

FRAGRANCE - HAIR - SKIN - MAKEUP - FRAGRANCE

# LYKO

Interim Report

2024/Q1

January - March



*"The Nordics have reached a new level!"*

RICKARD LYKO, CEO

# Lyko: a brief introduction

We are a beauty specialist with the widest range on the market, inspiring and guiding customers to become their best selves. The Group operates the website [lyko.com](http://lyko.com); 30 wholly owned integrated stores and salons in Sweden, Norway and Finland; business-to-business sales; and two factories in Sweden for manufacturing beauty products.

We are committed to highlighting and bringing out the best in people around the world. With over 70 000 products from more than 1 000 brands, we strive to be the obvious choice for hair care and beauty.



JANUARY - MARCH

# Interim report Q1 2024

## The period in summary

NET REVENUE

**824,0**

SALES GROWTH

**+ 21,2%**

EBIT MARGIN

**1,9%**

### FIRST QUARTER

- Net revenue of 824,0 (680,0) MSEK.
- Sales growth was 21,2% (23,0%).
- Gross margin of 43,5% (44,7%).
- EBIT of 15,8 (13,2) MSEK.
- EBIT margin of 1,9% (1,9%).
- Earnings for the period -9,9 (7,4) MSEK.

### KEY FIGURES

MSEK	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
Net sales	824,0	680,0	3 197,7	3 053,7
Sales growth, %	21,2%	23,0%	22,3%	22,8%
Gross profit	358,4	303,9	1 400,3	1 345,8
Gross profit margin, %	43,5%	44,7%	43,8%	44,1%
EBIT	15,8	13,2	70,3	67,7
EBIT margin, %	1,9%	1,9%	2,2%	2,2%
Profit/loss for the period	-9,9	7,4	14,8	32,1
Earnings per share before dilution, SEK	-0,65	0,48	0,97	2,09
Cash flow from operating activities	-30,7	3,0	182,3	216,0
Net debt (+) / Net cash (-), excluding IFRS 16	301,2	137,5	301,2	226,4
Net debt (+) / Net cash (-), including IFRS 16	975,9	434,5	975,9	629,8

## COMMENTS FROM CEO

# The Nordics have reached a new level!”

I am proud to present a 21,2 percent growth in the quarter and 824 million in net revenue. The first quarter is the smallest of the year in terms of results, but a 1,9 percent EBIT margin stands well against the tough comparison figures we face from last year. In total, EBIT grows to 15,8 million SEK in the quarter.

The gross margin grows compared to the previous quarter but slightly declines compared to the same quarter last year, partly due to a shift in category mix and also because customers continue to seek promotions to a greater extent. We are on the right track with the work we initiated in the fourth quarter to strengthen the gross margin through adjustments of activation and price matching in the assortment. As we grow, the shifts in assortment will also affect us less over time.

In the quarter, we achieved significant economies of scale in relation to our logistics and marketing costs. This resulted in a relative decrease in other external costs from 22,8 percent to 20,7 percent of revenues.

Personnel costs increase slightly due to building an organization to manage and grow the business outside of Sweden.

The EBIT margin in the quarter is in line with the previous year. The gross profit margin is slightly worse compared to the same quarter last year

## LONG-TERM INVESTMENT STARTS TO PAY OFF

The Nordic region delivers strong growth of 24,0 percent with EBIT up 48 percent to 90,6 MSEK and an enhanced EBIT margin of 11,9 percent. We see continued good opportunities to gain market share in the Nordics, and we have chosen to prioritize growth. The stores continue to perform very well and constitute an excellent complement to e-commerce. During the quarter, we conducted many activations and events in our stores that worked very well and proved the strength of our omnichannel model. Successes in Finland continue, where we saw over 500 people queuing when we opened our new store in Turku in April, and in total, we grow by 88 percent in the first quarter compared to the previous year. We have also announced that we will open our fourth store in Norway, in a prime location in Bergen in the autumn.

In Europe, our country managers continue the work of localizing our operations to find the right fit in each market. We prioritize controlling costs and plan for a

lower growth rate in the short term to find a profitable core business in each market in the long term. At the same time, we see that we are bearing the costs of our warehouse hub in Berlin, leading to efficiencies. There is a position for us in these markets, and we refine our strategies to reach them with maintained profitability focus.

## LYKO AI ENHANCES THE APP FURTHER

During the quarter, we launched Lyko AI in the app, which enhances the customer experience by making it easier to match customers' preferences to our products. We are convinced that over time, this will change which products customers consume as it becomes easier to get individually tailored recommendations.

Furthermore, we see that the app continues to take a larger share of online sales, enabling us to further strengthen customer interaction.

”  
*Successes in Finland continue, where we saw over 500 people queuing when we opened our new store in Turku in April, and in total, we grow by 88 percent in the first quarter compared to the previous year.*

Rickard Lyko



#### NEW BRANDS CAN MAKE A BIG DIFFERENCE

During the quarter, we obtained for the first time the rights to do an exclusive launch of a brand in our stores in Norway and Finland. We conducted it simultaneously in both countries, and the result was a great success with sales performing extremely well both in-store and online. This is evidence of the competent machinery we have built in the organization to handle these types of launches.

