



Midsona

Interim Report
Quarter 1, 2022



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 recently published 2021 annual and sustainability report for a better understanding of these risks and uncertainties.

Summary

- First round of price increases implemented ahead of plan
- Continued severe cost inflation
- New price increases under implementation
- March 2022 strongest sales month since October 2020.
- Successful product innovations
- Expansion plant-based meat alternatives
- Restructuring program lowers cost by 40 MSEK on a yearly basis
- CDP Supplier Engagement Leader



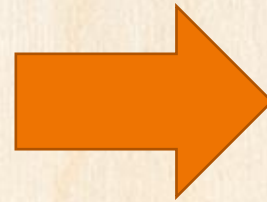
Cost inflation and price increases



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Cost inflation

- Significant indirect exposure from war in Ukraine
- Severe cost increases for several key raw materials
- Energy, transportation and package materials continued up
- Unfavorable exchange rates
- Limited exposure to increasing fertilizer prices



Price increases

- First round of price increases implemented in all countries as of April 1
- Second round of prices increases targeted to be implemented by July 1 in all countries

Q1 Financial Summary

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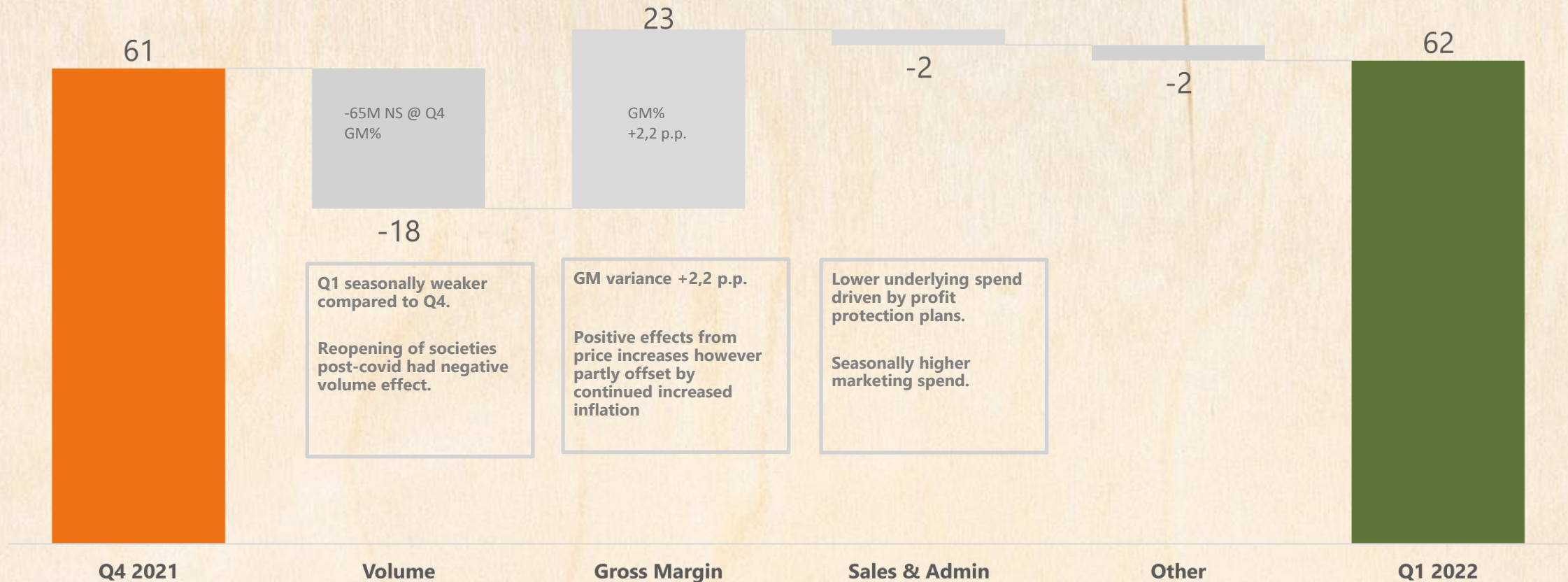
Net sales	972 MSEK (965)
Gross Margin	26,1% (28,5%)
EBITDA before IAC*	62 MSEK (92)
EBITDA % before IAC*	6,4% (9,7%)
Net result	12 MSEK (33)
Free Cash flow	-15 MSEK (-26)



EBITDA* – Q1-22 vs Q4-21



MSEK



* Before Items Affecting Comparability

Continued innovations



Focus on plant-based assortment

- Extension of Castellcir plant finalized
- First deliveries to Mercadona in Spain.
- Insourcing = cost savings
- Innovation pipeline
 - Ambient
 - Frozen
 - Dry



Action Plan

It is our ambition to:

- Restore the gross margin
 - Most of it by q3 2022
 - Fully beginning 2023
- Implement a cost savings program
 - 40 MSEK yearly savings
 - Fully implemented mid 2023
- Accelerate sales
 - Three commercial focus areas
 - Price increases



