BioGaia®

Interim Management Statement

January – March 2025

Q1 2025

FIRST QUARTER 2025

Net sales amounted to SEK 366.3 million (369.8), a decrease of SEK 3.5 million, or a decrease of 1% (excluding foreign exchange effects a decrease of 3.6%).

Net sales in the Pediatrics segment amounted to SEK 269.9 million (292.3), a decrease of 8% (excluding foreign exchange effects a decrease of 10%).

Net sales in the Adult Health segment amounted to SEK 94.6 million (74.8), an increase of 26% (excluding foreign exchange effects an increase of 23%).

Operating expenses amounted to SEK 171.2 million (122.6), an increase of SEK 48.6 million (40%). Operating expenses, excluding items affecting comparability, increased by 46% to SEK 171.2 million (117.6).

Operating profit decreased by 32% to SEK 97.1 million (143.2), which corresponds to an operating margin of 27% (39%).

Adjusted operating profit decreased by 34% to SEK 97.1 million (148.2), which corresponds to an adjusted operating margin of 27% (40%).

Profit after tax amounted to SEK 80.2 million (121.8), a decrease of 34%.

Earnings per share amounted to SEK 0.79 (1.21) before and after dilution. Cash flow amounted to SEK 33.2 million (40.9). Cash and cash equivalents amounted to SEK 1,249.3 million (1,591.4).

Key events in the first quarter of 2025
On January 16 BioGaia announced that in line with its long-term successful strategy to market and sell its products through own subsidiaries in certain prioritized markets, BioGaia terminated the contract with its current partner in France.

On March 20 BioGaia announced that Annwall & Rothschild Investments AB (owned by Jan Annwall and BioGaia's Chairman Peter Rothschild), another member of the Rothschild family and David Dangoor (BioGaia's Vice Chairman), entered into an agreement whereby Annwall & Rothschild Investments AB will sell all of its BioGaia shares, and David Dangoor and the other Rothschild family member will sell half of their shares in BioGaia, to existing BioGaia shareholders Anatom Holding AG and other separate entities, all owned by different members of the Kahane family.

Key events after the end of the first quarter
No key events that are not mentioned in this interim management statement took place after the end of the first quarter.

Jan – Mar 2025

Net sales
366
SEK million

Change in sales
-1%
-4% excl. FX

Operating profit
97
SEK million

Operating margin
27%

	Jan – Mar 2025	Jan – Mar 2024
Net sales, SEK thousands	366,265	369,796
Growth in net sales	-1%	1%
Operating profit, SEK thousands	97,137	143,183
Operating margin	27%	39%
Profit after tax, SEK thousands	80,197	121,847
Number of shares before dilution, thousands	101,162	100,982
Number of shares after dilution, thousands	101,162	100,992
Earnings per share before dilution, SEK	0.79	1.21
Earnings per share after dilution, SEK	0.79	1.21

This information is information that BioGaia AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the CEO, at 08.00 a.m. CET on 7 May 2025.

Q1 2025

BioGaia AB (publ.) Interim management statement 2025

The Board of Directors and the CEO of BioGaia AB hereby present the interim management statement for the period 1 January – 31 March 2025.

CEO's comment

Q1 2025

Following a year of strong growth and continued global expansion, BioGaia enters 2025 with sales relatively flat versus last year, however we anticipate getting back to growth next quarter. Americas is performing well with strong double-digit growth seen in the quarter. France has been added as a new direct market, and our percentage of direct distribution sales will continue to grow. We recently announced a shift in ownership that will represent the next chapter in our company's story while maintaining our successful long-term strategy.

Sales for the first quarter were in line with the same period last year. Our net sales reached SEK 366 million, representing a decline of 1% compared to Q1 2024 (a decline of 4% adjusted for currency effects). This has mainly to do with order variability for Asia Pacific and EMEA. In the quarter we have successfully increased our marketing and distribution investments. The operating margin was 27% compared to 39% in the same quarter last year.

This quarter, the pediatric segment experienced a decline of 8%, while our adult segment continues to demonstrate impressive growth, increasing by 26% compared to the same period last year. In particular, our gut health and oral health range, led by BioGaia Gastrus and BioGaia Prodentis, continue to perform strongly across a growing number of markets.

Mixed results in our market areas

In EMEA, sales decreased by 23% during the quarter, with a decline in sales in France mainly due to our decision to terminate the distribution agreement with our local partner. We also experienced a dip in sales in Romania, Poland, and South Africa, while Italy, Finland, and Belgium have delivered strong results.

Asia Pacific decreased in sales by 19%, due to weaker sales to our key markets, China and Japan, and this is mainly due to order variability. It is also worth noting that the same quarter last year was an exceptionally strong quarter, making the comparison more challenging. In Australia, Hong Kong, and Indonesia, we had significantly strong results.

In the Americas, we achieved excellent results in the quarter with a growth of 42%, thanks to increased marketing activities and broader distribution channels in the USA, along with continued strong development on Amazon. Both BioGaia USA and BioGaia Canada demonstrated robust growth in sales of our adult products: BioGaia Prodentis and BioGaia Gastrus. In Latin America, we had a double-digit increase with especially positive developments in Brazil, Chile, Guatemala, and Colombia, supported by regional training and marketing initiatives.

Direct market expansion in France

In line with our long-term strategy to establish direct presence in key markets, we made the strategic decision to terminate our distribution agreement in France. This move allows us to take the business direct through our newly formed subsidiary, enabling closer customer relationships, greater agility, and stronger brand presence.

