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COMPANY REPRESENTATIVES

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PRESENTATION

Lindholm Laura

A very warm welcome and thank you for joining Cloetta's Q2 Interim Report Presentation. I'm Laura Lindholm, the Director of Communications and Investor Relations. As per usual, our CEO Katarina and CFO Frans will first go through our results, after which we will move to the Q&A, where you either have the possibility to dial in and ask questions live or, alternatively, post your question through the chat. It is already possible to add questions in the chat. Over to you, Katarina.

Tell Katarina

Thank you, Laura. Today I'm proud to present our second quarter 2026 results. In this quarter, our Superbrands performed very well and profitability was exceptionally strong. Looking at the first half of the year, we executed fully in line with our strategy and delivered also against all four of our long-term financial targets. But first over to the agenda.

Today it looks as following. For the ones that have not listened to us before, I will start with a recap of our strategic framework and our financial targets. I will today also share an update on how we continue to step up our operating model and are creating a stronger foundation for growth, flexibility, and long-term competitiveness. After that, I'll move to our quarterly highlights. Our CFO, Frans will then walk you through the financials, and as always, we wrap up with a Q&A.

I will now briefly walk you through how we bring our vision to life through our strategic framework and then, in relation to this, also our updated financial targets. To learn more, please see the recording of our Investor Day 2025, which is available on our website.

Our vision really captures what we are all about. It is not just something we say. Our vision is to be the winning confectionery company, inspiring a more joyful world. For us, it's a real promise to do great work, to keep innovating, and most of all, to bring joy to people every day. This vision is what guides us, it's what keeps us learning, improving, and leading the way in our industry.

We have created a clear strategic framework to guide us forward. And right at the center is our vision. Our strategy is about focus, clear choices that will help us scale, grow, and make the biggest impact where it truly matters. We have five core markets, and that is Sweden, Denmark, Norway, Finland, and the Netherlands. And today, around 80% of our total sales come from these markets.

Our first priority is to focus on our 10 Superbrands in our core markets. These are the brands where we see the biggest opportunity for growth. By expanding them further, we can reach more consumers, grow faster, and build stronger positions in the market. Our second priority is to look beyond our core markets. We have identified three markets with strong potential, and that is the UK, Germany, and North America.

Our third priority is to strengthen our marketing and speed up innovation. Consumer needs are constantly changing, so we need to stay ahead, not only by following trends, but also by helping to create them. We are also open to exploring M&A when they fit our strategy and create value. But let me be clear, acquisitions are accelerators, not a requirement. We do not depend on M&A to achieve our financial targets.

To make all of this happen, we need the right foundation in place. That means having an efficient way of working and an organization that supports our strategy. I'll come back to this later in the presentation, and I will share an update on the progress we made in enhancing the operating model. And finally, it all comes down to people and culture. They are at the heart of everything we do. Our culture shapes how we work together, and we have now built an organization that is strong, capable, and filled with joy.

In March 2025, we updated our long-term financial targets to match our strategic priorities and our vision. With a clearer plan in place, we raised our long-term organic growth target from 1-2% to 3-4%. Global forward-looking inflation concerns continue to be high, mainly as a result of the ongoing political uncertainty, and we hence expect the societal and political pressure related to food pricing to continue throughout the year.

Our long-term adjusted EBIT target is 14% with a goal to reach at least 12% by 2027. As you can see in our report, we are already above 14% this quarter. The uplift is part of our plan to step up investment during the second half of the year, including one-time costs related to our geographical expansion as well as an upcoming Superbrand product novelty launch.

Our Net debt over EBITDA ratio remains well below our long-term target also including the effect of the increased dividend. As I also stated the last time, if a strong M&A opportunity appears, we may go above our long-term Net debt over EBITDA ratio temporarily, but only if it clearly supports our strategy and with a clear deleverage plan in place.

And finally, our dividend policy. We are now targeting a payout above 50% of profit after tax. The already mentioned higher dividend last year was in line with the updated long-term target. And now I will give an update about our progress under enhancing the operating model, beginning with a brief recap of what was shared on our Investor Day in March last year.

