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ANNUAL REPORT 2022

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2022 IN NUMBERS

A LEADING FMCG POWERHOUSE
OFFERING BETTER CHOICES FOR THE EVERYDAY

4 800
MSEK
NET SALES

22%
ORGANIC GROWTH
pro forma 2022

551
MSEK
ADJUSTED EBITDA

11.5%
ADJUSTED EBITDA
MARGIN

504
MSEK
EBITDA

10.5%
EBITDA
MARGIN

255
MSEK CASH FLOW
FROM OPERATING ACTIVITIES

24 080
NUMBER OF
SHAREHOLDERS

CEO LETTER

CONSOLIDATION AND DEVELOPMENT IN A CHALLENGING MARKET

When we summarize the past year, it is clear that 2022 was an eventful year. We have had challenges with constant price increases, the introduction of the UTP directive, increased interest costs, extraordinary shipping costs, disruptions in the value chain and raw material shortages, which are critical factors and areas for a product company like Humble. Despite the challenges, we have managed to maintain strong underlying growth, where we increased pro forma turnover by a whopping 22 percent and at the same time defended our profitability. It is in times that these opportunities arise. I dare say that we are better equipped than ever to continue on the beaten path of building the leading modern FMCG group.

During the year, we have developed and changed the Group in many ways. We have recently changed accounting principles to IFRS and launched the new business segments Future Snacking, Quality Nutrition, Sustainable Care and Nordic Distribution. Overall, the new segments mean a clearer operational focus on the respective core business and show how we position our subsidiaries to jointly take market shares and compete in the traditional trade. At the time of writing, it is absolutely bursting with initiatives and possible synergies between the companies, where my hope is that we will see the results of successful investments and international expansion within a not too long time.

The challenging and volatile market in which we find ourselves also shows the strength of belonging to an entrepreneur-driven group, where the businesses help each other to, for example, obtain raw materials and continue to run profitable campaigns with collective strength. Relatively speaking, we have managed to maintain a good gross profit margin, which testifies to the strength of a dynamic business model where our decentralized management offers the necessary flexibility to be able to adapt the business weekly to constantly new conditions. This is a marked difference compared to industrial and older FMCG companies, with a significantly slower pace of change and innovation. Our ability to adapt only makes me more convinced that we are well positioned to capitalize on the impending transformation towards health and sustainability, which is still in its infancy but is inevitably happening.

We can state that Humble has maintained a lower acquisition rate during 2022 and the beginning of 2023 compared to the previous year. The cost of capital has increased significantly, and it is even more important to obtain maximum returns from the businesses that are already part of the Group. At the same time, we have brought in 13 new operating companies that already contribute both with strategic opportunities and strong underlying cash generation. The new companies open doors for our existing portfolio, strengthen the platform and increase distribution through more international markets and other sales channels.

The financial outcome linked to our financial goals has continued to develop well, albeit not at the same pace as in 2021. We have far surpassed the growth goal of at least 15 percent organically. The fulfillment rate of the turnover target increased from 23 percent to 43 percent and the profitability target increased from 25 percent to 34 percent. the Group's long-term goal of having a net debt/pro forma adjusted EBITDA of less than 2.5 times is a high priority to reach. We therefore work intensively on optimizing our cash generation and the use of working capital to organically strengthen our liquidity and balance sheet.

In terms of investment, we have developed the Group at group level to be ready to scale the business and streamline our operational platform. We have had an unusually high rate of investment in fixed assets, which has been according to plan to increase the Group's efficiency and the possibility of automation. I also want to highlight the modern BI platform that we built and integrated against 17 ERP systems in real time. Via the platform, we can in a resource-efficient way and with high accuracy follow the lion's share of the Group in depth and offer better decision-making support to our management teams in their daily business development.

Our vision of building a leading FMCG player with a focus on health and sustainability stands firm. Of course, it has been a challenging climate in 2022, but it is with some confidence that we look ahead and see opportunities to grow profitability faster and improve cash generation in Humble. I am very positive about our continued journey, both in the short and long term. Our companies are well positioned to take advantage of the opportunities that exist in the fast-growing product segments in which we operate, and we will continue to drive profitable growth with our business model and corporate culture as a foundation.

Finally, I would like to say a big thank you to all the fantastic employees and entrepreneurs for your commitment and ability to successfully navigate a tough market. I am constantly impressed by the solutions you find and how you develop your businesses to the next level daily. You are the hub of our culture and convey a sense of energy and faith in the future that our customers want to be a part of.

Simon Petrén

CEO HUMBLE GROUP AB (publ)

ABOUT HUMBLE GROUP

Humble Group is a Swedish FMCG group that supplies cutting edge healthy sugar-reduction and vegan products as well as eco-friendly and sustainable food and hygiene products for the broader FMCG market.

The Group consists of a number of manufacturers, distributors and well-recognized consumer brands that refine, develop and distribute functional and sustainable fast-moving consumer products on a global scale. Our business model is to both organically grow and acquire profitable, cash generative and market-leading FMCG companies within Humble Group's niche. Through the Group's operational platform, synergies can be realised to increase the respective companies' profitability and growth. Humble distributes over 36 000 products to 12 000 B2B customers and covers all strategic sales channels in the industry with a global sales footprint in 118 markets.

13 NEW ACQUISITIONS 2022	**4** OPERATING SEGMENTS	**118** MARKETS
36 000+ PRODUCTS	**47+** OPERATING ENTITIES	**1 000+** EMPLOYEES

THE HUMBLE WAY

At Humble Group, we believe in doing business responsibly, ethically, and sustainably. We call it doing business “The Humble Way”.

The Humble Way is brought to life via our four values which govern our behaviors and the way we interact with all Humble Group stakeholders.

INNOVATION

We encourage new ideas, new ways of working, and promote a test & learn culture.

ENTREPRENEURSHIP

We celebrate vision, curiosity, continuous learning, a drive for excellence and agility in its execution.

PASSION

We support a self-starter attitude and encourage both initiative and accountability.

INTEGRITY

We operate with honesty, openness, respect, and are governed by a strong moral compass.

OUR STRATEGY

Humble Group was born out of the ambition to challenge conventional FMCG companies and focus on products that are better for you and better for our planet. Our vision is to be the leading global FMCG Group offering better choices for the everyday household – sustainability made accessible to all is what will truly make a difference.

Humble Group offers companies a home to continue innovating while benefiting from shared value-creating functions. We support companies led by strong entrepreneurs who strive to change the world for the better.

The Group's strategy is to grow organically as well as through strategic acquisitions. With sustainability as our northern star, Humble Group is building a platform for our portfolio companies to flourish with increased organic growth and profitability through Group synergies and with the benefit of having certain strategic functions centralized at head office.

These selected centralized functions act as strategic catalysts to unlock further subsidiary growth, creating value through data analytics, reporting and shared resources. We want our subsidiaries focused on being the best disruptors possible.

GROUP MANAGEMENT VALUE-CREATION

- BUSINESS INTELLIGENCE
- SUSTAINABILITY STRATEGY & COMMUNICATIONS
- GROUP SYNERGIES & FRAMEWORK AGREEMENTS
- RESEARCH & DEVELOPMENT
- FINANCIAL & NON-FINANCIAL REPORTING
- ENTREPRENEUR SUCCESSION PLANNING

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SUBSIDIARY OWNERSHIP

- INNOVATION & PRODUCT DEVELOPMENT
- MARKETING
- SALES & DISTRIBUTION
- SUSTAINABILITY ACTION
- FINANCIAL RESULTS & PERFORMANCE
- PEOPLE & PAYROLL

TRANSFORMING THE FMCG MARKET

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

TECHNOLOGY & INNOVATION
Technology as a driver for foodtech sector and the rapid uptake of substitutes (e.g. meat and sugar)

MACRO FORCES

TRENDS DRIVING A SHIFT IN CONSUMER BEHAVIOUR & THE COMPETITIVE LANDSCAPE

POLITICAL & ECONOMIC SHIFTS
Power shifts in the global economy and geopolitical landscape

CHANGING LIFESTYLES
Diversifying values and lifestyles shifting towards higher requirements for personal health and environment

CONSUMER DEMOGRAPHICS
Millennials and Generation Z are shaping the future, demanding committed, transparent brands with sustainable & natural products

RESOURCE PRESSURE
Increasing need to embrace circular models

SHIFTING CONSUMER DEMANDS
Growing demand for sustainable solutions

INNOVATION

The challenge for major players in the industry today is the speed to act on new opportunities in the market. With companies across the whole value chain, including an agile setup for production, brands and distribution, Humble Group has the capabilities of leading players, while being able to maintain the agility and entrepreneurial spirit of the companies in the portfolio. This allows the Group to quickly identify market opportunities and deliver innovation at high pace.

ENTREPRENEURSHIP

A key enabler to facilitate innovation and agility is the entrepreneurial spirit within the Group companies. Humble Group's competitive edge derives from this spirit, and we therefore aim to harness this power, rather than dim it, by keeping all day-to-day decision making within each subsidiary. A decentralized model paired with a strong operational platform for synergies allows Humble Group to leverage the benefits of the entrepreneurial mindset with a scalable model.

GLOBAL SALES & DISTRIBUTION

Since the inception of Humble Group's journey, the core strategy has been to cover the full value chain including sales and distribution. The Group's sales and distribution business includes wholesalers and distributors owned by the Group as well as through the acquisition of subsidiary companies who bring with them strong external sales and distribution networks.

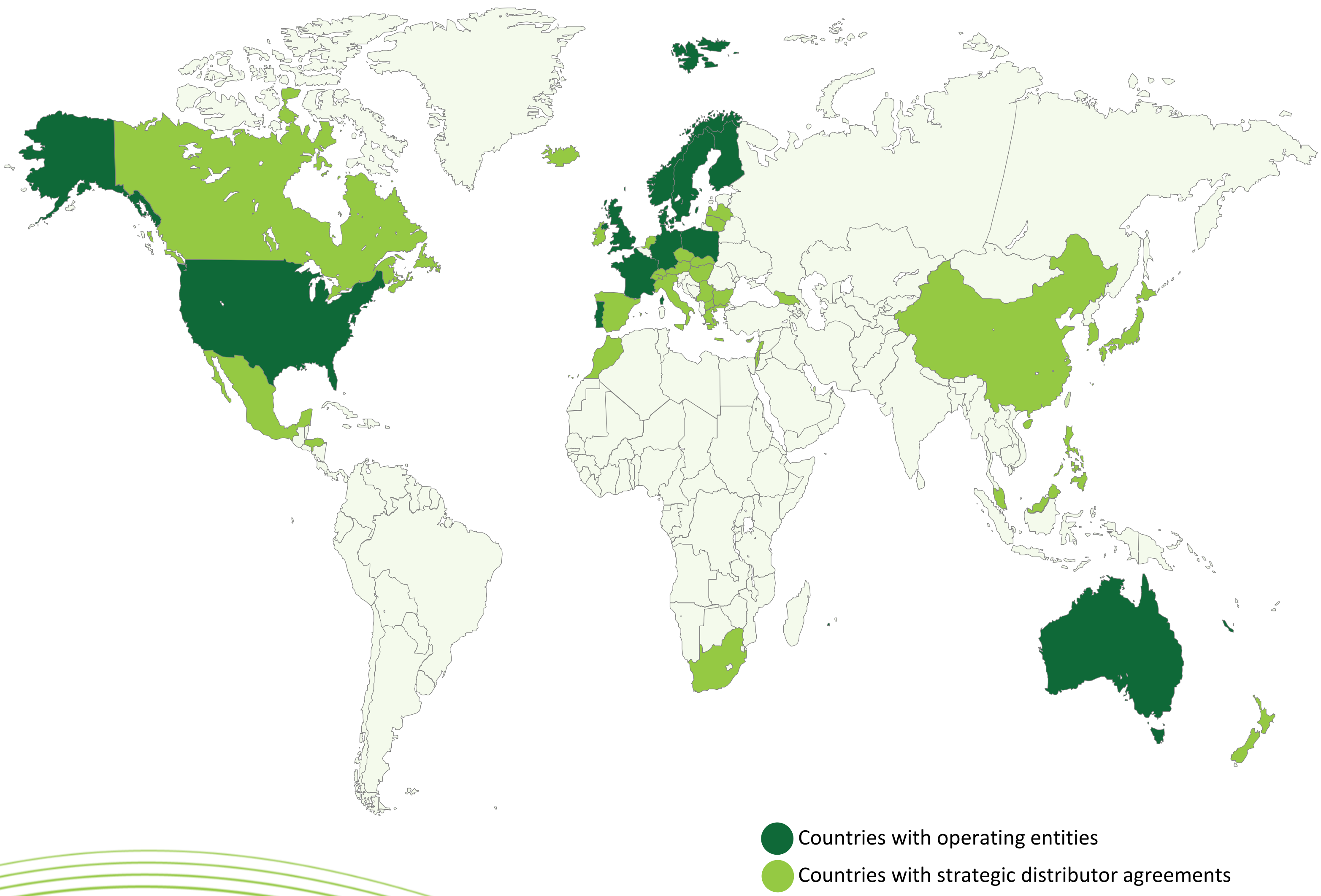
The Groups sales and distribution network have a deep understanding of local markets and consumer preferences and help both Humble Group brands as well as external customers in expanding their reach to new markets and broadening their customer base.

13
COUNTRIES WITH OUR OWN OPERATING ENTITIES

118
GLOBAL SALES MARKETS

75+
COUNTRIES WITH DISTRIBUTION

100 000+
GLOBAL POINTS OF SALES



CHANGE IN NET SALES

FULLY OWNED COMPANIES 2021 AND 2022

During the year, net sales increased in 2022 compared to 2021 for fully owned companies by MSEK 116, corresponding to a change of 29%, of which 29% consisted of organic growth and 0% of exchange rate effects.

PRO FORMA 2022

Pro forma means the financial outcome if all businesses were fully owned during the entire period. Pro forma increased net sales in 2022 compared to 2021 by MSEK 1 225, corresponding to 22% compared to 2021. Note that in the pro forma no group eliminations have been considered.

As some of the operations have sales to already existing group companies since before the acquisition, the net sales will therefore be slightly lower in the future after the operations are integrated, as the net turnover after the completion of the acquisition is reclassified to internal sales. For 2022, consolidated net sales were SEK 4,800 million, of which SEK 615 million has been eliminated as internal sales (which it is not in pro forma).

For the companies reported as owned at the end of 2022 and pro forma in the table below, there are subsidiaries with an accounting currency other than SEK. The currency effect in changes in net sales is not quantified, as this information was not available for the time before Humble Group acquired the respective business.

COMPANIES INCLUDED	NET SALES MSEK 2022 / 2021	CHANGE %	CHANGE SEK
Companies fully owned 2021 and 2022*	= 537 / 414	30%	123
Companies fully owned 2021 and 2022 excl. Items affecting comparability**	= 511 / 395	29%	116
Companies owned at year end 2022	= 6 413 / 5 284	21%	1 129
Companies owned at year end 2022 excl. Items affecting comparability	= 6 386 / 5 265	21%	1 121
Pro forma 2022	= 6 920 / 5 688	22%	1 232
Pro forma 2022 excl. Items affecting comparability	= 6 893 / 5 668	22%	1 225

*Amerpharma's net sales have been excluded in all data sets as it is no longer included according to IFRS reporting for the income statement 2022

**Items affecting comparison are management fee for the parent company (MSEK 21 for 2022 and MSEK 2 for 2021), integration of Golden Athlete's distribution (MSEK 6 in 2022 and MSEK 14 in 2021) and relocation of stock in Bayn Solutions (MSEK 3 in 2021).


SUSTAINABLE
CARE
100% RECYCLED BOTTLE
DERMATOLOGICALLY APPROVED
NO INTENTIONALLY ADDED MICROPLASTICS
VEGAN
Fiona&Friends
HAND
SOAP
TONKA AND MANDARIN
Wash your hands for at least 20 seconds.
How to wash your hands: Wet your hands
and apply plenty of soap. Lather your hand
by rubbing them together with the soap.
Rub the back of your hands and between the
fingers. Rub your thumbs. Rub your fingertips
in the palm of your hand. Rinse your hands.
Dry your hands using a paper towel.

SUSTAINABLE CARE

SEGMENT OVERVIEW

Sustainable Care consists of a diverse range of brands, distributors and producers of personal care and household products. Their categories span skincare, haircare, body care, oral care as well as hygiene products, among others. The companies in this segment are committed to meet the growing demand for more sustainable household choices and eco-friendly products and by doing so, contribute to our vision for a healthy planet.

As for all companies within Humble Group, there is a strong commitment to innovation in order to contribute to a more sustainable future. By exploring new materials and production methods to further reduce environmental impact, while improving quality and appeal to consumers, Sustainable Care is a core segment that symbolizes Humble Group's mission to create the best modern products within the FMCG space.

Each company brings unique strengths and capabilities to the Sustainable Care segment, which help to create a more robust value chain. The vast product portfolio combined with the importance of many of the products that i.e. The Humble Co. and Naty provide ensure Humble Group is well placed to meet the shifting preferences of modern-day consumers who demand better products for less. The manufacturers within Sustainable Care play an important role in ensuring product quality and consistency, thereby maintaining trust with consumers that our products are not just environmentally conscious but still meet the expected efficacy and quality standards.

THE ROLE OF OUR DISTRIBUTORS

Our vertically-integrated distributors help both Humble Group brands as well as external customers in expanding their reach to new markets and broadening their customer base. The combined efforts of our brands, manufacturers and distributors within Sustainable Care create a more resilient value chain that can meet the changing consumer demands in an agile way while striving for a more sustainable planet.

1 845	**124**	**7%**	**7**
MSEK NET SALES 2022	MSEK EBIT 2022	EBIT MARGIN 2022	ENTITIES IN THIS SEGMENT

SALES AND PROFITABILITY

Net sales for the Sustainable Care segment amounted to MSEK 1 845 during the year, an increase of 266% compared to the corresponding period last year. The growth among our Sustainable Care brands was mainly the result of line extensions and improved distribution in existing stronghold markets. While some of the brands have started to gain additional distribution by partnering with subsidiaries in the Nordic Distribution segment, the full potential here is far from materialized.

The production companies in this segment have expanded their product offering with new innovations and as a result have made several investments in order to secure additional growth and production capabilities. A company to highlight is Solent Group, which have driven high organic growth as well as a maintaining high levels of profitability, with a solid growth plan for the coming years. EBIT for the year in this segment amounted to MSEK 124 (MSEK -112), with an EBIT margin of 7% (-22%), which was negatively impacted by higher freight prices from Asia, weak SEK and GBP, and specific additional restructuring costs related to the Naty factory move.

FUTURE
SNACKING

FUTURE SNACKING

SEGMENT OVERVIEW

Future Snacking strives to offer cutting edge, healthier and more sustainable food & snacking products that challenge the traditional foods and snacks category. Our Future Snacking companies are driven by the passion for innovative concepts and aim to contribute to a more sustainable consumer lifestyle where health and well-being is at the centre without compromising taste, quality or convenience. Humble Groups functional food and "better-for-you" products include sugar and calorie-reduced alternatives, vegan alternatives and vitamin-enriched products that benefit the consumer. Global megatrends with shifting demographics, changing lifestyles, an increased awareness of the food industry's environmental impact, politics and digitalisation drive the shift in consumer understanding and behaviour. Humble Groups mission is clear: to become the frontrunner in delivering high-quality food & snacking products that align with the growing demands of today's health-conscious modern consumer.

BRANDS

The operating segment Future Snacking consists of a number of food and snacking brands with high innovation power and vision to provide cutting edge, healthier and more sustainable candy products, foods and snacks for the everyday. Each brand within the segment is a pioneer in its own unique market niche, for example vitamin-enriched gummy candies or lower-sugar chocolate snacks. With the increasing consumer awareness around the health benefits of functional foods and higher demand for products that blend the boundaries of enjoyment and wellness, Future Snacking's brands are well-positioned for high growth in the coming years. This growth trajectory is in line with the segment's strong performance in the past few years.

PRODUCTION

Furthermore, Future Snacking also includes various candy, chocolate and snacking manufacturers that supply the top-quality products for the Group's various brands. Due to the close partnerships between our manufacturers and brands, Humble Group's subsidiaries are able to quickly and easily respond to shifting consumer demands, making our business model uniquely agile in comparison to more traditional FMCG groups.

733	85	12%	14
MSEK NET SALES 2022	MSEK EBIT 2022	EBIT MARGIN 2022	ENTITIES IN THIS SEGMENT

SALES AND PROFITABILITY

Net sales for the Future Snacking segment amounted to MSEK 733 during the year, an increase of 182% compared to the corresponding period last year. The growth amongst the brands in the segment was mainly driven by new product launches and innovations as well as international and domestic expansion of our established Future Snacking brands. Moreover, the brands have gained stronger distribution with retailers thanks to a strong partnership with the Nordic Distribution segment.

The production companies within Future Snacking have expanded their product offering with their own brands and via additional contract manufacturing to external parties. They have also maintained higher capacity and benefitted from several of the Humble Group brands bringing their production inhouse to fellow Group subsidiaries. A company to highlight is Pändy, which has sustained significant growth throughout the full year 2022 and turned a negative EBIT to positive, with a very strong outlook for 2023. EBIT for the year in this segment amounted to MSEK 85 (MSEK 5), with an EBIT margin of 12% (2%), which was impacted by the ongoing raw material pricing volatility that we saw in 2022 and a delay in price increases being transferred downstream.


QUALITY
NUTRITION

QUALITY NUTRITION

SEGMENT OVERVIEW

Quality Nutrition comprises of both brands and manufacturers of sports nutrition supplements and ingredients. These subsidiaries are devoted to providing top-quality nutritional products and supplements that are designed to cater to a variety of consumers, from high-performance professional athletes to active lifestyle consumers who are looking for convenient way to improve their performance and health in their daily lives. The brands included in Quality and Nutrition have a large reach, with Body Science covering primarily Australia, Viterna and Vitargo covering the Nordic region, and Rainforest Foods and Greens Origins primarily covering the UK. With the help of their research and development functions our Quality Nutrition companies create continuously improved products while taking strides to make the sports nutrition segment more sustainable.

PRODUCTION CAPABILITIES

The Quality Nutrition segment aims to service in-house brands as well as contract manufacturing services for external brands and emerging concepts. The production capabilities in this segment that are based in the Nordics includes fillings and capsules, powders and flavouring, gels, sachets, nutrition bars & granolas as well as superfood blends.

There are additional growth opportunities within the Quality Nutrition segment that we continue to explore, and we expect this segment to grow as we improve its product offering to B2B clients.

965	**57**	**6%**	**12**
MSEK NET SALES 2022	MSEK EBIT 2022	EBIT MARGIN 2022	ENTITIES IN THIS SEGMENT

SALES AND PROFITABILITY

Net sales for the Quality Nutrition segment amounted to MSEK 965 during the year, an increase of 275% compared to the corresponding period last year. The growth among the Quality Nutrition brands is mainly attributed to BodyScience, which has had a fantastic since it became part of Humble Group in August 2022. The company has grown significantly through new innovations, additional sales channels and higher distribution. The other brands in this segments have sustained strong growth through additional distribution and launches of new products as well as cooperation with the Nordic Distribution segment.

Our Quality Nutrition production facilities have been gathered under a centralized organization called “Arena Nutrition” where our companies are now bound together to be able to supply our biggest customers with an end-to-end full assortment of high quality and delicious tasting products. With the strong sales capabilities in Ewalco leading the initiative, we believe this Group collaboration will be a driver of organic growth in the coming years. EBIT for the year in this segment amounted to MSEK 57 (MSEK -1), with an EBIT margin of 6% (0%), the result of also being affected by higher raw material prices and FX impact.

NORDIC DISTRIBUTION

NORDIC DISTRIBUTION

SEGMENT OVERVIEW

Since the inception of Humble Groups journey, our differentiating strategy has been to cover the full FMCG value chain including distribution. The Nordic Distribution segment encompasses a network of wholesalers and distributors located in the Nordic region to bring our "better-for-your" products to all distribution channels efficiently and effectively. The companies within Nordic Distribution have a deep understanding of local market dynamics and the diverse consumer preferences, which makes Humble Group uniquely placed to navigate Nordic channels in a coordinated way, without losing localized knowledge.

Moreover, the Nordic Distribution segment also provides value-adding services such as logistics and supply chain management for the Group. These services help to streamline and strengthen the distribution process, ensuring that products reach customers in an efficient manner. A key element to our sustainability strategy is ensuring our products are accessible to all.

The segment is expected to grow and achieve margin expansion through a more centralised distribution arm upon which all Humble Group companies can benefit from greater purchasing power, reduced costs and overheads, efficient cross-promotion efforts and the coordination of strategic logistical hubs.

During Q4 2022, Humble Group signed legally binding agreements to acquire 100% of the shares in Privab Ystad and Privab Trollhättan, as well as the marketing company Privab Grossisterna AB. The legally binding agreements include a condition in which Humble Group will continue collaboration with the remaining operating wholesalers Privab Visby and Privab Umeå.

1 257	29	2%	10
MSEK NET SALES 2022	MSEK EBIT 2022	EBIT MARGIN 2022	ENTITIES IN THIS SEGMENT

SALES AND PROFITABILITY

Net sales for the Nordic Distribution segment amounted to MSEK 1 257 during the year, an increase of 170% compared to the corresponding period last year. The growth can be seen in all of the companies included in this segment – the result of increasing both volume of goods and the product assortment supplied to existing stores and channels. Additionally, many of the distribution subsidiaries have incorporated the product portfolio of other Humble subsidiary brands, driving additional growth via inter-group synergies. The EBITA-margin has been lowering in many of the companies due to high price volatility and freight prices, which has put pressure on the profitability. The companies see strong potential to recover margins in the coming years to normalized levels pre-2022. EBIT for the year in the Nordic Distribution segment amounted to MSEK 29 (MSEK 1), with an EBIT margin of 2% (0%). The decrease in margin was attributed to the pricing increases we saw across almost all FMCG product category which in turn affected almost all distribution companies as pricing increases were passed downstream in the value chain.

FINANCIAL TARGETS

FINANCIAL TARGETS

Humble Group’s 2025 financial growth target in 2025 s a net turnover of SEK 16 billion pro forma with a target of 15% organic growth per year. Humble Group’s 2025 profitability in 2025 is an adjusted EBITA of SEK 1.9 billion pro forma. The company also has a debt target that adjusted EBITA pro forma relative to net debt should be less that 2.5x.

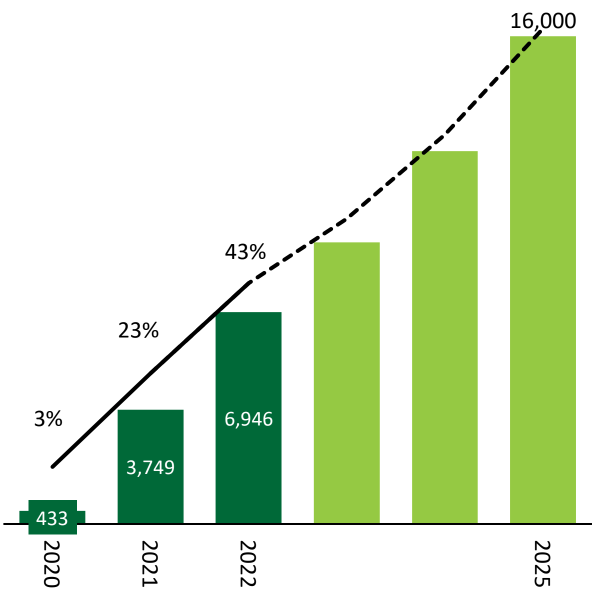
15%	16bn	1.9bn
ORGANIC GROWTH TARGET	NET SALES TARGET	ADJUSTED EBITA TARGET

2022 RESULTS

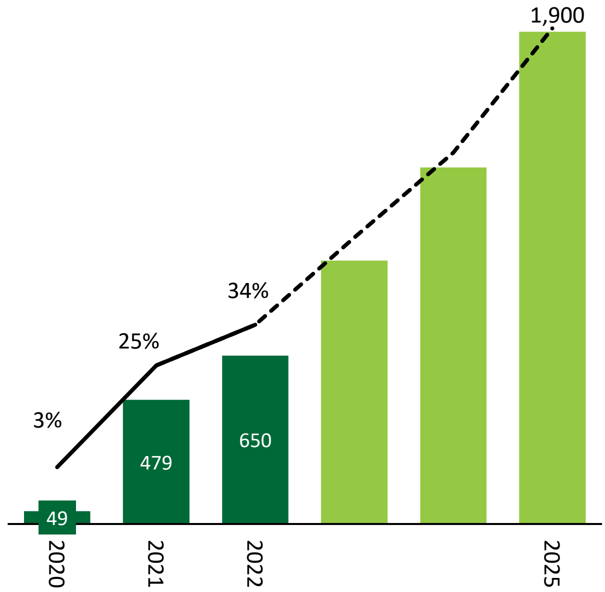
At the end of 2022, the Group's pro forma net sales for rolling 12 months amounted to MSEK 6 347. This corresponds to 43% target fulfillment of our long-term financial target that pro forma net sales should amount to SEK 16 billion by the end of 2025. Adjusted EBITA pro forma amounted to MSEK 650, which corresponds to 34% target fulfillment that proformed adjusted EBITA will amount to MSEK 1 900 at the end of 2025.

The graphs below illustrate Humble Group's development and degree of fulfillment of the financial targets 2025 at the end of the current accounting period and should not be interpreted as a forecast for future development.

NET SALES TARGET



PROFITABILITY TARGET



Pro forma achieved results
Financial targets
Progress to financial targets

GOVERNANCE REPORT

A WORD FROM THE CHAIRMAN OF THE BOARD

We summarize an eventful year in which Humble has continued to deliver well on the set strategy that the Board adopted at the beginning of 2020. The goal when we acquired Pändy in March 2020 was to grow the Group's scope and profitability both organically and through acquisitions. A little over three years later, when turnover figures have turned from millions to billions, I can only sum up that the strategy worked very well.

I can also state that the Group's progress has been marred by three turbulent years from a macroeconomic perspective. Pandemics, a horrific invasion of Ukraine, rising freight prices, the energy crisis, and a volatile inflation and interest rate environment have all presented challenges in different ways over the years. With a decentralized governance model, I am pleased with how well both management and our entrepreneurs have managed to deal with the challenges we have faced as a group. We have built a strong group of companies that, despite a turbulent environment, delivered strong underlying organic growth. We have strengthened the organization in many ways and now involve several different functions that can support our subsidiaries in both the strategic plan and everyday needs. We have successfully transitioned from Swedish GAAP K3 to IFRS – an important first initial step towards increased comparability for international investors and a must for a future list change for the Group.

I have now been part of the Board since 2011 and Chairman of the Board since 2015 and I am proud of the journey that Humble has made. During my time on the Board, the Group has developed from being a small company with a focus on sugar reduction to being a global group that drives the development of the market within FMCG, for health and sustainability. After the Annual General Meeting, I will end my role as an active member of the Board. The company's construction is now entering a new phase with an increased focus on efficiency, consolidation and optimization of working capital and capital structure.

I have strong faith in the management and the growth journey that Humble is on, and I will continue to follow the development closely as an advisor and long-term shareholder in the company.

