

Interim Report
January–June 2024

Q2

“Continued positive sales and
profit development”



HAYPP GROUP

The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act.

Second quarter 2024

- Net sales increased by 23 per cent to SEK 942.8 m (768.8). In constant currency, net sales increased by 22 per cent.
- 43 percent volume growth in the nicotine pouch category during the quarter.
- The gross margin amounted to 14.3 per cent (12.9).
- Adjusted EBITDA amounted to SEK 51.5 m (33.5), corresponding to an adjusted EBITDA margin of 5.5 per cent (4.4).
- Adjusted EBIT amounted to SEK 34.4 m (20.4), corresponding to an adjusted EBIT margin of 3.7 per cent (2.7).
- Operating profit totalled SEK 9.6 m (-3.9), including items affecting comparability of SEK -14.8 m (-14.3).
- Profit for the quarter amounted to SEK 0.0 m (0.4).
- Earnings per share before dilution amounted to SEK 0.00 (0.02).
- Number of orders increased to 1,252 thousand (1,069) with an average order value of SEK 699 (676).
- Active customers were 591 thousand (486) at the end of the quarter.

First six months 2024 (Period)

- Net sales increased by 17 per cent to SEK 1,820.3 m (1,550.1). In constant currency, net sales increased by 18 per cent.
- 42 percent volume growth in the nicotine pouch category during the period.
- The gross margin amounted to 14.4 per cent (12.4).
- Adjusted EBITDA amounted to SEK 98.3 m (64.2), corresponding to an adjusted EBITDA margin of 5.4 per cent (4.1).
- Adjusted EBIT amounted to SEK 65.0 m (38.7), corresponding to an adjusted EBIT margin of 3.6 per cent (2.5).
- Operating profit totalled SEK 25.5 m (3.6), including items affecting comparability of SEK -19.6 m (-15.2).
- Profit for the period amounted to SEK 12.9 m (1.9).
- Earnings per share before dilution amounted to SEK 0.43 (0.06).
- Cash flow from operating activities amounted to SEK 189.1 m (130.1)
- Number of orders increased to 2,448 thousand (2,190) with an average order value of SEK 692 (663).
- Active customers were 779 thousand (667) at the end of the period.

Amounts in MSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Net sales	942.8	768.8	1,820.3	1,550.1	3,436.0	3,165.7
Net sales growth, %	22.6	22.5	17.4	22.3		21.8
Gross margin, %	14.3	12.9	14.4	12.4	13.7	12.7
Adjusted EBITDA	51.5	33.5	98.3	64.2	168.7	134.6
Adjusted EBITDA margin, %	5.5	4.4	5.4	4.1	4.9	4.3
Adjusted EBIT	34.4	20.4	65.0	38.7	104.5	78.2
Adjusted EBIT margin, %	3.7	2.7	3.6	2.5	3.0	2.5
Items affecting comparability	-14.8	-14.3	-19.6	-15.2	-20.3	-15.9
Operating profit/loss	9.6	-3.9	25.5	3.6	44.2	22.3
Profit/loss for the period	0.0	0.4	12.9	1.9	16.0	5.0
Earnings per share before dilution (SEK)	0.00	0.02	0.43	0.06	0.54	0.17
Cash flow from operating activities			189.1	130.1		80.5
Number of orders (thousand)	1,252	1,069	2,448	2,190	4,684	4,426
Average order value (SEK)	699	676	692	663	687	672
Active customers (thousand)	591	486	779	667	1,039	953

CEO Statement

Haypp Group performed well in the second quarter of 2024 despite a variety of challenges, particularly in the United States and remains on track toward its 2025 targets with sustained sales growth and margin expansion, driven by Haypp’s Growth division.

At the Group level, product mix continues to benefit from the shift toward nicotine pouches (NPs) with NPs accounting for 61% of Q2 Group volume. Group NP volume grew 43% y/y, with strength across the Core (+33% y/y) and Growth (+65% y/y) divisions. The US was especially robust despite the Zyn shortage, highlighting the strength of the Haypp business model. US volume increased by over 70% with growth across the various brands authorised for US sale.

US

The US market was affected by several unexpected events in the second quarter, notably stronger than expected consumer demand in late 2023 and early 2024 that led to shortages of the best-selling brand Zyn. The brand’s owner, Philip Morris International (PMI), noted in its Q2 results on July 23 that it expects to have resolved the shortage by the end of 2024 and will increase capacity substantially for 2025 by over 50%. Although Haypp rationed its Zyn sales, the Group is particularly well suited to handle such a situation with its emphasis on assortment and processes for encouraging trial if a consumer’s initial choice is not available.

The implications of these events are on balance positive for the Group, with increased awareness among US consumers of the online channel. First, the demand for Zyn and especially the offline retail shortage has pushed consumers into the online channel, where we estimate Haypp’s sites Nicokick and Northerner account for around 85% of the US compliant product online market. Second, Haypp’s product availability including the coveted Zyn and sophisticated approach to offering alternatives has meant more consumer traffic to Haypp storefronts. Third, Haypp has strengthened its relationships with all brand owners due to its consistent stewardship of their brands and its regulatory compliance. Fourth, the temporary closure of Zyn.com has shifted some consumers to Haypp sites.

In aggregate, these dynamics resulted in a material increase in traffic, consumers and sales of other brands, partly offset by a lower average dollar order size due to the ZYN rationing. The Group will need more time to determine if retention of this consumer cohort is as high as previously seen.

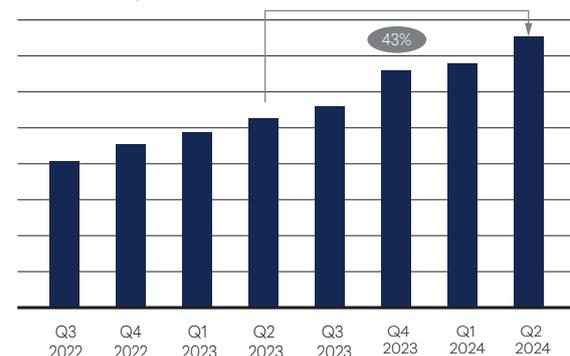
Haypp’s other Growth markets (UK and DACH), while significantly smaller than the US continue to deliver robust, consistent growth and are rapidly becoming a meaningful part of the Group performance.



“The US market was buffeted by several unexpected events in the second quarter, notably stronger than expected consumer demand that led to shortages of the best-selling brand Zyn.”

The transformation towards nicotine pouches running according to plan

Volume nicotine pouches



Snus continues to be a headwind for the Group, concentrated in the Core division. The rate of volume decline for Haypp appears to be stabilising in the low double-digits. This decline, however, has a very small effect on profit.

