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INTERIM REPORT
APRIL – JUNE 2024



INCREASED GROSS PROFIT AND STRENGTHENED MARGIN

Financial information

Second quarter

- Net sales amounted to MSEK 1,861 (1,710), an increase with 9% compared to the corresponding period last year. The organic growth for the period was 9%.
- EBITA amounted to MSEK 139 (129).
- EBIT amounted to MSEK 90 (83).
- Adjusted EBITA amounted to MSEK 141 (120), an increase with 18% compared to the corresponding period last year.
- Cash flow from operating activities amounted to MSEK -49 (445).
- Profit and loss after tax amounted to MSEK 32 (0).
- Earnings per share before and after dilution amounted to SEK 0.07 (0.00).

Six months

- Net sales amounted to MSEK 3,699 (3,303), an increase with 12% compared to the corresponding period last year. The organic growth for the period was 10%.
- EBITA amounted to MSEK 272 (259).
- EBIT amounted to MSEK 176 (168).
- Adjusted EBITA amounted to MSEK 268 (223), an increase with 20% compared to the corresponding period last year.
- Cash flow from operating activities amounted to MSEK 11 (627).
- Profit and loss after tax amounted to MSEK 55 (-4).
- Earnings per share before and after dilution amounted to SEK 0.12 (-0.01).

Significant events

During the second quarter

- Humble Group completed the second and last part of the sale of properties, which is structured as a sale and leaseback transaction. See *Note 5* for more information.
- Humble Group held the annual general meeting on May 22, 2024. The election committee proposed re-election of the existing board members as well as election of Noel Abdayem as a new board member, who is also an existing member of the senior executive team.

- 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.

After the quarter

- Humble Group invites to Capital Markets Day on September 19th, 2024.

Financial overview

	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
MSEK						
Net sales	1,861	1,710	3,699	3,303	7,446	7,050
Gross profit	586	501	1,152	986	2,295	2,129
Gross margin	31%	29%	31%	30%	31%	30%
EBITDA	166	158	323	313	669	659
Adjusted EBITDA	168	149	319	277	659	617
EBITA	139	129	272	259	561	547
Adjusted EBITA	141	120	268	223	551	505
EBIT	90	83	176	168	326	318
Adjusted EBIT	91	74	172	132	316	276
Cash flow from operating activities	-49	445	11	627	472	1,088
Earnings per share before dilution (SEK)	0.07	0.00	0.12	-0.01	-0.14	-0.28

See page 26 for definition and calculation of key ratios

INCREASED GROSS PROFIT AND STRENGTHENED MARGIN

The second quarter implied a continued increase in sales with an organic growth that amounted to 9%, despite a somewhat weaker consumer market and negligible impact from pricing and ingredient sales. It is particularly gratifying to see how the work to strengthen the gross margin is yielding results. The gross margin amounted to 31.5% (29.3%) and the gross profit increased by 17%. Combined with good cost control, the adjusted EBITA margin strengthened to 7.6% (7.0%) and the adjusted EBITA result amounted to SEK 141 million (120), which corresponds to an increase of 18%. Considering that we completed the sale of the property assets, which reduced the adjusted EBITA result by SEK 4 million compared to the same period last year, the relative improvement for the period was 22%. During the period, we have continued to invest strategically in our operations with new machines and product series to meet the demand and order intake that we have for the autumn and 2025. The strategic investments are also reflected in the working capital tie-up of SEK 199 million in inventory, where SEK 175 million is concentrated in seven companies, that we assess will have an extra high growth going forward. We have had strong momentum during the last weeks of June and the beginning of July with many ongoing initiatives in a scale-up phase, which contributes to an exciting autumn ahead.

Operations

We are leaving an intense second quarter behind us characterized by operational consolidation, optimization of process flows and increasing to additional shifts in our factories. The work continues but has been affected by some delivery delays of machines and equipment. The delays have meant that some of the capacity increases and the start-up of new production lines have only had a marginal impact during the period. The objective is for the majority of the strategic initiatives for capacity development to be implemented during the third quarter and in full production before the year end. This creates good conditions for continuous growth organically in 2025 and secures that we are able to meet the delivery pace of products that our brands and B2B customers demand. Some highlights for the period are the expanded capacity for sugar-free sweets at Grahns, production and launch of True Dates, which has already sold for SEK 10 million in just a few weeks, as well as our own softbar, which is manufactured at Bars Production and sold under the Pro Brands brand. We have received several significant listings of the new products for the autumn trade window in the convenience and grocery, which provides us with favourable conditions to capitalize on the development projects that we have already invested in during the past two years.

Several of our most prominent brands have also continued to grow internationally. We started to work on a US expansion a year ago and now the first products are in transit, where the launch is planned to be initiated after the summer. The US market is huge and has a high consumer acceptance for this type of better-for-you products. The response from trade show participation and the retail chains that we have established a dialogue with, have been overwhelmingly positive. At the same time, it is an opportunity that we approach with caution, given the size of the market and the complexity that both launching and managing the supply chain entails. Ordinary Swedish confectionery have recently received a remarkable boost and recognition among younger consumers on social media internationally. During the quarter, we have therefore acquired the domain swedishcandy.com with the aim of launching a new venture with Swedish candy in both the US and Europe.

Our B2B exposure with contract manufacturing and private label continues to gain market share and we receive more and more inquiries from companies and food retailers who see Humble as a partner to deliver quality products at an attractive price. The proven B2B business model of our group companies, such as Solent with its rapid market expansion, is a counterweight to our premium brands and we see interesting opportunities to expand with the model in the Scandinavian and Central European markets.

Humble Group AB Interim Report April - June 2024

Results

Net sales continued to develop well with a volume-driven organic growth of 9%. The price development was for the first time in many quarters negligible. The early Easter had a positive impact on the second quarter with 3% and the organic growth for the first half of the year amounted to 10%. Sweden had a slightly weaker development as an effect of product changes and pricing in manufacturing and raw materials. Consumers showed some weakness during the period but recovered strongly in the second half of June. The investments in our international expansion are paying off and sales abroad increased by 17% for the quarter and 15% during the first half of the year.

The gross margin has been a major focus to recover since macroeconomic conditions deteriorated in 2022 and 2023. It is gratifying to see how we have achieved a consistent improvement for the third quarter in a row. Freight prices from Asia have seen a sharp increase during the first half of the year, but with favourable contracts and efficient execution, we have managed to keep them at attractive levels relative to the market. For the international shipping, we have started a major consolidation project where we see an upside in gathering additional group-volume under a joint agreement and benefiting from economies of scale such as better pricing and increased volume availability.

