

Second quarter 2024

Interim report



Financial highlights

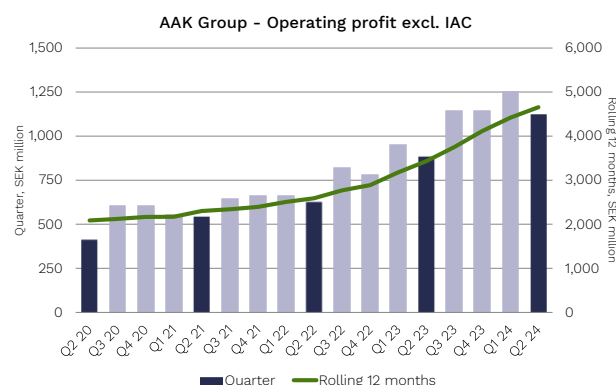
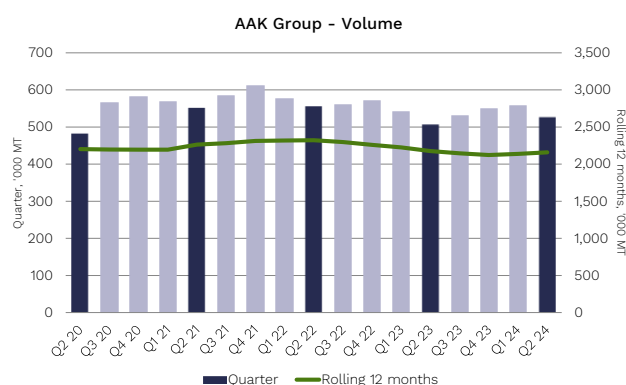
Q2 2024

- Volumes increased by 4 percent to 525,000 MT (505,000).
- Operating profit increased by 27 percent, reaching SEK 1,118 million (880), including a positive currency translation effect of SEK 9 million. At fixed foreign exchange rates, operating profit increased by 26 percent.
- Profit for the period totaled SEK 809 million (615).
- Earnings per share equaled SEK 3.11 (2.36).
- Cash flow from operating activities amounted to SEK 1,002 million (1,645).
- Return on Capital Employed (ROCE), R12M, was 21.5 percent (19.1 percent on December 31, 2023).

Q1–Q2 2024

- Volumes increased by 3 percent to 1,081,000 MT (1,046,000).
- Operating profit increased by 29 percent, reaching SEK 2,372 million (1,832), including a negative currency translation effect of SEK 54 million. At fixed foreign exchange rates, operating profit increased by 32 percent.
- Profit for the period totaled SEK 1,743 million (1,277).
- Earnings per share equaled SEK 6.71 (4.91).
- Cash flow from operating activities amounted to SEK 1,719 million (2,747).
- Return on Capital Employed (ROCE), R12M, was 21.5 percent (19.1 percent on December 31, 2023).

	Q2 2024	Q2 2023	Δ %	Q1-Q2 2024	Q1-Q2 2023	Δ %	R12M 2024	Full year 2023
Volumes, '000 MT	525	505	+4	1,081	1,046	+3	2,158	2,123
Operating profit, SEK million	1,118	880	+27	2,372	1,832	+29	4,656	4,116
Operating profit per kilo, SEK	2.13	1.74	+22	2.19	1.75	+25	2.16	1.94
Profit for the period, SEK million	809	615	+32	1,743	1,277	+36	3,420	2,954
Earnings per share, SEK	3.11	2.36	+32	6.71	4.91	+37	13.15	11.35
Cash flow from operating activities, SEK million	1,002	1,645	-39	1,719	2,747	-37	4,286	5,314
Return on Capital Employed (R12M), percent	21.5	15.9	+35	21.5	15.9	+35	21.5	19.1



Solid performance driven by volume growth and improved profitability

Following a strong first quarter, I am pleased to see that we continue progressing towards our 2030 aspiration in the second quarter. We delivered year-over-year volume growth and maintained an operating profit per kilo above SEK 2. This resulted in a 27 percent increase in operating profit, following 41 percent growth in the same period last year.

Business performance

Volumes increased by 4 percent, driven by Chocolate & Confectionery Fats and Food Ingredients. This growth was achieved despite an 11 percent decline in Technical Products & Feed.

Profitability, measured as operating profit per kilo, was strong and grew year-over-year, driven by Chocolate & Confectionery Fats and Food Ingredients. The strong profitability was mainly driven by our global optimization programs, including production process optimization and portfolio & price management, as well as operating leverage from increased volumes. The second-quarter profitability was also somewhat supported by continued favorable market conditions.

Driven by the improved profitability and increased volumes, operating profit grew 27 percent compared to the second quarter last year. At fixed foreign exchange rates, operating profit increased by 26 percent. This growth was driven by Chocolate & Confectionery Fats and Food Ingredients, while Technical Products & Feed declined.

Operating cash flow was solid despite the impact from increased working capital, mainly driven by increased volumes.

Shea a viable alternative to cocoa butter

Over the years, AAK has specialized in providing cost-effective alternatives to animal and fossil-based ingredients. As a leading Multi-oil Ingredient House, we strive to consistently deliver value and functionality regardless of market conditions. Among our offerings, our cocoa butter equivalents and alternatives stand out for enhancing shelf life, flavor, and texture, all while remaining a cost-effective alternative.

Despite the potential negative volume impact high cocoa prices could have on consumer demand for chocolate, we remain prudently optimistic about long-term opportunities and the stickiness of our solutions. We are confident in the value of our solutions as we focus on increasing shea utilization in chocolates and meeting the growing demand for spreads and fillings.

