
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of April 2025

Commission File Number: 001-40401

Oatly Group AB

(Translation of registrant's name into English)

Ångfärjekajen 8
211 19 Malmö
Sweden

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

On April 28, 2025, Oatly Group AB (the "Company") published its Swedish statutory annual report for 2024 (the "Annual Report"), a copy of which is furnished as Exhibit 99.1. The Annual Report is also available on the Company's website at <https://investors.oatly.com/financials-filings>.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Annual Report for 2024

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Oatly Group AB

Date: April 28, 2025

By: /s/ Marie-José David

Name: Marie-José David

Title: Chief Financial Officer

Annual Report

and

Consolidated Financial Statements

for

Oatly Group AB (publ)

559081-1989

Financial year

2024

The Board of Directors and Chief Executive Officer (“CEO”) of Oatly Group AB (publ) (“Oatly”, the “Parent Company” or the “Company”, and together with its subsidiaries, the “Group”) hereby present the annual report and consolidated financial statements for the 2024 financial year (the “Annual Report”).

The consolidated financial statements have been prepared in U.S. dollars (“USD” or “\$”), and all amounts are in thousands of U.S. dollars (TUSD) unless otherwise specified. The Annual Report for the Parent Company has been prepared in Swedish kronor (“SEK”), and all amounts are in thousands of Swedish kronor (TSEK) unless otherwise specified.

Administration report

Information regarding the operations

Oatly handles the administration of the Group and its financing. The major operations in the Group take place in underlying companies, primarily in Oatly AB. Oatly AB is an innovative company operating within sustainable nutritional health. The Company develops, produces and sells oat-based dairy substitute products, primarily under its own brand, Oatly.

The Company’s registered office is in Malmö, Sweden.

Ownership

Nativus Company Limited owns 45.4% of the Company’s ordinary shares. None of the remaining shareholders own more than 10%. Oatly is listed on the Nasdaq Global Select Market, US.

Significant events during the financial year

Revenue increased by \$40.3 million, or 5.1%, to \$823.7 million for the year ended December 31, 2024, net of sales discounts, rebates and trade promotions, from \$783.3 million for the year ended December 31, 2023. This revenue growth was mainly driven by continued volume growth for our products in North America and Europe & International, but was partially offset by revenue decline in the Greater China segment. In the Greater China segment, the first half of the year was impacted by the Company’s decision from 2023 to refocus into the foodservice channel which led to the discontinuation of certain lower-margin products and customers, and the second half of the year benefited from sales to a new large foodservice customer. Excluding a foreign currency exchange tailwind of \$2.2 million, revenue for the twelve months ended December 31, 2024 would have been \$821.4 million, or an increase of 4.8%, using constant exchange rates (refer to Non-IFRS Financial Measures section below for tables reconciling revenue as reported to revenue on a constant currency basis). Sold finished goods volume for the twelve months ended December 31, 2024 amounted to 563.4 million liters compared to 517.7 million liters for the prior year period, an increase of 8.8%. The produced finished goods volume for the twelve months ended December 31, 2024 amounted to 576.3 million liters compared to 506.3 million liters for the same period last year, an increase of 13.8%.

Oatly continues to execute on its strategic priorities focused on achieving profitable growth. These actions are aimed at setting clear priorities for the teams, reducing complexity to increase organizational agility, and executing a more asset-light supply chain strategy. In executing these actions, the Company simplified its organizational structure. The Company reviewed the organizational structure to adjust the fixed cost base globally, including employee-related costs, professional services, and other related costs. Oatly has recorded restructuring costs of \$8.2 million in 2024 related to these actions (2023: \$14.8 million).

During the fourth quarter 2023, Oatly decided to discontinue the construction of the production facilities in Peterborough, UK and Dallas-Fort Worth, Texas. During 2024, the Company completed substantially all of the activities relating to the exit of these two facilities. Also, in 2024, Oatly decided to close the production facility in Singapore and discontinued the construction of the second production facility in China, which has historically been referred to as “Asia III”. Oatly currently operate five manufacturing facilities, with two in the United States, one in Sweden, one in the Netherlands, and one in China.

As a result of the strategic actions and restructuring activities during the year, our number of employees has decreased by 66 employees, to 1,482 employees as of December 31, 2024 from 1,548 employees as of December 31, 2023. The average number of full-time consultants decreased by 23 consultants to 80 consultants for the year ended December 31, 2024 from 103 consultants for the year ended December 31, 2023.

Effective as of January 1, 2024 the Company has made changes to how it makes strategic decisions and allocates resources among its operating segments. As part of this change the Greater China business will be managed separately from the rest of the Asia business, forming its own operating segment. The rest of the Asia business, including the Singapore manufacturing facility, will be managed together with the current EMEA business, which is now identified as Europe & International. Following these changes the new operating segments are (i) Europe & International, (ii) North America and (iii) Greater China. In addition to the above-described changes, a

majority of the research and development expenses, currently part of corporate overhead, will be allocated to the operating segments to align with how resources are being allocated and monitored as of January 1, 2024.

Since the Company's inception, the operations have been financed primarily through cash generated by the issuance of equity and Convertible Notes, and from borrowings under the Company's credit facilities. The Company's primary requirements for liquidity and capital are to finance working capital, make capital expenditures, invest in organizational capabilities to support profitable growth and for general corporate purposes. Oatly is using this combination of financing to fund the business. The Company expects its capital expenditures for 2025 to be in the range of \$30 million to \$35 million, related primarily to investments in its production facilities. The amount and allocation of future capital expenditures depend on several factors, and the strategic investment priorities may change. The Company's recent decisions to discontinue construction at the production facility in China (Asia III), and close the production facility in Singapore, have impacted the projected capital expenditures. The Company believes that its sources of liquidity and capital will be sufficient to meet the existing business needs for at least the next 12 months from the end of the reporting period.

On February 14, 2024, the Sustainable Revolving Credit Facility Agreement and the Term Loan B Credit Agreement were amended and restated to, among other things, (i) reset the financial covenant levels applying to the minimum EBITDA (including separate testing of the Group's Europe & International EBITDA, the definition of which has subsequently been corrected by way of subsequent amendment), minimum liquidity and total net leverage ratio financial covenants and, in relation to the Sustainable Revolving Credit Facility Agreement, the tangible solvency ratio financial covenant, (ii) revise certain financial definitions to permit additional adjustments for the purpose of the calculation of the financial covenants and (iii) provide certain flexibility for disposals of assets relating to the Group's production facilities in Dallas Fort Worth, Texas, United States of America and Peterborough, United Kingdom. In addition, the existing draw-stop level for the Sustainable Revolving Credit Facility Agreement, which requires that a certain amount of such facility remains undrawn for as long as the last twelve months' ("LTM") consolidated EBITDA of the Group is negative, has been increased from \$50 million to \$100 million, and the original 24 months' non-call/make-whole period applying under the Term Loan B Credit Agreement has been reset to apply for the 18 months following the amendment effective date (for the avoidance of doubt, the subsequent 12 months' prepayment fee period still applies after the end of such 18-month period).

Under the amended Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement, the total net leverage ratio financial covenant, tested in respect of the LTM period ending on each quarter date, will start to apply in respect of the LTM period ending on 31 December 2026 and the applicable financial covenant level will be 4.50:1, stepping down to 3.50:1 for each LTM period ending in 2027 and to 3.00:1 for each LTM period in 2028. The reset quarterly tangible solvency ratio financial covenant level applying under the amended Sustainable Revolving Credit Facility Agreement is 30%.

On February 14, 2024, the EIF Facility was amended and restated to, where and to the extent applicable, implement equivalent amendments as those made to the Sustainable Revolving Credit Facility Agreement on February 14, 2024.

Parent company

Customary group management functions and group wide services are provided via the Parent Company. Net revenues for the Parent Company during the year 2024 were 40.9 MSEK (2023: 17.4 MSEK) with loss before tax amounting to 1 421.2 MSEK, and loss before tax amounting to 8 976.1 MSEK in 2023.

Significant events after the end of the financial year

On February 11, 2025, the Group's Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement were amended and restated to, among other things, (i) reset certain financial covenant levels applying to the minimum liquidity financial covenant, (ii) revise certain financial definitions to permit additional adjustments for the purpose of the calculation of certain financial covenants, including in relation to certain costs relating to the discontinuance of certain of the Group's manufacturing facilities and (iii) provide certain flexibility for disposals of assets relating to the relevant manufacturing facilities.

The amended Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement impose limitations on drawdowns under the Sustainable Revolving Credit Facility Agreement (other than under ancillary facilities, such as overdraft facilities and bank guarantees, which are exempted from these limitations) based on the last four quarters' consolidated EBITDA of the Group, where, if last four quarters' consolidated EBITDA of the Group is:

- (i) less than \$0, \$0 may be drawn; and
- (ii) equal to or greater than \$75 million, the full amount of the existing facility may be drawn,

with interim steps in between, and increases requiring improved performance for two consecutive four quarter periods and reductions requiring decreased performance for one four quarter period.

On February 11, 2025, the EIF Facility was amended and restated to, where and to the extent applicable, implement equivalent amendments as those made to the Sustainable Revolving Credit Facility Agreement on February 11, 2025.

On February 18, 2025, the Company completed a ratio change whereby the ratio of its American Depositary Shares (“ADS:s”) to ordinary shares was changed from one ADS representing one ordinary share to one ADS representing twenty ordinary shares.

On March 19, 2025, Oatly Shanghai Co., Ltd. entered into a new RMB 30 million (equivalent of \$4.1 million) working capital credit facility with China Merchants Bank Co., Ltd. Shanghai Branch (the “CMB Credit Facility”). Individual utilizations under the CMB Credit Facility are subject to the lender's approval. The CMB Credit Facility is available for one year, is unsecured, and includes creditor protection in the form of, among other things, representations, covenants (including negative pledge, restrictions on borrowings, investments and dispositions by Oatly Shanghai Co., Ltd., distributions by Oatly Shanghai Co., Ltd. and entry into transactions with its affiliates) and events of default.

Since the end of the fiscal year, we have observed significant uncertainties and changes in tariffs due to the ongoing uncertainty in the global economy and related trade conflicts. Trade conflicts, tariffs, and other trade barriers can affect the price of oats and other ingredients used in our products, and may have a negative impact on our operations, financial position, and results. We will closely monitor the effects of trade conflicts, tariffs, and other trade barriers on our business and take appropriate measures to mitigate any impact.

Expected future development and significant risks and uncertainties

Our business continues to be exposed to the effects of the current global macroeconomic environment. We continue to maintain a global focus on the controllable aspects of our business while navigating the challenging operating environment. Our fiscal 2024 revenue growth reflects solid demand for our products despite ongoing uncertainty in the global economy. We will continue to closely monitor macroeconomic conditions, including potential impacts of inflation and interest rate changes on consumer behavior.

As a result of inflationary pressures over the past several years, we have experienced and may continue to experience, higher commodity and supply chain costs, including transportation, packaging, manufacturing, and ingredient costs, as well as higher electricity costs. We have in the past taken, and may in the future take, measures to mitigate the impact of this inflation, such as a combination of strategic pricing actions, product and customer mix management, operational improvements in our supply chain, and reductions in our overhead costs.

Russian invasion of Ukraine in February 2022 has resulted in many broader economic impacts such as sanctions and bans against Russia and Russian products imported into certain countries in Europe and the United States. Such sanctions and bans have impacted, and may continue to impact, commodity pricing such as fuel and energy costs, leading to higher transportation costs which make it more expensive for us and our partners to deliver products to our customers. We do not directly procure goods or services from Russia or Ukraine. However, these two countries are large exporters of farm produce and fertilizer. This has indirectly impacted the supply and pricing of certain ingredients for our products. We also have experienced an impact on supply chains due to the ongoing war and, for example, have removed rail transport to Asia through Russia. Further sanctions, bans, or other economic actions in response to the ongoing war in Ukraine or in response to any other global conflict could result in an increase in costs, further disruptions to our supply chain, and a lack of consumer confidence resulting in reduced demand. While the extent of such items is not presently known, any of them could negatively impact our business, results of operations, and financial condition. Additionally, further escalation of geopolitical tensions related to the ongoing conflict in the Middle East and the conflict in the Red Sea, including increased trade barriers or restrictions on global trade, could result in, among other things, broader impacts that expand into other markets, cyberattacks, supply chain and logistics disruptions, and changes to foreign exchange rates and financial markets, any of which may adversely affect our business and supply chain, or a diminished consumer confidence resulting in reduced demand.

Any trade tensions or trade wars, for example, between the United States and China, the United States and Canada, the United States and Mexico, the United States and the EU, or news and rumors of potential retaliatory tariffs, could have an adverse impact on our business, financial condition and results of operations. We will closely monitor the impact of changes in tariffs and other trade barriers on our business and take appropriate measures to offset any potential headwinds.

Innovation

Oatly works extensively with innovation. Since inception, our innovation goal has been to build the best possible form of milk and other dairy products for humans and our planet. Through our more than 30-year history of making oat products, we have developed a deep expertise around oats and production craftsmanship. We believe we are well positioned to leverage science to address key societal problems and maintain our market leadership in plant-based dairy.

Today, we have a global Food Innovation team with a central technology development team in Sweden, and globally-led but regionally-executed product development teams in the Europe & International, North America och Greater China. To further strengthen our capabilities, in 2023 we established a Research and Innovation Center in Sweden where we partner with leading scientists and industry experts to ensure we stay at the forefront of oat expertise and human health. Given one of our key focuses is building a broad and relevant product portfolio within plant-based dairy, we continuously explore and enter new product categories, making the change to plant-based easy for the consumers. We strive to create great, sustainable, delicious and nutritious food with optimal taste, functionality and texture.

Financial risk control and use of financial instruments

Through its operations, the Group is exposed to various financial risks attributable to primarily cash, short-term investments, trade receivables, trade payables and liabilities to credit institutions. The financial risks are market risk (mainly interest risk and currency risk), credit risk, liquidity risk and refinancing risk. The Group strives to minimize potential unfavorable effects from these risks on the Group's financial results. See Note 3 *Financial risk management* for further information on the Group's management of financial risks.

Other non-financial disclosures

The Group works actively on systematic and practical occupational health and safety activities and the goal is a safe workplace with a high level of employee attendance and zero accidents. The Group also works actively on equality and issues of equal treatment together with an updated equal treatment policy. In Sweden, there are collective agreements signed with Livsmedelsföretagen and Livsmedelsarbetareförbundet, Unionen, Sveriges Ingenjörer and Ledarna.

Operations subject to permits

Our operations in Landskrona, Sweden are licensable under the Environmental Assessment Ordinance (SFS 2013:251): 15.90-i and 90.15-i. The B license becomes mandatory when production exceeds 75,000 tons per calendar year and for the handling of treatment for the operation's process wastewater. The operations are conducted by Oatly Sweden Operations & Supply AB, which holds the necessary permits.

Since December 2020, we have used the existing license to conduct existing and expanded operations in the form of 200,000 tons of product per calendar year. The license also covers the construction and operation of a waste treatment plant for the operation's processed wastewater. The initial license to discharge processed wastewater to the municipal wastewater treatment plant has now expired and all processed wastewater has been treated in the Company's own wastewater treatment plant since 22 December, 2021. The processed wastewater is discharged to the municipal treatment plant "Lundåkrabassängen" in accordance with the license.

In 2024, the operations applied for an amendment to the existing permit concerning modified fuel usage in accordance with Chapter 16, Section 2a of the Swedish Environmental Code, a so-called amendment permit. The County Administrative Board decided on January 10, 2024, that the planned change in the operations would not result in any significant environmental impact. The amendment permit was issued on October 3, 2024, and grants the operations the right to handle, store, and use the fuel type wood powder (wood pellets) for steam production, in addition to the previously approved fuel types. The amendment permit was utilized on October 24, 2024, and is subject to relevant associated conditions, which the operations comply with.

Additionally, the Group also has operations subject to permits in the US, the UK, the Netherlands and China related to the carried-out production.

In 2024, all operating licenses, permits, and other authorizations are approved for current operations in Millville (US). Millville has the necessary FDA Food Facility Registration, registration number and the Certificate of Registration for Food Establishment from the Department of Health New Jersey.

Millville has applied for an update of the following licenses: Air Permit License for Oats silo, a General Air Permit, Air permit for Multi-cracker which is valid until March 2028, Waste Water Discharge permit NJDEP until February 2030, Vegetative Waste permit for sludge and Oat-fiber waste, Boiler Operation Permit, Storm Water permit. For 2024, Millville completed their BRC unannounced audit in July 2024 (no non-conformance with AA+ rating).

In 2024 Ogden (US) had the necessary FDA Food Facility Registration, FCE (Food Canning Establishment) registration number and the Certificate of Registration for Food Establishment from the Department of Agriculture and Food, State of Utah. For 2024, Ogden will keep these registrations and YYF will apply for their own relevant registrations from the FDA and the State of Utah. As of March 1, 2023, YYF will be responsible for maintaining the required wastewater & air permit licenses for Ogden and Oatly will not maintain any such permits or licenses.

Ogden completed their BRC audit in December 2023 (no non-conformances with AA+ rating). The last audit was completed in January 2025 (no non-conformances with AA rating).

Landskrona (Sweden) and Vlissingen (Netherlands) hold approved licenses, permits and other authorizations required to support existing operations and anticipated growth. The renewed BRC certificate for Landskrona was obtained in April 2024. The latest audit was conducted in March 2025 with an approved result, and the current certificate is expected to be renewed. The current certificate expires May 2025. The organic certification was renewed until January 31, 2026. Vlissingen received a renewed BRC certificate in July 2024 and is expected to undergo the next audit before July 2025. The current certificate expires on August 23, 2025. Vlissingen has also renewed its Organic, Kosher, Halal, and GMP+ certifications, which are valid until July 31, 2025.

The Ma'anshan Factory (China) obtained the production license in September 2021 that will be effective for five years. In November 2023, the Ma'anshan Factory updated the production license for new categories expansion including coffee beverages and vegetable cream. The license will be effective for five years.

The Ma'anshan Factory passed BRCGS renewal audit in November 2024 and FSSC22000 renewal audit in October 2024. The Ma'anshan Factory obtained the certificate of export food production enterprise in 2023 which will be long-term effective. Further, the Ma'anshan Factory obtained the EU organic certificate and China organic certificate for organic oatmilk in October 2024 that will be effective for one year. Maanshan Factory obtained the certificate of JAKIM HALAL for Oat Milk Deluxe and Oat Drink Barista Edition in September 2024 which will be effective until September 2027.

Environmental impact

Sustainability is at the core of our business. Our vision is to be a company that leads a global movement to reduce human consumption of cow's milk by half. In general, oatmilk leads to fewer greenhouse gas emissions compared to cow's milk. Specifically, based on certain product-level calculations we have commissioned in Europe and on additional studies, we generally see that oatmilk products have a significantly lower climate (CO₂equivalent) impact relative to comparable dairy products.

Sustainability report

A sustainability report is separately published at www.oatly.com. The report gives an account of our overall work on pursuing a greater transformation of society, linked above all to production and consumption of plant-based food and drink.

Sales, earnings and financial position, Group

Group (TUSD)	2024	2023	2022
Revenue	823,666	783,348	722,238
Loss before tax	(198,573)	(408,165)	(397,394)
Total assets	803,980	1,116,971	1,225,197
Equity/asset ratio* (%)	13.2%	30.1%	64.6%
Average number of employees	1,516	1,775	1,880

* Total equity as a percentage of total assets.

Proposed appropriation of profits

The Board of Directors proposes that profits available for disposal (SEK)

Share premium reserve	13,126,053,252
Retained earnings	(6,390,105,837)
Profit of the year	(1,306,611,023)
	5,429,336,392

be appropriated as follows to be carried forward

5,429,336,392

The Group's and Parent Company's results and financial position in general are shown in the following income statements, balance sheets and cash-flow statement with associated Notes.

Consolidated statement of operations

For the year ended December 31 (in thousands of U.S. dollars, except share and per share data)	Note	2024	2023
Revenue	5	823,666	783,348
Cost of goods sold		<u>(587,174)</u>	<u>(631,265)</u>
Gross profit		236,492	152,083
Research and development expenses		(30,135)	(21,047)
Selling, general and administrative expenses		(324,719)	(373,396)
Other operating income and (expenses), net	10	<u>(67,790)</u>	<u>(214,652)</u>
Operating loss		(186,152)	(457,012)
Finance income	11	57,758	117,876
Finance expenses	11	<u>(70,179)</u>	<u>(69,029)</u>
Loss before tax		(198,573)	(408,165)
Income tax (expense)/benefit	13	<u>(3,699)</u>	<u>(8,895)</u>
Loss for the year		<u>(202,272)</u>	<u>(417,060)</u>
Attributable to:			
Shareholders of the parent		(201,949)	(416,874)
Non-controlling interests		(323)	(186)
Loss per share, attributable to shareholders of the parent:			
Basic and diluted	33	<u>(0.34)</u>	<u>(0.70)</u>
Weighted average common shares outstanding:			
Basic and diluted	33	<u>596,886,163</u>	<u>593,600,863</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive loss

For the year ended December 31 (in thousands of U.S. dollars)	Note	2024	2023
Loss for the year		(202,272)	(417,060)
Other comprehensive loss:			
Items that may be subsequently reclassified to consolidated statement of operations (net of tax):			
Exchange differences from translation of foreign operations		(40,985)	10,935
Items that will not be subsequently reclassified to consolidated statement of operations (net of tax):			
Fair value changes on Convertible Notes attributable to changes in credit risks	19	—	(72,656)
Total other comprehensive loss for the year		(40,985)	(61,721)
Total comprehensive loss for the year		(243,257)	(478,781)
Attributable to:			
Shareholders of the parent		(242,905)	(478,595)
Non-controlling interests		(352)	(186)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of financial position

For the year ended December 31 (in thousands of U.S. dollars)	Note	2024	2023
ASSETS			
Non-current assets			
Intangible assets	15	116,208	130,326
Property, plant and equipment	16	294,199	360,286
Right-of-use assets	17	45,555	88,393
Other non-current receivables	18, 19	44,331	44,378
Deferred tax assets	13	4,561	10,203
Total non-current assets		504,854	633,586
Current assets			
Inventories	20	65,602	67,882
Trade receivables	21	103,366	112,951
Current tax assets		6,095	2,505
Other current receivables	22	15,738	33,820
Prepaid expenses	23	9,402	16,928
Cash and cash equivalents	24	98,923	249,299
Total current assets		299,126	483,385
TOTAL ASSETS		803,980	1,116,971
EQUITY AND LIABILITIES			
Equity			
	25		
Share capital		106	105
Treasury shares		(0)	(0)
Other contributed capital		1,628,045	1,628,045
Other reserves		(274,160)	(233,204)
Accumulated deficit		(1,249,303)	(1,060,952)
Equity attributable to shareholders of the parent		104,688	333,994
Non-controlling interests		1,435	1,787
Total equity		106,123	335,781
Liabilities			
Non-current liabilities			
Lease liabilities	17	31,724	72,570
Liabilities to credit institutions	26	116,216	114,249
Provisions	27	14,857	10,716
Total non-current liabilities		162,797	197,535
Current liabilities			
Lease liabilities	17	13,359	16,432
Convertible Notes	19, 28	324,395	323,528
Liabilities to credit institutions	26	5,757	6,056
Trade payables		60,152	64,368
Current tax liabilities		1,476	2,732
Other current liabilities	29	7,998	13,873
Accrued expenses	30	103,719	121,338
Provisions	27	18,204	35,328
Total current liabilities		535,060	583,655
Total liabilities		697,857	781,190
TOTAL EQUITY AND LIABILITIES		803,980	1,116,971

