
Annual and
Sustainability report
2024
Midsona AB (publ), 556241-5322
midsona

Contents

Strategy to increase profitability

Midsona's strategy is to build a stronger, more profitable Group by developing the Group's organic and health-oriented brands. During the year, several initiatives were taken to enhance efficiency and develop an even better offer to consumers and customers. Learn more on page 12.

Outlook

Despite economic challenges in many parts of Europe, consumers continue to show interest in healthy, sustainable food. In 2024, there were clear signs of a return to long-term market drivers for organic and conscious food choices. Learn more about how Midsona is responding to these trends on page 22.

Outstanding sustainability work

Further progress has been made in the Group's sustainability work to meet the targets set in six focus areas. Learn more about Midsona's work to meet the ambitious targets on page 28.

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Annual Report and consolidated financial statements

The Annual Report and consolidated financial statements are on pages 120–163 of this document and include the Auditor's Report. The consolidated financial statements have been prepared in accordance with IFRS. Unless otherwise indicated, all figures are in millions of Swedish kronor (SEK million). Unless otherwise indicated, figures in parentheses refer to the previous financial year. If no other source is stated, information regarding the market is based on Midsona's own assessment. Assessments are based on the best available data.

Annual General Meeting (AGM)

Midsona's Annual General Meeting will be held at 3.00 p.m. CEST on 7 May 2025 at Glasklart, Dockplatsen 1, 211 19 Malmö, Sweden. Registration of voting rights will commence at 2.00 p.m. and will close when the AGM opens. For more information, see the separate notice convening the AGM.

Participation and registration

Pursuant to section 11 of Midsona's Articles of Association, the Board of Directors has determined that shareholders may exercise their voting rights at the AGM by postal ballot. Accordingly, shareholders may choose to exercise their voting rights at the AGM by attending in person, via a proxy or by postal ballot.

Anyone wishing to exercise their voting rights at the AGM must:

- be entered in the share register maintained by Euroclear Sweden AB ("Euroclear") as of 28 April 2025; and
- notify the Company of their intention to attend the AGM in accordance with the instructions in the full notice convening the AGM no later than 30 April 2025.

Shareholders whose shares are nominee-registered through a bank or other nominee, with shares held in a custody account for example, must – in addition to registering – request that the shares be temporarily re-registered in their own name so that the shareholder is listed in the share register maintained by Euroclear as of the record date of 28 April 2025. Such registration may be temporary (registration of voting rights) and should be requested from the nominee in accordance with the nominee's routines, and in advance in such time as is determined by the nominee. Registration of voting rights requested by shareholders sufficiently in advance that registration has been performed by the nominee no later than 30 April 2025 will be taken into account in production of the share register.

Dividend

The Board of Directors proposes that the 2025 Annual General Meeting resolve that dividend of SEK 0.20 per share, corresponding to SEK 29,085,616, be paid for the 2024 financial year.

Framework for sustainability reporting

Statutory sustainability report

Midsona's statutory sustainability report has been prepared in accordance with the Annual Accounts Act and is included on pages 28-117.

General
Business model

Environmental issues
Policy and risks
Targets and relevant data

Social conditions and personnel-related issues
Policy
Risks
Targets and relevant data

Respect for human rights
Policy
Risks
Targets and relevant data

Combating corruption
Policy
Risks
Targets and relevant data

Diversity on the Board of Directors
Board of Directors' Diversity Policy

Additional structures for Midsona's sustainability reporting are based on the UN Agenda 2030, the Global Reporting Initiative (GRI), the Task Force on Climate-Related Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP). In addition, both work and reporting are performed in accordance with the UN Global Compact, which includes the UN Declaration of Human Rights, the UN Convention against Corruption, the ILO's core conventions and the Rio Declaration. Midsona's sustainability work is also described in the Company's Code of Conduct, Supplier Code of Conduct and Sustainability Policy.

This is Midsona

Midsona develops and markets products that make it easier for people to live healthily. Most of the products are vegetarian or plant-based and many are natural and organic. Midsona continuously develops its own strong brands that both promote consumer health and are kind to the environment. By responding to these drivers, Midsona has become a leader in the Nordic region and established itself in the rest of Europe.

Three strategic pillars for increased profitable growth

Midsona's operations are based on three strategic pillars, all contributing to a clear objective of driving the Group's long-term growth and strengthening competitiveness.

1 **One organic powerhouse** – the Group develops and refines a range of organic food products to meet growing demand for sustainable, healthy products.

2 **Grow and expand our health brands** is at the heart of the business. Midsona builds and strengthens brands that consumers trust. Through innovation and market insights, the Group adapts to new trends and consumer needs, laying the foundations for long-term growth.

3 **Efficiency and harmonisation** is about creating a more cost-effective, better coordinated organisation. Optimising processes, improving sourcing and coordinating production increases profitability and strengthens delivery capacity.

Learn more about Midsona's strategic work during the year from page 12.

MISSION:

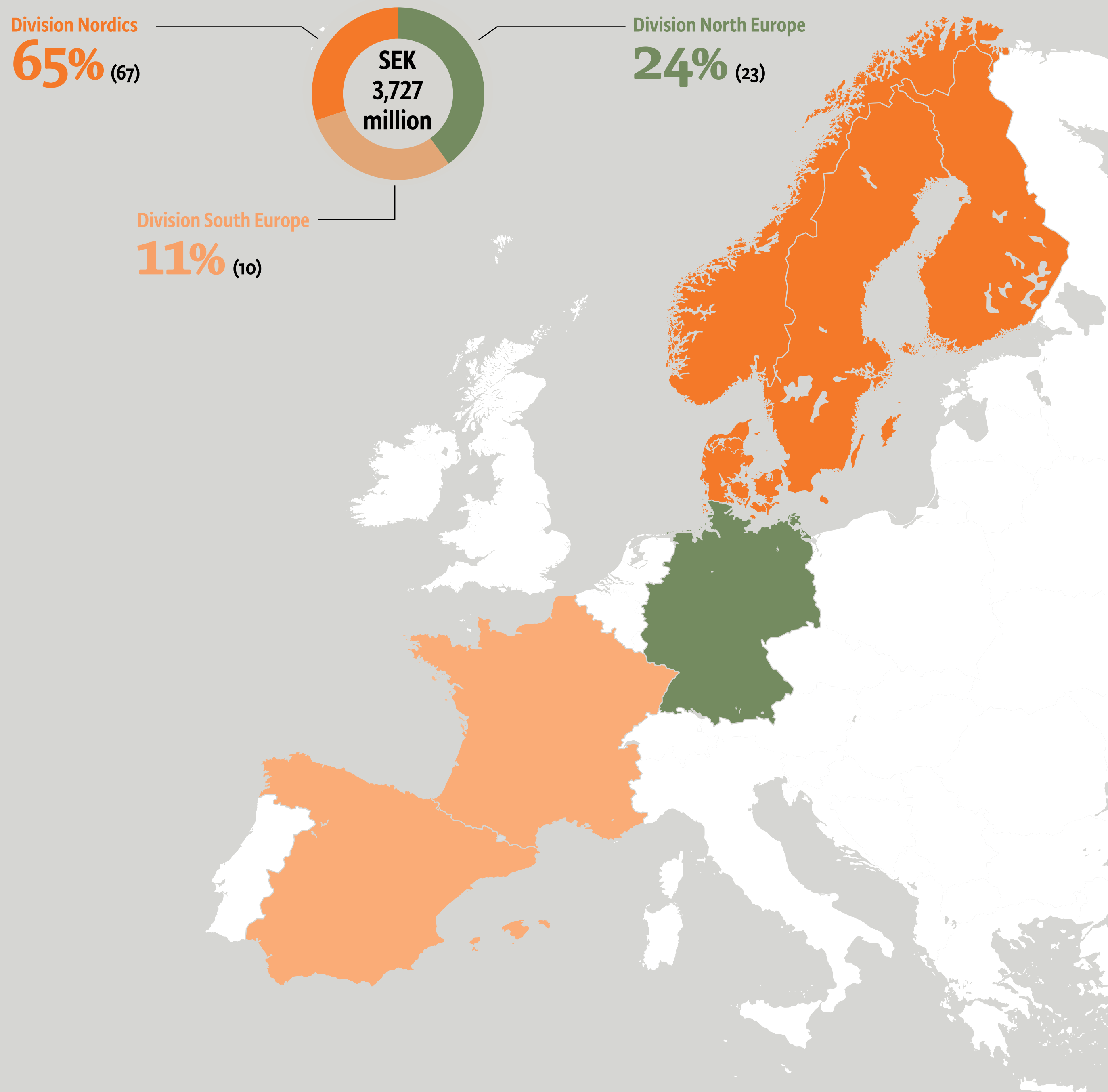
We provide healthy food for people and planet.

VISION:

European leader in healthy and sustainable food.

Our strong brands:

Net sales



Division Nordics
- Friggs
- Urtekram
- Kung Markatta
- Earth Control
- Gainomax
- Helios

Division North Europe
- Davert

Division South Europe
- Happy Bio
- Celnat
- Vegetalia

The year in brief

EVENTS IN 2024

New strategy launched

During the year, Midsona launched a new strategy, focusing on organic growth by developing the Group's organic brands and health brands. The strategy sets out a series of strategic measures to build even stronger brands and an organisation that delivers higher profitability in a more coordinated and efficient way.

New financial targets launched

The fundamentals of the food industry have changed and Midsona is working actively to improve its efficiency and competitiveness. During the year, Midsona presented new financial targets that apply until 2027:

- Organic growth averaging 3-5% annually
- EBIT margin (before items affecting comparability) to exceed 8% by 2027
- Net debt/adjusted EBITDA of up to 2.5

Midsona established a new organisation to accelerate the strategy

Midsona is continuing to implement the new strategy with the aim of increasing profitability and meeting the new financial targets. As the next step, the Group is now establishing central Marketing & Innovation, Purchasing and HR functions to increase coordination and create the right conditions for profitable growth. In these focus areas, top expertise is being recruited internally and these employees will be part of Group management in their new roles. As part of this, Midsona has initiated a process to recruit a Sourcing Director who will coordinate strategic purchasing across the divisions.

Midsona's target to achieve net zero emissions was approved by SBTi

In October 2024, Midsona's updated climate targets were approved by the Science Based Targets initiative (SBTi). This means that Midsona is committed to achieving netzero greenhouse gas emissions across its value chain by 2045. Learn more about Midsona's milestones to achieve this in the sustainability report.

Midsona is one of the most sustainable listed companies in the groceries category

In 2024, Midsona was named as one of the most sustainable listed companies in the groceries category and shared fifth place overall across all categories in the annual Sustainable Company rankings for 2024. The rankings were produced by Lund University, the *Dagens industri* business newspaper and the *Aktuell Hållbarhet* sustainability website, which reviewed the sustainability work of in all 130 Swedish listed companies, with the focus on biodiversity, CSRD/ESRS and the EU Taxonomy.

EVENTS AFTER YEAR-END

Henrik Hjalmarsson was appointed the new President and CEO, succeeding Peter Åsberg

Henrik Hjalmarsson will take up his position no later than 1 October 2025 and will succeed Peter Åsberg, who will leave his position. Henrik was most recently President and CEO of OptiGroup. Prior to that, Henrik worked as CEO of Inwido AB (publ) and as CEO and in other management positions in the Findus Group. With his solid experience from the food industry, and from industrial and service companies, Henrik will lead the work to accelerate the implementation of Midsona's strategy and meet the financial targets. Peter Åsberg will remain in his role until Henrik takes over.

Friggs launched in Denmark

After great success in the rest of the Nordic region, Friggs corn cakes will now be sold widely in Danish grocery stores with the support of marketing and sales campaigns.

Midsona recognised for climate work – awarded highest grade A by CDP

Midsona has once again been recognised for its climate strategy and leadership by the global environmental disclosure system CDP. For the second year in a row, Midsona has been awarded the highest grade A in the CDP climate change ranking.

New Sourcing Director and change in Group Management

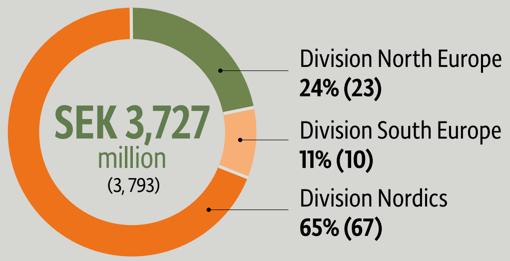
Josefin Kronstrand has been appointed Sourcing Director, with overall responsibility for coordinating the Group's purchases. She took up her new position on 15 March 2025 and has been a member of Group Management from that date.

Key performance indicators per share

		2024	2023	2022	2021	2020
Profit/loss attributable to Parent Company shareholders	SEK	0.33	-0.36	-6.73	1.31	2.02
Shareholders' equity	SEK	21.10	20.54	21.19	39.54	35.58
Cash flow from operating activities	SEK	0.98	2.36	2.73	-0.94	4.35
Share price on balance sheet date (Series B shares)	SEK	7.90	8.19	9.50	54.10	77.80
Dividend[1]	SEK	0.20	-	-	-	1.25
Yield	%	2.5	-	-	-	1.6
Pay-out ratio	%	61.9	-	-	-	46.4
P/E ratio	x	24.3	neg.	neg.	41.2	28.8

[1] Dividend for 2024 relates to the proposal by the Board of Directors.

Net sales



Our product categories

Organic products (52%)

Health foods (31%)

Consumer health products (17%)

Clear objectives produce results

Midsona continues to strive to up the pace in reducing the climate impact of the business, with the target of achieving net-zero emissions by 2045.

Some of the milestones in the Company's sustainability work in 2024:

reduction in recordable work-related injuries since 2023

reduction in emissions from upstream transport and distribution since 2023

of Midsona's plastic packaging is recyclable (46%)

▶ Read more about the Group's sustainability targets on page 9.

Financial targets

The Group's financial targets are a means by which Midsona's management can manage the Group, but they also enable the financial market to clearly monitor the Group's development. The targets illustrate how the Group is developing in the long term, irrespective of the economy and what phase the Group is in. The degree to which certain targets are met may differ from one year to another. In the course of its strategy review, Midsona updated those of the Group's financial targets that apply until 2027.

Profitable growth

Target:

Organic growth[1]

3-5%

- ✓ Own brands >5%
- ✓ Midsona's consumer brands account for ~60 percent of Group sales (2023)
- ✓ Selective growth for private label and licensed brands

2024 outcome:

Organic growth

-0.7%

Higher margins

Target:

>8%

Group EBIT[2] margin, 2027

- ✓ Higher share of sales from own brands
- ✓ Strong cost synergies from Group-wide sourcing and specialised production
- ✓ Profitability before volume for private label and licensed brands

2024 outcome:

EBIT margin

3.4%

Capital structure

Target:

<2.5x

Net debt/EBITDA[3]

2024 outcome:

1.6x

Net debt/EBITDA

1 Change in net sales in local currency, excluding acquired and/or businesses and/or brands,
2 EBIT/Operating profit margin, before items affecting comparability.
3 EBITDA, rolling 12 months including pro forma EBITDA from acquisitions and excluding acquisition related costs.

Sustainability targets

Midsona's sustainability targets are based on the Group's strategy and mission to offer healthy and sustainable products. The sustainability targets help Midsona reduce the highest sustainability risks identified and sharpen its focus on the greatest opportunities. In 2024, Midsona continued to make progress. To learn how well Midsona met its targets, see pages 34-35 of the Sustainability Report.

Sustainable brands

Plant-based/vegetarian range

Target 2030: 100%
Outcome 2024: 99%
Outcome 2024, priority brands: 99%

Recyclable plastic packaging

Target 2025: 100%
Outcome 2024: 50%

Responsible sourcing

Risk-classified suppliers in accordance with sustainable guidelines

Target 2025: 100%
Outcome 2024: 67%

Brands free from palm oil

Target 2025: 100%
Outcome 2024: 99.99%

Efficient use of resources

Reduced emissions in accordance with Science Based Targets, 1.5°C target from baseline year 2022

Target 2045: Net-Zero
Target 2030, scopes 1, 2 and 3: -42%
Outcome 2024, scopes 1, 2 and 3: -12%

Target 2028: 70% of Midsona's suppliers (ranked by cost) are to be aligned with SBT
Outcome 2024: 11.2%

Target 2030, FLAG*: -30.3%
Outcome 2024: -11%

Target 2025: no deforestation

Reduce consumption and introduce renewable energy

Target 2028, renewable: 100%
Outcome 2024: 35%
Outcome reduction: -5%

Recycled waste and reuse of food waste

Target 2025, waste: 90%
Outcome 2024: 81%

Target 2025 food waste: 100%
Outcome 2024: 97%

Reduce water use per tonne produced

Target 2030, Spain: -20%
Outcome 2024: -11%

Target 2030: -10%
Outcome 2024: +2%

Healthy work environment

No work-related injuries

Target: 0
Outcome 2024: 21

Gender distribution in management positions

Target: 50/50
Outcome 2024: 51% women/49% men

Safe products

Risk-classified suppliers in accordance with safe products

Target 2025: 100%
Outcome 2024: 67%

Certification of own production units

Target 2025: 100%
Outcome 2024: 100%

Fossil-free transports

Introduction of fossil-free transports in line with customers' expectations and targets.

Target 2030: 100%
Outcome 2024: -14%**

Target 2025, Nordics: 100%
Outcome 2024: -10%**

* Forest, Land and Agriculture (FLAG): The SBTi's FLAG Guidance provides the world's first framework for companies in land-intensive sectors to set science-based targets that include land-based emission reductions and removals: https://sciencebasedtargets.org/sectors/forest-land-and-agriculture
** Percentage reduction in emission intensity (tonnes CO_2/tonne transported) for self-contracted transport from 2023.

New strategy laid the foundation for a healthy, growing business

2024 was a year of change for Midsona, with the focus on implementing our new strategy aimed at profitable growth. With updated financial targets and a clear focus on the core business, a comprehensive change programme is underway. Progress over the year shows that we are on the right track, although there is still work to be done to meet the targets. Earnings improved and debt was reduced, which meant that Midsona entered 2025 with a significantly healthier business.

At the beginning of the year, the Board of Directors adopted updated financial targets and a new strategy for 2027. Midsona will grow organically by 3-5 percent per year, achieve an operating margin (EBIT) of 8 percent and have net debt that does not exceed 2.5 times adjusted earnings (EBITDA). For the full year 2024, Midsona posted net sales of SEK 3,727 million (3,793) with an operating profit before items affecting comparability of SEK 128 million (60) and an operating margin of 3.4 percent (1.6). Thanks to the positive growth, Midsona's Board of Directors proposes to the Annual General Meeting to resume paying dividend at SEK 0.20 (0.00) per share for both the A and B series.

Although we have some way to go to meet our targets, 2024 saw a clear improvement for Midsona, with stronger earnings and a lower debt ratio. Our organic growth was limited by conscious decisions to terminate unprofitable contracts and because the market remained cautious. The economic headwinds that had been affecting consumption patterns in our core European markets subsided during the year, but no clear turning point was reached in 2024. Consumer behaviour continued to be characterised by a high degree of caution, as well as by a hunt for deals. At the same time, the underlying strong drive to live a healthier life remains. The realisation that food plays a central role in a healthy, sustainable lifestyle is influencing both government advice and people's choices. This makes us confident that Midsona is well positioned for when consumers have greater spending power.

Focus on strengthening profitability

Our new strategy gives us a clear focus on the core of our business with the aim of achieving Midsona's vision to become a European leader in healthy, sustainable food. This will be achieved by leveraging the strengths of our product range and brands in all the markets in which we operate, and by working efficiently and in an integrated manner throughout our supply chain. During the year, intensive work was carried out to implement the new strategy, including a new organisation in which key functions were centralised to exploit synergies and enhance internal efficiency.

Our product categories – organic, health foods and consumer health products – contribute to the realisation of Midsona's mission: to help people and the planet live healthier, more sustainable lives. The organic products category accounted for 54 percent of Midsona's sales in 2024 and developed slightly positively despite the category continuing to be affected by consumers' higher price sensitivity. In the health foods category, which includes brands such as Friggs, Gainomax and Earth Control, we saw positive growth.

Strong brands the way to success

Regardless of the category, strong, well-managed brands are the foundation of Midsona's success. Our ability to grow profitably is based on nurturing and developing the brand portfolio to optimise its use in each individual market. In 2024, we celebrated several successes that demonstrate the strength of our approach: Friggs set new records and became the first of our brands to hit the half billion mark in annual sales. In early 2025, Friggs was also launched in Denmark.

Earnings improved for all divisions in 2024. In the Nordic region, our strongest foothold, we work with a broad portfolio of brands and increased sales slightly during the year while earnings grew. For Europe North, the year marked a turning point, thanks in part to efforts to broaden channels to consumers. During the year, we also strengthened the supply chain to cope with increased demand. Europe South's earnings also improved, although the division failed to turn a profit.

Sustainability work is important, both for Midsona's credibility as a producer of healthy, sustainable food and for conscious consumer choices in stores. In 2024, our overall climate target to reach net-zero emissions in our value chain by 2045 was endorsed by the Science Based Targets initiative (SBTi). After a challenging couple of years, the Group made clear progress in 2024. I feel that it is the right time for me to pass on the baton. I am grateful to have been given the opportunity to lead Midsona and I would especially like to thank all the talented employees I have had the privilege to work with.

Outlook for 2025

We saw clear improvements in 2024, and our current situation makes us positive about 2025. Our main scenario is that demand will gradually improve as the effects of lower interest rates, stimulus measures and improved economic activity are felt in household wallets, but that this will be a relatively slow, cautious process of normalisation. At the same time, we will gradually see the results of all our measures in line with the new strategy, which, all else being equal, will strengthen Midsona's earnings and financial position. We therefore look to the future with confidence.

Malmö, Sweden, April 2025

Peter Åsberg
President and CEO

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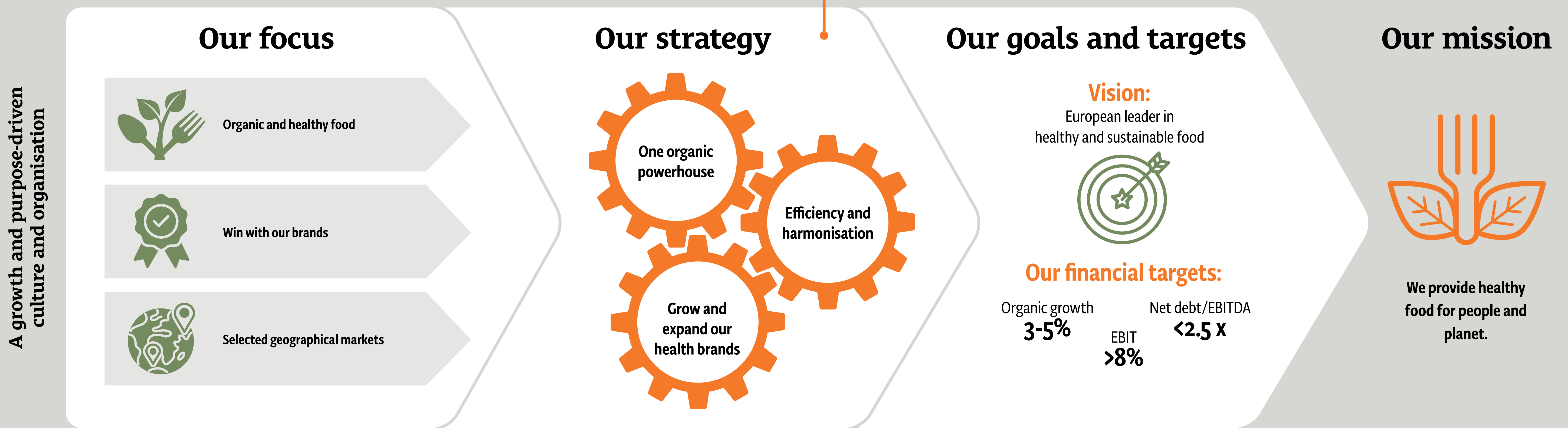
Our strategy

In early 2024, Midsona launched a new strategy that builds on the Group's successful growth journey through acquisitions. The aim of the strategy is to further develop the Group's strong health and organic brands in Europe to generate higher profitability and organic growth. Greater coordination and streamlining of the organisation is underway to achieve the long-term objectives.

The strategy is founded on three focus areas that Midsona has defined based on market needs. The focus areas established are to have a strong organic and healthy food offering, to win with effective packaging and marketing of the Group's brands, and to increase market penetration and continue to grow in selected geographical markets.

The strategy rests on three strategic pillars to clarify the Group's commitments, which are: One organic powerhouse, Grow and expand our health brands and Efficiency and harmonisation. By developing and interacting between these parts of the strategy, Midsona wants the Group's strong brands to continue to be the obvious choice for consumers who prioritise their health and want to eat organically. Since the launch of the strategy, Midsona has implemented a number of initiatives relating to each pillar.

Strategy	Achieved in 2024	Focus in 2025
One organic powerhouse	✓ Growth for Davert through expansion towards new customers. ✓ Work to develop organic products in the South Europe region, with some growth in Spain. ✓ Developed category strategy, focusing on the Nordics followed by other markets. Continued growth for the Beauty range. ✓ Positive trend with growth for organic products. ✓ Developed communication for Kung Markatta and Urtekram in the Nordics. ✓ Record for the Helios brand in Norway.	✓ Make better use of the range to launch in more markets. ✓ Launch nationally successful products in more markets. ✓ Establish new customer relationships in the DACH region. ✓ Rationalisation of ranges to simplify business. ✓ Continued work with strategic customers in Private Label.
Grow and expand our health brands	✓ Gainomax launched new softbars and targeted broader new target groups. ✓ Unprofitable Private Label contracts were terminated.	✓ Develop growth initiatives for each country. ✓ New Earth Control strategy implemented with a focus on the Nordics. ✓ Growth for Friggs through launches.
Efficiency & harmonisation	✓ Product rationalisation and harmonisation. ✓ Greater coordination of purchasing. Sourcing Director appointed for the Group. ✓ New supply chain strategy with clear processes to enhance efficiency. ✓ Improvement in working capital and cash flow and lower debt. ✓ Plan for the optimisation of production.	✓ Continued streamlining of processes ✓ Operational excellence programmes to enhance efficiency in factories. ✓ Increase the degree of specialisation to harness the strength of each factory. ✓ Group-wide purchasing management.



One organic powerhouse

The organic offering is a crucial part of Midsona's business that needs to be developed to meet the underlying drive for a healthier, more sustainable diet. Through innovation, communication, production and purchasing across markets, the Group will further optimise its offering and by doing so ensure strong brand positioning, while enhancing and preserving local acceptance.

Strong brands will boost organic growth

The Group focuses on driving organic growth within the existing brands. The strategy is based on these brands growing and thus creating a higher growth rate for the Group. The organic range currently accounts for more than half of Midsona's product range and comprises the following seven brands: Kung Markatta, Urtekram, Helios, Davert, Happy Bio, Celnat and Vegetalia.

Midsona's ambition is to be able to create stronger relationships with consumers around health in the future and thus connect with groups that have not been organic consumers from the start. One example of this is Helios, which has continued to make progress in the Norwegian market, largely thanks to successful widespread adoption by health-conscious consumers. In the German market, Midsona launched a growth strategy for the Davert brand during the year to expand to new customers. Davert's partnership with well-established food chains is clear evidence of good marketing.

Midsona's goal is to coordinate the organisation better and focus on developing the priority brands. Key areas include the choice of communication platforms, the choice of categories and how the right range will ensure success within them.

From decentralised to coordinated organisation

Midsona's new financial targets and strategy mark a clear new direction for the Group's journey of change. An important step in this is to establish a new organisation, which is crucial for the implementation of the strategy. From being decentralised in the past, the Group is now striving to become more coordinated, to realise the strategic transition with better coordination and shared resources.

In organisational terms, this means greater coordination of functions in marketing, product range and purchasing, which will eventually lead to economies of scale. Midsona's recently appointed Sourcing Director will be the driving force behind the coordination of purchasing. Work on further developing the organisation will continue progressively in 2025.

New strategy based on market conditions

The organic market has undergone a transformation in recent years, and consumers are increasingly prioritising health and sustainability when buying food. Studies show that there is a challenge in clarifying what organic really means, which creates potential for enhancing communication on the value of organic products. At the same time, the importance of private labels has increased, offering affordable organic alternatives to premium brands. Midsona, which also offers private labels, sees this as an important growth area that contributes to profitability and stability.

For Midsona's organic platform, the future is about two parallel tracks. On the one hand, it is important to maintain organic exposure in stores and reach existing customers. On the other hand, the range needs to evolve to become relevant to a broader target group that focuses on its own health and sustainability. By launching products that emphasise these values, Midsona can reach far more consumers than today, which is a necessary change to ensure growth. At the same time, the Group continues to optimise its product range to ensure efficiency and profitability in its overall offering to customers and consumers.

Midsona's strategy for growth in organic products

Midsona has deepened its consumer insights to better understand which health and sustainability areas are highly valued. Based on these insights, innovation work will focus on priority categories. The work includes both physical and mental dimensions, from the right exposure in stores to raising awareness of Midsona's brands among consumers via digital campaigns and marketing. Examples of categories that will drive growth are oils and different seasonings.

The next step is to apply a category-based strategy across the organisation, in all the Group's markets. The development of the organic platform thus goes hand in hand with Midsona's transition to a more coordinated organisation, with synergies and cooperation between brands strengthening the whole. This includes selling existing products to new markets and developing new products suitable for all markets.

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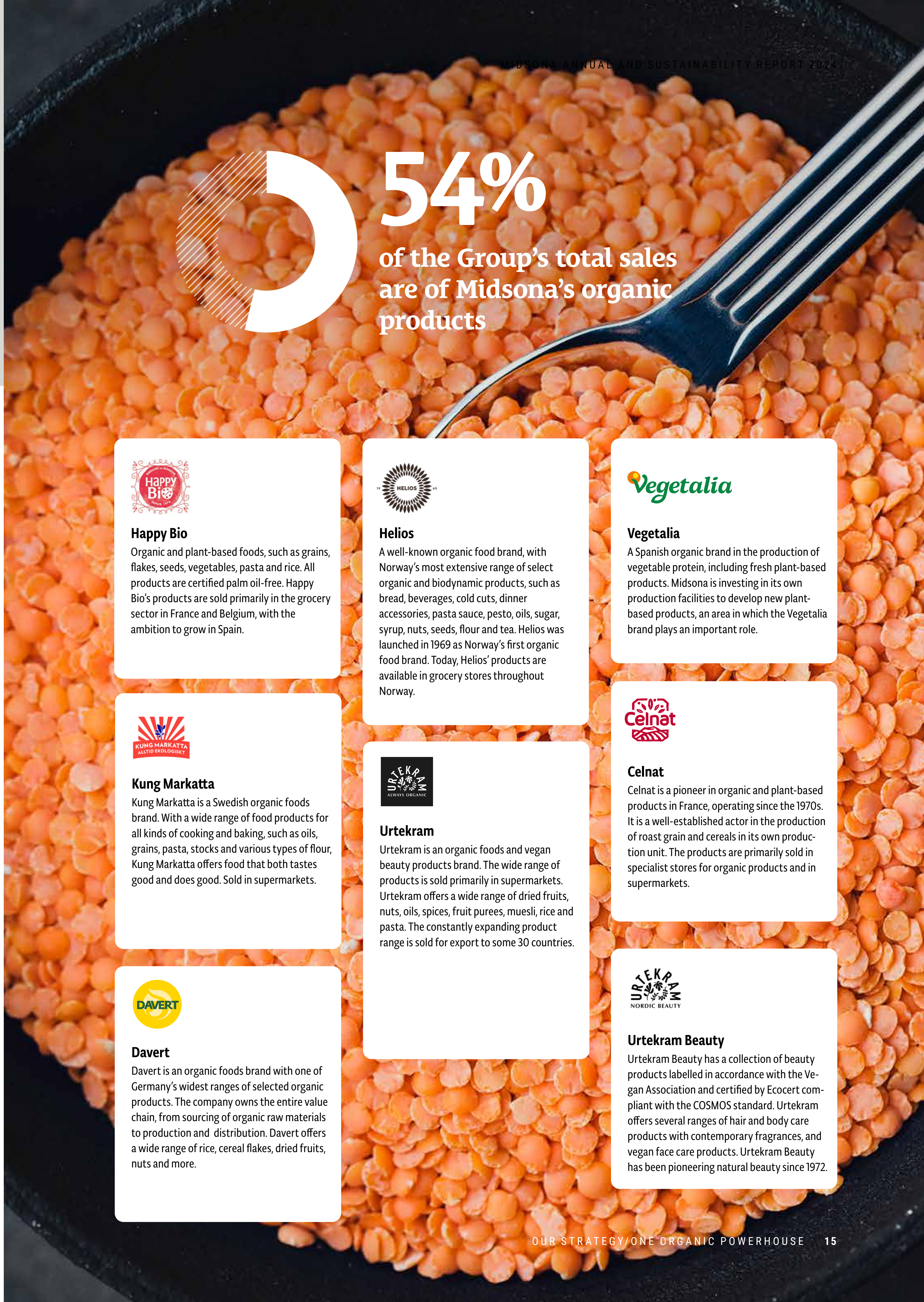


54%

of the Group's total sales are of Midsona's organic products

Happy Bio
Organic and plant-based foods, such as grains, flakes, seeds, vegetables, pasta and rice. All products are certified palm oil-free. Happy Bio's products are sold primarily in the grocery sector in France and Belgium, with the ambition to grow in Spain.

Helios
A well-known organic food brand, with Norway's most extensive range of select organic and biodynamic products, such as bread, beverages, cold cuts, dinner accessories, pasta sauce, pesto, oils, sugar, syrup, nuts, seeds, flour and tea. Helios was launched in 1969 as Norway's first organic food brand. Today, Helios' products are available in grocery stores throughout Norway.

Vegetalia
A Spanish organic brand in the production of vegetable protein, including fresh plant-based products. Midsona is investing in its own production facilities to develop new plant-based products, an area in which the Vegetalia brand plays an important role.

Kung Markatta
Kung Markatta is a Swedish organic foods brand. With a wide range of food products for all kinds of cooking and baking, such as oils, grains, pasta, stocks and various types of flour, Kung Markatta offers food that both tastes good and does good. Sold in supermarkets.

Urtekram
Urtekram is an organic foods and vegan beauty products brand. The wide range of products is sold primarily in supermarkets. Urtekram offers a wide range of dried fruits, nuts, oils, spices, fruit purees, muesli, rice and pasta. The constantly expanding product range is sold for export to some 30 countries.

Celnat
Celnat is a pioneer in organic and plant-based products in France, operating since the 1970s. It is a well-established actor in the production of roast grain and cereals in its own production unit. The products are primarily sold in specialist stores for organic products and in supermarkets.

Davert
Davert is an organic foods brand with one of Germany's widest ranges of selected organic products. The company owns the entire value chain, from sourcing of organic raw materials to production and distribution. Davert offers a wide range of rice, cereal flakes, dried fruits, nuts and more.

Urtekram Beauty
Urtekram Beauty has a collection of beauty products labelled in accordance with the Vegan Association and certified by Ecocert compliant with the COSMOS standard. Urtekram offers several ranges of hair and body care products with contemporary fragrances, and vegan face care products. Urtekram Beauty has been pioneering natural beauty since 1972.

Grow and expand our health brands

To create long-term growth, Midsona is focusing on organic growth and geographical expansion via its health brands Friggs, Earth Control and Gainomax. By focusing on launches, capitalising on market insights and continuing to develop its ranges, the Group aims to strengthen its market position and meet consumer needs for healthy products.

Friggs continues its growth journey with expansion into new markets

Friggs' product portfolio is wide, ranging from corn and rice cakes to teas and dietary supplements with the focus on good flavour and health benefits. By continuously delivering high quality products that meet the needs and demands of both customers and consumers, the brand has built a strong position in Sweden, Finland and Norway.

Given Friggs' strong growth journey and high brand recognition, the Group's growth strategy has the ambition of continuing to expand and develop the brand. The aim is a stronger Nordic presence inthe coming years by capitalising on the lessons learned about which products and flavours have worked well in already established markets. Part of this work is to develop campaign mixes that effectively reach consumers and reinforce the brand message. The aim is to inspire a wide target group to increase demand and accelerate market maturity.

Work also continued to increase penetration in Sweden, Finland and Norway. The focus in 2024 was to refresh Friggs' existing brand platform with the aim of creating an even stronger emotional connection between the brand and consumers. The launch of the platform and associated marketing activities is planned for 2025. Another important activity was to identify new consumer groups and their everyday needs to find even more relevant consumption cases. The Group does this by continuously reviewing the product range and continuing to develop products in each category offered by the brand.

Focus on strong range and strategic placements for Earth Control

Earth Control is a plant-based foods brand with carefully selected, natural products, such as nuts, seeds, dried fruits and berries. In Earth Control, the Group has built a strong position in the health foods category in the Nordics, with Denmark as the most prominent market.

During the year, the ongoing growth and innovation in the dried nuts and fruit segment created new opportunities to further develop the brand and expand into more markets. To drive this development, the Group is focusing on identifying the products consumers prioritise in the context of healthy snacks, and creating a close dialogue with customers on the right placement in stores. Earth Control is revising its product range, removing temporary and less profitable products and launching new ones to create a portfolio that meets consumer needs.

Renewal of the brand to boost Gainomax

Gainomax is one of Sweden's best-known sports nutrition brands. The brand is also established in Finland and Norway. The products are designed for exercise recovery and as functional snacks, in the form of milk-based protein drinks and protein bars. Since Midsona acquired the company in 2020, the brand has shown the potential to continue to grow well.

During the year, the Group initiated a renewal of Gainomax's offering by harnessing new market insights to meet constantly changing consumer needs. Although the brand already has a strong position in the protein and gym segment, the Group aims to broaden the target group by attracting consumers who want to live healthily without identifying as traditional gym-goers. As part of this shift, women have become a more pronounced target group, and this is reflected in an updated package design that is more tailored to their preferences.

As a first step in the shift, Gainomax launched three new softbars in 2024, and a new brand platform was developed to more clearly communicate the brand's updated profile and message.

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Earth Control

A premium plant-based foods brand. Carefully selected, natural products from around the world, including nuts, kernels, dried fruits and berries. A leading supplier to the grocery trade in the health foods category.

Friggs

Friggs is a broadly based health brand that focuses on the latest trends and is classified in the health foods product category. The product range is mainly available in the grocery trade. Friggs holds a leading position in the corn and rice cakes markets and regularly launches new flavours. Friggs' range of teas focuses on good flavour, with ingredients that are strongly associated with health benefits. The brand's dietary supplements hold a leading position in the Swedish market.

Gainomax

A premium plant-based foods brand. Carefully selected, natural products from around the world, including nuts, kernels, dried fruits and berries. A leading supplier to the grocery trade in the health foods category.

Efficiency and harmonisation

Ensuring a consumer offering that is attractive and sustainable for the future demands an organisation that is resource efficient and focused. Midsona focuses actively on developing a more streamlined product range that meets the market's need for healthy products with a distinct sustainability profile.

Range rationalisation and coordination of purchasing

Midsona's approach in the past was a broad product base based on a large number of variants. To meet consumer demand better, there was a need to streamline and simplify the product range. During the year, Midsona continued to optimise the product portfolio. As a result of the review, Midsona started to coordinate the purchasing of basic ingredients across brands,for example sesame seeds.

The next step will be to standardise product specifications to a greater extent, which will result in more coordinated purchasing volumes and thus better negotiating power. Standardisation of packaging is also planned to create further synergies in the future. In other words, harmonising Midsona's range is about achieving economies of scale. It means purchasing materials that could be used in the same factory for different brands and products in the Group.

During the year, Midsona developed a programme to harmonise raw material purchases from fewer suppliers. The work will be led by the Group's new Sourcing Director. To make better decisions, Midsona has implemented a new purchasing forecast system. The system will help the Group assess customer demand more accurately, enabling it to improve purchasing and production and ultimately meet customer needs better. The system will be launched in the Nordics in 2024.

Streamlining of operations

During the year, Midsona continued to harmonise the organisational structure by centralising marketing and HR functions in Group management and implemented a coherent structure for the supply chain, from top to bottom.

Operational Excellence is Midsona's operational umbrella for driving improvement in the production and warehouse structure. In line with this, Midsona conducted a Group-wide review during the year and harmonised how production is monitored in the various factories. By establishing a clear basic structure and improving the organisation, an effective programme for day-to-day management has been created. This ensures better insight into factory operations and enables communication and performance monitoring at line level, on a daily basis.

Collaboration with suppliers

An important part of ensuring a sustainable offering for the future includes working with the value chain on environmental and social aspects. Given the nature of our business, much of our environmental impact occurs in the supply chain, where we also need to ensure due diligence on social conditions. To be able to influence these aspects, we need to take an effective, harmonised approach within the organisation to evaluate existing and potential supply chains. This enables further work with suppliers on the impacts that arise, a key area being greenhouse gas emissions. During the year, Midsona began the work of strengthening suppliers' climate work and supporting them in reducing their greenhouse gas emissions. The first step here was to request that science-based emission reduction targets be set in their operations. In line with this, Midsona also procured transport solutions in parts of the business during the year to find effective alternatives to increase the proportion of fossil-free transport.

Midsona's work to ensure efficient use of capital

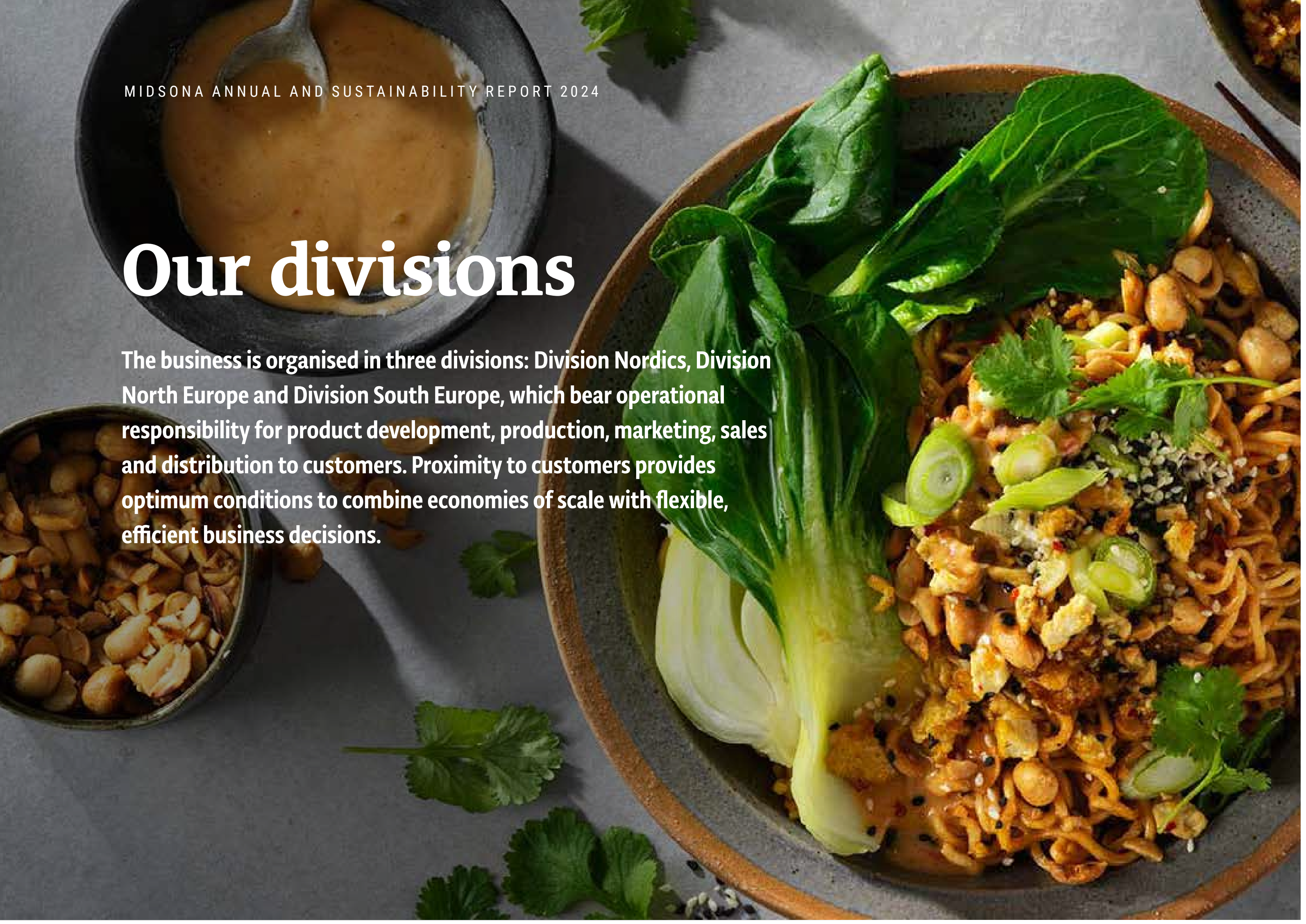
Midsona has focused on improving capital efficiency, which has yielded positive results. The days in stock (DIS) KPI has continued to decline, and the systems in place for this support further improvements going forward. Although the inventory value increased slightly in 2024 as a result of specific contracts requiring higher inventories, Midsona managed to reduce inventory levels overall.

Midsona works constantly to reduce working capital and improve cash flow. This largely involves identifying opportunities to reduce the level of inventory value to free up capital and reduce debt.

Focus on the core business

To create a more efficient use of capital, Midsona endeavours to strengthen its core business and increase the commercial focus of its subsidiaries. This basically involves measures to stimulate the creation of conditions for better business, reach out to the right customers and take on private label contracts where it makes strategic sense. In view of the strategic perspective, a decision was taken during the year to terminate a number of unprofitable private label contracts.

Midsona's ambition is to continue to build a stronger presence in Europe, primarily by enhancing existing brands with relevant product portfolios. Opportunities for complementary acquisitions to strengthen the current offer portfolio are considered if the conditions are right and the valuation levels are reasonable.



Our divisions

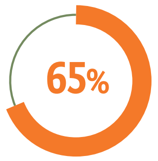
The business is organised in three divisions: Division Nordics, Division North Europe and Division South Europe, which bear operational responsibility for product development, production, marketing, sales and distribution to customers. Proximity to customers provides optimum conditions to combine economies of scale with flexible, efficient business decisions.

Division Nordics

Brands: Friggs, Urtekram, Kung Markatta, Earth Control, Gainomax, Helios

Markets: Sweden, Denmark, Norway, Finland

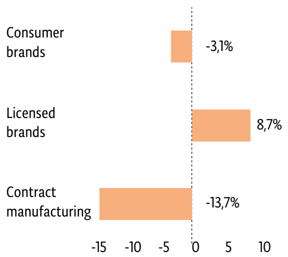
Percentage of consolidated net sales



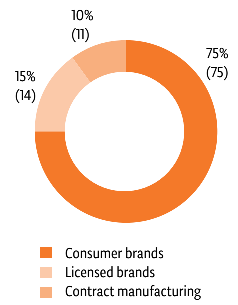
Key performance indicators[1]	2024	2023
Net sales	2,435	2,545
Net sales growth, %	-4.3	-5.8
Gross profit	828	804
Gross margin, %	34.0	31.6
Operating profit/loss	211	187
Operating margin, %	8.7	7.4

Introduction of renewable energy in 2024:
74% (2023: 59%, 2028 target: 100%)

Organic growth of types of brands[2,3]



Product sales by type of brand[2,3]



[1]Earnings and margin measurements are before items affecting comparability unless otherwise stated.

[2]Refers to full year, 2024

[3]External product sales

Division North Europe

Brands: Davert

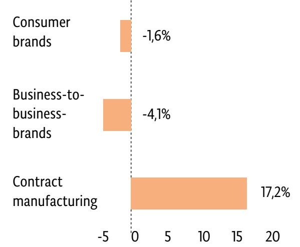
Markets: Germany

Percentage of consolidated net sales

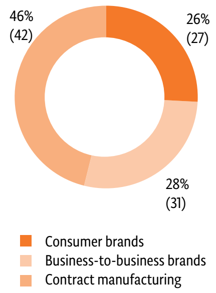
Key performance indicators[1]	2024	2023
Net sales	910	872
Net sales growth, %	4.4	1.4
Gross profit	172	129
Gross margin, %	18.9	14.8
Operating profit/loss	21	-22
Operating margin, %	2.3	-2.6

Introduction of renewable energy in 2024:
54% (2023: 66%, 2028 target: 100%)

Organic growth of types of brands[2,3]



Product sales by type of brand[2,3]



[1]Earnings and margin measurements are before items affecting comparability unless otherwise stated.

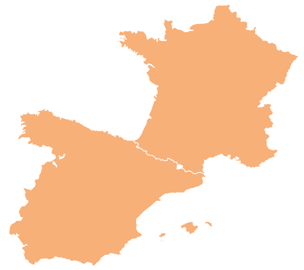
[2]Refers to full year, 2024

[3]External product sales

Division South Europe

Brands: Happy Bio, Celnat and Vegetalia

Markets: France, Spain

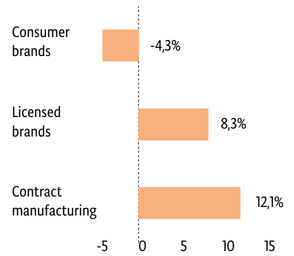


Percentage of consolidated net sales

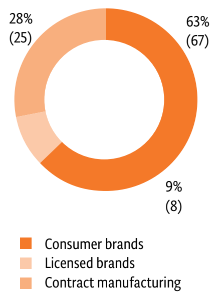
Key performance indicators[1]	2024	2023
Net sales	422	414
Net sales growth, %	1.9	10.7
Gross profit	73	53
Gross margin, %	17.2	12.9
Operating profit/loss	-18	-36
Operating margin, %	-4.2	-8.8

Introduction of renewable energy in 2024:
0% (2023: 0%, 2028 target: 100%)

Organic growth of types of brands[2,3]



Product sales by type of brand[2,3]



[1]Earnings and margin measurements are before items affecting comparability unless otherwise stated.

[2]Refers to full year, 2024

[3]External product sales

External factors and drivers

In recent years, Europe has been characterised by economic challenges which have affected both consumer purchasing behaviour and the food market in Europe. Despite difficulties, several factors indicate that the economy will stabilise going forward. This offers scope for underlying drivers such as sustainable, healthy eating habits to be strengthened again. Midsona stands ready to face these changes and continues to drive progress towards a healthier, more sustainable future.

Economic challenges contributed to changing consumption patterns

The high inflation, continuous interest rate hikes, prolonged recession and negative real wage growth of recent years have had a strong impact on consumer priorities across Europe[1,2,3] This includes the food sector, where consumers chose to prioritise lower price point foods over more expensive products focused on health, sustainability and quality during the period.[4] The shift towards more price-driven consumption choices therefore contributed to strong growth for private labels across Europe, with the largest increase in Germany and Spain. One result of this development is also that discount chains increased their share of sales value.[5]

Clear signs of stabilisation and greater purchasing power ahead

There are several signs of stabilisation in the economy ahead. According to the European Commission, growth in the EU is expected to be 0.9 percent in 2024 and 1.5 percent in 2025, driven mainly by increased consumption and investment. Inflation is expected to fall sharply, from an average of 6.4 percent in 2023 to 2.6 percent in 2024, and then continue to decline to 2.4 percent in 2025. In response to inflationary trends, European central banks continuously lowered policy rates in 2024. All these factors, combined with higher employment and gradual wage recovery, contributed to the growth of household disposable income and the recovery of almost half of the loss in purchasing power caused by inflation.[6]

However, the EU believes that the recent memory of high inflation will lead consumers to continue to be more cautious about spending their incomes for some time to come.[7] This mainly concerns spending linked to entertainment and luxury consumption, where consumers want to reduce their alcohol consumption and the amount of clothing they buy, for example. Basic household goods such as food, petrol and toiletries will continue to be prioritised and purchased by consumers.[8]

Sustainable eating habits are essential for the climate

Issues such as climate change and sustainability are ever-present in the minds of Europeans. According to the European Commission, the population ranks climate change as the third most serious problem in the world.[9] The Intergovernmental Panel on Climate Change (IPCC) emphasises that the next six years are crucial for meeting the Paris Agreement's 1.5-degree target and mitigating a potential climate crisis. To ensure a sustainable future, the IPCC highlights the need for sustainable agriculture and changes in consumption habits, such as a more plant-based diet, as some of the key factors.[10] This is something that EAT-Lancet, a global platform for food system transformation, supports by advocating a Planetary Health Diet that combines nutrition and sustainability, focusing on more plant-based foods such as nuts and legumes and less red meat.[11]

Eating better for the sake of the climate and the environment is an underlying driver that continues to shape consumption behaviour. For example, conscious dietary choices, with consumers choosing to become flexitarians, vegetarians and vegans, have gained ground in Europe in recent years. In Sweden, up to 12 percent of people are vegetarians and 4 percent vegans.[12] Germany is thought to have the largest number of vegetarians, around 8.3 million people, representing 10 percent of the population. In France, there is a growing trend towards plant-based among young people and in Spain the number of flexitarians is increasing.[13]

EU and consumers want more organic products

At EU level, there are several strategies and initiatives aimed at a sustainable future. To achieve the goals of the Paris Agreement, the EU launched the Green Deal in 2019. It is an ambitious plan to enable a green transition, with objectives to care for nature, improve people's health and

1 https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Consumer_prices_-_inflation
2 https://www.europaportalen.se/2023/03/tredubblad-inflation-i-eu
3 https://www.ecb.europa.eu/pub/projections/html/ecb.projections202312_eurosystemstaff~9a39ab5088.sv.html#toc7
4 McKinsey & Company 2023
5 McKinsey & Company, State of Grocery 2024
6 https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2024-economic-forecast-gradual-rebound-adverse-environment_en
7 https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2024-economic-forecast-gradual-rebound-adverse-environment_en
8 McKinsey & Company 2023
9 https://climate.ec.europa.eu/citizens/citizen-support-climate-action_en
10 https://www.ipcc.ch/assessment-report/ar6/
11 https://eatforum.org/eat-lancet-commission/
12 https://worldpopulationreview.com/country-rankings/vegetarianism-by-country
13 https://www.theneweuropean.co.uk/wideangle-which-countries-have-the-most-vegetarians/

quality of life, and boost the economy.[14] The plan includes the Farm to Fork Strategy, which focuses on transforming the EU's current food system into a more sustainable model. The strategy is broad and covers several issues, with some of the most important objectives being to reduce eutrophication, increase the proportion of organic farming and improve biodiversity.[15]

To facilitate the transition to organic production, the EU has developed legislation and complemented it with an action plan called the Organic Action Plan. The plan is based on three main pillars: stimulating demand and ensuring consumer confidence, strengthening the organic food chain, and improving the sustainability of organic farming. The overall target is for at least 25 percent of agricultural land in the EU to be used for organic farming by 2030.[16] A further initiative is the EU Green Claims Directive, which is expected to enter into force in 2026 and aims to enhance the credibility of companies' sustainability claims. This can create competitive advantages for those companies that are already working with proven sustainability practices, such as organic.[17]

In addition to the EU's lofty ambitions for sustainability and organic farming, after a period of prioritising price-conscious food choices, consumers have started to show an interest in organic products again. For example, one third of Europeans say they have started eating more organic food for the sake of the environment.[18] In Sweden, consumer organisations and consumers want the grocery trade to increase the range of products and the number of organic campaigns to highlight the segment more clearly.[19]

The need for healthy eating habits and foods is growing

Healthy eating habits are important in terms of reducing the risk of cardiovascular disease and preventing various types of cancer.[20].To achieve a healthier diet, the World Health Organization states that it is important to eat a varied diet and reduce the intake of salt, sugar, saturated fats and industrially produced trans fats.[21] This is also in line with the Nordic Nutrition Recommendations (NNR) launched in 2023. The NNR recommendations include increasing the intake of vegetables, legumes, whole grains, nuts and seeds, and reducing the intake of foods high in fat, salt and sugar.[22]

In addition, there are several actors that want to accelerate the development of healthier eating habits in Europe. One example is Sweden, where the Public Health Agency of Sweden and the Swedish Food Agency developed proposals for targets and action areas for more sustainable, healthy food consumption in 2024. The ambition of the authorities is to prioritise certain types of food to promote better, more equitable health. Examples of targets include increasing consumption of whole grains and legumes by 100 and 50 percent respectively by 2035. To make this possible, they want both the market and the public sector to become better at supporting the development and promotion of knowledge about healthy eating habits.[23]

The desire to eat more healthily is clearly visible in Europe. Despite the economic instability of recent years, healthy products still maintain a strong position in the market. Surveys show that health and healthy products are important to consumers and rank among the top five priority categories.[24]

Midsona is ready for the future

The economic turbulence of recent years, characterised by inflation, interest rate hikes and real wage cuts, has had a significant impact on several industries in Europe. The food industry for one has encountered greater consumer restraint as a result of necessary price rises. However, in 2024 there were already several signs of improvement in the economy that clearly indicate that consumers' unilateral focus on price will diminish over time and make way for the more underlying, long-lasting drivers of development in Europe.

Two major drivers are to prioritise sustainability and organic products, promoted by several international organisations and institutions such as the UN, EU and EAT-Lancet. This has led to conscious food choices gaining ground in Europe, with more and more people choosing to be flexitarians, for example. The EU's ambition to prioritise organic food production is also a clear indication that the drive for healthier, more sustainable food persists and is growing. These efforts, combined with the Green Claims Directive to favour companies with proven sustainability practices, are highly likely to intensify competition between conventional and organic brands. Markets are already starting to see this today, with one third of Europe's population stating that they have started to eat more organic food and that more people want to see more organic campaigns in stores.

Healthy eating habits will always be key to improving public health and reducing the risk of disease. Despite economic challenges in Europe, consumers continue to prioritise healthy food. The World Health Organization and NNR emphasise a diet with less salt, sugar and saturated fats and more vegetables, whole grains and legumes, areas in which Midsona already has a clear focus and a strong market position. Moreover, the initiatives of the Public Health Agency of Sweden and the Swedish Food Agency to promote healthier food consumption signal that this trend will be further accelerated.

Overall, Midsona is well prepared by continuing to be a leader in healthy and sustainable food alternatives. With a strong foundation and a clear strategy to address long-term trends, the Group is ready to drive progress towards a healthier, more sustainable future.

14 https://www.consilium.europa.eu/sv/policies/green-deal/
15 https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en
16 https://agriculture.ec.europa.eu/farming/organic-farming/organic-action-plan_en
17 https://environment.ec.europa.eu/topics/circular-economy/green-claims_en
18 https://climate.ec.europa.eu/citizens/citizen-support-climate-action_en
19 https://www.sverigeskonsumenter.se/vad-vi-gor/livsmedel/granskning-vart-tog-ekokampanjerna-vagen/
20 https://www.livsmedelsverket.se/matvanor-halsa--miljo/samtal-om-mat-i-halso--och-sjukvarden/bra-matvanor-raddar-liv
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22 https://www.livsmedelsverket.se/om-oss/press/nyheter/pressmeddelanden/idag-lanseras-nya-nordiska-naringsrekommendationer
23 https://www.folkhalsomyndigheten.se/publikationer-och-material/publikationsarkiv/e/en-hallbar-och-halsosam-livsmedelskonsumtion-aterredovisning-av-regeringsuppdrag/
24 McKinsey & Company, State of Grocery 2024

Five reasons to own Midsona shares

Midsona is a leader in the Nordic region in organic food, health foods and consumer health, with a vision of becoming a leading player in Europe. As a shareholder in Midsona, you gain exposure to an industry in transition, in which Midsona's portfolio of attractive brands is strategically well-positioned for the future. Investing in Midsona means you are investing in healthy food for people and for our planet.

1

Underlying need to eat more healthily and sustainably

Midsona's markets are characterised by underlying drivers for people to eat more healthily and organically to optimise their own health but also for the good of the planet. The current decline in health foods and organic foods is regarded as being strongly linked to the direct impact of an uncertain world situation on individuals' financial conditions and priorities. Underlying global factors, such as an ageing population, generally greater interest in personal health and plant-based food, as well as rising consumer demands for transparency and sustainability, indicate that Midsona is in the right place to meet the future.

2

Clear mission is reflected in every aspect of the Group's work

Midsona has a clear mission to help people achieve a healthier life and care for the environment. This shows through in everything Midsona does – from the use of sustainable raw materials, to production, and all the way to the consumer's door.

3

Active change efforts to meet the future food market

Midsona has built up a leading position in the Nordic region through acquisitions, a strategy that has since been extended to the rest of Europe. Based on the Company's current position and brands, Midsona is focusing on an active change process aimed at strengthening profitability and building a more attractive offering, along with a more efficient apparatus that is set up for the food market of the future.

4

Leading positions with strong brands

Midsona holds a leading position in most of its sales channels, making the Company a priority supplier. The strategy is based on developing strong brands in attractive sectors. Midsona has several brands in the Nordics with a strong position in their respective categories. Acquisitions in Germany, France and Spain have laid the foundation for growth elsewhere in Europe, including for growth based on strong brands.

5

Solid sustainability work

Midsona's offering fits well with the current trend for sustainability in the Company's markets. Midsona's strategy and mission build on a passion for healthy, natural and sustainable food, making sustainability an integral part of operations. Midsona's vision is to influence people's eating habits in the direction of healthy and sustainable options. In line with the Company's ambitions and the demands of customers, consumers and investors, Midsona has established clear sustainability targets for sustainable brands, a healthy work environment, responsible purchasing, safe products, efficient use of resources and efficient transport.

Shares and shareholders

Midsona's shares were listed on the Stockholm Stock Exchange in 1999. Series A and Series B shares are listed on the Nasdaq Stockholm Small Cap list in the groceries sector under the tickers MSON A and MSON B.

Number of shares and share capital

At the end of the period, the total number of shares was 145,428,080 (145,428,080), consisting of 423,784 Series A shares (423,784) and 145,004,296 Series B shares (145,004,296). The number of votes at the end of the period was 149,242,136 (149,242,136).

A series A share entitles the holder to ten votes and a Series B share entitles the holder to one vote at all general meetings. All shares convey equal rights to the Company's net assets and profits.

At the end of the period, the share capital amounted to SEK 727,140,400. Changes in the Company's share capital are presented at: https://www.midsona.com/data/dashboard.

Share trading and bid price

During the period January-December 2024, 16,961,537 Series A and B shares (32,098,215) were traded. The highest price paid for Series B shares was SEK 11.96 (9.84), and the lowest SEK 7.00 (6.54). On 30 December, the last price paid for the share was SEK 7.90 (8.19). The average daily trading in both Series A shares and Series B shares combined was 546,197 shares (127,881), corresponding to SEK 4,406,812 (1,048,374).

Over 2024, the price paid for the Series B share decreased from SEK 8.97 to SEK 7.90, a decrease of 11.9 percent (-13.8).

Warrant programmes

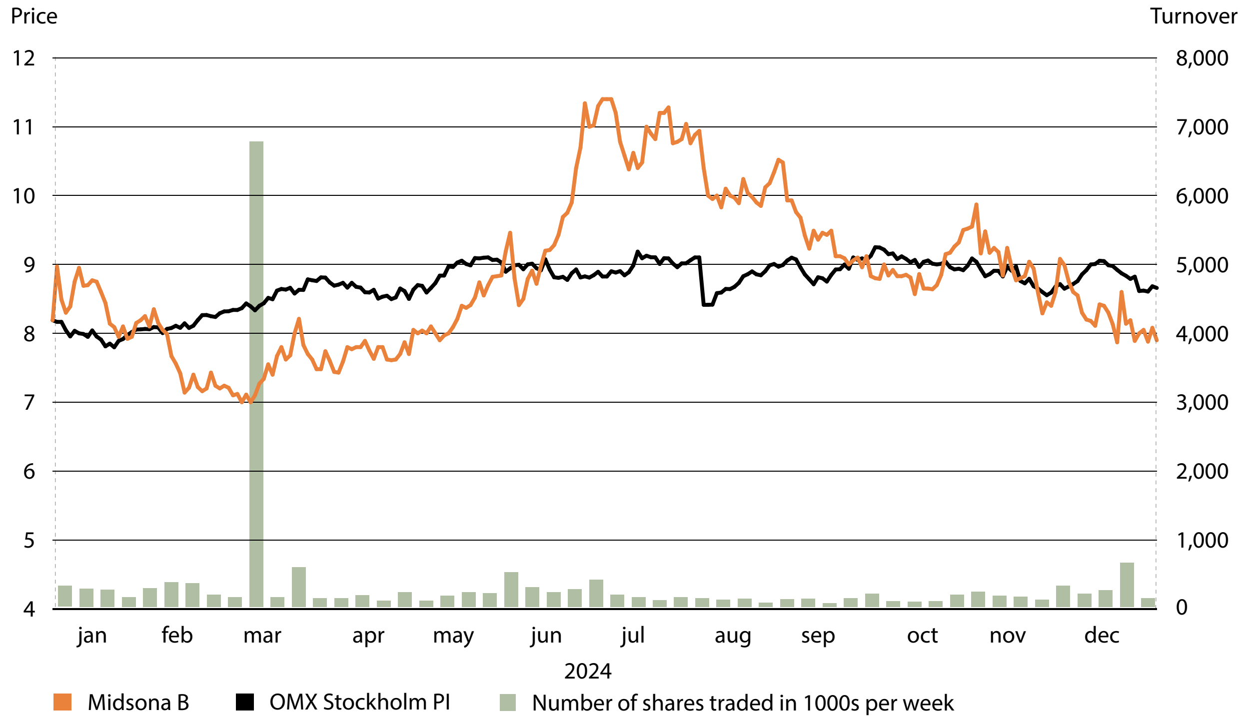
At the end of the period, one warrant programme aimed at senior executives was in operation. This was TO2022/2025, which may result in a maximum of 120,000 new Series B shares on full conversion.

For more information about the warrant programmes in operation, see Note 8 *Employees, personnel expenses and remuneration of senior executives* on pages 143-145.

Shareholders

The largest shareholder in Midsona AB (publ) was Stena Adactum AB which, as at 30 December 2024, held Series A shares and Series B shares representing 48.1 percent of the capital and 46.9 percent of the votes. No other shareholder held ten percent or more of the total number of shares. The ten largest shareholders in Midsona AB (publ) are detailed in the current list of shareholders as at 30 December 2024.

Share price, January 2024–December 2024



Source: SIX Financial Information

The ten largest shareholders as at 30 December 2024 accounted for 79.2 percent (78.2) of the capital and 78.0 percent (77.0) of the votes.

For information on the holdings of members of Group Management, see pages 174-175 and for information on the holdings of Board members, see pages 172-173. Neither Midsona AB (publ) nor its subsidiaries held any treasury shares at year-end 2024.

Of the total number of shares, foreign shareholders accounted for 27.3 percent of the capital and 27.3 percent of the votes. Of Swedish shareholders, legal entities held 59.5 percent of the capital and 58.3 percent of votes, while physical persons held 13.2 percent of the capital and 14.4 percent of the votes.

The total number of shareholders (including nominee-registered shareholders) was 9,154, a decrease of 10.2 percent on the previous year. A breakdown of shareholdings within various ranges is shown in the current shareholder list as at 30 December 2024.

Dividend

The Board of Directors proposes a dividend for the financial year 2024 of SEK 0.20 per share, corresponding to SEK 29,085,616 and a pay-out ratio of 61.4 percent.

Stock market information

Publication of information is guided by the Communications and IR Policy adopted by the Board of Directors. Interim reports are commented on by the CEO and CFO via live audio casts/conference calls in English and other information meetings and conferences with analysts, fund managers and the media are held on an ongoing basis over the year.

Annual and interim reports, press releases and the Corporate Governance Report are available on the website at www.midsona.com, where it is also possible to register to receive such publications. The 2024 Annual Report will be published as a PDF file on Midsona's website no later than 7 April 2025 and the printed version will be available from Midsona's headquarters in Malmö from around 22 April 2025. Printed copies of the Annual Report will be sent to shareholders on request.

Analysts and other monitoring

ABG Sundal Collier compiles and distributes information on Midsona on its website www.introduce.se, where, for example, key performance indicators, press releases, shareholder data and technical analyses are available.

Silent periods

Midsona observes a silent period of at least 30 days before the publication of its interim reports. During this period, Group representatives do not meet with the financial press, analysts or investors.

Financial calendar 2025

Interim report, January–March	25 April
Annual General Meeting in Malmö	7 May
Interim report, January–June	17 July
Interim report, January–September	22 October
Year-end Report 2025	30 January 2026

Ten largest shareholder categories as at 30 December 2024

	Number of shares	Share of capital, %	Share of votes, %
STENA ADACTUM AB	69,994,562	48.1	46.9
IBKR FINANCIAL SERVICES AG, W8IMY	13,540,312	9.3	9.1
DNB BANK ASA MARKETS SEGR AM	6,752,465	4.6	4.5
SEB LIFE INTERNATIONAL ASSURANCE	6,604,354	4.5	4.4
Nordea Funds AB	4,582,667	3.2	3.1
ROIN HOLDING APS	3,514,897	2.4	3.0
Försäkringsaktiebolaget Avanza Pension	3,694,125	2.5	2.6
Muhlrad Ralph	2,704,839	1.9	1.8
Nordanland AB	2,500,000	1.7	1.7
Nordnet Pensionsförsäkring AB	1,254,119	0.9	0.9
	115,142,340	**79.2**	**78.0**

Source: Euroclear Sweden AB

Breakdown of shareholdings, by range, 30 December 2024

Number of shares	No. of shareholders	No. of Series A shares	No. of Series B shares	Holding (%)	Votes (%)	Market capitalisation (SEK thousand)
1-500	6,639	42,777	706,513	0.5152	0.76	6,086
501-1,000	840	22,643	606,768	0.4328	0.5583	5,061
1,001-5,000	1,122	57,795	2,515,881	1.7697	2.073	20,557
5,001-10,000	224	34,195	1,616,467	1.135	1.3122	13,174
10,001-15,000	75	13,918	929,137	0.6485	0.7158	7,504
15,001-20,000	38	6,560	658,828	0.4575	0.4854	5,282
20,001-	216	245,896	137,970,702	95.0412	94.0952	1,092,870
Total	**9,154**	**423,784**	**145,004,296**	**100**	**100**	**1,150,535**

Source: Euroclear Sweden AB

Key performance indicators per share

		2024	2023	2022	2021	2020
Profit/loss attributable to Parent Company shareholders	SEK	0.33	-0.36	-6.73	1.31	2.02
Shareholders' equity	SEK	21.10	20.54	21.19	39.54	35.58
Cash flow from operating activities	SEK	0.98	2.36	2.73	-0.94	4.35
Share price on balance sheet date (Series B shares)	SEK	7.90	8.19	9.50	54.10	77.80
Dividend[1]	SEK	0.20	-	-	-	1.25
Yield	%	2.5	-	-	-	1.6
Pay-out ratio	%	61.9	-	-	-	46.4
P/E ratio	multiple	24.3	neg.	neg.	41.2	28.8

[1] Dividend for 2024 relates to the proposal by the Board of Directors.

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Sustainability Report

Contents

A company of its time, now and in the future

In October 2024, I took on the role as Chief Sustainability Officer at Midsona. Having the opportunity to work with sustainability at a company like Midsona is a privilege in many ways. With a vision to be a leader in healthy and sustainable food in Europe, the ambition for the Group's sustainability agenda is clearly set. Over the years, we have received several recognitions as a testament to this. For the second year in a row, Midsona has been awarded the highest grade A in the CDP climate change ranking. We also had our updated net-zero emissions target approved by SBTi in October 2024. What I am most proud of, however, is the fantastic work that employees in all parts of the organisation carry out every day to bring us closer to Midsona's goals and vision.

To reduce our greenhouse gas emissions, we have, among other things, switched to fossil-free transports in Sweden, switched from oil heating to renewable district heating in Finland and initiated work at group level to encourage Midsona's suppliers to set their own science-based emission reduction targets. These are important initiatives that are good for the planet and also for Midsona's business, to manage the identified business risks linked to climate change.

The work with traceability within our supply chains was taken to a new level when the Davert brand launched QR codes on selected products, enabling full transparency for the end consumer, down to farm level. Transparency is a cornerstone for enabling due diligence and improvements in the supply chain. During the year, we also worked hard to improve the quality of our sustainability data to increase comparability between years and between different parts of the organisation. This is to enable us to work efficiently towards our goals.

Like many other companies in Europe, Midsona is affected by the wave of regulations coming from the EU's Green Deal. During the year, preparations continued for reporting according to the CSRD next year. The EU's Omnibus proposal was presented in February 2025 with the aim of simplifying regulations and reporting, and we are monitoring developments and impacts for Midsona. Our work in this area has made us well prepared for whatever the outcome. We have initiated an update of our sustainability framework, which will form the basis for ensuring the continued integration of the Group's material sustainability areas in our business strategy. However, it is worth noting that the texts in this report were prepared before the Omnibus proposal was made.

Preparations to ensure compliance with other regulations, such as the Deforestation Regulation (EUDR) and the Packaging and Packaging Waste Regulation (PPWR), are also well under way and we are confident that we will be able to meet the requirements of the various regulations. With our vision guiding our sustainability work, our own goals and targets are well aligned with the ambition of the EU's Green Deal. Although there is currently uncertainty within the EU about the development of several of these regulations, Midsona's work continues unabated.

By living our vision, we see an opportunity to create value for the planet, for people and for Midsona, today and for many generations to come.

Beatrice Perlman Ewert
Chief Sustainability Officer

Sustainability agenda and climate change strategy

Midsona's strategy and mission build on a passion for healthy, natural and sustainable food. This makes sustainability an integral part of the Group's business. The process of transforming people's eating habits towards healthier, more sustainable alternatives is the Group's driving force. Midsona's sustainability agenda is guided by the Group's vision. This involves maintaining control over the Group's impact, risks and opportunities using scenario analyses and corresponding risk management, acting accordingly and ensuring that existing and future regulations linked to sustainability are integrated in the business.

Midsona has established an organisation with efficient processes, based on an in-depth understanding of the needs and requirements of stakeholders. The sustainability agenda reflects a high level of ambition. Midsona will contribute to a sustainable society by promoting a healthier lifestyle through the production and marketing of sustainable foods.

To achieve these goals, Midsona focuses on understanding the needs of stakeholders, having extensive knowledge of health and sustainability, and collaborating with suppliers throughout the supply chain to ensure a s ustainable value chain. Midsona's work on sustainability revolves around six development areas, which are shown below: These areas are in line with the UN Sustainable Development Goals (SDGs). This holistic approach emphasises Midsona's commitment to having a positive impact on society and reducing the Group's impact on the environment through strategic sustainability initiatives.

Midsona pursues a dynamic sustainability agenda with ambitious targets that continuously evolves alongside global developments. The Group's sustainability targets, developed through materiality and risk assessments, are Specific, Measurable, Achievable, Relevant and Time-bound (SMART). They focus on areas that are crucial for Midsona and its stakeholders.

The targets are based on the Group's SDG mapping and the UN's calls for action. Targets help measure progress and facilitate the management of significant sustainability risks and opportunities.

Updating the sustainability agenda

With the preparation work for the EU's Corporate Sustainability Reporting Directive (CSRD), which includes mandatory updated reporting requirements according to the European Sustainability Reporting Standards (ESRS), Midsona is in an ongoing process of reviewing both the sustainability agenda and targets based on the comprehensive double materiality assessment that the Group has performed. The assessment was performed in line with the requirements of ESRS and during the year Midsona worked on the subsequent GAP analysis that helps identify gaps between the Group's existing data and the reporting requirement in ESRS. In 2025, Midsona plans to present more details on the outcome of this work. For the 2024 report, Midsona continues to report in accordance with GRI Standards.

Ambitious climate change strategy

One of Midsona's major focus areas is climate impact. Midsona recognises climate change as a major global challenge and has adopted a climate change strategy which has been approved by the Board of Directors and Group Management. In 2024, Midsona had its updated science-based emission reduction targets, which are now aligned with the 1.5-degree target, approved by SBTi. Midsona has committed to achieve net-zero greenhouse gas emissions throughout the value chain by 2045. The overall net-zero target with associated new short-term and long-term targets, including FLAG (Forest, Land, Agriculture) targets, is in line with the Paris Agreement, the EU targets and the Swedish government's target of net-zero greenhouse gas emissions by 2045.

Sustainable brands

Target 2030
100%
plant-based or vegetarian assortment

Target 2025
100%
recyclable plastic packaging

Healthy work environment

Targets
Healthy workplaces that foster healthy employees with no work-related injuries

50/50
gender distribution in management positions

Responsible sourcing

Target 2025
100%
risk-classified suppliers in accordance with sustainable guidelines

Target 2025
100%
own brands free from palm oil

Safe products

Target 2025
100%
risk-classified suppliers in accordance with safe products

Target
100%
certification of own production units, in accordance with international standards

Efficient transport

Target 2030
100%
fossil-free transport contracted by Midsona[4]

Efficient use of resources

Target 2045
Net-zero
Reduced emissions in accordance with Science Based Targets, 1.5°C target from base year 2022

Target 2030
42%
reduced emissions in Scopes 1, 2 and 3

Target 2028
70%
of Midsona's suppliers[1] are to be aligned with SBTi

Target 2030
30.3%
reduced emissions from FLAG[5]

Target 2025
No deforestation[6]

Target 2025
90%
waste recycling[2]

100%
reuse of food waste[2]

Target 2028
100%
renewable energy[2]

Target 2030
10%
reduced water use[2,3]

[1] Based on purchasing costs
[2] Own operations.
[3] measured in water intensity (m^3/tonne produced). The Spanish operations aim to reduce by 20%.
[4] For the Nordic region, 100% fossil-free transport contracted by Midsona by 2025.
[5] Forest, Land, Agriculture emissions
[6] Related to Midsona's high-risk raw materials related to deforestation, such as palm oil, soy, cocoa and paper.

Targets and outcome

For in-depth information on targets and outcomes, see the description of targets on pages 40-72 and sustainability data from page 75.

Plant-based or vegetarian assortment

We influence people's lifestyles: *be a pioneer in low-carbon, plant-based, healthy products.*

Target 2030	Outcome 2024
100%	99%

Recyclable plastic packaging

We contribute to circularity: *our packaging strategy increases the share of packaging that can be recycled.*

Target 2025	Outcome 2024
100%	50%*

* The proportion of recyclable packaging material is 55%.

Healthy workplace

We affect our employees' health and safety: *promote good health and prevent injuries among our employees.*

Target	Outcome 2024
0	21*

Gender distribution in management positions**

We recognise the importance of equal gender distribution: *as a responsible company, we work in line with the UN's sustainability goals for increased gender equality, with equal rights and salaries among our managerial positions.*

Target	Outcome 2024***
50/50	51/49%

* A physical injury in the work environment with an absence of at least one full working day that is documented.
** Includes Group Management and Group management circles.
*** Women/Men.

Risk-classified suppliers in accordance with sustainable guidelines

We take responsibility for our supply chain: *We are expected to monitor our suppliers and supply chain and ensure transparency.*

Target 2025	Outcome 2024
100%	67%*

Own brands free from palm oil

We contribute to biodiversity: *we are expected to encourage a more sustainable supply chain and raw materials.*

Target 2025	Outcome 2024
100%	99.99%**

* 95% in Division Nordics, 100% in Division North Europe and 0% in Division South Europe.
** Percentage of purchased tonnes.

Risk-classified suppliers in accordance with safe products

We take responsibility for product safety in the supply chain: *Product safety must be ensured throughout our complex supply chain.*

Target 2025	Outcome 2024
100%	67%*

Certification of own production units**

We protect public health and safety: *we improve access to healthy, safe, sustainable foods and products in an increasingly complex world.*

Target	Outcome 2024
100%	100%

* 95% in Division Nordics, 100% in Division North Europe and 0% in Division South Europe.
** Exemption for small production units

Reduced emissions in accordance with Science Based Targets, 1.5°C target from base year 2022

Target 2045
Net-zero emissions

Target 2030	Outcome 2024
-42%	-12%

*emissions in Scopes 1, 2 and 3**

Target 2028	Outcome 2024
70%	11.2%

*of Midsona's suppliers** are to be aligned with SBTi*

Target 2030	Outcome 2024
-30.3%	-11%

emissions from FLAG

Target 2025
No deforestation***

Reduce consumption and introduce renewable energy****

We work with efficient and renewable energy: *in line with our climate change strategy, we ensure increased energy efficiency and a low-carbon energy supply*

Target 2028 renewable	Outcome 2024 renewable
100%	35%
	Outcome reduction
	-5%

* Excluding purchased goods and services
** Based on purchasing costs
*** Related to Midsona's high-risk raw materials related to deforestation, such as palm oil, soy, cocoa and paper.
**** Against baseline year 2022

Recycled waste and reuse of food waste

Our contribution to a circular economy: *return materials to the product cycle when they have reached the end of their life cycle.*

Target waste 2025	Outcome 2024
90%	81%

Target food waste 2025	Outcome 2024
100%	97%

Reduce water use*

We take responsibility for our water consumption: *minimise water use, particularly in drier countries in southern Europe.*

Target 2030 Spain	Outcome 2024
-20%	-11%

Target 2030	Outcome 2024
-10%	2%

* Since 2023. Measured in water intensity (m^3/tonne produced).

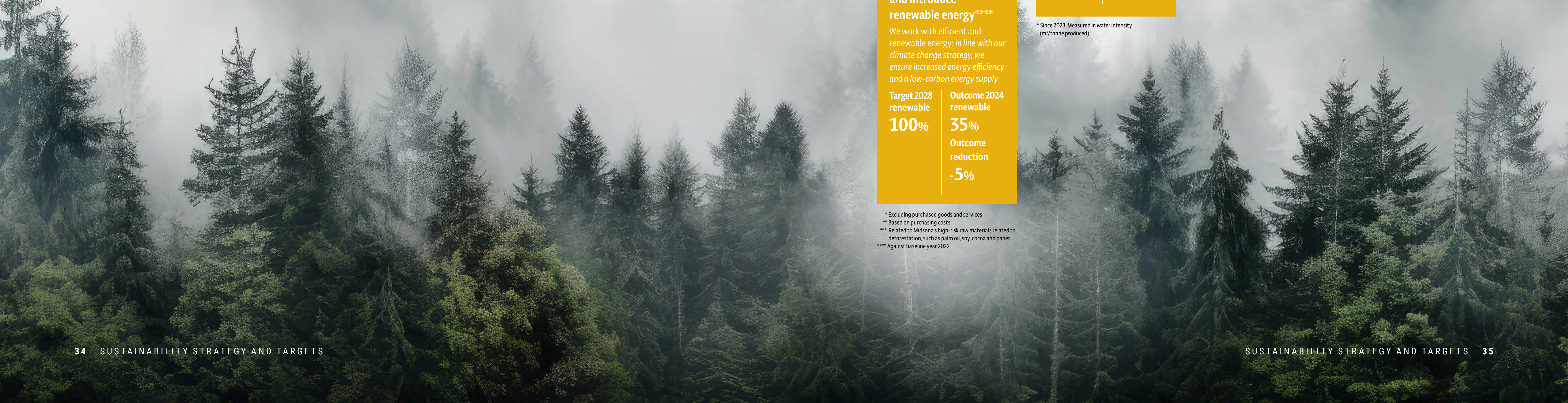
Fossil-free transport*

We adapt our transport: *our climate strategy sets the direction for fossil-free transport in line with our largest customers' expectations and targets.*

Target 2030	Outcome 2024
100%	-14%**

Target 2025 Nordics	Outcome 2024
100%	-10%**

* Transport contracted by Midsona.
** Percentage reduction in emission intensity (tonnes CO2/tonne transported) for transport contracted by Midsona since 2023.



Sustainability governance

How the Midsona Group manages its environmental, social and economic impact.

Overall, Midsona's sustainability governance involves how the Group handles social and environmental issues, risks and opportunities, promotes long-term sustainability, creates value for stakeholders and ensures compliance with sustainability regulations. Based on this work, Midsona sets clear targets supported by dedicated leadership and attention to societal development, and with consideration for the expectations of the Group's stakeholders. Sustainability and profitability are interwoven in Midsona's operations by material sustainability aspects being integrated in business decisions.

Midsona's Board has a supervisory role in sustainable development, and the CEO has overall responsibility for sustainability matters. The CSO is responsible for establishing the Group's sustainability framework and ensuring its alignment with global frameworks and the Group's vision to be a European leader in healthy, sustainable products.

The CEO, working with the CSO, ensures that Group Management assume active responsibility for the sustainability agenda. Through regular updates to Group Management, the sustainability work is discussed in terms of strategy, goals, projects, activities, and progress.

Through Group Management, the CSO ensures good sustainability governance so that the Group's decisions are implemented in the divisions and integrated in business practices. The Group also has a sustainability controller, who reports to both the CSO and the CFO, strengthening the link between financial and sustainability aspects. To support this work, Midsona's governance is based on a clear division of responsibilities in which roles and their respective tasks are described. Clear KPIs and incentives are also applied in the management and implementation of target-related issues.

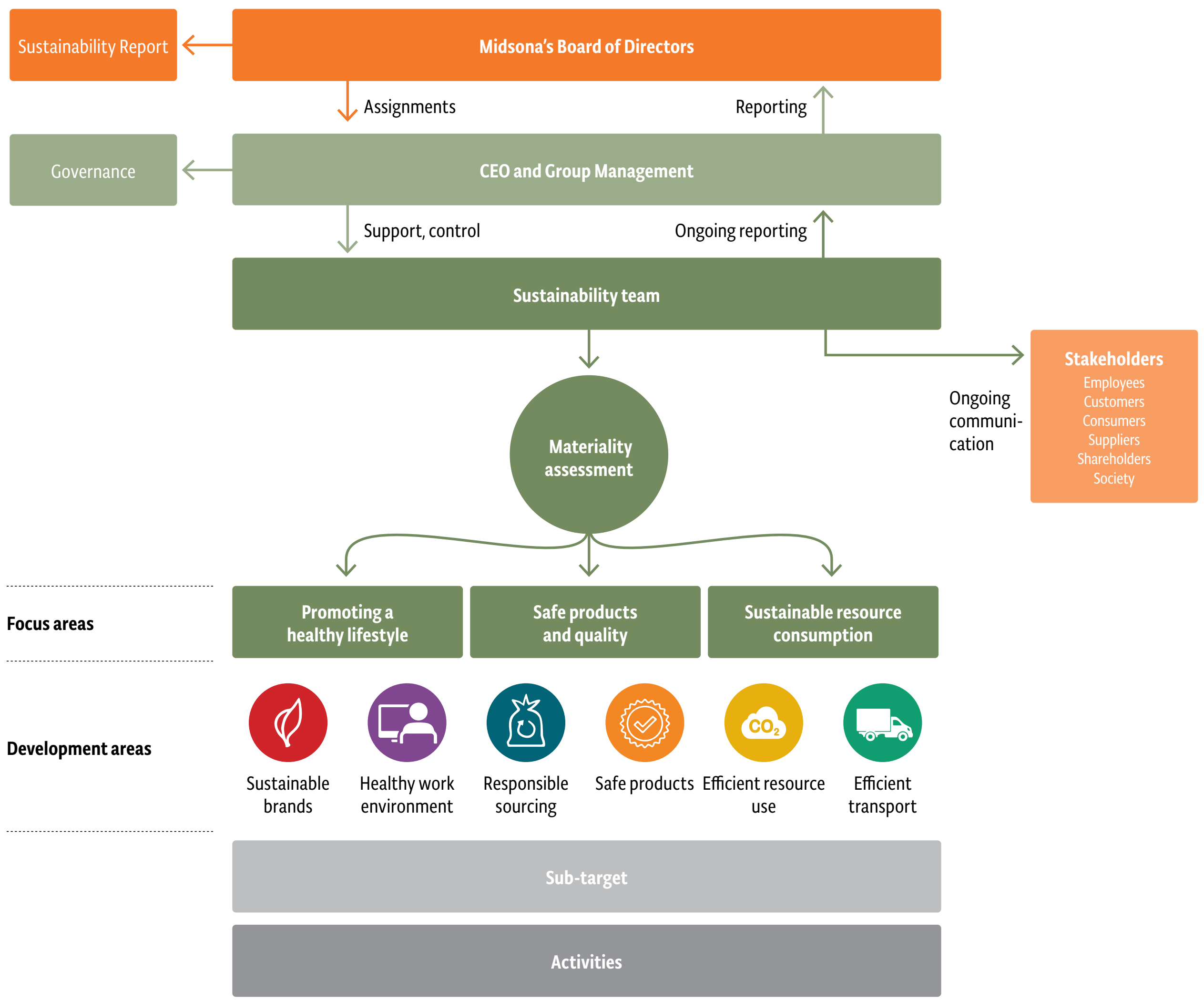
To learn more about Midsona's sustainability governance and how the Board and Group Management are included, read Midsona's CDP report via the following link: *https://www.midsona.com/sustainability#documents*

Sustainability reporting platforms

Midsona's framework for sustainability reporting is presented on page 2. Midsona uses different digital reporting platforms in its operation to develop and measure activities in relation to set targets and their KPIs, to conduct annual assessments and to compare improvements over time. This allows the Group to systematically monitor performance and progress and ensure a focus on the most important areas. This is necessary to maintain a high level of quality in Midsona's reporting and its metrics. The metrics are closely related to the Global Reporting Initiative (GRI). Midsona also reports in accordance with the Greenhouse Gas Protocol Scopes 1, 2 and 3 and GHG FLAG to ensure that the Group can measure emissions and progress towards set emission reduction targets in accordance with globally recognised methodology. The Group also reports via CDP, a leading global climate reporting initiative, and the reporting includes the TCFD recommendations. The Task Force on Climate-related Financial Disclosures is an international framework that helps companies identify, manage and report climate-related risks and opportunities.

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Midsona's sustainability governance model



Key policy documents for operations

Midsona places great emphasis on health and sustainability, with the Group's Code of Conduct and Sustainability Policy serving as a key policy documents. The Code emphasises responsible, integrity-based actions by all individuals associated with Midsona. The Group maintains a well-functioning control system, which ensures a formalised model for internal control adapted to Midsona's culture and ethical values. Midsona's sustainability policy forms the basis of the Group's sustainability work. Since 2021, it has also included instructions to contribute to better governance linked to sustainable raw material production, biodiversity, genetically modified organisms (GMOs), palm oil, fish oil, paper use and animal welfare. Further adjustments based on the outcome of the double materiality assessment are also currently being made. Among other things, the policy document addresses biodiversity and Midsona's target for combating deforestation.

Health and human rights

Midsona has been affiliated with the UN Global Compact since 2011. Respect for human rights, labour laws, health, safety and work environment are high priorities. The Group's efforts to improve human health are consistent with the global Sustainable Development Goals. Midsona thus supports the UN's Universal Declaration of Human Rights, the UN Convention against Corruption, the ILO's core conventions and the Rio Declaration. Midsona expects all suppliers and other partners to share these same priorities. In 2022, work began to improve the Group's human rights processes based on the OECD's Human Rights Due Diligence (HRDD) framework.

Midsona's work on human rights and the Group's responsibilities towards people and society are regulated in Midsona's Code of Conduct, Supplier Code of Conduct, Supplier Self-Assessment and Personnel Policy with underlying procedures for the work environment, employee interviews, skills development and health. Midsona has also reviewed and updated the Group's policies and guidelines to ensure that all existing company documents and Midsona's corporate culture are aligned with requirements from the OECD's HRDD. This includes guidelines for requirements for employees, business partners, suppliers and business relationships.

With Midsona's efforts to improve human health and promote human rights, we support the following Sustainable Development Goals:

Ethics, integrity and combating corruption

Midsona actively fights corruption and irregularities and works in accordance with the values described in the Code of Conduct, Corporate Governance Policy, Communication and IR Policy and Whistleblower Policy. Through the whistleblower service, employees can anonymously report concerns about behaviour that is contrary to the Group's values.

With Midsona's efforts to combat corruption and other irregularities, we support one of the Sustainable Development Goals.

Environmental impact and climate

Midsona works to mitigate the Group's negative environmental impact and to transition to an environmentally sustainable society. The Group follows established procedures for product development, production and transport. Climate impact is a primary focus for several reasons, such as the identified global climate challenges and the outcome of Midsona's materiality assessment, which was based on the CDP, SBTi and TCFD guidelines and frameworks when evaluating the climate area. Other nature-related areas are then assessed, such as biodiversity and soil contamination, where TNFD's guidelines were used as a guide for assessment.

The Group continuously develops Midsona's work in these areas with regular assessments of the Group's impact, risks and opportunities based on recognised international frameworks. To learn more about how Midsona manages and conducts its climate work, read the CDP report via the following link: *https://www.midsona.com/sustainability#documents*

In addition to application of TCFD, SBTi and CDP recommendations for nature and climate-related measures, Midsona's environmental initiatives are regulated by the following policy documents: the Code of Conduct, Supplier Code of Conduct, Supplier Self-Assessment, Sustainability Policy, Travel Policy, Instructions for the selection of sustainable raw materials, Chemical controls and Midsona's brand innovation templates.

Midsona endeavours to work in line with the latest scientific recommendations and contributes to achievement of the Sustainable Development Goals via the Group's environmental and climate work.

Midsona's work for the environment and climate supports the following Sustainable Development Goals.

Stakeholder dialogue, materiality assessment and CSRD

Stakeholder engagement is central to Midsona's sustainability strategy, with a communication plan that ensures continuous dialogue and exchange of information. Material sustainability matters are identified through stakeholder dialogues, giving consideration to economic, social and environmental impacts.

To prepare the Group for the CSRD, with mandatory reporting according to the ESRS, Midsona has begun switching to the new reporting standards to be ready when the Directive enters into force in Swedish legislation. This work includes performing a double materiality assessment in line with the procedure described in the ESRS, which was performed in 2023 and will be updated in 2025. Based on the Group's material topics, in 2024 Midsona continued to work on the GAP analysis between the Group's existing data and the ESRS reporting requirement and began gathering data for new datapoints. The work also includes reviewing gaps in policies, targets and action plans in relation to the areas identified as material. Midsona also monitors the EU Taxonomy requirements for the food industry and adapts accordingly.

Pending the CSRD, Midsona reports in accordance with GRI Standards.

The Group's most material sustainability matters, based on GRI's framework for the materiality assessment, related to Midsona's ability to influence risks and opportunities include (in descending order):

- Climate change
- Energy
- Transport
- Waste management in the organisation, food waste and handling of packaging
- Social (human rights) and environmental impacts in the value chain (supplier and supply chain).
- Biodiversity and production of raw materials
- Product and food safety
- Water use

Midsona works actively on these matters to address the Group's impacts and risks, while endeavouring to support the Sustainable Development Goals. Future updates to the Group's sustainability framework will comply with CSRD guidelines and be based on the Group's double materiality assessment.

Midsona has updated the Group's stakeholder list by adapting it to the CSRD requirements. The section on sustainability data presents the details of how Midsona creates value for the Group's primary stakeholders.

Sustainable brands

Midsona's business is founded on responding to strong consumer trends in health and well-being. These two areas are also in line with consumers' wishes to choose more sustainable options, with growing numbers avoiding animal products, unnecessary additives and products with poor nutritional content. Midsona's focus on plant-based and organic products benefits from these trends, and the Group's passion lies in influencing people in their choices and helping them choose healthier, more sustainable alternatives. The strategy also builds on strong growth with strong brands in priority categories.

Midsona's work with sustainable brands contributes to achievement of eight of the Sustainable Development Goals.

Plant-based and vegetarian foods

Target 2030
100%
plant-based or vegetarian assortment

Midsona's objective

Demand for plant-based food alternatives has risen steadily in recent years. The segment is expected to continue to grow, which generates market advantages for Midsona. The Group develops new products that meet the needs of consumers and customers. Midsona seeks to offer options with a low climate footprint, where sustainability aspects are included from harvest to finished product. The Group's target is for all own-brand products to be plant-based[1] or vegetarian[2] by 2030.

How Midsona will meet its target

- Map the product range and establish datapoints in relation to the requirements set for plant-based and vegetarian products.
- Map market opportunities and their economic significance and decide on commercial actions to promote plant-based options.
- Map potential new acquisitions to ensure that they are in line with the objective.
- Invest in technology and capacity for the Group's own production of plant-based foods.
- Work with suppliers and third-party manufacturers of plant-based alternatives.
- Work with innovation and product design that also promote plant-based products.

Progress in 2024

- Several new plant-based innovations were launched during the year, including Veggie Kebab under the Davert brand and new plant-based burgers from the Group's own production facility in Spain.
- The production of plant-based meat alternativesin Midsona's Spanish factory increased by over 10% to around 1,800 tonnes. At the factory, Midsona develops and manufactures third-generation low-carbon plant-based alternatives, including products that mimic chicken, fish and meat. An estimated 15,000 tonnes of CO_2e emissions per functional unit were avoided in the reporting year, compared with reference products. The figure is calculated using an attribution estimation method, which is described in more detail in Midsona's 2023 CDP report.
- The Davert brand sponsored the national Olympic rowing team 'Deutschland Achter' during the Olympics as part of a long-term collaboration to promote plant-based alternatives.
- Collaborations with social media influencers in several markets, such as Germany, Norway and Sweden.
- Several communication campaigns took place during the year, both in our own social media channels and through communication material shared with the press in the German market in connection with Davert's 40th anniversary celebrations.

Midsona today

- In 2024, the proportion of own-brand plant-based or vegetarian products totalled 99% (98) of the assortment.
- In 2024, the proportion of own-brand plant-based products totalled 92% (88) of the assortment.
- In 2024, the proportion of plant-based or vegetarian products among priority own brands totalled 99% (99).
- In 2024, the proportion of plant-based products among priority own brands totalled 93% (92).
- See the appendix to read more about Scope 3 greenhouse gas emissions in tCO_2e for purchased goods and services.

GRI 305-3

Read more in the section on Sustainability data on page 75.

[1] Plant-based: a product in which nothing derives from an animal (for example excludes meat, eggs, dairy products, honey). NB: without counting the source of additives.
[2] Vegetarian: the product may contain eggs and dairy products, but not products from dead animals (poultry, fish, shellfish, meat, e.g. fish oil, gelatine, collagen). NB: without counting the source of additives.

Organic and other certifications

Midsona's objective

The UN Sustainable Development Goals (SDGs) 14 and 15, the UN Convention on Biological Diversity with its Global Biodiversity Framework (GBF)[1] and the EU Biodiversity Strategy[2] indicate the importance of conserving biodiversity. It has never before been more pressing to preserve the Earth's ecosystems and the biodiversity that is essential to life on the planet.

Midsona endeavours to increase sales of plant-based foods and to offer a wide range of products that reduce the negative impact on the environment and biodiversity in various ways. The products and production should also have a positive impact on people, including human rights. A key factor in this work is to have effective supervision of the value chain and establish transparency to enable sustainable sourcing of raw materials. As far as possible, Midsona endeavours to produce or purchase volumes that come from EU certified-organic suppliers. Our suppliers should operate according to organic farming methods, produce and market organic products (EU 2018/848), and use other product certifications with a positive environmental or social impact, such as KRAV, Vegan, ECOCERT, Friends of the Sea, Fairtrade and Demeter.

The Group is one of the largest suppliers of organic food in the Nordic region. Midsona helps people live healthier lives with organic brands and high-quality plant-based products. You can read more about how Midsona works with certified raw materials in the chapter "Responsible purchasing" on page 50.

How Midsona will meet its target

- Map and measure the range based on the Group's product and raw material certifications.
- Map the availability of certified products and raw materials in the market and the financial significance of the purchase of high classification certified raw materials.
- Decide on commercial actions to promote organic and other certified products.
- Increase capacity and production of organic or other third party-certified raw materials in the Group.
- Work with third-party manufacturers for increased raw material and product certification.
- Invest in innovation to ensure growth and an increased portfolio of products with environmental or social certification.

Progress in 2024

- Continued focus on strengthening the position of organic and plant-based foods in countries where Midsona operates.
- Increased presence in the grocery trade in France and Spain to reach a wider audience with organic, plant-based foods.
- Increased focus on the 'Kungsprogrammet' store concept in Sweden, aiming to promote organic food through store events and demonstrations. The programme also uses nudging, communication and visibility to inspire and engage customers.
- Rice from Midsona's rice project in Cambodia has now been expanded to use in products from both Davert and Urtekram.
- Continued collaboration between selected retailers to strengthen the position of organic products in stores. In 2023, Midsona began working with Hemköp in Sweden and with other actors in 2024.
- The organic brands Kung Markatta and Urtekram continued to partner the 'Årets EKO-insats' (Eco Initiative of the Year) award at the Swedish retail gala.
- Continued increase in use of the Finnish 'key flag' symbol (locally produced products) with around 60 products under six brands (Makrobios, Bertil's, Omega 7, Membrasin, Karpalact, Elivo).
- Two more Bioland[3]-certified cereal products were launched in Germany.
- Increased digital presence for Urtekram Beauty to strengthen the vegan and organic beauty market.
- Midsona was involved in awarding the 'Årets raket 2024' (Rocket of the Year 2024) prize at the Nordic Organic Food Fair (NOFF) to recognise the Swedish municipality that has had the greatest increase in the proportion of organic purchases.
- 100% organic products from Midsona's production in Spain, France and Germany.

Midsona today

- Midsona's sales of organic products currently account for 54 percent (52) of the Group's total sales. Of these sales, 4% comprise the Group's organic beauty brand Urtekram Beauty, which is certified in accordance with ECOCERT Cosmos and the Vegan Society's Trademark.

Read more in the section on Sustainability data on page 76.

GRI 304-2

[1] https://www.unep.org/resources/kunming-montreal-global-biodiversity-framework
[2] https://environment.ec.europa.eu/strategy/biodiversity-strategy-2030_en
[3] Bioland is the leading association for organic farming in Germany. Around 8,700 farmers, gardeners, beekeepers and winemakers produce goods in accordance with Bioland's standards. In addition, more than 1,400 processors, such as bakeries, dairies, butchers, restaurants and retailers, are Bioland partners. They act as a community with shared values that benefit humanity and the environment.

Sustainable packaging

Midsona's objective

Packaging plays an important role in Midsona's ability to reduce the Group's environmental impact. Midsona's overall goal is to follow existing requirements for recyclability without sacrificing product durability.

Demand for circular alternatives is increasing among consumers, customers and decision-makers. As recently as December 2024, the Packaging and Packaging Waste Regulation (PPWR) was adopted in the EU with clear targets linked to circular packaging to reduce its environmental impact and clarify the requirements for circular alternatives. Midsona's Climate Transition Plan for meeting the 1.5-degree target also requires increased circularity for all packaging materials. In the long term, this means 100% recyclable packaging and packaging made from 100% recycled material, regardless of the type of material. Midsona's packaging strategy offers an important way of meeting all these requirements. The Group endeavours to:

- Ensure that greenhouse gas emissions from packaging are reduced as much as possible
- Increase the use of recycled and recyclable materials in the Group's packaging
- Choose FSC-certified paper raw materials or similar to ensure sustainable forestry
- Reduce packaging material consumption
- Apply labels with instructions for recycling
- Follow the development of future requirements for sustainability labelling, climate footprint, and emissions accounting

Midsona always follows recycling requirements in the markets in which it operates, with the ambition to lead the way. With the Group's innovations and product range processes, Midsona has the opportunity to create greater demand for recycled packaging materials, and simultaneously promote increased levels of sorting and collection of waste that can, in turn, be reused. The pace of innovation for new packaging alternatives is high and via clear goals, governance and reporting we ensure that the handling of packaging-related issues is integrated in day-to-day operations.

Progress in 2024

- A major effort to ensure an equivalent data basis for packaging throughout the Group began in 2024, which has contributed to improved data quality and a basis to enable Midsona to work more efficiently towards its packaging goals.
- The collection of more detailed packaging information, especially linked to finished goods, began during the year to meet the requirements for recyclability that the PPWR entails.
- At the start of the year, a switch was made from cans to liquid cartons for Kung Markatta coconut milk and coconut cream products. During the year, work continued to prepare the transition of several products to liquid cartons. In 2025, several tomato products under the Kung Markatta and Helios brands are expected to be relaunched in liquid cartons. Tetra Pak liquid cartons consist mainly of paper. The plastic film on the carton is made from plant-based plastics and has a lower environmental impact than fossil-based plastics. The packaging switch has a significant impact on greenhouse gas emissions. The liquid carton has approximately 80% lower CO_2e emissions per pack than a can.[1]
- Optimisation of secondary packaging (trays) in Germany is expected to lead to reduced material consumption, increased storage capacity and improved transport efficiency.

Midsona today

- In 2024, 49% (61) of packaging material purchased for Midsona's own production was recycled. The decrease is due to improved data quality, distinguishing recycled packaging material from FSC-certified packaging and bioplastic packaging. If the same method as in previous years had been applied, the proportion of recycled material would have been 61%.
- In 2024, 13% (13) of plastic packaging material purchased for Midsona's own production was recycled. The result is unchanged, which is due to improved data quality, distinguishing recycled plastic packaging material from bioplastics. If the same method as in previous years had been applied, the proportion of recycled material would have been 16%.
- In 2024, 51 percent (42) of product packaging had recycling instructions.

GRI 301-2 | GRI 304-2 | GRI 305-3

Read more in the section on Sustainability data on pages 76-79.

[1] https://www.tetrapak.com/sv-se/solutions/packaging/packaging-material

Recyclable plastic packaging

Target 2025
100%
recyclable plastic packaging

Midsona's objective

Midsona is affiliated with the Plastic Initiative in Sweden[1]. Affiliated companies share the goal of having 100 percent recyclable plastic packaging for their brands. For Midsona, the goal covers the entire Group. The Group has a major focus on recyclable plastic materials, plastic colouring and printing to promote the recycling process. By using recyclable packaging, greenhouse gas emissions during the final processing of sold products can be reduced .

With the adoption of the PPWR, Midsona has started the work to understand its impact on the national recycling guidelines already in place. As further design guidance is expected in the coming years, it is crucial for Midsona to make long-term decisions on packaging changes to meet its target.

How Midsona will meet its target

- Map metrics for packaging in relation to recycling requirements, and an overview of costs to plan future investments in packaging changes in the short, medium and long term (read more in the appendix on pages 82-83).
- Update technology and increase capacity for the Group's production with recyclable packaging solutions.
- Work with third-party manufacturers to find recyclable packaging solutions.
- Map potential new acquisitions to ensure that they are in line with Midsona's target for recyclable packaging.
- Invest in innovation and product design to meet the target.

Progress in 2024

- At Midsona's factories in Denmark, the project to increase the recycling rate of self-produced units continued. During the year, the switch to monoplastic for all plastic packaging in Tilst was completed. In Mariager, a further 50 items were switched to monoplastic in 2024. As Midsona currently follows guidelines from Swedish Plastic Recycling to classify the recycling rate in the Nordic region, the proportion of recyclable plastic packaging does not necessarily increase when switching to monoplastic. This is because several factors are assessed, such as adhesives and barriers, which are used for product safety and durability. Midsona follows developments in the field as there are constant changes.
- All Friggs brand corn and rice cakes (except for snack packs) switched to monoplastic packaging in 2024, improving recyclability. For these packages too, the adhesive means that they are not currently classed as recyclable according to Swedish Plastic Recycling. For Friggs snack pack cakes, Midsona continues to work on finding a recyclable solution.
- New bottles were launched for the Urtekram Beauty brand. They consist of recycled plastic that is also recyclable to improve circularity.
- More than 95 percent of the plastic film used in German production was replaced with monoplastic or other alternative solutions to increase the recyclability of the packaging.
- The packaging for Swebars switched to monomaterials instead of the previous PET/OPP combination, improving recyclability. The same solution has started to be tested on Gainomax bars, which are expected to make the switch in 2025.
- The project in Division North Europe to switch all labels from paper to polypropylene (PP) on plastic packaging continued, with the aim of improving recyclability to the highest level.
- The project for the transition to recyclable plastics on finished products continued. An important aspect has been the in-depth mapping of existing packaging and its components in order to carry out improvement work.

Midsona today

- In 2024, the share of recyclable packaging material totalled 55 percent (55), which includes the materials plastic, paper, glass, metal, aluminium and wood.
- In 2024, the share of recyclable plastic packaging material totalled 50 percent (46).
- The share of recyclable plastic packaging material in Division Nordics totalled 51 percent (47).
- In 2024, the share of recyclable plastic packaging material in Division North Europe totalled 60 percent (60).
- The share of recyclable plastic packaging material in Division South Europe totalled 30 percent (30).
- In 2024, total emissions for the final processing of sold products decreased by 25 percent from the base year of 2022. In the appendix, see also greenhouse gas emissions in tCO_2e for final processing of sold products, including emissions from packaging at the final stage.

GRI 301-1	GRI 305-3	GRI 306-1
GRI 306-2	GRI 306-4	

Read more in the section on Sustainability data on pages 78-79.

[1] https://www.dlf.se/branschinitiativ/plastinitiativet-2025

Healthy and sustainable work environment

We believe that a healthy, sustainable work environment is a prerequisite for a healthy life. Midsona is a company that cares for people and the planet, where human rights and decent working conditions are a matter of course. This applies to Midsona's entire organisation, its business partners and other business relationships in the Group's value chain. Providing a safe workplace for all employees is also essential. Accordingly, Midsona endeavours to cultivate a healthy, sustainable, safe, equal workplace that offers a balance between work life and private life.

To develop the Group's social sustainability principles and ensure good practice, Midsona has been affiliated to the UN Global Compact since 2011. Midsona also follows the OECD Due Diligence Guidance for Responsible Business Conduct for multinational enterprises. Midsona's Code of Conduct is based on the UN Global Compact and OECD guidance. In conjunction with the implementation of the Transparency Act in Norway, Midsona started to develop the Group's due diligence processes with a more comprehensive assessment of actual and potential negative social impacts.

Midsona's companies and operations are based in the EU and are governed by EU regulations, along with the Group's existing procedures based on Midsona's Code of Conduct. As a result, the risk of human rights violations among the Group's employees is deemed relatively low and is not a priority focus area. Instead, the focus is mainly on developing the due diligence processes in relation to Midsona's complex value chain, in which the risk of human rights violations is deemed higher. Read more about how Midsona works with human rights due diligence (HRDD) in the 'Sustainability management' section on page 38, and how the Group handles this in the supply chain in the 'Responsible sourcing' section on page 54, and on Midsona's website: *https://www.midsona.com/sustainability#focus-areas.*

In line with Midsona's mission to help everyone enjoy a healthier life, the Group values the dynamic environment created by a diverse workplace. Midsona also has zero tolerance for all forms of harassment, discrimination or other abusive behaviour. This creates a working culture in which new ideas and different perspectives and working methods can flourish.

A safe workplace is also of the utmost importance. Therefore, the Group works actively in the area of health, safety and the work environment.

Midsona's work to develop a healthy, sustainable work environment supports six of the Sustainable Development Goals.

Healthy work environment
Healthy workplaces that foster healthy employees with no work-related injuries

Promote a safe, healthy workplace

Midsona's objective

Midsona must be a safe, healthy workplace with no work-related injuries. In the aftermath of the coronavirus pandemic, Midsona adapted and improved the Group's measures to offer good opportunities for employees to work partly from home. In recent years, the Group has focused on ensuring safe workplaces and preventing work-related injuries. The Group seeks to be an employer that fosters a healthy life for all employees, whether they work at the office or from home.

How Midsona will meet its target

- Ensure that measurements are consistent with current practice regarding work-related injuries and illnesses.
- Map, measure and follow up on concrete data to define, promote and monitor Midsona's healthy workplaces: working hours, overtime, workplace flexibility and opportunities to work from home.
- Set up committees for health, the environment and safety at all sites, with regular meetings and work environment monitoring. Site-specific reports on preventative measures are continuously updated. Provide regular relevant training on health and safety in the workplace.
- Make individually tailored protective clothing available to all employees.
- Conduct regular employee surveys as a basis for developing and ensuring a good work environment.
- Support health-promotion measures and encourage physical activity. For example by partnerships with gyms, use of facilities that facilitate commuting by bicycle, encouraging walk-and-talk meetings.
- Develop the range of healthy food and drinks for employees.

Progress in 2024

- The Group worked on improving data on work-related injuries by updating the definition of the metrics to ensure a consistent methodology across the business and by introducing monthly reporting.
- All divisions worked extensively on health, safety and the work environment. This involves improved tracking of work-related injuries, procedures with regular safety training such as first aid, fire drills and chemicals handling, and an evaluation forum at which accidents, incidents and near misses are discussed and actions identified. Concrete examples of actions are the installation of screens at the mill in German production to reduce the risk of accidents when using the related stairs and the recruitment of a part-time employee focusing on health, safety and the work environment.
- To improve control over overtime practices, improved time reporting tools were introduced at several sites. In both Germany and Spain, systems were installed in 2023, with regular monitoring procedures implemented in 2024.
- Improved premises in several countries. The Malmö office underwent a complete renovation, including the modernisation of all the premises. In the French production site, a new common area for lunch and other gatherings was renovated.
- Midsona takes various actions in several countries to promote health and improve physical activity and mental well-being among the Group's employees. During the year, Division Nordics tested a digital break app with different movements to prevent work-related injuries related to sedentary computer work. In Sweden, the wellness allowance was increased to further promote health-enhancing activities. There were also various running, walking and cycling challenges. In Germany, the cycling challenge from previous years was repeated, with almost 40 employees participating, and in Denmark, several teams from Midsona participated in the DHL relay.
- Regular employee surveys were rolled out in Division Nordics with different focuses, including health, mental and physical wellbeing and the work environment, with all teams regularly following up on the results with different focuses depending on the outcomes.

Midsona today

- In 2024, 21 recordable work-related injuries were reported (35).
- In 2024, sickness absence was 6.0 percent (5.6).
- The figures for 2024 cover all Midsona facilities, including a total of 8 production units. The reduction in recordable work-related injuries reflects a strong commitment to health, safety and the environment, particularly in Division South Europe, where the number fell from 20 to 13 from the previous year.
- In 2024, the Lost Time Injury Frequency Rate (LTIFR) was 16.3 (23.2). LTIFR calculates accidents per 1 million working hours and is a good, recognised KPI in occupational safety.

GRI 403-2	GRI 403-3	GRI 403-4	GRI 403-5
GRI 403-6	GRI 403-7	GRI 403-9	GRI 403-10

Read more in the section on Sustainability data on pages 80-81.

Commitment, education and leadership

Midsona's objective

Committed and inspired employees are the key to creating a healthy work environment and meeting Midsona's targets. Midsona aims to develop an open, efficient, performance-oriented corporate culture with low thresholds for interaction. In the Group, Midsona sees the value of maintaining and continuously developing employees' different skills. The Group encourages and supports personal and professional development through various training initiatives.

At the same time, no organisation can function without reliable leadership, and Midsona strives to build a beneficial, efficient leadership culture with clear governance. The Group's leaders should be a source of inspiration and enthusiasm in their respective teams.

Midsona wants to create a strong, sustainable corporate culture permeated by the Group's common core values: Caring, Reliability, Motivation and Pride. This is a long-term process that is meant to generate positive effects in terms of creativity, innovation, passion and motivation.

How Midsona will meet its target

- **Pride and passion:** Inspire a sense of pride and confidence among employees so that they know they are a key part of a global transition to ensure a sustainable future. Continue to develop Midsona's sustainability agenda to ensure that the strategy is in line with the UN and the latest scientific findings, and continuously share knowledge with employees. Share success stories about Midsona's sustainability work to nurture and promote sustainability in day-to-day operations.
- **Reliability:** Draw up a credible Sustainability Transition Plan and make it available to employees and other stakeholders. This is to ensure transparency and assure employees and other stakeholders that Midsona is aligning with long-term goals and that the Group's business model will remain relevant in a net-zero carbon economy. Read more about the transition plan in the 'Sustainability Governance' section on page 36 or at *https://www.midsona.com/sustainability#focus-areas*.
- **Progress:** Provide concrete, documented results that are reported regularly, based on verified quality data. This enables stakeholders to follow progress and have confidence in Midsona. Reporting climate data verified by a third party is a vital step in explaining and managing the Group's climate impact. It also assures the accuracy of the data and reinforces brand credibility. Independent verification of environmental data can result in cost savings and a competitive advantage for the Group.
- **Motivation:** Ensure good implementation and performance management of Midsona's sustainability agenda and targets with clear leadership and governance principles, regulating responsibilities, tasks and obligations.
- **Education:** Develop leadership talent and employees' skills with internal lectures, courses, seminars and webinars, and collaborate with students and academia.
- **Caring:** Carry out regular employee surveys. Midsona's system comprises a series of surveys with different aims, such as determining employee satisfaction or assessing mental wellness. Midsona also provides employees with a whistleblowing system through which they can anonymously share ideas, feedback and complaints.

Progress in 2024

- Various forums and training sessions were held in all divisions during the year to further strengthen leadership, cooperation and corporate culture through Midsona's values. These forums included both leaders at different levels and employees. Additional sustainability training was also organised to ensure and enable the integration of sustainability aspects in the business, both strategically and operationally.
- Regular employee surveys were rolled out in Division Nordics with different focuses, including leadership, with all teams regularly following up on the results depending on the outcomes.
- As part of the preparation for CSRD reporting, Midsona conducted a GAP analysis of existing targets, policies and data in relation to the outcome of the double materiality assessment. This provided a good understanding of the areas that should form the basis of Midsona's sustainability focus in the future, which will be presented in an updated framework in 2025.
- Midsona was awarded the highest rating, A, by the global environmental initiative CDP. As a result, Midsona was ranked as one of the 400 top listed companies worldwide in terms of climate change strategy and leadership, out of a total of around 21,000 participating companies. This is a great acknowledgement of Midsona's leadership on climate change strategy. Furthermore, Midsona was named one of the stock exchange's most sustainable companies in the grocery category in the annual Swedish 2024 Sustainable Companies ranking by Lund University in collaboration with Dagens Industri and Aktuell Hållbarhet. Midsona was also ranked fifth in an evaluation of a total of 130 Swedish listed companies' sustainability efforts.

Midsona today

- With Midsona's sustainability awards from both CDP and 2024 Sustainable Companies, the Group has once again confirmed that its strategy and leadership with regard to sustainability initiatives are consistent with best practice, based on the UN SDGs and global standards. Midsona continues to lead the way.
- The percentage of full-time employees receiving regular performance and career development reviews in 2024 was 97 percent (92).
- All employees are given opportunities to learn and improve their English skills.

GRI 403-4 | GRI 403-6 | GRI 404-1 | GRI 404-2 | GRI 404-3

Corporate culture of diversity, inclusion and equality

Targets
50/50
gender distribution in management positions

Midsona's objective

Midsona strives to create an equal, inclusive work environment characterised by diversity. The Group seeks to have a balanced gender distribution at all levels, with equal conditions and opportunities available to all employees. Harassment, discrimination and other abusive treatment are never accepted. The Group has a relatively even gender distribution and works actively to maintain roughly 50/50 gender representation in management positions.

How Midsona will meet its target

- Improve and ensure metrics for gender distribution, including contract type, basic salary and remuneration.
- Ensure measurements for discrimination.
- Assess only the potential, expertise and development opportunities of both potential and current employees in connection with recruitment and promotion.
- Offer working conditions suited to all employees, with flexible working days, the option to work from home and the option of part-time work. These are expanded to also include senior positions.
- Take measures to improve gender representation and drive integration and inclusion.
- Shape a transparent culture and encourage intercultural dialogue.
- Promote teambuilding and formal and informal Group-wide events.
- Ensure transparent internal communication via the intranet, which measures interaction and is regularly evaluated.

Progress in 2024

- Regular employee surveys were rolled out in Division Nordics with different focuses, including diversity and equality, with all teams regularly following up on the results depending on the outcomes.
- Further improvement of data quality with Finance and HR by means of clarification of definitions, to ensure harmonised measurements of gender balance and other social data across the Group.

Midsona today

- An even gender distribution in managerial positions includes Group Management and Group management circles. 23/22 in numbers, which means a distribution of 51 percent women and 49 percent men.
- **Gender distribution of Midsona's Board of Directors:** 2/5, which means a distribution of 29 percent women and 71 percent men.
- **Gender distribution of Group Management:** 4/5, which means a distribution of 44 percent women and 56 percent men.
- **Gender distribution in the Group:** 54 percent women, 46 percent men.
- **Salary and remuneration for Management and Board of Directors by gender:** 41 percent women /59 percent men.
- **Salary and remuneration for other employees by gender:** 56 percent women/44 percent men.
- **Salary and remuneration for all employees by gender** 43 percent women/57 percent men.
- In 2024, 0 cases of discrimination were reported, from 3 cases in 2023. Midsona has zero tolerance for discrimination.
- No cases of corruption were reported in 2024.
- All employees have access to Midsona's intranet.
- Regular newsletters from all departments including the sustainability department, and CEO letters to all Group employees.

Read more in the section on Sustainability data on page 81.

GRI 401-1 | GRI 401-2 | GRI 405-1 | GRI 406-1 | GRI 205-1 | GRI 205-3

Responsible sourcing

To be able to deliver safe and responsibly produced products, Midsona's first step must be to purchase responsibly produced raw materials. Responsible sourcing is one of Midsona's largest areas of influence regarding sustainability, and the Group seeks to work with sustainable suppliers and promote healthy, safe working conditions, respecting human rights throughout the supply chain.

In collaboration with the Group's suppliers, Midsona works to ensure that all suppliers meet requirements and conduct their operations sustainably.

Through targeted supplier engagement and close, long-term relationships built on mutual trust, Midsona uses an internal system to monitor suppliers' work. Representatives from the Group also have the opportunity to carry out regular supplier checks, visits and partnerships. Midsona also works closely with third-party actors and various certifications as an additional guarantee for the products and raw materials that are purchased.

Midsona always strives to develop the Group's supply chain to ensure that purchased raw materials are responsibly produced from an environmental, social and economic standpoint. Our close links and commitment to agriculture add value for Midsona, the Group's customers and suppliers, and farmers.

Midsona's work on responsible sourcing helps achieve 11 of the Sustainable Development Goals.

Human rights and social conditions in Midsona's value chains

Midsona's objective

Human rights have never been as relevant for the sustainability agenda as they are now. On 13 June 2024, the European Parliament adopted the Corporate Sustainability Due Diligence Directive (CSDDD)[1]. The purpose of the Directive is to promote sustainable, responsible business by integrating human rights and environmental considerations in companies' operations and corporate governance. The new rules will ensure that companies address negative impacts of their actions in their value chains within and outside Europe. Some countries have already adopted laws in this area which are harmonised with the UN's and the OECD's guidance on human rights and responsible action[2,3,4].

Midsona has identified the Group's extensive, complex global supply chains as a potential risk of negative impacts in terms of human rights, social criteria and the environment. Food systems are fragmented and embody major disparities in socioeconomic development and living conditions. For this reason, Midsona feels that measures are needed to prevent and mitigate risks in the Group's global supply chains, and to primarily address the potentially negative impacts. Midsona's process for compliance with the OECD's Human Rights Due Diligence (HRDD)[2] is described below, and in the 'Healthy work environment' chapter on page 46 and the 'Sustainability governance' chapter on page 38. To further strengthen the Group's work in human rights in the value chain, Midsona joined ETI Sweden on 1 January 2024. ETI is a members' organisation dedicated to promoting ethical trade and improving working conditions in global supply chains.

How Midsona will meet its target

Midsona aims to implement a due diligence process with the following supportive measures:

- Confirm areas of responsibility with the Board of Directors, senior management and the rest of the organisation and establish the necessary policy commitments for the Group's guidelines and governance systems to be aligned with the UN's and OECD's HRDD[2].
- Appoint a risk supervisor for the supply chains, who regularly reports risks identified to the Sustainability Committee.
- Map due diligence assessment requirements. This ensures that units have an overview of the conditions in their own organisation. They also need an overview of all their supply chains and other business relationships.
- Establish a process to identify and assess the risks to human and labour rights in line with the OECD's HRDD and locally applicable laws. The risk classification must be based on external, credible and generally accepted factors and globally recognised indices.
- Take action to counter risks and implement a risk management action plan.
- Track and review the results and conduct an annual review of the risk identification and management system.
- Communicate results publicly. As there is an obligation to provide information to anyone who requests it, the Group must be able to accept written requests for information, allocate responsibility for processing requests, and respond to inquiries (in some countries promptly).
- Coordinate with suppliers and other partners to ensure a response.

Progress in 2024

- Strengthened internal processes and systems to work towards CSDDD compliance and ensure supply chain due diligence.
- Sedex[5], one of the world's largest third-party supply chain audit data platforms, is used to understand relevant topics for workers in the value chain, both through the use of its risk indicators and through the use of their audit format SMETA.
- Started including social and environmental standards in the categorisation of raw materials in Midsona's ERP system to increase control and management of purchasing.
- Launch of project in Germany aimed at achieving farm-level traceability for selected pilot supply chains to monitor and measure sustainability aspects along supply chains. Digital transparency through QR code on final product for consumers.
- Continued to ensure compliance with the Transparency Act in Norway, more info at Midsona.no.

Midsona today

- In 2024, Midsona continued its journey to ensure compliance with Human Rights Due Diligence according to the OECD Due Diligence Guidance for Responsible Business Conduct[2] in the relevant countries where regulations such as the Transparency Act in Norway and corresponding regulations in Germany and France already apply. Midsona is also preparing this at Group level before the Corporate Sustainability Due Diligence Directive[1] (CSDDD) enters into force. The CSDDD will establish obligations for large companies regarding actual and potential negative impacts on human rights and the environment with respect to their own and subsidiaries' operations, and those of business partners.
- As of July 2022, Midsona has met the requirements of the Norwegian Transparency Act. The following information is available at *https://www.midsona.com/sustainability#documents* The above is consistent with the OECD Guidelines and corporate governance as described on page 38.

Read more on pages 36-39.

GRI 414-1 | GRI 414-2 | GRI 407-1 | GRI 408-1 | GRI 409-1

[1] https://eur-lex.europa.eu/eli/dir/2024/1760/oj/eng
[2] OECD Due Diligence Guidance for Responsible Business Conduct: https://mneguidelines.oecd.org/due-diligence-guidance-for-responsible-business-conduct.htm
[3] OECD Guidelines for Multinational Enterprises: https://mneguidelines.oecd.org/
[4] https://ecfr.eu/article/law-and-global-order-eu-legislation-on-human-rights-due-diligence/
[5] Sedex: The world's largest data platform for supply chain assessment to store, analyse, share, and report on sustainability practices: https://www.sedex.com/

Sustainable raw materials

Target 2025
100%
own brands
free from palm oil

Midsona's objective

Biodiversity and functioning ecosystems are two of Midsona's most important areas in the value chain, for both products and raw materials. To offer sustainable products, sustainable raw materials are essential. At the same time, the supply of raw materials always involves risks from several perspectives. Never before in human history has biodiversity been as threatened as it is today[1]. However, responsible agriculture, forestry and fishing have significant potential to mitigate these effects. This is something that has also been clarified by the EU via the EU Deforestation Regulation (EUDR), which comes into force on 30 December 2025. The aim is to prevent products linked to deforestation and forest degradation from being imported to or sold on the EU internal market.

By focusing on plant-based, sustainable raw materials and products, Midsona wants to contribute to more sustainable agriculture, forestry and fishing. Midsona is also working to expand the Group's third-party-certified products, as described on page 76. Choosing certified raw materials fosters responsible management of forests, land and marine resources. This, in turn, helps ensure future access to Midsona's high-risk raw materials that depend on a good climate and biodiversity, such as palm oil, fish oil, rice, maize, soya, cocoa and paper. For this reason, the Group adopted a position on all areas in 2021:

Organic

Midsona strives towards production with the least possible environmental impact. To support this, the Group follows strict guidelines and principles in accordance with EU requirements for organic farming and production and marketing of organic products (EU 2018/848). Organic farming comprises agricultural methods for producing food using natural substances and processes. Given the responsible use of energy and natural resources, the conservation of biodiversity, the use of more fertile soils and better water quality, it often has a limited environmental impact. The EU regulations on organic farming set a clear framework for organic production throughout the EU.[2]

Genetically modified organisms (GMOs)

Midsona products must not contain raw materials from GMOs. The Group does not accept products listed in the European Commission's register of genetically modified organisms or products that are labelled with the text 'This product contains genetically modified organisms' (EU 1829/2003 and 1830/2003). The raw materials that Midsona uses that have a risk of genetically modified (GM) materials are soya, maize, rapeseed and rice.

Roundtable on Sustainable Palm Oil (RSPO)

The protection of rainforests and indigenous peoples is essential, and measures must be taken against deforestation and the extinction of habitats. Midsona should avoid palm oil or, when no alternatives are available, only use RSPO-certified palm oil. By 2025, all of Midsona's own brand products are to be 100 percent free from palm oil.

Friends of the Sea (FOS) for fish oil

Sustainable fishing methods and sustainability certifications are necessary to ensure the sustainable use of oceans and marine resources. Midsona must ensure that the fish oil in the Group's products derives solely from sustainable fishing.

Forest Stewardship Council (FSC) for sustainable paper raw material

Midsona must contribute to the environmentally friendly and socially responsible use of forests. The Group may only buy FSC-certified paper products, alternatively PEFC-labelled.

Plant-based raw materials and animal welfare

Plant-based products are an important step for a low-carbon society. Animals must be treated well and protected from unnecessary suffering and disease. Midsona must market and supply plant-based products as a responsible alternative to animal products and never market products that have been tested on animals.

How Midsona will meet its target

To ensure appropriate handling of raw materials subject to risks, Midsona previously developed a Group-wide set of instructions/raw materials policy: 'Midsona's guidelines regarding GMOs, palm oil, fish oil, paper use and animal welfare'. This forms part of Midsona's Sustainability Policy and is a plan to protect biodiversity concerning fisheries, forestry, and agricultural production along the value chain. It includes the following actions:

- Implement value chain risk analysis using guidelines and standards for best practice for assessments of risks and opportunities, such as TCFD, TNFD and Sedex.
- Implement regular risk analysis. Identify raw material risks and opportunities in risk areas such as climate change, deforestation, water supply, biodiversity and animal welfare based both on the Group's impact and how Midsona's financial situation may develop in the future. The results of the 2023 double materiality assessment have meant that Midsona has begun updating the Group's raw materials policy.
- Establish systematic, integrated risk controls as part of the innovation process and the quality assurance system.
- Map and rate risk factors at Midsona's suppliers by means of Supplier Self Assessment (SSA) in Midsona's supplier portal Kodiak.
- Ensure that all suppliers sign and apply Midsona's Supplier Code of Conduct (SCOC).
- Validate the work with documentation or a sample analysis plan, where necessary.
- Include requirements for FSC-labelled paper and packaging materials in Midsona's Procurement Policy.
- Promote and make available plant-based foods as a responsible alternative to animal products.
- Be involved in relevant networks and organisations.

Progress in 2024

- Started including social and environmental standards in the categorisation of raw materials in Midsona's ERP system to increase control and management of purchasing.
- Launch of cross-functional project team working on ensuring compliance for products subject to the EUDR.
- Started updating Midsona's raw materials policy based on the materiality assessment of nature-relevant risks and opportunities. Performed on the basis of the TNFD as part of the Group's double materiality assessment.
- Launch of a project in Germany aimed at achieving farm-level traceability for selected pilot supply chains.

Midsona today

- In 2024, 99.99 percent of the Group's range is free from palm oil.
- 100 percent of purchased raw materials are GMO-free.
- 100 percent of fish oil purchased as a raw material in the Group's own production is FoS-certified.
- 100 percent organic-certified and vegan raw materials for cosmetic production (Urtekram Beauty).
- 90 percent (88) of Midsona's purchased raw materials for all in-house production are certified organic.

Read more in the section on Sustainability data on pages 82-83.

GRI 304-2 | GRI 305-3 (GHG scope 3) | GRI 308-2

[1] https://www.un.org/en/observances/biological-diversity-day
[2] https://agriculture.ec.europa.eu/farming/organic-farming/organics-glance_en

Supplier and supply chain control

Target 2025
100%
risk-classified suppliers in accordance with sustainable guidelines

Midsona's objective

It is important for Midsona to maintain close relationships with all suppliers. This way, the Group can ensure that Midsona works with suppliers that are sustainable or that demonstrate strong development potential. In the same way, Midsona can also ensure the Group's future access to sustainable resources and the protection of the environment, biodiversity and human rights. Midsona's targets in this regard are:

- 100 percent of Midsona's suppliers must be risk classified in accordance with sustainable guidelines by 2025.
- 100 percent of suppliers must have signed Midsona's Supplier Code of Conduct.

Through local purchasing and proximity to factories, Midsona can maintain good control and transparency with regard to production and the supply chain. In the minds of consumers, local production is often associated with superior and consistent quality and consumer demand for locally grown products is steadily rising.

To reduce risks in the supply chain, Midsona also purchases proportions of raw materials directly from suppliers in the country of origin, which works to reduce complexity in the supply chain while increasing control and transparency. This allows Midsona to build strong partnerships and to drive change in agriculture, both in terms of working conditions and the cultivation of various products.

In the Division Nordics, Midsona monitors the actual or potential negative environmental and social impacts of its suppliers in the Kodiak evaluation system. Division North Europe and Division South Europe have established manual procedures for checking their suppliers. For the supply chain, which covers all steps from Midsona's closest suppliers down to agriculture and forestry, the Group has established a risk assessment using Sedex risk indicators.

The Groups work on the double materiality assessment, which also took into account the work towards CSDDD compliance through enhanced risk assessments, covers the entire value chain. The assessment addresses the need for a more comprehensive assessment of actual and potential negative environmental and social impacts in the supply chain and of the measures taken. This also includes negative impacts on local communities, incidents of forced or labour, incidents of child labour, suppliers at which the right to freedom of association and collective bargaining may be at risk and better checks on biodiversity. Today, all new direct suppliers are checked against social and environmental criteria. The Group has also begun work on further developing the control systems along the supply chain, including expanded risk analyses and, in parts of the Group, introducing requirements for third-party audits of suppliers in cases of increased risk.

How Midsona will meet its target

- Establish strict checks on direct suppliers for actual and potential negative environmental or social impacts. To achieve the Group's ambition, Midsona applies a supplier management system encompassing the following:
  - A Supplier Code of Conduct that helps Midsona set higher standards and ensures that the Group works with responsible suppliers.
  - A quality and sustainability risk assessment system that risk-rates and monitors suppliers on aspects such as fulfilment of criteria regarding sustainability certification, quality and product safety, geographical risk in accordance with globally known accredited standards (for example BSCI or Sedex), financial, social and environmental impact, human rights, business ethics, anticorruption and health and safety.
- Ultimately implement the common supplier evaluation system Kodiak in all divisions. In the short term, Midsona accepts the use of other evaluation methods as well, if they fulfil the Group's common requirements for suppliers.
  - Where Kodiak is not used, this is covered by the requirements in the food safety certifications, such as IFS certification. In Germany this is covered by the processes implemented as part of the comprehensive sustainability management system certification We Care. In Division Nordics, Kodiak has been implemented for all types of supplier.
- Implement due diligence and transparency processes with more comprehensive assessment of actual and potential negative environmental and social impacts along the entire supply chain. This also includes negative impacts on local communities, incidents of forced or labour, incidents of child labour, suppliers at which the right to freedom of association and collective bargaining may be at risk and better checks on biodiversity.
- Establish a network of strategic suppliers for long-term collaboration to support the transition to sustainable production.
- Support local suppliers to indirectly attract further investment in the local economy, as well as ensuring increased control and transparency and reducing transport needs.

Progress in 2024

- 95 percent of Nordic direct suppliers are risk-classified in accordance with sustainability guidelines for actual or potential negative environmental or social impacts in Midsona's supplier evaluation system Kodiak.
- There will be a continued focus on sending self-assessments to new suppliers for Division Nordics during the year, with a particular focus on packaging and beauty suppliers. All new suppliers are obliged to sign Midsona's Supplier Code of Conduct.
- The work on own sustainability audits in the supply chain in Division North Europe continued. Sustainability and sourcing organised five country of origin partnership meetings with suppliers and visited two of the responsible sourcing projects.
- In line with the in-depth supply chain risk analysis, customised by product origin, country of supply and industry, and based on Sedex's set of risk indicators and the Group's Code of Conduct, the expansion of third-party audits (e.g. SMETA and BSCI) continued within Division North Europe. This is part of the work to ensure social standards in case of identified increased risks according to set criteria.

Midsona today

- 67 percent (53) of all suppliers were risk assessed in Kodiak or via other methods in 2024. The reason for the proportion remaining low is that Division South Europe has not yet implemented a well established system. This reduces Midsona's overall target fulfilment as Division South Europe has about one-third of Midsona's total number of direct material suppliers. Suppliers yet to be processed in a well established system are assessed in accordance with legislation and the certification requirements in each country.
- 52 (52) percent of all direct suppliers have signed the Code of Conduct. The reason for the proportion remaining low is that Division South Europe has not yet implemented Midsona's common SCOC, and monitors this with its own method for now.
- 76 (18) supplier audits were performed by the Group in 2024. Midsona saw a large increase in Division North Europe as a result of deferred audits due to Covid.
- 48 percent (56) of purchased raw materials are of EU origin.
- 93 percent (93) of finished products were purchased from suppliers in the EU.
- 61 percent (65) of raw materials were purchased from the country of origin of the raw material. The rest were purchased through a third-party supplier.

Read more in the section on Sustainability data on pages 84-85.

GRI 204-1 | GRI 308-1 | GRI 308-2 | GRI 414-1 | GRI 414-2

Commitment in the supply chain

Midsona's objective

Midsona strives to be a strategic, long-term partner for the Group's suppliers and a reliable supporter of sustainable societal and environmental development in the Group's supply chain and in the agricultural communities in which Midsona operates. Midsona's strategy is to involve as much of the Group's value chain as possible in minimising impact and improving environmental and social conditions. To achieve the goals of the Paris Agreement, a broad set of strategies will be necessary to reduce emissions from purchased goods and services, from both industrial and energy emissions from suppliers, and from land-based emissions at the final stage, i.e. from agriculture and forestry (FLAG emissions). See more about Midsona's Supplier Engagement and FLAG targets under climate targets on page 35. Midsona's ambition is to combine the Group's purchasing of strategic raw materials with the promotion of climate, biodiversity, environmentally friendly agriculture and social commitment. Doing so also provides improved financial sustainability, and thereby greater shared added value.

How Midsona will meet its target

- Analyse risks and measure the impact of Midsona's supply chain on society and the environment.
- Establish science-based supply chain targets for as many of Midsona's suppliers with significant total emissions and value as possible.
- Establish science-based targets in the areas of forest, land and agriculture (FLAG SBTs) for significant climate emission reductions along the value chain, according to SBTi's FLAG guidance and the associated 2023 land-based GHG protocol[1].
- Cooperate and maintain a close dialogue with strategic suppliers, and build long-term relationships based on best practice in environmental and social principles.
- Build networks and involve stakeholders throughout the supply chain.
- Create a high degree of transparency and communicate about the Group's efforts in the supply chain to create value for stakeholders, investors, customers and consumers.
- Establish close partnerships with customers with the same objective.

Progress in 2024

- As part of Midsona's net-zero commitment, the Group had the new supplier engagement and FLAG targets approved by SBTi. Read more in the 'Efficient use of resources' section on page 62.
- Work began on supplier engagement linked to the target that 70 percent of Midsona's suppliers should establish their own science-based targets for reduced emissions, which will help reduce emissions from the Group's most important category in Scope 3, purchased goods and services. In a partnership between Sustainability and Sourcing, the work was rolled out to suppliers via individual meetings with positive results during the year. In 2025, a supplier webinar is planned to reach more suppliers with the overall message.
- The Organic Farmer Field School in Malawi, a development project co-founded by Division North Europe with the aim of raising knowledge and awareness of sustainable farming practices, successfully completed its first year. At around ten training sessions focusing on organic farming, participants gained in-depth knowledge of sustainable agriculture to empower them. In addition, an innovative farming system based on environmentally friendly cultivation methods has been developed to strengthen local agriculture. The scheme helps promote organic farming and long-term food security in the region.
  The project has also succeeded in raising the profile of organic farming with the government, creating an important basis for further policy support and resource allocation. The project aims to enable the purchase of peanuts, rice and beans from Malawi.
- Midsona continued the Group's involvement in the Kotwa project in India, a community engagement project to reduce the environmental and climate impact of cultivating rice by supporting the local population. Several advances were observed during the year, including improved biodynamic farming techniques and the implementation of a sowing and sewing programme for women. The project also received the international Fairtrade Climate Hero award for its climate-friendly rice cultivation concept.
- Midsona continued the Group's involvement in the Ibis Rice Project in Cambodia to protect biodiversity in rice cultivation, an important project as it is in an official High Conservation Area. In 2025, there are plans to increase the volumes and the portfolio.
- Midsona continues to work with the Celnat fund, focusing on the cultivation of cereals in France to protect biodiversity, rural landscapes, agricultural structures, seeds, crops and the water supply to reduce climate impact.

