



Midsona

Interim Report
Quarter 3, 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

- Good development for conventional food brands (Friggs, Earth Control, Gainomax, Swebar etc).
- Challenges for organic food brands.
- Private Label outgrows brands.
- Price increases implemented
- Continued severe cost inflation driven by energy and Fx
- Decent harvest season
- New price increases under implementation
- Expanded cost savings program
- Write down of goodwill in divisions North and South
- Guaranteed new rights issue



midsona

Q3 Financial Summary

midsona

Net sales	944 MSEK (893)
Gross Margin	23,6% (27,5%)
EBITDA before IAC*	50 MSEK (80)
EBITDA % before IAC*	5,3% (9,0%)
Net result	-478 MSEK (31)
Free Cash flow	22 MSEK (-8)



Action Plan

- Restore the gross margin
 - Continued implementation of price increases
- Expand cost savings program
 - Previous announced program of 40 MSEK extended to 60 MSEK
 - Fully implemented mid 2023
- Accelerate sales
 - Three commercial focus areas
 - Price increases
- Strengthen the balance sheet



Three commercial focus areas



Local brands. Same platform



Nordic expansion



Stand-alone organization

Three building blocks that cover the vast majority of generated profit

Innovation Friggs



Focus Sports Nutrition

- Strong growth for sports nutrition brands
 - Gainomax (+19%)
 - Swebar (+12%)
- Launches
 - Gainomax BCAA
 - Swebar Popcorn



Guaranteed new rights issue



midsona

Rights Issue of approximately SEK 600 million and issue terms, subject to approval by the EGM, planned to be held on 24 November 2022

- The purpose of the Rights Issue is to repay part of the Company's term loan in order to reduce Midsona's leverage ratio and to generally strengthen the Company's financial position in order to facilitate a sustainable long-term capital structure and increase the Company's financial flexibility.
- The subscription price has been set to SEK 8,25 per new share regardless of share class which, assuming the Rights Issue is fully subscribed, amounts to proceeds of approximately SEK 600 million before deduction of transaction costs.
- The record date for the Rights Issue is 28 November 2022 and the subscription period runs from 30 November 2022 through 14 December 2022. The Company intends to publish the prospectus on 28 November 2022.
- The last day of trading in the Midsona shares including right to participate in the Rights Issue is 24 November 2022.
- The Company's largest shareholder, Stena Adactum has committed to fully guarantee the Rights Issue.



Financial review
CFO Max Bokander



Financial Summary



MSEK	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Net Sales	944	893	2 872	2 761
GM%*	23,6	27,5	24,5	28,1
EBITDA*	50	80	146	252
EBITDA%*	5,3	9,0	5,1	9,1
IAC**	-478	6	-484	7
Net financing costs	-15	-12	-37	-35
Net tax costs	5	-5	10	-21
Net result	-478	31	-486	88
Free Cashflow	22	-8	60	-69

