



FINANCIAL STATEMENTS 2022

Jari Latvanen, CEO

Stockmann Group | 24 February 2023



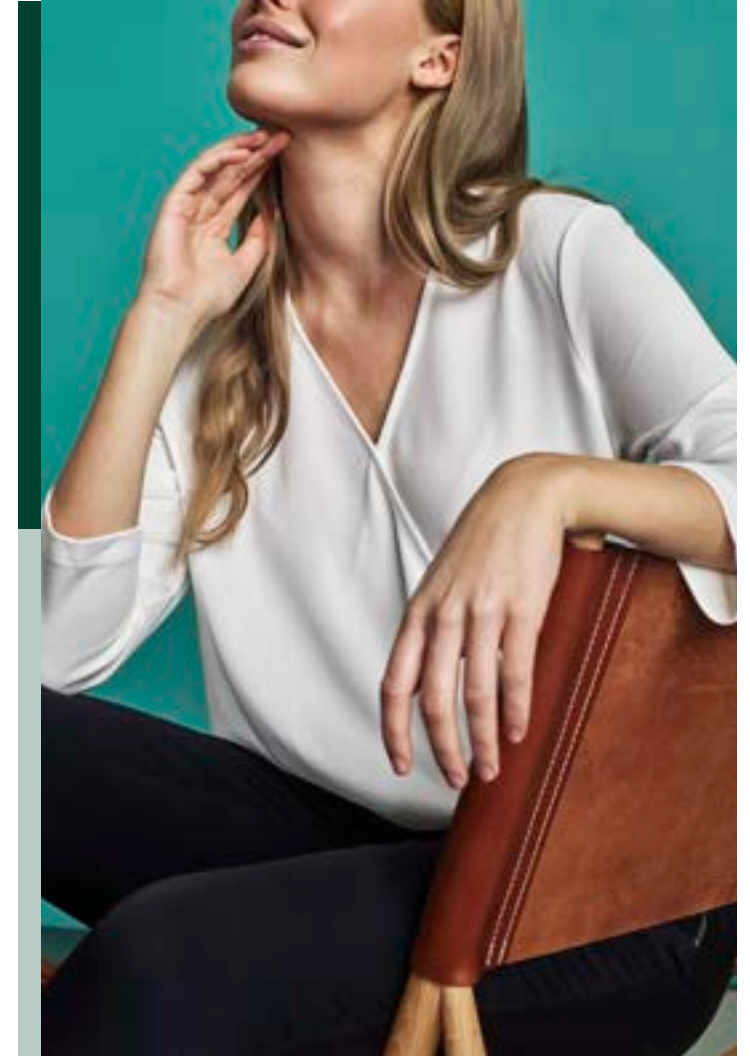
STOCKMANN



STOCKMANN GROUP IN FULL-YEAR 2022

ACHIEVEMENTS IN 2022

- Revenue and operating result clearly improved regardless the difficult market situation
- Successful implementation of the restructuring plan
 - undisputed restructuring debts paid
- Investment in growth and efficiency with a new 110 MEUR Lindex omnichannel distribution centre
- Record number of new customers and improved experience
- Sustainability agenda strengthened with circular business models





STOCKMANN GROUP IN Q4 2022

DETERMINED MEASURES TAKEN TO COMPENSATE IMPACTS DERIVING FROM DIFFICULT MARKET SITUATION

Group's revenue, EUR million

272.6 (277.5)

Group's adjusted operating result, EUR million

26.1 (29.6)

Group's operating result, EUR million

24.6 (50.6)

- **Stockmann Group**

- Revenue -1.8% to EUR 272.6 million (277.5)
- Adj. operating result decreased by EUR 3.5 million to EUR 26.1 million (29.6)

- **Lindex**

- Revenue -3.2% to EUR 172.2 million (177.8)
- Revenue +4.5% in Swedish krona
- Adj. operating result down by EUR 1.3 million to EUR 23.0 million (24.3)
- Adj. operating result although positive in Swedish krona

- **Stockmann**

- Revenue +0.7% to EUR 100.4 million (99.7)
- Adj. operating result down by EUR 3.0 million to EUR 3.3 million (6.3)



STOCKMANN GROUP IN FULL-YEAR 2022

ANNUAL REVENUE AND OPERATING RESULT CLEARLY IMPROVED

Group's revenue, EUR million

981.7 (899.0)

Group's adjusted operating result, EUR million

79.8 (68.3)

Group's operating result, EUR million

154.9 (82.1)

Cash, EUR million

167.9 (213.7)

- **Stockmann Group**

- Revenue +9.2% to EUR 981.7 million (899.0)
- Adj. operating result increased by EUR 11.5 million to EUR 79.8 million (68.3)

- **Index**

- Revenue +8.8% to EUR 661.1 million (607.4)
- Revenue +14.1% in Swedish krona to SEK 7.0 billion
- Adj. operating result up by EUR 9.7 million to EUR 90.0 million (80.3)

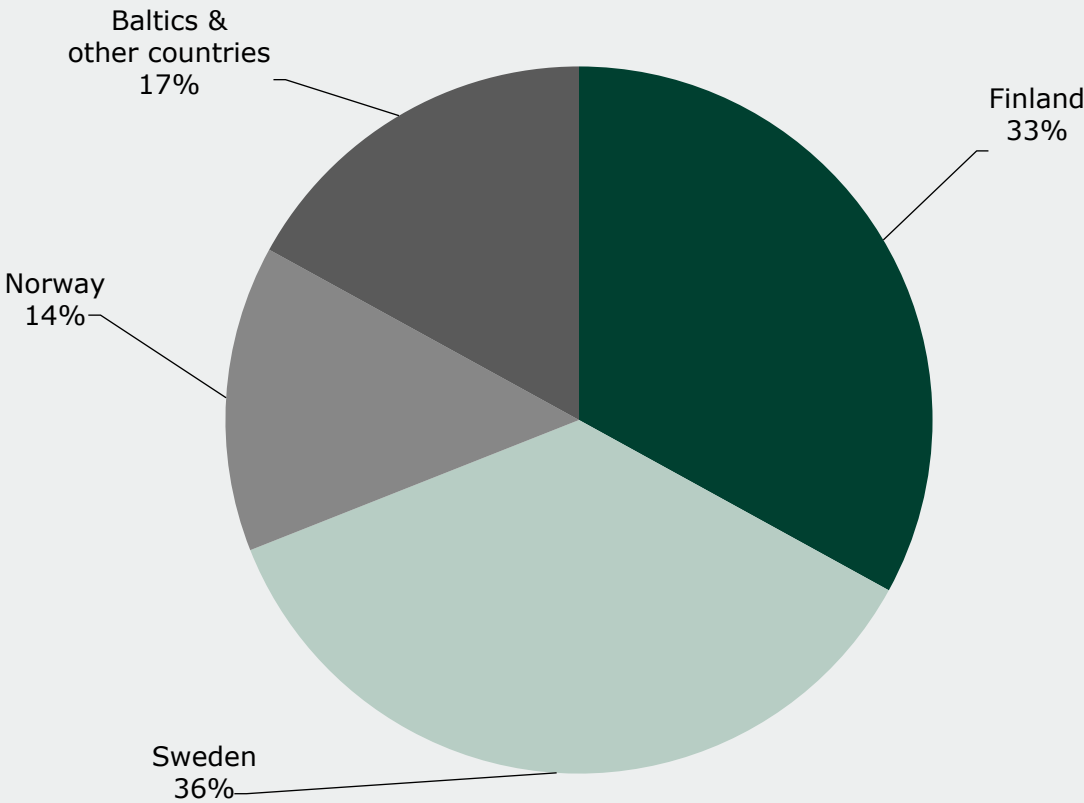
- **Stockmann**

- Revenue +10.0% to EUR 320.6 million (291.6)
- Adj. operating result up by EUR 4.5 million to EUR -5.4 million (-9.9)

