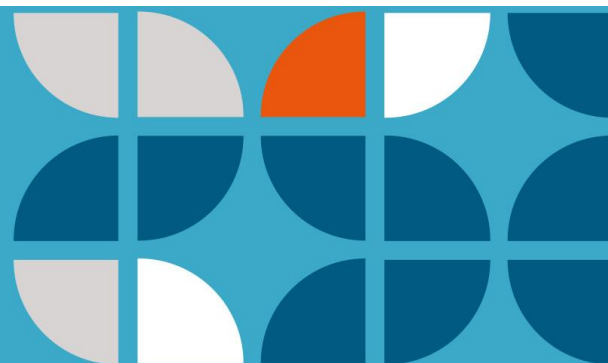


# Interim report April - June 2024



## Important events during the second quarter

- Net sales in Q2 amounted to SEK 178.9 m, corresponding to an increase of 25% compared to last year (23% adjusted for currency effects).
- The EBITDA margin was 19%, corresponding to an increase of 10 percentage points compared to last year.
- Probi and ProViva celebrated 30 years of collaboration, highlighting the success with ProViva's popular probiotic drinks containing Lp299v®.
- Probi strengthened its presence in APAC by launching China Innovation Day, a customer-oriented event focused on fostering collaborations in the Chinese probiotic market.
- Probi further improved its gut-brain offering, Probi® Sensia, with a fourth study focused on its positive effects among older adults.
- The Matas partnership went live, making Probi consumer products now available in Denmark.
- Probi enhanced its sustainability efforts by partnering with Bower to incentivize consumers in Sweden and Norway to recycle Probi consumer packaging.
- Probi's Annual General Meeting decided on a dividend of SEK 1.30 per share.

19%

EBITDA margin

SEK

179 m

Net sales

## Financial overview

SEK m	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
Net sales	178.9	143.7	330.6	315.5
Growth, %	24.5%	-17.6%	4.8%	-4.2%
Currency adjusted growth, %	23.2%	-21.3%	4.3%	-10.3%
Gross margin, %	34.2%	32.5%	33.5%	37.9%
EBITDA	34.2	12.9	56.2	60.2
EBITDA margin, %	19.1%	9.0%	17.0%	19.1%
Operating profit (EBIT)	7.4	-11.0	5.4	12.6
EBIT margin, %	4.1%	-7.6%	1.6%	4.0%
Net income	8.0	-6.3	9.9	13.0
Earnings per share before and after dilution, SEK	0.71	-0.55	0.87	1.14

See note 5 for definitions of ratios not defined according to IFRS

*This information is information that Probi AB is obliged to make public pursuant to the EU Market Abuse. The information was submitted for publication, through the agency of the CEO and CFO, on July 16, 2024 at 08:00 CET. This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.*

# Significant progress on strategic initiatives

The first half of 2024 has now passed, and it was a busy period during which we made significant progress. Q2's results, although partly impacted by low comparatives, demonstrate a very strong development. The solid performance aligns with our expectations and compensates for the slightly weaker results in Q1, effectively balancing our overall performance for the first half of the year. We are currently on track to meet our targets for the full year, which are largely expected to be in line with last year's results.

This quarter I spent significant time engaging with our customers and partners, gathering valuable insights that enable us to stay ahead in our market offerings and product development. We have continued restructuring our commercial organization and successfully intensified our overall focus on accelerating growth, showing promising initial results. Our customer project pipeline is trending positively, and we are seeing high activity across all our regions. I am confident that the impact of our activities will start to become more evident from the year-end and increase gradually moving forward.

One of my key takeaways from this period, which was largely characterized by customer interactions and various industry events, is the significant recognition that we receive for our science-based approach and high-quality products. This confirms that we are on the right track, underpinning our revised business strategy. More importantly, it motivates us to continue innovating and developing even more unique high-quality solutions for, and in collaboration with, our customers. It is difficult to cover all promising activities happening in our business this transitional year. However, it is safe to say that I see a lot of positive customer engagement and an increased internal focus on meeting both our customers' and end

consumers' needs throughout our organization. Some of the major emerging trends in the biotics industry right now include gut health, mental health, and metabolic health. These areas are gaining significant attention and driving innovation within the sector, and we are well equipped to utilize our unique strengths to be at the forefront.

In addition to our increased commercial focus, we are continuing our efforts to enhance Probi's internal processes and production-related procedures. We are making steady progress and initial data shows positive results, although we do not expect a notable impact until the end of the year at the earliest. I am however confident that the synergy between these two strategic initiatives, alongside new products, is key to reclaiming our historical achievements: producing steady growth and improved margins. Recent updates to our production facilities have also enabled us to significantly lower our power usage and minimize emissions, advancing us towards our sustainability targets.

