

First quarter 2022

Interim report



AAK

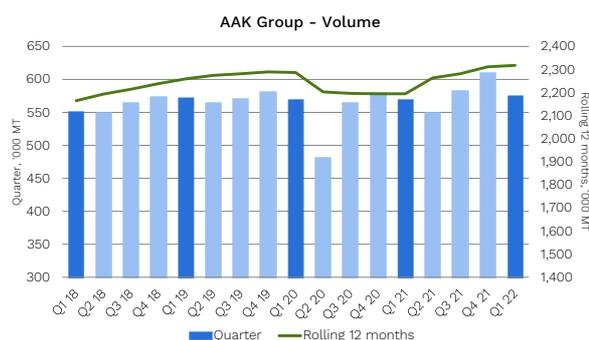
Financial highlights

Q1 2022

- Total volumes increased by 1 percent, to 575,000 MT (569,000).
- Operating profit, including a positive currency translation impact of SEK 31 million, increased by 21 percent, reaching SEK 664 million (551). At fixed foreign exchange rates, the increase was 15 percent.
- Profit for the period amounted to SEK 492 million (400).
- Earnings per share amounted to SEK 1.89 (1.56).
- Cash flow from operating activities amounted to negative SEK 1,150 million (positive 58).
- Return on Capital Employed (ROCE), R12M, was 15.4 percent (15.6 at December 31, 2021).

	Q1 2022	Q1 2021	Δ %	R12M 2022	Full year 2021
Volumes, '000 MT	575	569	+1	2,318	2,312
Operating profit, SEK million	664	551	+21	2,202	2,089
Operating profit excluding IAC, SEK million	664	551	+21	2,506	2,393
Operating profit per kilo, SEK	1.15	0.97	+19	0.95	0.90
Operating profit per kilo excluding IAC, SEK	1.15	0.97	+19	1.08	1.04
Profit for the period, SEK million	492	400	+23	1,539	1,447
Profit for the period excluding IAC, SEK million	492	400	+23	1,825	1,733
Earnings per share, SEK	1.89	1.56	+21	5.92	5.59
Earnings per share excluding IAC, SEK	1.89	1.56	+21	7.04	6.71
Return on Capital Employed (R12M), percent	15.4	14.3	+8	15.4	15.6

Operating profit for full year 2021 includes an item affecting comparability (IAC) of negative SEK 304 million, related to the optimization of the company's European bakery business.



All-time high operating profit with strong development across business areas

As I write this, the war in Europe is still ongoing, directly impacting millions of people, including AAK colleagues and partners in the region. We stand with all of those impacted by this tragedy.

The war has also affected the global economy, adding to already high inflationary pressures. In spite of this, we started the year on a strong note – with growth in volumes and, even more so, in operating profit, which reached an all-time high.

Volumes were up 1 percent compared to the first quarter last year, supported by Food Ingredients and Chocolate & Confectionery Fats. Meanwhile, operating profit and operating profit per kilo grew by 15 and 13 percent respectively, at fixed foreign exchange rates. This is a great achievement, even more so considering the tough circumstances, made possible by our dedicated and hard-working employees around the world.

AAK's business in Russia

Early March, we halted deliveries to and sales in Russia. Based on careful evaluation, we have today announced our decision to wind up our operations and investments in the country. It will be a controlled exit, carefully managing risk, safety as well as legal obligations for our employees, customers, suppliers, and our joint venture partner. AAK, which holds a 75 percent stake in this joint venture, will seek an agreement to let the business revert to our partner. The controlled exit is expected to result in a cost of approximately SEK 300–350 million, affecting the income statement in the second quarter 2022.

Russia makes up about 3 percent of AAK's total volumes, as measured in metric tons. Approximately half relates to Chocolate & Confectionery Fats. We expect to be able to gradually re-route some of the CCF volumes to other geographies, limiting the total impact on operating profit to approximately SEK 75–100 million this year.

Business performance

Chocolate & Confectionery Fats continued to grow both in terms of volumes and profit. Volumes were up 5 percent year-on-year, operating profit was up 9 percent, and operating profit per kilo increased by 3 percent, at fixed foreign exchange rates. Our decision to halt deliveries to and sales in Russia, combined with difficulties in exporting to Ukraine, had only a marginal impact in the quarter.

Volumes in Food Ingredients increased by 2 percent following a strong recovery in Foodservice. Special Nutrition also grew while Dairy and Plant-based Foods were flat, and Bakery declined. In terms of profit, both Foodservice and Bakery reported a very strong development. This contributed to lifting the business area's operating profit by 9 percent, at fixed foreign exchange rates.

Technical Products & Feed reported another very strong quarter, with operating profit up 84 percent, driven by



improved profitability in both our feed and natural ingredients businesses.

Continued focus on limiting our emissions

In the quarter, we decided to invest in two biomass boilers, to be installed at our production plant in Aarhus, Denmark. This will reduce the plant's CO₂ emissions by approximately 90 percent. The installation will also generate substantial savings, as fossil fuel will be replaced by shea meal, a by-product from our shea oil extraction process in Aarhus.

