



Financial Statements 2024

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Henrik Henriksson, CFO
7 February 2025

LINDEXGROUP

Agenda

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



Business update





Key messages

The fashion market remained volatile in the Group's key markets

Lindex division: adjusted operating result **increased significantly** during Q4

Stockmann division: consistent **profitability improvement** continued

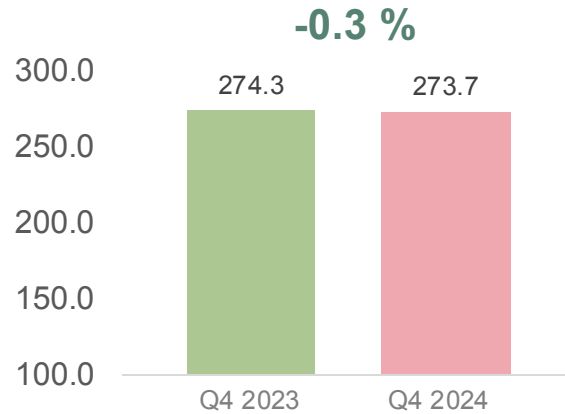
Successful launch of the Lindex division's **omnichannel distribution centre**

One disputed claim left in the restructuring programme

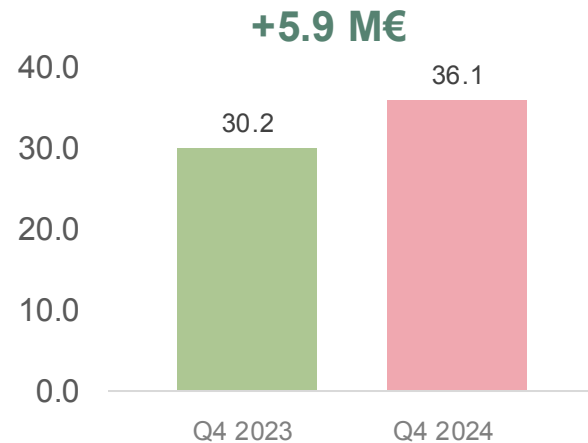
Strategic assessment continues, expected to be finalised in H1 2025

Q4: Lindex Group's profitability increased

REVENUE, M€



ADJUSTED OPERATING RESULT, M€



- Group's revenue was on par with the comparison period, also in local currencies
 - Lindex division's revenue developed well towards the latter part of the quarter due to improved stock availability and well received offering
 - In local currencies, the revenue increased by 2.3%
- Group's adjusted operating result increased clearly
 - Lindex division's adjusted operating result increased due to higher gross profit and good cost control
 - Stockmann division's adjusted operating result increased due to lower costs and improved gross margin

2024: Financial performance impacted by challenging market

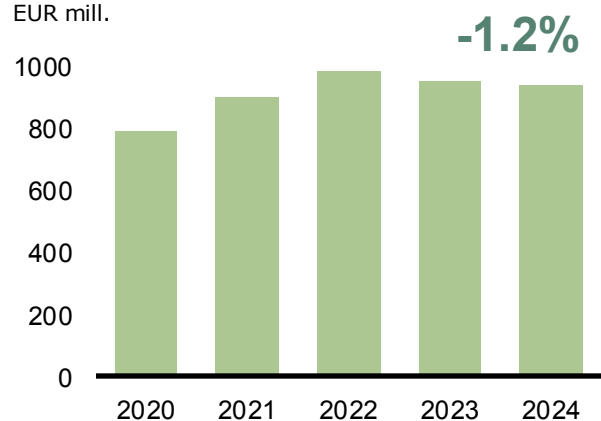
Revenue EUR 940.1 (951.7) million

- Lindex division: EUR 628.8 (633.1) million
 - The revenue was impacted by the fashion market's continued volatility and logistical challenges mainly in Q3
- Stockmann division: EUR 311.6 (318.5) million
 - Volatility of the fashion market impacted fashion category revenue
 - Beauty and food categories performed well

Adjusted operating result EUR 74.9 (80.0) million

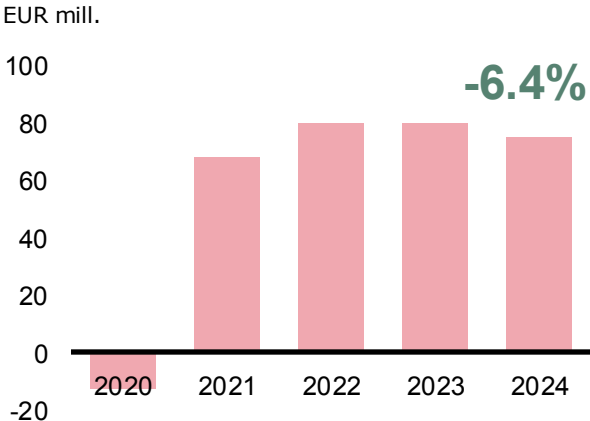
- Lindex division: EUR 82.9 (90.3) million
 - Impacted by lower gross profit and increased operating costs
- Stockmann division: EUR -3.9 (-6.3) million
 - Lower sales in fashion category
 - Successful cost efficiency actions and improved gross margin

