



Q3 INTERIM REPORT

July - September 2023

Presentation
CEO Håkan Lagerberg
CFO Jenny Graflind



Q3 2023 Highlights

17% organic growth with strong cash flow

Sales record both Quarter and Month – Strong Pet Retail and Online

Organic growth 17%

Strong cash flow – 99% cash conversion from EBITDA, 75 MSEK amortization and Net debt/EBITDA below 3

All regions delivering double digit growth

Both brands and contract development/manufacturing high demand



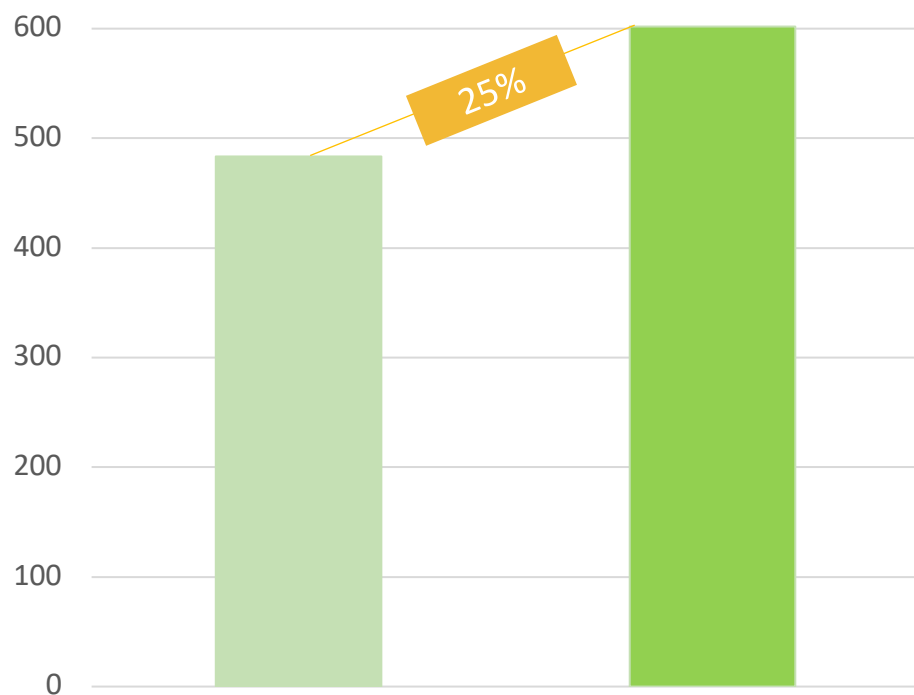
ESG 2023

Implemented a sustainability platform to collect and analyze data from the entire group.

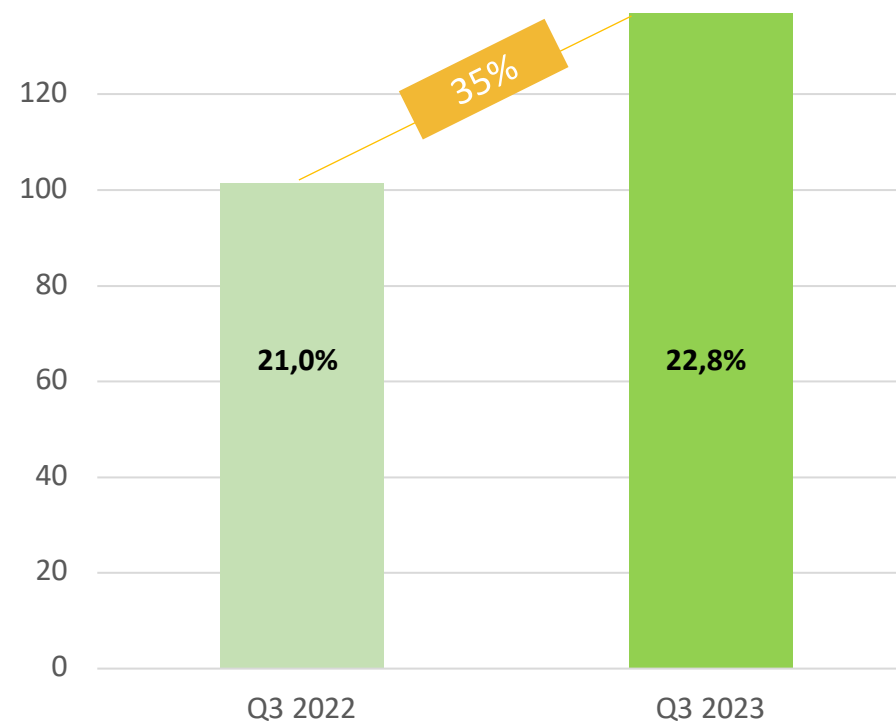
Started working on a materiality analysis where we go through the most important sustainability priorities.

