

First quarter 2021

Interim report

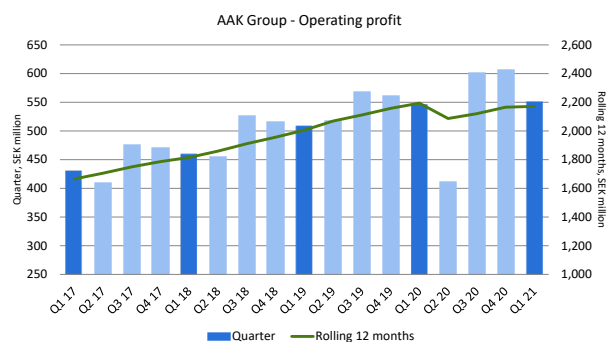
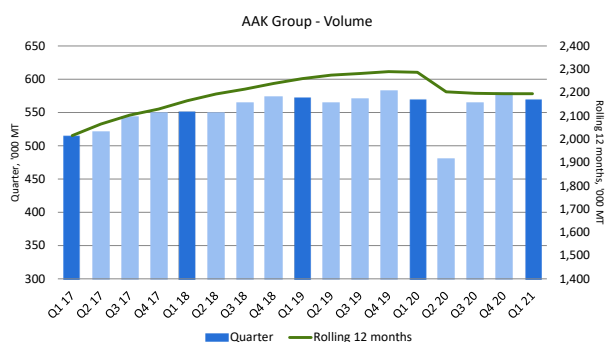


AAK

Financial highlights

- Total volumes for the quarter were on par with last year and amounted to 569,000 MT (569,000).
- Operating profit, including a negative currency translation impact of SEK 57 million, increased by 2 percent, reaching SEK 551 million (542).
- Profit for the period amounted to SEK 400 million (383), an increase by 4 percent.
- Earnings per share increased by 4 percent, to SEK 1.56 (1.50).
- Cash flow from operating activities amounted to SEK 58 million (71).
- Return on Capital Employed (ROCE), R12M, was 14.4 percent (14.3 at December 31, 2020).

	Q1 2021	Q1 2020	Δ %	R12M 2021	Full year 2020
Volumes, '000 MT	569	569	+0	2,195	2,195
Operating profit, SEK million	551	542	+2	2,176	2,167
Operating profit excluding items affecting comparability and acquisition costs, SEK million	551	546	+1	2,170	2,165
Operating profit per kilo, SEK	0.97	0.95	+2	0.99	0.99
Operating profit per kilo excluding items affecting comparability and acquisition costs, SEK	0.97	0.96	+1	0.99	0.99
Profit for the period, SEK million	400	383	+4	1,598	1,581
Earnings per share, SEK	1.56	1.50	+4	6.22	6.16
Return on Capital Employed (R12M), percent	14.4	14.5	-1	14.4	14.3



Continued earnings growth in a time of volatility and uncertainty

The first quarter of the year has been characterized by a strong customer demand for our speciality and semi-speciality solutions, particularly within Chocolate & Confectionery Fats, Special Nutrition, and Plant-based Foods. This is very much a result of our teams around the world successfully executing on our strategy.

Despite the ongoing pandemic and a material negative currency translation impact, we achieved a higher operating profit compared to last year. At fixed foreign exchange rates, we increased our operating profit by 12 percent.

Business performance

Volumes for the Group were on par with last year with a sequential increase during the quarter. There was very strong volume growth for Chocolate & Confectionery Fats and for our high-end solutions within Food Ingredients. This was offset by lower volumes in Foodservice, which continues to be significantly impacted by Covid-19.

Operating profit amounted to SEK 551 million (542). This was driven by cost reduction measures combined with a higher share of speciality solutions. Operating profit per kilo reached SEK 0.97 (0.95). At fixed foreign exchange rates, operating profit per kilo increased by 13 percent.

The business dynamics within Food Ingredients were mixed with growth for our high-end speciality solutions within Special Nutrition and Plant-based Foods, and our semi-speciality solutions within Dairy. However, Foodservice, and to some extent Bakery, continued to be negatively impacted by restrictions and lockdowns.

Chocolate & Confectionery Fats reported strong volume growth, driven by our customer co-developed solutions. Demand in South Latin America and Russia picked up strongly during the quarter. The volume growth combined with implemented supply chain improvements resulted in a strong operating profit for the business area.

It was also a very good quarter for Technical Products & Feed, mainly driven by our feed business and high utilization in our crushing operations.

Strategic investment

To further accelerate the development of ingredient solutions for alternatives to meat and dairy products, we have during the quarter partnered up with Big Idea Ventures (BIV). Our investment in BIV's New Protein Fund I will create new collaboration opportunities with some of the most recognized players in the food industry.

Continued strong sustainability progress

We continue to see strong development within our sustainability activities and our contributions towards the UN Sustainable Development Goals.