Midsona today

- 11.2 percent (7.2) of Midsona's suppliers have set science-based emission targets according to SBTi.
- Midsona FLAG targets have been approved by SBTi. The Group is currently in the early phase of establishing a FLAG-based transition plan as part of Midsona's climate transition plan.
- Ibis Rice Project in Cambodia: The two largest divisions, Division Nordics and Division North Europe are involved in the project.

Read more about the Group's community projects on Midsona's website.
Read about how Midsona donates food to various organisations to avoid food waste in the 'Efficient use of resources' section on page 66.

GRI 304-2 | GRI 308-2 | GRI 413-1 | GRI 413-2 | GRI 414-2

[1] Reducing emissions in the land sector is feasible through reduced land-use change, reduced agricultural emissions and reduced emissions via demand shifts. In addition, reduction in the land sector also requires accounting for GHG removal (enhancing sinks) due to the potential for forests and soils to store carbon. GHG removal can be achieved by restoring natural ecosystems, improving forest management practices, and enhancing soil carbon sequestration. Companies setting ambitious science-based targets on FLAG emissions can send a strong signal to increase the level of ambition of local, regional and national policies.

[2] The forest, land and agriculture (FLAG) sector, also known in the scientific community as agriculture, forest, and other land use (AFOLU) – or the land sector ((https://sciencebasedtargets.org/resources/files/FLAGGuidancePublicConsultation.pdf); https://ghgprotocol.org/land-sector-and-removals-guidance

Food Service and community involvement

Midsona's objective

As an intermediate target in the health and plant-based foods focus areas, Midsona wants to inspire and make it easier for more people to eat healthy, plant-based foods. Several rewarding collaborations have fostered good conditions for this through the Group's investment in Food Service. Midsona Food Service delivers sustainable meal solutions, ingredients and plant-based recipe inspiration to the public sector, schools and other types of organisation.
The partnerships contribute to sustainable change for the environment, health and social impact. For example, Midsona has helped schools and students take further steps towards a more sustainable food culture. By working for sustainable school kitchens, Midsona wants to provide support all the way from understanding the meaning and cultivation of plant-based food and the climate calculation of recipes and menus, to providing recipe inspiration and holding workshops on plant-based foods.

Progress in 2024

- Food Service in Division Nordics launched two long-term projects focusing on legumes. One aims to promote Nordic domestic cultivation and processing. The other focuses on texturisation of Nordic-grown fava bean proteins with the aim of reducing the climate impact of protein sources.
- In Sweden, the much appreciated 'Keep it sustainable' theme week for secondary schools and secondary school students in Sweden was repeated. Through films, the students learn to adopt a more sustainable approach to food.
- Midsona supports several awards that promote a sustainable food culture. Midsona is a partner of Ekomatsligan, or the 'Eco Food League' (EkomatCentrum, the 'Eco Food Centre'), Eco Chef of the Year in Denmark and Climate Chef of the Year in Finland.
- Food donations to social initiatives (children's camps, school events and health days) in local communities in Division North Europe and Division South Europe to encourage healthy eating.

Climate-related engagement strategy with Midsona's customers

DLF Sweden is a trade association for companies that produce or import goods for resale to the grocery trade and the food service market in Sweden. DLF fosters collaboration between Midsona and the Group's customers to reduce emissions from, for example, transport and packaging via DLF's initiatives. Most of Midsona's emissions occur outside the Group's direct operations. More than 90 percent of Midsona's Scope 3 emissions come from purchased goods, transport and packaging. Accordingly, Midsona works with the entire value chain, including the supply chain and the Group's customers, to promote best practice and ameliorate climate-related issues (see Midsona's Climate Transition Plan[1]).

Midsona is involved in several of DLF's committees, working groups and development programmes for partnerships to reduce negative climate impacts from transport, goods and services. This includes signing the DLF roadmap for fossil-free competitiveness and the Transport and Plastics Initiative. These are formal campaigns and calls for partnerships as well as informal opportunities to reduce negative impacts. The Group CSO is a member of the DLF Sustainability Committee and the Director Legal is a member of the DLF Legal Committee.

GRI 413-1

Read more about how Midsona donates food to various organisations to avoid food waste in the 'Efficient use of resources' section on page 66.

[1] https://www.midsona.com/sustainability#focus-areas

Safe products and quality

Midsona follows strict quality requirements in all processes to minimise the risk of defects, product recalls or product liability claims. All suppliers must meet the Group's requirements for product safety and any complaints are registered in Midsona's quality assurance system, allowing proactive measures to be taken.

Midsona's quality and product safety work is governed by the Group's quality and safety management system, which is based on current legislation, demands from customers and authorities, and industry guidelines. Internal policies, a clear structure and division of responsibilities ensure that Midsona delivers safe, legal products. Employees with regulatory and quality expertise continuously assess suppliers, raw materials, finished products and labelling. The Group's quality management systems include clear action plans for products that do not meet Midsona's quality requirements, and clear procedures for traceability and recalls.

Midsona's quality and food safety management system is based on risk analyses in accordance with HACCP (Hazard Analysis of Critical Control Point) and evaluations involve regular internal audits, or self-inspections, and third-party audits.

Midsona's work for safe, high-quality products contributes to the achievement of four of the UN's Sustainable Development Goals.

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Risk assessment of suppliers

Target 2025
100%
risk-classified suppliers in accordance with safe products

Midsona's objective

Midsona prioritises responsible sourcing at all levels. An important part of this is the risk assessment of suppliers, which is performed annually based on a number of identified critical criteria that must be met. The objective is for 100 percent of Midsona's suppliers to be risk classified in accordance with the requirements for safe products and quality by 2025.

How Midsona will meet its target

- Map suppliers according to Midsona's risk assessment system for quality and sustainability. Midsona's suppliers are classified as low, medium or high risk in relation to criteria for quality and product safety, geographical risk according to amfori BSCI (a leading business association for sustainable trade with due diligence systems[1]), economic risk and environmental impact, business ethics, anti-corruption and health and safety.
- Perform additional physical, digital or written risk-based audits of suppliers for which the Group has identified risks. This creates a constructive dialogue and the opportunity to improve important processes, allowing Midsona and the supplier to close gaps and address deviations with the purpose of meeting the Group's quality requirements.

Midsona today

- For the Group, the percentage of suppliers evaluated in Kodiak system or risk-classified in Sedex was 67 percent (53), which includes Division Nordics and Division North Europe. In Division South Europe, suppliers are currently assessed on the basis of internal supplier approval procedures.
- In 2024, the percentage of risk-classified suppliers in Kodiak increased by 7 percent in Division Nordics.
- In 2024, Midsona carried out 76 risk-based audits.
- In 2024, Midsona had 1 (0) incident of non-compliance regarding product and marketing information that resulted in fines or penalties. The fine is a result of labels not having been updated with the correct logo.
- 7 (7) incidents related to product safety, labelling and marketing information led to corrections. Midsona implemented a total of 4 (4) product recalls and 4 (11) product withdrawals in the Group.

Midsona's work on these targets is described in greater detail in the chapter on Responsible sourcing on pages 82-85.

GRI 308-1	GRI 308-2
GRI 414-1	GRI 414-2

[1] https://www.amfori.org/en/about/who-we-are/about-amfori

Certification of Midsona's quality management system

Target from 2021
100%
certification of own production units according to international standards

Midsona's objective

100 percent of Midsona's own production units are to be certified in accordance with international standards:

- Food: GFSI recognised (Global Food Safety Initiative)
- Cosmetics: ISO 22716 certification

Exceptions may only be made for small production units, in response to which the Group ensures a quality system in accordance with international requirements for safe production. The target also applies to new acquisitions with realistic time frames.

How Midsona will meet its target

- Perform annual third-party certifications and a risk-based survey of strategic acquisitions.

Progress in 2024

- 100% of Midsona's own food production units[1] in Division Nordics are still certified to FSSC 2200, a certification recognised by GFSI.
- GFSI-recognised IFS certification in Division North Europe and Division South Europe was renewed, with Division North Europe achieving the highest level. IFS is one of several recognised GFSI certifications.

Midsona today

- In 2024, the percentage of certified production units of a relevant size in the Group was 100 percent (100).[1]

GRI 416-1 GRI 416-2

[1] Neither Jakobstad nor Falköping is certified according to international requirements as they are too small for certification at this level. However, Midsona ensures their compliance with international guidelines for food safety through the Group's quality department

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Efficient resource use

Resource efficiency is a necessity, for both Midsona's operations and the environment. By applying a clear roadmap for reducing greenhouse gas emissions and contributing to a low-carbon economy, Midsona seeks to minimise the impact of its operations, value chain and products on the climate and environment through the Group's climate change strategy.

Midsona's work involves ongoing adaptation measures by means of which the Group promotes more efficient use of energy, water and waste in its business operations and for all suppliers. Applicable environmental legislation, policies, global frameworks and partnerships must form the basis for improving and advancing Midsona's efforts.

Midsona's work for efficient use of resources supports the achievement of nine of the Sustainable Development Goals.

Science Based Targets and net-zero target approved by SBTi

Target 2024
Midsona's
Net-zero
target approved by SBTi

Midsona's objective

Midsona previously had the Group's science-based emission targets approved by the Science Based Targets initiative (SBTi)[1]. This means that Midsona has set targets deemed necessary by the latest climate science to prevent the worst effects of climate change. According to the UN, SBTi and the latest science, climate change is the greatest threat facing modern humanity. More must be done – and it must be done faster – to avoid the worst effects of climate change and ensure a successful and sustainable economy[1,2]. A global coalition of UN agencies, business and industry leaders are calling for urgent action, mobilising companies to establish science-based net-zero targets in line with the target of the Paris Agreement to limit global warming to 1.5°C. Midsona's ambition, as part of its climate change strategy, is to follow best practice for climate change in line with the 1.5°C target for global warming. As a further significant step to strengthen the Group's climate work in line with the UN, in July 2022, Midsona committed to setting an ambitious SBTi-approved net-zero emissions target by 2045, based on SBTi's new net-zero standard launched in October 2021. Read more about Midsona's commitment on the SBTi website[3].

How Midsona will meet its target

Midsona is making the necessary preparations to submit its net-zero emissions target to SBTi for approval by early 2024. For Midsona, the net-zero emissions target means:

- Strengthen the net-zero emissions target in the short term to an ambition of 1.5°C for the next 5-10 years.
- Engage suppliers in the value chain to reduce their emissions.
- Explore new requirements from SBTi to set science-based targets that include land-based Forest, Land and Agriculture (FLAG) emission reductions. While FLAG targets cover forest, land and agriculture, Midsona's non-FLAG targets cover all other fossil-based emissions (existing SBTs). SBTi's FLAG Guidance provides the world's first standardised approach to setting land-based targets for companies in land-intensive sectors. This guidance enables companies to reduce the 22 percent of global greenhouse gas emissions that come from agriculture, forestry and other land use.
- Reduce emissions in accordance with all Scopes by 90 percent by 2045.
- Encourage carbon offsetting where emission reduction is otherwise impossible.
- Neutralise residual emissions, for example by planting trees for the remaining percentage that cannot be removed.

Progress in 2024

- The net-zero target and associated sub-targets were approved by SBTi in the second half of 2024. The final target wordings are as follows:

Overall target:

Midsona AB commits to achieve net-zero greenhouse gas emissions throughout the value chain by 2045.

Short term:

- Midsona AB commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 42 percent by 2030 from the baseline year 2022.
- Midsona AB commits to reduce absolute Scope 3 greenhouse gas emissions from capital goods, fuel and energy-related activities, upstream transport and distribution, waste generated in operations, business travel, commuting, downstream transport and distribution, and final treatment of products sold by 42 percent by 2030 from the baseline year 2022.
- Midsona AB commits to 70 percent of the Group's suppliers, based on purchased goods and services, having science-based targets by 2028.
- Midsona AB commits to reduce absolute Scope 3 FLAG greenhouse gas emissions by 30.3 percent by 2030, from the baseline year 2022.
- Midsona AB also commits to zero deforestation in its primary raw materials, with a target to achieve this by 31 December 2025.

Long term:

- Midsona AB commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 90 percent by 2045 from the baseline year 2022. Midsona AB also commits to reduce Scope 3 greenhouse gas emissions by 90 percent within the same timeframe.
- Midsona AB commits to reduce absolute Scope 3 FLAG greenhouse gas emissions by 72 percent within the same timeframe[4].

Midsona today

- Midsona's climate change strategy and the Group's commitment to creating an ambitious SBTi-approved net-zero target for 2045, based on SBTi's new net-zero standard, have been fulfilled.

GRI 305-1	GRI 305-2	GRI 305-3
GRI 305-4	GRI 305-5	

Read more on Midsona's website at www.midsona.com/hallbarhet.

[1] The Science Based Target initiative (SBTi) defines and promotes best practice in emissions reductions and net-zero targets in line with climate science and drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets in line with the 1.5°C temperature target. SBTi is a partnership between CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). https://sciencebasedtargets.org/
[2] COP 29 2024: https://unfccc.int/cop29
[3] https://sciencebasedtargets.org/companiestakingaction
[4] The target includes FLAG emissions and removals.

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Greenhouse gas emissions

Target 2045
Net-zero*

Target 2030
42%
reduced emissions in accordance with Scopes 1, 2 and 3**

Target 2030
30.3%
reduced FLAG emissions

Target 2028
70%
of suppliers have SBTs***

Target 2025
No deforestation

Midsona's objective

As an important step in Midsona's efforts to reduce greenhouse gas emissions, the ambition is to achieve net-zero emissions by 2045 in line with the targets approved by SBTi in 2024. This is to ensure that Midsona contributes to meeting the Paris Agreement's temperature target of a maximum of 1.5°C global warming. The Group's short-term targets are significant milestones to ensure steps in the right direction. More details on Midsona's new emission reduction targets can be found on the previous page.

* Long-term: Midsona AB commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 90 percent by 2045 from the baseline year 2022. Midsona AB also commits to reduce Scope 3 GHG emissions by 90 percent within the same timeframe. FLAG: Midsona AB commits to reduce absolute Scope 3 emissions by 72 percent within the same timeframe. The target includes FLAG emissions and removals.
** Excluding purchased goods and services
*** Share based on purchasing costs

How Midsona will meet its target

- Develop a long-term science-based Climate Transition Plan (CTP) aligned with Midsona's overall business strategy and 1.5°C temperature target, in accordance with the UN and SBTi (see more about Midsona's transition planning on pages 31-32 and 127-129, and the full CTP at https://www.midsona.com/sustainability#focus-areas).
- Develop strategy and planning to reduce greenhouse gas emissions both in our own operations and in the value chain.
- Assess necessary measures to accelerate emission reductions.
- Map how Midsona can offset unavoidable emissions.
- Annual transparent reporting about the measures implemented.
- Regularly update Midsona's climate scenario analysis of climate-related risks and opportunities, and the Group's scenario analysis over different time horizons. This is to examine the flexibility of Midsona's business model and strategy in preparation for future climate change and is to be used for the Group's strategic and financial planning. Read more about climate-related risks and scenario analysis in the risk chapter on pages 123-129.

Progress in 2024

- Midsona's climate change strategy includes a Climate Transition Plan that is in line with the 1.5°C temperature target. It involves an action plan which includes analyses of internal emission reduction initiatives and the external societal developments that will lead Midsona towards an emission reduction target. This analysis includes linear transition and assumptions with annual organic growth.
  Midsona's transition plan is published on Midsona.com: *https://www.midsona.com/sustainability#focus-areas*.
- Midsona's climate scenario analysis for both transition risks (current and new regulations, legal, technological, market-related and reputational) and physical risks (acute and chronic) and opportunities is regularly updated to inform the Group's strategy and financial planning going forward. The scenario analysis from 2023 for a world with a 1.5-4-degree temperature increase, which combines quantitative and qualitative scenario analysis, has been used as a basis in the double materiality assessment, in Midsona's annual CDP report and in the Group's risk section on pages 123 and 127-129.
- Midsona reports annually to the Climate Disclosure Project (CDP) on climate strategy, leadership, measures and performance. The CDP drives a climate change agenda in line with the latest UN science and global developments with new progress demands annually. These are used to guide Midsona's climate change agenda.
- Midsona has taken several initiatives to reduce the Group's Scope 1, 2 and 3 emissions. Read more about the various initiatives linked to the Group's different targets on waste, packaging, supplier engagement, fossil-free energy and transport.
- In Scope 3, the 'purchased goods and services' category, in which FLAG and industrial and energy emissions are included, work is under way to draw up a plan to ensure, in addition to the existing projects described on page 56, a structured, business-oriented approach to reducing these emissions in line with the targets set.

Midsona today

- In 2024, Midsona's greenhouse gas emissions for Scopes 1 and 2 totalled 3,679 tCO_2e (3,556), which is a 6 percent increase compared to the baseline year 2022. The increase is the result of greater use of non-renewable stationary combustion of natural gas in Division North Europe and propane in Spain.
- Midsona's total greenhouse gas emissions for Scope 3 were 116,176 tCO_2e (112,182), an increase of 4 percent compared with the previous year as a result of an increased quantity of goods purchased and changes in the purchasing portfolio. In contrast, Scope 3 GHG emissions decreased by 9 percent against the baseline year. The largest percentage reduction is derived from FLAG, upstream transport and distribution and final disposal of products sold.
- In 2024, FLAG emissions decreased by 11 percent since the baseline year 2022.
- The number of suppliers that have set SBTs increased from 7.2 percent to 11.2 percent.
- Midsona's science-based Climate Transition Plan for low CO_2e emissions was updated in 2023 with new targets and data to guide the Group's continued greenhouse gas reduction efforts.

More information about the Group's work to reduce emissions can be found in the sections on the following climate-related targets:

- 100 percent renewable energy in all operations owned by Midsona by 2028, in accordance with Scopes 1 and 2.
- 100 percent of Midsona's own consumer plastic packaging must be recyclable by 2025 in accordance with Scope 3.
- 100 percent plant-based or vegetarian range by 2030, in accordance with Scope 3.
- 90 percent of Midsona's waste at its own facilities must be recycled, in accordance with Scope 3.
- 100 percent recycled food waste, in accordance with Scope 3.
- 100 percent fossil-free freight transport by 2030, in accordance with Scope 3.

* Scope 1 category under the GHG Protocol, which refers to the process of burning fuel to generate energy in fixed installations or units, such as industrial plants.

Read more in the section on Sustainability data on pages 86-89.
Read Midsona's complete CDP greenhouse gas report at https://www.midsona.com/sustainability#documents

GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305-4 | GRI 305-5

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Waste management

Developing Midsona's recycling capacity is a key component in mitigating the Group's overall climate footprint. This plays a central role in Midsona's low-carbon product portfolio, which is a competitive advantage and is essential to the Group's ability to remain relevant in a low-carbon economy and society.

Waste from production, storage and packaging accounts for a significant part of the Group's climate impact. Midsona is working to increase recyclability, both for packaging and by sorting waste from the plants.

Midsona's material areas:

A circular business model: The more that is reused or recycled, the less resources need to be extracted. Midsona strives to maintain the value of products, materials and resources for as long as possible by reintroducing them into the product cycle once they have reached the end of their service life.

Recyclability in the value chain: Midsona's packaging strategy is aligned with the European Commission's strategy for a circular economy. Read more on page 44.

Recycled waste from Midsona's facilities

Target 2025
90%
recycling of waste generated in own operations

Midsona's objective

Midsona works actively to reduce waste, which has been demonstrated by a high degree of sorting, recycling and reuse of waste in both production and warehouses.

Midsona's ambition is for the Group's offices to be sustainable, which in turn helps to raise awareness, reduce the level of waste and increase recycling.

How Midsona will meet its target

- Map and determine metrics for waste generated in our own operations, waste management, sorting and recycling requirements.
- Improve mapping of waste for new facilities.
- Map economic impact, including expected costs to enable planning of potential investments in line with increased waste management requirements in the short, medium and long terms.
- Increase sorting fractions and update equipment in Midsona's production units, warehouses and offices to be able to increase the sorting rate.
- Work with specialists, authorities and other actors for sustainable waste management.
- Reduce, reuse, and recycle as much waste as possible.
- Implement a strategy for an efficient value chain in Europe to make material use more efficient and reduce total waste.

Progress in 2024

- Both the Danish and German production sites have started to separate the reverse side of labels for recycling, resulting in a reduction in unsorted waste of over 28 tonnes. This waste is then processed by a company that separates the silicone from the paper to produce pulp.
- At the Tilst production plant, efforts have been made to reduce the waste generated in the production line. For example, trials have succeeded in reducing the amount of plastic used at the start of production.

Midsona today

- In 2024, Midsona's recycling rate was 81 (72) percent compared with 2023.
- In 2024, total waste amounted to 1,978 tonnes (1,787), an increase of 11 percent from the previous year.
- In 2024, Midsona's waste intensity was 61 (56) kg/tonne produced compared with 2023. The increase is due to improved data quality, with Division North Europe in particular demonstrating an improvement in data collection.

GRI 305-3 | GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4

Read more in the section on Sustainability data on pages 89-90.

Reduce food waste

Target 2025
Reduce food waste and
100%
reused food waste

Midsona's objective

According to the UN, the number of people suffering from hunger has slowly increased since 2014. At the same time, large volumes of edible food are lost every day. Globally, some 13 percent of the food produced is lost between harvest and retail, and an estimated 19 percent of total global food production is wasted.[1]

Midsona's goal is to reduce unnecessary food waste and increase reuse of unavoidable food waste. This is in line with both the UN's Agenda 2030 and the Swedish government's milestones for food waste.

How Midsona will meet its target

- Map and determine metrics for the Group's handling of food waste.
- Extend durability through smart packaging, quality assurance processes and labelling.
- Update sorting options to be able to reduce food waste and spillage at our own production units, warehouses and offices.
- Recycle as much food waste as possible, including as biogas, manure, animal feed and compost.
- Provide samples of goods with short best before dates, sell them at reduced prices or donate them.
- Work with various stakeholders to ensure efficient, sustainable management of food waste with the aim of minimising waste volumes and ensuring that potential waste is recovered and used as food for people.
- Encourage innovation and product design to find synergies among ingredients and goods, in production and ultimately with the consumer. Midsona's innovation process also takes product design and labelling into account.

Progress in 2024

- Extension of the recommended best before date for almost 200 products in Division North Europe enabled by evaluation of previous recommendations in accordance with quality guidelines.
- Improvement of processes for handling products at risk of being discarded and expired products through more detailed recording of discarded and donated goods and regular meetings to identify problem areas at an early stage in Division North Europe.
- In Division South Europe, by-products from the production of seitan and tofu are used in the production of vegetarian burgers.
- To reduce food waste, Midsona donates products with short best before dates or sells them at reduced prices.
- In Sweden, Midsona donates products with short best before dates to 'Matmissionen' (an initiative by Stockholms Stadsmission, a charity that feeds, clothes and houses disadvantaged people in the Stockholm urban area). Midsona also continued to deliver food waste that arose in connection with production of the Group's products at some of the suppliers to Matmissionen.
- In Denmark, goods with short best before dates were donated to both Ukraine and an organisation for the homeless.
- Division North Europe partnered with the humanitarian aid organisation Malteser to reduce food waste and support the vulnerable in Ukraine.

Midsona today

- In 2024, Midsona's food waste reuse rate was 97 (90) percent, an increase of 7 percentage points on the previous year.
- To reduce food waste, Midsona donated products with a short best before date and sold products at a discounted price, among other things. In 2024, Midsona donated a total of 110 tonnes of food (51) to charity, and a total of 508 (400) tonnes of products were sold at a discounted price.
- In 2024, the share of potential food waste reused increased from 886 tonnes to 1,826 tonnes, which is due to improved data quality and higher allocation in Division North Europe. Going forward, Midsona will work to reduce the total volume of potential and actual food waste.
- In 2024, 22 percent (19) of Midsona's products were labelled 'Best before, often good after'.

Packaging design extends shelf life and reduces food waste.
Learn more on page 43.
Read more in the section on Sustainability data on page 90.

GRI 303-1	GRI 305-3	GRI 306-1
GRI 306-2	GRI 306-4	

[1] https://www.un.org/en/observances/end-food-waste-day

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Water use

Target 2030
10%
reduced water use per tonne produced. 20% in Spanish operations

Midsona's objective

Water is a resource that it has become increasingly critical and important to protect. It is Midsona's responsibility to limit water use to a minimum in the countries in which the Group operates, especially in drier and warmer countries in southern Europe. Midsona's operations use fresh water, both for products and in the production processes. To date, Midsona's facilities have had relatively low water use and the Group operates mainly in countries with good access to fresh water. Midsona's modernised production facility in Spain uses a large volume of water, and is located where the risk of drought is relatively high. Despite the fact that improvements at the Spanish facility have the greatest impact on the Group's total water use, all units are expected to contribute.

How Midsona will meet its target

- Map and determine metrics for Midsona's total water use (read more under Sustainability data on page 91) and reuse of wastewater.
- Reduce water use by updating technology at Midsona's production units in Spain and set a dedicated budget for target fulfilment.
- Reuse water and work with specialists and authorities to operate safe production when using recycled water.
- Use our own water sources, such as our own wells and collection of rainwater.
- Reduce water use in both production and end products.

Progress in 2024

- Through improved measurement of water use, staff training, water use workshops and leakage repair, water use per kg produced was reduced in Spain.
- In Denmark, two older production lines that used water ceased production, which contributed to a reduction in water use.

Midsona today

- In 2024, Midsona's water use was 58,047 m^3 (55,943), which represents an increase of 4 percent on the previous year owing to increased use in Division North Europe from coated products, where wet cleaning is required during production. Water intensity per tonne produced increased to 1.80 m^3 (1.77).
- 68 percent (72) of the Group's water use in 2023 was at the production unit in Castellcir, Spain. In 2024, water use in Spain fell to 39,500 m^3 (40,356), a reduction of 2 percent. Water intensity in Spain also decreased by 11 percent, from 25 m^3/tonne to 22 m^3/tonne from the previous year, in line with Group targets.

Read more in the section on Sustainability data on page 91.

GRI 303-1	GRI 303-2	GRI 303-3
GRI 303-4	GRI 303-5	

Energy

Target 2028
100%
renewable energy

Direct energy
100%
fossil-free stationary combustion[1]
fossil-free mobile combustion[2]

Indirect energy
100%
renewable district heating (steam and cooling)
of the electricity purchased must be renewable

1 Includes heat or energy in buildings and production processes.
2 Includes energy from company cars.

Midsona's objective

The Group's ambition is for all proprietary operations to use 100 percent renewable energy and for consumption to be kept to a minimum. Midsona also aims to reduce overall energy consumption by reusing energy, discontinuing energy-intensive products and processes and identifying the most energy-efficient solutions for the Group's facilities. Besides purchasing renewable wind and hydropower, solar energy is also generated by the Group's own solar panel installations. Part of Midsona's energy target includes the conversion of vehicles to fossil-free alternatives. By 2028, Midsona will have replaced all company or benefit cars with fossil-free alternatives.

How Midsona will meet its target

Midsona's strategy for energy consumption comprises the following steps:

- Map and determine energy consumption metrics in accordance with the GHG protocol guidelines.
- Improve energy management: introduce more efficient energy management and operating systems in production and warehouses based on energy management system (EMS) principles, i.e. procedures, areas of responsibility, equipment, digital monitoring and follow-ups.
- Take measures such as cost simulation and budgeting for higher energy efficiency, energy-reduction efforts, efforts to mitigate energy losses during closing hours and investments in renewable energy.
- Maintain a strong focus on electrification for all categories relevant to the target. In the low carbon world, electrification is the key to energy going forward.
- Switch to renewable or fossil-free energy such as wind power, hydropower and solar energy. If these are not available, switching to nuclear power should be considered. Nuclear power is fossil-free, and while it is not considered renewable, it is still considered a low-carbon alternative.
- Monitor technological developments in fossil-free alternatives and update in pace with development.
- Make strategic investments to increase the proportion of self-produced renewable energy.
- Establish a strategy for an efficient value chain in Europe, with coordinated production and inventory, helping reduce energy consumption in our own operations.
- Use environmentally friendly buildings as Midsona's offices.
- Make a gradual transition to fossil-free transport. To achieve a world with low CO_2 emissions from the Group's company cars, the target is to move to 100 percent electric cars by 2028. As a first step, the Group must choose fuels based on a sustainable fuel hierarchy: electric, hydrogen, biofuel, hybrid, and last of all fossil fuel. Hybrid cars, which only use 30 percent electricity and 70 percent fossil fuel, may only be used as a temporary solution when other alternatives are not available.

Progress in 2024

- Monthly reporting of energy use for all production units in the Group began in January 2024, which enabled more frequent monitoring of results to drive more regular improvement work.
- The production site in Jakobstad, Finland, acquired in 2021, installed a new heating system that became operational on 1 January 2024. The site switched from oil heating to renewable district heating. In mid-2023, it also switched to fossil-free electricity, with the result that 100 (90) percent of the electricity used in Division Nordics in 2024 came from renewable sources.
- In the production plant in Ascheberg, Germany, an energy management and control system has been established, with the installation of an automatic control system which makes it possible to actively monitor, measure and manage energy use in different production steps and identify reduction potential. Owing to resource constraints, the system is expected to be in full use in 2025.
- At the production site in Lauterhofen, Germany, a roasting oven fuelled by propane was replaced by one powered by electricity to enable the shift to fossil-free electricity.
- In the production plant in Mariager, Denmark, one cold room and two older production lines were shut down, contributing to a reduction in energy of around 170 MWh.
- Midsona began the transition to fossil-free company cars. Since 2023, it has only been permitted to order electric vehicles in Sweden, with occasional exceptions owing to geographical challenges. In Denmark, the car policy was updated in 2024 to allow only fossil-free cars for new orders. In both Germany and France, all cars are electric or hybrid, and charging stations were also installed at the production site in Saint Germain Laprade, France.

Midsona today

- In 2024, the Group's total energy use, including direct and indirect energy, decreased by 5 (12) percent compared with the baseline year 2022.
- The total share of renewable energy, including direct and indirect energy, increased by 3 percent from 34 to 35 percent compared with the previous year. Although measures have been taken in Division Nordics, there is no major increase in the share of renewable energy owing to increased use of natural gas in Division North Europe and propane in Spain.
- In 2024, Midsona's consumption of direct energy fell by 14 percent compared with the baseline year 2022.
- In 2024, Midsona's consumption of indirect energy, including consumption of self-generated electricity, increased by 6 percent compared with the baseline year 2022, with 69 percent (67) coming from renewable energy. The increase is due to increased consumption of district heating in Division Nordics, as well as an increased proportion of electric cars in the Group.
- In 2024, 62 percent (62) of electricity consumption came from renewable sources.
- In 2024, 82 percent (76) of district heating and cooling came from renewable sources.
- In 2024, Midsona consumed 386 MWh (438) of its own solar energy, an decrease of 36 percent from the previous year.
- In 2024, energy consumption from mobile combustion via company cars fell by 47 percent compared with the baseline year 2022.

Read more in the section on Sustainability data on pages 92-93.

GRI 302-1	GRI 302-4
GRI 305-1	GRI 305-2

Efficient transport

Transport is a priority sustainability issue and one of Midsona's largest sources of climate emissions after purchased goods and services. The Group operates in a European market with production in several countries and works actively to reduce its environmental footprint in several areas.

It does so by streamlining transport and coordinating purchases with a clear prioritisation of local suppliers, and by optimising packaging formats to reduce transport needs. In addition, the Group is committed to exploring new opportunities with diversified fuels and aims to make the transition to fossil-free alternatives.

To meet its targets, the Group continuously maps sustainability developments and new opportunities among transport suppliers. One challenge is that there are currently a limited number of fossil-free transport solutions, but this will change as there are many actors working on this issue, especially in the Nordics. Intermodal[2] solutions such as ship and rail are advantageous in that they are stable and reliable, both in terms of CO_2e efficiency and goods supply, even during turbulent periods. Midsona also strives to further increase the share of rail transport.

Our work for efficient transport contributes to achieving seven of the Sustainable Development Goals.

Fossil-free transport

Target 2025
100%
fossil-free transports contracted by Midsona in the Nordics

Target 2030
100%
fossil-free transports contracted by Midsona in Europe

Midsona's objective

Distribution of Midsona's products falls outside direct operations. Apart from a small part of Division South Europe, all distribution operations are outsourced to external transport providers and are therefore included in the Group's climate impact across the value chain (Scope 3) and in Midsona's climate targets.

Read more about what this entails in the Sustainability data section on pages 93-97. As a member company of DLF, Midsona is affiliated with Transport Initiative 2025 in Sweden[1].

How Midsona will meet its target

- Map and determine metrics for all transport, and map economic significance with a dedicated budget.
- Transition from fossil-fuelled trucks to fossil-free solutions or transport with low emissions per tonne transported, such as rail or ship. The Group must choose fuel based on the sustainable fuel hierarchy – in descending order: electric, hydrogen, biofuel, rail and ship, hybrid, fossil fuel. The electrification of all types of transport is key.
- Require that emission reduction measures must always be included, such as identifying transport reduction measures.
- Optimise Midsona's European value chain with increased coordination of transport flows with distribution networks across national borders to reduce transport.
- Include transport efficiency in assessments of product design in the innovation process.
- Work with suppliers and customers to reduce shared transport.
- Offset transport agreements if there is no other alternative.

Midsona sees a challenge in obtaining qualitative data on fuel type. The Group has therefore chosen to monitor the transport target by measuring the volume of emissions per tonne transported, as the trend in this metric shows how the proportion of fossil-free fuel develops through the change in emissions intensity.

Progress in 2024

- During 2024, transport procurements were finalised in Sweden and Denmark. A main focus was to identify fossil-free transport solutions for transport contracted by Midsona. Since the last quarter of 2024, almost all domestic transport in Sweden and around 20 percent of inbound transport to Denmark has been fossil-free. This has been achieved by using carriers' fossil-free transport programmes, such as DHL GoGreen[3].
- In France, Midsona made a partial switch to transport by electric trucks between the Group's production facility and external warehouse. In Germany, the Group continued to work with a transport company to test electric transport.
- The flow of goods from Italy to Denmark continued via an intermodal solution to reduce emissions per tonne transported, which is estimated to correspond to around 3,500 pallets/year. Division North Europe is also looking at this type of transport option and switched from truck to train from Hamburg to the raw material warehouse in Germany in 2024.
- By continuously identifying and implementing logistics optimisation options, the number of consignments can be reduced. One of the latest optimisations is an increase in pallet height for Friggs teas from the supplier, which has resulted in a 14 percent increase in load capacity per pallet. This leads to less transport and brings both environmental and financial savings.

Midsona today

- The emissions intensity of transport and distribution contracted by Midsona decreased by 14 percent compared with the previous year, with a relatively even improvement across all divisions.
- The emissions intensity of Nordic transport and distribution contracted by Midsona decreased by 10 percent compared with the previous year.
- The reduction in emissions intensity in the Group and in Division Nordics is in line with the Group's targets, and Midsona will continue to strive for improvements to meet the target of 100 percent fossil-free transport contracted by Midsona.

Read more in the section on Sustainability data on pages 93-94.

GRI 305-3

[1] https://www.dlf.se/branschinitiativ/transportinitiativet-2025
[2] Intermodal transport means that two or more modes of transport are part of a transport chain. The goods are loaded onto a carrier, for example a container, which can be used on trucks, ships and trains.
[3] https://www.dhl.com/se-sv/home/frakt/hallbarhet/skicka-gront.html?s_kwcid=AL!5881!3!!!!x!!&gad_source=1&gclid=CjwKCAiA5Ka9BhB5EiwA1ZVtvO9XXwnKhU0wNL-L1VuyulhtWnIzfT7Tob5NgWRdn1jeOIdA0QxHwRoCkwQQAvD_BwE

Business travel

Midsona's objective

Midsona strives to reduce the number of business trips. This entails savings and efficiency gains, but above all it reduces the Group's environmental impact in the value chain (Scope 3). This is in line with the Group's climate targets.

How Midsona will meet its target

- Require better data and better mapping of all Group travel.
- Measure and analyse travel statistics annually, as well as emissions and the environmental impact in connection with business travel.
- Via the Group's business travel procedures, encourage all employees to consider digital alternatives to meetings requiring traditional travel.

Progress in 2024

- As a result of a reorganisation of Midsona focusing on strengthening central functions and better exploiting synergies between the divisions, an increase in business travel is expected as a result of increased exchanges between the divisions, although digital meetings are encouraged as far as possible.

Midsona today

- In 2024, total emissions from business travel in the Group were 253 tCO_2e (230), an increase of 10 percent from the previous year, but a decrease of 2 percent compared with the baseline year 2022.
- Emissions from private cars increased by 2 percent compared with the previous year, but decreased by 65 percent since the baseline year 2022.
- Emissions from flying increased by 12 (59) percent from the previous year. The total distance travelled by rail was 135,900 km (211,176).
- The trend shows how the coronavirus pandemic reduced opportunities for travel at Midsona, and the increases, mainly in 2023 but also in 2024, were consistent with Midsona's expectations.

Read more in the section on Sustainability data on page 95.

GRI 305-3

Stakeholder dialogue

Midsona has developed a communication plan to ensure a functioning stakeholder dialogue, and that the Group continuously follows up with stakeholders and keeps them informed. The communications plan is part of Midsona's Communications Policy.

In connection with the implementation of the double materiality assessment, Midsona updated the Group's stakeholder list, which includes:

- Employees
- Customers
- Consumers
- Suppliers and the supply chain
- Shareholders and potential investors, lenders and other creditors (including asset managers, credit institutions, insurance companies)
- Analysts and academics
- Trade unions and social partners
- UN and non-governmental organisations (NGOs)
- Media
- European Commission and governments
- External experts
- Other business partners of Midsona (for example, certain certification bodies)

How Midsona creates value for the Group's key stakeholders:

Midsona's stakeholders	How Midsona has created value	How Midsona interacts with stakeholders
Employees	A good work environment, health, satisfaction, development opportunities, fair wages, benefits.	In-person meetings, performance reviews, employee surveys, intranet, union organisations.
Customers	By supporting Midsona's customers in their sustainability efforts on their customers' behalf, such as by developing sustainable products and packaging that affects several aspects such as shelf life, quality, storage and transport options.	In-person meetings, discussions with sustainability managers of Midsona's customers, customer conferences, industry initiatives, trade fairs.
Consumers	Accurate product information, labelling and certifications assuring social or environmental conditions, helping the consumer obtain sustainable, healthy products. Anyone who chooses Midsona's products will know that they are simultaneously contributing to favourable conditions in areas including climate, biodiversity, human rights, labour law, business ethics and animal husbandry.	Consumer surveys, traditional customer contact, social media, influencers.
Suppliers/supply chain	Through the Group's Supplier Code of Conduct that suppliers must sign and the self-assessment that they must complete on Midsona's portal for supplier evaluation, Midsona has gained more opportunities to clarify to suppliers our expectations of their work based on quality assurance, safety and sustainability perspectives. The Group's climate-related targets for supplier engagement and due diligence in the supply chain will require an even closer dialogue with suppliers going forward and a much greater degree of transparency. The aim is to ensure the right deliveries and sustainable development for all parties throughout the value chain.	Supplier Code of Conduct, supplier portals, audits, in-person meetings and continuous dialogue, for example in purchasing negotiations.
Shareholders and potential investors, lenders and other creditors (including asset managers, credit institutions, insurance companies).	Through credible sustainability work, the image portrayed of Midsona is of a reliable company that is an industry leader in sustainability, with raw materials and products that are durable, safe and of good quality, which leads to better business opportunities.	Investor reports such as CDP reports, Annual Reports, financial reports, Annual General Meetings, investor meetings, share savings meetings, rankings, external recognitions, website, press releases.
Analysts and academics, trade unions, UN and NGOs, media, European Commission and governments, external experts, other business partners.	As a company, Midsona takes responsibility in society for measures that contribute to meeting national and global targets. For example by engaging in dialogue and gaining knowledge from analysts and academics and investigative media, affiliation to various initiatives and NGOs, and following government regulations, external experts and international global frameworks. To be able to understand and gain insight into these key stakeholders' wishes and requirements, it is essential for Midsona to perform independent studies of UN documents and scientific papers, European Commission and local authority regulations, guidelines, policies and measures, ETI's work and recommendations, SBTi, TCFD, TNFD and CDP guidelines.	*Globally:* Climate targets in accordance with and approved by the Science Based Targets initiative. Annual reports to the UN Global Compact. Annual reporting to the CDP (Carbon Disclosure Project) which, with mapping and analysing climate risks in accordance with the TCFD's recommendations, ensures best practice in climate reporting. Officially available transition plans. *Locally:* Annual Sustainability Report as part of the Annual Report, various community engagement initiatives and sponsorships. Follow-up and reporting to industry organisations such as DLF, and local certifications such as Germany's WeCare certification (Sustainability Management System) and Finland's WWF Green Office certification.

Midsona regularly communicates with the Group's stakeholders through many different channels during the year, including direct dialogue and meetings, studies of stakeholders' reports and websites, and other correspondence. These dialogues help Midsona understand stakeholders' needs and expectations, and also provide input for continuous improvements.

They also provide important information in relation to how Midsona's impact should be managed, as well as the areas in which the Group should focus its actions and reporting initiatives to obtain the greatest impact.

Sustainability data

Midsona's sustainability work builds on the Group's strategy and analysis to enable the Company to set relevant, meaningful targets. This includes carefully assessing risks and opportunities in the sector, and identifying the primary drivers of sustainability in each area. Midsona identifies where in its value chain this is relevant and determines the time horizon and probability of meeting the targets set. Continuous reporting and analyses ensure effective management and follow-up, which means that the sustainability targets are integrated in day-to-day operations.

Midsona works constantly to improve the quality of its sustainability data and continuously integrates new entities through acquisitions that initially are rarely well-prepared for data collection. This means that some datapoints have been adjusted and updated retroactively. All sustainability data includes the whole Group.

Sustainable brands

Plant-based and vegetarian foods

Plant-based and vegetarian range – own brands (%)

	2024	2023	2022
Range - own brands			
of which vegetarian	99%	98%	94%
of which plant-based	92%	88%	88%
Range - priority own brands			
of which vegetarian	99%	99%	99%
of which plant-based	93%	92%	91%

Target 2030
100%
Vegetarian or plant-based product range

Comments on data

Midsona's goal is for its entire range of own brands to be 100 percent vegetarian or plant-based, demonstrating a strong commitment to sustainable, healthy alternatives. The Group has come a long way in achieving this target, with 99 percent of the range being vegetarian. For the priority own brands, the proportion of vegetarian or plant-based products is also 99 percent, which clearly shows Midsona's dedication to offering sustainable, healthy products.

See also page 86 regarding Scope 3 greenhouse gas emissions in tonnes of CO_2 equivalents (CO_2e) for purchased goods and services, which includes emissions relating to Midsona's products and raw materials.

GRI 305-3

Organic and other certifications

Midsona's objective

Midsona strives to increase sales of plant-based products and to have a wide range of products that contribute to social and environmental sustainability, where the use of different certifications can act as a lever.

Product certifications, share of sales (%)

	2024	2023	2022
Sale of goods			
of which, organic[1]	54%	52%	49%
of which KRAV	5%	5%	6%
of which ECOCERT Cosmos	4%	4%	5%
of which Demeter	1%	1%	1%
of which Friends of the Sea	1%	1%	<1%

[1] Certified in accordance with EU organic farming, production and marketing of organic products (EU) 2018/848. Organic farming is an agricultural method that aims to produce food using natural substances and processes. This means that organic farming tends to have a limited environmental impact as it encourages responsible use of energy and natural resources, conservation of biodiversity, conservation of regional ecological balances, improvement of soil fertility and maintenance of water quality. Regulations on organic farming also encourage a high standard of animal welfare and require farmers to meet the specific behavioural needs of their livestock. EU regulations on organic farming are designed to provide a clear structure for the production of organic products throughout the EU. This is to satisfy consumer demand for reliable organic products and at the same time provide a fair marketplace for producers, distributors and marketers. Read more here: https://ec.europa.eu/info/food-farming--fisheries/farming/ organic-farming/organics-glance_en

Comments on data

Organic products, ECOCERT: Midsona's sales of organic products[1] currently account for 54 percent of the Group's sales. Four percent of sales was attributable to Midsona's organic beauty brand Urtekram Beauty, which is certified under the ECOCERT Cosmos scheme, among others. As a key supplier in the market for vegan and ECOCERT-certified hygiene and beauty products, Midsona constantly develops new innovations within Urtekram Beauty.

FoS: Friend of the Sea (FoS) has become the leading certification standard for marine products and services that respect and protect the marine environment. This certification assures sustainable methods in fishing, aquaculture and the production of fishmeal and Omega 3 fish oil[3]. 100 percent of the fish oil that Midsona purchase for own production of Omega 3 is FoS-certified.

KRAV: With KRAV being Sweden's best-known sustainability label for organic food, the strongest focus is in Division Nordics. KRAV labelling provides a guarantee that a product has been organically cultivated and that no artificial fertiliser or biohazardous chemical biocide has been used in production. Strict demands are also imposed with regard to biodiversity, climate impact, animal welfare, social responsibility and improved working conditions for employees[4].

Demeter: Demeter's main focus is in Division North Europe. Demeter certification assures an organic and biodynamic cultivation process focusing on cycle-based agriculture[5].

[1] https://eur-lex.europa.eu/SV/legal-content/summary/eu-rules-on-producing-and-labelling-organic-products-from-2022.html
[3] https://friendofthesea.org/why-friend-of-the-sea/
[4] https://www.krav.se/krav-markt/
[5] https://demeter.net/

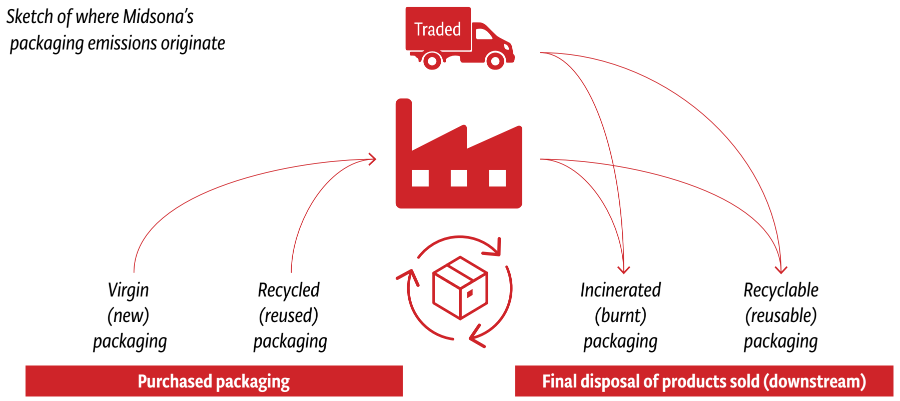
Sustainable packaging

Midsona's objective

To meet the requirements for circular packaging, Midsona needs to focus on increasing the proportion of recycled packaging material and using more recyclable packaging, while reducing the total volume of packaging material. With innovations and product range processes, Midsona is able to drive up demand for recycled packaging materials, and also promote higher levels of sorting and collection of packaging waste that in turn can be reused. This has a significant effect on Midsona's greenhouse gas emissions, with packaging accounting for around 7 percent of the Group's total CO_2e emissions in Scope 3. As part of Midsona's Climate Transition Plan and analysis, the Group uses all types of packaging material.

GRI 304-2

Sketch of where Midsona's packaging emissions originate



Purchased packaging materials (tonne)

	2024	2023	2022
Plastic	721	606	711
*of which recycled**	90	79	87
of which bioplastics	21	-	-
recycled (%)*	13%	13%	12%
bioplastics (%)	3%	-	-
Paper	1,844	1,849	2,159
*of which recycled**	1,279	1,667	1,990
of which FSC	485	-	-
recycled (%)*	69%	90%	92%
FSC (%)	26%	-	-
Glass	1,527	1,282	1,316
of which recycled	719	587	533
recycled (%)	47%	46%	41%
Metal	140	107	94
of which recycled	3	6	6
recycled (%)	2%	6%	6%
Aluminium	2	2	0
of which recycled	0	0	0
recycled (%)	0%	0%	0%
Total purchased material	**4,234**	**3,846**	**4,280**
of which recycled (%)	49%	61%	61%
of which FSC (%)	11%	-	-
of which bioplastics (%)	1%	-	-

* As a result of improved data quality, recycled packaging material has been separated from FSC-certified material and bioplastics, which were combined in previous years.

In depth – purchased packaging material per division (tonne)

2024	Nordics	North	South
Total purchased material	1,530	2,114	589
of which recycled	664	1,067	361
recycled (%)	**43%**	**50%**	**61%**

Comments on data

In 2024, 49 percent (61) of Midsona's total purchased packaging material came from recycled material. 11 percent came from FSC-certified material and 1 percent from bioplastics. As a result of improved data quality, recycled packaging material has been separated from FSC-certified material and bioplastics, which were combined in previous years. This results in a lower proportion of recycled packaging material than in previous years. If the same methodology as in previous years had been applied, the proportion of recycled material would have been 61 percent.

Plastic: Midsona still purchases a relatively low proportion of recycled plastic, 13 percent in total. This is because of food safety rules for materials in contact with food. The use of recycled plastics in food packaging remains a challenge to the food industry owing to a lack of safe materials, although technological developments are expected to speed up in this area in the future. The proportion of bioplastics was 1 percent. As a result of improved data quality, recycled plastic and bioplastics have been separated. They were combined in previous years. If the same methodology as in previous years had been applied, the proportion of recycled plastic would have been 15 percent.

Board/Paper: In 2024, the proportion of recycled material in paper packaging was 69 percent (90). As a result of improved data quality, recycled material in paper packaging has been separated from FSC-certified material, which were combined in previous years. If the same methodology as in previous years had been applied, the proportion of recycled paper would have been 96 percent, with a marked increase from 83 to 95 percent in Division Nordics. For more about paper as a risk raw material, see the Sustainable raw materials section on pages 56-57.

Glass: The proportion of recycled glass increased by 1 percentage point from the previous year. In 2024, Midsona focused on increasing the percentage of recycled glass as part of the Group's climate transition plan, as virgin glass has twice the emissions than recycled glass.

Metal: Midsona purchases a very low proportion of packaging made of metal or aluminium, which means that small changes have a major impact on the proportion of recycled metal. In 2024, the proportion of recycled metal decreased by 4 percentage points from 6 to 2 percent. Going forward, Midsona will increase the percentage of recycled material as part of its climate transition plan, as new aluminium has twice the emissions than recycled aluminium.

Recycling instructions: The proportion of product packaging labelled with recycling instructions increased by 9 percentage points from 42 to 51 percent. In 2024, initiatives were implemented to increase the proportion of product packaging labelled with recycling instructions. Recycling instructions are important in terms of enabling the consumer to sort the packaging material when disposing of it as waste in final disposal of Midsona's packaging material.

See also Scope 3, emissions of greenhouse gases in tonnes of CO_2e for purchased goods and services and final disposal of products sold, on page 86.

Read more on page 43 of the Sustainability Report.

GRI 301-2

GRI 304-2

GRI 305-3

Recyclable plastic packaging

Final disposal of our packaging by the consumer is important for the promotion of recycling. The type of packaging material and labelling, and recycling instructions on the packaging play an important role. Emission factors for recyclable packaging are unrelated to type of material.

Target 2025
100%
recyclable plastic packaging

Reference from Midsona's Sustainability Report, page 44:

Mapping and metrics for packaging relative to recycling requirements entails:

- Mapping and metrics for all Midsona plastic packaging in accordance with NPS's requirements in Sweden for Division Nordics and in accordance with relevant national requirements for Division North Europe and Division South Europe. These requirements include:
  - Type of plastic
  - Percentage of printing area of packaging
  - Ink
  - Recycling instructions

Mapping financial impact entails:

- Releasing costs for changes in the divisions' budgets for increased use of recyclable plastic packaging.
- Reduction in use of plastics in Midsona's products through investments in technology, capacity, innovation and product design.

Recyclable packaging material, final disposal of products sold (tonne)

	2024	2023	2022
Plastic	777	905	937
of which recyclable	385	421	439
	50%	46%	47%
Paper	1,939	2,085	2,310
of which recyclable	1,591	1,743	1,698
	82%	84%	74%
Glass	1,504	1,621	1,880
of which recyclable	436	448	539
	29%	28%	29%
Metal	233	274	370
of which recyclable	20	19	52
	9%	7%	14%
Aluminium	12	10	10
of which recyclable	5	5	8
	41%	48%	80%
Wood	64	112	71
of which recyclable	64	112	71
	100%	100%	100%
Total packaging materials	4,529	5,007	5,578
of which recyclable	2,501	2,748	2,807
of which recyclable (%)	55%	55%	50%

In depth – Recyclable plastic packaging material per division, tonne

2024	Nordics	North	South
Plastic	620	68	89
of which recyclable	318	41	27
recyclable (%)	51%	60%	30%

Comments on data

In 2024 , the share of recyclable packaging material for Midsona was 55 percent (55), unchanged compared to previous year. Going forward, Midsona wants to accelerate this work and focusing on achieving a higher proportion of recyclable packaging material. Published data from previous years has been updated on the basis of upgraded data and methodology.

Plastic: The share of recyclable plastic was 50 percent (46), an increase of 4 percentage points compared to previous year. Midsona will continue to focus on plastic going forward, with the ambition of 100 percent recyclable plastic by 2025. This is a target shared with DLF, a trade association for companies in the groceries sector in Sweden, of which Midsona is a member. At the same time, Midsona needs to adapt to the PPWR and ensure that the packaging changes now taking place are in line with the Regulation.

Paper: The share of recyclable paper was 82 percent (84), a decrease of 2 percentage points compared to previous year. Midsona will continue to focus on paper going forward, with the ambition of 100 percent recyclable paper by 2030.

Glass: The share of recyclable glass was 29 percent (28), an increase of 1 percentage point compared to previous year. Midsona will continue to focus on glass, with the ambition of 100 percent recyclable glass.

Metal/Aluminium: The share of recyclable metal and aluminium was 10 percent (8), an increase of 2 percentage points compared to previous year. Compared with other packaging materials, Midsona uses little metal and aluminium, and this is therefore not an area in which the Group's impact is greatest. In line with Midsona's climate transition plan, the Group will continue to focus on metal, with the ambition of 100 percent recyclable metal and aluminium by 2030.

See also Scope 3, emissions of greenhouse gases in tonnes of CO_2e for final disposal of products sold, on page 86.

Read more on page 44 of the Sustainability Report.

GRI 301-1 | GRI 305-3 | GRI 306-1 | GRI 306-2 | GRI 306-4

Healthy and sustainable work environment

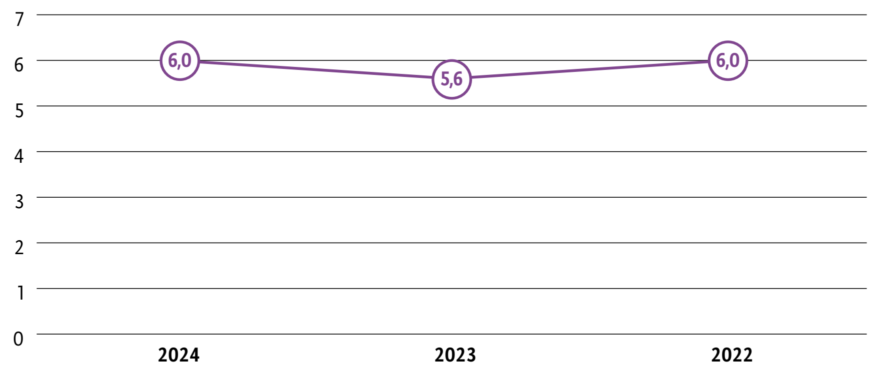
Recordable work-related injuries

	2024	2023	2022
Number of recordable work-related injuries*			
Division Nordics	3	13	10
Division North Europe	5	2	10
Division South Europe	13	20	17
Total number of recordable work-related injuries	**21**	**35**	**37**

*An recordable work-related injury is a physical injury in the work environment resulting in absence of at least one full working day that must be documented

Sick leave (%)

	2024	2023	2022
Sweden	1.6	2.7	3.4
Norway	4.5	7.5	3.5
Finland	3.0	3.6	3.1
Denmark	6.3	4.9	4.9
Germany	10.0	7.5	9.7
France	2.7	4.2	5.2
Spain	9.0	8	7.5
Total sick leave (%)	**6.0**	**5.6**	**6.0**



Comments on data

In 2024, 21 recordable work-related injuries (35) were reported, a decrease of 14 compared to previous year. The decrease can be attributed to the production units in Denmark and Spain, with a reduction in occupational injuries of 77 and 47 percent respectively. In 2024, Spain took action to reduce the risk of recordable work-related injuries. Among other things, accident prevention training was organised for all employees, a health and safety committee was established, and working procedures were adapted to improve safety in the workplace.

Most of the 21 recordable work-related injuries were sustained in Midsona's production units and warehouses. In every industry, the risk of injury is generally much higher among industrial workers in production units than among office workers, and this is also true of Midsona's units. Despite the drastic decrease, Spain had the highest proportion of recordable work-related injuries, a high proportion of which involved industrial workers.

Midsona also measures the Lost Time Injury Frequency Rate (LTIFR), which calculates accidents per 1 million working hours. In 2024, the LTIFR decreased from 23.2 to 16.3 from the previous year. The LTIFR is a good KPI as it provides a clear, measurable indication of safety in the workplace.

Recordable work-related injuries and sick leave are areas that Midsona will continue to focus on. In 2024, all divisions worked extensively on health, safety and the work environment. This involves improved tracking of recordable work-related injuries, procedures with regular safety training such as first aid, fire drills and chemicals handling, and an evaluation forum at which accidents, incidents and near misses are discussed and actions identified. Read more about progress in 2024 in the 'Promote a safe, healthy workplace' section on page 47.

Published data from previous years has been updated on the basis of upgraded data and methodology.

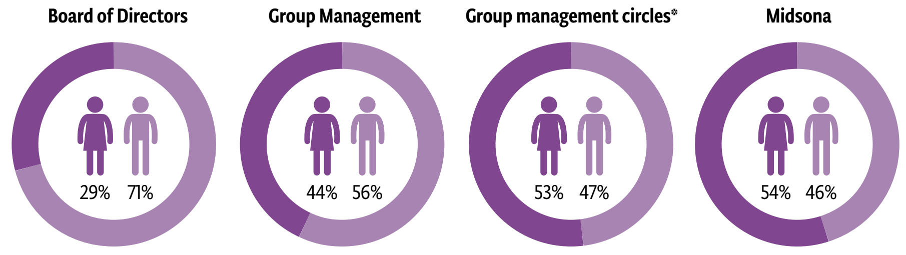
Healthy work environment
Healthy workplaces that promote good health among employees

Read more on page 47 of the Sustainability Report.

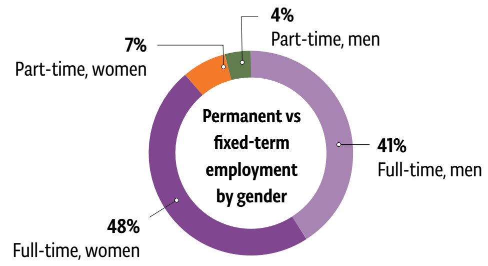
GRI 403-2	GRI 403-3
GRI 403-4	GRI 403-5
GRI 403-6	GRI 403-7
GRI 403-9	GRI 403-10

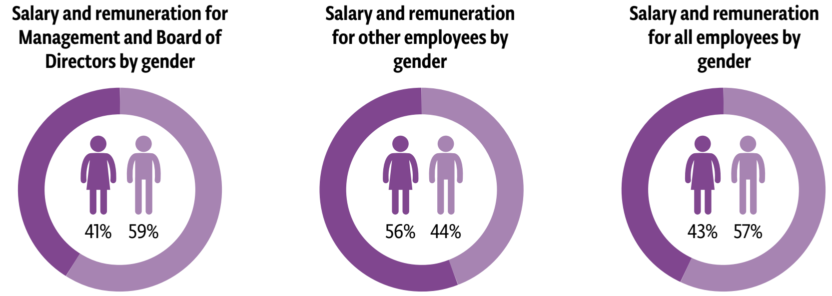
Diversity, inclusion and gender equality

Target
50/50
gender distribution in management positions



	Board of Directors	Group Management	Group management circles	Midsona
Women**	2	4	19	459
Men**	5	5	17	385





Comments on data

The gender distribution in management positions is 51/49 percent female/male, reflecting Group Management and Group management circles combined. In isolation, the gender distribution of Group Management is 44/56 percent female/male, unchanged from the previous year. The gender distribution of Group management circles is 53/47 percent female/male and for all employees at Midsona 54/46 percent female/male. Overall, Midsona also had a higher percentage of women for all employees, also in 2023 (55/45) and in 2022 (52/48).

In an analysis of the gender distribution between permanent and fixed-term employees, Midsona has a relatively even gender distribution. For permanent positions, the gender distribution is 48/41 percent female/male, while for fixed-term positions the gender distribution is 7/4 percent female/male.

The salary differences between female and male employees are generally relatively small. On the other hand, the figures show that men in Group Management and on the Board of Directors have higher salaries than women. This may be partly explained by the fact that higher responsibility roles, such as CFO and CEO, are male. Midsona strives for gender balance and equal working conditions, which includes equal pay for equal work. The salary differences among Group Management and the Board are therefore an area that Midsona needs to focus on and work further on.

* Group management circles include all persons with HR responsibilities who report directly to a member of Group Management, or hold a C-suite title but are not part of Group Management.
** calculated as head count

Read more on page 49 of the Sustainability Report.

GRI 401-1	GRI 401-2
GRI 405-1	GRI 406-1
GRI 205-1	GRI 205-3

Responsible sourcing

Sustainable raw materials

Target 2025
100%
our own brands free from palm oil

In addition to greater focus on human rights and social conditions in the Group's value chains, Midsona has identified commodity risks and opportunities based on a double perspective, both the Group's external impact and how Midsona's financial situation may develop in the future. Risk areas including climate change, deforestation, water management and biodiversity are analysed.

Owing to water scarcity, land degradation and uncertainty about the impact of new technologies, there are doubts about whether the global targets for increasing food production, which is necessary to feed a growing population, can be met. This also creates uncertainty about Midsona's access to raw materials[1]. Midsona operates in countries with small and open economies and a need for raw materials with close links to the international trade market. This leaves the Group vulnerable to global climate risks and challenges, in terms of both price and supplies of various raw materials. The most important aspect of managing risk raw materials involves suppliers' risk classifications, the requirements of the Group's Code of Conduct, dialogue and long-term cooperation with suppliers, audits and various environmental and social third-party certifications of raw materials and products. For more on this subject, see the 'Organic and other certifications' section on page 46. To further assure appropriate management of risk raw materials, Midsona works to a Group-wide set of instructions, 'Midsona's instructions for GMOs, palm oil, fish oil, use of paper and animal welfare'. This is included in Midsona's Sustainability Policy and, with the percentage of plant-based and organic products in the Company's product range, represents a plan to protect the climate and biodiversity in fisheries, forestry and agricultural production along the value chain.

[1] https://nibio.brage.unit.no/nibio-xmlui/bitstream/handle/11250/2567268/NIBIO_RAPPORT_2018_4_115.pdf?sequence=2

Raw material risks identified at Midsona

GMO: Rice, soya and maize present the highest GMO risks among Midsona's raw materials. To ensure that this risk is managed, all raw materials and products are required to be 100 percent GMO-free, which is guaranteed by Midsona's quality department.

Deforestation, biodiversity, climate: Deforestation refers to the conversion of natural forests to agricultural land or other uses, leading to a negative climate impact through loss of carbon sequestration in natural forests and degradation of habitats for plant and animal species. Forests also play a crucial role in the livelihoods and well-being of indigenous peoples. For Midsona, palm oil, soya, cocoa and paper from wood raw materials are potential risk factors for deforestation, which in turn may contribute to climate change and biodiversity loss. Wheat, rice, soya, fish oil and maize are sensitive to drought, major fluctuations in temperature or any other type of climate change, and there is therefore a financial risk linked to Midsona's supplies of these raw materials.

The Group works actively to minimise the risk of deforestation from the use of palm oil and has a target that Midsona's own brands will be free of palm oil by 2025. Until then, all palm oil must be 100 percent RSPO segregated and certified. The supply of wheat, maize and soya is ensured through supplier and raw material control, including the purchase of soya from areas in which deforestation does not occur and the risks of severe temperature fluctuations are minimised. This approach helps counteract the risk of deforestation and ensure Midsona's supply of raw materials. Although there have been examples of significant climate change in Europe, the Group considers that this part of the world is less vulnerable to climate change than other regions such as Asia, Africa and South America. The risk of deforestation and human rights violations is also deemed to be significantly lower in Europe. Consequently, the Group chooses to buy raw materials produced in Europe where possible to minimise these risks.

The Group ensures that the risk of deforestation through the activities of Midsona's paper mill is minimised by using recycled or FSC-certified paper. The Forest Stewardship Council (FSC) is an independent international organisation that promotes environmentally friendly, socially beneficial and economically sustainable use of the world's forests via its certification system. FSC certification is globally recognised as a trusted label for sustainable forestry, with each certificate representing responsible sourcing that prioritises both forests and people[1]. Another important way of protecting biodiversity lies in the Group's high percentage of organically certified raw materials and products. The European Commission has defined organic farming as a key measure to preserve biodiversity. As part of the EU's Green Deal, the Commission has put forward a comprehensive organic action plan, with the target of having 25 percent of agricultural land in Europe under organic farming by 2030[2].

Midsona maps the greenhouse gas emissions of purchased goods and services, broken down into energy and industry data and FLAG data. This has provided Midsona with even greater insight into which raw materials and products have the highest greenhouse gas emissions. This will drive the agenda on risky raw materials going forward, and is part of the assessment and development process for any new measures that will be applied in 2025. Read more about FLAG on page 87.

Water: Raw materials that require high volumes of water in production and are obtained from regions with high water stress represent a high degree of water risk. The most water-intensive agricultural raw materials that Midsona uses are rice, sugar, palm oil and soya. Rice production in Kotwa, India, where Division North Europe operates, is particularly vulnerable, as it is an area of severe water scarcity. To address this challenge, the Group has ensured that the raw materials are sourced through a community engagement project with the supplier. The project involves rice production that requires less water and where the rice is also 100 percent organic, Demeter and Fairtrade certified.

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Animal welfare: Midsona has a high proportion of plant-based alternatives (92 percent) to animal-based food. A plant-based range focuses on animal welfare and results in lower greenhouse gas emissions from animal husbandry and production compared with animal products. For Midsona's vegetarian products containing eggs and milk, the Group ensures that animal husbandry is in line with its supplier and raw material controls.

Other risk areas: Other relevant raw material sectors that face environmental and social challenges include cocoa, sugar, tea and hazelnuts. To mitigate risks, purchases of these products are largely certified, including through labels such as organic, UTZ/Rainforest Alliance, KRAV and Fairtrade. Through UTZ certification, the Group helps build a better future and creates value for the more than four million farmers and workers and thousands of businesses that use Rainforest Alliance certification. The certification promotes sustainable agricultural production and responsible supply chains and is used in over 70 countries worldwide[3]. Read more about certifications in the product certifications section on page 42.

[1] https://fsc.org/en
[2] https://agriculture.ec.europa.eu/farming/organic-farming_en
[3] https://www.rainforest-alliance.org/

Purchase of risk raw materials (tonne)

Total purchase of risk raw materials: 39,814 tonnes

	2024	2023	2022
Palm oil	5	30	40
of which RSPO-segregated	5	30	40
Composite raw material with palm oil or palm oil derivative	212	90	103
of which RSPO-segregated	199	72	82
Fish oil	77	49	85
of which FoS-certified	62	46	73
Soya	1,062	922	1,025
of which GMO-free	1,062	922	1,025
of which country of origin EU	263	787	894
Rice	5,646	4,736	5,160
of which GMO-free	5,646	4,736	5,160
of which country of origin EU	2,722	3,618	3,255
Maize	1067	900	945
of which GMO-free	1067	900	945
of which country of origin EU	661	761	821
Wheat	3,693	3,328	2,919
of which country of origin EU	2,509	3,318	2,886
Sugar	2,181	1,933	2,245
of which organic	2,175	1,672	2,240
Hazelnuts	167	208	217
of which organic	49	69	73
Cocoa	126	76	73
of which organic	106	75	73
of which Fairtrade, KRAV or UTZ	40	65	40

Supplier control

Midsona's objective

It is important for Midsona to maintain close relationships with all suppliers. This way, the Group can ensure that Midsona works with suppliers that are sustainable or that demonstrate strong development potential. Midsona can also ensure the Group's future access to sustainable resources and the protection of the environment, biodiversity and human rights. The Kodiak evaluation system is mainly used as a tool in Division Nordics, while Division North Europe uses other methods, such as the Sedex platform, to carry out supplier risk classification. This is done to manage and assess sustainability performance and to meet supply chain targets. More than 74,000 companies worldwide have chosen Sedex as their partner to create more socially and environmentally sustainable companies and supply chains[1]. Division South Europe has not yet implemented a well established system. Suppliers are assessed on the basis of internal supplier approval procedures. Although Division South Europe has its own manual procedures for checking its suppliers, they are rated as 0 in the data summary in the table below.

[1] https://www.sedex.com/

Target 2025
100%
Risk-classified suppliers in accordance with sustainable guidelines

GRI 304-2
GRI 305-3
GRI 308-2

Risk classification of suppliers (Tier 1)

	2024	2023	2022
Midsona Group	67%	53%	44%
Division Nordics	95%	88%	82%
Division North Europe	100%	59%	62%
Division South Europe	0%	0%	0%

SCOC (Tier 1)

	2024	2023	2022
Midsona Group	53%	52%	49%
Division Nordics	74%	74%	80%
Division North Europe	82%	82%	75%
Division South Europe	0%	0%	0%

Comments on data

Division Nordics: Based on Midsona's supplier evaluation system Kodiak, 95 percent of all direct material suppliers in Division Nordics have been evaluated, an increase of 7 percent compared to previous year.

Division North Europe: 100 percent of all direct material suppliers in Division North Europe have been evaluated, a drastic increase as a result of internal clarification of the definition. The supplier risk assessment covers both quality and sustainability. Division North Europe uses recognised methods, such as Sedex, to classify suppliers.

