Interim Management Statement

Telephone Conference -
22th of October 2024
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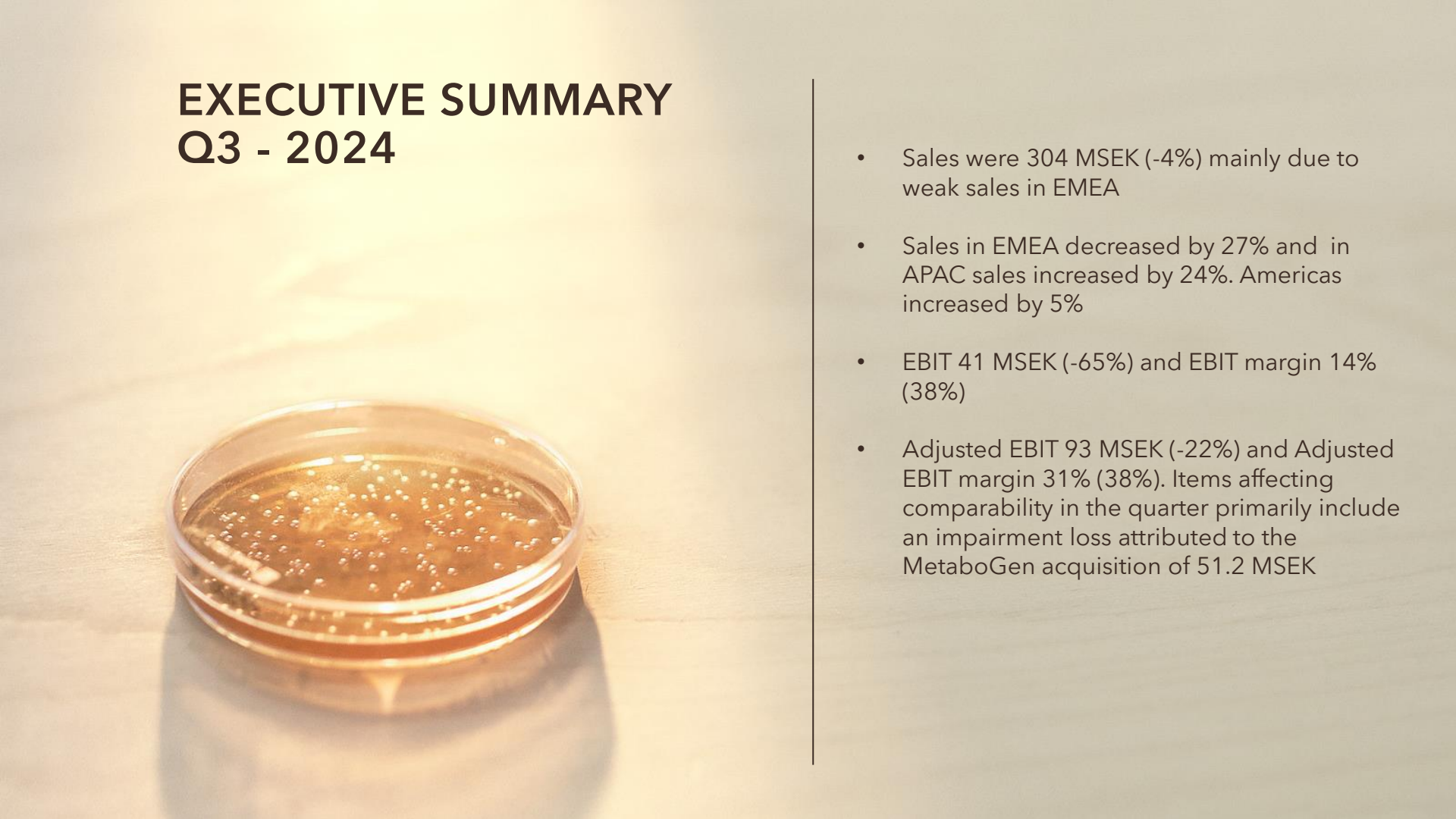
Theresa Agnew. CEO

