



HEALTH & BEAUTY

# INVESTOR CONFERENCE Q4 2024

LR HEALTH & BEAUTY GROUP  
FEBRUARY 28, 2025



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# 01\_\_ BUSINESS HIGHLIGHTS



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SUCCESSFUL  
CHRISTMAS  
BUSINESS 2024

APPROX. EUR 150K  
RAISED FOR LR  
GLOBAL KIDS  
FUND FROM  
CHRISTMAS SALES

# Sparkling Christmas

*It's time to shine*

# DECORATIVE COSMETICS SEGMENT WELL ESTABLISHED

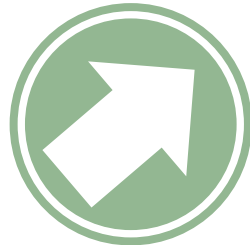
- Continued strong sales after the launch in September  
⇒ ZEITGARD Signature has become one of the most successful launches in LR History
- Comprehensive sets have a positive impact on average order value and inventory management
- Decorative cosmetics well established as new segment  
⇒ Further launches in this segment will follow



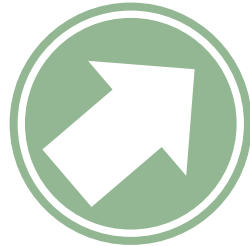
# THE LR BUSINESS TRACK MEETS EXPECTED TARGETS AND SUPPORTS GROWTH



Number of new careers and qualifications



Number of new distributors



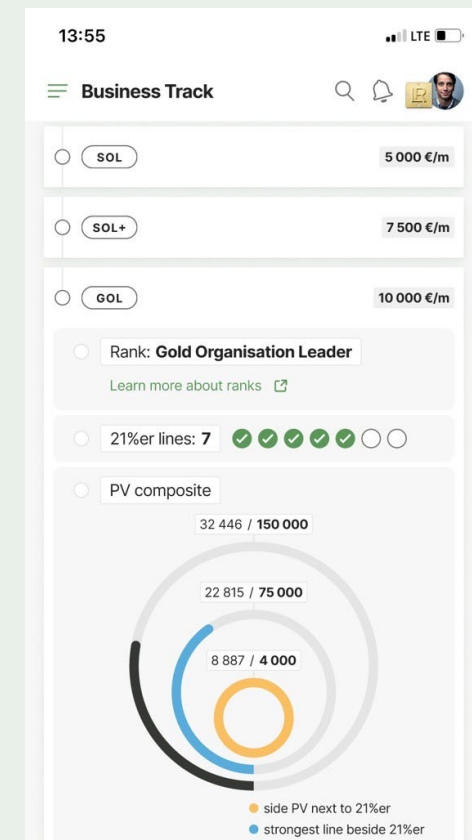
Efficient Bonus allocation



LR Business Track launched in October 2024

- Important driver for further sales growth
- Bonus payments generate greater motivation (less scatter losses)

Business Track integrated in **LRneo**





**APPROX. 50  
LR KICK-OFF  
EVENTS IN  
EARLY 2025**





## 02\_ **FACTS & FIGURES**



# GUIDANCE FULL YEAR 2024 CONFIRMED



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- LR has forecasted to close the 2024 financial year with sales<sup>1</sup> in the range of EUR 288 million to EUR 292 million.



Guidance confirmed at EUR 289.2 million

- LR has expected to close the 2024 financial year with EBITDA in the range of EUR 26 million to EUR 29 million.