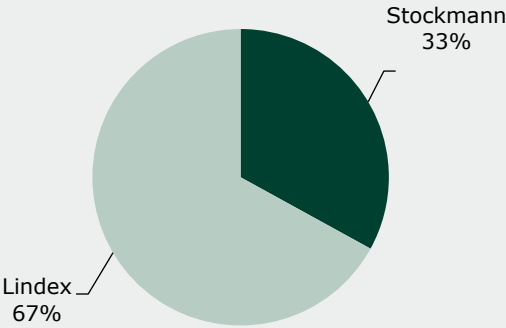


FASHION AND LINDEX DIVISION DRIVING STOCKMANN GROUP

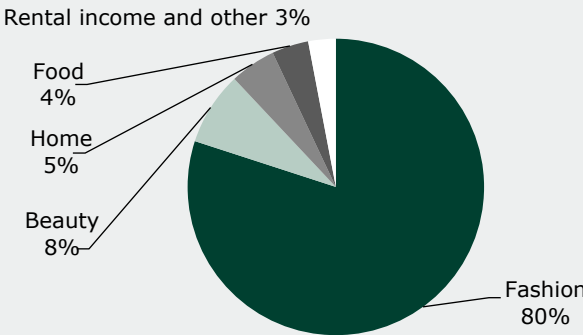
REVENUE 2022 BY MARKET



REVENUE 2022 BY DIVISION
EUR 981.7 million



REVENUE 2022





STOCKMANN
DIVISION

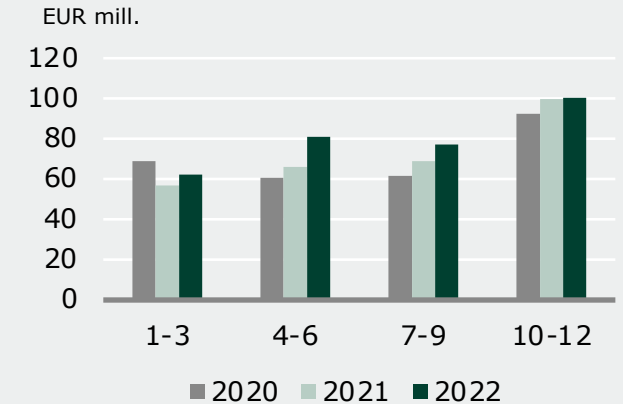


STOCKMANN DIVISION, PERFORMANCE IN Q4 2022

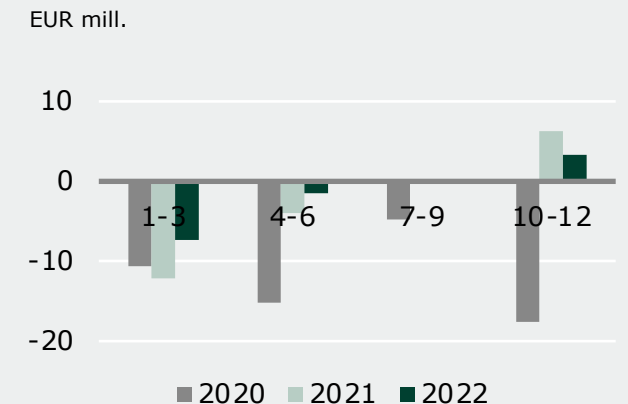
REVENUE INCREASED THANKS TO MORE VISITORS IN THE B&M STORES

- **Revenue** +0.7% to EUR 100.4 million (99.7)
 - Brick-and-mortar stores +3.1% due to higher numbers of visitors
 - Share of online sales was 14.7% (16.7)
- **Gross margin** was 44.8% (45.3)
- **Operating costs** EUR 36.2 million (36.6) down by EUR 0.4 million
- **Adj. operating result** EUR 3.3 million (6.3)
- **Operating result** EUR 2.4 million (27.8)