Our organization for own brands has launched several product innovations during the quarter and relaunched Rebecca Stella Beauty. The completely new range has received fantastic reception from customers. At the same time, our Lyko Lovables packaging, released every month, continues to increase in popularity, and the latest one sold out in less than eight minutes. Overall, own brands

accounted for 6,3 percent of sales compared to 5,1 percent the same quarter last year.

#### WAREHOUSE PROJECT DELIVERS

The expansion of our warehouse automation in Vansbro is proceeding according to plan, and already this summer, the majority of hardware will be in place, followed by the fine-tuning of the software to be ready for operation in autumn 2025.

Now, we are facing several major campaigns, and the organization is planning to invite our 300 largest suppliers to a supplier meeting in Vansbro to inform them about our plans and deepen our collaboration.

Rickard Lyko, CEO April 25<sup>th</sup> 2024

# Group development

## FIRST QUARTER

### GROUP SALES

The group's total revenue amounted to 827,2 MSEK (684,0) and the net sales amounted to 824,0 MSEK (680,0), equivalent to 21,2% growth.

The increase is explained by growth in the Nordic markets, with the Nordics increasing by 24,0% compared with the corresponding quarter last year, while Europe net sales decreased by -5,8%.

### RESULTS AND MARGINS

The gross profit margin decreased to 43,5% (44,7%) in the first quarter, mainly due to extensive campaigns, supplier reimbursements, product changes, and sales distribution between segments and countries.

Other external costs amounted to 171,3 (156,2) MSEK for the period, equivalent to 20,7% (22,8%) of the total revenue. The relative decrease is mainly due to logistics expenses and marketing.

Cost of personnel amounted to 125,1 (101,2) MSEK for the period, equivalent to 15,1% (14,8%) of the total revenue. The increase in cost of personnel is explained by an increased number of employees, driven by the strong growth and effort to expand in Europe, as well as the focus on own brands.

The Group's depreciation and amortization amounted to 41,4 (30,2) MSEK for the period. The increase is mainly driven by increased right-of-use assets.

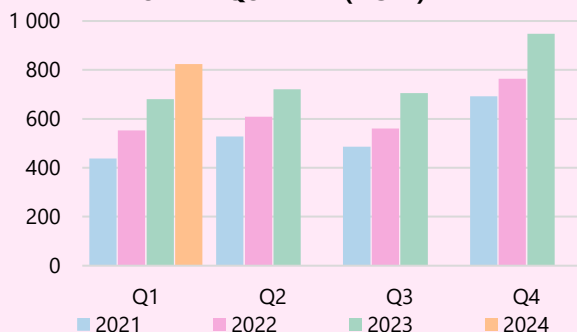
EBIT for the first quarter amounted to 15,8 (13,2) MSEK and the EBIT margin was 1,9% (1,9%).

Net financial items for the Group amounted to -20,8 (-1,4) MSEK in the first quarter. The increase is attributable to increased interest expenses and negative foreign exchange rates effects.

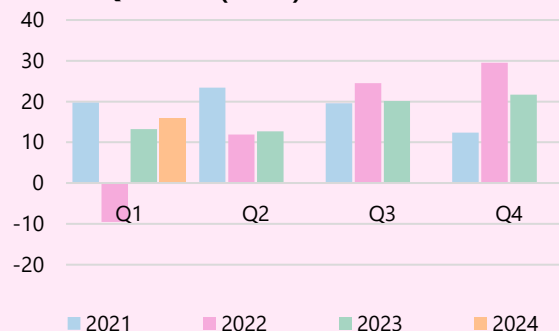
Tax for the period was positive and amounted to -4,9 (-4,4) MSEK.

Profit after tax for the first quarter amounted to -9,9 (7,4) MSEK.

### NET REVENUE PER QUARTER (MSEK)

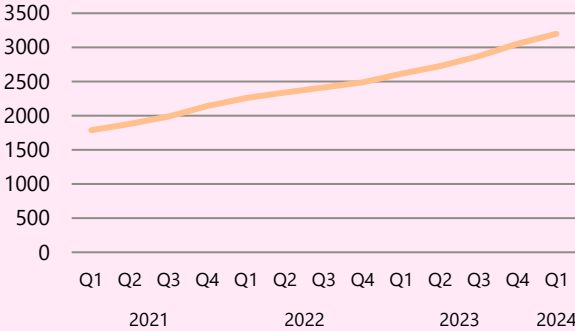


### EBIT PER QUARTER (MSEK)

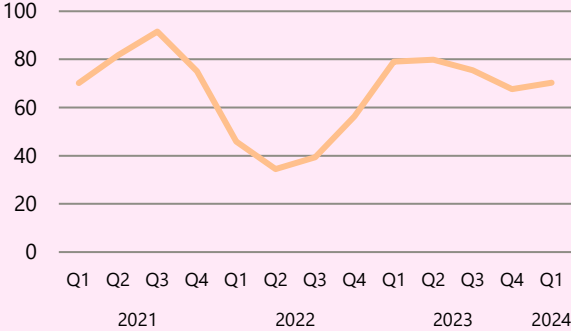




NET REVENUE ROLLING 12 MONTHS, (MSEK)



EBIT ROLLING 12 MONTHS, (MSEK)





**FINANCIAL POSITION AND LIQUIDITY**

Inventories per the end of the period amounted to 526,0 (456,6) MSEK. The inventory in relation to net sales at the end of the first quarter amounted to 16,4% (17,5%).