To summarize, I am very pleased with the results of this quarter, which have largely been achieved thanks to the hard work and dedication of Probi's employees. However, we are still in an ongoing transition period, working diligently to implement essential changes and improvements to achieve long-term strength. This quarter marks a positive milestone, and although no major financial improvements are expected in the full year results for 2024, I am committed to achieving further progress and continued success as we move forward.

**Anita Johansen**  
CEO



“This quarter marks a positive milestone, and I am committed to achieving further progress and continued success as we move forward”



## Net sales

### April – June (second quarter)

During Q2, net sales amounted to SEK 178.9 m (143.7) corresponding to an increase of SEK 35.2 m or 25%. Adjusted for currency effects, net sales amounted to SEK 177.0 m, corresponding to an increase of 23%.

The increase of SEK 35.2 m is driven by growth in EMEA of 80% and America up 19%.

Americas is impacted by quarter-to-quarter timing, but business wins are also contributing to the growth.

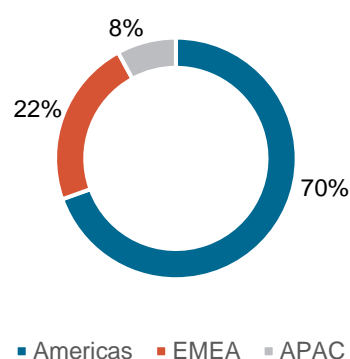
EMEA sales last year were impacted by inventory corrections at major accounts and one-time effects of insourcing B2C sales in Sweden. The B2C business in the Nordics is currently outperforming our internal goals and customer wins in EMEA further fuel the growth. In fact, Q2 sales in EMEA are at an all-time high.

APAC saw lower sales in Q2. Cross border sales into China were significantly reduced compared to 2023 and are currently impacting all players including

Probi. Other major accounts have been exposed to timing driven by both inventory corrections and timing of launches. Despite lower sales than last year, Probi's competitive position in the market has been maintained.

The share of total net sales in the Americas during Q2 was 70%. EMEA accounted for 22% and APAC 8%.

Net Sales distribution per segment



### Net sales per segment

SEK m	Apr-Jun			Jan-Jun		
	2024	2023	Change, %	2024	2023	Change, %
Americas	124.3	104.8	18.6%	239.6	235.5	1.7%
EMEA	40.3	22.4	79.9%	62.6	42.3	48.0%
APAC	14.2	16.5	-13.9%	28.4	37.7	-24.7%
<b>Net sales</b>	<b>178.9</b>	<b>143.7</b>	<b>24.5%</b>	<b>330.6</b>	<b>315.5</b>	<b>4.8%</b>



## Earnings

### Operating profit/loss (EBIT)

The operating profit/loss for Q2 amounted to SEK 7.4 m (-11.0), corresponding to an increase of SEK 18.4 m. Adjusted for currency effects, the operating profit/loss was SEK 7.2 m. The gross profit in Q2 of SEK 61.3 m is ahead of last year's Q2 due to higher sales and a slightly higher gross profit margin. This helped close the gap on a YTD basis, though H1 2024 is still below H1 2023's gross profit and margin. The main drivers are resources added in operations during 2023 to facilitate the improvements to production. The added resources involve both internally and consultants, as well as investments in equipment. The initial results are very promising, and we are confident the investments made will pay off towards the end of 2024 and beyond.

Sales and marketing costs amounted to SEK 28.9 m (33.6) due to the phasing of costs. One example being the timing of marketing expenses to support the Nordic B2C business being back-end loaded for the year. In general, the full year costs are planned to increase year-over-year in line with the decision to strengthen our sales and marketing teams.

Research and development expenses were slightly lower than last year and amounted to SEK 9.1 m (9.7). This is mainly explained by the phasing of various research project costs over the year.

Administration expenses amounted to SEK 15.7 m (14.4). The increase is related to strengthening the organization and general inflation.

### Operating profit/loss

SEK m	Apr-Jun			Jan-Jun		
	2024	2023	Change, %	2024	2023	Change, %
Gross profit Americas	32.2	25.3	27.3%	63.2	73.4	-13.9%
Gross profit EMEA	22.7	11.5	97.4%	33.3	22.5	48.0%
Gross profit APAC	6.4	9.9	-35.4%	14.3	23.8	-39.9%
<b>Gross profit</b>	<b>61.3</b>	<b>46.7</b>	<b>31.3%</b>	<b>110.8</b>	<b>119.7</b>	<b>-7.4%</b>
Sales and marketing expenses	-28.9	-33.6	-14.0%	-54.7	-59.9	-8.7%
Research and development expenses	-9.1	-9.7	-6.2%	-19.8	-19.4	2.1%
Administration expenses	-15.7	-14.4	9.0%	-30.8	-27.8	10.8%
Other operating expenses	-0.2	0.0	—	-0.2	0.0	—
<b>Operating profit (EBIT)</b>	<b>7.4</b>	<b>-11.0</b>	<b>-167.3%</b>	<b>5.4</b>	<b>12.6</b>	<b>-57.1%</b>

