



# Q4 Report

**PRESENTATION WILL  
BEGIN SHORTLY**





# Q4 Report


OCT - DEC 2024

with

Håkan Lagerberg, CEO

Jenny Graflind, CFO





## Q4 2024 Highlights

Sales and EBITDA are at an all-time high, but growth in the quarter is 5% (4% organic), below our growth expectations NaturVet at -21%, rest of group 18%

Accepted for trading under ticker **SWDCF** at OTCQX, New York. Facilitates trading of our share in the US

VOHC-seal for our ProDen PlaqueOff® Soft Chews both effective against Plaque & Tartar

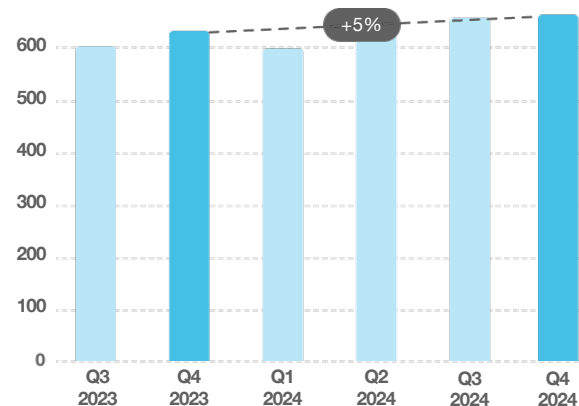
Online 40% - Pet retail 30% - Veterinary 30%

Prepared for potential trade wars and tariffs with our strategy of having local manufacturing and sourcing

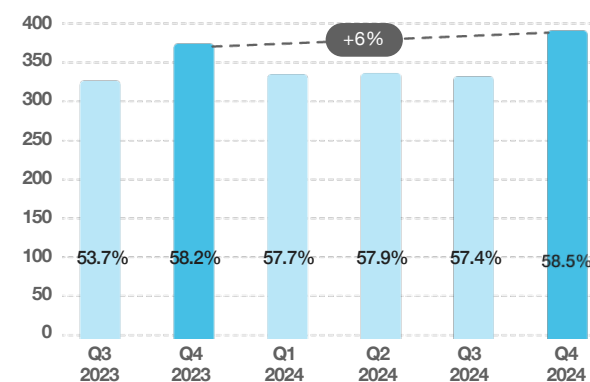
Board proposal of dividend 0,25 SEK/share, an increase of 9% compared to 2023 (0,23 SEK/share)