Guidance confirmed at EUR 27.3 million

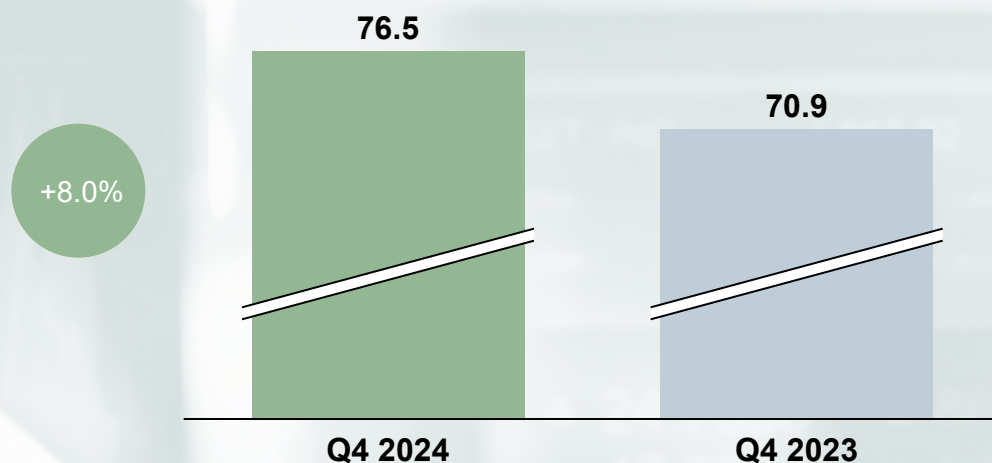


(1) Sales as revenue from goods sold.

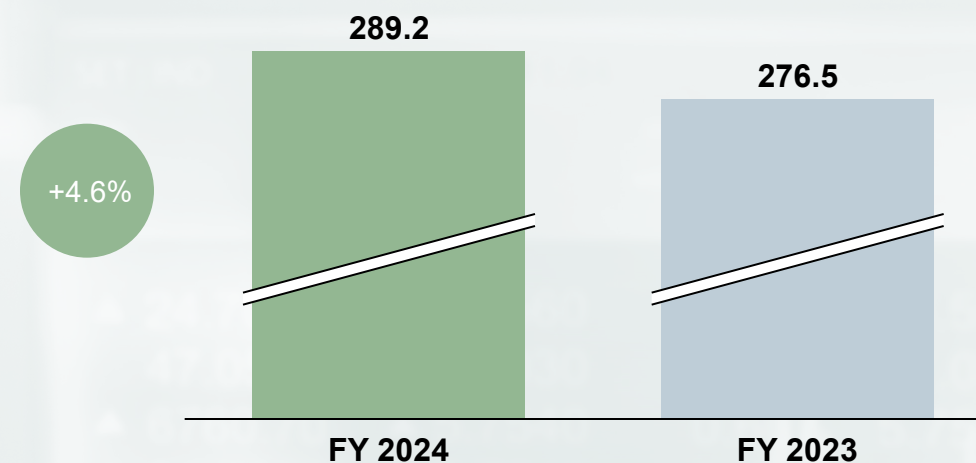
# SALES INCREASED SIGNIFICANTLY IN Q4

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

Sales development Q4 2024 vs. PY, in EUR m



Sales development FY 2024 vs. PY, in EUR m



(1) Sales as revenue from goods sold.

# BOTH REGIONS ON GROWTH PATH

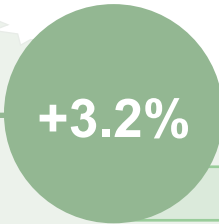


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Sales<sup>1</sup> FY 2024 per region compared to previous year

## Region Western Europe

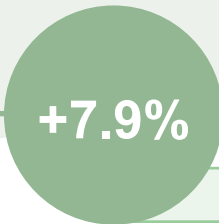
Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland, the Netherlands, Turkey and the United Kingdom



