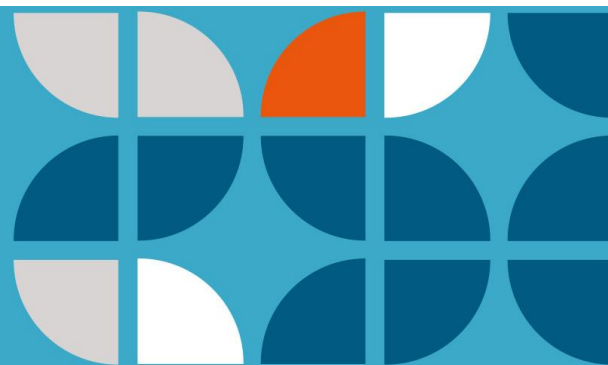


## Interim Report January - March 2022



# Order pattern in Americas gave a weaker start to the year

### Important events during the first quarter

- Net sales decreased by 10% (-16% adjusted for currency effects) to SEK 155 m (171).
- The EBITDA margin was 25% (28).
- The Americas were affected by customers' order patterns, which contributed to a weaker quarter. EMEA and APAC on par with the previous year adjusted for milestone-related revenue.
- Important step in the technological transfer of Blis products with the first commercial production batch of BLIS K12.
- New laboratory completed in Lund with the aim of improving pre-clinical ability and providing increased opportunities for product development.
- New Vice President Research & Development to take up position on April 1, 2022.

SEK  
**155 m**  
Net sales

**25%**  
EBITDA margin

### Financial overview

SEK m	Jan-Mar		Full-year	
	2022	2021	RTM	2021
Net sales	154.7	171.3	641.6	658.2
Growth, %	-9.7%	8.6%	-2.5%	-8.2%
Currency adjusted growth, %	-16.2%	20.3%	-1.7%	-3.3%
Gross margin, %	42.6%	43.4%	43.6%	43.8%
EBITDA	38.3	47.1	173.7	182.5
EBITDA margin, %	24.7%	27.5%	27.1%	27.7%
Operating profit (EBIT)	18.5	30.1	97.6	109.2
EBIT margin, %	12.0%	17.6%	15.2%	16.6%
Net income	14.0	22.6	74.5	83.1
Earnings per share before and after dilution, SEK	1.23	1.99	6.54	7.30

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 Regulation. The information was submitted for publication, through the agency of the CEO and CFO, on April 26, 2022 at 08:00 CET. This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.*



# Our focus is on regaining momentum in a turbulent world

The start of 2022 was particularly turbulent around the world and especially for us here in Europe. We are seeing a terrible war in our European neighbors Ukraine, something that affects us all in different ways. At the same time, the pandemic is far from over and in China, among other places, restrictions are very extensive. Macroeconomic indicators point to greater turbulence, price increases and rising inflation.

Q1 2022, showed a decline in net sales of 10% and 16%, adjusted for currency effects, which can be attributed to our performance in the Americas region. The lower volumes had an effect of our profitability, and our EBITDA margin was 25% (28).

Developments in the Americas region did not meet our expectations during Q1, and net sales decreased by 9%. Order patterns for some of our larger customers in the region contributed to the lower outcome in the quarter. Interest in our products and probiotics in general remains high and we have many exciting projects with both new and existing customers. An important focus area going forward is to increase sales of ClinBac™ in the region and we have set ambitious goals for this. Our assessment is that in the short term we will see a more stable development in the region, with levels corresponding to the previous year.

The EMEA region saw a strong quarter. Although net sales were 15% lower than last year, this can be due to milestone-related revenue in connection with the Perrigo launch last year. We saw good development in the region and Perrigo's rollout continues. Our collaboration with Oriflame has gained momentum and saw a launch in a couple of markets during the second half of 2021. Oriflame

is greatly exposed to Russia and Ukraine, which affects their operations. This will mean delays in launches in these markets and instead there will be focus on other regions.

Net sales in the APAC region were at the same level as last year, which was a relatively strong quarter. Our customer Sinopharm Foreign Trade has completed the launch of Probi Defendum® according to plan. Subsequently, the launch of Probi® Osteo is planned for Q2, followed by Probi Ferrosorb® later in 2022.

During the quarter, an important step in the technological transfer of Blis Technologies products was achieved when we completed the first production batch of BLIS K12. The transfer has gone in the best possible way thanks to the investments we have made in fermentation technology through our upgrade program. We expect to see initial revenues from Blis products, produced at our own facility, during the second half of this year.