To enable profitable growth, we need to enhance our operating model through net revenue management, have a supply chain fit for purpose and an effective operating structure. Over the past year, we have made strong progress across all three of our strategic priorities. The results are already visible in our performance, with net revenue management and our effective operating structure delivering a clear impact.

At the same time, we are making strong progress in building a supply chain that is fit for purpose. Together, these priorities are enabling the foundation for sustainable and profitable growth. Today I will share some more details about how we are ensuring that we have a supply chain fit for purpose, meaning that our network is resilient, cost-efficient, flexible and built around the demand pattern that we actually have.

Alongside this, we communicated at the Investor Day that our strategy was to have a structured approach to make-or-buy decisions, ensuring that investment goes where they create the greatest value. I will go into more detail on capex, make-or-buy and the operating structure in turn. To support future growth, we foresee the previously communicated increase in capex to 4-5% of NSV in the mid-term, with investment focused on capacity, efficiency and supply chain capabilities.

Importantly, these investments are intended to support future growth and are also including continued investment in our repeatable Pick & Mix business model. Still, they remain significantly below the previously cancelled Greenfield project. We also outlined a structured approach to make-or-buy decisions within our production network, ensuring that capex is directed to the areas where it creates the greatest value.

To progress with the make-or-buy decisions, we have classified our technologies to core, which is technology we don't want to outsource, and non-core. We have also agreed on long-term partnerships with strategic partners. Together, all these initiatives are designed to create a flexible, stronger and more resilient manufacturing footprint that supports sustainable growth that is aligned with long-term consumer trends, while contributing to margin improvement over time.

Another portion of the increased capex will be invested in the digitalization of our operational planning capabilities, enhancing customer service, inventory efficiency and data-driven decision-making. AI-enabled tools will play a key role in this transformation. We will also continue to invest in process excellence across the business with a strong focus on sourcing, design-to-value in product development, lean methodologies and sustainability.

These initiatives help improve efficiency, strengthen competitiveness and support profitable long-term growth. As we shared when we decided to not proceed with the Greenfield project in early 2025, opportunities exist in our supply network to compensate for the volumes planned to be produced by the Greenfield plant.

Our capex, including the mid-term step-up investment is split roughly 50-50 across the portfolio. That balance is deliberate, rather than concentrating capital in one single technology, we are investing across other important technologies such as chocolate, foam candy and pastilles alongside our moulded starch capacity and capability.

As also mentioned on the slide, and just to recap, the Greenfield plant was designed to produce candy only based on moulded starch technology. Our investment priorities remain clear. We are building capacity for future growth and investing in automation and modern equipment to make our operations more efficient, flexible and resilient.This approach gives us disciplined, diversified capital allocation that reduces single technology risk and keeps us aligned to long-term growth.

And now a short quarterly update. In the second quarter, we delivered volume growth that was driven by Branded packaged products combined with an exceptional profitability.

For the first 6 months of the year, organic growth reached 3.8%, fully in line with our long-term target range of 3-4%. As expected, growth within Pick & Mix was impacted by earlier Easter this year, creating a tougher comparison for this specific quarter. I'm very pleased with the continued performance of our Superbrands across our core markets.

We are making strong progress on our expansion agenda both within and beyond our core markets. In the end of the quarter, we launched Läkerol, our largest pastille Superbrand in the Netherlands, which is our third largest core market. At the same time, we are finalizing a nationwide US rollout of selected products from one of our 10 Superbrands, making another important step in our international growth journey.

In July, we also reached a significant milestone by becoming the first company to open a Pick & Mix concept based on Swedish candy in US retail. Operationally, we delivered an exceptionally strong quarter with efficiency improvements visible across the business and contributing to our strong profitability.

Our focus on profitable growth remains intact and achieving our mid-term profitability target of 12% at the latest in 2027 remains well within sight already for the full year of 2026. So with that, let's turn to the financials. I'll hand over to Frans, who is more than ready to walk you through our second quarter performance and the strong result of the first half year.

