



# Midsona

Interim Report  
Quarter 2, 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.





# Q2 2024 summary and financial highlights

## Summary

- Organic growth of +3%
- Complexity reduction
- Strongly improved EBIT
- Gross Profit margin strengthened considerably
- Focus on implementation of new strategy

## Financial highlights

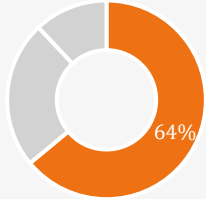
<b>Net sales</b>  <b>SEK 918 m</b> (SEK 893 m)  <i>-+2,8% change</i>	<b>EBIT<sup>1</sup></b>  <b>SEK 22 m</b> (SEK -1 m)  <i>+23m</i>	<b>EBIT<sup>1</sup> margin</b>  <b>2,4%</b> (-0,1%)  <i>+2,5 p.p.</i>
<b>Gross margin<sup>1</sup></b>  <b>28,9%</b> (26,4%)  <i>+2,5 p.p.</i>	<b>Net debt / Adj. EBITDA<sup>2</sup></b>  <b>2,3x</b> (4,7)  <i>Improved 2,4x</i>	<b>Cash flow<sup>3</sup></b>  <b>SEK -19 m</b> (SEK 17 m)  <i>-36 m</i>





## Division highlights

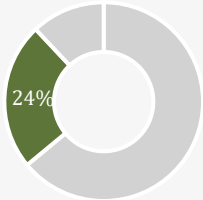
### Division Nordics



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	591	593	-0%
EBIT <sup>1</sup>	38	31	+23%

- Division Nordic flat sales
- Friggs continued to grow. Challenges for organic products
- Improved EBIT and EBIT-margin
- Gross profit improvements driven by pricing and production efficiency

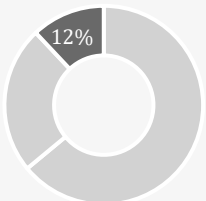
### Division North



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	223	201	+11%
EBIT <sup>1</sup>	5	-6	n/a

- Double-digit growth in division North. New listings for brand Davert as well as Private Label
- Growth hampered by production bottle necks.
- Improved EBIT and EBIT-margin

### Division South



	<u>24</u>	<u>23</u>	<u>vs PY</u>
Net Sales	114	108	+5%
EBIT <sup>1</sup>	-2	-9	n/a

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



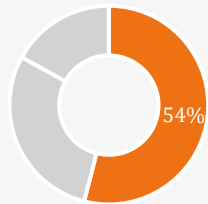
## Gross margin (GM) management

GM <sup>1</sup> improvement (vs YA)		Status
Nordics	+2,4p.p.	<ul style="list-style-type: none"><li>• Price management</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	+3,9p.p.	<ul style="list-style-type: none"><li>• Price management</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	+4,1p.p.	<ul style="list-style-type: none"><li>• Price management</li><li>• Significantly improved production efficiency in Castellcir plant</li><li>• Improved sales for key brands</li></ul>



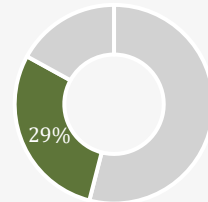
## Portfolio highlights

### Organic products



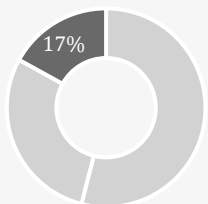
- Growth 7%
- Strong growth for brand Helios
- Private label continues to grow strongly driven by buoyed customer and consumer demand.

### Health foods



- Growth -4%
- Growth for brand Friggs.
- Private label decline due to exit of low margin contracts

### Consumer health products



- Growth 5%
- Increase mainly explained by new licensing agreement in Finland

## New Financial Targets

Profitable growth		Higher margins	
<b>3-5 %</b> <b>Organic sales growth</b>		<b>&gt;8%</b> <b>Group EBIT<sup>1</sup> margin by year-end 2027</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>		<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>	
<b>Achieved</b>		<b>Achieved</b>	
Q2 2024: 2,7%	Q2 2023: -11,0%	Q2 2024: 2,4%	Q2 2023: -0,1%
Capital structure			
<b>&lt;2,5x</b>			
<b>Net debt to EBITDA<sup>2</sup>-ratio</b>			
<b>Achieved</b>			
Q2 2024: 2,3x		Q2 2023: 4,7x	

