



Q4/YEAR END REPORT

January – December 2023

Presentation

CEO Håkan Lagerberg

CFO Jenny Graflind





Q4 2023 Highlights

Continued strong demand and initiatives yielding results –
23% organic growth for Q4

Sales record – Growth in all Channels and Regions

Organic growth 23% for Q and 15% for full year

Strong cash flow – 93% cash conversion from EBITDA, minority acquisition and 75 MSEK amortization

84% (74%) internal manufacturing and improvement of output in all sites

Finalized acquisition of Riley's Organics – Jan 2024

Continued and increased dividend – 0,23 SEK/share (0,22 SEK/share)



ESG 2023

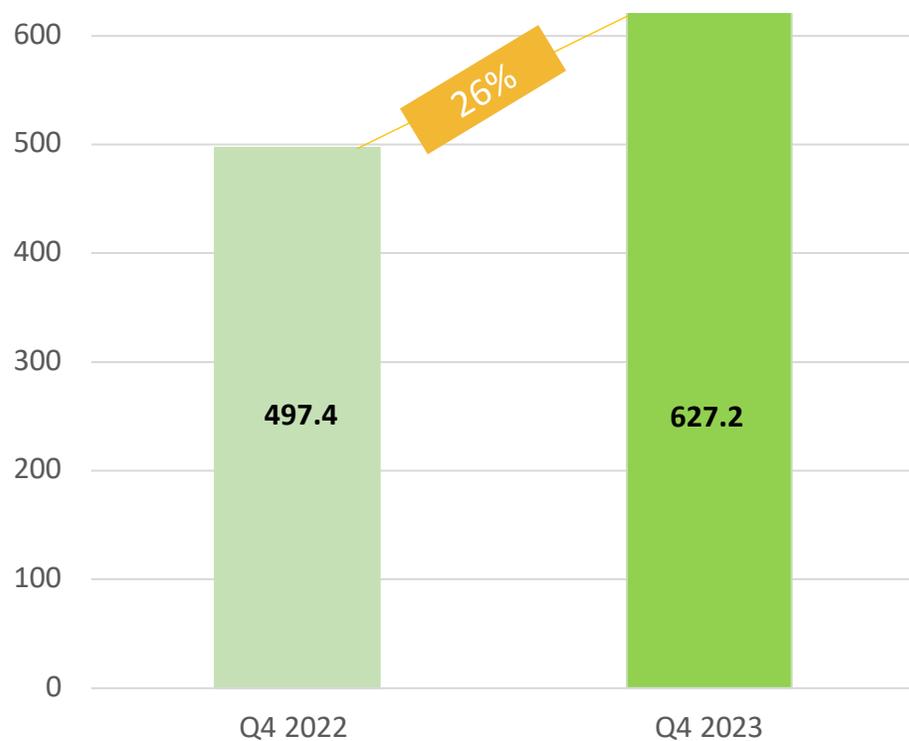
Completed the implementation of a sustainability platform where relevant KPI's have been carefully selected.

Conducted a life cycle analysis for ProDen PlaqueOff® 60g which has provided us with a deeper understanding of the product's environmental impact.

