

- HAIR - SKIN - MAKEUP - FRAGRANCE - HAIR -

LYKO

Interim Report

2024/Q3

January – September



***” Profitable growth,
building for the future!”***

RICKARD LYKO, VD

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; 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 SEPTEMBER

Interim report Q3 2024

The period in summary

NET SALES

763

SALES GROWTH

+ 8%

EBIT MARGIN

1%

THIRD QUARTER

- Net sales of 762.7 (705.1) MSEK.
- Sales growth was 8.2% (25.7%).
- Gross margin of 44.1% (45.2%).
- EBIT of 8.3 (20.1) MSEK.
- EBIT margin of 1.1% (2.8%).
- Earnings for the period -9.8 (6.8) MSEK.

PERIOD 1 JANUARY - 30 SEPTEMBER

- Net sales of 2,466.3 (2,106.5) MSEK.
- Sales growth was 17.1% (22.3%).
- Gross margin of 43.6% (44.6%).
- EBIT of 40.9 (46.0) MSEK.
- EBIT margin of 1.6% (2.2%).
- Earnings for the period -26.9 (14.1) MSEK.

KEY FIGURES

MSEK	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	762.7	705.1	2,466.3	2,106.5	3,413.5	3,053.7
Sales growth, %	8.2%	25.7%	17.1%	22.3%	18.9%	22.8%
Gross profit	336.3	318.8	1,074.2	938.5	1,481.5	1,345.8
Gross margin, %	44.1%	45.2%	43.6%	44.6%	43.4%	44.1%
EBIT	8.3	20.1	40.9	46.0	62.6	67.7
EBIT margin, %	1.1%	2.8%	1.6%	2.2%	1.8%	2.2%
Profit (+)/Loss (-) for the period	-9.8	6.8	-26.9	14.1	-8.9	32.1
Earnings per share before dilution, SEK	-0.63	0.44	-1.75	0.92	-0.58	2.09
Cash flow from operating activities	121.9	44.4	174.0	38.8	351.2	216.0
Net debt (+) / Net cash (-), excluding IFRS 16	268.1	297.2	268.1	297.2	268.1	226.4
Net debt (+) / Net cash (-), including IFRS 16	979.3	686.1	979.3	686.1	979.3	629.8

COMMENTS FROM CEO

Profitable growth, building for the future!

In the third quarter, we demonstrated market share gains across the Nordics and maintained profitable growth, despite facing a challenging consumer spending environment. Our retail operations performed strongly throughout the quarter, while online sales picked up the pace in September. Overall, we report 8.2 percent growth in net sales, totalling 763 MSEK, while delivering EBIT of 8.3 MSEK for the quarter.

Our own brand investments continue to flourish, as evidenced by our high-margin own brand portfolio now accounting for 7.7 percent of total sales on a rolling 12-month basis and 9.5 percent in the quarter. However, a slight dip in gross margins is evident, reflecting similar consumer behaviours as earlier this year, influenced by promotions and overall market price pressure.

In the Nordics, our underlying business remains strong, with continued growth and EBIT margin expansion despite tough year-over-year comparisons.

In Europe, we are successfully adopting a more profit-oriented approach, all while maintaining our focus on improving our localized customer offering. Brand access is gradually improving, with key brands launched during the quarter, and we are reviewing the paths towards an optimized future in Europe.

SUCCESSFUL LAUNCHES CREATE CALENDAR EFFECT

Our advent calendars exceeded expectations yet again, with independent experts ranking them among the best in the market. To manage the anticipated high demand however, we staggered the release, with the largest release (contrary to last year) taking place in late September – resulting in some orders being carried over into October, hence impacting the quarter's financial performance as variable marketing costs were booked, but revenue recognition was deferred.

OPERATIONAL ADVANCEMENTS

The expansion of our warehouse automation is on track and we are confident to be fully up and running by this time next year. We maintain historically low inventory levels relative to net sales, supporting cash flow generation. We therefore continuously optimize our inventory to ensure a smooth transition into the upcoming peak season.

A BEAUTY POWER HOUSE

We experience growing interest from suppliers who recognize our expertise in product launches and brand building collaborations. In September, we were one of the few beauty retailers to introduce the highly popular E.L.F. Cosmetics brand to the Nordic market. Additionally, our in-store events, averaging over 40 per month, further cement our leadership in customer engagement, with a growing waitlist of suppliers eager to collaborate with us.

Looking ahead, during the autumn (reading) break, we will launch our second co-lab, this time with the incredibly popular book characters, Musse & Helium, in the form of shampoos, conditioners, and a bath foam – all co-branded Musse & Helium x Lyko.

We are delighted to see that customers love what we do, and among women aged 16-60, we are the leading beauty retailer in Sweden and the fastest growing operator in Norway and Finland (according to Nepa, brand tracking, September).