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

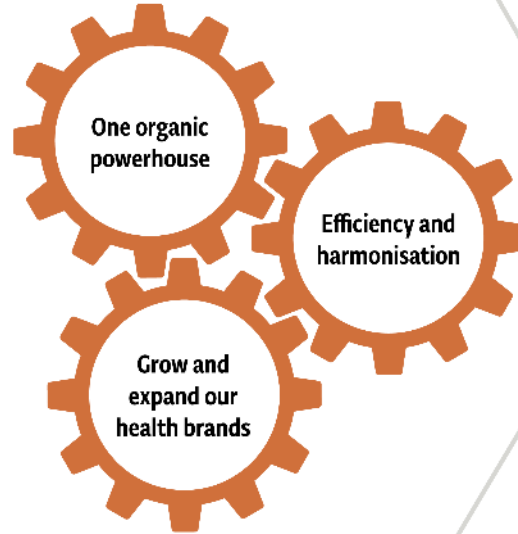


Win with our brands



Selected geographic markets

## Our Strategy



## Our Goal

### Vision:

European leader in healthy and sustainable foods



### Our financial targets:

Organic growth  
**3-5%**

EBIT  
**>8%**

Net debt/EBITDA  
**<2,5x**

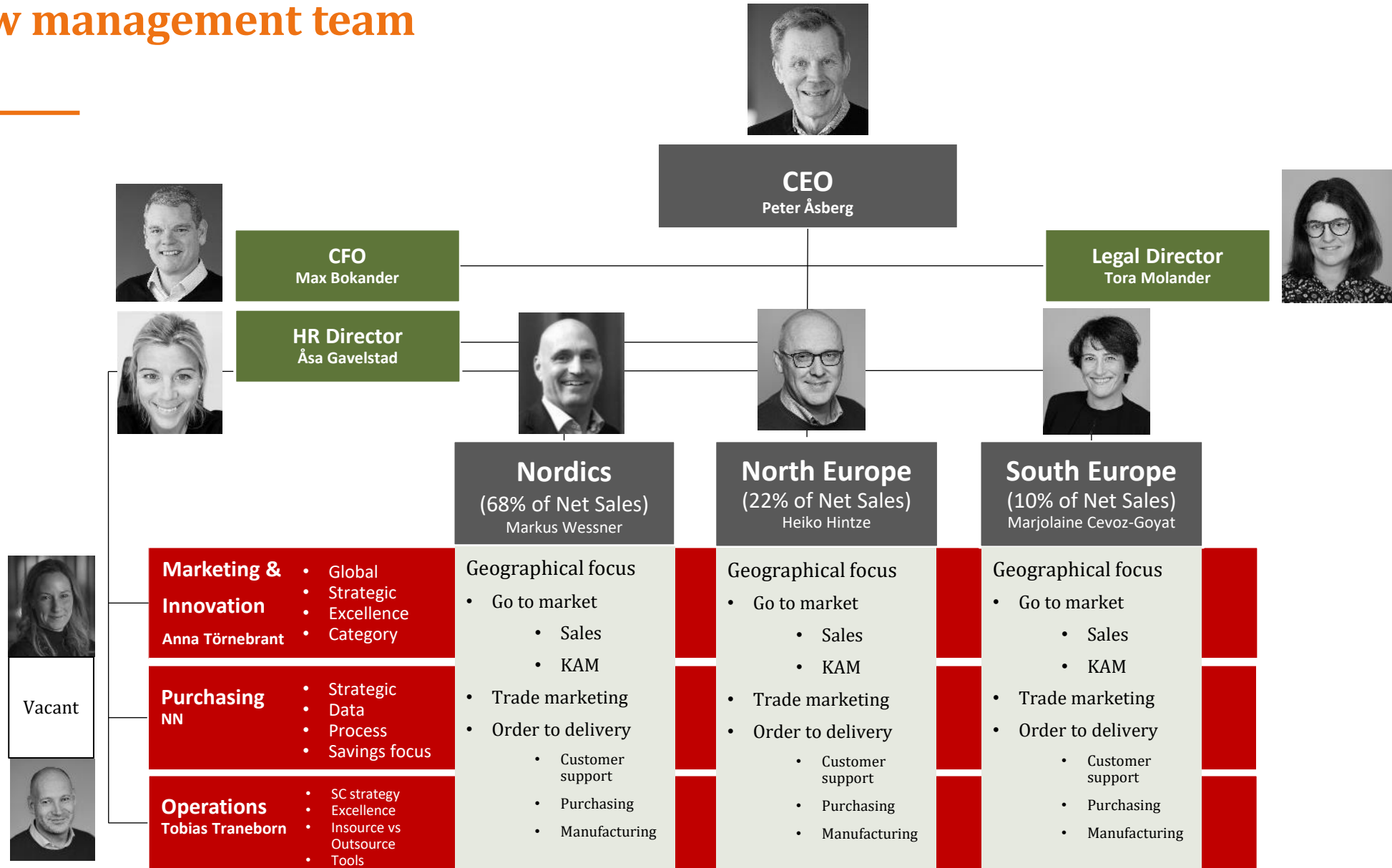
## Our Mission



We provide healthy  
food for people  
and planet



# The new management team







# Financial review CFO Max Bokander





## Financial Summary Q2

MSEK	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>Net Sales</b>	<b>918</b>	<b>893</b>	<b>1 847</b>	<b>1 867</b>
GM% <sup>1</sup>	28,9%	26,4%	28,9%	26,4%
<b>EBIT<sup>1</sup></b>	<b>22</b>	<b>-1</b>	<b>60</b>	<b>20</b>
<b>EBIT%<sup>1</sup></b>	<b>2,4%</b>	<b>-0,1%</b>	<b>3,2%</b>	<b>1,1%</b>
IAC	0	-14	0	-19
Net financing costs	-14	-15	-28	-29
<b>EBT</b>	<b>8</b>	<b>-30</b>	<b>32</b>	<b>-28</b>
Net tax costs	-5	-2	-13	-10
<b>Net result</b>	<b>3</b>	<b>-32</b>	<b>19</b>	<b>-38</b>
<b>Cash Flow</b>	<b>-19</b>	<b>17</b>	<b>2</b>	<b>99</b>
from operating activities				
<b>Net Debt / Adj EBITDA<sup>2</sup></b>	<b>2,3</b>	<b>4,7</b>		
Net Debt	543	773		