REVENUE



2024:
EUR 940.1 million

ADJUSTED OPERATING RESULT

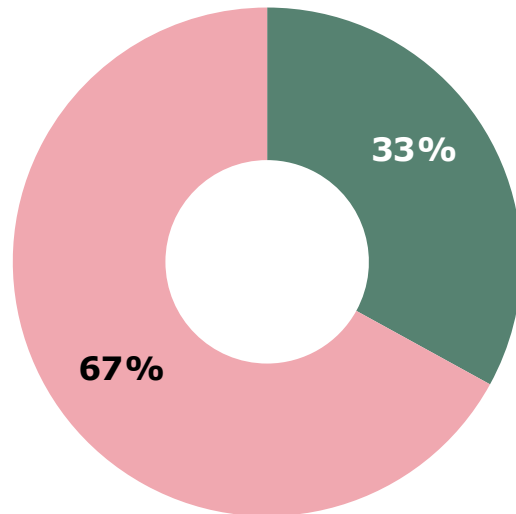


2024:
EUR 74.9 million

Fashion accounts for close to 80% of the Group's revenue

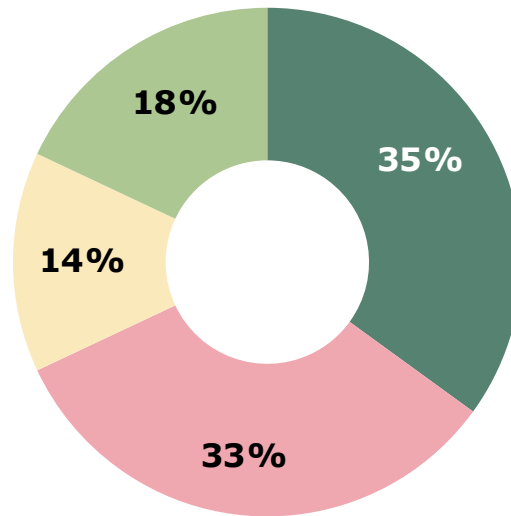
Revenue split 2024 in EUR

By division



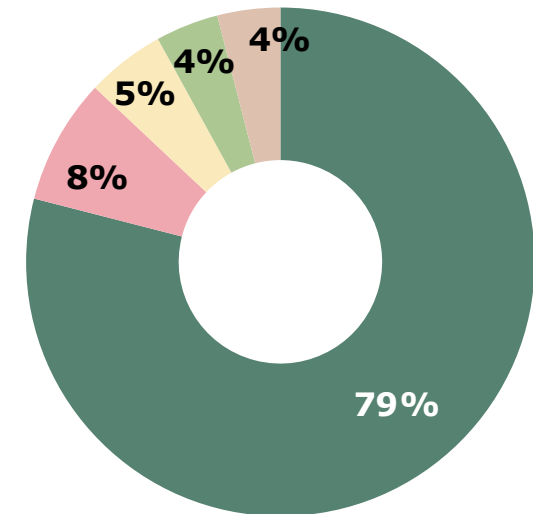
Stockmann
Lindex

By market



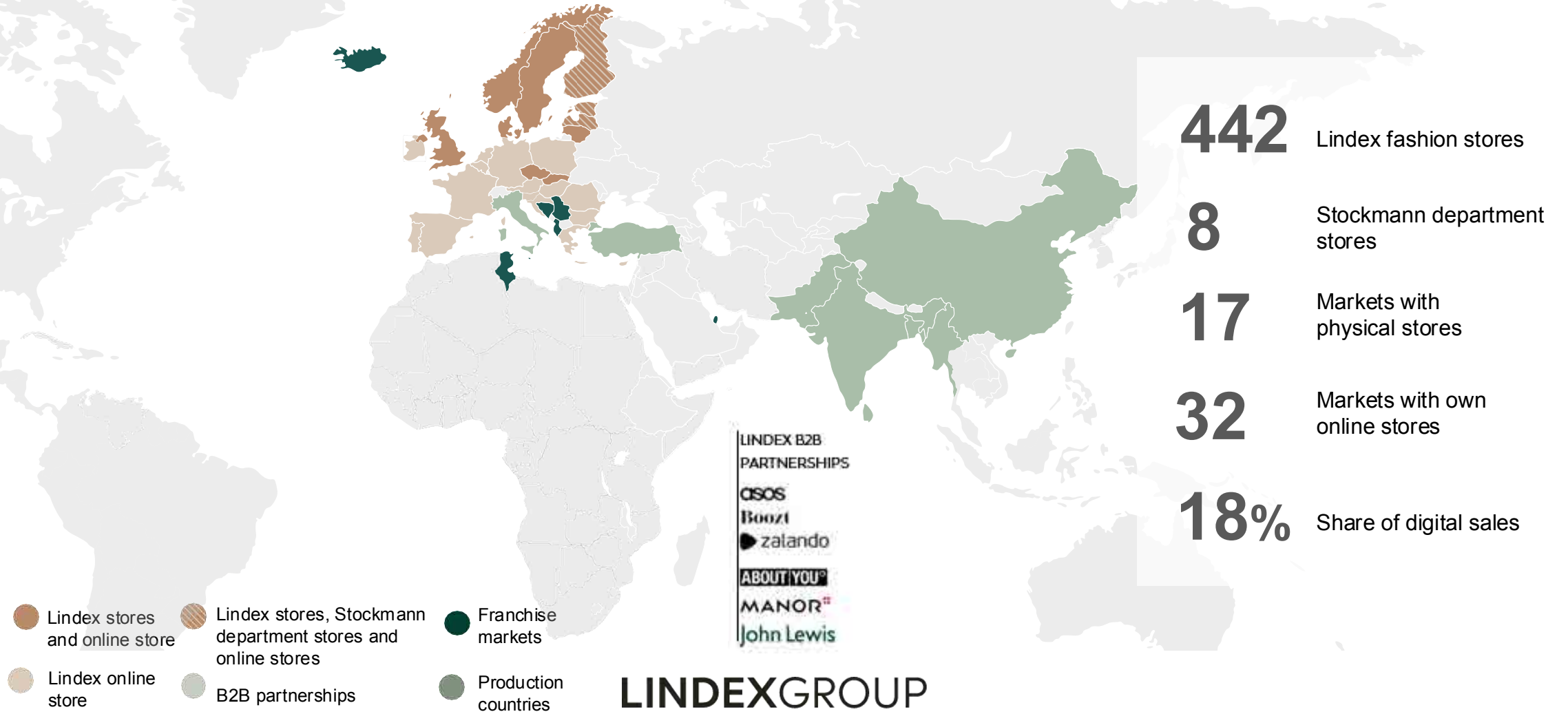
Sweden
Finland
Norway
Other

By categories



Fashion
Beauty
Home
Food
Other

Strong market position in the Nordics and Baltics, global presence via partnerships



