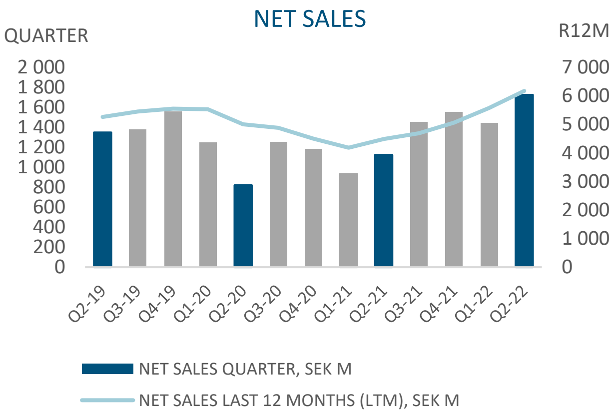
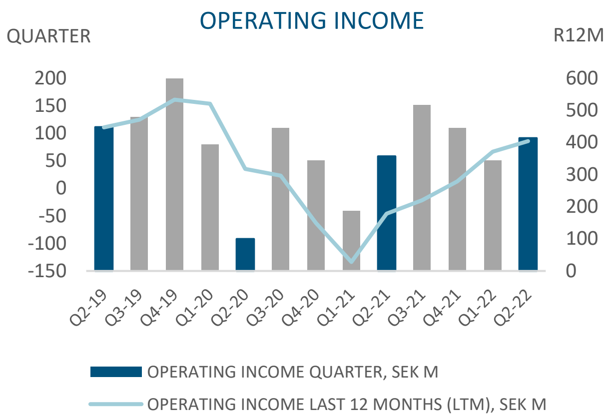
Improved income and increased demand

April 1 – June 30

- Net sales amounted to SEK 1,724 m (1,124), corresponding to a 53.4% increase in sales. Adjusted for exchange rate movements, net sales increased by 47.1%.
- Operating income was SEK 91 m (58).
- Increased demand leads to a good recovery for the Duni business area and continued growth for BioPak.
- Margins are pressured from significant cost pressure, which is continuing to increase into the third quarter.
- A clear underlying improvement in income compared with the previous year, which included major government support during the pandemic.





KEY FINANCIALS

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Net sales	1,724	1,124	3,167	2,056	6,172	5,061
Organic growth	47.2%	40.7%	48.1%	2.4%	35.2%	14.4%
Operating income 1)	91	58	142	18	404	279
Operating margin 1)	5.3%	5.2%	4.5%	0.9%	6.5%	5.5%
EBIT	67	43	93	-14	279	173
EBIT margin	3.9%	3.8%	2.9%	-0.7%	4.5%	3.4%
Income after financial items	60	34	72	-38	243	133
Income after tax	49	18	55	-33	165	77
Earnings per share after dilution	1.02	0.38	1.13	-0.73	3.48	1.62
Return on capital employed, excluding goodwill	16.7%	8.9%	16.7%	8.9%	16.7%	14.4%

1) For reconciliation of alternative key financials, definition of key financials and glossary, see pages 31–33.

The Duni Group is a market leader in attractive, environmentally sound and functional products for table setting and take-away. The Group markets and sells two brands, Duni and BioPak, which are represented in more than 40 markets. Duni has around 2,200 employees in 21 countries, its headquarters in Malmö and production units in Sweden, Germany, Poland, New Zealand and Thailand. Duni is listed on the NASDAQ Stockholm under the ticker name "DUNI". Its ISIN code is SE0000616716. This information is information that Duni AB is obligated to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 12:00 CET on July 15, 2022.

“It’s pleasing to see that the industry is back, with a strong recovery in sales for the Duni Group.”

Sales growth of 53% in the second quarter

Now that most restrictions have been eased, we are seeing a strong recovery in the HoReCa market. This has led directly to a recovery in sales, albeit with some delay, as for example Germany maintained its restrictions for longer than other countries. All regions grew during the quarter, with the Central region standing out with growth of 77.8% at fixed exchange rates. The industry is currently being challenged by staff shortages, which in many places is resulting in limited opening hours and seating capacity.

Group sales amounted to SEK 1,724 m (1,124). At fixed exchange rates, this corresponds to a sales increase of 47.1%. Sales compared with the second quarter of 2019 rose by 27% in the same currency. The **Duni business area** increased by 85% at fixed exchange rates, compared with the same period last year. The biggest increase comes from the hotel and restaurant industry, where Duni grew by 130%, which is due to eased restrictions resulting in increased volumes, but also due to price increases. The **BioPak business area** grew by 16% due to price increases and some growth. In connection with eased restrictions, the number of events, parties and catering occasions is increasing, causing an increase in demand for cups, glasses, and cutlery.

Improved operating income, despite cost pressure

Operating income for the quarter showed a clear improvement compared with the same period last year and amounted to SEK 91 m (58). The Duni business area in particular contributed to the improvement, increasing its operating income to SEK 71 m (-3). Operating income for the BioPak business area decreased to SEK 20 m (62). This decline is driven primarily by increased inventory costs and high freight and energy costs, which have not yet been compensated for by price increases.

We continue to have a good delivery situation, although the gross margin is under pressure from cost increases. Price increases for the quarter amounted to approximately SEK 115 m, but do not fully compensate for the strong inflationary pressure that is now taking effect. Additional price increases have been announced and are expected to take full effect from January 2023. Despite the turbulent geopolitical situation, resulting in strong inflation, we see normalized demand at the level of 2019.

During the quarter, on behalf of the Board of Directors, we took further steps in the process of evaluating various strategic alternatives in order to optimize the long-term value of BioPak Pty Ltd and its subsidiary, “BioPak Group”.

Initiatives for a more sustainable future

We are continuing our work towards our three sustainability goals and our vision of becoming fully circular with net zero carbon emissions for Scope 1 & 2, and in line with science-based targets for Scope 3 by 2030. During the quarter, among other things, we completed our report to the UN Global Compact, as a member of their “Early Adopter” program. We have also ensured standardized sizes of outer packaging, which enables more products per pallet, a more efficient logistics chain and less climate impact. In addition, we have increased our investment in solar cells, this time at our production unit in Bangkok, Thailand. We have also launched a project to measure our Scope 3 impact, which is an important piece of the jigsaw in achieving our sustainability targets. Finally, I am pleased to announce that 17 colleagues have chosen to become sustainability ambassadors. Once they have completed their training, they will support and motivate the organization to work even better around/with sustainability.

Robert Dackeskog, President and CEO, Duni Group

This is Duni Group

Duni Group is a leading supplier of inspiring table top concepts and attractive, creative and environmentally smart single-use items for food and beverages. Our offering includes high-quality products, such as napkins, table covers, candles and other table top accessories, along with packaging products and systems for the growing take-away market.

All of the company's concepts should contribute to creating an elevated experience where people come together to enjoy food and drink. And they should be able to do so with a clear conscience - environmental sustainability and circular options are a matter of course.

2,226

The Group has 2,226 employees in 21 countries. The head office is located in Malmö. Tissue for napkins and table covers is manufactured in Sweden, while conversion to finished products takes place in Germany, Poland, Thailand and New Zealand. The Group has sales offices in Australia, Finland, France, United Arab Emirates, Netherlands, New Zealand, Poland, Russia, Switzerland, Singapore, Spain, UK, Sweden, Thailand, Czech Republic, Germany, USA and Austria.

Production units   Sales offices

DUNI

BioPak
It doesn't cost the earth

Two business areas

The business is divided into two business areas: Duni and BioPak. Each business area has full responsibility for its respective value chain. Products are sold through a joint sales force, with the regions supporting the business areas. Duni and BioPak are responsible for their respective brand strategies as well as their own marketing communications, product development and innovation.

