



**humble
group.**TM

**YEAR END REPORT
OCTOBER – DECEMBER 2023**



A STRONG FINISH TO A TRANSFORMATIVE YEAR

Financial information

Fourth quarter

- Net sales amounted to MSEK 1,936 (1,606).
- EBITDA amounted to MSEK 184 (143).
- EBITA amounted to MSEK 156 (119).
- EBIT amounted to MSEK 66 (62).
- Adjusted EBITDA amounted to MSEK 190 (179).
- Adjusted EBITA amounted to MSEK 162 (155).
- Adjusted EBIT amounted to MSEK 72 (98).
- Cash flow from operating activities amounted to MSEK 285 (246).
- Profit and loss after tax amounted to MSEK -11 (-18).
- Earnings per share before and after dilution amounted to SEK -0.02 (-0.06).
- Adjusted EBIT per share amounted to SEK 0.16 (0.33).

Twelve months

- Net sales amounted to MSEK 7,050 (4,800).
- EBITDA amounted to MSEK 659 (504).
- EBITA amounted to MSEK 547 (419).
- EBIT amounted to MSEK 318 (257).
- Adjusted EBITDA amounted to MSEK 696 (551).
- Adjusted EBITA amounted to MSEK 584 (466).
- Adjusted EBIT amounted to MSEK 355 (304).
- Cash flow from operating activities amounted to MSEK 1,088 (255). Adjusted for tax deferrals of MSEK 260, the cash flow from operating activities was MSEK 828.
- Profit and loss after tax amounted to MSEK -106 (-36).
- Earnings per share before and after dilution amounted to SEK -0.28 (-0.13).
- Adjusted EBIT per share amounted to SEK 0.94 (1.07).

Significant events

During the fourth quarter

- Humble Group enters into agreements regarding sale of properties. First part of the sale is completed in December and is structured as a sale and leaseback transaction.
- Humble Group enters into a binding agreement regarding sale of all shares in Bayn Production AB.

After the quarter

- Humble Group completes the sale of all shares in Bayn Production AB as part of the Groups long-term strategy to streamline the operations.

Financial overview

M SEK	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Net sales	1,936	1,606	7,050	4,800
Gross profit	614	478	2,129	1,532
Gross margin	32%	30%	30%	32%
EBITDA	184	143	659	504
Adjusted EBITDA	190	179	696	551
EBITA	156	119	547	419
Adjusted EBITA	162	155	584	466
EBIT	66	62	318	257
Adjusted EBIT	72	98	355	304
Cash flow from operating activities	285	246	1,088	255
Earnings per share before and after dilution (SEK)	-0.02	-0.06	-0.28	-0.13

See page 26 for definition and calculation of key ratios

A STRONG FINISH TO A TRANSFORMATIVE YEAR

Humble Group continues to grow and we take market shares through increased distribution, more products and new collaborations in international markets. With an operational cash flow of SEK 285 million (246), we see the result from the continued focus to optimize the flow of goods. Thanks to the improved capital structure and lowered interest costs, we begin to form a picture of how we will be able to generate a positive free cash flow going forward that can be used for value-creating activities, something I have personally had as a milestone since the foundation of the Group. Net sales of SEK 1,936 million (1,606) represent a stable increase from the previous year and organic growth amounted to 18%. The profitability measured in adjusted EBITA of SEK 162 million (155) is in line with our expectation and the margin is somewhat pressured by our increased market efforts and the integration processes that we started during the autumn. We are not afraid to take short-term costs for long-term value creation. Investments in an additional two or third shifts in several of our factories are costly, but at the same time something that means that we will get a higher capacity utilization of the machine park and enable increased growth going forward. The work to improve the gross margin is moving in the right direction and continues to be a focus for all our operations, but there is a long way to go before we reach previous levels.

During the autumn, we started to launch a selective consolidation strategy, where certain smaller operations are integrated into larger platforms. I am satisfied with the progress we have made in the consolidation process, as many as six companies have become part of a larger machinery and we see good conditions to utilize economies of scale and streamline the value chain. By becoming a larger player in each sub-segment, we gain competitiveness towards the trade and enable several classic synergy effects such as e.g. increased distribution, joint purchasing and pricing, for a more efficient supply chain. An excellent example of this is the Group's latest joint project of the operating companies Solent Group (offline retail) and Go Superfoods (online retail, Amazon), where we complement the respective sales structure effectively and will roll out each product portfolio to more channels and customers.

We have made progress in the development of the commercial B2B platform within Future Snacking and Quality Nutrition, with Arena Nutrition and Arena Confectionery as the spearhead for Nordic manufacturing of high-quality products in health and sustainability. Here we see potential in working closely with our customers and our incubator, and then using the Nordic Distribution segment in an agile way to test innovations and products in the market.

During the year, we have created several exciting brand projects internally and my ambition is that we will be able to show some of them to the market already this spring. There is a constant effort to keep track of trends that arise in the FMCG world and it is clear that trade today does not have the right infrastructure required to be able to capitalize on fast-growing (and sometimes short-term) trends from e.g. TikTok and Instagram. Here, our intention is to be a dynamic player that can quickly act on an opportunity and offer the right product at the right time. In Humble we have a network of over 300 contract manufacturers and a large international distribution platform. This makes us an interesting partner for smaller entrepreneur-led companies that have found a "super

product", but that do not have the resources, speed or knowledge to scale it to more than a few markets.

Humble's price-fighter and private-label business continues to gain ground and it is clear that many clients are satisfied with the concept we offer. Our subsidiary Solent Group leads the way in this segment and we have many exciting opportunities ahead. However, we are still working to refine the strategy and capitalize more quickly on the different opportunities in new markets. I am convinced that we will have improvements in this area in the coming years and we have already started to see results of the cooperation in e.g. The Nordic countries.

The fourth quarter is seasonally the largest for the Group and we are expected to be able to deliver both a good result and stable cash flow. Considering how many areas we are adapting and changing in order to create long-term conditions for higher profitability and growth, it is therefore particularly gratifying that it has not taken too much focus from the core business and that we have maintained a good momentum in all segments. The macro trend for products with a health and sustainability angle is maintained strong, where e.g. sports nutrition in Sweden grew by 9% in 2023, which should provide us with a tailwind going forward. A strategic goal is to create the conditions and structure internally to be able to grow with both the trend and take market shares from existing players. Given that we today have a far higher demand from external customers for our products than our factories have the capacity to deliver, there is no doubt that there are many companies that see us as a future B2B-partner to ally with.

With the cost-intensive indebtedness at the start of the year following sharply increased market interest rates, cash flow has been the main target to improve in Humble during 2023. It is therefore pleasing to see the strong end to the year with increased operating cash flow in 2023 from SEK 255 million to SEK 1,088 million (SEK 828 million excluding tax deferral). The deployable cash flow has also been strengthened from SEK -99 million to SEK 486 million, largely driven by economies of scale, release of net working capital and the new capital structure. We still have many areas of improvement in net working capital management, but there is a significant difference in efficiency now compared to previous years. Finding a success formula for cash flow optimization in the Group is a powerful tool when we continue to create value among the new acquisitions that will become part of Humble in the future.