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

(in thousands of U.S. dollars)	Note	Attributable to shareholders of the parent						Equity attributable to shareholders of the parent	Non-controlling interests	Total equity
		Share capital	Treasury shares	Other contributed capital	Other reserves	Accumulated deficit				
Balance at January 1, 2023		<u>105</u>	<u>(0)</u>	<u>1,628,045</u>	<u>(171,483)</u>	<u>(665,524)</u>	<u>791,143</u>	<u>—</u>	<u>791,143</u>	
Loss for the year		—	—	—	—	(416,874)	(416,874)	(186)	(417,060)	
Other comprehensive loss for the year		—	—	—	(61,721)	—	(61,721)	—	(61,721)	
Total comprehensive loss for the year		<u>—</u>	<u>—</u>	<u>—</u>	<u>(61,721)</u>	<u>(416,874)</u>	<u>(478,595)</u>	<u>(186)</u>	<u>(478,781)</u>	
Issue of shares		0	(0)	—	—	—	0	—	0	
Share issue in subsidiary		—	—	—	—	—	—	1,973	1,973	
Share-based compensation	9	—	—	—	—	21,446	21,446	—	21,446	
Balance at December 31, 2023		<u>105</u>	<u>(0)</u>	<u>1,628,045</u>	<u>(233,204)</u>	<u>(1,060,952)</u>	<u>333,994</u>	<u>1,787</u>	<u>335,781</u>	
Loss for the year		—	—	—	—	(201,949)	(201,949)	(323)	(202,272)	
Other comprehensive loss for the year		—	—	—	(40,956)	—	(40,956)	(29)	(40,985)	
Total comprehensive loss for the year		<u>—</u>	<u>—</u>	<u>—</u>	<u>(40,956)</u>	<u>(201,949)</u>	<u>(242,905)</u>	<u>(352)</u>	<u>(243,257)</u>	
Issue of shares		1	(0)	—	—	—	0	—	0	
Share-based compensation	9	—	—	—	—	13,598	13,598	—	13,598	
Balance at December 31, 2024		<u>106</u>	<u>(0)</u>	<u>1,628,045</u>	<u>(274,160)</u>	<u>(1,249,303)</u>	<u>104,688</u>	<u>1,435</u>	<u>106,123</u>	

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended December 31 (in thousands of U.S. dollars)	Note	2024	2023
Operating activities			
Net loss		(202,272)	(417,060)
Adjustments to reconcile net loss to net cash flows			
—Depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets	15,16,17	49,966	51,702
—Impairment of property, plant and equipment and right-of-use assets and intangible assets	15,16,17	—	1,828
—Impairment (gain)/loss on trade receivables	21	(234)	611
—Write-down of inventories		3,095	16,981
—Share-based compensation	9	13,598	21,446
—Movements in provisions		(14,414)	36,341
—Finance income	11	(57,758)	(117,876)
—Finance expenses	11	70,179	69,029
—Income tax expense	13	3,699	8,895
—(Gain)/Loss on disposal of property, plant and equipment and intangible assets	16	(307)	675
—Impairment related to discontinued construction of production facilities		24,117	172,588
—Impairment related to closure of production facility		19,113	—
—Other		1,441	—
Interest received		8,285	9,630
Interest paid		(24,518)	(20,504)
Income tax paid		(3,386)	(18,098)
Changes in working capital:			
—(Increase)/decrease in inventories		(3,456)	30,543
—Decrease/(increase) in trade receivables, other current receivables, prepaid expenses		14,786	(2,502)
—Decrease in trade payables, other current liabilities, accrued expenses		(16,362)	(9,855)
Net cash flows used in operating activities		(114,428)	(165,626)
Investing activities			
Purchase of intangible assets	15	(2,055)	(2,950)
Purchase of property, plant and equipment	16	(39,140)	(66,095)
Investments in financial assets		—	(1,651)
Proceeds from sale of property, plant and equipment	16,22	31,201	—
Proceeds from sale of assets held for sale	35	—	43,998
Other		743	—
Net cash flows (used in)/from investing activities		(9,251)	(26,698)
Financing activities			
Proceeds from Convertible Notes	19, 28	—	324,950
Proceeds from liabilities to credit institutions	26, 32	—	176,854
Repayment of liabilities to credit institutions	26, 32	(2,678)	(102,848)
Repayment of lease liabilities	17, 32	(19,645)	(11,411)
Payment of loan transaction costs		(4,965)	(32,550)
Cash flows (used in)/from financing activities		(27,288)	354,995
Net (decrease)/increase in cash and cash equivalents		(150,967)	162,671
Cash and cash equivalents at January 1		249,299	82,644
Exchange rate differences in cash and cash equivalents		591	3,984
Cash and cash equivalents at December 31	24	98,923	249,299

The accompanying notes are an integral part of these consolidated financial statements.

**Notes to the consolidated financial statements
(in thousands of U.S. dollars unless otherwise stated)**

1. Corporate information

These financial statements are consolidated financial statements for the group consisting of Oatly Group AB and its subsidiaries. A list of the principal subsidiaries is included in Note 14 *Investments in subsidiaries*.

Oatly Group AB (the “Company” or the “parent”) is a public limited company incorporated and domiciled in Sweden. The Company’s registered office is located at Ångfärjekajen 8, 211 19 Malmö, Sweden.

Oatly Group AB and its subsidiaries (together, the “Group”) manufacture, distribute and sell oat-based products.

These consolidated financial statements were authorized for issue by the Board of Directors on April 23, 2025. The Consolidated Income Statement and Consolidated Balance Sheet and the income statement and balance sheet for the Parent Company will be submitted to the Annual General Meeting on May 20, 2025, for approval.

2. Summary of accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated. All amounts are in thousands of U.S. dollars unless otherwise stated. All references in these financial statements to “\$” or “USD” are to U.S. dollars, all references to “SEK” are to Swedish Kronor, all references to “€” or “EUR” are to Euro and all references to “CNY” are to Chinese Yuan.

All numbers in these consolidated financial statements, including references to price per American Depositary Share (“ADS”) and a specific number of ADSs, Restricted Stock Units (“RSUs”) or stock options, for the fiscal years 2021, 2022, 2023 and 2024 reflect an ADS to ordinary share ratio of 1:1. On February 18, 2025, the Company completed a ratio change whereby the ratio of its ADSs to ordinary shares was changed from one ADS representing one ordinary share to one ADS representing twenty ordinary shares (the “ADS Ratio Change”). All metrics that are presented as of a date in 2025, including references to price per ADS and a specific number of ADSs, RSUs or stock options, reflect the new ADS to ordinary share ratio of 1:20.

The functional currency of the Parent Company is SEK. All amounts are in thousands of SEK for the financial statements of the Parent Company unless otherwise stated. All references in these financial statements to “\$” or “USD” are to U.S. dollars, all references to “SEK” are to Swedish Kronor, all references to “€” or “EUR” are to Euro and all references to “CNY” are to Chinese Yuan.

2.1. Basis of preparation

The consolidated financial statements of Oatly Group AB have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting standards”).

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern, and there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period. In forming this judgment the Group has taken into consideration principal conditions, events and assumptions in relation to the Group’s ability to meet its financial covenants and other obligations. The accounting policies adopted are consistent with those of the previous financial year.

The preparation of the consolidated financial statements in conformity with IFRS Accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 *Significant accounting judgments estimates and assessments*. The consolidated financial statements have been prepared using the cost method except for short-term investments, derivative instruments, and Convertible Notes measured at fair value.

New standards and interpretations issued not yet effective

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are

required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments. The amendments clarify that a financial liability is derecognized on the “settlement date,” which is when the related obligation is discharged, canceled, expired or the liability otherwise qualifies for derecognition. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (“ESG”)-linked features and other similar contingent features, and the treatment of non-recourse assets and contractually linked instruments. In addition, the amendments require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income. The amendments will be effective for annual reporting periods beginning on or after January 1, 2026, but earlier application is permitted. The Group is currently evaluating the impacts of these amendments.

There are no other new or amended standards that are expected to have a material impact on the Group in the current or future reporting periods nor on foreseeable future transactions.

2.2. Basis of consolidation

Subsidiaries are all companies over which the Group has control. The Group has control over a company when it is exposed to or has a right to variable returns from its participation in the company and has the possibility to influence the return through its participation in the company. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2.3. Segment reporting

The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer is the chief operating decision maker and evaluates financial position and performance and makes strategic decisions. The Chief Executive Officer monitors the Group’s performance from a geographic perspective through the reportable segments Europe & International, Greater China and North America. No operating segments have been aggregated to form the reportable segments.

The Chief Executive Officer primarily uses a measure of earnings before interest, tax, depreciation and amortization for the period adjusted to exclude, when applicable, income tax expense, finance expenses, finance income, depreciation and amortization expense, share-based compensation expense, restructuring costs, expenses related to a new product launch issue, costs related to legal settlement, impacts related to discontinued construction of production facilities, impacts related to closure of production facility, costs related to the YYF Transaction, and non-controlling interests (“Adjusted EBITDA”), to assess the performance of the operating segments.

2.4. Foreign currency translation

Functional currency and presentation currency

The entities in the Group have the local currency as their functional currency, as the local currency has been defined as the primary economic environment in which each entity operates. The Group’s presentation currency is U.S. dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction dates. Foreign exchange rate profits and losses from the settlement of such transactions and the translation of monetary assets and liabilities in foreign currencies using the exchange rates prevailing at the reporting date are recognized in operating loss in the consolidated statement of operations.

Foreign exchange rate profits and losses attributable to the financing of the Group are recognized in the consolidated statement of operations as finance income and finance costs. All other foreign exchange rate profits and losses are recognized under other operating income and (expenses), net.

Translation of foreign group companies

The results and financial position for all companies with a functional currency other than the presentation currency are translated into the Group's reporting currency. Assets and liabilities are translated from the foreign operation's functional currency to the Group's reporting currency using the exchange rates prevailing at the reporting date. Income and expenses for each consolidated statement of operations and consolidated statement of comprehensive loss are translated to USD using the average exchange rate for the period. Foreign exchange differences arising from the currency translation of foreign operations are recognized in other comprehensive loss. Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities in these operations and are translated to the reporting currency using the exchange rate at the reporting date.

In the consolidated accounts, exchange rate differences attributable to monetary items that form part of the net investment in foreign operations are recognized in other comprehensive loss and are reclassified from equity to the consolidated statement of operations when the foreign operation is divested in whole or in part.

2.5. Revenue recognition

The Group's principles for recognition of revenue from customer contracts are presented below.

Sale of goods

Revenue from contracts with customers consists of sales of goods. Revenue from the sale of goods is recognized at the point in time when control of goods has transferred to the customer, being when the products are delivered to the customer, the customer has full discretion over the channel to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the products are shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from contracts with customers is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Presented revenue excludes VAT and other sales taxes. The Group considers if contracts include other promises that constitute separate performance obligations to which a portion of the transaction price needs to be allocated. The Group considers the effects of variable consideration in determining the transaction price. The Group is acting as principal in its revenue arrangements because the Group maintains control of the goods until they are transferred to the customers.

Variable consideration and other consideration

The transaction price is adjusted for estimates of known or expected variable consideration, which includes, but is not limited to, trade promotion activities, slotting and listing fees, cash discounts, product returns, and penalties. Variable consideration is recorded as a reduction to revenue based on amounts the Group expects to be liable for. Estimates of variable consideration are based on a number of factors, including current contract sales terms and estimated units sold. Estimates are reviewed regularly until the incentives or product returns are realized and the impact of any adjustments are recognized in the period the adjustments are identified.

The Group accounts for consideration payable to a customer as a reduction of the transaction, unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

Contract costs

The Group incurs expenses for sales commissions to third parties to obtain customer contracts. Sales commissions are recognized in the consolidated statement of operations, in selling, general and administration expenses. The Group applies the practical expedient that permits the Group to expense the costs to obtain a contract as incurred when the expected amortization period is one year or less.

Cost of goods sold

Cost of goods sold consists primarily of the cost of oats and other raw materials, product packaging, co-manufacturing fees, direct labor and associated overhead costs and property, plant and equipment depreciation. Cost of goods sold also includes warehousing and transportation of inventory.

Research and development expenses

Research and development expenses consist primarily of personnel related expenses for research and development staff, including salaries, benefits and bonuses, but also third-party consultancy fees and expenses incurred related to product trial runs. Research and development efforts are focused on enhancements to existing product formulations and production processes in addition to the development of new products.

Selling, general and administrative expenses

Selling, general and administrative expenses include primarily personnel related expenses, brand awareness and advertising costs, costs associated with consumer promotions, product samples and sales aids. These also include customer distribution costs, i.e., outbound shipping and handling costs for finished goods, and other functional related selling and marketing expenses, depreciation and amortization expense on non-manufacturing assets and other miscellaneous operating items. Customer distribution costs for the year ended December 31, 2024 amounted to \$50.7 million (2023: \$51.7 million) Selling, general and administrative expenses also include auditor fees and other third-party consultancy fees, expenses related to management, finance and accounting, information technology, human resources and other office functions.

Other operating income and (expense), net

Other operating income and (expenses), net consists primarily of impairment charges and other costs related to closure of production facility and discontinued construction of certain production facilities, and net foreign exchange gains (losses) on operating related activities.

Finance income

Finance income primarily consists of impact from fair value changes on Convertible Notes, interest income from cash in bank accounts and short-term deposits, and net foreign exchange gains attributable to external and internal financing arrangements. Finance income is recognized with the application of the effective interest method.

Finance expenses

Finance expenses primarily consists of interest expenses on Convertible Notes, interest expenses on loans from credit institutions and other financial expenses primarily consisting of transaction costs.

Income tax (expense)/benefit

Income tax (expense)/benefit represents both current and deferred income tax expenses. Current tax expenses primarily represent income taxes based on income in multiple foreign jurisdictions.

2.6. Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/ non-current classification. An asset is current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- it is expected to be settled in the normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.7. Leases

As lessee

The Group's leases pertain to land and buildings, and plant and machinery. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is the case for leases in the Group, the lessee's incremental borrowing rate is used, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs,
- restoration costs, and
- extension options.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2.8. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax is recognized in the consolidated statement of operations except for tax attributable to items that are recognized in other comprehensive loss or directly in equity. In such cases, tax is also recognized in other comprehensive loss and equity, respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is recognized for all temporary differences that arise between the taxable value of assets and liabilities and their carrying values in the consolidated financial statements. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that there will be future taxable surpluses against which the temporary differences can be utilized.

Deferred tax assets and tax liabilities are offset when there is a legal right to offset for current tax assets and tax liabilities, and when the deferred tax assets and tax liabilities are attributable to taxes charged by the same tax authorities and are either attributable to the same tax subject or different tax subjects, where there is an intention to settle the balances through net payments.

Deferred tax relating to items recognized outside the consolidated statement of operations is recognized outside the consolidated statement of operations. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive loss or directly in equity.

2.9. Intangible assets

Goodwill

Goodwill arises at the acquisition of businesses and consists of the amount by which the consideration, any non-controlling interest in the acquired company and fair value at the acquisition dates of previous shareholdings, exceeds the fair value of identifiable net assets acquired.

In order to perform impairment tests, goodwill acquired in a business combination is allocated to cash generating units or groups of cash generating units that are expected to benefit with synergies from the acquisition. Each unit or group of units to which goodwill has been allocated correspond to the lowest level in the Group for which goodwill is monitored. The Group monitors goodwill at the operating segment level for internal purposes, consistent with the way it assesses performance and allocates resources. The goodwill is allocated to the Europe & International segment.

Other intangible assets

Capitalized expenditure for development activities

Expenditure for development and testing of new or significantly improved materials, products, processes or systems are recognized as an asset in the consolidated statement of financial position if the following criteria are met:

- it is technically feasible to complete the asset so that it will be available for use,
- it is the Group's purpose to complete the asset so that it will be available for use or sale,
- there are prerequisites to make the asset available for use or sale,
- it is possible to prove how the asset is likely to generate future economic benefits,

- there are adequate technical, economic and other resources to fulfill the development and to make the asset available for use or sale, and
- the costs attributable to the asset during development can be reliably measured.

Other development costs are recognized in the consolidated statement of operations as costs are incurred. In the consolidated statement of financial position, capitalized development costs are reported at cost less accumulated depreciation and any impairment. Capitalized development expenditure is recognized as intangible assets and is depreciated from the date when the asset is ready for use. The estimated useful life is 3-5 years, which corresponds to the estimated period of time during which these assets will generate cash flows.

Development costs that do not meet these criteria are expensed as incurred. Development expenditure previously carried at cost is not recognized as an asset in a subsequent period.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the Group the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits.

The Group treats costs incurred in relation to SaaS arrangements as operating expenses over the term of the service contract or as operating expenses when the service is received, depending on the nature of the expenses incurred and whether they are distinct from the cloud computing service or not in the underlying SaaS arrangement.

There could be a variety of other costs incurred as part of the arrangement, for example development of bridging modules that connect or integrate the SaaS software with existing software/systems that may be controlled by the Group. The Group assesses such expenses to determine if they should be expensed or may qualify for capitalization as an intangible asset.

Other intangible assets

Other intangible assets consist primarily of separately acquired trademarks and patents are recognized at historical cost. They are reported at fair value at the time of acquisition and amortized on a straight-line basis over the projected useful life. They are reported in subsequent periods at cost less accumulated amortization and impairment. The estimated useful life is 5 years, which corresponds to the estimated time these will generate cash flow.

2.10. Tangible assets

Property, plant and equipment

Property, plant and equipment consist of land, buildings and fixtures, plant and machinery and construction in progress. These are recognized at historical cost less depreciation and impairment, except for construction in progress. Construction in progress is transferred to another asset (and depreciation begins) once an asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are added to the asset's carrying value or are recognized as a separate asset, depending on which is most suitable, only when it is probable that the future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be reliably measured. The carrying value of the replaced component is derecognized from the consolidated statement of financial position. All other kinds of repairs and maintenance are recognized at cost in the consolidated statement of operations in the period in which they occur.

Depreciation of assets is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over the estimated useful life of each component of an item of buildings and plant and machinery as follows:

- | | |
|--------------------------|------------|
| • Buildings and fixtures | 8-40 years |
| • Plant and machinery | 3-15 years |

The assets' residual values and useful lives are assessed at the end of each reporting period and adjusted, if needed.

Profit or loss from disposals is established through a comparison of the profit from sales and carrying value and is recognized in other operating income and (expenses), net in the consolidated statement of operations.

2.11. Impairment of non-financial assets

Intangible assets that have an indefinite useful life (goodwill) or intangible assets not ready to use (capitalized expenditure for development) are not subject to amortization and are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill are reviewed for reversal of the impairment at the end of each reporting period.

2.12. Inventories

Raw materials and finished goods are stated at the lower of cost and net realizable value. Costs consist of direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure. Overhead expenditures are allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The Group reviews inventory quantities and records a provision for excess and obsolete inventory based primarily on demand and the age of the inventory, among other factors.

2.13. Financial instruments

Initial recognition

Purchases and sales of financial assets are recognized on trade date, being the date upon which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets—Classification and measurement

Financial assets include cash and cash equivalents, trade receivables, short-term investments, derivatives and other financial assets. The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive loss or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive loss. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset, not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. All debt instruments in the Group are measured at amortized cost. The Group's financial assets measured at amortized cost consist of the items other non-current receivables, trade receivables, other current receivables and cash and cash equivalents.

Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating income and (expenses), net together with foreign exchange gains and losses.

Fair value through profit or loss: Assets that are held primarily for the purpose to secure and increase value of the investments are included in the business model “Other”.

Derivatives

Derivatives are initially recognized at the fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value are recognized in finance income or finance expenses in the consolidated statement of operations.

Short-term investments

Short-term investments are primarily comprised of funds and bonds carried at fair value through profit and loss. The primary purpose of the portfolio is to secure and increase value of the investments compared to keeping cash in bank accounts, until cash is needed for other investments in the business, for example new production facilities. Based on the primary purpose of the portfolio and indicators identified in the IFRS 9 Financial Instruments test, the overall assessment is that the portfolio is the business model “Other”. The investments in the portfolio are therefore recognized at fair value through profit or loss and presented as short-term investments and cash and cash equivalents in the statement of financial position.

Derecognition of financial assets

Purchases and sales of financial instruments are reported on the trade date, that is, the date on which the Group commits itself to purchase or sell the asset. Financial assets are derecognized from the statement of financial position when the right to receive cash flows from the instrument has expired or been transferred, and the Group has, in all significant aspects, transferred all risk and benefits associated with the ownership. Profits and losses arising from derecognition from the statement of financial position are recognized directly in the consolidated statement of operations.

Financial liabilities—Classification and measurement

Financial liabilities at amortized cost

At initial recognition, the Group measures a financial liability at its fair value plus transaction costs that are directly attributable to the financial liability. After initial recognition, the majority of the Group’s financial liabilities are valued at amortized cost applying the effective interest method.

The Group’s financial liabilities measured at amortized cost comprise liabilities to credit institutions, bank overdraft facilities, trade payables and accrued expenses.

Financial liabilities at fair value

At initial recognition, the Group measures a financial liability at its fair value. Transaction costs of financial liabilities carried at fair value are expensed in the consolidated statement of operations.

Financial liabilities designated at fair value through profit or loss

The Group has Convertible Notes (as defined in Note 28 *Convertible Notes*) which are classified entirely as liabilities at the initial date of recognition at fair value through profit or loss under the fair value option in accordance with IFRS 9 Financial Instruments. The Convertible Notes were issued with a conversion option that does not fulfill the “fixed for fixed” criteria. As the instrument contains an embedded derivative that is not closely related, the Convertible Notes have been designated in its entirety as at fair value through profit or loss on initial recognition and as such the embedded conversion feature is not separated. All transaction costs related to financial instruments designated at fair value through profit or loss are expensed as incurred. Fair value changes relating to the Group’s own credit risk are recognized in other comprehensive income. Amounts recorded in other comprehensive income related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized. Fair value changes relating to market risk are recognized in finance income in the consolidated statement of operations.

Derecognition of financial liabilities

Financial liabilities are derecognized from the statement of financial position when the obligations are settled, canceled or have expired in any other way. The difference between the carrying value of a financial liability that has been extinguished or transferred to another party and the fee paid are reported in the consolidated statement of operations.

When the terms and conditions of a financial liability are renegotiated and are not derecognized from the statement of financial position, a profit or loss is reported in the consolidated statement of operations. The profit or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

Offsetting of financial instruments

Financial assets and liabilities are offset and recognized with a net amount in the statement of financial position only when there is a legal right to offset the recognized amounts and an intention to balance the items with a net amount or to simultaneously realize the asset and settle the liability.

Impairment of financial assets recognized at amortized cost

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, i.e., the reserve will correspond to the expected loss over the lifetime of the trade receivables. In order to measure the expected credit losses, trade receivables have been grouped based on days past due. The Group applies forward-looking variables for expected credit losses. Expected credit losses are recognized in the consolidated statement of operations, in selling, general and administration expenses.

2.14. Trade receivables

Trade receivables are initially measured at the transaction price and subsequently at amortized cost, less allowance for expected credit losses.

2.15. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with financial institutions. Bank overdrafts are shown within liabilities to credit institutions in current liabilities in the statement of financial position.

2.16. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.17. Liabilities to credit institutions

Liabilities to credit institutions are initially recognized at fair value, net of transaction costs incurred. Liabilities to credit institutions are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the liabilities to credit institutions using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Liabilities to credit institutions are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.18. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can

be made of the amount of the obligation. The expense relating to a provision is presented in the consolidated statement of operations net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for restoration costs

The Group recognizes provisions for restoration costs of leased manufacturing facilities. Restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the liability for the restoration costs. The unwinding of the discount is expensed as incurred and recognized in the consolidated statement of operations as a finance expense. The estimated future costs of the restorations are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to, or deducted from the cost of the asset.

Provision for restructuring costs

The Group recognizes provisions for restructuring costs only when there is a constructive obligation, which is when:

- there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and
- the employees affected have been notified of the plan's main features.