Robust growth in Haypp's Emerging segment (vape products in UK, Germany and Sweden) continued through the quarter. The Group's focus will remain on these existing markets through at least the end of 2024, before expanding into additional countries or RRP categories.

Group net sales increased 22% y/y excluding FX driven by the Growth Markets division which contributed nearly 60% of the increase. Core Markets segment sales increased 11% y/y, and Growth Markets division sales rose 52% y/y. The Emerging division continues to develop, with sales up 58% sequentially over Q1 driven by Sweden.

The gross margin was similar to Q1 at 14.3%, demonstrating the sustainability of that level of profitability. At EBITDA level, the Core margin rose to 8.6% up 90bps y/y, while the Growth EBITDA margin was up c. 780bps y/y and improved sequentially to 1.3%. These increases are largely due to Haypp's Media and Insights and the benefits of increased scale.

The Group's adjusted EBIT margin of 3.7% improved sequentially versus Q1 too by 20bps and is up a full percentage point vs Q2 2023. Excluding reinvestment in our Emerging segment, the Group EBIT margin would have been 4.5%.

Haypp Group recognised an exceptional charge of SEK 14.8m in the quarter for a bonus paid to senior leaders to allow them to purchase warrants approved at the May AGM, since the anticipated funds from rollover of a prior warrant-based Long Term Incentive Plan (LTIP) were not realised as expected. Proceeds from the purchase of warrants, net of tax, will be paid back to the company and held in share premium fund.

Infrastructure

Infrastructure investment continues in the 'back-end' ERP functions and in the 'front-end' consumer facing e-commerce storefronts. The ERP implementation is complete for all markets excluding the US, and e-com v3 implementation continues, with all three Norwegian sites successfully migrated to v3 by the end of June.

The functionality of the now proven front end will be expanded over the remainder of 2024 before migrating the rest of the European markets. These transitions are precursors for efficient scalable expansion across multiple RRP categories and new geographies.

With respect to logistics, Haypp expects to complete the work of automating its Houston, TX warehouse this year, using its current equipment provider to retain company-wide standardisation. Over time, this automation will drive scale benefits from reduced costs and time from order to shipping.

“Over time, this automation will drive realisation of scale benefits in the form of reduced costs and time from order to shipping.”

Regulatory outlook

In the US, the FDA has recently released Marketing Granted Orders (MGO's) for some flavored vaping products. While there is still a long way to go for the processing of the remaining products in the FDA pipeline of products already on the market and new products, this is a material step forward.

The results of the European Parliament elections in June further improved the regulatory outlook for Europe. Details and timelines will depend on appointments to the new Commission in the autumn. Haypp's view that nicotine pouches are likely to be regulated rather than banned within the EU via the third Tobacco Products Directive, remains unchanged. Haypp Group continues to lead in preventing sales to minors in all markets and remains committed to 100 percent traceable compliance with age restrictions for all of its products.

UK regulatory initiatives from the previous Conservative government to minimize the availability of nicotine vaping products for young people are being revised to reflect the new Labour government's priorities and are delayed relative to Haypp's original estimates. These initiatives are likely to be beneficial to the Group's operations and create a more sustainable market for reduced risk nicotine products in the future. The ban on disposable vapes is expected to be approved and implemented in 2025.

The details of Swedish regulatory initiatives is still unclear. However, the principle of risk reduction continues to be reinforced in key strategy agreements and we hope to get further clarification in the coming months.

Concluding comments

Haypp Group's continued positive sales and profit development, despite some market volatility demonstrates the robust nature of Haypp's business model and quality of its people. As we enter the second half of 2024, Haypp expects NP growth to remain robust with profit margins broadly stable.

Stockholm in August 2024

Gavin O'Dowd
President and CEO

Financial overview

Net sales

Net sales for the second quarter increased by 23 per cent to SEK 942.8 m (768.8). In constant currency, net sales increased by 22 per cent.

Net sales for the first half year increased by 17 per cent to SEK 1,820.3 m (1,550.1). In constant currency, net sales increased by 18 per cent.

Gross Profit

Gross Profit increased to SEK 135.2 m (98.8), corresponding to a gross margin of 14.3 per cent (12.9), driven by a strengthened position in the value chain as well as benefits of scale.

Gross Profit for the first half year increased to SEK 261.3 m (192.3), corresponding to a gross margin of 14.4 per cent (12.4).

Adjusted EBIT

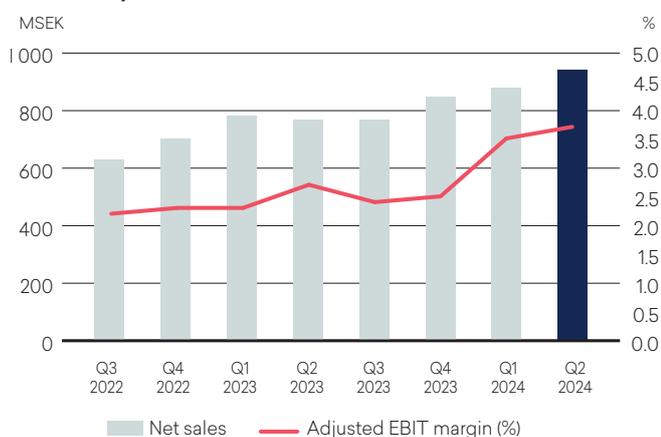
Adjusted EBIT for the second quarter increased to SEK 34.4 m (20.4). The increase was mainly due to the higher gross margin, increased volume as well as efficiency gains, partially offset by continued investments into additional capabilities. The adjusted EBIT margin increased to 3.7 per cent (2.7).

Adjusted EBIT for the period increased by 68 per cent to SEK 65.0 m (38.7). The adjusted EBIT margin increased to 3.6 per cent (2.5).

EBIT

EBIT for the second quarter increased to SEK 9.6 m (-3.9) while EBIT for the period increased by SEK 21.9 m to SEK 25.5 m (3.6). The difference between EBIT and adjusted EBIT is explained by amortisation of acquired intangible assets and other items affecting comparability. See Reconciliation of alternative performance measures, page 26.

Quarterly overview



Operating profit

Operating profit for the second quarter was SEK 9.6 m (-3.9). Items affecting comparability amounted to SEK -14.8 m (-14.3). For more information on Items affecting comparability, refer to page 26.

Operating profit for the period was SEK 25.5 m (3.6). Items affecting comparability amounted to SEK -19.6 m (-15.2).

Financial items

Financial expenses (net) for the quarter amounted to SEK -4.5 m (5.5), mainly due to leasing and interest costs. From Q2 2024 and onward, there is no impact from intercompany loans, revaluations of intercompany loans due to foreign exchange are recognized in OCI (Other Comprehensive income).

Financial expenses (net) for the first half year amounted to SEK -0.9 m (-1.9).

