LYKO

Interim Report 2026/Q2
January - June

"Big milestones - healthy growth, strong results and a leaner LYKO"
Rickard Lyko, CEO

Lyko – the starting point for everything within beauty!

We are passionate about making beauty accessible, inspiring, and fun for everyone!

Our beauty playground has the market's widest assortment, where you can explore everything around the products, and be part of our inspiring community.

Our operations span across eight countries via Lyko.com, the Lyko app, and 36 stores in Sweden, Norway, and Finland.

We manage the entire chain – from product development in our labs and manufacturing in our factory in Gothenburg to warehousing and sales to hairdressers and retailers.

Together, we are over 1,000 amazing **Lyko-stars**, all with a shared mission: to highlight the fun in beauty, welcome everyone, and inspire self-expression and creativity!

Welcome to **your beauty playground**
– where beauty begins!

PERIOD 1 JANUARY - 30 JUNE

Interim report Q2 2026

The period in summary

NET SALES	SALES GROWTH	EBIT MARGIN
SEK 1,021m	8.6%	5.3%

SECOND QUARTER

- Net sales of SEK 1,021m (939).
- Sales growth was 8.6% (6.8%).
- Gross margin of 43.5% (43.5%).
- EBIT of SEK 54m (32). One-off items affecting operating expenses for the quarter amounted to SEK 1m (0).
- EBIT margin of 5.3% (3.4%).
- Earnings for the period SEK 31m (13).

PERIOD 1 JANUARY - 30 JUNE

- Net sales of SEK 1,895m (1,858).
- Sales growth was 2.0% (9.1%).
- Gross margin of 43.8% (43.3%).
- EBIT of SEK 58m (59). One-off items affecting operating expenses for the period amounted to SEK -21m (-1).
- EBIT margin of 3.0% (3.2%).
- Earnings for the period SEK 9m (25).

KEY FIGURES

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
SEKm	2026	2025	2026	2025	25/26	2025
Net sales	1,021	939	1,895	1,858	4,000	3,963
Sales growth, %	8.6%	6.8%	2.0%	9.1%	7.7%	11.3%
Gross profit	444	409	830	804	1,685	1,659
Gross margin, %	43.5%	43.5%	43.8%	43.3%	42.1%	41.9%
EBIT	54	32	58	59	77	78
EBIT margin, %	5.3%	3.4%	3.0%	3.2%	1.9%	2.0%
Profit (+)/Loss (-) for the period	31	13	9	25	-19	-3
Earnings per share before and after dilution, SEK	2.04	0.87	0.61	1.65	-1.24	-0.20
Cash flow from operating activities	173	35	-310	130	87	528
Net debt (+) / Net cash (-), excluding leasing	689	450	689	450	689	292
Net debt (+) / Net cash (-), including leasing	1,337	1,121	1,337	1,121	1,337	964

COMMENTS FROM CEO

Big milestones - healthy growth, strong results and a leaner LYKO

The second quarter delivered our highest second-quarter EBIT ever, SEK 54m, corresponding to a margin of 5.3%. Net sales amounted to SEK 1,021m, an increase of 8.6%. This marks another step in the right direction for Lyko, EBIT excluding one off costs of SEK 21m was SEK 79m in H1 2026 compared with SEK 59m in H1 2025. It is encouraging to see evidence that the long-term investments we have made over the past years are beginning to deliver meaningful results.

BUILDING A STRONGER FOUNDATION

Throughout the quarter, we continued to improve the fundamentals of the business and reached the milestone of SEK 4 billion Net sales on rolling 12 months. Disciplined inventory management, strong gross margin and continued operational efficiency are gradually creating a healthier platform for sustainable, profitable growth. While none of these initiatives alone defines the quarter, together they demonstrate that Lyko is becoming a stronger company with every passing quarter.

GETTING THE FORMULA RIGHT

Across the business, several strategic investments continue to perform well. During the quarter, we opened two new stores, in Kalmar and Charlottenberg, bringing the total to 36 by the end of the quarter. Our new store concept is delivering encouraging results and reinforces our ambition to create the leading beauty destination across the Nordics. Larger stores allow us to offer an even broader assortment, create more inspiring customer experiences and give our own brands greater visibility alongside our partner brands.

Focusing on our core markets continues to deliver strong results. We have built strong brand awareness in Sweden and Norway, which allowed us to lower marketing spend during the period without effect on performance.

Our logistics platform is now operating with high efficiency, enabling faster deliveries, improved customer satisfaction and a stronger operational foundation with great abilities to continue our growth. At the same time, we continue to enhance our commercial capabilities through improvements to our pricing and campaign engine, as well as further investments in search, personalization and product relevance, making it easier than ever for customers to discover the right products.

OUR OWN SIGNATURE BRANDS

Our portfolio of own brands also continued to develop well during the quarter, they accounted for SEK 88m and grew by 23.4%. These brands contribute positively to both growth and profitability, but even more importantly they represent an increasingly valuable strategic asset for Lyko. We are building beauty brands with their own identities and loyal customer bases, brands that create long-term value alongside our retail business. The continued rollout of our new store concept further strengthens this opportunity by giving our own brands a more prominent place in our physical stores while remaining an important complement to the fantastic assortment of partner brands that makes Lyko unique.