2.19. Employee benefits

Short-term benefits to employees

Liabilities for wages and salaries, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as accrued expenses in the statement of financial position.

Post-employment obligations

Within the Group, there are defined-contribution plans. A defined-contribution plan is a pension plan according to which the Group pays a fixed amount to a separate legal entity. The Group has no legal or constructive obligation to pay additional premiums if this legal entity does not have adequate means to pay all benefits to employees, attributable to their service in current or previous periods. The premiums are reported as costs in the consolidated statement of operations when they fall due.

The Swedish Corporate Reporting Board is a private sector body in Sweden with the authority to develop interpretations of IFRS Accounting standards for consolidated financial statements for issues that are very specific to the Swedish environment, for example, UFR 10 Accounting for the pension plan ITP 2 financed through an insurance in Alecta. The Group's pension obligations for certain employees in Sweden, which are secured through an insurance with Alecta, are reported as a defined contribution plan. According to UFR 10, this is a defined benefit multi-employer plan. For the financial year 2024, the Group has not had access to information in order to be able to report its proportional share of the obligations of the plan, plan assets and costs and therefore, it has not been possible to recognize the plan as a defined benefit plan. The ITP 2 pension plan, secured through an insurance with Alecta, is therefore reported as a defined contribution plan. The premium of the defined contributions plan for retirement pensions and survivor's pension is calculated individually and is, among other factors, based on salary, previously earned pension and expected remaining years of service. Expected premiums for the next reporting period for ITP 2 insurances signed with Alecta is \$0.8 million. Premiums for the year ended December 31, 2024 for ITP 2 insurances signed with Alecta amounted to \$0.8 million (2023: \$1.0 million).

The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance obligations in accordance with Alecta's actuarial methods and assessments. The collective consolidation level should normally be allowed to vary between 125% and 170%. If Alecta's collective consolidation level falls below 125% or exceeds 170%, measure should be taken in order for the consolidation level to return to the normal interval. At a low consolidation, one measure might be to increase the price when signing new insurance agreements and an expansion of existing benefits. At a high level of consolidation, one measure might be to introduce lower premiums. At the end of the financial year 2024, Alecta's surplus of the collective consolidation level was 162%.

Share-based compensation—equity settled

Employee stock options (ESOPs) and Restricted Stock Units (RSUs) (2021)

For share-based compensation schemes, the fair value of the instruments granted are established at the grant date and recognized as an employee benefits expense, with a corresponding increase in equity.

The fair value of ESOPs at grant date has been established by using the Black-Scholes option pricing model and input data in the model is disclosed in Note 9 *Share-based compensation*.

The awards only have a service condition whereby the awards vest in 12-month installments over 36 months. Each of the installments are treated as separate awards which are expensed on a linear basis for each installment period i.e., 12 months, 24 months, and 36 months; this will result in a front-loaded IFRS 2 charge. At the end of each period, the entity revises its estimates of the number of instruments that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to retained earnings within equity.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

2.20. Loss per share

Basic loss per share is calculated by dividing the loss after tax by the weighted average number of ordinary shares outstanding for the period. Diluted loss per share is computed using the treasury stock method to the extent that the effect is dilutive by using the weighted-average number of outstanding ordinary shares and potential ordinary shares during the period.

2.21. Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs of disposal. A gain is recognized for any subsequent increases in fair value less costs of disposal of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of derecognition. The gain or loss is recognized in other operating income and expenses, net in the consolidated statement of operations.

Property, plant and equipment are not depreciated once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

3. Financial risk management

3.1. Financial risk factors

Through its operations, the Group is exposed to various financial risks attributable to primarily cash, trade receivables, trade payables, liabilities to credit institutions and Convertible Notes. The financial risks are market risk, mainly interest risk and currency risk, credit risk, liquidity risk and refinancing risk. The Group strives to minimize potential unfavorable effects from these risks on the Group's financial results.

The aim of the Group's financial operations is to:

- ensure that the Group can meet its payment obligations,
- manage financial risks,
- ensure a supply of necessary financing, and
- optimize the Group's finance income and (expenses), net.

The Group's risk management is predominantly controlled by a central treasury department ("Group Treasury") under policies owned by the Chief Financial Officer and approved by the Board of Directors. The Chief Executive Officer is responsible to the Board of Directors for the risk management and ensuring that the guidelines and risk mandates are followed and carried out in accordance with established treasury policy.

Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The treasury policy provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The treasury policy (a) identifies categories of financial risks and describe how they should be managed, (b) clarifies the responsibility in financial risk management among the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, Group Treasury and the Subsidiaries, (c) specifies reporting and control requirements for Group treasury functions and (d) ensures that the treasury operations of the Group are supporting the overall strategy of the Group.

3.1.1. Market risk

Currency risk (transaction risk)

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity. Primarily, the Group is exposed to currency risk in Group companies with SEK, USD and SGD as the functional currencies. The primary risks in these companies are SEK/USD, SEK/EUR, SEK/GBP, SEK/CNY, SEK/SGD, SEK/NOK, USD/SEK and SGD/CNY due to internal accounts receivables and other receivables, internal trade payables and other liabilities, borrowings, short-term deposits (cash and cash equivalents), and external sales and purchases (accounts receivables and trade payables). The Group has internal loans denominated in currencies different from the functional currency of the lender. These loans form part of the net investment in foreign operations (extended equity) and are recognized in other comprehensive loss. Exposure from internal loans classified as extended equity are not included in the tables and sensitivity analysis below.

Due to the growth profile of the Group it is necessary to maintain a dynamic risk management of currency. Group Treasury monitors forecast of highly probable cash flows for each currency and aim to achieve a natural match of inflows and outflows. For those currencies which have a net cash flow that is positive or negative, Group Treasury has the possibility to use foreign exchange instruments (FX forward or spot) to manage the risk. The treasury policy mandates Group Treasury to hedge between 0% and 100% of the exposure for the following 18 months. The Group does not apply hedge accounting. As of December 31, 2024, the Group had currency derivatives of SEK 64.9 million (2023: SEK 259.5 million) for which the fair value was \$0.0 million (2023: \$0.9 million).

Exposure

The Group's primary exposure to foreign currency risk at the end of the reporting period, expressed in thousands of USD was as follows:

(in thousands of U.S. dollars)	As of December 31, 2024								
	SEK/USD	SEK/EUR	SEK/GBP	SEK/CNY	SEK/SGD	SEK/NOK	USD/SEK	SGD/CNY	GBP/EUR
Accounts receivables	—	8,957	—	—	—	—	—	259	—
Other receivables	112,180	—	12,500	—	5,074	23,175	72,493	—	—
S-T deposits	40,000	—	—	—	—	—	—	—	—
Liabilities to credit institutions	(131,290)	(1,320)	—	—	—	—	—	—	—
Trade payables	(1,496)	(11,170)	—	(22,761)	(1,232)	—	—	—	—
Lease liabilities	—	(1,789)	—	—	—	—	—	—	—
Other current liabilities	—	(5,654)	(21,830)	—	—	—	(158,710)	—	(4,528)
Total	19,394	(10,977)	(9,330)	(22,761)	3,842	23,175	(86,217)	259	(4,528)

(in thousands of U.S. dollars)	As of December 31, 2023								
	SEK/USD	SEK/EUR	SEK/GBP	SEK/CNY	SEK/SGD	SEK/NOK	USD/SEK	SGD/CNY	GBP/EUR
Accounts receivables	—	8,318	—	—	—	—	—	42,245	—
Other receivables	—	1,077	22,938	—	53,661	10,406	24,400	—	2,780
S-T deposits	170,000	—	—	—	—	—	—	—	—
Liabilities to credit institutions	(132,831)	(2,810)	—	—	—	—	—	—	—
Trade payables	(1,757)	(15,701)	—	(47,727)	(35,785)	—	—	—	—
Lease liabilities	—	(2,047)	—	—	—	—	—	—	—
Other current liabilities	(7,813)	—	—	—	—	—	(22,388)	—	—
Total	27,599	(11,163)	22,938	(47,727)	17,876	10,406	2,012	42,245	2,780

Sensitivity

The Group is primarily exposed to changes in SEK/USD, SEK/EUR, SEK/GBP, SEK/CNY, SEK/SGD, SEK/NOK, USD/SEK and SGD/CNY exchange rates. The Group's risk exposure in foreign currencies:

	Impact on loss before tax	
	2024	2023
SEK/USD exchange rate - increase/decrease 10 %	+/- 1,939	+/- 2,760
SEK/EUR exchange rate - increase/decrease 10 %	+/- 1,098	+/- 1,116
SEK/GBP exchange rate - increase/decrease 10 %	+/- 933	+/- 2,294
SEK/CNY exchange rate - increase/decrease 10 %	+/- 2,276	+/- 4,773
SEK/SGD exchange rate - increase/decrease 10 %	+/- 384	+/- 1,788
SEK/NOK exchange rate - increase/decrease 10 %	+/- 2,317	+/- 1,041
USD/SEK exchange rate - increase/decrease 10 %	+/- 8,622	+/- 201
SGD/CNY exchange rate - increase/decrease 10 %	+/- 26	+/- 4,224
GBP/EUR exchange rate - increase/decrease 10 %	+/- 453	+/- 278

Currency risk (translation risk)

The Group is also exposed to currency risk when foreign subsidiaries with a functional currency other than USD are consolidated, primarily for EUR, SEK, GBP and CNY. The Group's policy is not to hedge the translation exposure related to net foreign assets to reduce translation risk in the consolidated financial statements.

Interest rate risk

The Group is exposed to interest rate risk that arises from the TLB Credit Agreement (as defined in section 3.1.3 *Liquidity risk* below) that carries an interest of Term SOFR with a floor of 2.5%. To manage the risk the Group has entered into interest rate caps for the full amount of the term loan of \$130 million. The cap is 4.6% and has a maturity of 3 years (April 2026).

The Group's interest rate risk also arises from liabilities to credit institutions with variable rates (Euro Interbank Offered Rate "Euribor" 3 Months during 2024, 2023 and 2022), which expose the Group to cash flow interest rate risk. As of December 31, 2024, the nominal amount of liabilities to credit institutions with variable interest rate was \$1.3 million with no hedges. As of December 31, 2023, the nominal amount of liabilities to credit institutions with variable interest rate was \$2.8 million with no hedges.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense primarily from liabilities to credit institutions as a result of changes in interest rates.

	Impact on loss before tax	
	2024	2023
Interest rates - increase by 100 basis points	+391	+28
Interest rates - decrease by 100 basis points	-1,294	-375
Interest rates - increase by 300 basis points	+417	+84
Interest rates - decrease by 300 basis points	-2,351	-642

The effect from increase in basis points is limited due to the cap that economically hedges the TLB Credit Agreement. At year end 2023, the cap was in the money and increases in Term SOFR had therefore no effect on the sensitivity analysis, and the effect from liabilities with Euribor rate was small.

The effect from decrease in basis points is limited due to a floor of 2.5% in the Term SOFR in the TLB Agreement.

Fair value / Price risk

During the year ended December 31, 2023, the Group issued Convertible Notes which are classified as liabilities at the initial date of recognition at fair value through profit or loss. Fair value changes relating to the Group's own credit risk are recognized in other comprehensive income. Amounts recorded in other comprehensive income related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized. Fair value changes relating to market risk are recognized in finance income in the consolidated statement of operations. The fair value of the Convertible Notes as of December 31, 2024 was \$324.4 million (2023: \$323.5 million).

For details on the fair value on Convertible Notes, see Note 19 *Financial instruments per category*.

Sensitivity

Profit or loss is sensitive to changes in fair value from Convertible Notes. For details on sensitivity to changes in fair value on Convertible Notes, see Note 19 *Financial instruments per category*.

Commodity price risk

The Group is exposed to risk related to the price and availability of ingredients. Profitability is dependent on, among other things, the Group's ability to anticipate and react to availability of ingredients and inflationary pressures. Currently, the main ingredient in the Group's products is oat. The Group purchases oats from farmers in Sweden, Canada, the United Kingdom, the Baltic states, Australia and Finland through millers in Sweden, Finland, China, Canada, the United States and Belgium, so its supply may be particularly affected by any adverse events in these countries or any delays in transport between countries or regions. The prices of oats and other ingredients used, such as rapeseed oil, are subject to many factors beyond the Group's control, including poor harvests due to adverse weather conditions, natural disasters and changes in world economic conditions, including as a result of any trade tensions or trade wars, for example, between the United States and China, the United States and Canada, the United States and Mexico and the United States and the EU, or news and rumors of a potential retaliatory tariffs. The Group currently source oats and rapeseed oil from Canada and packaging from Mexico for use in its production facility in the Group's factory in Millville, New Jersey and the Group's hybrid production facility in Ogden, Utah. The prices of the ingredients the Group source is also affected by pandemics or wars such as the current war between Russia and Ukraine, the ongoing conflict in the Middle East and the conflict in the Red Sea. Oat prices and other ingredients such as rapeseed oil are normally agreed to annually with suppliers for the following year based on the outcome of the current year harvest.

The Group believes it will be able to address material commodity increases by either increasing prices or reducing operating expenses. However, increases in commodity prices, without adjustments to pricing, or reduction to operating expenses, or a delay in pricing actions, could increase costs and increase loss as a share of revenue. In addition, macro-economic and competitive conditions could make additional price increases difficult.

A general commodity cost price increase of 5% would have increased the Group's 2024 commodity costs by \$11.8 million (2023: \$12.0 million).

3.1.2. Credit risk

Credit risk arises primarily from cash and cash equivalents and debt instruments carried at amortized cost.

Financial counterparty credit risk is managed on a Group basis. The external financial counterparties must be high-quality international credit institutions or other major participants in the financial markets, in each case, with a minimum investment grade rating BBB- / Baa3. The rating of the financial counterparties used during 2024 and 2023 were in the range from BBB to AA+.

Customer and supplier credit risk is mitigated through credit risk assessment, credit limit setting in case of payment obligations overdue and through the contractual terms. There are no significant concentrations of credit risk in regards of exposure to specific industry sectors and/or regions. For the year ended December 31, 2024, one customer in the foodservice channel represented approximately 10% (2023: 12%) of total revenue. The Group has not had any incurred credit losses from this customer historically.

The Group has primarily one type of debt instrument carried at amortized cost, subject to the expected credit loss model: trade receivables.

Trade receivables

The Group applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on days past due. The expected loss rates are based on sales over a period of 36 months before December 31, 2024, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. In cases when the Group has more information on customers than the statistical model reflects, a management overlay is made for those specific customers. Historically, the Group has experienced immaterial credit losses. Based on the historical data of low credit losses together with a forward-looking assessment, the expected credit loss for trade receivables is not material. The Group has during 2024 and 2023 no significant impairment losses relating to specific customers.

The aging of the Group's trade receivables is as follows:

	<u>2024</u>	<u>2023</u>
Current	86,760	92,293
1-30 days past due	12,787	15,127
31-60 days past due	2,527	2,488
61-90 days past due	681	1,381
91- days past due	1,389	2,882
Gross carrying amount	104,144	114,171
Allowance for expected credit losses	(778)	(1,220)
Net carrying amount	103,366	112,951

The movements in the Group's allowance for expected credit losses of trade receivables are as follows:

	<u>2024</u>	<u>2023</u>
As at January 1	(1,220)	(3,730)
Increase of allowance recognized in statement of operations during the year	(383)	(720)
Receivables written off during the year as uncollectible	170	1,912
Unused amount reversed	617	1,331
Translation differences	38	(13)
As at December 31	(778)	(1,220)

Trade receivables are written off where there is no reasonable expectation of recovery. Assessments are made individually, in each case, based on indicators that there is no reasonable expectation of recovery. Indicators include, among others, the failure of a debtor to engage in a repayment plan with the Group. Impairment losses on trade receivables are presented as selling, general and administration expenses within operating loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

3.1.3. Liquidity risk

Liquidity risk is the Group's risk of not being able to meet the short-term payment obligations due to insufficient funds. Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is monitored at Group level with input from local management. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. Due to the dynamic nature of the underlying businesses, Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

As at December 31, 2024, the Group held cash and cash equivalents of \$98.9 million (2023: \$249.3 million) that are available for managing liquidity risk. The Group has both long-term and short-term financing with credit institutions.

In October 2019, the Company entered into an European Investment Fund guaranteed three-year term loan facility with Svensk Exportkredit (the "EIF Facility"). As of December 31, 2024 and December 31, 2023, the Group had €1.3 million (equivalent of \$1.3 million) and €2.5 million (equivalent of \$2.8 million), respectively, outstanding on the EIF Facility, including accrued interest.

In April 2023, the Company entered into a Term Loan B Credit Agreement (the "TLB Credit Agreement") with, amongst others, Silver Point Finance LLC as Syndication Agent and Lead Lender, J.P. Morgan SE, as Administrative Agent and Wilmington Trust (London) Limited as Security Agent, including a term loan facility of \$130 million borrowed by Oatly AB. As of December 31, 2024 and December 31, 2023, the Group had \$131.3 million and \$132.8 million, respectively, outstanding on the TLB Credit Agreement, including accrued interest.

In addition, the Company has an undrawn SRCF Agreement with lenders JP Morgan SE, BNP Paribas SA, Bankfilial Sverige, Coöperatieve Rabobank U.A. and Nordea Bank Abp, filial i Sverige. As of December 31, 2024 and December 31, 2023, the Group had no utilized loan amounts under the amended SRCF Agreement.

For more information on the Group's credit facilities, see Note 26 *Liabilities to credit institutions*.

In total, the Group had access to undrawn bank overdraft facilities at the end of the reporting period amounting to \$190.5 million (2023: \$210.3 million).

For changes in facilities and borrowings after the reporting period, see Note 36 *Events after the end of the reporting period*.

3.1.4. Refinancing risk

Refinancing risk is defined as the risk for difficulties in refinancing the Group, that financing cannot be achieved, or can only be achieved at a higher cost. Liabilities to credit institutions and available facilities within the Group have a weighted average maturity of 29 months per December 31, 2024 (2023: 41 months).

The Convertible Notes will mature on September 14, 2028, unless earlier converted by the holders or required to be converted, repurchased or redeemed by the Company.

For changes in facilities and borrowings during the reporting period, see Note 26 *Liabilities to credit institutions*.

For changes in facilities and borrowings after the reporting period, see Note 36 *Events after the end of the reporting period*.

The tables below analyze the Group's financial liabilities into maturity groupings based on their contractual maturities for:

- a) all non-derivative financial liabilities; and
- b) derivative financial instruments for which the contractual maturities represent the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

December 31, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total contractual cash flows	Carrying amount
Non-derivatives							
Lease liabilities	3,441	10,324	11,303	17,654	14,384	57,106	45,083
Convertible Notes	—	—	—	546,842	—	546,842	324,395
Liabilities to credit institutions	5,142	13,624	16,684	151,977	—	187,427	121,973
Trade payables	60,152	—	—	—	—	60,152	60,152
Total non-derivatives	68,735	23,948	27,987	716,473	14,384	851,527	551,603
Derivatives							
Foreign currency forward contracts- inflows	(3,541)	(2,361)	—	—	—	(5,902)	—
Foreign currency forward contracts- outflows	3,552	2,378	—	—	—	5,930	—
Total derivatives	11	17	—	—	—	28	2

December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total contractual cash flows	Carrying amount
Non-derivatives							
Lease liabilities	4,208	12,625	15,892	35,121	66,486	134,332	89,002
Convertible Notes	—	—	—	546,842	—	546,842	323,528
Liabilities to credit institutions	5,503	14,617	19,262	171,296	—	210,678	120,305
Trade payables	64,368	—	—	—	—	64,368	64,368
Total non-derivatives	74,079	27,242	35,154	753,259	66,486	956,220	597,203

3.2. Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that the Group can continue its business and provide future returns for shareholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. Capital is calculated as "equity attributable to shareholders of the parent" as shown in the balance sheet plus total borrowings (including Convertible Notes, current and non-current liabilities to credit institutions and lease liabilities as shown in the balance sheet) less cash and cash equivalents.

4. Significant accounting judgments, estimates and assessments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and equity in the consolidated financial statements and the accompanying disclosures. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events. Uncertainty about these assumptions and the use of accounting estimates may not equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity.

Revenue recognition—variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the consideration to which the Group will be entitled in exchange for transferring goods to the customer. The Group's expected discounts and payments for trade promotion activities are analyzed on a per customer basis. The Group estimates the consideration using either the expected value method or the most likely amount method, depending on which method better predicts the amount of consideration to which the Group will be entitled. The most likely amount method is used for contracts with a single contract sum, while the expected value method is used for contracts with more than one threshold due to the complexity and the activities agreed with the individual customer.

Management makes judgments when deciding whether trade promotion activities with a customer should be classified as a reduction to revenue or as a marketing expense. Generally, activities with the individual customer are accounted for as a reduction to revenue whereas costs related to broader marketing activities are classified as marketing expenses.

Valuation of loss carry-forwards

A deferred tax asset is only recognized for loss carry-forwards, for which it is probable that they can be utilized against future tax surpluses and against taxable temporary differences. The majority of the loss carry-forwards as at December 31, 2024 and 2023 are not recognized in the Group as these are not expected to be utilized in the foreseeable future. Refer to Note 13 *Income tax* for further details.

Test of impairment of non-financial assets, including goodwill

In accordance with the accounting principle presented in Note 2 *Summary of significant accounting policies* the Group performs tests annually and if there are any indications of impairment to determine whether there is a need for impairment of goodwill. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group considers various factors when reviewing for indicators of impairment. Due to the overall macroeconomic uncertainty, the ongoing restructuring within the Group and previous years impairment tests being sensitive to changes in assumptions, management decided, as of December 31, 2024, to perform impairment tests for all the three operating segments, not only for the CGU containing goodwill. At present, the Group only has goodwill allocated to the operating segment Europe & International.

Recoverable amounts for cash generating units are established through the calculation of the value in use. The calculation of the value in use is based on estimated future cash flows. The Group has determined that long-term EBITDA margin, the discount rate and the long-term growth rate are the most significant assumptions in the impairment test. For further details on the test of impairment of goodwill refer to Note 15 *Intangible assets* and for the test of other non-financial assets refer to Note 16 *Property, plant and equipment*.

Share-based compensation

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is estimated using a model, which requires the determination of the appropriate inputs. The assumptions and models used for estimating the fair value of share-based compensation transactions including sensitivity analysis are disclosed in Note 9 *Share-based compensation*.

Convertible Notes

The Group has Convertible Notes which are classified as liabilities at the initial date of recognition at fair value through profit or loss. Fair value changes relating to the Group's own credit risk are recognized in other comprehensive income. The fair value is estimated using a model, which requires the determination of the appropriate inputs. The assumptions and models used for estimating the fair value of the Convertible Notes including sensitivity analysis are disclosed in Note 19 *Financial instruments per category*.

Assets held for sale

On December 30, 2022, Oatly, Inc., and its wholly owned subsidiary, Oatly US Operations & Supply Inc., entered into an asset purchase agreement with Ya YA Foods USA LLC ("YYF"), and parent Aseptic Beverage Holdings LP, to establish a strategic partnership pursuant to which Oatly, Inc. will sell its manufacturing facility in Ogden, Utah to YYF. Subject to the terms and conditions of the Asset Purchase Agreement, YYF will acquire a majority of the assets that are used in the operation of the manufacturing facility in Ogden, Utah (the "Ogden Facility") and assume the obligations arising under the real property leases and certain contracts for and related to the Ogden Facility. The Company will continue to own all intellectual property related to production of oat base, the Company's principal, proprietary ingredient for all Oatly products, and the Company will continue to own and operate its own equipment, fixtures and supplies associated with its production of oat base at the Facilities. The criteria to be classified as held for sale at that date is considered to be met for the following reasons:

- The assets subject to the Asset Purchase Agreement are available for immediate sale and can be sold to the buyer in their current condition.
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification.
- The Asset Purchase Agreement was signed on December 30, 2022.

