

# HAYPP GROUP

## Q1 2026 Report

May 7<sup>th</sup> 2026

# Today's presenters



**Gavin O'Dowd**  
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CFO

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# Haypp – At a Glance

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Investment Thesis

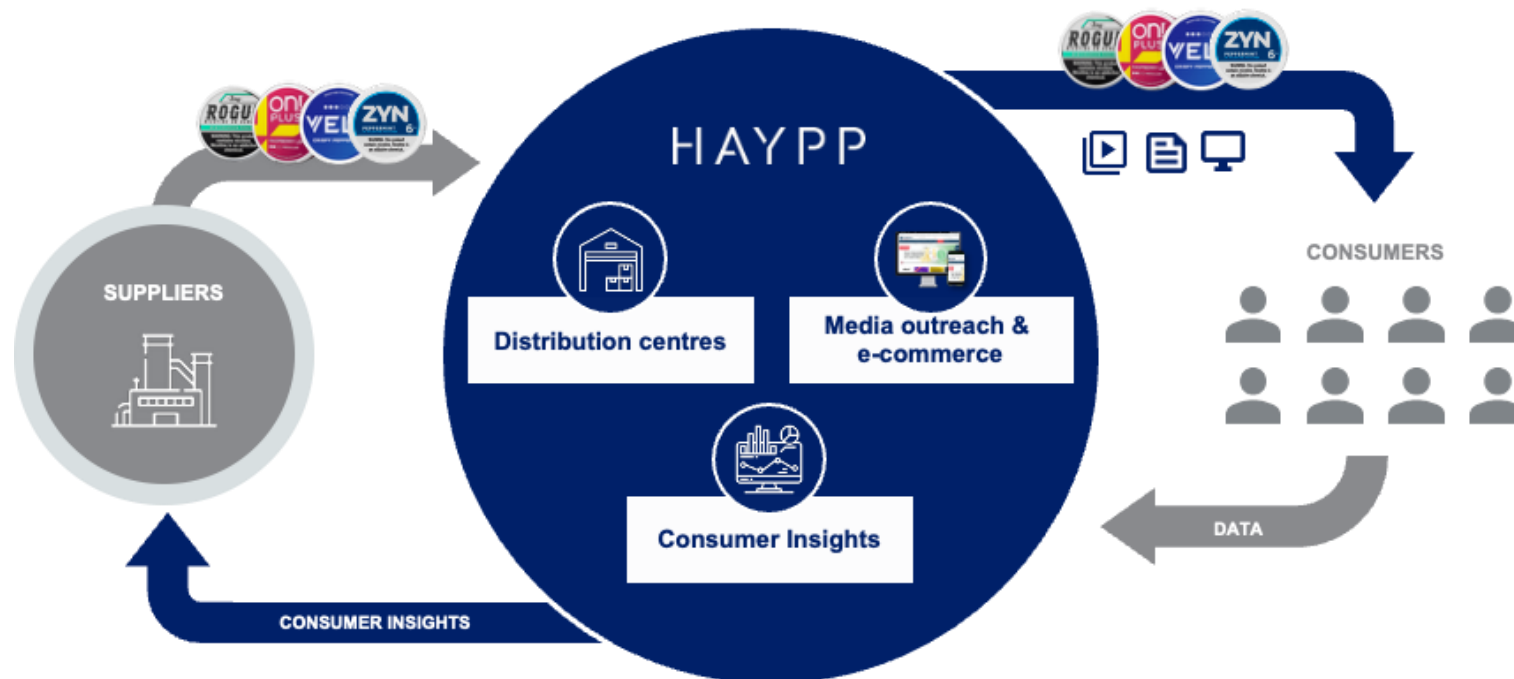
# Haypp Group - At a Glance

## World's leading nicotine pouch retailer

- An e-commerce company leveraged to the secular shift by consumers toward reduced risk nicotine products (RRPs), primarily nicotine pouches
- The Group sells RRP's via its 16 e-commerce sites in 7 markets
- ~90% of revenue is from product sales, ~10% from Media & Insights
- Jurisdictional complexity & strict nicotine product regulation create further scale-driven competitive barriers to entry
- Haypp's 2028 targets relative to 2024 are to 2x revenue and 3-4x adj. EBIT, largely driven by US growth

## Integral value chain position creates flywheel for growth

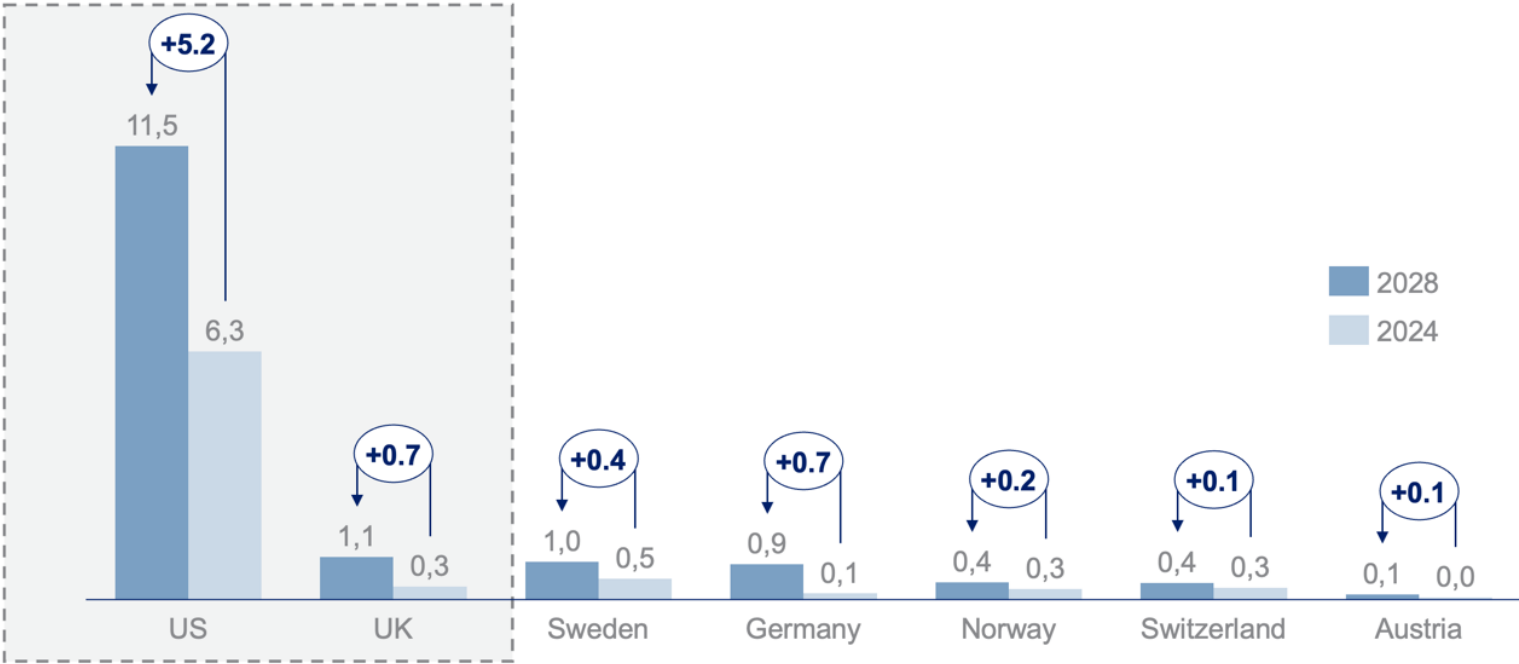
Continually improving assortment of innovative products