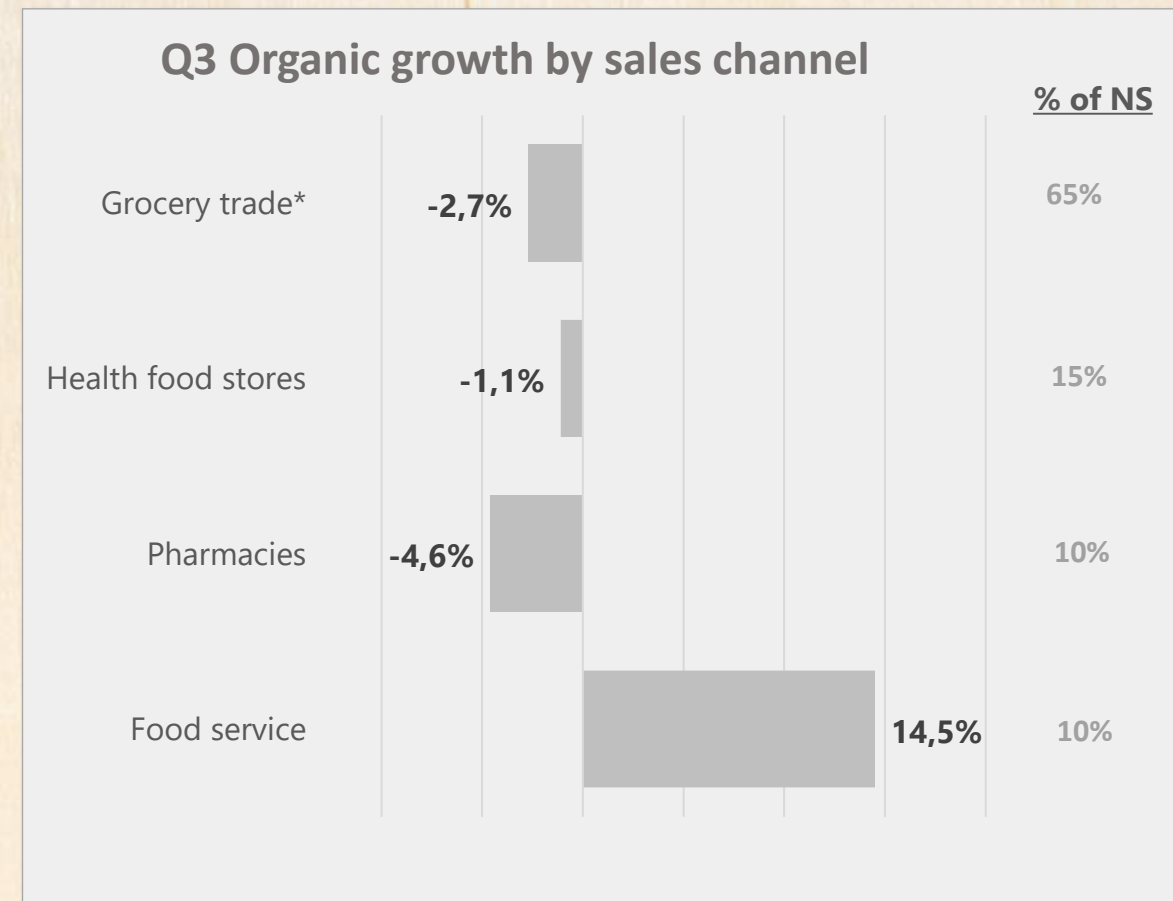
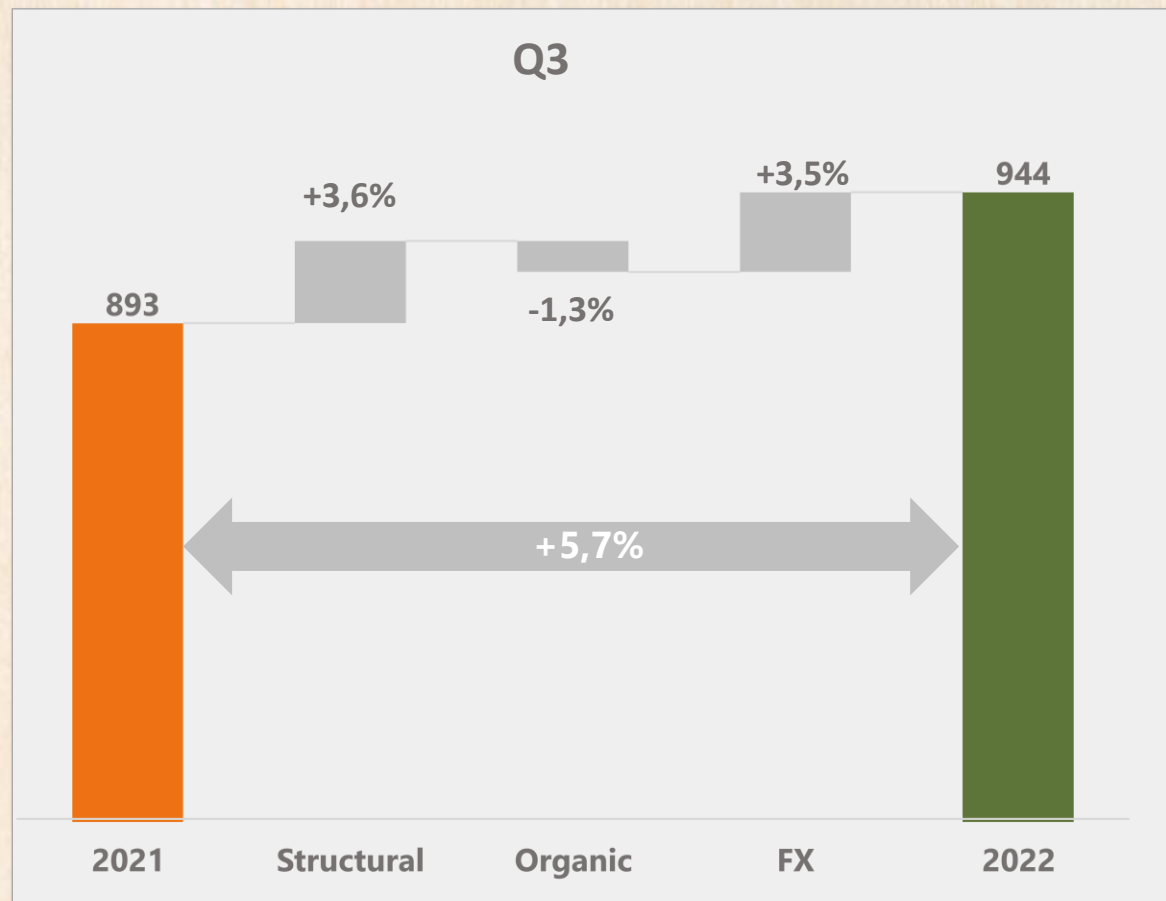
- IAC during Q3-2022 -478 M
 - -421 M; write-down of goodwill for North Europe (-175) and South Europe (-246)
 - -54 M; write-down of production equipment in Germany
 - -3M restructuring costs