Peter Werme,
Stockholm April 27th, 2023

COMPLIANCE WITH SWEDISH CORPORATE GOVERNANCE CODE (THE CODE)

The corporate governance report has been prepared with chapter 6, Section 6 and 8 of the Annual Reports Act as a starting point, contain important information on how Humble Group complies with the Swedish Corporate Governance Code, on shareholders, the Annual General Meeting, the Nomination Committee, the Board, and its work. The company has begun strategic work to develop its compliance with the Swedish Code of Corporate Governance and will continue to develop its governance model and follow-up of the Code in 2023 as part of strengthening the organization for a future list change.

HUMBLE GROUP´S GOVERNANCE MODEL

GOVERNANCE REPORT

THE SHAREHOLDERS

Humble Group is listed on the Nasdaq First North Growth Market since November 12, 2014. The company is ultimately governed by the shareholders who influence the main focus through their influence at the Annual General Meeting.

ANNUAL GENERAL MEETING

The Annual General Meeting is the company's highest decision-making body and gives all shareholders the opportunity to exercise their influence regarding, for example, the composition of the Board or the selection of auditors. The Nomination Committee proposes candidates for Board members, Chairman of the Board and auditors. Decisions at the Annual General Meeting are usually made by a simple majority. The Articles of Association do not specify any restrictions on how many votes each shareholders can cast at the Annual General Meeting. The Annual General Meeting resolves, for example, on amendments to the Articles of Association and authorizations for the Board.

At the Annual General Meeting, shareholders have the opportunity to ask questions about the company and the previous year´s result. Representatives of the Board and company management are normally present at the Annual General Meeting to be able to answer such questions. The most recent Annual General Meeting was held on May 5th, 2022, and the minutes with all decisions made are available on www.humblegroup.se.

NOMINATION COMMITTEE

The Nomination Committee in Humble Group prepares and submits a proposal to the Annual General Meeting regarding Chairman of the meeting, board members and Chairman of the Board. It also submits proposals for board fees to each of the board members and the chairman as well as possible compensation for committee work, fees to the company's auditor. The nomination committee for the 2023 Annual General Meeting consists of Henrik Patek (representing RoosGruppen), Aram Jimal (representing NCPA Holding AB), Henrik Forsberg (representing Neudi & Co AB and Peter Werme as Chairman of the Board of Humble Group AB.

BOARD COMMITTEE

With our rapid growth, the need for a remuneration, audit and acquisitions committee has emerged to enable a more efficient distribution of work within the Board. Work on these has continued during 2022. The committees meet at least four times a year, more times if necessary, and prepare matters before handling in the Board.

Below is presented a compilation of the company's 10 largest shareholders and distribution by holding size with reconciliation date 2023-03-31.

Owner	Shares	Votes
Håkan Roos (RoosGruppen AB)	30 983 300	10.11%
Noel Abdayem (NCPA Holding AB)	27 917 627	9.11%
Neudi & C:o AB	18 908 001	6.17%
Avanza Pension	16 815 794	5.49%
Thomas Petrén (Seved Invest AB)	12 570 000	4.17%
Capital Group	11 368 627	3.71%
Futur Pension	7 513 372	2.45%
Creades AB	7 026 870	2.33%
Caldas Capital Lda	6 572 129	2.14%
Simon Petrén (Semroen AB)	6 216 200	2.03%
Total top 10	**145 891 920**	**47.59%**
Other shares	160 658 635	52.41%
Total number of shares	**306 550 555**	**100.00%**

Shareholding	No of owners	No of shares	No of votes
1 - 500	15 284	2 181 716	0.71 %
501 - 20 000	7 881	23 948 135	7.81 %
20 001 - 100 000	429	17 438 685	5.69 %
100 001 - 500 000	97	20 886 347	6.81 %
500 001 - 1 000 000	21	15 628 808	5.10 %
1 000 001 - 2 000 000	11	15 473 880	5.05 %
2 000 001 -	20	185 153 756	60.40 %
Anonymous ownership		25 839 228	8.43 %
Total	**23 743**	**306 550 555**	**100.00 %**

BOARD OF DIRECTORS

The Board is appointed by the Annual General Meeting and is normally elected until the end of the first Annual General Meeting held after the year in which the member or deputy is elected. According to the Articles of Association, the Board shall consist of a minimum of three and a maximum of seven Board members, with a maximum of three deputy Board members. Peter Werme was re-elected as Chairman of the Board at the 2022 Annual General Meeting. No vice chairman has been appointed.

The Board's tasks are regulated by the Board's rules of procedure, which are documented in writing and adopted by the Board annually after the Annual General Meeting. The main tasks consist of deciding on the Group's overall strategy, company acquisitions and investments. The Board also determines the framework for the Group's operations through the Group's business plan. The Board usually meets monthly, with the exception of additional board meetings when deemed necessary. Board committees were created in spring 2022 in order to distribute the work within the Board more efficiently. The Board of Humble Group consists of the following individuals:

PETER WERME
CHAIRMAN OF THE BOARD

Shares: 4 706 427
Year of birth: 1960
Chairman of the Board since 2015
Education: MBA at Uppsala University
Other assignments: First Venture Sweden AB

HENRIK PATEK
BOARD MEMBER

Shares: 207 500
Year of birth: 1969
Board member since 2021
Education: University studies of Computer Science & Business Administration
Other assignments: Head of Investment at RoosGruppen AB

OLA CRONHOLM
BOARD MEMBER

Shares: 52 000
Year of birth: 1973
Board member since 2022
Education: MSc from Gothenburg University.
Other assignments: Investment Manager at Neudi & Co

DAJANA MIRBORN
BOARD MEMBER

Shares: 17 236
Year of birth: 1980
Board member since 2021
Education: MSc from Gothenburg University. Executive Education from INSEAD
Other assignments: Investment Director Sustainability at Bonnier Ventures, Board Member DI gruppen and Doktorse Nordic

BJÖRN WIDEGREN
BOARD MEMBER

Shares: 61 705
Year of birth: 1958
Board member since 2020
Education: MSc from Gothenburg University
Other assignments: -

HANS SKRUVFORS
BOARD MEMBER

Shares: 30 000
Year of birth: 1980
Board member since 2021
Education: MSc from Stockholm School of Economics
Other assignments: CEO at Foodora, Board Member Volumental AB

EXECUTIVE TEAM

In 2022, Humble Group's executive team welcomed Kristoffer Zinn in a new position of Chief Analytics Officer. This position further enhances Humble Group's vision to be a center of excellence with data-driven decisions guiding its agile execution.

It also expanded the operational management team to include category-specific Operating Directors, tasked with bringing knowledge and best-practice from leading global FMCG players such as Unilever and Orkla. In parallel it added a new Head of Sustainability function in April 2022 to develop the Group's sustainability strategic and lead all communications and initiatives across all areas including environment, social initiatives and governance.

SIMON PETRÉN
CEO

Shares: 6 216 200
Simon holds a Master's degree in Product Innovation from KTH and Business Administration from Stockholm University. Simon is a co-founder of Pändy Foods and was its CEO until Pändy became part of Humble Group. He has previously worked as a Business Intelligence Analyst at Nordea and has ten years experience in capital markets, investments, strategic development and growth of start-up, small and medium sized companies. Simon sits on the board of several FMCG and acquisition companies.

NOEL ABDAYEM
COO/VICE PRESIDENT

Shares: 27 917 627
Noel is a licensed dentist and founder of the company The Humble Co, which is part of the group. Noel is, together with Darren Weiss, the founder of the Group's non-profit organization – the Humble Smile Foundation. As an entrepreneur, Noel has been praised by, among others, H.M. King Carl XVI Gustaf as Årets nybyggare, Årets unga företagare, EY Entrepreneur of the Year and Prince Daniel's entrepreneur award. He is currently the second largest shareholder in the Humble Group.

JOHAN LENNARTSSON
CFO

Shares: 100 000
Johan holds a degree in Business Administration from Umeå School of Business, Economics and Statistics and from the University of New Brunswick, Canada. He previously worked at PWC as a chartered accountant since 2019 and as an assistant auditor since 2015 with a focus on auditing larger listed companies.

MARCUS STENKIL
HEAD OF M&A

Shares: 107 009
Marcus holds a bachelor's degree from Gothenburg University School of Economics. Prior to joining Humble Group, Marcus worked as CFO at The Humble Co. and before that as an auditor at EY in Sweden and the US, focusing on major listed companies and capital markets transactions.

KRISTOFFER ZINN
CAO

Shares: 103 992
Kristoffer has extensive experience in analytics and business intelligence from previous roles at Nordea Wealth Management and Pierce Group.
Kristoffer holds a Master's degree in Industrial Management from the Royal Institute of Technology.

humble sustainability
for healthy people, on a healthy planet

HUMBLE GROUP'S SUSTAINABILITY WORK 2022

humble sustainability
for healthy people, on a healthy planet

A YEAR OF CHANGE, IN THE SPIRIT OF SUSTAINABILITY

Humble Group is a home for likeminded companies that want to make an impact.

From fighting plastic waste in the oral care industry, to disrupting the chewing gum market. From reducing meat consumption with high protein vegetarian alternatives, to reducing sugar levels in the snacks that we all love to enjoy. Every company under the Humble Group banner has their own mission to change the market.

But in 2022 we acknowledged that as a Group we can make an even greater impact if we coordinate certain initiatives centrally, particularly with regards to our sustainability work. We can harness the power of the collective to do even more, even faster.

We quickly identified the need for more communication channels to stay abreast of our ongoing sustainability work across different segments and geographical markets. In July 2022 we launched an internal sustainability reporting tool, which now allows us to have a quarterly view of how all subsidiaries are tracking across a variety of chosen indicators spanning environmental, social and governance areas.

With regular information coming from our business units and the Group's sustainability strategy as the backdrop for our work, we started focusing more specifically on prioritized topics: our environmental priorities included climate, energy, and packaging for 2022 and in parallel we grew our social initiatives for our teams whilst strengthening our Group's governance.

Climate in particular continues to be an area that many of our companies are eager to tackle in a more coordinated way, and I am very proud to say that Humble Group is currently undergoing its first full Group-wide carbon accounting assessment to understand our global footprint for 2022 and 2021 comparatively. As the carbon project unfolds, it is exciting to see how the unique structure of Humble Group plays to our advantage: we are already seeing the benefits of being able to make quick decisions and/or investments in our own facilities, which in turn can affect many of our Group companies simultaneously thanks to our vertically-integrated structure.

Packaging was also an area where our subsidiaries continue to want to do more with centralized support. Humble Group began coordinating packaging trials across the Group and negotiating contracts for multiple subsidiaries at a time, using our collective power to make informed improvements to our products.

These just some examples of the great work happening at Humble Group and needless to say, 2022 was a rewarding year with regards to sustainability. I am proud of our team's ability to continue to take on new projects, challenges and reporting requirements, particularly in some technical environmental areas, but I am not surprised. Passion and an entrepreneurial spirit are two of the defining values that make Humble Group what it is today.

Humble Group has a long and exciting road ahead and our sustainability work will never (and should never) be finished. We are navigating each sustainability area together – ready to listen to the experts, learn from each other, test in an agile way and then scale that best-practice quickly. That's our model.

THE HUMBLE WAY. Read more about our 2022 milestones on the next page.

Juliana Lothe

HEAD OF SUSTAINABILITY
AT HUMBLE GROUP

2022 SUSTAINABILITY MILESTONES

humble sustainability
for healthy people, on a healthy planet

WE SUPPORT
UN GLOBAL COMPACT

APRIL 2022

Head of Sustainability role announced as part of management team.

Sustainability workshops with management team to align on ambition & map business operations.

JUNE 2022

Established team of sustainability champions.

Packaging trials begin for Pändy, Kryddhuset & Bars Production.

JULY 2022

Humble Group becomes a signatory of the UN Global Compact.

Launch of internal sustainability reporting platform.

AUGUST 2022

Group-wide trainings held to educate on new sustainability reporting and understanding of selected sustainability KPIs.

SEPTEMBER 2022

Sustainability workshop held with Board of Directors. Alignment of Group-wide sustainability priorities for 2H2022 and 1H2023.

Humble Group intranet opened to all staff members as internal resource for policies, agreements & sharing of best-practice.

OCTOBER 2022

Governance focus: drafting of new mandatory Group-wide policies for implantation from January 2023.

NOVEMBER 2022

Climate focus: shortlist of carbon accounting partners to undertake Group-wide footprint calculations.

DECEMBER 2022

Subsidiary engagement with company-wide presentation and training on Group-wide sustainability strategy.

Contract signed with Normative to partner on carbon accounting project.

Normative

STAKEHOLDER DIALOGUE

At Humble Group, we believe in solving challenges collaboratively through proactive dialogue and continuous improvement. Encouraging ongoing dialogue with our key stakeholders helps us better understand what material issues matter to them most, and in turn helps us prioritize accordingly.

Our stakeholders include both internal and external parties, up and down our value chain, whose support and business operations make Humble Group what it is today.

Below is an overview of our key stakeholders, the issues most material to them in 2022 and our response.

OUR STAKEHOLDERS	ENGAGEMENT REPONSIBILITY	HOW WE ENGAGE	IMPORTANT TOPICS	OUR RESPONSE
Consumers	Subsidiaries	• Product packaging • Brand campaigns • Social media • Company websites	Demand for "better for you" and "better for the planet" products are growing. Many consumers are paying more attention to carbon footprint initiatives and/or material and packaging choices when choosing their everyday products.	Our subsidiaries are all united by the same goal which is to develop products that improve the lives of our consumers. Each subsidiary oversees their own environmental initiatives and are encouraged to communicate these initiatives on both their physical and digital touchpoints (e.g. product packaging, company websites, social media etc.).
Customers	Parent company & subsidiaries	• Strategy meetings • Trade shows • Customers' supplier requirements (e.g. Code of conduct), questionnaires & audits	Our customers (namely business-to-business retailers or large distributors) are increasingly looking for partners who will help them meet their own sustainability goals, with a particular focus on climate, whilst simultaneously helping them to meet their consumers' demands for healthier, more sustainable products.	We have initiated our first Group-wide carbon accounting project in order to understand our business' footprint and start the long-term transition towards carbon neutrality. This initiative is for our own benefit but will also help us fulfill the reporting requirements driven by our customers who are seeking their Scope 3 carbon footprint data.
Employees	Parent company & subsidiaries	• Regular dialogue & open feedback • Performance reviews • Intranet	Many of our employees have expressed a particular interest in leveraging more of the experience and knowledge within Humble Group – particularly to share best practice within R&D, marketing and sustainability.	Humble Group launched an intranet in May 2022 as a means of connecting our growing Humble Group family across the world. It serves as a platform to share Group guidelines and policies top down whilst also sharing bilateral updates and success stories from our different subsidiaries.

STAKEHOLDER DIALOGUE

OUR STAKEHOLDERS	ENGAGEMENT REPONSIBILITY	HOW WE ENGAGE	IMPORTANT TOPICS	OUR RESPONSE
Investors & shareholders	Parent company	• Annual report • Annual General Meeting • Quarterly reports & results presentations • Investor roadshows • Individual investor meetings • Investor questionnaires	In 2022 we saw a big step change in the number of investors asking us directly about our environmental & social initiatives. Climate targets and alignment with the Science Based Target initiative (SBTi) is the main topic in question, followed by sustainable packaging solutions and pace of product innovation.	We address these questions from investors & shareholders with full transparency: our sustainability journey will be a long road of continuous improvement and as we are at the early stages, climate is very much the priority for us in 2023. We fully support science-backed climate action, and our entire management team shares the ambition to be aligned with this initiative in the future.
Philanthropic partners	Parent company & subsidiaries	• Donations • Positions on partner Boards • "Humble Gives Back" volunteering day	Access to corporate funding has been a top concern for our philanthropic partners. In a year of global conflict, unprecedented inflation levels and an ongoing energy crisis, support for philanthropic partnerships easily get deprioritized.	We are proud to see that the majority of our subsidiaries have maintained their previous levels of charity donations or philanthropy work, if not increased their impact in 2022. Our subsidiaries support a range of partners spanning both environmental and social causes, and local community initiatives.
Suppliers	Subsidiaries	• Strategic planning meetings • Formal supplier audits	Our suppliers have been focused on maintaining profitability amidst a turbulent year with unprecedented price increases.	While we of course understand the pressure on business continuity and profitability, we urge our suppliers not to divert their resources away from sustainability initiatives that will futureproof their business in the long term.

SUSTAINABILITY GOVERNANCE

For a true business transformation, sustainability needs to start at the top of our organization with full integration throughout the different levels of the business. Below outlines how our sustainability agenda is handled within Humble Group, and what each body is responsible for.

HUMBLE GROUP HEAD OFFICE

BOARD OF DIRECTORS

Oversee and ultimately holds responsibility for Humble Group's corporate strategy and performance (including both financial & non-financial results).

Engages annually (at a minimum) with the executive team & Head of Sustainability to review all Group-wide sustainability initiatives, policies and priorities. Additional updates are provided, as necessary.

CHIEF EXECUTIVE OFFICER

Provides executive support and holds the ultimate decision-making power for all operational strategies.

Supports and leads the remainder of the management team to ensure sustainability initiatives maintain momentum within each business unit and function. Approves larger investment decisions aligned to sustainability initiatives taken at Group level and above a predetermined spend threshold at subsidiary level.

HEAD OF SUSTAINABILITY

Drives the overall strategy and direction for Humble Group with regards to all sustainability initiatives (spanning environmental, social & governance areas). Leads all sustainability reporting for Humble Group and is responsible for responding to investor and industry questionnaires around ESG.

Works alongside the executive team and category-specific Operating Directors to integrate sustainability results and reporting in each of their respective areas.

HUMBLE **GROUP SUBSIDIARIES**

SUBSIDIARY CEOS

Responsible for all day-to-day operations within their subsidiaries and are accountable for all financial and non-financial results. Also responsible for overseeing the integration of sustainability in each of their businesses, both from a sustainability performance and culture perspective.

Encouraged to feedback upwards to Humble Group's Head of Sustainability if there are areas that require further support or training from the head office team.

SUSTAINABILITY CHAMPIONS

Nominated by each subsidiary CEOs, this is a group of individuals (not necessarily management or executive level) responsible for supporting their CEO with the integration of sustainability throughout their business unit.

Our team of sustainability champions spans a range of knowledge areas, including technical, product or marketing and commercial.

HEALTHY PEOPLE ON A HEALTHY PLANET

We have defined a framework for our strategic work with sustainability across the whole of Humble Group. The strategy sets out our strategic direction for the future and aims to challenge and develop the FMCG industry. It outlines where Humble Group's sustainability focus sits in order for our business operations to have the greatest impact.

We believe in doing sustainable business The Humble Way.

OUR IMPACT AREAS	INNOVATING FOR POSITIVE IMPACT	COLLABORATING FOR BUSINESS EXCELLENCE	SECURING RESPONSIBLE SOURCING & PRODUCTION	EMPOWERING BETTER CHOICES
OUR AMBITION	Systems innovation for healthy people and planet	Being a people powerhouse that leads cross-sectoral collaborations	Safe and fair value chains that creates positive impacts	Healthy product solutions made accessible to all
OUR ACTIVATIONS	• Becoming a powerhouse that reinvents the FMCG sector • Celebrating an entrepreneurial mindset • Taking a science-driven approach • Building an innovation hub for future healthy living • Supporting future innovation for accelerated change • Aligning our M&A strategy with sustainability strategy	• Embracing cross-sector collaborations • Becoming a trusted partner with high ethical standards • Leading re-investments in society to make positive societal impacts • Advocating for policy and legislation • Ensuring an attractive and rewarding workplace with competence & diversity	• Supporting renewable energy & fossil free transportation • Transitioning to carbon positive production & supply chains • Ensuring sourcing practices that protects biodiversity & regenerative ecosystems • Securing transparent & traceable product origin • Respecting & protecting human rights • Promoting zero waste & circular solutions	• Offering holistic product solutions that improve peoples physical & mental health • Ensuring safe & healthy products for people and planet • Providing consumers easy access to better choices for all generations • Partnering with third party labelling schemes • Committing to honest & transparent marketing
	3 GOOD HEALTH AND WELL-BEING 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 17 PARTNERSHIPS FOR THE GOALS	7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND	3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 15 LIFE ON LAND

ALL ABOUT INNOVATION

The first area for impact we established while creating our sustainability strategy had to be innovation. Humble Group is proudly an entrepreneur-founded company that celebrates innovation which reinvents the FMCG industry in which we operate. With our original roots in foodtech, Humble Group now manufactures, distributes and sells products in the food, snacks, sports nutrition and personal care categories both via our own brands as well as under private label.

AREA 1:

Innovating through positive impact

LIVE PATENTS

At the end of calendar year 2022, Humble Group held eight live patents: seven within the skincare and wellness category and one for our sugar-replacement fiber EUREBA®.

Read more below on the success of EUREBA® and the integration of this innovation across multiple Humble Group subsidiaries.

M&A CRITERIA

Humble Group's business model combines organic growth with strategic acquisitions in order to position our business for the biggest possible impact in the future. As we continue on our sustainability journey, we are looking at how our internal sustainability initiatives and KPIs can be better integrated into our future investment decisions, and vice versa. We have an established M&A due diligence process which now includes specific sustainability questions, spanning environmental, social and governance. The sustainability criteria included in the due diligence process will need to continuously evolve as our business continues to drive its sustainability agenda and raise its minimum operating levels.

SPOTLIGHT ON: EUREBA®

The health risks associated to the world's addiction to sugar are well known. By 2030, it is predicted that over 1 billion people globally will be living with obesity, resulting in catastrophic health and economic consequences[1]. Thankfully consumer awareness on the dangerous effects of sugar is growing, and now the pressure on food, snack and drink producers is higher than ever to solve the sugar dilemma.

Producers have generally faced challenges when trying to reduce the calories and Glucose Index (GI) of their products by replacing sugar with bulk or high-intensity sweeteners. A product's structure and taste are often compromised, generally making "healthier for you" products less enjoyable. There are also often additional production costs associated with the use of sweeteners including additional equipment requirements and additional cleaning time.

Humble Group has developed a unique and innovative composition of sweetened fibres under the brand EUREBA®.

This patented solution means that producers can easily replace sugar 1:1 without any further CAPEX investments and at the same time secure a homogenous product, which allows for better quality-management and drastically reduces unit-costs.

EUREBA® is now vertically integrated throughout several of Humble Group's operations, most notably in products manufactured at Grahns Konfektyr AB and marketed under the brand Pändy. With this innovation, Humble Group has carved out a new "better for you" candy category that does not compromise the consumer experience. EUREBA® is also sold commercially to external producers in the dairy sector.

This patented ingredient means that Humble Group has secured a technical solution and unique production process that can truly make an impact by replacing the harmful sugar levels in several industries that use it as a base component in compound foods.

Gone are the days where consumers are forced to choose between healthy and delicious.

1. The Economic Impact of Overweight & Obesity in 2020 and 2060 (2nd Edition with Estimates for 161 Countries), 2022 https://data.worldobesity.org/publications/WOF-Economic-Impacts-2-V2.pdf

HUMAN CAPITAL: OUR STRONGEST ASSET

The talent and passion we have at Humble Group is unrivaled and as a business, we understand that we are only as strong as our people and partners. We have a shared goal to make Humble Group a wonderful place to work, and as our Humble family grows across the globe we are finding new ways to keep our employees connected, empowered & engaged.

LEARNING OPPORTUNITIES

Humble Group's Head Office launched a new initiative in 2022 called "fika & learn". This is a dedicated hour once a month for all employees to take a step back from their day-to-day role and learn about a new topic or area of the business. We invite a range of both internal stakeholders or external partners to speak to our teams and share their field of knowledge and inspire us.

In parallel, every employee is encouraged to take lead of their own personal development journey and speak to their line manager about additional learning opportunities or training needs. Learning and development budgets for all staff are managed at subsidiary level and are planned into the annual budget process.

MENTORING

At Humble Group, we believe that peer-to-peer coaching can be just as effective as formal classroom learning to support each others personal development. Our portfolio of subsidiaries and entrepreneurs are a valuable resource which can bring years of industry experience in the form of mentoring. In 2022, Humble Group launched a mentoring program to match talent within our business based on their roles, learning needs and geographical location.

AREA 2:

Collaborating for business excellence

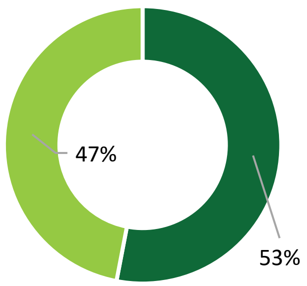
DIVERSITY

We believe that a diverse workforce unleashes the best potential for us a business. Diversity in our teams makes us best placed to create the best industry-changing products and market to a globally customer and consumer group.

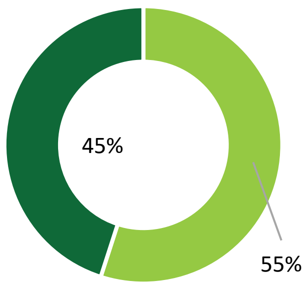
As of July 2022, Humble Group began tracking our gender and age diversity across the Group. We are pleased to see a strong gender split across our businesses, especially amongst our full-time employees. We always hire based on competency, and for many of our sports nutrition businesses the roles tend to attract more male candidates. However, many of our part-time or seasonal workers generally include many students, thereby balancing the gender split even further. Our gender split at management level is an area we look to improve in coming years. Many of our subsidiaries are still entrepreneur-led, majority of which are male, thereby affecting the gender balance at senior management level.

Details of our Group management team and Board of Directors can be found in the report on pages **20-21.**

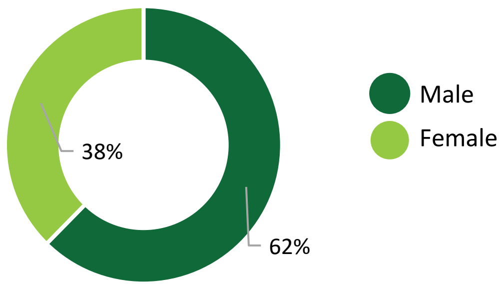
FULL TIME EMPLOYEES[1] AS OF Q4 2022



PART TIME EMPLOYEES[1] AS OF Q4 2022



EMPLOYEES CONSIDERED MANAGEMENT[1] AS OF Q4 2022



[1] Excludes the headcount of the Group team based in Stockholm, Sweden and our Board of Directors.

STRONG GOVERNANCE

Humble Group strives to always be a highly ethical business partner that upholds safe and fair labor practices. All of our subsidiaries share these values however they were operating under their own legacy policies from their time prior to acquisition.

With this in mind, a key objective for 2022 was to further strengthen our Group policies. These governing documents formally indicate our commitment to overseeing and enforcing a safe, healthy and just work environment for all – and ensure consistent standards across all of our operations, regardless of business size or structure, geographical location or product category.

All Group subsidiaries share the following standards:

- The Humble Way (Our Code of Ethics)
- Anti-Bribery & Corruption Prevention Policy
- Human Rights Policy
- Speak Up (Whistleblowing) Policy

SPEAK UP (WHISTLEBLOWING)

Humble Group strives to create a safe working culture where anyone feels comfortable speaking up to report any misconduct, or suspected misconduct, related to our business operations. Humble Group's secure Speak Up platform is compliant with the EU's Whistleblowing Directive and can be used by anyone inside or outside of Humble Group's organization.

AREA 2:

Collaborating for business excellence

HUMBLE GIVES BACK

Living our mission is important to our employees, and Humble Group is proud to offer all permanent staff members the opportunity to have one full day per year outside of the office to volunteer their time and skills to their local community at full pay. Each giving back day is organized at subsidiary level to ensure that our impact is locally relevant and benefiting the community directly surrounding our businesses and teams.

GIVING BACK VIA OUR PARTNERS

Philanthropy is an important part of our corporate mission, and we are pleased that almost half of our subsidiaries are involved in some form of ongoing philanthropic partnerships or corporate social responsibility projects. Our list of partners includes but is not limited to the below.

In March 2022, many subsidiaries also contributed to a delivery of Humble Group products to support the families directly affected by the recent invasion in Ukraine. Products included much needed essential items such as food, snacks, nutritional supplements, baby diapers, feminine products and candles.

BENEFITS OF VERTICAL INTEGRATION

When we consider the opportunity to use business as a force for good, we have a unique advance in that many of our brands' distributors and suppliers are in fact vertically integrated into the Humble Group family. This means that any improvements to our sourcing or production practices will in turn benefit our subsidiaries downstream in the value chain.

SOURCING: FEWER, BIGGER, BETTER

After gathering feedback from our subsidiaries via our internal reporting tool, it is clear that raw material sourcing is a key area where Humble Group can further add value to support our businesses in the future. Concentrating our sourcing through fewer, bigger, better suppliers will allow us to source key ingredients such as bamboo, cotton, cacao, nuts, and palm oil from well-managed ecosystems with better visibility and control. This is an ongoing focus for our business. with room for improvement.

AREA 3:

Securing responsible sourcing & production

HUMBLE GROUP'S OWNED PRODUCTION FACILITIES:

FOOD & SNACKS:

- Amerpharma SP.z o.o. (Poland)
- BARS Production AB (Sweden)
- Jalofoods (Finland)
- Lab Francediet (Portugal)

SUPERFOODS & SUPPLEMENTS:

- Carls-Bergh Pharma AB (Sweden)
- Fermia (Sweden)
- Go Superfoods (United Kingdom)
- Natumin Pharma AB (Sweden)

CONFECTIONARY & GUM:

- Bayn Production AB (Sweden)
- Franssons Konfektyrer AB (Sweden)
- Grahns Konfektyr AB (Sweden)
- Grenna Konfektyr AB (Sweden)
- La Praline (Sweden)
- True Gum A/S (Denmark)

PERSONAL CARE & HOUSEHOLD:

- Delsbo Candles AB (Sweden)
- FancyStage (Portugal)

PRODUCTION STANDARDS

Humble Group is proud to have a variety of accreditations in our production facilities. Below is an overview of the accreditations held across Humble Group's production facilities. Only four of our production facilities do not currently hold any globally-recognized accreditations, which is something we want to improve in the future as a sign of our commitment to upholding internationally-recognized production and work environment standards.

AREA 3:

Securing responsible sourcing & production

EXTERNAL ACCREDITATIONS	NUMBER OF ACCREDITATIONS HELD ACROSS OUR PRODUCTION SITES
FSSC 22000 (Food Safety System Certification)	6
HACCP (Hazard Analysis Critical Control Points)	5
EU Certified Organic / EKO Label (Issued by local controlling authority)	4
ISO 22716:2007 (Good Manufacturing Practices - Cosmetics)	2
ISO 9001:2015 (Quality Management Systems)	1
ISO 13485:2016 (Quality Management Systems - medical devices)	1
ISO 22000:2018 (Food Safety Management Systems)	1
BRCGS (Brand Reputation Compliance Global Standards)	3
SEDEX (Sustainable Supply Chain Solutions)	1
AOECS (Standard for Gluten-Free Food Production)	1
IFS HPC (International Feature Standards - Household & Personal Care)	1

INVESTMENTS IN SUSTAINABLE SOLUTIONS

Many of our production facilities have started taking their own initiatives to make investments in more sustainable technology or energy sources, including the implementation of solar panels on their roofs and/or heat exchangers to reduce wasted heat. The numerical environmental benefit of these investments cannot be determined at this stage however their impact will be measured and included as part of our ongoing carbon footprint process.

FOCUS ON RENEWABLE ENERGY

Humble Group has two production sites that source renewable energy from on-site solar panel technology to support its energy needs: Jalofoods in Finland and Natumin Pharma AB in Sweden. A third location had signed an installation agreement by the end of 2022, with installation planned for early 2023. We applaud these investments in sustainable solutions that futureproof our operations for business continuity and reduced environmental impact.