A GLOW THAT KEEPS GROWING

Our Community also continues to evolve at an impressive pace. Every day, more creators contribute authentic beauty content, helping customers discover products through inspiration, education and real experiences. We believe this growing library of unique content will become an increasingly important competitive advantage as AI-powered search and product discovery continue to reshape online commerce.

***"71% EBIT GROWTH
SEK 54m
OUR SECOND HIGHEST
EBIT EVER"***

A LEANER, CLEANER ROUTINE

The quarter has also been characterised by internal focus on our cost reduction programme which is expected to generate savings of SEK 100m. I am incredibly proud of how the organisation has continued to execute at a high level while navigating the most challenging period in Lyko's history. Saying goodbye to talented colleagues, many of whom have been with us for a long time, has been difficult for everyone involved. Despite this, our teams have remained focused on serving customers, supporting our brand partners and continuing to improve the business. That commitment is reflected in the results we are reporting today.

With this chapter now largely behind us, we enter the second half of the year with a leaner organisation, a stronger operational platform and our full attention once again on growth and innovation.

PRIMING FOR GROWTH

Looking ahead, we believe the conditions are stronger than they were a year ago. During the third quarter of last year, our warehouse automation project temporarily impacted outbound deliveries and inbound inventory flows, limiting both product availability and operational capacity. Today, that transformation is behind us and we have also started to amortise the loans for our warehouse automation. With a fully operational automated warehouse, improving inventory availability and a much stronger operational foundation, we see good opportunities to continue growing while further strengthening profitability during the second half of the year.

BEAUTY NEVER STANDS STILL, AND NEITHER DO WE

Every investment we have made; in technology, logistics, stores, our own brands and our Community, has been guided by one ambition: to build the leading beauty ecosystem in the Nordics and create long-term value for customers, brand partners and shareholders alike. We are still early on that journey, but quarter by quarter we see more proof that we are moving in the right direction.

While parts of the organization now go on a well-deserved vacation, colleagues in our stores and warehouses keep things running for our customers throughout the summer, and preparations for this year's Christmas calendars are already under way.

Thank you all Lyko-fans, I wish you a great summer - an exciting second half of the year awaits.

Rickard Lyko, CEO and Founder, July 17, 2026

Group development

SECOND QUARTER

GROUP SALES

The group's total revenue for the quarter amounted to SEK 1,025m (944) and the net sales amounted to SEK 1,021m (939), equivalent to 8.6% growth. The increase is explained by successful campaigns and additional stores.

Sales of Own Brands, included in net sales, for the quarter increased by 23.4% to SEK 88m (72).

RESULTS AND MARGINS

The gross margin amounted to 43.5% (43.5%) in the second quarter. The maintained margin is primarily attributable to increased sales of Own Brands and increased store sales.

Other external costs amounted to SEK 188m (195) for the period, equivalent to 18.4% (20.7%) of the total revenue. The decrease is primarily attributable to lower freight and marketing expenses.

Personnel costs amounted to SEK 138m (137) for the period, equivalent to 13.5% (14.5%) of the total revenue. Personnel costs at the same level as previous year is attributable to new store openings and that a large part of the personnel affected by the restructuring programme have their last working day in the end of or after the end of the quarter.

The group's depreciation and amortization amounted to SEK 64m (43) for the period. Increases are attributable to the depreciations for the new warehouse automation, new stores and further investments in equipment and development of web, app and other IT systems.

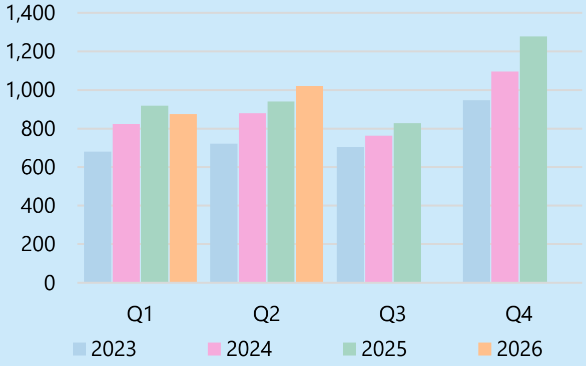
EBIT for the second quarter amounted to SEK 54m (32) and the EBIT margin was 5.3% (3.4%). One-off items affecting operating expenses for the quarter amounted to SEK 1m (0). One-offs consist of a partial release of the restructuring provision of SEK 1.3m and a new provision for rent costs of SEK -0.8m.

Net financial items for the group amounted to SEK -21m (-17) in the second quarter.

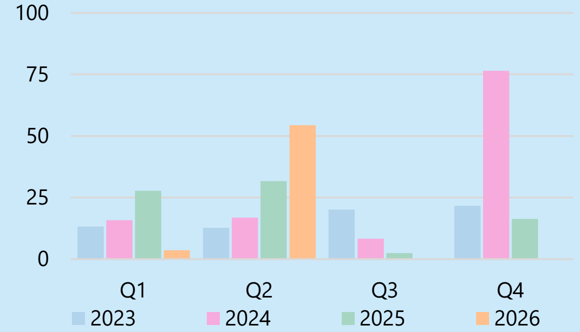
Total tax for the period amounted to SEK -2m (-1). Tax expenses are calculated based on the results of each individual market within the group.

Profit after tax for the second quarter amounted to SEK 31m (13).

NET SALES PER QUARTER (SEKm)



EBIT PER QUARTER (SEKm)



PERIOD 1 JANUARY - 30 JUNE

GROUP SALES

The Group's total income for the period January - June 2026 amounted to SEK 1,909m (1,867). The net sales amounted to SEK 1,895m (1,858), equivalent to 2.0% growth.

Sales of Own Brands, included in net sales, for the period increased by 19.1% to SEK 163m (137).

RESULTS AND MARGINS

The gross profit for the period January - June amounted to SEK 830m (804), with a gross margin of 43.8% (43.3%).

Other external costs amounted to SEK 362m (380), equivalent to 19.0% (20.3%) of total revenues. The decrease is primarily attributable to lower freight and marketing expenses.

Cost of personnel amounted to SEK 303m (276) for the period, equivalent to 15.9% (14.8%) of total revenues. Restructuring costs are included with SEK 20m (1).

The Group's depreciation and amortization increased to SEK 114m (88).

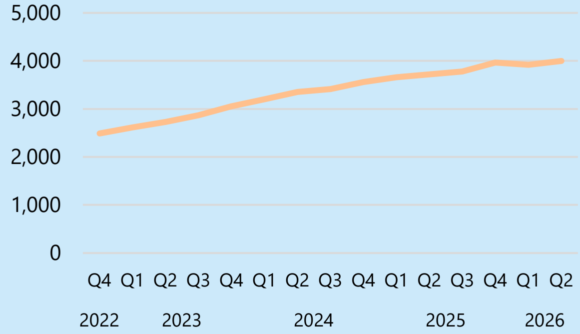
EBIT for the period amounted to SEK 58m (59), with an EBIT margin of 3.0% (3.2%). One-off items affecting operating expenses for the period amounted to SEK -21m (-1).

Net financial items for the Group amounted to SEK -44m (-38).

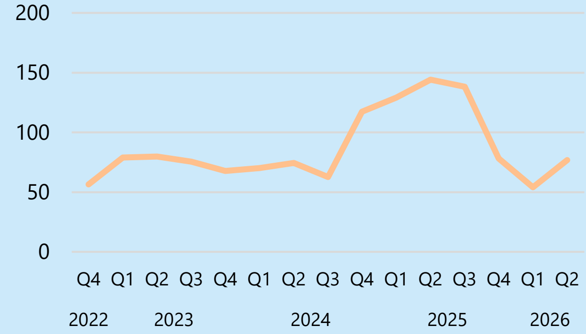
Total tax for the period amounted to SEK -4m (4). Tax expenses are calculated based on the results of each individual market within the group.

Profit after tax amounted to SEK 9m (25).

NET SALES ROLLING 12 MONTHS, (SEKm)



EBIT ROLLING 12 MONTHS, (SEKm)



FINANCIAL POSITION AND LIQUIDITY

Inventory per the end of the quarter amounted to SEK 537m (524). The inventory in relation to rolling 12 months' net sales at the end of the second quarter amounted to 13.4% (14.1%).

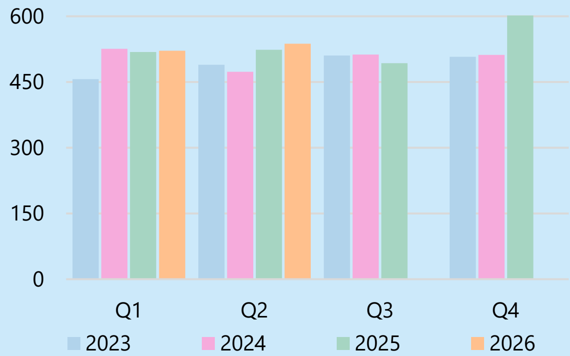
At the end of the second quarter, the number of shares amounted to 15,310,012 (15,310,012). Equity per the end of the period amounted to SEK 472m (487), equivalent to an equity / asset ratio of 18.6% (20.0%).

The group's current liabilities, excluding liabilities to credit institutions and lease liabilities, amounted to SEK 659m (695) by the end of the second quarter.

Interest-bearing liabilities, including lease liabilities, amounted to SEK 1,388m (1,228). The increase is primarily attributable to increased borrowing from the investment loan in line with progress of the warehouse investment in Vansbro and additional leasing contracts for stores.

The lease liability is mainly related to rental premises and the first automation solutions at the logistics center in Vansbro. Net debt, excluding lease liabilities, amounted to SEK 689m (450) at the end of the period, and cash and cash equivalents amounted to SEK 51m (106), a decrease by SEK -55m.

