

A family is gathered in a living room for a movie night. A man with glasses and a mustache sits on the right, eating popcorn. A woman and a young girl are lying on a sofa in the center, watching the TV. A young boy in the foreground is looking through binoculars. A large dog is sitting on the right. A small television on the floor shows a shark. A painting of a shark is on the wall. The text 'CDON' is overlaid in a white box.

CDON

Things for life

Q4 and full year
(year-end) report
2023

Full year EBITDA improvement of SEK 138 million

FOURTH QUARTER FOR THE GROUP

- Total gross merchandise value (GMV) decreased by 4% to SEK 625.6 (650.6) million. Organic GMV decreased by 28% for the CDON segment¹.
- Net sales increased by 6% to SEK 160.9 (151.5) million.
- Take rate increased by 6.8 percentage points to 17.9% (11.1%).
- Gross margin increased by 21.9 percentage points to 69.4% (47.5%).
- Gross profit after marketing** (GPAM) increased by 86% to SEK 70.9 (38.2) million. Organic GPAM increased by 13% for the CDON segment².
- EBITDA amounted to SEK 17.0 (-48.2) million.
- EBIT amounted to SEK -7.5 (-65.0) million. Adjusted for SEK 16.7 million in goodwill depreciation for the Group due to the acquisition of Fyndiq, EBIT amounted to SEK 9.2 million³.
- Earnings per share amounted to SEK -0.72 (-10.25). Adjusted Earnings per share amounted to SEK 0.82⁴.

FULL YEAR FOR THE GROUP

- Total gross merchandise value (GMV) decreased by 3% to SEK 2 017.7 (2 078.7) million. Organic GMV decreased by 21% for the CDON segment.
- Net sales increased by 2% to SEK 468.7 (461.2) million.
- Take rate increased by 5.1 percentage points to 16.0% (10.9%).
- Gross margin increased by 19.8 percentage points to 69.0% (49.2%).
- Gross profit after marketing** (GPAM) increased by 71% to SEK 201.4 (117.5) million. Organic GPAM increased by 14% for the CDON segment.
- EBITDA amounted to SEK 22.7 (-115.1) million.
- EBIT amounted to SEK -58.2 (-151.8) million. Adjusted for SEK 47.2 million in goodwill depreciation for the Group due to the acquisition of Fyndiq, EBIT amounted to SEK -11.0 million.
- Earnings per share amounted to SEK -7.25 (-23.24). Adjusted Earnings per share amounted to SEK -2.27.

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	Δ	2023 Jan-Dec	2022 Jan-Dec	Δ
CDON Group (CDON+Fyndiq '23 vs CDON '22)^{5,6,7}						
Total gross merchandise value ⁸	625.6	650.6	-4%	2 017.7	2 078.7	-3%
Net sales	160.9	151.5	6%	468.7	461.2	2%
Gross profit	111.7	72.0	55%	323.4	227.0	43%
Take rate (%)	17.9	11.1	6.8 pp	16.0	10.9	5.1 pp
Gross margin (%)	69.4	47.5	21.9 pp	69.0	49.2	19.8 pp
	-					
Marketing cost	40.9	-33.8	-21%	-122.0	-109.5	-11%
Marketing cost as share of GMV (%)	-6.5	-5.2	-1.3 pp	-6.0	-5.3	-0.7 pp
Gross profit after marketing	70.9	38.2	86%	201.4	117.5	71%
Gross profit after marketing (%)	11.3	5.9	5.5 pp	10.0	5.7	4.3 pp
EBITDA	17.0	-48.2	n/a	22.7	-115.1	n/a
EBIT	-7.5	-65.0	88%	-58.2	-151.8	62%
Earnings per share, SEK	-0.72	-10.25	93%	-7.25	-23.24	69%

¹ Organic growth refers to growth for comparable entities from the previous year.

² Organic growth refers to growth for comparable entities from the previous year.

³ Adjusted for depreciation of goodwill for the Group due to the acquisition of Fyndiq which was finalized 12th of April.

⁴ Adjusted for depreciation of goodwill for the Group due to the acquisition of Fyndiq which was finalized 12th of April.

⁵ CDON Group encompasses results from CDON AB, Fyndiq AB, other subsidiaries and shares in associated company.

⁶ Fyndiq encompasses results from the 12th April 2023 to 31st December 2023 due to the acquisition of Fyndiq which was finalized 12th of April.

⁷ Comparable numbers from 2022 for Fyndiq are not included because Fyndiq was not part of CDON Group in 2022.

⁸ Gross merchandise value refers to total sales of goods from third-party merchants and own sales excluding returns and sales tax.

Segment Reporting - Introduction

CDON Group's results include Fyndiq's performance from 12th April 2023 to 31st December 2023, as Fyndiq was acquired on April 12th, 2023. There are no comparative 2022 numbers for Fyndiq in this report since it was not part of CDON Group then. However, tables detailing Fyndiq's 2022-2023 performance are available at the end of the report. CDON Group has adjusted the assessment of applied accounting principles relating to Fyndiq's revenue recognition which is stated in the Q3 2023 report.

