



Q4 2023 Conference Call

Anita Johansen, CEO
Per Lindblad, CFO

Lund, 26 January, 2024



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Agenda

1. Year-end highlights

2. Financial Review

3. Outlook

4. Q&A

Eventful fourth quarter

- Net sales increased by 8% (9% adjusted for currency effects) to SEK 156 m (144)
- The EBITDA margin amounted to 12% (11) or 15% adjusted for items affecting comparability
- Probi launched Probi® Sensia, a brand-new product concept in mental health
- Probi launched two new scientifically proven synbiotic solutions together with Clasado Biosciences at Supply Side West in Las Vegas
- Per Lindblad took over as CFO on November 1st
- The Board of Directors proposed a dividend for the fiscal year 2023 of a total of SEK 14,8m, corresponding to SEK 1,30 per share.



2023 – A year of action and change

Several major commercial advancements

- Launched a brand-new concept in the rapidly growing Mental Health segment.
- Launched two new synbiotic concepts together with Clasado Biosciences.
- Established a B2C org. and took over the Probi Brand in Sweden. Expanded into Norway.
- Strengthened our position in North America by becoming sole distributor of BLIS K12™ and M18™.
- Launched *Weizmannia coagulans* GX-1, a strain with high stability fit for beverages and confectionary type formats.
- Was granted 23 new patents and published new clinical evidence.

Strengthened organizational capabilities and new management

New CEO – Anita Johansen
New CFO – Per Lindblad

- Additional organizational changes and improved ways of working throughout the company.
- Optimization program in manufacturing to strengthen long-term competitiveness and improve profitability.

New revised business strategy for long-term growth

- *Probi Reinforced*: a new 5-year strategy to deliver sustainable and profitable growth.
- Established ambitious financial targets for 2024-2028.
- Dedicated efforts to create a healthy and thriving organization driven by our shared purpose and goal to provide probiotics for healthier lives and a healthier planet.





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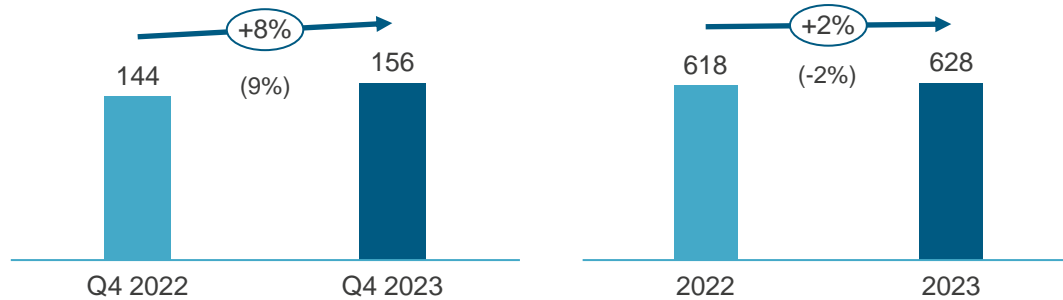
3. Outlook

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2023 a year of transformation and investment in building capabilities

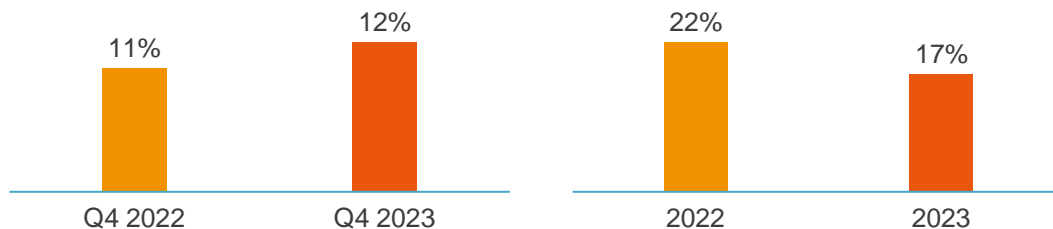
Net sales

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



EBITDA %

EBITDA margin as % of Net sales



Highlights

- Solid Q4 performance in EMEA & APAC and low comparison in NA led to YoY quarterly increase of 8% or 9% FX adjusted.
- The EBITDA margin for Q4 was on level with last year as both impacted by items affecting comparison.
- Net sales full year 2023 on par with 2022
- EBITDA-margin is below last year's due to non-comparable costs totaling SEK 19 m, resulting in adjusted EBITDA margin at 20%