With this investment, we continue our efforts to limit AAK's impact on the environment, proving our commitment to reduce greenhouse gas emissions from our operations.

Concluding remarks

The war in Europe, and its ripple effects, have thrown the world into new uncertainties. As an important supplier of plant-based ingredients for food and technical products, we are well positioned to manage risks and to deliver value – something we have proven in the past few years' dynamic environment.

Despite short- to mid-term uncertainty, we therefore see no reason to adjust our view on the strong favorable underlying long-term trends in our markets. Thus, we remain prudently optimistic about the future, and we are fully committed to Making Better Happen™.

Johan Westman, President and CEO

AAK Group, Q1 2022

Volumes

Volumes amounted to 575,000 MT (569,000), an increase by 1 percent compared to last year.

Net sales

Sales amounted to SEK 11,239 million (7,609), an increase by 48 percent. The increase was due to higher volumes as well as higher raw material prices and a positive currency translation impact of SEK 372 million.

Operating profit

Operating profit reached SEK 664 million (551), an increase by 21 percent compared to the corresponding quarter in 2021. The increase was mainly driven by higher volumes, continued recovery in Foodservice, and improved profitability for our feed business and natural ingredients.

The currency translation impact was positive SEK 31 million of which SEK 27 million related to Food Ingredients and SEK 4 million to Chocolate & Confectionery Fats. Operating profit at fixed foreign exchange rates increased by 15 percent.

Operating profit per kilo reached SEK 1.15 (0.97), an increase of 19 percent. The currency translation impact was positive SEK 0.05. At fixed foreign exchange rates, operating profit per kilo increased by 13 percent.

Net financial cost and tax costs

Net financial cost amounted to SEK 18 million (25). Reported tax costs correspond to an average tax rate of 24 percent (24).

Earnings per share

Earnings per share amounted to SEK 1.89 (1.56).

Cash flow and investments

Operating cash flow including changes in working capital amounted to negative SEK 1,150 million (positive 58). Cash flow from working capital amounted to negative SEK 2,004 million (negative 757). There was a negative cash flow from inventory in the quarter due to continued rising raw material prices. Cash flow from accounts payables was negative,

despite rising raw material prices. This was mainly driven by one-off effects due to changes in contractual payments terms and changes in sourcing patterns. Cash flow from accounts receivables was negative, driven by increased raw material prices.

Cash outflow from investment activities amounted to SEK 227 million (118), of which SEK 0 million (8) related to acquisitions of operations. Capital expenditure was mainly related to regular maintenance investments and capacity increases.

Raw material prices continued to increase during the first quarter 2022. Based on the duration of our contract portfolio, there is a time lag of 6–9 months until we see the cash flow effect from the price volatility. This implies a continued negative impact on working capital during the remainder of 2022.

Return on Capital Employed (ROCE)

Calculated on a rolling 12 months basis, Return on Capital Employed (ROCE) was 15.4 percent (15.6 at December 31, 2021).

Financial position

The equity/assets ratio amounted to 42 percent (44 percent at December 31, 2021). Net debt at March 31, 2022 amounted to SEK 5,206 million (SEK 3,817 million at December 31, 2021). Net debt/EBITDA amounted to 1.64 (1.25 as of December 31, 2021).

At March 31, 2022, the Group had total credit facilities of SEK 7,765 million (7,715 as of December 31, 2021), whereof SEK 6,422 million (6,374 as of December 31, 2021) in committed credit facilities. Unused committed credit facilities at March 31, 2022 amounted to SEK 2,591 million (4,248 as of December 31, 2021).

Employees

The average number of employees at March 31, 2022, was 4,044 (4,013 at December 31, 2021).

Selected key events

AAK to invest in biomass boilers

In early February, we communicated a SEK 500 million investment to install biomass boilers at our production plant in Aarhus, Denmark – an initiative that is expected to reduce the plant's CO₂ emissions by approximately 90 percent. The installation will also generate substantial savings as fossil fuel will be replaced by shea meal, a by-product from the plant's shea oil extraction process. The project is expected to be completed by the end of 2023.



The plant in Aarhus has run a small biomass boiler as a pilot over the past five years, in an effort to make its operations more sustainable. As a result of the positive experiences from the pilot, and to further reduce the plant's environmental impact, two new 18 MW boilers will be installed. Combined, the three boilers are expected to cut CO₂ emissions by more than 45,000 tons per year, leading to a 16 percent reduction in the Group's total scope 1 emissions, as calculated in the Science Based Targets initiative. In addition, with the boilers running on shea meal, the need for fossil fuel will virtually be eliminated. This is expected to generate yearly savings of up to SEK 100 million.

Continued strong sustainability progress

We have recently published our Sustainability Report for 2021, outlining our ambitions, activities and progress within the sustainability area.

Major achievements within our sourcing activities include a 34 percent increase in verified deforestation-free palm oil, and a 16 percent increase in traceability to plantation. This means that 67 percent of AAK's total palm oil volumes are deforestation-free and 81 percent traceable to plantation.

