



# Half-year Financial Report January–June 2024

**Susanne Ehnbåge, CEO**  
**Annelie Forsberg, CFO**  
**19 July 2024**

**LINDEX GROUP**



# Agenda

- Business update
- Financial update
- Way forward
- Q&A





# Business update





# Key messages Q2 2024

**Challenging market**  
situation in all key  
markets in June

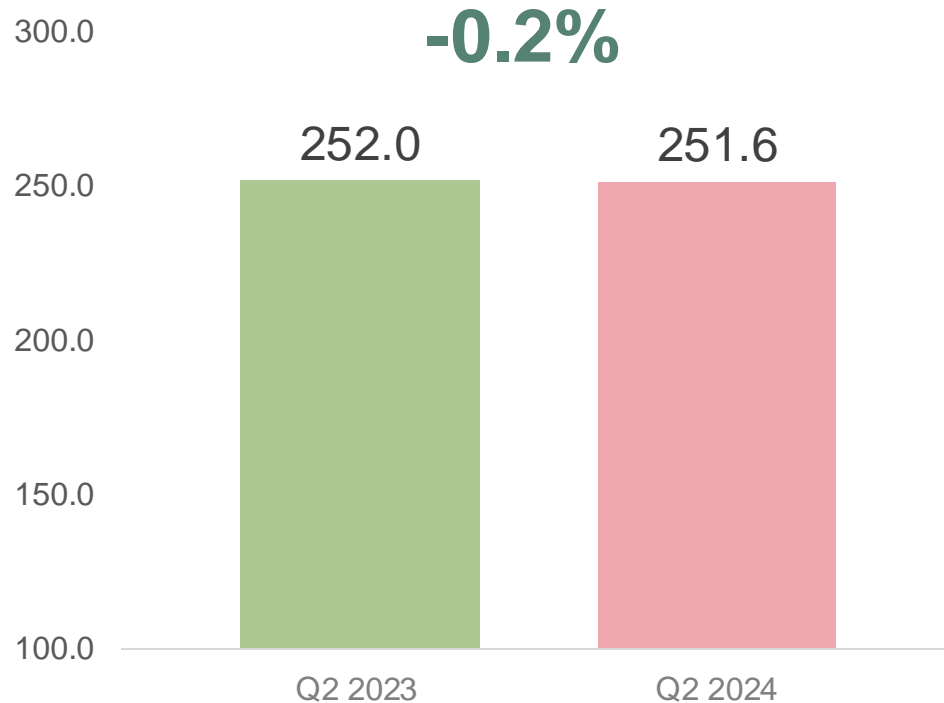
**The Stockmann  
division improved**  
its result and  
increased revenue

**Science Based Targets  
initiative approved**  
Lindex Group's  
climate target

**Only one disputed  
claim left**  
in the restructuring  
programme

**Strategic assessment  
continuing,**  
expected to be  
finalised during 2024

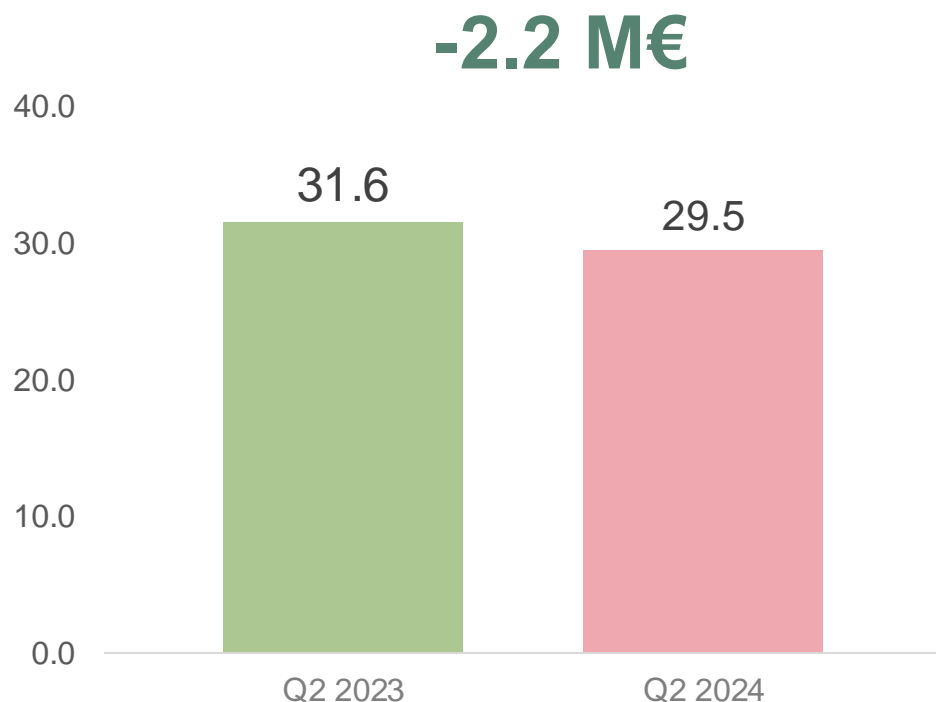
## REVENUE, M€



## Lindex Group's twofold Q2: revenue ended on par

- In April and May, revenue developed well in both divisions
- In June, revenue decreased due to lower number of visitors in stores
- Preliminary fashion market data shows a declining trend for June
- The timing and success of the Stockmann division's Crazy Days campaign increased revenue

