



# Midsona

Interim Report  
Quarter 1, 2024



This presentation may contain forward-looking statements. Such statements are based on current expectations and are subject to risks and uncertainties that could negatively affect our business. Please refer to our 2023 annual and sustainability report for a better understanding of these risks and uncertainties.



# Q1 2024 summary and financial highlights

## Summary

- Strongly improved EBIT
- Gross Profit margin strengthened considerably
- Net Sales negatively impacted by Easter effect, discontinued distribution agreements and divestures
- Complexity reduction
- New financial targets and strategy presented

## Financial highlights

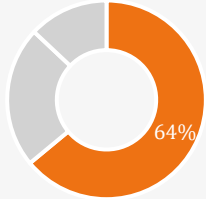
<b>Net sales</b>	<b>EBIT<sup>1</sup></b>	<b>EBIT<sup>1</sup> margin</b>
SEK 929 m (SEK 974 m)	SEK 38 m (SEK 21 m)	4,1% (2,2%)
-4,6% change	+81%	+1,9 p.p.
<b>Gross margin<sup>1</sup></b>	<b>Net debt / Adj. EBITDA<sup>2</sup></b>	<b>Cash flow<sup>3</sup></b>
29,0% (26,3%)	2,4x (4,3)	SEK 21 m (SEK 82 m)
+2,7 p.p.	Improved 1,9x	-61 m





## Division highlights

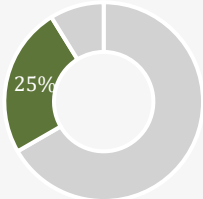
### Division Nordics



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	602	647	-7%
EBIT <sup>1</sup>	56	52	+8%

- Division Nordic stays strong
- Improved EBIT and EBIT-margin
- Net Sales decline explained by discontinued licensed brands
- Gross profit improvements driven by pricing and production efficiency

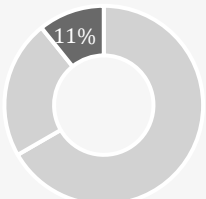
### Division North



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	231	225	+3%
EBIT <sup>1</sup>	5	-4	n/a

- New listings in a still weak market. Mainly gives effect in quarter 2.
- Improved EBIT and EBIT-margin
- Solid gross profit improvements despite negative mix effects.
- Continued focus on new volumes and cost savings

### Division South



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	109	111	-2%
EBIT <sup>1</sup>	-1	-7	n/a

- Improved EBIT, but still in the red
- Improved production efficiency in Spain
- Market still weak in France



## Gross margin (GM) management

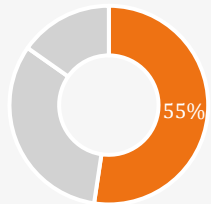
GM <sup>1</sup> improvement (vs YA)		Status
Nordics	+2,5p.p.	<ul style="list-style-type: none"><li>• Select price increases</li><li>• Improved production efficiency in Mariager and Tilst plants</li><li>• Discontinuation of low margin Private Label contracts (mainly Denmark)</li><li>• Discontinuation of low margin licensed brands</li></ul>
North	+2,8p.p.	<ul style="list-style-type: none"><li>• Select price increases</li><li>• Improved production efficiency in Ascheberg and Lauterhofen plants</li><li>• Improved distribution and new listings for brand Davert</li><li>• Better Private Label agreements</li><li>• Discontinuation of low margin food service customers</li></ul>
South	+4,5p.p.	<ul style="list-style-type: none"><li>• Select price increases</li><li>• Significantly improved production efficiency in Castellcir plant</li><li>• Improved sales for key brands</li></ul>

1) Before items affecting comparability



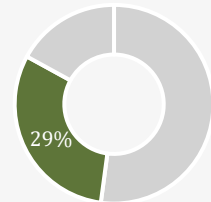
## Portfolio highlights

### Organic products



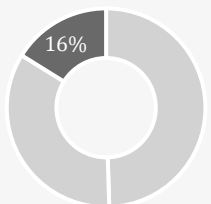
- Growth -2%, sales slightly ahead of previous year considering Easter effect
- Strong growth for brand Helios
- Private label continues to grow strongly driven by buoyed customer and consumer demand.

### Health foods



- Growth -3%, sales slightly ahead of previous year considering Easter effect
- Strong growth for Friggs.
- Supply issues for sports nutrition products
- Private label decline due to exit of low margin contracts

### Consumer health products



- Growth -12%
- Decline mainly related to discontinued licensed and divested own brands.