Progress was also made within Kolo Nafaso, our shea sourcing program in West Africa. Under the program, AAK purchases shea kernels directly from women collectors and provides them with pre-financing, training and education in a range of areas, including sustainable practices. During the past four years, AAK has further scaled its positive impact on the women's livelihoods as the number of women enrolled in Kolo Nafaso has grown from 100,000 to 353,000.



In terms of our environmental impact, the annual sourcing of renewable electricity increased by 50 percentage points compared to 2020, and waste intensity and water consumption per processed unit decreased by 18.6 and 20.9 percent, respectively.

Please visit www.aak.com to access the full report.

Food Ingredients, Q1 2022*

	Q1 2022	Q1 2021	Δ %	R12M 2022	Full year 2021
Operating profit +18%					
Volumes, '000 MT	362	354	+2	1,484	1,476
Operating profit per kilo +16%					
Net sales, SEK million	7,141	4,869	+47	25,517	23,245
Operating profit, SEK million	369	313	+18	1,436	1,380
Operating profit per kilo, SEK	1.02	0.88	+16	0.97	0.93

Volumes

Volumes for the business area increased by 2 percent.

Total volumes for Bakery declined, mainly driven by our continued effort to optimize the Bakery business in Europe and the US, with a continued prioritization of speciality and semi-speciality solutions. Volumes in Asia and North Latin America continued to show strength.

Dairy volumes were flat in the quarter, with an increase in the US, offset by a reduction in Asia.

Overall, demand for our Plant-based Foods solutions was stable, both for dairy and meat alternatives. Still, Plant-based dairy solutions grew in Europe and plant-based meat solutions grew in the US – both important markets for the segment.

Special Nutrition volumes increased, driven by semi-speciality solutions in sub-segment Infant Nutrition, primarily in the US and Asia. Demand for our high-end solutions decreased.

Volumes in Foodservice increased by double digits in all market geographies but were still not quite back at pre-pandemic levels.

Net sales

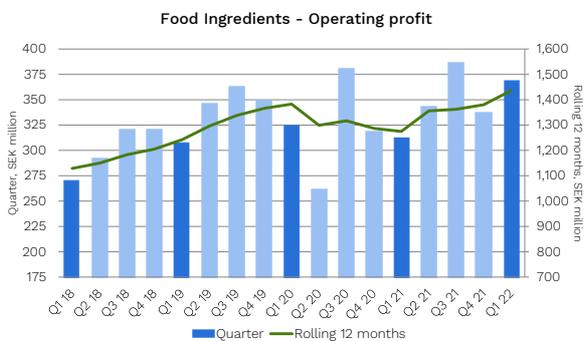
Sales amounted to SEK 7,141 million (4,869), an increase by 47 percent or SEK 2,272 million. The increase related to high demand for speciality and high-end semi-speciality solutions, price adjustments due to increased raw material prices, as well as a positive currency translation impact of SEK 330 million.

Operating profit

Operating profit increased by 18 percent to SEK 369 million (313). The currency translation impact was positive and amounted to SEK 27 million. At fixed foreign exchange rates, operating profit increased by 9 percent.

Operating profit for the business area was mainly driven by the continued recovery in Foodservice and an improved profitability in Bakery. Our dedicated work with product portfolio management within Bakery, Dairy and Foodservice had a positive impact in the quarter.

Operating profit per kilo increased to SEK 1.02 (0.88). The currency translation impact was positive SEK 0.07. At fixed foreign exchange rates, operating profit per kilo grew 7 percent.



* Operating profit and operating profit per kilo are excluding items affecting comparability.



Chocolate & Confectionery Fats, Q1 2022*

	Q1 2022	Q1 2021	Δ %	R12M 2022	Full year 2021
Operating profit +11%					
Volumes, '000 MT	137	130	+5	526	519
Net sales, SEK million	3,407	2,263	+51	11,260	10,116
Operating profit per kilo +5%					
Operating profit, SEK million	258	233	+11	996	971
Operating profit per kilo, SEK	1.88	1.79	+5	1.89	1.87

Volumes

Volumes increased by 5 percent, driven by good market growth and our successful co-development approach. There was a continued strong demand for filling fats, but also for semi-speciality solutions. Most regions reported strong volume growth.

European volumes grew by low single digits in the quarter. Underlying demand remained strong in the region; however, we saw a small negative volume impact from our decision related to Russia at the end of the quarter. We expect to be able to gradually re-route some of the Russian volumes to other geographies. Volumes to Russia have made up approximately 1.5 percent of the Group total.

Net sales

Net sales for the business area amounted to SEK 3,407 million (2,263), a 51 percent increase. This related to volume growth, price adjustments due to higher raw material prices, as well as a positive currency translation impact of SEK 42 million.

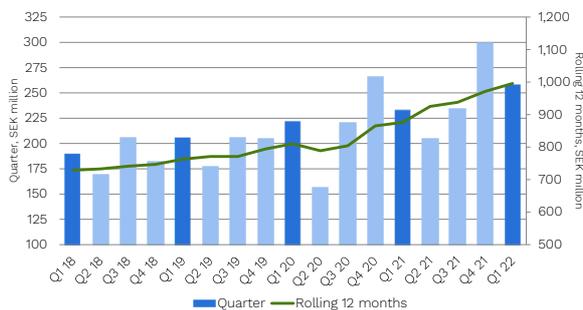
Operating profit

Operating profit reached SEK 258 million (233), an increase by 11 percent compared to the corresponding quarter last year. The currency translation impact was positive SEK 4 million. At fixed foreign exchange rates, operating profit increased by 9 percent.