In addition, we continue to advocate for increasing the regulatory limits on alternative ingredients in cocoa and chocolate products, supporting innovation, consumer choice, and affordability.



Complying with the EU deforestation regulation

The EU deforestation regulation mandates traceability for commodities such as palm oil, timber, and rubber. Starting December 30, 2024, all imported raw materials must comply with EUDR requirements, including traceability and proof of legal production.

For AAK, this regulation impacts palm and soy imported into the EU. For some time, we have been taking proactive steps to ensure compliance, such as collaborating with suppliers for EUDR readiness, revising our make-or-buy strategy, and preparing our production setup for increased processing in Europe. Additionally, we are maintaining an open dialogue with stakeholders, aligning IT systems and documentation requirements with customers, and exchanging information with authorities.

Our capital expenditure for 2024 includes SEK 100 million for upgrading our European facilities to enable compliance with the EUDR standards. Additionally, we have invested a similar amount to expand our strategic presence in the port of Rotterdam and are currently in the process of integrating a new IT system to support our raw material traceability. These investments represent a first step as we adopt a prudent approach, carefully monitoring the regional implementation and enforcement of the EUDR. In parallel, we continuously evaluate potential future capital expenditure requirements. Additionally, we expect the market to incur extra costs for traceability and legality verification protocols.

Concluding remarks

AAK has had a strong first half of the year, including a solid second quarter, marked by organic volume growth and improved profitability. Despite facing more challenging comparisons after our recent strong performance, we remain committed to achieving an average operating profit growth of 10 percent over time. We are focused on striking the right balance between value and volume, reflecting our prudent optimism for the future.

Johan Westman, President and CEO

AAK Group, Q2 2024

Volumes

Volumes totaled 525,000 MT (505,000), an increase of 4 percent compared to last year.

Net sales

Sales reached SEK 11,033 million (11,229), a decrease of 2 percent. The decrease was driven by changes in price, mainly due to lower raw material costs, as well as a negative currency translation effect of SEK 144 million. The decrease was somewhat mitigated by the increase in volumes.

Operating profit

Operating profit totaled SEK 1,118 million (880), corresponding to an increase of 27 percent compared to the same quarter in 2023.

The growth was driven by strong operating profit per kilo in Chocolate & Confectionary Fats and Food Ingredients.

Currency translation had a positive effect of SEK 9 million, of which negative SEK 3 million was related to Food Ingredients and positive SEK 12 million to Chocolate & Confectionary Fats. Operating profit at fixed foreign exchange rates increased by 26 percent.

Operating profit per kilo totaled SEK 2.13 (1.74), an increase of 22 percent. Currency translation had a positive effect of SEK 0.02 per kilo. At fixed foreign exchange rates, operating profit per kilo increased by 21 percent. AAK achieved this growth mainly due to our global optimization programs, including production process optimization and portfolio & price management, as well as operational leverage from increased volumes. Second-quarter profitability was also somewhat supported by continued favorable market conditions.

Net financial costs and tax costs

Net financial costs totaled SEK 48 million (68). The financial costs decreased due to reduced debt level, partly offset by higher interest rates. Reported tax costs correspond to an average tax rate of 24 percent (24).

Earnings per share

Earnings per share equaled SEK 3.11 (2.36).

Cash flow and investments

Operating cash flow, including changes in working capital, amounted to SEK 1,002 million (1,645). Cash flow from working capital amounted to negative SEK 271 million (positive 1,064), mainly due to negative cash flows from accounts receivable and inventory, partially offset by a positive cash flow from accounts payable. The negative cash flow effect from accounts receivable was mainly driven by the increase in volumes.

Cash outflow from investment activities amounted to SEK 306 million (246). Capital expenditure was primarily for maintenance investments, productivity improvements, and capacity increases.

Return on Capital Employed (ROCE)

Calculated on a rolling 12-month basis, Return on Capital Employed (ROCE) was 21.5 percent (19.1 on December 31, 2023).

Financial position

The equity-to-asset ratio was 58 percent (56 percent on December 31, 2023). Net debt on June 30, 2024, totaled SEK 2,275 million (SEK 2,425 million on December 31, 2023). Net debt/EBITDA totaled 0.41 (0.49 as of December 31, 2023).

On June 30, 2024, the Group had total credit facilities of SEK 8,825 million (8,605 as of December 31, 2023), of which there were SEK 7,239 million (7,085 as of December 31, 2023) in committed credit facilities. Unused committed credit facilities on June 30, 2024, totaled SEK 5,677 million (5,559 as of December 31, 2023). Non-committed credit facilities totaled SEK 1,586 million (1,520 as of December 31, 2023), SEK 1,418 million (1,352 as of December 31, 2023) of which were unused.



Selected events

Annual General Meeting 2024

Our Annual General Meeting was successfully held on May 8 in Malmö, Sweden, near our headquarters. The event had a strong turnout, with shareholders representing 77 percent of the votes represented.

During his presentation, President and CEO Johan Westman highlighted the company's achievements during 2023 as well as our sustainability commitments. For access to both the presentation and other documentation related to the AGM, please visit [AAK.com](https://www.aak.com).



Bio-boilers approaching full capacity

During the second quarter, our bio-boilers at the Aarhus site in Denmark ramped up and approached full capacity. These boilers will reduce CO₂ emissions at the site by more than 90 percent.

By utilizing shea meal, a residual product from our oil extraction process, the boilers will cut emissions by more than 45,000 tons of CO₂ annually while also generating green electricity.

The production of plant-based oils and fats, essential for food, chocolate, and personal care products, is energy-intensive and has historically relied on fossil fuels at our Aarhus site. With the bio-boilers, AAK can replace fossil-based energy with shea meal, thereby significantly reducing the site's carbon footprint and generating annual savings of approximately SEK 100 million.



