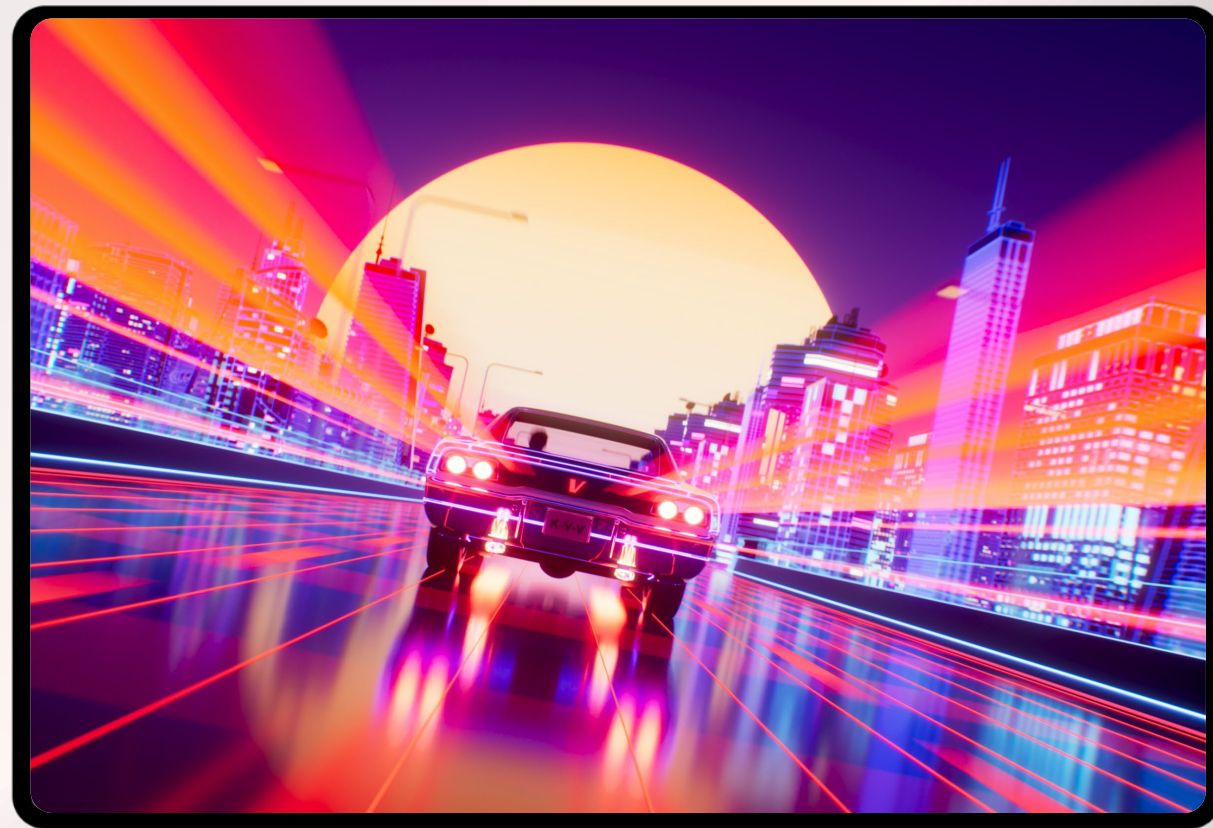


CAPITAL MARKETS DAY 2024

Verkkokauppa.com Oyj

30 May 2024






Winning assortment assured by customers and boosted by own brands

Tatu Kaleva

Chief Commercial Officer

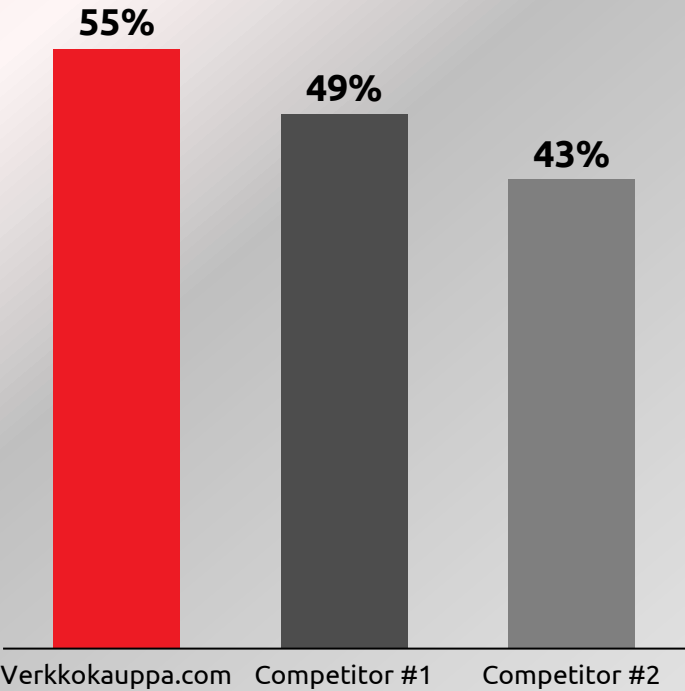
Winning assortment assured by customers

Transparent product reviews from our customer ¹	2020 417k	2024YTD 508k +22%
Average customer review ² 	2020 3.9	2024YTD 4.3 +10%
Annual customer returns ³	2021 1.2%	2023 0.7%