<i>in EUR m</i>	
FY 2024	FY 2023
174.6	169.2

## Region Central Eastern Europe

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

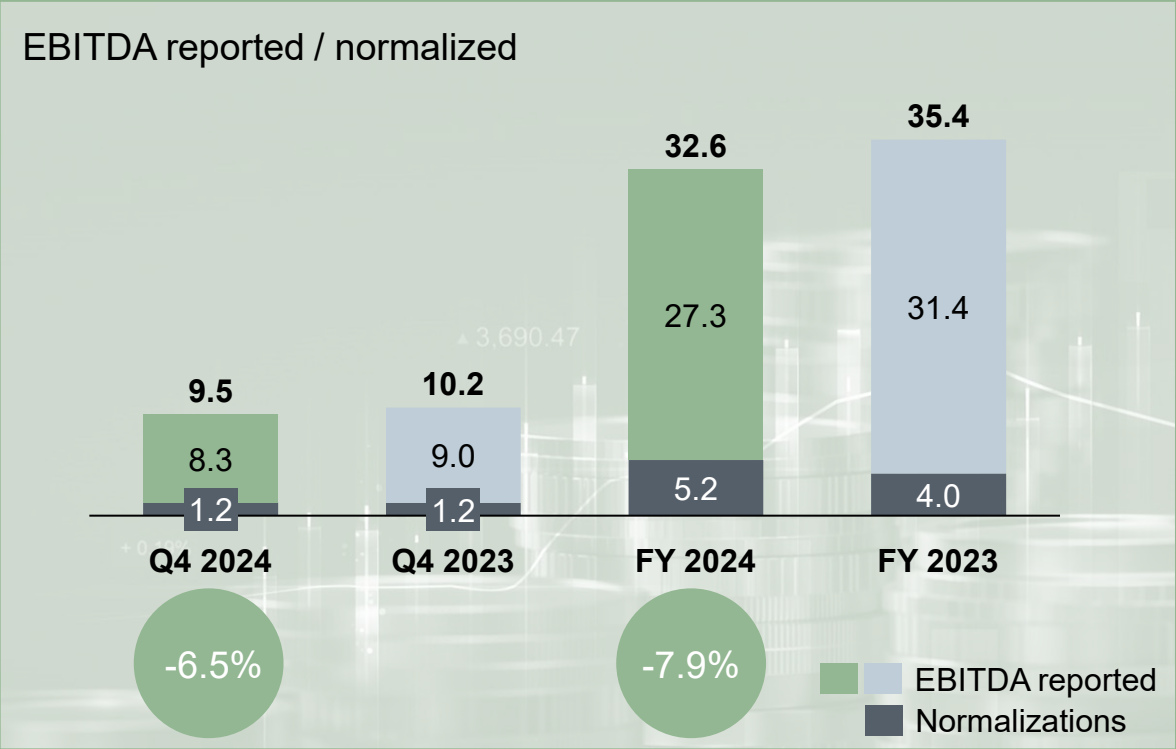


<i>in EUR m</i>	
FY 2024	FY 2023
113.9	105.5

(1) Sales as revenue from goods sold.