Building an increasingly aligned organization

In May, AAK's global leadership team gathered for its annual conference, a key event in our ongoing cultural journey.

Making Better Happen™ begins with our people, ensuring our commitment shines through in everything we do. That is why AAK places such a strong emphasis on strengthening team collaboration.

This year's conference focused on enhancing alignment across teams and functions to further optimize the performance of the organization. The conference activities were specifically designed to build stronger connections and drive increased alignment in our decentralized structure.





Food Ingredients, Q2 2024

	Q2 2024	Q2 2023	Δ %	Q1-Q2 2024	Q1-Q2 2023	Δ %	R12M 2024	Full year 2023
Operating profit +19%								
Volumes, '000 MT	346	334	+4	690	671	+3	1,383	1,364
Net sales, SEK million	7,270	7,504	-3	14,222	15,363	-7	28,750	29,891
Operating profit, SEK million	755	636	+19	1,534	1,218	+26	2,958	2,642
Operating profit per kilo, SEK	2.18	1.90	+15	2.22	1.82	+22	2.14	1.94
Operating profit per kilo +15%								

Volumes

Volumes increased by 4 percent compared to the same period in the previous year. The volume growth was primarily driven by Bakery and Dairy, while Special Nutrition declined.

The growth in Bakery was broad-based with all three regions contributing.

In Dairy, the volume growth was mainly driven by strong performance in the Americas.

Volume performance in Special Nutrition was mixed with declines in Asia, the Middle East & Africa and Europe, being somewhat mitigated by growth in the Americas.

Volumes in Foodservice were roughly flat, with solid performance in Europe offset by a decline in the Americas.

Net sales

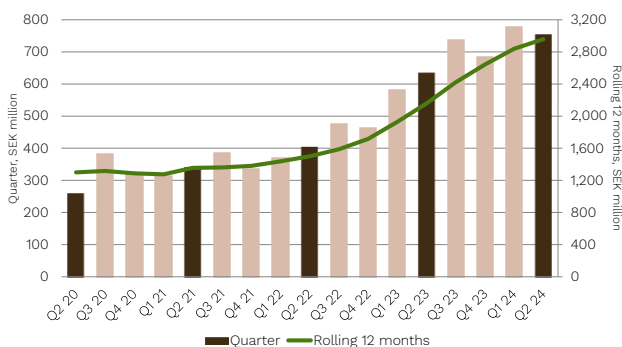
Net sales reached SEK 7,270 million (7,504), a decrease of 3 percent, including a negative currency translation effect of SEK 59 million.

Operating profit

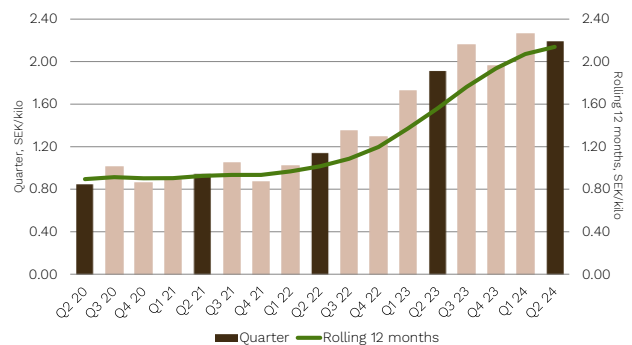
Operating profit increased by 19 percent to SEK 755 million (636), including a negative currency translation effect of SEK 3 million. At fixed foreign exchange rates, operating profit increased by 19 percent.

Operating profit per kilo increased to SEK 2.18 (1.90), corresponding to 15 percent growth with currencies having a negative effect of SEK 0.01 per kilo. The increase was broad-based and primarily driven by Dairy, Special Nutrition and Foodservice while Bakery was roughly flat.

Food Ingredients - Operating profit



Food Ingredients - Operating profit per kilo





Chocolate & Confectionery Fats, Q2 2024

Operating profit +57%	Q2 2024	Q2 2023	Δ %	Q1-Q2 2024	Q1-Q2 2023	Δ %	R12M 2024	Full year 2023	
	Volumes, '000 MT	122	107	+14	255	231	+10	497	473
Operating profit per kilo +38%	Net sales, SEK million	3,275	3,170	+3	6,829	6,905	-1	13,618	13,694
	Operating profit, SEK million	433	275	+57	938	602	+56	1,857	1,521
	Operating profit per kilo, SEK	3.55	2.57	+38	3.68	2.61	+41	3.74	3.22

Volumes

Volumes increased by 14 percent compared to the same period last year. The strong volume growth came on top of soft development in the second quarter of last year and was further supported by favorable market conditions.

The growth was broad-based, with contributions from all three regions, driven by increased penetration of cocoa butter alternatives.

Net sales

Net sales for the business area reached SEK 3,275 million (3,170), a 3 percent increase, including a negative currency translation effect of SEK 85 million.

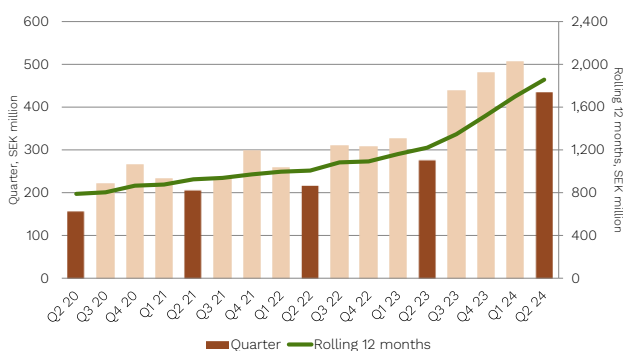
Operating profit

Operating profit reached SEK 433 million (275), an increase of 57 percent compared to the same quarter last year. Currency translation had a positive impact of SEK 12 million. At fixed foreign exchange rates, operating profit increased by 53 percent.