Rydén Frans
Yes, thank you, Katarina. And as Katarina said, it's really good to be able to present this quarter’s result and also for the first half of the year and specifically given the phasing of Easter, where more of Easter took place during the first quarter than last year. It gives a better perspective on how the strategy launched last year is delivering results.

So as I walk you through this, keep a bit of extra focus on the first full half of the year. So starting with our net sales. In the quarter, we delivered strong volume-driven organic growth in the branded packaged segment, similar to what we did in the first quarter, so 3.3% growth. And that brings the first half of the year to 3.4%.

And we're very pleased to be able to share those growth numbers, volume-driven growth numbers. Then for Pick & Mix, again given the Easter phasing and it's primarily visible here in the segment, we've got to look at year-to-date. We grew 4.7% and also that is organic volume-driven growth.

And we're very pleased with that growth and especially as we at the same time are creating opportunities for very strong growth in this segment through the geographic expansion. So the Pick & Mix growth achieved year-to-date is without any material gains from the many initiatives we've spoken about, such as that we're currently expanding in Germany and the US and we’ve spoken about other opportunities as well.

So that will all be future growth potential and part of the strategy that we launched last year. So, in total, volume-driven organic growth of 0.8% in quarter two brings our year-to-date to strong 3.8%. And that is at the upper end of our long-term target to grow 3-4%. And of course, we're very pleased with that. Now reported, we grew less, 0.4% in the quarter and 2% year-to-date. And that is mainly on account of the stronger Swedish krona versus the Euro.

And I'll repeat here what I said in the last two quarters about currency effects, and that companies incurring costs in Swedish krona in Sweden to make products which are then exported and sold in Europe, they will have a challenge when the Swedish krona strengthens. But at Cloetta, we largely sell our products where we make them.

So, products made in Sweden are mostly sold in Sweden, and products made in euro-denominated countries are mostly sold in euro-denominated countries. So, the real effect for us is limited, and the effect on the reported sales is truly a translation effect. Then moving to the regular page showing the segments over and under.

Here you see Easter phasing quite clearly on the lower half with Pick & Mix, but also that this is the third quarter with our branded packaged segment stable to growing again after a bit of, let's say, fluctuation in 2025. And another key takeaway here is not to look too much at those really big growth numbers back in 2023, because that was to a high degree driven by inflation.

And instead take away that we are back to organic volume-driven growth. And that is a result of the strategy to really focus on Superbrands in the core markets and to, in a more focused manner, grow the markets beyond the core, and throughout this also support further by a step-up in marketing and innovation. So, volume-driven, it is also profitable, and in this quarter, the profit is truly exceptional. So, let's have a look at that.

So, we are reporting an operating profit adjusted of 14.9%. And some of you might have done a bit of a double-take on that margin, given that our mid-term target is to reach 12% no later than 2027 and our long-term target is to reach 14%. Now you have to realize that the mid-term and the long-term targets are full-year targets.

And in any given year, we will have fluctuations between the quarters. And even though 14.9% is very strong, it is not the strongest quarter we've ever had. That was quite some time ago, but we've actually in the past been at 15.8%. So, we've actually had several quarters in the past that were over 14% margin, but that was never enough to reach 14% for the full year. And that's what we're aiming for here.

Now still, the year-to-date operating profit margin of 13.9% does position us very well to reach 12%, so the mid-term target 2027, already now this year. And we've said before that the target is within sight, but with half a year still to go, it's still too early to declare victory for the full year today.

Now what then is driving the strong operating profit margin? That can best be summarized in three points. The first and second point is due to a favorable mix driven by our Superbrands and a really strong, exceptionally strong operational efficiency. And on the latter, that's the efforts we're doing, which during the Investor Day was presented under the heading enhancing the operating model to drive profitable growth, and the slide Katarina shared earlier was exactly about that when she spoke about supply chain.

Now starting then with the first one, the mix. There is of course a favorable mix element related to the Easter phasing. But that is a temporary thing and it evens out over the quarter. So let's focus instead on what is more permanent. And that is that we have a favorable mix mainly driven by the focus on our Superbrands in our core markets. And you know that they are more profitable than average, and that is coming through here. And that is a key contributor to that we're having a favorable mix in the segment, in markets, in categories, brands, and products.

