Interim Report January–June 2025

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18 July 2025

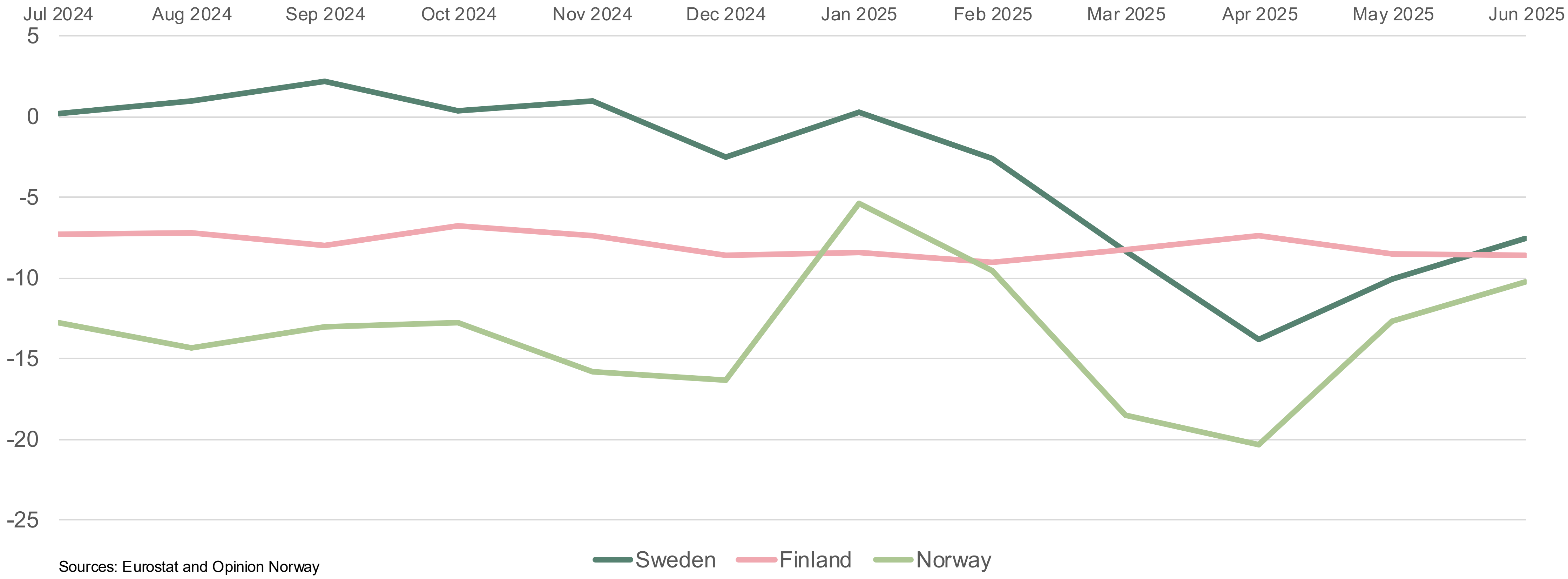
LINDEXGROUP

Agenda

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

Business update

Consumer confidence remained low in all Lindex Group's main markets



Sources: Eurostat and Opinion Norway

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Key messages

The Group over-performed the fashion market despite the prevailing volatility

Stockmann division: consistent **profitability improvement** continued

The Group's **full-year guidance maintained**

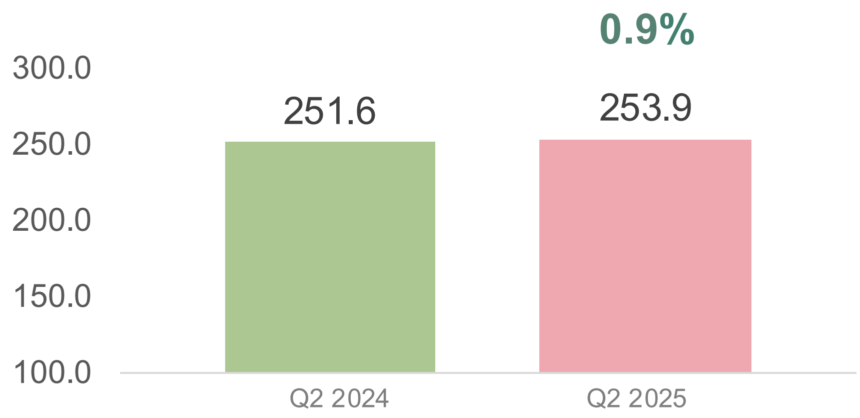
Lindex division's **omnichannel distribution centre** ramp-up phase progressing well