FINANCIAL TARGETS

Rolling 12 months, July-June 2021/2022

Net sales

SEK 6,172 m

Dividend 2021

0

It is the Board of Directors' long-term intention for dividends to amount to at least 40% of income after tax.

Sales growth

35.2%

Duni Group's target is to achieve average organic growth in sales in excess of 5% per year over a business cycle. In addition, the Group continuously evaluates acquisition opportunities to reach new emerging markets or strengthen its position in existing markets.

Operating margin

6.5%

The target is for the Group's operating margin to be at least 10%. Profitability is to be increased through sales growth, continued focus on premium products and continued improvements within purchasing and production.

Three sustainability goals by 2030

Becoming circular at scale

Goal 2030: fully circular operations
- environmentally friendly materials and suppliers
- efficient operation
- relevant solutions for reuse, recycling and composting
- no virgin plastic for single-use products

Interim target 2025:
- reduction of virgin fossil-based plastic in single-use products by 50% compared with 2019 as a base year
- a large number of end-of-life solutions
- FSC®-certified products: 100% for Duni and 75% for BioPak Europe

Activities during the quarter
- Partner with Sweden Rock Festival for plastic reduction
- Partner with UNICEF in the Netherlands for Ivory Coast project
- Engagement in external workshops on multi-use solutions

Going net zero

Goal 2030: zero vision for greenhouse gases according to the GHG protocol Scope 1 and Scope 2
- ScienceBased Targets that are approved, measured and communicated quarterly, including the GHG protocol Scope 3
- we will measure impact across our value chain
- transparent reporting of results

Interim target 2025:
- activities in accordance with the approved science-based targets of the international collaboration Science Based Targets initiative, SBTi
- 60% reduction in carbon intensity with 2019 as base year

Activities during the quarter
- Improving efficiency and reducing carbon footprint through a pallet optimization project
- Completed installation of solar panels in Bramsche
- Decision to install solar panels in Bangkok, Thailand
- Launch of Scope 3 project
- Decision to link the Duni Group to Science-Based Targets

Living the change

Goal 2030: a reliable sustainability leader
- we will be a committed partner for our key stakeholders
- we will be the trusted expert – with the best recognized eco-smart solutions
- our communications will have a high degree of transparency, integrity and openness

Interim target 2025:
- key stakeholders see us as a leading sustainability company
- achieve 75 points in the EcoVadis system
- all employees trained in sustainability

Activities during the quarter
- 17 sustainability ambassadors appointed and trained
- Member of "Charter of Diversity"
- Reporting completed as UNGC Early Adopter company
- New sustainability pages on all external websites

Carbon intensity index scope 1 & 2 (tons CO_2 per ton self-produced product)

Good development during the quarter due to switching to renewable electricity in the factory in Wolkenstein and lower consumption of natural gas for heating in Germany.

41	40	100
Outcome Jan-Jun 2022	Goal 2025	Base year 2019

Net sales

April 1 – June 30

Compared with the same period of the previous year, net sales increased by SEK 600 m to SEK 1,724 m (1,124). At fixed exchange rates, this corresponds to a 47.1% increase. During the quarter, the market's consumption patterns continued to return to being more similar to what they were before the pandemic. Restaurant visits increased significantly during the quarter, with a strong recovery evident in the catering industry and mainly in events. This has resulted in a strong increase in sales for the Duni business area, whose portfolio is focused on seated restaurant guests. Volatility in demand, combined with temporary disruptions in production, put pressure on the Duni business area's ability to deliver during the quarter, and demand was not met in full. The BioPak business area's sales volume also increased slightly, despite a drop in demand for take-away during the quarter. The increase is due primarily to continuous strong growth in the Australian market and continued high demand for sustainable packaging solutions. Price increases in both business areas further boosted sales compared with the previous year.

January 1 – June 30

Compared with the same period of the previous year, net sales increased by SEK 1,111 m to SEK 3,167 m (2,056). At fixed exchange rates, this corresponds to a 48.1% increase. The first quarter of the year was still clearly characterized by the restrictions reintroduced during the winter to control the Covid-19 pandemic. However, the same period last year had considerably tougher restrictions, and sales to the restaurant and hotel customer segments improved in comparison during the first months of the year, even though sales were lower than historical levels. At the start of the second quarter, virtually all of the restrictions on the restaurant market were lifted, which created the conditions for improved sales. The increase in sales compared with the previous year is primarily attributable to the BioPak business area, sales through the retail sector in the Duni business area and price increases in both business areas.

NET SALES

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	% fixed exchange rates	6 months Jan-Jun 2022	6 months Jan-Jun 2021	% fixed exchange rates	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Duni	973	508	85.1%	1,774	909	88.7%	3,527	2,662
BioPak	751	616	15.8%	1,393	1,147	16.0%	2,645	2,399
Duni Group	**1,724**	**1,124**	**47.1%**	**3,167**	**2,056**	**48.1%**	**6,172**	**5,061**

Income

April 1 – June 30

Operating income amounted to SEK 91 m (58), with an operating margin of 5.3% (5.2%). The gross margin was 16.4% (17.2%). Income improved compared with the second quarter of the previous year, and there are many explanation parameters. In addition to higher sales, the volume recovery in the Duni business area means an increased contribution ratio for fixed costs, primarily in production. This, combined with some growth in the BioPak business area, price increases and positive currency effects, boosted income.

The strong inflationary pressure established in autumn last year continued to increase for almost all variable costs during the quarter, with input materials, energy prices and logistics services at significantly higher levels than in the previous year. Additional cost increases can be traced to high handling costs for inventory, primarily within BioPak, in order to manage market and delivery volatility. Government support was also lower than in the comparative period, amounting to SEK 34 m (64). As a consequence of inflationary pressures continuing in the second quarter, additional price increases have been announced. These will be implemented during the third and fourth quarters and will take full effect from the beginning of next year.

The business in Russia was divested during the quarter. The restructuring cost for this amounted to SEK 8.5 m and was reported in the first quarter. During the quarter, an additional SEK 9.5 m was reported as restructuring costs. This relates to costs in connection with a decision by the Board of Directors to evaluate alternatives in order to optimize the long-term value of the BioPak Group (operations outside Europe). For further information about this, see the section “Other information about BioPak”.

Income after financial items amounted to SEK 60 m (34). Income after tax was SEK 49 m (18).

January 1 – June 30

Operating income amounted to SEK 142 m (18), with an operating margin of 4.5% (0.9%). The gross margin was 17.5% (14.5%). In line with the second quarter, income for the first half of the year improved and was impacted positively, primarily by significant increases in sales as a consequence of eased and subsequently lifted restrictions, and the associated boost to margins due to improved economies of scale and price increases. The negative impact also reflects the second quarter’s pattern of high inflationary pressure, increased costs for marketing activities and lower levels of government support. Government support is included in other income and amounted to SEK 34 m (97).

Income after financial items amounted to SEK 72 m (-38). Income after tax was SEK 55 m (-33).

OPERATING INCOME

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2022[1)]	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2022[1)]	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Duni	71	66	-3	91	85	-87	272	93
BioPak	20	18	62	51	47	104	132	186
Duni Group	**91**	**84**	**58**	**142**	**131**	**18**	**404**	**279**

[1)]Reported operating income 2022 converted to 2021 exchange rates.

Duni business area

The Duni business area stands for what the Group is traditionally associated with, such as innovative solutions for the set table, primarily napkins, table covers and candles. The business area's products and services are sold under the Duni brand. The customers are mainly hotels and restaurants, the so-called HoReCa market, where sales are largely made through wholesalers. Retail and various types of specialist trade are also important customer groups. The business area is a European market leader in the premium segment for napkins and table covers. It accounted for approximately 56% (44%) of the Group's net sales during the period from January 1 to June 30, 2022.