In the latter half of 2022, Humble Group initiated a project to consolidate all electricity purchasing for its Swedish entities onto a Group framework agreement with one of Sweden's largest providers of renewable electricity, in a coordinated effort to reduce our Group's carbon footprint. Humble Group is proud to have transferred over 10 production sites across 9 subsidiaries onto this Group agreement, redirecting an estimated +170 000 KWh of power annually from varying sources to 100% hydroelectric power, with further consolidation planned for 2023. That's the equivalent power required to drive an electric car more than 28 times around the globe[1].

[1] Wikipedia (2023). Earth's circumference. [online] https://en.wikipedia.org/wiki/Earth%27s_circumference

SPOTLIGHT ON: JALOFOODS' ON-SITE BIOGAS PLANT

AREA 3:

Securing responsible sourcing & production

In 2021, Humble Group's Jalofoods approved plans to build a biogas plant on the empty land next to their tofu and tempeh factory in Tammisaari, Finland. The project is a joint partnership with a Finnish service provider costing over €1m as co-investment.

The Jalofoods team share a vision to transition their production facility to become fully energy self-sufficient and saw past the long-term payback period (est. between 10-12 years). The biogas plant was unveiled and began production in September 2022.

The biogas plant generates methane gas via the process of methanogenesis: microbes are fed okara or soy "pulp" and soy whey (naturally occurring by-products of the tofu and tempeh manufacturing process) and the microbial metabolic process releases methane (biogas).

This biogas goes on to power steam generators that heat soy milk and water for future production. And in 2023 the biogas will power additional electricity and heat generators to heat the wider production facility and eventually replace the purchase of external electricity.

In recognition of their incredible commitment and investment in sustainability, Jalofoods were awarded the Humble Group Sustainability Award in December 2022. In parallel they were invited to present this best-practice to the rest of the Group to educate on how they identified and integrated circular opportunities within their own operations.

A FOCUS ON COLLABORATION

Packaging, labelling and the end-of-life process are a big part of the material impact of Humble Group's products. In particular we are still navigating the very complex world of packaging and continue to rely on strong collaboration with our strategic partners within this space to guide and educate us on sustainable improvements as they become available for our products.

AREA 4:

Empowering better choices

TRANSPARENT COMMUNICATION

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

PACKAGING TRIALS

In 2022, Humble Group coordinated two separate packaging trials in partnership with two large European packaging suppliers.

One trial tested a new mixed-material bag for Humble Group's confectionary brand Pändy. The bag includes 45%[1] renewable plant-based oil rather than conventional fossil-fuel feedstock. The oil comes from a variety of natural resources including tall oil, which is derived from in the lignin of wood pulp, and recycled vegetable cooking oil.

The plant-based oil can enter the conventional plastic production streams, removing any need for additional investment for the supplier, and the resulting packaging boasts an incredible 40% reduction in CO2 emissions solely as a result of choosing this natural material source rather than conventional fossil-fuel.

The project ran multiple shelf-life trials before the new packaging was successfully rolled out across all of Pändy's confectionary lines and in full distribution by September 2022.

END OF LIFE PARTNERS

Three of our Humble Group subsidiaries have ongoing partnerships with Bower to encourage better recycling habits for their products at the end-of-life stage, and we are extending this partnership to more brands in the Group going forward. Bower's app-based community educates and then rewards consumers for correctly sorting their used packaging into recycling bins, with the goal to increase recycling rates in all of Bower's active markets.

In Sweden, a mere 53% of plastics are collected at the disposal stage[2] and a shockingly low 18% is actually reused to create new plastic packaging[3], so Humble Group recognizes the huge potential for impact if consumer behavior can be affected through this collaboration.

bower TWEK PĀNDY welli bites

[1] ISCC Mass Balance Principle https://www.iscc-system.org/about/circular-economy/mass-balance-approach/
[2] FTI Collection Rate https://fti.se/en/about-fti/statistics
[3] FTI Recycling Rate https://fti.se/en/about-fti/statistics

EU TAXONOMY REPORTING

EU TAXONOMY FRAMEWORK

The EU Taxonomy is a common classification system adopted by the European Union to help identify economic activities that are deemed environmentally sustainable. For investors, it is a useful tool to help navigate which economic activities make a positive contribution to the EU's environmental objectives so investment decisions can be made accordingly. For companies or organizations, it offers a standardized framework for reporting on performance and progress towards sustainable business practices.

TAXONOMY ENVIRONMENTAL OBJECTIVES

There are six environmental objectives which form the basis of the EU Taxonomy:

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

Taxonomy eligibility is an assessment to find out if a company's economic activity is in the scope of the taxonomy. Economic activities and technical screening criteria have been published so far for two of the taxonomy objectives 1) mitigation of climate change and 2) adaptation to climate change. To be considered aligned with the taxonomy, the company must contribute significantly to one or both of the published environmental goals, while proving that the company does no significant harm (DNSH) to the remaining five objectives. The company or organization must also prove that certain minimum social safeguards are met in accordance with the UN's guiding principles for business and human rights and the OECD's guidelines for multinational companies throughout the value chain. Companies must then report the extent of alignment by reporting and calculating the associated revenue, OPEX and CAPEX as a share of these KPIs.

The EU Taxonomy is a work in progress framework, and thus far technical screening criteria have only been published for certain sectors – focused on those sectors deemed to be the most carbon intensive and therefore the most urgent to turn "green". The technical criteria for the remaining sectors and remaining four objectives are expected to follow in 2023.

SUBSTANTIAL CONTRIBUTION TO AT LEAST ONE OBJECTIVE

DO NOT SIGNIFICANT HARM (DNSH) TO OTHER OBJECTIVES

COMPLY WITH MINIMUM SOCIAL SAFEGUARDS

= GREEN SUSTAINABLE ACTIVITY ALIGNED WITH THE EU TAXONOMY

DISCLOSURE REQUIREMENTS

Reporting against the EU Taxonomy is mandatory for all financial market participants and all large public-interest companies with over 500 employees, under the Non-Financial Reporting Directive (NFRD). Humble Group is listed on Stockholm's First North Growth Market and as of 2022, surpassed the 500-employee threshold so is now required to address the EU Taxonomy in its reporting.

EU TAXONOMY REPORTING

The Taxonomy is still an evolving framework and remains subject to some level of interpretation. In preparing the following Taxonomy tables, Humble Group has consulted externally. However, the definitions used to derive eligibility for each activity may in time be revised as we continue to develop our understanding of the Taxonomy and as the EU issues further guidance on the application of the Taxonomy.

The Taxonomy reporting scope cover's Humble Group's global business.

It should be noted that reporting at subsidiary level happens in local currency, and average exchange rates as of December 2022 were used in the following tables to covert to the Group reporting currency (SEK). While Humble Group's investment in bioenergy power sources meet the technical criteria outlined in the EU Taxonomy, the "do no significant harm" criteria and minimum safeguards could not be provided, thereby resulting in the reporting of all CAPEX & OPEX values as not Taxonomy aligned.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities				**Substantial contribution criteria**						**"Do No Significant Harm" (DNSH) criteria**									
ECONOMIC ACTIVITIES	Code(s)	Absolute turnover (M SEK)	Proportion of turnover (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of turnover, year N (%)	Taxonomy-aligned proportion of turnover, year N-1 (%)	Category (enabling activity / transitional activity) (E/T)
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainability activities (Taxonomy-aligned)																			
Production of heat/cool from bioenergy	*4.24*	0	0.0%														0.0%		
Acquisition and ownership of buildings	*7.7*	0	0.0%														0.0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		0	0.0%														0.0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Production of heat/cool from bioenergy	*4.24*	0	0.0%																
Acquisition and ownership of buildings	*7.7*	0	0.0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0.0%														0.0%		
TOTAL (A.1 + A.2)		**0**	**0.0%**														**0.0%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of non-eligible activities (B)		4800	100.0%																
TOTAL (A + B)		**4800**	**100.0%**																

EU TAXONOMY REPORTING

Proportion of CAPEX from products or services associated with Taxonomy-aligned economic activities				Substantial contribution criteria						"Do No Significant Harm" (DNSH) criteria									
ECONOMIC ACTIVITIES	Code(s)	Absolute CAPEX (M SEK)	Proportion of CAPEX (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of CAPEX, year N (%)	Taxonomy-aligned proportion of CAPEX, year N-1 (%)	Category (enabling activity / transitional activity) (E/T)
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainability activities (Taxonomy-aligned)																			
Production of heat/cool from bioenergy	*4.24*	0	0.0%														0.0%		
Acquisition and ownership of buildings	*7.7*	0	0.0%														0.0%		
CAPEX of environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		0	0.0%														0.0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Production of heat/cool from bioenergy	*4.24*	3	1.7%																
Acquisition and ownership of buildings	*7.7*	38	26.0%																
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		41	27.7%														27.7%		
TOTAL (A.1 + A.2)		**41**	**27.7%**														**27.7%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CAPEX of non-eligible activities (B)		106	72.3%																
TOTAL (A + B)		**147**	**100.0%**																

Proportion of OPEX from products or services associated with Taxonomy-aligned economic activities				Substantial contribution criteria						"Do No Significant Harm" (DNSH) criteria									
ECONOMIC ACTIVITIES	Code(s)	Absolute OPEX (M SEK)	Proportion of OPEX (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of OPEX, year N (%)	Taxonomy-aligned proportion of OPEX, year N-1 (%)	Category (enabling activity / transitional activity) (E/T)
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainability activities (Taxonomy-aligned)																			
Production of heat/cool from bioenergy	*4.24*	0	0.0%														0.0%		
Acquisition and ownership of buildings	*7.7*	0	0.0%														0.0%		
OPEX of environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		0	0.0%														0.0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Production of heat/cool from bioenergy	*4.24*	0.4	0.1%																
Acquisition and ownership of buildings	*7.7*	0	0.0%																
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.4	0.1%														0.1%		
TOTAL (A.1 + A.2)		0.4	**0.1%**														**0.1%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OPEX of non-eligible activities (B)		644	99.9%																
TOTAL (A + B)		**644**	**100.0%**																

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MANAGEMENT ADMINISTRATION REPORT

ABOUT THE GROUP

The Board of Directors and the President of Humble Group AB (publ), with corporate identity number 556794-4797 and based in Stockholm, hereby submit their annual report for the financial year 2022. Humble Group's financial report for the year 2022 is the first consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). The effects of the transition on comprehensive income and equity can be found in *Note 36 Effects of first-time adoption to IFRS*. Humble Group is a young, dynamic and innovative FMCG group that delivers products that are good for both you and the planet. In the presented consolidated financial statements, Humble Group AB is the parent company. For a detailed description of the Group relationship, please refer to *Note 48 Shares in subsidiaries.*

ANNUAL OVERVIEW

	Group		
Amount in MSEK	2022	2021	2020
Net sales	4 800	1 486	29
EBITDA	504	-41	-30
EBIT	257	-118	-37
Earnings before tax	1	-215	-39
Return on Equity	0	neg	neg
Solvency (%)	45.4	45.2	68.8

	Parent company		
Amount in MSEK	2022	2021	2020
Net sales	21	2	12
EBITDA	-38	-18	-12
EBIT	0	0	0
Earnings before tax	-256	-108	-16
Return on Equity	neg	neg	neg
Solvency (%)	54.6	57.6	86.2

SIGNIFICANT EVENTS DURING 2022

Net sales for the financial year amounted to MSEK 4 800 (1 486), which is an increase of 223% compared to the corresponding period last year. EBIT amounted to MSEK 257 (-118), and the profit after financial items amounted to MSEK 1 (-215).

On January 3rd, Humble Group completed the previously announced acquisition of Fitnessgrossisten AS, a leading Norwegian distributor of dietary supplements and fitness products. The company is being consolidated from January 1st onwards.

On March 29th, Humble Group announced that the company had signed a binding agreement to acquire all shares in the newly formed company Nya MedicaNatumin AB, and indirectly all shares in MedicaNatumin's subsidiaries. The companies develop, manufacture, and market dietary supplements, medical devices, dermatological, and cosmetic products. The company will be consolidated from May 1st onwards.

On April 8th, Humble Group entered into a binding agreement to acquire all shares in Go Superfoods Ltd., a leading producer and supplier of premium organic and ecological superfoods. Go Superfoods will be consolidated from May 1st onwards.

On April 11th, Humble Group entered into a binding agreement to acquire all shares in Arne och Björn AB, La Praline Scandinavia AB, and Grenna Konfektyr AB. The companies are active in the production of protein bars, pralines, candy canes, and other confectionery products.

On April 28th, a cash-oriented new issue of 33 million shares was completed, which added approximately MSEK 530 to Humble Group before transaction costs.

On May 5th, the Annual General Meeting decided to re-elect board members Björn Widegren, Dajana Mirborn, Henrik Patek, Hans Skruvfors, and Peter Werme for the period until the end of the next Annual General Meeting. Peter Werme was re-elected as the chairman of the board. The meeting also approved the issuing of warrants of series 2022/2025 and the implementation of incentive programs for key personnel and executives within the company.

On May 20th, Humble Group entered into a binding agreement to acquire all shares in Franssons Konfektyrer AB, a company that produces confectionery, marshmallows, and jelly products. The company will be consolidated from June 1st.

On June 9th, Humble Group entered into a binding agreement to acquire all shares in LEV Group, a Portuguese brand active in the production and sale of, among other things, dietary supplements.

On June 29th, it was announced that Humble Group successfully issued additional bonds worth MSEK 250 under the Group's existing senior secured bond loan 2021/2025 with a total framework of MSEK 1 500.

On June 30th, Humble Group entered into a binding agreement to acquire all shares in Sam & Son Grossist AB and Grossistcentralen i Stockholm AB. The companies will be consolidated from August 1.

On July 4th, Humble Group entered into a binding agreement to acquire all shares in Body Science International Pty Ltd. The company will be consolidated from August 1.

On July 15th, Humble Group entered and completed a binding agreement to acquire all shares in Amber House Ltd.

On July 19th, an extraordinary general meeting was held and Ola Cronholm was elected as a regular board member until the end of the next regular general meeting.

During the fourth quarter, Humble Group secured a new revolving credit facility of MSEK 650 in partnership with SEB and Nordea, replacing the previous credit facility of MSEK 400 with SEB.

Humble Group's annual report became the first consolidated financial statement prepared in accordance with International Financial Reporting Standards (IFRS), fulfilling the Group's previously communicated goal of increasing comparability with international players in the same industry.

FOREIGN BRANCHES

Humble Group AB has a registered branch in Bulgaria which was established in 2017 for tax reasons. As the import and export activities from Bulgaria have decreased in 2019 and 2020, the company intends to close the branch operations in 2023.

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

To attract, develop, and retain top-level executives with relevant experience and expertise, it is essential for the company to offer a competitive compensation package that is in line with the market standards for executives in different industries. The compensation package for the executives comprises fixed salaries, short and long-term variable compensation, pensions, and other customary benefits. The total compensation should be market competitive, reflecting the employee's performance and responsibilities. Please refer to *Note 8 Renumeration to personnel etc. for more information.*

THE SHARE

At the end of the financial year, there were 301 274 580 (2021: 246 977 667, 2020: 122 233 439) shares traded. The company holds no treasury shares and did not acquire any during 2022. The number of shares has increased by 20 844 771 through non-cash issues, 33 125 000 through directed share issues for cash, and 327 142 through the redemption of warrants during the financial year. Please refer to *Note 54 Share Capital* for more information on the share and its par value. There is only one class of shares, and all shares have equal voting rights. Humble Group AB is listed under the ticker HUMBLE on NASDAQ First North.

SIGNIFICANT RISKS AND UNCERTAINTIES

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

FINANCING

The availability of working capital for the company´s operational activities and financing to meet the Group's investment needs is an important element in creating a profitable and strong long-term business.

Humble Group currently has a good dialogue with investors to address this risk.

CURRENCY EXPOSURE

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

DISTRIBUTION CHANNELS AND ACCESS TO RAW MATERIALS

The availability of raw materials on the global world market is an important parameter in the Humble Group value chain. The recent market turmoil from the Ukraine crisis and the ongoing instability in freight and logistics patterns around the world risk affecting the Group's raw material availability, export and import prices, shipping routes or other key distribution channels have a direct impact on the Group's margins. The Group maintains a constant and close dialogue with our suppliers to assess the market trends of the key ingredients used in the manufacture of the Group's various products, thus addressing the risk of price increases or delivery delays in raw material purchases.

PERSONNEL

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

SALES RISK

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

HEDGE ACCOUNTING AND OTHER OFF-BALANCE SHEET ITEMS

At the end of the financial year, there were no significant hedging relationships outstanding in the company´s accounts. There are also no other off-balance sheet items other than collateral. For further information, see *Note 30 Pledged assets and contingent liabilities.*

DEVELOPMENT POLICY

Within the Humble Group, there is a continuous process of developing new, innovative products in our quest to deliver products that are better for people and the planet. In the Group's subsidiaries there are currently several people working on a project basis with product development. For those projects or products where there is an expected future economic benefit after the development has been completed, and where the criteria under the Annual Accounts Act are otherwise met, direct costs from product development are capitalised as an asset in the company´s balance sheet. The asset is amortised over the expected economic benefit per product, which is usually estimated to be 5 years. For more information on the Group's product development policy, see *Note 2 Summary of significant accounting principles*.

EXPECTED FUTURE DEVELOPMENT

With the past year, Humble Group has created strong conditions for a continued high growth rate in the coming years. The foundations have been laid for building the FMCG powerhouse of the future. Through several strategic acquisitions in 2022 and early 2023 in the form of additional Privab business units, additional sales and distribution channels are opening up for many of the Group's subsidiary companies, either as partially new or completely new markets. This is expected to drive the Group's growth across all key metrics, and it is the collective view of the Board and management that the outlook for the Group is positive.

EFFECTS OF THE CRISIS IN UKRAINE

Russia's invasion of Ukraine on February 24, 2022, has increased volatility in the world, affecting many industries, including food. Humble Group's exposure to Ukraine and Russia is very low, so the direct impact from the invasion has been limited so far. An indirect consequence of the invasion has been a sharp increase in raw material and energy prices during 2022, and Humble Group now begins to perceive a slowdown of the rising prices. Humble Group AB's growth objectives and strategy to grow through acquisitions remain unchanged despite the external environment and the impact on Humble's existing subsidiaries because of the price increases is currently limited.

RISING FREIGHT COSTS IN TURBULENT MARKET CONDITION

Against the backdrop of the turbulent environment in the first quarter of 2022, the transport sector has been forced to raise its prices, affecting many sectors to varying degrees. For Humble, this means price changes related to delivery and logistics. While this has had an obvious short-term impact, Humble's subsidiaries have historically been effective in aligning costs with pricing, creating a structure to realize price adjustments to the market as a result of rising commodity and fuel prices.

RISING ELECTRICITY AND PURCHASE PRICES AND MARKET INTEREST RATES

Humble Group's subsidiary companies can be divided into three different verticals: manufacturing and production, distributors, and brands. The production companies, through their production facilities, have a natural exposure to the energy market and rising energy prices. In 2022, increased volatility in energy prices was noted, which was partially mitigated through fixed-price agreements previously entered into by the subsidiary companies. Humble Group is actively working to procure contracted volumes that provide economies of scale for the Group's subsidiary companies and create conditions for cost efficiency in a turbulent macro environment.

Furthermore, Humble Group has noted a rising borrowing cost based on a volatile interest rate environment in 2022. Humble Group's primary interest rate exposure is represented by the underlying development of Stibor 3M. In 2022, Stibor 3M rose from -0.04% to 2.67% at the end of 2022. For more information, please refer to *Note 4 Financial Risk Management*.

APPROPRIATION OF PROFITS

The Board of Directors of Humble Group AB proposes that no dividend be paid for the financial year 2022 and that the accumulated loss for the year be appropriated as follows (SEK):

Accumulated profit or loss	-31 532 104
Share premium reserve	4 031 538 111
Net loss for the year	-120 168 447
Total	**3 879 837 560**
Proposed appropriation of profits	**3 879 837 560**

GROUP INCOME STATEMENT

Amount in MSEK	*Note*	2022	2021	2020
Net sales	5	4 800	1 486	29
Capitalised work on own account		85	46	4
Other operating income	6	259	49	3
Raw materials and consumables		-3 268	-1 045	-22
Other external expenses	7	-644	-239	-27
Personnel expenses	8	-625	-322	-12
Other operating expenses	9	-103	-16	-5
EBITDA		504	-41	-30
Items affecting comparability	10	47	274	16
ADJUSTED EBITDA		551	233	-14
Depreciation of tangible fixed assets	15	-37	-6	0
Depreciation of right-of-use assets	16	-48	-18	-1
EBITA		419	-66	-31
ADJUSTED EBITA		466	208	-15
Amortization of intangible fixed assets	14	-35	-6	-3
Amortisation of fixed assets related to acquisitions	14	-128	-47	-3
EBIT		257	-118	-37
ADJUSTED EBIT		304	156	-21
Profit from shares in associated companies	18	-4	1	0
Financial income	11	14	0	0
Financial expenses	11	-265	-97	-2
PROFIT AND LOSS AFTER FINANCIAL ITEMS		1	-215	-39
Income tax	12	-37	4	1
PROFIT AND LOSS AFTER TAX*		-36	-211	-38
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Exchange differences in translation of foreign operations		135	39	4
COMPREHENSIVE INCOME FOR PERIOD*		99	-172	-34
Earnings per share before dilution	13	-0.13	-1.14	-0.45
Earnings per share after dilution	13	-0.13	-1.14	-0.45

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

GROUP BALANCE SHEET – ASSETS

Amount in MSEK	*Note*	2022-12-31	2021-12-31	2020-12-31	2020-01-01
ASSETS					
Fixed assets					
Intangible assets					
Capitalised product develoment costs		168	76	13	5
Customer relationships and listings		546	499	42	0
Trademarks and brands		1 650	1 334	16	0
Goodwill		3 631	2 935	163	0
Total intangible assets	14	**5 995**	**4 844**	**234**	**5**
Tangible fixed assets					
Buildings and land		244	162	0	0
Machines and other technical equipment		78	60	3	0
Equipment, tools and installations		36	16	1	0
Ongoing new facilities and advances		13	5	0	0
Total tangible fixed assets	15	**372**	**244**	**4**	**0**
Right-of-use assets	16	**151**	**109**	**8**	**0**
Deferred tax assets	17	**26**	**34**	**0**	**0**
Financial assets					
Equity in associated companies	18	45	47	50	0
Other long-term securities holdings	19	14	8	0	0
Other long-term receivables	19	16	3	0	0
Total financial assets		**75**	**57**	**51**	**0**
Total fixed assets		**6 618**	**5 288**	**296**	**5**
Current assets					
Inventory					
Raw materials and consumables		114	72	5	2
Finished goods and goods for sales		854	434	28	0
Advances to suppliers		14	10	1	0
Total inventory	20	**982**	**516**	**35**	**2**
Short-term receivables					
Accounts receivables	21	683	463	37	0
Other short-term receivables	22	62	53	4	1
Prepaid expenses and accrued income	23	172	136	2	1
Cash and cash equivalents	24	380	420	83	2
Total short-term receivables		**1 298**	**1 072**	**126**	**4**
Total current assets		**2 279**	**1 588**	**161**	**7**
TOTAL ASSETS		**8 897**	**6 875**	**457**	**12**

GROUP BALANCE SHEET

– EQUITY & LIABILITY

Amount in MSEK	*Note*	2022-12-31	2021-12-31	2020-12-31	2020-01-01
EQUITY AND LIABILITIES					
Equity					
Share capital		66	54	27	8
Unregistered share capital		0	1	1	0
Other equity contributed		4 131	3 315	374	53
Retained earnings		-161	-259	-87	-53
Total shareholders equity	54	**4 036**	**3 111**	**314**	**8**
Long-term liabilities					
Interest-bearing liabilities	26	1 916	1 736	5	1
Contingent considerations	28	433	613	11	0
Long-term lease liabilities	16	100	71	5	0
Deferred tax liabilities	17	502	408	14	0
Provisions	27	8	1	0	0
Other long-term liabilities	28	70	65	0	0
Total long-term liabilities		**3 029**	**2 894**	**35**	**1**
Short-term liabilities					
Interest-bearing liabilities	26	621	102	18	0
Contingent considerations	28	347	124	15	0
Current lease liabilities	16	49	37	3	0
Tax liabilities	17	44	41	2	0
Accounts payable		550	366	26	3
Other current liabilities	28	79	79	36	0
Accrued expenses and prepaid income	29	143	122	7	1
Total short-term liabilities		**1 832**	**871**	**107**	**4**
TOTAL EQUITY AND LIABILITIES		8 897	6 875	457	12

GROUP CHANGE IN EQUITY

Amount in MSEK	Share capital	Unregistered share capital	Other equity contributed	Exchange rate differences	Retained Earnings	Total shareholders equity
Opening balance January 1, 2020, K3	8	0	53	0	-53	8
Opening balance January 1, 2020, IFRS	8	0	53	0	-53	8
Net income for period					-38	-38
Other comprehensive income				4		4
Total comprehensive income	0	0	0	4	-38	-34
Transaction with owners in their capacity as owners:						
Share issue	18	0	293			311
Ongoing share issue		1	32			33
Transaction costs			-4			-4
Total transaction with owners in their capacity as owners	18	0	321	0	0	340
Ending balance December 31, 2020	27	1	374	4	-91	314
Opening balance January 1, 2021	27	1	374	4	-91	314
Net income for period					-211	-211
Other comprehensive income				39		39
Total comprehensive income	0	0	0	39	-211	-172
Transaction with owners in their capacity as owners:						
Share issue	27		2 900			2 928
Ongoing share issue	0	0	81			81
Transaction costs			-34			-34
Transaction with non-controlling interest			-9			-9
Share-based benefits			3			3
Total transaction with owners in their capacity as owners	27	0	2 941	0	0	2 969
Ending balance December 31, 2021	54	1	3 315	43	-302	3 110
Opening balance January 1, 2022	54	1	3 315	43	-302	3 110
Net income for period					-36	-36
Other comprehensive income				135		135
Total comprehensive income	0	0	0	135	-36	99
Transaction with owners in their capacity as owners:						
Share issue	12	-1	826			837
Transaction costs			-12			-12
Share-based benefits			2			2
Total transaction with owners in their capacity as owners	12	-1	816	0	0	827
Ending balance December 31, 2022	66	0	4 131	177	-338	4 036

*During the year, Ewalco Holding AB was acquired and in close connection the remaining 49%of the shares in AB Fermia were acquired.

GROUP CASH FLOW STATEMENT

Amount in MSEK	*Note*	2022	2021	2020
OPERATING ACTIVITIES				
Profit and loss after financial items		1	-215	-39
Adjustement for non-cash items				
Depreciation and Amortisation	14, 15, 16	247	77	7
Other items*	33	155	135	0
Paid tax		-33	-11	0
Cash flow from operating activities before change in net working capital		371	-14	-32
CHANGE IN WORKING CAPITAL				
Change in inventories (increase - / decrease +)		-101	-76	-35
Change in short term receivables (increase - / decrease +)		74	-56	-57
Change in short term liabilities (increase - / decrease +)		-88	-6	105
Sum of change in working capital		-116	-138	13
Cash flow from operating activities*		255	-152	-19
INVESTING ACTIVITIES				
Acquisition of capitalised development costs	14	-84	-44	-2
Acquisition of intangible assets	14	-6	0	-4
Acquisition of tangible assets	15	-57	-12	-1
Consideration paid, net of acquired cash*	31	-901	-2 152	-95
Cash flow from investing activities		-1 048	-2 208	-102
FINANCING ACTIVITIES	34			
Share issue funds		530	1 348	169
Costs related to share and bond issues		-12	-68	-4
Paid premium for share incentive program		2	3	0
Proceeds from bond		300	1 524	0
Paid interest		-154	-28	0
New loans		769	37	36
Amortization of loans		-629	-103	0
Amortization of lease liability		-52	-20	-1
Cash flow from financing activities		753	2 694	200
Decrease/Increase in cash and cash equivalents		-41	334	80
Cash and cash equivalents at beginning of period		420	84	2
Exchange rate differences		-1	3	1
Cash and cash equivalents at end of period		380	420	84

*Include paid employee-related compensation of 76 MSEK paid in March 2022. For 2021, some MSEK 252 regarding employee-related compensation and lock-in penalty have been presented as change in working capital.

GROUP NOTES

NOTE 1 – GENERAL INFORMATION

This consolidated financial statement includes the parent company, Humble Group AB, corporate registration number 556794-4797, along with its subsidiaries. Humble Group AB is a parent company registered in Sweden, headquartered in Stockholm at Klara Norra Kyrkogata 29, 111 22 Stockholm.

Humble Group is a young, dynamic, and innovative FMCG group that delivers products that are good for both you and the planet. The Group comprises multiple operating companies that operate within rapidly growing segments such as sugar reduction, functional food, sustainable beauty, and health.

On April 27, 2023, the Board approved the publication of this consolidated financial statement.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

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

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups and International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The annual report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The financial statements have been prepared according to cost method except for certain financial assets and liabilities which are measured at fair value through profit and loss.

These consolidated financial statements are Humble's first consolidated financial statements prepared in accordance with IFRS. Historical financial information has been restated from January 1, 2020, which is the date of transition to IFRS. Disclosures of the transition from previous GAAP to IFRS and its effect on the Statement of Comprehensive income and Equity of the Group are disclosed *in Note 12 Effects of First-time adoption of IFRS*.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates. Management also needs to exercise judgement in applying the Group's accounting policies. The areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions are disclosed in *Note 3 Significant accounting estimates and judgements*.

NEW AND AMENDED STANDARDS AND INTERPRETATION NOT YET ADOPTED

Certain new accounting standards and interpretations are effective for the first time for financial years commencing on or after 1 January 2022 and have not been adopted by the Group. These standards are not expected to have a material impact on the Group.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

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

Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associated companies

Associates are all entities over which the Group has significant influence but not control, which is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the Equity Method. Under the Equity Method, the investments are initially recognised at cost. The recognised value is thereafter adjusted to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in section Impairment of non-financial assets.

The Equity Method is applied until the time when the significant influence ceases.

BUSINESS COMBINATIONS

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

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

Acquisition-related costs are expensed as incurred in other operating expenses in the Group's report of comprehensive income.

Goodwill is the excess of the consideration transferred over the fair value of the net identifiable assets.

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

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured at fair value. Changes in fair value are recognised in Other operating income or Other operating expenses in the Group's report of comprehensive income, for further information, see *Note 3 Significant accounting estimates and judgements*.

SEGMENT REPORTING

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

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

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

FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in the report of comprehensive income.

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

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency. Assets and liabilities for each balance sheet presented are translated from the functional currency of the foreign entity to the Group's presentation currency at the closing rate at the date of that balance sheet.

Income and expenses for each statement of profit and loss and statement of comprehensive income are translated to Swedish kronor at average exchange rates. All resulting exchange differences are recognised in other comprehensive income. Accumulated profits and losses are reported in profit and loss for the period when the foreign operations are discontinued in whole or in part.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

REVENUE RECOGNITION

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

Business to business sales

Revenue from the sale of goods is recognised when control of the goods has transferred, being when the goods are delivered to the customer (retailer/distributor). The customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the goods. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional (that is, only the passage of time is required before the payment is due).

