

Financial development

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Forward-looking statements

This presentation includes forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein.

This presentation contains a number of forward-looking statements including, in particular, statements about future events, future financial performances, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand. AAK has based these forward-looking statements on its views with respect to future events and financial performance. Actual financial performance of the entities described herein could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated.

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Solid performance

Strong profit growth despite challenging macro-economic climate

Growth and returns – Q3 2022

Volume
559,000 MT
(-4%, -1%***)

Adjusted operating profit
SEK 822 million
(+28% y/y, +5% y/y*)

Adjusted operating profit per kilo
SEK 1.47
(up 34% y/y, up 10% y/y*)

ROCE
14.8%**

Growth and returns – YTD 2022

Volume
1,688,000 MT
(-1%, +1%***)

Adjusted operating profit
SEK 2,110 million
(+22% y/y, +7% y/y*)

Adjusted operating profit per kilo
SEK 1.25
(up 23% y/y, up 7% y/y*)

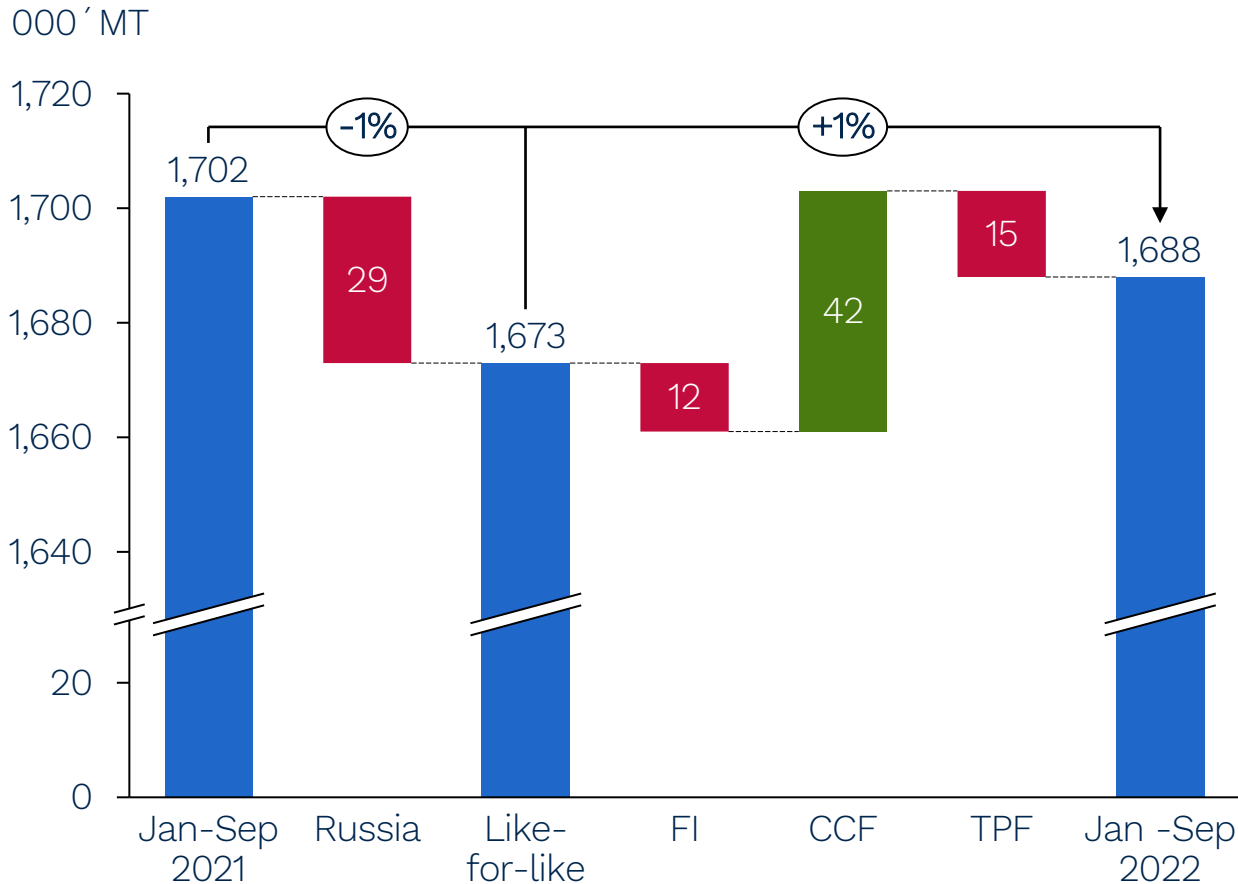
ROCE
14.8%**

* Fixed FX ** Rolling 12 months *** Excluding Russia

Volumes impacted by Russia exit and strategy execution

Different dynamics and varying developments within our business areas

Volumes year-over-year January - September

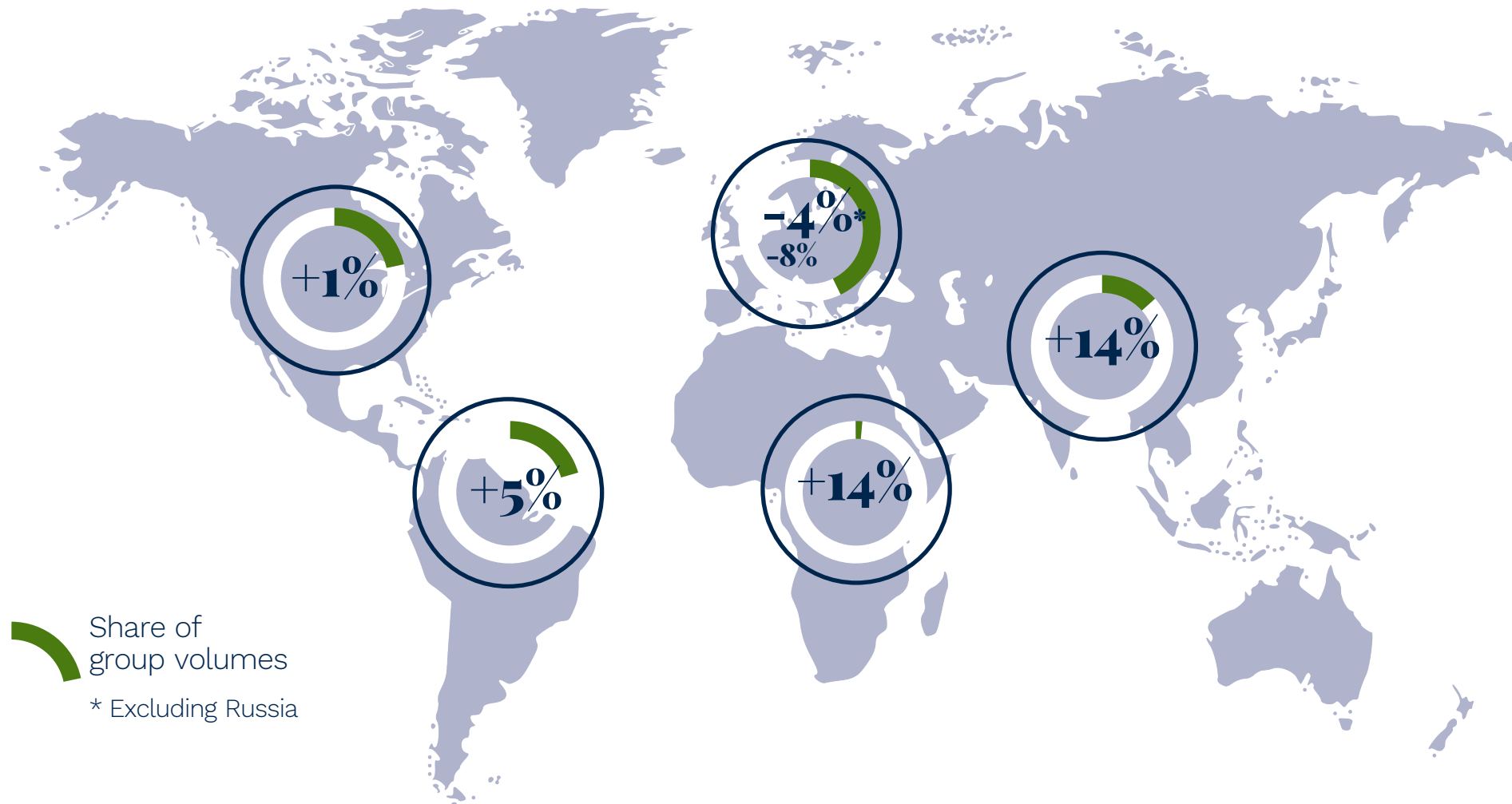


Comments

- **Russia**
 - Impact of exiting the Russian market
- **Food Ingredients (FI)**
 - Portfolio optimization of Bakery in mature markets while growing in selected geographies
 - Candle waxes volume down from the peak during Covid-19
- **Chocolate & Confectionery Fats (CCF)**
 - Strong momentum leveraging our solid market position for high speciality solutions
- **Technical Products & Feed (TPF)**
 - Internal use of bio-fuel to offset high energy prices
 - Lower Feed production

Regional volume growth YTD

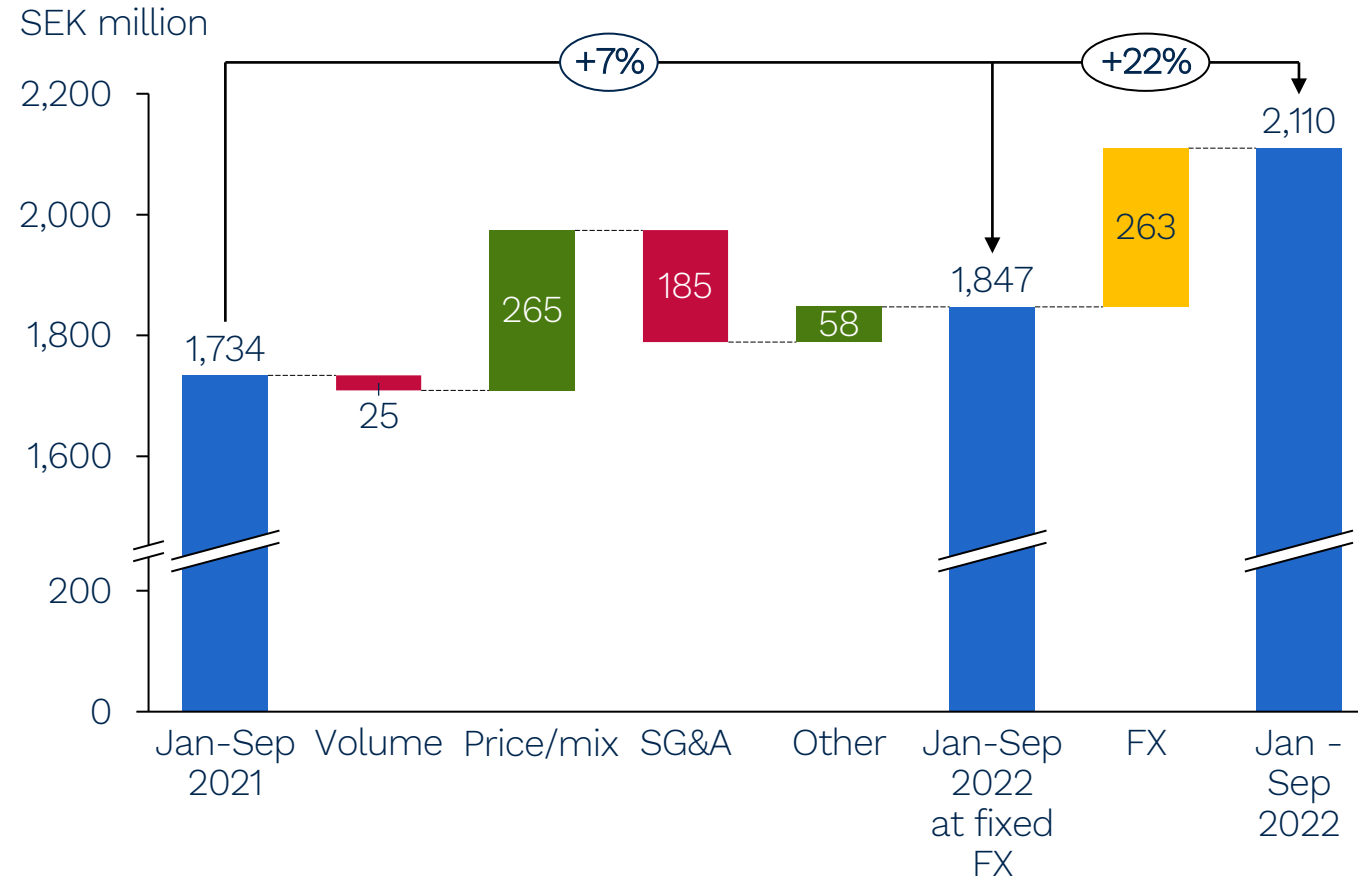
Continuous growth in all regions except Europe



