



INTERIM REPORT FUUD AB JANUARY 2021 – JUNE 2021

Fuud AB – Fast growth within Functional Foods

This publication is a translation of the original Swedish text. In the event of inconsistency or discrepancy between the Swedish version and this publication, the Swedish language version shall prevail.

Financial information during the period January-June 2021*

- Net sales for the period amounted to 8,139 TSEK (0)
- Operating profit for the period before depreciation (EBITDA) amounted to -26,419 TSEK (-38)
- EBITDA adjusted for restructuring and acquisition costs for the period amounted to -18,635 TSEK (-38)
- Equity at the end of the period amounted to 92,444 TSEK (261)
- Earnings per share amounted to -0.15 TSEK (0)
- Cash flow from operating activities for the period amounted to -24,211 TSEK (-13)
- Cash and cash equivalents at the end of the period amounted to 28,117 TSEK (276)

Pro forma January-June 2021**

- Net sales for the period amounted to 40,633 TSEK
- Operating profit for the period before depreciation (EBITDA) amounted to -39 413 TSEK
- EBITDA adjusted for restructuring and acquisition costs for the period amounted to -31 629 TSEK

* Regarding comparative figures in financial information: Fuud AB acquired all shares in Beztt AB on December 15, 2020. This acquisition is reported in accordance with the principles for reverse acquisition. Therefore, only comparative figures are shown for net sales and earnings for the acquired companies for the period 15 December 2020 to 31 December 2020 and for Beztt AB for the full year.

** The pro forma report shows what the consolidated income statement would have looked like if the acquisitions had been completed as of January 1, 2021.

About the Fuud Group

With the vision of being the Nordic market leader by 2025, Fuud has acquired a number of exciting Swedish companies within Functional Foods, in order to jointly challenge the existing players in one of the food industry's fastest growing categories.

Fuud is growing through a combination of organic growth and acquisitions with a strong focus on high-quality content, exciting innovations and attractive design. Our goal is to constantly create increased value for our shareholders while contributing to improved health and quality of life for the Nordic population.

With a naturally built-in forward-thinking spirit, a strong and motivated sales force and a number of experienced key players in management and the board, Fuud has created a balance between muscle, drive and experience. The Fuud Group currently has 9 brands: iQ Fuel, Homie, Beijing8, Juica, Juice Culture, Bacocoli, Frill, Nathalie's and Beztt of Nature.

The company is based in Stockholm and is listed on the Nasdaq First North Growth Market, short name Fuud.

Significant events during the period

During the period, extensive changes were made in the company. A new acquisition strategy was adopted during the first quarter and a total of five acquisitions were made during the period. The acquired companies have been integrated and the company has now recruited important key players in the management team and the board of directors and have established a nationwide sales force that has started working with Fuud's entire product portfolio. The Nordic operations are developing and as of August, country managers have been recruited for the Finnish and Norwegian markets.

The company's new strategy is implemented and during the period several significant events have occurred:

- In February 2021, Fuud entered into a five-year Nordic sales agreement with the Italian brand Bacoccoli. The agreement gives Fuud the exclusive right to sell Bacoccoli's products in the Nordic market.
- In February 2021, Peter Blom took over as the new President and CEO. Peter Blom has extensive experience of senior positions, including CEO of Karo Pharma before the company was sold to EQT.
- In April 2021, Fuud carried out a convertible issue of 85 MSEK to finance acquisitions and the company's new strategy.
- In April 2021, the company Kling Homie AB was acquired with an associated brand in lifestyle and Functional Foods, Homie - Life in Balance - "The simple choice for good health from morning to evening".
- In April 2021, the Swedish company iQ Fuel AB was acquired, with an associated brand in functional beverages - "The smart energy drink without caffeine".
- In April 2021, the company Nathalie's Direct Trade AB was acquired with the associated brand Nathalie's - "naturally good snacks that do good for both body and soul".
- In April 2021, Fuud submitted forecasts and financial targets up to and including the year 2025.
- In May 2021, Juica Sverige AB was acquired, with associated brands Juica and Juicekultur - "High quality natural and fresh organic juices".
- In June 2021, the acquisition of B8 Sverige AB with associated subsidiaries was completed, together with the brand Beijing8 - "Dumpling Sunday is the new Taco Friday, an Asian food concept that suits the whole family and all occasions".
- In June 2021, the new Chairman of the Board, Henrik Hedelius, took office together with the new members Henrik Palm and Fredrik Kling. Khosro Nikpay, Peter Freedman, Jan Åström and Andrew McKinlay left Fuud's board at their own request.
- In June 2021, a warrant-based incentive program was introduced for key individuals in the Group.
- In June 2021, the company changed its name from Frill Holding AB to Fuud AB and at the same time implemented a new graphic profile for the Group.

- During the period, acquired companies were integrated organizationally, partly in the same Stockholm-based head office and through a nationwide sales force that represents all Fuud brands.

