

Third quarter 2024

Interim report



Financial highlights

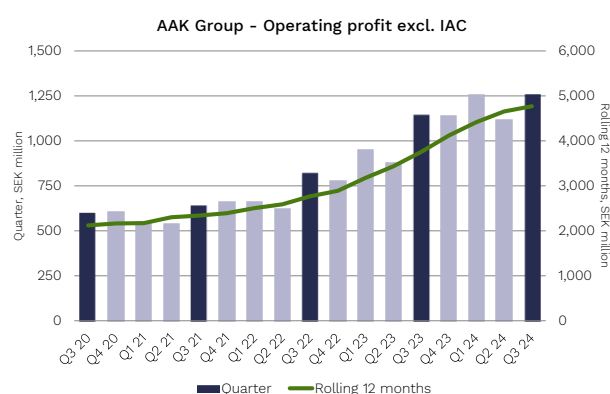
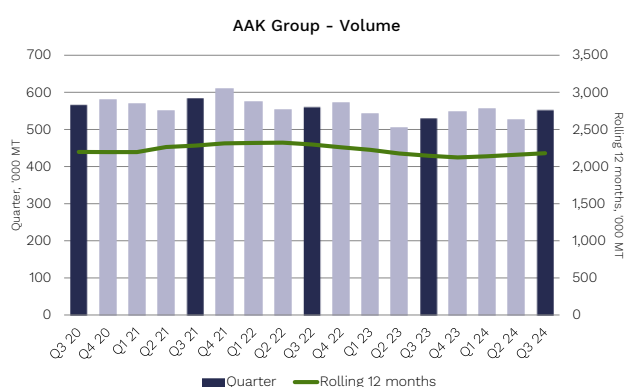
Q3 2024

- Volumes increased by 4 percent to 551,000 MT (529,000).
- Operating profit increased by 10 percent, reaching SEK 1,256 million (1,143), including a negative currency translation effect of SEK 95 million. At fixed foreign exchange rates, operating profit increased by 18 percent.
- Profit for the period totaled SEK 871 million (807).
- Earnings per share equaled SEK 3.35 (3.10).
- Cash flow from operating activities amounted to SEK 515 million (1,214).
- Return on Capital Employed (ROCE), R12M, was 22.1 percent (19.1 percent on December 31, 2023).

Q1–Q3 2024

- Volumes increased by 4 percent to 1,632,000 MT (1,575,000).
- Operating profit increased by 22 percent, reaching SEK 3,628 million (2,975), including a negative currency translation effect of SEK 149 million. At fixed foreign exchange rates, operating profit increased by 27 percent.
- Profit for the period totaled SEK 2,614 million (2,084).
- Earnings per share equaled SEK 10.05 (8.02).
- Cash flow from operating activities amounted to SEK 2,234 million (3,961).
- Return on Capital Employed (ROCE), R12M, was 22.1 percent (19.1 percent on December 31, 2023).

	Q3 2024	Q3 2023	Δ %	Q1-Q3 2024	Q1-Q3 2023	Δ %	R12M 2024	Full year 2023
Volumes, '000 MT	551	529	+4	1,632	1,575	+4	2,180	2,123
Operating profit, SEK million	1,256	1,143	+10	3,628	2,975	+22	4,769	4,116
Operating profit per kilo, SEK	2.28	2.16	+6	2.22	1.89	+17	2.19	1.94
Profit for the period, SEK million	871	807	+8	2,614	2,084	+25	3,484	2,954
Earnings per share, SEK	3.35	3.10	+8	10.05	8.02	+25	13.38	11.35
Cash flow from operating activities, SEK million	515	1,214	-58	2,234	3,961	-44	3,587	5,314
Return on Capital Employed (R12M), percent	22.1	17.2	+28	22.1	17.2	+28	22.1	19.1



Volume growth across all three business areas and improved group profitability

Following a strong first half, I am pleased to report continued momentum in the third quarter, delivering strong results despite tougher comparisons. We achieved year-over-year volume growth across all three business areas and sustained an operating profit per kilo above SEK 2, reaching one out of three pillars in our 2030 aspiration ahead of schedule. In light of this performance, we will be presenting a strategic update at the upcoming Capital Markets Day on November 26 in Karlshamn, Sweden.

Business performance

Volumes increased by 4 percent, with all three business areas contributing. The growth was led by strong performance in Chocolate & Confectionery Fats, primarily driven by increased penetration of filling fats to regional customers.

Profitability, measured as operating profit per kilo, was strong and grew year-over-year, in both Chocolate & Confectionery Fats and Food Ingredients. Profitability in Technical Products & Feed improved compared to the second quarter this year but declined year-over-year. The strong profitability was mainly driven by our global optimization programs, including production process optimization and portfolio & price management, as well as operating leverage from increased volumes. Our third-quarter profitability was also supported by continued favorable market conditions in Chocolate & Confectionery Fats.

Driven by the improved profitability and increased volumes, operating profit grew 10 percent compared to the third quarter last year. At fixed foreign exchange rates, operating profit increased by 18 percent.

Operating cash flow was impacted by increased working capital, primarily driven by seasonal sourcing, rising raw material prices, and inventory buildup related to EUDR compliance.

Divestment of North American Foodservice to focus on Europe

As announced yesterday, AAK has entered into an agreement to divest its Foodservice facility in Hillside, NJ, USA. Although the standalone Hillside site will be sold, we are also making investments to enhance our European Foodservice structure, with a focus on reinforcing our already strong presence in the UK and Nordic regions.

A binding transaction agreement has been signed with Stratas Foods LLC, and the transaction is expected to be completed before the end of the year subject to customary closing conditions. Until completion, Hillside will continue to be reported as part of Food Ingredients. The transaction is expected to generate a one-time positive cash flow impact of approximately SEK 600 million at closing, with no anticipated material effect on the profit and loss statement. Hillside represents approximately 5 percent of AAK's total volumes and contributes around 1 percent to its operating profit. As a result, the divestment is expected to positively impact the group's operating profit per kilo by approximately 4 percent, all else being equal.



