

Interim Report Q1 / 2024

2024-04-18

Vitrolife AB (publ)

Bronwyn Brophy O'Connor, CEO

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Q1 Highlights

Stable margins

Gross margin 57.1%
EBITDA margin 32.4%

Strong growth in APAC

19%

Genetics business area

now includes product area Genomics

Strong growth in APAC and solid margins

First quarter

Sales
841 MSEK
(854 MSEK) -2% in SEK

Organic growth
0%
In local currencies

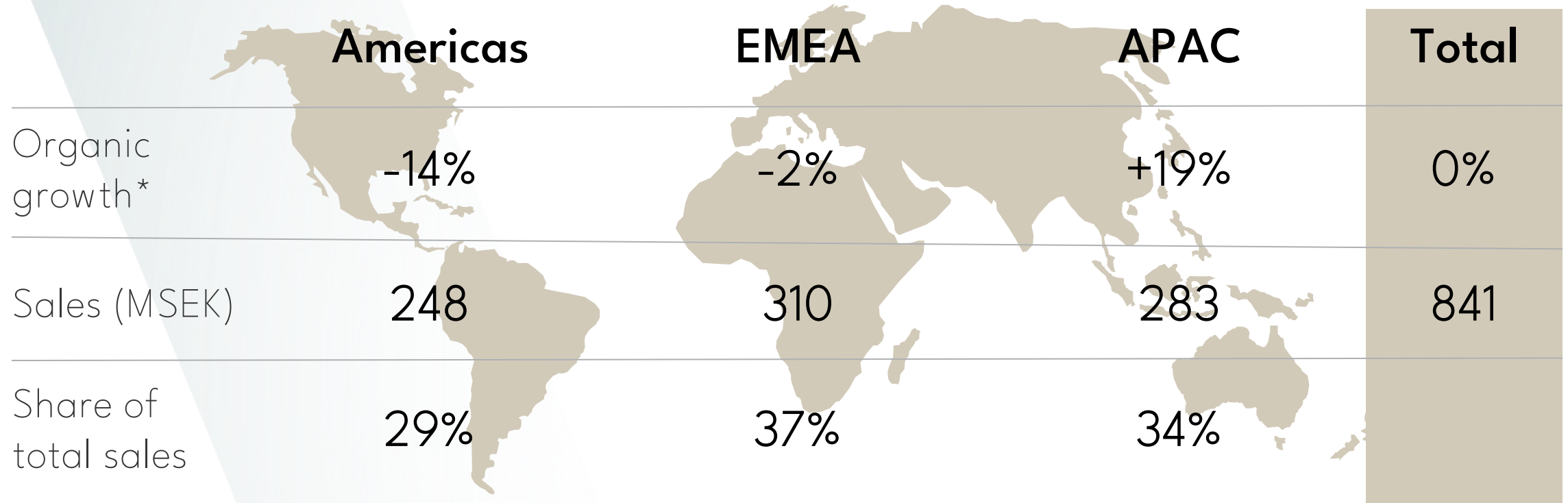
Gross margin
57.1%
(56.8%)

EBITDA
272 MSEK
Margin 32.4% (30.6%)

Operating cash flow
198 MSEK
(160 MSEK)

Earnings per share
0.85 SEK
(0.74 SEK)

