



midsona

INTERIM REPORT JANUARY–MARCH 2024

Significant improvement in operating profit and margins

January–March 2024 (first quarter)

- Net sales amounted to SEK 929 million (974), corresponding to growth of –4.6 percent (0.2). The organic change in net sales was –4.2 percent (–3.4).
- Gross profit amounted to SEK 269 million (256), corresponding to a margin of 29.0 percent (26.3).
- Operating profit/loss was SEK 38 million (16), corresponding to a margin of 4.1 percent (1.6), and operating profit/loss, before items affecting comparability, was SEK 38 million (21), corresponding to a margin of 4.1 percent (2.2).
- Profit/loss for the period was SEK 16 million (–6), corresponding to earnings per share of SEK 0.11 (–0.04) before and after dilution.
- Cash flow from operating activities amounted to SEK 21 million (82).
- The Board of Directors of Midsona AB (publ) revised and adopted both new financial targets and a new strategy for the Group.
- Midsona has received awards for its sustainability work, firstly from the global environmental initiative CDP for its climate strategy and leadership, and secondly as the stock exchange’s most sustainable company in the grocery category, taking second place overall, in the Sustainable Companies rankings for 2023.

Key figures, Group ¹	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 months	Full year 2023
Net sales growth, %	–4.6	0.2	–3.9	–2.7
Organic change in net sales, %	–4.2	–3.4	–6.8	–6.6
Gross margin, before items affecting comparability, %	29.0	26.3	26.6	25.9
Gross margin, %	29.0	26.3	25.9	25.3
Operating margin, before items affecting comparability, %	4.1	2.2	2.1	1.6
Operating margin, %	4.1	1.6	1.4	0.8
Earnings per share, SEK	0.11	–0.04	–0.21	–0.36
Net debt/Adjusted EBITDA (R12), x			2.4	2.7
Cash flow from operating activities, SEK million	21	82	282	343

¹ Midsona presents certain financial measures in the interim report that are not defined under IFRS. For definitions and reconciliations with IFRS, please refer to pages 17–19 of this interim report and to pages 192–195 of the 2023 Annual Report.



Note:

This interim report presents information that Midsona AB (publ) is required to publish under the EU Market Abuse Regulation. This interim report was submitted under the auspices of Peter Åsberg and Max Bokander for publication on 25 April 2024 at 8:00 a.m. CEST.

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Peter Åsberg, President and CEO

Comment by the CEO

In the first quarter, we took several steps forward that strengthened our position. As a result of our efforts, all three divisions reported both improved margins and an improved operating profit. An important milestone for us during the period was the launch of our new strategy, which sets our course for the future.

In terms of the external environment, the rise in inflation slowed and there were signs of imminent interest rate cuts. Such an outlook naturally has an effect on people's confidence and consumption patterns, allowing a larger share of households to prioritise healthy, sustainable and high quality food. That being said, significant uncertainties remain, such as the unstable geopolitical situation, the impact of climate change on this year's crops and the weakening of the Swedish krona.

Margins improved by the measures taken

Operating profit for the period amounted to SEK 38 million (21), an 81 percent improvement on the previous year. This is despite the fact that Easter had a negative impact on both sales and profits. Easter is a weak period in terms of sales for the Group, which this year fell during the last week of the first quarter compared with April last year. Easter Week generally changes consumption patterns, as retailers highlight other goods from outside our product categories, and important sales days are lost. Sales for the period amounted to SEK 929 million (974), which was 4.6 percent weaker than last year. However taking into account Easter and terminated contracts, underlying sales were slightly better.

The improvement in the Group's earnings was mainly driven by the higher gross margin. This was a result of well-chosen price increases, and also of the streamlining of our ranges, with a focus on best sellers and the termination of unprofitable contracts. Efficiency improvements in production also began to have an impact.

The gross margin increased to 29.0 percent (26.3), despite continued relatively high raw material prices. The operating result for the period improved significantly, despite the decline in sales.

All divisions improved their profitability

We saw a broad improvement in the first quarter, as all three divisions improved their operating profit compared with last year. The Nordics Division remained the strongest with an EBIT margin before non-recurring items of 9.2 percent (8.0). Friggs continued to sell well throughout the Nordic region and Helios developed well in Norway. There was also positive development in Finland, with increasing sales and improved margins. In Sweden, the trend was slightly negative, as a result of the termination of a distribution agreement and the sale of a brand for which we had sales last year. In Denmark, margins improved despite declining sales. The quarter saw the termination of several contract manufacturing assignments in Denmark with lower margins.

The North Europe Division increased its operating profit to SEK 5 million (-4). Efforts to generate new business continued according to plan and resulted in new listings and agreements for both the Davert brand and contract manufacturing. A new contract with a nationwide grocery store chain in Germany, for deliveries of Davert brand products, will begin in April.

The South Europe Division increased its operating profit to SEK -1 million (-7), which was mainly achieved through improved production efficiency in Spain combined with the implementation of price increases and the termination of unprofitable contracts.

New strategy and new financial targets

During the first quarter, we launched the Group's new strategy, which is largely focused on increasing profitability and strengthening our market position for the future. To achieve this, we will build an even stronger organic platform, develop our strong health food brands and achieve greater efficiency and harmonisation across the organisation. We are confident that our food and health food brands are very well positioned to attract consumers who prioritise their health and want to eat more organic products. As part of the strategy review, we updated our financial targets, which we are now working to achieve:

- Organic growth averaging 3-5 percent annually
- EBIT margin (before items affecting comparability) to exceed 8 percent by 2027
- Net debt/adjusted EBITDA of up to 2.5 x

Recognition of our sustainability efforts

Sustainability is the foundation of our business strategy. This makes it especially pleasing that the non-profit organisation CDP (formerly the Carbon Disclosure Project) ranks Midsona as one of the top 400 reporting companies globally (category A) out of a total of 21,000 businesses assessed. In 2023, Midsona also took a respectable second place in Sweden's Sustainable Companies rankings for 2023 and a first place in the category grocery companies.

Outlook for 2024

We are getting clear indications that we are doing the right things, but we have higher ambitions and have much more to do. We can see that the continued streamlining and coordination of our product range is having a clear impact on earnings and we are continuing to work to create the conditions for organic growth. Recent contracts in Germany prove this. We believe that we are able to continue improving during 2024 with an even stronger offering and more key deals. The focus for 2024 is to continue with the implementation of our strategy, to move us step by step towards our financial targets.

Peter Åsberg
President and CEO

FIRST QUARTER

SEK 929 million

Net sales

-4.2 percent

Organic change in net sales

SEK 38 million

Operating profit (EBIT)

4.1 percent

Operating margin (EBIT margin)

2.4 x

Net debt to Adjusted EBITDA

Financial information – Group

Net sales

Net sales amounted to SEK 929 million (974), a change of -4.6 percent (0.2). The organic change in net sales was -4.2 percent (-3.4), while structural changes contributed -0.5 percent and exchange rate fluctuations 0.1 percent (3.6). For the Group's own consumer brands, the organic change in net sales was -4.3 percent (-1.8). The sales trend for most of the own consumer brands was stable until Easter Week, however, when business volumes slowed as both customers and consumers prioritised other products. Although Easter Week did not benefit sales of the Group's product groups, some own consumer brands, such as Friggs in the health food category, and Helios in the organic products category, showed strong sales growth. The organic change in net sales of licensed brands was -9.5 percent (-20.4). Both a terminated distribution assignment and a weak sales trend for some brands contributed to a lower sales volume. For contract manufacturing, organic growth was 0.5 percent (8.7), as new profitable business volumes more than compensated for terminated unprofitable contract manufacturing assignments.

