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Q2 Report

PRESENTATION WILL BEGIN SHORTLY

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Q2 Report

APRIL - JUNE 2025

with
Håkan Lagerberg, CEO
Jenny Graflind, CFO
Laszlo Varga, CCO Europe

Q2 2025 Highlights

3% sales growth (negative FX), 7% Organic with 19% Op. EBITDA

Tariffs have a low impact on Swedencare due to local strategy

Transfer NaturVet Amazon account in-house

Acquisition of Summit Vet

Big Box – Walmart & new announcements – CVS & Petsmart expansion coming in Q3

New long-term financing in place, at improved terms

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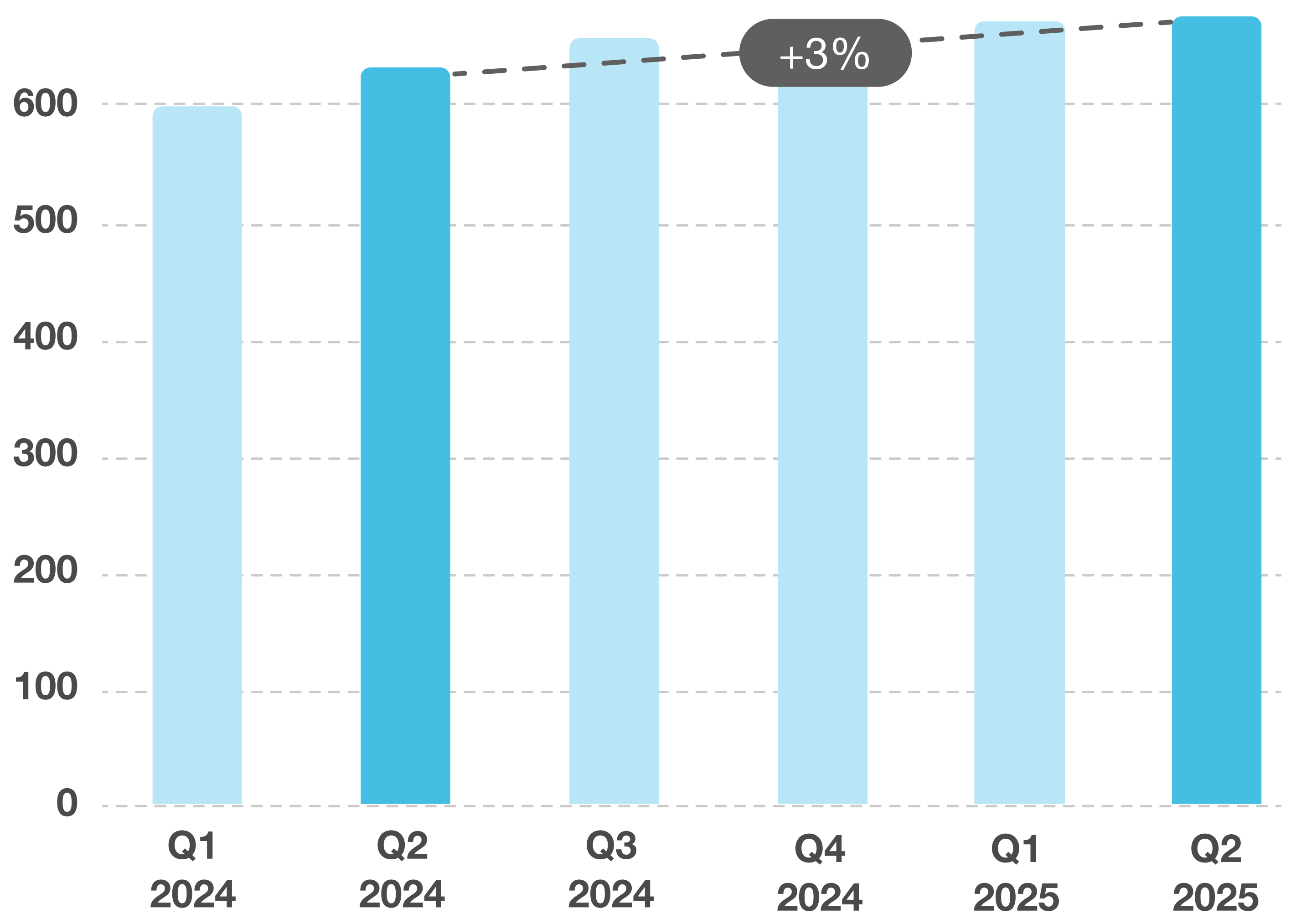
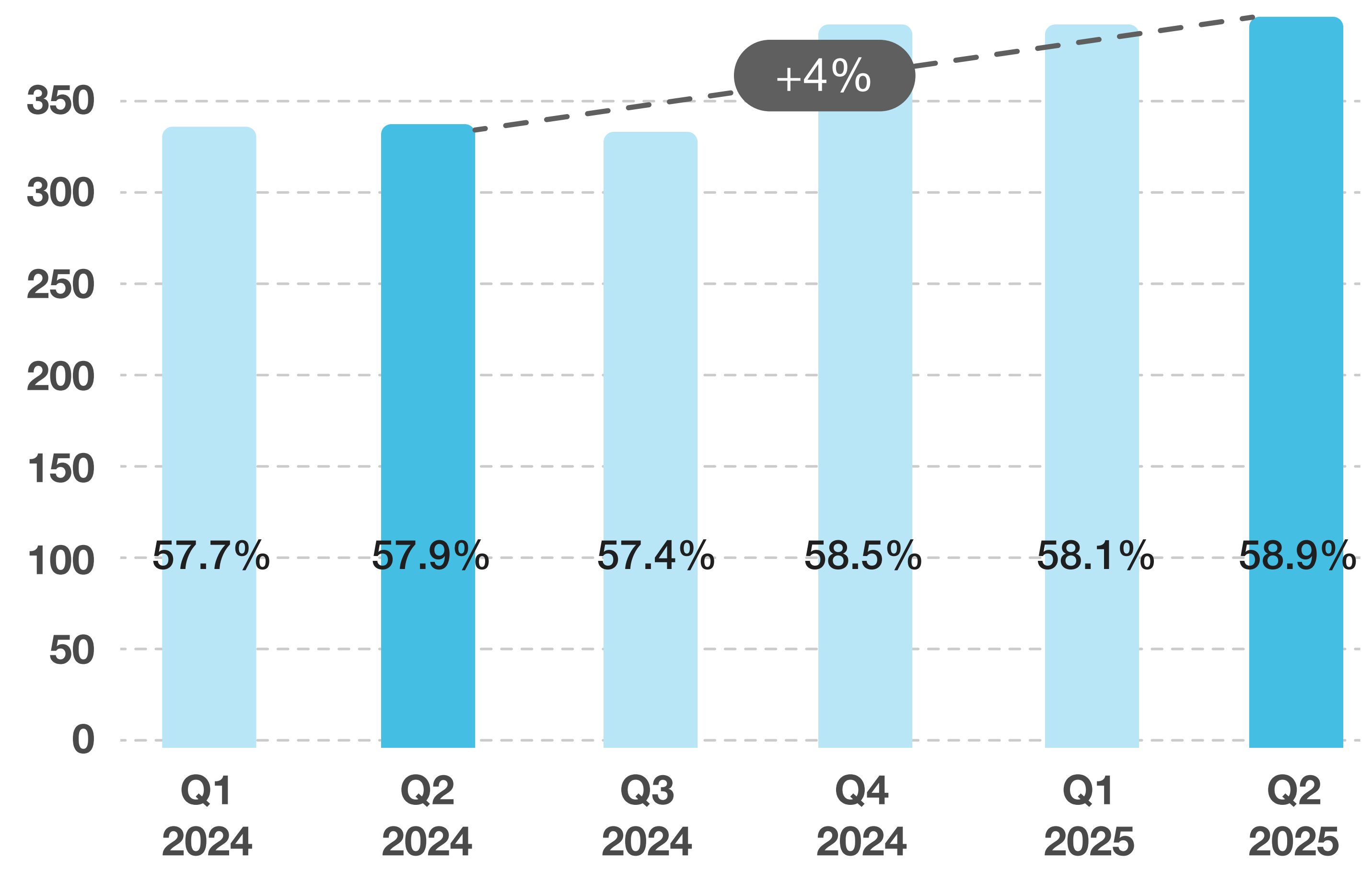
Financial Highlights Q2 2025

