

- HAIR - SKIN - MAKEUP - FRAGRANCE - HAIR - SKIN -

# LYKO

Interim Report

2024/Q2

January – June



*”Lyko delivers strong sales growth and improved profitability!”*

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 online beauty destination [lyko.com](https://lyko.com); 31 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 65 000 products from more than 1 000 brands, we strive to be the destination of choice for hair care and beauty.

PERIOD 1 JANUARY - 30 JUNE

# Interim report Q2 2024

## The period in summary

**NET SALES**  
**880**

**SALES GROWTH**  
**+ 21,9%**

**EBIT MARGIN**  
**1,9%**

### SECOND QUARTER

- Net sales of 879,6 (721,4) MSEK.
- Sales growth was 21,9% (18,4%).
- Gross margin of 43,1% (43,8%).
- EBIT of 16,8 (12,7) MSEK.
- EBIT margin of 1,9% (1,7%).
- Earnings for the period -7,2 (-0,1) MSEK.

### PERIOD 1 JANUARY - 30 JUNE

- Net sales of 1 703,6 (1 401,4) MSEK.
- Sales growth was 21,6% (20,6%).
- Gross margin of 43,3% (44,2%).
- EBIT of 32,6 (25,9) MSEK.
- EBIT margin of 1,9% (1,8%).
- Earnings for the period -17,1 (7,3) MSEK.

### KEY FIGURES

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
MSEK						
Net sales	879,6	721,4	1 703,6	1 401,4	3 355,9	3 053,7
Sales growth, %	21,9%	18,4%	21,6%	20,6%	23,1%	22,8%
Gross profit	379,5	315,8	737,9	619,7	1 464,0	1 345,8
Gross margin, %	43,1%	43,8%	43,3%	44,2%	43,6%	44,1%
EBIT	16,8	12,7	32,6	25,9	74,4	67,7
EBIT margin, %	1,9%	1,7%	1,9%	1,8%	2,2%	2,2%
Profit (+)/Loss (-) for the period	-7,2	-0,1	-17,1	7,3	7,7	32,1
Earnings per share before dilution, SEK	-0,47	-0,00	-1,12	0,48	0,50	2,09
Cash flow from operating activities	82,8	-8,6	52,1	-5,6	273,7	216,0
Net debt (+) / Net cash (-), excluding IFRS 16	306,3	196,4	306,3	196,4	306,3	226,4
Net debt (+) / Net cash (-), including IFRS 16	989,9	513,7	989,9	513,7	989,9	629,8

## COMMENTS FROM CEO

# Lyko delivers strong sales growth and improved profitability!

**I am proud to present a 21,9 percent increase in sales, reaching an impressive total of 879,6 million SEK for the quarter, with an improved EBIT margin of 1,9 percent compared to the previous year, resulting in an EBIT of 16,8 million SEK.**

The Nordic region continues to deliver strong growth and profitability, supported by our strategic investments in our store portfolio during the quarter. In Europe, while we are actively adopting a more cautious approach, we manage to deliver a modest growth. We continue to invest in our organization and infrastructure to prepare ourselves for becoming a larger company. During the quarter, we transitioned to a matrix organization where central functions support all country teams to adapt locally to consumer preferences in the best way possible.

Compared to a year ago, we now have seven country managers in place, and it is worth noting that we also have a country manager for our first market, Sweden. As part of our internationalization, we are also moving towards releasing our quarterly reports in English.

The second quarter is typically campaign-intensive, and despite price pressure in the market, we managed to keep the Nordic and European segments at unchanged gross margins compared to the previous year. However, overall margins were slightly impacted due to lower margins in Other businesses. The category mix affects us, but we are working hard with our suppliers to secure better margins.

Our property costs are increasing, due to rent payments for the new warehouse building, our new office in Stockholm, and the stores at Sergels Torg and in Turku. While the latter two do not yet contribute significantly, they will have an impact later in the year. Our significant warehouse extension project in Vansbro is progressing according to plan, but we will see the effects after it becomes operational in the last quarter of next year.

## RETAIL-TAINMENT, MUCH APPRECIATED BY OUR CUSTOMERS

Our retail business continues to perform strongly, highlighted by numerous successful events during the quarter. Particularly noteworthy is the opening in Turku, our second store in Finland, and the celebrations after the reopening following the renovation of our store on Karl-Johan, Oslo and in Emporia, Malmö.

”

*We continue to make broad investments in marketing and launched a new brand concept, "Welcome to your beauty playground", which has been well-received and provides a unique visual experience!*

**Rickard Lyko**



### SCENT-SATIONAL LAUNCH OF OUR NEW UNIQUE VISUAL CONCEPT

We continue to make broad investments in marketing and launched a new brand concept during the quarter, "Welcome to your beauty playground," which has been well-received and provides a unique visual experience, while extending our brand promise "Your Beauty Playground."

During the quarter, we acquired the remaining 60 percent of Loveli Beauty AB, which owns the brand and Swedish nail innovation LOVE'N LAYER. Our long-term commitment to developing a portfolio of own brands is paying off, and the share of Own Brands continues to grow, now accounting for 7 percent of total sales on a rolling 12-month basis.