1. Cumulative product reviews by our customers (Data from 16.5.2024)
2. Average stars in all product reviews
3. % of customer returns of total sales

Monthly consumer survey verifies our assortment position

"Broad and interesting assortment available"



Source: Kantar Brand Tracking 01-04 / 2024

Three elements of a winning assortment

HERO ASSORTMENT



Hero assortment with probably always cheapest prices fuelling fast deliveries.



ASSORTMENT EXPANSION



Expansion to new categories with new capabilities in supply chain management and deliveries to ensure scalable growth



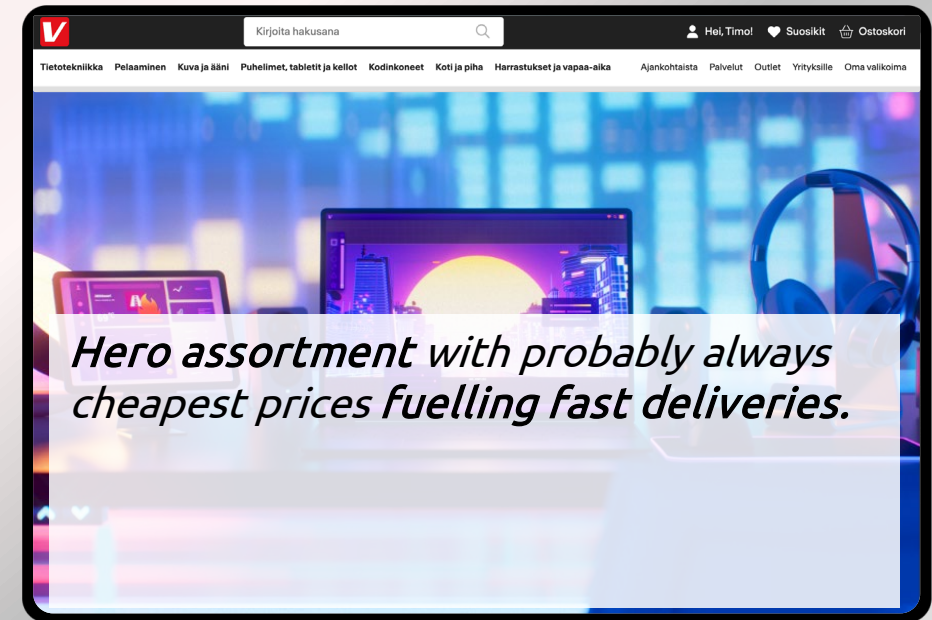
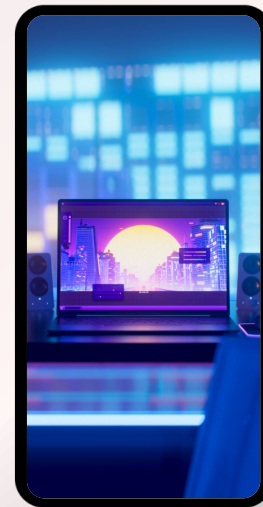
OWN BRANDS



Own brands boosting profitability, while offering great value for money and brand level quality.