As a result of strategic investments in new product lines and market launches, as well as an approaching high season for several of our companies, we had a weak development in cash flow after change in working capital. We are vigilant regarding the working capital tie-up and aim for it to normalize over time in line with historically lower levels relative to net sales.

During the period and the first half of the year, we have significantly increased the marketing efforts of our products and brands, which are activities that will benefit us in a few years' time. We have also invested in future growth for our factories which initially drive costs before the capacity improvements are in full utilization. Despite this, we have managed to increase the profitability margin measured as adjusted EBITA by 9% sequentially and 8% compared to the previous year. The improvement is primarily driven by the increased gross profit and good cost control. With continued growth, there is more margin to be gained from the economies of scale that our platform offers. A large part of the earn outs has now been paid, which contributes to improving the net interest cost going forward. We appreciate the support with extended credit facilities from our banks, who wants to be involved and contribute to Humble's development.

Outlook

The preparations for the list change from First North to Nasdaq Stockholm's main market have proceeded according to plan and if nothing unforeseeable occurs, the ambition is that our application for the list change will be approved and thus carried out during the third quarter of 2024. In addition, we invite you to Humble's capital market day on Thursday the 19th of September 2024 in central Stockholm, where the participants will have the opportunity to meet members of the group management and get to know our four business segments better.

The second half of the year has started out well and we are now entering the most intensive period with full focus to ensure success during the important months of August-November. Additionally, we have a target to further strengthen the balance sheet organically and expect a cash flow release from working capital during the fourth quarter. With a strong order intake and confidence in high demand, we have invested in a well-filled inventory and intend to be able to deliver more products to the market than ever before.

Simon Petrén

CEO Humble Group
Stockholm, July 24, 2024

HUMBLE GROUP'S FINANCIAL DEVELOPMENT

SECOND QUARTER

REVENUES

Net sales

Net sales for the quarter amounted to MSEK 1,861 (1,710), 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 9% and currency impact was 0%.

EXPENSES

Other external expenses

Other external expenses for the quarter amounted to MSEK -225 (-190), which corresponded to 12% (11) of net sales. Acquisition related costs for the period amounted to MSEK -5 (0).

Personnel expenses

Personnel expenses for the quarter amounted to MSEK -211 (-199), 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 -6 (-12). For more details, please refer to *Note 6 Items affecting comparability*.

Depreciation and amortization

Total depreciation and amortization for the quarter amounted to MSEK -77 (-76), which corresponded to a change of 1% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -20 (-17) for the quarter. Amortization of assets related to acquisitions, of which a vast majority related to customer relations, amounted to MSEK -39 (-37).

Financial expenses

Financial expenses for the period amounted to MSEK -61 (-89). Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -7 (-23). Such interest expense has no cash effect in the quarterly result. For more details, please refer to *Note 7 Financial expenses*.

RESULTS

Gross margin

The gross margin for the second quarter increased to 31.5% (29.3), a relative increase by 7.5%. The gross margin was positively impacted by group-wide freight contracts to lower cost than market price.

EBITA

EBITA for the quarter amounted to MSEK 139 (129), a change of MSEK 10 compared with the corresponding period last year. Adjusted EBITA amounted to MSEK 141 (120), which corresponded to a change of MSEK 21 and +18% for the period. For more details, please refer to *Note 6 Items affecting comparability*.

EBIT

EBIT for the quarter amounted to MSEK 90 (83), which corresponded to a change of MSEK 7 compared with the corresponding period last year. Adjusted EBIT amounted to MSEK 91 (74), which corresponded to a change of MSEK 17 and +23% for the period.

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities amounted to MSEK -49 (445). Cash flow from operations was negatively impacted by net working capital increase, mainly in inventory of MSEK -129 (-24). The Group continue the work with several strategic initiatives to optimize the net working capital usage going forward. During Q2 2023, tax deferrals of total MSEK 260 was recognised as short term liabilities and had a positive impact on the cash flow for the period. The Groups intention is to apply for an instalment plan of 36 months for the tax deferral during the third quarter.

Cash flow from financing activities

Cash flow from financing activities amounted to MSEK 128 (110). During the quarter, 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. The Group amortized MSEK 82 of the long-term loan during the second quarter and the cash flow impact from paid contingent consideration amounted to MSEK 295.

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.

SIX MONTHS

REVENUES

Net sales

Net sales for the first six months amounted to MSEK 3,699 (3,303), an increase of 12% compared to the corresponding period last year. The change is attributable to completed business acquisitions of 2%, organic growth for the wholly owned subsidiaries in both periods of 10% and currency impact was 1%.

EXPENSES

Other external expenses

Other external expenses for the first six months amounted to MSEK -466 (-398), which corresponded to 13% (12) of net sales. Acquisition related costs for the period amounted to MSEK -6 (-5).

Personnel expenses

Personnel expenses for the first six months amounted to MSEK -409 (-382), 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 -14 (-24). Remaining increase is mainly explained by additional employees in the Group through the acquired subsidiaries. For more details, please refer to *Note 6 Items affecting comparability*.

Depreciation and amortization

Total depreciation and amortization for the first six months amounted to MSEK -148 (-146), which corresponded to a change of 1% compared with the corresponding period last year. Depreciation of right-of-use assets amounted to MSEK -37 (-31) for the period. Amortization of assets related to acquisitions, of which a vast majority related to customer relations, amounted to MSEK -75 (-72).

Financial expenses

Financial expenses for the first six months amounted to MSEK -123 (-173). Interest expense related to unwinding of discounting effect of contingent considerations and other liabilities presented at fair value amounted to MSEK -26 (-36). Such interest expense has no cash effect in the result for the period. For more details, please refer to *Note 7 Financial expenses*.

RESULTS

Gross margin

The gross margin for the first six months amount to 31.1% (29.9), a relative increase by 4.3%. The gross margin was positively impacted by group-wide freight contracts to lower cost than market price.

EBITA

EBITA for the first six months amounted to MSEK 272 (259), which corresponded to a change of MSEK 13 compared with the corresponding period last year. Adjusted EBITA amounted to MSEK 268 (223), which corresponded to a change of MSEK 45 and +20% for the period. For more details, please refer to *Note 6 Items affecting comparability*.

EBIT

EBIT for the first six months amounted to MSEK 176 (168), which corresponded to a change of MSEK 8 compared with the corresponding period last year. Adjusted EBIT amounted to MSEK 172 (132), which corresponded to a change of MSEK 40 and +30% for the period.

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities amounted to MSEK 11 (627). Cash flow from operations was negatively impacted by net working capital increase, mainly in inventory, of MSEK -199 (-35). The Group continue the work with several strategic initiatives to optimize the net working capital usage going forward. 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 Groups intention is to apply for an instalment plan of 36 months for the tax deferral during the third quarter.

