



humble
group.™



ANNUAL AND
SUSTAINABILITY REPORT
2023

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HUMBLE IN SHORT

Humble Group is a leading FMCG group positioned in the forefront of functional foods and sustainable products.

The group offers production, distribution and various consumer brands on a global scale. Our strategic presence enables us to grow and build businesses with improved long-term potential.



THE HUMBLE WAY

We believe in conducting business in a responsible, ethical and sustainable way. We call it "The Humble Way".

Our corporate culture is embodied through our four core values:

INNOVATION – ENTREPRENEURSHIP –
PASSION – INTEGRITY

STRATEGY

Our strategy is built on decentralized governance combined with a vertically-integrated business model. We optimize the collaboration between our portfolio companies and offer central support functions to capitalize on synergies and value-creating activities.

We support our businesses in their innovative space and utilize our expertise in operations, acquisitions and strategic business planning to promote growth within the portfolio.



VISION

Be the leading global FMCG group which offers sustainable and high-quality products for healthy people and a healthy planet.

THE YEAR IN BRIEF

NET SALES

Net sales increase by 47% and amounted to SEK 7,050 million (4,800). The organic growth amounted to 16%. The growth was driven by a continued increased demand for Humble Group's products. An extended distribution, a broader product portfolio and an increased exposure to new markets has also driven positive development in sales during the year.

7,050

NET SALES
SEK MILLION

16%

ORGANIC
GROWTH

PROFITABILITY

Adjusted EBITDA increased by 26% and amounted to SEK 696 million (551). Profitability was affected by various challenges such as supply chain challenges. Inflation and a generally volatile market climate. Ongoing investments and marketing efforts put some additional pressure on the profitability. Our strong offering in selected categories and commitment to continue to improve the profitability has been showcased from a sustained margin.

696

ADJUSTED EBITDA
SEK MILLION

9.9%

ADJUSTED
EBITDA MARGIN

659

EBITDA
SEK MILLION

9.3%

EBITDA
MARGIN

1,088

CASH FLOW
FROM OPERATIONS
SEK MILLION

20,670

SHAREHOLDERS



FINANCIAL TARGETS 2025

	TARGET	ACTUAL 2023
NET SALES PROFORMA, SEK million	16,000	7,951
ADJUSTED EBITA PROFORMA, SEK million	1,900	608

LONG TERM FINANCIAL TARGETS

	TARGET	ACTUAL 2023
ORGANIC GROWTH	15%	16%
NET INTEST BEARING DEBT / ADJUSTED EBITA PROFORMA	2.5x	2.7x

SELECTED KEY FIGURES

MSEK (unless otherwise stated)	2023	2022
Net Sales	7,050	4,800
Gross Profit	2,129	1,532
Gross Profit Margin	30%	32%
EBITDA	659	504
Adjusted EBITDA	696	551
EBITA	547	419
Adjusted EBITA	584	466
EBIT	318	257
Adjusted EBIT	355	304
Cash Flow from Operations*	1,088	255
THE SHARE		
Number of shareholders**	20,670	24,080
Number of shares before dilution***	443,544,543	301,274,580
Average number of shares before dilution	377,360,692	284,151,901
Average number of shares after dilution	383,219,322	286,818,625
Net Sales per share (SEK)***	18.68	16.89
Adjusted EBITDA per share***	1.84	1.94
Adjusted EBITA per share***	1.55	1.64
Adjusted EBIT per share***	0.94	1.07
EBIT per share***	0.84	0.90
Net Income per share before and after dilution (SEK)	-0.28	-0.13

* Includes received tax grants of approximately MSEK 260

* At period end

*** Before dilution

QUARTERLY DEVELOPMENT

MSEK



CEO STATEMENT

A YEAR OF MATURITY, GROWTH AND CONSOLIDATION

It is refreshing to take time to reflect on the past year and summarise the insights we bring with us into future business development and decision making. We entered into 2023 with a turbulent macro-economic climate, surging interest rates, and a rapidly shifting market focus towards debt and the balance sheet. The management and the Board's goal was clear - we had to adapt to the new prerequisites by managing the cash flow and reducing the net debt position to a level that would enable an improved capital structure. After three years of intensively acquiring 47 companies, which was done to build the platform we have today, we had to gradually start consolidating certain businesses to gather the full potential in each segment, and in parallel to that, map out a new strategic direction in order to increase our growth and progression into the next year.



"We have reshaped the company to a more mature growth machine with strong underlying cash flow generation"

Looking behind at the year, I feel proud of the efforts that we together have carried out. We have reshaped the company to a more mature growth machine with a strong underlying cash flow generation. The financial development has been strong, despite certain headwinds comprising higher freight rates, volatility and inflation since 2022. With an organic growth of 16%, and further consolidation of acquisitions, net sales increased to MSEK 7,050 (4,800). Adjusted EBITA improved by 25% to MSEK 584 (466) and we have started to see a rebound in the gross margin during the second half of the year, which is the most important key ratio in the long term to improve the profitability. There is no doubt that the last two years as a consumer goods business, with exposure towards more price sensitive customers and the majority of purchasing being made in foreign currencies, have been challenging. However, I am convinced that we have found our recipe for success and have become a significantly stronger company that now possesses all the attributes in place to continue creating long-term value for our shareholders.

We began the year with the transition into IFRS, which is a natural step to conform with international accounting standards, as well as to prepare the Group for a forthcoming list change. From an outside-in perspective, the transition between standards itself may not seem too remarkable, but to have completed the transition in less than a year, where you have to redo the accounting for over 100 subsidiaries over the last three years, is nothing but an accomplishment in my book. I have my Finance team to thank for that.

From an operational side of things, we have had a solid improvement and taken large steps towards becoming a more efficient Group where we can utilize our platform to capitalize on additional synergies. By integrating the M&A Team as part of the Operations Team, we have achieved better progress in implementing our strategic initiatives. During the year, we have transitioned to generating a strong positive operative cash flow amounting to MSEK 1,086 (255), changed the capital structure, consolidated and integrated eight businesses in total, divested ten properties, and divested a loss-making business. Apart from that, we have several other ongoing initiatives which aim to sharpen the businesses further, which among other projects include shared distribution, move of production lines, combined Group procurement projects, coordination of the supply chain, and many other efficiency improvement initiatives. Furthermore, we have launched our own growth and innovation catalyst, "Humble Incubator", from which we have already started to see the result of the preparations made during the year.

Regarding digitalization and sustainability, we have taken a number of strategic investments to ensure a better future. We have grown the Group's self-developed BI platform to cover almost all Humble business, with real time follow-up and supplier mapping. This is something that will benefit us well in both business development, as well as in the transition to CSRD reporting and other regulations. The sustainability team has welcomed new talents, and we have several central initiatives ongoing where we are working towards faster adaptation and transformation towards health and sustainability across all our subsidiaries. New opportunities are continuously arising, and even though we have come a long way, there is a lot more both we and other FMCG market players can do to help the human and the planet. It is a gigantic industry, and we all have to take responsibility.

2023 set the foundation for an exciting development over the next few years, and I feel excited over what the future might bring. We have never in the Group's history had more business opportunities, innovations and strategic initiatives in our pipeline, activities that together will speed up our progress towards becoming an even more global company and increase our mark in the retail store. Conclusively, I would like to thank all the shareholders and employees who are with us and believe in Humble, as well as our long-term vision to become the leading modern FMCG market player. The journey has only begun.

Simon Petré

CEO HUMBLE GROUP AB (PUBL)

"We have never in the Group's history had more business opportunities, innovations and strategic initiatives in our pipeline"



STRATEGIC INITIATIVES

HIGH COMMITMENT TO LONG-TERM VALUE CREATION

A significant part of the year has been dedicated to executing a number of value-creating project initiatives. These projects were initiated with the aim to optimize parts of the operations, create better conditions for growth through increased capacity and expansion of Humble Group's production capability, reduce risk exposure in loss-making portfolio companies, and increase the ongoing cash flow thereby freeing up capital for other investments, with the intent of creating long-term value for our shareholders.

FINANCIAL TRANSACTIONS

CAPITAL STRUCTURE

Conducted a new share issue of SEK 850 million and refinanced bonds through bank loans of SEK 1,650 million. This has led to reduced interest costs and contributes to improved cash flow for the group. Strengthening the balance sheet has been a priority for the group given a changing interest rate climate.

DISPOSAL OF PROPERTIES

Conducted property sales through a so-called "sale-leaseback". The transaction creates space for increased focus on core operations, results in a capital gain, and frees up capital for Humble Group to invest in other value-creating activities.

DIVESTMENT OF BAYN PRODUCTION

Divestment of loss-making operations at acquisition value. Expected to contribute to improved results for the group. The production of products for the internal brands that were produced at Bayn Production will be ensured internally.



OPERATIONAL PROJECTS

ESTABLISHMENT OF NEW, AND EXPANSION OF EXISTING, FACTORIES

- Invested in a beverage production line with the potential to become a leading Nordic contract manufacturer for internal, as well as external, beverage brands.
- Invested in a bar production line in Australia. This was done with the aim of meeting part of the Body Science demand for a rapidly growing product item, and a continued goal to establish Humble Group as a competitive player in the local market.
- Invested in new bar production lines in Sweden and Portugal to meet a significantly increased demand.

CASH FLOW OPTIMIZATION

Identified, and executed on, a number of measures to optimize working capital binding in the group's subsidiaries, particularly with respect to inventory binding and accounts receivable.

INTEGRATION / CONSOLIDATION

Conducted several integrations and/or consolidations of subsidiaries. Integrations were carried out where management identified material synergies such as business optimization and cost efficiencies between the companies.

HUMBLE INCUBATOR

Establishment of a central group function that focuses on efficiently delivering products under new brands from factory to customer, which will contribute to reduced working capital and improved overall flows in the supply chain, while contributing to a potentially strengthened gross margin.

FREIGHT CONTRACT

Initiated a group-wide initiative for centralization of freight contracts. The investment is carried out in line with Humble Group's goal to improve the gross margin.

PLATFORM: AN ECOSYSTEM FOR GROWTH

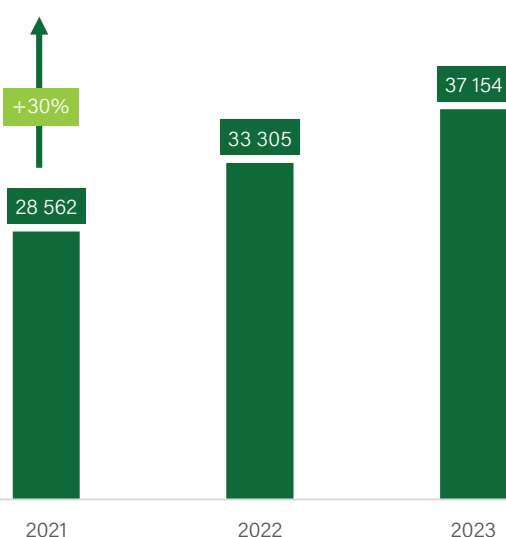
MARKET

The FMCG market is undergoing a rapid transformation, driven by several macro forces. Through a diverse portfolio of brands with sustainability at the heart of the business model, Humble Group is well placed to expand its footprint in the evolving global market.

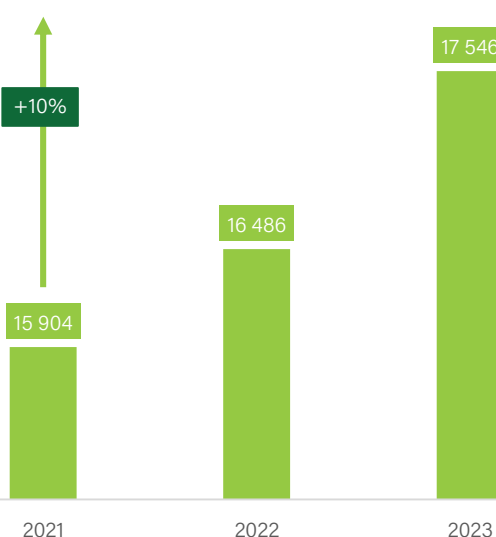


DEVELOPMENT OF PRODUCT PORTFOLIO AND CUSTOMER BASE

ACTIVE PRODUCTS – LTM Q4 2023



ACTIVE CUSTOMERS – LTM Q4 2023



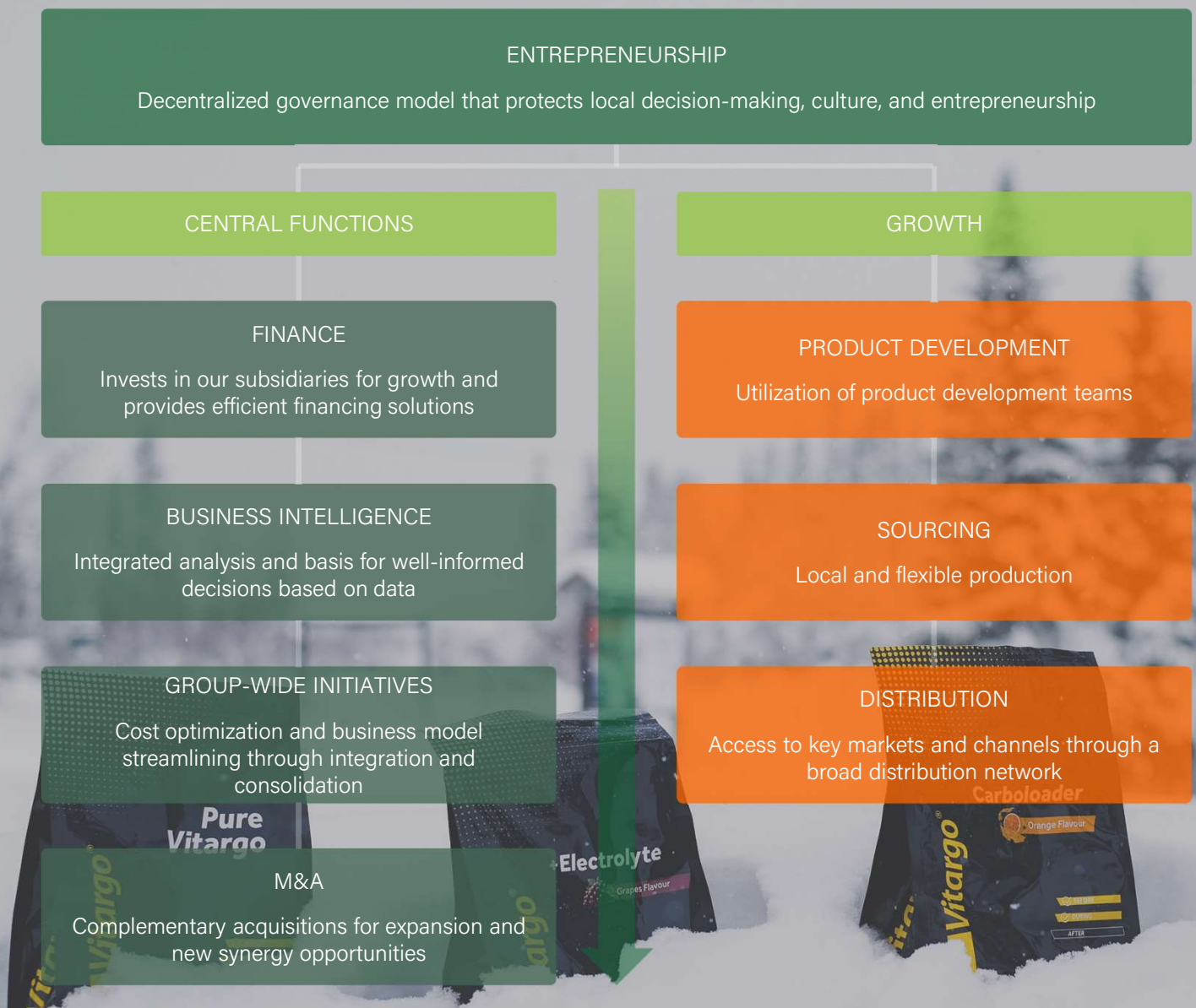
PLATFORM: AN ECOSYSTEM FOR GROWTH

DECENTRALIZED BUSINESS MODEL WITH INTEGRATED APPROACH

Humble Group applies a decentralized business model where local decision-making meets central support functions. We support our subsidiaries by providing financing solutions to ensure economic stability and growth, assist with integrated analysis functions, and thereby identify opportunities and areas for improvement for the operations. We also drive group-wide initiatives that strengthen the entire organization and carry out acquisitions that complement and enhance our operations.

We develop our companies across the entire value chain by supporting our brands with product development, which promotes innovation and the development of competitive products, creates efficient distribution channels that provide access to new key markets, and ensures quality and solution-oriented production.

The integrated approach between central functions and maintained entrepreneurship where local decision-making forms the basis for the independent business creates a dynamic ecosystem, where we can utilize synergies that strengthen both our subsidiaries and Humble Group as a whole.



FUTURE SNACKING

såg Kya hur
grönbruna. På
edvid den en ny
insatsen. Hon gick
mjuk från tofsen på en
våtmarken. Sedan kika-
sta fröpsar hårt hoprullade
och längst ner i kartongen,
tändstift till båtmotorn. Hon log
varv. Hon hade lärt sig att klara sig
då behövde hon ett nytt tändstift. Jum-
sa smågrejer med motorn, men varenda
sar och en promenad in till staden.

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FUTURE SNACKING

SEGMENT OVERVIEW

Our commitment to cutting-edge, sustainable snacks challenges conventional options, prioritizing health without compromising taste, quality, or experience. Humble Group's Future Snacking segment holds over 90% share in sugar-free and healthier candy offerings across the Nordics. Driven by a passion for innovation, our subsidiaries leverage high technological barriers, limiting competitors' market entry. Our leading brands enjoy strong recognition in the innovative space, setting us apart in the industry. Additionally, we serve as a flexible, solutions-oriented contract manufacturer for Nordic market players, ensuring agility and responsiveness in meeting their needs.

SEGMENT UPDATES

In 2023, Humble Group's Future Snacking segment had a dynamic year highlighted by strategic growth, innovative launches, and operational enhancements. Growth stemmed from new product introductions and the expansion of existing brands, both domestically and internationally. There was an increased focus on improving internal operations, and integrating some businesses where further synergies could be realized. sustainability. The year ended with a reallocation of capital towards purpose-led brands for faster expansion.

SEGMENT HIGHLIGHTS

- Danish subsidiary True Gum secured new listings with key German retailers and witnessed significant organic growth. It celebrated a big achievement in becoming a certified B Corporation, living the Group's mission to use business for change. In Q3, operational enhancements were made to support rising demand, including True Gum's acquisition of the brand Ration.
- Production companies diversified by expanding their own brands and increasing contract manufacturing. The Arena Confectionary platform launch was a key move in optimizing operations.
- Sugar-reduced brands like Pändy and Wellibites broadened their listings and exceeded expectations, showing a surge in product volume. In Q3 these brands saw extensive international growth, particularly in the rest of the EU and Asia.
- The integration of Tweek into First Class Brands was initiated, and eventually completed, improving distribution for this sugar-reduced confectionary subsidiary.
- Lev expanded their product portfolio through the launch of new franchises.
- Operations were streamlined by divesting Bayn Production and winding down Bayn Nordic.

936

NET SALES
MSEK

13

EBIT
MSEK

1%

EBIT
MARGIN

SALES AND PROFITABILITY

Net sales for the Future Snacking segment amounted to MSEK 936 during the year, an increase of 28% compared to the corresponding period last year. EBIT for the year in this segment amounted to MSEK 13 (MSEK 85), with an EBIT margin of 1% (12%), which was impacted by the ongoing raw material pricing volatility that we saw in 2022 and a delay in price increases being transferred downstream.

SUSTAINABLE
CARE



SUSTAINABLE CARE

SEGMENT OVERVIEW

Sustainable Care encompasses a wide range of brands, distributors, and manufacturers that cover multiple categories across household, personal care, beauty, and oral hygiene products. The companies within the segment unite to address the increasing demand for environmentally-friendly and sustainable products that promote a healthier planet and align with consumer preferences for conscious choices. Their commitment to offering sustainable options aligns with the growing consumer preference for environmentally friendly choices without compromising product quality or accessibility. Through their collective efforts, the Sustainable Care segment is dedicated to make a positive impact on both personal well-being and the planet as a whole.

SEGMENT UPDATES

Throughout 2023, Humble Group's Sustainable Care segment experienced significant evolution, characterized by strategic expansion, product innovations, and operational improvements. Growth was primarily driven by enhanced distribution in existing markets, with brands beginning to secure additional distribution through partnerships with Humble Group subsidiaries within the Nordic Distribution segment. Production companies expanded their offering with new innovations, securing further growth and production capabilities through several investments.

SEGMENT HIGHLIGHTS

- The Humble Co. secured major deals with large airlines and launched their products in premium lifestyle stores in China, marking a successful market penetration. The Humble Co. also experienced sales volume growth in the US.
- Despite temporary disruptions due to renovations and the installation of new machines at Fancystage's factory, operations quickly resumed at full capacity. Fancystage underwent strategic development to enhance long-term profitability, resulting in a one-time effect of -35 MSEK during the fourth quarter.
- Naty faced challenges with transitioning to a new manufacturing supplier for improved cost structure and quality but returned to solid profitability in the first half of the year.
- Solent showed continued growth and profitability throughout the year, and the ongoing integration and consolidation between Solent and Go Superfoods opened growth opportunities in both the UK and European markets.

2,917
NET SALES
MSEK

158
EBIT
MSEK

7%
EBIT
MARGIN

SALES AND PROFITABILITY

Net sales for the Sustainable Care segment amounted to MSEK 2,917 during the year, an increase of 58% compared to the corresponding period last year. The growth among our Sustainable Care brands was mainly the result of line extensions and improved distribution in existing stronghold markets. EBIT for the year in this segment amounted to MSEK 158 (MSEK 124), with an EBIT margin of 7% (7%), which was negatively impacted by higher freight prices from Asia, weak SEK and GBP, and specific additional restructuring costs related to transitioning to a new manufacturing supplier.

QUALITY
NUTRITION



QUALITY NUTRITION

SEGMENT OVERVIEW

Quality Nutrition is dedicated to delivering premium nutritional products and supplements for athletes and the everyday consumer, focusing on enhancing well-being, performance, and health. With several highly recognized brands and some manufacturers, we set industry standards and hold a unique market positioning in the nutrition category. Our full-service offering across product categories and scalable production ensure adaptability, while serving as a flexible, solutions-oriented contract manufacturer for European market players. Through Arena Nutrition, we provide Nordic market players with a local sourcing alternative for a comprehensive range of nutritional ingredients, further enhancing our commitment to sustainability and quality.

SEGMENT UPDATES

Overall, 2023 was a transformative year for the Quality Nutrition segment, marked by strategic expansions, product innovation, and enhanced production capabilities, setting a strong foundation for continued growth and market penetration. Looking ahead to 2024, the Quality Nutrition segment is poised for further expansion, with a focus on brand extension into new markets, leveraging the new manufacturing facilities and product lines to meet the growing demand for high-quality nutrition products, and capitalizing on the synergies within the segment to foster innovation and efficiency.

SEGMENT HIGHLIGHTS

- BodyScience has been a crowning success since its incorporation into the Group in August 2022. It led the segment to significant growth through new innovations, expansion into additional channel segments, and increased distribution. This include the launch of Body Science sports and energy drinks, with successful listing in Australia.
- Vitargo initiated export to the Australian market in collaboration with Body Science.
- Strategic asset purchases included the purchase of a bar facility in Sydney, allowing for the development of cross-subsidiary collaboration between BodyScience and Bars Production. The Group also invested in a new beverage line, set for production of canned drinks for Humble Group brands in Habo, Sweden. The period also highlighted capacity constraints, necessitating additional production shifts and minor investments to meet demand.
- The consolidation of production facilities under the Arena Nutrition initiative enabled the Group to offer a comprehensive range of high-quality, great-tasting products, with Ewalco expected to drive organic growth in the upcoming years.

1,462

NET SALES
MSEK

115

EBIT
MSEK

8%

EBIT
MARGIN

SALES AND PROFITABILITY

Net sales for the Quality Nutrition segment amounted to MSEK 1,462 during the year, an increase of 52% compared to the corresponding period last year. The growth among the Quality Nutrition brands is mainly attributed to BodyScience, which has had a fantastic since it became part of Humble Group in August 2022. EBIT for the year in this segment amounted to MSEK 115 (MSEK 57), with an EBIT margin of 8% (6%), the result of also being affected by higher raw material prices and FX impact.

NORDIC DISTRIBUTION



NORDIC DISTRIBUTION

SEGMENT OVERVIEW

Ever since its inception, Humble Group has pursued a comprehensive strategy that encompasses the entire value chain, including distribution. Within the Nordic Distribution segment, a network of wholesalers and distributors operates across the Nordic region. These companies possess extensive knowledge of local markets and consumer preferences. Leveraging the expertise of our Nordic Distribution subsidiaries, Humble are poised to deliver an extensive range of FMCG products that are tailored to the diverse tastes and preferences prevalent in the region. This collaborative strategy underscores our commitment to effectively addressing the unique demands of the local market and ensuring a comprehensive product portfolio that resonates with our valued customers.

SEGMENT UPDATES

Throughout 2023, the Nordic Distribution segment experienced substantial growth and development. This growth was characterized by an increase in volume and the introduction of new products to stores and channels, further bolstered by the incorporation of products from other Humble Group subsidiaries, leveraging further group synergies. However, the segment faced challenges in the beginning of the year with EBITDA margins somewhat declining across many companies, attributed to high price volatility and freight costs. There remains significant potential for margin recovery to pre-2022 levels in the coming years.

SEGMENT HIGHLIGHTS

- The Privab entities focused on the enhancement of logistics and IT systems for more operational efficiency. Furthermore, some Privab entities were consolidated to create larger, more strategic bodies within the segment.
- The planned consolidation of GSD and Nordfood, aimed at streamlining operations and optimizing synergies, was initiated which involved Nordfood channeling a substantial portion of business through GSD, rather than Be:Son Gross. This has already been proven to have improved efficiency and sales processes.
- New distribution agreements for modern FMCG brands and strategies to improve net working capital and cash flow were also highlights of this period.
- Significant strides were made in centralizing projects, including a freight and logistics procurement project aimed at reducing transportation costs.

2,455

NET SALES
MSEK

55

EBIT
MSEK

2%

EBIT
MARGIN

SALES AND PROFITABILITY

Net sales for the Nordic Distribution segment amounted to MSEK 2,455 during the year, an increase of 95% compared to the corresponding period last year. The growth can be seen in all of the companies included in this segment – the result of increasing both volume of goods and the product assortment supplied to existing stores and channels. EBIT for the year in the Nordic Distribution segment amounted to MSEK 55 (MSEK 29), with an EBIT margin of 2% (2%). The decrease in margin was attributed to the pricing increases we saw across almost all FMCG product category which in turn affected almost all distribution companies as pricing increases were passed downstream in the value chain.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE SWEDISH CORPORATE GOVERNANCE CODE (THE CODE)

The Corporate Governance Report is prepared with Chapter 6, Section 6, and Section 8 of the Annual Accounts Act as a starting point, and contains important information about how Humble Group follows the Swedish Code of Corporate Governance, about the shareholders, the annual general meeting, the nomination committee, the board of directors, and its work. The company has initiated a strategic effort to develop its compliance with the Swedish Code of Corporate Governance and will continue to develop its governance model and adherence to the Code during 2024 as part of strengthening the organization for a future listing.

HUMBLE GROUP'S GOVERNANCE MODEL



ANNUAL GENERAL MEETING

The annual general meeting is the highest decision-making body of the company and gives all shareholders the opportunity to exercise their influence regarding, for example, the composition of the board of directors, the appointment of auditors, and remuneration for the board and auditors. The annual general meeting also decides on amendments to the articles of association and authorizations for the board of directors. The annual general meeting also decides on the approval of the income statement and balance sheet, the allocation of the company's profit or loss according to the approved balance sheet, and on discharging the members of the board of directors and the managing director from liability. The articles of association do not specify any limitations on the number of votes each shareholder can cast at the annual general meeting, nor any specific provisions regarding decisions on amendments to the articles of association. Decisions at the annual general meeting are usually made by a simple majority.

At the annual general meeting, shareholders have the opportunity to ask questions about the company and its results for the past year. Representatives of the board and company management are normally present at the annual general meeting to answer such questions. The annual general meeting on May 19, 2023, decided to authorize the board to, within the framework of the current articles of association, on one or more occasions until the next annual general meeting, decide on the issuance of shares, convertible instruments, and/or warrants for cash payment, with provision for contribution in kind or set-off or otherwise with conditions, and to deviate from the shareholders' pre-emptive rights. The latest ordinary general meeting was held on May 19, 2023, and the minutes of all resolutions taken are available at www.humblegroup.se.

NOMINATION COMMITTEE

The nomination committee proposes candidates for board members, chairman of the board, and auditors. In accordance with the principles for the nomination committee adopted by the general meeting, Humble Group shall have a nomination committee consisting of four members, including the chairman of the board. These shall partly be the chairman of the board and partly members appointed by each of the three largest shareholders by voting rights at the end of the third quarter of the year before the annual general meeting. The nomination committee of Humble Group prepares and submits a proposal to the general meeting regarding the chairman of the meeting, board members, and chairman of the board. It also proposes remuneration to each of the board members and the chairman, as well as any compensation for committee work and remuneration to the company's auditor. The nomination committee for the 2024 annual general meeting consists of Kristina Brandt, chairman of the nomination committee (representing Neudi & C:o AB), Aram Jimal (representing NCPA Capital AB), Henrik Patek (representing RoosGruppen AB), and Dajana Mirborn as chairman of the board of Humble Group AB.

CORPORATE GOVERNANCE REPORT

THE BOARD

Board members are elected at the Annual General Meeting for the period until the end of the next Annual General Meeting. The articles of association contain no restrictions regarding the eligibility of board members. According to the articles of association, the board should consist of no fewer than three and no more than seven elected members, with a maximum of three deputy members.

At the 2023 Annual General Meeting, Dajana Mirborn, Henrik Patek, and Ola Cronholm were re-elected as board members. Pål Bruu and Sara Berger were elected as new board members following the nomination committee's recommendation. Additionally, the Annual General Meeting elected Dajana Mirborn as the chairman of the board after Peter Werme declined re-election.

The independence of the board members in relation to the company and the company management is detailed on page 22. None of the board members are employed within the group. At the end of 2023, the key executives in Humble Group were Chief Executive Officer Simon Petrén, Deputy Chief Executive Officer Noel Abdayem, Chief Financial Officer Johan Lennartsson, Chief Operating Officer Marcus Stenkil, and Chief Analytical Officer Kristoffer Zinn. More information about the company's key executives is available on page 23 and on the company's website, www.humblegroup.se.

BOARD ACTIVITIES

The board of Humble Group is responsible for, among other things, the company's overarching goals and strategy, identifying how sustainability issues affect the company's risks and business opportunities, compliance with laws and regulations, and ensuring monitoring and control of risks to the company's operations. Key issues addressed by the board of Humble Group during 2023 include the overall strategy of Humble Group, refinancing of capital structure, and material investments and divestitures.

The board of Humble Group held 27 meetings in 2023 (including the constitutive meeting). In accordance with Code 9.1, the board conducted an evaluation of its work during the year. The evaluation of the board's work took place through a survey provided by an external third party, and the results of the evaluation were presented to the nomination committee. The board also evaluated the work of the Chief Executive Officer.

FY2023 MEMBER / ADVISOR*	POSITION	PERIOD	BOARD MEETINGS	AUDIT COMMITTEE	COMPENSATION COMMITTEE
Peter Werme	Chairman of the Board	Until 19 May 2023	11/11	-	1/1
Hans Skruvfors	Board Member	Until 19 May 2023	8/11	-	-
Björn Widegren	Board Member	Until 19 May 2023	9/11	2/2	-
Björn Widegren*	Advisor	Until 19 May 2023	-	4/4	-
Gunnar Ek*	Advisor	Until 19 May 2023	-	1/2	-
Thomas Petrén*	Advisor	Until 19 May 2023	-	2/2	-
Dajana Mirborn	Board Member	Until 19 May 2023	11/11	-	-
Dajana Mirborn	Chairman of the Board	From 19 May 2023	16/16	1/4	4/4
Henrik Patek	Board Member	All of 2023	27/27	-	5/5
Ola Cronholm	Board Member	All of 2023	27/27	4/4	-
Pål Bruu	Board Member	From 19 May 2023	16/16	4/4	-
Sara Berger	Board Member	From 19 May 2023	16/16	-	-
No of meetings during the year			27	6	5

*Gunnar Ek and Thomas Petrén resigned as board members at the 2022 Annual General Meeting and remained as external advisors to the Audit Committee until the 2023 Annual General Meeting. Björn Widegren resigned as a board member at the 2023 Annual General Meeting and continued as an external advisor to the Audit Committee for the remainder of 2023.

CORPORATE GOVERNANCE REPORT

As part of optimizing and allocating the work of the board, the board has established a remuneration committee and an audit committee. These committees serve as preparatory bodies for the board and do not limit the board's responsibility for the management of the company or for decisions made.

REMUNERATION COMMITTEE

The remuneration committee consists of Dajana Mirborn (chair of the committee) and Henrik Patek. During 2023, the committee held five meetings. The duties of the remuneration committee are mainly outlined in Code rule 7.3 and include preparing matters concerning principles of remuneration, compensations (salaries, pension terms, incentive programs), and other terms of employment for the executive management. The committee aims to convene twice a year and as necessary beyond that. The committee meetings are documented, and reports are presented to the board at the subsequent board meeting. As no guidelines for remuneration to executive management have been previously decided by the general meeting, the remuneration committee has not followed and evaluated the application of these, which constitutes a deviation from Code rule 7.3.

