

First quarter 2023 (Q1 2022)

- Net sales decreased by 18.4% to MSEK 287.8 (MSEK 352.9 same period last year). Adjusted for exchange rate differences that equals a decline of 17.4%
- Contribution margin was 31.6% (24.4%)
- EBITDA amounted to MSEK 24.0 (-6.5). EBITDA-margin at 8.3% (-1.8%)
- Adjusted EBITDA amounted to MSEK 24.0 (-4.1). Adjusted EBITDA-margin at 8.3% (-1.2%)
- Operating profit (EBIT) at MSEK 12.1 (-19.7), a margin of 4.2% (-5.6%)
- Adjusted EBIT at MSEK 12.1 (-17.4), a margin of 4.2% (-4.9%)
- Net profit for the period after taxes at MSEK 7.1 (-18.9)
- Earnings per share SEK, before and after dilution at SEK 0.56 (-1.49)

Significant events during the first quarter 2023

- Active customers grew sequentially by 18.4% from Q4 to Q1.
- Launch of WW ViktVäktarna (Weight Watchers) partnership in Sweden exceeding expectations.
- Change in the shareholders structure with Herkules exiting its ownership position.

Significant events after the first quarter 2023

- As part of our Must-win-battle to increase delivery volumes in Denmark, the customer relationships of a competitor were acquired helping to expand our reach in the Danish market.

<i>kSEK, unless otherwise stated</i>	Jan - Mar 2023	Jan - Mar 2022	Δ %
Net sales	287 829	352 926	-18.4%
<i>Net sales growth (adjusted for exchange rate differences), % *</i>	-17.4	-19.3	
Active customers, (in thousands)*	836	996	-16.1%
Deliveries, (in thousands) *	338	465	-27.3%
Average order value, SEK*	852	759	12.2%
Sales and marketing expenses *	-42 378	-56 941	-25.6%
<i>in % of net sales *</i>	-14.7	-16.1	
Contribution margin*	90 898	86 039	5.6%
<i>Contribution margin, % *</i>	31.6	24.4	
Adjusted EBITDA*	24 033	-4 105	-685.5%
<i>Adjusted EBITDA-margin, % *</i>	8.3	-1.2	
Operating profit (EBIT)	12 083	-19 745	n/a
<i>EBIT-margin, %</i>	4.2	-5.6	
Adjusted EBIT*	12 083	-17 377	-169.5%
<i>Adjusted EBIT-margin, % *</i>	4.2	-4.9	
Cash flow from operating activities	45 351	-24 627	n/a
Earnings per share SEK, before and after dilution	0.56	-1.49	

*Refer to "Definition of Alternative key performance indicators".

About LMK Group AB (publ)

LMK Group was founded in 2008 with the vision of simplifying everyday life by offering a large variety of inspiring meals delivered directly to the customer's front door. Today, the Group is a leading supplier of meal kits in the Nordic region and a leader in Scandinavian food tech. The Group operates in Sweden, Norway, and Denmark under the brands Linas, GodtLever, Adams Matkasse and RetNemt. In 2022, the Group generated SEK 1.1 billion in revenues and delivered close to 17 million meals.

Comments by the CEO:

Solid profitability and sequential growth in active customers

On track with reaching a full-year Contribution margin approaching 30% to drive profitability and progressing Must-win-battles to stabilize the top-line.

The year has gotten off to a good start with solid profitability in the first quarter, the partnership with WW ViktVäktarna (Weight Watchers) exceeding expectations, and the announcement of the acquisition of the customer relationships of a competitor in Denmark. We generated an adjusted EBITDA profit in Q1 of MSEK 24.0 (-4.1) which was an improvement of MSEK 28.1 compared to the same period last year and we were also pleased with the continued improvement in Contribution margin which reached 31.6% (24.4%).

Q1 is typically a quarter of high subscriber acquisition and reactivation, and we were happy to see progress on our Must-win-battle *Increased Marketing Excellence* with a 14% increase in new subscriptions over the same period last year despite a reduction in Sales and marketing costs by MSEK 14.6 which landed at 14.7% of Net sales (16.1%). The Weight Watchers partnership announced last year accounted for an important part of the increase in new subscriber acquisitions for the quarter. This result again highlights the benefit of partnering two strong brands - combining LMK Group's production and distribution capabilities with WW's proven method for weight reduction.

As we signaled in our last two reports, we expected a continued decline in Net sales for the first quarter which ended 17% down adjusted for exchange rate differences. Winter school holidays in the Nordics were marked by a clear return to historical subscription pausing patterns, contributing to a decline of 13.4% in order frequency which was partly offset by an increase in Average order value of 13.6%.

Active customers grew sequentially by 18.4% from Q4 to Q1, a clear improvement from the

same period during 2022 which declined by 1.9%. While new customer acquisitions have improved, the general macroeconomic situation has led to customers in general being more conservative in their spending across our markets. This has shown up as higher churn among loyal customers and lower reactivation rates during the first quarter.

In line with our Must-win-battle to Cultivate EPIC Customer Experiences, we reduced the order lead-time by one day in Sweden; moving order cutoff from Monday evening to Tuesday evening. Complaints across our brands as measured by % of deliveries with a recorded incident were down by 1.5pp in Q1 vs. the previous year. Production efficiency as measured in deliveries per hour further increased by 6% from Q4 and was up 31% compared to Q1 2022 despite lower volumes. Production efficiency efforts, restricted hiring and normal staff turnover continued to help reduce the number of FTEs at the end of the quarter by 21% as compared to the previous year.

Market developments

Our **Norwegian** brands, Godtlevvert and Adams Matkasse, had a combined Net Sales contraction in local currency of 19.3% during Q1 vs. last year. In Norway the market dynamic is continuing to evolve with increased competition, though we have begun to note some competitors taking steps to aid profitability with price increases and changes to their services.

Sweden saw the least contraction in Net Sales, helped by the Weight Watcher partnership. Still a decline of 10.1% in the quarter compared to last year, however outperforming the Swedish Online Grocery Index, which contracted by

14.4% in Q1 as measured by the Swedish Food Retailers Federation (SV: Dagligvaruindex, Total e-handelsförsäljning).

