humble group.™

INTERIM REPORT

JULY – SEPTEMBER 2024

humble group™

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HIGH DEMAND AND IMPROVED PROFITABILITY

Financial information

Third quarter

- Net sales amounted to MSEK 1,978 (1,811), an increase with 9% compared to the corresponding period last year. The organic growth for the period was 10%.
- EBITA amounted to MSEK 146 (132).
- EBIT amounted to MSEK 96 (85).
- Adjusted EBITA amounted to MSEK 154 (139), an increase with 11% compared to the corresponding period last year.
- Cash flow from operating activities amounted to MSEK 142 (175).
- Profit and loss after tax amounted to MSEK 27 (-91).
- Earnings per share before and after dilution amounted to SEK 0.06 (-0.20).

Nine months

- Net sales amounted to MSEK 5,678 (5,114), an increase with 11% compared to the corresponding period last year. The organic growth for the period was 11%.
- EBITA amounted to MSEK 418 (391).
- EBIT amounted to MSEK 271 (252).
- Adjusted EBITA amounted to MSEK 422 (361), an increase with 17% compared to the corresponding period last year.
- Cash flow from operating activities amounted to MSEK 153 (802).
- Profit and loss after tax amounted to MSEK 82 (-95).
- Earnings per share before and after dilution amounted to SEK 0.18 (-0.27).

Significant events

During the third quarter

- The Board of Directors of Humble Group decide to adopt new financial targets. The new targets aim to reflect the Company's objective regarding growth and profitability and to reflect the Company's medium-term business plan. See more on page 9.
- On September 27th, Humble Group changed list from First North to Nasdaq Stockholm Main market.

After the quarter

- No significant event has occurred after the quarter.

Financial overview

	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
Net sales	1,978	1,811	5,678	5,114	7,614	7,050
Gross profit	608	529	1,759	1,515	2,374	2,129
Gross margin	31%	29%	31%	30%	31%	30%
EBITDA	177	161	500	475	685	659
Adjusted EBITDA	185	168	504	445	676	617
EBITA	146	132	418	391	574	547
Adjusted EBITA	154	139	422	361	566	505
EBIT	96	85	271	252	337	318
Adjusted EBIT	104	91	275	222	329	276
Cash flow from operating activities	142	175	153	802	439	1,088
Earnings per share before dilution (SEK)	0.06	-0.20	0.18	-0.27	0.17	-0.28

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

Humble Group AB Interim Report July - September 2024
Stockholm, Oct 31, 2024

HIGH DEMAND AND IMPROVED PROFITABILITY

During the third quarter of the year, we delivered a good result, where net sales increased to MSEK 1,978 (1,811) and organic growth amounted to 10.3 percent. Adjusted EBITA amounted to MSEK 154 (139), corresponding to Adjusted EBITA margin of 7.8 percent. At the consumer level, demand for our products remains high and we see a continuous influx of new distribution agreements, not least with the largest chains. We are now entering our most seasonally intensive quarter while we are fully focused on executing the initiatives that are driven within our respective business areas.

Eventful quarter

The third quarter was characterized by high intensity. In August, new financial targets were presented. Shortly afterwards, we held our first capital markets day with the purpose of giving the market a clearer insight into our existing operations and our strategy for continued value creation. In addition, we have completed a successful listing change to Nasdaq Stockholm's main market, which marks an important quality step in Humble's continued development.

The international expansion is going according to plan with several new product launches. A diaper series in a new price segment from Naty has been launched in the USA and an international rollout of Pändy and True Co is currently taking place in several European markets. It is also pleasing that the construction of the beverage line in Habo is now completed for full-scale production. The first production series is planned for the fourth quarter and the intention is to scale the production rate towards a full shift over time. Privab has entered into a strategic cooperation agreement with Hemmakväll, a leading player in the confectionery and snack trade in Sweden with 69 stores. The collaboration begins at the turn of the year and strengthens our position as an attractive partner for distribution of snacks, drinks and confectionery. Previous efforts in Australia are now bearing fruit and we see a positive development from the factory acquisition of a bar producer and the associated launch of Body Science Soft Bars. The reception of our protein bars has exceeded expectations and the product range has quickly become the leader in the bar category in Australia.

Operationally, we continue to see high demand from our customers. The response from the larger retail chains is positive and we have confirmed several new launches of products and brands for 2025. The consolidation work is progressing well and we have started a number of additional structural integrations and consolidations, with the purpose of streamlining central functions and achieving scalability in purchasing and sales.

Strong cash generation and increased gross profit

Organic growth increased compared to the first half of the year, where the Quality Nutrition business segment stood out with an increase of 18 percent, as a result of strong development in Sweden and Australia. The organic growth of 7 percent in Future Snacking was not satisfactory, which was negatively affected by terminated external distribution agreements in FCB of MSEK -7 and certain limitations in capacity. The brands in the segment continue to perform strongly and the work to strengthen production capacity continues, where we have a good outlook for the segment as a whole going forward. The sales increase for the group is primarily volume-driven and we see a continued slowdown in the historical price increases that dominated the market last year.

The profitability developed in the right direction, with an adjusted EBITA that amounted to MSEK 154 (139), a total increase corresponding to 11 percent, and taking into account the sale of the properties, the organic increase was 14 percent.

The gross margin for the quarter showed an improvement compared to previous year and increased to 31 percent (29), which contributed to an increase in gross profit of 15 percent. The improved margin is a result of our work to gradually implement central margin-improving initiatives as well as a good management of the dynamics of pricing vis-à-vis customers and purchases. The good demand and margin improvements are pleasing to see, not least in light of the volatile freight and raw materials market as well as continued uncertainty in the consumer market.

The quarter delivered a strong cash flow of MSEK 142 after changes in working capital, despite an increased inventory tie-up of MSEK -47 ahead of October and November, which have historically been the highest sales months. Seasonally, we expect to be able to release additional working capital during the fourth quarter, which will have a positive effect on our cash flow. Our balance sheet continues to strengthen and we are following the previously communicated plan to reduce leverage towards our financial target of <2.5x.

Outlook

The fourth quarter is Humble's most important quarter in terms of sales. The quarter has had a positive start, at the same time we are facing strong comparative figures against the previous year regarding net sales. We see good opportunities to continue growing the business with strengthened profitability and at the same time ensure the best possible conditions for 2025, with the aim of continued profitability improvement, development of our platform and establishment in existing and new markets. I am convinced that our position, combined with the strategic initiatives that have begun, gives us all the conditions to continue creating value for our shareholders.

Simon Petrén
CEO Humble Group
Stockholm, October 31st, 2024

HUMBLE GROUP'S FINANCIAL DEVELOPMENT

THIRD QUARTER

REVENUES

Net sales

Net sales for the quarter amounted to MSEK 1,978 (1,811), an increase of 9% compared to the corresponding period last year. The change is attributable to organic growth for the wholly owned subsidiaries in both periods of 10% and currency impact was -1%.

Gross margin

The gross profit amount to MSEK 608 (529), resulting in a gross margin of 30,7%, an increase of 1.5 percentage point compared to the corresponding period last year.

EXPENSES

Other external expenses

Other external expenses for the quarter amounted to MSEK -250 (-203), which corresponded to 13% (11) of net sales. Costs related to the list change amount to -5 (-2) for the period.

