and protecting biodiversity.

The service program is called VetFamily ECO Program. It includes a range of eco-friendly support services for veterinary clinics in areas such as recycling and waste, sustainable purchasing, transportation policies, energy consumption reduction and identifying and leveraging local partners.

Twenty-five member clinics have already signed up to be part of the new VetFamily Eco Program, which is centred on a WhatsApp social media community. Through this sustainability focused community, vets and nurses can exchange ideas and best practice in order to create more sustainable clinics.

VetFamily is also developing a range of eco products, such as natural disinfectant solutions, for its network of clinics as well as working with a company who collects medical plastic for recycling. These sustainable solutions are also being shared across the new VetFamily sustainability focused community

"The VetFamily ECO Program gave us the motivation and strength to implement simple, yet impactful solutions in our clinics related to energy, eco products, recycling and donations"

DV Elise Estermann Le Cun
Clinic "Les chats du Lubéron", Cavaillon – France

Sustainability governance and risks

Governance

Five main governance functions have been established to ensure that the sustainability strategy is relevant for Vimian's decentralised group and anchored throughout the entire organisation.

1

Sign off by the Board of Directors:
The sustainability strategy is signed off by the Board of Directors on a yearly basis. Progress on sustainability targets are reported during the standing agenda point at each quarterly board meeting.

2

Owned by Executive Management:
The overall goals for Vimian are set at a group level. Targets to reach the goals are set for each segment. The CEO for each segment is accountable for reaching their set targets and can freely decide how to do so.

3

Cross-segment representation:
A sustainability sounding board has been formed with key representatives from each segment (covering sales, product management, procurement, technical specialists, business strategy and HR) to drive the implementation of sustainability initiatives and provide insights on each segment's specific risks and opportunities.

4

Sustainability/ESG lead:
The Head of IR, Communications & Sustainability is part of the Group Executive Management team. In addition, a Group Sustainability Manager has been appointed to centrally support the segments and manage the sustainability agenda via the sustainability strategy, which defines the focus areas, ambition, commitments, KPIs and targets.

5

Steering documents:
During 2022, the foundational steering documents for the sustainability work will be revised or established. The documents are signed off by the Board of Directors and will describe approaches, clear commitments, instructions and processes for vital governance areas to ensure compliance with legal, ethical and regulatory requirements. The documents are:

- Anti-corruption policy
- Business Code of Conduct
- Whistle blowing policy
- Supplier Code of Conduct
- Equal opportunity policy
- M&A sustainability framework
- Animal welfare policy
- Climate policy

Risks

The management of sustainability related risks 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 along with mitigation measures to address them:

Risk area	Relates to Vimian's sustainability focus area	Risk explanation	Mitigation efforts
People	1. Employee health and wellbeing 2. Employee training and education 3. Diversity & Inclusion	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. Ensuring safety of employees in production/warehouse and health of employees in relation to mental and physical wellbeing.	• Appoint a resource to establish necessary actions to ensure employee satisfaction, training and development. • Update equal opportunity policy and ensure all employees are trained. • Reinforce a zero vision for accidents and continuously work to improve mitigation efforts for the identified risk areas. • Monitor sick leave, implement stress mitigation and encourage wellbeing.
Legal and compliance	4. Business ethics 8. Responsible supply chain	Vimian's operations may be affected by changes in regulations, government legislation and restrictions in the countries where Vimian is active. Vimian is dependent on its suppliers' and companies' compliance with the Group's guidelines and other industry standards regarding environment, work environment, anti-corruption, and business ethics. Failure in its assessment and evaluation of suppliers, customers and potential acquisitions could have an adverse effect on Vimian's reputation, brand and operations.	Vimian is establishing Codes of Conduct, policies, frameworks and processes and connecting them with relevant trainings to ensure that compliance with relevant ethics, laws and regulations are always top-of-mind. These include: • Whistle blowing policy and system • Business Code of Conduct • Supplier Code of Conduct • ESG M&A due dilligence and implementation framework • Anti-corruption policy
Human rights	8. Responsible supply chain	Unmanaged negative impacts on human rights, i.e. through inadequate labour conditions, could entail a risk for human health and wellbeing, as well as a reputational risk for Vimian.	Vimian is establishing a Supplier Code of Conduct, a supplier risk screening process and a system for supplier audits to manage social and ethical risks. Human rights are addressed in Vimian's Code of Conduct as an integrated part of the due diligence process for acquisitions.
Animal welfare	1. Animal welfare 2. Antimicrobial resistance	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 are produced to a high quality in terms of reliability and safety.
Climate	7. Climate change	Stricter regulations on environmental matters can result in increased costs or further investments in order to achieve compliance. Significant negative environmental impacts by Vimian's segments or suppliers may lead to financial fines, loss of license to operate and/or reputational damage.	Vimian is establishing a climate policy consisting of our definition of environmental sustainability, the climate risks our operations are exposed to and how to mitigate them. It will also include our commitments to protect the planet by using the world's resources wisely. Vimian is implementing a carbon measurement tool to evaluate our emission impact in scope 1 and 2 for all subsidiaries in the Vimian Group. Further, Vimian will set targets and plan measures to reduce our future climate impact at Group and subsidiary level.

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 2021 on pages 35–44 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 4, 2022

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

On June 18, 2021, Vimian announced the listing of and commencement of trading in its ordinary shares on Nasdaq First North Growth Market. At the 31 December 2021, Vimian had 1,645 shareholders, of which the top ten held 81.5 per cent of the capital and 84.2 per cent of the votes.

Listing on Nasdaq First North Growth Market

Vimian Group's share was listed on Nasdaq First North Growth Market on June 18, 2021, under the ticker VIMIAN. Immediately prior to the listing, Vimian carried out a private placement of existing and newly issued shares to domestic and international qualified investors. The private placement attracted very strong interest from high-quality institutional investors, including SEK 5.1 billion in cornerstone investments, and was oversubscribed multiple times. Price per share in the private placement was SEK 76.00 per share.

Share performance

The highest price paid during the period between June 18 and December 31, 2021, was SEK 121 and the lowest price paid was SEK 61.6. During the period June 18 to December 30, 2021, Vimian's share price increased by 4.4 per cent. The number of shares traded on Nasdaq First North Growth Market during 2021 was 49,797,813, corresponding to a daily average turnover of 358,258 shares per day.

Ownership structure

At per December 31, 2021, Vimian Group had 1,645 shareholders, with the majority owner Fidelio Capital holding 54 per cent of capital and 57.3 per cent of votes. The ten largest owners represented 81.5 per cent of the capital and 84.2 per cent of the votes. Financial and institutional investors held 82.4 per cent of capital and 87.1 per cent of votes whilst the Board of Directors and management held 63.1 per cent of capital and 57.3 per cent of votes. Foreign owners accounted for 17.88 per cent of the capital and 14.8 per cent of the votes.

Share information

The total number of shares in Vimian Group on December 31, 2021, was 389,321,230 of which 364,445,155 were ordinary shares and 24,876,075 class C shares. Pursuant to the company's articles of association, the company's share capital may not be less than SEK 500,000 and not more than SEK 2,000,000, and the number of shares may not be less than 300,000,000 and not more than 1,200,000,000. Pursuant to the articles of association, ordinary shares and class C shares may be issued. The shares are denominated in SEK and the quota value of each share is approximately SEK 0,001667. 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. Vimian's Articles of Association contain a central securities depository clause and the company's shares are registered with Euroclear Sweden AB, which means that Euroclear Sweden AB administers the company's share register. 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	210,169,758		54.0	57,3	2021-12-31
SEB Funds	23,176,746		6.0	6.3	2021-12-31
PRG Investment Holdings	15,000,000	7,000,000	5.7	4.3	2021-12-31
AMF Pension & Funds	17,349,832		4.5	4.7	2021-12-31
Swedbank Robur Funds	10,082,115		2.6	2.7	2021-12-31
Cliens Funds	8,684,000		2.2	2.4	2021-12-31
Handelsbanken Funds	7,422,590		1.9	2.0	2021-12-31
Spiltan Funds	6,537,148		1.7	1.8	2021-12-31
Investering & Tryghed A/S	6,095,607		1.6	1.7	2021-12-31
Mikael Sjögren	3,461,635	2,209,555	1.5	1.0	2021-12-31
Top 10	**307,979,431**	**9,209,555**	**81.5**	**84.2**	
Others	56,465,724	15,666,520	18.5	15.8	
Total	**364,445,155**	**24,876,075**	**100.0**	**100.0**	

Share Price Development

June–December 2021

What makes Vimian a great investment

Highly profitable and cash generative	**30.8%** Adjusted EBITA margin	**71%** Cash conversion	**2.5x** ND/pro-forma EBITDA
We have only just started our consolidation journey	**143%** Total growth	**17** Acquisitions in 2021	
Outpacing market segments with huge prospects	**16.5%** Organic revenue growth		
Highly attractive market opportunity	**+8%+** Market growth		

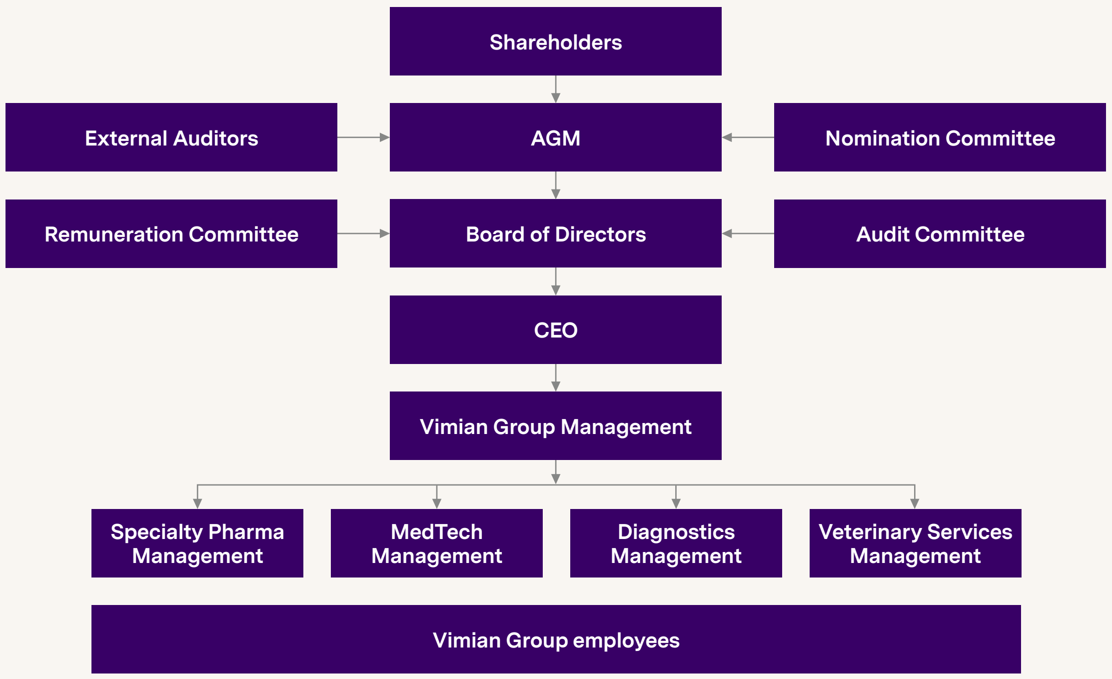
Corporate Governance Report

Corporate Governance
Vimian is a Swedish public limited liability company. Prior to the listing that took place on June 18, 2021, corporate governance in the company was based on Swedish law and internal rules and instructions. Since the listing on Nasdaq First North, the company also complies with the Nasdaq First North Growth Market – Rulebook. Apart from legislation, rules and recommendations, the Articles of Association, adopted at the annual general meeting on 24 May 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 management 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 May 24, 2021, 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. The annual general meeting on 24 May 2021 also resolved that the Board of Directors, under its authorisation to issue shares, does not have to produce any documentation according to chapter 13, sections 6–8 of the Swedish Companies Act.

Three general meetings in 2021

The Annual General Meeting was held on May 24. During the meeting, Grant Thornton was appointed at the company's auditors and the company adopted its Articles of Association.

During 2021 the company also held two extraordinary general meetings:

- On April 19, 2021, when a new share issue of 475,000 ordinary shares was decided. The new share issue was registered with the Swedish Companies Registration Office in May 2021. During this AGM it was also resolved that the Board of Directors would be increased to five persons. In addition to current Board members Gabriel Fitzgerald (Chairman), Martin Erleman and Theodor Bonnier, Frida Westerberg and Mikael Dolsten were elected as new Board members until the end of the next Annual General Meeting.
- On May 22, 2021, when it was decided that the company´s shares were consolidated to 1 share and that this 1 share was split to 299,821,958 shares. The entity decided to present the number of shares as the number of registered shares after the general meeting on 24 May 2021 for all periods presented, meaning 299,821,958 shares.

Annual General Meeting 2022

The 2022 AGM is scheduled to be held 10.00 (CET) on June 2, 2022, 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. Moreover, the Board of Directors appoints the CEO.

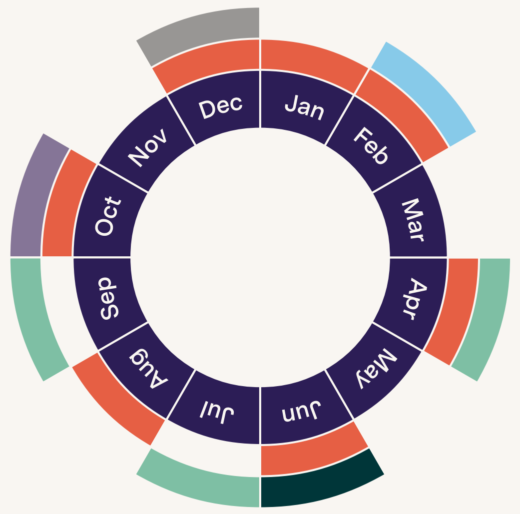
Members of the Board of Directors are normally appointed by the annual general meeting for the period until the end of the next annual general meeting. According to the company's articles of association, the members of the Board of Directors elected by the general meeting shall be not less than three 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 five 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 2022.

The 2021 Board consisted of Gabriel Fitzgerald (Chairman), Theodor Bonnier, Martin Erleman, Frida Westerberg and Mikael Dolsten. The Board members are presented on page 52. Three of the



2021 with the Board of Directors

- Monthly reports
- Board meetings
- Extraordinary board meetings
- Annual Shareholders' Meeting
- Strategy work
- 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

Board members represent the majority owner, and two of the Board members are independent of the company's major shareholders.

Remuneration to the Board of Directors

At the annual general meeting on 24 May 2021, 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. The current Board was elected during 2021 and no remuneration was paid to the Board members in 2020.

The work of the Board during 2021

The Board held twelve meetings during 2021. A majority of the meetings were held in relation to the listing process. The Board aims to meet four times per year for longer Board meetings where the agenda for each Board meeting always includes standard items such as financial updates from the CEO and CFO and follow up on opera-

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

tional performance within the Group companies. The yearly cycle will cover strategy, budget and group segment deep-dives. 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. 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.

Evaluating the Board of Directors and the CEO

The nomination committee is responsible for the evaluation of the Board. During 2021 this was 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 2021 it was decided at the Board meeting held in December that the Board would discuss in separate and connect with the CEO.

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.

Since the listing in June, the remuneration committee has worked closely together with communication via email and telephone. No formal meetings were held during 2021. For 2022 the remuneration committee has two meetings scheduled.

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.

Since the listing in June 2021, the audit committee has worked informally, in close contact with the Group's finance team via email and telephone. No formal meetings were held during 2021. For 2022 the audit committee has five meetings scheduled.

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 group, 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 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.

During 2021 the nomination committee held one meeting.

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 May 24, 2021 and re-elected until the end of the annual general meeting 2022. 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: BSc in Mechanical Engineering Education, MSc in Finance from the Stockholm School of Economics and University Medical studies at Linköping University.

Other current assignments: Board member of Fidelio Capital AB, and a number of subsidiaries within the Fidelio Capital AB-group, and the Group. Chairman of the board of Berghamnen AB and board member of Pencey Holding AB and Bellbox 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

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 Hexatronic Group AB, Ework Group AB, Billogram AB, Market Art Fair AB, Grebretsew AB and Deputy Board member of Namrega AB.