## ADJUSTED OPERATING RESULT, M€



## Q2 result impacted by planned growth investments

- Adjusted operating result impacted by
  - planned higher costs for marketing and digital development enabling future growth
  - revenue decrease in June
- The Stockmann division improved its adjusted operating result month by month compared to the previous year



# Lindex continued market expansion

- Continued expansion via online fashion platforms and introduction of Closely and Female Engineering brand, reaching new markets and customers
- Launch of Lindex kidswear selection in the Stockmann department stores and online, capturing Group synergies
- Progress in ongoing investments and digital transformation
- Further steps towards a more circular assortment: 84% of all garments made from recycled or more sustainable sources, goal 100% by 2026





# Stockmann improved throughout the quarter

- Successful Crazy Days campaign with strengthened omnichannel performance
- Continued cost savings and investments in operational efficiency improvement
- New organisation structure to support strategy implementation, estimated annual savings of 2.7 M€ from 2025 onwards
- Increased amount of active and new loyal customers, growth in loyal customers' share of revenue
- Continuous strategic offering development towards luxury with new brands and concession partnerships







# Guidance 2024

Updated 15 July 2025

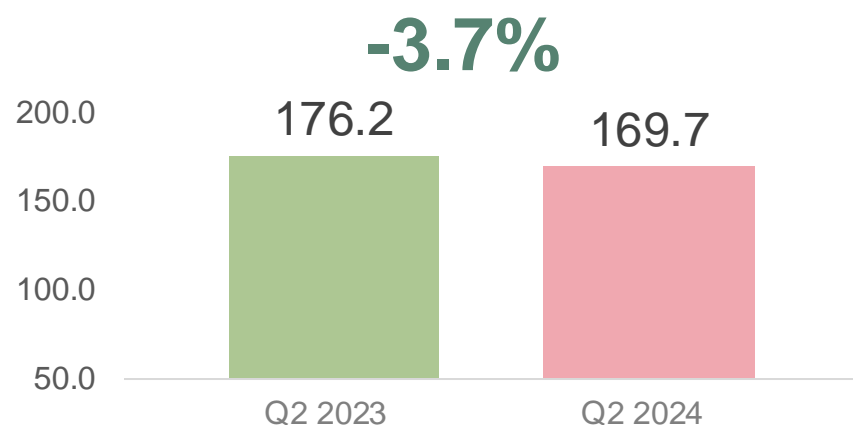
In 2024, Lindex Group expects its revenue in local currencies to be in the range of -2% to +2% compared to 2023. The Group's adjusted operating result is estimated to be EUR 70–90 million. Foreign exchange rate fluctuations may have a significant effect on the adjusted operating result.



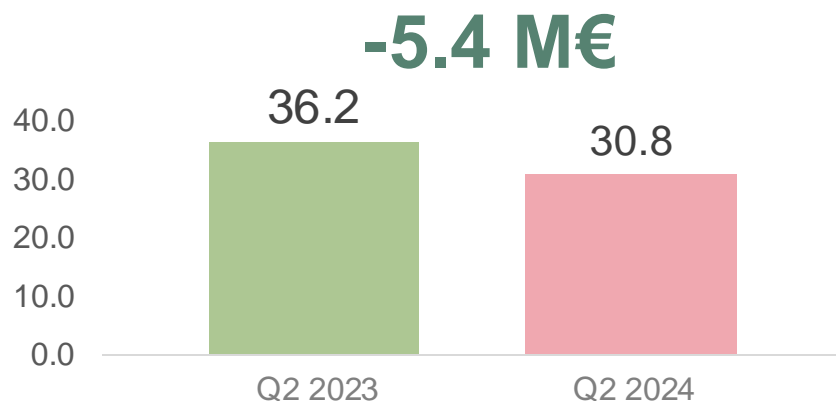
# Financial update



### LINDEX DIVISION REVENUE, M€



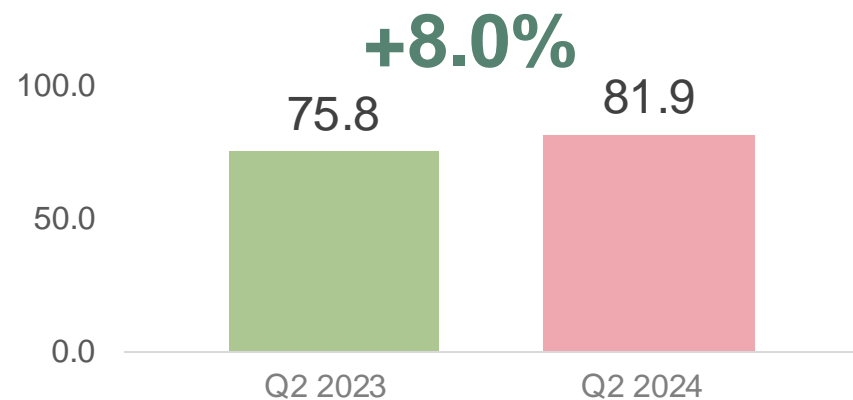
### LINDEX DIVISION ADJUSTED OPERATING RESULT, M€