Personnel expenses

Personnel expenses for the quarter amounted to MSEK -195 (-187), which corresponded to 10% (10) of net sales. Personnel expenses were negatively impacted by consideration linked to employment (stay-on-bonus and lock-in penalties) of MSEK -6 (-11), see *Note 6 Items affecting comparability.*

Depreciation and amortization

Total depreciation and amortization for the quarter amounted to MSEK -81 (-77), which corresponded to a change of 6% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -19 (-17) for the quarter. Amortization of assets related to acquisitions, of which a vast majority related to customer relations, amounted to MSEK -38 (-37).

Financial expenses

Financial expenses for the period amounted to MSEK -57 (-159). During the third quarter 2023, Humble recognised costs related to the refinancing of MSEK -78. Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -4 (-15). Such interest expense has no cash effect in the quarterly result. For more details of the financial expenses, please refer to *Note 7 Financial expenses*.

RESULTS

EBITA

EBITA for the quarter amounted to MSEK 146 (132), a change of MSEK 13 compared with the corresponding period last year. The impact of the revaluation of earn out amount to MSEK 15 (1). Adjusted EBITA amounted to MSEK 154 (139), which corresponded to a change of MSEK 15, an 11% increase for the period. For more details on adjusted items, please refer to *Note 6 Items affecting comparability.*

EBIT

EBIT for the quarter amounted to MSEK 96 (85), which corresponded to a change of MSEK 11 compared with the corresponding period last year. Adjusted EBIT amounted to MSEK 104 (91), which corresponded to a change of MSEK 13, an increase of 14% for the period.

Other comprehensive income

The negative translation difference of for the third quarter is attributable to the weakening of the Swedish krona against GBP.

FINANCIAL POSITION AND CASH FLOW

Cash flow

Cash flow from operating activities amounted to MSEK 142 (175). Cash flow from operations was positively impacted by net working capital increase, mainly in short term liabilities of MSEK 75 (-26). Cash flow from financing activities amounted to MSEK -83 (-484). The Group amortized MSEK -168 during the third quarter.

Financial position

Interest-bearing liabilities amount to MSEK 2,006 compared with MSEK 1,819 (including loan directly associated with assets classified as held for sale) at year end 2023. Net debt including earnout/Adjusted EBITDA was 2.9x compared with 3.3x on 31 December 2023.

OTHER

Capitalized work on own account

As the Group has develop from being a technology focused business to a broader FMCG group, as well as the industry transition into a faster product life cycle turnover, the Group has updated its assessment and judgement for the criteria regarding the application of accounting principles in regard to capitalized work on own account. The capitalised work on own account amounted to MSEK 2 (21) for the third quarter. For more information, see *Note 2 Significant accounting estimates and judgements* and *Note 6 Items affecting comparability*

NINE MONTHS

REVENUES

Net sales

Net sales for the first nine months amounted to MSEK 5,678 (5,114), an increase of 11% compared to the corresponding period last year. The change is attributable organic growth for the wholly owned subsidiaries in both periods.

Gross margin

The gross profit amount to MSEK 1,759 (1,515), resulting in a gross margin of 31,0%, an increase of 1.4 percentage point compared to the corresponding period last year.

EXPENSES

Other external expenses

Other external expenses for the first nine months amounted to MSEK -716 (-601), which corresponded to 13% (12) of net sales. Costs related to the list change amount to -10 (-3) for the period.

Personnel expenses

Personnel expenses for the first nine months amounted to MSEK -604 (-568), which corresponded to 11% (11) of net sales. Personnel expenses were negatively impacted by consideration linked to employment (stay-on-bonus and lock-in penalties) of MSEK -20 (-35), see *Note 6 Items affecting comparability.*

Depreciation and amortization

Total depreciation and amortization for the first nine months amounted to MSEK -229 (-223), which corresponded to a change of 3% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -56 (-47) for the period. Amortization of assets related to acquisitions, of which a vast majority related to customer relations, amounted to MSEK -113 (-110).

Financial expenses

Financial expenses for the first nine months amounted to MSEK -181 (-325). During the third quarter 2023, Humble recognised costs related to the refinancing of MSEK -78. Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -27 (-56). Such interest expense has no cash effect in the result for the period. For more details, please refer to *Note 7 Financial expenses*.

RESULTS

EBITA

EBITA for the first nine months amounted to MSEK 418 (391), which corresponded to a change of MSEK 27 compared with the corresponding period last year. The impact of the revaluation of earn out amount to MSEK 59 (42). Adjusted EBITA amounted to MSEK 422 (361), which corresponded to a change of MSEK 61, an increase of 17% for the period. For more details, please refer to *Note 6 Items affecting comparability.*

EBIT

EBIT for the first nine months amounted to MSEK 271 (252), which corresponded to a change of MSEK 20 compared with the corresponding period last year. Adjusted EBIT amounted to MSEK 275 (222), which corresponded to a change of MSEK 53, an increase of 24% for the period.

Other comprehensive income

The positive translation difference for the first nine month is attributable to the weakening of the Swedish krona against GBP and EUR.

FINANCIAL POSITION AND CASH FLOW

Cash flow

Cash flow from operating activities amounted to MSEK 153 (802). The change between the periods is mainly explained by a net working capital increase, mainly in inventory, of MSEK -246 (-17). In Q2 2023, the Group received tax deferrals of MSEK 260 which had a positive impact on the cash flow from operating activities last year. During the third quarter, Humble was granted an instalment plan of 36 months for these tax deferrals, starting in February 2025. Cash flow from financing activities amounted to MSEK -54 (-294). During the second quarter 2023, the Group completed a refinancing of the bond financing which explain the main differences between the two periods. The Group amortized MSEK -346 during the first nine months and the cash flow impact from paid contingent consideration amounted to MSEK -295.

Financial position

During the second quarter 2024, the Group expanded its existing credit facility agreement with a total of MSEK 300, whereas MSEK 150 is a short-term loan and MSEK 150 is an extension of the existing revolving credit facility. Interest-bearing liabilities amount to MSEK 2,006 compared with MSEK 1,819 at year end 2023. Net debt including earnout/Adjusted EBITDA was 2.9x compared with 3.3x on 31 December 2023.

OTHER

Capitalized work on own account

As the Group has develop from being a technology focused business to a broader FMCG group, as well as the industry transition into a faster product life cycle turnover, the Group has updated its assessment and judgement for the criteria regarding the application of accounting principles in regard to capitalized work on own account. The capitalised work on own account amounted to MSEK 5 (62) for the first nine months. For more information, see *Note 2 Significant accounting estimates and judgements* and *Note 6 Items affecting comparability*

SEGMENT REPORT - FUTURE SNACKING

SEGMENT OVERVIEW

During the quarter, we have maintained focus on growth enablers for our brands and to resolve capacity constraints in the Future Snacking segment. The underlying growth was double digit but where the total growth was negatively impacted by structural changes in FCB and divestment of Bayn Production. The profitability was significantly increased by improved gross margin and maintained cost control. The brands are performing well and we have continued our work to optimize the manufacturing sites, where we have started to see some effect increased efficiency.

True Dates has quickly gained a positie customer reception across multiple markets, with new flavours and listings being added. We expect continued growth, supported by investments in expanded in-house production and warehousing to meet rising demand.