### Financial result

The financial result for Q2 amounted to SEK 1.8 m (2.3). Net financial items excluding exchange rate results amounted to SEK 2.1 m (1.3) and consisted mainly of interest on bank balances and leasing contracts. The exchange rate result amounted to SEK -0.3 m (1.0) in Q2 and refers to the translation of cash and cash equivalents into foreign currency.

### Net income for the period

The Net income for Q2 amounted to SEK 8.0 m (-6.3). Tax costs for the period amounted to SEK -1.1 m (2.4).

### Earnings per share

Earnings per share for Q2 amounted to SEK 0.71 (-0.55).



## Operating segments

The operating segments of Probi are based on a geographical division and consist of the Americas (North and South America), EMEA (Europe, the Middle East and Africa) and APAC (Asia and the Pacific).

### Americas

Net sales in Americas increased by 18.6% and amounted to SEK 124.3 m. Adjusted for currency effects, net sales amounted to SEK 122.6 m. The gross margin for Q2 of 25.9% is in line with last year (24.1). Overall, it was a strong quarter driven by the timing of sales across quarters, but new business wins further increased the growth.

Commercially, Probi took several significant steps forward in enhancing our customer relationships and commercial partnerships. In April, Probi attended Supply Side East to showcase our most recent innovations. Probi also attended Digestive Diseases Week in Washington D.C. in May, one of the largest shows in the US focused on digestive health. Additionally, we participated in the IPA World Congress and Probiota Americas 2024 industry event. Probi's US project pipeline is starting to trend in the right direction, and we saw a notable interest in our product offerings.

SEK m	Apr-Jun			Jan-Jun		
	2024	2023	Change, %	2024	2023	Change, %
Net Sales	124.3	104.8	18.6%	239.6	235.5	1.7%
Cost of goods sold	-92.1	-79.5	15.8%	-176.4	-162.1	8.8%
<b>Gross profit</b>	<b>32.2</b>	<b>25.3</b>	<b>27.3%</b>	<b>63.2</b>	<b>73.4</b>	<b>-13.9%</b>
<b>Gross margin</b>	<b>25.9%</b>	<b>24.1%</b>	<b>1.8 ppt</b>	<b>26.4%</b>	<b>31.2%</b>	<b>-4.8 ppt</b>

### EMEA

Net sales in EMEA increased by 79.9% and amounted to SEK 40.3 m. The gross margin for Q2 was 56.3% (51.2), positively impacted by a favorable customer mix. Overall, it was a very strong quarter with growth driven both by low comparison i.e. last year we reported inventory corrections at major European accounts and sales timing related to insourcing of B2C sales in Sweden. The B2C business in the Nordics is currently outperforming our internal goals. Furthermore, Probi has gained new business in EMEA which also contributed to the sales growth. In fact, the Q2 sales result is an all-time record quarter for the region.

Commercially, Probi achieved another Nordic milestone as the Matas partnership went live, meaning that Probi® products are now available in Denmark, in addition to Sweden and Norway where we already have B2C distribution. Probi also launched its Osteo bone health concept with an Italian customer. Italy is a key market for probiotics, with the highest consumption per capita globally. In general, the company has had many positive customer engagements during the period. The Vitafoods Europe exhibition, which gathers more than 25,000 industry experts every year, including Probi, provided valuable market insights and created numerous new commercial connections.

SEK m	Apr-Jun			Jan-Jun		
	2024	2023	Change, %	2024	2023	Change, %
Net Sales	40.3	22.4	79.9%	62.6	42.3	48.0%
Cost of goods sold	-17.6	-10.9	61.5%	-29.3	-19.8	48.0%
<b>Gross profit</b>	<b>22.7</b>	<b>11.5</b>	<b>97.4%</b>	<b>33.3</b>	<b>22.5</b>	<b>48.0%</b>
<b>Gross margin</b>	<b>56.3%</b>	<b>51.2%</b>	<b>5.1 ppt</b>	<b>53.2%</b>	<b>53.2%</b>	<b>0.0 ppt</b>



## APAC

Net sales in APAC decreased by 13.9% against Q2 last year and amounted to SEK 14.2 m. The gross margin for Q2 was 44.9% (59.7). Overall cross border e-commerce sales into China were significantly reduced compared to 2023 which are currently impacting all players including Probi. Other major accounts were exposed to timing driven by both inventory positions and timing of launches. Despite lower sales than last year, the competitive position of Probi in the market was maintained.