When parts of the organization now go on a well-deserved vacation, the packing of this year's Christmas calendars and other preparations for the second half of the year are already under way.

Thank you to all Lyko-stars for a fantastic first half of the year!

Rickard Lyko, CEO July 18<sup>th</sup> 2024

# Group development

## SECOND QUARTER

### GROUP SALES

The Group's total revenue amounted to 883,4 MSEK (732,6) and the net sales amounted to 879,6 MSEK (721,4), equivalent to 21,9% growth.

The increase is explained by growth in the Nordic markets, which increased by 22,7% compared with the corresponding quarter last year, while Europe net sales increased by 2,3%.

### RESULTS AND MARGINS

The gross margin decreased to 43,1% (43,8%) overall in the second quarter but was in line with last year in operational segments. The gross margin decrease was mainly attributable to other business segment.

Other external costs amounted to 186,5 (166,3) MSEK for the period, equivalent to 21,1% (22,7%) of the total revenue. The relative decrease is mainly due to logistics expenses and marketing.

Personnel costs amounted to 134,8 (112,0) MSEK for the period, equivalent to 15,3% (15,3%) of the total revenue. The increased personnel costs are explained by an increased number of employees, driven by the strong growth, investments in new retail stores, and efforts to build country organizations, as well as the focus on own brands.

The Group's depreciation and amortization amounted to 41,6 (31,4) MSEK for the period. The increase is driven by increased investments and increased right-of-use assets.

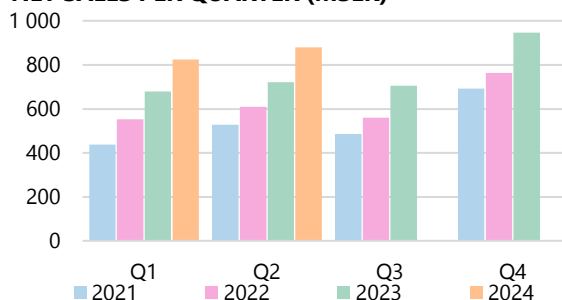
EBIT for the second quarter amounted to 16,8 (12,7) MSEK and the EBIT margin was 1,9% (1,7%).

Net financial items for the Group amounted to -20,8 (-10,4) MSEK in the second quarter. The increase is attributable to increased interest expenses offset by positive foreign exchange rates effects.

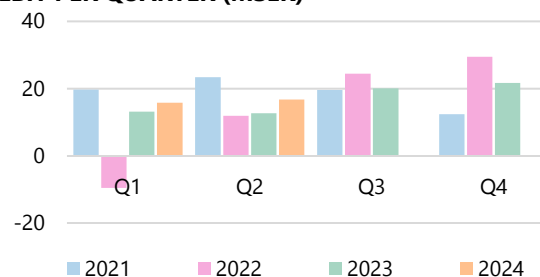
Tax for the period was negative and amounted to -3,2 (-2,4) MSEK.

Profit after tax for the second quarter amounted to -7,2 (-0,1) MSEK.

### NET SALES PER QUARTER (MSEK)



### EBIT PER QUARTER (MSEK)



### PERIOD 1 JANUARY - 30 JUNE

#### GROUP SALES

The Group's total income for the period January–June amounted to 1 710,6 MSEK (1 416,6). The net sales amounted to 1 703,6 (1 401,4) MSEK, equivalent to 21,6% growth.

During the period, the Group's net sales attributable to Nordic operations amounted to 92,5%, equivalent to 1 575,0 (1 277,1) MSEK, compared with 91,1% the corresponding period last year.

#### RESULTS AND MARGINS

The gross profit for the period January–June amounted to 737,9 (619,7) MSEK, with a gross margin of 43,3% (44,2%). This is in part due to changes in sales distribution between categories, extensive campaigns and supplier reimbursements.

Other external costs amounted to 357,8 (322,5) MSEK, equivalent to 20,9% (22,8%) of total revenues. The increase of costs in absolute terms is mainly related to volume-driven costs such as freight and variable marketing as well as extensive marketing campaigns in all Nordic markets throughout the year.

Cost of personnel amounted to 259,9 (213,2) MSEK for the period, equivalent to 15,2% (15,1%) of total revenues.

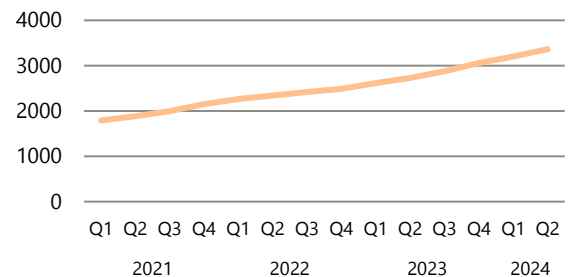
The Group's depreciation and amortization increased to 83,0 (61,6) MSEK.

EBIT for the period amounted to 32,6 (25,9) MSEK, with an EBIT margin of 1,9% (1,8%).