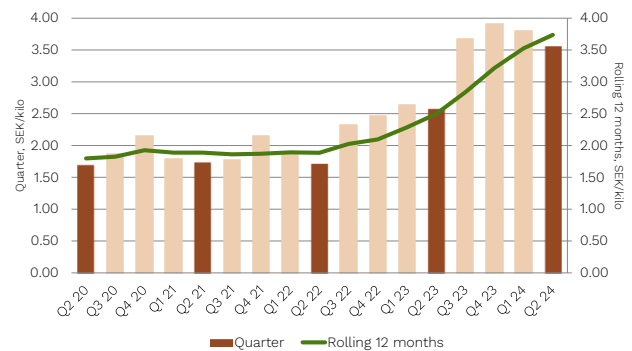
The operating profit per kilo was strong, increasing to SEK 3.55 (2.57). Currency translation had a positive impact of SEK 0.10 per kilo. At fixed foreign exchange rates, operating profit per kilo increased by 34 percent.

The increase in operating profit per kilo was broad-based across regions and was further supported by favorable market conditions.

Chocolate & Confectionery Fats - Operating profit



Chocolate & Confectionery Fats - Operating profit per kilo





Technical Products & Feed, Q2 2024

Operating profit
-80%

Operating profit
per kilo
-77%

	Q2 2024	Q2 2023	Δ %	Q1-Q2 2024	Q1-Q2 2023	Δ %	R12M 2024	Full year 2023
Volumes, '000 MT	57	64	-11	136	144	-6	278	286
Net sales, SEK million	488	555	-12	1,100	1,306	-16	2,237	2,443
Operating profit, SEK million	9	44	-80	62	152	-59	168	258
Operating profit per kilo, SEK	0.16	0.69	-77	0.46	1.06	-57	0.60	0.90

Volumes

Volumes declined by 11 percent compared to the same period in 2023. The decline was driven by Feed while Technical Products performed well and grew in the quarter.

The decline in Feed was due to a production challenge encountered during the restart process following our annual maintenance stop. As a result, production remained offline longer than anticipated. Production has been restarted and has returned to normal levels, with no lasting impact expected beyond the second quarter.

The growth in Technical Products was driven by solid performance across applications used to replace fossil-based solutions.

Adjusted for the longer-than-expected maintenance stop, volumes in Technical Products & Feed grew by approximately 3 percent.

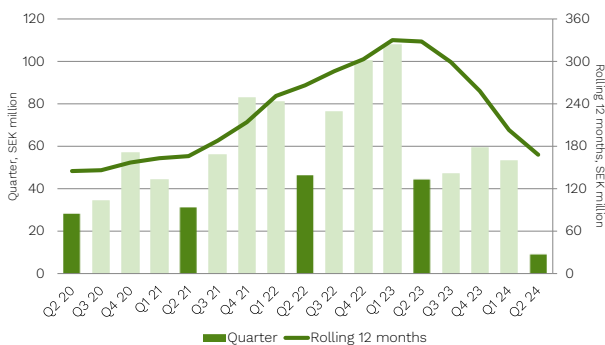
Net sales

Net sales for the business area reached SEK 488 million, decreasing by 12 percent compared to SEK 555 million during the second quarter of last year.

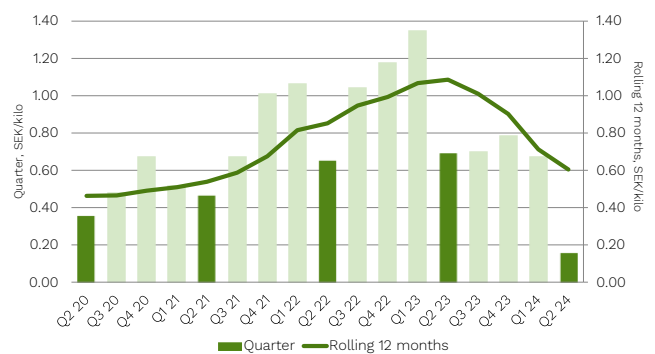
Operating profit

Operating profit totaled SEK 9 million (44), an 80 percent decrease compared to last year. The decline was due to the negative volume impact from the longer-than-expected maintenance stop in Feed, as well as the associated additional costs when restarting production. As a result, the operating profit per kilo declined to SEK 0.16.

Technical Products & Feed - Operating profit



Technical Products & Feed - Operating profit per kilo



AAK Group, first six months 2024

Volumes

Volumes totaled 1,081,000 MT (1,046,000), an increase of 3 percent compared to last year.

Net sales

Sales reached SEK 22,151 million (23,574), a decrease of 6 percent. The decrease was driven by price adjustments due to lower raw material prices, partly offset by higher volumes, a favorable product mix via a continued focus on speciality solutions, and a negative currency translation impact of SEK 229 million.

Operating profit

Operating profit totaled SEK 2,372 million (1,832), an increase of 29 percent compared to the corresponding period in 2023.

The growth in operating profit was driven by strong operating profit per kilo in Food Ingredients and Chocolate & Confectionery Fats. AAK achieved this growth via a continued focus on speciality solutions, productivity improvements, and price management. The strong profitability was mainly driven by our global optimization programs, including production process optimization and portfolio & price management, as well as operating leverage from increased volumes. The second-quarter profitability was also somewhat supported by continued favorable market conditions.