HERO ASSORTMENT

Tatu Kaleva
Chief Commercial Officer



Strong offering of most desired high-quality products

Best products from most desired
and known brands

BRANDS
AVAILABLE **+2 800**

TOTAL SKUs IN
ASSORTMENT **58 000**

NEW SKUs
INTRODUCED
WEEKLY¹ **+400**



Boosted with high quality Own
Brands

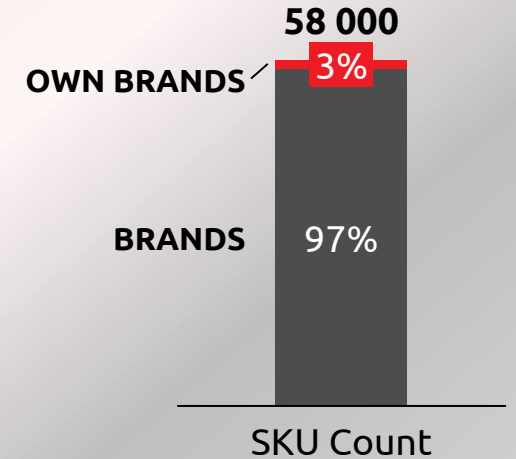
OWN BRANDS **59**

TOTAL OWN
BRAND SKUS **2 500**

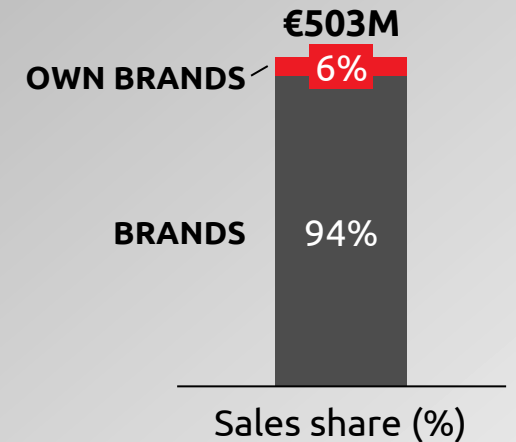
OWN BRAND
MAIN CATEGORY
COVERAGE **80%**



Brand & Own Brand split

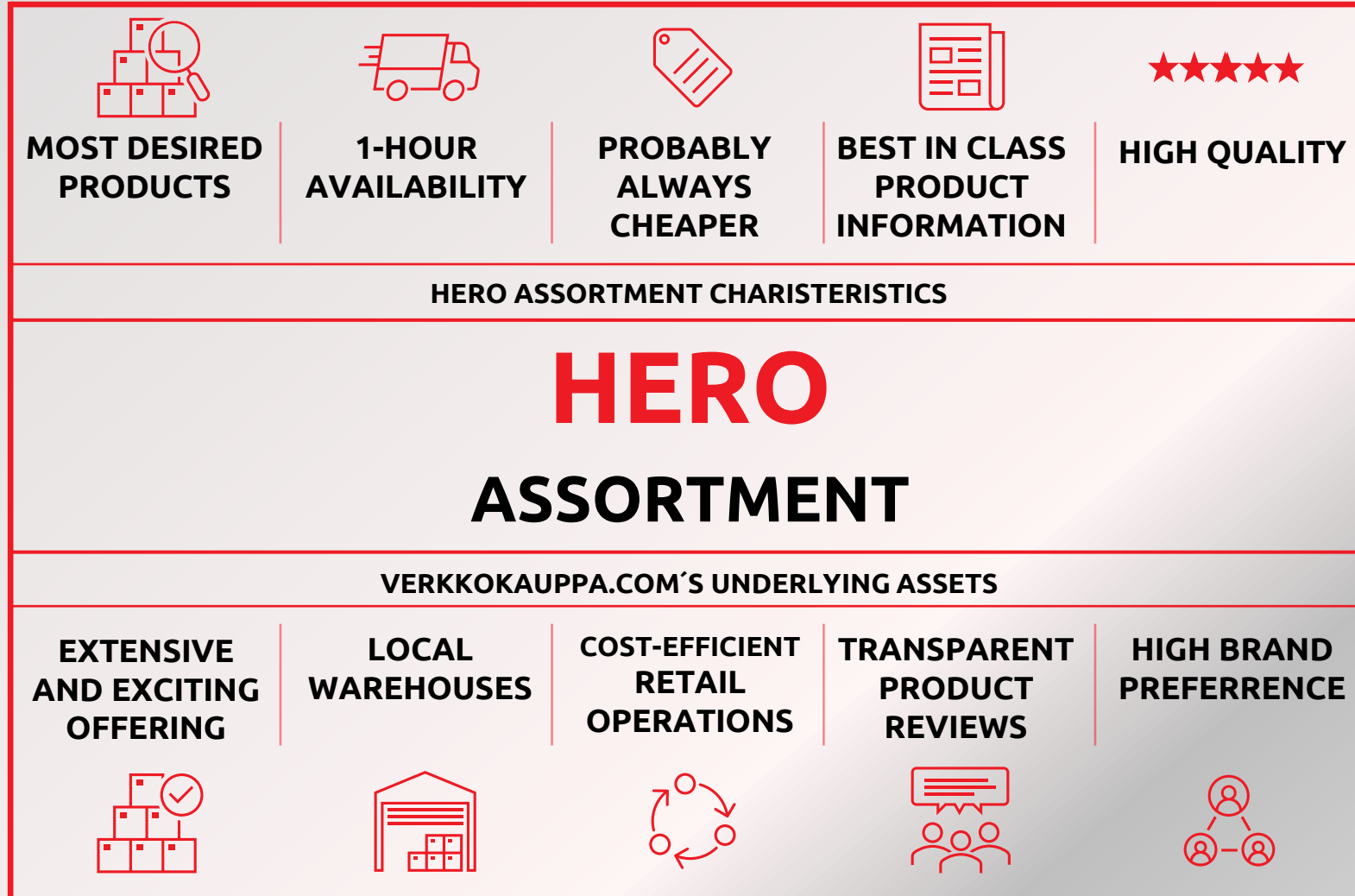


Sales shares by brand category



1) 2024 rate for new SKUs

Hero assortment is the core of our offering supporting fast deliveries and effortless shopping