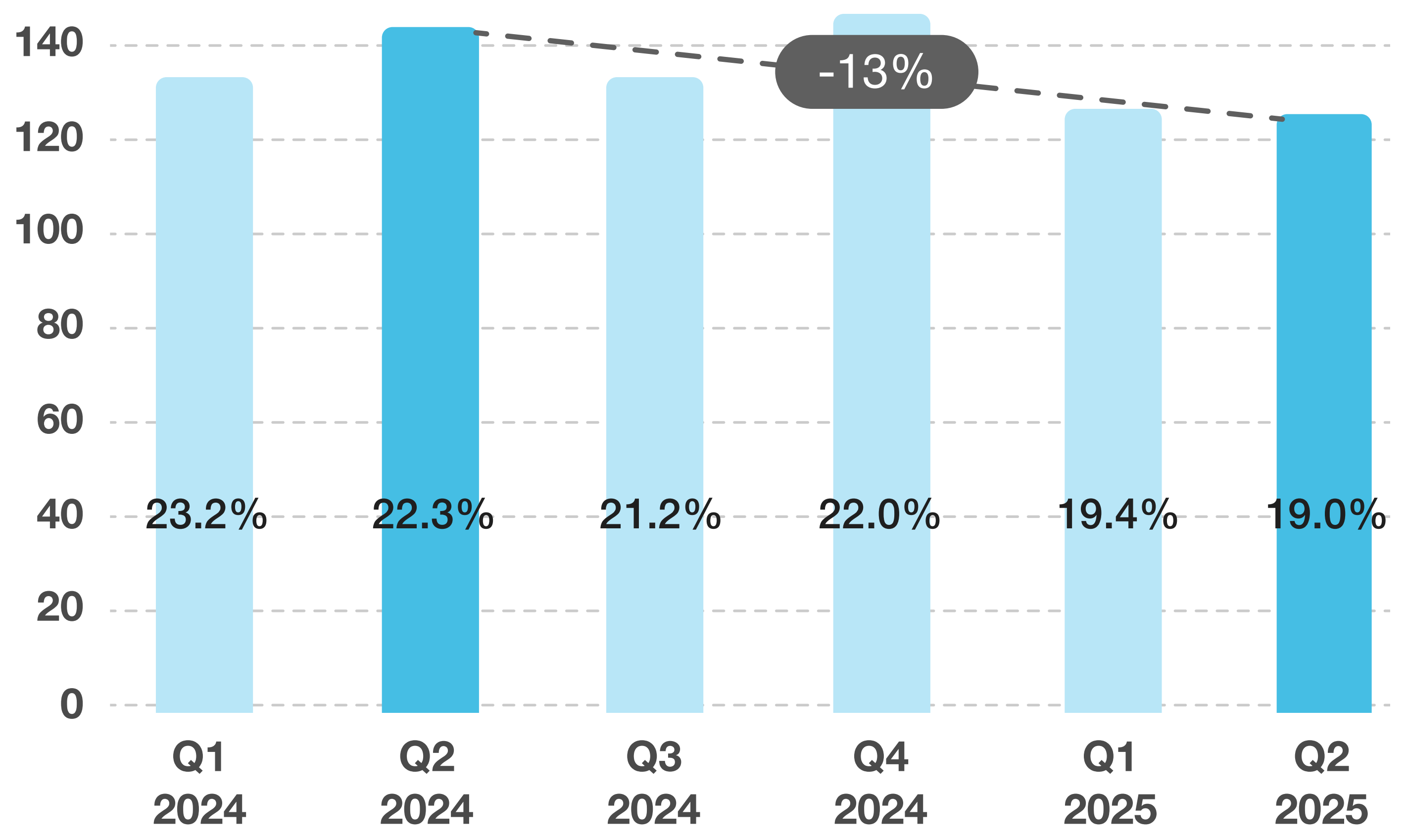
Net Revenue



Operational Gross Margin



Operational EBITDA



Comments

- Q: Org +7%, -9% Fx, +5% acq.
- YTD
  - 1,3B (1,2B) +6% organic
- Strongest GM since 2022
  - Slightly impacted by Amazon
  - In line with expectations
- External costs
  - Amazon +23 MSEK vs Q1
  - 8,9 MSEK (Summit & ERP)
  - Non-Amazon external costs is decreasing as % of sales

Acquisition – NaturVets Amazon acct

- Financial impact
- Q2 (2 months)
  - 24,1 MSEK additional revenue
  - Lower GM (35%) – negative impact on group
  - 17,3 MSEK additional external costs
  - Negative EBITDA -7,7 MSEK (without this EBITDA-margin would have been 21%)
- Q3
  - Selling out remaining inventory by mid quarter
  - Slightly lower GM
  - Positive EBITDA contribution but low margin
- Q4
  - Minor impact on gross margin and EBITDA-margin