Refer to Note 35 *Non-current assets held for sale* for further details.

Asset impairment charges and other costs related to discontinued construction and closure of production facilities

Management makes assumptions and estimates when determining the non-cash impairment charges and other costs relating to the production facilities for which the decision has been made to discontinue construction or close. Management estimates the fair value less costs of disposal of property, plant and equipment and decommissioning costs based on a combination of data including agreements, quotes, ongoing negotiations with counterparties, input from suppliers and surveyors, and other market data.

5. Segment information

5.1. Revenue Adjusted EBITDA and EBITDA

Effective as of January 1, 2024, the Company made changes to how it makes strategic decisions and allocates resources among its operating segments. As part of this change, the Greater China business is managed separately from the rest of the Asia business, forming its own operating segment. The rest of the Asia business, including the Singapore manufacturing facility, is managed together with the EMEA business, which is now identified as Europe & International. Following these changes, the new operating segments are:

- (i) Europe & International, which is inclusive of Europe, Middle East and Africa, Asia Pacific and Latin America;
- (ii) North America, which is inclusive of the United States and Canada; and
- (iii) Greater China, which is inclusive of Mainland China, Hong Kong and Taiwan.

In addition to the above-described changes, a majority of the research and development expenses, previously part of Corporate, are now allocated to the operating segments to align with how resources are being allocated and monitored as of January 1, 2024.

Segment information for the years ended December 31, 2024 and 2023 presented below has been updated to reflect the above-described changes.

For the year ended December 31, 2024 (in thousands of U.S. dollars)	Europe & International	North America	Greater China	Corporate*	Eliminations**	Total
Revenue						
Revenue from external customers	434,263	274,455	114,948	—	—	823,666
Intersegment revenue	6,429	—	—	—	(6,429)	—
Total segment revenue	440,692	274,455	114,948	—	(6,429)	823,666
Adjusted EBITDA	56,128	5,298	(1,645)	(95,106)	—	(35,325)
Share-based compensation expense	(1,985)	656	(2,101)	(10,168)	—	(13,598)
Restructuring costs ⁽¹⁾	(2,410)	(1,222)	(1,940)	(2,600)	—	(8,172)
New product launch issue ⁽²⁾	—	(11,998)	—	—	—	(11,998)
Asset impairment charges and other costs related to discontinued construction of production facilities ⁽³⁾	(2,875)	3,283	(25,068)	—	—	(24,660)
Asset impairment charges and other costs related to closure of production facility ⁽⁴⁾	(42,110)	—	—	—	—	(42,110)
Non-controlling interests	—	—	(323)	—	—	(323)
EBITDA	6,748	(3,983)	(31,077)	(107,874)	—	(136,186)
Finance income	—	—	—	—	—	57,758
Finance expenses	—	—	—	—	—	(70,179)
Depreciation and amortization	—	—	—	—	—	(49,966)
Loss before tax	—	—	—	—	—	(198,573)

For the year ended December 31, 2023 (in thousands of U.S. dollars)	Europe & International	North America	Greater China	Corporate*	Eliminations**	Total
Revenue						
Revenue from external customers	408,410	250,264	124,674	—	—	783,348
Intersegment revenue	25,601	—	181	—	(25,782)	—
Total segment revenue	434,011	250,264	124,855	—	(25,782)	783,348
Adjusted EBITDA	28,377	(31,910)	(57,543)	(96,485)	—	(157,561)
Share-based compensation expense	(2,378)	(3,820)	(4,608)	(10,640)	—	(21,446)
Restructuring costs ⁽¹⁾	(1,382)	(3,062)	(2,675)	(7,641)	—	(14,760)
Asset impairment charges and other costs related to discontinued construction of production facilities ⁽⁵⁾	(158,551)	(43,009)	—	—	—	(201,560)
Costs related to the YYF Transaction ⁽⁶⁾	—	(375)	—	—	—	(375)
Legal settlement ⁽⁷⁾	—	—	—	(9,250)	—	(9,250)
Non-controlling interests	—	—	(186)	—	—	(186)
EBITDA	(133,934)	(82,176)	(65,012)	(124,016)	—	(405,138)
Finance income	—	—	—	—	—	117,876
Finance expenses	—	—	—	—	—	(69,029)
Depreciation and amortization	—	—	—	—	—	(51,874)
Loss before tax	—	—	—	—	—	(408,165)

* Corporate consists of general costs not allocated to the segments.

** Eliminations in 2024 and 2023 primarily refer to intersegment revenue for sales of products from Europe & International to Greater China.

(1) Relates primarily to severance costs as the Group adjusts its organizational structure.

(2) Expenses related to a new product launch issue.

(3) In Europe & International the cost primarily relates to non-cash impairments related to discontinued construction of the Group's production facility in Peterborough, UK. In North America the amount primarily relates to reversal of previously recognized non-cash impairments and other exit costs related to discontinued construction of the Group's production facility in Dallas-Fort Worth, Texas. In Greater China the Company decided to discontinue the construction of the Group's second production facility in China (Asia III). Following this decision the Company, during the fourth quarter, recorded \$25.1 million primarily relating to non-cash impairments.

(4) Relates to non-cash impairments of \$19.1 million and \$23.0 million in restructuring and other exit costs related to the closure of the Group's production facility in Singapore.

(5) Following certain events during the fourth quarter 2023, the Company decided to discontinue the construction of its production facilities in Peterborough, UK and Dallas-Fort Worth, Texas. The Company recorded \$172.6 million in non-cash impairments and \$29.0 million in restructuring and other exit costs relating to these production facilities.

(6) Relates to the Ya YA Foods USA LLC transaction (the "YYF Transaction"). See Note 35 *Non-current assets held for sale* for further details.

(7) Relates to US securities class action litigation settlement expenses. See Note 34 *Commitments and contingencies* for further details.

5.2. Non-current assets by country

Non-current assets for this purpose consists of property, plant and equipment and right-of-use assets:

	2024	2023
Sweden	114,764	120,864
China	103,791	123,542
US	88,983	102,883
The Netherlands	29,349	29,218
Singapore	804	26,115
UK	424	44,413
Other	1,639	1,644
Total	339,754	448,679

In the fourth quarter 2024, the Company decided to discontinue the construction of the second production facility in China (Asia III) and recorded \$21.5 million in non-cash impairments related to non-current assets. In addition, the Company decided to close the

existing production facility in Singapore, resulting in \$19.1 million in non-cash impairments related to non-current assets. See Note 16 *Property, plant and equipment* and Note 17 *Leases* for further information.

5.3. Revenue from external customers, broken down by location of the customers

The Group is domiciled in Sweden. The amount of its revenue from external customers, broken down by location of the customers, is shown in the table below.

	<u>2024</u>	<u>2023</u>
US	269,541	247,049
UK	126,688	134,967
Germany	120,068	104,854
China	113,789	119,507
Sweden	45,812	47,273
The Netherlands	26,507	26,921
Finland	20,589	22,178
Other	100,672	80,599
Total	<u>823,666</u>	<u>783,348</u>

There are no countries that individually make up greater than 10% of total revenue included in “Other”.

5.4. Revenue from external customers, broken down by channel and segment

Revenue from external customers, broken down by channel and segment, is shown in the table below.

<u>Year Ended December 31, 2024</u>	<u>Europe & International</u>	<u>North America</u>	<u>Greater China</u>	<u>Total</u>
Retail	351,818	140,842	11,499	504,159
Foodservice	80,261	125,639	83,343	289,243
Other	2,184	7,974	20,106	30,264
Total	<u>434,263</u>	<u>274,455</u>	<u>114,948</u>	<u>823,666</u>

<u>Year Ended December 31, 2023</u>	<u>Europe & International</u>	<u>North America</u>	<u>Greater China</u>	<u>Total</u>
Retail	331,993	127,700	18,801	478,494
Foodservice	72,908	116,832	81,049	270,789
Other	3,509	5,732	24,824	34,065
Total	<u>408,410</u>	<u>250,264</u>	<u>124,674</u>	<u>783,348</u>

Other is primarily related to e-commerce, both direct-to-consumer and through third-party platforms.

Revenues of approximately 10% in 2024 (2023:12%) were derived from a single external customer in the foodservice channel. These revenues are attributed to the North America and Greater China segments.

Oatmilk accounted for 90% and 90% of the Group’s revenue in the years ended December 31, 2024 and 2023, respectively.

6. Remuneration to auditors

For the year ended December 31 (in thousands of U.S. dollars)	2024	2023
EY		
Audit Fees	6,640	7,520
Audit Related Fees	32	80
Tax Fees	17	8
All Other Fees	—	140
Total	6,689	7,748
Other auditors		
Audit services	145	140
Tax consultancy services	4	15
Other services	1	28
Total	150	183

Audit services relate to the examination of the annual report and the accounting as well as the Board of Directors' and CEO's administration, all other tasks incumbent on the Company's auditor as well as any consultancy or other services brought about by the observations made during such an examination or the performance of other such tasks.

7. Depreciation, amortization and impairment by function

	2024			
	Property, plant and equipment	Right-of-use assets	Intangible assets	Total
Cost of goods sold	(31,819)	(6,868)	—	(38,687)
Research and development expenses	(1,390)	(437)	(185)	(2,012)
Selling, general and administrative expenses	(819)	(4,542)	(3,906)	(9,267)
Total depreciation/amortization/impairment by function⁽¹⁾	(34,028)	(11,847)	(4,091)	(49,966)

(1) The impairment related to discontinued construction and of certain production facilities and closure of production facility is included in Other operating income and (expenses), net in the consolidated statement of operations. Refer to Note 16 *Property, plant and equipment* and Note 17 *Leases* for further details.

	2023			
	Property, plant and equipment	Right-of-use assets	Intangible assets	Total
Cost of goods sold	(30,868)	(7,970)	—	(38,838)
Research and development expenses	(1,060)	(323)	(124)	(1,507)
Selling, general and administrative expenses	(1,100)	(5,208)	(5,221)	(11,529)
Total depreciation/amortization/impairment by function⁽¹⁾	(33,028)	(13,501)	(5,345)	(51,874)

(1) The impairment related to discontinued construction of certain production facilities is included in Other operating income and (expenses), net in the consolidated statement of operations. Refer to Note 16 *Property, plant and equipment* and Note 17 *Leases* for further details.

8. Employee and personnel costs

The disclosure amounts are based on the expense recognized in the consolidated statement of operations.

Salaries, other benefits and social security expenses	2024	2023
Salaries and other remuneration (of which bonus)	(139,244) (7,452)	(150,026) (8,570)
Social security costs	(20,011)	(23,255)
Share-based payments ⁽¹⁾	(13,598)	(21,446)
Pension and post-employment benefits	(8,871)	(9,542)
Total	(181,724)	(204,269)

(1) Refer to Note 9 *Share-based compensation* for further details.

Employee benefits expenses by function	2024	2023
Cost of goods sold	(37,240)	(37,671)
Research and development expenses	(11,645)	(12,431)
Selling, general and administrative expenses	(132,839)	(154,167)
Total	(181,724)	(204,269)

Salaries, other benefits and social security expenses - Board members, Chief Executive Officer and other Senior Executives	2024	2023
Short-term employee benefits ⁽¹⁾ (of which bonus)	(7,761) (1,263)	(11,120) (1,037)
Pension and post-employment benefits	(551)	(628)
Share-based payments ⁽²⁾	(7,979)	(9,151)
Social security costs	(1,546)	(3,404)
Total	(17,837)	(24,303)

(1) For the twelve months ended December 31, 2023, severance pay of \$2.5 million was included in short-term employee benefits.

(2) Refer to Note 9 *Share-based compensation* for further details.

During the year ended December 31, 2024, key management consisted of an average of 13 members of management, including our executive officers and excluding the Board of Directors (2023: 14 members; 2022: 14 members). As of December 31, 2024, key management consisted of 11 members.

Salaries, other benefits and social security expenses - Board members, Chief Executive Officer and other Senior Executives

For the year ended December 31 (in thousands of U.S. dollars)	2024					Total
	Base salary/board fee	Variable remuneration⁽¹⁾	Other remuneration⁽²⁾	Pension costs	Share-based compensation expense⁽³⁾	
Board member Martin Brok	(86)	—	—	—	(110) ⁽⁴⁾	(196)
Board member Hannah Jones	(83)	—	—	—	(110) ⁽⁴⁾	(192)
Board member Frances Rathke	(83)	—	—	—	(110) ⁽⁴⁾	(192)
Board member Ann Chung	(76)	—	—	—	—	(76)
Chairperson of the Board Eric Melloul	(70)	—	—	—	(82) ⁽⁵⁾	(152)
Board member Lai Shu Tuen-Muk	(70)	—	—	—	—	(70)
Board member Yawen Wu	(70)	—	—	—	—	(70)
Board member Bernard Hours	(60)	—	—	—	(110) ⁽⁴⁾	(170)
Board member Xin Wang	(60)	—	—	—	—	(60)
Board member Gregory Christenson	(44)	—	—	—	(82) ⁽⁵⁾	(126)
Board member Steven Chu ⁽⁶⁾	(26)	—	—	—	(27) ⁽⁴⁾	(53)
Board member Toni Petersson ⁽⁶⁾	(23)	—	—	—	—	(23)
Chief Executive Officer Jean-Christophe Flatin	(787)	(227)	(14)	(31)	(2,252) ⁽⁷⁾	(3,311)
Other senior executives (12 persons)	(4,398)	(1,037)	(1,298)	(520)	(5,625)	(12,878)
<i>Employee representatives</i>						
Lillis Härd	(2)	—	—	—	—	(2)
Total remuneration to board members, CEO and other senior executives	(5,937)	(1,264)	(1,312)	(551)	(8,507)	(17,571)

(1) Variable remuneration relates to bonus compensation awarded by the Company's remuneration committee in its discretion for recognition of the executive's performance and advancement of the Company's strategic business plan.

(2) Other remuneration is primarily comprised of car benefit, holiday allowance and health insurance.

(3) Amounts represent the expense recognized, in accordance with IFRS 2, in our consolidated statement of operations, based on the grant date fair value, rather than the amounts paid to or realized by the named individual.

(4) Represents RSUs granted in 2023 and 2024.

(5) Represents RSUs granted in 2024.

(6) Mr. Chu and Mr. Petersson stepped down from the Board of Directors, effective May 15, 2024.

(7) Represents stock options and RSUs granted in 2022, 2023 and 2024.

Salaries, other benefits and social security expenses - Board members, Chief Executive Officer and other Senior Executives

For the year ended December 31 (in thousands of U.S. dollars)	2023					Total
	Base pay/Board fees	Variable remuneration	Other remuneration	Pension	Share-based compensation expense	
Board member Steven Chu	(83)	—	—	—	(51)	(134)
Board member Frances Rathke	(83)	—	—	—	(51)	(134)
Board member Hannah Jones	(70)	—	—	—	(51)	(121)
Board member Bernard Hours	(60)	—	—	—	(51)	(111)
Board member Mattias Klintemar	(93)	—	—	—	—	(93)
Board member Martin Brok	(41)	—	—	—	(36)	(77)
Chairperson of the Board Eric Melloul	(70)	—	—	—	—	(70)
Board member Yawen Wu	(70)	—	—	—	—	(70)
Board member Ann Kim Chung	(70)	—	—	—	—	(70)
Board member Calvin Tuen-Muk Lai Shu	(66)	—	—	—	—	(66)
Board member Eric Xin Wang	(35)	—	—	—	—	(35)
Board member Tim Zhang	(28)	—	—	—	—	(28)
Chief Executive Officer Toni Petersson	(333)	—	(1,277)	(156)	(1,061)	(2,827)
Chief Executive Officer Jean-Christoph Flatin	(477)	(119)	(53)	(16)	(832)	(1,497)
Other senior executives (13 persons)	(5,288)	(918)	(1,881)	(457)	(10,581)	(19,125)
<i>Employee representatives</i>						
Lillis Härd	(1)	—	—	—	—	(1)
Total remuneration to board members, CEO and other senior executives	(6,867)	(1,037)	(3,211)	(628)	(12,715)	(24,459)

For the CEO, a notice period of 6 months applies if a termination of employment should be initiated by the Company. Should a termination of employment be initiated by the CEO, the notice period is 3 months.

For other senior executives employed in Sweden, a mutual notice period of 6 months applies for everyone.

For other senior executives employed in countries other than Sweden, the notice period varies between 0-6 months from both the Company and the employee's side.

Average number of employees per geographical breakdown

For the year ended December 31	2024			2023		
	Total amount	Men	Women	Total amount	Men	Women
Sweden	564	266	298	644	306	338
Norway	2	1	1	2	1	1
Finland	12	5	7	13	5	8
Denmark	8	4	4	4	2	2
Germany	75	30	45	70	30	40
Netherlands	81	51	30	70	46	24
Austria	13	7	6	8	5	3
Spain	11	7	4	3	3	—
UK	59	19	40	56	23	33
US	220	97	123	328	161	167
China	394	215	179	511	273	238
Hong Kong	4	2	2	4	2	2
Singapore	49	33	16	54	39	15
France	12	5	7	6	4	2
Australia	8	5	3	2	1	1
Poland	4	3	1	—	—	—
Total	1,516	750	766	1,775	901	874

Gender distribution in management

For the year ended December 31	2024			2023		
	Total amount	Men	Women	Total amount	Men	Women
Board members	13	9	4	14	10	4
CEO and other senior executives	13	9	4	14	9	5
Total Group	26	18	8	28	19	9

9. Share-based compensation

2021 Plan

During the year ended December 31, 2021, in connection with the initial public offering (“IPO”), the Company implemented a new incentive award program, the 2021 Incentive Award Plan (“2021 Plan”). The principal purpose of the 2021 Plan is to attract, retain and motivate selected employees, consultants and members of the Board of Directors through the granting of share-based compensation awards and cash-based performance bonus awards from 2021 and onwards. 69,496,515 shares have been reserved for grants pursuant to a variety of share-based compensation awards, including, but not limited to, stock options and restricted stock units (“RSUs”). To secure the future delivery of shares under the 2021 Plan, the Company’s shareholders resolved to issue 69,496,515 warrants. The right to subscribe for the warrants vests only in the Company. See Note 25 *Equity*.

RSUs

During the twelve months ended December 31, 2024, the Company, under the 2021 Plan, granted 9,333,810 RSUs, of which 4,110,649 RSUs were granted to members of key management, including the executive officers, and the Board of Directors. 3,500,458 RSUs vested during the period, of which 637,303 were to key management. The RSUs are accounted for as equity-settled share-based compensation transactions. The RSUs are measured based on the fair market value of the underlying ordinary shares on the date of grant. The RSUs granted to employees under the 2021 Plan vest in equal installments on each of the first three anniversaries of the date of grant, subject to continued service. The RSUs granted to members of its Board of Directors vest on the date of the next annual general meeting of shareholders following the grant date, subject to continued service on the applicable vesting date.

On June 18, 2024, pursuant to the resolutions of the Remuneration Committee, the Board of Directors and the shareholders of the Company, certain senior key employees were offered the opportunity to exchange outstanding unexercised stock options for a smaller number of RSUs. All holders of unexercised stock options granted during May 2021 and July 2023, with exercise prices ranging from \$1.56 to \$17.00, were offered to participate in the exchange. The number of new RSUs were determined such that the fair market value of the shares underlying the new RSUs equals the fair value of the exchanged stock options. For these purposes, fair market value was determined on a grant-by-grant basis and the number of shares underlying new RSUs equals the Black-Scholes option-pricing model value of the exchanged stock options, resulting in a weighted average conversion rate of 0.3492 RSUs per stock option. The exchange was completed on June 28, 2024 with a total of 4,257,251 new RSUs granted, of which 3,303,458 were granted to members of key management, including our executive officers, in exchange for a total number of 12,189,782 stock options. The new RSUs granted will vest and become exercisable in equal installments on each of the first two annual vesting dates falling after the grant date subject to continued service.

The exchange of stock options for new RSUs has been accounted for as a modification of equity awards where the number of equity instruments has been reduced but the total fair value of the equity awards is unchanged. The Company has considered the total number of exchanged stock options as a single unit of account, with the original stock options and the grant of new RSUs accounted for as one modification. As a result, the original grant date fair value of the originally granted stock options will continue to be recognized over the vesting period.

The following table list the key inputs to the Black-Scholes option-pricing model used to determine the total fair value of the stock options for exchange to RSUs:

	2024
Expected term (years)	2.92-7.07
Weighted-average share price at grant date	1.07
Expected price volatility of the Company’s shares (%)	60-70
Risk-free interest rate (%)	4.20-4.43

Activity in the Group's RSUs outstanding and related information is as follows:

	Number of RSUs	Weighted average grant date fair value (\$)
As of January 1, 2023	8,147,594	4.42
Granted during the period	5,479,454	1.75
Forfeited during the period ⁽¹⁾	(2,470,898)	3.22
Vested during the period	(2,740,334)	3.15
As of December 31, 2023	8,415,816	2.91
Granted during the period	9,333,810	1.05
RSUs granted in exchange for stock options	4,257,251	0.97
Forfeited during the period ⁽²⁾	(2,103,022)	1.99
Vested during the period	(3,500,458)	1.27
As of December 31, 2024	16,403,397	1.30

(1) Includes 961,990 forfeited RSUs related to the Company's organizational restructuring during the year ended December 31, 2023.

(2) Includes 538,855 forfeited RSUs related to the Company's organizational restructuring during the year ended December 31, 2024.

Employee stock options

During the twelve months ended December 31, 2024, the Company, under the 2021 Plan, granted 9,261,299 stock options of which 5,530,577 were granted to members of key management. 5,680,316 stock options vested during the period, of which 3,822,272 were to key management. The stock options are accounted for as equity-settled share-based compensation transactions. For stock options granted under the 2021 Plan, the exercise price is equal to the fair value of the ordinary shares on grant date. The stock options granted to participants under the 2021 Plan vest in equal installments on each of the first three anniversaries of the date of grant, subject to continued service. The stock options expire, in relation to each installment under the vesting schedule, five years after vesting, corresponding to a total term of six, seven and eight years for the respective installment.

Activity in the Group's stock options outstanding and related information is as follows:

	Number of employee stock options	Weighted average exercise price (\$)
As of January 1, 2023	14,339,052	9.40
Granted during the period	11,111,723	1.75
Forfeited during the period ⁽¹⁾	(3,615,022)	5.88
Expired during the period	(546,562)	11.88
As of December 31, 2023	21,289,191	5.98
Granted during the period	9,261,299	1.04
Stock options exchanged to RSUs	(12,189,782)	5.10
Forfeited during the period ⁽¹⁾	(2,135,668)	3.53
Expired during the period ⁽²⁾	(4,618,760)	11.27
As of December 31, 2024	11,606,280	1.32
Vested and exercisable as of December 31, 2024	1,101,498	2.92

(1) Includes 1,589,443 forfeited stock options related to the Company's organizational restructuring during the year ended December 31, 2024 (2023: 2,581,696)

(2) Includes 4,446,187 expired stock options related to the Company's organizational restructuring during the year ended December 31, 2024.

The fair value at grant date of the stock options granted during the financial year 2024 was \$0.67 for the May 2024 grant date and \$0.46 for the November 2024 grant date. The fair value at grant date of the stock options granted during the financial year 2023 was \$0.98 for the May 2023 grant date, \$1.09 for the July 2023 grant date and \$0.43 for the November 2023 grant date. The fair value at grant date of the stock options granted during the financial year 2022 was \$1.49 for the May 2022 grant date and \$0.86 for the November 2022 grant date. The fair value at grant date of the stock options granted during the financial year 2021 was \$6.24 for the May 2021 grant date and \$3.67 for the November 2021 grant date. The fair value of the stock options at grant date has been determined using the Black-Scholes option-pricing model, which takes into account the exercise price, the expected term of the stock options, the share price

at grant date, expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the stock options and the correlations and volatilities of the peer group companies. The Company does not anticipate paying any cash dividends in the near future and therefore uses an expected dividend yield of zero in the option valuation model.