We have also recently welcomed our new Vice President of Research & Development, Anita Johansen, who has a solid background from major international companies in biotechnology and pharmaceuticals. She will be an important addition to group management.

We look forward with confidence to the rest of 2022. If there is one thing we have learned in the last two years, it is that changes can occur quickly. It has made us more agile and adaptable - something we will benefit from in the future. Our focus for 2022 is to regain momentum and to get back on track towards growth.

**Tom Rönnlund**  
CEO



# Net sales

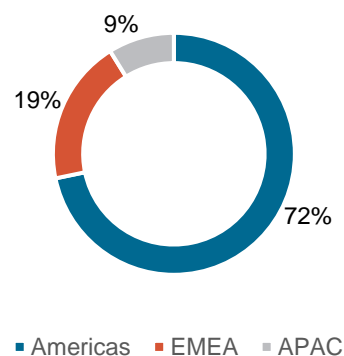
## January – March (first quarter)

During the quarter, net sales amounted to SEK 154.7 m (171.3), corresponding to a decrease of SEK 16.6 m or 10%. Adjusted for currency effects, net sales amounted to SEK 143.6 m, corresponding to a decrease of 16%.

The decrease of SEK 16.6 m is due to lower sales in the Americas which declined by SEK 11.3 m (-9%), while EMEA decreased by SEK 5.2 m (15%) and APAC decreased by SEK 0.1 m (-1%).

The proportion of the total net sales in the America's in Q1 was 72%. EMEA accounted for 19% and APAC for 9% of total net sales.

Net sales distribution per segment



## Net sales per segment

SEK m	Jan-Mar		
	2022	2021	Change, %
Americas	111.0	122.3	-9.2%
EMEA	30.0	35.2	-14.8%
APAC	13.7	13.8	-0.7%
<b>Net sales</b>	<b>154.7</b>	<b>171.3</b>	<b>-9.7%</b>



# Earnings

## Operating profit (EBIT)

The operating profit for Q1 amounted to SEK 18.5 m (30.1), corresponding to a decrease of SEK 11.6 m or 39%. Adjusted for currency effects, the operating profit was SEK 16.1 m. The decline in the operating profit was due to lower sales at the same time as the costs for sales and marketing as well as administration increased.

Sales and marketing expenses amounted to SEK 23.4 m (21.9), where the increase is due to greater customer activities in the quarter compared with the previous year.

Research and development costs were lower than the previous year and amounted to SEK 9.2 m (9.7), which is mainly due to the different phases of various research projects taking place over the year.

Administrative expenses increased by SEK 2.3 m compared with the previous year and amounted to SEK 14.9 m (12.6). The increase is mainly due to increased staff costs and business development.

## Operating profit

SEK m	Jan-Mar		
	2022	2021	Change, %
Gross profit Americas	39.5	46.5	-15.1%
Gross profit EMEA	17.5	20.2	-13.4%
Gross profit APAC	8.9	7.7	15.6%
<b>Gross profit</b>	<b>65.9</b>	<b>74.3</b>	<b>-11.3%</b>
Sales and marketing expenses	-23.4	-21.9	6.8%
Research and development expenses	-9.2	-9.7	-5.2%
Administration expenses	-14.9	-12.6	18.3%
Other operating income	0.1	0.0	150.0%
<b>Operating profit (EBIT)</b>	<b>18.5</b>	<b>30.1</b>	<b>-38.5%</b>

## Financial result

The financial result for Q1 amounted to SEK -0.9 m (0.0). Net financial items excluding exchange rate results amounted to SEK -0.6 m (-0.4) and consist mainly of interest on leasing contracts. The exchange rate result amounted to SEK -0.3 m (0.4) in Q1 and refers to the translation of cash and cash equivalents in foreign currency.

## Profit for the period

The profit for the quarter amounted to SEK 14.0 m (22.6). The tax cost was SEK 3.6 m (7.5).

## Earnings per share

Earnings per share for Q1 amounted to SEK 1.23 (1.99).



## Operating segments

Probi's operating segments 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 the Americas decreased by 9% and amounted to SEK 111.0 m. Adjusted for currency effects net sales amounted to SEK 100.5 m, corresponding to a decrease of 18% in Q1.