Lindex division

Good progress in strategic investments and digital transformation

Q4 2024

- Improved profitability and sales growth, significant increase of digital sales
- Strong commercial assortment with Kidswear as the best performing category, launch of StyleMe pilot
- Launch of new highly automated omnichannel distribution centre
- Good progress in strategic digital transformation
 - Completed the roll-out of new mobile devices to all stores
 - Upgraded digital platform
 - Implemented new data platform enabling more insights for better business decisions

Full year 2024

- Continued growth of new and active customers
- Expanded market presence through partnerships and entering new markets with marketplaces
- Good progress in major investments, digital and sustainable transformation building the foundation for strategic growth journey



Lindex's new omnichannel distribution centre enabling future growth

- Successful and timely launch in November 2024
- By the end of the year 2024, EUR 96.3 million of the total sum (EUR 110 million) invested
- Transition phase planned to continue during the first half of 2025 - planned to be fully operational end of 2025
- Supporting efficiency and growth thanks to a significant capacity increase
 - One stock operation to enable sales and stock optimization for all Lindex sales channels
 - Reduced transaction cost for e-com orders
- From 2026 onwards, EUR 10 million annual savings through improved logistic efficiency and higher stock turnover



OCDC



Stockmann division, 2024

Systematic efficiency improvements paid off

Q4 2024

- Continued profitability improvement due to systematic efficiency measures, proactive inventory and offering management
- Beauty and food categories improved and balanced the impacts of fashion market volatility
- Successful Crazy Days campaign performed better than PY
- Significant growth in the number of new loyal customers and higher share of revenue from loyal customers

Full year 2024

- Strong focus on prioritising the strategic focus areas to build a foundation for improved profitability and sustainable future
- Strategic development of department stores and premium & luxury-branded offering to elevate customer experience
- Operational efficiency further enhanced
- Systematic cost-efficiency measures executed with success

Events after the reporting period

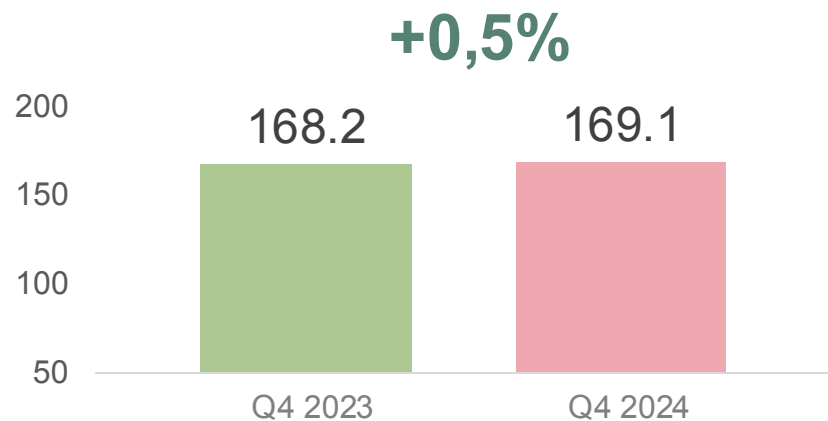
- Lindex Group plans to close the Itis department store in Helsinki and starts the related change negotiations. The planned closure would not have a material impact on the profitability or financial position of Stockmann or Group.