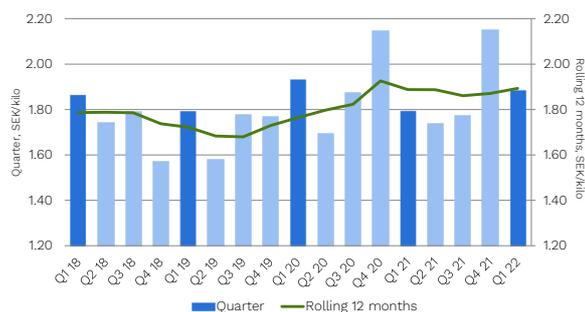
The growth in operating profit was due to our strong global position for customer co-developed solutions as well as higher volumes. However, the previously mentioned competitive intensity in the market remained unchanged.

Operating profit per kilo increased to SEK 1.88 (1.79). The currency translation impact was positive SEK 0.03. At fixed foreign exchange rates, operating profit per kilo increased by 3 percent.

Chocolate & Confectionery Fats - Operating profit



Chocolate & Confectionery Fats - Operating profit per kilo



* Operating profit and operating profit per kilo are excluding items affecting comparability.



Technical Products & Feed, Q1 2022*

	Q1 2022	Q1 2021	Δ %	R12M 2022	Full year 2021
Operating profit +84%					
Volumes, '000 MT	76	85	-11	308	317
Net sales, SEK million	691	477	+45	2,305	2,091
Operating profit, SEK million	81	44	+84	251	214
Operating profit per kilo +106%					
Operating profit per kilo, SEK	1.07	0.52	+106	0.81	0.68

Volumes

Volumes decreased by 11 percent, mainly driven by our feed business. Market conditions in feed remained favorable; however, we experienced production-related disturbances in the quarter. Mitigating actions are underway and will be included in the scheduled maintenance stop in the second quarter.

Fatty acids volumes remained strong, driven by demand for natural ingredients. This is linked to an increased focus on sustainability across different industry segments where our solutions can substitute, for example, fossil-based ingredients in various customer products.

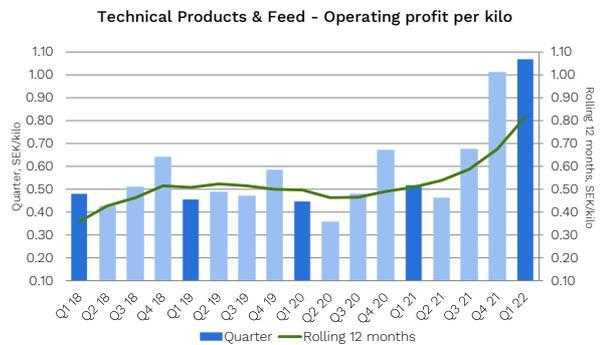
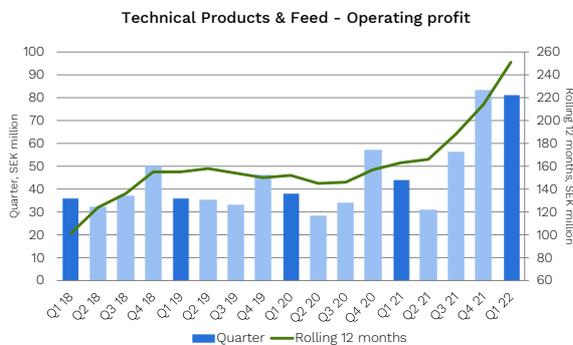
Net sales

Net sales for the business area increased by SEK 214 million.

Operating profit

Operating profit was at an all-time high level for a first quarter, reaching SEK 81 million (44), up 84 percent compared to last year. This was mainly driven by improved profitability for our feed business and for natural ingredients.

The business area reported an operating profit per kilo of SEK 1.07 (0.52), an increase by 106 percent.



* Operating profit and operating profit per kilo are excluding items affecting comparability.



General information

Related parties

No significant changes have taken place in relations or transactions with related parties since 2021.

Risks and uncertainty factors

AAK's operations are constantly exposed to risks, threats and external factors with an impact on the company. Through a proactive approach to business intelligence, the company aims to anticipate changes in factors affecting operations. Plans and policies are adjusted continuously to counteract potential negative effects. Active risk management, such as hedging raw material prices and currencies, reduces the risks that the company faces.

Efficient risk management is an ongoing process conducted within the framework of business control and is part of the ongoing review and forward-looking assessment of operations.

AAK's long-term risk exposure is assumed not to deviate from the inherent exposure associated with AAK's ongoing business operations.

AAK's Board of Directors and Executive Committee have, since the publication of the Annual Report 2021, reviewed the development of significant risks and uncertainties, and can confirm that there have been no changes other than what has been commented on in respect of market developments during 2022.