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*We are
the leading beauty retailer
in Sweden
and the fastest growing
in Norway and Finland
among women aged 16-60*

Rickard Lyko



RETAIL AWARDED FOR CUSTOMER EXPERIENCE

The Best In-Store Experience of the Year Award at the IM EXPO AWARD 2024 is a fantastic testament that our customers appreciate the experience in our stores, delivered by our concept and dedicated staff. All our stores performed strongly in the quarter, and it is particularly gratifying that our flagship stores have truly proven themselves as summer destinations. Next week, we are opening our fourth store in Bergen, Norway – a market that continues to be particularly strong and where we see many opportunities to further grow our business.

With the most anticipated beauty shopping season around the corner, we are fully prepared – with the organization ready and excited to deliver exceptional experiences to our customers!

Rickard Lyko, CEO October 18th 2024

Group development

THIRD QUARTER

GROUP SALES

The Group's total revenue amounted to 769.0 MSEK (718.3) and the net sales amounted to 762.7 MSEK (705.1), equivalent to 8.2% growth.

The increase is explained by growth in the Nordic markets, which increased by 9.3% compared with the corresponding quarter last year, while Europe net sales decreased by -11.7%.

RESULTS AND MARGINS

The gross margin decreased to 44.1% (45.2%) in the third quarter. The gross margin decrease is related to changes in sales distribution between categories, extensive campaigns and supplier reimbursements.

Other external costs amounted to 165.2 (159.3) MSEK for the period, equivalent to 21.5% (22.2%) of the total revenue. The relative decrease is mainly due to logistics expenses and marketing.

Personnel costs amounted to 122.0 (105.3) MSEK for the period, equivalent to 15.9% (14.7%) 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 effort to build country organizations, as well as the focus on own brands.

The Group's depreciation and amortization amounted to 42.8 (33.5) MSEK for the period. The increase is driven by increased investments and increased right-of-use assets.

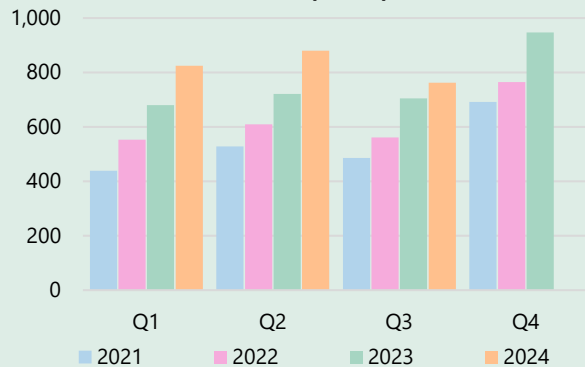
EBIT for the third quarter amounted to 8.3 (20.1) MSEK and the EBIT margin was 1.1% (2.8%).

Net financial items for the Group amounted to -17.3 (-6.3) MSEK in the third quarter. The increase is attributable to increased interest expenses.

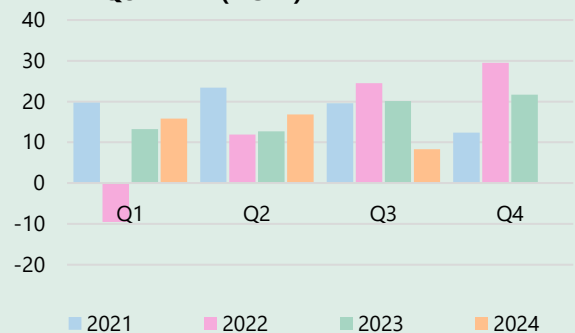
Tax for the period was negative and amounted to -0.8 (-7.0) MSEK.

Profit after tax for the third quarter amounted to -9.8 (6.8) MSEK.

NET SALES PER QUARTER (MSEK)



EBIT PER QUARTER (MSEK)



PERIOD 1 JANUARY - 30 SEPTEMBER

GROUP SALES

The Group's total income for the period January - September amounted to 2,479.6 MSEK (2,134.9). The net sales amounted to 2,466.3 (2,106.5) MSEK, equivalent to 17.1% growth.

During the period, the Group's net sales attributable to Nordic operations amounted to 92.5%, equivalent to 2,280.9 (1,923.2) MSEK, compared with 91.3% the corresponding period last year.

RESULTS AND MARGINS

The gross profit for the period January - September amounted to 1,074.2 (938.5) MSEK, with a gross margin of 43.6% (44.6%). This is in part due to changes in sales distribution between categories, extensive campaigns and supplier reimbursements.

Other external costs amounted to 523.0 (481.8) MSEK, equivalent to 21.1% (22.6%) 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 381.9 (318.5) MSEK for the period, equivalent to 15.4% (14.9%) of total revenues.