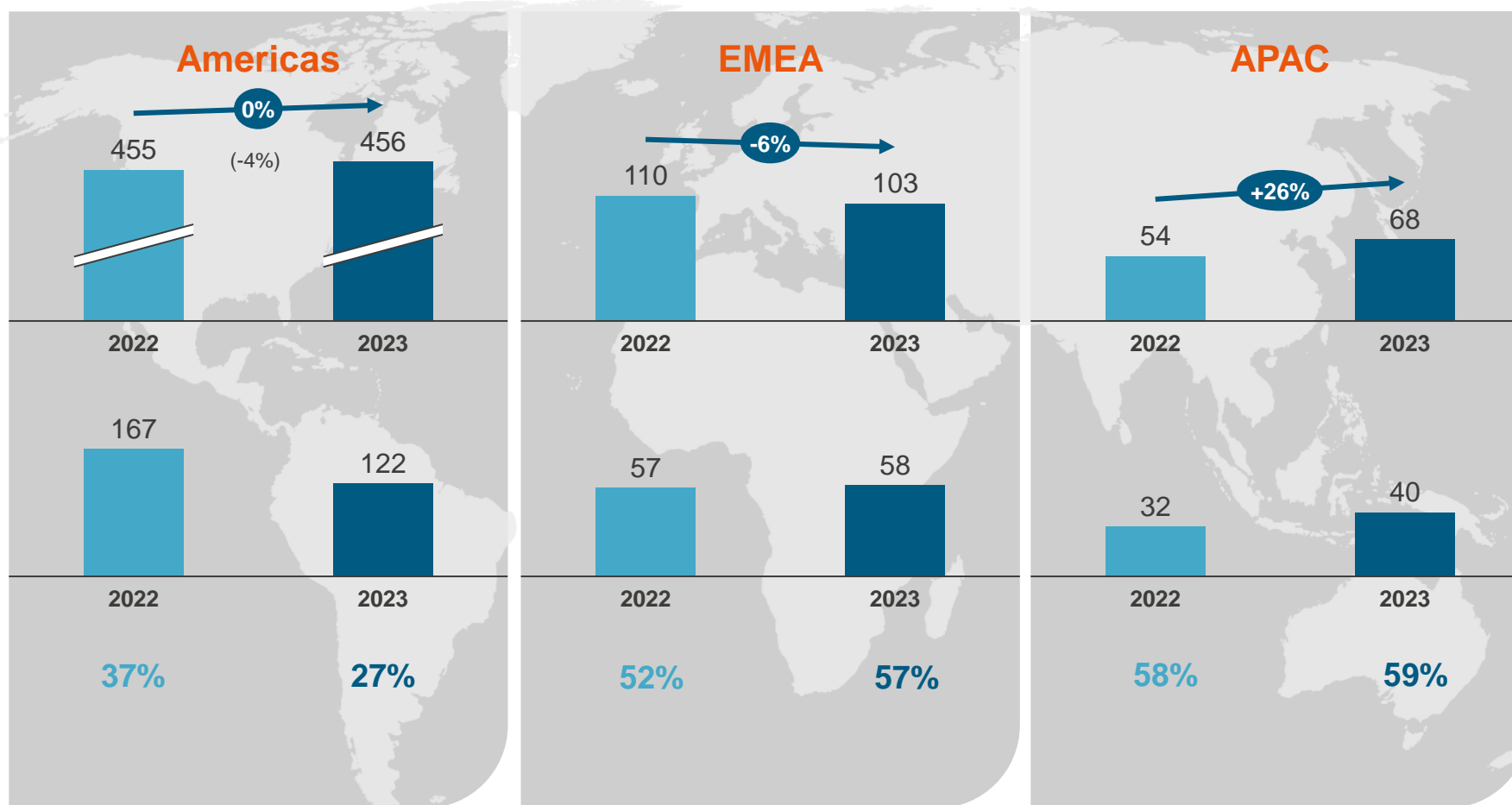


2023 Net Sales and Gross Profit by region

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

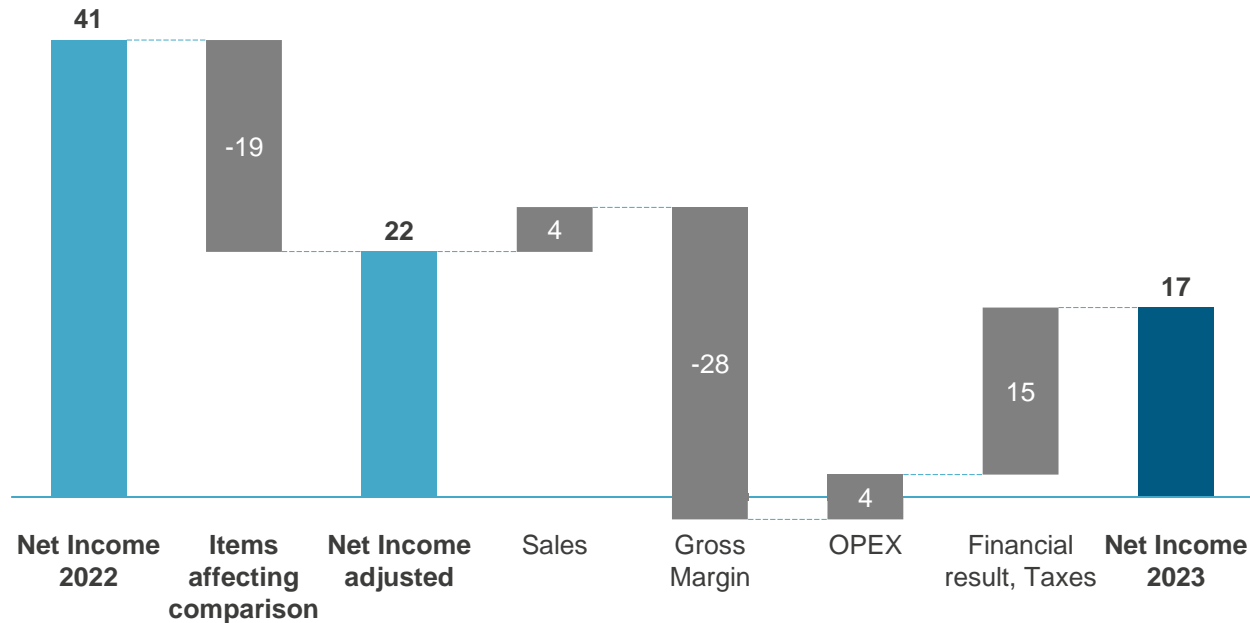
Gross profit
SEK m

Gross margin



Pressure on net income during 2023

Reconciliation of net income SEK m



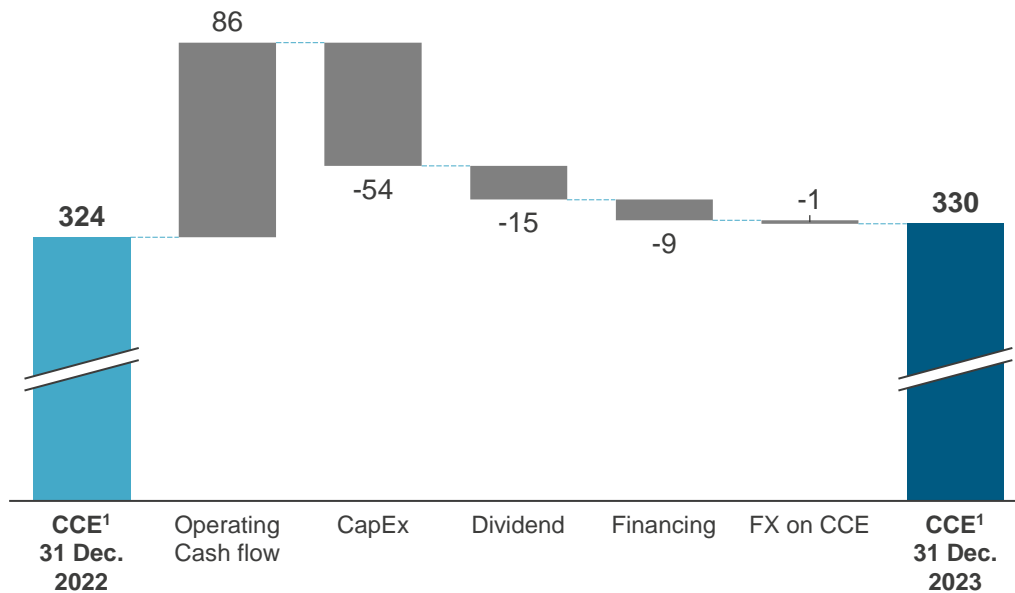
Highlights 2023

- Net income fell by SEK 24m, with SEK 19 m from one-off items expected to reverse soon, including extraordinary recruitment costs and optimization projects in operations.
- Gross margin is adversely impacted by increased depreciation from e.g. strengthening of operational footprint, product mix and inflationary pressure on input costs.