To future-proof and strengthen our remaining Foodservice operations in Europe, we are looking to invest in a new site to replace the existing facility in Dalby, Sweden. Additionally, we are modernizing our Hastings Foodservice site in the UK. The total capital investment for improving and expanding the European Foodservice business is approximately SEK 400 million, spread over 2025-2026.

Upcoming Capital Markets Day

As previously announced, we are pleased to invite investors, analysts, and media to our Capital Markets Day on November 26, 2024, in Karlshamn, Sweden. The event will begin at 9:00 AM CET with a site tour, followed by updates from members of the executive committee on AAK's strategy and 2030 aspiration.

Concluding remarks

We delivered a strong performance in the third quarter, continuing the momentum from earlier in the year, with organic volume growth and improved profitability. We remain committed to achieving an average operating profit growth of 10 percent over the long term, while being humble of the dynamic market conditions and the increasingly tough year-over-year comparisons we face. We remain focused on maintaining a balance between value and volume, and we approach the future with a prudently optimistic view.

Johan Westman, President and CEO

AAK Group, Q3 2024

Volumes

Volumes totaled 551,000 MT (529,000), an increase of 4 percent compared to last year.

Net sales

Sales reached SEK 11,171 million (11,619), a decrease of 4 percent. The decrease was mainly driven by a negative currency translation effect of SEK 696 million, somewhat mitigated by the increase in volumes.

Operating profit

Operating profit totaled SEK 1,256 million (1,143), corresponding to an increase of 10 percent compared to the same quarter in 2023. The earnings growth was driven by strong operating profit in both Chocolate & Confectionery Fats and Food Ingredients. Currency translation had a negative effect of SEK 95 million, of which SEK 62 million was related to Food Ingredients and SEK 33 million to Chocolate & Confectionery Fats. Operating profit at fixed foreign exchange rates increased by 18 percent.

Operating profit per kilo totaled SEK 2.28 (2.16), an increase of 6 percent. Currency translation had a negative effect of SEK 0.17 per kilo. At fixed foreign exchange rates, operating profit per kilo increased by 13 percent. AAK achieved this growth mainly as a result of our global optimization programs, including production process optimization and portfolio & price management, as well as operational leverage from increased volumes. Third-quarter profitability was also supported by continued favorable market conditions in Chocolate & Confectionery Fats.

Net financial costs and tax costs

Net financial costs totaled SEK 101 million (85). The financial costs increased due to reporting in hyperinflationary economies (IAS 29), partly offset by lower interest rates. Reported tax costs correspond to an average tax rate of 25 percent (24).

Earnings per share

Earnings per share equaled SEK 3.35 (3.10).

Cash flow and investments

Operating cash flow, including changes in working capital, amounted to SEK 515 million (1,214). Cash flow from working capital amounted to negative SEK 847 million (negative 25), mainly due to increased working capital, primarily driven by negative cash flows from inventory. The negative cash flow from inventory was a result of seasonal purchasing, rising raw material prices, and inventory buildup related to EU DR.

Cash outflow from investment activities amounted to SEK 311 million (270). Capital expenditure was primarily for maintenance investments, productivity improvements, and capacity increases.

Return on Capital Employed (ROCE)

Calculated on a rolling 12-month basis, Return on Capital Employed (ROCE) was 22.1 percent (19.1 on December 31, 2023).

Financial position

The equity-to-asset ratio was 57 percent (56 percent on December 31, 2023). Net debt on September 30, 2024, totaled SEK 2,176 million (SEK 2,425 million on December 31, 2023). Net debt/EBITDA totaled 0.39 (0.49 as of December 31, 2023).

On September 30, 2024, the Group had total credit facilities of SEK 8,213 million (8,605 as of December 31, 2023), of which there were SEK 6,697 million (7,085 as of December 31, 2023) in committed credit facilities. Unused committed credit facilities on September 30, 2024, totaled SEK 5,653 million (5,559 as of December 31, 2023). Non-committed credit facilities totaled SEK 1,515 million (1,520 as of December 31, 2023), SEK 1,384 million (1,352 as of December 31, 2023) of which were unused.



Selected events

New York Climate Week

Our CEO, Johan Westman, joined global leaders at the Sustainable Development Impact Meetings hosted by the World Economic Forum during the New York Climate Week in October.

The purpose was to engage in discussions on accelerating the shift toward sustainable food systems and reducing carbon emissions. We emphasized the importance of collaboration to drive sustainability and highlighted key initiatives, including decarbonizing supply chains, investing in regenerative agriculture, and supporting the flexitarian diet movement. This engagement marks a deeper involvement as AAK continues to explore opportunities to create meaningful, long-term positive impact.

Wear sunscreen

We recently shared out latest insights on the evolving sunscreen market, which is being shaped by consumers' increased awareness of the need to safeguard their skin with effective protection. Consumers still experience barriers such as unpleasant textures, concerns over toxic ingredients, and the environmental impact of sunscreen.

AAK's LIPEX SheaSolve™ is a shea-derived ester that helps overcome some of these issues by offering a plant-based solution with a light texture, excellent dispersion of mineral filters, and high SPF without leaving a white cast. Read more on [AAK.com](https://www.aak.com).

R&D collaboration with academia

AAK celebrated the completion of its 50th student project at the Process Development Lab in Arhus, Denmark, highlighting our collaboration with academia to drive innovation. Through partnerships with universities, and by offering student internships, we cultivate high-level R&D expertise and accelerate new technology and product development.