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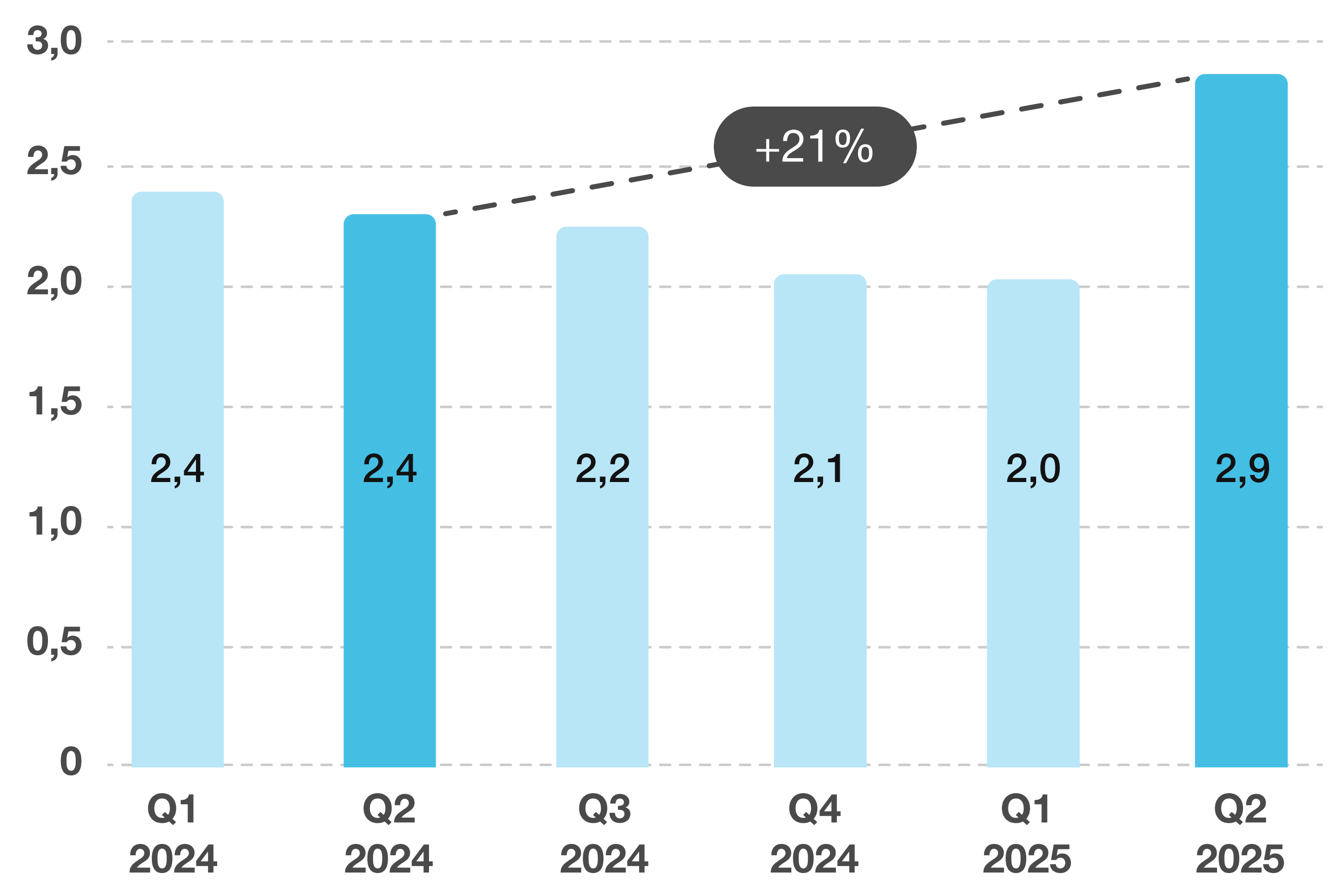
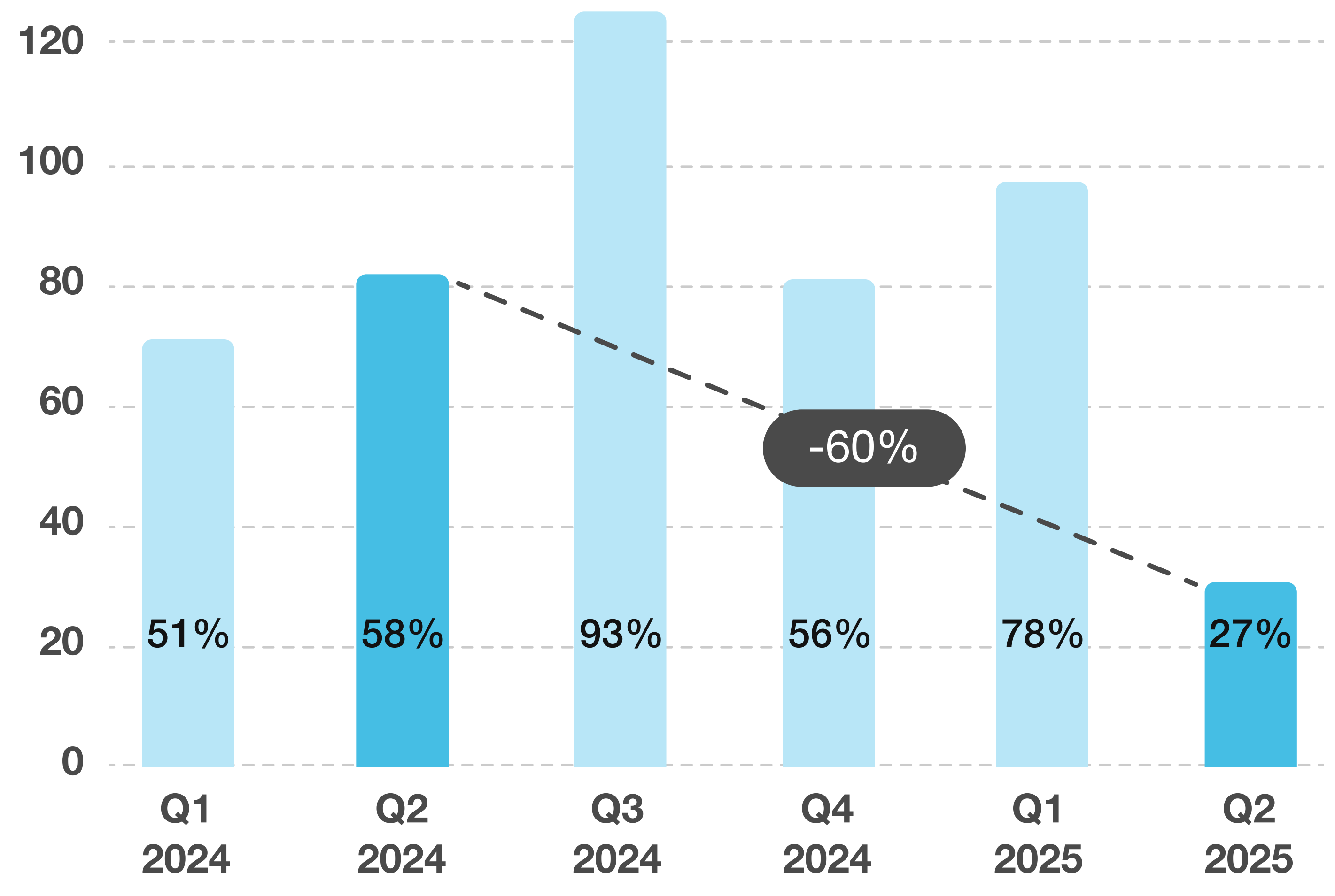
Financial Highlights Q2 2025