INVENTORY (SEKm)



NET DEBT, EXCL. LEASING

SEK 689m

CASH FLOW AND INVESTMENTS IN THE QUARTER

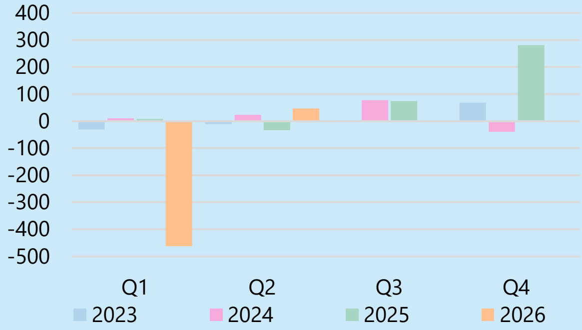
Cash flow from operating activities for the quarter amounted to SEK 173m (35). The change is driven by a higher profit and increased accounts payables, which were partly offset by increased inventory and decreased operating receivables.

Investments in property, plant and equipment as well as intangible assets during the quarter amounted to SEK -25m (-103). Investments were mainly associated with new stores and continued development of the Lyko web, Lyko app and other IT systems.

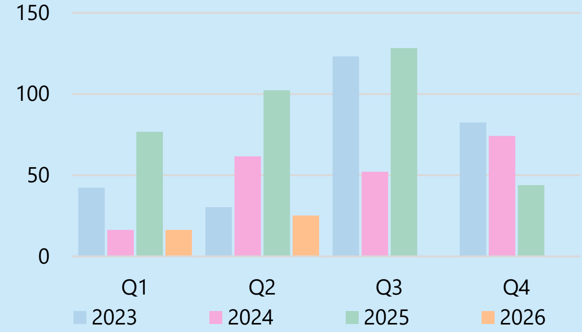
Cash flow from financing in the quarter amounted to SEK -102m (34) and consisted of new loans SEK 0m (63), repayment of loans SEK -14m (0), change in overdraft facility of SEK -58m (0) and amortization of lease liabilities of SEK -30m (-30).

Total cash flow for the quarter amounted to SEK 46m (-34).

CASH FLOW PER QUARTER (SEKm)



INVESTMENTS PER QUARTER (SEKm)



New electric line-haul to Norway!

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 and sustainability report for 2025.

SEASONAL VARIANCES

Group sales fluctuate with the seasons, with the second and fourth quarters generally being the strongest.

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

On January 29 Lyko published a Trading Update and announced a cost savings programme. On June 9 the workforce related parts of the programme were complete. A SEK 20m restructuring cost has impacted the first six months.

The first amortization of the term loan for the investment in the new warehouse automation took place in April.

On April 1 Lyko opened its new store in the Charlottenberg Shopping center.

On April 25 Lyko opened its second FAB Store in the Kvarteret Giraffen shopping center in Kalmar.

Group performance measures

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
SEKm	2026	2025	2026	2025	25/26	2025
Total revenue	1,025	944	1,909	1,867	4,018	3,976
Net sales	1,021	939	1,895	1,858	4,000	3,963
Sales growth, %	8.6%	6.8%	2.0%	9.1%	7.7%	11.3%
Gross margin, %	43.5%	43.5%	43.8%	43.3%	42.1%	41.9%
Marketing expenses, % of total revenue	8.5%	9.6%	8.3%	9.1%	9.0%	9.4%
EBIT	54	32	58	59	77	78
EBIT margin, %	5.3%	3.4%	3.0%	3.2%	1.9%	2.0%
Profit (+)/Loss (-) for the period	31	13	9	25	-19	-3
Cash flow from operating activities	173	35	-310	130	87	528
Equity/asset ratio (%)	18.6%	20.0%	18.6%	20.0%	18.6%	14.8%
Return on equity, %	Neg.	13.8%	Neg.	13.8%	Neg.	Neg.
Net working capital	53	-37	53	-37	53	-369
Cash flow from investing activities	-25	-102	-41	-179	-214	-351
Net debt (+) / Net cash (-), excluding leasing	689	450	689	450	689	292
Number of shares per end of period	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)	2.04	0.87	0.61	1.65	-1.24	-0.20

See definitions at the end of the report for more information about financial key figures in the table above.

Segment reporting

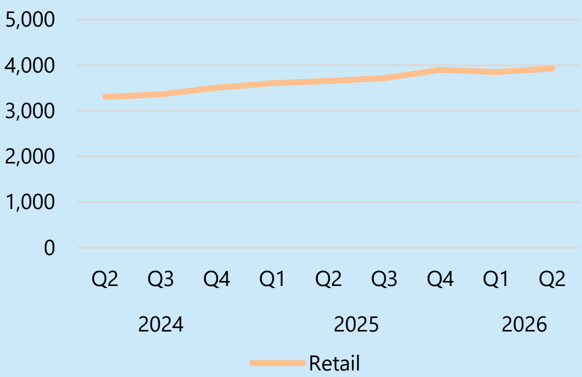
Lyko Group reports its operations in one operating segment, Retail, covering all sales markets: Sweden, Norway, Finland, Denmark, Germany, Austria, Poland and the Netherlands.