Principal work experience: Group CEO of European ID Security, 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 of the board of a number of subsidiaries within the Group and the Fidelio Capital AB-group, and SBC Intressenter BidCo AB and SBC Intressenter HoldCo AB. Board member of a number of subsidiaries within the Fidelio Capital AB-group, SBC Sveriges Bostadsrättscentrum AB, Southern Meadow AB, Greenfood MC AB, Greenfood AB and Acetaria Holding 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: Board member of a number of subsidiaries within the Group and the Fidelio Capital AB-group, Bellbox Holding AB, TBON Invest AB, Chino BidCo ApS and Chino Holding ApS. Deputy board member of WF Simhold AB, a number of subsidiaries within the Fidelio Capital AB-group, Auxo AB and Bisslinge Finans 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: 1,907,812 ordinary shares, 1,214,554 C shares. Subscribed for a total of 250,836 warrants in the company under LTI 2021.

Henrik Halvorsen

Born 1982. CFO since 2021.

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

Other current assignments: Board member of a number of subsidiaries within the Group and Transferator AB (publ) and board member or deputy board member of a number of subsidiaries within the Transferator AB (publ)-group.

Principal work experience: CFO of Nextmune, Group Strategy and M&A Manager at Dometic and Consultant at L.E.K. Consulting.

Shareholding in the company: 1,041,910 ordinary shares, 625,146 C shares. Subscribed for a total of 125,418 warrants in the company under LTI 2021.

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 BV, Nextmune US LLC, Nextmune AS, Nextmune Spain S.L., Diavet S.L., I.C.F. S.r.l., DRN S.r.l., and Vetruus 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.

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: Director at Ontario Teachers' Pension Plan, Principal at Bain & Company and Marketing at P&G and Telecom Italia.

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

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. 0 warrants.

Management 2/2

Patrick Gendreau

Born 1976. Co-CEO of Movora since 2020.

Education: BBA in International Business from Université du Québec à Montréal and a MBA in International Business from University of Illinois at Chicago.

Other current assignments: Board member of a number of subsidiaries within the Group.

Principal work experience: CEO of Veterinary Orthopedic Implants.

Shareholding in the company: 17,256,029 ordinary shares, 7,876,219 C shares. Subscribed for a total of 125,418 warrants in the company under LTI 2021.

Christopher Sidebotham

Born 1955. Co-CEO of Movora since 2020.

Education: BSc in Mechanical Engineering from University of Memphis, US.

Principal work experience: President and CEO of BioMedtrix and Director of Product Development at Stryker and Zimmer.

Shareholding in the company: 419,885 ordinary shares, 370,487 C shares. 0 warrants.

Guy C. Spörri

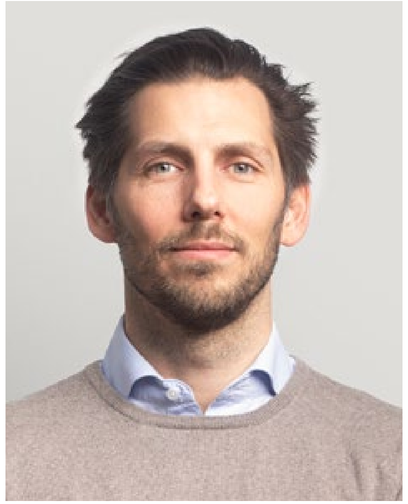
Born 1980. Co-CEO of Movora since 2020.

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.



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.

Independent of: 7,300 ordinary shares, 0 C shares. Subscribed for a total of 83,612 warrants in the company under LTI 2021.

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 2021 on pages 48–54 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 4, 2022

Grant Thornton Sweden AB

Carl-Johan Regell
Authorized Public Accountant

Board of Directors' Report

The Board of Directors and President of Vimian Group AB (publ), Corp. Reg. No. 559234-8923, hereby submit the Annual Report for the Parent Company for the fiscal year 1 January to 31 December 2021 and the group consolidated financial statements for fiscal year 1 January to 31 December 2021. 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 4 May 2022.

Operations and organisation

Vimian is a global group with a focus on improving animal health. The Group offers a diversified portfolio of products, services and solutions to veterinary and laboratory professionals in more than 150 countries. The Group operates through four verticals in the companion animal and livestock health market: Specialty Pharma, Diagnostics, Veterinary Services and MedTech. These verticals are operated under the brands Nextmune, Indical Bioscience, VetFamily and Movora. Vimian's vision is to build a platform of companies and entrepreneurs working together to improve animal health for better lives.

As per the end of 2021 Vimian Group has around 600 employees and 36 offices globally. Our products and services are available in over 150 markets globally and in 2021 Group Sales amounted to EUR 173.3 million. 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,- earnings, and financial position – Group

Net sales

For the fullyear 2021, net sales amounted to EUR 173.3 million (71.2), representing an increase of 14%, of which 16.5% was organic. Strong organic growth in MedTech and Specialty Pharma accounted for around 80% of the business. This was partly offset by declines in Diagnostics and Veterinary Services.

The company reported an exceptionally strong first quarter with a significant uplift from Covid related sales in the Diagnostics segment and benefitted from the annual ordering programme in the MedTech segment. Year over year growth for the Group has slowed during the second half of the year against tough comparatives with relatively larger share of sales during 2020 taking place in the latter part of the year as lockdowns eased. Underlying momentum remains solid across the businesses.

The development of our four segments in 2021 can be summarised as follows:

- **Specialty Pharma** – solid pro-forma organic revenue growth around 30% for the full year 2021, including all companies owned by the 31 December 2021. Growth across all therapeutic areas and regions. Since Vimian only consolidates Nextmune for the month of December 2020, organic growth included in Group growth in 2021, is 8% .
- **MedTech** – very strong organic growth of 25.6% for the full year 2021. Starting to realise commercial synergies from combining three of the world's leading veterinary orthopedic companies and we are seeing strong growth in all regions where we are active.
- **Diagnostics** – organic growth of 13 per cent for the full year 2021. The year saw an unusual volatility between quarters as sales in the first half of the year were significantly boosted by Covid-related sales, which started to phase out during the second half. The company has visited customers to understand what part of instrument and extraction sales during 2020 and 2021 was used in relation to Covid testing.
- **Veterinary Services** – organic growth of 5% for the full year 2021. Growth during the year was held back by slower member recruitment during the pandemic and negative impact from changes in supplier contracts.

Name	Specialty Pharma	MedTech	Diagnostics	Veterinary Services
% of Group sales 2021	41	36	14	10
Share of sales by region, %	Europe 78 N America 20 ROW 2	Europe 22 N America 68 ROW 9	Europe 67 N America 19 ROW 14	Europe 96 N America 0 ROW 4
Organic growth 2021, %	8* (pro-forma ~30)	25.6	13.3	5.4
Total growth 2021, %	1287	99	27	16

*Only the month of December is consolidated for Nextmune

Operating income

Operating profit amounted to EUR 21.6 million (5.9), corresponding to an operating profit margin of 12.5% (8.3). Adjusted EBITA amounted to EUR 53.5 million (23.3), corresponding to an adjusted EBITA margin of 30.8% (32.7). The increase in adjusted EBITA was driven by organic growth and acquisitions. The lower margin reflects investments into the organisation and geographic expansion, as well as consolidation of acquired businesses with a different financial profile.

Seasonality effects

Group revenues and EBITA are to a limited degree affected by seasonality. Historically, revenues and EBITA generally have been higher towards the end of the year. During the last two years seasonality has been different due to the pandemic. During 2020 most markets were in lockdown during the first half of the year, resulting in a significantly stronger second half of the year. This impacted 2021 where the first quarter was exceptionally strong against very easy comparatives with the benefit from MedTech's annual ordering programme and a significant uplift from Covid related sales in diagnostics. The second half of 2021 has then faced the very tough comparatives of the third and fourth quarter 2020, significantly impacting year over year growth.

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.
- **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.
- **Veterinary Services:** No significant nor general seasonality effects identified for Veterinary Services.
- **MedTech:** Q1 is generally strong driven by the annual ordering program.

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

Net financial items

For the full year 2021, net financial items amounted to EUR -8.9m (-3.2). The amount mainly relates to higher interest-bearing debt in 2021, reversal of arrangement fees in conjunction with the refinancing in Q2 2021, as well as arrangement fees for new debt facilities.

Tax

Tax expense for the period was EUR -5.0m (-3.2), corresponding to an effective tax rate of 39%. The high effective tax rate is driven by pre-tax losses in some holding entities within the Group, where no corresponding deferred tax assets have been recognised. These losses mainly relate to central IPO costs and reversals of arrangement fees on loans which were refinanced in conjunction with the IPO.

Profit for the period

Profit for the period amounted to EUR 7.8m (52.3). Earnings per share before dilution amounted to EUR 0.02 (0.18). Earnings per share after dilution amounted to EUR 0.02 (0.18).

Financial position

At the end of the period, net debt amounted to EUR 168.1m, versus EUR 102.3m per 31 December 2020. The change in net debt was mainly attributable to higher debt from Vimian's lending banks. This debt raised during the year has been used to finance acquisitions. Cash and cash equivalents are also higher compared to the end of last year, mainly driven by strong organic cash generation.

At the end of the period, net debt in relation to LTM pro-forma adjusted EBITDA, including the full year financial impact from all acquisitions closed between 1 January and 31 December 2021, was 2.5x.

Net debt, k, EUR	2021	2020
Liabilities to credit institutions (long term)	163,110	72,009
Lease liabilities (long term)	7,273	3,946
Other non-current liabilities	21,412	13,094
Liabilities to credit institutions (short term)	7,578	8,480
Lease liabilities (short term)	2,406	1,381
Other items	21,430	32,926
Cash & Cash Equivalents	(55,114)	(29,66)
Net debt	**168,095**	**102,264**

Cash flow

Cash flow from operating activities amounted to EUR 16.0m (4.8), and cash flow from investing activities amounted to EUR -115m (-105), primarily related to M&A. Capital expenditure amounted to EUR 6.9m (4.5) in the period. This related primarily to investments in capacity in the MedTech segment and refurbishment of building and production facilities in Italy in the Specialty Pharma segment.

Net working capital amounted to EUR 35.0m (27.1) at the end of the period. Changes in net working capital in the period are mainly attributable to acquisitions and organic growth.

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 47.7k (-) and net loss totalled SEK -70.4k (-1.0).

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 2021

- Vimian Group acquired Svanova, a Swedish company active in livestock diagnostics, for its Diagnostics Segment.
- In April, it was resolved at an EGM that the Board of Directors would be increased to five persons; Frida Westerberg and Mikael Dolsten were elected as new Board members.
- Vimian Group acquired Nutra Naturals Corporation, "BestPaw", a Canadian based company active in D2C online sales, for its Specialty Pharma Segment.
- Vimian Group acquired AdVetis, a French based distribution company active in the orthopedic implants market, for its MedTech Segment.
- Vimian Group repaid its existing external debt in the subsidiaries and replaced it with new external debt in Vimian FinCo AB. This debt was sub-

sequently replaced by new facilities in Vimian Group AB in conjunction with the listing.

- In June, Vimian listed its ordinary shares on Nasdaq First North Growth Market and issued new shares at a total value of SEK 500 million.
- Vimian Group acquired Check-Points, a Dutch company focusing on salmonella and antimicrobial resistance diagnostics for its Diagnostics Segment.
- Vimian Group signed a development and distribution agreement with Danish AeroCollect, specialising in air sampling technology for the detection of pathogens in veterinary diagnostics
- Vimian Group acquired LDCA, a French pet dermatology specialist that provides topical products through its Dermoscent® brand, for its Specialty Pharma Segment.
- Vimian Group acquired Freelance Surgical, a provider of veterinary surgical products in the UK, for its MedTech Segment.
- Vimian Group signed an agreement to develop new allergy vaccines together with Angany, a biotechnology company dedicated to allergy treatments and vaccines.
- Alireza Tajbakhsh was appointed asthe new CEO of Vimian's Veterinary Services segment, effective from 1 January 2022.
- Vimian Group acquired GlobalOne Pet Products, a speciality nutrition company in the US, for its Specialty Pharma Segment.
- Vimian Group acquired IMEX, an orthopaedic implants company in the US, for its MedTech Segment.
- Vimian Group acquired VetAllergy, a veterinary allergy company in Denmark, for its Specialty Pharma Segment.
- During the year, Vimian has signed co-investment agreements with six veterinary clinics in the Nordics, with combined annual revenues of around EUR 5.3 million, as part of the newly launched clinic co-investment programme.

Significant events after the fiscal year

- During the fourth quarter 2021 Vimian co-invested in three veterinary clinics which were consolidated in the Veterinary Services Segment from February 2022.
- In December 2021 Vimian acquired VetAllergy, a Danish veterinary medicine company specialised in Allergy. VetAllergy was consolidated in the Specialty Pharma Segment from January 2022.
- In January Vimian acquired Bova UK, a leading companion animal health specialty pharmaceuticals company. Bova was consolidated in the Specialty Pharma Segment from 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 the MedTech Segment from March.
- In March Vimian acquired Avacta Animal Health, a veterinary medicine company specialised in Allergy in the UK. Avacta Animal Health was consolidated in the Specialty Pharma Segment from March.
- In April Vimian acquired Vertical Vet, one of the leading providers of procurement and support services to veterinary clinics in the US. Vertical Vet was consolidated in the Veterinary Services segment from April.
- In April Vimian acquired two product portfolios of veterinary surgical instruments and orthopedic implants in the US. The acquired portfolios have been integrated in the MedTech segment from April.
- The conflict in Ukraine has caused economic uncertainty around the world. It could potentially pose a risk to Vimians business, but it is hard to foresee the development of the conflict and potential long term consequences.
- Vimian is monitoring the situation closely and taking precautionary measures where required such as the build up of inventory of specific raw materials and finished goods.
- During the fourth quarter 2021 number of cases of Covid re-accelerated and led to reintroduced restrictions in some countries. The restrictions were eased during the first quarter 2022.
- Renewed restrictions during the fourth quarter 2021 did not have any negative impact on the business. The Diagnostics segment is still reporting Covid-related sales during the first quarter 2022. The Group is monitoring and evaluating the situation.

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 including sustainability risks. Please refer to Note 23 for more details.

Industry and market related risks

Covid

During the Covid pandemic, many countries implemented lockdown measures, which made it difficult for Vimian's Veterinary Services segment to recruit new members. As markets re-opened member recruitment reaccelerated during the fourth quarter 2021. The Group experienced limited supply shortages and lower production capacity during the Covid pandemic, for example when one of the Group's production facilities in the United States was forced to close for a couple of weeks.

There is a risk that diagnostics and pharmaceutical companies, in both the animal and human markets, have increased capacities to meet higher demand during the Covid pandemic. When the spread of Covid abates, an overcapacity may occur for these companies. It cannot be ruled out that human health companies will enter the animal health market, which would result in a further increase in competition and potential significant price competition.

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.

Employee safety and wellbeing
Risk for accidents in production/warehouses and health of employees in relation of mental and physical wellbeing.

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.

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 refers to the risk of not having access to cash and cash equivalents or unutilised credits to fulfil its payment undertakings. Financing risk refers to the risk that financing the Group's capital requirements and refinancing of outstanding debt may become more difficult or costlier. For acquired entities the Group's bank accounts and bank's structure are spread out and part of the Group's liquidity can become more difficult to transfer in the Group.

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. As a statistical calculation on 31 December 2021, a change in interest rate by 1 per centage point would have affected the Group's interest expenses, calculated on interest bearing liabilities to credit institutions as per the 31 December 2021, by approximately +/– EUR 1.7 million before tax.

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 150 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 income is primarily denominated in EUR and USD and its expenses are primarily denominated in EUR, USD and SEK and, to a limited extent, GBP, NOK, DKK and CHF. In most subsidiaries, income and expenses are denominated in the same currency as the functional currency of the entity and therefore, with certain exceptions, do not create any significant currency effects in the subsidiaries' accounts. However, on a consolidated level, Vimian is exposed to translational risk as the Group consolidates its financials in EUR.

Employees and remuneration
Number of employees
The number of employees at the end of December 2021 was around 600 (450).