APRIL 1 – JUNE 30

Net sales

973

Net sales amounted to SEK 973 m (508).

Operating income

71

Operating income was SEK 71 m (-3).

Operating margin

7.3%

The operating margin was 7.3% (-0.7%).

JANUARY 1 – JUNE 30

Net sales

1,774

Net sales amounted to SEK 1,774 m (909).

Operating income

91

Operating income was SEK 91 m (-87).

Operating margin

5.2%

The operating margin was 5.2% (-9.5%).

Duni business area

Net sales

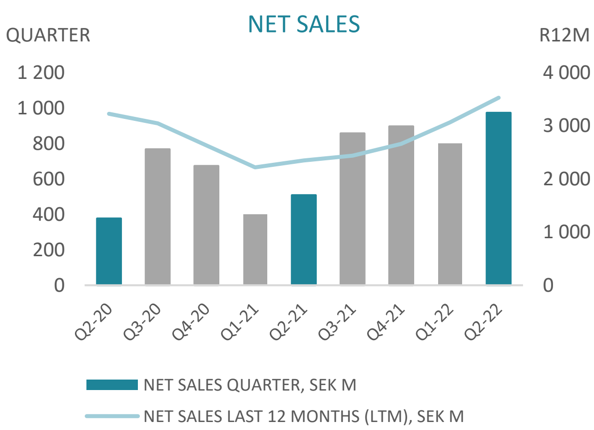
Net sales for the quarter amounted to SEK 973 m (508). At fixed exchange rates, this corresponds to a sales increase of 85.1%. Net sales for the half year amounted to SEK 1,774 m (909), corresponding to a sales increase of 88.7% at fixed exchange rates. During the first half of the year, the business area saw a significant increase in sales compared with the same period last year, and it is approaching record-high sales levels in the second quarter. Restrictions to control the Covid-19 pandemic have had a major impact on operations over the past two years. The easing of restrictions in Europe in the first quarter, followed essentially by the full removal of restrictions in the second quarter, is responsible for the clear recovery. The increase in sales can be seen in all countries for all product groups. As retail trade has not been affected to the same extent and several customer contracts have been secured, sales have increased for the first half of the year compared with both the comparative period and historical levels.

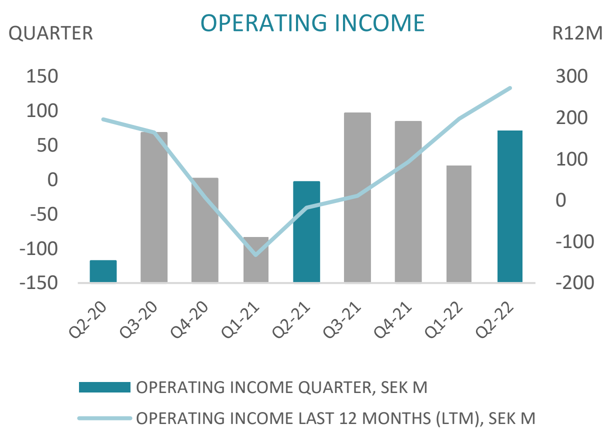
Sales are also strengthened by price increases that were implemented at the end of the previous year and during this period. As inflationary pressure remains high, additional price increases have been announced, which will be implemented during the second half of the year with full effect from the beginning of next year.

Income

Operating income in the quarter was SEK 71 m (-3) and the operating margin was 7.3% (-0.7%). For the half year, operating income was SEK 91 m (-87), and the operating margin was 5.2% (-9.5%). Income increased by approximately SEK 180 m for the period, mainly as a consequence of the strong volume recovery compared with the previous year. The business area’s vertical integration means that a large proportion of fixed costs are not absorbed at lower volumes, but as volumes are gradually normalized, there is strong operational leverage. In principle, all input goods and energy sources have continued to experience high upward cost pressure, which has put major pressure on margins. In addition to cost pressure, the quarter brought a challenge in the supply of raw materials and a capacity shortage in the logistics chain. The price increases implemented during the previous year and the period made a positive contribution to an increasing degree, and largely compensated for the cost increases.

Government support amounted to SEK 33 m, which may be compared with government support amounting to SEK 63 m in the comparative period.





BioPak business area

The BioPak business area offers environmentally sound concepts for meal packaging and serving products for applications including take-away, ready-to-eat meals, and various types of catering. The business area's customers are various types of restaurants with take-away concepts and companies that are active in the health and patient-care sectors. Stores and other food producers are also major customer groups. The business area's products and services are sold under both the Duni and BioPak brands, but the goal is for the business area to primarily represent the BioPak brand. The business area has a market-leading position in Australia. The business area accounted for approximately 44% (56%) of the Group's net sales during the period from January 1 to June 30, 2022.

APRIL 1 – JUNE 30

Net sales

751

Net sales amounted to SEK 751 m (616).

Operating income

20

Operating income was SEK 20 m (62).

Operating margin

2.7%

The operating margin was 2.7% (10.0%).

JANUARY 1 – JUNE 30

Net sales

1,393

Net sales amounted to SEK 1,393 m (1,147).

Operating income

51

Operating income was SEK 51 m (104).

Operating margin

3.7 %

The operating margin was 3.7% (9.1%).

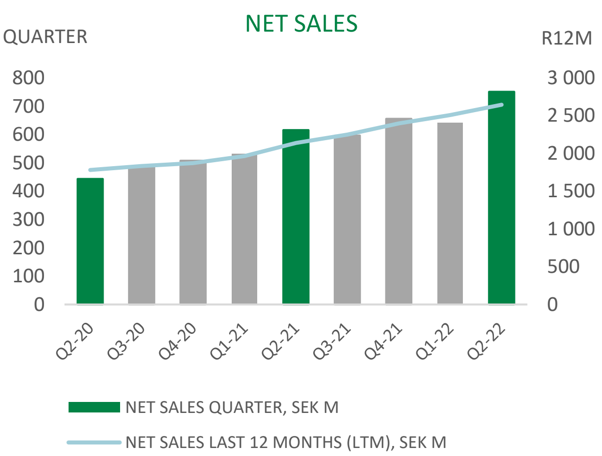
BioPak business area

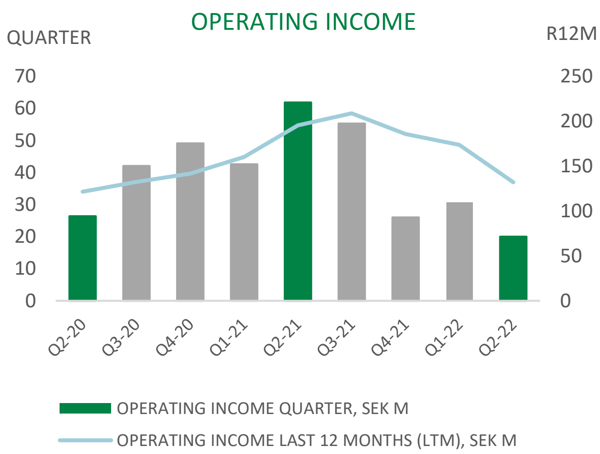
Net sales

Net sales for the quarter amounted to SEK 751 m (616). At fixed exchange rates, this corresponds to a sales increase of 15.8%. Net sales for the half year amounted to SEK 1,393 m (1,147), corresponding to a sales increase of 16.0% at fixed exchange rates. The restrictions during the pandemic were directed primarily towards table service, which resulted in increased demand for take-away. The change in consumption patterns was stronger in the comparative period than in the first half of this year, which limited growth. The underlying trend of strong demand for environmentally adapted products has remained clear, and is a strong growth factor for the business area. In the second quarter, the product portfolio saw a shift from take-away to serving products, which were previously negatively affected by the restrictions that limited social events. In the previous year, the high demand combined with disruptions in the supply chain created relatively poor delivery performance for the business area. Investments in areas including increased backup stocks resulted in improved delivery performance during the period, and thereby higher sales. Price increases implemented in the previous year and in the first quarter also contribute to the higher sales figure.