Revenue from contracts with customers is recognised based on the contractual transaction price, which reflects the compensation the Group expects to receive from the sale of the goods, after deduction of VAT and other sales taxes. In connection with the transaction price, the Group considers all possible separate performance obligations that together make up the transaction price, as well as effects of variable compensation that affect the transaction amount. There are no material separate obligations that are identified as a separate performance obligation when selling goods. Shipping is not considered to constitute a separate performance obligation and is therefore not reported separately but as part of the regular product sales. The delivery commitment is considered fulfilled when the goods have been transported to the agreed location or alternatively if the customer has picked up the goods for transport, the risks of obsolescence and loss are transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

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

Direct to consumer sales

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

Revenue from services

There is no significant sale of services to external parties from any of the Group's various operations. Freight on delivery of sold goods is not deemed to constitute a separate performance obligation but an incorporated part of the transaction price and is recognised as part of the sale.

GOVERNMENT GRANTS

Government grants are recognised as "Other operating income" in the report of profit and loss at their fair value when there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to cost coverage are accrued and reported in the income statement over the same periods as the expenses that the grants are intended to compensate for occur. Income from government grants is recognised as "Other operating income" in the Group's statement of comprehensive income.

INCOME TAX

The income tax expense for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction. The income tax is adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. When deemed appropriate, provisions for amounts that are likely to be paid to the tax authority are made.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority and relate either to the same tax subject or to different tax subjects, but intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

LEASING

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

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

For all lease agreements, with exception for below exceptions, a right-of-use asset is recognised as well as a lease liability, on the day that the underlying asset is ready for use by the Group. Lease payments are allocated between depreciation of leasing liability and finance cost. The finance cost is recognised through profit and loss over the leasing period so that each accounting period is charged with an amount that correspond to a fixed interest rate for the remaining balance of the liability for the period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable 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
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group except for cars, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions. The incremental borrowing rate is determined by considering the lease term, the economic environment in which the Group operates, the type of asset that is leased and the Group's credit rating. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life and the lease term. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period.

The Group applies the exception in IFRS 16, which means that payments associated with short-term leases and all leases of low-value assets are not recognised as a right-to-use asset and lease liability but is recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise to all essential office equipment.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs to restore the asset to the condition stipulated in the terms of the lease agreement.

Accounting in subsequent periods

The lease liability is reassessed upon changes in the lease agreement or when there are changes in cash flow that are related to the original contract terms. Changes in cash flows based on original contract terms occur when; the Group changes its initial assessment of whether options for extension and/or termination will be used, there are changes in previous assessments if a purchase option will be used, leasing fees change due to changes in the index or interest rate. A reassessment of the lease liability leads to a corresponding adjustment of the right-of-use asset. If the recognised value of the right-of-use asset already has been reduced to zero, the remaining revaluation is reported in the income statement. The right-of-use asset is tested for impairment whenever events or changes in conditions indicate that the reported value of an asset cannot be recovered.

Presentation

Right-of-use assets and lease liabilities are presented on separate lines in the balance sheet. In the income statement, depreciation on right-of-use assets is reported on the line Depreciation of right-of-use assets and the interest expense on the lease liabilities is reported as a financial expense. Payments associated with short-term leases and leases of low-value assets are recognised in profit and loss. Repayment of the lease liability is reported as cash flow from financing activities. Payments of interest as well as payments of short-term leases and leases of low-value assets are reported as cash flow from financing activities.

INTANGIBLE ASSETS

Goodwill

Goodwill arises on the acquisition of subsidiaries and refers to the amount by which the consideration transferred exceeds the fair value of the net identifiable assets acquired. Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The carrying amount of the cash-generating unit to which the goodwill is allocated is compared with the recoverable amount, which is the higher of the value in use and the fair value less costs to sell. Any impairment loss is expensed immediately and will not be reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes. Goodwill is monitored at operating segment level.

Trademarks

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

Customer relations and listings

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

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

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

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

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

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

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

Costs associated with maintenance are expensed as incurred.

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

PROPERTY, PLANT AND EQUIPMENT
Property, plant, and equipment essentially consist of buildings and land and machinery. Property, plant, and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

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

Land is not depreciated as it is deemed to have a permanent acquisition value. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included on a net basis in other operating income/other operating expense in the statement of comprehensive income.

IMPAIRMENT OF NON-FINANCIAL ASSETS
Goodwill that has an indefinite useful life, trademarks and intangible assets that are not yet ready for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the event of such an indication, the recoverable amount of the asset is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less

costs of disposal and value in use. When calculating the value in use, the present value is calculated from the future cash flows that the asset is expected to give rise to in the current operations and when it is sold or scrapped. The discount rate used is pre-tax and reflects market assessments of the time value of money and the risks associated with the asset. For non-financial assets (other than goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In the impairment test, the smallest identifiable group of assets that generates cash inflows is determined. A cash-generating unit is an asset group with essentially independent payments. The consequence is that impairment is estimated for the individual asset, when possible, otherwise at the cash-generating unit level. Goodwill is allocated to the cash-generating units that are expected to benefit from synergy effects in attributable business acquisitions. The operating segments also represents the lowest level in the Group where the CEO and group management monitors goodwill.

FINANCIAL INSTRUMENTS

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

The carrying amount of the Group's non-current financial instruments carried at cost, except for bond loans (see *Note 4 Financial risk management)* essentially correspond to their fair values as the interest rate is in parity with current market rates. The carrying amounts of the Group's short term financial instruments carried at cost essentially correspond to their fair values as the discounting effect is not significant.

Initial recognition

Financial assets and financial liabilities are reported when the Group becomes a party to the instrument's contractual terms. Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial instrument at its fair value plus, for financial assets or financial liabilities not measured at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

Classification and measurement of financial assets

The Group classifies and measures all its financial assets in the category amortised cost except from other long-term securities which are measured at fair value through other comprehensive income. Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. The carrying amount of these assets is adjusted with any expected credit losses that have been reported (see Impairment of financial assets below). Interest income from these financial assets is included in finance income using the effective interest rate method.

Accounting and derecognition of financial assets

Purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership related to control of the asset.

Classification and measurement of financial liabilities

After initial recognition, the Group subsequently measures all its financial liabilities at amortised cost using the effective interest method, with exception from contingent considerations. Contingent considerations are measured at fair value through profit and loss and changes in fair value (remeasured every reporting period) is recognised in the item Other operating income or Other operating expense in the statement of profit and loss. For contingent considerations expected to be settled after 12 months, the discounted present value of the consideration is used. The contingent consideration is calculated based on the nominal value of the best estimate of the expected outcome on the acquisition date. The estimate has been based on management's assessment of what is likely to be paid out given the terms of the share transfer agreement. The fair value of the contingent consideration has then been calculated based on an interest rate corresponding to the remaining term until payment at each reporting date.

Expenses that are directly attributable to raising loans (transaction costs) adjust the loan's acquisition value and are deferred according to the effective interest method. All interest-related fees are reported in the income statement and are included in the items "Financial expenses" or "Financial income".

Financial liabilities are classified as current liabilities when settlement of the liability is within 12 months after the reporting period. Financial liabilities with settlement date later than 12 months after the reporting period, are classified as non-current liabilities.

Derecognition of financial liabilities

Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legal right must not be dependent on future events, and it must be legally binding on the company and the counterparty both in the normal course of business and in the event of suspension of payments, insolvency or bankruptcy.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and far value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivables, the Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all accounts receivables recognised from initial recognition of the receivables.

ACCOUNTS RECEIVABLES

The Group has two categories of accounts receivables:

- Pledged accounts receivables
- Other accounts receivables.

Accounts receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Accounts receivables are classified as current assets. Accounts receivables are recognised initially at fair value (transaction price). The Group holds the accounts receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for expected credit losses (see description of accounting of financial assets above). The accounts receivables that the Group pledges are reported as accounts receivables in their entirety on the asset side of the balance sheet, while a current liability, corresponding to the portion that has been pledged, is reported on the liability side of the balance sheet.

CASH AND CASH EQUIVALENTS

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

SHARE CAPITAL

Share capital represents the quota value of issued shares. Incremental costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds.

ACCOUNTS PAYABLES

Accounts payables are financial instruments and are obligations to pay for goods or services that have been acquired in the current operations from suppliers. Accounts payables are presented as current liabilities when payment is due within 12 months. If not, they are presented as non-current liabilities. Accounts payables are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method (refer to description of accounting policies for financial liabilities above).

BORROWING AND OTHER NON-CURRENT LIABILITIES

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

INVENTORIES

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

EMPLOYEE BENEFITS

Pension obligations

The Group only operates defined contribution pension plans. For defined contribution plans, the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional fees if this legal entity does not have sufficient assets to pay all employee benefits related to the employees' service during the current or previous periods. The contributions are recognised as employee benefit expenses in the statement of comprehensive income when they are due.

Share-based payments

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

The employee options have been granted for nil consideration with a vesting period between 2019-2022. The right to use the employee options is conditional on continued employment over the duration of the program. The fair value of the service granting employees the options is recognised as an employee benefit expense, with a corresponding increase in equity. The fair value of options granted is calculated using the Black & Scholes valuation model. The total amount to be expensed is based on the fair value of the options granted and recognised on a straight-line basis over the vesting period. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. The impact of the revision to original estimates, if any, is recognised in profit and loss, with a corresponding adjustment to equity. The costs for social security contributions are accrued in the same way as personnel costs and are continuously adjusted based on the fair value of the options at each balance day.

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

STATEMENT OF CASH FLOW

The statement of cash flows is prepared according to the indirect method. The reported cash flow only includes transactions that resulted in cash inflows or outflows.

DEFINITIONS OF KEY RATIOS

Humble Group applies ESMA's (European Securities and Markets Authority) guidelines for alternative performance measures (APM). An APM is a financial measure of historical or future financial results, financial position or cash flow that has not been defined in IFRS. To facilitate analysis of the Group's development by group management and other stakeholders, Humble Group uses certain APMs. The APMs aim to provide additional information and do not replace key figures according to IFRS. Humble Group's definitions of APM may differ from those of other companies. See Annual Report 2021 for the previous year's calculations.

NET SALES

The main income of the business, invoiced costs, side income and income corrections.

GROSS PROFIT

Net sales less cost of raw materials and supplies. The gross margin is calculated as the gross profit divided by net sales.

EBITDA

Earnings before payment of interest and tax as well as operational depreciation and amortization of tangible and intangible fixed assets and depreciation and amortization on acquisition-related surplus values. The EBITDA margin is calculated as the EBITDA divided by net sales.

Adjusted EBITDA

Earnings before payment of interest and tax as well as operational depreciation and amortization of tangible and intangible fixed assets and depreciation and amortization on acquisition-related surplus values, adjusted for items deemed to be non-recurring and thus not expected to be repeated in the operational activities.

EBITA

Earnings before payment of interest and tax, as well as amortization on acquisition-related surplus values. The EBITA margin is calculated as the EBITA divided by net sales.

Adjusted EBITA

Earnings before payment of interest and tax, as well as amortization on acquisition-related surplus values, adjusted for items deemed to be non-recurring and thus not expected to be repeated in the operational activities.

EBIT

Earnings before payment of interest and tax. The EBIT margin is calculated as the EBIT divided by net sales.

Adjusted EBIT

Earnings before payment of interest and tax, adjusted for items deemed to be non-recurring and thus not expected to be repeated in the operational activities.

Adjusted equity

Equity and untaxed reserves less deferred taxes.

Total assets

Balance sheet total.

Return on equity
Profit after financial items as a percentage of adjusted equity

Solidity
Adjusted equity as a percentage of total assets.

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

Earnings per share
Profit after tax for the period divided by the number of outstanding shares at the end of the period.

Earnings per share after dilution
Profit after tax for the period divided by the sum of the number of outstanding shares and outstanding warrants at the end of the period.

Net debt
Total interest-bearing liabilities less by cash and cash equivalents.

Net Debt ratio
Total assets in relation to net debt.

Contingent considerations
Deferred purchase payments contingent on future earnings for an acquired subsidiary. The compensation can be paid in both cash and shares and is reported at fair value based on management's best estimate of the occurrence of future payments.

Average number of employees (FTE)
Shows the average number of employees during the period and is calculated as the number of employees multiplied by the employment rate in relation to the standard time for full-time work.

FMCG
FMCG is an industry term and is an abbreviation of "fast-moving consumer products".

NOTE 3 – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions about the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual result. The estimates and assumptions that entail a substantial risk of significant adjustments in reported values for assets and liabilities during the next financial year are dealt with in outline below.

ACQUISITION ANALYSIS

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

CONTINGENT CONSIDERATION

According to the agreement on conditional consideration in connection with the acquisition, the Group must pay additional purchase prices and employee-related compensation given that certain key financial targets is met. The financial targets are usually related to the future EBITDA or EBIT of the acquired subsidiary. The fair value of the contingent consideration agreement is based on management's judgment of what is likely to be paid given the terms of the share transfer agreement. As an initial assessment at the first recognition, management usually assessment is that 80% of the maximal agreed contingent consideration will be paid out, see *Note 4 Financial risk management*.

KEY ASSUMPTION IN GOODWILL IMPAIRMENT TEST

Each year, the Group examines whether there is a need for impairment of goodwill according to accounting principal described in *Note 1 Summary of significant accounting principles*. Recoverable amounts for cash generating units (CGU) are established by calculating the value in use, which requires certain assumptions to be made. Humble Group performs impairment tests on segment level as these are considered as the lowest Cash Generating Unit where management monitors the financial performance. The calculations are based on cash flow forecasts based on budgets determined by management and approved by the Board of Directors for the next five years. Cash flows are calculated to present value using a weighted average cost of capital of 10.8% for 2022. Cash flows after the five-year period are extrapolated at a long-term growth rate at 2%. The growth rate used is consistent with industry forecasts for each CGUs respective industry.

USEFUL PERIODS OF INTANGIBLE ASSETS

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

ASSESSMENT OF THE LEASE TERM IN LEASES WITH EXTENSION OPTIONS

Humble Group is a lessee in leases consisting of office space, machines, cars and office supplies. The office premises are ordinary office premises located in large cities where access to similar office space is considered good. The Group has not had any significant improvement costs linked to any of the office premises. The contracts for the office premises contain a formal right for Humble Group to extend the contract, often designed as the agreement being automatically extended for 12 months unless the Group chooses to terminate the agreement 3-6 months before the end date of the agreement. When assessing whether it is reasonably certain that the Group will exercise the extension option, management primarily considers difficulty in substituting a local and remaining time before the agreement is automatically extended. In 3 of the Group's 69 leases for office premises, an extension period has been included in the lease period. Overall, the Group's lease term for office space varies between 1 - 6 years with an average lease term of 3 years. No extension option has been included for machines, cars and office supplies.

DEFERRED TAX

Deferred tax receivables include MSEK 26, which mainly refers to loss deductions for Humble Group AB. The deficit has arisen during 2014 to 2021. The Group has assessed that the deficit carry forwards will be able to be used against future tax surpluses.The assessment is based on the decided business plan and budget for the subsidiary, where all subsidiaries in the Group is expected to provide tax surpluses from 2023 onwards. The tax deficits can be carried forward and have no due date.

NOTE 4 – FINANCIAL RISK MANAGEMENT

FINANCIAL RISK FACTORS

Through its operations, the Group is exposed to a variety of financial risks such as: various market risks (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, liquidity risk and refinancing risk. The Group strives to minimise potential adverse effects on the Group's financial results. The objective of the Group's financial operations is to:

- - ensure that the Group can fulfil its payment obligations,
- - manage financial risks,
- - ensure access to required funding, and
- - optimise the Group's net financial income/expense.

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

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

a) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk, primarily in the currencies EUR and GBP. Currency risk mainly arises from the translation of foreign subsidiaries' income statement and balance sheet to the Group's reporting currency, which is SEK (translation balance sheet exposure) and from purchases and sales in a currency that does not correspond to the functional currency of the company (transaction exposure). The Group's policy is not to hedge the translation exposure attributable to foreign net assets to reduce the translation risk in the financial statements. Humble Group's subsidiaries have most of their purchases and sales in/from their country of operation, which means that risk exposure in foreign currency is limited and at the end of the reporting period is therefore deemed not material.

Group entity. Humble Group is constantly working to minimize currency exposure for major purchases through currency exchange and, if necessary, short-term currency hedging. At the end of the year, hedges in the Group were no significant amount.

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings with variable rates expose the Group to cash flow interest rate risk which is partly neutralized with cash funds with variable rates. Borrowings with fixed rates expose the Group to fair value interest rate risk. The Group's main interest rate risk arises through long-term borrowing with variable interest, which exposes the Group to interest rate risk regarding cash flows. The Group does not hedge its interest rate risk regarding future cash flows.

Bond loan

The Group has two senior bond loans with a total credit limit of MSEK 2 000:

- MSEK 300 was issued January 5, 2021 (2021-2024), has a fixed interest rate of 9.50%
- MSEK 1 500 was issued July 21, 2021 (2021-2025), has a variable interest rate (STIBOR 3m + 8.25%)

Sensitivity analysis - interest rate risk

If the interest rates as of 31 December 2022 had been 25 basis points higher/lower with all other variables constant, the estimated profit after tax for the financial year would have been MSEK-4/+4 (2021-12-31: MSEK -2/+2, 2020-12-31: MSEK 0) lower/higher, mainly as an effect of higher/lower interest costs for variable rate.

b) Credit risk

Credit risk primarily arises from cash and debt instruments measured and recognised at amortised cost.

Credit risk related to customers is reduced through credit risk assessments, credit limits in event of delayed payment commitments and through contractual terms with the customers. There is no high concentration of credit risk regarding exposure to individual customers, particular industries and/or regions. During 2020-2022, there have been no individual customers who have individually accounted for more than 10% of the revenue.

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

Accounts receivable

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

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

To measure the expected credit losses, accounts receivable has been grouped based on the number of days overdue. Expected credit losses are based on a period of twelve months before December 31, 2022 with the corresponding historical credit losses during the same period. The historical credit losses are then adjusted considering current and forward-looking information on macroeconomic factors that may affect the customers' ability to pay the claim. In cases where the Group has more information about the customers than the statistical model reflects, company management makes additional assessments for those customers. Historically, the Group has experienced insignificant credit losses. Based on historical data with very low credit losses together with a forward-looking assessment, the expected credit losses are not significant for any customers. Age distribution for the Group's accounts receivable is presented in *Note 21 Accounts receivables*.

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

c) Liquidity risk

Liquidity risk is the Group's risk of not being able to fulfil its short-term payment obligations as a result of insufficient liquid funds. At the end of the reporting period, the Group held MSEK 380 (2021-12-31: MSEK 420, 2020-12-31: MSEK 83, 2020-01-01: MSEK 2) in cash and cash equivalents. As a result of the operations in the Group, the Group needs flexible financing with the possibility to use agreed credit limits.

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

At the end of the reporting period, the Group had access to unused overdrafts amounting to MSEK 79 (2021-12-31: MSEK 472, 2020-12-31: MSEK 6, 2020-01-01: MSEK 0). The overdraft facilities can be used at any time and can be terminated by the bank without notice. If the creditworthiness continues to be satisfactory, the overdrafts can be used at any time in SEK and have an average maturity of 1 year at the end of the financial year (2021: 1 year, 2020: 1 year).

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

Pledged accounts receivables

Some of the Group's subsidiaries have historically pledged accounts receivable as a means of financing operating activities. In connection with invoicing, the invoice is pledged through an external party who has usually pledged 70-90% of the invoice's value and pays out the liquid immediately after pledging. The loan bears interest until the customer has paid the invoice and is reported gross as a customer receivable and short-term debt to credit institutions in the balance sheet. At the end of the reporting period, there were no secured trade receivables in the balance sheet (2021: MSEK 0, 2020: MSEK 0).

Bond loan

Bond 2021-2024 was issued on January 5, 2021, and expires on January 5, 2024. The bond has a total framework of MSEK 500, of which MSEK 300 (300) was used at the end of the financial year. The loan runs at a fixed interest rate of 9.50% and with semi-annually interest payments. The earliest date for redemption and amortization of the loan was January 5, 2023.

Bond 2021-2025 was issued on 21 July 2021 and expires on 21 July 2025. The bond has a total framework of MSEK 1 500, of which used at the end of the financial year amounted to MSEK 1 500 (1 200). The loan runs with an interest margin of 8.25% plus Stibor 3M, which is determined two days before a new interest period begins. Interest payments are made quarterly. The earliest date for redemption and amortization of the loan is 21 July 2023.

d) Refinancing risk

Refinancing risk is defined as the risk that difficulties arise in refinancing the Group, that financing cannot be obtained or that it can only be obtained at increased costs. The risk is limited by the fact that the Group continuously evaluates various financing solutions.

The table below analyses the Group's financial liabilities divided by the time remaining on the balance sheet date until the contractual due date. The amounts stated in the table are the contractual, undiscounted cash flows. Future cash flows in foreign currency have been calculated based on the exchange rate that applied on the balance sheet date.

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

2021-12-31	<12 months	1-2 years	2-5 years	> 5 years	Sum	Book value
Financial liabilities						
Interest-bearing liabilities (long- and short-term)	102	30	1 677	29	1 838	1 838
Contingent considerations (long- and short-term)	124	344	372	0	840	737
Other liabilities (long- and short-term)	79	35	30	0	144	144
Lease liabilities	39	29	30	20	119	108
Accounts payable	366	0	0	0	366	366
Total	710	438	2 109	49	3 307	3 192

2020-12-31	<12 months	1-2 years	2-5 years	> 5 years	Sum	Book value
Financial liabilities						
Interest-bearing liabilities (long- and short-term)	18	5	0	0	23	23
Contingent considerations (long- and short-term)	15	3	9	1	29	26
Other liabilities (long- and short-term)	36	0	0	0	36	36
Lease liabilities	3	3	3	0	8	8
Accounts payable	26	0	0	0	26	26
Total	98	12	12	1	123	119

2020-01-01	<12 months	1-2 years	2-5 years	> 5 years	Sum	Book value
Financial liabilities						
Interest-bearing liabilities (long- and short-term)	0	1	0	0	1	1
Contingent considerations (long- and short-term)	0	0	0	0	0	0
Other liabilities (long- and short-term)	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0
Accounts payable	3	0	0	0	3	3
Total	3	1	0	0	3	3

CALCULATION AND DISCLOSURE OF FAIR VALUE

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

Financial instrument level 1
Quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Financial instrument level 2
Observable data for the asset or liability other than quoted prices included in level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations).

Financial instrument level 3
When one or more of the significant inputs is not based on observable market data.

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

The Group's financial liabilities measured at fair value through profit and loss consists of Contingent consideration. These are classified as level 3 in the fair value hierarchy. There have been no transfers between fair value hierarchy levels during the reporting period.

Fair value disclosure of bond loans
As described above in section a) paragraph Interest rate risk, the Group also has financial instruments in the form of bond loans. These are not valued at fair value in the balance sheet.

For the bond loan 2021-2025, the measurement at amortised cost corresponds in all essentials to its fair value because the interest rate is variable and as the credit risk has not changed significantly.

The fair value of the bond loan 2021-2024 has been calculated by using cash flows discounted at a current interest rate. The bond loan is classified as level 3 in the fair value hierarchy as unobservable data has been used, including own credit risk. The carrying amount of the bond loan 2021-2024 for 2021 and 2022 are MSEK 300 and MSEK 300 respectively, whereas the fair value of the loan amount to MSEK 256 for 2021 and MSEK 270 for 2022.

Fair value disclosure of contingent considerations
The total contingent consideration to be paid are generally conditioned by significant financial performance improvements, which usually is measured to certain pre-determined EBITDA-levels by the subsidiary to be reached. The nature of the payments is generally a subject for Humble to decide, with a majority to be paid in cash but can also be paid with newly issued shares. This has a potential positive impact of the Groups cash flow and long-term net debt.

The mechanics behind the additional purchase prices differ between the various acquisitions and the Group's commitments also extend over a longer time horizon. The provision in the consolidated balance sheet constitutes a valuation of management's best assessment of the expected future cash flow. This assessment is made on a subsidiary-based level and is revalued regularly. The contingent considerations are recognised at fair value and have been discounted with 10.8% discount rate (2021: 8.85%, 2020; 8.41%). The parent company has the majority of the Group's all reported contingent considerations. Humble makes the assessment that there are no significant differences between the various contingent consideration calculation methods that would justify applying different discount rates for different subsidiaries. This forms the basis for the same interest rate being applied to all contingent consideration per year.

INPUT USED IN RECURRING LEVEL 3 FAIR VALUE MEASUREMENTS AND VALUATION TECHNIQUES
The contingent considerations in the Group have been calculated based on the nominal value of the best estimate of the expected outcome on the date of the acquisition. The estimate is based on management's assessment of the probable amount to be paid given the terms of the share transfer agreement. The fair value of the contingent considerations has been calculated based on an interest rate corresponding to the remaining term until payment at each reporting date. During 2022, 57 MSEK (2021: 21, 2020: 0) in interest income was recognised as finance expenses regarding expenses related to contingent considerations.

Contingent consideration	2022	2021	2020
Opening balance January 1	737	26	0
Acquisition	247	714	27
Payments	-144	-23	0
Changes in the fair value of debt instruments at fair value through profit or loss	-111	-7	0
Interest expense	57	21	0
Exchange differences	-5	6	0
Ending balance December 31	780	737	26

The duration to maturity is presented below.

Estimated payments per year	Nominal value	Fair value
2023	361	347
2024	353	305
2025	161	125
2026	3	2
Total contingent considerations	878	779

CAPITAL MANAGEMENT

The Group's objective regarding the capital structure is to secure the Group's ability to continue its operations, so that it can continue to generate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to keep the cost of capital down.

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

Net debt ratio

The Group has a strategy to have a balanced capital structure where, among other things, the net debt ratio is monitored on an ongoing basis. Increase in net debt in 2022 was mainly dependent on financing completed acquisitions.

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Interest-bearing debt	2 536	1 838	23	1
Less: cash and cash equivalents	-380	-420	-83	-2
Net debt	**2 156**	**1 418**	**-60**	**-2**
Total assets	8 897	6 875	457	12
Net debt in relation to total assets	**4.13**	**4.85**	**-7.59**	**-7.09**

NOTE 5 – SEGMENT INFORMATION AND DISCLOSURE OF REVENUE

SEGMENT DESCRIPTION

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

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

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

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

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

OTHER INFORMATION

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

Other includes the parent company´s operations as well as a few administrative subsidiaries that do not have a direct connection to other operating activities.

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

There are no individual customers within the Humble Group whose net sales exceed 10% of the Group's net sales, nor any individual fixed assets that exceed 10% of total assets for the accounting periods 2020-2022.

Net sales per country of operation	2022	2021	2020
Australia	130	0	0
Denmark	32	2	0
Finland	47	4	0
Norway	186	4	0
Portugal	108	30	0
Sweden	2 744	1 084	29
Germany	181	77	0
UK	1 117	227	0
USA	56	29	0
Other countries	201	30	0
Total net sales	**4 800**	**1 486**	**29**

2022	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other	Total
Net sales						
Revenue from sales to external customers	733	1 845	965	1 257	0	4 800
Raw material and consumables	-417	-1 171	-700	-980	0	-3 268
Gross profit	316	674	265	277	0	1 532
Gross margin, %	*43%*	*37%*	*27%*	*22%*	*0%*	*32%*
EBITDA	162	225	104	52	-39	504
EBITDA in relation to net sales	*22%*	*12%*	*11%*	*4%*		*11%*
EBIT	85	124	57	29	-38	257
EBIT in relation to net sales	*12%*	*7%*	*6%*	*2%*		*5%*

2021	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other	Total
Net sales						
Revenue from sales to external customers	260	504	257	465	0	1 486
Raw material and consumables	-162	-320	-194	-369	0	-1 045
Gross profit	98	184	63	96	0	441
Gross margin, %	38%	37%	25%	21%	0%	30%
EBITDA	2	-45	10	12	-18	-41
EBITDA in relation to net sales	1%	-9%	4%	3%	-	-3%
EBIT	5	-105	-1	1	-18	-118
EBIT in relation to net sales	2%	-22%	0%	0%	-	-8%

2020	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other	Total
Net sales						
Revenue from sales to external customers	29	0	0	0	0	29
Raw material and consumables	-22	0	0	0	0	-22
Gross profit	7	0	0	0	0	7
Gross margin, %	24%	0%	0%	0%	0%	24%
EBITDA	-30	0	0	0	0	-30
EBITDA in relation to net sales	-103%	0%	0%	0%	-	-103%
EBIT	-37	0	0	0	0	-37
EBIT in relation to net sales	-128%	0%	0%	0%	-	-128%

NOTE 6 – OTHER OPERATING INCOME

	2022	2021	2020
Fx-gains from revaluation of operational items	20	22	0
Received grants from public authorities	10	5	2
Revaluation of contingent consideration*	188	7	0
Other revenues	41	15	1
Total other operating income	**259**	**49**	**3**

*Effect from revaluation of contingent considerations is presented gross as Other operating income and Other operating expense.

NOTE 7 – RENUMERATION TO AUDITORS

Amount in KSEK	2022	2021	2020
Audit fees	6 972	3 615	469
of which BDO Mälardalen AB	*4 230*	*1 419*	411
of which Westlake Clark Ltd	*774*	*572*	-
of which Other audit firms	*1 968*	*1 625*	*58*
Audit related services	1 668	435	200
of which BDO Mälardalen AB	*1 088*	*156*	188
of which Westlake Clark Ltd	*26*	-	-
of which Other audit firms	*554*	*279*	12
Total audit fees	8 640	4 050	669

NOTE 8 – RENUMERATION TO PERSONNEL ETC.