These collaborations enhance our understanding of complex processes while providing students with valuable industry experience. Notably, several former students have joined us as full-time employees. Additionally, we have been awarded public funding for research projects, further strengthening our innovation capabilities and academic partnerships.



AAK continue making progress on sustainability

AAK has continued to make progress in the sustainability of its global palm oil sourcing, with the proportion of verified deforestation-free palm oil rising from 83 percent in 2023 to 89 percent in the first half of 2024. This improvement reflects AAK's commitment to sustainable practices and biodiversity, especially given the evolving regulatory landscape.



EUDR postponement: Legislators slow down

A proposal has emerged to postpone the implementation of the EUDR by one year. Although no official decision has been made regarding this postponement, AAK recognizes that this last-minute proposal is unfortunate, as it penalizes those like AAK who were ready to implement in accordance with the previously announced timeline, adds uncertainty and may divert attention from the primary objective of stopping deforestation.



Food Ingredients, Q3 2024

	Q3 2024	Q3 2023	Δ %	Q1-Q3 2024	Q1-Q3 2023	Δ %	R12M 2024	Full year 2023
Operating profit +4%								
Volumes, '000 MT	348	343	+1	1,038	1,014	+2	1,388	1,364
Net sales, SEK million	7,081	7,713	-8	21,303	23,076	-8	28,118	29,891
Operating profit, SEK million	770	739	+4	2,304	1,957	+18	2,989	2,642
Operating profit per kilo +3%								
Operating profit per kilo, SEK	2.21	2.15	+3	2.22	1.93	+15	2.15	1.94

Volumes

Volumes increased by 1 percent compared to the same period in the previous year. The volume growth was primarily driven by Bakery and Foodservice, while Special Nutrition declined mainly due to challenges in China.

The growth in Bakery was primarily driven by strong performance in the Americas, followed by Europe, while Asia, the Middle East & Africa was roughly flat.

In Dairy, volume grew slightly, mainly driven by strong performance in the Americas, while both Europe and Asia, the Middle East & Africa declined.

Volume in Special Nutrition declined, driven by declines in Asia, the Middle East & Africa. This was due to continued challenges in the Chinese infant nutrition market.

Volumes in Foodservice grew, with solid performance in both Europe and the Americas.

Net sales

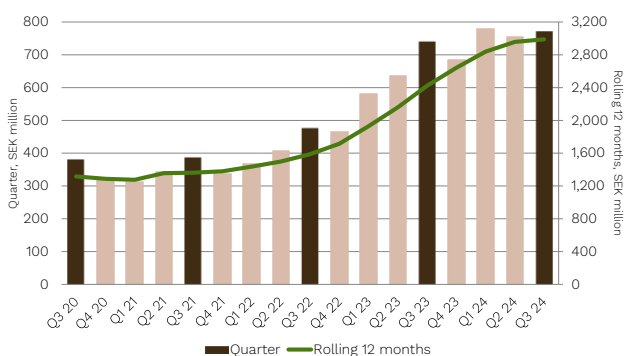
Net sales reached SEK 7,081 million (7,713), a decrease of 8 percent, including a negative currency translation effect of SEK 490 million.

Operating profit

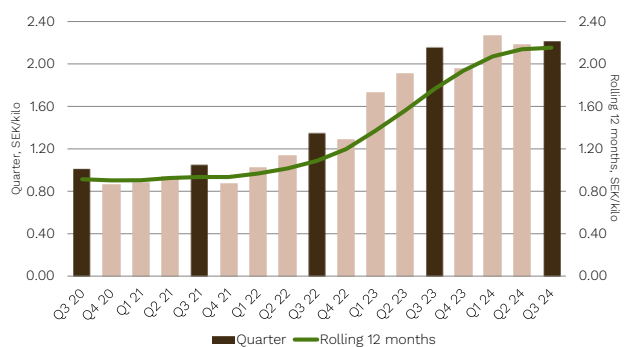
Operating profit increased by 4 percent to SEK 770 million (739), including a negative currency translation effect of SEK 62 million. At fixed foreign exchange rates, operating profit increased by 13 percent.

Operating profit per kilo increased to SEK 2.21 (2.15), corresponding to 3 percent growth, with currencies having a negative effect of SEK 0.18 per kilo. The increase was primarily driven by Foodservice and Dairy, while Bakery was roughly flat. At fixed foreign exchange rates, operating profit per kilo increased by 11 percent.

Food Ingredients - Operating profit



Food Ingredients - Operating profit per kilo





Chocolate & Confectionery Fats, Q3 2024

Operating profit +20%	Q3 2024	Q3 2023	Δ %	Q1-Q3 2024	Q1-Q3 2023	Δ %	R12M 2024	Full year 2023	
	Volumes, '000 MT	133	119	+12	388	350	+11	511	473
Operating profit per kilo +7%	Net sales, SEK million	3,526	3,357	+5	10,355	10,262	+1	13,787	13,694
	Operating profit, SEK million	525	438	+20	1,463	1,040	+41	1,944	1,521
	Operating profit per kilo, SEK	3.95	3.68	+7	3.77	2.97	+27	3.80	3.22

Volumes

Volumes increased by 12 percent compared to the same period last year. The strong volume growth came on top of soft development in the third quarter of last year and was further supported by favorable market conditions.

The growth was broad-based, with contributions from all three regions and across key product categories, with especially strong performance for spreads and fillings with regional customers.

Net sales

Net sales for the business area reached SEK 3,526 million (3,357), a 5 percent increase, including a negative currency translation effect of SEK 206 million.

