



Q1 2021 Conference Call

Tom Rönnlund, CEO
Henrik Lundkvist, CFO

Lund, 23rd April 2021



Safe Harbor Statement

This presentation contains certain forward-looking information that reflects Probi's present view of future events, as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information. Given the risks associated with forward-looking statements, recipients of this presentation are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements referred to above speak only as at the date of the presentation. Probi will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect future events, circumstances, anticipated events, new information or otherwise except as required by law or by any appropriate regulatory authority.

Probi does not make any guarantee, representation or warranty, express or implied, as to the accuracy, completeness or fairness of the information and opinions contained in this presentation, and no reliance should be placed on such information. Probi does not accept any responsibility or liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.





Agenda

1 Executive Overview

2 Financial Review

3 Outlook

4 Q&A

A good start to 2021

- Net sales increased by 9% (20% currency adjusted)
- EBITDA margin 28% in Q1 (19%)
- Strong underlying growth in Americas (22%)
- Strongest quarter ever in EMEA with net sales growth of 19%
- First deliveries under the Pan-European agreement with Perrigo
- Strategic partnership with China National Pharmaceutical Foreign Trade Corporation (Sinopharm Foreign Trade)
- New bone health study in collaboration with La Trobe University in Australia
- Industry forecasts indicate continued good growth in probiotic supplements with regional differences

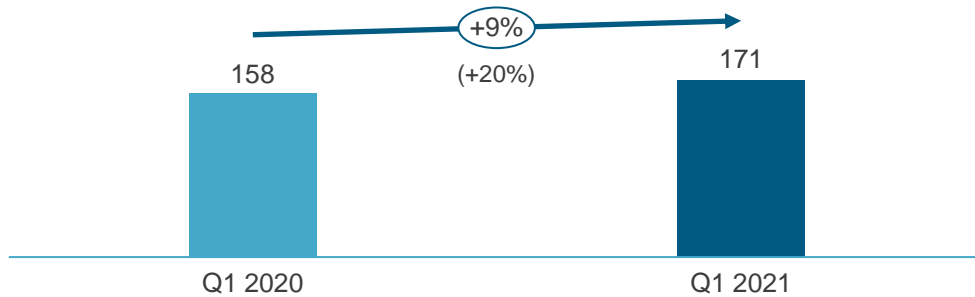


Strong organic sales growth with good profitability in Q1

Net sales

SEK m, sales growth in % (constant currency growth)

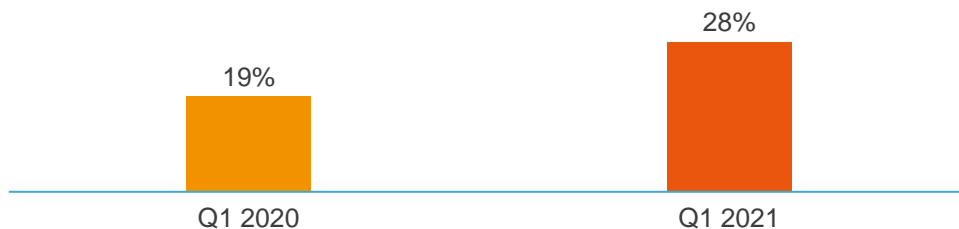
Target
> 7 %



EBITDA %

EBITDA margin as % of Group net sales

Target
≥ 29 %



Highlights in the quarter

- Net sales (currency adjusted) growth by 20%
- Higher sales and product mix delivered higher gross margin (n.b. production disturbances in Q1 2020)
- Lower OPEX in Q1 reflecting reduced expenses amidst the pandemic