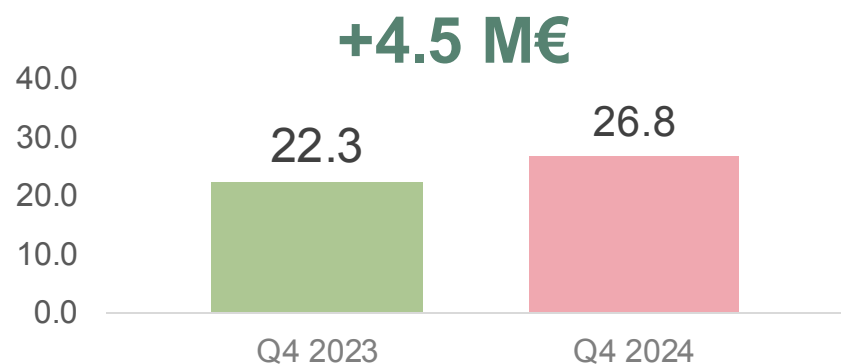
Financial update



LINDEX DIVISION REVENUE, M€



LINDEX DIVISION ADJUSTED OPERATING RESULT, M€

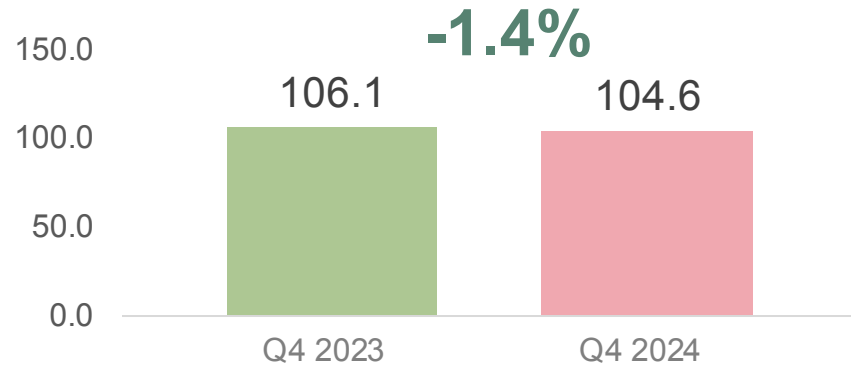


Q4: The Lindex division's result increased significantly

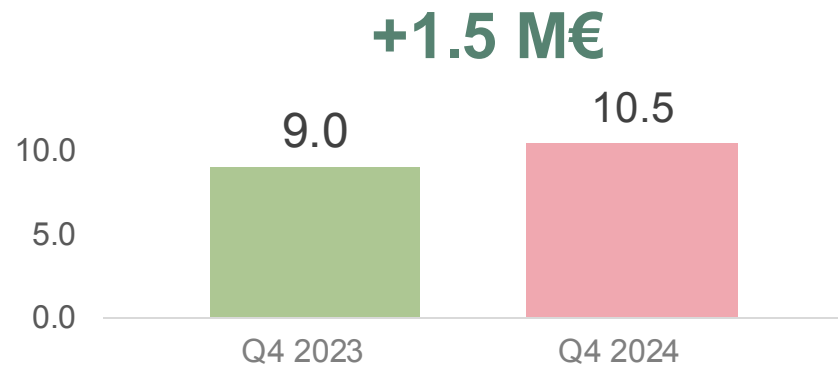
- The revenue developed well towards the latter part of the quarter due to improved stock availability and well received commercial offerings
 - In local currencies, revenue increased by 2.3%
- Gross margin increased to 66.0% (65.5), mainly thanks to enhanced inventory management partly driven by successful digitalisation projects implemented in the Lindex stores and a well-balanced sales mix
- Operating costs decreased due to good cost control
- Adjusted operating result increased significantly to EUR 26.8 (22.3) million due to higher gross profit and good cost control

Q4: Stockmann improved profitability in challenging market

STOCKMANN DIVISION REVENUE, M€



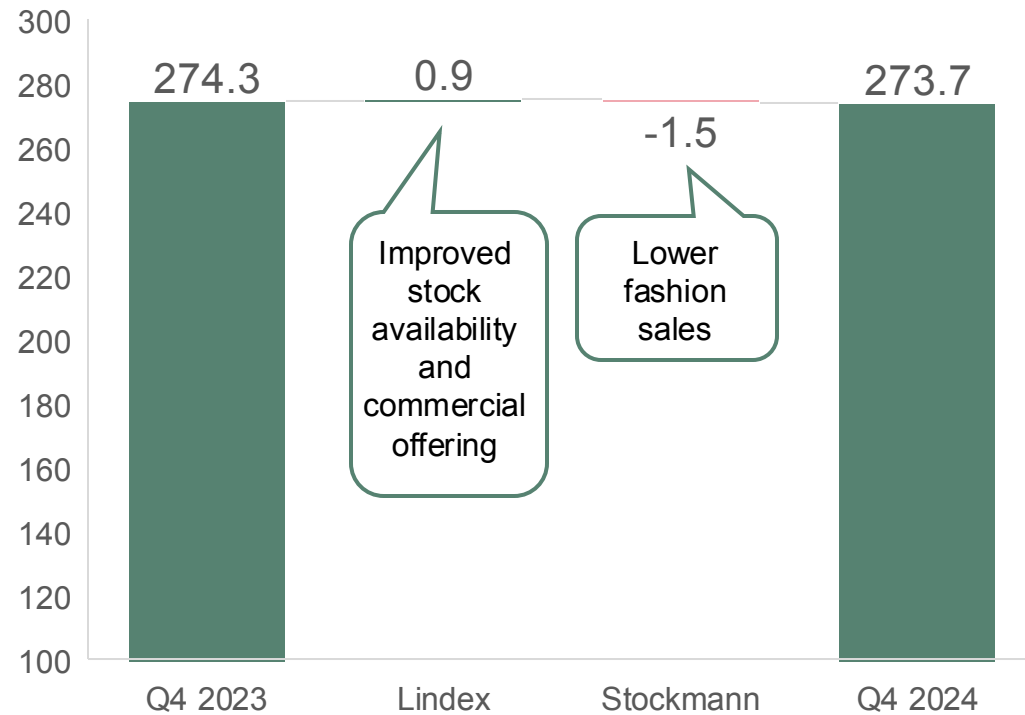
STOCKMANN DIVISION ADJUSTED OPERATING RESULT, M€



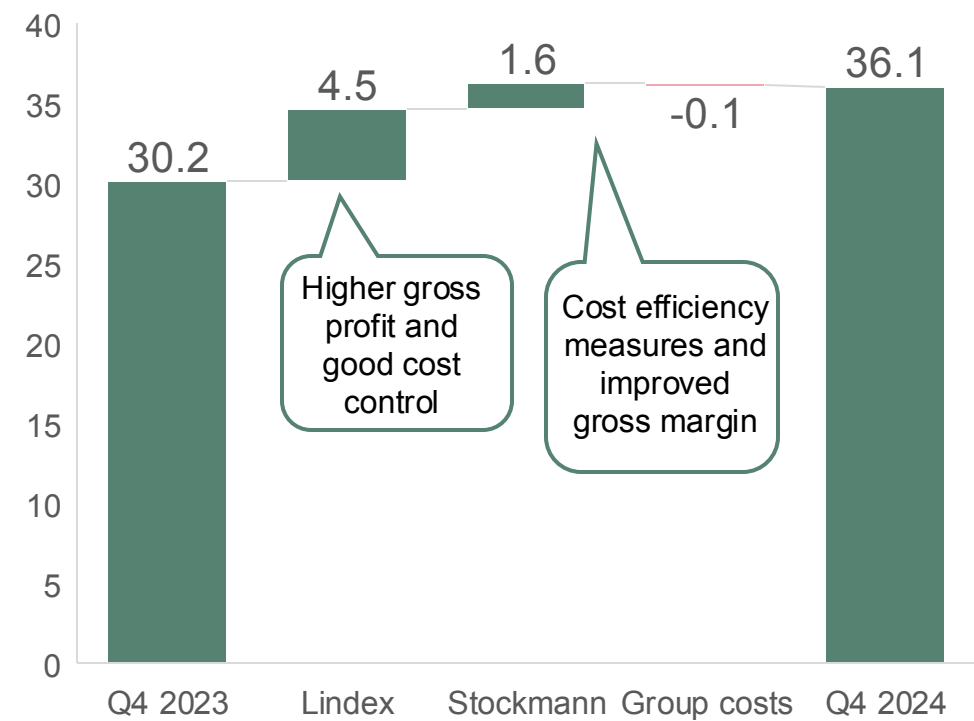
- Revenue decline was impacted by the overall fashion market decline in division's key markets
- In addition, the lowered volume of clearance sales, especially in the digital channel, affected the revenue
- Gross margin increased to 45.4% (44.8) due to good inventory and offering management
- Successful cost efficiency measures continued
- Adjusted operating result improved due to successful cost savings and gross margin improvements