## New Financial Targets

Profitable growth		Higher margins	
<b>3-5 %</b> <b>Organic sales growth</b> Brands >5% <ul style="list-style-type: none"><li>• Midsona consumer brands stands for ~ 60% of company sales (2023)</li><li>• Private Label and Licenced, selective growth</li></ul>		<b>&gt;8%</b> <b>Group EBIT<sup>1</sup> margin by year-end 2027</b> <ul style="list-style-type: none"><li>• Increased sales share of own brands</li><li>• Strong cost synergies from group-wide sourcing and specialised production</li><li>• Profitability over volume for Private Label and Licenced brands</li></ul>	
Achieved		Achieved	
Q1 2024: -4,2%	2023: -6,6%	Q1 2024: 4,1%	2023: 1,6%
Capital structure			
<b>&lt;2,5x</b> <b>Net debt to EBITDA<sup>2</sup>-ratio</b>			
Achieved			
Q1 2024: 2,4x		2023: 2,7x	

1) Before items affecting comparability. 2) EBITDA rolling 12-months, adjusted for transaction related costs

# New Strategy

A growth and purpose centered  
Culture and organisation

## Our Focus



Organic & healthy food

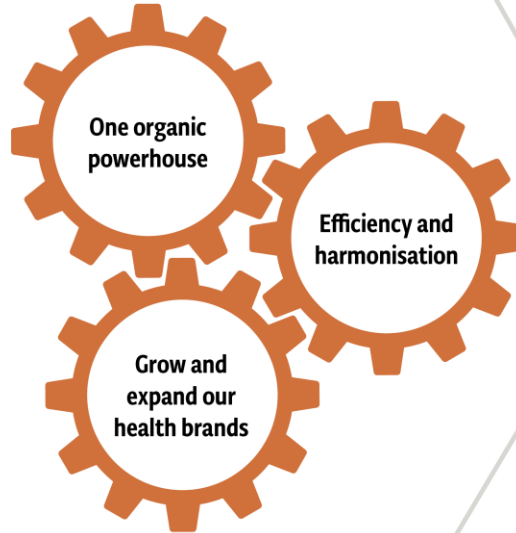


Win with our brands



Selected geographic markets

## Our Strategy



## Our Goal

### Vision:

European leader in healthy and sustainable foods



### Our financial targets:

Organic growth

**3-5%**

Net debt/EBITDA

**<2,5x**

EBIT  
**>8%**

## Our Mission



We provide healthy  
food for people  
and planet



## Continued progress on sustainability





# Financial review CFO Max Bokander



## Financial Summary Q1

MSEK	Q1 2024	Q1 2023
<b>Net Sales</b>	<b>929</b>	<b>974</b>
GM% <sup>1</sup>	29,0	26,3
<b>EBIT<sup>1</sup></b>	<b>38</b>	<b>21</b>
<b>EBIT%<sup>1</sup></b>	<b>4,1</b>	<b>2,2</b>
Items Affecting Comparability (IAC)	0	-5
Net financing costs	-14	-14
<b>EBT</b>	<b>24</b>	<b>2</b>
Net tax costs	-8	-8
<b>Net result</b>	<b>16</b>	<b>-6</b>
<b>Cash Flow</b> from operating activities	<b>21</b>	<b>82</b>
<b>Net Debt / Adj EBITDA<sup>2</sup></b>	<b>2,4</b>	<b>4,3</b>
Net Debt	501	721