Significant events after the end of the period

- Beijing8 has been centrally listed in ICA from v.39 2021.
- Fuud has initiated a collaboration with TV4 and Köket.se for marketing initiatives during quarters 3 and 4 2021.
- Fuud has recruited Björn Alvaer as Country Manager in Norway. An organization will be established in Norway for the launch of other brands during the fourth quarter of 2021 and during 2022.
- Fuud has entered a two-year collaboration with HockeyAllsvenskan for marketing and sales efforts in 14 different locations around Sweden
- Fuud has recruited Casimir Reincke as Country Manager in Finland. A Finnish sales force has been established and marketing activities has begun.
- iQ Fuel has been centrally listed on Finland's market-leading food chain S-group that has 1100 stores.



Message from the CEO

The first half of 2021 has, to say the least, been an eventful period. We have carried out major events and in a relatively short time have gone from a niche company with a few products to a group with a broad product portfolio with 9 early-stage brands that have good prospects for growing in the Nordic market today and in the future. At the same time, we are developing our operations in neighboring countries by establishing ourselves in Finland and Norway, starting in August.

During the spring, we completed five integrated acquisitions and we have now established an efficient organization and a nationwide sales force. We deliver pro forma sales during the period of 40.6 MSEK and my assessment is that we can grow rapidly in the future. The gross margin in the pro forma is 45.8% and we have many potential synergy effects to realize in the near future. Our large investments in the organization and restructuring have given us a good structural platform to grow from, both organically and through further acquisitions. These non-recurring costs have been charged to the profit for the period of approximately -7.8 MSEK. Now, in parallel with upscaling and establishing the brands, we can begin the work of improving margins, exploiting synergies in production, marketing and purchasing. The company currently has several products close to the launch phase, which will accelerate our growth and improve the gross margin.

Brands for health and quality of life

Fuud's product portfolio now contains a number of attractive and exciting brands. We have a diversified portfolio of products in several different product categories - something that contributes to both effective sales visits in the stores and to minimal competition between the brands. My assessment is that all brands in the portfolio have good prospects for strong growth already during the second half of the year. In our joint organization, innovation, sales processing, marketing initiatives and our ability to shorten the time to the market with new products are facilitated. Consumers in the Functional Foods segment are fast-moving and our entrepreneur-driven company has good opportunities to meet consumer demand for new products.

Expansion of our geographical platform

We have now taken a good position in Sweden, at the same time we are establishing ourselves in other Nordic markets. In Finland, we have recruited an experienced Country Manager and a sales force under construction. It is promising that we are already centrally listed on the Finnish food giant S-group with two of our brands, iQ Fuel and Beijing8. We have also taken a position in Norway with good potential to achieve growth during the latter part of 2021, with good prospects of launching other brands on a broad front in 2022.

A journey of the future that has taken off

We continue to develop Fuud in line with our proposed strategy. During the first half of the year, we made major investments to integrate acquired companies and established a joint organization in an operational platform to support rapid growth. We have built our own e-commerce that will be launched shortly and the construction of the digital team is underway. We see an increased demand for healthy, functional and high quality products and believe that the Functional Foods area will remain strong for many years to come. This market is growing organically by 6-8% annually and the Nordic market has a turnover of over SEK 200 billion. The increased demand, combined with consumers being open to testing new brands, puts Fuud and our growing product portfolio in an attractive position.

Our journey towards becoming the Nordic region's leading Functional Foods company has gained momentum, but the journey has only just begun. During the second half of the year, our market investments will increase on our four priority brands Beijing8, iQ Fuel, Homie and Juicekultur, which will play a very important role in generating growth in the future. Fuud is an interesting alternative for shareholders who want to invest in Functional Foods. We are long-term and run a business under strong growth. We are following our plan and look forward with confidence to delivering good development for our shareholders.



Peter Blom, CEO

Brands within the Fuud Group

With a focus on providing access to products with high-quality content that is good for body and soul, Fuud brings together a broad portfolio of brands in functional foods. By constantly developing the portfolio with new products and brands, we will occupy a leading position in the Nordic region - while contributing to good health and quality of life. Read more about the Fuud brands and access our latest sales folder on www.fuudunited.com.

HOMIE
LIFE IN BALANCE

Beijing8®
北京八

frill



iQ
fuel



Nathalie's
DIRECT TRADE AB
STOCKHOLM

BACOCOLI

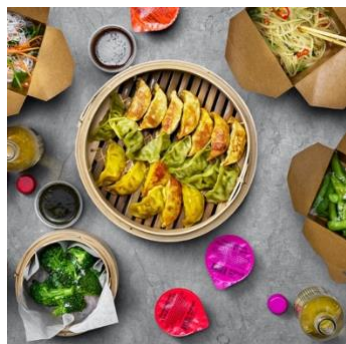
K JUICE
KULTUR

Homie – The simple choice for good health – from morning to evening



Swedish brand Homie is a lifestyle brand that helps people create winning habits. Through attractive ingredients, good tastes and stylish packaging, Homie's products help to optimize energy every day. Under the Homie brand, there are a number of products in fast-growing categories such as functional drinks, dietary supplements, vitamins and other functional products. Through a perfect combination of design and function, Homie's products help to optimize both diet and health – every day.

