



Annual Report

2025

”Building momentum”

HAYPP GROUP

Table of content

- 3 Haypp Group at a glance
- 5 2025 in figures
- 6 CEO statement
- 8 Strengths and competitive advantages
- 10 Regulatory environment
- 12 Market trends and dynamics
- 14 Business concept and operations
- 17 Review of reporting segments
- 18 The share and shareholders
- 19 Key ratios
- 20 Corporate Governance
- 23 Board of Directors
- 24 Executive management
- 25 Director's report
- 29 Consolidated income statement
- 30 Consolidated statement of comprehensive income
- 31 Consolidated balance sheet
- 33 Consolidated statement of changes in equity
- 34 Consolidated statement of cash flows
- 35 Notes to the financial statements
- 61 Parent Company income statement
- 62 Parent Company balance sheet
- 64 Parent Company's statement of changes in equity
- 65 Parent Company's statement of cash flow
- 66 Notes to the financial statements of the Parent Company
- 70 Signatures from the Board of Directors
- 71 Auditor's report
- 73 Definitions of alternative performance measures
- 75 Reconciliation of alternative performance measures
- 77 AGM information

Financial calendar

May 7, 2026

Interim report for January–March 2026, Q1

May 20, 2026

Annual shareholders' meeting 2026

August 13, 2026

Interim report for January–June 2026, Q2

November 6, 2026

Interim report for January–September 2026, Q3

Haypp Group is leading the global shift from smoking to reduced risk alternatives. With roots in the pioneering smoke-free alternative markets of Scandinavia, Haypp uses its regulatory expertise and e-commerce leadership to bring compelling value to over 1.1 million consumers. Operating through eleven distinct e-commerce brands, the Group is active in six countries in Europe and the USA.



Haypp Group at a glance

Haypp Group is an e-commerce company leading the global shift from smoking to reduced-risk product (RRP) alternatives. With its origins in Scandinavia, Haypp Group has leveraged its leading position, together with its regulatory, category and e-commerce expertise, to create value for more than 1.1 million consumers in 2025.

With eleven e-commerce store brands, Haypp Group is present in six countries in Europe and the USA. The group is headquartered in Stockholm, employs close to 300 full-time employees, and reported net sales of SEK 3.8bn in 2025.

Vision and values

Society is calling for a transformation of the tobacco and nicotine industry. As a result of its success in Scandinavia and continued expansion into new markets, Haypp Group is in a unique position to help drive this change. Haypp Group's vision is to put the consumer first. The Group engages with consumers every day to understand their needs and desires, and knows them better than any other player in the industry. The Group's mission is to provide consumers

with the best possible products on the market, while operating with the highest standards of integrity and business ethics in accordance with applicable regulations.

Business model

At Haypp Group, the consumer is always the primary focus. The Group's business model begins with managing the consumer experience, advocating for lower-risk smoke-free alternatives, and helping its broad consumer base find the most suitable solutions through the Group's online stores. This approach provides a more comprehensive understanding of the consumer journey in a new way.

Haypp Group shares this knowledge with the wider industry to create high-quality products, deliver attrac-

tive product offerings, and further enhance the consumer experience. The Group's solid and scalable business model has proven successful, resulting in a steadily increasing number of loyal consumers. This loyalty directly translates into increased sales, with tobacco-free nicotine pouches growing faster than the rest of the market.

Sustainability is an integral part of the Group's business model, built on five strategic sustainability areas. The company's contribution to sustainability, well-being, and society goes hand in hand with its business success—the better the company performs, the greater the positive impact on society as a whole.

A SUSTAINABLE BUSINESS MODEL



THE GROUPS FINANCIAL TARGETS 2028

The Board of Haypp Group has established the following Financial Targets for 2028:

Sales

Revenue growth range CAGR of 18–25 per cent annually.

Profitability

Adjusted EBIT margin of 5.5 percent +/-150 basis points.

Dividend policy

The Board of Haypp Group expects to reinvest cash flows into the company's continued expansion, and does not expect to pay dividend.

Continuous pursuit of sustainability

Haypp Group’s sustainable business model makes sure that the business and operations are clearly related to the five strategic areas of sustainability and vice versa, so that sustainability is incorporated into the business actions.

Haypp Group reports on each of the five areas and uses a scorecard to follow certain metrics. Below is a selection from the scorecard with one metric per area which will be reported on a quarterly basis. For more detailed information, please refer to Haypp

Group’s annual Sustainability Report which is available on the website.

Sustainability area	Target	Measure	Full-Year 2025	Full-Year 2024
Health Contribution	Grow customers of harm reduced products	Number of purchasing customers	1,088,383	1,146,126
Insights for all	Enlightened people & public for awareness and understanding	Number of visits to editorial material, facts and reports	2,194,216	4,768,897
Sustainable innovation for growth and development	Quality assurance & Product development	Share of relevant portfolio tested & according to standard	81%	100%
Best place to work	Great employer	Employee satisfaction in percent	80%	80%
Business Ethics	Delivering on the customer promise	Rate of customer satisfaction	73.0	67.0



2025 in figures

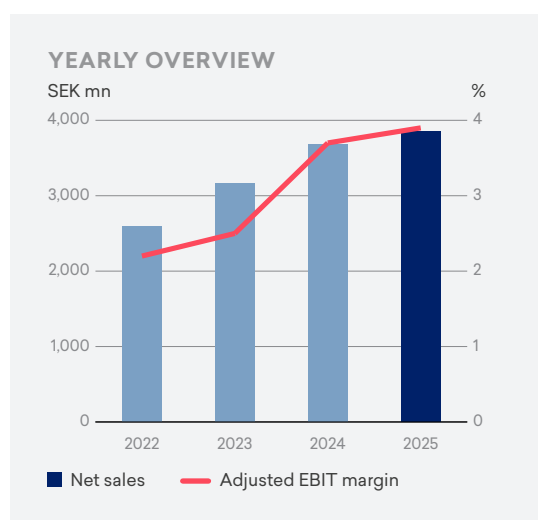
FULL-YEAR 2025

- Net sales increased by 5 percent to SEK 3,848.9mn (3,679.8). Excluding currency effects, organic sales growth¹⁾ amounted to 7 percent.
- 13 percent volume growth in the nicotine pouch category for the full year.
- The gross margin¹⁾ amounted to 18,5 percent (15,0).
- Adjusted EBITDA¹⁾ amounted to SEK 238.7mn (205.8), corresponding to an adjusted EBITDA margin¹⁾ of 6,2 percent (5,6).
- Adjusted EBIT¹⁾ amounted to SEK 150.7mn (134,5), corresponding to an adjusted EBIT margin¹⁾ of 3,9 percent (3,7).
- Operating profit¹⁾ totaled SEK 58.4mn (64,2), including items affecting comparability¹⁾ of SEK -52.6mn (-30,4).
- Profit for the full year amounted to SEK 42.5mn (45,0).
- Earnings per share before dilution amounted to SEK 1.39 (1.51).
- Cash flow from operating activities amounted to SEK 140.0 (194,6).
- Net debt/Adjusted EBITDA¹⁾ LTM amounted to 0.6x compared to 0.8x for the full year 2024
- Number of orders decreased to 4,922 thousand (4,946) with an average order value of SEK 697 (690).
- Active consumers were 1,131 thousand (1,146) at the year-end.
- The Board of Directors proposes to the general meeting that no dividends will be paid for 2025.



SEK mn	2025	2024
Net sales	3,848.9	3,679.8
Net sales growth ¹⁾ , %	4.6	16.2
Gross margin ¹⁾ , %	18.5	15.0
Adjusted EBITDA ¹⁾	238.7	205.8
Adjusted EBITDA margin ¹⁾ , %	6.2	5.6
Adjusted EBIT ¹⁾	150.7	134.5
Adjusted EBIT margin ¹⁾ , %	3.9	3.7
Items affecting comparability ¹⁾	-52.6	-30.4
Operating profit/loss ¹⁾	58.4	64.2
Profit/loss for the period	42.5	45.0
Earnings per share before dilution, SEK	1.39	1.51
Cash flow from operating activities	140.0	194.6
Number of orders, thousand	4,922	4,946
Average order value, SEK	697	690
Active customers, thousand	1,131	1,146

¹⁾ For definitions of key ratios and reconciliation of Alternative Performance Measures, see pages 73–76.



KEY RATIOS 2025

Net sales
SEK 3,849mn

Adjusted EBIT
SEK 151mn

Adjusted EBIT margin
3.9%

Building momentum

In 2025 Haypp Group strengthened its foundations for sustained topline growth, finishing the year with strong momentum across its business, despite challenges in the key US market in the first three quarters of the year.

The Group exited 2025 achieving over SEK1bn in quarterly net sales for the first time with nicotine pouches (NP) accounting for 67% of Group volume in Q4 2025. This sales growth was underpinned by increases in new consumers and further retention rate improvement, while also expanding Haypp's gross margin substantially. Favourable US regulatory developments for a continuing pipeline of authorised innovative NPs, high confidence in the category's potential across other markets and the pivotal role of e-commerce reinforce our high confidence in meeting our targets for 2028 as laid out in our April 2025 Capital Markets Day.

Key developments

Sales and volume

Reported sales for Haypp increased by 5% for 2025 and 7% in constant currency (cc), as Haypp's US operations were limited by the shortage of the market leading brand Zyn, which was resolved in late Q3 2025. With a full product assortment, in Q4 2025 the Group delivered reported year-over-year (yoy) sales growth of 15% (19% cc) and a 41% yoy reported sales increase in its Growth segment with the Core segment growing sales 6% yoy on a reported basis. This growth was driven by an all-time high in Group active consumers of 630,000 in Q4 2025, driving NP volume growth of 97% and 73% year for the US and UK markets respectively.

Margins

Throughout 2025 Haypp delivered steady gross margin expansion, with the 2025 gross margin increasing 3.4 percentage points (ppt) largely driven by its Media & Insights and scale benefits with gross profit rising 29% yoy. The gross margin expansion slowed in Q4 2025 as the Group invested into the US consumer offer, investment that will continue as Haypp seizes the opportunity created by FDA's pilot program for accelerated, innovative NP authorisations.



Growth was driven by an all-time high in Group active consumers of 630,000 in Q4 2025.

Gavin O'Dowd
President and CEO

Adjusted EBIT grew 12% yoy in 2025, with adjusted EBIT margins expanding in 2025 by about 0.2 ppt, affected by mostly by investments into overheads and increased European PR efforts.

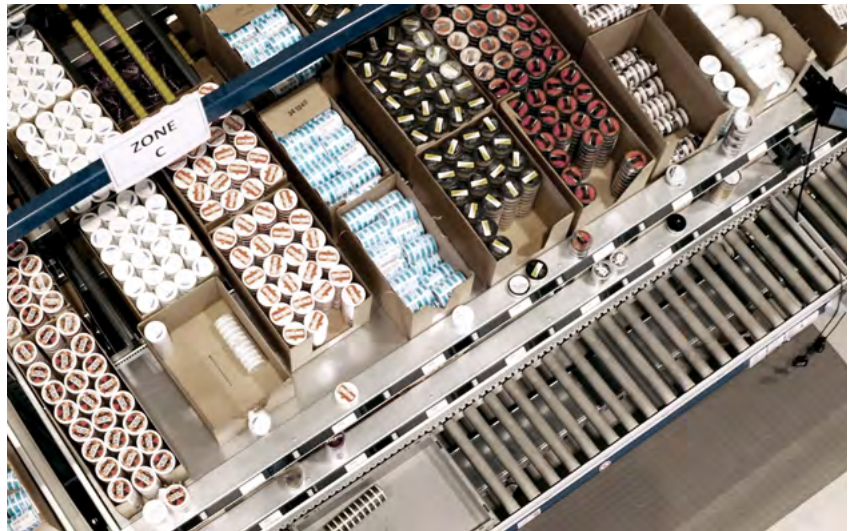
Overheads as a percentage of net sales in 2025 increased to 12.4% from 9.5% in 2024, up 37% yoy. Over the course of 2025 and in anticipation of the increasingly positive US market momentum, the Group increased the size of its US team, adding key capabilities in areas such as legal, regulatory affairs and finance. Haypp also implemented planned management responsibility changes to better seize the US and UK opportunities, with the UK expected to become the largest in Europe by 2030. The Group expects that as sales growth momentum continues over the coming years the overhead proportion of net sales will decline.

Technology

In Q1 2025 Haypp successfully implemented new ERP and middleware solutions and continued its European e-commerce platform migration, which was completed in Q4 2025. This work further enhances Haypp's



Haypp Group expects the accelerating sales growth achieved at the end of 2025 to continue.



scale advantages and increases our ability to quickly rollout out improvements across the Group.

Regulation and litigation

For a detailed analysis of the regulatory environment and Haypp litigation please see the separate Regulatory Update section.

2026 Outlook

Haypp Group expects the accelerating sales growth achieved at the end of 2025 to continue, underpinned by the supportive market conditions and investment to drive increased consumer acquisition in the US and UK markets. As the Group’s volumes scale, we expect that margins will move upward in line with our long-term 2028 guidance.

These investments are guided in part by an in-depth analysis of the US offline market conducted at the end

of 2025, that reinforced our conviction of the substantial opportunity and helped us refine tactics and strategies. We believe the conditions in the Growth segment are optimal and the Group intends to accelerate topline growth rates significantly throughout 2026, beyond those implied by the benefit of a full assortment in the US.

Demand for our Media & Insights offering increased substantially, boosted by our continually enhanced capabilities. Robust agreements for calendar 2026 Media & Insights, combined with pricing support from brand owners underpin Haypp’s determination to provide the most compelling value for consumers across its markets.

Gavin O’Dowd
President and CEO

Strengths and competitive advantages

Haypp Group believes that it will be able to maintain its strong market position through a number of strengths and competitive advantages.

Haypp is the undisputed global online market leader – with an outstanding value proposition and a loyal customer base

Haypp Group is a leading e-commerce player in the online nicotine pouch and snus market in its Core markets, with around 85 percent market share. In its Growth markets, Haypp Group has around 75 percent market share in the US and 30 percent in Rest of Europe. The strong market position in the Core markets Sweden and Norway has been achieved by continuously refining the model to attract and retain customers in this category. The company's marketing efforts are primarily tailored to attract customers organically through non-paid search engine results, such as Google, as well as word-of-mouth recommendations. The goal is always to be the final destination to which search engines direct traffic. Besides being a large e-commerce player with reach across Europe and the US, Haypp Group's value proposition to its customers consists of:

- A wide assortment, with over 3,500 SKUs (Stock Keeping Units), corresponding to around eight times more SKUs than an average physical store. The assortment is also continuously updated with new products to remain at the forefront of the market's new product innovations.
- Compelling prices, with prices that are approximately 40 percent lower than convenience stores and 20 percent lower than grocery stores.
- Convenient ordering and delivery options, offering seamless age verification on websites and last mile deliveries in larger cities. Together with accessible customer service and proactive customer engagement, this creates the conditions for high customer satisfaction.



Haypp Group's share of net sales from returning customers amounted to over 90 percent in 2025, indicating strong customer loyalty.

First-mover in a market undergoing a structural shift

There is a strong underlying demand for reduced-risk products (RRPs) as customer preferences are shifting towards new products with lower risks relative to cigarette smoking and which also carry no social stigma. The market dynamics are in Haypp Group's favour, as nicotine pouches with a fresh taste, no smell and no discolouration of teeth have become one of the most popular products within the reduced-risk category.

This shift is further strengthened by legislation moving in the same direction, i.e. towards harm reduction rather than reduced product usage. Similar shifts can also be seen in the product offerings of larger tobacco companies. Today, all global tobacco manufacturers have begun communicating strategies focused on reduced-risk products, such as

heat-not-burn products (HnB), vaping products and oral nicotine.

In addition, Haypp Group believes that the Group will benefit from its first-mover advantage in the online channel, supported by the ongoing transition from offline to online sales. Globally, online penetration for nicotine pouches and snus is just over 5 percent. Haypp Group believes the category has opportunities to gain even higher market shares online due to its e-commerce friendly characteristics, including uniform package sizes that are easy to ship and high purchase frequency with low return rates.

Scalable business model

Haypp Group is well positioned to benefit from emerging opportunities in adjacent markets, supported by the company's proven business model, which can efficiently be applied in new markets and to reduced-risk products. The core needs of customers remain unchanged and focus on key factors such as price, assortment and convenience. The ability to scale

not only enables Haypp Group to strengthen these advantages, but also improves SEO performance. This creates a positive feedback loop, where improved performance in these areas further strengthens the company's market position. Through this strategic approach, Haypp Group can continue to expand its reach and impact, meet customer needs more effectively and secure a competitive advantage in the market.

Compelling Media & Insights offering strengthens relationships with suppliers

Due to the attractive characteristics of Haypp Group's consumer base (age profile, gender balance and premium focus), there is strong demand from suppliers to market their products on Haypp's sites (Media) and to understand what consumers choose, and why, through their revealed preferences (Insights). This ability to analyse consumer actions over time is also an important factor in why suppliers test and launch new products on Haypp Group's platforms.

Extensive experience of navigating and influencing the complex regulatory environment

Haypp Group believes that the Group's ability to proactively identify, navigate and influence upcoming regulation has constituted a strong basis for its competitiveness. Utilising Haypp Group's knowledgeable in-house legal and regulatory team, risks and opportunities have been identified and the business has been adapted to benefit from them. Examples of Haypp Group's experience of navigating the regulatory environment include the standards for nicotine pouches established in Sweden and the UK based on Haypp Group's product and marketing standards, and the ability in the US to adapt sales at state and city level in accordance with applicable regulation at all levels.

Track-record of strong growth resulting in economies of scale

In 2025, Haypp Group recorded net sales of SEK 3.8 billion, corresponding to a CAGR of 17 percent between 2020 and 2025. Net sales growth has mainly been driven by an increased number of new customers, an increase in the average number of

orders per customer and an increased average basket size.

The Group's growth has resulted in economies of scale, part of which has been passed on to customers in the form of improved customer offerings. Gross margin has increased steadily from 13.0 percent in 2020 to 18.5 percent in 2025. Haypp Group has improved its adjusted EBIT margin from 2.2 percent in 2020 to 3.9 percent in 2025, mainly driven by economies of scale and the continued growth of nicotine pouches in the US and Europe.

Management team with extensive experience and deep expertise within the industry

The Group is led by a management team with sector-specific expertise in both e-commerce and tobacco – particularly nicotine pouches and snus. The full workforce is united behind Haypp Group's vision of putting the consumer first, which results in high scores from employees in workplace satisfaction and happiness. Haypp Group has historically maintained low employee turnover.



Regulatory environment

In addition to consumer behavior increasingly shifting toward alternatives to cigarettes, legislation is also moving in the same direction, and regulation is an important driver of product development.

Legislation Favors Nicotine Pouches

Current and future regulations affect many aspects of Haypp Group’s operations. Haypp Group must comply with, and is impacted by, extensive and complex laws and regulations at national, regional, and local levels. These regulations concern, among other things, marketing, packaging and health warning requirements, the use of ingredients, the introduction of new products, and statutory minimum age requirements for the purchase and use of nicotine and tobacco products.

The purpose of tobacco legislation is focused on improving public health and is influenced by two main philosophies:

- Reduce the total consumption of tobacco and nicotine
- Reduce the harm caused by tobacco and nicotine consumption

Regulatory Developments

The reduced-risk product (RRP) category and the nicotine pouch segment

faced several potential regulatory challenges in 2025. Haypp Group’s assessment is that, in order to achieve the most favorable timing, the European Commission will present a strict proposal in 2027—later than previously communicated for the upcoming review.

Haypp Group expects that the proposal will be moderated by both the European Parliament and the European Council. This view is supported, among other things, by the strong positions expressed by EU Member States regarding new nicotine products ahead of COP11 in autumn 2025.

The increasing divergence among Member States is likely to lead to an increasingly softer stance toward nicotine pouches (NP) in TPD3, in line with Haypp Group’s previous communications.

We also expect the EU’s Tobacco Tax Directive to undergo continued significant revision in the coming year as the various proposed measures are

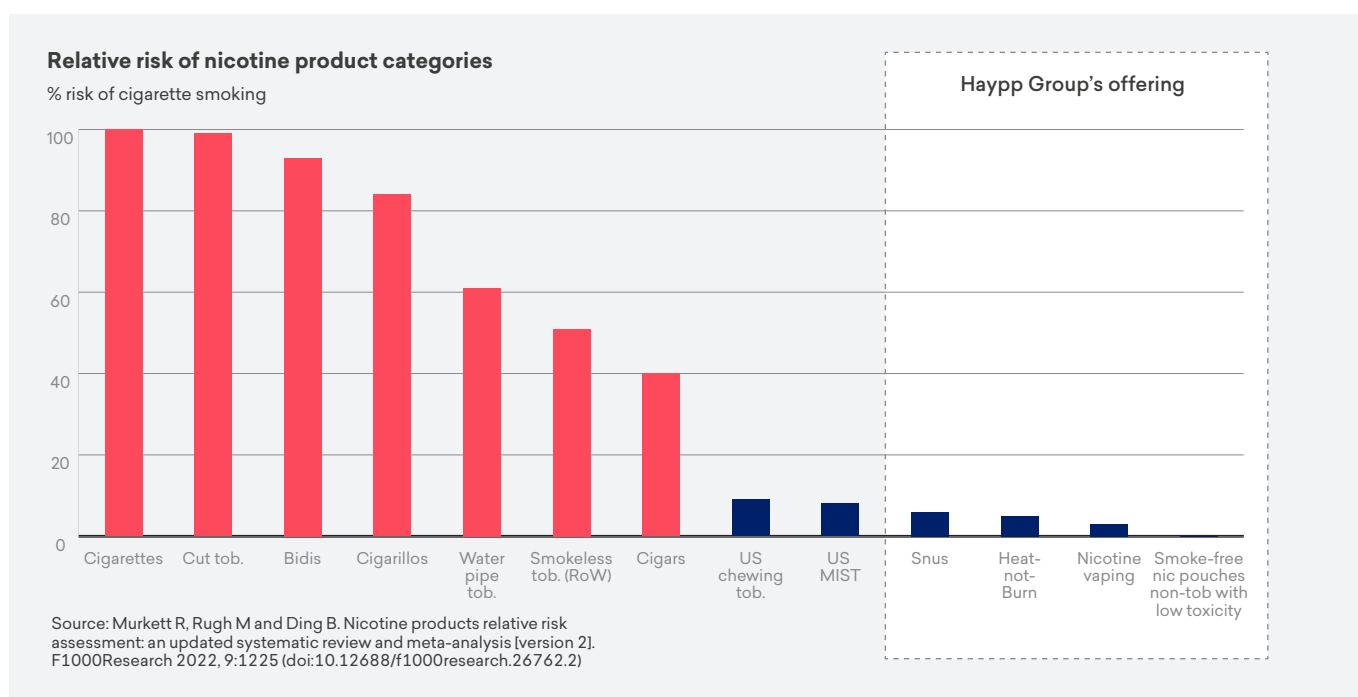
negotiated among Member States. At the EU level, taxation of nicotine pouches in 2032 is expected to correspond to the Swedish taxation of snus and nicotine pouches, including today’s CPI adjustment.

However, various regulatory rumors are expected during the European Commission’s public consultation processes. Haypp Group closely monitors European regulatory developments for nicotine pouches and continuously informs relevant stakeholders.

Preventing Youth Access

Switzerland’s new legislation to protect young people will come into force from 2027, with historic support from Haypp Group. The legislation will benefit online sales due to enhanced security and identity verification capabilities.

The UK Parliament is expected to adopt legislation aimed at minimizing youth appeal and introduction to nicotine by summer 2026. It remains



unclear how the UK government will handle the expanded mandate it is expected to receive from Parliament, as regulatory drafting work is still ongoing. However, several key elements for Haypp Group are expected to be implemented, such as a ban on marketing targeting young people, licensing requirements, and reasonable nicotine limits to ensure products remain attractive to former smokers.

No major changes are expected at the federal level in the United States. During 2025, Haypp Group made significant investments in strengthening its capabilities in the U.S. to monitor and influence developments at the state level. In 2026, this will enable the company both to enter new states and to adapt in a timely manner to regulatory changes.