In **Denmark**, Net Sales fell by 30.7% in local currency for the quarter, which can to some extent be explained by changes in the RetNemt offering at the beginning of 2022, as well as general market dynamics. The online groceries index as measured by Danmarks Statistik (DK: Detailhandel med dagligvarer via internet) reported a 13% contraction in January and 5% contraction in February compared to the previous year and a fourth quarter contraction of 11%. Several competitors have become insolvent or withdrawn from the mealkit space in Denmark over the last 18 months and we acquired the customer relationships of one of these in April 2023, supporting our Must-win-battle to increase volumes in Denmark.

Looking forward

We are very intent on stabilizing revenues by the end of this year but achieving this also depends on market conditions given our commitment to maintaining profitability. Our early expectations for the year have been broadly met, with good profitability but a contracting top-line. Customers pausing for Easter holidays in Q2 have been somewhat higher than we estimated but in line with expectations of continued contraction in H1. In Q2 we expect higher profitability, reflecting seasonally lower Sales and marketing expenses in the quarter, combined with stable unit-economics. We expect to see Contribution margins following seasonal patterns (which includes a drop in Q3 on lower summer volumes) but remain stable for the remainder of the year on a level very close to 30%.

In the food e-commerce space, we have stood out by demonstrating the ability to make a profit by providing a service that simplifies putting great-tasting, home cooked food on the dinner table. Our focus on operational excellence and margin discipline enables us to generate profits without compromising on the customer experience and gives us competitive strength in a time when capital is very expensive, and all stakeholders are looking for sound financial performance. Our fantastic team remains focused on executing on our three Must-win-battles to stabilize the top-line and profitably drive growth.

Walker Kinman,
CEO LMK Group

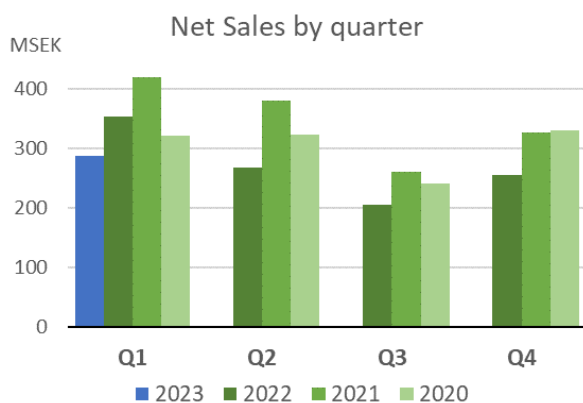


Financial performance

Net sales and profitability

First quarter 2023 (Q1 2022)

Net sales amounted to MSEK 287.8 (352.9) in the first quarter which was a decrease of 18.4% versus the same period last year. Adjusted for exchange rate differences it was a decrease of 17.4%. External macro-economic trends and decline in consumer sentiment continued to impact number of active subscribers which were 16.1% lower than last year.



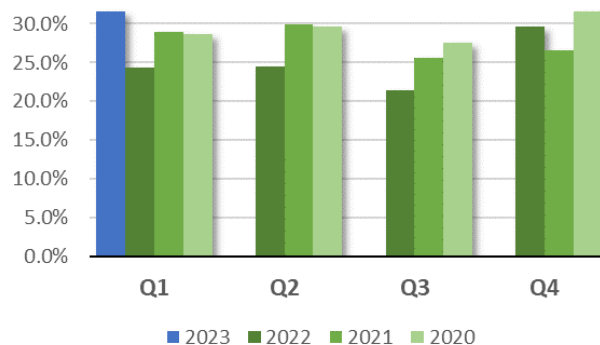
Average order value increased by 12.2% during the period compared to previous year; a growth of 13.6% adjusting for exchange rate differences. The increased Average order value was to a large extent driven by price increases of 11-16% on mealkits during the last 12 month. The price increases offset the high inflation seen across all markets, with annualized food inflation levels in March at 19.7% in Sweden, 8.6% in Norway and 15.8% in Denmark.

High inflation was not limited to food, it was also present in packaging materials, electricity, and logistics. The inflationary effects on packing material, production fixed costs, and logistics is estimated to have increased cost by MSEK 2.6 in the first quarter 2023 versus same period last year.

During the quarter several initiatives were successful in reducing the effects of high inflation, while also contributing to improved contribution margins. These initiatives include Nordic sourcing agreements, menu control measures, increased logistics efficiency and continued production efficiency gains.

The Group achieved a contribution margin of 31.6% (24.4) during the first quarter. Price increases in combination with efficiency improvements were behind the 7.2 percentage point improvement vs LY.

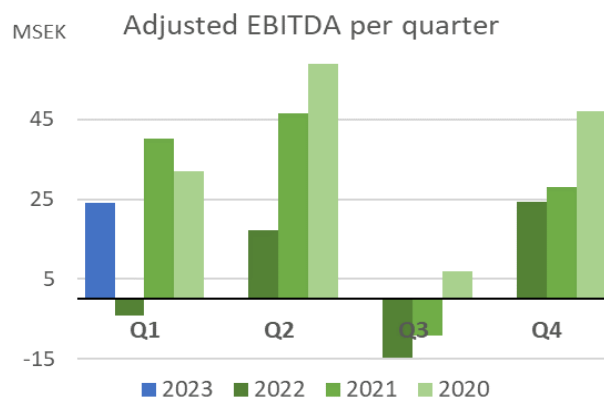
Contribution margin per quarter



The first quarter is normally characterized by a higher marketing spend as customers attracted during this period remain active for longer - up until the slower summer season. While marketing spend was reduced by MSEK 14.6 compared to previous year, we still attracted 14% more new customers during the period.

Personnel costs for the quarter amounted to MSEK 53.5 (67.8) which was 21.0% lower than the same period last year. Adjusting personnel costs to reflect lower volumes has been done predominantly via normal employee turnover and limited rehiring. Lower employee cost in combination with lower use of consultants explain the reduction in Central functions costs by MSEK 11 versus the same period last year.

EBITDA amounted to MSEK 24.0 (-6.5). There were no items affecting comparability in 2023. In 2022 there were restructuring costs affecting comparability of MSEK 2.4. Adjusted EBITDA amounted to MSEK 24.0 (-4.1), an increase of 28.1 MSEK during the first quarter. Adjusted EBITDA as a percent of Net Sales amounted to 8.3% (-1.2%), an improvement of 9.5 percentage points vs previous year.



