

Growth Accelerator – the story of OBAB

August 2024

Online Brands is the next generation owner of fast-growing and digitally enabled consumer brands

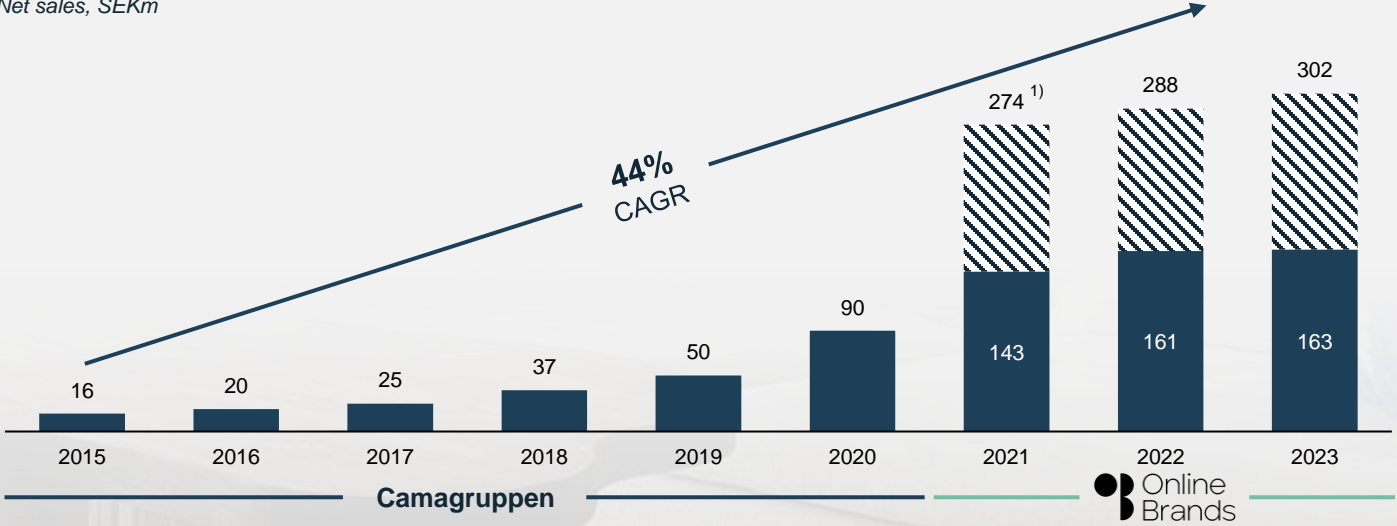
Online Brands at a glance



- ✓ Online Brands Nordic is a fast-growing group of companies with a proven track-record of acquiring and developing online platforms
- ✓ Value is created through development and organic growth in existing portfolio companies and acquiring companies with strong growth potential when combined with the in-house expertise in improving digital capabilities, building brand and expansion of Online Brands
- ✓ Online Brands was founded through a reverse listing of Camagruppen (Trendcarpet and Hatshop) in 2021
- ✓ The group is led by entrepreneurs with a proven track-record of managing profitable growth companies
- ✓ The company is listed on Nasdaq First North Growth Market

Online Brands in figures

Net sales, SEKm



302m
Net sales
2023, SEKm

44%
Revenue
CAGR '15-'23

61%
Gross margin,
2023

7%
Adjusted EBITDA
margin, 2023

7
Group brands, #

Strong portfolio of Nordic e-commerce brands



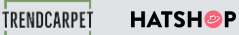


1) Proforma consolidation of 2021 revenue from Camagruppen and Online Brands

Key investment highlights

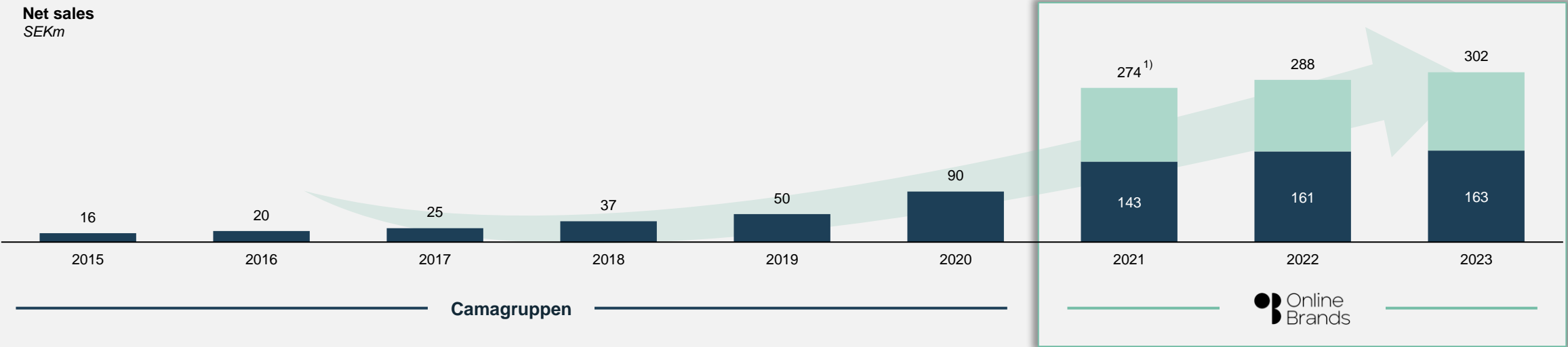
- 1 Large, fragmented and structurally growing market
- 2 Well-positioned diversified portfolio of brands with leading SEO positioning in each market niche
- 3 Attractive financial profile with strong growth, profitability and cash conversion
- 4 Significant potential in capitalising on domestic and international potential
- 5 Highly experienced hands-on management team and board of directors with a significant track-record of driving profitable online businesses