Division South Europe: Division South Europe has not yet implemented a well established system for risk classification of direct material suppliers. This reduces Midsona's overall target fulfilment as Division South Europe has around one third of Midsona's total number of direct material suppliers. Suppliers yet to be processed in a well established assessment system are assessed in accordance with legislation and the certification requirements in each country.

SCOC: The proportion of suppliers that have signed Midsona's Supplier Code of Conduct (SCOC), or an equivalent Supplier Code of Conduct, increased by 1 percentage point.

Midsona has a total of 842 direct material suppliers.

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Origin of purchase (%)

	2024	2023	2022
Purchases of raw materials within EU (%)			
Division Nordics	50%	48%	43%
Division North Europe	38%	46%	47%
Division South Europe	67%	83%	96%
Total purchases of raw materials within EU (%)	**48%**	**56%**	**60%**
Purchases from the country of origin of the raw material (%)			
Division Nordics	58%	41%	46%
Division North Europe	59%	75%	69%
Division South Europe	67%	66%	69%
Total purchases from the country of origin of the raw material (%)	**61%**	**65%**	**64%**
Purchases of finished products from suppliers within EU (%)			
Division Nordics	93%	93%	97%
Division North Europe	96%	95%	98%
Division South Europe	90%	99%	99%
Total purchases of finished products from suppliers within EU (%)	**93%**	**94%**	**97%**

Read more on pages 54-55 of the Sustainability Report.

GRI 204-1
GRI 308-1
GRI 308-2
GRI 414-1
GRI 414-2

Safe products and quality

All Midsona products are assessed systematically on the basis of product safety and health, as well as any necessary improvements based on current EU and local regulations. The health and safety impacts of products are assessed for improvement in the following life cycle stages, according to product sector and regulations:

- Innovation and development of product concepts
- Certifications
- Manufacturing and production
- Marketing and labelling
- Storage, distribution and delivery, where relevant, according to product sector and regulations
- Consumer use of the products

Events involving product information, labelling or quality issues

	2024	2023	2022
Total number of non-compliance incidents involving product safety, labelling and marketing information resulted in:			
Correction	7	7	12
Recalls	4	4	2
Withdrawals	4	11	9
Fines or penalties	1	0	0

Comments on data

In 2024, Midsona had 1 incident of non-compliance regarding product and marketing information that resulted in fines or penalties. The fine is a result of labels not having been updated with the correct logo. Midsona conducted a total of 4 product recalls and 4 product withdrawals. Published data from previous years has been updated on the basis of upgraded data and methodology.

Read more on page 59 of the Sustainability Report.

GRI 416-1
GRI 416-2
GRI 417-1
GRI 417-2
GRI 417-3

Efficient use of resources

Greenhouse gas emissions

Midsona reports climate data in accordance with the Greenhouse Gas Protocol Corporate Standard, the Corporate Value Chain (Scope 3) Standard and the GHG Protocol, Land Sector and Removals Guidance. Climate data covers the whole Group.

The head office (Parent Company) is located in Malmö, Sweden, and the company's climate data is broken down into three divisions: Midsona Nordic (Division Nordics), Midsona North Europe (Division North Europe) and Midsona South Europe (Division South Europe).

Midsona Nordics operates in Sweden, Norway, Denmark and Finland. Midsona North Europe operates in Germany and Midsona South Europe operates in Spain and France. Division Nordics accounts for 65 percent (66) of Midsona's sales, while Division North Europe and Division South Europe account for 25 percent (23) and 10 percent (11), respectively. Midsona has no other subsidiaries of relevance.

In the CDP report, climate data is broken down to a much greater extent and is described in greater detail.
Read about Midsona's target achievement in relation to the Group's SBT, net-zero target and greenhouse gas report in CDP at *https://www.midsona.com/sustainability#documents*

Greenhouse gas emissions (tCO_2e)*

	2024	2023	2022
Scope 1 – direct emissions			
Refrigerants	35	53	58
Stationary combustion	2,025	1,713	1,332
Chemical processes	586	550	843
Mobile combustion	368	527	676
Total emissions, Scope 1	*3,014*	*2,843*	*2,909*
Change since baseline year, Scope 1 (%)	*4%*	*-2%*	*baseline year*
Scope 2 – indirect emissions			
Electricity	506	601	486
District heating and cooling	59	67	65
Electric and hybrid cars	100	44	23
Total emissions, Scope 2	*665*	*712*	*574*
Change since baseline year, Scope 2 (%)	*16%*	*24%*	*baseline year*
Total emissions, Scopes 1 and 2	**3,679**	**3,556**	**3,483**
Change since baseline year, Scopes 1 and 2 (%)	*6%*	*2%*	*baseline year*
Scope 3 – excluding purchased goods and services			
Capital goods	155	305	361
Fuel and energy related activities	919	803	836
Upstream transport and distribution	6,717	7,792	8,492
Waste generated in operations	192	308	249
Business travel	253	230	257
Employee commuting	898	897	867
Downstream transport and distribution	4,407	4,485	4,610
Final disposal of products sold	1,784	2,184	2,385
Total emissions, Scope 3, excluding purchased goods and services	**15,324**	**17,005**	**18,057**
Total emissions, Scopes 1, 2 and 3, excluding purchased goods and services	**19,004**	**20,560**	**21,539**
Change since baseline year, Scope 3, excluding purchased goods and services (%)	*-12%*	*-5%*	*baseline year*
Scope 3, category 1, purchased goods and services**			
Industry and energy	34,186	32,536	34,629
FLAG	66,666	62,641	74,645
– of which sLUC	34,579	31,753	39,079
- of which LM CO_2e	10,970	10,529	12,395
- of which LM non-CO_2e	21,116	20,359	23,171
- of which removals	0	0	0
Total emissions, purchased goods and services	**100,852**	**95,177**	**109,274**
FLAG, change since baseline year (%)	*-11%*	*-16%*	*baseline year*
Total emissions, Scope 3	**116,176**	**112,182**	**127,331**
Change since baseline year, Scope 3 (%)	*-9%*	*-12%*	*baseline year*
Water	9	10	22
Total emissions, Scopes 1, 2 and 3	**119,865**	**115,747**	**130,835**
Change since baseline year, Scopes 1, 2 and 3 (%)	*-8%*	*-12%*	*baseline year*

* Data produced using the market-based method. Midsona presents both market-based and location-based data in CDP in accordance with the GHG protocol's structure. Climate data encompasses all seven greenhouse gases (CO_2, CH_4, N_2O, HFC, PFC, HF_6, NF_3) where relevant.
** Included in goods and services: food, production packaging, packaging for merchandise and purchased water. Midsona has calculated sLUC (statistical data from databases), and not dLUC or iLUC.

Target 2045
net-zero*

Target 2030
42%
reduced emissions according to Scope 1, 2 and 3**

Target 2030
30.3%
reduced FLAG emissions

Target 2028
70%
suppliers with SBT***

Target 2025
No deforestation

* Long-term: Midsona AB commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 90 percent by 2045 from the baseline year 2022. Midsona AB also commits to reduce Scope 3 GHG emissions by 90 percent within the same timeframe. FLAG: Midsona AB commits to reduce absolute Scope 3 emissions by 72 percent within the same timeframe. The target includes FLAG emissions and removals.
** Excluding purchased goods and services
*** Share based on purchasing costs

Long-term targets are described on pages 62-63.

Description of data

In 2023, a complete new Scope 3 inventory was performed as part of the work to update Midsona's climate targets according to the SBTi net-zero standard and a new baseline year was set to2022. Emissions from category 1: purchased goods and services were also split into two subcategories: industrial and energy emissions and FLAG emissions to separate land-based emissions from fossil emissions in line with the latest draft of the GHG Protocol's addendum, Land Sector and Removals Guidance (2022) and SBTi Forest, Land and Agriculture Science Based Target Setting Guidance version 1.1 (2023). The latter was developed to help land-intensive businesses, which include Midsona, set climate targets. Midsona operates primarily as a manufacturer and seller of food, dietary supplements and beauty products. As a result, there are no Forest, Land and Agricultural (FLAG) emissions directly associated with Midsona's core business, and they are regarded as negligible in Scope 1. However, Midsona purchases single and mixed raw materials, finished goods and paper packaging of agricultural or forestry origin for production, trade and sales, which generates land-based emissions and removals in the raw material phase of the life cycle. Midsona thus chose to update the Group's climate-based targets to include these FLAG emissions. In structuring its new FLAG emissions accounting, Midsona mapped the main raw materials per product and then paired them with FLAG-adapted emission factors in which the criteria from the new methodology are to quantify the emissions in 4 categories and the removals separately (see below for more detailed category descriptions). In view of Midsona's extensive portfolio and the lack of globally recognised, comparable accounting standards for FLAG emissions, Midsona bases its accounting on generally accepted statistical secondary data sources.

Deviations that the Scope 3 inventory caused in reporting between 2023 and 2022 can be found in the 2023 Annual Report. No significant changes have since been made to the reporting of greenhouse gas emissions.

Below are descriptions for all 15 categories in Scope 3. For further guidance on Scope 3 emissions, including a description of the 15 categories, see the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, in particular Chapter 5: Identification of Scope 3 emissions. Where categories are not applicable, 'Not applicable' is entered, with a brief explanation if appropriate. For categories with negligible emissions, 'Negligible' is entered, where appropriate with an estimate of the relevant percentage of total Scope 3 emissions. Midsona has not excluded categories of relevance as they have not yet been calculated.

Category descriptions, Scope 3:

Category 1: Purchased goods and services:

1. **Industry and energy emissions:** purchases of raw materials, packaging materials and water and purchases of finished goods for resale and distribution after FLAG emissions have been extracted..
2. **FLAG emissions:**
   - **sLUC: Statistical Land Use Change:** Emissions where there has been a change in net carbon storage on account of a land use change, such as deforestation. A consolidated figure for all CO_2 emissions from changes in carbon stocks and pools through conversion of land use such as forests, wetlands and grasslands to agricultural land over a 20-year assessment period. In line with the above-mentioned guidelines, Midsona uses statistical estimates based on land and crop to calculate its related emissions. If primary data is available from the specific geographical location, direct LUC (dLUC) is calculated instead. *Note that indirect land use change (iLUC) is not currently included in Midsona's carbon accounting.*
   - **LM CO_2: Land Management CO_2 & Land Management Non-CO_2:** Land management emissions include all land-related emissions (biogenic CO_2, N_2O and CH_4) directly related to agricultural and forestry activities at the level of a cultivation unit (farm) in operation, excluding those related to land use change. According to the above-mentioned guidelines from GHG and SBTi, Midsona further distinguishes between land management emissions CO_2 and land management emissions non-CO_2.
     Land management CO_2 consists of the biogenic CO_2 emissions related to carbon dioxide losses caused by land management practices within a given time period. CO_2 emissions from activities on land used within the same land category on a continuous basis but where logging or harvesting takes place.
     Land management non-CO_2 emissions consist of CH_4, N_2O and non-biogenic CO_2 as additional anthropogenic greenhouse gas emissions from the management of agricultural systems, including organic and inorganic inputs and agricultural outputs and use of vehicles at farm level. This also refers to methane and nitrous oxide emissions from forestry, livestock and agriculture, such as use of fertiliser and methane emissions from rice production or cattle.
   - **Removals (optional):** Carbon removals in forestry and agricultural processes. SBTi FLAG addresses removals in coordination with the GHG Protocol Land Sector and Removals Guidance, with particular attention to removals in the area of land-intensive sectors, and does not include removals that do not form part of a FLAG target or that are outside the FLAG sector (e.g. direct air capture or other technology-based removals). No biogenic removals from FLAG may be included in energy/industry (non-FLAG) targets. Note that bioenergy is not covered by the FLAG guidance, and in some cases bioenergy removal may be included in energy/industry (non-FLAG) targets. Midsona's inventory does not include biogenic removals. To include removals in climate accounts, primary data (empirical data specific to the carbon reservoir to which the removals relate) with continuous monitoring, traceability and uncertainty applications is required. Includes only carbon storage, not methane or nitrous oxide storage.

Category 2: Capital goods: emissions from capital investments from the accounts 'plant and machinery', 'equipment and tools' and 'other property, plant and equipment'.

Category 3: Fuel and energy related activities: upstream emissions from activities reported in Scopes 1 and 2.

Category 4: Upstream transport and distribution: upstream emissions from transport paid for by Midsona, both inbound and outbound. Includes WTW calculations.

Category 5: Waste generated in operations: waste generated in Midsona's operations. Reports are generated at fraction level, including metal and glass.

Category 6: Business travel: includes air and rail travel, and mileage by motor vehicle. Includes WTW calculations.

Category 7: Employee commuting: employee-related emissions have been estimated by country and location based on national statistics for employee commuting patterns. Includes WTW calculations.

Category 8: Leased upstream assets: not applicable.

Category 9: Downstream transport and distribution: downstream emissions from transport paid for and organised by customers. Both inbound and outbound. Includes WTW calculations.

Category 10: Processing of products sold: not applicable.

Category 11: Use of products sold: not applicable.
11a. Downstream emissions from fossil fuels distributed but not sold by the company: fossil fuels that are distributed must be accounted for with reference to the GHG inventory and target limit, even if not sold directly by the company. Not applicable.

Category 12: Final disposal of products sold: includes both recyclable and non-recyclable packaging materials. Data is recorded for all packaging materials by type.

Category 13: Downstream leased assets: not applicable.

Category 14: Franchising: not applicable.

Category 15: Investments: not applicable.

Data quality

Midsona focuses continuously on expanding and improving the ways in which the Group's climate data is collected, calculated and estimated. For 2024, Midsona thus presents data on greenhouse gas emissions based on data obtained from the Group and on estimates, where data is not available. The quality of the data will rise as estimated industry standards (emission factors) improve, as improvements are made to internal procedures and as suppliers and stakeholders improve their capacity for measuring and sharing data on their greenhouse gas emissions. Nevertheless, Midsona chooses to present the data that is available today in the interests of greater transparency.

Source of emission factors per category and how the estimates are made:

The following applies to the emission factors described below. For 2024 climate accounts, the sources are with year 2024.

Scopes 1 + 2:

- Scope 1 emissions are based on actual consumption data and are calculated using emission factors from DEFRA (2024) and the Swedish Energy Agency. For 2023, DEFRA (2023) applies. For baseline year 2022, DEFRA (2022).
- Scope 2 emissions from electricity are calculated using a market-based method with emission factors from AIB (2024), European Residual Mixes (2023). For baseline year 2022, AIB (2022).
- Scope 2 emissions from district heating and cooling are calculated using a factor from a local source from the Swedish Energy Agency (2024). Certified district heating and cooling is calculated with zero emissions, in accordance with the market-based approach. For 2023, emissions were calculated using local factors from Fjernkontrollen, Miljövärden (2023), KI paastolaskuri (2023) and the Swedish Energy Agency (2021). Certified district heating and cooling is calculated with zero emissions, in accordance with the market-based approach. Same source for baseline year 2022, but equivalent for 2022.

Scope 3:
The emission factors used are from different sources and all are based on secondary data. Emissions from purchased goods and services are calculated based on Midsona's own data related to the purchase of raw materials, finished goods, packaging materials for own production and packaging information for finished goods, and several different sources are used for emission factors based on the nature of the emissions and the availability of details in purchasing data:

- Agri-Footprint 6.3 (AFP) is used for FLAG emissions, Energy and Industrial emissions for FLAG products and for primary product ingredients.
- AGRIBALYSE 3.1 is used for FLAG emissions, Energy and Industrial emissions for FLAG products, Energy and Industrial emissions for further processing steps and for all other product ingredients where AFP data is not available.
- Ecoinvent 3.9.1 is used for FLAG emissions for packaging and for Energy and Industrial emissions for FLAG-related packaging.
- DEFRA 2023 is used for Energy and Industrial Emissions for non-FLAG related packaging.
- For water use, the figure is based on actual consumption, based on factors from DEFRA (2024). For 2023, DEFRA (2023). For baseline year 2022, DEFRA (2022).
- Emissions from 'Fuel and energy-related activities' are based on actual Scopes 1 and 2 consumption, based on factors from DEFRA (2024) and IEA (2024). For 2023, DEFRA (2023). For baseline year 2022, DEFRA (2022).
- Emissions from upstream transport are based on data from transport providers and are reported in tCO_2e or tonne-km. Today, all emissions from Midsona's transport providers are also calculated on a well-to-wheel (WTW) basis. Where data is reported in tonne-km, emission factors from DEFRA (2024) and IEA (2024) were used.

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- Emissions from waste generated in own operations are based on actual consumption data, using factors from DEFRA 2024. For 2023, DEFRA (2023). For baseline year 2022, DEFRA (2022).
- Emissions from business travel are based on actual travel data from offices and travel agencies, based on factors from DEFRA (2024), IEA (2024), Drivmedel (2023). For baseline year 2022, DEFRA (2022). Some air transport is directly accounted for in tCO_2e based on figures from suppliers.
- Emissions from downstream transport are calculated for 2024 based on 2019 emission estimates and sales. In 2019, the calculation was based on the total weight sold, multiplied by the average distance, to calculate tonne-km. The factors used were from DEFRA.

Comments on data

Scope 1: Midsona's Scope 1 greenhouse gas emissions amounted to 3,014 tCO_2e in 2024, an increase of 4 percent compared to baseline year 2022. The increase is due to increased use of natural gas in Division North Europe and propane in Spain. In Division Nordics, total Scope 1 greenhouse gas emissions have decreased by 56 percent since baseline year, with the largest decrease in stationary combustion of 79 percent. This is as a result of switching from oil heating to renewable district heating in Jakobstad.

Scope 2: Midsona's Scope 2 greenhouse gas emissions amounted to 665 tCO_2e, an increase of 16 percent compared to baseline year 2022, but a decrease of 7 percent compared to previous year. The decrease stems from the increased proportion of renewable energy, which is a result of switching from oil heating to district heating, and renewable electricity in Jakobstad. The proportion of non-renewable energy is highest in Division South Europe, which has a major impact on the result, as Division South Europe accounted for 58 percent of total Scope 1 and 2 emissions in 2024.

The following actions have been identified for Scopes 1 and 2 to enable progress to be made towards the Group's long-term Climate Transition Plan:

- *Electricity:* Actions are required to increase the percentage of verifiable renewable electricity in Division South Europe.
- *District heating:* Actions are needed to increase the percentage of verifiable renewable district heating in Tilst, possibly by 2028 according to the district heating supplier in Aarhus, Denmark.
- *Fossil fuel from company cars:* Actions have been initiated to increase the percentage of company cars using verifiable renewable fuel in Division Nordics.
- *Stationary combustion of gas:* Actions are required to increase the percentage of verifiable renewable gas in Division North Europe and Division South Europe.
- *Chemical process:* Actions have been initiated to reduce CO_2 gas in Division North Europe, a total reduction of 30 percent since the baseline year 2022.
- *Always included:* Actions for energy reduction and energy efficiency.

Scope 3: Midsona's Scope 3 greenhouse gas emissions amounted to 116,176 tCO_2e, a decrease of 9 percent compared to baseline year 2022. The largest percentage reduction in Scope 3 is derived from FLAG, upstream transport and distribution and final disposal of products sold. Compared to previous year, emissions from Scope 3 increased by 4 percent, with emissions from FLAG and Industry and Energy increasing by 6 and 5 percent respectively. This is due to an increase in the quantity of goods purchased and a change in the purchasing portfolio.

Published data for certain categories from previous years has been updated on the basis of upgraded data and methodology.

Read more on pages 63-64 of the Sustainability Report.

Read Midsona's complete CDP greenhouse gas report at https://www.midsona.com/sustainability#documents

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5

Recycled waste from own facilities

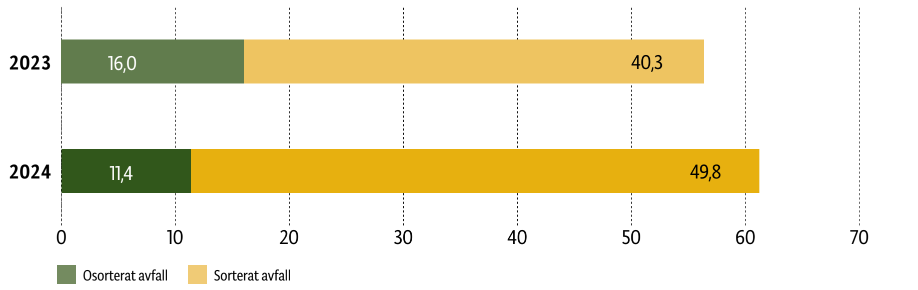
Waste (tonne)

	2024	2023	2022
Metal	15	44	35
Glass	31	19	25
Carton board	490	463	527
Plastic	150	88	108
Organic	765	627	722
Hazardous	9	3	30
Electrical	2	1	2
Wood	147	34	0
Totally sorted	1,609	1,279	1,449
Totally unsorted	369	508	547
Recycling rate (%)	81%	72%	73%
Total waste	**1,978**	**1,787**	**1,996**

Target 2025
90%
recycling of waste generated in own operations

Waste intensity, tonnes of waste/tonne produced

Midsona total

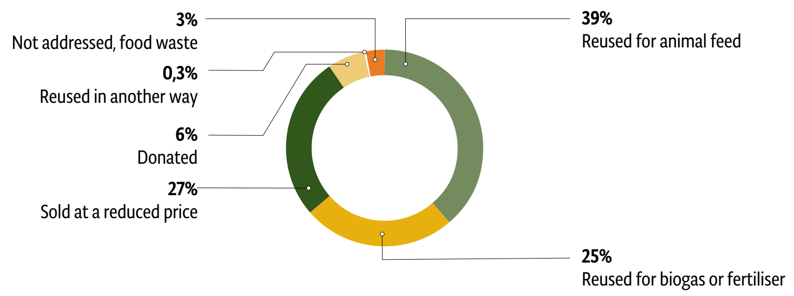


Comments on data

During 2024, the proportion of sorted waste increased in relation to the proportion of unsorted waste, with the recycling rate rising from 72 to 81 percent. This was driven by increased data availability and improved data quality. In contrast, the total volume of waste increased by 11 percent, from 1,787 to 1,978 tonnes, which was due to improved data availability in Division North Europe. Midsona will continue to strive both to reduce total waste and increase the recycling rate towards the Group's target, 90 percent.

Reduce food waste

Actions to reduce food waste (%)



Actions to reduce food waste (tonne)

	2024	2023	2022
Reused for animal feed	727	6	85
Reused for biogas or fertiliser	476	231	299
Sold at a reduced price	508	400	228
Donated	110	51	17
Reused in another way	6	198	64
Not addressed, food waste	55	100	128
Total	**1,882**	**986**	**821**
Percentage addressed (%)	97%	90%	84%

Comments on data

In 2024, the proportion of potential food waste that was reused increased by 7 percentage points from the previous year. The volume of food waste not reused that went to waste decreased by 45 percent compared to previous year, from 100 tonnes to 55 tonnes. Midsona works continuously to improve data quality, with several advances made in 2024. This is demonstrated, among other things, by the increase in the total volume of actual and potential food waste, from 986 tonnes to 1,882 tonnes, and the increase in the recycling rate. This is because greater data availability enabled a greater allocation of potential food waste in Division North Europe to be reused. Going forward, Midsona will work to reduce the total volume of food waste as the recycling rate increases. Published data from previous years has been updated on the basis of upgraded data and methodology.

Read more on page 65 of the Sustainability Report.

GRI 305-3 | GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4

Target 2025
Reduce food waste and **100%** reused food waste

Water use

Water use per division (m³)

	2024	2023	2022
Division Nordics	9,283	8,865	9,264
Division North Europe	7,264	4,087	6,113
Division South Europe	41,500	42,991	47,807
Total	**58,047**	**55,943**	**63,184**

Water intensity (m³/tonne produced)

Midsona total

Midsona Spain, Castellcir

Comments on data

In 2024, the total volume of water increased by 4 percent from 55,943 to 58,047 m³ compared to previous year in the Group due to an increase in coated products for which wet cleaning is required during production. Midsona has been working actively to reduce its water use at Castellcir as 68 percent of total water use is at the production unit in Spain. Water intensity and actual water use decreased by 11 percent and 2 percent respectively compared with the previous year in Spain, in line with the Group's target. The target is a 10 percent reduction in intensity per tonne produced for the Group by 2030, and a 20 percent reduction in intensity per tonne produced for Castellcir, Spain, by 2030. Midsona will continue to work to reduce water use in the Group. According to Midsona's materiality assessment, water risk and impact are significantly higher in Spain than at the other sites in the Group. Consequently, it is most important to focus primarily on Spain to achieve progress. The published water intensity from previous years has been updated on the basis of upgraded data and methodology.

Target 2030
10% reduced water use per tonne produced, 20 percent in Spanish operations

Read more on page 67 of the Sustainability Report.

GRI 303-1 | GRI 303-2 | GRI 303-3 | GRI 303-4 | GRI 303-5

Energy

Direct energy consumption (MWh)

	2024	2023	2022
Renewable stationary combustion	0	0	3,186
Non-renewable stationary combustion	9,126	7,776	6,369
Total stationary combustion	9,126	7,776	9,555
Mobile combustion	1,443	2,039	2,714
Total direct energy consumption	10,569	9,815	12,269
Change since baseline year, direct energy consumption (%)	-14%	-20%	baseline year

Indirect energy consumption (MWh)

	2024	2023	2022
Renewable electricity	4,642	4,375	4,744
Non-renewable electricity	2,850	2,714	2,842
Total electricity	7492	7,089	7,586
Renewable district heating and cooling	2,221	1,745	1,594
Non-renewable district heating and cooling	467	534	527
Total district heating and cooling	2,688	2,279	2,121
Electric and hybrid cars	261	146	101
*Total indirect energy consumption, excl. self-generated**	10,440	9,513	9,809
*Total indirect energy consumption, incl. self-generated**	10,826	9,950	10,250
Change since baseline year, indirect energy consumption (%)	6%	-3%	baseline year

* Self-generated electricity

Total direct and indirect energy consumption (MWh)

	2024	2023	2022
Total direct and indirect energy consumption	***21,395***	***19,766***	***22,519***
Change since baseline year, direct and indirect energy consumption (%)	*-5%*	*-12%*	*baseline year*
Renewable energy, indirect energy (%)	*69%*	*67%*	*67%*
Renewable electricity (%)	*62%*	*62%*	*63%*
Renewable district heating and cooling (%)	*83%*	*77%*	*75%*
Total share renewable energy (%)	*35%*	*34%*	*45%*

Electricity generation (MWh)

	2024	2023	2022
Consumption of self-generated	386	438	441
Sale of self-generated	199	218	212

Comments on the data:

Energy from direct energy consumption includes stationary combustion (LPG, natural gas, propane) and mobile combustion (fossil-fuelled company cars, including hybrids). Energy from indirect energy consumption includes electricity, district heating, district cooling and electric company cars (including hybrids).

Comments, direct energy: In 2024, Midsona's stationary and mobile combustion totalled 10,569 MWh (9,815). This represents a decrease of 14 percent compared to baseline year 2022. Compared with the previous year, there was a slight increase on account of increased use of natural gas in Division North Europe and propane in Division South Europe. Stationary combustion accounts for 86 percent (79) of total direct energy consumption. Division South Europe has the highest consumption of stationary combustion, with the share of propane consumed accounting for 58 percent (57) of total direct energy consumption. In Division Nordics, total stationary combustion decreased by 64 percent since the baseline year 2022, resulting from the transition from oil heating to renewable district heating in 2024. For Division Nordics, non-renewable energy consumed in company cars (mobile combustion) represents a significant proportion. Actions to replace the fossil-fuelled fleet and hybrids with electric cars started in 2023, which has led to a 47 percent reduction compared with the baseline year 2022.

Comments, indirect energy: Midsona's consumption of electricity, district heating and district cooling increased by 6 percent from the baseline year 2022, from 9,809 MWh to 10,440 MWh. The increase is due to increased consumption of district heating in Division Nordics, as well as an increased proportion of electric cars in the Group. In 2024, the proportion of renewable electricity, district heating and district cooling was 69 percent (67), which also includes consumption of self-generated electricity via solar cells. Total consumption of district heating and district cooling increased by 28 percent since the baseline year 2022, resulting from the transition from oil heating to district heating in Division Nordics. The proportion of renewable district heating and district cooling increased from 76 to 82 percent from baseline year 2022.

Target 2028
100%
renewable energy

Direct
100%
fossil-free stationary combustion
fossil-free mobile combustion

Indirect
100%
renewable district heating (steam and cooling)
of the electricity purchased is to be renewable

Comments, direct & indirect energy: In 2024, total consumption of direct and indirect energy decreased by 5 percent since the baseline year. Compared with the previous year, there was a slight increase on account of increased consumption of natural gas in Division North Europe. Actions have already been implemented to have greater control over gas consumption in production going forward. The total proportion of renewable energy increased by 1 percentage point compared with the previous year, but decreased by 10 percentage points from the baseline year as a result of the switch from wood pellets to propane in Spain in 2023. In the future, Midsona will work to reduce total energy consumption as the proportion of renewable energy increases.

Midsona faces challenges in Division South Europe. In both Spain and France, energy supplies are via a combination of renewable, nuclear and non-renewable energy, although the breakdown cannot currently be verified. As a result, Spain makes a negative contribution to the proportion of renewable electricity, despite the fact that production there is increasing and becoming more significant. To improve the situation, it is therefore important to take steps to increase the proportion of verifiable renewable electricity in Division South Europe. On the other hand, a considerable share of the facilities in Division Nordics and Division North Europe are powered by 100 percent renewable electricity, mainly from wind power, hydropower and solar energy.

To summarise, the low proportion of renewable energy is attributable to stationary combustion, company cars and finally electricity. This indicates that the Group must continue to focus on increasing the proportion of renewable energy to meet the target of 100 percent renewable energy by 2028. The following actions have been analysed and identified and will continue to be implemented to reduce energy consumption and increase the proportion of renewable energy:

- *Electricity:* Actions are required to increase the percentage of verifiable renewable electricity in Division South Europe.
- *Fossil fuelfrom company cars:* Actions have been initiated to increase the percentage of company cars using verifiable renewable fuel in Division Nordics.
- *Stationary combustion of gas:* Actions are required to increase the percentage of verifiable renewable gas in Division South Europe and Division North Europe.
- *Actions for all divisions:* Actions for energy reduction and energy efficiency.

See Scopes 1 and 2 greenhouse gas emissions,and actions to meet the climate targets in Scope 1 (direct energy) and Scope 2 (indirect energy) on pages 86 and 89.

Read more on pages 68-69 of the Sustainability Report.

GRI 302-1	GRI 302-4
GRI 305-1	GRI 305-2

Efficient transport

Fossil-free transport

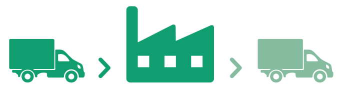
Midsona's transport target, requirements:

Transport actions within Scope 3 for Midsona's greenhouse gas accounting.

Scope 3

100 percent fossil-free combustion, meaning fossil sources for all transport paid for by Midsona:

- Inbound from suppliers
- Inbound, within or between Midsona's facilities
- Outbound from Midsona's facilities to customers



All Midsona transport providers that report greenhouse gas emissions must do so in accordance with the European EN16258 'Well to wheel' standard. All of Midsona's transport must be mapped and metrics must be defined for all transport in accordance with the GHG protocol. This includes inbound, internal and outbound transport for all facilities, and comprises the following:

- An overview of type of transport such as truck, rail, ship, air
- Type of fuel
- Number of tonnes transported and km transported
- Inbound or outbound transport
- Whether Midsona pays for the transport

Mapping economic importance with a dedicated budget means identifying the primary economic impact and defining the scope for meeting targets. A dedicated budget is set aside to increase transport efficiency and to make investments in fossil-free transport, such as rail and ship. This means replacing existing fossil-fuel transport with electric cars, hybrid cars or other alternatives powered by fossil-free fuel. If these alternatives are not available, carbon offsetting may be used as a temporary solution.

Target 2025
100%
fossil-free transport contracted by Midsona in the Nordics

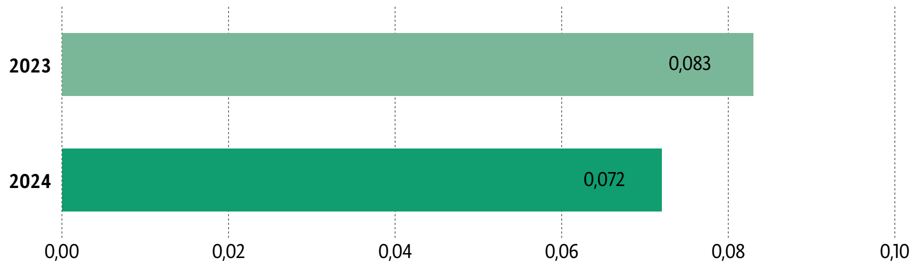
Target 2030
100%
fossil-free transport contracted by Midsona in Europe

Greenhouse gas emissions (CO_2e)

Transport, Scope 3 (tCO_2e)

	2024	2023	2022
Downstream transport and distribution*	4,407	4,485	4,610
Upstream transport and distribution**	6,717	7,792	8,492
Total transport and distribution	**11,124**	**12,277**	**13,102**

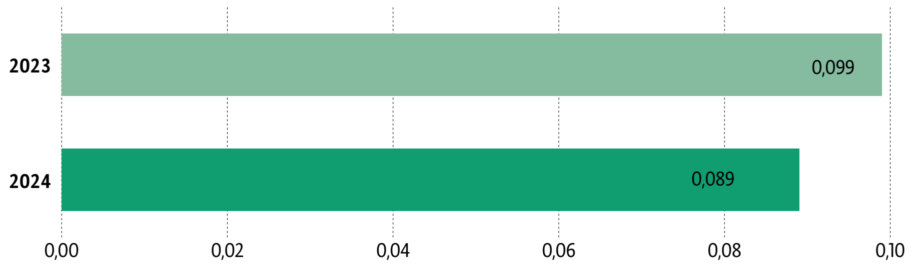
Midsona emission intensity - upstream transport and distribution**



Division Nordics – Transport, Scope 3 (tCO_2e)

	2024	2023	2022
Downstream transport and distribution*	2,879	3,009	3,195
Upstream transport and distribution**	3,206	3,596	4,204
Total transport and distribution	**6,086**	**6,605**	**7,399**

Division Nordics emission intensity - upstream transport and distribution**



Comments on data

All transport from the category 'downstream transport and distribution' is considered to use 100 percent fossil fuel as data is not available for customers' transport. The emissions intensity for the Group for the category 'upstream transport and distribution' decreased by 14 percent compared with the previous year. The emissions intensity in Division Nordics for the category 'upstream transport and distribution' decreased by 10 percent compared with the previous year. Midsona will continue to work to reduce total emissions for the category 'upstream transport and distribution'. The Group also sees a challenge in obtaining qualitative data on fuel type. The Group has therefore chosen to monitor the transport target by measuring the volume of emissions per tonne transported, as the trend in this metric shows how the proportion of fossil-free fuel develops through the change in emissions intensity. Published data from previous years has been updated on the basis of upgraded data and methodology.

Conversion factors for climate data for means of transport are based on the following data, kg CO_2e/tonne-km.
Average for:

- Road: 0.2218
- Ship: 0.0180
- Rail: 0.0278

This means that the transition from road to rail or ship provides a major climate benefit in the form of a large reduction in greenhouse gas emissions.

10 percent of Midsona's total CO_2e emissions are from transport in Scope 3.

* Transport paid for by customers and suppliers. Not currently included in Midsona's fossil-free transport target. Included as part of the Group's greenhouse gas accounting.
** Inbound and outbound transport contracted by Midsona

Read more on page 71 of the Sustainability Report.

GRI 305-3

Business travel

Midsona's objective

Midsona strives to reduce the number of business trips. This may lead to savings and efficiency gains, but above all a reduction in the Group's environmental impact.

Business travel (tCO_2e)

	2024	2023	2022
Rail	<1	1	1
Air	203	182	114
Road	49	48	142
Total	**253**	**230**	**257**

Comments on the data

In 2024, total emissions from business travel for the Group were 253 tCO_2e, a decrease of 2 percent since the baseline year 2022. The total distance travelled by rail was 135,900 km (211,176). Emissions from private cars declined by 65 percent in the Group since the baseline year 2022. Published data from the previous year has been updated on the basis of upgraded data and methodology.

Read more on page 72 of the Sustainability Report.

GRI 305-3

Company cars

Midsona's objective

By 2028, Midsona will have replaced all company cars with fossil-free alternatives.

Company cars (tCO_2e)

	2024	2023	2022
Fossil-fuelled cars	159	416	467
Hybrid cars	260	154	230
Electric cars	48	1	2
Total	**466**	**572**	**699**

Comments on the data

Midsona's total emissions from company cars decreased by 33 percent, which corresponds to approximately 232 tCO_2e compared with the baseline year 2022. Midsona is striving to phase out fossil-fuel cars with hybrid cars as the Group replaces company cars. However, hybrid cars still represent an intermediate solution. According to Midsona's climate transition plan, all company cars are to be switched to electric cars, which will continue to be a focus of the Group. Since the baseline year 2022, the proportion of electric cars in Division Nordics has increased from 0.4 percent to 24 percent, with a significant decrease in the proportion of fossil fuel company cars from 73 percent to 30 percent.

Read more on page 72 of the Sustainability Report.

GRI 302-1

GRI 305-1

Midsona's reporting in accordance with the EU taxonomy for sustainable investments

Focus on climate, environment and sustainable companies

The EU taxonomy regulation (EU 2020/852) is the European Commission's classification system for sustainable economic activities. Through a common classification system for sustainable finance, the Taxonomy Regulation facilitates the identification and comparison of environmentally sustainable investments. Large companies that are required to report in accordance with the EU Non-Financial Reporting Directive (NFRD) are required to report in accordance with the Taxonomy Regulation for the parts of the operations that are eligible. In 2024 , Midsona assessed the economic activities of relevance for Midsona and prepared for compliance and reporting in accordance with the taxonomy.

Taxonomy-relevant activities for Midsona in 2024

The taxonomy includes the economic activities with the greatest climate-impacting emissions and the greatest opportunity for transition that significantly contribute to any of the EU's environmental goals. These activities play the foremost role in the transition to a low-carbon, resilient and resource-efficient economy. Midsona assessed all economic activities in its operations to ascertain whether they are meet the requirements of the taxonomy (taxonomy-eligible activities) using the EU Taxonomy Compass[1]. An economic activity is defined as the process that takes place when resources such as capital goods, labour and raw materials/intermediaries are combined to produce a good or service.

Qualitative assessment of Midsona 2024

Midsona's economic activities are performed by operations including production, wholesaling, marketing and sales of food products, cosmetics and dietary supplements, as well as wholesaling of pharmaceuticals and medical devices.

Assessment of compliance

Midsona made an inventory of its activities by reference to activities described in the Delegated Regulation regarding the climate goals, as well as in the areas of water, circular economy, pollution, biodiversity and ecosystems. These were incorporated in the taxonomy in 2023 to identify potential activities that meet the requirements of the Taxonomy Regulation The Delegated Regulation on the EU's Taxonomy regarding climate goals and the other nature-related goals in the areas described above currently focuses on sectors in which Midsona does not operate. As a result, Midsona's principal operations do not appear among the taxonomy's activities. Midsona has, however, identified a limited part of its operations that may be classified as purchasing of taxonomy-related products and services within the economic activities mentioned in the taxonomy's first two delegated acts on limiting the respective climate change adaptation or other impact on nature. These areas are covered by the taxonomy (eligible). Midsona has assessed sales, capital expenditure (CAPEX) and operating expenditure (OPEX) associated with these activities according to the accounting policies. The activities reported are:

- CCM 6.5: Transport by motorcycles, passenger cars and light commercial vehicles
- CCM 7.7: Acquisition and ownership of buildings

In addition to the above, an account is provided of how Midsona's business encompasses nuclear and fossil gas activities in accordance with the requirements: Nuclear and fossil gas related activities[2].

Despite the fact that Midsona's main activity is not described among the taxonomy's activities, the Group chooses to report according to the principles of the taxonomy. Given Midsona's ambitious sustainability agenda, incorporating targets in water, circular economy, biodiversity and ecosystems, and the SBTi-approved climate targets with a climate transition plan in line with the 1.5°C target of the Paris Agreement, the Group can contribute to the transition. For the other nature-related areas, Midsona has targets and a transition plan in place which will be further upgraded in line with the outcome of Midsona's double materiality assessment.

Assessment and interpretations

CCM 6.5: Transport by motorcycles, passenger cars and light commercial vehicles

Midsona's activities in the leasing of company cars are associated with capital expenditure in relation to new leases. Midsona is therefore covered by economic activity CCM 6.5 Transport by motorcycles, passenger cars and light commercial vehicles. In the case of company cars, Midsona has laid down a transition plan to achieve 100 percent renewable energy consumption in company cars by 2028, which means a transition to 100 percent electric cars by 2028. As the Group leases company cars from a third party, it has not been able to perform a comprehensive analysis of taxonomy alignment. This is because Midsona currently does not have comprehensive information from the third party as to how the vehicles meet the requirements of not causing significant harm to other environmental targets in the taxonomy.

CCM 7.7: Acquisition and ownership of buildings

Midsona's activities in the leasing of premises involve capital expenditure in relation to new and updated leases. Midsona therefore meets the requirements of the economic activity
CCM 7.7 Acquisition and ownership of buildings. Midsona maintains a close focus on employee well-being via improved, new or refurbished offices. However, this made a relatively minor contribution to the share of the Group's capital expenditure during the year. As Midsona leases this service from a third party, it has not been possible to perform a comprehensive analysis of taxonomy alignment. This is because at present Midsona does not have comprehensive information from the third party regarding how this service and the premises meet the requirements not to cause significant harm to other environmental goals within the taxonomy.

Disclosures reported in relation to nuclear energy and fossil gas related activities

Midsona has reported in line with disclosures in relation to nuclear energy and fossil gas related activities. See the table on page 105.

Accounting policies

At Midsona, taxonomy-relevant activities are to be reported regarding sales, capital expenditure and operating expenditure classified according to the EU's six environmental goals. Midsona reports in accordance with CCM: Climate Change Mitigation.

Sales

Midsona's sales are the Group's recognised net sales for 2024 (see net sales for Midsona on page 131). Policies for the Group's financial reporting are described on page 136. Based on the inventory performed, 0 percent of the Group's sales are considered to be associated with economic activities currently meeting the requirements of the taxonomy (are taxonomy-eligible).

Capital expenditure

Midsona leases company cars and premises that account for a certain share of capital expenditure that is taxonomy-eligible. Total capital expenditure refers to additions to tangible and intangible assets during the year before amortisation, depreciation and impairment, and excluding changes in fair value. Right of use (RoU) assets, as well as tangible and intangible assets in relation to business combinations are also included. Refers to the relevant financial notes: Note 13 *Intangible assets,*
Note 14 *Property, plant and equipment* and Note 15 *Leases*.

Operating expenditure

Under the taxonomy, the share of operating expenditure relating to products or services associated with economic activities that are aligned with the taxonomy requirements is reported.
Operating expenditure according to the taxonomy is defined as non-capitalised expenses relating to R&D, building renovations, short-term leases and maintenance and repairs. Midsona leases company cars and premises that account for a certain share of the Group's operating expenditure that is taxonomy-eligible. This should be included in leases and is thus not regarded as OPEX in this case (it is recognised as part of RoU assets). The operating share is relatively negligible since its financial impact is highly limited. Consequently, the share of operating expenditure (OPEX) that is taxonomy-eligible is rounded off to the nearest percent, which is 0 .

There are ongoing comprehensive measures to reduce Midsona's greenhouse gas emissions in line with the Group's carbon reduction targets with other environment-related measures. However, the percentage of Midsona's costs that are consistent with the Group's transition to the Paris Agreement's 1.5°C target, as well as the protection of biodiversity, water and increased circularity are not included in the taxonomy.

[1] https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en
[2] https://eur-lex.europa.eu/legal-content/SV/TXT/?uri=CELEX%3A32022R1214&qid=1738149106060

Midsona's share of sales

From products or services associated with taxonomy-aligned economic activities – disclosures covering 2024

				Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH)									
Economic activities (1)	Code/codes (2)	Sales (3) million	Share of sales, 2024 (4) %	Climate Change Mitigation (5) Y; N; N/EL;	Climate Change Adaptation (6) Y; N; N/EL;	Water (7) Y; N; N/EL;	Pollution (8) Y; N; N/EL;	Circular economy (9) Y; N; N/EL;	Biodiversity (10) Y; N; N/EL;	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum Safeguards (17) Y/N	Share of taxonomy-aligned (A.1.) or -eligible (A.2.) sales, 2023 (18) %	Enabling activities category (19) E	Transition activities category (20) S
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable (taxonomy-aligned) activities																			
Sales for environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**0%**		
Of which enabling activities		0	0%	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	0%	E	
Of which transitional activities		0	0%	**N/EL**						-	-	-	-	-	-	-	0%		S
A.2 Taxonomy-eligible operations that are not environmentally sustainable (not taxonomy-aligned)																			
Sales for taxonomy-eligible operations that are not environmentally sustainable (not taxonomy-aligned) (A.2)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0%**		
A. Sales for taxonomy-eligible activities (A.1+A.2)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Sales for taxonomy non-eligible activities		**3,727**	**100%**																
TOTAL		**3,727**	**100%**																

	Midsona's share of sales/total sales	
	Taxonomy alignment per target	Taxonomy-eligible targets
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Midsona's share of capital expenditure (CapEx)

From products or services associated with taxonomy-aligned economic activities – disclosures covering 2024

				Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH)									
Economic activities (1)	Code/codes (2)	Capital expenditure (3) million	Share of capital expenditure, 2024 (4) %	Climate Change Mitigation (5) Y; N; N/EL;	Climate Change Adaptation (6) Y; N; N/EL;	Water (7) Y; N; N/EL;	Pollution (8) Y; N; N/EL;	Circular economy (9) Y; N; N/EL;	Biodiversity (10) Y; N; N/EL;	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum Safeguards (17) Y/N	Share of taxonomy-aligned (A.1.) or -eligible (A.2.) capital expenditure, 2023 %	Enabling activities category (19) E	Transition activities category (20) S
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable (taxonomy-aligned) activities																			
Capital expenditure in environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**0%**		
Of which enabling activities		0	0%	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**0%**	E	
Of which transitional activities		0	0%	**N/EL**						-	-	-	-	-	-	-	**0%**		S
A.2 Taxonomy-eligible operations that are not environmentally sustainable (not taxonomy-aligned)																			
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	10	13%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								29%		
Acquisition and ownership of buildings	CCM 7.7	1	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5%		
Capital expenditure for taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**12**	**15%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**34%**		
A. Capital expenditure in taxonomy-eligible activities (A.1+A.2)		**12**	**15%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**34%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Capital expenditure in taxonomy non-eligible activities		67	**85%**																
TOTAL		78	**100%**																

	Midsona's share of capital expenditure/total capital expenditure	
	Taxonomy alignment per target	Taxonomy-eligible targets
CCM	0%	15%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

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Midsona’s share of operating expenditure

From products or services associated with taxonomy-aligned economic activities – disclosures covering 2024

				Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH)									
Economic activities (1)	Code/codes (2)	Operating expenditure (3) million	Share of operating expenditure, 2024 (4) %	Climate Change Mitigation (5) Y; N; N/EL;	Climate Change Adaptation (6) Y; N; N/EL;	Water (7) Y; N; N/EL;	Pollution (8) Y; N; N/EL;	Circular economy (9) Y; N; N/EL;	Biodiversity (10) Y; N; N/EL;	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N	Share of taxonomy-aligned (A.1.) or -eligible (A.2.) operating expenditure, 2023 (18) %	Enabling activities category (19) E	Transition activities category (20) S
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable (taxonomy-aligned) activities																			
Operating expenditure in environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**0%**		
Of which enabling activities		0	0%	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	0%	E	
Of which transitional activities		0	0%	0%						**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	0%		S
A.2 Taxonomy-eligible operations that are not environmentally sustainable (not taxonomy-aligned)																			
Operating expenditure for taxonomy-eligible activities that are not environmentally sustainable (not taxonomy-aligned) (A.2)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0%**		
A. Operating expenditure in taxonomy-eligible activities (A.1+A.2)		**0**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Operating expenditure in taxonomy-non-eligible activities		**24**	**100%**																
TOTAL		**24**	**100%**																

	Midsona’s share of operating expenditure/ total operating expenditure	
	Taxonomy alignment per target	Taxonomy-eligible targets
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Explanation of abbreviations in the taxonomy tables; definitions of sales, capital expenditure, operating expenditure:

Abbreviations used in the Taxonomy tables from pages 98 to 103:

Y: Yes
N: No
E: Enabling activity
S: Sales activities
EL: Taxonomy-eligible activity for the relevant target
N/EL: Taxonomy non-eligible activity for the relevant target
CCM: Climate change mitigation
CCA: Climate change adaptation
WTR: Water resources, including marine resources
CE: Circular economy
PPC: Pollution prevention and control
BIO: Biodiversity and ecosystems

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Midsona's disclosures referred to in Article 8(6) and (7): Nuclear and fossil gas related activities*, covers 2024

Line	Nuclear energy related activities	
1.	The Company conducts, funds or has exposure 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 Company conducts, funds or has exposure to construction and safe operation of new nuclear plants to generate electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as for safety upgrades for the same, using the best available technologies.	No
3.	The Company conducts, funds or has exposure to the safe operation of existing nuclear plants that generate electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as for safety upgrades for the same.	No
Line	**Fossil gas related activities**	
4.	The Company conducts, funds or has exposure to construction or operation of electricity generation plants that generate electricity using fossil gaseous fuels.	No
5.	The Company conducts, funds or has exposure to construction, renovation and operation of combined heat/cool and power generation plants using fossil gaseous fuels.	No
6.	The Company conducts, funds or has exposure to construction, renovation and operation of heat generation facilities that produce heating/cooling using fossil gaseous fuels.	No

*COMMISSION DELEGATED REGULATION (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

Global Reporting Initiative (GRI) Index and SDG

Midsona's Board of Directors is responsible for formally reviewing and approving the Sustainability Report. The CSO is operationally responsible for the Sustainability Report.

The reporting period for the data provided is the 2024 financial and calendar year.

The most recent previous report covered the 2023 calendar year and was published in April 2024.

The reporting cycle is annual. The contacts for questions regarding the Sustainability Report or its contents are the CEO and CSO.

For 2024, we apply GRI indices for companies' sustainability data, allowing the reader to recognise the data points and easily compare them with the data for the preceding year. Midsona reports with reference to the GRI Standards, with certain deviations in the period 1 January 2024 to 31 December 2024. Midsona reports climate data in accordance with the Greenhouse Gas Protocol Corporate Standard, the Corporate Value Chain (Scope 3) Standard and The GHG Protocol Land Sector and Removals Guidance.

In certain areas, the Group has applied selected GRI disclosures, or parts of their content, to present specific information with corresponding claims or descriptions of use. This is based on what is material to Midsona, in terms of what stakeholders want to know and the quality of the data.

Midsona has elected to link its sustainability work to the UN's Sustainable Development Goals. The goals cover a large number of issues and the Group has analysed and mapped the way in which Midsona best contributes to Agenda 2030. In its work, the Group used the GRI's mapping tool 'Linking the SDGs and the GRI Standards'[1] .

In the GRI index, both GRI index and SDG survey data are reported, showing which data is reported and where the information may be found. Some disclosures are reported in part, based on relevance.

Midsona also reports in accordance with the EU Taxonomy Regulation (EU 2020/852) for the parts of the operations that are eligible.

Midsona has started moving towards the new reporting standards, to report according to CSRD by 2025, in line with Swedish legislation. The preparations include performing a double materiality assessment in line with the procedure described in the ESRS, which was performed in 2023 and will be updated in 2025. Based on the Group's material topics, Midsona continued to work on the GAP analysis between the Group's existing data and the ESRS reporting requirement and began gathering data for new datapoints. The work also includes reviewing gaps in policies, targets and action plans in relation to the material areas. In 2025, Midsona will publish an updated sustainability framework based on CSRD and the material areas identified in the double materiality assessment, which will form the basis for sustainability reporting for 2025.

[1] https://www.globalreporting.org/

GRI index

Midsona reports with reference to the GRI Standards, with certain deviations in the period 1 January 2024 to 31 December 2024. Midsona reports climate data in accordance with the Greenhouse Gas Protocol Corporate Standard, the Corporate Value Chain (Scope 3) Standard and The GHG Protocol Land Sector and Removals Guidance.

GRI Standard/other source	Disclosure	Page
General Disclosures		
GRI 2: General disclosures 2021	2-1 Organisational details	4-5, 7-9, 12-13, 20-21, 130, 188
	2-2 Entities included in the organisation's sustainability reporting	4-5, 20-21, 86, 130, 188
	2-3 Reporting period, frequency and contact point	106
	2-4 Restatements of information	75, 86, 117
	2-5 External assurance	118, 119
	2-6 Activities, value chain and other business relationships	4-5, 8-9
	2-7 Employees	6, 20-21, 49
	2-8 Workers who are not employees	49
	2-9 Governance structure and composition	36–39, 164-168
	2-10 Nomination and selection of the highest governance body	36-39
	2-11 Chair of the highest governance body	36–39, 164-168, 172-175
	2-12 Role of the highest governance body in overseeing the management of impacts	36–39, 106
	2-13 Delegation of responsibility for managing impacts	36–39, 106
	2-15 Conflicts of interest	54–55, 73-74, 123-129
	2-16 Communication of critical concerns	54–55, 123-129
	2-17 Collective knowledge of the highest governance body	30–31, 172-175
	2-18 Evaluation of the performance of the highest governance body	34–35, 172-175
	2-19 Remuneration policies	135, 170-171
	2-20 Process to determine remuneration	135, 170-171
	2-21 Annual total compensation ratio	81, 170-171
	2-22 Statement on sustainable development strategy	32-33
	2-23 Policy commitments	36-39
	2-24 Embedding policy commitments	36–39, 128-129
	2-25 Processes to remediate negative impacts	36–39, 50–60, 81, 123-129
	2-26 Mechanisms for seeking advice and raising concerns	36-39
	2-27 Compliance with laws and regulations	36–39, 123-129, 136
	2-28 Membership associations	44, 56–57, 71
	2-29 Approach to stakeholder engagement	36–39, 73-74
	2–30 Collective bargaining agreements	46–49, 135

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GRI index

All GRI topics not listed below have been assessed as non-material for Midsona.

GRI Standard/other source	Disclosure		Page	Topic in Midsona's Materiality analysis	UN:s SDG mapping (FJ)
Material Topics					
GRI 3: Material Topics 2021	3–1 Process to determine material topics		36-39, 123-129		
	3–2 List of material topics		39		
Indirect Economic Impacts					
GRI 3: Material Topics 2021	3–3 Management of material topics		123-129	Risk management, Governance	
GRI 203: Indirect Economic Impacts 2016	203–2 Significant indirect economic impacts		36-39, 123-129		
Anti-corruption					
GRI 3: Material Topics 2021	3–3 Management of material topics		36-39, 49	Healthy work environment/Anticorruption: Governance, Business ethics	
GRI 205: Anticorruption 2016	205–1 Operations assessed for risks related to corruption and the transparency significant risks identified		49		
	205–3 Confirmed incidents of corruption and actions taken		36-39, 49		
Energy					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 68-69, 92-93	Efficient resource use/Energy: Climate change & Energy	
GRI 302: Energy 2016	302–1 Energy consumption within the organization		68-69, 92-93		
	302–4 Reduction of energy consumption		68-69, 92-93		
Biodiversity					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 42, 50-57	Responsible sourcing/Biodiversity: Climate change & Biodiversity	
GRI 304: Biodiversity 2016	304–2: Significant impacts of activities, products, and services on biodiversity		42, 50-57		
Emissions					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 62-64, 86-89	Efficient resource use/Emission: Climate change & Biodiversity (Energy, Waste, Food Waste, Packaging, Plastic, Circularity, Product and Services, Transport)	
GRI 305: Emissions 2016	305–1 Direct (Scope 1) GHG emissions		62-64, 86-89		
	305–2 Energy indirect (Scope 2) GHG emissions		62-64, 86-89		
	305–3 Other indirect (Scope 3) GHG emissions		62-64, 86-89		
	305–5 Reduction of GHG emissions		62-64, 86-89		

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GRI index

All GRI topics not listed below have been assessed as non-material for Midsona.

GRI Standard/other source	Disclosure		Page	Topic in Midsona's Materiality analysis	UN:s SDG mapping (FJ)
Waste					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 65-66, 89-90	Efficient resource use/Waste: Climate change, Waste, Food waste, Packaging, Plastic, Circularity	
GRI 306: Waste 2020	306–1 Waste generation and significant wasterelated impacts		65-66, 89-90		3, 6, 11, 12
	306–2 Waste Management approach		65-66, 89-90		3, 8, 11, 12
	306–3 Waste generated		65-66, 89-90		11, 12
	306–4 Waste diverted from disposal		65-66, 89-90		3, 11, 12
Materials					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 41-44, 75-79, 84	Efficient resource use/Materials: Responsible sourcing, Climate change, Product and Services, Circularity (recycled/recyclable)	
GRI 301: Materials 2016	301–1 Materials used by weight or volume		41-44, 75-79, 84		8, 12
	301–2 Recycled input materials used		41-44, 75-79, 84		8, 12
	301–3: Reclaimed products and their packaging materials		41-44, 75-79, 84		8, 12
Water					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 67, 91	Efficient resource use/Water	6, 12
GRI 303: Water and Effluents 2018	303–3 Water withdrawal		67, 91		12
	303–4 Water discharge		67, 91		6, 12
	303–5 Water consumption		67, 91		12
Employment					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 46-49, 80-81	Healthy work environment/ Employment	
GRI 401: Employment 2016	401–1 New employee hires and employee turnover		46-49, 80-81		3, 5, 8, 12
	401–2 Benefits provided to fulltime employees that are not provided to temporary or part-time employees		46-49, 80-81		3, 5, 8

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GRI index

All GRI topics not listed below have been assessed as non-material for Midsona.

GRI Standard/other source	Disclosure		Page	Topic in Midsona's Materiality analysis	UN:s SDG mapping (FJ)
Non-discrimination					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 46-49, 80-81	Healthy work environment/ Non-discrimination	
GRI 406: Nondiscrimination 2016	406–1 Incidents of discrimination and corrective actions taken		46-49, 80-81		5, 8
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 46-49, 80-81		
GRI 405: Diversity and equal opportunity 2016	405–1 Diversity of governance bodies and employees		46-49, 80-81	Healthy work environment/ Diversity and equal opportunity: Diversity, inclusion and gender equality	5, 8
	405–2 Ratio of basic salary and remuneration of women to men				5, 8, 10
Occupational helath services					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 46-49, 80-81	Healthy work environment/Occupational health services: Health and safety	
GRI 403: Occupational health services 2018	403–2 Hazard identification, risk assessment, and incident investigation		46-49, 80-81		8
	403–3 Occupational health services		46-49, 80-81		8
	403–4 Worker participation, consultation, and communication on occupational health and safety		46-49, 80-81		8, 16
	403–5 Worker training on occupational health and safety		46-49, 80-81		8
	403–6 Promotion of worker health		46-49, 80-81		3
	403–7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		46-49, 80-81		8
	403–9 Work-related injuries		46-49, 80-81		3, 8, 16
	403–10 Work-related ill health		46-49, 80-81		3, 8, 16
Supplier social assessment					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85	Responsible sourcing/Supplier social assessment: Supplier control, Supply chain & Raw materials, Transparency, Safe products	
GRI 414: Supplier Social Assessment 2016	414–1 New suppliers that were screened using social criteria		50-56, 82-85		5, 8, 16
	414–2 Negative social impacts in the supply chain and actions taken		50-56, 82-85		5, 8, 16
Supplier environmental assessment					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85	Responsible sourcing/Supplier environmental assessment: Supplier Control, Transparency, Supply chain & Raw materials, Biodiversity, Safe products	
GRI 308: Supplier environmental assessment 2016	308–1 New suppliers that were screened using environmental criteria		50-56, 82-85		
	308–2 Negative environmental impacts in the supply chain and actions taken		50-56, 82-85		

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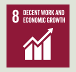
GRI index

All GRI topics not listed below have been assessed as non-material for Midsona.

GRI Standard/other source	Disclosure		Page	Topic in Midsona's Materiality analysis	UN:s SDG mapping (FJ)
Procurement Practices					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85	Responsible sorucing/Procurement Practices: Supplier control, Transparency, Transport	
GRI 204: Procurement Practices 2016	204–1 Proportion of spending on local suppliers		50-56, 82-85		
Customer health and safety					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85	Safe products/Customer health and safety: Customer health and safety	
GRI 416: Customer Health and Safety 2016	416–1 Assessment of the health and safety impacts of product and service categories		50-56, 82-85		
	416–2 Incidents of noncompliance concerning the health and safety impacts of products and services		50-56, 82-85		
Marketing and labeling					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85		
GRI 417: Marketing and Labeling	417–1 Requirements for product and service information and labelling		50-56, 82-85	Safe products/Marketing and labeling: Customer health and safety, Marketing responsibility	
	417–2 Incidents of noncompliance concerning product and service information and labelling		50-56, 82-85		
	417–3 Incidents of noncompliance concerning marketing communications		50-56, 82-85		
Local communities					
GRI 3: Material Topics 2021	3–3 Management of material topics		30-39, 50-56, 82-85	Responsible sourcing/Local Communities: Communities, Supplier control, Transparency, Supply chain & Raw materials, Transport, Biodiversity	
GRI 413: Local Communities	413–1 Operations with local community engagement, impact assessments, and development programs		50-56, 82-85		
	413–2 Operations with significant actual and potential negative impacts on local communities		50-56, 82-85		  

Accounting policies

Midsona reports greenhouse gas emissions from its own operations and its value chain. New acquisitions are included on an ongoing basis as of their first full calendar year in the Group.
From 2022, all companies in Midsona are included.

For climate emissions, data is presented in accordance with the Greenhouse Gas Protocol Corporate Standard, the Corporate Value Chain (Scope 3) Standard and the GHG Protocol Land Sector and Removals Guidance. Result indicators are reported using Group-wide IT systems. Frameworks, indications and definitions are established by Midsona's sustainability team and evaluated annually. Each division is responsible for the data it reports.

Electricity
Includes offices, warehouses and production facilities where Midsona is the lessor. Calculation is based on actual consumption data obtained from the supplier with confirmation via a certificate of origin for all renewable electricity.

Electricity generation
Includes warehouse and production. Data is based on actual electricity generation from solar cells in the facilities concerned.

District heating and district cooling
Includes offices, warehouses and production facilities where Midsona is the lessor. Calculation is based on actual consumption data obtained from the supplier. CO_2 emissions from district heating and district cooling are calculated using a hybrid methodology. Market-based methodology with confirmation via certificates of origin for all eco-labelled district heating and district cooling. Location-based methodology with the supplier's production-specific emission factor or a Nordic or European average.

Gas
Includes offices, warehouses and production facilities where Midsona is the lessor. Calculation is based on actual consumption data obtained from the supplier.

Water
Includes offices, warehouses and production facilities. Calculation is based on actual water use, obtained from the facilities concerned.

Refrigerants
Includes warehouse and production. Calculation is based on actual refill of refrigerant, obtained from supplier and emission factor obtained from DEFRA 2024.

Business travel
Includes all business travel by Midsona employees. Emission data is obtained in the first instance from travel service providers, and in the second instance manually with emission factor by distance.

Purchased packaging materials
Includes the packaging purchased by the Group. Packaging is reported per material in tonnes. A distinction is made between recycled and new (virgin) materials.

Purchased goods and services
Includes emissions from energy and industry data and FLAG from purchased goods (raw materials and merchandise), production packaging, packaging for merchandise, and purchased water during the reporting year. Purchased goods include food products. Emissions from cosmetics and health foods are currently not included. Water consumption is based on that of offices, warehouses and production facilities. Reported volume is based on actual consumption from each facility.

Fuel and energy
Includes all upstream emissions associated with fuel and energy consumption reported in Scopes 1 and 2. This applies to emissions from extraction, production and transport of fuel reported in Scope 1, as well as to the fuel used in the generation of electricity and heat reported in Scope 2. This consumption represents the actual consumption in Scopes 1 and 2.

Upstream transport and distribution
Includes transport paid by Midsona:

1) from supplier to Midsona
2) between Midsona's own premises; and
3) transport from Midsona to the customer

The calculation is based on data obtained from each transport provider.

Waste generated in operations
Includes offices, warehouses and production facilities. The calculation is based on the actual data obtained from each facility.

Downstream transport and distribution
Includes transport Midsona does not pay for. The calculation is based on the Group's net sales, and the percentage change in sales from year to year.

Final disposal of products sold
Includes final disposal of products sold. Packaging is divided into materials that are recyclable and non-recyclable, reported in tonnes. It is assumed that recyclable materials will be recycled.

Employees
Includes Midsona employees at year-end with an active contract.

Supplier audits
Data is based on data reported regarding audits of suppliers.

Intensity calculations
Waste: Based on actual data for tonnes produced in relation to total waste in each facility.
Water: Based on actual data for tonnes produced in relation to total water use in each facility.
Transport: Based on actual data for tonnes transported in relation to total emissions of tCO_2 from each transporter.

Market-based and location-based methodology
Climate impact according to market-based and location-based methodology is reported in accordance with the GHG protocol guidelines. The emissions for electricity in Scope 2 are calculated in accordance with the market-based method to take into account the purchase of certificates of origin for all eco-labelled electricity for Midsona's electricity consumption. In market-based emission calculations, the electricity consumption covered by certificates of origin will be assigned an emission factor of 0 grammes of CO_2e/kWh. For electricity without certificates of origin, the emission factor has been based on the remaining share of electricity after certificates of origin have been sold. This is termed a residual mix and shows a significantly higher emission factor than the location-based factor. In accordance with the GHG protocol, companies must calculate emissions using both market-based and location-based methodology. This was done in Midsona's CDP report. Read more about this in the Group's CDP report at https://www.midsona.com/sustainability#documents

Auditor's opinion regarding the statutory sustainability report

To the General Meeting of Shareholders in Midsona AB (publ),
corporate identity number: 556241-5322

Engagement and responsibility

The Board of Directors is responsible for the sustainability report for 2024 on pages 28-117 and for it being prepared in accordance with the Swedish Annual Accounts Act in its version in force before 1 July 2024.

Approach and scope of the review

Our review has been performed in accordance with FAR's recommendation RevR 12 *Auditor's statement on the statutory sustainability report*. This means that our statutory review of the sustainability report is different and substantially lesser in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

A Sustainability Report has been prepared.

Malmö, 8 April 2025
Deloitte AB

Jeanette Roosberg
Authorised Public Accountant

Auditor's review report regarding specific sections of Midsona's reporting of greenhouse gas emissions

To Midsona AB (publ)
corporate identity number: 556241-5322

Introduction

We have been instructed by the management of Midsona AB (publ) to review Midsona's reporting of greenhouse gas emissions in Scopes 1, 2 and in the Scope 3 categories Purchased goods and services and Fuel and energy for the year 2024 ('the reporting') which is presented on pages 86-89 of the annual and sustainability report.

Management's responsibility

Management is responsible for preparing the reporting in accordance with the applicable criteria, which are presented on page 86 of the annual and sustainability report, and consist of the parts of the Greenhouse Gas Protocol that are applicable in the reporting of Scope 1, Scope 2 and the Scope 3 categories 1 Purchased goods and services and 3 Fuel and energy-related activities, and of the reporting and calculation principles produced by the Company itself. This responsibility also includes the level of internal control that is necessary to prepare reporting that does not contain material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the reporting based on our review. Our task is limited to the historical information reported and thus does not include forward-looking disclosures.

We have performed our review in accordance with ISAE 3000 (revised) Assurance Engagements other than Audits and Reviews of Historical Financial Information. A review consists of making inquiries, primarily of persons responsible for preparing the reporting, and applying analytical and other review procedures. A review has a different focus and is considerably lesser in scope than an audit performed in accordance with International Standards on Auditing and other generally accepted auditing practice.

The audit firm applies International Standard on Quality Management 1, which requires the Company to design, implement and maintain a system of quality control, including guidelines or procedures concerning compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Midsona AB in accordance with generally accepted accounting practices in Sweden, and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed in a review do not enable us to obtain assurance such that we would become aware of all significant matters that might be identified in an audit.

Consequently, the conclusion based on a review does not give the same level of assurance as a conclusion based on an audit.

Our review is based on the criteria selected by the Board of Directors and management, as defined above. We believe these criteria are appropriate for the preparation of the reporting.

We believe that the evidence we have obtained during our review is sufficient and appropriate to provide a basis for our opinion below.

Opinion

Based on our review, no circumstances have emerged causing us to believe that the reporting has not, in all material regards, been prepared in accordance with the criteria stated above by the Board of Directors and management.

Malmö, 8 April 2025
Deloitte AB

Jeanette Roosberg
Authorised Public Accountant

Adrian Fintling
Specialist member of FAR

Administration Report

The Board of Directors and Chief Executive Officer of Midsona AB (publ), corporate identity number 556241-5322, with registered office in Malmö, Sweden, hereby present the annual accounts and consolidated financial statements for the financial year 2024.

Operations

Midsona is the leading consumer goods company in the Nordic region in health and well-being, with proven products in the categories of organic products, health foods and consumer health products. The Group established a presence beyond the Nordic region, in Germany, France and Spain, through company acquisitions in 2018-2019. The vision is to become one of the leaders in Europe in health and well-being.

The products are aimed at helping people lead a healthier life, while being sustainable for our planet. The business model is based on strong brands with good market positions, innovations and an effective production and distribution structure.

The brand portfolio consists of both own brands and licensed brands. The Group also has contract manufacturing assignments. The Group's own brands form the backbone of operations and, together with licensed brands and contract manufacturing assignments, these form a strong and broad brand portfolio marketed to customers. Customers are primarily chains in grocery stores, pharmacies and health food stores and other specialist retailers, as well as operators in food service and the food industry.

The Group is organised into three divisions, also its operating segments: Nordics, North Europe and South Europe, which have operational responsibility for production, sale and distribution to customers. Sales primarily take place in the European market for health and well-being. Group-wide management, administration, IT, HR, purchasing, marketing and innovation are operated as Group functions in the Parent Company Midsona AB. For more information on the Group's operating segments, see Note 2 *Operating segments* on pages 141-142.