Q4: Changes in Group revenue and adjusted operating result

CHANGES IN REVENUE, M€

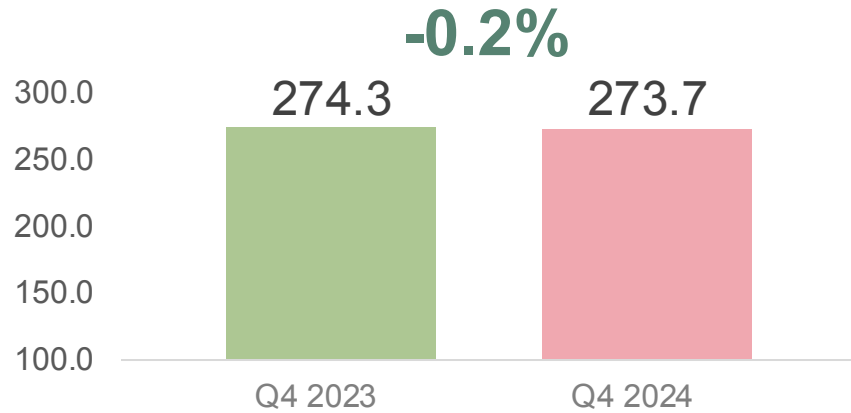


CHANGES IN ADJUSTED OPERATING RESULT, M€

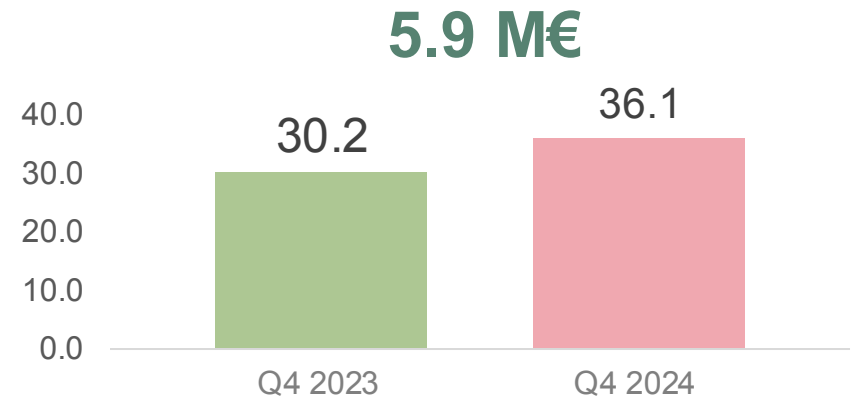


Q4: Group key figures

REVENUE, M€



ADJUSTED OPERATING RESULT, M€



33.1 M€

(28.9)

Operating result

19.8 M€

(9.7)

Net result

58.1%

(57.5)

Gross margin

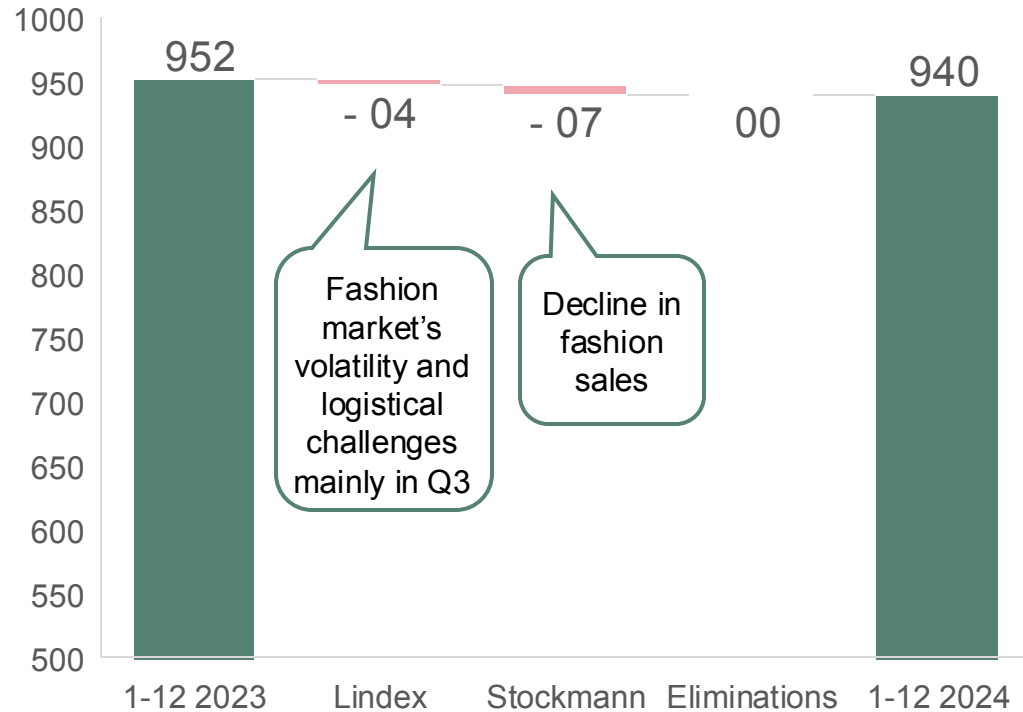
0.12 €

(0.06)