The currency translation had a negative impact of SEK 54 million, of which SEK 20 million was related to Food Ingredients and SEK 34 million to Chocolate & Confectionery Fats. Operating profit at fixed foreign exchange rates, increased by 32 percent.

Operating profit per kilo totaled SEK 2.19 (1.75), an increase of 25 percent. The currency translation impact was negative SEK 0.05. At fixed foreign exchange rates, operating profit per kilo increased by 28 percent.

Net financial cost and tax costs

Net financial cost totaled SEK 71 million (145). The financial cost decreased due to reduced debt level and reporting in hyperinflationary economies (IAS 29), partly offset by higher interest rates. Reported tax costs correspond to an average tax rate of 24 percent (24).

Earnings per share

Earnings per share equaled SEK 6.71 (4.91).

Cash flow and investments

Operating cash flow including changes in working capital amounted to SEK 1,719 million (2,747). Cash flow from working capital amounted to negative SEK 1,000 million (positive 1,441). Due to the increase in volumes, there was a negative cash flow from inventory and accounts receivables. Accounts payables had a positive cash flow effect in the first six months of the year.

Cash outflow from investment activities amounted to SEK 570 million (608), of which SEK 0 million (89) stemmed from acquisitions of operations. Capital expenditure was mostly spent on maintenance investments, productivity improvements, and capacity increases.

Employees

The average number of employees on June 30, 2024, was 4,183 (4,128 as of December 31, 2023).

General information

Related parties

No significant related party transactions have occurred during the quarter.

Risks and uncertainty factors

AAK's operations are constantly exposed to risks, threats, and external factors. Through a proactive approach to business intelligence, the company aims to anticipate changes in factors affecting operations. Plans and policies are adjusted continuously to counteract potential negative effects. Active risk management, such as hedging raw material prices and currencies, reduces the risks that the company faces.

Efficient risk management is an ongoing process conducted within the framework of business control and is part of the ongoing review and forward-looking assessment of operations.

AAK assumes that long-term risk exposure will not deviate from the inherent exposure associated with AAK's ongoing business operations.

AAK's Board of Directors and Executive Committee have, since the publication of the Annual Report 2023, reviewed the development of significant risks and uncertainties and can confirm that there have been no changes other than what has been commented on regarding market developments during 2023 and 2024.

For a more in-depth analysis of risks, please refer to AAK's Annual Report.

Accounting policies in 2024

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and applicable rules in the Swedish Annual Accounts Act. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2023.

Alternative Performance Measures (APMs)

AAK presents APMs to reflect underlying business performance and to enhance comparability from period to period. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Definitions of Alternative Performance Measures can be found at www.aak.com under the Investor tab. For a reconciliation of Alternative Performance Measures, see pages 18–19.

Definitions

For definitions, please see our Annual Report.

Events after the reporting period

No events to be reported.

The Parent Company and Group Functions

AAK AB (publ.) is the Parent Company of the AAK Group. Its functions are primarily activities related to the development and administration of the Group.

The result for the Parent Company after financial items amounted to negative SEK 174 million (negative 185). Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totaled SEK 5,452 million (4,443 as of December 31, 2023). Investments in intangible and tangible assets amounted to SEK 34 million (7).

The Parent Company's balance sheet and income statement are shown on pages 21–22. There are no major changes in the Parent Company's balance sheet since year's end.

The Parent Company has prepared its financial reports in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Report and RFR 2 Accounting for legal entities. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2023.

Audit review

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

Malmö, July 18, 2024

Patrik Andersson
Chairman of the Board

Nils-Johan Andersson
Board member

Ian Roberts
Board member

David Alfredsson
Trade union representative

Märta Schörling Andreen
Board member

Fabienne Saadane-Oaks
Board member

Lena Nilsson
Trade union representative

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AAK AB (publ.) is obliged to make this information public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, under the direction of the contact person set out above, at 8:30 CET on July 18, 2024.



Condensed income statement

SEK million	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Net sales	11,033	11,229	22,151	23,574	46,028
Other operating income	30	36	73	98	225
Total operating income	11,063	11,265	22,224	23,672	46,253
Change in inventories of finished goods and work in progress	-225	68	-248	27	-64
Raw materials and consumables	-7,495	-8,403	-15,220	-17,696	-33,421
Goods for resale	-177	-200	-358	-362	-811
Other external expenses	-906	-830	-1,779	-1,744	-3,577
Cost for remuneration to employees	-929	-811	-1,795	-1,627	-3,399
Depreciation, amortization and impairment losses	-218	-206	-430	-434	-877
Other operating expenses	5	-3	-22	-4	12
Total operating expenses	-9,945	-10,385	-19,852	-21,840	-42,137
Operating profit (EBIT)	1,118	880	2,372	1,832	4,116
Financial income	16	14	76	37	83
Financial expense	-64	-82	-147	-182	-375
Total financial net	-48	-68	-71	-145	-292
Profit before tax	1,070	812	2,301	1,687	3,824
Income tax	-261	-197	-558	-410	-870
Profit for the period	809	615	1,743	1,277	2,954
Attributable to non-controlling interests	1	1	2	2	8
Attributable to the Parent Company's shareholders	808	614	1,741	1,275	2,946
Earnings per share before dilution, SEK ¹⁾	3.11	2.36	6.71	4.91	11.35
Earnings per share after dilution, SEK ²⁾	3.10	2.36	6.69	4.91	11.35

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

²⁾ Earnings per share are calculated based on a weighted average number of outstanding shares after dilution from outstanding subscription warrants.