Sales and growth per geographical segment

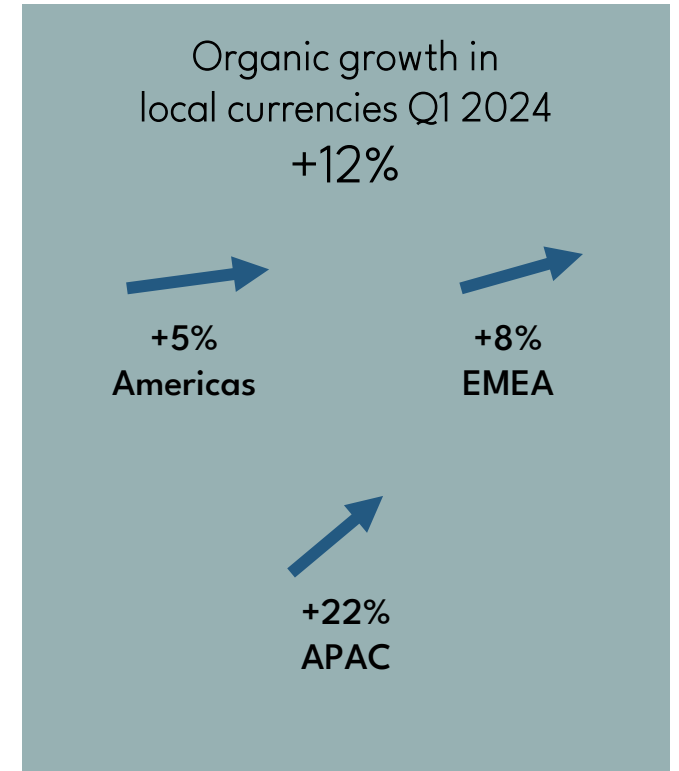
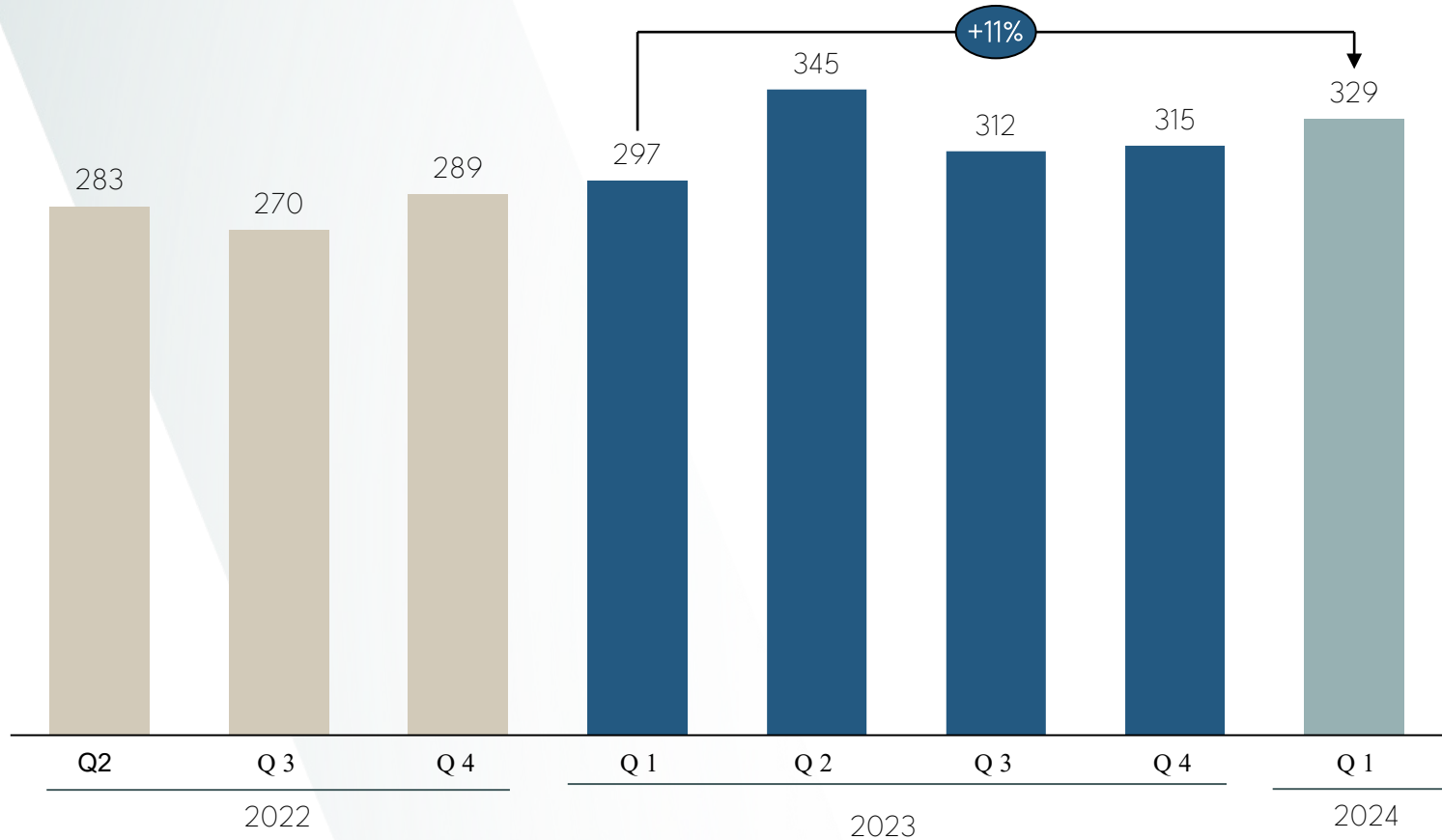