# Financial Highlights Q4 2024

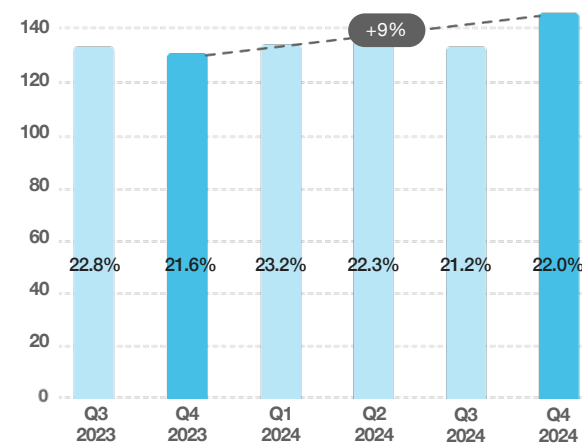
Net Revenue



Operational Gross Margin



Operational EBITDA

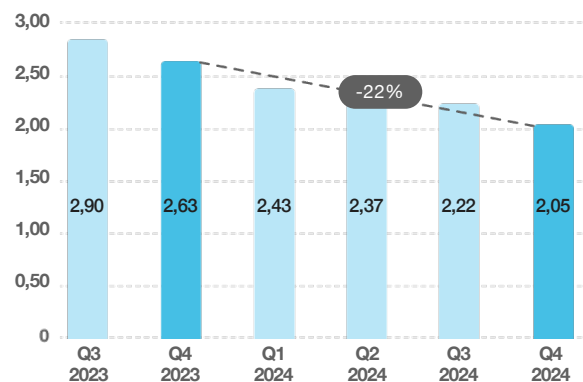


## Comments

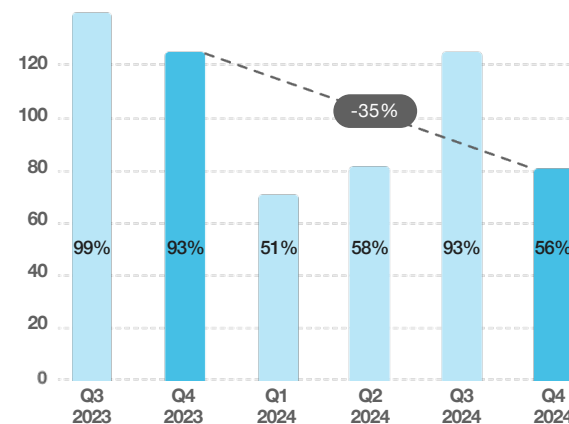
- Organic growth 4%, acquired growth 1%
  - Full year 9% growth – 9% organic growth
- Gross margin 58,5% - strongest since 2022
  - Less inventory write-offs
  - Lower COS with improvements in purchasing
  - Stable around 58% (+/-1%)
- Increased external costs
  - Legal settlement 3,1M (prior year)
  - Rebranding of NaturVet 4,2M
  - AR reserve 2,4M
  - In addition, increased costs associated with higher Amazon sales
- Lower interest costs with lower interest rates and lower debt