Tracking trends for innovative product offering

Assortment building sources

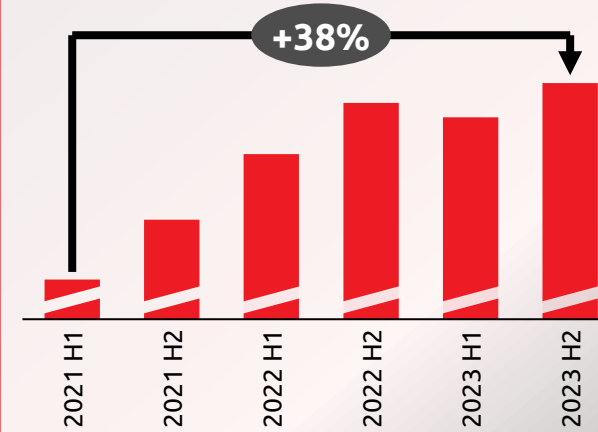
Common accessible knowledge



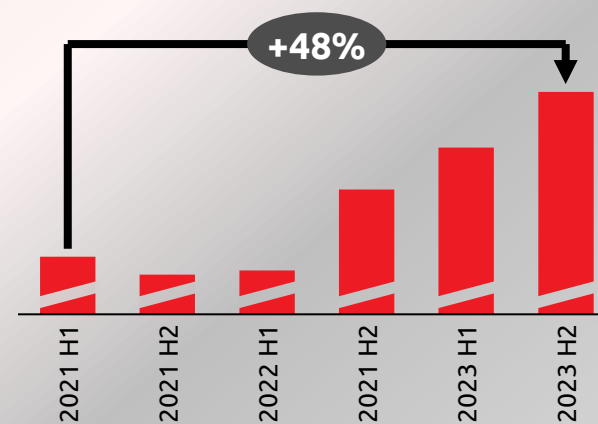
Tacit knowledge

First to introduce new exciting products

Brand count over time