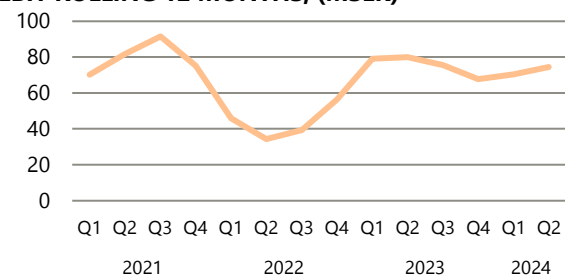
Net financial items for the Group amounted to -41,6 (-11,8) MSEK. The tax for the period amounted to -8,1 (-6,8) MSEK.

Profit after tax amounted to -17,1 (7,3) MSEK.

#### NET SALES ROLLING 12 MONTHS, (MSEK)



#### EBIT ROLLING 12 MONTHS, (MSEK)





**FINANCIAL POSITION AND LIQUIDITY**

Inventories per the end of the period amounted to 473,2 (489,0) MSEK. The inventory in relation to net sales at the end of the second quarter amounted to 14,1% (17,9%).

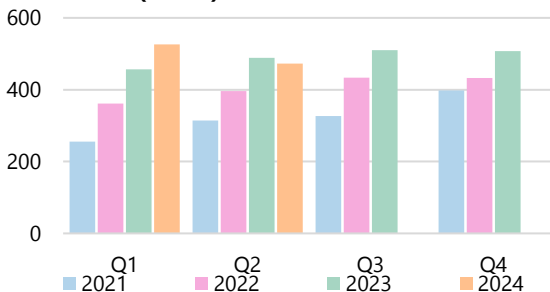
At the end of the second quarter, the number of shares amounted to 15 310 012. Equity per the end of the period amounted to 430,5 (419,9) MSEK, equivalent to an equity / asset ratio of 20,0% (29,4%).

The Group's current liabilities, excluding liabilities to credit institutions and lease liabilities, increased to 615,8 (485,3) MSEK by the end of the second quarter. The increase is mainly due to increased accounts payables driven partly by increased growth.

Interest-bearing liabilities, including lease liabilities, amounted to 1 094,4 (521,3) MSEK. The increase is mainly explained by additional loans amounted to 235,8 MSEK, of which 151,9 MSEK refer to the financing of the extended automation, decreased overdraft facility -29 MSEK and increased lease liabilities mainly for new premises of approximately 366.3 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 306,3 (196,4) MSEK per end of the period, and cash and cash equivalents amounted to 104,5 (7,6) MSEK, an increase by 96,9 MSEK.

**INVENTORY (MSEK)**



**NET DEBT, EXCL. IFRS 16**

**306,3 MSEK**



### CASH FLOW AND INVESTMENTS IN THE QUARTER

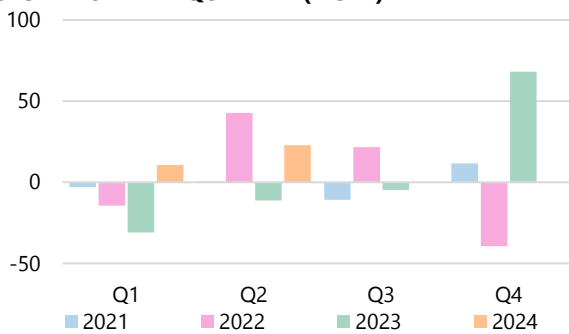
Cash flow from operating activities for the quarter amounted to 82,8 (-8,6) MSEK.

Investments in tangible and intangible assets during the quarter amounted to -61,3 (-20,6) MSEK. The investments were mainly associated with the new automation at the central warehouse, retail investments mainly driven by the new store in Åbo, Finland and renovation at Karl-Johan in Norway, and continued development of the Lyko web, Lyko app and other IT systems.

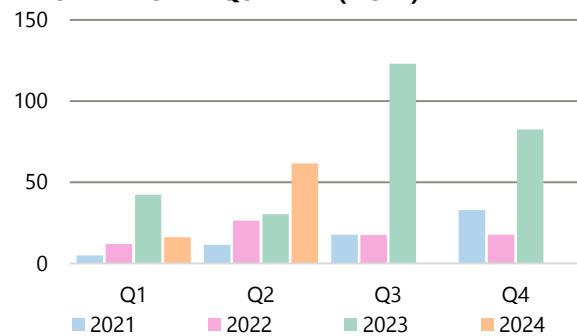
Cash flow from financing amounted to 1,7 MSEK (27,7) and consisted of increased utilization within the existing RCF-facility, totaling 28,8 MSEK (50,0), change in overdraft facility of 0,0 MSEK (-1,8) and amortization of lease liabilities of -27,1 MSEK (-20,5).

Total cash flow for the quarter amounted to 22,9 (-11,2) 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 SECOND QUARTER

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 for approximately 0,3 MSEK.

On April 17<sup>th</sup> Lyko announced the upcoming opening of a fourth store in Norway, Bergen. The store will open in fall 2024.