Comprehensive income

SEK million	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Profit for the period	809	615	1,743	1,277	2,954
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of post-employment benefit obligations	-1	0	-3	0	-11
	-1	0	-3	0	-11
<i>Items that may subsequently be reclassified to profit or loss</i>					
Translation differences	-622	832	377	1,007	-146
Fair-value changes in cash flow hedges	-4	0	-7	-3	-12
Tax related to fair-value changes in cash flow hedges	1	0	1	1	3
	-625	832	371	1,005	-155
Total other comprehensive income for the period	-626	832	368	1,005	-166
Total comprehensive income for the period	183	1,447	2,111	2,282	2,788
Attributable to non-controlling interests	3	1	4	2	9
Attributable to the Parent Company's shareholders	180	1,446	2,107	2,280	2,779

Condensed balance sheet

SEK million	30.06.2024	30.06.2023	31.12.2023
Assets			
Goodwill	2,819	2,785	2,712
Other intangible assets	321	302	290
Property, plant and equipment	7,858	7,566	7,493
Right-of-use assets	658	691	760
Shares in associated companies	10	11	13
Financial assets	89	78	79
Deferred tax assets	426	357	390
Total non-current assets	12,181	11,790	11,737
Inventory	9,349	9,498	8,656
Accounts receivables	5,937	6,107	5,312
Current receivables	2,544	3,621	3,343
Cash and cash equivalents	1,583	1,485	1,503
Total current assets	19,413	20,711	18,814
Total assets	31,594	32,501	30,551
Equity and liabilities			
Shareholders' equity	18,222	16,602	17,117
Non-controlling interests	60	49	56
Total equity including non-controlling interests	18,282	16,651	17,173
Liabilities to banks and credit institutions	949	3,028	1,969
Pension liabilities	32	44	31
Lease liabilities	549	571	630
Deferred tax liabilities	662	609	656
Other non-current liabilities	471	302	455
Total non-current liabilities	2,663	4,554	3,741
Liabilities to banks and credit institutions	2,270	2,216	1,715
Lease liabilities	155	161	171
Accounts payables	4,169	4,498	3,804
Other current liabilities	4,055	4,421	3,947
Total current liabilities	10,649	11,296	9,637
Total equity and liabilities	31,594	32,501	30,551

Condensed change in equity

2024

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2024	17,117	56	17,173
Profit for the period	1,741	2	1,743
Other comprehensive income	366	2	368
Total comprehensive income	2,107	4	2,111
Long-term incentive	-42	-	-42
Dividend	-960	-	-960
Closing balance June 30, 2024	18,222	60	18,282

2023

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2023	15,036	47	15,083
Profit for the period	1,275	2	1,277
Other comprehensive income	1,005	0	1,005
Total comprehensive income	2,280	2	2,282
Dividend	-714	-	-714
Closing balance June 30, 2023	16,602	49	16,651

Condensed cash flow statement

SEK million	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Operating activities					
Operating profit	1,118	880	2,372	1,832	4,116
Depreciation, amortization and impairment losses	218	206	430	434	877
Adjustment for other non-cash items	222	-143	361	-392	-65
Interest paid and received	-38	-63	-86	-112	-208
Tax paid	-247	-299	-358	-456	-979
Cash flow before changes in working capital	1,273	581	2,719	1,306	3,741
Changes in inventory	-484	625	-239	2,139	2,463
Changes in accounts receivables	-29	629	-557	795	1,241
Changes in accounts payables	468	196	279	-1,079	-1,545
Changes in other working capital items	-226	-386	-483	-414	-586
Changes in working capital	-271	1,064	-1,000	1,441	1,573
Cash flow from operating activities	1,002	1,645	1,719	2,747	5,314
Investing activities					
Acquisition of intangible assets and property, plant and equipment	-306	-265	-570	-553	-1,245
Acquisition of operations and shares, net of cash acquired	-	0	-	-89	-89
Proceeds from sale of property, plant and equipment	0	19	0	34	131
Cash flow from investing activities	-306	-246	-570	-608	-1,203
Financing activities					
Changes in loans	573	-592	-22	-1,403	-3,166
Amortization of lease liabilities	-46	-45	-93	-88	-181
Dividend paid	-960	-714	-960	-714	-714
Cash flow from financing activities	-433	-1,351	-1,075	-2,205	-4,061
Cash flow for the period	263	48	74	-66	50
Cash and cash equivalents at start of period	1,357	1,405	1,503	1,515	1,515
Exchange rate difference for cash equivalents	-37	32	6	36	-62
Cash and cash equivalents at end of period	1,583	1,485	1,583	1,485	1,503

Key ratios

SEK million (unless otherwise stated)	Q2 2024	Q2 2023	Δ %	Q1-Q2 2024	Q1-Q2 2023	Δ %	Full year 2023
Income statement							
Volumes, '000 MT	525	505	+4	1,081	1,046	+3	2,123
Operating profit	1,118	880	+27	2,372	1,832	+29	4,116
Profit for the period	809	615	+32	1,743	1,277	+36	2,954
Financial position							
Total assets	31,594	32,501	-3	31,594	32,501	-3	30,551
Equity	18,282	16,651	+10	18,282	16,651	+10	17,173
Net working capital	9,509	10,126	-6	9,509	10,126	-6	8,971
Net debt	2,275	4,336	-48	2,275	4,336	-48	2,425
Cash flow							
Cash flow from operating activities	1,002	1,645	-	1,719	2,747	-	5,314
Cash flow from investing activities	-306	-246	-	-570	-608	-	-1,203
Share data							
Number of shares, thousand	259,559	259,559	+0	259,559	259,559	+0	259,559
Earnings per share, SEK ¹⁾	3.11	2.36	+32	6.71	4.91	+37	11.35
Equity per share, SEK	70.20	63.96	+10	70.20	63.96	+10	65.95
Market value on closing date, SEK	310.60	202.80	+53	310.60	202.80	+53	224.80
Other key ratios							
Volume growth, percent	4	-9	-	3	-7	-	-6
Operating profit per kilo, SEK	2.13	1.74	+22	2.19	1.75	+25	1.94
Return on Capital Employed (R12 months), percent	21.5	15.9	+35	21.5	15.9	+35	19.1
Net debt / EBITDA, multiple	0.41	1.01	-59	0.41	1.01	-59	0.49