Then the second point on the operational efficiency. So, you're already familiar with that we did a reorganization last year and those savings now carry over. But there is also a very strong performance from a new agenda for the operations team since last year. This is end-to-end from sourcing, production, warehousing, distribution, all the way through.

And then there's also efforts by the commercial teams on net revenue management, like ensuring there is margin-accretive innovation, and we've shared the new launch on Läkerol More previously, and that is an example of that. Now I'm not going to break the drivers down in detail here, but like with the segment mix due to Easter phasing, some of it is a bit more fleeing and some of this has stickiness and builds on the sustained effort we've had to strengthen profitability over time.

Now we do say that this is exceptionally strong. And maybe a simple illustrative example would be that in any given quarter, you have, let's say, 10 things that you're working on. Seven will go your way and three will have headwinds, so you get a net gain of four. Now in quarter 2, all 10 went our way. And actually, as Katarina has said, I think it was a year ago already at some point, that there was a lot going our way right now.

And Q2 is probably our strongest example to date of how we're executing our strategy in a pragmatic and focused way and sometimes all the stars line up. Now I said there was three points. And the third point is that in addition to the mix and the efficiency, we have flagged that the geographic expansion will come with some startup cost in the second half of the year. And we will share more about that later on in quarter 3.

But as a result of that, we're flagging already now that in quarter 2, we have held back on some investors that were planned for the quarter to help pay for those one-time strategic investments in the back half of the year. Now the result for the full year would be the more, let's say, representative result for our ongoing business.

So I'm basically saying don't expect 14%-plus margin in the second half of the year, but do feel really good about our ability to reach 12% for the full year and in a repeatable manner with this strong startup we've had. And before I move to the view by segment, a quick comment for those who want to look at the gross margin year-to-date.

Remember to look at adjusted margin, and you have that in the comments in the report, given that in quarter 1 last year, we released provisions related to the cancelled Greenfield project, leading to a favorable item affecting comparability and that boosted the gross profit that year. So on an adjusted basis, so like-for-like, the gross margin is up versus last year, not down.

Looking then at the segments over and under, you see that both segments margin benefited from the exceptional step-up. Branded packaged is up over 3% in the quarter and 2.6% year-to-date. And Pick & Mix on the lower half is up over 3% in the quarter as well and 2.9% year-to-date. So all incredibly solid numbers, exceptionally good in line with what I just shared.

Now specifically for Pick & Mix, it's well above the target to be between 7% to 9%. But we nonetheless believe that the targeted long-term range is the appropriate range to continue to drive profitable growth in the category as well as geographic expansion in line with the strategy. For the branded packaged segment, looking then at the year-to-date, even if you shave off a bit of that compensation we received for the supplier quality deviation, that was in quarter 1.

It's above 14% and it's another step closer to the over 15% pre-pandemic level margin we used to generate in this segment. So it's an exceptional result for the quarter and we will continue to seek to further strengthen the package margin and over time return to the level where we were before the pandemic.

Then moving to SG&A. Now here, the variance year-over-year both for the quarter and for year-to-date is primarily driven by the absence of the provision for severances we took in quarter 2 last year after we had announced the reorganization. So the net SG&A excluding that is flattish both in the quarter and largely for the full year to date.

And that is, as the savings previously confirmed to us to be in the announced range of 60 to 70 million on an annual basis, is fully offsetting investment for growth on top of regular annual inflation affecting salaries and various operating costs. Those investments, despite holding back a bit for the second half of the year, includes of course the geographic expansion beyond our core markets.

You're familiar with the CandyKing store in New York, that store is already profitable on the bottom line, but of course it generates SG&A cost. There is also the organization step-up in North America, we're doing something similar in the UK as well as the support of our Superbrands. As I already mentioned in the quarter 1 earnings call, that there would be a further step-up of advertisement in quarter 2 and I can confirm that these figures include higher spend on A&P than last year.