Overall, we enter into 2024 with optimism and full focus on what lies ahead. The macro climate continues to be turbulent and we closely monitor sensitive areas such as the turmoil with the shipping crisis in the Red Sea and increased cocoa prices. It's exciting to be part of the development of the Group's growth initiatives, such as investments in everything from a new beverage line and bar producer in Australia, to technologies for new candy products and home-care that will roll out in stores. Those who have followed us for a while know that we have a penchant for innovation and it would be disappointing if we do not see several new successes in the Humble portfolio by the same period in 2025. In conclusion, I would like to take the opportunity to thank all shareholders and our fantastic employees, for your fighting spirit during a both tough and rewarding year. The company has taken great strides in terms of maturity and it is you who make the difference - together we continue the journey towards building the FMCG group of the future.

Simon Petré
CEO Humble Group
Stockholm, February 19, 2024.

HUMBLE GROUP'S FINANCIAL DEVELOPMENT

FOURTH QUARTER

REVENUES

Net sales

Net sales for the quarter amounted to MSEK 1,936 (1,606), an increase of 21% compared to the corresponding period last year. The change is attributable to completed business acquisitions of 4%, organic growth for the wholly owned subsidiaries in both periods of 18% and currency impact was -2%.

EXPENSES

Other external expenses

Other external expenses for the quarter amounted to MSEK -250 (-189), which corresponded to 13% (12) of net sales. Acquisition related costs for the quarter amounted to MSEK 0 (-10).

Personnel expenses

Personnel expenses for the quarter amounted to MSEK -222 (-196), which corresponded to 11% (12) of net sales. Personnel expenses were negatively impacted by consideration linked to employment (stay-on-bonus and lock-in penalties) of MSEK -10 (-13). Remaining increase is mainly explained by additional employees in the Group through the acquired subsidiaries. For more details, please refer to *Note 7 Items affecting comparability*.

Depreciation and amortization

Total depreciation and amortization for the quarter amounted to MSEK -118 (-81), which corresponded to a change of 47% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -17 (-14) for the quarter. Amortization of assets related to acquisitions, of which a vast majority related to customer relations, amounted to MSEK -37 (-35). Amortisation of intangible fixed assets for the fourth quarter was negatively affected by an impairment of -35 MSEK due to Fancystage which is undergoing a strategic development for its operations to strengthen the profitability long term, and by -6 MSEK due to impairment of Goodwill for Bayn Production.

Financial expenses

Financial expenses for the period amounted to MSEK -67 (-83). Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -13 (-24). Such interest expense has no cash effect in the quarterly result. For more details, please refer to *Note 6 Financial expenses*.

RESULTS

EBITA

Adjusted EBITA amounted to MSEK 162 (155), which corresponded to a change of MSEK 8 for the period. EBITA for the quarter amounted to MSEK 156 (119), which corresponded to a change of MSEK 37 compared with the corresponding period last year. For more details, please refer to *Note 7 Items affecting comparability*.

EBIT

Adjusted EBIT amounted to MSEK 72 (98), which corresponded to a change of MSEK -26 for the period. EBIT for the quarter amounted to MSEK 66 (62), which corresponded to a change of MSEK 3 compared with the corresponding period last year.

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities amounted to MSEK 285 (246). Cash flow from operations was impacted by net working capital release of MSEK 156 (64). The Group has during the quarter continued the work with several strategic initiatives to optimize the net working capital usage going forward.

| CONSOLIDATED DEVELOPMENT

TWELVE MONTHS

REVENUES

Net sales

Net sales for the period amounted to MSEK 7,050 (4,800), an increase of 47% compared to the corresponding period last year. The change is attributable to completed business acquisitions of 28%, organic growth for the wholly owned subsidiaries in both periods of 16% and currency impact was 3%.

EXPENSES

Other external expenses

Other external expenses for the period amounted to MSEK -851 (-644), which corresponded to 12% (13) of net sales. Acquisition related costs for the period amounted to MSEK -6 (-65).

Personnel expenses

Personnel expenses for the period amounted to MSEK -790 (-625), which corresponded to 11% (13) of net sales. Personnel expenses were negatively impacted by consideration linked to employment (stay-on-bonus and lock-in penalties) of MSEK -45 (-72). Remaining increase is mainly explained by additional employees in the Group through the acquired subsidiaries. For more details, please refer to *Note 7 Items affecting comparability*.

Depreciation and amortization

Total depreciation and amortization for the period amounted to MSEK -341 (-247), which corresponded to a change of 38% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -64 (-48) for the full year. Amortization of intangible assets related from acquisitions, of which a vast majority related to customer relations, amounted to MSEK -146 (-128). Amortisation of intangible fixed assets for twelve months was negatively affected by an impairment of -35 MSEK due to Fancystage which is undergoing a strategic development for its operations to strengthen the profitability long term, and by -6 MSEK due to impairment of Goodwill for Bayn Production.

Financial expenses

Financial expenses for the period amounted to MSEK -393 (-265). The financial expense is affected by a onetime cost of MSEK -78 (0) related to the refinancing of the bonds. Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -69 (-61). Such interest expense has no cash effect in the result of the period. For more details, please refer to *Note 6 Financial expenses*.

RESULTS

EBITA

Adjusted EBITA for the period amounted to MSEK 584 (466), which corresponded to a change of MSEK 118 for the period. EBITA for the period amounted to MSEK 547 (419), which corresponded to a change of MSEK 128 compared with the corresponding period last year. For more details, please refer to *Note 7 Items affecting comparability*.

EBIT

Adjusted EBIT amounted to MSEK 355 (304), which corresponded to a change of MSEK 51 for the period. EBIT for the period amounted to MSEK 318 (257), which corresponded to a change of MSEK 61 compared with the corresponding period last year.

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities amounted to MSEK 1,088 (255). Cash flow from operations was positively impacted by net working capital release of MSEK 558 (-116). The Group has during the period continued the work with several strategic initiatives to optimize the net working capital usage going forward. Tax deferments of total MSEK 260 was recognized as short term liabilities and had a positive impact on the cash flow for the period.

SEGMENT REPORT - FUTURE SNACKING

SEGMENT OVERVIEW

Our commitment to cutting-edge, sustainable snacks and assorted eats challenges conventional options, prioritizing health without compromising taste, quality, or experience. Future Snacking holds over 90% share in sugar-free and healthier candy offerings across the Nordics.

Driven by a passion for innovation, our subsidiaries leverage high technological barriers, limiting competitors' market entry. Our leading brands enjoy strong recognition in the innovative space, setting us apart in the industry.

Our fast-paced product development and R&D initiatives enable us to bring new offerings to market swiftly, staying ahead of consumer demands and industry trends. Additionally, we serve as a flexible, solutions-oriented contract manufacturer for Nordic market players, ensuring agility and responsiveness in meeting their needs.

Humble Group's vision: to be the leading provider of high-quality sugar-reduced and confectionary snacks.

SEGMENT UPDATE

The most significant events and initiatives for the segment comprise, among others:

- Successful integration of Tweek and MCN to FCB. Expected to result in reduced overhead, strengthened product offering and serve as a catalyst for growth.
- Initiated set-up of Nordic manufacturing offering, Arena Confectionary. Starting to scale several of the manufacturers with additional production shift. We see further potential in utilizing

synergies through coordination of capabilities and customer offering, strengthened operational efficiency and collaborative production and resource planning for maximised output.

- Increased capacity initiatives introduced across several manufacturing entities to meet increasing demand.
- Divestment of Bayn Production and winddown of Bayn Nordic as part of streamlining our Swedish manufacturing offering and strengthening operating results.
- True Gum received B-Corp certification, manifesting our mission to increase accountability and transparency.
- True Gum asset purchase of Ration bar brand completed, broadening the product range and bolster sales capabilities.
- Actively reallocating capital for continued investments in our purpose-led brands and leveraging momentum to accelerate international expansion.