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

Quarterly data by business area

Operating profit

SEK million	2023 Q1	Q2	Q3	Q4	Full year	2024 Q1	Q2
Food Ingredients	582	636	739	685	2,642	779	755
Chocolate & Confectionery Fats	327	275	438	481	1,521	505	433
Technical Products & Feed	108	44	47	59	258	53	9
Group Functions	-65	-75	-81	-84	-305	-83	-79
Operating profit AAK Group	952	880	1,143	1,141	4,116	1,254	1,118
Financial net	-77	-68	-85	-62	-292	-23	-48
Profit before tax	875	812	1,058	1,079	3,824	1,231	1,070

Net sales by market

2024

SEK million	FI Q2 2024	CCF Q2 2024	TPF Q2 2024	Total Q2 2024	FI Q1-Q2 2024	CCF Q1-Q2 2024	TPF Q1-Q2 2024	Total Q1-Q2 2024
Europe	2,565	1,112	485	4,162	4,931	2,402	1,094	8,427
North and South America	3,678	1,490	0	5,168	7,268	3,039	1	10,308
Asia	928	627	3	1,558	1,842	1,281	5	3,128
Other countries	99	46	0	145	181	107	0	288
Net sales	7,270	3,275	488	11,033	14,222	6,829	1,100	22,151

2023

SEK million	FI Q2 2023	CCF Q2 2023	TPF Q2 2023	Total Q2 2023	FI Q1-Q2 2023	CCF Q1-Q2 2023	TPF Q1-Q2 2023	Total Q1-Q2 2023
Europe	2,801	1,024	555	4,380	5,712	2,323	1,306	9,341
North and South America	3,739	1,539	0	5,278	7,614	3,223	0	10,837
Asia	855	576	0	1,431	1,779	1,273	0	3,052
Other countries	109	31	0	140	258	86	0	344
Net sales	7,504	3,170	555	11,229	15,363	6,905	1,306	23,574

Financial instruments

SEK million	30.06.2024	31.12.2023	Hierarchy level
Assets at fair value through profit and loss			
Currency derivatives	170	358	2
Sales and purchase contracts	591	927	2
Investment in unlisted shares	7	7	3
Investment in unlisted funds	67	55	3
Derivatives used in cash flow hedges			
Interest rate swaps	6	13	2
Assets at amortized cost			
Financial non-current assets	17	11	-
Accounts receivables	5,937	5,312	-
Financial current assets	96	97	-
Cash and cash equivalents	1,583	1,503	-
Total financial assets	8,474	8,283	
Liabilities at fair value through profit and loss			
Currency derivatives	152	389	2
Sales and purchase contracts	622	430	2
Liabilities at amortized cost			
Liabilities to banks and credit institutions	3,219	3,684	-
Lease liabilities	704	801	-
Accounts payables	4,169	3,804	-
Other interest-bearing liabilities	11	11	-
Total financial liabilities	8,877	9,119	

For information on the valuation techniques used by the Group in measuring the fair value of financial instruments, see note 3 in the Annual report 2023.

Alternative Performance Measures (APMs)

Organic volume growth

Percent	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Food Ingredients					
Organic volume growth	4	-6	3	-7	-5
Acquisitions / divestments	-	-	-	-	-
Volume growth	4	-6	3	-7	-5
Chocolate & Confectionery Fats					
Organic volume growth	14	-15	10	-12	-9
Acquisitions / divestments	-	-	-	-	-
Volume growth	14	-15	10	-12	-9
Technical Products & Feed					
Organic volume growth	-11	-10	-6	-2	-6
Acquisitions / divestments	-	-	-	-	-
Volume growth	-11	-10	-6	-2	-6
AAK Group					
Organic volume growth	4	-9	3	-7	-6
Acquisitions / divestments	-	-	-	-	-
Volume growth	4	-9	3	-7	-6

EBITDA

SEK million	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Operating profit (EBIT)	1,118	880	2,372	1,832	4,116
Depreciation, amortization and impairment losses	218	206	430	434	877
EBITDA	1,336	1,086	2,802	2,266	4,993

Return on Capital Employed (ROCE)

SEK million	R12M 30.06.2024	R12M 31.12.2023
Total assets	31,793	32,147
Cash and cash equivalents	-1,505	-1,500
Financial assets	-328	-213
Accounts payables	-4,038	-4,333
Other non-interest-bearing liabilities	-4,277	-4,566
Capital employed	21,645	21,535
Operating profit, excluding items affecting comparability	4,656	4,116
Return on Capital Employed (ROCE), percent	21.5	19.1

Net working capital

SEK million	30.06.2024	31.12.2023
Inventory	9,349	8,656
Accounts receivables	5,937	5,312
Other current receivables, non-interest-bearing	2,453	2,743
Accounts payables	-4,169	-3,804
Other current liabilities, non-interest-bearing	-4,061	-3,936
Net working capital	9,509	8,971