Net Debt / EBITDA



Op. cash flow / Cash conversion

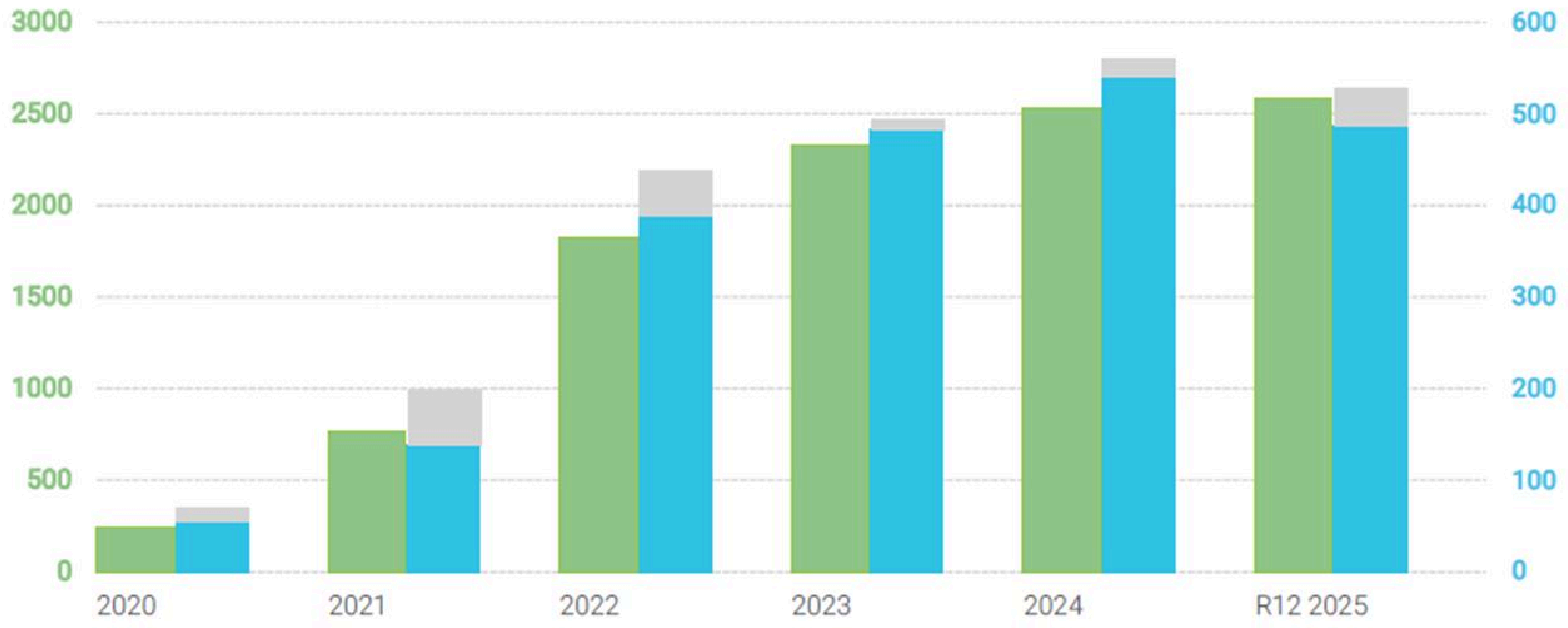


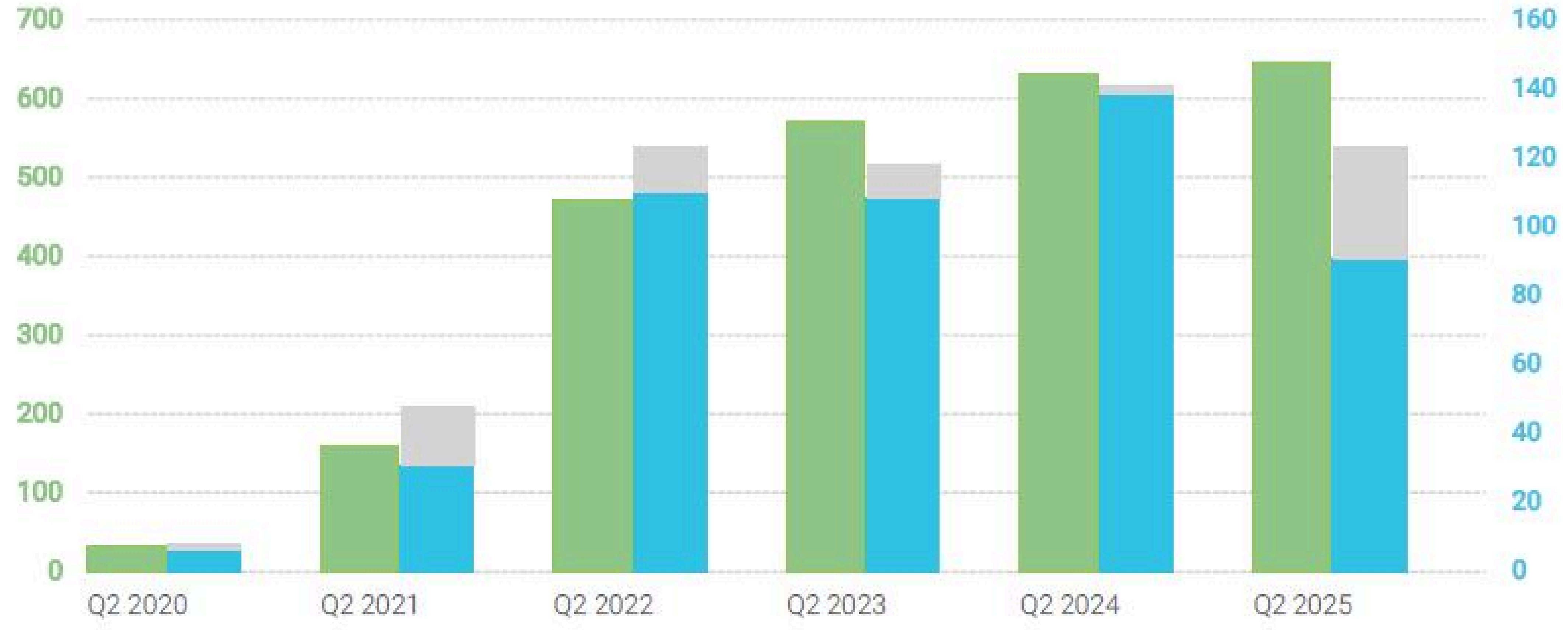
Comments

- Increased Net Debt/EBITDA
  - Impacted by
    - Summit acq.
    - NaturVet Amazon
    - Lower EBITDA %
- Cash
  - WC impacted by inventory buildup (Walmart)
  - Acquisitions of 428M
    - Summit 350M (cash part)
    - Amazon 78M
  - Dividend 40M (0,25SEK/Share)
- Refinanced external debt moved from bilateral loans with two lenders to a clubdeal with two banks
- Decreased interest costs
- Lower level of cash
  - Due to cash pool
  - Lower financing costs

Rolling 4 quarters

Rolling twelve months - net revenue and EBITDA





Q2: 24M Reevaluation of Summit acquisition stock to Fair value

Net revenue EBITDA Operational EBITDA

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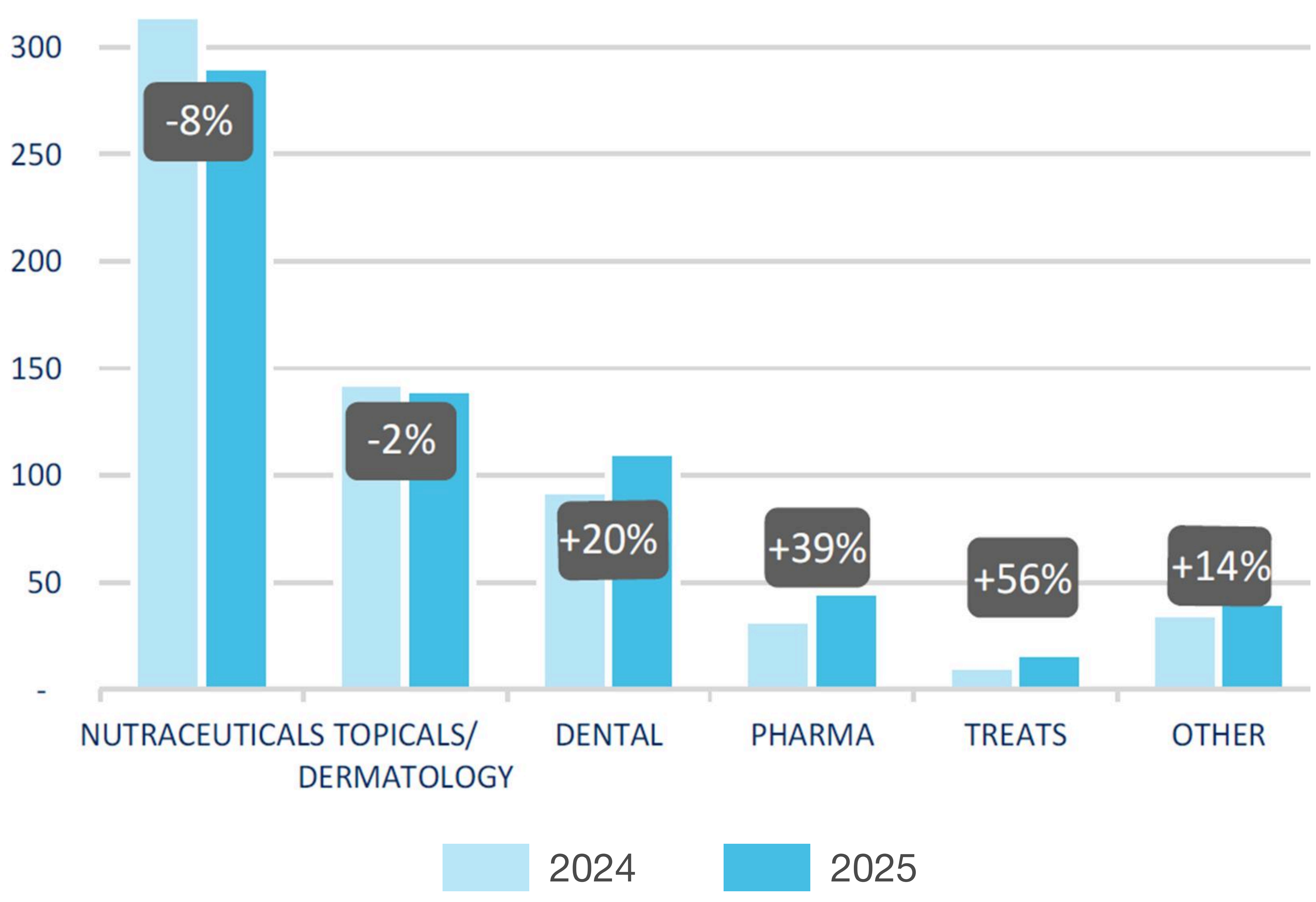
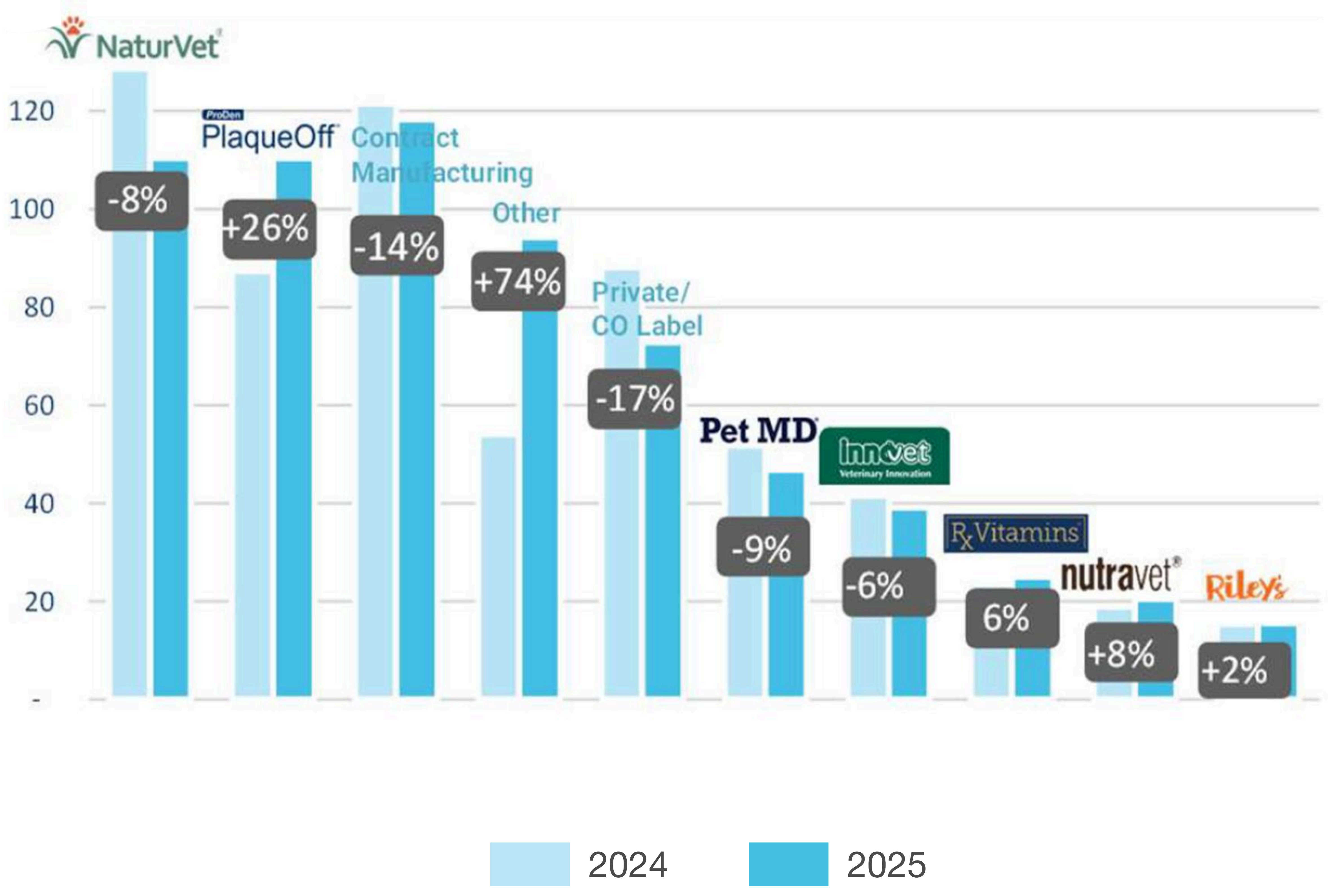
Product- and brandsplit