QUARTERLY REVENUE



QUARTERLY OPERATING RESULT Adjusted

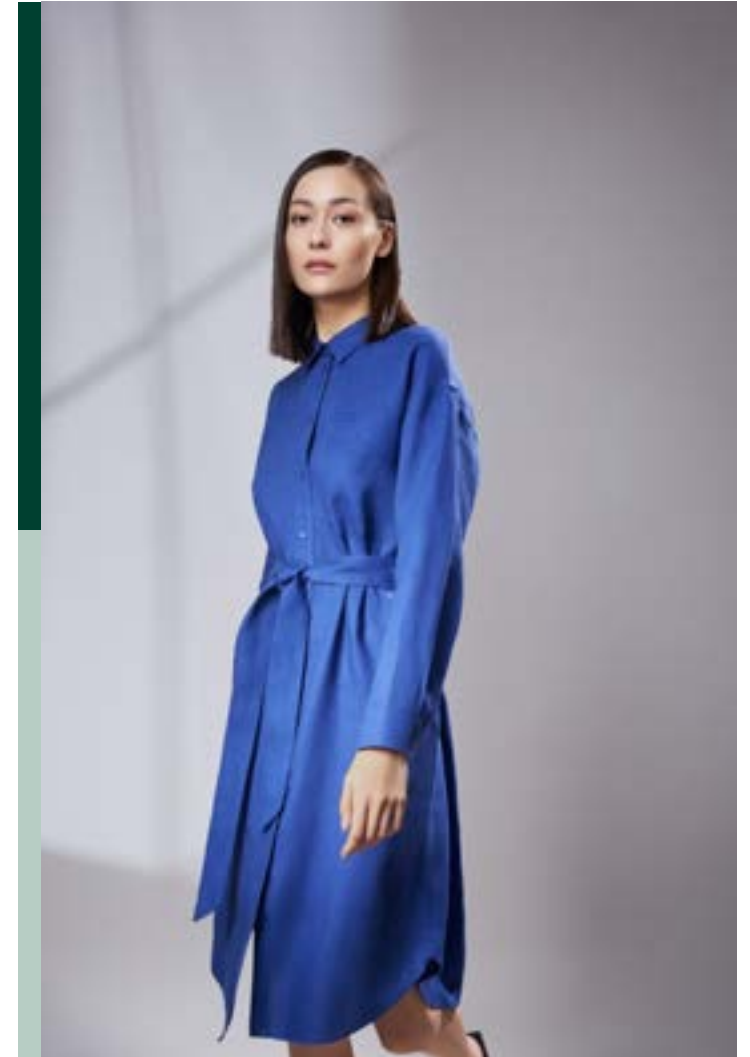




STOCKMANN DIVISION IN 2022

SOLID ANNUAL REVENUE GROWTH AND IMPROVED RESULT

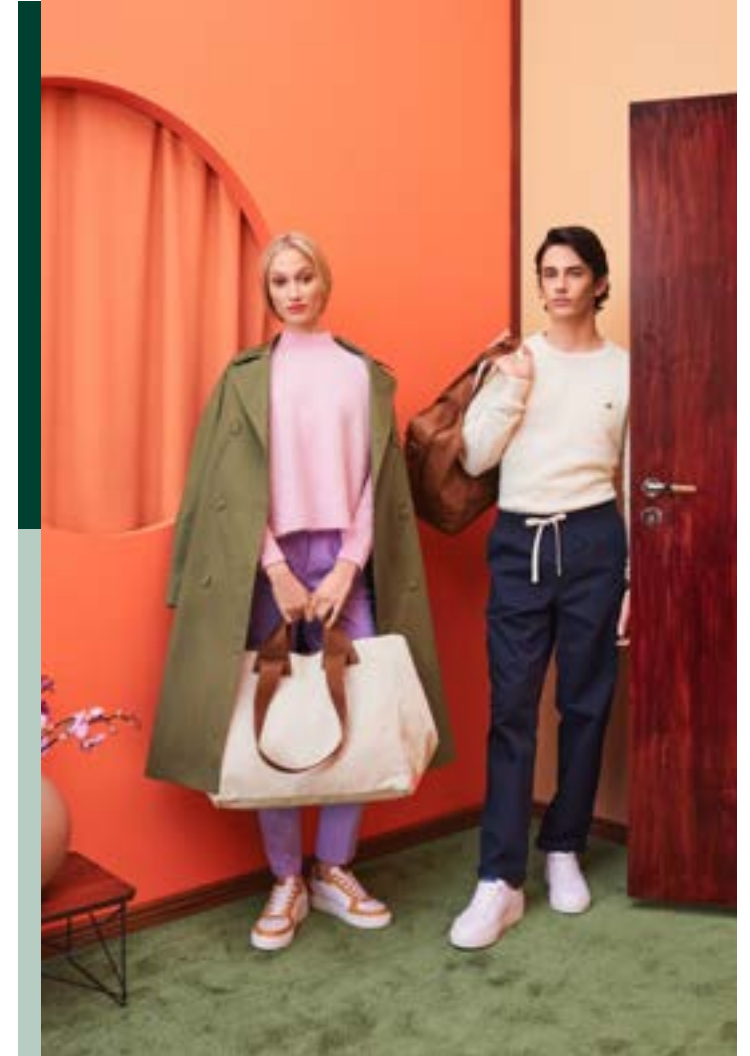
- **Solid revenue growth +10.0% to EUR 320.6 million (291.6)**
 - Higher sales +14.6% in brick-and-mortar stores , increased visitor levels +22.4%
 - Significant increase in non-merchandise income
 - Strong annual sales in fashion, boosted by 70 new brand launches
- **Adj. operating result increased to EUR -5.4 million (-9.9)**
 - Stronger sales and improved gross margins
 - Cost saving actions implemented to mitigate impact of cost increases
- **Strong customer focus paid off**
 - Great achievement with over 88 000 new loyal customers in 2022
 - Good progress in customer experience; Emotional Value Index (EVI) up to 58 (49)
- **Stockmann 160-year anniversary celebrated**
 - Unique partner collaborations and special collections
- **Systematic sustainability work**
 - Revised CO2 calculation to meet the SBTi requirements and firm steps towards circular economy





FOCUS ON PROFIT, CUSTOMERS AND SUSTAINABILITY

- **Targeting profitability**
 - Investments and focus on digital growth and omnichannel capabilities
 - Increase of non-merchandise income incl. rental & commission income as well as media sales
 - Cost consciousness
- **Execution of customer centric strategy for growth**
 - Drive premium positioning by widening luxury and semi-luxury offering
 - Building even better omni-experience – data-driven decision making to optimise customer touchpoints & personalised offering
- **Systematic sustainability work at the core of our strategy**
 - Carbon footprint reduction
 - Renewed CO₂ emission calculation in line with SBTi requirements
 - Circularity enhanced by attending to national Circular Design programme





LINDEX

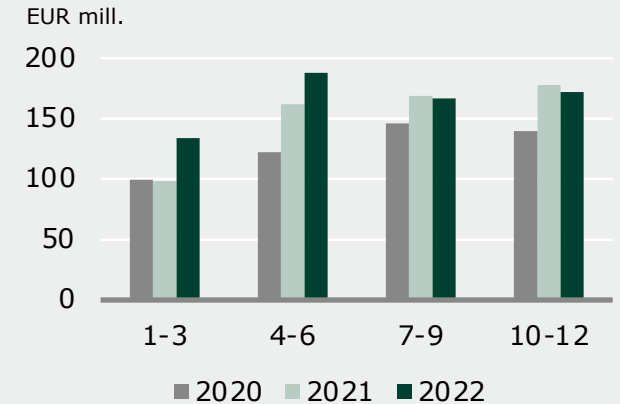
Susanne Ehnåge
Lindex CEO



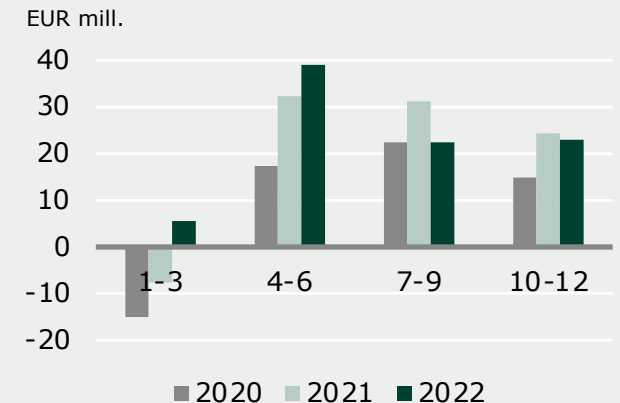
LINDEX REVENUE & RESULT INCREASED IN SWEDISH KRONA

- **Revenue** EUR 172.2 million (177.8)
 - Revenue down by 3.2% and up by 4.5% in SEK
 - Sales in brick-and-mortar stores up by 0.6%
 - Digital sales down by 7.0%
 - Share of digital sales was 18.6% (19.9%)
 - Business areas lingerie increased most 6.8%
- **Gross margin** increased to 64.8% (64.6%)
- **Operating costs** decreased to EUR 70.5 million (76.9)
- **Adj. operating result** EUR 23.0 million (24.3)
- **Operating result** EUR 23.0 million (24.0)
- **CAPEX** 18.5 MEUR (6.6) related to the building of a new omnichannel warehouse, planned to be ready in 2024