We have significantly increased the number of women involved in Kolo Nafaso, our direct shea sourcing program in West Africa. The program, which has a very positive impact on the women and their families, now involves more than 320,000 women. Another important achievement is that our verified deforestation-free palm increased by 92 percent during 2020 compared to the year before. This is an important step on our



journey towards sustainable palm oil, where we aim for a supply chain that is 100 percent traceable to plantation and 100 percent verified deforestation-free by 2025.

We also continue our dedicated work to reduce our environmental impact and have recently decreased energy consumption, water consumption and waste per processed unit raw material.

Furthermore, we have decided that ESG targets henceforth is included in the evaluation of the Executive Committee's remuneration.

Concluding remarks

Uncertainty and volatility, due to the pandemic and current global logistics and sea freight disturbances, remain high. This makes it difficult to predict the short-term future. However, AAK has a robust foundation, a strong financial track record and a solid balance sheet, and we have over the past year demonstrated the resilience of our business. The passion, drive and agility our organization shows are strengths we build on going forward.

We offer plant-based, healthy, high value-adding oils and fats solutions based on our customer co-development approach. We continuously strengthen our portfolio of solutions that are good for both people and planet. Despite the short- to mid-term uncertainty, we see no reason to adjust our view on the strong favorable underlying long-term trends in our markets. Thus, we continue to remain prudently optimistic about the future and we are fully committed to Making Better Happen™.

Johan Westman, President and CEO

AAK Group, Q1 2021

Volumes

Volumes amounted to 569,000 MT (569,000), flat compared to last year.

Net sales

Sales amounted to SEK 7,609 million (7,455), an increase by 2 percent. The increase was due to selling more speciality solutions with a higher sales price as well as to higher raw material prices, partly offset by a negative currency translation impact of SEK 834 million.

Operating profit

Operating profit reached SEK 551 million (542), an increase by 2 percent compared to the corresponding quarter in 2020. The currency translation impact was negative SEK 57 million of which SEK 28 million was related to Food Ingredients and SEK 29 million to Chocolate & Confectionery Fats. At fixed foreign exchange rates, operating profit increased by 12 percent.

Operating profit per kilo reached SEK 0.97 (0.95), an increase of 2 percent. The currency translation impact was negative SEK 0.10. 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 25 million (35). The lower interest cost was related to less borrowing in high-interest rate countries and reduced net debt for the Group. Reported tax costs correspond to an average tax rate of 24 percent (24).

Earnings per share

Earnings per share increased by 4 percent, to SEK 1.56 (1.50), due to an increased operating profit and lower financial costs.

Cash flow and investments

Operating cash flow including changes in working capital amounted to SEK 58 million (71). Cash flow from working capital amounted to negative SEK 757 million (negative 252). There was a positive cash flow from inventory in the quarter due to good inventory management. This was offset by a negative cash flow from accounts receivables driven by higher raw material prices and sequentially increased sales during the quarter.

Cash outflow from investment activities amounted to SEK 118 million (158), of which SEK 8 million (0) was related to acquisitions. Capital expenditure was mainly related to regular maintenance investments and capacity increases.

Raw material prices soared during the second half of 2020 but have during the quarter flattened out on historically high levels. 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 material negative impact on working capital during the first half of 2021. However, the raw material forward curve indicates declining prices. If this materializes, it will have a positive effect on cash flow towards the end of 2021.

Return on Capital Employed (ROCE)

Calculated on a rolling 12 months basis, Return on Capital Employed (ROCE) was 14.4 percent (14.3 at December 31, 2020). ROCE for the first quarter was 14.3 percent compared to 13.7 percent for the corresponding quarter 2020.

Financial position

The equity/assets ratio amounted to 47 percent (44 percent at December 31, 2020). Net debt at March 31, 2021 amounted to SEK 2,728 million (SEK 2,738 million at December 31, 2020). Net debt/EBITDA amounted to 0.93 (0.94 as of December 31, 2020). At March 31, 2021 the Group had total credit facilities of SEK 8,597 million (8,274 as of December 31, 2020), whereof SEK 7,168 million (7,234 as of December 31, 2020) in committed credit facilities. Unused committed credit facilities at March 31, 2021 amounted to SEK 6,004 million (6,120 as of December 31, 2020).

Investments

On March 15, AAK partnered with Big Idea Ventures to accelerate the development of ingredient solutions for alternative meat and dairy products. For more information, please see page 5.

Employees

The number of employees at March 31, 2021, was 3,974 (3,978 at December 31, 2020).

Selected key events

AAK implements satellite monitoring globally to support zero deforestation

AAK has partnered with market-leading sustainability tech companies Earthqualizer and Satelligence that provide high-resolution satellite data. The partnerships allow AAK to monitor its global supply base for palm oil with great accuracy and in real time. This will make it possible to earlier detect signs of deforestation and take immediate action.