Pändy continues to exceed expectations, achieving strong growth in the Nordics and expanding into new markets, becoming the #1 packed confectionery in Norway. In line with our innovation strategy, Pändy's release of Cola Dummies has swiftly positioned it as a category leader in Sweden.

First Class Brands noticed a weaker sales development for the quarter due to structural changes where external and unfavourable distribution contracts have been terminated. This change affected the segment's overall growth in the quarter negatively by MSEK -7 for the quarter and MSEK -35 year to date. The reason for terminating the contracts is to increase the underlying profitability of the long-term and an important step in building a foundation for our internal platform.

SEGMENT UPDATE

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

- During the quarter, we prepared to increase capacity at Grahns and Franssons by adding shifts to selected production lines to meet growing customer demand.
- True Co, with its True Dates product, has secured listings in both existing and new markets, while continually expanding its range with new flavours.
- Pändy shows strong growth in several markets, sustaining a leading position within packed sugar-reduced candy.
- Lev has expanded its production facility which will add several new capabilities such as protein bars and wafers.

SALES AND PROFITABILITY

Net sales increased by 4% and amounted to MSEK 239 (230) for the quarter. The net sales growth in the quarter were negatively impacted by MSEK -4 from the divestment of Bayn Production AB. Adjusted EBITDA for the quarter amounted to MSEK 40 (24), with an Adjusted EBITDA margin of 17% (11). Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022.

FUTURE SNACKING	Third quarter		Nine months	
MSEK	2024	2023	2024	2023
Gross sales	267	249	809	764
Intra-group sales	-28	-18	-83	-61
Net sales	**239**	**230**	**726**	**703**
Raw material and consumables	-130	-138	-398	-405
Gross profit	**110**	**92**	**328**	**298**
Gross margin	*46%*	*40%*	*45%*	*42%*
EBITDA	35	29	113	53
Items affecting comparability	5	-5	-15	21
Adjusted EBITDA	40	24	98	74
Adjusted EBITDA margin	*17%*	*11%*	*14%*	*11%*
EBITA	26	20	88	27
Adjusted EBITA	31	16	72	48
Adjusted EBITA margin	*13%*	*7%*	*10%*	*7%*
EBIT	16	13	56	4
Adjusted EBIT	21	8	40	26
Adjusted EBIT margin	*9%*	*3%*	*6%*	*4%*

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

SEGMENT REPORT - SUSTAINABLE CARE

SEGMENT OVERVIEW

During the quarter, we have made progress with several strategic advancements in our key companies for the Sustainable Care segment. The growth was in mid-single digits and the profitability slightly less, due to increased freight costs and extraordinary tough comparables to last year. Solent continues to deliver solid results with sustained growth and profitability.

We continue to drive innovation in the segment with the successful U.S. launch of Naty Bamboo diapers and the "Babblarna" co-branded products. Naty remains a product quality leader in the segment, pushing boundaries for future growth. The "Babblarna" initiative has already sparked positive market interest, with secured listings for 2025 and are soon to launch new several new product lines.

Humble Co. has solidified its organization and returned to profitability and growth, particularly in the U.S., where the momentum is fuelling several NPD initiatives with significant market interest.

Additionally, several of our companies are expanding their focus on Private Label, and we expect further growth in this area. Overall, this quarter reflects our dedication to innovation and the ambition to continue expanding our business in key markets.

SEGMENT UPDATE

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

- Naty has successfully launched a Bamboo based diapers in the US.
- The "Babblarna" initiative has been introduced, generating strong market interest and several listings secured for next year.
- Solent is continuing to perform with solid top-line growth and profitability margin.

SALES AND PROFITABILITY

Net sales increased with 6% and amounted to MSEK 647 (608) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 80 (94), with an Adjusted EBITDA margin of 12% (15). Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022.

SUSTAINABLE CARE	Third quarter		Nine months	
MSEK	2024	2023	2024	2023
Gross sales	651	611	1,740	1,596
Intra-group sales	-5	-3	-17	-11
Net sales	647	608	1,723	1,585
Raw material and consumables	-417	-388	-1,097	-1,024
Gross profit	229	220	627	561
Gross margin	*35%*	*36%*	*36%*	*35%*
EBITDA	91	88	230	246
Items affecting comparability	-11	6	-4	-45
Adjusted EBITDA	80	94	227	202
Adjusted EBITDA margin	*12%*	*15%*	*13%*	*13%*
EBITA	86	81	216	226
Adjusted EBITA	75	87	212	181
Adjusted EBITA margin	*12%*	*14%*	*12%*	*11%*
EBIT	60	53	140	146
Adjusted EBIT	50	59	136	102
Adjusted EBIT margin	*8%*	*10%*	*8%*	*6%*

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

SEGMENT REPORT - QUALITY NUTRITION

SEGMENT OVERVIEW

The third quarter for Quality Nutrition- segment had strong double digit-growth and with improved profitability. Following our strategic investments in brand and marketing throughout the year, Body Science is surpassing it's growth targets, with new listings secured in Australia and launch of a successful collaboration with Chupa Chups nationwide.

Bars Production continues to experience a significant demand, leading to an upscaling of production. New production lines and efficiency improvements have been implemented, with further enhancements planned to ensure long-term capacity and growth.

The technical installations for the new drink line in Habo have been successfully finalized, and we are now entering the startup phase for production. This marks an important milestone as we prepare to bring the new line fully up and running.

A new colonial division, Amazing Foods, has been established separately from Ewalco. The division will focus on dried fruits, nuts, and a range of snack solutions, catering to the growing demand for these products.

SEGMENT UPDATE

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

- Body Science is surpassing growth targets, securing new listings in Australia, and launch of a collaboration with Chupa Chups products nationwide.
- The installation of the new drink line in Habo has been completed, with the starting of the production initiated. First customer orders expected during the fourth quarter.
- Now colonial division moved, which will lead to extra capacity freed up at Ewalco.

SALES AND PROFITABILITY

Net sales increased with 17% and amounted to MSEK 387 (332) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 42 (31), with an Adjusted EBITDA margin of 11% (9). Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022.

QUALITY NUTRITION	Third quarter		Nine months	
MSEK	2024	2023	2024	2023
Gross sales	403	341	1,195	1,058
Intra-group sales	-16	-9	-43	-27
Net sales	387	332	1,153	1,031
Raw material and consumables	-269	-243	-798	-752
Gross profit	118	89	355	279
Gross margin	*30%*	*27%*	*31%*	*27%*
EBITDA	39	33	112	131
Items affecting comparability	3	-3	-5	-27
Adjusted EBITDA	42	31	107	104
Adjusted EBITDA margin	*11%*	*9%*	*9%*	*10%*
EBITA	32	27	93	114
Adjusted EBITA	35	25	88	87
Adjusted EBITA margin	*9%*	*7%*	*8%*	*8%*
EBIT	25	21	72	93
Adjusted EBIT	28	18	67	66
Adjusted EBIT margin	*7%*	*5%*	*6%*	*6%*

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

SEGMENT REPORT - NORDIC DISTRIBUTION

SEGMENT OVERVIEW

Nordic Distribution has seen a positive development during the third quarter, with double-digit growth and improved margins. By optimizing our warehouse and distribution operations, we have enhanced our strategic capabilities and also secured a long-term contract with Hemmakväll, a Swedish snacks and confectionery retailer with 69 stores.