With effect from Q1 2026, the Group's previous geographical segments have been replaced by one operating segment "Retail" reflecting a centralization of the sales organization. See note 1.

Lyko's business model is centered around selling beauty products for hair care, skin care, makeup and fragrance online, in stores and to professionals. Sales are conducted through a centralized organization via lyko.com and the Lyko App across all markets, through 36 (33) Lyko stores in Sweden, Norway and Finland as of 30 June 2026 and through a sales team serving hair salons and other professionals.

In addition to the Retail-segment, "Group Functions & Other" is reported separately comprising group-wide functions such as own production, HR, IT, Marketing, Purchasing, Accounting and Finance. Intra-group eliminations in connection with internal sales are also reported here.

NET SALES ROLLING 12 MONTHS (SEKm)



SEGMENT REPORTING

Lyko Retail

SECOND QUARTER

Net sales in the Retail segment during the quarter increased by 8.7% to SEK 1,001m (921) compared to the same period last year.

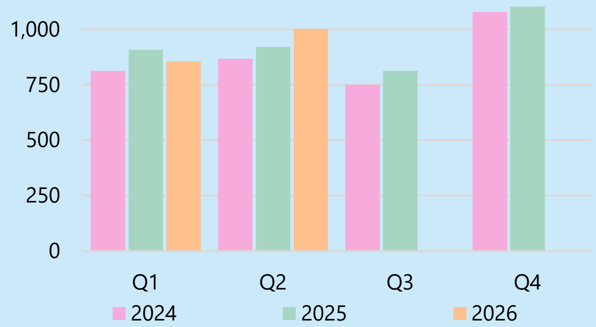
EBIT amounted to SEK 116m (95), equivalent to an EBIT margin of 11.6% (10.3%).

PERIOD 1 JANUARY - 30 JUNE

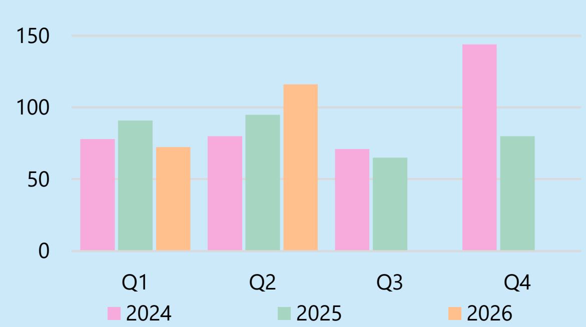
For the period January - June, net sales in the Retail segment amounted to SEK 1,857m (1,829), equivalent to a growth of 1.5%.

EBIT for the period amounted to SEK 189m (186). This is an increase of SEK 3m and equals an EBIT margin of 10.2% (10.2%).

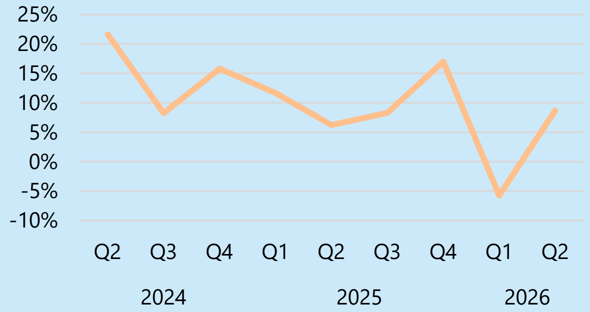
NET SALES PER QUARTER (SEKm)



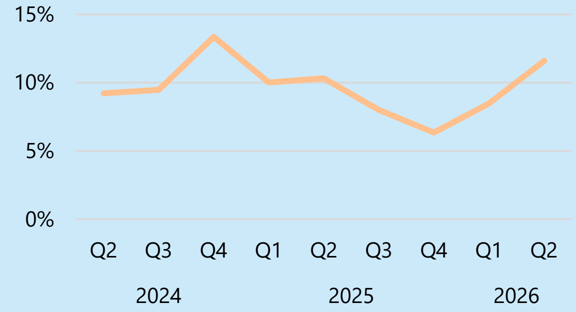
EBIT PER QUARTER (SEKm)



SALES GROWTH PER QUARTER (%)



EBIT MARGIN PER QUARTER (%)



KEY FIGURES – LYKO RETAIL

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
SEKm	2026	2025	2026	2025	25/26	2025
Net sales	1,001	921	1,857	1,829	3,930	3,902
Sales growth, %	8.7%	6.2%	1.5%	8.9%	7.5%	11.2%
EBIT	116	95	189	186	334	331
EBIT margin, %	11.6%	10.3%	10.2%	10.2%	8.5%	8.5%

See definitions at the end of the report for more information about financial key figures in the table above.

