Cloetta

Interim report for July–September 2024

Continued organic growth and strengthened profit

Third quarter

- **Net sales** for the quarter increased by 2.2 per cent to SEK 2,196m (2,148) including a negative impact from foreign exchange rates of -2.0 per cent
- **Sales of Branded packaged products** increased organically by 1.4 per cent during the quarter
- **Sales of Pick & mix** increased organically by 18.6 per cent during the quarter
- **Operating profit adjusted** for items affecting comparability, amounted to SEK 238m (208)
- **Operating profit** amounted to SEK 238m (201), with items affecting comparability of SEK 0m (-7)
- **Operating profit, adjusted, of Branded packaged products** amounted to SEK 191m (216)
- **Operating profit, adjusted, of Pick & mix** amounted to SEK 47m (-8)
- **Profit for the period** amounted to SEK 130m (161), which equates to basic and diluted earnings per share of SEK 0.45 (0.56)
- **Cash flow** from operating activities was SEK 249m (193)
- **Net debt/EBITDA** ratio was 1.6x (2.0)

Events after the end of the reporting period

- There were no significant events after the end of the reporting period

Key ratios

SEKm	Third quarter 2024	Third quarter 2023	Δ, %	9 months 2024	9 months 2023	Δ, %	R12[2] Oct 2023–Sep 2024	Full year 2023
Net sales	2,196	2,148	2.2[1]	6,328	6,119	3.4[1]	8,510	8,301
Operating profit, adjusted	238	208	14.4	652	599	8.8	852	799
Operating profit margin, adjusted, %	10.8	9.7	1.1-pts	10.3	9.8	0.5-pts	10.0	9.6
Operating profit (EBIT)	238	201	18.4	555	561	-1.1	729	735
Operating profit margin (EBIT margin), %	10.8	9.4	1.4-pts	8.8	9.2	-0.4-pts	8.6	8.9
Profit before tax	166	237	-30.0	427	424	0.7	573	570
Profit for the period	130	161	-19.3	319	299	6.7	457	437
Earnings per share, basic, SEK	0.45	0.56	-19.6	1.12	1.05	6.7	1.60	1.53
Earnings per share, diluted, SEK	0.45	0.56	-19.6	1.12	1.05	6.7	1.60	1.53
Net debt/EBITDA, x (Rolling 12 months)	1.6	2.0	-20.0	1.6	2.0	-20.0	1.6	1.7
Free cash flow	211	123	71.5	338	102	231.4	732	496
Cash flow from operating activities	249	193	29.0	457	300	52.3	935	778

[1] Organic growth at constant exchange rates was 5.7 per cent for the quarter and 4.4 per cent for the first three quarters of the year. See further under Net sales on page 3.
[2] R12 refers to the last 12 months from the reporting date and goes back in time for the previous 12 months.

SEK 2.2 bn	5.7 %	10.8 %
Net sales	Organic sales growth	Operating profit margin, adjusted

Conference call and web presentation

A conference call with web presentation for media and the financial community is arranged on the day of report publication at 10:00 a.m. CEST. We kindly ask those who wish to dial-in to make sure you are connected to the phone conference by calling in and to register a few minutes before the conference begins. An on-demand version of the call will be available on **www.cloetta.com** later the same day.

Broadcast link	https://creo-live.creomediamanager.com/e170b80b-755c-4de2-afd9-0b6dec2b8f5c		
Dial-in numbers	SE: +46 8 5051 0031	UK: +44 (0) 207 107 06 13	US: +1 631 570 5613

Comments from the CEO

Continued organic growth and strengthened profit

In the third quarter, we continued to grow organically while food price inflation stabilised. Total volumes were stable, with Pick & mix growing faster than Branded packaged products. Profitability increased mainly driven by our continued margin-enhancing activities in Pick & mix. The historically high cocoa price did not significantly impact this quarter.

I am pleased that our **rolling 12-month adjusted operating profit** is the **highest ever** for Cloetta, including the continued step-up of investments in our core brands to drive long-term profitability. The work to further improve the profitability continues, and I'm pleased that we delivered **a third consecutive quarter of profitability in Pick & mix in line with the long-term target** of 5-7 per cent.

During the quarter, we launched product novelties such as Mynthon Zip Mint in Norway, Malaco Juicy Giants in further Nordic markets, and Chewits Jewels in the UK. In addition, we proceeded with further **optimising our product portfolio** including reducing SKU's with lower profitability and maximising our production capacity. Since 2021, we have successfully reduced our SKU's by close to 30 per cent, and already exceed the annual target for 2024 set in 2023.

We continue to see further growth opportunities based on **post-pandemic consumer behaviours** and **long-term consumer trends**. The recent increased interest in Pick & mix in the US, known in social media as Swedish candy, is driving growth in our relatively small business in North America and is a good example of our opportunities to grow further.

Sales for the quarter increased by 2.2 per cent, of which **organic growth** accounted for 5.7 per cent, exchange rate differences for negative 2.0 per cent and the divestment of the Nutisal brand for negative 1.5 per cent. The **adjusted operating profit** amounted to SEK 238m (208), mainly driven by continued margin-enhancing activities in Pick & mix.

We expect a full impact of the historically high cocoa price level only in the last quarter of this year, which makes delivering a double-digit adjusted operating profitability also in the last quarter a good challenge.

Improved cash flow generation continues, and we again delivered a Net debt/EBITDA ratio at 1.6x, well below our long-term target of around 2.5x.

Energy supply issues in Europe have impacted our long-term plan to secure a more efficient manufacturing structure. During the quarter, we decided to put the **greenfield plant project in the Netherlands** on hold to reassess if it remains the optimal way forward to create long-term shareholder value. The reassessment covers both the current project plan as well as alternative options and is expected to be completed at the end of the first quarter of 2025.

As the project is still in an early phase, investments have so far been relatively limited, and there remain opportunities in our manufacturing network to compensate for the volumes planned to be produced by the greenfield in the mid-term.

" I am pleased that our rolling 12-month profit is the highest ever for Cloetta, including the continued step-up of investments in our core brands to drive long-term profitability.

Since I stepped into my new role, I have been working with both my team and the Board on our long-term opportunities and I am even more convinced of our ability to win in our categories and provide joyful moments to consumers as well as value to all our stakeholders!

Katarina Tell
President and CEO

Financial overview

Q3 development

Changes in operating environment and short-term uncertainties

Russia's escalation of the war in Ukraine that started in 2022 and the conflict in the Middle East continue to entail risks of further impact on the global economy, further cost inflation, and disruptions in supply chains, including the war risks spreading into other geographies.

Cloetta does not have operations in any of the countries directly affected by the increased geopolitical uncertainty.

Greenfield facility

In 2022, Cloetta announced the plan to invest in a greenfield facility and the closure of three existing confectionery plants in the Netherlands and in Belgium. Investments have so far been relatively limited as the greenfield project is currently in the regulatory permitting phase, which precedes the start of construction and associated major investments.

In September 2024 Cloetta decided to initiate a reassessment of both the greenfield investment and alternative options to secure a more efficient manufacturing structure, due to increased risk relating to energy supply with resulting changes to the timing of the planned start-up.

The reassessment will cover both the current project plan for the greenfield as well as alternative options and is expected to be completed at the end of the first quarter of 2025. Further investments in the greenfield are on hold beyond what is necessary to support the reassessment process.

There remain opportunities in Cloetta's manufacturing network to compensate for the volumes planned to be produced by the greenfield in the mid-term.

Net sales

Net sales for the quarter increased by SEK 48m to SEK 2,196m (2,148) compared to the same period last year. Organic growth was 5.7 per cent.

Changes in net sales, %	Jul–Sep 2024	Jan–Sep 2024
Organic growth	5.7	4.4
Structural changes[1]	-1.5	-0.7
Changes in exchange rates	-2.0	-0.3
Total	**2.2**	**3.4**

[1] Structural changes refer to the divestment of the Nutisal brand.

Gross profit

Gross profit, adjusted for items affecting comparability, amounted to SEK 697m (627) which equates to a gross margin, adjusted, of 31.7 per cent (29.2). The increase in gross profit, adjusted, was mainly driven by margin-enhancing initiatives in Pick & mix. Gross profit amounted to SEK 703m (624) which equates to a gross margin of 32.0 per cent (29.1).

Operating profit

Operating profit, adjusted for items affecting comparability, amounted to SEK 238m (208), and was positively impacted by higher gross profit, partially offset by increased investments in core brands. The comparative figure includes a SEK -12m net effect of a provision for uncollectible receivables, partially offset by an energy grant. Operating profit amounted to SEK 238m (201).

Items affecting comparability

Operating profit for the quarter includes items affecting comparability of SEK 0m (-7).