SALES AND PROFITABILITY

Net sales for the Future Snacking segment amounted to MSEK 233 (213) during the quarter, a total increase of 9% compared to the corresponding period last year. Adjusted EBITDA for the quarter amounted to MSEK 30 (47), with an Adjusted EBITDA margin of 13% (12). For further financial information of the Group, please refer to *Note 4 Segment information and disclosure of revenue*. Companies included in the segment can be found in *Note 31 in the Annual report 2022* and in *Note 9 Business combination* in this interim report.

FUTURE SNACKING

Amount in M SEK	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Net sales	233	213	936	733
Raw material and consumables	-127	-121	-532	-417
Gross profit	106	92	404	316
Gross margin	46%	43%	43%	43%
EBITDA	30	47	83	162
Items affecting comparability	0	-21	42	-57
Adjusted EBITDA	30	25	126	105
Adjusted EBITDA in relation to net sales	13%	12%	13%	14%
EBITA	20	45	47	138
Adjusted EBITA	20	24	90	81
Adjusted EBITA in relation to net sales	9%	11%	10%	11%
EBIT	9	9	13	85
Adjusted EBIT	9	-12	55	28
Adjusted EBIT in relation to net sales	4%	-6%	6%	4%



SEGMENT REPORT - SUSTAINABLE CARE

SEGMENT OVERVIEW

Sustainable Care encompasses a wide range of brands, distributors, and manufacturers that cover multiple categories across organic household, personal care, beauty, and oral hygiene products. These entities unite to address the increasing demand for eco-friendly and sustainable products that promote a healthier planet and align with consumer preferences for environmentally conscious choices.

The companies within the segment share a common goal of meeting the increasing demand for sustainable and eco-friendly products. By prioritizing sustainability, they actively contribute to creating a healthier and environmentally conscious planet. Their commitment to offering sustainable options aligns with the growing consumer preference for environmentally friendly choices. Through their collective efforts, the Sustainable Care segment is dedicated to make a positive impact on both personal well-being and the planet as a whole.

Humble Group's vision: a modern personal- and home care retail partner.

SEGMENT UPDATE

The most significant events and initiatives for the segment comprise, among others:

- Solent continued to deliver topline growth with solid profitability. Growing its presence and role as a dynamic retail partner for the Group's brands.
- The Humble Co. US continued to gain sales volume growth across main product categories in the US

market. The entity will be used for additional brands (other segments as well) expansion in the US market.

- Started integration and consolidation between Solent and Go Superfoods, enabling growth possibilities in both the UK and European market. Action in line with our strategy to consolidate, or integrate, smaller businesses into larger platforms and leverage on operational efficiencies and synergetic opportunities.
- Organizational restructurings carried out in The Humble Co. for the purpose of reintroducing focus on growth in key markets and stricter cost control.
- Naty transitioned to new manufacturing supplier for more balanced quality and improved cost structure.
- Naty underwent organizational restructurings as part of strategy to reduce operational cost base and regain sales momentum.
- Fancystage is undergoing a strategic development in the operations to strengthen the profitability long term, implying an impairment of intangible fixed assets and a one time effect of -35 MSEK during the fourth quarter.

SALES AND PROFITABILITY

Net sales for the Sustainable Care segment amounted to MSEK 612 (547) during the quarter, a total increase of 12% compared to the corresponding period last year. Adjusted EBITDA for the quarter amounted to MSEK 90 (102), with an Adjusted EBITDA margin of 15% (19). For further financial information of the Group, please refer to *Note 4 Segment information and disclosure of revenue*. Companies included in the segment can be found in *Note 31* in the Annual report 2022 and in *Note 9 Business combination* in this interim report.

SUSTAINABLE CARE	Fourth quarter		Twelve months	
	2023	2022	2023	2022
<i>Amount in M SEK</i>				
Net sales	612	547	2,197	1,845
Raw material and consumables	-389	-364	-1,413	-1,171
Gross profit	223	183	784	674
<i>Gross margin</i>	36%	33%	36%	37%
EBITDA	80	82	326	225
Items affecting comparability	11	20	-10	78
Adjusted EBITDA	90	102	317	303
<i>Adjusted EBITDA in relation to net sales</i>	15%	19%	14%	16%
EBITA	72	68	298	193
Adjusted EBITA	83	88	289	271
<i>Adjusted EBITA in relation to net sales</i>	14%	16%	13%	15%
EBIT	11	64	158	124
Adjusted EBIT	22	83	148	202
<i>Adjusted EBIT in relation to net sales</i>	4%	15%	7%	11%

SEGMENT REPORT - QUALITY NUTRITION

SEGMENT OVERVIEW

Quality Nutrition is dedicated to delivering premium nutritional products and supplements for athletes and the everyday consumer, focusing on enhancing well-being, performance, and health. With several highly recognized brands in innovative spaces and manufacturers, we set industry standards and hold a unique market positioning in the nutrition category.

Our full-service offering across product categories and scalable production ensure adaptability, while serving as a flexible, solutions-oriented contract manufacturer for European market players. Through Arena Nutrition, we provide Nordic market players with a local sourcing alternative for a comprehensive range of nutritional ingredients, further enhancing our commitment to sustainability and quality.

Humble Group's vision Nordics: Leading Business to Business supplier of sport nutrition products.

Humble Group's vision Australia: A sports nutrition powerhouse.

SEGMENT UPDATE

The most significant events and initiatives for the segment comprise, among others:

- Completed asset purchase of bar facility in Australia. Implementation well underway and will serve as a stand-alone contract manufacturer under the name Bars Production Australia.

- Body Science sport- and energy drink launched. Poised to grow into one of the leading categories.
- Brand expansion of Body Science to new markets initiated.
- Vitargo export project initiated – a collaborative project with Body Science.
- Significant progress in the implementation of drink production line at Habo, Sweden site. First trials are expected to be operational by end of H1 2024.
- Increased capacity initiatives introduced across several manufacturing entities to meet increasing demand.
- Several new product innovations initiated, enabled through cross-subsidiary collaborations.

SALES AND PROFITABILITY

Net sales for the Quality Nutrition segment amounted to MSEK 431 (339) during the quarter, an increase of 27% compared to the corresponding period last year. Adjusted EBITDA for the quarter amounted to MSEK 40 (34), with an Adjusted EBITDA margin of 9% (10). For further financial information of the Group, please refer to *Note 4 Segment information and disclosure of revenue*. Companies included in the segment can be found in *Note 31* in the Annual report 2022 and in *Note 9 Business combination* in this interim report.

QUALITY NUTRITION	Fourth quarter		Twelve months	
	2023	2022	2023	2022
<i>Amount in M SEK</i>				
Net sales	431	339	1,462	965
Raw material and consumables	-278	-232	-1,030	-700
Gross profit	153	107	432	265
<i>Gross margin</i>	35%	32%	30%	27%
EBITDA	35	11	166	104
Items affecting comparability	5	23	-11	4
Adjusted EBITDA	40	34	155	108
<i>Adjusted EBITDA in relation to net sales</i>	9%	10%	11%	11%
EBITA	30	2	144	83
Adjusted EBITA	35	25	132	87
<i>Adjusted EBITA in relation to net sales</i>	8%	7%	9%	9%
EBIT	22	-11	115	57
Adjusted EBIT	27	12	103	61
<i>Adjusted EBIT in relation to net sales</i>	6%	4%	7%	6%

SEGMENT REPORT - NORDIC DISTRIBUTION

SEGMENT OVERVIEW

Ever since its inception, Humble Group has pursued a comprehensive strategy that encompasses the entire value chain, including distribution. Within the Nordic Distribution segment, a network of wholesalers and distributors operates across the Nordic region. These companies possess extensive knowledge of local markets and consumer preferences.