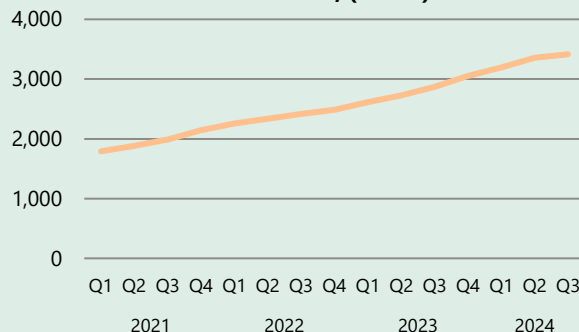
The Group's depreciation and amortization increased to 125.8 (95.1) MSEK.

EBIT for the period amounted to 40.9 (46.0) MSEK, with an EBIT margin of 1.6% (2.2%).

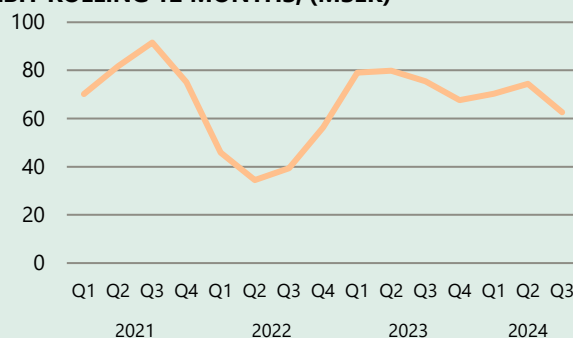
Net financial items for the Group amounted to -58.9 (-18.1) MSEK. The tax for the period amounted to -8.9 (-13.8) MSEK.

Profit after tax amounted to -26.9 (14.1) 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 512.4 (510.1) MSEK. The inventory in relation to net sales at the end of the third quarter amounted to 15.0% (17.8%).

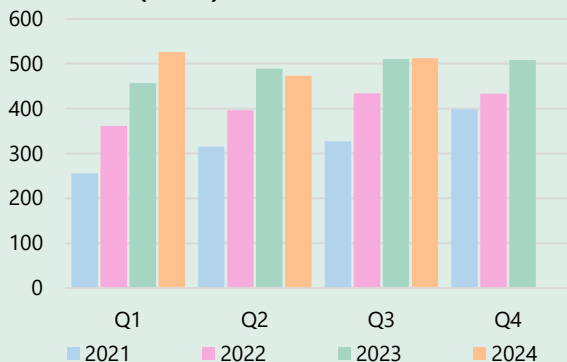
At the end of the third quarter, the number of shares amounted to 15,310,012. Equity per the end of the period amounted to 418.7 (428.0) MSEK, equivalent to an equity / asset ratio of 17.9% (24.9%).

The Group's current liabilities, excluding liabilities to credit institutions and lease liabilities, increased to 750.2 (595.8) MSEK by the end of the third quarter. The increase is mainly due to higher accounts payable, driven partly by increased growth as well as increased other current liabilities related to prepayments from customers for orders not yet delivered.

Interest-bearing liabilities, including lease liabilities, amounted to 1,155.9 (689.9) MSEK. The increase is mainly explained by higher debt towards credit institutions of 155,4 MSEK compared to the same period last year, of which 186 MSEK refer to the financing of the extended automation. Moreover, the lease liabilities have increased with approximately 322 MSEK mainly due to new premises offset by an decrease in the overdraft facility of -11,7 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 268.1 (297.2) MSEK per end of the period, and cash and cash equivalents amounted to 176.6 (3.8) MSEK, an increase by 172.8 MSEK.

INVENTORY (MSEK)



NET DEBT, EXCL. IFRS 16

268.1 MSEK

CASH FLOW AND INVESTMENTS IN THE QUARTER

Cash flow from operating activities for the quarter amounted to 121.9 (44.4) MSEK.

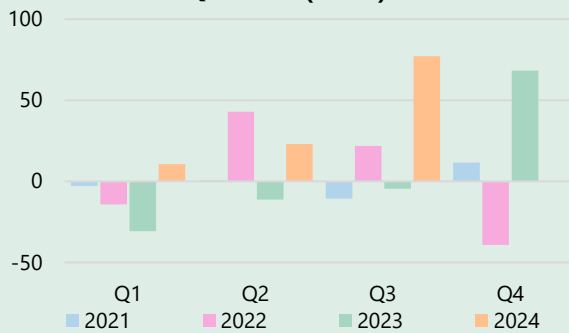
Investments in tangible and intangible assets during the quarter amounted to -51.9 (-108.8) MSEK.

Investments were mainly associated with the new automation at the central warehouse, retail investments mainly driven by the upcoming store in Bergen, Norway and continued development of the Lyko web, Lyko app and other IT systems.