QUARTERLY REVENUE



QUARTERLY OPERATING RESULT Adjusted

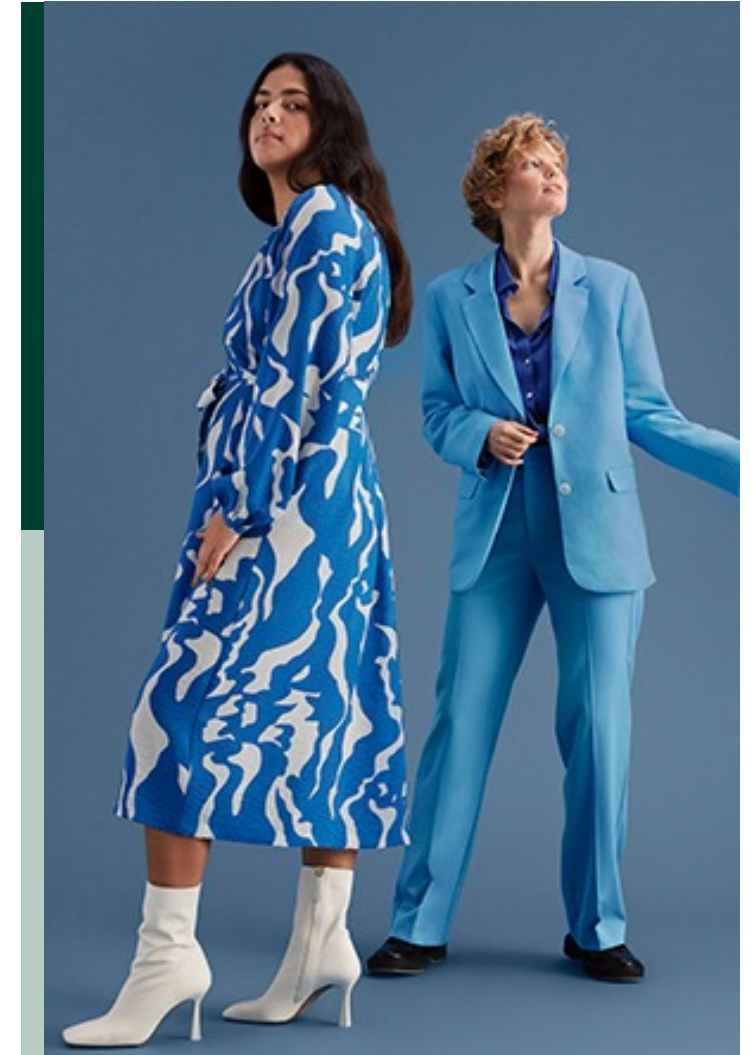




LINDEX DIVISION, PERFORMANCE IN 2022

ALL TIME HIGH SALES AND FULL YEAR RESULT

- **Strong revenue growth** +8.8% to EUR 661.1 million (607.4)
 - Sales up by 14.1% in SEK
 - Reached over SEK 7 billion in sales – milestone in the company's history
 - Sales increased in all markets and business areas
 - Strong sales in brick-and-mortar stores – up by 13.6%
- **Adj. operating result increased** to EUR 90.0 million (80.3)
- Investments in new **omnichannel warehouse** for **continued growth**
- **Record number of new customers**
 - 1 million new customers during the year - almost 5.7 million registered customers
- **Entered femtech market** and successfully launched the new brand Female Engineering
- **Continued progress** within Lindex **sustainability promise** and **circular transformation**

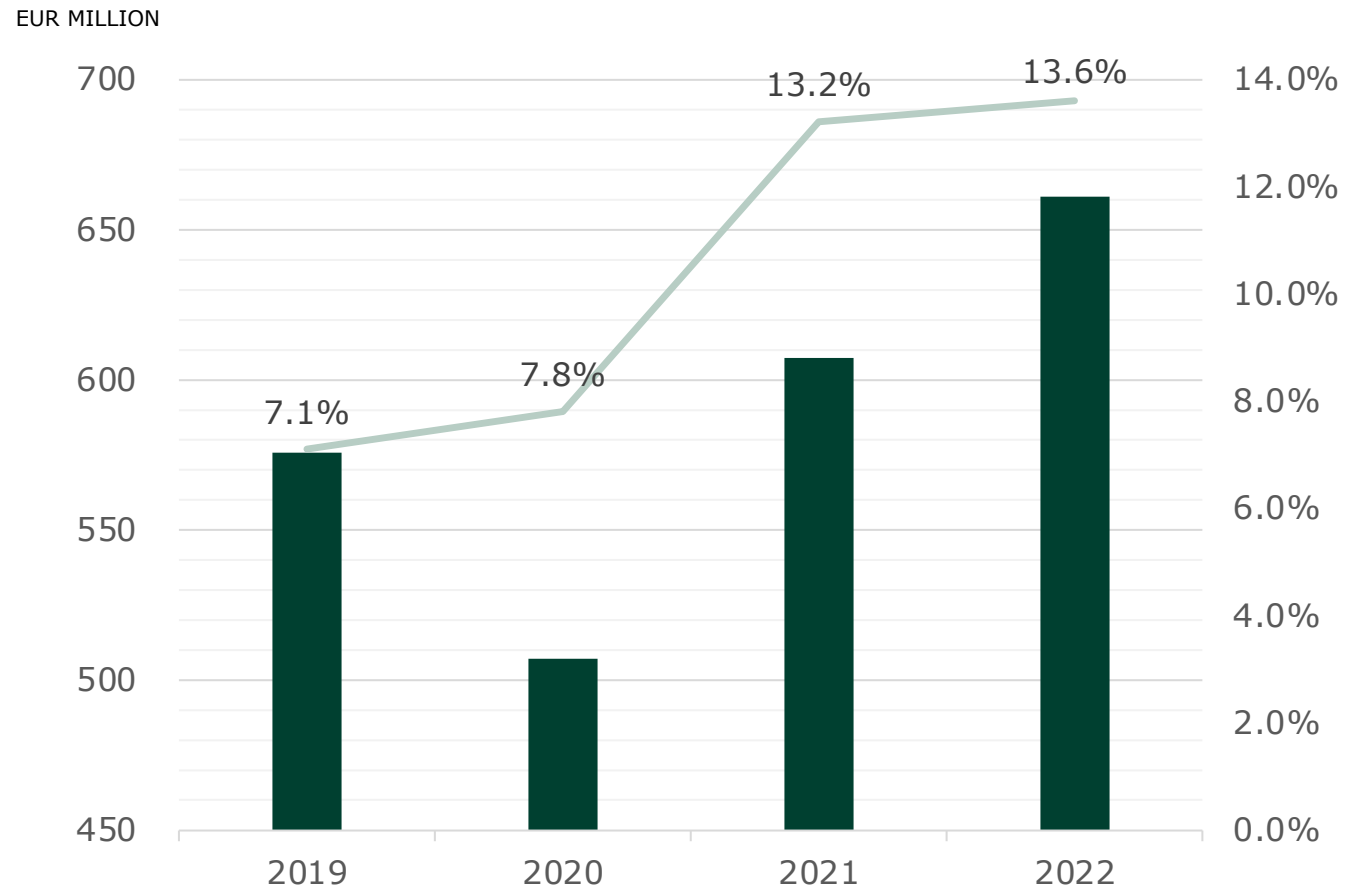




LINDEX DIVISION SALES AND ADJ. OPERATING MARGIN 2019-2022

STRONG DEVELOPMENT IN GROWTH AND PROFITABILITY

- **Sales improvement 2019–2022**
 - In EURO **14,8%**
(576 => EUR 661 million)
 - In SEK **15.6%**
(6.1 => SEK 7.0 billion)
- **Adj. operating margin improvement 2019–2022**
 - From 7.1% to 13.6%