AUDIT COMMITTEE

The audit committee consists of Ola Cronholm (chair of the committee) and Pål Bruu. During 2023, the committee held six meetings. The duties of the audit committee are specified in Chapter 8, Section 49b of the Swedish Companies Act and Code rule 7.2. These duties include overseeing the company's financial reporting, management's estimates and judgments, the efficiency of the company's internal controls, as well as maintaining ongoing contact with the company's external auditors. Furthermore, the committee evaluates the auditors' work, qualifications, and independence. The audit committee monitors developments in accounting principles and reporting requirements, discusses other significant issues related to the company's financial reporting, and reports its observations to the board. The audit committee is to meet at least five times per year. The committee meetings are documented, and reports are presented to the board at the subsequent board meeting.

AUDITOR

According to the company's articles of association, Humble Group shall have at least one and no more than two auditors or one registered auditing firm. The auditor's assignment is valid until the end of the next annual general meeting. At the annual general meeting in 2020, the auditing firm BDO Mälardalen AB was elected for the period until the annual general meeting in 2021 and at the annual general meeting in 2023, BDO Mälardalen AB was elected for the period until the annual general meeting in 2024. The authorized auditor Carl-Johan Kjellman, born in 1974, is the lead auditor. The independent status of the auditor is ensured by legislation and professional ethical rules, by the auditing firm's internal guidelines, and by the audit committee's guidelines for the tasks the auditing firm may undertake in addition to the audit. Information about fees to the auditor is provided in *Note 8 Remuneration to auditors* for the group and *Note 41 Remuneration to auditors* for the parent company.

CORPORATE GOVERNANCE REPORT

DESCRIPTION OF THE BOARD'S INTERNAL CONTROL REGARDING FINANCIAL REPORTING FOR THE FISCAL YEAR 2023

The board is responsible under the Companies Act and the Code for ensuring the company has sound internal control. This description has been prepared in accordance with sections 8.1 and 8.2 of the Code and sections 6:6 and 7:31 of the Annual Reports Act and is thus limited to internal control related to financial reporting.

CONTROL ENVIRONMENT

The board's working procedures and instructions for the CEO and the board's committees aim to ensure a clear role and responsibility distribution for the efficient management of operational and financial risks. The board must ensure the company has formalized routines that secure established principles for financial reporting and sustainability reporting, as well as compliance with internal control. Furthermore, the board must ensure the company's financial reporting is prepared in accordance with law, applicable accounting standards, and other requirements for listed companies. The company's management is responsible for the internal control framework required to address risks in ongoing operations and regularly reports to the audit committee and the board based on established routines.

RISK ASSESSMENT AND CONTROL ACTIVITIES

The board of Humble Group is responsible for carrying out an overall risk assessment and implementing appropriate control activities to address such risks. The company's management is responsible for implementing and evaluating control activities. Humble Group has a documented approach and continually evaluates the effectiveness of controls to cover the substantial risks of errors in accounting and financial reporting. The most significant items and processes where the risk of significant errors typically can occur include the income statement and balance sheet items for intangible assets, goodwill, and accounting for contingent consideration.

INTERNAL AUDIT AND THIRD-PARTY REVIEWS

The board evaluates the need for a separate internal audit function on an annual basis. Humble Group currently does not have a separate internal audit function. Internal reviews are carried out continuously with regard to the size of the company's operations and inherent risks as well as complexity. The results of such internal reviews are reported in writing to the audit committee. In addition, the company's auditors also review parts of the internal control framework implemented as part of the collective external audit. The result of such a review is reported annually to the audit committee with a focus on deviation-based reporting.

INFORMATION AND COMMUNICATION

Humble Group's Finance Policy, Risk Management & Internal Control Procedure, and other guidelines of significance for financial reporting are updated at least once a year. There are both formal and informal information channels to company management and the board for essential information to and from employees. Humble Group has compiled guidelines for external communication in an internal information policy to ensure efficient and correct communication. For external communication, guidelines are compiled in an information policy to ensure the company meets high requirements for correct information to the market and other groups such as shareholders, board members, employees, and suppliers.

MONITORING

The board continuously evaluates the information provided by company management and the audit committee. The board particularly focuses on monitoring the effectiveness of internal control and management's work in this area. The work includes ensuring that actions are taken regarding potential deficiencies and suggestions for measures that have emerged during the internal and external audits.

BOARD OF DIRECTORS

The Board is appointed by the shareholders' meeting and is normally elected until the end of the first annual general meeting held after the year in which the member or alternate was elected. The 2023 Annual General Meeting decided, in accordance with the nomination committee's proposal, that the board shall consist of five board members without alternates. The 2023 Annual General Meeting decided on the election of Pål Bruu and Sara Berger and the re-election of Dajana Mirborn, Henrik Patek, and Ola Cronholm as members until the end of the next annual general meeting. Dajana Mirborn was elected as the chairman of the board until the end of the next annual general meeting. No vice-chairman has been appointed.

The Board's duties are regulated by the board's rules of procedure, which are documented in writing and adopted by the board annually after the annual general meeting. The main duties consist of deciding on the group's overall strategy, corporate acquisitions, and investments. The board also establishes the framework for the group's operations through the group's business plan. The board generally meets monthly, except for additional board meetings as needed. A working committee was created in the spring of 2022 to distribute the work within the board more efficiently. The board of Humble Group consists of the following people:

DAJANA MIRBORN

CHAIRMAN OF THE BOARD

Shares: 41,114

Year of birth: 1980

Board member since 2021

Independent in relation to the company, the group management, and major shareholders in the company.

Education: Magisterexamen från Göteborgs Universitet,

Executive Education från INSEAD

Other assignments: Investment Manager at Creades, Board Member at Karnell Group (publ), Försäkringsaktiebolaget Avanza Pension, Röhnisch, and Mentimeter

PÅL BRUU

BOARD MEMBER

Shares: 350,952

Year of birth: 1969

Board member since 2023

Independent in relation to the company, the group management, and major shareholders in the company.

Education: MSc from BI Norwegian Business School

Other assignments: Chairman of the Board of Safira.com and Norsk Bildelsenter, in addition to own consulting and advisory activities

HENRIK PATEK

BOARD MEMBER

Shares: 207,500

Year of birth: 1969

Styrelseledamot sedan 2021

Independent in relation to the company and the group management. Not independent in relation to major shareholders in the company.

Education: University studies of Computer Science & Business Administration

Other assignments: Head of Investment at RoosGruppen AB

SARA BERGER

BOARD MEMBER

Shares: 10,000

Year of birth: 1978

Board member since 2023

Independent in relation to the company, the group management, and major shareholders in the company.

Education: MBA från Ekonomihögskolan vid Lunds Universitet

Other assignments: CEO of Sproud, Board involvement in Matilda Food Tech, Svenska Retursystem AB and the trade organization for the grocery industry DLF

OLA CRONHOLM

BOARD MEMBER

Shares: 52,000

Year of birth: 1973

Board member since 2022

Independent in relation to the company and the group management. Not independent in relation to major shareholders in the company.

Education: Master's degree in finance from the School of Business, Economics and Law at the University of Gothenburg

Other assignments: Investment Manager at Neudi & Co, Board Member at, among others, Cellmark AB, Wint Group AB, and SWG AB.

EXECUTIVE TEAM

During the past year, there has been no change in the composition of the executive management team. Marcus Stenkil has taken on the role of Chief Operating Officer and Noel Abdayem is now working as Vice President and Head of Humble Incubator AB.

SIMON PETRÉN

CEO

Shares: 6 416 000

Simon holds a Master's degree in Product Innovation from KTH and Business Administration from Stockholm University. Simon is a co-founder of Pändy Foods and was its CEO until Pändy became part of Humble Group. He has previously worked as a Business Intelligence Analyst at Nordea and has ten years experience in capital markets, investments, strategic development and growth of start-up, small and medium sized companies. Simon sits on the board of several FMCG and acquisition companies.

NOEL ABDAYEM

VP

Shares : 28 000 674

Noel is a licensed dentist and founder of the company The Humble Co, which is part of the group. Noel is, together with Darren Weiss, the founder of the Group's non-profit organization – the Humble Smile Foundation. As an entrepreneur, Noel has been praised by, among others, H.M. King Carl XVI Gustaf as Årets nybyggare, Årets unga företagare, EY Entrepreneur of the Year and Prince Daniel's entrepreneur award. He is currently the second largest shareholder in the Humble Group.

JOHAN LENNARTSSON

CFO

Shares : 157 191

Johan holds a degree in Business Administration from Umeå School of Business, Economics and Statistics and from the University of New Brunswick, Canada. He previously worked at PWC as a chartered accountant since 2019 and as an assistant auditor since 2015 with a focus on auditing larger listed companies.

MARCUS STENKIL

COO

Shares : 152 929

Marcus holds a bachelor's degree from Gothenburg University School of Economics. Prior to joining Humble Group, Marcus worked as CFO at The Humble Co. and before that as an auditor at EY in Sweden and the US, focusing on major listed companies and capital markets transactions.

KRISTOFFER ZINN

CAO

Shares : 118 304

Kristoffer has extensive experience in analytics and business intelligence from previous roles at Nordea Wealth Management and Pierce Group. Kristoffer holds a Master's degree in Industrial Management from the Royal Institute of Technology.

THE SHARE

At the end of the fiscal year, there were 443,544,543 (301,274,580) shares listed for trading. The company does not hold any of its own shares in custody and has not acquired any of its own shares during 2023. During the fiscal year, the number of shares increased by 10,685,963 (20,844,771) through a non-cash issue, 131,585,000 (33,125,000) through a directed cash issue, and 0 (327,142) through the redemption of subscription options. See more information about the stock and its par value in *Note 54 Share Capital*. There is only one class of shares, and all shares have equal voting rights. Humble Group AB is listed under the ticker HUMBLE on NASDAQ First North.

THE SHAREHOLDERS

Humble Group has been listed on the Nasdaq First North Growth Market since November 12, 2014. The ultimate governance of the company is exercised by the shareholders who influence the main direction through their impact on the annual general meeting.

TOP 10 LARGEST SHAREHOLDERS

Below is a summary of Humble Group's top 10 largest shareholders along with a distribution of share ownership based on the number of owned shares as of the record date March 31, 2024.

OWNER	SHARES	VOTES
Neudi & C:o AB	46,435,778	10,47%
Håkan Roos (RoosGruppen AB)	46,029,975	10,38%
Noel Abdayem (NCPA Capital AB)	28,000,674	6,31%
Alta Fox Capital	26,021,235	5,87%
Capital Group	22,368,627	5,04%
Creades AB	18,136,470	4,09%
Nordnet Pensionsförsäkring	15,049,770	3,39%
DNB Asset Management AS	13,139,502	2,96%
Thomas Petrén	12,570,000	2,83%
DNB Asset Management SA	10,672,661	2,41%
Total top 10	238,424,692	53,8%
Other shareholders	205,119,851	46,2%
Total number of shares	443,544,543	100%

SHAREHOLDING	NO OF OWNERS	NO OF SHARES	NO OF VOTES
1 - 500	12,010	1,726,512	0,39%
501 - 20,000	6,863	21,219,011	4,78%
20,001 - 100,000	388	15,953,157	3,60%
100,001 - 500,000	90	19,074,992	4,30%
500,001 - 1,000,000	15	11,298,078	2,55%
1,000,001 - 2,000,000	11	17,011,634	3,84%
2,000,001 -	19	291,963,053	65,82%
Anonymous ownership		65,298,106	14,72%
Total	19,396	443,544,543	100%

SUSTAINABILITY REPORT
2023



humble
group.™

SUSTAINABILITY AT HUMBLE GROUP

At Humble Group, sustainability is intrinsically linked to our company's purpose. Our business and products would not exist if we did not dare to challenge the conventional FMCG industry. And yet our business and products would also not exist without the natural resources upon which our world so desperately relies.

We are working hard across the business to focus on making a greater positive impact in the areas we operate. 2023 was a year of restructuring to focus on operational efficiency whilst meeting the needs of our customers in a more effective way. Similarly, we are seeing the industry restructure around us as well – many businesses are finding out how to operate with leaner resources to respond to macro-economic challenges. Despite this backdrop, Humble Group has grown its sustainability team, whilst allocating increased resources internally and welcoming additional support from external consultants. We remain committed to driving forward our sustainability agenda and ensuring that we do all that we can to achieve our vision of healthy people on a healthy planet.



SUSTAINABILITY HIGHLIGHTS IN 2023

IMPLEMENTING NEW PACKAGING FORMATS

In 2023, more subsidiaries within Humble Group explored sustainable packaging alternatives than ever before. We celebrated the launch of Sweden's first paper-wrapped protein bars and launched refillable household products in the UK. Meanwhile, packaging trials for other innovations continue to be ongoing.

SOURCING AS A KEY FOCUS

Humble Group identified the need to centralize its supplier due diligence work, to focus on sourcing quality ingredients and more transparent supply chains. The project kicked off in Q2 2023 and continues to be a key focus area for the business, particularly considering some of the likely upcoming EU legislation around supply chain due diligence.

A GROWING TEAM OF EXPERTS

In 2023, Humble Group is proud to have welcomed two new sustainability managers to the Head Office team in Stockholm to continue strengthening our position as one of the most sustainable FMCG companies on the market. The growing team continues to provide sustainability expertise and centralized support for our subsidiaries, particularly in the areas of strategy, reporting, and key areas such as packaging, energy, climate, and sourcing.

IMPROVED INTERNAL SUSTAINABILITY REPORTING

In 2023, Humble Group's subsidiaries continued to report internally on a quarterly basis via Position Green. Reporting response time and quality has improved, making Humble Group better placed to meet the increased reporting requirements. Humble Group also initiated a strategic collaboration with the digital platform Worldfavor to streamline our data collection for supplier auditing.

THE FIRST B CORPORATION IN OUR MIDST

In August 2023, Humble Group was thrilled to announce its first Certified B Corporation: Danish subsidiary True Gum. The team worked tirelessly to achieve this incredible badge of honor and True Gum is now part of a global community of businesses that meet high standards of both social & environmental impact. This knowledge is now being implemented in the other companies within the group.

GROUP-WIDE CARBON ACCOUNTING

With climate as our top priority, Humble Group was proud to kick-off its first Group-wide carbon accounting project, covering scopes 1, 2, and 3 using a mix of activity and spend-based data. We are proud to now have a reliable baseline of emission data upon which to set climate reduction targets in future.

ENHANCED CENTRAL GOVERNANCE

Humble Group had an increased focus on its central governance structure in 2023. The Group approved various centralized policies including a Supplier Code of Conduct and initiated work on risk frameworks to better measure our governance across the Group and ensure our teams are clear on both responsibility and escalation channels in case of any suspected misconduct.

PREPARATIONS FOR THE CSRD

During the year, the sustainability team intensified its efforts in preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD). The Group started by conducting a detailed value-chain analysis, followed by a full double-materiality assessment and has now determined its material topics upon which the CSRD reporting relies. The current set of datapoints will be expanded to comply with the CSRD.

MAPPING OUR VALUE CHAIN

ACTIVITIES WITHIN HUMBLE GROUP

This section presents Humble Group's value chain, which reflects our business model. It outlines the steps from acquiring materials to manufacturing our products and delivering services to our customers, illustrating every aspect of our process.

Operating within the FMCG market, Humble Group has own operations across 16 countries through 47 subsidiaries, focused on Future Snacking, Quality Nutrition, Sustainable Care, and Nordic Distribution. Our portfolio of companies includes manufacturers, distributors, and brands, resulting in Humble Group having a large global distribution footprint, with some subsidiaries serving as internal suppliers for others within the Group.

The graphic below offers an overview of our value chain; however, it's important to note that not all subsidiaries engage in every activity.

UPSTREAM

In the sourcing process, subsidiaries acquire materials and packaging tailored to their roles in manufacturing, distribution, or branding. Our manufacturing subsidiaries obtain raw materials, while distributors and brands acquire finished goods.

Humble Group and its subsidiaries purchase various services, with some choosing external providers whilst others handle them in-house. These services include, among others, IT and accounting/auditing services, as well as the transportation of raw materials and packaging, predominantly conducted by road and sea.



MAPPING OUR VALUE CHAIN

OWN OPERATIONS

Internally, R&D promotes innovation across subsidiaries, leveraging synergies by sharing in-house solutions and formula advancements. Subsidiaries use a mix of internal and external productions, and each subsidiary has different capabilities on site, e.g., bagging and machinery.

Group services provide centralized support for selective functions, but for the most part Humble Group strives to preserve a decentralized structure to continue granting subsidiaries full autonomy in significant decisions like product innovation, commercial agreements, and partnerships.

Distributors handle the resale of inventory and are involved in tasks such as breaking down pallets, repacking larger orders, and preparing goods for freight transport.

For brands, marketing and sales are integral parts of their operations, with B2B transactions being much of the focus and a small portion of B2C sales occurring primarily in the Nordics.

DOWNSTREAM

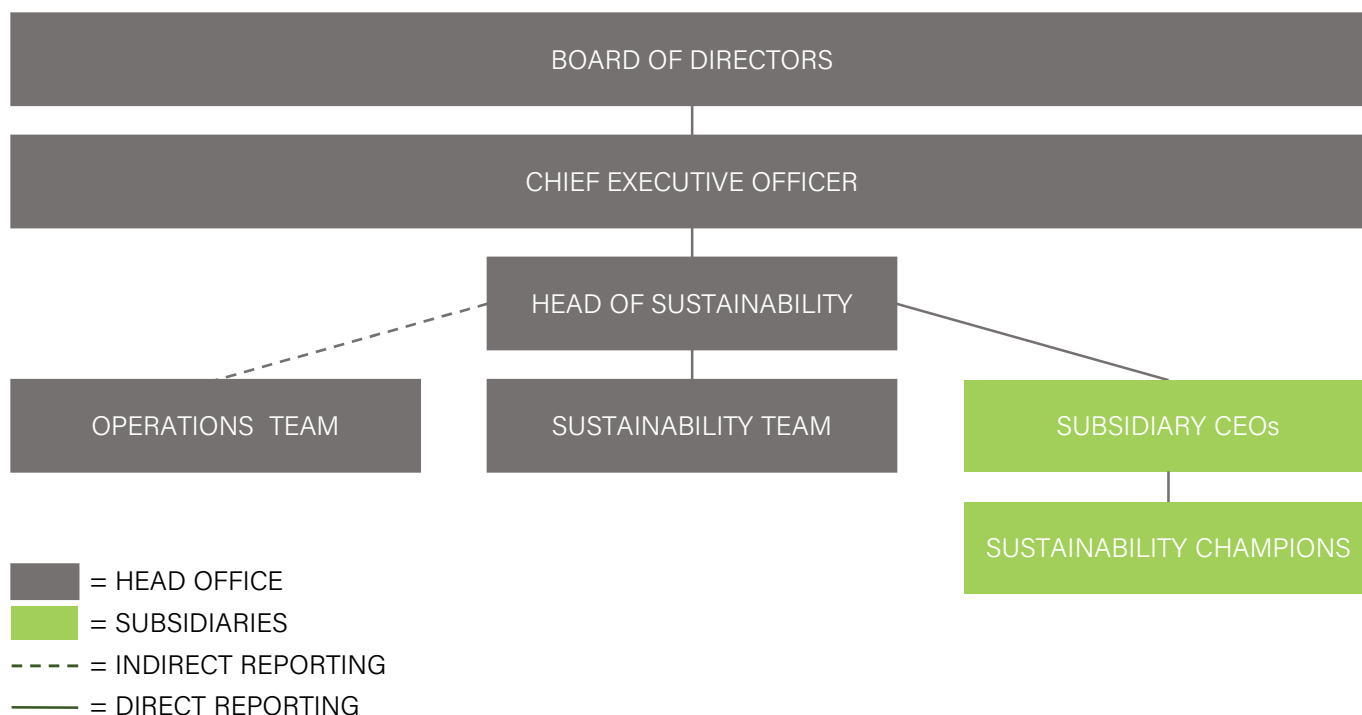
In the downstream stage, external distributors are utilized if distribution is not handled by our own subsidiaries. This relies on freight transport, moving products to central warehouses, regional hubs, and/or direct to stores.

Our commitment to sustainability extends to the consumption stage of our value chain, influencing consumer behavior and consumption patterns. Humble Group's value chain includes end-of-life and waste management aligning with our dedication to a responsible and sustainable future.



SUSTAINABILITY GOVERNANCE

Our governance framework actively involves key stakeholders, playing a vital role in shaping corporate strategy and embedding sustainability principles across operations. Through continuous communication, we strive to enhance sustainability efforts and maintain a steadfast commitment to sustainable practices.



CENTRAL OVERSIGHT

At the forefront, the Board of Directors oversees Humble Group's strategy, conducting annual reviews of sustainability initiatives, policies, and priorities. The CEO supports operational strategies, ensuring widespread integration of sustainability initiatives. Notably, larger sustainability-linked investments require approval, underscoring strategic alignment.

The Head of Sustainability leads the sustainability strategy, collaborating closely with the executive team. In 2023, the sustainability team expanded to focus on meeting new reporting requirements and compliance, as well as addressing packaging and supply chain concerns.

CROSS-FUNCTIONAL COLLABORATION

The Operations team comprises operating directors, each responsible for overseeing a group of subsidiaries, typically within a specific segment of Future Snacking, Quality Nutrition, Sustainable Care, and Nordic Distribution. The Operations team are responsible (indirectly) for the performance and results of their subsidiaries on key sustainability KPIs and support the sustainability team with implementation and momentum within the business.

They collaborate closely with each subsidiary's CEO, who manages day-to-day operations and holds ultimate responsibility for integrating sustainability into their business. Additionally, each subsidiary has a sustainability champion tasked with driving sustainability initiatives, which may include reporting data to the sustainability team at the head office or initiating deals related to renewable packaging.

SUSTAINABILITY RISKS

UNDERSTANDING OUR RISKS

Within Humble Group, we engage in ongoing, structured dialogues with each subsidiary to ensure effective internal control and awareness of sustainability risks. This commitment aligns seamlessly with our dedication to sustainable practices and proactive risk mitigation.

To address potential risks, we have conducted assessments to identify our most material sustainability risks, closely linked to our materiality assessment. This focused approach centers on topics deemed most critical for our organization.

PROCESS FOR RISK ASSESSMENT

Our assessments involve examining all our activities to gain a nuanced understanding of potential risks and their implications. Subsequently, we have developed mitigation actions aimed at preventing these risks, as outlined in the table below.

SUSTAINABILITY AREA	POTENTIAL RISKS	POTENTIAL IMPLICATIONS	MITIGATIVE ACTIONS
ENVIRONMENT	Significant emissions from operations along the entire value chain (i.e., transport, production of goods, factory upkeep, etc.) Excessive use of resources (i.e., packaging, plastics, food, cosmetics and cleaning products, etc.) End users inadequate recycling practices	• Environmental damage • Reputational damage • Loss of clients and business • Increased costs • Legal consequences	• Continuous work to reduce the consumption of emissions • Continuously shift subsidiaries to centralized group agreements to monitor usage • Continuous work to maximize the use of recyclable materials • Labelling packaging with clear recycling instructions
SOCIAL	Violation of human rights (e.g., child labor, forced labor, etc.) in high-risk countries in the supply chain. Exposure to plausible health and safety risks in manufacturing and distribution facilities Poor working conditions (i.e., inadequate wages, long hours, etc)	• Reputational damage • Legal consequences • Loss of clients and business • Putting employees at risk • Difficulties retaining and recruiting employees	• Respect human rights as per UN Global Compact, of which Humble Group is a signatory • Continuously train manufacturing and distribution workers to ensure safety • Establish policies to ensure adequate working conditions
GOVERNANCE	Corruption, bribery, conflict of interest, and other unethical involvement from employees or business partners Non-compliance with Humble Group's code of ethics	• Reputational damage • Legal consequences • Loss of clients and business • Fines • Damage to stakeholder trust	• Establish policies to ensure legal standards and compliance towards code of ethics • Monitor misconduct through the Speak Up (whistleblowing) tool

POLICY OVERVIEW

GOVERNING DOCUMENTS

Humble Group has several internal and external policies and procedures that establish a comprehensive framework, setting overarching rules for all employees.

While some policies have been in place for some time, new additions, like the supplier code of conduct were introduced at the end of 2023. Although we haven't initiated the collection of supplier signatories for the new policy, it is part of our upcoming plans.

External consultants have been involved in enhancing our policies for completeness. In late 2023, we also began developing our internal control systems, with some areas having robust controls, while others are still in progress and undergoing testing.

All the policies are annually approved by the Board of Directors, following a review by the policy owner for content and correctness. The CEO annually reports on policy compliance to the Board for Directors.

Monitoring of compliance varies across policy areas, with a few company tools available, such as the whistleblowing tool, suitable for addressing any case of misconduct. Subsidiary CEOs are individually responsible for managing their businesses, ensuring adherence to policies.

As of now, 0 cases of suspected misconduct have been reported for any of the policies.

HUMBLE GROUP POLICIES IN PLACE

THE HUMBLE WAY (CODE OF ETHICS)

The Humble Way is Humble Group's Code of Ethics, emphasizing that all employees within the Group should conduct business responsibly, ethically, and sustainably.

HUMAN RIGHTS POLICY

The Human Rights Policy commits Humble Group to uphold and promote human rights across its entire value chain, aligning with the UN guiding principles on Business and Human Rights and voluntarily signing the UN Global Compact.

ANTI-BRIBERY & CORRUPTION PREVENTION POLICY

The Anti-Bribery & Corruption Prevention Policy at Humble Group commits to combat all forms of corruption, emphasizing the Group's recognition of social responsibility and accountability for actions within its direct operations.

SPEAK UP POLICY (WHISTLEBLOWING)

The Speak Up Policy outlines when and how Humble Group employees, stakeholders or external partners can voice concerns and submit a whistleblowing report.

SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct outlines Humble Group's fundamental principles, expectations, and values for its suppliers, ensuring awareness and a collective commitment to social and environmental sustainability.

ENVIRONMENTAL POLICY

The Environmental Policy states Humble Group's commitment to reducing its negative impact on the natural environment and acting on climate change.

CORPORATE GOVERNANCE POLICY

The Corporate Governance Policy outlines how Humble Group ensures effective management of the organization's business in compliance with laws, regulations, and its values.

FINANCE & RELATED PARTY TRANSACTION POLICY

The Finance & Related Party Transaction Policy describes how Humble Group ensures handling relevant financial risks that the Group's operations are exposed to.

RISK MANAGEMENT & INTERNAL CONTROL PROCEDURE

The Risk Management & Internal Control Procedure describes processes for risk identification, assessment, internal control requirements and their evaluation, analysis and reporting within Humble Group.

POLICY OVERVIEW

HUMAN RESOURCE POLICY

The Human Resource Policy states the guidelines and procedures governing employee management, recruitment, development and overall workplace practices within Humble Group.

M&A POLICY

The M&A Policy outlines the decision-making process for mergers and acquisitions at Humble Group, aligning activities with strategic objectives, complying with legal requirements, and maximizing shareholder value.

INFORMATION COMMUNICATION & INSIDER POLICY

The Information Communication Policy establishes guidelines for both internal and external communication, while the Insider Policy aims to minimize the risks of insider dealing and other unlawful behavior.

IT, INFORMATION SECURITY & DATA PROTECTION POLICY

The IT Policy outlines the overarching principles for IT governance within Humble Group, while the Information Security & Data Policy ensures the efficient and secure management of information security and data protection.



STAKEHOLDER DIALOGUE

WHO WE ENGAGE WITH

Interacting with both internal and external stakeholders plays an important role in the continuous progress of Humble Group. The objective is to maintain a constant dialogue, balancing diverse interests, expectations, and aspirations. Our stakeholder groups include investors, shareholders, customers, consumers, employees, suppliers, and philanthropic partners.

HOW WE ENGAGE

We employ various communication channels, as outlined in the figure below, to interact with these key stakeholders. Topics that remain significant for stakeholders naturally hold importance for us. Additionally, topics that emerge during these engagements are included as part of our materiality assessment, detailed on page 35.

EMPLOYEES



- Regular dialogue & open feedback
- Performance reviews
- Intranet

SUPPLIERS



- Strategic planning meetings
- Formal supplier audits
- Supplier Code of Conduct

PHILANTHROPIC PARTNERS



- Cash donations
- Product donations
- 'Humble Gives Back' day

INVESTORS & SHAREHOLDERS



- Annual General Meetings
- Quarterly results presentations
- Investor roadshows
- Individual investor meetings

CUSTOMERS



- Strategy meetings
- Trade shows
- Customer's own Code of Conduct
- Questionnaires & audits

CONSUMERS



- Company website
- Social media
- Marketing campaigns
- Product packaging

MATERIALITY ASSESSMENT

UNDERSTANDING OUR IMPACT AREAS

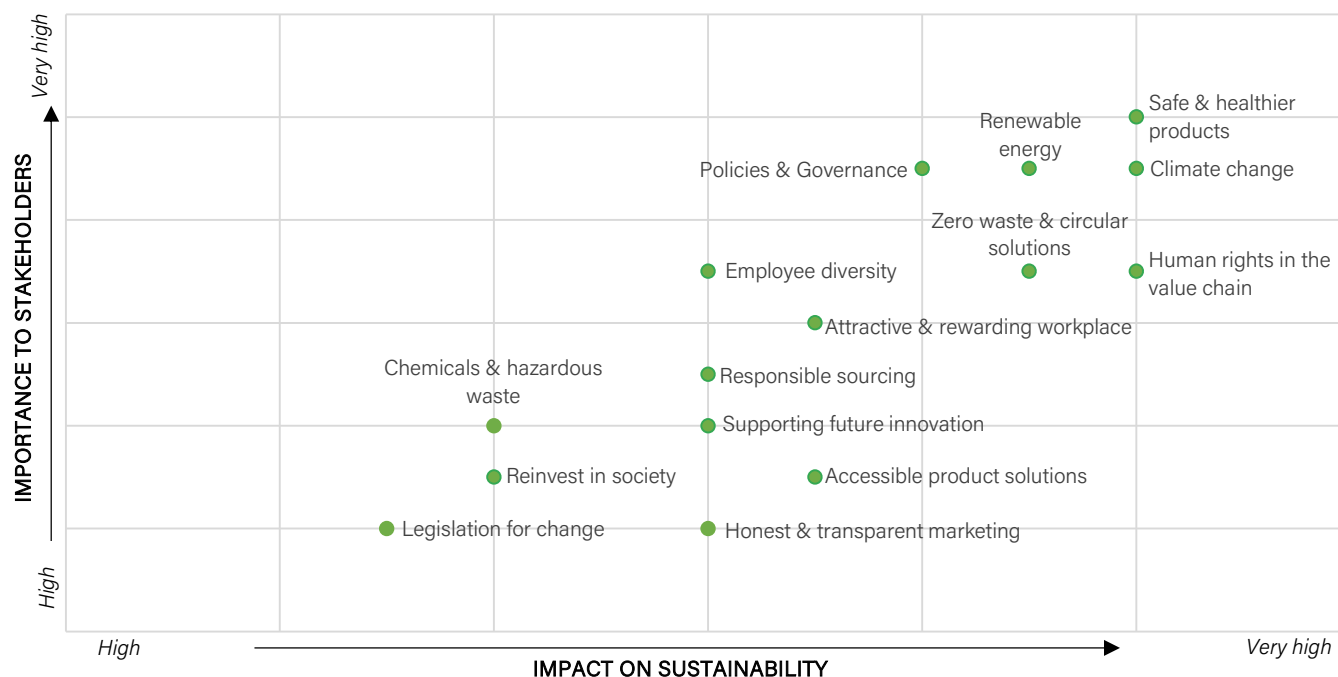
Part of the basis for Humble Group's strategy involves a materiality analysis, ranking key issues important for the company. This analysis began in 2022, using stakeholder engagement to identify topics for our strategy that would ensure alignment with stakeholder priorities. Stakeholder perspectives are gathered through various ways detailed on page 34.

In 2023, we updated the analysis with fresh insights and introduced impact assessments. In the impact assessment we consider that our subsidiaries operate in diverse industries and evaluate how Humble Group, along with all its subsidiaries, impact its surroundings.

SCORING IMPORTANCE & IMPACT

We score stakeholder engagement and impact assessment separately for each topic relevant to a company of our size in the FMCG industry. This prioritization has guided our sustainability efforts in the initial 1-2 years.

The latest analysis highlights that prioritizing climate change and renewable energy are important areas for Humble Group alongside human rights in the value chain, policies & governance and zero waste & circular solutions. To learn more about our initiatives in these and other areas in the scatter plot, see the page references below.



SUSTAINABILITY TOPIC	SCOPE FOR HUMBLE GROUP 2023	PAGE
Accessible product solutions	Easily found and widely available products for a diverse group of consumers	10-17
Attractive & rewarding workplace	Creating a positive workplace for all employees	40
Chemicals & hazardous waste	Adhering to local and EU legislation regarding banned ingredients	-
Climate change	Measuring climate impact for own operations & the value chain	47-50
Employee diversity	All employees having equal opportunities regardless of age and/or gender	40
Honest & transparent marketing	Communicating product benefits truthfully, avoiding misleading statements	55
Human rights in the value chain	Promoting social responsibility and preventing human rights violations	43
Legislation for change	Participating in peer and governmental dialogues to drive industry change	-
Policies & governance	Preventing corruption, bribery, and broader governance issues	30-33
Reinvest in society	Reinvesting in society through a range of philanthropic projects	41
Renewable energy	Transitioning subsidiaries to renewable energy sources	46
Responsible sourcing	Concentrating our sourcing through more sustainably-conscious suppliers	42-50
Safe & healthier products	Providing healthier and more sustainable products	10-15
Supporting future innovation	Introducing new ideas and developing new products	38, 53-54
Zero waste & circular solutions	Adopting practices that encourage recycling and renewable materials	51-55

SUSTAINABILITY STRATEGIC FRAMEWORK

Healthy People On A Healthy Planet. This is our ambition for the future.