The consolidation of individual Privab entities have continued to realize supply chain synergies. In addition, this will enable cost efficient improvements of the digital offering. While this integration has affected short-term profitability, it is expected to enhance long-term operational efficiency.

GSD have successfully launched new products, among others Hell Ice Coffee and Hell Energy which are performing well in the market.

SEGMENT UPDATE

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

- Privab has signed a strategic partnership with Hemmakväll to supply candy and snacks to their 69 stores starting Jan 1st, 2025.
- GSD launched new products Selected by Josefine Quist which has been received well.
- Vitalkost continue with a successful core offering and has launched TrueDates which has performed above our expectations.

SALES AND PROFITABILITY

Net sales increased with 10% and amounted to MSEK 705 (640) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 39 (31), with an Adjusted EBITDA margin of 6% (5). Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022.

NORDIC DISTRIBUTION	Third quarter		Nine months	
MSEK	2024	2023	2024	2023
Gross sales	713	650	2,101	1,826
Intra-group sales	-8	-10	-25	-31
Net sales	705	640	2,076	1,795
Raw material and consumables	-554	-513	-1,625	-1,418
Gross profit	151	128	451	377
Gross margin	*21%*	*20%*	*22%*	*21%*
EBITDA	38	29	90	78
Items affecting comparability	1	1	8	10
Adjusted EBITDA	39	31	98	88
Adjusted EBITDA margin	*6%*	*5%*	*5%*	*5%*
EBITA	31	22	70	59
Adjusted EBITA	32	23	78	69
Adjusted EBITA margin	*5%*	*4%*	*4%*	*4%*
EBIT	24	17	51	44
Adjusted EBIT	25	18	60	54
Adjusted EBIT margin	*4%*	*3%*	*3%*	*3%*

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

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. In August 2024, Humble Group presented new financial targets.

The medium-term financial targets:

- Growth target – Average net sales growth of at least 15 percent per year, primarily driven by organic growth.
- Profitability target – EBIT margin of at least 10 percent.
- Capital structure – Net debt in relation to EBITDA must not exceed 2.5x. However, the company may, under special circumstances, choose to exceed this level for shorter periods in connection with acquisitions.
- Humble's dividend policy is that the surplus must be distributed to shareholders when free cash flow exceeds available investments in profitable growth. Dividends to shareholders require that the capital structure target is met.

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 period was 1,139 (1,102). The proportion of women in the Group for the full year was 44% (47).

Parent company

The average number of employees in the Parent Company during the period was 19 (18), with 26% (21) 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 Group and its future earnings. A description of significant risks and uncertainties can be found in the Annual Report for 2023.

At the time of this interim report being published the war between Russia and Ukraine, as well as the renewed flare-up of the long-standing war in Israel and Gaza is still ongoing. 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 a volatile macro environment with a 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 divest all shares in Bayn Production AB in January 2024, for a total purchase price of MSEK 7.7. The financial effect is considered not material for the Group.

Humble Group AB created the joint company Humble Hatten AB (Stockholm) with the creators of "Babblarna", one of the strongest brands for children in Sweden. Humble Hatten AB will launch products within various categories under the brand "Babblarna". The Parent company holds 77.6% of the share and votes of the company through its subsidiary Humble Incubator AB, and Hatten Education AB holds the remaining 22.4% shares and votes.

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

RELATED PARTY TRANSACTION

No transactions with related parties have occurred during 2024 that had a significant impact. The minor transactions that have occurred relate to lease agreements regarding previous owners' properties. Lease agreements between the parties are based on an arms length's perspective and on market terms and conditions.

FINANCIAL CALENDAR

The year-end report for the period October-December 2024 will be published on February 19th, 2024.

The Annual and Sustainability report 2024 will be published on April 9th, 2025.

The Annual General meeting with be held on May 21st 2025.

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

AUDITORS

BDO
Auditor in Charge: Carl-Johan Kjellman,
Authorised Public Accountant
Email: carl-johan.kjellman@bdo.se

THE SHARE

THE SHARE

The Group's share with ticker HUMBLE is listed on Nasdaq Stockholm main market since 27th of September 2024. The share was previously traded on Nasdaq First North Growth Market since 12th of November 2014.

NUMBER OF SHARES

At the end of the reporting period, the total number of shares at full dilution amounts to 446,575,533 (443,544,543), which entitles to one vote each. All shares are of the same share class. The number of outstanding warrants amounted to 12,500,000 (7,420,000). For the period July - September 2024, the average number of shares before dilution and average number of shares after dilution amounted to 446,575,533 and 459,708,651 respectively.

TRADE IN THE SHARE

Third quarter

The total liquidity in the share during the quarter amounted to MSEK 634 (502). The number of transactions for the same period amounted to 38,266 (46,289). The average volume per transaction amounted to SEK 16,579 (10,845). The average volume per trading day amounted to MSEK 10 (8).

LARGEST SHAREHOLDERS

The ten largest shareholders per September 30th, 2024, are listed below:

Owner	Shares	Votes
Neudi & C:o AB	46,435,778	10.40%
Håkan Roos (RoosGruppen AB)	46,134,786	10.33%
Noel Abdayem (NCPA Capital AB)	28,000,674	6.27%
Capital Group	27,238,715	6.10%
Alta Fox Capital	26,021,235	5.83%
Creades AB	18,136,470	4.06%
Nordnet Pensionsförsäkring	14,447,272	3.24%
DNB Asset Management SA	14,066,668	3.15%
Thomas Petrén (Seved Invest AB)	12,570,000	2.81%
DNB Asset Management AS	12,896,095	2.89%
Total top 10	245,947,693	55.07%
Other shareholders	200,627,840	44.93%
Total number of shares	446,575,533	100%

DATA PER SHARE

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

	Third quarter		Nine months		Full year
	2024	2023	2024	2023	2023
Low price (SEK)	8.58	5.94	8.58	5.94	5.94
High price (SEK)	13.70	9.80	13.70	11.45	11.69
Closing price previous period (SEK)	10.05	6.55	11.38	9.77	9.77
Closing price current period (SEK)	12.80	9.10	12.80	9.10	11.38
Share price development during period (%)	27%	39%	12%	-7%	16%
Trading volume in the share (MSEK)	634	502	1,285	1,409	1,748
Number of transactions in the share	38,266	46,289	106,597	145,829	181,662
Average volume per trading day (MSEK)	10	8	7	7	7
Average volume per transaction (SEK)	16,579	10,845	12,056	9,662	9,621
Number of shareholders*	18,436	22,411	18,436	22,411	20,670
Number of shares outstanding*	446,575,533	443,544,543	446,575,533	443,544,543	443,544,543
Average number of shares before dilution	446,575,533	443,259,358	444,627,821	355,056,976	377,360,692
Average number of shares after dilution	459,708,651	450,679,358	454,854,030	360,389,431	383,219,322
Net sales per share (SEK)**	4.43	4.09	12.77	14.40	18.68
Adjusted EBITDA per share (SEK)**	0.41	0.38	1.13	1.25	1.75
Adjusted EBITA per share (SEK)**	0.34	0.31	0.95	1.02	1.34
Adjusted EBIT per share (SEK)**	0.23	0.21	0.62	0.62	0.73
EBIT per share (SEK)**	0.21	0.19	0.61	0.71	0.84
Earnings per share after dilution (SEK)	0.06	-0.20	0.18	-0.27	-0.28