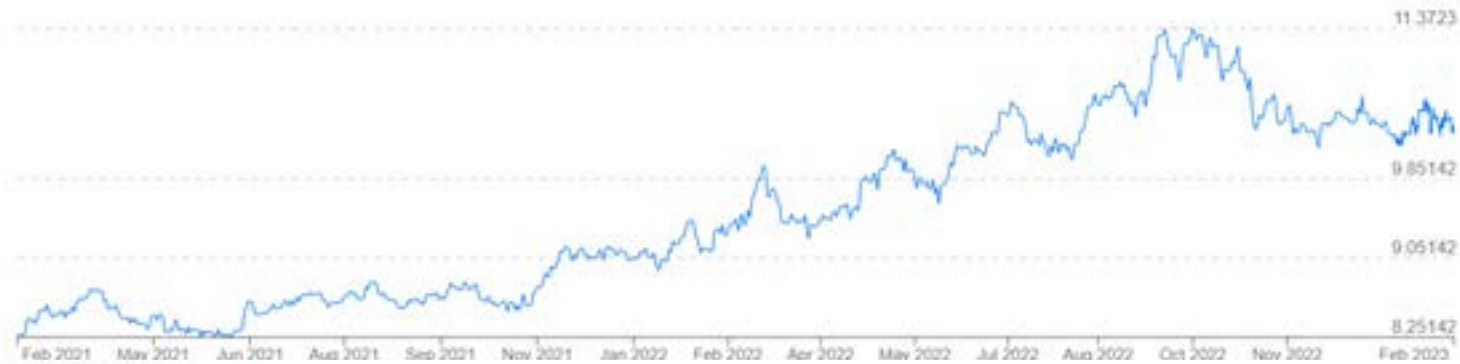




CURRENCY FLUCTUATION 2021-2022

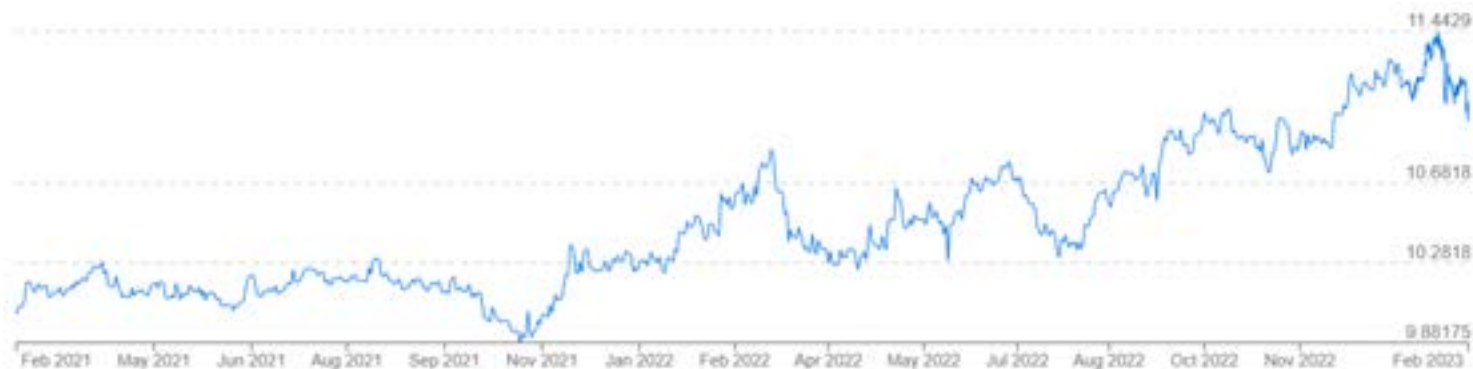
WEAK SWEDISH KRONA VS BOTH US-DOLLAR AND EURO

US Dollar to Swedish Krona



Increase with approx 25%

Euro to Swedish Krona



Increase with approx 10%



LINDEX DIVISION, WAY FORWARD

CONTINUE GROWING AND STAND STRONG

- Proceeding our **cost saving actions** and **flexible approach**
 - Review priorities, costs and development projects
- Long-term **strategy** with **ambitious targets** to reach
 - Investments for global, digital and sustainable growth
 - Major investments in new omni-warehouse
 - Investments and digital development are key
 - Continue our femtech journey - developing new business and growth opportunities
 - Proceed our sustainability transformation and to reach our promise



A fashion advertisement featuring four models standing against a dark red background with a large, soft, circular light effect on the left. From left to right: a woman in a long tan coat over a purple shirt and dark pants; a man in a long grey tweed coat over a brown turtleneck and brown pants; a woman in a plaid coat over a white top and brown corduroy pants, carrying a small brown bag; and a man in a tan coat over a red turtleneck and dark pants, wearing a plaid scarf. The text 'STOCKMANN GROUP' is overlaid in white, bold, sans-serif font.

STOCKMANN GROUP

Annelie Forsberg
CFO

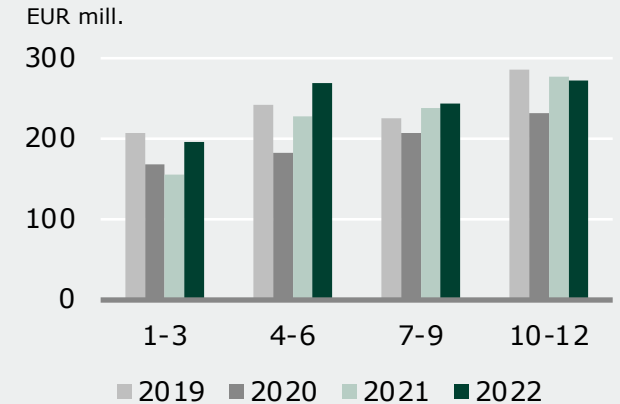


STOCKMANN GROUP, FINANCIAL PERFORMANCE IN Q4 2022

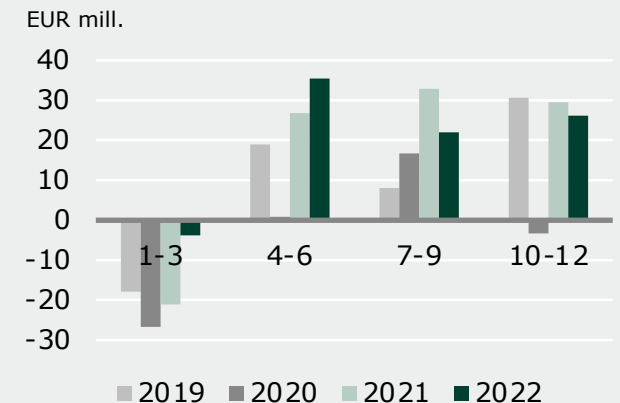
DESPITE DIFFICULT MARKET SITUATION Q4 REVENUE AND RESULT STOOD STRONG

- **Group Revenue** down by 1.8% EUR 272.6 million (277.5)
 - In same EUR/SEK currency as last year ~ 3.1%
 - Lindex division, EUR 172.2 million (177.8) -3.2% in EUR, in SEK +4.5%
 - Stockmann division, EUR 100.4 million (99.7) +0.7% in EUR
- **Group Gross margin** 57.4% (57.7)
 - Lindex division 64.8% (64.6)
 - Stockmann division 44.8% (45.3)
- **Group Operating costs** EUR 107.2 million (109.4)
- **Group Adjusted operating result** EUR 26.1 million (29.6)
 - Decreased by EUR 3.5 million
 - Lindex division EUR 23.0 million (24.3)
 - Stockmann division EUR 3.3 million (6.3)
- **Group Operating result** EUR 24.6 million (50.6)
 - Capital gain real estate Tallinn last year EUR 21.7 million

