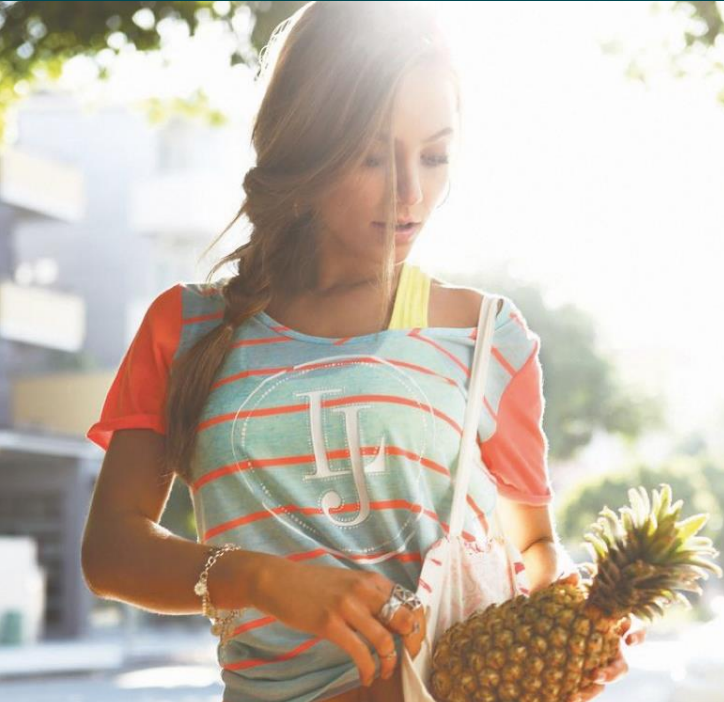


Fourth Quarter and Full Year 2016

January 25, 2017



CDON.COM

BODYSTORE.COM

GYM GROSSISTEN.COM
For Athletes. By Athletes

MILEBREAKER.COM

**FITNESS
MARKET** | **NORDIC**

NLY MAN

NELLY.COM

MEMBERS.COM

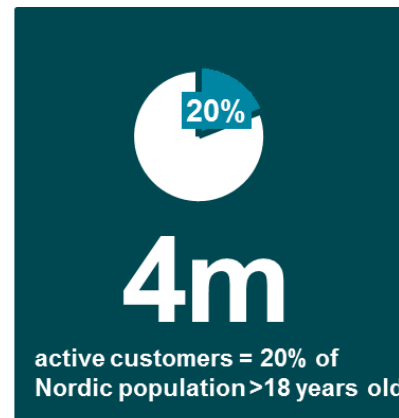
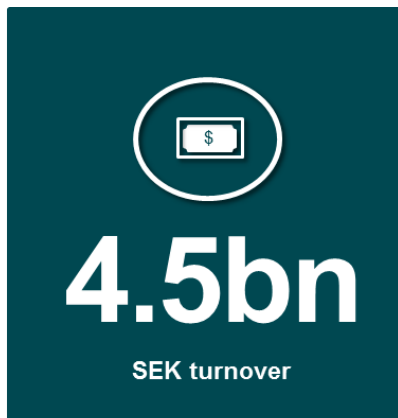
Qliro

Qliro Group

Highlights

Fourth quarter 2016

- Net sales up by 2 percent
- Gross margin increased by 4.2 percentage points
- Qliro Financial Services developed strongly with a 70% increase in revenue and an Ebt of SEK 11.2m positive profit before tax
- Nelly's operating income improved significantly, by over SEK 30m
- CDON Marketplace grew external merchant sales by 75%
- Gymgrossisten's launch of new web platform and efficiency initiatives affected Ebit, gross margin increased by 2 percentage points
- Lekmer still has clear challenges linked to its warehouse operations, new CEO appointed
- Strategy review concluded