Three commercial focus areas



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Organic Portfolio



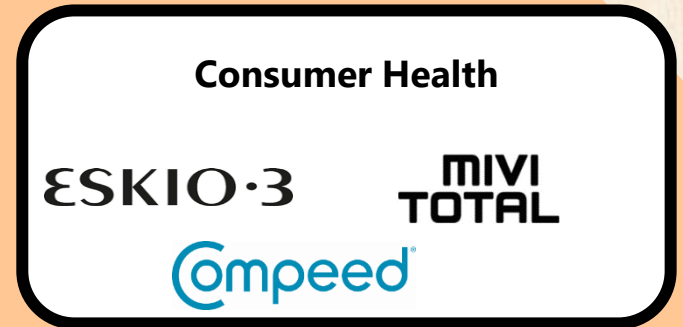
Local brands. Same platform

Conventional Brands



Nordic expansion

Consumer Health

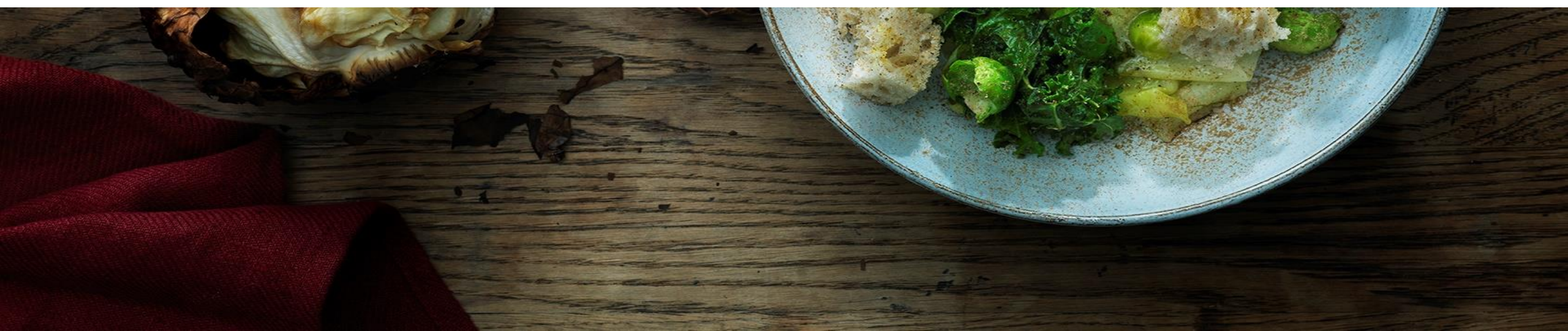


Stand-alone organization

Three building blocks that cover the vast majority of generated profit

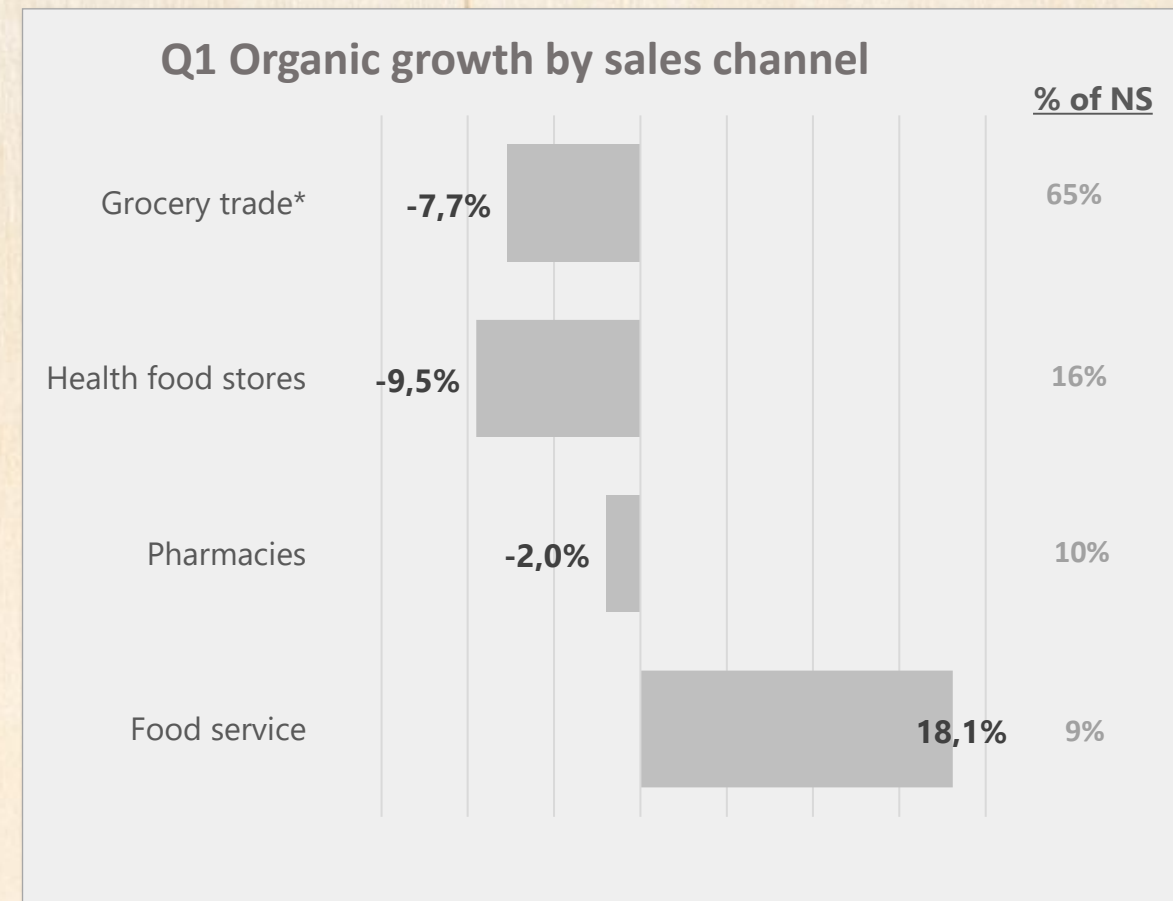
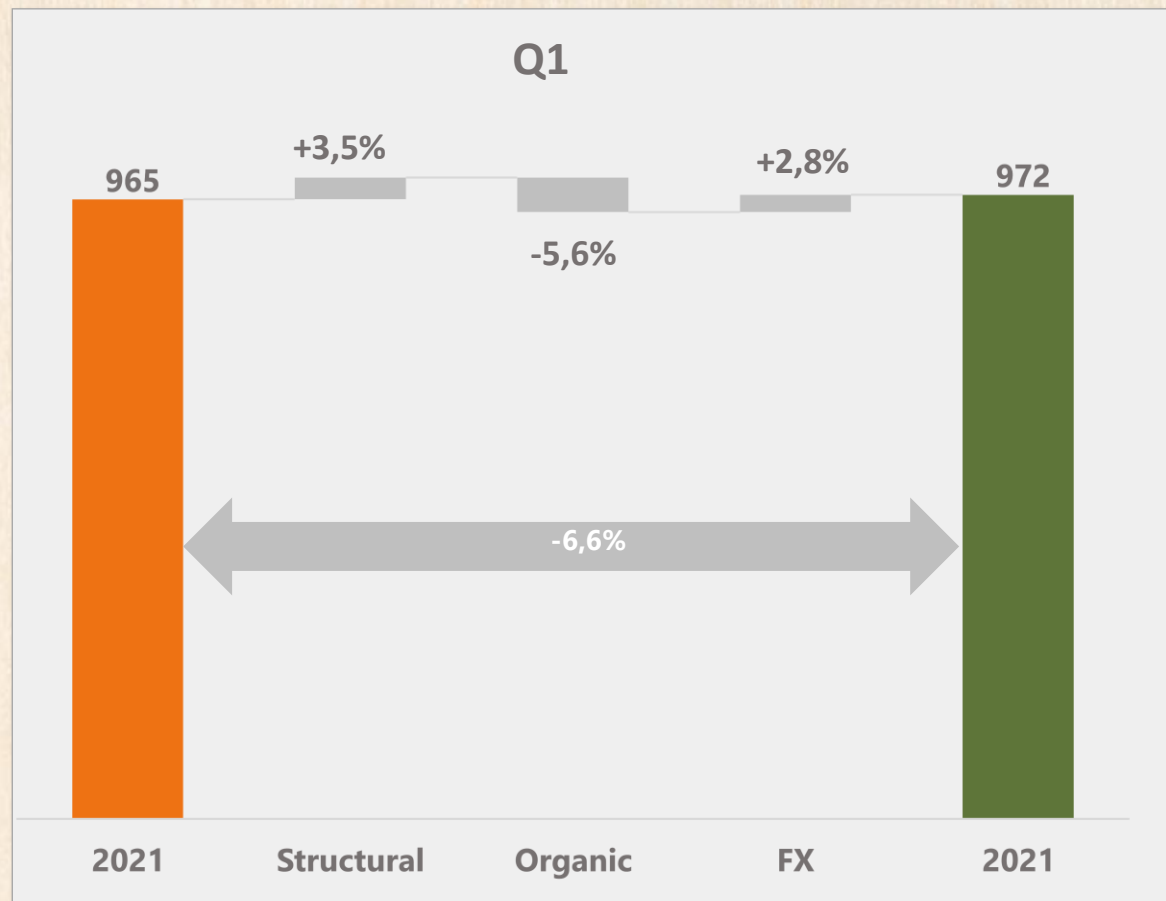