**Group performance measures**

MSEK	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Total revenue	883,4	732,6	1 710,6	1 416,6	3 381,1	3 087,1
Net sales	879,6	721,4	1 703,6	1 401,4	3 355,9	3 053,7
Sales growth, %	21,9%	18,4%	21,6%	20,6%	23,1%	22,8%
Gross margin, %	43,1%	43,8%	43,3%	44,2%	43,6%	44,1%
Marketing expenses, % of total revenue	10,3%	10,7%	9,7%	10,4%	10,2%	10,6%
EBIT	16,8	12,7	32,6	25,9	74,4	67,7
EBIT margin, %	1,9%	1,7%	1,9%	1,8%	2,2%	2,2%
Profit (+)/Loss (-) for the period	-7,2	-0,1	-17,1	7,3	7,7	32,1
Cash flow from operating activities	82,8	-8,6	52,1	-5,6	273,7	216,0
Equity/asset ratio (%)	20,0%	29,4%	20,0%	29,4%	20,0%	25,0%
Return on equity, %	1,7%	9,6%	1,7%	9,6%	1,7%	7,5%
Working capital	-23,7	95,3	-23,7	95,3	-23,7	-15,3
Cash flow from investing activities	-61,6	-30,3	-77,8	-72,6	-283,4	-278,2
Net debt (+) / Net cash (-), excluding IFRS 16	306,3	196,4	306,3	196,4	306,3	226,4
Number of share per end of period	15 310 012	15 310 012	15 310 012	15 310 012	15 310 012	15 310 012
Earnings per share before/after dilution (SEK)	-0,47	-0,00	-1,12	0,48	0,50	2,09

# Segment reporting

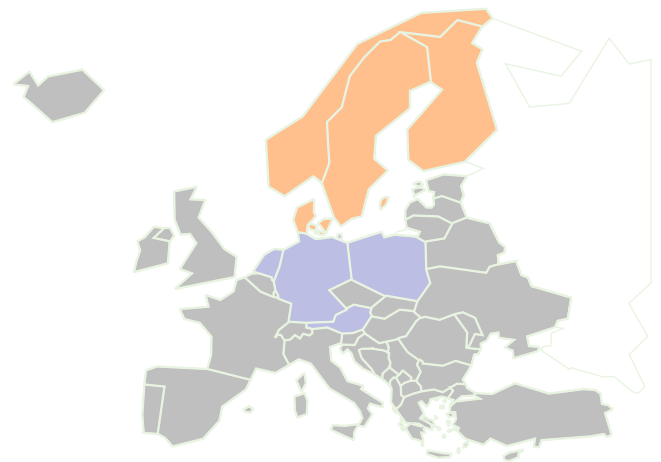
Lyko Group reports its operations in two operating segments; the Nordics, consisting of Sweden, Norway, Finland and Denmark; and Europe, consisting of Germany, Austria, Poland and the Netherlands.

Lyko's business model is centered around selling beauty products for hair care, skin care, makeup and perfume in two operating segments: the Nordics and Europe. In the Nordics, sales are conducted online through lyko.com and the Lyko App as well as in 31 Lyko stores (June 30, 2024). In Europe, sales are conducted online through lyko.com and the Lyko App.

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

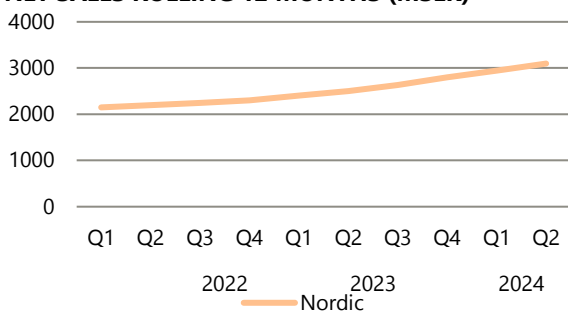
Other operations include the Group's production operations, organization for own brands, sales teams towards e.g. hairdressers, which are all reported separately in Note 1. Group eliminations in connection with internal sales are also reported under other operations.

## COUNTRIES PER SEGMENT

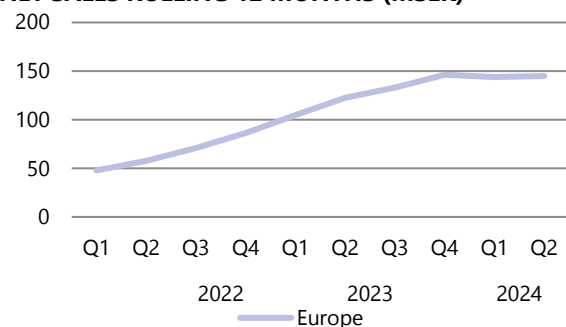


**Nordics** – Sweden, Finland, Norway and Denmark  
**Europe** – Netherlands, Germany, Poland and Austria

### NET SALES ROLLING 12 MONTHS (MSEK)



### NET SALES ROLLING 12 MONTHS (MSEK)



### SEGMENT REPORTING

# Lyko Nordics

#### SECOND QUARTER

In the Nordics segment, net sales during the quarter increased by 22,7% to 813,2 (662,8) MSEK compared with the same period last year. The increase in growth can in part be explained by extensive marketing efforts as well as additional retail stores.