BUSINESS SEGMENTS

Marcus Lindqvist, CEO

CDON Marketplace

Fourth quarter and full year 2016



	Q4 16	Q4 15	Change	FY 16	FY 15	Change
GMV, external, SEKm ¹	155.5	88.9	75%	350.0	223.9	56%
Total GMV, SEKm ¹	799.5	787.0	2%	2,069.4	2,058.3	1%
Net Sales, SEKm	657.8	706.9	-7%	1,751.0	1,853.5	-6%
Adjusted EBITDA, SEKm ²	23.5	18.6		5.2	19.0	
EBITDA margin ²	3.6%	2.6%		0.3%	1.0%	
Adjusted EBIT, SEKm ²	16.7	15.2		-15.0	8.9	
EBIT margin ²	2.5%	2.2%		-0.9%	0.5%	
Active customers, '000 ³	1,707	1,729	-1%	1,707	1,729	-1%
Visits, '000	31,181	31,236	0%	85,039	86,767	-2%
Orders, '000	1,249	1,285	-3%	3,374	3,500	-4%
AOV, SEK	637	616	3%	614	590	4%

¹Commission income is replaced with gross merchandise value from external merchants

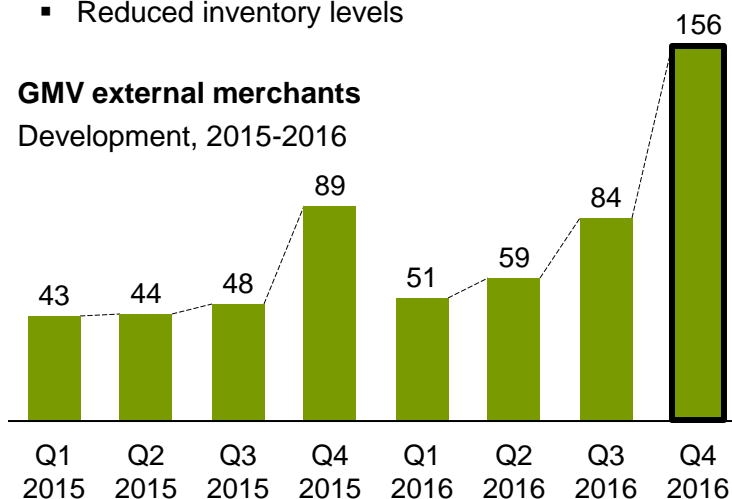
²Excluding items affecting comparability

³Past twelve months

- Marketplace external merchant sales up 75% in the quarter
- Black Friday set a new sales record with around 2.7 million visitors, 170 thousand orders and 420 thousand products sold
- The partnership with Adlibris launched in Q2 had a negative impact on net sales in Q3 and Q4, but increased sales generated for external merchants
- Improved Ebitda-margin in the fourth quarter compared to last year
- Reduced inventory levels

GMV external merchants

Development, 2015-2016



	Q4 16	Q4 15	Growth	FY 16	FY 15	Growth
Net Sales, SEKm	392.3	358.4	9%	1,243.8	1,197.0	4%
EBITDA, SEKm	39.3	-1.8		59.9	-11.7	
EBITDA-margin	10.0%	-0.5%		4.8%	-1.0%	
EBIT, SEKm ¹	30.4	-4.1		34.3	-19.4	
EBIT-margin ¹	7.7%	-1.1%		2.8%	-1.6%	
Active customers, '000 ²	1,162	1,243	-7%	1,162	1,243	-7%
Visits, '000	30,911	34,067	-9%	107,728	133,383	-19%
Orders, '000	837	804	4%	2,735	2,766	-1%
AOV, SEK	662	627	6%	654	620	5%

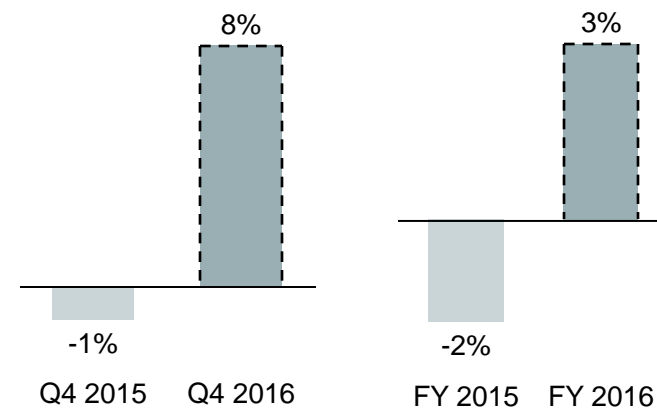
¹Excluding items affecting comparability