Although Net Sales was 65.1 MSEK lower than last year, the improvement in Contribution margin in combination with a lower spend in Sales and marketing and central functions gave an adjusted Operating profit (EBIT) improvement of MSEK 29.5 for the group. Operating profit (EBIT) amounted to MSEK 12.1 (-19.7) and adjusted EBIT amounted to MSEK 12.1 (-17.4) or 4.2% (-4.9%) of Net sales.

Depreciation and amortization amounted to MSEK 11.9 (13.3). Net financial items amounted to MSEK -0.6 (-0.9) with Interest expenses at MSEK -2.0 (-1.7). Profit before tax amounted to MSEK 11.4 (-20.6) with a tax expense of MSEK -4.4 (1.7).

Earnings per share before and after dilution amounted to SEK 0.56 (-1.49).

Cash and cash equivalents, financing, and financial position

At the end of the quarter cash and cash equivalents amounted to MSEK 87.3 (129.9), which was an increase of MSEK 31.3 from Q4 2022. Cashflow from Operating activities excluding changes in net working capital contributed with a positive cashflow of MSEK 16.8, which was an increase of MSEK 32.4 versus same period previous year.

Cash flow from Operating activities for the period amounted to MSEK 45.4 (-24.6). Cashflow from changes in working capital amounted to MSEK 28.5 (-9.0), explained to a large extent by changes in trade payable balances due to calendar effects.

Cash flow from investment activities during the quarter were mainly related to capitalized development costs of the tech platform, and amounted to MSEK 2.9 (7.2), which was MSEK 4.3 lower than last year.

Our three 'must-win-battles':

- Increase marketing excellence
- Cultivate EPIC customer experiences
- Increase delivery volumes in Denmark

Financial Targets

Growth

The Group's objective is stabilization of revenue development in 2023 and a Net Sales CAGR of 6-8% thereafter.

Profitability

The Group's objective is to achieve a long-term EBIT margin of approximately 4-6%.

Dividend policy

LMK Group dividend policy is meant to provide shareholders with a dividend that offers a good direct return while giving the company the opportunity to invest in strategic growth opportunities.

The target dividend over time should amount to at least 50% of Cash flow from Operating activities less CAPEX and lease amortization.

Equity amounted to MSEK 429.1 (609.9) and equals an Equity/assets ratio of 55.0% (60.8%). The lower Equity/asset ratio was to a large extent explained by the impairment reserve of MSEK 120.0 during Q4 2022.

Non-current lease liabilities amounted to MSEK 121.7 (129.2) and Right-of-use assets amounted to MSEK 136.3 (140.7).

Dividend

At the Annual General Meeting held April 27, 2023, it was resolved that the proposed dividend of SEK 0.30 per share shall be paid, corresponding to a total amount of MSEK 3.8. The record date of the dividend was set to May 2, 2023, and the day of payment was set to May 5, 2023. In light of the expected economic development, the board of directors considers that the dividend is well balanced with regards to the Company's targets, scope and risks as well as the Company's ability to perform its future obligations. Furthermore, the board of directors believes that the dividend will not affect the Company's development possibilities.

Long term incentive programs

At the Company's annual general meeting held in 2021 the shareholders of LMK Group adopted a long-term incentive program based on warrants aimed at the Company's executive management and other key employees, totaling 232 800 warrants with strike price SEK 103 in 2024. It was also resolved to adopt an incentive program directed to external members of the board of directors totaling 48 000 warrants with strike price SEK 87 in 2025.

At the Company's annual general meeting in 2022, the shareholders of LMK Group resolved to adopt a long-term incentive program aimed at the Company's executive management and other key employees totaling 215 000 warrants, with a strike price of SEK 30.5.

At the Company's annual general meeting held on 27 April 2023, the shareholders of LMK Group resolved to adopt a long-term incentive program aimed at the Company's executive management and other key employees totaling 380 000 warrants. The strike price has yet to be determined but will be equal to 200% of the average trading price of the LMKG share from May 3, up to and including May 10, 2023.

If exercised in full, the warrant programs in 2021, 2022 and 2023, entail a dilution of 6.5%.

For more information about long term incentive programs, please visit LMK Group's website: <https://lmggroup.se/corporate-governance/incentive-programme/>

Parent company

The Parent company is a holding company. Net Sales for the first quarter 2023 were MSEK 1.3 (1.6). Net sales included management fees and group licenses that have been eliminated in the Group consolidation. Expenses were MSEK 3.5 (3.3). The operating loss was MSEK -2.2 (-1.6).

The Parent company's Equity was MSEK 490.9 (792.6).

Employees

As of March 31, 2023, LMK Group had 381 employees (498). The group is focused on directly employing most production staff as this gives better output,

Upcoming report dates

Interim report Q2 2023

August 22, 2023

Interim report Q3 2023

November 2, 2023

increased efficiency and value for training and development efforts. It further provides better job security for employees and leads to a reliable, high-quality experience for customers; all of which are in line with the group's sustainability ambitions.

Significant risks and uncertainties

LMK Groups operations are exposed to certain risks that could have a varying impact on earnings or financial position. These can be divided into industry, operational, and financial risks. When assessing the group's future development, it is important to consider the risk factors, alongside any opportunities for profit growth.

For further information about LMK Group's risk exposure and handling, please see the group's annual report for 2022, which is available on the company's website

<https://lmggroup.se/investor/financial-reports/>

Transactions with related parties

Petter von Hedenberg was elected to the board on April 27, 2023. Petter von Hedenberg owns 45% of Mood Communication AS, a media agency that the group has engaged since 2018. Mood Communication AS bought advertising space on behalf of LMK Group of MSEK 7.4 during Q1, of which MSEK 0.1 was Mood communications fee for the work during the period. The transactions took place on market terms. No other transactions have taken place.

Review

The report has not been audited by the company's auditors.

Declaration

The CEO assure that the interim report provides a fair overview of the parent company's and the Group's operations, position and results and describes significant risks and uncertainties facing the Parent Company and the companies that are part of the Group.

