



Press Release

Malmö, Sweden

13:00 CET, Wednesday, 16 February 2022

CDON Year-end report 2021

Building the Nordic online marketplace champion

FOURTH QUARTER FOR THE GROUP

- Gross merchandise value (GMV) for CDON Marketplace (3P) increased by 6% to SEK 678.1 (640.9) million
- Net sales for CDON Marketplace decreased by 5% to SEK 71.8 (75.9) million. CDON Retail net sales also decreased as the process of reducing sales of own inventory continued according to plan
- Gross margin increased by 11.4 percentage points to 46.4% (35.1%)
- Operating profit before depreciation and amortization amounted to SEK -10.4 (18.1) million. Affecting the result for the quarter is a one-time cost reservation of SEK 20 million related to merchant issue. Excluding items affecting comparability during the quarter, operating profit before depreciation and amortization amounted to SEK 9.6 (28.2) million
- Net income for the period amounted to SEK -16.9 (11.8) million
- Earnings per share amounted to SEK -2.62 (1.97)

FULL YEAR 2021 FOR THE GROUP

- Gross merchandise value for CDON Marketplace (3P) increased by 11% to SEK 1,973.2 (1,777.3) million
- Group net sales amounted to SEK 542.2 (797.6) million. Net sales for CDON Marketplace amounted to SEK 201.4 (207.4) million, while net sales in CDON Retail amounted to SEK 340.8 (590.2) million, a decrease by 42% due to the continued phaseout of CDON Retail
- Gross margin increased by 10.5 percentage points to 41.9% (31.4%)
- Operating profit before depreciation and amortization amounted to SEK -41.6 (23.8) million. