

Trading update for the fourth quarter of 2025

Lyko Group AB ("Lyko") today provides a trading update for the fourth quarter of 2025. During the quarter, Lyko has significantly strengthened our market position, driven by increased brand awareness and enhanced fulfilment capacity enabled by the new automated warehouse.

Preliminary net sales amounted to SEK 1,287 million in the fourth quarter, corresponding to year-on-year growth of 17%, while full-year 2025 net sales totalled SEK 3,963 million, representing an increase of 11% compared with the previous year. More than 350,000 new customers were acquired during the quarter, primarily in Sweden and Norway.

The quarter was, however, characterised by intense price competition, increased promotional activity and continued consumer trading-down behaviour. The extended campaign period, combined with higher operational costs during the ramp-up phase of the new automated warehouse ahead of the peak season, had a negative impact on profitability.

As a result, the preliminary gross margin for the fourth quarter declined year-on-year to 39.6%, with EBIT reaching SEK 16.4 million, corresponding to an EBIT margin of 1.3%. For the full year 2025, the preliminary gross margin is 41.9%, with EBIT of SEK 78 million and an EBIT margin of 2.0%.

The new automated warehouse performed very well operationally and enabled Lyko to maintain a high-quality customer experience during peak trading periods, while handling significantly increased order volumes. However, costs during the initial ramp-up phase were higher than anticipated.

In light of the lower-than-expected earnings outcome, Lyko will implement a cost-reduction programme aimed at strengthening profitability and safeguarding the Group's long-term competitive position. The programme is expected to generate annual cost savings of approximately SEK [100] million, excluding one-off restructuring costs related to staff reductions, and to affect approximately [70] full-time equivalent positions. Further details regarding the programme will be communicated in connection with the publication of the full year report.

"Profitable growth is our top priority at Lyko. During the strategically important fourth quarter, we gained considerable market share and welcomed a large number of new customers, all while delivering an outstanding customer experience. At the same time, we failed to deliver results in line with our expectations. We are therefore taking decisive actions to reduce our cost base, our complexity and improve profitability, while continuing to invest in our brand, customer offering and long-term growth," says Rickard Lyko, Founder and CEO of Lyko.

Lyko Group AB's Full-year report for 2025 will be published on 13 February 2026 at 07:00 CET, in

Press Release
29 January 2026 08:30:00 CET



accordance with the company's financial calendar.

The financial information in this trading update is preliminary, has not been subject to audit, and may be adjusted prior to the publication of the full-year report.

For more information, please contact

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About Lyko

Lyko Group AB (publ) is a beauty specialist passionate about making beauty accessible, inspiring, and fun for everyone! With the market's widest assortment, a beauty playground where you can explore everything around the products, and be part of an inspiring community.

Our operations span across eight countries via Lyko.com, the Lyko app, and 35 stores in Sweden, Norway, and Finland. But we don't stop there! We manage the entire chain from product development in our labs and manufacturing in our factory in Gothenburg to warehousing and sales to hairdressers and retailers. The business employs close to 1200 people.

Lyko is listed on the First North Premier Growth Market. Avanza Bank, +46(0)8-409 421 20, corp@avanza.se, is the company's Certified Adviser. Visit Lyko.com for more information.

This information is information that Lyko Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2026-01-29 08:30 CET.

Attachments

[Trading update for the fourth quarter of 2025](#)