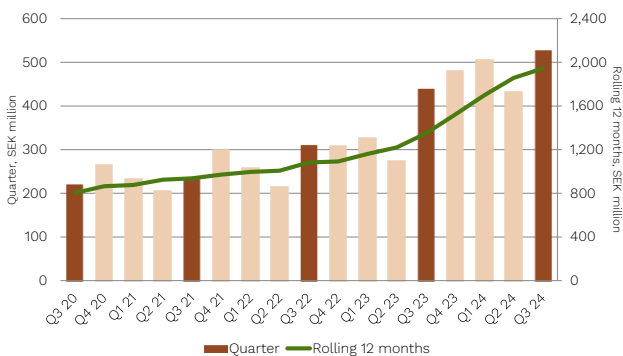
Operating profit

Operating profit reached SEK 525 million (438), an increase of 20 percent compared to the same quarter last year. Currency translation had a negative impact of SEK 33 million. At fixed foreign exchange rates, operating profit increased by 27 percent.

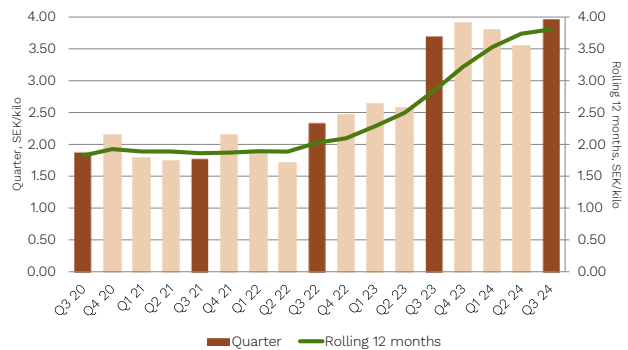
The operating profit per kilo was strong, increasing to SEK 3.95 (3.68), corresponding to 7 percent growth. Currency translation had a negative impact of SEK 0.25 per kilo. At fixed foreign exchange rates, operating profit per kilo increased by 14 percent.

The increase in operating profit per kilo was broad-based across regions and was further supported by favorable market conditions.

Chocolate & Confectionery Fats - Operating profit



Chocolate & Confectionery Fats - Operating profit per kilo





Technical Products & Feed, Q3 2024

	Q3 2024	Q3 2023	Δ %	Q1-Q3 2024	Q1-Q3 2023	Δ %	R12M 2024	Full year 2023
Operating profit -4%								
Volumes, '000 MT	70	67	+4	206	211	-2	281	286
Net sales, SEK million	564	549	+3	1,664	1,855	-10	2,252	2,443
Operating profit, SEK million	45	47	-4	107	199	-46	166	258
Operating profit per kilo, SEK	0.64	0.70	-9	0.52	0.94	-45	0.59	0.90
Operating profit per kilo -9%								

Volumes

Volumes grew by 4 percent compared to the same period in 2023. The growth was driven by Technical Products while Feed was roughly flat.

The absolute third-quarter volume performance for Technical Products & Feed was solid, returning to a normalized run rate after the production challenge experienced in the second quarter of 2024.

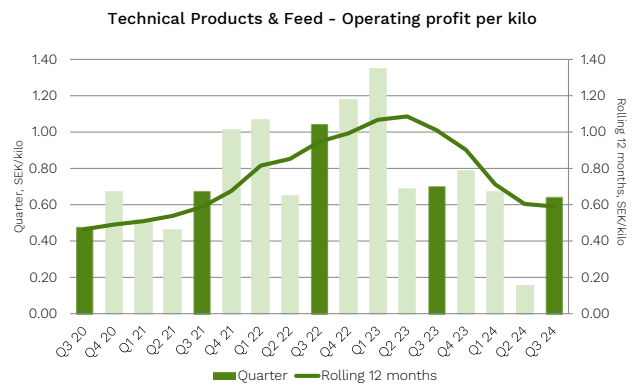
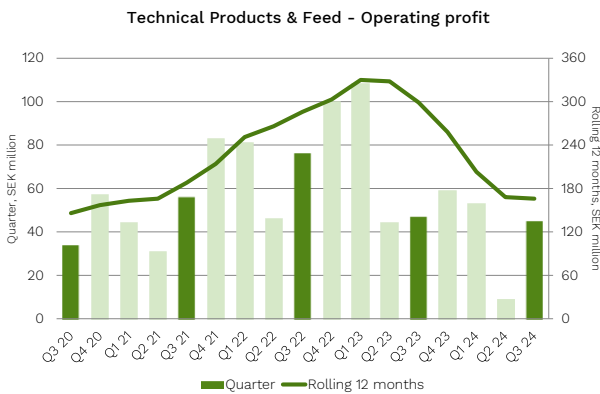
Operating profit

Operating profit totaled SEK 45 million (47), a 4 percent decrease compared to last year. The decline was due to weak demand in Technical Products and came despite a 4 percent volume growth.

As a result, the operating profit per kilo declined to SEK 0.64, down 9 percent.

Net sales

Net sales for the business area reached SEK 564 million, increasing by 3 percent compared to SEK 549 million during the third quarter of last year.



AAK Group, first nine months 2024

Volumes

Volumes totaled 1,632,000 MT (1,575,000), an increase of 4 percent compared to last year.

Net sales

Sales reached SEK 33,322 million (35,193), a decrease of 5 percent. The decrease was driven by price adjustments due to lower raw material prices and a negative currency translation impact of SEK 925 million. This was partly offset by higher volumes, a favorable product mix via a continued focus on speciality solutions.

Operating profit

Operating profit totaled SEK 3,628 million (2,975), an increase of 22 percent compared to the corresponding period in 2023.

The growth in operating profit was driven by strong operating profit per kilo in Food Ingredients and Chocolate & Confectionery Fats.

The currency translation had a negative impact of SEK 149 million, of which SEK 82 million was related to Food Ingredients and SEK 67 million to Chocolate & Confectionery Fats. Operating profit at fixed foreign exchange rates increased by 27 percent.

