



HEALTH & BEAUTY

INVESTOR CONFERENCE

Q2 2026

LR HEALTH & BEAUTY GROUP
AUGUST 27, 2026

CONTENT

01_COMPANY UPDATE

02_FACTS & FIGURES Q2 2026

03_RECENT DEVELOPMENTS





01____ COMPANY UPDATE

FINANCIAL REALIGNMENT SUCCESSFULLY COMPLETED IN Q2 2026

- Total new capital of EUR 20m
(EUR 10m new debt and EUR 10m fresh equity)
- Balance sheet fundamentally restructured

Bond – LR Health & Beauty SE

- **ISIN** NO0013149658 (WKN A3513A)
- **Type** Senior secured bond
- **Volume** EUR 62.5m outstanding
- **Coupon** 6.75% p.a., fixed, paid quarterly
- **Maturity** 30 June 2030
- **Listing** Open Market Frankfurt; Nasdaq Stockholm (regulated market)

Bond – LR Topco S.à r.l.

- **ISIN** NO0013756064 (WKN A4EW1G)
- **Type** Senior unsecured bond
- **Volume** EUR 27.5m
- **Coupon** 6.00% p.a. PIK interest, stepping up to 10.00%
- **Maturity** 30 June 2031
- **Listing** Open Market Frankfurt since 23 July 2026

COST AND EFFICIENCY MEASURES DELIVERING AS PLANNED, SALES HELD BACK BY RECRUITING

Under control: cost and efficiency

All cost and efficiency measures are on track and delivering as planned:

- ✓ **Bonus ratio** significantly below prior year in H1
- ✓ **Personnel expenses** below prior year, with a major reduction programme to follow in Q4
- ✓ **Other operating expenses** base rate below prior year, YTD still impacted by one-off restructuring costs
- ✓ **Country portfolio** streamlined via distributor model for the previously loss-making South Korea subsidiary

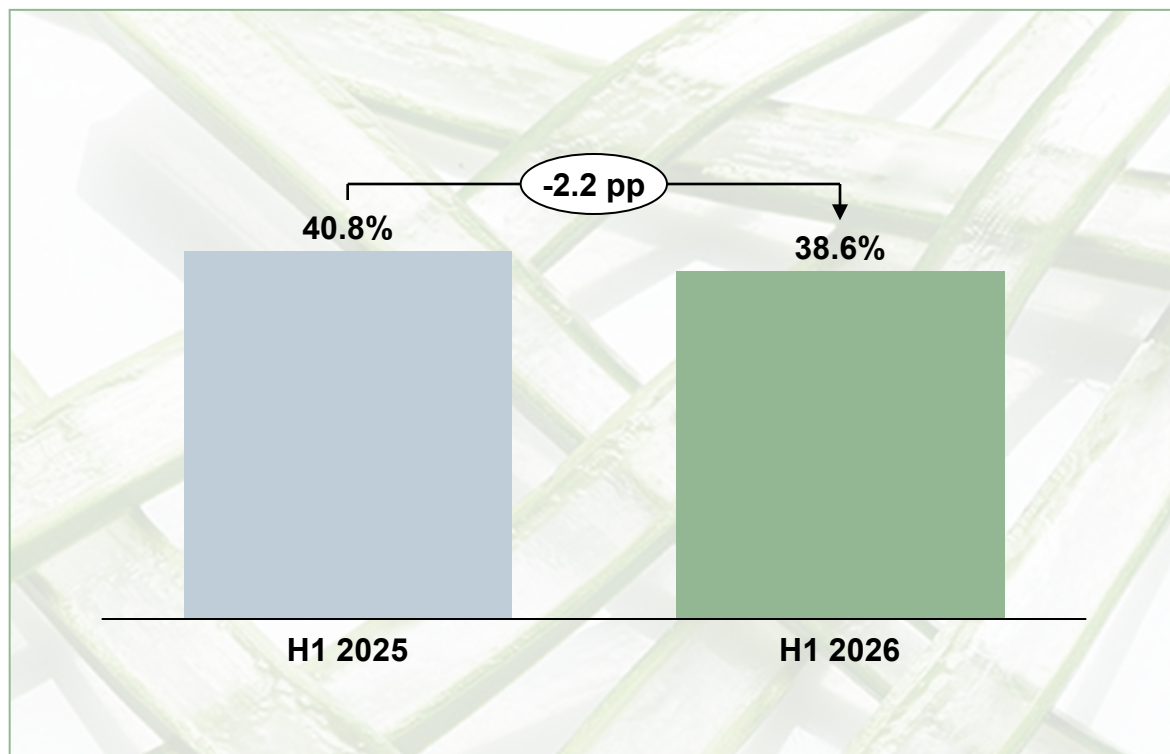
In focus: sales and recruiting

Sales remain under pressure, driven mainly by weak recruiting. We are countering this in different areas:

-  **Campaigns** to activate sponsors and new starters
-  **Bonus and incentives** for faster partner starts
-  **Events** such as roadshows and academies
-  **Product offers** and bundles to activate customers
-  **Strategic enablement** via training and onboarding
-  **New market** entry planned within the current year to broaden the growth base

SIGNIFICANT IMPROVEMENT IN BONUS RATIO ACHIEVED

Development of bonus ratio¹ at LR Group, in %



- Focus on performance-based compensation
- Discount vouchers in early bonus levels introduced
- Newly designed starter programme (Fast Track)
- Revised business track programme with sharpened criteria for guaranteed income
- Reduction of so-called Air PV
- Significant reduction of lay-back effects

(1) Bonus ratio defined as bonus costs divided by sales (revenue from sold goods).

SALES MEASURES: ACTIVATING SPONSORS AND WINNING NEW DISTRIBUTION PARTNERS



Campaigns

- Sponsor campaign in DACH
- Heatwave new-starter activation
- Autumn programme to follow



Bonus and incentives

- Fast Track program
- Rank-up bonus for advancement



Events

- Business Days in September
- Health roadshow in DACH
- International health academies



Product offers

- “Crazy Summer” offers for consumers
- Special bundles at Business Days



Strategic enablement

- Stronger partner training
- Simplified starters sets



New markets

- Entry along the existing distributor network
- New continent opens additional growth potential

