MATAS GROUP

Significant free cash flow generation in the first quarter

Q1 2025/26

13 August 2025

Disclaimer

Forward-looking statements

This interim report contains statements relating to the future, including statements regarding Matas Group’s future operating results, financial position, cash flows, business strategy and future targets. Such statements are based on Management’s reasonable expectations and forecasts at the time of release of this report. Forward-looking statements are subject to risks and uncertainties and a number of other factors, many of which are beyond Matas Group’s control. This may have the effect that actual results may differ significantly from the expectations expressed in the report. Without being exhaustive, such factors include general economic and commercial factors, including market and competitive conditions, supplier issues and financial and regulatory issues, IT failures as well as any effects of healthcare measures that are not specifically mentioned above.

Agenda

01	Group CEO comments and strategy update	Gregers Wedell-Wedellsborg
02	Financial results for Q1 2025/26	Per Johannesen Madsen
03	Q&A	Gregers Wedell-Wedellsborg & Per Johannesen Madsen

M A T A S

01
Group CEO comments and strategy update

Gregers Wedell-Wedellsborg

Group CEO

G R O U P

Two years after the acquisition of KICKS, we enter the next stage of Win the Nordics

Growth, integration, investment in automation

- ✓ Sustained market share gains with growth in all markets and channels
- ✓ Membership growth to >6 million members
- ✓ DKK 140 million synergies on track and DKK ~50 million more coming 2026/27
- ✓ Nordic organisation and leadership team established
- ✓ IT Integration on plan with first Nordic wins delivered
- ✓ Two automated logistic centers on time, on budget, and fully operational
- ✓ Refinancing completed on competitive terms with more headroom
- ✓ Share buyback programme launched

Growth, operational excellence, cash generation

- ➢ Growth in uncertain times driven by assortment expansion, online growth and moderate store expansion
- ➢ Operational excellence, 2026/27 synergies, Nordic 'House Brands' and Nordic retail media offering to drive margin improvement and margin headroom to stay competitive on value.
- ➢ Significant cash generation allowing for deleveraging, investments in growth, and distribution to shareholders
- ➢ Long-term guidance maintained

Revenue growth of 4.7% and significant free cash flow generation in Q1. Guidance maintained.

Q1 growth and margin

4.7% growth YoY

Group currency neutral
(6.0% reported growth YoY)

14.5%

EBITDA margin before special items
(vs. 14.9% currency neutral Q1 2024/25)
0.4% impact from FX headwind

Q1 highlights

- ✓ **Online growth:** 17.0% excluding Skincity
- ✓ **Mass Beauty growth of 7.1% (currency neutral)**
- ✓ **Gross margin:**
  - ✓ Underlying growth, driven by Matas
  - ✓ KICKS headwind due to COGS (SEK) and Skincity closure impact
- ✓ **MLC fully operational → normal CAPEX**
- ✓ **Significant free cash flow generation**
- ✓ **Synergies on track, plus DKK 50 million in 2026/27**
- ✓ **Dividend paid and share buyback programme launched**

Guidance 2025/26 maintained

- ✓ Revenue growth of 3% to 7%
  Excluding Skincity 3.9% to 7.9%
  Guidance reflects more uncertain outlook
- ✓ Around 15% EBITDA margin before special items
- ✓ CAPEX of 3-4% of revenue
  (DKK ~330 million including DKK ~30 million for Matas Logistics Center)

Financial highlights Q1 2025/26: Growth of 4.7% currency neutral and EBITDA margin of 14.5% before special items after 0.4% EBITDA margin impact from input cost in Norway and Finland

Matas
(including subsidiaries*)

Revenue, DKKm

1,317

Matas (including subsidiaries*)

6.1%

Growth in all channels

(Matas only: 5.3%)

Gross profit margin

47.7%

(Q1 2024/25: 46.7%)

+

KICKS

Revenue, DKKm

757

Currency neutral growth

2.3% 7.8% (excl. Skincity)

Growth in all markets and channels

Gross profit margin

43.1%

(Q1 2024/25: 45.3%)

=

Matas Group Q1 2025/26

Revenue, DKKm

2,074

Currency neutral growth

4.7%

(6.0% growth reported)

EBITDA margin before special items

14.5%

(Q1 2024/25: 14.9% currency neutral)

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* From Q4 2024/25 onwards, Management has aggregated the operational segments Firtal, Grænn and Web Sundhed as one reportable segment called "Other" due to similarities in operations.

Six strategic priorities to Win the Nordics

All for you

More for you		Closer to you		Stronger for you	
Roll out ”one-stop” offering and concept	Expand and improve portfolio of in-house brands	Take e-commerce market shares and fuel omni-experience	Refresh, upgrade and open stores	Integrate and share to operate efficiently	Build long-term platform and culture
✓ Launch of high-demand brands in both Matas and KICKS ✓ Investments in improved price perception in KICKS continued	✓ Suncare in Matas grew 10% ✓ KICKS in-house brands grew 46% online excluding Skincity	✓ Member club: >6 million Nordic members ✓ Core online growth 17% (excluding Skincity)	✓ KICKS to open stores in Norway, Finland and Sweden in 2025/26 ✓ New country manager Norway recruited to drive expansion	✓ Synergy realisation on track for 2025/26, plus further synergies by 2026/27 ✓ Skincity migrated to KICKS in 2024/25	✓ Matas Logistics Center operational: Matas Group now has two automated logistics centers

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More for you: Brand launches continue in Matas and KICKS strengthening Skincare offering

Group-wide launch of KIKO Milano

KICKS Q1, strengthening Skincare offering

Matas Q1, 25 new brands including:

Matas launched 25 new brands in Q1 (mostly in Beauty) and KICKS 31 new brands, including brands to strengthen our position within Skincare.