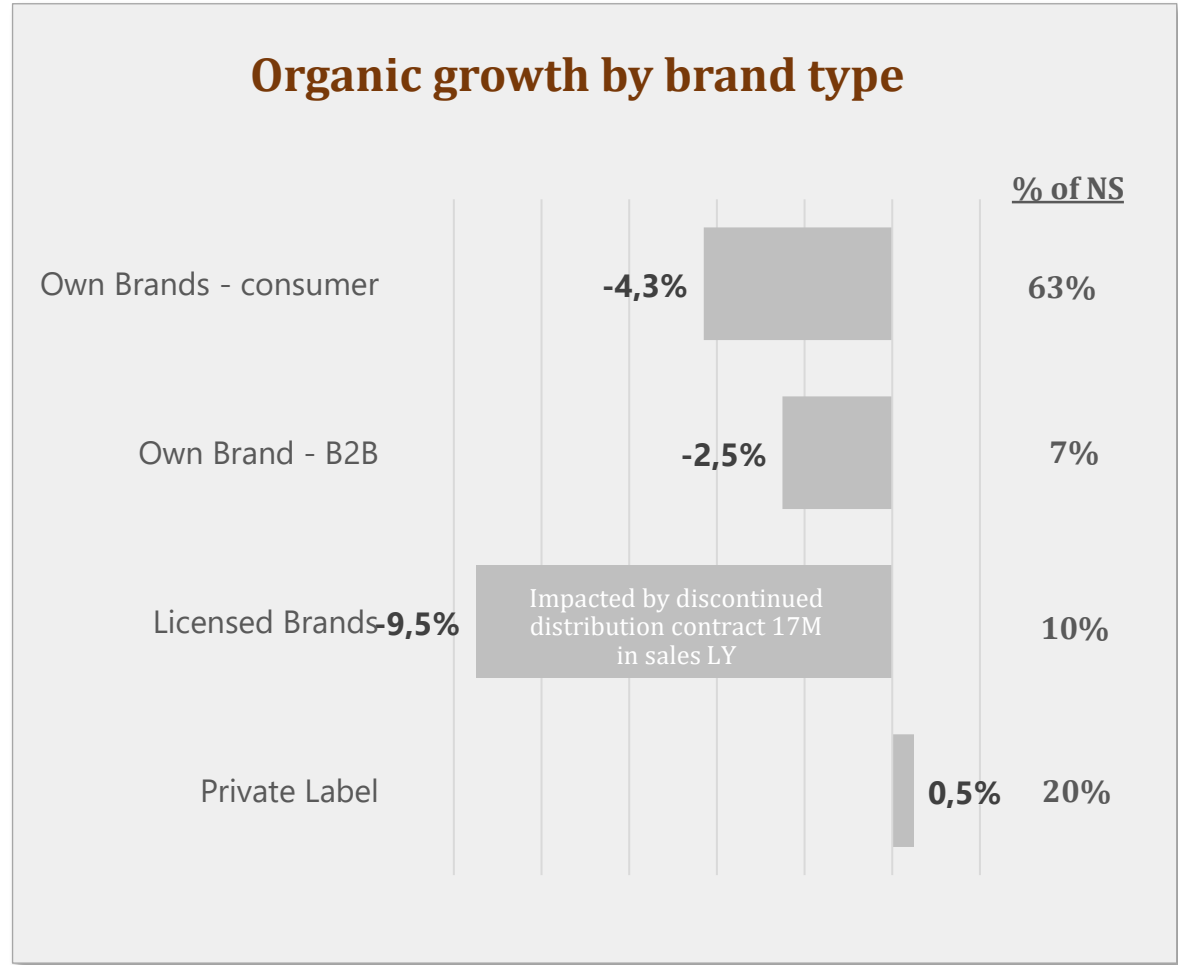
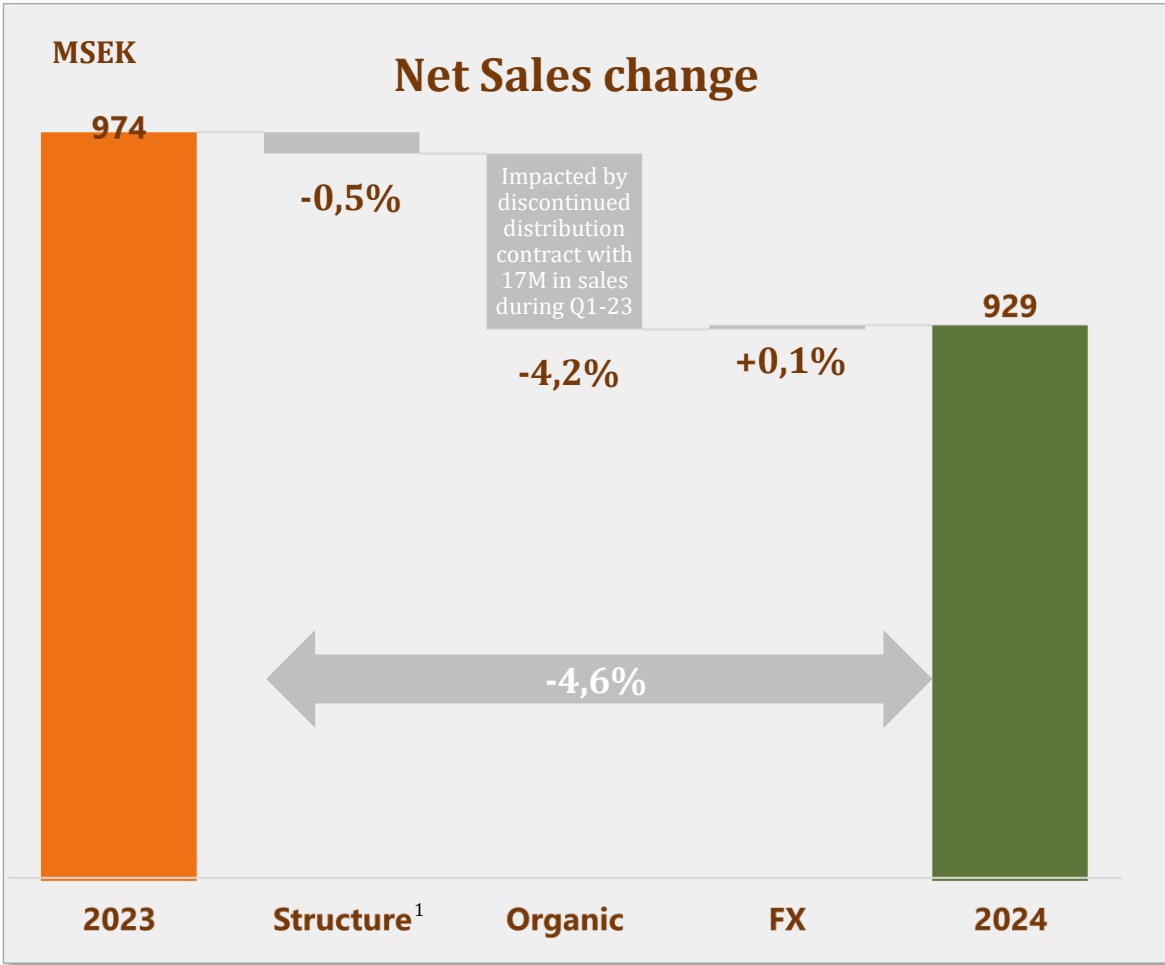
### Comments QTD