Cash flow from financing activities

Cash flow from financing activities amounted to MSEK 29 (80). 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. The Group amortized MSEK 178 of the long-term loan during the first six months and the cash flow impact from paid contingent consideration amounted to MSEK 295.

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.

SEGMENT REPORT - FUTURE SNACKING

SEGMENT OVERVIEW

This quarter, Future Snacking has experienced substantial progress and strategic advancements. We have initiated additional shifts in specific production units, optimized production schedules and workflows, and enhanced coordination among our Arena Confectionary subsidiaries. These efforts, along with targeted machine investments, are designed to meet the rising demand efficiently.

We have introduced new product innovations such as ProBrands and True Dates, which have secured listings in both service and grocery trade channels. These products are now produced in-house, aligning with our mission to own the value chain and setting a precedent for future production. Margins have shown significant improvement across all levels, highlighting the effectiveness of our initiatives.

Furthermore, Pändy has achieved its first orders in the US, while our European sales and marketing efforts are yielding positive results. These developments are consistent with our strategy to internationalize key brands. To sustain and drive growth, further investments in capacity expansion remain essential. Overall, this quarter reflects our dedication to innovation, operational excellence, and strategic global growth.

SEGMENT UPDATE

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

- Capacity in production facilities at Grahns and Franssons has been increased from mid-June through extended shifts and certain mechanical investments.
- Further efficiency initiatives are being made across production units with coordinated purchasing and streamlined workflows to optimize production.
- True Gum completed set up of production for True Dates, which have been successfully launched in Denmark, Sweden and Norway so far.
- FCB introduced the ProBrands Soft Bar, which is developed and produced by Bars Production I Gråbo.
- Pändy has entered the US market with the first order secured.

SALES AND PROFITABILITY

Net sales increased by 7% and amounted to MSEK 250 (234) for the second quarter. Adjusted EBITDA for the quarter amounted to MSEK 28 (23), with an Adjusted EBITDA margin of 11% (10). Production units in the segment are currently focusing on capacity expansion to enable capacity to meet customer demand and strengthen machinery efficiency. Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022 and in *Note 9 Business combination* in this interim report.

FUTURE SNACKING

<i>Amount in MSEK</i>	Second quarter		Six months	
	2024	2023	2024	2023
Net sales	250	234	486	472
Raw material and consumables	-136	-131	-268	-267
Gross profit	114	103	218	205
<i>Gross margin</i>	46%	44%	45%	43%
EBITDA	35	1	79	24
Items affecting comparability	-7	22	-21	26
Adjusted EBITDA	28	23	58	50
<i>Adjusted EBITDA in relation to net sales</i>	11%	10%	12%	11%
EBITA	27	-6	62	7
Adjusted EBITA	20	15	41	33
<i>Adjusted EBITA in relation to net sales</i>	8%	7%	8%	7%
EBIT	15	-14	40	-8
Adjusted EBIT	8	7	20	18
<i>Adjusted EBIT in relation to net sales</i>	3%	3%	4%	4%



SEGMENT REPORT - SUSTAINABLE CARE

SEGMENT OVERVIEW

This quarter, the Sustainable Care segment has demonstrated remarkable growth and robust profitability across the board. Solent remains our largest subsidiary, showcasing impressive performance in both growth and profitability. Similarly, smaller entities such as Amber House have exceeded budget expectations, with licensing deals proving to be a significant driver of success.

Restructuring efforts within The Humble Co. and Naty are beginning to yield positive outcomes. Naty has successfully returned to profitability, while The Humble Co. is regaining its momentum, showing improved profitability back to normalised levels. These structural adjustments are setting the stage for long-term stability and growth.

Additionally, the integration of Go Superfoods into the Solent platform has been completed. We are optimistic that this integration will enable Go Superfoods to refine its business model and expand its reach, with Solent acting as a catalyst for enhanced sales and market penetration.

Overall, this quarter reflects a strong performance across the segment, with strategic initiatives driving substantial growth and setting the foundation for continued success.

SEGMENT UPDATE

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

- Naty has successfully been able to turn around its negative growth development to positive and stable growth along with reported profitability.
- The re-organisation in The Humble Co. as per communicated last year has been completed, bringing the company back to solid profitability.
- Solent is continuing to perform strongly with stable top-line growth and sound margins.
- The integration of Go Superfoods to Solent has been completed.

SALES AND PROFITABILITY

Net sales increased with 13% and amounted to MSEK 555 (493) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 84 (56), with an Adjusted EBITDA margin of 15% (11). Solent, along with other subsidiaries such as Amber House have driven both growth and increased profitability through successful licensing deals and product launches in the UK market. Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022 and in *Note 9 Business combination* in this interim report.

SUSTAINABLE CARE	Second quarter		Six months	
	2024	2023	2024	2023
Amount in MSEK				
Net sales	555	493	1,077	977
Raw material and consumables	-343	-318	-679	-635
Gross profit	212	175	397	342
Gross margin	38%	35%	37%	35%
EBITDA	74	93	140	159
Items affecting comparability	10	-37	7	-50
Adjusted EBITDA	84	56	147	108
Adjusted EBITDA in relation to net sales	15%	11%	14%	11%
EBITA	69	87	130	145
Adjusted EBITA	80	50	137	95
Adjusted EBITA in relation to net sales	14%	10%	13%	10%
EBIT	44	60	80	93
Adjusted EBIT	54	23	87	43
Adjusted EBIT in relation to net sales	10%	5%	8%	4%

SEGMENT REPORT - QUALITY NUTRITION

SEGMENT OVERVIEW

This quarter has been marked by strategic marketing investments aimed at solidifying Body Science's position as a market leader. We have channelled extraordinary resources into promoting Body Science, leveraging what we perceive as a critical window of opportunity to capture additional market share and enhance the brand's reputation for superior taste and quality. While these investments have impacted short-term profitability, we are confident they are essential for capitalizing on current momentum and establishing Body Science as a dominant force in the market.

In addition, we have faced a few delays in the delivery of machine investments, particularly impacting Bars Production i Gråbo as well as the completion of the new drink line. These delays have impeded our ability to upscale production and have led to a temporary loss of sales. However, we have developed a tangible plan to address these capacity constraints. We anticipate that the strategic initiatives related to capacity will be resolved by Q3, with full operational status expected by Q4.

Overall, this quarter reflects our commitment to long-term growth through strategic investments and infrastructure improvements, despite the short-term challenges.