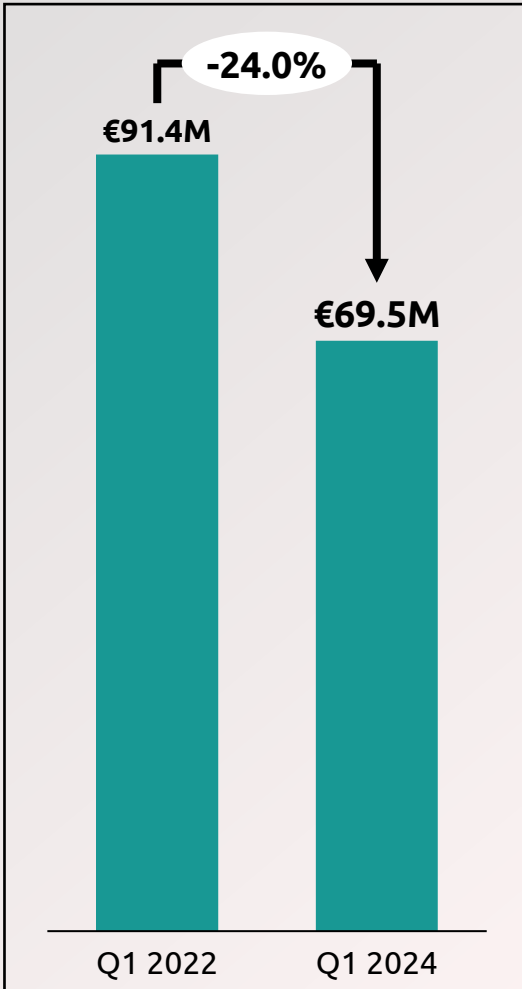


Own brand SKU over time

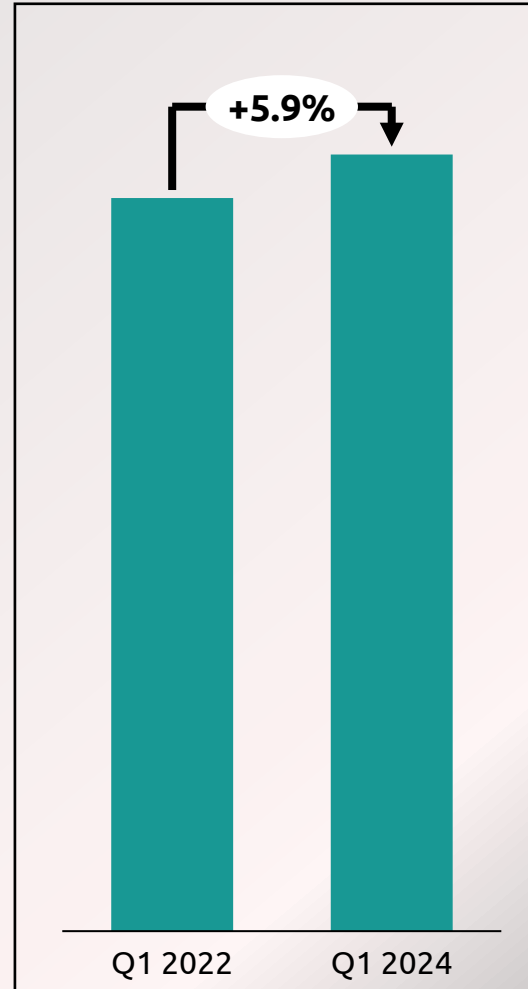


Systematic assortment optimization for inventory efficiency

Inventory, meur



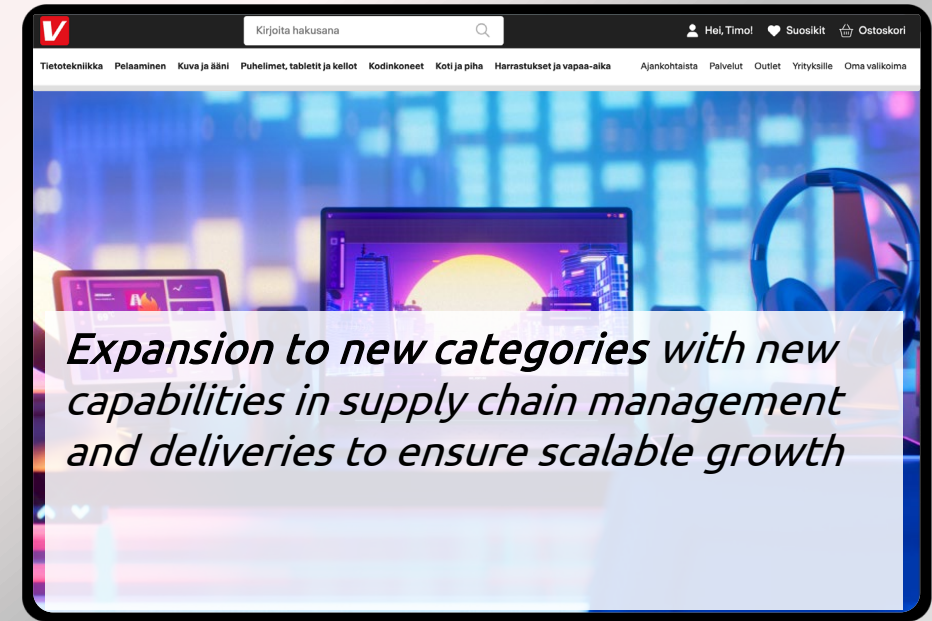
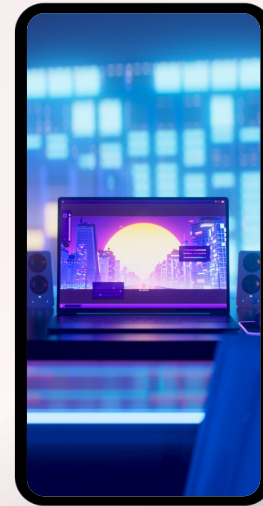
Product level profitability, %