Commercially, Probi successfully launched our China Innovation Day in Shanghai, a customer-oriented event focused on fostering collaborations in the Asian probiotics market. There was significant interest among our customers. Probi also participated at several other events, of which a highlight was China International Natural Health & Nutrition Expo (NHNE), being Asia's largest expo on natural health and nutrition products. Additional highlights were the CIFST probiotic symposium and New Nutrition Annual Forum. Probi signed several new commercial agreements with customers in China and Korea focused on bone health. In Thailand, Probi signed a new distributor agreement and launched our Lp299v® bulk powder, suitable for food applications and dietary supplements.

SEK m	Apr-Jun			Jan-Jun		
	2024	2023	Change, %	2024	2023	Change, %
Net Sales	14.2	16.5	-13.9%	28.4	37.7	-24.7%
Cost of goods sold	-7.8	-6.6	18.2%	-14.1	-13.9	1.4%
<b>Gross profit</b>	<b>6.4</b>	<b>9.9</b>	<b>-35.4%</b>	<b>14.3</b>	<b>23.8</b>	<b>-39.9%</b>
<b>Gross margin</b>	<b>44.9%</b>	<b>59.7%</b>	<b>-14.8 ppt</b>	<b>50.4%</b>	<b>63.1%</b>	<b>-12.7 ppt</b>

## Corporate events in the quarter

### Organization

Probi has continued to revise its organizational structure and capabilities in line with the updated strategic priorities launched in 2023, creating a more streamlined and customer-focused organization with emphasis on commercialization and sales.

### Sustainability

During Q2 Probi entered a partnership with Bower to increase the recycling of Probi packaging in Sweden and Norway. The Bower application allows consumers to earn points for recycling packaging. The points can then be converted into vouchers, money or donated to charity. The initiative is part of Probi's long-term commitment to minimize its impact and reduce its carbon footprint in line with the UN Sustainable Development Goals. Moreover, Probi has introduced FSC-certified packaging in its B2C offering. The certification will also be implemented for B2B moving forward. Additionally, Probi has made significant upgrades to its US production facilities, reducing power consumption and emissions with new equipment. These efforts are advancing Probi towards its SBTi targets. Probi has also continued to improve its sustainability reporting, taking steps to meet the latest EU regulations and preparing for compliance with the upcoming Corporate Sustainability Reporting Directive (CSRD).

### Research & Development

A fourth clinical study supporting Probi's Gut-Brain health area, specifically the Probi Sensia concept, has been [published](#) in the peer-reviewed journal Probiotics and Antimicrobial Proteins. The study included older adults (>70 years) with chronic low-grade inflammation and investigated the anti-inflammatory effects, alone or in combination with berries. The results showed significantly decreased levels of inflammation, which could play a role in chronic conditions such as cardiovascular disease, diabetes and Alzheimer's disease. Probi also presented the broader scope of clinical documentation underpinning the Probi® Sensia concept at two conferences during the quarter: Nicholas Hall's 34th CHC European conference and the 12th Microbiome, Probiotics & Prebiotics R&D and Business Collaboration Forum.



## Cash flow and cash and cash equivalents

Cash flow from operating activities before changes in working capital increased to SEK 34.4 m (13.7) in Q2 because of a higher operating profit.

Working capital increased sales, and hence account receivables, in Q2 and the cash flow from operating activities amounted to SEK 4.4 m (9.0).

Cash flow from investment activities amounted to SEK -19.2 m (-9.2) and mainly consisted of investments in intangible and tangible fixed assets.

Cash flow from financing activities was SEK -19.3 m (-18.8), of which SEK 14.8 m involved dividends paid and the remainder mainly consisted of amortization of leasing liabilities.

The period's cash flow was SEK -34.5 m (-16.6) and cash and cash equivalents amounted to SEK 305.4 m (301.4).

## Investments

During Q2, investments in intangible fixed assets amounted to SEK 8.7 m (5.6), of which SEK 1.1 m (1.0) related to patents, SEK 5.2 m (2.0) to capitalized development expenses and SEK 2.4 m (2.6) to IT systems. Investments in tangible fixed assets amounted to SEK 10.5 m (3.6), which mainly related to investments in the manufacturing unit at Redmond.

## Employees

At the end of the period, Probi had 162 (164) employees, of which 52% (53) were women. The average number of employees during Q2 amounted to 163 (165).