The restructuring programme nearing its completion

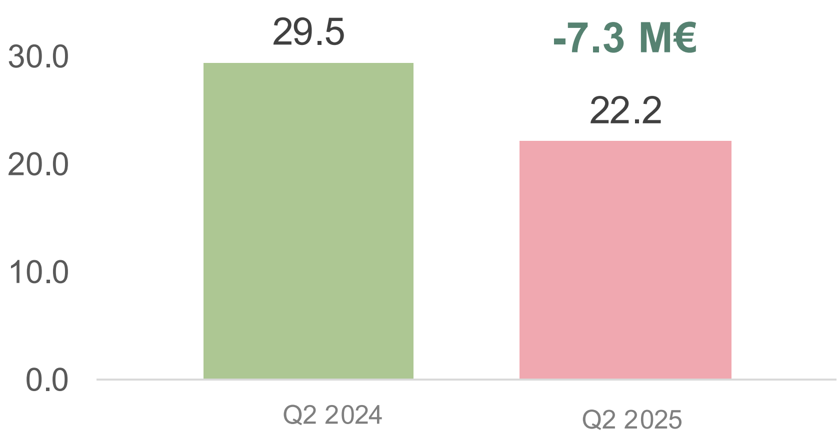
Strategic assessment continues, expected to be finalised in H2 2025

Lindex Group's Q2 impacted by market volatility and cautious consumer sentiment, Stockmann continued to improve

REVENUE, M€



ADJUSTED OPERATING RESULT, M€



Group's revenue increased

- The Group's revenue increased by 0.2% in local currencies
- The revenue of both divisions was impacted by the fashion market volatility and delayed and cold onset of summer season
- Lindex division's revenue increased by 0.4% in local currencies
- Stockmann division's revenue was on par with the comparison period

Group's adjusted operating result decreased

- Lindex division's adjusted operating result declined mainly due to decreased gross margin
- Stockmann division's adjusted operating result improved due to efficient cost control

Lindex division, Q2 2025

- Strong digital sales growth in all categories and increased digital share 20.3% (18.2)
- Kidswear best performing category
- Launched Delicate Lingerie
- The ramp-up of new, highly automated omnichannel warehouse continues at full speed
- Continued progress in digital and circular transformation, driving Lindex's growth journey
    - Digital store programme in final implementation stage
    - Transparency and traceability developed throughout the supply chain
    - Further steps towards more circular assortment: 75% of our products partly contain recycled fibres (58% 2024)
- Strengthened women's empowerment through focus on menstrual health and strategic partnership

Stockmann division, Q2 2025

- Result improved for the 5th consecutive quarter due to continued successful efficiency measures
- Enhanced competitiveness of omnichannel operations generated results – Stockmann over-performed the market
    - Digital sales growth continued
    - Baltics' revenue increased
    - Exclusive launch of Chanel Beauty in Stockmann's e-com
    - Crazy Day's e-com awarded among top 3 Online Stores
- Helsinki flagship's position reinforced as inspiring retail destination driving increased traffic
- Differentiation through curated offering by new brands, collections and strategic partnerships
- Number of active and new loyal customers and their share of revenue continued to increase clearly
- Crazy Days campaign on the previous year's level
- Stockmann Itis department store in Helsinki was closed in end June 2025. No material impact on the profitability or financial position of the division or Lindex Group.