Not adjusted for acquisition or currency





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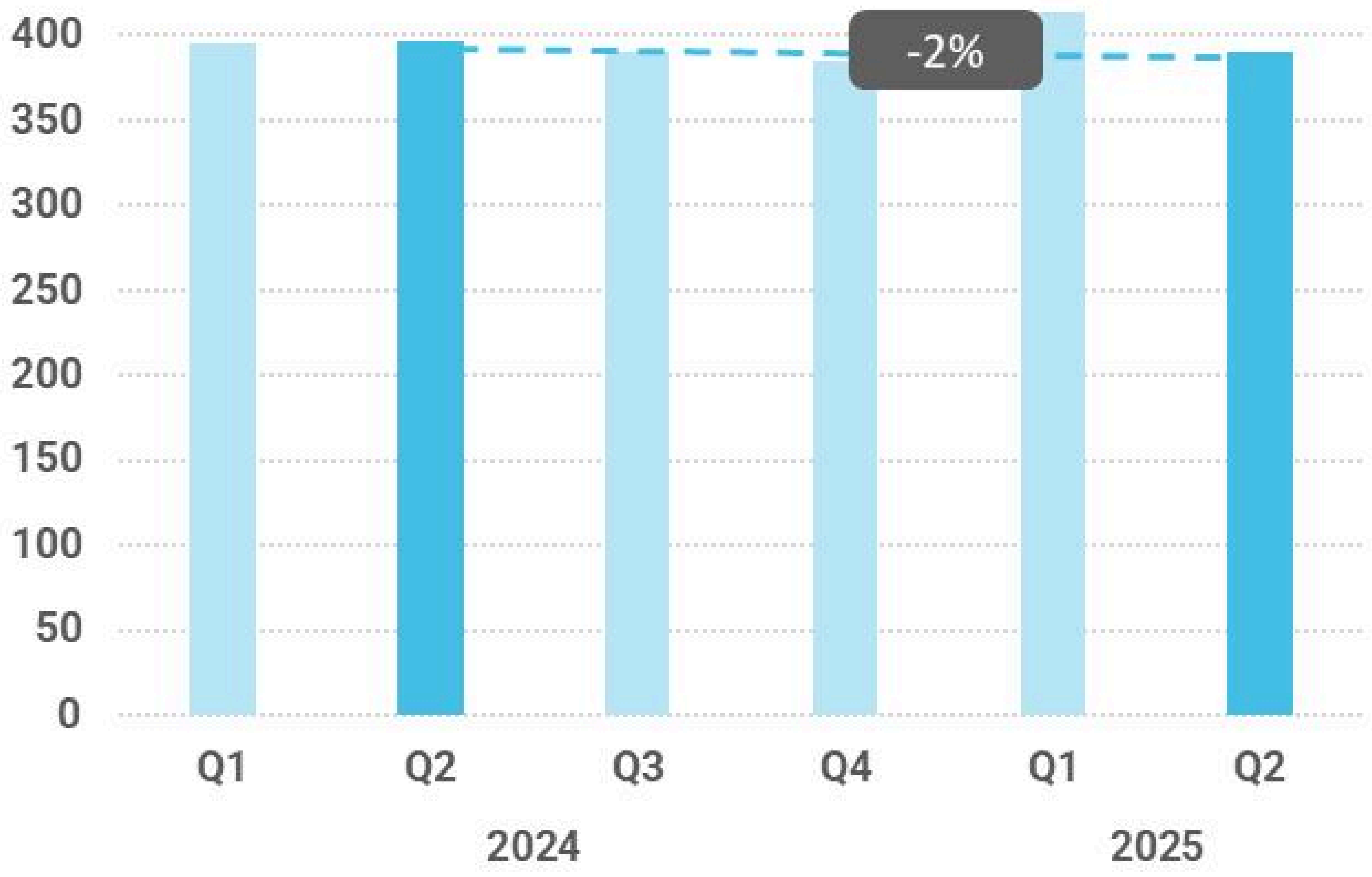
Net sales North America 389,6 MSEK
-2% growth, organic 8%

60%
of total net revenue



- **Veterinary** – New lead – Industry vet Patrick Powell
  - Double-digit growth for our brands, softer for Private Label from bigger customers
  - Major PL-agreement signed with top 3 distributor for newly developed dermatology line
  - Canada – New product registration – launch Q3
- **Pet retail** - ProDen PlaqueOff® solid DD-growth, NaturVet strong growth with customers that have launched new design, softer with some that have not sold out the old design yet
- **Online** – Completed takeover of NaturVet account, found new opportunities to improve margin
  - Expanding brands with internal products
  - Improved margin on Pack Approved products due to acquisition in Q1
  - Treats continue to grow at a fast speed
  - New finger wipes series success on Amazon