Gross profit

Gross profit amounted to SEK 269 million (256), corresponding to a margin of 29.0 percent (26.3). The favourable increase in the margin was mainly a result of price increases implemented to offset previous rises in costs, the termination of unprofitable contract manufacturing assignments and streamlining measures taken to reduce the complexity of the product and brand portfolio. In addition, the efficiency of the Group's production facilities was improved while production costs were lower and better adapted to lower production volumes compared with the previous year. For most key raw materials, other inputs, finished goods and road transport, the price environment was essentially stable. On the other hand, the escalation of the geopolitical conflict in and around the Red Sea resulted in both delays in the delivery of container shipments from Asia and the driving up of the prices for such shipments to levels seen during the pandemic. Our direct exposure to such shipments was moderate, however.

Operating profit/loss

Operating profit/loss was SEK 38 million (16), corresponding to a margin of 4.1 percent (1.6), and operating profit, before items affecting comparability, was SEK 38 million (21), corresponding to a margin of 4.1 percent (2.2). The operating margin improved substantially as a consequence of the improved gross margin trend. Good cost control and cost awareness pervaded the period at the same time as synergies from the restructuring programmes carried out were realised, which, together, also contributed to the earnings improvement.

Items affecting comparability

No items affecting comparability were included in operating profit/loss. For the comparison period, items affecting comparability of SEK -5 million were included in operating profit and consisted of restructuring costs aimed at reducing the cost base by SEK 20 million annually.

Financial items

Net financial items amounted to SEK -14 million (-14). Interest expenses for external loans to credit institutions totalled SEK -11 million (-13) and interest expenses attributable to leases were SEK -2 million (-1). Interest expenses payable to credit institutions decreased, despite continued high interest rates, due to lower indebtedness. Net translation differences on financial receivables and liabilities in foreign currency were SEK 0 million (1). Other financial items were SEK -1 million (-1).

Profit/loss for the period

Profit/loss for the period amounted to SEK 16 million (-6), corresponding to earnings per share of SEK 0.11 (-0.04) before and after dilution. Tax on profit/loss for the period amounted to SEK -8 million (-8), of which SEK -8 million (-5) consisted of current tax, SEK 1 million (0) was tax attributable to previous years and SEK -1 million (-3) was deferred tax. The effective tax rate was 33.9 percent (337.7) and the high tax rate essentially related to the fact that new loss carry-forwards in some subsidiaries were not capitalised as deferred tax assets.

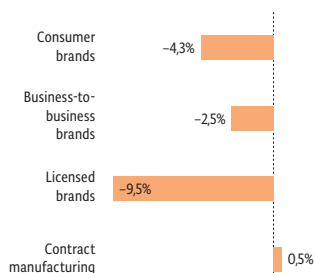
Cash flow

Cash flow from operating activities amounted to SEK 21 million (82) and the decrease was entirely attributable to a fall in working capital, which was driven by an increase in the capital tied up in both inventories and operating receivables. The capital tied up in inventories related both to new inventory volumes for a new distribution agreement, starting in April, and increased deliveries after a period of unusually low inventory levels, while the capital tied up in operating receivables increased essentially as a result of better invoicing in March compared with December last year. Cash flow from investing activities amounted to SEK -3 million (-8), consisting of investments in tangible and intangible fixed assets of SEK -3 million (-8), and a change in financial assets by SEK 0 million (0). Cash flow from financing activities was SEK -111 million (-34), consisting of the repayment of loans for SEK -97 million (-19) and the repayment of lease liabilities for SEK -14 million (-14). A voluntary additional repayment to the credit institution of SEK 79 million was made in the existing credit line in the period. The comparison period also included borrowings of SEK 6 million and issue expenses of SEK -7 million from the rights issue completed in December 2022. Cash flow for the period amounted to SEK -93 million (40).

Liquidity and financial position

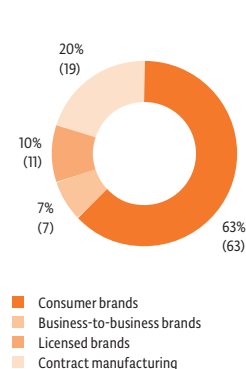
Cash and cash equivalents amounted to SEK 139 million (157) and there were unused credit facilities of SEK 487 million (583) at the end of the period. The liquidity reserve in relation to net sales on a rolling 12-month basis was 16.7 percent (19.0). Net debt amounted to SEK 501 million (721) and was SEK 496 million at the end of the previous quarter. The ratio between net debt and adjusted EBITDA on a rolling 12-month basis was 2.4 x (4.3), while it was 2.7 x at the end of the previous quarter. Shareholders' equity amounted to SEK 3,049 million (3,057) and was SEK 2,987 million at the end of the previous quarter. The changes consisted of profit/loss for the period of SEK 16 million and exchange rate differences of SEK 46 million on the translation of foreign operations. The equity/assets ratio was 65.6 percent (62.4) at the end of the period.

Organic growth of types of brands¹

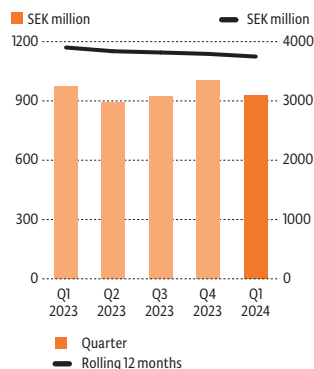


¹ Q1 2024

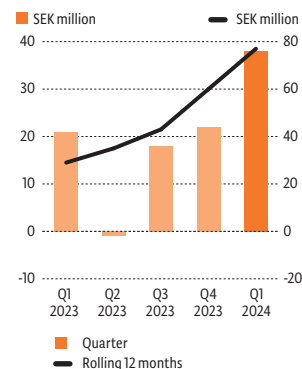
Product sales by type of brand¹



Net sales

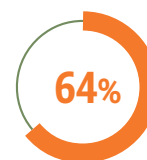


Operating profit, before items affecting comparability



Division Nordics¹

Percentage net sales
in the Group²



Division Nordics	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	602	647	2,501	2,545
Gross profit	206	205	805	804
Gross margin, %	34.2	31.7	32.2	31.6
Operating profit/loss	56	52	191	187
Operating margin, %	9.2	8.0	7.6	7.4

Net sales

Net sales amounted to SEK 602 million (647), a decrease of 6.8 percent. The organic change in net sales was -5.8 percent. For own consumer brands in external sales, the organic change was -3.6 percent, with some continued challenges in the own brand portfolio. The sales trend for most of the own consumer brands was stable until Easter Week, however, when business volumes slowed as both customers and consumers prioritised other products. Despite the fact that Easter Week had an adverse impact on several product groups, Friggs in the health food category and Helios in the organic products category both had strong sales growth. The organic growth for licensed brands was -10.6 percent as a result of both a terminated distribution agreement and weak sales for some brands. For contract manufacturing, organic growth was -14.5 percent as a consequence of several contracts that previously ran with too low a margin not being extended.

Gross profit

Gross profit amounted to SEK 206 million (205), corresponding to a margin of 34.2 percent (31.7). The favourable margin improvement was supported by the implementation of price increases, the termination of loss-making contract manufacturing orders and improved efficiency in the production facilities. Streamlining measures taken to reduce the complexity of the product and brand portfolio also contributed to the margin trend.

