First Quarter 2016





Highlights

- Net sales excluding FX effect in line with Q1 last year
- Continued strong development at Qliro Financial Services
- Continued strong sales for Nelly in Sweden with 17% growth
- Improved delivery quality at Lekmer's warehouse but costs still too high. Customer satisfaction significantly improved
- CDON Marketplace signed agreement with the leading Nordic online bookstore, Adlibris.com
- Marcus Lindqvist appointed CEO of Qliro Group

BUSINESS SEGMENTS

CDON Marketplace

- Sales generated to merchants up 19%
- Approximately 950 merchants signed with CDON Marketplace
- Reorganization and headcount reduction announced in Q1
- Adlibris announced as a new Marketplace merchant

CDON.COM Marketplace			
	Q1 16	Q1 15	Growth
Gross merchandise value, external merchants	51.1	43.0	19%
Total gross merchandise value	448.9	462.6	-3%
Net sales (SEK million)	403.1	422.5	-5%
EBITDA (SEK million)	-6.0	3.0	
EBITDA margin (%)	-1.5%	0.7%	
EBIT (SEK million)	-10.0	0.8	
EBIT margin (%)	-2.5%	0.2%	
Active customers (thousand)	1,705	1,739	-2%
Visits (thousand)	20,459	20,087	2%
Orders (thousand)	790	836	-6%
AOV (SEK)	573	552	4%

Nelly

- Sales grew by 8% excluding FX effect
- Strong growth in Sweden, amounting to 17%
- Competitive, discount-driven fashion market in the Nordics during Q1
- Share of private label 37%
- EBITDA improvement due to efficient marketing and cost reduction
- Headcount reduction will strengthen Nelly's position further

NLY MAN NE	LLY.COM		M
	Q1 16	Q1 15	Growth
Net sales (SEK million)	268.0	254.4	5%
EBITDA (SEK million)	-2.4	-7.5	
EBITDA margin (%)	-0.9%	-3.0%	
EBIT (SEK million)	-7.7	-9.2	
EBIT margin (%)	-2.9%	-3.6%	
Active customers (thousand)	1,237	1,271	-3%
Visits (thousand)	26,515	36,131	-27%
Orders (thousand)	601	638	-6%
AOV (SEK)	631	567	11%

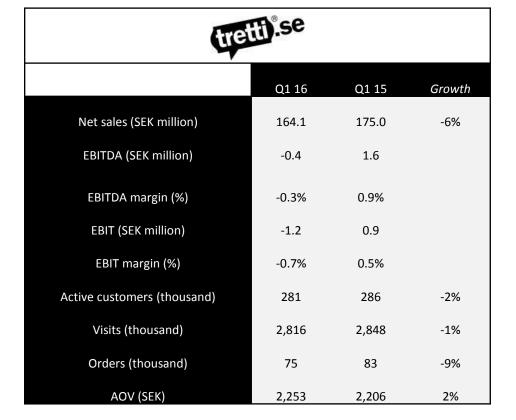
Gymgrossisten

- Sales decreased compared to last year's record sales in Q1
- Higher product margin and lower cost structure compensated for lower sales resulting in EBITDA margin almost in line with last year
- The number of visits continue to increase, mainly driven by mobile traffic

BODYSTORE COM	BODYSTORE COM		AKER.COM
	Q1 16	Q1 15	Growth
Net sales (SEK million)	218.8	245.9	-11%
EBITDA (SEK million)	17.1	19.8	
EBITDA margin (%)	7.8%	8.0%	
EBIT (SEK million)	16.3	19.0	
EBIT margin (%)	7.5%	7.7%	
Active customers (thousand)	561	545	3%
Visits (thousand)	6,718	6,509	3%
Orders (thousand)	310	331	-6%
AOV (SEK)	711	747	-5%

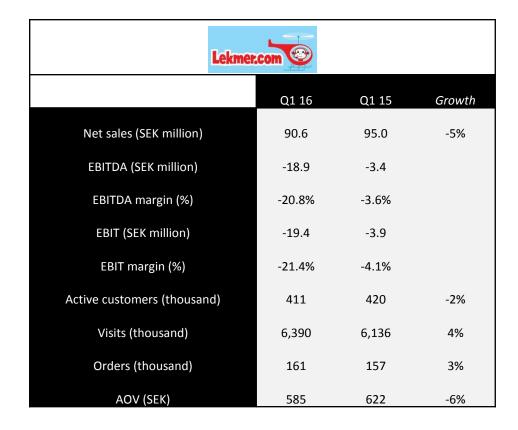
Tretti

- Sales of white goods increased with 4% in Sweden
- Challenging quarter in Norway mainly explained by weaker NOK
- Low sales during Easter weekend
- Average shopping basket grew by 2%