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Closer to you: Better deals and value for our more than 6 million Nordic club members

- ✓ **More than 6 million club members**:
  - ✓ Matas: >2 million
  - ✓ KICKS: almost 4 million members, including >1 million in Norway
- ✓ Member satisfaction (NPS) continues to improve
- ✓ Mainly younger demographics
- ✓ Shopping across more categories and channels

Stronger for You: Automated logistics – our platform for long-term profitable growth – Two automated logistics centers completed and operational, CAPEX back to normal level

KICKS automated logistics center in Rosersberg, outside Stockholm

Fully operational, omni-channel

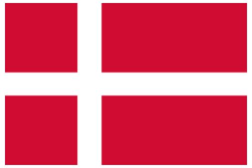
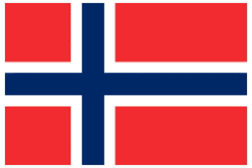
Matas automated logistics center in Lynge, outside Copenhagen

Fully operational since spring 2025, serving e-commerce

Q1 2025/26: >1 million web orders shipped, limited downtime.

Focus on learning and steady operations, cost per order improving

Impact of macroeconomic uncertainty and drop in consumer confidence reflected in revenue growth guidance for 2025/26

	Q4 2024/25 comment	Q1 2025/26 comment
	No impact	→ Unchanged
	Limited impact	→ Unchanged
	No impact	→ Unchanged
	Signs of slowdown – temporary?	→ Unchanged

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02
Financial results Q1 2025/26

