



HEALTH & BEAUTY

# INVESTOR CONFERENCE Q1 2026

LR HEALTH & BEAUTY GROUP  
MAY 12, 2026

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# 01\_\_ BUSINESS HIGHLIGHTS

# BUSINESS DAYS IN APRIL



Successfully communicated confidence and renewed motivation to sales partners in all relevant markets



Product launch was met with great excitement by our sales partners



Sales partners responded positively to the revision of the career plan



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# NEW 5IN1 LAUNCHED

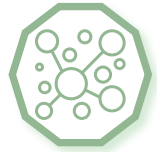
## @ BUSINESS DAYS APRIL 2026



# IMPROVEMENTS TO THE CAREER PLAN IMPLEMENTED IN JANUARY AND APRIL



Targeted changes implemented in January and April



Focus on performance-based compensation



Support for recruiting new distributors



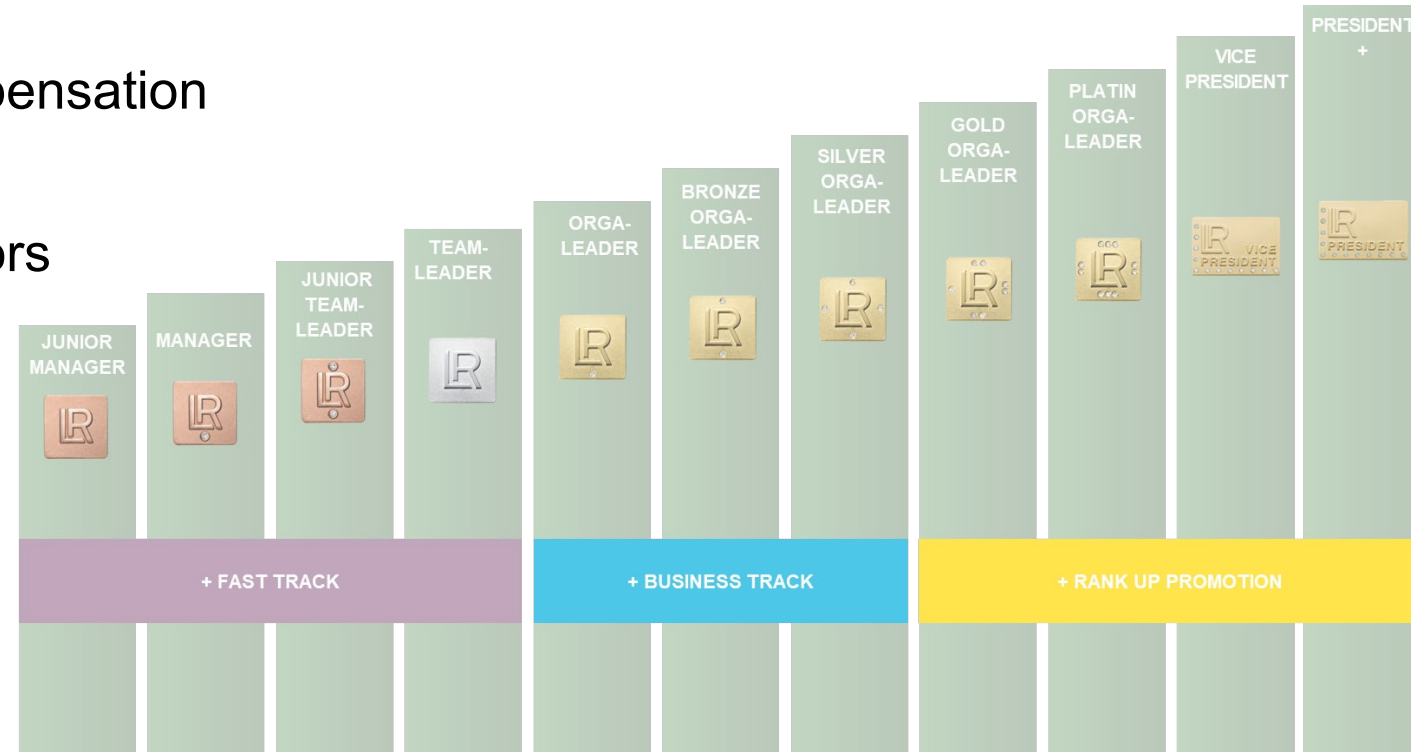
Strengthening customer retention



Reduction of layback effects



Bonus ratio significantly improved

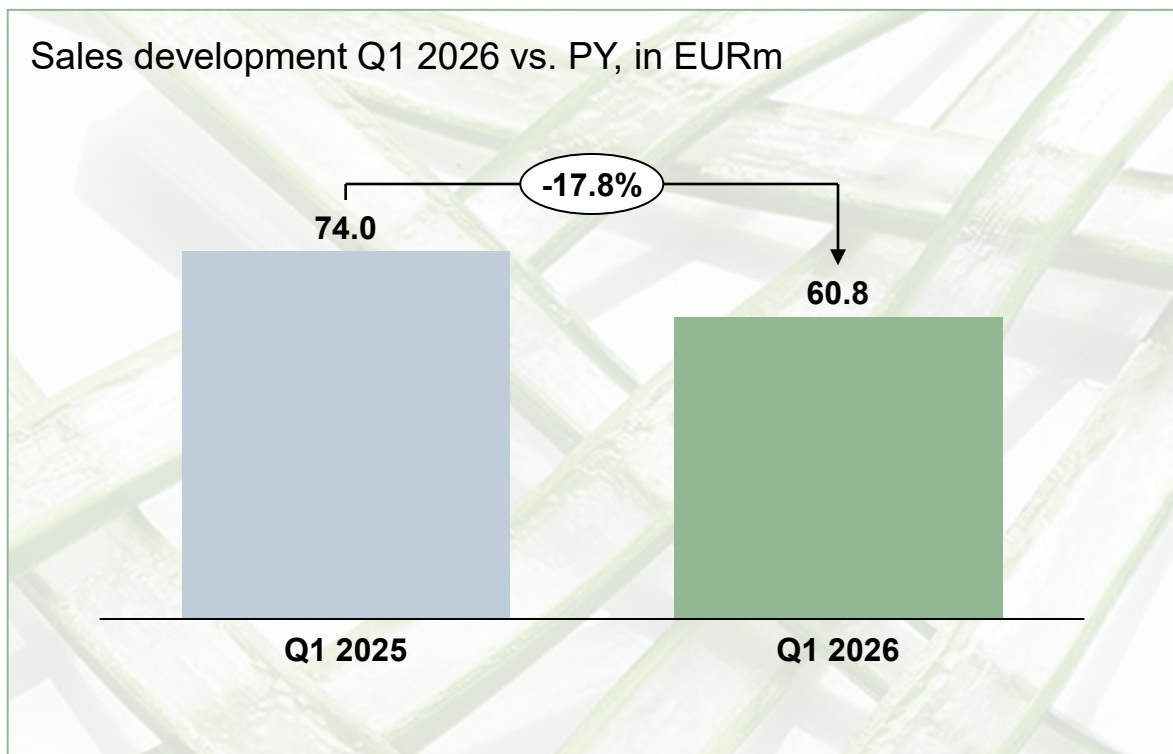




**02**       
**FACTS &  
FIGURES  
Q1 2026**

# AS EXPECTED, SALES IN Q1 2026 UNDER PRESSURE

## Sales<sup>1</sup> development LR Group



- Weaker performance than previous year, as expected given the current conditions
- Negative press and a negative sentiment on social media due to financial restructuring announcements
- Lower sales force compared to the previous year
- Adjustments to the career plan in January led to an improved bonus ratio. Nevertheless, less payouts to distributors impact sales unfavorably

(1) Sales as revenue from goods sold.

# WESTERN EUROPE IS FACING STRONGER SALES PRESSURE THAN CEE

Sales<sup>1</sup> Q1 2026 per region compared to previous year

## Region Western Europe

Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland, the Netherlands, Turkey and the United Kingdom

-23.2%

*in EURm*

Q1 2025	Q1 2026
40.4	31.0

## Region Central Eastern Europe

Albania, Bulgaria, Cyprus, Czech Republic, Greece, Hungary, Kazakhstan, Poland, Romania, Russia, Slovakia and Ukraine