Long history of driving profitable growth in e-commerce

| | | | |
|---|---|--|---|
| <p>1.</p> <p>Camagruppen</p> <p>2008-2020</p> <ul style="list-style-type: none"> Camagruppen (Trendcarpet) was founded in 2008 by Magnus Skoglund Trendcarpet has achieved strong organic growth since inception, posting a ~34% CAGR since 2015  | <p>2.</p> <p>Acquisition of Camagruppen by Online Brands through reverse listing</p> <p>2021</p> <ul style="list-style-type: none"> Online Brands was established on Nasdaq First North Growth Market through a reversed merger Acquisition of The Kitchen Lab and Bread & Boxers  | <p>3.</p> <p>Online Brands Nordic AB</p> <p>2022</p> <ul style="list-style-type: none"> Acquisition of Nordic Kidswear AB (Isbjörn of Sweden) and allafröer.se Several operational improvements introduced New CFO and CMO  | <p>4.</p> <p>Online Brands onwards</p> <p>2023-</p> <ul style="list-style-type: none"> Streamlining the Group's organisation, processes, financing and cost synergies Improvements realised supporting growth in a tough consumer year while setting the organisation up for strong operational leverage |
|---|---|--|---|

Net sales
SEKm



1) Proforma consolidation of 2021 revenue from Camagruppen and Online Brands

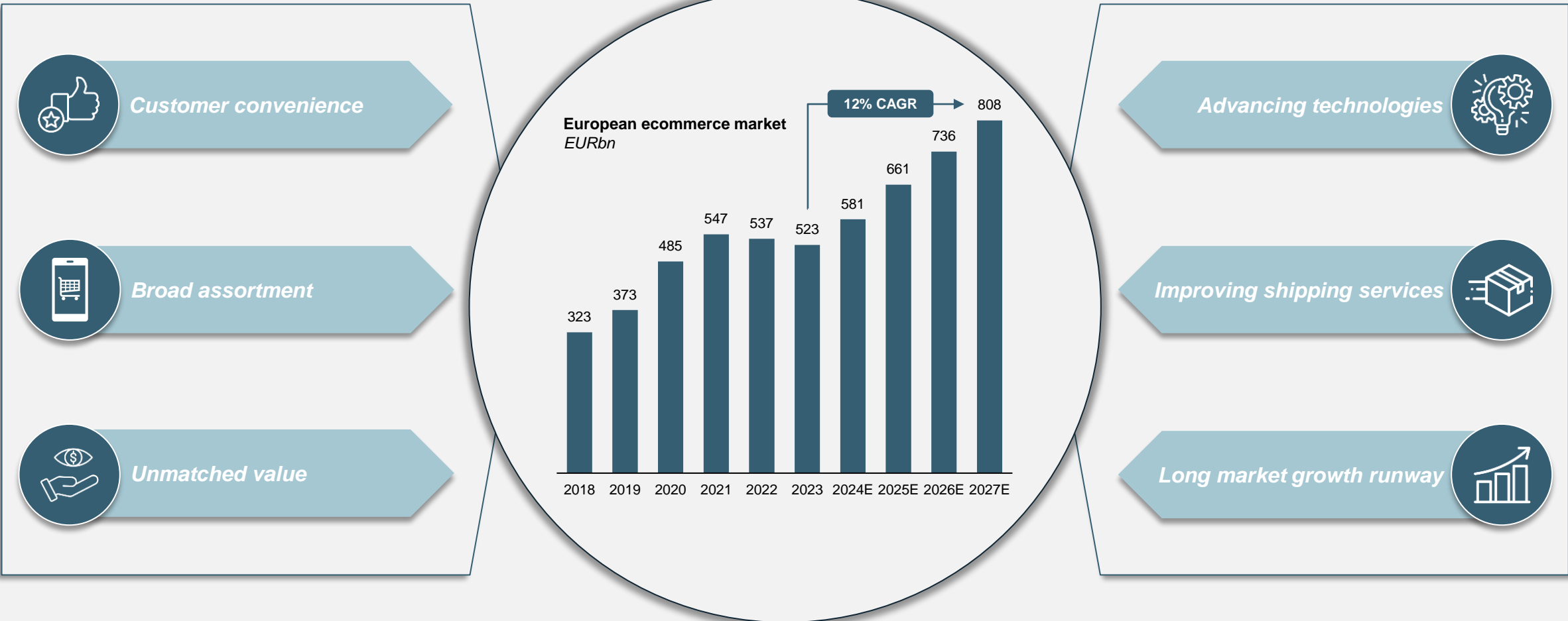
Seven destinations satisfying consumers with unique and value-add offering