France is one of Europe's largest probiotic markets, with nearly half the population having used probiotics within the past two years. With growing consumer awareness around the benefits of scientifically backed probiotics, we see significant potential to expand BioGaia's footprint and product offering in this important market. While this transition may result in temporary sales fluctuations, it positions us for long-term growth and brand building in a high-opportunity market.

Change in ownership — a new chapter for BioGaia

This quarter also marked a historic milestone for BioGaia. In March, a shareholder transition was announced in which Anatom Holding AG, a Switzerland-based, long-term investment firm with deep experience in the health and ingredients markets, will become BioGaia's new anchor shareholder. The transaction reflects a shared long-term belief in BioGaia's future potential and continued growth.

After more than three decades of dedicated ownership and a long-term successful strategy, BioGaia's founders Peter Rothschild and Jan Annwall, who have been with the company since its founding in 1990, have chosen to pass the torch to a new generation of long-term investors. Our current Chairman of the Board, Peter Rothschild, will step down in August of this year. On behalf of the entire team at BioGaia, I want to thank Peter and Jan for their vision and unwavering commitment in building BioGaia from the ground up into the global brand it is today. We are pleased that Peter will remain engaged as an advisor during the transition.

We look forward to working with Anatom as we continue our mission to bring scientifically proven, probiotic-based health solutions to people around the world.

Looking ahead to 2025

We remain confident in our long-term focus: leveraging science-backed innovation, investing in key markets, and strengthening our brand visibility and engagement among consumers and healthcare professionals globally. 2025 is shaping up to be an exciting year, fueled by ambitious plans and a growing team of dedicated and experienced colleagues.

Theresa Agnew
President and CEO, BioGaia
7 May 2025

Teleconference: Investors, analysts, and the media are invited to take part in a teleconference on the interim management statement to be held today, 7 May 2025, at 09:30 a.m. CEST with CEO Theresa Agnew and CFO Alexander Kotsinas. More information about the teleconference is available here https://financialhearings.com/event/51892.

Q1 2025

Net sales

SEKm	Jan – Mar 2025	Jan – Mar 2024	Change
Pediatrics	269.9	292.3	-8%
Adult Health	94.6	74.8	26%
Other	1.8	2.7	-34%
Total	**366.3**	**369.8**	**-1%**

SEKm	Jan – Mar 2025	Jan – Mar 2024	Change
EMEA	123.7	161.5	-23%
APAC	69.1	85.8	-19%
Americas	173.5	122.5	42%
Total	**366.3**	**369.8**	**-1%**

SALES FIRST QUARTER

Consolidated net sales amounted to SEK 366.3 million (369.8), which is a decrease of SEK 3.5 million, or a decrease of 1% (excluding foreign exchange effects a decrease of 3.6%). Over the past 12-month period, sales rose 9%.

Sales in EMEA amounted to SEK 123.7 million (161.5), a decrease of 23%, which was due to lower sales in the Pediatrics and the Adult Health segments. Sales decreased mainly in France, South Africa and Eastern Europe. Sales for the quarter were negatively impacted by the decision to start selling direct in France.
Sales were positively impacted by an extension of a royalty agreement amounting to SEK 6.7 million.

Sales in APAC amounted to SEK 69.1 (85.8), a decrease of 19%, which was due to lower sales in the Pediatrics segment, while sales increased in the Adult Health segments. Sales decreased mainly in China due to quarterly variations for individual orders.

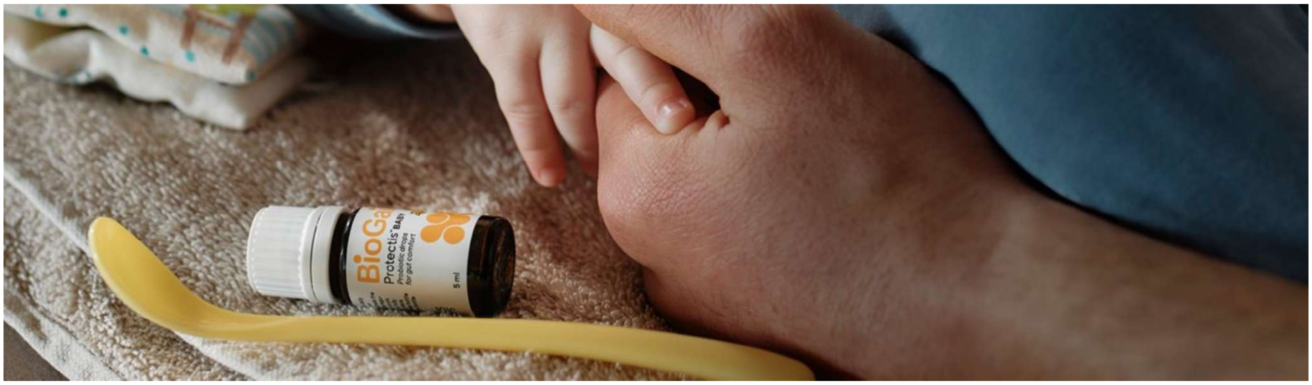
Sales in Americas totaled SEK 173.5 million (122.5), up 42% due to increased sales in the Pediatrics and the Adult Health segments. Sales increased mainly in USA, Brazil and Canada.

Net sales bridge first quarter

SEKm		Change
2024	369.8	
Foreign exchange	9.7	2.6%
Organic growth	-13.2	-3.6%
2025	**366.3**	**-1.0%**

Q1 2025

Pediatrics



The Pediatrics segment accounts for approximately 74% of BioGaia's total sales. BioGaia Protectis drops remain the most sold product and are sold in more than 100 countries. Other key products within the Pediatrics segment include Protectis tablets, oral rehydration solution as well as cultures to be used as ingredients in licensee products.