Financial review
CFO Max Bokander



Net sales

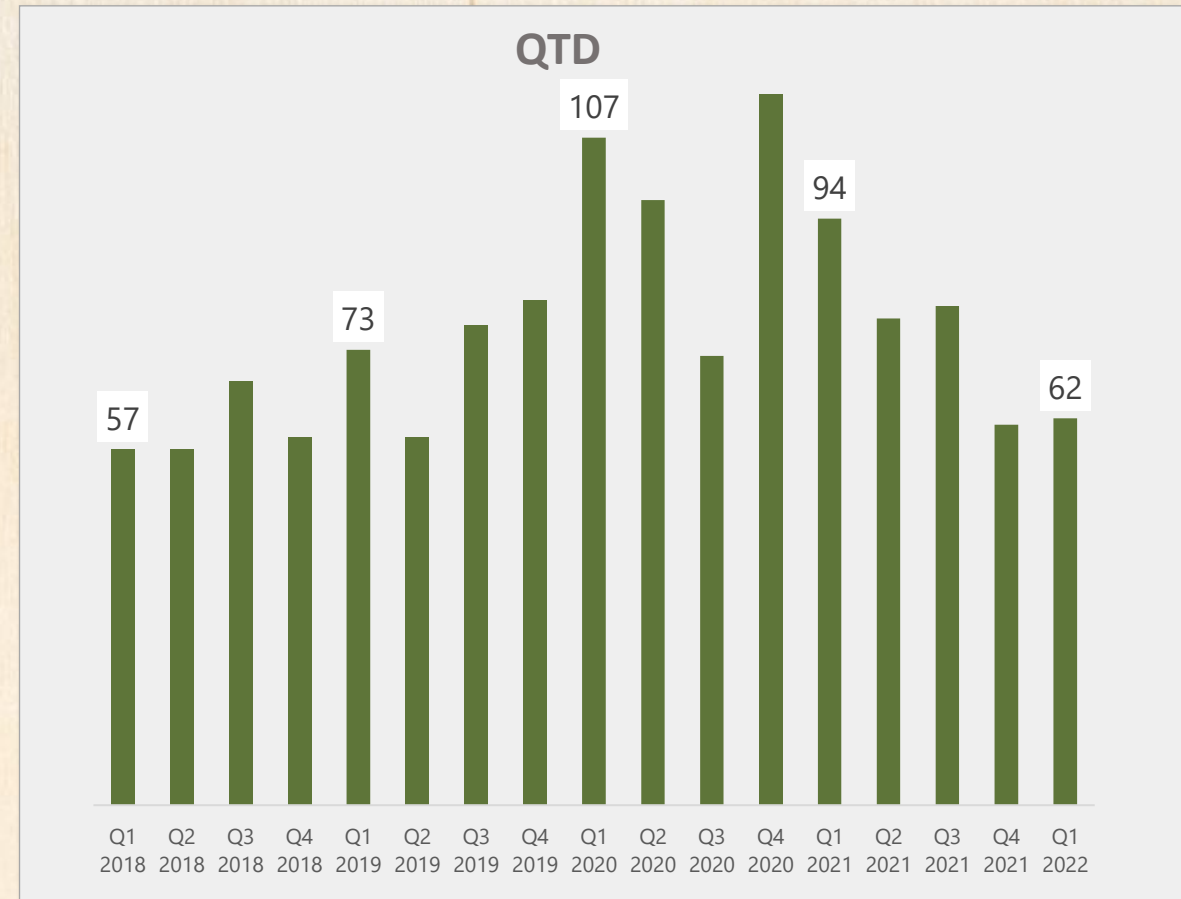
MSEK



Structural effects: Vitality