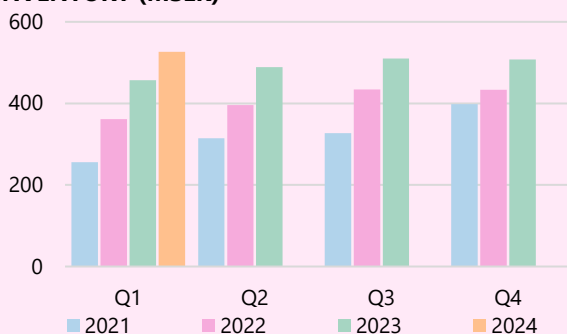
At the end of the first quarter, the number of shares amounted to 15 310 012. Equity per the end of the period amounted to 438,3 (423,0) MSEK, equivalent to an equity / asset ratio of 20,7% (30,4%).

The Group's current liabilities, excluding liabilities to credit institutions and lease liabilities, increased to 617,8 (515,2) MSEK by the end of the first quarter. The increase is mainly due to increased accounts payable driven by increased procurement volumes.

Interest-bearing liabilities, including lease liabilities, amounted to 1 056,4 (452,8) MSEK. The increase is mainly explained by new loans amounted to 257 MSEK, of which 123 MSEK refer to financing of extended automation, decreased overdraft facility -30 MSEK and increased lease liabilities for new rental contracts for premises of approximately 378 MSEK.

The lease liability is mainly related to existing automation solutions at the logistics center in Vansbro and rental premises. Net debt, excluding lease liabilities, amounted to 301,2 (137,5) MSEK per end of the period, and cash and cash equivalents amounted to 80,5 (18,3) MSEK, an increase by 62,2 MSEK.

**INVENTORY (MSEK)**



**NET DEBT, EXCL. IFRS 16**

**301,2 MSEK**



### CASH FLOW AND INVESTMENTS IN THE QUARTER

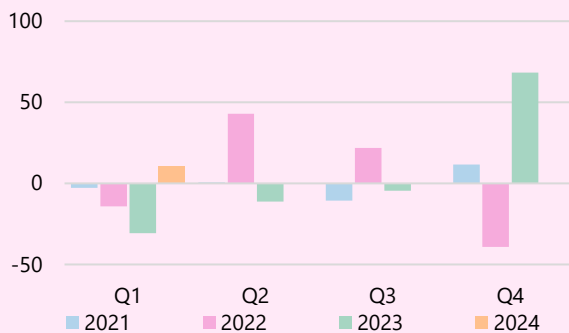
Cash flow from operating activities for the quarter amounted to -30,7 (3,0) MSEK.

Investments in tangible and intangible assets during the quarter amounted to -16,5 (-20,2) MSEK. The investments were mainly associated with the new automation at the central warehouse and continued development of the Lyko web, Lyko app and other IT systems.

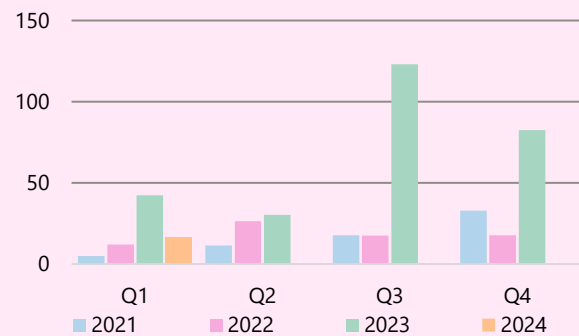
Cash flow from financing amounted to 57,5 MSEK (8,5) and consisted of new loans, within the existing RCF-facility, totaling 83,8 MSEK (0,0), change in overdraft facility of 0,0 MSEK (30,8) and amortization of lease liabilities of -26,3 MSEK (-22,3).

Total cash flow for the quarter amounted to 10,6 (-30,8) MSEK.

### CASH FLOW PER QUARTER (MSEK)



### INVESTMENTS PER QUARTER (MSEK)



### RISKS AND UNCERTAINTIES

Lyko is exposed to a number of business and market-related risks that include cyclical fluctuations, competition, dependence on suppliers, lease related risks, disruptions in logistics and IT systems, brand related risks, financing capacity and future capital needs, credit risk and interest rate risk. For a more detailed description of the Group's significant risks and uncertainties, see the Group's annual report for 2023.

### SEASONAL VARIANCES

Group sales fluctuate with the seasons, with the second and fourth quarters generally being the strongest.

### SIGNIFICANT EVENTS DURING AND AFTER THE FIRST QUARTER

On February 1st 2024 lyko aquired the brand Reserol from Nutriovate AB.

On April 6<sup>th</sup> Lyko opened its second store in Finland, in the city of Turku.

On April 12<sup>th</sup> Lyko acquired the remaining 60% of its equity investment company Loveli Beauty AB. The preparation of the PPA is ongoing.