SEKm	**Jan – Mar 2025**	**Jan – Mar 2024**	**Change**
Pediatrics	269.9	292.3	-8%

PEDIATRIC SALES FIRST QUARTER

Sales in the Pediatrics segment amounted to SEK 269.9 million (292.3), a decrease of 8% (excluding foreign exchange effects a decrease of 10%). Over the past 12-month period, sales rose 7%.

Sales of BioGaia Protectis drops decreased compared to the corresponding period last year. Sales decreased in EMEA and APAC while sales increased in Americas.

Sales of BioGaia Protectis tablets within Pediatrics decreased compared to the corresponding period last year. Sales decreased in EMEA, mainly in South Africa and Eastern Europe. Sales were positively impacted by an extension of a royalty agreement amounting to SEK 6.7 million.

Q1 2025

Adult Health

The Adult Health segment accounts for approximately 26% of BioGaia's total sales. Sales mainly comprise BioGaia Protectis, BioGaia Gastrus, BioGaia Prodentis, BioGaia Osfortis, as well as cultures as an ingredient in a licensee's dairy products and Nutraceutics' own products.

SEKm	Jan – Mar 2025	Jan – Mar 2024	Change
Adult Health	94.6	74.8	26%

ADULT HEALTH SALES FIRST QUARTER

Sales in the Adult Health segment amounted to SEK 94.6 million (74.8), an increase of 26% (excluding foreign exchange effects an increase of 23%). Over the past 12-month period, sales rose 16%.

Sales of BioGaia Protectis tablets increased compared to the corresponding period last year. Sales increased in APAC, mainly in Hong Kong and South Korea.

Sales of BioGaia Gastrus increased compared to the corresponding period last year. Sales increased in Americas and APAC, mainly in USA and Japan.

Sales of BioGaia Prodentis increased compared to the corresponding period last year. Sales increased in Americas, mainly in USA.

Earnings

FIRST QUARTER

Gross margin
The total gross margin amounted to 73% (72%).

The gross margin for the Pediatrics segment amounted to 75% (75%) and for the Adult Health segment to 67% (57%). The Adult Health gross margin increased compared to the same quarter last year due to a more favorable geographic sales mix effect and previous price increases.

Operating expenses and operating profit
Operating expenses amounted to SEK 171.2 million (122.6), an increase of SEK 48.6 million (40%) mainly due to increased selling expenses and exchange losses on receivables. Operating expenses, excluding items affecting comparability, increased by 46% to SEK 171.2 million (117.6). Items affecting comparability in the same quarter last year included litigation fees in connection with the termination of the distribution agreement in Italy.

Selling expenses amounted to SEK 113.1 million (96.0), an increase of 18%, mainly due to higher costs for sales and marketing activities.

R&D expenses amounted to SEK 22.7 million (25.1), a decrease of 10%, mainly due to decreased clinical study costs in the quarter.

Administrative expenses amounted to SEK 11.1 million (13.9), a decrease of 20%. The administrative expenses in the same quarter last year were higher due to the litigation fees in connection with the termination of the distribution agreement in Italy.

Other operating income refers to exchange losses on receivables and liabilities of an operating nature and amounted to SEK 24.4 million (-12.4).

Operating profit amounted to SEK 97.1 million (143.2), a decrease of 32%. The operating margin was 27% (39%).

Adjusted operating profit amounted to SEK 97.1 million (148.2), a decrease of 34%. The adjusted operating margin was 27% (40%).

Net financial items amounted to SEK 4.8 million (10.4). Net financial items were impacted by the adjustment of the value of the earn-out in relation to Nutraceutics in the amount of SEK -1.8 million (-1.2).

Profit after tax and earnings per share
Profit after tax amounted to SEK 80.2 million (121.8), a decrease of 34%. The effective tax rate was 21% (21%).

Earnings per share amounted to SEK 0.79 (1.21) before dilution and SEK 0.79 (1.21) after dilution.

Balance sheet and cash flow

Balance sheet 31 March 2025

Total assets amounted to SEK 2,032.2 million (2,480.0).

Goodwill from the acquisition of Nutraceutics was adjusted for currency translation. The financial liability for the additional purchase price was value adjusted. For more information, see Note 3.

Compared with 31 December 2024, receivables and inventories increased whereas payables decreased.

Cash and cash equivalents amounted to SEK 1,249.3 million (1,591.4).

Cash flow first quarter

Cash flow amounted to SEK 33.2 million (40.9).

Cash flow from operating activities amounted to SEK 35.7 million (51.9). The decrease in cash flow from operating activities was mainly due to lower operating profit.

Investments amounted to SEK 0.7 million (8.8).

Other disclosures

Employees

The number of employees in the Group on 31 March 2025 totaled 224 (211 on 31 March 2024).

The company has an incentive program for all employees based partly on the company's sales and profit and partly on individual targets. The maximum bonus is equal to 12% of annual salary. In addition to this program, BioGaia has also implemented an employee stock option program as resolved by the 2024 Annual General Meeting. The program involves the issue of a maximum of 500,000 employee stock options where each employee stock option shall entitle the holder to, at the achievement of certain goals after a three-year vesting period, acquire one (1) new B-share in the company at an exercise price corresponding to 125 percent of the volume weighted average price of the company's B-share according on Nasdaq Stockholm during the ten (10) trading days preceding the general meeting. In addition, it was proposed that a maximum of 91,642 warrants are issued to cover any cash flow effects due to social security costs arising from the program. 490,000 of the stock options were granted on the 16th of March 2025 whereof 305,000 were granted to management. IFRS 2 has been used to calculate the costs associated with the program. The costs are less than SEK 0.1 million in the quarter.