Net financial items

Net financial items for the quarter amounted to SEK -72m (36). Net interest expenses related to external borrowings, cash pool and realised results on single currency interest rate swaps were in total SEK -12m (-16), exchange differences on cash and cash equivalents were SEK -26m (67) which mainly related to the development of the Norwegian krona against the euro during the quarter. Other financial items amounted to SEK -34m (-15) of which SEK -26m (-7) was related to the unrealised results on single currency interest rate swaps. Of the total net financial items SEK -14m (-12) is non-cash in nature.

Profit for the period

Profit for the quarter was SEK 130m (161), which equates to basic and diluted earnings per share of SEK 0.45 (0.56). Income tax for the period was SEK -36m (-76).

The effective tax rate for the quarter was 21.7 per cent (32.1).

Free cash flow

The free cash flow was SEK 211m (123). Cash flow from operating activities before changes in working capital was SEK 229m (208). The cash flow from changes in working capital was SEK 20m (-15).

The cash flow from investments in property, plant and equipment and intangible assets was SEK -38m (-70).

Cash flow from changes in working capital

Cash flow from changes in working capital was SEK 20m (-15). The cash flow from changes in working capital shows normal seasonal pattern and was positively impacted by a decrease in inventories for an amount of SEK 132m (102) and an increase in payables of SEK 43m (-2), partially offset by an increase in receivables of SEK -155m (-115).

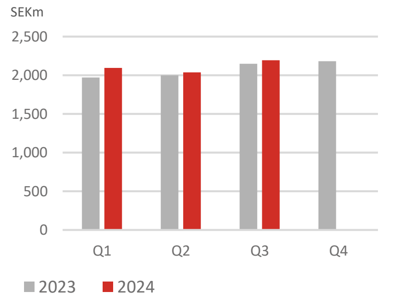
Cash flow from other investing activities

Cash flow from other investing activities was SEK 6m (2) and mainly relates to the proceeds from sold assets related to the closure of the Roosendaal Borchwerf plant already in 2024, related to the greenfield project plan.

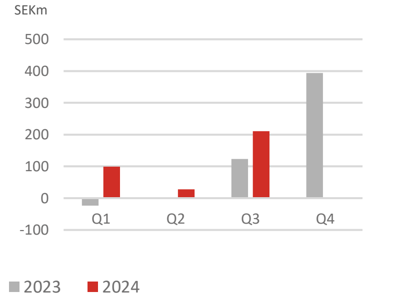
Cash flow from financing activities

The cash flow from financing activities was SEK -18m (-19). The cash flow from financing activities was related to payments of lease liabilities of SEK -18m (-19).

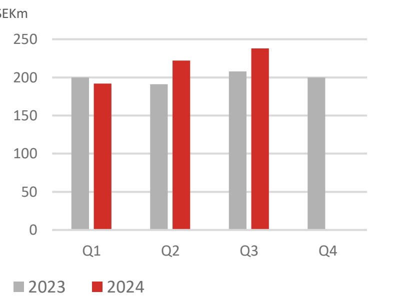
Net sales



Free cash flow



Operating profit, adjusted



Development during the year

Net sales

Net sales for the first nine months of the year increased by SEK 209m to SEK 6,328m (6,119) compared to the same period last year. Organic growth was 4.4 per cent.

Gross profit

Gross profit, adjusted for items affecting comparability, amounted to SEK 2,057m (1,909) which equates to a gross margin, adjusted, of 32.5 per cent (31.2). The increase in gross profit, adjusted, was primarily driven by continued fair pricing and margin-enhancing initiatives in Pick & mix, partially offset by higher input costs. Gross profit amounted to SEK 2,066m (1,882) which equates to a gross margin of 32.6 per cent (30.8).

Operating profit

Operating profit, adjusted for items affecting comparability, amounted to SEK 652m (599), and was positively impacted by higher gross profit, partially offset by increased marketing investments in core brands. Operating profit amounted to SEK 555m (561).

Items affecting comparability

Operating profit for the nine months includes items affecting comparability of SEK -97m (-38), mainly for impairments of intangible assets related to the divestment of the Nutisal brand.

Net financial items

Net financial items for the period amounted to SEK -128m (-137). Net interest expenses related to external borrowings, cash pool and realised results on single currency interest rate swaps were in total SEK -51m (-35), exchange differences on cash and cash equivalents were SEK -39m (-70) which mainly related to the development of the Norwegian krona against the euro during the first nine months of the year. Other financial items amounted to SEK -38m (-32) of which SEK -18m (-14) was related to the unrealised results on single currency interest rate swaps. Of the total net financial items SEK -17m (-69) is non-cash in nature.

Profit for the period

Profit for the period was SEK 319m (299), which equates to basic and diluted earnings per share of SEK 1.12 (1.05). Income tax for the period was SEK -108m (-125).

The effective tax rate for the first nine months of the year was 25.3 per cent (29.5) and was impacted by an increase of a tax provision in the UK, non-deductible expenses and international tax rate differences.

Free cash flow

The free cash flow was SEK 338m (102). Cash flow from operating activities before changes in working capital was SEK 711m (636). The cash flow from changes in working capital was SEK -254m (-336).

The cash flow from investments in property, plant and equipment and intangible assets was SEK -119m (-198).

Cash flow from changes in working capital

Cash flow from changes in working capital was SEK -254m (-336). The cash flow from changes in working capital was negatively impacted by an increase in receivables of SEK -266m (-301) and an increase in inventories for an amount of SEK -30m (-237), partially offset by an increase in payables of SEK 42m (202).

Cash flow from other investing activities

Cash flow from other investing activities was SEK 60m (2) and mainly relates to the proceeds from the divestment of the Nutisal brand.

Cash flow from financing activities

The cash flow from financing activities was SEK -346m (-353). The cash flow from financing activities was related to the dividend distribution of SEK -285m (-285), payments of lease liabilities of SEK -58m (-63) and net proceeds and repayments of loans from credit institutions and commercial papers including transaction costs of SEK -3m (-5).

Financial position

Consolidated equity at 30 September 2024 amounted to SEK 5,190m (5,201), which equates to SEK 18.1 (18.2) per share outstanding. Net debt at 30 September 2024 was SEK 1,843m (2,179).

Long-term borrowings amounted to SEK 2,291m (2,320) and consisted of SEK 2,213m (2,242) in gross non-current loans from credit institutions, SEK 86m (87) in non-current lease liabilities and SEK -8m (-9) in capitalised transaction costs.

Total short-term borrowings amounted to SEK 197m (201) and consisted of SEK 149m (149) in commercial papers, SEK 51m (55) in current lease liabilities, SEK 2m (2) in accrued interest on borrowings from credit institutions and SEK -5m (-5) in capitalised transaction costs.

SEKm	30 Sep 2024	30 Sep 2023	31 Dec 2023
Gross non-current loans from credit institutions	2,213	2,242	2,187
Commercial papers	149	149	149
Lease liabilities	137	142	159
Derivative financial instruments	3	-46	-14
Interest payable	2	2	2
Gross debt	**2,504**	**2,489**	**2,483**
Cash and cash equivalents	-661	-310	-658
Net debt	**1,843**	**2,179**	**1,825**

Cash and cash equivalents at 30 September 2024 amounted to SEK 661m (310). At 30 September 2024 Cloetta had an unutilised credit facility of SEK 2,486m (2,537) and the possibility to issue additional commercial papers for an amount of SEK 850m (850).

Performance by business segment

Cloetta has identified the "Branded packaged products" business and the "Pick & mix" business as its operating segments.

The chief operating decision-maker (CODM), which is the CEO and President of the Group, primarily uses external net sales and operating profit, adjusted for items affecting comparability, to assess the performance of its operating segments. Items affecting comparability, net financial items and income tax are not allocated to segments, as these are managed centrally.

No segment information is provided to or assessed by the CODM on assets and liabilities and therefore these are not separately disclosed.

Information related to each reportable segment (business segment) is set out below.

Business segments

The Cloetta Group comprises two segments: "Branded packaged products" and "Pick & mix". The Pick & mix net sales and adjusted operating profit relate to Cloetta's complete offering in Pick & mix including products, displays and accompanying store and logistic services. All other activities within the Cloetta Group are reflected in the "Branded packaged products" segment.

Segment Branded packaged products

Q3 development

Net Sales

Net sales for the quarter decreased by SEK -32m to SEK 1,588m (1,620) compared to the same period of last year for Branded packaged products. The comparative figure includes a full third quarter of net sales of the Nutisal brand, divested in the second quarter of 2024. Organic growth was 1.4 per cent.

Operating profit, adjusted

Operating profit, adjusted for items affecting comparability, amounted to SEK 191m (216). The decrease in adjusted operating profit is mainly driven by increased input costs and marketing investments in our core brands, partially offset by fair pricing.

Development during the year

Net Sales

Net sales for the first nine months of the year increased by SEK 56m to SEK 4,588m (4,532) compared to the same period of last year for Branded packaged products. The comparative figure includes four months of net sales of the Nutisal brand, divested in the second quarter of 2024. Organic growth was 2.1 per cent.