# Haypp's addressable consumer base to double

## US & UK to drive most NP consumer growth

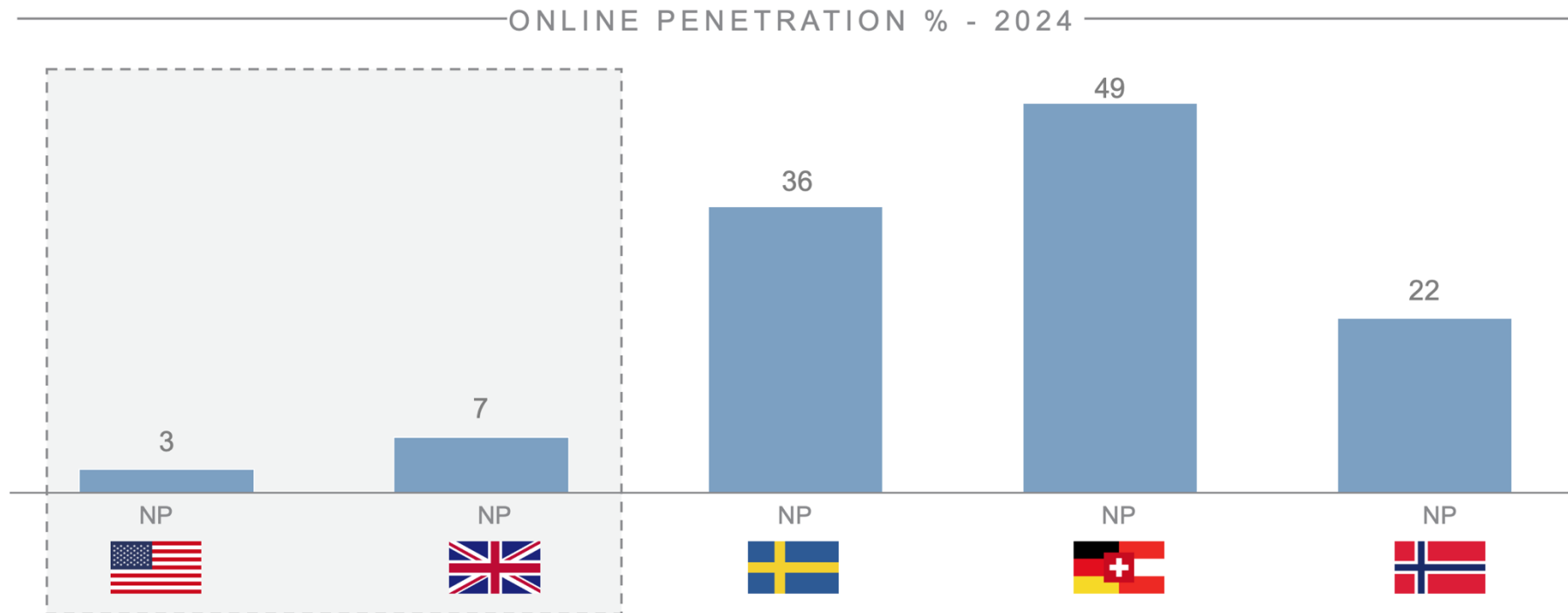
Projected NP Consumers 2024 to 2028E



Source: Euromonitor, FDA, UKGOV, Arthur D. Little. Note: millions of consumers

# Tremendous upside potential from shift to online

## Online penetration - US & UK upside to Nordic levels



Source: Company estimates

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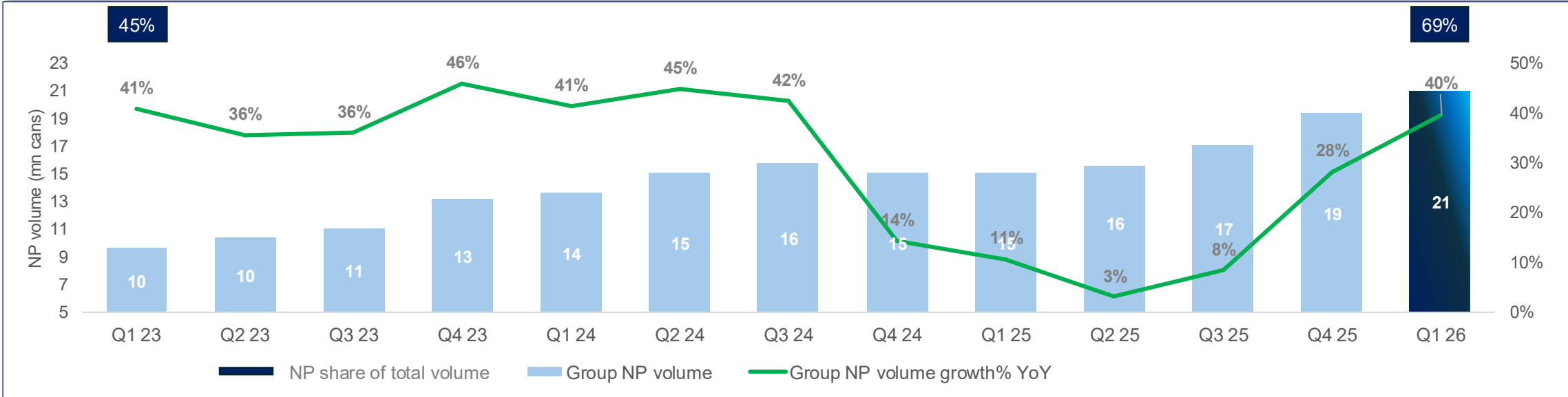
# Q1 2026 Performance Highlights

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KPI Dashboard and Strategic Scorecard

# Nicotine pouch volume growth accelerating from high base

Group NP volume and Group NP growth YoY(%)