Future outlook

BioGaia's goal is to create strong value growth and a good return for its shareholders. This will be achieved through a greater emphasis on the BioGaia brand, online sales, increased sales to both existing and new customers and a controlled cost level.

The long-term financial target is an operating margin of at least 34% with continued strong growth and increased investments in research, product development, brand building and in the sales organization. BioGaia's dividend policy is to pay a shareholder dividend equal to 50% of profit after tax in the Group excluding non-recurring items. For the coming years BioGaia intends to give extra dividends of 50% to 100% of profit after tax in the Group excluding non-recurring items, provided that the future cash flows are in line with BioGaia's projections.

In view of the company's strong portfolio consisting of an increased number of innovative products that are sold predominantly under the BioGaia brand, successful clinical trials and a strong distribution network that covers a large share of key markets for BioGaia, BioGaia's future outlook remains bright.

Significant risks and uncertainties – Group and Parent Company

Significant risks and uncertainties are described in the administration report of the annual report for 2024 on pages 137 and 138 and in Notes 26 and 27. No significant changes in these risks and uncertainties are assessed to have taken place on 31 March 2025 except for increased geopolitical and trade uncertainties, including challenging global economic conditions, market trends and the imposition of tariffs and sanctions.

Related party transactions

Annwall & Rothschild Investment AB owns 3,703,340 class A shares and 500,000 class B shares, corresponding to 4.2% of the share capital and 27.9% of the voting rights in BioGaia AB. Annwall & Rothschild Investment AB is owned by Peter Rothschild and Jan Annwall. Peter Rothschild is Chairman of the Board of BioGaia AB and receives a director's fee of SEK 730,000 per year. During the quarter, Peter Rothschild received additional remuneration for significant working duties, in addition to his assignment on the Board, of SEK 150,000 in accordance with the decision of the Annual General Meeting and the Board of Directors.

Key events in the first quarter of 2025

Launches

Distributor	Country	Product
Medicatrix	Morocco	BioGaia Protectis drops
Medicatrix	Morocco	BioGaia Protectis tablets
Abbott	Nicaragua	BioGaia Protectis drops
Abbott	Nicaragua	BioGaia Protectis tablets
Abbott	Kuwait	BioGaia Protectis drops
BioVagen	Vietnam	BioGaia Protectis Minipack
Everlast	China	BioGaia Pharax
Everlast	China	BioGaia Protectis drops
BioGaia UK	United Kingdom	BioGaia Protectis tablets with a new flavor (lemon)
BG Distribution	Hungary	BioGaia Prodentis Kids lozenges

BioGaia terminates the distribution contract with its partner in France to take the business direct.
On January 16 BioGaia announced that in line with its long-term strategy to market and sell its products through own subsidiaries in certain prioritized markets, BioGaia terminated the contract with its current partner in France.

Anatom Holding, a Switzerland-based long-term investment firm, becomes anchor shareholder in BioGaia.
On March 20 BioGaia announced that Annwall & Rothschild Investments AB (owned by Jan Annwall and BioGaia's Chairman Peter Rothschild), another member of the Rothschild family and David Dangoor (BioGaia's Vice Chairman), entered into an agreement whereby Annwall & Rothschild Investments AB will sell all of its BioGaia shares, and David Dangoor and the other Rothschild family member will sell half of their shares in BioGaia, to existing BioGaia shareholders Anatom Holding AG and other separate entities, all owned by different members of the Kahane family.

Key events after the end of the first quarter of 2025

No key events that are not mentioned in this interim management statement took place after the end of the first quarter.

Accounting policies

This interim management statement was prepared in all material respects in accordance with Nasdaq OMX Stockholm's guidance for preparing interim management statements. Disclosures according to IAS 34 Interim Financial Reporting are provided both in notes and elsewhere in the interim management statement. The accounting policies applied in the consolidated income statement and balance sheet are consistent with the accounting policies applied in preparation of the most recent annual report. The financial accounts and segment information correspond to the statements used in interim financial reporting prepared in accordance with IAS 34 to provide comparability in the presentation between quarters. The interim management statement includes a Message from the CEO, even if this is not a requirement of Nasdaq Stockholm's guidance. The information is nevertheless deemed important in satisfying user needs.

For balance sheet items, figures in parentheses refer to previous year-end figures. For income statement and cash flow items, they refer to the same period previous year.

New accounting standards

Management's assessment is that new and amended standards and interpretations that came into force in 2024 have not had a material effect on the Group's financial statements. Management's assessment is that new and amended standards and interpretations that have not yet come into effect will not have a material effect on the Group's financial statements for the period of initial application.