Income

Operating income in the quarter amounted to SEK 20 m (62), and the operating margin was 2.7% 10.0%. Operating income for the half year amounted to SEK 51 m (104), and the operating margin was 3.7% (9.1%). As a consequence of inadequate container capacity from Asia, the market price for maritime freight has significantly increased costs in the BioPak business area over the past year. The trend in raw materials and energy is also pushing up costs, as are inflationary pressures in logistics services. The focus on improved delivery performance has resulted in an increase in warehousing costs. With a more open market, travel and marketing activities have taken off, which means more normalized indirect costs, which is an increase compared with the same period last year. Price increases implemented boosted income and, as a consequence of continued inflationary pressure, further price increases were announced, with implementation during the third and fourth quarters.





Other information about BioPak

As previously communicated, the Board of Directors has decided to evaluate various strategic options for optimizing the long-term value of BioPak Pty Ltd and its subsidiaries, "BioPak Group".

BioPak Group accounts for approximately 50% of the BioPak business area and constitutes the Australian parent company BioPak Pty Ltd and its subsidiaries in Australia, New Zealand, Singapore and the UK. Net sales for this part of the business in 2021 amounted to approximately SEK 1,200 m, with an operating margin just below 10%.

As part of a strategic decision of direction, a process has been initiated to appoint commercial advisers to review the prospects of a future possible listing of BioPak Pty Ltd on the Australian Securities Exchange (ASX), meanwhile the prospects of other strategic options deemed attractive for the shareholders and BioPak Group, such as private capital investments, continues to be explored. All strategic options may involve a divestment of part of the existing shareholding in BioPak Pty Ltd and is evaluated within the confines of ensuring that BioPak Group continues to be consolidated within Duni Group.

An independent adviser, Luminis Partners, has been engaged in order to continuously monitor market conditions whilst working towards optimizing the long-term value, taking into account the full potential of the business as well as existing market conditions. Duni Group intends to provide an update when there is more information to communicate.

Accrued costs for strategic work during the quarter amounted to approximately SEK 9.5 m and have been accounted for as restructuring costs and will thus not affect the operating income.

Financial overview

Cash flow and funding

The Group's cash flow from operating activities was SEK -311 m (-175) for the period from January 1 to June 30. Accounts receivable amounted to SEK 1,074 m (717) and accounts payable to SEK 586 m (400), while inventory was valued at SEK 1,483 m (920). The value of inventory has been driven up by increased costs for input goods, as well as an increased number of inventory days during the year. A higher backup inventory reflects to some extent difficulty in planning with high volatility and long lead times, but is a decision to secure high delivery capacity to customers in volatile times. This resulted in an increased warehousing cost, which was significant in the second quarter.

Cash flow including investing activities amounted to SEK -380 m (-199). Net investments for the period amounted to SEK 44 m (38). Depreciation for the period amounted to SEK 140 m (135), of which depreciation of right-of-use assets amounted to SEK 38 m (31).

The Group's interest-bearing net debt as at June 30, 2022 was SEK 1,750 m. On June 30, 2021, the interest-bearing net debt amounted to SEK 1,516 m. At year-end, the loan facility was reported as short-term. During the first quarter, a sustainability-linked loan facility was signed with a total amount of EUR 180 m, and in the second quarter an additional sustainability-linked loan facility was signed with a total amount of EUR 25 m. The loans are therefore reported as long-term.

Net financial items

Net financial items for the period from January 1 to June 30 were SEK -21 m (-24). Income from participations in associated companies amounted to SEK -2.6 m (0).

Taxes

The total reported tax expense for the period from January 1 – June 30 was SEK 17 m. For the same period of the previous year, tax income of SEK 5 m was reported. This produces an effective tax rate of -23.8% (12.1%). The tax for the year includes adjustments and non-recurring effects from the previous year of SEK -1.8 m (1.2).

Earnings per share

This year's earnings per share before and after dilution amounted to SEK 1.13 (-0.73).

The share

At June 30, 2022, the share capital amounted to SEK 58,748,790 divided into 46,999,032 outstanding ordinary shares. The quotient value of the shares is SEK 1.25 per share.

Shareholders

Duni AB (publ) is listed on NASDAQ Stockholm under the ticker name "DUNI". The Group's three largest shareholders are Mellby Gård AB (29.99%), Polaris Capital Management LLC (10.14%) and Nordea Investment Funds (9.13%).

Personnel

On June 30, 2022, there were 2,226 (2,195) employees. 882 (896) of the employees were engaged in production. The Duni Group's production plants are located in Bramsche and Wolkenstein, Germany, in Poznan, Poland, in Bengtsfors, Sweden, in Bangkok, Thailand and in Auckland, New Zealand.

Acquisitions

No acquisitions were made during the period.

New establishment

No new establishment was carried out during the period.

Divestments

Russia's invasion of Ukraine resulted in a deterioration in geopolitical conditions. The Group closely monitors developments and complies with all imposed sanctions. Uncertainty is high and it is currently difficult to assess the consequences and long-term effects for the Group because of this. At present, the direct impact is limited. No inputs and no imports come from these two countries. Some indirect effects are being noted, however, in the form of higher energy prices reducing the general availability of tissue, which has caused tissue prices to rise.

At the beginning of the year, the Duni Group had a sales company with 17 employees in Moscow, Russia. Sales from there accounted for less than one per cent of the Group's sales. In April, the company was sold to local management, and Duni RUS LLC is therefore no longer a subsidiary of Duni AB. The cost of this divestment amounts to SEK 8.5 m and is part of the restructuring cost in the first quarter. This mainly refers to write-downs of inventories and accounts receivable. The Group has no operations or employees in Ukraine.

Risk factors for the Duni Group

There are a number of risk factors that can affect the Group's operations, both linked to business risks and financial.

Business risks

The business risks are divided into strategic and environmental risks, operational risks and sustainability risks. These risks affect, among other things, the company's business model and long-term strategic planning. They may have a negative impact on the Group's results or reputation.

Strategic and environmental risks refer to risks and external factors that have an impact on the company's business and market position. The Board and management develop strategies to manage these risks, which is done through strategy meetings. This includes risks related to acquisitions, suppliers, regulations and laws. External factors that may also affect operations include raw material prices, transport costs, local restrictions due to a pandemic, a worsening economy, and changes in market demand and taxes. Events that could lead to fewer restaurant visits, reduced demand and increased price competition, affect volumes and gross margins, among other things through increased discounts and customer bonuses. The development of a varied and attractive range is important for the Group to achieve good sales and earnings development.

Operational risks are normally handled by the respective operating unit and may refer to production interruptions, IT breakdowns, fire or other risks due to insufficient processes or handling errors. In many cases, the company can control this type of risk itself.

Sustainability risks include environmental, human rights and anti-corruption risks. This also includes risks such as not being able to keep up with external requirements regarding material development and reporting or legal requirements. These risks are managed through active prevention measures. The company also has activities and control mechanisms to counter them, for example through audits of suppliers under our Code of Conduct. To read more about our extensive sustainability work, see the Annual and Sustainability Report 2021.

Financial risks

The Group's financial management and its management of financial risks are regulated by a finance policy adopted by the Board of Directors. The Group divides its financial risks between currency risks, interest rate risks, credit risks, financing risks and liquidity risks. These risks are controlled in an overall risk management policy that focuses on unforeseen events in the financial markets and endeavors to minimize potential adverse effects on the Group's financial results. The risks for the Group are also related to the Parent Company in all essential respects. The Group's management of financial risks is described in more detail in the Annual and Sustainability Report 2021.