Stockholm, May 3, 2023

Walker Kinman

CEO

LMK Group AB (publ)

Löfströms Allé 5 (3tr)
172 66 Sundbyberg
Sverige
559021-1263
Website: www.lmkgroup.se

Further information:

Erik Bergman, CFO
Telephone: +46 707 74 49 73
Mail: ir@lmkgroup.se

Presentation for investors, analysts and the media

CEO Walker Kinman and CFO Erik Bergman will present the report and answer questions on May 3, 2023 at 09:00 CEST through a telephone conference. The Presentation will be held in English and could also be followed online. Phone number for participation: SE +46850558368/ UK +443333009034 / US +16467224903. Follow the presentation at <https://tv.streamfabriken.com/lmk-group-q1-2023>

This information is information that LMK Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-05-03 07:45 CEST.

Consolidated income statement

<i>SEK thousands</i>	Note	Jan - Mar 2023	Jan - Mar 2022	Full year 2022
Net Sales	2	287 829	352 926	1 081 441
Other operating income		1 081	1 370	4 885
		288 910	354 295	1 086 326
Goods for resales		-164 336	-221 611	-661 018
Other external expenses		-46 738	-71 389	-180 748
Personnel costs		-53 535	-67 754	-223 498
Depreciation		-11 950	-13 272	-49 873
Impairment of goodwill and intangible assets		-	-	-120 000
Other operating expenses		-268	-14	-520
Operating loss/profit		12 083	-19 745	-149 331
Interest income		66	23	1 002
Interest expenses		-1 960	-1 718	-7 274
Other financial income		1 712	830	1 396
Other financial expenses		-457	-21	-445
Net financial items		-640	-885	-5 320
Profit/Loss before tax		11 443	-20 630	-154 651
Tax		-4 374	1 734	87
Net profit/loss for the period		7 069	-18 896	-154 563
Profit/loss for the period attributable to:				
Parent company's shareholders		7 069	-18 896	-154 563
Non-controlling interests		-	-	-
Net profit/loss for the period		7 069	-18 896	-154 563
Earnings per share SEK, before and after dilution		0.56	-1.49	-12.19
Number of shares by end of the period, before and after dilution		12 678 592	12 678 592	12 678 592
Average number of share, before and after dilution		12 678 592	12 678 592	12 678 592

Consolidated income statement and comprehensive income

<i>SEK thousands</i>	Jan - Mar 2023	Jan - Mar 2022	Full year 2022
Net profit/loss for the period	7 069	-18 896	-154 563
Other comprehensive income			
Items that have been or may be transferred to profit/loss for the period			
Translation differences for the period when translating foreign operations	-25 581	20 782	15 804
Other comprehensive income for the period	-25 581	20 782	15 804
Comprehensive income for the period	-18 511	1 886	-138 759
Comprehensive income for the period attributable to:			
Parent company's shareholders	-18 511	1 886	-138 759
Comprehensive income for the period	-18 511	1 886	-138 759

Consolidated statement of financial position

<i>SEK thousands</i>	2023-03-31	2022-03-31	2022-12-31
Assets			
Goodwill	116 236	252 940	130 872
Trademarks	311 814	322 588	320 198
Customer contracts and relationships	3 041	8 611	3 800
Other intangible assets	18 989	18 394	19 675
Total intangible assets	450 079	602 533	474 545
Leasehold improvement	1 349	1 789	1 716
Machinery and other technical installations	10 184	12 681	11 303
Equipment	18 288	18 434	19 731
Right-of-use assets	136 339	140 683	137 208
Total tangible assets	166 160	173 587	169 958
Deferred tax assets	25 088	25 613	27 583
Other non-current receivables	9 134	5 975	8 296
Total other non-current assets	34 223	31 587	35 880
Total non-current assets	650 462	807 708	680 383
Inventories	13 381	17 425	13 330
Accounts receivable	9 995	28 251	9 635
Tax assets	8 168	1 305	909
Prepaid expenses and accrued income	11 042	14 411	10 951
Other receivables	185	3 537	4 858
Cash and cash equivalents	87 332	129 949	56 002
Total current assets	130 102	194 877	95 686
Total Assets	780 564	1 002 585	776 069

Consolidated statement of financial position, cont.

<i>SEK thousands</i>	2023-03-31	2022-03-31	2022-12-31
<i>EQUITY</i>			
Share capital	1 170	1 170	1 170
Other contributed capital	1 166 540	1 188 170	1 166 540
Translation reserve	4 830	35 388	30 411
Retained earnings including profit/loss for the year	-743 462	-614 864	-750 531
Equity attributable to shareholders in parent company	429 079	609 864	447 590
Total equity	429 079	609 864	447 590
<i>Liabilities</i>			
Non-current lease liabilities	121 686	129 155	124 245
Contractual liabilities	4 541	4 966	4 298
Deferred tax liabilities	66 444	69 282	68 576
Total non-current liabilities	192 671	203 402	197 119
Liabilities to credit institutions	4 603	4 731	3 687
Current lease liabilities	25 736	21 707	24 268
Accounts payable	74 409	91 832	53 969
Tax liabilities	-	1 714	1 716
Other liabilities	12 070	10 967	14 244
Accrued expenses and prepaid income	41 997	58 369	33 477
Total current liabilities	158 815	189 319	131 360
Total liabilities	351 486	392 721	328 479
Total equity and liabilities	780 564	1 002 585	776 069

Consolidated statement of cash flows

<i>SEK thousands</i>	Jan - Mar 2023	Jan - Mar 2022	Full year 2022
<i>Operating activities</i>			
Profit/loss before tax	11 443	-20 630	-154 651
Income tax paid	-5 277	-7 415	-10 156
Adjustment for items not included in cash-flow	10 680	12 443	168 875
	16 846	-15 603	4 069
Increase (-)/Decrease (+) in inventories	-364	-3 014	1 079
Increase (-)/Decrease (+) in operating receivables	2 055	-9 282	11 345
Increase (+)/Decrease (-) in operating liabilities	26 814	3 272	-56 977
Cash flow from operating activities	45 351	-24 627	-40 484
<i>Investment activities</i>			
Acquisition of tangible assets	-248	-5 764	-13 169
Acquisition of intangible assets	-2 618	-1 435	-8 768
Leasehold deposit	-	-	-2 395
Cash flow from investment activities	-2 866	-7 199	-24 332
<i>Financing activities</i>			
Premiums for warrants	-	-	491
Dividends paid	-	-	-22 188
Amortization of lease liability	-6 195	-5 065	-21 871
Cash flow from financing activities	-6 195	-5 065	-43 568
Cash flow for the period	36 290	-36 892	-108 383
Cash and cash equivalents at the beginning of the period	56 002	160 733	160 733
Exchange rate difference in cash and cash equivalents	-4 960	6 108	3 652
Cash and cash equivalents at the end of the period	87 332	129 949	56 002