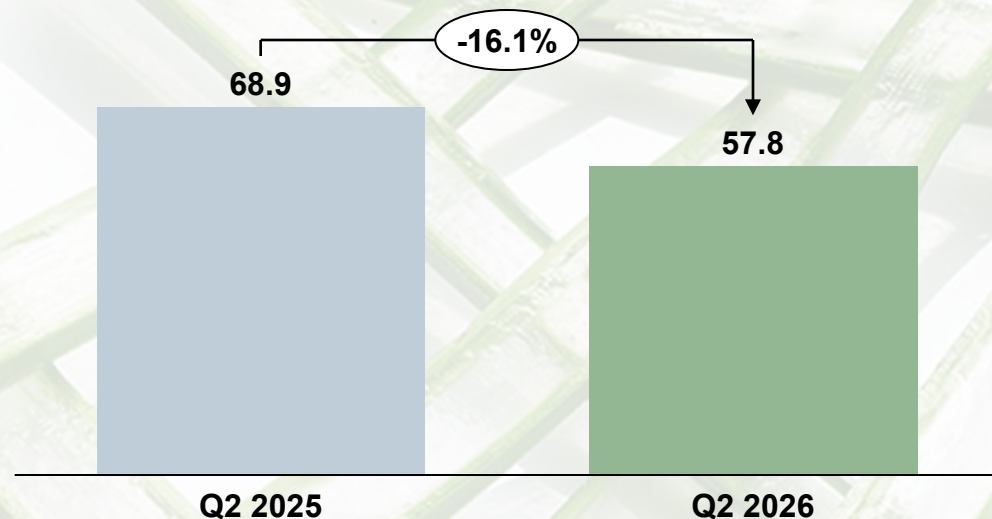


02__ FACTS & FIGURES

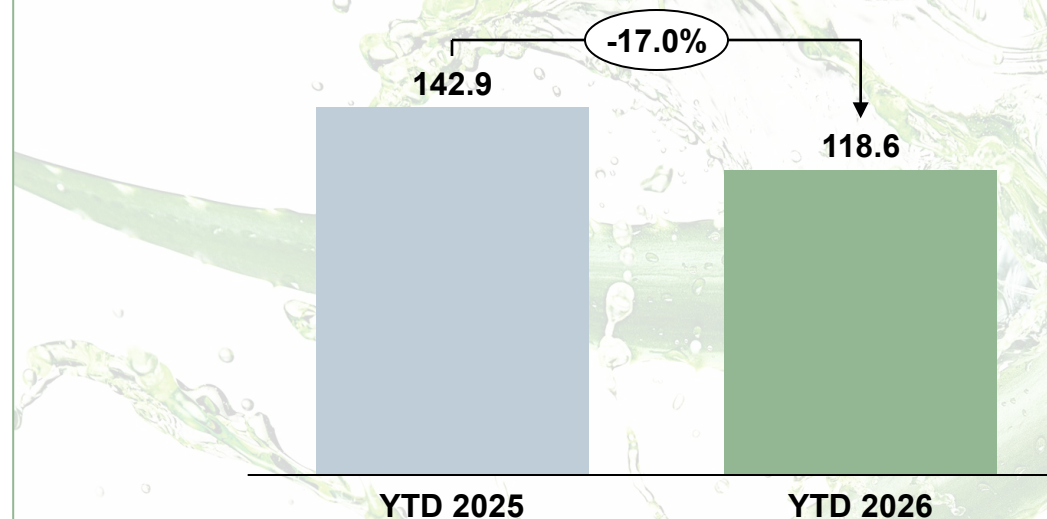
SALES REMAIN UNDER PRESSURE AND SIGNIFICANTLY BELOW PRIOR YEAR

Sales¹ development LR Group

Sales development Q2 2026 vs. PY, in EURm



Sales development YTD 2026 vs. PY, in EURm



(1) Sales as revenue from goods sold.

WESTERN EUROPE CONTINUES TO FACE SIGNIFICANT PRESSURE

Sales¹ Q2 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

-20.8%

		in EURm	
		Q2 2025	Q2 2026
		37.5	29.7

Region Central Eastern Europe

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

-10.3%

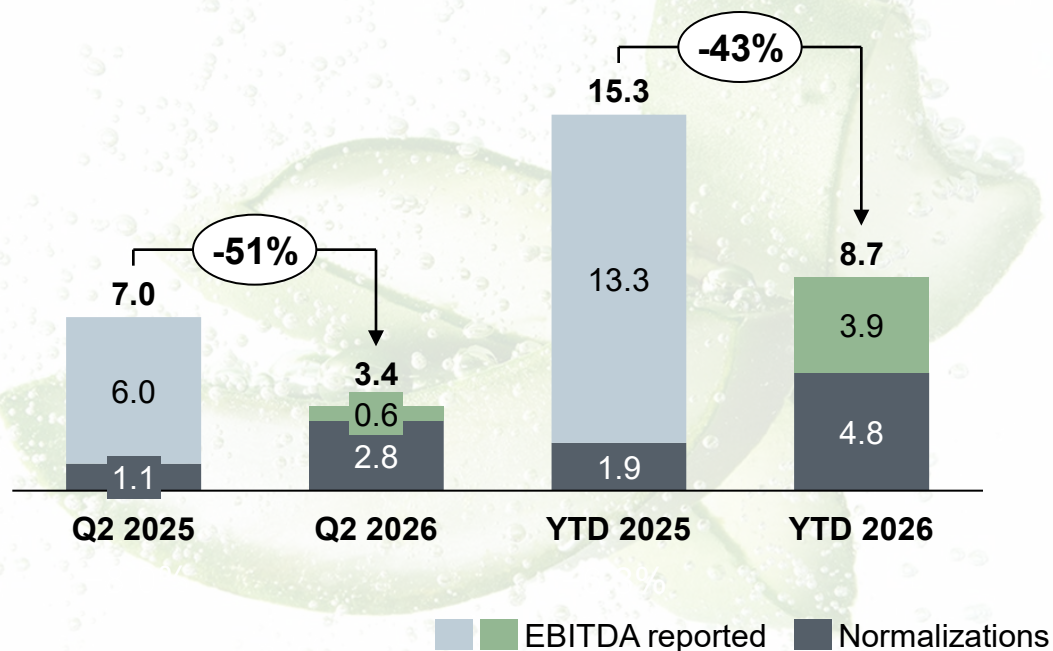
		in EURm	
		Q2 2025	Q2 2026
		31.2	28.0

(1) Sales as revenue from goods sold.