The Group's contingent liabilities have risen since the start of the year by SEK 22 m to SEK 78 m (56).

Risks related to Covid-19

The Covid-19 pandemic has had a major impact on the Group. The social restrictions introduced to prevent the spread of infection have resulted in government agencies restricting people's mobility. The Duni business area sells its products primarily in the HoReCa sector. The hotel, restaurant and catering businesses are all significantly affected. They have been forced to operate under severe restrictions, if they have been allowed to open at all. Throughout the pandemic, there has been a volatile market and the level of restrictions has varied between the quarters. There has been a clear correlation between sales and the level of restrictions. The Duni business area is vertically integrated, and owns its own paper mill and in-house conversion plants that produce napkins and table covers. As a result of the decrease in volumes, fixed costs were not fully absorbed, which impacted income even more negatively. The BioPak business area offers environmentally sound concepts for meal packaging and serving products for applications including take-away. The business area does not have in-house production, instead purchasing its products primarily from China and Europe. Many restaurants have had to transition their business and offer more take-away than before, which had a positive impact on the BioPak business area during the pandemic. There is some uncertainty about the more long-term effects of the pandemic, such as behavioral patterns concerning business travel, events and catering, as well as other market conditions.

Transactions with related parties

No significant transactions with related parties took place during the second quarter of 2022.

Major events during the period

No significant events have occurred during the period.

Major events since June 30

No significant events have occurred since the balance sheet date.

Interim reports

Q3	October 27, 2022
Q4	February 14, 2023

Board of Directors

At the Annual General Meeting on May 17, 2022, Morten Falkenberg, Thomas Gustafsson, Sven Knutsson, Pauline Lindwall and Pia Marions were re-elected as Board members. The AGM elected Thomas Gustafsson as Chairman of the Board.

Parent Company

Net sales for the period from January 1 to June 30 amounted to SEK 701 m (449). Income after financial items amounted to SEK -38 m (-7). The interest-bearing net debt amounted to SEK -292 m (-381), of which a net asset of SEK 1,892 m (1,692) derives from subsidiaries. Net investments amounted to SEK 9 m (10) and amortization was SEK 11 m (10).

Accounting principles

The interim report for the Group has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The Parent Company's financial statements have been prepared in accordance with RFR 2, Accounting for Legal Entities, and the Swedish Annual Accounts Act. Accounting principles have been applied as reported in the Annual Report for the year ended on December 31, 2021.

Information in the report

Duni AB (publ) publishes this information in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information will be provided for publication on July 15 at 12:00 midday.

At 14:00 PM on Friday, February 15, the report will be presented at a telephone conference, which can also be followed online. To participate in the telephone conference, call +46 (0)8-505 583 50. To follow the presentation online, please visit this link:

https://onlinexperiences.com/Launch/QReg/ShowUUID=264A4DA8-8D5F-4D51-9EC3-502FB668C59C

Both a Swedish and an English version of this report have been prepared. In the event of any discrepancy betwe en the two, the Swedish version will apply. This report has not been audited by the Company's auditor.

Report from Board of Directors and CEO

The Board of Directors and CEO affirm that this report provides a true and fair view of the group's financial position and performance and describes the substantial risks and uncertainties to which the group and the companies that are part of the group are subject.

Malmö, July 15, 2022

Thomas Gustafsson, Chairman of the Board

Morten Falkenberg, Director

Sven Knutsson, Director

Pauline Lindwall, Director

Pia Marions, Director

David Green, Employee Representative, LO

Maria Fredholm, Employee Representative, PTK

Robert Dackeskog, President and CEO

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Company registration number: 556536-7488

Financial reports

CONSOLIDATED INCOME STATEMENTS

SEK m (Note 1)	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Income	**1,724**	**1,124**	**3,167**	**2,056**	**6,172**	**5,061**
Cost of goods sold	-1,441	-930	-2,613	-1,758	-4,988	-4,133
Gross profit	**283**	**194**	**554**	**298**	**1,185**	**928**
Sales costs	-145	-127	-294	-244	-555	-505
Administrative expenses	-97	-67	-175	-126	-319	-271
Research and development expenses	0	0	0	0	-1	-1
Other operating income	43	64	47	97	83	133
Other operating expenses	-17	-21	-39	-39	-113	-112
EBIT	**67**	**43**	**93**	**-14**	**279**	**173**
Financial income	9	1	10	1	12	2
Financial expenses	-14	-9	-29	-25	-44	-40
Income from participation in associated companies	-2	-	-3	-	-4	-2
Net financial items	**-7**	**-8**	**-21**	**-24**	**-36**	**-39**
Income after financial items	**60**	**34**	**72**	**-38**	**243**	**133**
Income tax	-11	-16	-17	5	-78	-56
Net income	**49**	**18**	**55**	**-33**	**165**	**77**
Net income attributable to:						
- Equity holders of the Parent Company	48	18	53	-34	164	76
- Non-controlling interests	1	0	1	1	2	1
Earnings per share attributable to equity holders of the Parent Company:						
Before and after dilution (SEK)	1.02	0.38	1.13	-0.73	3.48	1.62
Average number of shares before and after dilution ('000)	46,999	46,999	46,999	46,999	46,999	46,999

STATEMENT OF COMPREHENSIVE INCOME

SEK m (Note 1)	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Net income	**49**	**18**	**55**	**-33**	**165**	**77**
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Remeasurement of net pension obligation*	32	-3	56	18	63	24
Total	**32**	**-3**	**56**	**18**	**63**	**24**
Items that may be reclassified subsequently to profit or loss:						
Translation differences for the period when translating foreign operations	-2	-19	48	2	61	14
Cash flow hedging	8	1	16	2	18	4
Total	**5**	**-18**	**64**	**4**	**78**	**18**
Other comprehensive income for the period, net of tax	**37**	**-21**	**120**	**21**	**141**	**43**
Sum of comprehensive income for the period	**86**	**-3**	**175**	**-12**	**307**	**120**
- Of which non-controlling interests	3	-6	6	-4	8	-2

*Post-employment benefit obligations are recalculated each quarter since interest rates vary depending on market circumstances; a lower rate of interest gives rise to a higher cost in comprehensive income and a higher pension debt, while a higher rate of interest gives rise to a lower cost in comprehensive income and a lower pension debt than in the preceding quarter.

CONSOLIDATED QUARTERLY INCOME STATEMENTS IN BRIEF

SEK m	2022		2021				2020	
Quarter	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Income	**1,724**	**1,443**	**1,552**	**1,453**	**1,124**	**932**	**1,181**	**1,251**
Cost of goods sold	-1,441	-1,172	-1,258	-1,117	-930	-828	-968	-973
Gross profit	**283**	**271**	**294**	**337**	**194**	**104**	**213**	**278**
Sales costs	-145	-148	-136	-125	-127	-117	-118	-121
Administrative expenses	-97	-78	-80	-64	-67	-59	-65	-68
Research and development expenses	0	0	-1	0	0	0	-2	0
Other operating income	43	4	28	8	64	35	54	12
Other operating expenses	-17	-22	-54	-20	-21	-19	-22	-19
EBIT	**67**	**26**	**51**	**135**	**43**	**-56**	**59**	**82**
Financial income	9	1	1	0	1	0	0	0
Financial expenses	-14	-15	-7	-7	-9	-16	-13	-13
Income from participation in associated companies	-2	-1	-1	-1	-	-	-	-
Net financial items	**-7**	**-14**	**-8**	**-7**	**-8**	**-16**	**-12**	**-13**
Income after financial items	**60**	**12**	**43**	**128**	**34**	**-72**	**47**	**69**
Income tax	-11	-6	-34	-27	-16	21	-12	-21
Net income	**49**	**6**	**9**	**102**	**18**	**-51**	**35**	**48**
Income attributable to:								
- Equity holders of the Parent Company	48	5	9	102	18	-52	35	48
- Non-controlling interests	1	1	0	0	0	1	0	0