So cutting A&P is not driving the step-up in profit. Now as also mentioned in quarter 1, the change to the operating structure in 2025 has not only aligned the organization better to execute on the new strategy, as again evident from the quarter's result, but also permanently lowered the SG&A baseline and offsets the step-up investment. So overall SG&A costs are held in check. Then on to the free cash flow.

In quarter 2, we generated SEK 86 million in free cash flow and that's SEK 94 million better than last year. Now Easter phasing also plays a part for cash and it would be more fair to talk about year-to-date. And then I'm happy to share that also year-to-date, we did better than last year. So year-to-date, we delivered SEK 230 million in free cash flow and that's SEK 39 million more than last year.

So meaning we continue the favorable development on account of the focus on both profit and working capital. Now the year-to-date improvement in free cash flow versus last year was expected and that's primarily driven by the strong operating result, while working capital and capex separately and in total remain fairly stable versus last year.

I also want to say that capex in the quarter is SEK 40 million here, that's on the low side versus what we've communicated earlier, where we said we would rise capex to 4-5% of net sales over the next five years. And I want to comment on that. So this is in line with what Katarina just confirmed.

We still expect to increase the spend on capex to 4-5% of NSV over that period of time, but within that period of time, the step-up will only really start to be visible from next year. That said, what we are spending money on this year is part of the total expected capex and is part of implementing those plans.

And that brings me to my last slide, which is on net debt or debt and leverage. And we closed the quarter with a net debt over EBITDA of 0.8. So that's well below our target to be below 1.5. And that's of course driven by both the strong cash flow and improved earnings. 0.8 is slightly higher than where we were in quarter one this year, but it always goes up in Q2 and you can see it in the graph on the left-hand side there, given that we distribute the dividends in quarter 2.

And 0.8 is actually 0.6 lower than Q2 last year. And it is the lowest ever leverage we've had for a quarter 2. And our net debt is also the lowest ever we've had for a quarter 2 of 1.2 billion. And that is despite having distributed our highest ever dividend in the quarter of SEK 401 million, that's 140 per share, up 27% versus the year before and in cash outflow net of total return swaps SEK 398 million.

And finally, we have plenty of access to additional unutilized credit facilities and commercial papers, which together with cash on hand total SEK 2.7 billion. So number one, we have continued to secure resilience in a changing world, and number two, we do have the financial strength to act on business opportunities.

But at the same time, while we have strategic financial flexibility, it will not change the fact that we have a pragmatic approach to investing in our business or even M&A, as described numbers of times previously.

And on that note, I conclude that our financial position, developing in line with our set targets, remains very strong, and hand back to Laura.

Lindholm Laura

Thank you very much, Katarina, and thank you, Frans. It is now possible to either dial in and ask questions live or alternatively post your questions through the chat. We already have quite many questions in the chat, but let's start with the telephone lines. Lorenzo, over to you.

QUESTION & ANSWER

Operator
We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one at this time. The first question comes from the line of Stefan Stjernholm from Handelsbanken. Please go ahead.

Stjernhulm Stefan
Yes, hello, Stefan here. Can you hear me?

Rydén Frans
Yes, we can.

Stjernholm Stefan
Yeah, good. Yeah, congrats to impressive margins in this first half of the year. But it would be helpful to give a range or some flavor to the expected uptick in marketing spend and one-off cost for the second half. Is that possible to say?

Rydén Frans
Well, I think in a way, the strongest indication of the range of step-up, and it's not only marketing, there is also organizational cost given the geographic expansion, is the fact that we are saying that the 2027 target of 12% remains within sight and in a good way. And I think I actually explicitly said, don't expect 14% in the back half of the year. So obviously, we're aiming for 12% on a full-year basis.

So that means sort of gives a bit of an indication of how various factors would affect the back half of the year. A&P is one of them, indirects is another one, as we said for investment. But of course, there is also commodity movements, and we have a fair pricing policy where of course we adjust our pricing when commodities move. So I think it's the best answer I can give is to sort of look at the totality of that for a full-year basis.