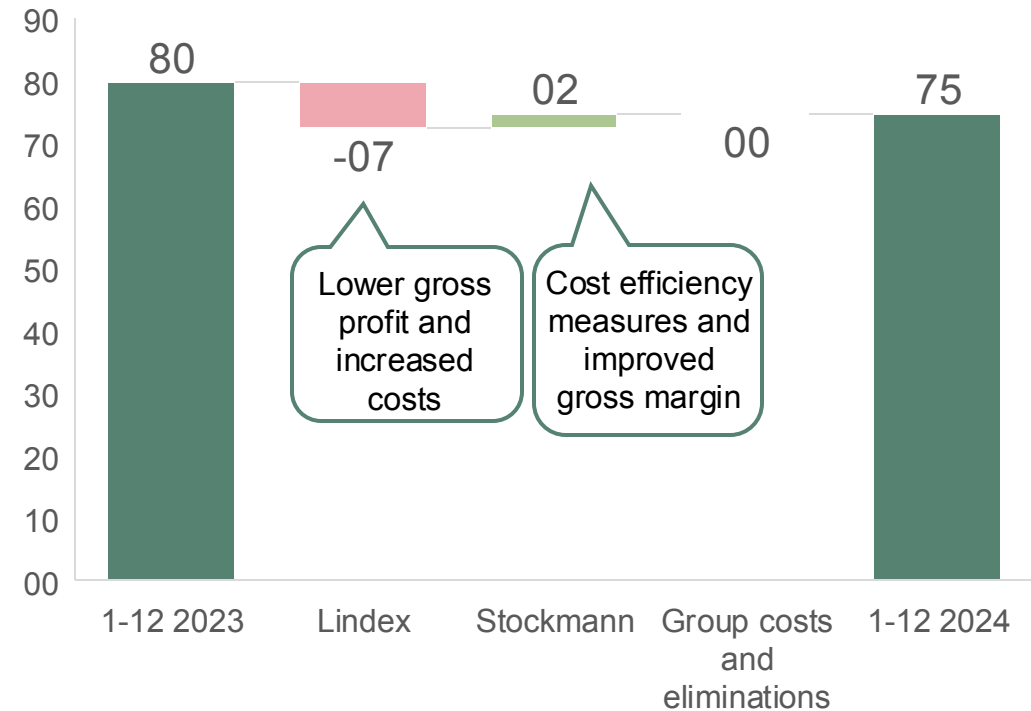
EPS

Full year 2024: Changes in Group revenue and adjusted operating result

CHANGES IN REVENUE, M€



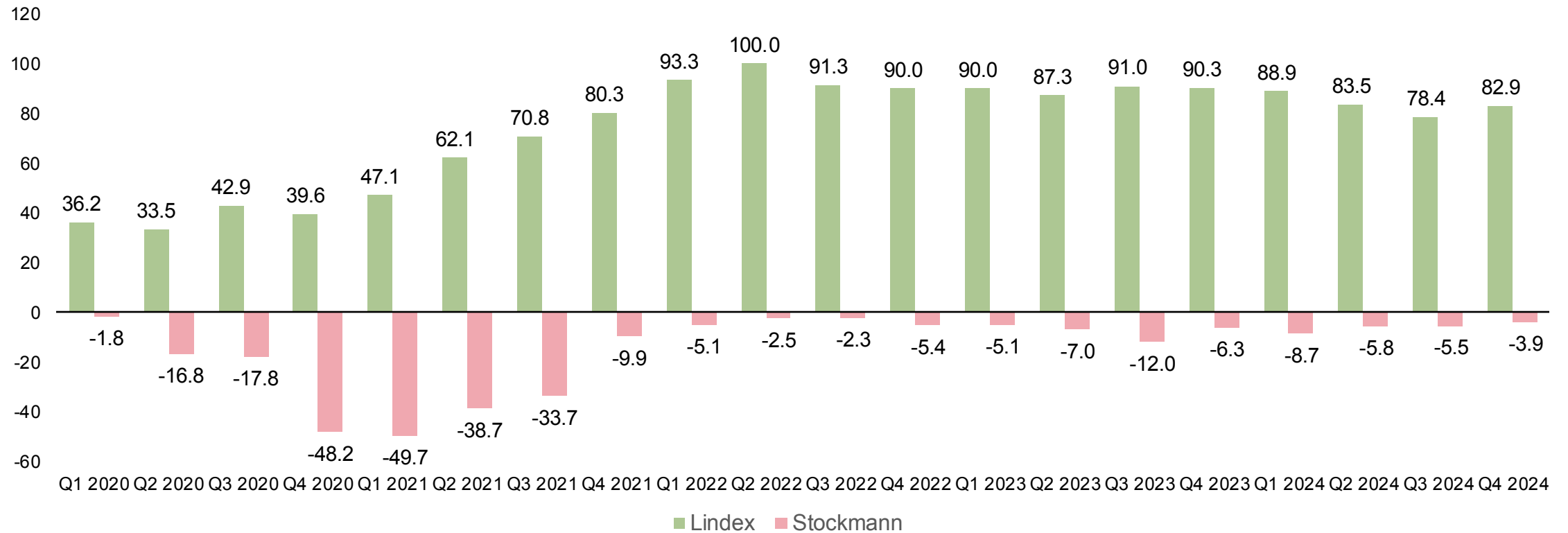
CHANGES IN ADJUSTED OPERATING RESULT, M€