Leveraging the expertise of our Nordic Distribution subsidiaries, Humble are poised to deliver an extensive range of FMCG products that are tailored to the diverse tastes and preferences prevalent in the region. This collaborative strategy underscores our commitment to effectively addressing the unique demands of the local market and ensuring a comprehensive product portfolio that resonates with our valued customers.

Humble Group's vision: Number 1 distribution partner for healthy and sustainable brands.

SEGMENT UPDATE

The most significant events and initiatives for the segment comprise, among others:

- Nordfood integration to GSD successfully completed.

- Privab Stockholm and Privab Ystad integration to Privab Nässjö completed.
- Privab Trollhättan consolidation with Privab Nässjö completed – Maintaining stand-alone warehousing and logistics set-up.
- Continued progress made in centralization project and improving IT infrastructure.
- Continued progress made in freight and logistics procurement project – aims to gather volumes and reduce overall transportation cost.

SALES AND PROFITABILITY

Net sales for the Nordic Distribution segment amounted to MSEK 660 (506) during the quarter, an increase of 30% compared to the corresponding period last year. Adjusted EBITDA for the quarter amounted to MSEK 20 (13), with an Adjusted EBITDA margin of 3% (3). For further financial information of the Group, please refer to *Note 4 Segment information and disclosure of revenue*. Companies included in the segment can be found in *Note 31* in the Annual report 2022 and in *Note 9 Business combination* in this interim report.

NORDIC DISTRIBUTION	Fourth quarter		Twelve months	
	2023	2022	2023	2022
<i>Amount in M SEK</i>				
Net sales	660	506	2,455	1,257
Raw material and consumables	-528	-411	-1,946	-980
Gross profit	132	95	509	277
<i>Gross margin</i>	20%	19%	21%	22%
EBITDA	23	14	101	52
Items affecting comparability	-4	-1	9	6
Adjusted EBITDA	20	13	110	58
<i>Adjusted EBITDA in relation to net sales</i>	3%	3%	4%	5%
EBITA	17	11	76	44
Adjusted EBITA	13	10	85	49
<i>Adjusted EBITA in relation to net sales</i>	2%	2%	3%	4%
EBIT	11	7	55	29
Adjusted EBIT	7	6	64	35
<i>Adjusted EBIT in relation to net sales</i>	1%	1%	3%	3%

OTHER INFORMATION

ABOUT HUMBLE GROUP

Humble Group is a leading FMCG Group with a focus on health and well-being. The Group comprises 47 operating entities at the day of this report. Humble Group has set financial targets that the Group shall reach SEK 16 billion in net sales proforma and SEK 1.9 billion in Adjusted EBITA proforma by the end of 2025. The company has an organic growth target at minimum 15% year over year and a NIBD / Adjusted EBITDA proforma below 2.5x.

Read more about the Group and its composition on www.humblegroup.se

STAFF AND NUMBER OF EMPLOYEES

On Group level

The average number of employees in the Group for the year was 1,129 (994). The proportion of women in the Group for the full year was 44% (49).

Parent company

The average number of employees in the Parent Company during the year was 18 (16), with 18% (25) being women.

RISKS AND UNCERTAINTIES

Humble Group works continuously to identify, evaluate, and manage risks and exposures that the Group subsidiaries face. 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. A description of significant risks and uncertainties can be found in the Annual Report for 2022.

At the time of this year-end report being published the war between Russia and Ukraine is still ongoing and recent events in the Middle East have also led to a renewed flare-up of the long-standing war in Israel and Gaza. Humble Group does not have any exposures towards these countries, and as such do not note any direct effects from the ongoing wars. Even though it is difficult to quantify the exact effects, the Group notices the indirect effects from the wars driven by increased inflation and rising interest rates with a following change in consumer consumption patterns. The Group monitors the market development closely to ensure that Humble positions its product mix in best possible way to meet any potential changes in market or consumer behaviour. Furthermore, the increased market price volatility regarding raw material prices as well as development of the freight crisis is monitored closely to enable transition of price increases to customers in all material aspects and to a protect stable operating margins.

PARENT COMPANY

Humble Group AB completed stage 1 of the communicated intention to divest properties within the group structured through a sale-lease-back transaction. Humble Group AB received 80% of the agreed property value in cash and the remaining 20% in issued preference shares in the buyer.

Humble Group AB also entered into a binding agreement regarding sale of all shares in Bayn Production AB for a total purchase price of SEK 7,7 million.

No other significant events occurred in Humble Group AB during the fourth quarter.

RELATED PARTY TRANSACTION

No transactions with related parties have occurred during 2023 that had a significant impact. The minor transactions that have occurred relates to lease agreements of previous owners' properties. Lease agreements between the parties are based on an arms length's perspective and on market terms and conditions.

PROPOSED APPROPRIATION OF PROFITS

The Board of Directors proposes that no dividend will be paid for the financial year 2023.

FINANCIAL CALENDAR

The interim report for the period January-March 2024 will be published on May 2nd, 2024.

The annual report will be published on April 17th, 2024, and the Annual General Meeting is scheduled to May 22nd, 2024.

For financial reports and calendar, see more detailed information on our website www.humblegroup.se

CERTIFIED ADVISOR

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AUDITORS

BDO Mälardalen
Auditor in Charge: Carl-Johan Kjellman,
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THE SHARE

THE SHARE

The company's share with ticker HUMBLE has been listed on Nasdaq First North Growth Market since 12 November 2014.

NUMBER OF SHARES

At the end of the reporting period, the total number of shares was 443,544,543 (301,274,580), which entitles to one vote each. All shares are of the same share class. The number of outstanding warrants amounted to 7,420,000 (3,320,000). For the period October - December 2023, the average number of shares before dilution and average number of shares after dilution amounted to 443,544,543 and 450,964,543 respectively.

TRADE IN THE SHARE

Fourth quarter

The total liquidity in the share during the quarter amounted to MSEK 338 (1,018). The number of transactions for the same period amounted to 35,793 (89,659). The average volume per transaction amounted to SEK 9,452 (11,357). The average volume per trading day amounted to MSEK 5 (16).

LARGEST SHAREHOLDERS

The ten largest shareholders per December 31, 2023, are listed below:

Owner	Shares	Votes
Neudi & C:o AB	46,135,778	10.40%
Håkan Roos (RoosGruppen AB)	46,029,975	10.38%
Noel Abdayem (NCPA Holding AB)	27,927,095	6.30%
Alta Fox Capital	26,021,235	5.87%
Capital Group	22,368,627	5.04%
Creades AB	18,136,470	4.09%
Nordnet Pensionsförsäkring	18,235,271	4.11%
DNB Asset Management AS	13,639,502	3.08%
Thomas Petré (Seved Invest AB)	12,570,000	2.83%
DNB Asset Management SA	9,850,486	2.22%
Total top 10	240,914,439	54.32%
Other shareholders	202,630,104	45.68%
Total number of shares	443,544,543	100%

DATA PER SHARE

An overview of share development, turnover and result per share is presented below.