### Group performance measures

MSEK	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
Total revenue	827,2	684,0	3 230,3	3 087,1
Net sales	824,0	680,0	3 197,7	3 053,7
Sales growth, %	21,2%	23,0%	22,3%	22,8%
Gross profit margin, %	43,5%	44,7%	43,8%	44,1%
Marketing expenses, % of total revenue	9,1%	10,1%	2,5%	2,4%
EBIT	15,8	13,2	70,3	67,7
EBIT margin, %	1,9%	1,9%	2,2%	2,2%
Profit/loss for the period	-9,9	7,4	14,8	32,1
Cash flow from operating activities	-30,7	3,0	182,3	216,0
Equity /asset ratio (%)	20,7%	30,4%	20,7%	25,0%
Return on equity, %	3,4%	11,2%	3,4%	7,5%
Working capital	29,2	51,8	29,2	-15,3
Investments	-16,2	-42,3	-252,1	-278,2
Net debt (+) / Net cash (-), excluding IFRS 16	301,2	137,5	301,2	226,4
Number of share per end of period	15 310 012	15 310 012	15 310 012	15 310 012
Earnings per share before/after dilution (SEK)	-0,65	0,48	0,97	2,09

# Segment reporting

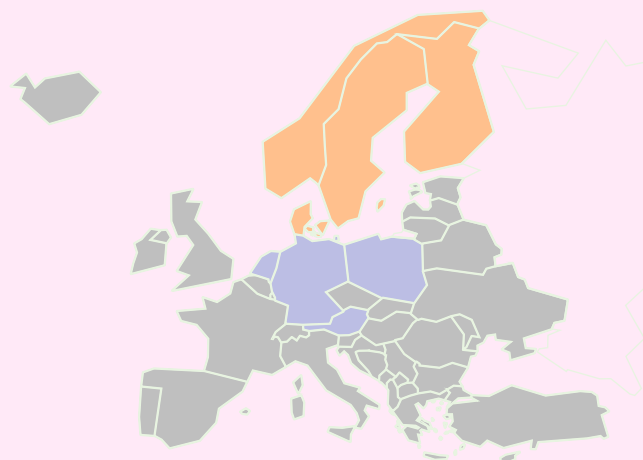
Lyko Group reports its operations in two operating segments; the Nordics, consisting of Sweden, Norway, Finland and Denmark; and Europe, consisting of Germany, Austria, Poland and the Netherlands.

Lyko's business model is centered around selling beauty products for hair care, skin care, makeup and perfume in two geographical segments: the Nordics and Europe. In the Nordics, sales are made online on lyko.com and in 30 Lyko stores (March 31, 2024). In Europe, sales are made online on lyko.com.

In addition to the two segments above, there are Group-wide functions such as HR, IT, Marketing, Purchasing, and Accounting/Finance.

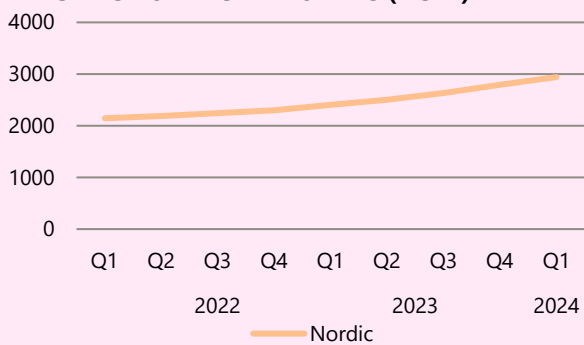
Other operations include the Group's production operations, organization for own brands, sales teams towards e.g. hairdressers, which are all reported separately in Note 1. Group eliminations in connection with internal sales are also reported under other operations.

## COUNTRIES PER SEGMENT

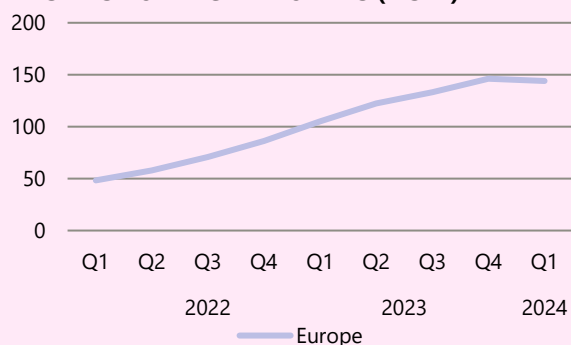


**Nordics** – Sweden, Finland, Norway and Denmark  
**Europe** – Netherlands, Germany, Poland and Austria

## NET SALES ROLLING 12 MONTHS (MSEK)



## NET SALES ROLLING 12 MONTHS (MSEK)



SEGMENT REPORTING

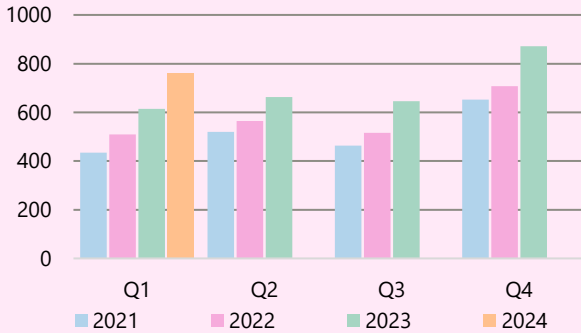
# Lyko Nordics

FIRST QUARTER

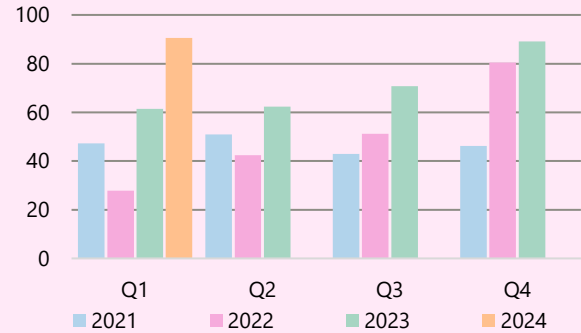
In the Nordics segment, net sales during the quarter increased by 24,0% to 761,8 (614,3) MSEK compared with the same period last year. The increase in growth can in part be explained by extensive marketing efforts in the Nordics.