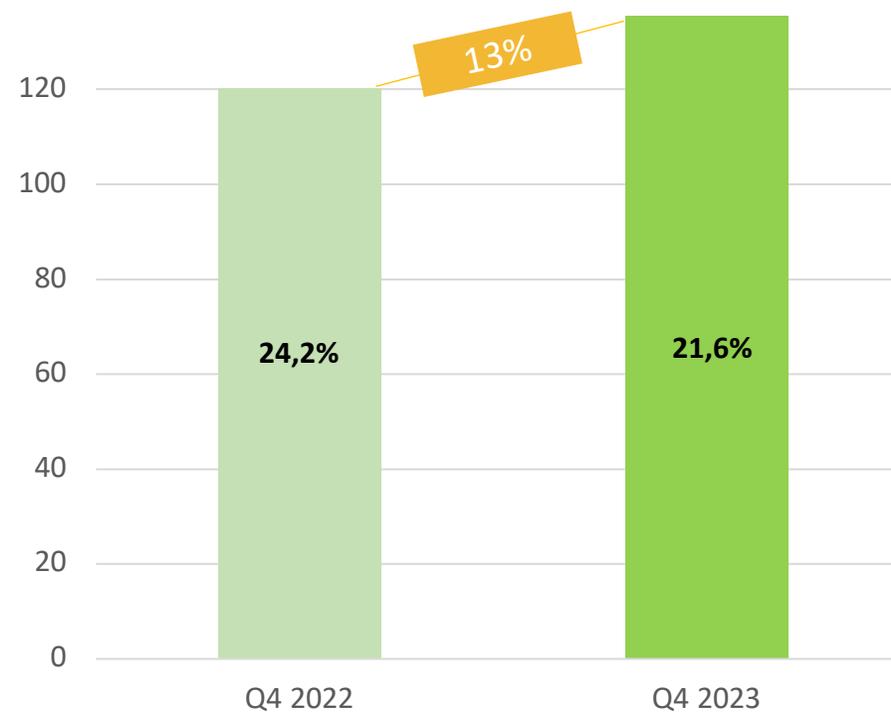
Obtained certification as a Nasdaq ESG Transparency Partner from Nasdaq, regarding our commitment to market transparency and raised environmental standards.



Net sales (MSEK)



Operational EBITDA (MSEK)