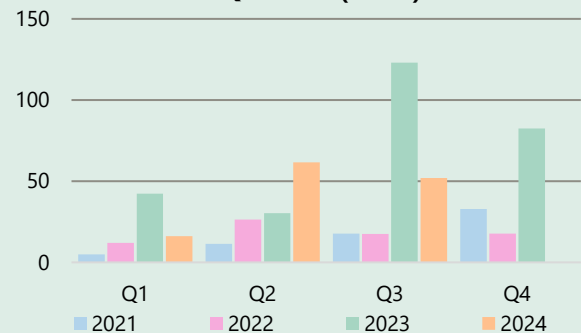
Cash flow from financing amounted to 7.3 MSEK (74.1) and consisted of increased utilization within the existing loan agreement, totaling 34.4 MSEK (114.3), change in overdraft facility of 0.0 MSEK (-17.3) and amortization of lease liabilities of -27.1 MSEK (-22.9).

Total cash flow for the quarter amounted to 77.2 (-4.6) 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

During October 2024 Lyko will open its first store in Bergen, Norway.

Group performance measures

MSEK	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Total revenue	769.0	718.3	2,479.6	2,134.9	3,431.8	3,087.1
Net sales	762.7	705.1	2,466.3	2,106.5	3,413.5	3,053.7
Sales growth, %	8.2%	25.7%	17.1%	22.3%	18.9%	22.8%
Gross margin, %	44.1%	45.2%	43.6%	44.6%	43.4%	44.1%
Marketing expenses, % of total revenue	10.1%	10.5%	9.8%	10.5%	10.1%	10.6%
EBIT	8.3	20.1	40.9	46.0	62.6	67.7
EBIT margin, %	1.1%	2.8%	1.6%	2.2%	1.8%	2.2%
Profit (+)/Loss (-) for the period	-9.8	6.8	-26.9	14.1	-8.9	32.1
Cash flow from operating activities	121.9	44.4	174.0	38.8	351.2	216.0
Equity/asset ratio (%)	17.9%	24.9%	17.9%	24.9%	17.9%	25.0%
Return on equity, %	Neg.	7.5%	Neg.	7.5%	Neg.	7.5%
Working capital	-104.1	62.0	-104.1	62.0	-104.1	-15.3
Cash flow from investing activities	-52.0	-123.1	-129.8	-195.7	-212.3	-278.2
Net debt (+) / Net cash (-), excluding IFRS 16	268.1	297.2	268.1	297.2	268.1	226.4
Number of share per end of period	15,310,012	15,310,012	15,310,013	15,310,012	15,310,012	15,310,012
Earnings per share before/after dilution (SEK)	-0.63	0.44	-1.75	0.92	-0.58	2.09

Segment reporting

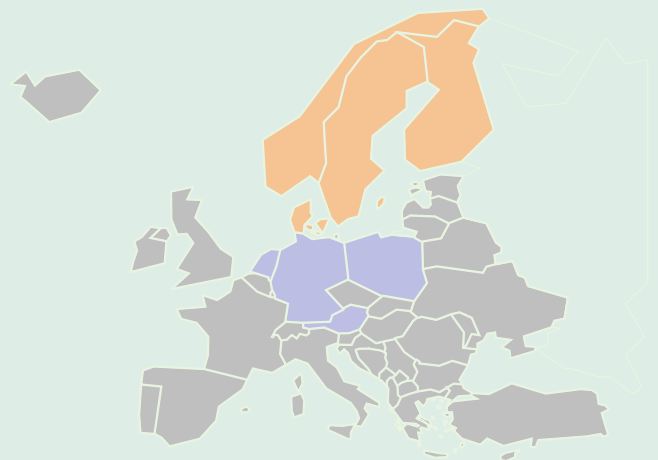
Lyko Group reports its operations in two operating segments; the Nordics, consisting of Sweden, Norway, Finland and Denmark; and Europe, consisting of Germany, Austria, Poland and the Netherlands.

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 (September 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.

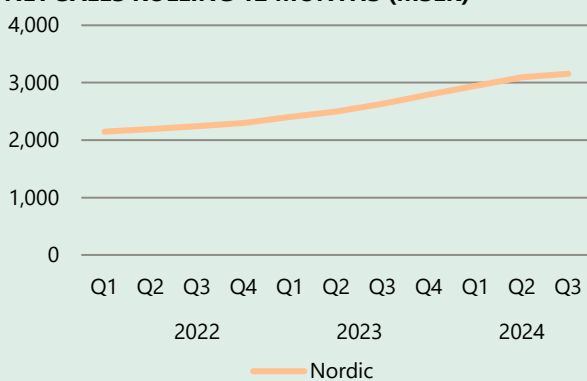
Other operations include the Group's production operations, organization for own brands, sales teams towards e.g. hairdressers, which are all reported separately in Note 1. Group eliminations in connection with internal sales are also reported under other operations.