Segment Reporting

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	Δ	2023 Jan-Dec	2022 Jan-Dec	Δ
CDON Marketplace (3P)*						
Gross merchandise value	416.5	565.3	-26%	1 486.8	1 828.3	-19%
Net sales	65.3	66.7	-2%	212.7	210.6	0%
Gross profit	60.5	63.1	-4%	197.2	201.3	-2%
Take rate (%)	14.5	11.2	3.3 pp	13.3	11.0	2.3 pp
Gross margin (%)	92.6	94.5	-1.9 pp	92.7	95.6	-2.9 pp
CDON Retail (1P)**						
Gross merchandise value	50.4	85.2	-41%	149.5	250.4	-40%
Net sales	49.7	84.7	-41%	146.3	248.9	-41%
Gross profit	6.5	9.0	-28%	19.3	25.0	-23%
Gross margin (%)	13.0	10.6	2.4 pp	13.2	10.1	3.1 pp
CDON Segment***						
Gross merchandise value	466.9	650.6	-28%	1 636.3	2 078.7	-21%
Net sales	115.0	151.5	-24%	359.0	461.2	-22%
Gross profit	67.0	72.0	-7%	216.4	227.0	-5%
Gross profit after marketing	43.2	38.2	13%	134.3	117.5	14%
Take rate (%)	14.3	11.1	3.3 pp	13.2	10.9	2.3 pp
Gross margin (%)	58.2	47.5	10.7 pp	60.3	49.2	11.1 pp

* CDON Marketplace (3P) refers to third-party merchants affiliated to CDON. All service income is recognised in CDON Marketplace (3P).

** CDON Retail (1P) refers to CDON's own sales via warehouse or drop-shipment.

*** CDON Segment encompasses results from CDON AB, subsidiaries excluding Fyndiq and shares in associated companies.

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	Δ	2023 Jan-Dec	2022 Jan-Dec	Δ
Fyndiq Marketplace****						
Gross merchandise value	158.7			381.2		
Net sales *****	45.9			109.8		
Gross profit	44.8			107.0		
Gross profit after marketing	27.7			67.1		
Take rate (%)	28.2			28.1		
Gross margin (%)	97.5			97.5		

**** Fyndiq Marketplace refers to Fyndiq's sales from the 12th April 2023 to 31st December 2023.

Letter from the CEO

We continue to execute on our plan

As we close the books on an intense business year, we conclude we are on the right path to realize the great potential of CDON.

During 2023, we have focused on getting the basics right and building a foundation for future profitable growth. Despite weak consumer sentiment, we have successfully transformed an EBITDA loss of -115 MSEK in 2022 into an EBITDA profit of +23 MSEK in 2023. For the quarter, EBITDA improved 65 MSEK in Q4 2023 compared to Q4 2022. However, we are not satisfied with our current sales performance for the CDON segment and believe we have significant room for further improvement.

Since the acquisition of Fyndiq was completed in April 2023, we have put a lot of focus and resources on integrating and cross-pollinating the two businesses with best practices. A big workload remains with the platform migration, but we still have the goal of completing this critical transition in 2024.

Our long-term strategy to build the leading marketplace in the Nordics remains unchanged, with two primary objectives:

- Massively increase supply
- Greatly improve customer satisfaction

We have laid the foundation to significantly increase the supply on CDON starting in the first quarter, and we are making good progress on improving customer satisfaction. I truly believe these initiatives, along with improvements in our marketing efforts, will mark a turning point for CDON's GMV development in 2024.

For CDON, our short-term efforts have concentrated on eliminating unprofitable marketing channels, merchants, and products. As seen in our segment reporting, this resulted in negative GMV development compared to last year. However, in March, a year will have passed since CDON significantly altered its marketing efforts and we should soon have "cleaner" year on year comparable.

We have also focused on shifting our approach towards a fully consumer-centric way of working. Apart from increasing customer satisfaction, this way of working also reduces the potential impact of merchant frauds and bankruptcies, which have historically plagued the company. We have already seen positive results; several merchant bankruptcies during the fall had minimal impact on our consumers and financials.

For Fyndiq, we have prioritized supply growth. This has proven to be effective, driving GMV growth of 10% y/y in H2 2023. It is evident that Fyndiq has thrived in this era of weak consumer sentiment, thanks to its wide supply of bargain products.

For the combined company, our main KPI, Gross Profit After Marketing (GPAM), continued to exhibit significant improvement, reaching 71 MSEK compared to 38 MSEK the previous year (+86% y/y). The main driver to this growth is the addition of the Fyndiq business, but also thanks to growth in this KPI in both segments. The CDON segment's GPAM grew by 13% y/y, despite continued GMV decline, while the Fyndiq segment grew 16%.

CDON will centralize operations to the office in Stockholm and outsource customer service

In February 2024, we announced the centralization of our operations to the Stockholm office and subsequent closure of the Malmö office. We see the benefits of working closer together under one roof, and thereby increase the efficiency in the organization.

Short term we will have restructuring costs of 7-9 mSEK in 2024, but these increased costs are expected to be offset by 2026 due to a lower cost base.

The majority of the employees in the office in Malmö will be offered a similar role in Stockholm, and I hope that as many as possible will take this opportunity to continue their professional journey with CDON, but from the office in Stockholm.

In 2023, we laid the groundwork for a turnaround with sustainable and profitable growth

As we close the books on this eventful year, our confidence in the marketplace model and the synergy between CDON and Fyndiq has only grown stronger. We recognize the importance of taking gradual steps in our journey – from crawling to walking and eventually running. The year 2023 marks the end of the crawling phase, and we are poised to enter the walking phase in 2024, which partly is defined by top line growth.

I expect 2024 to be another year of hard work and gradual improvement. I feel confident that our collective efforts will yield positive results in 2024 and that we will continue to take significant steps towards our goal of becoming the leading marketplace in the Nordics.