Consolidated statement of equity

SEK thousands	Equity attributable to shareholders in the parent company				
	Share Capital	Other contributed Capital	Conversion reserve	Balanced earnings including this year's results	Total
Opening equity 2022-01-01	1 170	1 188 237	14 606	-595 968	608 045
Comprehensive income for the year					
Net profit for the year				-18 896	-18 896
Other comprehensive income for the year			20 782		20 782
Comprehensive income for the year	-	-	20 782	-18 896	1 886
Transactions with the Group's owners					
Contribution from and value transfers to owners					
Repurchase warrants		-67			-67
Total contribution from and value transfers to owners	-	-67	-	-	-67
Total transactions with the Group's owners	-	-67	-	-	-67
Closing equity 2022-03-31	1 170	1 188 170	35 388	-614 864	609 864

SEK thousands	Equity attributable to shareholders in the parent company				
	Share Capital	Other contributed Capital	Conversion reserve	Balanced earnings including this year's results	Total
Opening equity 2023-01-01	1 170	1 166 540	30 411	-750 531	447 590
Comprehensive income for the year					
Net profit for the year				7 069	7 069
Other comprehensive income for the year			-25 581		-25 581
Comprehensive income for the year	-	-	-25 581	7 069	-18 511
Transactions with the Group's owners					
Contribution from and value transfers to owners					
Dividends paid		-			-
Premiums for warrants		-			-
Repurchase warrants		-			-
Total contribution from and value transfers to owners	-	-	-	-	-
Total transactions with the Group's owners	-	-	-	-	-
Closing equity 2023-03-31	1 170	1 166 540	4 830	-743 462	429 079

Parent company - Income statement

SEK thousands	Jan - Mar 2023	Jan - Mar 2022	Full year 2022
Net Sales	1 305	1 632	4 862
	1 305	1 632	4 862
Personnel costs	-2 452	-2 108	-7 775
Other operating expenses	-1 041	-1 169	-6 298
Operating loss	-2 188	-1 645	-9 211
<i>Financial items</i>			
Impairment of goodwill and intangible assets	-	-	-280 000
Interest income	1 079	-	951
Interest expenses	-	-	-1
Other financial income	-	-	2
Other financial expenses	-	-	-
Loss after financial items	-1 108	-1 645	-288 259
Received group contribution	-	-	8 000
Loss before tax	-1 108	-1 645	-280 259
Tax	-	318	20
Net loss for the period	-1 108	-1 326	-280 239

Parent company - Income statement and comprehensive income

SEK thousands	Jan - Mar 2023	Jan - Mar 2022	Full year 2022
Net profit for the period	-1 108	-1 326	-280 239
<i>Other comprehensive income</i>			
Items that have been or may be transferred to profit/loss for the period	-	-	-
Other comprehensive income for the period	-	-	-
Comprehensive income for the period	-1 108	-1 326	-280 239

Parent company - Statement of financial position

SEK thousands	2023-03-31	2022-03-31	2022-12-31
Assets			
Non-current assets			
Shares in subsidiaries	296 354	576 354	296 354
Deferred tax asset	6 161	6 460	6 161
Total financial assets	302 515	582 814	302 515
Total non-current assets	302 515	582 814	302 515
Current assets			
Short term receivables			
Receivables from Group companies	192 078	213 477	193 271
Current tax asset	31	204	218
Other receivables	127	36	36
Prepaid costs and accrued revenue	277	350	187
Total short term receivables	192 513	7 222	193 712
Total current assets	192 513	214 067	193 712
Total Assets	495 028	796 881	496 228

SEK thousands	2023-03-31	2022-03-31	2022-12-31
Equity and liabilities			
Equity			
<i>Restricted equity</i>			
Share capital	1 170	1 170	1 170
<i>Non-restricted equity</i>			
Premium reserve	1 166 540	1 188 170	1 166 540
Retained earnings	-675 655	-395 416	-395 416
Profit/loss for the year	-1 108	-1 326	-280 239
Total Equity	490 946	792 597	492 054
Short term liabilities			
Accounts payable	97	243	581
Other liabilities	575	263	1 001
Accrued expenses and prepaid income	3 411	3 777	2 592
Total short term liabilities	4 082	4 284	4 173
Total equity and liabilities	495 028	796 881	496 228

Notes

Note 1 Accounting principles

This interim report in summary for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report. For the Group and the Parent Company, the same accounting principles and calculation bases have been applied as in the most recent annual report. Disclosures in accordance with IAS 34.16A appear not only in the financial statements and their accompanying notes but also in other parts of the interim report.

Note 2 Revenues and operating segments

Distribution of revenue from contracts with customers

The distribution of revenue from contracts with customers in main geographic markets and the time of revenue recognition are summarized below.

Group

<i>SEK thousands</i>	Jan - Mar	% of	Jan - Mar	
	2023	Total	2022	% of Total
Geographic market				
Norway	152 340	53%	195 497	55%
Sweden	107 725	37%	119 889	34%
Denmark	27 764	10%	37 540	11%
Time of revenue recognition				
Goods recognized at a given time	287 829	100%	352 926	100%
Total Revenue from contracts with Customers	287 829	100%	352 926	100%

Operating segments

<i>SEK thousands</i>	Norway		Sweden		Denmark		Group wide and Eliminations		Total consolidated	
	Jan - Mar 2023	Jan - Mar 2022	Jan - Mar 2023	Jan - Mar 2022	Jan - Mar 2023	Jan - Mar 2022	Jan - Mar 2023	Jan - Mar 2022	Jan - Mar 2023	Jan - Mar 2022
Net sales from external customers	152 340	195 497	107 725	119 889	27 764	37 540	-	-	287 829	352 926
Net sales from other segments	-	-	-	-	-	-	-	-	-	-
Operating profit before depreciation	12 636	5 373	6 804	-6 145	-1 600	-9 297	6 462	3 611	24 301	-6 458
Depreciation									-11 950	-13 272
Other operating expenses									-268	-14
Financial items, net									-640	-886
Consolidated profit before tax									11 443	-20 630

The column "Group-wide and eliminations" for "Operating profit", refers to costs for Group functions of MSEK 1.6 (3.1) as well as differences in accounting principles of MSEK 8.1 (6.7).