Net sales and profit/loss

Financial overview[1]	2024	2023
Net sales, SEK million	3,727	3,793
Net sales growth, %	-1.7	-2.7
Organic change in net sales, %	-0.7	-6.6
Gross profit, before items affecting comparability, SEK million	1,069	984
Gross margin, before items affecting comparability, %	28.7	25.9
Gross profit, SEK million	1,069	959
Gross margin, %	28.7	25.3
Operating profit/loss, before items affecting comparability, SEK million	128	60
Operating margin, before items affecting comparability, %	3.4	1.6
Operating profit/loss, SEK million	128	29
Operating margin, %	3.4	0.8
Profit or loss for the year, SEK million	47	-53
Earnings per share for the year before and after dilution, SEK	0.33	-0.36

[1] Midsona presents certain financial measures in the financial accounts that are not defined in IFRS. For definitions and reconciliation with IFRS, see pages 178-183.

Net sales

Net sales totalled SEK 3,727 million (3,793), a change of -1.7 percent (-2.7). The organic change in net sales was -0.7 percent (-6.6), while structural changes contributed -0.5 percent (-0.1) and exchange rate fluctuations -0.5 percent (4.0).

For the Group's own consumer brands, the organic change in net sales was -3.1 percent (-2.4). Sales performance was strong for several own consumer brands in the organic products and health food categories. This was not enough, however, to fully compensate for both weak performance of organic products in some geographical markets where consumers remained cautious in their consumption of sustainable and healthy products, and for lower sales volumes for some brands in the health food category, as a result of rationalisation measures taken to reduce the complexity of the product portfolio. Sales performance of own consumer brands was stable in the consumer health products category.

The organic change in net sales of licensed brands was 8.7 percent (-32.8), primarily because new business volumes from an expanded distribution agreement more than offset a terminated distribution agreement.

For contract manufacturing, the organic change in net sales was 5.0 percent (1.8), as new profitable business volumes more than offset terminated unprofitable contract manufacturing assignments.

In some geographical markets, customer delivery capacity was occasionally relatively weak, which to a certain degree affected sales negatively for both own consumer brands and contract manufacturing.

Gross profit

Gross profit amounted to SEK 1,069 million (959), corresponding to a margin of 28.7 percent (25.3), and gross profit, before items affecting comparability, amounted to SEK 1,069 million (984), corresponding to a margin of 28.7 percent (25.9).

This solid increase in margin was mainly a result of price increases implemented, to offset previous rises in costs, better price management, improved prices for contract manufacturing assignments and the reduced complexity of the product and brand portfolio. This was offset to some extent, however, by an unfavourable sales mix, with a higher share of sales of both contract-manufactured and licensed products, for which margins are generally lower. For most key raw materials, packaging materials, finished goods and road transport, prices were broadly stable, but still at relatively high levels. The escalation of the geopolitical conflict around the Red Sea led to both delays in deliveries and significantly higher prices for shipments. Our direct exposure to such shipments was moderate, however.

The efficiency of the Group's production facilities improved overall, while there were occasional difficulties affecting the production and logistics process, leading to capacity shortages at some production facilities due to increased demand for goods. Production and inventory overheads were lower and better aligned with actual production and inventory volumes, despite some disruption caused by a change in packaging materials for some product groups that resulted in temporarily higher production overheads.

Operating profit/loss

Operating profit/loss amounted to SEK 128 million (29), corresponding to a margin of 3.4 percent (0.8), and operating profit/loss, before items affecting comparability, amounted to SEK 128 million (60), corresponding to a margin of 3.4 percent (1.6).

The margin improved essentially as a result of solid growth in gross margin. The period was marked by good cost control and cost awareness, while at the same time synergies were realised from the restructuring programmes carried out, which taken together also contributed to the improvement in earnings.

Items affecting comparability

No items affecting comparability were included in operating profit/loss. In the comparison period, operating profit/loss included items affecting comparability of SEK -31 million, consisting of a capital gain from the divestment of some non-strategic brands of SEK 6 million, as well as restructuring costs of SEK -37 million related to the discontinuation of unprofitable brands and product groups, SEK -22 million, and changes in the Nordic organisation, SEK -15 million, in order to further reduce the cost base on an annual basis.

Profit/loss before tax

Net financial items amounted to SEK -53 million (-64). Interest expenses for external loans payable to credit institutions totalled SEK -38 million (-54) and interest expenses attributable to leases were SEK -7 million (-6). Interest expenses payable to credit institutions decreased, due to lower indebtedness and market interest rates. Net translation differences in respect of financial receivables and liabilities in foreign currency amounted to SEK 0 million (1). Other financial items amounted to SEK -8 million (-5).

Profit/loss for the year

Profit or loss for the year was -47 million (-53), corresponding to earnings per share before and after dilution of SEK 0.33 (-0.36). Tax amounted to SEK -28 million (18), of which SEK -19 million (-14) consisted of current tax, SEK 0 million (1) was tax attributable to prior years and SEK -9 million (-5) was deferred tax.

The effective tax rate was 37.0 percent (-50.7), and the high tax rate essentially related to the fact that new loss carry-forwards in some subsidiaries were not capitalised as deferred tax assets. If the new loss carry-forwards had been capitalised as deferred tax assets, the effective tax rate would have been 23.7 percent.

Cash flow

Cash flow from operating activities amounted to SEK 142 million (343) and the decrease was entirely attributable to a negative trend in working capital, which was driven by an increase in the capital tied up in both inventories and operating receivables. The capital tied up in inventories was related to new inventory volumes for an expanded distribution agreement, higher reserve inventory levels for some product groups to ensure an improved service level to customers, and increased deliveries of raw materials and finished goods, particularly during the first quarter, following a period of excessively low inventory levels that was the result of a capital rationalisation project implemented during the previous year. Capital tied up in trade receivables increased essentially as a consequence of better invoiced product sales in December compared with the previous year, while capital tied up in operating receivables decreased during the comparison period as a result of terminated sales assignments.

Cash flow from investing activities amounted to SEK -25 million (-18), consisting of investments in tangible assets and intangible assets of SEK -24 million (-31), divestments of tangible assets and intangible assets of SEK 0 million (13), and a change in financial assets of SEK -1 million (0).

Cash flow from financing activities was SEK -206 million (-209), consisting of repayment of loans amounting to SEK -150 million (-152) and repayment of lease liabilities amounting to SEK -56 million (-56). A voluntary additional repayment of SEK 79 million (80) was made to credit institutions within existing credit line during the year. The comparison period also included borrowings of SEK 6 million and issue expenses of SEK -7 million from the rights issue completed in December 2022.

Cash flow for the year was SEK 89 million (116).

Liquidity and financial position

Summary capital and liquidity structure[1]	31 Dec 2024	31 Dec 2023
Average capital employed, SEK million	3,689	3,848
Return on capital employed, %	3.6	1.0
Equity/assets ratio, %	67.6	64.9
Net debt, SEK million	451	496
Net debt/Adjusted EBITDA, x	1.6	2.7
Shareholders' equity, SEK million	3,068	2,987
Net debt/equity ratio, x	0.1	0.2
Interest coverage ratio, x	3.1	0.4
Liquidity reserve/Net sales, %	16.9	17.2

[1] Midsona presents certain financial measures in the financial accounts that are not defined in IFRS. For definitions and reconciliation with IFRS, see pages 178-183.

Cash and cash equivalents amounted to SEK 141 million (235), and there were unutilised credit facilities of SEK 488 million (416) at the end of the year. The liquidity reserve as a proportion of net sales on a rolling 12-month basis was 16.9 percent (17.2).

Net debt amounted to SEK 451 million (496), and the ratio between net debt and adjusted EBITDA on a rolling 12-month basis was 1.6x (2.7).

Shareholders' equity amounted to SEK 3,068 million (2,987) at the end of the year. The changes consisted of profit/loss for the period of SEK 47 million and translation differences of SEK -34 million from the translation of foreign operations.

The equity/assets ratio was 67.6 percent (64.9) at the end of the year.

Investments

Investments in intangible assets and tangible assets (excluding right-of-use (ROU) assets) amounted to SEK 25 million (30), and were primarily made up of replacement investments in production facilities. Amortisation of intangible assets and depreciation of tangible assets for the year amounted to SEK -97 million (-103).

Significant events during the financial year

Prestigious awards

Midsona was recognised for its climate strategy and leadership by the global environmental initiative CDP. Midsona achieved the top grade A for 2023 and is ranked as one of the 400 best listed companies in the world, out of a total of around 21,000 companies taking part. Midsona was also named as the most sustainable listed company in the groceries category and came second overall in the Sustainable Companies ranking for 2023. Lund University, the Swedish business newspaper Dagens Industri and the e-magazine Aktuell Hållbarhet joined forces to review the sustainability efforts of Swedish listed companies, focusing on risk and governance.

New financial targets and strategy

The Board of Directors of Midsona AB (publ) decided to establish new long-term targets for the Group. The three long-term targets are as follows and apply until 2027:

- Organic growth averaging 3-5 percent per year (previous net sales growth >15.0 percent through organic growth and acquisitions);
- EBIT margin (before items affecting comparability) >8 percent (previous EBITDA margin >12.0 percent);
- Net debt/adjusted EBITDA <2.5x (previous Net debt/adjusted EBITDA 3.0-4.0x).

A new strategy was adopted in early 2024 following a review of the Group's strategic focus. It is three-pronged and aims to strengthen profitability and lay the foundation for the future:

- Strengthen position, drive growth and develop the offering in the organic category through cross-market work on production, sourcing, innovation and communication, to exploit synergies between brands in making it easier for consumers to navigate the offering;
- Continue growth with strong brands in the health food category in both existing and new markets by focusing on profitable organic growth in selected markets supported by three strong own brands - Friggs, Earth Control and Gainomax;
- Streamline the value chain and harmonise the product range to develop an offering that meets market needs while striving for high efficiency from sourcing and brand development to production and logistics.

Changes to the Board of Directors

At the 2024 Annual General Meeting, held on 7 May, Tomas Bergendahl was elected as a new member of the Board of Directors on the proposal of the Nomination Committee. He is independent in relation to the Company, its management and major shareholders. Henrik Stenqvist declined re-election. As of the 2024 Annual General Meeting, the Board of Directors of Midsona AB comprises Patrik Andersson (Chairman), Tomas Bergendahl, Anna-Karin Falk, Sandra Kottenauer, Jari Latvanen, Anders Svensson and Johan Wester.

Extending of financing agreement

The financing agreement with Danske Bank and Svensk Exportkredit was extended in June for another year on unchanged terms. Following the extension it will run until September 2026.

Changes to Group Management

The Division Director Nordics Ulrika Palm decided to leave Midsona and left her position in August 2024. Markus Wessner was appointed as the new Division Director Nordics, replacing Ulrika Palm. He took up the position on 15 August 2024 and has been a member of Group Management from that time.

New organisational structure and changes to Group Management

A decision was made to establish central Marketing & Innovation, HR and Purchasing functions, as part of measures to increase coordination between the Group's three divisions and create the right conditions for profitable growth.

Anna Törnebrant was appointed Chief Marketing Officer with Group-wide responsibility for Marketing & Innovation, and Åsa Gavelstad was appointed HR Director with Group-wide responsibility for HR. They took up their new positions on 15 August 2024 and have been members of Group Management from that date. The process of recruiting a Purchasing Director was ongoing at the end of the year.

Updated climate targets

Updated climate targets were approved by the Science Based Target initiative (SBTi), which was an important step in work contributing towards the Paris Agreement's goal of limiting global warming. Midsona is committed to achieving overall net zero greenhouse gas emissions throughout its value chain by 2045, with targets including:

- Reducing scope 1 and 2 emissions as well as from scope 3 categories such as upstream and downstream transport, waste generated in own operations and the waste management of products sold, by 42 percent by 2030, taking 2022 as the baseline year.
- 70 percent of suppliers, based on purchased goods and services, are to have set science-based targets by 2028;
- Reducing scope 3 emissions from FLAG (Forest, Land and Agriculture) by 30.3 percent by 2030 and 72 percent by 2045;
- No deforestation from primary raw materials associated with deforestation by 31 December 2025.

Significant events after the end of the financial year

Changes to Group Management

Josefin Kronstrand has been appointed Purchasing Director, with overall responsibility for coordinating the Group's purchases. She will take up her new position on 15 March 2025 and will be a member of Group Management from that date.

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Peter Åsberg will leave his position as President and CEO of Midsona, but will remain in his role during a transition period until a successor is in post. The process to recruit his successor has been initiated by the Board of Directors of Midsona AB.

The Board of Directors of Midsona AB appointed Henrik Hjalmarsson as new President and CEO. He will take up the post by 1 October 2025 latest and will succeed Peter Åsberg, who has decided to leave his post as previously announced.

Prestigious award

Midsona has once again been recognised for its climate strategy and leadership by the global not-for-profit environmental initiative CDP. For the second year in a row, Midsona has been awarded the top grade A in the 2024 CDP climate change ranking. CDP's annual process is considered a leader in corporate environmental transparency reporting as it measures actions and performance to mitigate climate-related risks and to reduce greenhouse gas emissions.

Other information

Achievement of financial targets

The three long-term targets are as follows and apply until 2027:

- Organic growth averaging 3-5 percent annually. For the financial year 2024, organic growth in net sales was -0.7 percent.
- EBIT margin (before items affecting comparability) >8 percent. For the financial year 2024, EBIT margin was 3.4 percent, before items affecting comparability.
- Net debt/Adjusted EBITDA <2.5x. For the financial year 2024, net debt/adjusted EBITDA was 1.6x.

Focus on risks and uncertainties

Market dynamics has been significantly affected by a number of external factors in recent years. The series of challenges that followed the pandemic, including shortages of raw materials, progressively higher prices of inputs and finished goods, energy and transport, and difficulty in maintaining a stable supply of goods, together with the escalation of geopolitical conflicts, laid the foundation for the strong inflationary pressures that have been a feature of the global economy over the past two years.

Consumers have changed their purchasing behaviour as a result of a more challenging personal financial climate. Price has become more important, and it is clear that many consumers are looking more towards low-price and promotional products, which has put organic and sustainable products in the higher price segment at a particular disadvantage. This has brought demand-related challenges for some product groups among the Group's own consumer brands, especially in the organic products category, with sometimes lower sales volumes as a result. In response to the change in consumer behaviour, hard work has been done to develop the customer offering and enhance the range and purchasing experience. Long-term societal trends clearly point to a shift in consumption towards more sustainable and healthy products, which is expected to gain pace as consumers' purchasing power improves. Inflationary pressures continued to gradually decrease, and both the ECB and Sveriges Riksbank cut key interest rates a number of times in 2024. However, there is uncertainty over further interest rate cuts in the short term, which would further improve consumers' personal finances and purchasing power.

The volatility in prices of raw materials, packaging materials, energy, gas and transport, and exchange rate trends for key currencies, including the USD and EUR, affect the Group. Although the prices of most key raw materials, packaging materials and road transport have stabilised, price levels have remained high, while prices for energy and gas for the Group's production facilities have fallen back to more normal levels from the peaks seen in 2022. An energy crisis like the one that spread across Europe in 2022, with rapidly rising electricity and gas prices, is not expected in the short term due to coordinated and prioritised EU activities. However, the geopolitical turmoil around the Red Sea has caused delays in container shipments from Asia and once more forced up the price of such shipments. Prices of key raw materials, such as dried fruits, nuts, seeds and kernels, oats, rice, quinoa, lentils and maize, are determined in large part by key agronomic performance indicators and crop yields in the summer and autumn. Prevailing climate-related risks, with extreme weather in the shape of drought and floods, are leaving their mark on prices for raw materials. It is becoming increasingly clear that the risk of crop failure is growing, especially for organic crops given that pesticides are not used on them. The prices of some raw materials have improved, mainly due to good harvests, while the prices of other raw materials are unchanged or have deteriorated following poor crop yields and/or changes in import/export restrictions. However, the trend has been for purchase prices for raw materials and other inputs to have passed their peak, but to remain at high levels as a result of an unfavourable trend in exchange rates at times for the Group. Price increases for raw materials, packaging materials and finished goods due to an unfavourable trend in exchange rates cannot be absorbed by the Group, and have to be offset at the next stage in the chain instead. An overall assessment is that selective price increases to customers in some geographical markets cannot be ruled out, due to crop yields and harvests for certain raw materials as well as currency volatility.

There were certain challenges at times for some own consumer brand product groups in terms of production capacity. These related to both in-house and subcontracted production facilities, due to a combination of high demand and shortages of raw materials, labour and machine capacity. There was a strong focus over the year on improving capacity, securing the right staff and reducing sick leave among existing staff.

Risks and risk management

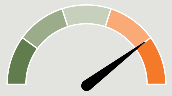
All businesses face uncertainty about future events that may have both positive and negative effects. Risk management aims to identify, evaluate and manage these factors in order to maximise value creation and minimise potential adverse consequences for shareholders and other stakeholders.

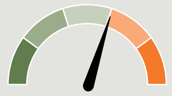
The ability to manage risks is a key element of the company's governance and control. The Board of Directors has ultimate responsibility for risk management, while operational management lies with the Chief Executive Officer, the Management Team and other staff. Risk management is based on a code of conduct and several overarching policies. Strategic and business-related risks are discussed by Group Management and decided upon by the Board of Directors. Regular reporting takes place on financial position and compliance with the financial policy.

The company applies an iterative risk management process to identify, evaluate and manage risks at Group level. In this process, based on what is currently known, a number of risks have been identified and categorised in three areas of risk – operational, market and financial. The description of the various risks in each risk area does not claim to be exhaustive, nor is it ranked in order of importance. Not all risks are described in detail, and a comprehensive assessment must contain other information and a general assessment of external conditions. In addition, an in-depth analysis is presented of climate-related risks and opportunities linked to the operational risk of *environmental impact and climate change*.

Operational risks

Environmental impact and climate change





Description of risk

Midsona's impact on environment and climate represents a significant business risk that can have an impact on both reputation and financial results. There is also a risk of global environmental and climate change impacts affecting the result. Some of the most important sources originate from transport, water and energy consumption, raw material supply, packaging and production waste and food waste.

Extreme weather, which is becoming more and more common, is a growing challenge for food production and therefore also for Midsona. A warmer climate is likely to lead to higher operating costs, for example through increased cooling requirements in production facilities. In addition, there is a risk that drought, hot weather, floods and cold may significantly reduce agricultural production, resulting both in price increases and difficulty in ensuring necessary volumes of raw materials (see also below under the risk factor *raw material prices and raw material shortages*.

Negative climate impacts from fossil fuel-powered transport and fossil energy use to run operations are also risk factors. In all countries where Midsona operates, environmental legislation already exists, such as taxation of fossil fuels and plastics. Tighter climate policy, new regulations and changes in market conditions may affect parts of operations dependent on fossil fuels. If these risks materialise, it could lead to increased fossil fuel transport and energy costs, which in turn would adversely affect financial performance.

Midsona is also dependent on access to clean fresh water.for the production of foods and cosmetics. Water shortages in countries where the company operates may affect performance.

A high negative environmental impact or non-compliance with environmental requirements also risks damaging reputation and trust among consumers and investors.

More detailed information on *climate-related risks and opportunities* ,can be found on pages 127-129.

Risk management

To manage the significant operational risks posed by Midsona's environmental and climate impacts, work takes place continuously to implement a number of strategies and actions. These aim to reduce our environmental impact, ensure compliance with environmental requirements and improve our resilience to climate-related risks.

Midsona has adopted Science Based Targets approved by SBTi to reduce its climate impact. Through clear governance and responsibility for our climate targets within Midsona's management, our climate impact is also an integral part of the Company's business strategies and financial planning. We engage in systematic preventive environmental work at our production facilities and set environmental requirements for our carriers and suppliers. This includes ensuring that our partners comply with our high environmental standards.

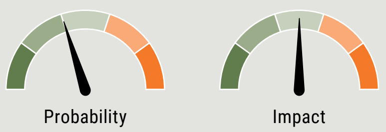
One action taken to reduce our energy footprint is to use only 100% renewable electricity in our operations, which has already been implemented in the Nordics and North Europe divisions. In addition, a certain amount of renewable solar energy is produced in all divisions. Targets for the use of 100% fossil-free transport have also been set to achieve efficient and sustainable transport. To reduce our impact from waste, we have set targets to increase recovery and reduce food waste.

Midsona operates in countries with a relatively low risk of water scarcity, but we actively work to keep water consumption low. The Spanish business, which involves the most water-intensive production, has set specific targets and has taken action to lower its fresh water consumption.

In addition, we are closely monitoring developments in environmental and climate issues to gain important insights that may contribute to better informed decision-making and financial planning. This includes keeping up to date with new regulations and market trends that may affect our business.

In order to evaluate in detail the effects that climate change may have on operations in coming years, we have carried out scenario analyses, which can be read about on pages 128-129.

Business ethics and corruption



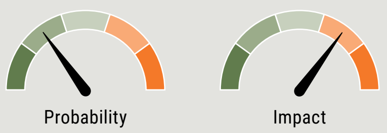
Description of risk

As the business largely consists in developing, producing and selling organic products, health foods and consumer health products, it is crucial that business partners, investors and consumers associate the Company's operations and brands with positive values, both a good reputation and credibility being vital in terms of business value and sales success. Reputation and credibility may easily be damaged if Midsona, a supplier or a partner for example causes damage to the environment, exploits its workforce, produces harmful products or otherwise commits acts in conflict with the values that our brands represent, resulting in a negative sales trend and adverse impact on the Company's earnings. Risks associated with corruption may also damage reputation, which may affect business relationships and, by extension, profitability. Should these risks materialise, they might have an adverse impact on the business and earnings in the form of decreased sales, for example.

Risk management

We conduct systematic prevention work both internally and externally with partners through our Code of Conduct, Supplier Code of Conduct, policies and other guidelines for our employees to uphold the reputation of our company and our brands, with the right quality, functionality, product labelling and accurate market communications. In relationships with suppliers, our Supplier Code of Conduct, the supplier's self-assessment and an active partnership in terms of business ethics are the most important tools in taking responsibility for the value chain. The Group also has a whistleblower policy in place, which everyone is encouraged to use if there is the slightest hint of corruption or breach of our business ethics.

Insurable risks



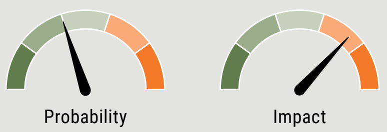
Description of risk

The perception is that it has become more difficult and more costly in recent times to insure production facilities in the food industry. This difficulty is also exacerbated by the technical status of the Company's production facilities. Production facilities, production equipment and others assets may be damaged by fire, power outages and other physical risks in the wake of environmental and climate change, such as flooding. There is a risk that insurance cover for the assets may not be adequate. Inadequate insurance cover may negatively affect the financial position in the event of damage or loss. An unplanned production stoppage may directly affect customer deliveries, as a high degree of production is order-based. Should this risk materialise, it may have an adverse impact on the Company's financial position.

Risk management

We work with external insurance brokers to maintain well-balanced, cost-effective insurance cover for our assets in line with policy. An extensive range of insurance is maintained, covering property and business interruption insurance, transport insurance, financial loss insurance and third-party liability and product liability insurance. The Company works systematically both to minimise the risk of incidents and to have contingency plans in place to limit the effects of possible incidents.

Information systems



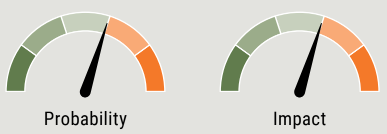
Description of risk

The business is dependent on a properly functioning and secure IT infrastructure. Disruptions or faults in critical systems have a direct impact on our production and distribution activities, as well as on our financial reporting. This may be caused by system overload, lack of competence, external influences in the event of unauthorised access to, and hacking of or physical damage to the infrastructure. Sophisticated data intrusion, cyber attacks, IT-related fraud and shortcomings in the handling of customer and employee information may be detrimental to financial capacity and reputation.

Risk management

We work continuously on keeping our IT systems well protected against attacks and intrusion and to improve the level of service with regard to the IT infrastructure, in line with policy, guidelines and procedures. Processes were established to increase information security in and between systems. For example, investments are being made to improve recovery plans and data storage functions. Information security is monitored regularly through IT security audits. The IT environment is centralised for better control and cost awareness, while at the same time working with local experts to ensure that we comply with all legal requirements.

Suppliers



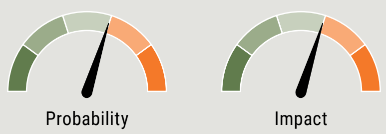
Description of risk

Midsona is dependent on certain major suppliers, particularly in the health foods category, to enable it to secure its supply of goods in the short term. If the agreement with a critical supplier were to be terminated prematurely or renegotiated on less favourable terms, or if a critical supplier were to declare bankruptcy or suffer extensive operational disruption, or if a critical supplier were to be adversely affected by external factors, there is a risk of disruption in the flow of goods and sales capacity may be negatively impacted if Midsona is unable to replace the supplier at commercially acceptable prices within a reasonable period. If deliveries are delayed, this may adversely affect commitments and relationships with customers, causing the Company's customers to stop buying the Company's products and/or, in some cases, to ask for refunds. If supplier risks were to arise, this may have an adverse overall impact on business, profit and the brand.

Risk management

To minimise risks in the supply of goods, we maintain close dialogue on volume-critical products with our major suppliers to ensure reliable delivery. To reduce our dependence on individual suppliers, alternative suppliers are established, above all in connection with delivery-critical, volume raw materials. We assume responsibility in the value chain by cooperating with our suppliers in areas such as quality, safe raw materials and products, the environment, human rights and ethical enterprise. We monitor, rate and follow up suppliers using our supplier assessment system. Suppliers are rated in terms of sustainability, quality and safety. The findings from the risk mapping increase awareness of our sustainability risks in the value chain, improving risk management and the capacity to focus on the risks that may cause us most harm. In addition, this allows us to maintain better and more constructive dialogue with our suppliers and affords us opportunities to work with them to improve key processes.

Production facilities



Description of risk

The Group has eight production facilities, five for organic products, one for health food products and two for consumer health products. These are located in Sweden (1), Denmark (2), Finland (1), Germany (2), France (1) and Spain (1). At the production facilities in Denmark (1), Germany (1), France (1) and Spain (1), substantial volumes of certified organic products are produced for own brands.

Stoppages or disruptions in the production processes at any of the facilities, caused for example by fire, mechanical faults, technical disruptions, weather conditions, chronic climate change, natural disasters, labour market disputes or terrorist activities may have an adverse impact in the form of direct damage to property. Unplanned production stoppages may directly affect customer deliveries, as a high degree of production is order-based.

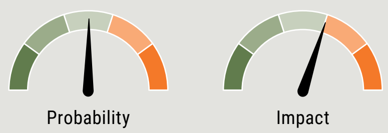
In addition, increased inflationary pressure, which would probably lead to higher interest rates and increased rental costs following index adjustments, combined with increased energy costs, would considerably increase costs at the production facilities .

Should the risks described above materialise, this would have a significant impact on the Company's operations and earnings.

Risk management

For some volume products, production may be transferred to other machines. Machines are maintained continuously in accordance with established schedules, and major maintenance events are normally scheduled for the summer months. Replacement investments are made according to a predetermined plan that the Group follows, and new investments are made when necessary. We work with external insurance brokers to maintain well-balanced and cost-effective insurance cover for our assets. An extensive range of insurance is maintained, covering property and business interruption insurance, transport insurance, financial loss insurance and third-party liability and product liability insurance. The Company works systematically both to minimise the risk of incidents and to have contingency plans in place to limit the effects of possible incidents.

Product liability



Description of risk

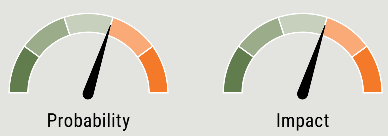
Organic products and brands represent one of the cornerstones of the business. There is always a risk of serious product liability incidents. Within the EU, there are common rules defining what is organic. For example, these rules describe how production is to be performed, how the products are to be labelled, how control is to be exercised and what the requirements governing imports of organic products from countries outside the EU are. An important aspect of the checks on organic production is traceability, ensuring that goods can be tracked at the manufacturing stage and to ensure that they have been produced organically. This means that documentation and information on how products are manufactured are particularly important in ensuring that organic products are genuinely organic. Shortcomings and inaccuracies in such documentation and information may therefore have major consequences.

Handling of food and other products Midsona sells, such as medicines, is an important aspect of the business, imposing strict demands as to traceability, hygiene and handling. Shortcomings in product handling and safety checks may lead to contamination, allergic reactions, personal injury or other types of harm, which may damage the Company's reputation to and cause stakeholders' trust in the Company's products to be reduced, and may result in defective products having to be recalled or bought back. Recalls may damage the Company's reputation and become costly as a result of it not being possible to sell goods in stock. Product liability claims may also be made if a product is considered to have caused injury. Should such risks materialise, they may have an adverse impact on the Company's reputation and earnings.

Risk management

Our aim is for our own production facilities to have product safety certification. We wish to take responsibility at all stages of the value chain by working with our suppliers in areas such as quality, safe raw materials and products. We focus on supplier quality and product control as well as high social and environmental standards in the supply chain, with the aim of ensuring safe and sustainable suppliers. Our quality and purchasing functions have together identified the risks arising in the process, in order to ensure approved, safe and sustainable suppliers and manufacture of our products. Our work on quality and product safety is guided by applicable legislation, official requirements, customers, industry guidelines and internal policies, procedures and instructions. Strict quality requirements apply in all processes to minimise the risk of shortcomings, product recalls and product liability claims. Any complaint flows are captured early in our quality assurance system for a proactive response. Our products are certified to a large number of different standards. All set stringent requirements with regard to quality, environment and sustainability matters and serve as a stamp of quality on our products. Our insurance solution includes third-party liability and product liability insurance to cover any product liability claims.

Employees



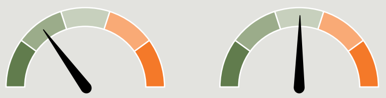
Description of risk

To fulfil its goals, Midsona is dependent its ability to recruit, retain and develop qualified and motivated employees. There is stiff competition for qualified staff.

Risk management

Through annual staffing, skills and succession planning, it is ensured that employees are recruited and that they stay and develop the right skills. We focus continuously on making Midsona an attractive employer, where health and safety in the workplace, wellness and market-based and competitive employment benefits are important parameters. A modern and attractive corporate culture is also an important factor in the recruitment of staff.

Legal risks

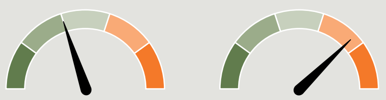


Description of risk
Legal risks include a number of different risks in partially separate areas. Changes in legislation, legal infringements within the business, maintenance of permits and certifications and shortcomings in agreements entered into are some examples of legal risks that may have adverse financial consequences for Midsona.

Risk management
Midsona continuously monitors developments in upcoming legislation and a number of areas and, with external advisers, addresses any legal risks identified. In addition, a systematic and controlled follow-up of permits, certifications and licences has been developed. Our legal, regulatory and quality organisations together manage existing and new requirements, laws and guidelines from government agencies, as well as management of permits, certifications and licences in a quality management system.

Market risks

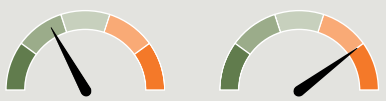
Competition



Description of risk
Customers are mainly pharmacy, grocery and health food chains that also offer competing products sold under their own brands, so that many customers can also be regarded as competitors to some extent. In our view, these operators are not dependent on individual brands and can hold back price increases, making increased marketing initiatives necessary. If these operators widen their product ranges under their own brands, this may lead to further competition and increased price pressure. Should these risks materialise, the impact on earnings would be substantial, mainly in the form of decreased sales.

Risk management
We work actively on development and innovation of our brands to earn the place of each brand on the shelf in shops and, at the same time, to convey a clear and accurate message to consumers at the point of sale. The customer's and consumer's trust in our brands is of crucial importance to our competitiveness and long-term development. Without strong trust in the Company's brands, it would be very difficult to capture market shares and to grow. Reliable development, innovation and sustainability processes foster conditions for gaining and retaining the trust of customers and consumers.

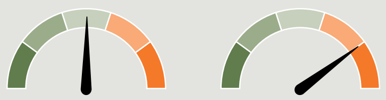
Consumer behaviour and trends



Description of risk
Consumers change their buying behaviour and new consumer trends come and go. There is always a risk that changes in consumer behaviour, or when new trends arise, are not seized upon in time, leading to a loss of competitiveness vis-à-vis competitors. If competitors are better at monitoring consumer behaviour and new trends, there is a risk that Midsona will lose competitiveness. Should this risk materialise, the impact on the Company's earnings, in the form of reduced sales, would be substantial.

Risk management
To help people live a healthy life, it is vital that we recognise trends and changes in consumer behaviour early. This requires knowledge of trends, consumer behaviour and product content. We believe we have well-developed practices and processes for actively monitoring external developments and identifying new consumer behaviour and trends. We attend major trade fairs in Europe and North America, read and analyse trend reports and buy market data on our local markets.

Raw material prices and raw material shortages

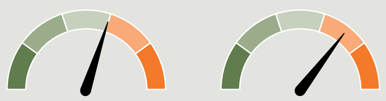


Description of risk
Midsona purchases raw materials, such as cereals, rice, nuts, almonds and fruit mainly from suppliers in Europe, South America and Asia. Both the supply of raw-materials and raw material prices may be affected by strong demand, combined with low supply or other external factors beyond the Company's control, such as agricultural policy decisions, subsidies, trade barriers, increased energy prices, military conflicts, acts of terrorism, crop yields, events on commodity exchanges and the cost of manufacturing the raw material. Normally, price reviews take place once a year. However, higher prices for raw materials may require Midsona to further raise its product prices over and above customary price revisions. It may be difficult, generally, to have price increases passed on to customers directly. In special cases, discussions are held with customers continuously during the year in the event of a dramatic rise in the price of a raw material. If Midsona does not succeed in passing on a price increase to its customers, there is a risk that this will adversely affect margin. Another risk is that the company will be affected by a shortage of raw materials if suppliers are unable to supply the quantities ordered.

Risk management
We continuously monitor the trend in prices for all important raw materials to stand a good chance of contracting volumes at the best possible time. To ensure both access to and the price of key raw materials, supplier agreements are normally signed covering the requirement over the six to twelve months ahead. Midsona usually charges higher raw material prices at the next stage by raising the prices charged to customers. Several key raw material purchases are coordinated at the European level by our supply chain organisation. By purchasing large volumes, it is possible to influence raw material prices to a certain extent.

Financial risks

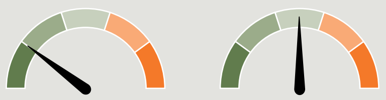
Financing risk



Description of risk
Financing risk refers to the risk of future capital procurement and refinancing of maturing loans becoming difficult or costly.

Risk management
To ensure that, in all situations, the Group has access to the necessary external financing at reasonable cost, the rule is that confirmed credit commitments must have an average remaining term to maturity of not less than 12 months. The financing agreement with Danske Bank and Svensk Exportkredit was extended for another year on unchanged terms. Following the extension it will run until September 2026. At year-end, the average remaining term to maturity on confirmed loan commitments was 16 months.

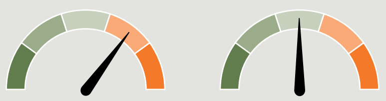
Liquidity risk



Description of risk
Liquidity risk refers to the risk of not being able to fulfil payment obligations when they fall due, as a result of an inadequate supply of liquid funds.

Risk management
To control and plan for the Group's cash requirements, the Group economy and finance function uses liquidity forecasts that the subsidiaries submit on a monthly basis for the six months ahead. A financial contingency must be maintained in the form of a liquidity reserve, comprising cash balances and unused credit commitments, which must correspond to not less than 7.5 percent of the Group's forecast annual sales. The liquidity reserve was in the range of 12.9-16.9 percent of net sales in 2024. In addition, the liquidity reserve must, at all times, exceed the sum of the Group's loan maturity for the next six months.

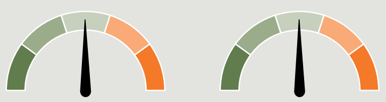
Currency risk



Description of risk
Transaction exposure is the risk that affects the Group's earnings and cash flow through the operational and financial transactions that are effected in currencies other than the functional currency of each Group company. The Group's sales of goods are mainly made in the companies' local currencies, although the currency flows arising from purchases, primarily of goods, in other currencies give rise to the Group's current transaction exposure.

Risk management
Group Management has been mandated to currency hedge goods purchases in USD with currency forward contracts as a result of the increased currency exposure in USD/DKK and USD/EUR. This is particularly the case for supplier contracts with predefined payment schedules. Forward exchange contracts are market valued at each balance sheet date. The maximum exposure is USD 4.5 million at each balance sheet date. Currency risks are otherwise to be managed in supplier and customer agreements through currency clauses. In order to reduce the impact on earnings from changes in exchange rates, Midsona continuously uses price adjustments for customers and suppliers based on the changes in exchange rates.

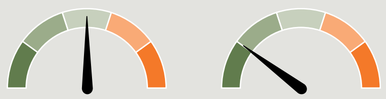
Interest rate risk



Description of risk
Interest rate risk refers to the impact of a change in interest rates on earnings. How quickly a change in interest rates affects earnings is determined by the fixed-interest period for credit and investments. The Group is a net borrower and does not invest in listed instruments. As a result, the Group's interest-bearing liabilities to credit institutions represent the main exposure to changes in interest rates. Most interest-bearing liabilities to credit institutions are subject to variable interest rates.

Risk management
The Group strives to strike a balance between a reasonable ongoing expense for its borrowings and the risk of a significant negative impact on earnings from a major change in interest rates. At present, the guidance is not to hedge interest-rate risks in the Group. As a result, changes in the market interest rates have an impact on the financial cash flow and earnings. The average interest rate on the Group's bank loans and overdrafts in 2024 was 5.9 percent.

Credit risk



Description of risk
There is a risk of losses if counterparties with whom the Group has cash and cash equivalents or financial investments are unable to fulfil their obligations; this is known as a financial credit risk. Another risk is that our customers cannot fulfil their payment commitments; this is known as a customer credit risk.

Risk management
Rules for how surplus liquidity is to be managed is established in a policy. The Group is a net borrower, and surplus liquidity is to be used to reduce loans from credit institutions. In March 2024, a voluntary additional repayment of liabilities to credit institutions of SEK 79 million was made in connection with existing credit lines. The Group's subsidiaries are required to place surplus liquidity in bank accounts in the Group account system or in bank accounts approved by the Group economy and finance function. The Group's counterparties in financial transactions are credit institutions with good credit ratings. Customer credit risk is managed continuously by each Group company via credit checks and internal credit limits per customer. Bank guarantees or other sureties are required for customers with low creditworthiness or insufficient credit history.

For financial risks, see also Note 28 *Financial risk management*, on pages 155-157.

More detailed description of climate-related risks and opportunities

As describedin the section on operational risks, Midsona's business operations are affected by climate change, while the company itself also has an impact on climate. The Group has therefore chosen to regularly identify in greater depth the risks and opportunities that climate change may bring, based on the TCFD framework.

In this identification of risks, Midsona uses scenario analyses. Scenario analysis is used to analyse future development and prepare the company for different outcomes, helping to strengthen its resilience to meet future challenges.

In line with the Paris Agreement and the TCFD recommendations, published scenarios from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC[1] have been used. In the last risk identification exercise, possible outcomes were evaluated for temperature increases of 1.5 and 4 °C compared to pre-industrial levels. By gaining insight into potential strategic and financial consequences that may arise for Midsona given different future scenarios, the company can work proactively to manage these to increase its resilience. Different scenarios are therefore also analysed from a short, medium and long-term perspective as recommended by the TCFD.

The outcome of the scenario analysis has contributed to the development of the Group's sustainability targets, including emission reduction targets for both own operations (Scope 1 and 2) and the value chain (Scope 3) in line with the Paris Agreement.

In 2024, Midsona's updated climate targets were approved under the SBTi net-zero standard. In the context of updating the old climate targets, which were aligned with keeping the global temperature increase below 2°C, the company conducted a new Scope 3 inventory in 2023. As a result, several Scope 3 categories were found to be significant, of which the targets for category 1, purchased goods and services, have been split into different parts: industry and energy targets and FLAG targets. This provides a more thorough understanding of the company's real climate impact and the risks and opportunities associated with them.

[1] https://www.ipcc.ch/

The conclusion drawn from our earlier scenario analyses is that a 1.5°C scenario affects Midsona's operations and value chain in many of our areas. Several climate-related risks and opportunities have been identified that are likely to affect profitability and costs over time, which is therefore well in line with the company's action with new strengthened climate targets to work towards.

In a 4°C scenario, the physical risk areas and resource shortages escalate significantly, requiring further significant action. This will continue to have an impact on Midsona's strategy going forward, as the company must continuously monitor and assess developments in purchasing, production and distribution to achieve both the financial targets and the climate targets.

Below is an extract from the most material parts of the scenario analyses. In Midsona's 2023 CDP report, this is described in more detail in Chapters C2 and C3. *(https://www.midsona.com/sustainability#documents).*

Scenario 1
Global warming of not more than 1.5°C
(Transition scenarios IEA NZE 2050)

Description
This scenario assumes that global warming can be limited to a maximum of 1.5°C. The scenario takes into account higher climate policy ambitions and coordinated global climate actions in the near future. Transition risks and transition opportunities dominate this scenario, with limited physical risks. The scenario is also based on global carbon emissions peaking in 2020 and then decreasing rapidly. A high carbon tax/levy is introduced in most economies, and global energy is generated mostly using renewable energy sources. Customers become increasingly climate-conscious and demand more sustainable products.

The conclusion from Midsona's scenario analysis is that a 1.5°C scenario entails several climate-related risks and opportunities with likely economic and/or strategic impacts on its operations and value chain.

In this scenario, the volume of amended legislation increased the legal risks to control of the supply chain, involving market and reputational risks relating to the product portfolio being categorised as the most material risks.

At the same time, climate-related opportunities were identified, such as switching to the use of lower-emission energy sources, developing the company's product portfolio and improving waste management procedures to meet anticipated requirements of the European circular economy strategy.

Ultimately, all sustainability targets established for Midsona have been developed in accordance with a 1.5°C scenario.

Risks
- Changes in legislation regarding requirements for increasingly extensive controls of own operations and a complex value chain.
- Changes in legislation regarding taxes or charges on carbon emissions may lead to increased expenses arising from transport, production and use of materials.
- Increased direct expenses due to requirements for technical innovations, tightened legislation and requirements related to raw materials, use of materials, production and eco-labelling of our products and services.
- Increased legal risks due to demands for increasingly extensive controls on a complex value chain.
- Current market preferences are expected to change, for example through greater demand for products with a low climate footprint.
- Extreme weather and enduring climate change has already hampered, and will continue to hamper, the availability of key raw materials and will contribute to higher operating expenses from increased raw material prices, energy and transport.

Risk management
- Midsona has set out a Climate Change Strategy with a Climate Transition Plan, which is intended to help Midsona mitigate its financial climate risks and reduce its negative environmental impact as part of a necessary shared global initiative and target to prevent climate change from increasing.
- Midsona has committed to ambitious science-based emission targets for both Scopes 1 and 2 and for its value chain Scope 3, in accordance with SBTi's new Net-Zero standard, in order to reduce emissions both directly and indirectly in our own operations and in the value chain. Today, Midsona employs third-party climate expertise and tools to calculate the climate impact of all relevant categories based on the GHG protocol for Scopes 1, 2, and 3, as well as FLAG. Midsona also works with industry organisations, customers and follows the recommendations of authorities. Finally, it is important to closely monitor developments in laws and regulations, as well as technical innovations.
- Midsona has a clear overall goal to reduce its climate impact from energy, packaging, waste, transports and products and services. In the case of products and services, this applies to both its industry and energy emissions and agricultural and forestry-based emissions (FLAG). The company works on climate-reducing incentives from energy consumption, material selection, product design and packaging to customer transport, in order to reduce emissions. For energy, for example, Midsona is well on its way to switching from fossil fuels for heating to renewable sources. Most companies in the Group have also adopted a new company car policy, which entails only electric cars being offered. Work continues to shift transport from fossil fuelled carbon-intensive trucks to fossil-free trucks and other low-emission options such as rail transport, and increase the fill rate and efficiency of all transport. Focus on circularity and reduced material, energy and transport consumption is also an important element in successfully meeting the target.
- Midsona focuses on maintaining a transparent value chain with clear requirements in supplier agreements and other types of agreements. We have programmes and targets in place for increased supplier control and risk management throughout the value chain, right down to the production of raw materials.
- Reducing the complexity of the supply chain by, for example, reducing the number of certifications, but at the same time retaining those that best ensure social and environmental conditions and thus improve governance.
- Midsona is working to expand its range of healthy and sustainable products through its innovation and product range process to fulfil each brand's sustainability plans. Midsona focuses on the risks of negative climate impact on the Company and applies two targets for more sustainable products, to increase plant-based/vegetarian products and to increase recoverable consumer packaging.

Opportunities
- By now working on the climate change adaptation plan toenable it to resolve future shortages of important raw materials, this raw material risk can become an opportunity for Midsona.
- Use of materials, fuel and energy sources with lower emissions can help cut indirect expenses.
- Midsona's strong sustainability profile and long-term goals for low-carbon and plant-based products underpin the company's reputation and give it a competitive advantage. Development and/or expansion of low-emission products and services may lead to increased revenues as a result of higher demand for products and services with a low carbon footprint.
- By focusing on recovery, indirect costs will be reduced.

Strategy for capitalising on opportunities
- Midsona is working in several areas to capitalise on the identified opportunities, including joining DLF's transport initiative on fossil-free transport and the Plastic Initiative for recoverable plastic. Midsona has also set its own numerical targets for both recyclable plastic packaging and fossil-free transport for the whole Group. We have also set a time-bound renewable energy target for the whole Group. This is expected to have a positive impact on the company's reputation,reduce direct and indirect expenses through lower carbon taxes, and provide a competitive advantage.
- Animal products generally produce higher greenhouse gas emissions than plant-based foods. Demand for plant-based options has risen steadily in recent years and is expected to go on growing. In Midsona's view, it is likely that products with a low carbon footprint will have a considerably greater market advantage in the future. Midsona has a clear strategy to offer products with a low carbon footprint and a numerical target for plant-based or vegetarian products across the whole Group. The sustainability aspect is taken into account from crop to finished product, by working to climate reduction targets for waste, transport, packaging, energy reduction and use of low-carbon energy in the production process. In the company's products and services, this is further developed through the new industry and energy targets including supplier engagement and FLAG targets.
- Midsona expects, and is already seeing, a rise in the costs of non-recyclable waste and non-recoverable packaging as part of the European strategy for a circular economy. Midsona has a strategy for circularity where the company is working on recovering its own waste and packaging for the products with its own numerical targets. Midsona has a clear strategy to change the climate impact of packaging, which is expected to create a competitive advantage.

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Scenario 2
Global warming of 4°C
(physical climate scenarios RCP 8.5)

Description
This scenario is based on global warming amounting to 4°C. It is dominated by increased physical risks resulting from lack of coordinated policy actions to limit climate change. In this scenario, economic growth is preferable to climate action. The population grows faster than in the 1.5°C scenario and overconsumption of resources continues. The world remains dependent on fossil fuels and energy intensity is still high. Customers, suppliers, banks and investors do not prioritise climate in their decision-making. Water becomes an important resource with limited access, and climate-related conflicts increase due to poor fisheries management, forestry, agriculture and living conditions. As the world warms up, the severity and frequency of extreme weather events is increasing.

The conclusion from Midsona's scenario analysis is that, in a 4°C scenario, the areas of physical risk to Midsona and the lack of resources, such as fuel and energy supplies, key raw materials such as certified raw materials and water supply, will escalate significantly, necessitating further action. Midsona is also noticing the impact of reduced access to some raw materials as a result of climate challenges. These raw-material challenges have increased sharply in recent years and will, in all likelihood, escalate in a 4°C scenario. In a situation of lower global availability, certified raw materials will be especially vulnerable.

In this scenario, disruptions in the supply chain, both in terms of the availability of raw materials and transport challenges, are identified as potential risks. This poses an additional risk that the pricing of these products and services will substantially raise volatility, leading to uncertainty in financial planning.

This scenario will continue to have an impact on Midsona's strategy going forward, as the company must continuously monitor and assess developments in purchasing, production and distribution to achieve both the financial targets and the climate targets.

Risks
- Acute and chronic changes in patterns of precipitation and extreme variations in weather patterns, as well as changes in average temperatures, may lead to increased production disruptions and damage, substantially increased costs of energy supply, greater water and transport challenges and a sharp decrease in the availability of raw materials with variations in expenses and generally increased prices for raw materials, which will ultimately reduce Midsona's ability to secure a range of goods and profitability on its products.
- Current market preferences are expected to change, for example through limited availability and a decline in living conditions.

Risk management
- Midsona has set out a Climate Change Strategy with a Climate Transition Plan, which is intended to help Midsona mitigate its financial climate risks and reduce its negative environmental impact as part of a necessary shared global initiative and target to prevent climate change from increasing.
- Midsona has committed to ambitious science-based emission targets for both Scopes 1 and 2 and for its value chain, Scope 3, in accordance with SBTi's new Net-Zero standard, in order to reduce emissions, and also closely monitors climate change.
- The principal risk management methods used to meet the raw material risk are Midsona's target linked to supplier engagement, where the company sets out the way we work with our suppliers to ensure that they set their science-based climate targets in line with the 1.5°C target, maintaining close dialogue with important suppliers about volume-critical products for fast delivery, establishing alternative suppliers for supply-critical volume products to reduce dependence, sourcing raw materials from less climate-exposed areas and having more efficientsourcing processes through joint purchasing within the Group.
- See also actions in Scenario 1.

Guidelines for remuneration of senior executives
The 2024 Annual General Meeting approved the guidelines for the remuneration of senior executives to apply until a need arises for significant changes to the guidelines, however not for longer than until the 2028 Annual General Meeting. A review of the guidelines on the remuneration of senior executives was carried out ahead of the 2025 AGM. It resulted in a proposal to adjust the maximum ceiling for the CEO's variable cash remuneration, from 50% to 75% of fixed annual salary. Otherwise, only editorial changes have been made. For information on guidelines adopted for the remuneration of senior executives by the 2024 AGM, see Note 8 *Employees, personnel expenses and remuneration of senior executives*, pages 143-145.

Share data and ownership

The share
Midsona's Class A and B shares are quoted on Nasdaq Stockholm's Small Cap List under the tickers MSON A and MSON B respectively.

During the year, a combined total of 16,961,537 (32,098,215) Class A and B shares were traded. The highest price paid for Class B shares was SEK 11.96 (9.84), while the lowest price paid was SEK 7.00 (6.54). On 30 December, the last price paid for the share was SEK 7.90 (8.19).

The total number of shares at the end of the year was 145,428,080 (145,428,080), divided into 423,784 Class A shares (423,784) and 145,004,296 Class B shares (145,004,296). The number of votes was 149,242,136 (149,242,136) at the end of the year, where one Class A share carries ten votes and one Class B share carries one vote. All Class A and B shares carry equal rights to the Company's net assets and profits. Neither the company nor its subsidiaries hold any treasury shares.

Shareholders
The largest shareholder in Midsona was Stena Adactum AB, whose holding was 69,994,562 Class B shares (69,994,562) on 31 December 2024, corresponding to 48.1 percent (48.1) of the capital and 46.9 percent (46.9) of the votes. No other shareholder had a holding of 10 percent or more of the total number of shares as of 31 December 2024. The ten largest shareholders together had holdings in the company of 79.2 percent (78.1) of the capital and 78.0 percent (76.8) of the votes as of 31 December 2024.

Warrant programmes
One warrant programme, TO2022/2025, reserved for senior executives, remained outstanding at the end of the year. It can result in the granting of a maximum of 120,000 new Class B shares on full conversion, with an exercise period for the warrants running from 1 August 2025 to 20 December 2025.

The subscription period for TO2021/2024, which would have resulted in the granting of a maximum of 171,000 new Class B shares on full conversion, expired on 20 December 2024. No warrants were converted into Class B shares. For more information on warrant programmes, see Note 22 *Shareholders' equity* onpage 153.

Authorisations
The 2024 Annual General Meeting resolved, in accordance with the proposal made by the Board of Directors, to authorise the Board of Directors to, on one or more occasions before the next Annual General Meeting, resolve on new issue of Class A shares and/or Class B shares in a number which in total does not exceed 10 percent of the total number of outstanding shares at the time of the notice of the Annual General Meeting. It is to be possible for the new issue of shares to be carried out with or without deviation from the shareholders' preferential rights, against cash payment or with a provision on non-cash payment, set-off or other conditions referred to in Chapter 13, Section 5, paragraph 6 of the Swedish Companies Act. A new share issue resolved under the authorisation is to take place as part of the financing of company acquisitions or to give the Board of Directors flexibility in efforts to ensure that Midsona can be appropriately provided with capital to finance its operations. In the event of deviation from the shareholders' preferential rights, the issue is to be made on market terms.

Articles of Association
The Articles of Association state that the Annual General Meeting appoints and dismisses members of the Board of Directors and amends the Articles of Association.

At the Annual General Meeting, shareholders may vote for the full number of shares owned or represented. The shares issued are to be freely transferable, without restrictions by law or in accordance with the Articles of Association. To Midsona's knowledge, there are no agreements between shareholders that could signify limitations on the right to transfer shares.

The Articles of Association are available at www.midsona.com.

Effects of major changes of ownership
There are no material commercial agreements within Midsona that may be affected if control of the company were to change as a consequence of a public takeover bid, beyond applicable credit facilities. The long-term financing includes terms entailing that lenders may request early repayment of loans if control of the Company changes significantly.

There are agreements between the Company and senior executives that prescribe compensation if these individuals are dismissed without due cause or if their employment is terminated as a consequence of a public takeover bid for shares in the Company. Agreements between the Company and other employees regulating resignations or dismissal by the Company follow normal practice in the labour market.

Environmental information

Organised environmental efforts form the basis for reducing environmental impacts. The greatest environmental impact arises as a consequence of water and energy consumption, waste, waste water and transportation. Statutory environmental requirements are followed, and the Group was not involved in any environmentally related dispute during the year.

Midsona had eight production facilities at its disposal at the end of 2024, one in Sweden, two in Denmark, one in Finland, one in France, two in Germany and one in Spain. The production facility in Sweden conducts operations that are notifiable under the Swedish Environmental Code. Each year, an audit is performed by a local environmental authority to verify compliance with the Swedish Environmental Code. The production facilities in Denmark, Finland, Germany, France and Spain adjust their operations, apply for the required permits and report to authorities in accordance with local legislation.

The production facilities conduct organised environmental efforts, including action plans and follow-up in a number of areas. Environmental efforts form an integral part of the operations, and decision making always takes environmental aspects into account. Most of the production and storage facilities use electricity from renewable sources. For more information on Midsona's environmental efforts, see the Sustainability Report, pages 28-117.

Corporate Governance Report

For the Corporate Governance Report, see pages 164-168. A Corporate Governance Report has been prepared in accordance with the disclosure requirements in Chapter 6, Section 8 of the Annual Accounts Act.

Sustainability Report

For the Sustainability Report, see pages 28-117. A Sustainability Report has been prepared in accordance with the disclosure requirements set out in Chapter 6, Section 11 of the Annual Accounts Act in the older wording.

Parent Company

Net sales totalled SEK 70 million (61), and related primarily to the invoicing of services provided internally within the Group. Operating profit/loss amounted to SEK -24 million (-23), while profit/loss before tax amounted to SEK -236 million (-118). Profit/loss before tax included an impairment of shares in subsidiaries of SEK -236 million (-117), allocations in the form of Group contributions received of SEK 16 million (24) and a change in excess depreciation of SEK 6 million (-7). The comparison period also included a capital gain of SEK 1 million on the disposal of a subsidiary. Net financial items amounted to SEK 2 million (4) and consisted of interest income from subsidiaries of SEK 42 million (66), interest expenses to credit institutions of SEK -38 million (-53), translation differences on financial receivables and liabilities in foreign currency of SEK -1 million (0), translation differences on net investments in subsidiaries of SEK -3 million (-13) and other financial items of SEK 2 million (4).

Investments in tangible assets and intangible assets amounted to SEK 4 million (2) and pertained primarily to equipment and software. Depreciation of tangible assets and amortisation of intangible assets for the year amounted to SEK -11 million (-12).

Cash and cash equivalents, including unutilised credit facilities, amounted to SEK 589 million (621). Borrowing from credit institutions was SEK 431 million (560) at the end of the year. A voluntary additional repayment of liabilities to credit institutions of SEK 79 million (80) was made within existing credit lines during the year.

Shareholders' equity amounted to SEK 2,342 million (2,578), of which unrestricted shareholders' equity was SEK 1,557 million (1,793). The changes in shareholders' equity during the year consisted of the profit/loss for the year of SEK -236 million.

On the balance sheet date, there were 19 employees (16).

Proposed appropriation of profit or loss

The following amount in SEK is at the disposal of the Annual General Meeting:

Share premium reserve	SEK 1,797,733,454
Profit/loss brought forward	SEK -4,076,942
Profit/loss for the year	SEK -236,210,489
Total	**SEK 1,557,446,023**

The Board of Directors proposes that the unrestricted shareholders' equity in the Parent Company, totalling SEK 1,557,446,023, be appropriated as follows:

Dividend, SEK 0.20 per share	SEK 29,085,616
Carried forward	SEK 1,528,360,407
Total	**SEK 1,557,446,023**

Opinion of the Board of Directors on the proposed dividend

At the 2025 Annual General Meeting, shareholders will have to consider, among other things, the Board's dividend proposal.

The proposed dividend reduces the equity/assets ratio in the Parent Company from 71.6 percent to 70.7 percent and the equity/assets ratio in the Group from 67.6 percent to 67.0 percent. The proposed action does not affect the ability to fulfil current and anticipated payment obligations in a timely manner. The liquidity forecast includes preparedness for managing fluctuations in current payment obligations. The company's financial position does not give rise to any judgement other than that it will be able to continue its operations and can be expected to meet its obligations in the short and long term.

The Board's assessment is that the size of the equity as reported in the most recently presented annual report is in reasonable proportion to the scope of the company's operations and the risks associated with conducting the business, taking into account the proposed dividend.

With reference to the above and what has otherwise come to the Board's attention, the Board's assessment is that a comprehensive assessment of the Company's and the Group's financial position means that the dividend is justifiable in accordance with Chapter 17, Section 3, paragraphs 2 and 3 of the Swedish Companies Act, i.e. with reference to the demands that the nature, scope and risks of the business place on the size of the company's and the Group's equity and the company's and the Group's consolidation needs, liquidity and position in general.

The financial statements were approved for publication by the Board of Directors of the Parent Company on 8 April 2025.

With regard to the Company's performance and position in other respects, see the following financial statements and associated notes.

Financial statements

Consolidated income statement

SEK million	Note	2024	2023
Net sales	2, 3	3,727	3,793
Expenses for goods sold		-2,658	-2,834
Gross profit		**1,069**	**959**
Selling expenses		-621	-618
Administrative expenses		-319	-327
Other operating income	4	5	22
Other operating expenses	5	-6	-7
Indirect expenses, net		**-941**	**-930**
Operating profit/loss	2, 4, 6, 7, 8, 13, 14, 15, 25	**128**	**29**
Financial income		5	10
Financial expenses		-58	-74
Net financial items	9	**-53**	**-64**
Profit/loss before tax		**75**	**-35**
Tax	11	-28	-18
Profit/loss for the year		**47**	**-53**
Attributable to			
Parent Company shareholders (SEK million)		47	-53
Earnings per share to Parent Company shareholders, before and after dilution (SEK)	12	0.33	-0.36

Consolidated statement of comprehensive income

SEK million	Note	2024	2023
Profit/loss for the year		**47**	**-53**
Items that have been or can be reallocated to profit or loss for the year			
Translation differences for the year on translation of foreign operations		34	-41
Other comprehensive income for the year		**34**	**-41**
Comprehensive income for the year		**81**	**-94**
Attributable to			
Parent Company shareholders (SEK million)		81	-94

Consolidated balance sheet

SEK million	Note	31 Dec 2024	31 Dec 2023
Assets			
Intangible assets	13	2,907	2,926
Tangible assets	14, 15	389	404
Non-current receivables	18	6	5
Deferred tax assets	11	84	98
Fixed assets		**3,386**	**3,433**
Inventories	19	617	554
Tax receivables		3	7
Accounts receivable	20	351	334
Other receivables	18	14	16
Prepaid expenses and accrued income	21	23	20
Cash and cash equivalents	28, 33	141	235
Current assets		**1,149**	**1,166**
Assets	2, 29, 30	**4,535**	**4,599**
Shareholders' equity			
Share capital		727	727
Additional paid-up capital		1,849	1,849
Reserves		119	85
Profit/loss brought forward, including profit/loss for the year		373	326
Shareholders' equity	22	**3,068**	**2,987**
Liabilities			
Non-current interest-bearing liabilities	23, 28, 33	465	608
Other non-current liabilities	24	0	0
Other provisions	27	9	7
Deferred tax liabilities	11	327	331
Non-current liabilities		**801**	**946**
Current interest-bearing liabilities	23 ,28, 33	127	123
Accounts payable		302	312
Tax liabilities		18	6
Other current liabilities	24	39	45
Accrued expenses and deferred income	26	177	172
Other provisions	27	3	8
Current liabilities		**666**	**666**
Liabilities		**1,467**	**1,612**
Shareholders' equity and liabilities	2, 29, 30	**4,535**	**4,599**

Changes in consolidated shareholders' equity

SEK million	Note 22	Share capital	Additional paid-up capital	Reserves	Profit/loss brought forward, including profit/loss for the year	Total shareholders' equity
Opening shareholders' equity, 1 Jan 2023		**727**	**1,850**	**126**	**379**	**3,082**
Comprehensive income for the year						
Profit/loss for the year		-	-	-	-53	-53
Other comprehensive income for the year		-	-	-41	-	-41
Comprehensive income for the year		**-**	**-**	**-41**	**-53**	**-94**
Transactions with the Group's owners						
Issue expenses		-	-1	-	-	-1
Transactions with the Group's owners		**-**	**-1**	**-**	**-**	**-1**
Closing shareholders' equity, 31 Dec 2023		**727**	**1,849**	**85**	**326**	**2,987**
Opening shareholders' equity, 1 Jan 2024		**727**	**1,849**	**85**	**326**	**2,987**
Comprehensive income for the year						
Profit/loss for the year		-	-	-	47	47
Other comprehensive income for the year		-	-	34	-	34
Comprehensive income for the year		**-**	**-**	**34**	**47**	**81**
Closing shareholders' equity, 31 Dec 2024		**727**	**1,849**	**119**	**373**	**3,068**

Consolidated cash flow statement

SEK million	Note	2024	2023
Operating activities			
Profit/loss before tax		75	-35
Adjustment for items not included in cash flow	33	173	204
Income tax paid		-3	-2
Cash flow from operating activities before changes in working capital		**245**	**167**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories		-67	121
Increase (-)/Decrease (+) in operating receivables		-9	72
Increase (+)/Decrease (-) in operating liabilities		-27	-17
Changes in working capital		**-103**	**176**
Cash flow from operating activities		**142**	**343**
Investing activities			
Divestments of companies or operations	33	-	0
Acquisitions of intangible assets	13	-1	-1
Divestments of intangible assets		-	12
Acquisitions of tangible assets	14	-23	-30
Divestments of tangible assets		0	1
Change in financial assets		-1	0
Cash flow from investing activities		**-25**	**-18**
Cash flow after investing activities		**117**	**325**
Financing activities			
Issue expenses		-	-7
Loans raised	33	-	6
Repayment of loans	33	-150	-152
Repayment of lease liabilities	33	-56	-56
Cash flow from financing activities		**-206**	**-209**
Cash flow for the year		**-89**	**116**
Cash and cash equivalents			
Cash and cash equivalents at beginning of year		235	121
Translation difference in cash and cash equivalents		-5	-2
Cash and cash equivalents at end of year	33	**141**	**235**

Income statement, Parent Company

SEK million	Note	2024	2023
Net sales	3	70	61
Administrative expenses		-95	-84
Other operating income	4	1	1
Other operating expenses	5	0	-1
Operating profit/loss	7, 8, 13, 14, 15, 25	**-24**	**-23**
Result from participations in subsidiaries	9	-236	-116
Financial income	9	72	87
Financial expenses	9	-70	-83
Profit/loss after financial items		**-258**	**-135**
Allocations	10	22	17
Profit/loss before tax		**-236**	**-118**
Tax	11	0	0
Profit/loss for the year[1]		**-236**	**-118**

[1] Profit/loss for the year and comprehensive income for the year are the same, as the Parent Company has no transactions that are recognised in other comprehensive income.

Balance Sheet, Parent Company

SEK million	Note	31 Dec 2024	31 Dec 2023
Fixed assets			
Intangible assets	13	24	33
Tangible assets	14	3	2
Participations in subsidiaries	16	2,393	2,410
Receivables from subsidiaries	17, 31	636	867
Deferred tax assets	11	0	0
Financial assets		**3,029**	**3,277**
Fixed assets		**3,056**	**3,312**
Current assets			
Receivables from subsidiaries	17, 31	97	87
Other receivables	18	3	3
Prepaid expenses and accrued income	21	14	8
Current receivables		**114**	**98**
Cash and bank balances	28, 33	101	205
Current assets		**215**	**303**
Assets	29, 30	**3,271**	**3,615**
Shareholders' equity			
Restricted shareholders' equity			
Share capital		727	727
Statutory reserve		58	58
Restricted shareholders' equity		**785**	**785**
Unrestricted shareholders' equity			
Share premium reserve		1,797	1,797
Profit/loss brought forward		-4	114
Profit/loss for the year		-236	-118
Unrestricted shareholders' equity		**1,557**	**1,793**
Shareholders' equity	22	**2,342**	**2,578**
Untaxed reserves	10	**21**	**27**
Non-current liabilities			
Liabilities to credit institutions	23, 28, 33	370	501
Other non-current liabilities	24	0	0
Non-current liabilities		**370**	**501**
Current liabilities			
Liabilities to credit institutions	23, 28, 33	61	59
Accounts payable		6	5
Liabilities to subsidiaries	17, 31, 33	459	432
Other current liabilities	24	2	3
Accrued expenses and deferred income	26	10	10
Current liabilities		**538**	**509**
Shareholders' equity and liabilities	29, 30	**3,271**	**3,615**

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Changes in equity for the Parent Company

		Restricted shareholders' equity		Unrestricted shareholders' equity		
SEK million	Note 22	Share capital	Statutory reserve	Share premium reserve	Profit/loss brought forward, including profit/loss for the year	Total shareholders' equity
Opening shareholders' equity, 1 Jan 2023		**727**	**58**	**1,798**	**114**	**2,697**
Profit/loss for the year		-	-	-	-118	**-118**
Comprehensive income for the year		**-**	**-**	**-**	**-118**	**-118**
Issue expenses		-	-	-1	-	**-1**
Closing shareholders' equity, 31 Dec 2023		**727**	**58**	**1,797**	**-4**	**2,578**
Opening shareholders' equity, 1 Jan 2024		**727**	**58**	**1,797**	**-4**	**2,578**
Profit/loss for the year		-	-	-	-236	**-236**
Comprehensive income for the year		**-**	**-**	**-**	**-236**	**-236**
Closing shareholders' equity, 31 Dec 2024		**727**	**58**	**1,797**	**-240**	**2,342**

Parent Company cash flow statement

SEK million	Note	2024	2023
Operating activities			
Profit/loss after financial items		-258	-135
Adjustment for items not included in cash flow	33	249	141
Cash flow from operating activities before changes in working capital		**-9**	**6**
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-1	0
Increase (+)/Decrease (-) in operating liabilities		0	0
Changes in working capital		**-1**	**0**
Cash flow from operating activities		**-10**	**6**
Investing activities			
Divestments of companies or operations	33	-	1
Shareholder contributions paid		-90	-
Acquisitions of intangible assets	13	-1	-1
Acquisitions of tangible assets	14	-3	-1
Change in financial assets		138	118
Cash flow from investing activities		**44**	**117**
Cash flow after investing activities		**34**	**123**
Financing activities			
Issue expenses		-	-7
Loans raised	33	6	152
Repayment of loans	33	-140	-141
Cash flow from financing activities		**-134**	**4**
Cash flow for the year		**-100**	**127**
Cash and cash equivalents			
Cash and cash equivalents at beginning of year		205	75
Translation difference in cash and cash equivalents		-4	3
Cash and cash equivalents at end of year	33	**101**	**205**

Notes to the financial statements

Note 1 | Accounting principles

Group accounting principles

Midsona AB (publ), corporate identity number 556241-5322, is a Swedish limited company with registered office in Malmö. The visiting address of the head office is Dockplatsen 16 in Malmö, and the postal address is Box 210 09, SE-200 21 Malmö. The Company's shares are listed on the Nasdaq Stockholm, Small Cap list.

The consolidated financial statements for 2024 comprise the Parent Company and its subsidiaries; jointly referred to as "the Group".

Basis for the preparation of the accounts

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) as approved by the European Commission for application within the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 *Supplementary Accounting Rules for Groups* has been applied.

The Parent Company applies the same accounting principles as the Group except in the cases listed below under "Parent Company accounting principles" in this note.

Assets and liabilities are reported at historical cost except for certain financial assets and liabilities measured at fair value. Financial assets and liabilities measured at fair value through profit or loss for the year consist of derivatives.

Fixed assets consist essentially of amounts expected to be recovered or paid after more than 12 months from the balance sheet date, while current assets consist essentially of amounts expected to be recovered or paid within 12 months from the balance sheet date. Non-current liabilities consist essentially of amounts for which the Group has an unconditional right to choose to pay later than 12 months following the end of the reporting period. If no such right exists as of the end of the reporting period, or if the asset is held for trade or expected to be settled within the normal business cycle, the amount of the liability is recognised as current.

With the exceptions described in the note, the accounting principles have been consistently applied in the reporting and consolidation of the Parent Company and subsidiaries in the consolidated financial statements.

Changes in accounting principles occasioned by new or amended IFRS

A number of new or amended standards and interpretations became applicable as of 1 January 2024. These new and amended standards are not deemed to have had any significant impact on the consolidated financial statements but were more attributable to changed of enhanced disclosure requirements.

The amendments to IAS 1 *Presentation of Financial Statements (Classification of Liabilities)* are effective from 1 January 2024 and have been adopted by the EU. The amendments mainly entail enhanced disclosure requirements for loan liabilities and related covenants. Midsona has applied this amendment from the effective date and provides the required information if applicable.