Guidance 2025 (unchanged)

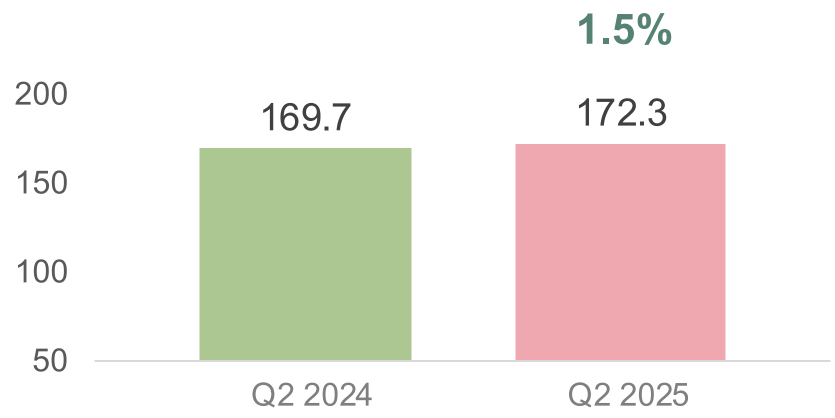
In 2025, Lindex Group expects its revenue to increase by 0−4% in local currencies compared to 2024. The Group’s adjusted operating result is estimated to be EUR 70−90 million.

Foreign exchange rate fluctuations may have a significant effect on the adjusted operating result.

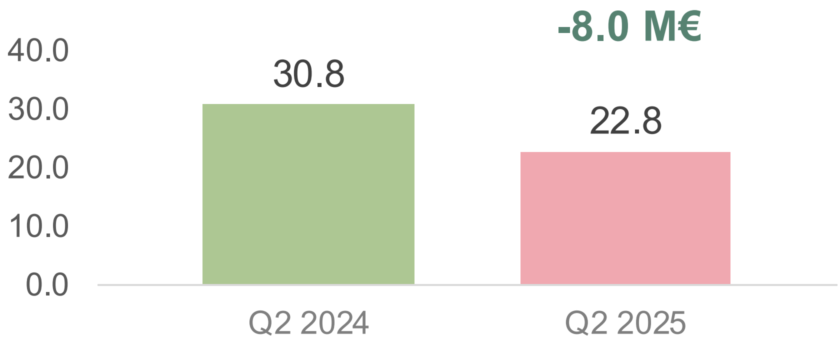
Financial update

Q2: The Lindex division's revenue increased in challenging market

LINDEX DIVISION REVENUE, M€

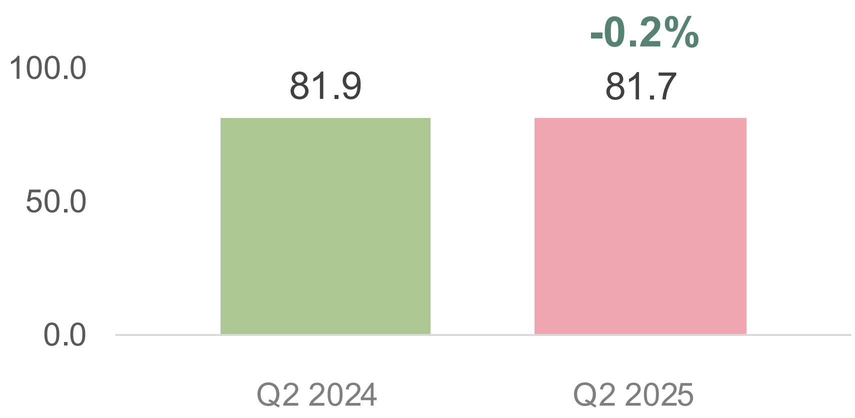


LINDEX DIVISION
ADJUSTED OPERATING RESULT, M€

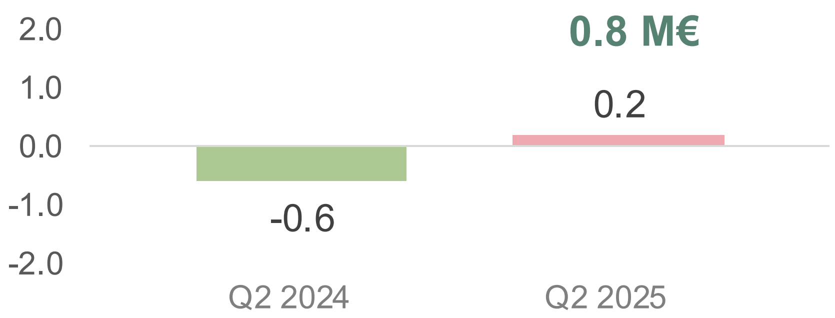


- Revenue increased despite the market volatility and challenges posed by a late and cold start of the summer
    - In local currencies, revenue increased by 0.4%
- Gross margin declined to 64.5% (67.5), due to increased promotional activities responding both to the price-driven competition landscape and higher inventory levels
- Comparable operating costs increased slightly to EUR 69.6 (68.8) million, mainly impacted by goods handling costs.
- Adjusted operating result decreased to EUR 22.8 (30.8) million mainly due to a decrease in gross margin.