Increased Government Interest in Harm Reduction Worldwide

Haypp Group remains positive that the EU will introduce favorable regulations for RRP. We have noted that a growing number of authorities in European markets advocate regulating new nicotine products from a harm-reduction perspective.

In Sweden, revised CPI targets for the adopted ANDTS strategy were

approved, and from 2027 the tax on smoked tobacco was increased, while nicotine pouches and snus were excluded—both measures in line with harm-reduction principles. In Austria, nicotine pouches were incorporated into tobacco legislation, making sales by operators outside the national monopoly impossible. In Norway, a ban on cross-border distance sales was introduced—something Haypp Group has long advocated.

Outside Haypp Group's markets, Japan, New Zealand, and Saudi Arabia are achieving remarkable success in reducing smoking with the help of various reduced-risk products, alongside historically recognized countries such as Sweden, the UK, and the United States.

Important Role of Regulatory Compliance

Haypp Group recently conducted its annual product quality review. Product testing was carried out in December 2025 by the independent laboratory Eurofins. Overall, product compliance in our portfolio is exceptionally high, as all products are included in our testing procedures. For producers, the tests function as a mark of quality. In 2025, the consolidated test results page nicoleaks.com was visited by 1,077 unique compa-

nies, authorities, and universities. If deficiencies are identified, we initiate dialogue and work with the producer to further develop the products.

Haypp Group is also strengthening its ability to assist other e-commerce retailers in complying with applicable regulations. Several initiatives were undertaken in 2025, with more planned for 2026, thereby securing the online sales channel for nicotine products in order to convert legal-age smokers to safer alternatives.

Several roadshows were conducted during 2025 and in early 2026 within the framework of compliance and "legal access only."

Disputes

In autumn 2025, Haypp Group announced a settlement in the San Francisco dispute. This settlement removes uncertainty regarding disputes in the United States.

The dispute in Sweden continues, with a resolution timeline expected no earlier than after the summer. As previously communicated, Haypp Group does not anticipate any significant impact on operations or profitability, regardless of the outcome.



Market trends and dynamics

The market for nicotine pouches continues to grow, driven by a shift toward reduced-risk products, increased consumer adoption, and strong structural growth drivers within the online channel.

Market shift towards reduced risk nicotine products

The global nicotine market continues to shift away from combustible products toward reduced risk alternatives, including nicotine pouches. In Haypp Group’s Core and Growth markets, the combined market size for nicotine pouches is expected to grow over the coming years, predominantly in the Growth segment lead by the US market. The growth foreseen is supported by both increasing consumer adoption. The online segment is expected to grow faster than the total market, reflecting increasing consumer preference for price transparency, broader assortment and convenience.

Online penetration: mature Core markets, significant Growth market opportunity

Online penetration for nicotine pouches differs materially across geographies.

In Sweden and Norway, online penetration is already high, at approximately the mid 30 percent range, reflecting a mature e commerce mar-

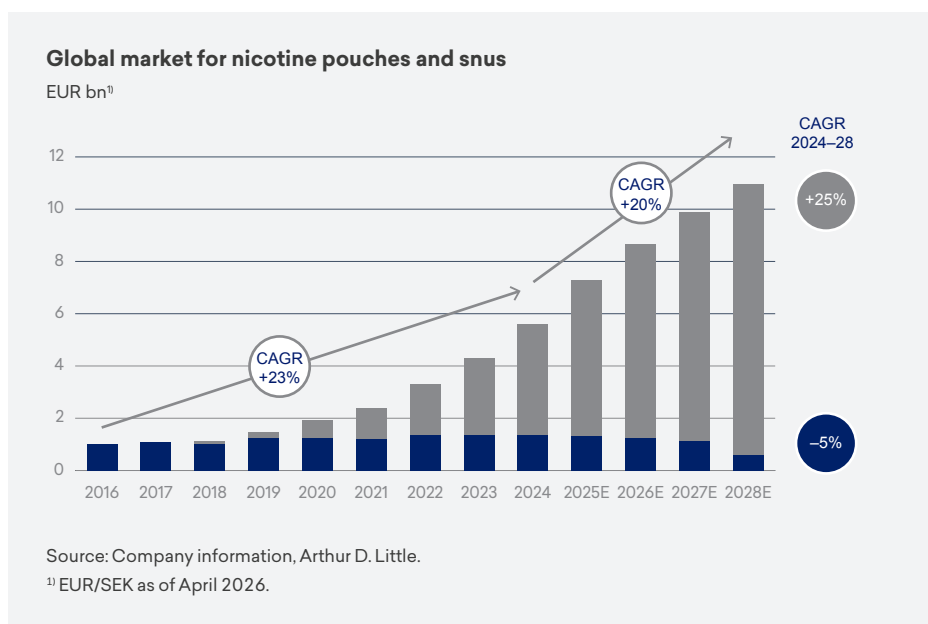
ket with well established consumer behaviour. As a result, incremental growth in these markets is expected to be driven primarily by category growth and share shifts rather than further structural migration to online channels, implying a more limited long term penetration upside.

In contrast, the US and the UK represent a substantial structural opportunity. Online penetration remains low, at approximately 2.5 percent in the US and around 10 percent in the UK, despite strong overall category growth. In these markets, nicotine pouch usage is still in an earlier phase, characterised by lower daily consumption per user and ongoing consumer education. As familiarity with the product increases, daily usage and repeat purchasing are expected to rise over time, supporting both volume growth and accelerating migration toward online channels. This dynamic creates a long runway for growth in e commerce penetration in Haypp Group’s key Growth markets.

Increasing supplier fragmentation, driven by US regulatory developments

The nicotine pouch category has become increasingly fragmented over time. While the category initially consisted of a limited number of smaller suppliers, all major global tobacco and nicotine players have now entered the market, alongside a growing number of innovative smaller brands.

This trend is particularly pronounced in the US, where recent FDA Marketing Granted Orders (MGOs) have materially reshaped the competitive landscape. Following the first MGO approvals, multiple manufacturers have launched or are preparing to launch newly authorised products, including next generation pouch formats. These approvals have lowered regulatory uncertainty for compliant products while simultaneously increasing competition, as additional suppliers gain market access. As a result, the US market has seen accelerating fragmentation, with market share shifting away from a single dominant player toward a broader set of brands.



Importantly, the MGO framework reinforces high regulatory and compliance requirements for online sales, including age verification, marketing restrictions and reporting obligations. This favours established, compliance driven e-commerce operators and increases barriers to entry for less sophisticated competitors, particularly in the online channel

Competitive landscape and structural advantages of online

The market for reduced risk products can be broadly divided into physical retail and online channels. Pricing in online channel always have been lower, incentivizing consumers to purchase online. Another key consumer benefit provided by the online channel is the wider online assortment on established markets. While physical retail has historically benefited from immediacy the online channel increasingly compete on convenience through faster delivery.

Nicotine pouches are particularly well suited for online sales due to non cyclical demand, high purchase frequency and low logistical complexity. At the same time, the category operates in a complex regulatory environment, creating structural entry barriers. In addition, major global marketplaces such as Amazon have not entered the category due to internal nicotine policies, further strengthening the relative position of specialised, compliant online retailers.

Structural growth drivers

Several long term trends continue to support growth of the reduced risk nicotine category and the online channel in particular:

- Sustained consumer shift away from combustible products toward non combustible alternatives
- Favourable regulatory momentum recognising harm reduction strategies in multiple markets
- Supplier led innovation, including improved pouch formats, flavours and nicotine delivery

- Increasing consumer familiarity, supporting higher daily consumption and repeat purchase behaviour over time

Together, these trends underpin continued category expansion and reinforce the long term attractiveness of Haypp Group’s core online focused business model.



Business concept and operations

Haypp Group is an e-commerce company specialising in the sale of reduced-risk nicotine products, primarily nicotine pouches and snus, to consumers across Europe and the United States. The Group operates a portfolio of local e-commerce platforms, offering a broad and continuously updated assortment, competitive pricing and a convenient purchasing experience.

The Group's offering is centred around three key elements:

- a wide and relevant product assortment
- competitive pricing relative to offline channels
- convenient ordering, delivery and customer service

In addition to product sales, Haypp Group provides marketing services and consumer insights to suppliers through its Media & Insights offering. This complements the core e-commerce business and strengthens relationships with suppliers.

Competitive strengths and market position

Haypp Group holds a leading position in the online market for nicotine pouches and snus in its core markets, and has established a growing presence in international markets. The Group's position has been achieved through continuous development of its customer offering, technology platform and operational capabilities.

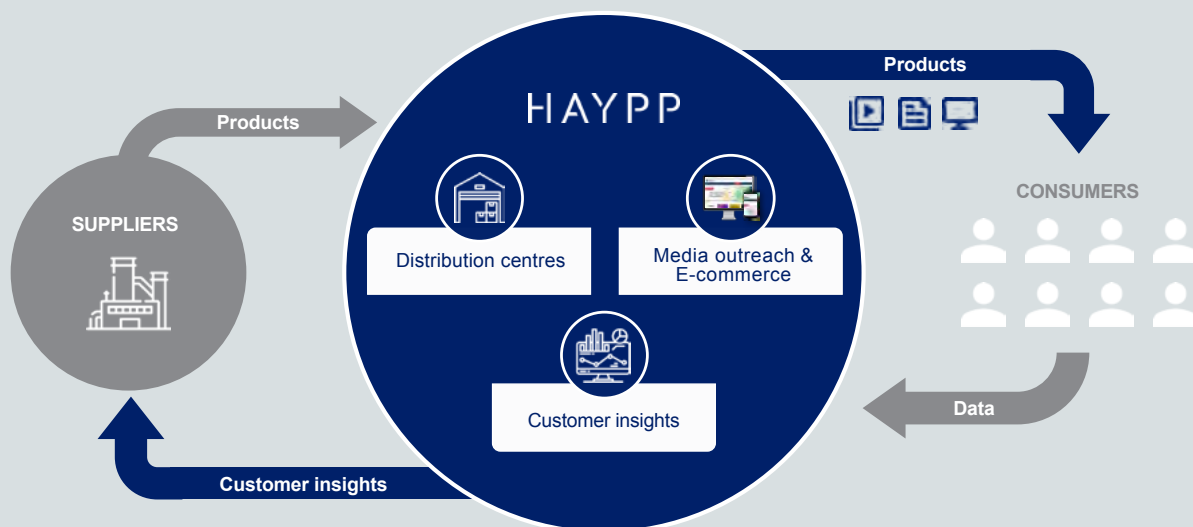
A significant share of customer acquisition is generated through organic search, supported by strong search engine visibility and high conversion rates. This contributes to efficient marketing spend and supports scalability across markets.

The Group benefits from scale across procurement, logistics and operations. Increasing volumes contribute to improved purchasing terms, more efficient fulfilment and the ability to offer competitive prices to consumers. In addition, the Media & Insights offering provides a complementary revenue stream and supports the overall margin profile of the business.

Haypp Group has developed long-standing relationships with suppliers, supported by its role as both a distribution channel and a source of consumer insights. The Group's platforms are frequently used for product launches and marketing campaigns.

Superior position in the value chain

The illustration showcases Haypp Group's position in the value chain and how this position is leveraged to create value both for consumers and suppliers



The Group operates in a regulated environment and has established processes and systems to manage compliance requirements across markets, including age verification and local regulatory adaptation.

Market dynamics

The market for reduced-risk nicotine products continues to develop, driven by changing consumer preferences and increasing awareness of alternatives to cigarette smoking. Nicotine pouches, in particular, have experienced strong growth due to product characteristics such as ease of use, absence of smoke and odour, and product variety.

At the same time, online penetration within the category remains relatively low compared to other consumer categories. Haypp Group considers this to represent a long-term opportunity, supported by the suitability of the product category for e-commerce, including standardised packaging, low return rates and frequent repeat purchases.

Regulatory developments in several markets are increasingly focused on harm reduction, although the regulatory landscape remains complex and varies between jurisdictions.

Growth strategy

Haypp Group prioritises growth and continues to invest in markets with favourable conditions for expansion. The Group’s focus markets include the United States and the United Kingdom, alongside its core markets

in Sweden and Norway and selected European markets.

Growth is driven by:

- continued investment in customer acquisition, primarily through organic search
- development of the local customer offering, including assortment, pricing and delivery options
- expansion of the Media & Insights offering
- ongoing investments in technology, data and utilization of latest AI technologies
- scaling of logistics infrastructure in line with market maturity

The Group applies a consistent operating model across markets, adapted to local conditions.

Operations

Customer acquisition and retention

Customer acquisition is primarily driven by non-paid search engine traffic, supported by the Group’s focus on search engine optimisation, site performance and conversion. Conversion rates are significantly above typical e-commerce benchmarks, reflecting the relevance of the offering and customer experience.

Customer retention is a key priority. Repeat purchases account for a substantial share of net sales, supported by pricing, assortment and convenience.

Assortment

Haypp Group offers a broad assortment of nicotine pouches and related products, with more than 3,500 SKUs across its platforms. The assortment is continuously updated to reflect new product launches and evolving consumer preferences.

Machine learning models are used to support product recommendations and improve customer experience.

Pricing

The Group maintains a competitive pricing position relative to offline channels, supported by scale advantages in procurement and operations. Pricing strategies are adapted to local market conditions and supported by data-driven tools.

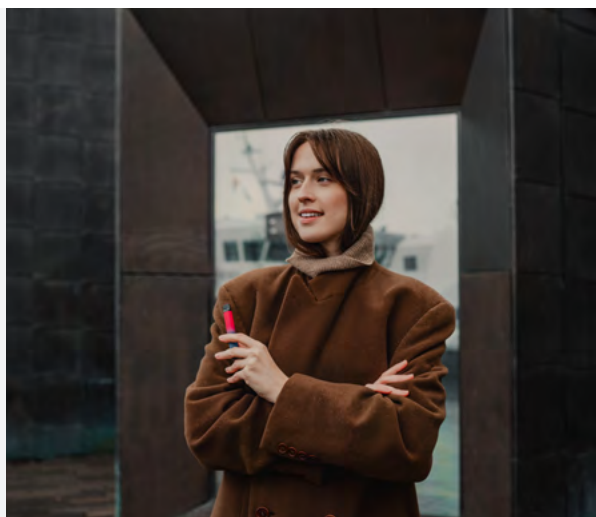
Convenience and logistics

Haypp Group offers a range of delivery options, including home delivery and parcel lockers, with delivery times varying by market. The logistics model is scalable and adapted to market maturity:

- centralised fulfilment from Sweden in early-stage markets
- use of third-party logistics providers as volumes increase
- establishment of local warehouses in more mature markets

This approach supports both cost efficiency and delivery speed. End of 2025 Haypp Group operated with automated warehouse solution in Sweden, Norway, US, own, but

Haypp Group’s portfolio



manual warehouse in UK and a 3PL warehouse in Germany for the vape products.

Customer insights and Media offering

The Group’s large customer base and e-commerce infrastructure enable the collection and analysis of detailed consumer data. These insights are used internally to optimise the customer experience and externally to support suppliers.

Haypp Group also provides marketing services to suppliers through its platforms, including product visibility, campaigns and targeted communication. This Media & Insights offering represents an integrated part of the business model.

Technology platform

Haypp Group has developed a proprietary technology platform supporting its e-commerce operations. The platform is designed to optimise

customer acquisition, conversion and retention, and to enable efficient scaling across markets.

Key components include:

- search engine optimisation capabilities
- customer relationship management tools
- machine learning-based models for personalisation and pricing
- data infrastructure supporting analytics and insights

New markets and acquired businesses are integrated into the platform to leverage scale benefits.

Regulation and compliance

The Group operates in a highly regulated environment and has established internal capabilities to manage regulatory requirements

across jurisdictions. This includes age verification systems, monitoring of regulatory developments and adaptation of operations to local rules.

Regulatory complexity varies between markets and includes differences in taxation, marketing restrictions and product regulation. Haypp Group continuously evaluates risks and opportunities related to regulatory developments.

People and organisation

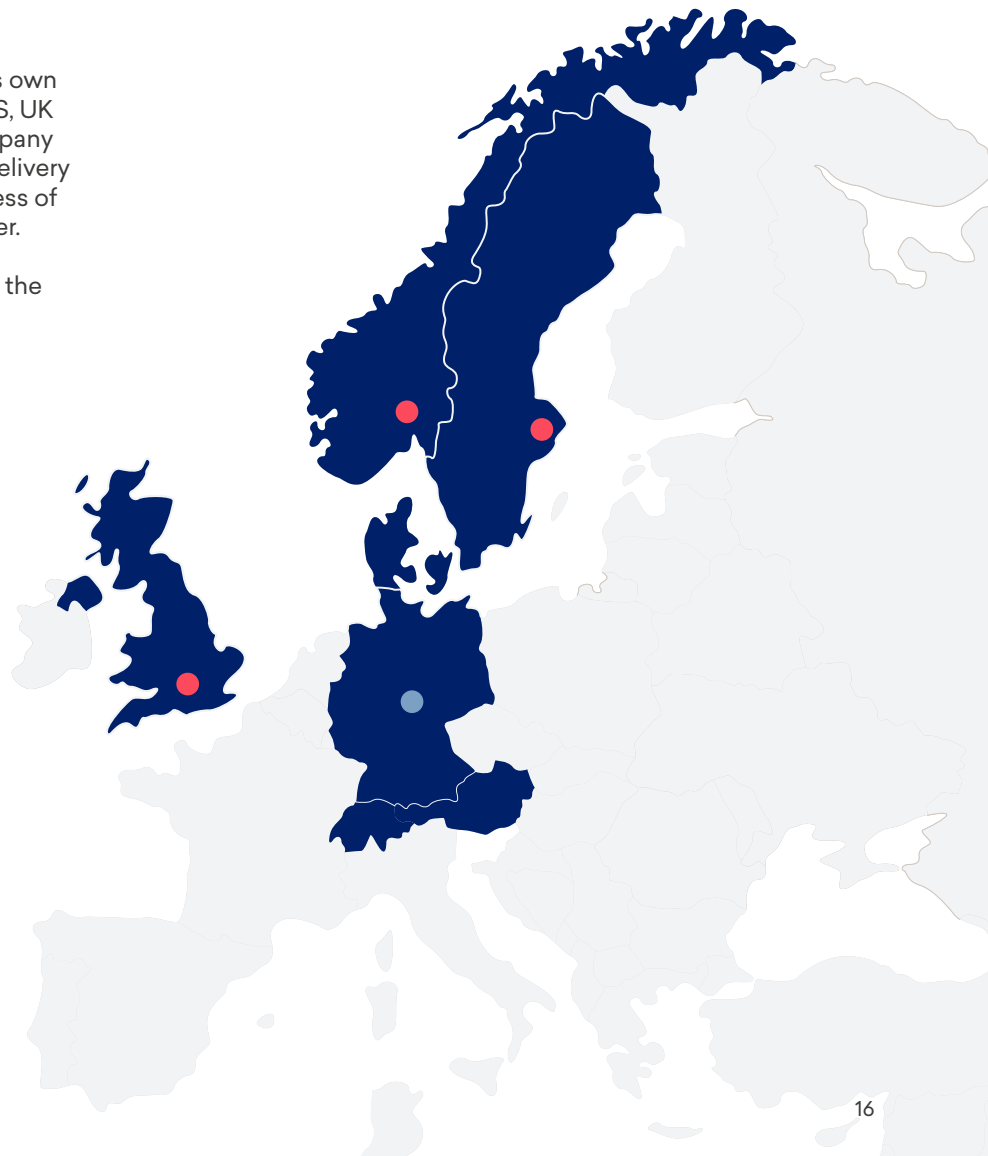
Haypp Group’s organisation combines expertise in e-commerce, technology and the nicotine product category. The Group emphasises a customer-focused culture and aims to attract and retain employees with relevant skills across its markets.

Employee engagement and retention remain important priorities, supporting continuity and operational performance.

Haypp Group’s markets

Haypp Group currently operates through its own warehouse solutions in Sweden, Norway, US, UK and a 3PL warehouse in Germany. The company offers a range of same-day and overnight delivery options to minimise delivery times, regardless of the time of day the customer places an order.

Inventory turnover ratio was 12 times during the full-year 2025.



- In-house warehouse
- 3PL warehouse

Review of reporting segments

As of January 2024, Haypp Group is organized into three reporting segments or business units: Core Markets, Growth Markets and Emerging Markets.

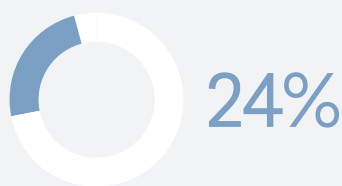
CORE MARKETS

The Core Markets consists of oral nicotine products in Sweden and Norway, which are more mature markets.



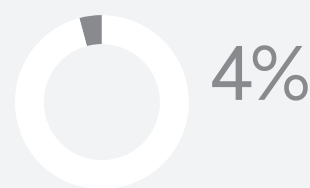
GROWTH MARKETS

The Growth Markets consist of oral nicotine products in US, UK, Germany, Austria and Switzerland.



EMERGING MARKETS

The Emerging segment focuses on other RRP categories; from 2026 nicotine vaping in SE and DE and Heat-not-Burn in DE.



SEGMENT BREAKDOWN

SEK mn	Full-Year 2025	Full-Year 2024
Net sales		
Core Markets	2,782.1	2,619.0
Growth Markets	917.5	989.7
Emerging Markets	149.4	71.1
EBITDA		
Core Markets	286.6	227.3
Growth Markets	3.7	12.2
Emerging Markets	-51.6	-33.3
EBITDA margin		
Core Markets	10.3%	8.7%
Growth Markets	0.4%	1.2%
Emerging Markets	-34.5%	-46.8%
Active consumers, thousand		
Core Markets	752	756
Growth Markets	278	327
Emerging Markets	101	63

The share and shareholders

In October 2021, Haypp Group's shares were listed on Nasdaq First North Growth Market with the ticker: HAYPP. The ISIN code is SE0016829469 and the LEI code is 549300NDGL14NS31UP49. Haypp Group has one class of shares, where each share gives the holder one voting right and an equal share in the company's assets and profits.

At the end of 2025, the total number of shares consisted of 30,623,249 ordinary shares with one vote each, and 1,200,000 class C shares with one tenth of a vote each, and the total number of shareholders amounted to approximately 4,900. Shareholdings representing at least one tenth of the votes consist of two shareholders:

GR8 Ventures AB, which holds 12.83 percent, and Patrik Rees, who holds 11.40 percent.

Dividend policy

The Board of Haypp Group expects to reinvest cash flows into the company's continued expansion, and does not expect to pay dividend.

AGM 2026

Annual shareholders' meeting will be held in Stockholm May 20, 2026. The Board of Directors proposes to the general meeting that no dividend will be distributed for fiscal year 2025. This year's generated cash flows will be used for the Company's continued expansion.

Largest shareholders as of December 31, 2025

	Number of Shares	Share of capital, %
GR8 Ventures AB	3,920,601	12.83
Patrik Rees	3,627,423	11.40
Fidelity Investments (FMR)	3,071,982	9.81
Northerner Holding AB	2,997,917	9.42
Robotti & Co Advisors LLC	1,618,958	5.09
Wellington Management	1,443,629	4.71
Ola Svensson	1,028,760	3.23
Erik Selin	1,000,000	3.14
Gavin O'Dowd	842,391	2.65
Caro-Kann Capital LLC	727,000	2.44
Sum	20,278,661	64.72
Others	11,544,588	35.28
Total	31,823,249	100

Key ratios

SEK mn	Full-Year 2025	Full-Year 2024
Income statement		
Net sales	3,848.9	3,679.8
Net sales growth ¹⁾ , %	4.6	16.2
Gross margin ¹⁾ , %	18.5	15.0
Adjusted EBITDA ¹⁾	238.7	205.8
Adjusted EBITDA margin ¹⁾ , %	6.2	5.6
Adjusted EBIT ¹⁾	150.7	134.5
Adjusted EBIT margin ¹⁾ , %	3.9	3.7
Operating profit ¹⁾	58.4	64.2
Profit/loss for the period	42.5	45.0
Balance sheet		
Working capital ¹⁾	255.3	219.5
Net debt ¹⁾	132.0	169.0
Investments ¹⁾	-116.7	-61.0
Net debt/Adjusted EBITDA ¹⁾ , times	0.6	0.8
Equity/Total assets ratio ¹⁾ , %	53.1	55.4
Cash flow		
Cash flow from operating activities	140.0	194.6
Data per share		
Earnings per share after dilution, SEK	1.36	1.46
Equity per share after dilution ¹⁾ , SEK	21.4	21.3
Cash flow from operating activities per share after dilution ¹⁾ , SEK	4.5	6.3
Average number of shares after dilution	31,343,134	30,807,543

¹⁾ For definitions of key ratios and reconciliation of Alternative Performance Measures, see pages 73–76.