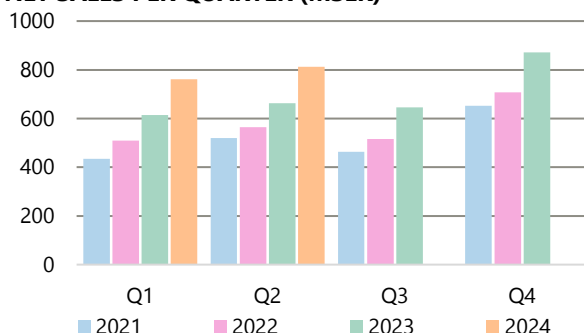
The EBIT result amounted to 90,0 (62,4) MSEK, equivalent to an EBIT margin of 11,1% (9,4%).

#### PERIOD 1 JANUARY - 30 JUNE

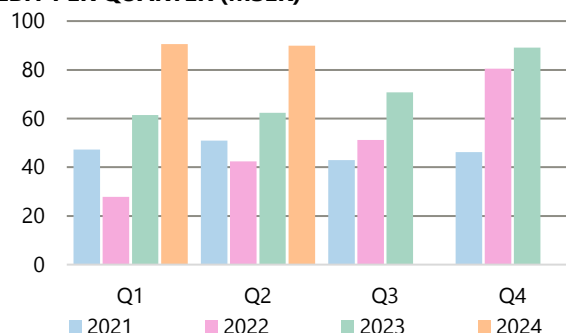
For the period January – June, net sales in the Nordics segment amounted to 1 575,0 (1 277,1) MSEK, equivalent to a growth of 23,3%.

EBIT for the period amounted to 180,6 (123,8) MSEK. This is an increase of 56,8 MSEK, equivalent to an EBIT margin of 11,5% (9,6%).

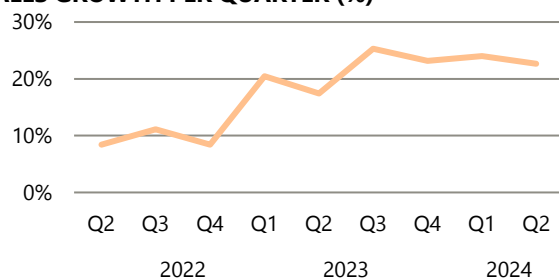
#### NET SALES PER QUARTER (MSEK)



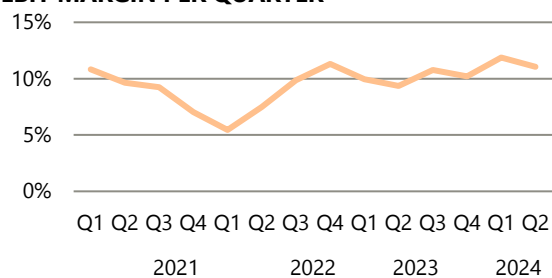
#### EBIT PER QUARTER (MSEK)



#### SALES GROWTH PER QUARTER (%)



#### EBIT MARGIN PER QUARTER



#### KEY FIGURES – LYKO NORDICS

MSEK	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	813,2	662,8	1 575,0	1 277,1	3 092,8	2 794,9
Sales growth, %	22,7%	17,4%	23,3%	18,9%	23,7%	21,6%
EBIT	90,0	62,4	180,6	123,8	340,5	283,7
EBIT margin, %	11,1%	9,4%	11,5%	9,6%	11,0%	10,1%

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

### SEGMENT REPORTING

# Lyko Europe

#### SECOND QUARTER

Net sales amounted to 35,3 (34,5) MSEK, an increase of 0,8 MSEK, or 2,3%, compared with the same period last year.

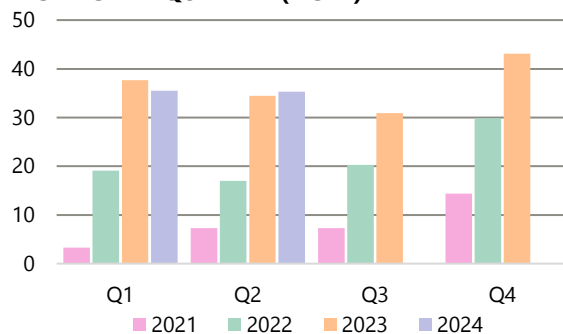
The EBIT result for the quarter amounted to -8,9 (-10,2) MSEK, equivalent to an EBIT margin of -25,4% (-29,1%).

#### PERIOD 1 JANUARY - 30 JUNE

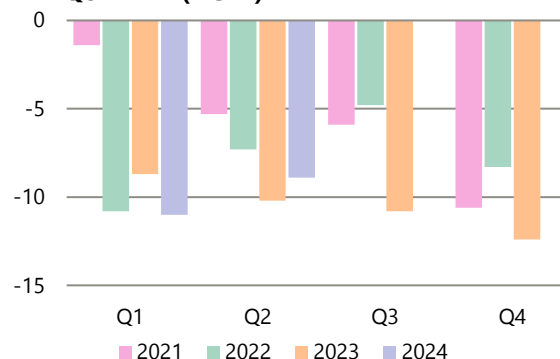
Net sales for the period January – June amounted to 70,8 (72,2) MSEK, an decrease of -1,9% or -1,4 MSEK.