| | Camagruppen TRENDCARPET HATSHOP | The Kitchen Lab | Bread & Boxers DAILY BASICS | ISBJÖRN | Victorins - GULD OCH SILVER SEDAN 1908 - | Allerwell FRÖER |
|--|--|--------------------------------------|--|--|---|---|
|  Brand proposition | One of Europe's leading D2C platforms for rugs and carpets | Category leader for kitchen products | Fast growing brand offering timeless basics of the highest quality | High quality, functional and sustainable outdoor clothing for children | High-quality jewellery and silverware | Creating inspiring seeds for cultivation and gardening accessories" |
|  Type | D2C | Online retail | Brand | Brand | Retail | Online retail |
|  Active markets | #15 | #30+ | #20+ | #20 | #1 | #1 |
|  Net sales LTM | SEK 167m | SEK 54m | SEK 55m | SEK 28m | SEK 7m | SEK 4m |

Supported by central group functions in finance, tech, marketing, sourcing & HR

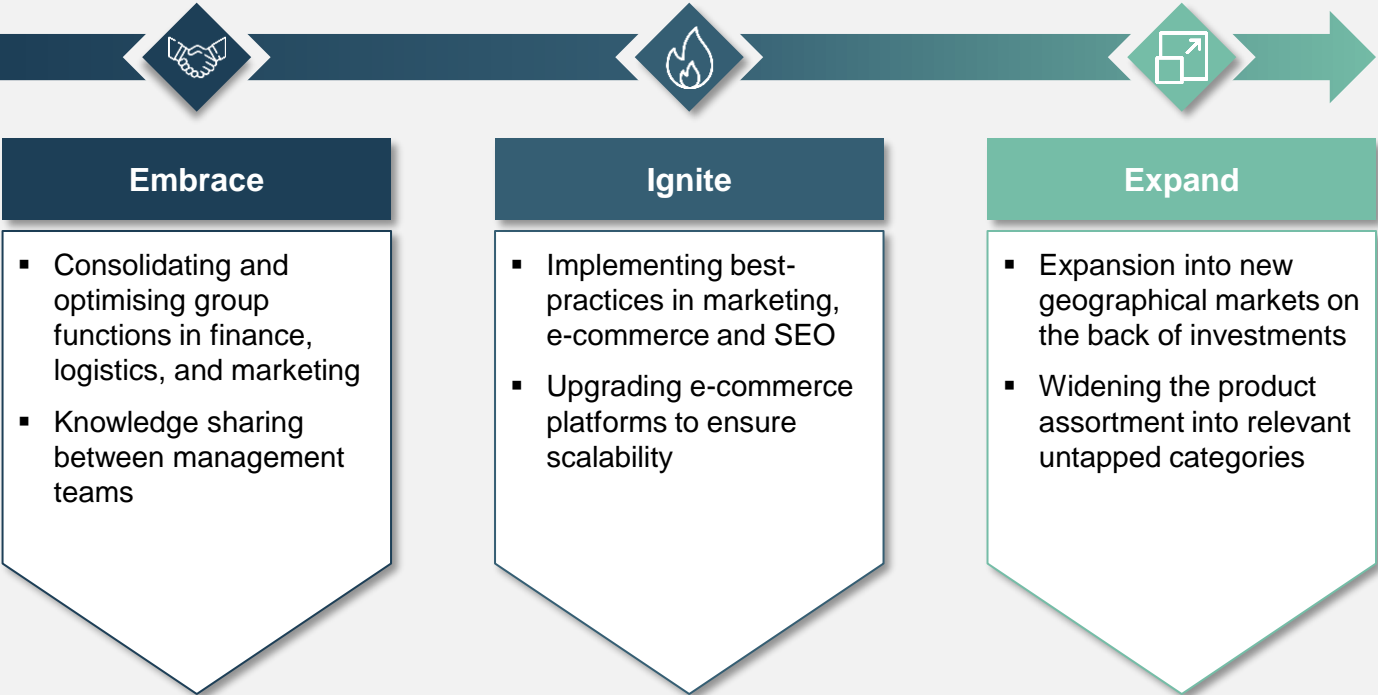
Operating market tailwinds through the large, fast-growing and fragmented e-commerce market