Corporate Governance Report

Haypp Group AB (publ) is a Swedish public limited liability company which is listed on the Nasdaq First North Growth Market since October 13, 2021.

Haypp Group's corporate governance is based on Swedish legislation, the Nasdaq First North Growth Market Rulebook, and good practice in the securities market. Haypp Group's governance is also based on internal regulations, such as the Board rules of procedure, the CEO instructions, the Group's code of conduct and other policy documents. Companies listed on the Nasdaq First North Growth Market are not obliged to comply with the Swedish Code of Corporate Governance, and Haypp Group AB (publ) has not undertaken to do so on a voluntary basis.

Haypp Group's Articles of Association and Code of Conduct can be found at www.hayppgroup.com

Shares and Shareholders

At the end of 2025, the total number of shares consisted of 30,623,249 ordinary shares with one vote each and 1,200,000 C shares with one-tenth of a vote each. Shareholdings that exceed one tenth of the voting rights consist of two shareholders, GR8 Ventures AB, which holds 12.83 per cent and Patrik Rees, which holds 11.40 per cent of the shares. There were no restrictions on how many votes each shareholder could cast at the Annual General Meeting.

For more information about shareholders, see page 18.

The Annual General Meeting

According to the Swedish Companies Act, the Annual General Meeting is the Company's highest decision-making body. At the Annual General Meeting, the shareholders exercise their voting rights on key issues, such as approval of income statements and balance sheets, disposition of the Company's results, granting discharge from liability for the Board members and CEO, election of Board members and auditors and remuneration to the Board and auditors.

The Annual General Meeting also resolves guidelines for remuneration to senior executives and any amendments to the Articles of Association.

The Annual General Meeting must be held within six months from the end of the financial year. In addition to the Annual General Meeting, it may be called an Extraordinary General Meeting. According to the Articles of Association, notice of the Annual General Meeting is given by advertising in the Swedish Official Gazette (Post- och Inrikes Tidningar) and by keeping the notice available on the Company's website. Information that a notice has been issued shall at the same time be announced in Svenska Dagbladet.

Shareholders who wish to participate in the negotiations at the Annual General Meeting must be registered in the share register kept by Euroclear Sweden six banking days before the meeting, and register with the Company for participation in the general meeting no later than the date specified in the notice convening the meeting. Shareholders may

attend general meetings in person or through proxies and may also be assisted by a maximum of two people. It is usually possible for shareholders to register for the Annual General Meeting in several different ways, which are specified in the notice convening the meeting. Shareholders are entitled to vote for all shares held by the shareholder.

Shareholders who wish to have a matter considered at the Annual General Meeting must send a written request to this effect to the Board. Such a request must normally be received by the Board in good time before the Annual General Meeting in order to be included on the agenda.

Nomination Committee

The purpose of the Nomination Committee is to submit proposals regarding the chairmanship of general meetings, board members, including the chairman of the board, remuneration to board members and remuneration for committee work, election of and remuneration to external auditors and proposals for changes in principles for appointing nomination committees.

The Nomination Committee shall consist of the Chairman of the Board and a member appointed by each of the three largest shareholders based on ownership of the company on September 1, 2025. If any of the three largest shareholders were to refrain from appointing a member to the Nomination Committee, the right shall pass to the shareholder who, after these three shareholders, has the largest shareholding in the Company. The Chairman of the Board shall convene the Nomination Committee. The member who was appointed by the largest shareholder shall be appointed chairman of the Nomination Committee if the Nomination Committee does not unanimously appoint another member.

If shareholders who have appointed a member of the Nomination Committee no longer belong to the three largest shareholders no later than three months before the Annual General Meeting, the member appointed by this owner shall make his seat available and the shareholder who has been added among the three largest shareholders shall have the right to appoint a member to the Nomination Committee. Unless there are special reasons, however, no change shall take place in the composition of the Nomination Committee if only a marginal change of ownership has taken place or if the change occurs later than three months before the Annual General Meeting. In the event that a member leaves the Nomination Committee before its work is completed, the shareholder who appointed the member shall appoint a new member. If this shareholder no longer belongs to the three largest shareholders, a new member shall be appointed in the order specified above. Shareholders who have appointed a member of the Nomination Committee have the right to dismiss such a member and appoint a new member of the Nomination Committee.

Changes in the composition of the Nomination Committee shall be announced immediately. The Nomination Committee's term of office runs until a new Nomination Committee is appointed. The Nomination Committee shall perform its

duties in accordance with the Swedish Code of Corporate Governance.

Board of Directors

The Board of Directors is the Company's highest decision-making body after the Annual General Meeting. According to the Swedish Companies Act, the Board is responsible for the Company's management and organization, which means that the Board is responsible for, among other things, setting goals and strategies, ensuring routines and systems for evaluating established goals, continuously evaluating the Company's results and financial position and evaluating operational management. The Board is also responsible for ensuring that the annual report and interim reports are prepared in a timely manner. In addition, the Board appoints the Company's CEO.

The Board members are normally elected by the Annual General Meeting for the period until the end of the next Annual General Meeting. According to the Company's Articles of Association, the board members elected by the Annual General Meeting shall be a minimum of three and a maximum of ten members in number and a maximum of four deputies. The Chairman of the Board has a special responsibility for leading the Board's work and for ensuring that the work is organized in an efficient manner.

The Board applies a set of rules of procedure which are revised annually and adopted at the statutory board meeting every year. The rules of procedure govern, among other things, the board's practices, functions and the division of work between the board members and the CEO. At the statutory Board meeting, the Board also adopts instructions for the CEO, including instructions for financial reporting. The Board meets according to an annually established schedule. In addition to these meetings, additional board meetings may be convened to address issues that cannot be postponed until the next regular board meeting. In addition to the Board meetings, the Chairman of the Board and the CEO continuously discuss the management of the Company.

At present, the Company's Board consists of six ordinary members elected by the Annual General Meeting, which are presented in more detail on page 23.

Remuneration paid to the Board members can be found in Note 7.

Audit Committee

The Audit Committee consists of all Board members, with the Chairman of the Board also chairing the committee. The Audit Committee is primarily a preparatory body that prepares proposals for the Board. The main tasks of the Audit Committee are (without affecting the Board's responsibilities and tasks):

- monitor Haypp Group's financial reporting,
- monitor the effectiveness of Haypp Group's internal control and risk management regarding financial reporting,
- stay informed about the audit of the annual accounts and the consolidated accounts,
- inform the Board of Directors of the results of the audit and in what way the audit contributed to the reliability of the financial reporting and of the function of the committee,

- review and monitor the auditor's independence, paying particular attention to whether the auditor provides Haypp Group with services other than auditing services,
- approve the auditor's advisory services and establish a policy for the auditor's advisory services,
- assist in the preparation of proposals for the Annual General Meeting's decision on the auditor,
- annually evaluate the need for an internal audit function, and
- assure quality of year-end reports and interim reports prior to board decisions.

Remuneration Committee

The Remuneration Committee consists of the Chairman of the Board, Lars-Johan Jarnheimer, and the members Deepak Misra and Linus Liljegren. The Remuneration Committee is primarily a preparatory body that prepares proposals for the Board.

The main tasks of the Remuneration Committee are to:

- prepare the Board's decisions in matters concerning remuneration principles, remuneration and other terms of employment for senior executives,
- monitor and evaluate ongoing programs for variable remuneration to senior executives as well as such programs decided on during the year,
- monitor and evaluate the application of the guidelines for remuneration to senior executives decided on by the Annual General Meeting and of the company's remuneration structures and remuneration levels.

CEO and Senior Executives

The CEO is subordinate to the Board and is responsible for the Company's day-to-day management and the daily operations. The division of work between the Board and the CEO is governed by the rules of procedure for the Board and the instructions for the CEO. The CEO is also responsible for preparing reports and compiling information from management prior to board meetings and for presenting such material at board meetings.

According to the instructions for financial reporting, the CEO is responsible for financial reporting in the Company and must consequently ensure that the Board receives sufficient information for the Board to be able to continuously evaluate the Company's financial position.

The CEO shall keep the Board continuously informed of the development of the Company's operations, the development of sales, the Company's earnings and financial position, liquidity and credit situation, major business events and any other event or circumstance that may be assumed to be significant to the Company's shareholders.

The CEO and other senior executives are presented on page 24.

Auditor

The auditor shall review the parent company and subsidiaries' annual reports and accounts, as well as the Board of Directors' and the CEO administration of the company. After each financial year, the auditor shall submit an auditor's report and a consolidated auditor's report to the Annual General Meeting.

According to the Company's Articles of Association, the Company shall have a minimum of one and a maximum of two auditors and a maximum of two deputy auditors. The company's auditor is Öhrlings PricewaterhouseCoopers AB, with Magnus Lagerberg as the principal auditor.

Haypp Group assesses that advisory services during the year did not jeopardize the auditor's independence.

Information on full remuneration to the auditors is provided in Note 6.

The corporate governance report has been prepared by the Board of Directors and does not form part of the statutory audit. Accordingly, the Company's auditor has not reviewed the contents of the corporate governance report.

Remuneration to the Board of Directors

Fees and other remuneration to the Board members, including the Chairman, are determined by the Annual General Meeting. At the Annual General Meeting on May 15, 2025, it was decided that fees to the Board, for the period until the end of the next Annual General Meeting, shall be paid in a total of SEK 2,000,000, of which the Chairman of the Board will receive SEK 600,000 and other members not employed by the Company will receive 300,000 SEK each. It was also resolved that a Board member who performs work for the Company outside the scope of the Board assignment may receive remuneration for such work on market-based terms.

Furthermore, it was decided that remuneration for work in the board's committee shall be paid with SEK 75,000 to the chairman of the audit committee, SEK 50,000 to the chairman of the remuneration committee and SEK 25,000 each to the respective member for work within these committees. The board members are not entitled to any benefits after their assignment as board members has ended.

For more information about remuneration to the Board see page 21.

Remuneration to the CEO and Senior Executives

The Board has decided on current remuneration levels and other terms of employment for the CEO and for other senior executives. The employment agreements with the CEO and members of the company management contain a mutual notice period of six months. In addition to the salary, neither the CEO nor senior executives are entitled to any severance pay during the notice period.

All senior executives are entitled to an occupational pension based on a pension insurance. The CEO's employment agreement includes a non-compete clause that restricts the CEO from competing with the Group for a period of nine months after the termination of employment.

Information on remuneration to the CEO and the management team is provided in Note 7.

Control Environment

Internal control includes control of the Company's and the Group's organization, routines and support measures. The purpose is to ensure that the financial reporting is reliable and correct, that the Company's and the Group's financial reporting is prepared in accordance with law and applica-

ble accounting standards, that the Company's assets are protected and that other requirements are met. The internal control system shall also monitor compliance with the Company's and the Group's policies, principles and instructions. Internal control also includes risk analysis and follow-up of the incorporation of information and business systems.

The Group identifies, evaluates and manages risks based on the Group's vision and goals. A risk assessment of compliance with the Company's commitments as well as strategic, operational and financial risks shall be carried out annually by the CFO and presented to the Board.

The board is responsible for internal control. In order to create and maintain a functioning control environment, the Board has adopted a number of policies, guidelines and governing documents regarding financial reporting. These documents mainly consist of the Board's rules of procedure, CEO instructions, instructions for financial reporting and instructions for the committees that have been appointed by the Board. The Board has also adopted certification instructions and a financial policy. The company also has a financial manual that contains principles, guidelines and routines for accounting and financial reporting. In addition, the Board has adopted a number of IT-related policies in which issues such as data recovery are addressed. Furthermore, the Board has established an Audit Committee whose primary task is to monitor financial reporting, the effectiveness of internal control and risk management, and to evaluate and monitor the auditor's independence.

Processes that control the business and deliver value must be defined within the company management system. The CEO is responsible for the process structure within the Group.

Every year, an internal evaluation must be made of the minimum requirements for defined controls that reduce identified risks for each business process. A report on the evaluation shall be given to the board. The CFO is responsible for the self-evaluation process made possible by the internal control function. In addition, the internal control function conducts reviews of the system for risk management and internal control in accordance with a plan agreed with the board and company management.

Board of Directors



Lars-Johan Jarnheimer
Chairman

Chairman of the board since: 2025.

Born: 1960.

Education: Bachelor's degree in Business Administration and Economics from Lund University and Växjö University.

Other current assignments: Chair of the Board of Ingka Holding B.V. (IKEA), Telia Company AB, Arvid Nordquist HAB, Elite Hotels, and Grimaldi Industri AB. Board member of Stillfront Group AB.

Previous positions and assignments: Chair of the Board of Egmont International Holding AS, Qliro Group, Eniro AB, and BRIS. Board member of Invik, Apoteket AB, Millicom, MTG AB, SAS AB, and Point Properties.

Shares in Haypp Group¹⁾: 5,000 ordinary shares

Remuneration 2025: SEK 409,000

Independent of the Company and executive management: Yes

Independent of major shareholders: Yes



Helena Juhlin Pink
Board member

Board member since: 2025.

Born: 1978.

Education: Master of Science in Business and Economics from Stockholm University, as well as a Bachelor's degree from the same university.

Other current assignments: Board member of Forte Digital and Avoki HoldCo AB. Chair of the Board of Mobile Interaction.

Previous positions and assignments: Brand Director for Soundtrap/Spotify and CEO of the media agency OMD Sweden.

Shares in Haypp Group¹⁾: 1,000 ordinary shares

Remuneration 2025: SEK 205,000

Independent of the Company and executive management: No

Independent of major shareholders: Yes



Deepak Mishra
Board member

Board member since: 2024

Born: 1971

Education: MBA (Marketing, Systems) from the Indian Institute of Management, Lucknow, India, and a Bachelor's degree (BE, Hons, Computer Science) from Birla Institute of Technology & Science, Pilani, India.

Other current assignments: Operating Partner at Global Asset Capital.

Previous positions and assignments: Managing Director at Centerbridge Partners. Chief Strategy Officer and President of the Americas region at Philip Morris International.

Shares in Haypp Group¹⁾: –

Remuneration 2025: SEK 325,000

Independent of the Company and executive management: Yes

Independent of major shareholders: Yes



Linus Liljgren
Board member

Board member since: 2016.

Born: 1990.

Education: No formal education.

Other current assignments: Deputy Board member of Solafide Capital AB. Deputy Board member of GR8 Ventures AB and Retentor AB.

Previous positions and assignments: Board member of Snusbolaget Norden AB.

Shares in Haypp Group¹⁾: 1,960,301 ordinary shares, held through a partly owned company.

Remuneration 2025: Waives remuneration
Independent of the Company and executive management: Yes

Independent of major shareholders: No



Patrik Rees
Board member

Board member since: 2016.

Born: 1968.

Education: Studies in Process Technology, Electronics & Microdata Technology, and IHM Business School (degree not completed).

Other current assignments: Chair of the Board of e-Business Partner Norden AB. Board member of Icehotel Aktiebolag, Eastcoast Capital AB, ProteinBolaget i Sverige AB, Kalk Management AB, Tofta Intressenter AB, and Corlin Eyewear AB.

Previous positions and assignments: Chair of the Board of Frank Agency AB, Haypp Group AB (publ), and Klöver Visby AB. Board member of Hillmarketing AB, Stor & Liten AB, Stockfiller AB, and FöretagsCentrum i Oskarshamn (FCO) Ekonomisk förening.

Shares in Haypp Group¹⁾: 3,627,423 ordinary shares, held through a partly owned company.

Remuneration 2025: SEK 325,000

Independent of the Company and executive management: Yes

Independent of major shareholders: No



Adam Schatz
Board member

Board member since: 2024.

Born: 1974.

Education: Master of Science (M Sc) in Economics from the Stockholm School of Economics. Bachelor's degree in Theoretical Philosophy from Lund University.

Other current assignments: CEO and Group CEO of Nuent Group AB and holds board assignments in companies within the Nuent Group.

Previous positions and assignments: Chief Financial Officer and President & CEO of BHG Group AB. Business Area Manager and CFO at Axiall AB.

Shares in Haypp Group¹⁾: 2,000 ordinary shares

Remuneration 2025: SEK 356,000

Independent of the Company and executive management: Yes

Independent of major shareholders: Yes

¹⁾ Shareholdings as of 31 December 2025.

Executive management



Gavin O'Dowd
CEO

Appointed: 2017.

Born: 1978.

Education: Auditor, Waterford Institute of Technology.

Other current assignments: –

Previous positions and assignments: Chair of the Board of Fiedler & Lundgren AB and British American Tobacco Sweden AB. CEO of British American Tobacco Sweden AB.

Shares in Haypp Group¹⁾: 842,391 ordinary shares, 100,000 Class C shares, and 155,000 warrants.



Jonas Kolehmainen
COO & deputy CEO

Appointed: 2026.

Born: 1975.

Education: Master's degree in Economics from Växjö University.

Other current assignments: –

Previous positions and assignments: CEO of PostNord TPL.

Shares in Haypp Group¹⁾: 67,500 Class C shares and 60,000 warrants.



Peter Deli
CFO

Appointed: 2023.

Born: 1981.

Education: Master's degree in Business Administration and Economics from Corvinus University, Budapest (Hungary), and Jönköping International Business School (Sweden).

Other current assignments: –

Previous positions and assignments: Commercial Finance Controller for Europe and North Africa at British American Tobacco.

Shares in Haypp Group¹⁾: 67,500 Class C shares and 155,000 warrants.



Markus Lindblad
Head of External Affairs

Appointed: 2018.

Born: 1973.

Education: Studies in Economic History and Political Science, Stockholm University.

Other current assignments: Board member of Sirius Consulting & Investment AB.

Previous positions and assignments: Board member of British American Tobacco Sweden AB, British American Tobacco Sweden Holding AB, Winnington Aktiebolag, Winnington Holding AB, and Winds Global AB.

Shares in Haypp Group¹⁾: 192 ordinary shares, 67,500 Class C shares, and 140,000 warrants.

¹⁾ Shareholdings as of 31 December 2025.

Directors' report

The Board of Directors and the Chief Executive Officer of Haypp Group AB (publ) (registration number 559075-6796) hereby present the Annual Report and the Consolidated Financial Statements for the financial year 1 January 2025 to 31 December 2025. The Company is domiciled in Stockholm, Sweden. The Annual Report has been prepared in Swedish kronor.

Company information

The Group operates within e-commerce, primarily focusing on nicotine pouches and snus. The Group operates a number of different e-commerce websites under the brands Snusbolaget, Snushjem, Snuslageret, Snus.com, Haypp, Snusmarkt, Northerner, Nicokick, Nettotobak, Snusnetto, Vapeglobe and Snusvaruhuset. Operations are conducted across Europe and the United States through these e-commerce platforms, and local offices are established in Stockholm, Oslo and Washington. Products are sourced from external suppliers and stored in warehouses prior to sale to consumers. Deliveries from the Group's warehouses to consumers are carried out through external logistics and freight service providers.

The Parent Company is a holding company that holds shares in subsidiaries engaged in e-commerce operations within the nicotine products sector.

Shareholders

Owners holding more than 10 percent of the number of shares in the company are GR8 Ventures AB and Patrik Rees.

Financial highlights

Net sales increased by 5 percent to SEK 3,849 million (SEK 3,680 million). Excluding currency effects, organic sales growth amounted to 7 percent. Growth was primarily driven by a continued strong performance in nicotine pouches, with particularly robust growth in the United States and the United Kingdom. Reported volume growth within nicotine pouches amounted to 13 percent during the year. Growth in the Growth segment was negatively affected during the year by Zyn-related supply constraints.

The gross margin increased to 18.5 percent (15.0), primarily driven by an increased contribution from Media & Insights as well as continued realisation of economies of scale. The adjusted EBITDA margin improved to 6.2 percent (5.6), corresponding to adjusted EBITDA of SEK 239mn (206). The improvement was mainly driven by a higher gross margin and increased scalability of the business model, partly offset by continued commercial investments within the Growth segment.

During the year, the Group continued to develop the Emerg-

Group financial summary

SEK thousands	2025	2024	2023	2022	2021
Net sales	3,848,934	3,679,800	3,165,720	2,598,813	2,266,765
EBITDA ¹⁾	186,066	180,205	118,680	99,113	35,768
Adjusted EBITDA ¹⁾	238,692	205,795	134,578	102,465	71,005
Adjusted EBITDA margin ¹⁾ , %	6.2	5.6	4.3	3.9	3.1
Adjusted EBIT ¹⁾	150,690	134,535	78,200	58,469	41,486
Adjusted EBIT margin ¹⁾ , %	3.9	3.7	2.5	2.2	1.8
Items affecting comparability ¹⁾	52,625	30,377	15,898	3,352	35,237
Operating profit/loss ¹⁾	58,373	64,153	22,307	15,222	-22,622
Total equity and liabilities	1,262,524	1,183,513	1,055,144	1,021,280	925,993
Adjusted EBITDA					
EBITDA	186,066	180,205	118,680	99,113	35,770
Items affecting comparability	52,625	30,377	15,898	3,352	35,237
Write-off acquired intangible assets	-	-4,787	-	-	-
Adjusted EBITDA	238,692	205,795	134,578	102,465	71,007
Adjusted EBIT					
EBITDA	186,066	180,205	118,680	99,113	35,770
Depreciation/amortisation and impairment of assets	-127,694	-116,053	-96,374	-83,891	-58,390
Operating profit/loss	58,373	64,153	22,307	15,222	-22,622
Amortisation of acquired intangible assets	39,692	40,006	39,996	39,895	28,871
Items affecting comparability	52,625	30,377	15,898	3,352	35,237
Adjusted EBIT	150,690	134,535	78,200	58,469	41,486
Items affecting comparability					
Consulting and advisory costs	-	-	658	-	30,539
Acquisition, integration and restructuring costs	34,541	25,590	15,240	3,352	3,854
Legal costs	18,084	-	-	-	844
Write-off acquired intangible assets	-	4,787	-	-	-
Items affecting comparability	52,625	30,377	15,898	3,352	35,237

¹⁾ For definitions of key ratios and reconciliation of Alternative Performance Measures, see pages 73–76.

ing segment, which focuses on new product categories such as vaping and heat-not-burn. The segment continues to be characterised by ongoing commercial investments and a relatively high proportion of fixed costs in relation to current volumes.

In the United Kingdom, sales of vaping and heat-not-burn products were discontinued during the fourth quarter of 2025. Cost savings resulting from this change are estimated to amount to approximately SEK 6–7mn during 2026.

Items affecting comparability amounted to SEK –52.6mn (–30.4). These items primarily relate to non-recurring costs associated with strategic initiatives undertaken in the US market and the phase-out of vaping products in the UK market, as well as discretionary, non-recurring bonus payments to employees intended to enable their participation in the long-term incentive programme (LTIP) for the period 2025–2028. Legal costs are directly attributable to the settlement of the legal proceedings initiated by the San Francisco City Attorney, and the case is now considered resolved.

Operating profit (EBIT) amounted to SEK 58 million (SEK 64), including items affecting comparability of SEK –53 million (SEK –30). The development of earnings reflects an improved underlying operating result, offset by increased costs related to restructurings, legal proceedings, and strategic investments.

Total assets increased to SEK 1,263 million (SEK 1,184 million). The increase was primarily driven by higher current assets, with inventories, accounts receivables, and cash and cash equivalents increasing as a result of higher business volumes.

Cash flow from operating activities amounted to SEK 140 million (SEK 195 million). Cash flow was negatively affected by an increase in working capital, mainly attributable to inventory build-up.

Cash and cash equivalents at year-end amounted to SEK 57 million (SEK 35 million). Unutilized credit facilities amounted to SEK 132 million (SEK 99 million), which together provide the Group with continued solid financial flexibility.