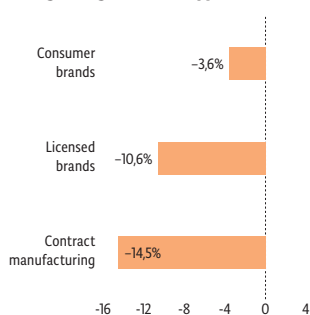
Operating profit/loss

Operating profit amounted to SEK 56 million (52), corresponding to a margin of 9.2 percent (8.0). The improvement in the margin was essentially driven by the improved gross margin, good cost control and synergies realised from completed restructuring programmes.



In February, Friggs launched a new flavour of corn cakes, namely butter & sea salt.

Organic growth of types of brands^{2,3}

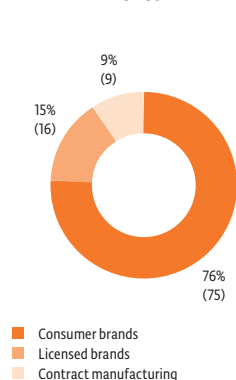


¹ Earnings and margin measurements are before items affecting comparability unless otherwise stated.

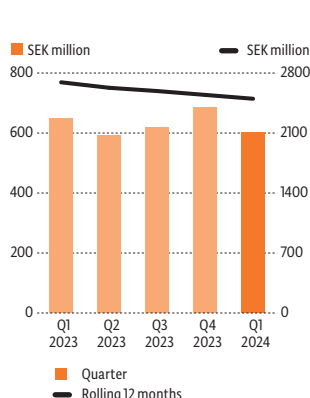
² Q1 2024

³ External product sales

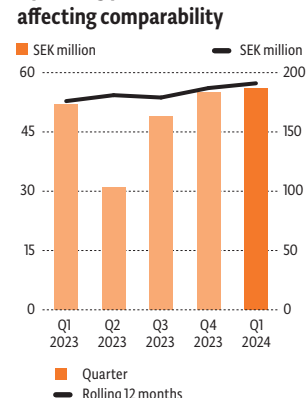
Product sales by type of brand^{2,3}



Net sales



Operating profit, before items affecting comparability



Division North Europe¹

Percentage net sales
in the Group²



Division North Europe	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	231	225	878	872
Gross profit	43	35	136	129
Gross margin, %	18.5	15.7	15.5	14.8
Operating profit/loss	5	-4	-13	-22
Operating margin, %	2.2	-1.7	-1.5	-2.6

Net sales

Net sales amounted to SEK 231 million (225), an increase of 2.5 percent, where the organic change in net sales was 1.7 percent. The organic change for own consumer brands in external goods sales was -4.9 percent and the weak sales performance mainly related to lower business volumes during Easter Week as both customers and consumers prioritised other goods. Organic growth for contract manufacturing was 8.6 percent as a result of successful efforts to secure new profitable contract manufacturing assignments.

Gross profit

Gross profit amounted to SEK 43 million (35), corresponding to a margin of 18.5 percent (15.7). The margin trend was a result of the implementation of price increases, higher margins on new contract manufacturing agreements and improved efficiency in the production facilities. However, the geopolitical conflict in and around the Red Sea started to increase the cost of container shipments and delayed deliveries, which, among other things, affected delivery capacity to some degree.

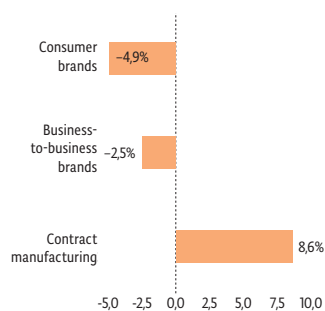
Operating profit/loss

Operating profit amounted to SEK 5 million (-4), corresponding to a margin of 2.2 percent (-1.7). The margin trend was essentially driven by the improved gross margin. The period was marked by good cost control and cost awareness, which also contributed to the improved profit.



The Davert brand in Germany launched two new flavours of porridge oats.

Organic growth of types of brands^{2,3}

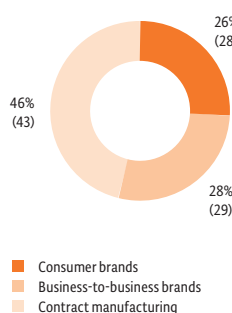


¹ Earnings and margin measurements are before items affecting comparability unless otherwise stated.

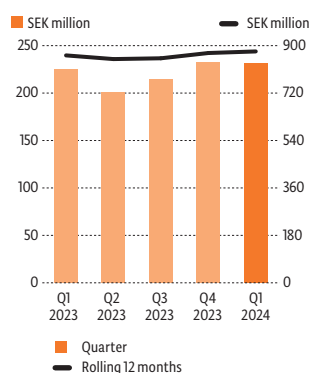
² Q1 2024

³ External product sales

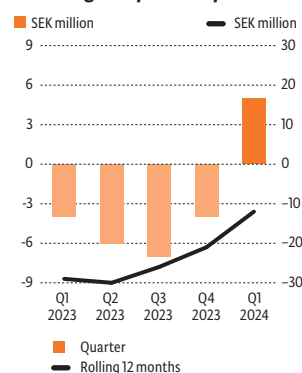
Product sales by type of brand^{2,3}



Net sales



Operating profit, before items affecting comparability



Division South Europe¹

Percentage net sales
in the Group²



Division South Europe	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	109	111	413	414
Gross profit	21	16	58	53
Gross margin, %	19.1	14.6	14.0	12.9
Operating profit/loss	-1	-7	-30	-36
Operating margin, %	-0.7	-6.4	-7.3	-8.8

Net sales

Net sales amounted to SEK 109 million (111), a decrease of 1.4 percent, where the organic change in net sales was -2.1 percent. The organic change for own consumer brands in external product sales was -8.8 percent. Sales continued to fall for own consumer brands due to a negative market trend for organic products. Consumers also increasingly chose to make their purchases in grocery stores rather than health food stores, which remain the most important sales channel for the business. Easter Week also had a negative impact, as business volumes slowed due to both customers and consumers prioritising other goods. Organic growth for contract manufacturing was 6.0 percent, driven by new business volumes with grocery retailers. For licensed brands, organic growth was 5.7 percent, but business volumes were still low.

Gross profit

Gross profit amounted to SEK 21 million (16), corresponding to a margin of 19.1 percent (14.6). The positive margin trend was supported by the price increases implemented, but was partially offset by an unfavourable product mix, resulting from a higher proportion of sales of contract manufactured products with a generally lower margin. The production facilities' efficiency was improved to some extent, while production costs were significantly lower and better adapted to lower production volumes compared with the previous year.

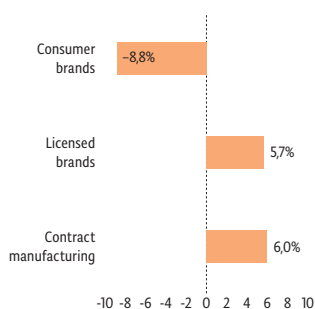
Operating profit/loss

Operating profit amounted to SEK -1 million (-7), corresponding to a margin of -0.7 percent (-6.4). The margin trend was essentially driven by the improved gross margin together with good cost control.

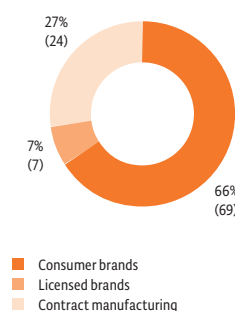


During the quarter, the French brand Celnat launched two new mueslis in two different flavours: fruit & almond and fruit & seeds.