Our strategic framework outlines what a sustainable FMCG business looks like. In doing so, it determines the four areas where Humble Group can have the greatest impact for change, and thereby also sets our priority areas for current and future action.

This shared vision for the future and our defined areas for impact are the result of both stakeholder engagement and aligning on internal ambition. We understand and acknowledge that making an impact in all these areas will take time, and we are only at the very beginning of our journey.



AREA 1

INNOVATING FOR POSITIVE IMPACT

SYSTEMS INNOVATION FOR HEALTHY PEOPLE AND PLANET

Innovation is one of Humble Group's four core values and enables us to achieve our goal of becoming the powerhouse that reinvents the FMCG sector. We celebrate an entrepreneurial mindset and believe in taking a science-driven approach in finding solutions that contributes to healthy people on a healthy planet.

Our subsidiaries are led by ambitious entrepreneurs, and together we are building an innovation hub that will foster future healthy living and accelerated change.

INNOVATION: A CORE VALUE AT HUMBLE GROUP

Innovation is at the core of Humble Group, setting us apart from traditional FMCG groups with our entrepreneur-led companies. Through our commitment to product innovation and development, we have achieved success in recent years, exemplifying our dedication to cutting-edge solutions. We operate in the fast-growing segments of healthy food, snacks, and nutrition, as well as sustainable beauty and continue to drive transformative change within the FMCG industry.

LIVE PATENTS

At the end of the calendar year 2023, Humble Group held eight live patents: seven within the skincare and wellness category and one related to our sugar-replacement fiber, EUREBA. Additionally, compared to 2022, we have one pending patent awaiting approval. While patents serve as a metric for measuring innovation, we also prioritize innovation in recipe development and packaging solutions. Read more about our innovative packaging solutions, like our first paper-wrapped protein bars in the Swedish market on page 53.

M&A CRITERIA

Humble Group's M&A due diligence process incorporates sustainability criteria for environmental, social, and governance considerations. While we assess sustainability, we do not solely exclude companies based on their current sustainability impacts. Instead, we support them through their sustainability initiatives. In 2023, our main focus was enhancing acquired businesses by refining internal controls, fostering synergies, and implementing sustainability measures such as promoting sustainable packaging, initiating supply chain due diligence, and measuring carbon emissions. We remain dedicated to guiding our companies through their sustainability efforts.



AREA 2

COLLABORATING FOR BUSINESS EXCELLENCE

BEING A PEOPLE POWERHOUSE THAT LEADS CROSS-SECTORAL COLLABORATIONS

Our people are our greatest asset, and we believe in offering an attractive and rewarding workplace that enables collaboration. Humble Group's workplaces should promote diversity and foster learning.

Humble Group's aim is to be a trusted partner with high ethical standards. We believe in re-investing in the world around us to make positive societal impacts, being an advocate for policy and legislation change and embracing cross-sector collaborations with our peers in the FMCG industry.



OUR BUSINESS IS OUR PEOPLE

At Humble Group, we believe our greatest asset is our people. We aspire to cultivate a workplace environment that is open and honest, where each individual feels valued, respected, and empowered to thrive. As we expand, our goal is to foster a culture of collaboration, innovation, and inclusivity, where everyone can contribute their unique talents and perspectives to drive our collective success.

MENTORING

Mentoring at Humble Group involves peer-to-peer coaching, pairing talent within our company based on their roles, learning needs, and geographical location.

We recognize the invaluable role that mentorship plays in nurturing talent, fostering synergies, and in building a strong sense of community within our organization. Through mentorship, seasoned leaders within our business with years of industry experience offer guidance, share knowledge, and provide support to mentees. The mentoring program was launched in 2022 and is a voluntary personal development resource offered by Head Office in addition to formal training and on-the-job learning that is managed at subsidiary level.

DIVERSITY

At Humble Group, we see diversity as an opportunity for growth and success. By bringing together individuals with varied backgrounds, talents, and experiences, we create dynamic environments where everyone can thrive.

Since 2022, we have tracked gender and age diversity across the Group through surveys sent to each subsidiary. We oversee progress and any irregularities to understand the context behind the numbers. We are pleased with the strong gender split among our full-time and part-time employees. However, the gender split at the management level remains unchanged. Many subsidiaries are still led by male entrepreneurs, affecting gender balance at the senior management level. Yet, we have improved the gender split on our Board of Directors since 2022. Details on our Group Management Team and Board of Directors can be found on pages 22-23.

GENDER DISTRIBUTION	2023		2022	
	Male	Female	Male	Female
Gender distribution on full-time employees	564	491	520	456
	53%	47%	53%	47%
Gender distribution on part-time employees	84	89	66	84
	49%	51%	44%	56%
Gender distribution on the Management team	113	65	100	60
	63%	37%	63%	38%
Gender distribution on the Board of Directors	3	2	5	1
	60%	40%	83%	17%

AGE DISTRIBUTION	2023		2022	
Born between 1997-2012	248	20%	185	17%
Born between 1981-1996	565	45%	507	46%
Born between 1965-1980	356	29%	326	30%
Born between 1946-1964	74	6%	76	7%

HUMBLE GIVES BACK

At Humble Group, we believe in giving back to our local community. We are proud to provide all permanent staff members with the chance to contribute one full day per year to volunteer in their local communities during work hours. These "giving back" days are organized at subsidiary level, ensuring that our impact is closely tied to local needs and directly benefits the communities surrounding our businesses and teams.

In 2023, several of our subsidiaries participated in "Give Back" initiatives. Our Australian subsidiary Body Science organized a beach clean up, gathering garbage on different beaches on the Gold Coast, and our British subsidiary Amber House was quick to follow with their own beach clean up in the Southeast of England.



GIVING BACK VIA OUR PARTNERS

Reinvesting in society and the world around us is an important part of our corporate mission, and we are pleased that many of our subsidiaries are involved in some form of ongoing philanthropic partnerships or corporate social responsibility projects. Our charity donations includes both funds and products to a range of projects, including nature conservation efforts, human health, children's education, making sports accessible, and more.

Since 2014 our subsidiary The Humble Co. has operated its own philanthropic foundation named the Humble Smile Foundation. This non-profit organization, consisting of a team of health and development professionals, focused on addressing human health issues in underprivileged communities in India and Africa. In 2023, The Humble Co. made the decision to cease its own non-profit operations to instead outsource its philanthropy work to an external partner for even greater efficiency and impact. To continue their mission of fighting plastic pollution, The Humble Co. has announced a new partnership with Plastic Change for 2024 and beyond.

In 2023, Humble Group's cumulative donations amounted to a value of almost 2,8 MSEK. Each subsidiary is free to pick the charity partner closes to their heart and their corporate mission – our list of 2023 partners includes, but is not limited to, the below.



AREA 3

SECURING RESPONSIBLE SOURCING & PRODUCTION

SAFE & FAIR VALUE CHAINS THAT CREATES POSITIVE IMPACTS

At Humble Group, we recognize the importance of responsible sourcing and production practices to ensure we provide better products while operating within our planetary boundaries.

We commit to respecting & protecting human rights, securing transparent and traceable product origin and ensuring sourcing practices that protects biodiversity and regenerative ecosystems. Our aim is to transition to carbon positive production and supply chain by supporting renewable energy, fossil-free transportation and circular solutions where possible.



BETTER SOURCING

After gathering feedback from our subsidiaries, it was clear that raw material sourcing was a strategic area where Humble Group could further add value to our businesses by centralizing our efforts over time. Concentrating our sourcing through more selective, sustainability-conscious suppliers will allow us to source key ingredients such as bamboo, cotton, cacao, nuts, and palm oil from well-managed ecosystems with better visibility and control. This is an ongoing focus for our business, with centralized initiatives kicking off at the end of Q3 2023 and remains a top priority for the business going into 2024.

In June 2023, the EU adopted the Regulation on Deforestation-free products (EUDR), which set rules to guarantee that the products EU citizens consume do not contribute to deforestation or forest degradation worldwide. In 2024, we will ensure that the Group and our subsidiaries comply with this regulation.

SUPPLY CHAIN DUE DILIGENCE

Supplier due diligence refers to the process of evaluating and assessing the environmental, social, and governance practices of suppliers within our value chain. This is a key process for us to ensure that our suppliers align with the Humble Group values, principles and expectations. The goal is to identify and manage risks, drive environmental consciousness, and ensure that our entire value chain operates in an ethical manner.

In 2023, we started a Group-wide project to implement the OECD Due Diligence Guidance for all subsidiaries in the group. The purpose of this project is to centralize supply chain due diligence efforts, while taking advantage of the subsidiaries' existing processes and knowledge in supplier follow-ups. This to ensure that the Group is fully aligned with existing and upcoming regulations, and that we have effective processes to act on high-risk suppliers.

PROUD CLIENTS OF WORLDFAVOR

We have chosen Worldfavor as our partner to digitally collect data from our suppliers to identify risks. Our vision is to centralize supplier data in the platform to ensure ESG measures are part of our purchasing decision making. Suppliers will be required to sign the Humble Group Supplier Code of Conduct, as well as sharing information about their sustainability practices. We will also establish group guidelines and standards for supplier audits and corrective actions.

worldfavor



PRODUCTION STANDARDS

Humble Group takes great pride in the range of accreditations achieved within our production facilities. Below is an outline of the certifications held across our manufacturing sites. Currently, only one of our production facilities lack globally-recognized accreditations. This is an area we aim to enhance moving forward to demonstrate our commitment to upholding universally accepted production and workplace standards.

The table below shows the number of certifications for our 22 production sites.

EXTERNAL ACCREDITATIONS	2023	2022 ¹
AEOCS (Standard for Gluten-Free Foods)	1	1
BRCGS (Brand Reputation Compliance Global Standards)	3	3
Certified Organic / Ecolabel	5	5
FSSC 22000 (Food Safety System Certification)	7	7
GMP (Good Manufacturing Practices)	2	1
HACCP (Hazard Analysis Critical Control Points)	7	6
IFS HPC (International Feature Standards - Household & Personal Care)	1	0
ISO 22000 (Food Safety Management Systems)	1	1
ISO 22716 (Good Manufacturing Practices - Cosmetics)	1	2
ISO 9001 (Quality Management Systems)	3	2
ISO 14001 (Environmental Management Systems)	1	1
Rainforest Alliance/UTZ	1	1
RSPO (Roundtable on Sustainable Palm Oil)	2	2
SEDEX	2	1
B Corp	1	0
Others	5	5
Total	43	38
Number of production sites	22	22
Percentage of production sites certified	95%	91%



OUR FIRST CERTIFIED B CORPORATION



Humble Group's Danish subsidiary True Gum became a Certified B Corporation in 2023, the first in the Group. True Gum is a pioneering company at the forefront of sustainable chewing gum and mints, which was founded from a desire to not only disrupt the chewing gum industry, but also drive positive change in the wider business community. The B Corp Certification solidifies True Gum's commitment to environmental and social responsibility.

Achieving this world-renowned certification included a thorough evaluation process that dives into more than 250 crucial aspects across five key pillars: governance, workers, community, environment and customers. The process took an incredible +18months but the internal ambition was unwavering and thanks to a strong partnership between the True Gum team and Head Office, the certification was approved in August 2023. True Gum is Humble Group's first subsidiary to be certified and embodies the gold standard for our ambition in the area of responsible sourcing & production.

OUR RENEWABLE ENERGY JOURNEY

Since 2022, Humble Group has been actively transitioning all its subsidiaries to renewable energy sources. We pursue this objective through various means, embracing a decentralized approach where subsidiaries have decision-making power. Some subsidiaries, like Jalofoods, Vitalkost and Natumin Pharma AB, use on-site solar panel technology to meet their energy needs, reflecting a commendable investment in sustainable solutions that ensure business continuity and minimize environmental impact.

Additionally, we have established a Group framework agreement with one of Sweden's largest renewable electricity providers, extending the opportunity for all our subsidiaries to participate. This initiative aims to reduce our Group's carbon footprint and allows us to monitor our electricity consumption figures over time. By 2022, 11 site locations of our subsidiaries had joined the framework agreement, increasing to a total of 17 site locations by 2023. The figures below reflect the electricity consumption of the site locations that have enrolled in the framework agreement. Our primary goal and next steps involve calculating the electricity consumption for all subsidiaries. Once we have established our baseline, we will proceed to set targets for reducing these emissions.

ELECTRICITY CONSUMPTION (KWH)	2023	2022	%
Electricity consumption (absolute) ¹	5,291,877	3,470,680	52%
Electricity consumption (L4L) ²	3,430,595	3,470,680	-1%



¹ Absolute figures represent the total electricity consumption of sites that joined the framework agreement for 2022 and 2023. These numbers are not comparable due to the increase of 6 sites joining the framework agreement in 2023.

² Electricity Consumption: Like-for-like (L4L) compares the electricity consumption of sites that joined the framework agreement in 2022 with the same time period in 2023. Not all sites joined Fortum at the beginning of the either calendar year; subsidiaries joined the agreement at different times throughout the year. Therefore, it considers only the comparative months included for both years in the total, ensuring an accurate basis for comparison.

GROUP-WIDE CARBON ACCOUNTING

Climate is one of our most material sustainability areas and has therefore always been a key priority for the Group. In 2023, Humble Group initiated the immense task of measuring our Group-wide carbon footprint across our entire value chain. We set out to understand our current GHG emissions with the goal of establishing reliable baseline data for the previous two calendar years, upon which future climate reduction targets can be set. In the process, we built the data infrastructure for spend-based data to be gathered internally, thereby semi-automating certain parts of the data collection process which will enable future data collection to be more seamless in future.

UNDERSTANDING EACH SCOPE

Humble Group follows the greenhouse gas (GHG) emissions breakdown by scope, as defined by the Greenhouse Gas Protocol under the Corporate Accounting Reporting Standard, which was created to provide a standardized way of measuring, reporting and managing GHG emissions for all types of businesses across all industry sectors. By accounting by scope, we can better identify our business' hotspots and consequently determine ways to reduce our GHG footprint in the future.

SCOPE 1 DIRECT EMISSIONS

GHG emissions as a result of mobile combustion (cars) or stationary combustion (machinery) owned and/or operated by Humble Group.



SCOPE 2 INDIRECT EMISSIONS

GHG emissions as a result of energy purchased by Humble Group.

These can include:

- Purchased electricity
- Purchased steam
- Purchased heating & cooling



SCOPE 3 INDIRECT EMISSIONS

GHG emissions results from all other activities upstream or downstream in Humble Group's value chain.

These can include:

- Purchased goods & services
- Upstream & downstream transportation/distribution
- Waste generated in operations
- Business travel
- Usage/consumption of products
- End of life treatment



TOTAL HUMBLE GROUP GHG EMISSIONS

<i>Data in tCO2e ('000)</i>	2023	% CHANGE	2022	% CHANGE	2021
SCOPE 1 EMISSIONS	0.42*	-67%*	1.29	11%	1.17
SCOPE 2 EMISSIONS (market-based)	0.21	-58%	0.49	-19%	0.61
SCOPE 3 EMISSIONS (upstream)	164.20	23%	133.60	26%	105.90
TOTAL	164.80	22%	135.40	26%	107.70

SCOPE 1 EMISSIONS

The table above shows the results of our GHG emissions for the three calendar years prior. Our Scope 1 emissions represented roughly 1% of total emissions in 2021 & 2022, mainly the result of stationary combustion, due to Humble Group having various manufacturing sites within our portfolio of companies. The remaining of Scope 1 emissions were the result of mobile combustion from owned or leased company cars. Subsidiaries manage their own company car policies and therefore lease cars with a variety of providers, and whilst some have electric or hybrid specifications in their lease agreements, this is not a mandatory requirement yet across the Group.

* The process for data collection for Scope 1 emissions in 2023 has not yet concluded, hence the appearance of a significant reduction and the exclusion of 2023 in calculating averages per scope.

SCOPE 2 EMISSIONS

Scope 2 emissions represented on average 0.5% of the Group's footprint in 2021 & 2022 and has decreased in 2023 as subsidiaries make the switch from conventional electricity sources to renewable electricity sources. Read more about our energy journey on page 46.

DEEP-DIVING INTO OUR SCOPE 3 EMISSIONS BY ACTIVITY

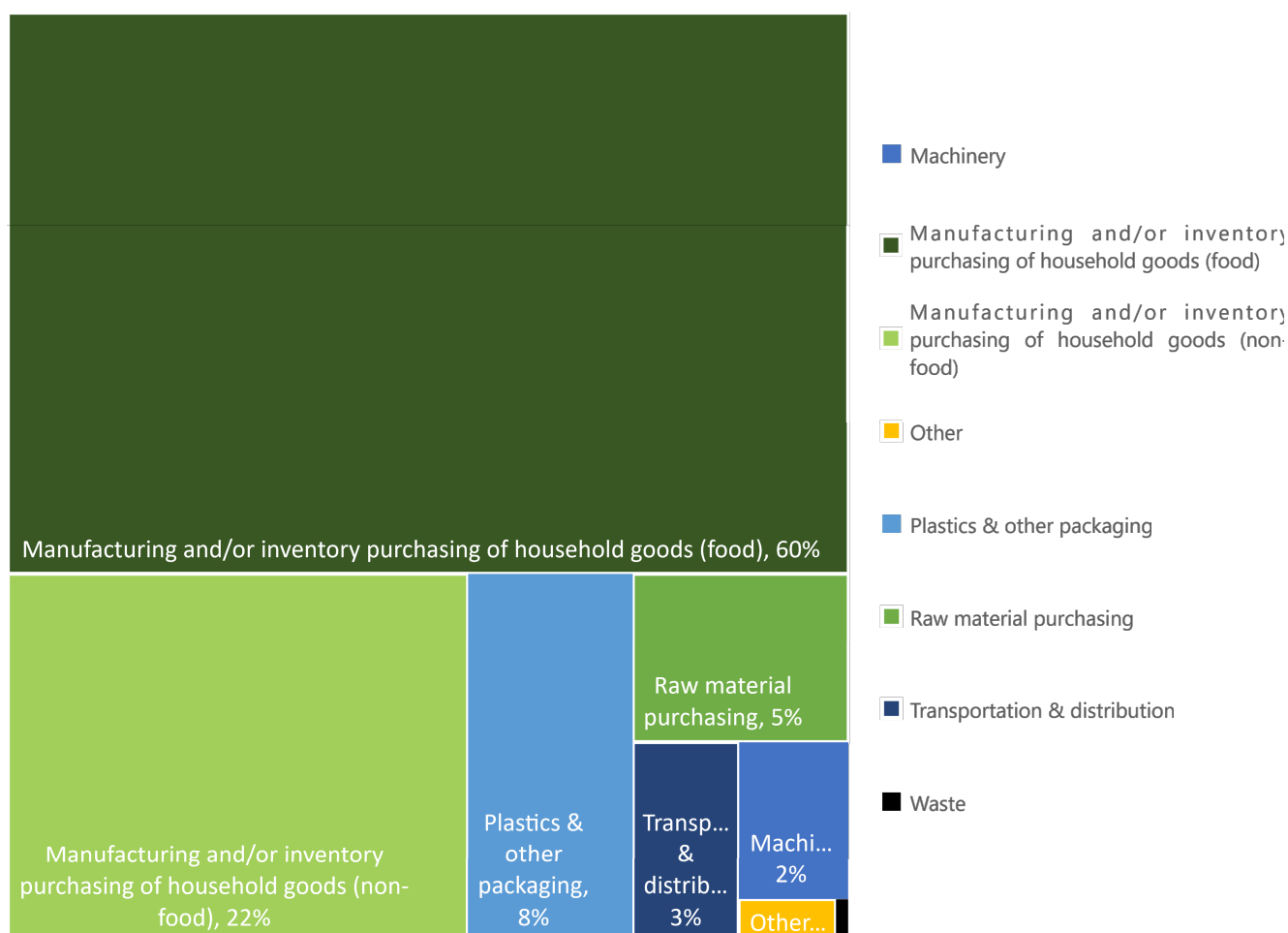
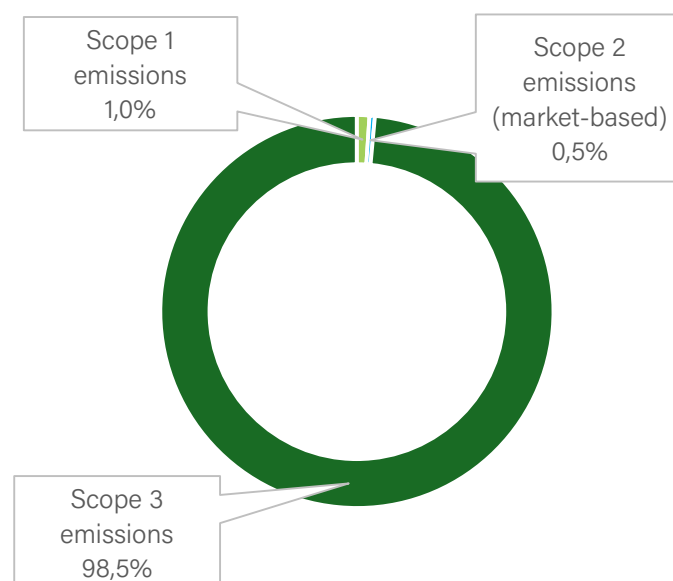
As is the case for most businesses, scope 3 represented an average of 98% our emissions in 2021 & 2022.

The majority of these emissions come from the manufacturing of household goods (82%), where manufacturing occurs outside of Humble Group's own operations, or where our subsidiaries have purchased inventory (finished goods) from non-Humble Group subsidiaries for distribution. Given the nature of our business, this weighting is to be expected and our ongoing work with supplier due diligence will allow us to be more selective with the partners we work with in the future.

We then observe that raw material purchasing, plastics & other packaging and transportation/distribution represent another 15% of emissions combined.

Our remaining emissions include emissions from machinery, from waste management, from legal or financial services, or "other" categories (which include activities such as real estate, advertising, market research and R&D).

AVERAGE SPLIT BY SCOPE 2021 & 2022



GREENHOUSE GAS (GHG) EMISSIONS PROTOCOL

Humble Group's climate impact amounted to 164,000 tonnes of CO₂ in 2023, according to the Greenhouse Gas Protocol. This is an increase by 29,394 tonnes compared to 2022. By far, our most significant impacts are within purchased goods & services and upstream transportation & distribution. With this insight, we can now set ambitions to create future reduction targets as part of a wider climate action strategy.

GREENHOUSE GAS SCOPES	GREENHOUSE GAS PROTOCOL CATEGORY	EMISSIONS (tCO2e)		
		2023	2022	2021
Scope 1 (Direct GHG emissions)				
	Mobile combustion	423	634	651
	Stationary combustion	-	657	515
	TOTAL SCOPE 1	423	1,291	1,166
Scope 2 (Indirect GHG emissions)				
	Electricity (market-based)	206	386	510
	Electricity (location-based)	35	67	52
	Heat	-	106	95
	TOTAL SCOPE 2 (market-based)	206	493	606
	TOTAL SCOPE 2 (location-based)	35	174	148
Scope 3 (Upstream indirect GHG emissions)				
	Purchased goods and services	159,476	120,830	96,425
	Capital goods		4,240	539
	Fuel- and Energy-Related Activities	197	568	487
	Upstream transportation and distribution	4,325	7,918	8,457
	Business travel	21	45	11
	Upstream leased assets	132	-	-
	TOTAL SCOPE 3 (upstream)	164,151	133,603	105,919
GRAND TOTAL (market-based)		164,780	135,387	107,690

GHG EMISSION DATA COLLECTION & COVERAGE

Humble Group initiated the internal data collection process in Q1 2023.

SCOPE 1 DATA

Scope 1 data for 2021 and 2022 was gathered manually from each subsidiary within the Group, via Normative-provided data templates. The data templates required each subsidiary to self-declare their mobile and stationary combustion consumption using activity data (e.g. kilometers travelled, liters of fuel used etc.). Data templates were manually reviewed at Head Office before being submitted to Normative for processing. A total of 35 subsidiaries reported their scope 1 data, out of a total of 42 organizational units. Scope 1 data collection for 2023 is still ongoing. We have presented the data available (spend-based) but are awaiting Scope 1 2023 activity data. We are continuing work to close any remaining reporting gaps for previous years, and to include Scope 1 data for 2023 for all entities within the business in the near future.

SCOPE 2 & 3 DATA

Data collection for these scopes was gathered by Head Office, by centralizing supplier spend data across the Group. As spend data was integrated into our central database, the data was manually mapped into categories and sub-categories to better identify our largest spend areas and thereby more accurately apply the correct emissions factors to the supplier transactions during data processing at Normative. Data was gathered for 89.4%¹ of the Group's total spend across three calendar years (2023, 2022 & 2021). The remaining 10.6% of scope 3 data was scoped out for all reporting years since centralized data sources for this portion of the business are not yet available. We are currently working on closing the remaining data coverage gaps with the goal of achieving +95% coverage in 2024. For now, Humble Group's Scope 3 data only includes upstream emissions calculations and does not include any downstream emissions calculations. We are considering this in the future.

ASSUMPTIONS & POSSIBLE LIMITATIONS TO OUR CALCULATIONS

As with any data collection process, there are assumptions and/or possible limitations to the data collection process. These are outlined below for transparency:

- Humble Group is using an operational control approach for calculating GHG emissions.
- Data coverage for all scopes is <100% (see above for the details of exact coverage by scope).
- Any transaction data without a corresponding supplier name was removed ahead of submission to Normative, as supplier name is a mandatory field required for applying emission factors.
- Any transaction data that was not able to be categorized ahead of submission to Normative and also did not have a corresponding VAT number was removed ahead of submission to Normative, as a minimum of one of these fields is mandatory for applying emissions factors. Across the three calendar years of spend data available (2021, 2022 and 2023), the amount of transaction data affected corresponded to 2.4%, 1.8% and 3.3% respectively. Under the Science Based Target initiative (SBTi), companies must present >95% of their emissions for validation. Humble Group is therefore following this guideline for best practice.
- Any transaction data that was not able to be categorized ahead of submission to Normative has been marked as "unmapped". On these lines, Normative applies the highest emissions factors (standard methodology) which implies emissions may be overstated in some areas.
- All categorization of transaction data is currently done manually, allowing for the possibility of human error.

NORMATIVE'S EMISSION CALCULATION METHODOLOGY

Normative is a carbon accounting engine that enables businesses to calculate, report, and reduce their carbon emissions. Normative's carbon accounting engine builds on the Greenhouse Gas (GHG) Protocol and their extensive database of emission factors.

Normative allows clients to use a mixed methodology approach to estimate their indirect emissions, based on two possible sets of data:

- Spend or transaction data i.e. looking at spend by Humble Group on particular goods or services purchased throughout the value chain
- Activity data i.e. actual data around the tons of materials purchased

Normative's carbon accounting engine then applies the appropriate emissions factors to the business' spend data to provide clients with an estimate of their GHG emissions. For more information on Normative's calculation methodology, please visit: <https://normative.io/>

¹ 89.4% refers to the coverage of supplier spend as calculated year-to-date November 2023.

AREA 4

EMPOWERING BETTER CHOICES

HEALTHY PRODUCT SOLUTIONS MADE ACCESSIBLE TO ALL

Humble Group want to offer holistic product solutions that improve people's physical & mental health and provide consumers easy access to better choices for all generations.

Our products should offer healthier alternatives whilst minimizing negative environmental impacts from product packaging, waste, and end-of-life processes. We commit to honest & transparent marketing, to ensure the benefits of our products are clear so that customers and consumers can be empowered through choice.



BETTER PACKAGING

During the year, several of Humble Group's subsidiaries have explored opportunities to switch to packaging alternatives that are better for the environment. This includes shifting to recycled and renewable materials, reusable packaging solutions, as well as ensuring recyclability.

Humble Group continued to build strategic partnerships with packaging suppliers Billerud and Estiko, for paper-based packaging and plant-based plastic packaging respectively. The collaboration guidance and industry expertise on packaging in order to facilitate the switch at subsidiary-level. As trials progress, the Group continues to share learnings and best practices to drive change within this area.

Packaging is and will remain a high priority for Humble Group, as the FMCG industry is highly dependent on single-use packaging to ensure the quality of products. In 2024, we will continue to explore opportunities to reduce the amount of packaging used, as well as switching to new packaging solutions that has a lower environmental footprint.



A FIRST IN SWEDEN: PAPER-WRAPPED PROTEIN BARS

Bars Production AB was acquired by Humble Group in April 2022, and is the Group's main manufacturer of premium energy and protein bars. The company is a leading Swedish manufacturer for our own brands, as well as for external brands and as private label for larger retailers. The manufacturing facility boasts a flexible production setup, making it the ideal test partner for new recipes and/or packaging innovations coming to market.

In August 2023, Bars Production successfully produced the first paper-wrapped protein bars on the Swedish market. The launch was a result of over 18 months of discussions and trials with Swedish paper supplier Billerud, to test and implement their new Recyclable Flow Wrap paper packaging - an innovative packaging solution based on renewable and recyclable wood fibers from sustainably managed forests.

The bars market has traditionally been reliant on plastic and metal packaging to ensure product quality, but the barrier paper on Billerud's Recyclable Flow Wrap offers an outer packaging alternative for bars which can be sorted into existing paper recycling streams. This transition to paper packaging is estimated to reduce CO2 emissions by nearly 50% compared to conventional plastic packaging*.

After the paper packaging passed initial shelf-life trials, the project was presented to one of Bars Production AB customers, Moonvalley (a non-Humble Group brand), as the partner of choice to bring this innovation to market. The paper packaging can now be found on Moonvalley chocolate-dipped protein bars and are available at all Reitan Convenience Sweden Seven Eleven and Pressbyrån stores, as well as at www.moonvalley.me

**Based on an internal calculation of a similar paper type and barrier coating.*



SHELF-LIFE TRIALS,
JUNE 2022



SWEDISH MARKET LAUNCH,
AUGUST 2023

THE REFILL PLAN: COMBATting SINGLE-USE PACKAGING IN HOUSEHOLD PRODUCTS

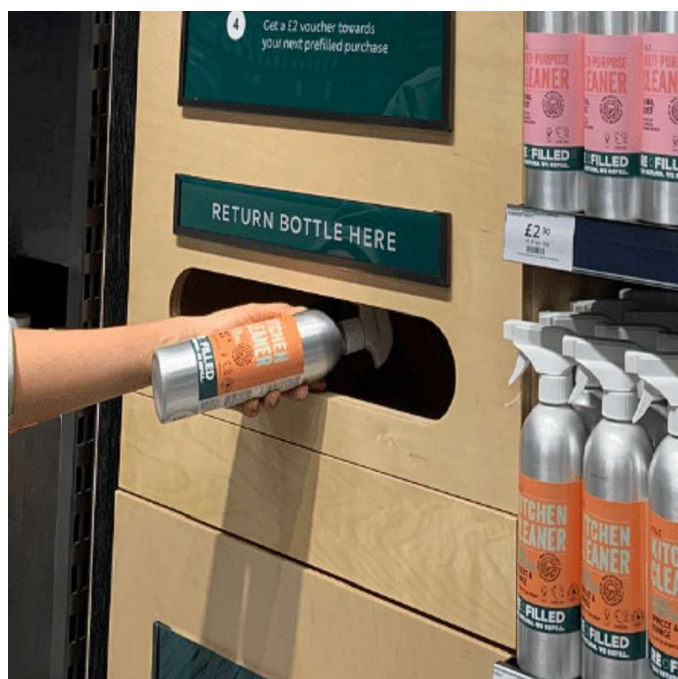
In today's world, the challenge of packaging waste looms large, necessitating a shift towards a more sustainable, circular economy. While increasing the use of recycled materials in packaging is a step in the right direction, it fails to address the underlying issue of packaging being predominantly viewed as single-use, disposable, and inherently wasteful.

To confront this challenge head-on, Solent joined forces with strategic partners M&S and the Reposit packaging platform to introduce the groundbreaking "Refilled" M&S Clean, Wash, and Laundry Range, offering consumers a zero-waste packaging solution.

THE BIG IDEA

The core concept was to enhance the value and longevity of packaging. This would enable refill ability while minimizing disruption to consumer behavior, and increasing customer buy in. The aim was simple: allow consumers accustomed to purchasing single-use products to continue their usual shopping habits. No need for special refill packs or mastering complex refill machinery—just visit the store and purchase the desired product in a durable aluminum bottle, designed for repeated use.

Upon exhausting the product, consumers are incentivized to return the empty bottles to designated collection points, where the refill work begins. The bottles are collected, meticulously washed at a cutting-edge cleaning facility, and then returned to the manufacturer for refilling and relabeling before being reintroduced to store shelves. Each bottle features a QR code, enabling consumers to trace its journey to them. A perfect illustration of a closed loop system.



THE EXECUTION

The successful execution of this initiative in 2022, initially launched across select M&S stores, hinged on effective consumer education. Clear and concise messaging in-store, alongside prominent labelling and media coverage, ensured that customers understood the uniqueness of this zero-waste refill solution.

As part of their ongoing "Plan A: Roadmap to Net Zero" M&S has now expanded the Refilled range to include 10 products from their highly regarded New Household Cleaning range. These products are set to launch in 25 additional stores in 2024, furthering the reach and impact of this highly sustainable initiative.

END-OF-LIFE

Four of our subsidiaries have partnered up with Bower, a smartphone app that rewards consumers for recycling their used packaging. The subsidiaries have added a barcode to their packaging, which enables users to scan the packaging and earn money or coupons.

The app also educates consumers on how to properly sort their packaging waste, with the goal to increase recycling rates in all of Bower's active markets. In 2023, over 32,000 packages were scanned across our four participating brands, resulting in a total CO2 saving of 78.1 kg CO2.



TRANSPARENT COMMUNICATION

Many of our products offer impressive health and/or environmental benefits which set them apart from the convention products of our FMCG competitors. Humble Group continues to uphold its commitment to integrity and transparency in all our product certifications, product claims and marketing material. Honest and effective communication is how we empower our customers and consumers to make the informed, better choice for people and the planet.