For a more in-depth analysis of risks, please refer to AAK's Annual Report.

Accounting policies in 2022

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and applicable rules in the Swedish Annual Accounts Act. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2021.

Alternative Performance Measures (APMs)

AAK presents APMs to reflect underlying business performance and to enhance comparability from period to period. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Definitions of Alternative Performance Measures can be found at www.aak.com under the Investor tab. For reconciliation of Alternative Performance Measures, see pages 20–21.

Definitions

For definitions, please see our Annual Report.

Annual General Meeting and Annual Report

The Annual General Meeting will be held on May 18, 2022 in Malmö, Sweden at 2:00 p.m. CET. The Annual Report for 2021 is available at www.aak.com as well as at AAK's headquarters.

Shareholders who wish to participate at the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB on May 10, 2022. To be eligible to participate in the Annual General Meeting, shareholders with nominee-registered holdings should temporarily re-register their shares in their own names through the agency of their nominees so that they are recorded in the share register in good time before May 10, 2022. Notification of attendance should be made no later than May 12, 2022, by any of these means:

Mail: AAK AB, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden (please mark the envelope "Annual General Meeting 2022")

Telephone: +46 8 402 90 45 (telephone closes at 4 p.m. CET)

Website: www.aak.com

Events after the reporting period

On April 27, AAK announced a decision to wind up its operations and investments in Russia. The exit is expected to result in a cost of approximately SEK 300–350 million, affecting the income statement.

The Parent Company and Group Functions

AAK AB (publ.) is the Parent Company of the AAK Group. Its functions are primarily activities related to the development and administration of the Group.

The result for the Parent Company after financial items amounted to negative SEK 22 million (negative 19). Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totaled SEK 1,675 million (1,610 as of December 31, 2021). Investments in intangible and tangible assets were SEK 0 million (0).

The Parent Company's balance sheet and income statement are shown on pages 22–23. There are no major changes in the Parent Company's balance sheet since year-end.

The Parent company has prepared its financial reports in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Report and RFR 2 Accounting for legal entities. The accounting principles correspond to the principles applied in the preparation of the Annual Report 2021.

Audit review

This report has not been reviewed by the company's auditors.

Malmö, April 27, 2022

Johan Westman
President and CEO

For further information, please contact:

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This information is information that AAK AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 12:00 noon CET on April 27, 2022.

Condensed income statement

SEK million	Q1 2022	Q1 2021	Full year 2021
Net sales	11,239	7,609	35,452
Other operating income	29	46	186
Total operating income	11,268	7,655	35,638
Change in inventories of finished goods and work in progress	74	18	356
Raw materials and consumables	-8,867	-5,707	-27,219
Goods for resale	-244	-152	-834
Other external expenses	-717	-509	-2,346
Cost for remuneration to employees	-654	-573	-2,527
Depreciation, amortization and impairment losses	-188	-177	-958
Other operating expenses	-8	-4	-21
Total operating expenses	-10,604	-7,104	-33,549
Operating profit (EBIT)	664	551	2,089
Financial income	15	5	19
Financial expense	-33	-30	-121
Total financial net	-18	-25	-102
Profit before tax	646	526	1,987
Income tax	-154	-126	-540
Profit for the period	492	400	1,447
Attributable to non-controlling interests	2	2	10
Attributable to the Parent Company's shareholders	490	398	1,437
Earnings per share before dilution, SEK ¹⁾	1.89	1.56	5.59
Earnings per share after dilution, SEK ²⁾	1.89	1.55	5.58

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

²⁾ Earnings per share are calculated based on a weighted average number of outstanding shares after dilution from outstanding subscription warrants.

Comprehensive income

SEK million	Q1 2022	Q1 2021	Full year 2021
Profit for the period	492	400	1,447
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	-	-	12
	-	-	12
Items that may subsequently be reclassified to profit or loss:			
Translation differences	410	510	682
Fair-value changes in cash flow hedges	11	1	5
Tax related to fair-value changes in cash flow hedges	-2	-0	-1
	419	511	686
Total comprehensive income for the period	911	911	2,145
Attributable to non-controlling interests	2	1	9
Attributable to the Parent Company's shareholders	909	910	2,136

Condensed balance sheet

SEK million	31.03.2022	31.03.2021	31.12.2021
Assets			
Goodwill	2,296	2,200	2,270
Other intangible assets	305	322	307
Property, plant and equipment	6,045	5,754	5,720
Right-of-use assets	581	709	595
Shares in associated companies	16	15	16
Financial assets	47	39	43
Deferred tax assets	183	187	179
Total non-current assets	9,473	9,226	9,130
Inventory	10,056	6,631	9,054
Accounts receivables	5,914	4,190	5,132
Current receivables	4,053	1,700	2,849
Cash and cash equivalents	1,165	1,245	1,001
Total current assets	21,188	13,766	18,036
Total assets	30,661	22,992	27,166
Equity and liabilities			
Shareholders' equity	12,698	10,751	11,783
Non-controlling interests	50	40	48
Total equity including non-controlling interests	12,748	10,791	11,831
Liabilities to banks and credit institutions	1,571	2,101	1,611
Pension liabilities	274	284	271
Lease liabilities	485	622	493
Deferred tax liabilities	412	478	444
Other non-current liabilities	413	441	361
Total non-current liabilities	3,155	3,926	3,180
Liabilities to banks and credit institutions	3,967	1,598	2,333
Lease liabilities	124	113	128
Accounts payables	5,343	3,736	5,696
Other current liabilities	5,324	2,828	3,998
Total current liabilities	14,758	8,275	12,155
Total equity and liabilities	30,661	27,992	27,166