	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Low price (SEK)	7.83	7.65	5.94	9.01
High price (SEK)	11.69	12.61	11.69	28.85
Closing price previous period (SEK)	9.10	9.23	9.77	28.00
Closing price current period (SEK)	11.38	9.77	11.38	9.77
Share price development during period (%)	25%	6%	16%	-65%
Trading volume in the share (MSEK)	338	1,018	1,748	4,223
Number of transactions in the share	35,793	89,659	181,662	347,133
Average volume per trading day (MSEK)	5	16	7	17
Average volume per transaction (SEK)	9,452	11,357	9,621	12,166
Number of shareholders*	20,670	24,080	20,670	24,080
Number of shares outstanding*	443,544,543	301,274,580	443,544,543	301,274,580
Average number of shares before dilution	443,544,543	301,274,580	377,360,692	284,151,901
Average number of shares after dilution	450,964,543	304,594,580	383,219,322	286,818,625
Net sales per share (SEK)**	4.37	5.33	18.68	16.89
Adjusted EBITDA per share (SEK)**	0.43	0.59	1.84	1.94
Adjusted EBITA per share (SEK)**	0.37	0.51	1.55	1.64
Adjusted EBIT per share (SEK)**	0.16	0.33	0.94	1.07
EBIT per share (SEK)**	0.15	0.21	0.84	0.90
Earnings per share (SEK)	-0.02	-0.06	-0.28	-0.13

See page 26 for definition and calculation of key ratios.

* End of period, **Before dilution

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amount in MSEK</i>	<i>Note</i>	Fourth quarter		Twelve months	
		2023	2022	2023	2022
Net sales	4	1,936	1,606	7,050	4,800
Capitalized work on own account		22	24	83	85
Other operating income		83	67	262	259
Raw materials and consumables		-1,322	-1,128	-4,921	-3,268
Other external expenses		-250	-190	-851	-644
Personnel expenses		-222	-196	-790	-625
Other operating expenses		-64	-41	-174	-103
EBITDA	7	184	143	659	504
Depreciation of tangible fixed assets		-11	-10	-47	-37
Depreciation of right-of-use assets		-17	-14	-64	-48
EBITA	7	156	119	547	419
Amortization of intangible fixed assets		-54	-21	-83	-35
Amortization of assets related to acquisitions		-37	-35	-146	-128
EBIT	7	66	62	318	257
Profit from shares in associated companies		2	-2	1	-4
Financial income		6	6	13	14
Financial expenses	5	-67	-83	-393	-265
PROFIT AND LOSS AFTER FINANCIAL ITEMS		6	-17	-61	1
Income tax		-16	-1	-45	-37
PROFIT AND LOSS AFTER TAX*		-11	-18	-106	-36
Other comprehensive income					
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences in translation of foreign operations		-124	22	6	135
COMPREHENSIVE INCOME FOR PERIOD*		-135	4	-100	99
Earnings per share before dilution		-0,02	-0,06	-0,28	-0,13
Earnings per share after dilution		-0,02	-0,06	-0,28	-0,13

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

GROUP BALANCE SHEET - IN SUMMARY

<i>Amount in MSEK</i>	Note	December, 31	
		2023	2022
ASSETS			
<i>Non-current assets</i>			
Intangible assets		6,013	5,995
Tangible fixed assets		191	372
Financial assets		99	75
Right-of-use assets		299	151
Deferred tax assets		29	26
Total non-current assets		6,631	6,618
<i>Current assets</i>			
Inventory		983	982
Accounts receivables		561	683
Other short-term receivables		211	234
Cash and cash equivalents *		401	338
		2,157	2,237
Assets classified as held for sale	6	129	0
Total current assets		2,287	2,237
TOTAL ASSETS		8,918	8,855
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		98	66
Unregistered share capital		0	0
Other equity contributed		5,032	4,131
Retained earnings		-260	-161
Equity attributable to Parent Company's shareholder		4,869	4,036
<i>Long-term liabilities</i>			
Interest-bearing liabilities	8	1,204	1,916
Contingent considerations	10	165	433
Long-term lease liabilities		258	100
Deferred tax liabilities		474	502
Other long-term liabilities		34	79
Total long-term liabilities		2,135	3,029
<i>Short-term liabilities</i>			
Interest-bearing liabilities *	8	247	579
Contingent considerations	10	336	347
Current lease liabilities		67	49
Accounts payable		652	550
Other short-term liabilities		568	265
		1,870	1,790
Liabilities directly associated with assets classified as held for sale	6	43	0
Total short-term liabilities		1,913	1,790
TOTAL EQUITY AND LIABILITIES		8,918	8,855

*In connection with the refinancing of group capital structure during the third quarter, the presentation of the Group Cash pool account changed which resulted in the cash and cash equivalents as well as short term interest liabilities have been restated per 2212. The change amount to -42MSEK in 2212.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – FOURTH QUARTER

<i>Amount in M SEK</i>	Equity attributable to Parent Company's shareholder					
	Share capital	Unregistered share capital	Other equity contributed	Exchange rate differences	Retained earnings	Total shareholders equity
Opening balance September 1, 2022	66	0	4,243	155	-320	4,144
Net income for period					-18	-18
Other comprehensive income				22		22
Total comprehensive income				22	-18	4
<i>Transaction with owners in their capacity as owners:</i>						
Share issue			-113			-113
Transaction costs			-1			-1
Warrants program			2			2
Total transaction with owners in their capacity as owners	0		-112			-112
Ending balance December 31, 2022	66	0	4,131	177	-338	4,036
Opening balance September 1, 2023	98	0	5,028	307	-432	5,000
Net income for period					-11	-11
Other comprehensive income				-124		-124
Total comprehensive income				-124	-11	-135
<i>Transaction with owners in their capacity as owners:</i>						
Share issue			0			0
Transaction costs						0
Realization loss from share buyback						0
Warrants program						0
Adjustment to prior year			4			4
Total transaction with owners in their capacity as owners	0		4	0	0	4
Ending balance December 31, 2023	98	0	5,032	183	-443	4,869

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – TWELVE MONTHS

<i>Amount in M SEK</i>	Equity attributable to Parent Company's shareholder					
	Share capital	Unregistered share capital	Other equity contributed	Exchange rate differences	Retained earnings	Total shareholders equity
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				135	-36	99
<i>Transaction with owners in their capacity as owners:</i>						
Share issue	12	-1	826			837
Transaction costs			-12			-12
Warrants program			2			2
Total transaction with owners in their capacity as owners	12	-1	816	0	0	827
Ending balance December 31, 2022	66	0	4,131	177	-338	4,036
Opening balance January 1, 2023	66	0	4,131	177	-338	4,036
Net income for period					-106	-106
Other comprehensive income				6		6
Total comprehensive income				6	-106	-100
<i>Transaction with owners in their capacity as owners:</i>						
Share issue	31		927			958
Transaction costs			-28			-28
Realization loss from share buyback			-1			-1
Warrants program			-1			-1
Adjustment to prior year			4			4
Total transaction with owners in their capacity as owners	31		901	0	0	932
Ending balance December 31, 2023	98	0	5,032	183	-443	4,869