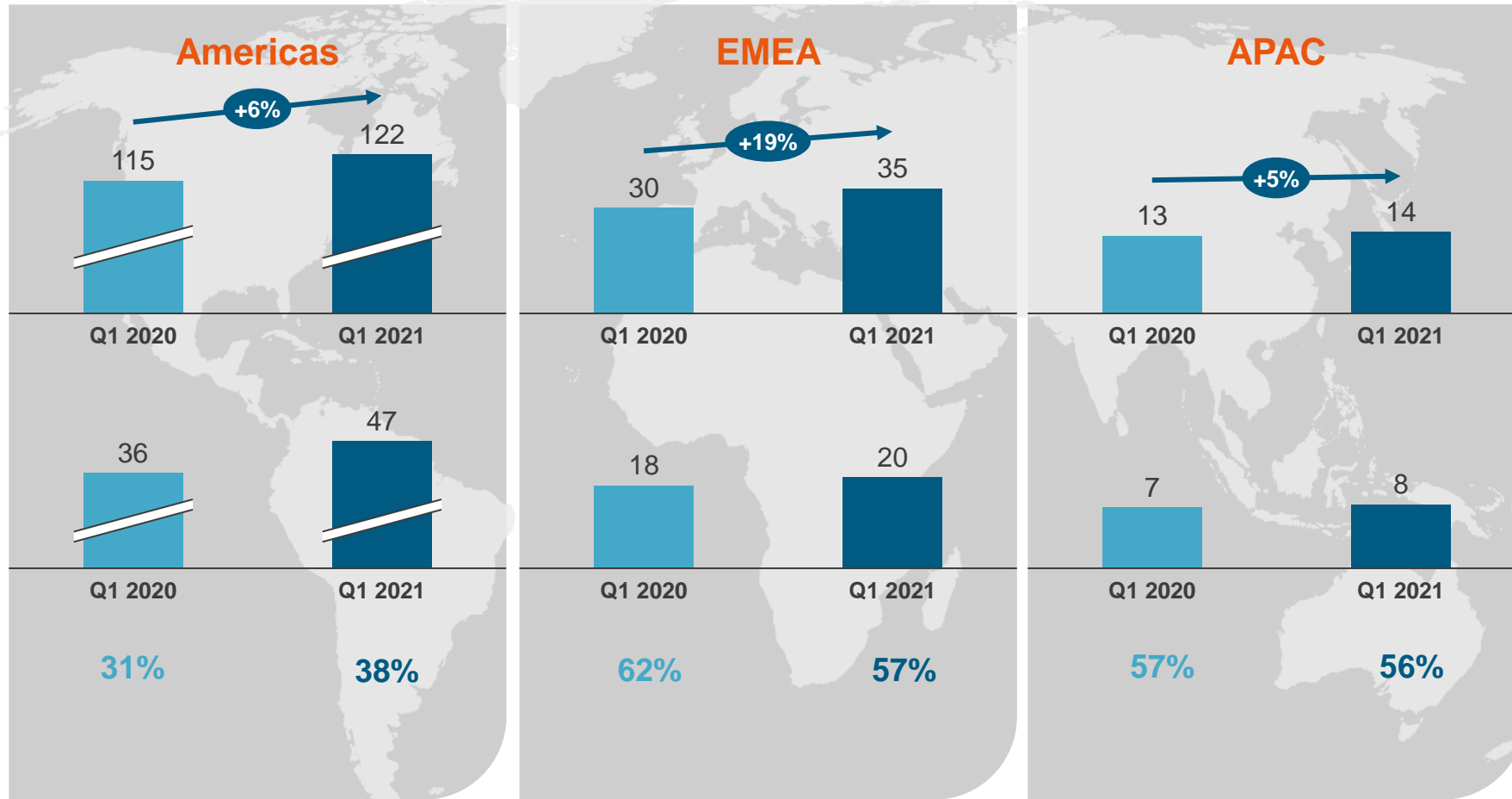


Net Sales and Gross Profit by region

Net sales
SEK m sales
growth in %

Gross profit
SEK m

Gross margin





Agenda

1 Executive Overview

2 Financial Review

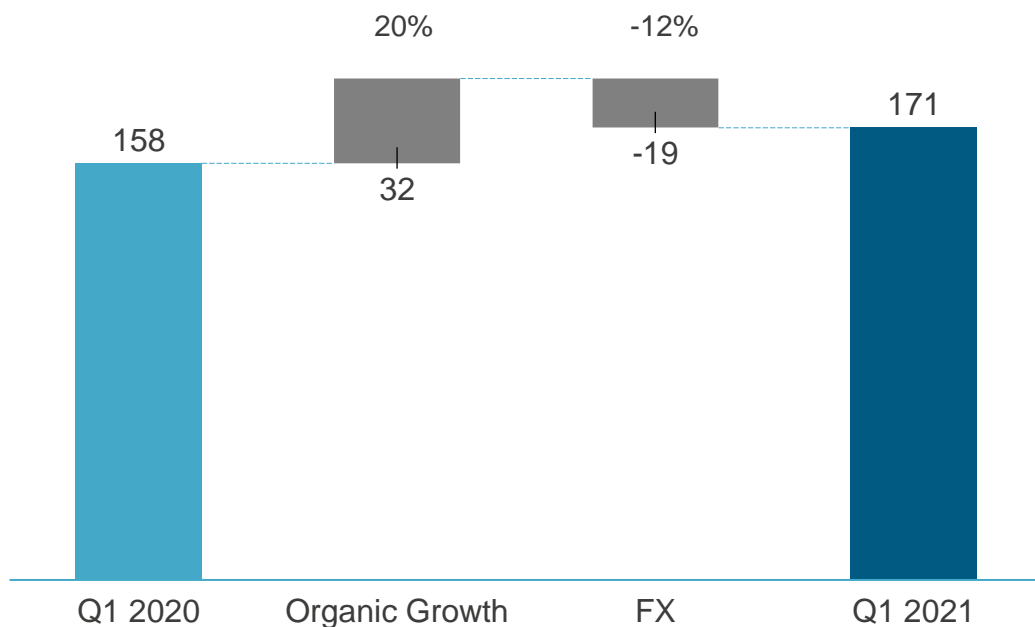
3 Outlook

4 Q&A

Strong organic growth in the quarter