The following tables lists the inputs to the Black-Scholes option-pricing model used for employee stock options granted during the financial year 2024 and 2023 respectively:

	<u>2024</u>	<u>2023</u>
Expected term (years)	6-8	6-8
Weighted-average share price at grant date	1.04	1.75
Expected price volatility of the Company's shares (%)	60.00	50.00-55.00
Risk-free interest rate (%)	4.19-4.57	3.84-4.61

Valuation assumptions are determined at each grant date and, as a result, are likely to change for share-based awards granted in future periods. Changes to the input assumptions could materially affect the estimated fair value of the employee stock options. The sensitivity analysis below shows the impact of increasing and decreasing the share price by 30%, expected volatility by 10% as well as the impact of increasing and decreasing the expected term by 12 months.

This analysis was performed on stock options granted in 2024. The following table shows the impact of these changes on fair value per employee stock option granted 2024:

	<u>2024</u>
Share price increase 30%	0.27
Share price decrease 30%	(0.25)
Volatility increase 10%	0.07
Volatility decrease 10%	(0.07)
Expected life increase 12 months	0.04
Expected life decrease 12 months	(0.04)

Share-based compensation expense was \$13.6 million for the twelve months ended December 31, 2024 (2023: \$21.4 million).

10. Other operating income and (expenses), net

	<u>2024</u>	<u>2023</u>
Impairment charges related to discontinued construction of certain production facilities (Note 15,16,17,18,22)	(24,134)	(172,588)
Other costs related to discontinued construction of certain production facilities (Note 27)	(525)	(28,972)
Impairment charges related to closure of production facility (Note 16)	(19,113)	—
Other costs related to closure of production facility (Note 27)	(22,998)	—
Legal settlement expenses (Note 27)	—	(9,250)
Exchange rate differences (Note 12)	(2,061)	(2,991)
Other	1,041	(851)
Other operating income and (expenses), net	<u>(67,790)</u>	<u>(214,652)</u>

11. Finance income and expenses

	<u>2024</u>	<u>2023</u>
Interest income	10,297	12,666
Other financial income	201	329
Fair value changes on derivatives	—	611
Fair value changes on Convertible Notes	32,954	96,445
Net foreign exchange difference	14,306	7,825
Total finance income	<u>57,758</u>	<u>117,876</u>
Interest expenses on loan from credit institutions	(23,976)	(20,187)
Interest expenses on lease liabilities	(4,682)	(6,779)
Interest expenses on Convertible Notes	(33,821)	(22,367)
Fair value changes on derivatives	(1,684)	—
Other financial expenses	(6,016)	(19,696)
Total finance expenses	<u>(70,179)</u>	<u>(69,029)</u>

Interest expense on the Convertible Notes is the nominal coupon rate of 9.25%. Fair value changes on Convertible Notes contains the fair value changes less the coupon rate and changes in credit risk. See Note 3 *Financial risk management* and Note 28 *Convertible Notes*.

Other financial expenses for year ended December 31, 2024 mainly consists of \$5.0 million in transaction costs relating to amendments in the Group's financing arrangements. See Note 26 *Liabilities to credit institutions* for further information.

Other financial expenses for the year ended December 31, 2023 mainly consist of \$17.5 million in transaction costs relating to the issuance of Convertible Notes, and \$1.4 million in previously capitalized and amortized transaction costs relating to the previous Sustainable Revolving Credit Facility Agreement (the "SRCF Agreement") that were expensed in connection with the extinguishment of the liability. See Note 26 *Liabilities to credit institutions* for further information on the SRCF Agreement.

12. Net exchange rate differences

The exchange-rate differences recognized in the consolidated statement of operations are included as follows:

	<u>2024</u>	<u>2023</u>
Other operating income and (expenses), net (Note 10)	(2,061)	(2,991)
Finance income and expenses (Note 11)	14,306	7,825
Exchange-rate differences—net	<u>12,245</u>	<u>4,834</u>

See Note 3 *Financial risk management* for further information on the Group's primary currency exposure.

13. Income tax

The major components of income tax (expense)/benefit for the year ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Current tax:		
Current income tax expense	(3,135)	(10,892)
Adjustments in respect of income tax of previous years	5,006	(2,282)
	<u>1,871</u>	<u>(13,174)</u>
Deferred tax:		
Relating to origination and reversal of temporary differences	(5,570)	4,279
	<u>(5,570)</u>	<u>4,279</u>
Income tax (expense)/benefit reported in the consolidated statement of operations	<u>(3,699)</u>	<u>(8,895)</u>

Reconciliation of tax (expense)/benefit and the accounting loss multiplied by Sweden's corporate tax rate:

	<u>2024</u>	<u>2023</u>
Accounting loss before tax	(198,573)	(408,165)
At Sweden's corporate income tax rate of 20,6%	40,906	84,082
Effect of tax rates in foreign jurisdictions	654	3,028
Non-taxable income	21	170
Non-deductible costs	(4,003)	(4,352)
Adjustments in respect of income tax of previous years	2,082	(2,282)
Change in unrecognized deferred taxes	(43,609)	(89,262)
Tax effect of changes in tax rates	3	(304)
Other	247	25
Income tax expense/(benefit)	(3,699)	(8,895)

Deferred tax

Deferred tax relates to the following:

	<u>2024</u>	<u>2023</u>
Property, plant and equipment	(6,562)	(3,759)
Lease right-of-use asset	(8,031)	(9,899)
Lease liability	7,547	9,470
Inventory	1,408	2,900
Loss allowances for financial assets	53	203
Accrued interest	2	234
Accrued expenses	2,342	5,098
Tax losses carried forward	1,192	497
Deferred tax credit	1,526	1,296
Share based compensation	580	503
Other	4,504	3,660
Net deferred tax assets	4,561	10,203

Reflected in the consolidated statement of financial position as follows:

Deferred tax assets	4,561	10,203
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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Deferred income tax assets are recognized for tax loss carry-forwards, temporary differences or other tax credits to the extent that the realization of the related tax benefit through future taxable profits is probable.

A reconciliation of net deferred tax is shown in the table below:

	<u>2024</u>	<u>2023</u>
Balance at January 1	10,203	5,860
Movement recognized in the consolidated statement of operations	(5,570)	4,279
Exchange differences	(72)	64
Balance at December 31	4,561	10,203

In some subsidiaries, a deferred income tax asset has been recognized to the extent that there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity. For the Swedish subsidiaries, no deferred income tax asset was recognized since, according to the Group, the criteria for reporting deferred tax assets in IAS 12 were not met.

Deferred tax assets have not been recognized in respect of the following items:

	<u>2024</u>	<u>2023</u>
Property, plant and equipment ⁽¹⁾	33,499	31,138
Provisions ⁽²⁾	—	6,152
Lease liabilities	454	11,951
Tax losses carried forward	216,667	194,417
Net interest expense carried forward	18,967	12,196
Total unrecognized deferred tax assets	<u>269,587</u>	<u>255,854</u>

- (1) Relates to impairment charges due to the decision to discontinue the construction of the production facility in Peterborough, UK. Refer to Note 16 *Property, plant and equipment* for further details.
- (2) Related to provisions due to the decision to discontinue the construction of the production facility in Peterborough, UK. Refer to Note 27 *Provisions* for further details.

As of December 31, 2024, the Group's accumulated loss carry-forwards amounted to \$1,052.9 million (2023: \$947.5 million). Tax loss carry-forwards as of December 31, 2024 were expected to expire as follows:

<u>Expected expiry</u>	<u>Less than 5 years</u>	<u>Unlimited</u>	<u>Total</u>
Tax loss carry-forwards	11,833	1,041,074	1,052,907

The Group has unrecognized tax losses that arose in Sweden of \$1,013.9 million (2023: \$940.1 million) that are available indefinitely for offsetting against future taxable profits of the companies in Sweden. Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in companies that have been loss-making for some time, and there is no other evidence of recoverability in the foreseeable future. If the Group were able to recognize all unrecognized deferred tax assets on tax losses in Sweden, the result would increase by \$208.9 million and \$193.7 million for the years ended December 31, 2024 and 2023.

Furthermore, the Group has recognized tax losses in other foreign jurisdictions amounting to \$5.2 million (2023: \$2.7 million). A deferred tax asset has been recognized in respect of these losses as at December 31, 2024 as it is likely that these will be able to be utilized in the foreseeable future. The measurement of deferred tax assets is subject to uncertainty and the actual result may diverge from judgments due to future changes in business climate, altered tax laws etc. An assessment is made at each closing date of the likelihood that the deferred tax asset will be utilized.

As of December 31, 2024, no deferred tax liability had been recognized on investments in subsidiaries. The Company has concluded it has the ability and intention to control the timing of any distribution from its subsidiaries and determined that the undistributed profits of its subsidiaries will not be distributed in the foreseeable future. It is not practicable to calculate the aggregate amount of temporary differences associated with investments in subsidiaries, for which deferred tax liabilities have not been recognized.

The Company applies judgment in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it periodically evaluates positions taken in the tax returns to validate whether it has any uncertain tax positions, particularly those relating to transfer pricing. The tax filings of the Company and the subsidiaries in different jurisdictions include adjustments related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

14. Investments in subsidiaries

The Group had the following subsidiaries as at December 31, 2024:

Name	Proportion of voting rights and shares held (directly or indirectly) (%) 2024	Proportion of voting rights and shares held (directly or indirectly) (%) 2023	Number of shares	Posted value in Oatly Group AB 31 December 2024
<i>Direct ownership</i>				
Cereal Base CEBA AB	100%	100%		
<i>Indirect ownership</i>				
Oatly AB	100%	100%	10,414,372	4,137,924
Oatly UK Ltd	100%	100%		
Oatly UK Operations & Supply Ltd	100%	100%		
Oatly Ireland Limited	100%	—		
Oatly Germany GmbH	100%	100%		
Oatly Switzerland AG	100%	100%		
Oatly Austria PTY LDT	100%	100%		
Oatly Norway AS	100%	100%		
Oatly Spain, S.L.U	100%	100%		
Oatly Denmark ApS	100%	100%		
Oy Oatly Ab	100%	100%		
Oatly Netherlands BV	100%	100%		
Oatly Netherlands Operation & Supply BV	100%	100%		
Oatly Poland sp. z o.o.	100%	100%		
Oatly France SAS	100%	100%		
Oatly EMEA AB	100%	100%		
Oatly Sweden Operations & Supply AB	100%	100%		
Oatly Singapore Operations & Supply Pte Ltd	100%	100%		
Oatly Pte Ltd	100%	100%		
Oatly APAC Pte	100%	100%		
Oatly Inc	100%	100%		
Oatly de México, S.A. de C.V.	100%	—		
Oatly US Inc	100%	100%		
Oatly US Operations & Supply Inc	100%	100%		
Oatly Canada Inc	100%	100%		
Havrekärnan AB	100%	100%		
Oatly Australia Pty Ltd	100%	100%		
Oatly Hong Kong Holding Ltd	100%	100%		
Oatly Shanghai Co. Ltd	100%	100%		
Oatly Food Co Ltd	100%	100%		
Oatly Thousands of Island Co Ltd	100%	100%		
Super planting Shanghai Food and Beverage Co. Ltd	60%	60%		
Oatly Yaji (Shanghai) Catering Service Co., Ltd	100%	—		
Oatly Hainan Trading Co Ltd	100%	100%		
Dong Plant (Zhuhai) Food and Beverage Co., Ltd	100%	100%		

All subsidiaries are wholly owned except Super planting Shanghai Food and Beverage Co. Ltd which is 60% owned. The number of shares equals the number of voting rights.

<u>Name</u>	<u>Registration number</u>	<u>Country of operation / registered office</u>
<i>Direct ownership</i>		
Cereal Base CEBA AB	556482-2988	Sweden/Malmö
<i>Indirect ownership</i>		
Oatly AB	556446-1043	Sweden/Malmö
Oatly UK Ltd	8038012	United Kingdom/Worthing
Oatly UK Operations & Supply Ltd	12847578	United Kingdom/London
Oatly Ireland Limited	775710	Ireland/Dublin
Oatly Germany GmbH	27/459/31354	Germany/Berlin
Oatly Switzerland AG	CHE-181.778.500	Schweiz/Appenzell
Oatly Austria PTY LDT	FN548816h	Austria/Ried im Innkreis
Oatly Norway AS	818976062	Norway/Oslo
Oatly Spain, S.L.U	M-763172	Spain/Madrid
Oatly Denmark ApS	42992836	Denmark/Copenhagen
Oy Oatly Ab	2858489-6	Finland/Helsingfors
Oatly Netherlands BV	73642746	The Netherlands/Vlissingen
Oatly Netherlands Operation & Supply BV	73642754	The Netherlands/Vlissingen
Oatly Poland sp. z o.o.	0000973894	Poland/Warszawa
Oatly France SAS	948 863 709 RCSParis	France/Paris
Oatly EMEA AB	559163-7698	Sweden/Malmö
Oatly Sweden Operations & Supply AB	559163-7680	Sweden/Malmö
Oatly Singapore Operations & Supply Pte Ltd	201931793R	Singapore/Singapore
Oatly Pte Ltd	202009237Z	Singapore/Singapore
Oatly APAC Pte	202010927Z	Singapore/Singapore
Oatly de México, S.A. de C.V.	OME2401319Z5	Mexico/Mexico City
Oatly Inc	5175500	USA/Delaware
Oatly US Inc	7713489	USA/Delaware
Oatly US Operations & Supply Inc	7331326	USA/Delaware
Oatly Canada Inc	720693	Canada/Saint John, NB
Havrekärnan AB	556645-7213	Sweden/Landskrona
Oatly Australia Pty Ltd	644817327	Australia/Melbourne
Oatly Hong Kong Holding Ltd	1558549	Hong Kong/China, Hong Kong
Oatly Shanghai Co. Ltd	91310000MA1G	China/Shanghai
Oatly Food Co Ltd	91340500MA2WHW8X03	China/Shanghai
Oatly Thousands of Island Co Ltd	91330127MA2KJGFG2Q	China/Shanghai
Super planting Shanghai Food and Beverage Co. Ltd	91310106MAC6K59H3R	China/Shanghai
Oatly Yaji (Shanghai) Catering Service Co., Ltd	91310104MADF52NM36	China/Shanghai
Oatly Hainan Trading Co Ltd	91460000MA5U11140P	China/Hainan
Dong Plant (Zhuhai) Food and Beverage Co., Ltd.	91440400MACH0YG33W	China/Zhuhai

15. Intangible assets

	Other Intangible assets				Total
	Goodwill	Capitalized software	Other intangible assets	Ongoing development costs	
Cost					
At January 1, 2023	112,904	13,821	5,495	1,214	133,434
Additions	—	252	1,800	446	2,498
Reclassification	—	555	—	(555)	—
Exchange differences	5,309	698	322	54	6,383
At December 31, 2023	118,213	15,326	7,617	1,159	142,315
Additions	—	—	1,087	966	2,053
Reclassification	—	782	—	(782)	—
Exchange differences	(10,972)	(1,435)	(687)	(130)	(13,224)
At December 31, 2024	107,241	14,673	8,017	1,213	131,144
Accumulated amortization					
At January 1, 2023	—	(3,592)	(2,154)	—	(5,746)
Amortization charge	—	(4,040)	(1,305)	—	(5,345)
Impairment	—	(336)	—	—	(336)
Exchange differences	—	(389)	(173)	—	(562)
At December 31, 2023	—	(8,357)	(3,632)	—	(11,989)
Amortization charge	—	(2,493)	(1,598)	—	(4,091)
Impairment	—	(106)	—	—	(106)
Exchange differences	—	873	377	—	1,250
At December 31, 2024	—	(10,083)	(4,853)	—	(14,936)
Cost, net accumulated amortization					
At December 31, 2023	118,213	6,969	3,985	1,159	130,326
At December 31, 2024	107,241	4,590	3,164	1,213	116,208

Goodwill is in its entirety related to the acquisition of Cereal Base CEBA AB in 2016.

15.1. Test of goodwill impairment

The Chief Executive Officer assesses the operating performance based on the Group's three operating segments: Europe & International, North America and Greater China. Goodwill is monitored by the Chief Executive Officer at the level of the three operating segments. The goodwill existing as at December 31, 2024 and 2023 is entirely attributable to Europe & International.

The Group tests whether goodwill has suffered any impairment on an annual basis, or more frequently if events or changes in circumstances indicate that it might be impaired. The Group performed its annual impairment test as of December 31, 2024 and 2023. For the 2024 and 2023 reporting period, the recoverable amount of the cash-generating unit ("CGU") was determined based on a value in use calculation, which requires the use of assumptions. The calculations use cash flow projections based on financial budgets approved by Management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 2.0% (2023: 2.0%). The growth rate is consistent with forecasts included in industry reports specific to the industry in which the CGU operates. The pre-tax discount rate used is 10.2% (2023: 10.2%).

The following are key assumptions used in value in use calculations:

- Long-term EBITDA margin
- Long-term growth rate
- Pre-tax discount rate

Management has determined the values assigned to each of the above key assumptions as follows:

- Long-term EBITDA margin: Based on past performance and management's expectations for the future when continuing to scale the business.
- Long-term growth rate: This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
- Pre-tax discount rate: Reflect specific risks relating to the relevant segment and the countries in which they operate.

The recoverable amount exceeds the carrying amount of goodwill.

Sensitivity analysis

There are no reasonably possible changes in any of the key assumptions that would have resulted in an impairment of goodwill.

16. Property, plant and equipment

A summary of property, plant and equipment as at December 31, 2024 and December 31, 2023 is as follows:

	Land and buildings	Plant and machinery	Construction in progress	Total
Cost				
At January 1, 2023	77,059	243,399	225,940	546,398
Additions	5,498	15,245	21,258	42,001
Sold	(295)	—	—	(295)
Disposals	(123)	(701)	(801)	(1,625)
Reclassifications	19,938	16,550	(36,488)	—
Exchange differences	2,672	4,356	7,386	14,414
At December 31, 2023	104,749	278,849	217,295	600,893
Additions	4,223	17,779	16,044	38,046
Sold ⁽¹⁾	—	(77)	(84,254)	(84,331)
Disposals ⁽²⁾	(116)	(1,884)	(89,584)	(91,584)
Reclassifications	1,856	1,834	(3,690)	—
Exchange differences	(5,901)	(10,348)	(1,496)	(17,745)
At December 31, 2024	104,811	286,153	54,315	445,279
Accumulated depreciation and impairment				
At January 1, 2023	(9,369)	(44,077)	—	(53,446)
Depreciation charge	(5,636)	(27,392)	—	(33,028)
Sold	295	—	—	295
Disposals	39	668	—	707
Impairment ⁽³⁾	—	(171)	(152,187)	(152,358)
Exchange differences	(397)	(1,507)	(873)	(2,777)
At December 31, 2023	(15,068)	(72,479)	(153,060)	(240,607)
Depreciation charge	(6,206)	(27,822)	—	(34,028)
Sold ⁽¹⁾	—	10	80,104	80,114
Disposals ⁽²⁾	49	1,650	75,291	76,990
Impairment ⁽⁴⁾	(3,294)	(14,416)	(19,595)	(37,305)
Exchange differences	1,143	3,532	(919)	3,756
At December 31, 2024	(23,376)	(109,525)	(18,179)	(151,080)
Cost, net accumulated depreciation and impairment				
At December 31, 2023	89,681	206,370	64,235	360,286
At December 31, 2024	81,435	176,628	36,136	294,199

(1) Relates primarily to sold assets due to the decision to discontinue the construction of the production facilities in Peterborough, UK and Dallas-Fort Worth, Texas.

(2) Relates primarily to disposal of assets due to the decision to discontinue the construction of the production facilities in Peterborough, UK and Dallas-Fort Worth, Texas.

(3) Of the total \$152.4 million, \$152.2 million relates to impairment charges due to the decision to discontinue the construction of the production facilities in Peterborough, UK and Dallas-Fort Worth, Texas.

- (4) Of the total \$37.3 million, \$19.1 million relates to impairment charges due to the closure of the production facility in Singapore, and \$17.6 million relates to impairment charges due to the decision to discontinue the construction of the production facility in China (Asia III).

The additions during the year ended December 31, 2024 is mainly related to investment in existing production facilities.

The depreciation expense for years ended December 31, 2024, 2023 and 2022 was \$34.0 million, \$33.0 million and \$32.0 million, respectively.

Part of the Group's property, plant and equipment are pledged to secure the Group's liabilities to credit institutions. Refer to Note 3 *Financial risk management* for further details.

16.1. Test of impairment

As described in Note 4 *Significant accounting judgments, estimates and assessments*, Management decided, for the 2024 and 2023 reporting periods, to perform impairment tests for the non-financial assets in all the three operating segments, not only for the segment containing goodwill. Refer to Note 15 *Intangible assets* for disclosure of impairment test for the operating segment Europe & International. The Group performed the impairment tests as of December 31, 2024 and 2023.

For North America and Greater China the recoverable amount for the cash generating units were established through calculation of the value in use, which require the use of assumptions, refer Note 15 *Intangible assets* for disclosure on the assumptions used. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 2%. The growth rate is consistent with forecasts included in industry reports specific to the industry in which the CGU operates. The pre-tax discount rate used for North America was 10.6% (2023:10.8%) and for Greater China 9.2% (2023:9.7%).

The recoverable amount exceeds the carrying amount of non-financial assets for both North America and Greater China.

Sensitivity analysis - Greater China

The recoverable amount of the Greater China CGU would equal the carrying amount if the pre-tax discount rate increased by 1.0 percentage points or if the long-term EBITDA margin decreased by 1.1 percentage points.

Sensitivity analysis – North America

There are no reasonably possible changes in any of the key assumptions that would have resulted in an impairment for North America.

17. Leases

This note provides information for leases where the Group is a lessee.

17.1. The Group's leasing activities and how these are accounted for

Lease terms for production facilities are generally between 10 and 20 years, and lease terms for other properties (i.e., offices) are generally between one and 15 years. Lease terms for production equipment are generally between one and five years. The Group also has leases with a shorter lease term than 12 months and leases pertaining to assets of low value, such as office equipment. For these, the Group has chosen to apply the exemption rules in IFRS 16 Leases, meaning the value of these contracts is not part of the right-of-use asset or lease liability.

17.2. Amounts recognized in the consolidated statement of financial position

The consolidated statement of financial position discloses the following amounts relating to leases:

	<u>2024</u>	<u>2023</u>
Right-of-use assets		
Land and buildings	31,172	69,434
Plant and machinery	14,383	18,959
Total	<u><u>45,555</u></u>	<u><u>88,393</u></u>
Lease liabilities		
Non-current	31,724	72,570
Current	13,359	16,432
Total	<u><u>45,083</u></u>	<u><u>89,002</u></u>

	<u>Land and buildings</u>	<u>Plant and machinery</u>	<u>Total</u>
Cost			
At January 1, 2023	<u>100,113</u>	<u>30,525</u>	<u>130,638</u>
Increases	16,700	2,578	19,278
Decreases ⁽¹⁾	(27,255)	(1,775)	(29,030)
Exchange differences	3,015	454	3,469
At December 31, 2023	<u>92,573</u>	<u>31,782</u>	<u>124,355</u>
Increases	1,643	1,263	2,906
Decreases ⁽²⁾	(36,065)	(3,376)	(39,441)
Exchange differences	(2,062)	(1,491)	(3,553)
At December 31, 2024	<u>56,089</u>	<u>28,178</u>	<u>84,267</u>
Accumulated depreciation and impairment			
At January 1, 2023	<u>(13,098)</u>	<u>(8,942)</u>	<u>(22,040)</u>
Depreciation	(8,921)	(5,156)	(14,077)
Decreases	4,687	1,651	6,338
Impairment ⁽³⁾	(5,355)	—	(5,355)
Exchange differences	(452)	(376)	(828)
At December 31, 2023	<u>(23,139)</u>	<u>(12,823)</u>	<u>(35,962)</u>
Depreciation	(7,418)	(4,390)	(11,808)
Decreases	9,865	2,622	12,487
Impairment ⁽⁴⁾	(4,809)	—	(4,809)
Exchange differences	584	796	1,380
At December 31, 2024	<u>(24,917)</u>	<u>(13,795)</u>	<u>(38,712)</u>
Cost, net accumulated depreciation and impairment			
At December 31, 2023	<u>69,434</u>	<u>18,959</u>	<u>88,393</u>
At December 31, 2024	<u>31,172</u>	<u>14,383</u>	<u>45,555</u>

- (1) Primarily related to change of lease term due to the decision to discontinue the construction of the Group's production facility in Peterborough, UK.
- (2) Primarily related to terminated lease contract due to the discontinued construction of the Group's production facility in Peterborough, UK.
- (3) Included an asset impairment charge of \$3.7 million due to the decision to discontinue the construction of the Group's production facility in Peterborough, UK.
- (4) Includes an asset impairment charge of \$3.9 million due to the decision to discontinue the construction of the Group's second production facility in China (Asia III).