Incentive programs
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 and other key employees (LTI 2021), and (ii) a warrant program for two independent members of the Board of Directors of the ompany (Board LTI 2021).

Long-Term Incentive programme 2021
The LTI 2021 is directed to the Group's Executive Management Team and other key employees. The purpose of the 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 Group has retained the right to, with certain exceptions, repurchase warrants if the participant's employment/assignment with the Group 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. In total, LTI 2021 will comprise up to 919,732 warrants, entitling to subscription of the same number of new ordinary shares in Vimian. The participants are offered to subscribe for the warrants at market value and the Group is not funding such investment. The subscription price per ordinary share shall correspond to 116% of the price in the Listing. The subscription price and number of ordinary shares in which each warrant carries an entitlement to be recalculated in the event of split or reversed split of shares or new issue of shares etc. in accordance with market practice.

Board Long-Term Incentive programme 2021
The program is directed to two independent members of the board in the company, Mikael Dolsten and Frida Westerberg. The principle of the Board LTI 2021 is that the board members, by private means subscribe for warrants issued by the Group, which are vested during a three-year period. The Group 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, do not remain in office during a three-year period. Notwithstanding the above, the Group 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 Group on a long-term basis. The subscription price per ordinary share shall correspond to 116% of the price in the Listing. 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. Subscription for new shares under the Board LTI 2021 can be made during the period 17 June 2024 to 17 July 2024.

Sustainability Report
The Group's Sustainability Report is published as part of the annual report on www.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 pages 48–54 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, 2021, was 389,321,230, of which 364,445,155 were ordinary shares and 24,876,075 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 0,001667.

Largest shareholders
As per December 31, 2021, Vimian Group had 1,645 shareholders, with the majority owner Fidelio

Capital holding 54.0% of capital and 57.3% of votes. The ten largest owners represented 81.5% of the capital and 84.2% of the votes.

After Fidelio Capital the largest shareholders were SEB Funds (6.3% of the votes), AMF Pension & Funds (4.7% of the votes), PRG Investment Holdings (4.3% of the votes), and Swedbank Robur Funds (2.7% 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 (SEK):	
Share premium reserve	4,648,940,671
To be carried forward	1,912,605,869
Net income	-70,386,031
	6,491,160,509
The Board proposes that the profit brought forward be appropriated as follows (SEK):	
Dividend to shareholders	–
To be carried forward (EUR)	**6,491,160,509**

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 2021. The Board's proposal to the general meeting in June 2022, is to not distribute any dividend for 2021.

Consolidated statement of profit or loss

kEUR	Note	2021	2020
Revenue from contracts with customers	3,4	173,350	71,228
Revenue		**173,350**	**71,228**
Other operating income		4,824	292
Raw material and merchandise	18	-50,501	-24,738
Other external expenses	5	-41,877	-12,652
Personnel expenses	6	-42,537	-16,340
Depreciation and amortisation	13, 14, 15	-16,689	-7,031
Other operating expenses	7	-4,973	-4,859
Operating profit		**21,597**	**5,901**
Finance income	8	866	125
Finance expense	9	-9,803	-3,368
Share of profit of an associate	17	99	52,883
Profit before tax		**12,759**	**55,541**
Income tax expense	10	-5,000	-3,229
Profit for the year		**7,759**	**52,312**
Profit for the year attributable to:			
Equity holders of the parent		6,586	52,794
Non-controlling interests		1,173	-482
Earnings per share, before and after dilution	11	0.02	0.18

Consolidated statement of comprehensive income

kEUR	Note	2021	2020
Profit for the year	3,4	7,759	52,312
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	22	7,742	-5,304
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans	28	-64	-47
Other comprehensive income for the year, net of tax		**7,678**	**-5,351**
Total comprehensive income for the year, net of tax		**15,437**	**46,960**
Total comprehensive income attributable to:			
Equity holders of the parent		14,240	47,655
Non-controlling interests		1,197	-695

Consolidated statement of financial position

kEUR	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Goodwill	12	326,921	229,690
Intangible assets	13	152,030	116,370
Property, plant and equipment	14	17,189	11,500
Right-of-use assets	15	9,223	5,272
Investment in associates	17	522	0
Non-current financial assets	16	1,275	689
Deferred tax assets	10	2,082	880
Total non-current assets		**509,244**	**364,400**
Current assets			
Inventories	18	32,996	23,564
Trade receivables	16, 23	30,961	22,312
Current tax receivables	10	709	79
Other receivables	16	5,323	1,997
Prepaid expenses and accrued income	19	6,369	5,534
Cash and cash equivalents	16, 20, 23	55,114	29,663
Total current assets		**131,472**	**83,147**
TOTAL ASSETS		640,716	447,548

kEUR	Note	31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity	22		
Share capital		64	2
Other contributed capital		294,984	178,574
Reserves		2,407	-5,247
Retained earnings including this year's profit		59,959	50,690
Total equity attributable to equity holders of the parent		**357,414**	**224,020**
Non-controlling interests		1,226	50,226
Total equity		**358,640**	**274,246**
Non-current liabilities			
Liabilities to credit institutions	16,23	163,110	72,099
Lease liabilities	15,23	7,273	3,946
Deferred tax liabilities	10	17,492	15,003
Other non-current liabilities	16,23	21,412	13,094
Non-current provisions	24,25	97	422
Total non-current liabilities		**209,385**	**104,565**
Current liabilities			
Liabilities to credit institutions	16,23	7,578	8,480
Lease liabilities	15,23	2,406	1,381
Trade payables	23	13,283	10,855
Current tax liabilities	10	7,875	3,974
Other current liabilities	16,23	27,594	36,950
Accrued expenses and prepaid income	26	13,956	7,098
Total current liabilities		**72,691**	**68,737**
TOTAL EQUITY AND LIABILITIES		640 716	447 548

Consolidated statement of changes in equity

		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 2020		**–**	**43,126**	**-164**	**-2,047**	**40,915**	**11,107**	**52,022**
Profit or loss for the year		–	–	12	52,782	52,794	-482	52,312
Other comprehensive income		–	–	-5,095	-44	-5,139	-213	-5,352
Total comprehensive income		**–**	**–**	**-5,083**	**52,738**	**47,655**	**-695**	**46,960**
Transactions with the owners	22							
Registered share capital		2	–	–	–	2	–	2
Shareholder contributions		–	134,505	–	–	134,505	–	134,505
Transactions with non-controlling interests		–	944	–	–	944	39,814	40,757
Total		**2**	**135,448**	**–**	**–**	**135,451**	**39,814**	**175,264**
Closing balance 31 Dec 2020		**2**	**178,574**	**-5,247**	**50,691**	**224,020**	**50,226**	**274,246**
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**

Consolidated statement of cash flow

kEUR	Note	2021	2020
Operating activities			
Operating profit		21,597	5,902
Adjustments for non-cash items	27	18,087	11,314
Interest received		520	89
Interest paid		-8,463	-2,520
Paid income tax		-5,878	-1,493
Cash flow from operating activities before changes in working capital		**25,863**	**13,293**
Cash flow from change in working capital			
Change in inventories		-4,259	-3,814
Change in operating receivables		-5,562	-2,781
Change in operating liabilities		-28	-1,896
Cash flow from operating activities		**16,014**	**4,801**
Investing activities			
Acquisition of a subsidiary, net of cash acquired	31	-102,456	-69,186
Investments in associates		-550	-31,690
Proceeds from sale of associates		–	349
Dividend from associates		126	98
Investments in intangible assets		-6,085	-1,436
Investments in property, plant and equipment		-5,407	-4,158
Proceeds from sale of property, plant and equipment		–	4
Investment in other financial assets		-762	-463
Proceeds from sale of financial assets		137	1,238
Cash flow from investing activities		**-114,997**	**-105,244**

kEUR	Note	2021	2020
Financing activities			
New share issue		50,120	2
Warrant program		1,142	–
Shareholder contributions		–	129,207
Transaction costs		-545	–
Proceeds from borrowings	27	175,526	22,761
Repayment of borrowings	27	-102,017	-34,851
Payment of lease liabilities	27	-2,295	-929
Transactions with non-controlling interests		2,010	2,375
Cash flow from financing activities		**123,941**	**118,566**
Cash flow for the year		24,958	18,123
Cash and cash equivalents at beginning of the year		29,663	12,043
Exchange-rate difference in cash and cash equivalents		493	-503
Cash and cash equivalents at end of the year	20	**55,114**	**29,663**

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 May 4, 2022 and will be presented to the annual general meeting June 2, 2022 for approval.

Basis for preparation of the consolidated financial statements

Vimian Group AB was registered with the Swedish Companies Registration Office on 2 January 2020. On 29 December 2020, Vimian Group AB acquired 100% of the shares in the holding companies for the four sub-groups that comprise Vimian Group from Fidelio Capital AB. The acquisition was made at book-values. An amount corresponding to the purchase consideration was, thereafter, immediately paid as an unconditional capital shareholder contribution. On the transaction date, Fidelio Capital AB owned 100% of Vimian Group AB and thereby holds a controlling interest over the four companies Vimian Pharma Holding AB, Indical HoldCo AB, Ossium TopCo AB and Akial HoldCo AB both before and after the transaction.

The formation of the Vimian Group is thus a transaction under common control that is not covered by any IFRS standard. This means that a suitable accounting policy must be applied in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. One applicable and established policy is to use the previous carrying amounts (predecessor basis), which is the policy the Vimian Group has chosen to apply.

The financial statements up until the formal establishment of the group on 29 December 2020 are thus an aggregation of the financial information for the groups above and is presented as if the sub-groups had been one Group under all periods presented, based on the values and for the periods they formed part of the Fidelio Capital AB Group. Subsidiaries are thereby included in the consolidated financial statements from the point in time they are acquired from an external party.

- **Nextmune:** Vimian Pharma Holding AB, the holding company for the Nextmune Group, was established in 2017 and acquired 50% of Nextmune HoldCo in March 2018. In November 2020, the remaining 50% of the participating interest was acquired from an external party and as of that time Vimian Pharma Holding AB constitutes a subsidiary in the Group. During the period from 28 March 2018 to 24 November 2020 it was recognised as an associate using the equity method.
- **Indical:** Indical HoldCo AB was acquired in April 2018 and has been included in the consolidated financial statements as a subsidiary since that time.
- **VetFamily:** Akial HoldCo AB was acquired in February 2019 and has been included in the consolidated financial statements as a subsidiary since that time.
- **Movora:** This sub-group consists of three different sub-subgroups, where Kyon was acquired in June 2019 and has been included in the Group since that time. BioMedtrix and VOI have been included in the consolidated financial statements since they were acquired in March and June 2020, respectively.
- In the periods covered by these financial statements, the four sub-subgroups have carried out supplementary acquisitions that have been included in the consolidated financial statements as of the respective acquisition dates.

Given that the financial statements comprised four aggregated groups up until 29 December 2020, the following considerations were made for the period up until 29 December 2020:

- Elimination of internal transactions: transactions between subsidiaries and the former groups have been eliminated where applicable.
- Operating segments consist of the operations of the four sub-groups: Specialty Pharma, MedTech, Diagnostics and Veterinary Services.
- Transactions with Fidelio Capital AB have been recognised as transactions with external parties and classified as related-party transactions.
- Income tax comprises the sum total of taxes for the four sub-groups.

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 "&B248&". 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.

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.

New or amended standards after 2021

A number of new and amended accounting standards have not yet entered into force and have not been early adopted in the preparation of Group's and Parent Company's financial statements. The Group intends to comply with these new and amended standards once they enter into force. These standards and amendments of standards as published by IASB are not expected to have any material impact on the Group's or Parent Company's 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

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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.

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 recognised 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:

Steg 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.

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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 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 veterinary clinics, services in business development for clinics (VetBusiness) and VetPlan, which is a subscription-based digital healthcare plan comprising of preventive health services.

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.

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 76 as of 31 December 2020.

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.

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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.

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 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.

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 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	2–5 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

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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 liability 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 amortised 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 amortised cost are initially measured at fair value including transaction costs. These assets are subsequently measured at amortised 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

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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.

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 recognised 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 recognised. 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 – This part of the business operates in three therapeutic areas: Allergy diagnostics and allergy treatment, Dermatology and Specialized diet. The offer includes proprietary diagnostics, prescription and over-the-counter treatments for both preventive care and chronic conditions for dogs, cats and horses.

MedTech – This part of the business operates in the area of orthopaedic implants for pets. In addition to designing and distributing orthopaedic implants and instruments, the segment also organises training seminars at which veterinarians learn a number of different procedures and gain an insight into the latest product developments. The product portfolio includes advanced hip implants and sutures.

Diagnostics – This part of the business provides diagnostics specifically developed for veterinary applications. The segment develops, manufactures and sells complete diagnostic solutions, including sample preparation, PCR (molecular diagnostics) and ELISA technology (immunodiagnostics). The products are used by laboratories primarily to identify the presence of viruses and bacteria in production and pet animals, to counteract the spread and contribute to better health in animals and humans.

Veterinary Services – This part of the business is a provider of technology-based services to independent animal hospitals and veterinary clinics in Europe. Members of Vimian's Veterinary Services offer both access to attractive terms with suppliers and a valuable platform for training, marketing and business development. The segment also offers pet owners a subscription-based digital care plan consisting of preventive care services that aims to improve animal welfare and reduce the risk of serious health problems by creating a regular dialogue between pet owners and veterinarians. In 2021, Vimian has signed a joint ownership agreement with 3 veterinary clinics. Through these partnerships, Vimian helps veterinarians grow and develop their clinics, while remaining independent.

Vimian has central functions at Group level in finance, 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 CEO mainly uses adjusted earnings before interest, tax and amortisation and write-downs on acquisition-related intangible assets ("" Adjusted EBITA "") in the assessment of the operating segments' results. The CEO also receives ongoing information about the segments' revenues and assets.

Cont. note 3

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**	**0**	**53,471**
Items affecting comparability[1]	-3,889	-4,869	-1,873	-761	-11,393	-8,434	0	-19,826
EBITA	**18,075**	**15,410**	**6,329**	**3,933**	**43,747**	**-10,102**	**0**	**33,645**
Amortisation of acquisition-related intangible assets	-5,427	-4,317	-757	-1,547	-12,048	0	0	-12,048
Finance income	60	37	416	353	866	–	0	866
Finance expense	-2,642	-1,877	-423	-113	-5,055	-4,748	0	-9,803
Share of profit of an associate	–	–	–	99	99	–	0	99
Profit before tax	**–**	**9,253**	**5,565**	**2,725**	**27,610**	**-14,851**	**0**	**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-19; 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.

2020	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total segments	Group functions	Elimina-tions	Group total
Revenue								
Revenue from external customers	4,933	31,161	20,673	14,462	71,228	–	–	71,228
Total revenue	**4,933**	**31,161**	**20,673**	**14,462**	**71,228**	**–**	**–**	**71,228**
Adjusted EBITA	**1,394**	**10,748**	**5,940**	**5,203**	**23,285**	**–**	**–**	**23,285**
Items affecting comparability[1]	-951	-9,488	-397	-1,540	-12,375	–	–	-12,375
EBITA	**443**	**1,260**	**5,543**	**3,663**	**10,910**	**–**	**–**	**10,910**
Amortisation of acquisition-related intangible assets	-339	-2,605	-603	-1,463	-5,009	–	–	-5,009
Finance income	12	–	19	94	125	–	–	125
Finance expense	-439	-2,064	-219	-646	-3,368	–	–	-3,368
Share of profit of an associate	52,784	–	–	98	52,883	–	–	52,883
Profit before tax	**52,462**	**-3,408**	**4,741**	**1,747**	**55,541**	**–**	**–**	**55,541**
1. Specification of items affecting comparability								
Acquisition-related costs	907	4,213	200	461	5,781	–	–	5,781
Systems update	42	–	81	218	341	–	–	341
Restructuring costs	2	–	76	–	78	–	–	78
Inventory step-up	–	4,502	–	–	4,502	–	–	4,502
Other[1]	–	772	40	861	1,673	–	–	1,673
Total items affecting comparability	**951**	**9,488**	**397**	**1,540**	**12,375**	**–**	**–**	**12,375**
Other disclosures								
Capital expenditure	70	3,277	1,039	133	4,520	–	–	4,520
Total assets	254,225	123,728	34,281	44,058	447,545	2	–	447,548
Total liabilities	104,637	44,560	20,368	12,483	173,302	–	–	173,302

1) Main items in other are: Veterinary Services: Costs of establishing presence in China and Spain, MedTech: Legal fees in USA due to patent litigation.