included from Q4-21

EBITDA*

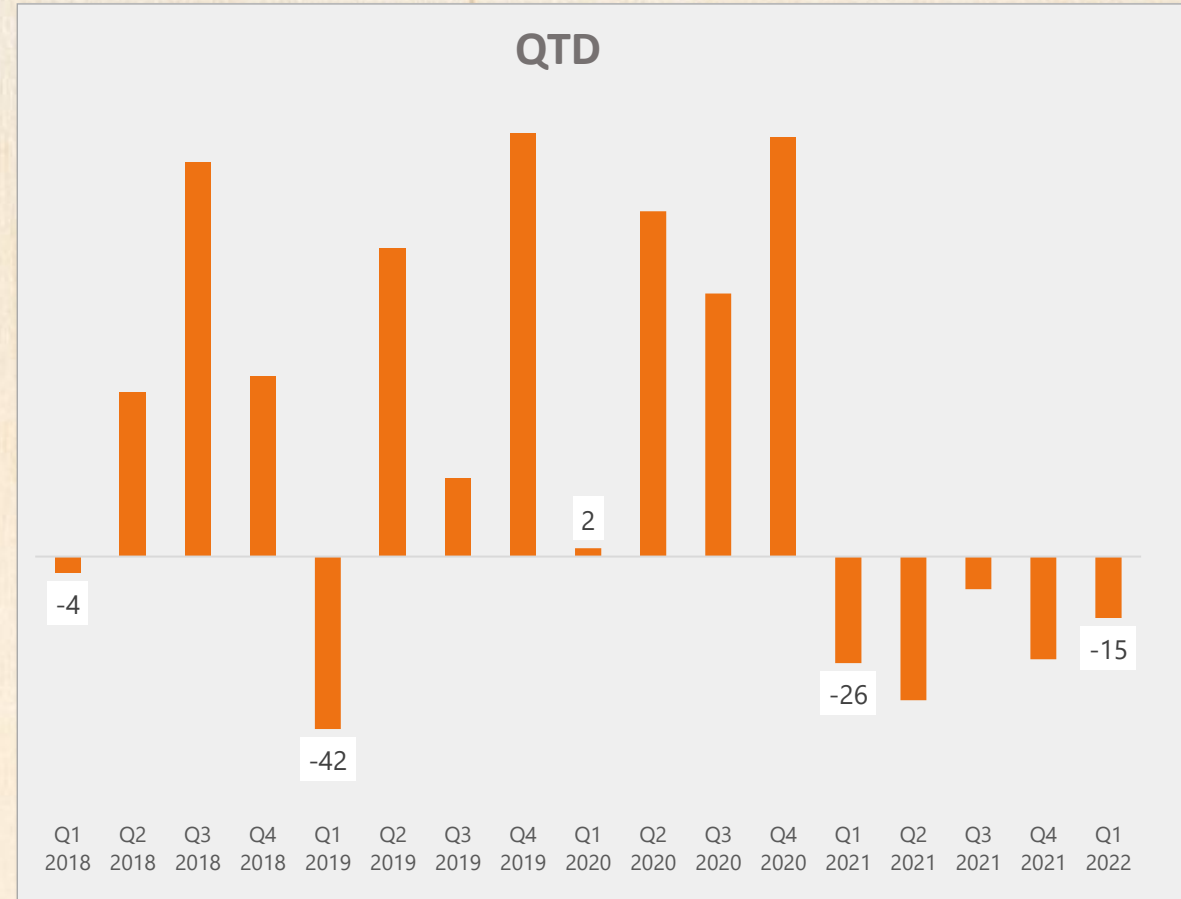
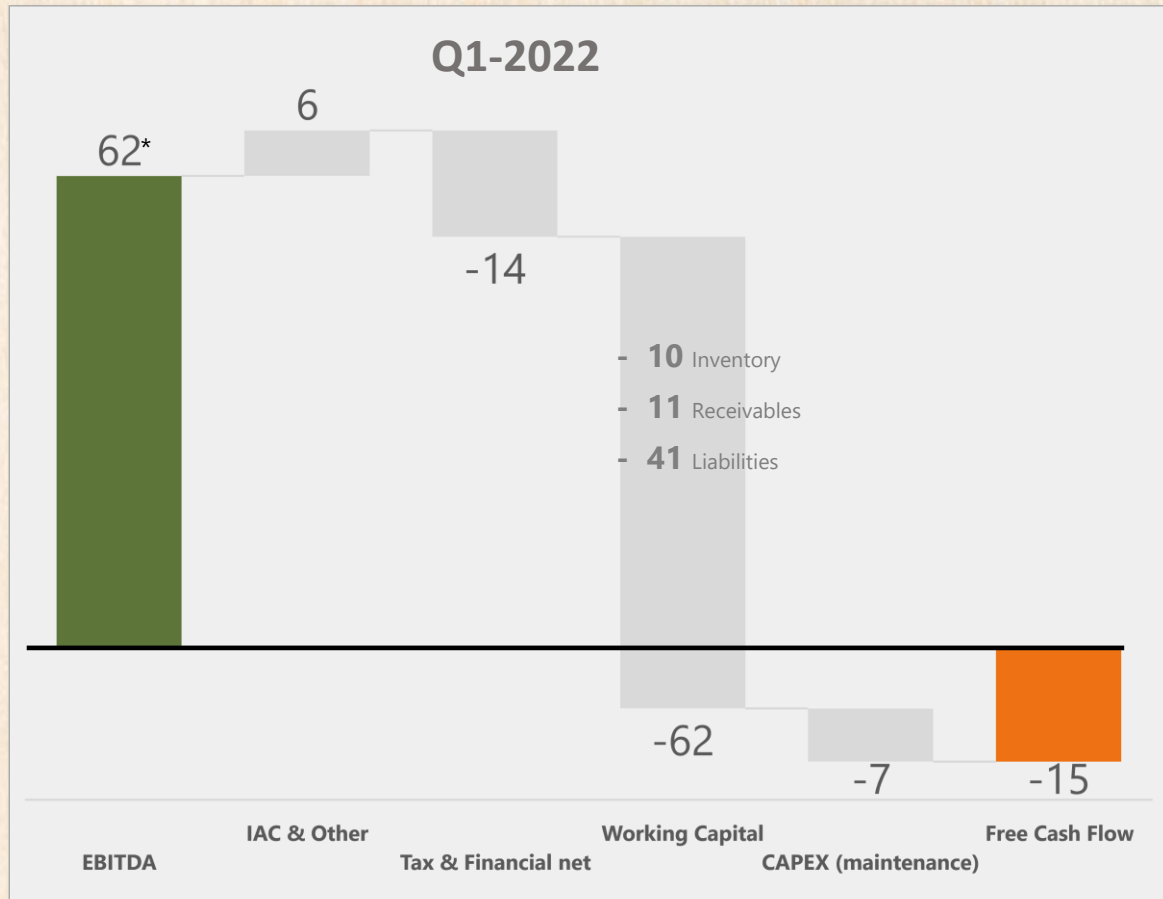
MSEK