Strong profit growth

Driven by portfolio optimization and successful cost management

Adjusted operating profit – YTD September 2022



Comments

• Volume

- Limited impact from the decline in Food Ingredients and Technical Products & Feed

• Price/Mix

- Portfolio optimization, mainly in Bakery and to a lesser extent Dairy
- Special Nutrition improving
- Ability to offset the increased cost of raw materials as well as non-oil input materials

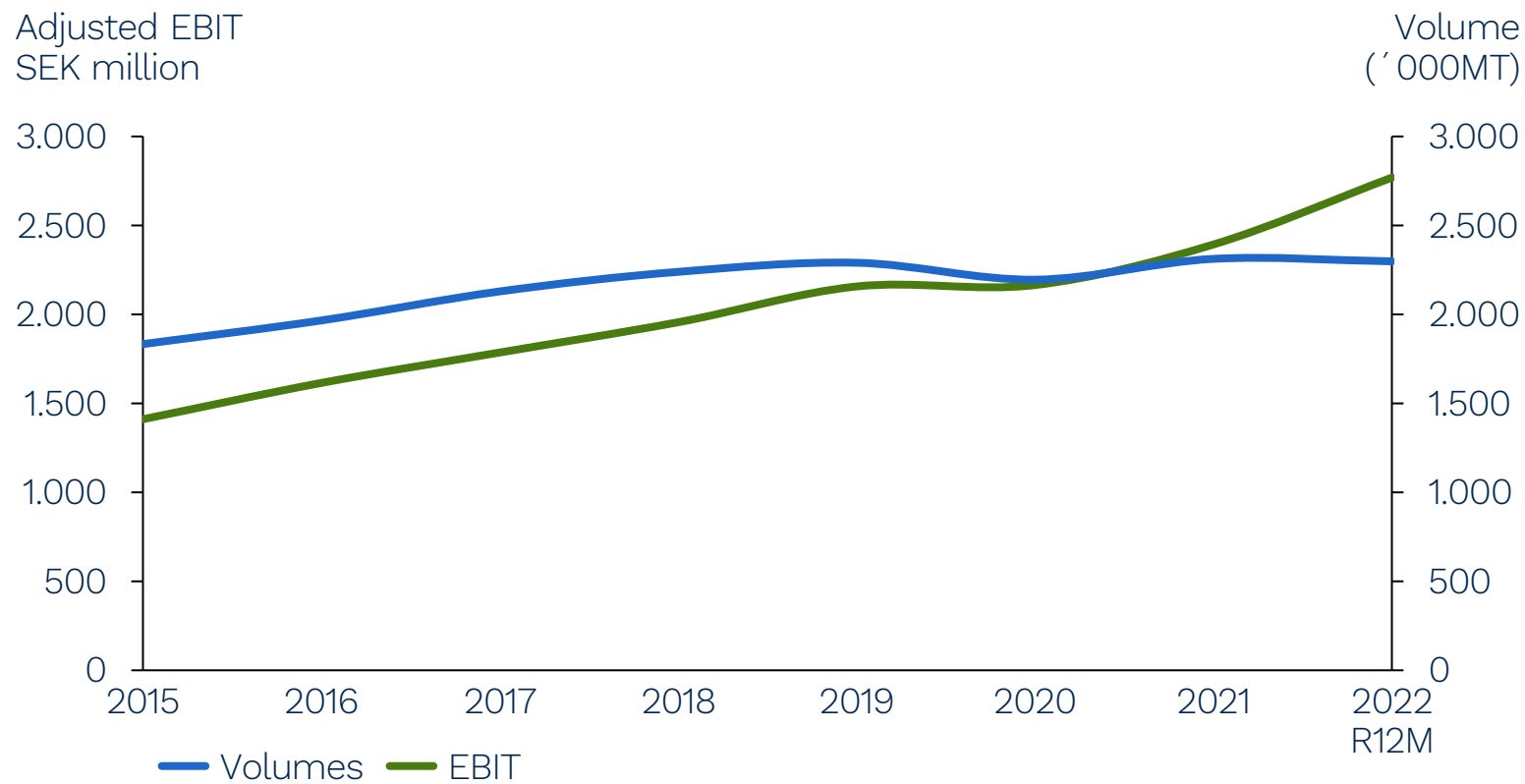
• SG&A

- Driven by increased customer engagement activities and product development

Strong track record of increasing profitability

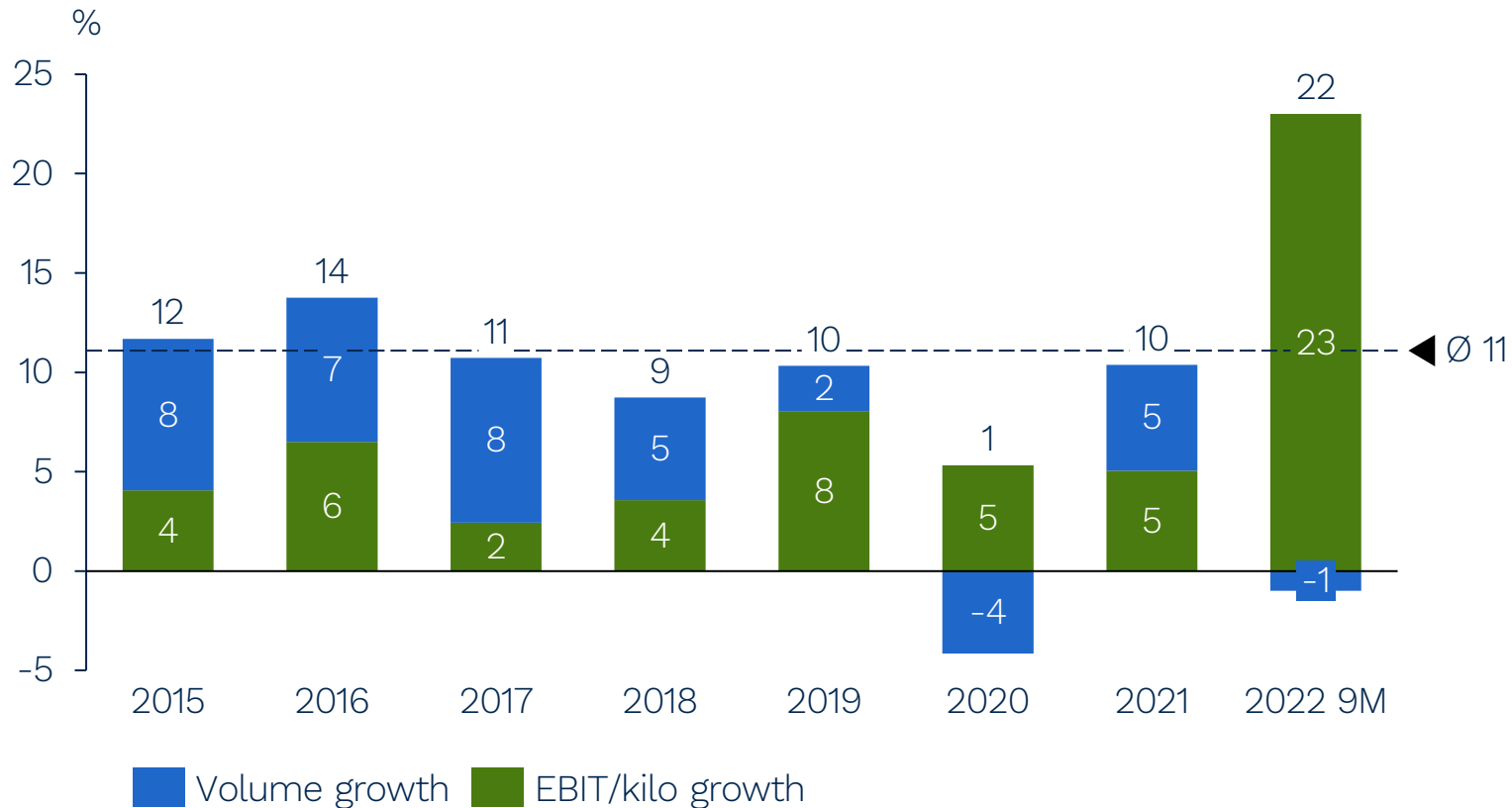
Our focus on value-adding solutions creates financial value

Volume and EBIT development over the past decade



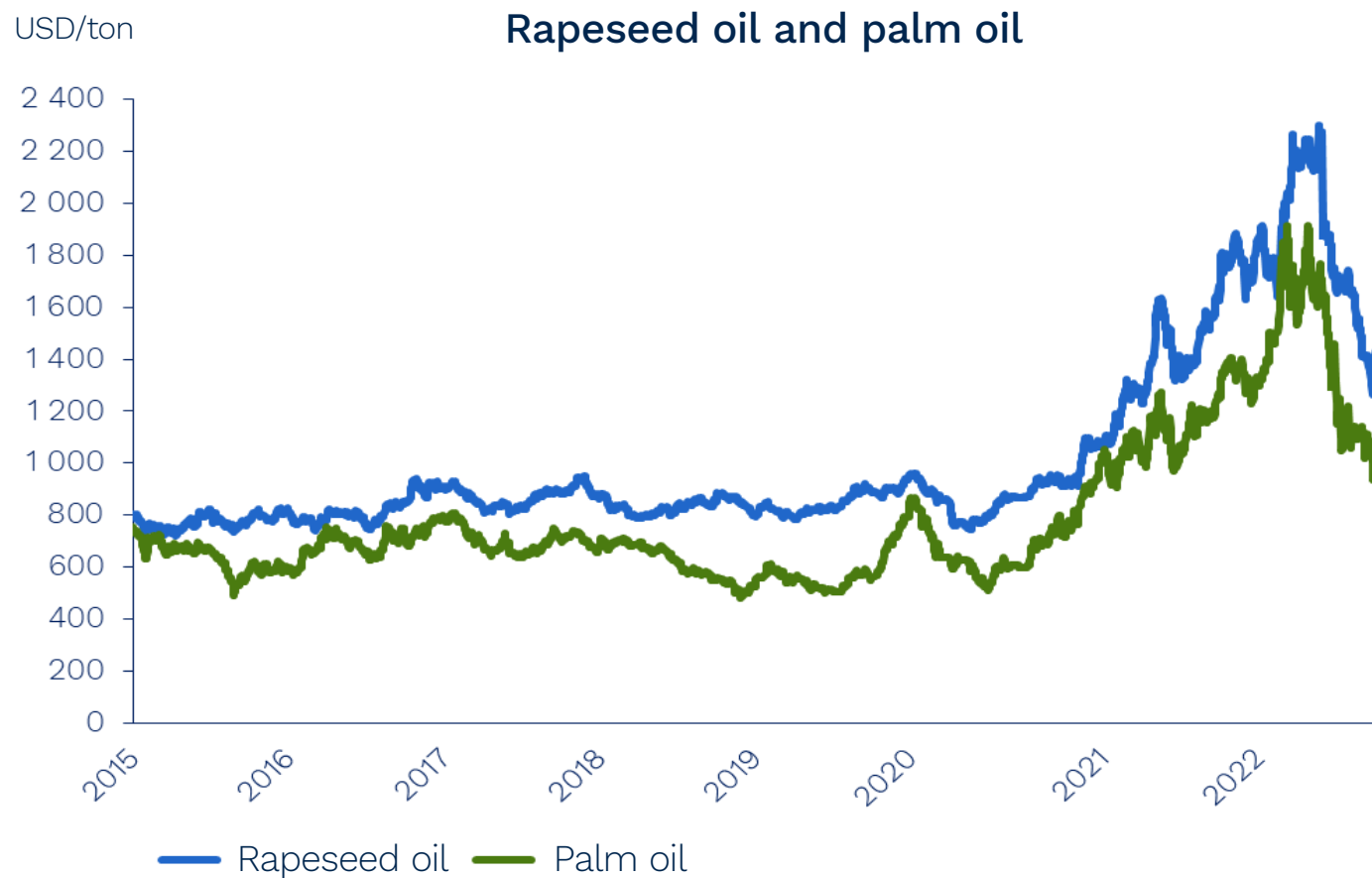
A journey from volume-driven to value-driven

