



NELLY

FULL-YEAR REPORT 2020

Kristina Lukes CEO
David Granath CFO

A photograph of two women standing in front of a grey wall with green foliage on the left. The woman on the left is Black, wearing a blue and white plaid denim jacket over a white top, with her hair in a high ponytail. The woman on the right is white, wearing a light-colored plaid blazer. The image is overlaid with text and graphics.

An independent fashion brand

FOCUS ON NELLY

- Qliro Group dismantled
- CDON listed on First North
- Qliro AB listed on Nasdaq

STRUCTURE FOR
RELAUNCH

- Kristina Lukes new CEO
- New management team and board
- Gathering business in Borås



Customer focused and technology driven company that offers a vibrant world of fashion

NORDIC FASHION BRAND

- SEK 1.3b net sales in the Nordics
- SEK 585m in own brand products
- Founded in Borås in 2004

INSPIRATIONAL ONLINE FASHION DESTINATION

- 108m Nordic visitors
- 1.3m social media followers
- 94% completion rate on social media

LOYAL BASE OF YOUNG NORDIC WOMEN

- 1.1m customers in the Nordics
- High NPS scores
- 83% of orders from returning customers

INITIATED RELAUNCH

- Renew brand promise
- Automation of logistics
- Optimization of operations

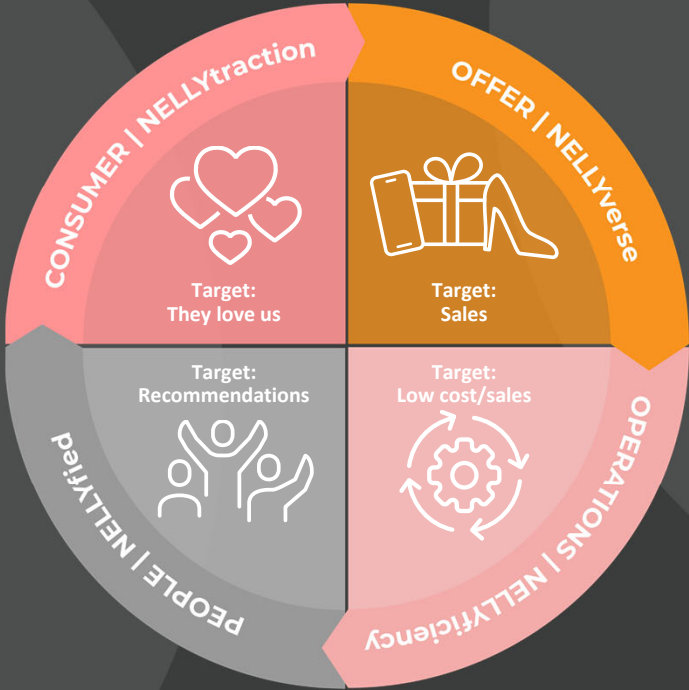
Her most loved fashion brand

WE PROMISE:

Always on point with a full head-to-toe look that isn't breaking your bank account

ALWAYS CELEBRATE THE FAB YOU!

HOW WE DO IT:



RESULTS:

Gain shares in the Nordics



Improved profitability



Higher stock turnover





Fourth quarter highlights

FOCUS ON THE NORDICS

- 4% growth in the Nordics in local currencies
- Fewer parties and social occasions
- 3rd largest brand in Sweden and 2nd largest in Norway in target group

INCREASED GROSS MARGIN

- Higher efficiency across value chain
- Lower direct selling costs with higher efficiency
- Gross margin continued to improve, this quarter with 3.8 percentage points

Fourth quarter highlights

LOWER RETURNS

- 5 percentage points lower in Q4
- Nordic focus and category mix
- Digitalized process and exclusion of bad returners

INVENTORY TURNOVER

- 32 percent lower inventory
- Significantly higher inventory turnover
- New process for purchases and logistics and actions to lower inventory

Income statement

Net sales decreased slightly, but increased 2% in local currencies

EBITDA increased with higher efficiency, focus on the Nordics and lowered return rate

Central costs decreased and will continue down as former Qliro Group HQ is integrated in Borås