* Organic growth in local currencies

Consumables business area

Growth in all regions with share gains in media

Net sales*, MSEK

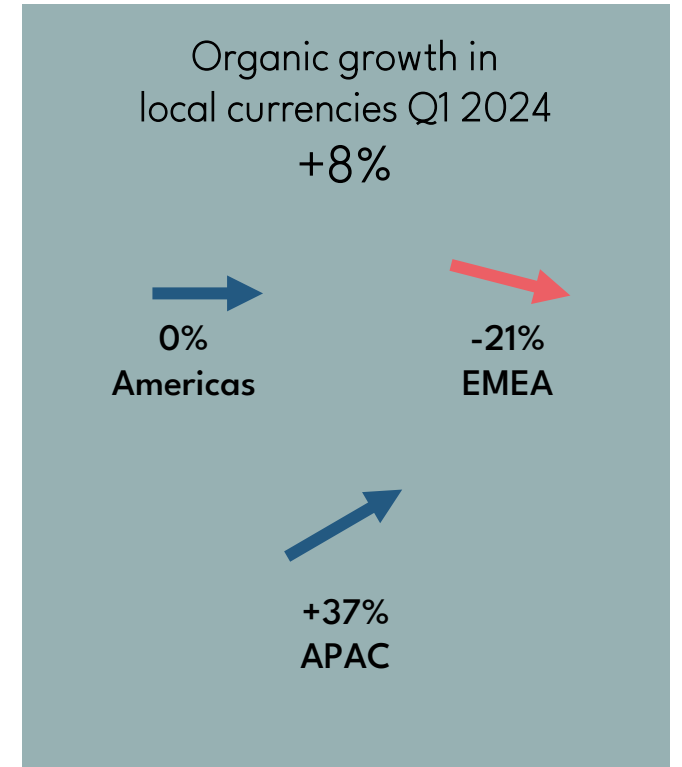
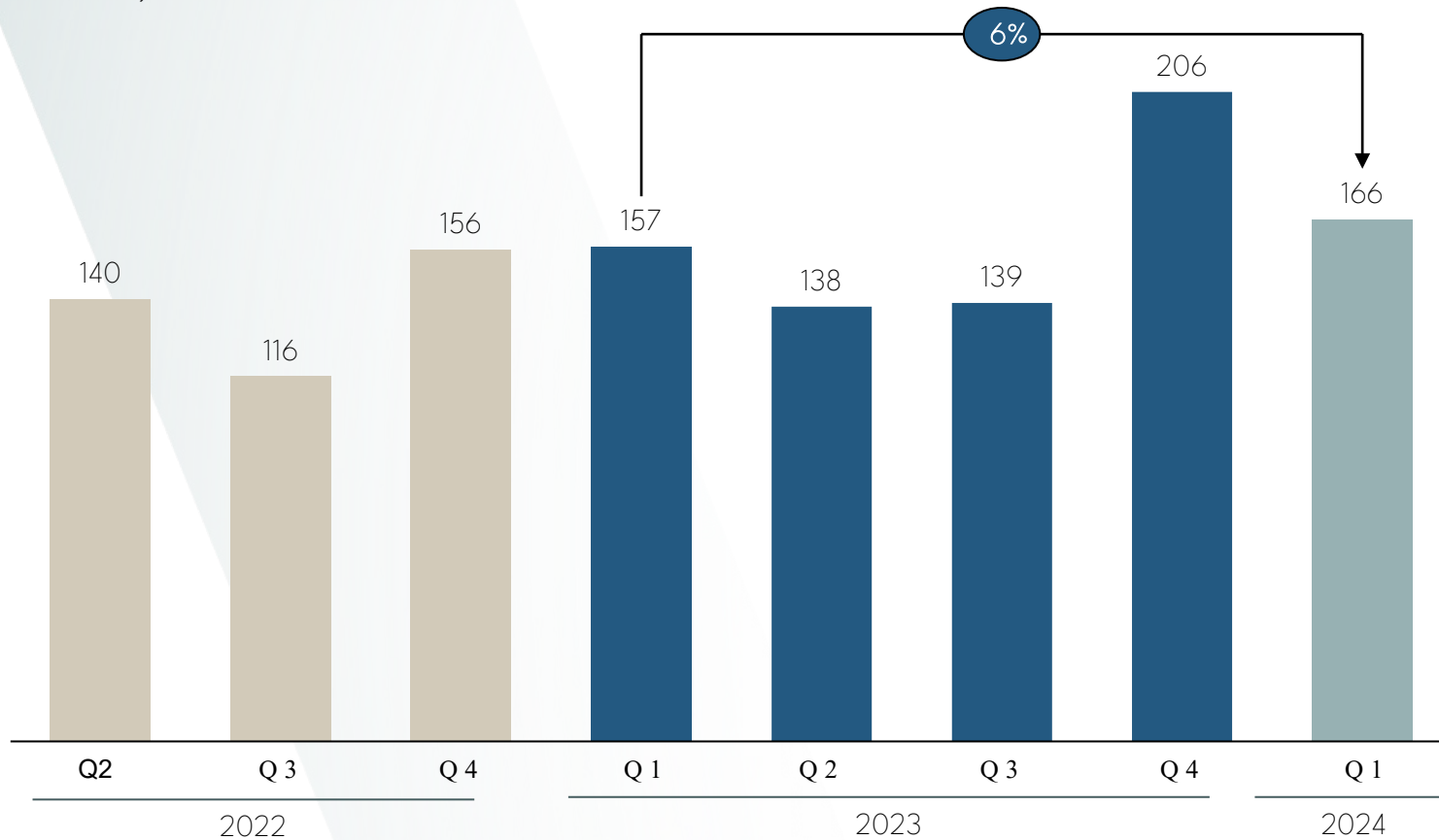