Probi sales bridge

SEK m, sales in %



Condensed P&L

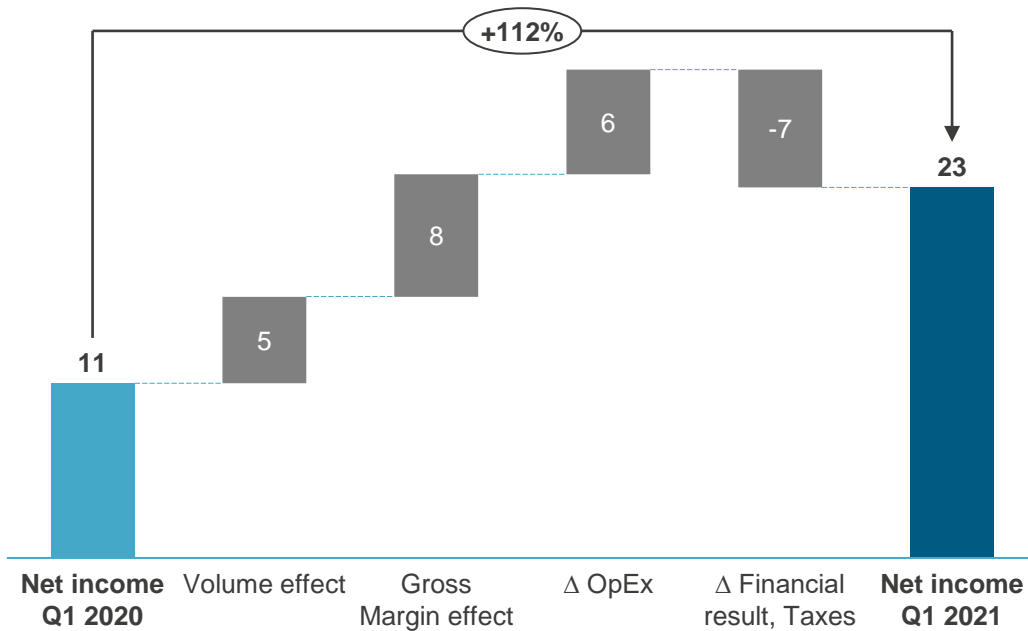
SEK m

	Q1 2021	Q1 2020	Change
Net sales	171.3	157.8	▲ 9%
EBITDA	47.1	29.9	▲ 58%
EBITDA margin	27.5%	18.9%	▲ 8.6pp
EBIT	30.1	11.0	▲ 175%
Net income	22.6	10.7	▲ 112%
EPS	1.99	0.94	▲ 112%