Operating profit per kilo totaled SEK 2.22 (1.89), an increase of 17 percent. The currency translation impact was negative SEK 0.09. At fixed foreign exchange rates, operating profit per kilo increased by 22 percent. AAK achieved this growth mainly due to our global optimization programs, including production process optimization and portfolio & price management, as well as operational leverage from increased volumes. Profitability was also somewhat supported by continued favorable market conditions in Chocolate & Confectionery Fats.

Net financial cost and tax costs

Net financial cost totaled SEK 172 million (230). The financial cost decreased due to reduced debt level, partly offset by lower interest rates and reporting in hyperinflationary economies (IAS 29). Reported tax costs correspond to an average tax rate of 24 percent (24).

Earnings per share

Earnings per share equaled SEK 10.05 (8.02).

Cash flow and investments

Operating cash flow including changes in working capital amounted to SEK 2,234 million (3,961). Cash flow from working capital amounted to negative SEK 1.847 million (positive 1,416). The negative cash flow impact from changes in working capital was primarily driven by increases in inventory and accounts receivable, while accounts payable had a minor positive effect.

Cash outflow from investment activities amounted to SEK 881 million (878), of which SEK 0 million (89) stemmed from acquisitions of operations. Capital expenditure was mostly spent on maintenance investments, productivity improvements, and capacity increases.

Employees

The average number of employees on September 30, 2024, was 4,206 (4,128 as of December 31, 2023).

General information

Related parties

No significant related party transactions have occurred during the quarter.

Risks and uncertainty factors

AAK's operations are constantly exposed to risks, threats, and external factors. Through a proactive approach to business intelligence, the company aims to anticipate changes in factors affecting operations. Plans and policies are adjusted continuously to counteract potential negative effects. Active risk management, such as hedging raw material prices and currencies, reduces the risks that the company faces.

Efficient risk management is an ongoing process conducted within the framework of business control and is part of the ongoing review and forward-looking assessment of operations.

AAK assumes that long-term risk exposure will not deviate from the inherent exposure associated with AAK's ongoing business operations.

AAK's Board of Directors and Executive Committee have, since the publication of the Annual Report 2023, reviewed the development of significant risks and uncertainties and can confirm that there have been no changes other than what has been commented on regarding market developments during 2023 and 2024.

For a more in-depth analysis of risks, please refer to AAK's Annual Report.

Accounting policies in 2024

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and applicable rules in the Swedish Annual Accounts Act. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2023.

Alternative Performance Measures (APMs)

AAK presents APMs to reflect underlying business performance and to enhance comparability from period to period. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Definitions of Alternative Performance Measures can be found at www.aak.com under the Investor tab. For a reconciliation of Alternative Performance Measures, see pages 19–20.

Definitions

For definitions, please see our Annual Report.

Events after the reporting period

Divestment of North American Foodservice to Focus on Europe: AAK has agreed to sell its Foodservice facility in Hillside, New Jersey, while investing in strengthening its European Foodservice, particularly in the UK and Nordic regions.

The Parent Company and Group Functions

AAK AB (publ.) is the Parent Company of the AAK Group. Its functions are primarily activities related to the development and administration of the Group.

The result for the Parent Company after financial items amounted to SEK 389 million (negative 268). Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totaled SEK 4,610 million (4,443 as of December 31, 2023). Investments in intangible and tangible assets amounted to SEK 61 million (18).

The Parent Company's balance sheet and income statement are shown on pages 21–22. There are no major changes in the Parent Company's balance sheet since year's end.

The Parent Company has prepared its financial reports in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Report and RFR 2 Accounting for legal entities. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2023.

Malmö, October 24, 2024

Johan Westman
President and CEO

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AAK AB (publ.) is obliged to make this information public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, under the direction of the contact person set out above, at 8:30 CET on October 24, 2024.

Auditor's review report

AAK AB (publ.)
Corp. id. 556669-2850

Introduction

We have reviewed the condensed interim financial information (interim report) of AAK AB (publ.) as of 30 September 2024 and the nine-month period then ended, on pages 2-4 and 6-22. 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 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 International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information 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 practices and consequently does 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, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Malmö, October 24, 2024
KPMG AB

Jonas Nihlberg
Authorized Public Accountant



Condensed income statement

SEK million	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Net sales	11,171	11,619	33,322	35,193	46,028
Other operating income	33	65	106	163	225
Total operating income	11,204	11,684	33,428	35,356	46,253
Change in inventories of finished goods and work in progress	247	-108	-1	-81	-64
Raw materials and consumables	-7,925	-8,263	-23,145	-25,959	-33,421
Goods for resale	-204	-199	-562	-561	-811
Other external expenses	-915	-863	-2,694	-2,607	-3,577
Cost for remuneration to employees	-934	-881	-2,729	-2,508	-3,399
Depreciation, amortization and impairment losses	-213	-249	-643	-683	-877
Other operating expenses	-4	22	-26	18	12
Total operating expenses	-9,948	-10,541	-29,800	-32,381	-42,137
Operating profit (EBIT)	1,256	1,143	3,628	2,975	4,116
Financial income	-14	22	62	59	83
Financial expense	-87	-107	-234	-289	-375
Total financial net	-101	-85	-172	-230	-292
Profit before tax	1,155	1,058	3,456	2,745	3,824
Income tax	-284	-251	-842	-661	-870
Profit for the period	871	807	2,614	2,084	2,954
Attributable to non-controlling interests	2	2	4	4	8
Attributable to the Parent Company's shareholders	869	805	2,610	2,080	2,946
Earnings per share before dilution, SEK ¹⁾	3.35	3.10	10.05	8.02	11.35
Earnings per share after dilution, SEK ²⁾	3.33	3.10	10.02	8.02	11.35

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

²⁾ Earnings per share are calculated based on a weighted average number of outstanding shares after dilution from outstanding subscription warrants.