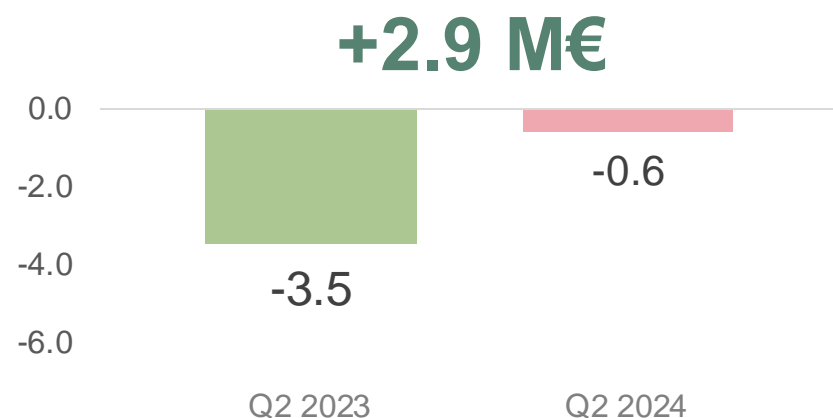
## Q2: The Lindex division's result impacted by challenging June and increased costs

- Revenue developed well in April and May, but decreased due to a clear decline in visitor numbers in stores in June in line with the market
- Digital revenue grew by 0.8% in local currencies
- Gross margin improved to 67.5% (66.8)
- Operating costs increased to 66.6 (63.8) M€ mainly due to planned higher costs for marketing and digital development enabling future growth
- Adjusted operating result declined to 30.8 (36.2) M€ due to lower revenue and increased costs

### STOCKMANN DIVISION REVENUE, M€



### STOCKMANN DIVISION ADJUSTED OPERATING RESULT, M€



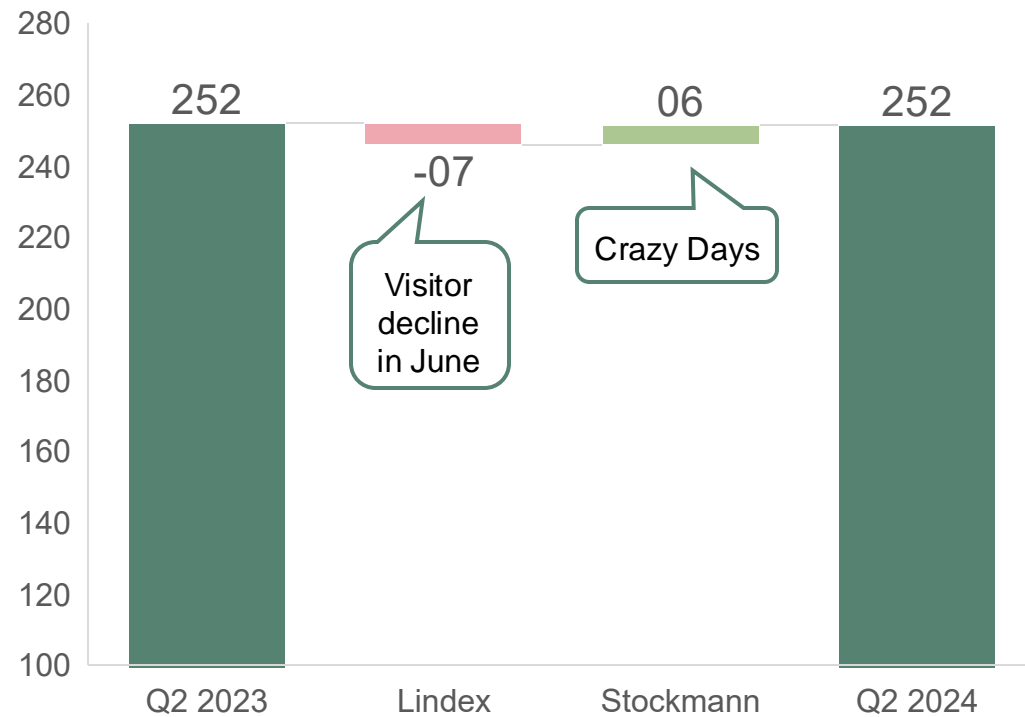
## Q2: Timing and success of Crazy Days improved Stockmann's performance