Lekmer

- Operational disturbances at the warehouse resolved
 now operating with fast and correct deliveries
- Warehouse costs still too high, but expected to be reduced going forward
- Customer satisfaction increasing rapidly
- Sales growth is expected to gradually start increasing again during Q2
- New mobile first-site successfully launched



Qliro Financial Services

- Continued strong development
- Processed 790 000 orders in Q1
- 1.5 million unique customers since the launch in December 2014
- Continued roll-out in Denmark
- Loan book amounted to 476 MSEK at the end of March

Qliro			
	Q1 16	Q1 15	Growth
EBTDA (SEK million)	-2.2	-11.8	
EBT (SEK million)	-4.9	-13.3	
Loans to the public	476.2	182.8	
Business volume	682	448	52%
Orders (thousands) Average shopping	790	555	42%
basket (SEK)	862	807	7%

FINANCIALS



Income Statement

- Net sales in line with last year
- Gross profit slightly below last year
- EBITDA, excl. non-recurring items, amounted to SEK -20 million
- EPS amounted to SEK -0,27 (-0,20)
- Non-recurring item of SEK 15.3 million reported in the quarter, all related to the reorganisation within CDON

Excluding divested entities and non-recurring items

	2016	2015
(SEK million)	Q1	Q1
Net Sales	1,171.3	1,196.5
Gross profit	166.0	173.9
Gross margin (%)	14.2%	14.5%
EBITDA	-20.0	-7.4
EBITDA margin (%)	-1.7%	-0.6%
EBIT	-34.3	-16.4
EBIT margin (%)	-2.9%	-1.4%

Including divested entities and non-recurring items

EBIT	-49.7	-34.3
Financial Net	-1.3	-3.8
Income before tax	-51.0	-38.1
Net income	-40.5	-29.4
Earnings per share (SEK)	-0.27	-0.20

Cash Flow

- Changes in working capital slightly better than last year
- Cash flow from operations in line with last year, amounting to SEK -220.6 (-218.3) million
- Qliro Financial Services' loans to the public decreased by SEK 51.6 (-1.6) million during the quarter
- Cash and cash equivalents at end of March, SEK 138.7 (287.3) million

(SEK million)	2016 Q1	2015 Q1
Cash flow from operating activities	-39.3	-25.9
Changes in working capital	-181.3	-192.4
Cash flow from operations	-220.6	-218.3
Cash flow to investing activities	-18.5	-26.1
Acquisitions/disposals of operations		-0.5
Changes in Qliro Financial Services loans to the public	51.6	-1.6
Changes in Qliro Financial Services financing	1.7	
Other financing activities		
Change in cash and cash equivalents for the period	-185.9	-246.5
Cash and cash equivalents at the period's start	324.2	534.0
Translation difference	0.4	-0.2
Cash and cash equivalents at the period's end	138.7	287.3



Financial Position

- Healthy but slightly high inventory levels by the end of Q1
- Qliro Financial Services' loans to the public increased to SEK 476.2 million
- Cash and cash equivalents at end of March, SEK 138.7 (287.3) million

	2016	2015
(SEK million)	31-mar	31-mar
Total non-current assets	900.5	808.4
Inventories	683.5	637.1
Loans to the public	476.2	182.8
Current non-interest bearing receivables	122.3	157.1
Cash and cash equivalents	138.7	287.3
Total assets	2,321.2	2,072.7
Total equity	1,166.7	1,284.8
Interest bearing liabilities	330.7	0.0
Non-interest bearing liabilities	823.7	787.9
Total equity and liabilities	2,321.2	2,072.7



Forward Looking Statement

- Growth that is consistent with or above that of the market for each segment.
- Qliro Group's long-term profitability targets:

Segment	EBITDA-margin
CDON Marketplace	2-3%
Nelly	5-7%
Gymgrossisten	7-9%
Tretti	2-4%
Lekmer	3-5%

- Qliro Financial Services earnings expectations unchanged. During 2016, we expect the same seasonality pattern as 2015 which means that the result within Qliro Financial Services is expected to gradually improve during 2016.
- Lekmer's growth is expected to gradually start increasing again during the second quarter 2016. Lekmer is expected to require at least another quarter in 2016 to stabilise the warehouse operations in terms of efficiency and costs. Thereafter, Lekmer's quarterly earnings are expected to be in line with 2014.

Thank you!

Next report: 14th July 2016

nasdaq symbol QLRO

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