Comprehensive income

SEK million	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Profit for the period	871	807	2,614	2,084	2,954
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of post-employment benefit obligations	-31	17	-34	17	-11
	-31	17	-34	17	-11
<i>Items that may subsequently be reclassified to profit or loss</i>					
Translation differences	-722	-47	-345	960	-146
Fair-value changes in cash flow hedges	-4	-3	-11	-6	-12
Tax related to fair-value changes in cash flow hedges	1	0	2	1	3
	-725	-50	-354	955	-155
Total other comprehensive income for the period	-756	-33	-388	972	-166
Total comprehensive income for the period	115	774	2,226	3,056	2,788
Attributable to non-controlling interests	0	3	4	5	9
Attributable to the Parent Company's shareholders	115	771	2,222	3,051	2,779

Condensed balance sheet

SEK million	30.09.2024	30.09.2023	31.12.2023
Assets			
Goodwill	2,762	2,839	2,712
Other intangible assets	304	311	290
Property, plant and equipment	7,765	7,602	7,493
Right-of-use assets	651	675	760
Shares in associated companies	12	20	13
Financial assets	84	88	79
Deferred tax assets	425	357	390
Total non-current assets	12,002	11,892	11,737
Inventory	9,967	8,851	8,656
Accounts receivable	5,851	6,121	5,312
Current receivables	2,931	3,140	3,343
Cash and cash equivalents	1,260	1,595	1,503
Total current assets	20,009	19,707	18,814
Total assets	32,011	31,599	30,551
Equity and liabilities			
Shareholders' equity	18,342	17,373	17,117
Non-controlling interests	60	52	56
Total equity including non-controlling interests	18,402	17,425	17,173
Liabilities to banks and credit institutions	932	2,501	1,969
Pension liabilities	70	20	31
Lease liabilities	543	567	630
Deferred tax liabilities	651	589	656
Other non-current liabilities	470	319	455
Total non-current liabilities	2,666	3,996	3,741
Liabilities to banks and credit institutions	1,732	1,769	1,715
Lease liabilities	156	153	171
Accounts payable	3,972	3,915	3,804
Other current liabilities	5,083	4,341	3,947
Total current liabilities	10,943	10,178	9,637
Total equity and liabilities	32,011	31,599	30,551

Condensed change in equity

2024

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2024	17,117	56	17,173
Profit for the period	2,610	4	2,614
Other comprehensive income	-388	0	-388
Total comprehensive income	2,222	4	2,226
Long-term incentive	-37	-	-37
Dividend	-960	-	-960
Closing balance September 30, 2024	18,342	60	18,402

2023

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2023	15,036	47	15,083
Profit for the period	2,080	4	2,084
Other comprehensive income	971	1	972
Total comprehensive income	3,051	5	3,056
Dividend	-714	-	-714
Closing balance September 30, 2023	17,373	52	17,425

Condensed cash flow statement

SEK million	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Operating activities					
Operating profit	1,256	1,143	3,628	2,975	4,116
Depreciation, amortization and impairment losses	213	249	643	683	877
Adjustment for other non-cash items	172	86	533	-306	-65
Interest paid and received	-36	-37	-122	-149	-208
Tax paid	-243	-202	-601	-658	-979
Cash flow before changes in working capital	1,362	1,239	4,081	2,545	3,741
Changes in inventory	-729	595	-968	2,734	2,463
Changes in accounts receivable	-104	-68	-661	727	1,241
Changes in accounts payable	-35	-585	244	-1,664	-1,545
Changes in other working capital items	21	33	-462	-381	-586
Changes in working capital	-847	-25	-1,847	1,416	1,573
Cash flow from operating activities	515	1,214	2,234	3,961	5,314
Investing activities					
Acquisition of intangible assets and property, plant and equipment	-312	-282	-882	-835	-1,245
Acquisition of operations and shares, net of cash acquired	-	-	-	-89	-89
Proceeds from sale of property, plant and equipment	1	12	1	46	131
Cash flow from investing activities	-311	-270	-881	-878	-1,203
Financing activities					
Changes in loans	-441	-775	-462	-2,178	-3,166
Amortization of lease liabilities	-43	-47	-136	-135	-181
Dividend paid	-	-	-960	-714	-714
Cash flow from financing activities	-484	-822	-1,558	-3,027	-4,061
Cash flow for the period	-280	122	-205	56	50
Cash and cash equivalents at start of period	1,583	1,485	1,503	1,515	1,515
Exchange rate difference for cash equivalents	-43	-12	-38	24	-62
Cash and cash equivalents at end of period	1,260	1,595	1,260	1,595	1,503

Key ratios

SEK million (unless otherwise stated)	Q3 2024	Q3 2023	Δ %	Q1-Q3 2024	Q1-Q3 2023	Δ %	Full year 2023
Income statement							
Volumes, '000 MT	551	529	+4	1,632	1,575	+4	2,123
Operating profit	1,256	1,143	+10	3,628	2,975	+22	4,116
Profit for the period	871	807	+8	2,614	2,084	+25	2,954
Financial position							
Total assets	32,011	31,599	+1	32,011	31,599	+1	30,551
Equity	18,402	17,425	+6	18,402	17,425	+6	17,173
Net working capital	9,697	9,852	-2	9,697	9,852	-2	8,971
Net debt	2,176	3,384	-36	2,176	3,384	-36	2,425
Cash flow							
Cash flow from operating activities	515	1,214	-	2,234	3,961	-	5,314
Cash flow from investing activities	-311	-270	-	-881	-878	-	-1,203
Share data							
Number of shares, thousand	259,559	259,559	+0	259,559	259,559	+0	259,559
Earnings per share, SEK ¹⁾	3.35	3.10	+8	10.05	8.02	+25	11.35
Equity per share, SEK	70.67	66.93	+6	70.67	66.93	+6	65.95
Market value on closing date, SEK	333.00	197.00	+69	333.00	197.00	+69	224.80
Other key ratios							
Volume growth, percent	+4	-5	-	+4	-7	-	-6
Operating profit per kilo, SEK	2.28	2.16	+6	2.22	1.89	+17	1.94
Return on Capital Employed (R12 months), percent	22.1	17.2	+28	22.1	17.2	+28	19.1
Net debt / EBITDA, multiple	0.39	0.73	-47	0.39	0.73	-47	0.49