CONSOLIDATED BALANCE SHEET IN BRIEF

SEK m	June 30, 2022	December 31, 2021	June 30, 2021
ASSETS			
Goodwill	2,060	2,010	2,020
Other intangible assets	329	344	381
Tangible assets	1,119	1,124	1,150
Financial assets	194	184	131
Total fixed assets	**3,703**	**3,662**	**3,682**
Inventory	1,483	1,253	920
Accounts receivable	1,074	860	717
Other receivables	299	225	308
Cash and cash equivalents	287	396	360
Total current assets	**3,143**	**2,734**	**2,305**
TOTAL ASSETS	6,846	6,396	5,987
EQUITY AND LIABILITIES			
Equity	2,863	2,714	2,615
Long-term financial liabilities	1,566	159	1,279
Other long-term liabilities	600	648	629
Total long-term liabilities	**2,167**	**807**	**1,908**
Accounts payable	586	723	400
Short-term financial liabilities	391	1,455	417
Other short-term liabilities	839	697	646
Total short-term liabilities	**1,816**	**2,874**	**1,464**
TOTAL EQUITY AND LIABILITIES	6,846	6,396	5,987

CHANGE IN THE GROUP'S EQUITY

SEK m	Attributable to equity holders of the Parent Company						
	Share capital	Other contributed capital	Reserves[1)]	Retained earnings including net income	**Total equity, shareholders of the Parent Company**	Non-controlling interests	**Total equity**
Opening balance January 1, 2021	**59**	**1,681**	**82**	**719**	**2,541**	**87**	**2,628**
Net income	-	-	-	-34	-34	1	-33
Other comprehensive income for the period. net after tax	-	-	8	18	26	-5	21
Sum of comprehensive income for the period	**-**	**-**	**8**	**-16**	**-8**	**-4**	**-12**
Remeasurement of liability to minority shareholders	-	-	-	0	0	-	0
Opening balance July 1, 2021	**59**	**1,681**	**91**	**702**	**2,532**	**83**	**2,615**
Net income	-	-	-	110	110	0	110
Other comprehensive income for the period. net after tax	-	-	13	7	19	2	21
Sum of comprehensive income for the period	**-**	**-**	**13**	**117**	**130**	**2**	**132**
Remeasurement of liability to minority shareholders	-	-	-	-33	-33	-	-33
Opening balance January 1, 2021	**59**	**1,681**	**103**	**786**	**2,630**	**85**	**2,714**
Net income	-	-	-	53	53	1	55
Other comprehensive income for the period. net after tax	-	-	60	56	116	4	120
Sum of comprehensive income for the period	0	0	60	110	169	6	175
Remeasurement of liability to minority shareholders	-	-	-	-26	-26	-	-26
Closing balance June 30, 2022	**59**	**1,681**	**163**	**870**	**2,772**	**91**	**2,863**

1) Of the total reserves, SEK 13 m relates to a fair value reserve and consists of revaluation of land according to previous accounting principles. The revalued amount was adopted as acquisition value in accordance with the transitional rules in IFRS 1 and has not changed since.

CONSOLIDATED CASH FLOW STATEMENT

SEK m	6 months Jan-Jun 2022	6 months Jan-Jun 2021
Operating activities		
Reported EBIT	93	-14
Adjusted for items not included in cash flow, etc.	79	103
Paid interest and tax	-57	-88
Change in working capital	-426	-177
Cash flow from operating activities	**-311**	**-175**
Investments		
Acquisitions of fixed assets	-44	-24
Sales of fixed assets	0	0
Acquisition of subsidiaries	-25	0
Acquisition of associated companies	-	-
Cash flow from investments	**-69**	**-24**
Financing		
Loans raised[1)]	225	223
Repayment of debt[1)]	-	-
Net change, overdraft facilities and other financial liabilities	80	4
Net change in lease liability	-40	-33
Cash flow from financing	**265**	**194**
Cash flow for the period	**-114**	**-5**
Cash and cash equivalents, opening balance	396	364
Exchange difference, cash and cash equivalents	5	0
Cash and cash equivalents, closing balance	**287**	**360**

[1)] Loans raised and repayments on loans within the adopted credit facility are recognized at their gross amounts for loans with maturities exceeding 3 months, in accordance with IAS 7.

KEY FINANCIALS IN BRIEF

	6 months Jan-Jun 2022	6 months Jan-Jun 2021
Net sales, SEK m	3,167	2,056
Gross profit, SEK m	554	298
Operating income, SEK m	142	18
Operating EBITDA, SEK m	251	122
Operating profit, EBIT, SEK m	93	-14
EBITDA, SEK m	233	122
Interest-bearing net debt, SEK m	1,750	1,516
Number of employees	2,226	2,195
Sales growth	54.0%	-0.6%
Organic growth	48.1%	2.4%
Gross margin	17.5%	14.5%
Operating margin	4.5%	0.9%
Operating EBITDA margin	7.9%	5.9%
EBIT margin	2.9%	-0.7%
EBITDA margin	7.4%	5.9%
Return on equity	1.9%	-1.3%
Return on capital employed[1)]	9.0%	4.4%
Return on capital employed, excluding goodwill[1)]	16.7%	8.9%
Interest-bearing net debt/equity	61.1%	58.0%
Interest-bearing net debt/operating EBITDA[1)]	2.84	3.86

[1)] Calculated on the basis of the last twelve months and operating income.

Alternative key financials are described in definitions. For reconciliation of these, see Note 5.

PARENT COMPANY INCOME STATEMENTS IN BRIEF

SEK m (Note 1)	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021
Income	**389**	**248**	**701**	**449**
Cost of goods sold	-374	-216	-684	-407
Gross profit	**15**	**32**	**7**	**42**
Sales costs	-30	-29	-56	-53
Administrative expenses	-71	-45	-124	-86
Research and development expenses	-1	0	-1	-1
Other operating income	76	60	143	115
Other operating expenses	-10	-9	-20	-17
EBIT	**-21**	**8**	**-41**	**0**
Revenue from participation in Group companies	12	3	12	3
Financial income	12	6	23	12
Financial expenses	-14	-7	-32	-22
Net financial items	**10**	**2**	**3**	**-7**
Income after financial items	**-10**	**10**	-38	**-7**
Income tax	1	-2	7	1
Net income	**-9**	**8**	**-32**	**-6**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021
Net income	**-9**	**8**	**-32**	**-6**
Other comprehensive income[1]:				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedging	5	6	5	-1
Total	**5**	**6**	**5**	**-1**
Other comprehensive income for the period, net of tax	**5**	**6**	**5**	**-1**
Sum of comprehensive income for the period	**-4**	**14**	**-26**	**-7**
- Attributable to equity holders of the Parent Company	-4	14	-26	-7

[1] The Parent Company does not have any items that "will not be reclassified to profit or loss".