## Transactions with related parties

During Q2, Probi reported SEK 6.6 m (0.1) in revenue from its largest shareholder, Symrise, and costs amounted to SEK 0.0 m (0.0). No other transactions with related parties occurred during the reporting period.

## Significant risks and uncertainties

Probi pursues continuous efforts to identify and evaluate the various types of risks to which its operations are exposed. To mitigate risks associated with raw material procurement, Probi is securing long-term price agreements. Additionally, in response to rising inflation and cost pressures, Probi has adjusted its pricing strategies, although the full financial impact of these changes may manifest with a delay. Probi is also closely monitoring global geopolitical developments, such as the Russian invasion of Ukraine, for potential indirect impacts on our operations. Other risks and uncertainties to which Probi's operations are exposed are described on pages 46-47 of the annual report for 2023.

## Parent company

During Q2, the parent company's operating income amounted to SEK 91.3 m (62.8). The profit for the period was SEK 24.0 m (2.2), the increase was due to a higher operating profit and net financial items. For further details, please see the information for the Group.

## Financial calendar

Interim report Q3 2024	October 22, 2024
Year-end report 2024	January 28, 2025

## Invitation to teleconference

Probi's interim report for Q2 2024 was published on July 16, 2024, at 8:00 a.m. On the same day at 10:00 a.m., a teleconference will be held with Anita Johansen, CEO and Per Lindblad, CFO, who will present the report. The telephone conference can be accessed via the following link: <https://ir.financialhearings.com/probi-q2-report-2024>

The presentation is available at [www.probi.com](http://www.probi.com) and [www.financialhearings.com](http://www.financialhearings.com).

## Contact

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## Assurance by the Board of Directors

The Board of Directors and CEO declare that this interim report provides a true and fair overview of the parent company's and Group's operations, financial position and results, and describes the significant risks and uncertainties facing the parent company and the Group.

Lund, July 16, 2024

Jean-Yves Parisot  
*Chairman of the Board*

Jörn Andreas  
*Board member*

Stephanie Blum Sperisen  
*Board member*

Charlotte Hansson  
*Board member*

Malin Ruijsenaars  
*Board member*

Anita Johansen  
*CEO*





**THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL**

## Review report

PROBI Aktiebolag corporate identity number 556414-7540

### Introduction

We have reviewed the condensed interim report for PROBI Aktiebolag as at June 30, 2024 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Malmö July 16, 2024

Ernst & Young AB

Peter Gunnarsson  
Authorized Public Accountant



## Consolidated statement of comprehensive income

SEK 000	Notes	Apr-Jun		Jan-Jun	
		2024	2023	2024	2023
<b>Net sales</b>	2	<b>178,883</b>	<b>143,718</b>	<b>330,556</b>	<b>315,537</b>
Cost of goods sold	3	-117,631	-96,998	-219,712	-195,813
<b>Gross profit</b>		<b>61,252</b>	<b>46,720</b>	<b>110,844</b>	<b>119,724</b>
Sales and marketing expenses		-28,921	-33,558	-54,703	-59,864
Research and development expenses		-9,089	-9,675	-19,829	-19,396
Administration expenses		-15,658	-14,422	-30,792	-27,819
Other operating expenses		-176	-26	-155	-26
<b>Operating profit (EBIT)</b>		<b>7,408</b>	<b>-10,961</b>	<b>5,365</b>	<b>12,619</b>
Financial income		2,608	1,880	5,359	3,271
Financial expenses		-565	-518	-982	-1,061
Exchange result financing activities	4	-289	975	1,248	627
<b>Financial result</b>		<b>1,754</b>	<b>2,337</b>	<b>5,625</b>	<b>2,837</b>
<b>Earnings before income taxes</b>		<b>9,162</b>	<b>-8,624</b>	<b>10,990</b>	<b>15,456</b>
Income taxes		-1,118	2,364	-1,093	-2,442
<b>Net income</b>		<b>8,044</b>	<b>-6,260</b>	<b>9,897</b>	<b>13,014</b>
<b>Other comprehensive income</b>					
Components to be reclassified to net income					
Exchange rate differences resulting from the translation of foreign operations		-4,500	47,427	52,717	39,428
Cash flow hedge (currency hedges)		—	—	—	—
Income taxes payable on these components		—	—	—	—
<b>Total components to be reclassified to net income</b>		<b>-4,500</b>	<b>47,427</b>	<b>52,717</b>	<b>39,428</b>
Components not to be reclassified to net income					
Equity instruments at fair value through OCI		237	-4,859	-1,782	-1,127
<b>Total components not to be reclassified to net income</b>		<b>237</b>	<b>-4,859</b>	<b>-1,782</b>	<b>-1,127</b>
<b>Sum of other comprehensive income</b>		<b>-4,263</b>	<b>42,568</b>	<b>50,935</b>	<b>38,301</b>
<b>Total comprehensive income</b>		<b>3,781</b>	<b>36,308</b>	<b>60,832</b>	<b>51,315</b>
Number of outstanding shares at end of the reporting period		11,394,125	11,394,125	11,394,125	11,394,125
Average number of shares		11,394,125	11,394,125	11,394,125	11,394,125
Earnings per share before and after dilution		0.71	-0.55	0.87	1.14

The period's result as well as comprehensive income is attributable in its entirety to the parent company's shareholders. There is no dilution effect, as the company has no outstanding convertible loans or warrants.