Financial summary

Group consolidated statement of comprehensive income

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
SEKm	2026	2025	2026	2025	25/26	2025
Net sales	1,020.6	939.3	1,895.4	1,857.8	4,000.2	3,962.6
Other income	4.5	5.0	14.1	9.3	17.8	13.1
Total revenue	**1,025.0**	**944.3**	**1,909.5**	**1,867.1**	**4,018.0**	**3,975.7**
Cost of goods sold	-576.8	-530.6	-1,065.8	-1,054.2	-2,315.6	-2,303.9
Other external expenses	-188.4	-195.2	-362.3	-379.9	-816.5	-834.1
Employee benefits expenses	-138.5	-136.8	-303.3	-276.2	-600.6	-573.5
Depreciation and amortization	-64.1	-43.4	-114.4	-88.0	-200.5	-174.1
Other operating expenses	-3.0	-6.6	-5.7	-9.4	-8.2	-11.9
Total expenses	**-970.7**	**-912.6**	**-1,851.5**	**-1,807.7**	**-3,941.3**	**-3,897.6**
Operating profit (EBIT)	**54.3**	**31.7**	**58.0**	**59.4**	**76.8**	**78.2**
Financial income	0.6	0.8	1.3	1.7	3.1	3.6
Financial expenses	-22.0	-17.7	-45.6	-40.2	-88.0	-82.7
Profit (+)/Loss (-) before tax	**33.0**	**14.8**	**13.7**	**20.9**	**-8.1**	**-0.9**
Income tax	-1.7	-1.5	-4.3	4.4	-10.7	-2.1
Profit (+)/Loss (-) for the period	**31.3**	**13.3**	**9.4**	**25.3**	**-18.9**	**-3.0**
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
Translation of foreign operations	1.5	2.4	5.8	-4.5	0.8	-9.5
Change in hedging reserves	-	7.5	0.0	-3.1	3.1	-
Tax attributable to change in hedging reserves	-	-1.5	0.0	0.6	-0.6	-
Other comprehensive income	**1.5**	**8.4**	**5.8**	**-7.0**	**3.1**	**-9.5**
Total comprehensive income for the period	**32.8**	**21.7**	**15.2**	**18.3**	**-15.7**	**-12.5**
Profit/loss for the period attributable to:						
Shareholders of Parent company	31.3	13.3	9.4	25.3	-18.9	-3.0
Non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income attributable to						
Shareholders of Parent company	32.8	21.7	15.2	18.3	-15.7	-12.5
Non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0
Number of shares per end of period	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)	2.04	0.87	0.61	1.65	-1.24	-0.20

Group consolidated statement of financial position, in summary

	30 Jun		31 Dec
SEKm	2026	2025	2025
Assets			
Non-current assets			
Goodwill	304.7	304.7	304.7
Other intangible assets	131.0	115.5	124.9
Right-of-use assets	670.9	694.5	695.4
Property, plant and equipment	645.0	521.6	658.1
Deferred tax asset	16.8	22.4	16.1
Equity method investments	0.1	0.1	0.1
Other financial assets	7.2	9.2	8.2
Total non-current assets	**1,775.7**	**1,668.1**	**1,807.4**
Current assets			
Inventories	537.4	523.6	633.7
Accounts receivable	65.3	55.4	76.9
Current tax receivables	15.3	11.9	9.4
Other current receivables	45.6	33.0	57.0
Prepaid expenses and accrued income	47.5	34.2	49.4
Cash and cash equivalents	51.5	106.4	452.5
Total current assets	**762.6**	**764.5**	**1,278.9**
Total assets	**2,538.2**	**2,432.6**	**3,086.4**
Equity and liabilities			
Equity attributable to Parent company shareholders	471.7	487.3	456.5
Non-controlling interest	0.1	0.1	0.1
Total equity	**471.8**	**487.4**	**456.6**
Non-current liabilities			
Deferred tax liabilities	12.4	14.1	11.4
Provisions	7.2	7.6	7.2
Non-current liabilities to credit institutions	685.1	297.4	444.5
Long-term lease liabilities	512.2	532.5	526.5
Total non-current liabilities	**1,216.9**	**851.7**	**989.5**
Current liabilities			
Current liabilities to credit institutions	55.0	259.1	300.5
Overdraft facility	-	-	-
Short-term lease liabilities	135.9	138.9	144.8
Current provisions	23.5	19.8	22.9
Account payables	344.5	404.0	823.0
Current tax liabilities	14.1	13.5	12.6
Other current liabilities	106.0	106.4	167.8
Accrued expenses and prepaid income	170.5	151.8	168.6
Total current liabilities	**849.5**	**1,093.5**	**1,640.2**
Total equity and liabilities	**2,538.2**	**2,432.6**	**3,086.4**

Group consolidated statement of changes in equity, in summary

	Q2		Jan-Jun		Jan-Dec
SEKm	2026	2025	2026	2025	2025
Equity at the beginning of the period	**438.9**	**465.7**	**456.6**	**469.1**	**469.1**
Profit (+)/Loss (-) for the period	31.3	13.3	9.4	25.3	-3.0
Translation of foreign operations	1.5	2.4	5.8	-4.5	-9.5
Change in hedging reserves	-	7.5	-	-3.1	-
Tax attributable to change in hedging reserves	-	-1.5	-	0.6	-
Total comprehensive income	**32.8**	**21.7**	**15.2**	**18.3**	**-12.5**
Equity at the end of the period	**471.8**	**487.4**	**471.8**	**487.4**	**456.6**