Beijing8 – An Asian food concept for the whole family and all occasions



Swedish Beijing8 is one of Europe's largest brands in the popular food category dumplings. With ingredients of the highest quality and a range of attractive accessories in form of sauces, beverages and cooking products, Beijing8 has become a common feature on our dining tables around the Nordic region. The products are produced in Sweden and sold both via grocery stores, own restaurants and e-commerce. In 2020, the company manufactured and sold over 6 million dumplings.



iQ Fuel – The smart energy drink without caffeine

iQ fuel is a Swedish brand with focus on developing the next generation of products in sports and health. With well-chosen ingredients, great-tasting flavors and attractive design, iQ fuel fills a hole on the market today – sports drinks that are so good that elite athletes can and want to stand behind them without being sponsored. The combination of high-quality ingredients and the lack of caffeine and taurine means that iQ fuels products attract a wide target group and can be sold without age limit.



Juica

Juica is Sweden's only Genuine Commodity-certified brand in juices and shots. All juices are completely untreated, free from additives, 100 % cold pressed, organic and full of vitamins. Real juice – just as it should be. Juica's products are sold in the grocery retail, convenient stores and in hotel, restaurant and catering operations as well as through both own and external e-commerce.



Bezzt of Nature – For you that want to treat yourself but also care about health and nutrition

Swedish Bezzt of Nature offers healthier alternatives in the candy shelf – sweetened with honey and completely free of palm oil. The journey began with a recipe for elite athletes prior to the Olympic Games in London, developed together with dietitians and nutrition researchers at Karolinska Institutet. The project was successful and has now accelerated through a number of new products in functional food and clean eating. With a vision of global expansion, the range is being expanded at a rapid pace with several new products that are suitable for a healthy lifestyle for the whole family.



Frill – A fresh mix of fruits and berries, full of vitamins and healthy fibres

Frill is an innovative food tech brand developed by Harvard researchers. Through a unique freezing technology and patented placebo flavors, they have succeeded in creating tasty, frozen foods with a creamy consistency, made entirely from fruit and berries – without the need to add sugar or fat. With Frill's genuinely healthy products, you get more fruit, berries and healthy fiber in a simple and enjoyable way.



Nathalie's – Naturally tasty snacks

Nathalie's is an award-winning brand within wholesome snacks with the goal of revolutionizing the value chain in the food industry by purchasing finished products directly from farmers in Colombia, removing unnecessary intermediaries and empowering farmers and local workers. The company is a member of the UN program UNDP – Business Call To Action – since 2017. According to the brand's strong sustainability concept the range is broadened with more products that can make an even bigger difference for farmers and entrepreneurs in the countries of origin.



Bacocoli – High quality – 100% from Italy

The Bacocoli brand offers exclusive products that contribute to both health and quality of life. Handmade Italian chocolate of the highest quality, pasta of the finest variety and olive oil from olives that have been hand-picked and extracted solely by cold pressing. All from the Swedish family Bacocoli's own olive and horse farm, beautifully situated in a small medieval village in Umbria, Italy.



Juicekultur – En härligt naturlig och fräsch ekologisk fruktjuice

Juice culture is Sweden's only organic fruit juice that is neither based on concentrate nor heat-treated. Juice culture is a real juice that is both organic and free of additives, and gets good durability through cold pressing. The juice series is available in both classic flavors and new exciting flavor combinations.



FINANCIAL SUMMARY JANUARY-JUNE 2021

- Net sales for the period amounted to 8,139 TSEK (0)
- EBIT for the period amounted to -31,402 TSEK (-38)
- Equity at the end of the period amounted to 92,444 TSEK (261)
- Earnings per share totalled SEK -0,15
- Cash flow from operating activities amounted to -24,211 TSEK (-13)
- Cash and cash equivalents at the end of the period amounted to 28,117 TSEK (276)

	2021	2020	2020
TSEK	Jan-June	Jan-June	Jan-Dec
Net sales	8 139	0	108
EBIT	-31 402	-38	-678
Equity	92 444	261	25 800
Earnings per share, SEK	-0,15	0,00	-0,02
Cash flow	-24 211	-13	-379
Cash and cash equivalents	28 117	276	8 210

On December 15, 2020, Fuud AB completed the acquisition of Beztt AB. Following the acquisition, the shareholders of Beztt AB own 53% of the shares in Fuud AB and former shareholders of Fuud AB own 47% of the shares in the company. The acquisition is reported in accordance with the principles for reverse acquisition, where Beztt is seen as the accounting acquirer and Fuud AB as the acquired party. Up to the acquisition date of 15 December 2020, the information presented in the consolidated accounts consists of figures linked to the Beztt Group. Profit from the Fuud AB group is included in the income statement only from December 15, 2020.

FINANCIAL OVERVIEW

The Group's revenues and earnings for the period January-June

The Group's sales consist of revenues from the brands Frill the Frozen Smoothie, Add Ice-Cream, Beztt of Nature, Bacocoli, Nathalie's, Juica, iQ Fuel, Homie and Beijing8. The last five brands were acquired during the year, which has resulted in increased sales. Net sales during the period amounted to 8,139 TSEK (0). The reverse acquisition at the end of previous year resulted in that only comparative figures are shown for net sales and earnings for the acquired companies for the period 15 December 2020 to 31 December 2020 and for Beztt AB for the full year. The same principle applies for the cost side.

The groups operations have been affected by Covid-19, primarily with reduced sales in the restaurant business but also in the retail trade as marketing through samplings, demos and events have been cancelled. Some of the companies within the Group have received contribution for short-term layoffs, which are reported as other operation income in the income statement.