Key Performance Indicators

Q4 2023

Net revenue
627.2 MSEK

Change in
net revenue
26%
Organic
23%

Operational
Gross margin
58.2%

Operational
EBITDA
135.5 MSEK

Margin
21.6%

Op. Cash flow
126.3 MSEK
Cash
237.3 MSEK

Net debt/EBITDA
2.63

Key Performance Indicators

YTD 2023

Net revenue
2,324.6 MSEK

Change in
net revenue
27%
Organic
15%

Operational
Gross margin
55.4%

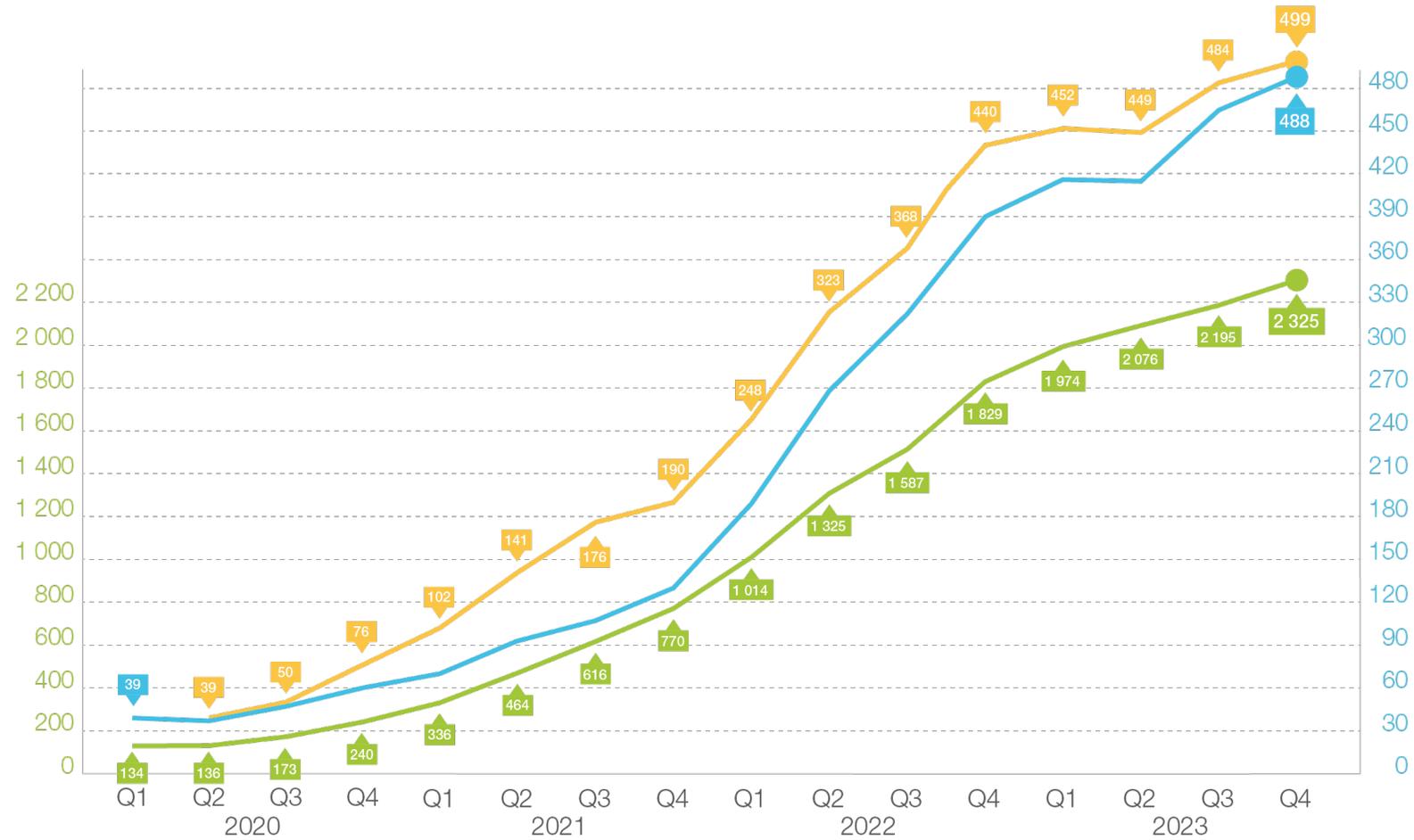
Operational
EBITDA
499.3 MSEK

Margin
21.5%

Op. Cash flow
444.0 MSEK
Cash
237.3 MSEK

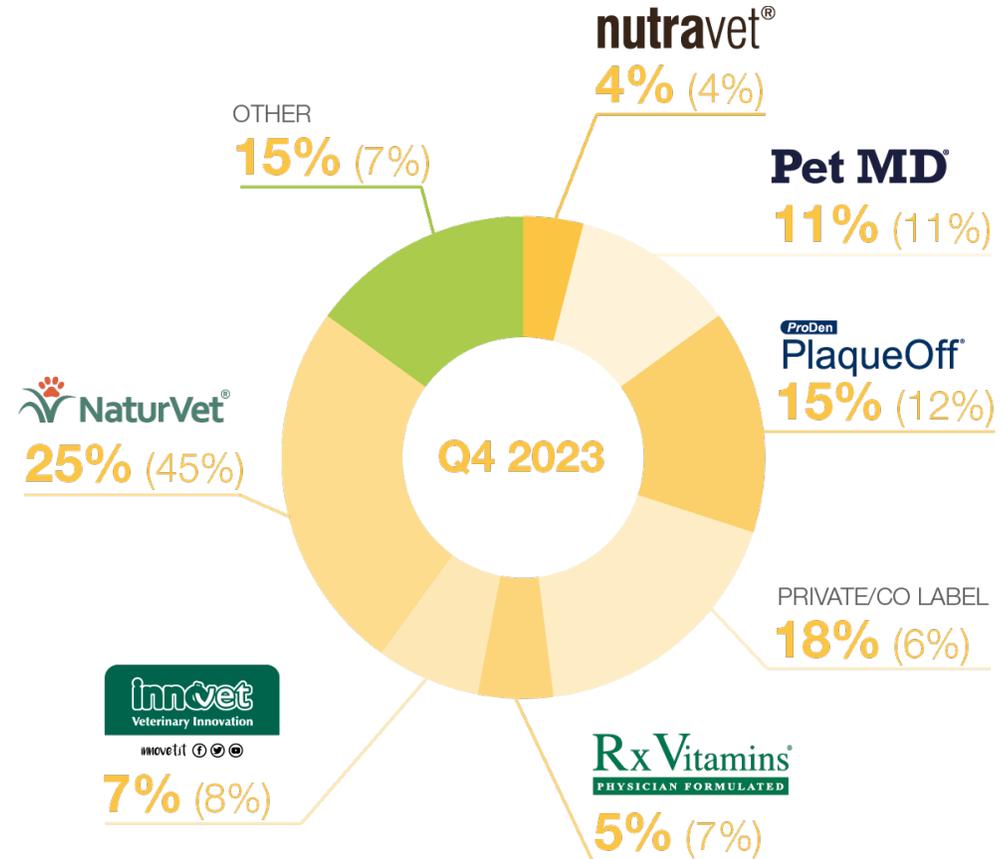
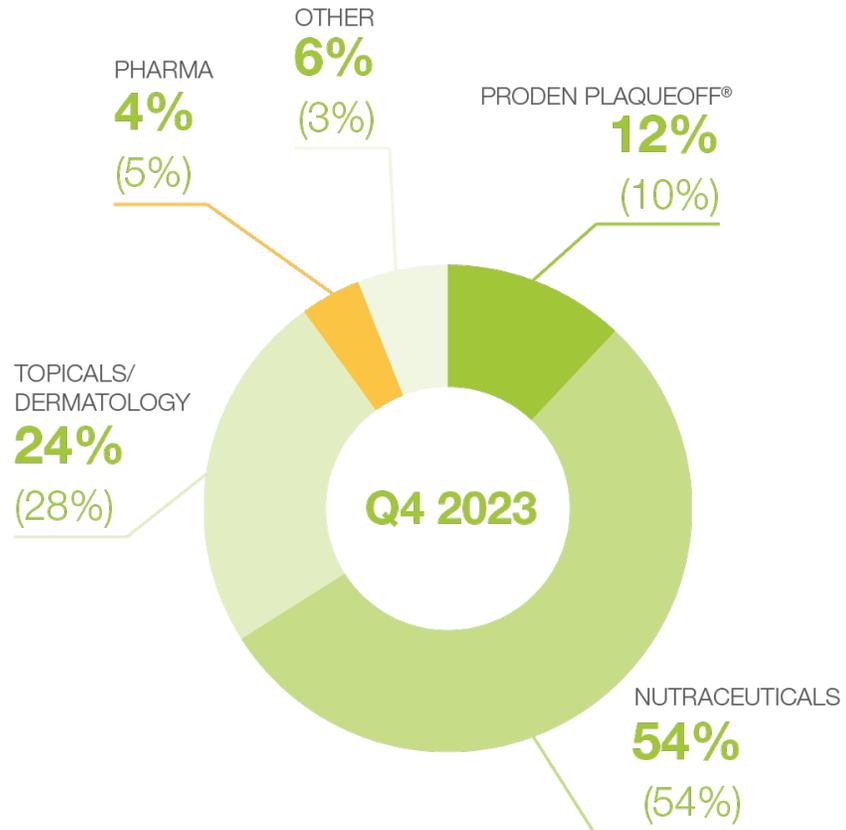
Net debt/EBITDA
2.63