* Before Items Affecting Comparability

Free Cash Flow

MSEK

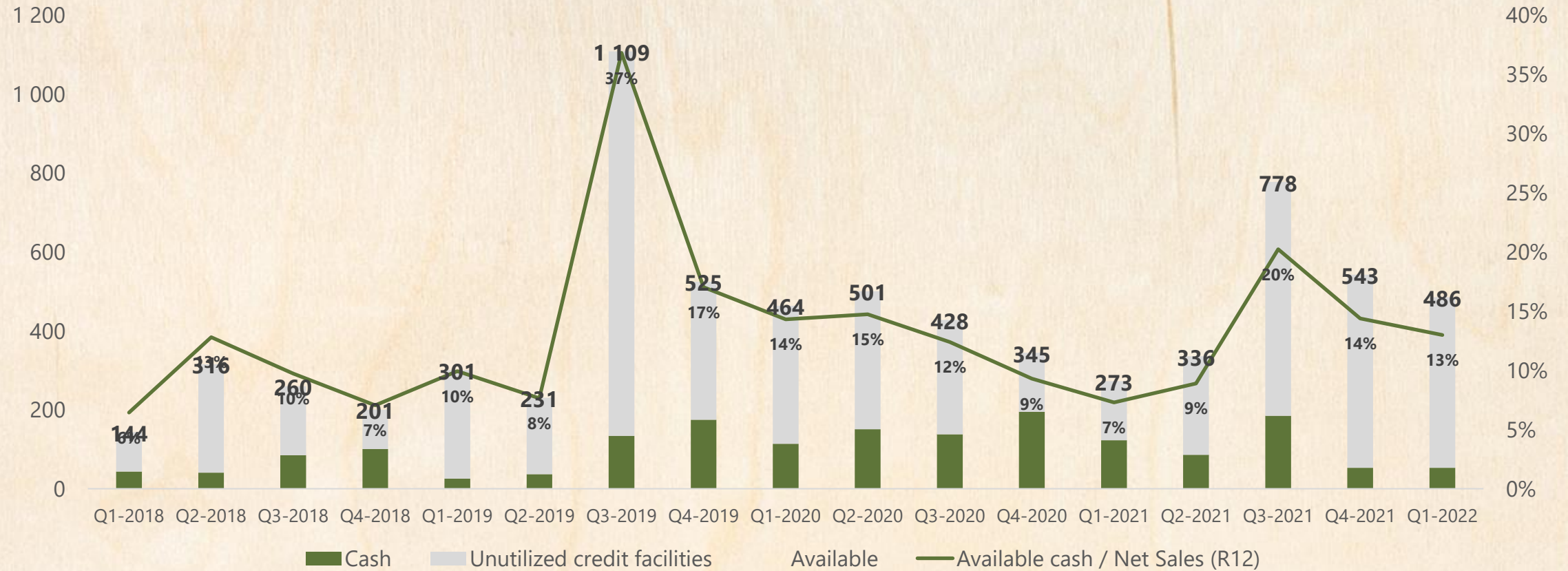


* Before Items Affecting Comparability

Available cash



MSEK



Available Cash = Cash + available overdraft and unutilized contracted bank credit facilities

Priorities 2022

Reaching higher

- Price increases
- Growth agenda with focus on the three commercial areas
- Expand assortment of plant-based meat alternatives
- Implement 40 MSEK cost savings program
- Sustainability agenda





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Financial Summary



MSEK	Q1 2022	Q1 2021
Net Sales	972	965
GM%*	26,1	28,5
EBITDA*	62	94
EBITDA%*	6,4	9,7
IAC	0	-2
Net financing costs	-8	-11
Net tax costs	-2	-10
Net result	12	33
Free Cashflow	-15	-26

- Net Sales + 0,7%, but with 5,6% organic decline
- GM% down 2,4 p.p. vs LY, however improved 2,2 p.p. vs previous quarter
- Lower EBITDA from weaker GM% and lower volumes
- IAC; LY included acquisitions costs
- Financing costs lower followed by lower debt
 - Net Debt 1 464M (1 629)
- Free Cash flow seasonally weak in Q1

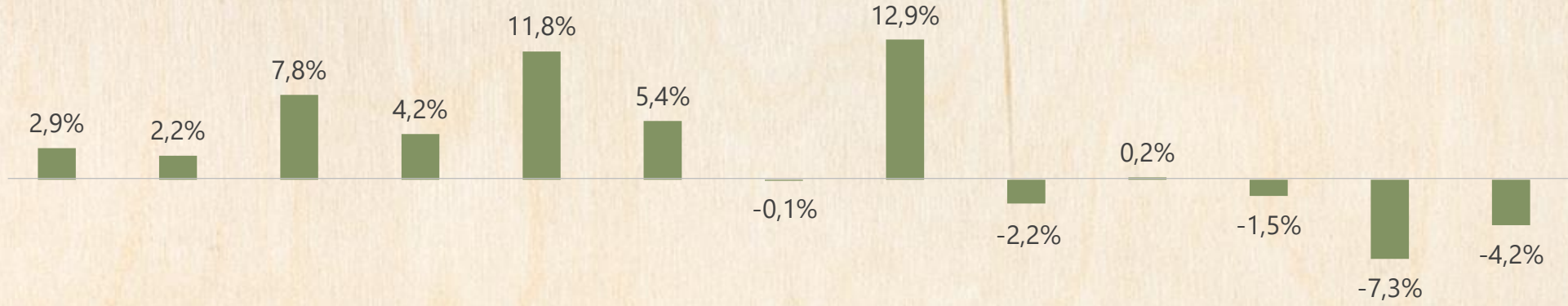
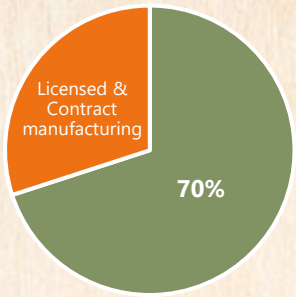
* Before Items Affecting Comparability