Subsidiaries are responsible for operating within their local market legislation and abiding by regulations on marketing standards, and both product and sustainability claims. They are also responsible for implementing GDPR and following data privacy policies. Read more about our governance and Group policies on page 32-33.



EU TAXONOMY

BACKGROUND TO THE EU TAXONOMY

The EU Taxonomy serves as a classification system introduced by the European Union to guide companies and investors in identifying environmentally sustainable economic activities for making informed investment decisions.

These activities are those that significantly contribute to at least one of the EU's environmental objectives while avoiding significant harm to others and meeting minimum social safeguards according to UN and OECD guidelines. Only when these criteria are met does an economic activity align with the EU Taxonomy and are classified as environmentally sustainable.

ENVIRONMENTAL OBJECTIVES

The EU Taxonomy includes six environmental objectives:

- 1. Climate change mitigation
- 2. Climate change adaptation
- 3. Sustainable use and protection of water and marine resources
- 4. Transition to a circular economy
- 5. Pollution prevention and control
- 6. Protection and restoration of biodiversity and ecosystems

ELIGIBILITY REPORTING

In 2023, Humble Group's primary focus has been solely on reporting eligibility due to data limitations for proving alignment. Nonetheless, work within minimum social safeguards is ongoing, and more information can be found on page 60.

In addressing eligibility under the EU Taxonomy, Humble Group conducted an internal screening of economic activities at Group level, engaging our operating directors, sustainability team, and external advisors. The screening process included a particular focus on the newly published environmental objectives, which were not available in 2022. This process filtered out irrelevant activities, resulting in a draft list. The final list was then distributed to all subsidiaries for their declarations via a group-wide reporting package. Results were cross-referenced with operational and financial data, resulting in the outcomes presented below.

The EU Taxonomy continues to evolve and remains subject to some level of interpretation. While Humble Group has consulted external sources in preparing EU Taxonomy tables, definitions for activity eligibility may change over time as understanding evolves and as the EU provides further guidance. The EU Taxonomy reporting scope includes Humble Group's global business operations.

NUCLEAR & FOSSIL GAS RELATED ACTIVITIES

NUCLEAR ENERGY RELATED ACTIVITIES

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

FOSSIL GAS RELATED ACTIVITIES

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that product heat/cool using fossil gaseous fuels.	No

EU TAXONOMY

TURNOVER

The total turnover corresponds to the net sales in the Group's income statement.

TURNOVER

Financial Year 2023	Year			Substantial Contribution Criteria						DNSH ('Does Not Significantly Harm')						Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022	Category enabling activity	Category transitional activity									
Economic activities	Code	Turnover	Proportion of Turnover, 2023	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity													
																				MSEK	%	Y1	Y2	Y3	Y4	Y5	Y6	Y7
																			Y13	Y14	Y15	Y16	Y17	Y18	Y19	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																												
A.1. Environmentally sustainable activities (Taxonomy-aligned)																												
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E									
Of which enabling		0.0	0%	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E									
Of which transitional		0.0	0%	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	T									
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																												
				EL: N/EL	EL: N/EL	EL: N/EL	EL: N/EL	EL: N/EL	EL: N/EL																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 CCA 6.5	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 CCA 7.3	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 CCA 7.5	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 CCA 7.6	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Acquisition and ownership of buildings	CCM 7.7 CCA 7.7	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Data-driven solutions for GHG emissions reductions	CCM 8.2 CCA 8.2	0.0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL							0%												
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0%													0%												
Turnover of Taxonomy eligible activities (A.1+A.2)																												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																												
Turnover of Taxonomy non-eligible activities		7050.0	100%																									
TOTAL		7050.0	100%																									

EU TAXONOMY

CAPEX

The total CAPEX (Capital expenditures) corresponds to "Purchases" and "Through acquisition of subsidiaries" to the balance sheet item tangible fixed assets, intangible assets as well as "Additional right of use" and "Renegotiated" right-of-use assets as they are presented in the financial report that is included in the annual report.

CapEx																							
Financial Year 2023		Year		Substantial Contribution Criteria						DNSH ("Does Not Significantly Harm")						Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022	Category enabling activity	Category transitional activity				
Economic activities	Code	CapEx	Proportion of CapEx, 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity								
																				MSEK	%	N/A/E	N/A/E
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%		E				
Of which enabling		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%		E				
Of which transitional		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%		T				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
				EL: N/A/E	EL: N/A/E	EL: N/A/E	EL: N/A/E	EL: N/A/E	EL: N/A/E														
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 CCA 6.5	14.0	3%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								0%						
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 CCA 7.3	0.1	0%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								0%						
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 CCA 7.5	0.0	0%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								0%						
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 CCA 7.6	0.7	0%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								0%						
Acquisition and ownership of buildings	CCM 7.7 CCA 7.7	180.0	34%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								26%						
Data-driven solutions for GHG emissions reductions	CCM 8.2 CCA 8.2	0.0	0%	EL	EL	N/A/E	N/A/E	N/A/E	N/A/E								0%						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		194.8	37%														26%						
CapEx of Taxonomy eligible activities (A.1+A.2)																							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
CapEx of Taxonomy non-eligible activities		327.2	63%																				
TOTAL		522.0	100%																				

EU TAXONOMY

OPEX

The total OPEX (Operating expenditures) corresponds to not capitalized costs for research and development, costs for building renovations, short-term leasing, maintenance and repair costs as well as other indirect costs for the daily operation of tangible fixed assets.

OpEx

Financial Year 2023	Year			Substantial Contribution Criteria						DNSH ('Does Not Significantly Harm')						Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022	Category enabling activity	Category transitional activity
Economic activities	Code	OpEx	Proportion of OpEx, 2023	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%		
Of which enabling		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
Of which transitional		0.0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL: N/E	EL: N/E	EL: N/E	EL: N/E	EL: N/E	EL: N/E										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 CCA 6.5	2.6	16%	EL	EL	N/E	N/E	N/E	N/E								0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 CCA 7.3	0.1	0%	EL	EL	N/E	N/E	N/E	N/E								0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 CCA 7.5	0.1	0%	EL	EL	N/E	N/E	N/E	N/E								0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 CCA 7.6	0.1	1%	EL	EL	N/E	N/E	N/E	N/E								0%		
Acquisition and ownership of buildings	CCM 7.7 CCA 7.7	3.1	19%	EL	EL	N/E	N/E	N/E	N/E								0%		
Data-driven solutions for GHG emissions reductions	CCM 8.2 CCA 8.2	0.4	2%	EL	EL	N/E	N/E	N/E	N/E								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		6.4	39%														0%		
OpEx of Taxonomy eligible activities (A.1+A.2)																			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities		10.0	61%																
TOTAL		16.3	100%																

EU TAXONOMY

MINIMUM SOCIAL SAFEGUARDS

The EU Taxonomy sets minimum social safeguards to prevent activities from being labelled and regarded as environmentally sustainable when they involve negative social impacts. The minimum safeguards implies that companies need to ensure compliance with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International Labor Organization (ILO) and the International Bill of Human Rights.

For our EU Taxonomy reporting in 2023 Humble Group has not reported on alignment. Our business policies and practices are likely aligned with the EU Taxonomy's minimum social safeguard criteria but we have not yet gone through the full process to centralize this work and therefore have chosen not to report alignment. We are committed to upholding the minimum social safeguards, and Humble Group intends to report alignment only when we are fully prepared. Humble Group has not found anything that shows that we won't fulfil the requirements of the EU Taxonomy's minimum social safeguards.

The EU Taxonomy's minimum social safeguards cover four core topics; Human rights, Bribery/corruption, Taxation and Fair competition. We already have several policies and processes in place that are addressing these topics. Humble Group's ongoing work within these four areas is described below:

1. HUMAN RIGHTS, INCLUDING WORKERS' RIGHTS

Respect and integrity for all human rights is a core value of Humble Group. We commit to always pursuing the respect and promotion of human rights throughout our value chain. Our commitment to upholding human rights and labor standards is governed by the Humble Group Human Rights Policy (page 32) as well as the Humble Group Supplier Code of Conduct (page 32) which applies to all suppliers and subcontractors.

2. BRIBERY/CORRUPTION

As a Group, we are committed to combatting all forms of corruption and recognize that as a socially responsible company with global stakeholders, we must accept full liability for the actions within our direct operations. Our commitment to anti-bribery and corruption prevention is governed by the Humble Group Anti-Bribery & Corruption Prevention Policy and our Supplier Code of Conduct (page 32).

3. TAXATION

Humble Group recognizes taxation compliance as a crucial corner stone in the Group's governance model. Under our decentralized Group structure, our subsidiary CEOs are responsible for ensuring full tax compliance within their local markets of operation. The Group provides the subsidiaries with resources (where applicable) to support with their tax compliance and reporting for each respective tax jurisdiction, and we are improving our central risk management processes in parallel. It is in Humble Group's best interest to always follow and be aligned with current tax regulations in every jurisdiction where we operate.

4. FAIR COMPETITION

One of Humble Group's four core values is Integrity – that we operate with honesty, openness, respect, and are governed by a strong moral compass. All employees are required to comply with and operate within the local laws of the countries they do business in, including competition laws. Our values and business principles are governed in our Code of Ethics – “The Humble Way” (page 32).

DUE DILIGENCE & WHISTLEBLOWING

In order to comply with EU Taxonomy's minimum safeguards, due diligence processes are essential. We conduct detailed due diligence with regards to human rights, corruption, taxation and fair competition risks before proceeding with any merger, acquisition, or joint venture. In 2023, we initiated Group-wide project on supply chain due diligence with the purpose of aligning our group efforts to ensure that all our material suppliers are compliant with our Group standards and the minimum safeguards. You can read more about this project on page 43.

Humble Group has a Whistleblowing policy and a publicly available whistleblowing (“Speak Up”) channel where all employees, stakeholders and external partners can speak up and submit a report through our website www.humblegroup.se

ABOUT THE SUSTAINABILITY REPORT

Humble Group's Sustainability Report follows Humble Group's financial year, covering January 1st 2023 to December 31st 2023. The report covers all companies within Humble Group AB, and includes data from all operating entities, unless otherwise specified on specific chapters or figures.

The report does include data on activities or entities which Humble Group has no direct control over, including those of suppliers, customers, retailers. Information on our engagement with and impact on those stakeholders is included where appropriate.

Humble Group has been publishing a sustainability report since 2021. This year's report was prepared under the Swedish Annual Accounts Act and has been reviewed by a third party.

For further information, please contact:

Juliana Lothe, Head of Sustainability
Humble Group AB (publ)

juliana.lothe@humblegroup.se

SWEDISH ANNUAL ACCOUNTS ACT

	ENVIRONMENT	SOCIAL	PERSONNEL	HUMAN RIGHTS	ANTI-CORRUPTION
BUSINESS MODEL	28-29				
GOVERNING POLICIES	32, 46-55	32-33, 41	32-33, 40	32, 43	32, 43
RISK IDENTIFICATION & MANAGEMENT	31, 43, 46-55	31, 43-44	31, 44	31, 43-44	31, 43-44
PERFORMANCE INDICATORS	32, 44, 46-55	32, 38, 40-41, 44	32, 40, 44	32, 44	32, 44

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE SUSTAINABILITY REPORT OF HUMBLE GROUP AB (PUBL)

To the Board of Directors of Humble Group AB, org. nr 556794-4797.

INTRODUCTION

We have been engaged by the Board of Directors of Humble Group AB to provide limited assurance on the sustainability report of Humble Group AB for the financial year 2023.

THE RESPONSIBILITY OF BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors is responsible to present the sustainability report in accordance with relevant criteria. The sustainability report is not statutory, and it is based on the NFRD criteria included in the Swedish Annual Accounts Act chap 6 on a voluntary basis, as well as the company's own developed accounting and calculation principles. The Board of Director's responsibility also includes the internal control deemed necessary to prepare a sustainability report that is free from material misstatement, whether due to fraud or error.

THE RESPONSIBILITY OF THE AUDITOR

Our responsibility is to express a conclusion on the sustainability report based on our limited review.

We have conducted our limited review in accordance with ISAE 3000 Assurance engagements other than audits and reviews of historical financial information. A limited review consists of making inquiries, primarily to persons responsible for preparing the sustainability statement, performing analytical reviews and performing other review procedures. A limited review has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in general.

The audit firm applies ISQM 1 (International Standard on Quality Management) and thus has a comprehensive quality control system, which includes documented policies and procedures regarding compliance with professional ethics, standards for professional practice and applicable requirements in laws and regulations. We are independent in relation to Humble Group AB and their subsidiaries in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

The audit procedures taken in a limited review do not allow us to obtain sufficient assurance to be aware of all the important facts that could have been identified if an audit had been carried out. Therefore, the stated conclusion based on a limited review does not have the certainty of an explicit conclusion based on an audit.

Our limited review of the sustainability report is based on the criteria selected by the Board of Directors, as defined above. We believe that these criteria are appropriate for the preparation of the sustainability report. We believe that the evidence obtained during our limited review is sufficient and appropriate to support our opinions below.

STATEMENTS

Based on our limited review, no circumstances have emerged that give us reason to believe that the sustainability report has not, in all material respects, been prepared in accordance with the criteria set out above by the Board of Directors.

Stockholm the 3rd of April 2024
BDO

Markus Håkansson
Authorized Public Accountant

MANAGEMENT ADMINISTRATION REPORT

ABOUT THE GROUP

The Board of Directors and the President of Humble Group AB (publ), with corporate identity number 556794-4797 and based in Stockholm, hereby submit their annual report for the financial year 2023. Humble Group is a young, dynamic and innovative FMCG group that delivers products that are good for both you and the planet. In the presented consolidated financial statements, Humble Group AB is the Parent Company. For a detailed description of the Group relationship, please refer to *Note 49 Shares in subsidiaries*.

ANNUAL OVERVIEW

Amount in MSEK	Group			
	2023	2022	2021	2020
Net sales	7,050	4,800	1,486	29
EBITDA	659	504	-41	-30
EBIT	318	257	-118	-37
Earnings before tax	-61	1	-215	-39
Return on Equity	neg	neg	neg	neg
Solvency (%)	54.6	45.6	45.2	68.8

Amount in MSEK	Parent company			
	2023	2022	2021	2020
Net sales	44	21	2	12
EBIT	-28	-38	0	0
Earnings before tax	-243	-204	-108	-16
Return on Equity	neg	neg	neg	neg
Solvency (%)	65.1	54.6	57.6	86.2

See *Note 3 Definitions and key ratio* for definitions and calculations.

SIGNIFICANT EVENTS DURING 2023

Net sales for the financial year amounted to MSEK 7,050 (4,800), representing an increase of 47% compared to the corresponding period last year. EBIT amounted to MSEK 318 (257), and the profit after financial items amounted to MSEK -61 (1).

On January 16th, Humble Group completed the previously announced acquisition of Privab Grossisterna AB, Aktiebolaget Cool and Candy, and Skövde Snabbgross AB. The company is being consolidated from March 15th onwards.

On May 5th, the Annual General Meeting decided to re-elect board members Dajana Mirborn, Henrik Patek, and Ola Cronholm for the period until the end of the next Annual General Meeting. Sara Berger and Pål Bruu were elected as new board members. Dajana Mirborn was elected as the chairman of the board. The meeting also approved the issuing of warrant of series

2023/2026 and the implementation of incentive programs for key personnel and executives within the company.

On June 20th, Humble Group announced the intention to undertake new bank facilities amounting to MSEK 1,650 and to carry out a targeted new share issue to refinance existing bond loans and existing credit facilities.

On June 21st, a direct new share issue of 131,585,000 shares was completed, which added approximately MSEK 875 to Humble Group before transaction costs.

On July 12th, Humble Group entered into a letter of intent regarding the sale of properties within the group.

On July 27th, Humble Group announced the conditional early redemption of its bond loans 2021/2024 and 2021/2025. On August 14th, it was

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communicated that conditions had been met for both loans, which were redeemed on August 22nd.

On December 1st, Humble Group entered a new letter of intent regarding the sale of properties and terminated negotiations with the previous interested party.

On December 15th, Humble Group entered and completed two binding agreements with Tingsvalvet Fastighets AB regarding the sale of ten properties through a sale-and-leaseback transaction. Stage 1 of the transaction was completed simultaneously with the sale of three properties.

On December 19th, Humble Group entered into a binding agreement with Kopper's Chocolate, LLC regarding the divestment of all shares in Bayn Production AB as part of Humble's long-term strategy to streamline its Swedish manufacturing business.

FOREIGN BRANCHES

Humble Group AB has a registered branch in Bulgaria which was established in 2017 for tax reasons. The company closed the branch operations during 2023.

INFORMATION ON GUIDELINES FOR DETERMINING SALARIES AND RENUMERATION OF MANAGEMENT AND BOARD MEMBERS

To attract, develop, and retain top-level executives with relevant experience and expertise, it is essential for the company to offer a competitive compensation package that is in line with the market standards for executives in different industries. The compensation package for the executives comprises fixed salaries, short and long-term variable compensation, pensions, and other customary benefits. The total compensation should be market competitive, reflecting the employee's performance and responsibilities. Please refer to *Note 9 remuneration to personnel etc.* for more information.

THE SHARE

At the end of the financial year, there were 443,544,543 (301,274,580) shares traded. The company holds no

treasury shares and did not acquire any during 2023. The number of shares has increased by 10,684,963 through non-cash issues and 131,585,000 through directed share issues for cash during the financial year. Please refer to *Note 54 Share capital* for more information on the share and its par value. There is only one class of shares, and all shares have equal voting rights. Humble Group AB is listed under the ticker HUMBLE on NASDAQ First North.

SIGNIFICANT RISKS AND UNCERTAINTIES

Humble Group is continuously working to identify, evaluate and manage the various risks and exposures faced by the Group companies. The Group's financial position and performance are affected by various risk factors that must be considered when assessing the company and its future performance. The primary risks are considered to be:

FINANCING

The availability of working capital for the company's operational activities and financing to meet the Group's investment needs is an important element in creating a profitable and strong long-term business. Humble Group currently has a good dialogue with investors to address this risk.

CURRENCY EXPOSURE

The Group's currency exposures arise mainly from the translation of foreign subsidiaries reporting in GBP, EUR, or USD into SEK, and from major purchases of raw materials in EUR and GBP. Humble Group is constantly working to minimize currency exposure on major purchases through currency exchange and, if necessary, short-term currency hedging. At the end of this reporting period there were no active currency hedges in the Group.

DISTRIBUTION CHANNELS AND ACCESS TO RAW MATERIALS

The availability of raw materials on the global world market is an important parameter in the Humble Group value chain. The recent market turmoil from the Ukraine crisis and the ongoing instability in freight and logistics patterns around the world risk affecting the Group's raw material availability, export and import

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prices, shipping routes or other key distribution channels have a direct impact on the Group's margins. The Group maintains a constant and close dialogue with our suppliers to assess the market trends of the key ingredients used in the manufacture of the Group's various products, thus addressing the risk of price increases or delivery delays in raw material purchases.

PERSONNEL

Much of Humble Group's business is driven by entrepreneurs who often possess unique or specific skills and experience in the respective field they operate. The Group relies on maintaining a continued strong drive from our employees to retain key skills but also to attract future quality talent to the business. Humble Group continuously strives to develop its organization and works to stimulate its employees to face the risks that any personnel turnover may entail.

SALES RISK

It is not possible to state with certainty that Humble Group's "turnkey" solutions for sugar reduction (EUREBA®) will receive the market acceptance that Humble Group hopes and believes in. Humble Group is experiencing great interest among European food producers in reducing the amount of added sugar, and that the interest is driven by both increased demand from more health-conscious consumers and increasingly clear demands from governments and authorities. Humble's turnkey solutions reduce the producers' risk and time to market for new sugar-reduced products. Despite this, there is still some risk and time that may cause food producers to refrain from reducing added sugar.

CLIMATE RISK

As a Fast-Moving Consumer Goods (FMCG) company, Humble Group is confronted with multiple climate-related risks, including significant greenhouse gas emissions throughout the entire value chain and the use of environmentally damaging resources. Heightened regulations aimed at reducing emissions and advancing renewable energy may result in increased alternative costs and potential fines due to non-compliance. An elevated emissions intensity and a delayed transition to plastic alternatives, compared to competitors, may also diminish investment attractiveness. In 2023, Humble Group commenced the

measurement of greenhouse gas emissions for the entire group, facilitating the establishment of emissions goals to diminish climate impact. Initiatives with subsidiaries to optimize the use of recyclable materials and explicit recycling instructions on packaging have also begun. Humble Group is continually striving to enhance its sustainability efforts and reduce its environmental footprint.

HEDGE ACCOUNTING AND OTHER
OFF-BALANCE SHEET ITEMS

At the end of the financial year, there were no significant hedging relationships outstanding in the company's accounts. There are also no other off-balance sheet items other than collateral. For further information, see *Note 31 Pledged assets and contingent liabilities*.

DEVELOPMENT POLICY

Within Humble Group, there is an ongoing process to develop new, innovative products in the pursuit of delivering products that are better for people and the planet. Currently, in the Group's subsidiaries, there are several individuals working on a project basis with product development. For those projects or products where there is an expected future economic benefit after development is completed, and where the criteria according to the Annual Accounts Act are otherwise met, direct costs from product development are capitalized as an asset on the company's balance sheet. The asset is amortized over the expected economic benefit per product, which is usually estimated at 5 years. For more information regarding the Group's policy on product development, see *Note 2 Summary of significant accounting principles*.

EXPECTED FUTURE DEVELOPMENT

Over the past year, Humble Group has continued to develop its business model and has created strong conditions for sustained high growth rates for the coming years. The foundation has been laid for building the FMCG powerhouse of the future. Through strategic acquisitions at the beginning of 2023, in the form of the additional Privab entities, further sales and distribution channels have been opened for the majority of the Group's subsidiaries, reaching partly new markets. This is expected to continue to drive the Group's growth on

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key metrics, and the combined opinion of the Board of Directors and management is that the Group's future prospects look positive.

IMPACTS FROM THE UKRAINE CRISIS AND THE WAR IN ISRAEL AND GAZA

The ongoing war between Russia and Ukraine, along with recent developments in the Middle East leading to a renewed flare-up of the longstanding conflict in Israel and Gaza, has continued to contribute to volatility in the global landscape, affecting many sectors, including the food industry. Humble Group's exposure to these countries is very minimal, therefore the direct impact has been limited. An indirect consequence of these events has been sharply rising raw material and energy prices, a trend which Humble Group is now observing signs of abatement. Humble Group AB's growth objectives and strategy to expand through acquisitions remain unchanged for the time being despite the global circumstances, and the impact on Humble Group's existing subsidiaries due to the price increases is currently minimal.

RISING FREIGHT COSTS IN TURBULENT MARKET CONDITION

Against the backdrop of the turbulent environment, the transport sector has been forced to raise its prices, affecting many sectors to varying degrees. For Humble, this means price changes related to delivery and logistics. While this can have an obvious short-term impact, Humble's subsidiaries have historically been effective in aligning costs with pricing, creating a structure to realize price adjustments to the market as a result of rising commodity and fuel prices.

RISING ELECTRICITY AND PURCHASE PRICES AND MARKET INTEREST RATES

Humble Group's subsidiary companies can be divided into three different verticals: manufacturing and production, distributors, and brands. The production companies, through their production facilities, have a natural exposure to the energy market and rising energy prices. In 2023, increased volatility in energy prices was noted, which was partially mitigated through fixed-price agreements previously entered into

by the subsidiary companies. Humble Group is actively working to procure contracted volumes that provide economies of scale for the Group's subsidiary companies and create conditions for cost efficiency in a turbulent macro environment.

Furthermore, Humble Group has noted a rising borrowing cost based on a volatile interest rate environment in 2023. Humble Group's primary interest rate exposure is represented by the underlying development of Stibor 3M. In 2023, Stibor 3M rose from 2.7% to 4.052% at the end of 2023. For more information, please refer to *Note 5 Financial risk management*.

APPROPRIATION OF PROFITS

The Board of Directors of Humble Group AB proposes that no dividend be paid for the financial year 2023 and that the accumulated loss for the year be appropriated as follows (SEK):

Accumulated profit or loss	-141,018,789
Share premium reserve	4,930,332,426
Net loss for the year	-152,303,523
Total	4,637,010,114
Proposed appropriation of profits	4,637,010,114

GROUP INCOME STATEMENT

<i>Amount in MSEK</i>	<i>Note</i>	2023	2022
Net sales	6	7,050	4,800
Capitalised work on own account		83	85
Other operating income	7	262	259
Raw materials and consumables		-4,921	-3,268
Other external expenses	8	-851	-644
Personnel expenses	9	-790	-625
Other operating expenses	10	-174	-103
EBITDA		659	504
Depreciation of tangible fixed assets	16	-47	-37
Depreciation of right-of-use assets	17	-64	-48
EBITA		547	419
Amortization of intangible fixed assets	15	-83	-35
Amortization of assets related to acquisitions	15	-146	-128
EBIT		318	257
Profit from shares in associated companies and joint ventures	19	1	-4
Financial income	12	13	14
Financial expenses	12	-393	-265
PROFIT AND LOSS AFTER FINANCIAL ITEMS		-61	1
Income tax	13	-45	-37
PROFIT AND LOSS AFTER TAX*		-106	-36
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences in translation of foreign operations		6	135
COMPREHENSIVE INCOME FOR PERIOD*		-100	99
Earnings per share before dilution	14	-0.28	-0.13
Earnings per share after dilution	14	-0.28	-0.13

*Profit and loss after tax and Total Comprehensive Income for the period are attributable in their entirety to the shareholders of the parent company

GROUP BALANCE SHEET

– ASSETS

<i>Amount in MSEK</i>	<i>Note</i>	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalised product development costs		221	168
Customer relationships and listings		413	546
Trademarks and brands		1,676	1,650
Goodwill		3,702	3,631
Total intangible assets	15	6,013	5,995
<i>Tangible fixed assets</i>			
Buildings and land		48	244
Machines and other technical equipment		83	78
Equipment, tools and installations		54	36
Ongoing new facilities and advances		7	13
Total tangible fixed assets	16	191	372
Right-of-use assets	17	299	151
Deferred tax assets	18	29	26
<i>Financial assets</i>			
Equity in associated companies and joint ventures	19	51	45
Other long-term securities holdings	20	33	14
Other long-term receivables	20	15	16
Total financial assets		99	75
Total fixed assets		6,631	6,618
Current assets			
<i>Inventory</i>			
Raw materials and consumables		102	114
Finished goods and goods for sales		838	854
Advances to suppliers		43	14
Total inventory	20	983	982
<i>Short-term receivables</i>			
Accounts receivables	22	561	683
Other short-term receivables	23	97	62
Prepaid expenses and accrued income	24	114	172
Cash and cash equivalents	25	401	338
Total short-term receivables		1,174	1,256
Assets classified as held for sale	36	129	0
Total current assets		2,287	2,237
TOTAL ASSETS		8,918	8,855

GROUP BALANCE SHEET

– EQUITY & LIABILITY

<i>Amount in MSEK</i>	<i>Note</i>	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		98	66
Unregistered share capital		0	0
Other equity contributed		5,028	4,131
Retained earnings		-256	-161
Total shareholders equity	54	4,869	4,036
<i>Long-term liabilities</i>			
Interest-bearing liabilities	27	1,197	1,916
Contingent considerations	29	165	433
Long-term lease liabilities	17	258	100
Deferred tax liabilities	18	474	502
Provisions	28	17	8
Other long-term liabilities	29	18	70
Total long-term liabilities		2,129	3,029
<i>Short-term liabilities</i>			
Interest-bearing liabilities	27	253	579
Contingent considerations	29	336	347
Current lease liabilities	17	67	49
Tax liabilities	18	92	44
Accounts payable	5	652	550
Other current liabilities	29	324	79
Accrued expenses and prepaid income	30	152	143
		1,876	1,790
Liabilities directly associated with assets classified as held for sale	36	43	0
Total short-term liabilities		1,919	1,790
TOTAL EQUITY AND LIABILITIES		8,918	8,855

GROUP CHANGE IN EQUITY

	Attributable to equity holders of the Parent Company					
	Share capital	Unregistered share capital	Other equity contributed	Exchange rate differences	Retained Earnings	Total shareholder's equity
<i>Amount in MSEK</i>						
Opening balance January 1, 2022	54	1	3,315	43	-302	3,110
Net income for period					-36	-36
Other comprehensive income				135		135
Total comprehensive income	0	0	0	135	-36	99
<i>Transaction with owners in their capacity as owners:</i>						
Share issue	12	-1	826			837
Transaction costs			-12			-12
Warrants program			2			2
Total transaction with owners in their capacity as owners	12	-1	816	0	0	827
Ending balance December 31, 2022	66	0	4,131	177	-338	4,036
Opening balance January 1, 2023	66	0	4,131	177	-338	4,036
Net income for period					-106	-106
Other comprehensive income				6		6
Total comprehensive income	0	0	0	6	-106	-100
<i>Transaction with owners in their capacity as owners:</i>						
Share issue	31		927			958
Transaction costs			-28			-28
Share buyback			-1			-1
Warrants program			-1			-1
Adjustment to prior year					4	4
Total transaction with owners in their capacity as owners	31	0	897	0	4	932
Ending balance December 31, 2023	98	0	5,028	183	-439	4,869

GROUP CASH FLOW STATEMENTS

<i>Amount in MSEK</i>	<i>Note</i>	2023	2022
OPERATING ACTIVITIES			
Profit and loss after financial items		-61	1
Adjustment for non-cash items			
Depreciation and Amortisation	15, 16, 17	341	247
Other items*	34	304	155
Paid tax		-54	-33
Cash flow from operating activities before change in net working capital		529	371
CHANGE IN WORKING CAPITAL			
Change in inventories (increase - / decrease +)		27	-101
Change in short term receivables (increase - / decrease +)		190	74
Change in short term liabilities (increase - / decrease +)		341	-88
Sum of change in working capital		558	-116
Cash flow from operating activities*		1,088	255
INVESTING ACTIVITIES			
Acquisition of intangible assets	15	-112	-90
Acquisition of tangible assets	16	-49	-57
Disposal of subsidiaries		107	0
Acquisition of subsidiaries, acquired business + paid earn-outs	32	-369	-901
Cash flow from investing activities		-423	-1,048
FINANCING ACTIVITIES	35		
Share issue funds		875	530
Costs related to share and bond issues		-111	-12
Paid premium for share incentive program		0	2
Bond financing		-1,800	0
Proceeds from bond		0	300
Paid interest due to financing activities		-216	-154
New loans		1,546	769
Repayment of loans		-823	-670
Amortization of lease liability		-72	-52
Cash flow from financing activities		-601	712
Decrease/Increase in cash and cash equivalents		64	-82
Cash and cash equivalents at beginning of period		338	420
Exchange rate differences		-1	-1
Cash and cash equivalents at end of period		401	338
Deployable cashflow*		486	-99

*See page 3 for definition and calculation of key ratio. The item includes received tax deferrals of MSEK 260.

GROUP NOTES

NOTE 1 – GENERAL INFORMATION

This consolidated financial statement includes the Parent Company, Humble Group AB, corporate registration number 556794-4797, along with its subsidiaries. Humble Group AB is a Parent Company registered in Sweden, headquartered in Stockholm at Ingmar Bergmans gata 2, 114 34 Stockholm.

Humble Group is a young, dynamic, and innovative FMCG group that delivers products that are good for both you and the planet. The Group comprises multiple

operating companies that operate within rapidly growing segments such as sugar reduction, functional food, sustainable beauty, and health.

On April 17, 2024, the Board approved the publication of this consolidated financial statement.

Unless otherwise specified, all amounts presented are in millions of Swedish Kronor (MSEK). Figures in parentheses indicate the corresponding period for comparison.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the legal Parent Company (Humble Group AB) and its subsidiaries.

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, and International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The consolidated financial statements have been prepared according to the acquisition cost method except for certain financial assets and liabilities which are measured at fair value.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates. Furthermore, management needs to exercise judgement in applying the group's accounting policies. The areas that involve a high degree of judgement, are complex, or where assumptions and estimates are of significant importance to the consolidated financial

statements are disclosed in *Note 4 Significant accounting estimates and judgements*.

INTRODUCTION AND EFFECTS OF NEW AND REVISED IFRS THAT COME INTO EFFECT IN 2023
From January 1, 2024, IAS 1 Disclosure of Accounting Policies will be applied, where only significant accounting policies are disclosed in the annual report.

NEW AND AMENDED STANDARDS AND INTERPRETATION NOT YET ADOPTED

No published standards and interpretations that are mandatory for the Group's fiscal year 2024 are assessed to have any significant impact on the Group's financial statements.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its control to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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Associated companies and joint ventures

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, investments are initially recognized in the Group's balance sheet at acquisition cost.

BUSINESS COMBINATIONS

The acquisition method is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The part of the consideration that is contingent on key personnel's continued employment is separated from the acquisition price and reported under Personnel Expenses in the Group's income statement.

Where settlement of any part of cash consideration is contingent, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. The interest component that arises is recognized on an ongoing basis as an interest expense in the Group's financial net income/expense.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as financial liabilities are subsequently remeasured at fair value. Changes in fair value are recognized in Other operating income or Other operating expenses in the Group's report of comprehensive income, for further information, see *Note 4 Significant accounting estimates and judgments*.

SEGMENT REPORTING

The Group's operations are divided into the following operating segments:

- *Future Snacking*
- *Sustainable Care*
- *Quality Nutrition*
- *Nordic Distribution*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CEO has been identified as the Group's chief operating decision maker. The CEO assesses the financial performance and position of the Group and makes strategic decisions of the operating segments.

FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Swedish kronor (SEK), which is the Parent Company's functional currency and the Group's presentation currency.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in Other operating income/Other operating expenses in the report of comprehensive income.