Profitability focus through dedicated work with value-adding solutions



Raw material price development

Trading at record levels in 2022

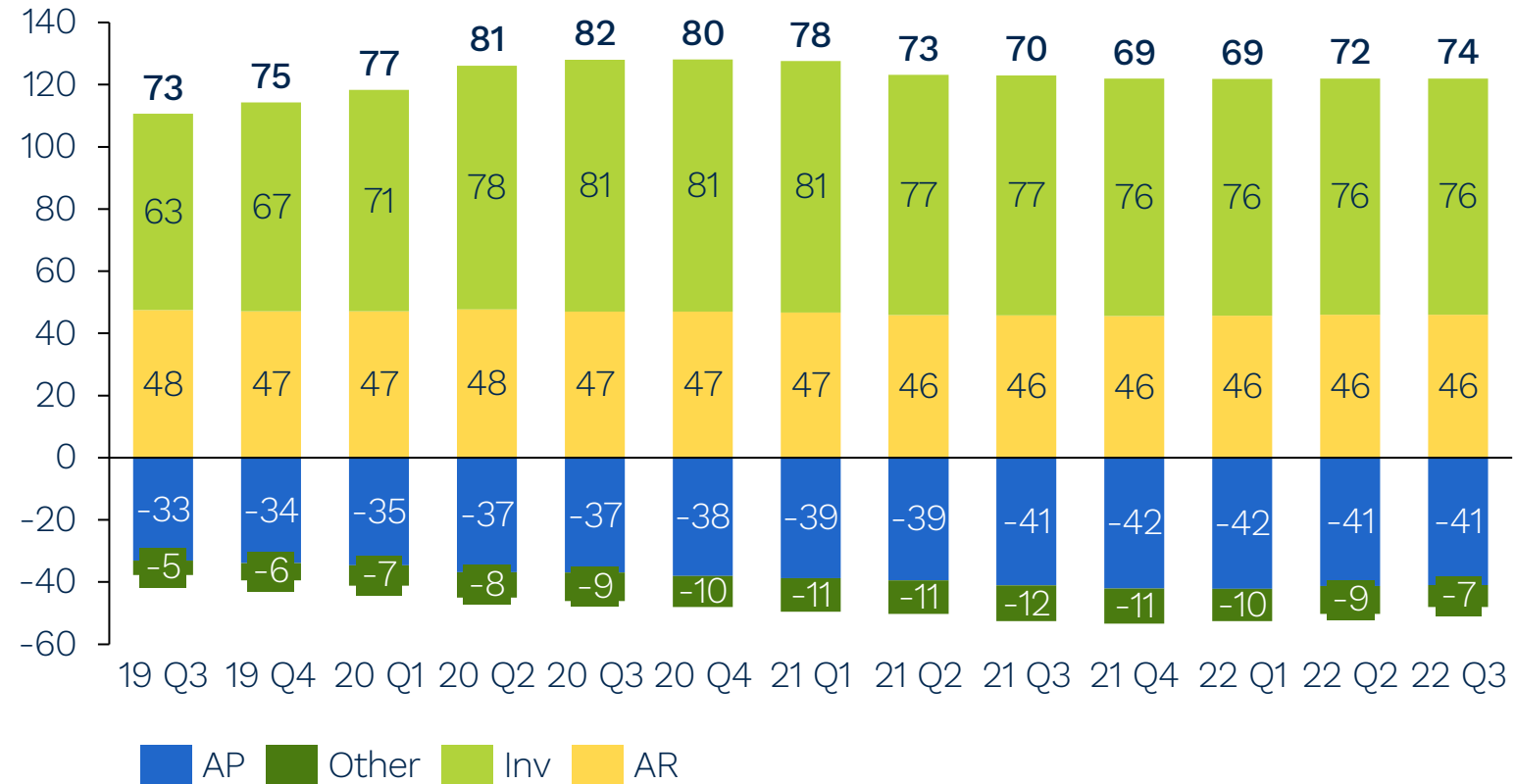


Improved WCD in uncertain times

Driven by DSO and DPO

Working capital days

Days

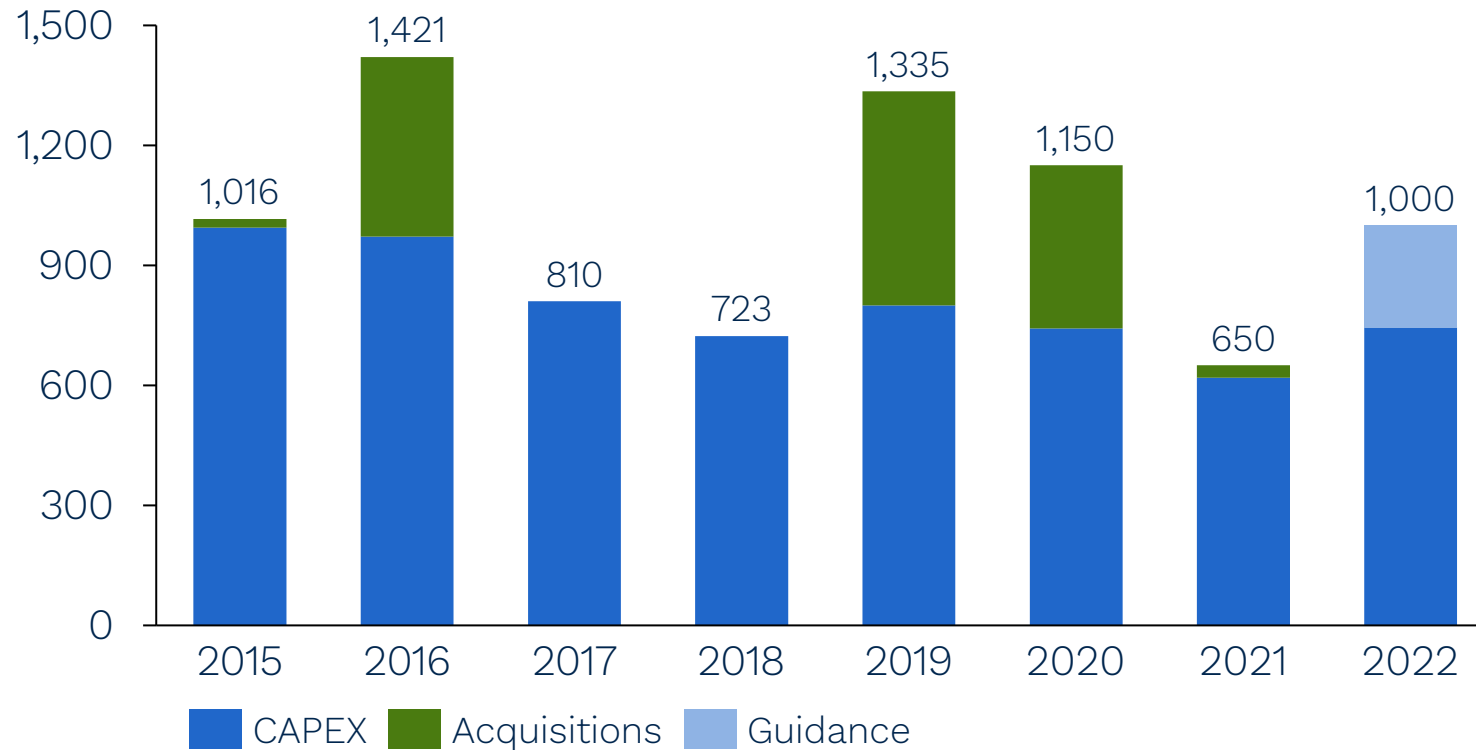


Increased focus on investing activities going forward

CAPEX and acquisitions

Long-term CAPEX overview

SEK million



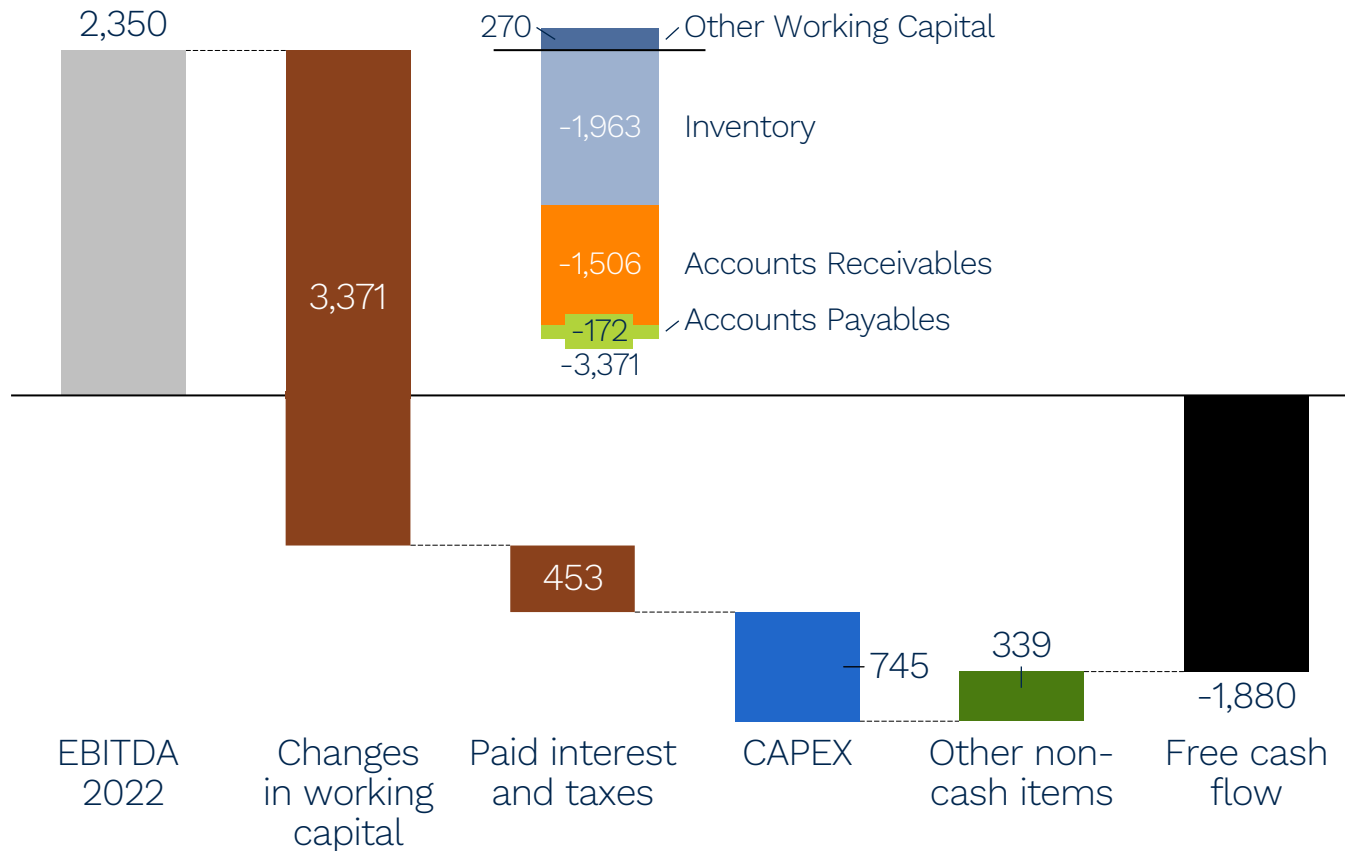
CAPEX key priorities

- Safety
- Sustainability initiatives
- Capacity expansion
- Efficiency
- Maintenance

Cash flow

Impacted by increased raw material prices

Cash flow – YTD September 2022



Comments

- Cash flow from working capital was negative mainly due to higher raw material prices.
- Payables was negatively affected by changes in contractual payment terms and changes in sourcing patterns, as well as by timing in raw material purchases.

With the recent development of raw material prices, we expect the negative effect on cash flow to continue in Q4 and to see a positive effect during the first half of 2023