The EBIT result for the period amounted to -19,9 (-18,9) MSEK. This is a decrease of -1,0 MSEK, equivalent to an EBIT margin of -28,1% (-25,6%).

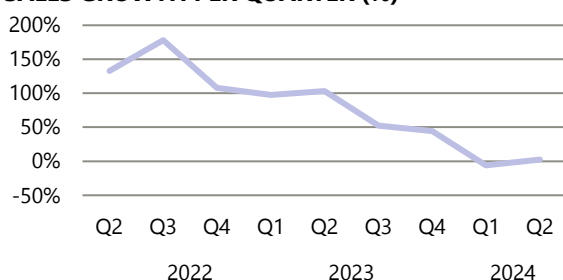
#### NET SALES PER QUARTER (MSEK)



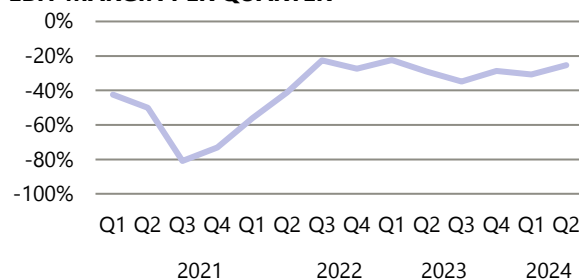
#### EBIT PER QUARTER (MSEK)



#### SALES GROWTH PER QUARTER (%)



#### EBIT MARGIN PER QUARTER



#### KEY FIGURES – LYKO EUROPE

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
MSEK						
Net sales	35,3	34,5	70,8	72,2	144,8	146,2
Sales growth, %	2,3%	102,9%	-1,9%	100,0%	18,3%	69,4%
EBIT	-8,9	-10,2	-19,9	-18,9	-43,1	-42,1
EBIT margin, %	-25,4%	-29,1%	-28,1%	-25,6%	-29,7%	-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	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	879,6	721,4	1 703,6	1 401,4	3 355,9	3 053,7
Other income	3,8	11,2	7,0	15,2	25,2	33,4
<b>Total revenue</b>	<b>883,4</b>	<b>732,6</b>	<b>1 710,6</b>	<b>1 416,6</b>	<b>3 381,1</b>	<b>3 087,1</b>
Cost of goods sold	-500,1	-405,6	-965,7	-781,7	-1 891,9	-1 707,9
Other external expenses	-186,5	-166,3	-357,8	-322,5	-727,8	-692,5
Employee benefits expenses	-134,8	-112,0	-259,9	-213,2	-500,7	-454,0
Depreciation and amortization	-41,6	-31,4	-83,0	-61,6	-152,7	-131,3
Other operating expenses	-3,6	-4,6	-11,6	-11,7	-33,6	-33,7
<b>Total expenses</b>	<b>-866,6</b>	<b>-719,9</b>	<b>-1 678,0</b>	<b>-1 390,7</b>	<b>-3 306,7</b>	<b>-3 019,4</b>
<b>Operating profit (EBIT)</b>	<b>16,8</b>	<b>12,7</b>	<b>32,6</b>	<b>25,9</b>	<b>74,4</b>	<b>67,7</b>
Financial income	0,2	-0,3	0,7	3,1	3,7	6,1
Financial expenses	-21,0	-10,1	-42,3	-14,9	-60,7	-33,3
<b>Profit (+)/Loss (-) before tax</b>	<b>-4,0</b>	<b>2,3</b>	<b>-9,0</b>	<b>14,1</b>	<b>17,4</b>	<b>40,5</b>
Income tax	-3,2	-2,4	-8,1	-6,8	-9,7	-8,4
<b>Profit (+)/Loss (-) for the period</b>	<b>-7,2</b>	<b>-0,1</b>	<b>-17,1</b>	<b>7,3</b>	<b>7,7</b>	<b>32,1</b>
<b>Other comprehensive income</b>						
Translation of foreign operations	-0,6	-0,4	3,2	-1,5	2,9	-1,8
<b>Other comprehensive income</b>	<b>-0,6</b>	<b>-0,4</b>	<b>3,2</b>	<b>-1,5</b>	<b>2,9</b>	<b>-1,8</b>
<b>Comprehensive income for the period</b>	<b>-7,8</b>	<b>-0,5</b>	<b>-13,9</b>	<b>5,8</b>	<b>10,6</b>	<b>30,3</b>
<b>Attributable to:</b>						
Shareholders of parent company	-7,2	-0,0	-17,1	7,3	7,6	32,0
Non-controlling interest	-	-0,1	-	-	0,1	0,1
<b>Comprehensive income attributable to</b>						
Shareholders of parent company	-7,8	-0,4	-13,9	5,8	10,5	30,2
Non-controlling interest	-	-0,1	-	-	0,1	0,1
Average number of shares before dilution	15 310 012	15 310 012	15 310 012	15 310 012	15 310 012	15 310 012
Earnings per share before/after dilution (SEK)	-0,47	-0,00	-1,12	0,48	0,50	2,09