See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

*End of period, **Before dilution

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Third quarter		Nine months		Last Twelve Months	Full year
MSEK	*Note*	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
Net sales	4	1,978	1,811	5,678	5,114	7,614	7,050
Capitalized work on own account		2	21	5	62	27	83
Other operating income	5	23	29	103	178	186	262
Raw materials and consumables		-1,370	-1,282	-3,918	-3,599	-5,240	-4,921
Other external expenses		-250	-203	-716	-601	-966	-851
Personnel expenses		-195	-187	-604	-568	-826	-790
Other operating expenses	5	-11	-27	-47	-111	-111	-174
EBITDA	6	177	161	500	475	685	659
Depreciation of tangible fixed assets		-12	-12	-26	-36	-37	-47
Depreciation of right-of-use assets		-19	-17	-56	-47	-73	-64
EBITA	6	146	132	418	391	574	547
Amortization of intangible fixed assets		-12	-11	-34	-30	-88	-83
Amortization of assets related to acquisitions		-38	-37	-113	-110	-149	-146
EBIT	6	96	85	271	252	337	318
Profit from shares in associated companies and joint ventures		0	1	0	0	1	1
Financial income		2	0	20	7	26	13
Financial expenses	7	-57	-159	-181	-325	-248	-393
PROFIT AND LOSS AFTER FINANCIAL ITEMS		41	-74	110	-67	116	-61
Income tax		-14	-17	-29	-28	-45	-45
PROFIT AND LOSS AFTER TAX		27	-91	82	-95	71	-106
Profit and loss is attributable to:							
Owners of the Parent Company		27	-91	82	-95	71	-106
Non-controlling interest		0	0	0	0	0	0
		27	-91	82	-95	71	-106
Other comprehensive income							
Items that may be reclassified to profit or loss:							
Exchange differences in translation of foreign operations		-2	-98	129	130	5	6
COMPREHENSIVE INCOME FOR PERIOD		25	-189	211	35	76	-100
The comprehensive income for the period is attributable to:							
Owners of the Parent Company		25	-189	211	35	76	-100
Non-controlling interest		0	0	0	0	0	0
		25	-189	211	35	76	-100
Earnings per share before dilution		0.06	-0.20	0.18	-0.27	0.17	-0.28
Earnings per share after dilution		0.06	-0.20	0.18	-0.27	0.17	-0.28

GROUP BALANCE SHEET - IN SUMMARY

		September, 30		December, 31
MSEK	*Note*	2024	2023	2023
ASSETS				
Non-currenct assets				
Intangible assets		5,999	6,136	6,013
Tangible fixed assets		185	185	191
Financial assets		75	70	99
Right-of-use assets		379	173	299
Deferred tax assets		30	27	29
Total non-current assets		6,668	6,592	6,631
Current assets				
Inventory*		1,190	999	940
Accounts receivables		604	580	561
Other short-term receivables*		312	259	254
Cash and cash equivalents		262	397	401
		2,369	2,235	2,157
Assets classified as held for sale	5	0	216	129
Total current assets		2,369	2,451	2,287
TOTAL ASSETS		9,037	9,042	8,918
EQUITY AND LIABILITIES				
Equity				
Attributable to Parent Company's shareholder		5,110	5,000	4,869
Non-controlling interest		0	0	0
Total shareholders' equity		5,110	5,000	4,869
Long-term liabilities				
Interest-bearing liabilities	8	1,128	1,259	1,197
Contingent considerations	10	15	168	165
Long-term lease liabilities		332	123	258
Deferred tax liabilities		448	501	474
Provisions		9	33	17
Other long-term liabilities**		180	15	18
Total long-term liabilities		2,112	2,099	2,129
Short-term liabilities				
Interest-bearing liabilities	8	472	416	253
Contingent considerations	10	131	332	336
Current lease liabilities		74	55	67
Accounts payable		736	629	652
Other short-term liabilities**		403	512	568
		1,815	1,944	1,876
Liabilities directly associated with assets classified as held for sale	5	0	0	43
Total short-term liabilities		1,815	1,944	1,919
TOTAL EQUITY AND LIABILITIES		9,037	9,042	8,918

*Advances to suppliers has been reclassified from inventory to other short-term receivables. The adjustment amount to MSEK 52 for September 2023 and MSEK 43 for December 2023. **During the third quarter, the Group have been granted installment plans for its tax deferrals of MSEK 252, which will be paid during coming three years. As such, MSEK 168 have been reclassified from Other short term liabilities to Other long term liabilities in the third quarter 2024.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – THIRD QUARTER

MSEK	Share capital	Other equity contributed	Translation reserve	Retained earnings	Total	Non-controlling interest	Total shareholders equity
	Equity attributable to Parent Company's shareholder						
Opening balance July 1, 2023	97	5,011	405	-341	5,171	0	5,171
Net income for period				-91	-91		-91
Other comprehensive income			-98		-98		-98
Total comprehensive income			-98	-91	-189		-189
Transaction with owners in their capacity as owners:							
Share issue	1	18			18		18
Transaction costs		-1			-1		-1
Realisation loss from share buyback		0			0		0
Warrants program		1			1		1
Total transaction with owners in their capacity as owners	1	18			18		18
Ending balance September 30, 2023	98	5,028	307	-432	5,000	0	5,000
Opening balance July 1, 2024	98	5,057	314	-384	5,085	0	5,085
Net income for period				27	27	0	27
Other comprehensive income			-2		-2		-2
Total comprehensive income			-2	27	25	0	25
Transaction with owners in their capacity as owners:							
Share issue		0			0		0
Warrants program		1			1		1
Aquistion of non-controlling interest						0	
Total transaction with owners in their capacity as owners	0	1	0	0	1	0	1
Ending balance September 30, 2024	98	5,057	312	-357	5,110	0	5,110

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – NINE MONTHS

	Equity attributable to Parent Company's shareholder						
MSEK	Share capital	Other equity contributed	Translation reserve	Retained earnings	Total	Non-controlling interest	Total shareholders equity
Opening balance January 1, 2023	66	4,131	177	-338	4,036	0	4,036
Net income for period				-95	-95		-95
Other comprehensive income			130		130		130
Total comprehensive income			130	-95	35		35
Transaction with owners in their capacity as owners:							
Share issue	31	927			958		958
Transaction costs		-28			-28		-28
Realisation loss from share buyback		-1			-1		-1
Warrants program		-1			-1		-1
Total transaction with owners in their capacity as owners	31	897	0	0	928		928
Ending balance September 30, 2023	98	5,028	307	-432	5,000	0	5,000
Opening balance January 1, 2024	98	5,028	183	-439	4,869	0	4,869
Net income for period				82	82	0	81
Other comprehensive income			129		129		129
Total comprehensive income			129	82	211	0	211
Transaction with owners in their capacity as owners:							
Share issue	1	29			29		29
Transaction costs					0		0
Warrants program		1			1		1
Aquistion of non-controlling interest						0	
Total transaction with owners in their capacity as owners	1	29	0	0	30	0	30
Ending balance September 30, 2024	98	5,057	312	-357	5,110	0	5,110