The EBIT result amounted to 90,6 (61,4) MSEK, equivalent to an EBIT margin of 11,9% (10,0%).

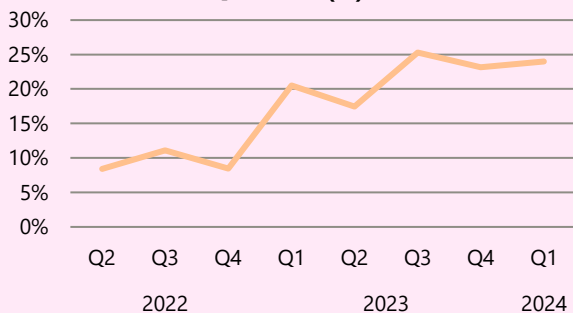
NET SALES PER QUARTER (MSEK)



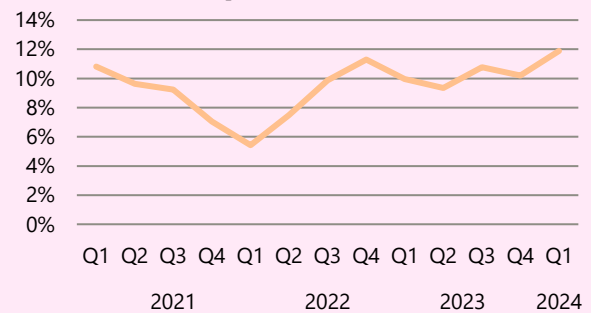
EBIT PER QUARTER (MSEK)



SALES GROWTH PER QUARTER (%)



EBIT MARGIN PER QUARTER



KEY FIGURES – LYKO NORDICS

MSEK	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
Net sales	761,8	614,3	2 942,4	2 794,9
Sales growth, %	24,0%	20,5%	22,5%	21,6%
EBIT	90,6	61,4	312,9	283,7
EBIT margin, %	11,9%	10,0%	10,6%	10,1%

The table above shows alternative performance indicators. See definition at the end of the report.

SEGMENT REPORTING

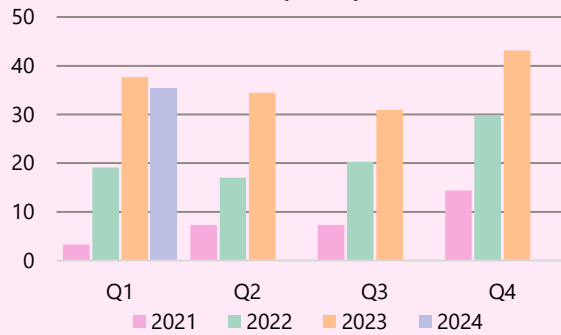
# Lyko Europe

**FIRST QUARTER**

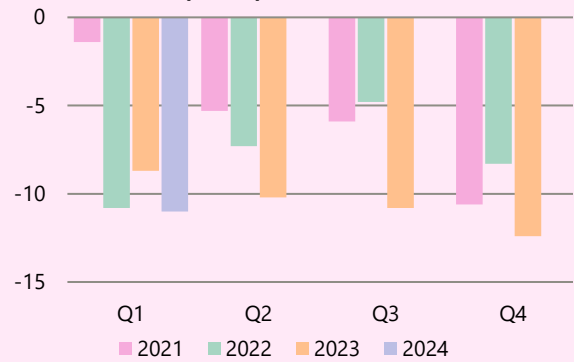
Net revenue amounted to 35,5 (37,7) MSEK, an decrease of -2,2 MSEK, or -5,8%, compared with the same period last year.

The EBIT result for the quarter amounted to -11,0 (-8,7) MSEK, equivalent to an EBIT margin of -30,8% (-22,5%).

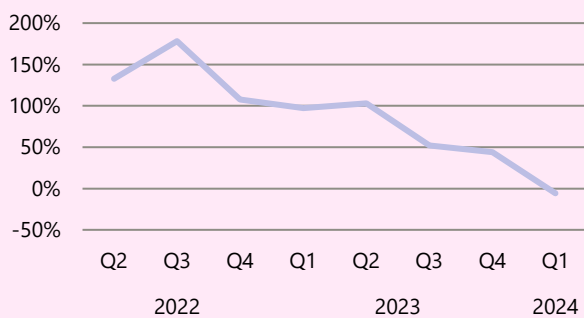
**NET SALES PER QUARTER (MSEK)**



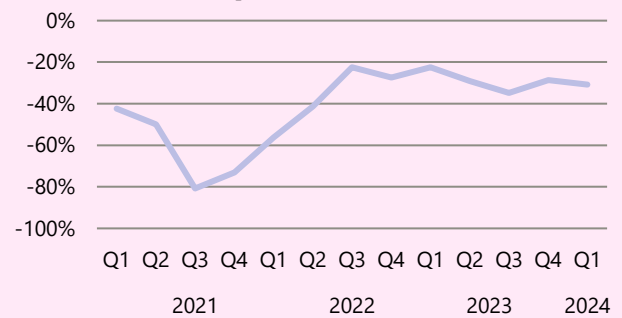
**EBIT PER QUARTER (MSEK)**



**SALES GROWTH PER QUARTER (%)**



**EBIT MARGIN PER QUARTER**



**KEY FIGURES – LYKO EUROPE**

MSEK	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
Net sales	35,5	37,7	144,0	146,2
Sales growth, %	-5,8%	97,4%	37,3%	69,4%
EBIT	-11,0	-8,7	-44,4	-42,1
EBIT margin, %	-30,8%	-22,5%	-30,6%	-28,4%