## Consolidated statement of financial position

SEK 000	30 June 2024	31 December 2023
<b>ASSETS</b>		
Capitalized development cost	25,179	23,497
Customer base	209,299	211,718
Technology and other intangible assets	105,963	105,053
Goodwill	359,752	340,580
Property, plant and equipment	154,354	145,822
Right-of-use assets	83,456	49,010
Interests in other entities	71,261	73,044
Deferred tax assets	9,872	1,345
<b>Non-current assets</b>	<b>1,019,136</b>	<b>950,069</b>
Inventories	125,967	116,705
Trade receivables	114,844	79,792
Other assets and receivables	16,677	14,227
Cash and cash equivalents	305,437	329,650
<b>Current assets</b>	<b>562,925</b>	<b>540,374</b>
<b>Total assets</b>	<b>1,582,061</b>	<b>1,490,443</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>1,415,099</b>	<b>1,369,080</b>
Deferred tax liabilities	—	—
<b>Provisions</b>	—	—
Non-current lease liabilities	68,176	38,212
Other non-current liabilities	5,571	5,272
<b>Non-current liabilities</b>	<b>73,747</b>	<b>43,484</b>
Trade payables	37,104	34,376
Current lease liabilities	20,670	15,585
Other current liabilities	35,441	27,918
<b>Current liabilities</b>	<b>93,215</b>	<b>77,879</b>
<b>Total liabilities</b>	<b>166,962</b>	<b>121,363</b>
<b>Total equity and liabilities</b>	<b>1,582,061</b>	<b>1,490,443</b>



## Consolidated changes in equity

SEK 000	Share capital	Other contributions received	Cumulative translation differences	Hedging reserve	Fair value reserve	Accumulated profit	Total equity
<b>Opening balance, 1 Jan 2023</b>	<b>58,221</b>	<b>600,205</b>	<b>169,322</b>	—	<b>-28,412</b>	<b>611,232</b>	<b>1,410,567</b>
Net income	—	—	—	—	—	13,014	13,014
Other comprehensive income	—	—	39,428	—	-1,127	—	38,301
<b>Total Comprehensive Income</b>	—	—	<b>39,428</b>	—	<b>-1,127</b>	<b>13,014</b>	<b>51,315</b>
Dividends	—	—	—	—	—	-14,812	-14,812
<b>Total transactions with shareholders</b>	—	—	—	—	—	<b>-14,812</b>	<b>-14,812</b>
<b>Closing balance, 30 Jun 2023</b>	<b>58,221</b>	<b>600,205</b>	<b>208,750</b>	—	<b>-29,539</b>	<b>609,434</b>	<b>1,447,069</b>

SEK 000	Share capital	Other contributions received	Cumulative translation differences	Hedging reserve	Fair value reserve	Accumulated profit	Total equity
<b>Opening balance, 1 Jan 2024</b>	<b>58,221</b>	<b>600,205</b>	<b>133,294</b>	—	<b>-35,878</b>	<b>613,238</b>	<b>1,369,080</b>
Net income	—	—	—	—	—	9,897	9,897
Other comprehensive income	—	—	52,717	—	-1,782	—	50,935
<b>Total Comprehensive Income</b>	—	—	<b>52,717</b>	—	<b>-1,782</b>	<b>9,897</b>	<b>60,832</b>
Dividends	—	—	—	—	—	-14,812	-14,812
<b>Total transactions with shareholders</b>	—	—	—	—	—	<b>-14,812</b>	<b>-14,812</b>
<b>Closing balance, 30 Jun 2024</b>	<b>58,221</b>	<b>600,205</b>	<b>186,011</b>	—	<b>-37,660</b>	<b>608,323</b>	<b>1,415,099</b>