STOCKMANN DIVISION REVENUE, M€



STOCKMANN DIVISION ADJUSTED OPERATING RESULT, M€

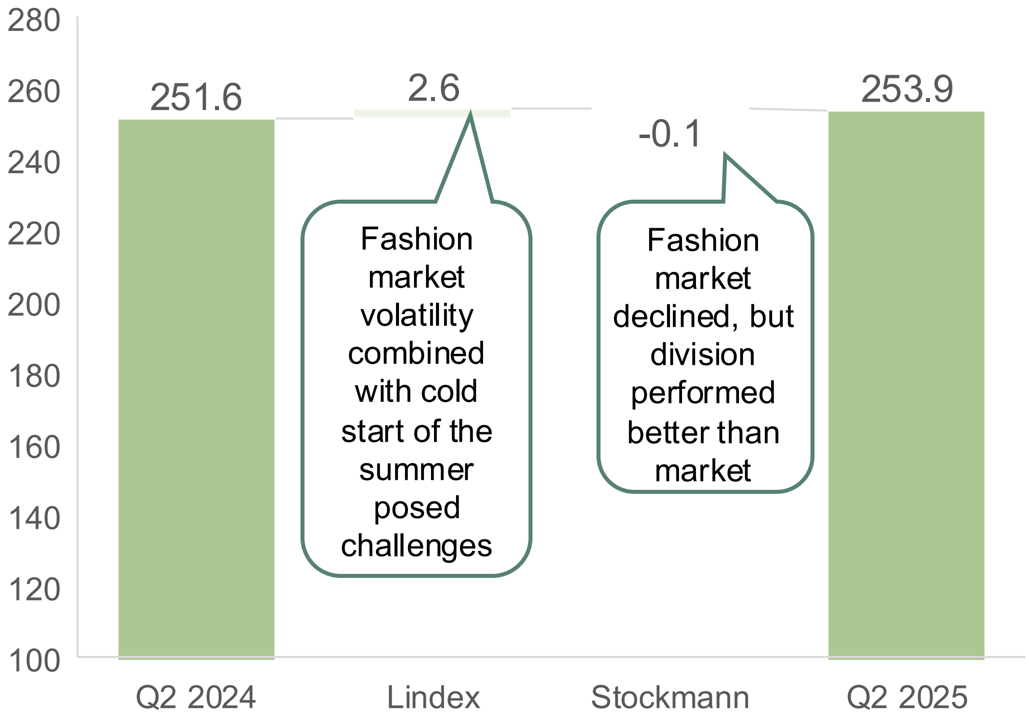


Q2: Stockmann improved profitability, revenue on par

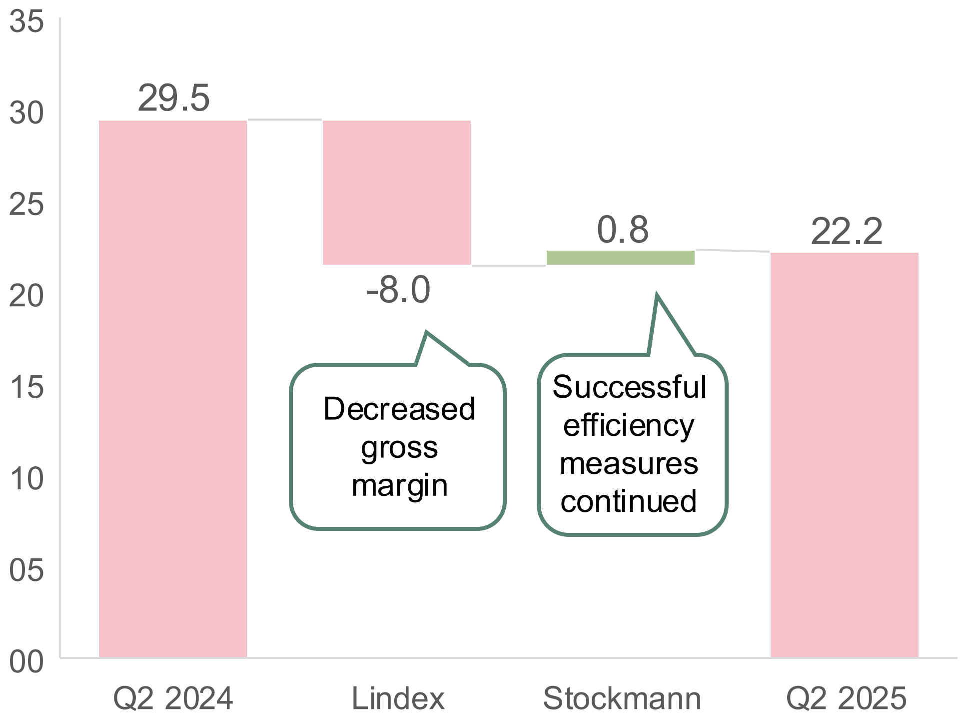
- Revenue was on par with the PY, affected by a late and cold start of the summer season, especially in the division's biggest category, fashion
- However, Stockmann's fashion category over-performed the overall fashion market that experienced a clear decline in the division's home markets
- Gross margin stood at 44.2% (44.4), impacted by increased promotional activities responding to the cost-conscious consumer sentiment and price-driven competition landscape
- Adjusted operating result improved due to successfully implemented efficiency measures