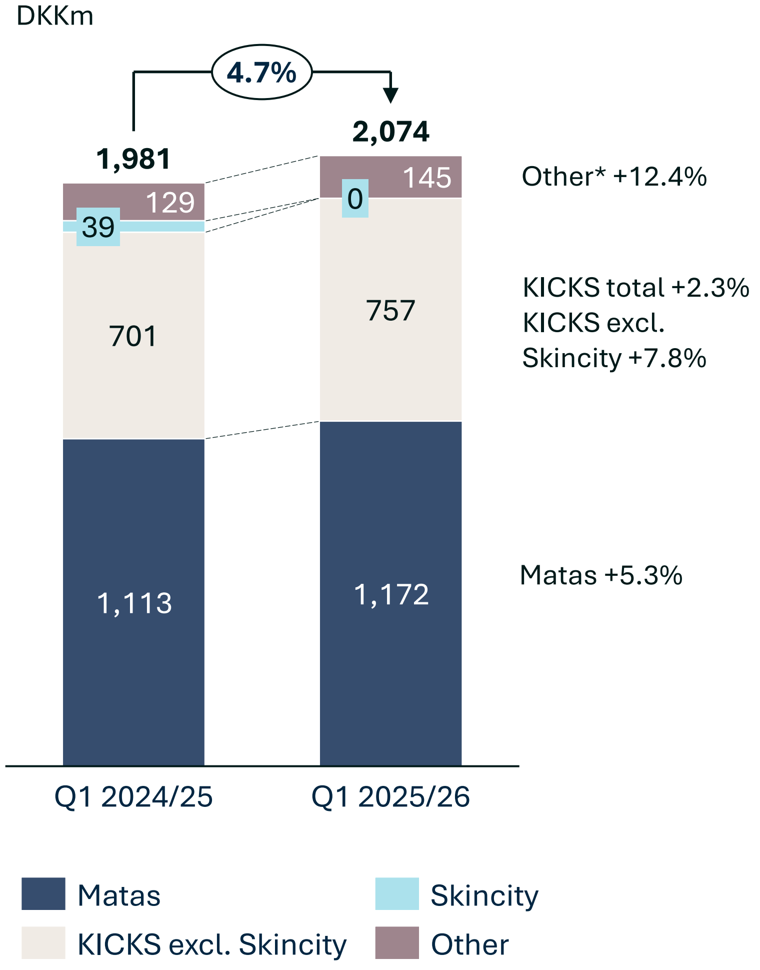
Per Johannesen Madsen

Group CFO

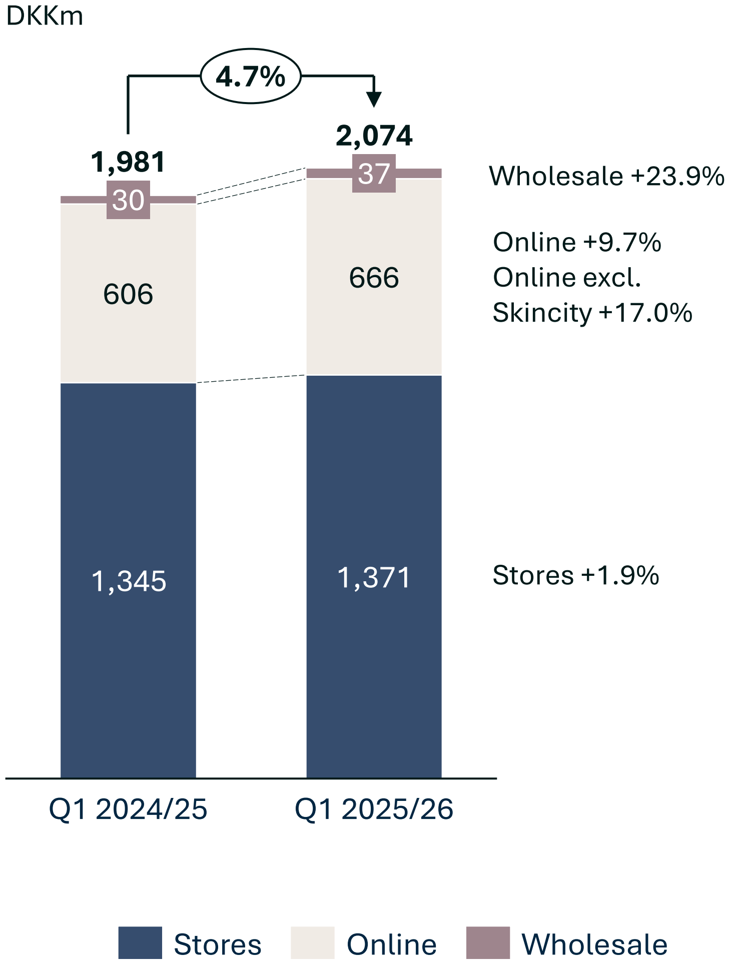
G R O U P

Revenue performance: Group revenue growth of 4.7% currency neutral in Q1 2025/26. Group core online growth of 17.0%

Revenue by banner (currency neutral)



Revenue by channel (currency neutral)



High growth in both banners

Group core online FY growth of 17.0%

- E-commerce playbook in KICKS: +22.4% excluding Skincity (currency neutral)
- Assortment driven online growth in Matas (including Other): +14.7%

Store growth across all markets

- Like-for-like growth in stores in Matas and KICKS and basket size increasing
- Net 1 more store vs. last year

Offset by Skincity closure

- DKK 39 million revenue in Q1 2024/25

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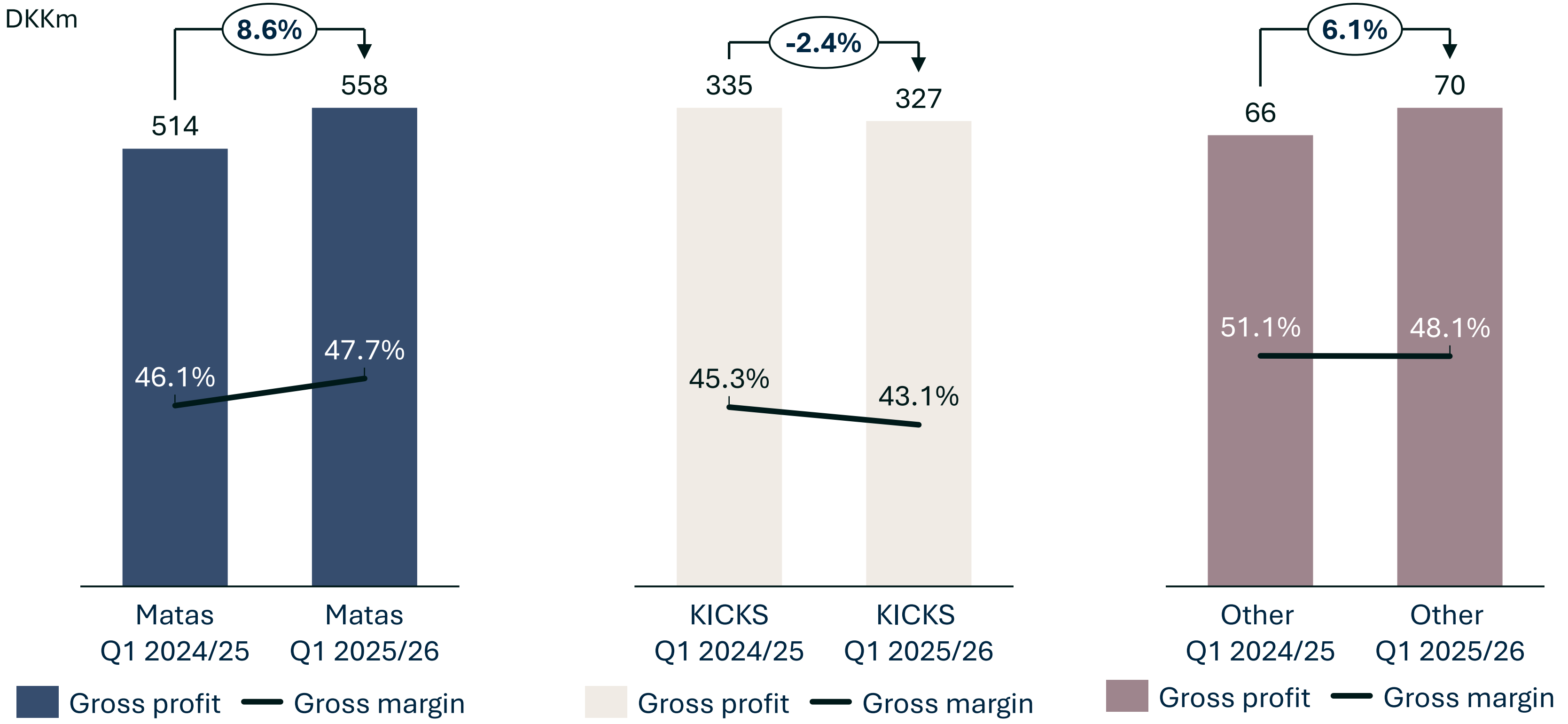
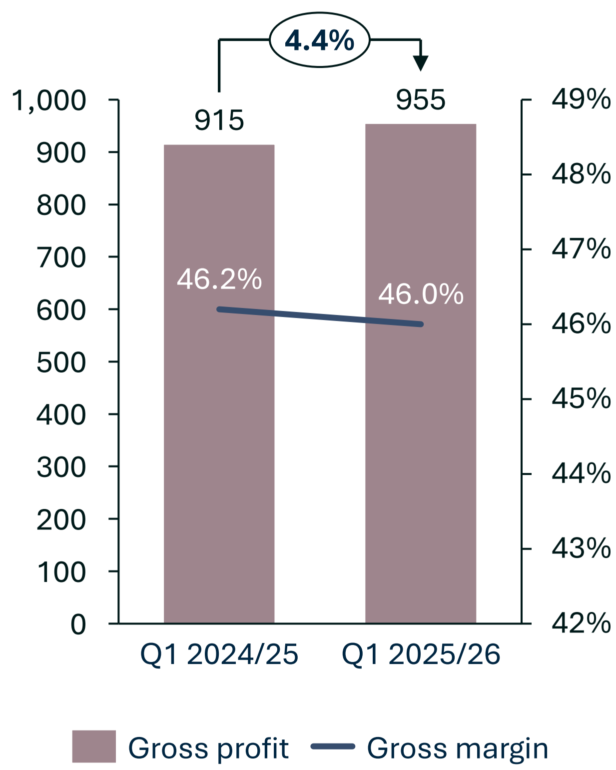
* From Q4 2024/25 onwards, Management has aggregated the operational segments Firtal, Grænn and Web Sundhed as one reportable segment called "Other" due to similarities in operations