PARENT COMPANY BALANCE SHEET IN BRIEF

SEK m	June 30, 2022	December 31, 2021	June 30, 2021
Goodwill	0	0	0
Other intangible assets	52	53	58
Total intangible assets	**52**	**53**	**58**
Tangible assets	24	25	24
Financial assets	3,669	3,340	3,285
Total fixed assets	**3,745**	**3,418**	**3,367**
Inventory	139	128	91
Accounts receivable	160	114	114
Other receivables	490	330	276
Cash and bank balances	184	285	263
Total current assets	**974**	**857**	**744**
TOTAL ASSETS	4,719	4,275	4,111
EQUITY, PROVISIONS AND LIABILITIES			
Restricted equity	83	83	85
Unrestricted equity	1,904	1,929	1,855
Total equity	**1,987**	**2,013**	**1,940**
Provisions	108	98	97
Long-term financial liabilities	1,425	-	1,113
Other long-term liabilities	1	0	0
Total long-term liabilities	**1,426**	**0**	**1,113**
Accounts payable	67	82	56
Short-term financial liabilities	278	1,431	385
Other short-term liabilities	852	651	521
Total short-term liabilities	**1,197**	**2,164**	**961**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	4,719	4,275	4,111

Notes

Note 1 • Accounting and valuation principles

As of January 1, 2005, Duni applies the International Financial Reporting Standards (IFRS) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with the IFRS as adopted by the EU and with the related reference to Chapter 9 of the Swedish Annual Accounts Act. The Parent Company's financial statements are prepared in accordance with RFR 2, Accounting for Legal Entities, and the Swedish Annual Accounts Act. The accounting policies are the same as in the Annual Report for the year ended on December 31, 2021, with the addition that participations in associated companies are reported in accordance with the cost method in the Parent Company. The Group has received government support in respect of short-time work and support for fixed costs. This assistance has been recognized as revenue under the Other operating income line item.

Note 2 • Financial assets and liabilities

The Group has derivative instruments measured at fair value and held for hedging purposes that are classified at level 2. Level 2 derivative instruments consist of currency forward contracts and interest rate swaps, and are used for hedging purposes. Measurement of currency forward contracts at fair value is based on published forward prices on an active market. The measurement of interest rate swaps is based on forward interest rates produced from observable yield curves. The discounting has no material impact on the measurement of level 2 derivative instruments. The put option issued to the minority owners of BioPak Pty Ltd at the time of acquisition is classified at level 3, and its measurement is largely based on unobservable market data such as the discount rate and future cash flows. No financial assets or liabilities have been moved between the valuation categories. The valuation techniques are unchanged during the year. As described in greater detail in the Annual Report for the year ended on December 31, 2021, the financial assets and liabilities comprise items with short terms to maturity. The fair value is therefore in all essential respects considered to correspond to the carrying amount.

Note 3 • Segment reporting

Group management, which is the highest executive and decision-making body, decides on the allocation of resources within the Group and evaluates the results of operations. Group Management manages the performance of the business through the business areas on the basis of sales and operating income. The Group's operations are divided into two business areas, Duni and BioPak. Each business area has full responsibility for its respective value chain. Products are sold via a consolidated commercial organization divided into six regions. Each region is responsible for local sales and marketing of both brands, Duni and BioPak, to all customers. The regions are:

– NorthEast: Northern and Eastern Europe
– Central: Germany, Austria and Switzerland
– West: The Netherlands, Belgium, Luxembourg, the UK and Ireland
– South: France, Spain and Italy.
– Rest of World: All sales outside Europe with Australia accounting for over 50%, New Zealand and Thailand each at 10–15% and Singapore at just over 5% of the sales.
– Other Sales: External sales of tissue and airlaid materials from the Skåpafors factory and external sales of finance and accounting services from the finance function in Poznan are included in the Duni segment.

The Group also has a central marketing department responsible for branding strategy, marketing communications, product development and innovation. Group-wide functions such as accounting, HR, communications, sustainability, and IT are largely shared by the business areas, and the expenses for these are allocated by the percentage of sales of each business area, Duni and BioPak. The Duni business area has a vertically integrated business model for small paper-based products such as napkins and table covers. This means that the entire production and delivery chain is owned and controlled by the business area, from material manufacture and concept development to conversion and distribution. The BioPak business area does not have in-house production. There is a large procurement organization here, and it is a major part of the business.

OPERATING SEGMENTS, GROUP

SEK m	Apr-Jun 2022			Apr-Jun 2021		
	Duni	BioPak	Duni Group	Duni	BioPak	Duni Group
Total net sales	980	751	1,731	514	616	1,130
Revenue from other segments	7	0	7	6	0	6
Net sales from external customers	973	751	1,724	508	616	1,124
Operating income	71	20	91	-3	62	58
EBIT			67			43
Net financial items			-7			-8
Income after financial items			60			34

SEK m	Jan-Jun 2022			Jan-Jun 2021		
	Duni	BioPak	Duni Group	Duni	BioPak	Duni Group
Total net sales	1,787	1,394	3,181	921	1,149	2,069
Revenue from other segments	13	0	13	12	1	13
Net sales from external customers	1,774	1,393	3,167	909	1,147	2,056
Operating income	91	51	142	-87	104	18
EBIT			93			-14
Net financial items			-21			-24
Income after financial items			72			-38

QUARTERLY OVERVIEW PER SEGMENT

Net sales	2022		2021				2020	
SEK m	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Duni	973	801	896	857	508	401	673	767
BioPak	751	642	656	596	616	531	508	484
Duni Group	**1,724**	**1,443**	**1,552**	**1,453**	**1,124**	**932**	**1,181**	**1,251**
Operating income								
SEK m	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Duni	71	21	84	96	-3	-83	1	68
BioPak	20	31	26	55	62	43	49	42
Duni Group	**91**	**51**	**110**	**151**	**58**	**-41**	**51**	**110**

NET SALES PER REGION, THE GROUP*

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2022[1)]	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2022[1)]	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
NorthEast	327	325	245	579	575	413	1,116	950
Central	457	437	246	860	824	488	1,724	1,351
West	259	247	177	473	450	299	992	819
South	195	188	94	332	321	153	655	476
Rest of World	444	413	328	831	782	616	1,546	1,332
Other sales	43	43	34	93	93	86	140	133
Duni Group	**1,724**	**1,654**	**1,124**	**3,167**	**3,046**	**2,056**	**6,172**	**5,061**
Time of revenue recognition								
Goods/services transferred at once	1,724	1,654	1,124	3,167	3,046	2,056	6,172	5,061
Goods/services transferred over time	-	-	-	-	-	-	-	-
Total	**1,724**	**1,654**	**1,124**	**3,167**	**3,046**	**2,056**	**6,172**	**5,061**

* During 2020 and Q1 2021, regional sales were reported incorrectly on the basis of in which country the sales originated, instead of to which market sales were made. The figures for 2020 have been corrected in reports as of Q2 2021.

1) Reported net sales for 2022 recalculated at 2021 exchange rates.

NET SALES PER REGION, DUNI BUSINESS AREA

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2022[1)]	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2022[1)]	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
NorthEast	172	170	110	303	300	173	592	462
Central	375	360	169	708	679	334	1,434	1,059
West	170	163	98	306	292	151	661	505
South	141	137	49	229	221	71	461	303
Rest of World	72	68	49	135	129	96	240	201
Other sales	43	43	33	93	93	85	140	132
Duni	**973**	**941**	**508**	**1,774**	**1,715**	**909**	**3,527**	**2,662**

1) Reported net sales for 2022 recalculated at 2021 exchange rates.

NET SALES PER REGION, BIOPAK BUSINESS AREA

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2022[1)]	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2022[1)]	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
NorthEast	155	155	134	276	275	241	524	489
Central	81	78	77	152	145	154	290	292
West	89	84	80	166	158	149	331	313
South	54	52	45	103	100	82	193	173
Rest of World	373	345	279	696	653	521	1,306	1,131
Other sales	0	0	1	0	0	1	0	1
BioPak	**751**	**713**	**616**	**1,393**	**1,331**	**1,147**	**2,645**	**2,399**

[1)] Reported net sales for 2022 recalculated at 2021 exchange rates.