Q2: Changes in Group revenue and adjusted operating result

CHANGES IN REVENUE, M€

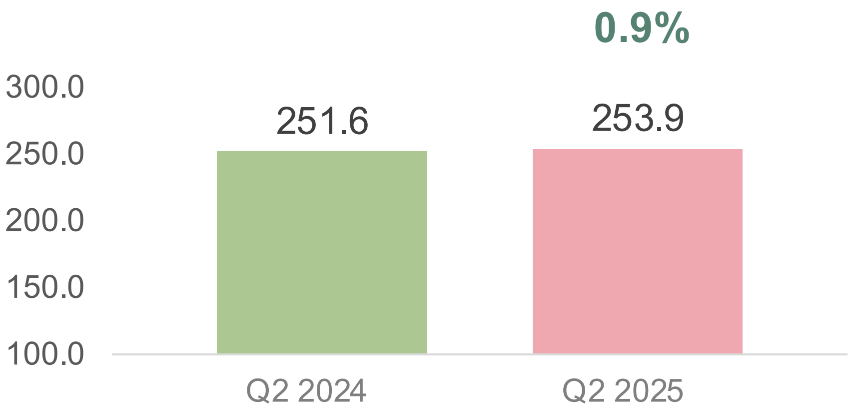


CHANGES IN ADJUSTED OPERATING RESULT, M€

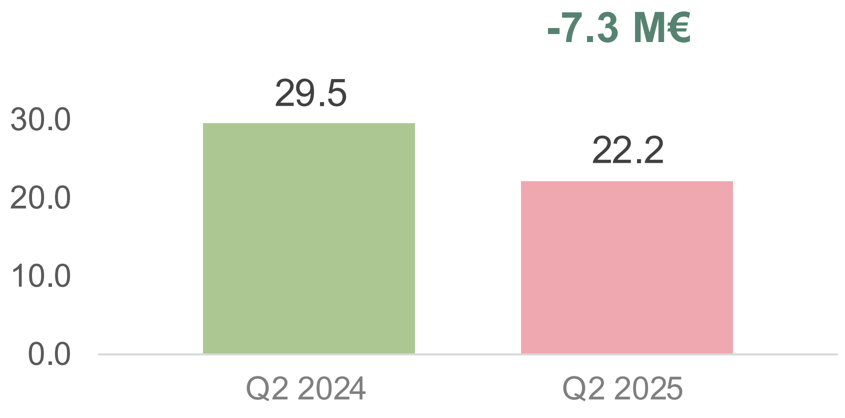


Q2: Group key figures

REVENUE, M€



ADJUSTED OPERATING RESULT, M€