GROUP CASH-FLOW STATEMENT

	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
OPERATING ACTIVITIES						
Profit and loss after financial items	41	-74	110	-67	116	-61
Adjustment for non-cash items						
Depreciation and Amortization	81	77	229	223	347	341
Other items	30	159	115	266	153	304
Paid tax	-32	-7	-70	-21	-104	-54
Cash flow from operating activities before change in net working capital	119	154	384	400	514	529
CHANGE IN WORKING CAPITAL						
Change in inventories (increase - / decrease +)	-47	18	-246	-17	-202	27
Change in short term receivables (increase - / decrease +)	-6	29	-64	168	-42	190
Change in short term liabilities (increase - / decrease +)	75	-26	79	251	169	341
Sum of change in working capital	22	20	-231	402	-75	558
Cash flow from operating activities	142	175	153	802	439	1,088
INVESTING ACTIVITIES						
Acquisition of intangible assets	-14	-28	-22	-69	-65	-112
Acquisition of tangible assets	-22	-16	-80	-39	-90	-49
Disposal of financial assets	22	0	53	0	53	0
Disposal of subsidaries*	0	0	115	0	222	107
Acquisition of subsidiaries, acquired business + paid earn-outs*	0	-116	-308	-352	-326	-369
Cash flow from investing activities	-14	-160	-242	-460	-205	-423
FINANCING ACTIVITIES						
Share issue funds	0	0	0	875	0	875
Costs related to share and bond issues, and refinancing	0	-81	-4	-107	-8	-111
Bond financing	0	-1,800	0	-1,800	0	-1,800
Paid interest due to financing activities	-42	-79	-109	-187	-138	-216
New loans	149	1,459	462	1546	462	1,546
Repayment of loans	-168	43	-346	-567	-602	-823
Amortization of lease liability	-22	-26	-57	-54	-75	-72
Cash flow from financing activities	-83	-484	-54	-294	-361	-601
Decrease/Increase in cash and cash equivalents	45	-470	-144	49	-128	64
Cash and cash equivalents at beginning of period	218	864	401	338	397	338
Exchange rate differences	-1	3	5	10	1	-1
Cash and cash equivalents at end of period	262	397	262	397	270	401
Deployable cashflow**	64	26	53	454	86	486

*An amount of MSEK 109 related to the sale of properties in Q2 2024 has been reclassed between Disposal of subsidiaries and Acquisition of subsidaries for the period showing nine months. **See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM)

During Q2 2023, tax deferments of total MSEK 260 was recognised as short term liabilities and had a positive impact on the cash flow for the period. The Group got the 36 months instalment plan approved for the tax deferral, starting payment in February 2025.

INCOME STATEMENT - PARENT COMPANY

MSEK	Third quarter 2024	Third quarter 2023	Nine months 2024	Nine months 2023	Last Twelve Months Oct 2023 - Sep 2024	Full year 2023
Net sales	10	6	31	19	48	44
Other operating income	0	1	1	5	0	1
Total revenue	10	7	31	24	49	46
Other external expenses	-14	-7	-31	-20	-36	-29
Personnel expenses	-11	-9	-32	-30	-45	-43
Other operating expenses	0	-3	-4	0	1	-1
Depreciation and amortization of fixed tangible and intangible assets	0	0	0	0	0	0
OPERATING PROFIT (EBIT)	-15	-12	-36	-27	-31	-28
Profit from shares in Group companies	0	0	159	13	106	106
Interest income	4	7	33	24	31	34
Interest expenses	-36	-141	-134	-298	-250	-355
PROFIT AND LOSS AFTER FINANCIAL ITEMS	-47	-146	23	-287	-145	-243
Year-end appropriations	0	0	0	0	96	96
PROFIT AND LOSS BEFORE TAX	-47	-146	23	-287	-48	-147
Current taxes	0	0	0	0	-5	-5
PROFIT AND LOSS AFTER TAX	-47	-146	23	-287	-54	-152

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

	September, 30		December, 31
MSEK	2024	2023	2023
ASSETS			
Non-current assets			
Intangible fixed assets	5	1	2
Tangible fixed assets	3	1	3
Financial fixed assets	6,890	6,981	6,967
Total non-current assets	6,898	6,983	6,972
Current assets			
Accounts receivables	0	0	2
Receivables with group companies	218	153	269
Other short-term receivables	55	21	24
Cash and cash equivalents	2	1	4
Total current assets	275	175	298
TOTAL ASSETS	7,172	7,158	7,269
EQUITY AND LIABILITIES			
Equity			
Restricted equity	98	98	98
Unrestricted equity	4,689	4,489	4,637
Total shareholders equity	4,787	4,587	4,735
Provisions	146	507	507
Long term liabilities			
Interest-bearing liabilities	1,122	1,344	1,189
Liabilities to group companies	9	0	15
Other long-term liabilities	0	11	11
Total long-term liabilities	1,131	1,355	1,215
Short-term liabilities			
Interest-bearing liabilities	472	248	253
Accounts payable	13	5	12
Liabilities to group companies	589	428	506
Other liabilities	34	29	41
Total short-term liabilities	1,108	710	812
TOTAL EQUITY AND LIABILITIES	7,172	7,158	7,269

NOTES

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 applicable regulations in the Swedish Annual Accounts Act. The interim report for the parent company is prepared in accordance with ÅRL chapter 9. 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. Information according to IAS 34.16A appears in addition to the financial reports and associated notes also in other parts of the interim report.

The accounting policies adopted are consistent with those of the Annual report for the year ended December 31, 2023. New or amended IFRS standards, effective from January 1, 2024, 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 4* in the Annual report 2023. The management has made assessments and estimates continuously throughout 2024, where the main estimates relate to contingent considerations. See *Note 5* and *Note 10* for more information.

As the Group has developed from being a technology focused business to a broader FMCG group, as well as the industry transition into a faster product life cycle turnover, the Group have updated its assessment and judgement for the criteria regarding the application of accounting principles in regard to capitalized work on own account. This implies a significant change going forward of capitalized work on own account from Q1, 2024. To achieve a relevant comparison with previous period and to reflect the updated assessment of accounting principles, capitalized work on own account have been adjusted in items affecting comparability for the comparative period. See *Note 6* for more information.

On April 17th, the Group completed the second part of the real estate sale, as a sale and leaseback transaction. The 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. Quantitative information is presented in *Note 5*.

NOTE 3 – SUBSEQUENT EVENTS

There have been no significant events with effect on the financial reporting after the reporting period date.