17.3. Amounts recognized in the consolidated statement of operations

	2024	2023
Depreciation and impairment charge of right-of-use assets		
Land and buildings	(12,227)	(14,276)
Plant and machinery	(4,390)	(5,156)
Total	(16,617)	(19,432)
Interest expense (included in finance expenses)	(4,682)	(6,779)
Expense relating to short-term leases	(142)	(454)
Expense relating to leases of low-value assets that are not shown above as short-term leases	(33)	(723)

The total cash outflow for leases in 2024 was \$24.5 million (2023: 19.4 million).

The Group has the following lease agreements, which had not commenced as of December 31, 2024, but the Group is committed to:

- One lease agreement regarding production equipment in Ma'anshan, China, under which the Group's obligations collectively amount to \$3.5 million for a term of six years. The lease will commence during 2024.

18. Other non-current receivables

	2024	2023
Promissory note	24,867	22,093
Long-term prepaid expenses	14,634	15,782
Deposits	1,024	1,861
Derivatives	125	1,027
Other receivables	3,681	3,615
Total	44,331	44,378

The promissory note is part of the purchase price from selling the manufacturing facilities in Ogden, Utah and Dallas-Fort Worth, Texas (respectively, the "Ogden Facility" and the "Dallas-Fort Worth Facility," and together, the "Facilities"), to YYF. The note has a maturity date of May 31, 2028. The nominal interest rate is 8% for the first year and then increases by 200 basis points each year. The interest is capitalized semi-annually, and the effective interest rate is 12.56%.

Long-term prepaid expenses consist primarily of a credit toward future use of shared assets at the Facilities due to the YYF Transaction. Due to the decision to discontinue the construction of the production facility in Dallas-Fort Worth, Texas, an impairment charge of \$2.5 million was recorded during the year ended December 31, 2023. The impairment charge was included in Other operating income and (expenses), net in the consolidated statement of operations.

For further information on the YYF Transaction, see Note 35 *Non-current assets held for sale*.

19. Financial instruments per category

	2024	2023	2024	2023
	Fair value through profit or loss		At amortized cost	
Assets in the consolidated statement of financial position				
Other non-current receivables	—	—	44,206	43,351
Derivatives (part of Other non-current receivables)	125	1,027	—	—
Trade receivables	—	—	103,366	112,951
Other current receivables	—	—	8,297	22,764
Derivatives (part of Other current receivables)	—	857	—	—
Cash and cash equivalents	—	—	98,923	249,299
Total	125	1,884	254,792	428,365
	2024	2023	2024	2023
	Fair value through profit or loss		At amortized cost	
Liabilities in the consolidated statement of financial position				
Convertible Notes	324,395	323,528	—	—
Liabilities to credit institutions	—	—	121,973	120,305
Trade payables	—	—	60,152	64,368
Derivatives (part of Other current liabilities)	2	—	—	—
Accrued expenses	—	—	79,435	90,692
Total	324,397	323,528	261,560	275,365

The change in fair value recorded in the profit and loss for 2024 was a gain of \$31.3 million (2023: gain of \$97.1 million), consisting primarily of fair value changes on Convertible Notes. The fair value changes are included in Finance income and (expenses), net in the consolidated statement of operations.

Fair value hierarchy

This note explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques, which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Specific valuation techniques used in Level 2 to value financial instruments include:

- for foreign currency forwards, the present value of future cash flows based on the forward exchange rates at the balance sheet date
- for interest rate caps – option pricing models (e.g. Black-Scholes model)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

Recurring fair value measurements at December 31, 2024	Level 1	Level 2	Level 3
Financial assets			
Derivatives (part of Other non-current receivables)	—	125	—
Total financial assets	—	125	—
Financial liabilities			
Convertible Notes	—	—	324,395
Derivatives (part of Other current liabilities)	—	2	—
Total financial liabilities	—	2	324,395
Recurring fair value measurements at December 31, 2023	Level 1	Level 2	Level 3
Financial assets			
Derivatives (part of Other non-current receivables)	—	1,027	—
Derivatives (part of Other current receivables)	—	857	—
Total financial assets	—	1,884	—
Financial liabilities			
Convertible Notes	—	—	323,528
Total financial liabilities	—	—	323,528

There were no transfers between the levels during 2024 and 2023.

The carrying amount of the promissory note, is a reasonable approximation of fair value since the transaction was closed on March 1, 2023, and there have been no significant changes to credit risk or market rates during the period March 1 until December 31, 2024. See Note 18 *Other non-current receivables*.

The carrying amount of non-current liabilities to credit institutions in the Group is a reasonable approximation of fair value since the interest rate is variable and there have been no significant changes to credit risk since issued on April 18, 2023. See Note 26 *Liabilities to credit institutions*.

The carrying amount of current liabilities to credit institutions and other financial instruments in the Group is a reasonable approximation of fair value since they are short-term, and the discount effect is not significant.

Convertible Notes

	Convertible Notes	
	December 31, 2024	December 31, 2023
At January 1, 2023		—
Issues of Convertible Notes		324,950
Fair value changes (including interest expenses) recognized in the consolidated statement of operations		(74,078)
Change in fair value recognized in consolidated statement of other comprehensive loss		72,656
At December 31, 2023		323,528
Fair value changes (including interest expenses) recognized in the consolidated statement of operations		867
At December 31, 2024		324,395
Carrying amount	324,395	323,528
Includes: Cumulative fair value changes on Convertible Notes attributable to changes in credit risk, recognized in the fair value reserve	—	72,656
Amount the Company is contractually obligated to pay to holders of the Convertible Notes at maturity	546,842	546,842
Difference between carrying amount and the amount the Company is contractually obligated to pay to holders of Convertible Notes at maturity	(222,447)	(223,314)

The Group determines the amount of fair value changes which are attributable to credit risk by first determining the changes due to market conditions which give rise to market risk, and then deducting those changes from the total change in fair value of the

Convertible Notes. Market conditions which give rise to market risk include changes in the benchmark interest rate. Fair value movements on the conversion option embedded derivative are included in the assessment of market risk fair value changes.

The fair value of the instrument in its entirety has been determined by using a combination of a Monte Carlo simulation and a discounted cash flow analysis.

The following table lists the key inputs and assumptions used in the valuation model as of December 31, 2024:

	<u>2024</u>	<u>2023</u>
Conversion price (\$) ⁽¹⁾	1.36-1.89	1.36-2.52
Share price at valuation date (\$)	0.6628	1.18
Expected price volatility of the Company share (%)	70.00	65.00
Risk-free interest rate (%)	4.30	3.90
Market interest rate (%)	20.00	21.50

(1) The Convertible Notes are convertible at the option of each holder at a conversion price of \$1.81-1.89 per ordinary share or per ADS, subject to customary anti-dilution adjustments and a conversion rate reset on March 23, 2025. For further details on the Convertible Notes and the conversion price reset mechanism, see Note 28 *Convertible Notes*.

The market interest rate has been assessed based on the observed range of yields on corporate bonds with comparable terms and comparable credit ratings to that of the Group.

The following table shows the impact of the key inputs and assumptions on the fair value of the Convertible Notes:

	<u>2024</u>	<u>2023</u>
Share price decrease 30%	303,849	284,266
Share price increase 30%	346,372	357,969
Volatility decrease 10 percentage points	319,311	313,437
Volatility increase 10 percentage points	329,108	333,614
Risk-free interest rate decrease 1 percentage point	323,810	321,889
Risk-free interest rate increase 1 percentage point	324,954	325,089
Market interest rate decrease 1 percentage point	333,154	332,199
Market interest rate increase 1 percentage point	315,973	315,256

20. Inventories

	<u>2024</u>	<u>2023</u>
Raw materials and consumables	12,565	16,500
Finished goods	53,037	51,382
Total	<u>65,602</u>	<u>67,882</u>

Inventories recognized as an expense during the year ended December 31, 2024 amounted to \$555.7 million (2023: \$599.0 million) and were included in cost of goods sold in the consolidated statement of operations.

Write-downs of inventories to net realizable value during the year ended December 31, 2024 amounted to \$3.1 million (2023: \$17.0 million). The write-downs were recognized as an expense during the years ended December 31, 2024 and 2023 and included in cost of goods sold in the consolidated statement of operations.

21. Trade receivables

	<u>2024</u>	<u>2023</u>
Trade receivables	104,144	114,171
Less: allowance for expected credit losses	(778)	(1,220)
Trade receivables—net	<u>103,366</u>	<u>112,951</u>

Carrying amounts, by currency, for the Group's trade receivables are as follows:

	<u>2024</u>	<u>2023</u>
EUR	31,660	31,523
USD	29,931	27,828
GBP	19,670	20,909
CNY	13,616	19,445
SEK	2,701	5,939
Other	5,788	7,307
Total	<u>103,366</u>	<u>112,951</u>

For more information on aging schedule and the allowance for expected credit losses, please see Note 3.1.2 *Credit risk*.

The maximum exposure to credit risk on the date of the statement of financial position is the carrying amounts according to the above.

22. Other current receivables

	<u>2024</u>	<u>2023</u>
Value added tax	6,169	8,954
Advance payments to vendors	1,158	1,788
Short-term derivatives	—	857
Other	8,411	22,221
Total	<u>15,738</u>	<u>33,820</u>

As of December 31, 2023, other included a receivable of \$12.2 million related to production equipment returned to a supplier due to the decision to discontinue the construction of the production facility in Peterborough, UK. The receivable was settled during the year ended December 31, 2024.

For further information on the YYF Transaction, see Note 35 *Non-current assets held for sale*.

23. Prepaid expenses

	<u>2024</u>	<u>2023</u>
Prepaid financing expenses	2,312	4,006
Prepaid selling and marketing expenses	1,264	1,587
Prepaid insurance expenses	555	620
Other	5,271	10,715
Total	<u>9,402</u>	<u>16,928</u>

24. Cash and cash equivalents

The consolidated statement of financial position and the consolidated statement of cash flows include the following items in "cash and cash equivalents":

	<u>2024</u>	<u>2023</u>
Short-term deposits	40,000	170,000
Cash at bank and on hand	58,923	79,299
Total	<u>98,923</u>	<u>249,299</u>

Short-term deposits are time deposits and structured deposits, with maturities of 1 to 3 months. The expected change in value is assessed as insignificant since the amount received cannot be less than the amount deposited.

25. Equity

Share capital and Treasury shares

In May 2021, the shareholders resolved to issue 69,497 thousand warrants to secure the future delivery of shares under the 2021 Plan. During May 2024, the Company exercised 3,667 thousand warrants (May 2023: 2,882 thousand warrants, May 2022: 650 thousand warrants). As of December 31, 2024 and 2023, there were 62,298 thousand and 65,965 thousand warrants outstanding, respectively.

Upon exercise of the warrants in May 2024, 3,667 thousand ordinary shares were allotted and issued, and 2,910 thousand ordinary shares were converted to American Depositary Shares to be delivered to participants under the 2021 Incentive Award Plan related to the vesting of the May 2021, May 2022, May 2023 and July 2023 grants. In November 2024, an additional 590 thousand were converted to American Depositary Shares to be delivered to participants under the 2021 Incentive Award Plan related to the vesting of the November 2021, November 2022 and May 2023 grants. The remaining balance is held as treasury shares to enable the Company's timely delivery of shares upon the exercise of outstanding share options and to meet future vesting of the RSUs.

As of December 31, 2024 and 2023, 598,560 thousand and 595,060 thousand ordinary shares were outstanding, respectively, and the par value per share was \$0.00018 (SEK 0.0015). The Company had 417 thousand treasury shares as of December 31, 2024 and 249 thousand treasury shares as of December 31, 2023.

Other contributed capital

As of December 31, 2024 and 2023 other contributed capital of \$1,628.0 million consists of share premium, shareholders contribution and proceeds from warrant issues.

Other reserves

As of December 31, 2024, other reserves of \$(274.2) million consists of fair value reserve of \$(72.7) million related to fair value gains and losses on the Convertible Notes attributable to changes in the Group's credit risk, and foreign currency translation reserve of \$(201.5) million primarily related to the exchange differences occurring from the translation of foreign operations in another currency than the reporting currency of the Group (USD).

As of December 31, 2023, other reserves of \$(233.2) million consists of fair value reserve of \$(72.7) million related to fair value gains and losses on the Convertible Notes attributable to changes in the Group's credit risk, and foreign currency translation reserve of \$(160.5) million primarily related to the exchange differences occurring from the translation of foreign operations in another currency than the reporting currency of the Group (USD).

Accumulated deficit

As of December 31, 2024 and 2023 accumulated deficit of \$(1,249.3) million and \$(1,061.0) million, respectively, consists of accumulated losses and share-based compensation.

Non-controlling interest

On July 27, 2023, one of the Group's subsidiaries in China carried out a share issue. Prior to the share issue the Group owned 100 percent of the share capital in the subsidiary. Xiangpiaopiao Food Co., Ltd. subscribed for a part of the new issued shares and owns 40 percent of the share capital after the transaction, whereas the Group recognized a non-controlling interest. As of December 31, 2024, non-controlling interests amounted to \$1.4 million.

26. Liabilities to credit institutions

	<u>2024</u>	<u>2023</u>
Non-current liabilities to credit institutions	116,216	114,249
Current liabilities to credit institutions	5,757	6,056
Total	<u>121,973</u>	<u>120,305</u>

As of December 31, 2024 and December 31, 2023, the Liabilities to credit institutions balance amounted to \$122.0 million and \$120.3 million, respectively, and was related to outstanding amounts under the TLB Credit Agreement (as defined below) and the EIF Facility (as defined below).

The European Investment Fund guaranteed three-year term loan facility with Svensk Exportkredit (the "EIF Facility") was entered into in October 2019. In October 2022, the EIF Facility was amended to extend the term for another three years, with a maturity date in

October 2025. The loan facility and interest margin remained unchanged. As of December 31, 2024 and December 31, 2023, the Group had €1.3 million (equivalent of \$1.3 million) and €2.5 million (equivalent of \$2.8 million), respectively, outstanding on the EIF Facility, including accrued interest.

In April 2023, the Company entered into the TLB Credit Agreement with, amongst others, Silver Point Finance LLC as Syndication Agent and Lead Lender, J.P. Morgan SE, as Administrative Agent and Wilmington Trust (London) Limited as Security Agent, including a term loan facility of \$130 million borrowed by Oatly AB. The term of the TLB Credit Agreement is five years from the funding date of the term loan facility, and the term loan facility is subject to 1% amortization per annum paid in quarterly installments. Borrowings carry an interest rate of Term SOFR (with a floor of 2.50%) plus 7.5% or Base Rate (with floor of 3.50%) plus 6.5%. The TLB Credit Agreement, contains maintenance financial covenants such as minimum EBITDA, total net leverage ratio and liquidity requirements. The TLB Credit Agreement also contains certain negative covenants, including but not limited to restrictions on indebtedness, limitations on liens, fundamental changes covenant, asset sales covenant, and restricted payments covenant. The debt under the TLB Credit Agreement ranks pari passu with, and shares in the same security and guarantees from the Group as the EIF Facility and the SRCF Agreement by way of the Intercreditor Agreement. As of December 31, 2024, and December 31, 2023, the Group had \$120.7 million and \$117.5 million, respectively, outstanding under the TLB Credit Agreement, including accrued interest and net after original issue discount and transaction costs.

In April 2023, the SRCF Agreement was amended and restated whereby, among other things, (i) the term of the SRCF Agreement was reset to three years and six months, with a one year uncommitted extension option, (ii) the lender group under the SRCF Agreement was reduced to JP Morgan SE, BNP Paribas SA, Bankfilial Sverige, Coöperatieve Rabobank U.A. and Nordea Bank Abp, filial i Sverige and the commitments under the SRCF Agreement were reduced to SEK 2,100 million (equivalent of \$192.1 million), with an uncommitted incremental revolving facility option of up to SEK 500 million (equivalent of \$45.7 million), (iii) the initial margin was reset at 4.00% p.a., (iv) the tangible solvency ratio, minimum EBITDA, minimum liquidity and total net leverage ratio financial covenants were reset, (v) the existing negative covenants were amended to further align with those included in the TLB Credit Agreement, including in relation to incurrence of indebtedness, and (vi) the debt under the SRCF Agreement ranks pari passu with, and shares in the same security and guarantees from the Group as, the EIF Facility and the TLB Credit Agreement by way of the Intercreditor Agreement. As of December 31, 2024 and December 31, 2023, the Group had no utilized loan amounts under the amended SRCF Agreement.

In May 2023, (i) the SRCF Agreement was amended pursuant to an amendment letter to, among other things, ensure that the Convertible Notes constitute "PIPE Financing" under and as defined in the SRCF Agreement and (ii) the TLB Credit Agreement was amended pursuant to an amendment agreement to, among other things, ensure that the Convertible Notes constitute "Convertible Bonds" under and as defined in the TLB Credit Agreement. See Note 28 *Convertible Notes* for more information on the Company's Convertible Notes.

On February 14, 2024, the Sustainable Revolving Credit Facility Agreement and the Term Loan B Credit Agreement were amended and restated to, among other things, (i) reset the financial covenant levels applying to the minimum EBITDA (including separate testing of the Group's Europe & International EBITDA, the definition of which has subsequently been corrected by way of subsequent amendment), minimum liquidity and total net leverage ratio financial covenants and, in relation to the Sustainable Revolving Credit Facility Agreement, the tangible solvency ratio financial covenant, (ii) revise certain financial definitions to permit additional adjustments for the purpose of the calculation of the financial covenants and (iii) provide certain flexibility for disposals of assets relating to the Group's production facilities in Dallas Fort Worth, Texas, United States of America and Peterborough, United Kingdom. In addition, the existing draw-stop level for the Sustainable Revolving Credit Facility Agreement, which requires that a certain amount of such facility remains undrawn for as long as the last twelve months' ("LTM") consolidated EBITDA of the Group is negative, has been increased from \$50 million to \$100 million, and the original 24 months' non-call/make-whole period applying under the Term Loan B Credit Agreement has been reset to apply for the 18 months following the amendment effective date (for the avoidance of doubt, the subsequent 12 months' prepayment fee period still applies after the end of such 18-month period).

Under the amended Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement, the total net leverage ratio financial covenant, tested in respect of the LTM period ending on each quarter date, will start to apply in respect of the LTM period ending on 31 December 2026 and the applicable financial covenant level will be 4.50:1, stepping down to 3.50:1 for each LTM period ending in 2027 and to 3.00:1 for each LTM period in 2028. The reset quarterly tangible solvency ratio financial covenant level applying under the amended Sustainable Revolving Credit Facility Agreement is 30%.

On February 14, 2024, the EIF Facility was amended and restated to, where and to the extent applicable, implement equivalent amendments as those made to the Sustainable Revolving Credit Facility Agreement on February 14, 2024.

For changes in facilities and borrowings after the reporting period, see Note 36 *Events after the end of the reporting period*.

The EIF Facility, TLB Credit Agreement and the SRCF Agreement benefit from the same guarantees. Refer to Note 3 *Financial risk management* for further details.

Financial covenants

The minimum EBITDA covenant that applies to the TLB Credit Agreement, the SRCF Agreement and the EIF Facility is tested in respect of the LTM period ending on each quarter date. Minimum liquidity that applies to the TLB Credit Agreement, the SRCF Agreement and the EIF Facility and the tangible solvency ratio applying to the SRCF Agreement and the EIF Facility are tested on each quarter date.

27. Provisions

	<u>Restructuring</u>	<u>Decommissioning</u>	<u>Legal settlement</u>
At January 1, 2024	35,263	1,531	9,250
Charged to the consolidated statement of operations:			
- Additional provisions recognized	34,159	—	—
- Unwinding of discount effect	54	—	—
- Reversal of non-utilized amounts	(2,363)	—	—
Amounts used during the year	(36,896)	—	(9,250)
Reclassifications	3,247	(1,551)	—
Charged to other comprehensive loss:			
- Exchange differences	(403)	20	—
At December 31, 2024	33,061	—	—
Non-current	14,857	—	—
Current	18,204	—	—

Restructuring

The restructuring provisions recorded in 2024 was principally related to decommissioning and other exit costs for the closure of the production facility in Singapore. The costs relating to the closure of the facility are expected to be paid throughout the coming 2 years. The Group also recorded provisions related to organizational restructuring. The organizational restructuring plan was drawn up and announced to the employees during 2024.

During the year ended December 31, 2024 the Group had \$29.7 million in cash outflows primarily relating to the continued exit of the production facility in Peterborough, UK.

The restructuring provision recorded in 2023 related principally to decommissioning and other exit costs for the discontinued construction of the production facilities in Peterborough, UK and Dallas-Fort Worth, Texas.

Decommissioning

A provision recognized for decommissioning costs which relates to restoration costs for leased production facilities. The decommissioning was settled at the end of the 2024 due to the closure of the Group's production facility in Singapore.

Legal settlement

The legal settlement provision recognized in 2023 was paid during the second quarter of 2024. For information regarding the legal settlement, see Note 34 *Commitments and contingencies*.

28. Convertible Notes

On March 23, 2023, and April 18, 2023, the Company issued \$300 million aggregate principal amount of 9.25% Convertible Senior PIK Notes due 2028 (the notes issued on March 23, 2023, the "U.S. Notes" and the notes issued on April 18, 2023, the "Swedish Notes")

and, together with the U.S. Notes, the “Original Convertible Notes” and the Original Convertible Notes, together with the HH Notes (as defined below), the “Convertible Notes”). The U.S. Notes and the Swedish Notes have substantially identical economic terms.

Certain of the Company’s existing shareholders, Nativus Company Limited, Verlinvest S.A. (“Verlinvest”) and Blackstone Funds, purchased \$200.1 million aggregate principal amount of the Swedish Notes and other institutional investors purchased \$99.9 million aggregate principal amount of the U.S. Notes. The investors paid an aggregate purchase price of \$291 million, reflecting an original issue discount of 3%.

The Convertible Notes bear interest at a rate of 9.25% per annum, payable semi-annually in arrears in cash or in payment-in-kind, at Company’s option, on April 15 and October 15 of each year, beginning on October 15, 2023. The Convertible Notes will mature on September 14, 2028, unless earlier converted by the holders or required to be converted, repurchased or redeemed by us. The Original Convertible Notes were convertible at the option of each holder at an initial conversion price of \$2.41 per ordinary share or per ADS, subject to customary anti-dilution adjustments and conversion rate resets. On March 23, 2024, the conversion price of the Original Convertible Notes was reset to \$1.81 in accordance with the terms thereof. As a result of the ADS Ratio Change, the conversion price of the U.S. Notes was proportionately adjusted from \$1.81 to \$36.20. The conversion price of the U.S. Notes may be reset again on March 23, 2025, if the average of the daily volume-weighted average prices of the ADSs for the 30 consecutive trading days immediately preceding March 23, 2025, times 1.17 is below \$36.20. The conversion price of the U.S. Notes, before considering customary anti-dilution adjustments, cannot be reset to lower than \$27.20 on March 23, 2025.