²Past twelve months

- Sales up 9% in the quarter, driven by core markets
- Significant Ebit margin improvement to 7.7% in the quarter
- Increased private label sales and improved assortment strategy, logistics and marketing efficiency
- Product margin improved by 4 percentage points in the quarter

EBIT margin development

2015 vs. 2016



	Q4 16	Q4 15	Growth	FY 16	FY 15	Growth
Net Sales, SEKm	200.3	203.4	-2%	810.1	851.9	-5%
EBITDA, SEKm ¹	6.7	10.9		50.7	55.3	
EBITDA margin, % ¹	3.3%	5.3%		6.3%	6.5%	
EBIT, SEKm ¹	5.8	10.0		47.5	52.2	
EBIT margin, % ¹	2.9%	4.9%		5.9%	6.1%	
Active customers, '000 ²	596	570	5%	596	570	5%
Visits, '000	5,926	5,580	6%	23,639	23,495	1%
Orders, '000	298	268	11%	1,180	1,140	3%
AOV, SEK	682	753	-9%	693	749	-7%

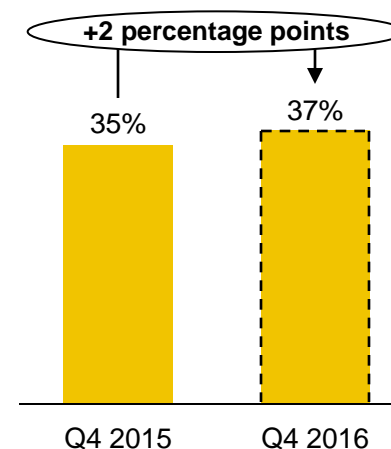
¹Excluding items affecting comparability

²Past twelve months

- Launch of new web platform for all Nordic Gymgrossisten sites
- Efficiency initiatives of non-recurring character drove costs during the quarter
- Bodystore, which focuses on health foods, continued strong double digit growth and accounts for over 10 percent of sales

Product margin development

Q4 2015 vs. Q4 2016





	Q4 16	Q4 15	Growth	FY 16	FY 15	Growth
Net Sales, SEKm	225.5	203.1	11%	501.8	481.8	4%
EBITDA, SEKm ¹	-24.7	-14.8		-78.6	-33.1	
EBITDA margin, % ¹	-11.0%	-7.3%		-15.7%	-6.9%	
EBIT, SEKm ¹	-26.2	-15.3		-81.9	-34.9	
EBIT margin, % ¹	-11.6%	-7.5%		-16.3%	-7.2%	
Active customers, '000 ²	446	414	8%	446	414	8%
Visits, '000	11,049	10,513	5%	29,591	28,849	3%
Orders, '000	390	366	7%	854	859	-1%
AOV, SEK	591	556	6%	603	572	5%

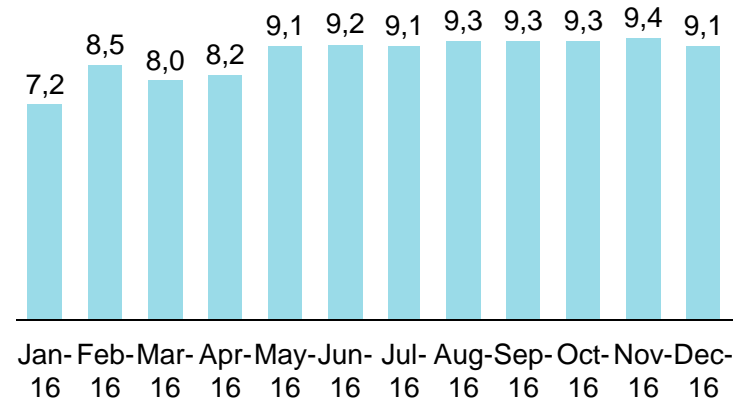
¹Excluding items affecting comparability