GROUP CASH-FLOW STATEMENT

<i>Amount in M SEK</i>	Fourth quarter		Twelve months	
	2023	2022	2023	2022
OPERATING ACTIVITIES				
Profit and loss after financial items	6	-17	-61	1
<i>Adjustment for non-cash items</i>				
Depreciation and Amortization	118	81	341	247
Other items	38	133	304	155
Paid tax	-33	-14	-54	-33
Cash flow from operating activities before change in net working capital	129	183	529	371
CHANGE IN WORKING CAPITAL				
Change in inventories (increase - / decrease +)	44	-6	27	-101
Change in short term receivables (increase - / decrease +)	22	46	190	74
Change in short term liabilities (increase - / decrease +)	91	25	341	-88
Sum of change in working capital	156	64	558	-116
Cash flow from operating activities	285	246	1,088	255
INVESTING ACTIVITIES				
Acquisition of capitalized development costs	-21	-24	-83	-84
Acquisition of intangible assets	-22	0	-29	-6
Acquisition of tangible assets	-10	-48	-49	-57
Acquisition of financial assets	0	0	0	0
Acquisition of subsidiaries, sold businesses	107	0	107	0
Acquisition of subsidiaries, acquired business + paid earn-outs	-17	-2	-369	-901
Cash flow from investing activities	37	-74	-423	-1,048
FINANCING ACTIVITIES				
Share issue funds	0	0	875	530
Costs related to share and bond issues	-3	-2	-111	-12
Paid premium for share incentive program	0	2	0	2
Bond financing	0	0	-1,800	0
Proceeds from bond	0	0	0	300
Paid interest due to financing activities	-29	-36	-216	-154
New loans	0	279	1,546	769
Repayment of loans	-256	-354	-823	-670
Amortization of lease liability	-18	-16	-72	-52
Cash flow from financing activities	-307	-128	-601	712
Decrease/Increase in cash and cash equivalents	15	44	64	-82
Cash and cash equivalents at beginning of period	397	295	338	420
Exchange rate differences	-11	-1	-1	-1
Cash and cash equivalents at end of period	401	338	401	338
Deployable cashflow*	292	122	486	-99

*See page 26 for definition and calculation

The company received deferred tax support during the second quarter recognized as short-term liabilities. This had a positive one-time effect on the cash flow from operating activities of MSEK 260.

INCOME STATEMENT - PARENT COMPANY

<i>Amount in M SEK</i>	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Net sales	25	19	44	21
Other operating income	-2	-3	1	1
Total revenue	23	16	46	22
Capitalized work on own account	0	2	0	9
Other external expenses	-9	-8	-29	-20
Personnel expenses	-13	-18	-43	-48
Other operating expenses	75	0	76	-1
EBITDA	76	-8	49	-38
Depreciation and amortization of fixed tangible and intangible assets	-11	0	-11	0
EBIT	65	-8	38	-38
Profit from shares in subsidiaries and associated companies	0	0	0	0
Received dividends from subsidiaries	27	15	40	52
Interest income	10	12	34	13
Interest expenses	-57	-82	-355	-230
PROFIT AND LOSS AFTER FINANCIAL ITEMS	44	-63	-243	-204
Year-end appropriations	96	100	96	100
PROFIT AND LOSS BEFORE TAX	140	37	-147	-104
Current taxes	-5	-16	-5	-16
PROFIT AND LOSS AFTER TAX	135	21	-152	-120

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

PARENT COMPANY BALANCE SHEET – IN SUMMARY

<i>Amount in M SEK</i>	Note	December, 31	
		2023	2022
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets		2	1
Tangible fixed assets		3	1
Financial fixed assets		6,967	6,920
Total non-current assets		6,972	6,922
<i>Current assets</i>			
Inventory		0	0
Accounts receivables		40	0
Receivables w ith group companies		230	287
Other short-term receivables		24	13
Cash and cash equivalents		4	1
Total current assets		298	301
TOTAL ASSETS		7,269	7,222
EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity		98	66
Unrestricted equity		4,637	3,880
Total shareholders equity		4,735	3,946
Provisions		507	786
<i>Long term liabilities</i>			
Interest-bearing liabilities		1,189	1,826
Liabilities to group companies		15	0
Other long-term liabilities		11	33
Total long-term liabilities		1,215	1,859
<i>Short-term liabilities</i>			
Interest-bearing liabilities		253	571
Accounts payable		12	7
Liabilities to group companies		506	24
Other liabilities		41	29
Total short-term liabilities		812	631
TOTAL EQUITY AND LIABILITIES		7,269	7,222

NOTES AND PERFORMANCE MEASUREMENTS

NOTE 1 – ACCOUNTING PRINCIPLES

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 interim 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 from certain financial assets and liabilities measured at fair value through profit and loss.

The accounting policies adopted are consistent with those of the Annual report for the year ended December 31, 2022. New or amended IFRS standards, effective from January 1, 2023, have no impact on the result and financial position of the Group.

NOTE 2 – 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 significant risk of significant adjustments in reported values for assets and liabilities in this interim report correspond to those describe in *Note 3* in the Annual report 2022. The management has made assessments and estimates continuously throughout 2023, where the main estimates relate to contingent considerations. See *Note 10* for more information. On December 1st the Group announced its intention regarding sale of real estates as a sale and leaseback transaction. The first part of the sale took place on December 15th, thus a right-of-use asset is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. The associated assets for the second part of the sale are presented as assets held for sale in the financial statement. On December 19th the Group announced its intention to divest Bayn Production AB. The associated assets and liabilities of Bayn Production are presented as assets held for sale in the financial statement. Quantitative information is presented in *Note 7*.

NOTE 3 – SUBSEQUENT EVENTS

On January 2nd, Humble Group divested Bayn Production AB. The company was divested as part of Humble Groups long-term strategy to streamline the operations. The total purchase price for the shares in Bayn Production amount to MSEK 7.7. See *Note 7* for more information

FINANCIAL INFORMATION

NOTE 4 – SEGMENT INFORMATION AND DISCLOSURE OF REVENUE

The Group's chief operating decision maker is the chief executive officer (CEO), who primarily uses a measure of adjusted earnings before interest, tax, depreciation, and amortization (Adjusted EBITDA) to assess the performance of the operating segments. The CEO does not follow up the segments' assets or liabilities for allocation of resources or assessment of results.

For further information regarding the segments, please refer to page 5-8. The Group financials consists of below combined segments:

<i>Fourth quarter 2023, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	233	612	431	660	0	1,936
Raw material and consumables	-127	-389	-278	-528	0	-1,322
Gross profit	106	223	153	132		614
<i>Gross margin, %</i>	46%	36%	35%	20%		32%
EBITDA	30	80	35	23	15	184
Items affecting comparability (note 5)	0	11	5	-4	-5	7
Adjusted EBITDA***	30	90	40	20	10	190
<i>Adjusted EBITDA in relation to net sales</i>	13%	15%	9%	3%		10%
EBITA	20	72	30	17	16	156
Adjusted EBITA	20	83	35	13	11	162
<i>Adjusted EBITA in relation to net sales</i>	9%	14%	8%	2%		8.4%
EBIT	9	11	22	11	13	66
Adjusted EBIT	9	22	27	7	7	72
<i>Adjusted EBIT in relation to net sales</i>	4%	4%	6%	1%		4%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 5 for reconciliation to Profit before tax