Because the Swedish Notes are convertible into Ordinary Shares rather than ADSs, the ADS Ratio Change did not affect the conversion price and conversion rate of the Swedish Notes. In order to ensure that the holders of the Swedish Notes remain in the same economic position as before the ADS Ratio Change and to preserve economic equivalency of the Swedish Notes with the U.S. Notes and the HH Notes, the Company, in accordance with the terms and conditions of the Swedish Notes, will interpret the definition of “Daily VWAP” therein to assume the trading price of 1/20 of an ADS. The conversion price of the Swedish Notes may be reset again on March 23, 2025, if the “Daily VWAP” of 1/20 of an ADS for the 30 consecutive trading days immediately preceding March 23, 2025, times 1.17 is below \$1.81. The conversion price of the Swedish Notes, before considering customary anti-dilution adjustments, cannot be reset to lower than \$1.36 on March 23, 2025.

The Company may require conversion of the Convertible Notes if the last reported sale price of its ADSs equals or exceeds 200% of the applicable conversion price on any 45 trading days during any 90 consecutive day period beginning on or after the third anniversary of the issuance of the U.S. Notes (with respect to the U.S. Notes and the HH Notes) and the Swedish Notes (with respect to the Swedish Notes).

On April 18, 2023, the Company, Oatly AB, Oatly Inc. and other parties entered into the Intercreditor Agreement which includes customary ranking, enforcement and turnover provisions intended to govern the relationship between the creditor groups and which affect e.g. the Convertible Notes.

On May 9, 2023 the Company entered into an agreement with an affiliate of Hillhouse Investment Management Ltd. (“Hillhouse”) to sell an additional \$35 million in Convertible Senior PIK Notes due 2028 (the “HH Notes”), resulting in approximately \$34 million in financing after reflecting an original issue discount of 3%. The economic terms of the HH Notes are substantially identical to the economic terms of the U.S. Notes, except (i) that the HH Notes were convertible at Hillhouse’s option at an initial conversion price of \$2.52 per ADS, representing an approximate 17% premium to the last reported sale price of Company’s ADSs on the Nasdaq Global Market on May 8, 2023, and (ii) with respect to the specified prices in connection with the conversion rate resets of the HH Notes. On March 23, 2024, the conversion price of the HH Notes was reset to \$1.89 in accordance with the terms thereof. As a result of the ADS Ratio Change, the conversion price of the HH Notes was proportionately adjusted from \$1.89 to \$37.80. The conversion price may be reset again on March 23, 2025, if the average of the daily volume-weighted average prices of the ADSs for the 30 consecutive trading days immediately preceding March 23, 2025, times 1.17 is below \$37.80. The conversion price of the HH Notes, before considering customary anti-dilution adjustments, cannot be reset to lower than \$28.20 on March 23, 2025. In addition, on May 9, 2023, one of the existing holders of Swedish Notes and an affiliate of one of the Company’s shareholders, Verlinvest, agreed to sell and Hillhouse agreed to purchase from Verlinvest \$15 million aggregate principal amount of Swedish Notes (the “Resale Notes”). The purchase and sale of the HH Notes and the Resale Notes closed on May 31, 2023. The HH Notes are also subject to the Intercreditor Agreement.

The terms of the Convertible Notes contain covenants limiting the Company’s ability to incur additional debt other than certain debt permitted under the TLB Credit Agreement, issue preferred stock, and incur convertible debt or subordinated debt, in each case without the consent of the holders of a majority of the Convertible Notes (as determined pursuant to the terms of the applicable Convertible Notes).

For details on the fair value on Convertible Notes, see Note 19 *Financial instruments per category*.

29. Other current liabilities

	<u>2024</u>	<u>2023</u>
Value added tax	5,290	10,203
Employee withholding taxes	1,943	2,224
Derivatives	2	—
Other	763	1,446
Total	<u>7,998</u>	<u>13,873</u>

30. Accrued expenses

	<u>2024</u>	<u>2023</u>
Accrued variable consideration	24,549	19,649
Accrued personnel expenses	24,284	30,646
Accrued production expenses	12,701	26,140
Accrued logistic expenses	10,762	9,318
Accrued marketing and sales expenses	9,218	10,050
Other accrued expenses	22,205	25,535
Total	<u>103,719</u>	<u>121,338</u>

31. Related party disclosures

Entity with significant influence over the Group

CR Verlinvest Health Investment Limited (Org No 2380741), headquartered in Hong Kong, the People's Republic of China, owns 45.4% of the ordinary shares in the Group (2023: 45.7%). Related parties are CR Verlinvest Health Investment Limited and its subsidiaries, as well as the Board of Directors and key management (senior executives and their associates) in the Group. Information about key management compensation is found in Note 8 *Employee and personnel costs*.

Subsidiaries

Interests in subsidiaries are set out in Note 14 *Investments in subsidiaries*.

Transactions with related parties

For 2024, \$1.4 million (2023: \$1.0 million) has been recognized in the consolidated statement of operations for compensation to the Board of Directors.

For the year ended December 31, 2024, Oatly expensed \$1.2 million (2023: \$1.1 million) pursuant to a Distribution Agreement with the distribution company Chef Sam, of which Bernard Hours, a member of the Board of Directors, was a 33% owner prior to divesting such ownership interest during the third quarter of 2024.

On April 18, 2023 the Company issued Convertible Notes to related parties, Nativus Company Limited and Verlinvest S.A, with a fair value of \$174.0 million. As of December 31, 2024, the fair value of the outstanding Convertible Notes to related parties amounted to \$158.9 million. The Convertible Notes were issued with the terms and conditions described in Note 28 *Convertible Notes*.

32. Changes in liabilities attributable to financing activities

	Liabilities to credit institutions	Leases	Convertible Notes	Total
Balance at January 1, 2023	52,590	99,108	—	151,698
Cash flows	61,985	(11,411)	324,950	375,524
Non-cash flows:				
Addition – leases	—	21,341	—	21,341
Foreign exchange adjustments	407	2,844	—	3,251
Fair value changes (including interest expenses) recognized in the consolidated statement of operations	—	—	(74,078)	(74,078)
Change in fair value recognized in consolidated statement of other comprehensive loss	—	—	72,656	72,656
Remeasurement - leases ⁽¹⁾	—	(17,886)	—	(17,886)
Other changes	5,323	(4,994)	—	329
Balance at December 31, 2023	120,305	89,002	323,528	532,835
Cash flows	(2,678)	(19,645)	—	(22,323)
Non-cash flows:				
Addition – leases	—	2,880	—	2,880
Foreign exchange adjustments	840	(2,027)	—	(1,187)
Fair value changes (including interest expenses) recognized in the consolidated statement of operations	—	—	867	867
Cancellation - leases ⁽²⁾	—	(25,118)	—	(25,118)
Other changes	3,506	(9)	—	3,497
Balance at December 31, 2024	121,973	45,083	324,395	491,451

(1) Remeasurement related to change of lease term due to the decision to discontinue the construction of the production facility in Peterborough, UK.

(2) Cancellation is primarily related to terminated lease contract due to the continued exit of the production facility in Peterborough, UK.

The Group classifies interest paid as cash flows from operating activities.

33. Loss per share

The Company calculates loss per share by dividing loss for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period (net of treasury shares).

	2024	2023
Loss for the year, attributable to the shareholders of the parent	(201,949)	(416,874)
Weighted average number of shares (thousands)	596,886	593,601
Basic and diluted loss per share, U.S. \$	(0.34)	(0.70)

Potential dilutive securities that were not included in the diluted loss per share calculations because they would be anti-dilutive were as follows:

	2024	2023
Restricted stock units	16,403,397	8,415,816
Stock options	11,606,280	21,289,191
Convertible Notes ⁽¹⁾	400,616,344	400,616,344

(1) The number of potential dilutive shares from the Convertible Notes are calculated assuming the most advantageous conversion price from the standpoint of the holder and assuming all capitalized interest at maturity will be settled with shares or ADSs. For further details on the Convertible Notes and the conversion price reset mechanism, see Note 28 *Convertible Notes*.

Refer to Note 9 *Share-based compensation* for a description of RSUs and stock options.

34. Commitments and contingencies

Commitments

Minimum purchase commitments

The Group has several supplier contracts primarily for production and packaging services where minimum purchase commitments exist in the contract terms. The commitments are associated with contracts that are enforceable and legally binding and that specify significant terms, including fixed or minimum services to be purchased and fixed, minimum or variable price provisions. For the twelve months ended December 31, 2024, volume adjustments related to co-packer arrangements in Europe & International and North America resulted in volume shortfall expenses of \$6.4 million. The shortfall expenses are presented in cost of goods sold in the consolidated statement of operations.

Leases

The future cash outflows relating to leases that have not yet commenced are disclosed in Note 17 *Leases*.

Legal contingencies

From time to time, the Company may be involved in various claims and legal proceedings related to claims arising out of the operations. In July and September 2021, three securities class action complaints were filed under the captions *Jochims v. Oatly Group AB et al.*, Case No. 1:21-cv-06360-AKH, *Bentley v. Oatly Group AB et al.*, Case No. 1:21-cv-06485-AKH, and *Kostendi v. Oatly Group AB et al.*, Case No. 1:21-cv-07904-AKH, in the United States District Court for the Southern District of New York against the Company and certain of its officers and directors. Those actions were consolidated under the caption *In re Oatly Group AB Securities Litigation*, Consolidated Civil Action No. 1:21-cv-06360-AKH. The operative consolidated complaint alleged violations of the Securities Exchange Act of 1934, SEC Rule 10b-5, and the Securities Act of 1933. In February 2022, a securities class action complaint was filed under the caption *Hipple v. Oatly Group AB et al.*, Index No. 151432/2022 in the New York County Supreme Court against the Company and certain of its officers and directors, alleging violations of the Securities Act of 1933. In May 2022, the New York County Supreme Court granted a stay of *Hipple v. Oatly Group AB et al.* pending final adjudication of *In re Oatly Group AB Securities Litigation*. In October 2023, the parties reached a settlement in principle of both matters requiring the Company to pay \$9.25 million, which was contingent upon court approval, among other things. In July 2024 the United States District Court for the Southern District of New York approved the settlement of *In re Oatly Group AB Securities Litigation*, and in August 2024, the New York County Supreme Court approved the settlement of *Hipple v. Oatly Group AB et al.*, effectively concluding all pending class actions.

35. Non-current assets held for sale

On December 30, 2022, Oatly, Inc., and its wholly owned subsidiary, Oatly US Operations & Supply Inc., entered into an asset purchase agreement (the "Asset Purchase Agreement") with Ya YA Foods USA LLC ("YYF"), and parent Aseptic Beverage Holdings LP, a Delaware limited partnership ("Buyer Parent"), to establish a strategic partnership pursuant to which Oatly, Inc. would sell the Facilities to YYF. Subject to the terms and conditions of the Asset Purchase Agreement, YYF would acquire a majority of the assets that were used in the operation of the Facilities and assume the obligations arising under the real property leases and certain contracts for and related to the Facilities. The assets subject to the Asset Purchase Agreement were included in the Americas reportable segment. As of December 31, 2022, these assets met the criteria for classification as held for sale. As part of the transaction and reclassification to held for sale, an impairment of \$38.3 million was recognized to reduce the carrying amount of the assets to their fair value less costs of disposal.

On January 25, 2023, a consent letter was entered into in connection with the SRCF Agreement pursuant to which the lenders under the SRCF Agreement agreed that the YYF Transaction shall constitute a permitted disposal for the purposes of the SRCF Agreement.

On March 1, 2023, the YYF Transaction closed, and the Company and its wholly owned subsidiary, Oatly US Operations & Supply Inc. sold the Facilities to YYF in connection with the establishment of a strategic manufacturing alliance with YYF, pursuant to the terms of that certain asset purchase agreement with YYF and Buyer Parent, dated December 30, 2022 (collectively, the "YYF Transaction"). Pursuant to the terms and conditions of the Asset Purchase Agreement, YYF acquired a majority of the assets that are used in the operation of the Facilities and assumed the Company's obligations arising under the real property leases and certain contracts for and related to the Facilities. The Company continues to own all intellectual property related to production of oat base, the Company's principal, proprietary ingredient for all Oatly products, and the Company continues to own and operate its own equipment, fixtures and supplies associated with its production of oat base at the Facilities. In connection with the YYF Transaction, YYF and the Company

also have entered into a contract manufacturing agreement pursuant to which YYF will manufacture certain finished products for the Company, using oat base supplied by Oatly (the “Co-Pack Agreement”).

As consideration for the YYF Transaction, the Company received an aggregate purchase price of approximately \$102.6 million. Of this aggregate purchase price, \$86.5 million is attributable to the Ogden Facility, of which (a) \$72.0 million was paid to the Company through a combination of \$52.0 million cash and \$20.0 million in the form of a promissory note from the Buyer Parent to the Company, and (b) \$14.5 million is in the form of a credit toward future use of shared assets at the Ogden Facility. The remaining \$16.1 million of the aggregate purchase price is attributable to the Dallas-Fort Worth Facility, of which (a) \$13.6 million is a credit toward future capital expenditures associated with completion of oat base capacity at the Dallas-Fort Worth Facility, and (b) \$2.5 million is in the form of a credit toward future use of shared assets at the Dallas-Fort Worth Facility. As part of the consideration for the Transaction, the Buyer Parent issued a promissory note for \$20 million to the Company due May 31, 2028 (the “Note”). The interest rate of the Note begins at 8% and escalates an additional 2% each year. The Note is guaranteed by the founder and chief executive officer of the Buyer Parent. The Buyer Parent’s obligation under the Note may be offset by amounts owed to YYF under the Co-Pack Agreement only if such amounts are not paid in accordance with the Co-Pack Agreement. The Note also contains other customary terms and conditions.

Following certain events during the fourth quarter of 2023, the Company decided to discontinue the construction of the production facility in Dallas-Fort Worth, Texas. For the twelve months ended December 31, 2023, the Company recorded an impairment charge of \$13.9 million related to the credit toward future capital expenditures, and an impairment charge of \$2.5 million related to the credit toward future use of shared assets at the Dallas-Fort Worth Facility. The impairment charges are included in Other operating income and (expenses), net in the consolidated statement of operations. See Note 18 *Other non-current receivables* and Note 21 *Other current receivables* for further information.

During 2024 the Company concluded the project of exiting the production facility in Dallas-Forth Worth, Texas.

36. Events after the end of the reporting period

On February 11, 2025, the Group’s Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement were amended and restated to, among other things, (i) reset certain financial covenant levels applying to the minimum liquidity financial covenant, (ii) revise certain financial definitions to permit additional adjustments for the purpose of the calculation of certain financial covenants, including in relation to certain costs relating to the discontinuance of certain of the Group’s manufacturing facilities and (iii) provide certain flexibility for disposals of assets relating to the relevant manufacturing facilities.

The amended Sustainable Revolving Credit Facility Agreement and Term Loan B Credit Agreement impose limitations on drawdowns under the Sustainable Revolving Credit Facility Agreement (other than under ancillary facilities, such as overdraft facilities and bank guarantees, which are exempted from these limitations) based on the last four quarters’ consolidated EBITDA of the Group, where, if last four quarters’ consolidated EBITDA of the Group is:

- (iii) less than \$0, \$0 may be drawn; and
- (iv) equal to or greater than \$75 million, the full amount of the existing facility may be drawn,

with interim steps in between, and increases requiring improved performance for two consecutive four quarter periods and reductions requiring decreased performance for one four quarter period.

On February 11, 2025, the EIF Facility was amended and restated to, where and to the extent applicable, implement equivalent amendments as those made to the Sustainable Revolving Credit Facility Agreement on February 11, 2025.

On February 18, 2025, the Company completed a ratio change whereby the ratio of its ADSs to ordinary shares was changed from one ADS representing one ordinary share to one ADS representing twenty ordinary shares.

On March 19, 2025, Oatly Shanghai Co., Ltd. entered into a new RMB 30 million (equivalent of \$4.1 million) working capital credit facility with China Merchants Bank Co., Ltd. Shanghai Branch (the “CMB Credit Facility”). Individual utilizations under the CMB Credit Facility are subject to the lender's approval. The CMB Credit Facility is available for one year, is unsecured, and includes creditor protection in the form of, among other things, representations, covenants (including negative pledge, restrictions on borrowings, investments and dispositions by Oatly Shanghai Co., Ltd., distributions by Oatly Shanghai Co., Ltd. and entry into transactions with its affiliates) and events of default.

Since the end of the fiscal year, we have observed significant uncertainties and changes in tariffs due to the ongoing uncertainty in the global economy and related trade conflicts. Trade conflicts, tariffs, and other trade barriers can affect the price of oats and other ingredients used in our products, and may have a negative impact on our operations, financial position, and results. We will closely

monitor the effects of trade conflicts, tariffs, and other trade barriers on our business and take appropriate measures to mitigate any impact.

PARENT COMPANY INCOME STATEMENT

For the year ended 31 December (in thousands of SEK)

	Note	2024	2023
Revenue	38,39	40,937	17,401
Other operating income		419	4,059
		41,356	21,460
Operating expenses			
Other external expenses	40,51	(164,333)	(229,232)
Personnel costs	43	(23,894)	(77,511)
Other operating expenses	44	(6,979)	(96,558)
Operating loss		(153,850)	(381,840)
Profit/(loss) from financial items	41		
Other interest income and similar items		695,104	759,811
Impairment of shares in subsidiaries	46	(1,574,500)	(8,882,000)
Interest expenses and similar income items		(387,915)	(472,117)
Profit/(loss) after financial items		(1,421,161)	(8,976,145)
Profit/(loss) before tax and year-end appropriations		(1,421,161)	(8,976,145)
Year-end appropriations	45	114,550	(81,000)
Income tax (expense)/benefit	42	—	—
Profit/(loss) for the year		(1,306,611)	(9,057,145)

In the Parent Company, there are no items that are reported as other comprehensive income, which is why the total comprehensive income for the period corresponds to the profit for the period.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

As at December 31 (in thousands of SEK)

	Note	2024	2023
ASSETS			
Non-current assets			
Financial assets			
Shares in group companies	46	4,137,925	4,986,351
Receivables from group companies	47	6,550,000	6,550,000
Total fixed assets		10,687,925	11,536,351
Current assets			
Short term assets			
Receivables from group companies		131,535	22,974
Other receivables	48	6,960	4,890
Prepaid expenses and accrued income	49	5,969	6,225
Total current receivables		144,464	34,088
Cash and cash equivalents	50	17,524	7,895
Total current assets		161,988	41,983
TOTAL ASSETS		10,849,913	11,578,334
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	55	897	893
<i>Unrestricted equity</i>			
Share premium		13,126,053	13,126,053
Retained earnings		(6,390,106)	2,520,922
Profit/(loss) for the year		(1,306,611)	(9,057,145)
Total equity		5,430,233	6,590,723
Provisions			
Other provisions	56	—	104,445
Total provisions		—	104,445
Current liabilities			
Convertible Notes	57,58	3,568,704	3,228,827
Trade payables		10,785	15,419
Liabilities to group companies		1,798,014	1,583,129
Other liabilities	53	1,551	5,951
Accrued expenses and prepaid income	54	40,626	49,840
Total current liabilities		5,419,680	4,883,166
TOTAL EQUITY AND LIABILITIES		10,849,913	11,578,334

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

(in thousands of SEK)	Attributable to shareholders of the parent						Total equity
	Not e	Share capital	Treasury shares	Share premium	Retained earnings	Profit of the year	
Opening equity, January 1, 2023	5						
	5	888	(1)	13,126,053	2,078,293	219,666	15,424,899
Issue of shares		—	0	—	—	—	0
New share issue		4	—	—	(4)	—	—
Share-based payments		—	—	—	222,969	—	222,969
Transfer of last year's profit or loss		—	—	—	219,666	(219,666)	—
Net Profit/(loss) for the year and other comprehensive income		—	—	—	—	(9,057,145)	(9,057,145)
Closing equity, December 31, 2023		892	(1)	13,126,053	2,520,923	(9,057,145)	6,590,723
Issue of shares		—	(1)	—	—	—	(1)
New share issue		5	—	—	(4)	—	1
Share-based payments		—	—	—	146,121	—	146,121
Transfer of last year's profit or loss		—	—	—	(9,057,145)	9,057,145	—
Net Profit/(loss) for the year and other comprehensive income		—	—	—	—	(1,306,611)	(1,306,611)
Closing equity, December 31, 2024		897	(2)	13,126,053	(6,390,105)	(1,306,611)	5,430,233

PARENT COMPANY STATEMENT OF CASH FLOWS

For the year ended December 31 (in thousands of SEK)	Note	2024	2023
Operating activities			
Profit/(loss) after financial items		(1,421,161)	(8,976,145)
Adjustments for non-cash items		1,173,955	8,710,826
- <i>Cost for share-based remuneration</i>	43	11,089	12,074
- <i>Change in Other provisions</i>	56	(104,445)	104,445
- <i>Impairment of shares in subsidiaries</i>	46	1,574,500	8,882,000
- <i>Finance income</i>	41	(695,104)	(759,836)
- <i>Finance expenses</i>	41	387,915	472,142
Interest received		70	1,409
Interest paid		(1,464)	(25)
Tax paid		(2,449)	(258)
Cash flow used in operating activities before changes in working capital		(251,049)	(264,194)
Cash flow from changes in working capital			
Change in current receivables		655,303	641,886
Change in accounts payable		(4,634)	(21,820)
Change in current liabilities		(390,412)	(364,919)
Cash flow (used in)/from operating activities		9,208	(9,047)
Investing activities			
Shareholders contribution paid		—	(3,189,197)
Cash flow used in investing activities		—	(3,189,197)
Financing activities			
Issue of convertible notes	52	—	3,376,240
Payment of transaction costs	52	—	(189,777)
Cash flows from financing activities		—	3,186,463
Cash flow for the year		9,208	(11,780)
Cash and cash equivalents at January 1		7,895	46,490
Exchange rate differences in cash and cash equivalents		422	(26,815)
Cash and cash equivalents at December 31	50	17,524	7,895

37. Parent Company accounting policies

The principal accounting policies used in the preparation of this annual report are set out below. These policies have been consistently applied unless otherwise stated. All amounts are in thousands of SEK unless otherwise stated. Certain monetary amounts included in this Annual Report for the Parent Company have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them.

Basis for preparation

The Parent Company's accounting and valuation policies comply with the Swedish Annual Accounts Act and Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The application of RFR 2 Notes requires that the Parent Company as legal entity shall apply all IFRS adopted by the EU and statements to the extent that this is possible within the framework of the Annual Accounts Act and the Pension Obligations Vesting Act and with consideration to the relationship between accounting and taxation.

The Parent Company applies other accounting policies than the Group in the cases stated below:

Presentation formats

The income statement and balance sheet are presented in accordance with the presentation format prescribed in the Swedish Annual Accounts Act. The presentation format for the statement of changes in equity is also consistent with the Group's format but shall also include the columns stated in the Swedish Annual Accounts Act. Moreover, there is a difference in terms, compared with the consolidated accounts, mainly regarding financial income and expenses, and equity.

Participations in subsidiaries

Participations in subsidiaries are recognized using the cost method, which means that the investments are recognized in the balance sheet at cost less any impairment. The cost includes acquisition-related costs and any contingent consideration. The recoverable amount is calculated if there is an indication of impairment of participations in subsidiaries. If this value is lower than the carrying amount, an impairment loss is recognized. Impairment is recognized under Profit from participations in Group companies.