### Nicotine Pouches

- NP Group volume weight of 69% supports future growth momentum
- NP volume growth accelerated to 40% during the quarter

# Q1 2026 Performance Highlights



## Sustained Consumer Momentum

- Group Active Consumers +17.8% vs. Q1 25
- Growth Act Cons +66.4%; Core Act Cons +5.0%
- Group Consumer Orders +19.2% vs. Q1 25



## Volume Acceleration

- Group volume +23% YoY
- NP\* volume +40% YoY; 69% of Group vol
- Growth segment NP volume up +83%
- NP volume +123% in US and +102% in UK



## Net Sales > Consumer Growth

- Net Sales +19.6% vs. Q1 25 (+24.3% cc\*\*)
- Growth +58% cc; Core +14.0% cc
- Strong US volumes partly offset by manufacturer price discounts



## Gross Profit Increase Inline w/ Sales Growth

- Gross profit increased +20.1% YoY
- Gross margin 18.6% up vs Q1 25
- M&I increases reinvested into targeted pricing to accelerate momentum



## Growth Investments Pressure adj. EBIT

- Organizational build in US and UK
- Increased marketing in Growth segment
- Investment into new geographies

# Q1 2026 : Group KPI Dashboard

**652,000**

Active Consumers

+17.8% vs Q1 25

**1,413** (000)

Orders

+19.2% vs Q1 25

**30.3mn**

Total Volume

+23% vs Q1 25

**21.0mn**

NP Volume

+40% vs Q1 25

**SEK1,104mn**

Net Sales

+19.6% vs Q1 25 (+24.3% cc)

**SEK205mn**

Gross Profit

+20.1% vs Q1 25

**18.6%**

Gross Margin %

+0.1pp vs Q1 25

**SEK27.2mn**

Adj. EBIT

-43% vs Q1 25

**2.5%**

Adj. EBIT Margin

-2.7pp vs Q1 25

- Volume and sales growth driven by increasing Active Consumer base in Growth segment
- Rising orders per consumer and higher average order size increasing share of wallet in Core segment

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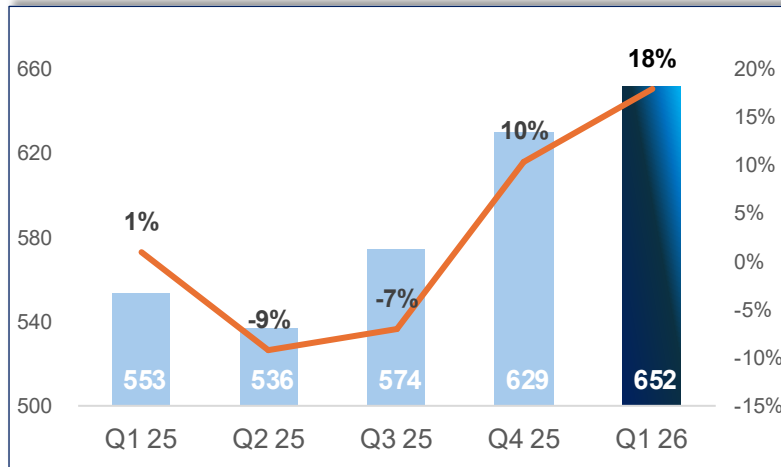
# Consumer Growth

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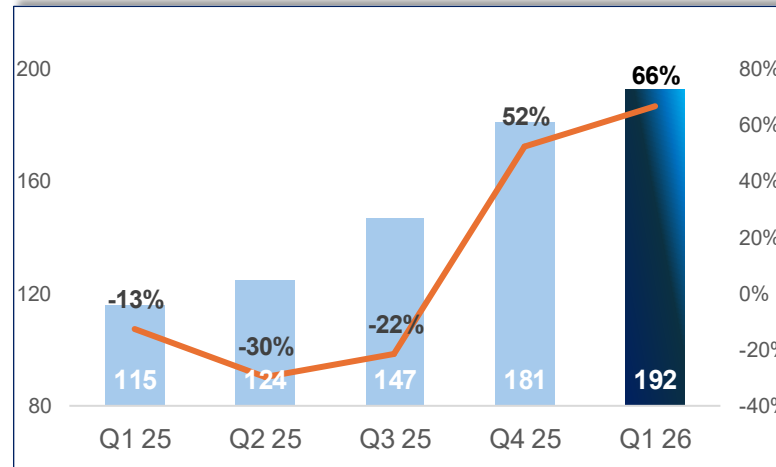
Consumer Growth and NP Leadership