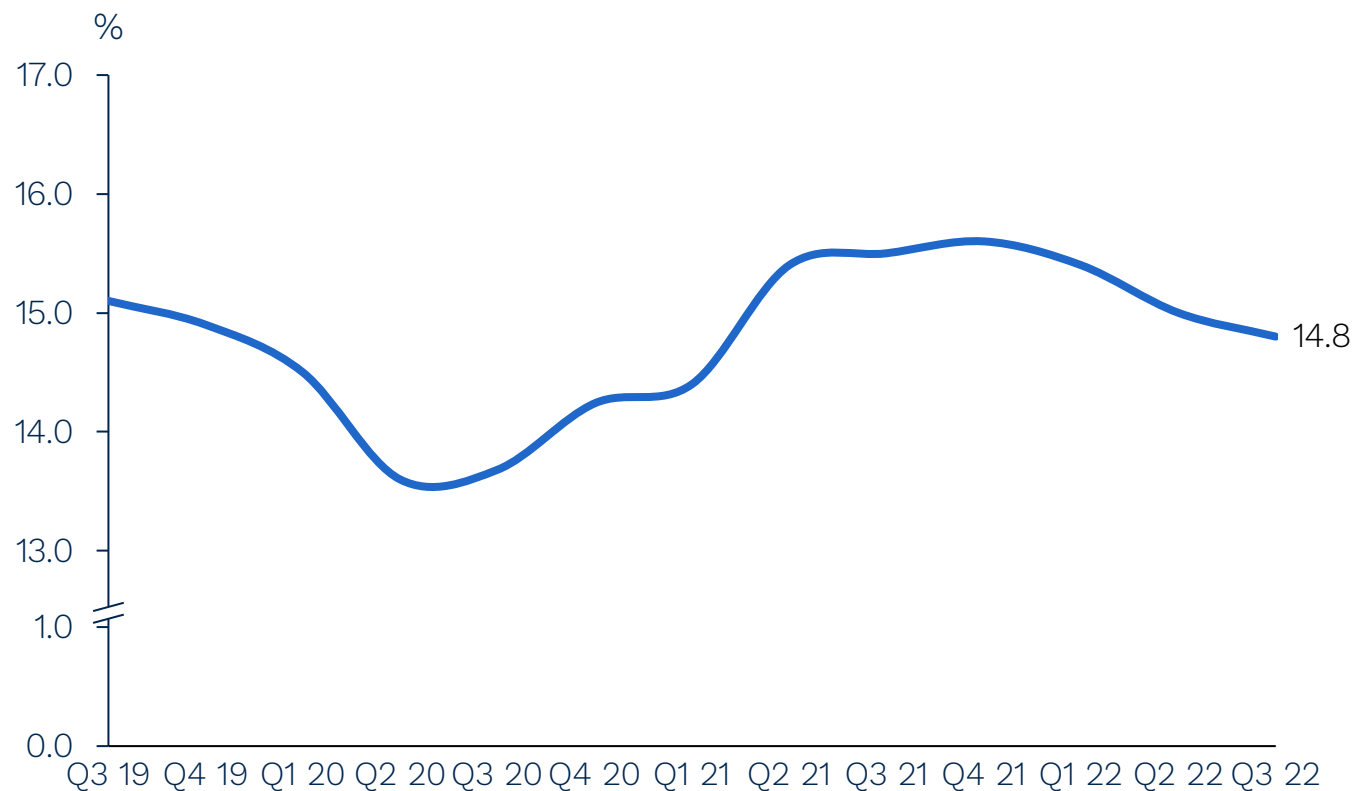
Return on Capital Employed (ROCE)

Impacted by increasing raw material prices

ROCE end Q3 2022*
14.8%

EBIT LTM
SEK 2,769
million

Capital
employed*
SEK 18,708
million

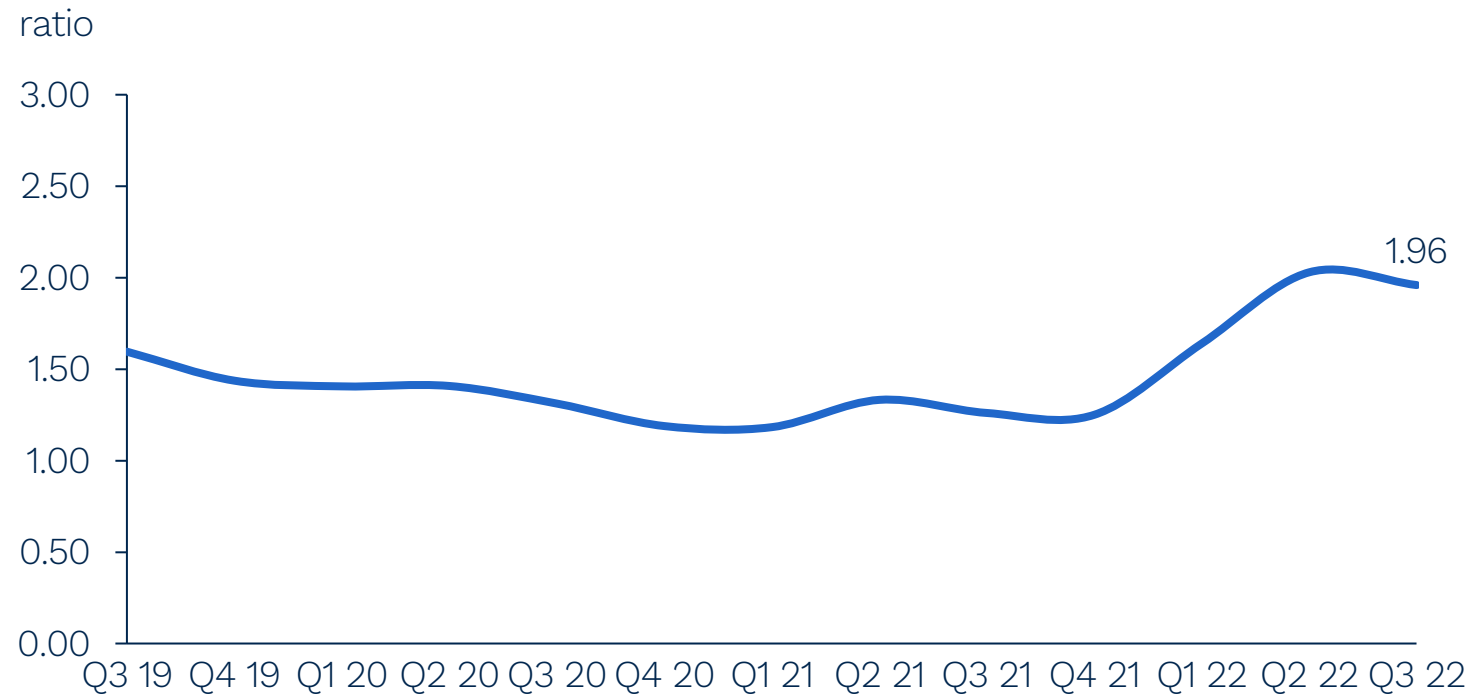


* ROCE: Return on Capital Employed calculated on rolling 12 months

Net debt/EBITDA ratio

Solid platform for continued growth

Net debt/EBITDA ratio



Loan and duration profile

Short- and long-term credit facilities as per September 2022

Long-term facilities

SEK million

83%

Mortgage	557
MTN bond	2,000
Club loan	4,354
Bilateral	1,806
Bilateral bond loan	1,000
Total long-term facilities	9,717

Short-term facilities

SEK million

17%

Bank loans	1,549
Bilateral bond loan	500
Total short-term facilities	2,049

Total loans financial institutes

SEK million

Total loans financial institutes	11,766
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Capital allocation principles