Online brands operates in a fast-growing market aided by structural trends with the broad market still just around 15% online penetration¹⁾

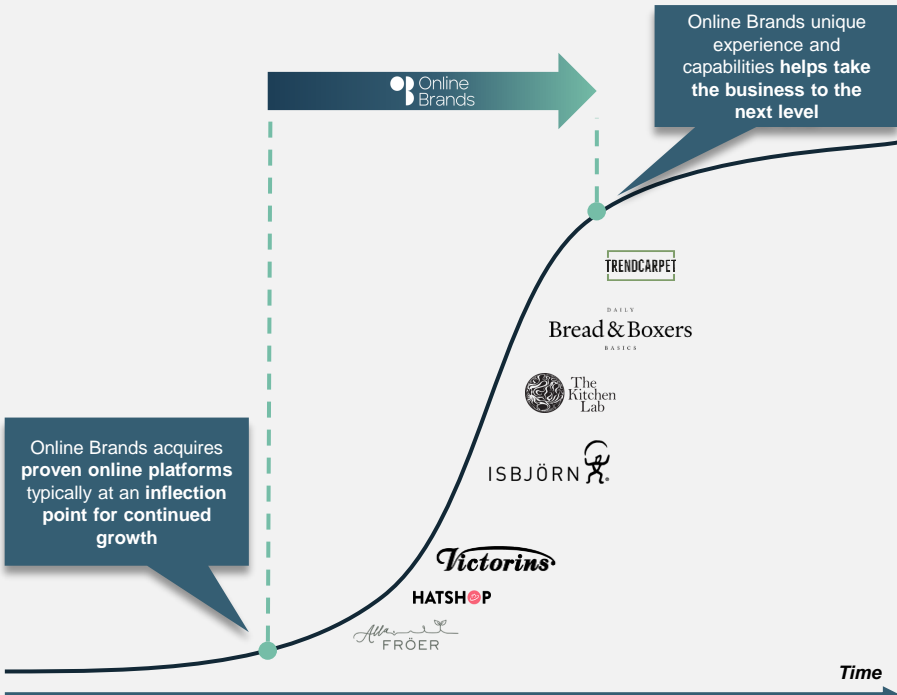


A tried-and-tested playbook for developing digital brands

A strategic development plan implemented for acquired brands...