Alexander Kotsinas. CFO



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EXECUTIVE SUMMARY Q3 - 2024



- Sales were 304 MSEK (-4%) mainly due to weak sales in EMEA
- Sales in EMEA decreased by 27% and in APAC sales increased by 24%. Americas increased by 5%
- EBIT 41 MSEK (-65%) and EBIT margin 14% (38%)
- Adjusted EBIT 93 MSEK (-22%) and Adjusted EBIT margin 31% (38%). Items affecting comparability in the quarter primarily include an impairment loss attributed to the MetaboGen acquisition of 51.2 MSEK

Launches



Distributor	Country	Product
AllergyCare	Switzerland	Pharax drops with vitamin D
Nestlé	Brazil	Nescare B. Lactis
Abbott	Mexico	BioGaia Protectis drops with vitamin D
Agefinsa	Guatemala	BioGaia Prodentis lozenges
Agefinsa	El Salvador	BioGaia Prodentis lozenges
Agefinsa	Honduras	BioGaia Prodentis lozenges
Abbott	Peru	BioGaia Protectis tablets with vitamin D

Key Events

- On July 19, BioGaia announced that it has entered into an exclusive distribution agreement with Recordati in Italy for BioGaia's probiotic products.

- On October 17, BioGaia announced that BioGaia's preliminary results for the third quarter would not reach market expectations.

  In the third quarter BioGaia records an impairment loss attributed to the MetaboGen acquisition of 51.2 MSEK. The impairment loss was caused by a clinical study that did not meet its primary endpoints for a potential product for metabolic syndrome.

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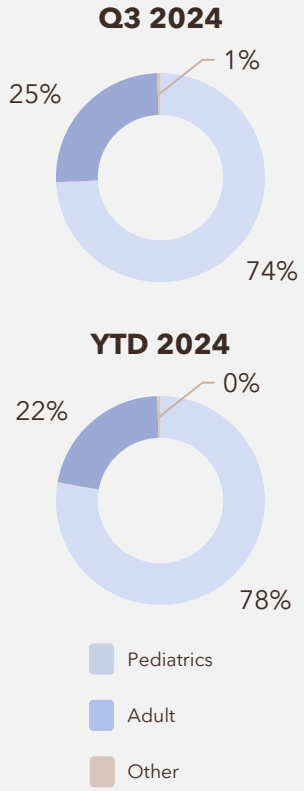
Sales per Segment

- **Total** sales for the quarter -4% decline

- **Pediatrics** sales decreased by 12% due to decreased sales of Protectis Drops. Sales decreased mainly in EMEA and Americas. Sales decreased in Turkey, Spain and Brazil.
- **Adult** sales increased by 29% mainly due to Prodentis and Protectis Tablets. Prodentis sales increased mainly in USA and South Korea while Protectis Tablets increased mainly in Indonesia and Hong Kong.

MSEK	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023	Change
Pediatrics	226	256	-12%	823	793	4%
Adult Health	77	59	29%	230	199	16%
Other	2	3	-43%	5	6	-18%
Total	**304**	**318**	**-4%**	**1,058**	**999**	**6%**

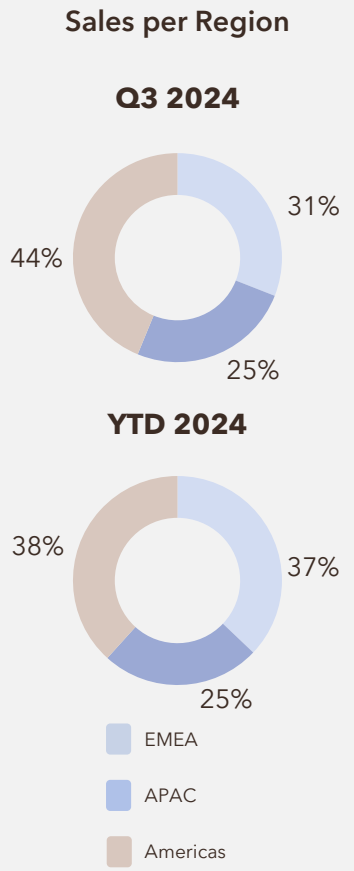
Sales per Segment



Sales per Region

- **EMEA:** sales decreased by 27% mainly in Turkey, Spain and Poland.
- **APAC:** sales increased by 24% mainly in Indonesia, China and Australia.
- **Americas:** sales increased by 5% mainly in BioGaia USA, Guatemala and Canada.