Motivated employees are our most important asset, we work with ongoing improvement on work environment therefore an anonymous employee survey has been conducted with all our employees in the group. During this quarter, we have presented and analysed the results of our employee survey that we conducted during the second quarter. Strength and areas that need development have been identified and measures and initiatives have been implemented to address the specific areas that need improvement.

Net sales (MSEK)



Operational EBITDA (MSEK)



Key Performance Indicators

Q3 2023

Net revenue
602.0 MSEK

Change in
net revenue
25%

Organic
17%

Operational
Gross margin
53.7%

Operational
EBITDA
137.0 MSEK

Margin
22.8%

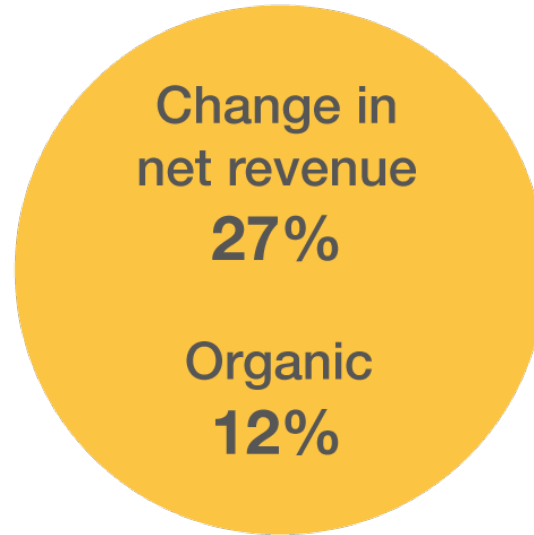
Op. Cash flow
135.6 MSEK

Cash
243.2 MSEK

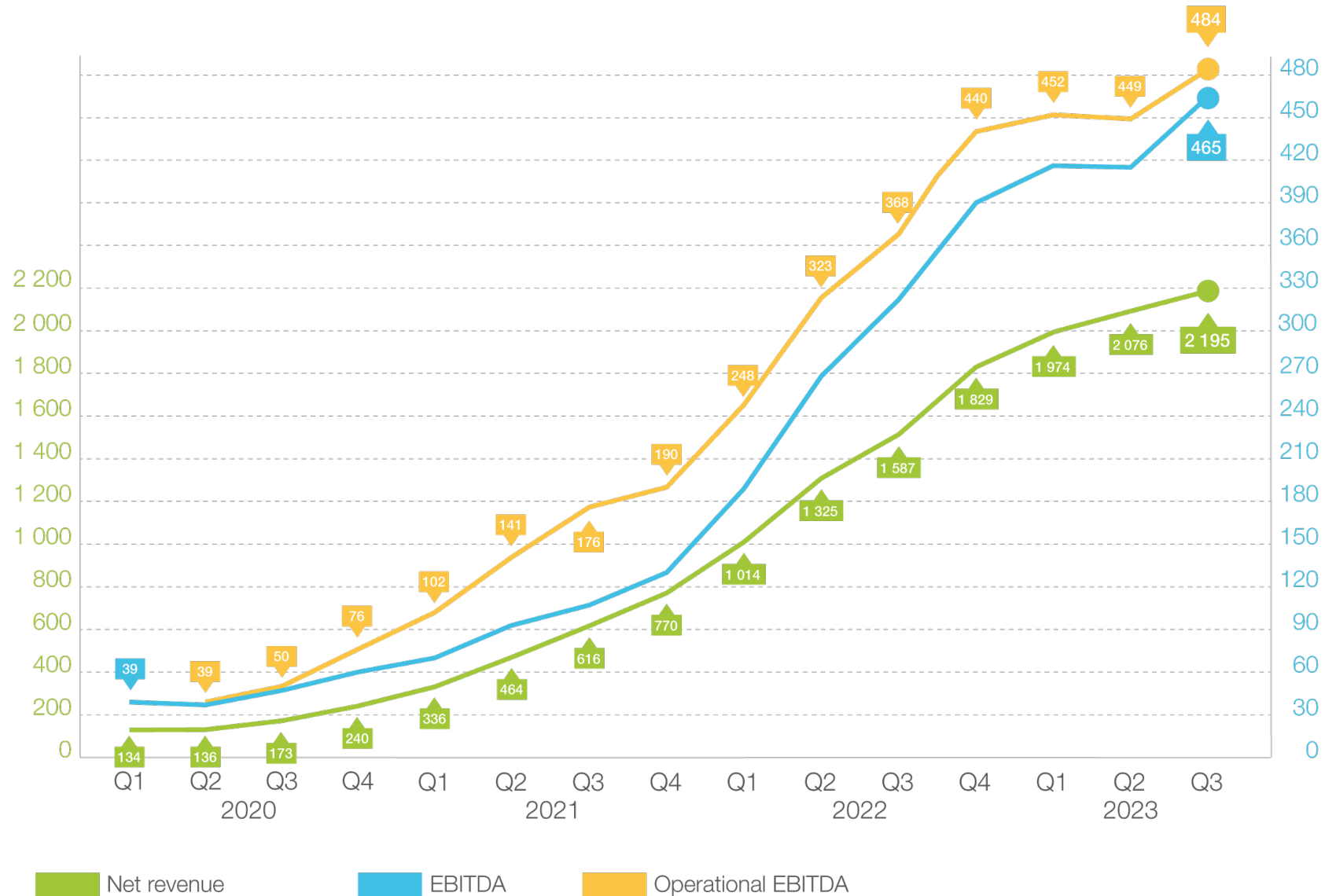
Net debt/EBITDA
2.9

Key Performance Indicators

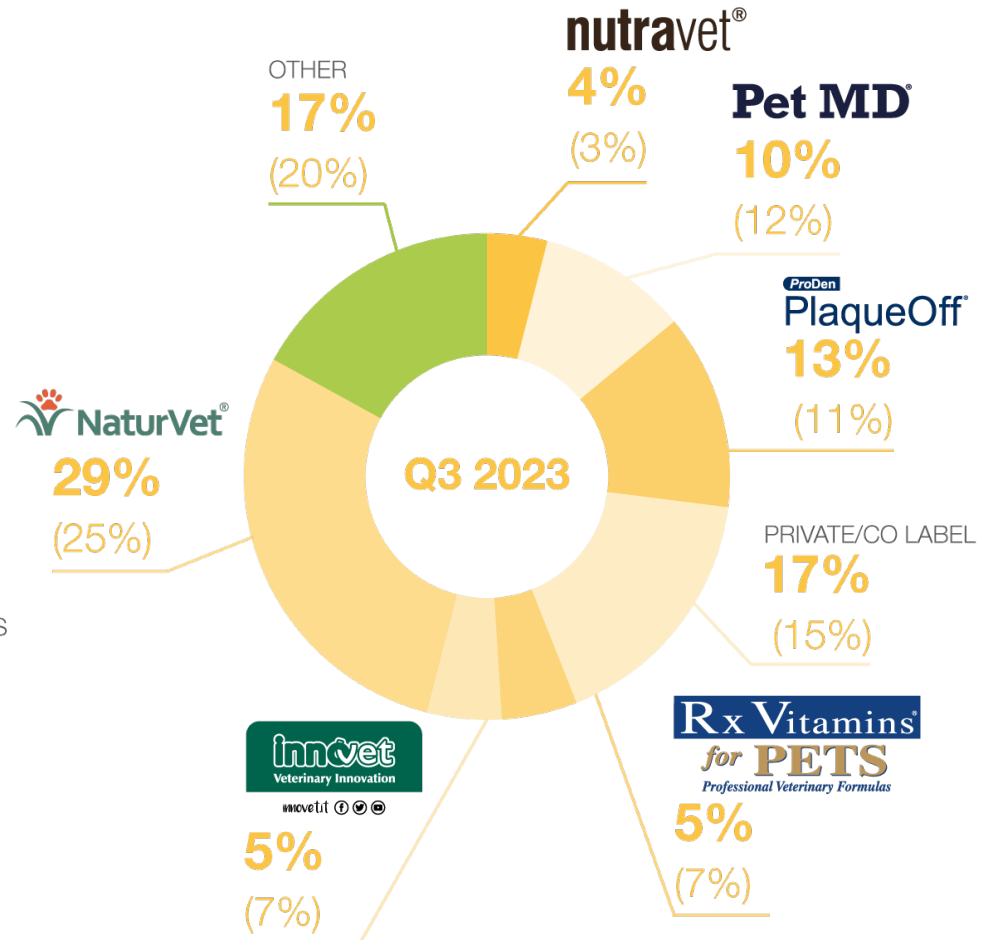
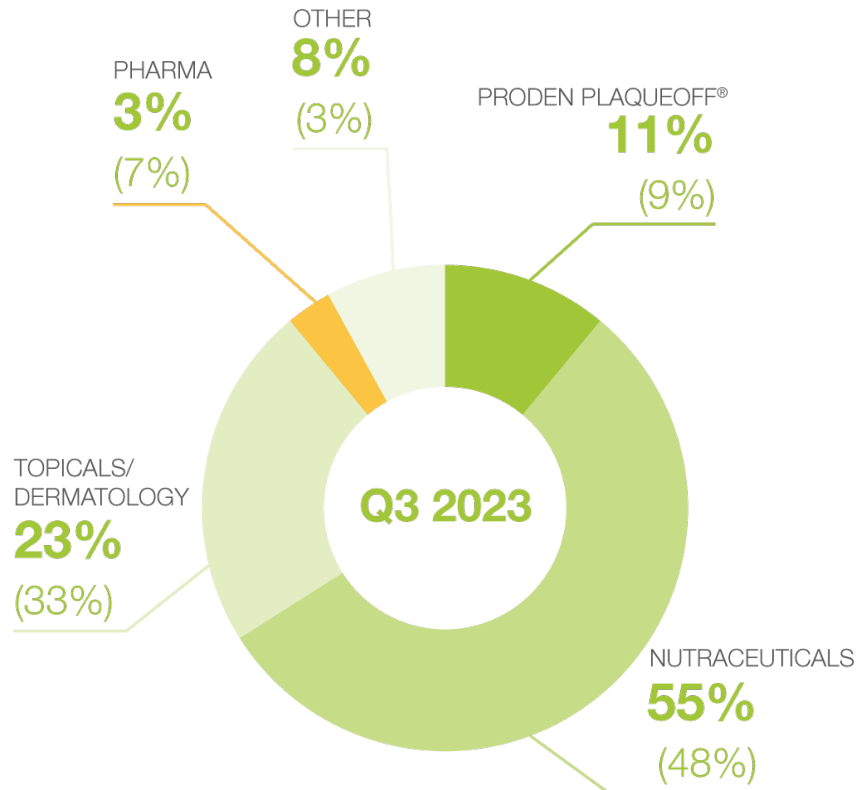
YTD 2023