The cost of goods during the period amounted to -5,964 TSEK (0). The company works actively to improve gross profit through improved procurement conditions, coordinate inventory management, sales and deliveries and achieve productivity gains in manufacturing. Other external costs during the period amounted to -11,757 TSEK (-36). The item includes non-recurring acquisition costs amounting to 1,987 TSEK. Personnel costs amounted to 11,418 TSEK (-2). At the end of the period, the number of employees was 51. To reduce costs in the future, necessary restructuring costs have affected the result for the period. These costs are primarily attributable to costs relating to closing the business of the subsidiaries in the UK and the US as well as termination costs for personnel. The costs amount to approximately 6 MSEK and are included in the item Other operating expenses.

Net financial income for the period amounted to 42 TSEK (0) and consists of exchange rate gains on the recalculation of loans to the subsidiary in the US and of interest expenses attributable to the convertible loan.

Result for the period amounted to -25 866 TSEK (-38) and earnings per share totalled -0.15 SEK (0).

The Group's financial position

At the end of the reporting period, total group assets amounted to 267,763 TSEK (282). The total assets on June 30, 2020 only shows the company Beztt's figures. The total assets on December 31, 2020 also include Fuud AB and its subsidiaries' total assets, which from an accounting perspective were acquired by Beztt through a reverse acquisition in December 2020.

Goodwill is the most significant item and amounts to 83,588 TSEK. A significant part of the goodwill was reported for during the period as a result from the five acquisitions that have taken place. There has also been a significant change in the amount for trademark and other intangible assets as a result of the acquisitions. For a detailed analysis of the acquisitions, see the acquisition analyses.

Deferred tax assets relating to loss carried forward, or other future tax deductions, are reported to the extent that there are factors that convincingly indicate that there are sufficient future tax surpluses. As of 2021, deferred tax assets are reported as an asset as the Group is expected to report profits in the future.

Cash and cash equivalents amounted to 28,117 TSEK (276). Cash and cash equivalents have increased as a result of the convertible loan raised during the period.

Equity has increased from 25,800 TSEK to 92,444 TSEK. The increase can mainly be attributed to the offset issue that was carried out in connection with the acquisitions during the period, which meant that equity increased by approximately 93 MSEK including acquisitions costs.

Other long-term liabilities have increased from 670 TSEK to 132,778 TSEK. The most significant items are the convertible loan amounting to 85 MSEK and preliminary calculated additional purchase price for subsidiaries of 40.5 MSEK.

The Group's cash flow

Cash flow from operating activities amounted to -24 211 TSEK (-13). The company works actively to improve the cost structure and to create productivity gains in purchasing, inventory management, sales and distribution. Adjustments for items that are not included in cash flow refer to translation differences and amortization of fixed assets and right of use assets.

Cash flow from investing activities amounted to -38,857 TSEK (0) and refers mainly to acquisition price for acquired companies. Cash flow from financing activities amounted to 82,975 TSEK (0) and refers mainly to received payment of 85,000 TSEK for issued convertible loans. The item is also affected by costs in connection with issues and amortization of the lease liability.

Parent company

The parent company Fuud AB sells and markets Frill the Frozen Smoothie on the Swedish market. The parent company also provides management services and other services to the subsidiaries.

Net sales for the period amounted to 307 TSEK (332). The costs have increased during the year as a result of an increased number of employees in the management team and that restructuring cost has affected the result for the period. Financial items amounted to -859 TSEK (-831) and mainly refer to interest expenses attributable to the convertible loan.

Total assets amounted to 250,728 TSEK (83,840). The large change between the years can be attributed to the company acquisitions that have taken place during the period.

CONDENSED CONSOLIDATED INCOME STATEMENT

TSEK	2021 Jan-June	2020 Jan-June	2020 Jan-Dec	Proforma* 2021 Jan-June
Operating income				
Net sales	8 139	0	108	40 633
Other operating income	793	0	33	1 587
	8 932	0	141	42 220
Operating expenses				
Goods for resale	-5 964	0	-103	-22 039
Other external expenses	-11 757	-36	-503	-30 309
Personnel costs	-11 418	-2	-206	-23 022
Depreciation of tangible and intangible assets	-4 983	0	0	-14 328
Other operating costs	-6 212	0	-7	-6 263
	-40 334	-38	-819	-95 961
Operating profit/loss	-31 402	-38	-678	-53 741
Financial income/expenses	42	0	-130	-278
Profit/loss after financial items	-31 360	-38	-808	-54 019
Profit/loss before taxes	-31 360	-38	-808	-54 019
Income tax	5 494	0	0	9 804
Profit/loss for the period	-25 866	-38	-808	-44 215
Other comprehensive income				
Translation differences	-708	0	24	-1 054
Total comprehensive income	-26 574	-38	-784	-45 269
Earnings per share after/before dilution, SEK	-0,15	0,00	-0,02	-0,26

Comprehensive income for the period is entirely attributable to the shareholders of the Parent Company.

*The proforma shows the consolidated income statement, assuming that all companies were owned from 1 January 2021.

From 2021 the income statement is reported by type of cost instead of function. Previous year has been recalculated. The change has taken place to harmonize reporting with acquired companies' accounts.