EBITDA DECLINE DRIVEN BY LOWER SALES AND RESTRUCTURING COSTS IN Q2 AND H1

Development of EBITDA reported / normalized LR Group, in EURm

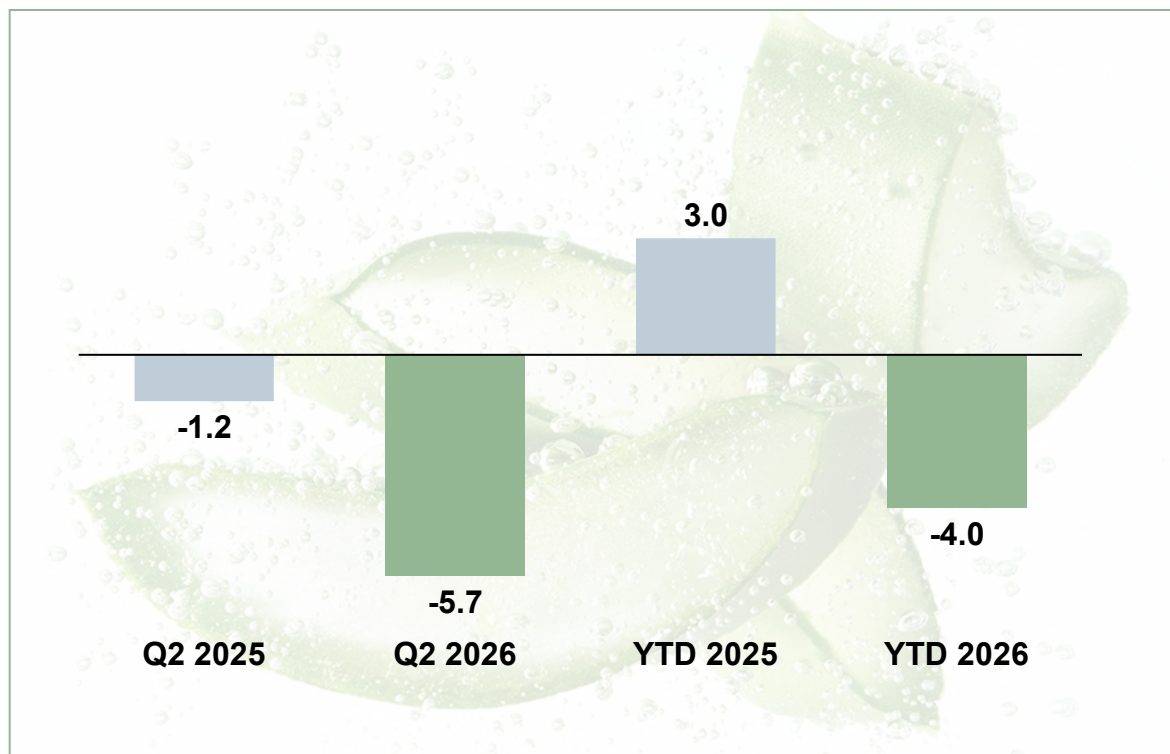
EBITDA reported / normalized



- The decrease in EBITDA is caused by the significantly lower sales
- Strict cost management is leading to cost savings
- But reductions in personnel costs, other operating expenses baseline and bonus payments (distributors) can only partially offset the decline in sales
- Q2 2026 still affected by one-off costs in connection with financial restructuring

FREE CASH FLOW IN Q2 2026 AFFECTED BY PAYOUT OF ANNUAL BONUS TO DISTRIBUTORS

Development of free cash flow¹ at LR Group, in EURm



- Free cash flow in the second quarter and first half-year significantly below the prior-year level, primarily due to the decline in EBITDA and the resulting decrease in operating cash flow
- In addition, the seasonal payment of annual distributor bonuses in April impacted free 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.

LOWER SALES AND RESTRUCTURING COSTS DRIVE EBITDA DECLINE

Unaudited consolidated interim statement of profit and loss (shortened)