QUARTERLY REVENUE



QUARTERLY OPERATING RESULT Adjusted

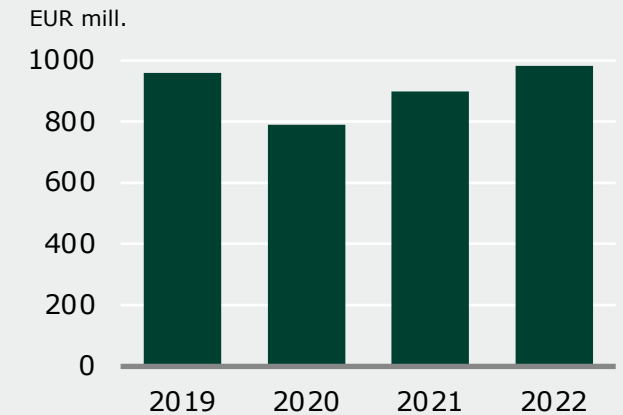




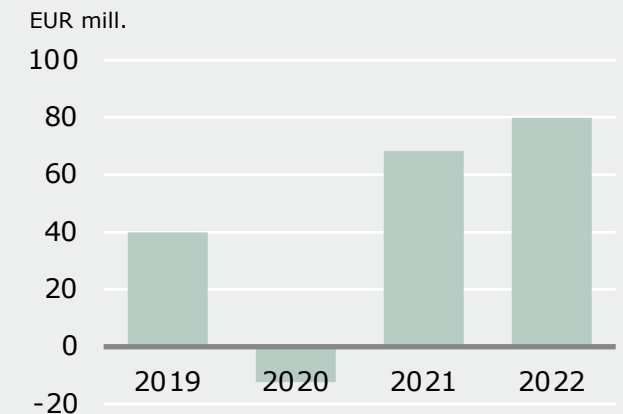
REVENUE INCREASED AND PROFIT REACHED NEW LEVELS

- **Group Revenue** up 9.2% to EUR 981.7 million (899.0)
 - In same EUR/SEK currency as last year ~12.8%
 - Lindex division - all-time high revenue
 - **SEK 7.0 billion** (6.1), up 14.1% in SEK
 - EUR 661.1 million (607.4), up 8.8% in EUR
 - Stockmann division improved revenue
 - EUR 320.6 million (291.6), up 10.0%
- **Group Adjusted Operating Result** increased to EUR 79.8 million (68.3)
 - Doubled Adjusted Operating Result compared to pre-pandemic 2019 (39.8)
 - Lindex division achieved an all-time high operating result
 - EUR 90.0 million (80.3), up by EUR 9.7 million
 - Stockmann division improved its annual operating result
 - EUR -5.4 million (-9.9), up by EUR 4.5 million
- **Group Operating Result** increased to EUR 154.9 million (82.1)
 - Includes capital gains of real estate and restructuring costs EUR 75.1 million (13.8)