*Excluding Genomics, also in comparable numbers

Technologies business area

Positive momentum continues into Q1

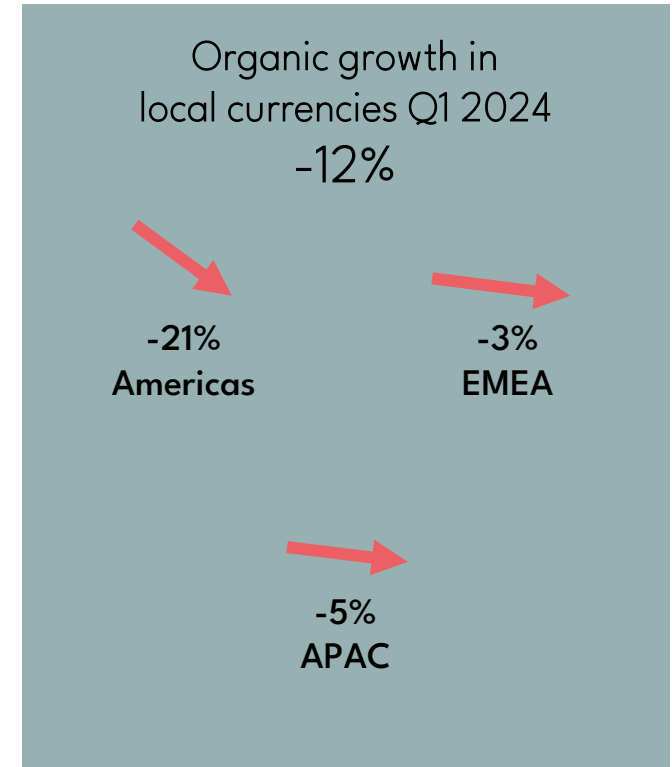
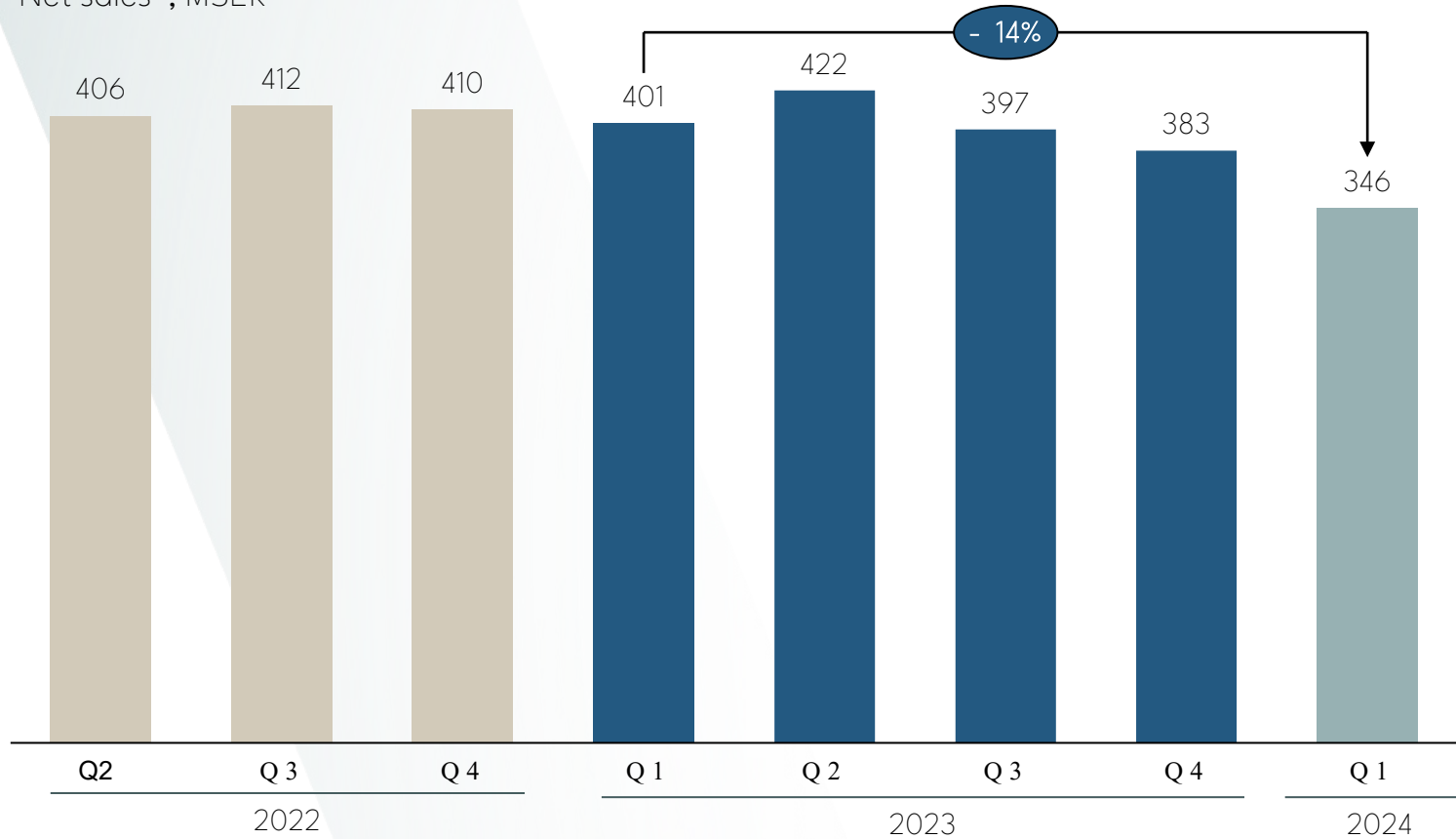
Net sales, MSEK