Take care!

Fredrik Norberg
CEO, CDON

Key Ratios and Financial Directives

Performance Indicators

	2023 Oct-Dec	2022 Oct-Dec	Δ	2023 Jan-Dec	2022 Jan-Dec	Δ
CDON Group (CDON+Fyndiq '23 vs CDON '22)^{9,10,11}						
Active customers, last 12 months, thousands	3,119	2,015	55%	3,119	2,015	55%
Visits, thousands	29,000	25,176	15%	96,654	81,957	18%
Conversion rate (%)	4.6	4.1	0.5 pp	4.2	3.8	0.4 pp
Orders, thousands	1,347	1,022	32%	4,101	3,079	33%
Average shopping basket, SEK	464	637	-27%	492	675	-27%
Selling merchants, last 12 months ¹²	4,369	1,576	277%	4,369	1,576	277%
Purchase frequency ¹³	1.2	1.2	0.0 pp	1.4	1.5	-0.1 pp
Sweden's share of GMV (%)	73.1	66.8	6.3 pp	72.2	68.9	3.3 pp
Other countries share of GMV (%)	26.9	33.2	-6.3 pp	27.8	31.1	-3.3 pp

Financial Directives

- CDON Group's marketplace business shall continuously gain market share¹⁴ in the Nordic e-commerce market.
- CDON Group's marketplace take rate shall increase over time.
- CDON Group shall enjoy strong incremental margin as a result of its high gross margin marketplace business and the relatively fixed nature of administrative and general costs.

Significant Events during Q4 2023

- CDON announces CFO transition, press release 30 November 2023.
- Capital Markets Day on 16 November 2023, press release 9 November 2023.
- Interim report Q3 2023, press release 26 October 2023
- CDON has adjusted the assessment of applied accounting principles relating to Fyndiq's revenue recognition (for the third quarter of 2023 and onwards), press release 25 October 2023.
- The Nomination Committee ahead of CDON's Annual General Meeting 2024 has been appointed, press release 9 October 2023.

Significant Events after Q4 2023

- Carl Andersson assumes the role as CFO.
- CDON announces centralization of its operations to the Stockholm office, and subsequent closure of the office in Malmö, press release 13 February 2024.

⁹ CDON Group encompasses key performance indicators from CDON AB, Fyndiq AB, other subsidiaries and shares in associated company.

¹⁰ Fyndiq encompasses key performance indicators from the 12th April 2023 to 31st December 2023 due to the acquisition of Fyndiq was finalized 12th of April.

¹¹ Comparable numbers from 2022 does not include numbers from Fyndiq.

¹² Total number of merchants with sales during the past 12 months at the end of the period (previously reported merchants with products on the platform).

¹³ Purchase Frequency is calculated as orders divided by unique customers in a certain period.

¹⁴ Market share* is defined as CDON's total GMV as share of Serviceable Available Market, defined as total online spend in the Nordics, excluding hospitality, travel, building materials, groceries, clothing, shoes and pharmacy products. (Source for the Nordic e-commerce market data: E-commerce in Europe, Postnord 2021).

Comments on Financial Performance for CDON Group

Increasing Net Sales Despite Weak Gross Merchandise Development

Total gross merchandise value decreased by 4% for the quarter and 3% for the full year compared to the same periods last year. The decrease in gross merchandise value is mainly due to the churn of merchants on the CDON segment, with negative profitability and low customer satisfaction/quality score.

Total net sales increased by 6% for the quarter and 2% for the year. The increase of net sales in comparison to last year is due to the acquisition of Fyndiq and a higher commission which generates a larger portion of net sales in comparison to GMV.

Sustained Gross Margin and Take Rate Growth

The gross margin increased by 21.9 percentage points to 69.4% (47.5%) during the quarter and 19.8 percentage points to 69.0% (49.2) for the year. The strong increase in gross margin is mainly due to a higher gross margin from Fyndiq but also a higher percentage of marketplace (3P) GMV in relation to the total GMV which has a significantly higher gross margin than CDON retail (1P).

Take rate increased 6.8 percentage points to 17.9% (11.1%) in the quarter and 5.1 percentage points to 16.0% (10.9%) for the year. The increase in take rate is due to higher take from Fyndiq and the commission increase in CDON which was implemented in January 2023. Fyndiq increased the customer facing shipping fee in July leading to a higher take rate.

Efficient Marketing Spend and Gross Profit After Marketing Growth

Marketing costs amounted to SEK 40.9 (33.8) million for the quarter, equalling 6.5% (5.2%) of GMV. This is an increase of 1.3 percentage points compared to the same period last year. This is explained by the Fyndiq segment operating at significantly higher marketing cost as percentage of GMV levels, compared to the CDON segment.

An increased focus on marketing efficiency led to a higher Gross Profit After Marketing for the group in the quarter of SEK 70.9 (38.2) million, resulting in a GPAM margin of 11.3% (5.9%). For the full year, gross profit after marketing amounted to SEK 201.4 (117.5) million with a GPAM margin of 10.0% (5.7%).

Organic Decrease in Operating Expenses

Total expenses amounted to SEK -119.2 (-137.0) million for the quarter. The decrease in total expenses in relation to the same period last year is due to costs related to the restructuring and costs related to one-off nature of SEK -40.1 million. Adjusted to the costs related to one-off nature the increase is due to an increased cost base due to CDON Group which includes both CDON & Fyndiq.