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. See page 24 for definition and calculation of key ratios and Alternative Performance Measures (APM). The Group financials consist of below combined segments:

	Future Snacking		Sustainable Care		Quality Nutrition		Nordic Distribution		Other*		Total	
Third quarter, MSEK	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Gross sales	267	249	651	611	403	341	713	650	0	0	**2,035**	1,852
Intra-group sales	-28	-18	-5	-3	-16	-9	-8	-10	0	0	**-57**	-41
Net sales	**239**	230	**647**	608	**387**	332	**705**	640			**1,978**	1,811
Raw material and consumables	-130	-138	-417	-388	-269	-243	-554	-513			**-1,370**	-1,282
Gross profit	**110**	92	**229**	220	**118**	89	**151**	128			**608**	529
Gross margin, %	*46%*	*40%*	*35%*	*36%*	*30%*	*27%*	*21%*	*20%*			*31%*	*29%*
EBITDA	**35**	29	**91**	88	**39**	33	**38**	29	**-26**	-18	**177**	161
Items affecting comparability**	5	-5	-11	6	3	-3	1	1	9	7	**8**	7
Adjusted EBITDA***	**40**	24	**80**	94	**42**	31	**39**	31	**-17**	-11	**185**	168
Adjusted EBITDA margin	*17%*	*11%*	*12%*	*15%*	*11%*	*9%*	*6%*	*5%*			*9%*	*9%*
EBITA	**26**	20	**86**	81	**32**	27	**31**	22	**-28**	-19	**146**	132
Adjusted EBITA	**31**	16	**75**	87	**35**	25	**32**	23	**-19**	-12	**154**	139
Adjusted EBITA margin	*13%*	*7%*	*12%*	*14%*	*9%*	*7%*	*5%*	*4%*			*8%*	*8%*
EBIT	**16**	13	**60**	53	**25**	21	**24**	17	**-28**	-19	**96**	85
Adjusted EBIT	**21**	8	**50**	59	**28**	18	**25**	18	**-19**	-12	**104**	91
Adjusted EBIT margin	*9%*	*3%*	*8%*	*10%*	*7%*	*5%*	*4%*	*3%*			*5%*	*5%*

*Other refers to Parent company and minor administrative entities, **See Note 5, ***See Note 6 for reconciliation to Profit before tax

	Future Snacking		Sustainable Care		Quality Nutrition		Nordic Distribution		Other*		Total	
Nine months, MSEK	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Gross sales	809	764	1,740	1,596	1,195	1,058	2,101	1,826	20	13	**5,865**	5,257
Intra-group sales	-83	-61	-17	-11	-43	-27	-25	-31	-20	-13	**-188**	-144
Net sales	**726**	703	**1,723**	1,585	**1,153**	1,031	**2,076**	1,795	**0**	0	**5,678**	5,114
Raw material and consumables	-398	-405	-1,097	-1,024	-798	-752	-1,625	-1,418			**-3,918**	-3,599
Gross profit	**328**	298	**627**	561	**355**	279	**451**	377			**1,759**	1,515
Gross margin, %	*45%*	*42%*	*36%*	*35%*	*31%*	*27%*	*22%*	*21%*			*31%*	*30%*
EBITDA	**113**	53	**230**	246	**112**	131	**90**	78	**-46**	-33	**500**	475
Items affecting comparability**	-15	21	-4	-45	-5	-27	8	10	20	10	**4**	-30
Adjusted EBITDA***	**98**	74	**227**	202	**107**	104	**98**	88	**-26**	-23	**504**	445
Adjusted EBITDA margin	*14%*	*11%*	*13%*	*13%*	*9%*	*10%*	*5%*	*5%*			*9%*	*9%*
EBITA	**88**	27	**216**	226	**93**	114	**70**	59	**-48**	-35	**418**	391
Adjusted EBITA	**72**	48	**212**	181	**88**	87	**78**	69	**-28**	-25	**422**	361
Adjusted EBITA margin	*10%*	*7%*	*12%*	*11%*	*8%*	*8%*	*4%*	*4%*			*7%*	*7%*
EBIT	**56**	4	**140**	146	**72**	93	**51**	44	**-48**	-35	**271**	252
Adjusted EBIT	**40**	26	**136**	102	**67**	66	**60**	54	**-28**	-25	**275**	222
Adjusted EBIT margin	*6%*	*4%*	*8%*	*6%*	*6%*	*6%*	*3%*	*3%*			*5%*	*4%*

*Other refers to Parent company and minor administrative entities, **See Note 5, ***See Note 6 for reconciliation to Profit before tax

Net sales per country	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
Australia	143	94	364	257	530	423
China	71	47	145	129	208	193
Denmark	19	18	72	60	92	80
Finland	31	26	100	81	127	108
Germany	58	65	195	213	253	272
Norway	91	71	244	201	307	264
Portugal	52	43	163	125	205	167
Sweden	909	882	2,721	2,549	3,668	3,496
United Kingdom	342	318	1,012	870	1,308	1,166
USA	41	35	102	97	131	126
Other countries*	220	212	560	531	784	755
Total net sales	1,978	1,811	5,678	5,114	7,614	7,050

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

NOTE 5 – OTHER OPERATING INCOME AND EXPENSE

On April 17th, Humble Group completed the second and last part of the sale of properties, which is structured as a sale and leaseback transaction. The right-of-use assets from the sale amount to MSEK 72 and the leasing liability amount to MSEK 73. The new right-of-use assets are intended to be utilized over periods of 5 and 10 years, respectively. The profit for the Group of the sale and leaseback transaction is reported as other operating income and amount to MSEK 5 and refers to the rights transferred to the buyer.

The management makes updated estimates each quarter for the contingent considerations. 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 is being calculated based on an interest rate corresponding to the remaining term until payment at each reporting date. The fair value changes are reported through the profit and loss via operating income and operating expense. During the first nine months, the positive change, reported as operating income, amounted to MSEK 77 (141), and the negative change, reported as operating expense, amounted to MSEK -18 (-99).

NOTE 6 – 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 11* in the Annual report 2023.

The main adjustment item during the quarter was related to revaluation of contingent considerations of MSEK 15 (1). As the Group has developed from being a technology focused business to a broader FMCG group, as well as the industry transition into a faster product life cycle turnover, the Group have updated its assessment and judgement for the criteria regarding the application of accounting principles in regard to capitalized work on own account. This implies a significant change going forward of capitalized work on own account from Q1, 2024. To achieve a relevant comparison with previous period and to reflect the updated assessment of accounting principles, capitalized work on own account have been adjusted in items affecting comparability for the comparative period.

	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
Adjusted EBITDA	185	168	504	445	676	617
Acqusition and divestment related cost and income	0	-1	-6	-6	-9	-8
Revaluation of contingent considerations accounting*	15	1	59	42	68	51
Lock-in penalty from acquisition SPA*	-6	-11	-20	-35	-30	-45
Restructuring	-6	0	-20	-15	-28	-23
Capitalized development costs*	0	20	0	59	20	79
Other	-11	-15	-16	-15	-13	-12
EBITDA	177	161	500	474	685	659
Depreciation	-31	-29	-82	-84	-110	-112
EBITA	146	132	418	391	574	547
Amortization	-50	-48	-147	-139	-237	-229
EBIT	96	85	271	252	337	318
Finance net	-55	-158	-161	-319	-221	-379
EBT	41	-74	110	-67	116	-61

*These items have no cash flow impact.