The development in the region was affected by customer dynamics during the quarter, where individual orders resulted in large fluctuations. In the comparative period, there was a major order, which

ended up in Q4 2021 instead of Q1 2022, which explains most of the decrease. Underlying demand remains good, but certain fluctuations between quarters are also expected in the future.

The gross margin for Q1 was 36% (38). The lower gross margin is due to lower sales volumes.

SEK m	Jan-Mar		
	2022	2021	Change, %
Net Sales	111.0	122.3	-9.2%
Cost of goods sold	-71.5	-75.8	-5.7%
<b>Gross profit</b>	<b>39.5</b>	<b>46.5</b>	<b>-15.1%</b>
<b>Gross margin</b>	<b>35.6%</b>	<b>38.0%</b>	<b>-2.4 ppt</b>

### EMEA

Net sales in EMEA decreased by 15% in Q1 to SEK 30.0 m, compared with SEK 35.2 m the previous year. The comparative period includes milestone revenue of around SEK 5 m from Perrigo in connection with the launch in 2021.

The performance in the region was positive and new customer relationships established last year are developing well. Perrigo has so far launched in four European markets.

Oriflame began its launch in the autumn of 2021 in two countries and work is continuing with the rollout

to other markets. In light of the situation in Ukraine and Russia, launches in those markets will be postponed and instead focus will be on other regions.

In connection with the easing of Covid-19 restrictions, customer meetings and participation at trade fairs have returned to a more normalized situation with many positive customer dialogues being started.

The gross margin for Q1 was 58% (57). The slightly higher margin was related to the product mix.

SEK m	Jan-Mar		
	2022	2021	Change, %
Net Sales	30.0	35.2	-14.8%
Cost of goods sold	-12.5	-15.0	-16.7%
<b>Gross profit</b>	<b>17.5</b>	<b>20.2</b>	<b>-13.4%</b>
<b>Gross margin</b>	<b>58.3%</b>	<b>57.4%</b>	<b>0.9 ppt</b>



## APAC

Development in the region continues to strengthen. Net sales in Q1 amounted to SEK 13.7 m, which is on a par with the strong quarter the previous year.

The partnership with Sinopharm Foreign Trade is developing well. In addition to Probi Defendum®, which was launched during Q1, Probi® Osteo and Probi Ferrosorb® will be launched later in 2022. Restrictions are currently severe in some parts of

China, which may affect consumer demand as these products are sold in pharmacies.

The region continues to experience major fluctuations in net sales and is greatly affected by individual customer's order patterns.

The gross margin was higher than the previous year and amounted to 65% (56) and was driven by a favorable product mix.

SEK m	Jan-Mar		
	2022	2021	Change, %
Net Sales	13.7	13.8	-0.7%
Cost of goods sold	-4.8	-6.1	-21.3%
<b>Gross profit</b>	<b>8.9</b>	<b>7.7</b>	<b>15.6%</b>
<b>Gross margin</b>	<b>65.0%</b>	<b>55.8%</b>	<b>9.2 ppt</b>

## Cash flow and cash and cash equivalents

Cash flow from operating activities before changes in working capital increased to SEK 38.8 m (48.1) in the quarter, based on a lower operating profit.

Working capital decreased during the quarter, mainly due to reduced accounts receivable, and cash flow from operating activities amounted to SEK 37.9 m (36.8).

Cash flow from investment activities amounted to SEK -15.7 m (-7.3) and mainly consisted of investments in tangible assets, but also in intangible assets.

Cash flow from financing activities was SEK -3.8 m (-4.1) and consisted mainly of the amortization of leasing liabilities.

The cash flow for the period amounted to SEK 20.2 m (31.1) and cash and cash equivalents amounted to SEK 271.2 m (246.7) at the end of the period.

## Investments

During the quarter, investments in intangible fixed assets amounted to SEK 2.2 m (2.6), of which SEK 1.4 m (1.0) related to patents, SEK 0.8 m (1.6) to capitalized development expenses and SEK 0.0 m (0.0) to IT systems. Investments in tangible fixed assets amounted to SEK 13.4 m (4.7), which relates to investments in the manufacturing unit at Redmond and rebuilding and upgrade of the laboratory in Lund.

## Employees

At the end of the period, Probi had 176 (183) employees, of which 52% (50%) were women. The average number of employees during Q1 was 174 (181).