25.5 M€ (20.3) Operating result	13.1 M€ (7.0) Net result	58.0% (60.0) Gross margin	0.08 € (0.04) EPS, basic

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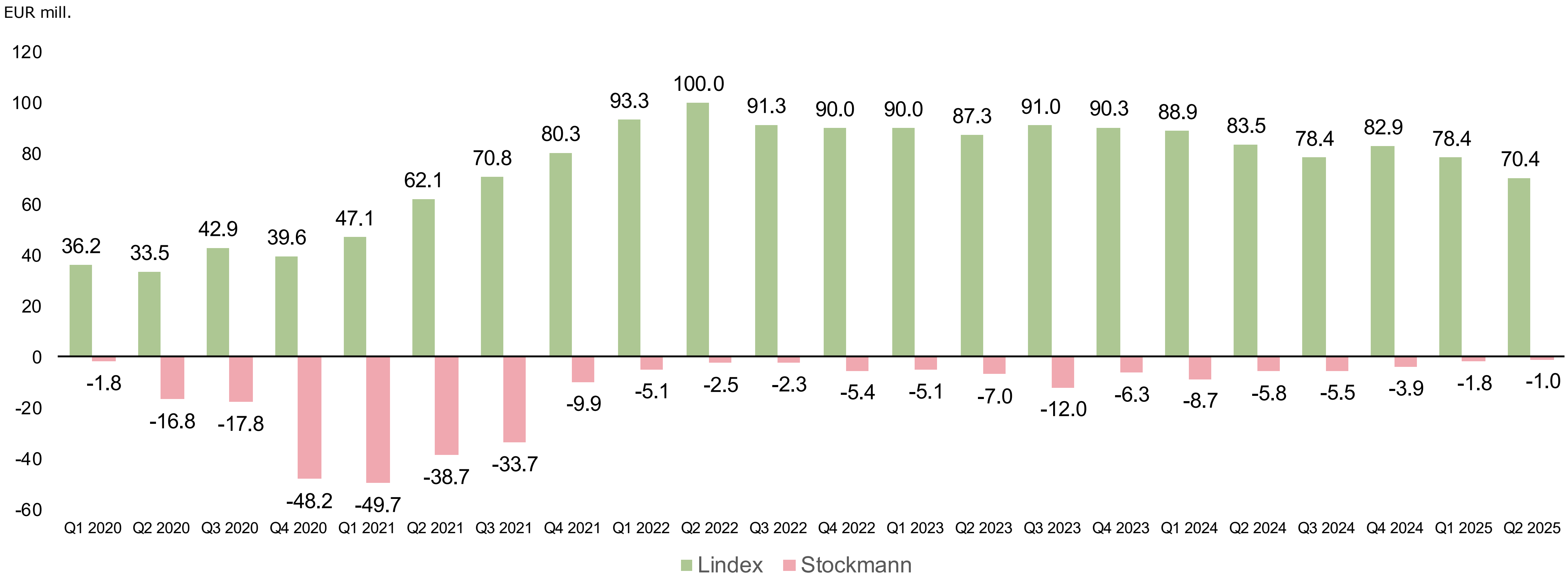
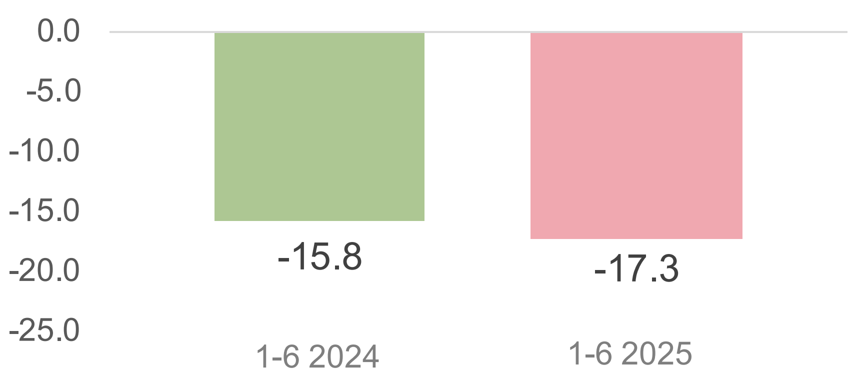
The divisions' profitability levels