# SOLID EBITDA DESPITE ONE-OFF EFFECTS IN 2024

## Development of EBITDA reported / normalized LR Group, in EUR m

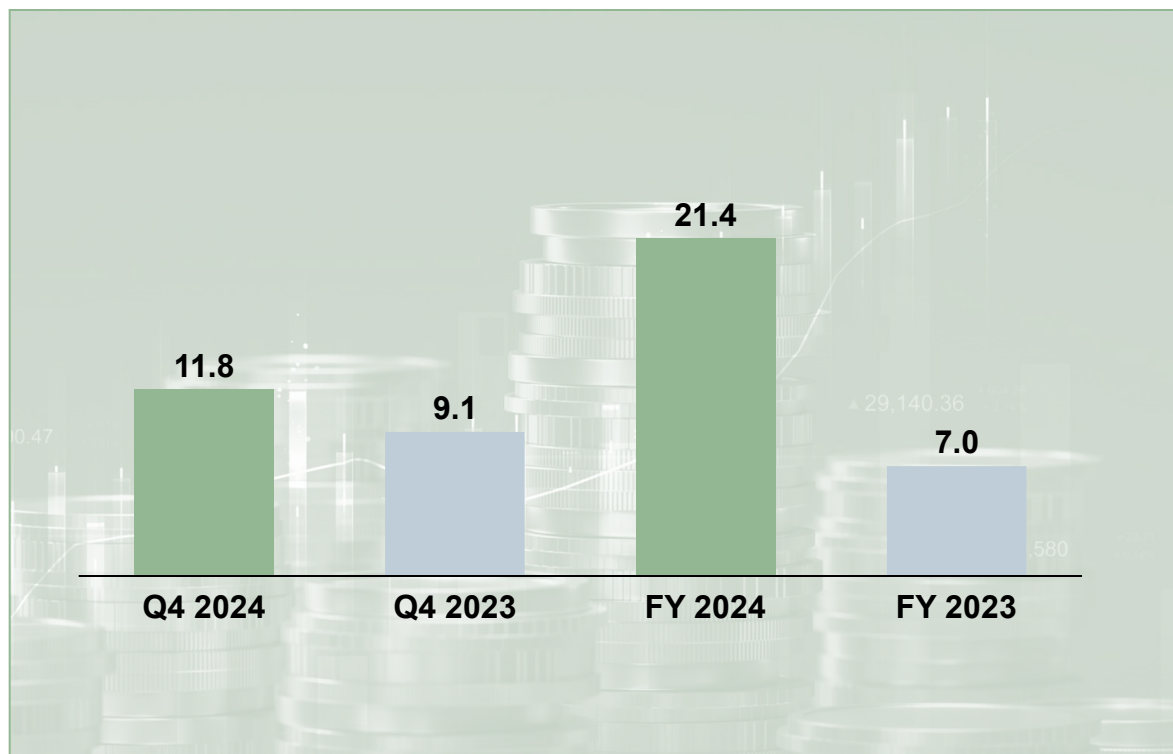


### EBITDA in 2024 impacted by various one-off effects

- Higher personnel expenses in 2024 driven by accumulated inflation in recent years in combination with very limited salary increases in previous years
- Short-term one-off additional costs related to the realignment of the career plan and accompanying sales measures
- One-off effects in connection with the refinancing of the corporate bond

# FREE CASH FLOW SIGNIFICANTLY ABOVE PREVIOUS YEAR

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



- Strong free cash flow in Q4 and YTD underlines robust business model
- Nevertheless, refinancing costs had a negative impact on the free cash flow
- Last year's YTD numbers were impacted by subsequent tax payments for previous years
- Seasonally lower FCF levels expected in the first half year of 2025

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

# SOLID EBITDA DESPITE ONE-OFF EFFECTS IN 2024

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

<i>in EUR m</i>	Q4 2024	Q4 2023	Δ in %	FY 2024	FY 2023	Δ in %
<b>Sales<sup>1</sup></b>	76.5	70.9	+8.0%	289.2	276.5	+4.6%
Revenue	78.0	71.2	+9.6%	286.0	274.5	+4.2%
Changes in finished goods and work in progress	-1.6	-1.2		-2.3	+4.2	
Other operating income	+2.0	+2.0		+6.7	+6.3	
Cost of material	-13.1	-11.6	+12.7%	-50.6	-53.4	-5.3%
Personnel expenses	-13.9	-13.2	+5.7%	-57.0	-53.5	+6.5%
Other operating expenses	-43.0	-38.3	+12.4%	-155.5	-146.6	+6.1%
<b>EBITDA</b>	<b>8.3</b>	<b>9.0</b>	<b>-7.5%</b>	<b>27.3</b>	<b>31.4</b>	<b>-13.0%</b>
Exceptional items	1.2	1.2		5.2	4.0	
<b>EBITDA normalized</b>	<b>9.5</b>	<b>10.2</b>	<b>-6.5%</b>	<b>32.6</b>	<b>35.4</b>	<b>-7.9%</b>
<i>in % of sales</i>	12.4%	14.4%		11.3%	12.8%	

- Product innovations and aligned career plan drive sales growth
- Ratio of the sum of material costs and changes in finished goods and work in progress to sales FY 2024 increased to 18.3% (PY: 17.8%)
- Higher personnel expenses in 2024 driven by accumulated inflation in recent years in combination with very limited salary increases in previous years
- Other operating expenses increased in FY 2024, mainly due to higher distributor bonus caused by increased sales volume and costs related to the issuance of the new corporate bond

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

# BALANCE SHEET ITEMS ON TRACK

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

<i>in EUR m</i>	<b>Dec 31, 2024</b>	<b>Dec 31, 2023</b>	<b>Δ in %</b>
Non-current assets	152.2	151.2	+0.7%
Current assets	73.3	83.5	-12.3%
<i>thereof inventories</i>	26.7	34.6	-22.8%
<i>thereof trade receivables</i>	14.6	13.8	+5.5%
<i>thereof cash</i>	19.6	24.0	-18.0%
Total assets	225.5	234.7	-3.9%
Equity	15.3	27.2	-44.0%
<i>Economic equity<sup>1</sup></i>	18.1	27.2	-33.4%
Non-current liabilities	154.4	151.0	+2.3%
<i>thereof liabilities from bonds</i>	125.0	125.5	-0.4%
<i>thereof shareholder loans (subordinated)</i>	2.8	0.0	
Current liabilities	55.9	56.5	-1.2%
<i>thereof trade payables</i>	34.1	34.7	-1.8%
Total equity and liabilities	225.5	234.7	-3.9%

- Inventory reduced as planned
- Economic equity<sup>1</sup> including the subordinated shareholder loan amounts to EUR 18.1m
- The book value of the new bond 2024/2028 corresponds to the issue amount of EUR 130.0m less discounted issue fees and OID plus accrued interests
- The carrying amount of the shareholder loan of a nominal EUR 4.0m was partially reclassified to the equity reserve due to IFRS requirements

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



# 03      CORPORATE BOND



# SUCCESSFUL MAINTENANCE TEST IN Q4 2024

Calculation referring to Clause 13.1 of the Terms and Conditions for LR Health & Beauty SE senior secured floating rate bonds 2024/2028

## Leverage Ratio

Net Interest Bearing Debt

/

Group EBITDA

**4.27x per LTM Q4 2024**

**Status: compliant** (covenant 4.75x)

## Pre-IFRS 16 Leverage Ratio

Net Interest Bearing Debt excluding  
any Financial Indebtedness under any lease (...)