Shareholder's contributions

Shareholders' contributions paid are recognized in the Parent Company as an increase in the carrying amount of the holding and in the receiving company as an increase in equity.

Group contributions

Group contributions are recognized in accordance with the alternate rules in RFR 2, which mean that Group contributions made and received are recognized as appropriations in profit or loss.

Financial instruments

Financial liabilities identified as measured at fair value through profit and loss

IFRS 9 p. 5.7.7 is not applied in the Parent Company. Changes in the value of liabilities that at initial recognition is identified to be measured at fair value in accordance with p. 4.2.2 or 4.3.5 in IFRS 9 are reported in the profit and loss in the Parent Company in total.

Leases

The Parent Company has chosen not to apply IFRS 16 Leases but has instead chosen to apply RFR 2. This choice means that no right-of-use assets and lease liabilities are recognized in the balance sheet, but lease payments are recognized as a cost on a straight-line basis over the lease term.

38. Net sales by geographic market/country

The Parent Company receives revenue from the transfer of services at a point in time in the following geographic regions:

Net sales per market

For the year ending December 31 (in thousands of SEK)

	2024	2023
Sweden	40,937	15,144
US	—	2,257
Total	40,937	17,401

39. Intra-Group purchases and sales

For the year ending December 31	<u>2024</u>	<u>2023</u>
Percentage of total purchases during the year from other Group companies	—	—
Percentage of total sales during the year to other Group companies	100%	100%

40. Remuneration to the auditors

For the year ending December 31 (in thousands of SEK) EY	<u>2024</u>	<u>2023</u>
Audit services	53,953	54,897
Other services	351	1,427
Total	<u>54,304</u>	<u>56,324</u>

Audit services refer to the examination of the annual accounts and accounting records, as well as the administration of the Board of Directors and the CEO, other tasks incumbent on the Company's auditor as well as advice and other assistance occasioned by observations made in the course of such examination or the performance of such other tasks.

41. Financial income and expenses

For the year ending December 31 (in thousands of SEK)	<u>2024</u>	<u>2023</u>
Interest income from Group companies	665,702	376,512
Other interest income	70	1,409
Fair value changes on Convertible Notes ⁽¹⁾	18,286	381,704
Exchange rate differences	11,046	187
Total other interest income and similar profit/loss items	<u>695,104</u>	<u>759,811</u>
Interest expense to Group companies	27,648	17,320
Interest expense on Convertible Notes	358,163	234,291
Other interest expenses	78	25
Exchange-rate differences	640	30,704
Other financial expenses	1,386	189,777
Total interest expenses and similar profit/loss items	<u>387,915</u>	<u>472,117</u>

(1) See Note 58 *Convertible Notes* for more detailed information about reported revaluation effects.

42. Income tax (expense)/benefit

For the year ending December 31 (in thousands of SEK)	2024	2023
Total reported tax	—	—
Reconciliation of tax expenses and loss in the accounts, multiplied by current corporate tax rate:		
Profit/(Loss) after financial items	(1,306,611)	(9,057,145)
At Sweden's corporate income tax rate of 20.6%	269,162	1,865,772
Non-deductible costs related to impairment of shares in subsidiaries	(324,347)	(1,829,692)
Other non-deductible costs	(1,989)	(2,141)
Tax effect non-taxable income	84	4
Tax losses and other temporary differences for which deferred tax assets are not recognized	(536)	409
Tax effect of negative interest, net	57,626	(34,352)
Total reported tax	<u>—</u>	<u>—</u>

Deferred tax

Deferred tax assets are recognized on tax loss carry-forwards or other deficits to the extent that it is probable that these can be used against future taxable profits. No deferred tax assets have been recognized, since the Parent Company does not believe that the criteria in IAS 12 for recognizing deferred tax have been met.

43. Employee benefits, etc.

The amounts recognized are based on costs recognized in the Parent Company income statement.

Salaries, other benefits and social security contributions – employees and board members

For the year ending December 31 (in thousands of SEK)	2024	2023
Salaries and other remuneration (<i>of which bonus</i>)	(13,574) (542)	(46,660) (749)
Social security costs	1,888	(14,010)
Share-based payments	(9,538)	(8,728)
Pension costs—defined contribution plans	(1,564)	(6,793)
Total employee and board member benefits	<u>(22,789)</u>	<u>(76,191)</u>

Salaries, other benefits and social security contributions – Board members, Chief Executive Officer and other Senior Executives

For the year ending December 31 (in thousands of SEK)	2024	2023
Salaries and other remuneration (<i>of which bonus</i>) ⁽¹⁾⁽²⁾	(13,295) (542)	(40,355) (725)
Social security costs	(2,053)	(15,319)
Share-based payments ⁽³⁾	(7,835)	2,546
Pension costs—defined contribution plans	(769)	(2,214)
Total remuneration to Board Members, CEO and other senior executives	<u>(23,952)</u>	<u>(55,341)</u>

- (1) For the twelve months ended December 31, 2023, severance pay of \$2.5 million is included in short-term employee benefits.
- (2) No CEO remuneration was paid during 2024. The current CEO is employed by another company within the Group and receives compensation from there.
- (3) Refer to Group Note 9 *Share-based compensation* for further details.

Salaries, other benefits and social security expenses - Board members, Chief Executive Officer and other Senior Executives

	2024					
<u>For the year ending December 31 (in thousands of SEK)</u>	<u>Base salary/remuneration to the Board</u>	<u>Variable remuneration⁽¹⁾</u>	<u>Other remuneration⁽²⁾</u>	<u>Pension costs</u>	<u>Share-based compensation expense⁽³⁾</u>	<u>Total</u>
Board member Martin Brok	(946)	—	—	—	(1,201) ⁽⁴⁾	(2,148)
Board member Hannah Jones	(905)	—	—	—	(1,201) ⁽⁴⁾	(2,106)
Board member Frances Rathke	(905)	—	—	—	(1,201) ⁽⁴⁾	(2,106)
Board member Ann Chung	(836)	—	—	—	— ⁽⁵⁾	(836)
Chairperson of the Board Eric Melloul	(768)	—	—	—	(905) ⁽⁴⁾	(1,672)
Board member Lai Shu Tuen-Muk	(768)	—	—	—	—	(768)
Board member Yawen Wu	(768)	—	—	—	— ⁽⁴⁾	(768)
Board member Bernard Hours	(658)	—	—	—	(1,201) ⁽⁴⁾	(1,860)
Board member Xin Wang	(658)	—	—	—	— ⁽⁵⁾	(658)
Board member Gregory Christenson	(480)	—	—	—	(905) ⁽⁴⁾	(1,385)
Board member Steven Chu ⁽⁶⁾	(288)	—	—	—	(297) ⁽⁴⁾	(585)
Board member Toni Petersson ⁽⁶⁾	(247)	—	—	—	—	(247)
Other senior executives (1 person)	(3,833)	(542)	(669)	(769)	(923)	(6,736)
<i>Employee representatives</i>						
Lillis Hård	(24)	—	—	—	—	(24)
Total remuneration to board members, CEO and other senior executives	<u>(12,084)</u>	<u>(542)</u>	<u>(669)</u>	<u>(769)</u>	<u>(7,835)</u>	<u>(21,899)</u>

Current CEO employed by another company within the Group and receives salary from this company.

- (1) Variable remuneration relates to bonus compensation awarded by the Company's remuneration committee in its discretion for recognition of the executive's performance and advancement of the Company's strategic business plan.
- (2) Other remuneration is primarily comprised of car benefit, holiday allowance and health insurance.
- (3) Amounts represent the expense recognized, in accordance with IFRS 2, in our consolidated statement of operations, based on the grant date fair value, rather than the amounts paid to or realized by the named individual.
- (4) Represents RSUs granted in 2023 and 2024.
- (5) Represents RSUs granted in 2024.
- (6) Mr. Chu and Mr. Petersson stepped down from the Board of Directors, effective May 15, 2024.

Salaries, other benefits and social security contributions – Board members, Chief Executive Officer and other Senior Executives cont.

For the year ending December 31 (in thousands of SEK)	2023					Total
	Base salary/remuneration to the Board	Variable remuneration	Other remuneration	Pension costs	Share-based compensation expense	
Board member Steven Chu	(848)	—	—	—	(527)	(1,375)
Board member Frances Rathke	(848)	—	—	—	(527)	(1,375)
Board member Hannah Jones	(719)	—	—	—	(527)	(1,246)
Board member Bernard Hours	(617)	—	—	—	(527)	(1,144)
Board member Mattias Klintemar	(951)	—	—	—	—	(951)
Board member Martin Brok	(420)	—	—	—	(372)	(792)
Chairperson of the Board Eric Melloul	(719)	—	—	—	—	(719)
Board member Yawen Wu	(719)	—	—	—	—	(719)
Board member Ann Kim Chung	(719)	—	—	—	—	(719)
Board member Calvin Tuen-Muk Lai Shu	(677)	—	—	—	—	(677)
Board member Eric Xin Wang	(360)	—	—	—	—	(360)
Board member Tim Zhang	(291)	—	—	—	—	(291)
CEO/Board member Toni Petersson	(3,426)	—	(13,127)	(1,599)	(10,905)	(29,057)
Other senior executives (4 persons)	(7,351)	(725)	(7,824)	(615)	(10,017)	(26,532)
<i>Employee representatives</i>						
Lillis Hård	(14)	—	—	—	—	(14)
Total remuneration to board members, CEO and other senior executives	(18,679)	(725)	(20,951)	(2,214)	(23,402)	(65,971)

For disclosures concerning the notice period for senior executives, refer to Group Note 8 *Employee and personnel costs*.

Average number of employees by geographic division

For the year ending December 31	2024			2023		
	Total	Men	Women	Total	Men	Women
Sweden	2	2	—	5	4	1
Total	2	2	—	5	4	1

Gender distribution in management

For the year ending December 31	2024			2023		
	Total	Men	Women	Total	Men	Women
Board members	11	7	4	12	8	4
CEO and other Senior Executives	—	—	—	5	5	—
Total	11	7	4	17	13	4

Share-based remuneration

LTI 2021

The Extraordinary General Meeting of the Company held on May 6, 2021 (the “EGM”) adopted a long-term incentive program for the Company’s board members, management and employees, including qualified consultants who work full time for the Group and over a longer period, called LTI 2021. For more information on the terms of the program, see Group Note 9 *Share-based compensation*.

Warrants 2016 - 2020

The Parent Company granted warrants to employees and to a company controlled by related parties (see Group Note 31 *Related party disclosures*) during the years 2016 – 2020. The outstanding warrants as of January 1, 2023 have either been exercised or forfeited 2023.

In 2024 and in the previous years 2023-2021 respectively, the Parent Company accounted for the estimated and reported value of equity-settled programs issued to employees in other companies in the Group as a capital injection to subsidiaries. The value of shares in subsidiaries increases with the corresponding amount recorded as an increase in equity of the Parent Company. Shareholder contributions regarding share-based payments amounted in total TSEK 733,650 at the end of the financial year 2024. The accumulated amount for the end of the financial year 2023 was TSEK 600,381. The accumulated amount for the end of the financial year 2022 was TSEK 386,140 and TSEK 131,110 for the end of the financial year 2021.

Share-based payment expenses accounted for in the Parent Company's income statement amounted to TSEK 9,538 in 2024 and TSEK 8,728 in 2023.

44. Other operating expenses

For the year ending December 31 (in thousands of SEK)	2024	2023
Legal settlement	—	(95,817)
Exchange gain/(losses)	(6,979)	(741)
Total	(6,979)	(96,558)

See Note 56 *Provisions* for more information regarding legal settlement costs.

45. Appropriations

For the year ending December 31 (in thousands of SEK)	2024	2023
Group contribution to Oatly AB	—	(81,000)
Group contribution received from Oatly EMEA AB	114,550	—
Total	114,550	(81,000)

46. Participation in Group companies

For the year ending December 31 (in thousands of SEK)	2024	2023
Opening balance	4,986,351	8,936,467
<i>Additions</i>		
Shareholders' contributions	726,073	4,931,885
Impairment	(1,574,500)	(8,882,000)
Carrying amount	4,137,924	4,986,351

In 2024 and 2023, impairments of shares were recognized regarding the parent company's reported holdings in CEBA AB. For compilation of holdings regarding shares in subsidiary companies, please refer to Group Note 14 *Investments in subsidiaries*.

47. Non-current receivables from Group companies

For the year ending December 31 (in thousands of SEK)	2024	2023
Opening balance	6,550,000	8,277,759
Change in receivables	—	(1,727,759)
Closing balance	6,550,000	6,550,000

48. Current receivables

For the year ending December 31 (in thousands of SEK)	2024	2023
VAT receivables	3,217	2,463
Tax account	—	1,764
Income tax receivables	3,743	—
Other receivables	—	663
Closing balance	6,960	4,890

49. Prepaid expenses and accrued income

For the year ending December 31 (in thousands of SEK)	2024	2023
Prepaid insurance premiums	5,162	5,662
Other prepaid expenses	806	563
Total	5,968	6,225

50. Cash and bank balances

For the year ending December 31 (in thousands of SEK)

Bank deposits

Total

	2024	2023
	17,524	7,895
Total	17,524	7,895

51. Leases

Commitments related to leases

The Parent Company rents vehicles under non-cancellable operating leases. The lease terms vary between one and three years, and most leases can be extended at the end of the lease term for a fee that is in accordance with a market-based fee.

Lease expenses totaling TSEK 0 (2023: 405 TSEK) were included in profit or loss for the 2024 financial year.

At the end of 2023, there were no non-cancellable operating lease agreements remaining in the parent company, and no future aggregate minimum lease payments for non-cancellable lease agreements exist.

52. Changes in liabilities attributable to financing activities

For the year ending December 31 (in thousands of SEK)

Opening balance, January 1, 2023

	Convertible Notes
Cash flows	3,376,240
Non-cash items:	
Accrued interest	234,921
Change in value	(381,704)
Closing balance, December 31, 2023	3,228,827

Cash flows	
Non-cash items:	
Accrued interest	358,163
Change in fair value recognized in the profit and loss	(18,286)
Closing balance, December 31, 2024	3,568,704

53. Other non-current liabilities

For the year ending December 31 (in thousands of SEK)

Employee withholding taxes

Social security expenses, LTIP

Other

Total

	2024	2023
	—	1,119
	1,551	3,346
	—	1,486
Total	1,551	5,951

54. Accrued expenses and deferred income

For the year ending December 31 (in thousands of SEK)

Accrued holiday pay

Accrued personnel costs

Other accrued expenses

Total

	2024	2023
	—	4,245
	—	5,306
	40,626	40,289
Total	40,626	49,840

55. Share capital

The Company's share capital as of December 31, 2024 was divided into 598,976,420 (2023: 595,309,165) ordinary shares with a par value of SEK 0.0015 (2023: SEK 0.0015) per share. All shares entitle to one vote each. See Group Note 25 *Equity* for information on the Parent Company's share capital.

56. Provisions

(in thousands of SEK)	<u>Restructuring</u>	<u>Legal settlement</u>	<u>Total</u>
Opening balance, January 1, 2023	—	—	—
Reported in the income statement:			
- Additional provision	11,473	92,315	103,788
Reclassifications	657	—	657
Closing balance, December 31, 2023	<u>12,130</u>	<u>92,315</u>	<u>104,445</u>
Reported in the income statement:			
- Unused amounts reversed	(1,385)	—	(1,385)
Amounts used during the year	(10,745)	(92,315)	(103,060)
Closing balance, December 31, 2024	<u>—</u>	<u>—</u>	<u>—</u>

Provision for legal settlement as per December 31, 2023 relates to a settlement of a US securities class action. The amount has been reported among other operating expenses in the parent company's income statement during 2023.

57. Financial instruments per category

<u>For the year ending December 31 (in thousands of SEK)</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>Fair value changes recognized in the profit and loss</u>		<u>Amortized cost</u>	
Assets in the Parent Company's statement of financial position				
Receivables from group companies (long-term)	—	—	6,550,000	6,550,000
Receivables from group companies (short-term)	—	—	131,535	22,974
Other receivables	—	—	6,960	4,890
Cash and cash equivalents	—	—	17,524	7,895
Total	<u>—</u>	<u>—</u>	<u>6,706,019</u>	<u>6,585,759</u>

<u>For the year ending December 31 (in thousands of SEK)</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>Fair value changes recognized in the profit and loss - identified</u>		<u>Amortized cost</u>	
Liabilities in the Parent Company's statement of financial position				
Liabilities to group companies (short-term)	—	—	1,798,014	1,583,129
Convertible Notes	3,568,704	3,228,827	—	—
Accounts payable	—	—	10,785	15,419
Accrued expenses and prepaid income	—	—	40,626	40,289
Total	<u>3,568,704</u>	<u>3,228,827</u>	<u>1,849,425</u>	<u>1,638,837</u>

Changes in fair value reported in the Parent Company's income statement for 2024 had a net negative effect of SEK 339,9 million.

The corresponding net change for 2023 resulted in a positive effect of SEK 147,4 million. The effect is entirely related to the Convertible Notes. The changes in fair value are presented within the financial net in the Parent Company's income statement.

The Convertible Notes that are reported at fair value are classified and included in level 3 of the fair value hierarchy. There have been no transfers between the levels during 2024 and 2023. See the Group's Note 19 *Financial instruments per category* for further description of levels in the fair value hierarchy and determined fair value for financial instruments that are reported at fair value, which includes the Parent Company's Convertible Notes. See Note 58 *Convertible Notes* for additional information regarding the reported value of the Parent Company's Convertible Notes and significant input data and assumptions that have been used in the valuation model for determining the fair value of the Convertible Notes as of December 31, 2024 and 2023.

58. Convertible Notes

The Parent Company has convertible debentures that are classified in their entirety as liabilities. The instruments contain an embedded derivative in the form of a conversion option. As the entire instrument has been identified for recognition at fair value through the income statement at acquisition, the embedded option is not separately accounted for. Below is information about the reported value of the Parent Company's convertible debentures.

	<u>Convertible Notes</u>
At January 1, 2023	—
Issue of Convertible Notes	3,376,240
Fair value changes (including interest expenses) recognized in the profit and loss ⁽¹⁾	(147 413)
At December 31, 2023	3,228,827
Fair value changes (including interest expenses) recognized in the profit and loss ⁽¹⁾	339,877
At December 31, 2024	3,568,704

(1) Share of the change in value due to expected credit risk amounts to SEK 0 in 2024 (2023: SEK -771,4 million).

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Carrying amount	3,568,704	3,228,827
Includes: Cumulative fair value changes on Convertible Notes attributable to changes in credit risk, recognized in the fair value reserve	—	771,396
Amount the Company is contractually obligated to pay to holders of the Convertible Notes at maturity	6,015,864	5,457,483
Difference between carrying amount and the amount the Company is contractually obligated to pay to holders of Convertible Notes at maturity	(2,447,160)	(2 228 656)

Fair value changes are attributable to market risk and own credit risk. In the Group, fair value changes attributable to market risk are reported in the Group's income statement and effects attributable to own credit risk in other comprehensive income. In the Parent Company, fair value changes attributable to market risk and own credit risk are reported in the income statement in their entirety. Total net effect of changes in fair value for 2024 has totaled negative effect SEK 339 877 million (2023: SEK 147,4 million). No effect was recognized during 2024 arising from changes in credit risk. In 2023, there was an accumulated negative effect of SEK -771 million attributable to changes in credit risk.

The table below shows the essential input data and assumptions that have been used in the valuation model for determining the fair value of the Convertible Notes as of December 31, 2024 and 2023. The Convertible Notes are issued in USD, of which the values below are expressed in USD. See the Group's Note 28 *Convertible Notes* for further information on the issued Convertible Notes and underlying valuation.

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Conversion price (\$)	1.36-1.89 USD	1.36-2.52 USD
Share price at valuation date (\$)	0.6628 USD	1.18 USD
Expected price volatility of the Company share (%)	70.00	65.00
Risk-free interest rate (%)	4.30	3.90
Market interest rate (%)	20.00	21.50

The table below shows the impact of how the reported value of the Convertible Notes would change based on significant input data and the assumptions that have been used to determine the fair value of the Convertible Notes as of December 31, 2024 and for the comparative year December 31, 2023.

	<u>December 31, 2024 (USD)</u>	<u>December 31, 2024 (recalculated TSEK)</u>	<u>December 31, 2023 (USD)</u>	<u>December 31, 2023 (recalculated TSEK)</u>
Share price decrease 30%	303,849	3,342,673	284,266	2,836,975
Share price increase 30%	346,372	3,810,473	357,969	3,572,534
Volatility decrease 10%	319,311	3,512,772	313,437	3,128,097
Volatility increase 10%	329,108	3,620,550	333,614	3,329,465
Risk-free interest rate decrease 1%	323,810	3,562,266	321,889	3,212,451
Risk-free interest rate increase 1%	324,954	3,574,851	325,089	3,244,385
Market interest rate decrease 1%	333,154	3,665,060	332,199	3,315,345
Market interest rate increase 1%	315,973	3,476,051	315,256	3,146,252

59. Pledged assets and contingent liabilities

Pledged assets

The Parent Company has provided collateral in the form of shares in subsidiaries and certain structural loan receivables with Group companies in order to fulfill the requirements for collateral for liabilities to credit institutions in underlying Group companies

For the year ending December 31 (in thousands of SEK)

Liabilities to credit institutions

	<u>2024</u>	<u>2023</u>
Shares in subsidiaries	4,137,925	4,986,351
Assets in the form of structural loan receivables from group companies	6,550,000	6,550,000
Total	<u>10,687,925</u>	<u>11,536,351</u>

Contingent liabilities

The Parent Company reports contingent obligations in the form of surety bonds regarding issued bank guarantees for debts to credit institutions as well as leasing commitments that exist in underlying group entities.

For the year ending December 31 (in thousands of SEK)

	<u>2024</u>	<u>2023</u>
Guarantees - liabilities to credit institutions	27,844	44,826
Guarantees - leasing commitments	2	7
Total	<u>27,846</u>	<u>44,833</u>

60. Related party disclosures

Information on the parent company's remuneration to senior executives can be found in Note 43 *Employee benefits, etc.* For further details on related-party transactions, see the Group's Note 31 *Related party disclosures*.

61. Events after the end of the reporting period

For significant events after the financial year, see Group Note 36 *Events after the end of the reporting period*.

62. Proposed appropriation of profits

The Board of Directors proposes that profits available for disposal (SEK)

Share premium reserve	13,126,053,252
Retained earnings	(6,390,105,837)
Profit of the year	(1,306,611,023)
	<u>5,429,336,392</u>

be appropriated as follows to be carried forward

5,429,336,392

The Board of Directors and the CEO affirm that the consolidated accounts have been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and provide a true and fair view of the Group's profit and financial position. The Annual Report has been prepared in accordance with generally accepted accounting policies and provides a true and fair view of the Parent Company's profit and financial position.

The administration report for the Group and the Parent Company provides a fair review of the development of the Group's and the Parent Company's operations, profit and financial position and describes material risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

The Consolidated Income Statement and Consolidated Balance Sheet and the Parent Company Income Statement and Parent Company Balance Sheet will be subject to adoption at the AGM on May 20, 2025.

The content of the consolidated accounts and the Annual Report was determined on April 23, 2025.

Malmö

Eric Melloul
Chairperson of the Board
2025-04-23

Martin Brok
2025-04-23

Ann Chung
2025-04-23

Gregory Christenson
2025-04-23

Bernard Hours
2025-04-23

Lillis Härd
2025-04-23

Hannah Jones
2025-04-23

Frances Rathke
2025-04-23

Lai Shu Tuen-Muk
2025-04-23

Xin Wang
2025-04-23

Yawen Wu
2025-04-23

Jean-Christophe Flatin
CEO
2025-04-23

Audit report submitted 2025-04-24

Ernst & Young AB

Setareh Moradi
Authorized Public Accountant