SEGMENT UPDATE

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

- Body Science have made significant marketing investments which have caused a temporary drop in profitability margins.
- Capacity constraints remain a challenge in Production units, although progress have been made in an effort to ensure supply. Ewalco have successfully moved colonial production to a third-party site, whilst making necessary renovations and increased shifts at Fermia site.
- Bars Production are still seeing a big up-swing in demand, whilst up-scale of production are slightly delayed. Additional lines and production efficiency are planned to ensure long-term capacity.
- Drink line is set to launch in mid-Q3.

SALES AND PROFITABILITY

Net sales increased with 6% and amounted to MSEK 376 (354) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 27 (40), with an Adjusted EBITDA margin of 7% (11). Sales and profitability have been negatively impacted by the continued capacity constraints in Sweden, as well as the significant marketing investments made in product launches in Body Science. Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022 and in *Note 9 Business combination* in this interim report.

QUALITY NUTRITION	Second quarter		Six months	
	2024	2023	2024	2023
<i>Amount in MSEK</i>				
Net sales	376	354	765	699
Raw material and consumables	-261	-256	-528	-509
Gross profit	115	99	237	190
<i>Gross margin</i>	<i>31%</i>	<i>28%</i>	<i>31%</i>	<i>27%</i>
EBITDA	39	42	73	98
Items affecting comparability	-12	-2	-8	-24
Adjusted EBITDA	27	40	65	73
<i>Adjusted EBITDA in relation to net sales</i>	<i>7%</i>	<i>11%</i>	<i>9%</i>	<i>10%</i>
EBITA	33	37	61	87
Adjusted EBITA	20	34	53	62
<i>Adjusted EBITA in relation to net sales</i>	<i>5%</i>	<i>10%</i>	<i>7%</i>	<i>9%</i>
EBIT	26	30	47	72
Adjusted EBIT	14	27	40	48
<i>Adjusted EBIT in relation to net sales</i>	<i>4%</i>	<i>8%</i>	<i>5%</i>	<i>7%</i>

SEGMENT REPORT - NORDIC DISTRIBUTION

SEGMENT OVERVIEW

This quarter, Nordic Distribution has seen significant developments. We have allocated substantial resources to build up inventory, ensuring that our warehouses are fully prepared for the critical August-November period. This investment in working capital aims to optimize distribution capabilities during peak months, though it has temporarily tied up resources.

Niklas Andersson, former owner and CEO of Privab Trollhättan, has been appointed CEO of the Privab subgroup. This leadership change is part of a broader transition, where the consolidation and integration of entities have been completed and are now operating as a coordinated unit. While this integration has affected short-term profitability, it is expected to enhance long-term operational efficiency.

Additionally, GSD and Vitalkost have successfully launched new products, which are performing well in the market. However, margins have been squeezed due to various factors, including pricing volatility and currency effects.

Overall, this quarter reflects our focus on strategic inventory management and operational integration, with a commitment to long-term improvements despite short-term profitability impacts.

SEGMENT UPDATE

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

- The consolidation of Privab entities has been completed, and a new CEO of the subgroup has been appointed (the previous owner and CEO of Privab Trollhättan).
- GSD has launched new concepts with Swedish store chains, which have been well received.
- Vitalkost is continuing to perform well, with several new successful product launches.

SALES AND PROFITABILITY

Net sales increased with 8% and amounted to MSEK 680 (629) for the quarter. Adjusted EBITDA for the quarter amounted to MSEK 25 (31), with an Adjusted EBITDA margin of 4% (5). The development in sales is mainly attributable to Vitalkost in Norway and GSD in Sweden successfully taking on new concepts and listings in existing markets. Profitability has been negatively impacted by expenses related to the consolidation work in Privab. Companies included in the segment can be found in *Note 31* in the Annual report 2023 and 2022 and in *Note 9 Business combination* in this interim report.

NORDIC DISTRIBUTION	Second quarter		Six months	
	2024	2023	2024	2023
Amount in MSEK				
Net sales	680	629	1,371	1,155
Raw material and consumables	-535	-503	-1,071	-905
Gross profit	145	126	300	250
<i>Gross margin</i>	<i>21%</i>	<i>20%</i>	<i>22%</i>	<i>22%</i>
EBITDA	22	26	53	48
Items affecting comparability	3	6	7	9
Adjusted EBITDA	25	31	59	57
<i>Adjusted EBITDA in relation to net sales</i>	<i>4%</i>	<i>5%</i>	<i>4%</i>	<i>5%</i>
EBITA	15	18	39	37
Adjusted EBITA	18	24	46	46
<i>Adjusted EBITA in relation to net sales</i>	<i>3%</i>	<i>4%</i>	<i>3%</i>	<i>4%</i>
EBIT	10	13	28	27
Adjusted EBIT	13	18	34	36
<i>Adjusted EBIT in relation to net sales</i>	<i>2%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>

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 Group 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 period was 1,117 (1,067). The proportion of women in the Group for the full year was 43% (49).

Parent company

The average number of employees in the Parent Company during the period was 20 (20), with 28% (26) 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.

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 second 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

Humble Group invites to a Capital Markets Day on September 19, 2024.

The interim report for the period July-September 2024 will be published on October 31, 2024.

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

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THE SHARE

THE SHARE

The Group'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 446,575,533 (440,920,844), which entitles to one vote each. All shares are of the same share class. The number of outstanding warrants amounted to 13,420,000 (7,420,000). For the period April - June 2024, the average number of shares before dilution and average number of shares after dilution amounted to 443,740,091 and 453,805,252 respectively.

TRADE IN THE SHARE

Second quarter

The total liquidity in the share during the quarter amounted to MSEK 257 (339). The number of transactions for the same period amounted to 27,287 (39,427). The average volume per transaction amounted to SEK 9,418 (8,587). The average volume per trading day amounted to MSEK 4 (6).

DATA PER SHARE

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

	Second quarter		Six months		Full year
	2024	2023	2024	2023	2023
Low price (SEK)	8.84	6.12	8.84	6.11	5.94
High price (SEK)	10.50	8.75	12.17	11.45	11.69
Closing price previous period (SEK)	9.45	6.71	11.38	9.77	9.77
Closing price current period (SEK)	10.05	6.55	10.05	6.55	11.38
Share price development during period (%)	6%	-2%	-12%	-33%	-67%
Trading volume in the share (MSEK)	257	339	651	907	1,748
Number of transactions in the share	27,287	39,427	68,331	99,540	181,662
Average volume per trading day (MSEK)	4	6	5	7	7
Average volume per transaction (SEK)	9,418	8,587	9,527	9,113	9,621
Number of shareholders*	18,523	23,121	18,523	23,149	20,670
Number of shares outstanding*	446,575,533	440,920,844	446,575,533	440,920,844	443,544,543
Average number of shares before dilution	443,740,091	318,149,075	443,643,380	310,224,826	377,360,692
Average number of shares after dilution	453,805,252	323,361,382	452,400,336	314,496,208	383,219,322
Net sales per share (SEK)**	4.19	5.37	8.34	10.65	18.68
Adjusted EBITDA per share (SEK)**	0.38	0.47	0.72	0.90	1.75
Adjusted EBITA per share (SEK)**	0.32	0.38	0.60	0.72	1.34
Adjusted EBIT per share (SEK)**	0.20	0.23	0.39	0.43	0.73
EBIT per share (SEK)**	0.20	0.26	0.40	0.54	0.00
Earnings per share (SEK)	0.07	0.00	0.12	-0.01	-0.28

See page 26 for definition and calculation of key ratios.