ADJUSTED OPERATING RESULT ROLLING TWELVE MONTHS, M€



1–6 2025: Operating free cash flow and capital expenditure

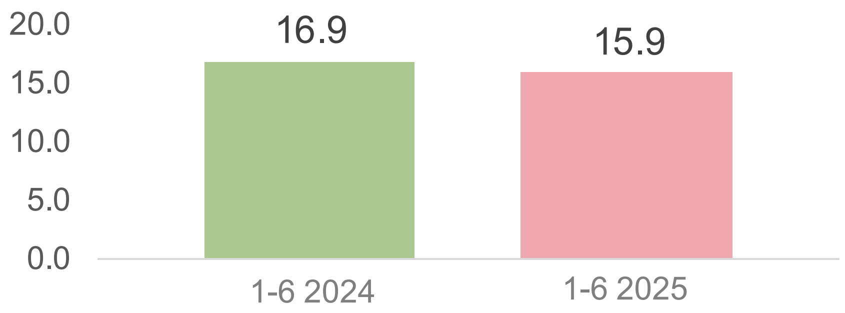
OPERATING FREE CASH FLOW, M€*



- Inventories were EUR 183.0 (173.8) million

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

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



- CAPEX, excluding the Lindex omnichannel distribution centre EUR 12.7 (14.4) million
- Omnichannel distribution centre EUR 3.2 (2.5) million

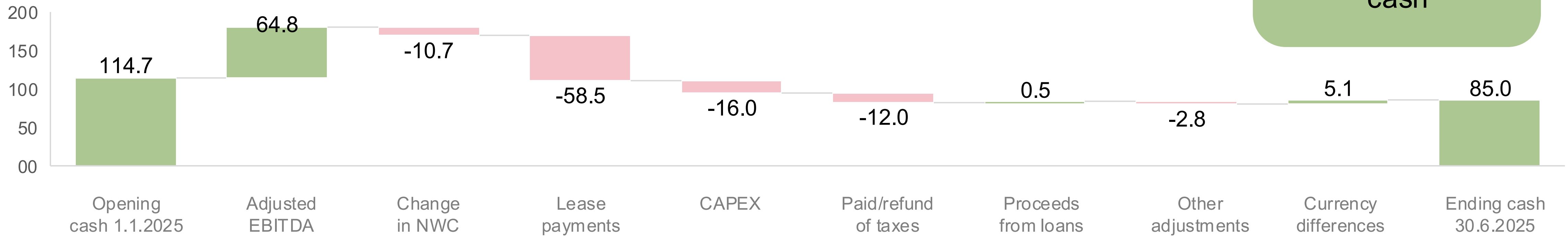
By the end of June, EUR 99.5 million of the total omnichannel distribution centre investment of EUR 110 million has been paid