Gross margin of 46.0% against 46.2% in Q1 last year, underlying gross margin improvement but FX impacted COGS in KICKS in the quarter

Gross margin by banner



Group gross margin



Gross margin improvement in Matas: New assortment and product mix driving improved margin

Gross margin development in KICKS: SEK strengthening against NOK and EUR, impacting gross margin in Norway and Finland: FX equals 1.4% gross margin loss in Q1 for KICKS, price competition / “Nice Price” and Skincity closure

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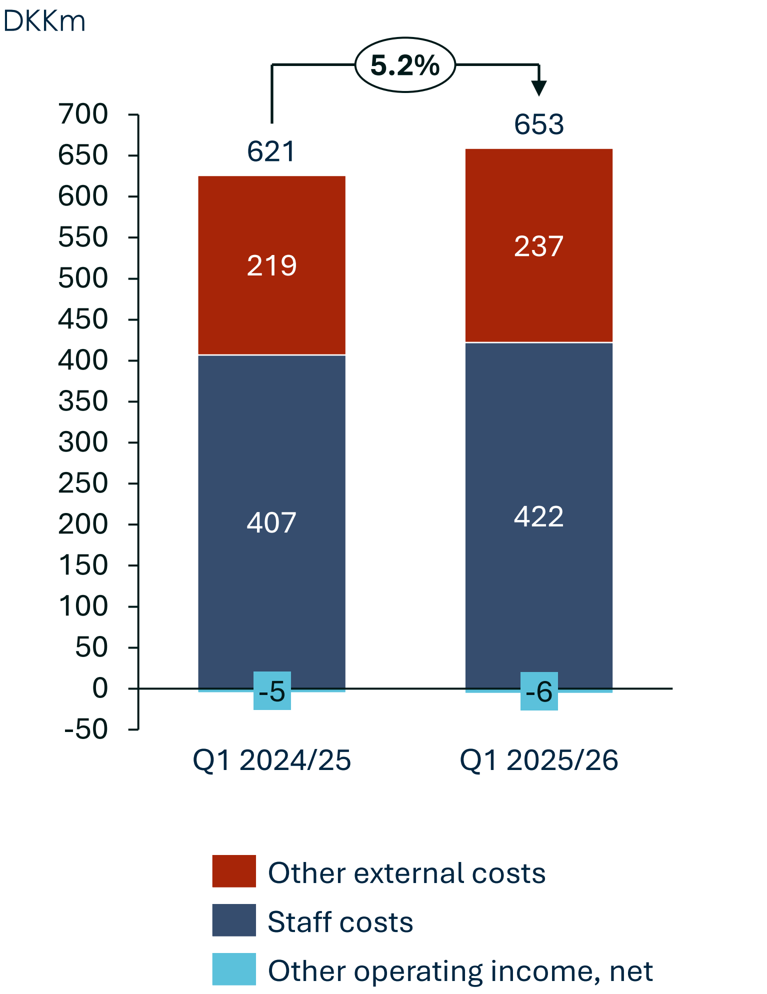
Q1 cost growth reflects investments supporting growth, including ramp-up of MLC, and our strategy to Win the Nordics