- **Net Sales -4,6% vs LY**
- **GM% +2,7 p.p. vs LY**
- **EBIT +17M (+81%) vs LY**
- **Net Result +22M vs LY**
- **Cash flow from operating activates -61M vs LY**
- **Net Debt / Adj EBITDA ratio improved 1,9x**

1) Before items affecting comparability 2) EBITDA rolling 12-months, adjusted for transaction related costs



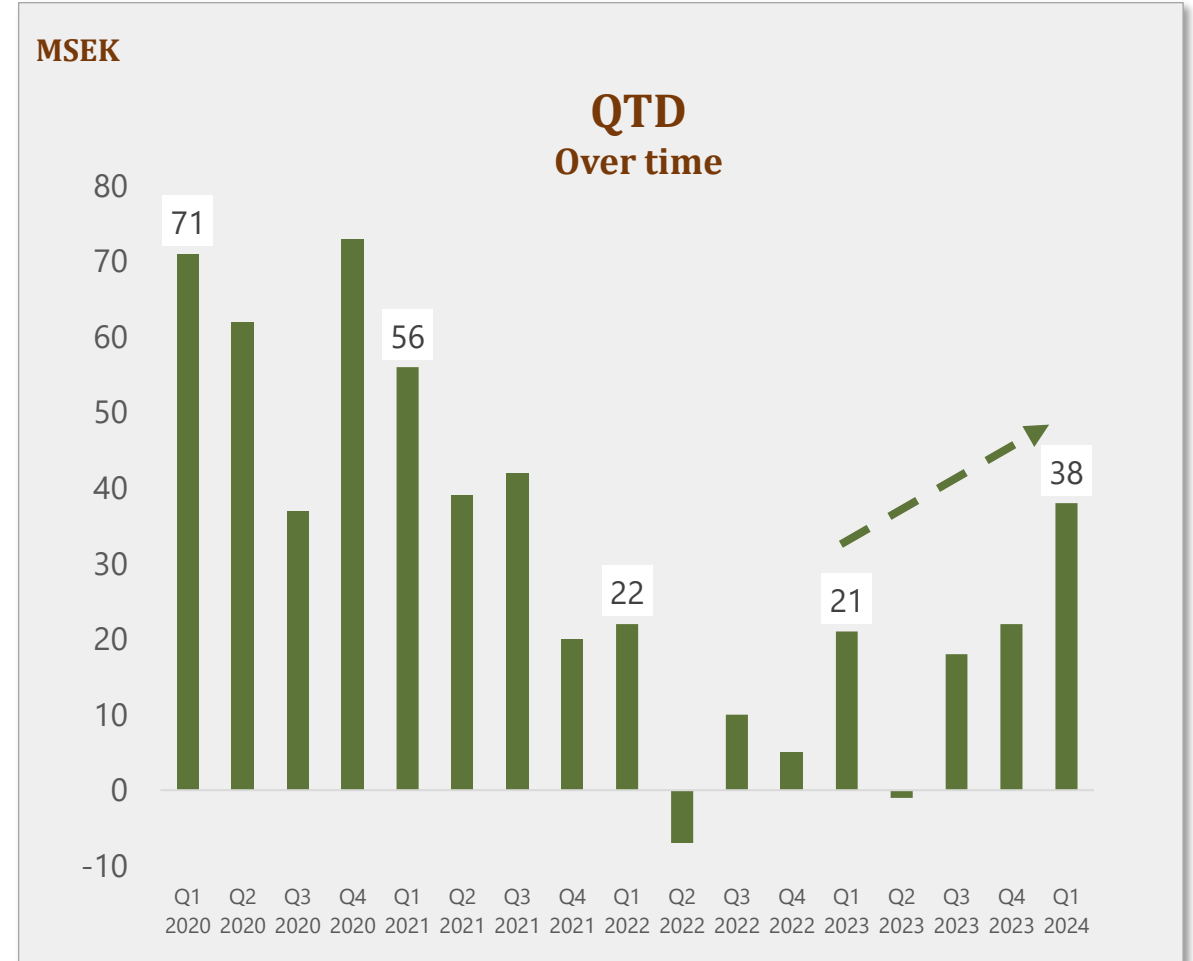
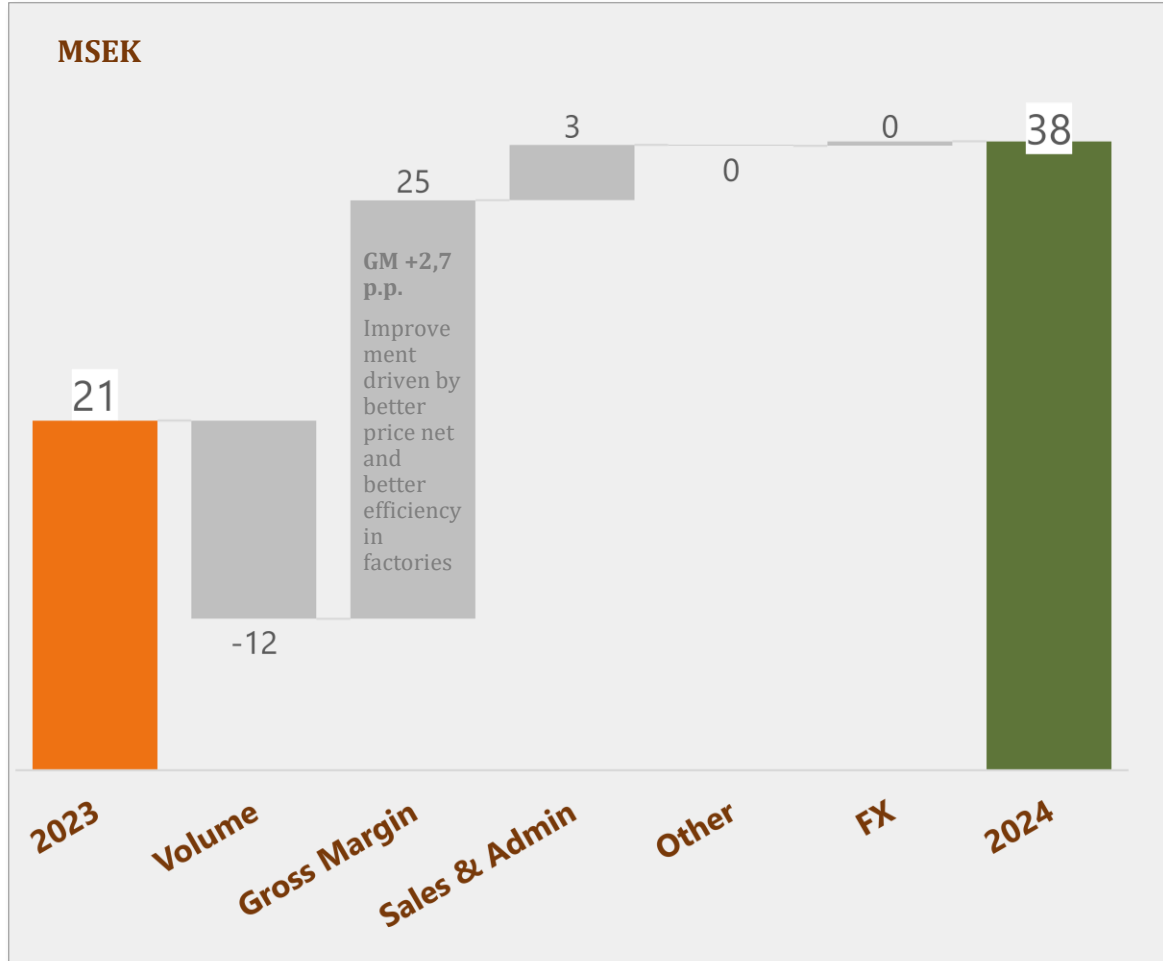
# Q1 Net Sales