...with brands of varying maturity levels

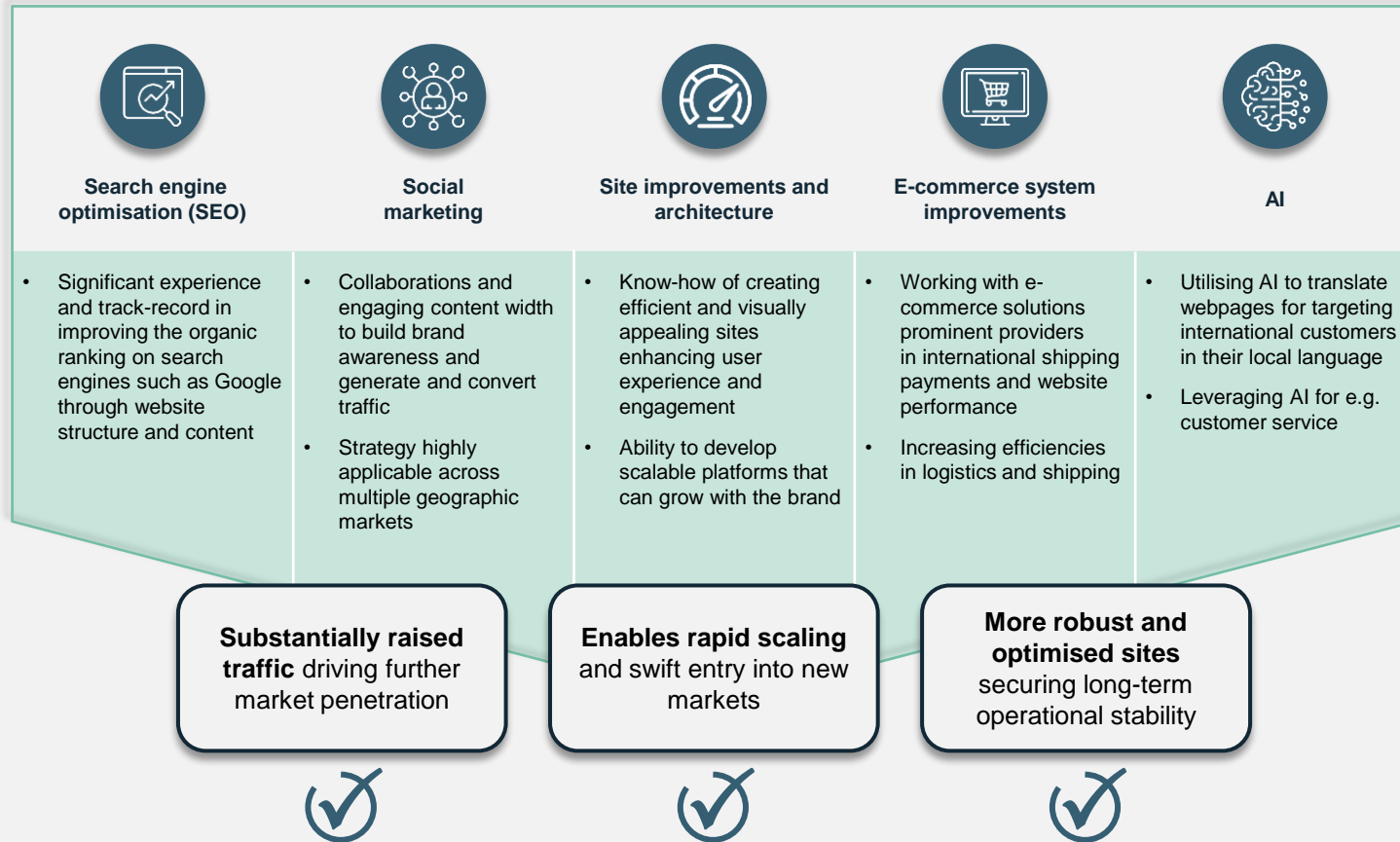


Acquisition targets

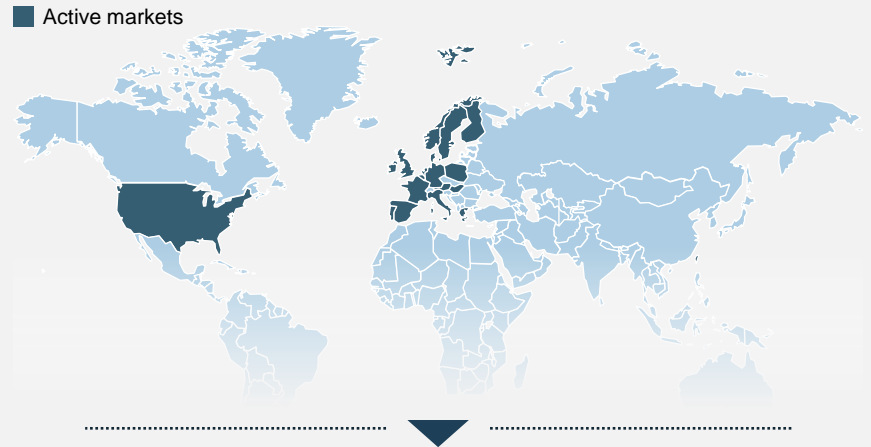
- ✓ International product-market fit
- ✓ Low price transparency
- ✓ Potential in reaching strong and lasting SEO position
- ✓ Profitable with revenue of SEK ~50-150m

Experts in optimising and scaling digital brands

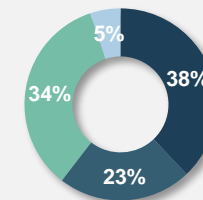
Leading online capabilities applicable both domestically and internationally...



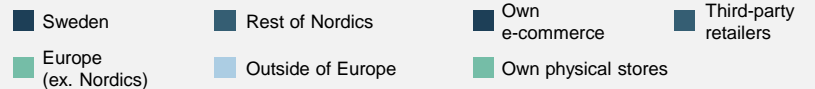
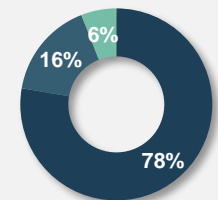
...with a proven concept to scale concepts globally



Sales by geography 2024 Q2'LTM



Sales by channel 2024 Q2'LTM



Online Brands is the go-to platform for entrepreneurs through its value proposition of a symbiotic partnership

Online brands value proposition and strategy



- Online Brands invests in strong brands with international potential, supporting in every step of the continued growth journey as entrepreneurs themselves
- Acquisition targets generally has revenue of SEK ~50-150m
- In this size bracket, Online Brands generally experience low competition for acquisition targets
- Coupling the operational expertise with financial support, Online Brands is an attractive eternal home for entrepreneurs to continue the growth journey
- Acquisition pipeline is continuously growing, with several ongoing dialogues



Strong entrepreneurial platform that build category winners and strong brands



Proven capability to take brands internationally through leading online marketing capabilities



Autonomous and decentralised structure with supporting group expertise and functions



Financial support and tangible cost synergies



Advisory and support network of other entrepreneurs

Proven management team and board of directors with vast experience from consumer companies

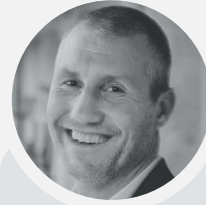


Magnus Skoglund

Board Member, CEO



CEO of Online Brands Nordic AB since 2021. Magnus founded Cama Gruppen AB in 2008 and has since been CEO of the company