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	2021 Revenue from external customers	2020 Revenue from external customersr
Sweden	6,430	1,990
USA	56,038	22,505
Germany	13,663	9,051
France	11,942	7,054
UK	11,727	3,092
Italy	23,081	2,465
Other countries	50,469	25,071
Total	**173,350**	**71,228**

Disclosures per country in which the Group has operations	2021 Non-current assets	2020 Non-current assets
Sweden	131,029	19,545
USA	170,124	118,498
Italy	75,385	106,319
Netherlands	34,130	37,667
Germany	20,210	29,332
Switzerland	22,435	14,607
France	31,324	7,326
Other countries	20,728	37,665
Total	**505,364**	**370,957**

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

2020	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Geographic region					
Europe	3,947	6,884	15,764	14,462	41,056
North America	871	21,719	2,507	–	25,096
Rest of the world	116	2,558	2,402	0	5,076
Revenue from contracts with customers	**4,933**	**31,161**	**20,673**	**14,462**	**71,228**

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**

Contract assets	**2021**	**2020**
Opening balance	4,869	2,991
Material changes in contract assets		
due to business combinations	2,052	57
Changes attributable to the normal course of business	-4,812	1 821
Closing balance	**2,109**	**4,869**

Contract liabilities	**2021**	**2020**
Opening balance	74	–
Material changes in contract liabilities		
due to business combinations	–	–
Changes attributable to the normal course of business	213	74
Closing balance	**287**	**74**

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. For more information on contract assets and liabilities see note 19 and 26.

Note 5 Audit fees

	2021	2020
Grant Thornton		
Audit assignment	735	211
Other auditing activities	–	3
Tax advisory services	67	119
Other services	344	4
Total	**1,145**	**337**
Wallace Plese + Dreher		
Audit assignment	34	11
Other auditing activities	–	–
Tax advisory services	7	3
Other services	2	–
Total	**42**	**14**
BDO		
Audit assignment	–	3
Other auditing activities	–	–
Tax advisory services	–	–
Other services	–	3
Total	**–**	**6**
Total audit fees	**1,188**	**357**

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	2021 Average number of employees	2021 Women, %	2021 Men, %	2020 Average number of employees	2020 Women, %	2020 Men, %
Parent entity	6	67	33	–	–	-
Subsidiaries in:						
Denmark	8	74	26	8	100	0
France	41	50	50	25	52	48
Italy	53	49	51	50	44	56
Japan	3	0	100	1	0	100
Canada	5	60	40	3	100	0
China	10	40	60	9	44	56
Netherlands	52	62	38	31	70	30
Norway	12	91	9	11	91	9
Switzerland	25	38	62	16	44	56
Spain	22	75	25	15	78	22
Sweden	37	63	37	21	43	57
Germany	81	65	35	69	68	32
USA	138	59	41	109	56	44
Austria	1	0	100	1	0	100
Australia	3	38	63	0	0	0
Brazil	3	33	67	0	0	0
UK	18	50	50	19	42	58
Total in Group	517	58	42	388	58	42

Personnel expenses	2021	2020
Subsidiaries[1]		
Salaries and other remuneration	33,445	13,072
Social security contributions	5,654	2,013
Pension costs	947	446
Other personnel costs	1,724	809
Total	41,770	16,340
Parent company[2]		
Salaries and other remuneration	540	–
Social security contributions	146	–
Pension expenses	54	–
Other personnel expenses	28	–
Total	767	–

1) All employees including CEO and senior executives

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

CEO and senior executives 2020	Base salary	Variable remuneration	Pension expense	Other remuneration	Total
Fredrik Ullman	282	–	–	–	282
Other senior executives (9)	837	619	967	22	2,444
Total	1,119	619	967	22	2,726

Variable remuneration refers to bonus.

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

Remuneration and employment terms for senior executives

2) The Parent entity of the Group, Vimian Group AB, did not have any employees during financial year 2020 and there was no Group management in the periods presented in the financial statements. Group management was formed during 2021, and comprises nine individuals, seven of whom were employed in Group subsidiaries during the historical periods. Their remuneration in the tables above represents the remuneration that they received in the roles they had during the historical periods, of whom six of these individuals are CEOs of subsidiaries and the current Group CFO was the CFO of one of the subgroups. The other three members of Group management were employed in 2021.

Board fees[4] 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

Board fees 2020	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	–	–	–	–	–
Frida Marie-Louise Westerberg, Board member	–	–	–	–	–
Total	–	–	–	–	–

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.

Cont. note 6

Warrant programs

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 88.20 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.

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 modell – inputdata	LTI 2021	Board LTI 2021
Excercise price (SEK)	88.20	88.20
Grant date	June 17th 2021	June 17th 2021
End date	June 17th 2024	June 17th 2024
Share price at grant date (SEK)	76.00	76.00
Expeced volatility (%)	31.0	31.0
Expected yield (%)	13.56	13.56
Risk free interest rate (%)	0.26	0.26

The expected volatility was based on 31%

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

Note 7 Other operating expenses

	2021	2020
Acquisition-related expenses	3,852	4,211
Foreign exchange losses	260	260
Loss on disposal of property, plant and equipment	15	29
Other expenses	846	359
Total	**4,973**	**4,859**

Note 8 Finance income

	2021	2020
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	–	6
Total recognised in profit or loss	**–**	**6**
Assets measured at amortised cost:		
Interest income from trade receivables	21	–
Interest income from other financial assets	4	13
Total interest income in accordance with the effective interest method	**25**	**13**
Other finance income:		
Exchange differences – income, financial items	838	92
Other income	4	14
Total	**842**	**106**
Total finance income	**866**	**125**

Note 9 Finance expense

	2021	2020
Assets and liabilities measured at fair value through profit or loss		
Changes in fair value of contingent consideration	950	276
Total recognised in profit or loss	**950**	**276**
Liabilities measured at amortised cost		
Interest expense liabilities to credit institutions	4,736	2,335
Interest expense other financial liabilities	1,769	112
Total interest expense in accordance with the effective interest method	**6,505**	**2,446**
Other finance expense:		
Exchange differences – expense, financial items	2,133	496
Other expenses	1	7
Interest expense lease liabilities	212	143
Total	**2,347**	**646**
Total finance expense	**9,803**	**3,368**

Note 10 Income Tax Expense

	2021	2020
Current tax		
Current tax on profit for the year	8,526	3,690
Adjustment relating to prior years	-3	205
Total current tax	**8,523**	**3,895**
Deferred tax		
Deferred tax attributable to temporary differences	-3,523	-666
Total deferred tax	**-3,523**	**-666**
Recognised tax in profit or loss	**5,000**	**3,229**

Cont. note 10

Reconciliation of effective tax rate	2021	2020
Profit before tax	**12,758**	**55,588**
Tax at the domestic rates applicable to profits in the country concerned	4,185	12,957
Tax effect of:		
Changes in tax rates	106	0
Non-deductible expense	5,567	-773
Non-taxable income	-3,111	-7
Share of results of an associate	-387	-11,236
Increase in tax losses without recognition of deferred tax assets	-1,340	610
Utilisation of unrecognised loss carry-forwards	–	-73
Tax attributable to prior years	-19	204
Recognised tax	**5,000**	**3,229**
Effective tax rate	39	6

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 2020	12	–	21	34
From business combinations	–	672	92	764
Recognised:				
In profit or loss	8	-58	122	72
In other comprehensive income	–	–	10	10
Closing balance 31 Dec 2020	**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**

Deferred tax liabilities	Untaxed reserves	Intangible assets	Other	Total
Opening balance 1 Jan 2020	4	2,736	1,067	3,807
From business combinations	–	11,141	680	11,821
Recognised:				
In profit or loss	141	-651	-84	-594
Translation differences	6	57	-93	-30
Closing balance 31 Dec 2020	**152**	**13,282**	**1,569**	**23,750**
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**

*) 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 in the Nextmune business combination were smaller than initially anticipated. As a result, there was a decrease in the deferred tax liability of EUR 8,746 thousands with a corresponding reduction of goodwill. See Note 31 for further information about the updated purchase price allocation.

There are loss carry-forwards for which deferred tax assets have not been recognised in the balance sheet in the amount of kEUR 6 643 (kEUR 956) 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	2021	2020
Profit for the year attributable to equity holders of the parent	6,586	52,794
Weighted average number of ordinary shares outstanding[1]	349,950,852	299,821,958
Basic earnings per share	**0.02**	**0.18**

Dilkuted earnings per share	2021	2020
Profit for the year attributable to equity holders of the parent	6,586	52,794
Weighted average number of ordinary shares outstanding	349,976,508	299,821,958
Diluted earnings per share	**0.02**	**0.18**

Reconciliation weighted average number of shares	2021	2020
Weighted average number of ordinary shares outstanding, basic	349,950,852	299,821,958
Dilutive effect from outstanding warrants[2]	25,656	–
Weigted average number of ordinary shares outstanding, diluted	**349,976,508**	**299,821,958**

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 hare the same right to dividend. Vimian Group AB was registered with the Swedish Companies Registration Office on 2 January 2020 and thus did not have share capital for the entire historical financial statements. The share capital comprised 25,000 ordinary shares until 19 April 2021. At an extraordinary general meeting of shareholders on 19 April 2021, a new share issue of 475,000 ordinary shares was decided. The new share issue was registered with the Swedish Companies Registration Office in May 2021. All shares were subscribed at par value SEK 1 per share by Fidelio II Holding TopCo AB. For the purpose of calculating earnings per share, the Group has assumed that the new share issue has given rise to a bonus element, which changes the number of outstanding shares retroactively. In addition a reverse share split and a share split was perfomed in May 2021 meaning that the number of shares increased from 500,000 ordinary shares to 299,821,958. For illustrative purposes, the company has decided to present the number of shares as the number of registered shares after the reverse share split and the share split for the historical periods up until 22 May 2021, meaning 299,821,958 shares.
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.

Note 12 Goodwill

Cost	Goodwill
Opening balance 1 Jan 2020	**39,110**
From business combinations	193,726
Exchange differences on translation of foreign operations	-3,147
Closing balance 31 Dec 2020	**229,690**
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**

*) 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 in the Nextmune business combination were smaller than initially anticipated. As a result, there was a decrease in the deferred tax liability of EUR 8,746 thousands with a corresponding reduction of goodwill. See Note 31 for further information about the updated purchase price allocation.

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:

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

2020	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Total
Goodwill	137,680	56,457	11,452	24,101	**229,690**

Cont. note 12

Impairment test 2021

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 2021, 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 2021	Specialty Pharma	MedTech	Diagnostics	Veterinary Services
Pre-tax discount rate (%)	11.3	13.5	12.0	12.0
Forecast period (years)	4 years	4 years	4 years	4 years
Terminal cash flow growth rate (%)	2	2	2	2

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 is drawn up for the following year and a forecast is drawn up 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 during the years consist of sales volumes, sales 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.

Impairment test 2020 and 2019

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 or group of cash-generating units to which the goodwill is allocated. The recoverable amount is calculated based on fair value less costs of disposal. For the historical periods 2018-2020, the calculation was carried out by applying valuation multiples from listed entities in the same or closely related line of business in terms of products and customers to trailing 12-month adjusted EBITDA (EV/EBITDA). According to these valuation multiples, a high safety margin has been obtained by utilising substantially lower multiples (10x - 15x EBITDA) than those of comparable entities. The completed multiple valuations showed that, despite the use of these significantly lower multiples, significant changes would be required relating to the selected multiples and other assumptions before any impairment would be required. The Board's assessment is therefore that there is significant headroom in the valuations before an impairment requirement would be relevant for the financial year 2020.

Note 13 Intangible assets

Cost	Internally generated intangible assets	Customer relationships	Patents & licences	Brands and trademarks	Technology	Total intangible assets
At 1 Jan 2020	**162**	**7,804**	**38**	**6,585**	**4,589**	**19,178**
Separate acquisition	0	0	0	0	375	375
From business combinations	0	42,315	0	45,069	16,137	103,522
Internally developed	1,061	0	0	0	0	1,061
Exchange differences	4	21	0	-94	-84	-153
At 31 Dec 2020	**1,227**	**50,140**	**38**	**51,560**	**21,017**	**123,982**
Separate acquisition	–	686	–	–	814	1,501
From business combinations	0	20,526	0	12,542	6,928	39,997
Internally developed	4,584	–	–	–	–	4,584
Reclassifications	8	-139	0	206	138	213
Sales/disposals	-310	-142	0	0	0	-452
Exchange differences	-10	2,009	0	335	482	2,816
At 31 Dec 2021	**5,499**	**73,081**	**38**	**64,644**	**29,379**	**172,641**
Amortisation						
At 1 Jan 2020	-4	-1,485	-12	-536	-491	-2,528
Amortisation for the year	-123	-2,893	-6	-924	-1 184	-5,131
Exchange differences	-4	31	0	-19	37	45
At 31 Dec 2020	**-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	0	0	0	71	0	71
Reclassifications	-3	-173	0	-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**
Closing balance at 31 Dec 2020	1,096	45,793	19	50,082	19,379	116,369
Closing balance at 31 Dec 2021	4,838	61,341	19	60,597	25,234	152,032

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 2020	–	1,895	105	2,000
Additions	2,765	1,298	12	4,075
From business combinations	1,939	4,238	701	6,879
Sales and disposals	-1	-83	–	-85
Reclassifications	1,421	-1,421	–	–
Exchange differences on translation of foreign operations	–	14	–	14
At 31 Dec 2020	**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**
Depreciation				
At 1 Jan 2020	0	-439	-9	-447
Depreciation for the year	-39	-746	-139	-924
Exchange differences on translation of foreign operations	–	-10	-1	-11
At 31 Dec 2020	**-39**	**-1,195**	**-149**	**-1,383**
Depreciation for the year	-279	-1,643	-241	-2,163
Sales and disposals	–	15	0	15
Reclassifications	-6	218	-116	96
Exchange differences on translation of foreign operations	-9	-68	-22	-99
At 31 Dec 2021	**-333**	**-2,673**	**-528**	**-3,534**
Closing balance at 31 Dec 2020	6,085	4,745	669	11,500
Closing balance at 31 Dec 2021	7,969	8,834	387	17,189

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 2020	**2,474**	**221**	**2,695**	**2,719**
Additions	3,460	581	4,041	4,031
Depreciation	-841	-135	-976	0
Terminations	-398	0	-398	-401
Remeasurement of leases	7	0	7	7
Translation differences	-95	-2	-97	-101
Interest expense	0	0	0	145
Lease payments	0	0	0	-1,074
At 31 Dec 2020	**4,607**	**665**	**5,272**	**5,326**
Additions	6,534	852	7,386	3,117
Depreciation	-1,458	-493	-1,950	0
Concluded leases	-1,445	-32	-1,477	0
Remeasurement of leases	-75	3	-72	1,925
Translation differences	62	3	65	112
Interest expense	–	–	0	205
Lease payments	–	–	0	-1,005
At 31 Dec 2021	**8,225**	**998**	**9,223**	**9,679**

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

	2021	2020
Depreciation expense of right-of-use assets	-1,950	-976
Interest expense on lease liabilities	205	-145
Total	**-1,746**	**-1,121**

Cash outflow related to lease contracts amounts to kEUR 1,718 for the financial year 2021 (kEUR 1,074). 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 2020	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	–	689	689
Trade receivable	–	22,312	22,312
Other receivables that are financial instruments	–	158	158
Accrued income	–	4,869	4,869
Cash and cash equivalents		29,663	29,663
Total	**–**	**57,690**	**57,690**
Financial liabilities			
Liabilities to credit institutions	–	80,579	80,579
Lease liabilities	–	5,326	5,326
Other non-current liabilities	–	12,701	12,701
Contingent consideration	2,466	–	2,466
Trade payables	–	10,855	10,855
Other current liabilities that are financial instruments	–	31,156	31,156
Accrued expenses	–	3,860	3,860
Total	**2,466**	**144,478**	**146,943**

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**

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.

