

Interim Management Statement

Telephone Conference -
7th of May 2024 09:30

Theresa Agnew. CEO
Alexander Kotsinas. CFO

BioGaia[®]



EXECUTIVE SUMMARY

Q1 - 2024



- Sales were 370 MSEK (+1%) driven by sales growth in APAC and EMEA - despite record high sales in Q1 2023
- Sales in EMEA increased by 13%, in APAC with by 6% while Americas decreased with 14%
- EBIT 143 MSEK (-3%) and EBIT margin 39% (40%)

Key Events & Launches



Distributor	Country	Product
PediAct	France	BioGaia Prodentis
Eczacibasi	Turkey	BioGaia Protectis tablets
BioGaia Canada	Canada	BioGaia Aldermis
BioGaia USA	USA	BioGaia Nurture & Grow
MTC Pharma	Vietnam	BioGaia Prodentis tablets with new flavor (apple)

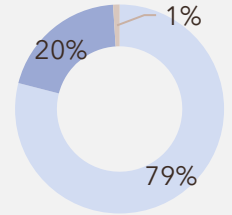
Sales per Segment

- **Total** sales for the quarter increased by 1% (increase by 2% excluding currency effects)
- **Pediatrics** sales decreased by 4% (decrease by 4% excluding currency effects) due to decreased sales in Americas, mainly in USA and Brazil
- **Adult** sales increased by 32% (increase by 33% excluding currency effects) due to increased sales of Gastrus, mainly in USA and Spain, and Prodentis, mainly in USA and Germany

	Q1 2024	Q1 2023	Change
MSEK			
Pediatrics	292	306	-4%
Adult Health	75	57	32%
Other	3	3	-17%
Total	370	366	1%

Sales per Segment

Q1 2024



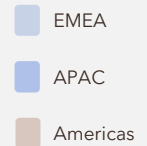
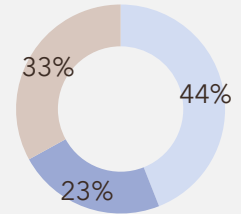
Sales per Region

- **EMEA:** sales increased by 13% mainly in Spain, South Africa and the United Arab Emirates
- **APAC:** sales increased by 6% mainly in Indonesia, Japan and Thailand
- **Americas:** sales decreased by 14% mainly in Brazil, Mexico and USA. In USA sales were negatively affected by the discontinuation of the Gerber products. In Brazil sales were negatively impacted by the inventory build-up in the fourth quarter of 2023 due to the launch of Easy Dropper in Brazil

	Q1 2024	Q1 2023	Change
MSEK			
EMEA	162	143	13%
APAC	86	81	6%
Americas	123	142	-14%
Total	370	366	1%

Sales per Region

Q1 2024



Alexander Kotsinas, CFO

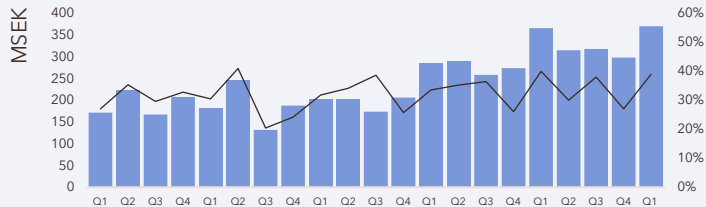
Financials



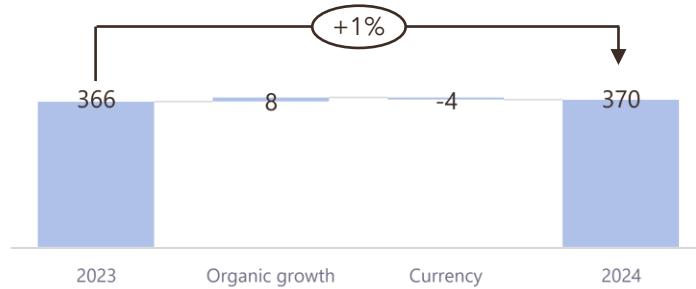
Q1 Financials

- Revenues were 370 (366) MSEK. +1% growth
- EBIT was 143 (148) MSEK (-3%)
- EBIT margin of 39% (40%)
- Earnings per share were 1.21 (1.15) SEK
- Operating cash flow at 52 (98) MSEK

Net sales and EBIT margin (%)



Q1 Sales Bridge



MSEK	Q1	Change
2024	366	
Organic growth	+8	+2%
Currency	-4	-1%
2024	370	+1%

Gross Margin per Segment

The gross margin was stable at 72% compared to 72% one year ago. The Pediatrics gross margin increased, and the Adult Health gross margin decreased mainly due to product mix changes.