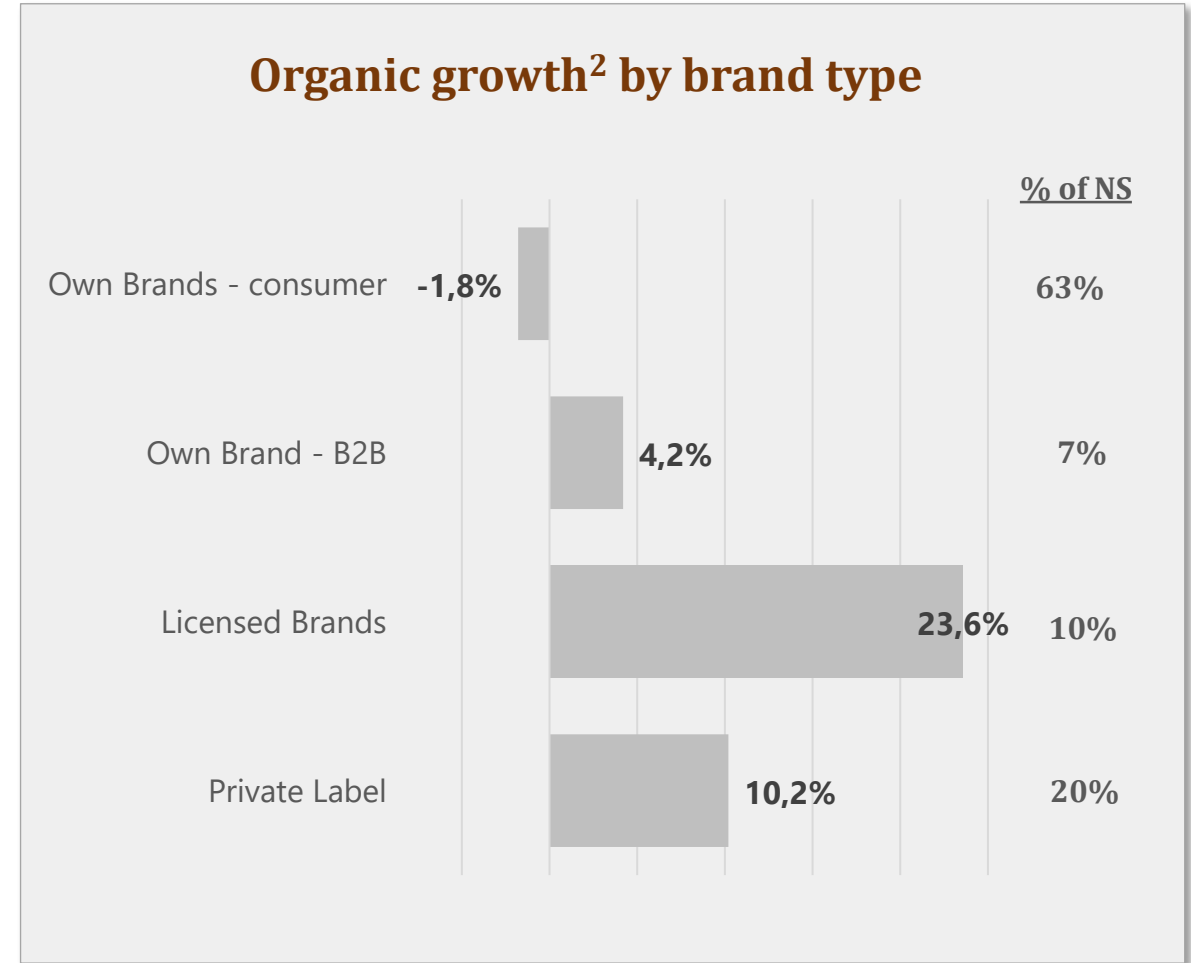
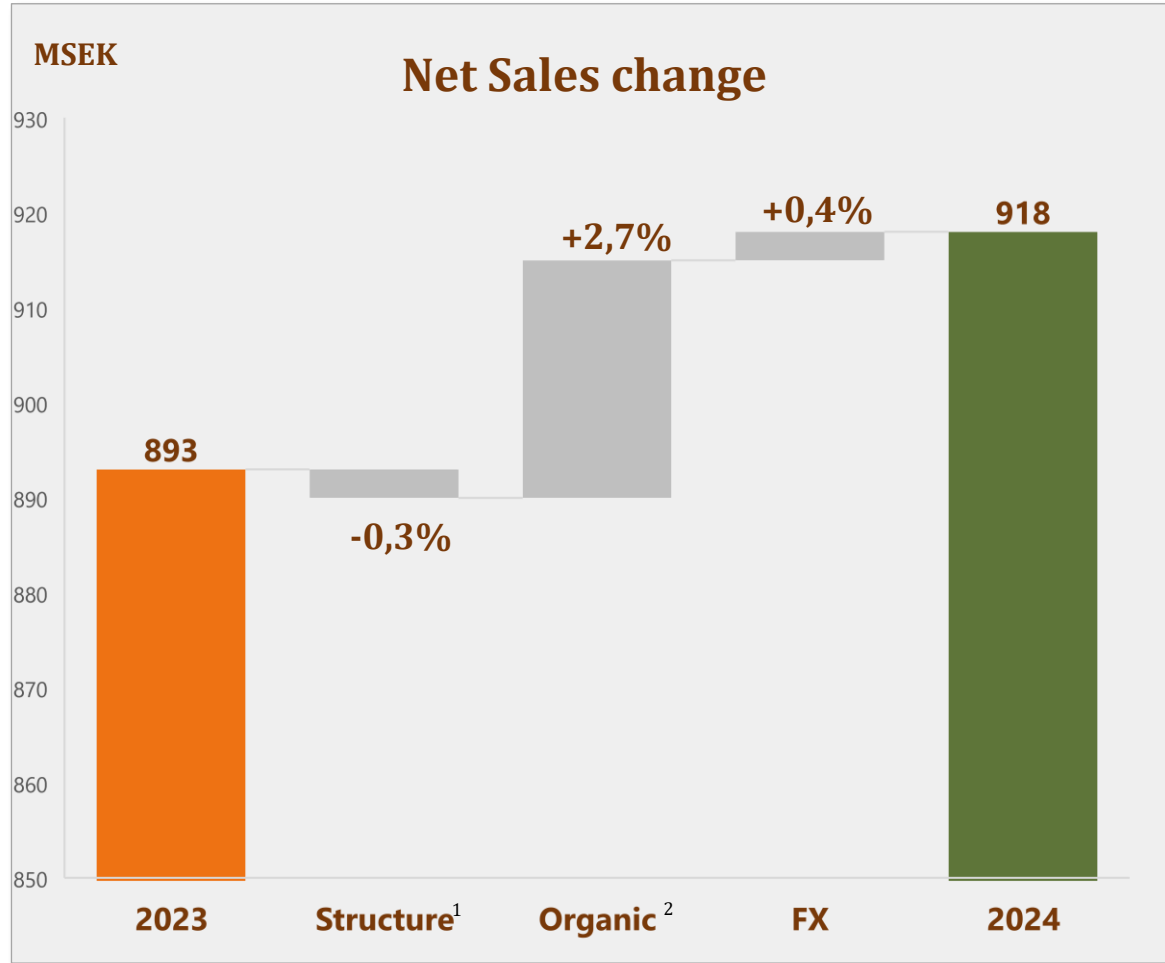
### Comments QTD