Financial Performance by Segment

Haypp Group conducts its operations through three reportable segments: Core, Growth and Emerging. The segment structure reflects the Group's internal management reporting and is reviewed by the Group's chief operating decision maker.

Core Segment

The Core segment comprises sales of oral nicotine products in the Group's mature markets in Sweden and Norway. During the 2025 financial year, net sales increased to SEK 2,782.1 million (2,619.0), corresponding to growth of 6.2 percent. Excluding currency effects, organic growth amounted to 8 percent, primarily driven by increased volumes of nicotine pouches, partly offset by the decline in the traditional snus category, in line with general market trends.

EBITDA for the segment increased to SEK 286.6 million (227.3), corresponding to an EBITDA margin of 10.3 percent (8.7). The margin improvement was mainly driven by higher volumes, an improved product mix and increased contribu-

tions from Media & Insights. The number of active customers remained broadly unchanged and amounted to 752 thousand at year-end (756). The stable consumer number is a consequence of increasing nicotine pouch consumer base, however the traditional snus segment consumer base declined, mainly in Sweden. The Core segment continues to represent the Group's stable earnings base and accounted for approximately 70 percent of the Group's net sales during the year.

Growth Segment

The Growth segment mainly comprises oral nicotine products in growth markets such as the United States, the United Kingdom, Germany, Austria and Switzerland. Net sales for 2025 amounted to SEK 917.5 million (989.7), corresponding to a decrease of 7.3 percent. Organic performance was negatively affected by temporary supply constraints for certain brands, primarily in the US market during the first 3 quarters.

During the fourth quarter of 2025, the segment recorded a clear recovery – driven by the return of the market leading brand to Haypp Group's assortment – with strong net sales growth and an increasing number of active customers. This development indicates solid underlying demand and strengthens the conditions for improved profitability over time.

Despite the lower net sales, volumes of nicotine pouches increased during the year, with particularly strong development in the United Kingdom and Germany. EBITDA amounted to SEK 3.7 million (12.2), corresponding to an EBITDA margin of 0.4 percent (1.2). The decline in profitability reflects continued investments – particularly in the US market – in marketing, logistics and commercial capabilities to support future growth.

Emerging Segment

The Emerging segment focuses on new product categories and markets, primarily nicotine vaping in Sweden and Germany as well as heat-not-burn products. Net sales increased significantly during the year to SEK 149.4 million (71.1), corresponding to growth of 110 percent. The strong performance was mainly attributable to increased volumes in Germany and Sweden.

EBITDA amounted to SEK –51.6 million (–33.3), corresponding to an EBITDA margin of –34.5 percent (–46.8). The negative result reflects ongoing investments in commercial development, organisational build-up and volumes that have not yet fully absorbed fixed costs. At the end of the year sales of vaping and heat-not-burn products in the United Kingdom were discontinued, which is expected to result in cost savings and an improved earnings profile for the segment in the coming years.

Significant events during the financial year

During the financial year, a new company was acquired, Snusvaruhuset Sweden AB (reg. no. 559396-0957), operating in Sweden. In addition, the Group established a wholly owned subsidiary, Haypp MEA Holdings Ltd, domiciled in the United Arab Emirates. Both transactions were carried out as part of the Group's reorganization.

The Group has during the year reached a settlement in the legal proceedings initiated by the City Attorney of San Francisco in the United States. The financial effect of the settle-

ment has been fully recognized in the Group's income statement and balance sheet, and the Group does not expect any further financial commitments or material uncertainties to remain in relation to the matter. The total cost amounted to SEK 18.1 million and has been reported under Other external expenses in the income statement and classified as an item affecting comparability.

Significant events after the end of the financial year

During the financial year and after the end of the reporting period, the Group has been involved in a limited number of legal proceedings. On 30 January 2026, the Administrative Court of Appeal in Stockholm upheld the Licensing Authority's decision to revoke Snusbolaget Norden AB's permit to sell tobacco products, including traditional snus, in Sweden. The Group does not share the court's assessment and has appealed the ruling to the Supreme Administrative Court. Haypp Group continues to conduct its operations in compliance with applicable regulations and remains fully committed to responsible sales as well as rigorous age and identity verification procedures. The Group assesses that the outcome of the proceedings is not expected to have any material financial or operational impact on the Swedish operations.

Research and Development

Haypp Group's research and development activities are primarily focused on platform development, digital tools and customer interfaces, with the objective of strengthening the Group's scalability, operational efficiency and customer experience across all markets.

Over recent years, the Group has made substantial investments in its technical infrastructure in order to establish a unified, flexible and future-proof tech ecosystem. This work has included the implementation of a new global ERP system, the establishment of an integration layer (middleware), and the gradual migration of the Group's e-commerce sites to a common technical platform in the European markets. During 2025 this transformation was completed, providing enhanced capabilities for faster functionality enhancements, more efficient administration and continued international expansion.

A key focus area in 2025 within the development work has been customer interfaces and user experience. Through continued development of front-end solutions, Haypp Group has improved website performance, conversion rates and organic visibility in search engines. These initiatives are aimed at delivering a seamless purchasing experience with intuitive navigation, high availability and multiple delivery options, while ensuring compliance with regulatory requirements such as age and identity verification. An important development also increased the scalability and customisation ability of our media products, enhancing our capabilities to provide better and more focused services for our business partner.

The Group has also invested significantly in data, machine learning and digital decision-support tools. Digital tools and AI-based models are currently applied in areas including marketing, CRM activities and content management. Through propensity and frequency models, as well as personalised recommendations, offers and product presentations can be tailored to individual customer behaviour. These solutions contribute to high customer loyalty, increased conversion rates and further strengthen Haypp Group's competitive position within e-commerce.

Furthermore, the Group has for several years developed advanced insight and analytics platforms enabling a deeper understanding of consumer behaviour. These platforms are used both internally to optimise the customer experience and externally within the Media & Insights services, where brand owners can gain access to aggregated and analysed customer data to support product development and increase consumer awareness and trials.

Overall, Haypp Group's research and development activities constitute an integral part of the Group's business model. Through continuous investments in platform development, digital tools and customer interfaces, long-term conditions are created for efficient growth, an enhanced customer experience and strengthened competitiveness in a rapidly growing international market.

Significant risks and uncertainties

Haypp Group operates in a dynamic and regulated industry. The Group's business and financial performance may be affected by several external and internal factors. The most significant risks and uncertainties relate primarily to regulatory developments, market dynamics within the nicotine category, operational dependencies in the Group's e-commerce infrastructure, and the ability to maintain strong supplier and consumer relationships.

The Group's future growth is dependent on continued consumer adoption of smoke-free nicotine alternatives, mainly nicotine pouches. Changes in consumer preferences or increased competition retailers may affect demand for the products sold through the Group's platforms.

Haypp Group operates in a highly regulated environment and is exposed to regulatory developments across the markets in which it operates. Changes in laws, regulations or regulatory interpretations related to nicotine products, marketing practices, product standards and taxation could affect the Group's ability to market, distribute or sell its products and may lead to increased compliance requirements and operational adjustments. In addition, regulatory initiatives affecting adjacent product categories, such as restrictions on disposable vape products or other nicotine products in certain markets, may influence market dynamics and consumer behavior.

The Group's business model is based entirely on digital commerce and is therefore dependent on the stability, performance and security of its e-commerce platforms and IT systems. System disruptions, cyber incidents, data breaches or other technology failures could negatively affect operations, customer experience and financial performance. As the Group collects and processes customer data through its platforms, it is also exposed to risks related to data protection and privacy regulations.

Traffic generation and customer acquisition depend partly on digital marketing channels and search engine visibility. Changes to search algorithms, advertising platform policies or digital marketing conditions may affect the Group's ability to reach consumers efficiently and could increase customer acquisition costs.

Haypp Group is dependent on suppliers for the products sold through its platforms and on logistics partners for product distribution. Changes in supplier relationships, product

availability, commercial terms or disruptions in logistics and delivery networks may affect product assortment, delivery performance and the overall consumer experience.

Haypp Group continues to invest in geographic expansion and market development, particularly in growth markets such as the United States and the United Kingdom. These investments may include increased operational expenditure, marketing investments and infrastructure development. While such investments are intended to support long-term growth, they may affect profitability in the short term and there is no assurance that the expected returns from these investments will be realized.

The Group's strategy also includes continued geographic expansion and potential acquisitions. Such initiatives may involve operational and integration risks and there is no assurance that anticipated benefits will be fully realized.

Haypp Group's reputation and consumer trust are important for continued growth. Negative publicity related to nicotine products, changes in public perception of the category or reputational issues affecting suppliers or the industry could affect consumer demand and business relationships.

Macroeconomic developments may also affect consumer purchasing behavior. Changes in economic conditions, inflation or consumer sentiment could influence demand patterns, average order values and purchasing frequency in certain markets. However it is important to note that Haypp Group have experienced a positive impact from overall challenging macro economical conditions, when consumers' price sensitivity increased.

The Group may also from time to time be involved in legal, regulatory or administrative proceedings in various jurisdictions related to regulatory compliance, commercial matters or other aspects of its operations. Such proceedings may be time-consuming, involve costs and may affect the Group's operations or reputation.

Finally, the Group is dependent on attracting and retaining employees with key competencies in areas such as regulatory affairs, technology, logistics and digital marketing. The loss of key personnel or difficulties in recruiting qualified employees could affect the Group's ability to execute its strategy.

Expected future developments

Structural shifts in consumer preferences toward smoke-free nicotine alternatives continue to create attractive growth opportunities in many of Haypp Group's core and expansion markets. Across the industry, modern oral nicotine products – such as nicotine pouches—are among the fastest-growing nicotine categories. For example, in the United States, nicotine pouches remain the fastest-growing segment of the nicotine market, with continued strong volume growth and increasing consumer adoption, while the global category is expected to grow at a double-digit annual rate in the coming decade.

In Europe and the United Kingdom, the category is also gaining traction as adult nicotine consumers increasingly seek smoke-free alternatives to traditional tobacco products. The United States remains the largest nicotine pouch

market globally, and together with Europe represents a sizeable opportunity as adoption continues to increase.

As competition among brand owners intensifies and newer, more advanced products are introduced to the market, Haypp Group strengthens its position in the value chain—not only through an expanding consumer base, but also via its Media & Insights services.

Against this backdrop, Haypp Group continues to focus on strengthening its position as a leading online specialist retailer within the modern oral nicotine category. In line with the company's strategy, ongoing investments are directed toward enhancing the consumer experience through improved digital platforms, broader product availability, shorter lead times, and localized last-mile distribution solutions. These initiatives aim to further increase convenience, reliability and product accessibility for adult consumers across the Group's markets.

At the same time, Haypp Group operates in a highly regulated industry and maintains a strong commitment to responsible and compliant market participation. The company continuously develops its compliance capabilities, including robust age-verification processes, responsible marketing standards, and close monitoring of evolving regulatory frameworks in each market. By combining a consumer-centric approach with strong compliance standards, Haypp Group seeks to capture the structural growth opportunities in the smoke-free category while operating in a responsible and sustainable manner.

Sustainability work

Haypp Group reports on its sustainability work based on a materiality assessment. The identified sustainability aspects are aligned with the Global Reporting Initiative (GRI) Standards and have been assessed as material in relation to the Group's operations and the expectations of its stakeholders. The GRI Standards (GRI 1, GRI 2 and GRI 3) form the basis for Haypp Group's sustainability reporting for the financial year 2025.

In accordance with the Swedish Annual Accounts Act, pursuant to the wording in force prior to 1 July 2024, Haypp Group has elected to prepare the statutory sustainability report as a separate report, distinct from the Annual Report. The sustainability report is available in its entirety on the Company's website at hayppgroup.com/sustainability.

Sustainability reporting is prepared on an annual basis, and the reporting period for the Group's sustainability report corresponds to the calendar year 2025.

Proposed appropriation of profit or loss

The following funds are at the disposal of the Annual General Meeting (SEK):

Share premium fund	712,933,287
Retained earnings (including net profit/loss for the year)	-32,054,579
Total	680,878,708
The Board of Directors proposes that the funds available to the Annual General Meeting be carried forward.	680,878,708

Consolidated income statement

Amounts in KSEK	Note	2025	2024
Net sales	4	3,848,934	3,679,800
Capitalised work on own account		41,009	32,383
Other operating income	5	4,889	3,197
Total		3,894,832	3,715,380
Goods for resale	19	-3,138,789	-3,127,118
Other external costs	6	-262,948	-177,425
Personnel expenses	7	-303,699	-227,980
Depreciation and amortization of tangible and intangible assets	14, 15, 17	-127,694	-116,053
Other operating expenses	8	-3,328	-2,652
Sum expenses		-3,836,459	-3,651,227
Operating profit/loss		58,373	64,153
Financial income/expense	9		
Financial income		5,760	23,082
Financial expenses		-18,216	-28,294
Financial net		-12,457	-5,212
Earnings Before Tax		45,916	58,940
Income tax	10	-3,432	-13,959
Profit/loss for the period		42,485	44,981
Profit/loss for the period attributable to:			
The parent company's shareholders		42,485	44,981
Earnings per share, based on profit attributable to the equity holders of the Parent Company for the period:			
Earnings per share before dilution (SEK)		1.39	1.51
Average number of shares before dilution		30,464,641	29,839,088
Earnings per share after dilution (SEK)		1.36	1.46
Average number of shares after dilution		31,343,134	30,807,543

Consolidated statement of comprehensive income

Amounts in KSEK	2025	2024
Profit/loss for the period	42,485	44,981
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Foreign currency translation differences	-40,321	5,560
Total other comprehensive income	-40,321	5,560
Total Comprehensive income	2,163	50,541
Total comprehensive income for the year attributable to:		
Shareholders of the Parent Company	2,163	50,541

Consolidated balance sheet

Amounts in KSEK	Note	2025-12-31	2024-12-31
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	14		
	12	153,028	158,038
Customer relationships		59,628	76,742
Trademarks		82,282	101,790
Websites		7,720	13,332
Capitalized development costs		154,846	134,337
Total intangible assets		457,504	484,240
Tangible assets			
	15		
Leasehold improvements		2,284	3,294
Equipment		27,291	28,361
Total tangible assets		29,575	31,656
Financial assets			
Non-current receivables	16	26,442	13,579
Total financial assets		26,442	13,579
Right-of-use assets	17	79,054	102,357
Deferred tax assets	18	10,036	10,953
Total fixed assets		602,612	642,785
Current assets			
Inventories			
Goods for resale	19	339,245	298,672
Current receivables			
Accounts receivable	20	128,035	100,463
Current tax recoverable		1,036	649
Other receivables	21	43,770	33,488
Prepaid expenses and accrued income	22	90,563	72,233
Cash and cash equivalents	23	57,264	35,223
Total current receivables		320,668	242,056
Total current assets		659,912	540,728
TOTAL ASSETS		1,262,524	1,183,513

Consolidated balance sheet cont.

Amounts in KSEK	Note	2025-12-31	2024-12-31
EQUITY AND LIABILITIES			
EQUITY			
	25		
Share capital		2,085	1,955
Other contributed capital		712,933	701,269
Translation differences		-44,265	-3,943
Retained earnings (including net profit/loss for the year)		-846	-43,330
Total equity		669,907	655,950
LIABILITIES			
Non-current liabilities			
Non-current lease liability	17, 26	47,188	72,216
Deferred tax liabilities	18	19,123	20,482
Other liabilities		6,014	746
Total non-current liabilities		72,325	93,444
Current liabilities			
Bank overdraft	26	113,219	103,801
Current lease liability	17, 26	28,812	28,249
Trade payables		251,285	200,827
Current tax liabilities		3,377	3,701
Other liabilities	27	28,530	13,043
Other provisions	28	845	14,211
Accrued expenses and deferred income	29	94,224	70,287
Total current liabilities		520,292	434,119
Total liabilities		592,617	527,563
TOTAL EQUITY AND LIABILITIES		1,262,524	1,183,513

The notes on pages 35–60 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

Amounts in KSEK	Share capital	Other contributed capital	Translation differences	Retained earnings	Total equity
Opening balance, 2024-01-01	1,955	694,627	-9,503	-88,312	598,767
Profit/loss for the year				44,981	44,981
Other comprehensive income for the year			5,560		5,560
Total comprehensive income	0	0	5,560	44,981	50,541
New share issue	0	4,179			4,179
Share-based compensations		2,463			2,463
Total transactions with shareholders in their capacity as shareholders	0	6,642	0	0	6,642
Closing balance, 2024-12-31	1,955	701,269	-3,943	-43,330	655,950
Opening balance, 2025-01-01	1,955	701,269	-3,943	-43,330	655,950
Profit/loss for the year				42,485	42,485
Other comprehensive income for the year			-40,321		-40,321
Total comprehensive income	0	0	-40,321	42,485	2,163
New share issue	130	10,595			10,725
Share-based compensations		1,069			1,069
Total transactions with shareholders in their capacity as shareholders	130	11,664	0	0	11,794
Closing balance, 2025-12-31	2,085	712,933	-44,265	-846	669,907

Consolidated statement of cash flow

Amounts in KSEK	Note	2025	2024
Cash flow from operating activities			
Operating profit/loss		58,373	64,153
Adjustment for non-cash items:			
– Depreciation and amortization of tangible and intangible assets		127,694	116,053
– Other items not affecting cash flow	34	–7,547	12,841
Interest received		291	278
Interest paid		–8,852	–11,176
Income tax paid		–4,094	–3,088
Cash flow from operating activities before change in working capital		165,864	179,060
Cash flow from change in working capital			
Increase/decrease in inventories		–65,208	–28,370
Increase/decrease in operating receivables		–66,338	–40,777
Increase/decrease in operating liabilities		105,679	84,720
Total change in working capital		–25,868	15,573
Cash flow from operating activities		139,996	194,632
Cash flow from investing activities			
Acquisition of subsidiaries after deduction for acquired cash and cash equivalents	12	–2,366	–1,522
Investment in intangible assets	14	–79,334	–71,486
Investment in tangible assets	15	–10,163	–34,314
Disposal of tangible assets		1,278	375
Change in other financial assets		–13,332	–8,015
Cash flow from investing activities		–103,916	–114,962
Cash flow from financing activities			
Change bank overdraft	33	9,418	–32,576
Change other loans		2,858	–2,745
Repayment of leasing debt	17	–29,464	–26,587
New share issue	25	10,732	4,179
Cash flow from financing activities		–6,456	–57,729
Decrease/increase in cash and cash equivalents			
Opening cash and cash equivalents		35,223	11,424
Cash flow for the period		29,624	21,941
Exchange-rate differences in cash and cash equivalents		–7,583	1,858
Closing cash and cash equivalents		57,264	35,223

Notes

Note 1 General information

Haypp Group AB (publ), registration number 559075–6796, is a public limited liability company incorporated in Sweden with its registered office in Stockholm. The address of the Group's head office is Östgötagatan 12, SE-116 25 Stockholm. The Group's operations consist primarily of distance selling of tobacco and nicotine products and other activities related thereto.

Shareholders holding more than 10 per cent of the total number of shares in the Company are GR8 Ventures AB and Patrik Rees.

The Company is the parent company of a group comprising the wholly owned subsidiaries Snusbolaget Norden AB (556801-3683), Nicokick AB (559505-9972), Haypp Sverige AB (559505-9964) and Northerner Scandinavia AB (556559-1699), all domiciled in Stockholm. In addition, Haypp Group AB is the parent company of the wholly owned subsidiaries Snushjem.no AS domiciled in Norway, Haypp Limited domiciled in the United Kingdom, Haypp GmbH domiciled in Germany, and Haypp MEA Holdings Ltd domiciled in the United Arab Emirates. Northerner Scandinavia AB in turn owns Snusbolaget Europa AB (559466-7122) domiciled in Haninge, as well as Northerner Scandinavia Inc., domiciled in the United States. Haypp Sverige AB owns Snusvaruhuset Sweden AB (559396-0957), domiciled in Staffanstorp.

Unless otherwise stated, all amounts are presented in thousands of Swedish kronor (KSEK)..

Note 2 Summary of important accounting principles

2.1 Basis for preparation of the reports

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. It has been prepared in accordance with the acquisition value method, except for financial assets and liabilities valued at fair value via the income statement.

Preparing reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting principles. The areas that include a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance for the consolidated accounts are stated in Note 2.22. Significant estimates and assessments for accounting purposes.

2.2 New and amended standards not yet applied by the Group

A number of new standards, amendments in standards and interpretations that have been published, enter into force for

financial years beginning after 1 January 2025 and have not been applied in the preparation of this financial report.

In April 2024, the IASB issued IFRS 18 in response to investors' concerns regarding comparability and transparency in entities' financial performance reporting. The new presentation requirements in IFRS 18 are expected to enhance the comparability of financial performance between similar entities, in particular with respect to the definition of "operating profit". In addition, the new disclosure requirements relating to management-defined performance measures are expected to strengthen transparency. IFRS 18 is effective from 1 January 2027 and has not yet been applied by the Group.

Haypp Group AB is currently in the process of assessing the effects of applying IFRS 18 on the Group. Haypp Group AB will present its first annual report prepared in accordance with IFRS 18 for the period ending 31 December 2027. The Group will present its first interim financial report prepared in accordance with IFRS 18 for the period ending 31 March 2027.

It is expected that the statement of cash flows will be affected, as interest received and interest paid will be presented within investing activities and financing activities, respectively, when IFRS 18 is applied.

Haypp Group AB already presents a subtotal for operating profit in the statement of profit or loss. The Group is performing a detailed analysis to determine the appropriate classification of items in order to ensure that this subtotal complies with the requirements of IFRS 18. Furthermore, net finance income/expense as currently presented will no longer be disclosed, and a new subtotal showing profit before financing and income tax will be presented. In addition, the new requirements regarding aggregation and disaggregation may result in changes to ensure that the primary financial statements and notes provide useful and structured information.

The Group is also assessing which performance measures currently reported outside the financial statements meet the definition of management-defined performance measures under IFRS 18.

2.3 Consolidated financial statements SUBSIDIARIES

Subsidiaries are all companies over which the Group has a controlling influence. The Group controls a company when it is exposed to or has the right to a variable return from its holding in the company and has the opportunity to influence the return through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

Note 2 Summary of important accounting principles, cont.

The acquisition method is used to report the Group's business acquisitions. The purchase price for the acquisition of a subsidiary consists of the fair value of transferred assets, liabilities that the Group incurs to previous owners of the acquired company and shares issued by the Group. The purchase price also includes the fair value of all assets or liabilities that are a consequence of an agreement on a contingent purchase price. Identifiable acquired assets and assumed liabilities in a business combination are valued, with a few exceptions, initially at fair values on the acquisition date.

Every contingent purchase price to be transferred by the Group is reported at fair value at the time of acquisition. Subsequent changes in the fair value of a contingent consideration that is classified as an asset or liability are reported in the income statement. Contingent consideration that is classified as equity is not revalued and subsequent settlement is reported in equity.

For each acquisition, i.e. acquisition by acquisition, the Group decides whether non-controlling interests in the acquired company are reported at fair value or at the holding's proportionate share in the carrying amount of the company's identifiable net assets.

2.4 Foreign currency translation

FUNCTIONAL CURRENCY AND REPORTING CURRENCY

The various units in the Group have the local currency as the functional currency as the local currency has been defined as the currency used in the primary economic environment in which each unit is mainly active. In the consolidated accounts, Swedish kronor (SEK) is used, which is the parent company's functional currency and the group's reporting currency.

Transactions and balance sheet items

Transactions in foreign currency are translated into the functional currency according to the exchange rates that apply on the transaction date. Exchange rate gains and losses that arise from the payment of such transactions and from the translation of monetary assets and liabilities in foreign currency at the exchange rate on the balance sheet date are reported in the operating profit in the statement of comprehensive income.

Exchange rate gains and losses relating to loans and cash and cash equivalents are reported in the statement of comprehensive income as financial income or financial expenses. All other exchange rate gains and losses are reported in the items other operating expenses and other operating income in the statement of comprehensive income.