Organic growth of types of brands^{2,3}



Product sales by type of brand^{2,3}

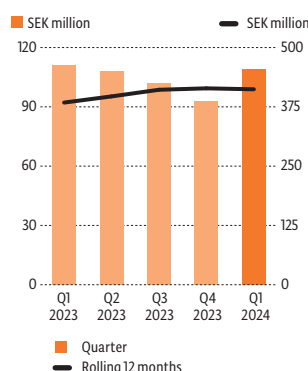


¹ Earnings and margin measurements are before items affecting comparability unless otherwise stated.

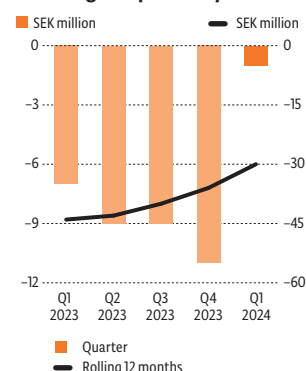
² Q1 2024

³ External product sales

Net sales



Operating profit, before items affecting comparability



Other information

Financial calendar



Seasonal variations

Sales and earnings are affected to some extent by seasonal variations. Sales in the first and second quarter are affected by Easter Week, depending on which quarter it occurs in. Easter Week does not benefit sales for the Group's product groups. Warm summer months normally entail lower sales for most product groups as the consumers prioritise different consumption. The second quarter of the year is usually the Group's weakest in terms of sales and profit. Sales are generally higher in the fourth quarter than in the first three quarters, which is mainly due to seasonally high deliveries of dried fruits and nuts prior to the holidays.

Parent Company

Net sales amounted to SEK 16 million (16), and related primarily to invoicing of services provided internally within the Group. Operating profit/loss amounted to SEK –7 million (–5) while profit/loss before tax was SEK –178 million (–13). Result from participations in subsidiaries was SEK –173 million and consisted of impairments of shares in subsidiaries. Net financial items amounted to SEK 2 million (–8) and consisted of interest income from subsidiaries of SEK 12 million (14), interest expenses to credit institutions of SEK –11 million (–12), exchange rate differences on financial receivables and liabilities in foreign currency of SEK 0 million (0), exchange rate differences on net investments in subsidiaries of SEK 0 million (–11) and other financial items of SEK 1 million (1).

Cash and cash equivalents, including unutilised credit facilities, amounted to SEK 581 million (686). Borrowing from credit institutions was SEK 477 million (688) at the end of the period. A voluntary additional amortisation of SEK 79 million was made on liabilities to credit institutions within the existing credit limit during the period. Shareholders' equity amounted to SEK 2,401 million (2,683) and was SEK 2,578 million at the end of the previous quarter. The changes in shareholders' equity consisted of the loss for the period of SEK –178 million.

On the balance sheet date, there were 16 employees (15).

Closely-related parties

There were no significant related party transactions during the period January–March. See also Note 31 *Closely-related parties* on page 171 of the 2023 Annual Report for a description of the Group's and the Parent Company's related-party transactions.

Risks and uncertainties

In its operations, the Group is subject to operational, market, financial and sustainability risks that may affect profits to a greater or lesser extent.

Market dynamics have been significantly affected by a number of external factors in recent years. The series of challenges that followed the pandemic, including shortages of raw materials, the progressively higher prices of inputs and finished goods, energy and transport, and difficulties maintaining a stable supply of goods, together with the escalation of geopolitical conflicts, laid the foundations for the strong inflationary pressures that have marked the global economy over the past two years.

Consumers have changed their purchasing behaviour as a result of a more difficult personal financial climate. Value for money has become more important and it is clear that many consumers are

looking more towards low-price and promotional products, which has put organic and sustainable products in the higher price segment at a particular disadvantage. This has brought demand-related challenges for some product groups among the Group's own consumer brands, especially in the organic products category, with sometimes lower sales volumes as a result. In response to the change in consumer behaviour, we have worked hard to develop the customer offering and enhance the range and buying experience. Long-term societal trends clearly point to a shift in consumption towards more sustainable and healthy products, which is expected to accelerate as consumers' purchasing power improves. Inflationary pressures are continuing to reduce and there have been signs from both the ECB and Sveriges Riksbank that the conditions are now in place for interest rate cuts, which is why it is thought that key policy rates will be gradually lowered over the coming 12-month period and therefore improve consumers' personal finances.

The volatility of the prices of raw materials, packaging materials, energy, gas and transport, and of the exchange rate trends for key currencies, including the USD and EUR, will affect the Group. Although the price environment for most key raw materials and packaging, and road transport, has stabilised over the year, price levels have remained high, while prices for energy and gas for the Group's production facilities have fallen back to more normal levels from the peaks seen in 2022. An energy crisis like the one that spread across Europe in 2022, with rapidly rising electricity and gas prices, is not expected in the short term as a consequence of coordinated and prioritised activities by the EU. However, the recent escalation of geopolitical turmoil around the Red Sea has caused delays in container shipments from Asia and once more driven up the price of such shipments. Prices of key raw materials, such as dried fruits, nuts, seeds and kernels, oats, rice, quinoa, lentils and maize, are determined in large part by the key crop yields and harvests of summer and autumn. Prevailing climate-related risks, with extreme weather in the form of drought and floods, are leaving their mark on prices for raw materials. Based on the figures for last year's crop yields, the price environment for some raw materials has improved, mainly due to good harvests, while the price environment for other raw materials is unchanged or has deteriorated as a result of poor crop yields and/or changes in import/export restrictions. However, the trend seen is the slow falling back of purchase prices for raw materials and other inputs from previous peaks. Price increases on raw materials, packaging materials and finished goods due to an unfavourable exchange rate trend cannot be absorbed by the Group, but must be taken out at the next stage instead. An overall assessment is that selective price increases to customers in some geographical markets cannot be ruled out, due to crop yields and harvests for certain raw materials as well as currency volatility.

There were some challenges in terms of production capacity for some own consumer brand product groups. These related to both in-house and subcontracted production facilities, due to a combination of high demand and shortages of raw materials, labour and machine capacity. There is a strong focus on improving capacity, securing the right staff and reducing the sick leave taken by existing staff.

Beyond the aforementioned, we believe that no new significant risks or uncertainties have arisen since the submission of the 2023 Annual Report. For a detailed account of risks and uncertainty factors, please see the section Risks and risk management on pages 128–139 and Note 28 *Financial risk management* on pages 168–170 of the 2023 Annual Report.

Significant events January–March

Proposed changes to the Board of Directors

The Nomination Committee of Midsona AB resolved to propose Tomas Bergendahl as a new member of the Board at the Annual General Meeting on 7 May 2024, as Board member Henrik Stenqvist provided notification that he was not available for re-election.

Prestigious awards

Midsona was recognised for its climate strategy and leadership by the global environmental initiative CDP. Midsona achieved the highest grade A for 2023 and is ranked as one of the 400 best listed companies in the world, out of a total of around 21,000 companies taking part. Midsona was also named as the stock exchange's most sustainable company in the groceries category and came second overall in the Sustainable Company rankings for 2023. Lund University, the Swedish business newspaper Dagens Industri and the e-magazine Aktuell Hållbarhet joined forces to review the sustainability efforts of Swedish listed companies, focusing on risk and governance.

New financial targets and strategy

The Board of Directors of Midsona AB (publ) decided to establish new long-term targets for the Group. The three long-term targets are as follows and apply until 2027:

- Organic growth averaging 3–5 percent per year (previous net sales growth >15.0 percent through organic growth and acquisitions),
- EBIT margin (before items affecting comparability) >8 percent (previous EBITDA margin >12.0 percent),
- Net debt/adjusted EBITDA <2.5 x (previous Net debt/adjusted EBITDA 3.0–4.0 x).