CONDENSED CONSOLIDATED BALANCE SHEET

TSEK	2021 June 30	2020 June 30	2020 Dec 31
ASSETS			
Non-current assets			
Capitalized development	593	0	0
Trademark	66 108	0	0
Goodwill	83 588	0	17 094
Other intangible assets	52 115	0	0
Tangible assets	6 678	0	85
Right of use assets	9 663	0	38
Other non-current assets	1 895	0	0
Total non-current assets	220 640	0	17 217
Current assets			
Inventories	9 167	0	2 471
Account receivables	2 654	0	232
Other receivables	7 185	6	494
Cash and cash equivalents	28 117	276	8 210
Total current assets	47 123	282	11 407
Total assets	267 763	282	28 624
EQUITY AND LIABILITIES			
Equity			
Share capital	12 355	51	3 306
Unregistered share capital	314	0	3 728
Other contributed capital	107 416	0	19 832
Translation reserve	-685	0	24
Profit/loss brought forward incl. net profit/loss for the year)	-26 956	210	-1 090
Total equity	92 444	261	25 800
Long-term liabilities			
Deferred tax liability	336	0	0
Liabilities to credit institutions	721	0	0
Convertible debt	85 000	0	0
Lease liability	6 064	0	0
Additional purchase price	40 500	0	0
Other liabilities	493	0	670
Total long-term liabilities	133 114	0	670
Current liabilities			
Liabilities to credit institutions	54	0	0
Overdraft facility	2 290	0	0
Lease liability	3 366	0	40
Accounts payable	17 688	0	446
Other current liabilities	18 807	21	1 668
Total current liabilities	42 205	21	2 154
Total equity and liabilities	267 763	282	28 624

CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

TSEK	2021 Jan-June	2020 Jan-June	2020 Jan-Dec
Opening balance	25 800	28	28
Comprehensive income			
Profit/loss for the period	-25 866	-38	-808
Other comprehensive income			
Translation difference	-708	0	24
Transactions with shareholders			
New share issue	0	500	500
Issue costs	-5 531	0	0
Adjustment in connection with reverse acquisition	0	0	26 316
Non-cash issue	98 749	0	0
Value transfer	0	-229	-260
Closing equity	92 444	261	25 800

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

TSEK	2021 Jan-June	2020 Jan-June	2020 Jan-Dec
Profit/loss after financial items	-31 360	-38	-808
Adjustment for non-cash items	4 275	0	24
Income tax paid	0	0	0
Cash flow from operating activities before changes in working capital	-27 085	-38	-784
Cash flow from changes in working capital	2 874	25	405
Cash flow from operating activities	-24 211	-13	-379
Cash flow from investing activities	-38 857	0	8 420
Cash flow from financing activities	82 975	271	151
Cash flow from the period	19 907	258	8 192
Cash and cash equivalents at the start of the period	8 210	18	18
Cash and cash equivalents at the close of the period	28 117	276	8 210

DISAGGREGATION OF REVENUE BY GEOGRAPHICAL AREA

	2021	2020	2020
TSEK	Jan-June	Jan-June	Jan-Dec
Sweden	7 692	0	83
Finland	239	0	0
United Kingdom	197	0	18
USA	11	0	7
Total	8 139	0	108

KEY RATIOS

	2021	2020	2020
TSEK	Jan-June	Jan-June	Jan-Dec
Net sales	8 139	0	108
EBIT	-31 402	-38	-678
Profit/loss after financial items	-31 360	-38	-808
Equity	92 444	261	25 800
Earnings per share, kr	-0,15	0,00	-0,02
Equity per share	0,4	0,0	0,4
Equity/assets ratio (%)	35%	90%	90%
Share price	1,34	0,70	0,38
Cash flow from operating activities	-24 211	-13	-379
Average number of shares before/after dilution	171 733 218	30 340 525	50 898 502
Number of shares at end of period	247 094 111	35 810 138	66 120 276
Average numbers of employees	56	0	8
Average numbers of employees end of period	49	0	9

BUSINESS ACQUISITIONS

The effect of the acquisitions on the Group's financial position is specified below. The acquisition analysis is preliminary and the final analysis of acquired assets will take place within one year from the acquisition date. The difference between the purchase price and identified assets and liabilities has been allocated to goodwill. In the acquisition analysis, surplus values regarding trademark and customer agreements were identified. Before the end of the valuation period, a final allocation will be made.

iQ Fuel AB

On April 22, Fuud AB acquired 100% of the outstanding shares in iQ Fuel AB. The total purchase price was 37.6 MSEK, of which 8.1 MSEK was paid in cash for redemption of previous loans and conditional shareholder contributions in iQ Fuel. The remaining purchase price of 29.5 MSEK was paid through 36 285 357 newly issued remuneration shares. The subscription price was SEK 0.813 per share. An additional purchase consideration in the form of newly issued shares in Fuud to a value of 8 MSEK is paid if iQ Fuel during the financial year 2021 reaches a sales target of 39.6 MSEK. These additional purchase price shares will be issued at a subscription price corresponding to the volume-oriented average price (WVAP) for Fuud shares on Nasdaq First North for the 45 trading days immediately preceding the day of Fuud issue of the additional purchase price shares. The day of entry was April 23, 2021.