Group costs (currency neutral)



Staff costs

Growth and inflation offset by synergies

- Staff cost on par with last year currency neutral (20.4% of revenue vs. 20.5% last year)

Mitigating salary inflation

- Workforce planning – stores and online
- Streamlined approach

Building capabilities to drive growth

- Pricing excellence
- Assortment specialists
- E-commerce

Logistics Centers efficiencies

- Progressing towards efficiency targets, (learning curve)

Other external costs

Online growth driving variable costs

- Shipping costs driven by order volumes
- Faster deliveries
- Execution of assortment expansion

Marketing investments

- In line with topline growth
- Assortment expansion awareness
- Discretionary decision

Other

- Nordic efficiencies and synergies
- Ramp-up of Matas Logistic Center

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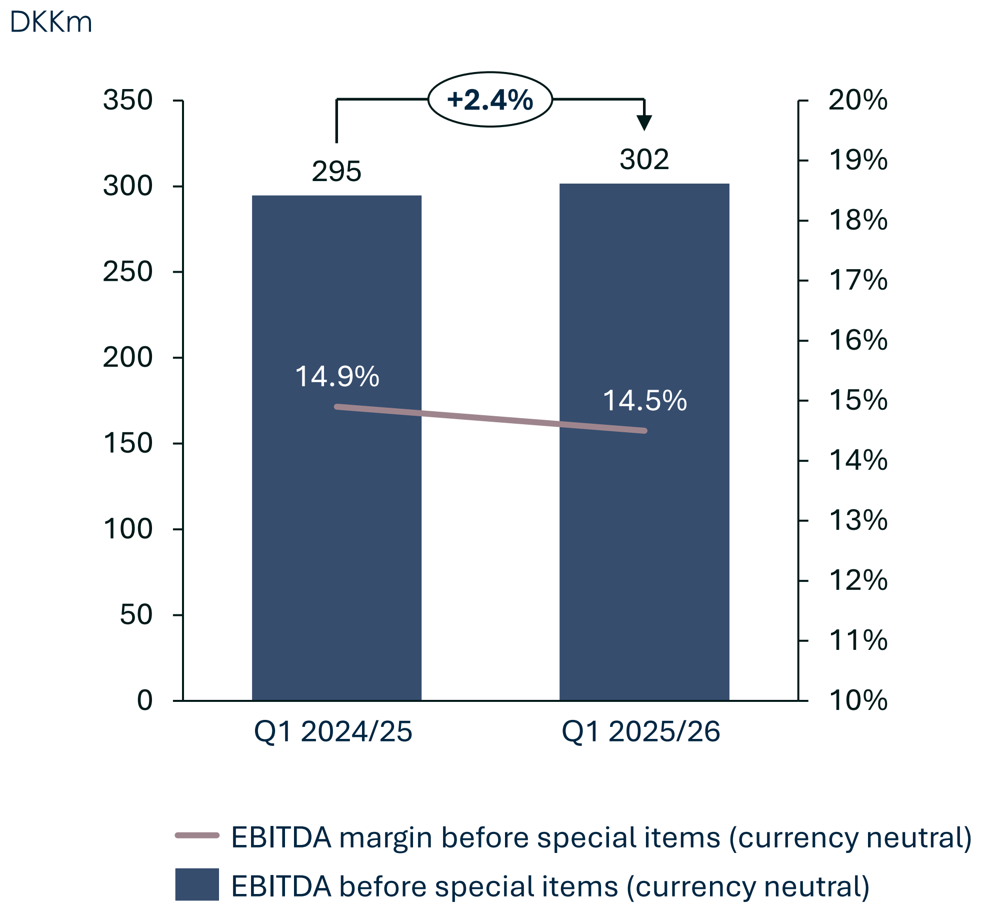
Q1 EBITDA before special items impacted by SEK strengthening against NOK and EUR

EBITDA and EBITDA margin before special items



Summary for Q1 2025/26

Revenues

- Core online growth of 17.0% (excluding Skincity, currency neutral)
- Like-for-like growth in stores

Gross margin

- Improved margins from assortment expansion and product mix
- KICKS impacted by SEK strengthening against NOK and EUR, impacting gross margin in Norway and Finland, price competition / “Nice Price” and Skincity closure

Costs

- Building capabilities to execute on Win the Nordic strategy
- Growth and inflation driving costs, offset by synergies