REVENUE RECOGNITION

The Group's revenue streams primarily consist of sale of fast-moving consumer goods in the form of finished goods such as healthier confectionery, snacks, bars, drinks, and high-quality sports nutrition goods as well as hygiene items, home, and household goods with a focus on sustainability. The Group also sells ingredients and other raw materials. Sales are carried out globally through several different channels, including to grocery stores, distributors and online.

Business to business sales

Revenue from the sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the customer (retailer/distributor). The customer of Humble has full discretion over the sales channel and Humble does not control the final customer price, but Humble's

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customers are responsible for determining this. There is no unfulfilled obligation that could affect the wholesaler's acceptance of the goods. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional (that is, only the passage of time is required before the payment is due).

Revenue from contracts with customers is recognized based on the contractual transaction price, which reflects the compensation 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 all possible separate performance obligations that together make up the transaction price, as well as effects of variable compensation that affect the transaction amount. There are no material separate obligations that are identified as a separate performance obligation when selling goods.

Shipping is not considered to constitute a separate performance obligation and is therefore not reported separately but as part of the regular product sales. The delivery commitment is considered fulfilled when the goods have been transported to the agreed location or alternatively if the customer has picked up the goods for transport, the risks of obsolescence and loss are transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Variable consideration includes, among other things, discounts and product returns and is reported as a deduction from the revenue based on the amounts that the Group expects to receive. Neither discounts nor product returns are a significant part of the variable consideration. No significant financing component is deemed to exist at the time of sale as the credit period is 30-90 days, which is in line with market practice. Although extended payment terms may occur exceptionally, the payment terms never exceed 12 months, therefore the Group does not adjust any of the transaction prices for the time value of money.

Direct to consumer sales

A smaller part of the Group's sales refers to direct sales to customers via own stores or web shops. Revenue from the sale of goods is recognized when the Group sells a product to the customer. The transaction price is due for payment immediately and the Group usually receives cash as payment directly when the customer buys the product and receives the product in the store or alternatively has the product delivered. Returns occur to a very limited extent, as the sale of goods to customers is limited to a smaller part of the Group's operations.

Revenue from services

There is no significant sale of services to external parties from any of the Group's various operations.

GOVERNMENT GRANTS

Government grants are recognized as "Other operating income" in the report of profit and loss at their fair value when there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to cost coverage are accrued and reported in the income statement over the same periods as the expenses that the grants are intended to compensate for occur. Income from government grants is recognized as "Other operating income" in the Group's statement of comprehensive income.

CURRENT AND DEFERRED INCOME TAX

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. This is evaluated on an ongoing basis.

LEASING

The Group acts as a lessee. The Group leases properties, premises, vehicles, machinery, and office equipment. Lease agreements are typically made for fixed periods of 12 months to 5 years but may have options to extend or terminate the contracts, primarily in agreements related to properties and premises. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to exercise a termination option. Extension or termination options

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are only included in the lease term if the lease is reasonably certain to be extended or terminated.

Contracts may contain both lease and non-lease components. The Group does not allocate the consideration in the contract to the lease and non-lease components (for example repair, maintenance, or administration costs). This method is applied on all categories of assets within the Group.

Lease payments are discounted using the lease's implicit interest rate. If this rate cannot be readily determined, which is usually the case for the Group except for vehicles, the Group's incremental borrowing rate is applied. The incremental borrowing rate is determined by considering the lease term, the economic environment in which the Group operates, the type of asset leased, and the Group's credit rating. Lease charges are allocated between amortization of the debt and interest. The interest expense affects the income statement over the leasing period to reflect a fixed interest rate for the lease liability recorded in each respective period.

The Group applies the exception in IFRS 16, which means that payments associated with short-term leases and all leases of low-value assets are not recognized as a right-to-use asset and lease liability but is recognized on a straight-line basis as an expense in profit and loss.

The Group has lease agreements resulting from sale and leaseback transactions where the Group has transferred assets to a buyer and leases back the asset from the buyer. The valuation of the right-of-use asset is based on the portion of the previously reported value of the asset that relates to the right-of-use retained by the Group. Any gain or loss is recognized for the rights transferred to the buyer.

INTANGIBLE ASSETS

Goodwill

Goodwill arises on the acquisition of subsidiaries and refers to the amount by which the consideration transferred exceeds the fair value of the net identifiable assets acquired.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-

generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes. Goodwill is monitored at operating segment level.

Trademarks

Trademarks acquired in business combinations are classified as intangible assets and carried at cost less accumulated amortization and impairment losses. At initial recognition, trademarks are valued using the "Royalty from Relief"-method to determine the useful life of the asset. Trademarks acquired in business combinations are recognized at fair value at the acquisition date and are deemed to have an indefinite useful life, whereas trademarks are subject for annual impairment testing to ensure that the asset's carrying amount is not less than the fair value of the asset.

Customer relations and listings

Customer relations and listings acquired in business combinations are classified as intangible assets and carried at cost less accumulated amortization and impairment losses. The initial measurement is determined using a Multi-Period Excess Earnings (MEEM) calculation model for the expected economic surplus from the acquired customer base, reduced by a natural attrition over time linked to customer loyalty and other customer-specific behaviors. Customer relationships and listings acquired through business combinations are recognized at fair value at the date of the acquisition. Customer relationships and listings are deemed to have a finite useful life, between 2-8 years where the economic useful life is primarily affected by the assessed customer loyalty and the customers' repeat purchase frequency.

Capitalised development costs

Capitalised product development costs and similar costs essentially consist of capitalized expenses for development attributable to goods that the Group sells. The Group continuously evaluates whether internally developed intangible assets, such as capitalized product development costs, can be recognized as intangible assets.

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The following criteria are met when internally developed intangible assets are recognized as intangible assets:

- it is technically feasible to complete the development so that it will be available for use.
- management intends to complete the development and use or sell it.
- there is an ability to use or sell the development.
- it can be demonstrated how the development will generate probable future economic benefits.
- adequate technical, financial, and other resources to complete the development and to use or sell the development are available, and
- the expenditure attributable to the development during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs including social security, as well as raw materials and supplies and other external costs that can be directly related to the development of new ingredients or consumer goods.

Other development costs that do not meet the criteria are expensed as incurred. Development costs previously expensed are not recognized as an asset in a subsequent period.

Capitalised development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use. The estimated useful life is 3-5 years.

Costs associated with maintenance are expensed as incurred.

Other intangible assets

Other intangible assets consist of licenses and prepayments related to intangible assets. These have a finite useful life and are reported at historical cost less accumulated amortization and impairment losses. The estimated useful life is 5 years which corresponds to the estimated time these will generate cash flows.

TANGIBLE FIXED ASSETS

Tangible fixed assets essentially consist of buildings and land and machinery.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the

assets, net of their residual values, over their estimated useful lives as follows:

Buildings	30-50 yrs
Machines & other technical equipment	5 yrs
Equipment, tools, and installations	3-5 yrs
Constructions in progress	3-5 yrs

Land is not depreciated as it is deemed to have a permanent acquisition value.

Assets that meet the conditions to be classified as assets held for sale are valued at the lower of the reported value and fair value after deduction of selling costs. Depreciation for these assets ceases upon such classification.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill that has an indefinite useful life, trademarks and intangible assets that are not yet ready for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the event of such an indication, the recoverable amount of the asset is calculated. 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 an asset's fair value less costs of disposal and value in use. When calculating the value in use, the present value is calculated from the future cash flows that the asset is expected to give rise to in the current operations and when it is sold or scrapped. The discount rate used is pre-tax and reflects market assessments of the time value of money and the risks associated with the asset. For non-financial assets (other than goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In the impairment test, the smallest identifiable group of assets that generates cash inflows is determined. A cash-generating unit is an asset group with essentially independent payments. The consequence is that impairment is estimated for the individual asset, when possible, otherwise at the cash-generating unit level. Goodwill is allocated to the cash-generating units that

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are expected to benefit from synergy effects in attributable business acquisitions. The operating segments also represents the lowest level in the Group where the CEO and group management monitors goodwill.

FINANCIAL INSTRUMENTS

The Group's financial instruments consist of Other non-current receivables, Other non-current securities, Accounts receivables, Other receivables, Cash and cash equivalents, borrowing (current and non-current), other liabilities (current and non-current), accounts payables and contingent considerations.

The carrying amount of the Group's non-current financial instruments carried at cost, except for bond loans (see *Note 5 Financial risk management*) essentially correspond to their fair values as the interest rate is in parity with current market rates. Accounting for the bond loans was applied during 2022 and parts of 2023 when the loans were settled. The carrying amounts of the Group's short term financial instruments carried at cost essentially correspond to their fair values as the discounting effect is not significant.

Classification and measurement of financial liabilities

The Group classifies and measures all financial assets in the category of amortized cost, except for other long-term securities holdings which are measured at fair value through profit and loss. Assets held with the intention to collect contractual cash flows where these cash flows consist solely of principal and interest are measured at amortized cost. The reported value of these assets is adjusted for any expected credit losses that have been recognized (see *Impairment of financial assets* below). Interest income from these financial assets is recognized using the effective interest method and is included in financial income.

Classification and measurement of financial liabilities

Contingent considerations are accounted for at fair value through the profit and loss statement, and changes in fair value (remeasured each period) are recorded in the items Other operating income or Other operating expenses in the profit and loss statement. When contingent considerations are due over a period longer than 12 months, the discounted present value of

these considerations is used. The contingent considerations are calculated based on the nominal value of the best estimate of the expected outcome on the acquisition date. This estimate is based on management's assessment of what is likely to be paid out given the terms of the share transfer agreement. The fair value of the contingent considerations is then calculated based on an interest rate corresponding to the remaining term until payment at each reporting date.

All interest-related charges are reported in the profit and loss statement and included in the items Financial expenses or Financial income.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk or not.

In accordance with IFRS 9, the Group applies a simplified method for impairment testing of accounts receivable. The simplification means that the reserve for expected credit losses is calculated based on the risk of loss for the entire duration of the claim and is reported when the claim is reported for the first time.

ACCOUNTS RECEIVABLES

The Group has two categories of accounts receivables:

- Pledged accounts receivables.
- Other accounts receivables.

Accounts receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Accounts receivables are classified as current assets. Accounts receivables are recognized initially at fair value (transaction price). The accounts receivables that the Group pledges are reported as accounts receivables in their entirety on the asset side of the balance sheet, while a current liability, corresponding to the portion that has been pledged, is reported on the liability side of the balance sheet. As of the end of the fiscal year, there were no pledged customer receivables in the balance sheet.

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CASH AND CASH EQUIVALENTS

In cash and cash equivalents in the statement of cash flows, cash and cash equivalents includes cash and bank balances. Other short-term investments are classified as cash and cash equivalents when they mature within three months or less, are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank overdrafts and revolving credit facilities are shown within borrowings in current liabilities in the balance sheet.

INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials, direct labor, and attributable indirect manufacturing costs (based on normal operating capacity). Borrowing costs are excluded. Cost of separate articles of inventories is allocated based on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

EMPLOYEE BENEFITS

Pension obligations

The Group only operates defined contribution pension plans. The contributions are recognized as employee benefit expenses in the statement of comprehensive income when they are due.

Share-based compensation

The Group has share-based compensation plans in form of employee option plans and warrant programs.

The employee options have been granted for nil consideration with a vesting period between 2019-

2022. The right to use the employee options is conditional on continued employment over the duration of the program. The fair value of the service granting employees the options is recognized as an employee benefit expense, with a corresponding increase in equity. The fair value of options granted is calculated using the Black & Scholes valuation model. The total amount to be expensed is based on the fair value of the options granted and recognized on a straight-line basis over the vesting period. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. The impact of the revision to original estimates, if any, is recognized in profit and loss, with a corresponding adjustment to equity. The costs for social security contributions are accrued in the same way as personnel costs and are continuously adjusted based on the fair value of the options at each balance day.

The Group has issued warrants to certain employees, as part of their compensation package, for which the employees pay a premium equal to fair value calculated using the Black & Scholes valuation model for the date the warrants were granted. The right to use the warrants is conditional on continued employment over the duration of the program. The warrants are classified as equity settled share-based payments. When the warrants are granted and the premium is paid, an increase in equity and in cash and cash equivalents is recognized.

NOTE 3 – DEFINITIONS AND KEY RATIOS

DEFINITIONS

Contingent considerations

Deferred purchase price payments that are contingent upon future performance of an acquired subsidiary.

The consideration can be paid in both cash and shares and is reported at fair value based on management's best estimate of the occurrence of future payments.

FMCG

FMCG is an industry term and is an abbreviation of Fast-moving consumer goods.

CALCULATION OF KEY RATIOS

Use of Key Ratios not defined in IFRS

Humble Group applies ESMA's (European Securities and Markets Authority) guidelines for alternative performance measures (APM). An APM is a financial measure of historical or future financial results, financial position or cash flow that has not been defined in IFRS. To facilitate analysis of the Group's development by group management and other stakeholders, Humble Group uses certain APMs. The APMs aim to provide additional information and do not replace key figures according to IFRS. Humble Group's definitions of APM may differ from those of other companies. See Annual Report 2022 for the previous year's calculations.

Gross Profit

Net sales less cost of raw materials and supplies.

Gross profit is calculated as $7,050 - 4,921 = \text{MSEK } 2,129$.

Gross Margin

Gross profit in relation to Net Sales.

Gross margin is calculated as $2,129 / 7,050 = 30\%$.

Organic growth

Change in net sales adjusted for currency exchange effects and net sales from acquired companies during the period.

Organic growth is calculated as $(2,250 - 125 - 1,353) / 4,800 = 16\%$.

Adjusted EBITDA

Earnings before payment of interest, tax, depreciation, amortization, write-down, and amortization on acquisition-related surplus values, adjusted for items affecting comparability. Adjusted EBITDA per share is Adjusted EBITDA divided by the average number of shares before dilution.

Adjusted EBITDA is calculated as $659 + 37 = \text{MSEK } 696$.

Adjusted EBITDA per share is calculated as $\text{MSEK } 696 / 377,360,692 = 1.84 \text{ SEK}$.

EBITA

Earnings before payment of interest, tax, amortization, write-down, and amortization on acquisition-related surplus values. EBITA-margin is EBITA in relation to Net sales.

EBITA is calculated as $659 - 47 - 64 = \text{MSEK } 547$.

Adjusted EBITA

Earnings before payment of interest, tax, amortization, write-down, and amortization on acquisition-related surplus values, adjusted for items affecting comparability. Adjusted EBITA per share is Adjusted EBITA divided by the average number of shares before dilution.

Adjusted EBITA is calculated as $547 + 37 = \text{MSEK } 584$.

Adjusted EBITA per share is calculated as $\text{MSEK } 584 / 377,360,692 = \text{SEK } 1.55$.

Adjusted EBIT

Earnings before payment of interest and tax adjusted for items affecting comparability. Adjusted EBIT per share is Adjusted EBIT divided by the average number of shares before dilution.

Adjusted EBIT is calculated as $318 + 37 = \text{MSEK } 355$.

Adjusted EBIT per share is calculated as $\text{MSEK } 355 / 377,360,692 = \text{SEK } 0.94$.

Earnings per share after dilution

Profit for the period after tax divided by the sum of the number of average outstanding shares plus the weighted average of additional shares that would have been outstanding upon conversion of all potential dilutive shares at the end of the period. No adjustment for dilution is made in the event of a loss reported.

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Deployable Cash Flow

The amount of liquid funds remaining from operating activities after deduction of cash flow from investment activities, plus acquisitions of subsidiaries (net cash effect), less paid interest, less amortization of lease liability and less tax deferrals.

Investable cash flow is calculated as $1,088 - 423 + 369 - 216 - 72 - 260 = \text{MSEK } 486$.

Net debt

Total interest-bearing liabilities and lease liabilities, less cash and cash equivalents.

Net debt is calculated as $1,450 + 325 - 401 = \text{MSEK } 1,374$.

Return on equity

Profit after financial items in relation to equity.

Return on equity is calculated as $-61 / 4,869 = -1.25\%$.

Solidity

Equity in relation to the balance sheet total.

Solidity is calculated as $4,869 / 8,918 = 54.6\%$.

NOTE 4 – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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 entail a substantial risk of significant adjustments in reported values for assets and liabilities during the next financial year are dealt with in outline below.

SIGNIFICANT JUDGEMENTS

Acquisition analysis

In the case of acquisitions of subsidiaries, an acquisition analysis is carried out in which the fair value on the date of acquisition of the identifiable assets and liabilities and contingent liabilities are accounted for. Valuation of identified assets and liabilities in acquired activities include items in the company's report on financial position and various items that have not been disclosed in the company's report on financial position, such as intangible assets. Initially identifies intangible assets that may have a value, such as customer relationships, trademarks etc. These assets normally have no market prices using different valuation methods. These methods based on various assumptions about future cash flows, revenue growth, EBIT margins as well as tax rates and discount rates in different countries. Such calculations require a high degree of estimation which in turn must be carefully evaluated, measured and analyzed. This also means that preliminary calculations can change.

Contingent considerations

According to the agreement on conditional consideration in connection with the acquisition, the Group must pay additional purchase prices and employee-related compensation given that certain key financial targets is met. The financial targets are usually related to the future EBITDA or EBIT of the acquired subsidiary. The fair value of the contingent consideration agreement is based on management's judgment of what is likely to be paid given the terms of the share transfer agreement. As an initial assessment at the first recognition, management usually assessment is that 70-80% of the maximal agreed contingent consideration will be paid out, see *Note 5 Financial risk management*.

Key assumption in goodwill impairment tests

Each year, the Group examines whether there is a need for impairment of goodwill according to accounting principal described in *Note 2 Summary of significant accounting principles*. Recoverable amounts for cash generating units (CGU) are established by calculating the value in use, which requires certain assumptions to be made. Humble Group performs impairment tests on segment level as these are considered as the lowest Cash Generating Unit where management monitors the financial performance.

The calculations are based on cash flow forecasts derived from budgets established by management and approved by the Board of Directors for the next five years. The cash flows are discounted to present value using a weighted average cost of capital for 2023 at

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11.02% (previously 10.81%). Cash flows after the five-year period are extrapolated with a long-term growth rate of 2%. The basis for the applied growth rate is in line with industry forecasts for each of the CGUs' respective industries. For more information, see *Note 15 Intangible assets*.

OTHER ASSESSMENTS

Useful periods of intangible assets

Humble has several intangible assets on the balance sheet that have an indefinite useful life. Assets that do not have a fixed useful life consist of goodwill and trademarks. Humble's right to use the Group's trademarks and intellectual property rights is unlimited and indefinite in time. Humble continuously evaluates the continuing value of each asset and whether there is a need to determine a determinable remaining useful life for the Group's trademarks and intellectual property rights.

Provision for expected credit losses

Accounts receivables amount to MSEK 561.

Historically, Humble has experienced a very low level of customer losses over an extended period. Based on this, the Group considers a provision for customer losses to be 0 (0). See *Note 22 Accounts Receivables* for information regarding the age analysis of Accounts receivables and the change in the provision for customer losses during the year.

Assessment of the lease agreements with extension options

Humble Group is a lessee in leases consisting of office space, machines, cars, and office supplies. The office premises are ordinary office premises located in large cities where access to similar office spaces is considered good. The Group has not had any significant improvement costs linked to any of the office premises. The contracts for the office premises contain a formal right for Humble Group to extend the contract, often designed as the agreement being automatically extended for 12 months unless the Group chooses to terminate the agreement 3-6 months before the end date of the agreement. When assessing whether it is reasonably certain that the Group will exercise the extension option, management primarily considers the difficulty of replacing a location and the remaining time before the agreement is automatically extended. Overall, the Group's lease term for office premises varies between 1 - 15 years with an average lease term of four years. No extension option has been included for machines, cars, and office supplies.

Deferred tax

Deferred tax receivables amount to MSEK 29, which mainly refers to loss deductions for Humble Group AB. The deficit has arisen during 2014 to 2023. The Group has assessed that the loss carryforwards will be able to be used against future tax surpluses. The assessment is based on the decided business plan and budget for the subsidiary, where all subsidiaries in the Group are expected to provide tax surpluses from 2024 onwards. The tax deficits can be carried forward and have no due date.

NOTE 5 – FINANCIAL RISK MANAGEMENT

FINANCIAL RISK FACTORS

Through its operations, the Group is exposed to a variety of financial risks such as: various market risks, currency risk, fair value interest rate risk, cash flow interest rate risk, price 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 fulfil its payment obligations,
- manage financial risks,
- ensure access to required funding, and

- optimize the Group's net financial income/expense.

The Group's risk management is predominantly controlled on subsidiary level under policies approved by Humble Group management. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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The Group's financial position and earnings are affected by various risk factors that must be considered when assessing the company and its future earnings. The primary risks that are deemed to be relevant to the Group are described below.

a) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to currency risks arising from various currency exposures, primarily concerning the currencies EUR, GBP, and USD. Currency risk primarily arises from the translation of foreign subsidiaries' income statements and balance sheets into the Group's reporting currency, which is SEK (translation balance sheet exposure). The Group's policy is not to hedge the translation exposure related to foreign net assets in order to reduce the translation risk in the financial statements.

Sensitivity Analysis - Translation Balance SheetExposure

The following tables present an analysis of commercial transaction exposure in the event of changes in the currencies that affect the Group's revenue, EBIT, and equity.

	%	Estimated effect on turnover	Estimated effect on EBIT	Estimated effect on equity
Stronger EUR vs SEK	10	1%	0%	0%
Weaker EUR vs SEK	-10	-1%	0%	0%
Stronger GBP vs SEK	10	2%	5%	2%
Weaker GBP vs SEK	-10	-2%	-5%	-2%
Stronger USD vs SEK	10	0%	0%	0%
Weaker USD vs SEK	-10	0%	0%	0%

	%	Estimated effect on turnover	Estimated effect on EBIT	Estimated effect on equity
Stronger EUR vs SEK	10	1%	1%	0%
Weaker EUR vs SEK	-10	-1%	-1%	0%
Stronger GBP vs SEK	10	2%	4%	1%
Weaker GBP vs SEK	-10	-2%	-4%	-1%
Stronger USD vs SEK	10	0%	0%	0%
Weaker USD vs SEK	-10	0%	0%	0%

Currency risk also arises from purchases and sales in a currency that does not correspond to the functional currency of the company (transaction exposure). At the end of the reporting period, Humble Group's transaction exposure in foreign currency, expressed in Swedish kronor, was as follows:

<i>Accounts receivables</i>	2023-12-31	2022-12-31
EUR/SEK	70	96
GBP/SEK	13	12
USD/SEK	106	112
Total foreign currencies	189	221

<i>Accounts payable</i>	2023-12-31	2022-12-31
EUR/SEK	136	161
GBP/SEK	14	4
USD/SEK	95	63
Total foreign currencies	245	344

Sensitivity Analysis - Transaction Exposure

The following table presents an analysis of the impact on operating results if the Swedish krona had weakened/strengthened by 10% relative to EUR, GBP, and USD, with all other variables held constant, as a result of gains/losses in currency translation.

		Accounts receivable		Accounts payable	
	%	2023	2022	2023	2022
Stronger EUR vs SEK	10	2%	4%	-4%	-6%
Weaker EUR vs SEK	-10	-2%	-4%	4%	6%
Stronger GBP vs SEK	10	0%	0%	0%	0%
Weaker GBP vs SEK	-10	0%	0%	0%	0%
Stronger USD vs SEK	10	3%	4%	-3%	-2%
Weaker USD vs SEK	-10	-3%	-4%	3%	2%

The accumulated foreign exchange gains and losses recorded in the income statement were:

	2023	2022
Exchange rate gains and losses included in other income and expenses	2	-1
Exchange rate losses on borrowing in foreign currency that are included in financial costs	-6	-9
Total exchange rate gains and losses included in profit before tax - net	-3	-9

Humble Group continuously works to minimize currency exposure for major purchases through currency exchange and, when necessary, short-term currency hedging. At the end of the year, the hedges in the group amounted to non-material amounts.

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. The Group's main interest rate risk arises through long-term borrowing with variable interest, which exposes the Group to interest rate risk regarding cash flows. The Group does not hedge its interest rate risk regarding future cash flows.

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The Group has two term loans of a total of MSEK 1,350:

- MSEK 500, with a variable interest rate (STIBOR 3m + 3.30%)
- MSEK 850, with a variable interest rate (STIBOR 3m + 3.50%)

Sensitivity Analysis - Interest Rate Risk

If the interest rates on borrowings as of December 31, 2023, had been 1 percentage point higher/lower with all other variables held constant, the pre-tax result for the fiscal year would have been +/- MSEK 15 (+/-15) lower/higher, primarily as a result of higher/lower interest expenses on borrowings with variable rates.

b) Credit risk

Credit risk primarily arises from cash and debt instruments measured and recognized at amortized cost.

Credit risk related to customers is reduced through credit risk assessments, credit limits in event of delayed payment commitments and through contractual terms with the customers. There is no high concentration of credit risk regarding exposure to individual customers, particular industries and/or regions. During 2023, there have been no individual customers who have individually accounted for more than 10% of the revenue.

The Group primarily holds accounts receivables within the scope of the impairment model for expected credit losses.

ACCOUNTS RECEIVABLES

The Group has previously secured part of the accounts receivable in the form of a factoring arrangement (secured accounts receivable) and received cash and cash equivalents. The credit risk for the pledged accounts receivable remains with Humble Group. For information regarding these claims, see section c) Liquidity risk below.

The Group applies the simplified method for calculating expected credit losses for all accounts receivable where the reserve is calculated based on the risk of loss for the entire term of the receivable.

To measure the expected credit losses, accounts receivable has been grouped based on the number of days overdue. Expected credit losses are based on a period of twelve months before December 31, 2023, with the corresponding historical credit losses during the same period. The historical credit losses are then adjusted considering current and forward-looking information on macroeconomic factors that may affect the customers' ability to pay the claim. In cases where the Group has more information about the customers than the statistical model reflects, company management makes additional assessments for those customers. Historically, the Group has experienced insignificant credit losses. Based on historical data with very low credit losses together with a forward-looking assessment, the expected credit losses are not significant for any customers. Age distribution for the Group's accounts receivable is presented in *Note 22 Accounts receivables*.

Accounts receivable and other receivables are written off when there is no reasonable expectation of repayment. The assessments are made individually in each of the cases based on indicators that there is no reasonable expectation of repayment. The indicators include, among other things, that a debtor does not follow the repayment plan from the Group. Write-downs of accounts receivable are reported as other external costs in the operating profit. Subsequent refunds of amounts previously written down are reversed against the same item.

c) 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 fact that the Group continuously evaluates various financing solutions.

d) Liquidity risk

Liquidity risk is the Group's risk of not being able to fulfill its short-term payment obligations as a result of insufficient liquid funds. At the end of the reporting period, the Group held MSEK 401 (MSEK 338) in liquid funds. As a result of the operations in the Group, the Group needs flexible financing with the possibility to use agreed credit limits.

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Management follows rolling forecasts for the Group's liquidity reserve (including unused credit facilities) and liquid funds based on expected cash flows, which is monitored at group level. The analyses are normally carried out by the operating companies, taking into account the guidelines and limitations established by group management. In addition, the Group's liquidity management policy includes forecasting cash flows in major currencies and considering the level of liquid funds required to achieve these, monitoring cash flow liquidity levels against internal and external regulatory requirements and maintaining debt financing plans.

At the end of the reporting period, the Group had access to unused overdraft facilities totaling MSEK 58 (MSEK 79). The overdraft facilities can be utilized at any time and are contracted until July 2026. The overdrafts can be accessed anytime in SEK and had an average maturity of 1 year at the end of the fiscal year (same as previous year).

The availability of working capital for the company's operational activities and financing to meet the Group's investment needs is an important part of creating a profitable and long-term strong business. Humble Group is currently in good dialogue with investors and banks to manage this risk.

Pledged accounts receivables

Some of the Group's subsidiaries have historically pledged accounts receivable as a means of financing operating activities. In connection with invoicing, the invoice is pledged through an external party who has

usually pledged 70-90% of the invoice's value and pays out the liquid immediately after pledging. The loan bears interest until the customer has paid the invoice and is reported gross as a customer receivable and short-term debt to credit institutions in the balance sheet. At the end of the reporting period, there were no secured trade receivables in the balance sheet (0).

Term loan

During the third quarter, Humble Group refinanced its bond obligations totaling MSEK 1,800 and replaced them with two term loans totaling MSEK 1,350 and a revolving credit facility of MSEK 300. The loans have a variable interest rate based on STIBOR 3M plus an interest margin dependent on the Group's debt ratio. At the end of the period, the interest margins were 3.30% and 3.50%, respectively. Interest payments are typically made quarterly or at the end of the term chosen by the company management for the current interest period. Amortization on term loan A is done quarterly with MSEK 41 through July 2026. The date for redemption and amortization of term loan B of MSEK 850 and the revolving credit facility of MSEK 150 is July 2026.

The table below analyzes the Group's financial liabilities divided by the time remaining until the contractual maturity date at the balance sheet date. The amounts shown in the table are the contractual, undiscounted cash flows including interest. Future cash flows in foreign currency have been calculated based on the exchange rate applicable on the balance sheet date.

2023-12-31	<12 months	1-2 years	2-5 years	> 5 years	Total	Book value
Financial liabilities						
Interest-bearing liabilities (long- and short-term)	341	255	1,067	0	1,662	1,450
Contingent considerations (long- and short-term)	349	175	17	0	542	501
Other liabilities (long- and short-term)	324	4	13	1	342	342
Lease liabilities	77	60	118	169	425	325
Accounts payable	652	0	0	0	652	652
Total	1,743	494	1,216	170	3,622	3,270

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2022-12-31	<12 months	1-2 years	2-5 years	> 5 years	Total	Book value
Financial liabilities						
Interest-bearing liabilities (long- and short-term)	621	19	1,853	43	2,536	2,494
Contingent considerations (long- and short-term)	347	353	164	0	863	780
Other liabilities (long- and short-term)	79	40	29	1	149	149
Lease liabilities	53	36	49	36	174	150
Accounts payable	550	0	0	0	550	550
Total	1,650	448	2,095	81	4,272	4,122

CALCULATION AND DISCLOSURE OF FAIR VALUE

The levels in the fair value hierarchy are defined as follows:

Financial instrument level 1

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

Financial instrument level 2

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).

Financial instrument level 3

When one or more of the significant inputs is not based on observable market data.

The Group's financial assets measured at fair value through profit and loss consist of other long-term securities holdings. These are classified as level 1 in the fair value hierarchy.

The Group's financial liabilities measured at fair value through profit and loss consist of contingent additional purchase prices. These are classified as level 3 in the fair value hierarchy. There have been no transfers between levels during the year.

Fair value disclosure of term loans

As described above in section a) paragraph Interest rate risk, the Group also has financial instruments in the form of term loans. These are valued at accrued acquisition cost, which substantially corresponds to their fair value in the balance sheet.

Fair value disclosure of contingent considerations

The total contingent consideration to be paid are generally conditioned by significant financial performance improvements, which usually is measured to certain pre-determined EBITDA-levels by the subsidiary to be reached. The nature of the payments is generally a subject for Humble to decide, with a majority to be paid in cash but can also be paid with

newly issued shares. This has a potential positive impact of the Groups cash flow and long-term net debt.

The mechanics behind the additional purchase prices differ between the various acquisitions and the Group's commitments also extend over a longer time horizon. The provision in the consolidated balance sheet constitutes a valuation of management's best assessment of the expected future cash flow. This assessment is made on a subsidiary-based level and is revalued regularly. The contingent considerations are recognized at fair value and have been discounted with a discount rate of 11.02% (10.81%). The Parent Company has the majority of the Group's all reported contingent considerations. Humble makes the assessment that there are no significant differences between the various contingent consideration calculation methods that would justify applying different discount rates for different subsidiaries. This forms the basis for the same interest rate being applied to all contingent consideration per year.

Input used in recurring level 3 fair value measurements and valuation techniques

The contingent considerations in the Group have been calculated based on the nominal value of the best estimate of the expected outcome on the date of the acquisition. The estimate is based on management's assessment of the probable amount to be paid given the terms of the share transfer agreement. The fair value of the contingent considerations has been calculated based on an interest rate corresponding to the remaining term until payment at each reporting date. During 2023, MSEK -60 (-57) in interest income was recognized as finance expenses regarding expenses related to contingent considerations.

The duration to maturity is presented below.

<i>Estimated payments per year</i>	Nominal value	Fair value
2024	349	336
2025	175	151
2026	17	13
Total contingent considerations	542	501

<i>Contingent consideration</i>	2023	2022
Opening balance January 1	780	737
Acquisition	32	247
Payments	-320	-144
Fair value changes that are reported through profit and loss via operating income	-199	-188
Fair value changes that are reported through profit and loss via operating expense	147	77
Interest expense	60	57
Exchange differences	-2	-5
Ending balance December 31	501	780

CAPITAL MANAGEMENT

The Group's objective 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 cost of capital down.

To maintain or adjust the capital structure, the Group may change the dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities. The Group assesses its capital on the basis of net debt.

Net debt ratio

The Group has a strategy to have a balanced capital structure where, among other things, the net debt ratio is monitored on an ongoing basis. The decrease in net debt in 2023 is attributable to refinancing.

	2023-12-31	2022-12-31
Interest-bearing debt*	1,775	2,644
Less: cash and cash equivalents	-401	-338
Net debt	1,374	2,306
Total assets	8,918	8,855
Net debt in relation to total assets	0.15	0.26

*Including lease liability

NOTE 6 – SEGMENT INFORMATION AND DISCLOSURE OF REVENUE

The Group's chief executive decision-maker is the CEO, who primarily uses Adjusted EBITDA (adjusted operating result before interest, taxes, depreciation, and amortization) to evaluate the performance of the operating segments. The CEO does not track segment assets and liabilities for resource allocation or performance assessment.

SEGMENT DESCRIPTION

Humble Group operates in four segments: Future Snacking, Sustainable Care, Quality Nutrition and Nordic Distribution.