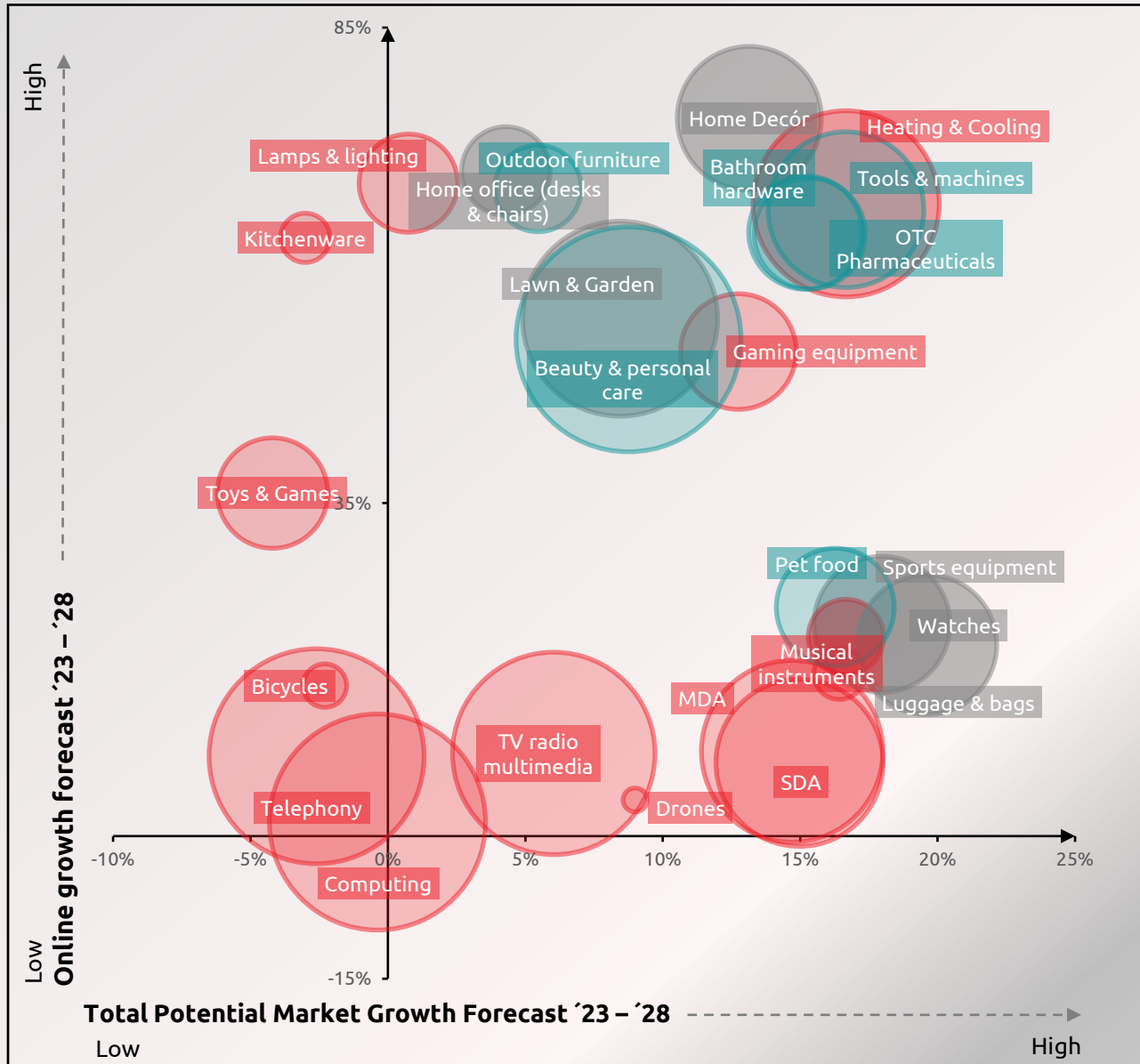
ASSORTMENT EXPANSION

Tatu Kaleva

Chief Commercial Officer



Identifying growth potential for assortment expansion



✓ Our existing core categories still have growth and online transition potential

✓ Our growing categories are forecasted to transition faster to online channel

✓ We have identified new potential categories with exciting market growth and strong online transition

Bubble size indicates estimated online market size 2028

Source: Statista forecasts for online transition and annual growth with Verkkokauppa.com's market assessment analysis

Tapping into new categories from 2025 onwards

EXPANSION CATEGORY CHARACTERISTICS



MOST DESIRED PRODUCTS

High customer preference and low online maturity



1-HOUR AVAILABILITY

Suitable for blazing fast deliveries and effortless shopping



PROBABLY ALWAYS CHEAPER

Products that we can offer to the market with the right price



BEST IN CLASS PRODUCT INFORMATION

Our expertise lies with top tier online product information



HIGH QUALITY

Broad and transparent customer reviews will keep us on top of offering quality



DROPSHIP SUITABLE SUPPLY-CHAIN

Categories with pre-established drop shipping capabilities



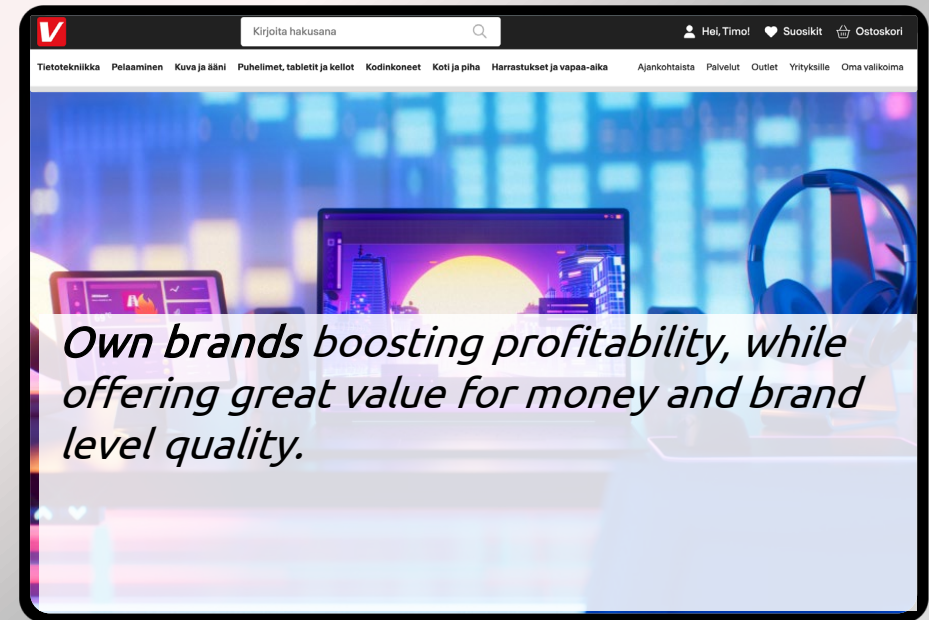
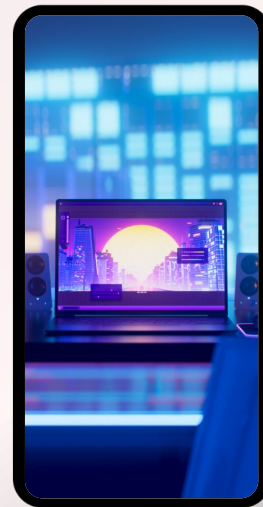
LOW OR BELOW AVERAGE RATE OF RETURNS