²Past twelve months

- Q4 sales up 11% in the quarter
- Average shopping basket and number of orders increased
- Continued good delivery quality and high customer ratings
- Business remains unprofitable, due to warehouse operation challenges
- New CEO appointed
- Focus on operational efficiency

Customer satisfaction

Monthly average rating on prisjakt.se (out of 10)



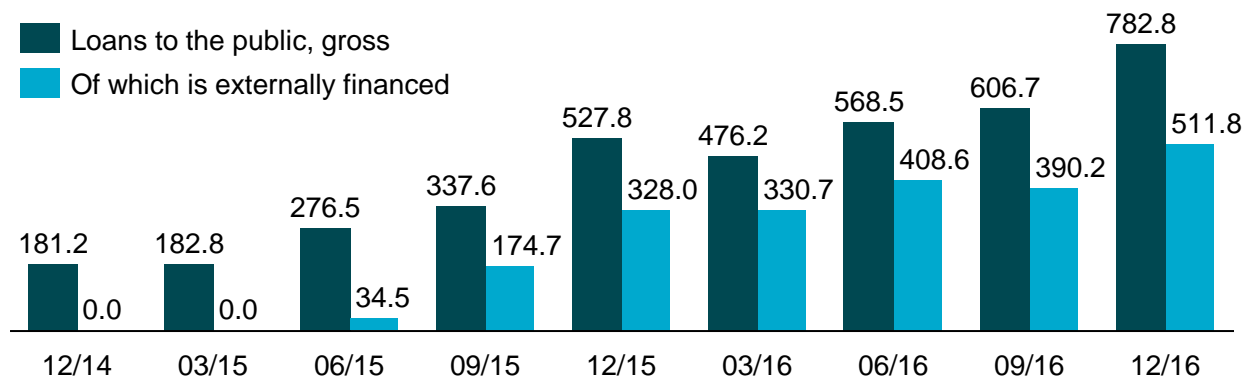
Qliro Financial Services

Fourth quarter and full year 2016



	Q4 16	Q4 15	Change	FY 16	FY 15	Change
EBTDA, SEKm	15.4	2.7		16.6	-22.6	
EBT, SEKm	11.2	0.2		2.3	-30.1	
Loans to the public, SEKm	782.8	527.8		782.8	527.8	
Business volume, SEKm	1,069	987	8%	3,182	2,630	21%
Orders, '000	1,260	1145	10%	3,644	3,152	16%
Average shopping basket, SEK	848	862	-2%	873	834	5%

- Total operating revenue up by 70% in Q4 and 104% during full year
- First positive full-year Ebt
- Qliro One successfully piloted on Lekmer, and planned roll out in H1 2017
- Loans to the public amounted to SEK 783m (528) at the end of the quarter
- Product development continuing
- Credit market company application process continues



Selection of merchants



NELLY.COM



Designtarget



BODYSTORE.COM

FINANCIALS

Mathias Pedersen, CFO

Income Statement

Fourth quarter 2016

- Reported financials of the Group are split into two divisions, E-commerce and Financial Services
- Income before tax profit increased significantly to SEK 24m as last year's loss was turned to profit
- E-commerce increased its gross margin 2.5 percentage points, while Financial Services almost doubled its topline, to drive results
- Finance net positive for E-commerce from currency fluctuations, while Financial Services had interest expenses from debt financing
- Earnings per share amounted to SEK 0.13 (-0.20) before and after dilution