# Consumer growth momentum continues in Q1 26

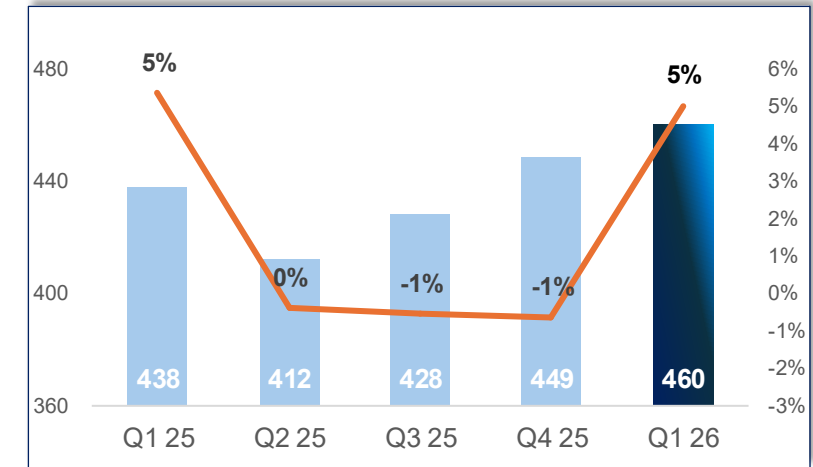
## Active Consumers ('000) & YoY Growth



## Growth Act. Cons('000) & YoY Growth



## Core Act. Consumers ('000) & YoY Growth



### Growth

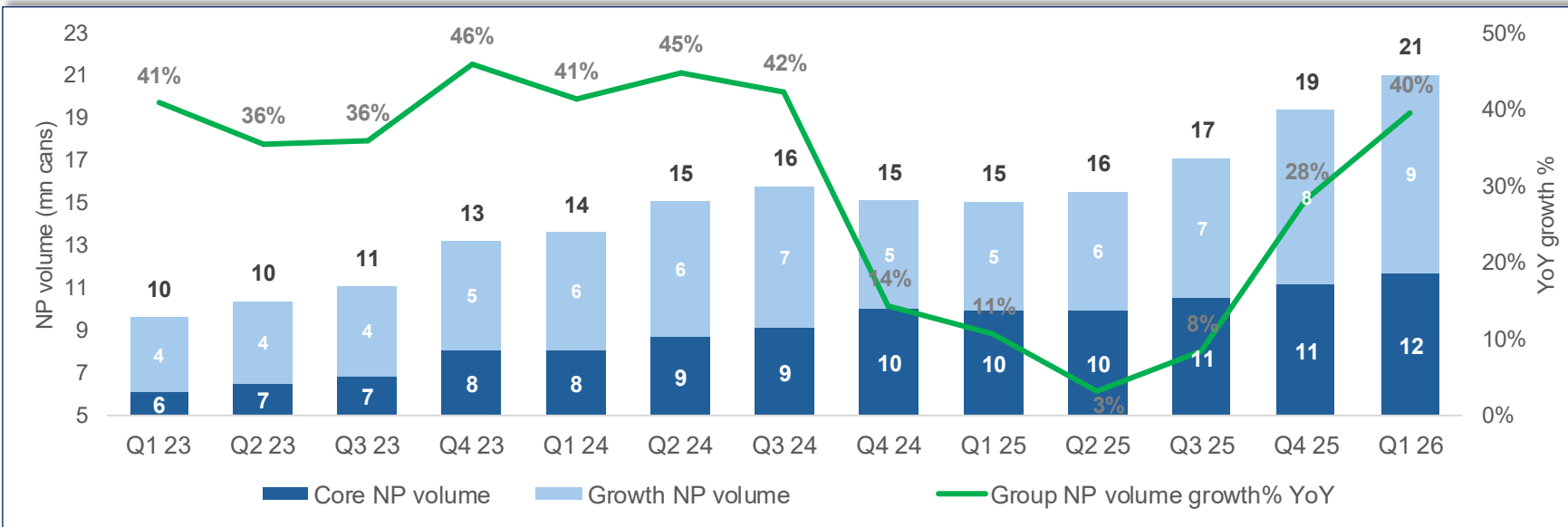
- 66% YoY increase driven by US and UK
- Marketing efforts showing initial promise

### Core

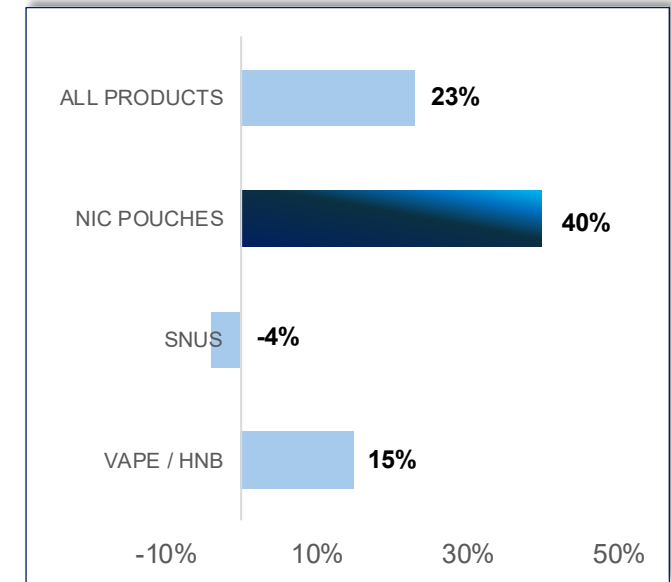
- Active Consumers at new high, a combination of a stabilizing snus consumer base and an increasing number of NP consumers

# Nicotine pouch volume growth accelerating from high base

## NP segment volume and Group NP growth YoY (%)



## Q1 26 Volume YoY Growth %



### Nicotine Pouches

- NP Group volume weight supports future growth
- US & UK primary market drivers
- Core vol over 56% NP with high-teen NP growth YoY taking significant market share

### Snus

- Snus volume decline moderating since Q4 25
- Enhanced snus consumer offer to leverage household mixed category purchases

### Vape & HNB

- UK discontinuation reduced YoY growth
- Germany and Sweden volume up 119% vs Q1 25
- Growth trajectory expected to continue

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# Financial Performance

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P&L and Balance Sheet

# Haypp Group Q1 2026 enhanced disclosures

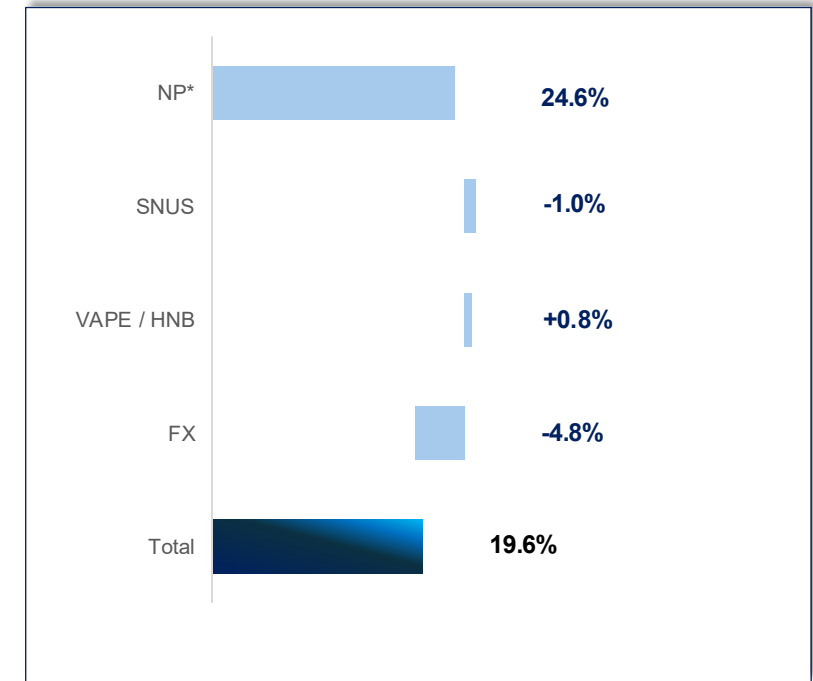
- Group and segment total volume and share of NP
- Gross margin by segment
- Emerging segment integrated into Core and Growth segments as of Q1 2026
- Group sales by revenue stream (e-commerce, Media & Insights)
- Group overhead cost breakdown by Marketing, Fulfillment and General & Administrative
- See the Q1 2026 report for full details