Preliminary purchase price allocation of iQ Fuel AB	
TSEK	
Fair value of acquired assets and liabilities	
Trademark	18 180
Other intangible assets	15 908
Tangible assets	0
Deferred tax asset	3 102
Inventories	1 747
Other receivables	3 335
Cash and cash equivalents	800
Deferred tax liabilities	-7 022
Short-term liabilities	-8 494
Total identified assets and liabilities	27 556
Issue of new shares	45 600
Consolidated goodwill	18 044
Less:	
Cash balances (acquired)	800
Additional purchase price (not paid)	8 000
Offset issue	29 500
Net cash outflow	-7 300

Fuud Sverige AB (previously Kling Homie AB)

On April 22, Fuud AB acquired 100% of the outstanding shares in Fuud Sverige AB. The total purchase price was 28.5 MSEK, of which 11 MSEK was paid in cash and 17.5 MSEK through 21,525,215 newly issued remuneration shares. The subscription price was SEK 0.813 per share. An additional purchase consideration is paid, based on the sales of Fuud Sverige's products until 31 December 2025. The additional purchase consideration amounts to 5 percent of the total sales amounting to 400 MSEK and 10 percent of the part of the sales that exceeds 400 MSEK. The day of entry was April 23, 2021.

Preliminary purchase price allocation of Fuud Sverige AB	
TSEK	
Fair value of acquired assets and liabilities	
Trademark	19 006
Other intangible assets	16 901
Deferred tax asset	171
Other financial assets	5
Inventories	1 676
Other receivables	1 100
Cash and cash equivalents	272
Deferred tax liabilities	-7 341
Short-term liabilities	-2 153
Total identified assets and liabilities	29 637
Issue of new shares	48 500
Consolidated goodwill	18 863
Less:	
Cash balances (acquired)	272
Additional purchase price (not paid)	20 000
Offset issue	17 500
Net cash outflow	-10 728

Nathalie's Direct Trade AB

On April 22, Fuud AB acquired 100% of the outstanding shares in Nathalie's Direct Trade AB. The total purchase price was 4 MSEK and must be paid in cash. An additional purchase price corresponding to 5 percent of the sales of Nathalie's Direct Trade's products until 31 December 2026 must also be paid. The additional purchase price can amount to a maximum of 7.5 MSEK, calculated on a total turnover during the period of 150 MSEK. The day of entry was April 23, 2021.

Preliminary purchase price allocation of Nathalie's Direct Trade AB	
TSEK	
Fair value of acquired assets and liabilities	
Trademark	7 113
Other intangible assets	5
Deferred tax asset	86
Other financial assets	71
Inventories	70
Other receivables	35
Deferred tax liabilities	-1 465
Short-term liabilities	-62
Total identified assets and liabilities	5 853
Issue of new shares	11 500
Consolidated goodwill	5 647
Less:	
Cash balances (acquired)	35
Additional purchase price (not paid)	7 500
Net cash outflow	-3 965

Juica Sverige AB

On May 18, Fuud AB acquired 100% of the outstanding shares in Juica AB. The total purchase price amounts to 16.5 MSEK, of which 0.1 MSEK was paid in cash and 7.9 MSEK through redemption of previous loans and conditional shareholder contributions in Juica AB. The remaining purchase price of 8.5 MSEK was paid through 5,029,581 newly issued remuneration shares. The subscription price was SEK 1.69 per share. In addition, an additional purchase price in the form of newly issued shares in Fuud to a value of 5 MSEK will be paid if Juica AB reaches a turnover target of 40 MSEK during the calendar year 2022. The day of entry was May 19, 2021.

Preliminary purchase price allocation of Juica Sverige AB	
TSEK	
Fair value of acquired assets and liabilities	
Trademark	7 960
Other intangible assets	6 964
Tangible assets	275
Deferred tax asset	1 308
Inventories	780
Other receivables	1 891
Cash and cash equivalents	193
Deferred tax liabilities	-3 074
Short-term liabilities	-2 697
Total identified assets and liabilities	13 600
Issue of new shares	21 500
Consolidated goodwill	7 900
Less:	
Cash balances (acquired)	193
Additional purchase price (not paid)	5 000
Offset issue	8 500
Net cash outflow	-7 807

B8 Sverige AB

On June 1, Fuud acquired all outstanding shares in Beijing8. The total purchase price amounts to 46.0 MSEK, of which 31.7 MSEK through 38 931 093 newly issued remuneration shares. The subscription price was SEK 0.813 per share. The company also takes over receivables totalling 14.3 MSEK that some sellers have towards Beijing8. The receivables are acquired against the issuance of seller receipts which the creditors set off against 7,799,993 convertibles in the convertible issue of a maximum of 85 MSEK decided and communicated by Fuud on April 22, 2021 and 4,641,427 newly issued shares in Fuud. The day of entry was June 2, 2021.