This innovative monitoring technology is an important part of our sustainability strategy and by 2025, our goal is that 100 percent of the palm oil that we source should be 100 percent verified deforestation-free.

Our ambition is to play a leading role in transforming the palm oil industry towards sustainability. By investing in these and other partnerships, we will contribute to the full visibility and verification of deforestation-free supply chains.



AAK has partnered with Big Idea Ventures to accelerate the development of ingredient solutions for alternatives to meat and dairy products

To support new and emerging start-up companies developing alternatives to meat and dairy products and to create further collaboration opportunities with some of the most recognized players in the food industry, AAK has invested in Big Idea Ventures' (BIV) New Protein Fund I.

By combining capital and partnership, this niche fund is targeting to build and accelerate future global companies in the plant-based, cell-based,



and alternative protein ecosystem. With this investment, AAK gets closer to prospering early-stage businesses who are active within one of our key growth segments. We will also be able to collaborate with other fund partners and investors, including some of the most important industry front-runners in the world.

BIV has a global footprint with offices and accelerator programs in New York and Singapore, and soon also in Paris.

Gabriella Grotte appointed Head of Investor Relations and Corporate Communications

To further strengthen our Investor Relations activities and respond to the growing interest in the company, AAK has appointed Gabriella Grotte as Head of Investor Relations and Corporate Communications.

Gabriella joins AAK with a solid Investor Relations and Communications background. During the past thirteen years she has worked for Swedish company Alfa Laval AB, a leading global provider of heat transfer, separation and fluid handling products and solutions. For twelve of those years she served as Investor Relations Manager. Aside from holding other senior positions within the fields of Investor Relations and Corporate Communications, she has worked as an editor and financial reporter for various news outlets, among them Bloomberg News and Dow Jones Newswires.

Gabriella Grotte, born in 1971 and a Swedish native, holds a Master's degree in Economics from Lund University in Sweden. She will assume her position as of May 10, 2021.

Food Ingredients, Q1 2021*

Operating profit
-4%

Operating profit
per kilo
+0%

	Q1 2021	Q1 2020	Δ %	R12M 2021	Full year 2020
Volumes, '000 MT	354	369	-4	1,411	1,426
Net sales, SEK million	4,869	4,924	-1	18,332	18,387
Operating profit, SEK million	313	325	-4	1,274	1,286
Operating profit per kilo, SEK	0.88	0.88	+0	0.90	0.90

Volumes

Volumes increased for high-end speciality solutions within Special Nutrition and Plant-based Foods, as well as for semi-speciality solutions within Dairy. The demand in Foodservice and, to some extent, in Bakery, was, however, significantly lower compared to the same period last year. Total volume growth was negative by 4 percent in the quarter.

Bakery volumes decreased as the segment was negatively impacted by restrictions and lockdowns, for example Turkey and North Latin America. South Latin America reported double-digit volume growth as did key Asian markets China and India.

Dairy volumes increased in all regions except for USA. North Latin America and Asia reported the strongest year-over-year growth.

Plant-based Foods continued its strong trend with a significant volume growth (high double-digit). This was mainly driven by plant-based dairy solutions.

The performance for Special Nutrition was mixed. High-end solutions in sub-segment Infant Nutrition continued to grow. Our new stand-alone processing plant in China, focusing on the production of infant nutrition speciality solution INFAT® (sold through Advanced Lipids, a joint venture between AAK and IFF) is now operational. Both Medical and Senior Nutrition continued to grow. However, our semi-speciality solutions experienced lower demand in most regions.

Volumes in Foodservice declined by approximately 20 percent compared to the corresponding quarter last year, but with a sequential improvement during the quarter.

Net sales

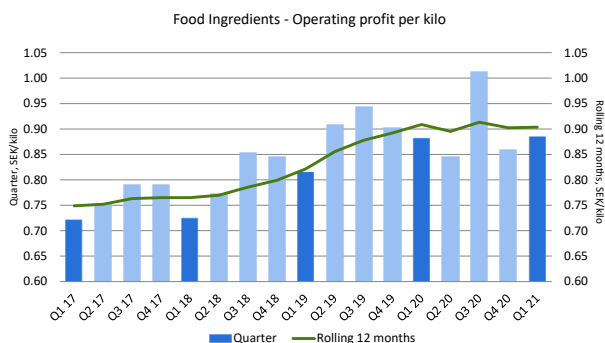
Sales amounted to SEK 4,869 million (4,924), a decrease by SEK 55 million. This was related to a negative currency translation impact of SEK 536 million and lower volumes, partly offset by selling more speciality solutions with a higher sales price and sales price adjustments due to higher raw material prices.