Future Snacking consists of several food and snack brands with high innovation and the vision to provide cutting-edge, healthier and more sustainable candy products, food and snacks for the everyday consumer. Future Snacking also includes various candy, confectionery and snack producers who manufacture high-quality products for the Group's various brands.

Sustainable Care consists of a wide range of brands, distributors and producers of sustainable personal care and household products. Their categories include skin care, oral care, hair care and hygiene products. The companies in the segment are committed to meeting the growing demand for sustainable and environmentally friendly products and by doing so contribute to a more environmentally friendly planet.

Quality Nutrition includes both brands and manufacturers of sports nutrition and ingredients. These subsidiaries are dedicated to providing the highest quality nutritional products and supplements designed to help both athletes and general consumers increase performance and health in their daily lives.

Nordic Distribution comprises a network of wholesalers and distributors in the Nordic region. The companies within Nordic Distribution have a deep understanding of local markets and consumer preferences. By leveraging the strengths of these local partners, Humble Group can offer a comprehensive range of FMCG products that cater to the different preferences in the Nordics.

OTHER INFORMATION

Humble Group's subsidiaries are divided into segments based on their primary revenue-generating product portfolio or line of business. There have been no mergers of different sub-segments for the accounting periods.

Other includes the Parent Company's operations as well as a few administrative subsidiaries that do not have a direct connection to other operating activities.

Humble Group has a result-oriented focus on its operations and does not continuously monitor the segments of assets and liabilities, which is the reason why only the income statement is presented in the table below.

2023	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	936	2,197	1,462	2,455	0	7,050
Raw material and consumables	-532	-1,413	-1,030	-1,946	0	-4,920
Gross profit	404	784	432	509	1	2,129
Gross margin, %	43%	36%	30%	21%		30%
EBITDA	83	326	166	101	-18	659
Items affecting comparability (note 11)	42	-10	-11	9	6	37
Adjusted EBITDA***	126	317	155	110	-12	696
Adjusted EBITDA in relation to net sales	9%	15%	11%	4%		9%
EBITA	47	298	144	76	-19	547
Adjusted EBITA	90	289	132	85	-12	584
Adjusted EBITA in relation to net sales	10%	13%	9%	3%		8%
EBIT	13	158	115	55	-23	318
Adjusted EBIT	55	148	103	64	-16	355
Adjusted EBIT in relation to net sales	1%	7%	8%	2%		5%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 11 for reconciliation to Profit before tax

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2022	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	733	1,845	965	1,257		4,800
Raw material and consumables	-417	-1,171	-700	-980		-3,268
Gross profit	316	674	265	277		1,532
Gross margin, %	43%	37%	27%	22%		32%
EBITDA	162	225	104	52	-39	504
Items affecting comparability (note 11)	-57	78	4	6	16	47
Adjusted EBITDA***	105	303	108	58	-23	551
Adjusted EBITDA in relation to net sales	14%	16%	11%	5%		11%
EBITA	138	193	83	44	-39	419
Adjusted EBITA	81	271	87	49	-22	466
Adjusted EBITA in relation to net sales	11%	15%	9%	4%		10%
EBIT	85	124	57	29	-38	257
Adjusted EBIT	28	202	61	35	-22	304
Adjusted EBIT in relation to net sales	4%	11%	6%	3%		6%

*Other refers to Parent company and minor administrative entities,**Revenue from sales to external customers,***See Note 11 for reconciliation to Profit before tax

NET SALES

Humble Group has a global sales network, with the primary net sales occurring within Europe and the United Kingdom. The table presents the distribution of net sales per operating country. None of the other countries independently contribute more than one percent of the total net sales.

There are no individual customers within the Humble Group whose net sales exceed 10% of the Group's net sales, nor any individual fixed assets that exceed 10% of total assets for the accounting period 2023.

	2023	2022
Australia	423	141
China	193	150
Denmark	80	62
Finland	108	77
Germany	272	234
Norway	264	202
Portugal	167	127
Sweden	3,496	2,410
United Kingdom	1,166	846
USA	126	87
Other countries	755	465
Total net sales	7,050	4,800

ASSETS OF THE SEGMENTS

Fixed assets, excluding financial instruments and deferred tax assets, distributed based on the physical location of the asset.

	2023	2022
Australia	386	348
Sweden	3,467	3,471
United Kingdom	1,485	1,493
Portugal	624	653
Other countries	541	552
Total countries	6,503	6,517
Fixed assets not specified by country*	128	101
total fixed assets	6,631	6,618

NOTE 7 – OTHER OPERATING INCOME

On December 1, Humble Group announced its intention to sell properties in a sale and leaseback transaction. The first part of the sale took place on December 15, thus a right-of-use asset is valued at the portion of the asset's previously reported value that relates to the right-of-use retained by the Group. The new right-of-use assets are intended to be utilized over periods of 10 and 15 years, respectively. The right-of-use assets amount to MSEK 87 and the lease liability to MSEK 107. The profit of MSEK 9 relates to the rights transferred to the buyer.

	2023	2022
Fx-gains from revaluation of operational items	19	20
Received grants from public authorities	11	10
Fair value changes on contingent consideration that are reported at fair value through profit and loss	199	188
Gain on sale of real estate	9	0
Other revenues	23	41
Total other operating income	262	259

NOTE 8 – RENUMERATION TO AUDITORS

<i>Amount in KSEK</i>	2023	2022
Audit fees	12,021	6,972
<i>of which BDO</i>	8,976	4,230
<i>of which Westlake Clark Ltd</i>	829	774
<i>of which Other audit firms</i>	2,215	1,968
Audit related services	368	1,668
<i>of which BDO</i>	22	1,088
<i>of which Westlake Clark Ltd</i>	196	26
<i>of which Other audit firms</i>	151	554
Total audit fees	12,389	8,640

NOTE 9 – RENUMERATION TO PERSONNEL ETC.

<i>Average number of employees by country</i>	2023			2022		
	Women	Men	Total	Women	Men	Total
Australia	13	18	31	15	19	34
Denmark	11	18	29	15	23	38
Finland	5	19	24	11	16	27
France	0	1	1	0	1	1
Hong Kong	18	16	34	20	14	34
China	3	9	12	9	3	12
Norway	14	13	27	16	13	29
Portugal	70	22	92	70	20	90
Sweden	252	431	683	222	312	534
Spain	11	1	12	0	0	0
South Africa	2	1	3	1	2	3
South Korea	1	1	2	1	1	2
Germany	11	13	24	25	17	42
United Kingdom	83	66	149	80	61	141
USA	2	4	6	3	4	7
Total	496	633	1,129	488	506	994

<i>Gender distribution in the group for board members and other senior executives</i>	2023-12-31			2022-12-31		
	Women	Men	Total	Women	Men	Total
Board members	2	3	5	1	5	6
CEO and other senior executives	0	5	5	0	5	5
Total	2	8	10	1	10	11

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	2023			2022		
	Salaries and other remunerations	Social charges	Pensions	Salaries and other remunerations	Social charges	Pensions
Salaries, remunerations and social charges						
Board of directors, CEO and other executive management	19	6	2	17	6	3
Other employees	538	126	31	397	90	23
Total	557	131	33	414	96	25

	2023	2022
Employee benefits		
Salaries and other remunerations	557	414
Social charges	131	96
Pension costs - defined contribution plan	33	25
Total employee benefits	721	535

2023, Amount in KSEK	Fixed remuneration	Variable remuneration	Other Benefits**	Pensions	Total
<i>Board of directors and CEO</i>					
Dajana Mirborn, chairman of the board since 2023-05-19	380	0	0	0	380
Peter Werme, chairman of the board until 2023-05-19	182	0	0	0	182
Henrik Patek, director	253	0	0	0	253
Ola Cronholm, director	230	0	0	0	230
Pål Bruu, director since 2023-05-19	163	0	0	0	163
Sara Berger, director since 2023-05-19	133	0	0	0	133
Björn Widegren, director until 2023-05-19	82	0	0	0	82
Hans Skruvfors, director until 2023-05-19	67	0	0	0	67
Simon Petrén, Chief Executive Officer	4,560	4,103	420	1,226	10,309
Other executive management*	8,040	1,491	647	1,062	11,240
Total	14,090	5,594	1,068	2,288	23,040

*Comprises Johan Lennartsson, Noel Abdayem, Marcus Stenkil and Kristoffer Zinn. Out of total remuneration, invoiced fee amount to 4 MSEK. **Refers to benefit car and one-off compensation for option premium in accordance with the decision from the annual general meeting 2023-05-19

2022, Amount in KSEK	Fixed remuneration	Variable remuneration	Other Benefits**	Pensions	Total
<i>Board of directors and CEO</i>					
Peter Werme, chairman of the board	408	0	0	0	408
Björn Widegren, director	223	0	0	0	223
Thomas Petrén, director until 2022-05-05	120	0	0	0	120
Henrik Patek, director	283	0	0	0	283
Dajana Mirborn, director	260	0	0	0	260
Hans Skruvfors, director	183	0	0	0	183
Ola Cronholm, director since 2022-07-22	90	0	0	0	90
Simon Petrén, Chief Executive Officer	4,560	2,782	52	1,232	8,625
Other executive management*	6,778	1,241	0	1,448	9,467
Total	12,907	4,022	52	2,680	19,661

*Comprises Johan Lennartsson, Noel Abdayem and Marcus Stenkil full year, and Kristoffer Zinn from February, 2022.

GUIDELINES FOR REMUNERATION TO SENIOR
MANAGEMENT

In order for the company to be able to attract, develop and retain senior executives with relevant experience and competence, it is important that the company has a competitive remuneration package in line with what is attractive for senior executives in various industries. The compensation for the senior executives consists of

fixed salaries, short and long-term variable compensation, pensions, and other customary benefits. The total compensation must be market-based and competitive and reflect the employee's performance and responsibilities. During 2023, Humble Group has not had any guidelines for remuneration to senior executives formally decided by the Annual General Meeting. The board has instead appointed a

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remuneration committee which has prepared remuneration-related questions for senior executives.

PENSION

The Group only has defined pension plans. Pension cost refers to the cost that affected the year's profit.

SEVERANCE PAY

A mutual notice period of 6 months applies between the company and the CEO. In the event of termination by the company, a severance payment of 6 months' wages is received. The severance pay is not offset against other income. In the event of termination by the CEO, no severance pay is payable.

A mutual notice period of 6 months applies between the company and other senior executives. There are no agreements on severance pay for other senior executives.

VARIABLE RENUMERATION

For the CEO, the bonus for the fiscal year 2023 is based partly on the Group's profitability measured in EBITA and partly on individual goals set by the board. The bonus amount for 2023 corresponded to 90% (61) of the base salary.

INCENTIVE PROGRAM

Below is a summary of the warrant programs found in the Group during any of the periods covered by the Annual Report 2023.

Employee option program

For the period 2019-2022, there was an employee option program in the Parent Company. The program ended in March 2022 and meant that the participants in the program paid SEK 1.33 per share in connection with the vesting taking place in April 2022. The income for this is reported in equity. In connection with the vesting of shares, a benefit arises for the participant in the program, which benefit is taxed. The cost of the program consists of the Parent Company paying employer contributions on the actual increase in value that occurs on the vesting date. The program included 5 employees. The options were obtained free of charge when the program was started. The total number of options that were used amounted to 327,142 with a market value of SEK 19.10 per share, the remaining options have already been cancelled or in connection

with the termination of the program. Reported costs amounted to MSEK 1.8 and were reported as a personnel cost in the Parent Company during 2022. No costs were reported for the program during 2023.

<i>Summary of granted options, employee option program</i>	2023	2022
As per Januari 1	0	485,716
Granted	0	0
Forfeited	0	0
Redeemed	0	-347,142
Expired	0	-138,574
Outstanding as of December 31	0	0
Redeemed as of December 31	0	0

Warrants program

At the end of the fiscal year, there were three ongoing warrants programs in the group, series 2021/2024, series 2022/2025, and series 2023/2026.

Series 2021/2024

Includes 1,000,000 options of which 920,000 options have been granted. The remaining 80,000 options were cancelled in 2022. The program covers 9 individuals and the options vest gradually over the program's duration. In 2023, a revaluation of series 2021/2024 resulted in a repayment of SEK 2 million, which is recognized in equity for 2023. The initial option premium of SEK 3.76 per option was adjusted to SEK 1.13 per option following a third-party revaluation. Payments and repayments of premiums are recorded directly against equity. The option premiums have been valued at fair value using the Black & Scholes model.

<i>Summary of granted warrants, warranty program serie 2021/2024</i>	2023	2022
As per Januari 1	920,000	1,000,000
Granted	0	0
Forfeited	0	0
Redeemed	0	0
Expired	0	-80,000
Outstanding as of December 31	920,000	920,000
Redeemed as of December 31	0	0

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Series 2022/2025

Includes a total of 2,400,000 warrants of which 2,400,000 have been allocated. The program covers 36 employees in the Group and earnings are made gradually over the duration of the program. The option premium from payment of the warrants amounted to SEK 0.49 per warrant, which is reported directly against equity. The option premium has been valued at fair value using the Black & Scholes valuation model.

<i>Summary of granted warrants, warranty program serie 2022/2025</i>	2023	2022
As per Januari 1	2,400,000	0
Granted	0	2,400,000
Forfeited	0	0
Redeemed	0	0
Expired	0	0
Outstanding as of December 31	2,400,000	2,400,000
Redeemed as of December 31	0	0

Series 2023/2026

Includes a total of 4,100,000 options, all of which have been granted. The program covers 39 employees in the Group and earnings occur gradually over the program's duration. The option premium of SEK 0.25 per option is recorded directly against equity. The option premiums have been valued at fair value using the Black & Scholes model. The Group incurred a cost of MSEK 1.3 related to the series in 2023 due to the company choosing to compensate the employees.

<i>Summary of granted warrants, warranty program serie 2023/2026</i>	2023	2022
As per Januari 1	0	0
Granted	4,100,000	0
Forfeited	0	0
Redeemed	0	0
Expired	0	0
Outstanding as of December 31	4,100,000	0
Redeemed as of December 31	0	0

Fair value of assigned staff and warrants

In 2019, employees received employee options free of charge, while warrants were acquired at market value in 2021 and 2022. The market value of the options in the employee option program 2019/2022 and the warrants program 2021/2024, 2022/2025, and 2023/2026 has been calculated according to the Black & Scholes valuation model. The warrant programs for 2021/2024 and 2022/2025 have not burdened the Group with any costs as a market premium has been paid in by the participants. Based on analysis of the

historical volatility of the company's and comparable companies' share price, the expected volatility during the warrants' term has been assessed at 30% (30%).

The expected volatility in the stock price is based on historical volatility (based on the remaining term of the option), adjusted for the expected changes in future volatility due to available public information.

Data inputs for the model of options granted are presented in the table below.

	Serie 2023/2026	Serie 2022/2025	Serie 2021/2024
Redemption price	11.38	23.90	35.72
Grant date	2023-06-05	2022-05-25	2021-06-17
Expiration date	2026-09-15	2025-09-15	2024-06-29
Share price at grant date	6.76	15.94	23.82
Expected volatility in the company's share price	30%	30%	45%
Expected dividend yield	0%	0%	0%
Risk-free interest rate	3.04%	1.54%	-0.20%

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<i>Number of outstanding warrants per maturity date</i>	Grant price	Expiration date	2023-12-31	2022-12-31
Time of allocation				
<i>Employee option</i>				
2019-04-19	1.33	2022-03-31	0	0
<i>Warranties serie 2022/2025</i>				
2021-06-17	35.72	2024-06-29	920,000	920,000
<i>Warranties serie 2022/2025</i>				
2022-05-25	23.90	2025-09-15	2,400,000	2,400,000
<i>Warranties serie 2023/2025</i>				
2023-05-26	11.38	2026-09-15	4,100,000	0
Total			7,420,000	3,320,000
Remaining weighted average contract term of outstanding employee options at the end of the period			0 years	0 years
Remaining weighted average contract term of outstanding warrants at the end of the period			2,1 years	2.4 years

NOTE 10 – OTHER OPERATING EXPENSES

	2023	2022
Exchange rate losses from revaluation of items of an operating nature	-17	-21
Fair value changes on contingent consideration that are reported at fair value through profit and loss	-147	-77
Other operating expenses	-11	-5
Total other operating expenses	-174	-103

NOTE 11 – ITEMS AFFECTING COMPARABILITY

Humble Group recognizes items affecting comparability to EBITDA in order to visualize comparable figures that are adjusted for the items that occur in historical numbers for various reasons. Items affecting comparability mainly refer to the following:

- Acquisition related cost comprises external expenses due to legal and financial advisors, external consultancy firms and different expertise within detailed questions in the due diligence process. The acquisition related cost is recognized as a loss to the Other external expenses in the Income statement.
- Revaluation of contingent considerations are recognized as an Other operating income or Other operating expense once the updated assessment is made. Contingent considerations are frequently reassessed based on management's best estimate of expected future cash- or share payments.
- Employment-related compensation refers to considerations in the share purchase agreements that the sellers are entitled to a cash bonus if they remain in service after the transaction is

completed. These items have a negative cash effect when they are paid and the effect is reported as a personnel cost in the income statement over the time that the compensation is earned.

The penalty refers to the part of the share purchase agreements between Humble Group and the seller that the seller must repay of the purchase price paid to Humble Group if they leave their services after the transaction. Such risk is reduced by penalties of the fine. If the seller remains in service for the agreed contract term, this item has no cash flow effect. The part of the purchase price that must be repaid if the seller leaves his position constitutes a separate transaction in accordance with IFRS and must therefore not be included as part of the purchase price for the acquired business. Instead, this part is reported as a personnel cost and reported over time as the services are delivered.

- Depreciation of acquired surplus value in inventory relates to acquired subsidiaries with a significant surplus value identified in the

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purchase price allocation related to inventory or finished goods. The surplus value is typically identified in subsidiaries with own inhouse production, since large part of the value creation have remained in the business, and will as such be realized once the goods have been sold. Typical inventory turnover in the Group is between 1-2 months, which impact Raw materials and Consumables during the quarter when an acquisition has been carried out.

- e) Donations refers to the donations to the non-profit organization Humble Smile Foundation as well as a one-time goods donation to Ukraine in the beginning of the war 2022.

- f) Restructuring costs primarily relate to costs associated with executed integrations within the group totaling MSEK 9, additional costs for factory relocation in Naty amounting to MSEK 6, advisory costs for the transition to IFRS of MSEK 5, costs related to organizational changes and cost efficiency improvements of MSEK 9. This item also includes one-off nature costs for the completion of factory construction of MSEK 3.

The main adjustment item during the year was related to the revaluation of contingent considerations of MSEK -51 (-111) and employment-related compensation and penalties of MSEK 45 (72).

	2023	2022
Adjusted EBITDA	696	551
Acquisition related cost and income*	-8	-39
Revaluation of contingent considerations accounting**	51	111
Lock-in penalty from acquisition SPA**	-45	-72
Donations	-1	-3
Restructuring	-32	-42
Gain on sale of real estate	9	0
Other	-11	-3
EBITDA	659	504
Depreciation	-112	-85
EBITA	547	419
Amortization	-229	-162
EBIT	318	257
Finance net	-379	-255
PROFIT AND LOSS AFTER FINANCIAL ITEMS	-61	1

*2022 incl surplus value in inventory . **These items have no cash flow impact

	2023	2022
EBITDA	659	504
Items affecting comparability	37	47
Adjusted EBITDA	696	551
EBITA	547	419
Items affecting comparability	37	47
Adjusted EBITA	584	466
EBIT	318	257
Items affecting comparability	37	47
Adjusted EBIT	355	304

NOTE 12 – FINANCIAL INCOME AND FINANCIAL EXPENSES

	2023	2022
Interest income	6	1
Exchange rate differences	5	8
Other financial income	2	5
Total financial income	13	14
Interest expenses related to interest bearing liabilities	-211	-180
Interest expenses related to unwinding of discounting effect	-60	-57
Exchange rate differences	-13	-17
Other financial expenses	-108	-11
Total financial expenses	-393	-265
Net of financial items	-380	-251

NOTE 13 – INCOME TAX

	2023	2022
Current tax	-89	-52
Deferred tax	45	15
Total income tax	-45	-37
<i>Reconciliation between Swedish income tax rate and effective income tax</i>		
Profit before tax	-61	1
Tax according current tax rate 20,6% (2022: 20,6%)	13	0
<i>Tax effect from:</i>		
Effect from other tax rates in foreign subsidiaries	-4	1
Non-deductible expenses	-51	-32
Non-taxable income	1	3
Tax attributable to previous year	-4	-7
Tax deductible deficits from the year	0	-2
Income tax	-45	-37

Group current tax rate is 20.6% (2023: 20.6%) and effective tax rate was 74% (2022: 2,876%).

MSEK -49 (-30) of non-deductible expenses is relates to tax effect of non-deductable interest expense.

The Group's current tax rate is 20.6% (2022: 20.6%), and the Group's effective tax rate amounted to 74% (2022: 2,876%). The non-deductible expenses amount to a tax effect of MSEK -49 (-30) related to non-deductible interest expenses. Transaction costs recorded in equity result in a tax effect of MSEK 6 (2).

NOTE 14 – EARNING PER SHARE

Earnings per share is calculated by dividing the year's earnings by a weighted average number of ordinary shares outstanding during the period. Weighted average number of ordinary shares and potential ordinary shares used as denominator when calculating earnings per share after dilution in the event of positive reported earnings.

Information regarding the classification of securities

Warrants granted to employees under Humble Group's warrants program have been determined to be

potential ordinary shares. They have been included in the determination of diluted earnings per share if the performance conditions attached to the warrants, total return to shareholders, would have been achieved based on the company's performance up to the balance sheet date, and to the extent they give rise to a dilutive effect. The warrants have not been included in the determination of earnings per share before dilution. Further information about the warrants can be found in *Note 9 Remuneration to personnel etc.*

	2023	2022
<i>Earnings per share before dilution, SEK</i>		
Earnings attributable to the shareholders of the parent company	-105,504,496	-35,815,410
Earnings per share before dilution	-0.28	-0.13
<i>Earnings per share after dilution, SEK</i>		
Earnings attributable to the shareholders of the parent company	-105,504,496	-35,815,410
Earnings per share after dilution*	-0.28	-0.13
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares when calculating earnings per share before dilution	377,360,692	284,151,901
<i>Adjustments to calculate earnings per share after dilution:</i>		
Average number of warrants	5,858,630	2,666,724
Weighted average number of ordinary shares after dilution	383,219,322	286,818,625

* No adjustment when calculating after dilution in the event of a negative result

NOTE 15 – INTANGIBLE ASSETS

	Capitalised product development costs		Customer relationships and listings		Trademarks and brands	
	2023	2022	2023	2022	2023	2022
Opening balance acquisitions	209	90	734	549	1,649	1,334
Purchases	108	87	0	1	4	1
Through acquisition of subsidiaries	16	8	11	166	21	287
Sales and scrapped assets	-3	0	0	0	-1	0
Reclassification	7	21	0	0	4	-2
Translation differences	0	3	1	17	4	30
Accumulated acquisition value	337	209	746	734	1,680	1,649
Opening balance depreciations	-42	-15	-187	-50	0	0
Sales and scrapped assets	3	0	0	0	0	0
Amortization	-48	-25	-147	-135	-2	-1
Impairment	-29	0	0	0	0	0
Reclassification	0	-1	0	0	-2	1
Translation differences	0	0	2	-2	0	0
Accumulated depreciation	-116	-42	-332	-187	-4	0
Closing balance	221	168	413	546	1,676	1,650

	Goodwill		Total	
	2023	2022	2023	2022
Opening balance acquisitions	3,631	2,935	6,223	4,908
Purchases	0	1	112	90
Through acquisition of subsidiaries	61	626	109	1,086
Sales and scrapped assets	0	0	-4	0
Reclassification	13	0	24	19
Translation differences	-2	69	3	120
Accumulated acquisition value	3,703	3,631	6,466	6,223
Opening balance depreciations	0	0	-229	-64
Sales and scrapped assets	0	0	3	0
Amortization	0	0	-197	-162
Impairment	-4	0	-33	0
Reclassification	2	0	0	0
Translation differences	0	0	2	-3
Accumulated depreciation	-2	0	-453	-229
Closing balance	3,702	3,631	6,013	5,995

During the year, an impairment of goodwill was made, related to the valuation of the greater of nominal and fair value in anticipation of the sale of Bayn Production, see *Note 37 Subsequent Events*. Bayn Production is part of the Future Snacking segment. This year's impairment of capitalized expenses for development work is attributed to Fancystage as a result of strategic development aimed at strengthening long-term profitability. Fancystage is part of the Sustainable Care segment.

ASSESSMENT OF IMPAIRMENT NEED FOR
GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets constitute a significant portion of Humble Group's balance sheet. The Group conducts an annual assessment of the

assets' value, which is based on the calculation of discounted future cash flows for the cash-generating units where goodwill and other intangible assets are recognized. The impairment test relies on a high degree of judgments and assumptions about future cash flows. The following outlines how the company has made its assessment, along with a description of key assumptions and sensitivity analyses.

The assumptions that have the greatest impact on the test are the terminal growth rate and the discount rate (cost of capital). Other important assumptions also include assessments of future developments regarding growth, gross margins, expense levels, working capital requirements, and investment needs. It is also noted that no impairment need has been identified based on the assumptions made.

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Goodwill and intangible assets (brands) with indefinite useful lives are allocated to the cash-generating units identified per business segment of the Group. For these brands, there is no predictable limit to the period during which the brand is expected to generate net inflows for Humble Group.

The recoverable amount for the cash-generating units has been determined based on calculations of the value in use. These calculations are based on estimated future cash flows before tax, derived from the financial budgets for 2023 of the companies, which have been approved by the Group management. Cash flows beyond 2023 are then projected based on expected growth rates, gross margin, expense levels, working capital requirements, and investment needs. Cash flows extending beyond a five-year period are extrapolated using a long-term growth rate of 2% for all business segments. For each cash-generating unit, an individual post-tax discount rate has been used in the calculation of value in use. The applied discount rate for the current year and comparison year is in accordance with the tables below. The calculation as of December 31, 2023, indicates that the value in use exceeds the carrying value for all cash-generating units, resulting in no impairment requirement.

The assumptions in the cash flow forecast have been determined by the group management and are based on past experiences, the financial history of the business segments, and the group management's knowledge of the industry.

Other important assumptions

Growth rate

Based on factors such as product development, sales synergies, and assessed market potential, the company believes that the business segments have good opportunities to stabilize and strengthen their market shares. The expected average annual growth rate varies depending on the business segments, and the group management makes individual assessments based on each company's conditions and market potential. Sales development in all business segments is expected to be positive during the forecast period, with an average growth rate for all segments projected at 12.7% for 2024, 9% for 2025, 8% for 2026, and 2% for 2027 and the terminal year, maintaining a conservative perspective in the impairment testing.

Gross margins

The gross margins are assumed to remain stable during the forecast period as efficiency improvements and coordination efforts continue to be implemented

according to plan. Furthermore, an assumption has been made that the business segments' gross margins will develop positively as cost synergies continue to be realized according to plan. The average gross profit margin is projected to be 29.4% in 2024, 30.3% in 2025, 31.1% in 2026, and 31.4% in 2027 and the terminal year, maintaining a conservative perspective in the impairment testing.

Operating expenses

External expenses and personnel costs are expected to be relatively stable or decrease in relation to sales for all business segments. The average cost base for all segments is assumed to decrease by -0.2% per year during the forecast period in relation to net sales. This is deemed to be in line with the investments and strategic initiatives that the Group will undertake to achieve forecasted sales targets and planned efficiency improvements.

Sensitivity analysis

A sensitivity analysis has been conducted for each cash-generating unit. The results of this analysis are summarized in the table below. The sensitivity analysis shows that the remaining goodwill value for all cash-generating units would still be defended under the assumptions stated in the table. These calculations are hypothetical and should not be seen as an indication that it is more or less likely that these factors will change. The Group management assesses that if negative deviations related to several parameters occur simultaneously, an impairment need exists as the expected cash flows for the business segments would be negatively affected to the extent that the value in use would fall below the carrying value for all business segments. These calculations do not take into account such incentives and actions that would be implemented if actual cash flows negatively deviate from forecasted cash flows. Therefore, the sensitivity analysis should be interpreted with caution.

The value in use for the cash-generating unit Sustainable Care amounts to approximately MSEK 4,369 for 2023. The operating capital for the segment is MSEK 3,965, and the sensitivity analysis shows that the difference between the value in use and the total reported value of the cash-generating unit is relatively small but still justifiable if the discount rate were to increase by 1 percent or if the terminal growth rate were to decrease by 1 percent. The carrying value of goodwill for the Sustainable Care business segment assumes continued stable growth for the coming years.

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Any future significant negative deviations, beyond those described above and deemed to be enduring, may indicate the existence of an impairment requirement for the goodwill of the business segment.

	Discount rate after tax		Number of years for cash flow forecast		Growth rate for extrapolation of cash flow	
	2023	2022	2023	2022	2023	2022
Sustainable Care	10.26%	10.81%	5 år	5 år	2.00%	2.00%
Future Snacking	9.93%	10.81%	5 år	5 år	2.00%	2.00%
Quality Nutrition	9.76%	10.81%	5 år	5 år	2.00%	2.00%
Nordic Distribution	9.69%	10.81%	5 år	5 år	2.00%	2.00%

CGU	Enterprise Value	Operating Capital	Headroom
Sustainable Care	4,369	3,965	403
Future Snacking	2,073	1,473	599
Quality Nutrition	1,901	1,016	885
Nordic Distribution	1,741	322	1,419
Total	10,083	6,777	3,306

	Sustainable Care	Future Snacking	Quality Nutrition	Nordic Distribution
Potentiellt nedskrivningsbehov vid en ökning av diskonteringsräntan efter skatt med 1 procentenhet	Nej	Nej	Nej	Nej
Potentiellt nedskrivningsbehov vid en minskning av EBITA marginalen med 2 procentenheter under prognosperioden och perioden bortom prognosperioden	Nej	Nej	Nej	Nej
Potentiellt nedskrivningsbehov vid en samtida minskning av tillväxttakten för att extrapolera kassaflöden bortom prognosperioden med 1 procentenhet och en ökning av diskonteringsräntan efter skatt med 1 procentenheter	Nej	Nej	Nej	Nej

The group management assesses that the discount rate and terminal growth rate are the most significant assumptions for the impairment test. Therefore, no sensitivity analysis has been conducted specifically related to other important assumptions such as growth rate, gross margins, or expenses.

However, the group management assesses that if negative deviations occur simultaneously across multiple parameters, there is likely an indication of an impairment requirement as the expected cash flows for the business segments would be adversely affected to an extent where the value in use would fall below the carrying value for all business segments.

	Goodwill		Trademarks and brands		Customer relationships	
	2023	2022	2023	2022	2023	2022
Sustainable Care	2,407	2,380	1,027	1,020	224	306
Future Snacking	661	664	386	375	63	85
Quality Nutrition	433	440	221	234	89	112
Nordic Distribution	201	146	42	21	37	43
Outgoing balance	3,702	3,631	1,676	1,650	413	546

NOTE 16 – TANGIBLE FIXED ASSETS

In 2023, Humble Group entered into an agreement to sell ten properties through a sale and leaseback transaction. The first phase of the transaction was completed in December. The acquisition value of the properties in the first transaction amounted to MSEK 87. See *Note 7 Other Operating Income* for more

information on the property sale. Tangible fixed assets related to phase two have been reclassified as of December 31, 2023, see *Note 36 Assets Held for Sale*. The transaction for phase two was completed in April 2024, see *Note 37 Subsequent events* for more information.

	Buildings and land		Machines and other technical equipment		Equipment, tools and installations	
	2023	2022	2023	2022	2023	2022
Opening balance acquisitions	257	165	92	59	44	19
Purchases	1	19	18	8	25	10
Through acquisition of subsidiaries	25	69	0	23	7	15
Sales and scrapped assets	-107	0	-3	-2	-4	-4
Reclassification	2	1	13	-2	1	3
Assets held for sale	-121	0	0	0	-4	0
Translation differences	0	2	-2	5	0	1
Accumulated acquisition value	56	257	118	92	68	44
Opening balance depreciations	-12	-3	-13	0	-8	-3
Sales and scrapped assets	1	0	1	-4	7	3
Depreciations	-6	-9	-25	-20	-14	-8
Reclassification	0	0	0	12	-1	0
Assets held for sale	9	0	0	0	2	0
Translation differences	0	0	2	-3	0	0
Accumulated depreciation	-9	-12	-35	-13	-14	-8
Closing balance	48	244	83	78	54	36

	Ongoing new facilities and advances		Total	
	2023	2022	2023	2022
Opening balance acquisitions	13	5	405	249
Purchases	5	19	49	57
Through acquisition of subsidiaries	0	0	32	107
Sales and scrapped assets	3	-2	-111	-7
Reclassification	-11	-10	5	-9
Assets held for sale	0	0	-126	0
Translation differences	0	0	-2	8
Accumulated acquisition value	10	13	253	405
Opening balance depreciations	0	0	-33	-5
Sales and scrapped assets	-2	0	7	0
Depreciations	-1	0	-47	-37
Reclassification	0	0	-1	12
Assets held for sale	0	0	11	0
Translation differences	0	0	2	-3
Accumulated depreciation	-3	0	-61	-33
Closing balance	7	13	191	372

NOTE 17 – LEASE AGREEMENT

	Buildings		Vehicles*		Machines*	
	2023	2022	2023	2022	2023	2022
Opening balance acquisitions	169	100	16	10	28	16
Additional right of use	179	65	14	8	10	11
Renegotiated	13	2	1	0	1	0
Terminated	-26	-1	-7	-2	-3	0
Translation differences	-3	3	0	0	0	1
Accumulated acquisition value	332	169	25	16	36	28
Opening balance depreciations	-49	-15	-7	-2	-8	-2
Depreciations	-46	-35	-9	-6	-9	-6
Terminated	25	1	5	2	2	0
Translation differences	0	0	0	0	0	0
Accumulated depreciation	-70	-49	-10	-7	-15	-8
Closing balance	262	120	15	9	21	20

*Classification corrected from previous year

	Other		Total	
	2023	2022	2023	2022
Opening balance acquisitions	3	2	215	128
Additional right of use	1	1	204	85
Renegotiated	0	0	16	2
Terminated	-2	0	-37	-3
Translation differences	0	0	-3	4
Accumulated acquisition value	2	3	394	216
Opening balance depreciations	-1	-1	-65	-19
Depreciations	-1	-1	-64	-48
Terminated	1	0	33	3
Translation differences	0	0	1	-1
Accumulated depreciation	-1	-1	-96	-65
Closing balance	1	1	299	151

Other leasing costs	2023	2022
Interest costs (included in Financial costs)	-10	-6
Expenses attributable to short-term leasing agreements (included in Other external costs)	-1	-2
Expenses attributable to leases for which the underlying asset is of low value that are not short-term leases (included in Other external costs)	-2	-3
Total other leasing costs	-12	-11

In 2023, Humble Group entered into an agreement to sell properties through a sale and leaseback transaction. The acquisition value of the additional right-of-use assets from the transaction amounts to MSEK 87. See *Note 7 Other Operating Income* for more information on the property sale.