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

Quarterly data by business area

Operating profit

SEK million	2023 Q1	Q2	Q3	Q4	Full year	2024 Q1	Q2	Q3
Food Ingredients	582	636	739	685	2,642	779	755	770
Chocolate & Confectionery Fats	327	275	438	481	1,521	505	433	525
Technical Products & Feed	108	44	47	59	258	53	9	45
Group Functions	-65	-75	-81	-84	-305	-83	-79	-84
Operating profit AAK Group	952	880	1,143	1,141	4,116	1,254	1,118	1,256
Financial net	-77	-68	-85	-62	-292	-23	-48	-101
Profit before tax	875	812	1,058	1,079	3,824	1,231	1,070	1,155

Net sales by market

2024

SEK million	FI Q3 2024	CCF Q3 2024	TPF Q3 2024	Total Q3 2024	FI Q1-Q3 2024	CCF Q1-Q3 2024	TPF Q1-Q3 2024	Total Q1-Q3 2024
Europe	2,541	1,277	561	4,379	7,472	3,679	1,655	12,806
North and South America	3,503	1,452	0	4,955	10,771	4,491	1	15,263
Asia	965	752	3	1,720	2,807	2,033	8	4,848
Other countries	72	45	0	117	253	152	0	405
Net sales	7,081	3,526	564	11,171	21,303	10,355	1,664	33,322

2023

SEK million	FI Q3 2023	CCF Q3 2023	TPF Q3 2023	Total Q3 2023	FI Q1-Q3 2023	CCF Q1-Q3 2023	TPF Q1-Q3 2023	Total Q1-Q3 2023
Europe	2,856	1,233	549	4,638	8,568	3,556	1,855	13,979
North and South America	3,794	1,474	0	5,268	11,408	4,697	0	16,105
Asia	954	611	0	1,565	2,733	1,884	0	4,617
Other countries	109	39	0	148	367	125	0	492
Net sales	7,713	3,357	549	11,619	23,076	10,262	1,855	35,193

Financial instruments

SEK million	30.09.2024	31.12.2023	Hierarchy level
Assets at fair value through profit and loss			
Currency derivatives	233	358	2
Sales and purchase contracts	942	927	2
Investment in unlisted shares	7	7	3
Investment in unlisted funds	60	55	3
Derivatives used in cash flow hedges			
Interest rate swaps	2	13	2
Assets at amortized cost			
Financial non-current assets	16	11	-
Accounts receivable	5,851	5,312	-
Financial current assets	0	97	-
Cash and cash equivalents	1,260	1,503	-
Total financial assets	8,371	8,283	
Liabilities at fair value through profit and loss			
Currency derivatives	206	389	2
Sales and purchase contracts	1,261	430	2
Liabilities at amortized cost			
Liabilities to banks and credit institutions	2,664	3,684	-
Lease liabilities	699	801	-
Accounts payable	3,972	3,804	-
Other interest-bearing liabilities	11	11	-
Total financial liabilities	8,813	9,119	

For information on the valuation techniques used by the Group in measuring the fair value of financial instruments, see note 3 in the Annual Report 2023.

Alternative Performance Measures (APMs)

Organic volume growth

Percent	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Food Ingredients					
Organic volume growth	1	-3	2	-5	-5
Acquisitions / divestments	-	-	-	-	-
Volume growth	1	-3	2	-5	-5
Chocolate & Confectionery Fats					
Organic volume growth	12	-11	11	-12	-9
Acquisitions / divestments	-	-	-	-	-
Volume growth	12	-11	11	-12	-9
Technical Products & Feed					
Organic volume growth	4	-8	-2	-4	-6
Acquisitions / divestments	-	-	-	-	-
Volume growth	4	-8	-2	-4	-6
AAK Group					
Organic volume growth	4	-5	4	-7	-6
Acquisitions / divestments	-	-	-	-	-
Volume growth	4	-5	4	-7	-6

EBITDA

SEK million	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Operating profit (EBIT)	1,256	1,143	3,628	2,975	4,116
Depreciation, amortization and impairment losses	213	249	643	683	877
EBITDA	1,469	1,392	4,271	3,658	4,993

Return on Capital Employed (ROCE)

SEK million	R12M 30.09.2024	R12M 31.12.2023
Total assets	31,688	32,147
Cash and cash equivalents	-1,460	-1,500
Financial assets	-288	-213
Accounts payable	-3,932	-4,333
Other non-interest-bearing liabilities	-4,403	-4,566
Capital employed	21,605	21,535
Operating profit, excluding items affecting comparability	4,769	4,116
Return on Capital Employed (ROCE), percent	22.1	19.1

Net working capital

SEK million	30.09.2024	31.12.2023
Inventory	9,967	8,656
Accounts receivable	5,851	5,312
Other current receivables, non-interest-bearing	2,922	2,743
Accounts payable	-3,972	-3,804
Other current liabilities, non-interest-bearing	-5,071	-3,936
Net working capital	9,697	8,971

Net debt

SEK million	30.09.2024	31.12.2023
Non-current interest-bearing receivables	0	0
Current interest-bearing receivables	8	599
Cash and cash equivalents	1,260	1,503
Pension liabilities	-70	-31
Lease liabilities	-699	-801
Non-current liabilities to banks and credit institutions	-932	-1,969
Current liabilities to banks and credit institutions	-1,732	-1,715
Other interest-bearing liabilities	-11	-11
Net debt	-2,176	-2,425