- Timing and success of the Crazy Days campaign increased the revenue
- Gross margin decreased to 44.4% (44.7) due to higher share of promotional sales related to the timing Crazy Days
- Successful cost saving measures continued
- Adjusted operating result improved in all the months during the quarter

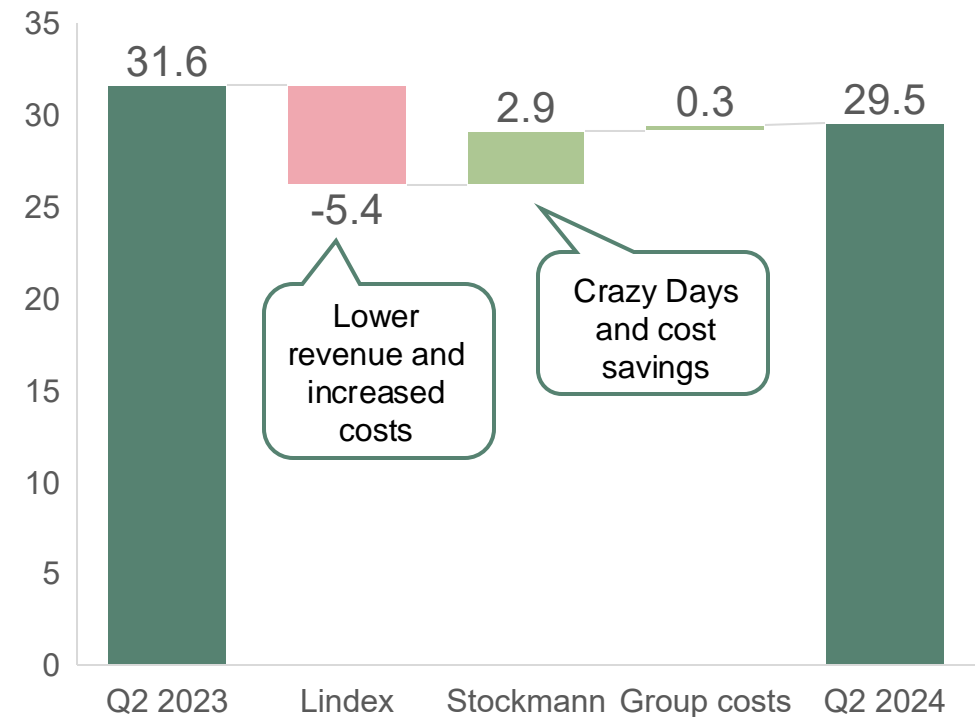