	2022			2021			2020		
Average number of employees by country	Women	Men	Total	Women	Men	Total	Women	Men	Total
Australia	15	19	**34**	10	22	**32**	0	0	**0**
Denmark	15	23	**38**	10	22	**32**	0	0	**0**
Finland	11	16	**27**	11	19	**30**	0	0	**0**
France	0	1	**1**	0	1	**1**	0	0	**0**
Hong Kong	20	14	**34**	19	13	**32**	0	0	**0**
China	9	3	**12**	3	10	**13**	0	0	**0**
Norway	16	13	**29**	1	2	**3**	0	0	**0**
Poland	0	0	**0**	11	9	**20**	1	0	**1**
Portugal	70	20	**90**	34	6	**40**	0	0	**0**
Sweden	222	312	**534**	118	208	**326**	5	10	**15**
South Africa	1	2	**3**	0	0	**0**	0	0	**0**
South Korea	1	1	**2**	1	1	**2**	0	0	**0**
Germany	25	17	**42**	14	9	**23**	0	0	**0**
United Kingdom	80	61	**141**	55	37	**92**	0	0	**0**
USA	3	4	7	2	2	0	0	0	0
Total	488	506	994	289	361	646	6	10	17

Gender distribution in the group (including subsidiaries) for board members and other senior executives	2022-12-31			2021-12-31			2020-12-31		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Board members	1	5	6	1	5	6	1	5	6
CEO and other senior executives	0	5	5	0	5	5	0	3	3
Total	1	10	11	1	10	11	1	8	9

Employee benefits	2022	2021	2020
Salaries and other remunerations	414	117	9
Social charges	96	31	3
Pension costs - defined contribution plan	25	8	1
Total employee benefits	535	156	13

	2022		2021		2020	
Salaries, other remunerations and social charges	Salaries and other remunerations	Social charges	Salaries and other remunerations	Social charges	Salaries and other remunerations	Social charges
Board of directors, CEO and other executive management	20	6	8	3	2	1
Other employees	394	90	109	28	7	2
Total	414	96	117	31	9	3

2022, Amount in KSEK	Fixed remuneration	Variable remuneration	Stock based compensation	Pensions	Total
Board of directors and CEO					
Peter Werme, chairman of the board	408	0	0	0	**408**
Björn Widegren, director	223	0	0	0	**223**
Thomas Petrén, director until 2022-05-05	120	0	0	0	**120**
Henrik Patek, director	283	0	0	0	**283**
Dajana Mirborn, director	260	0	0	0	**260**
Hans Skruvfors, director	183	0	0	0	**183**
Ola Cronholm, director since 2022-07-22	90	0	0	0	**90**
Simon Petrén, Chief Executive Officer	4 612	2 782	0	1 232	**8 625**
Other executive mangement*	6 778	1 241	0	1 448	**9 467**
Total	12 958	4 022	0	2 680	19 661

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

2021, Amount in KSEK	Fixed remuneration	Variable remuneration	Stock based compensation	Pensions	Total
Board of directors and CEO					
Peter Werme, chairman of the board	270	0	0	0	**270**
Björn Widegren, director	135	0	0	0	**135**
Thomas Petrén, director	135	0	0	0	**135**
Henrik Patek, director since 2021-02-05	139	0	0	0	**139**
Dajana Mirborn, director since 2021-05-06	110	0	0	0	**110**
Hans Skruvfors, director since 2021-11-24	13	0	0	0	**13**
Mikael Pettersson, director until 2021-10-15	123	0	0	0	**123**
Lucy Dahlgren, director until 2021-01-22	6	0	0	0	**6**
Gunnar Ek, director until 2021-05-06	25	0	0	0	**25**
Simon Petrén, Chief Executive Officer since 2021-01-01	2 726	810	0	681	**4 217**
Other executive mangement*	2 550	896	0	507	**3 953**
Total	6 231	1 706	0	1 188	9 124

**Comprises Johan Lennartsson full year and Noel Abdayem and Marcus Stenkil from July, 2021*

2020, Amount in KSEK	Fixed remuneration	Variable remuneration	Stock based compensation	Pensions	Total
Board of directors and CEO					
Peter Werme, chairman of the board	150	0	0	0	**150**
Björn Widegren, director	75	0	0	0	**75**
Thomas Petrén, director	75	0	0	0	**75**
Mikael Pettersson, director until 2021-10-15	75	0	0	0	**75**
Lucy Dahlgren, director until 2021-01-22	75	0	0	0	**75**
Gunnar Ek, director until 2021-05-06	75	0	0	0	**75**
Patrik Edström, Chief Executive Officer until 2020-12-31	668	0	0	75	**743**
Other executive mangement*	792	0	0	92	**884**
Total	1 985	0	0	167	2 152

**Comprises Simon Petrén from March 2020 and Johan Lennartsson from September 2020.*

GUIDELINES FOR RENUMERATION TO SENIOR MANAGEMENT

In order for the company to be able to attract, develop and retain senior executives with relevant experience and competence, it is important that the company has a competitive remuneration package in line with what is attractive for senior executives in various industries. The compensation for the senior executives consists of fixed salaries, short and long-term variable compensation, pensions, and other customary benefits. The total compensation must be market-based and competitive and reflect the employee's performance and responsibilities. During 2022, Humble Group has not had any guidelines for remuneration to senior executives formally decided by the Annual General Meeting. The board has instead appointed a remuneration committee which has prepared remuneration-related questions for senior executives.

PENSION

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

SEVERANCE PAY

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

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

VARIABLE RENUMERATION

For the CEO, the bonus for the financial year 2022 is based partly on the Group's profitability measured in EBITA and partly on individual goals set by the board. The bonus amount for 2022 corresponded to 61% of the base salary (2021: 30%, 2020: -).

INCENTIVE PROGRAM

Below is a summary of the warrant programs found in the Group during any of the periods covered by the Annual Report 2022.

Employee option program

For the period 2019-2022, there was an employee option program in the parent company. The program ended in March 2022 and meant that the participants in the program paid SEK 1.33 per share in connection with the vesting taking place in April 2022. The income for this is reported in equity. In connection with the vesting of shares, a benefit arises for the participant in the program, which benefit is taxed. The cost of the program consists of the parent company paying employer contributions on the actual increase in value that occurs on the vesting date. The program included 5 employees. The options were obtained free of charge when the program was started. The total number of options that were used amounted to 327 142 with a market value of SEK 19.10 per share, the remaining options have already been cancelled or in connection with the termination of the program. Reported costs amounted to MSEK 1.8 and were reported as a personnel cost in the parent company during 2022.

Summary of granted options, employee option program	2022	2021	2020
As per Januari 1	485 716	1 000 000	1 000 000
Granted	0	0	0
Forfeited	0	0	0
Redeemed	-347 142	0	0
Expired	-138 574	-514 284	0
Outstanding as of December 31	0	485 716	1 000 000
Redeemed as of December 31	0	0	0

Warrants program

At the end of the financial year, the Group had two ongoing warrant programs, series 2021/2024 and series 2022/2025.

Series 2021/2024

Includes 1 000 000 warrants of which 920 000 warrants have been awarded. The remaining 80 000 warrants have been cancelled in 2022. The program covers 9 people, and the warrants are earned gradually over the duration of the program. The subscription premium from payment for the warrants amounted to SEK 3.76 per warrant, which is reported directly against equity. The warrant premium has been valued at fair value using the Black & Scholes valuation model.

Summary of granted warrants, warranty program serie 2021/2024	2022	2021	2020
As per Januari 1	1 000 000	0	0
Granted	0	1 000 000	0
Forfeited	0	0	0
Redeemed	0	0	0
Expired	-80 000	0	0
Outstanding as of December 31	920 000	1 000 000	0
Redeemed as of December 31	0	0	0

Series 2022/2025

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

Summary of granted warrants, warranty program serie 2022/2025	2022	2021	2020
As per Januari 1	0	0	0
Granted	2 400 000	0	0
Forfeited	0	0	0
Redeemed	0	0	0
Expired	0	0	0
Outstanding as of December 31	2 400 000	0	0
Redeemed as of December 31	0	0	0

Fair value of assigned staff and warrants

In 2019, employees received staff options free of charge, while warrants were acquired at market value in 2021 and 2022. The market value of the options in the employee option program 2019/2022 and the warrants program 2021/2024 and 2022/2025 has been calculated according to the Black & Scholes valuation model. The warrant programs for 2021/2024 and 2022/2025 have not burdened the Group with any costs as a market premium has been paid in by the participants. Based on analysis of the historical volatility of the company´s and comparable companies' share price, the expected volatility during the warrants' term has been assessed at 30% (45%).

Inputs in the model for warrants granted in 2022 were:

a) The warrants are awarded against payment of an warrant premium and are earned based on Humble Group over a three-year period. Vested warrant can be redeemed within three months of vesting.

b) Grant price SEK 23.90 (2021; SEK 35.72)

c) Grant date: May 25, 2022 (2021; June 17, 2021)

d) Expiration date: June 15, 2025 (2021; June 8, 2024)

e) Share price on the grant date: SEK 15.94 (2021; SEK 23.82)

f) Expected volatility in the company´s share price: 30% (2021; 45%)

g) Expected dividend yield: 0 % (2021; 0 %)

h) Risk-free interest rate: 1.54 % (2021; -0.20 %).

The expected volatility of the share price is based on the historical volatility (based on the remaining term of the warrant), adjusted for the expected changes in future volatility because of available public information.

Number of outstanding warrants per maturity date	Expiration date	2022-12-31	2021-12-31	2020-12-31
Time of allocation				
Employee option				
2019-04-19	2022-03-31	0	485 716	1 000 000
Warranties serie 2022/2025				
2021-06-17	2024-06-08	920 000	1 000 000	0
Warranties serie 2022/2025				
2022-05-25	2025-06-15	2 400 000	0	0
Total		**3 320 000**	**1 485 716**	**1 000 000**
Remaining weighted average contract term of outstanding employee options at the end of the period		0 years		
Remaining weighted average contract term of outstanding warrants at the end of the period		2.4 years		

NOTE 9 – OTHER OPERATING EXPENSES

	2022	2021	2020
Exchange rate losses from revaluation of items of an operating nature	-21	-14	-5
Fair value changes on contingent consideration that are reported at fair value through profit and loss	-77	0	0
Other operating expenses	-5	-2	0
Total other operating expenses	**-103**	**-16**	**-5**

NOTE 10 – ITEMS AFFECTING COMPARABILITY

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

a) Acquisition related cost comprises external expenses due to legal and financial advisors, external consultancy firms and different expertise within detailed questions in the due diligence process. It also comprises costs related to previous owners' historical business decisions that for various reasons have had a negative profitability impact under Humble Groups ownership. The acquisition related cost is recognised as a loss to the Other external expenses in the Income statement.

b) Revaluation of contingent considerations are recognised as an Other operating income or Other operating expense once the updated assessment is made. Contingent considerations are frequently reassessed based on management's best estimate of expected future cash- or share payments.

c) Employment-related compensation refers to considerations in the share purchase agreements that the sellers are entitled to a cash bonus if they remain in service after the transaction is completed. These items have a negative cash effect when they are paid and the effect is reported as a personnel cost in the income statement over the time that the compensation is earned. The penalty refers to the part of the share purchase agreements between Humble Group and the seller that the seller must repay of the purchase price paid to Humble Group if they leave their services after the transaction. Such risk is reduced by penalties of the fine. If the seller remains in service for the agreed contract term, this item has no cash flow effect. The part of the purchase price that must be repaid if the seller leaves his position constitutes a separate transaction in accordance with IFRS and must therefore not be included as part of the purchase price for the acquired business. Instead, this part is reported as a personnel cost and reported over time as the services are delivered.

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

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

f) Restructuring costs primarily refer to costs related to the Group's restructuring, such as a factory move of Naty with a total of MSEK 18, which was part of the contingent consideration and is expected to improve profit margins, quality and the competitiveness of the products in 2023. The item also contains items of a one-off nature for, among other things, legal representation in in connection with the acquisition process of MSEK 5, costs for the completion of factory construction of MSEK 3 and costs linked to a production stoppage caused by a salmonella outbreak at a supplier of MSEK 2.

The main adjustment item during the year was related to revaluation of contingent considerations of MSEK -111 and employee-related compensation and lock-in penalties of MSEK 72.

	2022	2021	2020
Acqusition related cost	39	65	1
Revaluation of earn-outs	-111	-7	-
Employee-related compensation and lock-in penalties	72	159	-
Surplus value in inventory	3	31	-
Donations	3	2	-
Restructuring	42	23	15
Total adjustment items	**47**	**274**	**16**

	2022			2021			2020		
	EBIT	EBITA	EBITDA	EBIT	EBITA	EBITDA	EBIT	EBITA	EBITDA
Before adjustment	**257**	**419**	**504**	-118	-66	-41	**-37**	**-31**	**-30**
Total adjustment items	47	47	47	274	274	274	16	16	16
Adjusted key ratio	**304**	**466**	**552**	156	208	233	-21	-15	-14

NOTE 11 – FINANCIAL INCOME AND FINANCIAL EXPENSES

	2022	2021	2020
Interest income	1	0	0
Exchange rate differences	8	0	0
Other financial income	5	0	0
Total financial income	**14**	**0**	**0**
Interest expenses related to interest bearing liabilities	-180	-73	-1
Interest expenses related to unwinding of discounting effect	-57	-21	0
Exchange rate differences	-17	-2	0
Other financial expenses	-11	-1	0
Total financial expenses	**-265**	**-97**	**-2**
Net of financial items	**-251**	**-97**	**-2**

NOTE 12 – INCOME TAX

Income tax	2022	2021	2020
Current tax	-52	-38	0
Deferred tax	15	42	1
Total income tax	**-37**	**4**	**1**
Reconciliation between Swedish income tax rate and effective income tax			
Profit before tax	1	-215	-39
Tax according current tax rate 20,6% (2021: 20,6%, 2020: 21,4%)	0	44	8
Tax effect from:			
Effect from other tax rates in foreign subsidiaries	1	0	0
Non-deductible expenses	-32	-66	0
Non-taxable income	3	0	0
Tax attributable to previous year	-7	7	1
Tax deductible deficits from the year	-2	20	-9
Income tax	**-37**	**4**	**1**

Group current tax rate is 20.6% (2021: 20.6%, 2020: 214%) and effective tax rate was 2,876% (2021: -2%, 2020: -2%).

-30 M SEK of non-deductible expenses is relates to tax effect of non-deductable interest expense.

NOTE 13 – EARNING PER SHARE

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

Earnings per share before dilution, SEK	2022	2021	2020
Earnings attributible to the shareholders of the parent company	-35 815 410	-210 557 819	-38 173 490
Earnings per share before dilution	-0,13	-1,14	-0,45
Earnings per share after dilution, SEK			
Earnings attributible to the shareholders of the parent company	-35 815 410	-210 557 819	-38 173 490
Earnings per share after dilution*	-0,13	-1,14	-0,45
Weighted average number of ordinary shares			
Weighted average number of ordinary shares when calculating earnings per share before dilution	284 151 901	184 674 884	85 078 415
Adjustments to calculate earnings per share after dilution:			
- Warrants	2 666 724	1 334 587	1 329 868
Weighted average number of ordinary shares after dilution	286 818 625	186 009 471	86 408 283

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

Information regarding the classification of securities
Warrants granted to employees under Humble Group's stock warrant program have been determined to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the performance conditions attached to the warrants, total return to shareholders, would have been achieved based on the company´s performance up to the balance sheet date, and to the extent they give rise to a dilutive effect. The warrants have not been included in the determination of earnings per share before dilution. Further information about the warrants can be found in *Note 8 Renumeration to personnel etc.*

NOTE 14 – INTANGIBLE ASSETS

	Capitalised product development costs			Customer relationships and listings			Trademarks and brands		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Opening balance acquisitions	90	22	11	549	44	0	1 334	16	0
Purchases	87	43	6	1	0	0	1	0	0
Through acquisition of subsidiaries	8	26	5	166	503	44	287	1 305	16
Sales and scrapped assets	0	0	0	0	0	0	0	0	0
Reclassification	21	0	0	0	0	0	-2	0	0
Translation differences	3	0	0	17	2	0	30	13	0
Accumulated acquisition value	**209**	**90**	**22**	**734**	**549**	**44**	**1 649**	**1 334**	**16**
Opening balance depreciations	-15	-9	-6	-50	-3	0	0	0	0
Sales and scrapped assets	0	0	0	0	0	0	0	0	0
Depreciations	-25	-6	-3	-135	-47	-3	-1	0	0
Impairment	0	0	0	0	0	0	0	0	0
Reclassification	-1	0	0	0	0	0	1	0	0
Translation differences	0	0	0	-2	0	0	0	0	0
Accumulated depreciation	**-42**	**-15**	**-9**	**-187**	**-50**	**-3**	**0**	**0**	**0**
Closing balance	**168**	**76**	**13**	**546**	**499**	**42**	**1 650**	**1 334**	**16**

	Goodwill			Total		
	2022	2021	2020	2022	2021	2020
Opening balance acquisitions	2 935	163	0	4 908	245	11
Purchases	1	0	0	90	44	6
Through acquisition of subsidiaries	626	2 752	163	1 086	4 586	228
Sales and scrapped assets	0	0	0	0	0	0
Reclassification	0	0	0	19	0	0
Translation differences	69	20	0	120	34	0
Accumulated acquisition value	**3 631**	**2 935**	**163**	**6 223**	**4 908**	**245**
Opening balance depreciations	0	0	0	-64	-12	-6
Sales and scrapped assets	0	0	0	0	0	0
Depreciations	0	0	0	-162	-53	-6
Impairment	0	0	0	0	0	0
Reclassification	0	0	0	0	0	0
Translation differences	0	0	0	-3	0	0
Accumulated depreciation	**0**	**0**	**0**	**-229**	**-64**	**-12**
Closing balance	**3 631**	**2 935**	**163**	**5 995**	**4 843**	**234**

ASSESSMENT OF IMPAIRMENT NEED FOR GOODWILL AND OTHER INTANGIBLE ASSETS

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

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

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

The recoverable amount for the cash-generating units has been determined based on calculations of the value in use. These calculations are based on estimated future cash flows before tax, derived from the financial budgets for 2023 of the companies, which have been approved by the Group management. Cash flows beyond 2023 are then projected based on expected growth rates, gross margin, expense levels, working capital requirements, and investment needs. Cash flows extending beyond a five-year period are extrapolated using a long-term growth rate of 2% for all business segments. The pre-tax discount rate used amounts to approximately 10.81% (2021: 8.85%, 2020: 8.41%) for all business segments. The calculation as of December 31, 2022, indicates that the value in use exceeds the carrying value for all cash-generating units, resulting in no impairment requirement.

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

Other important assumptions

Growth rate

Based on factors such as product development, sales synergies, and assessed market potential, the company believes that the business segments have good opportunities to stabilize and strengthen their market shares. The expected average annual growth rate varies depending on the business segments, and the group management makes individual assessments based on each company´s conditions and market potential. Sales development in all business segments is expected to be positive during the forecast period.

Gross margins

The gross margins are assumed to remain stable during the forecast period as efficiency improvements and coordination efforts continue to be implemented according to plan. Furthermore, an assumption has been made that the business segments' gross margins will develop positively as cost synergies continue to be realized according to plan.

Operating expenses

Operating expenses and personnel costs are expected to remain stable or decrease in relation to sales for all business segments. This is deemed to be in line with the investments that the Group will make to achieve the forecasted revenue goals and planned efficiency improvements.

Sensitivity analysis

A sensitivity analysis reveals that the remaining goodwill value for all cash-generating units would still be supported if the discount rate were to increase by 1 percentage point or if the terminal growth rate were to decrease by 1 percentage point.

The value in use for the cash-generating segment Sustainable Care amounts to approximately MSEK 4 393 for 2022. The sensitivity analysis shows that the difference between the value in use and the carrying value of goodwill and other identified excesses is relatively small but still justifiable if the discount rate were to increase by 1 percent or if the terminal growth rate were to decrease by 1 percent. The carrying value of goodwill for the Sustainable Care business segment assumes continued stable growth for the coming years. Any future significant negative deviations, beyond those described above and deemed to be enduring, may indicate the existence of an impairment requirement for the goodwill of the business segment.

The group management assesses that the discount rate and terminal growth rate are the most significant assumptions for the impairment test. Therefore, no sensitivity analysis has been conducted specifically related to other important assumptions such as growth rate, gross margins, or expenses. However, the group management assesses that if negative deviations occur simultaneously across multiple parameters, there would be an impairment requirement as the expected cash flows for the business segments would be adversely affected to an extent where the value in use would fall below the carrying value for all business segments.

	Goodwill	Trademarks and brands	Customer relationships
Sustainable Care	0	0	0
Future Snacking	93	14	21
Quality Nutrition	12	2	3
Nordic Distribution	57	0	17
Outgoing balance 2020-12-31	**163**	**16**	**42**

	Goodwill	Trademarks and brands	Customer relationships
Sustainable Care	2 277	1 001	366
Future Snacking	475	312	56
Quality Nutrition	113	16	44
Nordic Distribution	69	4	33
Outgoing balance 2020-12-31	**2 935**	**1 334**	**499**

	Goodwill	Trademarks and brands	Customer relationships
Sustainable Care	2 380	1 020	306
Future Snacking	664	375	85
Quality Nutrition	440	234	112
Nordic Distribution	146	21	43
Outgoing balance 2020-12-31	**3 631**	**1 650**	**546**

NOTE 15 – TANGIBLE FIXED ASSETS

	Buildings and land			Machines and other technical equipment			Equipment, tools and installations		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Opening balance acquisitions	165	0	0	59	3	0	19	1	1
Purchases	19	0	0	8	6	0	10	4	1
Through acquisition of subsidiaries	69	164	0	23	54	3	15	14	1
Sales and scrapped assets	0	0	0	-2	-3	0	-4	-1	-1
Reclassification	1	0	0	-2	-3	0	3	0	0
Translation differences	2	0	0	5	2	0	1	0	0
Accumulated acquisition value	**257**	**165**	**0**	**92**	**59**	**3**	**44**	**19**	**1**
Opening balance depreciations	-3	0	0	0	-1	0	-3	0	0
Sales and scrapped assets	0	0	0	-4	3	0	3	0	0
Depreciations	-9	-3	0	-20	-1	0	-8	-2	0
Reclassification	0	0	0	12	0	0	0	0	0
Translation differences	0	0	0	-3	-1	0	0	0	0
Accumulated depreciation	**-12**	**-3**	**0**	**-13**	**0**	**-1**	**-8**	**-3**	**0**
Closing balance	**244**	**162**	**0**	**78**	**60**	**3**	**36**	**16**	**1**

	Ongoing new facilities and advances			Total		
	2022	2021	2020	2022	2021	2020
Opening balance acquisitions	5	0	0	249	5	1
Purchases	19	2	0	57	12	1
Through acquisition of subsidiaries	0	4	0	107	236	4
Sales and scrapped assets	-2	0	0	-7	-4	-1
Reclassification	-10	0	0	-9	-3	0
Translation differences	0	0	0	8	2	0
Accumulated acquisition value	**13**	**5**	**0**	**405**	**249**	**5**
Opening balance depreciations	0	0	0	-5	-1	0
Sales and scrapped assets	0	0	0	0	3	0
Depreciations	0	0	0	-37	-6	0
Reclassification	0	0	0	12	0	0
Translation differences	0	0	0	-3	-1	0
Accumulated depreciation	**0**	**0**	**0**	**-33**	**-5**	**-1**
Closing balance	**13**	**5**	**0**	**372**	**244**	**4**

NOTE 16 – LEASE AGREEMENT

Right-of-use assets	Buildings 2022	Buildings 2021	Buildings 2020	Machines 2022	Machines 2021	Machines 2020	Vehicles 2022	Vehicles 2021	Vehicles 2020
Opening balance acquisitions	100	7	0	10	1	0	16	0	0
Additional right of use	65	92	7	8	9	1	11	16	0
Renegotiated/terminated agreements	1	0	0	-2	0	0	0	0	0
Translation differences	3	1	0	0	0	0	1	0	0
Accumulated acquisition value	**169**	**100**	**7**	**16**	**10**	**1**	**28**	**16**	**0**
Opening balance depreciations	-15	-1	0	-2	0	0	-2	0	0
Depreciations	-35	-14	-1	-6	-2	0	-6	-2	0
Renegotiated/terminated agreements	1	0	0	2	0	0	0	0	0
Translation differences	0	0	0	0	0	0	0	0	0
Accumulated depreciation	**-49**	**-15**	**-1**	**-7**	**-2**	**0**	**-8**	**-2**	**0**
Closing balance	**120**	**85**	**6**	**9**	**8**	**1**	**20**	**15**	**0**

	Other 2022	Other 2021	Other 2020	Total 2022	Total 2021	Total 2020
Opening balance acquisitions	2	0	0	128	9	0
Additional right of use	1	2	0	85	119	9
Renegotiated/terminated agreements	0	0	0	-1	0	0
Translation differences	0	0	0	4	1	0
Accumulated acquisition value	**3**	**2**	**0**	**216**	**128**	**9**
Opening balance depreciations	-1	0	0	-19	-1	0
Depreciations	-1	-1	0	-48	-18	-1
Renegotiated/terminated agreements	0	0	0	3	0	0
Translation differences	0	0	0	-1	0	0
Accumulated depreciation	**-1**	**-1**	**0**	**-65**	**-19**	**-1**
Closing balance	**1**	**1**	**0**	**151**	**109**	**8**

Lease liabilities	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Current	49	37	3	0
Non-current	100	71	5	0
Total lease liabilities	**149**	**108**	**8**	**0**

Other leasing costs	2022	2021	2021
Interest costs (included in Financial costs)	-6	-2	0
Expenses attributable to short-term leasing agreements (included in Other external costs)	2	1	0
Expenses attributable to leases for which the underlying asset is of low value that are not short-term leases (included in Other external costs)	3	1	0
Total other leasing costs	**-1**	**0**	**0**

The total cash flow related to leasing agreements was MSEK -52 (2021: MSEK -20, 2020: MSEK -1). For information on the maturity of the lease debt, see *Note 4 Financial risk management*.

NOTE 17 – DEFERRED TAX

Deferred tax liability attributable to	Trademark 2022	Trademark 2021	Trademark 2020	Customer relationships 2022	Customer relationships 2021	Customer relationships 2020	Buildings 2022	Buildings 2021	Buildings 2020
Opening balance	274	3	0	95	8	0	14	1	0
Additional deferred tax on acquisition of subsidiaries	64	268	3	33	101	9	7	13	1
Reported in the incomestatement	0	0	0	-24	-15	-1	-1	0	0
Translation differences	6	3	0	2	0	0	0	0	0
Closing carrying value deferred tax liability	**344**	**274**	**3**	**106**	**95**	**8**	**20**	**14**	**1**

	Untaxed reserves 2022	Untaxed reserves 2021	Untaxed reserves 2020	Total 2022	Total 2021	Total 2020
Opening balance	25	1	0	408	14	0
Additional deferred tax on acquisition of subsidiaries	5	17	1	109	400	14
Reported in the incomestatement	1	7	0	-24	-8	-1
Translation differences	0	0	0	9	3	0
Closing carrying value deferred tax liability	**31**	**25**	**1**	**502**	**408**	**14**

Deferred tax assets attributable to	Tax loss deductions 2022	Tax loss deductions 2021	Tax loss deductions 2020	Leasing liability 2022	Leasing liability 2021	Leasing liability 2020	Total 2022	Total 2021	Total 2020
Opening balance	34	0	0	0	0	0	34	0	0
Additional deferred tax on acquisition of subsidiaries	0	0	0	0	0	0	0	0	0
Reported in the incomestatement	-9	34	0	0	0	0	-9	34	0
Translation differences	0	0	0	0	0	0	0	0	0
Closing carrying value deferred tax asset	**25**	**34**	**0**	**1**	**0**	**0**	**26**	**34**	**0**

Deferred tax assets are reported for tax loss deductions or other deductions to the extent that it is likely that they can be utilized through future taxable profits. Unused loss deductions for which no deferred tax asset has been reported amounts to MSEK 56 as of 2022-12-31 (2021-12-31: MSEK 85, 2020-12-31: MSEK 123, 2020-01-01: MSEK 0). Deferred tax on unused loss deductions amounts to MSEK 25 as of 2022-12-31 (2021-12-31: MSEK 34, 2020-12-31: MSEK 0, 2020-01-01: MSEK 0). The deficit deductions do not expire at any time. The unused loss carry-forwards relate primarily to historical losses in Humble Group AB between the years 2009-2020.

Deferred tax - net	2022-12-31	2021-12-31	2020-12-31
Deferred tax assets	26	34	0
Amount offset against deferred tax liabilities	0	0	0
Closing carrying value deferred tax liability	**26**	**34**	**0**
Deferred tax liability	502	408	14
Amount offset against deferred tax assets	0	0	0
Closing carrying value deferred tax asset	**502**	**408**	**14**

NOTE 18 – EQUITY IN ASSOCIATED COMPANIES

Within Humble Group there are three holdings that are classified as associated companies, Amerpharma Sp.z.o.o., part-owned by Humble Group AB, Snacksmack AB, part-owned by Grahns Konfektyr AB, and Solent Group (SA) Pty Ltd, part-owned by Solent Global Ltd.

Profit from shares in associated companies amounted to MSEK -4 (2021; MSEK 1; 2020; MSEK 0). For more information on the parent company´s holdings in Amerpharma, see *Note 49 Shares in associated companies and joint arrangements*. The remaining two companies are considered to be individually immaterial to the Group.

NOTE 19 – OTHER LONG-TERM SECURITIES HOLDINGS AND OTHER LONG-TERM RECEIVABLES

	Other long-term securities holdings			Other long-term receivables			Total		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Opening balance	8	0	0	3	0	0	11	0	0
Additional items through acquisitions	6	8	0	13	3	0	19	10	0
Deductions	0	0	0	0	0	0	0	0	0
Closing balance	**14**	**8**	**0**	**16**	**3**	**0**	**30**	**11**	**0**

Additional items through the acquisition of subsidiaries primarily consist of deposits for rental guarantees and deposit insurance with, among other things, fixed income funds and short-term liquid investments.

NOTE 20 – INVENTORY

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Raw materials and necessities	114	72	5	2
Finished goods and goods for resale	854	434	28	0
Advances to suppliers	14	10	1	0
Total inventory	**982**	**516**	**35**	**2**

Costs of goods for the Group are included in the item Finished goods and merchandise in the report on comprehensive income and amount to MSEK 769 (2021: MSEK 363, 2020: MSEK 22). As of 2022-12-31, inventory contained MSEK 0 of acquired surplus values in stock upon acquisition of subsidiaries (2021-12-31: MSEK 3, 2020-12-31; MSEK 0). During 2022, MSEK 3 was expensed from acquired surplus values in inventory (2021; MSEK 31, 2020; MSEK 0).

NOTE 21 – ACCOUNTS RECEIVABLES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Accounts receivables, gross	685	466	38	0
Provision for expected bad debt losses	-3	-3	-1	0
Accounts receivables, net	**683**	**463**	**37**	**0**

Age analysis of accounts receivables before deduction of bad debt	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Non overdue receivables	484	385	32	0
Over due 0-3 monhts	181	73	6	0
Over due 4-12 months	18	6	0	0
Over due >12 months	4	2	0	0
Of which has been provided	-3	-3	-1	0
Accounts receivables, gross	**683**	**463**	**37**	**0**

The Group applies the simplified method for calculating expected credit losses for all accounts receivable where the reserve is calculated based on the risk of loss for the entire term of the receivable. Historically, the Group has experienced insignificant credit losses. Based on historical data and with a forward-looking assessment, the future credit losses are not expected to be significant for any customers individually or aggregated, which forms the basis for no general provisions for future credit losses being reported at group level, but provisions for expected credit losses are made by the respective subsidiaries. For more information on the provision for expected credit losses, see *Note 4 Financial risk management.*

NOTE 22 – OTHER SHORT-TERM RECEIVABLES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
VAT Receivables	10	6	0	0
Current receivables for taxes and fees	23	5	2	0
Receivables with suppliers	10	1	0	0
Other receivables	20	41	1	1
Total other receivables	62	53	4	1

NOTE 23 – PREPAID EXPENSES AND ACCRUED INCOME

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Prepaid rents	13	3	0	0
Prepaid insurance fees	5	1	1	0
Prepaid license- and software fees	3	1	0	0
Accrued revenues	28	2	0	0
Prepaid sales provision and consultant provision	2	12	0	0
Prepaid goods deliverables	25	5	0	0
Prepaid earn-outs	80	101	0	0
Other items	16	10	2	1
Total prepaid expenses and accrud income	172	136	2	1

NOTE 24 – LIQUID FUNDS

Cash and cash equivalent	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Cash at bank	380	420	83	2
Short term placements	0	0	0	0
Total available cash and cash equivalent	380	420	83	2
Negotiatied revolving credit facility	200	568	9	0
whereof used amount at end of the year	*121*	*113*	*3*	*0*
whereof available amount at end of the year	*79*	*472*	*6*	*0*

In 2022, the parent company signed a revolving credit facility with Nordea and SEB for a total credit facility of MSEK 650, consisting of a revolving credit facility of MSEK 450 and a granted overdraft facility of MSEK 200. The credit facility runs for 1 year and can be extended on request by up to 1 year until renegotiation if such request is sent to the loan agent no later than June 30, 2023.