The table above shows alternative performance indicators. See definition at the end of the report.

# Financial summary

## Group consolidated statement of comprehensive income

MSEK	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
Net sales	824,0	680,0	3 197,7	3 053,7
Other income	3,2	4,0	32,6	33,4
<b>Total revenue</b>	<b>827,2</b>	<b>684,0</b>	<b>3 230,3</b>	<b>3 087,1</b>
Cost of goods sold	-465,6	-376,1	-1 797,4	-1 707,9
Other external expenses	-171,3	-156,2	-707,6	-692,5
Employee benefits expenses	-125,1	-101,2	-477,9	-454,0
Depreciation and amortization	-41,4	-30,2	-142,5	-131,3
Other operating expenses	-8,0	-7,1	-34,6	-33,7
<b>Total expenses</b>	<b>-811,4</b>	<b>-670,8</b>	<b>-3 160,0</b>	<b>-3 019,4</b>
<b>Operating profit (EBIT)</b>	<b>15,8</b>	<b>13,2</b>	<b>70,3</b>	<b>67,7</b>
Financial income	0,5	3,4	3,2	6,1
Financial expenses	-21,3	-4,8	-49,8	-33,3
<b>Profit (-loss) before tax</b>	<b>-5,0</b>	<b>11,8</b>	<b>23,7</b>	<b>40,5</b>
Income tax	-4,9	-4,4	-8,9	-8,4
<b>Net Profit/Loss for the period</b>	<b>-9,9</b>	<b>7,4</b>	<b>14,8</b>	<b>32,1</b>
<b>Other comprehensive income</b>				
Translation of foreign operations	3,8	-1,1	3,1	-1,8
<b>Other comprehensive income</b>	<b>3,8</b>	<b>-1,1</b>	<b>3,1</b>	<b>-1,8</b>
<b>Comprehensive income for the period</b>	<b>-6,1</b>	<b>6,3</b>	<b>17,9</b>	<b>30,3</b>
<b>Attributable to:</b>				
Shareholders of parent company	-9,9	7,3	14,8	32,0
Non-controlling interest	-	0,1	-	0,1
<b>Comprehensive income attributable to</b>				
Shareholders of parent company	-6,1	6,2	17,9	30,2
Non-controlling interest	-	0,1	-	0,1
Average number of shares before dilution	15 310 012	15 310 012	15 310 012	15 310 012
Earnings per share before/after dilution (SEK)	-0,65	0,48	0,97	2,09

## Group consolidated statement of financial position

(MSEK)	31 Mar		31 Dec
	2024	2023	2023
<b>Fixed assets</b>			
Goodwill	304,7	304,7	304,7
Other intangible fixed assets	90,0	72,1	87,6
Right of use asset	706,3	331,5	438,9
Property plant and equipment	273,1	77,2	242,6
Deferred tax asset	7,6	9,0	8,3
Equity method investments	4,1	4,5	4,2
Other financial assets	8,9	6,7	9,2
<b>Total non-current assets</b>	<b>1 394,7</b>	<b>805,7</b>	<b>1 095,5</b>
<b>Current assets</b>			
Inventories	526,0	456,6	507,7
Accounts receivable	38,5	26,0	45,2
Current tax receivables	17,2	-	5,3
Other current receivables	39,7	56,0	24,3
Prepaid expenses and accrued income	25,6	28,4	27,0
Cash and cash equivalents	80,5	18,3	71,1
<b>Total current assets</b>	<b>727,5</b>	<b>585,3</b>	<b>680,6</b>
<b>Total assets</b>	<b>2 122,2</b>	<b>1 391,0</b>	<b>1 776,1</b>
<b>Equity and liabilities</b>			
Equity attributable to Parent company shareholders	438,3	417,3	444,3
Non-controlling interest	-	5,7	0,1
<b>Total equity</b>	<b>438,3</b>	<b>423,0</b>	<b>444,4</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	2,9	-	-
Provisions	4,1	-	3,0
Non-current liabilities to credit institutions	122,8	-	122,5
Long-term lease liabilities	577,9	224,0	312,5
Other non-current liabilities	2,7	-	3,0
<b>Total non-current liabilities</b>	<b>710,4</b>	<b>224,0</b>	<b>441,0</b>
<b>Current liabilities</b>			
Current liabilities to credit institutions	258,9	125,0	175,0
Overdraft facility	-	30,8	-
Short-term lease liabilities	96,8	73,0	90,9
Current provisions	21,9	24,4	26,2
Account payables	396,4	275,2	367,8
Current tax liability	7,0	12,1	9,6
Other current liabilities	87,8	98,7	108,9
Accrued expenses and prepaid income	104,7	104,8	112,3
<b>Total current liabilities</b>	<b>973,5</b>	<b>744,0</b>	<b>890,7</b>
<b>Total equity and liabilities</b>	<b>2 122,2</b>	<b>1 391,0</b>	<b>1 776,1</b>