TRANSLATION OF FOREIGN GROUP COMPANIES

Earnings and financial position for all Group companies that have a functional currency other than the reporting currency are translated into the Group's reporting currency. Assets and liabilities for each of the balance sheets are translated from the functional currency of the foreign operations to the Group's reporting currency, Swedish kronor, at the exchange rate prevailing on the balance sheet date. Income and expenses for each of the income statements are trans-

lated into Swedish kronor at the average exchange rate that existed at each transaction date. Translation differences that arise from currency translation of foreign operations are reported in other comprehensive income. Accumulated gains and losses are reported in the profit for the period when the foreign operations are divested in whole or in part.

Goodwill and fair value adjustments that arise on the acquisition of a foreign operation are treated as assets and liabilities in this operation and are translated at the exchange rate on the balance sheet date.

2.5 Revenue recognition

Haypp's main revenue streams are:

- Sales of snus and nicotine products online
- Sale of online marketing space
- Sales of market research
- Sales of services via analysis tools

SALES OF GOODS

Revenues from agreements with customers mainly comprise sales of snus and nicotine products online. Sales are reported as revenue at the time the control of the goods is transferred, which occurs when the products are delivered to the customer, and there are no unfulfilled commitments that may affect the customer's approval of the goods. Delivery takes place when the goods have been transported to the agreed location and the risks of obsolete or lost goods have been transferred to the customer. Shipping is not considered a separate performance commitment and is reported as part of product sales.

The Group operates a customer loyalty programme under which customers earn points for purchases made. The points that members of the loyalty programme can earn and subsequently use in the form of discounts represent a right that they would not receive without entering into the contract. Earned but unredeemed points are recognised as a current liability and as a reduction of revenue, reflecting the future reduction of revenue when the discounts associated with the awarded points are redeemed. Revenue is recognised when the points are redeemed or expire, which occurs no later than twelve months after they are earned. The liability is measured at fair value based on outstanding points and the probability of redemption, determined using historical data.

Revenue from agreements with customers is valued at the transaction price that reflects the compensation that the Group expects to receive from the sale of the goods, after deduction of VAT and other sales taxes. In connection with the transaction price, the Group considers whether there are other commitments that constitute separate performance commitments and to which the transaction price is to be allocated, and the effects of variable compensation that affect the transaction amount. Variable remuneration includes, among other things, discounts and product returns and is reported as a deduction from income based on the amounts that the Group expects to repay.

*Note 2 Summary of important accounting principles, cont.***SERVICES**

The Group enters into agreements with certain parties that include the provision of marketing services, market research and services via analysis tools. Revenue from the services provided is reported in the period in which they are provided. Revenues from services in the form of marketing take place at a time in connection with products being exposed and marketed by the Group.

2.6 Leasing

The Group acts as a lessee. The Group's leasing agreements where the Group is the lessee essentially refer to premises, machines, trucks, office equipment and various equipment.

LEASING - THE GROUP AS LESSEE

For all leasing agreements, except for the exceptions mentioned below, a right-of-use asset and a corresponding leasing liability are reported on the day on which the leased asset is available for use by the Group. Each lease payment is divided between the repayment of the debt and the financial cost. The financial cost shall be distributed over the leasing period so that each accounting period is charged with an amount corresponding to a fixed interest rate for the debt reported during the respective period.

Rights-of-use assets are amortized on a straight-line basis over the shorter of the asset's useful life and the length of the lease. The leasing agreements run for periods of 1-7 years, but options to extend or terminate the agreements exist.

Assets and liabilities arising from leasing agreements are initially reported at the present value of future leasing fees. Leasing liabilities include the present value of the following leasing payments:

- fixed fees,
- variable leasing fees that depend on an index or interest rate,
- residual value guarantees, and
- call options (which will be exercised with reasonable certainty).

Lease payments are discounted with the implicit interest rate when it can be determined easily, otherwise the marginal loan interest rate is used.

Right-of-use assets are valued at acquisition value and include the following:

- the initial valuation of the lease liability,
- payments made at or before the time when the leased asset is made available to the lessee,
- any initial direct expenditure, and
- estimation of any costs for dismantling and removal of the underlying asset, restoration of the location where it is located or restoration of the underlying asset to the condition prescribed in the terms of the lease.

The Group applies the exemption attributable to non-leasing components and has chosen not to separate these from leasing fees attributable to premises.

The Group applies the exemption in IFRS 16, which means that leasing fees attributable to short-term leasing agree-

ments and leasing agreements for which the underlying asset has a low value are not reported as a right-of-use asset and leasing liability but are reported as an expense on a straight-line basis over the leasing period. Short-term leasing agreements are agreements with a leasing period of 12 months or less. Leasing agreements for which the underlying asset has a low value essentially refer to office equipment.

OPTIONS TO EXTEND AND TERMINATE AGREEMENTS

Options to extend or terminate agreements are included in the Group's leasing agreements regarding offices. The terms are used to maximize the flexibility in the handling of the agreements. Options to extend or terminate agreements are included in the asset and liability as it is reasonably certain that they will be exercised.

ACCOUNTING IN SUBSEQUENT PERIODS

The lease liability is revalued if there are any changes in the lease agreement or if there are changes in the cash flow that are based on the original contract term. Changes in cash flows based on original contract terms occur when; the group changes its initial assessment of whether options for extension and/or termination will be exercised, there will be changes in previous assessments if a call option will be exercised, leasing fees will change due to changes in the index or interest rate. A revaluation of the lease liability leads to a corresponding adjustment of the right-of-use asset. If the carrying amount of the right-of-use asset has already been reduced to zero, the remaining revaluation is reported in the income statement. The right-of-use asset is tested for impairment whenever events or changes in conditions indicate that the carrying amount of an asset cannot be recovered.

PRESENTATION

Right-of-use assets and lease liabilities are reported on a separate line in the balance sheet. Depreciation of right-of-use assets is reported in the income statement on the line depreciation and the interest expense on the lease liability is reported as a financial expense. Leasing fees attributable to low-value leasing agreements and short-term leasing agreements are reported in the income statement under Other external costs. Repayment of the lease liability is reported as cash flow from financing activities. Payments of interest as well as payments of short-term leasing agreements and leasing agreements of low value are reported as cash flow from operating activities.

2.7 Current and deferred income tax

The tax expense for the period comprises current tax calculated on the tax profit for the period according to current tax rates. The current tax expense is adjusted with changes in deferred tax assets and liabilities that relate to temporary differences and unutilized deficits.

The current tax cost is calculated on the basis of the tax rules that are decided on the balance sheet date or in practice decided in the countries where the parent company and its subsidiaries are active and generate taxable income. Management regularly evaluates the claims made in self-declarations regarding situations where applicable tax rules are subject to interpretation. It makes, when deemed appropriate, provisions for amounts that are likely to be paid to the tax authority.

Note 2 Summary of important accounting principles, cont.

Deferred tax is reported on all temporary differences that arise between the tax value of assets and liabilities and their reported values in the consolidated accounts. However, deferred tax liabilities are not reported if they arise as a result of the initial recognition of goodwill. Deferred tax is also not reported if it arises as a result of a transaction that constitutes the first recognition of an asset or liability that is not a business combination and which, at the time of the transaction, does not affect the reported or taxable result. Deferred income tax is calculated by applying tax rates (and laws) that have been decided or announced on the balance sheet date and that are expected to apply when the relevant deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are reported to the extent that it is probable that future taxable surpluses will be available, against which the temporary differences can be utilized.

Deferred tax assets and liabilities are set off when there is a legal right of set-off for current tax claims and tax liabilities and when the deferred tax assets and liabilities relate to taxes debited by one and the same tax authority and refer to either the same tax subject or different tax subjects, where there is an intention to regulate balances through net payments.

Current and deferred tax are reported in the statement of comprehensive income, except when the tax refers to items that are reported in other comprehensive income or directly in equity. In such cases, the tax is also reported in other comprehensive income and equity.

2.8 Intangible assets**GOODWILL**

Goodwill arises on the acquisition of subsidiaries and refers to the amount by which the purchase price, any non-controlling interest in the acquired company and the fair value on the acquisition date of the previous equity share in the acquired company exceeds the fair value of identifiable acquired net assets.

In order to test impairment, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored in internal management. Goodwill is monitored based on operating segments.

TRADEMARKS, CUSTOMER RELATIONSHIPS AND WEBSITES

Trademarks, customer relationships and websites acquired through a business combination are reported at fair value on the acquisition date. Trademarks, customer relationships and websites have a definable useful life and are reported at acquisition value less accumulated depreciation.

CAPITALIZED DEVELOPMENT EXPENSES AND SIMILAR

Capitalised development expenses and similar items primarily comprise capitalised costs relating to the development of e-commerce platforms, digital tools and technical infrastructure. The Group continuously assesses whether internally generated intangible assets, such as capitalised development expenditures, meet the criteria for recognition as intangible assets.

The following criteria must be met in order for internally generated intangible assets to be activated:

- it is technically possible to complete the internally generated intangible asset so that it can be used,
- the company's intention is to complete the internally generated intangible asset and to use or sell it,
- there are conditions for using or selling the internally generated intangible asset,
- it can be shown how the internally generated intangible asset generates probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the internally generated intangible asset are available, and
- the expenses attributable to the internally generated intangible asset during its development can be calculated reliably.

Other development expenses, which do not meet these criteria, are expensed as incurred. Expenses for development that were previously expensed are not reported as an asset in the subsequent period.

Capitalized development expenses that are reported as intangible assets are depreciated from the time the asset is ready for use.

Depreciation of intangible assets in order to distribute their acquisition value down to the estimated residual value over the estimated useful life, is made on a straight-line basis as follows:

- Trademarks, customer relationships and websites, 10 years
- Capitalized development expenses and similar, 5 years

2.9 Tangible fixed assets

Tangible fixed assets include equipment and improvement expenses on someone else's property. Tangible fixed assets are reported at acquisition value less depreciation. The acquisition value includes expenses that can be directly attributed to the acquisition of the asset.

Additional expenses are added to the asset's carrying amount or are reported as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will benefit the Group and the asset's acquisition value can be measured reliably. The carrying amount of the replaced part is removed from the statement of financial position. All other forms of repairs and maintenance are reported as costs in the statement of comprehensive income during the period in which they arise.

Depreciation of tangible assets, in order to distribute their acquisition value down to the estimated residual value over the estimated useful life, is made on a straight-line basis as follows:

- Improvement expenses on someone else's property are depreciated according to the length of the contract period
- Equipment 3–5 years

The assets' residual values and useful lives are tested at the end of each reporting period and adjusted if necessary.

Note 2 Summary of important accounting principles, cont.

The carrying amount of an asset is immediately written down to its recoverable amount if the carrying amount of the asset exceeds its estimated recoverable amount.

Gains and losses on divestments are determined through a comparison between sales proceeds and the carrying amount and are reported in other operating income or other operating expenses net in the statement of comprehensive income.

2.10 Write-downs of non-financial assets

Goodwill that has an indefinite useful life or intangible assets that are not ready for use is not amortized but is tested annually, or when there is an indication of impairment, regarding any need for impairment. Assets that are depreciated are assessed with respect to impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. When assessing impairment, assets are grouped at the lowest levels where there are substantially independent cash flows (cash-generating units). For assets (other than goodwill) that have previously been written down, an assessment is made on each balance sheet date as to whether reversal should be made.

2.11 Financial instruments**ACCOUNTING AND REMOVAL FROM THE BALANCE SHEET**

Financial assets and financial liabilities are reported when the Group becomes a party to the instrument's contractual terms. Purchases and sales of financial assets and liabilities are reported on the business day, the date on which the Group undertakes to buy or sell the asset or liability.

A financial asset is removed from the statement of financial position when the right to receive cash flows from the instrument has expired or has been transferred and the Group has transferred virtually all risks and benefits associated with ownership. A financial liability is removed from the statement of financial position when the obligations have been settled, canceled or otherwise terminated. Gains and losses that arise from cancellations from the balance sheet are reported directly in the income statement under Financial income and expense.

CLASSIFICATION AND VALUATION*FINANCIAL ASSETS*

Financial assets are reported at fair value at the first reporting date plus, in cases where the asset is not reported at fair value via the income statement, transaction costs that are directly attributable to the purchase. Transaction costs attributable to financial assets that are reported at fair value via the income statement are expensed directly in the income statement.

The Group classifies and values its financial assets in the following categories:

- financial assets that are reported at amortized cost, and
- financial assets that are reported at fair value via the income statement

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms for the assets' cash flows. The Group reclassifies financial assets only in cases where the Group's business model for the instruments changes.

Subsequent valuation of financial assets depends on the Group's business model for managing the asset and the type of cash flows the asset gives rise to. The Group classifies its financial assets into two valuation categories:

- Amortised cost (line items: Other non-current receivables, Accounts receivables, Other receivables, Accrued income, Cash and cash equivalents): Assets that are held for the purpose of collecting contractual cash flows, where those cash flows consist solely of payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is recognised as financial income using the effective interest method. Gains and losses arising on derecognition are recognised directly in profit or loss within other gains and losses, together with foreign exchange results. Impairment losses are recognised in profit or loss.
- Fair value through profit or loss (line item: Accounts receivables): Assets that do not meet the criteria for measurement at amortised cost are measured at fair value through profit or loss. Gains or losses on debt instruments measured at fair value through profit or loss are recognised net in profit or loss in the period in which they arise.

The Group manages two portfolios of accounts receivables. One portfolio relates to factoring arrangements for which the Group has substantially transferred the risks and rewards to a third party and is classified as financial assets measured at fair value through profit or loss. The other portfolio is held to collect contractual cash flows solely representing payments of principal and interest and is measured at amortised cost.

FINANCIAL LIABILITIES

The Group has financial liabilities that are valued after the first reporting date at accrued acquisition value with application of the effective interest method and at fair value via the income statement.

The Group's financial liabilities measured at amortised cost comprise the following line items: bank overdrafts, borrowings from credit institutions, trade payables, other liabilities, and accrued expenses.

Financial liabilities are removed from the statement of financial position when the obligations have been settled, canceled or otherwise terminated. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been eliminated or transferred to another party and the consideration paid, including transferred assets that are not cash or assumed liabilities, is reported in the statement of comprehensive income.

Trade payables are financial liabilities and represent obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers.

Note 2 Summary of important accounting principles, cont.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer payment of the debt for at least 12 months after the end of the reporting period.

IMPAIRMENT OF FINANCIAL ASSETS REPORTED AT ACCRUED ACQUISITION VALUE.

The Group applies the expected credit loss model to financial assets measured at amortised cost. A loss allowance for expected credit losses is recognised at each reporting date to the extent that the amount is considered material.

The Group applies the simplified approach for accounts receivables, whereby lifetime expected credit losses are recognised. Accounts receivables are grouped based on shared credit risk characteristics and ageing in order to measure expected credit losses. The assessment incorporates current conditions and forward-looking factors. Expected credit losses are recognised in other external expenses in the Group's statement of comprehensive income.

2.12 Inventories

Inventories are reported at the lower of cost and net realizable value. The acquisition value is determined using the first-in, first-out method (FIFO). The acquisition value of merchandise is determined after deduction of discounts. The net sales value is the estimated sales price in operating activities, less applicable variable sales costs.

2.13 Accounts receivables

Accounts receivables represent amounts due from customers for goods sold or services rendered in the ordinary course of business. Accounts receivables are initially recognised at fair value, which corresponds to the transaction price. The Group has two portfolios of accounts receivables. One portfolio is subject to factoring arrangements and is sold to a third party. These receivables are measured at fair value through profit or loss. The other portfolio is held with the objective of collecting contractual cash flows and is therefore measured at amortised cost at subsequent reporting dates.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and are presented both in the statement of financial position and in the statement of cash flows. The Group applies the general expected credit loss model to cash and cash equivalents.

2.15 Share capital

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new shares are reported, net after tax, in equity as a deduction from the issue proceeds. Payment of subscription premiums regarding warrants is reported in equity.

WARRANTS FOR EMPLOYEES

The Group has issued warrants to employees. The employees have paid the fair value of the warrants. The warrant premium is reported against other contributed capital. The program has been classified as equity settled as the holder will receive shares upon redemption. Upon redemption of the warrants, the exercise price will be reported against equity.

WARRANTS FOR THIRD PARTIES

The Group has issued warrants to external parties. These have paid the fair value of the warrants and these instruments meet the criteria for reporting in equity as a fixed number of shares must be delivered. The warrants premium is reported against other contributed capital. Upon redemption of the warrants, the exercise price will be reported against equity.

2.16 Borrowing

Borrowing is initially reported at fair value, net after transaction costs. Borrowing is then reported at accrued acquisition value and any difference between the amount received (net after transaction costs) and the repayment amount is reported in the statement of comprehensive income distributed over the loan period, applying the effective interest method.

Borrowing is removed from the statement of financial position when the obligations have been settled, canceled or otherwise terminated. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been eliminated or transferred to another party and the consideration paid, including transferred assets that are not cash or assumed liabilities, is reported in the statement of comprehensive income.

Borrowing is classified as current liabilities unless the Group has an unconditional right to defer payment of the debt for at least 12 months after the end of the reporting period.

2.17 Trade payables

Trade payables are financial instruments and represent obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if they fall due within one year. Otherwise, they are classified as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Employee remuneration**SHORT-TERM COMPENSATION TO EMPLOYEES**

Liabilities for salaries and benefits, including non-monetary benefits and paid absences, which are expected to be settled within 12 months after the end of the financial year, are reported as current liabilities at the undiscounted amount that is expected to be paid when the debts are settled. The cost is reported in the statement of comprehensive income as the services are performed by the employees. The liability is reported as a liability regarding employee benefits in the Group's statement of financial position.

PENSION OBLIGATIONS

The Group only has defined contribution pension plans. A defined contribution pension plan is a pension plan according to which the company pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional fees if this legal entity does not have sufficient assets to pay all employee benefits related to the employees' service during the current or previous periods. The fees are reported as personnel costs in the statement of comprehensive income when they fall due for payment.

*Note 2 Summary of important accounting principles, cont.***SHARE-BASED COMPENSATIONS**

Share-based compensations relate to compensation to employees under the employee share option programmes implemented over the years. Personnel expenses are recognised for the fair value of the services received and are recognised over the vesting periods of the programmes, based on the fair value of the equity instruments granted. The fair value is determined at the grant date, i.e. the date on which the Group and the employees agree on the terms and conditions of the programme. Where the programmes are settled in equity instruments, they are classified as equity-settled, and an amount corresponding to the recognised personnel expense is recognised directly in equity.

The recognised expense is initially based on the number of options expected to vest, taking into account the number of programme participants expected to remain in service during the vesting period. The number of outstanding options is revised at each reporting date until the end of the vesting period.

In certain countries, social security contributions are payable upon exercise of the options based on the value of the employee benefit. An expense and a provision for such social security contributions are recognised over the vesting period. The provision is based on the number of options expected to vest and on the fair value of the options at each reporting date until the final exercise of the options.

2.19 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably. Provisions are measured at the present value of the amount expected to be required to settle the obligation. In assessing probability and estimating the amount, the Group considers all available evidence, including advice from legal counsel. The provision is reviewed regularly and adjusted to reflect new information or changes in circumstances. If an outflow of resources is no longer considered probable, the provision is reversed. A pre-tax discount rate is used that reflects current market assessments of the time value of money and the risks specific to the provision. The increase in the provision due to the passage of time is recognised as an interest expense.

2.20 Cash flow statement

The cash flow analysis is prepared according to the indirect method. The reported cash flow only includes transactions that resulted in inflows or outflows.

2.21 Important estimates and assessments for accounting purposes

The Group makes estimates and assumptions about the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual result. The estimates and assumptions that involve a significant risk of significant adjustments in the reported values of assets and liabilities during the next financial year are dealt with in outline below.

IMPAIRMENT TESTING FOR GOODWILL

Every year, the Group examines whether there is any need for impairment of goodwill, in accordance with the accounting principle described in Note 14. Recycling values for cash-generating units have been determined by calculating value in use. For these calculations, certain assumptions must be made, of which the most important assumptions are sales growth, EBITDA margin, the discount rate and the long-term growth rate. The carrying amount of goodwill amounts to SEK 153,028 thousand as of December 31, 2024. The recoverable amount exceeds the carrying amount of goodwill by a good margin. For more information on impairment testing, see Note 14.

VALUATION OF DEFERRED TAX ASSETS

Every year, the Group examines whether there is any need for impairment of deferred tax assets relating to tax loss carryforwards. The assessment also takes into account current tax legislation and known future changes in the legislation. In addition, the Group is examining the possibility of capitalizing new deferred tax assets regarding the year's tax loss carryforwards, if applicable. Deferred tax assets are only recognized in cases where it is probable that future tax surpluses will be available, against which the temporary difference can be utilized.

VALUATION OF LEGAL CLAIMS

The Group performs ongoing assessments, and at least annually, of whether provisions for legal disputes are required. A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount. Where these criteria are not met, no provision is recognised; instead, a contingent liability is disclosed where required.

Note 3 Financial Risk

3.1 Financial Risk Factors

Through its operations, the Group is exposed to a number of different financial risks, such as: various market risks (currency risk and interest rate risk), credit risk, liquidity risk and refinancing risk. The Group strives to minimize potential adverse effects on the Group's financial results. The objective of the Group's financial operations is to:

- ensure that the Group can fulfill its payment obligations,
- manage financial risks,
- ensure access to the necessary funding, and
- optimize the group's net financial items.

The Group's risk management is managed by a central finance department that identifies, evaluates and hedges financial risks in close collaboration with the Group's operating units. The Group has a finance policy that sets out guidelines and frameworks for the Group's financial operations. The responsibility for managing the Group's financial transactions and risks is centralized to the Parent Company.

EXPOSURES

	2025-12-31				2024-12-31			
	GBP	NOK	EUR	USD	GBP	NOK	EUR	USD
Balance sheet exposure	135	23,427	-874	-1,314	52	21,387	-266	-278
Group balances	-2,597	651	-1,818	-26,001	-1,568	5,969	-578	-15,037

Most purchases are made in local currency, but in cases where purchases are made from foreign suppliers, a transaction risk also arises which is currently considered to be low risk linked to turnover rate and the insignificance of the amounts. Due to the high turnover rate, purchases and sales are matched.

SENSITIVITY ANALYSIS - GROUP INTERCOMPANY BALANCES

If the Swedish krona had weakened/strengthened by 5% in relation to GBP, with all other variables constant, the recalculated profit after tax for the financial year 2024 would have been SEK 1,606 thousand (SEK 1,082 thousand) lower/higher, as a result of recalculation of group intercompany balances.

If the Swedish krona had weakened/strengthened by 5% in relation to NOK, with all other variables constant, the recalculated profit after tax for the financial year 2025 would have been SEK 30 thousand (SEK 290 thousand) lower/higher, as a result of recalculation of group intercompany balances.

If the Swedish krona had weakened/strengthened by 5% in relation to EUR, with all other variables constant, the recalculated profit after tax for the financial year 2025 would have been SEK 983 thousand (SEK 331 thousand) lower/higher, as a result of recalculation of group intercompany balances.

If the Swedish krona had weakened/strengthened by 5% in relation to the USD, with all other variables constant, the recalculated profit after tax for the financial year 2025 would have been SEK 11,970 thousand (SEK 8,270 thousand) lower/higher, as a result of recalculation of group intercompany balances.

MARKET RISKS

CURRENCY RISK

The Group is exposed to currency risks that arise from various currency exposures, primarily regarding the pound (GBP), Norwegian krone (NOK), Euro (EUR) and dollars (USD) as the company has foreign subsidiaries with these functional currencies.

In the Group, currency risk arises from the translation of foreign subsidiaries' income statement and balance sheet to the Group's reporting currency, which is SEK, so-called balance sheet exposure.

Furthermore, there is a currency risk in the revaluation of the Group intercompany balances that are revalued at the exchange rate on the balance sheet date and the cash transfers that take place as part of the financing within the Group. See the table below for a summary.

Transaction risks that arise mainly from exports from Sweden to Europe also constitute a risk, but linked to the turnover rate, it is not a significant risk factor.

(A) INTEREST RATE RISK

Borrowing consists of liabilities to credit institutions with variable interest rates and other borrowing at fixed and variable interest rates. All borrowing takes place in SEK. The Group is exposed to interest rate risk regarding cash flows and fair value, the Group does not hedge its interest rate risk regarding future cash flows. Borrowings amount to SEK 189,219 thousand (SEK 204,265 thousand).