## Transactions with related parties

During the quarter, Probi reported SEK 0.6 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

In February 2022, Russia initiated an invasion of Ukraine. Probi has a limited exposure to Russia and Ukraine and the company's assessment is currently that the effects at both supplier and customer levels are limited. However, the conflict can lead to indirect effects such as cost increases and changed demand, but these effects are currently difficult to estimate. In connection with Covid-19, the main current issues are the risks of changes in consumer trends and the company's supply of goods which is becoming relevant. Other risks and uncertainties to which Probi's operations are exposed, are described on pages 48-49 of the annual report for 2021.

## Parent company

During Q1, the parent company's operating income amounted to SEK 73.4 m (79.3). The profit for the period amounted to SEK 12.3 m (20.7) and this decrease was due to a lower operating profit and a negative financial result. Investments in tangible and intangible fixed assets amounted to SEK 5.1 m (2.7). For further details, please see the information for the Group.

## Financial calendar

Annual General Meeting 2022	May 5, 2022
Record date for dividend	May 9, 2022
Payment date for dividend	May 12, 2022
Interim report Q2 2022	July 15, 2022
Interim report Q3 2022	October 21, 2022
Year-end report 2022	January 27, 2023

## Invitation to teleconference

Probi's interim report for Q1 2022 is published on April 26, 2022, at 8.00 a.m. On the same day at 10.00, a teleconference will be held with Tom Rönnlund, CEO and Henrik Lundkvist, CFO, who will present the report. The conference call can be accessed on +46 (0)8 50 55 83 55. 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 Chief Executive Officer declare that this interim report gives a true and fair view of the parent company and the Group's operations, financial position and results, and describes the significant risks and uncertainties facing the parent company and the Group.

Lund, April 26, 2022

Jean-Yves Parisot  
*Chairman of the Board*

Jörn Andreas  
*Board member*

Irène Corthésy Malnoë  
*Board member*

Charlotte Hansson  
*Board member*

Malin Ruijsenaars  
*Board member*

Tom Rönnlund  
CEO

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





# Consolidated statement of comprehensive income

SEK 000	Notes	Jan-Mar	
		2022	2021
<b>Net sales</b>	2	<b>154,718</b>	<b>171,313</b>
Cost of goods sold	3	-88,817	-96,985
<b>Gross profit</b>		<b>65,901</b>	<b>74,328</b>
Sales and marketing expenses		-23,394	-21,944
Research and development expenses		-9,203	-9,695
Administration expenses		-14,896	-12,615
Other operating income		83	43
<b>Operating profit (EBIT)</b>		<b>18,491</b>	<b>30,116</b>
Financial income		45	26
Financial expenses		-624	-443
Exchange result financing activities	4	-286	446
<b>Financial result</b>		<b>-865</b>	<b>30</b>
<b>Earnings before income taxes</b>		<b>17,626</b>	<b>30,145</b>
Income taxes		-3,607	-7,511
<b>Net income</b>		<b>14,019</b>	<b>22,634</b>
<b>Other comprehensive income</b>			
Components to be reclassified to net income			
Exchange rate differences resulting from the translation of foreign operations		22,542	56,213
Cash flow hedge (currency hedges)		—	—
Income taxes payable on these components		—	—
<b>Total components to be reclassified to net income</b>		<b>22,542</b>	<b>56,213</b>
<i>Components not to be reclassified to net income</i>			
Equity instruments at fair value through OCI		-4,328	—
<b>Total components not to be reclassified to net income</b>		<b>-4,328</b>	<b>—</b>
<b>Sum of other comprehensive income</b>		<b>18,214</b>	<b>56,213</b>
<b>Total comprehensive income</b>		<b>32,233</b>	<b>78,847</b>
Number of outstanding shares at end of the reporting period		11,394,125	11,394,125
Average number of shares		11,394,125	11,394,125
Earnings per share before and after dilution		1.23	1.99

The profit for the period and comprehensive income are attributable in their entirety to the Parent Company's shareholders. The company has no outstanding convertible loans or warrants, so dilution does not occur.