- Positive effect from favorable financial result and lower taxes.



Probi maintain strong cash position

Reconciliation of group liquidity SEK m



Key aspects

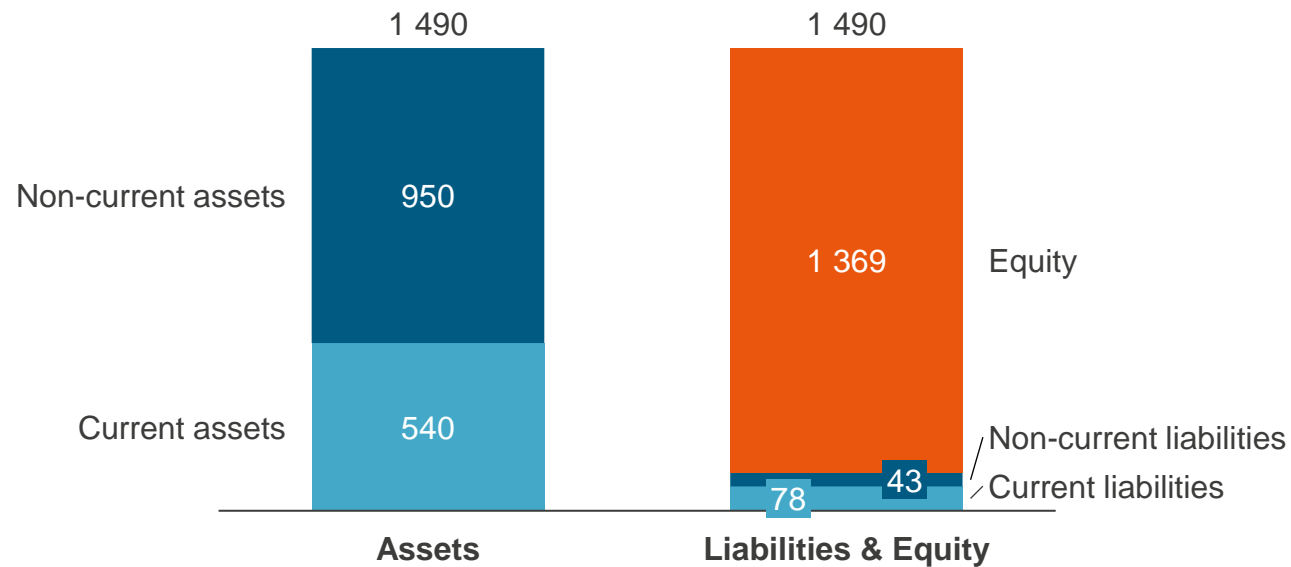
- Operating cash flow of SEK 86 m.
- CapEx of SEK 54 m mainly due to investments in manufacturing facilities.
- Dividend paid of SEK 15 m.
- Financing includes payments of lease obligations interest on bank funds.



¹ CCE = Cash and cash equivalents.

Solid balance sheet with no external loans

Balance sheet as per December 31, 2023
SEK m



Key aspects

- Total equity of SEK 1 369 m.
- No external loans.
- Equity ratio 92%.





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2024 - a transition year

Systematic implementation of our strategy

3 key focus areas:

- Win on talents
- Improve efficiency in manufacturing
- Accelerate business growth with new launches





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Financial calendar

Interim report Q1 2024	April 23, 2024
AGM 2024	May 7, 2024
Interim report Q2 2024	July 16, 2024
Interim report Q3 2024	October 22, 2024
Year-end report 2024	January 28, 2025