SENSITIVITY ANALYSIS INTEREST RATE RISK

If the interest rates on borrowing as of December 31, 2025 were 100 basis points higher/lower with all other variables constant, the estimated profit after tax for the financial year would have been SEK 1,132 thousand (SEK 1,038 thousand) lower/higher, as an effect of higher/lower interest costs for borrowing with variable interest rates.

(B) CREDIT RISK

Credit risk arises through balances with banks and credit institutions as well as customer credit exposures, including outstanding receivables. Credit risk is managed by Group management.

Cash and cash equivalents are placed with several well-established credit institutions, all of which have high credit ratings assigned by external rating agencies. The allowance for expected credit losses is assessed as immaterial and, accordingly, no provision has been recognised.

Accounts receivables comprise two separate streams, and credit risk is managed differently depending on the stream. For accounts receivables arising from the sale of goods to private individuals, the receivables, as well as the associ-

Note 3 Financial Risk, cont.

ated credit risk, are transferred to various well-established payment service providers with high creditworthiness. Each Group entity is responsible for monitoring and analysing credit risk relating to other receivables, including accounts receivables arising from the sale of services to legal entities. In cases where no independent credit rating is available, a credit risk assessment of the customer's creditworthiness is performed, taking into account the customer's financial position as well as historical experience and other relevant factors. Individual credit limits are established based on internal or external credit assessments, in accordance with limits set by the Group.

The Group continuously monitors developments in credit risk related to long-term receivables and, at each reporting date, assesses expected credit losses based on historical payment experience, current financial information, and forward-looking assessments.

Based on the above, management assesses the Group's overall credit risk to be low. Credit losses have historically been insignificant, and the payment history is considered good. During the reporting period, no established credit limits were exceeded for any identified credit risk, and management does not expect any material losses arising from non-payment by the Group's counterparties.

With respect to accounts receivables from legal entities, a continuous and structured dialogue is maintained with customers regarding their ability to meet payment obligations. As these customers, to a significant extent, also act as suppliers to the Group, the mutual business relationship is considered to further mitigate credit risk. A default is deemed to occur when the Group assesses that the counterparty will be unable to meet its contractual obligations, or when a receivable is more than 120 days past due, based on counterparties' historical payment patterns. Derecognition is applied when there is objective evidence indicating that the counterparty is experiencing severe financial difficulty and that the Group has no realistic prospect of recovery, but no

later than when a receivable is more than 365 days past due. Taking into account historical payment experience as well as forward-looking information regarding macroeconomic factors that may affect counterparties' ability to settle their obligations, management assesses that exposure to credit losses is low and that no material loss allowance is required as at the reporting date.

CONCENTRATION RISK

The Group has a limited number of major tobacco suppliers that also constitute customers. Of the total accounts receivables outstanding at year-end, SEK 91,769 thousand relate to these customers, representing 72% of total accounts receivables. Other than this, the Group does not have any significant credit risk exposure to any single counterparty or group of counterparties with similar characteristics. As these customers also act as suppliers to the Group, the mutual business relationship is considered to mitigate credit risk. The Group continuously analyses and monitors receivables from these counterparties and actively manages the collection of outstanding amounts.

(C) LIQUIDITY RISK

The Group ensures, through prudent liquidity management, that sufficient cash is available to meet the requirements of its day-to-day operations. At the same time, the Group ensures that it has sufficient headroom under its committed credit facilities so that liabilities can be settled as they fall due. Management monitors rolling forecasts of the Group's liquidity reserve (including undrawn credit facilities) and cash and cash equivalents based on expected cash flows. The analyses are normally performed by the central finance function, taking into account the policies and limits established by Group management. The cash outflows relating to the Group's financial liabilities presented in the table below are expected to be settled primarily using existing cash and cash equivalents, the undrawn portion of the overdraft facility, and cash inflows from short-term receivables, primarily accounts receivables.

The table below analyzes the Group's financial liabilities broken down by the time remaining on the balance sheet date until the contractual maturity date. The amounts stated in the table are the contractual, undiscounted cash flows.

Per 31 December 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total contractual cash flows	Reported value
Financial liabilities							
Bank overdraft	0	108,775	0	0	0	108,775	103,801
Other liabilities	11,115	2,674	0	0	0	13,789	13,789
Lease liability	7,219	21,658	46,331	26,815	6,810	108,833	100,465
Trade payables	200,827	0	0	0	0	200,827	200,827
Accrued expenses	49,494	16,938	0	0	0	66,432	66,432
Total	268,655	150,044	46,331	26,815	6,810	498,655	485,313
Per 31 December 2025							
Financial liabilities							
Bank overdraft	0	117,983	0	0	0	117,983	113,219
Other liabilities	28,608	5,937	0	0	0	34,544	34,544
Lease liability	7,327	21,981	32,457	11,099	5,896	78,760	76,000
Trade payables	251,285	0	0	0	0	251,285	251,285
Accrued expenses	42,976	24,327	0	0	0	67,303	67,303
Total	330,195	170,227	32,457	11,099	5,896	549,875	542,351

Note 3 Financial Risk, cont.

(D) REFINANCING RISK

Refinancing risk is defined as the risk that difficulties arise in refinancing the Group, that financing cannot be obtained, or that it can only be obtained at increased costs. The risk is limited by the Group continuously evaluating various financing solutions.

3.2 Fair value level

The different levels of financial instruments valued at fair value are defined as follows:

(A) LEVEL 1 FINANCIAL INSTRUMENTS

Listed prices (unadjusted) in active markets for identical assets or liabilities.

(B) LEVEL 2 FINANCIAL INSTRUMENTS

Observable data for the asset or liability other than quoted prices included in level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations).

(C) LEVEL 3 FINANCIAL INSTRUMENTS

In cases where one or more significant inputs are not based on observable market information, the relevant instrument is classified at level 3.

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of the Group's financial assets and liabilities are assessed to be substantially equivalent to their fair values. This assessment is based on the fact that the assets and liabilities have short maturities, bear variable interest rates, or that no significant changes affecting fair value have occurred since the assets or liabilities were initially recognised.

The Group holds only accounts receivables that are measured at fair value in the statement of financial position.

Note 4 Segment information

The Group's highest executive decision-maker is the CEO, who mainly uses operating profit before depreciation and amortization (EBITDA) in the assessment of the operating segments' results.

The Group's operations are managed and reported on the basis of the three operating segments:

Core – consists of sales of oral nicotine products as well as marketing space and marketing research to the main markets Sweden and Norway, which are more mature markets.

Given their very short maturities, these receivables are measured at invoiced amounts, without discounting, adjusted for credit risk. The fair value of these receivables is classified within Level 3 of the fair value hierarchy described above, as the valuation is not based on observable market data for the receivables.

No transfers were made between the fair value hierarchy levels during the financial year or the prior financial year.

3.3 Management of capital

The Group's goal regarding the capital structure is to secure the Group's ability to continue its operations, so that it can continue to generate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to keep the costs of capital down.

To maintain or adjust the capital structure, the Group may change the dividend paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce liabilities.

The Group has a strategy of having a balanced capital structure where the debt / equity ratio is monitored on an ongoing basis based on the Group's need for the capital debt / equity ratio at each balance sheet date, as follows:

	2025-12-31	2024-12-31
Total borrowing	189,219	204,265
Cash and cash equivalents	-57,264	-35,223
Net debt	131,955	169,044
Total equity	669,907	655,950
Total capital	537,952	486,907

Growth – consists of sales of oral nicotine products as well as marketing space and marketing research to the emerging markets US, UK, Germany, Austria and Switzerland which are more characterized as emerging markets.

Emerging – consists of sales of oral nicotine products as well as marketing space and marketing research regarding vape category in Sweden and Germany. During 2025 sales of vape and heat-not-burn in UK was discontinued.

Parent/Other – Consists mainly of items affecting comparability within operating profit and items that are not allocated within the segments.

Note 4 Segment information, cont.

2025	Core	Growth	Emerging	Parent/Other	Eliminations	Total
Revenue from external customers	2,782,140	917,458	149,356	-21	0	3,848,934
Revenue from other segments	16,732	136	0	0	-16,868	0
Net sales	2,798,872	917,594	149,356	-21	-16,868	3,848,934
Operating profit/loss before depreciation	286,639	3,664	-51,599	-52,637		186,066
Depreciation and amortization of tangible and intangible assets				-127,694		-127,694
Financial net				-12,457		-12,457
Earnings before tax						45,916
Timing of revenue recognition:						
- at a point in time	2,756,828	917,458	149,356	-21		3,823,621
- over time	25,312	0	0	0		25,312
Total net sales from external customers	2,782,140	917,458	149,356	-21		3,848,934
Other segment information						
- assets	2,243,294	646,375	0	735,385	-2,362,531	1,262,524
- liabilities	2,038,353	592,184	0	52,445	-2,090,365	592,617
2024						
Revenue from external customers	2,618,990	989,687	71,123	0	0	3,679,800
Revenue from other segments	19,952	0	0	0	-19,952	0
Net sales	2,638,942	989,687	71,123	0	-19,952	3,679,800
Operating profit/loss before depreciation	227,302	12,243	-33,293	-26,046		180,205
Depreciation and amortization of tangible and intangible assets				-116,053		-116,053
Financial net				-5,212		-5,212
Earnings before tax						58,940
Timing of revenue recognition:						
- at a point in time	2,587,658	989,687	71,123	0		3,648,468
- over time	31,332	0	0	0		31,332
Total net sales from external customers	2,618,990	989,687	71,123	0		3,679,800
Other segment information						
- assets	1,213,856	427,456	0	675,184	-1,132,982	1,183,513
- liabilities	986,430	383,142	0	4,789	-846,798	527,563

Revenue from external customers, disaggregated by revenue streams

	2025	2024
- goods	3,431,910	3,410,791
- other services	417,024	269,009
Total net sales from external customers	3,848,934	3,679,800

¹⁾ Other services relate to revenue that is not directly attributable to the sale of products.

Net sales are reported below by geographical area

Sales are reported in the countries where the sales were made.

	2025	2024
Sweden	1,835,878	1,753,717
Norway	1,025,570	903,198
Europe ¹⁾	449,940	348,852
USA	537,546	674,033
Total	3,848,934	3,679,800

¹⁾ of which Germany 216,576 (202,420).

Information about larger customers

No customer individually accounts for more than ten per cent of the Group's total revenue.

Non-current assets by geographical area

Non-current assets, excluding financial instruments and deferred tax assets, allocated by physical location, are presented in the table below:

	2025	2024
Sweden	384,653	403,479
Norway	99,067	109,137
United Kingdom	1,250	6,395
USA	81,162	99,243
Total	566,133	618,253

Note 5 Other operating expenses

	2025	2024
Exchange rate losses	2,162	1,925
Recharged laboratory testing costs	2,726	1,272
Total	4,889	3,197

Note 6 Auditors' fees

	2025	2024
PwC		
Audit fees	-2,214	-1,603
Other audit-related fees	-322	-357
Tax advisory fees	-1,813	-694
Other fees	-1,731	-6
Total	-6,080	-2,660
Shaw Gibbs		
Audit fees	-152	0
Total	-152	0

Audit assignments refer to statutory audits of the annual and consolidated financial statement and accounting, as well as the Board of Directors' and the CEO administration, as well as audits and other audits performed in accordance with an agreement or contract.

This includes other tasks that are the responsibility of the company's auditor to perform as well as advice or other assistance that is prompted by observations during such review or the implementation of such other tasks.

Note 7 Employee benefits, etc.

	2025	2024
Salaries		
Board and CEO	-6,093	-5,166
of which variable remuneration	-1,088	0
Other management (2 persons)	-5,788	-5,154
of which variable remuneration	-1,588	-1,434
Other employees	-189,187	-142,408
Total	-201,079	-152,729
Social costs		
CEO, Board and other management	-4,669	-3,976
of which pension costs	-1,126	-1,243
Other employees	-72,523	-53,133
of which pension costs	-17,489	-15,639
Total	-77,192	-57,109
Total salaries, social and pension costs	-278,271	-209,838

Average employees with geographical split per country

	2025		2024	
	Average employees	Of which men	Average employees	Of which men
Sweden	211	112	167	94
Norway	11	9	12	10
USA	21	13	13	9
UK	8	4	7	5
Germany	4	1	0	0
The Group total	255	139	199	118

Gender distribution in the Group (incl. subsidiaries) for Board members and other senior executives

	2025		2024	
	Number at the balance sheet date	Of which men	Number at the balance sheet date	Of which men
Board members	14	11	12	8
CEO and senior executives	4	4	4	4
The Group total	18	15	16	12

Note 7 Employee benefits, etc., cont.

2025

Compensation and other benefits (KSEK)	Salary/ Board fee	Variable remuneration	Other benefits	Pension costs	Share-based compensation	Social charges	Total
Board members							
Lars-Johan Jarnheimer	-409	0	0	0	0	-129	-538
Helena Juhlin Pink	-205	0	0	0	0	-64	-269
Deepak Mishra	-325	0	0	0	0	-102	-427
Adam Schatz	-356	0	0	0	0	-112	-468
Patrik Rees	-325	0	0	0	0	-102	-427
Linus Liljegen	0	0	0	0	0	0	0
Ingrid Jonasson Blank	-244	0	0	0	0	-77	-320
Anneli Lindblom	-141	0	0	0	0	-44	-185
CEO							
Gavin O'Dowd	-3,000	-1,088	0	-290	0	-943	-5,321
Total	-5,005	-1,088	0	-290	0	-1,573	-7,956

2024

Compensation and other benefits (KSEK)	Salary/ Board fee	Variable remuneration	Other benefits	Pension costs	Share-based compensation	Social charges	Total
Board members							
Deepak Mishra	-217	0	0	0	0	-68	-285
Adam Schatz	-217	0	0	0	0	-68	-285
Patrik Rees	-325	0	0	0	0	-102	-427
Linus Liljegen	0	0	0	0	0	0	0
Ingrid Jonasson Blank	-650	0	0	0	0	-204	-854
Anneli Lindblom	-375	0	0	0	0	-118	-493
Kristian Ford	-135	0	0	0	0	-43	-178
Per Sjödel	-135	0	0	0	0	-43	-178
CEO							
Gavin O'Dowd	-3,000	0	0	-440	0	-943	-4,383
Total	-5,054	0	0	-440	0	-1,588	-7,082

Long-term incentive program (LTIP)

Haypp Group AB has established equity-settled incentive programmes with the aim of attracting, retaining and motivating key employees and aligning the interests of employees with those of shareholders. The programmes consist primarily of warrants granting the right to acquire shares in the Parent Company at a predetermined price and are offered to selected employees within the Group as well as other external key individuals.

All of the Group's warrant programmes were approved by shareholders at general meetings held during the years 2022–2025.

A summary of the incentive programmes outstanding within the Group during the periods covered by the 2025 Annual Report is presented below.

WARRANTS

The warrants were acquired at fair value, which was determined using the Black-Scholes valuation model at the respective grant dates. Each warrant entitles the holder to subscribe for one new share in Haypp Group AB (publ) against cash consideration at a subscription price per share as set out in the table below for each programme. The subscription prices and the number of warrants have been adjusted to reflect the share split (150:1) carried out in 2021. The warrants are not listed on any regulated market and are subject to transfer and exercise restrictions.

Note 7 Employee benefits, etc., cont.

Programme 2022–2025

	2025		2024	
	Exercise price per warrant (SEK)	Number of warrants	Exercise price per warrant (SEK)	Number of warrants
Opening January 1	50.00	1,644,152	50.00	1,644,152
Assigned	0.00	0	0.00	0
Forfeited	0.00	0	0.00	0
Utilized	-50.00	-1,644,152	0.00	0
Closing December 31	0.00	0	50.00	1,644,152

Programme 2023–2026

	2025		2024	
	Exercise price per warrant (SEK)	Number of warrants	Exercise price per warrant (SEK)	Number of warrants
Opening January 1	41.52	800,000	41.52	800,000
Assigned	0.00	0	0.00	0
Forfeited	-41.52	-80,000	0.00	0
Utilized	0.00	0	0.00	0
Closing December 31	0.00	720,000.00	41.52	800,000

Programme 2024–2027

	2025		2024	
	Exercise price per warrant (SEK)	Number of warrants	Exercise price per warrant (SEK)	Number of warrants
Opening January 1	107.57	1,000,000	0.00	0
Assigned	0.00	0	107.57	1,000,000
Forfeited	0.00	0	0.00	0
Utilized	0.00	0	0.00	0
Closing December 31	107.57	1,000,000	107.57	1,000,000

Valuation model and assumptions at grant date

The fair value of the warrants has been determined at the grant date using the Black-Scholes valuation model. The valuation was performed by an external, independent valuer and is based on the following key assumptions. Expected volatility is based on the historical volatility of the Company's share.

	2022–2025	2023–2026	2024–2027
Share price at grant date	29.88	31.94	73.44
Exercise price	50.00	41.52	107.57
Expected volatility	28.9	31.7	27.9
Expected life of the warrant	3 years	3 years	2.9 years
Exercise period of the warrant	2022-05-31– 2025-05-31	2026-05-15– 2026-05-31	2027-05-15– 2027-05-31
Risk-free interest rate	1.5%	2.8%	2.4%
Expected dividend yield	0%	0%	0%
Liquidity discount	0.0%	14.8%	14.4%
Maximum potential dilution	5.3%	2.7%	3.2%
Fair value at grant date	1.66	4.03	5.14

Liquidity and transfer restrictions

The warrants are unlisted and subject to restrictions on transferability and exercise. In light of these restrictions, the fair value has been adjusted for lack of marketability (discount for lack of marketability, DLOM). The overall assessment, based on option-based valuation models and empirical studies of illiquid instruments, has resulted in a total liquidity discount per programme, as presented in the table above.

Recognition and measurement

The fair value per warrant at the grant date, after adjustment for illiquidity and applicable restrictions, is presented in the table above. The premium paid for the warrants is recognised in the share premium reserve.

Note 7 Employee benefits, etc., cont.

EMPLOYEE STOCK OPTION PROGRAMME

Fair value of employee services

The Company has an outstanding employee stock option programme classified as an equity-settled share-based payment arrangement in accordance with IFRS 2. Under the

programme, employee stock options have been granted to members of senior management and certain other employees. Vesting is subject to continued employment over a three-year period, and the options have a specified contractual term from the grant date.

Programme 2024–2025

	2025		2024	
	Exercise price per option (SEK)	Number of options	Exercise price per option (SEK)	Number of options
Opening January 1	53.80	70,197	0.00	0
Assigned	0.00	0	53.80	70,197
Forfeited	-53.80	-70,197	0.00	0
Closing December 31	0.00	0	53.80	70,197

Programme 2024–2026

	2025		2024	
	Exercise price per option (SEK)	Number of options	Exercise price per option (SEK)	Number of options
Opening January 1	42.00	55,000	0.00	0
Assigned	0.00	0	42.00	55,000
Forfeited	0.00	0	0.00	0
Closing December 31	42.00	55,000	42.00	55,000

Programme 2024–2027

	2025		2024	
	Exercise price per option (SEK)	Number of options	Exercise price per option (SEK)	Number of options
Opening January 1	107.57	187,000	0.00	0
Assigned	0.00	0	107.57	187,000
Forfeited	0.00	0	0.00	0
Closing December 31	107.57	187,000	107.57	187,000

Valuation model and assumptions at grant date

The fair value of the options has been determined at the grant date using the Black-Scholes valuation model. The valuation was performed by an external, independent valuer and is based on the following key assumptions. Expected volatility is based on the historical volatility of the Company's share.

	2024–2025	2024–2026	2024–2027
Share price at grant date	73.36	73.36	73.36
Exercise price	53.80	42.00	107.57
Expected volatility	28.0	28.0	28.0
Expected life of the option	1 year	2 years	3 years
Exercise period of the option	2025-05-15–2025-05-31	2026-05-15–2026-05-31	2027-05-15–2027-05-31
Risk-free interest rate	2.68%	2.68%	2.68%
Expected dividend yield	0%	0%	0%
Liquidity discount	14.7%	14.7%	14.7%
Maximum potential dilution	3.0%	0.0%	0.0%
Fair value at grant date	18.6	29.0	5.14

The total cost for the employee stock option programme for the year amounted to KSEK 2,029 (2,756) and is recognised as personnel expenses, with a corresponding increase in equity under share-based compensations.

LTIP 2025/2028

At the Annual General Meeting held on 15 May 2025, shareholders resolved to introduce a long-term incentive programme (LTIP 2025/2028) targeted at selected key individuals within the Group. The programme comprises a maximum of 1,200,000 C shares, which are issued by Haypp Group AB (publ).

The C shares entitle the holders to conversion into ordinary shares through a so-called net strike mechanism, subject to the volume-weighted average price (VWAP) of the share exceeding a predetermined threshold value. Conversion may take place during the period from the Annual General Meeting in 2028 until the Annual General Meeting in 2029. The timing of the conversion is determined by the Board of Directors and is binding on all holders of C shares.

The maximum number of C shares that may be issued under the programme amounts to 1,200,000. The number of ordi-

Note 7 Employee benefits, etc., cont.

nary shares to be received upon conversion is dependent on the share price development at the time of conversion. Based on the number of outstanding shares at the date of the programme resolution, amounting to 30,570,888 shares, the maximum theoretical dilution is approximately 3.8 per cent.

Programme 2025–2028

	Exercise price per C share (SEK)	Number of C shares
Opening January 1	0,00	0
Assigned	139.89	1,200,000
Closing December 31	139.89	1,200,000

Valuation model and assumptions at grant date

The fair value of the issued C shares was determined at the grant date using the Black-Scholes valuation model, adjusted for the specific terms and conditions of the programme. The valuation was performed by an external, independent valuer and is based on the following key assumptions as at the grant date of 26 May 2025:

	2025–2028
Share price at grant date	107.61
Exercise price	139.89
Volatility	27.3
Term	3 years
Risk-free interest rate	1.96%
Expected dividend yield	0%
Liquidity discount	11.8%
Fair value at grant date	10.27

The expected term corresponds to the earliest date on which conversion is assessed as probable, taking into account that the Board of Directors is expected to act in the best interests of the Company and its shareholders.

Liquidity and transfer restrictions

The C shares are not subject to an active market and are subject to significant restrictions on transferability. Consequently, the fair value has been adjusted for lack of marketability (DLOM). An overall assessment based on empirical

studies, option-based valuation models and analyses of actual block transactions in the Company's shares has resulted in a total liquidity discount of 11.8 per cent, corresponding to approximately 4.0 per cent per year over the maximum expected term.

Recognition and measurement

The total fair value per C share at the grant date, after adjustment for illiquidity and applicable restrictions, is presented in the table above. The premium paid for the incentive programme is recognised in the share premium reserve.

SYNTHETIC WARRANTS

In January 2023, the Group resolved to grant an employee in Norway 50,000 synthetic warrants. The amount payable is determined by the difference between the share price at the grant date (1 January 2023: SEK 35.6) and the share price at the date on which the warrants were exercised. The warrants were exercised during 2025.

In January 2024, the Group resolved to grant an employee in Norway 9,000 synthetic warrants. The amount payable is determined by the difference between the exercise price (SEK 64.4) and the share price at the date on which the warrants are exercised. The warrants must be exercised no later than 31 December 2026 and will lapse if not exercised by that date.

In May 2025, the Group resolved to grant an employee in Norway 23,000 synthetic warrants. The amount payable is determined by the difference between the exercise price (SEK 139.9) and the share price at the date on which the warrants are exercised. The warrants must be exercised no later than 15 May 2028 and will lapse if not exercised by that date.

Fair value of granted synthetic warrants

The weighted average fair value of the synthetic options granted during the period, determined using the Black-Scholes valuation model, amounted to SEK 12.24 per option. Key inputs to the model include the share price at the grant date, the exercise price, volatility of 27.3 per cent (29.2), an expected option term of three years and an annual risk-free interest rate of 1.96 per cent (3.7).