The differences in accounting principles between the information regarding the operating segments and the principles applied in the preparation of the financial statements consist of the application of IFRS 16 Leasing.

Note 3 Fair value for financial instruments

Fair Value

The carrying amount of long-term receivables constitutes a reasonable approximation of fair value.

The carrying amount of accounts receivable, other current receivables, cash and bank, accounts payable and other current liabilities constitute a reasonable approximation of fair value.

Note 4 Associated companies

Petter von Hedenberg was elected to the board on April 27, 2023. Petter von Hedenberg owns 45% of Mood Communication AS, a media agency that the group has hired since 2018. Mood Communication AS bought advertising space on behalf of LMKG of MSEK 7.4 during Q1, of which MSEK 0.1 was Mood communications fee for the work during the period. The transactions took place on market terms. No other transactions have taken place.

Note 5 Significant events after end of period

As part of our Must-win-battle to increase delivery volumes in Denmark, the customer relationships of a competitor were acquired helping to expand our reach in the Danish market.

At the annual general meeting held on April 27 it was resolved:

- Petter von Hedenberg was elected chairman; Olle Qvarnström was elected board member; and Therese Reuterswård, Charlotte Gogstad, and Jonas Kleberg were re-elected as board members. Gert Munthe and Mathias Hedlund did not stand for re-election.
- A dividend shall be paid corresponding to an amount of SEK 0.30 per share, constituting a dividend of in total SEK 3,803,578. It was resolved that the record date shall be May 2, 2023. Accordingly, the expected payment date is May 5, 2023.
- In accordance with the board's proposal, to adopt a long-term warrant program for senior executives and key employees in LMK Group AB (publ), including to issue not more than 380,000 warrants.

Note 6 Seasonal variation

The Group sales varies with the annual cycle. Volumes are impacted by vacation and there is a trend for volumes to decrease towards the summer and Christmas holidays.

Note 7. Selected Key performance indicators

All performance indicators below, except for Net Sales constitutes alternative Key performance indicators that are not defined according to IFRS and are not replacing any measurement within IFRS. For more information see section about Definitions of key performance indicators.

SEK thousands, unless otherwise indicated	Jan - Mar 2023	Jan - Mar 2022	FY 2022
SALES MEASURES			
Net sales	287 829	352 926	1 081 441
<i>Net sales growth, %</i>	-18.4	-15.9	-22.0
<i>Net sales growth (adjusted for exchange rate differences), %</i>	-17.4	-19.3	-24.6
MARKETING MEASURES			
Sales and marketing expenses	-42 378	-56 941	-138 592
<i>Sales and marketing expenses in relation to net sales, %</i>	-14.7	-16.1	-12.8
PROFITABILITY MEASURES			
Contribution margin	90 898	86 039	271 615
EBITDA	24 033	-6 473	-99 457
Adjusted EBITDA	24 033	-4 105	25 388
Operating profit/loss (EBIT)	12 083	-19 745	-149 331
Adjusted EBIT	12 083	-17 377	-24 486
MARGIN MEASURES			
Contribution margin, %	31.6	24.4	25.1
EBITDA margin, %	8.3	-1.8	-9.2
Adjusted EBITDA margin, %	8.3	-1.2	2.3
EBIT margin, %	4.2	-5.6	-13.8
Adjusted EBIT margin, %	4.2	-4.9	-2.3
CASH FLOW MEASURES			
Capex-ratio, %	-1.0	-2.0	-2.0
Cash flow from operating activities	45 351	-24 627	-40 484
IFRS adjusted operating cash flow	39 156	-29 693	-21 937
CAPITAL STRUCTURE			
Working capital	-81 803	-86 577	-48 671
<i>Working capital in relation to net sales, %</i>	-28.4	-24.5	-4.5
<i>Equity/assets ratio, %</i>	55.0	60.8	57.7

Operating key performance indicators

	Jan - Mar 2023	Jan - Mar 2022	FY 2022
Customers and orders			
Number of active customers per closing date	83 580	99 638	70 601
Number of deliveries	337 803	464 809	1 368 039
Unit Economics			
Average order value, SEK	852	759	791
Growth in average order value (adjusted for exchange rate differences), %	13.6	2.6	5.4
Contribution margin per delivery, SEK	269	185	199
Adjusted EBITDA per delivery, SEK	71	-9	19

Reconciliation tables regarding alternative key performance indicators that are not defined according to IFRS

	Jan - Mar 2023	Jan - Mar 2022	FY 2022
SALES MEASURES			
Net sales	287 829	352 926	1 081 441
Net sales growth, %	-18.4	-15.9	-22.0
Calculation of Net sales (adjusted for the previous year's exchange rate)			
Net sales	287 829	352 926	1 081 441
Exchange rate change (positive exchange rate change is presented with a negative sign and negative exchange rate change is presented with a positive sign)	-3 642	14 214	35 305
Net sales (adjusted for the previous year's exchange rate)	291 471	338 712	1 046 136
Calculation of net sales growth (adjusted for exchange rate differences)			
Net sales (adjusted for the previous year's exchange rate)	291 471	338 712	1 046 136
Net sales in previous period	-352 926	-419 477	-1 387 337
Net sales growth (adjusted for exchange rate differences)	-61 455	-80 766	-341 201
Calculation of net sales growth (adjusted for exchange rate differences), %			
Net sales growth (adjusted for exchange rate differences)	-61 455	-80 766	-341 201
Net sales in previous period	352 926	419 477	1 387 337
Net sales growth (adjusted for exchange rate differences), %	-17.4	-19.3	-24.6
Costs Goods for resale, Other external expenses and Personnel costs			
Goods for resale	-164 336	-221 611	-661 018
Other external expenses	-46 738	-71 389	-180 748
Personnel costs	-53 535	-67 754	-223 498
Total costs Goods for resale, Other external expenses and Personnel costs	-264 609	-360 754	-1 065 264
of which:			
Input goods	-129 725	-172 367	-516 031
Fulfilment expenses	-67 206	-94 519	-293 795
Sales and marketing expenses	-42 378	-56 941	-138 592
Central functions Administration, HR, Customer Service and IT	-25 300	-36 927	-116 846
Total	-264 609	-360 754	-1 065 264
MARKETING MEASURES			
Sales and marketing expenses	-42 378	-56 941	-138 592
Net sales	287 829	352 926	1 081 441
Sales and marketing expenses in relation to net sales, %	-14.7	-16.1	-12.8
PROFITABILITY MEASURES			
Net sales	287 829	352 926	1 081 441
Input goods	-129 725	-172 367	-516 031
Fulfilment expenses	-67 206	-94 519	-293 795
Contribution margin	90 898	86 039	271 615