MSEK	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023	Change
EMEA	94	129	-27%	393	400	-2%
APAC	77	62	24%	260	208	25%
Americas	133	127	5%	405	391	4%
Total	**304**	**318**	**-4%**	**1,058**	**999**	**6%**



Alexander Kotsinas, CFO

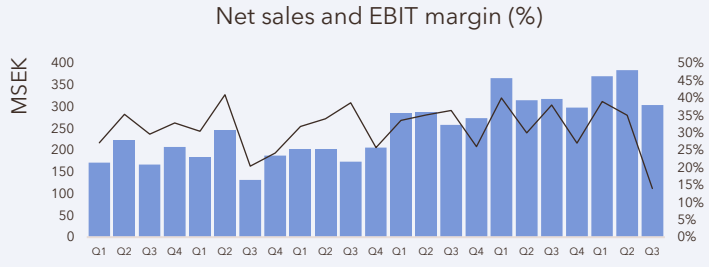
Financials



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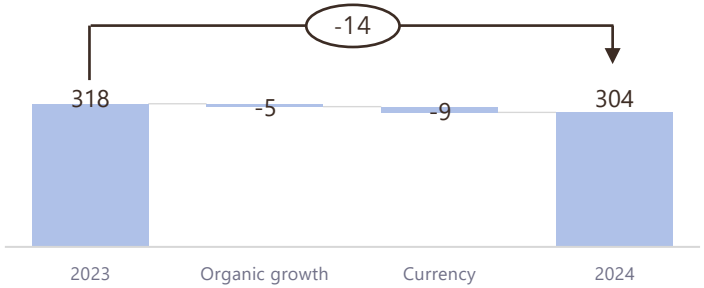
Q3 Financials

- Revenues were 304 (318) MSEK, 4% decline
- EBIT was 41 (120) MSEK (-65%)
- EBIT margin of 14% (38%)
- Adjusted EBIT 93 (120) MSEK and adjusted EBIT margin 31% (38)%
- Earnings per share were 0.36 (1.01) SEK
- Cash flow at 111 (88) MSEK





Q3 Sales Bridge



MSEK	Q3	Change	YTD	Change
2023	317.7		998.7	
Organic growth	-4.8	-1.5%	67.6	+6.8%
Currency	-8.9	-2.8%	-8.5	-0.8%
2024	**304.0**	**-4.3%**	**1,057.9**	**+5.9%**

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Gross Margin per Segment

The gross margin was stable at 73% compared to 74% one year ago. The Pediatrics gross margin is the same as last year, and the Adult Health gross margin decreased by 2% due to mix effects.

MSEK	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Pediatrics	75%	75%	76%	74%
Adult Health	66%	68%	61%	66%
Total	**73%**	**74%**	**73%**	**73%**

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Operating Expenses (OPEX)

OPEX +56% (+11% excluding adjustments)

- Sales costs increased due to increased activities related to sales and marketing mainly in subsidiaries
- R&D costs increased mainly due to the impairment loss relating to MetaboGen of 51.2 MSEK
- Other OPEX at 4.8 MSEK compared to -0,3 MSEK refers to exchange losses/gains on receivables and liabilities of an operating nature
- Items affecting comparability in the quarter primarily include the impairment loss relating to MetaboGen of 51.2 MSEK

MSEK	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023	Change
Sales and Marketing	-95.6	-88.1	9%	-301.8	-265.9	14%
Research and Development	-71.4	-20.6	246%	-123.3	-78.1	58%
Administration	-9.2	-7.9	16%	-28.9	-29.1	-1%
Other OPEX	-4.8	0.3	-1572%	1.8	10.8	-83%
TOTAL OPEX	**-180.9**	**-116.3**	**56%**	**-452.2**	**-362.2**	**25%**
TOTAL OPEX excluding adjustments [1]	-128.9	-116.3	11%	-398.0	-361.1	10%