Operating profit, adjusted

Operating profit, adjusted for items affecting comparability, amounted to SEK 526m (586). The decrease in adjusted operating profit is mainly driven by lower Net sales, higher input cost and increased marketing investments in core brands.

Segment Pick & mix

Q3 development

Net Sales

Net sales for the quarter increased by SEK 80m to SEK 608m (528) compared to the same period of last year. Organic growth was 18.6 per cent.

Operating profit, adjusted

Operating profit, adjusted for items affecting comparability, amounted to SEK 47m (-8). The increase in adjusted operating profit is mainly driven by continued margin-enhancing initiatives.

The comparative figure includes a provision for uncollectible receivables of approximately SEK 24m related to one of the largest retail customers in the UK going into administration in the third quarter of 2023.

Development during the year

Net Sales

Net sales for the first nine months of the year increased by SEK 153m to SEK 1,740m (1,587) compared to the same period of last year. Organic growth was 11.1 per cent.

Operating profit, adjusted

Operating profit, adjusted for items affecting comparability, amounted to SEK 126m (13). The increase in adjusted operating profit is driven by increased underlying volumes combined with continued margin-enhancing initiatives.

The comparative figure includes a provision for uncollectible receivables of approximately SEK 24m related to one of the largest retail customers in the UK going into administration in the third quarter of 2023.

Other disclosures

Seasonal variations

Cloetta's sales and operating profit are subject to some seasonal variations. Sales in the first and second quarters are affected by the Easter holiday, primarily in Sweden, depending on in which quarter it occurs.

In the fourth quarter, sales are usually higher than in the first three quarters of the year, which is mainly attributable to the sale of products in Sweden in connection with the holiday season.

Employees

The average number of employees during the quarter was 2,575 (2,581).

Events after the end of the reporting period

There were no significant events after the end of the reporting period.

Jul–Sep 2024 SEKm	Branded packaged products	Pick & mix	Total
Net sales	1,588	608	2,196
Operating profit, adjusted	191	47	238
Items affecting comparability			0
Operating profit			**238**
Net financial items			-72
Profit before tax			**166**
Income tax			-36
Profit for the period			**130**

Jan–Sep 2024 SEKm	Branded packaged products	Pick & mix	Total
Net sales	4,588	1,740	6,328
Operating profit, adjusted	526	126	652
Items affecting comparability			-97
Operating profit			**555**
Net financial items			-128
Profit before tax			**427**
Income tax			-108
Profit for the period			**319**

Jul–Sep 2023 SEKm	Branded packaged products	Pick & mix	Total
Net sales	1,620	528	2,148
Operating profit, adjusted	216	-8	208
Items affecting comparability			-7
Operating profit			**201**
Net financial items			36
Profit before tax			**237**
Income tax			-76
Profit for the period			**161**

Jan–Sep 2023 SEKm	Branded packaged products	Pick & mix	Total
Net sales	4,532	1,587	6,119
Operating profit, adjusted	586	13	599
Items affecting comparability			-38
Operating profit			**561**
Net financial items			-137
Profit before tax			**424**
Income tax			-125
Profit for the period			**299**

Strategic priorities

1 Growth leadership in Branded packaged products

We have a clear growth strategy for growth for Branded packaged products which focuses on both the core operations and the Group's strong brands, well positioned to respond to the growing consumer trends demanding local brands and innovative offerings with a conscious and sustainable approach.

As branded packaged products have an EBIT margin above the Group average, this segment is important for Cloetta to be able to reach its long-term profitability target. We will also continue to recover the mix within the segment to secure strong profitability.

2 Sustainable value within the Pick & mix business

Pick & mix is an important consumer market as it goes hand in hand with underlying consumer trends such as individualism and sustainable packaging.

The segment is also of importance for our customers as it increases in-store traffic and impacts our ability to sell other categories. From its strong market position Cloetta has good opportunities to develop the category and thereby drive profitability and growth, with the ambition to reach an EBIT margin in the range of 5–7 per cent in the medium-term.

3 Focus on lower costs and greater efficiency

Cloetta needs to invest to continue to grow. This includes increasing marketing investments for Branded packaged products, adapting to changing consumer and customer demand, and creating capacity to produce more products.

Cloetta's efficiency programmes, together with strengthened corporate culture and processes in One Cloetta, are important drivers to improve the overall profitability which allows for the investments.

4 Sustainability

Cloetta's sustainability agenda, A Sweeter Future, focuses on creating joy and long-lasting value For You, For People and For the Planet. The initiatives within the sustainability agenda cover topics all across the value chain where Cloetta has the ability to make an impact. Further information on Cloetta's sustainability journey is available in the latest Annual Report as well as on www.cloetta.com/en/sustainability/.

Assurance of the Board of Directors and CEO

The Board of Directors hereby gives its assurance that the interim report provides a true and fair view of the business activities, financial position, and results of operations of the Group and the Parent Company and describes the significant risks and uncertainties to which the Parent Company and the Group companies are exposed. Stockholm, 25 October, 2024.

Cloetta AB (publ)

Morten Falkenberg, Board Chairman

Patrick Bergander, Member of the Board

Lena Grönedal, Employee Board member

Malin Jennerholm, Member of the Board

Alan McLean Raleigh, Member of the Board

Pauline Lindwall, Member of the Board

Camilla Svenfelt, Member of the Board

Mikael Svenfelt, Member of the Board

Katarina Tell, President and CEO

Upcoming financial reports and events

Year-end report 2024	29 January 2025
Annual and Sustainability Report 2024	11 March 2025
Annual General Meeting 2025	10 April 2025
Interim report Q1 2025	7 May 2025
Interim report Q2 2025	17 July 2025
Interim report Q3 2025	5 November 2025

Cloetta continuously updates its financial reporting dates and investor events on **www.cloetta.com/en/investors/calendar-investors/.**

This information is information that Cloetta AB is obliged to make public pursuant to the EU Market Abuse. The information was submitted for publication, through the agency of the contact person detailed above, at 07:30 a.m. CEST on 25 October 2024.

Contact

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Auditor's report

Cloetta AB (publ)
corp. reg.no. 556308-8144

Introduction
We have reviewed the condensed interim financial information (interim report) of Cloetta AB (publ) as of 30 September 2024 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information 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 Report Performed by the Independent Auditor of the Entity. A review 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.

Malmö, 25 October 2024
Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorized Public Accountant
Partner in charge

Erik Bergh
Authorized Public Accountant

This is an unofficial translation of the original Auditor's report in Swedish.

Financial statements in summary

Consolidated profit and loss account

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023– Sep 2024	Full year 2023
Net sales	2,196	2,148	6,328	6,119	8,510	8,301
Cost of goods sold	-1,493	-1,524	-4,262	-4,237	-5,776	-5,751
Gross profit	**703**	**624**	**2,066**	**1,882**	**2,734**	**2,550**
Selling expenses	-268	-248	-833	-773	-1,133	-1,073
General and administrative expenses	-197	-175	-678	-548	-872	-742
Operating profit	**238**	**201**	**555**	**561**	**729**	**735**
Exchange differences on cash and cash equivalents in foreign currencies	-26	67	-39	-70	-12	-43
Other financial income	20	33	88	89	127	128
Other financial expenses	-66	-64	-177	-156	-271	-250
Net financial items	**-72**	**36**	**-128**	**-137**	**-156**	**-165**
Profit before tax	**166**	**237**	**427**	**424**	**573**	**570**
Income tax	-36	-76	-108	-125	-116	-133
Profit for the period	**130**	**161**	**319**	**299**	**457**	**437**
Profit for the period attributable to:						
Owners of the Parent Company	130	161	319	299	457	437
Earnings per share, SEK						
Basic[1]	0.45	0.56	1.12	1.05	1.60	1.53
Diluted[1]	0.45	0.56	1.12	1.05	1.60	1.53
Number of shares outstanding at end of period[1]	286,065,407	285,405,738	286,065,407	285,405,738	286,065,407	285,342,034
Average number of shares (basic)[1]	286,065,407	285,405,738	285,748,601	285,405,738	285,646,404	285,394,917
Average number of shares (diluted)[1]	286,223,430	285,669,444	285,803,991	285,662,173	285,667,527	285,650,818

[1] On 30 October 2023, Cloetta purchased 63,704 treasury shares to fulfil its future obligation to deliver shares to the participants of the long-term share-based incentive plan, if vesting conditions are met. On 29 April 2024, a total of 723,373 treasury shares were granted to the participants of the long-term share-based incentive plan 2021 on vesting.