<i>in EURm</i>	Q2 2025	Q2 2026	Δ in %	YTD 2025	YTD 2026	Δ in %
Sales¹	68.9	57.8	-16.1%	142.9	118.6	-17.0%
Revenue	69.0	56.9	-17.5%	142.3	117.5	-17.4%
Changes in finished goods and work in progress	-0.3	-1.8		+0.5	-1.3	
Other operating income	3.8	1.4		4.7	2.1	
Cost of material	-12.0	-9.2	-23.6%	-25.7	-20.7	-19.4%
Personnel expenses	-14.2	-13.9	-2.5%	-29.0	-27.6	-4.7%
Other operating expenses	-40.3	-32.9	-18.5%	-79.5	-66.1	-16.9%
EBITDA	5.9	0.6	-90.1%	13.3	3.9	-70.9%
Exceptional items	1.1	2.8		1.9	4.8	
EBITDA normalized	7.0	3.4	-51.4%	15.3	8.7	-43.3%
<i>in % of sales</i>	<i>10.2%</i>	<i>5.9%</i>		<i>10.7%</i>	<i>7.3%</i>	

- Sales and revenue are lower than last year
- Ratio of the sum of material costs and changes in finished goods and work in progress to sales in H1 2026 increased to 18.6% (H1 2025: 17.6%)
- Personnel costs in Q2 and YTD below previous year's level, driven by lower headcount
- Other operating expenses base line below prior year, bonus payments significantly lower, partially offset by restructuring-related one-off costs

(1) Sales as revenue from goods sold, not part of the P&L according to IFRS.

STRENGTHENED BALANCE SHEET WITH SIGNIFICANTLY HIGHER EQUITY AND CASH

Unaudited consolidated interim statement of financial positions (shortened)

<i>in EURm</i>	Dec 31, 2025	Jun 30, 2026	Δ in %
Non-current assets	136.8	134.4	-1.8%
Current assets	57.3	66.4	+15.9%
<i>thereof inventories</i>	26.1	25.6	-2.1%
<i>thereof cash</i>	8.0	18.7	+133%
Total assets	194.1	200.8	+3.4%
Equity	-17.6	38.2	
<i>Economic equity¹</i>	-14.4	69.1	
Non-current liabilities	29.2	116.6	+299%
<i>thereof liabilities from bonds</i>	0	62.7	
<i>thereof shareholder loans (subord.)</i>	3.2	31.0	+868%
Current liabilities	182.5	46.0	-74.8%
<i>thereof liabilities from bonds</i>	129.8	0	
<i>thereof trade payables</i>	28.5	22.8	-20.0%
Total equity and liabilities	194.1	200.8	+3.4%

- Cash increased to EUR 18.7m, driven by proceeds from equity contribution and issue of bonds
- Significantly improved Equity at EUR 38.2m and Equity ratio at 19%; Economic equity¹ including the subordinated shareholder loan amounts to EUR 69.1m: Economic equity ratio at 34.4%
- After write-downs, bond liabilities amount to EUR 62.7m and are again recognised as non-current liabilities
- The parent company issued a EUR 27.5m corporate bond and passed it on to the SE as a shareholder loan, increasing subordinated shareholder loans to EUR 31.0m
- Trade payables decreased due to payout of annual distributor bonuses in April

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

OUTLOOK – 2026 REMAINS A TRANSITION YEAR

WITH FOCUS ON STABILIZATION

- 2026 remains a transition year following the completed financial restructuring and ongoing operational measures
- Improved capital structure and liquidity position provide the foundation for stabilization and future sustainable growth
- An updated outlook will be provided with the Q3 2026 reporting





03__

RECENT DEVELOPMENTS

5IN1 INSOURCING SUCCESSFULLY COMPLETED IN AHLEN

EUR ~2m invested in the new production line

> EUR 1m p.a. run-rate saving once fully ramped up

Production of the 5in1 range fully in-house

- Manufacturing of LR 5in1 Beauty Elixir and Men's Shot consolidated at the Ahlen headquarters
- Larger share of the value chain in-house: more control over quality and processes, higher flexibility for international markets
- Fully automated line: high speed, efficiency and stable, reproducible processes
- Basis for future product innovations in nutritional supplements while scaling growth
- **"Made in Germany"** as a quality commitment to customers and partners worldwide



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

- Development of country-specific playbooks
Implemented, refined on an ongoing basis
- Improve customer journey, i.e. establish lower entry barriers
Partly implemented, further measures in progress
- Improve sales actions and recruitment in conjunction with adjustments to the career plan
Partly implemented, further measures in progress
- Promote positive communication and improve the company's image
Ongoing and detailed evaluation by a market research institute in progress
- Evaluate possibilities for real product innovation
Work in progress
- Implement costs measures from IDW S6 report, including headcount reduction
Partly implemented, headcount reduction planned for Q4



MORE QUALITY
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