The divisions' profitability levels

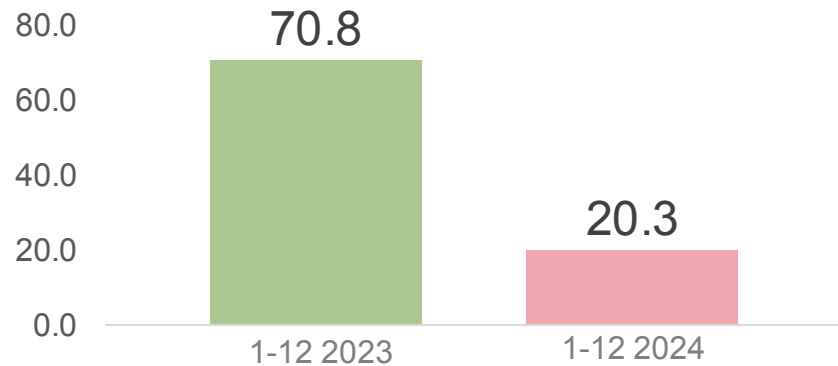
ADJUSTED OPERATING RESULT ROLLING TWELVE MONTHS, M€

EUR mill.

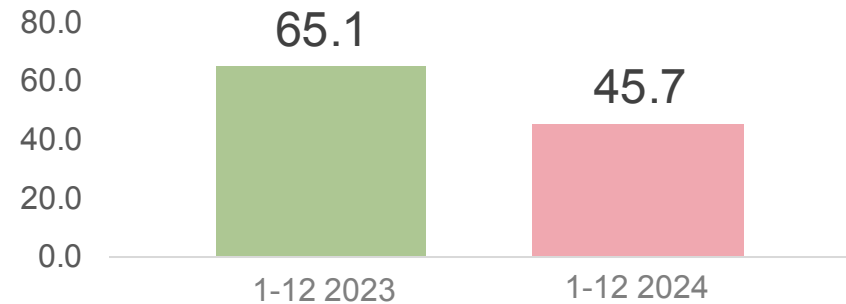


Full year 2024: Operating free cash flow and capital expenditure

OPERATING FREE CASH FLOW, M€*



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



- Inventories were EUR 169.6 (162.9) million

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

- CAPEX, excluding the Lindex omnichannel distribution centre EUR 27.3 (21.8) million
- Omnichannel distribution centre EUR 18.4 (43.3) million

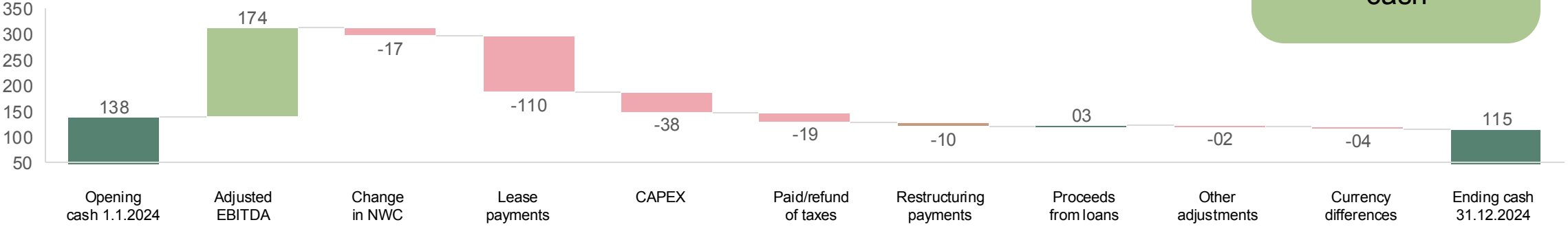
By the end of December, EUR 96.3 million of the total omnichannel distribution centre investment of EUR 110 million has been paid