COUNTRIES PER SEGMENT

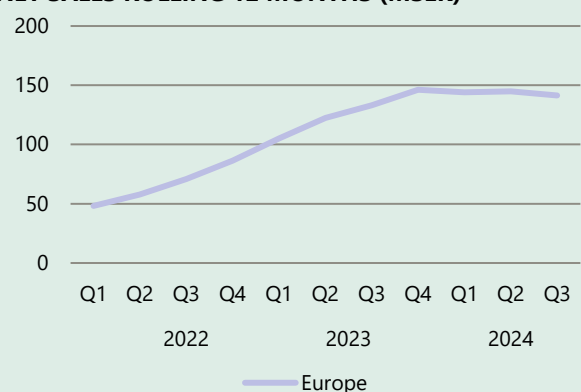


Nordics – Sweden, Finland, Norway and Denmark
Europe – Netherlands, Germany, Poland and Austria

NET SALES ROLLING 12 MONTHS (MSEK)



NET SALES ROLLING 12 MONTHS (MSEK)



SEGMENT REPORTING

Lyko Nordics

THIRD QUARTER

In the Nordics segment, net sales during the quarter increase by 9.3% to 705.9 (646.1) MSEK compared with the same period last year. The increase can in part be explained by extensive marketing efforts as well as additional retail stores.

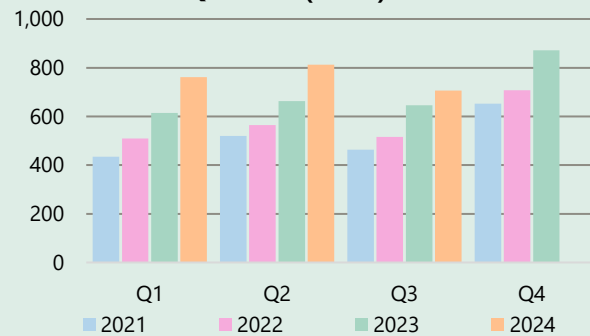
The EBIT result amounted to 81.8 (70.8) MSEK, equivalent to an EBIT margin of 11.6% (10.8%).

PERIOD 1 JANUARY - 30 SEPTEMBER

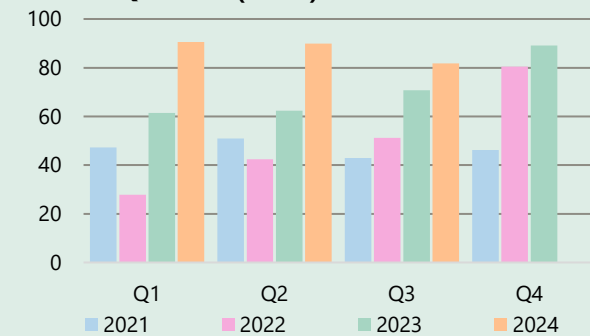
For the period January - September, net sales in the Nordics segment amounted to 2,280.9 (1,923.2) MSEK, equivalent to a growth of 18.6%.

EBIT for the period amounted to 262.4 (194.6) MSEK. This is an increase of 67.8 MSEK, equivalent to an EBIT margin of 11.5% (10.0%).

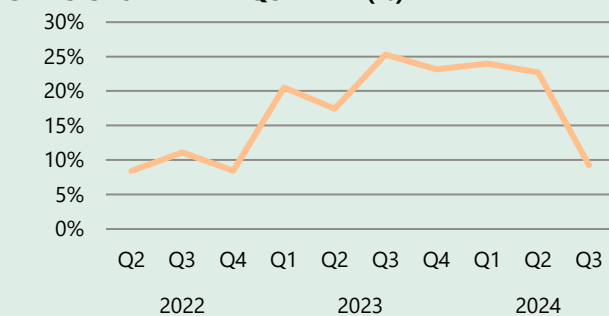
NET SALES PER QUARTER (MSEK)



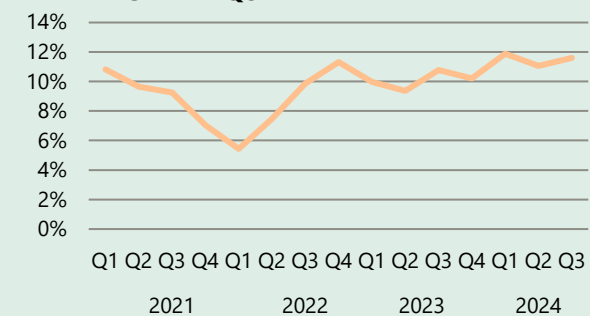
EBIT PER QUARTER (MSEK)



SALES GROWTH PER QUARTER (%)



EBIT MARGIN PER QUARTER



KEY FIGURES – LYKO NORDICS

MSEK	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	705.9	646.1	2,280.9	1,923.2	3,152.6	2,794.9
Sales growth, %	9.3%	25.3%	18.6%	21.0%	19.8%	21.6%
EBIT	81.8	70.8	262.4	194.6	351.5	283.7
EBIT margin, %	11.6%	10.8%	11.5%	10.0%	11.1%	10.1%

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

SEGMENT REPORTING

Lyko Europe

THIRD QUARTER

Net sales amounted to 27.3 (30.9) MSEK, an decrease of -3.6 MSEK, or -11.7%, compared with the same period last year.