A priority to be well capitalized – net debt/EBITDA ratio of < 3x

Core business investments



- Capacity and efficiency
- Expansion
- Innovation

Mergers & Acquisitions



- Geographic expansion
- Capacity expansion
- Technology and capabilities
- Adjacent product portfolios

Dividends



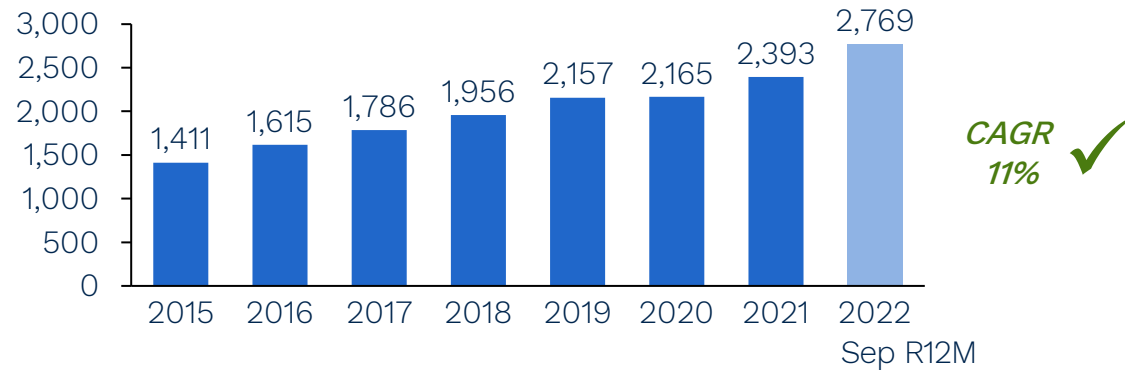
- 30-50 percent of net profit
- Historic dividend growth of above 10 percent

A solid balance sheet and net debt provide the foundation for the long-term growth of shareholder value

Delivering on our long-term ambition

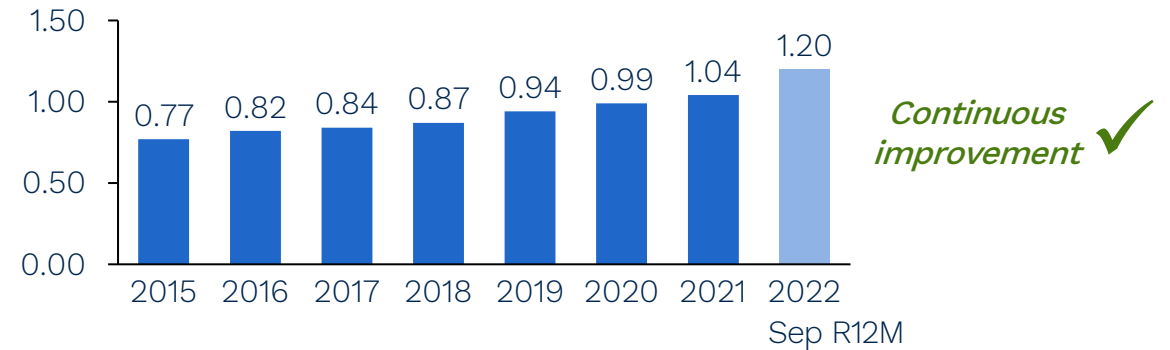
Operating profit*

SEK million



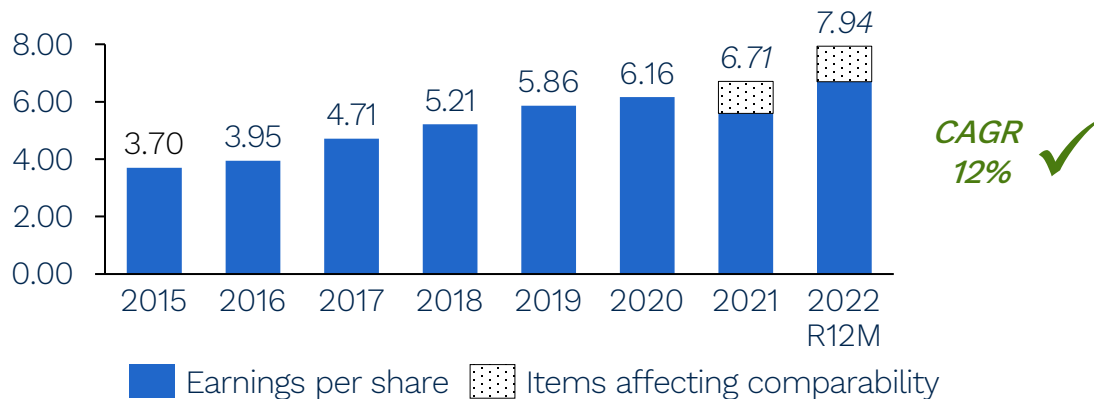
Operating profit/kilo*

SEK



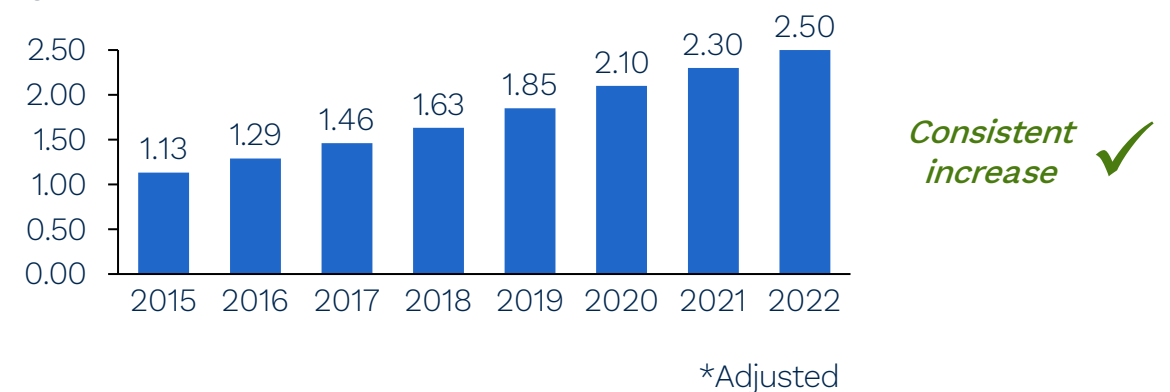
Earnings per share

SEK



Dividend per share

SEK



Thank you