# Financial Highlights Q4 2024

Net Debt / EBITDA



Op. cash flow / Cash conversion

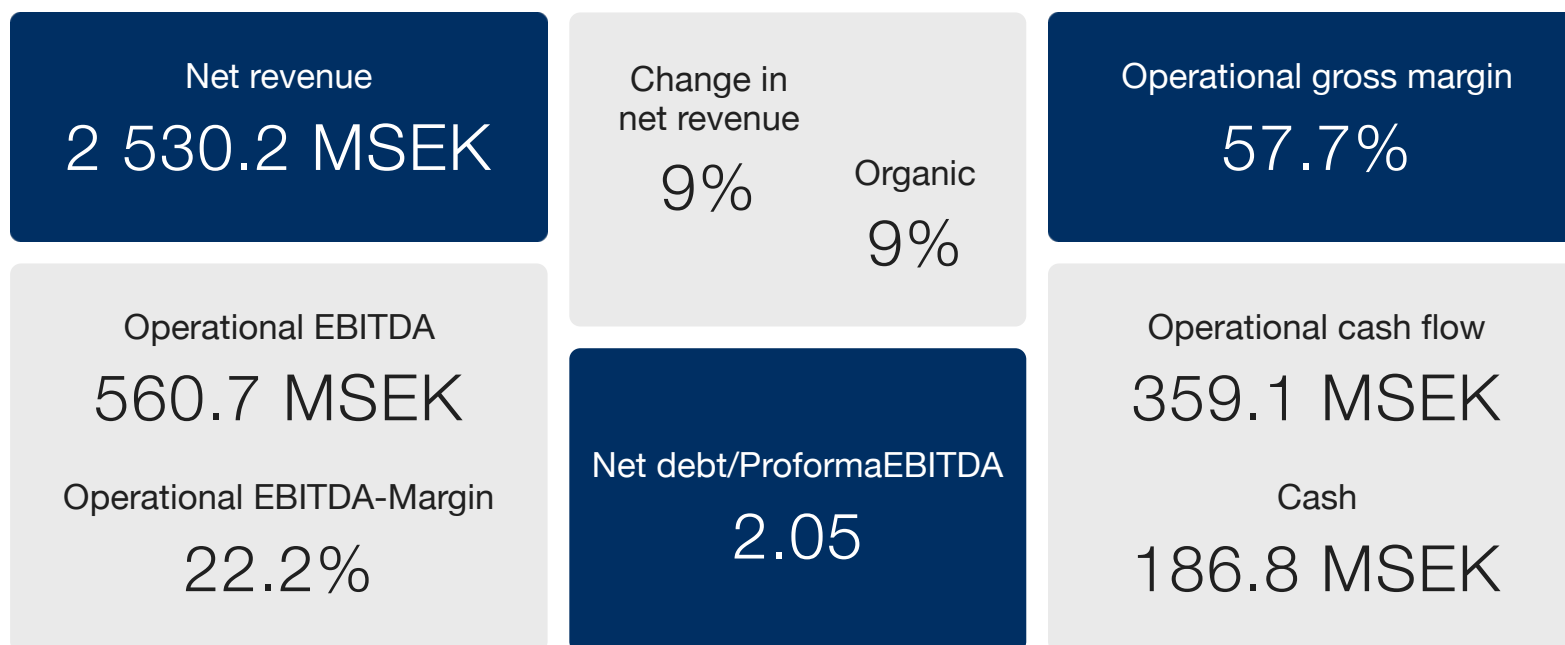


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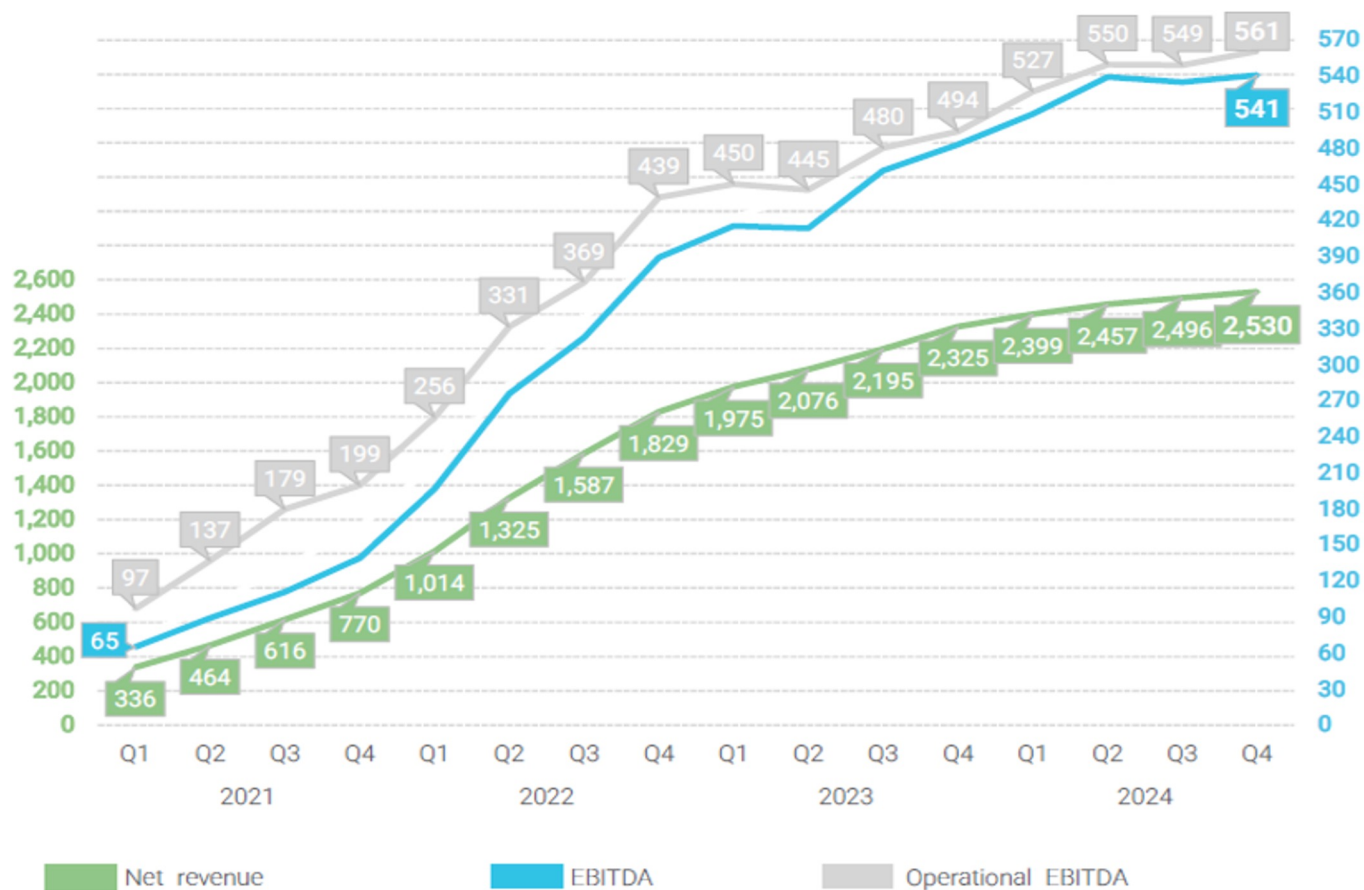
- Negative WC-increased AR and inventory due to growth
  - Q: -20,1MSEK
  - 2024: -76,2 MSEK
- CapEx <2% of net revenue
- Repayments on loan:
  - Q: 75MSEK
  - 2024: 200MSEK
- Acquisitions:
  - Q: -
  - 2024: 106,8MSEK