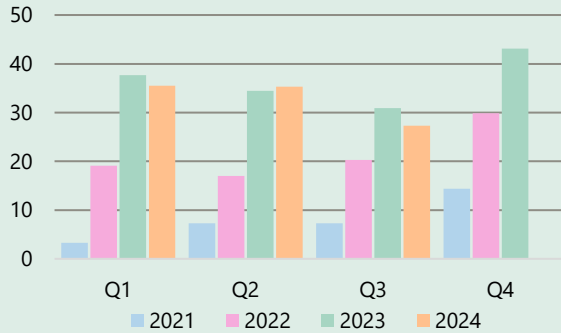
The EBIT result for the quarter amounted to -7.2 (-10.8) MSEK, equivalent to an EBIT margin of -26.3% (-34.8%).

PERIOD 1 JANUARY - 30 SEPTEMBER

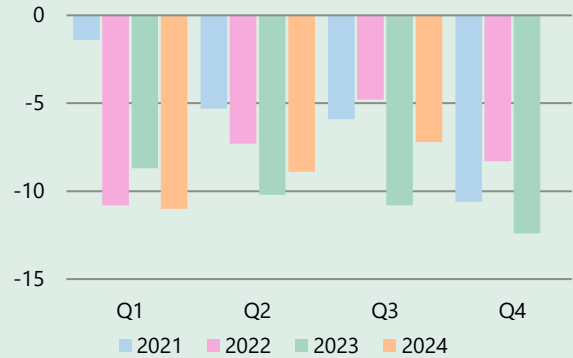
Net sales for the period January - September amounted to 98.1 (103.1) MSEK, an decrease of -4.8% or -5.0 MSEK.

The EBIT result for the period amounted to -27.1 (-29.7) MSEK. This is an increase of 2.6 MSEK, equivalent to an EBIT margin of -27.6% (-28.3%).

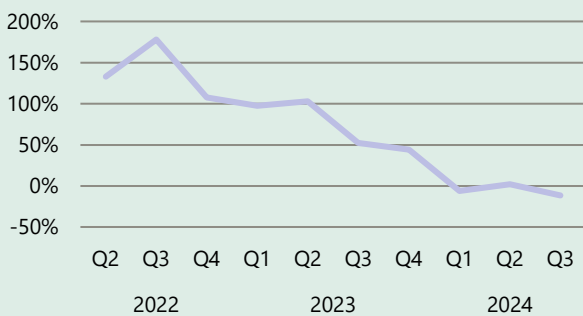
NET SALES PER QUARTER (MSEK)



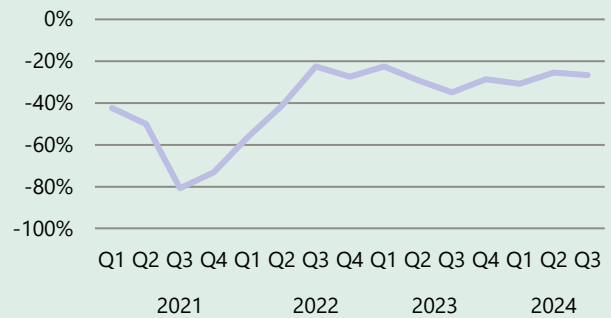
EBIT PER QUARTER (MSEK)



SALES GROWTH PER QUARTER (%)



EBIT MARGIN PER QUARTER



KEY FIGURES – LYKO EUROPE

MSEK	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	27.3	30.9	98.1	103.1	141.2	146.2
Sales growth, %	-11.7%	52.2%	-4.8%	82.8%	6.2%	69.4%
EBIT	-7.2	-10.8	-27.1	-29.7	-39.5	-42.1
EBIT margin, %	-26.3%	-34.8%	-27.6%	-28.3%	-27.9%	-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	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net sales	762.7	705.1	2,466.3	2,106.5	3,413.5	3,053.7
Other income	6.3	13.2	13.3	28.4	18.3	33.4
Total revenue	769.0	718.3	2,479.6	2,134.9	3,431.8	3,087.1
Cost of goods sold	-426.4	-386.3	-1,392.1	-1,168.0	-1,932.0	-1,707.9
Other external expenses	-165.2	-159.3	-523.0	-481.8	-733.7	-692.5
Employee benefits expenses	-122.0	-105.3	-381.9	-318.5	-517.4	-454.0
Depreciation and amortization	-42.8	-33.5	-125.8	-95.1	-162.0	-131.3
Other operating expenses	-4.3	-13.8	-15.9	-25.5	-24.1	-33.7
Total expenses	-760.7	-698.2	-2,438.7	-2,088.9	-3,369.2	-3,019.4
Operating profit (EBIT)	8.3	20.1	40.9	46.0	62.6	67.7
Financial income	0.6	0.4	1.3	3.5	3.9	6.1
Financial expenses	-17.9	-6.7	-60.2	-21.6	-71.9	-33.3
Profit (+)/Loss (-) before tax	-9.0	13.8	-18.0	27.9	-5.4	40.5
Income tax	-0.8	-7.0	-8.9	-13.8	-3.5	-8.4
Profit (+)/Loss (-) for the period	-9.8	6.8	-26.9	14.1	-8.9	32.1
Other comprehensive income						
Translation of foreign operations	-2.0	1.3	1.2	-0.2	-0.4	-1.8
Other comprehensive income	-2.0	1.3	1.2	-0.2	-0.4	-1.8
Comprehensive income for the period	-11.8	8.1	-25.7	13.9	-9.3	30.3
Attributable to:						
Shareholders of parent company	-9.7	6.8	-26.8	14.1	-8.9	32.0
Non-controlling interest	-0.1	-	-0.1	-	-	0.1
Comprehensive income attributable to						
Shareholders of parent company	-11.7	8.1	-25.6	13.9	-9.3	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)	-0.63	0.44	-1.75	0.92	-0.58	2.09