Tax

The tax expense for the quarter was SEK -5.1 m (-1.1), of which SEK -6.1 m is related to income tax for the quarter and SEK 1.0 m relates to amortization of surplus values.

The tax expense for the period was SEK -11.7 m (0.2)

Net Profit

Profit for the quarter amounted to SEK 0.0 m (0.4). Earnings per share amounted to SEK 0.00 (0.01) after dilution.

Profit for the first half increased to SEK 12.9 m (1.9). Earnings per share for the period amounted to SEK 0.42 (0.06) after dilution.

Investments

During the first six months 2024, Haypp Group invested (net) SEK 40.0 m (27.0), whereof SEK 33.1 m (26.7) was invested in intangible assets. The increase in the period is mainly driven by investment into the new ERP system and higher website development spendings as well as closing the lease contracts for the former warehouse automatization in the Stockholm warehouse.

Cash flow

Cash flow for the period from operating activities increased to SEK 189.1 m (130.1). Cash flow from changes in working capital was SEK 99.7 m (87.6) mainly driven by decrease in inventories as well as increased receivables and liabilities.

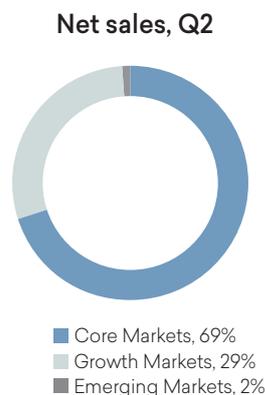
Net debt and cash and cash equivalents

At the end of the period, net debt amounted to SEK 90.3 m versus 224.5 m per 31 December 2023. In total, cash and cash equivalents amounted to SEK 50.3 m, versus 11.4 at the end of last year. At the end of the period, unutilized credit facility amounted to SEK 90 m, versus SEK 32 m on 31 December 2023.

Review of reporting segments

Haypp Group operates from January 2024 in three reporting segments or business units: Core Markets, Growth Markets and Emerging Markets.

The Core Markets consists of oral nicotine products in Sweden and Norway, which are more mature markets. The Growth Markets consist mainly of oral nicotine products in US, UK, Germany, Austria and Switzerland. Emerging Markets focus on other RRP categories, currently nicotine vaping in existing geographies.



Segment breakdown

Amounts in KSEK	Net Sales					EBITDA				
	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months
Core Markets	652,985	586,556	1,280,686	1,202,041	2,486,123	56,261	45,373	109,963	95,781	205,737
EBITDA margin, %						8.6 %	7.7 %	8.6 %	8.0 %	8.3 %
Growth Markets	277,065	182,225	518,833	348,035	929,040	3,473	-11,761	3,555	-31,531	-22,333
EBITDA margin, %						1.3 %	-6.5 %	0.7 %	-9.1 %	-2.4 %
Emerging Markets	12,765		20,822		20,822	-8,114		-15,068		-15,068
EBITDA margin, %						-63.6 %		-72.4 %		-72.4 %
Parent company/other	0	0	0	0	0	-14,820	-14,343	-14,820	-15,229	-15,488
Reconciliation items	0		0		0	-103	-80	-123	-59	375
GROUP TOTAL	942,815	768,782	1,820,342	1,550,076	3,435,985	36,696	19,190	83,506	48,963	153,224
EBITDA margin, %						3.9 %	2.5 %	4.6 %	3.2 %	4.5 %
Depreciation & Amortization						-27,082	-23,055	-58,025	-45,389	-109,008
Financial items						-4,531	5,453	-888	-1,865	-13,468
PROFIT BEFORE TAXES						5,084	1,588	24,593	1,708	30,747

Core Markets

Core Markets

(Amounts in MSEK)	Q2 2024	Q2 2023	Change, %	YTD Q2 2024	YTD Q2 2023	Change, %	LTM	Full Year 2023
Net sales	653.0	586.6	11.3 %	1,280.7	1,202.0	6.5 %	2,486.1	2,407.5
EBITDA	56.3	45.4	24.0 %	110.0	95.8	14.8 %	205.7	191.6
EBITDA margin (%)	8.6 %	7.7 %	0.9 p.p.	8.6 %	8.0 %	0.6 p.p.	8.3 %	8.0 %
Active customers (thousand)	404	383	6%	539	523	3%	734	732

Net sales

Net sales for the second quarter increased by 11 per cent to SEK 653.0 m (586.6), and 11 per cent in constant currency. Nicotine pouches grew by 33 per cent in volume during the quarter, driven by a strong performance both in Sweden and Norway. Within the traditional snus category, the downward trend continued during the quarter due to fewer product launches and less investment in new products. The number of active customers increased by 6 per cent to 404 thousand (383).

Net sales for the first half year increased by 7 per cent to SEK 1,280.7 m (1,202.0), and 7 per cent in constant currency. Nicotine pouch volume grew by 33 per cent in the first half year. The number of active customers increased by 3 per cent to 539 thousand (523).

EBITDA

EBITDA in the Core Markets increased by 24 per cent to SEK 56.3 m (45.4) during the second quarter. The EBITDA margin increased by 0.9 percentage points to 8.6 per cent (7.7) mainly due to economies of scale.

EBITDA increased by 15 per cent to SEK 110.0 m (95.8) during the first half year. The EBITDA margin increased by 0.6 percentage points to 8.6 per cent (8.0).

Core Markets



Growth Markets

Growth Markets

(Amounts in MSEK)	Q2 2024	Q2 2023	Change, %	YTD Q2 2024	YTD Q2 2023	Change, %	LTM	Full Year 2023
Net sales	277.1	182.2	52.0 %	518.8	348.0	49.1%	929.0	758.2
EBITDA	3.5	-11.8	129.5 %	3.6	-31.5	111.3 %	-22.3	-57.4
EBITDA margin (%)	1.3 %	-6.5 %	7.7 p.p.	0.7 %	-9.1 %	9.8 p.p.	-2.4 %	-7.6 %
Active customers (thousand)	174	103	68%	221	144	53%	280	222

Net sales

Net sales for the second quarter increased by 52 per cent to SEK 277.1 m (182.2), mainly due to a strong performance in the US. Net sales in constant currency rose 50 per cent. The number of active customers increased by 68 per cent to 174 thousand (103), due to positive momentum in the nicotine pouches category. Nicotine pouch volume grew by 65 per cent during the quarter.