Genetics business area

Strong comparable on PGT-A, ERA and genomic kits impacting growth rates

Net sales*, MSEK

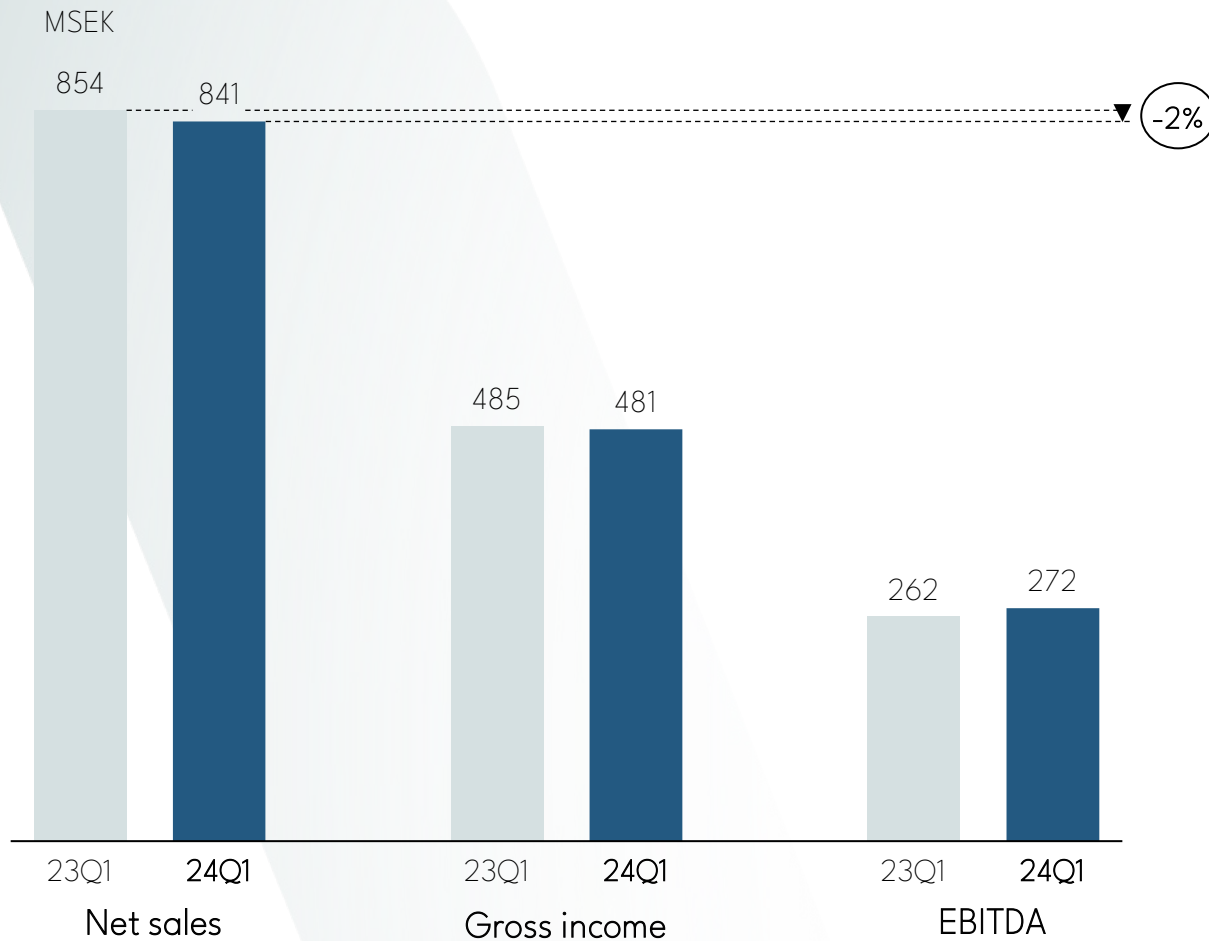


*Including Genomics also in comparable numbers

Geographical segments

	Americas	EMEA	APAC	Total
Sales (MSEK)	248	310	283	841
Gross income (MSEK) <i>Gross margin %</i>	141 56.8%	170 54.7%	170 60.0%	481 57.1%
Selling expenses (MSEK)	-58	-69	-42	-169
