

The logo for BioGaia is centered on a light blue background with white curved lines. The text "BioGaia" is written in a bold, dark brown, sans-serif font. The "Bio" part is in a slightly smaller font size than "Gaia". A registered trademark symbol (®) is located to the right of the "a" in "Gaia".

**BioGaia®**

Telephone Conference - 5th of May 2023 09:30

# Interim Management Statement Q1 2023

Isabelle Ducellier, CEO  
Alexander Kotsinas, CFO



# Q1 2023 Executive Summary

- Record high sales of 366 MSEK (+29%) driven by strong sales growth in Americas and APAC
- EBIT 148 MSEK (+55%) and EBIT margin 40% (34%)

# Key Events

- 29 of March: Isabelle Ducellier, CEO, announced that she has decided to resign from the company
- 31 of March: BioGaia launches probiotic skin ointment Aldermis for infants and children
- 26 of April: BioGaia's results for the first quarter to exceed market expectations
- 27 of April: BioGaia launches Prenatal Care for women before and during pregnancy

## Launches

Distributor	Country	Product
Abbott	Paraguay	BioGaia Protectis tablets with vitamin D
J Health	Hong Kong	Protectis tablets with vitamin D
Pharma Ace	Malaysia	BioGaia Protectis minipack
United Life Sciences	Taiwan	BioGaia Protectis tablets with vitamin D



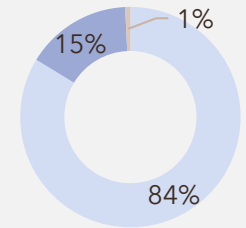
# Sales per Segment

- Total sales for the quarter +29% (+19% excluding currency effects)
- Pediatrics sales +37% mainly thanks to increased sales of drops in Americas and APAC
- Adult sales decreased with 7% mainly due to decreased sales of Protectis Tablets in EMEA

SEK m	Q1 2023	Q1 2022	Change %
Pediatrics	306.0	222.5	37 %
Adult Health	56.6	60.8	-7 %
Other	3.3	0.6	461 %
<b>Total</b>	<b>365.8</b>	<b>283.9</b>	<b>29 %</b>

## Sales per Segment

Q1 2023



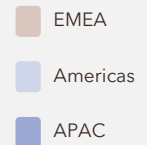
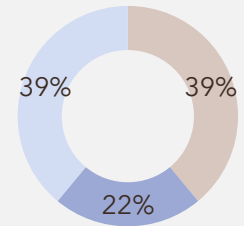
# Sales per Region

- **EMEA:** sales decreased with 5% mainly in South and Eastern Europe. Sales decreased partly due to some inventory build-up for some distributors before the price increase.
- **APAC:** sales increased with 72% mainly due to China as a result of periodisation of orders and removed covid restrictions
- **Americas:** sales increased with 64% mainly in the US, Canada and Brazil. The sales in Americas have been positively impacted by certain one-time effects related to BioGaia starting to sell through its own subsidiary, BioGaia Canada.

SEK m	Q1 2023	Q1 2022	Change %
EMEA	143.3	150.4	-5 %
APAC	80.8	46.9	72 %
Americas	141.7	86.6	64 %
<b>Total</b>	<b>365.8</b>	<b>283.9</b>	<b>29 %</b>

## Sales per Region

Q1 2023



# Gross Margin per Segment

The gross margin continues to be negatively affected by increased costs of goods. BioGaia has implemented price increases and will continue to do so.

	<b>Q1</b> 2023	<b>Q1</b> 2022
Pediatrics	73%	73%
Adult Health	63%	65%
<b>Total</b>	<b>72%</b>	<b>71%</b>

Alexander Kotsinas, CFO

# Financials

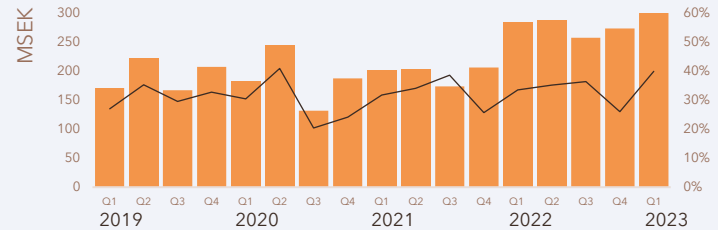




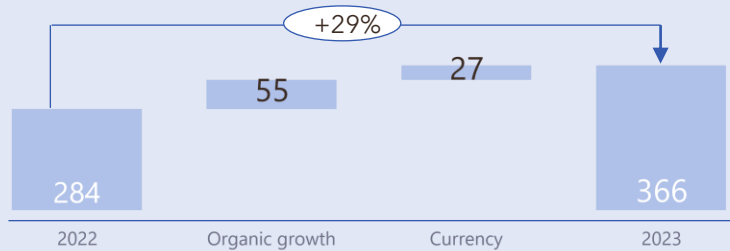
# Q1 Financials

- Revenues were 366 (284) MSEK, +29% growth
- EBIT was 148 (95) MSEK (55% growth)
- EBIT margin of 40% (34%)
- Earnings per share were 1.15 (0.76) SEK
- Operating cash flow at 98 (93) MSEK