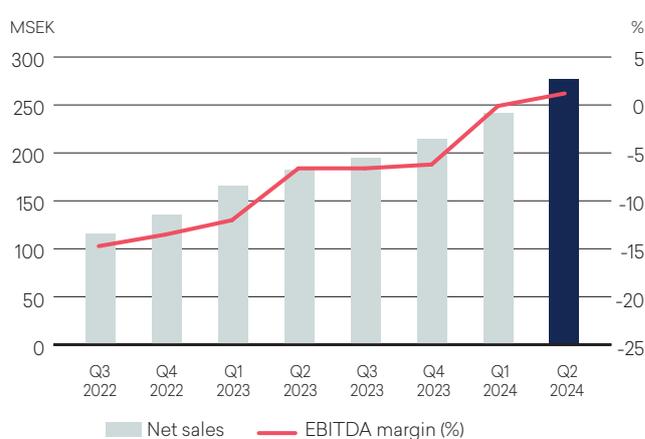
Net sales for the first half year increased by 49 per cent to SEK 518.8 m (348.0). Net sales in constant currency rose 48 per cent. The number of active customers increased by 53 per cent to 221 thousand (144).

EBITDA

EBITDA for the segment increased to SEK 3.5 m (-11.8) during the second quarter. The EBITDA margin increased to 1.3 per cent (-6.5), due to economies of scales, offset by continued commercial investments.

EBITDA for the segment improved to SEK 3.6 m (-31.5) during the first half year. The EBITDA margin was 0.7 per cent (-9.1).

Growth Markets



Emerging Markets¹

Emerging Markets

(Amounts in MSEK)	Q2 2024	Q2 2023	Change, %	YTD Q2 2024	YTD Q2 2023	Change, %	LTM	Full Year 2023
Net sales	12.8	-	-	20.8	-	-	20.8	-
EBITDA	-8.1	-	-	-15.1	-	-	-15.1	-
EBITDA margin (%)	-63.6 %	-	-	-72.4 %	-	-	-72.4 %	-
Active customers (thousand)	14	-	-	19	-	-	24	-

Net sales

Net sales for the second quarter were SEK 12.8 m, derived from the vape segment in the UK, Germany and Sweden. The number of active customers reached 14 thousand.

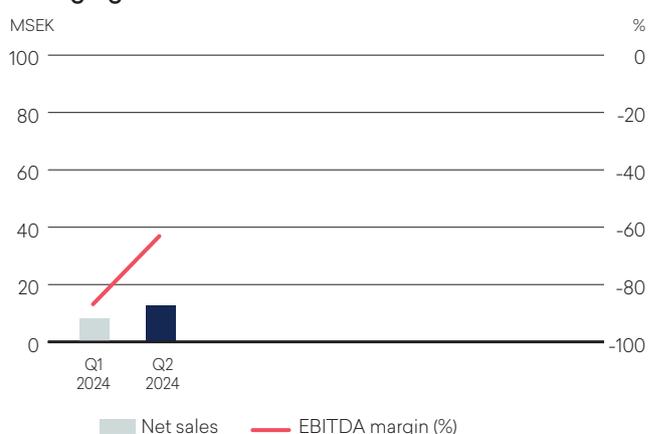
Net sales for the first half year were SEK 20.8 m. The number of active customers were 19 thousand.

EBITDA

EBITDA for the segment was SEK -8.1 m during the second quarter (-0.9 percentage points impact on total Group's adjusted EBITDA margin). The EBITDA margin amounted to -63.6 per cent, driven by commercial investments and a high share of fixed costs compared with current low volumes.

EBITDA for the segment during the first half year amounted to SEK -15,1 m. The EBITDA margin was -72.4 per cent.

Emerging Markets



¹ The Emerging Markets segment was established in January 2024 and currently includes the nicotine vaping category in UK, Sweden and Germany. Haypp Group intends to report new categories and markets in the future within this segment.

Other information

Employees

The average number of full-time employees during Q2 2024 was 194, compared to 161 the same period last year. The increase was primarily attributable to expansion of the business.

Events after the balance sheet date

No significant events to report after the balance sheet date.

Shareholders

The total number of shareholders amounted to approximately 4,350 at the end of June 2024.

Largest shareholders per June 30, 2024.

	Numbers of shares	Share of capital and votes
GR8 Ventures AB	3,904,953	13.09 %
Patrik Rees	3,627,423	12.16 %
Fidelity Investments (FMR)	2,978,581	9.98 %
Northerner Holding AB	2,797,917	9.38 %
madhat AB	1,910,926	6.40 %
Robotti & Company Advisors LLC	1,441,131	4.83 %
Hudson 215 Capital	1,144,700	3.84 %
e-Business Partner Norden AB	1,087,114	3.64 %
Ola Svensson	1,028,760	3.45 %
Gavin O'Dowd	1,012,391	3.39 %
Sum	20,933,896	70.16 %
Others	8,905,192	29.84 %
Total	29,839,088	100 %

Parent company

Haypp Group AB (Corp. Reg. No. 559075-6796), which is domiciled in Stockholm, Sweden, conducts holding operations. During the period, other operating income amounted to SEK 1.7 m (1.8) and profit totalled SEK -5.2 m (-3.2) Total equity amounted to SEK 632.7 m (631.0) per 30 June 2024.

Seasonal effects

Haypp Group assesses that its revenues and EBIT to a limited degree are affected by seasonality. The three segments have varying, but limited, seasonality patterns. The strongest seasonality effect can normally be seen in the months of July and December respectively where holiday seasonality tends to have an adverse effect on Haypp Group's net sales.

Risks and uncertainties

The Haypp Group's and the parent company's business risks and risk management, as well as the management of financial risks, are described in the Annual Report 2023 and the sustainability report. No events of material significance occurred in the period that materially affect or change these descriptions of the Group's and parent company's risks and their management.

This is information that Haypp Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons below, at 07:45 CET on 9 August 2024.

Webcast conference call on 9 August

In connection with the interim report, Haypp Group will hold a webcast conference call in English at 09.00 am CET. Haypp Group will be represented by President and CEO Gavin O'Dowd and CFO Peter Deli, who will present the interim report and answer questions. Information regarding telephone numbers and website is available at <https://www.hayppgroup.com>. The presentation will be available at www.hayppgroup.com/ir after publication of the interim report. The webcast will be available at the same address after the live broadcast.

For further information, please contact:

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Erik Bloomquist, CFA, Investor Relations
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Financial calendar

November 7, 2024
Interim report for Q3 2024

Signatures

The Board of Directors and the CEO give their assurance that the six-month report provides a fair view of the Parent Company's and the Group's operations, financial position and results of operations and describes the significant risks and uncertainties facing the Parent Company and the companies that are part of the Group.

Stockholm on 9 August 2024

Ingrid Jonasson Blank

Chairman

Linus Liljegren

Board member

Adam Schatz

Board member

Anneli Lindblom

Board member

Patrik Rees

Board member

Deepak Mishra

Board member

Gavin O'Dowd

President and CEO

This report has not been reviewed by the company's auditors.