Thomas Häggkvist

CFO

CFO of Online Brands Nordic AB since 2022. Thomas has extensive experience of working as CFO and CEO in small and medium-sized listed companies in the Nordic region in various industries. He has been running his own CFO consultancy since 2014



David Rönnerberg

Chairman of the Board



Chairman of the Board of Online Brands since 2021
Current roles: CEO of Musti Group
Previous roles: CEO of Indiska Magasinet, Internetstores Nordic and Bringwell



Henrik Bunge

Board Member



Board member of Online Brands since 2021
Current role: CEO of Björn Borg
Previous roles: CEO of Peak Performance, Managing Director of Adidas Group Area Nordic and Sales & Marketing Director at Hästens Sängar



Carl Rydin

Board Member



Board member of Online Brands since 2021
Current role: Investment Director at Jofam
Previous roles: Portfolio manager at Origo Fonder, >10 years of international experience from New York having worked at Lucerne Capital and Fredericks Michael & Co



Mathias Hedström

Board Member



Board member of Online Brands Nordic AB since 2021.
Current roles: Board member of Houdini, Nordic Netstores and Leanca
Previous roles: CEO and board member of Addnature, CoB of Norhult Sweden and Nordic Kidswear

Operating model with high profitability potential through strong unit economics

Sales growth

8%

Sales CAGR
2022-2024 Q2'LTM

Gross margin

61%

Average gross margin
2022-2024 Q2'LTM

Adjusted EBITDA

7%

Average adjusted EBITDA margin
2022-2024 Q2'LTM

Strong sales growth throughout challenging consumer environment proving brand strength through continuous operational improvements

High gross margins through high share of D2C sales combined with prominent niche positions leading to strong pricing power

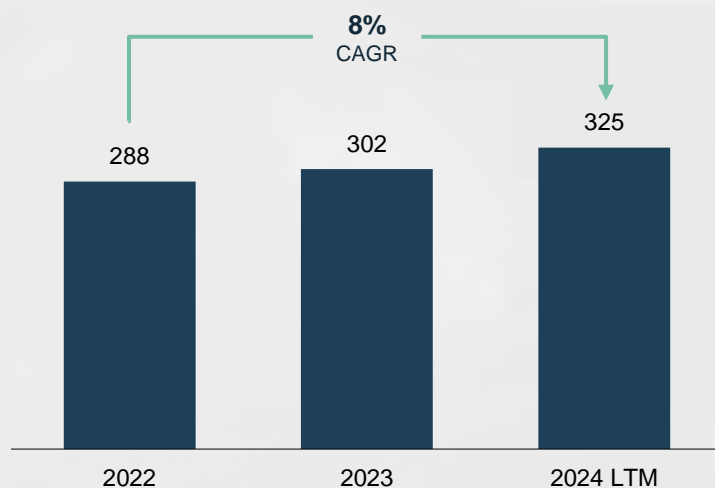
High gross margins combined with operational efficiency creates industry-high profitability

Attractive financial profile enabled by strong brands with high profitability operating in structural market tailwinds