Summary of consolidated statements of comprehensive income

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024	Apr 2024 – Mar 2025	Apr 2023 – Mar 2024
Net sales (Note 1)	366,265	369,796	1,422,718	1,419,187	1,300,481
Cost of sales	-97,901	-103,967	-391,975	-385,909	-346,974
Gross profit	*268,364*	*265,829*	*1,030,743*	*1,033,278*	*953,507*
Selling expenses	-113,102	-95,982	-422,657	-439,777	-371,124
Administrative expenses	-11,088	-13,926	-41,621	-38,783	-43,402
Research and development expenses	-22,668	-25,114	-157,104	-154,658	-113,206
Other operating income/expense	-24,369	12,376	14,010	-22,735	12,513
Operating profit	*97,137*	*143,183*	*423,371*	*377,325*	*438,288*
Financial income	6,880	11,961	39,372	34,291	50,735
Financial expenses	-2,105	-1,545	-14,924	-15,484	-17,151
Profit before tax	*101,912*	*153,599*	*447,819*	*396,132*	*471,872*
Tax	-21,715	-31,752	-96,431	-86,394	-100,618
Profit for the period	**80,197**	**121,847**	**351,388**	**309,738**	**371,254**
Gains/losses arising on translation of the statements of foreign operations	-25,055	15,868	22,565	-18,358	7,185
Comprehensive income for the period	**55,142**	**137,715**	**373,953**	**291,380**	**378,439**
Profit for the period attributable to:					
Owners of the Parent Company	80,197	121,847	351,388	309,738	371,254
Non-controlling interests	–	–	-	–	–
Profit for the period	**80,197**	**121,847**	**351,388**	**309,738**	**371,254**
Comprehensive income for the period attributable to:					
Owners of the Parent Company	55,142	137,715	373,953	291,380	378,439
Non-controlling interests	–	–	-	–	–
Comprehensive income for the period	**55,142**	**137,715**	**373,953**	**291,380**	**378,439**
Earnings per share					
Earnings per share before dilution, SEK	0.79	1.21	3.48	3.06	3.68
Earnings per share after dilution, SEK	0.79	1.21	3.48	3.06	3.68
Number of shares, thousands	101,162	100,982	101,162	101,162	100,982
Average number of shares before dilution, thousands	101,162	100,982	101,072	101,117	100,982
Average number of shares after dilution, thousands	101,162	100,992	101,072	101,117	100,985

Consolidated balance sheets

(Amounts in SEK 000s)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Assets			
R&D projects in progress	786	46,231	767
Goodwill	159,712	175,026	175,104
Right-of-use assets	27,786	33,412	30,183
Property, plant, and equipment	170,396	183,191	175,436
Financial assets	28,013	28,013	28,013
Deferred tax assets	16,247	9,983	14,266
Deposits	48	51	52
Total non-current assets	**402,988**	**475,907**	**423,821**
Current assets excl. cash and cash equivalents	379,953	412,684	386,201
Cash and cash equivalents	1,249,297	1,591,393	1,223,984
Total current assets	**1,629,250**	**2,004,077**	**1,610,185**
Total assets	**2,032,238**	**2,479,984**	**2,034,006**
Equity and liabilities			
Equity attributable to owners of the Parent Company	1,779,075	2,168,058	1,723,932
Non-controlling interests	2	2	2
Total equity	**1,779,077**	**2,168,060**	**1,723,934**
Deferred tax liability	5,382	15,248	5,444
Non-current liabilities	97,445	92,821	98,425
Current liabilities	150,334	203,855	206,203
Total liabilities and equity	**2,032,238**	**2,479,984**	**2,034,006**

Consolidated cash flow statements

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Operating activities			
Operating profit	97,137	143,183	423,371
Depreciation/amortization	6,198	5,742	76,695
Other non-cash items	2,216	-1,479	-3,537
Taxes	-31,570	-36,439	-111,515
Interest received and paid	6,886	11,662	37,918
Cash flow from operating activities before changes in working capital	**80,867**	**122,669**	**422,932**
Changes in working capital	-45,146	-70,742	-49,714
Cash flow from operating activities	**35,722**	**51,927**	**373,218**
Investing activities			
Purchase of property, plant, and equipment	-679	-8,773	-13,756
Purchase of intangible assets	-19	-1	-397
Sale of equipment	-	-	80
Cash flow from investing activities	**-698**	**-8,774**	**-14,073**
Financing activities			
Dividend	-	-	-696,778
Repayment of lease liability	-1,801	-2,282	-9,355
Provision to the Foundation to Prevent Antibiotic Resistance	-	-	-4,400
New share issue	-	–	20,815
Cash flow from financing activities	**-1,801**	**-2,282**	**-689,718**
Cash flow for the period	**33,223**	**40,871**	**-330,573**
Cash and cash equivalents at the beginning of the period	**1,223,984**	**1,544,192**	**1,544,192**
Exchange difference in cash and cash equivalents	-7,910	6,330	10,365
Cash and cash equivalents at the end of the period	**1,249,297**	**1,591,393**	**1,223,984**

Summary consolidated statement of changes in equity

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Opening balance	**1,723,934**	**2,030,344**	**2,030,344**
New share issue	-	-	20,815
Dividend	-	-	-696,778
Provision to the Foundation to Prevent Antibiotic Resistance	-	-	-4,400
Comprehensive income for the period	55,142	137,715	373,953
Closing balance	**1,779,077**	**2,168,060**	**1,723,934**

Note 1. Reporting by segment – Group

Executive Management has analyzed the Group's internal reporting and determined that the Group's operations are monitored and evaluated based on the following segments:

– Pediatrics segment (drops, gut health tablets, oral rehydration solution (ORS), creams and cultures to be used as ingredients in licensee products (such as infant formula).

– Adult Health segment (gut health tablets, oral health lozenges and cultures as an ingredient in a licensee's dairy products, Nutraceutics own products as well as royalty revenues for Adult Health products).

– Other segment (smaller segments such as royalty from packaging solutions).

For the above segments BioGaia reports net sales and gross profit, which are monitored regularly by the CEO (who is regarded as the chief operating decision maker) together with the Executive Management. There is no monitoring of the company's total assets and liabilities against the segments' assets and liabilities.