Organic growth by quarter

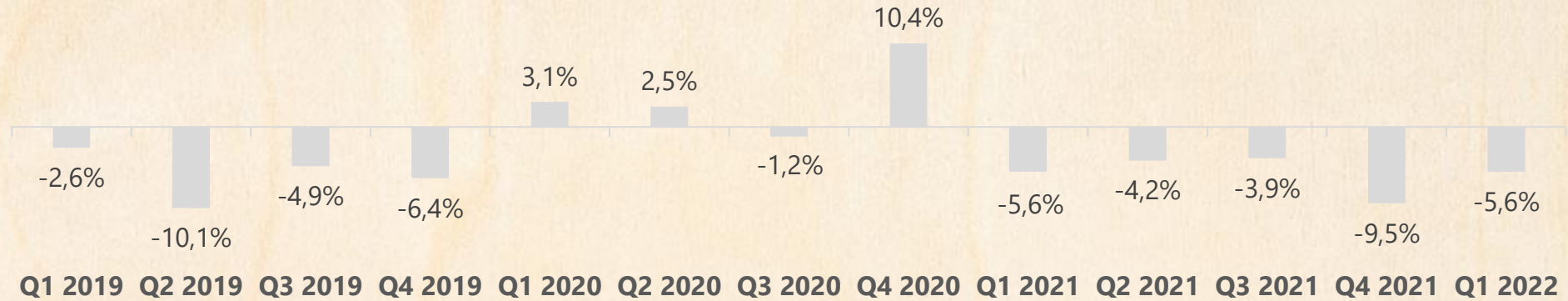
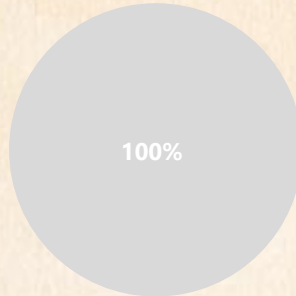


Own brands

% of Q1-22 NS



All brand types



Organic growth Q1 by:



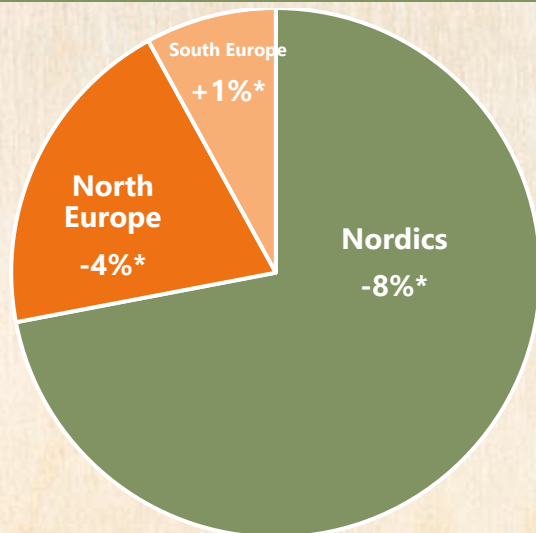
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Division

Nordics (67% of NS)

North Europe (23% of NS)

South Europe (10% of NS)



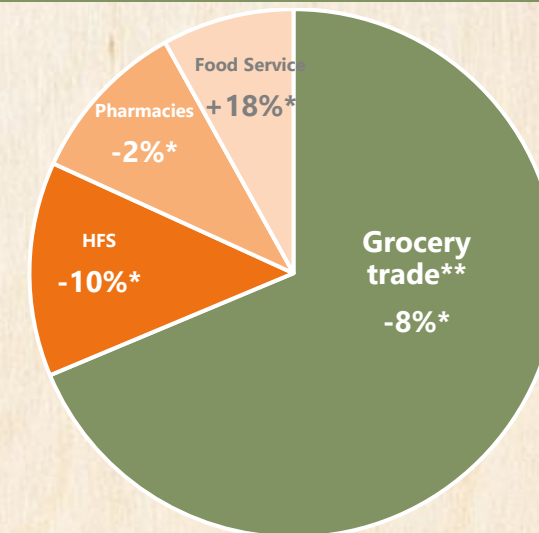
Sales Channel

Grocery trade (65% of NS)

Health Food Stores (16% of NS)

Pharmacies (10% of NS)

Food Service (9% of NS)



Product Category

Organic (52% of NS)
(100% plant based)

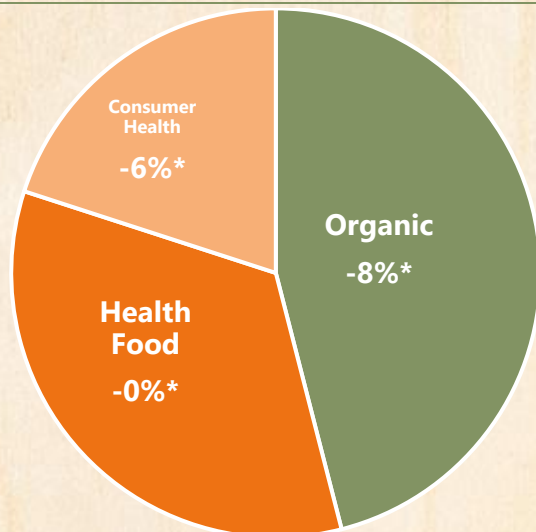
- E.g. Meat alternatives, Grains, Cereals, etc.

Health Food (28% of NS)
(~95% plant based)

- E.g. Corncake's, Nuts, Sports nutrition's, etc.

Consumer Health (20% of NS)

- Supplements
- Natural Medical products
- Etc.

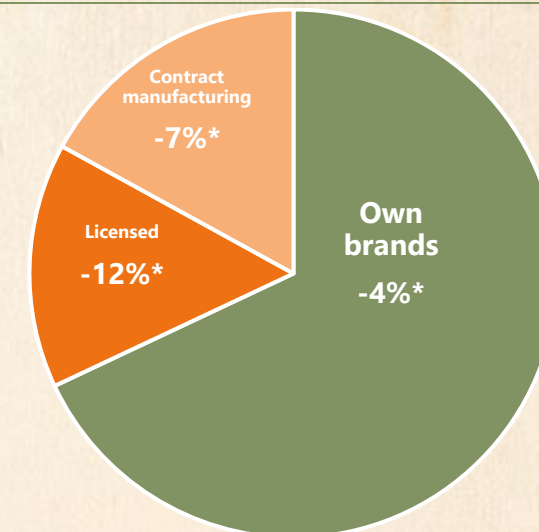


Brand type

Own brands (70% of NS)

Licensed (14% of NS)

Contract manufacturing (16% of NS)



* Organic growth (Net sales growth excluding structural and x-rate impact)