Total expenses for the full year amounted to SEK -387.7 (-378.8) million. The higher cost level is due to the acquisition of Fyndiq. Organically CDON has decreased total expenses with SEK 149.1 million to SEK 229.6 (378.8) million which is a decrease of 39%.

Double-Digit EBITDA Profitability

EBITDA amounted to SEK 17.0 (-48.2) million for the quarter and SEK 22.7 (-115.1) million for the year. The increase in EBITDA is due to continued focus on profitable sales with higher margins, an effective cost level and a more efficient spend in paid marketing.

EBIT amounted to SEK -7.5 (-65.0) million for the quarter and SEK -58.2 (-151.8) million for the year. Adjusted for the depreciation of goodwill for the group due to the acquisition of Fyndiq, EBIT amounted to SEK 9.2 million for the quarter and SEK -11.0 million for the year.

Profit/loss before tax amounted to SEK -7.8 (-64.9) million for the quarter and SEK -68.7 (-151.9) million for the year.

Profit/loss after tax per share amounted to SEK -0.72 (-10.25) for the quarter and SEK -7.25 (23.24) for the year. Adjusted for the depreciation of goodwill due to the acquisition of Fyndiq, profit/loss after tax per share amounted to SEK 0.82 for the quarter and -2.27 for the year.

Cash Flow and Financial Position for CDON Group

Cash flow from operations after changes in working capital amounted to SEK 58.9 (49.2) million for the quarter. The stronger cash flow from operations is due to a positive cash flow from operating activities before changes in working capital and a positive effect from changes in operating liabilities.

Cash flow from investing activities amounted to -4.1 (-6.7) million.

Total assets amounted to SEK 954.3 (237.7) million and equity amounted to SEK 687.1 (44.5) for the quarter. The increase in total assets is due to the goodwill of Fyndiq and the increase in equity is due to the issued shares related to the acquisition of Fyndiq.

The group's cash balance was SEK 30.7 million higher in comparison to last year and amounted to SEK 153.8 (123.1) million. As of 31st December 2023, current liabilities amount to SEK 256.6 (172.5) million and current assets amount to SEK 230.6 (163.0) million. Of current assets, the cash balance of SEK 153.8 (123.1) million includes SEK 61.8 (54.5) million of funds related to merchants, which corresponds to the same amount presented as current liability related to merchants.

Employees for CDON Group

During the fourth quarter, CDON Group had a total of 108 (124) full-time employees (measured as an average number for the fourth quarter). 70 employees work from the company's office in Malmö and 38 employees work from the headquarter in Stockholm.

Share Data

Since 6th November 2020, CDON's ordinary shares have been listed on Nasdaq First North Growth Market, with FNCA Sweden AB as Certified Adviser. The ordinary shares have ISIN code SE0015191911 and the abbreviation CDON.

As of 31st December 2023, CDON had 10,751,313 issued shares. 10,540,867 were ordinary shares and 210,446 were class C-shares. The share capital amounts to SEK 10,771,648.42.

Accounting and Valuation Policies

The condensed consolidated interim financial statements and the interim financial statements of the Group and Parent company were prepared in accordance with the Swedish Annual Accounts Act with the accounting policies and bases of calculation used in the most recent annual report, i.e. BFNAR 2012:1 (K3).

CDON Group has adjusted the assessment of applied accounting principles relating to Fyndiq's revenue recognition, which is stated in the Q3 report.

Significant Risks and Uncertainties

Several factors affect, or may affect, directly or indirectly, the operations of CDON and/or the Group (CDON and its subsidiaries). CDON works constantly to identify, assess, and evaluate risks to which the Group is currently exposed and risks that could occur in the foreseeable future. The Group uses the following categories to manage risks: operational, industry and market, financial and legal risks. Operational risks include interruptions or deficiencies in IT and control systems, risks related to personnel, affiliated merchants' conduct, inventory, and distribution. Industry and market risks include risks related to competition, the general economy and consumer purchasing power. Financial risks include currency risk, credit risk, risks related to impairment of intangible assets and liquidity risk. Legal risks include legislation, regulation and compliance, disputes, and processing of personal data.

Identified risks are assessed with regards to the probability of occurrence and the related consequences. The effectiveness of existing risk measures (such as safeguards, control activities, etc.) is evaluated qualitatively. All identified risks are documented in a risk register, which is being regularly updated. Risks can be managed by proactive measures such as taking out insurance or entering into legal agreements, and in some cases the Group can influence the probability of risk-related events occurring. Other risks, such as risks associated with political decisions or other macroeconomic factors, cannot be eliminated. For risks related to events beyond the company's control, risk management is aimed at mitigating the consequences.

Liquidity risk

Liquidity risk is the risk that the Group will have difficulty fulfilling its obligations related to financial liabilities. Credit provision to customers, the degree of overdue receivables, credit from suppliers and capital tied-up in stock affect the need for cash and cash equivalents. The operations within CDON Marketplace generate liquidity for the Group by CDON receiving payments, through its payment service provider(s), from customers; these payments are subsequently transferred to the affiliated merchants at a later date, in accordance with agent agreements. In the event that CDON, due to changes in regulations or for other reasons, can no longer utilize the liquidity that customer payments entail, CDON will have a deteriorating liquidity situation. To mitigate the liquidity risk, various measures have been introduced.