The credit facility is conditional on two financial covenants, namely that a) Net interest-bearing liabilities after deduction of Liquid funds in relation to Adjusted EBITDA Proforma does not exceed 5x, and that b) Super Senior secured debt in relation to Adjusted EBITDA Proforma does not exceed 1.00x.

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

NOTE 25 – FINANCIAL INSTRUMENT PER CLASSIFICATION

Financial assets at carrying value	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Other long-term receivables	16	3	0	0
Accounts receivables	683	463	37	0
Other short-term receivables	62	53	4	1
Accrued income	172	136	2	1
Cash and cash equivalents	380	420	83	2
Total	1 313	1 074	126	5
Financial assets measured at fair value through profit and loss				
Other long-term securities holdings	14	8	0	0
Total	14	8	0	0

Financial liability at carrying value	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Interest-bearing liabilities (short- and long-term)	2 536	1 838	23	1
Other liabilities (short- and long-term)	149	144	36	0
Accounts payable	550	366	26	3
Accrued expenses	143	122	7	1
Total	3 378	2 469	92	4
Financial liabilities measured at fair value through profit and loss				
Contingent considerations (short- and long-term)	780	737	26	0
Total	780	737	26	0

NOTE 26 – INTEREST-BEARING LIABILITIES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Long-term liabilities				
Bond financing 2021-2024	313	313	0	0
Bond financing 2021-2025	1 513	1 203	0	0
Liabilities to credit institutions, properties and investments	90	133	0	0
Liabilities to credit institutions	0	86	6	1
Total long-term liabilities	**1 916**	**1 736**	**6**	**1**
Short-term liabilities				
Liabilities to credit institutions				
Revolving credit facility	571	0	0	0
Liabilities to credit institutions, properties and investments	49	16	0	0
Liabilities to credit institutions	0	86	18	0
Total short-term liabilities	**620**	**102**	**18**	**0**
Total interest bearing expenses	**2 536**	**1 838**	**23**	**1**

BOND LOAN

During 2021, Humble Group AB issued two bond loans with a total credit limit of MSEK 2 000. At the end of the financial year, the company has issued MSEK 300 (2021; MSEK 300) and MSEK 1 500 (2021; MSEK 1 200), respectively, within the framework of senior bond loans 2021-2024 and 2021-2025.

Bond loans 2021-2024 are due for payment on January 5, 2024 and bear an average interest rate of 9.50% per year (2021: 9.50% per year). Bond loans 2021-2025 are due for payment on July 21, 2025 and run with interest base Stibor 3M plus an interest margin of 8.25%. The interest base is determined two days before each new interest period begins.

LIABILITIES TO CREDIT INSTITUTIONS

Liabilities to credit institutions consist of a revolving credit facility signed by the Parent Company with Nordea and SEB as well as property loans linked to properties in subsidiaries. The revolving credit facility runs through October 14, 2023 with an option to extend based on the lender's discretion.

The revolving credit facility with Nordea and SEB has a total credit facility of MSEK 650, consisting of a revolving credit facility of MSEK 450 and a granted overdraft facility of MSEK 200. For information regarding overdrafts, see *Note 24 Liquid funds*. The credit facility runs for 1 year up to and including 14 October 2023, where Humble Group has the option to request an extension of up to 1 year. The parent company´s borrowing is in SEK and the reported value corresponds in all material respects to the fair value of the borrowing because the interest on this borrowing is at par with current market interest rates or because the borrowing is short-term.

For debts to credit institutions, collateral has been provided in the form of shares in subsidiaries to a value of MSEK 3 765 (2021-12-31: MSEK 3 740, 2020-12-31: MSEK 0). For further information, see *Note 30 Pledged assets and contingent liabilities*.

FINANCIAL COVENANTS

The parent company´s borrowing is subject to a commitment that certain covenants must be fulfilled, which briefly include that a) Interest-bearing liabilities net after deduction for Liquid funds in relation to Adjusted EBITDA Proforma does not exceed 5x, and that b) Super Senior secured debt in relation to Adjusted EBITDA Proforma does not exceed 1.00x. The parent company fulfils all loan conditions during the period 2020-2022.

NOTE 27 – PROVISIONS

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Provision for other taxes	7	0	0	0
Other provisions	1	1	0	0
Total provisions	**8**	**1**	**0**	**0**

Provisions for other taxes consist of a tax expense and provision for a possible tax attributable to previous taxation years in the parent company of a total of MSEK 6.9 as of 2022-12-31.

NOTE 28 - OTHER LIABILITIES AND CONTINGENT CONSIDERATIONS

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Long-term liabilities				
Deferred considerations from acquisitions	433	613	11	0
Non-interest bearing liabilities to previous owner from acquistions	33	39	0	0
Other liabilities	37	26	0	0
Total other liabilities, long-term	**503**	**678**	**11**	**0**
Short-term liabilities				
Deferred considerations from acquisitions	347	124	15	0
Non-interest bearing liabilities to previous owner from acquistions	12	63	36	0
Other liabilities	66	16	0	0
Total other liabilities, short-term	**425**	**203**	**51**	**0**
Total other liabilities	**928**	**881**	**62**	**0**

NOTE 29 – ACCRUED EXPENSES AND PREPAID INCOME

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Accrued holiday pay	44	18	4	0
Accrued salaries	5	5	0	0
Prepaid income	1	13	0	0
Accrued tantiem & salary bonus	11	6	0	0
Accrued social fees	9	15	0	0
Accrued sales provisions, customer bonuses, consultancy fees	16	1	0	0
Accrued cost for audit and accounting services	3	1	0	0
Accrued interest expenses	4	2	0	0
Other accrued items	51	61	3	1
Total accrued expenses and prepaid income	**143**	**122**	**7**	**1**

NOTE 30 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Regarding liabilities to credit institutions				
Shares in subsidiaries in favor to senior secured bonds*	3 765	3 740	0	0
Company mortgage	202	354	29	29
In favor for factoring of accounts receivables	0	56	34	34
Restricted funds	2	1	0	0
Property mortgage	86	78	0	0
Total pledged assets	4 055	4 229	63	63

*During 2021, Humble Group AB issued several senior secured bond debt of total MSEK 1,500 with a total framework of MSEK 2,000. The parent company Humble Group AB is the issuer of the bonds. The bonds are secured through pledge of shares in Humble Group AB, Monday 2 Sunday AB, Bayn Solutions AB, Tweek AB, Bayn Production AB, Green Sales Distributions AB, The Humble Co. AB, Golden Athlete AB, Grahns Konfektyr AB, Performance R Us AB, Viterna AB, Ewalco AB, Naty AB, Be:Son Gross AB. Recognised amount is the group value on net assets in the pledged shares of the subsidiaries as of year end. In the parent company, the recognised value is the book value of the pledged shares direct or indirect owned by the parent company.

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

NOTE 31 – BUSINESS COMBINATIONS

BUSINESS COMBINATIONS 2022

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

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

SUMMARY OF DISTRIBUTION OF PURCHASE PRICE, PPA – IFRS

	Go Superfoods	Lev Group	Body Science	Other	Sum of acquisitions 2022
Goodwill	57	146	205	218	626
Customers, contracts and relationships	31	25	38	72	166
Brand	97	46	96	49	287
Other fixed assets	1	19	6	89	115
Total fixed assets	**185**	**237**	**344**	**476**	**1 194**
Inventory	70	7	47	164	288
Accounts receivable	11	15	36	177	240
Liquid funds	9	14	21	18	62
Other current receivables	16	8	0	77	102
Total current assets	**105**	**44**	**105**	**389**	**692**
TOTAL ASSETS	**290**	**281**	**449**	**865**	**1 886**
Deferred taxes	24	15	36	33	109
Other provisions	-	-	-	-	-
Total provisions	**24**	**15**	**36**	**36**	**109**
Total long term liabilities	-	**6**	-	**65**	**71**
Accounts payable	8	15	50	197	269
Other current liabilities	15	4	8	67	94
Total current liabilities	**22**	**18**	**58**	**261**	**363**
TOTAL LIABILITIES	**47**	**39**	**94**	**363**	**543**
NET ASSETS	**244**	**242**	**355**	**503**	**1 343**
Cash	166	102	217	336	821
Share issue	31	77	76	92	276
Contingent consideration	47	62	63	75	247
Deferred payment	-	-	-	-	-
Total Purchase price	**244**	**242**	**356**	**503**	**1 343**

GO SUPERFOODS LTD

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

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

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

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

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

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

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

LEV GROUP

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

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

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

Employment linked consideration
In the acquisition agreement, there is a penalty clause stating that the selling party, identified as a key person in the acquired business, may be liable to repay a portion of the received purchase price as a penalty to Humble in the event that employment terminates before the agreed-upon employment period expires. Of the total purchase price, MSEK 5.3 has been classified as a prepaid expense related to these penalties, with a due date of June 14, 2026. The purchase price is conditional upon continued employment at the due date, and therefore, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

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

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

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

BODY SCIENCE INTERNATIONAL PTY LTD

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

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

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

At the end of the fiscal year 2022, MSEK 18 of the conditional additional purchase price has been reversed based on management's forecasts of future expected EBITDA levels. This has been recognized as revenue in the same amount included in Other operating income.

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

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

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

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

BUSINESS COMBINATIONS 2021

Subsidiary	*Acquisition date*	*Shares and votes*	*Segment*	*Vertical*	*Country*
The Humble Co.	2021-03-18	100%	Sustainable Care	Brands	Sweden
Grahns Konfektyr AB	2021-04-29	100%	Future Snacking	Manufacturing	Sweden
Kryddhuset i Ljung AB	2021-04-29	100%	Future Snacking	Brands	Sweden
Nordic Sports Nutrition AB	2021-04-29	100%	Nordic Distribution	Distribution	Sweden
Viterna AB	2021-04-29	100%	Quality Nutrition	Brands	Sweden
Performance R Us AB	2021-04-29	100%	Quality Nutrition	Distribution	Sweden
Ewalco Holding AB	2021-07-06	100%	Quality Nutrition	Manufacturing	Sweden
BE:Son Gross AB	2021-07-06	100%	Nordic Distribution	Distribution	Sweden
Nordfood International AB	2021-07-06	100%	Nordic Distribution	Distribution	Sweden
Wellibites AB	2021-07-06	100%	Future Snacking	Brands	Sweden
FancyStage Unipessoal Lda	2021-08-02	100%	Sustainable Care	Manufacturing	Portugal
Marabu Markenvertireb Gmbh	2021-08-09	100%	Sustainable Care	Distribution	Germany
Naty AB	2021-08-26	100%	Sustainable Care	Brands	Sweden
Swedish Food Group AB	2021-10-05	100%	Future Snacking	Distribution	Sweden
Solent Global Ltd	2021-10-05	100%	Sustainable Care	Manufacturing	United Kingdom
Carls-Bergh Pharma AB	2021-11-03	100%	Quality Nutrition	Manufacturing	Sweden
Swecarb AB	2021-11-03	100%	Quality Nutrition	Brands	Sweden
Soya Oy	2021-12-07	100%	Future Snacking	Manufacturing	Finland
Delsbo Candle AB	2021-12-07	100%	Sustainable Care	Manufacturing	Sweden
True Aps	2021-12-14	100%	Future Snacking	Brands	Denmark

The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not deemed to be material, except in the acquisitions of The Humble Co., Fancystage, Naty, Swedish Food Group, Solent and True Gum.

SUMMARY OF DISTRIBUTION OF PURCHASE PRICE, PPA – IFRS

	The Humble Co.	Fancy-stage	Naty	Swedish Food Group	Solent Global	True Gum	Other	Sum of acquisitions 2021
Goodwill	821	275	501	143	598	176	238	2 752
Customers, contracts and relationships	68	59	86	16	141	11	121	503
Brand	324	-	216	144	432	130	58	1 305
Other fixed assets	3	37	19	7	5	10	192	274
Total fixed assets	**1 216**	**372**	**823**	**309**	**1 177**	**327**	**609**	**4 834**
Inventory	42	28	39	29	125	22	156	441
Accounts receivable	21	9	41	18	130	10	171	401
Liquid funds	31	7	38	2	143	- 9	44	257
Other current receivables	1	-	11	2	10	2	26	51
Total current assets	**96**	**44**	**128**	**51**	**409**	**25**	**397**	**1 151**
TOTAL ASSETS	1 312	416	951	360	1 585	352	1 007	5 984
Deferred taxes	94	12	63	34	110	32	54	400
Other provisions	-	-	-	-	-	-	-	-
Total provisions	**94**	**12**	**63**	**34**	**110**	**32**	**61**	**400**
Total long term liabilities	1	28	22	22	158	4	110	346
Accounts payable	5	9	31	16	113	9	95	278
Other current liabilities	6	- 5	8	3	63	5	102	183
Total current liabilities	**11**	**4**	**40**	**19**	**177**	**13**	**191**	**461**
TOTAL LIABILITIES	105	44	125	75	445	49	362	1 206
NET ASSETS	1 206	372	826	285	1 140	303	645	4 778
Cash	419	100	597	41	771	154	305	2 386
Share issue	730	146	162	138	155	64	190	1 585
Contingent consideration	58	108	67	56	215	63	148	714
Deferred payment	-	18	-	51	0	24	1	93
Total Purchase price	1 206	372	826	285	1 140	303	645	4 778

THE HUMBLE CO.

On March 18, 2021, the parent company acquired 100% of the share capital in The Humble Co., a Sweden-based group that sells environmentally friendly and innovative oral products. Identified intangible assets include Customer Relationships amounting to MSEK 68, Brands amounting to MSEK 324, Deferred Tax Liability amounting to MSEK 94, and Goodwill amounting to MSEK 821.

Significant estimates: Contingent consideration

Additional contingent consideration potentially payable at the time of acquisition was based on adjusted EBITDA levels for the fiscal years 2021 and 2022. The total initial amount recorded was MSEK 58 and would be paid in cash during the first quarter of 2022 and 2023, respectively.

The possible nominal amount to be paid according to the agreement ranges between MSEK 40 and 60 and is based on the subsidiary's underlying performance. The contingent earn-out consideration has no cap. The actual value of the contingent consideration, amounting to MSEK 58, has been estimated by calculating the present value of expected future cash flows. The calculations are based on a discount rate of 8.4% and the forecasts from the acquisition process.

Employment linked consideration

There was no employment-related compensation or penalties as part of the total consideration or transaction.

At the end of the fiscal year 2022, the contingent earn-out consideration has been reversed by MSEK 7 based on management's updated assessments. This amount has been recognized as revenue in Miscellaneous operating income.

Goodwill

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

Revenue and profit contribution.

The acquisition of The Humble Co. contributed net sales of

MSEK 102 to the Group for the period from 2021-03-18 to 2021-12-31. The Humble Co. also contributed an EBITDA of MSEK 24 during the same period. If The Humble Co. had been consolidated from January 1, 2021, the Group's income statement would show net sales of MSEK 130 and an EBITDA of MSEK 34.

Acquisition-related costs
Acquisition-related costs of MSEK 8 are included in the Group's consolidated statement of comprehensive income and in the ongoing operations in the cash flow analysis.

FANCYSTAGE UNIPESSOAL LDA

On August 2, 2021, the parent company acquired 100% of the share capital of Fancystage Unipessoal Lda, a company based in Portugal engaged in the manufacturing of personal hygiene and cosmetic products. Identified intangible assets include Customer Relationships valued at MSEK 59, Deferred Tax Liability of MSEK 12, and Goodwill of MSEK 275.

Significant estimates: Contingent consideration
In the event that certain predetermined EBITDA targets are achieved by the subsidiary for the years ending in 2021, 2022, and 2023, a contingent additional purchase price of up to MSEK 123 may be paid in cash after the buyer's Annual General Meetings in 2022, 2023, and 2024.

The potential nominal amount to be paid according to the agreement is estimated to be between MSEK 120 and 150, based on the underlying performance of the subsidiary, and the total potential additional purchase price is capped at 19 MEUR over a three-year period. The actual value of the contingent additional purchase price at the initial reporting date amounted to MSEK 122 and has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 8.4% and the forecasts from the acquisition process.

At the end of the fiscal year 2022, the total contingent purchase price has been adjusted upwards by a net amount of MSEK 8 based on the actual results from the subsidiary, which has been recognized as an expense of the corresponding amount included in Other operating costs.

Employment linked consideration
Out of the total consideration, MSEK 107 is classified as employment-related compensation paid in October 2021. The payment was subject to certain conditions, including the continued employment of a key employee after the completion of the transaction. Additionally, MSEK 7.6 represents remaining bonuses payable annually, with MSEK 1.8 due on August 1, 2024. The purchase prices are contingent upon ongoing employment at the maturity date, and therefore, from an accounting perspective, they will be recognized as personnel expenses during the period until the maturity date.

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

Revenue and profit contribution.
The acquisition of Fancystage Unipessoal Lda. contributed net sales of MSEK 31 to the Group for the period from 2021-08-02 to 2021-12-31. Fancystage Unipessoal Lda. also contributed an EBITDA of MSEK 20 during the same period. If Fancystage Unipessoal Lda. had been consolidated from January 1, 2021, the Group's income statement would have presented net sales of MSEK 72 and an EBITDA of MSEK 45.

Acquisition-related costs
Acquisition-related costs of MSEK 1.6 are included in the Group's statement of comprehensive income and in the operating activities in the cash flow analysis.

NATY AB

On August 26, 2021, the parent company acquired 100% of the share capital of Naty AB, a group engaged in the production of environmentally friendly baby and feminine hygiene products. Identified intangible assets include Customer Relationships amounting to MSEK 86, Brands amounting to MSEK 216, Deferred Tax Liability of MSEK 63, and Goodwill of MSEK 501.

Significant estimates: Contingent consideration
In the event that the subsidiary successfully negotiates a factory relocation and achieves a predetermined positive impact on the gross margin by the end of May 2022, a conditional additional purchase price of up to a maximum of MSEK 100 may be paid in cash in May 2023 and May 2024. The potential nominal amount to be paid according to the agreement ranges between MSEK 50 and 100, depending on the actual reduction in production costs resulting from the factory relocation. The actual value of the conditional additional purchase price at the initial reporting date amounted to MSEK 66 and has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 8.4% and forecasts from the acquisition process.

Employment linked consideration
The acquisition agreement includes a penalty clause that stipulates that the selling party, identified as a key person in the acquired business, may be liable to repay a portion of the received purchase price to Humble in the form of a penalty if their employment terminates before the agreed-upon employment period has elapsed. Of the total purchase price, MSEK 2.5 has been classified as a prepaid expense relating

to these penalties, with a due date in August 2023. The purchase price is contingent upon continued employment at the due date, which is why, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

Goodwill

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

Revenue and profit contribution.

The acquisition of Naty AB contributed net sales of MSEK 94 to the Group for the period between August 26, 2021, and December 31, 2021. Naty AB also contributed an EBITDA of MSEK 15 during the same period. If Naty AB had been consolidated from January 1, 2021, the Group's income statement would have presented net sales of MSEK 268 and an EBITDA of MSEK 39.

Acquisition-related costs

Acquisition-related costs of MSEK 1 are included in the Group's statement of comprehensive income as well as in the operating activities in the cash flow analysis.

SWEDISH FOOD GROUP AB

On October 5, 2021, the parent company acquired 100% of the share capital in Swedish Food Group AB, a group that offers innovative and modern food and beverage products. Identified intangible assets are related to Customer Relationships amounting to MSEK 16, Brands amounting to MSEK 144, Deferred Tax Liability amounting to MSEK 34, and Goodwill amounting to MSEK 143.

Significant estimates: Contingent consideration

In the event that certain predetermined EBITDA levels are achieved by the subsidiary for the years ending in 2021, 2022, and 2023, a total conditional additional purchase price of up to MSEK 90 may be paid in cash after the buyer's Annual General Meetings in 2022, 2023, and 2024.

The possible nominal amount to be paid according to the agreement is estimated to range between MSEK 25 and 40 and is based on the subsidiary's underlying performance. The total potential conditional additional purchase price is limited to a maximum of MSEK 90 over a period of three years. The actual value of the conditional additional purchase price at the initial reporting date amounted to MSEK 56 and has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 8.4% and the forecasts from the acquisition process.

At the end of the fiscal year 2022, the conditional additional purchase price has been reversed by MSEK 35 as the actual EBITDA levels achieved by the subsidiary were lower than the initial estimates. This has been recorded as revenue in the corresponding amount included in Other operating income.

Employment linked consideration

The acquisition agreement includes a penalty clause stating that the selling party, identified as a key individual in the acquired business, may be liable to repay a portion of the received purchase price as a penalty to Humble if employment is terminated before the agreed-upon employment period has expired. Of the total purchase price, MSEK 8.8 has been classified as a prepaid expense related to these penalties, with a maturity date of October 4, 2024. The purchase price is conditional upon continued employment at the maturity date, which is why, from an accounting perspective, it will be recognized as personnel costs linearly over the period until the expiration date.

Goodwill

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

Revenue and profit contribution.

The acquisition of Swedish Food Group AB contributed net sales of MSEK 70 to the Group for the period from 2021-10-05 to 2021-12-31. Swedish Food Group AB also contributed an EBITDA of MSEK 2 during the same period. If Swedish Food Group AB had been consolidated from January 1, 2021, the Group's income statement would have presented net sales of MSEK 244 and an EBITDA of MSEK 6.

Acquisition-related costs

Acquisition-related costs of MSEK 500 are included in the Group's consolidated income statement and in the operating activities in the cash flow analysis.

SOLENT GLOBAL LTD

On October 5, 2021, the parent company acquired 100% of the share capital of Solent Global Ltd, a group that provides a comprehensive service package to the global retail industry in health & beauty, food & snacks, and home care. Identified intangible assets include Customer Relationships valued at MSEK 141, Brands valued at MSEK 432, Deferred Tax Liability of MSEK 110, and Goodwill of MSEK 598.

Significant estimates: Contingent consideration

In the event that certain predetermined EBITDA levels are achieved by the subsidiary for the years ending in 2021, 2022, and 2023, a total contingent additional purchase consideration of up to MSEK 256 may be paid in cash after the buyer's Annual General Meetings in 2022, 2023, and 2024.

The possible nominal amount to be paid according to the agreement is estimated to be between MSEK 220 and 250, based on the subsidiary's underlying performance, and the total potential contingent additional purchase consideration is limited to MGBP 27.5 for a three-year period. The actual value of the contingent additional purchase consideration at the initial reporting date amounted to MSEK 214 and has been estimated by calculating the present value of expected future cash flows. The calculations are based on a discount rate of 8.4% and the forecasts from the acquisition process.

At the end of the financial year, the contingent purchase consideration has been reduced by MSEK 5 based on updated forecasts from the company´s management, which has been recognized as revenue in the same amount included in Other operating income.

Employment linked consideration

Of the total consideration, MSEK 77 relates to employment-related compensation that was paid out in February 2022. The payment was subject to certain conditions, including the retention of a key employee after the completion of the transaction, and it has been accounted for as personnel costs until the payment date. The acquisition agreement also includes a penalty clause, which means that the selling party identified as a key person in the acquired business may be liable to repay a portion of the received purchase consideration as a penalty to Humble if their employment is terminated before the agreed-upon employment period expires.

Out of the total purchase consideration, MSEK 32 has been classified as a prepaid expense relating to these penalties, with a due date of December 31, 2024. The purchase consideration is contingent upon continued employment at the due date, which is why, from an accounting perspective, it will be recognized as personnel costs linearly over the period until the expiration date.

Goodwill

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

Revenue and profit contribution.

The acquisition of Solent Global Ltd contributed et sales of MSEK 284 to the Group for the period between October 5, 2021, and December 31, 2021. Solent Global Ltd also contributed an EBITDA of MSEK 49 during the same period. If Solent Global Ltd had been consolidated from January 1, 2021, the Group’s income statement would show net sales of MSEK 948 and an EBITDA of MSEK 109.

Acquisition-related costs

Acquisition-related costs of MSEK 14 are included in the Group’s consolidated statement of comprehensive income and are also reflected in the ongoing operations in the cash flow analysis.

TRUE APS (TRUE GUM)

On December 14, 2021, the parent company acquired 100% of the share capital in True Aps, a company engaged in the production of plastic-free chewing gum. Identified intangible assets include Customer Relationships amounting to MSEK 11, Brands valued at MSEK 130, a Deferred Tax Liability of MSEK 32, and Goodwill valued at MSEK 176.

Significant estimates: Contingent consideration

In the event that certain predetermined EBITDA levels are achieved by the subsidiary for the years ending 2022, 2023, and 2024, a total conditional additional purchase consideration of up to MSEK 78 can be paid in cash after the buyer's Annual General Meetings for 2022, 2023, and 2024.

The possible nominal amount to be paid according to the agreement is limited to MEUR 10 and is based on the subsidiary's financial performance linked to EBITDA. The actual value of the conditional additional purchase consideration of MSEK 62 has been estimated by calculating the present value of future expected cash flows. The calculations are based on a discount rate of 8.4%.

At the end of the financial year, the conditional purchase consideration has been reduced by MSEK 34 based on updated forecasts from the company´s management, which has been recognized as revenue in the amount included in Other operating income.

Employment linked consideration

The acquisition agreement includes a penalty clause stating that the selling party, identified as a key individual in the acquired business, may be liable to repay a portion of the received purchase consideration to Humble in the form of a penalty if employment is terminated before the agreed-upon employment period expires. Of the total purchase consideration, MSEK 1.6 has been classified as a prepaid expense related to these penalties, with a maturity date of December 14, 2024. The purchase consideration is conditional upon continued employment at the maturity date, which is why, from an accounting perspective, it will be recognized as personnel expenses linearly over the period until the expiration date.

Goodwill

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

Revenue and profit contribution.

The acquisition of True Aps contributed net sales of MSEK 10 to the Group for the period from 2021-12-14 to 2021-12-31. True Aps also contributed an EBITDA of MSEK 2 during the same period. If True Aps had been consolidated from January 1, 2021, the Group's income statement would have shown net sales of MSEK 103 and an EBITDA of MSEK 7.

Acquisition-related costs

Acquisition-related costs of MSEK 2 are included in the Group's statement of comprehensive income and in the operating activities section of the cash flow analysis.

BUSINESS COMBINATIONS 2020

Subsidiary	*Acquisition date*	*Shares and votes*	*Segment*	*Vertical*	*Country*
Monday2Sunday AB	2020-03-12	100%	Future Snacking	Brands	Sweden
Tweek AB	2020-08-25	100%	Future Snacking	Brands	Sweden
Bayn Production AB	2020-10-01	100%	Future Snacking	Manufacturing	Sweden
Amerpharma SP.z o.o.	2020-12-01	51%, 44%	Future Snacking	Manufacturing	Poland
Green Sales Newco AB	2020-12-28	100%	Nordic Distribution	Distribution	Sweden
Green Sales Distributions AB	2020-12-28	100%	Nordic Distribution	Distribution	Sweden
Golden Athlete AB	2020-12-28	100%	Quality Nutrition	Distribution	Sweden

The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not deemed to be material.

SUMMARY OF DISTRIBUTION OF PURCHASE PRICE, PPA – IFRS

	Sum of acquisitions 2020
Goodwill	163
Customers, contracts and relationships	44
Brand	16
Other fixed assets	56
Total fixed assets	279
Inventory	36
Accounts receivable	36
Liquid funds	11
Other current receivables	3
Total current assets	87
TOTAL ASSETS	366
Deferred taxes	11
Other provisions	1
Total provisions	11
Total long term liabilities	52
Accounts payable	32
Other current liabilities	34
Total current liabilities	66
TOTAL LIABILITIES	129
NET ASSETS	236
Cash	64
Share issue	142
Contingent consideration	27
Deferred payment	3
Total Purchase price	236

Acquisitions

During 2020, the parent company acquired 100% of six subsidiaries and 51% of Amerpharma SP z o.o. The subsidiaries have operations within sugar-reduced food and snacks products. Identified excess values are linked to Customer Relations of MSEK 44, Trademark and brands of MSEK 16, Deferred tax liability of MSEK 11 and Goodwill of MSEK 163.

Significant estimate: contingent consideration
Three acquisitions made during 2020 had an agreement of contingent considerations of total MSEK 39. These considerations were due to payment within 12 months and have as such not been restated to fair value due to the short duration. Of the initial contingent consideration, none remain as of the presentation of this report due to payments of MSEK 38 and derecognition of MSEK 1.

Employment linked consideration
No employee-related compensation or lock-in-penalties are related to the acquisitions carried out during 2020.

Goodwill
The goodwill is attributable to the value of existing skills and abilities in the organisation to develop and produce future successful assets, and synergies from collaboration in Humble Group. It will not be deductible for tax purposes.

Revenue and profit contribution
The acquisition of the subsidiaries contributed with net sales of MSEK 24 to the Group for the period from each acquisition date to end of 2020. The subsidiaries also contributed with an EBITDA of MSEK -14 during the same period. If the subsidiaries would have been consolidated from January 1, 2020, the Group's income statement would present additional net sales of MSEK 187 and EBITDA of MSEK -18.

Acquisition-related costs
Acquisition-related costs of 5 MSEK are included in the statement of profit and loss and in operating cash flows in the statement of cash flows.

NOTE 32 – RELATED PARTY DISCLOSURES

The highest parent company in the Group is Humble Group AB. Related parties are all subsidiaries within the Group as well as senior executives in the Group and their close relatives. Transactions take place on market terms. For information on remuneration to the CEO, board and senior executives, see *Note 8 Remuneration to employees, etc.* For information on holdings in subsidiaries, see *Note 48 Shares in subsidiaries.*

No transactions with related parties have taken place in 2022 that had a significant impact. The smaller transactions that have taken place relates to leases of previous owners' properties. Rental agreements between the parties are based on an arm's length perspective and on market conditions. For information on the parent company´s transactions with related parties, see *Note 61 Related Party disclosure.*

NOTE 33 – ADJUSTMENT FOR NON-CASH ITEMS FROM OPERATING ACTIVITES

	2022	2021	2020
Interest expenses partially presented in financing activities	154	40	-
Effect from revaluation of contingent considerations	-111	7	-
Non realised interest on contingent considerations	57	21	-
Depreciation of surplus inventory	3	31	-
Accrued expense, bond loans	8	2	-
Effect from exchange rates	44	34	-
Total adjustment items	**155**	**135**	**0**

NOTE 34 – CHANGES IN LIABILITIES BELONGING TO FINANCING ACTIVITES

	Bond loan	Lease liability	Liabilities to credit institutions
Opening balance January 1, 2020	0	0	-1
Cash flow from financing activities	0	1	-36
Interest payments from financing	0	0	0
Acquisition	0	0	0
New lease agreement	0	-9	0
Other	0	0	14
Closing balance December 31, 2020	**0**	**-8**	**-23**
Cash flow from financing activities	-1 524	20	-66
Interest payments from financing	-28	-2	-3
Acquisition	0	0	-229
New lease agreement	0	-121	0
Other	36	2	0
Closing balance December 31, 2021	**-1 516**	**-108**	**-321**
Cash flow from financing activities	-300	52	-140
Interest payments from financing	146	4	4
Acquisition	0	0	-258
New lease agreement	0	-92	0
Other	-156	-6	5
Closing balance December 31, 2022	**-1 826**	**-150**	**-710**

NOTE 35 – SUBSEQUENT EVENTS

On January 16, it was announced that Humble Group had signed a conditional binding agreement with Privab Grossisterna AB, Aktiebolaget Cool & Candy and Skövde Snabbgross AB regarding the acquisition of all shares in Privabbolagen. The acquired Privab companies will be consolidated as of March 1.