Group consolidated statement of cash flow

	Q2		Jan-Jun		Jan-Dec
SEKm	2026	2025	2026	2025	2025
Operating activities					
Profit after financial items	33.0	14.8	13.7	20.9	-0.9
Adjustments for non-cash items	62.7	53.3	122.4	102.2	198.2
Paid tax	-2.9	-2.1	-10.5	-8.8	-10.1
Cash flow from operations	**92.8**	**66.0**	**125.6**	**114.3**	**187.2**
Cash flow from working capital changes					
Change in inventories	-18.6	-10.2	90.8	-22.2	-142.3
Change in operating receivables	-16.5	29.8	24.0	-6.7	-51.2
Change in operating liabilities	115.7	-50.8	-550.6	44.5	533.8
Cash flow from operating activities	**173.4**	**34.8**	**-310.3**	**129.9**	**527.5**
Investing activities					
Investments in intangible assets	-11.6	-11.7	-22.5	-19.4	-41.5
Investments in property, plant and equipment	-13.6	-91.0	-20.3	-160.3	-311.2
Divestments of property, plant and equipment	-	-	0.3	0.3	0.3
Change in financial assets	-	0.3	1.0	0.2	1.1
Cash flow from investing activities	**-25.2**	**-102.4**	**-41.5**	**-179.1**	**-351.2**
Financing activities					
New loans	-	63.4	10.4	82.5	270.3
Repayment of loans	-13.8	-	-13.8	-	-
Change in overdraft facility	-58.1	-	-	-	-
Amortization leases	-30.2	-29.9	-61.4	-60.2	-119.4
Cash flow from financing activities	**-102.1**	**33.5**	**-64.8**	**22.2**	**150.9**
Cash flow for the period	**46.2**	**-34.1**	**-416.5**	**-27.0**	**327.3**
Cash and cash equivalents at the beginning of the period	3.1	138.3	452.5	140.5	140.5
Exchange rate effects	2.2	2.2	15.5	-7.1	-15.3
Cash and cash equivalents at the end of the period	**51.5**	**106.4**	**51.5**	**106.4**	**452.5**

Interest paid, including leasing, for the group amounts to SEK 36.3m (36.6). Received interest for the group amounts to SEK 1.3m (1.7).

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

	Q2		Jan-Jun		Jan-Dec
(SEKm)	2026	2025	2026	2025	2025
Net sales	2.1	1.8	4.4	3.7	8.7
Operating costs					
Other external expenses	-2.3	-1.7	-4.3	-3.6	-5.1
Employee benefits expenses	-1.5	-1.5	-3.0	-3.1	-5.3
Operating profit (-loss)	**-1.7**	**-1.3**	**-2.9**	**-2.9**	**-1.7**
Financial income/ expenses net	-2.5	-2.1	-3.9	-3.8	-5.3
Appropriations	-	-	-	-	2.1
Profit (+)/Loss (-) before tax	**-4.2**	**-3.5**	**-6.7**	**-6.8**	**-4.9**
Income tax	0.0	0.0	0.0	0.1	-0.7
Profit (+)/Loss (-) for the period	**-4.2**	**-3.4**	**-6.7**	**-6.7**	**-5.6**

The profit/loss for the period is in line with the comprehensive income for the period.

Parent Company financial position, in summary

	30 Jun		31 Dec
(SEKm)	2026	2025	2025
Non-current assets			
Financial assets	582.0	582.3	582.0
Total non-current assets	**582.0**	**582.3**	**582.0**
Current assets			
Receivables from group companies	614.4	551.5	151.5
Other current receivables	0.1	0.2	0.0
Cash and cash equivalents	50.9	103.5	450.4
Total current assets	**671.0**	**656.7**	**602.6**
Total assets	**1,253.1**	**1,239.0**	**1,184.6**
Restricted equity	7.7	7.7	7.7
Non-restricted equity	412.4	418.0	419.1
Total equity	**420.0**	**425.7**	**426.8**
Untaxed reserves	29.0	29.0	29.0
Provisions	1.0	0.7	1.0
Non-current liabilities to credit institutions	258.3	-	-
Total non-current liabilities	**259.2**	**0.7**	**1.0**
Current liabilities to credit institutions	-	259.1	259.2
Overdraft facility	-	-	-
Liabilities to group companies	540.8	516.3	463.4
Other current liabilities	4.0	8.3	5.3
Total current liabilities	**544.8**	**783.7**	**727.9**
Total equity and liabilities	**1,253.1**	**1,239.0**	**1,184.6**

Accounting principles

This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The group's reporting currency is Swedish kronor (SEK). Unless otherwise indicated, all amounts are rounded to the nearest million (SEKm) with one decimal. For a description of the group's accounting principles and definitions of certain terms, refer to the annual and sustainability report for 2025. The principles applied have remained unchanged in relation to these principles, except for a changed segment reporting structure, see note 1.