Risks related to the processing of personal data and ongoing investigations related to the processing of personal data

In its operations, the Group collects and processes personal data to a certain extent, including data related to its customers and employees. It is of vital importance that personal data is processed in accordance with applicable personal data legislation. For example, data subjects must be informed about the collection and use of their personal data and the data must be processed in a way that is not incompatible with the purposes for which it has been collected. If the Group's processing of personal data is deficient, is exposed to data hacking or otherwise inadvertently violates applicable regulations, the Group risks, among other things, claims for compensation for the associated damage and invasion of privacy.

The EU's General Data Protection Regulation 2016/679 ("GDPR") is directly applicable in Sweden and all other EU member states. The GDPR places strict requirements on companies that process personal data. Companies that do not comply with the GDPR can be charged with administrative fees of up to EUR 20 million or four percent of their global annual sales by the supervisory authorities.

There is a risk that the measures the Group takes, and has taken, to ensure and maintain confidentiality and privacy regarding personal data will be insufficient or otherwise not in accordance with applicable legislation. There is also a risk that the measures taken by the Group to ensure compliance with applicable legislation, such as the GDPR, will be insufficient, which may entail significant costs. There is also a risk of stricter requirements from responsible regulatory authorities, which in turn could result in higher costs and require more resources from the Group.

The Group processes personal data within its operations, and such supervisory matters concerning the processing of personal data that are significant to the Group are described below.

CDON AB's processing of personal data is being investigated by the Swedish Authority for Privacy Protection ("IMY"), including CDON AB's personal data processing based on consent. This investigation of CDON AB has not been initiated as a result of complaints against CDON AB but on the IMY's own initiative. There is a risk that, during its investigation, IMY will find that CDON's personal data processing is in breach of applicable personal data legislation. Should penalties be imposed as a result of the investigation, the company considers that they are unlikely to be classified as serious and ought, therefore, to be low.

Other significant risks and uncertainties are described in greater detail in the company description that was published ahead of listing of CDON's shares on the Nasdaq First North Growth Market (in Q4 2020) and in the Annual Report 2022.

Related Party Transactions

CDON AB and Fyndiq AB have invoiced internal costs between the entities for the fourth quarter 2023.

Financial Calendar 2024

- Disclosure of Q4 & FY 2023 financial report (year-end report 2023) on 15 February 2024
- Disclosure of Annual report 2023 on 4 April 2024
- Disclosure of Q1 2024 financial report on 25 April 2024
- Annual General Meeting of CDON's shareholders 2024 (AGM 2024) on 7 May 2024
- Disclosure of Q2 2024 financial report on 12 July 2024
- Disclosure of Q3 2024 financial report on 24 October 2024

Nomination Committee ahead of CDON's AGM 2024

CDON's Nomination Committee (Sw. valberedningen) ahead of the Annual General Meeting 2024 (AGM 2024) was appointed in accordance with the current instructions for the Nomination Committee (adopted by the Annual General Meeting 2021).

The Nomination Committee consists of Alex Maloney, appointed by ADW Capital, Ebba Ljungerud, appointed by Rite Ventures, and Sam Bonnier, appointed by Bisslinge Förvaltning. The members of the Nomination Committee elected Alex Maloney as the Chair of the Nomination Committee at the Committee's first meeting.

CDON's AGM 2024 is planned to be held on 7 May 2024 in Stockholm.

Audit

This report has not been audited or reviewed by the company's auditor.

Malmö, 15th February 2024
CDON AB (publ)
Registered office: Malmö
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Conference Call

CDON Group invites the press, investors and analysts to a conference call and a webcast where CDON Group's interim report for the fourth quarter and full year of 2023 will be presented. After the presentation, there will be an opportunity to ask questions. The presentation will be held in English on 15th February 2023, at 14:00 CET.

If you wish to participate via teleconference, please register on the link below. After registration you will be provided with phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

Link to teleconference:

<https://conference.financialhearings.com/teleconference/?id=5003139>

Link to Webcast:

<https://ir.financialhearings.com/cdon-q4-report-2023>

The presentation material and the webcast will be published on:

<https://investors.cdon.com/en/investor-relations/presentations/>

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This information is information that CDON AB is required to disclose under the EU Market Abuse Regulation. The information was released for publication through the agency of the above contacts at 13:00 CET on 15th February 2024.

About CDON and Fyndiq

CDON AB (publ) ("CDON") was founded in 1999 and is now the biggest marketplace in the Nordic region. Customers can choose to buy and compare prices for millions of products at CDON, by far the widest range of all Nordic e-retailers. Over 1,500 merchants use CDON's platform and technology to increase their sales. This gives CDON a wide range of products within, movie, music, computers, games, office supplies, books, toys, consumer electronics, household appliances, sport, outdoor, beauty care, fashion, shoes, computers, and computer products. CDON's shares are listed on Nasdaq First North Growth Market with the abbreviation CDON.

Fyndiq AB ("Fyndiq") is since April 2023 a wholly owned subsidiary of CDON. Fyndiq was launched in 2010 and is operating a marketplace which offers a wide range of bargain products from Swedish and international merchants. Fyndiq has built an effective technical platform that allows merchants to easily get access to a large customer group while Fyndiq takes care of marketing, customer support and payments. Fyndiq's main market is Sweden, and it also operates sites in Finland, Norway and Denmark. Fyndiq is headquartered in Stockholm.