(Amounts in SEK 000s)	**Jan – Mar 2025**	**Jan – Mar 2024**	**Jan – Dec 2024**	**Apr 2024 – Mar 2025**	**Apr 2023 – Mar 2024**
Net sales by segment					
Pediatrics	269,894	292,278	1,093,278	1,070,893	999,844
Adult Health	94,591	74,819	321,288	341,060	293,436
Other	1,781	2,700	8,153	7,234	7,202
Total	**366,265**	**369,797**	**1,422,718**	**1,419,187**	**1,300,482**
Gross profit by segment					
Pediatrics	203,680	220,371	820,406	803,715	756,098
Adult Health	62,953	42,758	202,184	222,379	190,358
Other	1,731	2,700	8,153	7,184	7,050
Total	**268,364**	**265,829**	**1,030,743**	**1,033,279**	**953,507**
Selling, administrative, R&D expenses	-146,858	-135,022	-621,382	-633,218	-527,732
Other operating expenses/income	-24,369	12,376	14,010	-22,735	12,513
Operating profit	97,137	143,183	423,371	377,325	438,288
Net financial items	4,775	10,416	24,448	18,807	33,584
Profit before tax	**101,912**	**153,599**	**447,819**	**396,132**	**471,871**
Net sales by geographical market					
APAC					
Pediatrics	37,989	57,695	238,181	218,475	183,360
Adult Health	29,801	25,521	120,852	125,131	120,183
Other	1,279	2,542	6,798	5,535	5,532
Total APAC	**69,068**	**85,759**	**365,832**	**349,142**	**309,075**
EMEA					
Pediatrics	105,528	137,763	423,687	391,452	429,941
Adult Health	17,660	23,616	82,088	76,132	78,748
Other	499	158	1,336	1,677	1,299
Total EMEA	**123,687**	**161,536**	**507,110**	**469,261**	**509,988**
Americas					
Pediatrics	126,377	96,821	431,410	460,966	386,543
Adult Health	47,130	25,681	118,348	139,796	94,505
Other	3	0	18	21	371
Total Americas	**173,510**	**122,502**	**549,776**	**600,784**	**481,419**
Total	**366,265**	**369,797**	**1,422,718**	**1,419,187**	**1,300,482**

Date of recognition (Amounts in SEK 000s)	Jan – Mar	Jan – Mar	Jan – Dec
Performance obligations met on specific date (Product sales)	**2025**	**2024**	**2024**
Pediatrics	263,224	292,278	1,093,278
Adult Health	92,618	72,516	311,003
Other	1,450	2,761	7,335
Total	**357,292**	**367,556**	**1,411,616**
Performance obligations met over time (Royalty)			
Pediatrics	6,670	-	-
Adult Health	1,972	2,303	10,285
Other	331	-62	817
Total	**8,973**	**2,241**	**11,102**
Total	**366,265**	**369,797**	**1,422,718**

Note 2. Largest shareholders on 31 March 2025 (source: Vantage by Euroclear)

		A shares	B shares	Share capital	No. of votes	Capital	Votes
1	Annwall & Rothschild Investments AB	3,703,340	500,000	840,668	37,533,400	4.16%	27.91%
2	Fjärde AP-fonden		8,200,182	1,640,036	8,200,182	8.11%	6.10%
3	Premier Miton Investors		3,862,900	772,580	3,862,900	3.82%	2.87%
4	Anatom Holding AG		3,307,175	661,435	3,307,175	3.27%	2.46%
5	Cargill Inc		3,000,000	600,000	3,000,000	2.97%	2.23%
6	Handelsbanken Fonder AB		2,985,830	597,166	2,985,830	2.95%	2.22%
7	TIN Ny Teknik		2,000,000	400,000	2,000,000	1.98%	1.49%
8	Allianz Global Investors		1,925,262	385,052	1,925,262	1.90%	1.43%
9	JP Morgan Asset Management		1,781,590	356,318	1,781,590	1.76%	1.32%
10	David Dangoor		1,750,000	350,000	1,750,000	1.73%	1.30%
	Other shareholders		68,146,031	13,629,206	68,146,031	67.36%	50.67%
	Total	**3,703,340**	**97,458,970**	**20,232,462**	**134,492,370**	**100.00%**	**100.00%**

Note 3. Fair value

Financial liabilities
BioGaia has a financial liability relating to the additional purchase price in business acquisitions that is measured at fair value through profit or loss. The additional purchase price is due to the acquisition of Nutraceutics and is based on sales in Nutraceutics in 2026 or 2027. The amount, which will be settled in April 2027 or 2028, may also be adjusted if the agreed budget for marketing costs is exceeded.

Revaluation took place during the first quarter of 2025 and BioGaia's best assessment of fair value of the financial liability related to the additional purchase price on 31 March 2025 was therefore adjusted to SEK 61.2 million.

Estimates of fair value are based on Level 3 of the hierarchy for fair value, which means fair value is determined using valuation models where significant inputs are based on unobservable data. The measurement was based on anticipated future cash flows discounted with a market-based interest rate. The value adjustment is recognized as a financial expense of SEK 1.8 million (1.2) during the quarter. The weighted average cost of capital (WACC) amounted to 12.7% (12.7 % on 31 December 2024).

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Opening balance	65,053	46,529	46,529
Value adjustment	1,839	1,245	13,483
Exchange difference	-5,733	2,899	5,041
Closing balance	**61,159**	**50,673**	**65,053**

Financial assets
BioGaia owns shares in the companies Boneprox AB and Skinome AB through BioGaia Invest. These financial assets are measured at fair value through profit or loss. Estimates of fair value are based on Level 3 of the hierarchy for fair value, which means fair value is determined using valuation models where significant inputs are based on unobservable data.

The fair values of other receivables, cash and cash equivalents, trade payables and other liabilities are estimated to be equal to their carrying amounts (amortized cost) due to the short maturities.