* Before Items Affecting Comparability

** IAC including one off costs for impairment if applicable

Net sales

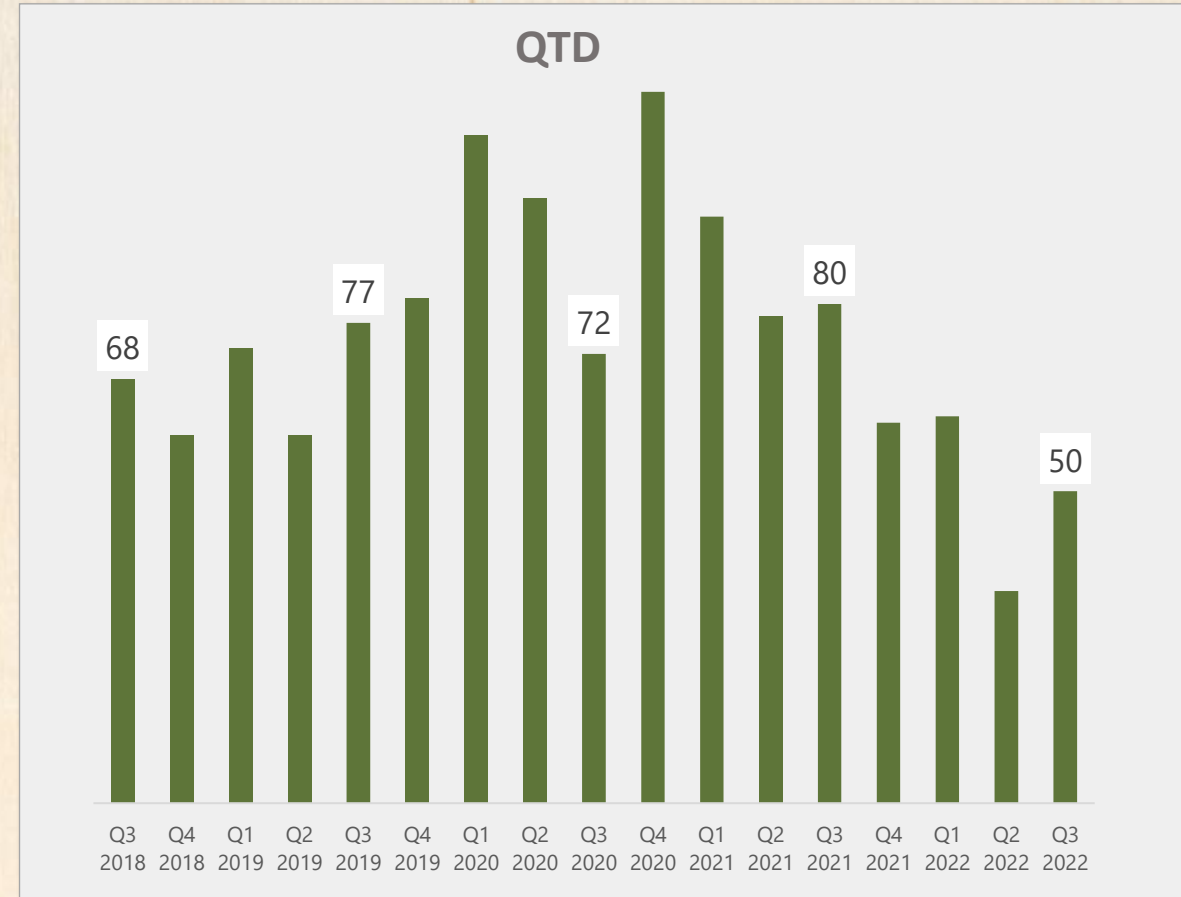
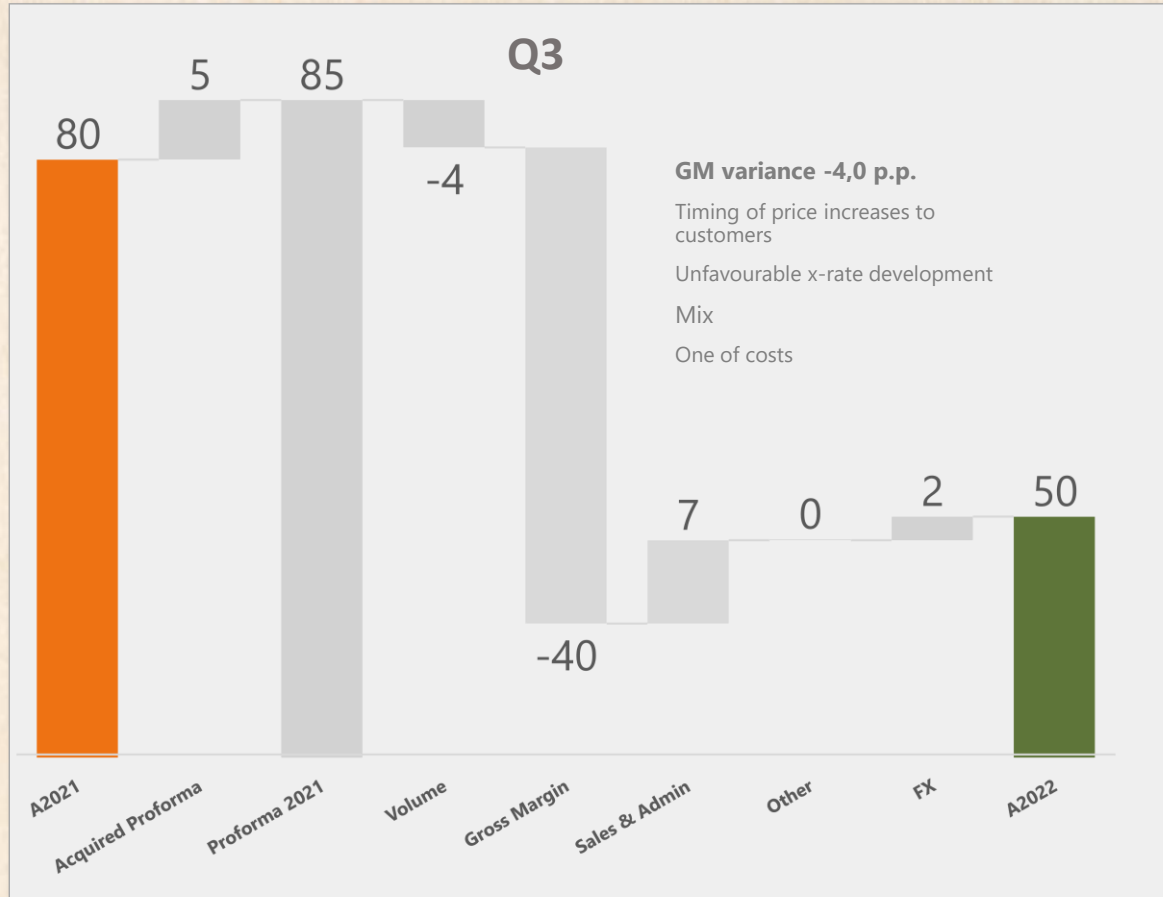
MSEK