Operating profit

Operating profit decreased by 4 percent to SEK 313 million (325). The lower Foodservice volumes have led to a situation of under-absorption of costs. The negative impact has been reduced due to good cost control at all Foodservice facilities. The currency translation impact was negative SEK 28 million. At fixed foreign exchange rates, operating profit increased by 5 percent. Operating profit for Food Ingredients, excluding Foodservice, increased by 4 percent and at fixed foreign exchange rates by 15 percent.

Operating profit per kilo was flat and amounted to SEK 0.88 (0.88). The currency translation impact was negative SEK 0.08. At fixed foreign exchange rates, operating profit per kilo increased by 9 percent.

AAK's position within Food Ingredients is strong and Foodservice demand is expected to gradually return when restrictions and lockdowns are lifted.



* All figures are excluding items affecting comparability.



Chocolate & Confectionery Fats, Q1 2021*

Operating profit
+5%

Operating profit
per kilo
-7%

	Q1 2021	Q1 2020	Δ %	R12M 2021	Full year 2020
Volumes, '000 MT	130	115	+13	464	449
Net sales, SEK million	2,263	2,116	+7	8,096	7,949
Operating profit, SEK million	233	222	+5	876	865
Operating profit per kilo, SEK	1.79	1.93	-7	1.89	1.93

Volumes

Volumes increased by 13 percent compared to the corresponding quarter last year. There has been strong demand for our speciality solutions such as cocoa butter equivalents, filling fats, and spreads, but also for our semi-speciality solutions.

All regions reported volume growth with the strongest growth in South Latin America and USA. Within Europe, the demand was particularly strong in Russia, well supported by our recent acquisition in Saint Petersburg.

Net sales

Net sales for the business area amounted to SEK 2,263 million (2,116). The increase was related to volume growth and higher raw material prices, offset by a negative currency translation impact of SEK 298 million.

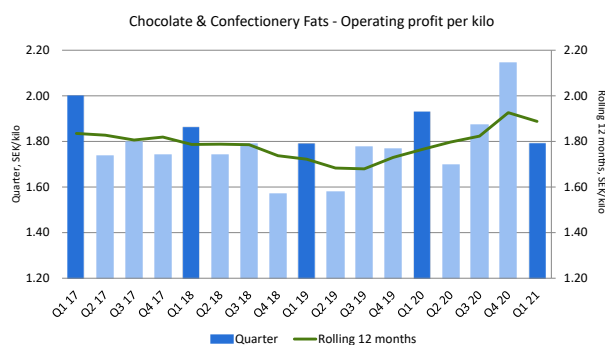
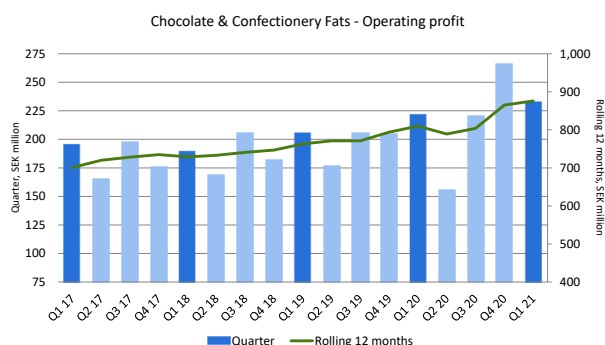
Operating profit

Operating profit reached SEK 233 million (222), an increase by 5 percent and a record-high for a first quarter. The currency translation impact was negative SEK 29 million. At fixed foreign exchange rates, operating profit increased by 18 percent.

The growth in operating profit is a result of our strong global position to meet the market demand for customer co-developed solutions. The increase has also been supported by good cost control and earlier implemented improvements in our supply chain.

The higher raw material prices have changed customers' contractual behaviors which have reduced the average duration of our contract portfolio, and we continue to see a somewhat higher competitive intensity in the market.

Operating profit per kilo decreased by 7 percent and reached SEK 1.79 (1.93). The currency translation impact was negative SEK 0.22. At fixed foreign exchange rates, operating profit per kilo increased by 5 percent.



* All figures are excluding items affecting comparability.



Technical Products & Feed, Q1 2021*

Operating profit
+16%

Operating profit per kilo
+16%

	Q1 2021	Q1 2020	Δ %	R12M 2021	Full year 2020
Volumes, '000 MT	85	85	+0	320	320
Net sales, SEK million	477	415	+15	1,660	1,598
Operating profit, SEK million	44	38	+16	163	157
Operating profit per kilo, SEK	0.52	0.45	+16	0.51	0.49

Volumes

Compared to the corresponding quarter in 2020, volumes were flat both for our fatty acids business and our feed business.

Net sales

Net sales for the business area increased by SEK 62 million due to higher raw material prices.