Consolidated statement of comprehensive income

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Profit for the period	**130**	**161**	**319**	**299**	**457**	**437**
Other comprehensive income						
Remeasurement of defined benefit pension plans	-59	9	-38	8	-88	-42
Income tax on remeasurement of defined benefit pension plans	12	-2	8	-2	18	8
Items that will never be reclassified to profit or loss for the period	**-47**	**7**	**-30**	**6**	**-70**	**-34**
Currency translation differences	-48	-155	98	217	-159	-40
Hedge of a net investment in a foreign operation	11	39	-25	-57	39	7
Income tax on hedge of a net investment in a foreign operation	-3	-7	4	11	-8	-1
Items that may be reclassified to profit or loss for the period	**-40**	**-123**	**77**	**171**	**-128**	**-34**
Total other comprehensive income	**-87**	**-116**	**47**	**177**	**-198**	**-68**
Total comprehensive income, net of tax	**43**	**45**	**366**	**476**	**259**	**369**
Total comprehensive income for the period attributable to:						
Owners of the Parent Company	43	45	366	476	259	369

Net financial items

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Exchange differences on cash and cash equivalents in foreign currencies	**-26**	**67**	**-39**	**-70**	**-12**	**-43**
Other financial income, third parties	19	27	64	61	94	91
Unrealised gains on single currency interest rate swaps	-8	-3	-	-	-	-
Realised gains on single currency interest rate swaps	9	9	24	28	33	37
Total other financial income	**20**	**33**	**88**	**89**	**127**	**128**
Interest expenses third-party borrowings and realised losses on single currency interest rate swaps	-40	-52	-139	-124	-193	-178
Amortisation of capitalised transaction costs	-2	-1	-4	-4	-5	-5
Unrealised losses on single currency interest rate swaps	-18	-4	-18	-14	-49	-45
Other financial expenses, third parties	-6	-7	-16	-14	-24	-22
Total other financial expenses	**-66**	**-64**	**-177**	**-156**	**-271**	**-250**
Net financial items	**-72**	**36**	**-128**	**-137**	**-156**	**-165**

Condensed consolidated balance sheet

SEKm	30 Sep 2024	30 Sep 2023	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	5,779	6,021	5,862
Property, plant and equipment	1,665	1,683	1,686
Deferred tax asset	24	37	23
Derivative financial instruments	-	14	5
Other financial assets	3	4	3
Total non-current assets	**7,471**	**7,759**	**7,579**
Current assets			
Inventories	1,346	1,368	1,292
Other current assets	1,401	1,404	1,136
Derivative financial instruments	7	32	18
Cash and cash equivalents	661	310	658
Total current assets	**3,415**	**3,114**	**3,104**
TOTAL ASSETS	**10,886**	**10,873**	**10,683**
EQUITY AND LIABILITIES			
Equity	**5,190**	**5,201**	**5,098**
Non-current liabilities			
Long-term borrowings	2,291	2,320	2,264
Deferred tax liability	840	922	900
Derivative financial instruments	7	-	8
Provisions for pensions and other long-term employee benefits	413	331	382
Provisions	161	165	160
Total non-current liabilities	**3,712**	**3,738**	**3,714**
Current liabilities			
Short-term borrowings	197	201	220
Derivative financial instruments	3	-	1
Other current liabilities	1,770	1,731	1,636
Provisions	14	2	14
Total current liabilities	**1,984**	**1,934**	**1,871**
TOTAL EQUITY AND LIABILITIES	**10,886**	**10,873**	**10,683**

Condensed consolidated statement of changes in equity

SEKm	9 months 2024	9 months 2023	Full year 2023
Equity at beginning of period	**5,098**	**4,994**	**4,994**
Profit for the period	319	299	437
Other comprehensive income	47	177	-68
Total comprehensive income	**366**	**476**	**369**
Transactions with owners			
Purchase of treasury shares	-	-	-1
Share-based payments	11	16	21
Dividend[1]	-285	-285	-285
Total transactions with owners	**-274**	**-269**	**-265**
Equity at end of period	**5,190**	**5,201**	**5,098**

[1] The dividend paid in 2024 comprised a dividend of SEK 1.00 (1.00) per share.

Condensed consolidated cash flow statement

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Cash flow from operating activities before changes in working capital	229	208	711	636	953	878
Cash flow from changes in working capital	20	-15	-254	-336	-18	-100
Cash flow from operating activities	**249**	**193**	**457**	**300**	**935**	**778**
Cash flows from investments in property, plant and equipment and intangible assets	-38	-70	-119	-198	-203	-282
Cash flow from other investing activities	6	2	60	2	60	2
Cash flow from investing activities	**-32**	**-68**	**-59**	**-196**	**-143**	**-280**
Cash flow from operating and investing activities	**217**	**125**	**398**	**104**	**792**	**498**
Cash flow from financing activities	**-18**	**-19**	**-346**	**-353**	**-372**	**-379**
Cash flow for the period	**199**	**106**	**52**	**-249**	**420**	**119**
Cash and cash equivalents at beginning of period	504	137	658	583	310	583
Cash flow for the period	199	106	52	-249	420	119
Exchange difference	-42	67	-49	-24	-69	-44
Total cash and cash equivalents at end of period	**661**	**310**	**661**	**310**	**661**	**658**

Condensed consolidated key figures

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Profit						
Net sales	2,196	2,148	6,328	6,119	8,510	8,301
Net sales, change, %	2.2	19.5	3.4	23.3	6.1	20.8
Organic net sales, change, %	5.7	12.2	4.4	17.1	6.1	15.7
Gross margin, %	32.0	29.1	32.6	30.8	32.1	30.7
Depreciation	-65	-76	-207	-221	-270	-284
Amortisation	-3	-3	-8	-8	-11	-11
Impairment loss other non-current assets	11	3	-77	26	-86	17
Operating profit, adjusted	238	208	652	599	852	799
Operating profit margin, adjusted %	10.8	9.7	10.3	9.8	10.0	9.6
Operating profit (EBIT)	238	201	555	561	729	735
Operating profit margin (EBIT margin), %	10.8	9.4	8.8	9.2	8.6	8.9
EBITDA, adjusted	306	288	867	830	1,137	1,100
EBITDA	295	277	847	764	1,096	1,013
Profit margin, %	7.6	11.0	6.7	6.9	6.7	6.9
Segments						
Branded packaged products						
Net sales	1,588	1,620	4,588	4,532	6,209	6,153
Operating profit, adjusted	191	216	526	586	726	786
Operating profit margin, adjusted %	12.0	13.3	11.5	12.9	11.7	12.8
Pick & mix						
Net sales	608	528	1,740	1,587	2,301	2,148
Operating profit, adjusted	47	-8	126	13	126	13
Operating profit margin, adjusted %	7.7	-1.5	7.2	0.8	5.5	0.6
Financial position						
Working capital	1,062	1,064	1,062	1,064	1,062	796
Capital expenditure	55	81	159	252	286	379
Net debt	1,843	2,179	1,843	2,179	1,843	1,825
Capital employed	8,101	8,053	8,101	8,053	8,101	7,973
Return on capital employed, % (Rolling 12 months)	10.6	10.9	10.6	10.9	10.6	10.9
Equity/assets ratio, %	47.7	47.8	47.7	47.8	47.7	47.7
Net debt/equity ratio, %	35.5	41.9	35.5	41.9	35.5	35.8
Return on equity, % (Rolling 12 months)	8.8	7.8	8.8	7.8	8.8	8.6
Equity per share, SEK	18.1	18.2	18.1	18.2	18.1	17.9
Net debt/EBITDA, x (Rolling 12 months)	1.6	2.0	1.6	2.0	1.6	1.7
Cash flow						
Cash flow from operating activities	249	193	457	300	935	778
Cash flow from investing activities	-32	-68	-59	-196	-143	-280
Cash flow after investments	217	125	398	104	792	498
Free cash flow	211	123	338	102	732	496
Free cash flow yield (Rolling 12 months), %	10.5	6.6	10.5	6.6	10.5	9.5
Cash flow from operating activities per share, SEK	0.9	0.7	1.6	1.1	3.3	2.7
Employees						
Average number of employees	2,575	2,581	2,583	2,580	2,583	2,582