# Net sales momentum continues

Group Net Sales (SEKmn) and YoY Growth % cc



Q1 26 Net Sales YoY Growth pp contribution

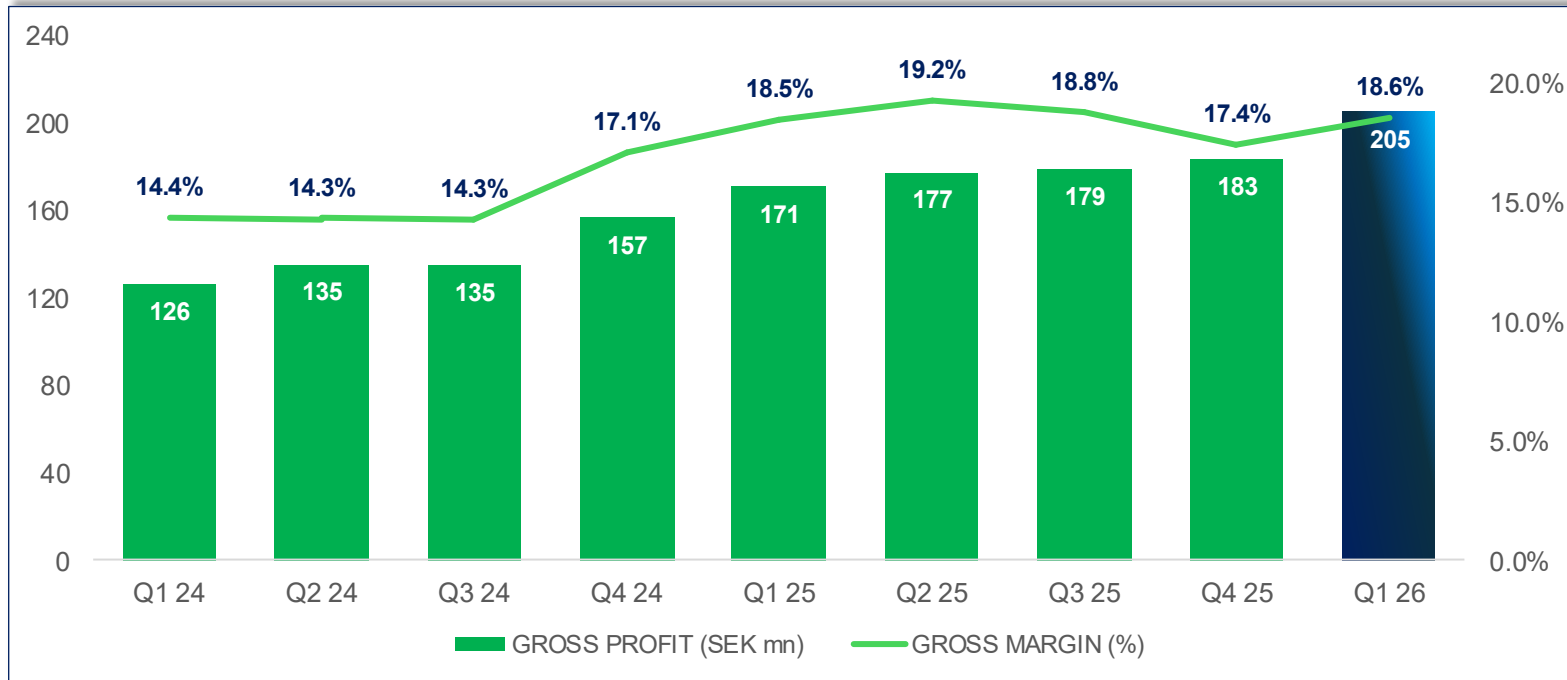


- Q1 26 YoY growth at constant currency highest in last 6 quarters
- Largest ever revenue growth YoY

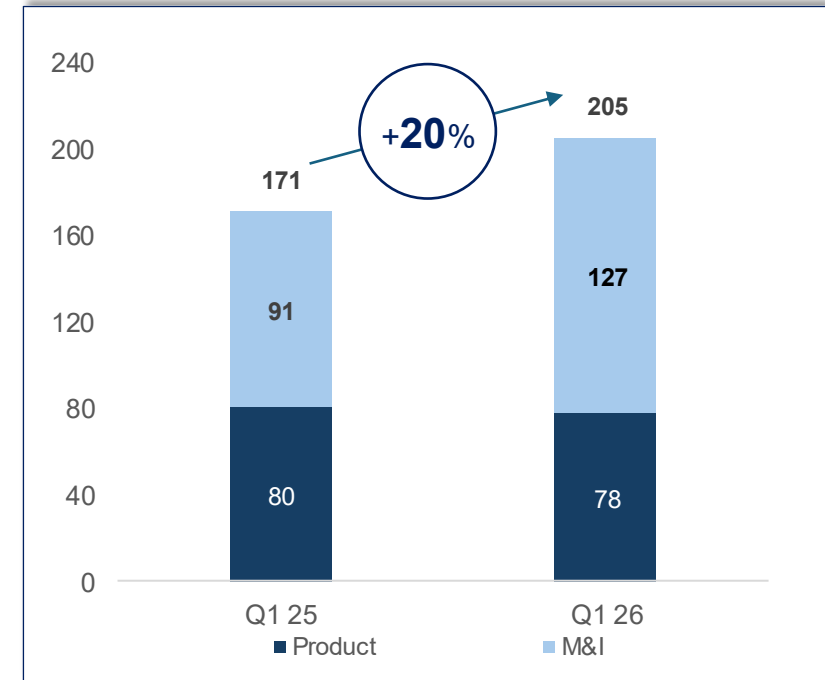
- US and UK NP driving sales acceleration
- Snus decline moderating and offset by Vape/HNB despite UK Vape discontinuation