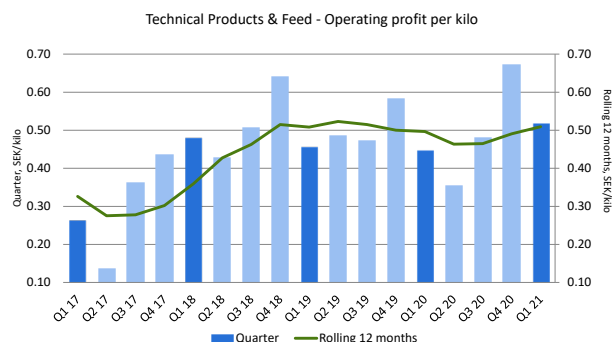
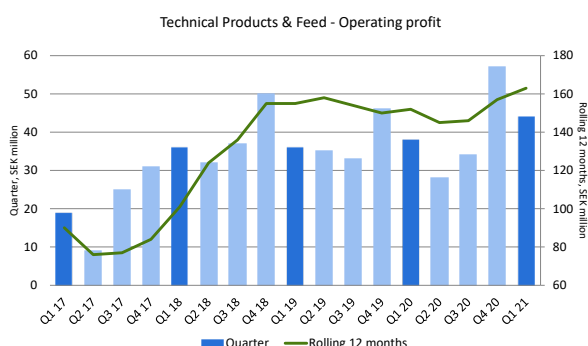
Operating profit

Operating profit reached SEK 44 million (38), an increase by 16 percent compared to the first quarter last year. The increase was mainly driven

by a strong performance in our crushing operation and good cost control.

The business area reported an operating profit per kilo of SEK 0.52 (0.45), an increase by 16 percent.

For business area Technical Products & Feed, maintenance is performed in the second quarter. This results in fewer production days and lower feed sales. Maintenance is expected to be slightly more extensive in the second quarter 2021 compared to the corresponding period last year.



* All figures are excluding items affecting comparability.



General information

Related parties

No significant changes have taken place in relations or transactions with related parties since 2020.

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.

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

Accounting policies in 2021

This interim report is prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. For information regarding the accounting policies applied, please see our Annual Report.

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 19–20.

Definitions

For definitions, please see our Annual Report.

Annual General Meeting

The Annual General Meeting will be held on May 7, 2021 in Malmö, Sweden. Due to the risk of the continued spread of the coronavirus and the authorities' regulations and advice on avoiding public gatherings, the Board has decided that the Annual General Meeting will be held without physical presence of shareholders, proxy holders and third parties and that the shareholders are able to exercise their voting rights in advance, only by postal voting before the general meeting. Information on the resolutions passed at the Annual General Meeting will be disclosed on May 7, 2021, as soon as the outcome of the postal voting has been finally confirmed.

The Annual Report for 2020 is available at www.aak.com and has been distributed to shareholders. The report is also available at AAK's headquarters.

Events after the reporting period

No events to be reported.

The Parent Company and Group Functions

The Parent Company is a holding company for 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 19 million (negative 25).

Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totaled SEK 2,379 million (2,456 as of December 31, 2020). Investments in intangible and tangible assets amounted to SEK 0 million (1).

The Parent Company's balance sheet and income statement are shown on pages 21–22.

Accounting policies

AAK AB (publ.) is the Parent Company of the AAK Group. The company has prepared its financial reports in accordance with the Annual Accounts Act and RFR 2 Reporting for legal entities.

Changes in the balance sheet

No major changes in the Parent Company since year-end.

Audit review

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

Malmö, April 23, 2021

Johan Westman
President and CEO

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The 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 11:15 a.m. CET on April 23, 2021.

AAK Group

Condensed income statement

SEK million	Q1 2021	Q1 2020	Full year 2020
Net sales	7,609	7,455	27,934
Other operating income	46	40	364
Total operating income	7,655	7,495	28,298
Raw materials and supplies	-5,841	-5,508	-20,572
Other external expenses	-509	-652	-2,416
Cost for remuneration to employees	-573	-611	-2,334
Depreciation, amortization and impairment losses	-177	-180	-755
Other operating expenses	-4	-2	-54
Total operating expenses	-7,104	-6,953	-26,131
Operating profit (EBIT)	551	542	2,167
Interest income	1	2	7
Interest expense	-22	-31	-114
Other financial items	-4	-6	-20
Total financial net	-25	-35	-127
Profit before tax	526	507	2,040
Income tax	-126	-124	-459
Profit for the period	400	383	1,581
Attributable to non-controlling interests	2	2	18
Attributable to the Parent Company's shareholders	398	381	1,563

Comprehensive income

SEK million	Q1 2021	Q1 2020	Full year 2020
Profit for the period	400	383	1,581
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	-	5	-19
	-	5	-19
Items that may subsequently be reclassified to profit or loss:			
Translation differences	510	78	-1,959
Fair-value changes in cash flow hedges	1	-0	-1
Tax related to fair-value changes in cash flow hedges	-0	0	0
	511	78	-1,960
Total comprehensive income for the period	911	466	-398
Attributable to non-controlling interests	1	1	10
Attributable to the Parent Company's shareholders	910	465	-408