-11.5%

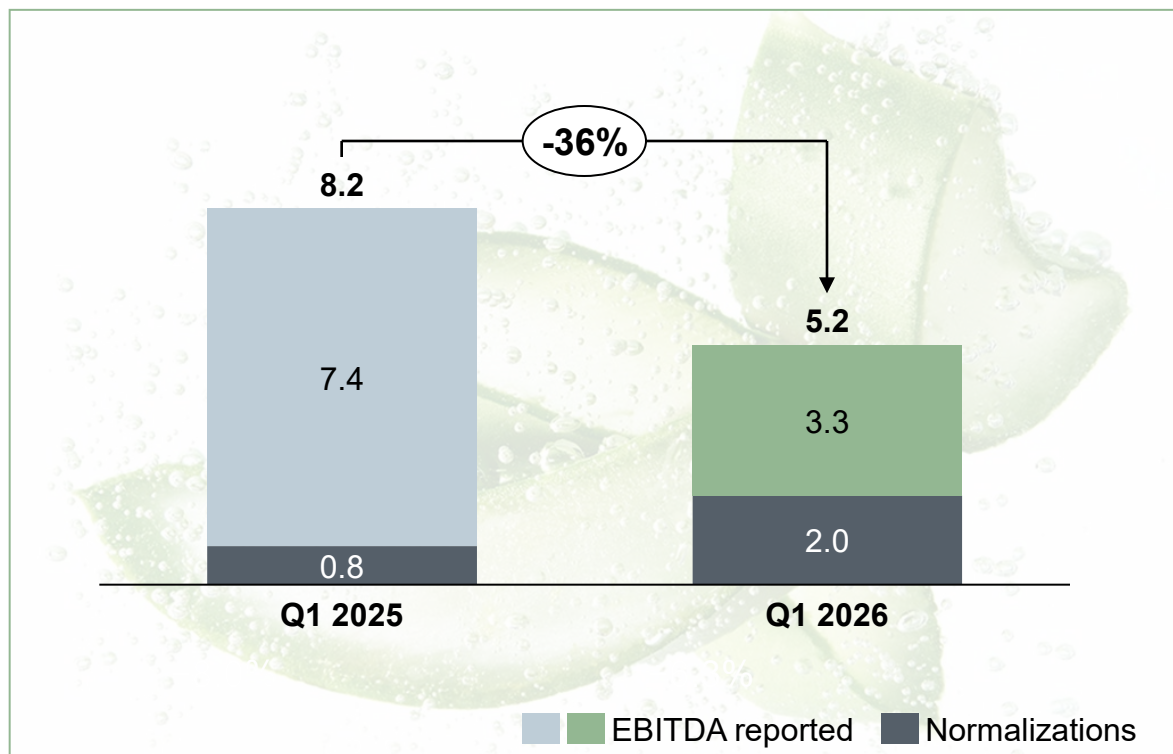
*in EURm*

Q1 2025	Q1 2026
33.5	29.6

(1) Sales as revenue from goods sold.

# EBITDA DECLINE DRIVEN BY LOWER SALES AND RESTRUCTURING COSTS

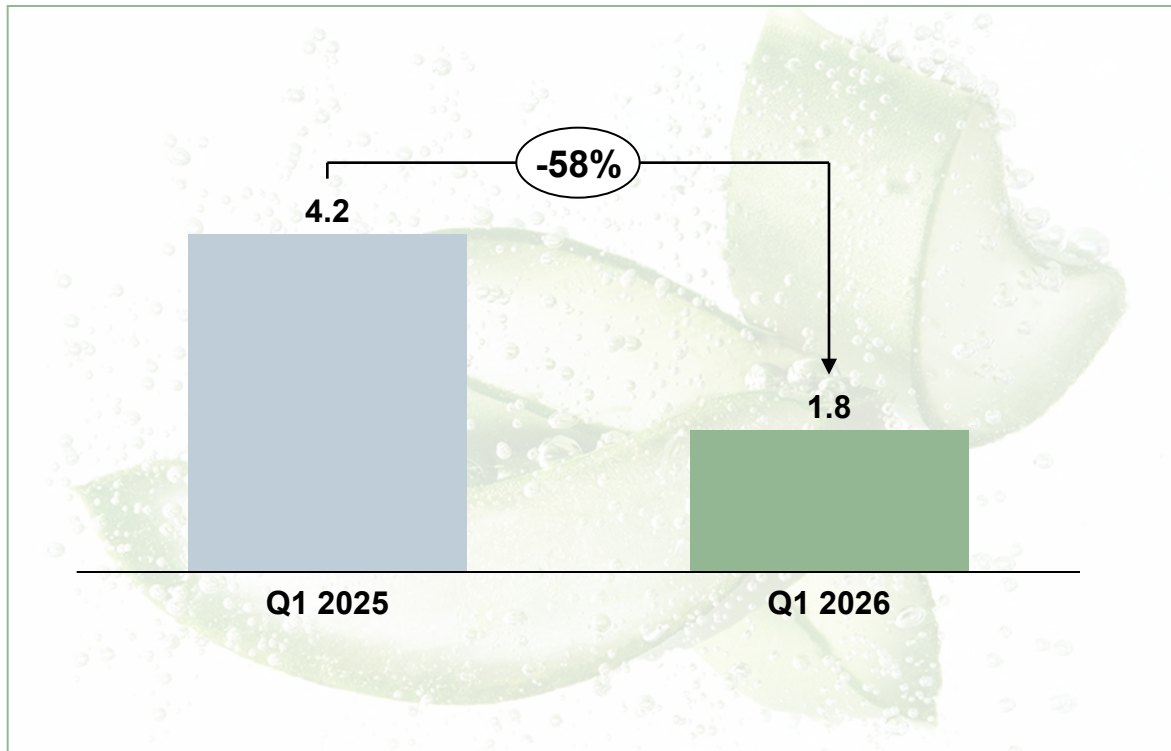
## Development of EBITDA reported / normalized LR Group, in EURm