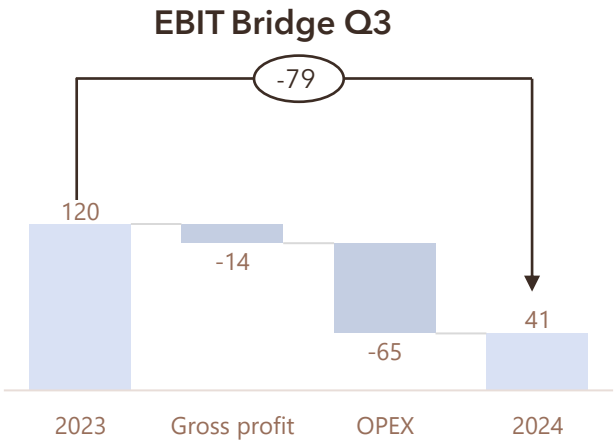
[1] Items affecting comparability include an impairment loss attributed to the MetaboGen acquisition of 51.2 MSEK and restructuring costs and costs for evaluation of acquisition candidates

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Profit and Loss Statement

- Sales -4%
- OPEX +56%
- EBIT decreased by 65% and EBIT Margin 14%, Adjusted EBIT decreased by 22% and EBIT Margin 31%

MSEK	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023	Change
Sales	**304**	**318**	**-4%**	**1,058**	**999**	**6%**
Gross profit	222	236	-6%	772	725	7%
- percentage of revenues	*73%*	*74%*		*73%*	*73%*	
OPEX	-181	-116	56%	-452	-362	25%
EBIT	**41**	**120**	**-65%**	**320**	**363**	**-12%**
- percentage of revenues	*14%*	*38%*		*30%*	*36%*	
Adjusted EBIT	**93**	**120**	**-22%**	**374**	**364**	**3%**
- percentage of revenues	31%	38%		35%	36%	
Profit after tax	37	102	-64%	269	298	-10%
EPS	0.36	1.01	-64%	2.67	2.95	-10%



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Cashflow

- Cash Flow from Operating Activities increased by 1% to 100 (99) MSEK. The increase was mainly due to a relative lower negative change in working capital.
- Cash Flow for the period at 111 (88) MSEK
- Cash at the end of the period at 1,115 MSEK

MSEK	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023	Change
Cash flow from operating activities before changes in net working capital	104	122	*-15%*	350	327	*7%*
Changes in working capital	-4	-23	*-85%*	-79	-23	*249%*
Cash flow from operating activities	**100**	**99**	*1%*	**271**	**304**	*-11%*
Cash flow from investing activities	-3	-9	*-69%*	-14	-37	*-63%*
Cash flow from financing activities	14	-2	*-939%*	-687	-301	*128%*
Cash flow for the period	**111**	**88**	*26%*	**-430**	**-34**	*1178%*
Cash at the end of period	1,115	1,453	*-23%*	1,115	1,453	*-23%*

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Concluding Remarks

- Net sales decreased by 4% (-2% excluding currency effects)
- Our direct markets continue to perform strongly – flying start in Australia and New Zealand
- EMEA sales decreased by 27% due to lower sales in the Pediatrics segment. Sales decreased mainly in Turkey, Spain and Poland
- APAC continues its solid growth with +24% which was due to higher sales in both the Pediatrics and Adult segments. Sales increased mainly in China, Indonesia, and Australia
- Americas sales increased by 5% mainly due to increased sales in the Adult segment. Sales mainly increased in BioGaia USA, Canada and Guatemala
- In the quarter BioGaia records an impairment loss attributed to the MetaboGen acquisition of 51.2 MSEK.
- Operating expenses +56% (+11% excluding items affecting comparability)
- EBIT margin 14% and Adjusted EBIT margin 31%
- Ramp up investments to drive continued growth.


Q&A

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