	Jan - Mar 2023	Jan - Mar 2022	FY 2022
Profit before tax	11 443	-20 630	-154 651
Net financial Items	-640	-885	-5 320
Operating profit/loss (EBIT)	12 083	-19 745	-149 331
Depreciation	11 950	13 272	49 873
EBITDA	24 033	-6 473	-99 457
Items affecting comparability EBITDA			
Impairment of goodwill and intangible assets	-	-	120 000
Restructuring personnel	-	2 368	2 368
Advisory fees related to business development	-	-	2 477
Total items affecting EBITDA comparability	-	2 368	124 845
Adjusted EBITDA	24 033	-4 105	25 388
Operating profit/loss (EBIT)	12 083	-19 745	-149 331
Items affecting EBITDA comparability	-	2 368	124 845
Adjusted EBIT	12 083	-17 377	-24 486
Margin measures			
Contribution margin	90 898	86 039	271 615
Net sales	287 829	352 926	1 081 441
Contribution margin, %	31.6	24.4	25.1
Operating profit/loss (EBIT)	12 083	-19 745	-149 331
Net sales	287 829	352 926	1 081 441
EBIT margin, %	4.2	-5.6	-13.8
Adjusted EBIT	12 083	-17 377	-24 486
Net sales	287 829	352 926	1 081 441
Adjusted EBIT margin, %	4.2	-4.9	-2.3
EBITDA	24 033	-6 473	-99 457
Net sales	287 829	352 926	1 081 441
EBITDA margin, %	8.3	-1.8	-9.2
Adjusted EBITDA	24 033	-4 105	25 388
Net sales	287 829	352 926	1 081 441
Adjusted EBITDA margin, %	8.3	-1.2	2.3
Calculation of Capex ratio			
Acquisition of tangible assets	-248	-5 764	-13 169
Acquisition of intangible assets	-2 618	-1 435	-8 768
Capex	-2 866	-7 199	-21 937
Net Sales	287 829	352 926	1 081 441
Capex-ratio, %	-1.0	-2.0	-2.0
Cash flow from operating activities	45 351	-24 627	-40 484
Amortization of lease liability	-6 195	-5 065	-21 871
IFRS adjusted operating cash flow	39 156	-29 693	-21 937
Calculation of the equity/assets ratio			
Equity	429 079	609 864	447 590
Total assets	780 564	1 002 585	776 069
Equity/assets ratio, %	55.0	60.8	57.7

Reconciliation tables regarding operating key performance indicators

	Jan - Mar 2023	Jan - Mar 2022	FY 2022
Net sales	287 829	352 926	1 081 441
Number of deliveries	337 803	464 809	1 368 039
Average order value, SEK	852	759	791
Net sales (adjusted for the previous year's exchange rate)	291 471	338 712	1 046 136
Number of deliveries	337 803	464 809	1 368 039
Average order value (adjusted for exchange rate differences), SEK	863	729	765
Average order value in previous period, SEK	759	710	725
Growth in average order value (adjusted for exchange rate differences), %	13.6	2.6	5.4
Contribution margin	90 898	86 039	271 615
Number of deliveries	337 803	464 809	1 368 039
Contribution margin per delivery, SEK	269	185	199
Adjusted EBITDA	24 033	-4 105	25 388
Number of deliveries	337 803	464 809	1 368 039
Adjusted EBITDA per delivery, SEK	71.1	-8.8	18.6

Definitions of Alternative key performance indicators

Key performance indicators	Definition/calculation	Purpose
Capex	Acquisition of tangible assets and acquisition of intangible assets.	The aim is to show how much has been invested during the year.
Capex-ratio, %	Capex in relation to Net sales	Shows the proportion of net sales made up of Capex.
EBITDA	Operating profit/loss (EBIT) before depreciations and amortisations of tangible and intangible assets	Shows the earning capacity of the operating activities, excluding depreciation and amortisation, as well as the financing and tax situation.
EBITDA-margin, %	EBITDA in relation to Net sales	Shows the earning capacity of the operating activities, excluding depreciation and amortisation, as well as the financing and tax situation in relation to net sales.
Fulfilment expenses	Fulfilment expenses consist of packaging costs, including costs for production facility management, direct personnel costs, consumables and other direct production costs, as well as costs for getting the product to the customer, including logistics costs, direct personnel costs for the administration of logistics, route planning, etc.	Intended to provide a more in-depth understanding of the company's costs for providing the service, and used in the calculation of Contribution margin.
Items affecting comparability	Income and expense items that are specified separately as a result of their nature and amount. All items that are included are large and significant.	Items affecting comparability are used by Group management to explain differences in historical performance. A separate specification of Items affecting comparability will make it possible for the readers of the financial statements to understand and evaluate the adjustments that have been made by the Group management when presenting Adjusted EBITDA.
Adjusted EBITDA	EBITDA adjusted for Items affecting comparability	This measure shows the earning capacity of the operating activities (excluding depreciations and amortisations), without any impact from significant cost or income items that affect the potential to draw comparisons over time, as described under "Items affecting comparability" above.
Adjusted EBITDA margin, %	Adjusted EBITDA in relation to Net sales	This measure shows the earning capacity of the operating activities (excluding depreciations and amortisations), without any impact from significant cost or income items that affect the potential to draw comparisons over time, as described under "Items affecting comparability" above, in relation to Net sales.
Adjusted EBIT	EBIT adjusted for "Items affecting comparability"	This measure shows the earning capacity of the operating activities (the business), without any impact from significant cost or income items that affect the potential to draw comparisons over time, as described under "Items affecting comparability" above.
Adjusted EBIT margin, %	Adjusted EBIT in relation to Net sales	This measure shows the earning capacity of the operating activities (the business), without any impact from significant cost or income items that affect the potential to draw comparisons over time, as described under "Items affecting comparability" above, in relation to Net sales.
EBIT margin, %	Operating profit/loss (EBIT) in relation to Net sales	The measure shows profitability independently of capital structure and tax situation.
Operating profit/loss (EBIT)	Profit/loss before tax and net financial items	Intended to demonstrate the earning capacity of the business, regardless of the capital structure and tax situation.
Input goods	The cost of input goods includes food, packaging, menu booklets and other products that the Group sells	Intended to provide a more in-depth understanding of the company's cost components, and used in the calculation of Contribution margin.
Contribution margin	Net sales less Input goods and fulfilment expenses.	Shows the profitability after input goods and fulfilment expenses.
Contribution margin, %	Contribution margin in relation to Net sales.	Intended to give a picture of Contribution margin over time.