Condensed Income Statement – Group ^{15, 16, 17}

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	160.9	151.5	468.7	461.2
Cost of goods sold	-49.2	-79.5	-145.3	-234.1
Gross profit	111.7	72.0	323.4	227.0
Selling expenses	-58.5	-51.5	-187.8	-165.1
Administrative expenses ¹⁸	-57.4	-73.8	-189.4	-200.0
Other operating income/expenses, net	-3.3	1.0	-3.6	1.8
Results from associated companies and jointly controlled companies	0.0	-12.7	-0.9	-15.4
Operating profit/loss	-7.5	-65.0	-58.2	-151.8
Net financial items	-0.4	-0.1	-10.5	-0.1
Profit/loss after financial items	-7.8	-64.9	-68.7	-151.9
Profit/loss before tax	-7.8	-64.9	-68.7	-151.9
Income tax	0.0	0.0	0.0	0.0
Deferred tax	1.0	0.0	1.0	0.0
Profit/loss for the period	-7.7	-64.9	-68.6	-151.9
Attributable to:				
Parent company's shareholders	-7.7	-66.0	-68.6	-149.9
Non-controlling interest	0.0	1.1	0.0	-2.0
Result for the period	-7.7	-64.9	-68.6	-151.9

¹⁵ CDON Group encompasses results from CDON AB, Fyndiq AB, other subsidiaries and shares in associated company.

¹⁶ Fyndiq encompasses results from the 12th April 2023 to 31st December 2023 due to the acquisition of Fyndiq was finalized 12th of April.

¹⁷ Comparable numbers from 2022 does not include numbers for Fyndiq.

¹⁸ Administrative expenses for the third quarter 2023 include SEK -16.7 million of depreciation of goodwill and for the year SEK -47.2 million due to the acquisition of Fyndiq which was finalized 12th of April 2023.

Condensed Balance Sheet – Group

Amounts in SEK million	2023 31 Dec	2022 31 Dec
ASSETS		
Non-current assets		
Intangible assets ¹⁹	692.3	62.2
Property, plant and equipment	1.2	1.3
Financial assets	30.2	11.2
Total non-current assets	723.7	74.7
Current assets		
Inventory	9.7	8.6
Other current assets	67.2	31.2
Cash and cash equivalents	153.8	123.1
<i>Of which funds related to merchants²⁰</i>	61.8	54.5
Total current assets	230.6	163.0
TOTAL ASSETS	954.3	237.7
EQUITY AND LIABILITIES		
Equity attributable to the parent company's shareholders ²¹	687.1	44.5
Non-controlling interests	0.0	0.0
Total equity	687.1	44.5
Provisions	3.9	20.3
Total provisions	3.9	20.3
Other long-term liabilities	6.8	0.4
Total long-term liabilities	6.8	0.4
Other current liabilities	256.6	172.5
<i>Of which current liabilities related to merchants²²</i>	61.8	54.5
Total current liabilities	256.6	172.5
TOTAL EQUITY AND LIABILITIES	954.3	237.7

Changes in Equity - Group

Amounts in SEK million	2023 Jan-Dec	2022 Jan-Dec
Equity at beginning of year	44.5	197.0
Equity rights issue	709.7	0.0
Cost of equity rights issue	0.0	0.0
Option value	1.6	0.0
Profit/loss for the year	-68.6	-149.9
Share based compensation	0.0	0.5
Acquisition of non-controlling interests	0.0	-3.1
Equity attributable to the parent company's shareholders	687.1	44.5
Non-controlling interests	0.0	0.0
Equity at period-end²²	687.1	44.5

¹⁹ The large increase of intangible assets is due to the increase of goodwill after the acquisition of Fyndiq on the 12th of April 2023.

²⁰ CDON acts as an agent to its merchants and transfer funds to them from CDON's payment service provider(s), which in turn, receive payments from end-customers. CDON has in agreements with merchants agreed that CDON is not required to keep separate accounts for payments received for products sold by merchants, and that CDON as such is not required to keep the payments received separated from CDON's own funds. The line item "Of which funds related to merchants" is merely presented to clarify the movement in the composition of the Cash balance. The amount corresponds to a liability recorded within Current liabilities.

²¹ The large increase of equity attributable to the parent company's shareholders is due to the acquisition of Fyndiq on the 12th of April 2023.

²² The increase of equity at period-end is due to the acquisition of Fyndiq on the 12th of April 2023.

Condensed Cash Flow Statement - Group

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Cash flow from operating activities before changes in working capital	19.5	-12.1	15.1	-78.9
Increase (-)/decrease (+) in inventories	4.0	0.2	-0.5	11.0
Increase (-)/decrease (+) in operating receivables	-21.7	-7.3	-30.5	11.1
Increase (+)/decrease (-) in operating liabilities	57.1	68.4	15.3	-0.9
Cash flow from operating activities	58.9	49.2	-0.7	-57.8
Investing activities				
Acquisitions of property, plant and equipment	-0.3	-0.1	-0.3	-0.8
Acquisitions of intangible assets	-3.8	-6.4	-13.9	-21.3
Acquisitions of financial assets	0.0	-0.2	0.0	-0.2
Acquisitions of subsidiaries net assets	0.0	0.0	38.0	0.0
Acquisitions of shares in associated companies	0.0	0.0	0.0	0.0
Cash flow from investing activities	-4.1	-6.7	23.8	-22.3
Financing activities				
Share rights issue	0.0	0.0	0.0	0.0
Increase of share capital	0.0	0.0	0.0	0.0
Loan credit	0.0	0.0	7.5	0.0
Repayment of loans	0.0	0.0	0.0	0.1
Dividend paid	0.0	0.0	0.0	0.0
Cash flow from financing activities	0.0	0.0	7.5	0.1
Cash flow for the period	54.8	42.5	30.7	-80.0
Cash and cash equivalents at the beginning of period	99.0	80.3	123.1	202.9
Exchange rate differences in cash and cash equivalents	0.0	0.4	0.0	0.3
Cash and cash equivalents at the end of period	153.8	123.1	153.8	123.1