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Opening balance	28,013	28,013	28,013
Value adjustment	-	-	-
Acquisitions	-	-	-
Closing balance	**28,013**	**28,013**	**28,013**

Consolidated key ratios

	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Net sales	366,265	369,796	1,422,718
Growth of net sales	-1%	1%	10%
Operating profit, SEK 000s	97,137	143,183	423,371
Adjusted operating profit, SEK 000s	97,137	148,183	477,622
Profit after tax, SEK 000s	80,197	121,847	351,388
Return on equity	5%	6%	19%
Return on capital employed	5%	7%	25%
Capital employed, SEK 000s	1,784,459	2,183,308	1,729,378
Number of shares, thousands	101,162	100,982	101,162
Average number of shares before dilution, thousands [1)]	101,162	100,982	101,072
Average number of shares after dilution, thousands [1)]	101,162	100,992	101,072
Earnings per share before dilution, SEK [1)]	0.79	1.21	3.48
Earnings per share after dilution, SEK [1)]	0.79	1.21	3.48
Equity per share, SEK	17.59	21.47	17.06
Equity/assets ratio	88%	87%	85%
Operating margin	27%	39%	30%
Adjusted operating margin	27%	40%	34%
Profit before tax margin	28%	42%	31%
Average number of employees	224	208	217

1) Key ratio defined according to IFRS.

A list of definitions of key ratios reported in the consolidated financial statements is provided on page 164 of BioGaia's annual report for 2024. In this report, BioGaia reports information used by Executive Management to assess the Group's development. Some of the key ratios presented are not defined according to IFRS. The company is of the opinion that these metrics provide valuable complementary information to stakeholders and the company's management since they contribute to evaluation of relevant trends and the company's performance. Since not all companies calculate key ratios in the same manner, these are not always comparable to metrics used by other companies. These key ratios should therefore not be seen as a replacement for metrics defined according to IFRS. ESMA's guidelines on alternative performance measures are applied, which means extended disclosure requirements regarding key ratios not defined according to IFRS. A reconciliation of key ratios that BioGaia considers relevant according to these guidelines is provided below.

Key ratio	Definition/calculation	Purpose
Adjusted operating margin	Adjusted operating margin excluding items affecting comparability.	The adjusted measure provides enhanced understanding of the performance of operations.
Adjusted operating profit	Operating profit (earnings before financial items and tax) excluding items affecting comparability.	The adjusted measure provides enhanced understanding of the performance of operations.
Average number of shares	Time-weighted number of outstanding shares during the year taking bonus issue elements into account.	Used to calculate equity and earnings per share.
Capital employed	Total assets less interest-free liabilities.	Capital employed measures the company's ability, in addition to cash and liquid assets, to meet the requirements of business operations.
Earnings per share	Profit for the period attributable to owners of the Parent Company divided by the average number of shares (definition according to IFRS).	EPS measures how much of net profit is available for payment to the shareholders as dividends per share.
Equity/assets ratio	Shareholders' equity at the end of the period as a percentage of total assets.	A traditional metric to show financial risk expressed as the share of total assets financed by the shareholders. Shows the company's stability and ability to withstand losses.
Equity per share	Equity attributable to the owners of the Parent Company divided by the average number of shares.	Equity per share measures the company's net value per share and indicates whether a company will increase the shareholders' wealth over time.
Gross margin	Gross profit as a percentage of net sales.	The gross margin is used to measure profitability.
Growth	Sales for the period less sales for the year-earlier period divided by sales for the year-earlier period. Breakdown by foreign exchange, organic growth and acquisitions.	Shows the company's realized sales growth over time.
Items affecting comparability	Expenses in conjunction with restructuring, impairment, changes in provisions for share-based long-term incentive programs and other items of a nature that affect comparability.	The separate recognition of items that affect comparability between different periods provides enhanced understanding of the company's financial performance.
Operating margin (EBIT margin)	Operating profit expressed as a percentage of net sales.	The operating margin is used to measure operational profitability.
Profit before tax margin	Profit before tax as a percentage of net sales.	This key ratio makes it possible to compare profitability regardless of the corporate income tax.
Return on capital employed	Profit before net financial items plus financial income as a percentage of average capital employed.	Return on capital employed is used to analyze profitability, based on the amount of capital used.
Return on equity	Profit attributable to the owners of the Parent Company divided by average equity attributable to the owners of the Parent Company.	Return on equity is used to measure profit generation, over time, given the resources attributable to the owners of the Parent Company.

Key ratio

(Amounts in SEK 000s)	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024
Return on equity			
Profit attributable to owners of the Parent Company (A)	80,197	121,847	351,388
Equity attributable to owners of the Parent Company	1,779,075	2,168,058	1,723,932
Average equity attributable to owners of the Parent Company (B)	1,751,504	2,099,200	1,877,137
Return on equity (A/B)	5%	6%	19%
Return on capital employed			
Operating profit	97,137	143,183	423,371
Financial income	6,880	11,961	39,372
Profit before net financial items + financial income (A)	104,017	155,144	462,743
Total assets	2,032,238	2,479,984	2,034,006
Interest-free liabilities	-247,779	-296,676	-304,628
Capital employed	1,784,459	2,183,308	1,729,378
Average capital employed (B)	1,914,992	2,114,416	1,887,451
Return on capital employed (A/B)	5%	7%	25%

Key ratio

(Amounts in SEK 000s)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Equity/assets ratio			
Equity (A)	1,779,077	2,168,060	1,723,934
Total assets (B)	2,032,238	2,479,984	2,034,006
Equity/assets ratio (A/B)	88%	87%	85%
Operating margin			
Operating profit (A)	97,137	143,183	423,371
Net sales (B)	366,265	369,796	1,422,718
Operating margin (A/B)	27%	39%	30%
Profit before tax margin			
Profit before tax (A)	101,912	153,599	447,819
Net sales (B)	366,265	369,796	1,422,718
Profit before tax margin (A/B)	28%	42%	31%
Equity per share			
Equity attributable to owners of the Parent Company (A)	1,779,075	2,168,058	1,723,932
Average number of shares (B)	101,162	100,982	101,072
Equity per share (A/B), SEK	17.59	21.47	17.06