Reconciliation of alternative performance measures key figures

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Items affecting comparability						
Acquisitions, integration and restructurings	0	-7	-97	-38	-123	-64
of which: impairment loss other non-current assets	*11*	*4*	*-77*	*28*	*-82*	*23*
Items affecting comparability	**0**	**-7**	**-97**	**-38**	**-123**	**-64**
Corresponding line in the condensed consolidated profit and loss account:						
Cost of goods sold	6	-3	9	-27	-12	-48
Selling expenses	-	1	-3	1	-3	1
General and administrative expenses	-6	-5	-103	-12	-108	-17
Total	**0**	**-7**	**-97**	**-38**	**-123**	**-64**
Operating profit, adjusted						
Operating profit	238	201	555	561	729	735
Minus: Items affecting comparability	0	-7	-97	-38	-123	-64
Operating profit, adjusted	**238**	**208**	**652**	**599**	**852**	**799**
Net sales	2,196	2,148	6,328	6,119	8,510	8,301
Operating profit margin, adjusted, %	**10.8**	**9.7**	**10.3**	**9.8**	**10.0**	**9.6**
EBITDA, adjusted						
Operating profit	238	201	555	561	729	735
Minus: Depreciation	-65	-76	-207	-221	-270	-284
Minus: Amortisation	-3	-3	-8	-8	-11	-11
Minus: Impairment loss other non-current assets	11	3	-77	26	-86	17
EBITDA	**295**	**277**	**847**	**764**	**1,096**	**1,013**
Minus: Items affecting comparability (excl. impairment loss other non-current assets)	-11	-11	-20	-66	-41	-87
EBITDA, adjusted	**306**	**288**	**867**	**830**	**1,137**	**1,100**
Capital employed						
Total assets	10,886	10,873	10,886	10,873	10,886	10,683
Minus: Deferred tax liability	840	922	840	922	840	900
Minus: Non-current provisions	161	165	161	165	161	160
Minus: Current provisions	14	2	14	2	14	14
Minus: Other current liabilities	1,770	1,731	1,770	1,731	1,770	1,636
Capital employed	**8,101**	**8,053**	**8,101**	**8,053**	**8,101**	**7,973**
Capital employed comparative period previous year	8,053	7,581	8,053	7,581	8,053	7,823
Average capital employed	**8,077**	**7,817**	**8,077**	**7,817**	**8,077**	**7,898**

Reconciliation alternative performance measures, continued

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Return on capital employed						
Operating profit (Rolling 12 months)	729	748	729	748	729	735
Financial income (Rolling 12 months)	127	107	127	107	127	128
Operating profit plus financial income (Rolling 12 months)	**856**	**855**	**856**	**855**	**856**	**863**
Average capital employed	8,077	7,817	8,077	7,817	8,077	7,898
Return on capital employed, %	**10.6**	**10.9**	**10.6**	**10.9**	**10.6**	**10.9**
Free cash flow yield						
Cash flow from operating activities (Rolling 12 months)	935	581	935	581	935	778
Cash flows from investments in property, plant and equipment and intangible assets (Rolling 12 months)	-203	-238	-203	-238	-203	-282
Free cash flow (Rolling 12 months)	**732**	**343**	**732**	**343**	**732**	**496**
Number of shares outstanding	286,065,407	285,405,738	286,065,407	285,405,738	286,065,407	285,342,034
Free cash flow per share (Rolling 12 months), SEK	**2.56**	**1.20**	**2.56**	**1.20**	**2.56**	**1.74**
Market price per share, SEK	24.46	18.26	24.46	18.26	24.46	18.32
Free cash flow yield (Rolling 12 months), %	**10.5**	**6.6**	**10.5**	**6.6**	**10.5**	**9.5**
Changes in net sales						
Net sales	2,196	2,148	6,328	6,119	8,510	8,301
Net sales comparative period previous year	2,148	1,798	6,119	4,964	8,024	6,869
Net sales, change	**48**	**350**	**209**	**1,155**	**486**	**1,432**
Minus: Structural changes	-32	-	-42	-	-42	-
Minus: Changes in exchange rates	-42	131	-19	302	35	356
Organic growth	**122**	**219**	**270**	**853**	**493**	**1,076**
Organic growth, %	5.7	12.2	4.4	17.1	6.1	15.7

Quarterly data

SEKm	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Profit and loss account									
Net sales	2,196	2,038	2,094	2,182	2,148	1,998	1,973	1,905	1,798
Cost of goods sold	-1,493	-1,321	-1,448	-1,514	-1,524	-1,358	-1,355	-1,257	-1,235
Gross profit	**703**	**717**	**646**	**668**	**624**	**640**	**618**	**648**	**563**
Selling expenses	-268	-298	-267	-300	-248	-267	-258	-283	-234
General and administrative expenses	-197	-295	-186	-194	-175	-191	-182	-178	-143
Operating profit	**238**	**124**	**193**	**174**	**201**	**182**	**178**	**187**	**186**
Exchange differences on cash and cash equivalents in foreign currencies	-26	16	-29	27	67	-66	-71	-27	-52
Other financial income	20	33	35	39	33	33	23	18	35
Other financial expenses	-66	-60	-51	-94	-64	-53	-39	-28	-15
Net financial items	**-72**	**-11**	**-45**	**-28**	**36**	**-86**	**-87**	**-37**	**-32**
Profit before tax	**166**	**113**	**148**	**146**	**237**	**96**	**91**	**150**	**154**
Income tax	-36	-31	-41	-8	-76	-23	-26	-42	-24
Profit for the period	**130**	**82**	**107**	**138**	**161**	**73**	**65**	**108**	**130**
Profit for the period attributable to:									
Owners of the Parent Company	130	82	107	138	161	73	65	108	130
Key figures									
Profit									
Depreciation, amortisation and impairment	-57	-162	-73	-75	-76	-77	-50	-70	-71
Operating profit, adjusted	238	222	192	200	208	191	200	183	188
EBITDA, adjusted	306	290	271	270	288	271	271	249	255
EBITDA	295	286	266	249	277	259	228	257	257
Operating profit margin, adjusted %	10.8	10.9	9.2	9.2	9.7	9.6	10.1	9.6	10.5
Operating profit margin (EBIT margin), %	10.8	6.1	9.2	8.0	9.4	9.1	9.0	9.8	10.3
Earnings per share, SEK									
Basic and diluted[1]	0.45	0.29	0.37	0.48	0.56	0.26	0.23	0.38	0.45
Segments									
Branded packaged products									
Net sales	1,588	1,487	1,513	1,621	1,620	1,464	1,448	1,424	1,372
Operating profit, adjusted	191	183	152	200	216	186	184	180	186
Operating profit margin, adjusted %	12.0	12.3	10.0	12.3	13.3	12.7	12.7	12.6	13.6
Pick & mix									
Net sales	608	551	581	561	528	534	525	481	426
Operating profit/loss, adjusted	47	39	40	0	-8	5	16	3	2
Operating profit margin, adjusted %	7.7	7.1	6.9	0.0	-1.5	0.9	3.0	0.6	0.5
Financial position									
Share price, last paid, SEK	24.46	20.62	18.19	18.32	18.26	19.61	21.88	20.86	17.61
Return on equity, % (Rolling 12 months)	8.8	9.5	8.8	8.6	7.8	7.3	4.1	5.5	6.5
Equity per share, SEK	18.1	18.0	19.0	17.9	18.2	18.0	18.0	17.5	16.7
Net Debt/EBITDA, x (Rolling 12 months)	1.6	1.8	1.6	1.7	2.0	2.3	2.0	1.9	2.2
Cash flow									
Free cash flow	211	28	99	394	123	2	-23	241	223
Cash flow from operating activities per share, SEK	0.9	0.2	0.5	1.7	0.7	0.3	0.1	1.0	1.0

[1] During 1 till 9 November 2021, during 31 October till 23 November 2022 and on 30 October 2023, Cloetta purchased 1,590,629, 1,622,932 and 63,704 treasury shares respectively to fulfil its future obligation to deliver shares to the participants of the long-term share-based incentive plan, if vesting conditions are met. On 29 April 2024, a total of 723,373 treasury shares were granted to the participants of the long-term share-based incentive plan 2021 on vesting.

Reconciliation of alternative performance measures per quarter

SEKm	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022
Items affecting comparability									
Acquisitions, integration and restructurings	0	-98	1	-26	-7	-9	-22	-18	-2
of which: impairment loss other non-current assets	*11*	*-94*	*6*	*-5*	*4*	*3*	*21*	*-4*	*-4*
Other items affecting comparability	-	-	-	-	-	-	-	22	-
Items affecting comparability	**0**	**-98**	**1**	**-26**	**-7**	**-9**	**-22**	**4**	**-2**
Corresponding line in the condensed consolidated profit and loss account:									
Cost of goods sold	6	-1	4	-21	-3	-4	-20	12	-2
Selling expenses	-	-3	-	-	1	-	-	-	-
General and administrative expenses	-6	-94	-3	-5	-5	-5	-2	-8	0
Total	**0**	**-98**	**1**	**-26**	**-7**	**-9**	**-22**	**4**	**-2**
Operating profit, adjusted									
Operating profit	238	124	193	174	201	182	178	187	186
Minus: Items affecting comparability	0	-98	1	-26	-7	-9	-22	4	-2
Operating profit, adjusted	**238**	**222**	**192**	**200**	**208**	**191**	**200**	**183**	**188**
Net sales	2,196	2,038	2,094	2,182	2,148	1,998	1,973	1,905	1,798
Operating profit margin, adjusted, %	**10.8**	**10.9**	**9.2**	**9.2**	**9.7**	**9.6**	**10.1**	**9.6**	**10.5**
EBITDA, adjusted									
Operating profit	238	124	193	174	201	182	178	187	186
Minus: Depreciation	-65	-67	-75	-63	-76	-78	-67	-63	-62
Minus: Amortisation	-3	-2	-3	-3	-3	-2	-3	-3	-3
Minus: Impairment loss other non-current assets	11	-93	5	-9	3	3	20	-4	-6
EBITDA	**295**	**286**	**266**	**249**	**277**	**259**	**228**	**257**	**257**
Minus: Items affecting comparability (excl. impairment loss other non-current assets)	-11	-4	-5	-21	-11	-12	-43	8	2
EBITDA, adjusted	**306**	**290**	**271**	**270**	**288**	**271**	**271**	**249**	**255**
Capital employed									
Total assets	10,886	10,779	11,162	10,683	10,873	10,916	10,732	10,316	10,151
Minus: Deferred tax liability	840	880	908	900	922	929	893	884	920
Minus: Non-current provisions	161	159	166	160	165	162	148	107	102
Minus: Current provisions	14	17	16	14	2	2	2	6	3
Minus: Other current liabilities	1,770	1,728	1,756	1,636	1,731	1,764	1,726	1,496	1,545
Capital employed	**8,101**	**7,995**	**8,316**	**7,973**	**8,053**	**8,059**	**7,963**	**7,823**	**7,581**
Capital employed comparative period previous year	8,053	8,059	7,963	7,823	7,581	7,369	7,555	7,388	7,328
Average capital employed	**8,077**	**8,027**	**8,140**	**7,898**	**7,817**	**7,714**	**7,759**	**7,606**	**7,455**