<i>Fourth quarter 2022, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	213	547	339	506		1,606
Raw material and consumables	-121	-364	-232	-411	0	-1,128
Gross profit	92	183	107	95		478
<i>Gross margin, %</i>	43%	33%	32%	19%		30%
EBITDA	47	82	11	14	-11	143
Items affecting comparability (note 5)	-21	20	23	-1	16	36
Adjusted EBITDA***	25	102	34	13	4	179
<i>Adjusted EBITDA in relation to net sales</i>	12%	19%	10%	3%		11%
EBITA	45	68	2	11	-7	119
Adjusted EBITA	24	88	25	10	9	155
<i>Adjusted EBITA in relation to net sales</i>	11%	16%	7%	2%		10%
EBIT	9	64	-11	7	-6	62
Adjusted EBIT	-12	83	12	6	10	98
<i>Adjusted EBIT in relation to net sales</i>	-6%	15%	4%	1%		6%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 5 for reconciliation to Profit before tax

FINANCIAL INFORMATION

<i>Twelve months 2023, amount in M SEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	936	2,197	1,462	2,455	0	7,050
Raw material and consumables	-532	-1,413	-1,030	-1,946	0	-4,920
Gross profit	404	784	432	509		2,129
<i>Gross margin, %</i>	43%	36%	30%	21%		30%
EBITDA	83	326	166	101	-18	659
Items affecting comparability (note 5)	42	-10	-11	9	6	37
Adjusted EBITDA***	126	317	155	110	-12	696
<i>Adjusted EBITDA in relation to net sales</i>	13%	14%	11%	4%		10%
EBITA	47	298	144	76	-19	547
Adjusted EBITA	90	289	132	85	-12	584
<i>Adjusted EBITA in relation to net sales</i>	10%	13%	9%	3%		8%
EBIT	13	158	115	55	-23	318
Adjusted EBIT	55	148	103	64	-16	355
<i>Adjusted EBIT in relation to net sales</i>	6%	7%	7%	3%		5%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 5 for reconciliation to Profit before tax

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

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 5 for reconciliation to Profit before tax

FINANCIAL INFORMATION

Net sales per country	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Amount in M SEK				
Australia	164	73	423	141
China	65	47	193	150
Denmark	21	22	80	62
Finland	29	28	108	77
Germany	61	75	272	234
Norway	66	58	264	202
Portugal	44	68	167	127
Sweden	927	765	3496	2410
United Kingdom	309	264	1166	846
USA	30	29	126	87
Other countries*	220	176	755	465
Total net sales	1,936	1,606	7,050	4,800

*None of the other countries independently contribute more than one percent of total net sales.

NOTE 5 – FINANCIAL EXPENSES

During the fourth quarter, Humble Group fulfilled the refinancing of existing bonds and credit facility by taking up new bank facilities. The refinancing is expected to decrease the interest cost, which will have a positive impact on the result and cash flow.

Amount in M SEK	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Interest expense related to financing	-38	-58	-213	-174
Unwinding of discounting effect	-13	-24	-69	-61
Interest expense on lease liabilities	-3	-2	-10	-6
Exchange rate losses and revaluation effects	-9	-3	-11	-17
Costs related to refinancing of bond	0	0	-78	0
Other interest expenses	-5	4	-13	-7
Financial expenses	-67	-83	-393	-265

NOTE 6 – ASSETS HELD FOR SALE

On December 1st the Group announced its intention regarding sale of real estates as a sale and leaseback transaction. The first part of the sale took place on December 15th, thus a right-of-use asset is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. The right-of-use assets amount to MSEK 87 and the lease liability MSEK 107. The gain of MSEK 9 relates to the rights transferred to the buyer. The associated assets for the second part of the sale amount to MSEK 112 are presented as assets held for sale in the financial statement. Property related loans are presented as liabilities directly associated with assets classified as held for sale.

On December 19th the Group announced its intention to divest Bayn Production AB. The asset and liabilities are measured at lowest of nominal value and fair value, and an impairment loss of MSEK 6 has been recognized in the fourth quarter. The associated assets of MSEK 17 and liabilities of MSEK 9 are presented as assets held for sale in the financial statement.

NOTE 7 – ITEMS AFFECTING COMPARABILITY

Humble Group recognizes items affecting comparability to EBITDA to visualise comparable figures that are adjusted for the items that occur in historical numbers for various reasons. Explanation of what the items affecting comparability mainly refer to are presented in *Note 10* in the Annual report 2022. Humble has not adjusted for any items related to freight costs during 2023. The main adjustment item during the quarter was related to employee-related compensation and lock-in penalties of MSEK -10 (-13). These expenses had no cash flow impact.

<i>Amount in MSEK</i>	Fourth quarter		Twelve months	
	2023	2022	2023	2022
Adjusted EBITDA	190	179	696	551
Acquisition related cost and income*	-2	-11	-8	-39
Revaluation of contingent considerations accounting**	9	3	51	111
Lock-in penalty from acquisition SPA**	-10	-13	-45	-72
Donations	0	1	-1	-3
Restructuring	-8	-35	-23	-42
Other	3	17	-11	-3
EBITDA	184	143	659	504
Depreciation	-28	-24	-112	-85
EBITA	156	119	547	419
Amortization	-90	-56	-229	-162
EBIT	66	62	318	257
Finance net	-60	-80	-379	-255
EBT	6	-17	-61	1

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

<i>Amount in MSEK</i>	Fourth quarter		Twelve months	
	2023	2022	2023	2022
EBITDA	184	143	659	504
Items affecting comparability	7	36	37	47
Adjusted EBITDA	190	179	696	551
EBITA	156	119	547	419
Items affecting comparability	7	36	37	47
Adjusted EBITA	162	155	584	466
EBIT	66	62	318	257
Items affecting comparability	7	36	37	47
Adjusted EBIT	72	98	355	304

NOTE 8 – NET INTEREST-BEARING DEBT

Humble Group's net interest-bearing debt as of December 31, 2023, is presented in table below. During 2023, Humble Group has carried out a directed share issue and raised MSEK 849 in cash net of transactional costs, of which MSEK 450 was used to amortize its revolving credit facility in June 2023.

Humble Group received tax deferments of MSEK 260 during the second quarter 2023. In accordance with IFRS Accounting principles, this has been recognized as other short-term liability. The tax deferral got extended one year from September 2023 with the possibility for extension for up to one additional year.

<i>Amount in MSEK</i>	December, 31	
	2023	2022
Interest-bearing liabilities		
Bond financing debt	0	1,826
Liability to credit institutions excluding liabilities related to assets held for sale (property financing)	1,450	668
Lease liabilities	325	150
Total interest-bearing liabilities	1,775	2,644
Cash and cash equivalents	-401	-338
Net Interest Bearing Debt (NIBD)	1,374	2,306

Table below illustrates the leverage multiple adjusted for inclusion of earnout max cash payment, sale and leaseback, and tax deferral. Twelve month Adjusted EBITDA Proforma amounted to MSEK 720. Net Interest-bearing debt in relation to last twelve months Adjusted EBITDA proforma amounts to 1,9x at the end of this reporting period.

<i>Amount in MSEK</i>	December, 31	LTM Adj. EBITDA proforma	Leverage Multiple
Net Interest Bearing Debt (NIBD)	1,374	720	1,9x
Lease Liabilities and EBITDA impact	-325	-81	
Proforma properties sale and leaseback (SLB) ongoing process	-133	-11	
Tax deferral	260		
Net Interest Bearing Debt (NIBD-Leasing+ Tax Deferrals)	1,176	628	1,9x
Earnout nominal value	542		
Net Interest Bearing Debt (NIBD+ EO-Leasing+ Tax Deferrals)	1,718	628	2,7x

NOTE 9 – BUSINESS COMBINATIONS

BUSINESS COMBINATIONS 2023

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

Acquisitions during fourth quarter

No new acquisition has been made during the fourth quarter of 2023.