** Includes other sales channels

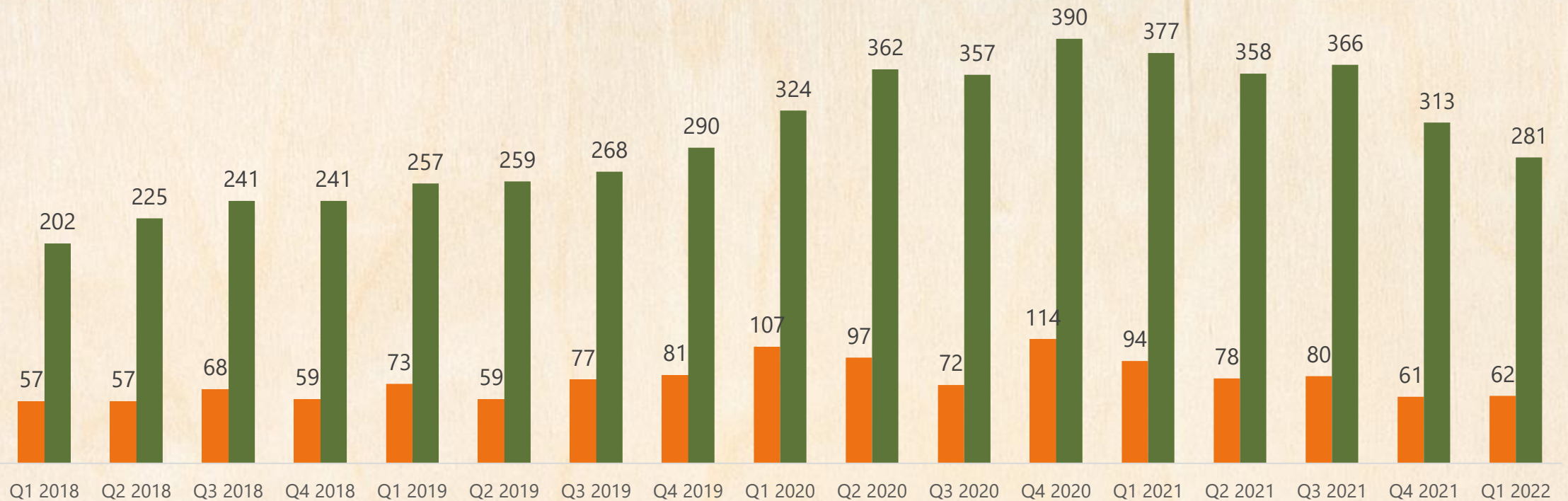
EBITDA*

development



MSEK

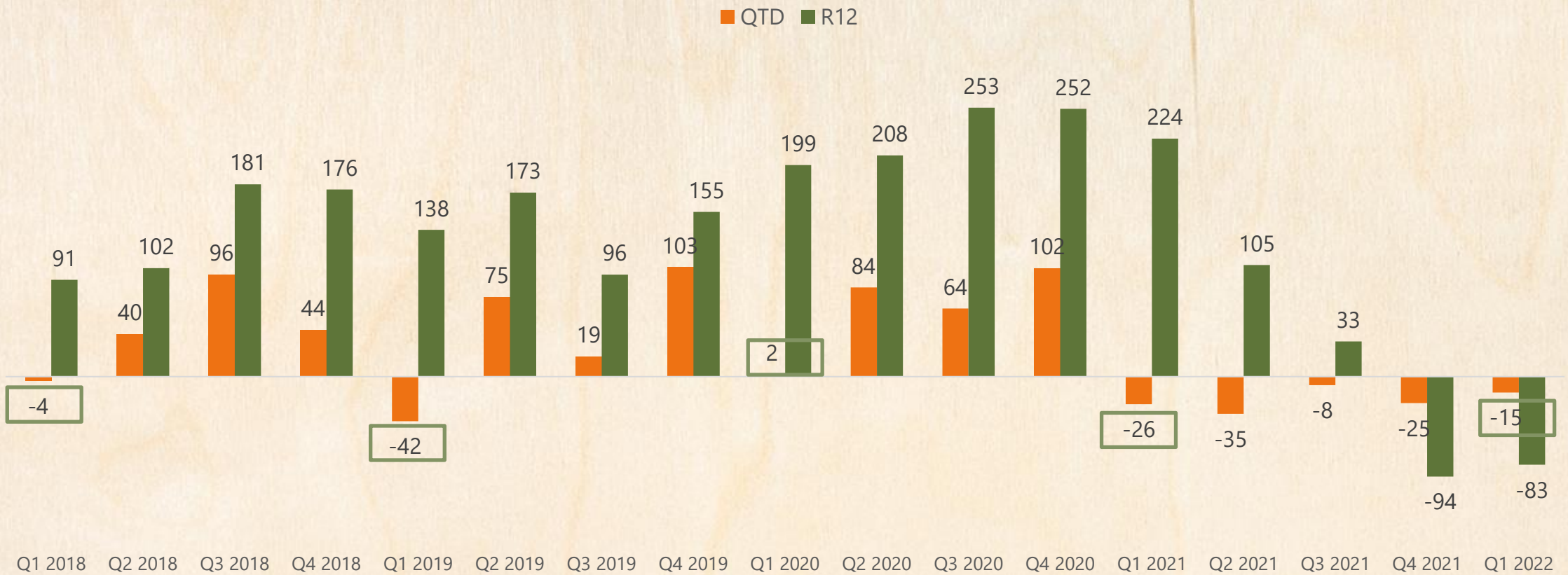
■ QTD ■ R12



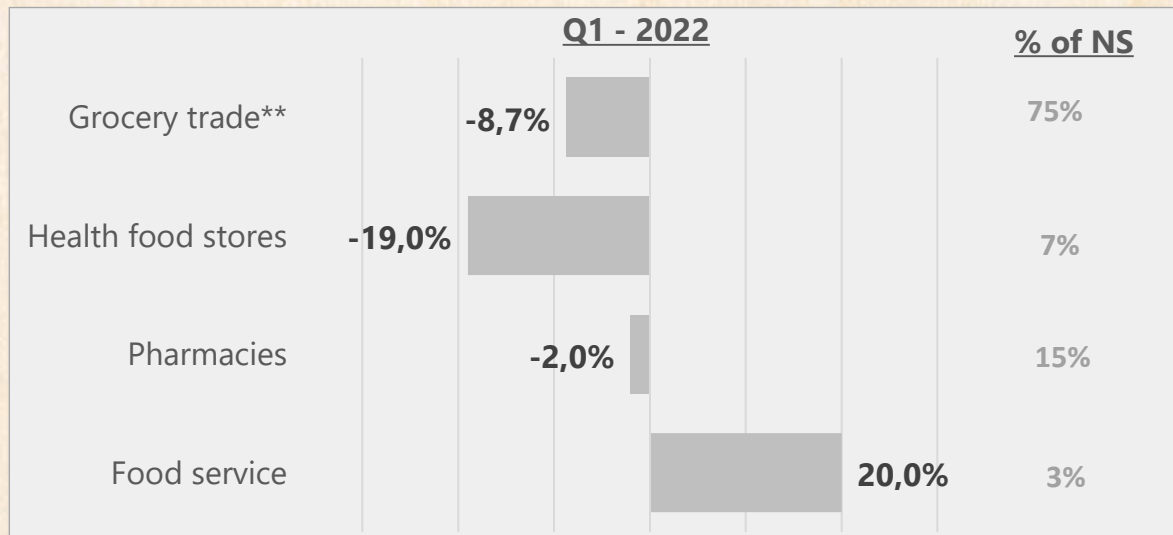
* Before Items Affecting Comparability

Free Cash Flow development

MSEK



MSEK	Q1 2022	Q1 2021
Net Sales	657	658
GM%*	30,3	31,9
EBITDA*	53	73
EBITDA%*	8,0	11,1



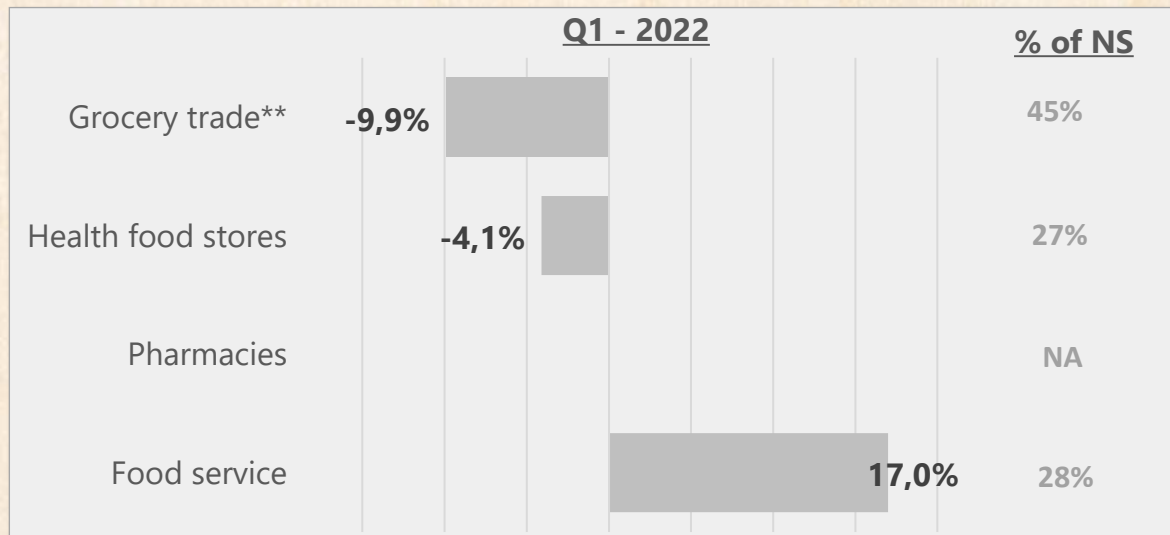
- Net Sales -0,2%
 - 7,9% organic decline
- GM% down 1,6 p.p. vs LY, however improved vs previous quarter
- Lower EBITDA from weaker GM% and lower volumes

* Before IAC

** Includes other sales channels

North Europe