Structural effects: Vitality included from Q4-21

EBITDA*

MSEK

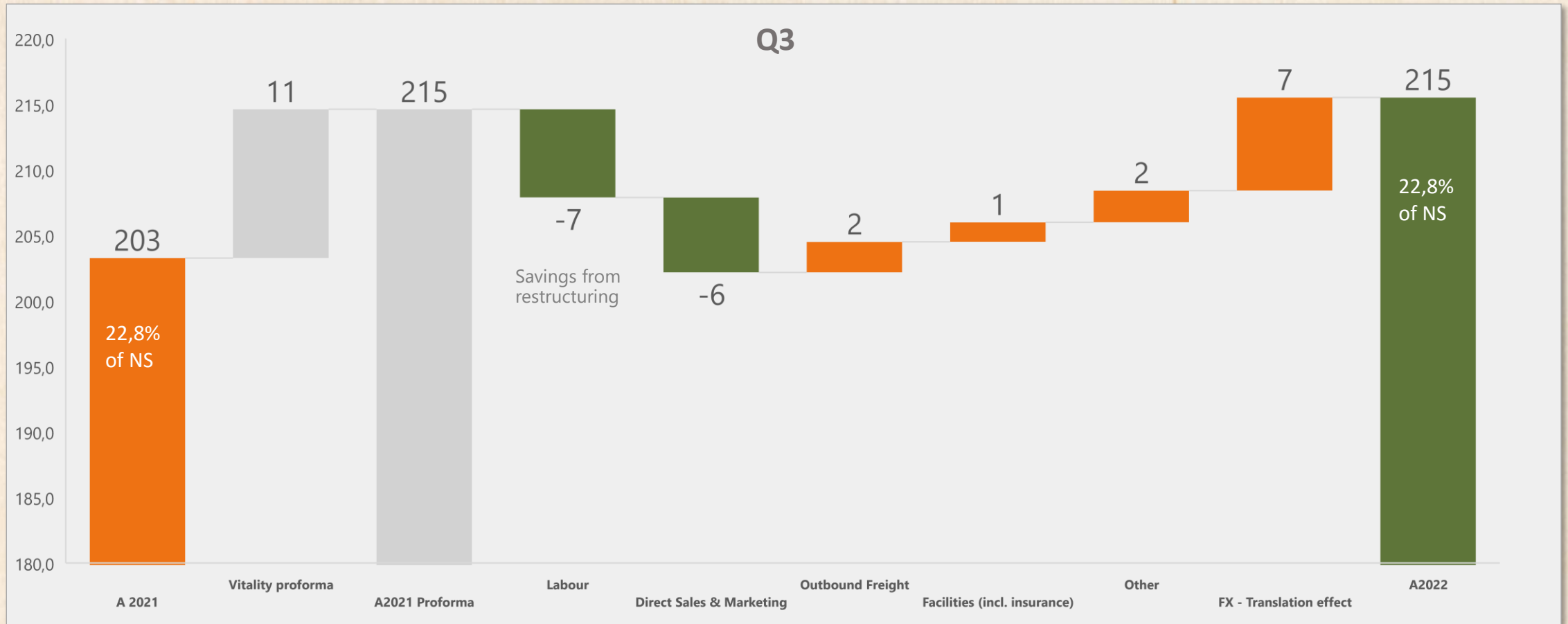


* Before Items Affecting Comparability