	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
EBITDA	177	161	500	475	685	659
Items affecting comparability	8	7	4	-30	-8	-42
Adjusted EBITDA	185	168	504	445	676	617
EBITA	146	132	418	391	574	547
Items affecting comparability	8	7	4	-30	-8	-42
Adjusted EBITA	154	139	422	361	566	505
EBIT	96	85	271	252	337	318
Items affecting comparability	8	7	4	-30	-8	-42
Adjusted EBIT	104	91	275	222	329	276

NOTE 7 – FINANCIAL EXPENSES

	Third quarter		Nine months		Last Twelve Months	Full year
MSEK	2024	2023	2024	2023	Oct 2023 - Sep 2024	2023
Interest expense related to financing	-38	-55	-111	-175	-147	-211
Unwinding of discounting effect	-4	-15	-27	-56	-31	-60
Interest expense on lease liabilities	-6	-2	-17	-7	-20	-10
Exchange rate losses and revaluation effects	-6	-5	-13	-2	-22	-11
Costs related to refinancing of bond	0	-78	0	-78	0	-78
Other interest expenses	-4	-4	-13	-8	-28	-23
Financial expenses	-57	-159	-181	-325	-248	-393

NOTE 8 – NET INTEREST-BEARING DEBT

Humble Group's net interest-bearing debt as of September 30th, 2024, is presented in table below. During the second quarter 2024, Humble Group has expanded its existing credit facility agreement with a total of MSEK 300, whereas MSEK 150 is a short-term loan and MSEK 150 is an extension of the existing revolving credit facility.

The existing credit facility agreement include terms and conditions implying that the Net Interest Bearing Debt in relation to LTM Adjusted EBITDA Proforma excluding leasing must not exceed 3,25x and that the LTM Adjusted EBITDA in relation to Net Financial Expenses *(as defined in the credit facility agreement)* shall not be less than 4,00x at the end of this period. These terms and conditions have been met since the credit facility agreement was entered in the second quarter 2023.

Humble Group received tax deferments of MSEK 260 during the second quarter 2023. In accordance with IFRS Accounting principles, this was recognized as other short-term liability. The Group got the 36 months instalment plan approved for the tax deferral, starting payment in February 2025, whereupon it has been reclassified as other short-term liability and other long-term liability.

	September, 30		December, 31
MSEK	2024	2023	2023
Liability to credit institutions*	1,600	1,675	1,494
Lease liabilities	407	178	325
Total interest-bearing liabilities	2,006	1,853	1,819
Cash and cash equivalents	-262	-397	-401
Net Interest Bearing Debt (NIBD)	1,744	1,457	1,417
Tax deferral	252	260	260
Short-term investment to be divested	0	0	-27
Lease liabilities	-407	-178	-325
Adjusted Net Interest Bearing Debt	1,590	1,539	1,326
Earnout present value	146	500	501
Adjusted Net Interest Bearing Debt incl earnout	1,736	2,039	1,826
LTM Adjusted EBITDA Proforma excluding leasing	592	530	559
Leverage to Adjusted NIBD	*2.7x*	*2.9x*	*2.4x*
Leverage to Adjusted NIBD incl earnout	*2.9x*	*3.8x*	*3.3x*

***December 2023 includes the MSEK 43 liabilities directly associated with assets classified as held for sale.**

Table above illustrates the leverage multiple adjusted for inclusion of earnout considerations and tax deferral. LTM Adjusted EBITDA Proforma amounted to MSEK 592 (530) excluding leasing and divested operations. Adjusted NIBD including Earnout in relation to LTM Adjusted EBITDA Proforma amounts to 2.9x (3.8x) at the end of this reporting period.

NOTE 9 – BUSINESS COMBINATIONS

No acquisition has been made during 2024. During first quarter of 2023, the Parent Company acquired 100% of four subsidiaries. Please see the Annual and Sustainability report 2023 for more information on the acquisition of 2023.

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.

For financial assets and liabilities other than those disclosed below, fair value is deemed to approximate the carrying value.

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 of 2023, Humble Group refinanced its bond obligations of MSEK 1,800 in total, and replaced this with two term loans of total MSEK 1,350 and one revolving credit facility of total MSEK 300. Humble Group expanded its existing credit facility agreement during the second quarter of 2024 with a total of MSEK 300, whereas MSEK 150 is a short-term loan and MSEK 150 is an extension of the existing revolving credit facility. There have been no changes to pledged assets related to the extended credit facility.

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 9.6% discount rate. The duration to maturity is presented below.

Estimated payments per year	Nominal value	Fair value
2024	0	0
2025	137	131
2026	17	15
Total contingent considerations	154	146

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 the first nine months, interest expense of MSEK -27 (-48) was recognized as financial expenses related to unwinding of discount effect of contingent considerations.

	September, 30		December, 31
Contingent consideration, MSEK	2024	2023	2023
Opening balance	501	780	780
New acquisitions	0	32	32
Payments	-323	-318	-320
Fair value changes that are reported through profit and loss via operating income	-77	-141	-199
Fair value changes that are reported through profit and loss via operating expense	18	99	147
Interest expenses related to unwinding of discounting effect	27	48	60
Translation differences	0	2	-2
Closing balance	146	500	501

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 Group 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 - September 2024.

Gross Profit
Net sales less raw materials and consumables.
Gross Profit is calculated as 5,678 – 3,918= MSEK 1,759.

Gross Margin
Gross Profit in relation to net sales.
Gross Margin is calculated as 1,759 / 5,678 = 31%.

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 one of the Group's most important financial figures, internally and externally. The figure is used to identify and analyse the Group's profitability linked to normal operations and operating activities.
Adjusted EBITDA is calculated as 500 + 4 = MSEK 504.
Adjusted EBITDA margin is calculated as 504 / 5,678 = 9%.
Adjusted EBITDA per share is calculated as MSEK 504 / 444,627,821 = SEK 1.13.

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 418 + 4 = MSEK 422.
Adjusted EBITA margin is calculated as 422 / 5,678 = 7%
Adjusted EBITA per share is calculated as MSEK 422 / 444,627,821 = SEK 0.95.

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 271 + 4 = MSEK 275.
Adjusted EBIT margin is calculated as 275 / 5,678 = 5%
Adjusted EBIT per share is calculated as MSEK 275 / 444,627,821 =SEK 0.62.

Net interest-bearing debt
Total interest-bearing liabilities and lease liabilities, less cash and cash equivalents. Net interest-bearing liabilities are the Group's primary management parameter for financing and capital allocation and are actively employed as part of the group's financial risk management strategy.
Net interest-bearing debt is calculated as 1,600 + 407 - 262 = MSEK 1,744.
Adjusted NIBD is calculated as 1,744 + 252 - 407 =MSEK 1,590
Adjusted NIBD including earnout is calculated as 1,590 + 146 =MSEK 1,736

Organic growth in net sales
Change in net sales adjusted for exchange rate effect and net sales from acquired and divested subsidiaries during the period.
Organic growth in net sales is calculated as (565 – 14) / 5,114 = 11%.

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 amortization of lease liability, less tax deferrals.
Deployable cash flow is calculated as 153 – 242 +308 - 109 -57 = MSEK 53.

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. LTM Adjusted EBITDA proforma is an important key figure for the group, as it is included in the covenant calculation.

GLOSSARY

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

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 October 31st, 2024

Dajana Mirborn
Chairman of the Board

Ola Cronholm
Board member

Henrik Patek
Board member

Pål Bruu
Board member

Sara Berger
Board member

Noel Abdayem
Board member

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 October 31st, 2024, at the time specified by Humble Group's news distributor Cision at the time of publication of this press release.

TO THE BOARD OF DIRECTORS OF HUMBLE GROUP AB, REG.NR. 556794-4794

Introduction

We have reviewed the condensed interim financial information (interim report) for Humble Group AB as of September 30th, 2024 and the nine-month period which ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm October 31st, 2024

BDO Mälardalen AB

Carl-Johan Kjellman

Authorized Public Accountant

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