# Key performance indicators

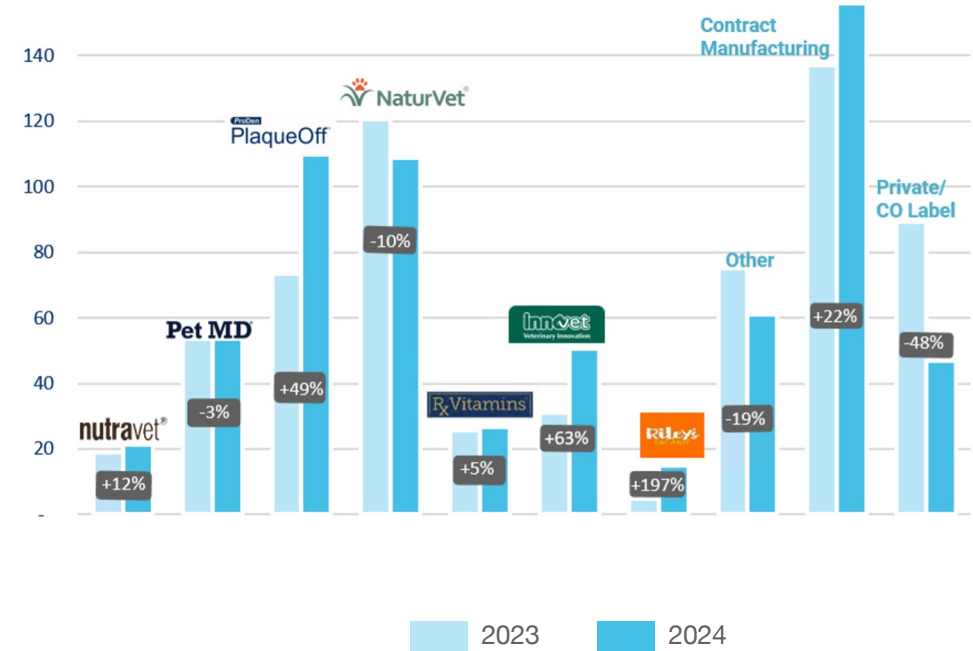
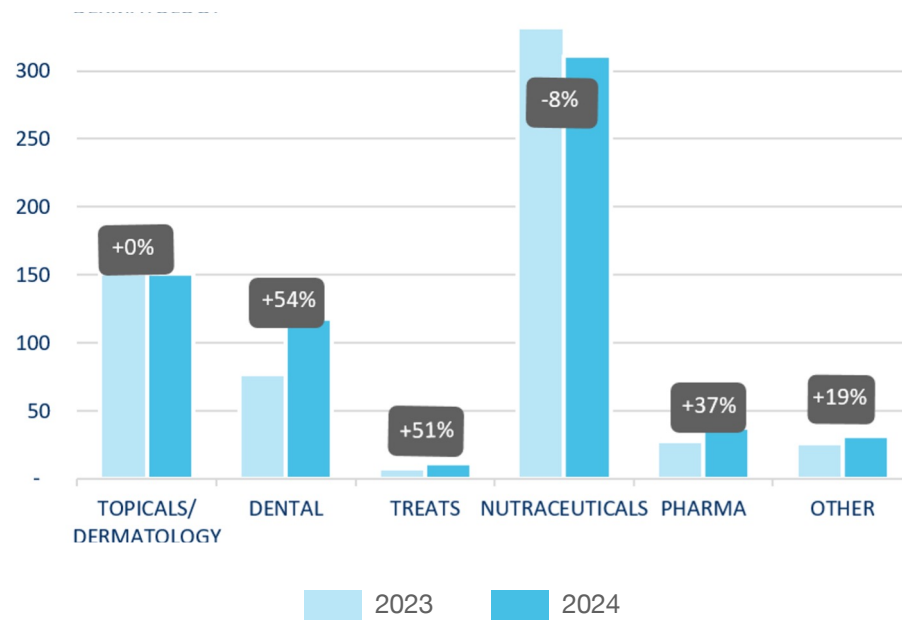
2024