Condensed change in equity

2022

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2022	11,783	48	11,831
Profit for the period	490	2	492
Other comprehensive income	419	0	419
Total comprehensive income	909	2	911
New issue of shares	6	-	6
Closing balance March 31, 2022	12,698	50	12,748

2021

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2021	9,699	39	9,738
Profit for the period	398	2	400
Other comprehensive income	512	-1	511
Total comprehensive income	910	1	911
New issue of shares	142	-	142
Closing balance March 31, 2021	9,699	40	10,791

Condensed cash flow statement

SEK million	Q1 2022	Q1 2021	Full year 2021
Operating activities			
Operating profit	664	551	2,089
Depreciation and amortization	188	177	958
Adjustment for other items not included in cash flow	135	199	204
Interest paid and received	-10	-17	-73
Tax paid	-123	-95	-521
Cash flow before changes in working capital	854	815	2,657
Changes in inventory	-809	121	-2,181
Changes in accounts receivables	-650	-749	-1,710
Changes in accounts payables	-519	-42	1,793
Changes in other working capital items	-26	-87	-51
Changes in working capital	-2,004	-757	-2,149
Cash flow from operating activities	-1,150	58	508
Investing activities			
Acquisition of intangible assets and property, plant and equipment	-230	-110	-619
Acquisition of operations and shares, net of cash acquired	-	-8	-31
Proceeds from sale of property, plant and equipment	3	0	0
Cash flow from investing activities	-227	-118	-650
Financing activities			
Changes in loans	1,557	-14	242
Amortization of lease liabilities	-35	-39	-151
New issue of shares	6	142	434
Dividend paid	-	-	-590
Cash flow from financing activities	1,528	89	-65
Cash flow for the period	151	29	-207
Cash and cash equivalents at start of period	1,001	1,200	1,200
Exchange rate difference for cash equivalents	13	16	8
Cash and cash equivalents at end of period	1,165	1,245	1,001

Key ratios

SEK million (unless otherwise stated)	Q1 2022	Q1 2021	Δ %	Full year 2021
Income statement				
Volumes, '000 MT	575	569	+1	2,312
Operating profit	664	551	+21	2,089
Operating profit excluding IAC	664	551	+21	2,393
Profit for the period	492	400	+23	1,447
Profit for the period excluding IAC	492	400	+23	1,733
Financial position				
Total assets	30,661	22,992	+33	27,166
Equity	12,748	10,791	+18	11,831
Net working capital	9,311	5,951	+56	7,327
Net debt	5,206	2,728	+90	3,817
Cash flow				
Cash flow from operating activities	-1,150	58	-	508
Cash flow from investing activities	-227	-118	-	-650
Share data				
Number of shares, thousand	258,551	256,425	+1	258,501
Earnings per share before dilution, SEK ¹⁾	1.89	1.56	+21	5.59
Earnings per share after dilution, SEK ²⁾	1.89	1.55	+22	5.58
Equity per share, SEK	49.11	41.93	+17	45.58
Market value on closing date, SEK	175.00	197.70	-11	195.30
Other key ratios				
Volume growth, percent	+1	+0	-	+5
Operating profit per kilo, SEK	1.15	0.97	+19	0.90
Operating profit per kilo excluding IAC, SEK	1.15	0.97	+19	1.04
Return on Capital Employed (R12 months), percent	15.4	14.3	+8	15.6
Net debt / EBITDA, multiple	1.64	1.18	+39	1.25

¹⁾ Earnings per share are calculated based on a weighted average number of outstanding shares.

²⁾ Earnings per share are calculated based on a weighted average number of outstanding shares after dilution from outstanding subscription warrants.

Quarterly data by business area

Operating profit

SEK million	2021 Q1	Q2	Q3	Q4	Full year	2022 Q1
Food Ingredients	313	39	387	337	1,076	369
Chocolate & Confectionery Fats	233	205	234	299	971	258
Technical Products & Feed	44	31	56	83	214	81
Group Functions	-39	-38	-35	-60	-172	-44
Operating profit AAK Group	551	237	642	659	2,089	664
Financial net	-25	-25	-26	-26	-102	-18
Profit before tax	526	212	616	633	1,987	646

Operating profit excluding items affecting comparability

SEK million	2021 Q1	Q2	Q3	Q4	Full year	2022 Q1
Food Ingredients	313	343	387	337	1,380	369
Chocolate & Confectionery Fats	233	205	234	299	971	258
Technical Products & Feed	44	31	56	83	214	81
Group Functions	-39	-38	-35	-60	-172	-44
Operating profit AAK Group	551	541	642	659	2,393	664
Financial net	-25	-25	-26	-26	-102	-18
Profit before tax	526	516	616	633	2,291	646