Higher sales volumes and gross margin increase net income

Reconciliation of net income SEK m



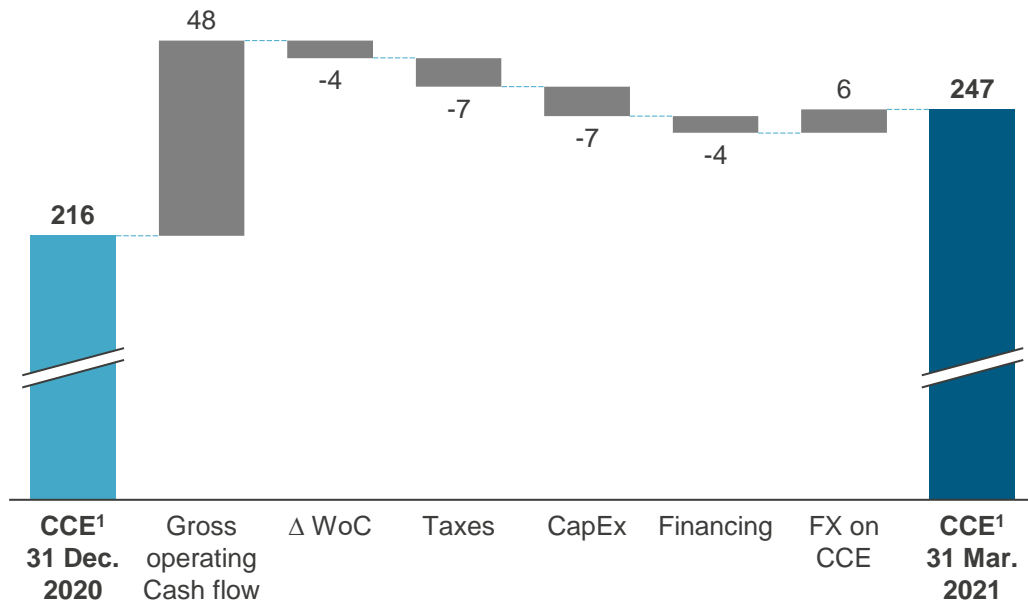
Key aspects

- Net income increased by SEK 12 m (+112%) compared to previous year
- Higher sales volumes and gross margin generate strong contribution to net income
- Lower sales and marketing as well as administrative expenses reduce OpEx by SEK 6 m
- Comparing period contained positive financial FX effect of SEK 3 m
- Increased income tax based on strong result



Cash-flow reflecting strong net income

Reconciliation of group liquidity SEK m



Key aspects

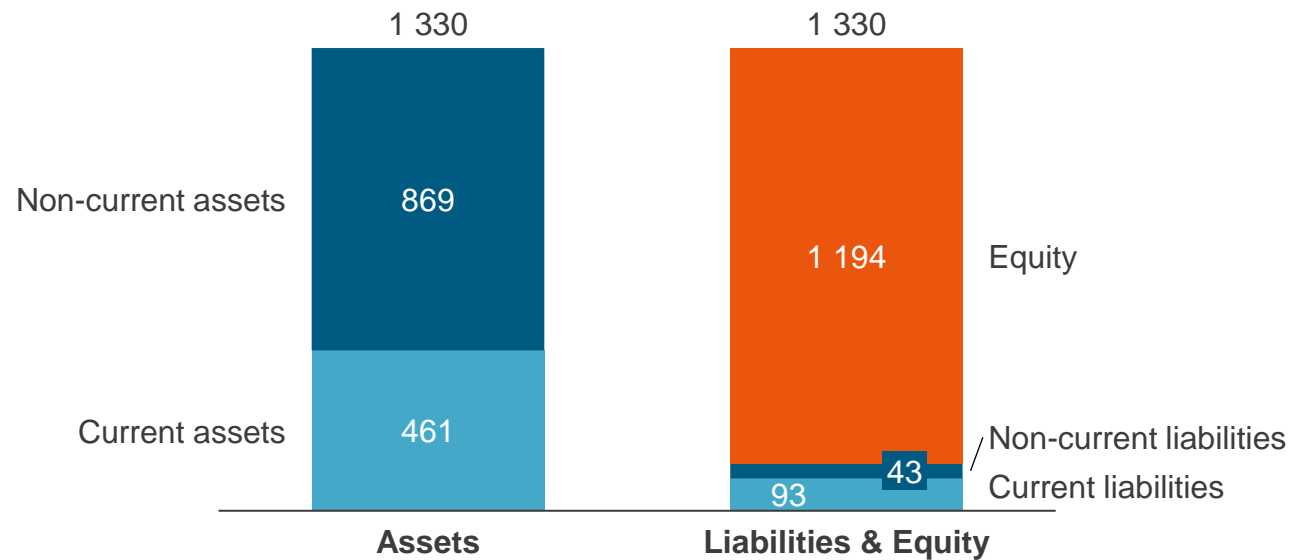
- Gross operating cash flow of SEK 48 m reflects robust business model
- Limited movements in Working Capital
- Capex mainly related to manufacturing upgrade program
- Financing includes payments of lease obligations
- Positive FX effect on cash compared to year-end 2020



¹ CCE = Cash and cash equivalents.

Solid balance sheet with no external loans

Balance sheet as per March 31, 2021
SEK m



Key aspects

- Total equity of SEK 1 194 m
- No external loans
- Equity ratio 90%





Agenda

- 1 Executive Overview
- 2 Financial Review
- 3 Outlook
- 4 Q&A

Strategic focus

Doubled sales



Growth

- Stronger presence in growth markets
- Solidify position in premium probiotic segments
- Expand global key account portfolio
- Strategic partnerships and acquisitions

Lead the way in probiotic innovation and science



Accelerate development of new products

- Expand range of clinically documented offerings
- Increase international collaborations
- Evaluate growth potential in probiotic related market segments

Manufacturing excellence



More efficient manufacturing

- High quality production adapted to market needs
- Develop manufacturing capabilities/partnerships in growth regions
- Gradually improved gross margins





Agenda

- 1 Executive Overview
- 2 Financial Review
- 3 Outlook
- 4 Q&A



Financial calendar

Annual General Meeting:

May 7, 2021

Interim report Q2 2021:

July 16, 2021

Interim report Q3 2021:

October 22, 2021

Year-end report 2021:

February 2, 2022