* End of period, **Before dilution

LARGEST SHAREHOLDERS

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

Owner	Shares	Votes
Neudi & Co 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	28,000,000	6.27%
Alta Fox Capital	26,021,235	5.83%
Creades AB	18,136,470	4.06%
Nordnet Pensionsförsäkring	14,546,192	3.26%
DNB Asset Management SA	13,206,666	2.96%
Thomas Petrén (Seved Invest AB)	12,570,000	2.81%
DNB Asset Management AS	12,779,595	2.86%
Total top 10	245,831,396	55.05%
Other shareholders	200,744,137	44.95%
Total number of shares	446,575,533	100%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amount in MSEK	Note	Second quarter		Six months		Last Twelve Months	Full year
		2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
Net sales	4	1,861	1,710	3,699	3,303	7,446	7,050
Capitalized work on own account		2	21	3	41	46	83
Other operating income	5	35	69	80	150	192	262
Raw materials and consumables		-1,275	-1,209	-2,548	-2,317	-5,152	-4,921
Other external expenses		-225	-190	-466	-398	-919	-851
Personnel expenses		-211	-199	-409	-382	-817	-790
Other operating expenses	5	-21	-45	-36	-84	-127	-174
EBITDA	6	166	158	323	313	669	659
Depreciation of tangible fixed assets		-7	-12	-14	-24	-38	-47
Depreciation of right-of-use assets		-20	-17	-37	-31	-70	-64
EBITA	6	139	129	272	259	561	547
Amortization of intangible fixed assets		-11	-10	-22	-19	-86	-83
Amortization of assets related to acquisitions		-39	-37	-75	-72	-149	-146
EBIT	6	90	83	176	168	326	318
Profit from shares in associated companies and joint ventures		0	-1	0	-1	2	1
Financial income		9	11	18	13	17	13
Financial expenses	7	-61	-89	-123	-173	-343	-393
PROFIT AND LOSS AFTER FINANCIAL ITEMS		38	5	70	7	2	-61
Income tax		-7	-5	-15	-11	-49	-45
PROFIT AND LOSS AFTER TAX		32	0	55	-4	-47	-106
Profit and loss is attributable to:							
Owners of the Parent Company		32	0	55	-4	-47	-106
Non-controlling interest		0	0	0	0	0	0
		32	0	55	-4	-47	-106
Other comprehensive income							
<i>Items that may be reclassified to profit or loss:</i>							
Exchange differences in translation of foreign operations		-21	193	131	228	-92	6
COMPREHENSIVE INCOME FOR PERIOD		10	193	185	224	-139	-100
The comprehensive income for the period is attributable to:							
Owners of the Parent Company		10	193	186	224	-139	-100
Non-controlling interest		0	0	0	0	0	0
		10	193	185	224	-139	-100
Earnings per share before dilution		0.07	0.00	0.12	-0.01	-0.14	-0.28
Earnings per share after dilution		0.07	0.00	0.12	-0.01	-0.15	-0.28

GROUP BALANCE SHEET - IN SUMMARY

<i>Amount in MSEK</i>	Note	June, 30		December, 31
		2024	2023	2023
ASSETS				
<i>Non-current assets</i>				
Intangible assets		6,043	6,243	6,013
Tangible fixed assets		199	399	191
Financial assets		75	72	99
Right-of-use assets		368	164	299
Deferred tax assets		30	27	29
Total non-current assets		6,714	6,905	6,631
<i>Current assets</i>				
Inventory		1,189	1,085	983
Accounts receivables		593	595	561
Other short-term receivables		266	205	211
Cash and cash equivalents *		218	794	401
		2,265	2,679	2,157
Assets classified as held for sale	6	0	0	129
Total current assets		2,265	2,679	2,287
TOTAL ASSETS		8,979	9,585	8,918
EQUITY AND LIABILITIES				
<i>Equity</i>				
Attributable to Parent Company's shareholder		5,084	5,171	4,869
Non-controlling interest		0	0	0
Total shareholders' equity		5,084	5,171	4,869
<i>Long-term liabilities</i>				
Interest-bearing liabilities	8	1,157	1,929	1,197
Contingent considerations	10	15	165	165
Long-term lease liabilities		322	113	258
Deferred tax liabilities		455	515	474
Provisions		16	26	17
Other long-term liabilities		14	17	18
Total long-term liabilities		1,978	2,765	2,129
<i>Short-term liabilities</i>				
Interest-bearing liabilities *	8	467	14	253
Contingent considerations	10	143	443	336
Current lease liabilities		75	56	67
Accounts payable		662	618	652
Other short-term liabilities		570	519	568
		1,917	1,649	1,876
Liabilities directly associated with assets classified as held for sale	6	0	0	43
Total short-term liabilities		1,917	1,649	1,919
TOTAL EQUITY AND LIABILITIES		8,979	9,584	8,917

*In connection with the refinancing of group capital structure during the third quarter 2023, 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 for 2306. The change amount to MSEK -111 as per 2306.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – SECOND QUARTER

<i>Amount in MSEK</i>	Equity attributable to Parent Company's shareholder					Non-controlling interest	Total shareholders equity
	Share capital	Other equity contributed	Translation reserve	Retained earnings	Total		
Opening balance April 1, 2023	67	4,169	212	-341	4,107	0	4,107
Net income for period				0	0		0
Other comprehensive income			193		193		193
Total comprehensive income			193	0	193		193
<i>Transaction with owners in their capacity as owners:</i>							
Share issue	30	846			875		875
Transaction costs		-2			-2		-2
Warrants program		-2			-2		-2
Total transaction with owners in their capacity as owners	30	842			871		871
Ending balance June 30, 2023	97	5,011	405	-341	5,171	0	5,171
Opening balance April 1, 2024	98	5,028	335	-416	5,045	0	5,045
Net income for period				32	32	0	31
Other comprehensive income			-21		-21		-21
Total comprehensive income			-21	32	10	0	10
<i>Transaction with owners in their capacity as owners:</i>							
Share issue		29			29		29
Ongoing share issue							0
Transaction costs					0		0
Warrants program		0			0		0
Aquisition of non-controlling interest						0	
Total transaction with owners in their capacity as owners	0	29	0	0	29	0	29
Ending balance June 30, 2024	98	5,057	314	-384	5,084	0	5,084