Net sales by market

2022

SEK million	FI Q1 2022	CCF Q1 2022	TPF Q1 2022	Total Q1 2022
Europe	2,718	1,554	691	4,963
North and South America	3,555	1,355	0	4,910
Asia	789	420	0	1,209
Other countries	79	78	0	157
Net sales	7,141	3,407	691	11,239

2021

SEK million	FI Q1 2021	CCF Q1 2021	TPF Q1 2021	Total Q1 2021
Europe	2,022	1,100	477	3,599
North and South America	2,119	827	0	2,946
Asia	656	296	0	952
Other countries	72	40	0	112
Net sales	4,869	2,263	477	7,609

Financial instruments

SEK million	31.03.2022	31.12.2021	Hierarchy level
<i>Assets at fair value through profit and loss</i>			
Currency and raw material derivatives	1,662	1,036	2
Sales and purchase contracts	1,150	882	2
Investment in funds	32	26	3
<i>Derivatives used in cash flow hedges</i>			
Interest rate swaps	16	5	1
<i>Assets at amortized cost</i>			
Financial non-current assets	4	4	-
Accounts receivables	5,914	5,132	-
Financial current assets	50	25	-
Cash and cash equivalents	1,165	1,001	-
Total financial assets	9,993	8,111	
<i>Liabilities at fair value through profit and loss</i>			
Currency and raw material derivatives	350	241	2
Sales and purchase contracts	2,217	1,420	2
<i>Liabilities at amortized cost</i>			
Liabilities to banks and credit institutions	5,538	3,944	-
Lease liabilities	609	621	-
Other interest-bearing liabilities	12	12	-
Total financial liabilities	8,726	6,238	

Alternative Performance Measures (APMs)

Organic volume growth

Percent	Q1 2022	Q1 2021	Full year 2021
Food Ingredients			
Organic volume growth	2	-4	4
Acquisitions/divestments	-	-	-
Volume growth	2	-4	4
Chocolate & Confectionery Fats			
Organic volume growth	5	13	16
Acquisitions/divestments	-	-	-
Volume growth	5	13	16
Technical Products & Feed			
Organic volume growth	-11	0	-1
Acquisitions/divestments	-	-	-
Volume growth	-11	0	-1
AAK Group			
Organic volume growth	1	0	5
Acquisitions/divestments	-	-	-
Volume growth	1	0	5

EBITDA

SEK million	Q1 2022	Q1 2021	Full year 2021
Operating profit (EBIT)	664	551	2,089
Depreciation and amortization	188	177	958
EBITDA	852	728	3,047

Operating profit excl. items affecting comparability (IAC)

SEK million	Q1 2022	Q1 2021	Full year 2021
Food Ingredients			
Operating profit excl. IAC	369	313	1,380
Optimization European bakery business	-	-	-304
Operating profit	369	313	1,076
Chocolate & Confectionery Fats			
Operating profit excl. IAC	258	233	971
Operating profit	258	233	971
Technical Products & Feed			
Operating profit excl. IAC	81	44	214
Operating profit	81	44	214
AAK Group			
Operating profit excl. IAC	664	551	2,393
Optimization European bakery business	-	-	-304
Operating profit	664	551	2,089

Return on Capital Employed (ROCE)

SEK million	R12M 31.03.2022	R12M 31.12.2021
Total assets	25,947	24,270
Cash and cash equivalents	-1,110	-1,117
Financial assets	-24	-12
Accounts payables	-4,795	-4,458
Other non-interest-bearing liabilities	-3,790	-3,385
Capital employed	16,228	15,298
Operating profit excl. items affecting comparability	2,506	2,393
Return on Capital Employed (ROCE), percent	15.4	15.6

Net working capital

SEK million	31.03.2022	31.12.2021
Inventory	10,056	9,054
Accounts receivables	5,914	5,132
Other current receivables, non-interest-bearing	3,990	2,818
Accounts payables	-5,343	-5,696
Other current liabilities, non-interest-bearing	-5,306	-3,981
Net working capital	9,311	7,327

Net debt

SEK million	31.12.2022	31.12.2021
Current interest-bearing receivables	63	31
Cash and cash equivalents	1,165	1,001
Pension liabilities	-275	-271
Lease liabilities	-609	-621
Non-current liabilities to banks and credit institutions	-1,571	-1,611
Current liabilities to banks and credit institutions	-3,967	-2,333
Other interest-bearing liabilities	-12	-13
Net debt	-5,206	-3,817

Net debt/EBITDA

SEK million	31.03.2022	31.12.2021
Net debt	5,206	3,817
EBITDA (rolling 12 months)	3,171	3,047
Net debt/EBITDA, multiple	1.64	1.25

Equity to assets ratio

SEK million	31.03.2022	31.12.2021
Shareholders' equity	12,698	11,783
Non-controlling interests	50	48
Total equity including non-controlling interests	12,748	11,831
Total assets	30,661	27,166
Equity to assets ratio, percent	41.6	43.6