New IFRS standards not yet applied

There are also a few new standards and revisions that have been published by the IASB but that have either not yet come into force or been adopted by the EU. These new and amended standards and interpretations are not deemed to have any material impact on the consolidated financial statements in the period in which they will be applied for the first time, except as stated below.

IFRS 18 *Presentation and Disclosures in Financial Statements* is effective from 1 January 2027, but has not yet been adopted by the EU. The key areas introduced in the new standard are mainly changes to the structure of the income statement, disclosure requirements in the financial statements for certain performance indicators reported outside the company's financial statements, and clarifications of aggregation and disaggregation principles for financial statements and notes. The new standard replaces IAS 1 *Presentation of Financial Statements* and will not affect the recognition or measurement of items in the financial statements, but may change which transactions are included in operating profit or loss. The standard needs to be applied retrospectively for comparative periods.

Estimates and judgements in the financial statements

To prepare financial statements in accordance with IFRS, management must make estimates, judgements and assumptions that affect reported assets, liabilities, income and expenses. The judgements, estimates and assumptions are usually based on experience, forecasts in industry studies including expectations of future events and other externally available information. With other estimates, judgements and assumptions, the result may be different and the actual outcome will seldom fully correspond to the estimated outcome.

Management assessed that the measurement of brands, goodwill and taxes were areas where judgements could have the greatest impact on the financial statements and where estimates, judgements and assumptions made could lead to significant adjustments in future financial statements. These areas are described in more detail in Note 32 *Significant estimates and judgements.*

Consolidated financial statements

The consolidated financial statements comprise the financial information for Midsona AB (publ) and all subsidiaries. Subsidiaries are all companies that Midsona AB (publ) controls directly or indirectly. All the subsidiaries are wholly owned, directly or indirectly, by Midsona AB (publ). Control of a subsidiary is achieved when Midsona AB (publ), directly or indirectly, has responsibility for and rights to its variable returns through its leverage. In assessing whether control exists, shares conveying potential voting rights are taken into account, as is the existence of de facto control. Subsidiaries are consolidated from the date on which the control is transferred to Midsona AB (publ), while subsidiaries are derecognised in the consolidated financial statements from the date on which the control ceases. An overview of all consolidated subsidiaries for Midsona AB (publ) can be found in Note 16 *Participations in subsidiaries*.

Intra-Group receivables and liabilities, income and expenses, as well as unrealised gains and losses arising from intra-Group transactions between Group companies are eliminated in full when preparing the consolidated financial statements.

Functional currency and presentation currency

The functional currency of foreign subsidiaries is the local currency in which each subsidiary operates. The functional currency of the Group's subsidiaries is the Danish krone, euro, Norwegian krone and Swedish krona. The Parent Company's functional currency is the Swedish krona (SEK), which is also the reporting currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest million.

Foreign currency

Transactions in foreign currencies

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the transaction date or the day on which translation takes place. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange rate differences arising on translation are recognised in profit/loss for the year. Exchange gains/losses on operating receivables/liabilities recognised in other operating income/expenses and gains/losses on financial assets and liabilities are recognised in financial income/expenses.

Financial statements of foreign operations

The income statements and balance sheets of all companies in the Group that have a functional currency other than the reporting currency, the Swedish krona, are translated into the reporting currency as follows:

- Assets and liabilities, including goodwill and other Group surplus values, are translated at the closing rate.
- Income and expenses in the income statement of foreign operations are translated at an average rate that approximates the exchange rates prevailing on the transaction date concerned.

Translation differences arising in connection with the translation of foreign operations are recognised in other comprehensive income and accumulated in a separate component in equity, designated translation reserve. On divestment of a foreign operation, the accumulated translation differences attributable to the operations are capitalised in profit/loss for the year.

Exchange rates

	Average exchange rate		Closing day rate	
Exchange rate SEK	2024	2023	2024	2023
CAD	7.7143	7.8637	7.6398	7.5782
CHF	12.0045	11.8173	12.1744	11.9827
CNY	1.4679	1.4982	1.5067	1.4133
DKK	1.5327	1.5403	1.5398	1.4888
EUR	11.4322	11.4765	11.4865	11.0960
GBP	13.5045	13.1979	13.8475	12.7680
JPY	0.0698	0.0756	0.0698	0.0710
NOK	0.9832	1.0054	0.9697	0.9871
USD	10.5614	10.6128	10.9982	10.0416

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the operating segment's results. In the Group, this function has been identified as the Company's CEO, who is responsible for and manages the day-to-day administration of the Group according to the Board's guidelines and instructions. He is supported by the other members of Group Management. Segment reporting is based on geographic areas that correspond to the Group's divisions. Other operations consist of Group-wide functions.

Income

Goods and services

The Group's income derives from the following activities:

- Sales of fast-moving consumer goods in the categories of organic products, health foods and consumer health products.
- Sales of services linked to product management.

Income is measured based on the compensation specified in agreements with the customer, meaning net after VAT, fixed and variable discounts and returns. Income from sales of goods and services is recognised in the profit for the year at the time when the customer gains control of goods and services.

Sales of consumer goods in the categories of organic products, health foods and consumer health products

The Group sells organic products, health foods and consumer health products to retailers in sales channels such as pharmacies, grocery trade, health food stores, other specialist retailers and operators in the food service and food industry. The guarantees associated with these products cannot be bought separately and aim to ensure that sold products match agreed specifications. Such guarantees are recognised in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.* Income for organic products, health foods and consumer health products are recognised at the time that control of the good is transferred to the customer and the Group has fulfilled its performance commitment, which most often takes place upon delivery of the goods to the agreed location.

In the Group's customer agreements, there are contractual obligations of various kinds of sales-promoting measures, such as campaign discounts (variable or fixed), loyalty programme discounts, annual bonuses, chain discounts and distribution discounts. Campaign discounts, which are occasional discounts in connection with activities, are managed as selling expenses if there is an agreed obligation for a service in return from a customer, such as special store display, an advertising sheet, an advertising magazine or the like. Temporary discounts in connection with activity are managed as a reduction in net sales if the purpose is a pure price reduction out to consumers without any obligation for a service in return from a customer. Loyalty programme discounts, annual bonuses, chain discounts and distribution discounts constitute bonus programmes to customers. No such programmes are directed at final customers, they are instead applicable only to business to business. Such programmes are managed continuously, and the assessed outcome reduces net sales, meaning the effects of these discounts are estimated as an expected value.

Sales of services linked to product management

Income for services linked to product management is considered to be a distinct service and is consequently managed as a separate performance undertaking, which is recognised separately. Income is recognised over time as the services are rendered. Considering that such services are normally invoiced monthly in arrears and pertain to a limited time period, such income is recognised on a straight-line basis over the period during which services will be provided, meaning on a monthly basis.

Operating expenses

Expenses for goods sold

Expenses for goods sold comprises direct and indirect expenses for functions attributable to generated income, such as manufacturing, production planning, quality control, sourcing, warehousing, stock coordination and maintenance.

Selling expenses

Selling expenses comprise both expenses for activities and functions connected directly to the consumer such as marketing, marketing campaigns, product/brand manager, market coordinator, product and packaging development, and expenses for activities and functions linked to customers such as sales, sales-stimulating efforts, sales team, key account manager and customer support.

Administrative expenses

Administrative expenses encompass expenses for functions such as IT, finance and administration, HR, strategic sourcing, sustainability, legal, quality systems and quality assurance, as well as Group Management.

Other operating income and expenses

Other operating income and expenses include income and expenses not normally considered to belong to the actual business, for example, rental income, government grants, insurance compensation, damages, acquisition-related expenses, exchange gains/losses on operating assets/liabilities and capital gains/losses on disposal of assets. Exchange rate gains/losses are recognised net.

Items affecting comparability

Items affecting comparability comprise significant items that, because of their size or incidence, are recognised separately to enable a better understanding of the Group's financial development. Items affecting comparability are recognised in the function to which they belong depending on the nature of the item and usually consist of restructuring costs, impairment of intangible assets and tangible assets after impairment testing and capital gains/losses on the disposal of brands and acquisition-based income and expenses.

Financial income and expenses

Financial income essentially consists of interest income on invested funds and foreign exchange gains on financial assets/liabilities. Interest income is recognised in the period in which it arises, using the effective interest method. Exchange gains from sale of a financial instrument are recognised when the risks and rewards associated with ownership are transferred to the buyer and the Group no longer has control of the instrument.

Financial expenses essentially consist of interest expenses on loans and leases, financing costs, impairment of financial assets and exchange losses on financial receivables/liabilities. Interest expenses are recognised in the period in which they arise, using the effective interest method. Exchange losses from sale of a financial instrument are recognised when the risks and rewards associated with ownership are transferred to the buyer and the Group no longer has control of the instrument. Exchange gains/losses on financial assets/liabilities are recognised net.

Tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except when the underlying transaction is recognised in shareholders' equity, in which case it is recognised in shareholders' equity.

Current tax

Current tax is tax payable for the current year, using the tax rates and tax rules enacted or announced at the balance sheet date in the countries where the Group companies operate and generate taxable income. Current tax also includes adjustments of current tax attributable to previous periods.

Deferred tax

Deferred tax is calculated using the balance sheet method and exists when there are temporary differences between the carrying amounts and tax values of assets and liabilities and when there are unused tax loss carry-forwards. Temporary differences are not taken into account in consolidated goodwill or in investments in subsidiaries. The assessment of deferred tax is based on how the underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated applying the tax rates and regulations in force or notified at the balance sheet date in those countries where the Group companies operate. Deferred tax assets pertaining to deductible temporary differences and tax loss carry-forwards are recognised only to the extent that it is probable that they will be utilised within the next five years. The value of deferred tax assets is reduced when it is no longer probable that they can be utilised in this timeframe.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset and when the deferred taxes relate to the same tax authority. In addition, deferred tax relating to leases is recognised net in the consolidated balance sheet and consolidated income statement as such transactions are considered to meet the requirements of IAS 12 for net accounting in the financial statements.

Deferred tax assets are recognised among fixed assets, and deferred tax liabilities are recognised among non-current liabilities in the consolidated balance sheet.

Financial instruments

Financial asset or financial liability is recognised in the balance sheet when Midsona becomes a party to the contractual terms. A financial asset is derecognised from the balance sheet when the right to the cash flows expires or when all rewards and risks associated with ownership have been transferred. A financial liability is derecognised from the balance sheet when the contractual obligation is discharged or otherwise extinguished.

On initial recognition, a financial instrument is classified based on the purpose for which it was acquired. The classification determines how the financial instrument is measured after initial recognition.

Financial assets - classification and measurement of financial instruments

Debt instruments

Financial assets are classified in their entirety at amortised cost based on the Group's business model for managing the assets and the nature of the assets' contractual cash flows. The objective of the business model is to collect contractual cash flows ("hold to collect") and for the contractual terms of the financial assets to give rise at specified times to cash flows consisting solely of payments of principal and interest on the outstanding amount of principal.

Non-current receivables and other current receivables in the balance sheet are initially recognised at fair value plus any transaction costs, less expected credit losses. Thereafter, the items are recognised at amortised cost using the effective interest method, less an allowance for expected credit losses.

Accounts receivable are initially recognised at the invoiced value. Thereafter, trade receivables are recognised at amortised cost, less an allowance for expected credit losses.

Cash and cash equivalents consist of bank deposits, which are subject to an insignificant risk of fluctuations in value. Cash and cash equivalents are recognised at amortised cost.

Financial liabilities – classification and measurement of financial instruments

Debt instruments

Financial liabilities are classified at amortised cost or fair value through profit/loss for the year. A non-material portion of financial liabilities consists of derivates measured at fair value through profit/loss for the year.

Financial interest-bearing liabilities (borrowings) are initially recognised at fair value, net of transaction costs incurred. Thereafter, borrowings are recognised at amortised cost using the effective interest method and classified as non-current interest-bearing liabilities and current interest-bearing liabilities in the balance sheet. The carrying amounts of financial interest-bearing liabilities are considered to be a good estimate of fair value due to the short maturity of the financing agreement.

Other non-current liabilities, accounts payable and other current liabilities (excluding derivatives) in the balance sheet are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Derivative financial instruments

Derivatives recognised in the balance sheet as of the contract date and valued at fair value, both initially and at subsequent revaluations. Hedge accounting is not applied. Derivative instruments are classified in the balance sheet as financial liabilities at fair value through profit or loss. Derivative instruments are recognised in the item other current liabilities in the balance sheet. Changes in fair value are recognised in other operating income or other operating expenses in the income statement in the period in which they arise. Derivative instruments are primarily used to protect the Group's exposure to changes in exchange rates.

Reservation for expected credit losses

The Group's financial assets and receivables, except those classified at fair value through profit or loss for the year, are covered by impairment for expected credit losses. They are recognised in the balance sheet at amortised cost, i.e. net of gross value and loss provision. Provisions for credit losses have been made for trade receivables, which are subject to the simplified impairment model. Expected credit losses for accounts receivable are estimated using a matrix, which is based on earlier events, current circumstance, forecasts of future financial circumstances. A loss provision is recognised in the simplified model, for the expected remaining maturity period of accounts receivable. Changes in the loss allowance for trade receivables are recognised in the income statement under selling expenses. Default is defined as it being deemed unlikely that the counterparty will fulfil its commitments due to indicators, such as financial difficulties and missed payments. Default is regardless considered to exist when the payment is 90 days late. Accounts receivable are written off when no possibilities for further cash flows are deemed to exist.

Cash and cash equivalents are subject to the general impairment model, but the low credit risk exception is applied to this item..

The balance sheet items non-current receivables and other current receivables are covered by the general model, but expected credit losses are immaterial for them.

Tangible assets

Owned assets

Tangible assets is recognised as an asset in the consolidated balance sheet if it is probable that future economic benefits will flow to the Group and the cost of the asset can be measured reliably.

Tangible asstes is stated at cost less accumulated depreciation and any accumulated impairment charges.

Cost includes expenses directly attributable to the acquisition of the asset to put it in place and bring it to such a condition that it can be used in accordance with the purpose of the acquisition, for example purchase consideration, shipping and handling, installation, registration of title, consulting and legal services.

Tangible assets consisting of components with different useful lives is treated as separate components of tangible assets.

Right-of-use assets

A right-of-use asset is recognised as an asset in the consolidated balance sheet if a contract is, or contains, a lease at the start of the agreement. Right-of-use assets are included in the item tangible assets in the consolidated balance sheet. The right-of-use asset is initially recognised at the value of the lease liability plus lease payments made on or before the commencement date for the lease as well as initial direct payments. The right-of-use asset is recognised in subsequent periods at cost less depreciation and impairment.

The Group applies the principles in IAS 36 *Impairment of Assets* for right-of-use assets and recognises this in the way described in the policies for tangible assets recognised in accordance with IAS 16 *Tangible assets.*

The Group applies the voluntary exception regarding leases linked to intangible assets.

Additional expenses

Additional expenses for acquiring replacement components are added to the non-current asset's carrying amount or recognised as a separate asset only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other types of repairs and maintenance are expensed in profit for the year in the period in which they arise.

Depreciation methods

Depreciation is applied on a straight-line basis over the asset's estimated useful life. Land is not depreciated because its useful life is considered indefinite. Right-of-use assets are also depreciated over their estimated useful life or, if shorter, over the agreed lease term. Depreciation begins at the start of the lease. If a lease transfers the right of ownership at the end of the lease term or if cost includes probable exercise of a purchase option, the right-of-use asset is depreciated over the useful life.

In calculating depreciation, tangible assets is classified on the basis of its expected useful life according to the following groups:

Operating properties	10-40 years
Plant and machinery	8-15 years
Equipment, tools, fixtures and fittings	3-10 years
Leases	3-10 years
Land improvements	10-20 years
Expenses for improvements to property owned by another	3-8 years

The depreciation methods, residual values and useful lives of the assets are reviewed at least annually and adjusted if necessary. The assets are typically depreciated without any remaining residual value.

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Capital gains and losses on divestments of tangible assets are determined by comparing the proceeds with the carrying amount of the asset, less direct selling expenses. Capital gains and losses are recognised in profit/loss for the year as *other operating income* and *other operating expenses*.

Intangible assets

Intangible assets are classified into two groups, with assets with a limited useful life being amortised over a defined useful life and assets with an indefinite useful life not being amortised.

Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment , see also the accounting policy for impairment losses.

Expenses incurred for internally generated goodwill are recognised in profit for the year or when incurred.

Trademarks

Trademarks with a limited useful life are recognised at cost less accumulated depreciation and any accumulated impairment losses. Trademarks with an indefinite useful life are tested for impairment annually and carried at cost less accumulated impairment losses.

Trademarks that are deemed to have an indefinite useful life originate from acquisitions. This assessment that the useful life is indefinite is based on:

- these trademarks being considered well-established in their respective markets and the Group having the intention of keeping them and developing them further;
- these trademarks belonging to strategic "power brands" upon entry to new geographical markets; and
- these trademarks being considered to be of material economic significance by both indicating trustworthiness and innovation in the products and by extension by affecting both pricing and competitiveness.

Accordingly, through the connection to operating activities, these trademarks are considered to have an indefinite useful life and are expected to be used for as long as operations continue.

Expenses incurred for internally generated trademarks are not recognised in the balance sheet but in profit/loss for the year when incurred. The reason for this is that such expenditure cannot be distinguished from expenditure for the development of the entire business.

Other intangible assets

Other intangible assets have a limited useful life and are carried at cost less accumulated amortisation and any accumulated impairment.

Other intangible assets consist of customer relationships, software and other intangible assets. Expenses incurred for internally generated customer relationships are not recognised in the balance sheet but in profit/loss for the year when incurred. Software has been capitalised based on the costs incurred when the software in question was acquired and put into operation. Expenditure in Software-as-a-Service (SaaS) arrangements is recognised essentially in line with IAS 38 *Intangible Assets* and the published agenda decision of IFRIC.

Additional expenses

Additional expenditure for capitalised intangible assets is recognised as an asset in the balance sheet only when it increases the future economic benefits of the specific asset to which it relates. All other expenditure is expensed as it is incurred.

Amortisation methods

Amortisation is applied on a straight-line basis over the asset's estimated useful life, unless the useful life is indefinite.

Goodwill and trademarks with an indefinite useful life are tested for impairment annually or whenever circumstances indicate that the asset concerned may be impaired. Intangible assets with limited useful lives are amortised from the date on which they become available for use.

In calculating amortisation, intangible assets are classified on the basis of their expected useful life according to the following groups:

Trademarks	5-20 years
Customer relationships and customer contracts	8 years
Software	5-8 years
Other intangible assets	3-5 years

The residual values and useful lives of the assets are reviewed annually and adjusted if necessary. The assets are typically depreciated without any remaining residual value.

Capital gains and losses on divestments of intangible assets are determined by comparing the proceeds with the carrying amount of the asset, less direct selling expenses. Capital gains and losses are recognised in profit/loss for the year as *other operating income* and *other operating expenses*.

Inventories

Inventories are valued at cost or net realisable value, whichever is lower, with cost being calculated using the first-in, first-out method (FIFO). In calculating cost, a weighted average value is normally applied to approximate FIFO.

The net realisable value is the estimated normal selling price less estimated expenses for completion and the achievement of a sale. For raw materials, replacement expense is applied as the best measure of net realisable value. Raw materials are depreciated below cost if the finished products in which they are included are expected to be sold at a price that exceeds the expense of production. Products in progress and inventories of finished goods are valued at production cost or net realisable value, whichever is lower. Necessary provisions for the risk of obsolescence are made on a continuous basis.

The cost of inventories includes all expenses for purchases, manufacturing and other expenses to bring the inventories to their present location and condition.

Impairment

Impairment of tangible assets and intangible assets

Assets that have an indefinite useful life, such as goodwill and certain trademarks, are not depreciated or amortised, but tested annually for impairment requirements. Assets that are depreciated or amortised are assessed with regard to a decrease in value when circumstances indicate that the carrying amount is not presumed to be recoverable. An impairment is recognised when an asset or cash-generating unit's carrying amount exceeds the recoverable amount, which is the higher of fair value (less selling expenses) and value in use. An impairment loss on goodwill or trademarks is recognised as a selling expense in profit/loss for the year. Impairment of machinery is usually recognised as expenses for goods sold in the profit or loss for the year. When an impairment requirement has been identified for a cash-generating unit, the impairment is primarily allocated to goodwill and proportional impairment is then applied to other assets that are included in the unit. Value in use usually refers to the present value of estimated future cash flows and the estimated residual value at the end of the useful life. In the calculation of value in use, future cash flows are discounted at an interest rate that takes into account the market's assessment of risk-free interest and risk associated with the specific asset, a weighted average cost of capital (WACC) or discount rate. The Group bases the calculation on actual earnings, forecasts, business plans and available market data.

For an asset that is dependent on other assets generating cash flow, the recoverable amount is calculated for the smallest cash-generating unit to which the asset belongs. The cash-generating units consist of the Group's operating segments, since their payment flows are considered independent of other assets in all material regards.

Reversal of impairment

Impairments of assets within the scope of IAS 36 *Impairment of Assets* are reversed if there is an indication that the need for impairment no longer exists and there has been a change in the assumptions underlying the calculation of the recoverable amount. However, impairment of goodwill is never reversed. A reversal is applied only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been recognised (less depreciation where applicable) if no impairment charge had been made.

Impairment losses on loan receivables and accounts receivable carried at amortised cost are reversed if the previous reasons for the impairment no longer exist, and full payment is expected from the customer.

Employee benefits

Pensions

Employees in the Group are mainly covered by defined contribution plans.

In Sweden, commitments for retirement pensions and family pensions for salaried employees are secured through insurance with Alecta. Such insurance comprises a defined benefit plan covering several employers. For the 2024 financial year, there has been no access to information enabling this to be recognised as a defined benefit plan. Consequently, this pension obligation is reported as a defined contribution plan.

A defined contribution pension plan is one in which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay further contributions if this legal entity lacks sufficient assets to pay all employee benefits relating to employee's service in current and prior periods.

A defined benefit pension plan is one that is not a defined contribution plan. Typically, defined benefit pension plans state an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary retirement from employment in exchange for benefits. The Group recognises severance pay when a detailed formal plan has been presented.

An expense related to staff redundancies is reported at the earliest date on which Midsona can no longer withdraw the offer to employees or when Midsona reports its restructuring expenses. Compensation expected to be settled after 12 months is recognised at its present value. Compensation not expected to be fully settled within 12 months is reported as non-current other provisions in the balance sheet.

Variable salary

A provision is recognised for the expected expense of variable salary when the Group has a present legal or informal obligation to make such payments as a result of services rendered by employees and the obligation can be estimated reliably.

Provisions

Provisions are recognised when the Group has a legal or informal obligation as a result of past events, and it is probable that payments will be required to fulfil that obligation. A further requirement is that it should be possible to reliably estimate the amount to be paid. Provisions are divided into non-current provisions and current provisions.

Restructuring

The provision for restructuring consists mainly of severance costs and other cash expenses arising from the restructuring of operations in the Group. Provisions are recognised when there is a formal restructuring plan and expectations have been created among those who will be affected by the measures. No provisions are made for future operating expenses.

Contingent liability

A contingent liability is recognised when there is a possible obligation arising from past events and the existence of which is substantiated only by one or more uncertain future events, or when there is an obligation which is not recognised as a liability or provision because it is not likely that an outflow of resources will be needed.

Leases

A right-of-use asset and a corresponding lease liability are recognised for all leases where the Group is the lessee, except for short-term leases (leases with a lease period of no more than 12 months) and leases where the underlying asset has a low value (EUR 5,000, or lower). For such agreements, the Group recognises the lease payments as an expense on a straight-line basis over the lease period unless another systematic basis is more representative for when the economic benefits of the lease are used within the Group.

Variable lease payments which are not dependent on an index or price are not included in the measurement of lease liabilities and right-of-use assets. Such lease payments are recognised as an expense in operating profit/loss in the period in which they arise. The Group applies a practical relief rule, which means that service components are not separated out from the lease fee for the asset classes of plant and machinery and equipment, tools, fixtures and fittings if they are not clear from documentation.

The lease liability is initially measured at the present value of the future lease payments, which have not been paid as of the start date for the lease, discounted by the marginal loan rate, if the implicit interest cannot be easily established, which is most often the case. The marginal loan rate is determined centrally by the Group and is based on a risk-free interest rate in the respective currency with adjustment for duration and a credit risk. The asset-specific risk was determined based on premises as the material value of the Group's lease portfolio is attributable to this class of assets. No adjustment for asset-specific risk is made for other asset classes, with the assessment that any differences in credit risk would have an immaterial impact on the Group. The discount rate is adjusted on a quarterly basis with regard to changes in relevant economic circumstances. Lease payments that are included in the measurement of lease liabilities comprise:

- fixed payments, less potential benefits in connection with the signing of the lease that are to be obtained,
- variable lease payments that depend on an index or a price, are initially measured using the index or price at the start date,
- amounts that are expected to be paid by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- punitive charges that are payable upon cancellation of the lease if the lease term reflects the fact that the Group will exercise an option to cancel the lease.

Lease liabilities are included in the items non-current interest-bearing liabilities and current interest-bearing liabilities in the consolidated balance sheet and are recognised in subsequent periods by the liability increasing to reflect the effect of interest and being reduced to reflect the effect of lease payments made. Lease liabilities are revalued with a corresponding adjustment of right-of-use assets according to the rules contained in the standard.

Cash flow statement

The cash flow statement is prepared using the indirect method. The recognised cash flow includes only transactions entailing receipts and disbursements.

The cash flow statement recognises the interest component in lease payments as cash flow from operating activities before changes in working capital. The other part, also the majority, of the lease payments is recognised as repayment of lease liabilities in cash flow from financing activities with a corresponding increase in cash flow from operating activities before changes in working capital.

Parent Company accounting policies

Compliance with standards and legislation

The Parent Company has prepared its financial statements in accordance with the Annual Accounts Act (1995:1554) and the Financial Reporting Board's recommendation RFR 2 *Accounting for Legal Entities*. The Financial Reporting Board's statements relating to listed companies are also applied. RFR 2 entails the Parent Company applying, in the annual accounts of the legal entity, all IFRS and statements adopted by the EU as far as this is possible within the framework of the Annual Accounts Act, the Pension Protection Act and taking into account the relationship between accounting and taxation. The recommendation specifies which exceptions and additions to IFRS are to apply.

Differences between the accounting principles of the Group and Parent Company

The differences between the Group's and the Parent Company's accounting principles are set out below. The accounting principles of the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements.

Changes in accounting principles

The Parent Company's accounting policies have been affected by a number of new or amended standards, applicable as of 1 January 2024 and have caused consequential changes adopted in RFR 2 *Accounting for Legal Entities*. These changes are deemed not to have had any significant impact on the Parent Company's financial statements.

Changes to accounting policies that have not yet started to be applied

Management's assessment is that the agreed changes in RFR 2 *Accounting for Legal Entities* relating to the financial year 2025 and onward will not have any material effect on the Parent Company's financial statements when initially applied, except as described under Group accounting policies.

Classification and presentation

The Parent Company's income statement and balance sheet are presented in accordance with the Annual Accounts Act, while the statement of comprehensive income, changes in shareholders' equity and cash flow statement are based on IAS 1 *Presentation of Financial Statements* and IAS 7 *Statement of Cash Flows*. The differences compared with the consolidated accounts that are evident in the Parent Company's income statement and balance sheet consist primarily of the recognition of financial income and expenses, fixed assets, shareholders' equity and the inclusion of provisions as a separate heading in the balance sheet.

Subsidiaries

Participations in subsidiaries are recognised according to the cost method. This means that transaction expenses are included in the carrying value of holdings in subsidiaries. In the consolidated accounts, transaction expenses are recognised directly in profit/loss as they are incurred.

Financial guarantees

The Parent Company's financial guarantee contracts consist primarily of guarantees on behalf of subsidiaries. Financial guarantees entail the Company having an obligation to compensate the holder of a debt instrument for losses that holder incurs because a specified debtor fails to make payment when due in accordance with contractual terms. In the recognition of financial guarantee contracts, the Parent Company applies a relief rule permitted by the Financial Reporting Board compared with the rules in IFRS 9 *Financial Instruments*. The relief rule applies to financial guarantee contracts issued on behalf of subsidiaries. The Parent Company recognises financial guarantees as provisions in the balance sheet when there is an obligation for which payment will probably be required to fulfil the obligation.

Anticipated dividends

Anticipated dividends from subsidiaries are recognised if the Parent Company alone is entitled to determine the size of the dividend and the Parent Company has determined the size of the dividend before publishing its financial statements.

Segment reporting

The Parent Company does not report segments according to the same division as the Group or to the same extent, and instead discloses the distribution of net sales according to the Parent Company's business lines.

Leased assets

In the Parent Company, all leases are recognised according to the rules for operating leases in accordance with the relief rule available in RFR 2 *Accounting for Legal Entities*.

Employee benefits

The Parent Company applies a different basis for the calculation of defined-benefit plans than that specified in IAS 19 *Employee Benefits*. The Parent Company complies with the provisions of the Pension Protection Act and the Swedish Financial Supervisory Authority regulations as this is a condition to be met for tax deductibility. The most significant differences compared to the rules in IAS 19 *Employee Benefits* are the way in which the discount rate is determined, the fact that the calculation of the defined-benefit obligation is based on current salary level without taking future salary increases into account, and the fact that all current gains and losses are recognised in the income statement as they arise.

Tax

In the Parent Company's balance sheet, untaxed reserves are recognised without being divided between shareholders' equity and deferred tax liabilities, in contrast to the Group. Similarly, the Parent Company income statement does not specify any part of allocations as deferred tax expenses.

Shareholder contributions

Shareholder contributions are recognised directly in shareholders' equity at the recipient and are capitalised in the shares and participations of the contributor, to the extent that no impairment is required.

Group contributions

Group contributions are recognised as allocations.

Allocations and untaxed reserves

Depreciation in excess of plan is reported as an appropriation in the income statement. The untaxed reserves in the item are included in the balance sheet.

Note 2 | Operating segments

	Nordics		North Europe		South Europe		Group-wide functions		Eliminations		Group	
Operating segments, SEK million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Net sales, external	2,418	2,530	904	860	405	403	-	-	-	-	**3,727**	**3,793**
Net sales, intra-Group	17	15	6	12	17	11	46	42	-86	-80	**-**	**-**
Net sales	**2,435**	**2,545**	**910**	**872**	**422**	**414**	**46**	**42**	**-86**	**-80**	**3,727**	**3,793**
Expenses for goods sold	-1,607	-1,757	-738	-751	-349	-362	-	-	36	36	**-2,658**	**-2,834**
Gross profit	**828**	**788**	**172**	**121**	**73**	**52**	**46**	**42**	**-50**	**-44**	**1,069**	**959**
Other operating expenses	-617	-615	-151	-152	-91	-89	-132	-118	50	44	**-941**	**-930**
Operating profit/loss	**211**	**173**	**21**	**-31**	**-18**	**-37**	**-86**	**-76**	**0**	**0**	**128**	**29**
Financial items											**-53**	**-64**
Profit/loss before tax											**75**	**-35**
Significant income (+) and expense (-) items recognised in the income statement:												
Restructuring expenses, net	-	-26	-	-9	-	-1	-	-1	-	-	**-**	**-37**
Capital gains/losses on disposal of trademarks	-	12	-	-	-	-	-	-6	-	-	**-**	**6**
Significant non-cash items:												
Amortisation of intangible assets and depreciation of tangible assets	-48	-51	-31	-38	-23	-25	-50	-43	-	-	**-152**	**-157**
Write-downs of inventories	-12	-28	-4	-19	-3	-4	-	-	-	-	**-19**	**-51**
Write-downs of accounts receivable	0	-2	-1	-2	-2	-1	0	1	-	-	**-3**	**-4**
Segment assets	4,211	4,110	614	613	744	755	-1,118	-977	-	-	**4,451**	**4,501**
Unallocated assets											**84**	**98**
Total assets											**4,535**	**4,599**
Segment liabilities	941	1,068	173	250	172	195	-739	-963	-	-	**547**	**550**
Unallocated liabilities											**920**	**1,062**
Shareholders' equity											**3,068**	**2,987**
Total shareholders' equity and liabilities											**4,535**	**4,599**
Investments in intangible assets and tangible assets (excluding right-of-use assets)	5	8	7	6	9	14	4	2	-	-	**25**	**30**
Average number of employees	386	401	204	200	152	162	17	15	-	-	**759**	**778**
Number of employees as of the balance sheet date	385	378	212	204	148	167	19	16	-	-	**764**	**765**

There are three identified operating segments.

Nordics: The offering is comprised of products under own consumer brands, licensed brands and contract manufacturing in the categories of health foods, consumer health products and organic products for sales to pharmacies, the grocery trade, health-food stores and other specialist retailers, as well as operators in food service, mainly in the Nordic market.

North Europe The offering is comprised of products under own consumer brands, business-to-business brands and contract manufacturing in the category of organic products for sales to the grocery trade, health food stores and other specialist retailers, as well as operators in food service and the food industry, mainly in the German, Austrian and Hungarian markets.

South Europe: The offering is comprised of products under own consumer brands, licensed brands and contract manufacturing in the category of organic products for sales to the grocery trade, health food stores and other specialist retailers, as well as operators in food service and the food industry, mainly in the French and Spanish markets.

Segment consolidation is based on the same principles as for the Group as a whole.

The operating segments' profit, assets and liabilities include directly attributable items and items that can be allocated in a reasonable and reliable way. The items recognised in the operating segments' operating profit, assets and liabilities are measured in accordance with the operating profit, assets and liabilities followed up by Group Management. Assets and liabilities not allocated to the two segments are deferred tax assets, deferred tax liabilities, financial investments and financial liabilities.

Internal pricing policy

For the pricing of goods between the Group companies, an internal pricing model is applied based on the selling company receiving full coverage of costs and a profit margin. The method, known as TNMM (Transactional Net Margin Method) is an accepted model for internal pricing. In addition to this, the companies, as owners of selected brands, also receive sales-based royalties to cover investments and risks in relation to brand development.

For pricing of services between Group companies, TNMM (Transactional Net Margin Method) is applied, based on full coverage of expenses and a profit margin. The method is applied to both manufacturing services and central services.

For pricing of capital, an internal rate is charged, which entails the borrower receiving an interest rate based on a reference rate in the local country with a risk premium.

Information about major customers

The Group's largest customer generated net sales of SEK 385 million (385). These were recognised in the operating segment Nordics. There was only one customer with net sales accounting for 10 percent or more of the total net sales of the Group.

Information on products or product groups

For information on net sales per product or groups of similar products, see Note 3 *Income* on product categories.

Information on fixed assets for geographical areas[1]

SEK million	Group[1] 2024	Group[1] 2023
Sweden	1,289	1,297
Norway	510	527
Finland	150	149
Denmark	721	715
Germany	371	395
France	239	237
Spain	106	113
Total	**3,386**	**3,433**

[1] Fixed assets by individually significant countries.

Note 3 | Income

Midsona recognises income received through the transfer of goods and services at a certain time for each reported segment according to IFRS 8 *Operating segments*. Income is broken down based on geographical areas, sales channel, product categories, brands and material categories of income.

	Nordics		North Europe		South Europe		Group	
Geographical areas[1], SEK million	2024	2023	2024	2023	2024	2023	2024	2023
Sweden	954	1,027	0	0	-	-	**954**	**1,027**
Denmark	457	525	1	1	0	0	**458**	**526**
Finland	462	437	-	-	0	0	**462**	**437**
Norway	416	412	0	0	0	-	**416**	**412**
France	2	3	9	12	216	221	**227**	**236**
Spain	14	13	6	13	170	158	**190**	**184**
Germany	0	0	789	746	1	0	**790**	**746**
Rest of Europe	109	102	99	88	12	12	**220**	**202**
Other countries outside Europe	4	11	-	-	6	12	**10**	**23**
Total	**2,418**	**2,530**	**904**	**860**	**405**	**403**	**3,727**	**3,793**

[1] Income from external customers is attributable to individual geographical areas according to the country in which the customer is domiciled.

	Nordics		North Europe		South Europe		Group	
Sales channel, SEK million	2024	2023	2024	2023	2024	2023	2024	2023
Pharmacies	298	288	-	-	-	-	**298**	**288**
Grocery trade	1,606	1,687	398	362	167	155	**2,171**	**2,204**
Food service	114	112	233	239	8	8	**355**	**359**
Health food stores	160	162	257	237	186	195	**603**	**594**
Other specialist retailers	98	120	15	19	-	-	**113**	**139**
Others	142	161	1	3	44	45	**187**	**209**
Total	**2,418**	**2,530**	**904**	**860**	**405**	**403**	**3,727**	**3,793**

	Nordics		North Europe		South Europe		Group	
Product category, SEK million	2024	2023	2024	2023	2024	2023	2024	2023
Organic products	716	720	903	860	405	403	**2,024**	**1,983**
Health foods	1,074	1,170	-	-	-	-	**1,074**	**1,170**
Consumer health products	622	622	-	-	-	-	**622**	**622**
Services linked to product handling and other income	6	18	1	0	0	0	**7**	**18**
Total	**2,418**	**2,530**	**904**	**860**	**405**	**403**	**3,727**	**3,793**

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	Nordics		North Europe		South Europe		Group	
Brands, SEK million	2024	2023	2024	2023	2024	2023	2024	2023
Own consumer brands	1,808	1,896	229	234	257	270	**2,294**	**2,400**
Own business-to-business brands	-	-	256	268	-	-	**256**	**268**
Licensed	370	344	-	-	35	32	**405**	**376**
Contract manufacturing	234	272	418	358	113	101	**765**	**731**
Services linked to product handling and other income	6	18	1	0	0	0	**7**	**18**
Total	**2,418**	**2,530**	**904**	**860**	**405**	**403**	**3,727**	**3,793**

	Nordics		North Europe		South Europe		Group	
Significant types of income[1,2], SEK million	2024	2023	2024	2023	2024	2023	2024	2023
Sale of goods	2,412	2,512	903	860	405	403	**3,720**	**3,775**
Services linked to product handling	1	10	-	-	-	-	**1**	**10**
Other income	5	8	1	0	0	0	**6**	**8**
Total	**2,418**	**2,530**	**904**	**860**	**405**	**403**	**3,727**	**3,793**

[1] There was no income related to the exchange of goods or services.
[2] Parent Company net sales totalled SEK 70million (61), and related primarily to services provided internally within the Group. There was no income related to the exchange of services.

Note 4 | Other operating income

	Group		Parent Company	
SEK million	2024	2023	2024	2023
Capital gains on divestments of tangible assets	0	1	-	-
Capital gains on divestments of intangible assets	-	6	-	-
Exchange gains relating to operations	1	2	1	1
Government grants	1	4	-	-
Sale of electricity from solar panels	1	1	-	-
Insurance compensation	1	2	-	-
Other	1	6	0	0
Total	**5**	**22**	**1**	**1**

Note 5 | Other operating expenses

	Group		Parent Company	
SEK million	2024	2023	2024	2023
Capital losses on divestments of tangible assets	-	0	-	-
Exchange losses relating to operations	-4	-3	0	-1
Damages	-1	-	-	-
Other	-1	-4	0	0
Total	**-6**	**-7**	**0**	**-1**

Note 6 | Operating expenses by type of expense

Operating expenses are presented in the consolidated income statement using a classification based on the functions "Expenses for goods sold", "Selling expenses", "Administrative expenses" and "Other operating expenses". The sum of the expenses classified by function is distributed among the following expense types.

	Group	
SEK million	2024	2023
Expenses for goods and materials	-2,207	-2,325
Personnel expenses	-574	-557
Selling expenses	-255	-248
Marketing expenses	-74	-78
Rental and other property expenses	-59	-67
Purchases of services	-119	-129
Depreciation/amortisation	-152	-157
Write-downs	-22	-55
Other direct and indirect expenses	-126	-152
Other operating expenses	-16	-18
Total	**-3,604**	**-3,786**

Note 7 | Auditors' fees and reimbursements

	Group		Parent Company	
SEK million	2024	2023	2024	2023
Deloitte				
Audit engagements	-4	-4	-1	-1
Auditing tasks beyond the audit engagement	0	0	0	0
Tax advice	0	0	0	0
Other engagements	-1	-1	0	0
Total	**-5**	**-5**	**-1**	**-1**

Audit engagements involve the examination of the annual accounts and the accounting procedures, as well as the administration by the Board of Directors and the Chief Executive Officer, other tasks incumbent on the Company's auditors and advice or other assistance resulting from findings made during the audit or the performance of such other tasks.

Note 8 | Employees, personnel expenses and remuneration of senior executives

Employees

	Group		Parent Company	
Average number of employees by country	2024	2023	2024	2023
Sweden	137	138	17	15
of whom women	*84*	*80*	*6*	*5*
Norway	21	22	-	-
Finland	55	56	-	-
Denmark	190	200	-	-
Germany	204	200	-	-
France	64	65	-	-
Spain	88	97	-	-
Total abroad	**622**	**640**	**-**	**-**
of whom women	*319*	*327*	-	-
Total	**759**	**778**	**17**	**15**
of whom women	*403*	*407*	*6*	*5*

	Group		Parent Company	
Proportion of women in senior management teams, %	2024	2023	2024	2023
Board of Directors	39	52	29	29
CEOs and management teams	44	43	44	43

Personnel expenses

Personnel expenses, SEK million	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Salaries and other remuneration				
Board of Directors, CEO and management team[1]	-80	-70	-16	-13
of which variable salary	*-7*	*-3*	*-1*	*0*
of which severance pay	*-1*	*-1*	*-*	*-*
Other employees	-370	-373	-9	-8
of which variable salary	*-2*	*-1*	*0*	*0*
of which severance pay	*-1*	*-3*	*-*	*-*
Total salaries and other remuneration	**-450**	**-443**	**-25**	**-21**
Pension expenses, defined-contribution plans				
Board of Directors, CEO and management team[1]	-7	-7	-4	-3
Other employees	-26	-24	-1	-1
Total pension expenses	**-33**	**-31**	**-5**	**-4**
Social security expenses				
Board of Directors, CEO and management team[1]	-18	-15	-6	-4
Other employees	-64	-61	-3	-3
Total social security expenses	**-82**	**-76**	**-9**	**-7**
Other personnel expenses				
Board of Directors, CEO and management team[1]	-1	-1	0	0
Other employees	-8	-6	0	-1
Total other personnel expenses	**-9**	**-7**	**0**	**-1**
Total personnel expenses	**-574**	**-557**	**-39**	**-33**

[1]The Board of Directors with regard to the Group means the Board of Directors of the Parent Company. CEO with regard to the Group means the CEO of the Parent Company. Management Team means the Group Management in the Group. Collectively, the Board of Directors, CEO and management team consist of 16 (14) individuals in the Group and 13 (11) individuals in the Parent Company.
[2]For more information on pension expenses, see Note 25 *Provisions for pensions*, page 154.

Remuneration of senior executives

Remuneration of members of the Board of the Parent Company

Definitions

Since the AGM held on 7 May 2024, the Board of Directors has comprised Patrik Andersson (Chairman), Tomas Bergendahl, Anna-Karin Falk, Sandra Kottenauer, Jari Latvanen, Anders Svensson and Johan Wester.

Principles for remuneration of Board

The 2024 Annual General Meeting resolved that fees for 2024/2025 should be paid to the Chairman in the amount of SEK 600 thousand and to the other Board members who are not employees of the Company in the amount of SEK 260 thousand each. SEK 90 thousand is also to be paid to the chair of the Audit Committee, SEK 50 thousand to every other Board member, who is a member of the Audit Committee, SEK 45 thousand to the Remuneration Committee chair and SEK 25 thousand to each Board member, who is a member of the Remuneration Committee. Adopted fees totalled SEK 2,420 thousand. Beyond this remuneration, members of the Board are not entitled to any other compensation other than for travel and accommodation. Remuneration of members of the Board is discussed by the Nomination Committee and adopted by the Annual General Meeting.

Board fees

The following fees were paid to the Board of Directors over the year.

Remuneration of Board members, SEK thousand	Parent Company 2024 Directors' fees	Fee for Remuneration Committee	Fee for Audit Committee	Total
Patrik Andersson (Chairman of the Board)	600	45	-	**645**
Tomas Bergendahl	168	-	58	**226**
Anna-Karin Falk	260	-	-	**260**
Sandra Kottenauer	260	-	-	**260**
Jari Latvanen	260	-	46	**306**
Henrik Stenqvist	92	-	26	**118**
Anders Svensson	260	-	46	**306**
Johan Wester	260	25	-	**285**
Total	**2,160**	**70**	**176**	**2,406**

Remuneration of Board members[1], SEK thousand	Parent Company 2023 Directors' fees	Fee for Remuneration Committee	Fee for Audit Committee	Total
Patrik Andersson (Chairman of the Board)	618	46	-	**664**
Heli Arantola	87	8	-	**95**
Anna-Karin Falk	173	-	-	**173**
Sandra Kottenauer	260	-	-	**260**
Jari Latvanen	260	-	40	**300**
Henrik Stenqvist	260	-	75	**335**
Anders Svensson	267	-	27	**294**
Johan Wester	260	25	13	**298**
Total	**2,185**	**79**	**155**	**2,419**

[1] The fees for Patrik Andersson and Anders Svensson, of SEK 19 thousand and SEK 8 thousand respectively attributable to December 2022 were expensed and paid retroactively in January 2023.

Remuneration of senior executives

Definitions

Senior executives means those who, together with the CEO Peter Åsberg, were included in Group Management during all or part of the year. These senior managers were Max Bokander, Tora Molander, Tobias Traneborn, Ulrika Palm (until 15 August 2024), Markus Wessner (from 15 August 2024), Anna Törnebrant (from 15 August 2024), Åsa Gavelstad (from 15 August 2024), Heiko Hintze and Marjolaine Cevoz-Goyat.

Guidelines for remuneration of senior executives

Principles for remunerations of senior executives are adopted by the Annual General Meeting. Senior executives means the CEO and other members of the management team.

The 2024 Annual General Meeting approved the following guidelines for the remuneration of senior executives to apply until such time as a need arises for significant changes to the guidelines, but not longer than the end of the 2028 Annual General Meeting.

Senior executives are to be offered competitive total compensation commensurate with the market. The remuneration may consist of fixed salary, the possibility of variable remuneration in the form of bonus, insurance, pension benefits, severance pay and other benefits. To ensure that the total remuneration is commensurate with the market and competitive, it is subject to annual review. The position, size of the company, salary and experience of the person are to be taken into account. In addition, and independently of these guidelines, the Annual General Meeting may resolve upon share-based pay.

Fixed salary

Fixed salary is to be based on the individual employee's position, expertise, experience and performance. Fixed salary is to form the basis of the total remuneration.

Variable remuneration

Variable remuneration is to be linked to predetermined and measurable criteria with the aim of promoting the Company's long-term value creation, business strategy and sustainable long-term interests. The distribution between fixed salary and remuneration that is not determined in advance is to be in proportion to the executive's responsibility and authority. Variable remuneration is to be based on the fulfilment of individual targets that are set by the Board of Directors for the Chief Executive Officer and by the Remuneration Committee upon proposals by the Chief Executive Officer for other senior executives. Such targets can, for example, be linked to profit, sales, cash flow and the outcome in their own area of responsibility.

The measurement period for the criteria linked to variable remuneration is to be one year. The Chief Executive Officer is to have the possibility of variable remuneration corresponding to a maximum amount which is not to exceed 50 percent of the senior executive's basic salary for a period of one year. Other members of Group Management are to have the possibility of variable remuneration corresponding to a maximum amount which is not to exceed 30 percent of the senior executive's basic salary for a period of one year.

At the end of the measurement period for fulfilment of the criteria for the payment of variable remuneration, the extent to which the criteria have been met is to be assessed and determined. The Board of Directors is responsible for the assessment regarding variable remuneration for the CEO. In terms of variable remuneration of other senior executives, the Remuneration Committee in consultation with the CEO is responsible for the assessment. The assessment of whether or not the Company's financial targets have been achieved is to be based on the most recent annual report published by the Company.

In the annual evaluation, the Remuneration Committee, or where applicable the Board, can adjust the targets and the remuneration for both positive and negative exceptional events, reorganisations and structural changes.

The variable cash remuneration is not pensionable.

Pension benefits

Pension conditions are to be market-based and designed in accordance with the levels and practices applicable in the country where the senior executive is employed. Pension benefits are to be defined contribution and normally entitle the individual to pension from the age of 65. For all senior executives, pension benefits can amount to a maximum of 30 percent of basic salary.

Other benefits

All senior executives can be given the right to other benefits with the aim of contributing to facilitating the senior executive's prospects of fulfilling his or her duties. Other benefits may, for example, be health insurance, life insurance medical expenses insurance and a company car and travel benefits. Such benefits are to be market-based and may amount to a maximum of 10 percent of basic salary.

For employment conditions that are subject to rules other than those applicable in Sweden,necessary adjustments may be made to comply with such compulsory rules or local practice, where the overall purpose of these guidelines must be fulfilled.

Conditions upon termination and severance pay

All senior executives, including the CEO, can terminate their employment with 6 months' notice. Upon termination by the Company, a period of notice of a maximum of 12 months applies. If the CEO's employment ends on the Company's initiative, severance pay of 6 months' salary will be payable in addition to salary during the period of notice. Fixed salary during the period of notice and severance pay combined may not exceed an amount equivalent to the senior executive's fixed salary for 24 months. In addition, compensation may be paid for any commitment on restriction of competition. Such compensation is to compensate for any loss of income due to the commitment on restriction of competition and may be paid in an amount per month not exceeding the senior executive's monthly salary at the time of termination of employment. Compensation is paid for the duration of the restriction of competition, which is a maximum of 12 months after termination of employment.

Consideration of the pay and terms of employment of the company's employees

The Board has established a Remuneration Committee. The Committee's tasks include discussing decisions relating to terms of remuneration and employment for the Chief Executive Officer and other senior executives on the basis of principles established by the Annual General Meeting. The Committee is also tasked with proposing guidelines for remuneration of the CEO and other senior executives, and with monitoring and evaluating the objectives and principles for variable remuneration. The Board of Directors is to prepare proposals for new guidelines at least every four years and present them to the Annual General Meeting for adoption. The guidelines are to apply until new guidelines are adopted by the Annual General Meeting.

The members of the Remuneration Committee are independent in relation to Midsona and the company management. When the Board of Directors considers and decides on remuneration-related matters, the Chief Executive Officer other members of senior management are not present, insofar as they are concerned by the matters concerned. Remuneration and other terms of employment for the Chief Executive Officer are discussed by the Remuneration Committee and approved by the Board of Directors. Remuneration and other terms of employment for other members of the management team are determined by the Remuneration Committee in consultation with the Chief Executive Officer. The Board of Directors is kept continuously up-to-date regarding remuneration levels for other senior executives.

Temporary deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines in part or in whole if, in an individual case, there is special reason exists to do so and a deviation is necessary to satisfy long-term interests, including sustainability, or to secure the company's financial stability. As stated above, the Remuneration Committee's tasks include discussing the Board's decisions on remuneration matters, which also include decisions on deviations from the guidelines.

Where the Board makes such a deviation, this is to be stated in the Board's remuneration report, which should also specify the reasons for the deviation and the parts of the guidelines from which the deviation has been made.

Remuneration and other benefits

The following remuneration and other benefits were paid to senior executives over the year.

Remuneration of and other benefits to the CEO and Group Management, SEK thousand	Basic salary	Variable remuneration	Other benefits	Pension expense	Total
Group 2024					
Peter Åsberg, CEO	5,469	1,866	152	1,663	**9,150**
Group Management (8 individuals)	14,386	1,604	463	2,223	**18,676**
Total	**19,855**	**3,470**	**615**	**3,886**	**27,826**
Group 2023					
Peter Åsberg, CEO	5,341	639	226	1,605	**7,811**
Group Management (6 individuals)	12,528	958	445	2,037	**15,968**
Total	**17,869**	**1,597**	**671**	**3,642**	**23,779**

Comments on the table

- For the 2024 financial year, variable remuneration was paid to the Chief Executive Officer of SEK 1,749 thousand. In addition, SEK 117 thousand was expensed in 2024, relating to the variable remuneration decided upon in 2023. The variable remuneration decided upon for 2024 represented 32 percent of basic salary.
- For the 2024 financial year, variable remuneration of SEK 1,430 thousand was paid to the other members of Group Management. In addition, SEK 174 thousand was expensed in 2024, relating to the variable remuneration decided upon in 2023. The variable remuneration decided upon for 2024 represented 10 percent of basic salary.
- For the financial year 2023, variable remuneration of SEK 756 thousand was paid to the Chief Executive Officer, of which SEK 639 thousand was expensed in 2023 and SEK 117 thousand in 2024, following a decision made in January 2024. The variable remuneration decided upon represented 14 percent of basic salary.
- For the financial year 2023, variable remuneration of SEK 1,132 thousand was paid to other members of Group Management, of which SEK 958 thousand was expensed in 2023 and SEK 174 thousand in 2024, following a decision made in January 2024. The variable remuneration decided upon represented 9 percent of basic salary.
- Pension expenses related to the expenses that affected profit for the year, excluding special employer's contribution.
- Other benefits primarily refer to company cars and phones.

Incentive programmes

The 2021 Annual General Meeting approved the issuance and transfer of a maximum of 780,000 warrants to senior executives in Midsona, distributed equally between the TO2021/2024, TO2022/2025 and TO2023/2026 series.

The subscription period for TO2021/2024, which would have resulted in the granting of a maximum of 171,000 new Class B shares on full conversion, expired on 20 December 2024. No warrants were converted into Class B shares.

In August 2022, a total of 120,000 warrants inTO2022/2025 were transferred to senior executives. The period during which the warrants may be exercised will be from 1 August 2025 to 20 December 2025. The subscription price for the warrant programme was recalculated on the basis of a completed rights issue at SEK 25.60 (previously SEK 25.66). The transfer of the warrants took place on market terms based on a calculation according to the Black & Scholes model done by PWC AB, which is to be considered independent in relation to Midsona. The fair value per warrant was SEK 3.82 at the time of the transaction in August 2022.

A decision was made in 2023 not to offer senior executives the opportunity to subscribe for the TO2023/2026 series.

There were no outstanding share-based incentive programmes according to IFRS 2 *Share-based Payment*, where senior executives are allocated share options or the like free of charge.

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Note 9 | Net financial items

SEK million	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Result from participations				
Impairment of shares in subsidiaries			-236	-117
Result from participations in subsidiaries	-	-	-	1
Total	**-**	**-**	**-236**	**-116**
Financial income				
Interest income	5	9	5	8
Interest income, subsidiaries			57	78
Exchange gains	-	1	10	1
Other financial income	0	0	-	-
Total	**5**	**10**	**72**	**87**
Financial expenses				
Interest expenses	-46	-61	-38	-54
Interest expenses, subsidiaries			-15	-12
Exchange losses	0	0	-14	-13
Other financial expenses	-12	-13	-3	-4
Total	**-58**	**-74**	**-70**	**-83**
Total financial items	**-53**	**-64**	**-234**	**-112**

Not 10 | Allocations and untaxed reserves

SEK million	Parent Company 2024	Parent Company 2023
Allocations		
Change in excess depreciation	6	-7
Group contributions received	16	24
Total allocations	**22**	**17**
Untaxed reserves		
Excess depreciation	21	27
Total untaxed reserves	**21**	**27**

Note 11 | Taxes

Recognised in profit for the year, SEK million	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Current tax				
Current tax	-19	-14	-	0
Adjustment of taxes attributable to previous years	0	1	-	-
Total current tax	**-19**	**-13**	**-**	**0**
Deferred tax				
Deferred tax relating to temporary differences	5	8	0	0
Deferred tax income in tax loss carry-forwards capitalised during the year	-	0	-	-
Deferred tax expense resulting from utilisation of previously capitalised tax loss carry-forwards	-14	-13	-	-
Adjustment of deferred tax attributable to previous years	0	0	-	-
Total deferred tax	**-9**	**-5**	**0**	**0**
Total tax	**-28**	**-18**	**0**	**0**

Current tax

Reconciliation of tax, SEK million	Group 2024 million	Group 2024 %	Group 2023 million	Group 2023 %	Parent Company 2024 million	Parent Company 2024 %	Parent Company 2023 million	Parent Company 2023 %
Profit/loss before tax	**75**		**-35**		**-236**		**-117**	
Tax at the applicable tax rate for the Parent Company	-15	20.6	7	20.6	49	20.6	24	20.6
Non-deductible impairment of shares in subsidiaries	-	-	-	-	-49	-20.6	-24	-20.5
Other non-deductible expenses / Other non-taxable income	-2	2.3	-3	-9.6	0	0.0	0	-0.2
Effect of other tax rates on foreign subsidiaries	2	-2.5	8	23.0	-	-	-	-
Capitalisation of previously uncapitalised loss carry-forwards	-	-	0	-0.2	-	-	-	-
Increase in tax loss carry-forwards without corresponding capitalisation of deferred tax	-10	13.3	-33	-93.3	-	-	-	-
Decrease/Increase in deductible temporary differences without corresponding capitalisation of deferred tax	0	-0.1	2	5.3	0	0.0	0	0.0
Tax attributable to previous years	-3	3.3	1	3.5	-	-	-	-
Standardised interest rate on tax allocation reserve	0	0.1	-	-	-	-	-	-
Other	0	0.0	-	-	-	-	-	-
Total	**-28**	**37.0**	**-18**	**-50.7**	**0**	**0.0**	**0**	**-0.1**

The applied corporate income tax rate in Sweden was 20.6 percent, and foreign subsidiaries applied local corporate income tax rates. The recognised effective tax rate was 37.0 percent (-50.7) for the Group was essentially related to the fact that new loss carry-forwards in some subsidiaries were not capitalised as deferred tax assets. If the new loss carry-forwards had been capitalised as deferred tax assets, the effective tax rate would have been 23.7 percent. The effective tax rate was 0.0 percent (-0.1) for the Parent Company and was a consequence of the fact that impairments of shares in subsidiaries were non-deductible expenses.

Deferred tax

Changes in deferred tax in temporary differences and tax loss carry-forwards, SEK million	Group 2023 Opening balance 1 Jan 2023	Group 2023 Other adjustments	Group 2023 Recognised in the income statement	Group 2023 Translation differences	Group 2023 Closing balance 31 Dec 2023	Parent Company 2023 Opening balance 1 Jan 2023	Parent Company 2023 Recognised in the income statement	Parent Company 2023 Closing balance 31 Dec 2023
Deferred tax liabilities								
Intangible assets	321	-	-9	-2	**310**	-	-	**-**
Tangible assets	1	-	0	0	**1**	-	-	**-**
Inventories	-1	-	-1	0	**-2**	-	-	**-**
Provisions	2	-2	0	0	**0**	-	-	**-**
Untaxed reserves	24	-	-2	-	**22**	-	-	**-**
Deferred tax liabilities	**347**	**-2**	**-12**	**-2**	**331**	**-**	**-**	**-**
Deferred tax assets								
Intangible assets	4	-	-5	0	**-1**	-	-	**-**
Tangible assets	-1	-	0	0	**-1**	0	0	**-**
Inventories	-1	-	0	0	**-1**	-	-	**-**
Provisions	1	-	0	0	**1**	0	0	**0**
Tax loss carry-forwards	113	-	-12	-1	**100**	-	-	**-**
Deferred tax assets	**116**	**-**	**-17**	**-1**	**98**	**0**	**0**	**0**
Net deferred tax liabilities	**231**	**-2**	**5**	**-1**	**233**	**0**	**0**	**0**

Changes in deferred tax in temporary differences and tax loss carry-forwards, SEK million	Group 2024 Opening balance 1 Jan 2024	Group 2024 Other adjustments	Group 2024 Recognised in the income statement	Group 2024 Translation differences	Group 2024 Closing balance 31 Dec 2024	Parent Company 2024 Opening balance 1 Jan 2024	Parent Company 2024 Recognised in the income statement	Parent Company 2024 Closing balance 31 Dec 2024
Deferred tax liabilities								
Intangible assets	310	-	-8	5	**307**	-	-	**-**
Tangible assets	1	-	0	0	**1**	-	-	**-**
Inventories	-2	-	3	0	**1**	-	-	**-**
Provisions	0	-1	0	0	**-1**	-	-	**-**
Untaxed reserves	22	-	-3	-	**19**	-	-	**-**
Deferred tax liabilities	**331**	**-1**	**-8**	**5**	**327**	**-**	**-**	**-**
Deferred tax assets								
Intangible assets	-1	-	-5	0	**-6**	-	-	**-**
Tangible assets	-1	-	1	0	**0**	-	-	**-**
Inventories	-1	-	0	0	**-1**	-	-	**-**
Provisions	1	-	1	0	**2**	0	0	**0**
Tax loss carry-forwards	100	-	-14	3	**89**	-	-	**-**
Deferred tax assets	**98**	**-**	**-17**	**3**	**84**	**0**	**0**	**0**
Net deferred tax liabilities	**233**	**-1**	**9**	**2**	**243**	**0**	**0**	**0**

Deferred tax attributable to leases

Deferred tax attributable to leases, with the exception of short-term contracts and contracts where the underlying asset is of low value, is recognised net in the consolidated balance sheet and consolidated income statement as such transactions are considered to meet the requirements of IAS 12 for net accounting in the financial statements. Gross deferred tax assets attributable to lease liabilities totalled SEK 32 million (34), while deferred tax liabilities attributable to right-of-use assets totalled SEK 30 million (32). There were no additional transactions other than leases which were affected by the amendment to IAS 12 regarding the rules for initial recognition of deferred taxes.

Tax loss carry-forwards

Total tax-loss carry-forwards in the Group amounted to SEK 559 million (553), of which SEK 362 million (412) was capitalised in the consolidated balance sheet. The maturities of the tax loss carry-forwards were essentially indefinite.

Note 12 | Earnings and dividend per share

Earnings per share were calculated by dividing the profit attributable to Parent Company shareholders by the weighted average number of shares outstanding during the period.

Earnings per share before and after dilution	Group 2024	Group 2023
Profit/loss for the year, SEK million	47	-53
Number of shares on balance sheet date, thousand	145,428	145,428
Average number of shares during the period, thousand	145,428	145,428
Average number of shares during the period, diluted, thousand	145,719	145,719
Earnings per share before and after dilution, SEK	0.33	-0.36

The weighted average number of shares was145,428,080 (145,428,080). The number of outstanding registered shares was 145,428,080 (145,428,080) at the end of the year. For further information on the number of shares, see Note 22 *Shareholders' equity*.

Instruments that may result in a future dilution effect and changes after the balance sheet date

As the average price of Class B shares was lower than the subscription price for the warrant programme outstanding TO2022/2025 on the balance sheet date, diluted earnings per share was not calculated.

Dividend

The Board of Directors proposes that a dividend of SEK 0.20 per share be paid for 2024, corresponding to SEK 29,085,616. No dividend was paid for the financial year 2023.

Note 13 | Intangible assets

	Group 2023				Parent Company 2023
SEK million	Goodwill	Trademarks	Other intangible assets	Total	Other intangible assets
Accumulated cost					
Opening balance, 1 Jan 2023	2,224	1,686	283	**4,193**	71
Acquisitions/investments for the year	-	-	1	**1**	1
Sales/scrapping	-	-9	-	**-9**	0
Reclassification	-	-	0	**0**	-
Translation difference for the year	-48	-9	-1	**-58**	-
Closing balance, 31 Dec 2023	**2,176**	**1,668**	**283**	**4,127**	**72**
Accumulated amortisation					
Opening balance, 1 Jan 2023	-173	-396	-151	**-720**	-29
Amortisation for the year	-	-19	-29	**-48**	-10
Sales/scrapping	-	3	-	**3**	-
Reclassification	-	-	0	**0**	0
Translation difference for the year	12	3	1	**16**	-
Closing balance, 31 Dec 2023	**-161**	**-409**	**-179**	**-749**	**-39**
Accumulated impairments					
Opening balance, 1 Jan 2023	-446	-	-8	**-454**	-
Translation difference for the year	2	-	-	**2**	-
Closing balance, 31 Dec 2023	**-444**	**-**	**-8**	**-452**	**-**
Carrying amount, 31 Dec 2023	**1,571**	**1,259**	**96**	**2,926**	**33**

	Group 2024				Parent Company 2024
SEK million	Goodwill	Trademarks	Other intangible assets	Total	Other intangible assets
Accumulated cost					
Opening balance, 1 Jan 2024	2,176	1,668	283	**4,127**	72
Acquisitions/investments for the year	-	-	1	**1**	0
Translation difference for the year	18	23	7	**48**	-
Closing balance, 31 Dec 2024	**2,194**	**1,691**	**291**	**4,176**	**72**
Accumulated amortisation					
Opening balance, 1 Jan 2024	-161	-409	-179	**-749**	-39
Amortisation for the year	-	-20	-29	**-49**	-9
Reclassification	-	-	0	**0**	0
Translation difference for the year	3	-1	-5	**-3**	-
Closing balance, 31 Dec 2024	**-158**	**-430**	**-213**	**-801**	**-48**
Accumulated impairments					
Opening balance, 1 Jan 2024	-444	-	-8	**-452**	-
Translation difference for the year	-16	-	-	**-16**	-
Closing balance, 31 Dec 2024	**-460**	**-**	**-8**	**-468**	**-**
Carrying amount, 31 Dec 2024	**1,576**	**1,261**	**70**	**2,907**	**24**

The carrying amount for the line item other intangible assets included SEK 45 million (62) for customer relationships and customer contracts and SEK 25 million (34) for software.

There were no internally generated intangible assets at the end of the year.

Borrowing expenses

No borrowing expenses are included in the cost of assets, either for 2024 or for 2023.

Amortisation

All intangible assets (other than goodwill and acquired trademarks that are considered to have an indefinite useful life) are amortised. Amortisation was included in the following items in the income statement.

Amortisation for the year included in the income statement, SEK million	Group		Parent Company	
	2024	2023	2024	2023
Expenses for goods sold	0	0	-	-
Selling expenses	-39	-35	-	-
Administrative expenses	-10	-13	-9	-10
Total	**-49**	**-48**	**-9**	**-10**

Impairment testing

In the annual impairment testing process, new estimates and assessments were made in the assumptions regarding future conditions and regarding parameters affecting the future profitability of the Group's cash-generating units. This occurs once annually or as soon as changes indicate a need to recognise impairment, for example in the event of new market conditions or decisions to divest or discontinue operations. The impairment testing is done for both goodwill and brands jointly by calculating the recoverable amount for the cash-generating units to which goodwill and trademarks are allocated, as the cash flows attributable to brands cannot be distinguished from other cash flows in the cash-generating unit concerned.

Trademarks that are deemed to have an indefinite useful life originate from acquisitions. The assessment that the useful life is indefinite is based on a number of circumstances presented in Note 1 *Accounting principles*.

Identified cash generating units match the Group's operating segments Nordics, North Europe and South Europe. Intangible assets with indefinite useful lives are allocated to cash-generating units as follows at year-end.

Intangible assets with indefinite useful lives per cash-generating unit, SEK million	Discount rate before tax, %	Group	
		2024	2023
Nordics	9.5 (9.7)		
Goodwill		1,448	1,447
Trademarks		869	856
North Europe	10.2 (10.1)		
Goodwill		57	56
Trademarks		133	128
South Europe	10.4 (10.0)		
Goodwill		71	68
Trademarks		120	116
Goodwill		**1,576**	**1,571**
Trademarks		**1,122**	**1,100**
Total		**2,698**	**2,671**

The recoverable amount was determined based on value-in-use calculations using discounted cash flow calculations. The calculations of the recoverable amount were based on management judgement, which was considered reasonable based on the best available information. They were based on forecasts prepared by management in the revised business plan approved by the Board of Directors for the next five years. Management's judgements were based on historical experience, forecasts in industry studies and other externally available information. The most significant variables in the value-in-use calculations were based on net sales growth and product margin development, but the discount rate and the final value for growth in cash flows (terminal value) were also important variables.

Sales growth in 2024 was challenging for parts of the own brand portfolio, due to weak performance of organic products in some geographical markets where consumers remained cautious in their consumption of sustainable and healthy products. In addition, sales volumes were lower for some brands in the health foods category due to rationalisation measures implemented to reduce the complexity of the product portfolio. The product margin improved essentially as a result of price increases implemented, to offset previous rises in costs, better price management, improved prices for contract manufacturing assignments and the reduced complexity of the product and brand portfolio. This was offset to some extent, however, by an unfavourable sales mix, with a higher share of sales of both contract-manufactured and licensed products, for which margins are generally lower. For most key raw materials, packaging materials, finished goods and road transport, prices were broadly stable, but still at relatively high levels. Some challenges will partly persist in 2025 with relatively modest volume growth and continued high prices for products. Sales growth for the remainder of the forecast period is based on gradually improved growth in sales volumes of 3-9 percent, which in some markets are slightly greater than the forecasts contained in industry reports on future market growth. The management's overall assessment is that in certain markets, Midsona will grow faster than the market on average as the products that are healthy and sustainable are in tune with the times.

The forecast period of the calculation model comprises two parts - cash flows for a five-year forecast period and cash flows after the initial forecast period. The total useful life assumed is 100 years, as this is a trading activity that has no definite lifetime. After the initial five-year forecast period, the cash flows were extrapolated using an assumed sustainable growth rate of 2.0 percent (2.0) for each cash-generating unit. Both working capital changes and investments were taken into account in the extrapolated cash flows. In addition, acquisition costs for right-of-use assets were taken into account in the impairment test model, while the effects of expansion investments were excluded from the impairment test. Estimated future cash flows according to such assessments accordingly formed the basis for estimated values in use.

The expected future cash flows were discounted using a weighted average cost of capital (WACC) for each cash-generating unit. The discount rates before tax were in a range of 9.5-10.4 percent (9.7-10.1) depending on cash-generating unit, and differed somewhat between each cash generating unit as the risk profile was not deemed to be the same.

For the cash-generating unit Nordics and North Europe, in Company Management's opinion, no reasonable changes to the key assumptions would lead to the estimated recoverable amount being lower than the carrying amount. For the cash-generating unit South Europe, management's sensitivity analysis indicated that certain possible changes in the key assumptions could lead to the estimated recoverable amount becoming slightly lower than the carrying amount.

Impairment

No impairment was recognised in the Group or the Parent Company in either 2024 or 2023.

Sensitivity analysis

The estimated recoverable amount for South Europe exceeded the carrying amount by SEK 105 million or EUR 9.3 million, corresponding to 31 percent. The estimated recoverable amount for the South Europe cash-generating units was thus relatively close to the carrying amounts in the annual impairment testing process. Sensitivity analyses were prepared to analyse whether reasonable possible changes in the key assumptions, on which management based its determination of the recoverable amounts, meant that the carrying amount for South Europe might exceed the recoverable amount. The key assumptions on sales growth and product margin trend varied in the revised business plan for the next five years as follows for the cash-generating unit.