Preliminary purchase price allocation of B8

Sverige AB

TSEK

Fair value of acquired assets and liabilities

Trademark	16 165
Other intangible assets	14 141
Tangible assets	6 511
Deferred tax asset	14 648
Inventories	2 036
Other receivables	2 328
Cash and cash equivalents	464
Deferred tax liabilities	-6 242
Short-term liabilities	-20 335
Total identified assets and liabilities	29 716
Issue of new shares	45 949
Consolidated goodwill	16 233

Less:

Cash balances (acquired)	464
Offset issue	38 149
Net cash outflow	-7 336

If the acquired companies had been consolidated from the beginning of the reporting period, the contribution to the Group's revenues would have been 42,249 TSEK and to the Group's operating profit -24,929 TSEK. The acquired companies contributed with net sales of 7,475 TSEK and profit for the period of -9,510 TSEK from the acquisition date to June 30, 2021.

Acquisition costs total 1,987 TSEK are reported as an expense in the consolidated income statement.

CONDENSED PARENT COMPANY INCOME STATEMENT

TSEK	2021 Jan-June	2020 Jan-June	2020 Jan-Dec
Operating income			
Net sales	307	332	790
Other operating income	7	314	436
	314	646	1 226
Operating expenses			
Goods for resale	-83	-281	-555
Other external expenses	-2 209	-1 124	-3 006
Personnel costs	-4 093	-1 815	-667
Other operating costs	-1 297	-4	-37
	-7 682	-3 224	-4 265
Operating profit/loss	-7 368	-2 578	-3 039
Financial income/expenses	-859	-831	-75 986
Profit/loss after financial items	-8 227	-3 409	-79 025
Profit/loss before taxes	-8 227	-3 409	-79 025
Income tax	1 664	0	0
Profit/loss for the period	-6 563	-3 409	-79 025

CONDENSED PARENT COMPANY BALANCE SHEET

TSEK	2021 June 30	2020 June 30	2020 Dec 31
ASSETS			
Subscribed not paid in capital	0	15 088	0
Non-current assets			
Participations in group companies	218 062	45 509	30 425
Receivables on group companies	20	21 285	0
Deferred tax assets	1 664	0	0
Other non-current assets	1 714	0	0
Total non-current assets	221 460	66 794	30 425
Current assets			
Inventories	891	649	606
Account receivables	112	73	77
Other receivables	6 957	920	1 129
Cash and cash equivalents	21 308	316	2 333
Total current assets	29 268	1 958	4 145
Total assets	250 728	83 840	34 570
EQUITY AND LIABILITIES			
Equity			
Share capital	12 355	1 791	3 306
Unregistered share capital	314	1 515	3 728
Share premium reserve	340 440	227 055	252 856
Retained earnings	-226 855	-147 831	-147 831
Profit/loss for the year	-6 563	-3 409	-79 024
Total equity	119 691	79 121	33 035
Long-term liabilities			
Convertible debt	85 000	0	0
Other liabilities	40 500	670	670
Total long-term liabilities	125 500	670	670
Current liabilities			
Accounts payable	2 630	404	286
Other current liabilities	2 907	3 645	579
Total current liabilities	5 537	4 049	865
Total equity and liabilities	250 728	83 840	34 570

ACCOUNTING AND VALUATION POLICIES AND OTHER INFORMATION

General Company information

Fuud AB (publ), corporate identification number 559026-8016, is a Swedish-registered limited liability company domiciled in Stockholm, Sweden. Fuud AB has nine wholly owned subsidiaries; Frill Inc, Zendegii Frill Limited, Add Nutrition AB, Bezst AB, iQ Fuel AB, Fuud Sverige AB, Juica Sverige AB, B8 Sverige AB samt Nathalie's Direct Trade AB. Fuud was listed on Nasdaq First North Growth Market, March 27, 2019, and is traded under the short name Fuud.

Principles for the preparation of the interim report

The Group applies the Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary Accounting Rules for Groups when preparing financial reports. The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for legal entities when preparing financial reports. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For detailed information on the company's accounting principles, please refer to the most recently published annual report.

Changes in significant accounting principles

A number of new standards and amendments to standards will enter into force for financial years beginning on 1 January 2021. None of these are deemed to have any impact on the Group's financial reports.

Significant risks and uncertainties

A number of different factors can affect Fuud's results and operations. Many of these can be managed through internal routines, while some others are influenced by external factors. There are risks and uncertainties for Fuud related to raw material quality, legislation, absence of formal agreements with customers, supplier dependence, currency risk, financing and future capital requirements, weather impact on sales, expansion in new markets, launch of new flavours and brand management etc.

In early 2020, an outbreak of COVID-19 started, a virus that has spread widely around the world and has resulted in financial turmoil. Companies have been affected by staff being encouraged to work from home, shops and restaurants have been closed down, etc. Fuud has been directly affected by the fact that marketing through sampling and demos and all events have been cancelled. As a result, Fuud has identified a reduced order intake. It is the Board's assessment that the significant uncertainties associated with the Covid-19 pandemic are not considered to be of such a nature and extent that the company's ability to continue its operations will be affected within the foreseeable future.

The company's ability to meet future liquidity needs is highly dependent on sales success and profitability. There is no guarantee that the company will be able to acquire the necessary liquidity if necessary.