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 2021				
Contingent consideration	–	–	24,700	**24,700**
Financial liabilities measured at fair value as of 31 Dec 2020				
Contingent consideration	–	–	2,466	**2,466**

Contingent consideration

Contingent considerations have been recognised as a result of some of the Group's business combinations. The contingent considerations depend on the future earnings or sales in the acquired entities. The contingent considerations will be settled in cash. The contingent considerations are included in the following items above: other non-current liabilities kEUR 21 216 (kEUR 318) and other current liabilities kEUR 3 484 (kEUR 2 148). The contingent considerations are measured at fair value by discounting the expected cash flows by a risk adjusted discount rate. The contingent considerations are found in level 3 of the fair value hierarchy.

Contingent consideration	2021	2020
Opening balance	**2,466**	**3,630**
Business combinations	23,053	736
Paid out	-1,850	-2,208
Change in fair value recognised in profit or loss	946	270
Exchange differences	86	38
Closing balance	**24,700**	**2,466**

Note 17 Investment in associates

1 Jan – 24 Nov 2020

The Group's only significant associate until November 24 2020 was Nextmune HoldCo AB, which was recognised in accordance with the equity method of accounting. On 28 March 2018, Vimian Pharma Holding AB acquired 50% of the shares in Nextmune HoldCo AB. The holdings were recognised as an associate according to the equity method from 28 March 2018 since a significant but not controlling interest was held based on a participating interest and an agreement between the shareholders. On 24 November 2020, the remaining 50% of the shares in Nextmune HoldCo were acquired from the other external shareholder. Hence, from that date Nextmune HoldCo AB became a subsidiary and was recognised by applying the acquisition method of accounting. In connection with the

Cont. note 17

acquisition on 24 November 2020, the investment in the associate was recognised as a divestment, whereby the difference between the fair value of prior holdings (based in the acquisition price on 24 November 2020) and the carrying amount of investment in associates was recognised as a gain.

Significant information regarding Nextmune HoldCo AB's historical assets and liabilities and income statement is presented below. Since Nextmune was a subsidiary as per 31 December 2020, the balance sheet is fully reflected in Vimian's consolidated financial statements as per 31 December 2020.

Statement of financial position – Nextmune HoldCo AB

kEUR	2019	2018
Non-current assets	33,672	26,681
Current assets	2,690	6,101
Non-current liabilities	-10,986	-9,641
Current liabilities	-5,853	-3,965
Net assets	**19,524**	**19,175**

Reconciliation against carrying amount:	2019	2018
Net assets at 1 Jan	19,175	18,109
Profit for the period	660	1,065
Other comprehensive income	-311	–
Dividend paid	–	–
Net assets at 31 Dec	**19,524**	**19,175**
Group's share in equity, %	50	50
Group's share in equity, kEUR	9,762	9,587
Capital contribution	1,992	–
Goodwill	665	676
Carrying amount	**12,419**	**10,263**

Share of profit of an associate for 2020 is comprised of two components: the share of profit for the period 1 January – 24 November 2020 and the accounting effect of the divestment of the investment in associates when Nextmune became a subsidiary. Specification as follows:

Share of profit for the period 1 Jan – 24 Nov 2020	1,773
Gain from the divestment transaction	51,011
	52,784

Statement of profit or loss for financial year – Nextmune HoldCo AB

kEUR	1 Jan 2020 –24 Nov 2020	1 Jan 2019 –31 Dec 2019
Revenue from contracts with customers	31,650	20,812
Revenue	**31,650**	**20,812**
Other operating income	443	14
Raw material and merchandise	-7,184	-5,171
Other external expenses	-8,930	-5,681
Personnel expense	-8,695	-7,220
Depreciation and amortisation	-1,714	-1,517
Other operating expenses	-145	-13
Operating profit	**5,425**	**1,224**
Finance income	139	5
Finance expense	-876	-538
Share of profit of an associate	–	–
Profit before tax	**4,688**	**690**
Income tax expense	-1,326	-30
Profit for the period	**3,362**	**660**
Other comprehensive income		
Exchange differences on translation of foreign operations	-1,061	-311
Total other comprehensive income for the period, net of tax	**-1,061**	**-311**
Total comprehensive income for the period, net of tax	**2,301**	**349**

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	12.76%	**21%**

	31 Dec 2021
Share of comprehensive income of associates	99
Income is allocated in Blalance 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 Blalance Sheet as follow:	
Investment in associates	550
Share of profit of associate	-28
Total	**522**

Note 18 Inventories

	2021	2020
Raw materials and consumables	1,664	3,295
Products in progress	3,108	1,236
Finished goods and goods for resale	28,205	19,654
Advance payments to suppliers	18	–
Revaluation*	–	-620
Carrying amount	**32,996**	**23,564**

*) 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 2021 financial year amounted to kEUR 5 (kEUR 88). Impairment was recognised in profit or loss under the item 'Raw materials and merchandise'.

Note 19 Prepaid expenses and accrued income

	2021	2020
Prepaid insurance	127	69
Other prepaid expenses	4,133	595
Accrued income	2,109	4,869
Carrying amount	**6,369**	**5,534**

Note 20 Cash and cash equivalents

	2021-12-31	2020-12-31
Bank balances	55,114	29,663
Carrying amount	**55,114**	**29,663**

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 2021	31 Dec 2020
Vimian Group AB (publ)	SE: 559234-8923	Stockholm		Parent entity
Vimian FinCo AB	SE: 559313-2474	Stockholm	100	–
VOI Holdings LLC	US: 85-0879106	Florida	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	93
Nextmune AB	SE: 559062-0927	Stockholm	100	93
Nextmune Holding B.V.	NL: 64273091	Lelystad	100	93
Nextmune B.V. (previously Artuvet Animal Health B.V.)	NL: 64401898	Lelystad	100	93
Nextmune Onroerend goed B.V. (previously Artuvet Onroerengoed B.V.)	NL: 39046747	Lelystad	100	93
Nextmune US LLC (previously Spectrum Veterinary LLC)	EIN: 35-2589699	Arizona	100	93
Nextmune AS (previously Dr. Baddaky AS)	NO: 918605495	Skotterud	100	93
Nextmune Scandinavia AB (previously Dr. Baddaky Europe AB)	SE: 556625-5799	Eda	100	93
Nextmune S.L. (previously Alergovet S.L.)	ES: B81706962	Madrid	100	93
Aristavet Veterinärspezialitäten GmbH & Co. KG	DE: HRA 551246	Weingarten	100	93
Aristavet Verwaltungsgesellschaft mbH	DE: HRB 200711 B	Weingarten	100	93
EUMAR Pharma-GmbH*	DE: HRB 551652	Weingarten	0	93
Nextmune Italy S.r.l.	IT: MI-2067898	Cremona	100	93
I.C.F. S.r.l.**	IT: 00853100196	Cremona	0	93
Nextmune Ltd (previously Vetruus Limited)	UK: 07672523	Buckinghamshire	100	93
DRN. S.r.l.**	IT: 02649660244	Cremona	0	93
Nextmune Strawfield LLC	EIN: 85-2641732	Indiana	100	93
Nextmune Holding US INC	US: 87-3615002 (EIN)	Indiana	100	–
GlobalOne Pet Products LLC	US: 45-4149123 (EIN)	Texas	100	–
GlobalOne Pet INC	US: 26-2893539 (EIN)	Aliso Viejo	100	–
Diagnostico y Aplicaciones de Veterinaria S. L.	ES: B86633906	Madrid	100	–
Nutra Naturals Corporation	CA:1019852-8	Toronto	100	–
Laboratoire de Dermo-Cosmetique Animale SaS	FR:448 582 932	Labruguière	100	–
Dermocent Inc	US: 85-2851759 (EIN)	Texas	100	–
Laboratório de saúde animal Dermoscent Ltda unipessoal	BR: 42.763.251/0001-78	Rio de Janeiro	100	–
Strawfield Pets AB	SE: 559270-5858	Stockholm	100	93
Vimian Services Holding AB (previously Akial Holdco AB)	SE: 559181-1418	Stockholm	100	100
Akial AB	SE: 559179-2949	Stockholm	100	63

Company	Corp. Reg. No.	Registered office	Equity, %/ voting interest, % 31 Dec 2021	31 Dec 2020
VetFamily Holding AB	SE: 559173-4693	Danderyd	100	63
VetFamily AB	SE: 556969-5371	Stockholm	100	63
VetFamily ApS	DK: 26416418	Århus	100	63
VetFamily AS	NO: 914,470,595	Billingstad	100	63
VetFamily B.V.	NL: 857467694	Amsterdam	100	63
VetFamily GmbH	AT: 494053 z	Mödling	100	63
VetFamily GmbH	DE: HRB 79580	Kempen	100	63
VetFamily SAS	FR: 840,410,161	Dardilly	100	63
Bourgelat SAS	FR: 522,025,063	Ceyzeriat	75	63
Pick & Go Negoce***	FR: 843,659,129	Saint-Laurent-de-Gosse	0	63
Web in Vet***	FR: 848,707,683	Allouville-Belle-fosse	0	63
Pick & Go Software***	FR: 843,659,186	Saint-Laurent-de-Gosse	0	63
VetFamily Solutions SAS (previously Pick & Go Consulting)	FR: 529,067,621	Saint-Laurent-de-Gosse	100	63
Elia-Digital	FR: 832,877,211	Rennes	100	63
VetFamily Partners S.L.U.	ES: 2019C3632470 158V	Madrid	100	63
VetFamily Limited	HK: 71680320-000-03-20-1	Hong Kong	100	63
VetFamily China	91110113MA01Q2793N	Beijing	100	63
VetFamily Clinic Development I AB	SE: 559321-4892	Stockholm	100	–
VetFamily Clinic Development II AB	SE: 559321-4900	Stockholm	100	–
VetFamily Clinic Development ApS	DK: 42489530	Højbjerg	100	–
Avedøre Dyreklinik ApS	DK: 28887388	Hvidovre	70	–
Skovshoved Dyreklinik ApS	DK: 42490121	Charlottenlund	90	–
Brunder Dyrehospital ApS	DK: 40089861	Brønderslev	80	–
VetFamily Pty Ltd	AU: 651 051 535	New South Wales	100	–
Independent Vets of Australia	AU: ABN 86 612 789 090	New South Wales	100	–
Vimian Medtech Holding AB (previously Ossium TopCo AB)	SE: 559192-1217	Stockholm	100	100
Ossium HoldCo LLC	EIN: 35-2685233	Delaware	100	95
Ossium BidCo LLC	EIN: 38-4141242	Delaware	100	95
Ossium NewCo LLC	EIN: 36-4968289	Delaware	100	75
IMEX Veterinary, LLC	US 75-2342164	Texas	100	–
Movora Co., Ltd.	Japan-0104-01-133995	Tokyo	100	75
Kyon Pharma	EIN 20-8097072	Delaware	100	75

Cont. note 21

Company	Corp. Reg. No.	Registered office	Equity, % / voting interest, % 31 Dec 2021	31 Dec 2020
Ossium HoldCo AB	SE: 559192-1225	Stockholm	100	75
Ossium AG	CHE-311.274.721	Zürich	100	75
Kyon AG	CHE-100.420.064	Zürich	100	75
VOI Corporation Inc	85-0999735	Florida	100	75
Veterinary Orthopedic Implants, LLC	EIN: 36-3907253	Delaware	100	75
VOI Canada, ULC	767634694	Ontario	100	75
VOI Europe, SARL	82944460300023	Orly	100	75
Freelance Surgical	GB: 4039065	Bristol	100	–
AdVetis Medical SAS	FR: 810 473 454	Paris	100	–
Ossium Management Co LLC	US: 35-269199850	San Francisco	100	–
BioMedtrix LLC	US: 04-3696458	New Jersey	100	75
Vimian Diagnostics Holding AB	SE: 559131-0882	Stockholm	100	100
Indical TopCo AB	SE: 559117-7901	Stockholm	100	92
Indical MidCo AB	SE: 559117-7893	Stockholm	100	92
Indical Switzerland AG	CHE -252.359.828	Küsnacht	100	92
Indical Sweden AB	SE: 559275-9616	Uppsala	100	92
Indical Holding GmbH	DE: HRB 34249	Leipzig	100	92
Indical Inc	EIN: 38-4060283	Delaware	100	92
Indical Bioscience GmbH	DE: HRB 12760	Leipzig	100	92
Afosa Animal Welfare & Food GmbH	DE: HRB 16625 P	Dahlewitz	100	92
Check Points Holding B.V.	NL:KvK 17149407	Wageningen	100	–
Check Points Health B.V.	NL:KvK 09166695	Wageningen	100	–
Check Points B.V.	NL: KvK 17149425	Wageningen	100	–
Check Points Brazil	CNPJ 32.466.113/0001-73	Santa Catarina	100	–

*) EUMAR Pharma-GmbH has been merged with Aristavet Veterinärspezialitäten GmbH & Co. KG.
**) I.C.F. S.r.l. och DRN. S.r.l. has been merged with Nextmune Italy S.r.l..
***) Pick & Go Software, Web in Vet and Pick & Go Negoce have been put together to form VetFamily Solutions SAS.

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 2021 was SEK 649 121 (SEK 25,000). The number of shares was 389,394,897 (25,000) of which 364,445,155 (25,000) ordinary shares and 24,949,742 C-shares. The par value is approximately 0.001667 SEK per share (1 SEK per share). Total share capital as of 31 December 2021 amount to 649 kSEK (25 kSEK) which corresponds to approximately 62 kEUR (2 kEUR). 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.

	2021 Ordinary shares	C-shares
Number of shares outstanding at beginning of the year[1]	**25,000**	–
Share issue, May[2]	475,000	–
Revers share split, May[3]	-499,999	–
Share split, May[3]	299,821,958	–
Share issue in kind, May[3]	14,016,486	6,007,065
Share issue, June[4]	95,900	41,100
Share issue in kind, June[5]	43,737,271	18,744,541
Set-off issue, June[6]	64,925	27,825
New issue of shares, June[7]	6,578,948	–
Share issue in kind[8]	74,197	74,197
Share issue in kind, December[9]	55,470	55,470
Redemption of shares[10]	–	-456
Number of shares outstanding on end of the year	**364,445,156**	**24,949,742**

1) The numbers of share were 25,000 from the Company formation in 2020 up until the share issue in May 2021.
2) New share issue at par value SEK 1 per share by Fidelio II Holding TopCo AB.
3) The event was carried out in order to restructure Vimian's ownership structure in preparation for the listing on Nasdaq First North.
4) Relates to a share issue directed to a consultant in VetFamily.
5) The event was carried out in connection with the conversion of previous ownership structure.
6) Relating to an investment in Vimian of EUR 700,000 by the sellers of AdVetis Medical.
7) New share issue in connection with the listing on Nasdaq First North.
8) Relating to payment of consideration in connection with the Company's acquisition of Freelance Surgical Ltd. [The rights issue was registred during 2022].
9) Relating to payment of consideration in connection with the Company's acquisition of IMEX.
10) Related to redemption of C-shares. The redemption was decided in 2021 but registred in January 2022.

Other contributed capital

Other contributed capital consists of capital contributed by the Group's owners in the form of shareholders' contributions and transactions with non-controlling interests.

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.

Cont. note 23

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 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.