Changes in cash position

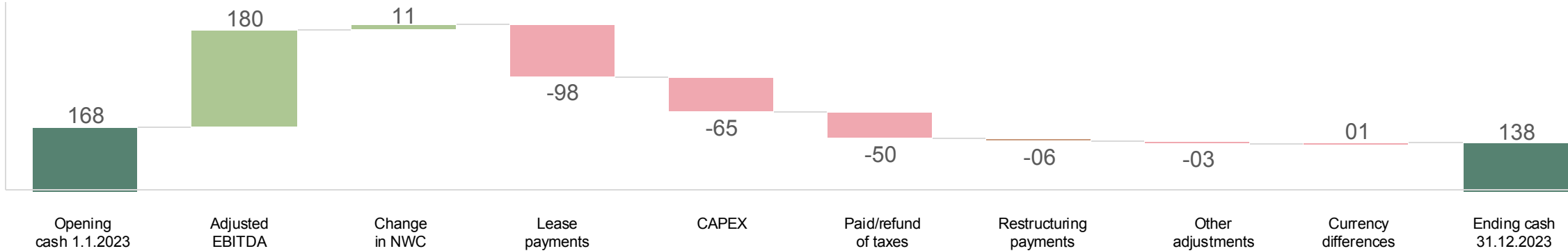
114.7 M€
(137.5)
cash

CHANGES IN CASH POSITION PER ITEM, M€

2024
1-12

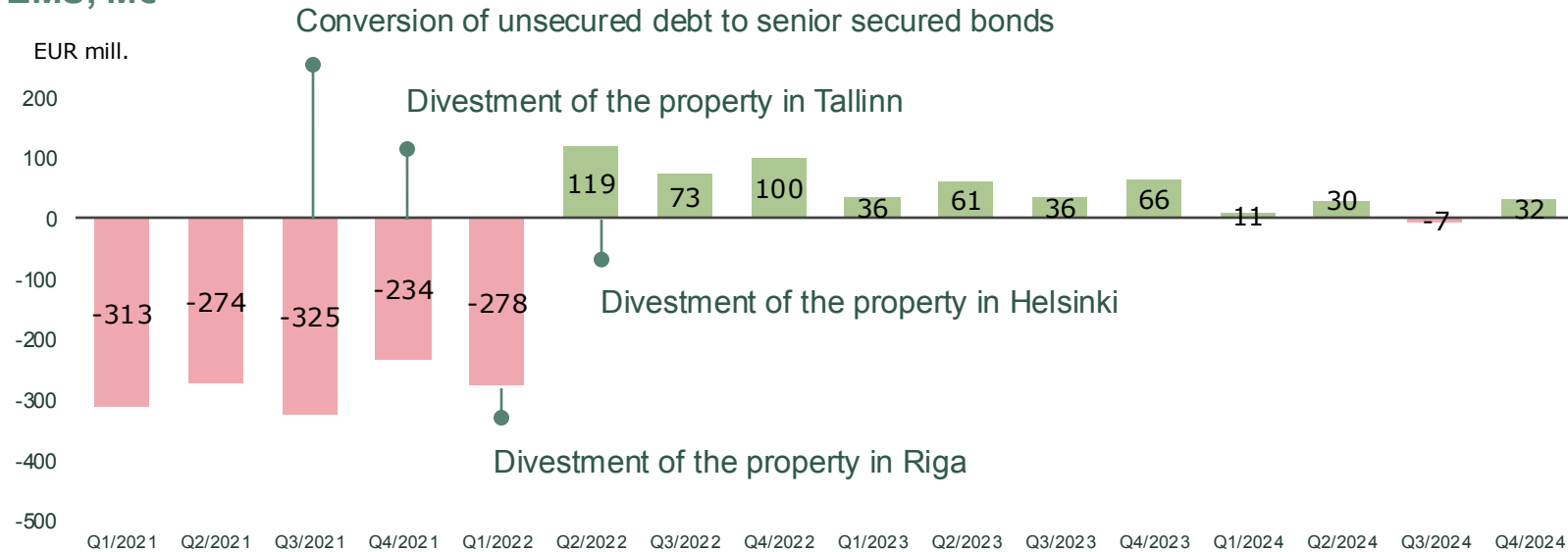


2023
1-12



Good financial position for future growth

NET DEBT EXCL. IFRS 16 ITEMS, M€



61.9%
(60.6)
Equity ratio
(excl. IFRS 16)

30.0%
(29.9)
Equity ratio

603.1 M€
(587.2)
Lease liabilities

82.9 M€
(71.9)
Interest-bearing
liabilities (excl. IFRS 16)

Lindex division's progress on financial targets

Target	2024	2023	2022
3–5% annual local currency revenue growth in the mid-term and reaching an annual revenue of SEK 10 billion by 2030, %	-0.9	2.7	10.9
30% digital share of revenue in the mid-term, %	20.8	19.0	18.5
15% adjusted operating margin in the long-term, %	13.2	14.3	13.6



Stockmann division's progress on financial targets

Target	2024	2023	2022
Revenue growth in line with market* growth in the mid-term, %	-2.2	-0.6	10.0
Reaching a positive free cash flow in the mid-term, EUR mill.	-19.4	-12.0	-20.9
5% adjusted operating margin in the mid-term, %	-1.3	-2.0	-1.7

*) Stockmann's addressable market in Finland, Latvia and Estonia, comprising of fashion, beauty and home categories. Market growth was -1.5% in 2024, 2.7% in 2023 and 7.0% in 2022.



Financial highlights

LINDEXGROUP

Revenue decreased slightly in **challenging market environment**

LINDEX

Q4 result increased due to **higher gross profit** and **good cost control**

STOCKMANN

Adjusted operating **result improved** in Q4 and 1-12 2024

Way forward



Lindex:
Clear strategy for
value creation

Accelerate growth

**Transform to a
sustainable business**

**Decouple cost
from growth**

LINDEX

Lindex division

- 2025, Geared for growth

- Leverage the full potential of the major investments for continued global, brand-led and sustainable growth
- Ramp up new omnichannel warehouse to achieve full operational capacity and secure long-term growth plans
- Focus on growth both with existing markets and partners as well as in new markets
- Continue our digital transformation
 - Complete the Digital store programme
 - Elevate on new digital platform and new customer app
 - Digitalise our supply chain and increased supplier collaborations
- Continue testing new services and scaleup of second hand
- Proceed our sustainability transformation
 - Reduce our CO2 emissions in line with SBT targets
 - Further drive our material transformation
 - Continue strengthening women's position in the supply chain





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

**Elevate offering:
Increase focus
on premium and
luxury**

**Grow and
leverage
loyal customer
base**

**Optimise
omnichannel
performance**

**Improve
operational
efficiency**

Stockmann division

- 2025, Systematic strategy execution with focus on profitability

- Secure systematic progress of operational and cost efficiency measures to improve profitability
 - Digitalisation and leveraging technology
 - Organisational and process efficiency
- Differentiate the offering with emphasis on premium & luxury while securing its competitiveness
- Leverage technology and optimised processes to further activate the value from a loyal customer base
- Focus on Helsinki flagship store and eCom to lead the profitability development of the omnichannel model



Guidance 2025

In 2025, Lindex Group expects its revenue to increase by 0–4% in local currencies compared to 2024. 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.

Q&A

Further information

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