/

Group EBITDA minus the interest expenses in  
respect of any lease (...)

**3.95x per LTM Q4 2024**

**Status: compliant** (covenant 5.70x)



Nasdaq Stockholm  
has admitted LR's  
corporate bond to  
trading



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# 04\_ **OUTLOOK**

# EXTENSION OF THE SUCCESSFUL LR BODY MISSION CONCEPT



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- Seasonally important assortment to successfully start the year
- Launch of a new component of the well-established LR Body Mission: Sweet Potato Soup
- Second best-selling product of the LR Body Mission products this year



# DIGITIZATION: LR CAREER MAGAZINE INTEGRATED INTO LRneo



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## IMMEDIATE HONORS

Honors take place when the emotions are there!



## INCREASED RECOGNITION

LR worldwide – 100% coverage!



## More flexibility

Significantly streamlined digital process



## MORE POSSIBILITIES

LR success stories in videos, photos, stories and much more



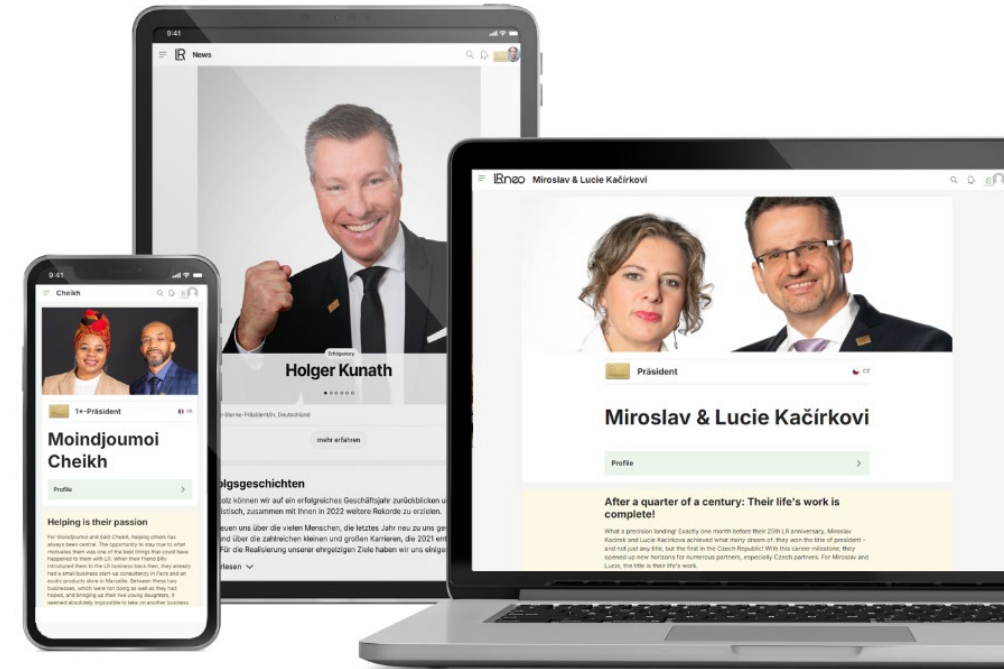
## COUNTRY-SPECIFIC HONORS

Local heroes can be spotlighted



## SAVING OF RESOURCES

Significantly leaner & more environmentally-friendly processes



# LRneo

# GUIDANCE FOR FULL YEAR 2025 WILL BE PUBLISHED WITH THE 2024 ANNUAL REPORT

- LR and its sales partners have started the new year with great energy and high motivation
- Sales<sup>1</sup> performance in January and February is in line with expectations
- Missing one-off cost (e.g. refinancing) will have positive impact on EBITDA
- As in the past, the outlook for the full year 2025 will be published with the Annual Report 2024



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*for your life.*