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – SIX MONTHS

<i>Amount in MSEK</i>	Equity attributable to Parent Company's shareholder					Non-controlling interest	Total shareholders equity
	Share capital	Other equity contributed	Translation reserve	Retained earnings	Total		
Opening balance January 1, 2023	66	4,131	177	-338	4,037	0	4,036
Net income for period				-4	-4		-4
Other comprehensive income			228		228		228
Total comprehensive income			228	-4	224		224
<i>Transaction with owners in their capacity as owners:</i>							
Share issue	31	879			910		910
Transaction costs		3			3		3
Warrants program		-3			-3		-3
Total transaction with owners in their capacity as owners	31	880	0	0	910		910
Ending balance June 30, 2023	97	5,011	405	-341	5,171	0	5,171
Opening balance January 1, 2024	98	5,028	183	-439	4,869	0	4,869
Net income for period				55	55	0	55
Other comprehensive income			131		131		131
Total comprehensive income			131	55	185	0	185
<i>Transaction with owners in their capacity as owners:</i>							
Share issue	1	29			29		29
Transaction costs		0			0		0
Warrants program		0			0		0
Aquisition of non-controlling interest						0	
Total transaction with owners in their capacity as owners	1	29	0	0	29	0	29
Ending balance June 30, 2024	98	5,057	313	-384	5,084	0	5,084

GROUP CASH-FLOW STATEMENT

	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
<i>Amount in MSEK</i>						
OPERATING ACTIVITIES						
Profit and loss after financial items	38	5	70	7	2	-61
<i>Adjustment for non-cash items</i>						
Depreciation and Amortization	77	75	148	145	344	341
Other items	43	73	85	107	282	304
Paid tax	-20	-7	-38	-14	-78	-54
Cash flow from operating activities before change in net working capital	138	146	265	246	549	529
CHANGE IN WORKING CAPITAL						
Change in inventories (increase - / decrease +)	-129	-24	-199	-35	-137	27
Change in short term receivables (increase - / decrease +)	-68	59	-58	139	-7	190
Change in short term liabilities (increase - / decrease +)	11	264	4	278	68	341
Sum of change in working capital	-186	299	-253	382	-77	558
Cash flow from operating activities	-49	445	11	627	472	1088
INVESTING ACTIVITIES						
Acquisition of intangible assets	-2	-21	-8	-41	-79	-112
Acquisition of tangible assets	-45	-10	-58	-23	-84	-49
Acquisition of financial assets	30	0	31	0	31	0
Disposal of subsidiaries	0	0	6	0	113	107
Acquisition of subsidiaries, acquired business + paid earn-outs	-199	-173	-199	-236	-333	-369
Cash flow from investing activities	-217	-203	-229	-300	-352	-423
FINANCING ACTIVITIES						
Share issue funds	0	875	0	875	0	875
Costs related to share and bond issues, and refinancing	-2	-26	-4	-26	-88	-111
Bond financing	0	0	0	0	-1,800	-1,800
Paid interest due to financing activities	-37	-50	-67	-108	-175	-216
New loans	308	41	313	87	1,772	1,546
Repayment of loans	-127	-716	-178	-720	-281	-823
Amortization of lease liability	-15	-14	-35	-28	-79	-72
Cash flow from financing activities	128	110	29	80	-652	-601
Decrease/ Increase in cash and cash equivalents	-138	352	-188	407	-532	64
Cash and cash equivalents at beginning of period	356	440	401	380	794	338
Exchange rate differences	0	3	5	7	1	-1
Cash and cash equivalents at end of period	218	794	218	794	263	401
Deployable cashflow*	-118	351	-120	428	-61	486

*See page 27 for definition and calculation

During Q2 2023, tax deferrals of total MSEK 260 was recognised as short term liabilities and had a positive impact on the cash flow for the period. The Groups intention is to apply for an instalment plan of 36 months for the tax deferral during the third quarter.

INCOME STATEMENT - PARENT COMPANY

<i>Amount in MSEK</i>	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
Net sales	20	12	20	13	52	44
Other operating income	59	3	59	6	57	1
Total revenue	79	16	79	19	109	46
Other external expenses	-9	-9	-15	-13	-29	-29
Personnel expenses	-12	-11	-21	-21	-44	-43
Other operating expenses	-4	0	-4	0	-5	-1
Depreciation and amortization of fixed tangible and intangible assets	0	0	-2	0	0	0
OPERATING PROFIT (EBIT)	55	-4	38	-15	31	-28
Profit from shares in Group companies	101	13	101	13	194	106
Interest income	13	17	29	18	30	34
Interest expenses	-45	-81	-98	-156	-319	-355
PROFIT AND LOSS AFTER FINANCIAL ITEMS	123	-56	70	-141	-64	-243
Year-end appropriations	0	0	0	0	96	96
PROFIT AND LOSS BEFORE TAX	123	-56	70	-141	32	-147
Current taxes	0	0	0	0	-5	-5
PROFIT AND LOSS AFTER TAX	123	-56	70	-141	27	-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

<i>Amount in MSEK</i>	June, 30		December, 31
	2024	2023	2023
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets	5	1	2
Tangible fixed assets	3	1	3
Financial fixed assets	6,903	6,980	6,967
Total non-current assets	6,911	6,982	6,972
<i>Current assets</i>			
Accounts receivables	0	0	2
Receivables with group companies	204	125	269
Other short-term receivables	63	21	24
Cash and cash equivalents	1	403	4
Total current assets	267	549	298
TOTAL ASSETS	7,178	7,532	7,269
EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity	98	97	98
Unrestricted equity	4,736	4,618	4,637
Total shareholders equity	4,834	4,715	4,735
Provisions	164	614	507
<i>Long term liabilities</i>			
Interest-bearing liabilities	1,151	1,834	1,189
Liabilities to group companies	9	0	15
Other long-term liabilities	0	11	11
Total long-term liabilities	1,160	1,845	1,215
<i>Short-term liabilities</i>			
Interest-bearing liabilities	466	64	253
Accounts payable	8	9	12
Liabilities to group companies	505	234	506
Other liabilities	41	51	41
Total short-term liabilities	1,020	357	812
TOTAL EQUITY AND LIABILITIES	7,178	7,532	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 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 included in the adjustments 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. The Group financials consists of below combined segments:

<i>Second quarter 2024, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	250	555	376	680		1,861
Raw material and consumables	-136	-343	-261	-535		-1,275
Gross profit	114	212	115	145		586
<i>Gross margin, %</i>	46%	38%	31%	21%		31%
EBITDA	35	74	39	22	-4	166
Items affecting comparability (note 5)	-7	10	-12	3	7	1
Adjusted EBITDA***	28	84	27	25	3	168
<i>Adjusted EBITDA in relation to net sales</i>	11%	15%	7%	4%		9%
EBITA	27	69	33	15	-5	139
Adjusted EBITA	20	80	20	18	2	141
<i>Adjusted EBITA in relation to net sales</i>	8%	14%	5%	3%		8%
EBIT	15	44	26	10	-5	90
Adjusted EBIT	8	54	14	13	2	91
<i>Adjusted EBIT in relation to net sales</i>	3%	10%	4%	2%		5%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 6 for reconciliation to Profit before tax

<i>Second quarter 2023, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	234	493	354	629	0	1,710
Raw material and consumables	-131	-318	-256	-503	0	-1,209
Gross profit	103	175	99	126		502
<i>Gross margin, %</i>	44%	35%	28%	20%		29%
EBITDA	1	93	42	26	-5	158
Items affecting comparability (note 5)	22	-37	-2	6	4	-9
Adjusted EBITDA***	23	56	40	31	-1	149
<i>Adjusted EBITDA in relation to net sales</i>	10%	11%	11%	5%		9%
EBITA	-6	87	37	18	-7	129
Adjusted EBITA	15	50	34	24	-3	120
<i>Adjusted EBITA in relation to net sales</i>	7%	10%	10%	4%		7%
EBIT	-14	60	30	13	-6	83
Adjusted EBIT	7	23	27	18	-1	74
<i>Adjusted EBIT in relation to net sales</i>	3%	5%	8%	3%		4%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 6 for reconciliation to Profit before tax

FINANCIAL INFORMATION

<i>Six months 2024, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	486	1,077	765	1,371		3,699
Raw material and consumables	-268	-679	-528	-1,071		-2,548
Gross profit	218	397	237	300		1,152
<i>Gross margin, %</i>	45%	37%	31%	22%		31%
EBITDA	79	140	73	53	-21	323
Items affecting comparability (note 5)	-21	7	-8	7	11	-4
Adjusted EBITDA***	58	147	65	59	-10	319
<i>Adjusted EBITDA in relation to net sales</i>	12%	14%	9%	4%		9%
EBITA	62	130	61	39	-19	272
Adjusted EBITA	41	137	53	46	-9	268
<i>Adjusted EBITA in relation to net sales</i>	8%	13%	7%	3%		7%
EBIT	40	80	47	28	-19	176
Adjusted EBIT	20	87	40	34	-9	171
<i>Adjusted EBIT in relation to net sales</i>	4%	8%	5%	3%		5%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 6 for reconciliation to Profit before tax

<i>Six months 2023, amount in MSEK</i>	Future Snacking	Sustainable Care	Quality Nutrition	Nordic Distribution	Other*	Total
Net sales**	472	977	699	1,155		3,303
Raw material and consumables	-267	-635	-509	-905		-2,317
Gross profit	205	342	190	250		986
<i>Gross margin, %</i>	43%	35%	27%	22%		30%
EBITDA	24	159	98	48	-15	313
Items affecting comparability (note 5)	26	-50	-24	9	4	-36
Adjusted EBITDA***	50	108	73	57	-11	277
<i>Adjusted EBITDA in relation to net sales</i>	11%	11%	10%	5%		8%
EBITA	7	145	87	37	-17	259
Adjusted EBITA	33	95	62	46	-13	223
<i>Adjusted EBITA in relation to net sales</i>	7%	10%	9%	4%		7%
EBIT	-8	93	72	27	-17	168
Adjusted EBIT	18	43	48	36	-13	132
<i>Adjusted EBIT in relation to net sales</i>	4%	4%	7%	3%		4%

*Other refers to Parent company and minor administrative entities, **Revenue from sales to external customers, ***See Note 6 for reconciliation to Profit before tax

FINANCIAL INFORMATION

Net sales per country	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
Amount in MSEK						
Australia	103	79	221	163	481	423
China	32	51	73	82	184	193
Denmark	31	22	53	42	91	80
Finland	38	29	69	55	122	108
Germany	72	71	137	148	261	272
Norway	74	60	153	130	287	264
Portugal	64	46	111	82	196	167
Sweden	889	878	1812	1667	3,641	3,496
United Kingdom	357	296	671	552	1,284	1,166
USA	34	32	61	62	124	126
Other countries*	167	147	340	320	775	755
Total net sales	1,861	1,710	3,699	3,303	7,446	7,050

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

Non-current assets of the segments	June, 30		December, 31
	2024	2023	2023
Amount in MSEK			
Australia	406	344	386
Sweden	3,478	3,606	3,467
United Kingdom	1,539	1,609	1,485
Portugal	634	670	624
Other countries	555	577	541
Total countries	6,611	6,806	6,503
Fixed assets not specified by country*	103	99	128
Total fixed assets	6,714	6,905	6,631

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 six months, the positive change, reported as operating income, amounted to MSEK 62 (121), and the negative change, reported as operating expense, amounted to MSEK -18 (79).

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 19 (10). 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 included in the adjustments for the comparative period.

<i>Amount in MSEK</i>	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
Adjusted EBITDA	168	149	319	277	659	617
Acquisition and divestment related cost and income	-5	0	-6	-5	0	1
Revaluation of contingent considerations accounting*	19	10	44	41	54	51
Lock-in penalty from acquisition SPA*	-6	-12	-14	-24	-36	-45
Restructuring	-7	-10	-15	-15	-32	-32
Capitalized development costs*	0	20	0	39	40	79
Other	-2	0	-6	0	-17	-12
EBITDA	166	158	323	313	669	659
Depreciation	-27	-28	-51	-54	-108	-112
EBITA	139	129	272	259	561	547
Amortization	-50	-46	-97	-91	-235	-229
EBIT	90	83	176	168	326	318
Finance net	-51	-78	-106	-160	-324	-379
EBT	38	5	70	7	2	-61

*These items have no cash flow impact.