EBITDA growth and margin

- EBITDA impacted by 0.4% from strengthening SEK against NOK and EUR

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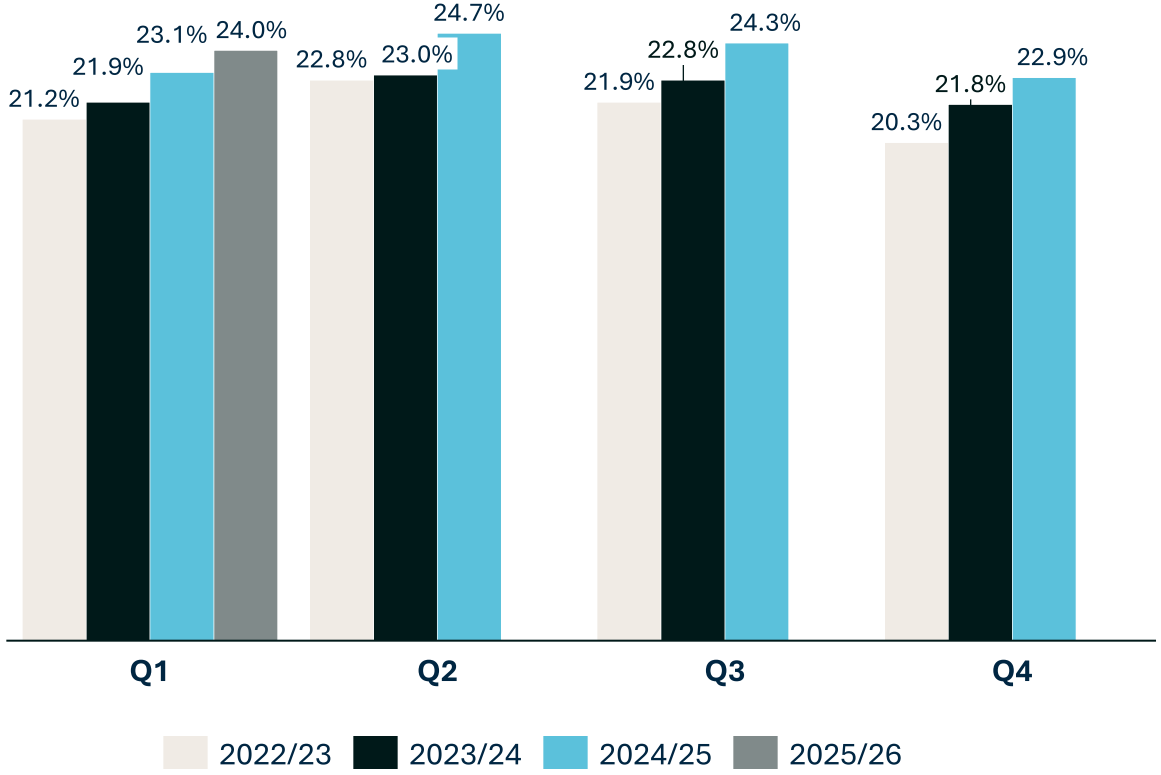
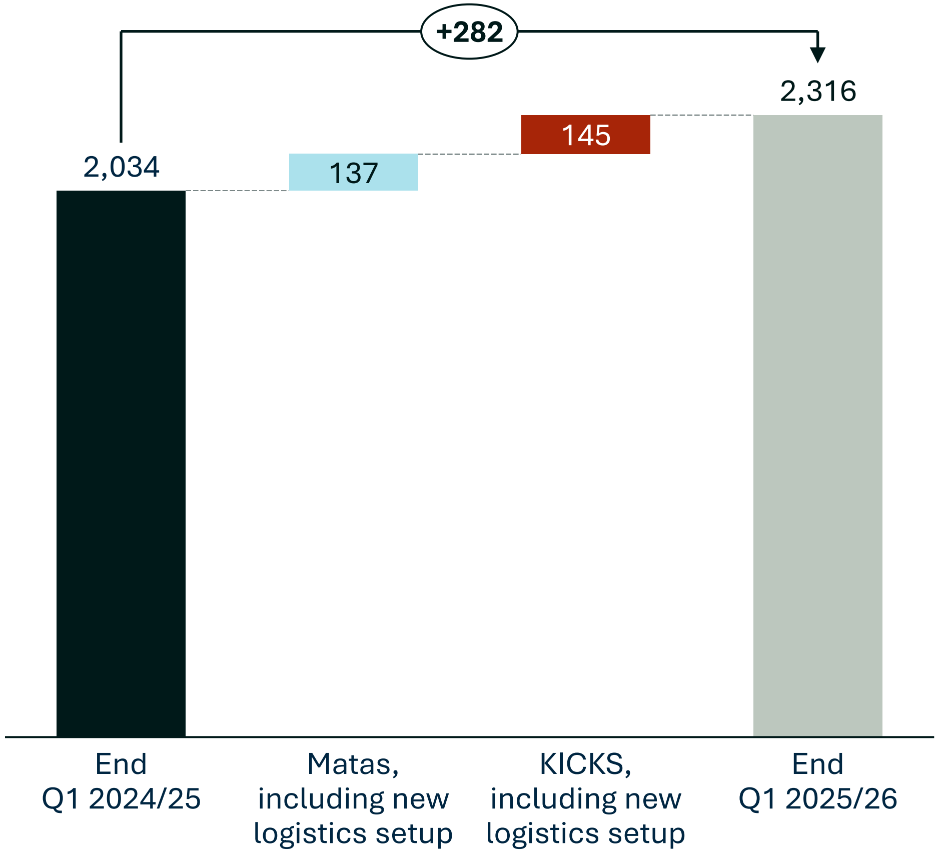
Inventories increase YoY driven by increased sales, assortment expansion, MLC opening and better product availability in KICKS.