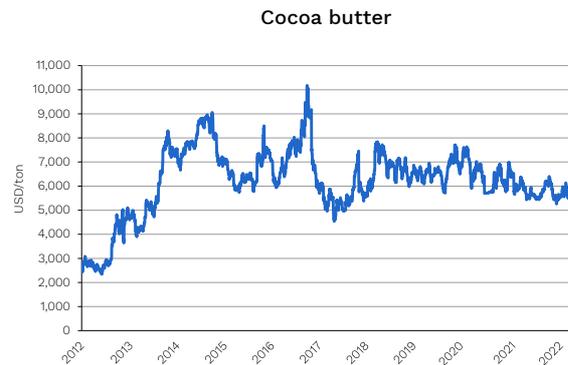
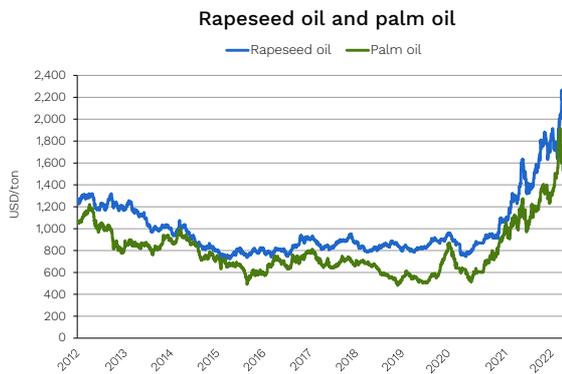
Income statement – Parent Company

SEK million	Q1 2022	Q1 2021	Full year 2021
Net sales	32	37	116
Total operating income	32	37	116
Other external expenses	-29	-24	-88
Cost for remuneration to employees	-28	-23	-113
Depreciation, amortization and impairment losses	-2	-2	-6
Total operating expenses	-59	-49	-207
Operating profit (EBIT)	-27	-12	-91
Dividend from Group companies	-	-	1,039
Profit from interest in Group companies	-	-	82
Interest income and similar items	11	0	0
Interest expense and similar items	-6	-7	-28
Total financial net	5	-7	1,093
Profit before tax	-22	-19	1,002
Income tax	4	4	0
Profit for the period	-18	-15	1,002

Condensed balance sheet – Parent Company

SEK million	31.03.2022	31.12.2021
Assets		
Other intangible assets	9	10
Property, plant and equipment	2	1
Right-of-use assets	5	6
Financial assets	9,866	9,682
Deferred tax assets	5	5
Total non-current assets	9,887	9,704
Current receivables	434	374
Cash and cash equivalents	-	-
Total current assets	434	374
Total assets	10,321	10,078
Equity and liabilities		
Shareholders' equity	7,362	7,373
Non-controlling interests	-	-
Total equity including non-controlling interests	7,362	7,373
Liabilities to banks and credit institutions	1,000	1,000
Lease liabilities	1	2
Other non-current liabilities	26	27
Total non-current liabilities	1,027	1,029
Liabilities to banks and credit institutions	1,850	1,600
Lease liabilities	3	3
Accounts payables	19	6
Other current liabilities	60	67
Total current liabilities	1,932	1,676
Total equity and liabilities	10,321	10,078

Price trends in raw materials



For information regarding cocoa and cocoa butter please refer to information at www.icco.org

Additional information

Press and analyst conference

AAK will host a conference call on April 27, 2022 at 1 p.m. CET. The conference call can be accessed via our website, www.aak.com.

The annual and quarterly reports are also published on www.aak.com.

Financial calendar 2022

The Annual General Meeting will be held in Malmö, Sweden on May 18, 2022.

The interim report for the second quarter 2022 will be published on July 19, 2022.

The interim report for the third quarter 2022 will be published on October 25, 2022.

Forward-looking statements

This report contains forward-looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond the control of AAK AB (publ.), may cause actual developments and results to differ materially from the expectations expressed in this report.

Governing text

The report has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

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Everything

we do

is about

Making Better Happen™

AAK specializes in plant-based oils that are the value-adding ingredients in many of the products people love to consume. We make these products better tasting, healthier, and more sustainable. We enhance their sensory experience – by giving the silkier mouthfeel in premium chocolate, the juicier texture in a plant-based burger, and the puffier appearance in a lower-fat pastry.

We can also optimize their production by substituting existing ingredients with plant-based equivalents that give better efficiency. AAK's value-adding solutions enable our customers to be successful in a better way.

At the heart of AAK's offer is Customer Co-Development, combining our desire to understand what better means for each customer, with the unique flexibility of our production assets, and a deep knowledge of many products and industries, including Chocolate & Confectionery, Bakery, Dairy, Plant-based Foods, Special Nutrition, Foodservice and Personal Care.

Our 4,000 employees support our close collaboration with customers through 25 regional sales offices, 15 dedicated Customer Innovation Centers, and with the support of more than 20 production facilities.

Listed on Nasdaq Stockholm and with our headquarters in Malmö, Sweden, AAK has been Making Better Happen™ for more than 150 years.



Explore more at
www.aak.com

Or contact us at
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