Rolling 4 Quarters

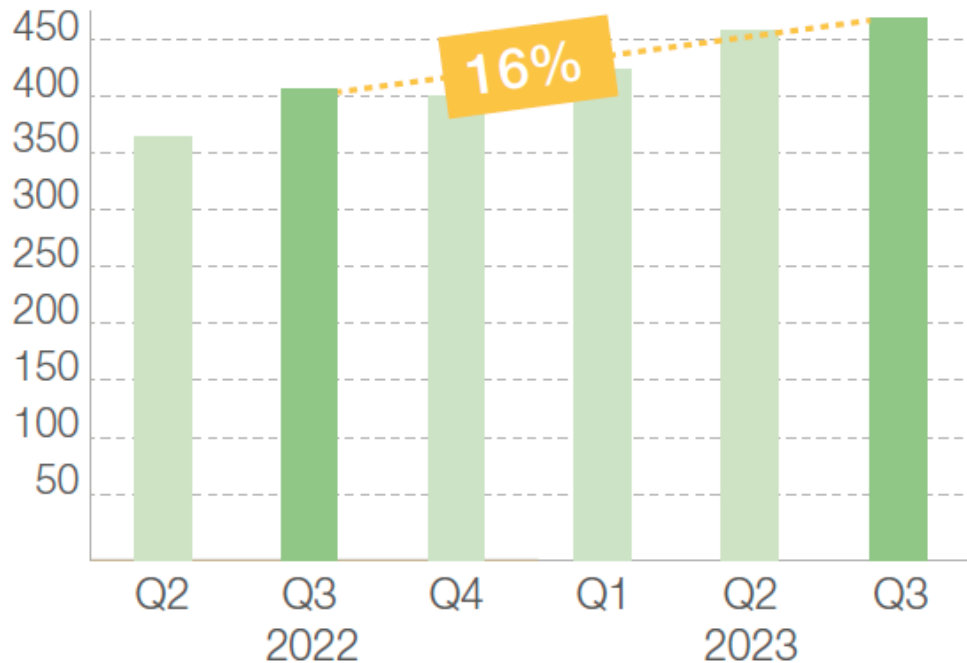


Product- and Brandsplit



Net Sales by region (470,0 MSEK)