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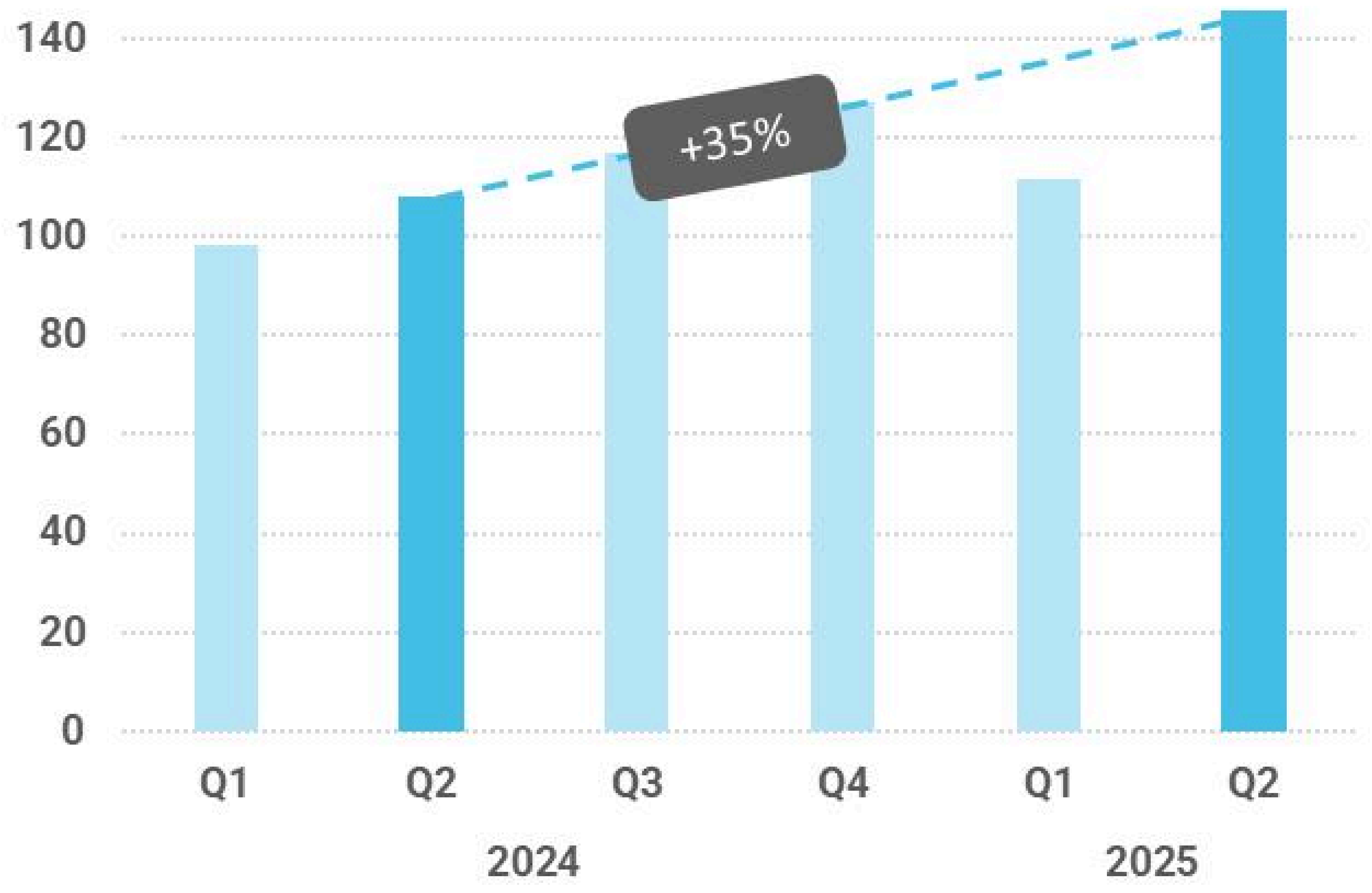
Net sales Europe 145,5 MSEK
35% growth, organic 15%

23%
of total net revenue



- Strongest countries UK (Vet and Online) and Nordics (Online and Pet Retail)
- New distributor partner Portugal, handled by our Spanish entity
- **Veterinary** - Italy back to single-digit growth
  - Several products launched end 2024/early 2025, starting to pick up
  - Summit Vet, solid growth and kicking off internal soft chew project directly
- **Pet retail** - Evaluating NV expansion
- **Online** – Amazon
  - UK strong sales
  - RoEurope strong and soon moving to inhouse handled FBA sales
  - Zooplus collaboration with steady growth

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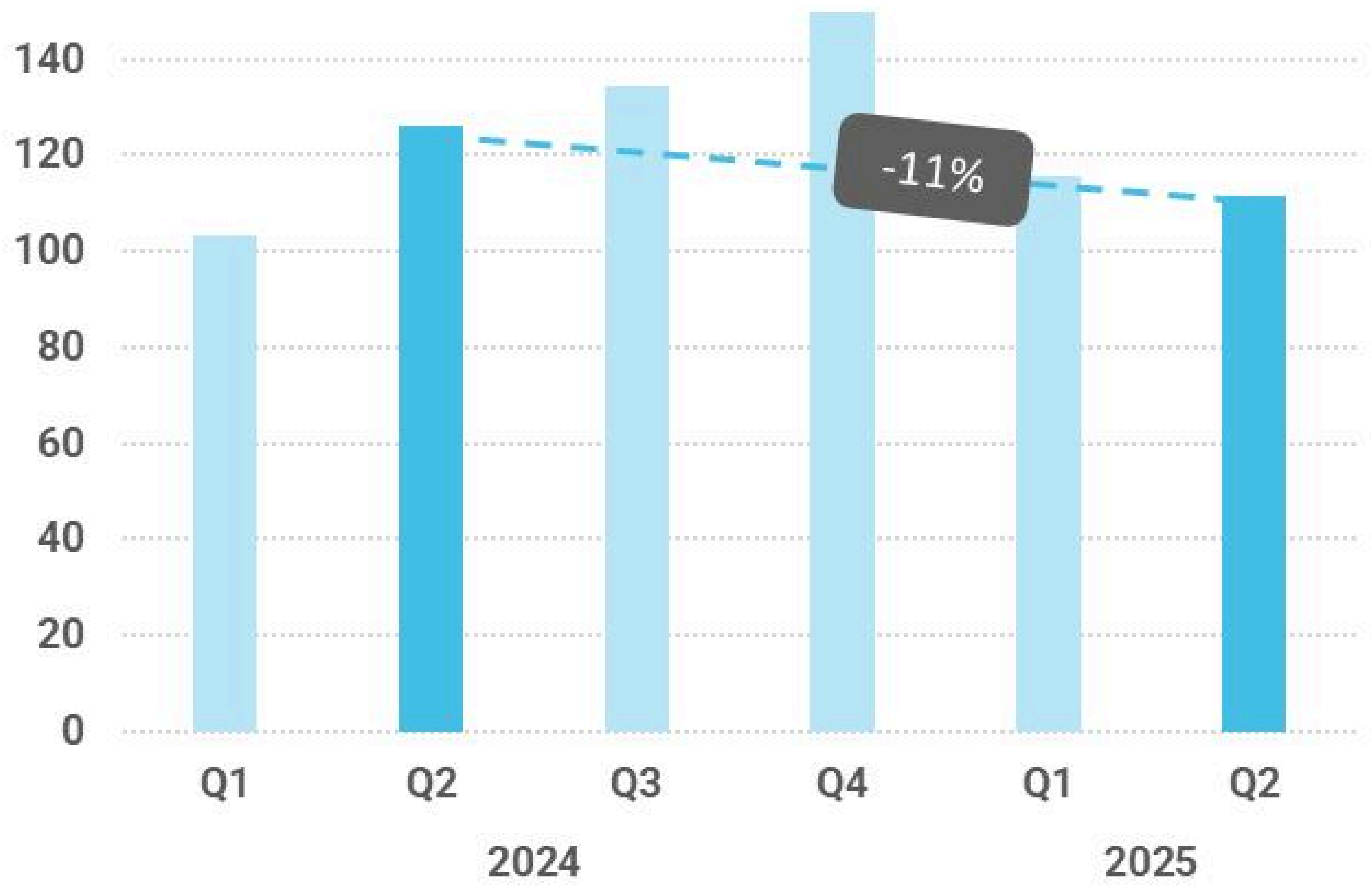
Net sales Production 111,6 MSEK -11% growth, organic -4%

17%

of total net revenue



- **Pharma**
  - Negative growth due to late push of biggest manufacturing project to Q4
  - Expansion into sterile eye-liquids, complete, on-site visit of Tier 1 customer this week
  - Won 1 multi-million development project
- **Supplements and Dermatology**
  - **US:** Single-digit growth
  - **EU:** Double-digit growth
- Major improvements with new vacuum tanks reducing time and improving quality of finished goods – done with low CapEx
- Signed several new external customers for H2 and will continue to transfer external volume products to internal

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Priorities 2025

Continue our strong growth trajectory, focusing on present main markets and geographic expansion into Asia and South America

