

Lauritz.com Group A/S – Interim report January – December 2021

No. 1/2022
Copenhagen, 24 February 2022

In 2021 the business of Lauritz.com group delivered an improvement in EBITDA of DKK 8.3m compared to last year primarily driven by a revenue growth of 8 percent.

In the fourth quarter of 2021 the business of Lauritz.com group delivered EBITDA in line with last year. The earnings in Q4 remained stable due to higher yielding business in 2021 leaving the revenue in Q4 down 3.2 percent despite a decline in auction turnover of 7.8 percent, and due to a cost reduction of 3.6 percent compared to last year.

Development in EBITDA

For the period January to December auction turnover growth is 2.5 percent and revenue growth for the continuing business is 8 percent compared to 2020, whereas operating cost has remained under control with an increase of 1 percent.

EBITDA in 2021 improved by DKK 8.3m for the continuing business to DKK 2,7m (-5.6m).

Net operating cash flow for the continuing business is DKK 5.0m (16.9m). The change is mainly driven by the improvement in EBITDA and changes in working capital items.

Future organization

To bring Lauritz.com to the next level as to turnover and earnings on shorter and longer terms, including expected roll out of new business areas, a future central management team has been defined. The new Country Manager Denmark and the new CTO onboarded during the first half of 2021 and a new CMO in February 2022.

Commercial initiatives

Our continued focus on sales management, business control and execution both internally in the headquarter and in all auction houses is showing results.

The comprehensive optimization process that all auction houses have gone through in terms of logistics and handling of the auction supply chain, has released resources for intensified sales activities focusing on the local evaluation and sourcing of items for auction.

In terms of marketing activities, we are continuously intensifying our digital foot print, showing positive effects and strengthening our position within international, national and local communities interested in selling and buying sustainable vintage items of high quality within art, design and collectables.

Financing

The group is funded by a bond. Currently the bond has an outstanding debt of SEK 155m and an interest rate of 4%.

When the last part of the payment for the sold business is received in May 2022 (SEK 15m), a repayment of SEK 15m will be made, after which the remaining bond debt will be a standing loan of SEK 140m until maturity in December 2024.

Impact on financial reporting due to the sale of activities

The presentation of the business in the financial statements is impacted by the sale of Stockholms Auktionsverk, the auction house in Karlstad Hammarö and 3 auction houses in Germany. The sold businesses are presented as discontinued operations in the statement of comprehensive income, balance sheet and statement of cash flow. The sold part of the business was reclassified to discontinued operations in the 2020 annual statement and the value of the assets included as assets available for sale has been impaired to reflect the achieved sales price.

The sale of Stockholms Auktionsverk, the auction house in Karlstad Hammarö and 3 auction houses in Germany result in an accounting loss as the book value of the sold activities is higher than the achieved sales price, resulting in an impairment loss of DKK 23m. This loss was included in Result from discontinued operations primarily in 2020.

Guidance for 2022

Regarding guidance for 2021 earnings was within the guidance with EBITDA of DKK 2.9m. Auction Turnover growth was 2.6 percent and Revenue growth was 8.1 percent.

Our guidance for 2022 is:

- Growth in Auction Turnover of 0-10 percent
- Growth in Revenue of 5-15 percent
- EBITDA of DKK 3-8m.

Bengt Sundström, Chairman of the board

Mette Margrethe Rode Sundstrøm, CEO

Preben Vinkler Lindgaard, CFO

Highlights Q4 2021

January – December 2021 (continuing operations)

- Revenue increase of 8.1 percent.
- Cost stable at +1.1 percent compared to last year.
- EBITDA improved by DKK 8.3m to DKK 2.7m (-5.6m).
- Auction Turnover increase of 2.5 percent.
- Average Auction turnover price in 2021 of DKK 2,880 (2,829).
- Number of knockdowns 145,361 (144,368).

October – December 2021 (continuing operations)

- Revenue decrease of 3.2 percent.
- Cost decrease of 3.6 percent compared to last year.
- EBITDA of DKK 2.9m (2,9m).
- Auction Turnover decrease of 7.8 percent.
- Average knockdown price in Q4 of DKK 3,082 (2,696).
- Number of knockdowns 36,872 (45,718).

Lauritz.com Group A/S key figures (continuing operations)

000 DKK	October – December		January – December	
	2021	2020	2021	2020
Auction turnover	113,643	123,256	418,700	408,121
Number of Knockdowns	36,872	45,718	145,361	144,368
Average Auction turnover price, DKK	3,082	2,696	2,880	2,829
Revenue	35,650	36,817	131,235	121,432
EBITDA	2,901	2,917	2,711	-5,559
Auction Turnover Margin ¹	2.6%	2.4%	0.6%	-1.4%
Profit	-1,368	-11,100	-10,098	-28,347
Earnings per share, DKK	-0.034	-0,273	-0.248	-0.696
Net cash flow	3,325	5,346	2,882	10,295

¹ Auction Turnover Margin = EBITDA/Auction Turnover.

For press enquiries, please contact:

Mette Jessen

E-mail: press@lauritz.com

For other enquiries, please contact:

Preben Vinkler Lindgaard

CFO

E-mail: Preben@lauritz.com

Certified Adviser: Erik Penser Bank AB

Telephone number: +46 8-463 83 00

E-mail: certifiedadviser@penser.se

Market place: Nasdaq First North Growth Market Stockholm

This information is information that Lauritz.com Group A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person set out above, at 9.00am CET on 24 February 2022.