1) Divested brands Kan Jang and Artic Root



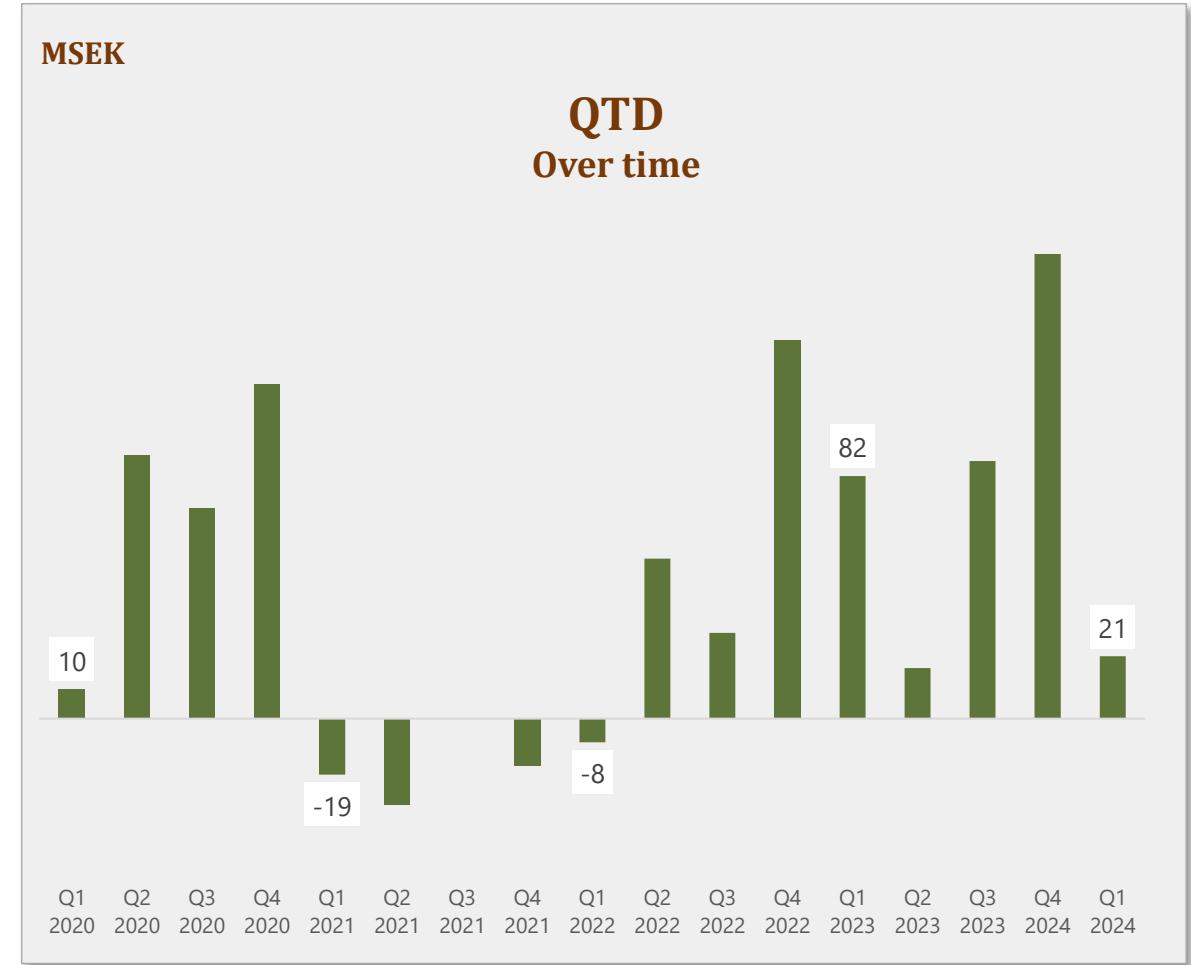
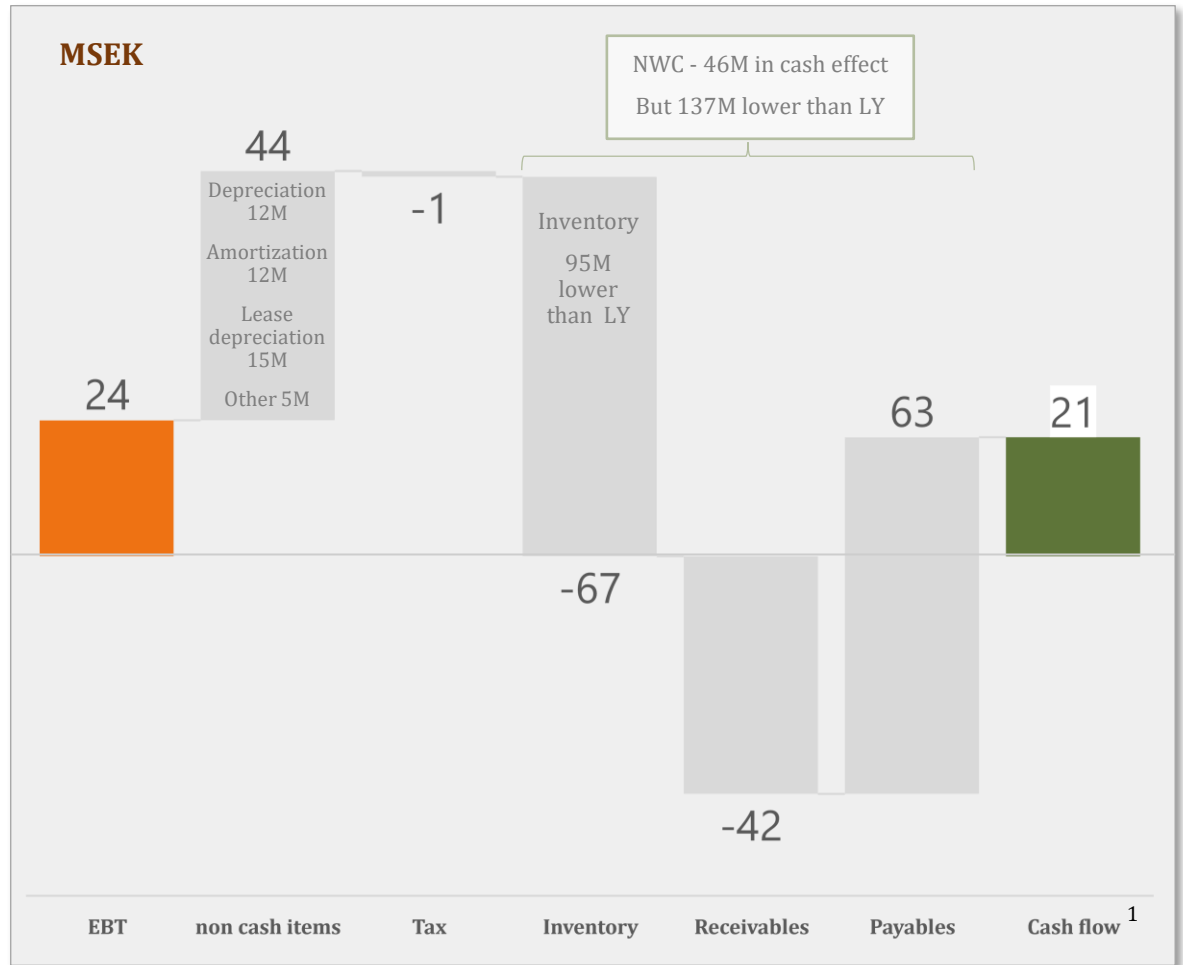
# Q1 EBIT<sup>1</sup>