- The decrease in EBITDA is caused by the significant decrease in sales
- Strict cost management is leading to cost savings
- But reductions in material costs, personnel costs, and bonus payments (distributors) can only partially offset the decline in sales
- Q1 2026 still effected by one-off costs in connection with financial restructuring

# DECLINING EBITDA IMPACTED FREE CASH FLOW IN FIRST QUARTER 2026

## Development of free cash flow<sup>1</sup> at LR Group, in EURm



- Free cash flow in the first quarter was significantly below the prior-year level, primarily due to the decline in EBITDA and the resulting decrease in operating cash flow
- Investing cash flow remained at the prior-year level

(1) Free cash flow, defined as sum of cash flow from operating activities and cash flow from investing activities.

# SALES UNDER PRESSURE WHILE COSTS LINES HAVE BEEN REDUCED

## Unaudited consolidated interim statement of profit and loss (shortened)

<i>in EURm</i>	Q1 2025	Q1 2026	Δ in %
<b>Sales<sup>1</sup></b>	74.0	60.8	-17.8%
Revenue	73.3	60.5	-17.4%
Changes in finished goods and work in progress	+0.8	+0.5	
Other operating income	+0.9	+0.7	
Cost of material	-13.6	-11.5	-15.7%
Personnel expenses	-14.7	-13.7	-6.9%
Other operating expenses	-39.2	-33.2	-15.3%
<b>EBITDA</b>	<b>7.4</b>	<b>3.3</b>	<b>-55.4%</b>
Exceptional items	0.8	1.9	
<b>EBITDA normalized</b>	<b>8.2</b>	<b>5.2</b>	<b>-36.3%</b>
<i>in % of sales</i>	11.1%	8.6%	

- The negative sales trend continued in Q1 2026
- Ratio of the sum of material costs and changes in finished goods and work in progress to sales in Q1 2026 increased to 18.2% (Q1 2025: 17.4%)
- Lower personnel costs compared to the previous year due to reduced number of headcounts
- Other operating expenses decreased
  - mainly due to lower distributor bonus (volume driven) and adjustments in the career plan
  - partially offset by higher costs in connection with the financial restructuring

(1) Sales as revenue from goods sold.

# BALANCE SHEET – INCREASED CASH DUE TO BRIDGE FINANCING

## Unaudited consolidated interim statement of financial positions (shortened)

<i>in EURm</i>	<b>Dec 31, 2025</b>	<b>Mar 31, 2026</b>	<b>Δ in %</b>
Non-current assets	144.0	142.9	-0.7%
Current assets	57.3	67.9	+18.5%
<i>thereof inventories</i>	26.1	27.5	+5.4%
<i>thereof trade receivables</i>	11.4	13.5	+18.4%
<i>thereof cash</i>	8.0	17.5	+118.4%
Total assets	201.3	210.8	+4.7%
Equity	-10.3	-16.2	56.8%
<i>Economic equity<sup>1</sup></i>	-7.1	-12.9	81.0%
Non-current liabilities	29.1	27.8	-4.5%
<i>thereof shareholder loans (subordinated)</i>	3.2	3.3	+2.8%
Current liabilities	182.5	199.2	+9.2%
<i>thereof liabilities from bonds</i>	129.8	145.2	+11.8%
<i>thereof trade payables</i>	28.5	30.5	+7.1%
Total equity and liabilities	201.3	210.8	+4.7%

- Inventories are slightly above plan due to lower sales volume
- Cash levels increased due to EUR 10m proceeds from the issue of the new corporate bond (bridge)
- Liabilities from bonds increased due to bridge nominal, bridge issue fee and accrued interests
- The carrying amount of the shareholder loan with a nominal value of EUR 4.0m was partially allocated to the equity reserve due to IFRS requirements

(1) Economic equity is not part of the balance sheet according to IFRS.



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**03**\_\_

# RECENT DEVELOPMENTS

# ANNUAL REPORT 2025



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- Due to the financial restructuring (including IDW S6 report), audited annual financial statements have not yet been finalised and published
- As usual, the forecast for the 2026 financial year will be published along with the 2025 annual financial statements



# STRATEGIC FOCUS: REVERSE CURRENT SALES / RECRUITMENT TREND AND IMPLEMENT IDW S6 MEASURES

- Development of country-specific playbooks
- Improve customer journey, i.e. establish lower entry barriers
- Improve sales actions and recruitment in conjunction with adjustments to the career plan
- Promote positive communication and improve the company's image
- Evaluate possibilities for real product innovation
- Implement costs measures from IDW S6 report, including headcount reduction



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