Haypp Group at glance

The Haypp Group is spearheading the global transformation from smoking to risk-reduced alternatives. With origins in Scandinavia, the company has leveraged its leading position, along with its category and e-commerce experience, to widen its positive impact to the US and a range of European markets. With eleven e-commerce store brands, the Haypp Group is present in seven countries where we served more than 950,000 active consumers during 2023. Headquartered in Stockholm, Sweden, Haypp Group employs 168 FTEs and had net sales of over SEK 3 bn during 2023.

Vision

We put the consumer first. We engage with them every day to understand their needs and desires, and we know them like no other actor in the industry. Our vision to “Inspire healthier enjoyment for millions” will help consumers change harmful habits, whilst simultaneously increasing our global presence.

Business model

The consumer is always the focus of our business. Our model starts with managing the consumer experience. We reach out to a broad consumer base, effectively advocating for reduced risk nicotine alternatives and assisting them to find the most appropriate solution.

Our model enables us to gain a more comprehensive understanding of the consumer in a revolutionary new way. We utilise this knowledge to constantly evolve and improve our customer’s journey. Our insights are the driving force for the whole industry to create great quality products, provide superb product offers and produce in a responsible and sustainable way.

Our business model is solid and scalable. It is a model with proven success, that has resulted in increased consumption across a broader range of consumer profiles. It has also resulted in increased sales of premium products and tobacco-free nicotine pouches, in comparison to the rest of the industry.

Values

Society is demanding a change in the tobacco and nicotine industry. We believe that “Inspiring healthier enjoyment for millions” is pivotal to drive the global change. As a result of our success in Scandinavia and our recent achievements when entering new markets, we are in a unique position to help drive that change in society.

Financial targets

Haypp Group’s Board of Directors has adopted the following financial targets:

Topline Growth

Haypp Group targets net sales of SEK 5 billion by 2025 in its existing business through organic growth. Expansion into adjacent categories and new markets will be incremental.

Profitability

While Haypp Group will continue to prioritise topline growth, it expects to reach a high single digit adjusted EBIT margin in the current Core & Growth Markets business in 2025.

Reinvestment

In order to provide multiple choices for a broader range of consumers and take advantage of its substantial revenue growth opportunities, Haypp Group plans to enter new markets and adjacent RRP (Reduced Risk Products) categories in Europe. The Group will reinvest approximately 1–2 percentage points of adjusted EBIT margin through 2024 and 2025. These efforts are reported in the Emerging segment.

Dividend policy

Moreover, as the Board and management team look beyond 2025 and the Group’s anticipated substantial cash generation, Haypp will maintain its policy of prudent capital allocation taking advantage of appropriate opportunities and returning excess cash to shareholders.

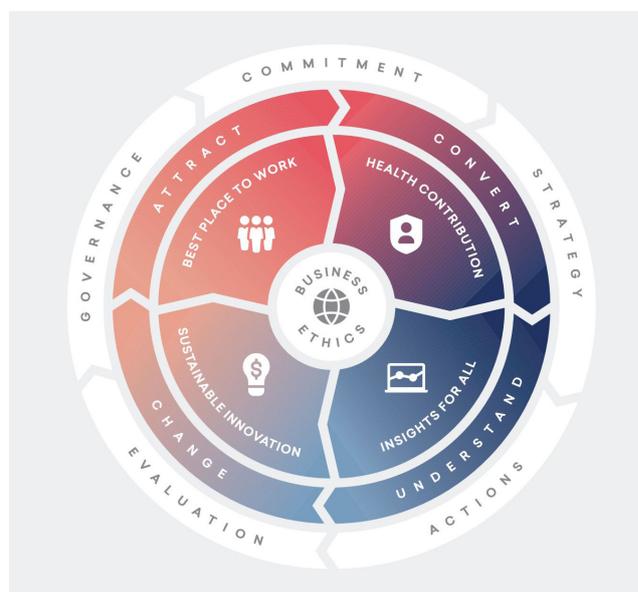
Haypp Group and sustainability

Haypp Group has a sustainable business model built on five strategic areas. The areas are aligned with our vision and higher purpose and incorporated into our operations. Our contribution to sustainability, health and society go hand-in-hand with our business success. The better business we do, the better for society as a whole.

Continuous pursuit of sustainability

Haypp Group's 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 the full report please refer to our annual Sustainability Report.



Sustainability area	Target	Measure	Q2 2024	Q2 2023	Full Year 2023
Health Contribution	Grow customers of harm reduced products	Number of purchasing customers	591,290	485,762	953,346
Insights for all	Increase public awareness and understanding	Number of visits to editorial material, facts and reports	1,214,089	1,181,735	5,010,054
Sustainable innovation for growth and development	Quality assurance & Product development	Share of relevant portfolio tested & according to standard*	100.0 %	87.6 %	84.9 %
Best place to work	Great employer	Employee satisfaction in per cent	79 %	79 %	80 %
Business Ethics	Delivering on the customer promise	Rate of customer satisfaction	65.2	69.3	70.7

* This year we have started measuring the tested percentage of products launched during the year instead of the total portfolio, which was previously measured.

Consolidated income statement

Amounts in KSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Net sales	942,815	768,782	1,820,342	1,550,076	3,435,985	3,165,720
Capitalised work on own account	7,250	5,561	14,338	10,765	27,944	24,371
Other operating income	890	3,448	1,444	8,784	-3,797	3,542
Total	950,954	777,791	1,836,125	1,569,625	3,460,132	3,193,633
Goods for resale	-807,611	-669,937	-1,559,023	-1,357,752	-2,964,356	-2,763,084
Other external costs	-38,399	-29,134	-73,839	-63,044	-139,578	-128,784
Personnel expenses	-67,621	-54,076	-118,247	-92,671	-205,889	-180,313
Depreciation and amortization of tangible and intangible assets	-27,082	-23,055	-58,025	-45,389	-109,009	-96,374
Other operating expenses	-626	-5,454	-1,510	-7,196	2,916	-2,771
Sum expenses	-941,340	-781,657	-1,810,643	-1,566,053	-3,415,916	-3,171,326
Operating profit/loss	9,615	-3,865	25,482	3,572	44,216	22,307
Financial income/expense						
Financial income	321	7,384	9,998	7,763	21,882	19,647
Financial expenses	-4,852	-1,930	-10,886	-9,626	-35,352	-34,092
Financial net	-4,531	5,453	-888	-1,864	-13,470	-14,445
Earnings Before Tax	5,084	1,588	24,593	1,708	30,747	7,862
Income tax	-5,053	-1,148	-11,715	168	-14,709	-2,825
Profit/loss for the period	31	440	12,878	1,876	16,038	5,036
Profit/loss for the period attributable to:						
The parent company's shareholders	31	440	12,878	1,876	16,038	5,036
Earnings per share, calculated on the earnings attributable to the parent company's shareholders during the period:						
Earnings per share before dilution (SEK)	0.00	0.02	0.43	0.06	0.54	0.17
Earnings per share after dilution (SEK)	0.00	0.01	0.42	0.06	0.53	0.17