Change in sales by segment (including and excluding foreign exchange effects)

	(Amounts in SEK 000s)	Pediatrics Jan - Mar 2025	Adult Health Jan - Mar 2025	Other Jan - Mar 2025	Total Jan - Mar 2025
	Description				
A	Previous year's net sales according to the average rate	292,278	74,819	2,700	369,797
B	Net sales for the year according to the average rate	269,894	94,591	1,780	366,265
C	Recognized change (B-A)	-22,384	19,772	-920	-3,532
	Percentage change (C/A)	**-8%**	**26%**	**-34%**	**-1%**
D	Net sales for the year according to the previous year's average rate	262,684	92,080	1,780	356,544
E	Foreign exchange effects (B–D)	7,210	2,511	0	9,721
	Percentage change (E/A)	**2%**	**3%**	**0%**	**3%**
F	Organic change (C–E)	-29,594	17,261	-920	-13,253
	Organic change (F/A)	**-10%**	**23%**	**-34%**	**-4%**

Average key exchange rates	**Jan - Mar 2025**	**Jan - Mar 2024**	**Jan - Dec 2024**
EUR	11.35	11.18	11.41
USD	10.79	10.29	10.52
JPY	0.0698	0.0698	0.0699

Closing date key exchange rates	**31 Mar 2025**	**31 Mar 2024**	**31 Dec 2024**
EUR	10.85	11.53	11.49
USD	10.03	10.66	11.00
JPY	0.0671	0.0705	0.0698

Pledged assets and contingent liabilities – Group (Amounts in SEK 000s)	**31 Mar 2025**	**31 Mar 2024**	**31 Dec 2024**
Pledged assets	None	None	None
Contingent liabilities	None	None	None

Adjusted operating profit – Group (Amounts in SEK 000s)	**Jan - Mar 2025**	**Jan - Mar 2024**	**Jan - Dec 2024**
Operating profit	97,137	143,183	423,371
Items affecting comparability	-	5,000	54,251
Adjusted operating profit	97,137	148,183	477,622

Q1 2025

Financial calendar

18 JUL 2025 8:00 a.m. CET Interim report
1 January – 30 June 2025

22 OCT 2025 8:00 a.m. CET Interim management statement
1 January – 30 September 2025

Stockholm, 7 May 2025

Theresa Agnew
President and CEO

This interim management statement has not been audited.

Q1 2025

BioGaia AB

The company
BioGaia is a Swedish world-leading probiotic company that has been at the forefront of microbiome research for more than 35 years. Our vision is to be the most trusted probiotic brand in the world. We develop, manufacture, market, and sell probiotic products for gut, oral, and immune health. The products are primarily based on different strains of the lactic acid bacterium *Limosilactobacillus reuteri*, *L. reuteri* (formerly Lactobacillus).

The class B shares of the Parent Company BioGaia AB are quoted on the Mid Cap List of Nasdaq Stockholm.

Business model
BioGaia has two types of distribution – sales through distribution partners and direct sales (subsidiaries). Most of BioGaia's revenue comes from the sale of gut health products, such as colic drops, immune- and oral health products. Revenues also include the sale of bacterial cultures to be used in licensee products, such as infant formula and dairy products, as well as royalties for the use of *L. reuteri* in licensee products. BioGaia's products are available in more than 100 countries through partnerships with nutrition and pharmaceutical companies, as well as through our own subsidiaries.

BioGaia's direct distribution, through subsidiaries, extends across nine countries (Sweden, Finland, France, the UK, USA, Canada, Australia, New Zealand and Japan).

BioGaia holds patents for the use of certain strains of *L. reuteri* and certain packaging solutions in all major markets. At the end of 2024, BioGaia held more than 600 granted patents for various bacteria strains and territories.

The BioGaia brand
BioGaia launched its own consumer brand in 2006. Today, several BioGaia's distribution partners sell finished products under the BioGaia brand in several markets. One important element of BioGaia's brand strategy is to increase the percentage of sales under the BioGaia brand. Of products (drops, tablets for gut and oral health, oral rehydration, etc.) sold in 2024, 92% (90%) were sold under the BioGaia brand including co-branding.

Some of BioGaia's distributors sell finished consumer products under their own brand names. On these products, the BioGaia brand is shown on the consumer package since BioGaia is both the manufacturer and licensor.

BioGaia's licensees add *L. reuteri* culture to their products and sell these under their own brand names. On these products, the BioGaia brand is most often shown on the package as the licensor/patent holder.

Research and clinical studies
BioGaia's strains of *L. reuteri* are among the most studied in the world, in particular studies in young children, with strong pre-clinical and clinical evidence. As of December 2024, over 270 clinical studies with BioGaia's various strains of *L. reuteri* have been performed. These studies involved more than 23,000 individuals of all ages.

Over the years, BioGaia has performed studies in the following areas:

- Colic and constipation in infants
- Immune modulation and infection prevention
- Acute diarrhea
- Antibiotic-associated side effects, such as diarrhea
- Treatment of H. pylori infections
- Irritable bowel syndrome (IBS)
- Oral health, such as gingivitis (inflammation of the gums) and periodontitis (loosening of the teeth)
- Osteopenia
- Autism spectrum condition
- Urinary tract infections

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