# Sustained growth in Gross Profit / Gross Margin

Group Profit (SEK mn) and Gross Margin % of Net Sales



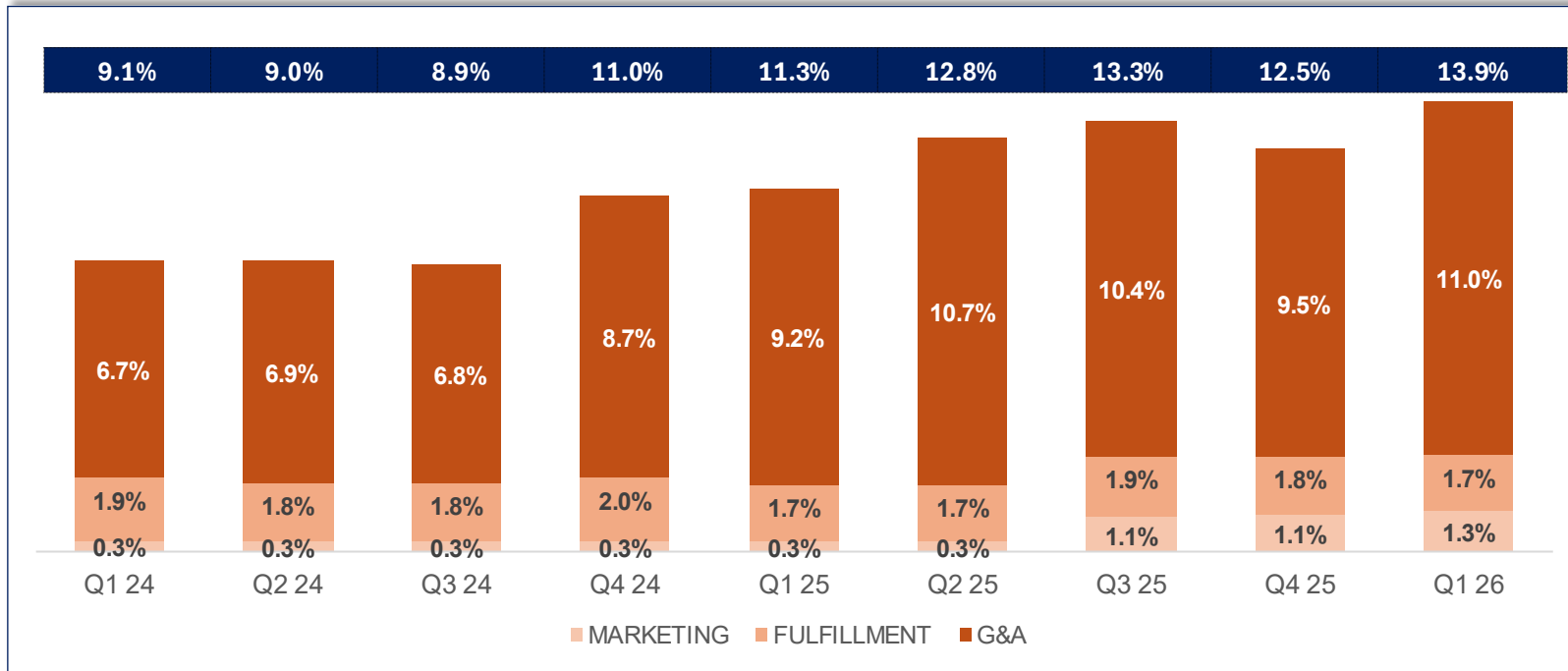
Q1 26 Gross Profit vs Q1 25



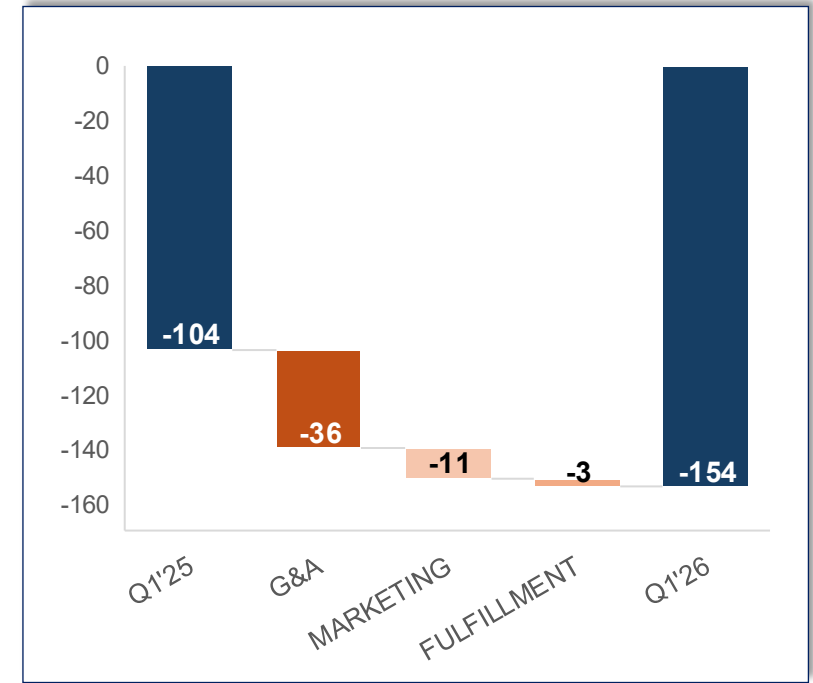
- Nicotine pouches lift Group gross margin as NP weighting increases
- Media & Insights revenue a key driver of gross profit expansion, increasing the M&I gross margin contribution by 1.7pp to 11.6%

# Overheads rise driven by organization build & marketing

Overheads (% of Net Sales) : Marketing, Fulfillment and G&A



Contribution to YoY Overheads increase



## Marketing

- Increased investment in marketing in US & UK to support consumer acquisition
- Opportunity time frame limited

## Fulfillment (warehouse)

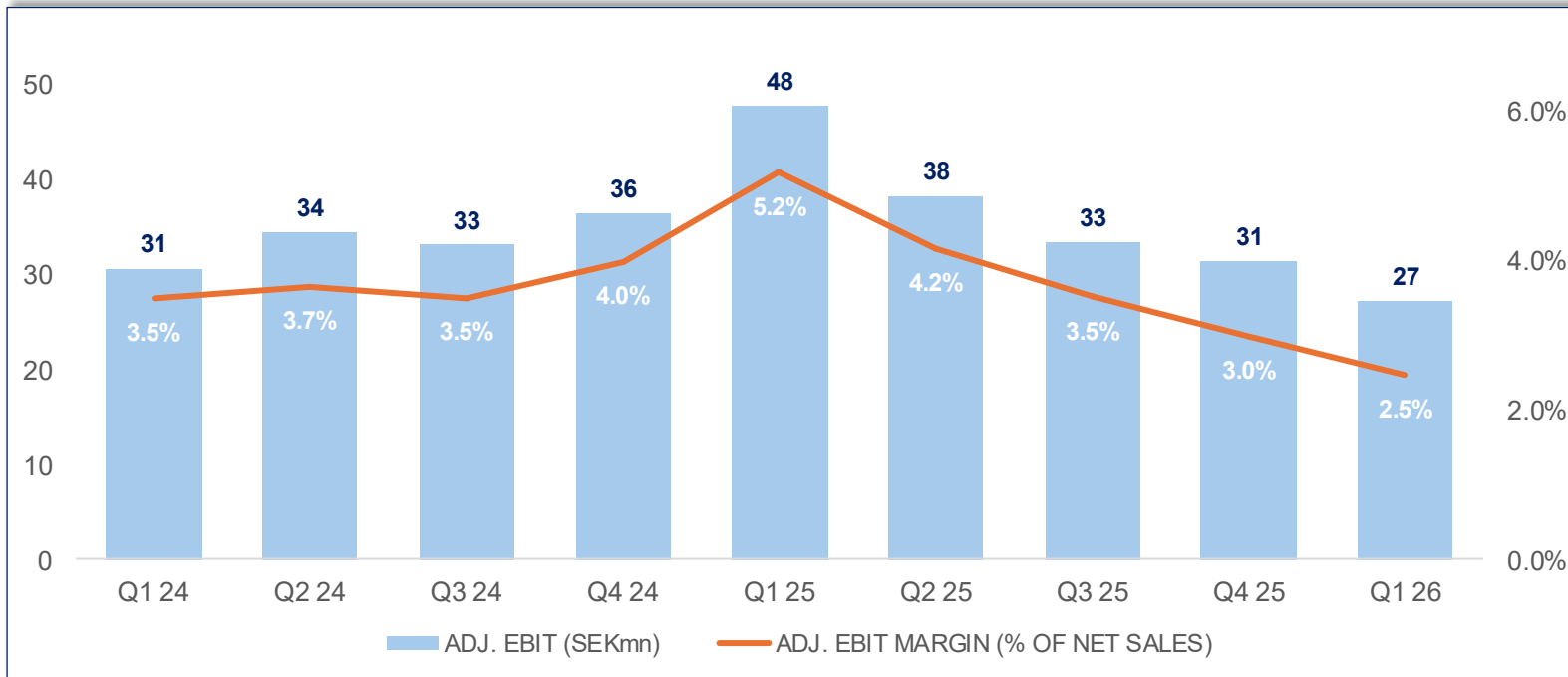
- Scale benefit realization continuing to materialize
- Cost base grew by 17% while volume increased 23% YoY