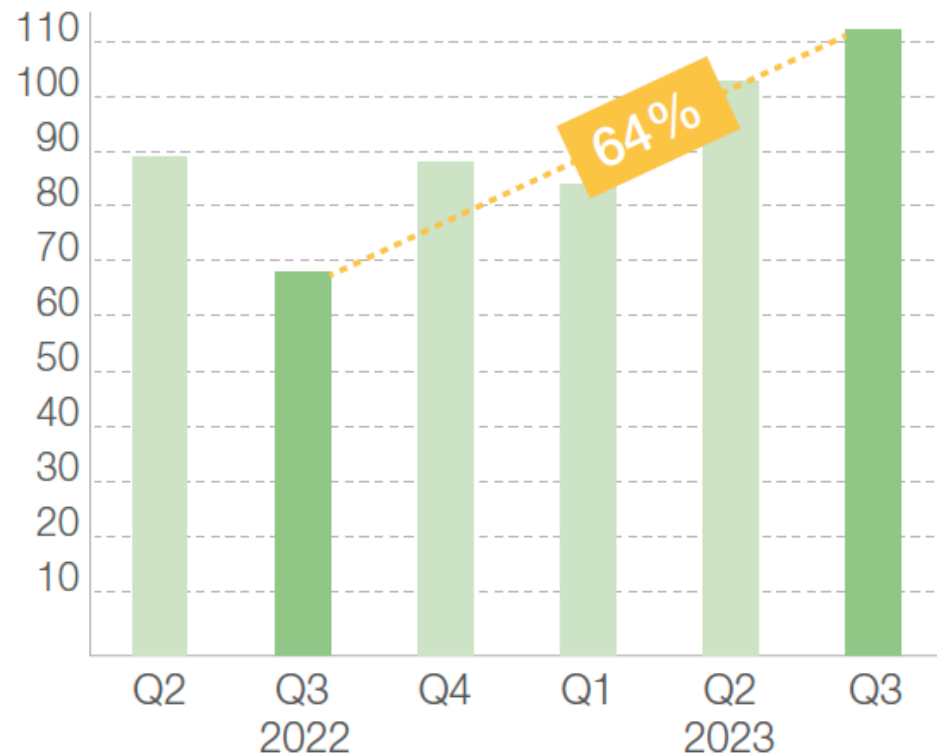
North America – 78% of total revenue



- Strong quarter in Pet Retail and Online, Vet a bit soft but collaborations with Patterson and MWI starting to show growth
- **Vetio South** – flat and still low single digit profitability – new GM, expansion of SC line, Q4 will show growth and improved profitability
- **Vetio North** – decline due to less development projects, Q4 strong with both dev and manufacturing
- **PetMD** +25%, **ProDen PlaqueOff**® +54%
- **NaturVet** +39% inc. contract manufacturing
- Preparing move of RXV – done in Oct, New CEO Lynn Bowgren
- New CEO NaturVet/Garmon –Geoff Granger

Net Sales by region (111,5 MSEK)

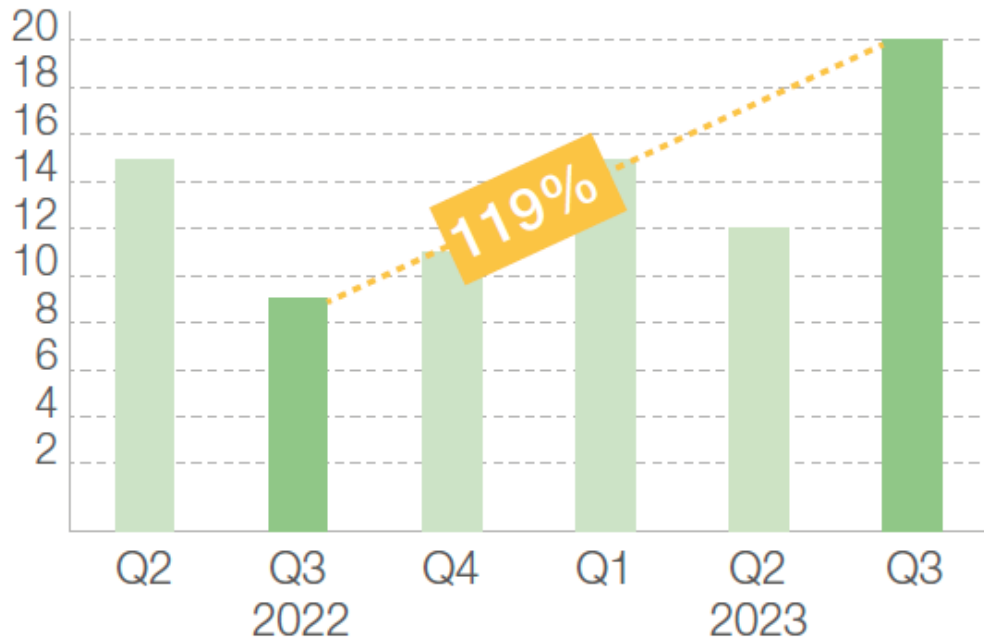
Europe – 19% of total revenue



- Market demand high on all channels
- Continued strong Online sales
- All European markets double digit growth and some exceptional, Spain +260% and Nutravet 100%
- Vetio UK (CVP), best Q, co-op with Vetio S and SDC Ireland
- SDC Ireland - Soft chew manufacturing line set-up, first commercial products will be delivered in Q4
- “NaturVet by Swedencare” Trademark granted for EU – launch early next year and at InterZoo May 24

Net Sales by region (20,5 MSEK)

Rest of the World – 3% of total revenue



- Doubling of sales, both products and development project for Vetio N from Chinese customer
- ProDen PlaqueOff® had a strong quarter with Asia, several countries in South America and Australia. Mexico new market
- nutravet® Poland new market and launch in Canada with largest vetcustomer in Q4
- ProDen PlaqueOff® as an ingredient in Pet Food continues to grow
- NaturVet and RX Vitamins primarily Asian sales



Priorities 2023/2024

Growth and profitability and lowering debt level

Deliver on strong pipeline

Continued move from external to internal

Product launches and development

Solidifying and developing relationships with major customers

Co-op and M&A opportunities

**Thank You for
participating!**

Q&A