Key performance indicators	Definition/calculation	Purpose
Working capital	Total of Inventories, Accounts receivable, Prepaid expenses and accrued income and other receivables, less Accounts payable and Accrued expenses and prepaid income	This measure shows how much working capital is tied up in the Group's operations, and can be measured in relation to net sales in order to understand how effectively the tied up working capital is used.
Working capital in relation to net sales, %	Working capital in relation to net sales	This key performance indicator shows how much working capital is used in relation to net sales, in order to provide an understanding of how effectively the tied up working capital is used
IFRS Adjusted operating cash flow	Calculated as the difference between operating cash flow and payments relating to the repayment of lease liabilities.	Adjusted operating cash flow gives Group management a clear overview of the development of cash flow directly attributable to the operations.
Sales and marketing expenses	Cost of sales and marketing activities, including personnel costs, costs for mass media (e.g. TV and radio), online marketing and direct sales costs	Intended to provide an understanding of the cost of retaining existing customers and attracting new customers.
Sales and marketing expenses in relation to net sales, %	Sales and marketing expenses in relation to Net sales	Intended to provide comparability between periods for the cost of retaining existing customers and attracting new customers.
Change in sales and marketing expenses, %	Sales and marketing expenses in the current period less sales and marketing expenses in the previous period, in relation to Sales and marketing expenses in the previous period. For quarterly changes: Sales and marketing expenses in the current quarter less sales and marketing expenses in the corresponding quarter in the previous period, in relation to Sales and marketing expenses in the corresponding quarter in the previous period.	Intended to provide an understanding of how Sales and marketing expenses have changed over time.
Equity/assets ratio, %	Total equity (including non-controlling interests) in relation to Total assets.	Equity/assets ratio is often used in the assessment of a company's financial stability and long-term solvency.
Net sales growth, %	Net sales in the current period less net sales in the previous period, in relation to net sales in the current period.	Shows how Net sales have changed compared to the previous period.
Net sales (adjusted for the previous year's exchange rate)	Net sales for the Group, where subsidiaries with a different functional currency than the parent company's reporting currency, SEK, are translated. This translation is carried out by means of the subsidiaries' net sales in the functional currency for the current year being translated to the parent company's reporting currency, SEK, at the previous year's exchange rate. The companies in the Group that have SEK as their functional currency are not translated.	Used in the calculation of "Net sales growth (adjusted for exchange rate differences)". Intended to provide a comparable figure with the same currency impact as the comparison period.
Exchange rate change	Exchange rate change is calculated as Net sales for the current year less Net sales (adjusted for the previous year's exchange rate)	Demonstrates the effect of the exchange rate change.
Net sales growth (adjusted for exchange rate differences)	Net sales (adjusted for the previous year's exchange rate) for the current year less the previous year's net sales	Shows the company's growth, excluding the impact of exchange rate fluctuations.
Net sales growth (adjusted for exchange rate differences), %	Net sales growth (adjusted for exchange rate differences) divided by the previous year's net sales	Shows the company's growth, excluding the impact of exchange rate fluctuations, as a percentage.

Definitions of operating key performance indicators

Key performance indicators	Definition/calculation	Purpose
Number of active customers as per the closing date	Number of unique customers who have received at least one delivery in the past 3 months	Intended to provide a better understanding of income generation.
Number of deliveries	Number of completed deliveries during the period	Intended to provide a better understanding of income and cost generation
Average order value, SEK	Average net sales per delivery	Shows how much each delivery, on average, contributes to net sales
Average contribution margin per delivery, SEK	Average Contribution margin per delivery	Shows how much each delivery, on average, contributes to Contribution margin
Average adjusted EBITDA per delivery, SEK	Average adjusted EBITDA per delivery	Shows how much each delivery, on average, contributes to Adjusted EBITDA
Average order value (adjusted for exchange rate differences), SEK	Net sales for the period per delivery, with a revalued exchange rate for subsidiaries in another currency at the previous year's exchange rate	Included in the calculation to show the company's growth per delivery, excluding exchange rate fluctuations
Growth in average order value (adjusted for exchange rate differences) %	The increase in "Average order value (adjusted for exchange rate differences). SEK" in relation to the previous period's "Average order value (adjusted for exchange rate differences). SEK"	Shows growth in average order value adjusted for exchange rate effects

A person wearing a green jacket and a black sock is holding a bunch of fresh carrots with green tops. The background is a blurred field of green plants. A semi-transparent dark green box is overlaid on the image, containing text.

LMK Group was founded in 2008 with the vision of simplifying everyday life by offering a large variety of inspiring meals delivered directly to the customer's front door. Today, the Group is the largest supplier of meal kits in the Nordic region and a leader in Scandinavian "food tech" – Innovating the Mealtime Experience. The Group operates in Sweden, Norway, and Denmark under the brands Linas, Godtlevvert, Adams Matkasse and RetNemt.

In 2022, the Group generated SEK 1.1 billion in revenues and delivered more than 17 million meals to households in the markets in which the Group operates.