Review by auditor

This interim report was not subject to review by the company's auditors.

A new strategy was adopted in early 2024 following a review of the Group's strategic direction. It consists of three pillars and aims to strengthen profitability and lay the foundations for the future:

- Strengthen the position, drive growth and develop the offering in the organic category through cross-market work on production, sourcing, innovation and communication to exploit synergies between brands to make it easier for consumers to navigate the offering.
- Continue growth with strong brands in the health food category in both existing and new markets by focusing on profitable organic growth in selected markets supported by three strong own brands – Friggs, Earth Control and Gainomax.
- Streamline the value chain and harmonise the product range to develop an offering that meets market needs while striving for high efficiency from purchasing and brand development to production and logistics.

Malmö, 25 April 2024
Midsona AB (publ)
BOARD OF DIRECTORS

Financial statements

Summary consolidated income statement

SEK million	Note	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	3.4	929	974	3,748	3,793
Expenses for goods sold		-660	-718	-2,776	-2,834
Gross profit		269	256	972	959
Selling expenses		-152	-160	-610	-618
Administrative expenses		-80	-80	-327	-327
Other operating income		4	2	24	22
Other operating expenses		-3	-2	-8	-7
Operating profit/loss	3	38	16	51	29
Financial income		2	2	10	10
Financial expenses		-16	-16	-74	-74
Profit/loss before tax		24	2	-13	-35
Tax on profit for the period		-8	-8	-18	-18
Profit/loss for the period		16	-6	-31	-53
<i>Profit/loss for the period is divided between:</i>					
Parent Company shareholders (SEK million)		16	-6	-31	-53
Earnings per share before and after dilution attributable to Parent Company shareholders (SEK)		0.11	-0.04	-0.21	-0.36

Summary consolidated statement of comprehensive income

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Profit/loss for the period	16	-6	-31	-53
<i>Items that have or can be reallocated to profit/loss for the period</i>				
Translation differences for the period on translation of foreign operations	46	-18	23	-41
Other comprehensive income for the period	46	-18	23	-41
Comprehensive income for the period	62	-24	-8	-94
Comprehensive income for the period is divided between:				
Parent Company shareholders (SEK million)	62	-24	-8	-94

Summary consolidated balance sheet

SEK million	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets				
Intangible assets	5	2,954	2,989	2,926
Tangible assets		398	438	404
Non-current receivables		5	5	5
Deferred tax assets		89	113	98
Fixed assets		3,446	3,545	3,433
Inventories		632	727	554
Accounts receivable		379	419	334
Tax receivables		5	17	7
Other receivables		20	20	16
Prepaid expenses and accrued income		26	17	20
Cash and cash equivalents		139	157	235
Current assets		1,201	1,357	1,166
Assets	6	4,647	4,902	4,599
Share capital	7	727	727	727
Additional paid-up capital		1,849	1,849	1,849
Reserves		131	108	85
Profit brought forward, including profit/loss for the period		342	373	326
Shareholders' equity		3,049	3,057	2,987
Non-current interest-bearing liabilities		518	758	608
Other non-current liabilities		8	9	7
Deferred tax liabilities		325	345	331
Non-current liabilities		851	1,112	946
Current interest-bearing liabilities		122	120	123
Accounts payable		391	385	312
Tax liabilities		12	6	6
Other current liabilities		42	41	53
Accrued expenses and deferred income		180	181	172
Current liabilities		747	733	666
Liabilities	6	1,598	1,845	1,612
Shareholders' equity and liabilities		4,647	4,902	4,599

Summary consolidated changes in shareholders' equity

SEK million	Share capital	Additional paid-up capital	Reserves	Profit brought forward, incl. profit for the period	Shareholders' equity
Opening shareholders' equity, 1 Jan 2023	727	1,850	126	379	3,082
Profit/loss for the period	-	-	-	-6	-6
Other comprehensive income for the period	-	-	-18	-	-18
Comprehensive income for the period	-	-	-18	-6	-24
Issue expenses	-	-1	-	-	-1
Transactions with the Group's owners	-	-1	-	-	-1
Closing shareholders' equity, 31 Mar 2023	727	1,849	108	373	3,057
Opening shareholders' equity, 1 April 2023	727	1,849	108	373	3,057
Profit/loss for the period	-	-	-	-47	-47
Other comprehensive income for the period	-	-	-23	-	-23
Comprehensive income for the period	-	-	-23	-47	-70
Closing shareholders' equity, 31 Dec 2023	727	1,849	85	326	2,987
Opening shareholders' equity, 1 Jan 2024	727	1,849	85	326	2,987
Profit/loss for the period	-	-	-	16	16
Other comprehensive income for the period	-	-	46	-	46
Comprehensive income for the period	-	-	46	16	62
Closing shareholders' equity, 31 Mar 2024	727	1,849	131	342	3,049

Summary consolidated cash flow statement

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Profit/loss before tax	24	2	-13	-35
Adjustment for items not included in cash flow	44	51	197	204
Income tax paid	-1	-5	2	-2
Cash flow from operating activities before changes in working capital	67	48	186	167
Increase (-)/Decrease (+) in inventories	-67	-1	55	121
Increase (-)/Decrease (+) in operating receivables	-42	-7	37	72
Increase (+)/Decrease (-) in operating liabilities	63	42	4	-17
Changes in working capital	-46	34	96	176
Cash flow from operating activities	21	82	282	343
Divestments of companies or operations	-	-	0	0
Acquisitions of intangible assets	0	-	-1	-1
Divestments of intangible assets	-	-	12	12
Acquisitions of tangible assets	-3	-8	-25	-30
Divestments of tangible assets	0	-	1	1
Change in financial assets	0	0	0	0
Cash flow from investing activities	-3	-8	-13	-18
Cash flow after investing activities	18	74	269	325
Issue expenses	-	-7	-	-7
Loans raised	-	6	-	6
Repayment of loans	-97	-19	-230	-152
Amortisation of lease liabilities	-14	-14	-56	-56
Cash flow from financing activities	-111	-34	-286	-209
Cash flow for the period	-93	40	-17	116
Cash and cash equivalents at beginning of period	235	121	157	121
Translation difference in cash and cash equivalents	-3	-4	-1	-2
Cash and cash equivalents at end of the period	139	157	139	235

Summary income statement, Parent Company

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	16	16	61	61
Administrative expenses	-24	-21	-87	-84
Other operating income	1	0	2	1
Other operating expenses	0	0	-1	-1
Operating profit/loss	-7	-5	-25	-23
Result from participations in subsidiaries	-173	-	-289	-116
Financial income	29	24	92	87
Financial expenses	-27	-32	-78	-83
Profit/loss after financial items	-178	-13	-300	-135
Allocations	-	-	17	17
Profit/loss before tax	-178	-13	-283	-118
Tax on profit for the period	0	0	0	0
Profit/loss for the period¹	-178	-13	-283	-118

¹ Profit/loss for the period and comprehensive income for the period are the same, as the Parent Company has no transactions that are reported in other comprehensive income.