Consolidated statement of comprehensive income

Amounts in KSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Profit/loss for the period	31	440	12,878	1,876	16,038	5,036
Other comprehensive income:						
Items that may be reclassified to profit or loss						
Foreign currency translation differences	2,187	2,309	3,103	-4,442	-1,379	-8,924
Total other comprehensive income	2,187	2,309	3,103	-4,442	-1,379	-8,924
Total Comprehensive income	2,217	2,749	15,981	-2,566	14,659	-3,888
Total comprehensive income for the year attributable to:						
Parent company shareholders	2,217	2,749	15,981	-2,566	14,659	-3,888
Average number of shares before dilution	29,839,088	29,123,090	29,839,088	29,122,785	29,700,548	29,342,396
Average number of shares after dilution	30,876,048	29,596,731	30,683,598	29,584,664	30,329,325	29,720,859

Consolidated balance sheet

Amounts in KSEK	2024-06-30	2023-12-31
ASSETS		
Fixed assets		
Intangible assets		
Goodwill	156,760	155,062
Customer relationships	84,251	91,369
Trademarks	111,080	120,179
Websites	16,162	18,960
Capitalized development costs	117,124	102,033
Total intangible assets	485,376	487,604
Tangible assets		
Leasehold improvements	1,231	1,541
Equipment	2,912	3,406
Total tangible assets	4,143	4,947
Financial assets		
Non-current receivables	7,470	7,250
Total financial assets	7,470	7,250
Right-of-use assets	104,437	103,719
Deferred tax assets	1,578	15,291
Total fixed assets	603,004	618,811
Current assets		
Inventories		
Goods for resale	240,072	263,338
Current receivables		
Accounts receivable	115,750	70,197
Current tax recoverable	4,236	2,113
Other receivables	39,337	38,026
Prepaid expenses and accrued income	66,089	51,235
Cash and cash equivalents	50,344	11,424
Total current receivables	275,757	172,995
Total current assets	515,828	436,333
TOTAL ASSETS	1,118,832	1,055,144

Consolidated balance sheet cont.

Amounts in KSEK	2024-06-30	2023-12-31
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,955	1,955
Other contributed capital	701,570	694,627
Translation differences	-6,400	-9,503
Retained earnings (including net profit/loss for the year)	-75,434	-88,312
Total equity	621,691	598,767
LIABILITIES		
Non-current liabilities		
Non-current lease liability	75,020	69,424
Deferred tax liabilities	16,678	18,489
Other liabilities	1,014	2,182
Total non-current liabilities	92,712	90,095
Current liabilities		
Bank overdraft	39,473	136,377
Current lease liability	26,145	30,078
Accounts payable	168,588	110,623
Current tax liabilities	0	296
Other liabilities	47,193	29,879
Accrued expenses and deferred income	123,030	59,029
Total current liabilities	404,429	366,282
Total liabilities	497,141	456,377
TOTAL EQUITY AND LIABILITIES	1,118,832	1,055,144

Consolidated statement of changes in equity

Amounts in KSEK	Share capital	Other contributed capital	Translation differences	Retained earnings	Total equity
Opening balance, 2023-01-01	1,908	689,558	-579	-93,348	597,539
Profit/loss for the year				1,876	1,876
Other comprehensive income for the year			-4,442		-4,442
Total comprehensive income	0	0	-4,442	1,876	-2,566
New share issue ¹	3	3,940			3,943
Total transactions with shareholders in their attribute as shareholders	3	3,940	0	0	3,943
Closing balance, 2023-06-30	1,911	693,498	-5,021	-91,472	598,916
Opening balance, 2024-01-01	1,955	694,627	-9,503	-88,312	598,767
Profit/loss for the year				12,878	12,878
Other comprehensive income for the year			3,103		3,103
Total comprehensive income	0	0	3,103	12,878	15,981
New share issue ¹	0	6,943			6,943
Total transactions with shareholders in their attribute as shareholders	0	6,943	0	0	6,943
Closing balance, 2024-06-30	1,955	701,570	-6,400	-75,434	621,691

¹ After deduction of issue costs

Consolidated statement of cash flow

Amounts in KSEK	YTD Q2 2024	YTD Q2 2023
Cash flow from operating activities		
Operating result	25,482	3,572
Adjustment for non-cash items:		
- Depreciation and amortization of tangible and intangible assets	58,025	45,389
- Other non-cash items	14,408	580
Interest received	256	52
Interest paid	-6,338	-4,769
Income tax paid	-2,392	-2,236
Cash flow from operating activities before change in working capital	89,439	42,588
Cash flow from change in working capital		
Increase/decrease in inventories	28,692	74,321
Increase/decrease in operating receivables	-53,412	-63,406
Increase/decrease in operating liabilities	124,383	76,600
Total change in working capital	99,663	87,516
Cash flow from operating activities	189,102	130,104
Cash flow from investing activities		
Investment in intangible assets	-33,099	-26,662
Investment in tangible assets	-4,955	-760
Change in other financial assets	-1,942	439
Cash flow from investing activities	-39,997	-26,983
Cash flow from financing activities		
New loans	492	-1,307
Change bank overdraft	-96,903	-43,307
Repayment of loans	-1,928	-26,928
Repayment of leasing debt	-12,573	-9,947
New share issue ¹	0	719
Cash flow from financing activities	-110,912	-80,770
Decrease/increase in cash and cash equivalents		
Opening cash and cash equivalents	11,424	15,196
Cash flow for the period	38,193	22,351
Exchange-rate differences in cash and cash equivalents	727	1,272
Closing cash and cash equivalents	50,344	38,819

¹ Cost after deduction of issue cost

Parent Company income statement

Amounts in KSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Other operating income	902	1,157	1,730	1,795	3,749	3,814
Total	902	1,157	1,730	1,795	3,749	3,814
Other external costs	-2,610	-794	-3,784	-1,801	-8,363	-6,380
Personnel expenses	-1,675	-2,480	-3,182	-4,045	-6,413	-7,276
Depreciation and amortization of tangible and intangible assets	-13	-13	-25	-25	-50	-50
Other operating expenses	-6	-2	-7	-5	-15	-13
Sum expenses	-4,304	-3,288	-6,999	-5,876	-14,842	-13,719
Operating profit/loss	-3,402	-2,131	-5,268	-4,081	-11,093	-9,905
Financial income/expense						
Interest income and other financial income	-2	-1	0	-1	3	2
Interest and other financial expenses	-20	-1	-23	-1	-23	0
Result from financial income/expenses	-22	-2	-23	-2	-20	2
Earnings Before Tax	-3,424	-2,133	-5,292	-4,083	-11,112	-9,903
Appropriations	0	0	0	0	0	0
Earnings before tax	-3,424	-2,133	-5,292	-4,083	-11,112	-9,903
Income tax	0	0	0	880	1,998	2,878
Profit/loss for the period	-3,424	-2,133	-5,292	-3,203	-9,114	-7,025

In the Parent Company, there are no items that are reported as other comprehensive income, hence the total comprehensive income corresponds to the profit for the year.