**Group consolidated statement of financial position**

(MSEK)	30 Jun		31 Dec
	2024	2023	2023
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	304,7	304,7	304,7
Other intangible fixed assets	98,6	76,4	87,6
Right of use asset	713,9	351,1	438,9
Property plant and equipment	321,9	83,9	242,6
Deferred tax asset	6,9	11,5	8,3
Equity method investments	-	4,2	4,2
Other financial assets	9,0	6,5	9,2
<b>Total non-current assets</b>	<b>1 455,0</b>	<b>838,3</b>	<b>1 095,5</b>
<b>Current assets</b>			
Inventories	473,2	489,0	507,7
Accounts receivable	38,4	26,1	45,2
Current tax receivables	15,9	-	5,3
Other current receivables	40,7	38,1	24,3
Prepaid expenses and accrued income	23,9	27,4	27,0
Cash and cash equivalents	104,5	7,6	71,1
<b>Total current assets</b>	<b>696,6</b>	<b>588,2</b>	<b>680,6</b>
<b>Total assets</b>	<b>2 151,6</b>	<b>1 426,5</b>	<b>1 776,1</b>
<b>Equity and liabilities</b>			
Equity attributable to Parent company shareholders	430,5	419,9	444,3
Non-controlling interest	-	-	0,1
<b>Total equity</b>	<b>430,5</b>	<b>419,9</b>	<b>444,4</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	4,9	-	-
Provisions	4,2	-	3,0
Non-current liabilities to credit institutions	151,9	-	122,5
Long-term lease liabilities	582,7	240,4	312,5
Other non-current liabilities	1,8	-	3,0
<b>Total non-current liabilities</b>	<b>745,5</b>	<b>240,4</b>	<b>441,0</b>
<b>Current liabilities</b>			
Current liabilities to credit institutions	258,9	175,0	175,0
Overdraft facility	-	29,0	-
Short-term lease liabilities	100,9	76,9	90,9
Current provisions	17,0	27,7	26,2
Account payables	388,5	263,3	367,8
Current tax liabilities	2,3	9,3	9,6
Other current liabilities	83,6	69,8	108,9
Accrued expenses and prepaid income	124,4	115,2	112,3
<b>Total current liabilities</b>	<b>975,6</b>	<b>766,2</b>	<b>890,7</b>
<b>Total equity and liabilities</b>	<b>2 151,6</b>	<b>1 426,5</b>	<b>1 776,1</b>



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

(MSEK)	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<b>Equity at the beginning of the period</b>	<b>438,3</b>	<b>423,0</b>	<b>444,4</b>	<b>416,7</b>	<b>416,7</b>
Profit (+)/Loss (-) for the period	-7,2	-0,1	-17,1	7,3	32,1
Translation of foreign operations	-0,6	-0,4	3,2	-1,5	-1,8
<b>Total comprehensive income</b>	<b>-7,8</b>	<b>-0,5</b>	<b>-13,9</b>	<b>5,8</b>	<b>30,3</b>
Acquisition of non-controlling interest	-	-5,6	-	-5,6	-5,6
Surplus on purchase of non-controlling interests	-	3,0	-	3,0	3,0
<b>Total transactions with shareholder</b>	<b>-</b>	<b>-2,6</b>	<b>-</b>	<b>-2,6</b>	<b>-2,6</b>
<b>Equity at the end of the period</b>	<b>430,5</b>	<b>419,9</b>	<b>430,5</b>	<b>419,9</b>	<b>444,4</b>