We're not aiming to grow on high return rate sections of online market



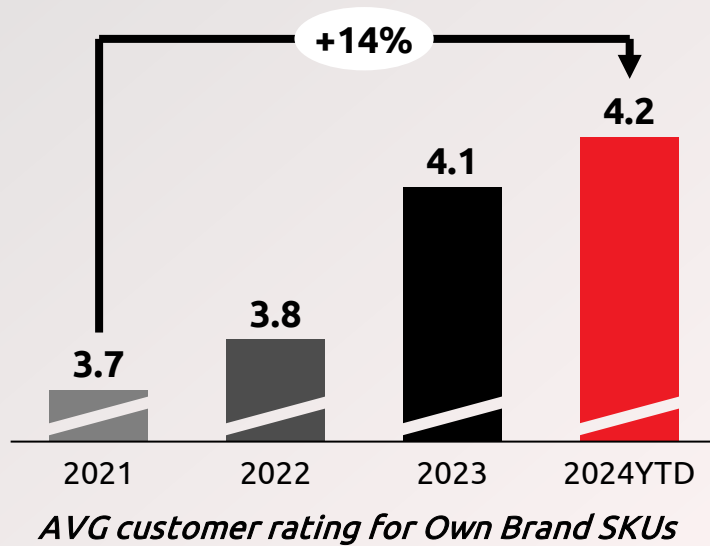
OWN BRANDS

Tatu Kaleva
Chief Commercial Officer



Exceeding customer expectations by providing an alternative to global brand products

WE ENSURE THAT OUR OWN BRAND EXCEEDS CUSTOMER EXPECTATIONS

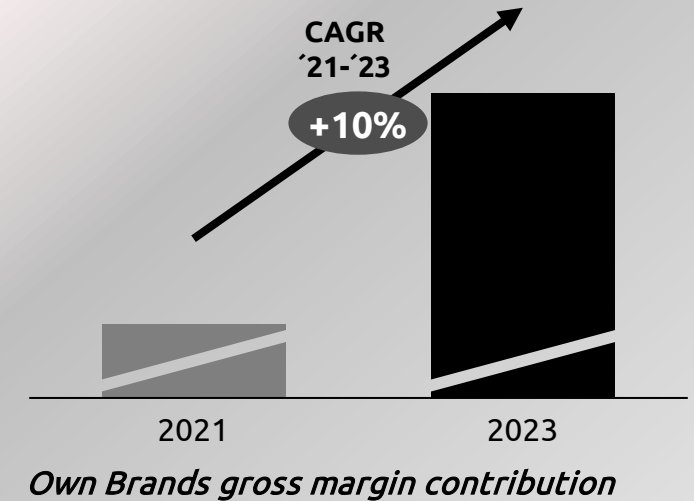


BUILDING OUTSTANDING OWN BRANDS FOR OUR CUSTOMERS



Blackstorm offering from custom desktop computers to multicategory brand with presence in Gaming, Computers, Peripherals etc.