During first quarter of 2023, the Parent Company acquired 100% of four subsidiaries. The acquisitions are presented on an aggregated level, as the relative amounts of the individual acquisitions are not deemed to be material.

The subsidiaries have operations within distribution and manufacturing. Identified excess values are linked to Goodwill MSEK 61, Customer relationship and listing of MSEK 11, Trademark and brands of MSEK 21, Buildings and lands of MSEK 9 and Deferred tax liability of MSEK 12.

Significant estimate: contingent consideration

Two of the total acquisitions made during 2023 have an agreement of contingent considerations of total MSEK 32. These considerations are due to payment within 0-3 years. The potential undiscounted amount payable under the agreements amount to MSEK 39 for cumulative EBITDA. The fair value of the contingent consideration was MSEK 32 at the initial recognition and is estimated by calculating the present value of the future expected cash flows at the end of the accounting period. The estimates are based on a weighted average cost of capital as discount rate of 11,02%.

Employment linked consideration

No employment linked consideration is related to the acquisitions carried out during 2023.

Revenue and profit contribution

The acquisition of the subsidiaries contributed with net sales of MSEK 60 to the Group for the period from the acquisition date to end of March 2023. The subsidiaries also contributed with an EBITDA of MSEK 2 during the same period. If the subsidiaries would have been consolidated from January 1, 2023, the Group's income statement would present additional net sales of MSEK 135 and EBITDA of MSEK 8.

Acquisition-related costs

Acquisition-related costs of 6 MSEK are included in the statement of profit and loss and in operating cash flows in the statement of cash flows.

Summary of distribution of purchase price, PPA – IFRS

<i>Total acquisition, amount in MSEK</i>	<i>December, 31</i>
Goodwill	61
Customer relationships and listings	11
Trademarks and brands	21
Other fixed assets	51
Total fixed assets	144
Inventory	39
Accounts receivable	27
Liquid funds	20
Other current receivables	8
Total current assets	93
Total asset	237
Deferred taxes	12
Other provisions	0
Total provisions	12
Total long term liabilities	19
Accounts payable	41
Other current liabilities	0
Total current liabilities	41
Total liabilities	72
Net assets	165
Cash	75
Share issue	40
Contingent consideration	32
Deferred payment	0
Total purchase price	146

NOTE 10 – FINANCIAL INSTRUMENTS MEASURED AT 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, which 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, which 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 LONG TERM LOANS

During the third quarter, Humble Group refinanced its bond obligations of 1 800 MSEK in total, and replaced this with two Term loans of total 1 350 MSEK and one revolving credit facility of total 300 MSEK.

The new term loans are measured at amortized cost that corresponds in all essential to its fair value in the balance sheet.

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 Group 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 is presented at a higher level and constitutes a valuation of management's best assessment of the expected future cash flow. This assessment is made on a subsidiary-based level and is revalued regularly. The contingent considerations are recognized at fair value and have been discounted with 11% discount rate. The duration to maturity is presented below.

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

INPUT USED IN RECURRING LEVEL 3 FAIR VALUE MEASUREMENTS AND VALUATION TECHNIQUES

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

<i>Contingent consideration, amount in MSEK</i>	December, 31	
	2023	2022
Opening balance, January 1	780	737
New acquisitions	32	247
Payments	-320	-144
Revaluation	-50	-111
Interest expenses related to unwinding of discounting effect	60	57
Translation differences	0	-5
Closing balance, December 31	501	780

DEFINITIONS AND CALCULATIONS ON KEY RATIO

This report includes definitions and key figures that are not clearly defined in ÅRL or International Financial Reporting Standards (IFRS) but are what the company management considers to be relevant to users of the financial report as a supplement for the measures of the business's development. These financial measurements are not always comparable with the measures used by other companies since not all companies calculate such financial measures in the same way. Accordingly, these financial measures are not to be regarded as a replacement for measures defined according to IFRS. The calculations relate to period January-December 2023

Gross Profit

Net sales less raw materials and consumables.

Gross Profit is calculated as $7,050 - 4,921 = 2,129$ MSEK.

Gross Margin

Gross Profit in relation to net sales.

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

EBITDA

Earnings before interest, tax, depreciation, amortization, write-down and depreciation and amortization on acquisition-related surplus values.

Adjusted EBITDA

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

Adjusted EBITDA is calculated as $659 + 37 = 696$ MSEK.

Adjusted EBITDA margin is calculated as $696 / 7,050 = 10\%$.

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

EBITA

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

Adjusted EBITA

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

Adjusted EBITA is calculated as $547 + 37 = 584$ MSEK.

Adjusted EBITA margin is calculated as $584 / 7,050 = 8\%$

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

Adjusted EBIT

Earnings before interest and tax, adjusted for items affecting comparability. Adjusted EBIT margin is Adjusted EBIT in relation to net sales. Adjusted EBIT per share is Adjusted EBIT divided by average number of shares before dilution.

Adjusted EBIT is calculated as $318 + 37 = 355$ MSEK.

Adjusted EBIT margin is calculated as $355 / 7,050 = 5\%$

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

Net interest-bearing debt

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

Net interest-bearing debt is calculated as $1,450 + 325 - 401 = 1,374$ MSEK.

Organic growth in net sales

Change in net sales adjusted for exchange rate effect and net sales from acquired subsidiaries during the period.

Organic growth in net sales is calculated as $771 / 4,800 = 16\%$.

Deployable cash flow

The amount of cash remaining from operating activities after deduction of cash flow from investing activities, plus acquisition of subsidiaries (net cash effect), less paid interest, less amortisation of lease liability, less tax deferrals.

Deployable cash flow is calculated as $1,088 - 423 + 369 - 216 - 72 - 260 = 486$.

Last twelve months Adjusted EBITDA proforma

Adjusted EBITDA proforma present the accumulated EBITDA before intra group eliminations in all entities in the group where an agreement of acquisition or divestment have been entered at the date of this report, adjusted for items affecting comparability.

Glossary

FMCG

FMCG is an industry term and is short for *Fast Moving Consumer Good*.

Contingent consideration

Deferred purchase price payments that are contingent upon future performance of an acquired subsidiary. The consideration can be paid in both cash and shares and are presented to fair value based on management's best estimate of the occurrence of future payments.

LTM

Short for Last twelve months

Proforma

Present the income statement before intra group eliminations in all entities in the group where an agreement of acquisition or divestment have been entered. The purpose is to visualise how the Group's financial position and results would have looked like at the date of this report if the companies acquired during the year, or where acquisition agreements have been communicated had been consolidated with the existing part of the Group for twelve months.

BOARD OF DIRECTORS' APPROVAL

The Board of Directors and the CEO assure that the interim report gives a true and fair view of the Group's and the Parent Company's operations, position and results and describes significant risks and uncertainties that the Parent Company and the companies included in the Group face.

Stockholm February 19, 2024

Dajana Mirborn
Chairman of the Board

Ola Cronholm

Henrik Patek

Pål Bruu

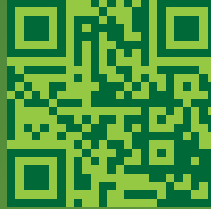
Sara Berger

Simon Petrén
Chief Executive Officer

This information is such that Humble Group AB is obliged to publish in accordance with the EU regulation on market abuse. The information was submitted for publication on February 19, 2024, at the time specified by Humble Group's news distributor Cision at the time of publication of this press release.

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