# Q2: Changes in Group revenue and adjusted operating result

## CHANGES IN REVENUE, M€

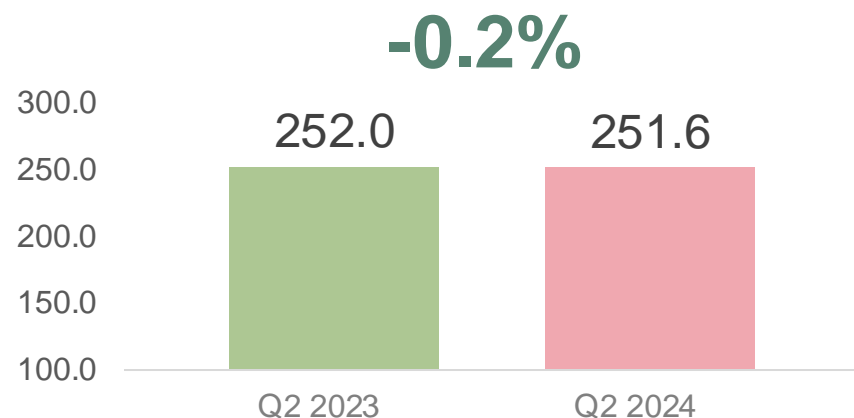


## CHANGES IN ADJUSTED OPERATING RESULT, M€

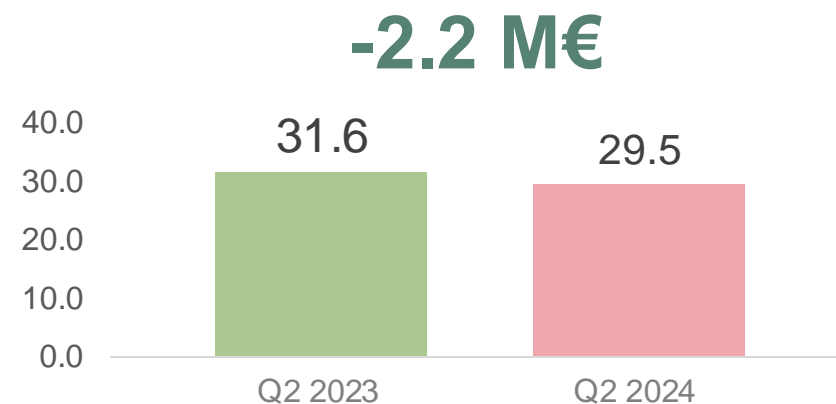


# Q2: Group key figures

REVENUE, M€



ADJUSTED OPERATING RESULT, M€



**20.3 M€**  
(30.2)  
operating result

**7.0 M€**  
(13.8)  
net result

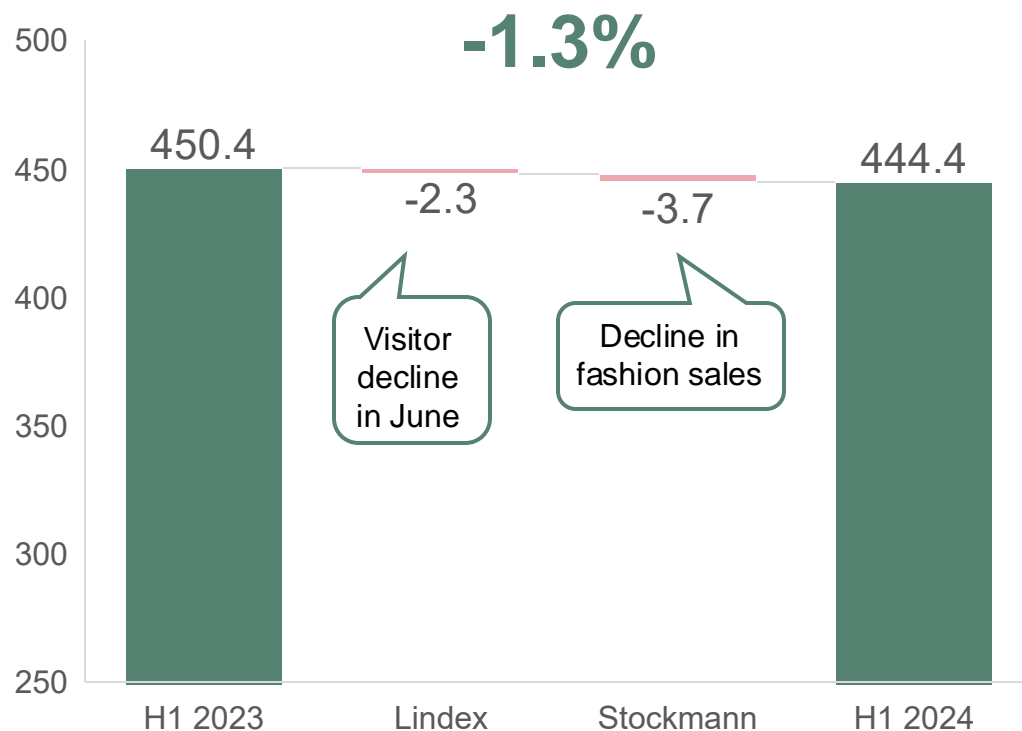
**60.0%**  
(60.1)  