Condensed Income Statement - Parent

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	115.0	151.5	359.0	459.3
Cost of goods sold	-48.0	-79.5	-142.5	-234.1
Gross profit	67.0	72.0	216.4	225.2
Selling expenses	-35.6	-51.5	-133.4	-165.1
Administrative expenses	-23.4	-61.3	-91.4	-176.8
Other operating income/expenses, net	-2.8	1.0	-3.0	1.4
Operating profit/loss	5.1	-39.8	-11.4	-115.4
Net financial items	-0.3	-30.1	-11.8	-30.3
Profit/loss after financial items	4.8	-69.9	-23.2	-145.7
Profit/loss before tax	4.8	-69.9	-23.2	-145.7
Income tax	0.0	0.0	0.0	0.0
Profit/loss for the period	4.8	-69.9	-23.2	-145.7

Condensed Balance Sheet - Parent

Amounts in SEK million	2023 31 Dec	2022 31 Dec
ASSETS		
Non-current assets		
Intangible assets	48.4	62.1
Property, plant and equipment	0.6	1.3
Financial assets ²³	725.3	11.2
Total non-current assets	774.5	74.6
Current assets		
Inventory	9.7	8.6
Other current assets	38.5	31.1
Cash and cash equivalents	60.4	120.5
<i>Of which funds related to merchants²⁴</i>	<i>61.8</i>	<i>54.5</i>
Total current assets	108.6	160.2
TOTAL ASSETS	883.1	234.8
EQUITY AND LIABILITIES		
Equity	730.6	42.7
Total equity²⁵	730.6	42.7
Provisions	3.9	20.3
Total provisions	3.9	20.3
Other current liabilities	148.6	171.9
<i>Of which current liabilities related to merchants²⁷</i>	<i>61.8</i>	<i>54.5</i>
Total current liabilities	149.1	171.9
TOTAL EQUITY AND LIABILITIES	883.1	234.8

²³ The large increase of financial assets is due to the increase of shares in subsidiaries after the acquisition of Fyndiq on the 12th of April 2023.

²⁴ CDON acts as an agent to its merchants and transfer funds to them from CDON's payment service provider(s), which in turn, receive payments from end-customers. CDON has in agreements with merchants agreed that CDON is not required to keep separate accounts for payments received for products sold by merchants, and that CDON as such is not required to keep the payments received separated from CDON's own funds. The line item "Of which funds related to merchants" is merely presented to clarify the movement in the composition of the Cash balance. The amount corresponds to a liability recorded within Current liabilities

²⁵ The large increase of total equity is due to the acquisition of Fyndiq on the 12th of April 2023.

Condensed Cash Flow Statement - Parent

Amounts in SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Cash flow from operating activities before changes in working capital	12.5	-39.8	6.0	-76.4
Increase (-)/decrease (+) in inventories	4.1	0.2	-0.5	11.0
Increase (-)/decrease (+) in operating receivables	-11.8	-3.5	-12.4	14.9
Increase (+)/decrease (-) in operating liabilities	5.5	66.2	-33.2	-4.1
Cash flow from operating activities	10.2	49.9	-40.1	-54.6
Investing activities				
Acquisitions of property, plant and equipment	-0.1	0.1	-0.1	-0.3
Acquisitions of intangible assets	-3.6	0.1	-12.1	-0.8
Acquisitions of financial assets	0.0	-6.9	0.0	-21.3
Investments in subsidiaries	0.0	0.0	-15.3	0.0
Shareholder contribution	0.0	0.0	0.0	0.0
Cash flow from investing activities	-3.7	-6.9	-27.5	-22.5
Financing activities				
Share rights issue	0.0	0.0	0.0	0.0
Loan credit	0.0	0.0	7.5	0.0
Disbursement of loans	0.0	0.0	0.0	0.0
Dividend paid	0.0	0.0	0.0	0.0
Cash flow from financing activities	0.0	0.0	7.5	0.0
Cash flow for the period	6.6	43.0	-60.1	-77.0
Cash and cash equivalents at the beginning of period	53.8	77.6	120.5	197.5
Exchange rate differences in cash and cash equivalents	0.0	-0.1	0.0	-0.1
Cash and cash equivalents at the end of period	60.4	120.5	60.4	120.5

Information of Number of Shares

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Shares outstanding at the end of period	10 751 313	6 440 415	10 751 313	6 440 415
Shares outstanding at the end of period after dilution	10 751 313	6 440 415	10 751 313	6 440 415
Average number of shares before dilution	10 751 313	6 440 415	9 460 077	6 446 758
Average number of shares after dilution	10 751 313	6 440 415	9 460 077	6 446 758

Condensed Income Statement for Reference – CDON

The condensed income statement for CDON is estimated in accordance with CDON's operating model and accounting principles and CDON's comparative periods.