## G&A (personnel)

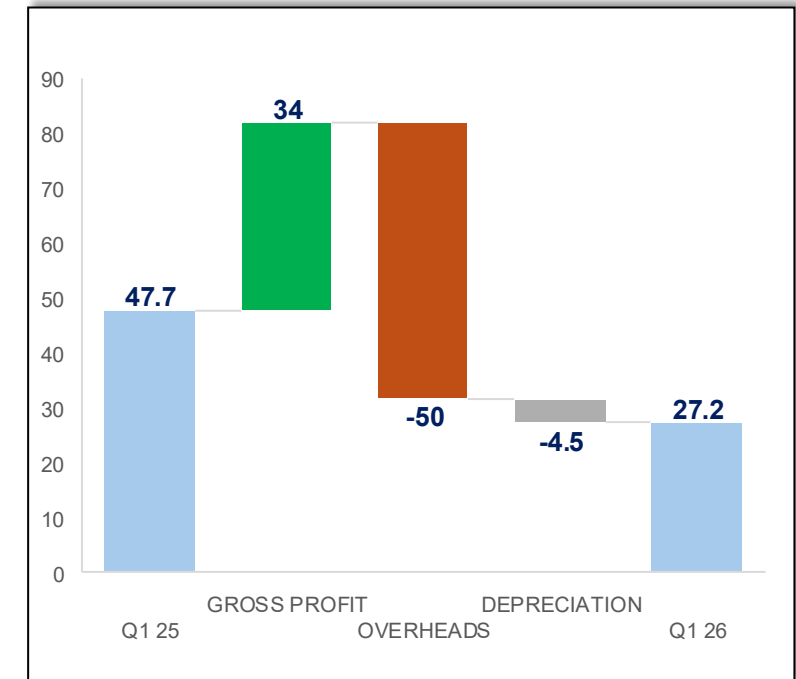
- US & UK organization build
- Central functions enhanced including AI

# Adj. EBIT mgn down due to continued growth investment

Adj. EBIT (SEKmn) and Adj. EBIT Margin (% of Net Sales)



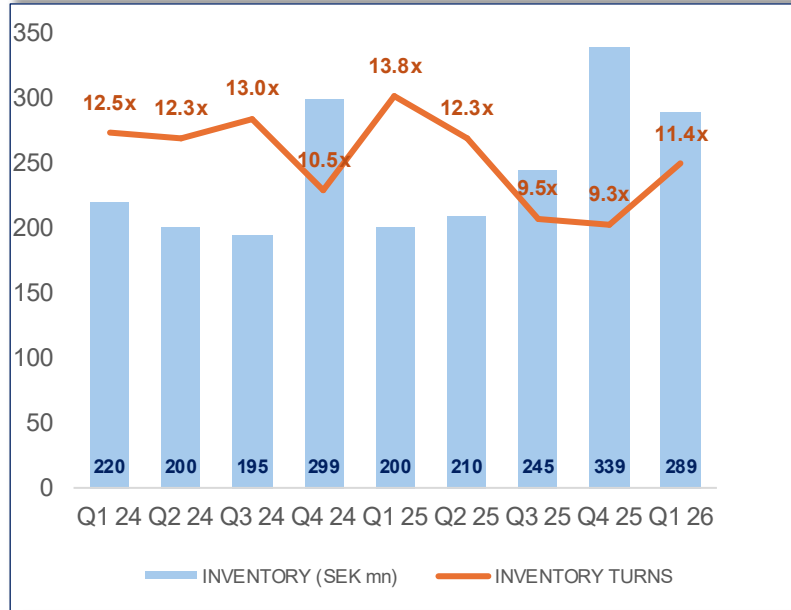
Contribution to YoY change in Adj. EBIT



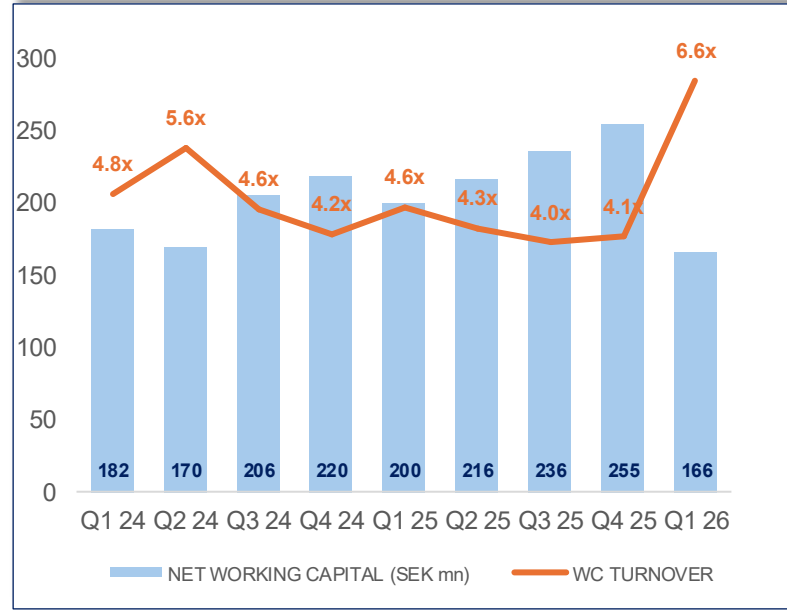
- Stable gross margin and increased gross profit
- Investments in personnel (G&A) and Marketing compressed the adj EBIT margin