Summary balance sheet, Parent Company

SEK million	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Intangible assets		31	39	33
Tangible assets		2	3	2
Participations in subsidiaries		2,410	2,481	2,410
Receivables from subsidiaries		707	965	867
Deferred tax assets		0	0	0
Financial assets		3,117	3,446	3,277
Fixed assets		3,150	3,488	3,312
Receivables from subsidiaries		72	123	87
Other receivables		15	11	11
Cash and bank balances		93	103	205
Current assets		180	237	303
Assets		3,330	3,725	3,615
Share capital	7	727	727	727
Statutory reserve		58	58	58
Profit brought forward, including profit/loss for the period and other reserves		1,616	1,898	1,793
Shareholders' equity		2,401	2,683	2,578
Untaxed reserves		27	20	27
Liabilities to credit institutions		417	630	501
Other non-current liabilities		0	0	0
Non-current liabilities		417	630	501
Liabilities to credit institutions		60	58	59
Liabilities to subsidiaries		403	314	432
Other current liabilities		22	20	18
Current liabilities		485	392	509
Shareholders' equity and liabilities		3,330	3,725	3,615

The French brand Celnat launched two new oat bars in dark chocolate & hazelnut and cranberry flavours.



Notes to the financial statements

Note 1 | Accounting policies

With regard to the Group, this interim report for January-March 2024 has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act (ÅRL). In addition to being presented in the financial statements and their notes, disclosures in accordance with IAS 34, p. 16A are also presented in other parts of the interim report. The Parent Company's accounts are prepared in accordance with the Annual Accounts Act (ÅRL) and recommendation RFR 2 *Accounting for Legal Entities*, from the Swedish Financial Reporting Board. The statements published by the Swedish Financial Reporting Board concerning listed companies are also applied, meaning that the Parent Company must apply all EU-approved IFRS and statements as far

as possible within the framework of the Annual Accounts Act, the Pension Protection Act and taking the relationship between accounting and taxation into account.

In the interim report for January-March 2024, the same accounting policies and calculation methods were applied as in the last annual report issued for 2023 (Note 1 *Accounting principles*, pages 150-155). The new standards and the amendments and revisions to standards and new interpretations (IFRIC) that came into effect on 1 January 2024 had no significant impact on the Group's accounting for the period January-March 2024.

Note 2 | Significant estimates and assumptions

Preparing the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates and assumptions.

In the first quarter, estimates and assumptions were made as to whether new tax loss carry-forwards in some geographic markets should be capitalised as deferred tax assets to be realised through offsetting against future taxable income. Taking short-term earnings capacity forecasts and the levels of activated tax loss carry-forwards from previous years into account, com-

pany management has chosen to hold off on activating any new tax loss carry-forwards.

In other regards, no new significant estimates and assumptions have been added since the publication of the most recent annual report. For a detailed account of the assumptions made by management in the application of IFRS and that have a significant impact on the financial statements, as well as estimates made that could entail significant adjustments to subsequent financial statements, please refer to Note 32 *Important estimates and assumptions* on page 172 of the 2023 Annual Report.

Note 3 | Operating segments, Group

SEK million	Nordics		North Europe		South Europe		Group-wide functions		Eliminations		Group	
January-March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales, external	597	643	228	223	104	108	-	-	-	-	929	974
Net sales, intra-Group	5	4	3	2	5	3	11	11	-24	-20	-	-
Net sales	602	647	231	225	109	111	11	11	-24	-20	929	974
Expenses for goods sold	-396	-442	-188	-190	-88	-95	-	-	12	9	-660	-718
Gross profit	206	205	43	35	21	16	11	11	-12	-11	269	256
Other operating expenses	-150	-158	-38	-39	-22	-23	-33	-31	12	11	-231	-240
Operating profit/loss	56	47	5	-4	-1	-7	-22	-20	0	0	38	16
Financial items											-14	-14
Profit/loss before tax											24	2
<i>Significant income and expense items reported in the income statement:</i>												
Items affecting comparability ¹	-	5	-	-	-	-	-	-	-	-	-	5
Depreciation/amortisation and impairment	12	12	8	9	6	6	12	12	-	-	38	39
Gross profit, before items affecting comparability	206	205	43	35	21	16	11	11	-12	-11	269	256
Operating profit/loss, before items affecting comparability	56	52	5	-4	-1	-7	-22	-20	0	0	38	21
Average number of employees	383	408	202	198	166	156	16	16	-	-	767	778
Number of employees as of the balance sheet date	393	413	203	198	165	157	16	15	-	-	777	783

¹ For a statement of items affecting comparability, refer to the definitions and reconciliations with IFRS, Group, on pages 17-19.

Note 4 | Breakdown of income, Group

SEK million	Nordics		North Europe		South Europe		Group	
January-March	2024	2023	2024	2023	2024	2023	2024	2023
<i>Geographical areas¹</i>								
Sweden	241	270	0	0	-	-	241	270
Denmark	110	126	0	0	0	-	110	126
Finland	107	109	-	-	-	0	107	109
Norway	105	103	0	-	-	-	105	103
France	1	1	2	3	55	60	58	64
Spain	4	4	2	5	43	42	49	51
Germany	0	0	201	190	0	0	201	190
Rest of Europe	27	26	23	25	4	3	54	54
Other countries outside Europe	2	4	-	-	2	3	4	7
Net sales	597	643	228	223	104	108	929	974
<i>Sales channel</i>								
Pharmacies	67	87	-	-	-	-	67	87
Grocery trade	400	421	98	97	41	41	539	559
Food Service	28	30	57	58	2	2	87	90
Health food stores	42	41	69	63	50	53	161	157
Other specialist retailers	23	28	4	4	-	-	27	32
Others	37	36	0	1	11	12	48	49
Net sales	597	643	228	223	104	108	929	974
<i>Product categories</i>								
Organic products	179	191	228	223	104	108	511	522
Health foods	268	278	-	-	-	-	268	278
Consumer health products	149	170	-	-	-	-	149	170
Services linked to product handling	1	4	0	0	0	0	1	4
Net sales	597	643	228	223	104	108	929	974
<i>Types of brands</i>								
Own consumer brands	455	478	60	63	69	75	584	616
Own business-to-business brands	-	-	64	65	-	-	64	65
Licensed	89	100	-	-	7	7	96	107
Contract manufacturing	52	61	104	95	28	26	184	182
Services linked to product handling	1	4	0	0	0	0	1	4
Net sales	597	643	228	223	104	108	929	974

¹ Income from external customers is attributable to individual geographical areas according to the country in which the customer is domiciled.

Note 5 | Intangible assets

Intangible assets have essentially arisen in connection with business combinations or the acquisition of individual assets. Other intangible assets consist mainly of capitalised software costs.

SEK million	Goodwill	Brands	Customer relationships	Other intangible assets	Total
Opening balance, 1 Jan 2023	1,606	1,290	80	44	3,020
Reclassifications	-	-	-	0	0
Amortisation for the period	-	-5	-5	-2	-12
Translation differences for the period	-25	5	1	0	-19
Closing balance, 31 Mar 2023	1,581	1,290	76	42	2,989
Opening balance, 1 Apr 2023	1,581	1,290	76	42	2,989
Acquisitions/investments	-	-	-	1	1
Sales/scrapping	-	-6	-	-	-6
Reclassifications	-	-	-	0	0
Amortisation for the period	-	-14	-14	-8	-36
Translation differences for the period	-10	-11	-1	0	-22
Closing balance, 31 Dec 2023	1,571	1,259	61	35	2,926
Opening balance, 1 Jan 2024	1,571	1,259	61	35	2,926
Acquisitions/investments	-	-	-	0	0
Amortisation for the period	-	-5	-4	-3	-12
Translation differences for the period	13	24	2	1	40
Closing balance, 31 Mar 2024	1,584	1,278	59	33	2,954

Note 6 | Measurement of financial assets and liabilities at fair value, Group

Fair value

The carrying amount of non-current receivables, accounts receivable, other receivables, cash and cash equivalents, other non-current receivables,

accounts payable and other current liabilities measured at amortised cost constitutes a reasonable approximation of fair value.

SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets			
<i>Financial instruments measured at fair value via the income statement</i>			
Other receivables	-	0	-
Total	-	0	-
<i>Financial instruments measured at amortised cost</i>			
Non-current receivables	5	5	5
Accounts receivable	379	419	334
Other receivables	20	20	16
Cash and cash equivalents	139	157	235
Total	543	601	590
Total receivables	543	601	590
Liabilities			
<i>Financial instruments measured at fair value via the income statement</i>			
Other current liabilities	0	2	1
Total	0	2	1
<i>Financial instruments measured at amortised cost</i>			
Non-current interest-bearing liabilities	518	758	608
Other non-current liabilities	8	9	7
Current interest-bearing liabilities	122	120	123
Accounts payable	391	385	312
Other current liabilities	42	39	52
Total	1,081	1,311	1,102
Total liabilities and provisions	1,081	1,313	1,103

Disclosures regarding financial instruments measured at fair value through profit or loss for the year

The Group held financial instruments in the form of forward exchange contracts recognised at fair value via the consolidated income statement. The valuation was at level 2, in accordance with IFRS 13 *Fair Value Measurement*. Actual values were based on quotes from brokers. Similar contracts were traded on an active market, and the rates reflected actual trades of comparable instruments.

Offset agreements and similar agreements

For derivative counterparties, there are ISDA agreements, which mean that derivative items can be reported net under certain conditions. The Group had no derivatives reported net in its consolidated balance sheet.

Calculation of fair value

Fair value of interest bearing liabilities is calculated based on future cash flows of principal and interest discounted at the current market rate on the balance sheet date. Long-term interest-bearing liabilities essentially mature at variable interest rates and therefore correspond essentially to fair value with a carrying amount. For current interest-bearing liabilities, no discount is applied, and fair value essentially corresponds to carrying amount. For further information on the valuation of financial assets and liabilities, refer to Note 30 *Measurement of financial assets and liabilities at fair value* and the category breakdown on page 171 in the 2023 Annual Report.

Note 7 | Change in number of shares, Group

Number of shares	Series A shares	Series B shares	Total
Number of shares at 1 Jan 2023	596,640	144,831,440	145,428,080
Reclassification	-172,856	172,856	0
Number of shares, 31 Mar 2023	423,784	145,004,296	145,428,080
Number of shares, 1 Apr 2023	423,784	145,004,296	145,428,080
Number of shares, 31 Dec 2023	423,784	145,004,296	145,428,080
Number of shares, 1 Jan 2024	423,784	145,004,296	145,428,080
Number of shares, 31 Mar 2024	423,784	145,004,296	145,428,080
Quotient value per share, SEK			5.00
Share capital on the balance sheet date, SEK			727,140,400
Votes on the balance sheet date, number			149,242,136

Reclassification of Class A shares as Class B shares

In December 2022, at the request of shareholders, a reclassification of 172,856 Class A shares to Class B shares was initiated. The reclassification was registered in January 2023, the number of votes changing to 149,242,136.

Warrant programmes

Two warrant programmes, directed at senior executives, remained outstanding at the end of the period. TO2021/2024, which may result in a maximum of 171,000 new Class B shares on full conversion, the exercise period for the warrants being 1 August 2024 to 20 December 2024, and TO2022/2025, which

may result in a maximum of 120,000 new Class B shares on full conversion, the exercise period for the warrants being 1 August 2025 to 20 December 2025.

Earnings per share after dilution were not calculated as the average price for the Class B shares fell short of the subscription price for TO2021/2024 and TO2022/2025 respectively on the balance sheet date. For more information about the warrant programmes outstanding, see Note 8 *Employees, personnel expenses and senior executives' remuneration* on pages 157–159 of the 2023 Annual Report.

Average number of shares, Group

Number of shares (thousands)	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Average during the period	145,428	145,428	145,428	145,428
Average during the period, after full dilution	145,719	145,719	145,719	145,719

The German brand Davert launched two new breakfast products during the quarter.



Definitions

Since 1 January 2024, Midsona has introduced two new concepts – own consumer brands and own business-to-business brands. Own consumer brands refer to brands owned by Midsona that are primarily targeted at consumers through their packaging, while own business-to-business brands refer to brands owned by Midsona that are primarily targeted at other businesses and are usually packaged in simple large packs.

Midsona presents certain financial measures in the interim report that are not defined under IFRS. Midsona considers these measures to provide useful supplementary information to investors and the company's management as they facilitate the evaluation of the company's performance. Because not all companies calculate financial measures in the same way, these are not always comparable with the measures used by other companies. Accordingly, these financial measures should not be considered a substitute for measurements as defined under IFRS. Four new financial measures were added starting in 2024.

Organic change in net sales of own consumer brands

Change in net sales of own consumer brands between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in net sales of own consumer brands is a key performance indicator determining whether the company's growth strategy for its own consumer brands has been fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in net sales of own business-to-business brands

Change in net sales of own business-to-business brands between years adjusted for translation effects on consolidation and for changes in the Group

structure. *Organic change in net sales of own business-to-business brands is a key performance indicator determining whether the company's growth strategy for its own business-to-business brands has been fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in net sales of licensed brands

Change in net sales of licensed brands between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in net sales of licensed brands is a key performance indicator determining whether the company's growth strategy for its licensed brands has been fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in contract manufacturing net sales

Change in contract manufacturing net sales between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in contract manufacturing net sales is a key performance indicator determining whether the Company's growth strategy for contract manufacturing has been fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

For the definition and purpose of other measures that are not defined under IFRS, please see the Definitions section on pages 192–195 of the 2023 Annual Report. The following table presents reconciliations with IFRS.

IFRS reconciliations, Group

Operating profit and operating margin. Operating profit and operating margin, before items affecting comparability

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Operating profit/loss	38	16	51	29
Items affecting comparability included in operating profit ^{1,2}	–	5	26	31
Operating profit/loss, before items affecting comparability	38	21	77	60
Net sales	929	974	3,748	3,793
Operating margin, before items affecting comparability	4.1%	2.2%	2.1%	1.6%

¹ Specification of items affecting comparability

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Restructuring expenses, net	–	5	32	37
Capital gains/losses on divestment of brands	–	–	–6	–6
Items affecting comparability included in operating profit/loss	–	5	26	31

² Corresponding line in the consolidated income statement

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Expenses for goods sold	–	–	25	25
Selling expenses	–	5	1	6
Administrative expenses	–	0	6	6
Other operating income	–	–	–6	–6
Other operating expenses	–	0	0	0
Items affecting comparability included in operating profit/loss	–	5	26	31

Adjusted EBITDA. EBITDA, rolling 12 months pro forma, excluding acquisition-related restructuring and transaction expenses

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Operating profit/loss	38	16	51	29
Amortisation of intangible assets	12	12	48	48
Depreciation of tangible assets	26	27	108	109
EBITDA	76	55	207	186
Adjusted EBITDA			207	186

Net debt. Interest-bearing provisions and interest-bearing liabilities less cash and cash equivalents, including short-term investments

SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current interest-bearing liabilities	518	758	608
Current interest-bearing liabilities	122	120	123
Cash and cash equivalents ³	–139	–157	–235
Net debt	501	721	496

³ There were no current investments equivalent to cash and cash equivalents at the end of the period concerned.