Variation in key assumptions over the next 5 years, %	Group 2024
	South Europe
Sales growth, lowest in the period	3.0
Sales growth, highest in the period	9.0
Product margin, lowest in the period	49.0
Product margin, highest in the period	51.0

In addition to the assumptions on sales growth and product margin development, the pre-tax discount rate and final values of sustainable cash flow growth after the forecast period were key variables in analysing whether reasonably possible changes in assumptions meant that the carrying amount of the cash-generating unit might exceed the recoverable amount. The table below shows how many percentage points each significant assumption must change, all else being equal, in order for the recoverable amount to equal the carrying amount for the cash-generating unit.

Individual changes for the recoverable amount to correspond to the carrying amount, percentage points	Group 2024
	South Europe
Sales growth every year during the 5-year period	-3.3
Trend in product margin each year during the 5-year period	-1.7
Change in the final value of growth in cash flows (terminal value)	-2.3
Change in the pre-tax discount rate (WACC)	2.1

Note 14 | Tangible assets

SEK million	Group 2023						Parent Company 2023
	Operating properties	Plant and machinery	Equipment, tools, fixtures and fittings	Leases[1]	Other tangible assets	Total	Equipment, tools, fixtures and fittings
Accumulated cost							
Opening balance, 1 Jan 2023	206	518	152	365	50	**1,291**	11
Acquisitions/investments for the year	2	7	5	18	15	**47**	1
Sales/scrapping	0	-1	-10	-33	-1	**-45**	-
Reclassification	4	5	-1	17	-9	**16**	-
Translation difference for the year	0	-2	-1	-2	-1	**-6**	-
Closing balance, 31 Dec 2023	**212**	**527**	**145**	**365**	**54**	**1,303**	**12**
Accumulated depreciation							
Opening balance, 1 Jan 2023	-111	-333	-108	-214	-17	**-783**	-8
Depreciation for the year	-11	-23	-11	-57	-7	**-109**	-2
Sales/scrapping	0	1	9	33	0	**43**	-
Reclassification	0	0	0	-	0	**0**	0
Translation difference for the year	1	2	1	2	0	**6**	-
Closing balance, 31 Dec 2023	**-121**	**-353**	**-109**	**-236**	**-24**	**-843**	**-10**
Accumulated impairments							
Opening balance, 1 Jan 2023	-	-57	0	-	-	**-57**	-
Impairment losses for the year	-	-	-	-	-	**0**	-
Sales/scrapping	-	-	-	-	-	**0**	-
Translation difference for the year	-	1	0	-	-	**1**	-
Closing balance, 31 Dec 2023	**-**	**-56**	**0**	**-**	**-**	**-56**	**-**
Closing balance, 31 Dec 2023	**91**	**118**	**36**	**129**	**30**	**404**	**2**

SEK million	Group 2024						Parent Company 2024
	Operating properties	Plant and machinery	Equipment, tools, fixtures and fittings	Leases[1]	Other tangible assets	Total	Equipment, tools, fixtures and fittings
Accumulated cost							
Opening balance, 1 Jan 2024	212	527	145	365	54	**1,303**	12
Acquisitions/investments for the year	1	3	8	39	12	**63**	3
Sales/scrapping	-	0	-4	-32	-	**-36**	-
Reclassification	3	6	0	12	-9	**12**	-
Translation difference for the year	8	18	3	10	2	**41**	-
Closing balance, 31 Dec 2024	**224**	**554**	**152**	**394**	**59**	**1,383**	**15**
Accumulated depreciation							
Opening balance, 1 Jan 2024	-121	-353	-109	-236	-24	**-843**	-10
Depreciation for the year	-11	-21	-9	-55	-7	**-103**	-2
Sales/scrapping	0	0	4	32	0	**36**	-
Reclassification	0	-	-	-	0	**0**	0
Translation difference for the year	-4	-12	-2	-7	-1	**-26**	-
Closing balance, 31 Dec 2024	**-136**	**-386**	**-116**	**-266**	**-32**	**-936**	**-12**
Accumulated impairments							
Opening balance, 1 Jan 2024	-	-56	0	-	-	**-56**	-
Translation difference for the year	-	-2	0	-	-	**-2**	-
Closing balance, 31 Dec 2024	**-**	**-58**	**0**	**-**	**-**	**-58**	**-**
Carrying amount, 31 Dec 2024	**88**	**110**	**36**	**128**	**27**	**389**	**3**

[1]For more information on right-of-use assets, see Note 15 *Leases*.

The recognised value for the line item other tangible assets essentially included projects in progress and expenses for improvements to property owned by others.

Borrowing expenses

No borrowing expenses are included in the cost of assets, either for 2024 or for 2023.

Depreciation

All tangible assets are depreciated. Depreciation was included in the following items in the income statement.

Depreciation for the year included in the income statement, SEK million	Group		Parent Company	
	2024	2023	2024	2023
Expenses for goods sold	-78	-82	-	-
Selling expenses	-7	-8	-	-
Administrative expenses	-18	-19	-2	-2
Total	**-103**	**-109**	**-2**	**-2**

Impairment

No impairment was recognised in the Group or the Parent Company in either 2024 or 2023.

Note 15 | Leases

Recognised in the balance sheet

The Group recognised a right-of-use (ROU) asset and a corresponding lease liability for all leases in which the Group was the lessee, except for short-term leases and for leases where the underlying asset was of lesser value. The lease portfolio mainly included:

- office, factory and warehouse premises recognised in the asset class of operating properties,
- production equipment recognised in the asset class of plant and machinery, and
- forklifts, vehicles and IT-related equipment recognised in the asset class of equipment, tools, fixtures and fittings.

The most significant leases pertained to office, factory and warehouse premises.

ROU assets OB/CB per lease class, SEK million	Group 2023			
	Operating properties	Plant and machinery	Equipment, tools, fixtures and fittings	Total
Opening balance, 1 January 2023	128	2	21	**151**
Acquisitions/investments for the year	0	-	18	**18**
Depreciation for the year	-42	-1	-13	**-56**
Extended/Concluded contracts	16	0	0	**16**
Translation difference for the year	0	0	0	**0**
Closing balance, 31 Dec 2023	**102**	**1**	**26**	**129**

ROU assets OB/CB per lease class, SEK million	Group 2024			
	Operating properties	Plant and machinery	Equipment, tools, fixtures and fittings	Total
Opening balance 1 Jan 2024	102	1	26	**129**
Acquisitions/investments for the year	24	-	15	**39**
Depreciation for the year	-42	0	-13	**-55**
Extended/Concluded contracts	12	0	0	**12**
Translation difference for the year	4	0	0	**4**
Closing balance, 31 Dec 2024	**100**	**1**	**28**	**129**

The ROU assets were included in the line item tangible assets in the balance sheet.

The lease liability was initially measured at the present value of the future lease payments, which had not been paid as of the commencement date of the leases.

Lease liabilities recognised in the balance sheet, SEK million	Group	
	2024	2023
Current liabilities	56	54
Non-current liabilities	75	78
Total	**131**	**132**

Lease liabilities were included in the line items non-current interest-bearing liabilities and current interest-bearing liabilities in the balance sheet.

Recognised in the income statement

Recognition of depreciation of assets with ROU instead of lease payments had a minor positive impact on consolidated operating profit/loss. The following expenses are recognised in the consolidated income statement for leases.

Amounts recognised in the income statement, SEK million	Group	
	2024	2023
Depreciation of ROU assets	-55	-56
Interest expenses for lease liabilities	-7	-6
Expenses attributable to short-term leases and leases of low value	-2	-3
Expenses attributable to variable lease payments	-2	-1

The total cash flow for leased assets was SEK 62 million (62).

The future expected lease payments with values that were not discounted are presented in the table.

Future lease payments, SEK million	Group	
	2024	2023
Due for payment within one year	58	57
Due for payment after more than one year but within two years	37	36
Due for payment after more than two years but within three years	28	28
Due for payment after more than three years but within four years	12	21
Due for payment after more than four years but within five years	5	6
Due for payment after more than five years	2	1
Total	**142**	**149**

Parent Company lease expenses totalled SEK 6 million (6) and future lease commitments totalled SEK 26 million (4) at year-end. The most relevant lease commitment for the Parent Company was renting of premises for the head office in Malmö.

Qualitative disclosures

The lease portfolio for right-of-use assets contained 192 contracts (189) with an average remaining lease term of 23 months (26) at year-end. The majority of the contracts, 83 percent (86), were related to forklifts and company cars. In terms of amounts, however, the majority of the contracts, 83 percent (84), were attributable to office, warehouse and factory premises. In 2024, 10 contracts (16) were terminated early. The majority of these contracts were company cars attributable to the sales organisation.

Leases contain no limitations in addition to collateral in the leased assets. The variable fees or potential residual value guarantees do not reach any material amounts. Insofar as the contracts are based on indexes, the lease fees in applicable cases are adjusted according to the rules in IFRS 16 and accordingly are taken into account in both right-of-use assets and lease liabilities at year-end.

There were no significant leases at year-end that were signed, but not commenced. Nor were there any significant sublets of right-of-use assets.

Note 16 | Participations in subsidiaries

	Corporate identity number	Registered office	Number of shares	Proportion of capital/voting rights	Book amount, SEK million
Alimentation Santé SAS	815,274,956	Lyon, France	525,000	100%	173
Celnat SAS	585,650,096	St-Germain-Laprade, France	-	100%	-
Bioglan AS	970,968,660	Oslo, Norway	1,400	100%	433
Midsona Norge AS	979,473,559	Oslo, Norway	-	100%	-
Midsona Deutschland GmbH	HRB 7603	Ascheberg, Germany	300,000	100%	339
Midsona Danmark A/S	31493994	Mariager, Denmark	6,000,000	100%	443
Midsona Finland Oy	1732881-1	Vanda, Finland	16,000	100%	60
Midsona Sverige AB	559037-5951	Malmö, Sweden	15,937,684	100%	859
System Frugt AB	556942-6587	Stockholm, Sweden	-	100%	-
Trettiosjucorp AB	556480-0224	Malmö, Sweden	165,797	100%	-
Midsona Iberia SLU	B59950097	Castellcir, Spain	3,494	100%	86
Book amount					**2,393**

Disclosures on changes in the Group structure

- In October 2023, the company Bertil's Health Oy was merged with Midsona Finland Oy.
- In November 2023, the company Urtekram Sverige AB was divested for quick liquidation.
- In November 2023, the company Vitalas AB was divested for quick liquidation.

	Parent Company	
SEK million	**2024**	**2023**
Accumulated cost		
Opening balance	3,563	3,517
Shareholder contributions in subsidiaries	219	46
Closing balance	**3,782**	**3,563**
Accumulated impairments		
Opening balance	-1,153	-1,036
Impairment for the year of shares in subsidiaries	-236	-117
Closing balance	**-1,389**	**-1,153**
Book amount	**2,393**	**2,410**

Impairment charges for the year on shares in subsidiaries are recognised in the income statement under "Result from participations in subsidiaries".

Note 17 | Receivables from and liabilities to subsidiaries

	Parent Company	
SEK million	**2024**	**2023**
Fixed assets		
Interest-bearing receivables	636	867
Total	**636**	**867**
Current assets		
Interest-bearing receivables[1]	50	29
Other receivables	47	58
Total	**97**	**87**
Total	**733**	**954**
Current liabilities		
Interest-bearing liabilities[1]	459	432
Total	**459**	**432**

[1]Interest-bearing receivables and liabilities refer to the consolidated accounts with internal interest.

Note 18 | Other non-current receivables and other receivables

	Group		Parent Company	
SEK million	**2024**	**2023**	**2024**	**2023**
Other non-current receivables that are fixed assets				
Deposits	5	4	-	-
Other financial assets	1	1	-	-
Total	**6**	**5**	**-**	**-**
Other receivables that are current assets				
Receivables from suppliers	9	8	-	-
Other receivables	5	8	3	3
Total	**14**	**16**	**3**	**3**

Note 19 | Inventories

	Group	
SEK million	**2024**	**2023**
Raw materials and consumables	238	223
Products in progress	9	20
Finished goods and goods for resale	342	286
Goods in transit	28	25
Total	**617**	**554**

The consolidated income statement includes write-downs of inventories by SEK -19 million (-51) in the line item *expenses for goods sold*. Inventory wite-downs decreased to a more normal level compared to the previous year, which was affected by large phase-outs of packaging materials and best-before problems with both finished goods and some raw materials.

Note 20 | Accounts receivable

Customers are primarily chains in the pharmacy, grocery trade and health food stores, other specialist retailers, and operators in food service and the food industry. A large part of net sales, 62 percent (63), derive from sales to customers in the Nordic market. The Group's ten largest customers accounted for 44 percent (44) of net sales.

Sales are largely based on a framework agreement that specifies general delivery terms and discounts for a year at a time. Normally, assortment evaluations are performed a couple of times a year, in connection with which price levels can also be adjusted if there is evidence of this through, for example, large changes in commodity prices.

	Group	
Accounts receivable, SEK million	**2024**	**2023**
Accounts receivable, gross	358	341
Expected credit losses	-7	-7
Total	**351**	**334**

	Group	
Age analysis, accounts receivable, SEK million	**2024**	**2023**
Accounts receivable not past due	326	293
Past due 1-30 days	23	26
Past due 31-90 days	2	11
Past due > 91 days	0	4
Total	**351**	**334**

The average customer credit period was 37 days (38). The fair value of accounts receivable is consistent with the carrying amount.

The accounts receivable included reserve for expected credit losses of SEK 7 million (7). Historically, bad debt losses have been at a low level for the Group, but have increased to some extent recently due to the insolvency or bankruptcy of customers in some geographical markets, as a consequence of macroeconomic instability, increased inflation and reduced consumer purchasing power. For information on customer credit risk, see Note 28 *Financial risk management*.

Note 21 | Prepaid expenses and deferred income

	Group		Parent Company	
SEK million	**2024**	**2023**	**2024**	**2023**
Prepaid rental expenses	0	0	1	1
Prepaid insurance expenses	1	1	1	1
Prepaid lease expenses	0	0	0	0
Prepaid marketing expenses	3	2	-	-
Prepaid commission expenses	-	0	-	-
Prepaid purchases of goods and services	15	9	11	5
Other prepaid expenses	4	8	1	1
Total	**23**	**20**	**14**	**8**

Note 22 | Shareholders' equity

Group

Share capital

Share capital consists of the Parent Company's share capital. See under Parent Company in this note.

Additional paid-up capital

Other paid-up capital consists of equity contributed by the owners. The item includes share premium reserves transferred to the statutory reserve at 31 December 2005. Provisions to the share premium reserve from 1 January 2006 onward are also recognised as paid-up capital.

Reserves

Reserves consist of a translation reserve, which comprises all exchange rate differences arising on the translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than that in which the consolidated financial statements are presented. This includes exchange differences on monetary items receivable from or payable to the foreign operations, for which settlement is neither planned nor likely in the foreseeable future.

Profit brought forward, including profit/loss for the year

Profit brought forward/accumulated losses, including profit/loss for the year consists of earned profits/accumulated losses in the Parent Company and its subsidiaries. Provisions to the statutory reserve, excluding transferred share premium reserves, were previously included in this item.

Parent Company

Restricted shareholders' equity

Share capital

At 31 December 2024, the number of registered shares was 145,428,080, divided into 423,784 Class A shares and 145,004,296 Class B shares. Holders of shares are entitled to dividends as determined by the Annual General Meeting. A shareholding gives entitlement to voting rights at the Annual General Meeting at10 votes for each Class A share and one vote for Class B share. All shares convey equal rights to the Company's net assets and profits. The Articles of Association do not contain any restrictions on the transferability of shares. Upon written request from a holder of Class A shares in the Company, conversion of specified Class A shares to Class B shares will be granted.

Change in number of shares, number	Class A shares	Class B shares	Total
Number of shares, 1 Jan 2023	596,640	144,831,440	145,428,080
Reclassification	-172,856	172,856	-
Number of shares at 31 Dec 2023	**423,784**	**145,004,296**	**145,428,080**
Number of shares, 1 Jan 2024	423,784	145,004,296	145,428,080
Number of shares, 31 Dec 2024	**423,784**	**145,004,296**	**145,428,080**
Quotient value per share, SEK			5.00
Share capital on the balance sheet date, SEK			727,140,400
Votes on the balance sheet date, number			149,242,136

No treasury shares were held by the Parent Company or its subsidiaries at year-end or during the financial year.

Statutory reserve

The statutory reserve consists of amounts that, prior to 1 January 2006, had been transferred to the share premium reserve when shares were issued at a premium, at an amount exceeding the quotient value of the shares.

Unrestricted shareholders' equity

Share premium reserve

Share premium reserve consists of amounts transferred to the share premium reserve as of
1 January 2006 when shares were issued at a premium, at an amount beyond the quotient value of the shares.

Profit brought forward

Profit brought forward consist of profit brought forward from the previous year in the Parent Company. Profit brought forward include amounts from impairment of share capital in 2016 and from a transferred fair value fund in 2016 in accordance with IAS 21. Profit brought forward, together with the share premium reserve and profit/loss for the year constitute total unrestricted equity available for distribution to shareholders.

Warrant programmes

One warrant programme, directed at senior executives, remained outstanding at the end of the period. This programme, TO2022/2025, may result in the granting of a maximum of 120,000 new Class B shares on full conversion, with an exercise period for the warrants running from 1 August 2025 to 20 December 2025. The subscription period for TO2021/2024, which would have resulted in the granting of a maximum of 171,000 new Class B shares on full conversion, expired on 20 December 2024. No warrants were converted into Class B shares.

Earnings per share after dilution were not calculated as the average price during the period for the Class B shares fell short of the subscription price for TO2022/2025.

Proposed appropriation of profit or loss

The following amount in SEK is at the disposal of the Annual General Meeting:

Share premium reserve	SEK 1,797,733,454
Profit/loss brought forward	SEK -4,076,942
Profit/loss for the year	SEK -236,210,489
Total	**SEK 1,557,446,023**

The Board of Directors proposes that the unrestricted shareholders' equity in the Parent Company, totalling SEK 1,557,446,023, be appropriated as follows:

Dividend, SEK 0.20 per share	SEK 29,085,616
Carried forward	SEK 1,528,360,407
Total	**SEK 1,557,446,023**

Note 23 | Liabilities to credit institutions

Interest-bearing liabilities, SEK million	Group		Parent Company	
	2024	2023	2024	2023
Non-current interest-bearing liabilities				
Bank loans	390	530	370	501
Lease liabilities	75	78	-	-
Total	**465**	**608**	**370**	**501**
Current interest-bearing liabilities				
Bank loans	71	69	61	59
Lease liabilities	56	54	-	-
Total	**127**	**123**	**61**	**59**
Total	**592**	**731**	**431**	**560**

The Group's external financing mainly comprises loans from Danske Bank A/S and Svensk Exportkredit AB (publ). The financing agreement extends until September 2026, and subsidiary shares are pledged as security for the facilities, see Note 29 *Pledged assets and contingent liabilities*. There are also two corporate loans at German banks that were taken over in connection with business combinations in 2018 and an investment loan at a Spanish bank for part-financing of a production facility. For more information on the Company's financing, see Note 28 *Financial risk management*.

Liabilities to credit institutions include lease liabilities, and interest expense for the liabilities is recognised as a financial expense. The most significant leases relate to the renting of office, warehouse and factory premises.

Credit terms for interest-bearing liabilities, SEK million	Nominal amount	Utilised amount	Unutilised amount	Maturity
Bank loans				
Revolving credit facility, SEK	510	172	338	09/2019–09/2026
Acquisition loan, SEK	166	166	0	09/2019–09/2026
Acquisition loan, SEK	12	12	0	10/2020–09/2026
Acquisition loan, DKK	63	63	0	10/2020–09/2026
Acquisition loan, EUR	19	19	0	04/2021–09/2026
Corporate loan, EUR[1]	22	22	0	05/2018–09/2027
Investment loan, EUR[2]	8	8	0	02/2022–06/2028
Total	**800**	**462**	**338**	
Financing cost				
Capitalised transaction costs for bank loans		-1		
Total		**-1**		
Overdrafts				
Overdrafts, SEK	150	0	150	10/2024–09/2025
Total	**150**	**0**	**150**	
Total	**950**	**461**	**488**	

[1]Corporate loans taken over in connection with business acquisitions in 2018.
[2]Investment loan to part-finance a production facility.

Note 24 | Other non-current and current liabilities

SEK million	Group		Parent Company	
	2024	2023	2024	2023
Other non-current liabilities				
Other liabilities	0	0	0	0
Total	**0**	**0**	**0**	**0**
Other current liabilities				
Advances from customers	4	-	-	-
VAT liabilities	17	21	-	-
Settlement of employee taxes and contributions	14	18	2	1
Other liabilities	4	6	0	2
Total	**39**	**45**	**2**	**3**

Note 25 | Provisions for pensions

Defined benefit pension plans

In Sweden, commitments for retirement pensions and family pensions for salaried employees are secured through an insurance plan with Alecta. According to statement UFR 10, from the Financial Reporting Board, this is a defined-benefit plan that covers several employers. For the 2024 financial year, the Group does not have access to information making it possible to recognise this as a defined-benefit plan. Pension in accordance with the ITP plan and secured through insurance with Alecta is consequently recognised as a defined- contribution plan.

The year's charges for pension insurance secured through Alecta amounted to SEK -2 million (-2) in the Group, and SEK 0 thousand (0) in the Parent Company. For the next reporting period, the charges expected for ITP 2 insurance with Alecta total SEK 2 million for the Group and SEK 0 million for the Parent Company.

Alecta's surplus may be distributed to the policyholders and/or the beneficiaries. At the end of 2024, Alecta's surplus expressed as the collective consolidation ratio was 162 percent (158). The collective consolidation ratio consists of the market value of Alecta's assets as a percentage of the insurance commitments calculated in accordance with Alecta's actuarial assumptions, which do not agree with IAS 19.

There was a direct pension scheme in the Parent Company secured by a pledged endowment policy at the end of 2024.It is recognised in the defined contribution plan expenses as the amount is not material.

Defined contribution pension plans

For employees in Sweden, the Group has defined contribution pension plans paid entirely by the Group companies. In other countries, there are defined contribution plans that are paid for partly by the subsidiaries and partly covered by contributions paid by the employees. Payments to these plans are ongoing, in accordance with the rules applicable to each of the plans.

SEK million	Group		Parent Company	
	2024	2023	2024	2023
Expenses for defined contribution plans[1]	-33	-31	-5	-4

[1]The ITP plan funded in Alecta is included as an expense of SEK -2 million (-2) for the Group and SEK 0 million (0) for the Parent Company. A non-material direct pension solution is recognised here, both in the Group and in the Parent Company.

Note 26 | Accrued expenses and deferred income

SEK million	Group		Parent Company	
	2024	2023	2024	2023
Accrued expenses for goods	19	31	-	-
Accrued personnel expenses	62	52	7	7
Accrued marketing and selling expenses	5	3	-	-
Accrued customer bonus expenses	42	39	-	-
Other accrued expenses	49	47	3	3
Total	**177**	**172**	**10**	**10**

Note 27 | Other provisions

SEK million	Group	
	2024	2023
Provisions that are non-current		
Other provisions	9	7
Total	**9**	**7**
Provisions that are current		
Restructuring programme	2	7
Other provisions	1	1
Total	**3**	**8**
Total	**12**	**15**
Restructuring programme		
Carrying amount at beginning of period	7	7
Provisions made during the year	-	15
Amounts utilised during the year	-5	-15
Total	**2**	**7**
Other provisions		
Carrying amount at beginning of period	8	8
Provisions made during the year	2	1
Amounts utilised during the year	0	-1
Total	**10**	**8**
Total provisions		
Carrying amount at beginning of period	15	15
Provisions made during the year	2	16
Amounts utilised during the year	-5	-16
Total	**12**	**15**

Restructuring programme

Restructuring programme essentially relates to the decision in previous years to lower the cost base through structural changes, as an element in strengthening competitiveness.

Other provisions

Other provisions mainly pertain to guarantee commitments and subsidies for investment projects.

Note 28 | Financial risk management

The Group's operations are exposed to various financial risks, which mainly comprise financing, liquidity, currency, interest and credit risk.

The financial risk work is directed at an overall level by the Board, which sets financial policy, which includes the overarching risk management and ensures that it is followed. The operational responsibility for financial risk management is centralised in the Group finance function in the Parent Company to take advantage of economies of scale and synergies. The Parent Company acts as the Group's internal bank, ensures that the right financing is in place through loans and credit facilities, and manages and directs financial risk exposure and manoeuvres liquidity in line with the set financial policy. The financial risk exposure is reported back regularly to the Board of Directors.

Capital management

The Board's objective is to maintain a sound financial position that contributes to maintaining investor and lender confidence. In addition, a sound financial position should ensure the continued development of the business.

The Group's capital management objectives are to ensure its continued existence in order to provide returns to shareholders, benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In 2024, cash flows continued to be used to reduce debt in order to be able to pay dividends to shareholders in the next step and improve financial flexibility for supplementary acquisitions. The Board of Directors proposes that a dividend be paid for 2024 of SEK 0.20 per share, corresponding to SEK 29,085,616 and a pay-out ratio of 61.4 percent. The aim is to have a dividend payout ratio in excess of 30 percent over time. The capital structure is assessed based on the ratio of net debt to adjusted EBITDA. One of the Group's financial targets is to have a net debt to adjusted EBITDA ratio <2.5x, which is set to define a reasonable level of risk for the Group linking leverage to earning capacity. The ratio between net debt and adjusted EBITDA on a rolling 12-month basis was 1.6x (2.7) at the end of the year.

Financing risk

Financing risk relates to the risk that future capital procurement and refinancing of loans could be difficult or costly.

The financing mainly comprises loans from Danske Bank A/S and AB Svensk Exportkredit (publ). In October 2022, the financing agreement, originally dated September 2019, was adjusted and extended to apply until September 2025. The financing agreement was then extended by another year in June 2024 with unchanged terms, and runs until September 2026. The credit facility consists of a financing agreement comprising several different loans in the currencies SEK, EUR and DDK. The credit facility relates to four acquisition loans totalling SEK 260 million, a revolving credit facility of SEK 510 million, of which SEK 172 million had been utilised at the end of the year, and a one-year overdraft facility of SEK 150 million for operating credits. The facilities, except for the overdraft facility, are term loans, which means that the maturity is fixed with final payment due in September 2026. Three financial terms (covenants) are linked to the financing agreement, which must be met during the term of the contract. All covenants were met at the end of the year.

To ensure that, in all situations, the Group has access to the necessary external financing at reasonable cost, the rule is that confirmed credit commitments must have an average remaining term to maturity of not less than 12 months. At the end of the year, the average remaining term on confirmed loan commitments was 16 months (18). For more information on utilised loans, maturity periods and available credit facilities, see Note 23 *Liabilities to credit institutions*. For a description of the Group's lease liabilities, see Note 15 *Leases*, and for a description of the Group's other financial liabilities, see Note 24 *Other non-current and current liabilities*.

Liquidity risk

Liquidity risk means the risk that the Group cannot meet its payment obligations as a consequence of inadequate access to cash and equivalents.

In order to control and plan the Group's cash requirements, the Group finance function uses liquidity forecasts that the Group's subsidiaries report on a monthly basis for the next six months.

The Group has a multi-currency cash pool, with the ambition of connecting all of the subsidiaries, as far as possible. Through the cash pool, surplus liquidity from the subsidiaries, repayment of internal loans and dividends are to be centred on the Parent Company for loan and credit repayments.

The table below presents the undiscounted cash flows that come from the Group's liabilities in the form of financial instruments, including principal and interest payments, based on the contracted remaining maturities at year-end. Current accounts payable are met by a positive cash flow from accounts receivable. The maturity of the loans is handled through available liquidity, unutilised credit facilities and refinancing

Nominal amounts SEK million	0-6 months		7-12 months	
	2024	2023	2024	2023
Bank loans	49	53	48	52
Lease liabilities	29	28	29	28
Accounts payable	302	312	-	-
Other liabilities	0	1	0	0
Total	**380**	**394**	**77**	**80**

Nominal amounts SEK million	1-5 years		> 5 years	
	2024	2023	2024	2023
Bank loans	407	553	-	-
Lease liabilities	82	91	2	0
Accounts payable	-	-	-	-
Other liabilities	-	-	-	-
Total	**489**	**644**	**2**	**0**

A degree of financial preparedness must be maintained in the form of a liquidity reserve, comprising cash balances and unused credit commitments, which represent at least 7.5 percent of net sales for the Group. The liquidity reserve was in the range of 12.9-16.9 percent of net sales (9.8-19.0) during the year, with 16.9 percent (17.2) at the end of the year. The liquidity reserve must, at all times, also exceed the sum of the Group's loan maturities for the next six months.

Liquidity reserve, SEK million	2024	2023
Unutilised credit facilities	488	416
Cash and cash equivalents	141	235
Total	**629**	**651**

Currency risk

Currency risk means the risk of changes in exchange rates affecting the Group's income statement, balance sheet and/or cash flows negatively. Currency risk arises in the form of both transaction and translation exposure.

Transaction exposure

Transaction exposure is the risk that affects the Group's earnings and cash flow through the operational and financial transactions that are effected in currencies other than the functional currency of each Group company. The Group's sales of goods are mainly made in the companies' local currencies, although the currency flows arising from purchases, primarily of goods, in other currencies give rise to the Group's current transaction exposure.

The Group finance function assesses future currency exposure based on cash flow forecasts that are reported. The assessed transaction exposure for 2024 for the currencies with the largest net exposure appears in the table below, where significant currency risk lies in the net flows for USD/EUR, USD/DKK and EUR/SEK.

Amounts are in millions in each currency[3]	Group 2024[1]		
	Net flow	Currency hedging	Net flow after currency hedging
USD/EUR	-7	-	-7
USD/DKK	-9	2	-7
EUR/SEK	-41	-	-41
DKK/SEK	-55	-	-55
EUR/NOK	-9	-	-9
SEK/NOK	-77	-	-77
	Group 2023[2]		
USD/EUR	-7	-	-7
USD/DKK	-18	2	-16
EUR/SEK	-45	-	-45
DKK/SEK	-60	-	-60
EUR/NOK	-9	-	-9
SEK/NOK	-76	-	-76

[1] Transaction exposure is based on estimated net flows for the next 12 months, i.e. for 2025.
[2] Transaction exposure is based on estimated net flows for the next 12 months, i.e. for 2024.
[3] negative net flow means that the outflow in each currency exceeds the inflow, and a positive net flow.

With other variables unchanged, an isolated exchange rate change of +/-10 percent for each exposure would affect earnings before tax by the amount below.

Sensitivity analysis, SEK million	Group	
	2024	2023
USD/EUR	+/-8	+/-7
USD/DKK	+/-8	+/-16
EUR/SEK	+/-46	+/-50
DKK/SEK	+/-8	+/-9
EUR/NOK	+/-10	+/-10
SEK/NOK	+/-8	+/-8

Group Management has been mandated to currency hedge goods purchases in USD with currency forward contracts as a result of the increased currency exposure in USD/DKK and USD/EUR. This is particularly the case for supplier contracts with predefined payment schedules. Forward exchange contracts are market valued at each balance sheet date. The maximum exposure is USD 4.5 million at each balance sheet date. Currency risks are otherwise to be managed in supplier and customer agreements through currency clauses. In order to reduce the impact on earnings from changes in exchange rates, Midsona continuously uses price adjustments to customers and suppliers based on the changes in exchange rates.

Translation exposure – income statement

Changes in exchange rates affect the Group's net sales when translating the foreign subsidiaries' income statements to SEK. In 2024, approximately 38 percent (-195) of the Group's operating profit/loss was in currencies other than SEK. When recalculating 2024 net sales, operating profit/loss and profit/loss after tax to 2023 exchange rates, the currency effect is as follows.

SEK million	Net sales	Operating profit/loss	Profit/loss after tax
DKK	3	0	0
EUR	7	0	0
NOK	9	1	0
Total	**19**	**1**	**0**

Translation exposure - balance sheet

The Parent Company has holdings in foreign subsidiaries, whose net assets are exposed to currency translation risk upon consolidation. This exposure affects the Group's comprehensive income and equity. The table below shows the net investments per currency and the impact that a change in exchange rate of +/-5 percent would have.

SEK million	Net assets	Currency impact
DKK	594	+/-31
EUR	636	+/-32
NOK	420	+/-21

Translation exposure also exists in individual companies, where the companies' balance sheet items are in a currency other than the Company's functional currency. The companies' financial balance sheet items are managed by matching assets and liabilities in the same currency, this being administered by the Parent Company. Internal loans to subsidiaries are always provided in the company's local currency and external borrowing is then arranged, as far as possible, in the exposed foreign currencies. Translation exposure in individual companies' operating balance sheet items is shown in the table below.

Amounts are in millions in each currency	Group	
	2024	2023
USD/EUR	-1	-1
USD/DKK	-1	-1
EUR/SEK	-3	-4
DKK/SEK	-5	-5
EUR/NOK	-1	-1
SEK/NOK	-6	-6

With other variables unchanged, an isolated exchange rate change of +/-10 percent for each exposure would affect earnings before tax by the amount below.

Sensitivity analysis, SEK million	Group	
	2024	2023
USD/EUR	+/-1	+/-1
USD/DKK	+/-1	+/-1
EUR/SEK	+/-4	+/-4
DKK/SEK	+/-1	+/-1
EUR/NOK	+/-1	+/-1
SEK/NOK	+/-1	+/-1

Interest rate risk

Interest rate risk refers to the impact on profits of a change in interest rates. How quickly a change in interest rates affects profit or loss depends on the periods of fixed interest on credit and investments. Since the Group is a net borrower and does not invest funds in listed instruments, it is primarily the Group's liabilities to credit institutions that are affected by changes in interest rates. Most of the Group's bank loans are held by the Parent Company. These carry a variable interest rate comprising IBOR plus a margin and have a zero interest rate floor. Interest rates on other bank loans are fixed over the term of the loan.

The tables below present the loan debt by currency and the effect on the Group's interest expense in the event of a 1 percentage point increase in market interest rates.

Loan liability by currency	2024	2023
SEK	178	223
EUR	191	268
DKK	63	71
Fixed interest rate	30	39
Total	**462**	**601**

Interest-rate change of 1 percentage point	2024	2023
SEK	2	2
EUR	2	3
DKK	1	1
Total	**5**	**6**

The guideline is that the average period of fixed interest for interest-bearing liabilities to credit institutions should be three months. The average period of fixed interest for the Parent Company's interest-bearing liabilities to credit institutions was three months (3) at the end of the year.

The Group strives to strike a balance between a reasonable ongoing expense for its borrowings and the risk of a significant negative impact on earnings from a major change in interest rates. At present, the guidance is not to hedge interest-rate risks in the Group. The average interest rate on the Group's bank loans and overdrafts in 2024 was 5.9 percent (5.7).

The majority of the Group's lease liabilities are attributable to leases for properties. In these agreements, the interest component is an effect of the dissolution of discounting. Interest changes entail no changes in the cash flows for these agreements. Other leases carry fixed or variable interest over the lease term. For those agreements that carry variable interest, future cash flows are affected by changes to the variable interest rate. An interest rate change of +/- 1 percentage point for the part of the lease liability that carries variable interest is deemed to have an insignificant impact on earnings for the Group.

Credit risk

There is a risk of those counterparties with whom the Group has cash and cash equivalents or financial investments not being able to fulfil their obligations, what is known as a financial credit risk. There is also a risk of customers not being able to meet their payment commitments, known as a customer credit risk.

Financial credit risk

Rules for how surplus liquidity is to be managed is established in a policy. The Group is a net borrower, and surplus liquidity is to be used to reduce loans from credit institutions. The subsidiaries are to place their surplus liquidity in bank accounts belonging to Group account systems or in bank accounts approved by the Group finance function. The Group's counterparties in financial transactions are credit institutions with good credit ratings.

The financial credit risk for cash and cash equivalents in bank accounts was SEK 141 million (235) at year-end. Cash and cash equivalents are covered by the general model for impairments. For cash and cash equivalents, the exception is applied for low credit risk.

Customer credit risk

Customer credit risk is managed continuously by each Group company via credit checks and internal credit limits per customer. Bank guarantees or other sureties are required for customers with low creditworthiness or insufficient credit history.

The Group's accounts receivable are covered by the simplified model for impairments. The expected credit losses for accounts receivable are estimated using a matrix, which is based on earlier events, current circumstances and forecasts of future financial circumstances. A loss provision is recognised in the simplified model, for the expected remaining maturity of accounts receivable. The Group's credit exposure is presented in the following table

Number of days in interval	Default probability, %	Expectation adjustments, %	Future default probability, %	Recognised accounts receivable gross, SEK million	Expected credit losses, SEK million	Recognised accounts receivable net, SEK million
Not past due	0.30	0.10	0.40	327	-1	**326**
1-30	1.30	0.50	1.80	24	-1	**23**
31-60	5.50	2.50	8.00	1	0	**1**
61-90	15.00	7.50	22.50	1	0	**1**
>91	75.00	21.00	96.00	5	-5	**0**
Total				**358**	**-7**	**351**

Note 29 | Pledged assets and contingent liabilities

SEK million	Group		Parent Company	
	2024	2023	2024	2023
Pledged assets				
Blocked bank funds	1	1	-	-
Shares in subsidiaries	-	-	1,908	1,924
Net assets in subsidiaries	2,643	2,401	-	-
Others	260	230	-	-
Total	**2,904**	**2,632**	**1,908**	**1,924**
Contingent liabilities				
Guarantees, external	6	6	0	1
General guarantee for subsidiaries	-	-	0	0
Parent Company guarantees	-	-	1	1
Total	**6**	**6**	**1**	**2**

Shares in subsidiaries have been pledged as collateral for overdrafts and bank loans. Net assets in subsidiaries pertain to shares in subsidiaries that are stated at amounts equivalent to the consolidated net assets.

Note 30 | Fair value measurement and categorisation of financial assets and liabilities

Fair value

The carrying amount on accounts receivable, other receivables, cash and cash equivalents and other liabilities measured at amortised cost represents a reasonable approximation of fair value.

Fair value and carrying amount in the balance sheet, SEK million	Group 2024			
	Measured at amortised cost	Measured at fair value through profit or loss[1]	Total carrying amount	Fair value
Non-current receivables	6	-	**6**	6
Accounts receivable	351	-	**351**	351
Other receivables	14	0	**14**	14
Cash and cash equivalents	141	-	**141**	141
Total	**512**	**0**	**512**	**512**
Non-current interest-bearing liabilities	465	-	**465**	465
Other non-current liabilities	0	-	**0**	0
Current interest-bearing liabilities	127	-	**127**	127
Accounts payable	302	-	**302**	302
Other current liabilities	39	0	**39**	39
Total	**933**	**0**	**933**	**933**

[1] Other current receivables and other current liabilities measured at fair value through profit or loss consist of derivative instruments of SEK 0 million.

Fair value and carrying amount in the balance sheet, SEK million	Group 2023 Measured at amortised cost	Measured at fair value through profit or loss[1]	Total carrying amount	Fair value
Non-current receivables	5	-	**5**	5
Accounts receivable	334	-	**334**	334
Other receivables	16	-	**16**	16
Cash and cash equivalents	235	-	**235**	235
Total	**590**	**-**	**590**	**590**
Non-current interest-bearing liabilities	608	-	**608**	608
Other non-current liabilities	0	-	**0**	0
Current interest-bearing liabilities	123	-	**123**	123
Accounts payable	312	-	**312**	312
Other current liabilities	44	1	**45**	45
Total	**1,087**	**1**	**1,088**	**1,088**

[1] Other current liabilities measured at fair value through profit or loss consist of derivative instruments of SEK 1 million.

Fair value and carrying amount in the balance sheet, SEK million	Parent Company 2024 Measured at amortised cost	Measured at fair value through profit or loss[1]	Total carrying amount	Fair value
Other receivables	3	0	**3**	3
Total	**3**	**0**	**3**	**3**
Liabilities to credit institutions	431	-	**431**	431
Other non-current liabilities	0	-	**0**	0
Accounts payable	6	-	**6**	6
Other current liabilities	2	0	**2**	2
Total	**439**	**0**	**439**	**439**

[1] Other current receivables and other current liabilities at fair value through profit or loss consist of derivative instruments of SEK 0 million.

Fair value and carrying amount in the balance sheet, SEK million	Parent Company 2023 Measured at amortised cost	Measured at fair value through profit or loss[1]	Total carrying amount	Fair value
Other receivables	3	-	**3**	3
Total	**3**	**-**	**3**	**3**
Liabilities to credit institutions	560	-	**560**	560
Other non-current liabilities	0	-	**0**	0
Accounts payable	5	-	**5**	5
Other current liabilities	2	1	**3**	3
Total	**567**	**1**	**568**	**568**

[1] Other current liabilities measured at fair value through profit or loss consist of derivative instruments of SEK 1 million.

Certain disclosures regarding financial instruments assessed at fair value through profit or loss for the year

There were financial instruments in the form of forward exchange contracts recognised at fair value through the income statement. That measurement was at level 2, according to IFRS 13 *Fair Value Measurement.* Fair values were based on quotes from brokers. Similar contracts were traded on an active market, and the rates reflected actual trades of comparable instruments.

Offset agreements and similar agreements

For derivative counterparties, there are ISDA agreements, which mean that derivative items can be reported net under certain conditions. There were recognised financial liabilities that were attributable to derivative instruments of SEK 0 million (1) in the consolidated balance sheet at the end of the year, which were covered by a legally binding framework agreement on netting or a similar agreement. There were no net recognised derivative instruments in the consolidated balance sheet.

Calculation of fair value

The fair value of interest bearing liabilities is calculated based on future cash flows of principal and interest discounted at the current market rate on the balance sheet date. Non-current interest-bearing liabilities essentially have variable interest rates and their fair value is therefore essentially the same as their carrying amount. For current interest-bearing liabilities, no discount is applied, and their fair value essentially corresponds to the carrying amount. For a maturity analysis, see Note 28 *Financial risk management*..

Note 31 | Related parties

Related party relationships

The Parent Company has a related party relationship with its subsidiaries; see Note 16 *Participations in subsidiaries.*

Related party transactions

For the Parent Company, SEK 70 million (61), equivalent to 100 percent (100) of sales for the year, and SEK 3 million (2), corresponding to 7 percent (6) of purchases for the year pertained to subsidiaries within the Group. The sale related mainly to the invoicing of internally performed services, while purchases from subsidiaries mainly related to consulting services and cost reimbursements. All pricing takes place on market terms.

The Parent Company has receivables from, and liabilities to, subsidiaries, see Note 17 *Receivables from, and liabilities, to subsidiaries*.

Related-party persons or companies

Salaries and remuneration of the Board and other senior executives are detailed in Note 8 *Employees, personnel expenses and senior executives' remuneration*.

In addition to the transactions mentioned above, there were no significant related-party transactions during the year with related companies or with the Board of Directors and senior executives.

Note 32 | Significant estimates and judgements

In preparing the financial statements, management makes estimates and judgements that affect the amounts of assets, liabilities, income and expenses. The estimates and assumptions that involve a risk of significant adjustments to the carrying amounts of assets and liabilities within the next financial year and critical judgements in applying the Group's accounting principles are discussed below. Recognised estimates and judgements are regarded as reasonable under prevailing circumstances.

Measurement of goodwill

The carrying value of goodwill is contingent upon the future profitability of the cash-generating unit to which the goodwill was allocated. In the annual process for impairment testing, several new assumptions about future conditions and parameter estimates were made in the calculation of cash-generating units' recoverable amounts for the assessment of possible needs for impairment of goodwill and trademarks with indefinite useful lives.

For the cash-generating unit Nordics and North Europe, in Company Management's opinion, no reasonable changes to the key assumptions would lead to the estimated recoverable amount being lower than the carrying amount. For the cash-generating unit South Europe, management's sensitivity analysis indicated that certain possible shifts in the key assumptions could lead to the calculated recovery value being slightly lower than the carrying amount. A sensitivity analysis is presented in Note 13 *Intangible assets*. Moving forward, Company Management will be carefully monitoring the development of the cash-generating unit in the event that new estimates and judgements must be made in the assumptions due to altered conditions.

The carrying amount of goodwill was SEK 1,576 million (1,571) at the end of the year. For more information on goodwill, see Note 13 *Intangible assets*.

Measurement of trademarks

The carrying amount of trademarks is contingent upon the future profitability of the products the brands relate to. If it has not been possible to test impairment for an individual brand, the recoverable amount has been calculated on the cash-generating unit to which the brand was allocated. In the annual process for impairment testing, several new assumptions about future conditions and parameter estimates were made in the calculation of cash-generating units' recoverable amounts for the assessment of possible needs for impairment of trademarks.

Management's assessment is that no reasonable changes in the significant assumptions might lead to the carrying amounts of brands being subject to a need for impairment.

The carrying amount for the trademarks was SEK 1,261 million (1,259) at year-end, of which SEK 1,122 million (1,100) with an indefinite useful life. For more information on trademarks, see Note 13 *Intangible assets*.

Measurement of taxes

To determine the current tax liabilities and current tax assets, as well as provisions for deferred tax liabilities and deferred tax assets, management is required to make judgements, particularly in the measurement of deferred tax assets. This process includes the tax outcome being assessed in each country in which the Group operates. The process includes assessing the actual current tax exposure and assessing the temporary differences that arise as a consequence of certain assets and liabilities being measured differently in the accounts than in income tax returns. Management must also assess the likelihood of deferred tax assets being realised through future taxable income.

Estimates and assessments were made as to whether tax loss carry-forwards generated in some geographical markets over the year could be capitalised as deferred tax assets to be realised in the future through taxable income. Taking short-term earnings capacity forecasts, macroeconomic instability, uncertainties in other global environment factors and levels of capitalised tax loss carry-forwards from previous years into account, management's judgement was to wait before capitalising any new tax loss carry-forwards.

Total tax-loss carry-forwards in the Group amounted to SEK 559 million (553), of which SEK 362 million (412) was capitalised in the consolidated balance sheet. Company management believes that, given the Group's current and future structure, the opportunities to utilise capitalised tax loss carry-forwards is substantiated.

The carrying amount of deferred tax assets was SEK 84 million (98), while the carrying amount of deferred tax liabilities was SEK 327 million (331). For more information on taxes, see Note 11 *Taxes*.

Note 33 | Supplementary disclosures to cash flow statements

SEK million	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Interest paid				
Interest received	5	9	62	86
Interest paid	-46	-61	-53	-66
Adjustment for items not included in cash flow				
Amortization/Depreciation	152	157	11	12
Impairment/Write-downs	22	55	236	117
Unrealised exchange rate differences	0	-3	2	12
Capital gain on sale of fixed assets	0	-11	-	-
Pension provisions	0	0	0	0
Other provisions and non-cash items	-1	6	0	0
Total	**173**	**204**	**249**	**141**
Divestments of companies or operations				
Consideration received	-	1	-	1
Less: Cash and cash equivalents in divestment	-	-1	-	-
Effect on cash and cash equivalents of divestments	**-**	**0**	**-**	**1**

Cash and cash equivalents

Cash and equivalents in both the Group and the Parent Company consist solely of cash and bank balances. Consequently, there are no current investments equivalent to cash and equivalents.

Changes in liabilities whose cash flow is recognised in financing activities

Liabilities attributable to financing activities consist of non-current interest-bearing liabilities and current interest-bearing liabilities for the Group. For the Parent Company, liabilities are attributable to financing activities involving non-current liabilities to credit institutions, current liabilities to credit institutions, non-current interest-bearing liabilities to subsidiaries and current interest-bearing liabilities to subsidiaries.

Listing of liabilities attributable to financial cash flows, SEK million 2024	At beginning of year	Changes affecting cash flow: Financial cash flows	Changes not affecting cash flow: New leases	Extended/Terminated leases	Change in exchange rates	Group At end of year
Non-current liabilities to credit institutions	530	-151	-	-	11	**390**
Lease liabilities	78	-56	39	12	2	**75**
Non-current interest-bearing liabilities	**608**	**-207**	**39**	**12**	**13**	**465**
Current liabilities to credit institutions	69	1	-	-	1	**71**
Lease liabilities	54	0	0	0	2	**56**
Current interest-bearing liabilities	**123**	**1**	**0**	**0**	**3**	**127**
Total	**731**	**-206**	**39**	**12**	**16**	**592**

Listing of liabilities attributable to financial cash flows, SEK million 2023	At beginning of year	Changes affecting cash flow: Financial cash flows	Changes not affecting cash flow: New leases	Extended/Terminated leases	Change in exchange rates	Group At end of year
Non-current liabilities to credit institutions	675	-150	-	-	5	**530**
Lease liabilities	101	-56	18	16	-1	**78**
Non-current interest-bearing liabilities	**776**	**-206**	**18**	**16**	**4**	**608**
Current liabilities to credit institutions	65	4	-	-	0	**69**
Lease liabilities	54	0	0	0	0	**54**
Current interest-bearing liabilities	**119**	**4**	**0**	**0**	**0**	**123**
Total	**895**	**-202**	**18**	**16**	**4**	**731**

Listing of liabilities attributable to financial cash flows, SEK million 2024		Changes affecting cash flow	Changes not affecting cash flow	Parent Company
	At beginning of year	Financial cash flows	Change in exchange rates	At end of year
Non-current liabilities to credit institutions	501	-141	10	**370**
Non-current interest-bearing liabilities	**501**	**-141**	**10**	**370**
Current liabilities to credit institutions	59	1	1	**61**
Current liabilities to subsidiaries[1]	432	27	0	**459**
Current interest-bearing liabilities	**491**	**28**	**1**	**520**
Current receivables from subsidiaries[1]	-29	-21	0	**-50**
Current interest-bearing receivables	**-29**	**-21**	**0**	**-50**
Total	**963**	**-134**	**11**	**840**

[1] Attributable to positions in the Group cash pool. To the extent that certain criteria are met, cash and cash equivalents of participating Group companies are offset and recognised as a net amount in the balance sheet.

Listing of liabilities attributable to financial cash flows, SEK million 2023		Cash changes	Non-cash changes	Parent Company
	At beginning of year	Financial cash flows	Change in exchange rates	At end of year
Non-current liabilities to credit institutions	640	-143	4	**501**
Non-current interest-bearing liabilities	**640**	**-143**	**4**	**501**
Current liabilities to credit institutions	57	2	0	**59**
Current liabilities to subsidiaries[1]	290	142	0	**432**
Current interest-bearing liabilities	**347**	**144**	**0**	**491**
Current receivables from subsidiaries[1]	-40	10	1	**-29**
Current interest-bearing receivables	**-40**	**10**	**1**	**-29**
Total	**947**	**11**	**5**	**963**

[1] Attributable to positions in the Group cash pool. To the extent that certain criteria are met, cash and cash equivalents of participating Group companies are offset and recognised as a net amount in the balance sheet.

Note 34 | Events after the balance sheet date

Changes to Group Management

Josefin Kronstrand has been appointed Sourcing Director, with overall responsibility for coordinating the Group's purchases. She will take up her new position on 15 March 2025 and will be a member of Group Management from that date.

Peter Åsberg will leave his position as President and CEO of Midsona, but will remain in his role during a transition period until a successor is in post. The process to recruit his successor has been initiated by the Board of Directors of Midsona AB.

The Board of Directors of Midsona AB appointed Henrik Hjalmarsson as new President and CEO. He will assume his position no later than 1 October 2025, and succeeds Peter Åsberg, who will leave his position as previously announced.

Prestigious award

Midsona has once again been recognised for its climate strategy and leadership by the global not-for-profit environmental initiative CDP. For the second year in a row, Midsona has been awarded the top grade A in the 2024 CDP climate change ranking. CDP's annual process is considered a leader in corporate environmental transparency reporting as it measures actions and performance to mitigate climate-related risks and to reduce greenhouse gas emissions.

MIDSONA ANNUAL AND SUSTAINABILITY REPORT 2024

Board of Directors' statement of assurance

The Board of Directors and the CEO certify that the consolidated financial statements and annual accounts have been prepared in accordance with the international accounting standards referred to in European Parliament and Council Regulation (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards and generally accepted accounting principles and give a true and fair view of the financial position and results of the Group and the Parent Company. The Administration Report for the Group and Parent Company gives a true and fair view of the Group and Parent Company's operations, financial position and results and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Malmö, 8 April 2025

Patrik Andersson
Chairman of the Board

Tomas Bergendahl
Board Member

Anna-Karin Falk
Board Member

Sandra Kottenauer
Board Member

Jari Latvanen
Board Member

Anders Svensson
Board Member

Johan Wester
Board Member

Peter Åsberg
Chief Executive Officer

The annual accounts and consolidated financial statements, as stated above, were approved for issue by the Board of Directors on 8 April 2025. The consolidated income statement, statement of comprehensive income and balance sheet, and the Parent Company's income statement, statement of comprehensive income and balance sheet will be submitted for approval at the Annual General Meeting on 7 May 2025.

Our audit report was submitted on 8 April 2025
Deloitte AB

Jeanette Roosberg
Authorised Public Accountant

Auditor's report

To the General Meeting of the shareholders of Midsona AB (publ)
corporate identity number 556241-5322

Report on the annual accounts and consolidated financial statements

Opinions

We have audited the annual accounts and consolidated financial statements of Midsona AB (publ) for the financial year 1 January 2024 to 31 December 2024. The annual accounts and consolidated financial statements of the Company are included on pages 120-161 of 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 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with 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 and consolidated financial statements.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the Parent Company and the Group.

Our opinions in this report on the annual accounts and consolidated financial statements are consistent with the contents of the additional report that has been submitted to the Parent Company's audit committee in accordance with Article 11 of the Audit Regulation (537/2014EU).

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. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in Article 5(1) of the Audit Regulation (537/2014) have been provided to the audited company or, where applicable, its Parent Company or its controlled companies within the EU.

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

Key Audit Matters

A key audit matter of the audit is a matter that, in our professional judgment, was of most significance in our audit of the annual accounts and consolidated accounts of the period concerned. This matter was addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated financial statements as a whole, but we do not provide a separate opinion on this matter.

Measurement of goodwill and trademarks with indefinite useful lives

Description of risk

Midsona recognises goodwill in the balance sheet as at 31 December 2024 of SEK 1,576 million (1,571) and trademarks with an indefinite useful life of 1,122 (1,100). These pertain to surplus values arising in connection with acquisitions.

The value of the recognised assets is dependent on the future returns and profitability of the cash generated unit that the assets relate to and is tested at least annually. Management bases its impairment test on a number of assumptions and judgements such as net sales growth, product margin development and cost of capital (WACC), as well as other factors that are complex.

Inaccurate estimates and assumptions may have a significant impact on the Group's earnings and financial position.

For further information, refer to the Group's accounting principles in Note 1, Note 13 on significant estimates and judgements, and Note 32 on intangible assets in the annual accounts.

Our audit procedures

Our audit included, but was not limited to, the following audit procedures:

- We have reviewed and assessed Midsonas' procedures for impairment testing of the relevant cash generating units to ensure that the recognised values of the assets are justifiable and that the assumptions are reasonable, that the routines are consistently applied and that there is integrity in the estimates made.
- We have examined the accuracy and completeness of the relevant notes to the financial statements to verify compliance with IFRS.
- With the involvement of our valuation specialists, we evaluate the methodology, assumptions and judgements applied by management to determine the fair value of goodwill and brands.

Other information than the annual accounts and consolidated financial statements

This document also contains other information than the annual accounts and consolidated financial statements and can be found on pages 1-119 and 172-186. The remuneration report on pages 170-171 also provides other information. The Board of Directors and the Chief Executive Officer are responsible for this other information.

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

In connection with our audit of the annual accounts and consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. 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 Chief Executive Officer.

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated financial statements and for them giving a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated financial statements, 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated financial statements, 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 not, however, 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.

The Audit Committee must, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

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

A more detailed description of our responsibilities for the audit of the annual accounts and consolidated financial statements can be found on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report.

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Report on other statutory and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated financial statements, we have also audited the administration of the Board of Directors and the Chief Executive Officer of Midsona AB (publ) for the financial year 1 January 2024 to 31 December 2024 and the proposed appropriation of the company's profit or loss.

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

Basis for opinions

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

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

Responsibilities of The Board of Directors and the Chief Executive Officer.

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

The Board of Directors is responsible for the Company's organisation and the administration of the company's affairs. This includes, among other things, continuous assessment of the Company's and Group's financial situation and ensuring that the Company's organisation is designed so that the accounting, management of assets and the Company's financial affairs otherwise are controlled in a reassuring manner. The Chief Executive Officer should manage the ongoing administration according to the Board of Directors' guidelines and instructions and, among other matters, take measures that are necessary to fulfil the company's accounting in accordance with law and attend to the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance as to whether any member of the Board of Directors or the Chief Executive Officer 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 concerning this, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

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

A more detailed description of our responsibilities for the audit of the management's administration can be found on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report.

The auditor's opinion on the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also conducted an examination that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4a of the Securities Market Act (2007:528) for Midsona AB (publ) for the financial year 1 January 2024 - 31 December 2024.

Our examination and our opinion relate only to the statutory requirement.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Midsona AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Chief Executive Officer.

The Board of Directors and the Chief Executive Officer are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528), and for such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to prepare the ESEF report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance as to whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4a of the Securities Market Act (2007:528), based on our review.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee,that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always identify a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies International Standard on Quality Management 1, which requires the Company to design, implement and maintain a system of quality control, including guidelines or procedures concerning compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated financial statements. The auditor selects the procedures to be performed, including assessing the risks of material misstatement of the financial statements, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors and the Chief Executive Officer, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual accounts and consolidated final statements.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with iXBRL in accordance with what follows from the ESEF Regulation.

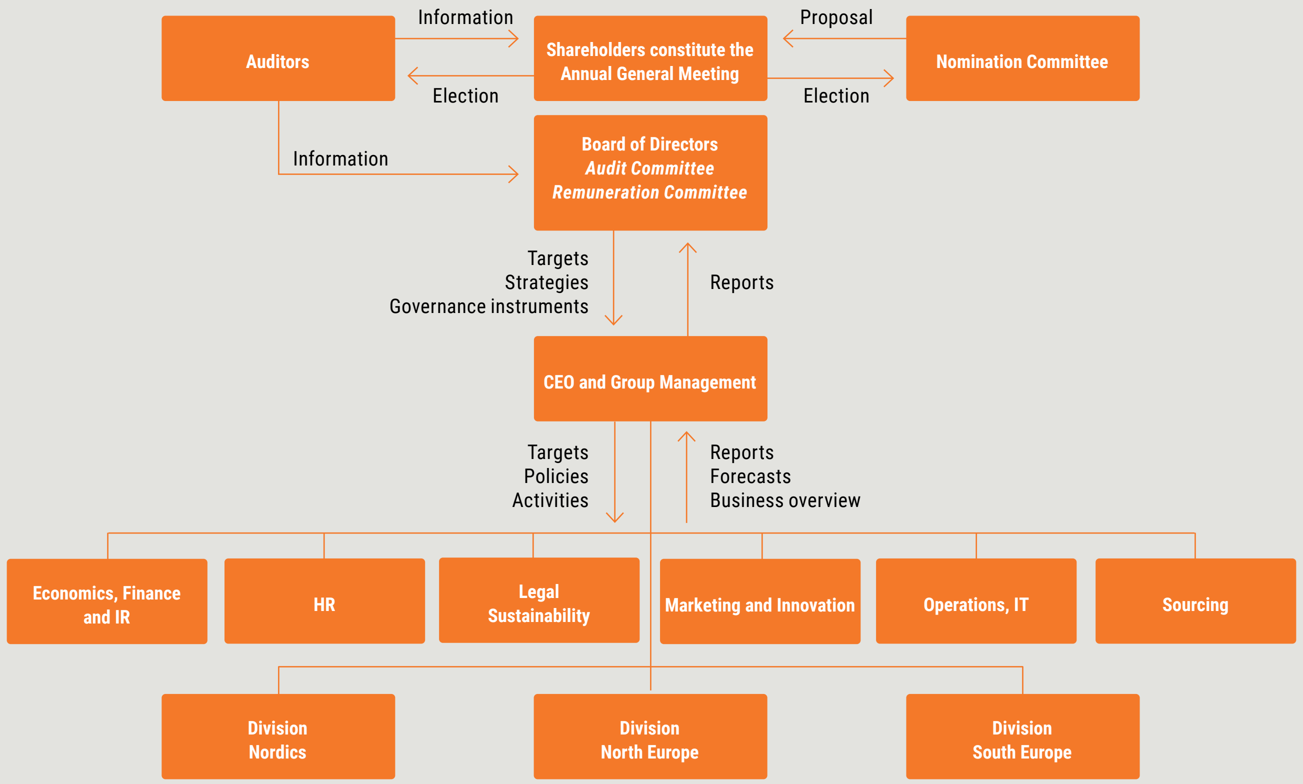
Deloitte AB was appointed as Midsona AB (publ)'s auditor by the general meeting of shareholders held on 7 May 2024 and has been the company's auditor since 29 April 2014.

Malmö, 8 April 2025
Deloitte AB

Jeanette Roosberg
Authorised Public Accountant

Corporate Governance Report

Midsona AB (publ) (referred to below as "Midsona") is a Swedish public limited liability company listed on Nasdaq Stockholm. Midsona applies the Swedish Code of Corporate Governance and here presents its Corporate Governance Report for 2024. The report has been prepared by the Company's Board of Directors, and has been reviewed by the Company's auditor.



Governance instruments

The external governance instruments forming the framework of Midsona's corporate governance include:

- Legislation
- International Financial Reporting Standards (IFRS)
- Nasdaq Stockholm's Rules for Issuers
- Swedish Code of Corporate Governance

Midsona also has a number of internal governance instruments, including:

- Articles of Association
- The company's Code of Conduct
- The Company's Supplier Code of Conduct
- Rules of procedure and instructions for the Board, committees, CEO and financial reporting to the Board
- Internal governance documents, such as policy documents, procedures and instructions

Copies of Midsona's Articles of Association and Code of Conduct are available to download at *www.midsona.com*.

Annual General Meeting

Midsona's Annual General Meeting is the highest decision-making body at which shareholders exercise their voting rights.

The Annual General Meeting makes decisions regarding amendments to the Articles of Association and the Annual General Meeting which is the annual ordinary General Meeting, shareholders make decisions on matters including the approval of the income statement and balance sheet, the appropriation of earnings, the discharge of the Board and Chief Executive Officer from liability, the election of Board members, the Chairman of the Board and auditor and approval of remuneration of the Board and the auditor. The Annual General Meeting also decides in principles for the appointment and work of the Nomination Committee, as well as guidelines for remuneration of the CEO and other senior executives. The Annual General Meeting also approves the Remuneration Report, which is presented annually by the Board of Directors. The Annual General Meeting usually takes place in April or May. Resolutions adopted at the Annual General Meeting are published after the meeting in a press release. The minutes of the meeting are published at *www.midsona.com*.

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Shareholders

For further information on the share and shareholders,see pages 25-27 and *www.midsona.com*.

Annual General Meeting 2024

The 2024 Annual General Meeting was held on 7 May 2024. The meeting was attended by shareholders representing 51 percent of the total number of votes in the company. Among other matters, the Annual General Meeting approved the Board's proposal to decide to issue new shares on one or more occasions prior to the next Annual General Meeting, with or without deviating from existing shareholders' preferential rights. It is to be possible for a share issue to take place against cash payment, payment in kind, offset or subject to terms. The number of shares that can be issued pursuant to this authorisation is to be limited to 10 percent of the number of shares of each class of shares outstanding at the time of calling the Annual General Meeting. The minutes of the 2024 Annual General Meeting are available at *www.midsona.com*.

Annual General Meeting 2025

The 2025 Annual General Meeting will take place on 7 May 2025 in Malmö, as announced in a press release on 21 October 2024. Information on registration for attendance of the General Meeting, as well as full information on the Annual General Meeting, will be published in connection with the publication of the Notice convening the Meeting and will also be available at *www.midsona.com*.

Nomination Committee

It is the shareholders who at the Annual General Meeting appoint the members of the Nomination Committee or specify how the members of the Nomination Committee are to be appointed. The Nomination Committee represents the Company's shareholders. Most of the members are to be independent in relation to the Company and its management. The task of the Nomination Committee is to prepare and submit proposals to the Annual General Meeting regarding elections and fees.

Nomination Committee for the 2025 Annual General Meeting

According to the applicable instructions for the Nomination Committee of Midsona AB, the members of the Nomination Committee are to be appointed by the three largest shareholders in the Company in terms of votes by the last banking day in August 2024. It also follows from the applicable instructions that if any of the three largest shareholders waives their right to appoint a member to the Nomination Committee, the next shareholder in order of size will be given the opportunity to appoint a member.

Name/Representing, %	Percentage of votes at 31 August 2024
Henrik Munthe/Stena Adactum AB	46.9
Bengt Belfrage/Nordea Fonder	3.0
Rune Bro Róin/Roin Holding ApS	3.0
Total	**52.9**

In preparation for the 2025 Annual General Meeting, the Nomination Committee held four minuted meetings prior to the publication of the notice of the Annual General Meeting, and members have also maintained regular contact. The Nomination Committee has interviewed some Board Members and received a presentation of Midsona's' operations by the CEO and President. The Chairman of the Board has reported on the assessment of the Board that has been conducted and informed the Nomination Committee about the work of the Board and its committees during the year. The Nomination Committee has addressed the issues it is required to consider in accordance with the decisions of the Annual General Meeting and in accordance with the Swedish Code of Corporate Governance. Among other matters, the Committee has discussed and considered the extent to which the Board of Directors fulfils the requirements to be met by a listed company and otherwise as a consequence of the company's operations. In addition, the Nomination Committee has discussed the Board's gender distribution, size, skills, experience and diversity, and how well the Board functions, taking into account aspects including the outcome of the Board's own assessment of its work. The election of auditors and remuneration of Board members and auditors have also been discussed. The Nomination Committee applied Midsona's Board's diversity policy and Rule 4.1 of the Swedish Code of Corporate Governance in preparing its proposal for the election of Board Members.

The composition of the Committee was published in a press release 21 October 2024 and at www.midsona.com. Shareholders have been offered the opportunity to submit proposals to the Nomination Committee. Information on how shareholders can submit proposals to the Committee is provided at www.midsona.com.

The Nomination Committee's proposal, and reasoned opinion, is published in connection with the notice of the 2025 Annual General Meeting at the latest.

Members do not receive any fees or remuneration for their work on the Committee.

Proposal to the 2025 Annual General Meeting

The Nomination Committee proposes the following:

- to elect Patrik Andersson to chair the meeting,
- to elect seven ordinary Board Members and no deputies,
- to choose a registered auditing company as auditor and no deputy auditors,
- that Board fees be paid in the amounts of SEK 620,000 to the Chairman of the Board (previously SEK 600,000), SEK 270,000 to each other member (previously SEK 260,000) as well as SEK 100,000 to the chair of the Audit Committee (previously SEK 90,000), SEK 55 000 to each other Board member included in the Audit Committee (previously SEK 50,000), SEK 45,000 to the chair of the Remuneration Committee (previously SEK 45,000) and SEK 25,000 to each other Board member included in the Remuneration Committee (previously SEK 25,000). For the newly established committees on sustainability and information security, SEK 30,000 (0) will be paid to each committee member.
- that auditors' fees be paid in accordance with an approved invoice,
- that the Board members Patrik Andersson, Thomas Bergendahl, Anna-Karin Falk, Sandra Kottenauer, Jari Latvanen, Anders Svensson and Johan Wester be re-elected,
- that Patrik Andersson be re-elected as Chairman of the Board,
- that Deloitte AB be re-elected as auditor (Deloitte has stated that the Authorised Public Accountant Jeanette Roosberg will be appointed as the auditor in charge if the Meeting resolves in accordance with the proposal), and

The Nomination Committee's full proposals are contained in the notice calling the Annual General Meeting.

The Nomination Committee considers that the expertise that exists in the proposed Board meets the Company's current needs well.

Board of Directors

Work and responsibilities of the Board of Directors

The Board of Directors is the highest management body beneath the Annual General Meeting and is responsible for the organisation and management of the Company's affairs. It is to primarily engage in more overarching and long-term issues that are of substantial significance for the Group's future focus.

The work of the Board follows written rules governing its practices and responsibilities, the division of work between the Board and its committees, as well as the role of the Chairman. Also regulated is the framework for the Board meetings, including the notice, agenda and minutes, as well as how the Board is to receive comprehensive information for its work. The Board has also decided on the introduction of general policies for the business and other key governance documents regulating responsibilities, guidelines, procedures, values and targets.

The work of the Board is normally cyclical in nature. At the beginning of the year, the year-end and annual reports are discussed, as are the matters to be presented at the Annual General Meeting. After the summer, the Group's long-term strategic plan and focus are addressed. At the end of the year, the budget for the coming year is addressed. Each quarter, financial reporting is reviewed and interim reports are approved for publication. In connection with the Annual General Meeting, an inaugural Board meeting is held, at which Committee members and signatories are determined, among other things.

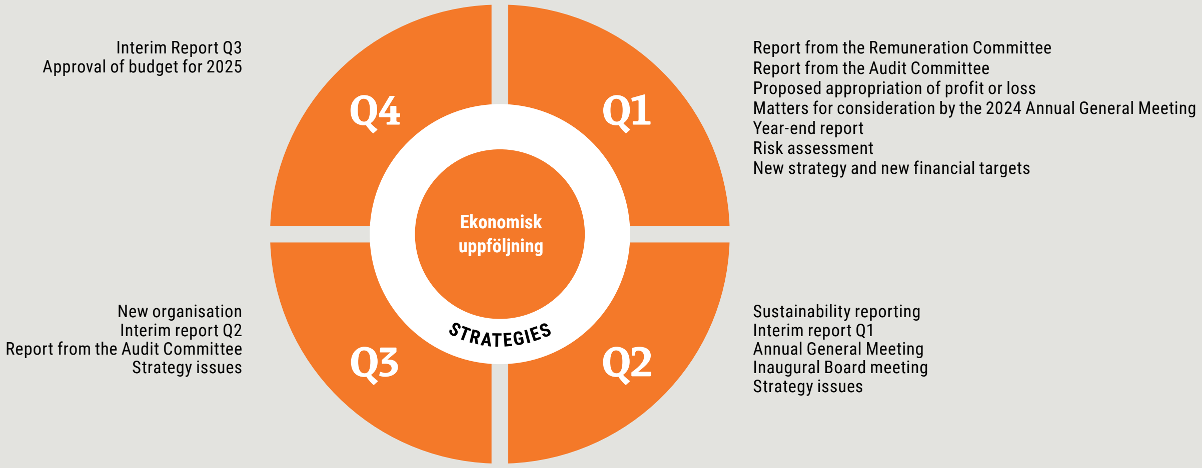
According to the Articles of Association, the Board of Directors is to consist of not fewer than three members and not more than nine and that no deputies are to be appointed. Members of the Board are elected annually at the Annual General Meeting for the period until the end of the next Annual General Meeting. There are no rules governing how long a member may serve on the Board.