## Consolidated cash flow statement

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
<b>Net income</b>	<b>8,044</b>	<b>-6,260</b>	<b>9,897</b>	<b>13,014</b>
Adjustments to reconcile net income to cash from operating activities				
Income taxes	1,118	-2,364	1,093	2,442
Interest result	-2,043	-1,362	-4,377	-2,210
Amortization, depreciation and impairment of non-current assets	26,806	23,909	50,856	47,595
Other non-cash expenses and income	462	-206	527	-165
<b>Cash flow before working capital changes</b>	<b>34,387</b>	<b>13,717</b>	<b>57,996</b>	<b>60,676</b>
Change in trade receivables and other current assets	-46,616	14,880	-36,133	-13,253
Change in inventories	235	-5,549	-3,478	-18,243
Change in trade payables and other current liabilities	21,180	-9,312	12,785	1,668
Income taxes paid	-4,761	-4,777	-7,861	-9,100
<b>Cash flow from operating activities</b>	<b>4,425</b>	<b>8,959</b>	<b>23,309</b>	<b>21,748</b>
Payments for investing in intangible assets	-8,727	-5,619	-11,077	-10,373
Payments for investing in property, plant and equipment	-10,527	-3,562	-15,629	-13,146
Divestments of tangible assets	42	10	43	10
<b>Cash flow from investing activities</b>	<b>-19,212</b>	<b>-9,171</b>	<b>-26,663</b>	<b>-23,509</b>
Interest paid	-451	-528	-880	-1,081
Interest received	371	310	738	741
Repayments for lease obligations	-4,370	-3,751	-8,277	-7,432
Dividends paid	-14,812	-14,812	-14,812	-14,812
<b>Cash flow from financing activities</b>	<b>-19,262</b>	<b>-18,781</b>	<b>-23,231</b>	<b>-22,584</b>
Cash flow for the period	-34,049	-18,993	-26,585	-24,345
Effects of changes in exchange rates	-488	2,395	2,372	1,996
<b>Change in cash and cash equivalents</b>	<b>-34,537</b>	<b>-16,598</b>	<b>-24,213</b>	<b>-22,349</b>
<b>Cash and cash equivalents at opening balance</b>	<b>339,974</b>	<b>317,955</b>	<b>329,650</b>	<b>323,706</b>
<b>Cash and cash equivalents at closing balance</b>	<b>305,437</b>	<b>301,357</b>	<b>305,437</b>	<b>301,357</b>



## Parent company's condensed financial statements

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
<b>Operating revenue</b>	91,327	62,773	155,065	144,784
Operating costs	-28,043	-16,982	-45,430	-35,832
Gross profit	63,284	45,791	109,635	108,952
<b>Operating profit (EBIT)</b>	<b>27,117</b>	<b>6,574</b>	<b>38,550</b>	<b>37,773</b>
Result from financial income and expenses	3,025	-2,443	4,827	1,823
Income before tax	30,142	4,132	43,377	39,597
<b>Net income</b>	<b>24,035</b>	<b>2,193</b>	<b>34,025</b>	<b>31,011</b>

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
<b>Net income</b>	<b>24,035</b>	<b>2,193</b>	<b>34,025</b>	<b>31,011</b>
<b>Sum of other comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total comprehensive income</b>	<b>24,035</b>	<b>2,193</b>	<b>34,025</b>	<b>31,011</b>

SEK 000	30 June 2024	31 December 2023
<b>ASSETS</b>		
Non-current assets	1,032,602	1,033,004
Current assets	360,352	337,125
<b>Total assets</b>	<b>1,392,954</b>	<b>1,370,129</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	1,356,450	1,337,238
Current liabilities	36,504	32,891
<b>Total equity and liabilities</b>	<b>1,392,954</b>	<b>1,370,129</b>



# Notes

## 1. Accounting and valuation principles

### The Group

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The condensed financial statements in the interim report are covered on pages 10-17. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided both here and elsewhere in the interim report. The ESMA guidelines on alternative performance measures apply.

The accounting principles applied when these consolidated accounts were prepared have been applied consistently for all periods presented, unless otherwise stated. Complete accounting principles can be found on pages 65-66 of the annual report for 2023.

The parent company's functional currency is Swedish kronor (SEK), which is also the reporting currency for both the parent company and the Group. All amounts stated are rounded to the nearest thousand kronor unless otherwise stated.

Amounts and figures in parentheses refer to comparative figures for the corresponding period of the previous year. Amounts are expressed in Swedish kronor (SEK), thousands (TSEK) or millions (SEK m) according to the unit stated.

### Parent company

The parent company applies the same accounting principles as the Group apart from IFRS 16 "Leasing" and with the exceptions and additions that appear in RFR 2 "Accounting for legal entities". The interim report complies with the Annual Accounts Act.