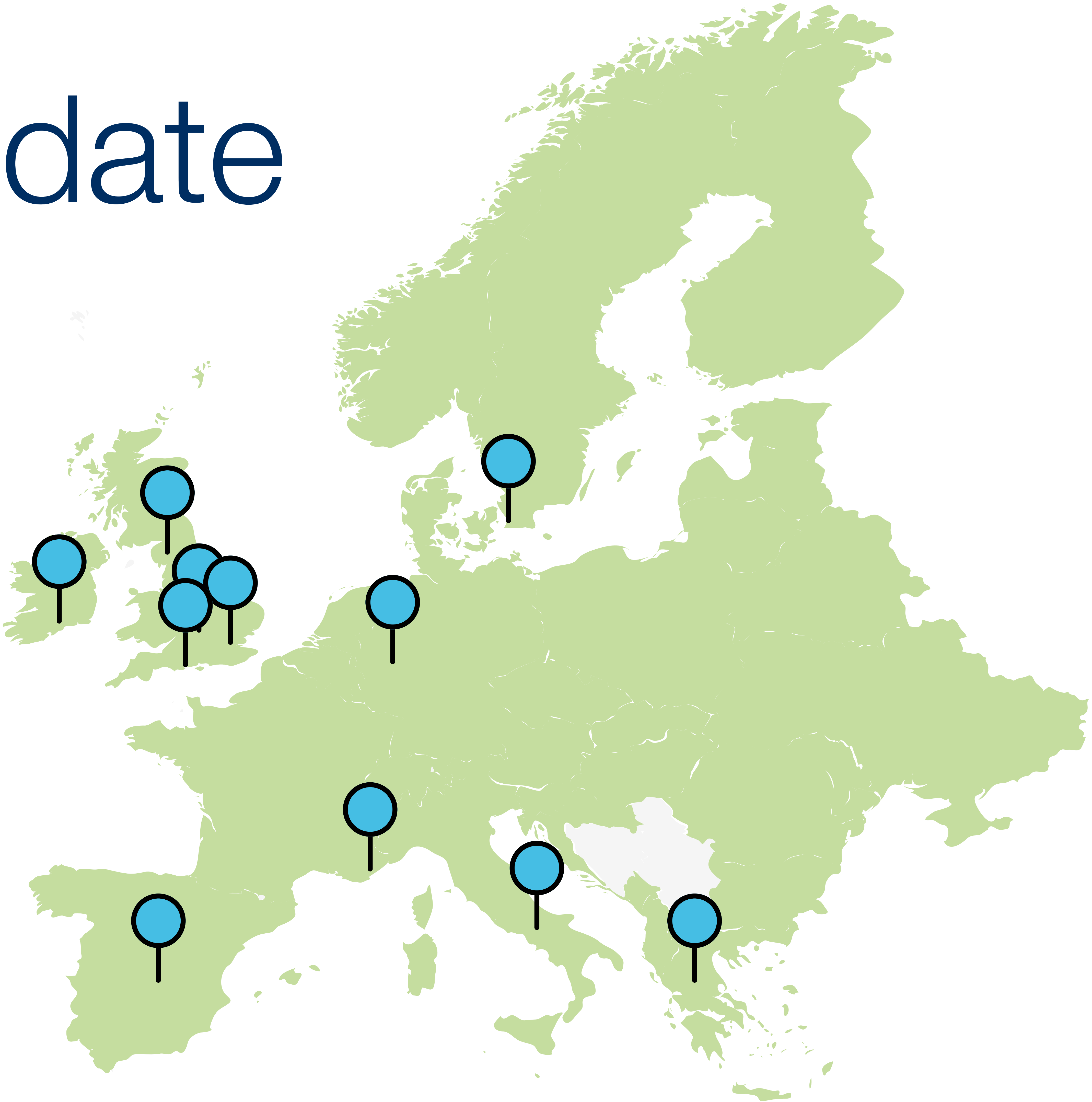
Enhance operational efficiencies, particularly in production and supply chain optimization

Strengthen our online platforms and D2C sales, driving brand loyalty and higher margin sales

Pursue new acquisitions that align with our vision for premium, science-backed pet health products

European Market Update

with
Laszlo Varga, CCO Europe

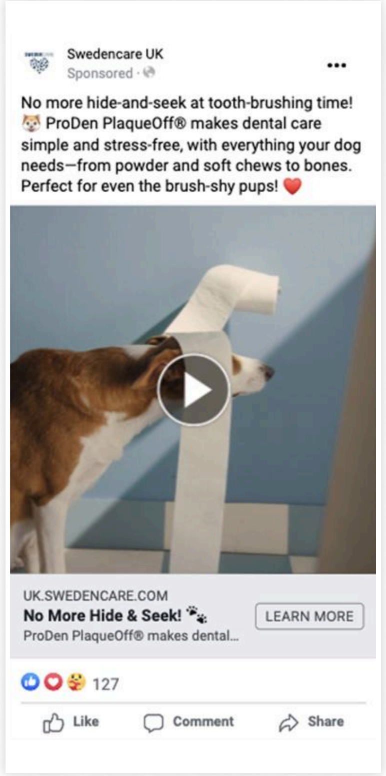


= Swedencare offices in Europe

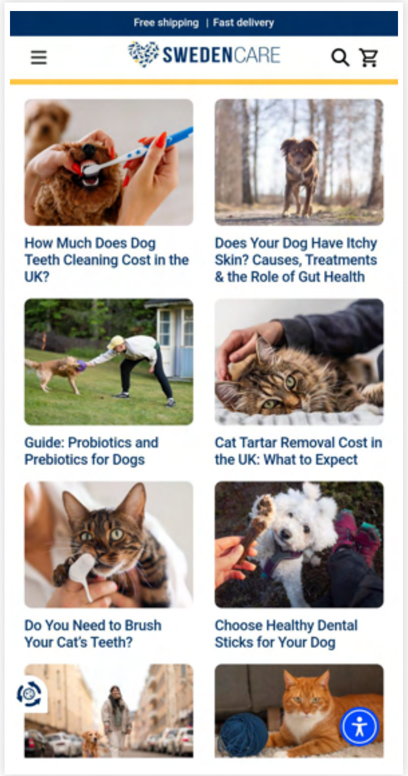
Digital activities to drive multi-channel sales

- 80% of consumers make their purchase decisions online first before making a purchase - whether making purchase in a physical store or online*
- Online focus - Communicate with customers and potential customers where they are searching for information.
- Digital campaigns for **INSPIRATION** to drive traffic to website for **EDUCATION** and **ACTION** steps in consumer journey, to convert prospective customers regardless of where conversion is.
- Central Ecom performance team and global marketing team with best-in-class digital experience working full funnel campaigns and activation together with local teams.

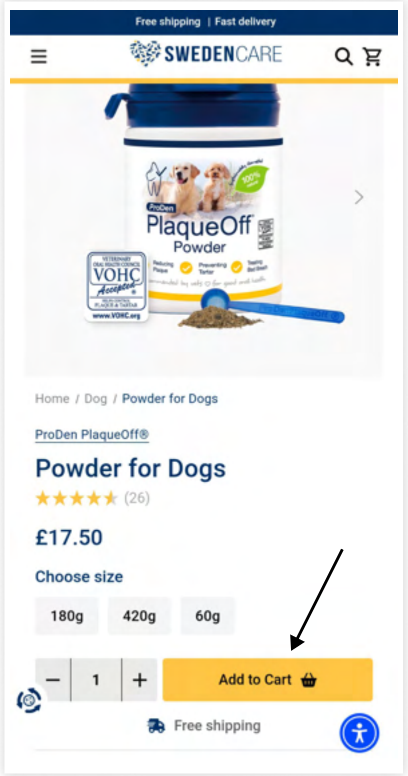
INSPIRATION
We inspire from the first touchpoint — using relevant products, relatable visuals, and clear messages, along with real stories and content from satisfied customers, to show how the right supplements can help.



EDUCATION
We simplify pet care topics with useful content and trusted reviews, making it easier for owners to understand needs and confidently choose what's best.



ACTION
We turn interest into action — guiding customers to conversion with clear info, reviews, and comparisons, whether online, in-store, or through partners.