Related party transaction

At the Annual General Meeting on June 22, 2021, it was decided on a directed new issue of a maximum of 2,091,020 shares, entailing an increase in the share capital by a maximum of SEK 104,551. The right to subscribe for shares shall, with deviation from the shareholders' preferential rights, accrue to the company's board member and CEO Peter Blom or a company controlled by him. The reason for the deviation from the shareholders' preferential rights is that the new share issue follows from the agreement entered into. The subscription price amounts to SEK 0.813 per share, corresponding to an issue proceeds at full subscription of SEK 1,699,999.26. The subscription price has been determined through agreements in connection with the issue of convertibles and is assessed market-based. Subscription for shares has taken place and is reported as an ongoing issue as of the reporting date.

During the reporting period, the company has paid back the loan of 916 TSEK to Zendegii Ltd., where a former member of Fuud AB is a board member and shareholder.

Share capital

The share capital in Fuud amounts to 12,355 TSEK and the number of shares amounts to 247,094,111 shares and 6,273,061 under registration, total of 253,367,172 shares. At the General Meeting on June 22, it was decided to change the Articles of Association's limits for the share capital and the number of shares so that the share capital shall be at least 10,150,000 SEK and the maximum at 40,600,000 SEK and that the number of shares shall be at least 203,000,000 and the maximum shall be 812,000,000.

Outstanding warrants and convertible issue

Warrants 2019/2022

At the Annual General Meeting on May 17, 2019, a decision was made to issue a maximum of 519,536 warrants to senior executives in the company. The warrants have been valued at market price according to an independently determined valuation (Black & Scholes valuation model). Each warrant entitles the holder to subscribe for 1.41 new B shares in Fuud during the period 1 June 2022 and 30 June 2022 at a price of SEK 4.5. Upon full utilization, the company's share capital increases by SEK 36,511.

Warrants 2021/2024

At the Annual General Meeting on June 22, 2021, a decision was made to issue a maximum of 18,507,717 warrants to key personnel in the group. The warrants are issued free of charge to the company, and shall be transferred to the key persons on market terms at a price determined on the basis of an estimated market value for the warrants using the Black & Scholes valuation model. Each warrant entitles the holder to subscribe for one share in the company during the period from 1 July 2024 to 31 July 2024. The subscription price for new shares with the support of a warrant shall be set at an amount corresponding to 150 percent of the average volume-weighted payment price for the company's shares on the Nasdaq First North Growth Market during the period 21 May - 22 June 2021, which corresponds to a subscription price of SEK 2.24. Upon full exercise of the warrants, the company's share capital increases by SEK 925,385.85.

Convertible loan

In connection with the acquisition of B8 Sverige AB, Fuud's convertible issue of a maximum of 85 MSEK is thus fully subscribed and has been registered with the Swedish Companies Registration Office. Through the issue, the company has received 85 MSEK, of which approximately 7.8 MSEK through set-off of liabilities.

Conversion of the convertibles may be called for during the period 1 September 2021 to 30 April 2024, at a conversion price of SEK 0.70 per share. If all convertibles are converted into shares, 121,428,571 new shares will be added to Fuud AB. This corresponds to an increase in the share capital of SEK 6,071,428.55.

Upon full exercise of all the above-mentioned warrants/convertibles, the newly issued shares, provided that the share capital does not change before then and that no conversions are actualized as a result of the warrant terms, would constitute approximately 48.2 percent of the share capital and number of votes in the company.

In addition to the above-mentioned warrant program/convertible, there are currently no other outstanding warrants, convertibles or similar financial instruments that can entitle to subscribe for new shares or otherwise affect the share capital in the company.

Auditor's review of the interim report

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

Definitions

Operating profit

Profit before tax and financial items

Earnings per share

Earnings per share before / after dilution are calculated by dividing earnings attributable to the parent company's shareholders by the weighted average number of ordinary shares outstanding during the period

Equity per share

Equity at the end of the period divided by the number of shares at the end of the period

Solidity

Equity as a percentage of total assets

Financial calendar

Interim report November 5, 2021. Regarding January-September 2021.

For further information, please contact:

Peter Blom, CEO

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About the Fuud Group

With the vision of being the Nordic market leader in 2025, Fuud brings together a number of exciting Swedish brands within Functional Foods, in order to jointly challenge the existing players in one of the food industry's fastest growing categories.

Fuud is growing through a combination of organic growth and acquisitions with a strong focus on high-quality content, exciting innovations and attractive design. Fuud's goal is to offer new and better alternatives than those already on the market, and at the same time contribute to both better health and increased quality of life for the Nordic population.

With a naturally built-in forward-thinking spirit, a strong and motivated sales force and a number of experienced key players in management and the board, Fuud has created a balance between muscle, drive and experience. The Fuud Group currently has 9 brands: iQ Fuel, Homie, Beijing8, Juica, Juicekultur, Bacocoli, Frill, Nathalie's, Beztt of Nature. More information about Fuud and its brands is found on www.fuudunited.com.

This information is information that Fuud AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted, through the agency of the above contact person, for publication August 24, 2021, 8:00.

Certified adviser

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Assurance

The undersigned assures that the interim report provides a true and fair view of the parent company's and the group's operations, position and results and describes significant risks and uncertainties that the parent company and the companies included in the group face.

Stockholm, August 24, 2021

Henrik Hedelius
Chairman of the Board

Peter Blom
CEO

Nici Ferber
Board member

Anna Hällöv
Board member

Henrik Palm
Board member

Fredrik Kling
Board member