Condensed balance sheet

SEK million	31.03.2021	31.03.2020	31.12.2020
Assets			
Goodwill	2,200	2,164	2,103
Other intangible assets	322	361	313
Property, plant and equipment	5,754	6,038	5,601
Right-of-use assets	709	769	709
Financial assets	54	31	34
Deferred tax assets	187	116	187
Total non-current assets	9,226	9,479	8,947
Inventory	6,631	6,651	6,569
Accounts receivables	4,190	4,017	3,336
Current receivables	1,700	1,750	2,226
Cash and cash equivalents	1,245	1,899	1,200
Total current assets	13,766	14,317	13,331
Total assets	22,992	23,796	22,278
Equity and liabilities			
Shareholders' equity	10,751	10,802	9,699
Non-controlling interests	40	85	39
Total equity including non-controlling interests	10,791	10,887	9,738
Liabilities to banks and credit institutions	2,101	3,566	2,087
Pension liabilities	284	231	278
Lease liabilities	622	681	617
Deferred tax liabilities	478	497	480
Non-interest-bearing liabilities	441	533	440
Total non-current liabilities	3,926	5,508	3,902
Liabilities to banks and credit institutions	1,598	1,384	1,565
Lease liabilities	113	107	117
Accounts payables	3,736	3,483	3,659
Other current liabilities	2,828	2,427	3,297
Total current liabilities	8,275	7,401	8,638
Total equity and liabilities	22,992	23,796	22,278

No changes have arisen in contingent liabilities.

Condensed change in equity

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	10,751	40	10,791

2020

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2020	10,337	84	10,421
Profit for the period	381	2	383
Other comprehensive income	84	-1	83
Total comprehensive income	465	1	466
Closing balance March 31, 2020	10,337	84	10,421

Financial instruments

2021

SEK million	Asset	Liability
Financial instruments reported in balance sheet March 31, 2021		
Sales and purchase contracts	471	695
Currency hedge contracts	129	113
Total derivatives financial instruments	600	808
Fair value adjustment inventory	275	-112
Total financial instruments	875	696

2020

SEK million	Asset	Liability
Financial instruments reported in balance sheet March 31, 2020		
Sales and purchase contracts	456	202
Currency hedge contracts	209	92
Total derivatives financial instruments	665	294
Fair value adjustment inventory	38	11
Total financial instruments	703	305

Condensed cash flow statement

SEK million	Q1 2021	Q1 2020	Full year 2020
Operating activities			
Operating profit	551	542	2,167
Depreciation and amortization	177	180	755
Other non-cash items	199	-183	-137
Cash flow before interest and tax	927	539	2,785
Interest paid and received	-17	-26	-94
Tax paid	-95	-190	-712
Cash flow before changes in working capital	815	323	1,979
Changes in inventory	121	82	-470
Changes in accounts receivables	-749	-531	-190
Changes in accounts payables	-42	129	631
Changes in other working capital items	-87	68	73
Changes in working capital	-757	-252	44
Cash flow from operating activities	58	71	2,023
Investing activities			
Acquisition of intangible assets and property, plant and equipment	-110	-158	-742
Acquisition of operations and shares, net of cash acquired	-8	-	-412
Proceeds from sale of property, plant and equipment	0	0	4
Cash flow from investing activities	-118	-158	-1,150
Cash flow after investing activities	-60	-87	873
Financing activities			
Changes in loans	-14	1,036	-131
Amortization of lease liability	-39	-38	-154
New issue of shares	142	-	236
Subscription warrants	-	-	15
Dividend paid	-	-	-536
Cash flow from financing activities	89	998	-570
Cash flow for the period	29	911	303
Cash and cash equivalents at start of period	1,200	982	982
Exchange rate difference for cash equivalents	16	6	-85
Cash and cash equivalents at end of period	1,245	1,899	1,200