Market contribution (MSEK) <i>Contribution margin %</i>	83 33.4%	100 32.4%	128 45.2%	311 37.0%
<i>Contribution margin Q1 -23</i>	31.3%	38.1%	43.9%	37.5%

Q1 financial highlights



Net sales of SEK 841 million (854), -2% in SEK

- Organic growth in local currencies 0%
- Currency impact SEK -13 million -2%

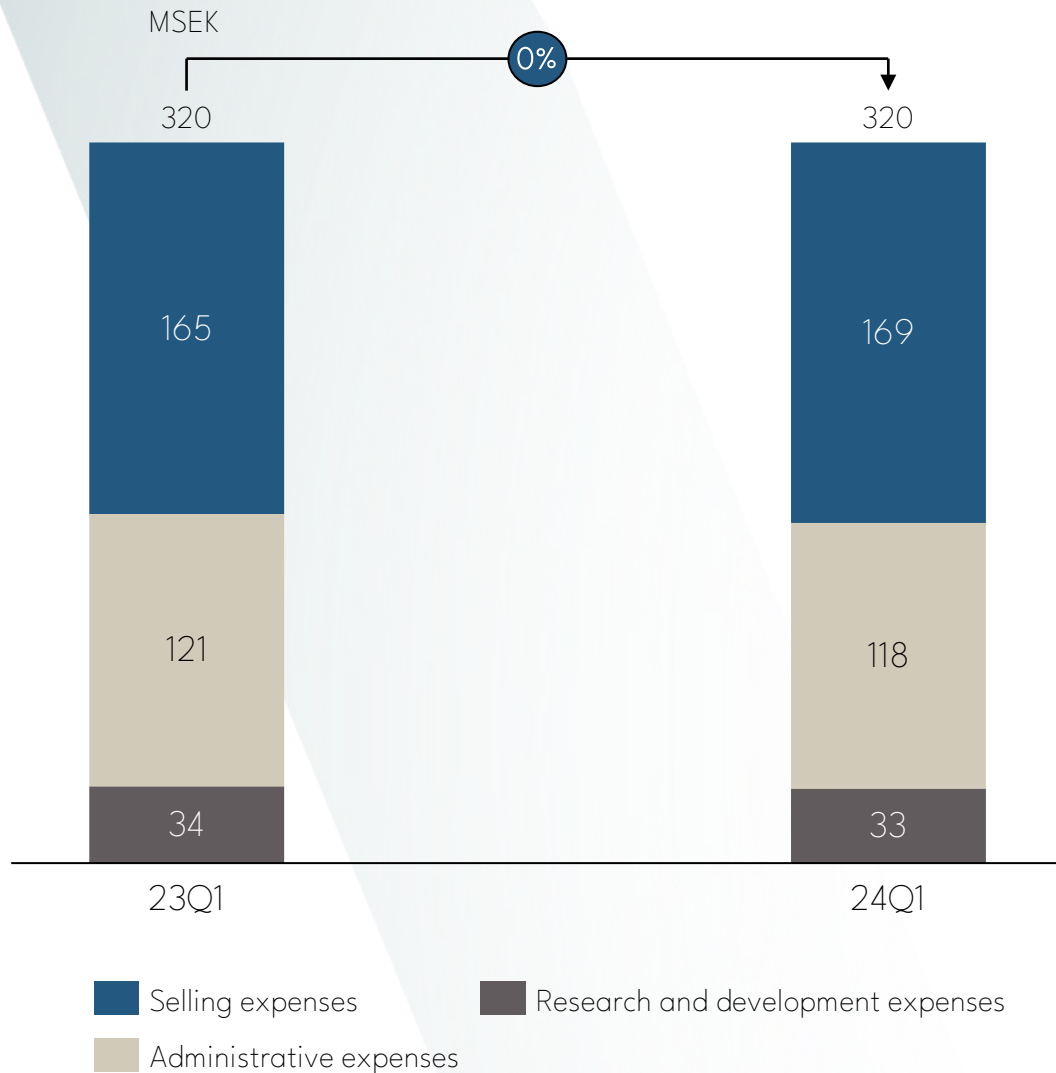
Gross income of SEK 481 million (485)