Stjernholm Stefan

But if we assume 12% for the full year, that implies some 10% for the second half. So that's quite a step-up. But yeah, fair enough. I will do my calculations and try to solve that one. It is obviously much talk about the U.S. and the expansion there, but also if I remember right, there was a pilot, Pick & Mix pilot in Germany launched in this first quarter. How has that developed?

Tell Katarina

Yes, it is going very well. So we are still, we are in a dialogue, of course. This is something we do in partnership with the retailers. And we usually have a couple of months' data where we're looking into, and then we roll into more stores. So now we are in five stores. So we continue to roll it out while the performance is doing well.

Stjernholm Stefan

So you are in five German stores now with the concept?

Tell Katarina

Yes, yes.

Stjernholm Stefan

That sounds good. And yes, to make be sure, going to the U.S. and the national rollout. You said it was a selected number of SKUs. I interpret that as packaged. Is that right?

Tell Katarina

Yes, that's right, Stefan. That's right.

Stjernholm Stefan

Okay, good. Thank you. That's all my questions.

Tell Katarina

Okay. Thank you.

Rydén Frans

Thank you for the kind words about the report as you opened the questions.

Stjernholm Stefan

Thank you.

Operator

The next question comes from the line of Nicklas Skogman from Nordea. Please go ahead.

Skogman Nicklas

Thank you and congrats from me as well. Did I mishear you or did you say that you expected organic growth in the second half to be broadly in line with what you saw in H1?

Rydén Frans

No, we didn't comment on the growth for the second half of the year.

Skogman Nicklas

Okay. But if we think about volume and potential price impact, what do you see there in H2 compared to H1? I'm thinking mainly perhaps on the price.

Rydén Frans

Yeah, so the first thing I would say is that we of course have a fair pricing policy. And if we think about things affecting our pricing, like cocoa as everyone knows, it's come down significantly versus last year, but actually now at the end of the quarter it was coming up again. Sugar is down a bit versus last year, but actually it's up now in Q2 versus Q1.

But then you have other things like film, which is, the packaging that goes into our bags, that is up as much in percent as cocoa is down versus last year. And energy is up significantly as well. So we will adjust in line with our fair pricing policy.

Skogman Nicklas

All right, thank you. And then you will tell us more about this US Superbrand rollout in the autumn, but should we expect sales from this to come into this year?

Rydén Frans

Yeah, so what we've shared here is that it's a limited portion, let's say, of the product variants we have behind that Superbrand. So it's obviously, we're not launching out the full SKU catalog of Cloetta. So we're starting; it will be a nice rollout, but it will have to build over time.

And given the size although attractive and growing fast versus the rest of Cloetta, it wouldn't have a significant effect on our overall growth numbers for this year. Over time, of course, we've said that growth beyond core will grow two to three times faster than the core markets.

Skogman Nicklas

All right. That's it from me. Thank you very much.

Rydén Frans

Thank you, Nicklas.

Tell Katarina

Thank you, Nicklas.

Lindholm Laura

Thank you. We have quite many questions from SEB, and I think the first two we have already answered. But let's take the one about Easter. With Easter normalizing as a base effect in H2, what is the expected organic growth trajectory for Pick & Mix in Q3 and Q4? And does the inventory build-up reflect prepositioning for geographic expansion or something else?

Rydén Frans

Maybe I'll start with the inventory. So we -- if you look at every year, we have a tendency of tying up cash in the first half of the year and we generate most of our cash in the second half of the year. It's because there's so much demand that we can't satisfy that with production at the time. So we're always building up inventories heading into the summer and then we start depleting them in the back half of the year.

So that's a normal trend to the inventory. If the geographic expansion is certainly there, but unfortunately, it's not going to drive such big growth numbers this year that we would need to build exceptional levels of inventories. But that's of course, this is part of the plan, that's part of the strategy we're moving at the pace that we set out and the opportunities, the big opportunities of course are ahead of us.

For the growth in Pick & Mix, yeah, so by looking at the first half of the year, that's a more, let's say, true number. You shouldn't look at Q1, you shouldn't look at Q2. But beyond that, we don't really give forward-looking growth numbers per se.