Sales, Marketing & Admin Expenses*



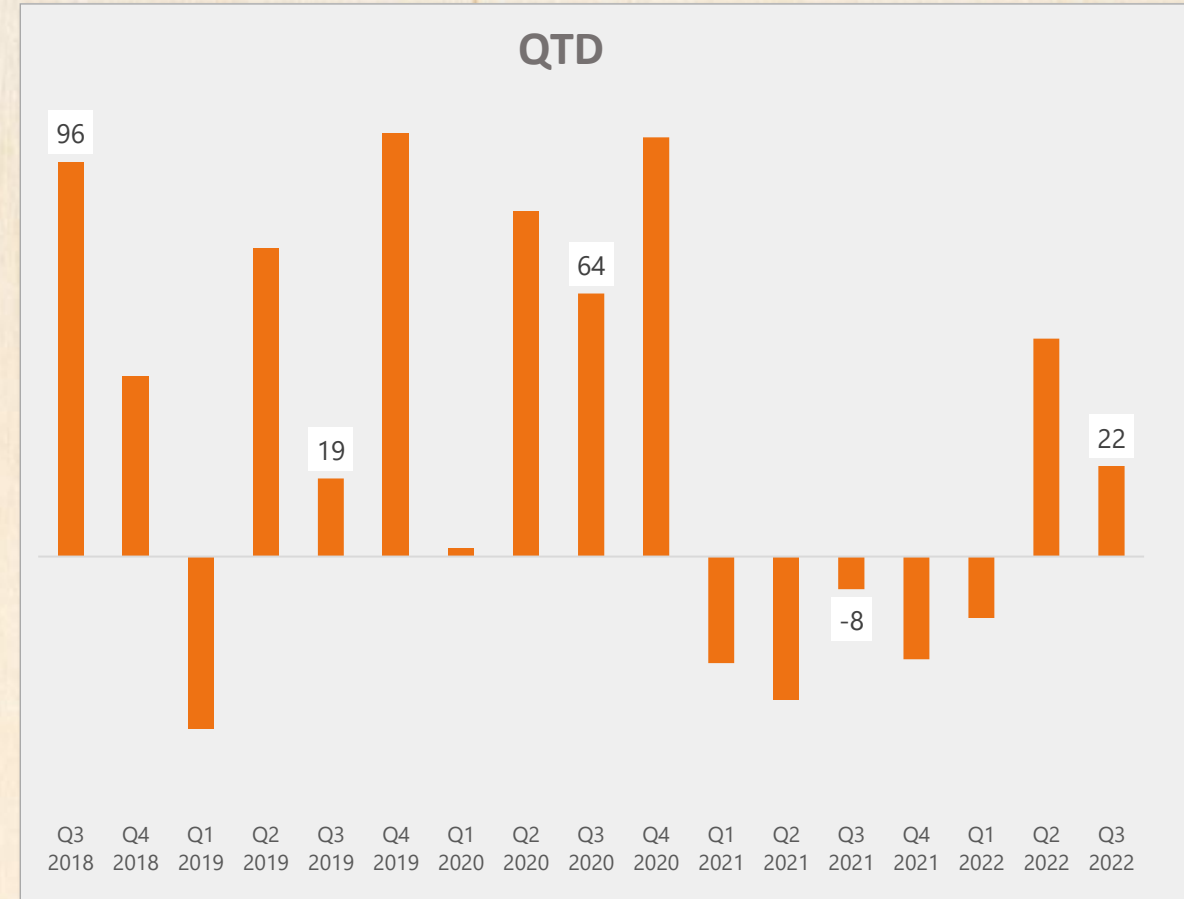
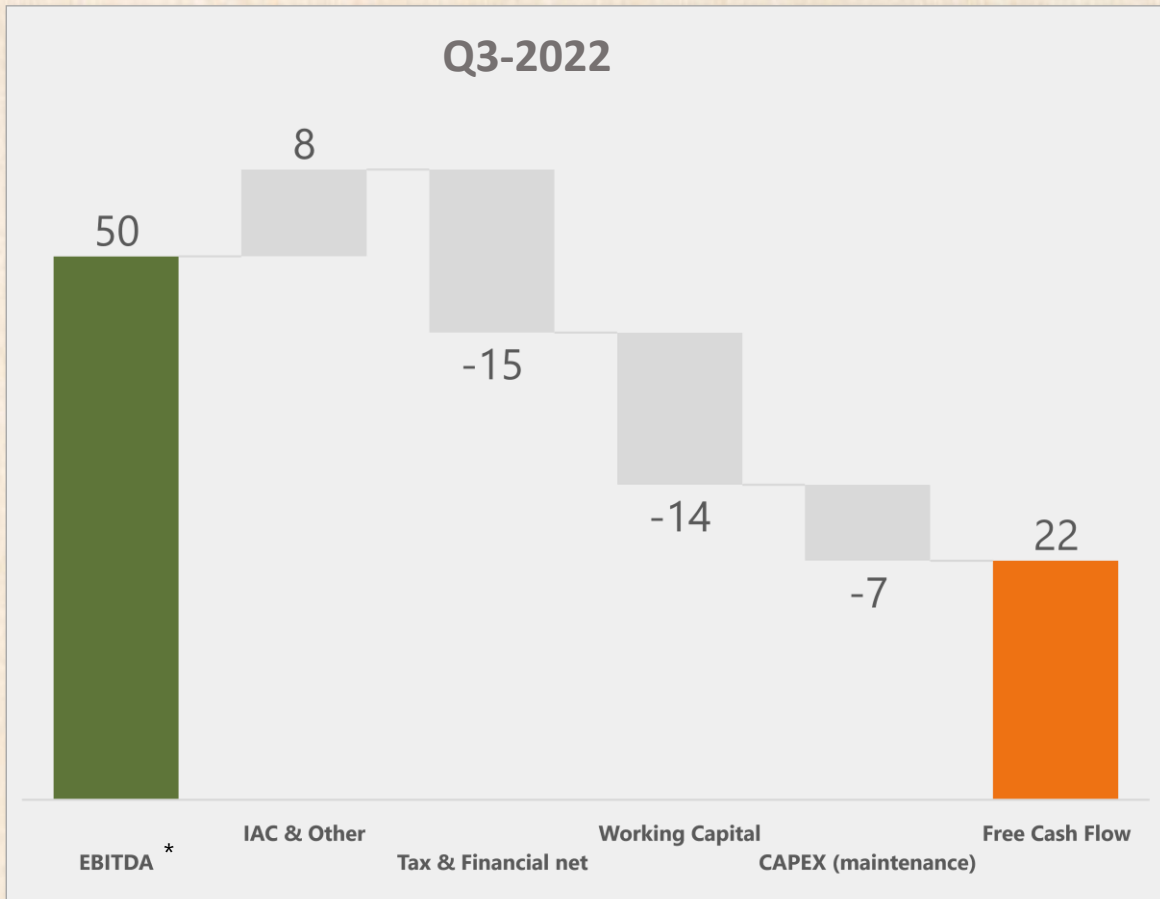
MSEK