Inventories per quarter in % of LTM revenue (excl. KICKS)



Change in inventories DKKm



Compared to 31 March 2025, inventory increased by DKK 47 million in Q1, mainly due to MLC safety stock in the start-up phase

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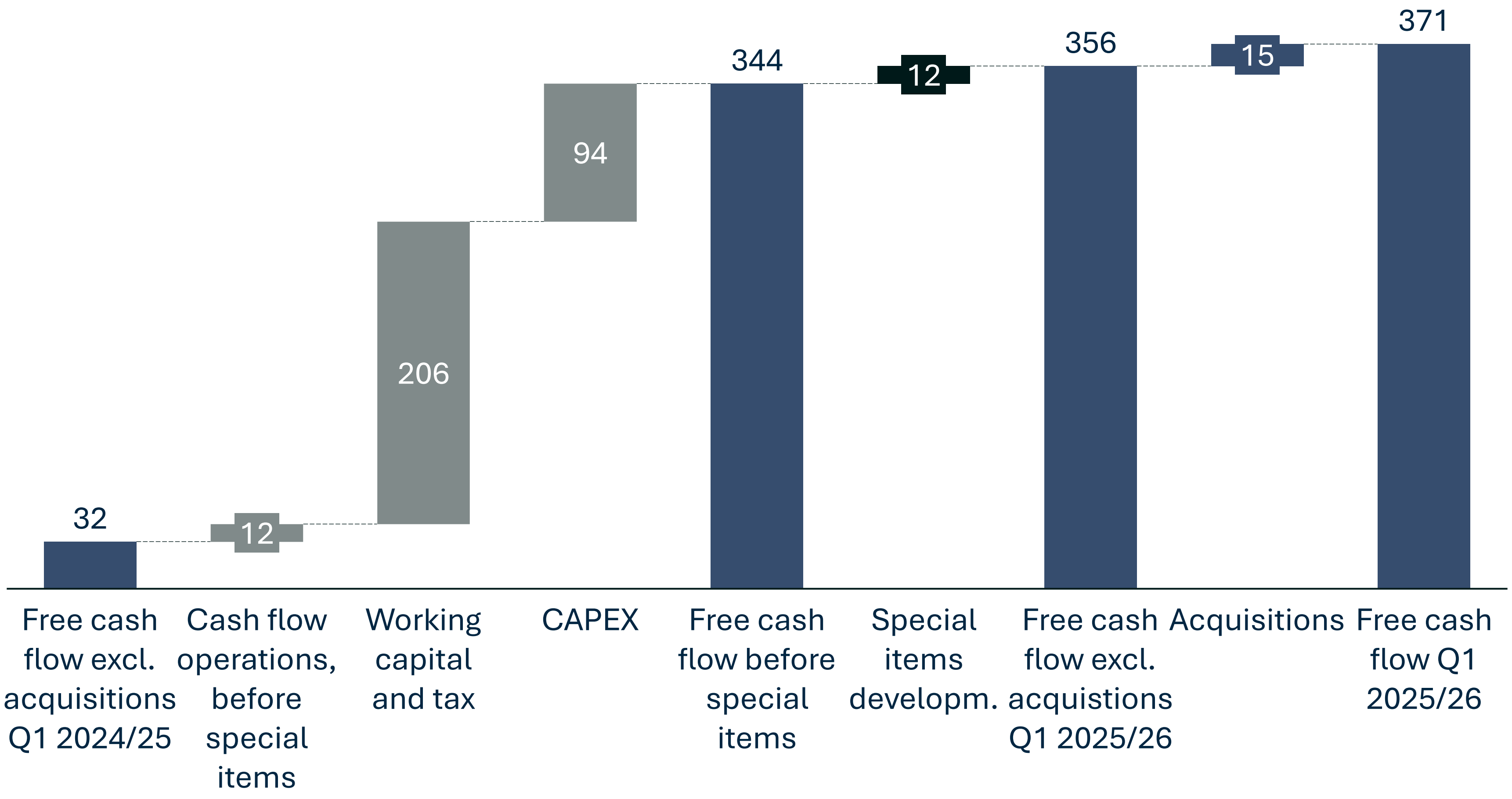
Free cash flow improved significantly in Q1 2025/26, reflecting improved working capital and a more normalised investment level

Matas Group free cash flow development Q1 2024/25 – Q1 2025/26 DKKm



- Cash flow from operations before special items improved in Q1 2025/26
- Net change in working capital improved by DKK 206 million, reflecting increase in accounts payables funding the higher inventory
- CAPEX spend mainly reflects that large investment in Matas Logistics Center is complete
- The normalised CAPEX of 3-4% of revenue will, all else equal, generate significant free cash from 2025/26