Group consolidated statement of financial position

(MSEK)	30 Sep		31 Dec
	2024	2023	2023
Assets			
Non-current assets			
Goodwill	304.7	304.7	304.7
Other intangible fixed assets	101.0	77.9	87.6
Right of use asset	738.5	426.4	438.9
Property plant and equipment	352.4	217.1	242.6
Deferred tax asset	6.5	13.2	8.3
Equity method investments	-	4.6	4.2
Other financial assets	9.1	11.2	9.2
Total non-current assets	1,512.2	1,055.1	1,095.5
Current assets			
Inventories	512.4	510.1	507.7
Accounts receivable	43.2	34.8	45.2
Current tax receivables	10.5	-	5.3
Other current receivables	51.3	75.7	24.3
Prepaid expenses and accrued income	28.8	37.2	27.0
Cash and cash equivalents	176.6	3.8	71.1
Total current assets	822.8	661.6	680.6
Total assets	2,335.0	1,716.7	1,776.1
Equity and liabilities			
Equity attributable to Parent company shareholders	418.7	428.0	444.3
Non-controlling interest	-	-	0.1
Total equity	418.7	428.0	444.4
Non-current liabilities			
Deferred tax liabilities	4.9	-	-
Provisions	4.4	3.0	3.0
Non-current liabilities to credit institutions	185.7	-	122.5
Long-term lease liabilities	603.2	303.7	312.5
Other non-current liabilities	0.9	-	3.0
Total non-current liabilities	799.1	306.7	441.0
Current liabilities			
Current liabilities to credit institutions	259.0	289.3	175.0
Overdraft facility	-	11.7	-
Short-term lease liabilities	108.0	85.2	90.9
Current provisions	15.7	31.5	26.2
Account payables	470.9	354.7	367.8
Current tax liabilities	2.6	14.1	9.6
Other current liabilities	107.3	69.1	108.9
Accrued expenses and prepaid income	153.7	126.4	112.3
Total current liabilities	1,117.2	982.0	890.7
Total equity and liabilities	2,335.0	1,716.7	1,776.1

Group consolidated statement of changes in equity, in summary

(MSEK)	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Equity at the beginning of the period	430.5	419.9	444.4	416.7	416.7
Profit (+)/Loss (-) for the period	-9.8	6.8	-26.9	14.1	32.1
Translation of foreign operations	-2.0	1.3	1.2	-0.2	-1.8
Total comprehensive income	-11.8	8.1	-25.7	13.9	30.3
Acquisition of non-controlling interest	-	-	-	-5.6	-5.6
Surplus on purchase of non-controlling interests	-	-	-	3.0	3.0
Total transactions with shareholder	-	-	-	-2.6	-2.6
Equity at the end of the period	418.7	428.0	418.7	428.0	444.4

Group consolidated statement of cash flow

(MSEK)	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Operating activities					
Profit after financial items	-9.0	13.8	-18.0	27.9	40.5
Adjustments for non-cash items	47.4	39.4	144.6	115.0	160.9
Paid tax	3.6	-5.3	-10.8	-40.0	-40.7
Cash flow from operations	42.0	47.9	115.8	102.9	160.7
Cash flow from working capital changes					
Change in inventories	-42.4	-24.0	-19.0	-91.9	-90.6
Change in operating receivables	-22.7	-60.6	-46.0	-53.3	-3.6
Change in operating liabilities	145.0	81.1	123.2	81.1	149.5
Cash flow from operating activities	121.9	44.4	174.0	38.8	216.0
Investing activities					
Investments in intangible assets	-7.9	-5.9	-26.8	-23.9	-38.3
Investments in tangible assets	-44.0	-102.9	-102.9	-125.7	-195.8
Divestments of tangible assets	-	0.5	-	0.5	0.5
Acquisition of subsidiaries	-	-10.0	-0.3	-42.5	-42.5
Change in financial assets	-0.1	-4.8	0.2	-4.1	-2.1
Cash flow from investing activities	-52.0	-123.1	-129.8	-195.7	-278.2
Financing activities					
New Loans	34.4	114.3	147.0	164.3	299.9
Repayment of loans	-	-	-	-	-127.3
Change in overdraft facility	-	-17.3	-	11.7	-
Amortisation leases	-27.1	-22.9	-80.5	-65.7	-88.8
Cash flow from financing activities	7.3	74.1	66.5	110.3	83.8
Cash flow for the period	77.2	-4.6	110.7	-46.6	21.6
Cash and cash equivalents at the beginning of the period	104.5	7.6	71.1	50.9	50.9
Exchange rate effects	-5.1	0.8	-5.2	-0.5	-1.4
Cash and cash equivalents at the end of the period	176.6	3.8	176.6	3.8	71.1