Reconciliation alternative performance measures, continued

SEKm	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022
Return on capital employed									
Operating profit (Rolling 12 months)	729	692	750	735	748	733	490	466	436
Financial income (Rolling 12 months)	127	140	140	128	107	109	89	83	69
Operating profit plus financial income (Rolling 12 months)	**856**	**832**	**890**	**863**	**855**	**842**	**579**	**549**	**505**
Average capital employed	8,077	8,027	8,140	7,898	7,817	7,714	7,759	7,606	7,455
Return on capital employed, %	**10.6**	**10.4**	**10.9**	**10.9**	**10.9**	**10.9**	**7.5**	**67.2**	**6.8**
Free cash flow yield									
Cash flow from operating activities (Rolling 12 months)	935	879	903	778	581	677	516	519	606
Cash flows from investments in property, plant and equipment and intangible assets (Rolling 12 months)	-203	-235	-285	-282	-238	-234	-211	-214	-229
Free cash flow (Rolling 12 months)	**732**	**644**	**618**	**496**	**343**	**443**	**305**	**305**	**377**
Number of shares outstanding	286,065,407	286,065,407	285,342,034	285,342,034	285,405,738	285,405,738	285,405,738	285,405,738	287,028,670
Free cash flow per share (Rolling 12 months), SEK	**2.56**	**2.25**	**2.17**	**1.74**	**1.20**	**1.55**	**1.07**	**1.07**	**1.31**
Market price per share, SEK	24.46	20.62	18.19	18.32	18.26	19.61	21.88	20.86	17.61
Free cash flow yield (Rolling 12 months), %	**10.5**	**10.9**	**11.9**	**9.5**	**6.6**	**7.9**	**4.9**	**5.1**	**7.4**
Changes in net sales									
Net sales	2,196	2,038	2,094	2,182	2,148	1,998	1,973	1,905	1,798
Net sales comparative period previous year	2,148	1,998	1,973	1,905	1,798	1,626	1,540	1,662	1,566
Net sales, change	**48**	**40**	**121**	**277**	**350**	**372**	**433**	**243**	**232**
Minus: Structural changes	-32	-10	-	-	-	-	-	-	-
Minus: Changes in exchange rates	-42	14	9	54	131	100	71	85	52
Organic growth	**122**	**36**	**112**	**223**	**219**	**272**	**362**	**158**	**180**
Organic growth, %	5.7	1.8	5.7	11.7	12.2	16.7	23.5	9.5	11.5

Parent company

Condensed parent company profit and loss account

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Net sales	23	28	102	89	126	113
Gross profit	**23**	**28**	**102**	**89**	**126**	**113**
General and administrative expenses	-37	-27	-107	-90	-160	-143
Operating profit/loss	**-14**	**1**	**-5**	**-1**	**-34**	**-30**
Net financial items	-38	-36	-108	-78	-1	29
Loss before tax	**-52**	**-35**	**-113**	**-79**	**-35**	**-1**
Income tax	14	6	27	15	10	-2
Loss for the period	**-38**	**-29**	**-86**	**-64**	**-25**	**-3**

Loss for the period corresponds to comprehensive income for the period.

Condensed parent company balance sheet

SEKm	30 Sep 2024	30 Sep 2023	31 Dec 2023
ASSETS			
Non-current assets	**5,452**	**5,412**	**5,410**
Current assets	**161**	**66**	**171**
TOTAL ASSETS	**5,613**	**5,478**	**5,581**
EQUITY AND LIABILITIES			
Equity	**1,852**	**2,147**	**2,212**
Non-current liabilities			
Borrowings	952	946	949
Provisions	2	3	2
Total non-current liabilities	**954**	**949**	**951**
Current liabilities			
Borrowings	149	149	149
Other current liabilities	2,658	2,233	2,269
Total current liabilities	**2,807**	**2,382**	**2,418**
TOTAL EQUITY AND LIABILITIES	**5,613**	**5,478**	**5,581**

Condensed parent company statement of changes in equity

SEKm	9 months 2024	9 months 2023	Full year 2023
Equity at beginning of period	**2,212**	**2,480**	**2,480**
Loss for the period	-86	-64	-3
Total comprehensive income	**-86**	**-64**	**-3**
Transactions with owners			
Share-based payments	11	16	21
Purchase of treasury shares	-	-	-1
Dividend[1]	-285	-285	-285
Total transactions with owners	**-274**	**-269**	**-265**
Equity at end of period	**1,852**	**2,147**	**2,212**

[1] The dividend paid in 2024 comprised a dividend of SEK 1.00 (1.00) per share.

Accounting and valuation policies, disclosures and risk factors

Accounting and valuation policies

Compliance with legislation and accounting standards

The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) established by the International Accounting Standards Board (IASB) and the interpretations issued by the IFRS Interpretations Committee (IFRIC) which have been endorsed by the European Commission for application in the EU. The applied standards and interpretations are those that were in force and had been endorsed by the EU at 1 January 2024. The consolidated interim report is presented compliant with IAS 34, Interim Financial Reporting, and in compliance with the relevant provisions in the Swedish Annual Accounts Act and the Swedish Securities Market Act. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which are consistent with the provisions in recommendation RFR 2, Accounting for Legal Entities. For lease accounting the company makes use of the exemption under RFR2 to treat all leases as operating lease.

Basis of accounting

The same accounting policies and methods of computation are applied in the interim financial statements as in the most recent annual financial statements. Reference is made to Note 1 'General information and accounting and valuation policies of the Group' and Note 31 'Changes in accounting policies' in the Annual and sustainability report 2023 at www.cloetta.com. No new standards are effective as from 1 January 2024 which have been endorsed by the EU.

Disclosures

Disaggregation of revenue from contracts with customers

Cloetta generates revenues from the transfer of goods and services at a point in time and over time in the following major sales categories and performance obligations.

Disaggregation of revenue

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Branded packaged products	1,588	1,620	4,588	4,532	6,209	6,153
Pick & mix	608	528	1,740	1,587	2,301	2,148
Total	**2,196**	**2,148**	**6,328**	**6,119**	**8,510**	**8,301**

Breakdown of net sales by category

%	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Candy	62	62	63	62	63	62
Chocolate	21	19	20	19	20	19
Pastilles	9	10	9	10	9	10
Chewing gum	5	5	5	5	5	5
Nuts	1	2	1	2	1	2
Other	2	2	2	2	2	2
Total	**100**	**100**	**100**	**100**	**100**	**100**

Breakdown of net sales by country

%	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Sweden	30	30	29	29	30	30
Finland	20	22	20	22	20	21
The Netherlands	14	15	15	15	15	15
Denmark	11	11	11	10	11	10
The UK	6	5	5	5	5	5
Norway	6	6	6	6	6	6
Germany	7	6	7	6	7	6
International Markets	6	5	7	7	6	7
Total	**100**	**100**	**100**	**100**	**100**	**100**

Leases

Right-of-use assets

SEKm	30 Sep 2024	30 Sep 2023	31 Dec 2023
Land and buildings	64	86	85
Transportation	60	50	50
Other equipment	9	4	20
Total right-of-use assets	**133**	**140**	**155**

Additions to the right-of-use assets were SEK 17m (12) during the quarter and SEK 41m (55) for the first nine months of the year.