1) Before items affecting comparability



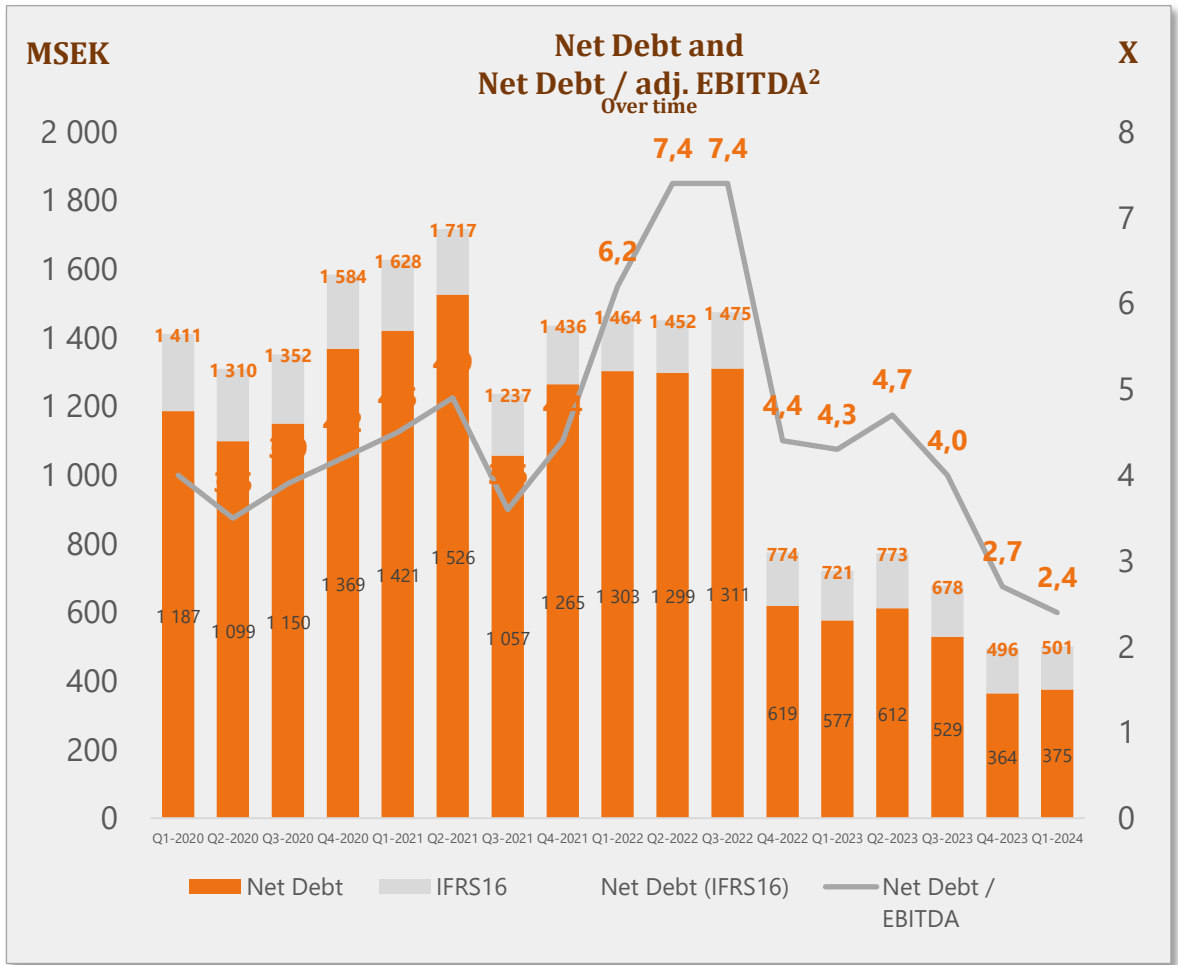
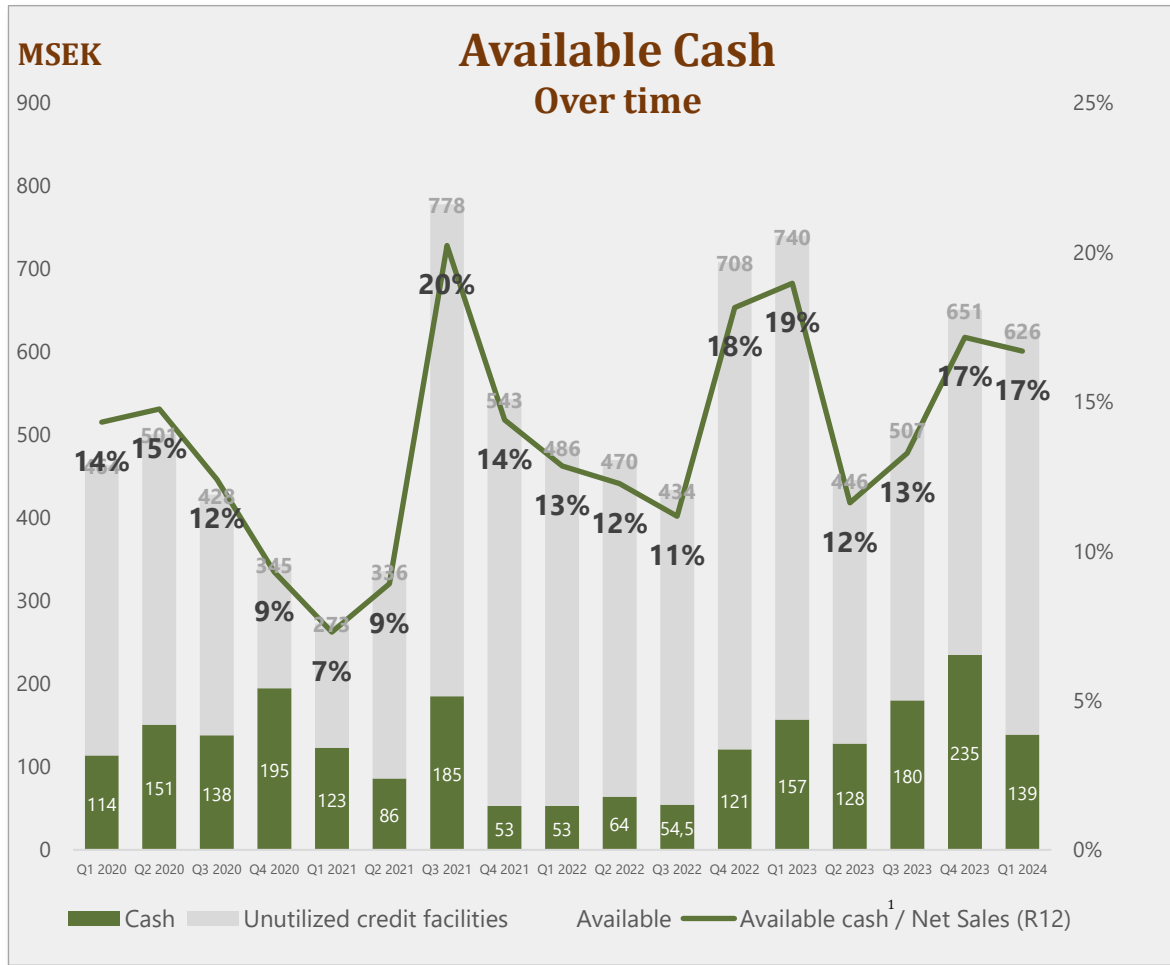
# Q1 Cash Flow from operating activities



1) Cash flow from operating activities



# Available cash and Net Debt



1) Available Cash = Cash + available overdraft and unutilized contracted bank credit facilities 2) EBITDA rolling 12-months, adjusted for transaction related costs



# Q & A