	2021			2020		
Age analysis of trade receivables	**Gross**	**Impairment**	**Loss ratio, %**	**Gross**	**Impairment**	**Loss ratio, %**
Trade receivables not yet due	21,201	-11	0	16,483	-30	0
Past due trade receivables						
0–30 days	5,691	-9	0	2,968	-11	0
31–60 days	2,418	-1	0	1,093	-2	0
61–90 days	163	-3	2	547	0	0
91–120 days	608	-172	28	1,140	-139	12
>120 days	637	-58	9	461	-199	43
Total	**30,719**	**-253**	**1**	**22,693**	**-381**	**2**

Expected credit losses for trade receivables (simplified approach)	2021	2020
Opening balance	**381**	**39**
Reversal of prior years' reserves	-280	-7
Impairment	171	313
Confirmed credit losses	-19	–
Recovered, previously written-off amounts	–	–
Exchange difference	–	35
Closing balance	**253**	**381**

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 pricipals that limit the amount of exposure to financila credit risk per counterparty and a credit rating of S&P's singel 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 primarily 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 at the reporting date would impact profit before tax at an amount of kEUR -427 (kEUR -259) and impact equity after tax at an amount of kEUR -337 (-195)

The following table specifies the terms and repayment dates for the Group's interest-bearing liabilities:

				Carrying amount	
Interest-bearing liabilities	**Currency**	**Due date**	**Interest**	**2021**	**2020**
Liabilities to credit institutions	EUR	2023-12-31–2025-06-30"	Variable	87,500	59,876
Liabilities to credit institutions	USD	2025-06-30	Variable	40,447	2,863
Liabilities to credit institutions	SEK	2021-12-31	Variable	–	4,980
Liabilities to credit institutions	CHF	2025-09-30	Variable	–	7,927
RCF (Liabilities to credit institutions)	EUR	2023-12-31	Variable	7,500	3,627
RCF (Liabilities to credit institutions)	USD	Revolving 6 months	Variable	38,909	1,305
Shareholder loans	SEK	2020-11-06	Fixed	–	–
Shareholder loans	USD	2023-01-31	Fixed	–	12,237
Other interest-bearing loans	EUR	2020-04-05	Fixed	–	12,327
Other interest-bearing loans	USD	Not specified	Fixed	–	16,316
Other interest-bearing loans	CHF	2026-09-30	Fixed	–	106
Total				**174,356**	**121,565**

Cont. note 23

Currency risk

Currency risks 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.   that financing takes place in time. During the autumn of 2021, preparatory work has been done to implement a cashpooling in the group. Through the cashpooling, it is possible to release liquidity within the group and transparency of existing liquidity. The plan is to implement a first step of the cashpooling in 2022.

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 262 946. The total liquidity reserve consists of cash and cash equivalents and undrawn commited credit facilies totalled KEUR 88 591 (5,425 kEUR) unutilised overdrafts. At 31 December 2021, kEUR 174 365 of the facilities had been draw.

On 21 May 2021, a new loan facility were signed been with Nordea Bank Abp, Filial Sverige and DNB to the refinancing of the Group's external debt. This means that all outstanding external debt per 31 December 2020, with the exception of the other interest-bearing loan denominated in USD in the table in the interest rate risk section above, was repaid and replaced with new debt in Vimian Group AB and a newly formed wholly owned subsidiary of Vimian Group AB, Vimian FinCo AB started as internal financing company. In June 2021, Vimian was listed on the Nasdaq First North Growth market, thus opening up the public markets for financing of the Group.

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.

	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**

	2020					
Maturity analysis	0–3 months	3–12 months	1–3 years	3–5 years	>5 years	Total
Liabilities to credit institutions	782	9,348	15,560	65,160	–	90,850
Contingent considerations	340	1,807	400	–	–	2,547
Other liabilities that are financial instruments	5	29,956	14,666	41	15	44,683
Lease liabilities	362	968	1,897	1,148	164	4,540
Trade payables	10,855	–	–	–	–	10,855
Accrued expenses	3,860	–	–	–	–	3,860
Total	**16,204**	**42,080**	**32,523**	**66,349**	**179**	**157,335**

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 2021	Utilised 2021	Amount 2020	Utilised 2020
Overdraft facility	EUR	–	–	5,425	–
RCF	EUR	135,000	46,409	3,750	3,627
RCF	USD	–	–	5,000	1,305
Total		**135,000**	**46,409**	**14,175**	**4,932**

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 2020	64	–	64
Utilised during the year	30	28	58
From business combinations	–	307	307
Exchange differences on translation of foreign operations	0	-7	-7
31 Dec 2020	95	328	422
Arising during the year	0	0	0
Utilised during the year	0	-28	-28
From business combinations	0	-307	-307
Reversed unutilised amount	0	0	0
Exchange differences	2	7	10
31 Dec 2021	97	0	97

Under the reporting period, the Group which had a kEUR 300 PPP (Paycheck Protection Program) loan forgiven by the US authorities has released the amount to the statement of income. This PPP loan was recognised as a provision in the accounts as per 31 December 2020.

Note 25 Government grants

	2021	2020
Opening balance	**300**	–
Received during the year	272	354
Released to the statement of profit or loss	-569	-47
Exchange differences	11	-7
Closing balance	**14**	**300**

Government grants was received for salaries and employer contributions primarily regarding relating to the Covid-19 pandemic in various countries.

Note 26 Accrued expenses and prepaid income

	2021	2020
Accrued holiday pay	1,082	740
Accrued social security contributions	368	200
Accrued salaries and fees	3,185	2,224
Accrued interest	1,166	476
Other accrued expenses	7,867	3,384
Prepaid income	287	74
Carrying amount	**13,956**	**7,098**

Note 27 Cash-flow statement

Adjustments for non-cash items	2021	2020
Adjustments in operating profit		
Depreciation and amortisation	16,689	7,030
Change in provisions	87	49
Exchange differences	346	-359
Inventory step-up	858	4,502
Other non-cash items	108	92
Total	**18,087**	**11,314**

Changes in liabilities attributable to financing activities

	1 Jan 2021	Cash flow from financing activities	Non-cash changes: Business combinations	Non-cash changes: 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**

	1 Jan 2020	Cash flow from financing activities	Non-cash changes: Business combinations	Non-cash changes: Exchange differences	Other	31 Dec 2020
Liabilities to credit institutions	12,751	8,095	59,849	-116	0	80,579
Other financial liabilities	15,386	-20,185	37,728	1,622	-2,997	31,554
Lease liabilities	2,716	-929	2 984	-101	656	5,326
Total liabilities attributable to financing activities	**30,854**	**-13,019**	**100,562**	**1,404**	**-2,341**	**117,460**

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	2021	2020
Amounts recognised through profit or loss		
Current service expense	66	34
Net interest expense	–	–
Administrative expense	8	3
Total pension expense recognised through profit or loss	**74**	**36**
Amounts recognised through other comprehensive income (before tax)		
Actuarial gains and losses	84	54
Return on plan assets	–	4
Total pension expense recognised through other comprehensive income	**84**	**58**

Cont. note 28

Change in the present value of the defined benefit obligations	2021	2020
Opening balance at 1 Jan	**685**	**–**
Current service expense	61	34
Interest expense	2	1
Remeasurement of pensions, due to	0	–
Changed demographic assumptions	-51	0
Changed financial assumptions	-12	0
Experience-based adjustments	141	54
Pension payments	0	0
Payment of contributions from employees	61	17
Benefits paid using plan assets or the entity's assets	740	589
Effect from acquired companies	0	0
Exchange differences	30	-9
Closing balance at 31 Dec	**1,656**	**685**

Change in the fair value of plan assets	2021	2020
Fair value of plan assets at the beginning of the year	609	–
Interest income	2	1
Remeasurement – return on plan assets	–	-4
Contributions by employer	61	17
Contributions by employees	63	17
Administrative expense	-8	-3
Benefits paid by the plan	740	589
Exchange differences	28	-8
Fair value of plan assets at the end of the year	**1,494**	**609**

Changes in defined benefit net liability/ (asset)	2021	2020
Defined benefit net liability/ (asset) at beginning of the year	76	–
Defined benefit pension expense recognised through profit or loss	68	36
Defined benefit pension expense recognised through other comprehensive income	78	58
Contributions by employer	-63	-17
Exchange differences	4	-1
Defined benefit net liability/ (asset) at end of the year	**163**	**76**

	2021	2020
Discount rate (%)	0.30	0.15
Change in interest credit rate on retirement savings	0.39	0.50
Future salary increases (%)	1.25	1.00
Future pension increases (%)	0.00	0.00
Average life expectancy	BVG 2020	BVG 2015 GT

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 2021	2020
Discount rate		
0.25% increase	-33	-26
0.25% decrease	37	38

Future expected contributions to defined benefit pension plans	2021	2020
Expected contributions from the employer to the plan during the next reporting period	83	23
Expected contributions from the employee to the plan during the next reporting period	83	23
Expected benefit payments during the next reporting period	184	67

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	2021	2020
Pledge in shares in group companies	–	103,630
Pledge of trade receivables	–	3,483
Pledge of inventories	–	4,771
Total	**–**	**111,884**

Contingent liabilities	2021	2020
Guarantees	22	57,106
Total	**22**	**57,106**

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:

During 2021 transactions with related parties in addition to the remuneration of Group management, amouted to les than kEUR 100, mainly related to service fees between the Group companies and Fidelio Capital. Transactions originating from historical periods are presented below.

Loans from related parties in connection with the acquisition of VOI

The acquisition of VOI Inc in June 2020 was partly financed by loans from Berghamnen AB of kUSD 1,402 (corresponding to kEUR 1,144), Katarina Martinson AB kUSD 13,595 (equivalent to kEUR 11,090) and Southern Meadow AB kUSD 484 (equivalent to kEUR 395). Berghamnen is the ultimate parent company of Fidelio Capital AB. Katarina Martinsson AB is controlled by Katarina Martinsson, board member of Vimian Group's owner Fidelio Capital AB. Southern Meadow AB is controlled by Martin Erleman, board member of Vimian Group AB. Katarina Martinsson AB is an administrative agent for all three partial loans. The loans have a fixed interest rate of 7 % and are due for payment on 31 January 2023. The loans have been repaid in May 2021.

VOI Premises

On August 31, 2020, VOI inc acquired a number of office spaces, industrial premises and warehouses from Gendreau Holding LLC, a company controlled by Patrick Gendreau who is a member of the Vimian Group management for kUSD 3,389 (equivalent to kEUR 2,765). Payment was made in cash. The premises are used in VOI's operations.

Cont. note 30

Loans to senior executives

The Group entity Nextmune HoldCo AB has lent kSEK 1,000 (equivalent to kEUR 100) to Magnus Kjellberg, who is a member of the Group Management team of Vimian Group. The loan had a 5% fixed interest and was repaid in 2021.

Shareholder Loan VetFamily Holding AB

On November 6, 2019, the Group company VetFamily Holding AB entered into a loan agreement of kSEK 72,000 (equivalent to kEUR 6,898) with Fidelio Capital, Saluki AB and two other shareholders. Of the total loan amount, kSEK 57,500 (equivalent to kEUR 5,509) was borrowed from Fidelio Capital AB, kSEK 12,100 (equivalent to kEUR 1,159) from Saluki AB and kSEK 2,400 (equivalent to kEUR 240) from the other two shareholders. Saluki AB is controlled by Mikael Sjögren, who is a member of Group Management of Vimian Group. The loan had a fixed interest rate of 8 % and was repaid in full in 2020.

Shareholder loan Indical HoldCo AB

On September 15, 2020, the Group company Indical HoldCo AB signed a loan agreement with Fidelio Capital AB. The loan amount amounted to EUR 400 thousand and runs without interest.

Purchase of services from Fidelio Capital AB

Fidelio Capital has invoiced the Group companies for consulting services regarding strategic advice in 2021 of 89 thousand (EUR 42 thousand).

Shareholder contribution from Fidelio Capital

Shareholder contributions from Fidelio Capital AB to the various holding entities within the Group are presented as Other contributed capital in the consolidated statement of changes in equity. No dividend has been paid to Fidelio Capital AB during the periods presented in these financial statements.

Note 31 Business combinations

Acquisitions 2021

The following acquisitions have been completed during the financial year 2021:

Company	Deal type	Based	Segment	Consolidation month
Diagnóstico y Aplicaciones de Veterinaria S.L. (Diavet)	Share	Spain	Specialty Pharma	March
Svanova	Asset	Sweden	Diagnostics	April
Nutra Naturals Corporation (BestPaw)	Share	Canada	Specialty Pharma	May
AdVetis Medical SAS (AdVetis)	Share	France	MedTech	May
Skovshoved Dyreklinik	Asset	Denmark	Veterinary Services	July
Independent Vets of Australia Pty Ltd (IVA)	Share	Australia	Veterinary Services	July
Check-Points Holding B.V.	Share	Netherlands/Brazil	Diagnostics	September
Laboratoire de Dermo-Cosmétique Animale (LDCA)	Share	France	Specialty Pharma	October
Avedøre Dyreklinik ApS	Share	Denmark	Veterinary Services	November
Brunder Dyrehospital 2018 ApS	Share	Denmark	Veterinary Services	November
Freelance Surgical Ltd.	Share	United Kingdom	MedTech	December
GlobalOne Pet Products LLC (GOP)	Share	United States	Specialty Pharma	December
IMEX Holdings LLC	Share	United States	MedTech	December

	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group
Impact from acquisitions included in group consolidated reporting					
Revenue	3.8	3.3	1.6	1.4	10.2
Pre-tax profit	0.2	-0.0	-0.0	0.2	0.1
Impact if all acquisitions had closed 1 January 2021					
Revenue	27.3	12.4	3.0	3.8	46.4
Pre-tax profit	3.3	0.1	-0.0	0.8	3.8

Diagnóstico y Aplicaciones de Veterinaria S.L. (“Diavet”)

On 5 March, 2021, the Group acquired 100% of shares and votes in Diagnostico y Aplicaciones de Veterinaria S.L. (“Diavet”). The company is active in allergy diagnostics and allergy treatments contributing to the segment Specialty Pharma within the Spanish operations. The acquisition of Diavet gave rise to goodwill of kEUR 856 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to synergies within Spanish Specialty Pharma operations. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 247.

Svanova

On 1 April 2021, the Group acquired 100% of the assets of Svanova. Svanova was acquired to extend the offerings of Diagnostics within ELISA diagnostics for livestock. The acquisition of Svanova gave rise to goodwill of kEUR 378 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to synergies within ELISA diagnostics. The goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 115.

Nutra Naturals Corporation (“BestPaw”)

On 27 May, 2021 the Group acquired 100% of shares and votes in Nutra Naturals Corporation (“BestPaw”), a Canadian eCommerce retailer focused on specialised pet supplements and specialty pet care products. The acquisition will be included in the Specialty Pharma segment. The acquisition of BestPaw gave rise to goodwill of kEUR 4,228 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 25.

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AdVetis Medical SAS ("AdVetis")
On 28 May, 2021 the Group acquired 100% of shares and votes in AdVetis Medical SAS ("AdVetis"). AdVetis is primarily engaged in the distribution of veterinary surgical products and will be consolidated in the MedTech segment. In addition to the total upfront consideration, an additional amount subject to certain conditions is to be paid in 2023 based on AdVetis FY22 financial performance. The acquisition of AdVetis gave rise to goodwill of kEUR 10,603 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. The goodwill primarily refers to synergies within the MedTech segment and an established assembled workforce as well as the "know-how" within AdVetis. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 248.

Skovshoved Dyreklinik
On 1 July 2021, the Group acquired 100% of the assets of Skovshoved Dyreklinik. After the asset deal was completed, the seller reinvested an amount corresponding to 10% of the purchase price. Skovshoved Dyreklinik is a veterinary clinic and was acquired to expand the Veterinary Services segment offerings to its customers. The acquisition of Skovshoved gave rise to goodwill of kEUR 3,985 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to growth opportunities within the Veterinary Services segment. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 22.

Independent Vets of Australia Pty Ltd ("IVA")
On 1 July 2021, the Group acquired 100% of the shares and votes in Independent Vets of Australia Pty Ltd ("IVA"). IVA was acquired to expand the geographic reach for the Veteriary Services segment. The acquisition of IVA gave rise to goodwill of kEUR 5,926 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to growth opportunities within the Veterinary Services segment. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 190.

Check-Points Holding B.V.
On 1 September 2021, the Group acquired 100% of the shares and votes in Check-Points Holding B.V. ("Check-Points"). Check-Points is a Dutch molecular diagnostics company specialising in Salmonella typing for the food and veterinary market as well as antimicrobial resistance detection for human applications. The acquisition of Check-Points gave rise to goodwill of kEUR 5,522 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. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 147.

Laboratoire de Dermo-Cosmétique Animale ("LDCA")
On 1 October 2021, the Group acquired 100% of the shares and votes in Laboratoire de Dermo-Cosmétique Animale ("LDCA"). LDCA is a French pet dermatology specialist company that provides innovative and evidence-based natural topical products for the well-being of animals through its Dermoscent® brand. The acquisition of LDCA gave rise to goodwill of kEUR 16,898 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 240.