# Working capital turnover & leverage improving

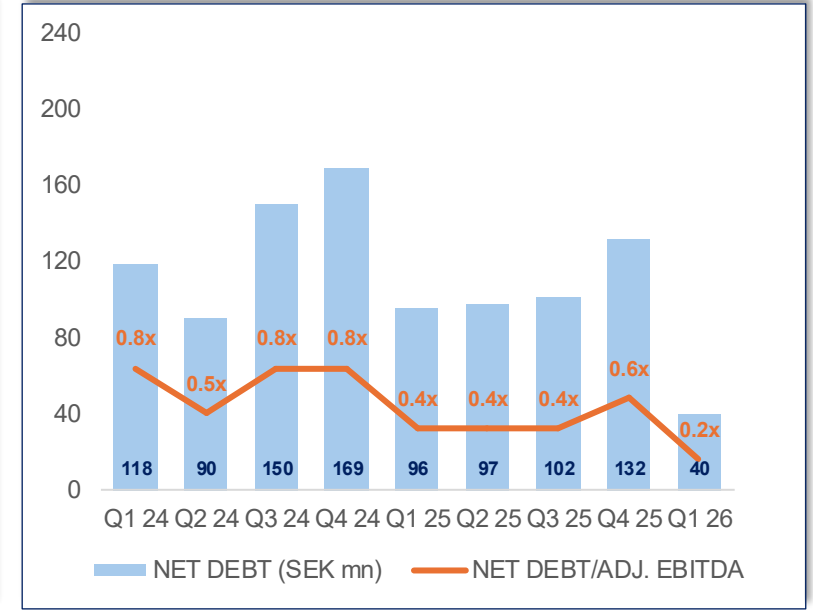
## Inventory



## Working Capital



## Leverage (Net Debt/LTM Adj. EBITDA)



- Year-end stockbuild mainly normalized in Q1 26
- Inventory turns and net working capital improved in the quarter driven by scaling due to topline growth
- Leverage remains low level at 0.2x LTM Adj. EBITDA maintaining our financial flexibility

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# Segment Performance

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Growth and Core

# Q1 2026 : Growth Segment KPI Dashboard

**192,000**

Active Consumers

+66.4% vs Q1 25

**351 (000)**

Orders

+64.2% vs Q1 25

**9.6mn**

Total Volume

+71% vs Q1 25

**9.3mn**

NP Volume

+83% vs Q1 25

**SEK305mn**

Net Sales

+41.4% vs Q1 25 (+58.3% cc)

**SEK61mn**

Gross Profit

+40.0% vs Q1 25

**19.9%**

Gross Margin %

-0.3pp vs Q1 25

**SEK-23.5mn**

EBITDA

-18.6mn vs Q1 25

**-7.7%**

EBITDA Margin

-5.4pp vs Q1 25

- US and UK volumes grew over 100% YoY in Q1 26
- FX headwind due to USD weakness vs SEK

# Q1 2026 : Core Segment KPI Dashboard

**460,000**

Active Consumers

+5.0% vs Q1 25

**1,061 (000)**

Orders

+9.3% vs Q1 25

**20.7mn**

Total Volume

+9.3% vs Q1 25

**56%**

% NP Volume

+3pp vs Q1 25

**SEK799mn**

Net Sales

+13.0% vs Q1 25 (+14.0% cc)

**SEK144mn**

Gross Profit

+13.5% vs Q1 25

**18.1%**

Gross Margin %

+0.1pp vs Q1 25

**SEK75.5mn**

EBITDA

+3.5% vs Q1 25

**9.4%**

EBITDA Margin

-0.9pp vs Q1 25

- Snus volume decline rate slowed due to improved consumer offer to cater for household purchases
- Order growth driven higher order frequency, showing increase in share of wallet

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# Progress on Strategic Priorities

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US & UK updates; Regulatory Landscape

# US - Reinforcing the flywheel

## Market conditions improving for online channel growth

- Market size growth ahead of CMD forecast
- Consumer Average Daily Consumption is rising; with higher ADC price advantage of online is more relevant
- Competition among brands intensifying with many manufacturers using synthetics to broaden assortment

## US outlook remains attractive

- FDA expected to authorise additional products
- Rapid widening of assortment expected to create additional advantage for Haypp's platforms
- Value of Media & Insights to increase further

## Preparing to seize the opportunity

- Investing ahead of the expected growth via organizational build
- Marketing to raise consumer awareness while the window remains open
- Analogous to Swedish and Norwegian business development in 2018-2021

# UK – Regulation enhancing position as anticipated

## Regulation update

- UK Tobacco and Vapes Bill 2026 received Royal Assent on 29 April 2026
- Secondary legislation underway to define enforcement, product standards and age restrictions
- Enforcement expected mid 2027, raising compliance requirements for other retailers

## Key benefits

- Restrictions on marketing expected to solidify leading position and enhance margins when implemented
- Value of Media increases in more highly regulated environment
- Removal of ultra strong products over 20mg/pouch (~20% of market) to reduce current assortment disadvantage

## Key priorities

- Enhanced local capabilities in Q1 26
- Accelerate new customer inflow during current marketing window
- Preparing to scale with UK warehouse automation mid 2026

# European Regulatory Update & Litigation

## European Union

- Tobacco Tax Directive draft continues to be negotiated with potential finalization in H2 2026
- European Commission preparing public consultation on the third Tobacco Products Directive
- Directives expected to undergo revision during negotiations between member states and European Parliament

## Litigation

- Haypp appealing license revocation of Snusbolaget Norden AB to Supreme Administrative Court
- Haypp does not expect any material financial or operational impact on its Swedish business

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# Outlook

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# Summary

- Volume and sales are accelerating driven by increasing consumer acquisition, especially in US & UK
- Invested in capabilities and marketing in US & UK
  - Marketing window limited
  - Absolute G&A cost growth expected to slow through 2026 and scale in future years
- On track to deliver 2028 targets

# 2028 Financial Targets

Haypp Group's Board of Directors adopted the following financial targets for 2028

**18-25%**

**Revenue CAGR**

2024-28 at constant currency

**5.5%**

±150 basis points

**Adj. EBIT Margin**

3.9% 2025

**Reinvest**

**Dividend Policy**

All FCF reinvested into expansion

# Questions & Answers

# Additional Information

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Reports, presentations and consensus estimates are available at [HayppGroup.com/investor-relations](https://HayppGroup.com/investor-relations)

Follow us on X: @HayppGroup

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