(SEK million)	E-commerce		Financial Services		Eliminations		Qliro Group	
	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015
Excluding discontinued operations and items affecting comparability								
Net sales	1,474.8	1,472.1	65.8	34.6	-17.2	-19.1	1,523.4	1,487.6
Adjusted gross profit	245.0	206.9	40.0	9.0	-	-	285.0	215.9
<i>Adjusted gross margin</i>	16.6%	14.1%	60.8%	25.9%			18.7%	14.5%
Adjusted operating income before depreciation and amortization (Ebitda)	30.7	5.3	17.4	0.8	-	-	48.0	6.1
<i>% of sales</i>	2.1%	0.4%	26.4%	2.3%			3.2%	0.4%
Adjusted operating income (Ebit)	12.4	-4.1	13.2	-1.7	-	-	25.6	-5.8
<i>% of sales</i>	0.8%	-0.3%	20.0%	-4.9%			1.7%	-0.4%
Financial net	2.4	-2.7	-3.6	-0.9	-	-	-1.2	-3.6
Adjusted income before tax	14.8	-6.8	9.5	-2.6	-	-	24.3	-9.4
Items affecting comparability (Ebit-level), excluded above	-	-26.2	-	-	-	-	-	-26.2
Including items affecting comparability								
Operating income before depreciation and amortization (Ebitda)	30.7	-20.8	17.4	0.8	-	-	48.0	-20.1
Operating income (Ebit)	12.4	-30.3	13.2	-1.7	-	-	25.6	-32.0
Income before tax	14.8	-33.0	9.5	-2.6	-	-	24.3	-35.6
Net income							20.1	-29.4
Earnings per share, incl. discontinued operations (SEK)							0.13	-0.20

Cash Flow

Fourth quarter 2016

- Cash and cash equivalents at year-end amounted to SEK 435m
- The strong results drove group cash flow of SEK 54m (-24) from operating activities before changes in working capital
- Lower inventory levels and seasonally high A/P decrease working capital within E-commerce
- Cash flow from operations for E-commerce exceeded SEK 300m
- Financial Services expanded its loan book financed through higher utilisation of its credit facility and shareholder contributions (intra group)

(SEK million)	E-commerce		Financial Services		Qliro Group	
	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015
Cash flow from operating activities before changes in working capital	42.8	-53.2	10.9	29.7	53.7	-23.5
Changes in working capital	272.7	205.8	-163.4	-209.1	109.3	-3.3
Cash flow from operations	315.5	152.6	-152.6	-179.4	163.0	-26.8
Investments in other non-current assets	-13.8	-21.1	-17.5	-10.5	-31.3	-31.6
Cash flow to/from investing activities	-13.8	-21.1	-17.5	-10.5	-31.3	-31.6
Shareholder contribution, net change	-50.0	-40.0	50.0	40.0	-	-
Group contribution, net change	-	-12.8	-	12.8	-	-
Utilized credit facilities in Financial Serv.	-	-	122.1	155.6	122.1	155.6
Cash flow to/from financing activities	-50.0	-52.8	172.1	208.4	122.1	155.6
Change in cash and cash equivalents for the period from continued operations	251.7	78.8	2.0	18.5	253.7	97.3
Cash flow from operations	-	-20.6	-	-	0.0	-20.6
Cash flow from investing activities	-	-0.8	-	-	-	-0.8
Change in cash and cash equivalents for the period from discontinued operations	-	-21.3	-	-	-	-21.3
Change in cash and cash eqv. for the period	251.7	57.4	2.0	18.5	253.7	75.9
Cash and cash equiv. at the period's start					180.9	249.1
Translation difference					0.5	-0.8
Cash and cash equiv. at the period's end					435.2	324.2

Financial Position

Fourth quarter and full year 2016

Note: Tretti included in numbers for 2015

- Inventories decreased, partly related to divestment of Tretti
- Cash exceed SEK 400m at year-end after the seasonally strong fourth quarter, which typically ties up less working capital
- Total equity decreased following the Tretti divestment and the result in continued operations
- Financial Services received additional equity (intra group) to meet prospective capital requirements, and to finance growth of its loan book
- Financial Services continued to utilize its credit facility for the remainder of its funding need

(SEK million)	E-commerce		Financial Services		Eliminations		Qliro Group	
	Dec-16	Dec-15	Dec-16	Dec-15	Dec-16	Dec-15	Dec-16	Dec-15
Goodwill	211.5	455.3	0.0	-	-	-	211.5	455.3
Other intangible assets	172.3	245.8	86.1	48.5	-	-	258.4	294.3
Tangible assets	19.0	32.4	9.3	4.7	-	-	28.3	37.1
Financial assets	120.3	93.3	1.7	1.8	-	-	122.0	95.2
Inventories	547.9	702.0	-	-	-	-	547.9	702.0
Loans to the public, net	-	-	745.8	505.6	-	-	745.8	505.6
Non-interest bearing receivables	181.7	418.2	12.9	24.0	-7.0	-204.6	187.7	237.6
Cash and cash equivalents	435.2	324.2	-	-	-	-	435.2	324.2
Total assets	1,687.9	2,271.2	855.7	584.5	-7.0	-204.6	2,536.7	2,651.1
Total equity	730.9	1,162.7	295.3	42.8	-	-	1,026.2	1,205.4
Interest bearing liabilities	-	-	513.2	328.0	-	-	513.2	328.0
Non-interest bearing liabilities	957.0	1,108.5	47.1	213.9	-7.0	-204.6	997.2	1,117.6
Total equity and liabilities	1,687.9	2,271.2	855.7	584.5	-7.0	-204.6	2,536.7	2,651.1