* Before Items Affecting Comparability

Free Cash Flow

MSEK

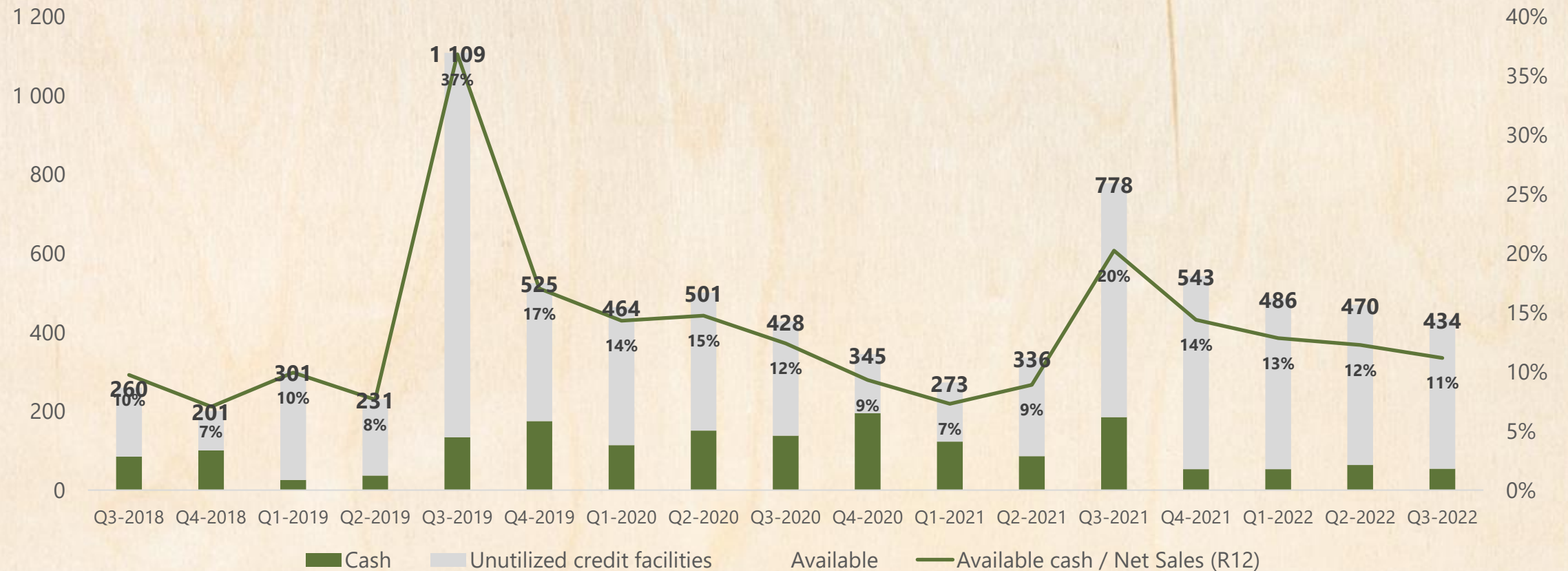


* Before Items Affecting Comparability

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
- Implement expanded cost savings program
- Execute new rights issue





midsona