Average capital employed. Total equity and liabilities less interest-bearing liabilities and deferred tax liability at the end of the period plus total shareholders' equity and liabilities less interest-bearing liabilities and deferred tax liability at the beginning of the period divided by 2

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Shareholders' equity and liabilities	4,647	4,902	4,647	4,599
Other non-current liabilities	-8	-9	-8	-7
Deferred tax liabilities	-325	-345	-325	-331
Accounts payable	-391	-385	-391	-312
Other current liabilities	-54	-47	-54	-59
Accrued expenses and deferred income	-180	-181	-180	-172
Capital employed	3,689	3,935	3,689	3,718
Capital employed at the beginning of the period	3,718	3,977	3,935	3,977
Average capital employed	3,704	3,956	3,812	3,848

Return on capital employed. Profit before tax plus financial expenses in relation to average capital employed

SEK million	Rolling 12 months	Full year 2023
Profit/loss before tax	-13	-35
Financial expenses	74	74
Profit before taxes, excluding financial expenses	61	39
Average capital employed	3,812	3,848
Return on capital employed, %	1.6	1.0

Liquidity reserve/net sales. Cash and cash equivalents and unutilised credit in relation to net sales

SEK million	Rolling 12 months	Full year 2023
Cash and cash equivalents	139	235
Unutilised credit facilities	487	416
Liquidity reserve	626	651
Net sales	3,748	3,793
Liquidity reserve/Net sales, %	16.7	17.2

Organic change in net sales. Change in net sales between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales	929	974	3,748	3,793
Net sales compared with the corresponding period of the previous year	-974	-972	-3,901	-3,899
Change in net sales	-45	2	-153	-106
Structural changes	5	0	8	3
Exchange rate changes	-1	-35	-122	-156
Organic change	-41	-33	-267	-259
Organic change	-4.2%	-3.4%	-6.8%	-6.6%
Structural changes	-0.5%	0.0%	-0.2%	-0.1%
Exchange rate changes	0.1%	3.6%	3.1%	4.0%

Organic change in net sales of own brands. Change in net sales of own brands between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales of own brands	647	681	2,634	2,668
Net sales of own brands compared with the corresponding period of the previous year	-681	-679	-2,669	-2,667
Change in net sales of own brands	-34	2	-35	1
Structural changes	5	0	8	3
Exchange rate changes	0	-23	-74	-97
Organic change for own brands	-29	-21	-101	-93
Organic change	-4.2%	-3.1%	-3.8%	-3.5%
Structural changes	-0.7%	0.0%	-0.3%	-0.1%
Exchange rate changes	0.0%	3.4%	2.8%	3.6%

Organic change in net sales of own consumer brands. Change in net sales of own consumer brands between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales of own consumer brands	584	616	2,368	2,400
Net sales of own consumer brands compared with the corresponding period of the previous year	-616	-608	-2,390	-2,382
Change in net sales of own consumer brands	-32	8	-22	18
Structural changes	5	0	8	3
Exchange rate changes	0	-18	-59	-77
Organic change for own consumer brands	-27	-10	-73	-56
Organic change	-4.3%	-1.8%	-3.1%	-2.4%
Structural changes	-0.8%	0.0%	-0.3%	-0.1%
Exchange rate changes	-0.1%	3.0%	2.5%	3.2%

Organic change in net sales of own business-to-business brands. Change in net sales of own business-to-business brands between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales of own business-to-business brands	64	65	267	268
Net sales of own business-to-business brands compared with the corresponding period of the previous year	-65	-71	-279	-285
Change in net sales of own business-to-business brands	-1	-6	-12	-17
Structural changes	0	0	0	0
Exchange rate changes	0	-4	-16	-20
Organic change for own business-to-business brands	-1	-10	-28	-37
Organic change	-2.5%	-15.2%	-10.0%	-13.0%
Structural changes	0.0%	0.0%	0.0%	0.0%
Exchange rate changes	0.7%	5.8%	5.7%	7.0%

Organic change in net sales of licensed brands. Change in net sales of licensed brands between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Net sales of licensed brands	96	107	365	376
Net sales of licensed brands compared with the corresponding period of the previous year	-107	-134	-525	-552
Change in net sales of licensed brands	-11	-27	-160	-176
Structural changes	0	0	0	0
Exchange rate changes	1	-1	-3	-5
Organic change for licensed brands	-10	-28	-163	-181
Organic change	-9.5%	-20.4%	-31.1%	-32.8%
Structural changes	0.0%	0.0%	0.0%	0.0%
Exchange rate changes	-0.6%	0.6%	0.6%	0.9%

Organic change in contract manufacturing net sales. Change in contract manufacturing net sales between years adjusted for translation effects on consolidation and for changes in the Group structure

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12 months	Full year 2023
Contract manufacturing net sales	184	182	733	731
Contract manufacturing net sales compared with the corresponding period of the previous year	-182	-156	-692	-666
Change in contract manufacturing net sales	2	26	41	65
Structural changes	0	0	0	0
Exchange rate changes	-1	-12	-42	-53
Organic change for contract manufacturing	1	14	-1	12
Organic change	0.5%	8.7%	-0.2%	1.8%
Structural changes	0.0%	0.0%	0.0%	0.0%
Exchange rate changes	0.7%	7.3%	6.1%	8.0%

Consolidated quarterly data

SEK million	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Net sales	929	1003	923	893	974	1027	944	956	972	1012	893	903
Expenses for goods sold	-660	-755	-690	-671	-718	-797	-775	-731	-718	-770	-652	-646
Gross profit	269	248	233	222	256	230	169	225	254	242	241	257
Selling expenses	-152	-157	-149	-152	-160	-159	-567	-162	-157	-148	-138	-155
Administrative expenses	-80	-84	-80	-83	-80	-76	-72	-76	-74	-76	-67	-73
Other operating income	4	12	6	2	2	3	3	2	2	3	12	13
Other operating expenses	-3	0	-1	-4	-2	-4	-1	-2	-3	-4	0	0
Operating profit/loss	38	19	9	-15	16	-6	-468	-13	22	17	48	42
Financial income	2	4	2	2	2	12	20	25	10	5	4	-5
Financial expenses	-16	-19	-22	-17	-16	-39	-35	-39	-18	-16	-16	-7
Profit/loss before tax	24	4	-11	-30	2	-33	-483	-27	14	6	36	30
Tax on profit for the period	-8	-1	-7	-2	-8	18	5	7	-2	-5	-5	-6
Profit/loss for the period	16	3	-18	-32	-6	-15	-478	-20	12	1	31	24
<i>Items affecting comparability</i>												
Items affecting comparability included in operating profit/loss	-	3	9	14	5	11	478	6	-	3	-6	-3
Operating profit/loss, before items affecting comparability	38	22	18	-1	21	5	10	-7	22	20	42	39
Cash flow from operating activities	21	157	87	17	82	128	29	54	-8	-16	0	-29
Number of employees as of the balance sheet date	777	765	767	794	783	780	801	826	859	849	819	836

Exchange rates

SEK	Average exchange rate			Closing day rate		
	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	31 Mar 2024	31 Mar 2023	31 Dec 2023
DKK	1.5127	1.5043	1.5403	1.5427	1.5138	1.4888
EUR	11.2792	11.1969	11.4765	11.5060	11.2760	11.0960
GBP	13.1728	12.6759	13.1979	13.4153	12.8142	12.7680
NOK	0.9881	1.0201	1.0054	0.9849	0.9954	0.9871
USD	10.3886	10.4280	10.6128	10.6379	10.3539	10.0416

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