gross margin

**0.04 €**  
(0.09)  
EPS

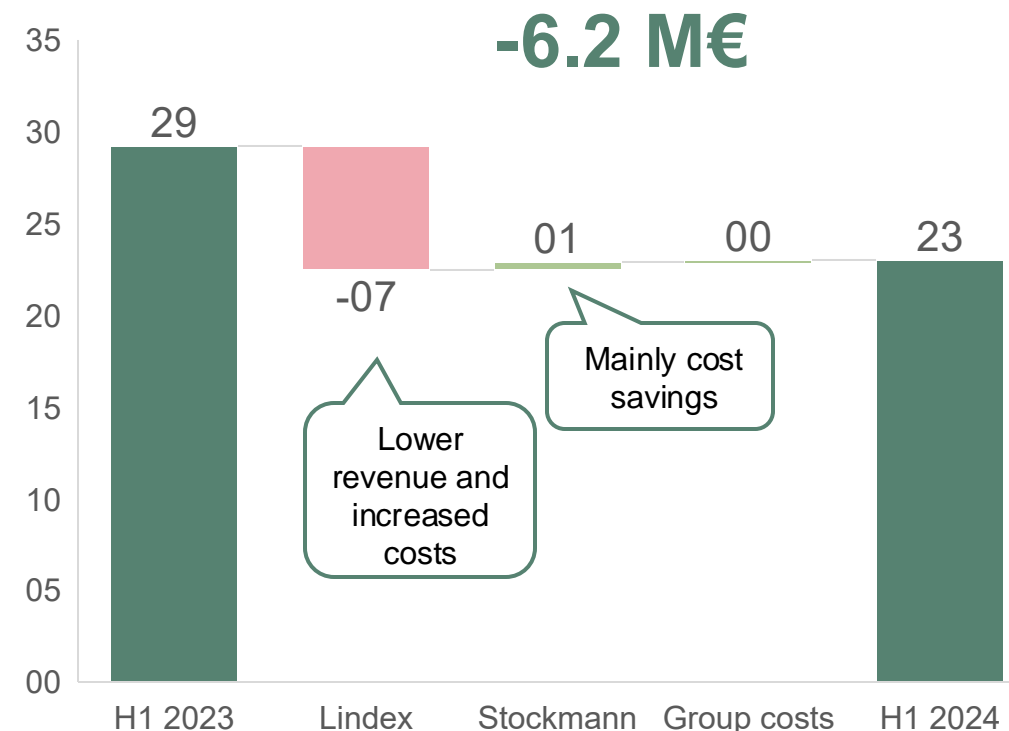


# 1–6/2024: Changes in Group revenue and adjusted operating result

## CHANGES IN REVENUE, M€



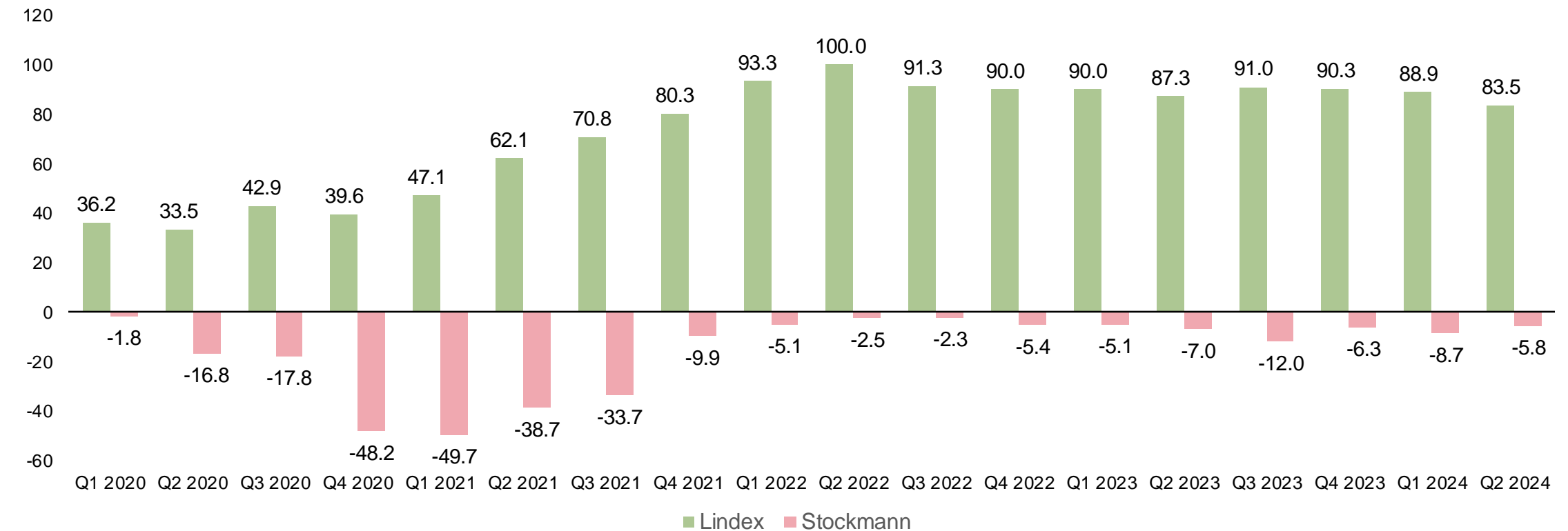
## CHANGES IN ADJUSTED OPERATING RESULT, M€



# The divisions' profitability levels

## ADJUSTED OPERATING RESULT ROLLING TWELVE MONTHS, M€

EUR mill.