**Group consolidated statement of cash flow**

(MSEK)	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<b>Operating activities</b>					
Profit after financial items	-4,0	2,3	-9,0	14,1	40,5
Adjustments for non-cash items	45,5	26,1	97,2	75,6	160,9
Paid tax	-5,3	-1,6	-14,4	-34,7	-40,7
<b>Cash flow from operations</b>	<b>36,2</b>	<b>26,8</b>	<b>73,8</b>	<b>55,0</b>	<b>160,7</b>
<b>Cash flow from working capital changes</b>					
Change in inventories	46,5	-31,9	23,4	-67,9	-90,6
Change in operating receivables	-1,8	12,7	-23,3	7,3	-3,6
Change in operating liabilities	1,9	-16,2	-21,8	-	149,5
<b>Cash flow from operating activities</b>	<b>82,8</b>	<b>-8,6</b>	<b>52,1</b>	<b>-5,6</b>	<b>216,0</b>
<b>Investing activities</b>					
Investments in intangible assets	-11,0	-8,9	-18,9	-18,0	-38,3
Investments in tangible assets	-50,3	-11,7	-58,9	-22,8	-195,8
Divestments of tangible assets	-	-	-	-	0,5
Acquisition of subsidiaries	-0,3	-10,0	-0,3	-32,5	-42,5
Change in financial assets	-	0,3	0,3	0,7	-2,1
<b>Cash flow from investing activities</b>	<b>-61,6</b>	<b>-30,3</b>	<b>-77,8</b>	<b>-72,6</b>	<b>-278,2</b>
<b>Financing activities</b>					
New Loans	28,8	50,0	112,6	50,0	299,9
Repayment of loans	-	-	-	-	-127,3
Change in overdraft facility	-	-1,8	-	29,0	-
Amortisation leases	-27,1	-20,5	-53,4	-42,8	-88,8
<b>Cash flow from financing activities</b>	<b>1,7</b>	<b>27,7</b>	<b>59,2</b>	<b>36,2</b>	<b>83,8</b>
<b>Cash flow for the period</b>	<b>22,9</b>	<b>-11,2</b>	<b>33,5</b>	<b>-42,0</b>	<b>21,6</b>
Cash and cash equivalents at the beginning of the period	80,5	18,3	71,1	50,9	50,9
Exchange rate effects	1,1	0,5	-0,1	-1,3	-1,4
<b>Cash and cash equivalents at the end of the period</b>	<b>104,5</b>	<b>7,6</b>	<b>104,5</b>	<b>7,6</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)	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
Net sales	1,4	1,5	2,8	2,8	5,8
<b>Operating costs</b>					
Other external expenses	-2,5	-2,1	-4,6	-4,1	-8,5
Employee benefits expenses	-1,8	-1,3	-3,2	-2,4	-6,0
Depreciation and amortization	-	-	-	-	-
Other operating expenses	-	-0,7	-	-2,0	-1,9
<b>Operating profit (-loss)</b>	<b>-2,9</b>	<b>-2,6</b>	<b>-5,0</b>	<b>-5,7</b>	<b>-10,6</b>
Financial income/ expenses net	1,7	-1,9	0,9	-0,3	-4,9
Appropriations	-	-	-	-	24,3
<b>Profit (+)/Loss (-) before tax</b>	<b>-1,2</b>	<b>-4,5</b>	<b>-4,1</b>	<b>-6,0</b>	<b>8,8</b>
Income tax	0,1	-	0,2	0,1	-2,2
<b>Profit (+)/Loss (-) for the period</b>	<b>-1,1</b>	<b>-4,5</b>	<b>-3,9</b>	<b>-5,9</b>	<b>6,6</b>

**Parent Company financial position, in summary**

(MSEK)	30 Jun		31 Dec
	2024	2023	2023
<b>Non-current assets</b>			
Financial assets	581,7	508,7	580,6
<b>Total non-current assets</b>	<b>581,7</b>	<b>508,7</b>	<b>580,6</b>
<b>Current assets</b>			
Receivables from Group companies	487,5	208,9	129,9
Other current receivables	19,7	9,9	12,7
Cash and cash equivalents	101,1	0,4	67,1
<b>Total current assets</b>	<b>608,3</b>	<b>219,2</b>	<b>209,7</b>
<b>Total assets</b>	<b>1 190,0</b>	<b>727,9</b>	<b>790,3</b>
Restricted equity	7,7	7,7	7,7
Non-restricted equity	419,2	410,6	423,2
<b>Total equity</b>	<b>427,0</b>	<b>418,2</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	175,0	175,0
Overdraft facility	-	29,0	-
Liabilities to Group companies	472,2	65,5	152,3
Other current liabilities	5,3	14,2	6,1
<b>Total current liabilities</b>	<b>736,4</b>	<b>283,7</b>	<b>333,4</b>
<b>Total equity and liabilities</b>	<b>1 190,0</b>	<b>727,9</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)	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
<b>Nordic</b>						
Net sales	813,2	662,8	1 575,0	1 277,1	3 092,8	2 794,9
EBIT	90,0	62,4	180,6	123,8	340,5	283,7
<b>Europe</b>						
Net sales	35,3	34,5	70,8	72,2	144,8	146,2
EBIT	-8,9	-10,2	-19,9	-18,9	-43,1	-42,1
<b>Other operations*</b>						
Net sales	31,1	24,2	57,8	52,1	110,6	104,9
EBIT	-8,6	1,5	-17,2	-3,8	-28,1	-14,7
<b>Group functions</b>						
Net sales	-	-0,0	-	0,1	7,7	7,7
EBIT	-55,7	-41,0	-110,9	-75,2	-194,9	-159,2
<b>Total Group</b>						
Net sales	879,6	721,4	1 703,6	1 401,4	3 355,9	3 053,7
EBIT	16,8	12,7	32,6	25,9	74,4	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, July 18th, 2024.

Kenneth Bengtsson  
*Chair of the Board*

Håkan Håkansson  
*Board member*

Carl-Mikael Lindholm  
*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

<b>ALTERNATIVE PERFORMANCE INDICATORS</b>	<b>DEFINITION</b>	<b>RATIONALE</b>
<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 revenue 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 sales minus cost of goods sold.	The gross profit reflects the contribution generated by operating activities.
<b>Gross margin %</b>	Net Sales minus cost of goods sold, divided by net sales.	The gross margin reflects the contribution margin generated by operating activities.
<b>Investments</b>	Investments in intangible, tangible and financial 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.

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For more information, see our website  
lyko.com

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Registered office: Vansbro

**Financial calendar**

**18 Oct 2024** - Interim report Jul-Sep 2024  
**13 Feb 2025** - Year-end report 2024



# your 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 July 18, 2024.

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