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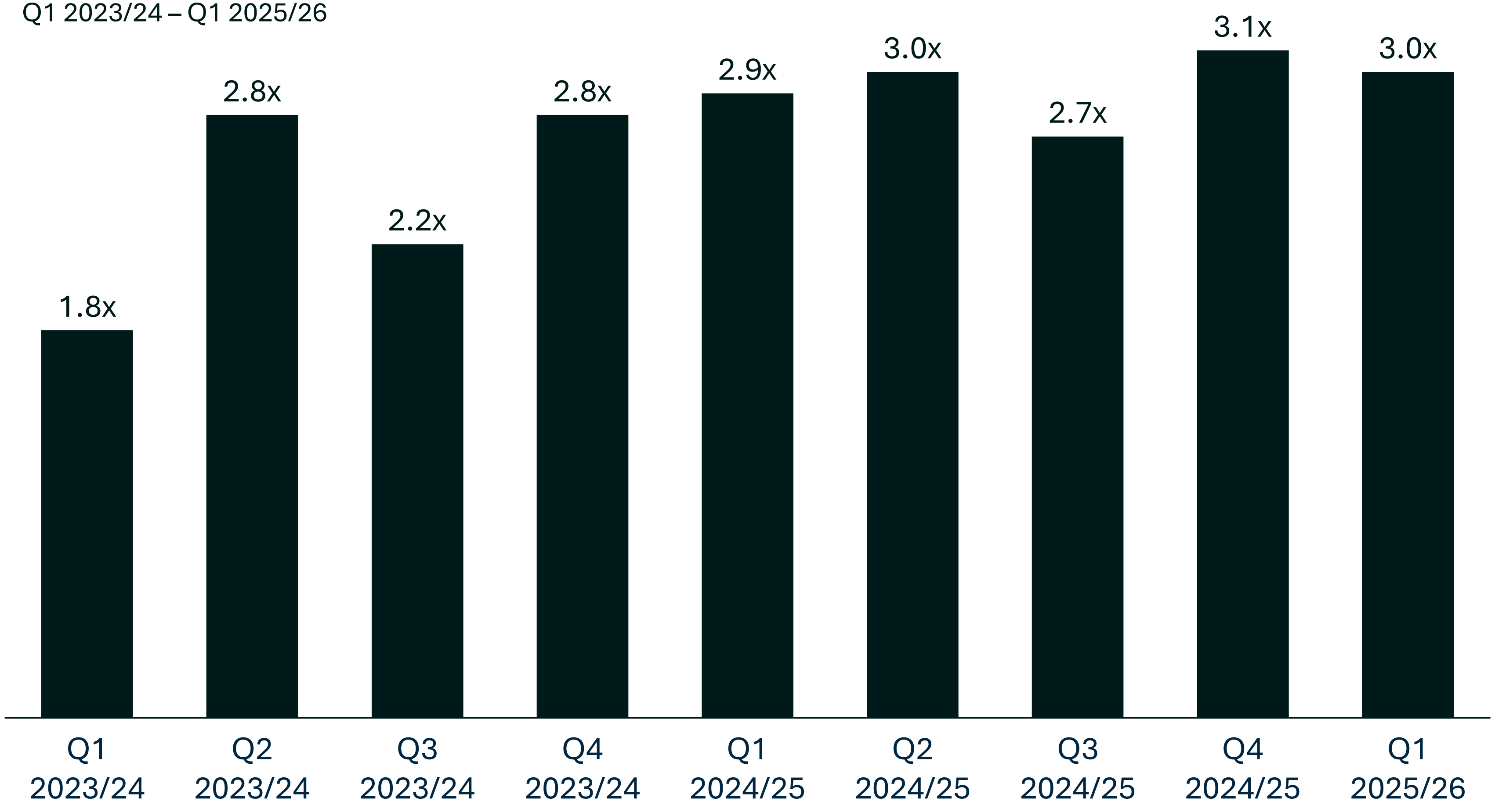
Gearing

Matas Group NIBD / LTM EBITDA before special items

Q1 2023/24 – Q1 2025/26



- Gearing reduced from last quarter to 3.0x in Q1 2025/26
- Long-term target remains unchanged with a gearing of between 2.0x and 3.0x
- In May 2025, Matas Group successfully refinanced at competitive terms, securing the financing of future growth and improved headroom

Financial guidance 2025/26 unchanged

Baseline: 2024/25

Revenue, DKKm

8,379

Based on actual exchange rates

EBITDA margin (before special items)

14.5%

CAPEX, excl. M&A, DKKm

702

Incl. DKK ~321m to Matas Logistic Center

Financial guidance 2025/26

Underlying revenue growth (currency neutral*)

3-7%

Excluding Skincity, currency neutral growth

~3.9-7.9%

EBITDA margin (before special items)

Around 15%

CAPEX, excluding M&A, of

3-4% of revenue

Equivalent to DKK ~330 million, including DKK 30 million for MLC

** The currency neutral financial guidance is based on actual rates in 2024/25 for NOK/DKK of 0.638 and SEK/DKK of 0.652.*
Reported revenue growth for 2025/26 is ~3.2% to 7.2% based on forwards rates for NOK/DKK of 0.620 and SEK/DKK of 0.666 as of 5 August 2025.

M A T A S

03
Q&A

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Thank you!

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