Lease liability

SEKm	30 Sep 2024	30 Sep 2023	31 Dec 2023
Current	51	55	74
Non-current (between 1-5 years)	73	76	75
Non-current (over 5 years)	13	11	10
Total Lease liability	**137**	**142**	**159**

The non-current lease liability of SEK 86m (87) is reflected in the ‘long-term borrowings’. The current lease liability of SEK 51m (55) is reflected in the ‘short-term borrowings’.

Depreciation charge right-of-use assets

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023
Land and buildings	-8	-9	-25	-27	-35	-37
Transportation	-7	-8	-30	-23	-42	-35
Other equipment	-2	-6	-9	-17	-16	-24
Total depreciation charge right-of-use assets	**-17**	**-23**	**-64**	**-67**	**-93**	**-96**

Other disclosures

SEKm	Third quarter 2024	Third quarter 2023	9 months 2024	9 months 2023	R12 Oct 2023–Sep 2024	Full year 2023	Recognised in:
Interest expense	-1	-1	-3	-3	-4	-4	net financial items, in the profit and loss account
Expense relating to leases of low-value assets that are not short-term leases	0	-1	-1	-1	-1	-1	cost of goods sold, selling expenses and general and administrative expenses, in the profit and loss account
Expense relating to short-term leases, where no right-of-use asset has been recognized	0	-1	-3	-4	-3	-4	cost of goods sold, selling expenses and general and administrative expenses, in the profit and loss account
Expense relating to variable lease payments not included in lease liabilities	-6	-5	-19	-18	-30	-29	cost of goods sold, selling expenses and general and administrative expenses, in the profit and loss account
Total cash outflow for leases	-18	-23	-61	-68	-84	-91	cash flow from operating activities and financing activities, in the cash flow statement

Taxes

The effective tax rate for the period was negatively impacted by an increase of a tax provision in the UK, non-deductible expenses and international tax rate differences. The effective tax rate was positively impacted by differences between expected and actual tax filings related to the previous years.

Fair value measurement

In the second quarter of 2024 a financial instrument categorised at level 3 of the fair value hierarchy was recognised for an amount of SEK 8m for to the contingent earn-out consideration related to the divestment of the Nutisal brand.

The only items recognised at fair value after initial recognition are:

- the interest rate swaps categorised within level 2 of the fair value hierarchy in all periods presented;
- the deferred selling price related to the divestment of the Nutisal brand that is categorised within level 2 of the fair value hierarchy, as well as;
- the contingent earn-out consideration related to the divestment of the Nutisal brand that is categorised within level 3.

The fair values of financial assets (loans and receivables) and liabilities measured at amortised cost are approximately equal to carrying amounts.

For measurement purposes, the fair value of financial assets and liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value measurements by level according to the fair value measurement hierarchy are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the carrying amounts and fair values of the Group's financial assets and liabilities, including their levels in the fair value hierarchy:

30 Sep 2024	Carrying amount				Fair value			
SEKm	Mandatorily at FVTPL	Financial assets at amortised cost	Other financial liabilities at carrying value	Total	Level 1	Level 2	Level 3	Total
Financial assets								
• Trade and other receivables, excluding other taxes and social security receivables and prepaid expenses and accrued income	-	1,247	-	1,247				
• Contingent earn-out consideration and deferred selling price	10	-	-	10	-	2	8	10
• Single currency interest rate swaps	7	-	-	7	-	7	-	7
• Cash and cash equivalents	-	661	-	661				
Total assets	**17**	**1,908**	**-**	**1,925**	**-**	**9**	**8**	**17**
Financial liabilities								
• Loans from credit institutions	-	-	2,213	2,213				
• Commercial papers	-	-	149	149				
• Single currency interest rate swaps	10	-	-	10	-	10	-	10
• Trade and other payables, excluding other taxes and social security payables	-	-	1,464	1,464				
Total liabilities	**10**	**-**	**3,826**	**3,836**	**-**	**10**	**-**	**10**

31 Dec 2023	Carrying amount				Fair value			
SEKm	Mandatorily at FVTPL	Financial assets at amortised cost	Other financial liabilities at carrying value	Total	Level 1	Level 2	Level 3	Total
Financial assets								
• Trade and other receivables, excluding other taxes and social security receivables and prepaid expenses and accrued income	-	989	-	989				
• Single currency interest rate swaps	23	-	-	23	-	23	-	23
• Cash and cash equivalents	-	658	-	658				
Total assets	**23**	**1,647**	**-**	**1,670**	**-**	**23**	**-**	**23**
Financial liabilities								
• Loans from credit institutions	-	-	2,187	2,187				
• Commercial papers	-	-	149	149				
• Single currency interest rate swaps	9	-	-	9	-	9	-	9
• Trade and other payables, excluding other taxes and social security payables	-	-	1,433	1,433				
Total liabilities	**9**	**-**	**3,769**	**3,778**	**-**	**9**	**-**	**9**

30 Sep 2023	Carrying amount				Fair value			
SEKm	Mandatorily at FVTPL	Financial assets at amortised cost	Other financial liabilities at carrying value	Total	Level 1	Level 2	Level 3	Total
Financial assets								
• Trade and other receivables, excluding other taxes and social security receivables and prepaid expenses and accrued income	-	1,277	-	1,277				
• Single currency interest rate swaps	46	-	-	46	-	46	-	46
• Cash and cash equivalents	-	310	-	310				
Total assets	**46**	**1,587**	**-**	**1,633**	**-**	**46**	**-**	**46**
Financial liabilities								
• Loans from credit institutions	-	-	2,242	2,242				
• Commercial papers	-	-	149	149				
• Trade and other payables, excluding other taxes and social security payables	-	-	1,492	1,492				
Total liabilities	**-**	**-**	**3,883**	**3,883**	**-**	**-**	**-**	**-**

No transfers between fair value hierarchy levels have occurred during the financial year or the prior financial year. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included within level 2.

The valuation of the instruments is based on quoted market prices, but the underlying swap amounts are based on the specific requirements of the Group. These instruments are therefore included within level 2. The fair value measurement of the contingent earn-out consideration requires the use of significant unobservable inputs and is thereby initially categorised at level 3. The valuation techniques and inputs used to value financial instruments are:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign currency contracts is calculated using the difference between the exchange rate on the spot date with the contractually agreed upon exchange rates.
- Other techniques, such as discounted cash flow analysis, are used to determine the fair value of the remaining financial instruments.

The contingent earn-out consideration is measured at fair value using a scenario model with an earn-out threshold, different results and related changes. These data are aligned with the earn-out contract. The inter-relationship between significant unobservable inputs and fair value measurement are: The estimated fair value of the contingent earn-out consideration related to the divestment of the Nutisal brand will increase (decrease) if the forecasted combined sales value of Cloetta and De Monchy Food Group of the Nutisal products during the period 1 July 2024 until 30 June 2025 is higher (lower).

Parent Company

Cloetta AB's primary activities include head office functions such as group-wide management and administration. The comments below refer to the period from 1 January to 30 September 2024. Net sales in the Parent Company amounted to SEK 102m (89) and relate mainly to intra-group services. Operating loss was SEK -5m (-1). Net financial items totalled SEK -108m (-78). Loss before tax was SEK -113m (-79) and loss for the period was SEK -86m (-64). Cash and cash equivalents and short-term investments amounted to SEK 0m (0).

The Cloetta share

Cloetta's class B share is listed on Nasdaq Stockholm, Mid Cap. During the period from 1 January to 30 September 2024, a total of 150,031,046 shares were traded for a combined value of SEK 2,845m, equivalent to around 53 per cent of the total number of class B shares at the end of the period. The highest quoted bid price during the period from 1 January to 30 September 2024 was SEK 24.58 (26 September) and the lowest was SEK 15.92 (23 April). The share price on 30 September 2024 was SEK 24.46 (last price paid). During the period from 1 January to 30 September 2024, the Cloetta share increased by 33.0 per cent while the Nasdaq OMX Stockholm PI index increased by 12.5 per cent. Cloetta's share capital at 30 September 2024 amounted to 1,443,096,495. The total number of shares is 288,619,299, consisting of 5,735,249 (5,735,249) class A shares and 282,884,050 (282,884,050) class B shares, equal to a quota value of SEK 5 per share. At 30 September 2024, Cloetta had 2,553,892 class B shares in treasury.

Shareholders

On 30 September 2024, Cloetta AB had 41,132 shareholders. The largest shareholder was AB Malfors Promotor with a holding corresponding to 42.9 per cent of the votes and 32.7 per cent of the share capital in the company. Van Lanschot Kempen Investment Management flagged an increase in their holding during the third quarter and was the second largest shareholder with 4.2 per cent of the votes and 4.9 per cent of the share capital. The third largest shareholder was LSV Asset Management with 3.2 per cent of the votes and 3.7 per cent of the share capital.

Cloetta regularly updates its list of shareholders on its investor website **www.cloetta.com/en/investors/**.