Composition of the Board in 2024

At the 2024 Annual General Meeting. the following seven members of the Board of Directors were elected: Patrik Andersson (Chairman), Tomas Bergendahl, Anna-Karin Falk, Sandra Kottenauer, Jari Latvanen, Anders Svensson and Johan Wester. Board composition complies with the Swedish Code of Corporate Governance with regard to its independence in relation to both the company and its management and major shareholders. The gender distribution is two women and five men, which corresponds to a percentage of women of just over 29 percent. For information regarding the Board members' independence, other appointments and shareholdings in the Company, see pages 172-173 or Midsona's website *www.midsona.com*.

The Chief Executive Officer, the Chief Financial Officer and the Director Legal, who is also the Board's secretary, attend Board meetings. When necessary, other officers attend Board meetings to report on particular matters.

Work of the Board in 2024



Work of the Board in 2024

In 2024, the Board held nine meetings, including one by correspondence and one inaugural meeting (immediately after the AGM). For information on members' attendance, see pages 172-173.

The Board regularly reviews the strategic issues affecting the Group's operations and general direction. The January Board meeting dealt with matters such as the year-end report, risks and risk management, matters ahead of the AGM and marketing plans. At the inaugural Board meeting, rules of procedure were adopted for the Board of Directors, the Audit Committee and the Remuneration Committee.

Strategy meetings were held in May and September. The strategy work has subsequently continued in the divisions. Other commercially important issues during the year were the implementation of a new strategy, the establishment of a new organisation and follow-up of performance.

The company's auditor attended the first Board meeting of the year to report on the audit of the annual accounts for the financial year 2023. The Board has considered the report from the auditors and reviewed the internal control and compliance, as well as performing the annual Board assessment. The Board of Directors has also met with the auditor without any member of Management present. The Board's Committees have also submitted reports from their meetings at the Board meetings. The work of the Board of Directors over the year is shown in the illustration above.

Board meetings follow a pre-approved agenda, to which specific issues are added as necessary. The agenda, together with documentation for each of its items, is distributed to all Board members approximately one week before the meeting. Each Board meeting commences with the minutes of the previous meeting and a review of any unresolved matters. The CEO then provides an account of the Group's sales, earnings and business situation, including important external factors. The CFO normally then describes the Group's financial position in greater detail, together with any necessary analyses, reports are made regarding outstanding questions from earlier Board meetings, and plans and proposals are presented. All divisions present their operations at Board meetings according to a predetermined plan. In addition to the information provided in connection with Board meetings, the CEO distributes a monthly report to Board members. Minutes are kept for all Board meetings and sent to the members assigned to check the minutes for approval. One Board meeting is normally held every year at one of the Group's facilities.

Chairman of the Board

The Chairman organises and directs the work of the Board, represents the Company on ownership issues and is responsible for evaluating the Board's work. The Chairman is also responsible for the ongoing dialogue with the CEO regarding operations and for the Board's fulfilment of its duties.

Assessment of the work of the Board

The Chairman of the Board is responsible for evaluating the Board's work, including the assessment of individual Board members' performance in accordance with an established digital process. The evaluation is reported to the Nomination Committee and forms part of the basis for the Committee's proposals to the AGM regarding the composition of the Board and its fees.

Board Committees

The Board has appointed an Audit Committee and a Remunerations Committee. The members of the committees and their chairs are appointed at the inaugural Board meeting for one year at a time. The work of the committees is mainly of a preparatory and advisory nature, although the Board may, in individual cases, delegate the right to determine specific issues to the committees. The matters addressed at committee meetings are minuted and reported to the Board at the next Board meeting.

Audit Committee

The Audit Committee's main task is to oversee sustainability reporting and financial reporting and ensure that the adopted policies for financial reporting, internal controls, internal audit and risk assessment are adhered to and applied. Its task is to support the Nomination Committee with proposals for the election of auditor and audit fees.

In 2024, the Audit Committee consisted of Tomas Bergendahl (chair), Jari Latvanen and Anders Svensson. The Committee met five times in 2024. For information on members' attendance, see pages 172-173. The Chief Executive Officer and the Chief Financial Officer, also acting as secretary of the Audit Committee, attended the Committee's meetings. The auditor-in-charge attended three committee meetings in 2024.

Remuneration Committee

The Remuneration Committee's main task is to prepare business for decision by the Board relating to terms of remuneration and employment for the CEO and other senior executives on the basis of principles established by the Annual General Meeting. It is also tasked with proposing guidelines for remuneration of the CEO and other senior executives, and with monitoring and evaluating the objectives and principles for variable remuneration.

In 2024, the Remuneration Committee consisted of Patrik Andersson (chair) and Johan Wester. The Committee met twice in 2024. For information on members' attendance, see pages 172-173.

Group Management structure

* As from 15 August 2024
* As from 15 March 2025

CEO and Group Management

The CEO and President is appointed by the Board of Directors. Peter Åsberg is the CEO and is responsible for ongoing management in accordance with the Board's guidelines and instructions. In consultation with the Chairman of the Board, the CEO prepares the information the Board needs to conduct its work, presents matters and proposals for decisions and keeps the Board informed of the Company's development. The CEO directs the work of Group Management and makes decisions in consultation with other members of Group Management. In addition to the CEO, Group Management consists of the Chief Financial Officer, the Division Director Nordics, the Division Director North Europe, Division Director South Europe, Director Operations, Director Legal, Chief Marketing Officer and Director HR. As of 15 March 2025, the Executive Board also includes the Director Sourcing.

In 2024, the Group Management met 12 times. Meetings focus primarily on the Group's strategic and operational development and review of performance. Operations are organised into three divisions.

For further information about Group Management, see pages 174-175 and *www.midsona.com*.

Instructions for the Chief Executive Officer

The Board adopts written instructions for the work of the Chief Executive Officer that, among other things, clarify responsibilities for day-to-day management, the division of duties between the Board and the Chief Executive Officer, as well cooperation with, and information to, the Board.

Assessment of the Chief Executive Officer

The Board continuously assesses the Chief Executive Officer's work and expertise. The assessment made at least once a year without the Chief Executive Officer being present.

Guidelines for remuneration of senior executives

The Board of Directors proposes that the Annual General Meeting 2025 decide on guidelines for remuneration of senior executives that mainly correspond to the guidelines adopted by the Annual General Meeting in 2024. For information on changes to the Board's proposals for the 2025 Annual General Meeting, see the section *Guidelines for remuneration of senior executives* in the Administration Report, page 129 For information on guidelines for remuneration of senior executives adopted by the 2024 Annual General Meeting, see Note 8 *Employees, personnel expenses and remuneration of senior executives* on pages 143-145 and www.midsona.com.

Rules on share trading

Board members, the CEO and other members of Group Management are registered as individuals in senior positions who may trade in Midsona shares in accordance with applicable legislation and regulations. Beyond these, there are no specific internal rules.

Insider information

Midsona is covered by the provisions of the EU Market Abuse Regulation No596/2014 (MAR), which sets requirements regarding how insider information is managed and the manner in which Midsona is obliged to maintain what is known as a logbook.

Midsona uses the digital tool InsiderLog to ensure the management of insider information. Only authorised individuals in Midsona have access to the tool.

External auditor

Deloitte AB, with authorised public accountant Jeanette Roosberg as the auditor in charge, was elected by the 2024 Annual General Meeting for a period of one year. For information on fees and reimbursement of expenses to audit firms, see Note 7 *Auditors' fees and reimbursements*, page 143.

The audit engagement

The audit engagement involves auditing of the annual accounts and consolidated financialstatements. An audit is also performed of the administration by the Board of Directors and the Chief Executive Officer of the proposal for appropriation of the Company's profit or loss,and an opinion is expressed regarding the ESEF report. Statements are also issued regarding the Corporate Governance Report and the Sustainability Report. As part of the audit engagement, a statutory review is conducted of the interim report for the period 1 January-30 September and for the period 1 January to 31 December.

The auditor in charge attends Audit Committee meetings and reports regularly to the Chair of the Audit Committee as necessary. The Board meets the auditor in charge in connection with the Board's discussion of the year-end report. The auditor in charge attends the Annual General Meeting to describe the audit and present the Audit Report.

Additional information

At *www.midsona.com for* there is an overview of the company's application of the Corporate Governance Code, the Articles of Association, the Code of Conduct, information from previous AGMs and previous years' corporate governance reports.

Internal control of financial reporting

The report on internal control of financial reporting has been prepared by the Board of Directors in accordance with the Swedish Code of Corporate Governance and the guidelines issued by the Confederation of Swedish Enterprise and FAR. It describes how internal control is organised to manage and minimise the risk of misstatements in financial reporting.

Internal control

The most important objectives of the internal control are that it is effective and efficient, provides reliable reports and complies with laws and regulations.

Midsona does not have a separate review function, i.e. internal audit function. The Audit Committee and the Board of Directors have considered the question of a dedicated audit function and concluded that the existing structure for risk management and monitoring of the internal control process provides satisfactory assurance.

The internal control process is based on an internal control framework developed by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). The framework consists of five components: control environment, risk assessment, control activities, information and communication, and review.

Control environment

The control environment forms the basis for the internal control of financial reporting. An important part of the control environment is that decision-making paths, authorisations and responsibilities are clearly defined and communicated between different levels in the organisation and that control documents in the form of policies, procedures, instructions and manuals are in place and complied with.

The Board of Directors has overall responsibility for financial reporting, with the Audit Committee assisting the Board, for example by monitoring the effectiveness of internal controls, internal audit and financial risk management. Consequently, an important part of the Board's work is to develop and approve a number of basic policies, procedures, guidelines and frameworks. These include the Board's rules of procedure, the instructions to the CEO, rules regarding investments, a financial policy and an insider policy. The purpose of these documents is to establish a basis for good internal control. The Board also works to ensure that the organisational structure provides clear roles, responsibilities and processes, facilitating effective management of operational risks and enabling the achievement of targets. As part of the responsibility structure, each month the Board evaluates business performance and results through an appropriate package of reports containing income statements and balance sheets, analyses of key performance indicators, comments regarding the business situation of each operation and, on a quarterly basis, also forecasts for future periods. As part of efforts to strengthen internal control, policies, regulations and procedures are in place that provide a clear picture of the economic situation. These are living documents that are updated regularly and adapted to changes in operations. In addition to this there are procedures and instructions that provide guidance in the day-to-day work of the organisation.

The Board of Directors has delegated responsibility for maintaining an effective control environment and ongoing work on internal control to the Chief Executive Officer.

The Group's finance function reports to the Audit Committee and to the Chief Executive Officer. This function works to ensure internal control regarding the financial reporting in the Group.

Risk assessment

The Group's risks are identified on an ongoing basis. In this process, a number of income statement and balance sheet items are identified where the risk of errors in financial reports is elevated. The Company makes continuous efforts to strengthen controls regarding these risks. Furthermore, risks are addressed in specific forums, for example issues related to acquisitions. For information about items that are the object of significant estimates and judgements, see Note 32 *Significant estimates and judgements*, pages 158-159 and the Administration Report section *risks and risk management*, pages 123-129.

Control activities

The Group's control structure is designed to manage risks that the Board deems relevant in the internal control of financial reporting. The purpose of control activities is to detect, prevent and correct misstatements and discrepancies in reporting. Control activities include, for example, decision-making processes and procedures for making important decisions, earnings analyses and other analytical follow-ups, reconciliations, stock-taking procedures and controls in IT systems.

Information and communication

The company's governing documents, in the form of policies, procedures and manuals/instructions, are continuously updated and communicated through the appropriate channels, primarily by e-mail, at internal meetings and on the intranet.

Follow-up

The Board continuously evaluates the information provided by the Audit Committee, Group Management and the external auditor. The CEO and CFO hold frequent reviews with each of the division managers regarding the business situation, performance, financial position and forecasts. In addition, the Group finance function maintains close cooperation with finance managers and controllers at division and company level with regard to reporting and closing the accounts. Follow-up and feedback on any problems arising in the internal controls are a key element in the internal control processes.

The Group's finance function follows a plan approved by the Audit Committee on an annual basis. The plan is based on prioritised processes and companies.

Financial reporting

Financial data is reported monthly from all reporting units, in accordance with standardised reporting procedures as documented in the Group's accounting manual. This reporting forms the basis of the Group's consolidated financial reporting. Consolidation, which takes place centrally, leads to complete income statements and balance sheets for each company and for the Group as a whole. Reported financial data is stored in a central database from which it is retrieved for analysis and review at Group, division and company levels.

Internal control structure

There are eight identified processes of self-evaluation; inventory, purchasing, sales, financial statements/reporting, tangible assets,
IT security, payroll and legal/GDPR. The self-assessment takes place on two occasions during the year, once in the spring and once in the autumn. Group companies complete a form regarding whether or not they meet the Group's set minimum requirements for good internal control. The controls are essentially performed by the Group finance function, although other resources may also be involved. Deficiencies are identified, and measures are planned and implemented by the Group companies. The Group internal control function regularly follows up identified deficiencies together with local controllers.

Activities in 2024

The Group's internal control function performed internal auditing in the form of an online self-assessment on two occasions during the year for operational units in the Group. In addition, the Group internal control function performed on-site in-person internal audits at subsidiaries on two occasions during the year. The audit scope was extended to the IT security process and covered the inventory, purchasing, sales, accounting/reporting and IT security processes. The checks resulted in findings, recommendations and proposals for decisions on actions, which were implemented progressively. Overall, the internal control work did not reveal any material deficiencies.

IT security remained important for Midsona. A number of security improvements were implemented for IT systems and the IT environment to improve information security in and between internal systems. Important preparations were made during the year to be able to follow and comply with the new NIS-2 Directive that will be implemented as a law in Sweden, the Cybersecurity Act, with entry into force in 2025.

Work was carried out to further develop the sustainability reporting control framework to meet ESRS requirements.

Work was launched to establish a modern crisis management and business continuity plan for the Group.

Activities in focus in 2025

The Group function for internal control will continue to focus on reviews of the inventory, purchasing, sales and financial statements/reporting processes in all the Group's operational units. The review elements will be carried out both online and in person on site out in the organisation.

There will be a continued focus in 2025 on meeting the requirements in ESRS for sustainability reporting and improving the security of IT infrastructure, IT systems and processes. Resources will be added to comply with the new NIS-2 Directive when it comes into force in 2025. In addition, the ongoing work on establishing a modern crisis management and business continuity plan for the Group will be completed.

A centralised online training tool will be implemented to ensure that all employees in the Group receive relevant training.

Auditor's opinion on the corporate governance report

To the General Meeting of Shareholders in Midsona AB (publ), corporate identity number: 556241-5322

Engagement and responsibility

The Board of Directors is responsible for the Corporate Governance Report for the financial year 1 January 2024 to 31 December 2024 on pages 164-168 and for it being prepared in accordance with the Annual Accounts Act.

Approach and scope of the review

Our review has been conducted in accordance with FAR's statement RevR 16 Auditor's review of the corporate governance report. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinion

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6, Section 6, second paragraph, points 2-6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same Act are consistent with the annual accounts and consolidated financial statements and comply with the Annual Accounts Act.

Malmö, 8 April 2025
Deloitte AB

Jeanette Roosberg
Authorised Public Accountant

Remuneration report

Introduction

This report describes how the guidelines for remuneration of senior executives in Midsona AB, adopted by the 2024 Annual General Meeting, were applied in 2024. The report also contains about remuneration of the CEO and a summary of the Company's outstanding share-based incentive programmes. The report has been prepared in accordance with Chapter 8, Sections 53 a and 53 b of the Swedish Companies Act (2005:551) and the Rules on Remuneration to Senior Executives and on Incentive Programmes issued by the Swedish Corporate Governance Board and administered by the Swedish Stock Market Self-Regulation Committee (ASK).

Information under Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) can be found in Note 8 *Employees, personnel expenses and remuneration of senior executives*, pages 143-145, in the 2024 Annual Report. Information on the Remuneration Committee's work in 2024 is presented in the Corporate Governance Report, pages 164-168, in the 2024 Annual Report.

Board fees are not covered by this report. Such fees are decided on annually by the Annual General Meeting and presented in Note 8 *Employees, personnel expenses and remuneration of senior executives*, pages 143-145, in the 2024 Annual Report.

Overall performance and significant events in 2024

The CEO summarises the company's overall performance and significant events in *CEO's Comments*, pages 10-11, in the 2024 Annual Report. In addition, other important information is summarised in the sections of the Administration Report: net sales and profit/loss, cash flow, liquidity and financial position, significant events in the financial year, and key risks and uncertainties, on pages 121-123.

Guidelines for remuneration of senior executives

Midsona has a clear business strategy for driving profitable growth and creating shareholder value. A successful implementation of the business strategy and safeguarding long-term interests, including sustainability, presupposes that employees with the right qualifications can be recruited, retained and motivated. This requires competitive remuneration to be able to be offered to senior executives in the country where they are employed. The remuneration guidelines mean that senior executives can be offered competitive overall remuneration. For more information on the strategy, please see the website *www.midsona.com*.

The total remuneration of senior executives should be market-based, competitive and reflect the individual's performance and responsibilities as well as how Group performance is developing. Remuneration may consist of the following components: fixed salary, variable remuneration, pension benefits and other benefits. The variable remuneration is to be linked to predetermined and measurable criteria with the aim of promoting long-term value creation, business strategy and sustainable long-term interests. They can be comprised of individually adapted quantitative or qualitative targets.

Guidelines for remuneration of senior executives are in Note 8 *Employees, personnel expenses and remuneration of senior executives*, pages 143-145, in the 2024 Annual Report. The applicable remuneration guidelines adopted by the 2024 Annual General Meeting were followed during the year. No deviations from the guidelines were made and no deviations have been made from the decision-making process, which according to the guidelines are to be applied to determine remuneration. The auditor's opinion on compliance with the guidelines is available on the website *www.midsona.com*. No remuneration has been reclaimed. In addition to the remuneration covered by the remuneration guidelines, Annual General Meetings have resolved to introduce long-term incentive schemes, in which senior executives have been offered the opportunity to purchase warrants on market terms.

Total remuneration of the CEO, Peter Åsberg, earned in 2024 (SEK thousand unless otherwise stated)					
Basic salary[1]	Other benefits[2]	Variable remuneration[3, 4]	Pension expense[6]	Total remuneration	Proportion fixed/variable remuneration, %
5,469	152	1,749	1,663	9,033	80.6/19.4

Total remuneration of the CEO, Peter Åsberg, earned in 2023 (SEK thousand unless otherwise stated)					
Basic salary[1]	Other benefits[2]	Variable remuneration[3,4,5]	Pension expense[6]	Total remuneration	Proportion fixed/variable remuneration, %
5,341	226	756	1,605	7,928	90.5/9.5

[1]Includes holiday pay and salary deduction for company car.
[2]Includes benefits, such as medical benefit and mileage allowance.
[3]The variable remuneration is for one year at a time.
[4]The variable remuneration is disbursed in the year after the year of vesting.
[5]The difference between the variable remuneration presented in the remuneration report doe 2024 and the variable remuneration presented in Note 8 to the 2024 annual accounts is due to the fact that the variable remuneration in 2023 was determined after the end of the financial year in January 2024.
[6]The pension is defined-contribution with a premium of 30 percent of pensionable salary.

Assessment of remuneration by the Remuneration Committee

The Remuneration Committee considers the guidelines for remuneration of senior executives adopted by the AGM 2024 to have worked well and the purpose of the guidelines to have been achieved. The Remuneration Committee also considers remuneration structures and levels to be well-balanced and market-based.

Share-based payment

There were no outstanding share-based incentive programmes according to IFRS 2 *Share-based Payment*, where senior executives are allocated share options or the like free of charge. There was, however, one warrant programme outstanding at the end of 2024.

The 2021 Annual General Meeting approved the issue and transfer of a maximum of 780,000 warrants to senior executives in Midsona, divided equally between the TO2021/2024, TO2022/2025 and TO2023/2026 series.

In September 2021, a total of 171,000 series TO2021/2024 warrants were transferred to senior executives. The CEO acquired 30,000 warrants, other members of Group Management acquired 86,000 warrants and other senior executives and key personnel subscribed for a total of 55,000 warrants. Each warrant entitles the holder to subscribe for one Class B share. The period during which the warrants could be exercised was from 1 August 2024 to 20 December 2024. No warrants in the TO2021/2024 series were converted into Class B shares.

In August 2022, a total of 120,000 warrants in theTO2022/2025 series were transferred to senior executives. The CEO acquired 20,000 warrants and other members of Group Management acquired 100,000 warrants. The period during which the warrants may be exercised will be from 1 August 2025 to 20 December 2025. The subscription price for the warrant programme is SEK 25.60 after recalculation due to the completed rights issue in December 2022 (previously SEK 25.66). The transfer of the warrants took place on market terms based on a calculation according to the Black & Scholes model done by PWC AB, which is to be considered independent in relation to Midsona. The fair value per warrant was SEK 3.82 at the time of the transaction in August 2022.

A decision was made in 2023 not to offer senior executives the opportunity to subscribe for the TO2023/2026 series.

Further information on long-term incentive programmes, where senior executives were offered the opportunity to purchase warrants on market-based terms,can be found in Note 8 *Employees, personnel expenses and senior executives' remuneration*, pages 143-145, in the 2024 Annual Report.

Application of performance criteria

Variable remuneration is conditional on the fulfilment of defined and measurable criteria. At the beginning of each year, the Board of Directors and the Remuneration Committee determine the criteria and target levels deemed relevant for the forthcoming measurement period. For 2024, 85 percent of the variable remuneration was linked to financial criteria and 15 percent to individual non-financial criteria.

The performance criteria for the Chief Executive Officer's variable remuneration aim to promote and realise the Company's business strategy and to encourage actions that are in its long-term interest.

The CEO Peter Åsberg's performance for variable remuneration earned in 2024		
Criteria attributable to the remuneration component	Relative weighting of performance criteria	1) Measured performance 2) Actual allocation/remuneration outcome
EBITDA, before items affecting comparability, SEK million	70 percent	1) 60 percent 2) SEK 1,096 thousand
Business and sustainability development	15 percent	1) 100 percent 2) SEK 392 thousand
Working capital days	10 percent	1) 100 percent 2) SEK 261 thousand
Net sales of the Group's own brands	5 percent	1) 0 percent 2) SEK 0 thousand

The CEO Peter Åsberg's performance for variable remuneration earned in 2023		
Criteria attributable to the remuneration component	Relative weighting of performance criteria	1) Measured performance 2) Actual allocation/remuneration outcome
EBITDA, before items affecting comparability, SEK million	70 percent	1) 0 percent 2) SEK 0 thousand
Business and sustainability development	20 percent	1) 100 percent 2) SEK 504 thousand
Cash conversion	10 percent	1) 100 percent 2) SEK 252 thousand

Comparative information regarding changes in remuneration and the Company's earnings

Remuneration and company's earnings[1]											
	Change 2020/2019		Change 2021/2020		Change 2022/2021		Change 2023/2022		Change 2024/2023		2024
Remuneration of the Chief Executive Officer, SEK thousand	1,839	31.9%	-901	-11.8%	98	1.5%	1,119	16.4%	1,106	14.0%	9,034
Consolidated EBITDA, before items affecting comparability, SEK million	100	34.5%	-77	-19.7%	-122	-39.0%	26	13.6%	63	29.0%	280
Average remuneration based on the number of full-time equivalent employees in Midsona AB[2], SEK thousand	100	14.5%	43	5.4%	-88	-10.5%	39	5.2%	52	6.6%	840

[1]Includes remuneration earned in the year concerned.
[2]Members of Group Management are excluded.

Board of Directors

Patrik Andersson

Born: 1963
Position on the Board: Chairman of the Board since 2022
Attendance: 9/9
Year elected: 2022
Position: Board appointments and Industrial advisor
Previous experience: President and CEO of Loomis, CEO of Orkla Foods Sweden, President and CEO of Rieber & Son, CEO of Wasabröd globally in the Barilla Group and several senior positions within the Unilever Group
Education: Master's degree in Economics and Business Administration, Lund University
Other appointments: Chairman of the Board of Sesol AB, Cay Group AB and AAAK AB and member of the Board of Ecolean AB
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 37,500 Class B shares
Own shareholdings and those of related parties, 2023: 37,500 Class B shares
Audit Committee/attendance -
Remuneration Committee/attendance: Chair 2/2
Remuneration 2024:
Board fee SEK 600,000
Committee fee SEK 45,000
Total SEK 645,000

Tomas Bergendahl

Born: 1974
Position on the Board:
Board Member since 2024
Attendance: 7/9
Year elected: 2024
Position: CFO at AAK AB
Previous experience: CFO at COWI Holding A/S and Rederi AB TransAtlantic as well as many years of experience from most senior financial positions at GKN Aerospace Engine Systems
(formerly Volvo Aero Corporation) both in Scandinavia and in the United States
Education: Master's degree in Business Administration, Luleå University of Technology (LTU)
Other appointments: -
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 35,000 Class B shares
Own shareholdings and those of related parties, 2023 -
Audit Committee/attendance:
Chair 3/5
Remuneration Committee/attendance: -
Remuneration 2024:
Board fee 168,000
Committee fee 58,000
Total 226,000

Anna-Karin Falk

Born: 1967
Position on the Board:
Board Member since 2023
Attendance: 9/9
Year elected: 2023
Position: Marketing Director Interim at Duni Group
Previous experience: Strategic advisor to well-known international brands focusing on marketing, innovation, brand positioning and portfolio strategy. Chief Marketing Officer at Euroflorist and worked within the Unilever Group for 15 years in several senior positions in Sweden and internationally
Education: Master of Science in Business and Economics, International Economics, University of Gothenburg
Other appointments: -
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 1,654 Class A shares, 6,000 Class B shares
Own shareholdings and those of related parties,2023: 1,654 Class A shares, 6,000 Class B shares
Audit Committee/attendance -
Remuneration Committee/attendance: -
Remuneration 2024:
Board fee 260,000
Total 260,000

Sandra Kottenauer

Born: 1972
Position on the Board:
Board Member since 2020.
Attendance: 9/9
Year elected: 2020
Position: Chief Marketing and Product Officer, Manor AG, Switzerland
Previous experience: Various positions in Procter & Gamble Europe, including as Global Brand Director.
Education: MSc, Marketing & International Business, Stockholm School of Economics
Other appointments:
Board Member at Bata
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 1,000 Class B shares
Own shareholdings and those of related parties, 2023: 1,000 Class B shares
Audit Committee/attendance -
Remuneration Committee/attendance: -
Remuneration 2024:
Board fee 260,000
Total 260,000

Jari Latvanen

Born: 1964
Position on the Board:
Board Member since 2022
Attendance: 9/9
Year elected: 2022
Position: Senior Advisor for E&A Invest Oy
Previous experience: CEO Stockmann plc, CEO of Findus Nordic and HKScan Oy and several management positions at Nestlé. Many years of experience as CEO and President in the food industry and retail trade
Education: MBA, Henley Business School of the University of Reading, Great Britain, BBA, Institute of Economics, Turku, Finland
Other assignments: Chairman of the Board Oy Verman Ab, Finland
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 0
Own shareholdings and those of related parties, 2023: 0
Audit Committee/attendance:
Member 5/5
Remuneration Committee/attendance: -
Remuneration 2024:
Board fee 260,000
Committee fee 46,000
Total 306,000

Anders Svensson

Born: 1964
Position on the Board:
Board Member since 2022
Attendance: 9/9
Year elected: 2022
Position: Board appointments and Industrial advisor
Previous experience: CEO of ICA Sweden, Deputy CEO of ICA Gruppen, CEO of Arla Foods Sweden, Chairman of the Board of Rynkeby Foods AS, Chairman of the Board of Arla Foods Norway, Board Member of ICA-Banken and various positions at Procter & Gamble and Andersen Consulting (now Accenture).
Education: Bachelor of Science in Business Administration and Managerial Economics, Lund University.
Other appointments: Chairman of the Board of Directors of Stadium AB, Svensk Handel and Cibonum Group and Board member of Skistar AB, Svenskt Näringsliv, Nicoya AB and Reocean AB
Dependent on the Company and its shareholders: No
Own shareholdings and those of related parties, 2024[1]: 35,000 Class B shares
Own shareholdings and those of related parties, 2023: 35,000 Class B shares
Audit Committee/attendance:
Member 5/5
Remuneration Committee/attendance: -
Remuneration 2024:
Board fee 260,000
Committee fee 46,000
Total 306,000

Johan Wester

Born: 1966
Position on the Board:
Board Member since 2009
Attendance: 9/9
Year elected: 2009
Position: Senior Vice President Stena Adactum AB
Previous experience: CEO Mediatec Group, Partner at Arthur D. Little and member of the Boards of Ballingslöv International AB and Personec Oy
Education: Graduate in engineering, Chalmers Institute of Technology
Other appointments: Chairman of the Board of Stiftelsen Torslandaldrott, NGC AB, Alpegro AS and SR Energy AB and member of the Board of Directors of Ependion AB, STOCKHOLM DMC AB and S-Invest Trading AB
Dependent on the Company and its shareholders: Yes[2]
Own shareholdings and those of related parties, 2024[1]: 326,630 Class B shares
Own shareholdings and those of related parties, 2023: 231,630 Class B shares
Audit Committee/attendance:-
Remuneration Committee/attendance:
Member 2/2
Remuneration 2024:
Board fee 260,000
Committee fee 25,000
Total SEK 285,000

[1] Shareholding as of 28 February 2025. For updated shareholdings please refer to *https://www.midsona.com/se/governance#board/*.
[2] Johan Wester holds appointments by Stena Adactum AB.

Group management[1]

Peter Åsberg

Born: 1966
Position: President and CEO
Employed: 2007
In current position: 2007
Previous positions: CEO Cloetta Fazer Sweden and various positions in Procter & Gamble and Coca-Cola
Education: Master of Science in Business Administration, Lund University
Own shareholdings and those of related parties, 2024[2]: 570,984 Class B shares (own) and 450 B shares and 20,000 warrants (2022/2025)
Own shareholdings and those of related parties, 2023: 570,984 Class B shares (own) and 450 Class B shares, 30,000 warrants (2021/2024) and 20,000 warrants (2022/2025)

Max Bokander

Born: 1973
Position: CFO
Employed: 2021
In current position: 2021
Previous positions: VP Finance and Business Control at the Trelleborg Group and senior positions at Skanska and ST-Ericsson, Skanska and Tetra Pak
Education: Master of Science in Business Administration, Lund University
Own shareholdings and those of related parties, 2024[2]: and 10,000 Class B shares and 20,000 warrants (2022/2025)
Own shareholdings and those of related parties, 2023: 10 000 Class B shares, 13,000 warrants (2021/2024) and 20,000 warrants (2022/2025)

Marjolaine Cevoz Goyat

Born: 1975
Position: Division Director South Europe
Employed: 2010
In current position: 2019
Previous positions: Former Marketing Director of the Panzani Group and Brand Manager Procter & Gamble
Education: Masters degree from École des Hautes Etudes Commerciales, Paris
Own shareholdings and those of related parties, 2024[2]: 20,000 warrants (2022/2025)
Own and related parties' shareholdings 2023: 20,000 warrants (2021/2024) 20,000 warrants (2022/2025)

Åsa Gavelstad

Born: 1973
Position: Director HR
Employed: 2022
In current position: 2024
Previous positions: Nordic HR Manager at Midsona, Head of HR at Abdon Food, Head of Resourcing Sweden at Sony Ericsson, and various positions in Sony Mobile and Ericsson.
Education: Social work, Lund University
Own shareholdings and those of related parties, 2024[2]: 0
Own shareholdings and those of related parties 2023: 0

[1] Group management as of 15 March 2025.
[2] Shareholding as of 28 February 2025. For updated shareholdings please refer to*https://www.midsona.com/se/governance#management*

Heiko Hintze

Born: 1970
Position: Division Director North Europe
Employed: 2023
In current position: 2023
Previous positions: Senior Senior positions in Santaverde GmbH, Yogi Tea, Cadbury and Colgate-Palmolive.
Education: MBA Business Administration (Marketing & Sales), University of Hamburg, Germany
Own shareholdings and those of related parties, 2024[2]: 0
Own shareholdings and those of related parties, 2023: 0

Josefin Kronstrand

Born: 1981
Position: Director Sourcing
Employed: 2025
In current position: 2025
Previous positions: Head of Procurement in the Lantmännen Cerealia business area, and experience from a number of senior roles within Lantmännen and Sony Nordic.
Education: Master's degree in Economics (MSc), School of Economics University of Gothenburg
Own shareholdings and those of related parties, 2024[2]: 0

Tora Molander

Born: 1978
Position: Director Legal
Employed: 2020
In current position: 2022
Previous positions: Attorney-at-law/Partner Fredersen Advokatbyrå AB
Education: Master of Laws (LL.M.) Lund University
Own shareholdings and those of related parties, 2024[2]: 926 Class B shares and 20,000 warrants (2022/2025)
Own shareholdings and those of related parties, 2023: 926 Class B shares, 10,000 warrants (2021/2024) and 20,000 warrants (2022/2025)

Tobias Traneborn

Born: 1975
Position: Director Operations
Employed: 2017
In current position: 2020
Previous positions: Positions as Chief Operating Officer at CDON.COM, Operations Manager at HKC and as Logistics Manager at both Lantmännen Cerealia och Kjell & Company
Education: BSc Engineering, Borås University
Own shareholdings and those of related parties, 2024[2]: and 10.736 Class B shares and 20,000 warrants (2022/2025)
Own shareholdings and those of related parties, 2023: 10,736 Class B shares, 15,000 warrants(2021/2024) and 20,000 warrants (2022/2025)

Anna Törnebrant

Born: 1981
Position: Chief Marketing Officer
Employed: 2022
In current position: 2024
Previous positions: Nordic Consumer & Marketing Director at Midsona, CEO SydGrönt, various senior positions in sales and marketing at Mars Inc. and Barilla Norden, and Management Consulting in Operational Excellence at Deloitte.
Education: Master of Science in Industrial Economics, Linköping University
Own shareholdings and those of related parties, 2024[2]: 0
Own shareholdings and those of related parties 2023: 0

Markus Wessner

Born: 1972
Position: Division Director Nordics
Employed: 2021
In current position: 2024
Previous positions: Country Director for Sweden and Denmark at Midsona, Business Unit Director and Sales Director for Cloetta Sweden and various positions at Brio, Kellogg's and ICA
Education: Master of Science in Economics, Blekinge Institute of Technology, Post Graduate Diploma Economics, La Trobe University, Melbourne
Own shareholdings and those of related parties, 2024[2]: 5,000 Class B shares
Own shareholdings and those of related parties 2023: 0

Five-year summary

Excerpts from income statements

SEK million	2024	2023	2022	2021	2020
Net sales	3,727	3,793	3,899	3,773	3,709
Expenses for goods sold	-2,658	-2,834	-3,021	-2,758	-2,672
Gross profit	**1,069**	**959**	**878**	**1,015**	**1,037**
Selling expenses	-621	-618	-1,045	-592	-542
Administrative expenses	-319	-327	-298	-289	-284
Other operating income	5	22	10	35	52
Other operating expenses	-6	-7	-10	-8	-6
Operating profit/loss	**128**	**29**	**-465**	**161**	**257**
Result from participations in joint ventures	-	-	-	-	-8
Financial income	5	10	67	11	14
Financial expenses	-58	-74	-131	-57	-59
Profit/loss before tax	**75**	**-35**	**-529**	**115**	**204**
Tax	-28	-18	28	-26	-28
Profit/loss for the year	**47**	**-53**	**-501**	**89**	**176**
Depreciation/amortisation and impairment					
Depreciation/amortisation and impairment included in operating profit/loss	152	157	641	168	147
EBITDA	**280**	**186**	**176**	**329**	**404**
Items affecting comparability					
Items affecting comparability included in operating profit/loss	-	31	495	-4	-14
Operating profit/loss, before items affecting comparability	**128**	**60**	**30**	**157**	**243**
Depreciation/amortisation, impairment and items affecting comparability					
Depreciation/amortisation, impairment and items affecting comparability included in operating profit/loss	152	188	656	152	133
EBITDA, before items affecting comparability	**280**	**217**	**191**	**313**	**390**
Pro forma adjustment and acquisition-related restructuring and transaction expenses					
Pro forma adjustment and acquisition-related restructuring and transaction expenses affecting EBITDA	-	-	-	-5	-30
Adjusted EBITDA	**280**	**186**	**176**	**324**	**374**

Excerpts from balance sheets

SEK million	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020
Intangible assets	2,907	2,926	3,020	3,364	3,289
Other fixed assets	479	507	572	617	637
Inventories	617	554	727	783	643
Other current assets	391	377	464	470	363
Cash and cash equivalents	141	235	121	53	195
Total assets	**4,535**	**4,599**	**4,904**	**5,287**	**5,127**
Shareholders' equity	3,068	2,987	3,082	2,875	2,313
Non-current interest-bearing liabilities	465	608	776	1,314	1,526
Other non-current liabilities	336	338	355	358	380
Current interest-bearing liabilities	127	123	119	175	253
Other current liabilities	539	543	572	565	655
Total shareholders' equity and liabilities	**4,535**	**4,599**	**4,904**	**5,287**	**5,127**

Excerpts from cash flow statements

SEK million	2024	2023	2022	2021	2020
Cash flow from operating activities before changes in working capital	245	167	141	244	319
Changes in working capital	-103	176	62	-308	-36
Cash flow from operating activities	**142**	**343**	**203**	**-64**	**283**
Cash flow from investing activities	-25	-18	-29	-175	-369
Cash flow after investing activities	**117**	**325**	**174**	**-239**	**-86**
Cash flow from financing activities	-206	-209	-108	94	117
Cash flow for the year	**-89**	**116**	**66**	**-145**	**31**
Cash and cash equivalents at beginning of year	235	121	53	195	173
Exchange-rate difference in cash and cash equivalents	-5	-2	2	3	-9
Cash and cash equivalents at end of year	**141**	**235**	**121**	**53**	**195**

Key figures[1]

		2024	2023	2022	2021	2020
Income and expense						
Net sales growth	%	-1.7	-2.7	3.3	1.7	20.4
Organic change, net sales	%	-0.7	-6.6	-2.6	-6.0	3.9
Selling expenses/Net sales[2]	%	16.7	16.3	26.8	15.7	14.6
Administrative expenses/Net sales	%	8.6	8.6	7.6	7.7	7.7
Margin						
Gross margin	%	28.7	25.3	22.5	26.9	28.0
Gross margin, before items affecting comparability	%	28.7	25.9	24.0	27.0	28.1
EBITDA margin	%	7.5	4.9	4.5	8.7	10.9
EBITDA margin, before items affecting comparability	%	7.5	5.7	4.9	8.3	10.5
Operating margin	%	3.4	0.8	-11.9	4.3	6.9
Operating margin, before items affecting comparability	%	3.4	1.6	0.8	4.2	6.6
Profit margin	%	2.0	-0.9	-13.6	3.0	5.5
Capital						
Average capital employed	million	3,689	3,848	4,171	4,228	3,970
Return on capital employed	%	3.6	1.0	neg.	4.1	6.6
Return on shareholders' equity	%	1.6	neg.	neg.	3.4	7.6
Equity/assets ratio	%	67.7	64.9	62.8	54.4	45.1
Liquidity						
Net debt	million	451	496	774	1,436	1,584
Net debt/EBITDA	x	1.6	2.7	4.4	4.4	3.9
Net debt/Adjusted EBITDA	x	1.6	2.7	4.4	4.4	4.2
Net debt/equity ratio	x	0.1	0.2	0.3	0.5	0.7
Interest coverage ratio	x	2.4	0.4	neg.	3.9	7.0
Liquidity reserve/Net sales	%	16.9	17.2	18.2	14.4	9.3
Cash flow						
Cash flow from operating activities	million	142	343	203	-64	283
Employees						
Average number of employees	number	759	778	820	832	747
Number of employees at the end of the year	number	764	765	780	849	834
Shares and market capitalisation						
Average number of shares during the year	thou-sand	145,428	145,428	74,447	67,783	65,005
Number of shares at end of year	thou-sand	145,428	145,428	145,428	72,714	65,005
Market capitalisation	million	1,149	1,193	1,382	3,938	5,057
Number of unregistered shares at end of year[3]	thou-sand	-	-	-	-	213
Data per share						
Profit/loss attributable to Parent Company shareholders	SEK	0.33	-0.36	-6.73	1.31	2.70
Shareholders' equity	SEK	21.10	20.54	21.19	39.54	35.58
Cash flow from operating activities	SEK	0.98	2.36	2.73	-0.94	4.35
Share price on balance sheet date (Series B shares)	SEK	7.90	8.19	9.50	54.10	77.80
Dividend[4]	SEK	0.20	-	-	-	1.25
Yield	%	2.5	-	-	-	1.6
Payout ratio[4]	%	61.9	-	-	-	46.4
P/E ratio	x	24.3	neg.	neg.	41.2	28.8

[1] Midsona presents certain financial measures in the annual accounts that are not defined in IFRS. For definitions and reconciliation with IFRS, see pages 178-183.
[2] For 2022, goodwill impairment of SEK 426 million was included in the line item selling expenses. The selling expenses/net sales ratio was 15.9 percent for 2022 if impairment was excluded.
[3] Unregistered shares at the end of 2020 were registered on 29 January 2021 and subject to dividend resolved at the 2021 Annual General Meeting.
[4] Dividend for 2024 relates to the proposal by the Board of Directors.

Definitions

Midsona presents certain financial measures in the annual accounts that are not defined in IFRS. Midsona considers these measures to provide useful supplementary information to investors and the company's management as they facilitate the evaluation of the company's performance. Because not all companies calculate financial measures in the same way, these are not always comparable to the metrics used by other companies. Accordingly, these financial measures should not be considered a substitute for metrics defined under IFRS. The table below presents measures not defined under IFRS, unless otherwise stated. The purpose of each metric is presented in italics.

Return on equity Profit/loss for the year in relation to average shareholder's equity. *To assess the Company's ability to reach an industry reasonable level of return on the combined capital of the owners made available.*

Return on capital employed Profit/loss before tax plus financial expenses in relation to average capital employed. *To assess the Company's ability to reach an industry-rate reasonable level of return on the total capital of the owners and lenders made available.*

Gross margin Gross profit in relation to net sales. *Relevant for assessing the company's ability to reach an industry level of profitability.*

Market capitalisation Number of shares at year-end multiplied by the price quoted for Class B shares on the balance sheet date. *To assess the company's market value.*

Yield Dividend in relation to the price quoted for Class B shares on the balance sheet date. *Yield is one central financial measure for determining the share of earnings for the year that the company distributes to its shareholders.*

EBITDA Operating profit/loss before depreciation, amortisation and impairment of tangible assets and intangible assets. *EBITDA is a key performance measure to assess the performance of the company over time.*

EBITDA margin EBITDA in relation to net sales. *EBITDA margin is a key performance indicator to assess the Company's ability to reach a level of profitability by segment as well as whether one of the Company's financial targets of an EBITDA margin in excess of 12 percent is met.*

Shareholders' equity per share Shareholders' equity divided by the number of shares outstanding at the end of the year. *A measure that determines the company's net asset value per share and enables assessment of whether the Company increases shareholder wealth over time.*

Average number of shares Average number of shares outstanding during the year. *Financial measures defined in IFRS.*

Adjusted EBITDA EBITDA, rolling 12 months pro forma, excluding acquisition-related restructuring and transaction expenses. *A relevant measure to increase the comparability of EBITDA over time.*

Items affecting comparability Significant line items that are presented separately due to their size or frequency, such as restructuring costs, acquisition-related income, acquisition-related expenses, capital gains/losses in divestment of trademarks and impairment of tangible assets and intangible assets after impairment testing. *A measure of operating items not normally included in the Company's operating activities. Relevant to assessing the company's operating profit growth eliminated for such non-recurring operating items.*

Customer credit period Accounts receivable adjusted for VAT in relation to net sales. *A relevant measure to assess how quickly the Company is paid by its customers.*

Liquidity reserve/Net sales Cash and cash equivalents and unutilised credit in relation to net sales. *This is a relevant measure to assess the company's financial preparedness.*

Net sales growth Net sales for the year less the previous year's net sales in relation to the previous year's net sales. *Net sales growth is a key performance indicator to determine whether the Company's growth strategy is fulfilled and the fulfilment of one of the Company's financial targets of an average growth of at least 15 percent over time is met.*

Net debt Interest-bearing provisions and liabilities at the end of the year less cash and cash equivalents. *Net debt is a measure that the Company regards as relevant to creditors and credit rating agencies.*

Net debt/EBITDA Net debt in relation to EBITDA. *Net debt/EBITDA is relevant to assessing the Company's opportunities to implement strategic investments, to meet its financial obligations, and to meet one of its financial targets of having a net debt/EBITDA of 3-4x.*

Net debt/Adjusted EBITDA Net debt in relation to Adjusted EBITDA. *Net debt/Adjusted EBITDA is relevant to assessing the Company's opportunities to implement strategic investments, to fulfil its financial obligations, and to meet one of its financial targets of net debt/EBITDA of 3-4x. This key performance indicator increases the comparability of Net debt/EBITDA over time.*

Net debt/equity ratio Net debt in relation to shareholders' equity. *Net debt/equity ratio is a key performance indicator to obtain a picture of the Company's capital structure.*

Organic change in net sales Change in net sales between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in net sales is a key performance indicator determining whether the Company's growth strategy is fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in net sales of own brands Change in net sales for own brands between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in net sales of own brands is a key performance indicator determining whether the Company's growth strategy for its own brands is fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in net sales of own consumer brands Change in net sales for own consumer brands between years adjusted for translation effects on consolidation and for changes in the Group structure. Own consumer brands means brands owned by Midsona that are primarily aimed at consumers with their packaging. *Organic change in net sales of own consumer brands is a key performance indicator determining whether the company's growth strategy for its own consumer brands has been fulfilled, adjusted for translation effects on consolidation and acquisitions and divestments of operations.*

Organic change in net sales of own business-to-business brands Change in net sales for own brands between years adjusted for translation effects on consolidation and for changes in the Group structure. Business-to-business brands means brands owned by Midsona that are primarily targeted at other companies through their packaging, packed in large single packs. *Organic change in net sales of own business-to-business brands is a key performance indicator determining whether the company's growth strategy for its own business-to-business brands has been fulfilled, adjusted for translation effects on consolidation and acquisitions and divestments of operations.*

Organic change in net sales of licensed brands Change in net sales for licensed brands between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in net sales of licensed brands is a key performance indicator determining whether the company's growth strategy for its licensed brands has been fulfilled, adjusted for currency effects on consolidation as well as acquisitions and divestments of operations.*

Organic change in net sales contract manufacturing Change in net sales for contract manufacturing between years adjusted for translation effects on consolidation and for changes in the Group structure. *Organic change in contract manufacturing net sales is a key performance indicator determining whether the Company's growth strategy for contract manufacturing has been fulfilled, adjusted for currency effects on consolidation and acquisitions and divestments of operations.*

P/E ratio Share price on the balance sheet date in relation to earnings per share. *This is a key performance indicator considered relevant to assessing whether the Company's shares are worth buying or not.*

Earnings per share Profit/loss for the year in relation to the average number of shares. *Financial measures defined in IFRS.*

Interest coverage ratio Profit/loss before tax plus interest expenses in relation to interest expenses. *Interest coverage is relevant to assessing the Company's ability to execute strategic investments and assess the Company's ability to meet its financial commitments.*

Working capital Non-interest-bearing current assets less non-current and current non-interest-bearing liabilities. *Working capital is a key performance indicator for assessing the Company's ability to meet short-term capital requirements.*

Operating margin Operating profit/loss in relation to net sales. *Operating margin is relevant in assessing the Company's ability to reach an industry level of profitability.*

Equity/assets ratio Shareholders' equity at the end of the year in relation to total assets. *The equity/assets ratio shows the proportion of the balance sheet total represented by shareholders' equity and has been included to enable a picture to be obtained of the Company's capital structure.*

Structural changes Changes in net sales due to changes in the Group structure. *Structural changes measure how changes in the Group structure contribute to changes in net sales.*

Capital employed Total assets less non-interest bearing liabilities and deferred tax liabilities. *Capital employed is a measure of the total capital that the Company borrows from its shareholders, who usually receive remuneration in the form of dividends, or that it borrows from credit institutions, who receive remuneration in the form of interest.*

Pay-out ratio Proposed/approved dividend in relation to net profit for the year. *Pay-out ratio is relevant to assessing whether the Company meets one of its financial targets of having a long-term pay-out ratio exceeding 30 percent.*

Profit margin Profit/loss before tax in relation to net sales. *Profit margin is relevant to assessing the Company's opportunities to reach an industry level of profitability.*

IFRS reconciliations, Group

Operating profit/loss and operating margin

Operating profit/loss and operating margin, before items affecting comparability.

SEK million	2024	2023	2022	2021	2020
Operating profit/loss	**128**	**29**	**-465**	**161**	**257**
Items affecting comparability included in operating profit/loss [1,2]	-	31	495	-4	-14
Operating profit/loss, before items affecting comparability	**128**	**60**	**30**	**157**	**243**
Net sales	3,727	3,793	3,899	3,773	3,709
Operating margin, before items affecting comparability	**3.4%**	**1.6%**	**0.8%**	**4.2%**	**6.6%**

[1] Specification of items affecting comparability

SEK million	2024	2023	2022	2021	2020
Restructuring expenses, net	-	37	15	0	25
Revaluation of contingent purchase consideration	-	-		-21	-36
Acquisition-related costs	-	-	-	5	5
Acquisition-related income (negative consolidated goodwill)	-	-	-	-	-8
Capital gains/losses on disposal of trademarks	-	-6	-	-	-
Impairment of intangible assets and tangible assets	-	-	480	12	-
Items affecting comparability included in operating profit/loss	**-**	**31**	**495**	**-4**	**-14**

[2] Corresponding line in the consolidated income statement

SEK million	2024	2023	2022	2021	2020
Expenses for goods sold	-	25	57	4	5
Selling expenses	-	6	435	8	5
Administrative expenses	-	6	3	0	15
Other operating income	-	-6	-	-21	-44
Other operating expenses	-	0	0	5	5
Items affecting comparability included in operating profit/loss	**-**	**31**	**495**	**-4**	**-14**

EBITDA

Operating profit before depreciation, amortisation and impairment of tangible assets and intangible assets.

SEK million	2024	2023	2022	2021	2020
Operating profit/loss	**128**	**29**	**-465**	**161**	**257**
Amortisation of intangible assets	49	48	48	47	48
Impairment of intangible assets	-	-	426	8	-
Depreciation of tangible assets	103	109	113	109	99
Impairment of tangible assets	-	-	54	4	-
EBITDA	**280**	**186**	**176**	**329**	**404**
Items affecting comparability included in EBITDA[1,2]	-	31	15	-16	-14
EBITDA, before items affecting comparability	**280**	**217**	**191**	**313**	**390**
Net sales	3,727	3,793	3,899	3,773	3,709
EBITDA margin, before items affecting comparability	**7.5%**	**5.7%**	**4.9%**	**8.3%**	**10.5%**

[1] Specification of items affecting comparability

SEK million	2024	2023	2022	2021	2020
Restructuring expenses, net	-	37	15	0	25
Capital gains/losses on disposal of trademarks	-	-6	-	-	-
Acquisition-related costs	-	-	-	5	5
Revaluation of contingent purchase consideration	-	-	-	-21	-36
Acquisition-related income (negative consolidated goodwill)	-	-	-	-	-8
Impairment of intangible assets and tangible assets	-	-	480	12	-
Items affecting comparability included in operating profit/loss	**-**	**31**	**495**	**-4**	**-14**
Impairment of intangible assets and tangible assets	-	-	-480	-12	-
Items affecting comparability included in EBITDA	**-**	**31**	**15**	**-16**	**-14**

[2] Corresponding line in the consolidated income statement

SEK million	2024	2023	2022	2021	2020
Expenses for goods sold	-	25	57	4	5
Selling expenses	-	6	435	8	5
Administrative expenses	-	6	3	0	15
Other operating income	-	-6	-	-21	-44
Other operating expenses	-	0	0	5	5
Items affecting comparability included in operating profit/loss	**-**	**31**	**495**	**-4**	**-14**
Expenses for goods sold	-	-	-54	-4	-
Selling expenses	-	-	-426	-8	-
Items affecting comparability included in EBITDA	**-**	**31**	**15**	**-16**	**-14**

Adjusted EBITDA

EBITDA, rolling 12 months pro forma, excluding acquisition-related restructuring and transaction expenses.

SEK million	2024	2023	2022	2021	2020
EBITDA	**280**	**186**	**176**	**329**	**404**
Acquisition-related transaction expenses	-	-	-	-16	-39
Pro forma adjustment	-	-	-	11	9
Adjusted EBITDA	**280**	**186**	**176**	**324**	**374**

Net debt

Interest-bearing provisions and interest-bearing liabilities less cash and cash equivalents, including current investments.

SEK million	2024	2023	2022	2021	2020
Non-current interest-bearing liabilities	465	608	776	1,314	1526
Current interest-bearing liabilities	127	123	119	175	253
Cash and cash equivalents[1]	-141	-235	-121	-53	-195
Net debt	**451**	**496**	**774**	**1,436**	**1,584**

[1] There were no current investments equivalent to cash and cash equivalents at the end of the period concerned.

Average capital employed

Total equity and liabilities less interest-bearing liabilities and deferred tax liability at the end of the period plus total shareholders' equity and liabilities less interest-bearing liabilities and deferred tax liability at the beginning of the period divided by 2.

SEK million	2024	2023	2022	2021	2020
Shareholders' equity and liabilities	**4,535**	**4,599**	**4,904**	**5,287**	**5,127**
Other non-current liabilities	-9	-7	-8	-11	-38
Deferred tax liabilities	-327	-331	-347	-347	-342
Accounts payable	-302	-312	-358	-342	-405
Other current liabilities	-60	-59	-50	-56	-80
Accrued expenses and deferred income	-177	-172	-164	-167	-170
Capital employed	**3,660**	**3,718**	**3,977**	**4,364**	**4,092**
Capital employed at the beginning of the period	3,718	3,977	4,364	4,092	3,848
Average capital employed	**3,689**	**3,848**	**4,171**	**4,228**	**3,970**

Return on capital employed

Profit/loss before tax plus financial expenses in relation to average capital employed.

SEK million	2024	2023	2022	2021	2020
Profit/loss before tax	**75**	**-35**	**-529**	**115**	**204**
Financial expenses	58	74	131	57	59
Profit/loss before tax, excluding financial expenses	**133**	**39**	**-398**	**172**	**263**
Average capital employed	3,689	3,848	4,171	4,228	3,970
Return on capital employed, %	**3.6**	**1.0**	**-9.5**	**4.1**	**6.6**

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Average shareholders' equity

Total shareholder's equity at the end of the period plus total shareholder's equity at the beginning of the period divided by 2.

SEK million	2024	2023	2022	2021	2020
Shareholders' equity	**3,068**	**2,987**	**3,082**	**2,875**	**2,313**
Shareholders' equity at the beginning of the period	2,987	3,082	2,875	2,313	2,322
Average shareholders' equity	**3,028**	**3,035**	**2,979**	**2,594**	**2,318**

Return on shareholders' equity

Profit/loss for the year in relation to average shareholder's equity.

SEK million	2024	2023	2022	2021	2020
Profit/loss for the year	**47**	**-53**	**-501**	**89**	**176**
Average shareholders' equity	3,028	3,035	2,979	2,594	2,318
Return on equity, %	**1.6**	**-1.7**	**-16.8**	**3.4**	**7.6**

Liquidity reserve/Net sales, %

Cash and cash equivalents and unutilised credit in relation to net sales.

SEK million	2024	2023	2022	2021	2020
Cash and cash equivalents	141	235	121	53	195
Unutilised credit facilities	488	416	587	490	150
Liquidity reserve	**629**	**651**	**708**	**543**	**345**
Net sales	3,727	3,793	3,899	3,773	3,709
Liquidity reserve/Net sales, %	**16.9**	**17.2**	**18.2**	**14.4**	**9.3**

Organic change, net sales

Change in net sales between years adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023	2022	2021	2020
Net sales	**3,727**	**3,793**	**3,899**	**3,773**	**3,709**
Net sales compared with the corresponding period of the previous year	-3,793	-3,899	-3,773	-3,709	-3,081
Change in net sales	**-66**	**-106**	**126**	**64**	**628**
Structural changes	19	3	-93	-355	-574
Changes in exchange rates	19	-156	-132	67	65
Organic change	**-28**	**-259**	**-99**	**-224**	**119**
Organic change, %	-0.7%	-6.6%	-2.6%	-6.0%	3.9%
Structural changes, %	-0.5%	-0.1%	2.5%	9.5%	18.6%
Changes in exchange rates, %	-0.5%	4.0%	3.5%	-1.8%	-2.1%

Organic change in net sales of own brands[1]

Change in net sales of own brands year on year, adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023	2022	2021
Net sales of own brands	**2,550**	**2,668**	**2,667**	**2,622**
Net sales of own brands compared with the corresponding period of the previous year	-2,668	-2,667	-2,622	-2,550
Change in net sales of own brands	**-118**	**1**	**45**	**72**
Structural changes	19	3	-47	-191
Changes in exchange rates	13	-97	-85	45
Organic change of own brands	**-86**	**-93**	**-87**	**-74**
Organic change, %	-3.2%	-3.5%	-3.3%	-2.9%
Structural changes, %	-0.7%	-0.1%	1.8%	7.5%
Changes in exchange rates, %	-0.5%	3.6%	3.2%	-1.8%

[1] Comparative figures for 2020 are not available.

Organic change in net sales of own consumer brands[1]

Change in net sales of own consumer brands year on year, adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023
Net sales of own consumer brands	**2,294**	**2,400**
Net sales of own consumer brands compared with the corresponding period of the previous year	-2,400	-2,382
Change in net sales of own consumer brands	**-106**	**18**
Structural changes	19	3
Changes in exchange rates	12	-77
Organic change for own consumer brands	**-75**	**-56**
Organic change	-3.1%	-2.4%
Structural changes	-0.8%	-0.1%
Changes in exchange rates	-0.5%	3.2%

Organic change in net sales of own business-to-business brands[1]

Change in net sales of own business-to-business brands year on year, adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023
Net sales of own business-to-business brands	**256**	**268**
Net sales of own business-to-business brands compared with the corresponding period of the previous year	-268	-285
Change in net sales of own business-to-business brands	**-12**	**-17**
Structural changes	0	0
Changes in exchange rates	1	-20
Organic change for own business-to-business brands	**-11**	**-37**
Organic change	-4.1%	-13.0%
Structural changes	0.0%	0.0%
Changes in exchange rates	-0.4%	7.0%

Organic change in net sales of licensed brands[1]

Change in net sales of licensed brands year on year, adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023
Net sales of licensed brands	**405**	**376**
Net sales of licensed brands compared with the corresponding period of the previous year	-376	-552
Change in net sales of licensed brands	**29**	**-176**
Structural changes	0	0
Changes in exchange rates	3	-5
Organic change for licensed brands	**32**	**-181**
Organic change	8.7%	-32.8%
Structural changes	0.0%	0.0%
Changes in exchange rates	-0.8%	0.9%

[1]Comparative figures for 2020-2022 are not available.

Organic change in contract manufacturing net sales[1]

Change in contract manufacturing net sales year on year, adjusted for translation effects on consolidation and for changes in the Group structure.

SEK million	2024	2023
Contract manufacturing net sales	**765**	**731**
Contract manufacturing net sales compared with the corresponding period of the previous year	-731	-666
Change in contract manufacturing net sales	**34**	**65**
Structural changes	0	0
Changes in exchange rates	3	-53
Organic change for contract manufacturing	**37**	**12**
Organic change	5.0%	1.8%
Structural changes	0.0%	0.0%
Changes in exchange rates	-0.4%	8.0%

[1]Comparative figures for 2020-2022 are not available.

Sales channels

Pharmacies. Operators engaged in retail trade of medicines and/or trade in other special pharmaceutical preparations and operators engaged in wholesale operations specialising in sales to operators engaged in retailing of medicines and other speciality pharmaceutical products.

Grocery trade. Operators engaged in retail and/or online trade in a wide range of household products. The term refers to superstores, supermarkets, discount stores, online shops, after-hours stores and convenience stores.

Food service. Operators preparing ready meals, such as restaurants, catering, food industry, hospitals, schools and other institutions, as well as wholesalers supplying such operators with products.

Health food stores. Operators engaged in in-store and/or online trade in health and personal care, or only organically certified products and operators engaged in wholesale operations specialising in sales to operators engaged in retail trade specialising in health and personal care or organically certified products.

Other specialist retailers. Operators engaged in other retail trade and/or online trade. This channel includes sports and leisure, health clubs, perfume stores, baby stores, clothing stores and bakeries.

Other sales channel. Operators engaged in trade in other ways that cannot be classified under the other sales channels.

Glossary

Agenda 2030 In 2015, the UN member states adopted a common vision to achieve sustainable development for all. Agenda 2030 comprises 17 targets and 169 sub-targets that, among other things, aim to eradicate extreme poverty, counteract injustices and solve the climate crisis.

Audit Third-party review of suppliers through announced or unannounced visits with follow-up of requirements in the Supplier Code of Conduct.

Biodiversity describes the variation that exists between species, within species and between habitats on Earth.

BSCI (Business Social Compliance Initiative) A member-driven corporate initiative for responsible supply chains.

CDP (formerly Carbon Disclosure Project) Global non-profit organisation that operates the world's environmental disclosure system for companies, cities, states and regions. The CDP grades companies on transparency and to guide, encourage and assess environmental measures. The grades range from A to D−.

The Corporate Sustainability Due Diligence Directive (CSDDD) is an EU Directive that establishes an obligation for companies to demonstrate "due diligence" in their operations as well as throughout the value chain.

CSRD (Corporate Sustainability Reporting Directive) is a new EU Directive that aims, through reporting transparency, to generate optimum conditions for the EU to meet its Net-Zero targets by 2050. CSRD requires certain information that was previously voluntary and thus ensures that ESG information is available to investors.

DLF Trade association for companies that sell groceries to retailers, restaurants and institutional catering in Sweden.

Organic products Products grown without pesticides or chemical fertilisers. Those seeking to sell products as organic within the EU must comply with the EU regulations for organic production.

The ESRS European Sustainability Reporting Standards (ESRS) are a component of the CSRD. ESRS is a set of standards describing the mandatory concepts and principles to which companies must adapt their sustainability statements.

EU Regulation 2018/848[1]Establishes principles and rules for organic production and associated certification. It also determines the use of data in the marketing of organic products.

EUDR (the European Deforestation Regulation) is an initiative in the EU Green Deal. The Regulation aims to minimise the EU's contribution to deforestation and forest degradation worldwide, thus contributing to a reduction in global deforestation.

FLAG (Forest, Land and Agriculture) is the world's first framework for companies in land-intensive sectors to set science-based targets that include land-based emission reductions.

GFSI (Global Food Safety Initiative) A corporate initiative for reviewing, comparing and recognising voluntary certification programmes for food safety.

GHG Protocol (Scopes 1, 2 and 3 is the generally accepted standard for reporting greenhouse gas emissions and divides corporate emissions into three different Scopes. Scope 1 is emissions that come directly from activities. Scope 2 concerns energy purchased for activities. Scope 3 consists of 15 emission areas that can be significant for companies to report on.

Global Compact UN initiative combining companies and community institutions around ten principles for the environment and society.

GRI (Global Reporting Initiative) Issues guidelines for sustainability reporting that can be used on a voluntary basis by organisations to report environmental, social and economic aspects of their activities, products and services.

Green Deal The EU plan to become the world's first climate-neutral continent by 2050 through some 50 action programmes that affect different parts of the European economy.

Sustainable development (sustainability) Development that meets the needs of the present generation without comprising the chances of future generations to meet their needs.

Health foods Food that may be good for our health and our well-being.

IEA (International Energy Agency) is the OECD countries' co-operative body for energy issues and has 30 member states.

ILO (International Labour Organisation) is the UN's specialist body for working life issues.
The ILO's fundamental goal is to fight poverty and promote social justice.

Kodiak A quality and sustainability risk assessment system that classifies suppliers.

Consumer health Different product categories comprising healthy nutritional supplements that contribute to good health and well-being, such as natural and herbal medicines, dietary supplements and supplement-like medical aids.

Contract manufacturing Entails a company engaging another company to assist with production. This may involve everything from not having expertise in a special field to wanting assistance with the entire production line. Sometimes called Outsourcing manufacturing.

Nutritional supplements These are classified as foods and serve as supplements to normal foodstuffs. They may contain vitamins and minerals or other nutrients such as omega-3.

Licensed brands Other companies" products that are marketed by Midsona.

Pharmaceuticals By law, pharmaceuticals are all substances claimed to be able to detect, prevent, treat or cure disease or disease symptoms.

Low Carbon Transition Plan (LCT plan[2] Is a timed action plan that clearly describes how an organisation should restructure its operations to limit global warming to 1.5°C.

[1] https://eur-lex.europa.eu/legal-content/SV/TXT/PDF/?uri=CELEX:02018R0848-20220101&qid=1641797905414&from=SV
[2] https://www.cdp.net/en/guidance/guidance-for-companies/climate-transition-plans

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Zero (net-zero emissions or carbon-neutral) means that a business achieves a balance between greenhouse gas emissions and removals of greenhouse gases through climate financing. In carbon-offsetting projects involving greenhouse gases being removed over a long period of time, they may be used, for example through tree planting or direct capture of carbon dioxide from the air.

Minerals The body contains some 20 different minerals. They make up about 4 percent of bodyweight. Minerals are needed in small amounts but are vital because we cannot produce them ourselves.

Omega-3 A number of polyunsaturated and beneficial fatty acids are referred to as omega-3. They are what are known as essential fatty acids, meaning the body cannot produce them itself and must instead obtain them through diet. The longer polyunsaturated fatty acids EPA and DHA from fish and fish oil in particular have been found to have additional health-bringing effects.

Private label Midsona's production of other brands as a contract supplier.

The PPWR (Packaging and Packaging Waste Regulation) is an EU regulation that aims to reduce packaging waste and improve packaging recycling.

RSPO Round Table on Sustainable Palm Oil International round table process to develop criteria for sustainable palm oil. The standard is a tool to ensure that palm oil does not contribute to deforestation, expansion on peatlands, exploitation of labour or the use of fire for clearing.

Science Based Target Initiative (SBTi) A collaboration between the UN Global Compact, WRI, the World Wide Fund for Nature and the Carbon Disclosure Project. The initiative provides support to companies to set climate targets in line with certain scientific models. To be able to set a Science Based Target, the Company needs to examine its entire greenhouse gas emissions throughout the value chain.

Seitan A gluten-based food used as a base in various vegetarian meat replacement products.

Scope 1 covers those emissions taking place directly in the Company's own operations. For example, emissions from production in the Company's own factories.

Scope 2 includes indirect emissions from the production of purchased electricity, steam, heating and cooling consumed by the reporting company.

Scope 3 includes all other indirect emissions that take place in a company's value chain but that the Company does not own or control.

SDGs (Sustainable Development Goals). On 25 September 2015, the UN member states adopted the 2030 Agenda, a universal agenda for sustainable development that includes 17 global goals to be attained by 2030. The SDGs, in turn, have 169 targets and more than 230 global indicators for implementing and monitoring the work.

Sports nutrition Nutritional and dietary supplements aimed at athletes.

Taxonomy Joint classification system for environmentally sustainable investments and financial products, part of the EU's Green Deal. The taxonomy enables investors to focus their investments on more sustainable technology and sustainable companies and thus contribute to making Europe carbon-neutral by 2050.

TCFD (Task Force on Climate related Financial Disclosure) Framework aimed at guiding organisations in the work of identifying their climate-related financial risks and opportunities.

Tempeh Natural vegetarian product used in cooking. Made by cooked beans, usually soy beans, undergoing a fermentation process.

Tofu Curd-like product made of soy beans with a neutral flavour, which means that it can be used in ice cream and vegetarian meat alternatives, for example. Often used by vegans and people who are lactose intolerant.

Dry goods Semi-durable goods such as preserves, spices, cereal flakes, flour and nuts. They have in common a long shelf life.

Vegetarian Avoiding food from the animal kingdom. The reasons for choosing vegetarian food vary, for example for environmental or health reasons, for ethical or religious reasons, or simply because people think it tastes better.

Veganism Opposing the use of animals in any form, so that vegans completely avoid animal products, including all kinds of meat and foods produced by animals, such as milk, cheese, eggs and honey. Vegans also avoid using animal products for example in fashion and furnishings.

Vitamins Vitamins are organic substances. They vary in effect and appearance. Common to all of them is that they must be supplied from outside the body. Vitamins are needed in very small amounts but are vital because we cannot produce them ourselves. Deficiencies may lead to deficiency-related diseases.

Plant-based diet In a plant-based diet, two-thirds is preferably comprised of plant-based foods. Animal products normally do not need to be excluded entirely, instead it is the proportions that change.

Greenhouse gases The gases in the Earth's atmosphere that capture thermal radiation and in so doing contribute to the greenhouse effect. The most important of these are water vapour (H_2O), carbon dioxide (CO_2), nitrous oxide (N_2O), methane (CH_4) and ozone (O_3).

Code of Conduct Guidelines for how a company or organisation should conduct its business in an ethical and responsible manner.

The Annual Report is available in English and Swedish versions. In the event of any discrepancies between the Swedish and English versions, the Swedish version is the official version.

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Printed copies will be distributed to shareholders and other stakeholders on request.

This report contains forward-looking statements. Although Midsona's management believes this information to be reasonable, no assurance can be given that these expectations will prove correct. Actual future outcomes may consequently vary from those indicated in the forward-looking information due, among other things, to changes in economic, market and competitive conditions, changes in the regulatory environment and other political measures, changes in exchange rates and other factors.

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