	Q1 2024	Q1 2023
MSEK		
Pediatrics	75%	73%
Adult Health	57%	63%
Total	72%	72%

Operating Expenses (OPEX)

OPEX +7%

- Sales costs increased due to increased activities related to sales and marketing
- R&D costs increased mainly due to higher study expenses during the period
- Admin costs increased mainly due to litigation fees in connection with the termination of the distribution agreement in Italy
- Other OPEX at 12.4 MSEK compared to 2.1 MSEK one year ago due to increased exchange gains on operating receivables

MSEK	Q1 2024	Q1 2023	Change
Sales and Marketing	-96.0	-88.1	9%
Research and Development	-25.1	-18.7	34%
Administration	-13.9	-9.8	42%
Other OPEX	12.4	2.1	502%
TOTAL OPEX	-122.6	-114.5	7%
TOTAL OPEX excluding adjustments ¹	-117.6	-112.1	5%

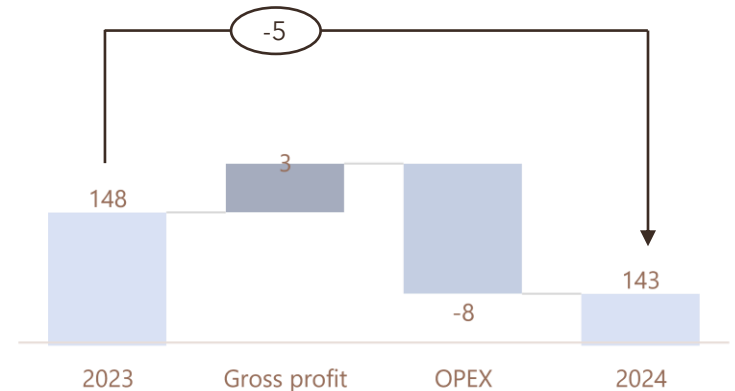
¹ restructuring costs and costs for evaluation of acquisition candidates

Profit and Loss Statement

- Sales +1%
- OPEX +7%
- EBIT -3% and EBIT Margin 39%

MSEK	Q1 2024	Q1 2023	Change
Sales	370	366	1%
Gross profit	266	263	1%
- percentage of revenues	72%	72%	
OPEX	-123	-115	7%
EBIT	143	148	-3%
- percentage of revenues	39%	40%	
Adjusted EBIT	148	150	-1%
- percentage of revenues	40%	41%	
Profit after tax	122	116	5%
EPS	1.21	1.15	5%

EBIT Bridge Q1



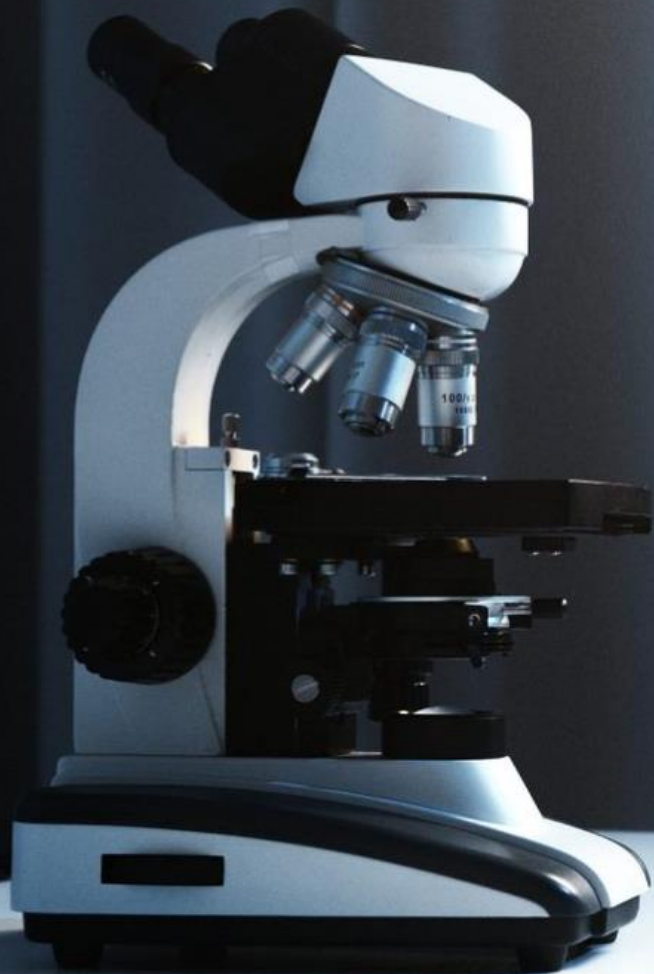
Cashflow

- Cash Flow from Operating Activities decreased by 47% to 52 (98) MSEK mainly due to higher costs in working capital (increased receivables).
- Cash Flow for the period at 41 (94) MSEK
- Cash at the end of the period at 1,591 MSEK

MSEK	Q1 2024	Q1 2023	Change
Cash flow from operating activities before changes in net working capital	123	122	1%
Changes in working capital	-71	-24	200%
Cash flow from operating activities	52	98	-47%
Cash flow from investing activities	-9	-1	559%
Cash flow from financing activities	-2	-3	-32%
Cash flow for the period	41	94	-56%
Cash at the end of period	1,591	1,581	1%

Concluding Remarks

- Despite record high sales in the same period last year, Q1 sales at +1% (+2% excluding currency effects)
- EMEA back to growth with an increase of 13% due to better sales in several markets, including UK, Spain and UAE.
- APAC continues its solid growth with +6% including markets such as Japan, Thailand and Indonesia. We also see growth continuing in China.
- Americas sales decreased by 14% mainly due to decreased sales in Brazil, Mexico and USA. In USA sales were negatively affected by the discontinuation of the Gerber products. In Brazil sales were negatively impacted by the inventory build-up in the fourth quarter of 2023 due to the launch of Easy Dropper
- Operating expenses +7% (+5% excluding items affecting comparability)
- EBIT margin 39%



Q&A

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