Accounting effect following spin-off of CDON with no effect on cash flow and tax

SEKm	Q4 20	Q4 19
Net sales	394	400
whereof Nordics	361	363
Gross profit	91	78
<i>Gross margin</i>	23.2%	19.4%
EBITDA	8	-24
EBIT	0	-31
Result after tax continued operations	-10	-42
Result after tax discontinued operations	519	-12
Result after tax continued and discontinued	509	-53

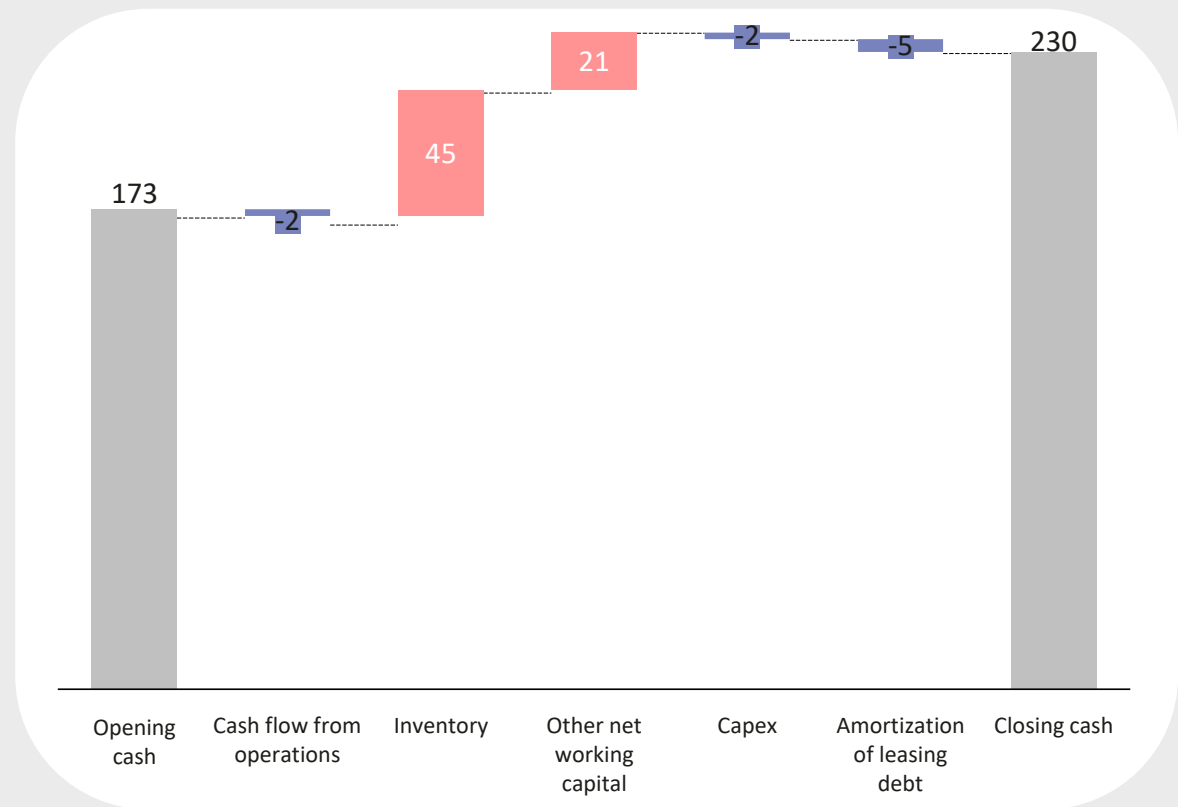
Cash flow during the quarter

Net inventory decreased during the quarter as inventory turnover increased

Other operating net working capital decreased, following seasonal pattern

Credit facility not utilized and no interest-bearing liabilities

Seasonal strong cash sufficient for coming seasons and operations





Relaunch Nelly

PLATFORM

- Data driven digital sales
- Influencers marketing
- Fashion savvy purchasing and efficient operations

CULTURE

- Gear up performance
- Build on winning culture
- Gathering in Borås, closing Stockholm

LOGISTICS

- Automated warehouse
- Improved processes
- Sustainable value chain

BRAND

- Relaunch Nelly brand everyday *fab*
- Tighter target group, 15-25 yrs



NELLY

Q1 REPORT 21 APRIL
THANKS!