NET SALES PER PRODUCT, THE GROUP

SEK m, Jan-Jun 2022	Duni	BioPak	Duni Group
Napkins	1,232	35	1,267
Table covers	277	0	277
Candles	94	0	94
Packaging solutions	1	696	697
Serving products	0	602	603
Other	169	60	229
Total	**1,774**	**1,393**	**3,167**

Note 4 • Reporting and disclosures on restructuring costs

RESTRUCTURING COSTS

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Cost of goods sold	-	-	-1	-	-5	-3
Sales costs	1	-	-7	0	-9	-2
Administrative expenses	-10	-	-10	-	-15	-5
Other operating expenses/income	-	-	-	-	-	-
Total	-9	0	-18	0	-28	-10

The restructuring cost amounts to SEK -18 m (0). SEK 8.5 m relates to the closure of the Russian sales office and SEK 9.5 m to accrued costs to evaluate strategic alternatives to optimize the long-term value of BioPak Pty Ltd in Australia. In 2021, a decision was taken to close Duni Song Seng in Singapore, and a restructuring cost of SEK m 10 was reported for this.

Note 5 • Alternative key financials

BRIDGE BETWEEN OPERATING INCOME AND EBIT

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Operating income excluding IFRS 16 Leases	90	57	140	15	399	274
Effects of IFRS 16 Leases	1	1	3	3	5	5
Operating income	**91**	**58**	**142**	**18**	**404**	**279**
Restructuring costs	-9	0	-18	0	-28	-10
Amortization of intangible assets identified in business combinations	-15	-16	-31	-31	-96	-96
Fair value allocation in connection with acquisitions	-	-	-	0	0	0
Gain on restatement of pension terms	-	-	-	-	-	-
EBIT	**67**	**43**	**93**	**-14**	**279**	**173**

BRIDGE BETWEEN OPERATING EBITDA, EBITDA AND EBIT

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Operating EBITDA excluding IFRS16 Leases	125	93	211	88	543	420
Effects of IFRS 16 Leases	22	17	40	34	73	67
Operating EBITDA	**147**	**110**	**251**	**122**	**616**	**487**
Restructuring costs	-9	0	-18	0	-28	-10
Fair value allocation in connection with acquisitions	0	0	0	0	0	0
Gain on restatement of pension terms	-	-	-	-	-	-
EBITDA	**138**	**110**	**233**	**122**	**588**	**476**
Amortization of intangible assets identified in business combinations	-15	-16	-31	-31	-96	-96
Amortization of right-of-use assets	-21	-16	-38	-31	-69	-62
Other amortization included in EBIT	-36	-36	-71	-73	-144	-146
EBIT	**67**	**43**	**93**	**-14**	**279**	**173**

BRIDGE BETWEEN REPORTED NET SALES AND ORGANIC GROWTH

SEK m	3 months Apr-Jun 2022	3 months Apr-Jun 2021	6 months Jan-Jun 2022	6 months Jan-Jun 2021	12 months Jul-Jun 21/22	12 months Jan-Dec 2021
Net sales	**1,724**	**1,124**	**3,167**	**2,056**	**6,172**	**5,061**
Currency effect[1)]	-70	34	-121	63	-127	86
Currency-adjusted net sales	**1,654**	**1,159**	**3,046**	**2,119**	**6,045**	**5,148**
Less acquisitions	-	-	-	-	-	-
Net sales for organic growth	**1,654**	**1,159**	**3,046**	**2,119**	**6,045**	**5,148**
Organic growth	**47.2%**	**40.7%**	**48.1%**	**2.4%**	**35.2%**	**14.4%**

Definitions of key financials

The Group uses financial metrics that not defined by the IFRSs in some cases but instead are alternative key financials. The purpose is to give the reader further information, which contributes to a better and more specific comparison of the company's performance from year to year. One alternative key financial used is Operating income. The management team manages its activities and the business areas are measured using this metric. For reconciliation of alternative key financials, see Note 5. The key financials are defined as follows:

Capital employed: Non-interest-bearing fixed and current assets, excluding deferred tax assets, less non-interest-bearing liabilities.

Cost of goods sold: Cost of goods sold, including production and logistics costs.

Earnings per share: Net income divided by the average number of shares.

EBIT: Reported operating profit.

EBIT margin: EBIT as a percentage of net sales.

EBITA: Operating profit before amortization of intangible assets.

EBITDA: Operating profit before depreciation and amortization of fixed assets.

EBITDA margin: EBITDA as a percentage of net sales.

Gross margin: Gross profit as a percentage of net sales.

Interest-bearing net debt: Interest-bearing liabilities and pensions less cash and cash equivalents and interest-bearing receivables.

Number of employees: The number of active full-time employees at the end of the period.

Operating EBITDA: EBITDA less restructuring costs and fair value allocations.

Operating EBITDA margin: Operating EBITDA as a percentage of net sales.

Operating income: EBIT less restructuring costs, fair value allocations and amortization of intangible assets identified in connection with business acquisitions.

Operating margin: Operating income as a percentage of net sales.

Organic growth: Sales growth adjusted for currencies and acquisitions. Acquired companies are included in organic growth when they have comparable quarters. For 2018 and previous years, organic growth has been calculated when acquired companies have been a part of the Duni Group for eight quarters.

Return on equity: Net income as a percentage of equity.

Return on capital employed: Operating profit as a percentage of capital employed.

Glossary

Airlaid: A material known for its wetness allocation, absorption capability and softness. The process is based on using air to divide the fibers in the material, instead of water as in traditional tissue production. Airlaid is used for table covers, placemats and napkins.

Bagasse: Bagasse is a waste product from cane sugar processing after the sugar has been extracted. The material is 100% biodegradable. Bagasse is used primarily in the BioPak business area's meal packaging solutions and serving products such as plates, bowls and take-away boxes.

Circularity: An integrated holistic approach to the sustainability-related challenges faced by the Group. It encompasses the whole life cycle – from material selection and impact on the life cycle, to ultimate solutions.

Conversion: The production phase in which tissue and airlaid in large rolls are cut, pressed, embossed and folded into finished napkins and table covers.

Currency adjusted/currency impact translation effects: Figures adjusted for changes in exchange rates related to consolidation. Figures for 2022 are calculated at exchange rates for 2021. Effects of translation of balance sheet items are not included.

Ecoecho®: Ecoecho is a product range of serving and meal solutions with sound environmental characteristics. This range uses the best available materials with the aim of limiting the use of non-renewable resources, thereby reducing our carbon footprint. The products have been developed with the environment in mind and have been selected on the grounds that they possess one or more environmentally approved characteristics.

EcoVadis: A world-leading independent company that analyzes and evaluates the sustainability of other companies annually. The assessment is based on criteria in four different areas: The environment, fair working conditions, business ethics and the supply chain.

Our Decade of Action: Duni Group's updated strategy with a long-term vision, a higher purpose and a clear sustainability agenda based on UN Agenda 2030. With our "Decade of Action" we want to lead the way in sustainability.

Private label: Products marketed under the customer's own label.

Science Based Targets (SBT): A method for companies to set scientifically based climate targets in line with the Paris Agreement. The company inventories its emissions throughout its value chain and links its targets to investments in which the economy, feasibility and other effects are closely investigated.

SUP: The EU's Single Use Plastics Directive, which aims to implement a series of measures for Member States to address the negative environmental impacts of certain plastic products.

Sustainable Goodfoodmood®: The Duni business area's brand platform - to create a pleasant atmosphere and positive mood at all times when food and drink are prepared and served - a Goodfoodmood.

The GHG Protocol: The leading standard for business to measure, manage and report greenhouse gas emissions.

UNGC: The United Nations Global Compact (UNGC) is the world's largest initiative to gather business around corporate interests sustainability, no matter how large or complex a company is or where it is.

Vertical integration: The vertical integration means that the Group, through the Duni business, owns virtually the entire value chain for tablecloths and napkins (tissue and airlaid).