Parent Company balance sheet

Amounts in KSEK	2024-06-30	2023-12-31
ASSETS		
Fixed assets		
Intangible assets		
Capitalized development costs	12	37
Total intangible assets	12	37
Financial assets		
Shares in subsidiaries	321,926	321,926
Deferred tax assets	5,429	5,429
Non-current receivables	189	2,036
Non-current intercompany receivables	295,384	297,166
Total financial assets	622,927	626,556
Total fixed assets	622,939	626,594
Current assets		
Current receivables		
Receivables from group companies	5,973	8,028
Current tax recoverable	139	79
Other receivables	7,466	1,957
Prepaid expenses and accrued income	745	728
Total current receivables	14,322	10,791
Cash and cash equivalents	3	175
Total current assets	14,325	10,966
TOTAL ASSETS	637,264	637,559

Parent Company balance sheet cont.

Amounts in KSEK	2024-06-30	2023-12-31
EQUITY AND LIABILITIES		
EQUITY		
Restricted equity		
Share capital	1,955	1,955
Non-restricted equity		
Premium fund	701,570	694,627
Retained earnings	-65,551	-58,526
Profit/loss for the period	-5,292	-7,025
Total equity	632,683	631,031
LIABILITIES		
Non-current liabilities		
Non-current intercompany liabilities	0	4,329
Other liabilities	1,014	254
Total non-current liabilities	1,014	4,583
Current liabilities		
Current liabilities to group companies	175	175
Accounts payable	373	0
Other liabilities	82	127
Accrued expenses and deferred income	2,938	1,643
Total current liabilities	3,567	1,945
Total liabilities	4,581	6,528
TOTAL EQUITY AND LIABILITIES	637,264	637,559

Notes

General information

Haypp Group AB (publ) with Corporate Registration No. 559075-6796 is a limited liability company registered in Sweden, with its registered office in Stockholm. The address of the head office is Östgötagatan 12, SE-116 25, Stockholm, Sweden. The operations of the Parent Company and its subsidiaries comprise investing in e-commerce companies and conducting related activities.

Accounting principles

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

The consolidated accounts for Haypp Group AB (publ) have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as International Accounting Standards (IFRS) and interpretations from the International Accounting Interpretation Committee (IFRS IC) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Parent Company applies RFR 2 Accounting for Legal Entities and the Annual Accounts Act.

The accounting principles and calculation methods applied in this interim report are in accordance with the principles described in the Annual Report 2023. For further information regarding the Group's and the Parent Company's applied accounting principles, see the Group's Annual Report 2023.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's operations are divided into operating segments consisting of Core Markets (Sweden and Norway) and Growth Markets (US, Europe outside Sweden and Norway) and Emerging Markets focused on new product categories in current geographies. The Chief operating decision maker is the function responsible for allocating resources and assessing the operating segments' results. In the Group, this function has been identified as the CEO, who makes strategic decisions.

Earnings per share before dilution

Earnings per share before dilution are calculated by dividing:

- Profit/loss for the year attributable to the parent company's shareholders,
- with a weighted average number of outstanding ordinary shares during the period, excluding repurchased shares held as treasury shares by the parent company

Earnings per share after dilution

For the calculation of earnings per share after dilution, the amounts used for the calculation of earnings per share before dilution are adjusted by taking into account:

- the weighted average of the additional ordinary shares that would have been outstanding in a conversion of all potential ordinary shares

Dilution effect of potential ordinary shares is reported only if a conversion to ordinary shares would lead to a reduction in earnings per share after dilution. As the Company reports losses for certain periods, no dilution effect for such periods is reported.

Important estimates and assessments for accounting purposes

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under prevailing conditions.

Significant estimates and assessments in the Group are attributable to goodwill and deferred tax. For further information, see the Group's Annual Report 2023.

Note 1 Financial instruments

The carrying amount of the Group's long-term financial instruments valued at amortized cost essentially corresponds to its fair value as the interest rate is in parity with current market interest rates.

The carrying amount of the Group's short-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the discounting effect is not significant.

Note 2 Transactions with related parties

Transactions between Haypp Group and its subsidiaries have been eliminated in the consolidated financial statements. All transactions between related parties have been conducted on commercial terms, on an arm's length basis.

Note 3 Disclosure on new share and warrant issues

At the Annual General Meeting in May 2024 it was decided to issue 1 125 197 new warrants to employees, increasing other contributed capital by SEK 6 943 200. The duration of these warrants is between 1-3 years.

Key ratios

Amounts in MSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Income statement						
Net sales growth, %	22.6	22.5	17.4	22.3		21.8
Adjusted EBITDA	51.5	33.5	98.3	64.2	168.7	134.6
Adjusted EBITDA margin, %	5.5	4.4	5.4	4.1	4.9	4.3
Adjusted EBIT	34.4	20.4	65.0	38.7	104.5	78.2
Adjusted EBIT margin, %	3.7	2.7	3.6	2.5	3.0	2.5
Operating profit/loss	9.6	-3.9	25.5	3.6	44.2	22.3
Balance sheet						
Net working capital	169.6	156.6	169.6	156.6	169.6	253.1
Net debt			90.3	110.4	90.3	224.5
Investments			-40.0	-27.0		-61.0
Net debt/Adjusted EBITDA, times					0.5	1.7
Equity/Total assets ratio, %	55.6	58.9	55.6	58.9		56.7
Cash flow						
Cash flow from operating activities			189.1	130.1		80.5
Data per share						
Earnings per share after dilution (SEK)	0.00	0.01	0.42	0.06	0.53	0.17
Equity per share after dilution (SEK)	20.1	20.2	20.3	20.2	20.5	20.1
Cash flow from operating activities per share after dilution (SEK)			6.2	4.4		2.7
Average number of shares after dilution	30,876,048	29,596,731	30,683,598	29,584,664	30,329,325	29,720,859

Segment information by quarter

Amounts in MSEK	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Net sales per segment								
Core Markets	514.4	564.8	615.5	586.6	573.6	631.8	627.7	653.0
Growth Markets	116.3	135.7	165.8	182.2	195.3	214.9	241.8	277.1
Emerging Markets							8.1	12.8
EBITDA per segment								
Core Markets	42.2	47.3	50.4	45.4	45.6	50.1	53.7	56.3
Growth Markets	-17.0	-18.2	-19.8	-11.8	-12.7	-13.2	0.1	3.5
Emerging Markets							-7.0	-8.1
EBITDA margin per segment (%)								
Core Markets	8.2 %	8.4 %	8.2 %	7.7 %	8.0 %	7.9 %	8.6 %	8.6 %
Growth Markets	-14.6 %	-13.4 %	-11.9 %	-6.5 %	-6.5 %	-6.1 %	0.0 %	1.3 %
Emerging Markets							-86.3 %	-63.1 %
Active customers per segment (thousand)								
Core Markets	355	376	401	383	390	414	410	404
Growth Markets	76	82	100	103	105	117	129	174
Emerging Markets							9	14

Reconciliation of alternative performance measures

Management uses performance measures to supplement measures defined by IFRS or directly in the income statement and balance sheet. These measures are known as alternative performance measures, APM.