- **Net Sales +2,8% vs LY**
- **GM% +2,5 p.p. vs LY**
- **EBIT +23m vs LY and EBIT% +2,5 p.p. vs LY**
- **Net Result +35m vs LY**
- **Cash flow from operating activities -36m vs LY**
- **Net Debt / Adj EBITDA ratio improved 2,4x**

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



## Q2 Net Sales



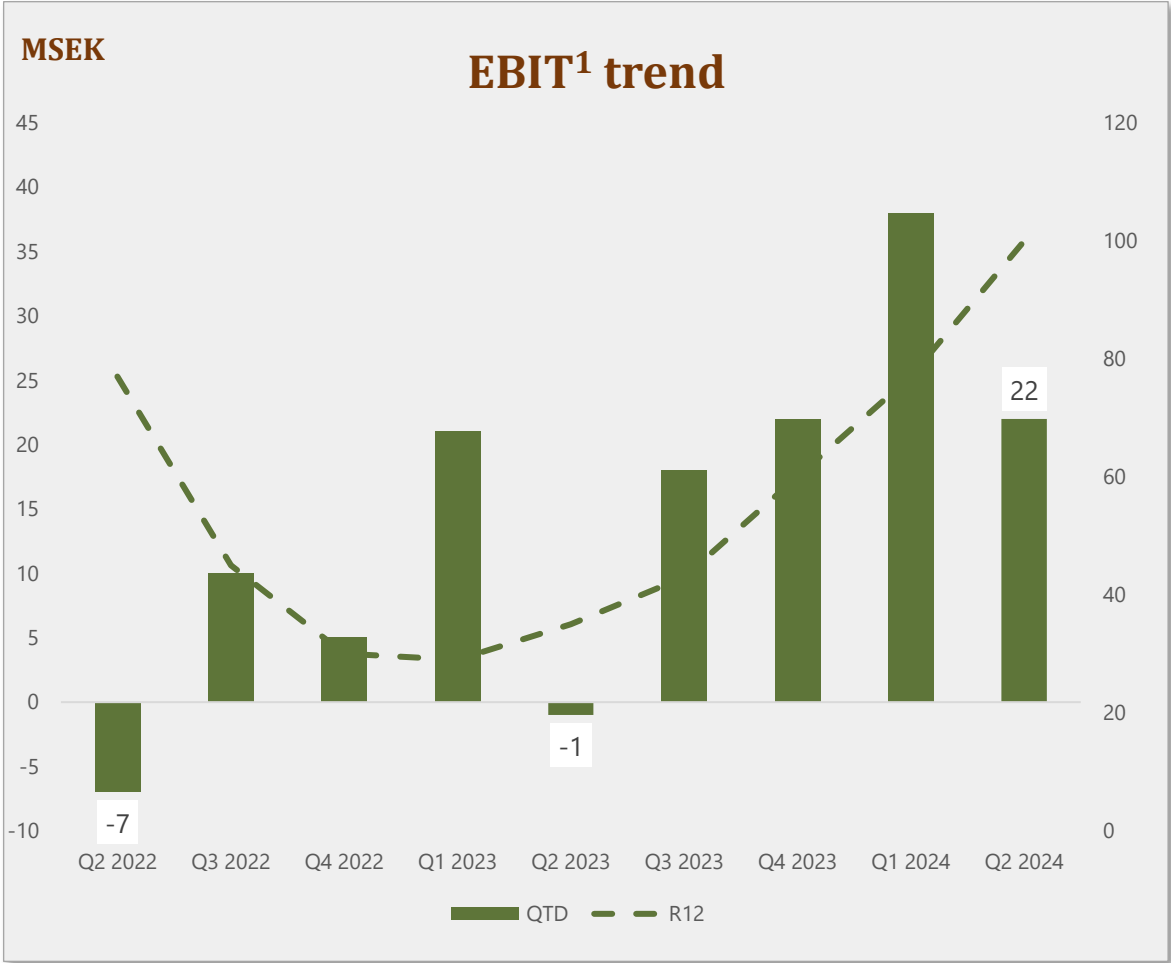
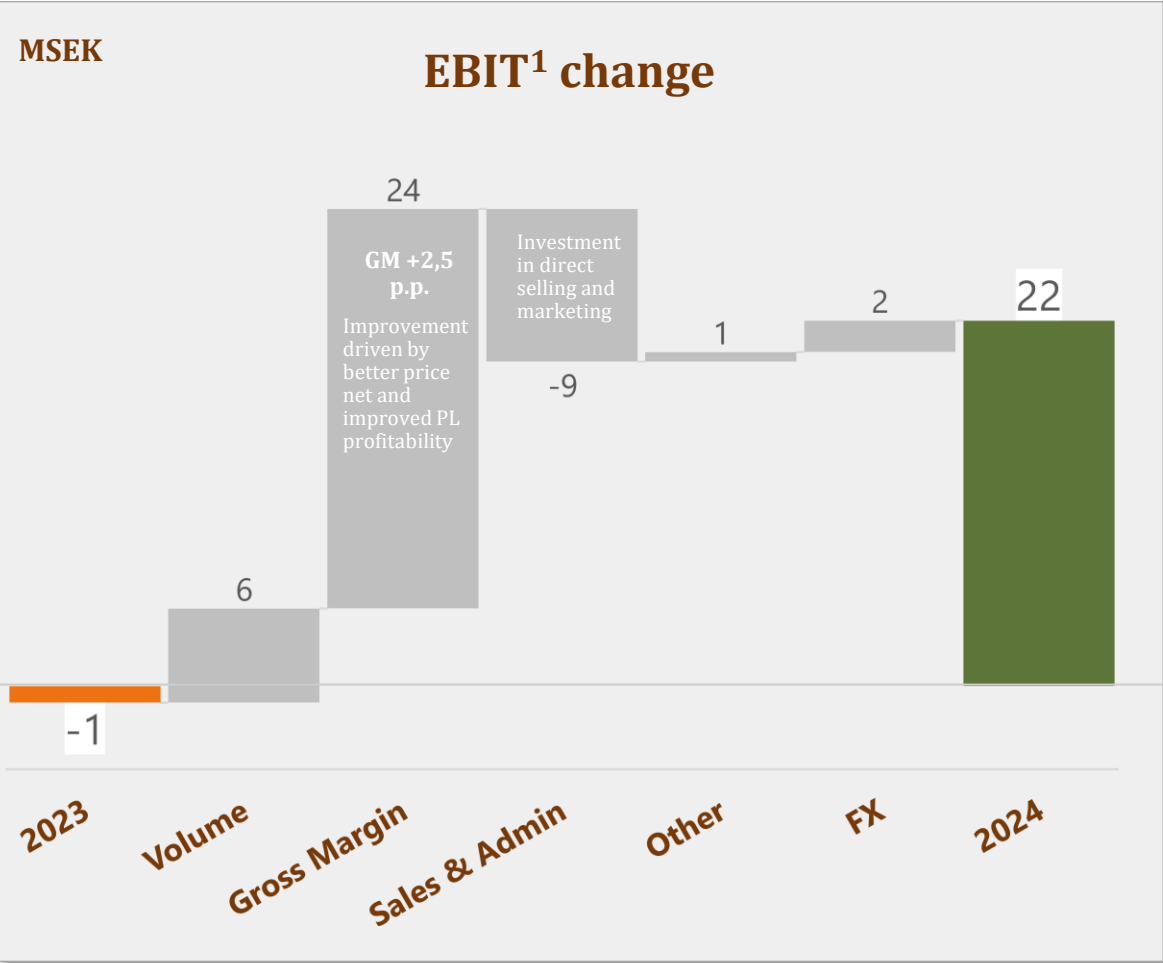
1) Divested brands Kan Jang and Artic Root