Attractive financial profile with high growth and robust profitability

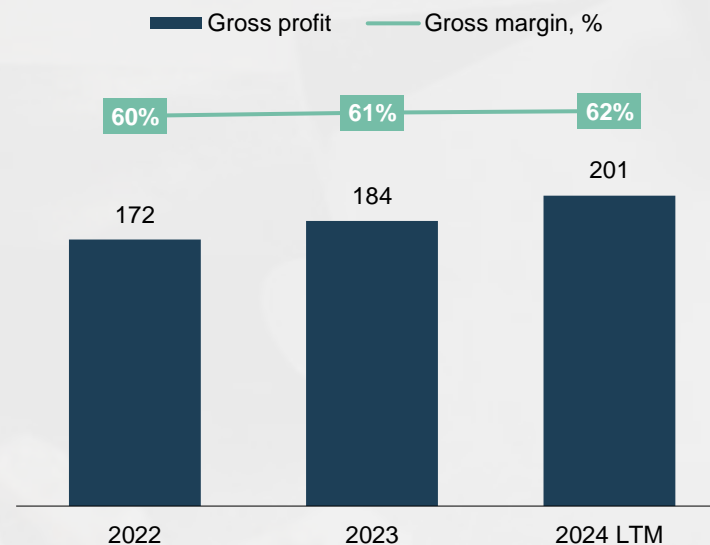
Net sales

SEKm



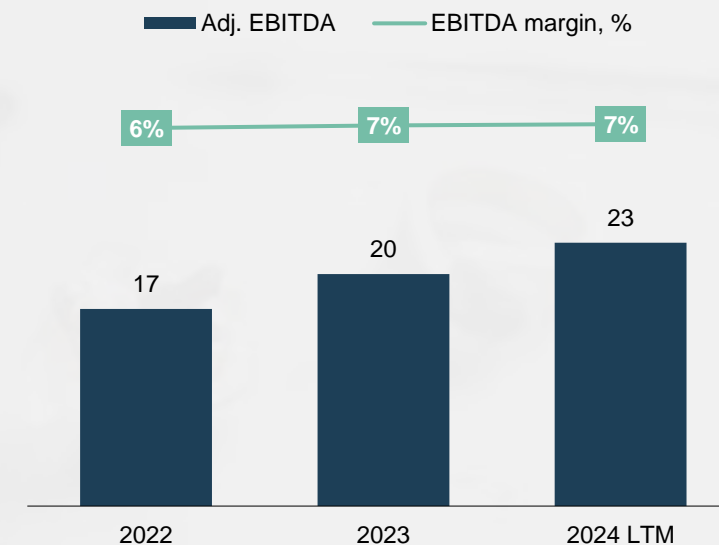
Gross profit and margin

SEKm



EBITDA and EBITDA margin

SEKm



- Successful acquisitions and development of brands has driven net sales from SEK 288m to SEK 325m, representing a CAGR of 8%
- Maintained positive growth throughout 2022-2023 despite turbulent economic environment
- Accelerating growth in H1'24 with improving business momentum, mainly driven by Trendcarpet, Bread & Boxers and the Kitchen Lab

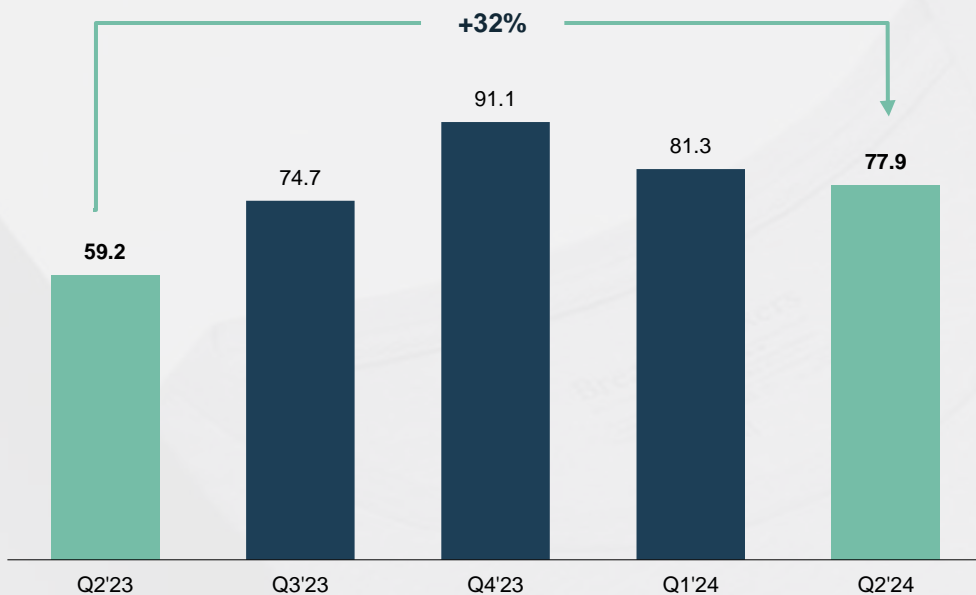
- Ongoing day-to-day work to optimise sourcing, procurement and pricing
- High share of own-brand sales supporting strong profitability
- Unique products and low price transparency results in low price competition

- Attractive unit economics with high average order values offer a strong contribution profitability
- Strong organic traffic generation limits paid performance marketing need
- High operational leverage after operational efficiency improvements during the last 2 years