SUMMARY

Marcus Lindqvist, CEO

Summary

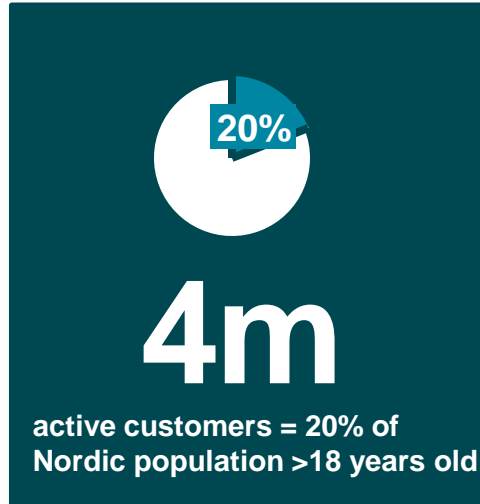
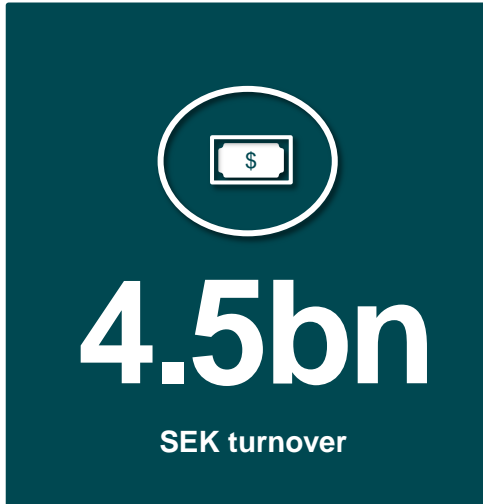
Fourth quarter and full year 2016

- CDON Marketplace continues to grow, and increased external GMV by 75% in the fourth quarter
- Nelly reports significant growth and earnings improvement
- First full-year profit for Qliro Financial Services and continued product development
- Operational excellence initiatives ongoing, focusing on continuous improvements

Revised Strategic Direction

Marcus Lindqvist, CEO

Qliro Group - Starting point



Qliro Group has set the revised strategic direction

STRATEGIC REVIEW COMPLETED

Reviewed challenges and opportunities for each company and the Group operational structure to evaluate synergies, optimize scalability and maximize the potential of Qliro Financial Services.

STRONG GROWTH IN E-COMMERCE AND ASSOCIATED SERVICES

Several trends and factors pointing to continued strong growth within e-commerce and associated services accompanied by continuous technical and functional development.