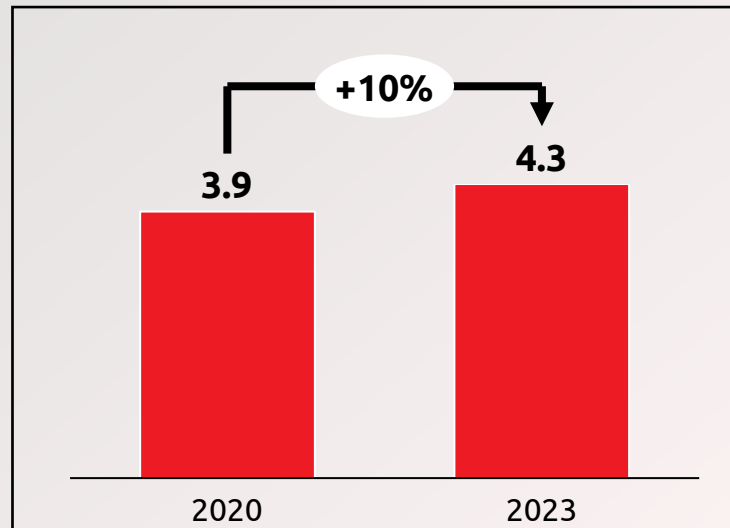
OWN BRAND MARGIN CONTRIBUTION CAGR +10%



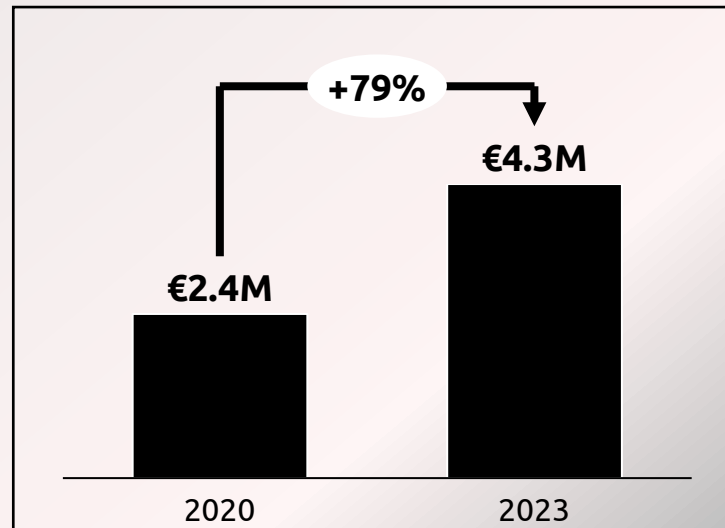
Ströme - Boosting sales growth with improved customer reviews and high quality



AVG customer review score (0-5)



Sales, million euros



- **Small Home Appliances**
 - **Large Home Appliances**
 - **Home & Lighting**
- Air Conditioning and Indoor Air
 - Washing Machines
 - Dishwashers
 - Kitchen Appliances
 - Beauty & Health
 - Refrigeration Appliances
 - Cooktops
 - Ovens
 - Irons and Garment Steamers
 - Lighting
 - Hair Care
 - Shavers and Trimmers
 - Electric Toothbrushes and Brush Heads
 - Security and Automation
 - Coffee



Ströme Gliding Grille 2 – Tower fan



44.99 €



Ströme Multi Air Fryer -airfryer



169.99 €



Ströme 12C – Free Standing Air Condition



399.99 €

Own brands offer great value for money with brand level quality



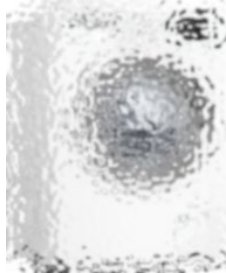
Ströme WMI4814D Washing machine



399.99 €

Tech specs

Loading capacity: 8kg
Energy class: B
Max. spin speed: 1400 rpm
Noise level: 76 db



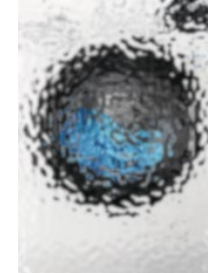
Brand A



599.99 €

Tech specs

Loading capacity: 8kg
Energy class: C
Max. spin speed: 1400 rpm
Noise level: 75 db



Brand B



549.99 €

Tech specs

Loading capacity: 8kg
Energy class: C
Max. spin speed: 1400 rpm
Noise level: 76 db

Brand level quality

- Matching or exceeding benchmark with technical specs
- Thoroughly tested from end user perspective
- Always compliant with regulations and Code of conduct requirements

Bang for the buck

- Affordable price
- Competitive features
- Long product lifespan with repair, spare parts and accessories

Leveraging Finnish product development and local sourcing expertise

Designing with customer insight

- ✦ Continuous product development based on customer feedback and reviews
- ✦ Covering locally and globally trending phenomena and use cases
- ✦ Capability to create products for market specific needs
- ✦ Replacing most common brand accessories with better value for money options

Blackstorm Raider –Driving seat with RGB-lights

549.99 €



Sourcing with local presence

- ✦ Team of local experienced trade professionals securing best terms
- ✦ Building a sustainable supplier network and long-term partnerships
- ✦ Speeding up our time-to-market for new products
- ✦ Enabling more flexible shipping solutions and supporting supply chain operations



VERKKIS X BILLEBEINO



Glamping with style



Chill & Grill



Enjoy the summer

KEY TAKE-AWAYS

- 1 A curated and efficient **Hero assortment is the core of our offering**, fuelling fast deliveries and effortless shopping
- 2 **New categories will be rolled out starting in 2025** with new capabilities in supply chain management and deliveries to ensure scalable growth
- 3 **Own brands boosting profitability**, while offering great value for money and brand level quality

Tatu Kaleva

Chief Commercial Officer