Group quarterly performance | Accelerating growth on a lower cost base

Net sales by quarter

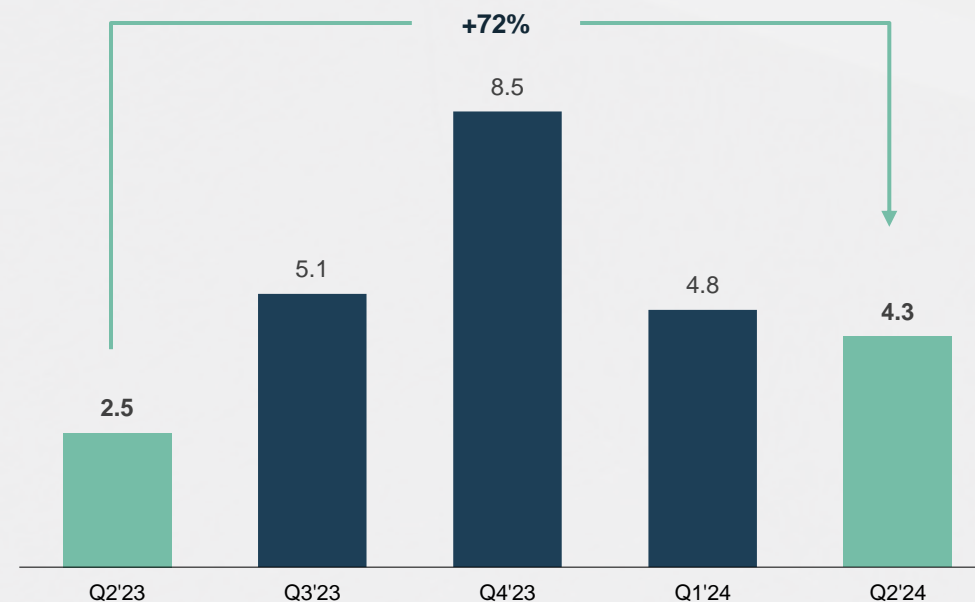
SEKm



- Fourth consecutive quarter with organic growth
- All companies showed organic growth in Q2 2024
- Accelerating growth during the last three quarters with improving business momentum and market share gains

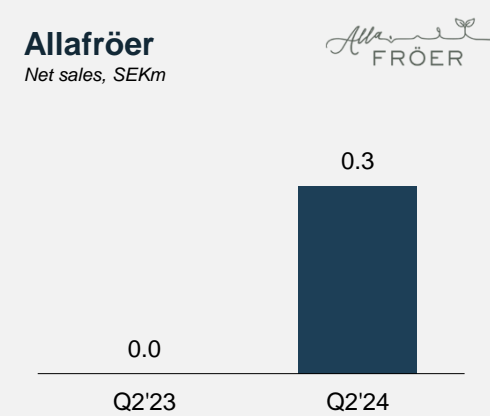
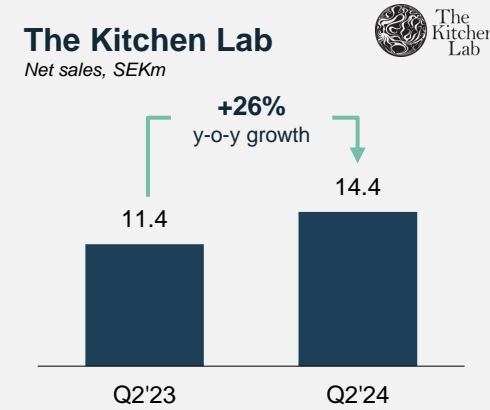
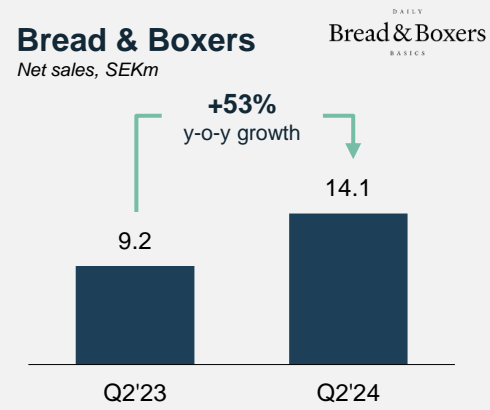
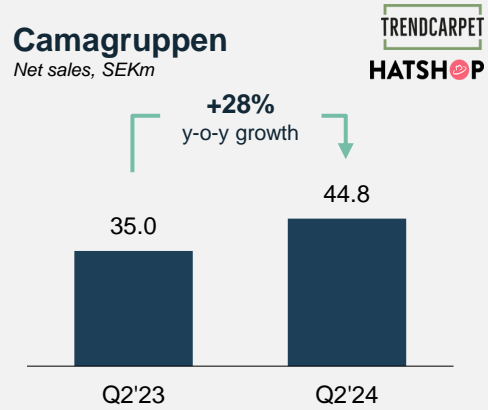
Adjusted EBITDA by quarter

SEKm



- Improving profitability driven by both gross margin expansion and efficiency improvements in operational expenses
- Gross margin improved due to a higher share of revenue from unique products and full-price sales
- Efficiency improvements in operational expenses have primarily been seen in personnel costs, partly driven by previously initiated automation projects

Quarterly performance by brand | Strong growth across the group



- All group companies and European regions showed organic growth in Q2 and Europe excl. Sweden is increasing as a share of sales in line with the ongoing expansion strategy
- Camagruppen** showed growth of 28% y-o-y with strong performance in a tough market. 2023 was an investment year with several changes in terms of location, personnel efficiencies and fulfilment software and the positive effects starting to show
- Bread & Boxers** saw a y-o-y growth of 53% supported by the company's long-term strategic initiatives in both its own channel and wholesale resulting in new partnerships
- The Kitchen Lab** showed a 26% y-o-y growth with long-term initiatives focusing on geographical expansion, assortment expansion and improvements in marketing starting to generate returns



 Online
Brands