Note 8 Other operating expenses

	2025	2024
Exchange rate losses	-3,582	-2,112
Loss on disposal of fixed assets	254	-541
Total	-3,328	-2,652

Note 9 Financial income and financial expenses

	2025	2024
Interest income, other	291	278
Interest income, loans	637	0
Exchange-rate differences	4,832	22,804
Total financial income	5,760	23,082

	2025	2024
Interest expense, loans	-6,393	-6,492
Interest expenses, leasing debt	-3,928	-4,457
Interest expenses, other	-2,077	-423
Exchange-rate differences	-5,819	-16,922
Total financial expenses	-18,216	-28,294
Financial items – net	-12,457	-5,212

All financial income and financial expenses relate to financial assets and financial liabilities that are measured at amortised cost.

Note 10 Income tax

	2025	2024
Current tax:		
Current tax on the profit/loss for the year	-3,600	-7,890
Adjustments regarding previous years	0	0
Total current tax	-3,600	-7,890
Deferred tax (Note 18)		
Emergence and reversal of temporary differences	457	-6,215
Deferred tax regarding financial leasing	-288	146
Total deferred tax	169	-6,069
Reported tax in statement of comprehensive income	-3,432	-13,959

The income tax on profit before tax differs from the theoretical amount that would have emerged when using the Swedish tax rate for profit in the parent company as follows:

	2025	2024
Earnings before tax	45,916	58,940
Tax rate, %	20.6	20.6
Income tax calculated according to tax rate in Sweden	-9,460	-11,344
Tax effects of:		
Non-deductible expenses	-1,489	-1,599
Non-taxable income	169	1,042
Other tax adjustments	-2	451
Difference in foreign tax rates	1,393	-269
New loss carryforwards on previous years	0	-10
Tax due to change in previous years taxation	0	-48
Items classified as OCI	6,408	-1,011
State taxes	-386	-1,120
Other	-64	-50
Income tax	-3,432	-13,959
The weighted average tax rate for the Group was:	7.5%	23.7%

Note 11 Net exchange rate differences

	2025	2024
Other operating income (Note 5)	2,162	1,925
Other operating expenses (Note 8)	-3,582	-2,112
Financial items - net (Note 9)	3,117	9,184
Total	1,697	8,998

Note 12 Business acquisitions

The Group had the following subsidiaries as of 31 December 2025:

Acquisition date	Share acquired	Name of acquired company	The principal activities of the acquiree and how they complement the Group's operations
14 February 2026	100%	Snusvaruhuset Sweden AB	The acquiree operates within the e-commerce sale of tobacco products in Sweden. The acquisition was completed as part of a Group reorganisation.

Snusvaruhuset Sweden AB	
Purchase price	
Cash and cash equivalents	1,000
Conditional purchase price	500
Total purchase price	1,500

Recognised amounts of identifiable assets acquired and liabilities assumed:

Snusvaruhuset Sweden AB	
Fair value	
Other current receivables	17
Cash and cash equivalents	28
Other non-current liabilities	-40
Trade payables	-6
Other liabilities	-8
Acquired identifiable net assets	-9
Goodwill	1,509
Total acquired net assets	1,500

Goodwill is attributable to the expected future profitability of the acquired business. No portion of the goodwill recognized is expected to be tax deductible.

Acquisition of Haypp Sverige AB and Nicokick AB

The revenue from Snusvaruhuset Sweden AB included in the Group's statement of comprehensive income for 2025

relates to the period subsequent to 14 February 2025 and amounts to KSEK -649. Had Snusvaruhuset Sweden AB been consolidated from 1 January 2025, the Group's statement of comprehensive income would have reported revenue of KSEK 24 and a net result of KSEK -654.

Acquisition-related costs

Acquisition-related costs amounting to KSEK 0 have been included in other external costs in the Group's statement of comprehensive income and in operating activities in the statement of cash flows.

Purchase consideration – cash outflow

2025-01-01–2025-12-31	
Cash flow from the acquisition of subsidiaries, net of acquired cash and cash equivalents	
Cash purchase consideration	1,500
Less: Acquired cash and cash equivalents	-28
Net cash outflow from investing activities	1,472

Incorporation of a subsidiary

During the financial year, Haypp Group AB established a new wholly owned subsidiary, Haypp MEA Holdings Ltd. The cash outflow related to the incorporation is reflected entirely as goodwill of KSEK 885.

Note 13 Shares in subsidiaries

The following subsidiaries were included in the Group as at 31 December 2025:

Name	Country of residence and business	Operations	Percentage of ordinary shares directly held by the Parent Company (%)	Percentage of ordinary shares held by the Group (%)
Snusbolaget Norden AB	Sweden	E-commerce with nicotine products to households in Sweden and Europe	100	
Snushjem.no AS	Norway	E-commerce with nicotine products to households in Norway	100	
Northerner Scandinavia AB	Sweden	Parent company holding activities	100	
Northerner Scandinavia Inc	USA	E-commerce with nicotine products to households in USA		100
Haypp Limited	United Kingdom	E-commerce with nicotine products to households in United Kingdom	100	
Haypp GmbH	Germany	E-commerce with nicotine products to households in Germany	100	
Haypp Sverige AB	Sweden	No business	100	
Nicokick AB	Sweden	No business	100	
Snusbolaget Europa AB	Sweden	E-commerce with nicotine products to households in Sweden and Europe		100
Haypp MEA Holdings Ltd	United Arab Emirates	Parent company holding activities	100	
Snusvaruhuset Sweden AB	Sweden	E-commerce with nicotine products to households in Sweden		100

Note 14 Intangible assets

	Goodwill	Customer relationships	Trademarks	Websites	Capitalized expenses for development work	Total
Financial year 2024						
Acquisition value						
Opening carrying amount	155,062	154,769	188,931	58,200	180,009	736,971
This year's acquisitions	0	0	0	0	71,486	71,486
Acquisitions of the year	2,455	0	0	0	0	2,455
Divestments and disposals	0	0	0	0	-1,205	-1,205
Exchange-rate differences	521	1,768	794	0	2,522	5,604
Acquisition value per 31 December 2024	158,038	156,537	189,725	58,200	252,812	815,312
Accumulated depreciation and write-downs						
Opening carrying amount	0	-63,400	-68,752	-39,240	-77,976	-249,368
Divestments and disposals	0	0	0	0	517	517
This year's depreciations	0	-15,566	-18,812	-5,628	-40,913	-80,919
Reversed write-downs	0	0	0	0	854	854
Exchange-rate differences	0	-828	-371	0	-956	-2,155
Accumulated depreciation and write-downs per 31 December 2024	0	-79,795	-87,935	-44,868	-118,475	-331,072
Carrying amount per 31 December 2024	158,038	76,742	101,790	13,332	134,337	484,240
Financial year 2025						
Acquisition value						
Opening carrying amount	158,038	156,537	189,725	58,200	252,812	815,312
This year's acquisitions	0	0	0	0	79,334	79,334
Acquisitions of the year	2,394	0	0	0	0	2,394
Divestments and disposals	0	0	0	0	-2,036	-2,036
This year's reclassifications	0	0	0	0	-204	-204
Exchange-rate differences	-7,405	-4,023	-1,840	0	-6,487	-19,755
Acquisition value per 31 December 2025	153,028	152,514	187,885	58,200	323,419	875,045
Accumulated depreciation and write-downs						
Opening carrying amount	0	-79,795	-87,935	-44,868	-118,475	-331,072
Divestments and disposals	0	0	0	0	1,644	1,644
This year's reclassifications	0	0	0	0	2	2
This year's depreciations	0	-15,366	-18,714	-5,613	-54,912	-94,604
Reversed write-downs	0	0	0	0	547	547
Exchange-rate differences	0	2,275	1,046	0	2,621	5,942
Accumulated depreciation and write-downs per 31 December 2025	0	-92,885	-105,603	-50,480	-168,572	-417,541
Carrying amount per 31 December 2025	153,028	59,628	82,282	7,720	154,846	457,504

Impairment testing for goodwill

Management assesses the performance of the business based on the Group's three operating segments: Core, Growth and Emerging. Goodwill, however, is monitored and tested for impairment at the level of cash-generating units (CGUs), which are divided into Sweden, Norway, Europe, the United States, Vape and the United Arab Emirates. For further information on the Group's segment reporting, see Note 4. The table below presents goodwill allocated to each respective cash-generating unit.

Goodwill	2025-12-31	2024-12-31
Sweden	52,319	50,809
Norway	77,404	82,241
Europe	9,232	9,234
USA	13,187	15,753
Vape	0	0
United Arab Emirates	885	0
Total	153,028	158,038

The recoverable amount of goodwill has been determined based on value in use calculations. Management has identified revenue growth, EBITDA margin, the discount rate and the long-term growth rate as the key assumptions applied in the impairment testing. Value in use calculations are based on estimated future pre-tax cash flows derived from financial budgets approved by management, covering a five-year period. The calculations are based on management's experience and historical data. The long-term sustainable growth rate for the cash-generating units has been assessed with reference to industry forecasts.

For each cash-generating unit referred to above to which a significant amount of goodwill has been allocated, the key assumptions, long-term growth rate and discount rate applied in the calculation of value in use are set out below.

Note 14 Intangible assets, cont.

Significant assumptions used for value in use calculations:

	2025-12-31	2024-12-31
Sweden		
Discount rate before tax ¹⁾	14.88%	14.91%
Long-term growth rate ²⁾	2%	2%
Norway		
Discount rate before tax ¹⁾	16.28%	16.51%
Long-term growth rate ²⁾	2%	2%
Europe		
Discount rate before tax ¹⁾	14.94%	15.05%
Long-term growth rate ²⁾	2%	2%
USA		
Discount rate before tax ¹⁾	16.26%	17.20%
Long-term growth rate ²⁾	2%	2%

¹⁾ Pre-tax discount rate used in calculating the present value of estimated future cash flows.

²⁾ Weighted average growth rate used to extrapolate cash flows beyond the budget period.

Sensitivity analysis for goodwill:

No reasonably possible change in key assumptions would cause the recoverable amount to be less than the carrying amount.

The recoverable amount exceeds the carrying amount of goodwill by a margin. This also applies to the assumption that:

- the pre-tax discount rate had been 2 percentage points higher,
- the estimated EBITDA margin had been 2 percentage points lower.

Note 15 Tangible fixed assets

	Leasehold improvements	Equipment	Total
Financial year 2024			
Acquisition value			
Opening carrying amount	2,547	7,153	9,700
This year's acquisitions	2,435	31,879	34,314
Divestments and disposals	0	-554	-554
Exchange-rate differences	86	1,294	1,380
Acquisition value per 31 December 2024	5,067	39,773	44,840
Accumulated depreciation and write-downs			
Opening carrying amount	-1,005	-3,747	-4,753
This year's depreciations	-771	-2,673	-3,444
Write-downs for the year	0	-4,787	-4,787
Exchange-rate differences	4	-204	-201
Accumulated depreciation and write-downs per 31 December 2024	-1,773	-11,411	-13,184
Carrying amount per 31 December 2024	3,294	28,361	31,656
Financial year 2025			
Acquisition value			
Opening carrying amount	5,067	39,773	44,840
This year's acquisitions	220	9,310	9,530
Exchange-rate differences	-516	-4,819	-5,335
Acquisition value per 31 December 2025	4,772	44,263	49,035
Accumulated depreciation and write-downs			
Opening carrying amount	-1,773	-11,411	-13,184
This year's depreciations	-817	-6,471	-7,288
Exchange-rate differences	102	911	1,013
Accumulated depreciation and write-downs per 31 December 2025	-2,488	-16,972	-19,460
Carrying amount per 31 December 2025	2,284	27,291	29,575

Note 16 Long-term receivables

	2025-12-31	2024-12-31
Opening balance	13,579	7,250
Additional receivables	14,086	8,117
Settlements	-754	-101
Reclassification to current receivables	0	-1,847
This year's translation differences	-469	161
Closing balance	26,442	13,579

Note 17 Leasing

The following amounts are reported in the income statement related to leasing agreements:

	2025	2024
Right-of-use depreciation:		
Premises	-21,056	-18,385
Vehicles	-683	-547
Machines	-4,611	-8,303
Total	-26,350	-27,236
Interest expenses (part of Interest and other financial expenses)	-3,928	-4,457
Expenses attributable to variable lease payments that are not included in lease liabilities (included in the item Other external expenses in the income statement)	-1,061	-1,026
Expenses attributable to leasing agreements for which the underlying asset is of low value that is not a short-term leasing agreement (included in Other external costs in the income statement)	-284	191
Repayment of leasing debt	-29,464	-26,587

Contracted investments regarding right-of-use assets at the end of the reporting period that have not yet been reported in the financial statements amount to 0 KSEK (0 KSEK).

Note 18 Deferred tax

Deferred tax liabilities and tax receivables are distributed as follows:

Deferred tax liabilities	Intangible assets	Right-of-use assets	Total
Per 31 December 2023	18,489	0	18,489
Reported in the income statement	1,668	0	1,668
Exchange-rate differences	326	0	326
Per 31 December 2024	20,482	0	20,482
Reported in the income statement	-686	0	-686
Exchange-rate differences	-673	0	-673
Per 31 December 2025	19,123	0	19,123

Deferred tax assets	Leasing liabilities	Loss carry forward and other temporary differences	Total
Per 31 December 2023	1,297	13,994	15,291
Reported in the income statement	146	-4,547	-4,401
Exchange-rate differences	-24	86	63
Per 31 December 2024	1,419	9,534	10,953
Reported in the income statement	-288	-230	-518
Exchange-rate differences	-74	-326	-400
Per 31 December 2025	1,058	8,978	10,036

Long-term receivables consists of deposits and loans to external parties and employees.

As security for the external loan, shares in the borrower's company have been pledged.

The credit risk associated with the Group's long-term receivables is considered to be low, and accordingly no material loss allowance has been recognised as at the balance sheet date.

For information on the maturity of the lease liability, see Note 3.

Maturity analysis for leasing liabilities is presented in Note 3.

The following amounts related to leasing agreements are reported in the balance sheet:

	2025-12-31	2024-12-31
Right-of-use assets:		
Premises	55,486	73,098
Vehicles	1,484	760
Machines	22,084	28,499
Total	79,054	102,357
Lease liabilities:		
Long-term	47,188	72,216
Short-term	28,812	28,249
Total	76,000	100,465
Additional right-of-use assets amounted to:	8,126	29,303

Some leasing agreements have extension options that have not been considered in the leasing debt. Thus there are potential future cash flows that have not been included in the lease liability as it is not reasonably certain that the agreements will be extended.

Note 19 Inventories

	2025-12-31	2024-12-31
Finished goods	339,245	298,672
Total	339,245	298,672

Amounts reported in the income statement

During the financial year, cost of goods was reported in the income statement of KSEK 3 610 131 (KSEK 3 447 220). They were reported as Goods for resale, which also includes supplier-funded discounts.

Note 20 Accounts receivables

	2025-12-31	2024-12-31
Accounts receivable	128,035	100,463
Accounts receivable - net	128,035	100,463

The fair value of accounts receivable corresponds to its carrying amount, as the discounting effect is not significant.

No accounts receivable have been provided as security for any debt.

Age analysis account receivables

The Group total	2025-12-31	2024-12-31
Not due, yet	96,321	80,477
1-30 days	15,748	13,548
31-60 days	5,555	2,735
61-90 days	2,416	64
> 90 days	7,996	3,640
Total	128,035	100,463

The maximum exposure to credit risk as of the balance sheet date for accounts receivable is the carrying amount as described above.

Total credit losses in the Group amount to 0.1 KSEK (0.0 KSEK). The credit risk associated with the Group's accounts receivables is considered to be low and, accordingly, no material loss allowance has been recognised as at the balance sheet date.

Note 21 Other receivables

	2025-12-31	2024-12-31
VAT claim	5,777	7,642
Tax account	4,399	13,360
Receivables from suppliers	29,647	2,906
Other receivables	3,947	9,581
Total	43,770	33,488

Note 22 Prepaid expenses and accrued income

	2025-12-31	2024-12-31
Prepaid leasing fee	-378	-45
Prepaid insurance	3,096	1,211
Accrued income	60,038	55,077
Other tax related items	13,198	11,618
Other prepaid expenses and accrued income	14,608	4,371
Total	90,563	72,233

Accrued income consists entirely of revenue-related short-term contract assets. The Group's contract assets have not changed materially compared with 31 December 2025.

Note 23 Cash and cash equivalents

	2025-12-31	2024-12-31
Bank accounts	57,264	35,223
Total	57,264	35,223

Note 24 Financial instruments by category

2024-12-31	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Total
Assets in balance sheet			
Long-Term receivables		13,579	13,579
Accounts receivable ¹⁾	41,643	58,820	100,463
Other receivables		12,300	12,300
Cash and cash equivalents		35,223	35,223
Total	41,643	119,922	161,565

2024-12-31	Financial liabilities measured at actual value via the income statement	Financial liabilities measured at amortised cost	Total
Liabilities in balance sheet			
Bank overdraft		103,801	103,801
Other long-term liabilities		746	746
Trade payables		200,827	200,827
Other current liabilities		2,767	2,767
Total		308,140	308,140

2025-12-31	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Total
Assets in balance sheet			
Long-Term receivables		26,442	26,442
Accounts receivable ¹⁾	16,332	111,703	128,035
Other receivables		33,337	33,337
Cash and cash equivalents		57,264	57,264
Total	16,332	228,746	245,078

2025-12-31	Financial liabilities measured at actual value via the income statement	Financial liabilities measured at amortised cost	Total
Liabilities in balance sheet			
Bank overdraft		113,219	113,219
Other long-term liabilities		6,014	6,014
Trade payables		251,285	251,285
Other current liabilities		8,539	8,539
Total		379,056	379,056

¹⁾ Accounts receivables covered by factoring arrangements where the Group has substantially transferred the risks and rewards to the factoring entity are measured at fair value through profit or loss.

In addition to the financial instruments listed in the tables (above), the Group has financial liabilities in the form of leasing liabilities which are reported and valued in accordance with IFRS 16.

Note 25 Share capital and other contributed capital

	Ordinary shares			C shares			Total		
	Number of shares	Share capital	Other contributed capital	Number of shares	Share capital	Other contributed capital	Number of shares	Share capital	Other contributed capital
Per 1 January 2023	29,122,479	1,908	689,558	0	0	0	29,122,479	1,908	689,558
New share issue	716,609	47	5,069	0	0	0	716,609	47	5,069
Per 31 December 2023	29,839,088	1,955	694,627	0	0	0	29,839,088	1,955	694,627
New share issue	0	0	4,179	0	0	0	0	0	4,179
Share-based compensations	0	0	2,463	0	0	0	0	0	2,463
Per 31 December 2024	29,839,088	1,955	701,269	0	0	0	29,839,088	1,955	701,269
New share issue	784,161	51	-1,650	1,200,000	79	12,245	1,984,161	130	10,595
Share-based compensations	0	0	1,069	0	0	0	0	0	1,069
Per 31 December 2025	30,623,249	2,006	700,688	1,200,000	79	12,245	31,823,249	2,085	712,933

As at 31 December 2025, the share capital comprised 30,623,249 ordinary shares and 1,200,000 C shares, both with a quota value of SEK 0.066 per share. As at 31 December 2024, the share capital comprised 29,839,088 ordinary shares with a quota value of SEK 0.066 per share.

Ordinary shares carry one vote per share at the Annual General Meeting, while C shares carry one-tenth of a vote per share. Ordinary shares entitle the holder to dividends in accordance with resolutions adopted by the Annual General Meeting. C shares do not carry any entitlement to dividends.

All shares issued by the Parent Company are fully paid.

Earnings per share

	2025-12-31	2024-12-31
Profit for the year attributable to the equity holders of the Parent Company, KSEK	42,485	44,981
Average number of shares before dilution	30,464,641	29,839,088
Average number of shares after dilution	31,343,134	30,807,543
Earnings per share before dilution (SEK)	1,39	1,51
Earnings per share after dilution (SEK)	1,36	1,46

Earnings per share have been calculated by dividing profit for the year attributable to the equity holders of the Parent Company by the weighted average number of shares outstanding.

Note 26 Borrowings

	2025-12-31	2024-12-31
Long-term loans		
Leasing debt	47,188	72,216
Total loans	47,188	72,216
Short-term loans		
Leasing debt	28,812	28,249
Bank overdraft	113,219	103,801
Total short-term loans	142,031	132,050
Total borrowing	189,219	204,265

Bank overdraft facility

The Group has an authorised overdraft facility of SEK 245,000 thousand (SEK 203,000 thousand), which is subject to ongoing renegotiation.

	2025-12-31	2024-12-31
Of the authorised overdraft facility, the following amount has been utilised:	113,219	103,801

Note 27 Other current liabilities

	2025-12-31	2024-12-31
VAT liability	19,991	10,277
Personnel tax	5,001	4,240
Deferment from the Swedish Tax Agency	0	1,928
Other excise tax	1,100	-4,310
Other	2,438	909
Total	28,530	13,043

Note 28 Other provisions

	2025-12-31	2024-12-31
Additional purchase price	0	1,000
Provisions for legal proceedings	0	13,133
Other provisions	845	78
Total	845	14,211

Note 29 Accrued expenses and deferred income

	2025-12-31	2024-12-31
Accrued holiday pay including social security contributions	14,888	11,432
Social security contributions and special payroll tax	10,980	9,354
Other accrued expenses	41,435	44,648
Prepaid income	26,921	4,854
Total	94,224	70,287

Prepaid income consists in its entirety of income-related short-term contractual liabilities. During the financial year, income corresponding to the entire incoming item for prepaid income was reported in the income statement.

The Group's revenue agreement has an original expected term of no more than one year or is invoiced based on time spent. In accordance with the rules in IFRS 15, no information has been provided on the transaction price for these unfulfilled commitments.

Note 30 Assets pledged

	2025-12-31	2024-12-31
Floating charge	170,000	203,000
Total	170,000	203,000

Note 31 Contingent Liabilities

	2025-12-31	2024-12-31
Guarantee for Snusbolaget Norden AB's liabilities	0	103,801
Guarantee for Snusbolaget Europa AB's liabilities	113,219	0
Total	113,219	103,801

The Parent Company has issued two parent company guarantees on behalf of subsidiaries in respect of trade suppliers. One guarantee is limited to an amount of NOK 15 million, while the other guarantee is unlimited in amount.

Furthermore, the Parent Company has issued parent company guarantees on behalf of subsidiaries in respect of insurance costs, limited to an amount of SEK 4 million, as well as rental payments, which are unlimited in amount.

In addition to this, there is a guarantee from Snusbolaget Norden AB for Haypp GmbH's commitments regarding third-party stock.

Note 32 Related-party transactions

The following transactions have taken place with related parties:

	2025	2024
(a) Sales of goods and services		
Sales of goods and services to related parties	0	0
Sum	0	0
(a) Purchases of goods and services		
Purchases of services from Advokatfirman Vinge KB	0	483
Purchases of services from otZar Advisory AB	0	25
Sum	0	508

There are no receivables or liabilities as a result of sales of goods or services to related parties at the end of the year.

There are no loans to or from related parties at the end of the year or the comparison year.

Remuneration to senior executives is stated in Note 7.

Note 33 Changes to liabilities that belong to financing activities

	2024-01-01	Cash inflow	Cash outflow	Items not affecting cash flow	
				New agreements	2024-12-31
Leasing debt	99,503	0	-26,587	27,549	100,465
Changes in loans	4,673	1,111	-3,856	0	1,928
Bank overdraft	136,377	0	-32,576	0	103,801
Total	240,553	1,111	-63,019	27,549	206,193

	2025-01-01	Cash inflow	Cash outflow	Items not affecting cash flow	
				New agreements	2025-12-31
Leasing debt	100,465	0	-29,464	4,999	76,000
Changes in loans	1,928	4,786	-1,928	0	4,786
Bank overdraft	103,801	9,418	0	0	113,219
Total	206,194	14,204	-31,392	4,999	194,005

Note 34 Adjustments for non-cash Items

	2025	2024
Exchange-rate differences	-3,520	-3,146
Result from sale/disposal of fixed assets	1,644	-541
Revaluation of financial liabilities	6,223	3,843
Other provisions	-11,902	12,685
Other	8	0
Total	-7,547	12,841

Note 35 Events after the end of the reporting period

During the financial year and subsequent to the end of the reporting period, the Group has been involved in a limited number of legal proceedings. On 30 January 2026, the Administrative Court of Appeal in Stockholm upheld the Licensing Authority's decision to revoke Snusbolaget Norden AB's permit to sell tobacco products, including traditional snus, in Sweden. The Group does not share the court's assessment and has appealed the ruling to the Supreme Administrative Court. Haypp Group continues to conduct its operations in accordance with applicable regulations and remains fully committed to responsible sales practices as well as rigorous age and identity verification procedures. The Group assesses that the outcome of the proceedings is not expected to have any material financial or operational impact on the Swedish operations.