2) Sales growth adjusted for changes in exchange rate and divestments or acquisitions of business and/or brands





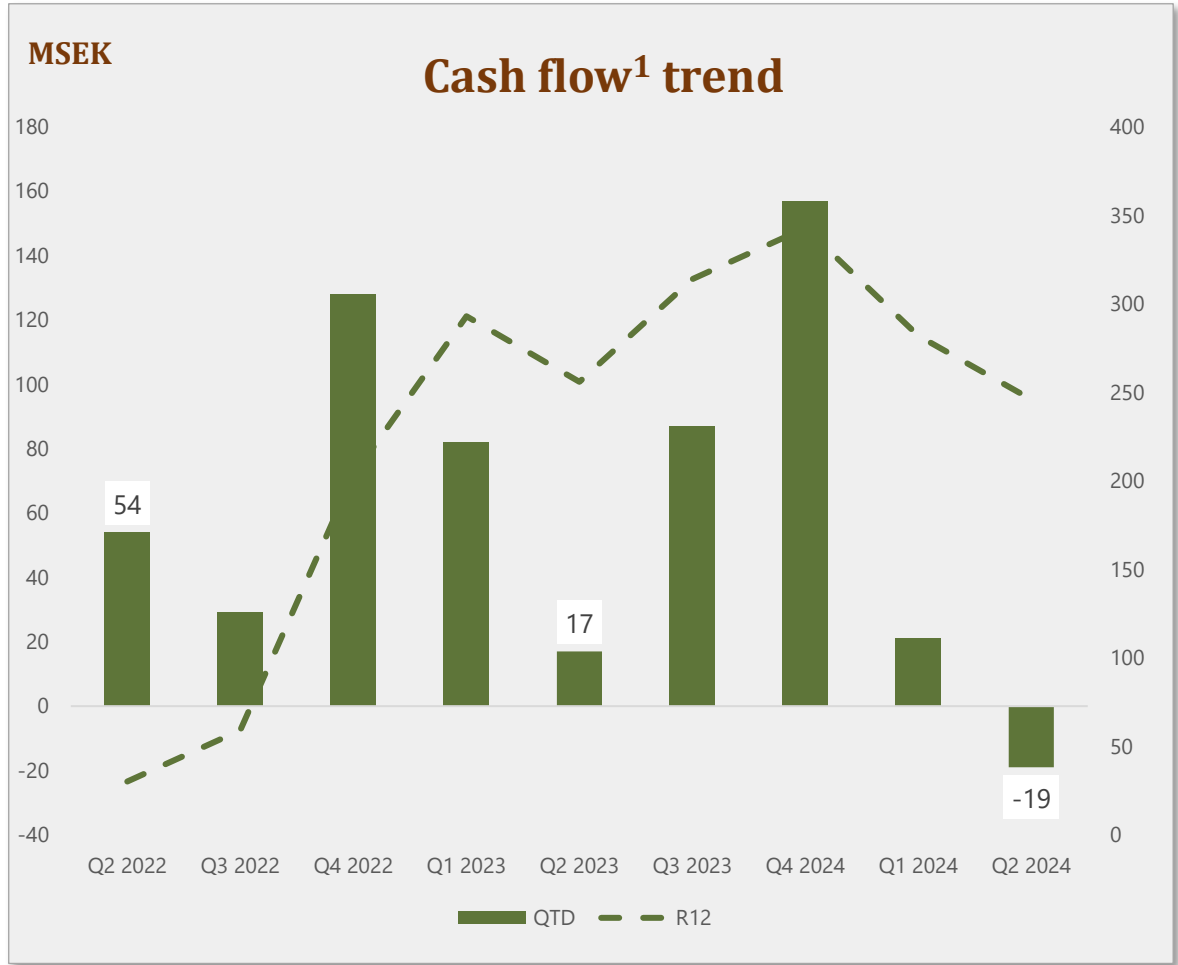
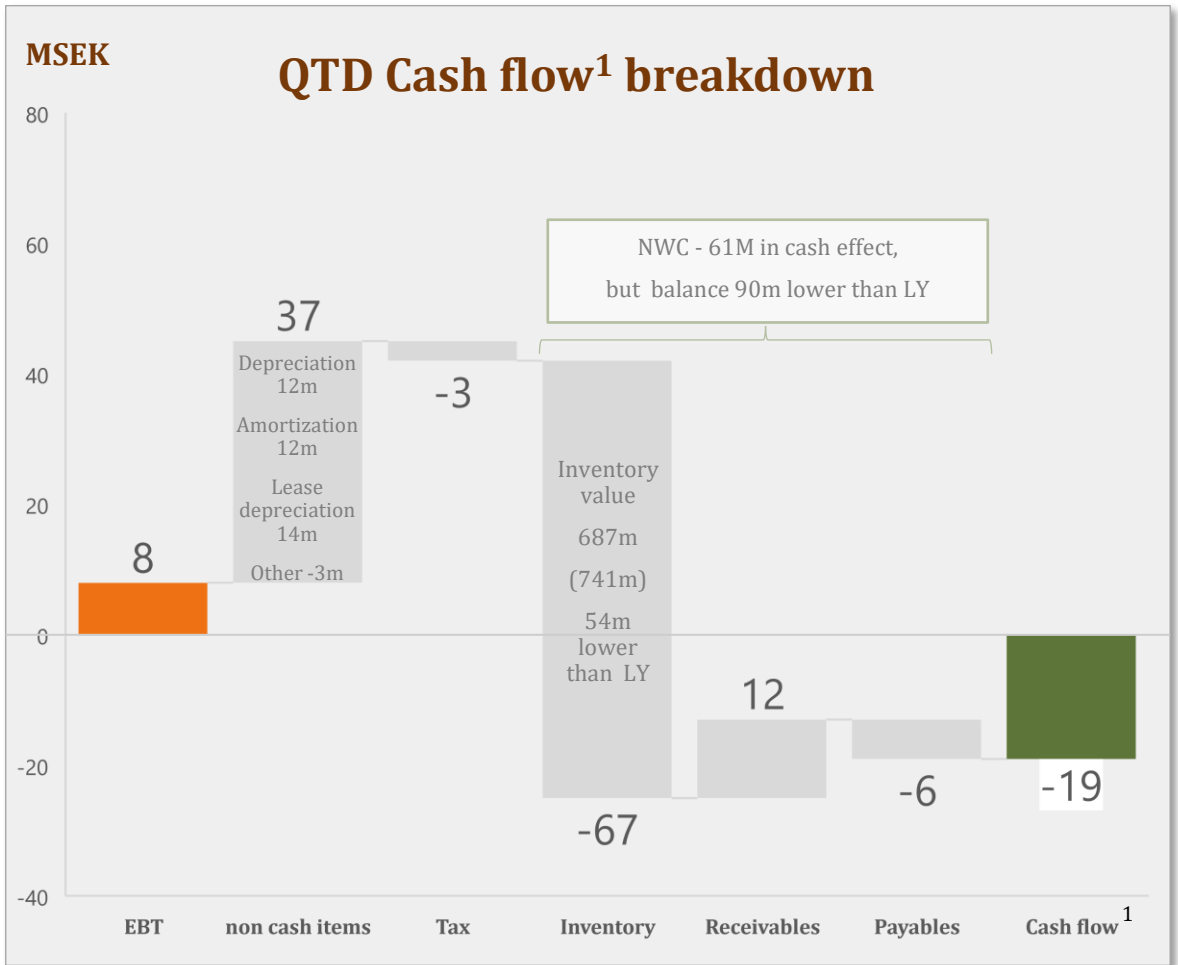
# Q2 EBIT<sup>1</sup>