Key ratios

SEK million (unless otherwise stated)	Q1 2021	Q1 2020	Δ %	Full year 2020
Income statement				
Volumes, '000 MT	569	569	+0	2,195
Operating profit	551	542	+2	2,167
Operating profit excluding items affecting comparability and acquisition costs	551	546	+1	2,165
Profit for the period	400	383	+4	1,581
Financial position				
Total assets	22,992	23,796	-3	22,278
Equity	10,791	10,887	-1	9,738
Net working capital	5,951	6,498	-8	5,186
Net debt	2,728	3,266	-16	2,738
Cash flow				
EBITDA	728	722	+1	2,922
Cash flow from operating activities	58	71	-	2,023
Cash flow from investing activities	-118	-158	-	-1,150
Free cash flow	-60	-87	-	873
Share data				
Number of shares, thousand	256,425	253,731	+1	255,414
Earnings per share, SEK*	1.56	1.50	+4	6.16
Earnings per share incl. dilution, SEK**	1.55	1.49	+4	6.13
Earnings per share incl. full dilution, SEK***	1.54	1.47	+5	6.07
Equity per share, SEK	41.93	42.57	-2	38.00
Market value on closing date, SEK	197.70	161.90	+22	166.00
Other key ratios				
Volume growth, percent	+0	-1	-	-4
Operating profit per kilo, SEK	0.97	0.95	+2	0.99
Operating profit per kilo excluding items affecting comparability and acquisition costs, SEK	0.97	0.96	+1	0.99
Return on Capital Employed (R12 months), percent	14.4	14.5	-1	14.3
Net debt / EBITDA, multiple	0.93	1.13	-18	0.94

* Earnings per share are calculated based on weighted average number of outstanding shares.

** Earnings per share are calculated based on weighted average number of outstanding shares including dilution from outstanding subscription options (in accordance with IAS 33).

*** Earnings per share are calculated based on total number of average outstanding shares for the period including a conversion of all outstanding subscription options to ordinary shares.

Quarterly data by business area

Operating profit

SEK million	2020					2021
	Q1	Q2	Q3	Q4	Full year	Q1
Food Ingredients	325	168	381	319	1,192	313
Chocolate & Confectionery Fats	222	73	221	266	782	233
Technical Products & Feed	38	20	34	57	149	44
Group Functions	-43	156	-34	-35	44	-39
Operating profit AAK Group	542	417	602	607	2,167	551
Financial net	-35	-35	-26	-31	-127	-25
Profit before tax	507	382	576	576	2,040	526

Operating profit excluding items affecting comparability and acquisition costs

SEK million	2020					2021
	Q1	Q2	Q3	Q4	Full year	Q1
Food Ingredients	325	262	381	319	1,286	313
Chocolate & Confectionery Fats	222	156	221	266	865	233
Technical Products & Feed	38	28	34	57	157	44
Group Functions	-39	-35	-34	-35	-143	-39
Operating profit AAK Group	546	411	602	607	2,165	551
Financial net	-35	-35	-26	-31	-127	-25
Profit before tax	511	376	576	576	2,038	526

Net sales by market

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

2020

SEK million	FI Q1 2020	CCF Q1 2020	TPF Q1 2020	Total Q1 2020
Europe	2,138	1,045	415	3,598
North and South America	2,173	787	0	2,960
Asia	546	238	0	784
Other countries	67	46	0	113
Net sales	4,924	2,116	415	7,455

Alternative Performance Measures (APMs)

Organic volume growth

Percent	Q1 2021	Q1 2020	Full year 2020
Food Ingredients			
Organic volume growth	-4	-2	-7
Acquisitions/divestments	-	-	-
Volume growth	-4	-2	-7
Chocolate & Confectionery Fats			
Organic volume growth	13	0	-2
Acquisitions/divestments	-	-	-
Volume growth	13	0	-2
Technical Products & Feed			
Organic volume growth	0	8	7
Acquisitions/divestments	-	-	-
Volume growth	0	8	7
AAK Group			
Organic volume growth	0	-1	-4
Acquisitions/divestments	-	-	-
Volume growth	0	-1	-4

EBITDA

SEK million	Q1 2021	Q1 2020	Full year 2020
Operating profit (EBIT)	551	542	2,167
Depreciation and amortization	177	180	755
EBITDA	728	722	2,922

Return on Capital Employed (ROCE)

SEK million	31.03.2021	31.03.2020	R12M 31.03.2021	R12M 31.12.2020
Total assets	22,992	23,796	22,587	22,573
Cash and cash equivalents	-1,245	-1,899	-1,325	-1,273
Financial assets	-22	-30	-117	-115
Accounts payables	-3,736	-3,483	-3,311	-3,235
Other non-interest-bearing liabilities	-2,812	-2,408	-2,674	-2,753
Capital employed	15,177	15,976	15,160	15,197
Operating profit (Rolling 12 months)	2,176	2,184	2,176	2,167
Return on Capital Employed (ROCE), percent	14.3	13.7	14.4	14.3

Net working capital

SEK million	31.03.2021	31.12.2020
Inventory	6,631	6,569
Accounts receivables	4,190	3,336
Other current receivables, non-interest-bearing	1,697	2,222
Accounts payables	-3,736	-3,659
Other current liabilities, non-interest-bearing	-2,831	-3,282
Net working capital	5,951	5,186

Net debt

SEK million	31.03.2021	31.12.2020
Non-current interest-bearing receivables	19	-
Current interest-bearing receivables	3	4
Cash and cash equivalents	1,245	1,200
Pension liabilities	-284	-278
Non-current liabilities to banks and credit institutions	-2,101	-2,087
Current liabilities to banks and credit institutions	-1,598	-1,565
Other interest-bearing liabilities	-12	-12
Net debt	-2,728	-2,738