Rolling 4 Quarters



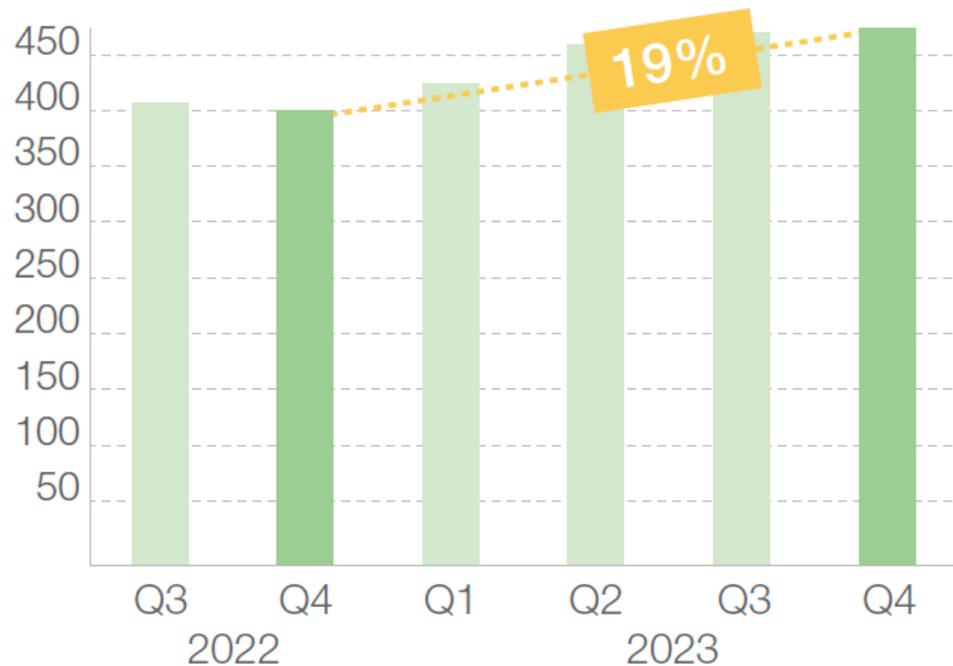
■ Net revenue
 ■ EBITDA
 ■ Operational EBITDA

Product- and Brandsplit



Net Sales North America 474.7 MSEK, 19% growth

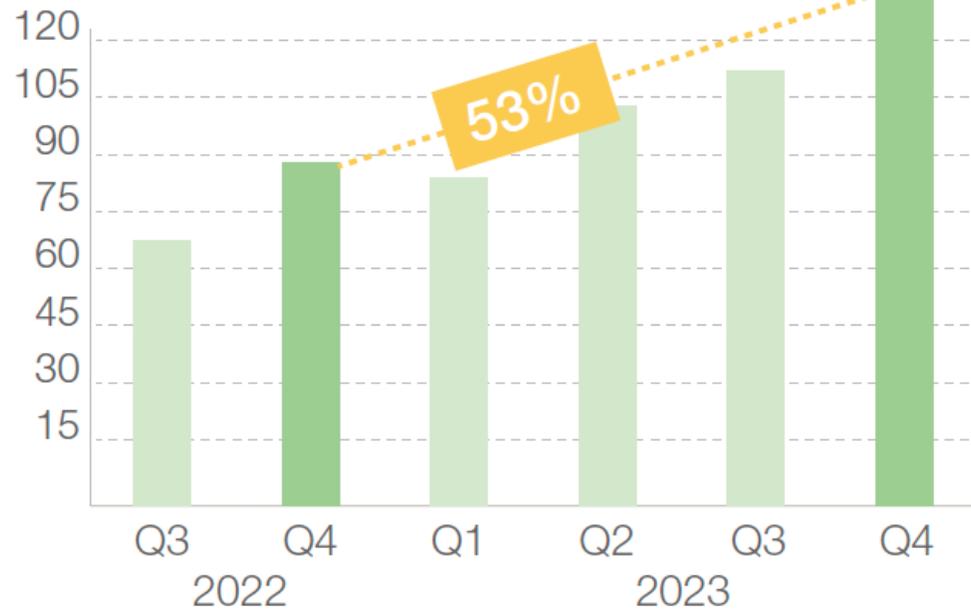
North America – 76% of total net revenue