Net sales and EBIT margin (%)



# Q1 Sales bridge



MSEK		Change
<b>2022</b>	283.9	
Organic Growth	+55	+19%
Currency	+27	+10%
<b>2023</b>	<b>365.8</b>	<b>+29%</b>

# Operating Expenses (OPEX)

OPEX +7% and OPEX excluding adjustments +10%

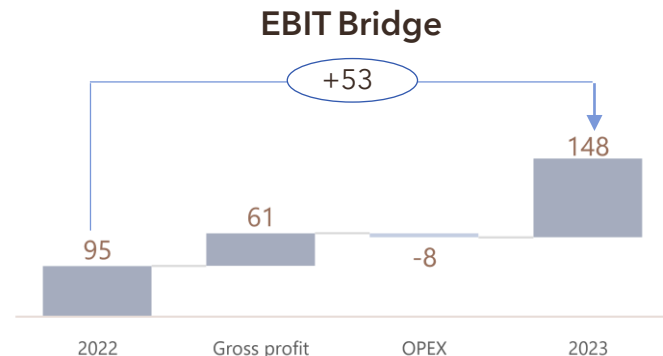
- Sales costs increased due to increased sales and marketing activities
- R&D costs decreased due to lower costs of clinical studies during the period

MSEK	Q1 2023	Q1 2022	Change
<b>TOTAL OPEX</b>	<b>-114.5</b>	<b>-106.9</b>	<b>7%</b>
TOTAL OPEX excl adjustments <sup>1</sup>	-112.1	-102.2	10%
Sales	-88.1	-72.0	22%
R&D	-18.7	-24.9	-25%
Admin	-9.8	-11.1	-12%
Other	2.1	1.1	89%

# Profit and Loss Statement

- Sales +29% and +19% excluding currencies
- OPEX +7%
- EBIT +55% and EBIT Margin 40%
- Adjusted EBIT increased by 50% and Adjusted EBIT Margin 41%

MSEK	Q1 2023	Q1 2022	Change
<b>Sales</b>	365.8	283.9	29%
Gross Profit	262.5	202.2	30%
- as a of percentage of revenues	72%	71%	
OPEX	-114.5	-106.9	7%
<b>EBIT</b>	148.0	95.3	55%
- as a of percentage of revenues	40%	34%	
Adjusted EBIT <sup>1</sup>	150.4	100.0	50%
- as a of percentage of revenues	41%	35%	
<b>Profit after Tax</b>	115.9	76.3	52%
EPS (before and after dilution)	1.15	0.76	52%



# Cashflow

MSEK	Q1 2023	Q1 2022	Change
Cash Flow from Operating Activities before Changes in Net Working Capital	122.0	81.0	51%
Changes in Working Capital	-23.6	12.1	-296%
<b>Cash Flow from Operating Activities</b>	98.4	93.1	6%
<b>Cash Flow from Investing Activities</b>	-1.3	-5.1	-74%
<b>Cash Flow from Financing Activities</b>	-3.4	-2.2	52%
<b>Cash Flow for the period</b>	93.7	85.8	9%
<b>Cash at the end of period</b>	1 580.8	1 571.7	1%

- Cash Flow from Operating Activities increased with 6% to 98.4 (93.1) MSEK due to improved operating profits despite negative changes in Working Capital
- Cash Flow for the period at 93.7 (85.8) MSEK
- Cash at the end of the period at 1 580.8 MSEK

# Balance Sheet

MSEK	31 mar 2023	31 dec 2022	Change
<b>Assets</b>	<b>2 324</b>	<b>2 214</b>	5%
Total Non-current Assets	<b>402</b>	<b>416</b>	-4%
Total Current Assets	<b>1922</b>	<b>1797</b>	7%
<b>Equity and Liabilities</b>	<b>2 324</b>	<b>2 214</b>	5%
<b>Total Equity</b>	<b>2 087</b>	<b>1 972</b>	6%
<b>Total Liabilities</b>	<b>237</b>	<b>242</b>	-2%
Total Non-current Liabilities	<b>38</b>	<b>64</b>	-40%
Total Current Liabilities	<b>186</b>	<b>165</b>	13%
Deferred Tax Liability	<b>13</b>	<b>13</b>	0%



# Concluding Remarks

Isabelle Ducellier, CEO



# Conclusion

- With +29% sales growth in Q1 we are continuing the success story. The Q1 results are driven by :
  - Americas had an impressive growth at +64% by leveraging the US synergies identified when acquiring Everidis. For the first time ever we sold more than 1 MUSD on Amazon US.
  - APAC over-performed at +72% due to removed Covid restrictions in China and periodization of orders.
  - EMEA -5% due to tough comparables (Q1 2022 sales were 150 MSEK vs 94 MSEK in Q1 2021, +60%) and some inventory effects.
- Despite stagflation risk i.e., high inflation combined with economic stagnation, we maintain our long-term sales and financial goals as our drops are resilient to economic variation and we have control of one third of our sales via our own distributing companies.



# Q&A