Risk factors

Cloetta is an internationally active company that is exposed to a number of market and financial risks. All identified risks are monitored continuously and, if needed, risk mitigating measures are taken to limit their impact. The most relevant risk factors are described in the Annual and sustainability report 2023 and consist of industry and market-related risks, operational risks and financial risks.

Compared to the Annual and sustainability report, which was issued on 11 March 2024, the risk-profile of Cloetta has not significantly changed although the rising input costs and global supply chain challenges are materialising and may further affect the business performance of Cloetta.

Definitions

General	All amounts in the tables are presented in SEK millions unless otherwise stated. All amounts in brackets () represent comparative figures for the same period of the prior year, unless otherwise stated.	
Margins	Definition/calculation	Purpose
Gross margin	Net sales less cost of goods sold as a percentage of net sales.	Gross margin measures production profitability.
Gross margin, adjusted	Net sales, adjusted for items affecting comparability less cost of goods sold, adjusted for items affecting comparability as a percentage of net sales, adjusted for items affecting comparability.	Adjusted gross margin excludes the impact of items affecting comparability, enabling a comparison of production profitability.
Operating profit margin, adjusted	Operating profit, adjusted for items affecting comparability, as a percentage of net sales.	Adjusted operating profit margin excludes the impact of items affecting comparability, enabling a comparison of operational profitability.
Operating profit margin (EBIT margin)	Operating profit expressed as a percentage of net sales.	Operating profit margin is used for measuring the operational profitability.
Profit margin	Profit/loss before tax expressed as a percentage of net sales.	This metric enables the profitability to be compared across locations where corporate taxes differ.
Return	Definition/calculation	Purpose
Free cash flow	Sum of the cash flow from operating activities and cash flow from investments in property, plant and equipment and intangible assets.	The free cash flow is the cash flow available to all investors consisting of shareholders and lenders.
Free cash flow yield	Free cash flow of the last 12 months divided by the number of outstanding shares at the end of the period and consequently divided by the market price per share at the end of the period.	This metric is an indicator for the return on investment of investors in the company.
Return on capital employed	Operating profit plus financial income as a percentage of average capital employed. The average capital employed is calculated by taking the capital employed per period end and the capital employed by period end of the comparative period in the previous year divided by two.	Return on capital employed is used to analyse profitability, based on the amount of capital used. The leverage of the company is the reason that this metric is used next to return on equity, because it includes equity, but takes into account borrowings and other liabilities as well.
Return on equity	Profit from continuing operations for the period as a percentage of total equity.	Return on equity is used to measure profit generation, given the resources attributable to the owners of the Parent Company.
Capital structure	Definition/calculation	Purpose
Capital employed	Total assets less interest-free liabilities (including deferred tax).	Capital employed measures the amount of capital used and serves as input for the return on capital employed.
Equity/assets ratio	Equity at the end of the period as a percentage of total assets. The equity/assets ratio represents the amount of assets on which shareholders have a residual claim.	This ratio is an indicator of the company's leverage used to finance the firm.
Gross debt	Gross current and non-current borrowings, credit overdraft facilities, lease liabilities, derivative financial instruments and interest payable.	Gross debt represents the total debt obligation of the company irrespective of its maturity.
Net debt	Gross debt less cash and cash equivalents.	The net debt is used as an indication of the ability to pay off all debts if these became due simultaneously on the day of calculation, using only available cash and cash equivalents.
Net debt/EBITDA	Net debt at the end of the period divided by the EBITDA, adjusted, for the last 12 months, taking into consideration the annualisation of EBITDA for acquired or divested companies.	The net debt/EBITDA ratio approximates the company's ability to decrease its debt. It represents the number of years it would take to pay back debt if net debt and EBITDA were held constant, ignoring the impact of cash flows from interest, tax and capital expenditure.
Net debt/equity ratio	Net debt at the end of the period divided by equity at the end of the period.	The net debt/equity ratio measures the extent to which the company is funded by debt. Because cash and overdraft facilities can be used to pay-off debt at short notice, the leverage takes into account net debt instead of gross debt.
Working capital	Total inventories and trade and other receivables adjusted for trade and other payables.	Working capital is used to measure the company's ability, besides cash and cash equivalents, to meet current operational obligations.
Data per share	Definition/calculation	Purpose
Cash flow from operating activities per share	Cash flow from operating activities in the period divided by the average number of outstanding shares.	The cash flow from operating activities per share measures the amount of cash the company generates per share from the revenues it brings in, irrespective of the capital investments and cash flows related to the financing structure of the company.
Earnings per share	Profit for the period divided by the average number of outstanding shares adjusted for the effect of treasury shares.	The earnings per share measures the amount of net profit that is available for payment to shareholders per share.

Equity per share	Equity at the end of the period divided by number of outstanding shares at the end of the period.	Equity per share measures the net-asset value backing up each share of the company's equity and determines if a company is increasing shareholder value over time.

Other definitions	Definition/calculation	Purpose
Amortisation	Amortisation of intangible assets except for amortisation on software which is included in “Depreciation”.	Amortisation deviates from depreciation where amortisation has the purpose to spread capitalised expenses over the useful lifetime of these expenses.
Depreciation	Depreciation of property, plant and equipment and amortisation of software.	Depreciation deviates from amortisation where depreciation has the purpose to spread the cost of a non- current asset over the useful lifetime of these assets.
EBITDA	Operating profit before depreciation, amortisation and impairments of other non-current assets.	EBITDA is used to measure the cash flow generated from operating activities, eliminating the impact of financing and accounting decisions.
EBITDA, adjusted	Operating profit, adjusted for items affecting comparability, before depreciation, amortisation and impairments of other non-current assets.	Adjusted EBITDA increases the comparability of EBITDA.
Effective tax rate	Income tax as a percentage of profit before tax.	This metric enables the income tax to be compared across locations where corporate taxes differ.
Gross profit, adjusted	Net sales, adjusted for items affecting comparability less cost of goods sold, adjusted for items affecting comparability.	Gross profit, adjusted increases the comparability of gross profit.
Items affecting comparability	Items affecting comparability are those significant items which are separately disclosed by virtue of their size or incidence, in order to enable a full understanding of the Group's financial performance. These include items such as restructurings, impact from acquisitions or divestments.	Items affecting comparability increases the comparability of the Group's financial performance.
Net financial items	The total of exchange differences on cash and cash equivalent in foreign currencies, other financial income and other financial expenses.	The net financial items reflects the company's total costs of external financing.
Net sales, change	Net sales as a percentage of net sales in the comparative period of the previous year.	Net sales, change reflects the company's realised top-line growth over time.
Operating profit (EBIT)	Operating profit consists of comprehensive income before net financial items and income tax.	This metric enables the profitability to be compared across locations where corporate taxes differ, irrespective the financing structure of the company.
Operating profit (EBIT), adjusted	Operating profit adjusted for items affecting comparability.	Operating profit, adjusted increases the comparability of operating profit.
Organic growth	Net sales, change excluding acquisition-driven growth and changes in exchanges rates.	Organic growth excludes the impact of changes in group structure and exchange rates, enabling a comparison on net sales growth over time.
Structural changes	Net sales, change resulting from changes in group structure.	Structural changes measure the contribution of changes in group structure to the net sales growth.

Glossary

Branded packaged products	Products that are mainly sold under brands and are packaged.
FVTPL	Fair Value Through Profit and Loss.
Pick & mix	Cloetta’s range of candy and natural snacks that are picked by the consumers themselves.
Pick & mix concept	Cloetta’s complete concept in pick & mix including products, displays and accompanying store and logistic services.

Exchange rates

SEK	30 Sep 2024	30 Sep 2023	31 Dec 2023
EUR, average	11.4204	11.4844	11.4821
EUR, end of period	11.3000	11.5325	11.0960
NOK, average	0.9852	1.0117	1.0046
NOK, end of period	0.9605	1.0248	0.9871
GBP, average	13.4220	13.2016	13.2099
GBP, end of period	13.5260	13.3388	12.7680
DKK, average	1.5312	1.5418	1.5410
DKK, end of period	1.5156	1.5465	1.4888

Business model

Cloetta's business model is to offer strong local brands in confectionery and nuts and provide effective sales and distribution to the retail trade. Together, this will ensure continued positive development of the company's leading market positions.

Value drivers

- Strong brands and market positions in a non-cyclical market
- Excellent availability in the retail trade with the help of a strong and effective sales and distribution organisation
- Good consumer knowledge and loyalty
- Innovative product and packaging development
- Effective production with high and consistent quality

About Cloetta

Cloetta is a leading confectionery company in Northern Europe. In total, Cloetta products are sold in more than 60 countries worldwide. Cloetta owns some of the strongest brands on the market, such as Läkerol, CandyKing, Jenkki, Kexchoklad, Malaco, Sportlife and Red Band. Cloetta has six production units in five countries. Cloetta's class B shares are traded on Nasdaq Stockholm.

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