# Rolling 12 months

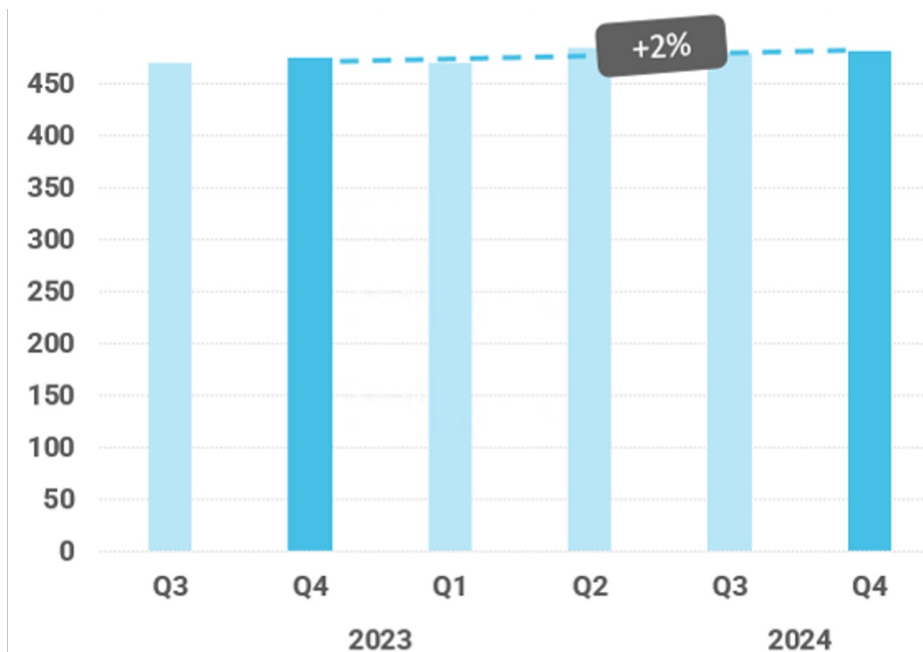


# Product- and brandsplit



# Net sales North America 474,7 MSEK, 2% growth

73%  
of total net revenue



- Dental, biggest growth, pet retail and online
- Production and online strong
- Pharma division best Q ever
- NaturVet last negative Q (next slides)
- Treats category, Riley's successful first year, looking to expand into new markets
- Medvant, analyze and prepare to expand Swedencare brands/products into Canada
- Key sales additions to the organization