Avedøre Dyreklinik ApS
On 1 November 2021, the Group acquired 70% of the shares and votes in Avedøre Dyreklinik ApS ("Avedøre"). Avedøre is a veterinary clinic and was acquired to expand the Veterinary Services segment offerings to its customers. The acquisition of Avedøre gave rise to goodwill of kEUR 1,241 in the form of a difference between the consideration transferred, the fair value of the acquired net assets and non-controlling interest measured at fair value. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 41.

Brunder Dyrehospital 2018 ApS
On 1 November 2021, the Group acquired 80% of the shares and votes in Brunder Dyrehospital 2018 ApS ("Brunder"). Brunder is a veterinary clinic and was acquired to expand the Veterinary Services segment offerings to its customers. The acquisition of Brunder gave rise to goodwill of kEUR 313 in the form of a difference between the consideration transferred, the fair value of the acquired net assets and non-controlling interest measured at fair value. The goodwill is not expected to be tax deductible. Acquisition related costs amounted to kEUR 35.

Freelance Surgical Ltd.
On 1 December 2021, the Group acquired 100% of the shares and votes in Freelance Surgical Ltd. ("Freelance Surgical"). Freelance Surgical is a family-owned business that distributes and markets high-quality surgical products for the British veterinary market. The company serves veterinary clinics with orthopaedic implants as well as other surgical products. The acquisition of Freelance Surgical gave rise to goodwill of kEUR 8,338 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 567.

GlobalOne Pet Products LLC (GOP)
On 13 December 2021, the Group acquired 100% of the shares and votes in GlobalOne Pet Products LLC ("GOP"). GOP designs, markets and sells super premium pet treats and chews designed to drive well-being, dental health and oral hygiene among dogs. The acquisition of GOP gave rise to goodwill of kEUR 33,061 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 925.

IMEX Holdings LLC
On 21 December 2021, the Group acquired 100% of the shares and votes in IMEX Holdings LLC ("IMEX"). IMEX is a family-owned supplier of orthopedic implants for the veterinary market. The acquisition of IMEX gave rise to goodwill of kEUR 1,500 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 199.

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Preliminary purchase price allocation summary of acquisitions closed during the period January–December 2021	Specialty Pharma	Specialty Pharma	MedTech	Diagnostics	Veterinary Services	Group total
Förvärvade nettotillgångar vid förvärvstidpunkten	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**

Acquisitions 2020

Since 2018, Nextmune has been an associate of Vimian as the Group controlled 50% of the votes (for more information, see Note 17). On 24 November 2020, the Group acquired the remaining 50% of the shares and the votes in Nextmune, which means that Vimian holds 100% of the shares and the votes in Nextmune HoldCo AB ("Nextmune") and the holding is reclassified from an associate to a subsidiary. At the date of acquisition, non-controlling interests existed within the Nextmune subgroup, which comprised approximately 9.29% of the capital. Nextmune is a science-driven, global provider of pet specialty pharma. The entity offers a broad product portfolio for preventive care and treatment of chronic conditions in the therapeutic areas of allergy, dermatology and specialty care, as well as specialty nutrition in over 70 markets worldwide. With Vimian as the majority owner, Nextmune will have the support and resources to continue to invest in innovation and research and development to strengthen the company's product portfolio.

On 10 March 2020, the Group acquired 100% of the shares and the votes in BioMedtrix LLC ("BioMedtrix"). BioMedtrix is a leading provider of orthopaedic implants and tools for the veterinary industry. BioMedtrix is an market innovator and complements the Group's product offering as well as strengthens the presence in the US market.

On 16 June 2020, the Group acquired 100% of the shares and the votes in VOI Corporation Inc ("VOI"). VOI sells orthopaedic implants and tools for the veterinary industry. VOI was acquired primarily due to the commercial and logistical know-how that the entity has, which can be utilised throughout the Group. VOI strengthens the Group's presence in the US market.

On 24 November 2020, the Group acquired 100% of the shares and the votes in Afosa GmbH ("Afosa"). Afosa is a leading supplier of ELISA-diagnostic products for the domestic pet market. Prior to the acquisition, Indical had an extensive product portfolio of molecular and immunodiagnostic solutions with a focus on livestock. The acquisition of Afosa strengthened Indical's offering by including various diagnostic tests for domestic pets. Indical expects Afosa to reach organic growth in the future and benefit from Indical's sophisticated sales department and international presence. Afosa was acquired by Indical Holding GmbH.

On 2 July, 2020, the Group acquired 100% of the shares and votes in SAS Elia Digital ("Elia Digital") in the VetFamily business area. The company offers a proprietary, subscription-based cloud service that collects and refines purchasing statistics for veterinary purchasing groups in France. VetFamily sees the value in working with the team at Elia Digital and to launch their solution in all countries where VetFamily is active. The purchasing statistics enable entities to monitor agreements, discounts and terms and conditions and identify potential savings for VetFamily's members and other customers.

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Acquired net assets on acquisition date	Nextmune HoldCo AB Fair value	BioMedtrix LLC Fair value	VOI Corporation Inc. Fair value	Afosa GmbH Fair value	SAS Elia Digital Fair value	Total
Intangible assets	73,839	7,726	23,296	792	0	105,653
Property, plant and equipment	4,797	58	1,758	57	1	6,672
Right-of-use assets	1,906	135	452	491	0	2,984
Non-current financial assets	114	1,150	0	0	1	1,266
Deferred tax assets	780	0	0	0	0	780
Inventories*	5,406	3,921	12,091	86	0	21,505
Trade receivables and other receivables	11,427	565	6,478	19	34	18,523
Cash and cash equivalents	28,479	524	870	154	154	30,181
Interest-bearing liabilities	-58,517	0	-682	0	-100	-59,299
Lease liabilities	-1,906	-135	-452	-491	0	-2,984
Deferred tax liabilities*	-11,204	0	0	-238	0	-11,442
Trade payables and other operating liabilities	-28,676	-2,369	-1,704	-106	-17	-32,872
Identified net assets	**26,444**	**11,576**	**42,107**	**765**	**74**	**80,966**
Non-controlling interest measured at fair value	-15,241	0	0	0	0	-15,241
Goodwill*	137,680	6,117	46,692	2,949	289	193,726
Total purchase consideration	**148,883**	**17,693**	**88,799**	**3,714**	**362**	**259,451**
Purchase consideration comprises:						
Cash	52,063	16,187	27,655	3,100	362	99,368
Equity instruments	0	1,506	23,187	300	0	24,993
Contingent consideration	0	0	17,648	314	0	17,962
Vendor note	0	0	20,308	0	0	20,308
Previously held equity interest in the acquiree remeasured at step acquisition	96,820	0	0	0	0	96,820
Total purchase consideration	**148,883**	**17,693**	**88,799**	**3,714**	**362**	**259,451**

The acquisition's impact on the Group's cash flow						
Cash portion of purchase consideration	-52,063	-16,187	-27,655	-3,100	-362	-99,368
Acquired cash	28,479	524	870	154	154	30,181
Total	**-23,584**	**-15,663**	**-26,785**	**-2,946**	**-209**	**-69,187**
Acquisition-related costs	0	-988	-3,023	-112	-76	-4,199
Net cash outflow	**-23,584**	**-16,651**	**-29,809**	**-3,058**	**-284**	**-73,386**

*) Based on the tax outcome for 2021, management has decided that the temporary difference between book value and taxable value for some immaterial assets related to the acquisition of Nextmune, was smaller than originally anticipated. As a result of this deferred tax liabilities decrease by EURk 8,746 with a corresponding reduction of goodwill. Management has also concluded that the opening balance of inventory was overstated by EURk 620 and have therefore reduced inventories and increased goodwill.

The acquisition of the remaining 50% of the shares and the votes in Nextmune, when the holding was reclassified from an associate to a subsidiary, resulted in the recognition of goodwill at an amount of kEUR 145,806 in the form of a difference between the consideration paid and the fair value of the acquired net assets. Goodwill mainly refers to Nextmune's reputable position among veterinarians and pet owners as one of the leading providers in allergy, diagnostics and related products for domestic pets. The goodwill is not expected to be tax deductible. A non-controlling interest of kEUR 15,241 was recognised as part of the transaction. The Group has elected to measure the non-controlling interest in the acquiree at fair value.

During the approximate one month until 31 December 2020 that Nextmune was consolidated, they contributed kEUR 4,913 to the Group's revenue and kEUR (537) to the Group's profit after tax excluding the recognised profit during the period Nextmune was recognised as an associate. If the acquisition had occurred at the beginning of the financial year, the Group estimates that Nextmune would have contributed kEUR 55,417 to the Group's revenue and kEUR 323 to the Group's profit after tax.

In connection with the acquisition of BioMedtrix, goodwill of 6,117 kEUR arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill primarily refers to know-how within education, a network of leading universities and a pipeline of potentially interesting products. Approximately 90% of the goodwill is expected to be tax deductible. Acquisition-related costs amounted to kEUR 988. The acquisition-related costs are recognised as an expense in profit or loss under other operating expenses. During the approximately 10 months to December 31, 2020 that BioMedtrix was included in the consolidated financial statements, they contributed 6,063 kEUR to the Group's revenues and (499) kEUR to the Group's profit after tax. If the acquisition had occurred at the beginning of the financial year, the Group estimates that BioMedtrix would have contributed kEUR 7,546 to the Group's revenue and kEUR (1,317) to the Group's profit after tax.

Attributable to the acquisition of VOI Corporation, goodwill was recognised at an amount of kEUR 46,692 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill mainly refers to synergies that are expected to arise from using VOI's commercial knowledge in the rest of the group as well as the possibility to expand into several markets. Approximately 99% of the goodwill is expected to be tax deductible. As part of the acquisition, a contingent consideration of kEUR 17,648 was recognised. The contingent consideration is dependent on the outcome of an ongoing patent litigation at VOI. If the outcome of the litigation is that VOI is not required to make any payments to the counterparty, the acquiree will receive the entire contingent consideration. Any payments that VOI will be required to make in relation to the litigation will be deducted from the contingent consideration. For information about contingent consideration, see Note 16.

Acquisition-related costs amounted to kEUR 3,023 and are recognised as an expense in profit or loss under other

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operating expenses. During the 6.5 months until 31 December 2020 that VOI was consolidated, they contributed kEUR 15,741 to the Group's revenue and kEUR 1,551 to the Group's profit after tax. If the acquisition had occurred at the beginning of the financial year, the Group estimates that VOI would have contributed kEUR 28,736 to the Group's revenue and kEUR 2,149 to the Group's profit after tax.

The acquisition of Afosa resulted in the recognition of goodwill at an amount of kEUR 2,949 in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily refers to synergies. The goodwill is not expected to be tax deductible. As part of the acquisition, a contingent consideration of kEUR 314 has been recognised. The outcome of the contingent consideration is dependent on whether certain operational targets are met or not. The outcome is binary where the seller either receives kEUR 0 or the entire conditional amount of kEUR 400. For information about contingent consideration, see Note 16.

Transaction costs related to the acquisition of Afosa amounted to kEUR 112 which has been expensed in profit or loss under other operating expenses. During the approximately one month that Afosa was included in the consolidated financial statements they contributed kEUR 88 to the Group's revenue and kEUR 41 to the Group's profit after tax. If the acquisition had occurred at the beginning of the financial year, the Group estimates that Afosa would have contributed kEUR 1,080 to the Group's revenue and kEUR 508 to the Group's profit after tax.
In connection with the acquisition of Elia Digital, goodwill of 289 kEUR arose in the form of a difference between the transferred remuneration and the fair value of the acquired net assets. Goodwill mainly refers to the company's "know-how" in data management for the veterinary market. Goodwill is not expected to be tax deductible. Acquisition-related costs amounted to kEUR 76 and is recognised as an expense in profit or loss under other operating expenses. During the approximately 6 months Elia Digital was included in the consolidation, they contributed kEUR 139 to the Group's revenue and kEUR 6 to the Group's profit after tax. If the acquisition had occurred at the beginning of the financial year, the Group estimates that Elia Digital would have contributed kEUR 179 to the Group's revenue and kEUR 18 to the Group's profit after tax.

Note 32 Events after the balance-sheet date

During the fourth quarter 2021 Vimian co-invested in three veterinary clinics which were consolidated in the Veterinary Services Segment from February 2022.

In December 2021 Vimian acquired VetAllergy, a Danish veterinary medecine company specialised in Allergy. vetAllergy was consolidated in the Specialty Pharma Segment from January 2022.

In January Vimian acquired Bova UK, a leading companion animal health specialty pharmaceuticals company. Bova was consolidated in the Specialty Pharma Segment from 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 the MedTech Segment from March.

In March Vimian acquired Avacta Animal Health , a veterinary medecine company specialised in Allergy in the UK. Avacta Animal Health was consolidated in the Specialty Pharma Segment from March.

In April Vimian acquired Vertical Vet, one of the leading providers of procurement and support services to veterinary clinics in the US. Vertical Vet was consolidated in the Veterinary Services segment from April.

In April Vimian acquired two product portfolios of veterinary surgical instruments and orthopedic implants in the US. The acquired portfolios have been integrated in the MedTech segment from April.

The conflict in Ukraine has caused economic uncertainty around the world. It could potentially pose a risk to Vimians business, but it is hard to foresee the development of the conflict and potential long term consequences.

Vimian is monitoring the situation closely and taking precautionary measures where required such as the build up of inventory of specific raw materials and finished goods.

During the fourth quarter 2021 number of cases of Covid re-accelerated and led to reintroduced restrictions in some countries. The restrictions were eased during the first quarter 2022.

Renewed restrictions during the fourth quarter 2021 did not have any negative impact on the business. The Diagnostics segment is still reporting Covid-related sales during the first quarter 2022. The group is monitoring and evaluating the situation.

Note 33 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.

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Key Ratios	Definition	Reason for Usage
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.

Key Ratios	Definition	Reason for Usage
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.
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 2021, 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 2021, 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.

1) Definitions of Alternative performance measures are to be found in the definition list.

Cont. note 33

Alternative performance measures not defined in accordance with IFRS for the group-Based on reported figures

EURm	1 Jan–31 Dec 2021	2020
Revenue growth (%)	143.4	190.4
Organic revenue growth (%)	16.5	47.9
EBITDA	38,285	12,932
EBITDA margin (%)	22.1	18.2
Adjusted EBITDA	58,111	25,307
Adjusted EBITDA margin (%)	33,5	35.5
EBITA	33,645	10,910
EBITA margin (%)	19.4	15.3
Adjusted EBITA	53,471	23,285
Adjusted EBITA margin (%)	30.8	32.7
Operating profit	21,597	5 901
Operating margin (%)	12.5	8.3
Net debt	168,095	102,264
Net debt / Adjusted EBITDA (x) (12 månader)	2.9	4.0
Leverage ratio (%)	62.2	48.1
Equity ratio (%)	56.0	61.3
Net working capital	34,983	27,112
Capital expenditure	(6,897)	(4,520)
Operating cash flow	41,366	12,296
Cash conversion (%)	71.2	48.6

Alternative performance measures not defined in accordance with IFRS for the group – Based on proforma figures

EURm	1 Jan–31 Dec 2021
Proforma revenue	209,558
Adjusted EBITDA, Proforma	66,772
Adjusted EBITDA margin, Proforma	31.9
Net debt	168,095
Net debt / Adjusted EBITDA, Proforma (x)	2,5

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.