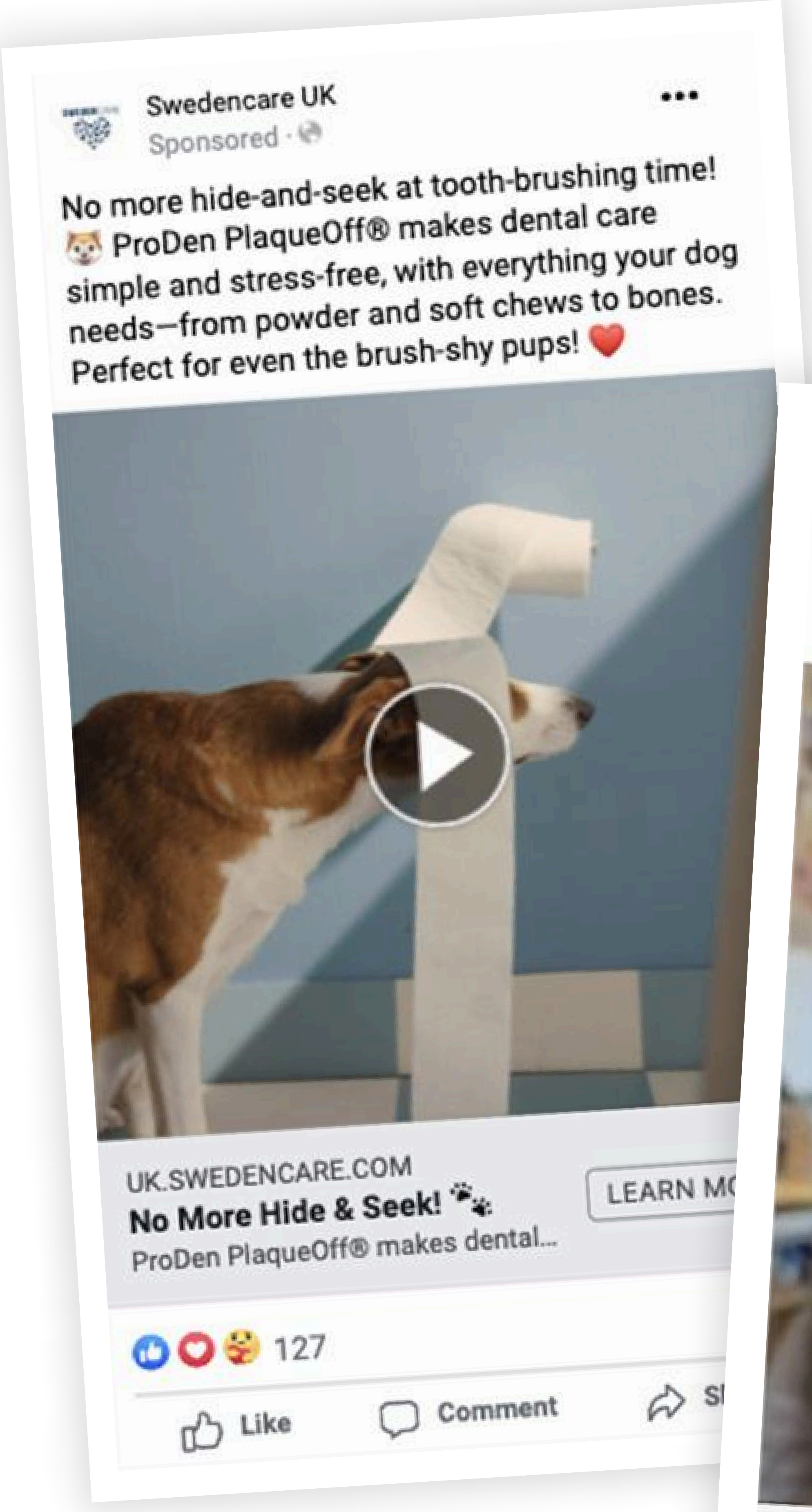


*Statistics | www.mckinsey.com Omnichannel: It's time for the online tail to wag the retail dog

360 campaign Sweden

Create multi-channel activation

- Pilot campaigns in Sweden during H1 achieving encouraging results
- Rolled out for select products and ranges
- Campaigns reached >500k Swedish consumers during Q2
- Total sales increase 34% v LY, with B2B sales up 19% v Q2 LY
- Each European market is unique, and we will take similar approach in each market; test in multiple limited scopes, scale up when finding success



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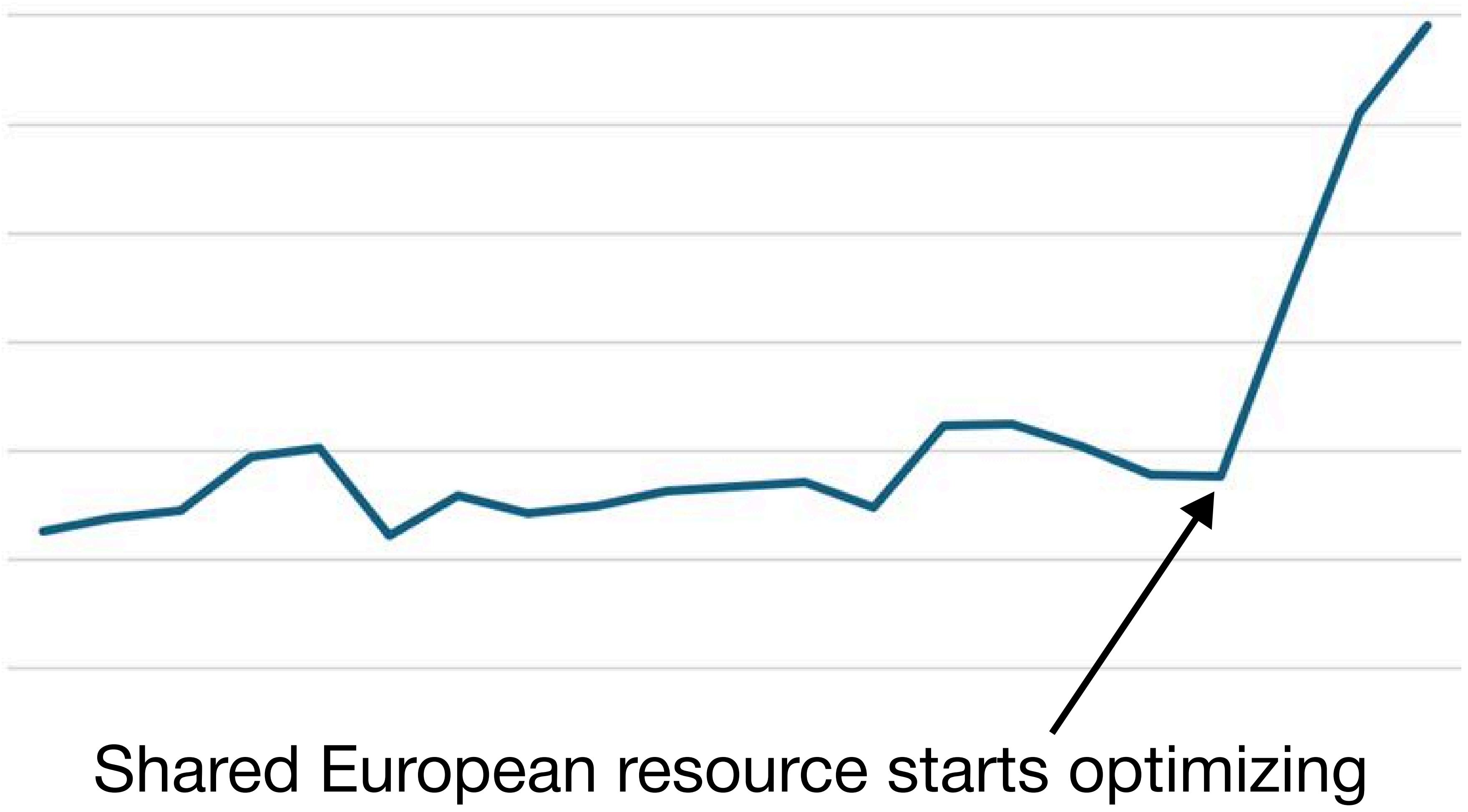
Initiatives to build our German market share

- Build market share online. Use online momentum to build wedge into all channels for growth and reach
- European digital optimization specialist started in January 2025
- German digital marketing specialist started in June 2025 with full focus on DE market
- Initial results are very positive and the growth trend is continuing

Monthly digital sales Germany



Largest pet market in Europe in value

$6.81 billion in revenue in 2023 expected to grow to USD **$8.4 billion** by 2029.

The ecommerce penetration is **20.6%**, which is trailing UK (**~35%**) but expected to catch up

Trade.gov – Market Intelligence, Germany Pet Industry | Euromonitor - Pet Care in Western Europe, May 2024 |

Strong standing in the Veterinary segment

- Swedencare subsidiaries aim to grow sales of their existing veterinary specific ranges, Primarily Nutravet and Innovet, in their markets.
- Partnership with leading sales partners in select markets to reach more veterinary clinics and make it easier for more clinics to access and select our products.
- Select range of vet-exclusive bestselling and unique products
- Top of mind position - educational and seminar partnerships with education body and chains

innovet Veterinary Innovation nutravet® SWEDENCARE

Sustainability highlights Q2

- Local Sustainability Champions have implemented 10+ actions and improvements during Q2 on various areas in production and back-office to decrease our environmental footprint and improved sustainable practices.
- Developed action plans based on findings in our company wide employee survey to support Swedencare being best-in-class employer and workplace.
- Internal education of sustainability practices and new reporting tools.

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

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Thank you for participating!
Q&A