FULL-YEAR REVENUE



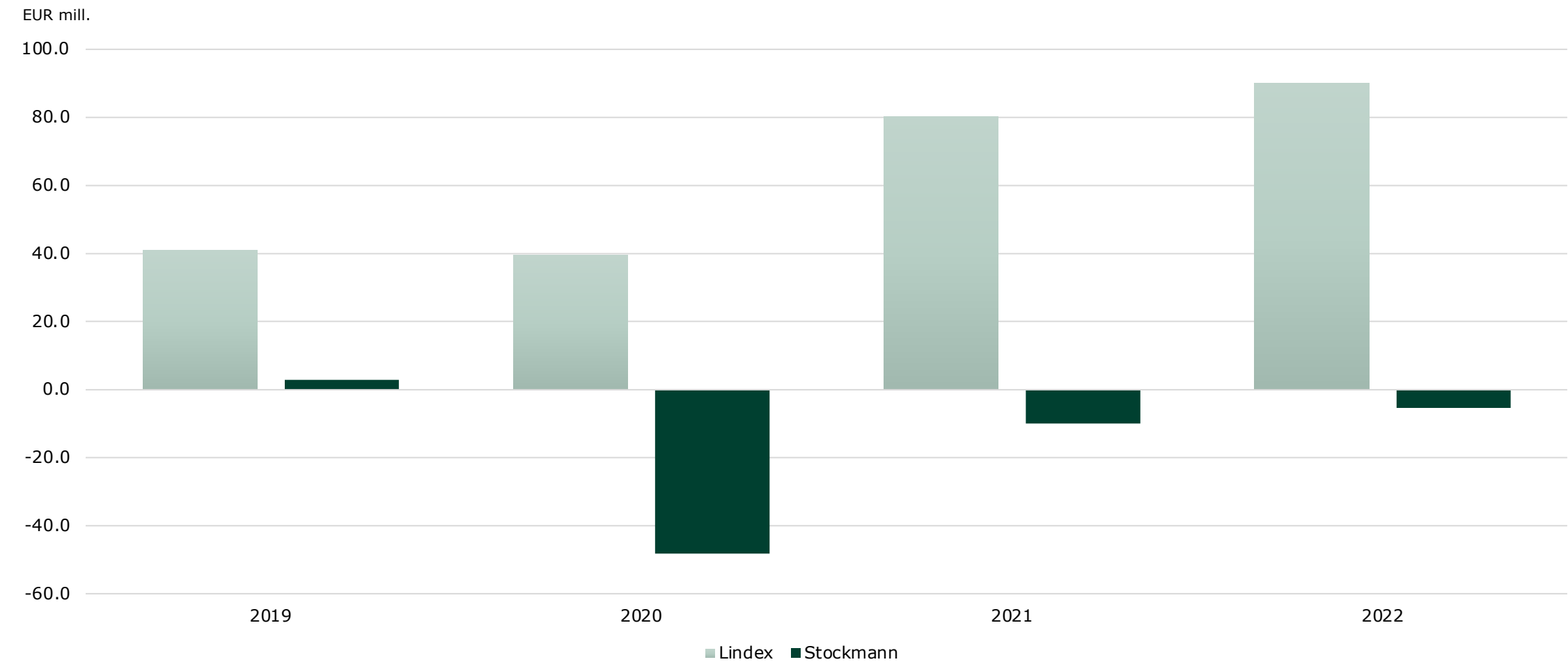
FULL-YEAR OPERATING RESULT Adjusted





STOCKMANN GROUP, ANNUAL ADJUSTED OPERATING PROFIT

LINDEX DIVISION PROFITABILITY ALL TIME HIGH
AND STOCKMANN DIVISION IMPROVES STEADILY

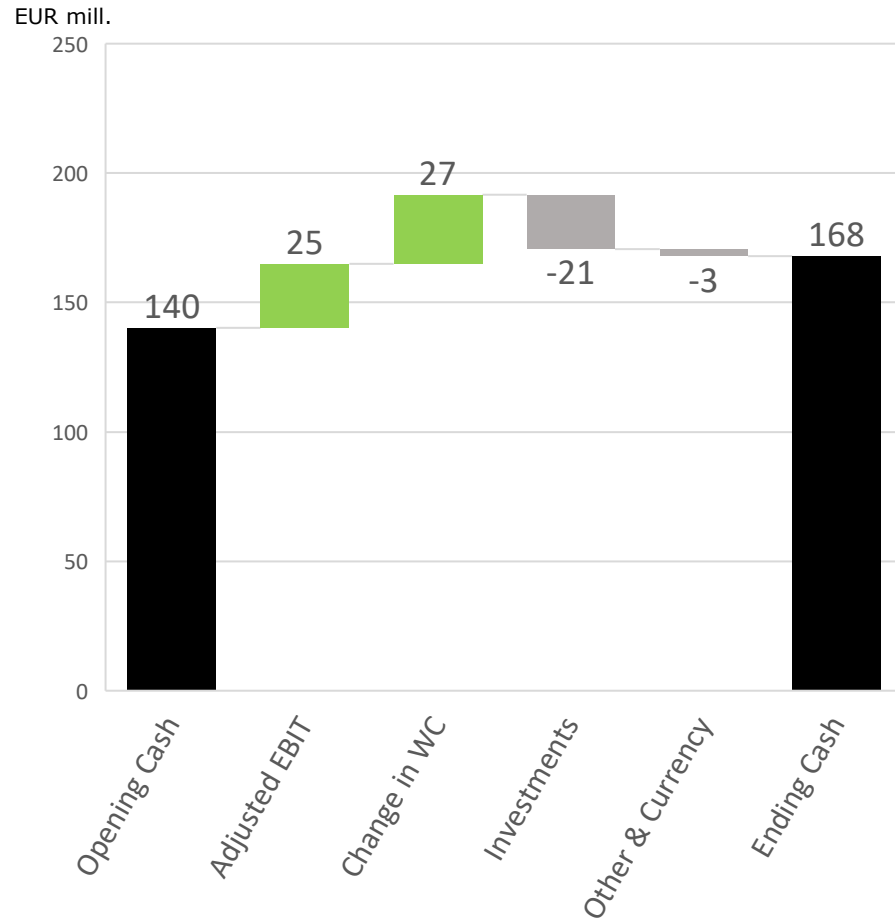




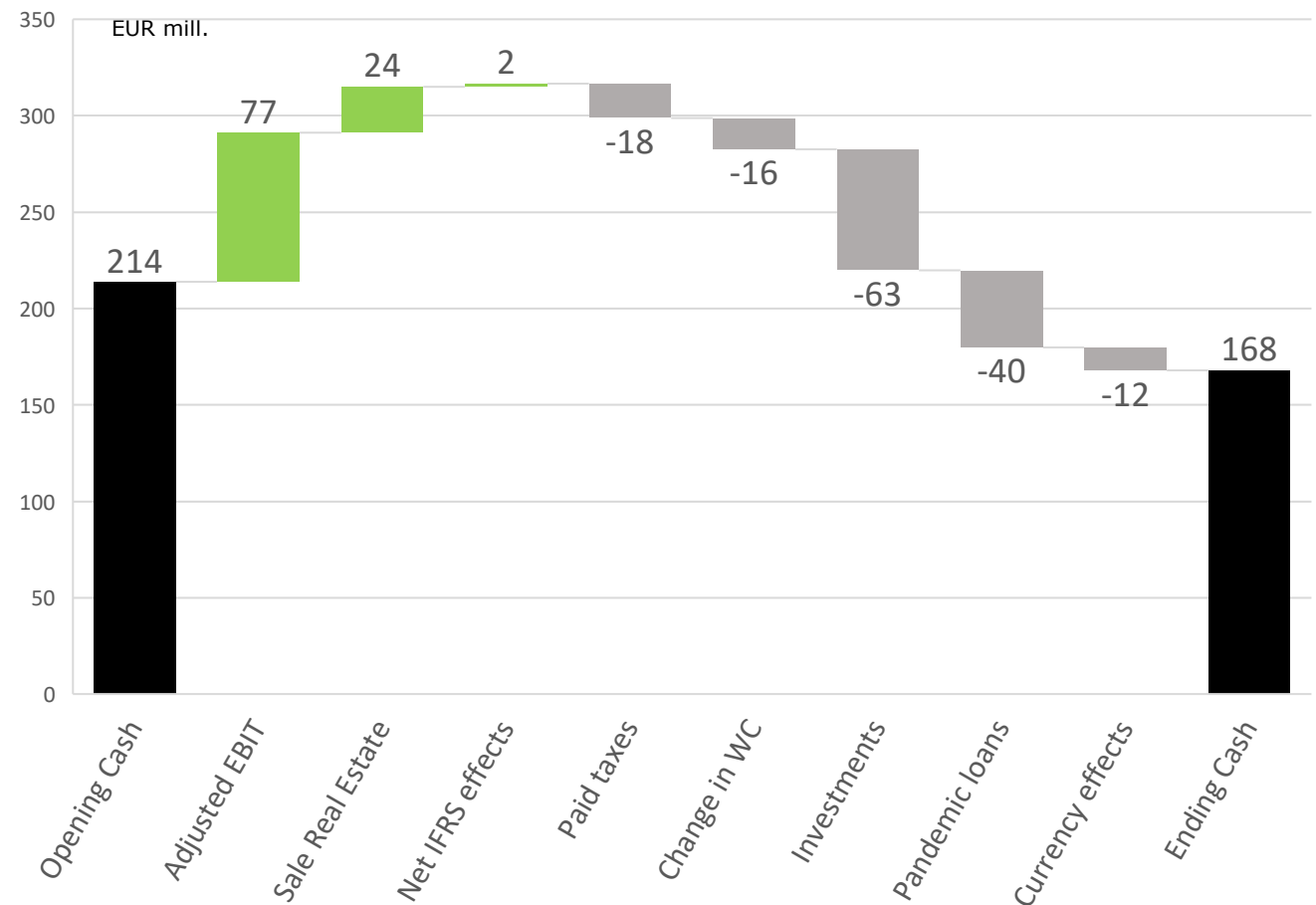
STOCKMANN GROUP

CASH FLOW FROM OPERATIONS CONTINUES ON GOOD LEVEL

Cash Flow Q4 2022



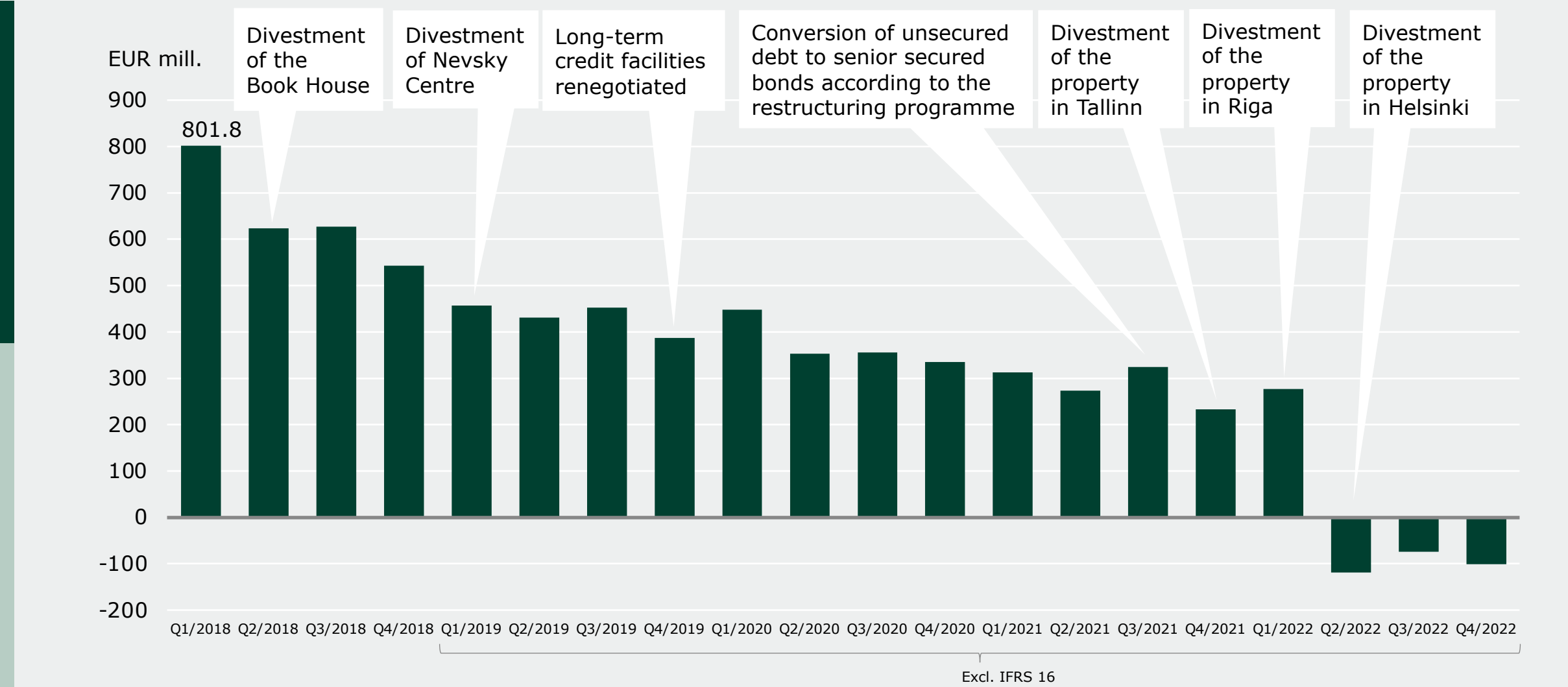
Cash Flow YTD



- CAPEX Lindex Omnichannel distributions centre EUR 15.5 million in Q4 2022, 38.5 million YTD 2022
- CAPEX Omni channel distribution centre going forward 2023: EUR 59 million, 2024: EUR 10 million, 2025: EUR 3 million