CDON	2023	2022	2023	2022
Amounts in SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Total gross merchandise value	466.9	650.6	1 636.3	2 078.7
Gross profit after marketing	43.2	38.2	134.3	117.5
EBITDA	10.3	-48.2	13.3	-115.1
Net sales	115.0	151.5	359.0	461.2
Cost of goods sold	-48.0	-79.5	-142.5	-234.1
Gross profit	67.0	72.0	216.4	227.0
Selling expenses	-35.6	-51.5	-133.4	-165.1
Administrative expenses	-23.6	-73.8	-92.2	-200.0
Other operating income/expenses, net	-2.8	1.1	-3.1	1.8
Results from associated companies and jointly controlled companies	0.0	-12.7	-0.9	-15.4
Operating profit/loss	5.0	-65.0	-13.2	-151.8
Net financial items	-0.2	0.1	-11.0	-0.1
Profit/loss after financial items	4.7	-64.9	-24.1	-151.9
Profit/loss before tax	4.7	-64.9	-24.1	-151.9
Income tax	0.0	0.0	0.0	0.0
Deferred tax	0.0	0.0	0.0	0.0
Profit/loss for the period	4.7	-64.9	-24.1	-151.9
Attributable to:				
Parent company's shareholders	4.7	-66.0	-24.1	-149.9
Non-controlling interest	0.0	1.1	0.0	-2.0
Result for the period	4.7	-64.9	-24.1	-151.9

Condensed Income Statement for Reference – Fyndiq

The condensed income statement for Fyndiq is estimated in accordance with Fyndiq's operating model and accounting principles and Fyndiq's comparative periods. The accounting principle is now in accordance with CDON's revenue recognition in form of a commission based net sales.

Fyndiq ^{26,27}	2023	2022	2023	2022
Amounts in SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Total gross merchandise value	158.7	150.8	493.3	500.4
Gross profit after marketing	27.7	23.8	84.9	75.9
EBITDA	6.8	8.3	7.5	6.9
Net sales	45.9	37.7	140.2	127.9
Cost of goods sold	-1.1	-0.8	-3.5	-3.1
Gross profit	44.8	36.9	136.7	124.8
Selling expenses	-23.0	-18.1	-73.3	-68.3
Administrative expenses	-17.1	-12.9	-65.2	-58.7
Other operating income/expenses, net	-0.5	0.1	-0.6	0.0
Results from associated companies and jointly controlled companies	0.0	0.0	0.0	0.0
Operating profit/loss	4.2	6.0	-2.4	-2.1
Net financial items	0.0	0.0	-0.2	0.0
Profit/loss after financial items	4.1	6.0	-2.5	-2.1
Profit/loss before tax	4.1	6.0	-2.5	-2.1
Income tax	0.0	0.0	0.0	0.0
Deferred tax	0.1	0.0	0.1	0.0
Profit/loss for the period	4.2	6.0	-2.4	-2.1
Attributable to:				
Parent company's shareholders	4.2	6.0	-2.4	-2.1
Non-controlling interest	0.0	0.0	0.0	0.0
Result for the period	4.2	6.0	-2.4	-2.1

²⁶ Fyndiq encompasses results from 1st October 2023 to 31st December 2023 and year to date results from the first of January to the end of December 2023, as a reference.

²⁷ Fyndiq encompasses comparable figures from 1st October 2022 to 31st December 2022 and year to date figures from the first of January to the end of December 2022, as a reference.

Condensed Income Statement for Reference – CDON Group

The condensed income statement for Group is the combination of CDON's and Fyndiq's income statements. The accounting principle is now in accordance with CDON's revenue recognition in form of a commission based net sales.

Administrative expenses include depreciation of goodwill for the Group due to the acquisition of Fyndiq which amounts to SEK 16.7 million for the quarter and SEK 47.2 million for the year.

CDON Group Combined	2023	2022	2023	2022
Amounts in SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Total gross merchandise value	625.6	801.4	2 129.6	2579.1
Gross profit after marketing	70.9	62.0	219.2	193.4
EBITDA	17.0	-40.0	20.9	-108.3
Net sales	160.9	189.2	499.2	589.0
Cost of goods sold	-49.2	-80.3	-146.0	-237.2
Gross profit	111.7	108.9	353.1	351.8
Selling expenses	-58.5	-69.6	-205.0	-233.5
Administrative expenses ²⁸	-57.4	-86.7	-206.3	-258.6
Other operating income/expenses, net	-3.3	1.1	-3.6	1.8
Results from associated companies and jointly controlled companies	0.0	-12.7	-0.9	-15.4
Operating profit/loss	-7.5	-59.0	-62.7	-153.9
Net financial items	-0.4	0.1	-10.5	-0.1
Profit/loss after financial items	-7.8	-58.9	-73.2	-154.0
Profit/loss before tax	-7.8	-58.9	-73.2	-154.0
Income tax	0.0	0.0	0.0	0.0
Deferred tax	0.1	0.0	0.1	0.0
Profit/loss for the period	-7.7	-58.9	-73.1	-154.0
Attributable to:				
Parent company's shareholders	-7.7	-60.0	-73.1	-152.0
Non-controlling interest	0.0	1.1	0.0	-2.0
Result for the period	-7.7	-58.9	-73.1	-154.0

Alternative Performance Measures

Certain key ratios in this report are not defined according to generally accepted accounting principles (GAAP). These alternative performance measures are deemed to be useful to investors because they form the basis for assessing operational performance, along with the comparable GAAP ratios. Alternative performance measures should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. Alternative performance measures may not be comparable to similar measures reported by other companies.

²⁸ Administrative expenses for the fourth quarter 2023 include SEK -16.7 million of depreciation of goodwill and for the year SEK -47.2 million, due to the acquisition of Fyndiq which was finalized 12th of April 2023.