Lease liabilities	2023-12-31	2022-12-31
Current	67	49
Non-current	258	100
Total lease liabilities	325	149

The total cash flow related to the lease agreements was MSEK -72 (-52). For information on the maturity of the lease liability, see *Note 5 Financial Risk Management*.

NOTE 18 – DEFERRED TAX

	Trademark		Customer relationships		Buildings	
<i>Deferred tax liability attributable to</i>	2023	2022	2023	2022	2023	2022
Opening balance	344	274	106	95	20	14
Additional deferred tax on acquisition of subsidiaries	4	64	2	33	2	7
Sale of real estate	0	0	0	0	-8	0
Reported in the incomestatement	0	0	-30	-24	0	-1
Translation differences	1	6	0	2	0	0
Closing carrying value deferred tax liability	349	344	78	106	13	20

	Untaxed reserves		Right of use assets		Total	
	2023	2022	2023	2022	2023	2022
Opening balance	31	25	32	32	533	440
Additional deferred tax on acquisition of subsidiaries	3	5	0	0	12	109
Sale of real estate	0	0	0	0	-8	0
Reported in the incomestatement	-2	1	34	0	2	-24
Translation differences	0	0	0	0	1	9
Closing carrying value deferred tax liability	33	31	66	32	540	533

	Tax loss deductions		Leasing liability		Total	
<i>Deferred tax assets attributable to</i>	2023	2022	2023	2022	2023	2022
Opening balance	25	34	32	32	57	66
Additional deferred tax on acquisition of subsidiaries	0	0	0	0	0	0
Reported in the incomestatement	-1	-9	39	0	38	-9
Translation differences	0	0	0	0	0	0
Closing carrying value deferred tax asset	24	25	72	32	95	57

Deferred tax assets are reported for tax loss deductions or other deductions to the extent that it is likely that they can be utilized through future taxable profits. Unused loss deductions for which no deferred tax asset has been reported amount to MSEK 10 as of 2023-12-31 (56). Deferred tax on unused loss deductions amounts to MSEK 24 as of 2023-12-31 (25). The deficit deductions do not expire at any time. The unused loss deductions primarily relate to historical losses in Humble Group AB between the years 2009-2020.

<i>Deferred tax - net</i>	2023-12-31	2022-12-31
Deferred tax assets	95	58
Amount offset against deferred tax liabilities	-66	-32
Closing carrying value deferred tax liability	29	26
Deferred tax liability	541	534
Amount offset against deferred tax assets	-66	-32
Closing carrying value deferred tax asset	474	502

NOTE 19 – EQUITY IN ASSOCIATED COMPANIES AND JOINT VENTURES

Within Humble Group, there is a holding classified as a joint venture, Amerpharma Sp.z.o.o., part-owned by Humble Group AB, and an associated company, Snacksmack AB, part-owned by Grahns Konfektyr AB.

Profit from shares in associated companies and joint ventures amounted to MSEK 1 (-4). The associated company is considered individually immaterial to the Group. For more information on the Parent Company's holdings, see *Note 50 Shares in associated companies and joint ventures*.

NOTE 20 – OTHER LONG-TERM SECURITIES HOLDINGS AND OTHER LONG-TERM RECEIVABLES

Additional items consist of received newly issued preference shares in Tingsvalvet Fastighets AB as agreed financing at the property sale.

	Other long-term securities holdings		Other long-term receivables		Total	
	2023	2022	2023	2022	2023	2022
Opening balance	14	8	16	3	30	11
Additional items through acquisitions	0	6	-1	13	-1	19
Listed shares in Tingsvalvet Fastighets AB	27	0	0	0	27	0
Deductions	-7	0	0	0	-7	0
Closing balance	33	14	15	16	49	30

NOTE 21 – INVENTORY

Costs of goods for the Group are included in the item Raw materials and consumables in the report on comprehensive income and amount to MSEK 766 (769). As of 2023-12-31, inventory contained MSEK 0 (0) of acquired surplus values in stock upon acquisition of subsidiaries. During 2023, MSEK 0 (3) was expensed from acquired surplus values in inventory.

	2023-12-31	2022-12-31
Raw materials and necessities	102	114
Finished goods and goods for sale	838	854
Advances to suppliers	43	14
Total inventory	983	982

NOTE 22 – ACCOUNTS RECEIVABLES

The Group applies the simplified method for calculating expected credit losses for all accounts receivable where the reserve is calculated based on the risk of loss for the entire term of the receivable. Historically, the Group has experienced insignificant credit losses. Based on historical data and with a forward-looking assessment, future credit losses are not expected to be significant for any customers, individually or aggregated, which forms the basis for no general provision for future credit losses being reported at the group level, but provisions for expected credit losses are made by the respective subsidiaries. For more information on the provision for expected credit losses, see *Note 5 Financial Risk Management*.

	2023-12-31	2022-12-31
Accounts receivables	561	683
Expected credit loss	0	0
Total accounts receivables	561	683

<i>Age analysis of accounts receivables</i>	2023-12-31	2022-12-31
Non-overdue accounts receivable	435	484
Overdue 0 - 30 days	77	118
Overdue 31 - 90 days	22	62
Overdue 91 - 180 days	16	11
Overdue 181 - 360 days	5	7
Overdue > 360 days	7	2
Total accounts receivables	561	683

NOTE 23 – OTHER SHORT-TERM RECEIVABLES

	2023-12-31	2022-12-31
Current receivables for taxes and fees	43	23
Receivables with suppliers	15	10
Receivables previous owner	9	0
Other receivables	30	30
Total other receivables	97	62

NOTE 24 – PREPAID EXPENSES AND ACCRUED INCOME

	2023-12-31	2022-12-31
Prepaid insurance fees	3	5
Prepaid license- and software fees	3	3
Accrued revenues	17	28
Prepaid sales provision and consultant provision	1	2
Prepaid goods deliverables	14	25
Prepaid lock-in penalty from aquisition SPA	37	80
Other items	38	29
Total prepaid expenses and accrud income	114	172

NOTE 25 – LIQUID FUNDS

Cash and cash equivalent	2023-12-31	2022-12-31
Cash at bank	401	338
Short term placements	0	0
Total available cash and cash equivalent	401	338
Negotiated revolving credit facility	150	200
<i>whereof used amount at end of the year</i>	<i>92</i>	<i>121</i>
<i>whereof available amount at end of the year</i>	<i>58</i>	<i>79</i>

When refinancing the bond loans, the Parent Company signed a new revolving credit facility of MSEK 150 and a granted overdraft facility of MSEK 150. The revolving credit facility runs over the term of the loan agreement and expires in July 2026. See *Note 27 Interest-bearing liabilities* for more information.

The credit facility is conditional on two financial covenants, namely that a) Net interest-bearing liabilities after deduction of Liquid funds in relation to Adjusted EBITDA Proforma shall not exceed 3.5x until March 31, 2024, shall not exceed 3.25x until March 31, 2025, and shall not exceed 3x from June 30, 2025, until the expiration of the loan agreement, and that b) EBITDA in relation to finance net shall not be less than 4x during the loan period.

In connection with the refinancing during the third quarter of 2023, the presentation of the Group's cash pool was changed so that the utilized overdraft facility is included in the item short-term interest-bearing liabilities in the balance sheet. This resulted in the recalculation of liquid funds and short-term interest liabilities for 2022. The adjustment amounted to MSEK 42 as of December 31, 2022.

There are no other overdrafts in the Group at the end of the financial year.

NOTE 26 – FINANCIAL INSTRUMENT PER CLASSIFICATION

<i>Financial assets at carrying value</i>	2023-12-31	2022-12-31
Other long-term receivables	15	16
Accounts receivables	561	683
Other short-term receivables	97	62
Cash and cash equivalents	401	338
Total	1,075	1,099
<i>Financial assets measured at fair value through profit and loss</i>		
Other long-term securities holdings	33	14
Total	33	14
<i>Financial liability at carrying value</i>	2023-12-31	2022-12-31
Interest-bearing liabilities (short- and long-term)	1,450	2,494
Other liabilities (short- and long-term)	342	149
Accounts payable	652	550
Total	2,444	3,193
<i>Financial liabilities measured at fair value through profit and loss</i>		
Contingent considerations (short- and long-term)	501	780
Total	501	780

NOTE 27 – INTEREST-BEARING LIABILITIES

	2023-12-31	2022-12-31
<i>Long-term liabilities</i>		
Bond financing 2021-2024	0	313
Bond financing 2021-2025	0	1,513
Liabilities to credit institutions, properties and investments	0	90
Credit facility, long-term part	1,088	0
Revolving credit facility	101	0
Liabilities to credit institutions	8	0
Total long-term liabilities	1,197	1,916
<i>Short-term liabilities</i>		
Liabilities to credit institutions		
Credit facility, short-term part	161	0
Revolving credit facility	0	529
Liabilities to credit institutions, properties and investments	0	49
Other liabilities to credit institutions	92	0
Total short-term liabilities	253	579
Total interest bearing expenses	1,450	2,494

LIABILITIES TO CREDIT INSTITUTIONS

In 2023, Humble Group AB undertook a refinancing by prematurely settling its two bond loans and entering into a new credit facility agreement with Nordea and SEB. The credit facility consists of two term loans of MSEK 500 and MSEK 850, a revolving credit facility of MSEK 150, and an overdraft facility of MSEK 150. The credit facility has a duration of three years from the signing of the loan agreement and expires in July 2026. The loans carry an interest base of STIBOR 3M plus an interest margin based on the company's leverage ratio at the end of the previous quarter. The interest base is

set 2 days before each new interest period begins. For the term loans, the interest period is 3 months. For the revolving credit facility, Humble has the option to determine the duration of the interest periods, ranging from a minimum of one month to a maximum of six months.

The overdraft facility of MSEK 150 is with SEB and forms the basis for the group's work with a cash pool structure. For information regarding the overdraft facility, see *Note 25 Liquid Funds*. The Parent Company's borrowing is in SEK and the reported value

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corresponds in all material respects to the real value of the borrowing because the interest on this borrowing is at par with current market interest rates or because the borrowing is short-term.

During the refinancing in the third quarter of 2023, the presentation of the group's cash pool was changed so that the utilized overdraft facility is included in the item short-term interest-bearing liabilities in the balance sheet. This resulted in the recalculation of liquid funds and short-term interest liabilities for 2022. The adjustment amounted to MSEK 42 as of December 31, 2022.

Collateral has been provided for liabilities to credit institutions in the form of shares in subsidiaries valued at MSEK 4,963 (3,765). For further details, see *Note 31 Pledged Securities and Contingent Liabilities*.

NOTE 28 – PROVISIONS

This year's change in provisions relates to a VAT liability at Fancystage attributable to previous years. The Group has a receivable from the previous owner amounting to the corresponding sum, which is reported as Other short-term receivable.

Property-related loans are presented as liabilities that are directly related to assets held for sale. See *Note 36 Assets Held for Sale*.

FINANCIAL COVENANTS

The Parent Company's borrowing is subject to a commitment that certain covenants must be fulfilled, which include that a) Interest-bearing liabilities net after deduction for Liquid funds in relation to Adjusted EBITDA Proforma does not exceed 3.25x until March 31, 2025, and shall not exceed 3x from June 30, 2025, until the expiration of the loan agreement, and that b) EBITDA in relation to finance net shall not be less than 4x during the loan period.

The Parent Company fulfils all loan conditions during 2023.

	2023-12-31	2022-12-31
Opening balance	8	1
Provision for other taxes	0	7
Provision for VAT	9	0
Other provisions	0	0
Closing carrying value	17	8

NOTE 29 - OTHER LIABILITIES AND CONTINGENT CONSIDERATIONS

	2023-12-31	2022-12-31
<i>Long-term liabilities</i>		
Deferred considerations from acquisitions	165	433
Non-interest bearing liabilities to previous owner from acquisitions	11	33
Other liabilities	6	37
Total other liabilities, long-term	182	503
<i>Short-term liabilities</i>		
Deferred considerations from acquisitions	336	347
Non-interest bearing liabilities to previous owner from acquisitions	11	12
Other liabilities*	313	66
Total other liabilities, short-term	660	425
Total other liabilities	843	928

*MSEK 260 refers to tax deferrals

NOTE 30 – ACCRUED EXPENSES AND PREPAID INCOME

	2023-12-31	2022-12-31
Accrued holiday pay, incl social fees	60	51
Accrued salaries	6	5
Prepaid income	0	1
Accrued tantien & salary bonus, incl social fees	23	13
Accrued sales provisions, customer bonuses, consultancy fees	27	16
Accrued cost for audit and accounting services	5	3
Other accrued items	31	54
Total accrued expenses and prepaid income	152	143

NOTE 31 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

There are no contingent liabilities such as ongoing disputes or guarantee commitments in the Parent Company or any of the Group's subsidiaries at the end of the financial year.

	2023-12-31	2022-12-31
<i>Regarding liabilities to credit institutions</i>		
Shares in subsidiaries in favor to senior secured bonds	0	3,765
Shares in subsidiaries in favor to credit facilities	5,227	0
Company mortgage	222	202
In favor for factoring of accounts receivables	9	0
Restricted funds	1	2
Property mortgage	20	86
Total pledged assets	5,478	4,055

NOTE 32 – BUSINESS COMBINATIONS

<i>Subsidiary</i>	<i>Acquisition date</i>	<i>Shares and votes</i>	<i>Segment</i>	<i>Vertical</i>	<i>Country</i>
Napame Holding AB	2023-03-01	100%	Nordic Distribution	Manufacturing	Sweden
Aktiebolaget Cool & Candy AB	2023-03-15	100%	Quality Nutrition	Distribution	Sweden
Skövde Snabbgross AB	2023-03-15	100%	Future Snacking	Distribution	Sweden
Privab Grossisterna AB	2023-03-15	100%	Future Snacking	Distribution	Sweden

The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not considered significant.

During the first quarter of 2023, the Parent Company acquired 100% of four subsidiaries. The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not deemed to be material. The subsidiaries operate within distribution and manufacturing. Identified excess values are linked to Goodwill of MSEK 61, Customer Relations of MSEK 11, Trademarks of MSEK 21, Buildings and land of MSEK 9, and Deferred tax liability of MSEK 8.

Goodwill

The goodwill is attributable to the value of existing skills and abilities in the organization to develop and produce future successful assets, and synergies from collaboration in Humble Group. None of the recorded goodwill is expected to be deductible for tax purposes.

Significant estimate: contingent consideration

Two acquisitions made during 2023 have an agreement on contingent considerations totaling MSEK 32. These contingent considerations are due for payment within 0-3 years.

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	2023-12-31
Total acquisition	
Goodwill	61
Customer relationships and listings	11
Trademarks and brands	21
Other fixed assets	48
Total fixed assets	141
Inventory	39
Accounts receivable	27
Liquid funds	20
Other current receivables	10
Total current assets	95
Total asset	236
Deferred taxes	12
Total long term liabilities	11
Accounts payable	41
Other current liabilities	26
Total current liabilities	67
Total liabilities	90
Net assets	146
Cash	75
Share issue	40
Contingent consideration	32
Deferred payment	0
Total purchase price	146

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The possible nominal amount to be paid according to the agreement amounts to MSEK 39 for accumulated EBITDA. The fair value of the contingent consideration was MSEK 32 at the time of acquisition and was calculated by discounting the expected future cash flows, based on a discount rate of 11.02%.

Employment linked consideration

No stay-on bonuses or penalties are related to the acquisitions carried out in 2023.

Revenue and profit contributions.

The acquisitions of the subsidiaries contributed MSEK 473 in net sales to the Group for the period from each

acquisition date to the end of 2023. The subsidiaries also contributed an EBITDA of MSEK 22 during the same period. If the subsidiaries had been consolidated from January 1, 2023, the Group's income statement would present an additional net sale of MSEK 83 and an EBITDA of MSEK 4.

Acquisition-related costs

Acquisition-related costs of MSEK 3 are included in the Group's statement of comprehensive income and in the operating activities section of the cash flow analysis.

BUSINESS COMBINATIONS 2022

<i>Subsidiary</i>	<i>Acquisition date</i>	<i>Shares and votes</i>	<i>Segment</i>	<i>Vertical</i>	<i>Country</i>
Fitnessgrossisten AS	2022-01-03	100%	Nordic Distribution	Distribution	Norway
Bars Produktion i Gråbo AB	2022-04-11	100%	Quality Nutrition	Manufacturing	Sweden
La Praline Scandinavia AB	2022-04-11	100%	Future Snacking	Manufacturing	Sweden
Grenna Konfektyr AB	2022-04-11	100%	Future Snacking	Manufacturing	Sweden
Go Superfoods Ltd	2022-04-29	100%	Quality Nutrition	Brands	United Kingdom
Nya MedicaNatumin AB	2022-05-06	100%	Quality Nutrition	Brands	Sweden
Medica Clinical Nord Sverige AB	2022-05-06	100%	Quality Nutrition	Brands	Sweden
Natumin Pharma AB	2022-05-06	100%	Quality Nutrition	Manufacturing	Sweden
Vitalkost AS	2022-05-06	100%	Nordic Distribution	Distribution	Norway
Franssons Konfektyr AB	2022-05-30	100%	Future Snacking	Manufacturing	Sweden
LEV Group	2022-06-14	100%	Future Snacking	Brands	Portugal / Spain
Amber House Ltd	2022-07-15	100%	Sustainable Care	Distribution	United Kingdom
Sam & Son Grossist AB	2022-08-15	100%	Nordic Distribution	Distribution	Sweden
Grossistcentralen i Stockholm AB	2022-08-15	100%	Nordic Distribution	Distribution	Sweden
Body Science International Pty Ltd	2022-08-15	100%	Quality Nutrition	Brands	Australia

The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not deemed to be material, except in the acquisitions of Go Superfoods Ltd., LEV Group, and Body Science International Pty Ltd.

SUMMARY OF DISTRIBUTION OF PURCHASE PRICE, PPA – IFRS

	Go Superfoods	Lev Group	Body Science	Other acquisitions	Sum of acquisitions 2022
Goodwill	57	146	205	218	626
Customer relationships and listings	31	25	38	72	166
Trademarks and brands	97	46	96	49	287
Other fixed assets	1	19	6	137	163
Total fixed assets	185	237	344	476	1,242
Inventory	70	7	47	164	288
Accounts receivable	11	15	36	177	240
Liquid funds	9	14	21	18	62
Other current receivables	16	8	0	29	54
Total current assets	105	44	105	389	644
Total asset	290	281	449	865	1,886
Deferred taxes	24	15	36	33	109
Total long term liabilities	0	6	0	65	71
Accounts payable	8	15	50	197	269
Other current liabilities	15	4	8	67	94
Total current liabilities	22	18	58	264	363
Total liabilities	47	39	94	363	543
Net assets	244	242	355	503	1,343
Cash	166	102	217	336	821
Share issue	31	77	76	92	276
Contingent consideration	47	62	63	75	247
Deferred payment	0	0	0	0	0
Total purchase price	244	242	356	503	1,343

GO SUPERFOODS LTD

On April 29, 2022, the Parent Company acquired 100% of the share capital of Go Superfoods Ltd, a company engaged in the production and delivery of premium organic superfoods. Identified intangible assets are related to Customer Relationships of MSEK 31, Brands of MSEK 97, Deferred Tax Liability of MSEK 24, and Goodwill of MSEK 57.

Significant estimates: Contingent consideration

In the event that a specific predetermined accumulated EBITDA for the period of April 2021 to December 2023 is achieved by the subsidiary, contingent consideration of up to a total of MSEK 74 may be paid in cash after the buyer's Annual General Meeting in 2024.

The potential nominal amount to be paid according to the agreement amounts to MSEK 74 for accumulated EBITDA. The fair value of the contingent consideration was MSEK 47 at the initial recognition and was estimated by calculating the present value of the future expected cash flows at the end of the reporting period. The calculations are based on a discount rate of 10.81%.

Employment linked consideration

The acquisition agreement includes a penalty clause stating that the selling party, identified as a key person in the acquired business, may be obligated to repay a portion of the received purchase price to Humble in the event that employment is terminated before the agreed-upon employment period has expired. Out of the total purchase price, MSEK 2.5 has been classified as a prepaid expense for these penalties, with a due date of April 28, 2025. The purchase price is conditional upon continued employment at the due date, which is why, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

Goodwill

Goodwill is attributable to the value of existing skills and capabilities within the organization to develop and produce future successful assets, as well as synergies from collaboration within Humble Group. No portion of the recognized goodwill is expected to be tax deductible.

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Revenue and profit contribution

The acquisition of Go Superfoods Ltd contributed net sales of MSEK 125 to the Group for the period from April 29, 2022, to December 31, 2022. Go Superfoods Ltd also contributed an EBITDA of MSEK 11 for the same period. If Go Superfoods Ltd had been consolidated from January 1, 2022, the Group's income statement would show net sales of MSEK 140 and an EBITDA of MSEK 10.

Acquisition-related costs

Acquisition-related costs of MSEK 4.5 are included in the consolidated statement of comprehensive income as well as in the operating activities in the cash flow analysis of the Group.

LEV GROUP

On June 14, 2022, the Parent Company acquired 100% of the share capital of LEV Group, a business that offers proteins with high biological value, ready-made meals, as well as dietary supplements. Identified intangible assets are related to Customer Relationships amounting to MSEK 25, Brands amounting to MSEK 46, Deferred tax liability amounting to MSEK 15, and Goodwill amounting to MSEK 146.

Significant estimates: Contingent consideration

In the event that certain predetermined EBITDA targets are achieved by the subsidiary for the years ending 2022, 2023, and 2024, a contingent consideration of up to MSEK 93 may be paid in cash at the buyer's Annual General Meeting in the year following each respective financial year.

The potential nominal amount to be paid according to the agreement amounts to MSEK 76 for evenly distributed EBITDA over the three years. The actual value of the contingent consideration, which is MSEK 62, has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 10.81%.

Employment linked consideration

In the acquisition agreement, there is a penalty clause stating that the selling party, identified as a key person in the acquired business, may be liable to repay a portion of the received purchase price as a penalty to Humble in the event that employment terminates before the agreed-upon employment period expires. Of the total purchase price, MSEK 5.3 has been classified as a prepaid expense related to these penalties, with a due date of June 14, 2026. The purchase price is

conditional upon continued employment at the due date, and therefore, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

Goodwill

Goodwill is attributable to the value of existing skills and capabilities within the organization to develop and produce future successful assets, as well as synergies from collaboration within the Humble Group. No portion of the recognized goodwill is expected to be tax deductible.

Revenue and profit contribution

The acquisition of LEV Group contributed net sales of MSEK 67 to the Group for the period from 2022-06-14 to 2022-12-31. LEV Group also contributed an EBITDA of MSEK 26 during the same period. If LEV Group had been consolidated from January 1, 2022, the Group's income statement would have shown net sales of MSEK 124 and an EBITDA of MSEK 35.

Acquisition-related costs

Acquisition-related costs of MSEK 1 are included in the consolidated statement of comprehensive income and in the operating activities in the cash flow analysis.

BODY SCIENCE INTERNATIONAL PTY LTD

On August 15, 2022, the Parent Company acquired 100% of the share capital in Body Science International Pty Ltd, a company engaged in performance-based dietary supplements. Identified intangible assets include Customer Relationships of MSEK 38, Brands of MSEK 96, Deferred Tax Liability of MSEK 36, and Goodwill of MSEK 205.

Significant estimates: Contingent consideration

In the event that certain predetermined EBITDA targets are achieved by the subsidiary for the cumulative period of 2022-2024, a conditional additional purchase price of up to a maximum of MSEK 104 may be paid in cash at the buyer's Annual General Meeting in 2025.

The possible nominal amount to be paid under the agreement is MSEK 83. The actual value of the conditional additional purchase price, which is MSEK 62, has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 10.81%.

At the end of the fiscal year 2022, MSEK 18 of the conditional additional purchase price has been

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reversed based on management's forecasts of future expected EBITDA levels. This has been recognized as revenue in the same amount included in Other operating income.

Employment linked consideration

In the acquisition agreement, there is a penalty clause stating that the selling party, identified as a key person in the acquired business, may be liable to repay a portion of the received purchase price as a penalty to Humble if employment is terminated before the agreed-upon employment period has expired. Of the total purchase price, MSEK 6 has been classified as a prepaid expense for these penalties, with a due date of August 14, 2026. The purchase price is contingent upon continued employment at the due date, which is why, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

Goodwill

Goodwill is attributable to the value of existing

competence and capabilities within the organization to develop and produce future successful assets, as well as the synergies from collaboration within the Humble Group. No portion of the recognized goodwill is expected to be tax-deductible.

Revenue and profit contribution

The acquisition of Body Science International Pty Ltd contributed net sales of MSEK 130 to the Group for the period from August 15, 2022, to December 31, 2022. Body Science International Pty Ltd also contributed an EBITDA of MSEK 21 during the same period. If Body Science International Pty Ltd had been consolidated from January 1, 2022, the Group's income statement would have presented net sales of MSEK 310 and an EBITDA of MSEK 43.

Acquisition-related costs

Acquisition-related costs of MSEK 4 are included in the Group's consolidated statement of comprehensive income as well as in the operating activities section of the cash flow analysis.

NOTE 33 – RELATED PARTY DISCLOSURES

The highest parent company in the Group is Humble Group AB. Related parties are all subsidiaries within the Group as well as senior executives in the Group and their close relatives. Transactions take place on market terms. For information on remuneration to the CEO, board, and senior executives, see *Note 9 remuneration to personnel*, etc. For information on holdings in subsidiaries, see *Note 49 Shares in subsidiaries*.

No transactions with related parties have taken place in 2023 that had a significant impact. The smaller transactions that have taken place relate to leases of previous owners' properties. Rental agreements between the parties are based on an arm's length perspective and on market conditions. For information on the Parent Company's transactions with related parties, see *Note 61 Related Party disclosure*.

NOTE 34 – ADJUSTMENT FOR NON-CASH ITEMS FROM OPERATING ACTIVITIES

	2023	2022
Interest expenses partially presented in financing activities	216	154
Effect from revaluation of contingent considerations	-51	-111
Non realised interest on contingent considerations	60	57
Depreciation of surplus inventory	0	3
Accrued expense, bond loans	0	8
One-off due to refinancing	81	0
Effect from exchange rates	-3	44
Total adjustment items	304	155

NOTE 35 – CHANGES IN LIABILITIES BELONGING TO FINANCING ACTIVITIES

	Bond loan	Lease liability	Liabilities to credit institutions
Opening balance January 1, 2022	1,516	108	321
Cash flow from financing activities	300	-52	99
Acquisition	0	78	258
New lease agreement	0	14	0
Other	10	2	-9
Closing balance December 31, 2022	1,826	150	669
Cash flow from financing activities	-1,800	-72	723
Acquisition	0	22	0
New lease agreement	0	222	0
Other*	-26	3	59
Closing balance December 31, 2023	0	325	1,450

*Parts of debts to credit institutions are attributable to real estate loans.

NOTE 36 – ASSETS HELD FOR SALE

PROPERTY SALE

On December 1, Humble Group announced its intention to sell ten properties in a sale and leaseback transaction. The first part of the sale took place on December 15, thus a right-of-use asset is measured at the proportion of the asset's previously carrying amount of the assets that relates to the right of use retained by the Group. In the assessment, it was determined that one of the properties will be used over a ten-year period and two of the properties over a fifteen-year period. The right-of-use assets amount to MSEK 87 and the lease liability to MSEK 107. The profit of MSEK 9 pertains to the rights transferred to the buyer.

The associated assets for the second part of the sale amount to MSEK 112 and are presented as assets held for sale in the financial statements. Property-related loans are presented as liabilities that are directly associated with assets held for sale. The assets are included in the segments Future Snacking and Quality Nutrition.

DIVESTMENT OF SUBSIDIARY

On December 19, the group announced its intention to divest Bayn Production AB as part of Humble Group's long-term strategy to streamline operations. The assets and liabilities were valued at the lower of nominal value and fair value. This resulted in an impairment of MSEK 6, of which MSEK 4 related to goodwill, which has been recorded in the income statement as depreciation of acquisition-related fixed assets. The associated assets of MSEK 17 and liabilities of MSEK 9 are presented as assets held for sale in the financial statements. The company is included in the Future Snacking segment.

	2023-12-31
Intangible assets	3
<i>Tangible fixed assets</i>	
Buildings and land	113
Other	3
Inventory	4
Accounts receivables	4
Other short-term receivables	2
Total Assets	129
Interest-bearing liabilities	-34
Accounts payable	-7
Other liabilities	-2
Total Liabilities	-43
NET ASSETS	86

NOTE 37 – SUBSEQUENT EVENTS

DIVESTMENT OF SUBSIDIARY

On January 2, Bayn Production AB was divested. The total purchase price for the shares in Bayn Production amounted to MSEK 7.7. The assets and liabilities were valued at the lower of nominal value and fair value, and an impairment of MSEK 6, of which MSEK 4 related to goodwill, was made during 2023. The associated assets of MSEK 17 and liabilities of MSEK 9 are presented as assets held for sale as of the balance sheet date.

PROPERTY SALE

On April 17, Phase 2 of the property sale was completed. The associated assets are presented as assets held for sale in the balance sheet. All estimated figures from the sale are preliminary at the time of the publication of the Annual Report 2023, and final figures will be determined in connection with the settlement of the final payment/transaction. The right-of-use assets from the sale are estimated at MSEK 75, and the lease liability at MSEK 77. The estimated profit of MSEK 3 relates to the rights transferred to the buyer.

PARENT COMPANY INCOME STATEMENT

<i>Amount in MSEK</i>	<i>Note</i>	2023	2022
Net sales	39	44	21
Other operating income	40	1	1
Total revenue		46	22
Capitalised work on own account		0	9
Other external expenses	41	-29	-20
Personnel expenses	42	-43	-48
Other operating expenses	44	-1	-1
Depreciation and amortisation of fixed tangible and intangible assets	47, 48	0	0
OPERATING PROFIT (EBIT)		-28	-38
Profit from shares in group companies	49, 50, 61	106	52
Interest income	45	34	13
Interest expenses	45	-355	-230
PROFIT AND LOSS AFTER FINANCIAL ITEMS		-243	-204
Year-end appropriations	61	96	100
PROFIT AND LOSS BEFORE TAX		-147	-104
Current taxes	46	-5	-16
PROFIT AND LOSS AFTER TAX		-152	-120

In the parent company, there are no items that are reported as other comprehensive income, which is why total comprehensive income corresponds to the year's result.