Net debt/EBITDA

SEK million	31.03.2021	31.12.2020
Net debt	2,728	2,738
EBITDA (Rolling 12 months)	2,928	2,922
Net debt/EBITDA, multiple	0.93	0.94

Equity to assets ratio

SEK million	31.03.2021	31.12.2020
Shareholders' equity	10,751	9,699
Non-controlling interests	40	39
Total equity including non-controlling interests	10,791	9,738
Total assets	22,992	22,064
Equity to assets ratio, percent	46.9	44.1

Income statement – Parent Company

SEK million	Q1 2021	Q1 2020	Full year 2020
Net sales	37	43	134
Total operating income	37	43	134
Other external expenses	-24	-30	-107
Cost for remuneration to employees	-23	-28	-87
Depreciation, amortization and impairment losses	-2	-2	-7
Total operating expenses	-49	-60	-201
Operating profit (EBIT)	-12	-17	-67
Income from shares in Group companies	-	-	65
Interest expense	-6	-7	-31
Other financial items	-1	-1	-6
Total financial net	-7	-8	28
Profit before tax	-19	-25	-39
Income tax	4	5	-
Profit for the period	-15	-20	-39
Attributable to non-controlling interests	-	-	-
Attributable to the Parent Company's shareholders	-15	-20	-39

Comprehensive income – Parent Company

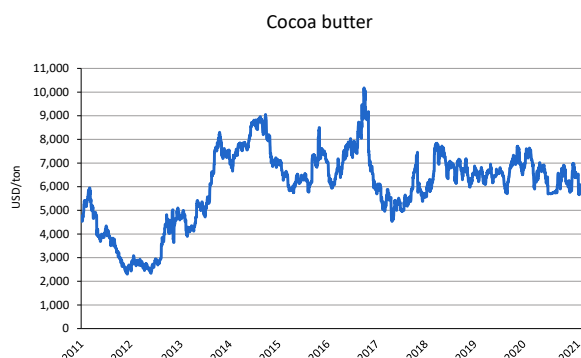
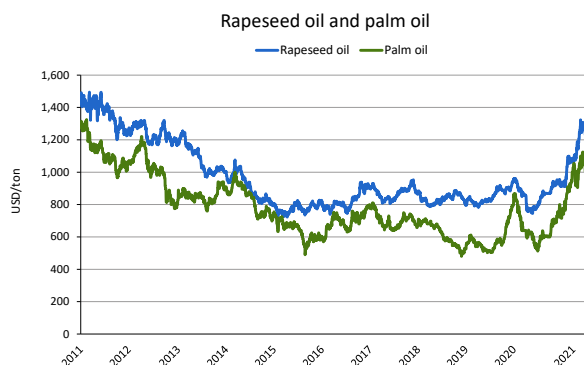
SEK million	Q1 2021	Q1 2020	Full year 2020
Profit for the period	-15	-20	-39
Items that will not be reclassified to profit or loss:			
	-	-	-
Items that may subsequently be reclassified to profit or loss:			
	-	-	-
Total comprehensive income for the period	-15	-20	-39
Attributable to non-controlling interests	-	-	-
Attributable to the Parent Company's shareholders	-15	-20	-39

Condensed balance sheet – Parent Company

SEK million	31.03.2021	31.12.2020
Assets		
Other intangible assets	11	12
Property, plant and equipment	2	2
Right-of-use assets	3	4
Financial assets	8,919	8,843
Deferred tax assets	5	5
Total non-current assets	8,940	8,866
Current receivables	395	351
Cash and cash equivalents	-	-
Total current assets	395	351
Total assets	9,335	9,217
Equity and liabilities		
Shareholders' equity	6,654	6,527
Non-controlling interests	-	-
Total equity including non-controlling interests	6,654	6,527
Liabilities to banks and credit institutions	1,500	1,500
Lease liabilities	0	1
Other non-current liabilities	23	29
Total non-current liabilities	1,523	1,530
Liabilities to banks and credit institutions	1,100	1,100
Lease liabilities	3	3
Accounts payables	2	6
Other current liabilities	53	51
Total current liabilities	1,158	1,160
Total equity and liabilities	9,335	9,217

No changes have arisen in contingent liabilities.

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 23, 2021 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 2021

The Annual General Meeting will be held on May 7, 2021 (shareholders are able to exercise their voting rights in advance, only by postal voting before the general meeting).

The interim report for the second quarter 2021 will be published on July 16.

The interim report for the third quarter 2021 will be published on October 29.

A Capital Market Day will be held on November 23, 2021

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 3,900 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 150 years.



Explore more at
www.aak.com

Or contact us at
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