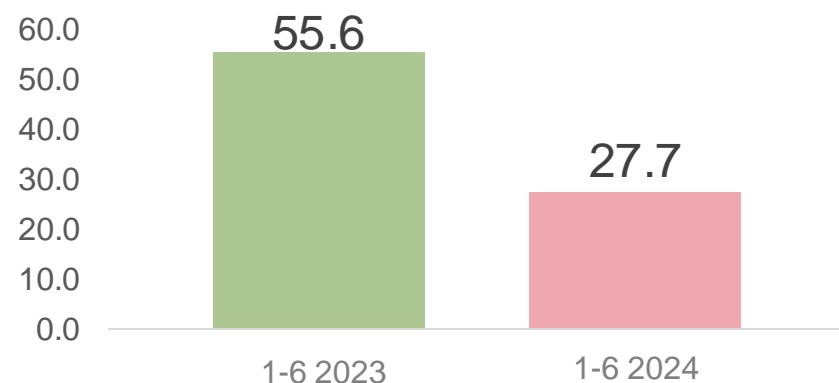


LINDEXGROUP



# 1-6 2024: Operating free cash flow and capital expenditure

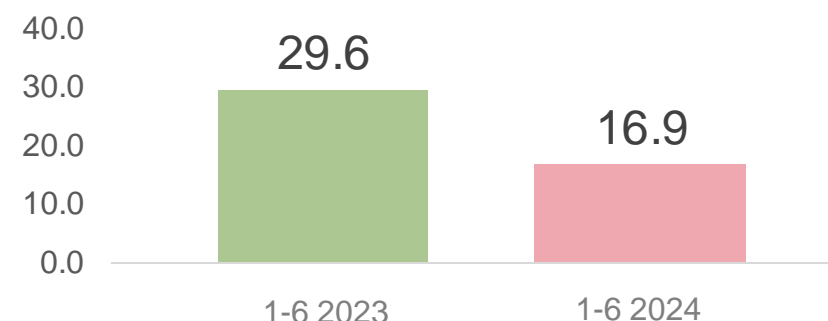
OPERATING FREE CASH FLOW, M€\*



- Increased working capital due to higher accounts payables and temporary accruals in the comparison period
- Lower result and increased lease payments.
- Stock-in-trade at comparison level 173.8 M€ (171.8)

\* The operating free cash flow is excluding Lindex omnichannel distribution centre and IAC.

CAPITAL EXPENDITURE (EXCL. IFRS 16 ITEMS), M€



- CAPEX, excl the Lindex omnichannel distribution centre, 14.4 M € (11.5)
- Omnichannel distribution centre, 2.5 M € (18.1)

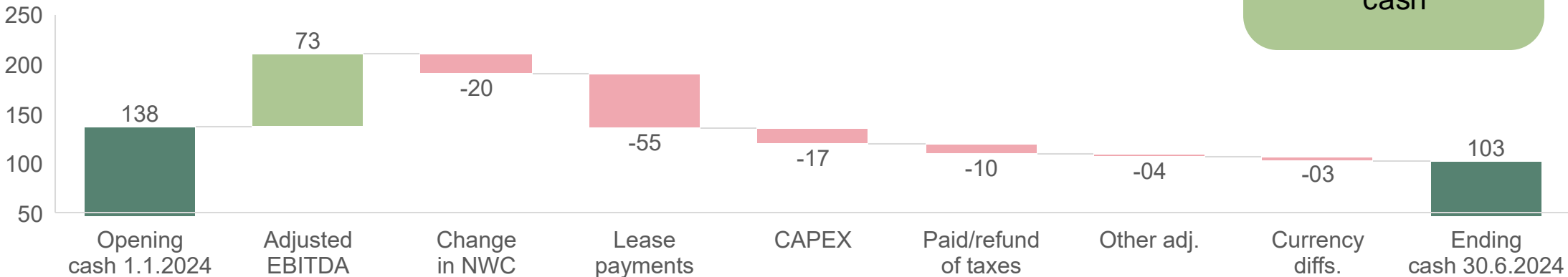
By the end of June, 85 M€ of the total omnichannel distribution centre investment of 110 M€ has been paid