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)	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Net sales	1.2	2.7	4.0	5.5	5.8
Operating costs					
Other external expenses	-2.5	-1.6	-7.1	-5.7	-8.5
Employee benefits expenses	-1.5	-1.2	-4.7	-3.6	-6.0
Other operating expenses	-	0.1	-	-1.9	-1.9
Operating profit (-loss)	-2.8	-0.0	-7.8	-5.7	-10.6
Financial income/ expenses net	-3.3	-0.4	-2.4	-0.7	-4.9
Appropriations	-	-	-	-	24.3
Profit (+)/Loss (-) before tax	-6.1	-0.4	-10.2	-6.4	8.8
Income tax	0.1	-	0.3	0.1	-2.2
Profit (+)/Loss (-) for the period	-6.0	-0.4	-9.9	-6.3	6.6

Parent Company financial position, in summary

(MSEK)	30 Sep		31 Dec
	2024	2023	2023
Non-current assets			
Financial assets	581.8	508.8	580.6
Total non-current assets	581.8	508.8	580.6
Current assets			
Receivables from Group companies	410.3	295.8	129.9
Other current receivables	13.4	13.1	12.7
Cash and cash equivalents	174.6	0.4	67.1
Total current assets	598.3	309.3	209.7
Total assets	1,180.1	818.1	790.3
Restricted equity	7.7	7.7	7.7
Non-restricted equity	413.2	410.2	423.2
Total equity	420.9	417.9	430.9
Untaxed reserves	26.0	26.0	26.0
Provisions	0.6	-	-
Total non-current liabilities	0.6	-	-
Current liabilities to credit institutions	259.0	289.3	175.0
Overdraft facility	-	11.7	-
Liabilities to Group companies	466.5	67.4	152.3
Other current liabilities	7.1	5.8	6.1
Total current liabilities	732.6	374.2	333.4
Total equity and liabilities	1,180.1	818.1	790.3

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)	Q3		Jan-Sep		Oct-Sep	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Nordic						
Net sales	705.9	646.1	2,280.9	1,923.2	3,152.6	2,794.9
EBIT	81.8	70.8	262.4	194.6	351.5	283.7
Europe						
Net sales	27.3	30.9	98.1	103.1	141.2	146.2
EBIT	-7.2	-10.8	-27.1	-29.7	-39.5	-42.1
Other operations*						
Net sales	29.5	26.3	87.3	78.4	113.8	104.9
EBIT	-13.6	-1.7	-30.8	-5.5	-40.0	-14.7
Group functions						
Net sales	-	1.8	-	1.8	5.9	7.7
EBIT	-52.7	-38.2	-163.6	-113.4	-209.4	-159.2
Total Group						
Net sales	762.7	705.1	2,466.3	2,106.5	3,413.5	3,053.7
EBIT	8.3	20.1	40.9	46.0	62.6	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, October 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

ALTERNATIVE PERFORMANCE INDICATORS	DEFINITION	RATIONALE
Balance sheet total	Total assets.	This performance indicator can be analyzed in relation to other performance indicators to assess the Company's position and development.
EBIT margin	Operating profit divided by total revenue for the period.	The EBIT margin shows the profit generated by operating activities.
Equity/asset ratio	Total equity divided by total assets (balance sheet).	This performance indicator shows equity, including non-controlling interests, divided by balance sheet total.
Gross profit	Net sales minus cost of goods sold.	The gross profit reflects the contribution generated by operating activities.
Gross margin %	Net Sales minus cost of goods sold, divided by net sales.	The gross margin reflects the contribution margin generated by operating activities.
Investments	Investments in intangible, tangible and financial assets.	This performance indicator outlines the investments in operating activities.
Net debt (+)/ Net cash (-)	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.
Net working capital	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.
Operating profit (EBIT)	Profit before financial items and tax.	The operating profit shows an overview of the profit generated by operating activities.
Return on equity	Rolling 12 months profit in relation to average equity.	This performance indicator measures how profitable the Company is for its shareholders.
Total revenue	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.
Sales growth	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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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 October 18, 2024.

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