As part of the agreement in connection with the acquisition of La Praline Scandinavia AB which was signed in April 2022, Humble Group also completed the acquisition of Napame Holding AB on March 1, 2023, including the property where Humble's subsidiary La Praline Scandinavia AB conducts regular business operations.

Below is a summary of completed acquisitions after the balance sheet date.

	Sum of acquisitions 2023
Goodwill	0
Customers, contracts and relationships	11
Brand	20
Other fixed assets	0
Total fixed assets	**151**
Inventory	39
Accounts receivable	27
Liquid funds	20
Other current receivables	0
Total current assets	**93**
TOTAL ASSETS	**245**
Deferred taxes	26
Other provisions	0
Total provisions	**26**
Total long term liabilities	**19**
Accounts payable	41
Other current liabilities	0
Total current liabilities	**53**
TOTAL LIABILITIES	**98**
NET ASSETS	**146**
Cash	75
Share issue	40
Contingent consideration	32
Deferred payment	0
Total Purchase price	**146**

On April 11, Humble Group's chairman of the board Peter Werme announced that he is declining re-election for the coming fiscal year.

NOTE 36 – EFFECT OF FIRST-TIME ADOPTION OF IFRS

The Annual Report 2022 is Humble Group's first annual report prepared in accordance with International Financial Reporting Standards (IFRS). The accounting principles found in *Note 2 Summary of significant accounting principles* have been applied when the consolidated financial statements for Humble Group have been prepared as of December 31, 2022, and for the comparative information presented from and including the opening statement of financial position as of January 1, 2020.

In this annual report, the Group has presented balance sheets for accounting periods ending on 31 December 2022, 31 December 2021, 31 December 2020 and 1 January 2020 as well as income statements for the financial years January-December 2022, 2021 and 2020. When preparing the opening statement of financial position as of January 1, 2020, and the report on financial position as of December 31, 2020, December 31, 2021, and December 31, 2022, according to IFRS, the amounts in previous financial statements were adjusted because they had been prepared in accordance with BFNAR 2012:1 Annual accounts and consolidated accounts (K3). An explanation of how the transition from previous GAAP to IFRS has affected the Group's financial position and performance is shown in the tables that follow below and in their corresponding references.

EXEMPTIONS IN THE OPENING IFRS STATEMENT OF FINANCIAL POSITION

The first time IFRS is applied in the consolidated financial statements, IFRS 1, First-time Adoption of International Financial Reporting Standards, should be applied. The main rule is that all applicable IFRS and IAS standards, which have entered into force and been approved by the EU, must be applied retrospectively. However, IFRS 1 contains transitional provisions that give companies a certain choice. Below are the exemptions permitted by IFRS from full retrospective application of all standards that the Group has chosen to apply when preparing the opening statement of financial position.

Exemptions for cumulative translation differences

IFRS 1 allows cumulative translation differences reported in equity to be deemed to be zero at the date of transition to IFRS. This is a simplification compared to determining cumulative translation differences in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, from the time a subsidiary or associate was formed or acquired. Humble Group has elected to deem all cumulative translation differences in the equity reserve to be zero and reclassify these to retained earnings as of the date of transition to IFRS (January 1, 2020).

Exemptions for leases

Humble Group has elected to apply the exemption to apply IFRS 16 Leases from the date of transition (January 1, 2020) and forward. The exemption implies that the lease liability is measured at the present value of the remaining lease payments at the date of transition, discounted using the lessee's incremental borrowing rate. The right-of-use asset is measured at an amount equal to the lease liability.

The Group has also elected to apply the following, based on IFRS 1, at the date of transition:

- Hindsight's are used, such as in determining the lease term if the contract contains options to extend or terminate the lease.
- Short-term leases (leases where the initial lease period is long-term, but where the remaining lease period is shorter than 12 months) have not been included in the calculation of the lease liability.
- A right-of-use asset or a lease liability is not reported for leases where the underlying assets are of low value.

Exemptions for business combinations

The standard IFRS 1 applies when an entity first adopts IFRS and it gives the first-time adopter the possibility of applying IFRS 3, Business combinations, either prospectively from the date of transition to IFRS or from a specific time before the date of transition. This is a simplification from full retrospective application which would require restatement of all business combinations prior to the date of transition. The Group has elected to apply IFRS 3 prospectively for business combinations that take place after 2020-01-01, the date of transition to IFRS. Business combinations that took place before the transition date have thus not been restated.

RECONCILIATION OF PREVIOUS GAAP AND IFRS

According to IFRS 1, the Group should present a reconciliation of equity and total comprehensive income reported in accordance with previous GAAP to its equity and total comprehensive income in accordance with IFRS.

The Group's transition to IFRS has had no impact on the total cash flows from operating activities, investment activities or financing activities. On the other hand, a reclassification of cash flows has taken place between financing activities and operating activities as principal elements of lease liabilities are reported within financing activities after the transition to IFRS. According to previous GAAP, the total cash flow from lease agreements was reported as cash flows from operating activities.

The tables below show the reconciliation of equity and total comprehensive income in accordance with previous GAAP to equity and total comprehensive income in accordance with IFRS.

EFFECTS ON TOTAL COMPREHENSIVE INCOME

		2021			2020		
Amount in MSEK	Note	K3	Total adjustment of transition to IFRS	IFRS	K3	Total adjustment of transition to IFRS	IFRS
Net sales	*e, f*	1 518	-32	1 486	32	-3	29
Capitalised work on own account	*f*	47	-1	46	4	0	4
Other operating income	*e, f*	42	7	49	3	0	3
Raw materials and consumables	*e, f*	-1 038	-7	-1 045	-22	0	-22
Other external expenses	*a, e, f*	-223	-16	-239	-24	-3	-27
Personnel expenses	*e, f*	-167	-155	-322	-12	0	-12
Other operating expenses	*f*	-17	1	-16	-5	0	-5
EBITDA		162	-203	-41	-25	-5	-30
Items affecting comparability	*d, f*	66	208	274	16	0	16
ADJUSTED EBITDA		228	5	233	-9	-5	-14
Depreciation of tangible fixed assets	*e, f*	-5	-1	-6	0	0	0
Depreciation of right-of-use assets	*a*	0	-18	-18	0	-1	-1
EBITA		157	-223	-66	-25	-6	-31
ADJUSTED EBITA		223	-15	208	-9	-6	-15
Amortization of intangible fixed assets	*e, f*	-6	0	-6	-3	0	-3
Amortisation of fixed assets related to acquisitions	*e*	-464	417	-47	-24	21	-3
EBIT		-313	195	-118	-52	15	-37
ADJUSTED EBIT		-247	403	156	-36	15	-21
Profit from shares in associated companies	*f*	0	1	1	0	0	0
Financial income	*b*	0	0	0	1	-1	0
Financial expenses	*a, b, e, f*	-75	-22	-97	-3	1	-2
PROFIT AND LOSS AFTER FINANCIAL ITEMS		-388	173	-215	-54	15	-39
Income tax	*a, b, e, f*	46	-42	4	3	-3	1
PROFIT AND LOSS AFTER TAX*		-342	131	-211	-51	13	-38
Other comprehensive income							
Items that may be reclassified to profit or loss:							
Exchange differences in translation of foreign operations	*b*	0	39	39	0	4	4
COMPREHENSIVE INCOME FOR PERIOD*		-342	170	-172	-51	17	-34
Earnings per share before dilution		-1.38	0.24	-1.14	-0.42	-0.03	-0.45
Earnings per share after dilution		-1.38	0.24	-1.14	-0.42	-0.03	-0.45

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

EFFECTS ON ASSETS

Amount in MSEK	Note	2021-12-31 K3	2021-12-31 Total adjustment of transition to IFRS	2021-12-31 IFRS	2020-12-31 K3	2020-12-31 Total adjustment of transition to IFRS	2020-12-31 IFRS	2020-01-01 Swedish GAAP and IFRS*
ASSETS								
Fixed assets								
Intangible assets								
Capitalised product develoment costs	e, f	189	-114	76	85	-72	13	5
Customer relationships and listings	f	1 163	-664	499	27	15	42	0
Trademarks and brands	e, f	1 280	55	1 334	85	-69	16	0
Goodwill	f	2 152	782	2 935	84	79	163	0
Total intangible assets		**4 784**	**59**	**4 844**	**281**	**-47**	**234**	**5**
Tangible fixed assets								
Buildings and land	e, f	153	9	162	0	-0	0	0
Machines and other technical equipment	e, f	122	-62	60	21	-18	3	0
Equipment, tools and installations	e	17	-0	16	1	-0	1	0
Ongoing new facilities and advances	e	6	-0	5	0	-0	0	0
Total tangible fixed assets		**297**	**-53**	**244**	**23**	**-19**	**4**	**0**
Right-of-use assets	a	**0**	**109**	**109**	**0**	**8**	**8**	**0**
Deferred tax assets	a, b	**34**	**0**	**34**	**0**	**0**	**0**	**0**
Financial assets								
Equity in associated companies	e	0	47	47	0	50	50	0
Other long-term securities holdings		8	0	8	0	0	0	0
Other long-term receivables		3	0	3	0	0	0	0
Total financial assets		**10**	**47**	**57**	**0**	**50**	**51**	**0**
Total fixed assets		**5 125**	**162**	**5 288**	**304**	**-8**	**296**	**5**
Current assets								
Inventory								
Raw materials and consumables	e	74	-2	72	6	-1	5	2
Finished goods and goods for sales	e	433	2	434	29	-1	28	0
Total inventory		**506**	**10**	**516**	**36**	**-2**	**33**	**2**
Short-term receivables								
Accounts receivables	e	463	-0	463	48	-11	37	0
Other short-term receivables	e, f	54	-1	53	6	-2	4	1
Prepaid expenses and accrued income	e, f	44	92	136	6	-4	2	1
Cash and cash equivalents	e	421	-1	420	82	2	83	2
Total short-term receivables		**982**	**90**	**1 072**	**142**	**-14**	**128**	**4**
Total current assets		**1 488**	**99**	**1 588**	**177**	**-16**	**161**	**7**
TOTAL ASSETS		**6 613**	**262**	**6 875**	**481**	**-25**	**457**	**12**

*No adjustments on opening balance of 2020 as a result of no effect of the transition to IFRS

EFFECTS ON EQUITY AND LIABILITY

		2021-12-31			2020-12-31			2020-01-01
Amount in MSEK	*Note*	K3	Total adjustment of transition to IFRS	IFRS	K3	Total adjustment of transition to IFRS	IFRS	Swedish GAAP and IFRS*
EQUITY AND LIABILITIES								
Equity								
Share capital	*e*	54	-0	54	27	0	27	8
Unregistered share capital		1	0	1	1	0	1	0
Other equity contributed	*f*	3 046	269	3 315	377	-3	374	53
Retained earnings	*a, d, e, f*	-411	152	-259	-105	18	-87	-53
Total shareholders equity		**2 690**	**421**	**3 111**	**299**	**15**	**314**	**8**
Long-term liabilities								
Interest-bearing liabilities	*d*	1 736	-0	1 736	6	-1	5	1
Contingent considerations	*b, d*	666	-53	613	9	2	11	0
Non-current lease liabilities	*a*	0	71	71	0	5	5	0
Deferred tax liabilities	*b, c*	577	-169	408	42	-28	14	0
Provisions	*b*	17	-16	1	0	0	0	0
Other long-term liabilities	*b, d*	52	13	65	3	-3	0	0
Total long-term liabilities		**3 047**	**-154**	**2 894**	**60**	**-25**	**35**	**1**
Short-term liabilities								
Interest-bearing liabilities	*d*	107	-5	102	18	-0	18	0
Contingent considerations	*b, d*	249	-124	124	43	-28	15	0
Current lease liabilities	*a*	0	37	37	0	3	3	0
Tax liabilities	*c*	41	-0	41	4	-1	2	0
Accounts payable	*f, b*	364	2	366	36	-10	26	3
Other liabilities	*b, d*	12	67	79	12	24	36	0
Accrued expenses and prepaid income	*d, f*	103	19	122	9	-2	7	1
Total short-term liabilities		**876**	**-5**	**871**	**122**	**-15**	**107**	**4**
TOTAL EQUITY AND LIABILITIES		6 613	262	6 875	481	-25	457	12

*No adjustments on opening balance of 2020 as a result of no effect of the transition to IFRS

TRANSITION DISCLOSURE

a) Lease

The Group only acts as a lessee.

At the date of transition to IFRS, the Group reports a right-of-use asset and a lease liability in the balance sheet for all leases except where the underlying asset is of low value or for short-term agreements.

As of January 1, 2020, the lease liability has been measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The weighted average incremental borrowing rate used in the transition to IFRS (January 1, 2020) amounted to 8.4%. Right-of-use assets are measured at the date of transition at an amount equal to the lease liability adjusted by the amount of any prepaid lease payments relating to that lease recognised in the statement of financial position immediately before the date of transition to IFRS.

The Group reports a lease liability amounting to MSEK 0 as of January 1, 2020, and to MSEK 8 as of December 31, 2020, and MSEK 108 as of December 31, 2021. The right-of-use assets amounted to MSEK 0 at the date of transition and to MSEK 8 as of December 31, 2020, and MSEK 109 as of December 31, 2021.

In the statement of comprehensive income, right-of-use assets are depreciated on a straight-line basis over the lease term and interest is calculated on the lease liability with a fixed interest rate reported in the respective period. In the statement of comprehensive income, depreciation on right-of-use assets is reported as an expense and interest expenses are reported among financial expenses, instead of lease fees which were previously reported among Other external expenses.

b) Reclassifications

Consolidated statement of comprehensive income

Reclassifications have been made of the following items in the consolidated statement of comprehensive income:

"Interest income" is called "Financial income", "Interest expenses" is called "Financial expenses" and "Current tax" and “Deferred tax” is called "Income tax".

Compared to previous GAAP, items are added in connection with the Income Statement that must be reported as Other comprehensive income. These are reported by the Group in a separate report called "Other comprehensive income".

Consolidated statement of financial position

According to IFRS, provisions must not be reported under a separate heading called "Provisions” but reported under one of the headings "Long-term liabilities" or "Short-term liabilities" depending on the nature of the provision. Provisions have thus been reclassified to "Long-term liabilities" and "Short-term liabilities" respectively, and deferred tax liabilities to "Long-term liabilities". Exchange rate differences was previously reported included in “Other equity including profit from period” and is now presented on a line in the total shareholders equity.

c) Deferred taxes

Deferred tax is reported on all IFRS adjustments in cases where the adjustments result in temporary differences in the balance sheet. Adjustments to deferred tax mainly consist of the effects on deferred tax arising through recalculation of business acquisitions and deferred tax attributable to additional right-of-use assets and leasing liabilities.

d) Financial instruments

Under previous accounting principles, Humble Group has reported all financial instruments at acquisition value. In connection with the transition to IFRS, the valuation bases for financial instruments have changed. Under previous accounting principles, the Group has valued its long-term securities holdings and short-term investments at acquisition value. In accordance with IFRS 9, the Group’s long-term securities holdings and short-term investments are reported at fair value through profit and loss. In accordance with IFRS, contingent considerations that are classified as financial liabilities are also reported at fair value.

In the Group’s income statement, the revaluation to fair value of contingent considerations is reported as an Other operating income or Other operating expenses.

In accordance with previously applied accounting principles, Humble Group has applied an impairment model for credit losses based on an event that has occurred. In accordance with IFRS 9, companies applying IFRS must apply a model for expected credit losses which means that a credit loss is reported when the company becomes a party to the financial instrument. The application of the model for expected credit losses has not had any significant impact on Humble Group’s credit risk provisions.

Under previous accounting principles, the Group has classified borrowing costs as an asset that is expensed during the term of the agreement. In accordance with the effective interest method, these costs are included in the accrued acquisition value of the debt, whereby these are reclassified.

e) Associated companies

Adjustments has been made according to the Equity Method, where holdings in associated companies were initially reported in the Group's balance sheet according to the Proportional Method.

g) Restatement of business combinations and of amortisation of goodwill

Table in *Note 31 Business combinations* shows the Groups acquired companies in 2021 and 2020. The acquisitions have been restated in accordance with IFRS 3 Business combinations and the most significant differences between previous GAAP and IFRS 3 are that according to IFRS 3, intangible assets are separated to a larger extent from goodwill. In connection with the acquisitions, there are also acquisition related costs which have been reported as part of purchase consideration according to previous GAAP. According to IFRS, these costs must be reported in the statement of comprehensive income. Furthermore, some of the acquisitions include contingent considerations which are measured at fair value in connection with the restatement of the acquisitions and are included as part of purchase consideration and reported as a liability.

The tables below show the adjustments made to intangible assets in connection with the restatement of the acquisitions for 2021 and 2020, respectively. For detailed information about the acquisitions, see *Note 31 Business combinations*.

	2021-12-31	2020-12-31
Goodwill according to Swedish GAAP	2 152	84
Restatement of amortisation of goodwill in profit or loss	175	7
Accumulated restatement of goodwill from previous periods	7	0
Effect of restated business combinations	598	72
Translation difference	3	0
Goodwill according to IFRS	2 935	163

Total effect on depreciation and amortisation in the statement of comprehensive income for the full year 2020 amounts to MSEK 20 and consists of reversal of goodwill amortisation (MSEK 7), reversal of other intangible assets amortisation (MSEK 14) and depreciation of right-of-use assets (MSEK -1).

Total effect on depreciation and amortisation in the statement of comprehensive income for the full year 2021 amounts to MSEK 398 and consists of reversal of goodwill amortisation (MSEK 175) reversal of other intangible assets amortisation (MSEK -221), depreciation of right-of-use assets (MSEK -18) and additional depreciation of depreciation of tangible assets.

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PARENT COMPANY INCOME STATEMENT

Amount in MSEK	*Note*	2022	2021	2020
Net sales	38	21	2	12
Other operating income	39	1	8	2
Total revenue		22	10	15
Capitalised work on own account		9	5	2
Raw materials and consumables		0	-2	-10
Other external expenses	40	-20	-9	-8
Personnel expenses	41	-48	-18	-7
Other operating expenses	43	-1	-4	-4
EBITDA		-38	-18	-12
Depreciation and amortisation of fixed tangible and intangible assets	46, 47	0	0	-2
OPERATING PROFIT (EBIT)		-38	-18	-14
Profit from shares in subsidiaries and associated companies	48, 49	0	0	0
Interest income	44	13	0	0
Interest expenses	44	-230	-90	-1
PROFIT AND LOSS AFTER FINANCIAL ITEMS		-256	-108	-16
Received dividends from subsidiaries	61	52	0	0
Year-end appropriations	61	100	10	0
PROFIT AND LOSS BEFORE TAX		-104	-98	-16
Current taxes	45	-16	27	0
PROFIT AND LOSS AFTER TAX		-120	-71	-16

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

PARENT COMPANY BALANCE SHEET – ASSETS

Amount in MSEK	*Note*	2022-12-31	2021-12-31	2020-12-31	2020-01-01
ASSETS					
Fixed assets					
Intangible fixed assets					
Capitalised product development costs	46	1	0	0	5
Total intangible fixed assets		1	0	0	5
Tangible fixed assets					
Equipment, tools and installations	47	1	1	0	0
Total tangible fixed assets		1	1	0	0
Financial fixed assets					
Shares in subsidiaries	48	6 271	5 176	191	0
Shares in associated companies	49	49	51	51	0
Long-term receivables with group companies	61	576	197	46	0
Long-term receivables with associated companies		6	0	0	0
Deferred tax assets	55	18	27	0	0
Total financial fixed assets		6 920	5 452	288	0
Total fixed assets		6 922	5 453	288	5
Current assets					
Inventory					
Raw materials and consumables	50	0	0	1	2
Total inventory		0	0	1	2
Short-term receivables					
Accounts receivables		0	0	0	0
Receivables with group companies	61	287	53	17	2
Other short-term receivables	51	9	4	1	0
Prepaid expenses and accrued income	52	5	2	0	1
Total short-term receivables		300	59	19	4
Cash and bank					
Cash and cash equivalents	53	1	109	78	2
Total cash and bank		1	109	78	2
Total current assets		301	168	98	9
TOTAL ASSETS		7 223	5 621	386	14

PARENT COMPANY BALANCE SHEET – EQUITY AND LIABILITY

Amount in MSEK	*Note*	2022-12-31	2021-12-31	2020-12-31	2020-01-01
EQUITY AND LIABILITIES					
Equity					
Restricted equity					
Share capital	54	66	54	27	8
Unregistered share capital		0	1	1	0
Fund for capitalised development cost		0	0	0	3
Total restricted equity		**66**	**55**	**28**	**11**
Unrestricted equity					
Share premium reserve		4 032	3 268	374	52
Accumulated profit or loss		-32	-13	-53	-40
Net profit for the year		-120	-71	-16	-16
Total unrestricted equity.		**3 880**	**3 185**	**305**	**-4**
Total equity		**3 946**	**3 239**	**333**	**8**
Provisions	57	**786**	**738**	**14**	**0**
Long-term liabilities					
Interest-bearing liabilities	56	1 826	1 516	0	1
Other long-term liabilities	57	33	39	0	0
Total long-term liabilities		**1 859**	**1 556**	**0**	**1**
Short-term liabilities					
Interest-bearing liabilities	56	571	0	0	0
Accounts payable		7	14	2	3
Liabilities to group companies	61	24	6	0	2
Tax liabilities		1	1	0	0
Other liabilities	57	14	63	35	0
Accrued expenses and prepaid income	58	14	5	1	1
Total short-term liabilities		**631**	**89**	**39**	**6**
TOTAL EQUITY AND LIABILITIES		7 222	5 621	386	14

PARENT COMPANY CHANGE IN EQUITY

Amount in MSEK	Restricted equity			Non-restricted equity			
	Share capital	Unregistered share capital	Fund for capitalised development cost	Accumulated profit or loss	Share premium fund	Net profit for the year	Total shareholders equity
Opening balance January 1, 2020, K3	8	0	3	-40	53	-16	8
Opening balance January 1, 2020, RFR2	8	0	3	-40	53	-16	8
Allocation according to decision of the annual general meeting				-16		16	0
Net profit of the year						-16	-16
Change in fund for capitalized development cost			-3	3			0
Total	0	0	-3	-13	0	0	-16
Transaction with owners in their capacity as owners:							
Share issue	18	0			293		312
Ongoing share issue		1			32		33
Transaction costs					-4		-4
Closing balance December 31, 2020	27	1	0	-53	374	-16	333
Opening balance January 1, 2021	27	1	0	-53	374	-16	333
Allocation according to decision of the annual general meeting				37	-53	16	0
Net profit of the year						-71	-71
Total	0	0	0	37	-53	-55	-71
Transaction with owners in their capacity as owners:							
Share issue	27				2 900		2 928
Ongoing share issue	0	0			81		81
Transaction costs					-34		-34
Share-based payment transaction				3			3
Closing balance December 31, 2021	54	1	0	-13	3 268	-71	3 239
Opening balance January 1, 2022	54	1	0	-13	3 268	-71	3 239
Allocation according to decision of the annual general meeting				-21	-50	71	0
Net profit of the year						-120	-120
Total	0	0	0	-21	-50	-49	-120
Transaction with owners in their capacity as owners:							
Share issue	12	-1			826		837
Transaction costs					-12		-12
Share-based payment transaction				2			2
Closing balance December 31, 2022	66	0	0	-32	4 032	-120	3 946

PARENT COMPANY CASH FLOW STATEMENT

Amount in MSEK	*Note*	2022	2021	2020
OPERATING ACTIVITIES				
Profit and loss before tax		-104	-98	-16
Adjustment for items not affecting the cash flow presentation				
Depreciation of tangible and intangible fixed assets		0	0	2
Other items	62	83	55	0
Paid tax		0	0	0
Cash flow from operating activities before changes in net working capital		-21	-43	-14
CHANGE IN NET WORKING CAPITAL				
Change in inventory (increase - /decrease +)		0	0	1
Change in short-term receivalbes (increase - /decrease +)		-183	-32	-17
Change in short-term liabilities (increase + /decrease -)		68	25	3
Sum change in net working capital		-115	-8	-13
Cash flow from operating activities		-135	-51	-27
INVESTING ACTIVITIES				
Acquisition of capitalised development costs	46	-1	0	-2
Acquisition of tangible assets	47	0	-1	0
Acquisition of financial assets		0	0	-7
Contingent consideration		-183	0	0
Dividends received		37	0	0
Consideration paid, net of acquired cash		-846	-2 553	-87
Cash flow from investing activities		-993	-2 554	-96
FINANCING ACTIVITIES	63			
Cash from direct share issues		530	1 348	169
Direct share issue related costs		-12	-68	-4
Paid premium for share incentive program		2	3	0
Bond financing		300	1 524	0
Paid interest		-148	-28	0
New loans		571	0	34
Amortisation of loans		0	-144	0
Loans given to subsidiaries		-226	0	0
Cash flow from financing activities		1 017	2 635	199
Decrease/Increase in cash and cash equivalents		-111	30	77
Cash and cash equivalents at beginning of period		109	78	2
Exchange rate differences		3	1	-1
Cash and cash equivalents at end of the year		1	109	78

PARENT COMPANY NOTES

NOTE 37 – ACCOUNTING PRINCIPLES OF THE PARENT COMPANY

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

The parent company applies other accounting principles than the Group as stated below.

FORMAT

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

SHARES IN SUBSIDIARIES

Shares in subsidiaries are reported at acquisition cost less any impairment loss. Acquisition-related costs and contingent considerations are included in the acquisition value. The contingent considerations are reported as financial liabilities, to the amount which the management assesses as most likely to be paid. The contingent considerations are continuously revalued and reported at fair value using the Group's average cost of capital. Dividends received are reported as financial income. When there is an indication that shares and participations in subsidiaries are impaired, an estimate of the recoverable amount is made. If this is lower than the carrying amount, an impairment loss is recorded. Impairment is recorded within "Profit (loss) from participations in Group companies" in the income statement.

FINANCIAL INSTRUMENT

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

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

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

SEGMENT REPORTING

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

LEASING

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

GROUP CONTRIBUTION

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

NOTE 38 – PARENT COMPANY DISCLOSURE OF REVENUE

The parent company´s net sales for 2022 amounted to MSEK 21 (2021; MSEK 2, 2020; MSEK 12). The net sales were essentially intercompany and corresponded to time spent on strategic advice and ongoing management with the parent company´s subsidiaries, as well as invoicing of group costs.

There were no material external net sales in 2022 or 2021, whereupon net sales have not been presented by geographic area or by segment.

NOTE 39 – OTHER OPERATING INCOME

	2022	2021	2020
Fx-gains from revaluation of operational items	1	7	0
Received grants from public authorities	0	1	2
Total other operating income	1	8	2

NOTE 40 – RENUMERATION TO AUDITORS

Amount in KSEK	2022	2021	2020
Audit fees	694	723	365
of which BDO Mälardalen AB	*694*	*723*	334
of which Other audit firms	-	-	*31*
Audit related services	1 088	156	189
of which BDO Mälardalen AB	*1 088*	*156*	188
of which Other audit firms	-	-	1
Total fees to audit firms	1 782	879	554

NOTE 41 – RENUMERATION TO PERSONNEL ETC.

	2022			2021			2020		
Average number of employees by country	Women	Men	Total	Women	Men	Total	Women	Men	Total
Sweden	4	12	16	2	5	7	4	4	8
Total	4	12	16	2	5	7	4	4	8

Gender distribution in the parent company for board members and other senior executives	2022-12-31			2021-12-31			2020-12-31		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Board members	1	5	6	1	5	6	1	5	6
CEO and other senior executives	0	5	5	0	5	5	0	3	3
Total	1	10	11	1	10	11	1	8	9

Amount in KSEK	2022	2021	2020
Salaries and other renumerations	31 002	3 839	2 802
Social charges	11 716	1 232	652
Pension costs - defined contribution plan	4 307	432	302
Total employee benefits	47 025	5 504	3 756

Amount in KSEK	2022		2021		2020	
	Salaries and other renumeration	Social charges	Salaries and other renumeration	Social charges	Salaries and other renumeration	Social charges
Board of directors, CEO and other executive management	19 661	5 986	7 936	2 776	1 985	647
Other employees	11 341	5 731	3 839	1 232	2 802	652
Total	**31 002**	**11 716**	**11 775**	**4 008**	**4 787**	**1 299**

For information on remuneration to senior executives, see *Note 8 Remuneration to personnel etc*.

INCENTIVE PROGRAM

As all the Group's warrant programs are found in the parent company, see *Note 8 Remuneration to personnel etc*. for information on the warrant programme.

NOTE 42 – OPERATING LEASING EXPENSES

Future aggregate minimum lease payments for non-cancellable operating leases are presented in the table below.

	2022	2021	2020
Within 1 year	1	3	0
Between 1 and 5 years	1	4	0
Later	-	-	-
Total operational lease expenses	**2**	**6**	**0**

Leasing expenses during the financial year for the parent company amounted to KSEK 53 (2021: KSEK 29, 2020: KSEK 17).

NOTE 43 – OTHER OPERATING EXPENSES

	2022	2021	2020
Exchange rate losses from revaluation of items of an operating nature	0	-4	-4
Other	-1	0	0
Total other operating expenses	**-1**	**-4**	**-4**

NOTE 44 – INTEREST INCOME AND SIMILAR ITEMS, AND INTEREST EXPENSE AND SIMILAR ITEMS

	2022	2021	2020
Interest income	12	0	0
Exchange rate differences	1	0	0
Other financial income	0	0	0
Total financial income	**13**	**0**	**0**
Interest expenses	-214	-86	-1
Exchange rate differences	-8	-2	0
Other financial expenses	-9	-1	0
Total financial expenses	**-230**	**-90**	**-2**
Total net of financial items	**-218**	**-90**	**-1**

NOTE 45 – INCOME TAX

Income tax	2022	2021	2020
Current tax	-7	0	0
Deferred tax	-9	27	0
Total income tax	**-16**	**27**	**0**
Reconciliation between Swedish income tax rate and effective income tax			
Profit before tax	-104	-98	-16
Tax according current tax rate 20,6% (21,4%)	21	20	3
Tax effect from:			
Effect from other tax rates in foreign subsidiaries	0	0	0
Non-deductible expenses	-39	0	0
Non-taxable income	11	0	0
Tax attributable to previous year	-7	0	1
Tax deductible deficits from the year	-2	11	-4
Effect from changed accounting principal	0	-4	0
Income tax	**-16**	**27**	**0**

The parent company´s current tax rate is 20.6% (2021: 20.6%, 2020: 21.4%) and the parent company´s effective tax is-15.6% (2021: 27.5%, 2020: 0.2%).