## Group consolidated statement of changes in equity, in summary

(MSEK)	Q1		Jan-Dec
	2024	2023	2023
<b>Equity at the beginning of the period</b>	<b>444,4</b>	<b>416,7</b>	<b>416,7</b>
Profit/loss for the period	-9,9	7,4	32,1
Translation of foreign operations	3,8	-1,1	-1,8
<b>Total comprehensive income</b>	<b>-6,1</b>	<b>6,3</b>	<b>30,3</b>
Acquisition of non-controlling interest	-	-	-5,6
Surplus on purchase of non-controlling interests	-	-	3,0
<b>Total transactions with shareholder</b>	<b>-</b>	<b>-</b>	<b>-2,6</b>
<b>Equity at the end of the period</b>	<b>438,3</b>	<b>423,0</b>	<b>444,4</b>

## Group consolidated statement of cash flow

(MSEK)	Q1		Jan-Dec
	2024	2023	2023
<b>Operating activities</b>			
Profit after financial items	-5,0	11,8	40,5
Adjustments for non-cash items	51,7	49,5	160,9
Paid tax	-9,1	-33,1	-40,7
<b>Cash flow from operations</b>	<b>37,6</b>	<b>28,2</b>	<b>160,7</b>
<b>Cash flow from working capital changes</b>			
Change in inventories	-23,1	-36,0	-90,6
Change in operating receivables	-21,5	-5,4	-3,6
Change in operating liabilities	-23,7	16,2	149,5
<b>Cash flow from operating activities</b>	<b>-30,7</b>	<b>3,0</b>	<b>216,0</b>
<b>Investing activities</b>			
Investments in intangible assets	-7,9	-9,1	-38,3
Investments in tangible assets	-8,6	-11,1	-195,8
Divestments of tangible assets	-	-	0,5
Acquisition of subsidiaries	-	-22,5	-42,5
Change in financial assets	0,3	0,4	-2,1
<b>Cash flow from (-used in) investing activities</b>	<b>-16,2</b>	<b>-42,3</b>	<b>-278,2</b>
<b>Financing activities</b>			
New Loans	83,8	-	299,9
Repayment of loans	-	-	-127,3
Change in overdraft facility	-	30,8	-
Amortisation leases	-26,3	-22,3	-88,8
<b>Cash flow from financing activities</b>	<b>57,5</b>	<b>8,5</b>	<b>83,8</b>
<b>Cash flow for the period</b>	<b>10,6</b>	<b>-30,8</b>	<b>21,6</b>
Cash and cash equivalents at the beginning of the period	71,1	50,9	50,9
Exchange rate effects	-1,2	-1,8	-1,4
<b>Cash and cash equivalents at the end of the period</b>	<b>80,5</b>	<b>18,3</b>	<b>71,1</b>

# Parent Company

The Parent Company Lyko Group AB's operations include management services to other companies in the Group.

## Parent Company income statement, in summary

(MSEK)	Q1		Jan-Dec
	2024	2023	2023
Net sales	1,4	1,3	5,8
<b>Operating costs</b>			
Other external expenses	-2,1	-2,0	-8,5
Employee benefits expenses	-1,4	-1,1	-6,0
Other operating expenses	-	-1,3	-1,9
<b>Operating profit (-loss)</b>	<b>-2,1</b>	<b>-3,1</b>	<b>-10,6</b>
Financial income/ expenses net	-0,8	1,6	-4,9
Appropriations	-	-	24,3
<b>Profit (-loss) before tax</b>	<b>-2,9</b>	<b>-1,5</b>	<b>8,8</b>
Income tax	0,1	0,1	-2,2
<b>Profit (-loss) for the period</b>	<b>-2,8</b>	<b>-1,4</b>	<b>6,6</b>

## Parent Company financial position, in summary

(MSEK)	31 Mar		31 Dec
	2024	2023	2023
<b>Non-current assets</b>			
Financial assets	581,2	512,1	580,6
<b>Total non-current assets</b>	<b>581,2</b>	<b>512,1</b>	<b>580,6</b>
<b>Current assets</b>			
Receivables from Group companies	391,9	184,4	129,9
Other current receivables	16,5	7,4	12,7
Cash and cash equivalents	76,9	3,9	67,1
<b>Total current assets</b>	<b>485,3</b>	<b>195,7</b>	<b>209,7</b>
<b>Total assets</b>	<b>1 066,5</b>	<b>707,8</b>	<b>790,3</b>
Restricted equity	7,7	7,7	7,7
Non-restricted equity	420,3	415,1	420,3
<b>Total equity</b>	<b>428,0</b>	<b>422,8</b>	<b>430,9</b>
Untaxed reserves	26,0	26,0	26,0
Provisions	0,6	-	-
<b>Total non-current liabilities</b>	<b>0,6</b>	<b>-</b>	<b>-</b>
Current liabilities to credit institutions	258,9	125,0	175,0
Overdraft facility	-	30,8	-
Liabilities to Group companies	348,1	74,9	152,3
Other current liabilities	4,9	28,3	6,1
<b>Total current liabilities</b>	<b>611,9</b>	<b>259,0</b>	<b>333,4</b>
<b>Total equity and liabilities</b>	<b>1 066,5</b>	<b>707,8</b>	<b>790,3</b>

## Accounting principles

The Group interim report is prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and as applied in the Group's annual report.