# Consolidated statement of financial position

SEK 000	31 March 2022	31 December 2021
<b>ASSETS</b>		
Capitalized development cost	30,431	32,096
Customer base	239,431	239,887
Technology and other intangible assets	110,110	111,411
Goodwill	314,424	307,011
Property, plant and equipment	104,191	91,940
Right-of-use assets	72,401	74,739
Interests in other entities	96,873	101,201
Deferred tax assets	316	301
<b>Non-current assets</b>	<b>968,177</b>	<b>958,586</b>
Inventories	107,576	93,822
Trade receivables	92,076	119,060
Other assets and receivables	10,135	9,684
Cash and cash equivalents	271,196	251,017
<b>Current assets</b>	<b>480,983</b>	<b>473,583</b>
<b>Total assets</b>	<b>1,449,160</b>	<b>1,432,169</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>1,297,774</b>	<b>1,265,541</b>
Deferred tax liabilities	12,819	13,359
<b>Provisions</b>	<b>12,819</b>	<b>13,359</b>
Non-current lease liabilities	60,433	62,733
Other non-current liabilities	4,864	4,748
<b>Non-current liabilities</b>	<b>65,297</b>	<b>67,481</b>
Trade payables	35,245	46,244
Current lease liabilities	15,267	14,856
Other current liabilities	22,758	24,688
<b>Current liabilities</b>	<b>73,270</b>	<b>85,788</b>
<b>Total liabilities</b>	<b>151,386</b>	<b>166,628</b>
<b>Total equity and liabilities</b>	<b>1,449,160</b>	<b>1,432,169</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 2021</b>	<b>58,221</b>	<b>600,205</b>	<b>-58,034</b>	—	—	<b>514,811</b>	<b>1,115,203</b>
Net income	—	—	—	—	—	22,634	22,634
Other comprehensive income	—	—	56,213	—	—	—	56,213
<b>Total Comprehensive Income</b>	<b>—</b>	<b>—</b>	<b>56,213</b>	<b>—</b>	<b>—</b>	<b>22,634</b>	<b>78,847</b>
Dividends	—	—	—	—	—	—	—
<b>Total transactions with shareholders</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Closing balance, 31 Mar 2021</b>	<b>58,221</b>	<b>600,205</b>	<b>-1,821</b>	—	—	<b>537,445</b>	<b>1,194,050</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 2022</b>	<b>58,221</b>	<b>600,205</b>	<b>29,414</b>	—	<b>-7,721</b>	<b>585,422</b>	<b>1,265,541</b>
Net income	—	—	—	—	—	14,019	14,019
Other comprehensive income	—	—	22,542	—	-4,328	—	18,214
<b>Total Comprehensive Income</b>	<b>—</b>	<b>—</b>	<b>22,542</b>	<b>—</b>	<b>-4,328</b>	<b>14,019</b>	<b>32,233</b>
Dividends	—	—	—	—	—	—	—
<b>Total transactions with shareholders</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Closing balance, 31 Mar 2022</b>	<b>58,221</b>	<b>600,205</b>	<b>51,956</b>	—	<b>-12,049</b>	<b>599,441</b>	<b>1,297,774</b>



# Consolidated cash flow statement

SEK 000	Jan-Mar	
	2022	2021
<b>Net income</b>	<b>14,019</b>	<b>22,634</b>
Adjustments to reconcile net income to cash from operating activities		
Income taxes	3,607	7,511
Interest result	559	380
Amortization, depreciation and impairment of non-current assets	19,787	17,029
Other non-cash expenses and income	871	565
<b>Cash flow before working capital changes</b>	<b>38,843</b>	<b>48,119</b>
Change in trade receivables and other current assets	29,832	-575
Change in inventories	-11,716	-7,235
Change in trade payables and other current liabilities	-12,253	3,518
Income taxes paid	-6,793	-7,054
<b>Cash flow from operating activities</b>	<b>37,913</b>	<b>36,773</b>
Payments for investing in intangible assets	-2,233	-2,562
Payments for investing in interests in other entities	—	—
Payments for investing in property, plant and equipment	-13,430	-4,723
Divestments of tangible assets	—	—
<b>Cash flow from investing activities</b>	<b>-15,663</b>	<b>-7,285</b>
Interest paid	-612	-806
Interest received	1	—
Repayments for lease obligations	-3,229	-3,328
Dividends paid	—	—
<b>Cash flow from financing activities</b>	<b>-3,840</b>	<b>-4,134</b>
Cash flow for the period	18,410	25,354
Effects of changes in exchange rates	1,769	5,795
<b>Change in cash and cash equivalents</b>	<b>20,179</b>	<b>31,149</b>
<b>Cash and cash equivalents at opening balance</b>	<b>251,017</b>	<b>215,552</b>
<b>Cash and cash equivalents at closing balance</b>	<b>271,196</b>	<b>246,701</b>