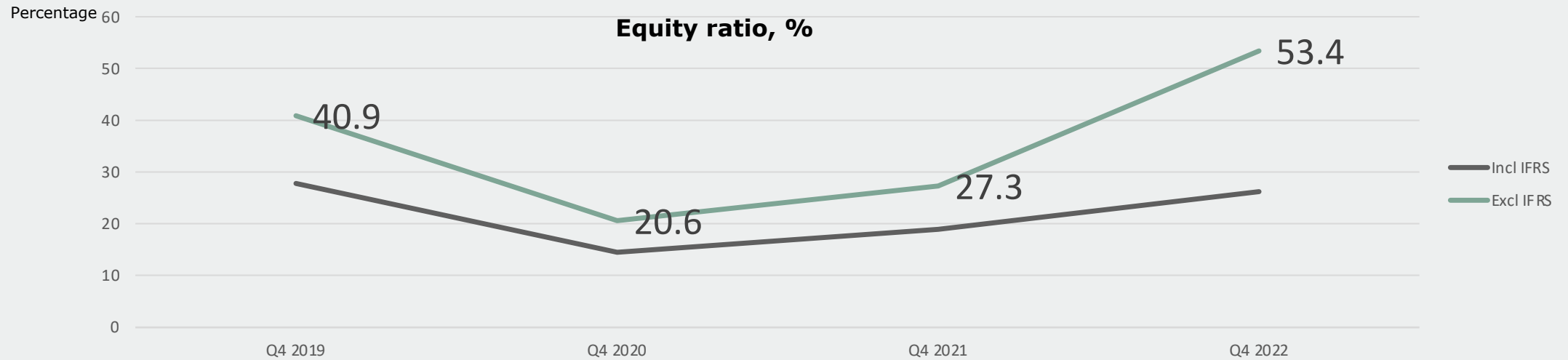
POSITIVE INTEREST-BEARING NET DEBT POSITION CONTINUES





STOCKMANN GROUP, BALANCE SHEET ITEMS

EQUITY RATIO FURTHER IMPROVES AND CASH POSITION STRONG

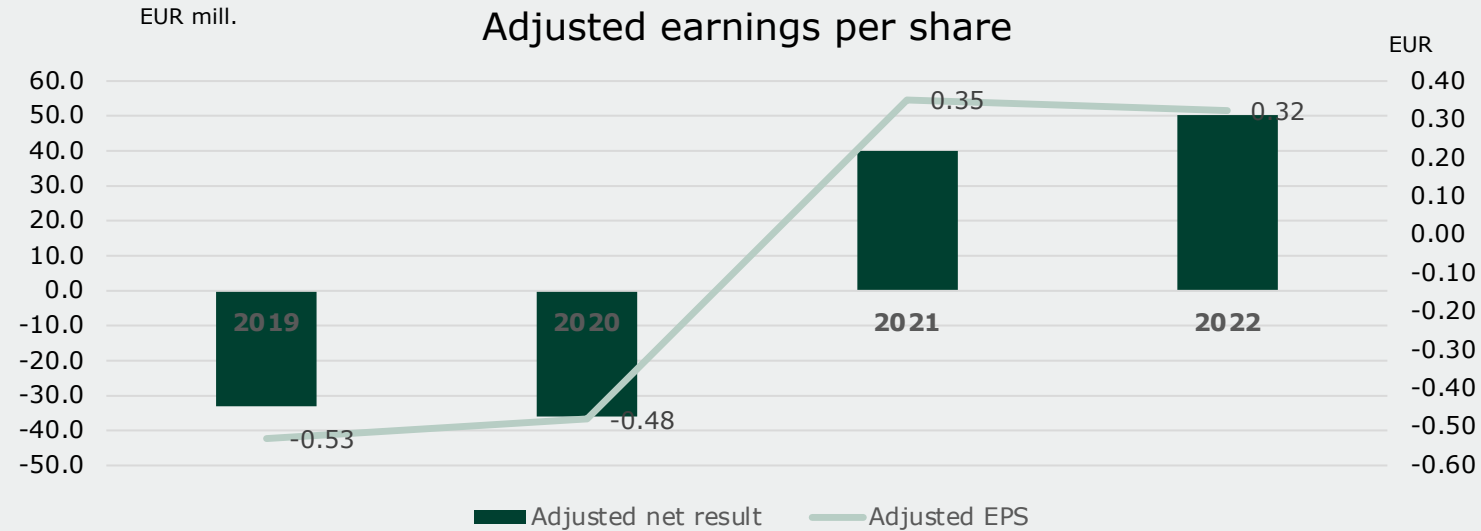


| | | 31.12.2019 | 31.12.2020 | 31.12.2021 | 31.12.2022 |
|----------------------------------|-----------|------------|------------|------------|----------------|
| Cash and cash equivalents | EUR mill. | 24.9 | 152.5 | 213.7 | 167.9 |
| Inventories | EUR mill. | 145.8 | 135.3 | 154.8 | 174.2 |
| Equity | EUR mill. | 469.6 | 206.2 | 268.2 | 335.6 |
| Lease liabilities | EUR mill. | 529.8 | 371.2 | 337.2 | 554.8 |
| Balance sheet total | EUR mill. | 1 690.3 | 1 425.3 | 1 416.5 | 1 282.9 |
| Equity ratio | % | 27.8 | 14.5 | 18.9 | 26.2 |
| - Excluding IFRS 16 | | 40.9 | 20.6 | 27.3 | 53.4 |



STOCKMANN GROUP, EARNINGS PER SHARE

ADJ. EARNINGS PER SHARE STABLE - DESPITE MORE SHARES



| | | 1-12/2019 | 1-12/2020 | 1-12/2021 | 1-12/2022 |
|---------------------------------------|-----------|-----------|-----------|-----------|----------------|
| Adj. operating result | EUR mill. | 39.8 | -12.3 | 68.3 | 79.8 |
| Operating result | EUR mill. | 24.1 | -269.6 | 82.1 | 154.9 |
| Adj. net result for the period | EUR mill. | -33.1 | -36.0 | 40.0 | 50.2 |
| Net result for the period | EUR mill. | -45.6 | -291.8 | 47.9 | 101.6 |
| Average number of shares | Thousands | 75,102 | 75,102 | 114,009 | 155,189 |
| Adj. earnings per share | EUR | -0.53 | -0.48 | 0.35 | 0.32 |
| Earnings per share | EUR | -0.69 | -3.89 | 0.42 | 0.65 |



GUIDANCE AND OUTLOOK FOR 2023

Guidance for 2023

In 2023, Stockmann expects the Group's revenue to be in the range of EUR 960–1 020 million and the Group's adjusted operating result to be EUR 60–80 million, subject to foreign exchange rate fluctuation. The guidance is based on the assumption that the continuing high inflation will increase costs from 2022 and have an adverse impact on consumer demand. At the same time, the Stockmann Group continues taking firm measures to minimise the impacts of cost increases.

Market outlook for 2023

The current challenging geopolitical situation and the high inflation level are expected to continue. However, inflation is predicted to slow down compared to the latter part of the year 2022. This, together with high interest rates, is forecast to have a negative impact on consumer confidence and purchasing power. The retail market is expected to remain challenging due to lower consumer demand and increased purchasing prices and operating costs. The risk of potential disruptions in the supply chains and international logistics cannot be excluded, either.

Q&A

Further information

stockmanngroup.com

investor.relations@stockmann.com