Net debt / EBITDA

SEK million	30.09.2024	31.12.2023
Net debt	2,176	2,425
EBITDA (rolling 12 months)	5,606	4,993
Net debt / EBITDA, multiple	0.39	0.49

Equity to assets ratio

SEK million	30.09.2024	31.12.2023
Shareholders' equity	18,342	17,117
Non-controlling interests	60	56
Total equity including non-controlling interests	18,402	17,173
Total assets	32,011	30,551
Equity to assets ratio, percent	57.5	56.2

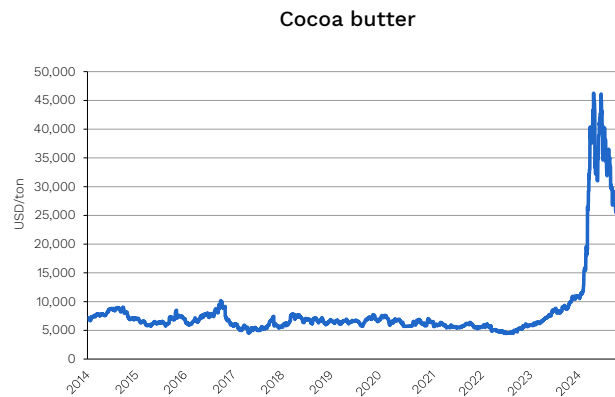
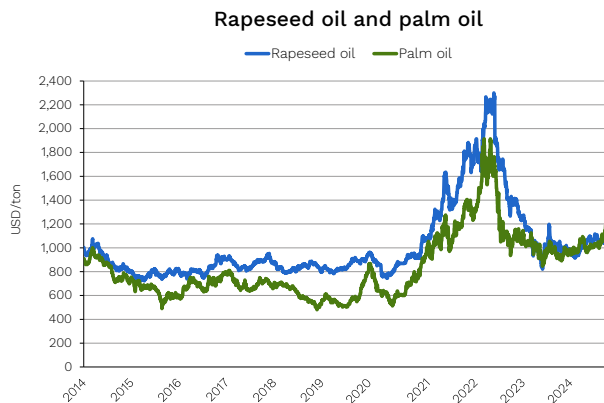
Income statement – Parent Company

SEK million	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Full year 2023
Net sales	118	157	360	245	413
Total operating income	118	157	360	245	413
Other external expenses	-96	-130	-279	-252	-341
Cost for remuneration to employees	-47	-50	-149	-114	-153
Depreciation, amortization and impairment losses	-3	-3	-10	-7	-10
Total operating expenses	-146	-183	-438	-373	-504
Operating profit (EBIT)	-28	-26	-78	-128	-91
Profit from interest in Group companies	-	-	-	-	213
Dividend	-	-	1	-	-
Dividend from Group companies	659	-	659	-	-
Interest income and similar items	2	0	2	1	0
Interest expense and similar items	-70	-57	-195	-141	-205
Total financial net	591	-57	467	-140	8
Profit before tax	563	-83	389	-268	-83
Income tax	19	15	53	53	-18
Profit for the period	582	-68	442	-215	-101

Condensed balance sheet – Parent Company

SEK million	30.09.2024	31.12.2023
Assets		
Other intangible assets	79	24
Property, plant and equipment	2	3
Right-of-use assets	20	23
Financial assets	9,907	9,910
Deferred tax assets	2	2
Total non-current assets	10,010	9,962
Current receivables	210	682
Cash and cash equivalents	0	0
Total current assets	210	682
Total assets	10,220	10,644
Equity and liabilities		
Shareholders' equity	5,434	6,000
Non-controlling interests	-	-
Total equity including non-controlling interests	5,434	6,000
Liabilities to banks and credit institutions	500	1,500
Lease liabilities	14	17
Other non-current liabilities	20	27
Total non-current liabilities	534	1,544
Liabilities to banks and credit institutions	1,553	1,500
Lease liabilities	5	5
Accounts payable	17	19
Other current liabilities	2,677	1,576
Total current liabilities	4,252	3,100
Total equity and liabilities	10,220	10,644

Price trends in raw materials



For information regarding cocoa and cocoa butter please refer to information at www.icco.org

Additional information

Conference call

AAK will host a conference call for investors and analysts on October 24, 2024, at 10 a.m. CET. The presentation can be followed via teleconference or webcast. Please visit www.aak.com for details.

The annual and quarterly reports are published on www.aak.com.

Financial calendar

February 5, 2025: Q4 and year-end report for 2024

April 24, 2025: Q1 and three-month report for 2025

May 8, 2025: Annual General Meeting, Malmö

July 17, 2025: Q2 and six-month report for 2025

October 23, 2025: Q3 and nine-month report for 2025

February 5, 2026: Q4 and year-end report for 2025

Forward-looking statements

This report contains forward-looking statements. Such statements are subject to risks and uncertainties since various factors, many of which are beyond the control of AAK AB (publ.), may cause actual developments and results to differ materially from the expectations expressed in this report.

Governing text

The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

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Everything

we do
is about

Making Better Happen™

Everything AAK does is about Making Better Happen™. We specialize in plant-based oils and fats, the value-adding ingredients in many products people love to consume.

We make these products better tasting, healthier, and more sustainable. At the heart of AAK's offer is customer co-development, combining our desire to understand what Making Better Happen™ means for each customer with the unique flexibility of our production assets and deep knowledge of products and industries, including Chocolate & Confectionery, Bakery, Dairy, Plant-based Foods, Special Nutrition, Foodservice, and Personal Care.

Our dedicated team of over 4,000 employees support our close collaboration with customers through 25 regional sales offices, 16 dedicated Customer Innovation Centers, and with the support of around 20 production facilities.

Listed on Nasdaq Stockholm and headquartered in Malmö, Sweden, AAK has been Making Better Happen™ for 150 years.



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