## Parent company's condensed financial statements

SEK 000	Jan-Mar	
	2022	2021
<b>Operating revenue</b>	73,448	79,331
Operating costs	-19,340	-21,895
Gross profit	54,108	57,436
<b>Operating profit (EBIT)</b>	<b>21,351</b>	<b>25,776</b>
Result from financial income and expenses	-4,578	435
Income before tax	16,773	26,211
<b>Net income</b>	<b>12,312</b>	<b>20,729</b>

SEK 000	Jan-Mar	
	2022	2021
<b>Net income</b>	<b>12,312</b>	<b>20,729</b>
<b>Sum of other comprehensive income</b>	<b>—</b>	<b>—</b>
<b>Total comprehensive income</b>	<b>12,312</b>	<b>20,729</b>

SEK 000	31 March	31 December
	2022	2021
<b>ASSETS</b>		
Non-current assets	1,061,749	1,065,635
Current assets	222,228	214,212
<b>Total assets</b>	<b>1,283,977</b>	<b>1,279,847</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	1,252,361	1,240,049
Current liabilities	31,616	39,798
<b>Total equity and liabilities</b>	<b>1,283,977</b>	<b>1,279,847</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 9-16. 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 policies applied in the preparation of these consolidated financial statements have been applied consistently for all presented periods, unless otherwise stated. The complete accounting policies can be found on pages 65-68 of the Annual Report 2021.

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

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

### Parent company

The parent company applies the same accounting policies as the Group, with the exception of IFRS 16 Leases and the exemptions and supplements stipulated in RFR 2, Accounting for Legal Entities. The interim report complies with the Swedish Annual Accounts Act.

## 2. Revenue from contracts with customers

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

SEK 000	Jan-Mar 2022				Jan-Mar 2021			
	Americas	EMEA	APAC	Total	Americas	EMEA	APAC	Total
Goods	109,446	29,277	13,671	<b>152,394</b>	121,124	29,462	13,849	<b>164,435</b>
Royalty	1,555	769	—	<b>2,324</b>	1,169	5,709	—	<b>6,878</b>
<b>Net sales</b>	<b>111,001</b>	<b>30,046</b>	<b>13,671</b>	<b>154,718</b>	<b>122,293</b>	<b>35,171</b>	<b>13,849</b>	<b>171,313</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	Jan-Mar	
	2022	2021
Exchange gains operating activities	1,732	863
Exchange losses operating activities	-1,066	-498
<b>Exchange result operating activities</b>	<b>666</b>	<b>365</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	Jan-Mar	
	2022	2021
Exchange gains financing activities	815	534
Exchange losses financing activities	-1,101	-88
<b>Exchange result financing activities</b>	<b>-286</b>	<b>446</b>

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

The company presents some financial measures in the interim report that are not defined in IFRS. The company believes that these measures provide valuable supplementary information to investors and company management. Since not all companies calculate alternative performance measures in the same way, they are not always comparable with the measures used by other companies. However, these non-IFRS measures should not be considered substitutes for financial reporting measures prepared in accordance with IFRS. The following alternative performance measures are presented in the interim report:

#### Operating profit (EBIT)

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

SEK 000	Jan-Mar	
	2022	2021
Net income	14,019	22,634
Income taxes	3,607	7,511
Financial result	865	-29
<b>Operating profit (EBIT)</b>	<b>18,491</b>	<b>30,116</b>

#### EBITDA

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

SEK 000	Jan-Mar	
	2022	2021
Operating profit (EBIT)	18,491	30,116
Depreciation and amortization	19,787	17,029
<b>EBITDA</b>	<b>38,278</b>	<b>47,145</b>



Other alternative performance measures	Definition/Basis of calculation	Purpose
<b>Gross margin</b>	Defined as gross profit divided by net sales	Used to measure product profitability
<b>EBITDA marginal</b>	Defined as EBITDA divided by net sales	Used to measure the company's profitability before depreciation/amortization 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 more than 400 patents worldwide. Probi had sales of SEK 658 m in 2021. Probi's shares are listed on Nasdaq Stockholm, Mid-cap, and there were around 3,800 shareholders on December 31, 2021.