Lindholm Laura

Good. And then I think we have a few general IR questions, so if it's okay with the person who was asking, we will revert to those via email. But then after this summer and it is hot, we have a question about ice cream.
So do you foresee the brand being licensed for ice cream, and I think the reference is in Sweden to Kexchoklad and Polly, as successful as it has been done in Finland. Given that Kexchoklad and Polly are strong brands in Sweden, it ought to work seamlessly here also?

Tell Katarina

Thanks, it's a good question. Yeah, according to the strategy, we are having an expanding strategy with our Superbrands, and that is including also looking into the ice cream category. Currently, as said, we are very successful primarily now within Finland in this area. Yeah, and then I would also maybe talking about the warm weather.

There's nothing we can see right now and predict right now, but if the weather would be extremely warm, we have seen a little bit of an effect historically, like the consumers they start to eat a little bit more ice cream or, for instance, drinking a little bit more. But it's already, it's too early to see, and the last time it happened, it was 2018. So it has to be extremely hot to get the impact on the sales for this one.

Lindholm Laura

Thank you, Katarina. And we move from ice cream back to U.S. and have questions from Strawberry Capital. How many stores are you set to roll out in the U.S.? Do you have an agreement with one specific retailer, and do you have a partnership, for instance, like Bubs partnered up with Mount Franklin Foods? Which products are you going to roll out?

And then lastly, are you in talks with retailers regarding Pick & Mix, and how do you see the Pick & Mix development in the U.S.? I think we already answered some of these during the presentation, but maybe a few words.

Tell Katarina

Yeah, so I can mention it. So first of all, as we said, in July, we did the first launch of the CandyKing concept at a U.S. retailer. So that is one store, we're testing it, but of course we're doing this in partnership with the retailer. And if it works well, we continue to roll it out. And of course, if other retailers see it works, then they could also, we can have a dialogue with them.

But it's the first step, the first start. And then when it comes to the branded packaged, where we are talking about one Superbrand with some selective SKUs, there we are in a dialogue. We haven't finalized it yet, but we are in close in closing that dialogue. And that means that we will roll out those SKUs in the market nationwide in the U.S.

Lindholm Laura
Will the nationwide branded rollout be served from your European plants, or are you considering a U.S. co-manufacturer or local sourcing?

Tell Katarina
So it's about if we have the same strategy as Bubs and Mount Franklin Foods in the U.S. Yeah, currently we are using our own production network. So that's what we're starting. But of course, if it becomes very big and very large, then we have to review our sourcing strategy as well. But currently we're doing it from our own network.

Lindholm Laura
Very good. And then yes, we have one question from a private investor if we were happy with the Sweets & Snacks Expo in Las Vegas.

Tell Katarina
Yeah, I'm sure we were. Of course, we had a lot of great dialogue and we were meeting the relevant customers and so on there. So this was good.

Lindholm Laura
Good. And I see we have some questions here that we haven't specifically answered, but those were already questions that our analysts raised. So if one of the retail investors feels that there is still something to talk of, of course you are more than happy to check in with us also after the webcast. Any questions from the telephone lines? I think we answered both of our analysts. Any questions there?

Operator
As a reminder, if you wish to register for a question, please press star and one at this time.

Lindholm Laura
Looks like everybody's happy. Good. Then it's time to start to conclude our event. But we take this opportunity as usual to update and remind you of our upcoming IR events. Our next report, the Q3, is published on the 4th of November, followed by a roadshow in Stockholm arranged by Nordea.

Ahead of that, quite a lot is happening. On the 19th of August, we will attend Nordea Equity's Small and Mid-Cap Days in Stockholm. And on the 17th of September, we will be in New York City on a roadshow arranged by Handelsbanken. We of course continue to update our upcoming IR events in the calendar, which is available on cloetta.com.

It's now time to conclude our event. But before we meet again, we of course hope that you get the chance to enjoy our wide portfolio of confectionery products during many joyful occasions. Have a very nice summer and thank you very much for joining us today.

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