## 2. Revenue from contracts with customers

A breakdown by category of the Group's net sales from contracts with customers is presented below:

TSEK	Apr-jun 2024				Apr-jun 2023			
	Americas	EMEA	APAC	Totalt	Americas	EMEA	APAC	Totalt
Varor	122,220	39,665	14,211	<b>176,096</b>	103,395	21,988	16,508	<b>141,891</b>
Royalty	2,115	672	—	<b>2,787</b>	1,418	409	—	<b>1,827</b>
<b>Nettoomsättning</b>	<b>124,335</b>	<b>40,337</b>	<b>14,211</b>	<b>178,883</b>	<b>104,813</b>	<b>22,397</b>	<b>16,508</b>	<b>143,718</b>

TSEK	Jan-jun 2024				Jan-jun 2023			
	Americas	EMEA	APAC	Totalt	Americas	EMEA	APAC	Totalt
Varor	235,693	61,482	28,428	<b>325,602</b>	232,065	41,023	37,675	<b>310,763</b>
Royalty	3,874	1,080	—	<b>4,954</b>	3,447	1,327	—	<b>4,774</b>
<b>Nettoomsättning</b>	<b>239,567</b>	<b>62,562</b>	<b>28,428</b>	<b>330,556</b>	<b>235,512</b>	<b>42,350</b>	<b>37,675</b>	<b>315,537</b>





### 3. Currency translation from operating activities

The following table shows the exchange gains and losses from operating activities that are recognized under cost of goods sold:

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
Exchange gains operating activities	770	1,694	1,886	2,681
Exchange losses operating activities	-869	-1,239	-1,782	-1,852
<b>Exchange result operating activities</b>	<b>-99</b>	<b>455</b>	<b>104</b>	<b>829</b>

### 4. Currency translation from financial activities

The following table shows the exchange gains and losses from financing activities that are recognized in the financial results:

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
Exchange gains financing activities	518	1,056	2,538	1,894
Exchange losses financing activities	-807	-81	-1,290	-1,267
<b>Exchange result financing activities</b>	<b>-289</b>	<b>975</b>	<b>1,248</b>	<b>627</b>

### 5. Definition of alternative performance indicators not defined in IFRS

Probi presents certain financial key performance indicators (KPIs) in the interim report that are not defined according to IFRS. Probi believes that these indicators provide valuable supplementary information to investors and the company's management. Since not all companies calculate alternative KPIs in the same way, these are not always comparable to indicators used by other companies. However, these indicators should not be considered as a substitute for financial indicators required in accordance with IFRS. The following alternative KPIs are reported in the interim report:

#### Operating profit/loss (EBIT)

The operating profit/loss (EBIT) is defined as the profit/loss before financial income, expenses and tax for the period and is used as a measure of the company's profitability.

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
Net income	8,044	-6,260	9,897	13,014
Income taxes	1,118	-2,364	1,093	2,442
Financial result	-1,754	-2,337	-5,625	-2,837
<b>Operating profit (EBIT)</b>	<b>7,408</b>	<b>-10,961</b>	<b>5,365</b>	<b>12,619</b>

#### EBITDA

EBITDA is defined as the operating profit (EBIT) before depreciation and impairment and is used as a measure of the company's profitability.

SEK 000	Apr-Jun		Jan-Jun	
	2024	2023	2024	2023
Operating profit (EBIT)	7,408	-10,961	5,365	12,619
Depreciation and amortization	26,806	23,909	50,856	47,595
<b>EBITDA</b>	<b>34,214</b>	<b>12,948</b>	<b>56,221</b>	<b>60,214</b>



Other alternative KPIs	Definition/ Basis of calculation	Purpose
<b>Gross margin</b>	Defined as gross profit divided by net sales	Used to measure product profitability
<b>EBITDA margin</b>	Defined as EBITDA divided by net sales	Used to measure the company's profitability before depreciation and impairment of tangible and intangible assets
<b>Currency adjusted net sales growth</b>	Defined as net sales for the year translated at the preceding year's exchange rates divided by the preceding year's net sales	Used to measure underlying net sales growth
<b>RTM</b>	Rolling twelve months. Refers to full-year figure for the last four quarters	Gives an indication of development without having to wait for the comparative period next year
<b>Operating margin</b>	Defined as the operating profit divided by net sales	Used to measure the company's profitability

## About Probi

Probi® is a global Group that focuses exclusively on research, manufacturing and delivery of probiotics in dietary supplements and food. The company has expertise in managing live bacteria from research through all stages of the manufacturing process and is dedicated to making the health-promoting benefits of probiotics available to people around the world. Since the company was founded in 1991 at Lund University in Sweden, Probi has expanded its operations to more than 40 markets and holds around 400 patents worldwide. Probi had sales of SEK 628 m in 2023. Probi's shares are listed on Nasdaq Stockholm, Mid-cap, and there were around 3,400 shareholders on December 31, 2023.