Items affecting comparability

Consulting and advisory costs

External costs mainly include fees to external financial and commercial advisors.

Acquisition, integration and restructuring costs

Acquisition costs and integration mainly consist of external costs for acquisitions (mainly fees to external

advisors) and costs relating to integrating acquired businesses or assets.

Restructuring costs mainly consists of severance pay for significant organizational changes and also includes write down and impairment connected to improvements made in the company infrastructure.

Charge for a bonus paid to senior leaders to allow them to purchase new warrants (2024/2027), since no benefit was realized from previous program.

Amounts in MSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
EBIT margin						
EBIT	9.6	-3.9	25.5	3.6	44.2	22.3
Net sales	942.8	768.8	1,820.3	1,550.1	3,436.0	3,165.7
EBIT margin, %	1.0	-0.5	1.4	0.2	1.3	0.7
Adjusted EBIT						
EBIT	9.6	-3.9	25.5	3.6	44.2	22.3
Amortisation of acquired intangible assets	10.0	10.0	20.0	19.9	40.1	40.0
Less items affecting comparability:						
Consulting and advisory costs	0.0	0.0	0.0	0.7	0.0	0.7
Acquisition, integration and restructuring costs	14.8	14.3	19.6	14.6	20.3	15.2
Adjusted EBIT	34.4	20.4	65.0	38.7	104.5	78.2
Adjusted EBIT margin, %	3.7	2.7	3.6	2.5	3.0	2.5
EBITDA						
EBIT	9.6	-3.9	25.5	3.6	44.2	22.3
Depreciation/amortisation and impairment of assets	27.1	23.1	58.0	45.4	109.0	96.4
EBITDA	36.7	19.2	83.5	49.0	153.2	118.7
EBITDA margin						
EBITDA	36.7	19.2	83.5	49.0	153.2	118.7
Net sales	942.8	768.8	1,820.3	1,550.1	3,436.0	3,165.7
EBITDA margin, %	3.9	2.5	4.6	3.2	4.5	3.7
Adjusted EBITDA						
EBITDA	36.7	19.2	83.5	49.0	153.2	118.7
Less items affecting comparability:						
Consulting and advisory costs	0.0	0.0	0.0	0.7	0.0	0.7
Acquisition, integration and restructuring costs	14.8	14.3	14.8	14.6	15.5	15.2
Adjusted EBITDA	51.5	33.5	98.3	64.2	168.7	134.6
Adjusted EBITDA margin, %	5.5	4.4	5.4	4.1	4.9	4.3

Amounts in MSEK	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	Last 12 months	Full Year 2023
Adjusted operating expenses						
Sum expenses	-941.3	-781.7	-1,810.6	-1,566.1	-3,415.9	-3,171.3
Other operating income	0.9	3.4	1.4	8.8	-3.8	3.5
Capitalised work on own account	7.3	5.6	14.3	10.8	27.9	24.4
Cost of Goods sold (-)	807.6	669.9	1,559.0	1,357.8	2,964.4	2,763.1
Depreciation and amortization of tangible and intangible assets	27.1	23.1	58.0	45.4	109.0	96.4
Less items affecting comparability:						
Consulting and advisory costs	0.0	0.0	0.0	0.7	0.0	0.7
Acquisition, integration and restructuring costs	14.8	14.3	19.6	14.6	20.3	15.2
Adjusted operating expenses	-83.7	-65.3	-158.2	-128.1	-298.1	-268.1
Net debt						
Non-current lease liability					75.0	69.4
Bank overdraft					39.5	136.4
Current lease liability					26.1	30.1
Cash and cash equivalents					-50.3	-11.4
Net debt					90.3	224.5
Net debt / adjusted EBITDA						
Net debt					90.3	224.5
Adjusted EBITDA					168.7	134.6
Net debt/Adjusted EBITDA, times					0.5	1.7
Items affecting comparability						
Consulting and advisory costs	0.0	0.0	0.0	-0.7	0.0	-0.7
Acquisition, integration and restructuring costs	-14.8	-14.3	-19.6	-14.6	-20.3	-15.2
Items affecting comparability	-14.8	-14.3	-19.6	-15.2	-20.3	-15.9
Equity per share after dilution						
Total equity	621.7	598.9	621.7	598.9	621.7	598.8
Average number of shares after dilution	30,876,048	29,596,731	30,683,598	29,584,664	30,329,325	29,720,859
Equity per share after dilution (SEK)	20.1	20.2	20.3	20.2	20.3	20.1
Cash flow from operating activities per share after dilution						
Cash flow from operating activities			189.1	130.1	189.1	80.5
Average number of shares after dilution	30,876,048	29,596,731	30,683,598	29,584,664	30,329,325	29,720,859
Cash flow from operating activities per share after dilution (SEK)			6.2	4.4	6.2	2.7

Net working capital

Amounts in MSEK	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Goods for resale	240.1	148.5	263.3
Accounts receivable	115.8	64.3	70.2
Other receivables	39.3	85.8	38.0
Prepaid expenses and accrued income	66.1	68.7	51.2
Accounts payable	-168.6	-78.9	-110.6
Accrued expenses and deferred income	-123.0	-131.8	-59.0
Net working capital	169.6	156.6	253.1

Definitions

	Definition	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.
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, MSEK	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, MSEK	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, MSEK	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, MSEK	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.
Net debt, MSEK	Non-current lease liability, 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, x	Net debt in relation to adjusted EBITDA.	Shows financial risk and is an indication of repayment capacity.
Items affecting comparability	Significant items affecting comparability, including significant consulting and advisory costs, acquisition, integration and restructuring costs, significant legal costs and bonus paid. It also includes write down and impairment connected to improvements made in the company 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.
Active customers	Unique customers who have made a purchase during the period.	Shows unique customers who have made a purchase during the period.