- Strong quarter in all channels, VET picking up steam - 2024
- Vetio South & Vetio North – Expected recovery in Q4 due to successful strategy in the beginning of the year
- PetMD +44%, ProDen PlaqueOff® +46%, NaturVet +20% inc. contract manufacturing
- Relocation of RXV – done in Oct, New CEO Lynn Bowgren
- New CEO NaturVet/Garmon – Geoff Granger
- Vet Classics® move to VET-division
- Swedencare NA Distribution Center fully operational Q1
- Several projects concerning sales, synergies and cost savings will start to show impact in 2024

Net Sales Europe 134.3 MSEK, 53% growth

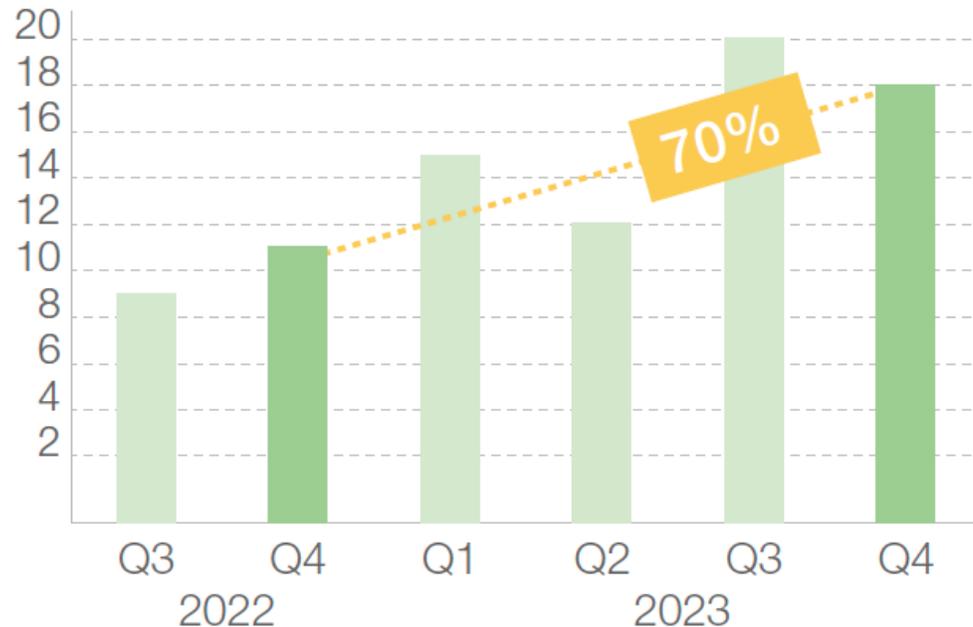
Europe – 21% of total net revenue



- Market demand high on all channels
- Double digit growth on most of the European markets and some exceptional, Spain +57% and Ireland 63%. GR, FR, Innovet and nutravet best Q for the year
- Vetio UK (CVP), surpassed its combined sales for the first 9 months, co-op with Vetio S and SDC Ireland
- SDC Ireland - Soft chew manufacturing, first commercial products delivered in Q4 for Wellichews®
- SDC UK move from Vendor to FBA on Amazon affecting Q4 sales but will have a positive effect 2024

Net Sales Exports 18.2 MSEK, 70% growth

Rest of the World – 3% of total revenue



- Development project for Vetio N from Asian customer
- Increased sales and interest of Flavorpal®
- NaturVet and RX Vitamins primarily Asian sales
- Solid ProDen PlaqueOff® sales
- China list SDC Ireland production site on GACC white list - new export opportunities



Priorities 2024

Growth and profitability and lowering debt level

Execution on synergies, sales and cost savings

Continued move from external to internal

Strong pipe line - Product launches continues all year

Co-op and M&A opportunities

Strong start of 2024

**Thank You for
participating!**

Q&A