Changes in cash position

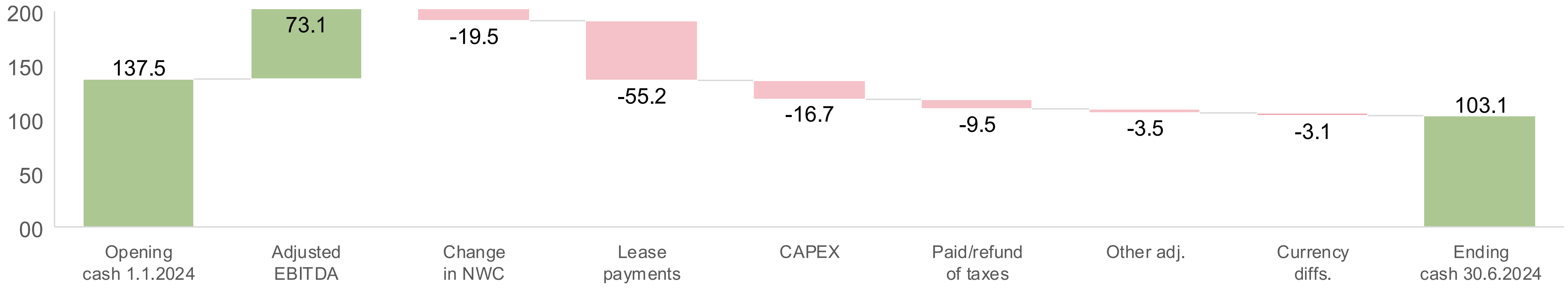
CHANGES IN CASH POSITION PER ITEM, M€

85.0 M€
(103.1)
cash

2025 1–6



2024 1–6



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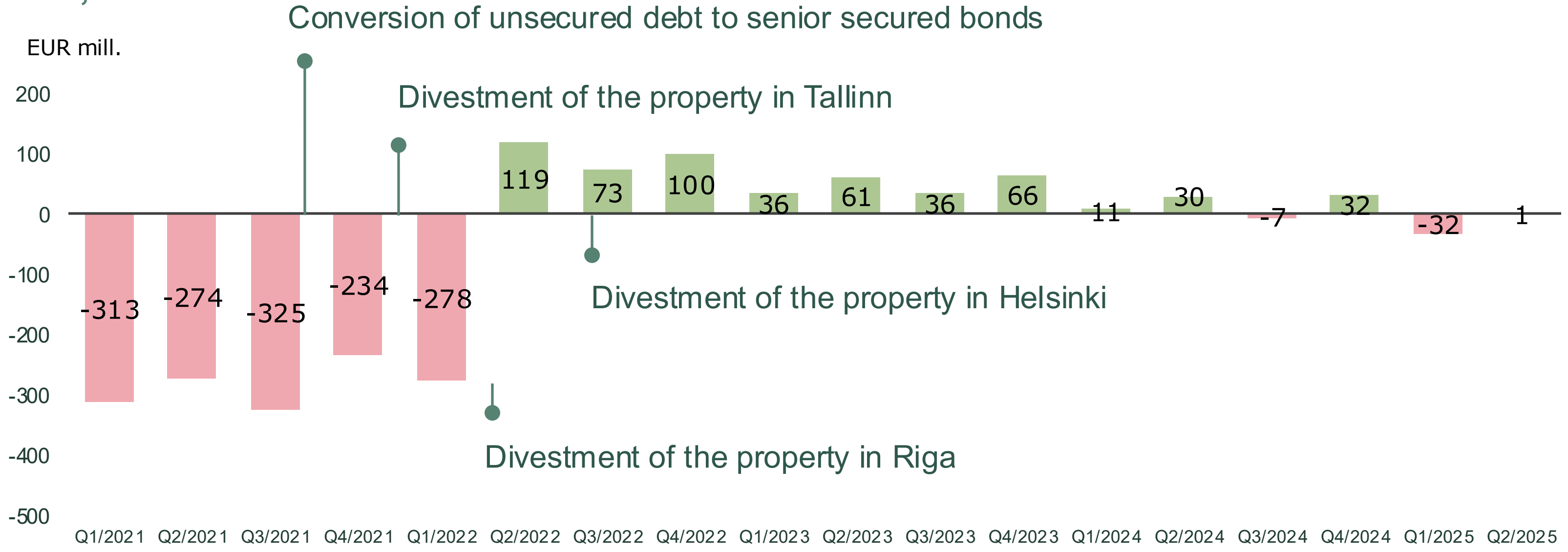
Lindex Group’s financial position

NET DEBT EXCL. IFRS 16 ITEMS, M€



62.2%
(60.5)
Equity ratio
(excl. IFRS 16)

30.3%
(28.6)
Equity ratio

598.3 M€
(614.1)
Lease liabilities

83.8 M€
(73.1)
Interest-bearing liabilities (excl. IFRS 16)

Financial highlights

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Revenue increased despite the challenging market environment

LINDEX

Lindex division's revenue improved towards the end of the quarter, and grew compared to PY

STOCKMANN

Adjusted operating result improved due to successful cost efficiency measures

Way forward

Lindex: Clear strategy for value creation

Accelerate growth

Transform to a sustainable business

Decouple cost from growth

Lindex division
- 2025, Geared for growth

- Progressing towards full operation of the new omnichannel warehouse ensuring implementation of long-term growth plans
- Continue driving growth in current markets and expanding Lindex business into new markets, growing with new partnerships
- Finalising Digital Store Programme
- Continue digitalising the supply chain
- Driving sustainability transformation

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

Stockmann division
- 2025, Systematic strategy execution with focus on profitability

- Secure systematic progress of operational and cost efficiency measures to improve profitability
- Focus on offering differentiation with new brands and profitability through inventory and supplier management
- Accelerate automation and personalization to further activate loyal customers
- Enhance eCom role to fuel omnichannel growth – improve customer experience across all channels
- Launch important partnerships aimed to increase excitement and profitability – Vepsäläinen in multiple locations and Crème de la Crème in Tallinn

Q&A

Further information
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