# Changes in cash position

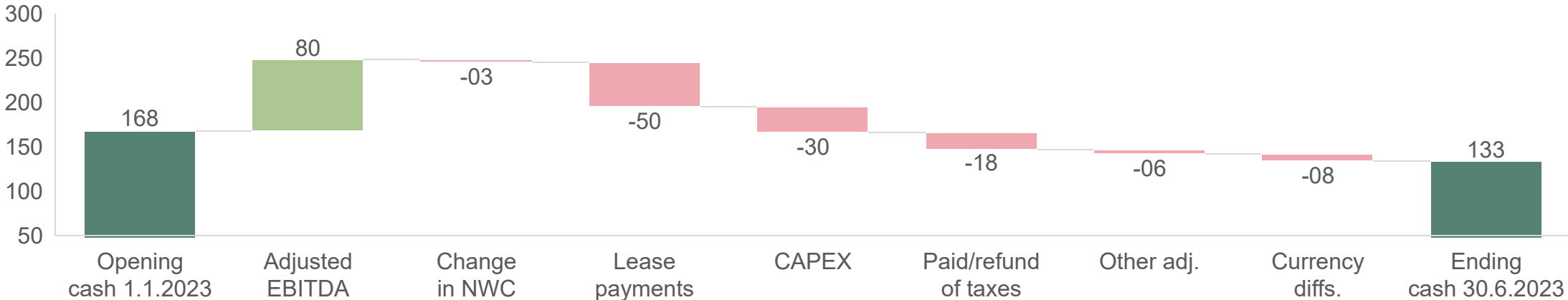
103.1 M€  
(132.7)  
cash

CHANGES IN CASH POSITION PER ITEM, M€

2024  
1–6



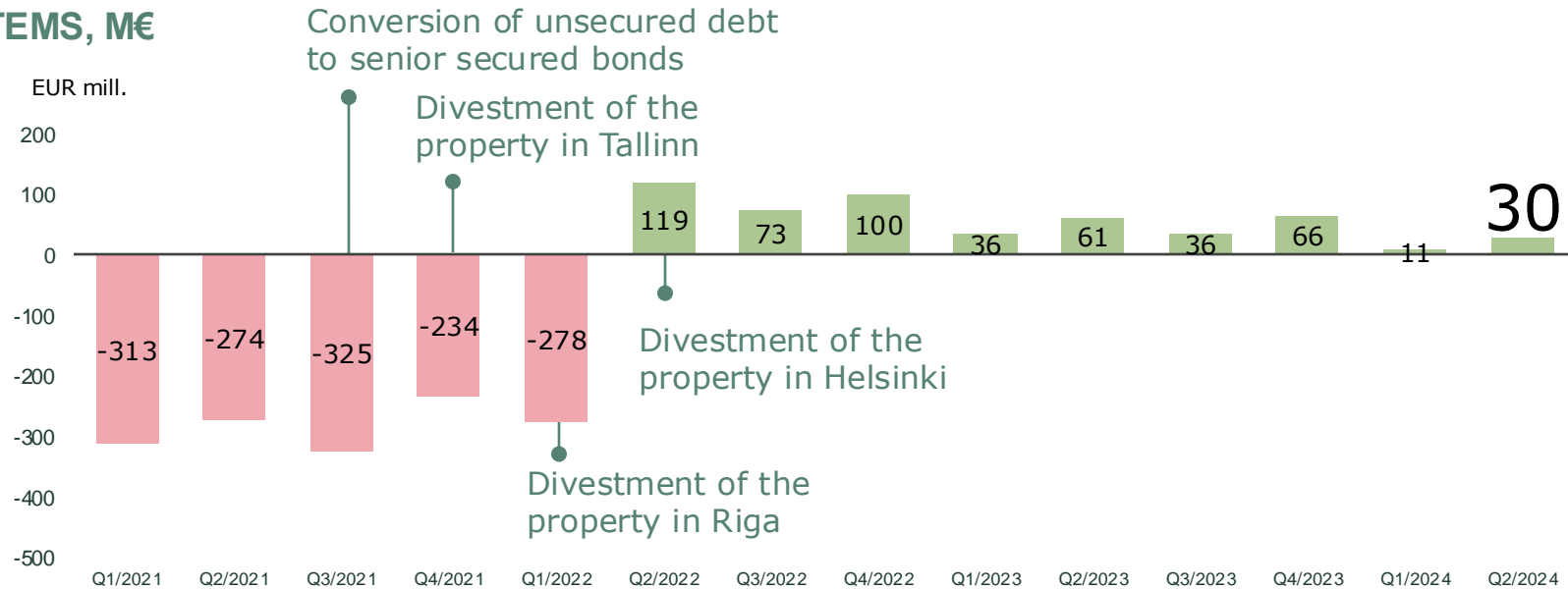
2023  
1–6





# Good financial position for future growth

## NET DEBT EXCL. IFRS 16 ITEMS, M€



**60.5%**  
(58.4)  
equity ratio  
(excl. IFRS 16)

**28.6%**  
(28.0)  
equity ratio

**614.1 M€**  
(556.0)  
lease liabilities

**73.1 M€**  
(71.9)  
interest-bearing  
liabilities (excl. IFRS 16)

# Financial highlights Q2 2024

## LINDEXGROUP

**Revenue and gross margin on par** despite challenging market situation in June

## LINDEX

**Good revenue development** in April and May, decline in June



## STOCKMANN

**Adjusted operating result improved** in every month of the quarter



Way forward





# Lindex: Clear strategy for value creation

**Accelerate growth**

**Transform to a  
sustainable business**

**Decouple cost  
from growth**

LINDEX

# Lindex: Important launches for reaching growth and profitability plan

- Launch new omnichannel distribution centre in the autumn
- Continue to invest in enabling future growth while focusing on cost efficiency
- Strengthen our foundation for efficiency, flexibility and innovation
  - Continue implementing Digital store programme with new POS system
  - Digitalise our supply chain with enhanced supplier collaboration and 3D design
- Expand e-commerce and presence in online fashion platforms, as well as growing with new sales channels
- Proceed our sustainability transformation





# Stockmann: Customer-centric strategy to ensure profitability and future growth

**Elevate offering**

**Grow and leverage  
loyal customer base**

**Ensure seamless  
omnichannel experience**

**+ Improve further operational efficiency  
+ Expand revenue horizons**



# Stockmann: Focus on operational efficiency improvement and customer

- Operational efficiency improvement as a high priority to ensure profitability
- Secure continued progress in
  - Digitalisation and leveraging technology
  - Organisational and process efficiency
  - Strategic collaboration with suppliers and concession partners
  - Active cost saving measures
- Continue growing and leveraging loyal customer base in line with the strategy
  - Create growth and efficiencies with marketing automation, data and AI assisted processes





# Q&A

**Further information**

[lindex-group.com](https://lindex-group.com)

[investor.relations@stockmann.com](mailto:investor.relations@stockmann.com)

**LINDEXGROUP**





A smiling woman with short dark hair, wearing a black dress with a blue and green floral pattern, stands against a light blue background. The text is overlaid on the image.

# Next financial report

Interim Report for January–September  
25 October 2024