# NaturVet - 2024

- Org Growth **-21%**
- Private label (3 largest accounts)
  - Customer pushing orders into 2025, high comps due to order volume- and price adjustments last year
  - 3 customers on board going forward and better visibility and improved forecasting implemented
  - The last business unit reorganization, now fully completed
- Branded sales
  - Down overall, but there was growth in distribution. Chewy, 2nd biggest customer and down
  - No. 1 Pet Specialty Customer was down in the quarter and year due to testing more brands
    - For the 2025 reset, we will increase with this customer who has confirmed to bringing in our new **innovations and expanded in-store presence**
- Amazon sales
  - Sales to consumers (OTD) are **up 9%** while our sales are down as partner have <3 Months inventory compared to historically 4-6 months
  - Going forward, our sales will reflect OTD sales. January OTD 10% up

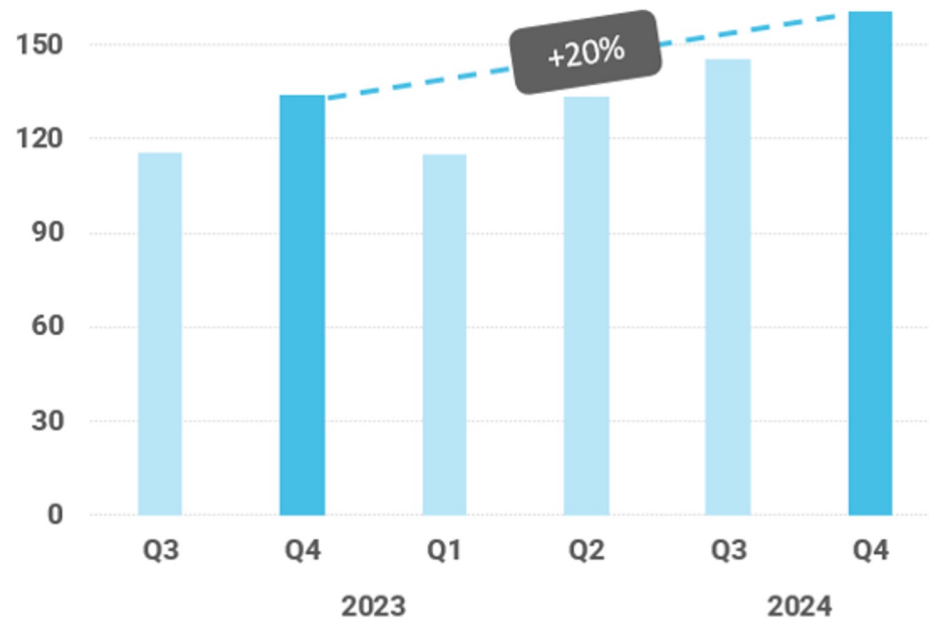
# NaturVet - 2025

- **Rebranding** will be presented at Global Pet Expo March 2025
- Expanded and strengthened relationships with all top Branded customers (resets and line reviews completed)
- Expansion with the biggest **Pet Specialty Retailer**, already in Q1 and Q2, key expansion opportunity Q3
- Private label (PL)
  - More visibility, and less dependency on a few accounts
  - Secured two new major accounts for Q2
    - One PL-brand with top tier national Pet specialty Retailer,
    - One **Nationwide pharmacy chain**, and also in discussions for Branded
- **Big Box Retailers (BBR)**
  - On-line presence with three before quarter ends
  - In-store small side wing **confirmed** for 1400 stores end Q1 with the largest seller of pet health in BBR and expect significant presence in that retailer by the end of the year
  - Target to add more before 2025 is over

2025 start and forecast, Sales are **UP**, and we predict NaturVet to be stronger Q by Q