1) Before items affecting comparability



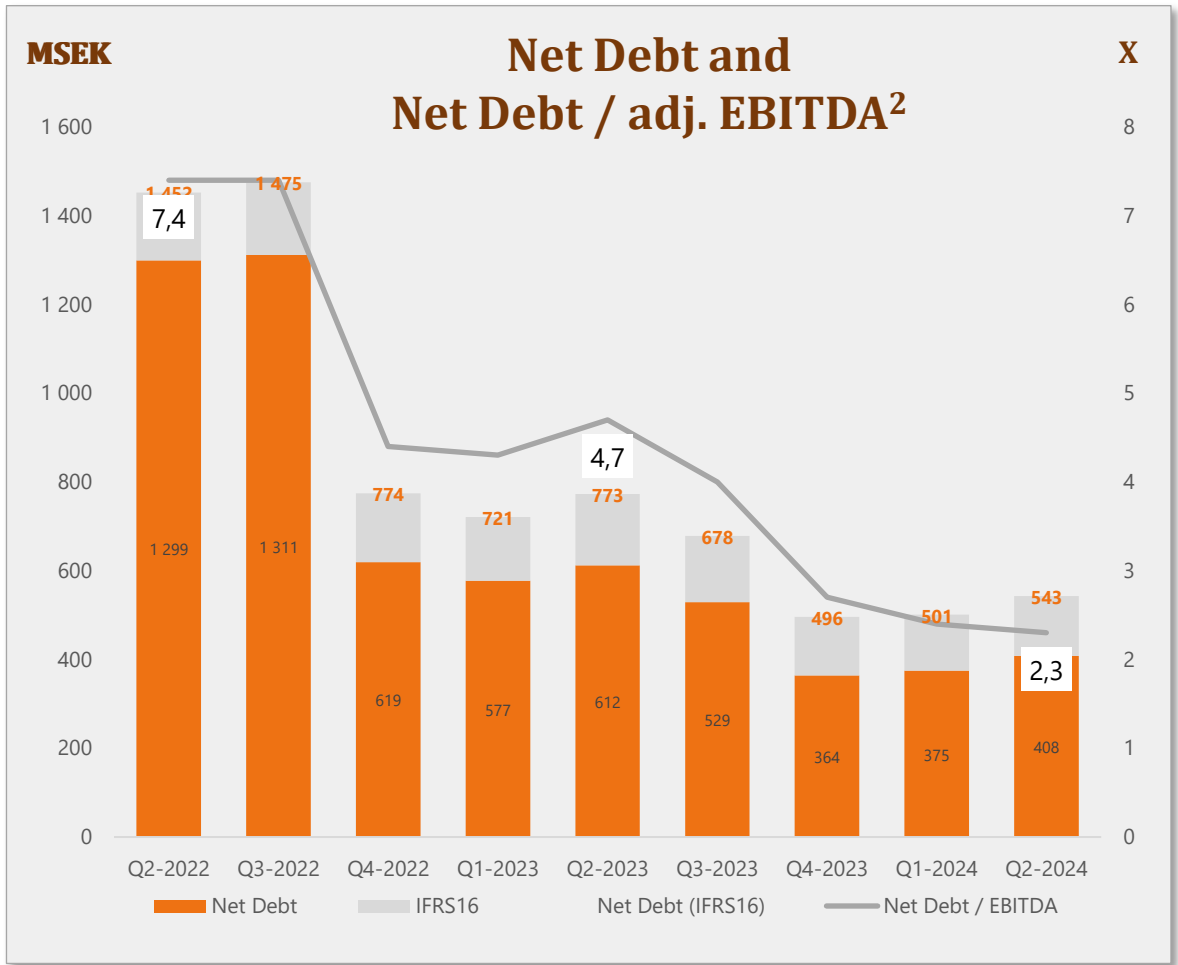
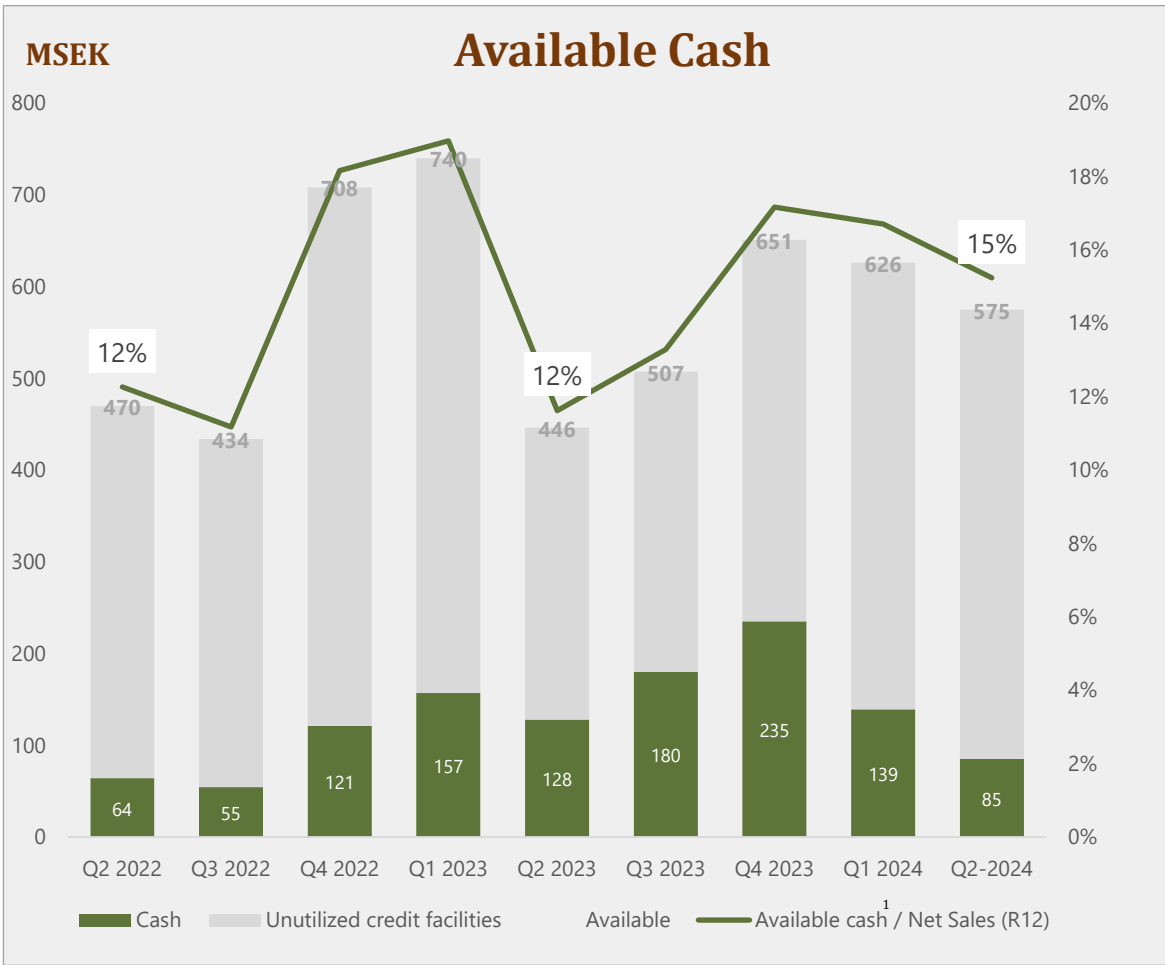
# Q2 Cash Flow from operating activities



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