- Margin of 57.1% (56.8%)
- Positive product mix
- Market mix has an impact on gross margin

EBITDA of SEK 272 million (262)

- Margin of 32.4% (30.6%)

Operating expenses



Operating expenses

- Similar level as last year
- Increased investment in innovation
 - expensed R&D
 - capitalised R&D
- Minor negative currency effect

Key financials

	2024 Q1	2023 Q1
Sales, MSEK	841	854
Gross Margin, %	57.1	56.8
EBITDA	272	262
EBITDA Margin, %	32.4	30.6
Net income	115	99
Earnings per share, SEK	0.85	0.74
Operating cash flow, MSEK	198	160
Net Debt / EBITDA rolling 12m	0.9	1.3



Corporate Strategy Vitrolife Group

Market megatrends



Growth in demand



Labour and skills shortage



Consolidation



Regionalisation



Patient Empowerment

Vision with a purpose

“Enable people to fulfil the dream of having a healthy baby”

Mission

“Be the leading global partner in reproductive health, striving for better treatment outcomes for patients”

Long-term growth and profit-targets

Annual organic revenue growth (in local currencies)

>10%

EBITDA margin

>33%

Net debt/EBITDA

<3

1 Own the platform connecting products and services

2 Innovate to expand leadership

3 Accelerate growth in key markets

4 Optimise go-to-market model

5 Drive operational excellence

Ensure sustainability in everything we do

Our values

Integrity

Quality

Innovation

Collaboration

Focus for the rest of the year

Priority

Increase share and penetration in the US & China

Increase market share in Consumables

Accelerate penetration and utilisation of Time-Lapse

Accelerate growth of broader genetics portfolio

Drive operational excellence across the company

Progress

- ✓ Senior Vice President North America appointed April 1st
- ✓ Increased direct commercial headcount in China

- ✓ Scaled up manufacturing capabilities to meet increased demand

Leverage workflow & automation benefits to further build pipeline

- ✓ Increase sales on carrier screening (CGT) and non-invasive tests
- Optimise segmentation and targeting for outsource vs insource**
- ✓ Drive increased adoption of all tests OUS

- ✓ Appointed a dedicated program leader to drive the program

Q/A Session

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