<i>Amount in MSEK</i>	Second quarter		Six months		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
EBITDA	166	158	323	313	669	659
Items affecting comparability	1	-9	-4	-36	-10	-42
Adjusted EBITDA	168	149	319	277	659	617
EBITA	139	129	272	259	561	547
Items affecting comparability	1	-9	-4	-36	-10	-42
Adjusted EBITA	141	120	268	223	551	505
EBIT	90	83	176	168	326	318
Items affecting comparability	1	-9	-4	-36	-10	-42
Adjusted EBIT	91	74	172	132	316	276

FINANCIAL INFORMATION

NOTE 7 – FINANCIAL EXPENSES

Amount in MSEK	Second quarter		Second quarter		Last Twelve Months	Full year
	2024	2023	2024	2023	Jul 2023 - Jun 2024	2023
Interest expense related to financing	-43	-59	-73	-114	-172	-213
Unwinding of discounting effect	-7	-24	-26	-42	-53	-69
Interest expense on lease liabilities	-6	-2	-11	-4	-17	-10
Exchange rate losses and revaluation effects	-3	3	-7	-1	-17	-11
Costs related to refinancing of bond	0	0	0	0	-78	-78
Other interest expenses	-1	-7	-6	-12	-7	-13
Financial expenses	-61	-89	-123	-173	-343	-393

NOTE 8 – NET INTEREST-BEARING DEBT

Humble Group's net interest-bearing debt as of June 30, 2024, is presented in table below. During the quarter, 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.

Humble Group received tax deferrals of MSEK 260 during the second quarter 2023. In accordance with IFRS Accounting principles, this has been recognized as other short-term liability. The Groups intention is to apply for an instalment plan of 36 months for the tax deferral during the third quarter.

Amount in MSEK	June, 30		December, 31
	2024	2023	2023
Interest-bearing liabilities			
Bond financing debt	0	1,834	0
Liability to credit institutions*	1,624	108	1,494
Lease liabilities	397	168	325
Total interest-bearing liabilities	2,021	2,111	1,818
Cash and cash equivalents	-218	-794	-401
Net Interest Bearing Debt (NIBD)	1,803	1,316	1,417
<small>*December 2023 includes liabilities directly associated with assets classified as held for sale</small>			
Proforma Adjusted EBITDA excluding leasing	581	530	559
Tax deferral	252	260	260
Short-term investment to be divested	-21	0	-27
Net Interest Bearing Debt (NIBD-Leasing+ Tax Deferrals)	1,637	1,408	1,325
<i>Leverage to adjusted EBITDA excluding leasing</i>	<i>2.8x</i>	<i>2.7x</i>	<i>2.4x</i>
Earnout present value	157	675	572
Net Interest Bearing Debt (NIBD+ EO-Leasing+ Tax Deferrals)	1,794	2,083	1,897
<i>Leverage to adjusted EBITDA excluding leasing</i>	<i>3.1x</i>	<i>3.9x</i>	<i>3.4x</i>

Table above illustrates the leverage multiple adjusted for inclusion of earnout considerations and tax deferral. Last twelve month Adjusted EBITDA Proforma amounted to MSEK 581 excluding leasing and divested operations. Net Interest-bearing debt in relation to last twelve months Adjusted EBITDA proforma amounts to 3.1x at the end of this reporting period.

NOTE 9 – BUSINESS COMBINATIONS

BUSINESS COMBINATIONS 2024

No acquisition has been made during 2024.

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

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 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. Goodwill amount to MSEK 61.

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%. 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.

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 63 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 62 and EBITDA of MSEK 4.

Acquisition-related costs

Acquisition-related costs of 3 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

	June, 30
	2024
Total acquisition, amount in MSEK	
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.

For financial assets and liabilities other than those disclosed below, fair value is deemed to approximate the carrying value. A full comparison of fair value and carrying value for all financial assets and liabilities is disclosure in *note 26* in the Annual Report 2023.

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 has 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.

	June, 30		December, 31
	2024	2023	2023
Contingent consideration, amount in MSEK			
Opening balance, January 1	501	780	780
New acquisitions	0	32	32
Payments	-323	-199	-320
Fair value changes that are reported through profit and loss via operating income	-62	-121	-199
Fair value changes that are reported through profit and loss via operating expense	18	79	147
Interest expenses related to unwinding of discounting effect	23	36	60
Translation differences	0	2	-2
Closing balance, December 31	157	608	501

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.

<i>Estimated payments per year</i>	Nominal value	Fair value
2024	0	0
2025	153	143
2026	17	15
Total contingent considerations	171	157

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 six months, interest expense of MSEK -23 (-36) was recognized as financial expenses related to unwinding of discount effect of contingent considerations and -3 MSEK (-6) related to unwinding of discount effect of deferred purchase price payments.

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 - June 2024.

Gross Profit

Net sales less raw materials and consumables.

Gross Profit is calculated as $3,699 - 2,548 = \text{MSEK } 1,152$.

Gross Margin

Gross Profit in relation to net sales.

Gross Margin is calculated as $1,152 / 3,699 = 31\%$.

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 calculated as $323 - 4 = \text{MSEK } 319$.

Adjusted EBITDA margin is calculated as $319 / 3,699 = 9\%$.

Adjusted EBITDA per share is calculated as $\text{MSEK } 319 / 443,643,380 = \text{SEK } 0.72$.

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 $272 - 4 = \text{MSEK } 268$.

Adjusted EBITA margin is calculated as $268 / 3,699 = 7\%$.

Adjusted EBITA per share is calculated as $\text{MSEK } 268 / 443,643,380 = \text{SEK } 0.60$.

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 $176 - 4 = \text{MSEK } 172$.

Adjusted EBIT margin is calculated as $172 / 3,699 = 5\%$.

Adjusted EBIT per share is calculated as $\text{MSEK } 172 / 443,643,380 = \text{SEK } 0.39$.

Net interest-bearing debt

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

Net interest-bearing debt is calculated as $1,637 + 397 - 212 = \text{MSEK } 1,822$.

NIBD- Leasing + tax deferrals is calculated as $1,822 - 397 + 260 = \text{MSEK } 1,685$.

NIBD + Earnout- Leasing + tax deferrals is calculated as $1,822 + 157 - 397 + 260 = \text{MSEK } 1,842$.

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 $(396 - 53 - 21) / 3,303 = 10\%$.

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 $11 - 229 + 199 - 67 - 35 = \text{MSEK } -120$.

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 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 July 24, 2024

Dajana Mirborn
Chairman of the Board

Ola Cronholm

Henrik Patek

Pål Bruu

Sara Berger

Noel Abdayem

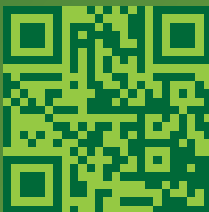
Simon Petrán
Chief Executive Officer

This report has not been subject to review by the company's auditor.

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 July 24th, 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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