MSEK	Q1 2022	Q1 2021
Net Sales	222	224
GM%*	15,6	18,9
EBITDA*	9	19
EBITDA%*	3,9	8,3



- Net Sales -0,5%
 - 4,0% organic decline
- GM% down 3,3 p.p. vs LY, however improved vs previous quarter
- Lower EBITDA from weaker GM% and lower volumes

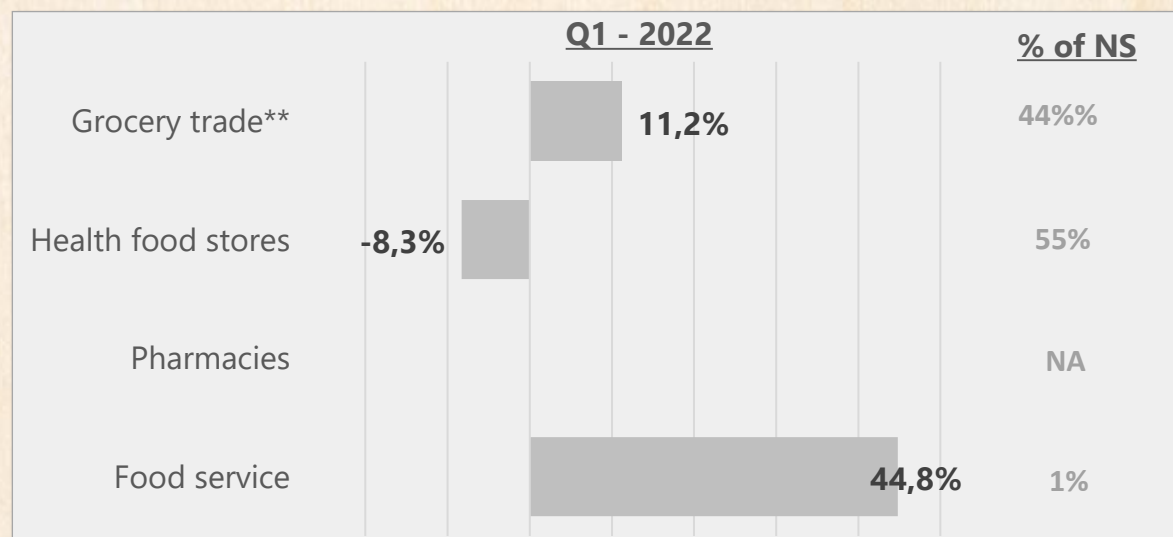
* Before IAC

** Includes other sales channels

South Europe

MSEK	Q1 2022	Q1 2021
Net Sales	101	96
GM%*	20,9	24,2
EBITDA*	6	9
EBITDA%*	6,5	9,3

- Net Sales +4,6%
 - 1,0% organic growth
- GM% down 3,3 p.p. vs LY, however improved vs previous quarter
- Lower EBITDA from weaker GM%



* Before IAC

** Includes other sales channels