Net debt

SEK million	30.06.2024	31.12.2023
Non-current interest-bearing receivables	1	0
Current interest-bearing receivables	106	599
Cash and cash equivalents	1,583	1,503
Pension liabilities	-31	-31
Lease liabilities	-704	-801
Non-current liabilities to banks and credit institutions	-949	-1,969
Current liabilities to banks and credit institutions	-2,270	-1,715
Other interest-bearing liabilities	-11	-11
Net debt	-2,275	-2,425

Net debt / EBITDA

SEK million	30.06.2024	31.12.2023
Net debt	2,275	2,425
EBITDA (rolling 12 months)	5,529	4,993
Net debt / EBITDA, multiple	0.41	0.49

Equity to assets ratio

SEK million	30.06.2024	31.12.2023
Shareholders' equity	18,222	17,117
Non-controlling interests	60	56
Total equity including non-controlling interests	18,282	17,173
Total assets	31,594	30,551
Equity to assets ratio, percent	57.9	56.2

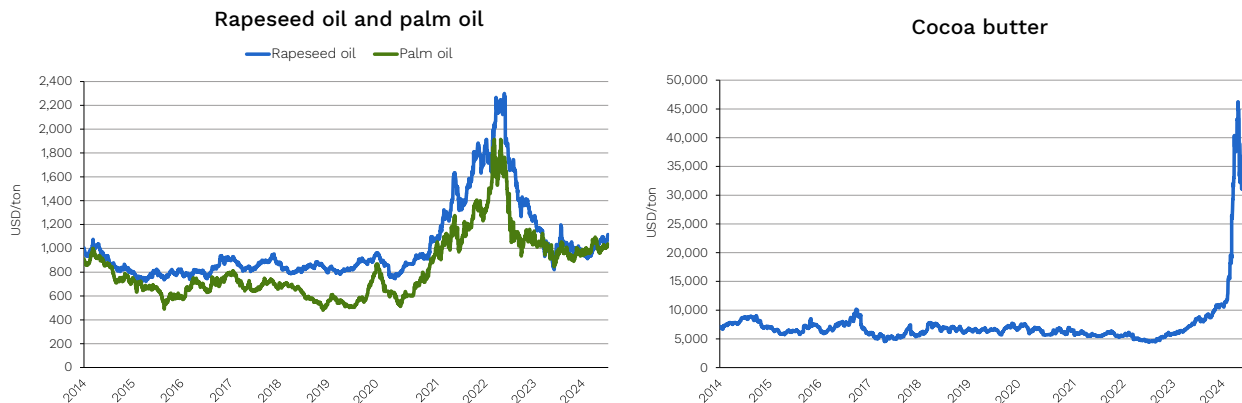
Income statement – Parent Company

SEK million	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	Full year 2023
Net sales	121	44	242	88	413
Total operating income	121	44	242	88	413
Other external expenses	-101	-76	-183	-122	-341
Cost for remuneration to employees	-53	-32	-102	-64	-153
Depreciation, amortization and impairment losses	-4	-3	-7	-4	-10
Total operating expenses	-158	-111	-292	-190	-504
Operating profit (EBIT)	-37	-67	-50	-102	-91
Profit from interest in Group companies	-	-	-	-	213
Dividend	1	-	1	-	-
Interest income and similar items	0	1	0	1	0
Interest expense and similar items	-66	-47	-125	-84	-205
Total financial net	-65	-46	-124	-83	8
Profit before tax	-102	-113	-174	-185	-83
Income tax	19	23	34	38	-18
Profit for the period	-83	-90	-140	-147	-101

Condensed balance sheet – Parent Company

SEK million	30.06.2024	31.12.2023
Assets		
Other intangible assets	54	24
Property, plant and equipment	3	3
Right-of-use assets	20	23
Financial assets	9,908	9,910
Deferred tax assets	2	2
Total non-current assets	9,987	9,962
Current receivables	500	682
Cash and cash equivalents	0	0
Total current assets	500	682
Total assets	10,487	10,644
Equity and liabilities		
Shareholders' equity	4,850	6,000
Non-controlling interests	-	-
Total equity including non-controlling interests	4,850	6,000
Liabilities to banks and credit institutions	500	1,500
Lease liabilities	15	17
Other non-current liabilities	18	27
Total non-current liabilities	533	1,544
Liabilities to banks and credit institutions	2,053	1,500
Lease liabilities	5	5
Accounts payables	27	19
Other current liabilities	3,019	1,576
Total current liabilities	5,104	3,100
Total equity and liabilities	10,487	10,644

Price trends in raw materials



For information regarding cocoa and cocoa butter please refer to information at www.icco.org

Additional information

Conference call

AAK will host a conference call for investors and analysts on July 18, 2024, at 10 a.m. CET. The presentation can be followed via teleconference or webcast. Please visit www.aak.com for details.

The annual and quarterly reports are published on www.aak.com.

Financial calendar

October 24, 2024: Q3 and nine-month report for 2024

February 5, 2025: Q4 and year-end report for 2024

Forward-looking statements

This report contains forward-looking statements. Such statements are subject to risks and uncertainties since various factors, many of which are beyond the control of AAK AB (publ.), may cause actual developments and results to differ materially from the expectations expressed in this report.

Governing text

The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

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Everything

we do
is about

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Everything AAK does is about Making Better Happen™. We specialize in plant-based oils and fats, the value-adding ingredients in many products people love to consume.

We make these products better tasting, healthier, and more sustainable. At the heart of AAK's offer is customer co-development, combining our desire to understand what Making Better Happen™ means for each customer with the unique flexibility of our production assets and deep knowledge of products and industries, including Chocolate & Confectionery, Bakery, Dairy, Plant-based Foods, Special Nutrition, Foodservice, and Personal Care.

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