The Group's reporting currency is Swedish kronor. Unless otherwise indicated, all amounts are rounded to the nearest million (MSEK) with one decimal point. This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For a description of the Group's accounting

principles and definitions of certain terms, refer to the annual report. The principles applied have remained unchanged in relation to these principles.

The Parent Company's summarized financial statements are prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2 Accounting for Legal Entities. Disclosures in accordance with IAS 34.16A are presented in the financial reports and related notes as well as in other parts of the interim report.

## Not 1. Operating segments reports

(MSEK)	Q1		Apr-Mar	Jan-Dec
	2024	2023	23/24	2023
<b>Nordic</b>				
Net sales	761,8	614,3	2 942,4	2 794,9
EBIT	90,6	61,4	312,9	283,7
<b>Europe</b>				
Net sales	35,5	37,7	144,0	146,2
EBIT	-11,0	-8,7	-44,4	-42,1
<b>Other operations*</b>				
Net sales	26,7	27,9	103,7	104,9
EBIT	-8,6	-5,3	-18,0	-14,7
<b>Group functions</b>				
Net sales	-	0,1	7,6	7,7
EBIT	-55,2	-34,2	-180,2	-159,2
<b>Total Group</b>				
Net sales	824,0	680,0	3 197,7	3 053,7
EBIT	15,8	13,2	70,3	67,7

\* The Net Sales and EBIT of Other operations are reported on a net basis, including Group eliminations.

## Not 2. Related party transactions

There have been no related party transactions during the quarter.

Related party transactions are carried out on normal commercial terms and are entered into on normal commercial conditions. For information on salaries and other remuneration, costs and obligations regarding pensions and similar benefits for the Board of Directors, CEO and other senior executives, see Lyko's annual report.

The Board of Directors and the CEO assure that the interim report presents a true and fair view of the Group's and the Parent Company's operations, position and results.

Stockholm, April 25th, 2024.

Kenneth Bengtsson  
*Chair of the Board*

Håkan Håkansson  
*Board member*

Lovisa Hamrin  
*Board member*

Marie Nygren  
*Board member*

Erika Lyko  
*Board member*

Rickard Lyko  
*CEO and Board member*

This report has not been subjected to a limited review by the Group's auditor.

# Definitions

ALTERNATIVE PERFORMANCE INDICATORS	DEFINITION	RATIONALE
<b>Balance sheet total</b>	Total assets.	This performance indicator can be analyzed in relation to other performance indicators to assess the Company's position and development.
<b>EBIT margin</b>	Operating profit divided by total income for the period.	The EBIT margin shows the profit generated by operating activities.
<b>Equity / asset ratio</b>	Total equity divided by total assets (balance sheet).	This performance indicator shows equity, including non-controlling interests, divided by balance sheet total.
<b>Gross profit</b>	Net revenue minus cost of goods sold.	The gross profit reflects the contribution generated by operating activities.
<b>Gross profit margin</b>	Net Sales minus cost of goods sold, divided by net sales.	The gross profit margin reflects the contribution margin generated by operating activities.
<b>Investments</b>	Investments in intangible and tangible assets.	This performance indicator outlines the investments in operating activities.
<b>Net debt (+)/ Net cash (-)</b>	Interest-bearing liabilities, excluding lease liabilities (IFRS 16), minus cash and cash equivalents at the end of the period.	Net debt/net cash is a performance indicator that shows the Company's total net indebtedness.
<b>Net working capital</b>	Current assets excluding cash and cash equivalents minus non-interest bearing current liabilities at the end of the period.	This performance indicator is analyzed in relation to total income to assess how efficiently working capital is used in the operation.
<b>Operating profit (EBIT)</b>	Profit before financial items and tax.	The operating profit shows an overview of the profit generated by operating activities.
<b>Return on equity</b>	Rolling 12 months profit in relation to average equity.	This performance indicator measures how profitable the Company is for its shareholders.
<b>Total revenue</b>	The operation's main income from the sale of goods and services, invoiced costs, ancillary revenue and income adjustments, after deducted VAT.	This performance indicator shows the Company's total sales and is used, inter alia, to assess the Company's sales growth.
<b>Sales growth</b>	Net Sales growth compared with the same period last year.	This performance indicator allows the Company to compare its growth rate with different periods and to the market.

For more information, see our website  
lyko.com

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**LYKO GROUP AB**

Corporate identity number: 556975-8229  
Registered office: Vansbro

**Financial calendar**

- 25 Apr 2024 - Interim report Jan–Mar 2024
- 29 Apr 2024 - Annual General Meeting 2024
- 18 Jul 2024 - Interim report Apr–Jun 2024
- 18 Oct 2024 - Interim report Jul–Sep 2024
- 13 Feb 2025 - Year-end report 2024



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beauty  
playground**

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This information is such information that Lyko Group AB is obliged to make public pursuant to the EU Market Abuse Regulation.

The information was submitted for publication at 07:00 CET on April 25, 2024.