Net sales consist of sales of products and related services within the group’s main business.

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.

Note 1. Operating segments reports

With effect from the first quarter of 2026, the Group reports one operating segment, Retail, following the centralization of the sales organization into a unified structure serving all geographical markets. Retail comprises sales through digital channels and the store network across all markets, including Lyko Professional. Group Functions & Other includes central support functions, production, third-party logistics, own brand organization and intra-group eliminations. Comparative figures have been restated and historical quarterly figures for 2023–2025 are presented on page 22.

	Q2		Jan-Jun		Jul-Jun	Jan-Dec
(SEKm)	2026	2025	2026	2025	25/26	2025
Retail						
Net sales	1,001.1	921.0	1,857.0	1,829.0	3,930.0	3,902.0
EBIT	116.1	95.0	188.6	186.0	333.6	331.0
Group functions & other*						
Net sales	19.5	18.3	38.4	28.8	70.2	60.6
EBIT	-61.8	-63.3	-130.6	-126.6	-256.8	-252.8
Total Group						
Net sales	1,020.6	939.3	1,895.4	1,857.8	4,000.2	3,962.6
EBIT	54.3	31.7	58.0	59.4	76.8	78.2
Financial income/ expenses net	-21.3	-16.9	-44.3	-38.5	-84.9	-79.2
Profit (-loss) before tax	33.0	14.8	13.7	20.9	-8.1	-0.9

* The Net Sales and EBIT of Group functions & other are reported on a net basis, including intra-group eliminations.

Note 2. Financial instruments

The Lyko group's financial instruments consist mainly of accounts receivable, other receivables, cash and cash equivalents, accounts payable, interest-bearing securities and liabilities, and currency derivatives.

Measurement principles and classification of financial Instruments, except currency derivatives, are unchanged from the information disclosed in notes 1 and 19 in the annual and sustainability report for 2025.

Currency derivatives comprise forward currency contracts used to hedge the risk of exchange rate fluctuations for the warehouse investment. These derivatives are measured at fair value based on level 2 inputs in the IFRS 13 hierarchy.

As of 30 June 2026, there are no outstanding forward contracts, compared to a negative market value of SEK 4.7m as of 30 June, 2025, reported in other current liabilities.

Other financial assets and liabilities are measured at amortized cost. The fair value of other financial instruments are assessed to be approximately equal to their carrying values.

Note 3. Related party transactions

There have been no irregular related party transactions during the year.

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 and sustainability report for 2025.

Note 4. Events after the reporting period

There have been no significant events with effect on the financial reporting after the reporting period date.

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, July 17, 2026

Kenneth Bengtsson
Chairman of the board

Håkan Håkansson
Board member

David von Laskowski
Board member

Marie Nygren
Board member

Isabelle Ducellier
Board member

Erika Lyko
Board member

Rickard Lyko
CEO

This report has not been subjected to a limited review by the group's auditor.

Definitions

For more details on how to calculate financial key figures in this report, see page 101 in the annual and sustainability report for 2025.

KEY FIGURE	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, property, plant & equipment 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.

Historical data on new segment structure

The tables below summarize quarterly data for the years 2023-2025 based on the new segment structure in effect from Q1 2026, see note 1.

	(SEKm)	Q1	Q2	Q3	Q4	FY
2023	**Retail**					
	Net sales	667	713	693	931	**3,004**
	EBIT	75	73	84	84	**317**
	Group functions & other*					
	Net sales	13	8	12	16	**50**
	EBIT	-62	-60	-64	-62	**-249**
	Total Group					
	Net sales	**680**	**721**	**705**	**947**	**3,054**
	EBIT	**13**	**13**	**20**	**22**	**68**

	(SEKm)	Q1	Q2	Q3	Q4	FY
2024	**Retail**					
	Net sales	813	867	750	1,078	**3,508**
	EBIT	78	80	71	144	**372**
	Group functions & other*					
	Net sales	11	13	13	17	**54**
	EBIT	-62	-63	-63	-68	**-255**
	Total Group					
	Net sales	**824**	**880**	**763**	**1,095**	**3,562**
	EBIT	**16**	**17**	**8**	**76**	**117**

	(SEKm)	Q1	Q2	Q3	Q4	FY
2025	**Retail**					
	Net sales	908	921	812	1,261	**3,903**
	EBIT	91	95	65	80	**331**
	Group functions & other*					
	Net sales	10	18	15	17	**60**
	EBIT	-63	-63	-63	-64	**-253**
	Total Group					
	Net sales	**918**	**939**	**827**	**1,278**	**3,963**
	EBIT	**28**	**32**	**2**	**16**	**78**

* The Net Sales and EBIT of Group functions & other are reported on a net basis, including intra-group eliminations.

For more information, see our website lykogroup.se

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your beauty playground

Financial calendar

22 Oct 2026 - Interim report Jul-Sep 2026
12 Feb 2027 - Year-end report 2026

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