EURm	1 Jan–31 Dec 2021	2020
Revenue growth		
Revenue	173,350	71,228
Revenue growth (%)	**143.4**	**190.4**
– of which organic revenue growth (%)	16.5	47.9
EBITDA margin		
Operating profit	21,597	5,901
Depreciation and Other Amortisation	4,640	2,022
Amortisation PPA related	12,048	5,009
EBITDA	38,285	12,932
Revenue	173,350	71,228
EBITDA margin (%)	**22.1**	**18.2**
Items affecting comparability		
M&A related costs	7,358	5,781
ERP / System Upgrades	91	341
Restructuring costs	222	78
Inventory step-up	851	4,502
IPO related costs	9,403	–
Other	1,901	1,673
Sum Items affecting comparability	**19,826**	**12,375**

EURm	1 Jan–31 Dec 2021	2020
Adjusted EBITDA		
EBITDA	38,285	12,932
Items affecting comparability	19,826	12,375
Adjusted EBITDA	**58,111**	**25,307**
Adjusted EBITDA Margin		
Adjusted EBITDA	58,111	25,307
Revenue	173,350	71,228
Adjusted EBITDA margin (%)	**33.5**	**35.5**
EBITA margin (%)		
Operating profit	21,597	5,901
Amortisation	12,048	5,009
EBITA	**33,645**	**10,910**
Revenue	173,350	71,228
EBITA margin (%)	**19.4**	**15.3**
Adjusted EBITA		
EBITA	33,645	10,910
Items affecting comparability	19 826	12,375
Adjusted EBITA	**53,471**	**23,285**
Adjusted EBITA margin (%)		
Adjusted EBITA	53,471	23,285
Revenue	173,350	71,228
Adjusted EBITA margin (%)	**30.8**	**32.7**
Operating profit margin (%)		
Operating profit	21,597	5,901
Revenue	173,350	71,228
Operating profit margin (%)	**12.5**	**8,3**
Net debt		
Liabilities to credit institutions (long term)	163,110	72,099
Lease liabilities (long term)	7,273	3,946
Other non-current liabilities	21,412	13,094
Liabilities to credit institutions (short term)	7,578	8,480
Lease liabilities (short term)	2,406	1,381
Other items[1]	21,430	32,926
Cash & Cash Equivalents	-55,114	-29,663
Net debt	**168,095**	**102,264**

EURm	1 Jan–31 Dec 2021	2020
Net debt / Adjusted EBITDA		
Net debt	168,095	102,264
Adjusted EBITDA (12 months)	58,111	25,307
Net debt / EBITDA (x)	**2.9**	**4.0**
Proforma revenue		
Reported revenue	173,350	71,228
Proforma period, revenue	36,208	66,523
Proforma revenue	**209,558**	**137,752**
Adjusted EBITDA, Proforma		
Reported Adjusted EBITDA (12 months)	58,111	25,307
Proforma period Adjusted EBITDA	8,661	23,312
Adjusted EBITDA, Proforma	**66,772**	**48,619**
Adjusted EBITDA margin, Proforma		
Proforma revenue	209,558	137,752
Adjusted EBITDA, Proforma	66,772	48,619
Adjusted EBITDA margin, Proforma	**31.9**	**35.3**
Net debt / Adjusted EBITDA, Proforma		
Net debt	168,095	–
Adjusted EBITDA, Proforma	66,772	–
Net debt / Adjusted EBITDA, Proforma (x)	**2.5**	**–**
Leverage ratio		
Debt	223,209	131,926
Shareholder equity	358,640	274,246
Leverage ratio (%)	**62.2**	**48.1**
Equity ratio		
Shareholder equity	358,640	274,246
Total assets	640,716	447,548
Equity ratio (%)	**56.0**	**61.3**

Cont. note 33

EURm	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Net working capital		
Inventory	32,996	23,564
Trade receivables	30,961	22,312
Current tax receivables	709	79
Other current receivables	5,323	1,997
Prepaid expenses and accrued income	6,369	5,534
Trade payables	-13,283	-10,855
Current tax liabilities	-7,875	-3,974
Other current liabilities[2]	-6,163	-4,024
Provisions	-97	-422
Accrued expenses and deferred income[2]	-13,956	-7,098
Net working capital	**34,983**	**27,112**
Operating cash flow		
Adjusted EBITDA	58,111	25,307
Changes in working capital[3]	-9,849	-8,492
Capital expenditures	-6,897	-4,520
Operating cash flow	**41,366**	**12,296**
Cash conversion		
Operating cash flow	41,366	12,296
Adjusted EBITDA	58,111	25,307
Cash conversion (%)	**71.2**	**48.6**

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.

Parent company's income statement

kSEK	Note	2021	2020
Operating income			
Net revenue	2	47,672	–
Other operating income		5,227	–
Total operating income		**52,899**	**–**
Operating expenses			
Other external expenses	3	-100,040	-1
Personnel costs	4	-7,781	–
Depreciation and write-downs of tangible and intangible assets		-74	–
Other operating expenses		-336	–
Total operating expenses		**-108,231**	**-1**
Operating profit/loss		**-55,332**	**-1**
Interest income and similar items	5	139,710	–
Interest expenses and similar items	6	-154,763	–
Profit/Loss after financial items		**-70,386**	**-1**
Profit before tax		**-70,386**	**-1**
Net profit/loss for the year		**-70,386**	**-1**

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

tSek	Note	2021	2020
Net profit/loss for the year		-70,386	-1
Other comprehensive loss/income		–	–
Total comprehensive loss/income for the year		**-70,386**	**-1**

Parent company's statement of financial position

kSEK	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Intangible assets	8	4,633	–
Machinery and equipment	9	691	–
Shares in subsidiaries	10	6,161,177	1,782,902
Non-current group receivables	11	2,014,301	–
Total non-current assets		**8,180,803**	**1,782,902**
Current assets			
Receivables from group companies		23,535	–
Other current receivables		12,682	–
Prepaid expenses and accrued income	12	460	–
Cash and bank	13	43,545	25
Total current assets		**80,222**	**25**
TOTAL ASSETS		8,261,025	1,782,926

kSEK	Note	31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity			
Share capital	14	649	25
Development fund		4,633	–
Ongoing share issue		13,041	–
Total restricted equity		**18,323**	**25**
Share premium		**4,648,941**	**–**
Retained earnings		**1,912,606**	**1,782,902**
Profit/loss for the year		-70,386	-1
Total non-restricted equity		**6,491,161**	**1,782,901**
Total equity		**6,509,484**	**1,782,926**
Non-current liabilities	16		
Non-current liabilities to financial creditors	15	1,658,429	–
Total non-current liabilities		**1,658,429**	**–**
Current liabilities			
Current liabilities to financial creditors	16	76,702	–
Accounts payable		655	–
Payables from group companies		7,155	–
Other current liabilities		504	–
Accrued expenses and prepaid income	17	8,097	–
Total current liabilities		**93,112**	**–**
TOTAL EQUITY AND LIABILITIES		8,261,025	1,782,926

Parent company's statement of changes in equity

tSek	Share capital	Ongoing share issue	Other restricted equity	Share premium fund	Retained earnings	Development fund	Profit/loss for the year	Total equity
	Restricted equity			Non-restricted equity				
Opening balance 2 Jan 2020	–	–	–	–	–	–	–	–
Profit or loss for the year	–	–	–	–	–	–	-1	-1
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	–	–	-1	-1
Transactions with the owners								
Registered share capital	25	–	–	–	–	–	–	25
Shareholder contributions	–	–	–	–	1,782,902	–	–	1,782,902
Total	25	–	–	–	1,782,902	–	–	1,782,927
Closing balance 31 Dec 2020	25	–	–	–	1,782,902	–	-1	1,782,926
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

Parent company's statement of cash flow

kSEK	Note	2021	2020
Operating activities			
Operating loss		-55,332	-1
Adjustments for non-cash items	18	-5,847	–
Interest received		16,295	–
Interest paid		-11,857	–
Cash flow from operating activities before changes in working capital		**-56,741**	**-1**
Cash flow from change in working capital			
Change in operating receivables		-36,677	–
Change in operating liabilities		16,409	–
Cash flow from operating activities		**-77,009**	**-1**
Investing activities			
Investments in intangible assets		-4,633	–
Investments in property, plant and equipment		-765	–
Investment in subsidiaries		-103,212	–
Investment in other financial assets		-1,993,351	–
Cash flow from investing activities		**-2,101,961**	**–**
Financing activities			
New share issuance		517,927	25
Transaction costs IPO		-5,457	–
Proceeds from borrowing		1,658,428	–
Change in financing liabilities		76,702	–
Cash flow from financing activities		**2,247,600**	**25**
Cash flow for the year		**68 630**	**–**
Cash and cash equivalents at beginning of the year		25	–
Exchange-rate difference in cash and cash equivalents		-25 110	–
Cash and cash equivalents at end of the year	13	**43 545**	**25**

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 recognised 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

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

2020	Advisory, management and other administrative fees	Total revenue
Revenue		
Revenue within the Group	–	–
Total revenue	**–**	**–**

Note 3 Fees to the Auditor

	2021	2020
Grant Thornton		
Audit assignment	1,408	–
Other auditing activities	0	–
Tax advisory services	0	–
Other services	3,355	–
Total	**4,763**	**0**

Note 4 Employees and personnel expenses

	2021			2020		
	Average number of employees	Women, %	Men, %	Average number of employees	Women, %	Men, %
Average number of employees	6	67	33	–	–	–

Personnel expenses*	2021	2020[1]
Salaries and other remuneration	5,478	–
Social security contributions	1,478	–
Pension expenses	543	–
Other personnel expenses	281	–
Total	**7,781**	**–**

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[2] Jan 1–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**

jan 2–Dec 31 2020, 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	–	–	–	–	–
Frida Marie-Louise Westerberg, Board member	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**

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

Note 5 Finance income

	2021	2020
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	16,295	–
Total interest income in accordance with the effective interest method	**16,295**	**–**
Other finance income:		
Exchange differences – income, financial items	123,415	–
Other income	–	–
Total	**123,415**	**–**
Total finance income	**139,710**	**–**

Note 6 Finance expense

	2021	2020
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	20,885	–
Interest expense other financial liabilities	503	–
Total interest expense in accordance with the effective interest method	**21,388**	**–**
Other finance expense:		
Exchange differences – expense, financial items	129,335	–
Other expenses	4,040	–
Total	**133,375**	**–**
Total finance expense	**154,763**	**–**

Note 7 Income tax expense

	2021	2020
Current tax	–	–
Current tax on profit for the year	**–**	**–**

Reconciliation of effective tax rate	**2021**	**2020**
Profit before tax	**-70,386**	**-1**
Parent Company's Tax rate (20,06%)	14,499	–
Tax effect of:		
Increase in tax losses without recognition of deferred tax assets	-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 2020	–	–	–	–	–	–
Internally developed	–	–	–	–	–	–
At 31 Dec 2020	–	–	–	–	–	–
Internally developed	4,633	–	–	–	–	4,633
At 31 Dec 2021	**4,633**	–	–	–	–	**4,633**
Amortisation						
At 2 Jan 2020	–	–	–	–	–	–
Amortisation for the year	–	–	–	–	–	–
At 31 Dec 2020	–	–	–	–	–	–
Amortisation for the year	–	–	–	–	–	–
At 31 Dec 2021	–	–	–	–	–	–
Closing balance at 31 Dec 2020	–	–	–	–	–	–
Closing balance at 31 Dec 2021	4,633	–	–	–	–	4,633

As of 31 December 2021, the parent company's intangible assets included capitalisation 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 2020	–	–	–	–
Additions	–	–	–	–
At 31 Dec 2020	–	–	–	–
Additions	–	626	139	765
At 31 Dec 2021	–	626	139	765
Depreciation				
At 2 Jan 2020	–	–	–	–
Depreciation for the year	–	–	–	–
At 31 Dec 2020	–	–	–	–
Depreciation for the year	–	-70	-4	-74
At 31 Dec 2021	–	-70	-4	-74
Closing balance at 31 Dec 2020	–	–	–	–
Closing balance at 31 Dec 2021	–	556	135	691

Note 10 Shares in subsidiaries

	2021	2020
Opening balance	1,782,902	–
Acquisition	116,253	–
Shareholder contribution	4,262,022	1,782,902
Closing balance	6,161,177	1,782,902

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.

2020

Company	Corp. Reg. No.	Registered office	Total Equity 2020-12-30	Profit/loss 2021	Equity/ voting interest, %	Shares
Vimian Pharma Holding AB	SE: 559133-6093	Stockholm	971,951	136,990	100	50,000
Vimian Service Holding AB, (f.d Akial HoldCo AB)	SE: 559181-1418	Stockholm	189,242	5,754	100	50,000
Vimian MedTech Holding AB (f.d Ossium TopCo AB)	SE: 559192-1217	Stockholm	660,284	-790	100	50,000
Vimian Diagnostics Holding AB (f.d Indical HoldCo AB)	SE: 559131-0882	Stockholm	104,651	458	100	50,000

2021

Company	Corp. Reg. No.	Registered office	Total Equity 2020-12-30	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
Freelance Surgical Ltd.	GB: 4039065	Bristol	183,629	3,883	100	6,400

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

	2021	2020
Amortised cost:		
Utilised during the year	2,014,301	–
Closing balance	**2,014,301**	**–**

Note 12 Prepaid expenses and accrued income

	2021	2020
Prepaid insurance	63	–
Other prepaid expenses	397	–
Carrying amount	**460**	**–**

Note 13 Cash and cash equivalents

	2021	2020
Bank balances	43,545	25
Carrying amount	**43,545**	**25**

Note 14 Equity

Share capital

The share capital as of 31 December 2021 was SEK 649,121 (SEK 25,000). The number of shares was 389,394,897 (25,000) of which 364,445,155 (25,000) ordinary shares and 24,949,742 C-shares. The par value is approximately 0.001667 SEK per share (1 SEK per share). Total share capital as of 31 December 2021 amount to 649 kSEK (25 kSEK). 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

	2021			2020		
	1–5 years	>5 years	Total	1–5 years	>5 years	Total
Liabilities to credit institutions	1,658,429	–	1,658,429	–	–	–
Total	**1,658,429**	**–**	**1,658,429**	**–**	**–**	**–**

Note 16 Liabilities relating to several items

The total liquidity reserve consists of cash and cash equivalents and undrawn committed credit facilities at 31 December 2021 was 2,689,129 kSEK. The total utilised facilities posted on balance sheet are as below:

	2021	2020
Non-current liabilities		
Liabilities to credit institutions	1,658,429	–
Current liabilities		
Liabilities to credit institutions	76,702	–
Total	**1,735,131**	**–**

Note 17 Accrued expenses and prepaid income

	2021	2020
Accrued holiday pay	683	–
Accrued social security contributions	435	–
Accrued salaries and fees	702	–
Other accrued expenses	6,277	–
Carrying amount	**8,097**	**–**

Note 18 Cash-flow statement

Adjustments for non-cash items

	2021	2020
Depreciation and amortisation	74	–
Exchange differences	-5,921	–
Total	**-5,847**	**–**

Proposed appropriation of net income

At the disposal of the Annual General Meeting (SEK):	
Share premium reserve	4,648,940,671
Retained earning	1,912,605,869
Net income	-70,386,031
Total	**6,491,160,509**

Disposal of the net income	
To be carried forward	**6,491,160,509**

Assurance

The income statements and balance sheets will be presented to the Annual General Meeting on June 2, 2022 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 4 May, 2022

Gabriel Fitzgerald
Chairman

Frida Westerberg

Mikael Dolsten

Martin Erleman

Theodor Bonnier

Fredrik Ullman
CEO

Our auditor's report was submitted on May 4, 2022
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 2021. The annual accounts and consolidated accounts of the company are included on pages 56–105 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 2021 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 2021 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 pages 2–47 and 109. 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 scepticism 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 policies 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 2021 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 organisation 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 organisation 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 4, 2022

Grant Thornton Sweden AB

Carl-Johan Regell
Authorised Public Accountant

Information to shareholders

Invitation to Annual General Meeting

The shareholders of Vimian Group AB is hereby called to the 2022 Annual General meeting on the 2 June 2022. The meeting will be held at 10.00 (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 Tuesday, May 24, 2022, and
- notify the company of their intention to attend the Annual General Meeting by Friday, May 27, 2022.

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 Tuesday, May 24, 2022.

Information about the resolutions passed by the Annual General Meeting will be published on June 2, 2022, as soon as the outcome of postal votes are fully compiled.

Financial Calendar

May 24, 2022	Interim report Q1 2022
June 2, 2022	Annual general meeting 2022
August 11, 2022	Interim report Q2 2022
November 16, 2022	Interim report Q3 2022
March 8, 2023	Year-end report Q4 2022

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 initiatives and acquisitions and does not expect to pay dividends for the year 2021.

The Board's proposal to the general meeting in June 2022, is to not distribute any dividend for 2021.

IR contact

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