Parent Company income statement

Amounts in KSEK	Note	2025	2024
Other operating income		22,190	4,633
Total		22,190	4,633
Other external costs	37	-26,391	-5,659
Personnel expenses	38	-33,604	-7,468
Depreciation and amortization of tangible and intangible assets	42	0	-37
Other operating expenses		-51	-48
Sum expenses		-60,046	-13,213
Operating profit/loss		-37,856	-8,580
Financial income/expense			
Profit/loss from shares in group companies	43	-850	0
Interest income and other financial income	39	648	2
Interest and other financial expenses	39	-209	-140
Result from financial income/expenses		-412	-138
Earnings before tax		-38,268	-8,718
Appropriations	40	39,500	50,000
Earnings before tax		1,232	41,282
Income tax	41	-480	-8,537
Profit/loss for the period		751	32,745

The Parent Company has no items recognised in other comprehensive income, and therefore total comprehensive income is equal to profit for the year.

Parent Company balance sheet

Amounts in KSEK	Note	2025-12-31	2024-12-31
ASSETS			
Fixed assets			
Intangible assets			
Capitalized development costs	42	1,129	0
Total intangible assets		1,129	0
Financial assets			
Shares in subsidiaries	43	322,870	321,976
Non-current receivables		12,189	189
Non-current intercompany receivables		387,784	344,816
Total financial assets		722,843	666,980
Total fixed assets		723,972	666,980
Current assets			
Current receivables			
Receivables from group companies		7,853	4,303
Other receivables	45	847	3,313
Prepaid expenses and accrued income		2,740	618
Total current receivables		11,440	8,234
Cash and cash equivalents	46	3	0
Total current assets		11,443	8,234
TOTAL ASSETS		735,415	675,213

Parent Company balance sheet cont.

Amounts in KSEK	Note	2025-12-31	2024-12-31
EQUITY AND LIABILITIES			
EQUITY			
	25		
Restricted equity			
Share capital		2,085	1,955
Non-restricted equity			
Premium fund		712,933	701,269
Retained earnings		-32,806	-65,551
Profit/loss for the period		751	32,745
Total equity		682,963	670,418
LIABILITIES			
Non-current liabilities			
Non-current intercompany liabilities		23,774	52
Other liabilities		6,014	746
Total non-current liabilities		29,788	798
Current liabilities			
Current liabilities to group companies		4,864	396
Trade payables		4,634	0
Current tax liabilities		3,346	2,907
Other liabilities		415	0
Accrued expenses and deferred income		9,403	695
Total current liabilities		22,664	3,997
Total liabilities		52,451	4,795
TOTAL EQUITY AND LIABILITIES		735,415	675,213

The notes on pages 66–69 are an integral part of the Parent Company's financial statements.

Parent Company's statement of changes in equity

Amounts in KSEK	Restricted equity		Non-restricted equity		Total equity
	Share capital	Premium fund	Retained earnings	Profit/loss for the year	
Opening balance, 2024-01-01	1,955	694,627	-58,526	-7,025	631,031
Disposition of results according to the Annual General Meeting			-7,025	7,025	0
Profit/loss for the year as well as comprehensive income			0	32,745	32,745
Total comprehensive income	0	0	0	32,745	32,745
Transactions with shareholders in their attribute as shareholders					
New share issue	0	4,179			4,179
Share-based compensations		2,463			2,463
Total transactions with shareholders in their attribute as shareholders	0	6,642	0	0	6,642
Closing balance, 2024-12-31	1,955	701,269	-65,551	32,745	670,418
Opening balance, 2025-01-01	1,955	701,269	-65,551	32,745	670,418
Disposition of results according to the Annual General Meeting			32,745	-32,745	0
Profit/loss for the year as well as comprehensive income				751	751
Total comprehensive income	0	0	0	751	751
Transactions with shareholders in their attribute as shareholders					
New share issue	130	10,595			10,725
Share-based compensations		1,069			1,069
Transactions with shareholders in their attribute as shareholders	130	11,664	0	0	11,794
Closing balance, 2025-12-31	2,085	712,933	-32,806	751	682,963

Parent Company's statement of cash flow

Amounts in KSEK	Note	2025	2024
Cash flow from operating activities			
Operating loss		-37,856	-8,580
Adjustment for non-cash items:			
– Depreciation and amortization of tangible and intangible assets		0	37
– Other items not affecting cash flow	49	-75	2,422
Interest received		3	2
Interest paid		-169	-102
Income tax paid		-41	-123
Cash flow from operating activities before change in working capital		-38,139	-6,343
Cash flow from change in working capital			
Increase/decrease in operating receivables		1,641	-101
Increase/decrease in operating liabilities		14,127	-1,071
Total change in working capital		15,768	-1,172
Cash flow from operating activities		-22,370	-7,515
Cash flow from investing activities			
Acquisition of subsidiaries after deduction for acquired cash and cash equivalents		-894	-50
Change in other financial assets		-12,850	0
Cash flow from investing activities		-14,873	-50
Cash flow from financing activities			
New loans		-12,979	-46,788
New share issue		10,725	4,179
Group contributions		39,500	50,000
Cash flow from financing activities		37,246	7,390
Decrease/increase in cash and cash equivalents			
Opening cash and cash equivalents		0	175
Cash flow for the period		3	-175
Closing cash and cash equivalents		3	0

Notes

Note 36 The Parent Company's accounting principles

The most important accounting principles applied when this annual report has been prepared are stated below. These principles have been applied consistently for all years presented, unless otherwise stated.

The annual report for the parent company has been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. In cases where the parent company applies accounting principles other than the Group's accounting principles, which are described in Note 1 to the consolidated financial statement, these are stated below.

Preparing reports in accordance with RFR 2 requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the parent company's accounting principles. The areas that include a high degree of assessment, are complex or such areas where assumptions and estimates are of significant importance for the Annual report are stated in Note 2.22 of the consolidated financial statement.

Through its operations, the parent company is exposed to a variety of financial risks: market risk (currency risk and interest rate risk), credit risk and liquidity risk. The parent company's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potential adverse effects on the Group's financial results. For more information on financial risks, see the consolidated financial statements note 3.

The parent company applies other accounting principles than the group in the cases listed below:

Forms of arrangement

The income statement and balance sheet follow the format of the Annual Accounts Act. The report on changes in equity also follows the Group's presentation, but must contain the columns specified in the Annual Accounts Act. Furthermore, it means a difference in names, compared with the consolidated accounts, mainly regarding financial income and expenses and equity.

Shares in subsidiaries

Shares in subsidiaries "Shares in subsidiaries are reported at acquisition value after deductions for any write-downs. The acquisition value includes acquisition-related costs and any additional purchase consideration. When there is an indication that shares in subsidiaries have decreased in value, a calculation of the recoverable amount is made. If this is lower than the carrying amount, a write-down is made. Impairment losses are reported in the items "Profit/loss from shares in group companies.

Financial instruments

IFRS 9 is not applied in the parent company. The parent company instead applies the points specified in RFR 2 (IFRS 9 Financial Instruments, p. 3–10).

Financial instruments are valued on the basis of acquisition value. In subsequent periods, financial assets acquired with the intention of being held in the short term will be reported in accordance with the principle of the lowest value at the lower of acquisition value and market value. Derivative instruments with a negative fair value are reported at this value.

When calculating the net sales value of receivables that are reported as current assets, the principles for impairment testing and loss risk provision in IFRS 9 shall be applied. For a receivable that is reported at accrued acquisition value at Group level, this means that the loss risk reserve that is reported in the Group in accordance with IFRS 9 must also be recognized in the parent company.

Note 37 Auditors' fees

	2025	2024
PwC		
Audit fees	-867	-1,138
Other audit-related fees	-322	-164
Tax advisory fees	-1,313	-276
Other fees	-1,731	0
Total	-4,233	-1,577

Audit assignments refer to statutory audits of the annual and consolidated financial statement and accounting, as well as the Board of Directors' and the CEO administration, as well as audits and other audits performed in accordance with an agreement or contract.

This includes other tasks that are the responsibility of the company's auditor to perform as well as advice or other assistance that is prompted by observations during such review or the implementation of such other tasks.

Note 38 Employee benefits, etc.

	2025	2024
Salaries		
Board and CEO	-6,093	-5,166
other management	-5,478	0
Other employees	-10,634	0
Total	-22,205	-5,166
Social costs		
Board, CEO and other management (of which pension costs)	-4,538 -1,058	-1,554 -440
Other employees (of which pension costs)	-6,034 -2,400	0 0
Total	-10,572	-1,554
Total salaries, social and pension costs	-32,777	-6,720

Compensation to the Board can be found in the corporate governance report, on page 20.

Note 39 Interest income and similar financial items as well as interest expenses and similar financial items

	2025	2024
Interest income, other	640	2
Exchange-rate differences	7	0
Sum Interest income and other financial income	648	2
Interest expenses, inter company	-169	-102
Interest expenses, other	-58	-36
Exchange-rate differences	18	-2
Sum Interest and other financial expenses	-209	-140
Financial items - net	438	-138

Note 40 Appropriations

	2025	2024
Group contributions received	39,500	50,000
Total	39,500	50,000

Note 41 Tax on profit for the year**Reported tax in statement of comprehensive income**

	2025	2024
Current tax:		
Current tax on the profit/loss for the year	-480	-3,109
Total current tax	-480	-3,109
Deferred tax (Note 44)		
Emergence and reversal of temporary differences	0	-5,429
Total deferred tax	0	-5,429
Reported tax in statement of comprehensive income	-480	-8,537

The income tax on profit before tax differs from the theoretical amount that would have emerged when using the Swedish tax rate for profit in the parent company as follows:

	2025	2024
Earnings before tax	1,232	41,282
Tax rate, %	20.6	20.6
Income tax calculated according to tax rate in Sweden	-254	-8,504
Non-deductible expenses	-227	-37
Other	0	4
Income tax	-480	-8,537

Deferred tax assets are reported for tax loss carryforwards or other deductions to the extent that it is probable that they can be utilized through future taxable profits. Unutilized loss carryforwards for which no deferred tax asset has been reported amount to KSEK 0 as of December 31, 2025.

Note 42 Intangible assets

	Capitalized expenses for development work
Financial year 2024	
Acquisition value	
Opening carrying amount	250
This year's acquisitions	0
Acquisition value per 31 december 2024	250
Accumulated depreciation and write-downs	
Opening carrying amount	-213
This year's depreciations	-37
Accumulated depreciation and write-downs per 31 december 2024	-250
Carrying amount per 31 december 2024	0
Financial year 2025	
Acquisition value	
Opening carrying amount	250
This year's acquisitions	1,129
Acquisition value per 31 december 2025	1,379
Accumulated depreciation and write-downs	
Opening carrying amount	-250
This year's depreciations	0
Accumulated depreciation and write-downs per 31 december 2025	-250
Carrying amount per 31 december 2025	1,129

Note 43 Shares in subsidiaries

Name	Org no	Residence and registration - and country of business	No of shares	Book value 2025-12-31	Book value 2024-12-31
Snusbolaget Norden AB	556801-3683	Stockholm	1,100	141,550	141,550
Snushjem.no AS	919649585	Oslo	300	8,642	8,642
Northerner Scandinavia AB	556559-1699	Stockholm	1,000	171,401	171,401
Haypp Limited	13876184	London	1	0	0
Haypp GmbH	HRB 729097	Hamburg	25,000	333	333
Haypp Sverige AB	559505-9964	Stockholm	25,000	25	25
Nicokick AB	559505-9972	Stockholm	25,000	25	25
Haypp MEA Holdings Ltd	12131	Dubai	1,000	894	0
Opening acquisition value				380,976	380,926
Acquisitions				894	50
Shareholder contribution				850	0
Closing accumulated acquisition value				382,720	380,976
Opening accumulated write-downs				-59,000	-59,000
Write-downs for the year				-850	0
Closing accumulated write-downs				-59,850	-59,000
Closing book value				322,870	321,976

Note 44 Deferred tax

Deferred tax liabilities and tax receivables are distributed as follows:

Deferred tax assets	Temporary differences	Loss carry forward	Total
Per 31 december 2023	1,176	4,252	5,429
Reported in the income statement	-1,176	-4,252	-5,429
Per 31 december 2024	0	0	0
Reported in the income statement	0	0	0
Per 31 december 2025	0	0	0

Note 45 Other receivables

	2025-12-31	2024-12-31
Tax account	255	183
Other receivables	592	3,130
Total	847	3,313

Note 46 Cash and cash equivalents

	2025-12-31	2024-12-31
Bank accounts	3	0
Total	3	0

Note 47 Contingent Liabilities

	2025-12-31	2024-12-31
Guarantee for Snusbolaget Norden AB's liabilities	0	103,801
Guarantee for Snusbolaget Europa AB's liabilities	113,219	0
Total	113,219	103,801

The Parent Company has issued two parent company guarantees on behalf of subsidiaries in respect of trade suppliers. One guarantee is limited to an amount of NOK 15 million, while the other guarantee is unlimited in amount.

Furthermore, the Parent Company has issued parent company guarantees on behalf of subsidiaries in respect of insurance costs, limited to an amount of SEK 4 million, as well as rental payments, which are unlimited in amount.

Note 48 Related-party transactions

The following transactions have taken place with related parties:

	2025	2024
(a) Sales of goods and services		
Sales of goods and services to related parties	0	0
Sum	0	0
(a) Purchases of goods and services		
Purchases of services from Advokatfirman Vinge KB	0	483
Purchases of services from otZar Advisory AB	0	25
Sum	0	508

There are no receivables or liabilities as a result of sales of goods or services to related parties at the end of the year.

There are no loans to or from related parties at the end of the year or the comparison year.

Remuneration to senior executives is stated in Note 7.

Note 49 Adjustments for non-cash items

	2025	2024
Exchange-rate differences	-70	-41
Revaluation of financial liabilities	0	2,463
Other	-5	0
Total	-75	2,422

Note 50 Events after the end of the reporting period

No significant events have occurred after the end of the financial year.

Signatures from the Board of Directors

The Board of Directors and the President declare that the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards IFRS as adopted by the EU and present a true and fair view of the Group's financial position and results. The Annual Report was prepared in accordance with generally accepted accounting principles and presents a true and fair view of the Parent Company's financial position and earnings. The Board of Directors' report for the Group and the Parent Company provides a fair review of the development of the Group's and the Parent Company's operations, position and earnings and describes significant risks and uncertainties facing the Parent Company and the companies included in the Group.

The Annual Report was approved on April 28, 2026.

Stockholm, the date stated on our electronic signature

Lars-Johan Jarnheimer
Chairman

Helena Juhlin Pink
Board member

Deepak Mishra
Board member

Linus Liljegren
Board member

Patrik Rees
Board member

Adam Schatz
Board member

Gavin O'Dowd
CEO

Our Auditor's Report was submitted on the date stated on our electronic signature
Öhrlings PricewaterhouseCoopers AB

Magnus Lagerberg
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Haypp Group AB (publ), corporate identity number 559075-6796

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have performed an audit of the annual accounts and consolidated accounts of Haypp Group AB (publ) for year 2025. The annual accounts and consolidated accounts of the company are included on pages 25-70 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-24 and 73-77. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and group's ability to continue as a going concern.

They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Haypp Group AB (publ) for year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and group's type of operations, size and risks place on the size of the parent company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Stockholm the date indicated by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Magnus Lagerberg
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Definitions of alternative performance measures

	Definitions	Reason for use
Net sales growth, %	Change in net sales growth for the period.	Shows whether the company's business is expanding or contracting.
Organic sales growth, %	Change in net sales excluding businesses which have been acquired, sold or exited.	Shows whether the company's business is expanding or contracting when excluding the effects from acquisitions, divestments or exits.
Organic growth	Change in net sales excluding the impact of exchange rate movements and businesses acquired, divested or discontinued. Currency effects are calculated by translating current-period net sales using prior-period exchange rates.	Indicates whether the Company's operations are expanding or contracting when the effects of currency, acquisitions, divestments or discontinued operations are excluded.
Gross margin, %	Net sales minus the cost of goods sold for the period, expressed as a percentage of net sales.	Indicates the Company's operating profitability from its underlying business operations.
Gross profit growth, %	Change in net sales growth for the period minus cost of goods sold for the period.	Shows change in the profitability and the financial performance of the company's business.
EBIT margin	EBIT as a percentage of net sales.	Shows operating profit in relation to net sales and is a measurement of the profitability in the company's operational business.
Adjusted EBIT	EBIT excluding amortization and impairment losses on acquisition-related intangible assets and items affecting comparability.	Shows results of the company's operational business excluding amortization that arises as a result of accounting treatment of purchase price allocations in conjunction with acquisitions and items that affect comparison with other periods.
Adjusted EBIT margin, %	EBIT margin adjusted for amortization and impairment losses on acquisition-related intangible assets and items affecting comparability	Shows EBIT margin excluding amortization that arises as a result of accounting treatment of purchase price allocations in conjunction with acquisitions and items that affect comparison with other periods.
EBITDA	EBIT excluding depreciation/amortization and impairment of assets.	Shows the ability of the company's operations to generate resources for investment and payment to capital providers.
EBITDA margin, %	EBITDA as a percentage of net sales.	A profitability measurement that is used by investors, analysts and the company's management for evaluating the company's profitability.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability.	Shows EBITDA excluding items that affect comparison with other periods.
Adjusted EBITDA margin, %	EBITDA margin adjusted for items affecting comparability.	Shows EBITDA margin excluding items that affect comparison with other periods.

Adjusted operating expenses	Operating expenses excluding items of a non-recurring nature.	Provides a more accurate view of the underlying operating performance by excluding non-recurring costs, thereby improving the comparability of the Company's financial results between reporting periods.
Working capital	Current assets excluding current tax receivables and cash and cash equivalents, less trade payables, other current provisions, and accrued expenses and deferred income.	Indicates the Company's ability to meet short-term capital requirements.
Net debt	Non-current lease liability, other non-current liabilities, bank overdraft, current lease liability, liabilities to credit institutions and cash and cash equivalents.	Shows how much cash would remain if all debts were paid off.
Net debt / adjusted EBITDA, times	Net debt in relation to adjusted EBITDA.	Shows financial risk and is an indication of repayment capacity.
Investments	Changes in tangible, intangible and other financial assets, as well as acquisitions of subsidiaries.	Indicates how the Company uses cash to acquire and dispose of long-term assets and investments intended to generate future revenue and cash flows.
Equity/Total asset ratio, %	Total equity in relation to total assets.	Indicates financial risk and the proportion of assets financed by equity.
Items affecting comparability	Significant items affecting comparability, including significant consulting and advisory costs, acquisition, integration and restructuring costs, significant legal costs and bonuses paid. This also includes depreciation, amortisation and impairment losses, including those related to improvements in the Company's infrastructure.	Refers to items that are reported separately as they are of a significant nature and are relevant for understanding the financial performance when comparing the profit/loss for the current period with the previous periods.
Equity per share after dilution, SEK	Equity in relation to the average number of shares outstanding after dilution.	Indicates equity attributable to each share, taking into account dilution from potential shareholders.
Cash flow from operating activities per share after dilution	Cash flow from operating activities in relation to the average number of shares outstanding after dilution.	Indicates the cash flow generated from operating activities per share, taking into account dilution from potential shareholders, available for use in the business going forward.
Active customers	Unique customers who have made a purchase during the period.	Shows unique customers who have made a purchase during the period.

Reconciliation of alternative performance measures

Amounts in SEK mn	2025-12-31	2024-12-31
Net sales growth, %		
Net sales	3,848.9	3,679.8
Net sales, previous year	3,679.8	3,165.7
Net sales growth, %	4.6%	16.2%
Organic growth, %		
Net sales	3,848.9	3,679.8
Adjustments for acquisitions and divestments		
Currency effects adjustments	89.4	23.7
Net sales including adjustments	3,938.4	3,703.5
Net sales, previous year	3,679.8	3,165.7
Organic growth	258.6	537.8
Organic growth, %	7.0%	17.0%
Gross margin		
Net sales	3,848.9	3,679.8
Goods for resale	-3,138.8	-3,127.1
Gross profit	710.1	552.7
Net sales	3,848.9	3,679.8
Gross margin, %	18.5%	15.0%
Gross profit growth, %		
Gross profit	710.1	552.7
Gross profit, previous year	552.7	402.6
Gross profit growth, %	28.5%	37.3%
EBIT margin		
EBIT	58.4	64.2
Net sales	3,848.9	3,679.8
EBIT margin, %	1.5%	1.7%
Adjusted EBIT and adjusted EBIT margin		
EBIT	58.4	64.2
Amortisation of acquired intangible assets	39.7	40.0
Less items affecting comparability:		
Consulting and advisory costs	0.0	0.0
Acquisition, integration and restructuring costs	34.5	30.4
Legal costs	18.1	0.0
Adjusted EBIT	150.7	134.5
Net sales	3,848.9	3,679.8
Adjusted EBIT margin, %	3.9%	3.7%
EBITDA and EBITDA margin, %		
EBIT	58.4	64.2
Depreciation and amortization of tangible and intangible assets	127.7	116.1
EBITDA	186.1	180.2
Net sales	3,848.9	3,679.8
EBITDA margin, %	4.8%	4.9%
Adjusted operating expenses		
Sum expenses	-3,836.5	-3,651.2
Other operating income	4.9	3.2
Capitalised work on own account	41.0	32.4
Goods for resale, cost (-)	3,138.8	3,127.1
Depreciation and amortization of tangible and intangible assets	127.7	116.1
Items affecting comparability	52.6	30.4
Adjusted operating expenses	-471.5	-342.1

Amounts in SEK mn	2025-12-31	2024-12-31
Net working capital		
Current assets	659,9	540,7
Current tax recoverable	-1,0	-0,6
Cash and cash equivalents	-57,3	-35,2
Trade payables	-251,3	-200,8
Other provisions	-0,8	-14,2
Accrued expenses and deferred income	-94,2	-70,3
Net working capital	255,3	219,5
Net debt		
Current lease liability	47,2	72,2
Bank overdraft	113,2	103,8
Non-current lease liability	28,8	28,2
Cash and cash equivalents	-57,3	-35,2
Net debt	132,0	169,0
Net debt/Adjusted EBITDA, times		
Net debt	132,0	169,0
Adjusted EBITDA	238,7	205,8
Net debt/Adjusted EBITDA, times	0,6	0,8
Investments		
Acquisition of subsidiaries after deduction for acquired cash and cash equivalents	-2,4	-1,5
Investments in tangible and intangible assets	-89,5	-105,8
Disposals of tangible and intangible assets	1,3	0,4
Change in other financial assets	-13,3	-8,0
Investments	-103,9	-115,0
Equity/Total assets ratio, %		
Total equity	669,9	656,0
Total assets	1 262,5	1 183,5
Equity/Total assets ratio, %	53,1%	55,4%
Items affecting comparability		
Consulting and advisory costs	0,0	0,0
Acquisition, integration and restructuring costs	-34,5	-30,4
Legal costs	-18,1	0,0
Items affecting comparability	-52,6	-30,4
Equity per share after dilution (SEK)		
Total equity	669,9	656,0
Average number of shares after dilution	31 343 134	30 807 543
Equity per share after dilution (SEK)	21,4	21,3
Cash flow from operating activities per share after dilution (SEK)		
Cash flow from operating activities	140,0	194,6
Average number of shares after dilution	31 343 134	30 807 543
Cash flow from operating activities per share after dilution (SEK)	4,5	6,3

AGM information

AGM information 2026

AGM information Haypp Group will hold its Annual General Meeting on Thursday , May 20, 2026 in Stockholm.

Participation and registration

Shareholders who wish to participate in the Annual General Meeting must (i) be listed in the shareholders' register maintained by Euroclear Sweden AB regarding circumstances on Monday May 11, 2026.

Further information about the Annual General Meeting can be found in the notice on our website www.hayppgroup.com