PARENT COMPANY BALANCE SHEET

– ASSETS

<i>Amount in MSEK</i>	<i>Note</i>	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalised product development costs	47	2	1
Total intangible fixed assets		2	1
<i>Tangible fixed assets</i>			
Equipment, tools and installations	48	3	1
Total tangible fixed assets		3	1
<i>Financial fixed assets</i>			
Shares in subsidiaries	47	6,311	6,271
Shares in associated companies	48	49	49
Long-term receivables with group companies	59	556	576
Long-term receivables with associated companies and joint ventures		6	6
Other long-term receivables		27	0
Deferred tax assets	53	18	18
Total financial fixed assets		6,967	6,920
Total fixed assets		6,972	6,922
Current assets			
<i>Short-term receivables</i>			
Accounts receivables		2	0
Receivables with group companies	59	269	287
Other short-term receivables	49	18	9
Prepaid expenses and accrued income	50	6	5
Total short-term receivables		294	300
<i>Cash and bank</i>			
Cash and cash equivalents	51	4	1
Total cash and bank		4	1
Total current assets		298	301
TOTAL ASSETS		7,269	7,222

PARENT COMPANY BALANCE SHEET

– EQUITY AND LIABILITY

<i>Amount in MSEK</i>	<i>Note</i>	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	52	98	66
Unregistered share capital		0	0
Fund for capitalised development cost		0	0
Total restricted equity		98	66
<i>Unrestricted equity</i>			
Share premium reserve		4,930	4,032
Accumulated profit or loss		-141	-32
Net profit for the year		-152	-120
Total unrestricted equity.		4,637	3,880
Total equity		4,735	3,946
Provisions	55	507	786
<i>Long-term liabilities</i>			
Interest-bearing liabilities	54	1,189	1,826
Liabilities to group companies		15	0
Other long-term liabilities	55	11	33
Total long-term liabilities		1,215	1,859
<i>Short-term liabilities</i>			
Interest-bearing liabilities	54	253	571
Accounts payable		12	7
Liabilities to group companies	59	506	24
Tax liabilities		5	1
Other liabilities	55	28	14
Accrued expenses and prepaid income	56	7	14
Total short-term liabilities		812	631
TOTAL EQUITY AND LIABILITIES		7,269	7,222

PARENT COMPANY CHANGE IN EQUITY

Amount in MSEK	Restricted equity			Non-restricted equity			
	Share capital	Unregistered share capital	Fund for capitalised development cost	Accumulated profit or loss	Share premium fund	Net profit for the year	Total shareholders equity
Opening balance January 1, 2022	54	1	0	-13	3,268	-71	3,239
Allocation according to decision of the annual general meeting				-21	-50	71	0
Net profit of the year						-120	-120
Total	0	0	0	-21	-50	-49	-120
Transaction with owners in their capacity as owners:							
Share issue	12	-1			826		837
Transaction costs					-12		-12
Warrants program				2			2
Closing balance December 31, 2022	66	0	0	-32	4,032	-120	3,946
Opening balance January 1, 2023	66	0	0	-32	4,032	-120	3,946
Allocation according to decision of the annual general meeting				-120		120	0
Net profit of the year						-152	-152
Total	0	0	0	-120	0	-32	-152
Transaction with owners in their capacity as owners:							
Share issue	31				927		958
Transaction costs					-28		-28
Share buyback				-1			-1
Warrants program				-1			-1
Adjustment related to transition to RFR2				13			13
Closing balance December 31, 2023	98	0	0	-141	4,930	-152	4,735

PARENT COMPANY CASH FLOW STATEMENT

<i>Amount in MSEK</i>	<i>Note</i>	2023	2022
OPERATING ACTIVITIES			
Profit and loss before tax		-147	-104
Adjustment for items not affecting the cash flow presentation			
Depreciation of tangible and intangible fixed assets		0	0
Other items	62	257	83
Paid tax		-1	0
Cash flow from operating activities before changes in net working capital		110	-21
CHANGE IN NET WORKING CAPITAL			
Change in inventory (increase - /decrease +)		0	0
Change in short-term receivables (increase - /decrease +)		48	-183
Change in short-term liabilities (increase + /decrease -)		16	68
Sum change in net working capital		64	-115
Cash flow from operating activities		173	-135
INVESTING ACTIVITIES			
Acquisition of capitalised development costs	47	0	-1
Acquisition of tangible assets	48	0	0
Acquisition of financial assets		0	0
Disposal of financial assets		72	0
Contingent consideration		-244	-183
Dividends received		40	37
Loans given to subsidiaries		-16	-226
Consideration paid, net of acquired cash		-75	-846
Cash flow from investing activities		-223	-1,220
FINANCING ACTIVITIES	63		
Cash from direct share issues		875	530
Direct share issue related costs		-110	-12
Paid premium for share incentive program		-1	2
Bond financing		-1,800	300
Paid interest		-215	-148
New loans		1,500	571
Amortisation of loans		-620	0
Loans from to subsidiaries		425	0
Cash flow from financing activities		54	1,243
Decrease/Increase in cash and cash equivalents		4	-111
Cash and cash equivalents at beginning of period		1	109
Exchange rate differences		-1	3
Cash and cash equivalents at end of the year		4	1

PARENT COMPANY NOTES

NOT 38 – ACCOUNTING PRINCIPLES OF THE PARENT COMPANY

The annual report of the Parent Company has been prepared in accordance with RFR 2, Reporting for Legal Entities and the Swedish Annual Accounts Act. RFR 2 states that the Parent Company shall apply International Financial Reporting Standards (IFRS) as adopted by the EU, to the extent this is possible within the framework of the Annual Accounts Act and the Pension Obligations Vesting Act (Tryggandelagen), and with regards to the relationship between accounting and taxation. The recommendation states which exceptions and additions that are to be used in relation to IFRS.

The Parent Company applies other accounting principles than the Group as stated below.

FORMAT

The income statement and balance sheet follow the format of the Annual Accounts Act. The statement of changes in equity follows the Group's presentation format but must contain the columns specified in the Annual Accounts Act. Furthermore, there are differences regarding names of line items compared with the consolidated accounts, mainly regarding cash and cash equivalents, financial income and expenses, income tax and equity.

SHARES IN SUBSIDIARIES

Shares in subsidiaries are reported at acquisition cost less any impairment loss. Acquisition-related costs and contingent considerations are included in the acquisition value. The contingent considerations are reported as provisions, and recognized at the amount which the management assesses as most likely to be paid. The contingent considerations are continuously revalued and reported at fair value using the Group's average cost of capital. Dividends received are reported as financial income. When there is an indication that shares and participations in subsidiaries have decreased in value, a calculation of the recoverable amount is made. If this is lower than the carrying amount, an impairment loss is recorded.

Impairments are recognized in the items Profit from participations in Group companies or Profit from participations in associated companies.

FINANCIAL INSTRUMENT

The Parent Company does not apply IFRS 9. The Parent Company instead applies the rules specified in RFR 2 (IFRS 9 Financial instruments).

Financial instruments are measured at cost. In subsequent periods, financial assets acquired with the intention of being held in the short term stated at the lower of cost and net realizable value.

When calculating the net realizable value of receivables that are reported as current assets, the principles for impairment testing and loss allowance in IFRS 9 shall be applied. For receivables measured at acquisition cost at Group level, the loss allowance reported in the Group in accordance with IFRS 9 must also be recognized in the Parent Company.

The Parent Company's intercompany receivables undergo impairment testing according to IFRS 9.

SEGMENT REPORTING

Information will only be provided for the breakdown of net sales on segments and geographical areas.

LEASING

The Parent Company does not apply IFRS 16 Leases, instead RFR 2 IFRS 16 Leases p.2-12 is applied. This choice means that no right-of-use asset or lease liability is recognized in the balance sheet, instead the lease fee is reported as an expense on a straight-line basis over the lease term.

GROUP CONTRIBUTION

Group contributions made from parent companies to subsidiaries and received from subsidiaries to parent companies are reported according to the alternative rule as appropriations in the income statement and as short-term liabilities or receivables until the Group contribution has been settled.

NOTE 39 – PARENT COMPANY DISCLOSURE OF REVENUE

The Parent Company's net sales for 2023 amounted to MSEK 44 (21). The net sales were essentially intercompany and corresponded to time spent on strategic advice and ongoing management with the Parent Company's subsidiaries, as well as invoicing of group costs.

There were no material external net sales in 2023 or 2022, whereupon net sales have not been presented by geographic area or by segment.

NOTE 40 – OTHER OPERATING INCOME

	2023	2022
Fx-gains from revaluation of operational items	0	1
Other operating income	1	0
Total other operating income	1	1

For more information on the property sale, see *Note 7 Other operating income* in the consolidated financial statements.

NOTE 41 – RENUMERATION TO AUDITORS

<i>Amount in KSEK</i>	2023	2022
Audit fees	4,260	694
<i>of which BDO</i>	4,260	694
<i>of which Other audit firms</i>	-	-
Audit related services	-	1,088
<i>of which BDO</i>	-	1,088
<i>of which Other audit firms</i>	-	-
Total fees to audit firms	4,260	1,782

NOTE 42 – RENUMERATION TO PERSONNEL ETC.

	2023			2022		
<i>Average number of employees by country</i>	Women	Men	Total	Women	Men	Total
Sweden	4	15	18	4	12	16
Total	4	15	18	4	12	16

	2023-12-31			2022-12-31		
<i>Gender distribution in the parent company for board members and other senior executives</i>	Women	Men	Total	Women	Men	Total
Board members	2	3	5	1	5	6
CEO and other senior executives	0	5	5	0	5	5
Total	2	8	10	1	10	11

	2023			2022		
<i>Amount in KSEK</i>	Salaries and other remuneration	Social charges	Pensions	Salaries and other remuneration	Social charges	Pensions
Later than 5 years	18,841	5,920	2,288	16,981	5,986	2,680
Other employees	8,642	3,950	1,774	14,021	5,731	1,627
Total	27,483	9,870	4,062	31,002	11,716	4,307

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Amount in KSEK

	2023	2022
Salaries and other remunerations	27,483	31,002
Social charges	9,870	11,716
Pension costs - defined contribution plan	4,062	4,307
Total employee benefits	41,415	47,025

For information on remuneration to senior executives, see *Note 9 Remuneration to personnel etc.*

INCENTIVE PROGRAM

As all the Group's warrant programs are found in the Parent Company, see *Note 9 Remuneration to personnel etc.* for information on the warrant series.

NOTE 43 – OPERATING LEASING EXPENSES

Future aggregate minimum lease payments for non-cancellable operating leases are presented in the table below. Leasing expenses during the financial year for the Parent Company amounted to KSEK 46 (2022: KSEK 53).

	2023	2022
Within 1 year	3	1
Between 1 and 5 years	4	1
Later than 5 years	0	0
Total	7	2

NOTE 44 – OTHER OPERATING EXPENSES

	2023	2022
Exchange rate losses from revaluation of items of an operating nature	-1	0
Other	-1	-1
Total other operating expenses	-1	-1

NOTE 45 – INTEREST INCOME AND SIMILAR ITEMS, AND INTEREST EXPENSE AND SIMILAR ITEMS

	2023	2022
Interest income, intercompany	28	12
Exchange rate differences	3	1
Other financial income	3	0
Total financial income	34	13
Interest expenses	-272	-214
Interest expenses, intercompany	-8	0
Exchange rate differences	-6	-8
Other financial expenses	-69	-9
Total financial expenses	-355	-230
Total net of financial items	-321	-218

NOTE 46 – INCOME TAX

<i>Income tax</i>	2023	2022
Current tax	-5	-7
Deferred tax	0	-9
Total income tax	-5	-16
<i>Reconciliation between Swedish income tax rate and effective income tax</i>		
Profit before tax	-147	-104
Tax according current tax rate 20,6% (20,6%)	30	21
<i>Tax effect from:</i>		
Effect from other tax rates in foreign subsidiaries	0	0
Non-deductible expenses	-66	-42
Non-taxable income	24	11
Tax attributable to previous year	0	-7
Tax deductible deficits from the year	0	-2
Transaction cost recognised in equity	6	2
Income tax	-5	-16

The Parent Company's current tax rate is 20.6% (2022: 20.6%) and the Parent Company's effective tax rate amounted to -3.6% (-15.6).

NOTE 47 – INTANGIBLE FIXED ASSETS

	Capitalised product development costs	
	2023	2022
Opening balance acquisitions	1	0
Purchases	0	1
Sale to group companies	0	0
Accumulated acquisition value	2	1
Opening balance depreciations	0	0
Sale to group companies	0	0
Amortizations	0	0
Accumulated depreciation	0	0
Closing balance	2	1

NOTE 48 – TANGIBLE FIXED ASSETS

	Equipment, tools and installations	
	2023	2022
Opening balance acquisitions	1	1
Purchases	0	0
Sale and disposal	0	0
Sale to group companies	3	0
Accumulated acquisition value	4	1
Opening balance depreciations	0	0
Sale and disposal	0	0
Depreciations	0	0
Accumulated depreciation	0	0
Closing balance	3	1

NOTE 49 – SHARES IN SUBSIDIARIES

During 2023, Humble Group carried out a group-wide restructuring, resulting in the reallocation of values of holdings in subsidiaries. This group restructuring followed a decision to integrate parts of the operations from Nya Medica Natumin AB into First Class Brands of Sweden AB. In such a restructuring, a business may be transferred from one subsidiary to another at a value other than its fair value. The Parent Company's reported value of the subsidiary shares must then be adjusted, to the extent it corresponds to the goodwill amount and other differences between the valuation according to the acquisition analysis and the values

reported in the subsidiary attributable to the transferred business. The adjustment was made by reallocating between the reported values of shares in the subsidiaries where there is an existing operation to better reflect expectations of the companies' future profitability.

	2023	2022
Opening balance	6,271	5,176
Acquisitions	150	1,095
Revaluation	-110	0
Closing balance	6,311	6,271

Company name	Corporate reg. No	Domicile	Shares & Votes*	Book value (KSEK)	
				2023-12-31	2022-12-31
Bay n Bulgaria Ltd**	BG204200897	Bulgaria, Sofia	100%	-	-
Bay n Europe Financial AB	559131-8331	Sweden, Stockholm	100%	102	102
Bay n Solutions AB	559152-1371	Sweden, Stockholm	100%	4,573	4,573
Monday 2Sunday AB	559027-8700	Sweden, Stockholm	100%	61,206	61,206
Tweek AB	559010-9822	Sweden, Varberg	100%	82,414	82,414
Bay n Production AB	559168-2371	Sweden, Varberg	100%	6,000	23,168
Bay n Nordic AB	559291-6406	Sweden, Stockholm	100%	50	50
Green Sales Newco AB	559265-6069	Sweden, Stockholm	100%	28,489	28,489
Green Sales Distributions AB	556644-2256	Sweden, Kumla	100%	-	-
BE:Son Gross AB	556284-2897	Sweden, Varberg	100%	-	-
Nordfood International AB	556831-8678	Sweden, Varberg	100%	-	-
Golden Athlete AB	556998-5194	Sweden, Stockholm	100%	21,182	19,964
Performance R Us AB	556629-0630	Sweden, Stockholm	100%	-	-
Performance R Us AS	NO917903484	Norway , Fredrikstad	100%	-	-
Nordic Sports Nutrition AB	556642-8693	Sweden, Lindesberg	100%	-	-
Fitness Emire Nordic AB***	559135-4625	Sweden, Lindesberg	100%	-	-
Viterna AB	559223-7134	Sweden, Stockholm	100%	-	-
Fitnessgrossisten AS	NO992343230	Norway , Kristiansand	100%	-	43,478
The Humble Co.	556936-4341	Sweden, Stockholm	100%	1,200,751	1,199,751
JB Operations AB	559265-6218	Sweden, Stockholm	100%	-	-
The Eco Gang AB	559277-6818	Sweden, Stockholm	100%	-	-
The Humble Company North America Inc	C4632856	USA, California	100%	-	-
Grahns Konfekttyr AB	556724-8884	Sweden, Skövde	100%	75,773	75,773
Snacksmack AB	559075-5103	Sweden, Skövde	50%	-	-
Kryddhuset i Ljung AB	556416-9786	Sweden, Ljung	100%	14,233	14,233
Wellibites AB	559160-0175	Sweden, Gothenburg	100%	56,881	63,324
Ewalco Holding AB	556580-5537	Sweden, Gothenburg	100%	195,286	199,365
Ewalco Aktiebolag	556056-0152	Sweden, Gothenburg	100%	-	-
Aktiebolaget Fermia	556162-1508	Sweden, Gothenburg	100%	-	-
Fewalco Fastighets AB	556667-5335	Sweden, Gothenburg	100%	-	-
Ewalco International Aktiebolag	556120-7605	Sweden, Gothenburg	100%	-	-
Ewalco Marine AB	556688-6924	Sweden, Gothenburg	100%	-	-
Fancy Stage Unipessoal Lda	510.250.530	Portugal, Trofa	100%	407,618	501,762
Marabu Markenvertreib GmbH	HRB 67273	Germany , Langenfeld	100%	77,794	77,794
Naty AB	556487-2223	Sweden, Stockholm	100%	782,726	836,516
Naty SARL	FR505180679	France, Paris	100%	-	-
Naty USA Inc.	P12000030239	USA, Florida	100%	-	-
Naty GMBH	HRB190128B	Germany , Berlin	100%	-	-
Naty Korea LLC	SK663-86-01143	South Korea, Seoul	100%	-	-
Naty Ltd	GB13611208	United Kingdom, London	100%	-	-

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					2023-12-31	2022-12-31
Swedish Food Group AB	559213-3861	Sweden, Lund	100%		256,071	259,078
First Class Brands of Sweden AB	556666-3315	Sweden, Lund	100%		-	-
FoodConcept Sweden AB	556925-8055	Sweden, Lund	100%		62	-
Healthy Co AB	559006-3862	Sweden, Lund	100%		-	-
Solent Global Ltd	GB10818497	United Kingdom,	100%		1,348,249	1,251,240
Solent Global Holdings Ltd	GB08544214	United Kingdom,	100%		-	-
Solent Group (SA) Pty Ltd****	SA2015/347642/07	South Africa, Cape Town	49%		-	-
Solent International Ltd	GB04293623	United Kingdom,	100%		-	-
Solent Homecare Ltd	GB09398128	United Kingdom,	100%		-	-
Xpel Marketing Ltd	GB06557112	United Kingdom, Cheshire	100%		-	-
Solent Manufacturing Ltd (HK)	HK575873	Hong Kong, Kowloon	100%		-	-
Solent Manufacturing Ltd (PRC)	CN9131000058-	China, Shanghai	100%		-	-
Retail Brands Ltd	GB01625974	United Kingdom,	100%		-	-
Solent Brands Ltd	GB10152689	United Kingdom,	100%		-	-
Solent Packaging Ltd	GB04819079	United Kingdom,	100%		-	-
Solent Group SA (HK) Ltd	HK2179777	Hong Kong, Kowloon	100%		-	-
Solent Home and Garden Ltd	GB06344152	United Kingdom,	100%		-	-
Carls-Bergh Pharma AB	556057-6638	Sweden, Gothenburg	100%		17,730	17,730
Assertia Fastigheter AB	559111-9580	Sweden, Gothenburg	100%		-	-
SweCarb AB	556609-8793	Sweden, Kalmar	100%		44,326	43,825
Soya OY	FO0789690-3	Finland, Tammisaari	100%		45,908	38,683
FAB Tallebo	FO1480049-8	Finland, Tammisaari	100%		-	-
Leksvall Bioenergi OY AB	FO2999475-8	Finland, Tammisaari	100%		-	-
Delsbo Candle AB	556655-3722	Sweden, Delsbo	100%		81,578	82,626
Group 472 Aps	CVR41551909	Denmark, Copenhagen	100%		-	-
True Aps	CVR38460161	Denmark, Copenhagen	100%		277,111	257,345
True Company GmbH	HRB166353	Germany, Hamburg	100%		-	-
Arne & Björn AB	556729-3815	Sweden, Gråbo	100%		59,051	59,484
Bars Produktion i Gråbo AB	556648-3029	Sweden, Gråbo	100%		-	-
Gudrun Fastighet AB	559203-2188	Sweden, Gråbo	100%		-	-
Runes Specialbageri AB	556168-8853	Sweden, Gråbo	100%		-	-
La Praline Scandinavia AB	556702-5373	Sweden, Borås	100%		21,857	21,711
Grenna Konfektyr AB	556357-5066	Sweden, Jönköping	100%		23,445	24,584
Grenna Polkagriskokeri AB	559221-9439	Sweden, Jönköping	100%		-	-
CLJ Grenna AB	559223-4362	Sweden, Jönköping	100%		-	-
Superfoods Group Ltd	GB12499852	United Kingdom, Sheffield	100%		201,294	223,423
Go Superfoods Ltd	GB08319689	United Kingdom, Sheffield	100%		-	-
Green Origins Superfoods Ltd	GB690744	United Kingdom, Sheffield	100%		-	-
Nya MedicaNatumin AB	559370-2797	Sweden, Jönköping	100%		119,427	119,427
Ambria Dermatology AB	556617-8751	Sweden, Jönköping	100%		-	-
DeNovaStella AB	556605-4465	Sweden, Jönköping	100%		-	-
Medica Clinical Nord Sverige AB	556749-4223	Sweden, Jönköping	100%		-	-
Natumin Pharma AB	556474-7748	Sweden, Jönköping	100%		-	-
Nordic Immotech Sweden AB	556729-1363	Sweden, Jönköping	100%		-	-
Vitalkost AS	NO961937434	Norway, Tönsberg	100%		-	-
Corpus Medicus AS	NO856154432	Norway, Tönsberg	100%		-	-
Tricutan AB	556702-6256	Sweden, Jönköping	100%		-	-
Franssons Konfektyr AB	556223-9946	Sweden, Gränna	100%		39,752	39,752
Laboratorio Francédiet - Fabrico de Produtos de Dietética LDA	PT504 738 003	Portugal, Porto	100%		-	-
Protinortesul - Comercializacao do Produtos Dietéticos LDA	PT506 325 695	Portugal, Porto	100%		-	-
Nutrilisboa - Comercializacao do Produtos Dieteticos LDA	PT506 626 717	Portugal, Lisbon	100%		-	-
Nutricelebration Unipessoal LDA	PT510 650 589	Portugal, Lisbon	100%		-	-
Protiminho - Design e Publicidade LDA	PT507 386 620	Portugal, Porto	100%		-	-
FDiet Lev CD, S.L.	SP B86494556	Spain, Madrid	100%		238,706	236,866
Cebriplast - Centro De Fabrico de Pastelaria Nutritiva LDA	PT513 278 524	Portugal, Aveiro	100%		-	-
Amber House Ltd	GB05317536	United Kingdom, Lewes	100%		97,745	91,355
Sam & Son Grossist AB	556328-2879	Sweden, Nässjö	100%		142,357	123,921
Go'Berts Konfektyr AB	556549-3920	Sweden, Nässjö	100%		-	-

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				2023-12-31	2022-12-31
Grossistcentralen i Stockholm AB	556045-0263	Sweden, Stockholm	100%	-	20,424
Humble Pacific Holdings Pty Ltd	ACN 660 974 498	Australia, Queensland	100%	131,569	128,016
Body Science International Pty Ltd	ACN 101 197 835	Australia, Queensland	100%	-	-
Napame Holding AB	559051-0342	Sweden, Hindås	100%	15,491	-
Aktiebolaget Cool & Candy AB	556330-4137	Sweden, Ystad	100%	27,091	-
Skövde Snabbgross AB	556436-3207	Sweden, Trollhättan	100%	94,600	-
Privat Grossisterna AB	556584-9543	Sweden, Göteborg	100%	12,653	-
Total booked value				6,311,153	6,316,379

*There have been no changes in the shares or voting rights. **Liquidated in 2023. ***Divested in 2022. ****Humble Group consider having controlling influence of entity

NOTE 50 – SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES

	2023	2022
Opening balance	49	51
Acquisitions	0	0
Change in accounting principal	0	-4
Closing balance	49	49

Company name	Corporate reg. No	Domicile	Shares %	Votes %	Book value, KSEK	
					2023-12-31	2022-12-31
Amerpharma SP.z o.o.	PL9462694214	Lublin, Polen	51%	44%	48,730	48,524

The table above presents Amerpharma, which is the joint venture the Parent Company has direct ownership in. Furthermore, the Parent Company has holdings in an associate company, Snacksmack AB, part owned by Grahns Konfektyr AB. The companies are considered

individually immaterial. All holdings have been reported according to the Equity Method. During the year, there have been no changes in capital and/or voting shares for any of the Parent Company's associate companies and partnership arrangements.

NOTE 51 – OTHER SHORT-TERM RECEIVABLES

	2023-12-31	2022-12-31
VAT Receivables	1	1
Other tax receivables	2	0
Other receivables	15	8
Total other short-term receivables	18	9

NOTE 52 – PREPAID EXPENSES AND ACCRUED INCOME

	2023-12-31	2022-12-31
Prepaid rents	1	1
Other items	5	4
Total prepaid expenses and accrued income	6	5

NOTE 53 – LIQUID FUNDS

	2023-12-31	2022-12-31
Cash at bank	4	1
Total available cash and cash equivalent	4	1
Negotiated revolving credit facility	150	200
whereof used amount at end of the year	92	121
whereof available amount at end of the year	58	79

More information about the Parent Company's revolving credit facility is presented in Note 25 Liquid funds.

NOTE 54 – SHARE CAPITAL

	2023-12-31	2022-12-31
Number of shares	443,544,543	301,274,580
Quota value	0.22	0.22
Share capital	97,579,799	66,280,408
<i>Change in number of shares</i>	2023	2022
Opening balance	301,274,580	246,977,667
Non-cash issue	10,684,963	20,844,771
Direct cash issue	131,585,000	33,125,000
Redemption of warrants	-	327,142
Closing balance number of shares	443,544,543	301,274,580
Closing outstanding warrants	7,420,000	3,320,000
Closing balance number of shares after dilution	450,964,543	304,594,580

There is only one class of shares and all shares have equal voting rights. All shares issued by the Parent Company are fully paid. During 2023, the number of shares has increased by approximately 142 million shares. The largest increase relates to a targeted cash new issue in June 2023 of 132 million shares, which brought Humble Group approximately MSEK 875 before transaction costs. Furthermore, 11 million shares were issued as property in kind in connection with the acquisition of subsidiaries.

At the Annual General Meeting in May 2023, it was decided to introduce a new warrant program, which resulted in 4,100,000 new warrants being issued. No other changes have occurred during the year related to outstanding warrants. Further information on Humble Group's warrant program can be found in *Note 9 Renumeration to personnel etc.*

NOTE 55 – DEFERRED TAX

Deferred tax assets are reported for tax loss deductions or other deductions to the extent that it is likely that they can be utilized through future taxable profits. The Parent Company has no unused loss carryforward for which no deferred tax asset has been reported for any of the periods presented. Deferred tax on unused loss carryforwards amounts to MSEK 18 (18) as of 12-31-2023. The deficit deductions do not expire at any time.

<i>Deferred tax assets attributable to tax loss deductions</i>	2023	2022
Opening balance	18	27
Reversal of temporary differences	0	-9
Closing carrying value deferred tax asset	18	18

NOTE 56 – INTEREST-BEARING LIABILITIES

	2023-12-31	2022-12-31
<i>Long-term liabilities</i>		
Bond financing 2021-2024	0	313
Bond financing 2021-2025	0	1,513
Credit facility, long-term	1,088	0
Liabilities to credit institutions, revolving credit facility and factoring	101	0
Total long-term liabilities	1,189	1,826
<i>Short-term liabilities</i>		
Liabilities to credit institutions		
Revolving credit facility	0	571
Credit facility, short-term	161	0
Cashpool	92	0
Total short-term liabilities	253	571
Total interest bearing expenses	1,442	2,397

More information about the Parent Company's interest-bearing liabilities is presented in *Note 5 Financial risk management*.

NOTE 57 – OTHER LIABILITIES AND PROVISIONS

	2023-12-31	2022-12-31
<i>Long-term liabilities</i>		
Deferred considerations from acquisitions	165	433
Other liabilities	11	33
Total other liabilities and provisions, long-term	176	465
<i>Short-term liabilities</i>		
Deferred considerations from acquisitions	336	347
Provision for deferred tax liability	7	7
Other liabilities	28	14
Total other liabilities and provisions, short-term	371	368
Total other liabilities and provisions	547	833

NOTE 58 – ACCRUED EXPENSES AND PREPAID INCOME

	2023-12-31	2022-12-31
Accrued vacation salaries	3	2
Accrued bonus	3	5
Accrued social charges	2	2
Accrued cost for audit and accounting services	0	2
Accrued interest expenses	0	3
Other accrued expenses	0	0
Total accrued expenses and prepaid income	7	14

NOTE 59 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

There are no contingent liabilities such as ongoing disputes or guarantee commitments in the Parent Company at the end of the financial year.

	2023-12-31	2022-12-31
<i>Regarding liabilities to credit institutions</i>		
Shares in subsidiaries in favor to senior secured bonds	0	4,256
Shares in subsidiaries in favor to credit facilities	5,339	0
Intercompany loans	439	0
Company mortgage	4	4
Pledged assets in favor to group companies	0	0
Restricted funds	0	0
Property mortgage	0	0
Total pledged assets	5,782	4,259

NOTE 60 – BUSINESS COMBINATIONS

All the Parent Company's acquisitions are presented in *Note 32 Business combinations*.

NOTE 61 – RELATED PARTY DISCLOSURES

The highest parent company in the Group is Humble Group AB. Related parties are all subsidiaries within the Group as well as senior executives in the Group and their close relatives. Transactions take place on market terms. For information on compensation to the CEO, board and senior executives, see *Note 9 remuneration to personnel etc.* For information on holdings in subsidiaries, see *Note 49 Shares in subsidiaries*.

The following transactions have taken place with related parties.

	2023	2022
Sales during the year to group companies	4	21
Purchases during the year from group companies	-1	-2
Interest income from group companies	28	12
Interest cost to group companies	-8	0
Group contributions, given	-18	-23
Group contributions, received	115	123

This year's lending primarily consists of the Parent Company's financing of acquisitions through subsidiaries in the group, as well as working capital needs at subsidiaries. Lending to subsidiaries occurs at

arm's length. The Parent Company's credit cost for lending to subsidiaries is determined among other things by considering the subsidiaries' underlying financial performance, the purpose of the loan, and the consideration of any country-specific risk. There are both annuity and interest-only loans to subsidiaries. The average maturity for new loans is usually set at 3 years, after which the terms are renegotiated. As the Parent Company, Humble Group follows the respective subsidiaries' financial development as a natural part of the operational management and monitoring of the operations. At the end of the fiscal year, the group management's assessment is that there is no increased or significant credit risk in the existing lending to subsidiaries, whereupon no provision for possible credit losses has been reported in Humble Group AB. During the year, the Parent Company received a dividend from subsidiaries amounting to MSEK 40 (52).

<i>Long-term loans to subsidiaries</i>	2023-12-31	2022-12-31
Opening balance	576	197
Lending of the year	121	379
Amortisations	-141	0
Closing balance	556	576

NOTE 62 – ADJUSTMENT FOR NON-CASH ITEMS FROM OPERATING ACTIVITIES

	2023	2022
Interest expenses and dividend presented in financing activities	259	114
Effect from revaluation of contingent considerations	0	6
Impairment of shares in subsidiaries	11	0
Non realised interest on contingent considerations	69	57
Interest income	0	-12
Accrued expenses	9	10
Group contributions, given	18	23
Group contributions, received	-115	-123
Depreciations and amortizations	0	0
Paid tax	-1	0
Effect from exchange rates	7	9
Total adjustment items	257	83

NOTE 63 – CHANGES IN LIABILITIES BELONGING TO FINANCING ACTIVITIES

	Bond loan	Liabilities to credit institutions
Opening balance January 1, 2022	1,516	102
Cash flow from financing activities	300	571
Other	10	-102
Closing balance December 31, 2022	1,826	571
Cash flow from financing activities	-1,800	880
Other	-26	-9
Closing balance December 31, 2023	0	1,442

NOTE 64 – PROPOSED APPROPRIATION OF PROFITS

The Board of Directors of Humble Group AB proposes that no dividend be paid for the financial year 2023 and that the accumulated loss for the year be appropriated as follows (SEK)

Accumulated profit or loss	-141,018,789
Share premium reserve	4,930,332,426
Net loss for the year	-152,303,523
Total	4,637,010,114
Proposed appropriation of profits	4,637,010,114

NOTE 65 – SUBSEQUENT EVENTS

For the Parent Company's significant events after the balance sheet date, see *Note 37 Subsequent events*. No other significant events have taken place for the Parent Company after the end of the financial year.

SIGNATURES

Stockholm April 17, 2024

Dajana Mirborn <i>Chairman of the board</i>	Ola Cronholm <i>Board member</i>
Henrik Patek <i>Board member</i>	Pål Bruu <i>Board member</i>
Sara Berger <i>Board member</i>	
Simon Petrén <i>Chief Executive Officer</i>	

Our audit report has been released according to digital signatures.
BDO

Carl-Johan Kjellman
Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Humble Group AB Corporate identity number 556794-4797

REPORT ON THE ANNUAL ACCOUNTS

OPINIONS

We have audited the annual accounts and consolidated accounts of Humble Group AB for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 63-131 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 2023 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 as per 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual 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

This document also contains information other than the annual accounts and consolidated accounts and can be found on pages 1-62. 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, with regard to the consolidated accounts, in accordance with IFRS as adopted by the EU. 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 mistake.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the 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, to cease operations, or has no realistic alternative but to do so.

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 mistake, 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 mistake 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.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or mistake, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from mistake, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We are solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of

significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

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 Humble Group AB for the year 2023 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 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's and the group type of operations, size and risks place on the size of the Parent Company's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the Group's financial situation and ensuring that the company's and the groups 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

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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.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed

appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm according to digital signature

BDO

Carl-Johan Kjellman

Authorized Public Accountant

MULTI-YEAR SUMMARY

	2023	2022	2021	2020
Net sales	7,050	4,800	1,486	29
Gross profit	2,129	1,532	441	7
Gross margin	30%	32%	30%	24%
EBITDA	659	504	-41	-30
Adjusted EBITDA	696	551	233	-14
EBITA	547	419	-66	-31
Adjusted EBITA	584	466	208	-15
EBIT	318	257	-118	-37
Adjusted EBIT	355	304	156	-21
Cash flow from operating activities	1,088	255	-152	-19
Share				
Low price (SEK)	5.94	9.01	12.60	1.05
High price (SEK)	11.69	28.85	33.85	16.30
Closing price previous period (SEK)	9.77	28.00	14.96	1.39
Closing price current period (SEK)	11.38	9.77	28.00	14.96
Share price development during period (%)	16%	-65%	87%	980%
Trading volume in the share (MSEK)	1,748	4,223	7,226	1,162
Number of transactions in the share	181,662	347,133	468,850	121,331
Average volume per trading day (MSEK)	7	17	29	5
Average volume per transaction (SEK)	9,621	12,166	15,412	9,580
Number of shareholders*	20,670	24,080	21,615	6,678
Number of shares outstanding*	443,544,543	301,274,580	246,977,667	122,233,439
Average number of shares before dilution	377,360,692	284,151,901	184,674,887	85,078,415
Average number of shares after dilution	383,219,322	286,818,625	186,009,474	86,408,283
Net sales per share (SEK)**	18.68	16.89	8.05	0.35
Adjusted EBITDA per share (SEK)**	1.84	1.94	1.26	-0.16
Adjusted EBITA per share (SEK)**	1.55	1.64	1.13	-0.17
Adjusted EBIT per share (SEK)**	0.94	1.07	0.84	-0.24
EBIT per share (SEK)**	0.84	0.90	-0.64	-0.43
Earnings per share before and after dilution (SEK)	-0.28	-0.13	-1.14	-0.45

* End of period, **Before dilution