# Net sales Europe 161,0 MSEK, 20% growth

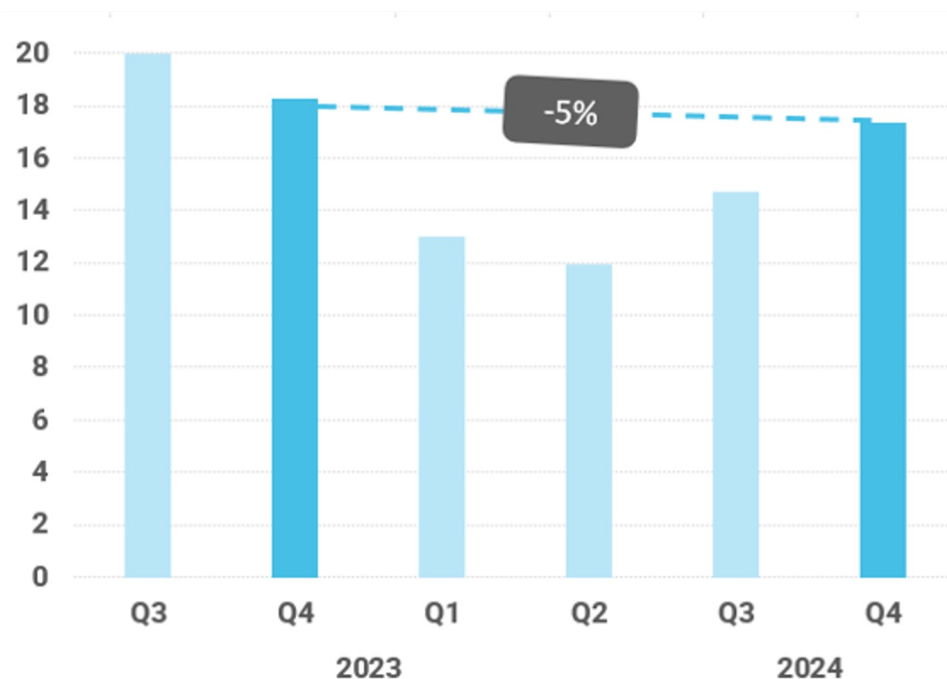
24%  
of total net revenue



- Dental strongest product group
- UK
  - Strong Amazon
  - Weaker veterinary
- Italy & Nordics: continuing the strong trend
- zooplus co-op, a promising start
- Several product launches in the quarter and will continue in 2025
- Manufacturing, new UK facility up and running, Ireland Soft chew manufacturing successful, will increase capacity 2025

# Net sales Rest of the World 17,4 MSEK, down 5%

3%  
of total net revenue



- Q4 (and Q3) 2023 included Pharma deliveries to China
- Without Pharma deliveries, sales increased by 37%
- Asia top region (China, Japan, South Korea)
- South America (Brazil, Chile, Uruguay)
- More than doubled sales to co-labeled ProDen PlaqueOff® pet food projects 2024



# Priorities 2025 and forward

Growth and profitability, (lowering debt level)

Capitalizing on 2024 strategic projects

M&A reactivation – Focus on geographies not present and targets with unique features to our group

Product launches and development

Bi-annual employee survey

Finalizing sustainability targets to be presented in 2025



**Brian Nugent, Chief Commercial Officer  
Swedencare North America**



# Swedencare U.S. Veterinary Mission

Our mission is to be the leader in the advocacy and innovation to the Veterinary community by providing premiere products and practical business solutions that support the growth, profits and success of Veterinary practices.



ANIMAL  
pharmaceuticals

ProDen  
DentalCare

MedVant 

 SWEDENCARE

## SWEDENCARE VET SOLUTIONS...



✓ Spent last 1.5 years consolidating operations.

✓ Poised for Commercial Growth!

Rx Vitamins

**VETCLASSICS®**

ProDen  
DentalCare®

**ANIMAL**  
pharmaceuticals

MedVant



 **SWEDENCARE**

## SWEDENCARE VET SOLUTIONS...



# Swedencare U.S. Brands Snapshot



**Sales Team**  
**OSR's ~ 165**  
**ISR's ~ 140**

## Stratford

- Distributed exclusively through MWI Vet Supply
- Products available in:

Stratford Brand/Label

MWI VetOne Private Label

Clinic Exclusive Label



Grooming

Medicated

Otic

Wellness

Dental

 **SWEDENCARE**

# Swedencare U.S. Brands Snapshot

**ANIMAL**  
pharmaceuticals

## Animal Pharmaceuticals

- Distributed exclusively through Patterson Vet Supply
- Products available in:

Animal Pharm Brand/Label

Clinic Exclusive Label



**Sales Team**  
**OSR's ~ 180**  
**ISR's ~ 100**



Grooming

Medicated

Otic

Wellness

Dental

# Swedencare U.S. Brands Snapshot

## RX Vitamins

**Rx Vitamins**

- Distributed direct and recently through MWI Vet Supply
- Products available in RX Brand
- Unique products with Clinical Studies
- More holistic line
- Works closely with Canadian Division



**MedVant** 



# Swedencare U.S. Brands Snapshot

## Vet Classics

**VETCLASSICS®**

- Distributed through MWI, Patterson, Covetrus & Midwest
- Products available in Vet Classic Label
- Sales/Marketing handled by Stratford



Grooming

Medicated

Otic

Wellness

Dental

# Swedencare U.S. Brands Snapshot

**ProDen  
DentalCare®**

## ProDen DentalCare

- Distributed through MWI, Patterson and Covetrus
- Products available in exclusive Veterinary Only Label
- “Powered by: PlaqueOff”
- Sales/Marketing handled by Stratford

**MWI**  
Animal Health

**covetrus**

**PATTERSON  
VETERINARY**



**SWEDENCARE**

## Industry insights



Vet visits down  
Spend per visit up



Continued shift &  
purchase migration to  
online/home delivery



Focus on  
Increasing Owner  
Compliance



# of clinics Increasing,  
consolidation slowing



Estimated Vet  
'24 vs '23 growth  
rate ~ 5.2%



Vet's cite declining pharmacy  
sales/reduce clinic visits as  
top challenges in 2024.



**SWEDENCARE**  
NORTH AMERICA

## US Veterinary Market 2024 & Beyond

**Q: So how can Swedencare help solve these problems for the Vet?**

**A: Provide Veterinarians with products, programs and services that overcome their obstacles.**

**Clinic  
Branded  
Label  
Program**



**We redesign our labels making them exclusively for an individual Vet hospital so that it can only be bought and sold in unique hospital or through a vet approved home delivery programs of Vets choice.**



**SWEDENCARE**



**SWEDENCARE**  
NORTH AMERICA

## US Veterinary Market 2024 & Beyond

**Q: So how can Swedencare help solve these problems for the Vet?**

**A: Provide Veterinarians with products, programs and services that overcome their obstacles.**

### Clinic Branded Label Program



Vets that Clinic Label have:

1. Stronger bond between pet owners/vet
2. Higher % of pet owners return to Hospital when they need to refill script
3. More repeat visits and increased pharmacy sales



**SWEDENCARE**



**SWEDENCARE**  
NORTH AMERICA

## US Veterinary Market 2024 & Beyond

**Q: So how can Swedencare help solve owner compliance problems for the Vet?**

**A: Continue to innovate products that promote owner compliance.**

### Topical/Otic Finger Wipes



### Oral Products



Our R&D teams continually launch products in palatable delivery forms that dogs love which makes it easy for the pet owner to administer. When medicine time meets treat time, every wins!

**Our R&D teams launched a new unique finger wipe, with proprietary “KLARACLEAN” technology which allows for easier and more effective application of medicated products on pets skin/face/body and ears.**



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NORTH AMERICA

## US Veterinary Market 2024 & Beyond

**The outlook in the U.S. Veterinary market is strong for 2025 and beyond.**

Vet Division Initiatives	Benefits	Status
Consolidate Group Brands as one team serving the US Vet Industry	One Sales, Marketing, Service, Tradeshow team	In process. Completed by Q2 '25
Continue to add Swedencare internal MFG products into vet offering	More focused, higher margin offering	Ongoing Backwards Integration Approx 80% today.
Expanding with Innovet (SC Italy) on proprietary products	Quicker to market, Internally MFG, clinicals and studies	Beginning process
Expanded relationships with distributors, corporate hospitals, management/purchasing/buying groups	Quicker to market, accelerated growth, larger audience	In process, ongoing
Shift to more palatable & easier delivery forms products	Increased owner compliance	Shift to Vetio/Garmon Soft Chews (80%) and launch of new finger wipes



Thank you for  
participating!

Q&A

