

Haypp Group's quarterly report was well-received; turns to net profit in the second quarter and over 50 per cent organic growth of nicotine pouches

Earlier today, the 12th of August, Haypp Group published its interim report for the second quarter. The report, widely picked up by Swedish business media, displayed a net sales increase of 16 per cent, and the volume of sold nicotine pouches increased by 55 per cent, of which 50 per cent organically, amounting to over 40 per cent of the total volume in the second quarter. The gross margin increased by 2.3 percentage points to 12.5 per cent, driven by a solid development in the Core markets segment. An overview of the media coverage follows below:

Haypp Group's CEO Gavin O'Dowd was invited to participate in DiTV, the online streaming channel for Dagens Industri, the most prominent business newspaper in the Nordic region, to comment on the quarter and what can be expected going forward.

"We are very happy with releasing our Q2 results today. Our primary driver of growth is nicotine pouches which have grown by and by over 50 per cent organically. In addition to that, that has converted to a very strong profit growth, where we have grown by over 57 per cent year-on-year," says Gavin O'Dowd, CEO of Haypp Group, and continues regarding the category of nicotine pouches:

"Our objective is to prioritise growth because of the incredible growth of the category itself; the category will continue to grow by about 40 per cent per annum for the foreseeable future, while we are going above and beyond that. So, it's about maintaining that growth. With that growth, we are building our entire infrastructure for scale; that scale is generating the earnings which we see manifest itself in both our growth margins and our EBIT. And with the EBIT, as a result of the nature of our business, we tend to have a very strong cash conversion. So, the strategy doesn't alter for these conditions; we are keeping straight ahead."

The entire online stream can be found [here](#).

Swedish business news site Breakit reported that "Haypp Group turns to net profit in the second quarter".

The full article can be found [here](#) (in Swedish).

Swedish trade magazine Ehandel.se also reported on the interim report, quoting Haypp Group's CEO Gavin O'Dowd concerning the quarter and Head of External Affairs, Markus Lindblad, on the competitive situation in the industry. The full article can be read [here](#) (in Swedish).

Some also reported on the sharp lift in share price. [Dagens Industri](#) (Swedish) Noted that the stock surged after the well-received report. Read the full article [here](#) (in Swedish).

For more in-depth comments on the second quarter, CEO Gavin O'Dowd and CFO Svante Andersson held a webcast at financial hearings, which can be found [here](#).

For more information and contact

For general inquiries, contact info@hayppgroup.com.

Haypp in brief

The Haypp Group spearheads the global transformation from smoking to risk-reduced product alternatives. With origins in Scandinavia, our extensive experience from pioneering markets in smoke-free alternatives, as well as being a leader in the e-commerce sector, is now bringing our vision to a global scale. With ten e-commerce store brands, the Haypp Group is present in seven countries, where we served more than 680,000 active consumers during 2021.

Image Attachments

[Haypp Group CEO Gavin Odowd At DiTV](#)

Attachments

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