THREE CORE BUSINESS AREAS



Marketplace

CDON.COM
Marketplace



Fashion

NELLY.COM
NLY MAN
MEMBERS.COM



Financial Services

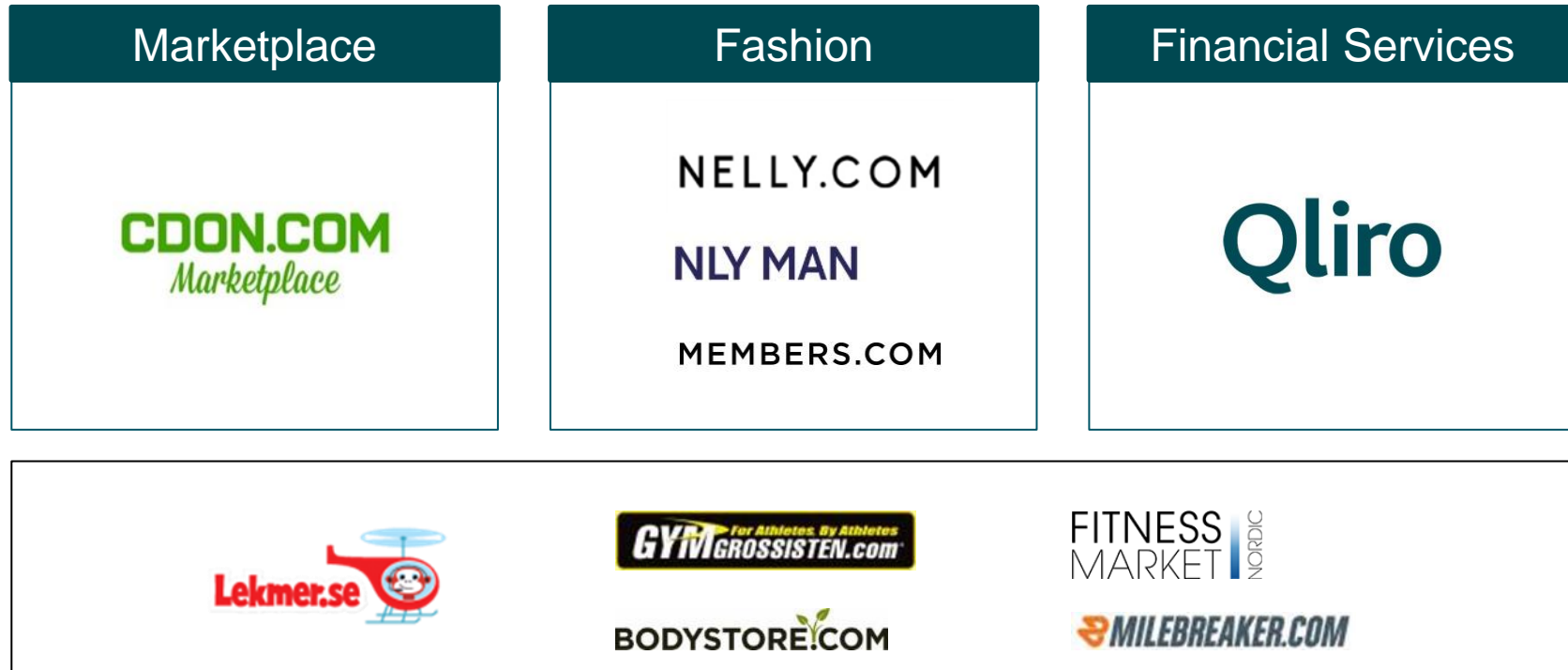
Qliro

Business units Lekmer and Gymgrossisten to focus on improved profitability and positive cash flow. Active pursuit of potential partnerships to facilitate continued investments and to take advantage of the ongoing consolidation in each sector to generate additional shareholder value.



Qliro Group to focus on three core business areas

Qliro Group



Qliro Group - Overall objectives

1

Strengthen the position as the leading e-commerce platform for end consumers in the Nordics

2

Provide an attractive offering within payment solutions and associated financial services for both consumers and merchants

3

Establish a position as a leading e-tailer within selected segments in the Nordic fashion field

The foundation for future profitable growth will be built on more efficient operations, driven by investments and a structured approach focusing on continuous improvement.

Qliro Group adopts new long-term financial targets

Business area

Long-term financial target

Marketplace

- Reach an organic gross growth ("GMV") of, on average, 10 percent per year
- Generate an operating profit (Ebitda) in relation to GMV of 1-2 percent

Fashion

- Reach an organic growth of, on average, 8 percent per year
- Generate an operating margin (Ebitda) of at least 6 percent

Financial services

- Reach an operating income (Ebitda) of at least SEK 150 million during 2019

For the business units Lekmer and Gymgrossisten, continuous improvements in operating income and cash flow will be prioritized, as well as continued development of each individual brand.

Thank you!

Next report: 19th April 2017

 nasdaq symbol **QLRO**

 follow us on twitter **@qlirogroup**