NOTE 46 – INTANGIBLE FIXED ASSETS

	Capitalised product development costs		
	2022	2021	2020
Opening balance acquisitions	0	0	11
Purchases	1	0	2
Sale to group companies	0	0	-12
Accumulated acquisition value	**1**	**0**	**0**
Opening balance depreciations	0	0	-6
Sale to group companies	0	0	-2
Depreciations	0	0	8
Accumulated depreciation	**0**	**0**	**0**
Closing balance	**1**	**0**	**0**

NOTE 47 – TANGIBLE FIXED ASSETS

	Equipment, tools and installations		
	2022	2021	2020
Opening balance acquisitions	1	0	1
Purchases	0	1	0
Sale to group companies	0	0	-1
Accumulated acquisition value	**1**	**1**	**0**
Opening balance depreciations	0	0	0
Sale to group companies	0	0	0
Depreciations	0	0	0
Accumulated depreciation	**0**	**0**	**0**
Closing balance	**1**	**1**	**0**

NOTE 48 – SHARES IN SUBSIDARIES

	2022	2021	2020
Opening balance	5 176	202	0
Acquisitions	1 095	4 798	202
Effect of change in accounting principal	0	176	-11
Closing balance	6 271	5 176	191

Company name	Corporate reg. No	Domicile	Shares & Votes	Book value (KSEK)			
				2022-12-31	2021-12-31	2020-12-31	2020-01-01
Bayn Bulgaria Ltd	BG204200897	Bulgaria, Sofia	100%	-	-	-	-
Bayn Europe Financial AB	559131-8331	Sweden, Stockholm	100%	102	102	102	0
Bayn Solutions AB	559152-1371	Sweden, Stockholm	100%	4 573	4 573	1573	0
Monday2Sunday AB	559027-8700	Sweden, Stockholm	100%	61206	61206	56 467	-
Tweek AB	559010-9822	Sweden, Varberg	100%	82 414	82 414	75 414	-
Bayn Production AB	559168-2371	Sweden, Varberg	100%	23 168	11 168	8 168	-
Bayn Nordic AB	559291-6406	Sweden, Stockholm	100%	50	50	50	-
Green Sales Newco AB	559265-6069	Sweden, Stockholm	100%	28 489	28 489	28 322	-
Green Sales Distributions AB	556644-2256	Sweden, Kumla	100%	-	-	-	-
BE:Son Gross AB	556284-2897	Sweden, Varberg	100%	-	-	-	-
Nordfood International AB	556831-8678	Sweden, Varberg	100%	-	-	-	-
Golden Athlete AB	556998-5194	Sweden, Stockholm	100%	19 964	21 102	21 102	-
Performance R Us AB	556629-0630	Sweden, Stockholm	100%	-	-	-	-
Performance R Us AS	NO917903484	Norway, Fredrikstad	100%	-	-	-	-
Nordic Sports Nutrition AB	556642-8693	Sweden, Lindesberg	100%	-	-	-	-
Fitness Emire Nordic AB	559135-4625	Sweden, Lindesberg	100%	-	-	-	-
Viterna AB	559223-7134	Sweden, Stockholm	100%	-	-	-	-
Fitnessgrossisten AS	NO992343230	Norway, Kristiansand	100%	43 478	-	-	-
The Humble Co.	556936-4341	Sweden, Stockholm	100%	1 199 751	1207 164	-	-
JB Operations AB	559265-6218	Sweden, Stockholm	100%	-	-	-	-
The Eco Gang AB	559277-6818	Sweden, Stockholm	100%	-	-	-	-
The Humble Company North America Inc	C4632856	USA, California	100%	-	-	-	-
Grahns Konfektyr AB	556724-8884	Sweden, Skövde	100%	75 773	75 773	-	-
Snacksmack AB	559075-5103	Sweden, Skövde	50%	-	-	-	-
Kryddhuset i Ljung AB	556416-9786	Sweden, Ljung	100%	14 233	14 233	-	-
Wellibites AB	559160-0175	Sweden, Gothenburg	100%	63 324	61547	-	-
Ewalco Holding AB	556580-5537	Sweden, Gothenburg	100%	199 365	170 676	-	-
Ewalco Aktiebolag	556056-0152	Sweden, Gothenburg	100%	-	-	-	-
Aktiebolaget Fermia	556162-1508	Sweden, Gothenburg	100%	-	-	-	-
Fewalco Fastighets AB	556667-5335	Sweden, Gothenburg	100%	-	-	-	-
Ewalco International Aktiebolag	556120-7605	Sweden, Gothenburg	100%	-	-	-	-
Ewalco Marine AB	556688-6924	Sweden, Gothenburg	100%	-	-	-	-
FancyStage Unipessoal Lda	510.250.530	Portugal, Trofa	100%	501762	494 896	-	-
Marabu Markenvertireb Gmbh	HRB 67273	Germany, Langenfeld	100%	77 794	79 586	-	-
Naty AB	556487-2223	Sweden, Stockholm	100%	836 516	829 408	-	-
Naty SARL	FR505180679	France, Paris	100%	-	-	-	-
Naty USA Inc.	P12000030239	USA, Florida	100%	-	-	-	-
Naty GMBH	HRB 190128B	Germany, Berlin	100%	-	-	-	-
Naty Korea LLC	SK663-86-01143	South Korea, Seoul	100%	-	-	-	-
Naty Ltd	GB 13611208	United Kingdom,	100%	-	-	-	-
Swedish Food Group AB	559213-3861	Sweden, Lund	100%	259 078	294 773	-	-
First Class Brands of Sweden AB	556666-3315	Sweden, Lund	100%	-	-	-	-
FoodConcept Sweden AB	556925-8055	Sweden, Lund	100%	-	-	-	-
HealthyCo AB	559006-3862	Sweden, Lund	100%	-	-	-	-
Solent Global Ltd	GB 10818497	United Kingdom,	100%	1251240	1255 865	-	-
Solent Global Holdings Ltd	GB08544214	United Kingdom,	100%	-	-	-	-
Solent Group (SA) Pty Ltd	SA2015/347642/07	South Africa, Cape	49%	-	-	-	-
Solent International Ltd	GB04293623	United Kingdom,	100%	-	-	-	-

Solent Homecare Ltd	GB09398128	United Kingdom,	100%	-	-	-	-
Xpel Marketing Ltd	GB06557112	United Kingdom,	100%	-	-	-	-
Solent Manufacturing Ltd (HK)	HK575873	Hong Kong, Kowloon	100%	-	-	-	-
Solent Manufacturing Ltd (PRC)	CN9131000058-343458XL	China, Shanghai	100%	-	-	-	-
Retail Brands Ltd	GB01625974	United Kingdom, Hampshire	100%	-	-	-	-
Solent Brands Ltd	GB10152689	United Kingdom, Hampshire	100%	-	-	-	-
Solent Packaging Ltd	GB04819079	United Kingdom, Hampshire	100%	-	-	-	-
Solent Group SA (HK) Ltd	HK2179777	Hong Kong, Kowloon	100%	-	-	-	-
Solent Home and Garden Ltd	GB06344152	United Kingdom, Hampshire	100%	-	-	-	-
Carls-Bergh Pharma AB	556057-6638	Sweden, Gothenburg	100%	17 730	22 383	-	-
Assertia Fastigheter AB	559111-9580	Sweden, Gothenburg	100%	-	-	-	-
SweCarb AB	556609-8793	Sweden, Kalmar	100%	43 825	40 455	-	-
Soya OY	FO0789690-3	Finland, Tammisaari	100%	38 683	39 703	-	-
FAB Tallebo	FO1480049-8	Finland, Tammisaari	100%	-	-	-	-
Leksvall Bioenergi OY AB	FO2999475-8	Finland, Tammisaari	100%	-	-	-	-
Delsbo Candle AB	556655-3722	Sweden, Delsbo	100%	82 626	74 155	-	-
Group 472 Aps	CVR41551909	Denmark,	100%	-	-	-	-
True Aps	CVR38460161	Denmark,	100%	257 345	306 595	-	-
True Company GmbH	HRB166353	Germany, Hamburg	100%	-	-	-	-
Arne & Björn AB	556729-3815	Sweden, Gråbo	100%	59 484	-	-	-
Bars Produktion i Gråbo AB	556648-3029	Sweden, Gråbo	100%	-	-	-	-
Gudrun Fastighet AB	559203-2188	Sweden, Gråbo	100%	-	-	-	-
Runes Specialbageri AB	556168-8853	Sweden, Gråbo	100%	-	-	-	-
La Praline Scandinavia AB	556702-5373	Sweden, Borås	100%	21711	0	-	-
Grenna Konfektyr AB	556357-5066	Sweden, Jönköping	100%	24 584	0	-	-
Grenna Polkagriskokeri AB	559221-9439	Sweden, Jönköping	100%	-	-	-	-
CLJ Grenna AB	559223-4362	Sweden, Jönköping	100%	-	-	-	-
Superfoods Group Ltd	GB12499852	United Kingdom, Sheffield	100%	223 423	0	-	-
Go Superfoods Ltd	GB08319689	United Kingdom, Sheffield	100%	-	-	-	-
Green Origins Superfoods Ltd	GB690744	United Kingdom, Sheffield	100%	-	-	-	-
Nya MedicaNatumin AB	559370-2797	Sweden, Jönköping	100%	119 427	0	-	-
Ambria Dermatology AB	556617-8751	Sweden, Jönköping	100%	-	-	-	-
DeNovaStella AB	556605-4465	Sweden, Jönköping	100%	-	-	-	-
Medica Clinical Nord Sverige AB	556749-4223	Sweden, Jönköping	100%	-	-	-	-
Natumin Pharma AB	556474-7748	Sweden, Jönköping	100%	-	-	-	-
Nordic Immotech Sweden AB	556729-1363	Sweden, Jönköping	100%	-	-	-	-
Vitalkost AS	NO961937434	Norway, Tönsberg	100%	-	-	-	-
Corpus Medicus AS	NO856154432	Norway, Tönsberg	100%	-	-	-	-
Tricutan AB	556702-6256	Sweden, Jönköping	100%	-	-	-	-
Franssons Konfektyr AB	556223-9946	Sweden, Gränna	100%	39 752	-	-	-
Laboratiorio Francediet - Fabrico de Produtos de Dietética LDA	PT504 738 003	Portugal, Porto	100%	-	-	-	-
Protinortesul - Comercializacao do Produtos Dietéticos LDA	PT506 325 695	Portugal, Porto	100%	-	-	-	-
Nutrilisboa - Comercializacao do Produtos Dieteticos LDA	PT506 626 717	Portugal, Lisbon	100%	-	-	-	-
Nutricelebration Unipessoal LDA	PT510 650 589	Portugal, Lisbon	100%	-	-	-	-
Protiminho - Design e Publicidade LDA	PT507 386 620	Portugal, Porto	100%	-	-	-	-
FDiet Lev CD, S.L.	SP B86494556	Spain, Madrid	100%	236 866	-	-	-
Cebripast - Centro De Fabrico de Pastelaria Nutritiva LDA	PT513 278 524	Portugal, Aveiro	100%	-	-	-	-
Amber House Ltd	GB05317536	United Kingdom,	100%	91355	-	-	-
Sam & Son Grossist AB	556328-2879	Sweden, Nässjö	100%	123 921	-	-	-
Go'Berts Konfektyr AB	556549-3920	Sweden, Nässjö	100%	-	-	-	-
Grossistcentralen i Stockholm AB	556045-0263	Sweden, Stockholm	100%	20 424	-	-	-
Humble Pacific Holdings Pty Ltd	ACN 660 974 498	Australia, Queensland	100%	128 016	-	-	-
Body Science International Pty Ltd	ACN 101 197 835	Australia, Queensland	100%	-	-	-	-
Total booked value				**6 271 453**	**5 176 315**	**191 198**	0

There have been no changes in the shares or voting rights.

NOTE 49 – SHARES IN ASSOCIATED COMPANIES AND JOINT ARRANGEMENTS

					Book value. KSEK			
Company name	**Corporate reg. No**	**Domicile**	**Shares %**	**Votes %**	**2022-12-31**	**2021-12-31**	**2020-12-31**	**2020-01-01**
Amerpharma SP.z o.o.	PL9462694214	Lublin, Polen	51%	44%	48 524	51 484	51 484	0

	2022	2021	2020
Opening balance	51	51	0
Acquisitions	0	0	51
Change in accounting principal	-4	0	0
Closing balance	**48**	**51**	**51**

INDIVIDUALLY INSIGNIFICANT INTEREST COMPANIES

The table above presents the associated companies in which the parent company has direct ownership. Furthermore, the Group has holdings in two further associated companies, Snacksmack AB, part-owned by Grahns Konfektyr AB, and Solent Group (SA) Pty Ltd, part-owned by Solent Global Ltd. Both companies are considered individually immaterial. All holdings have been reported according to the Equity Method.

NOTE 50 – INVENTORY

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Raw materials and consumables	0	0	0	2
Goods in process	0	0	0	0
Total inventory	**0**	**0**	**1**	**2**

NOTE 51 – OTHER SHORT-TERM RECEIVABLES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
VAT Receivables	1	0	0	0
Other receivables	8	4	1	0
Total other short-term receivables	**9**	**4**	**1**	**0**

NOTE 52 – PREPAID EXPENSES AND ACCRUED INCOME

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Prepaid rents	1	1	0	0
Other items	4	1	0	1
Total prepaid expenses and accrud income	**5**	**2**	**0**	**1**

NOTE 53 – LIQUID FUNDS

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Cash at bank	1	109	78	2
Total available cash and cash equivalent	**1**	**109**	**78**	**2**
Negotiatied revolving credit facility	**200**	**400**	**0**	**0**
whereof used amount at end of the year	*121*	*0*	*0*	*0*
whereof available amount at end of the year	*79*	*400*	*0*	*0*

More information about the parent company´s revolving credit facility is presented in *Note 24 Liquid funds.*

NOTE 54 – SHARE CAPITAL

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Number of shares	301 274 580	246 977 667	122 233 439	122 233 439
Quota value	0,22	0,22	0,22	0,22
Share capital	**66 280 408**	**26 891 357**	**26 891 357**	**26 891 357**

Change in number of shares	2022	2021	2020
Opening balance	246 977 667	122 233 439	38 479 343
Non-cash issue	20 844 771	67 976 084	46 995 352
Direct cash issue	33 125 000	56 500 000	33 155 486
Usage of share warrants	327 142	268 144	3 603 258
Closing balance number of shares	**301 274 580**	**246 977 667**	**122 233 439**
Closing outstanding share warrants	3 320 000	1 485 716	1 000 000
Closing balance number of shares after dilution	**304 594 580**	**248 463 383**	**123 233 439**

There is only one class of shares and all shares have equal voting rights. All shares issued by the parent company are fully paid. During 2022, the number of shares has increased by approximately 54 million shares. The largest increase relates to a targeted cash new issue in May 2022 of 33 million shares, which brought Humble Group approximately MSEK 530 before transaction costs. Furthermore, 21 million shares were issued as property in kind in connection with the acquisition of subsidiaries. Finally, 327 142 employee warrants in series 2019/2022 were used to subscribe for an equal number of new shares in Humble Group. Remaining unused warrants in program 2019/2022 were cancelled.

At the Annual General Meeting in May 2022, it was decided to introduce a new warrant program, which resulted in 2 400 000 new warrants being issued. During 2022, 80 000 unassigned warrantss from the 2021/2024 warrant program were also cancelled. Further information on Humble Group's warrant program can be found in *Note 8 Renumeration to personnel etc.*

NOTE 55 – DEFERRED TAX

Deferred tax assets attributable to tax loss deductions	2022	2021	2020
Opening balance	27	0	0
Reversal of temporary differences	-9	27	0
Closing carrying value deferred tax asset	**18**	**27**	**0**

Deferred tax assets are reported for tax loss deductions or other deductions to the extent that it is likely that they can be utilized through future taxable profits. The parent company has no unused loss carryforward for which no deferred tax asset has been reported for any of the periods presented.

Deferred tax on unused loss carryforwards amounts to MSEK 18 per 12-31-2022 (2021-12-31: MSEK 27, 2020-12-31: MSEK 0, 2020-01-01 MSEK 0). The deficit deductions do not expire at any time.

NOTE 56 – INTEREST-BEARING LIABILITIES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Long-term liabilities				
Bond financing 2021-2024	313	313	0	0
Bond financing 2021-2025	1 513	1 203	0	0
Liabilities to credit institutions, properties and investments	0	0	0	1
Total long-term liabilities	1 826	1 516	0	1
Short-term liabilities				
Liabilities to credit institutions, properties and investments				
Revolving credit facility	571	0	0	0
Total short-term liabilities	571	0	0	0
Total interest bearing expenses	2 397	1 516	1	1

More information about the parent company´s interest-bearing liabilities is presented in *Note 4 Financial risk management*.

NOTE 57 – OTHER LIABILITIES AND PROVISIONS

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Long-term liabilities				
Deferred considerations from acquisitions	433	613	11	0
Other liabilities	33	39	0	0
Total other liabilities and provisions, long-term	465	652	11	0
Short-term liabilities				
Deferred considerations from acquisitions	347	124	3	0
Provision for deferred tax liability	7	0	0	0
Other liabilities	14	63	36	0
Total other liabilities and provisions, short-term	368	187	38	0
Total other liabilities and provisions	833	840	49	0

NOTE 58 – ACCRUED EXPENSES AND PREPAID INCOME

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Accrued vacation salaries	2	1	0	0
Accrued bonus	5	2	0	0
Accrued social charges	2	1	0	0
Prepaid income	0	0	0	0
Accrued cost for audit and accounting services	2	0	0	0
Accrued interest expenses	3	0	0	0
Other accrued expenses	0	1	1	1
Total accrued expenses and prepaid income	14	5	1	1

NOTE 59 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

	2022-12-31	2021-12-31	2020-12-31	2020-01-01
Regarding liabilities to credit institutions				
Shares in subsidiaries in favor to senior secured bonds*	4 256	2 179	0	0
Company mortgage	4	4	4	4
Pledged assets in favor to group companies	0	0	1	0
Restricted funds	0	1	0	0
Property mortgage	0	0	0	0
Total pledged assets	**4 259**	**2 183**	**4**	**4**

*During 2021, Humble Group AB issued several senior secured bond debt of total MSEK 1,500 with a total framework of MSEK 2,000. The parent company Humble Group AB is the issuer of the bonds. The bonds are secured through pledge of shares in Humble Group AB, Monday 2 Sunday AB, Bayn Solutions AB, Tweek AB, Bayn Production AB, Green Sales Distributions AB, The Humble Co. AB, Golden Athlete AB, Grahns Konfektyr AB, Performance R Us AB, Viterna AB, Ewalco AB, Naty AB, Be:Son Gross AB, Fancystage Lda and Solent Global Ltd. Recognised amount is the group value on net assets in the pledged shares of the subsidiaries as of year end. In the parent company, the recognised value is the book value of the pledged shares direct or indirect owned by the parent company.

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

NOTE 60 – BUSINESS COMBINATIONS

All the parent company´s acquisitions are presented in *Note 31 Business combinations*.

NOTE 61 – RELATED PARTY DISCLOSURES

The highest parent company in the Group is Humble Group AB. Related parties are all subsidiaries within the Group as well as senior executives in the Group and their close relatives. Transactions take place on market terms. For information on compensation to the CEO, board and senior executives, see *Note 8 Renumeration to employees etc.* For information on holdings in subsidiaries, see *Note 48 Shares in subsidiaries*.

The following transactions have taken place with related parties.

	2022	2021	2020
Sales during the year to group companies	21	2	7
Purchases during the year from group companies	-2	-1	3
Interest income from group companies	12	0	0
Group contributions, received	-23	-6	0
Group contributions, given	123	16	0

Long-term loans to subsidiaries	2022-12-31	2021-12-31	2020-12-31
Opening balance	197	46	0
Lending	379	151	46
Amortisations	0	0	0
Closing balance	**576**	**197**	**46**

This year's lending primarily consists of the parent company´s financing of acquisitions through subsidiaries in the Group.

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

	2022	2021	2020
Interest expenses partially presented in financing activities	114	28	-
Effect from revaluation of contingent considerations	6	0	-
Non realised interest on contingent considerations	57	21	-
Interest income	-12	0	-
Accrued expense, bond loans	10	16	-
Group contributions, given	23	6	-
Group contributions, received	-123	-15	-
Depreciations	0	0	-
Paid tax	0	0	-
Effect from exchange rates	9	-1	-
Total adjustment items	**83**	**55**	**0**

NOTE 63 – CHANGES IN LIABILITIES BELONGING TO FINANCING ACTIVITES

	Bond loan	Liabilities to credit institutions
Opening balance January 1, 2020	0	0
Cash flow from financing activities	0	-34
Interest payments from financing	0	0
Other	0	0
Closing balance December 31, 2020	**0**	**-34**
Cash flow from financing activities	-1 524	144
Interest payments from financing	28	0
Other	-20	-8
Closing balance December 31, 2021	**-1 516**	**102**
Cash flow from financing activities	-300	-571
Interest payments from financing	146	8
Other	-156	-110
Closing balance December 31, 2022	**-1 826**	**-571**

NOTE 64 – PROPOSED APPROPRIATION OF PROFITS

The Board of Directors of Humble Group AB proposes that no dividend be paid for the financial year 2022 and that the accumulated loss for the year be appropriated as follows (SEK):

Accumulated profit or loss	-31 532 104
Share premium reserve	4 031 538 111
Net loss for the year	-120 168 447
Total	**3 879 837 560**
Proposed appropriation of profits	**3 879 837 560**

NOTE 65 – SUBSEQUENT EVENTS

For the parent company´s significant events after the balance sheet date, see *Note 35 Subsequent events*. No other significant events have taken place for the parent company after the end of the financial year.

NOTE 66 – EFFECTS FOR THE PARENT COMPANY OF FIRST-TIME ADOPTION OF RFR 2

The Annual Report 2022 is Humble Group AB's first annual report prepared in accordance with RFR 2 Reporting for Legal Entities and the Swedish Annual Accounts Act. The accounting principles found in *Note 37 Accounting principles of the parent company* have been applied when the consolidated financial statements for Humble have been prepared as of December 31, 2022, and for the comparative information presented from and including the opening statement of financial position as of January 1, 2020, which is the same date the Group transition to IFRS. An explanation of how the transition from previous accounting standards to RFR2 has affected the Parent Company´s financial position and performance is shown in the tables that follow below.

EXEMPTIONS IN THE OPENING RFR 2 STATEMENT OF FINANCIAL POSITION

The transition to RFR 2 is reported in accordance with the application of IFRS 1 The first time IFRS. The main rule is that all applicable IFRS and IAS standards, which have entered into force and been approved by the EU with the exceptions described in RFR 2, shall be applied with retrospectively. However, IFRS 1 contains transitional provisions that give companies a certain amount of choice.

The Parent Company has chosen, in accordance with RFR 2, to apply the following exemptions:

- Not applying IFRS 9 but instead choosing to apply RFR 2 (IFRS 9 Financial Instruments, p. 3-10) based on cost of acquisition according to ÅRL.
- Not applying IFRS 16 but instead choosing to apply the exemption rules in RFR 2 and report leases as operating leases.

EFFECTS ON TOTAL COMPREHENSIVE INCOME AND BALANCE SHEET

The transition has had the following effects on the parent company´s income statement and balance sheet.

	2021			2020		
Amount in MSEK	K3	Total adjustment of transition to RFR2	RFR2	K3	Total adjustment of transition to RFR2	RFR2
Interest expenses	-69	-21	-90	-1	0	-1
PROFIT AND LOSS AFTER FINANCIAL ITEMS	-87	-21	-108	-16	0	-16
PROFIT AND LOSS AFTER TAX	-50	-21	-71	-16	0	-16

	2021-12-31			2020-12-31			2020-01-01
Amount in MSEK	K3	Total adjustment of transition to RFR2	RFR2	K3	Total adjustment of transition to RFR2	RFR2	K3 and RFR2*
ASSETS							
Fixed assets							
Intangible assets							
Capitalised product develoment costs	0	0	0	0	0	0	5
Total intangible assets	**0**	**0**	**0**	**0**	**0**	**0**	**5**
Tangible fixed assets							
Equipment, tools and installations	1	-0	1	0	0	0	0
Total tangible fixed assets	**1**	**-0**	**1**	**0**	**0**	**0**	**0**
Financial assets							
Shares in subsidiaries	5 000	176	5 176	202	-11	191	0
Shares in associated companies	54	-3	51	54	-3	51	0
Long-term receivables with group companies	190	6	197	38	8	46	0
Long-term receivables with associated companies	0	0	0	0	0	0	0
Deferred tax assets	28	-1	27	0	0	0	0
Total financial assets	**5 272**	**179**	**5 452**	**294**	**-5**	**288**	**0**
Total fixed assets	**5 273**	**179**	**5 453**	**294**	**-5**	**288**	**5**
Current assets							
Inventory							
Raw materials and consumables	0	0	0	1	0	1	2
Total inventory	**0**	**0**	**0**	**1**	**0**	**1**	**2**
Short-term receivables							
Accounts receivables	0	0	0	0	0	0	0
Receivables with group companies	47	6	53	18	-1	17	2
Other short-term receivables	3	0	4	1	0	1	0
Prepaid expenses and accrued income	2	0	2	0	0	0	2
Total short-term receivables	**52**	**7**	**59**	**20**	**-1**	**19**	**6**
Total current assets	**52**	**7**	**59**	**21**	**-1**	**20**	**8**
TOTAL ASSETS	5435	186	5621	392	-6	386	14

* No adjustments on opening balance of 2020 as a result of no effect of the transition to IFRS

Amount in MSEK	2021-12-31 K3	2021-12-31 Total adjustment of transition to RFR2	2021-12-31 RFR2	2020-12-31 K3	2020-12-31 Total adjustment of transition to RFR2	2020-12-31 RFR2	2020-01-01 K3 and RFR2*
EQUITY AND LIABILITIES							
Equity							
Restricted equity							
Share capital	54	0	54	27	0	27	8
Unregistered share capital	1	0	1	1	0	1	0
Fund for capitalised development cost	0	0	0	0	0	0	3
Total restricted equity	**55**	**-0**	**55**	**28**	**0**	28	-53
Unrestricted equity							
Share premium reserve	2 993	275	3 268	377	-3	374	52
Accumulated profit or loss	-13	0	-13	-53	0	-53	-40
Net profit for the year	-50	-21	-71	-16	0	-16	-16
Total unrestricted equity.	**2 930**	**255**	**3 185**	**308**	**-3**	**305**	**-4**
Total equity	**2 985**	**255**	**3 239**	**336**	**-3**	**333**	**8**
Provisions	**0**	**738**	**738**	**0**	**14**	**14**	**0**
Long-term liabilities							
Interest-bearing liabilities	1 516	0	1 516	0	0	0	1
Other long-term liabilities	666	-627	39	12	-12	0	0
Total long-term liabilities	**2 182**	**-627**	**1 556**	**12**	**-12**	**0**	**1**
Short-term liabilities							
Interest-bearing liabilities	0	0	0	0	0	0	0
Accounts payable	14	0	14	2	0	2	3
Liabilities to group companies	0	6	6	0	0	0	2
Tax liabilities	1	0	1	0	0	0	0
Other liabilities	249	-186	63	40	-5	35	0
Accrued expenses and prepaid income	5	0	5	1	0	1	1
Total short-term liabilities	**268**	**-179**	**89**	**44**	**-5**	**39**	**6**
TOTAL EQUITY AND LIABILITIES	5 435	186	5 621	392	-6	386	14

* No adjustments on opening balance of 2020 as a result of no effect of the transition to IFRS

SIGNATURES

Stockholm April 27, 2023

Peter Werme
Chairman of the board

Dajana Mirborn
Director

Henrik Patek
Director

Ola Cronholm
Director

Hans Skruvfors
Director

Björn Widegren
Director

Simon Petrén
Chief Executive Officer

Our audit report has been released according to digital signatures.

BDO Mälardalen AB

Carl-Johan Kjellman
Authorized Public Accountant

AUDITOR'S REPORT

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

REPORT ON THE ANNUAL ACCOUNTS

OPINIONS

We have audited the annual accounts and consolidated accounts of Humble Group AB for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 40-119 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position as per 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS

This document also contains information other than the annual accounts and consolidated accounts and can be found on pages 1-39. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, with regard to the consolidated accounts, in accordance with IFRS as adopted by the EU. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or mistake.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company´s and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or mistake, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or mistake and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

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

▪ Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or mistake, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from mistake, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

▪ Obtain an understanding of the company´s internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company´s internal control.

▪ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

▪ Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company´s and the goup's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

▪ Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

▪ Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We are solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Humble Group AB for the year 2022 and the proposed appropriations of the company´s profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company´s profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company´s and the group type of operations, size and risks place on the size of the parent company´s and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company´s organization and the administration of the company´s affairs. This includes among other things continuous assessment of the company´s and the Group's financial situation and ensuring that the company´s and the goups organization is designed so that the accounting, management of assets and the company´s financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company´s accounting in accordance with law and handle the management of assets in a reassuring manner.

AUDITOR'S RESPONSIBILITY

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

▪ has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

▪ in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company´s profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company´s profit or loss are not in accordance with the Companies Act.

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

Stockholm according to digital signature

BDO Mälardalen AB

Carl-Johan Kjellman

ANNUAL GENERAL MEETING

Humble Group AB (publ), 556794-4797 (the "Company"), will hold the Annual General Meeting on Friday, May 19, 2023 at 09.30 in the Company´s premises at the address Klara Norra Kyrkogata 29 in Stockholm. Check-in and registration begins at 09.20.

RIGHT TO ATTEND THE MEETING

Shareholders who wish to participate in the general meeting must:

- be entered as a shareholder in the share register maintained by Euroclear Sweden AB ("Euroclear") on May 10, 2023, alternatively, if the shares are trustee-registered, request that the trustee register the shares with voting rights no later than May 12, 2023,
- have notified their participation to the Company according to the instructions under the heading "*Notification*" no later than May 12, 2023.

NOTIFICATION

Notification can be made by letter to Humble Group AB (publ), Att. Johan Lennartsson, Klara Norra Kyrkogata 29, 111 22 Stockholm or by e-mail johan.lennartsson@humblegroup.se. The notification must contain information about the shareholder's full name or company name, social security number or organization number, address, telephone number and, where applicable, the number of assistants (maximum two) who are intended to be brought to the general meeting.

Shareholders who do not wish to participate in the meeting physically can exercise their right to vote at the meeting by proxy with a written, signed and dated power of attorney. If the power of attorney is issued by a legal entity, a copy of the registration certificate or equivalent authorization document for the legal entity must be attached.

To facilitate entry at the meeting, powers of attorney, registration certificate and other authorization documents should be available to the Company at the Company´s address Humble Group AB (publ), Att. Johan Lennartsson, Klara Norra Kyrkogata 29, 111 22 Stockholm or via e-mail johan.lennartsson@humblegroup.se no later than May 12, 2023. Please note that notification of participation at the meeting must be made even if the shareholder wishes to exercise his right to vote at the meeting by proxy. Submitted power of attorney does not count as notification to the meeting. A proxy form is available on the Company´s website (https://humblegroup.se/investerare/bolagsstyrning/).

TRUSTEE REGISTERED SHARES

Shareholders who have had a trustee register their shares through a bank or other trustee must request from the trustee to be entered in the share register at Euroclear in order to be able to participate in the general meeting (registration of voting rights). As stated above, the nominee must have completed the voting rights registration with Euroclear no later than Friday 12 May 2023. The shareholder must therefore contact their nominee well in advance of this date and register their voting rights in accordance with the nominee's instructions.

ERRANDS

The agenda for the Annual General Meeting is available on Humble Group's website. Information that a summons has taken place was announced in Svenska Dagbladet

DIVIDEND

The board proposes that no dividend be paid for the financial year 2022 and that the funds that according to the Company´s balance sheet are at the disposal of the general meeting are disposed of according to the board's proposal in the annual report for the financial year 2022.

ELECTION COMMITTEE

For the Annual General Meeting 2022, the nomination committee consists of Henrik Patek (representative of RoosGruppen), Aram Jimal (representative of NCPA), Henrik Forsberg (representative of Neudi & Co.) and Peter Werme in his capacity as chairman of the board of Humble Group.

For questions, please contact:

Simon Petrén, CEO, Humble Group AB (publ)

E-mail: simon.petren@humblegroup.se

Phone +46 (0)8 61 32 888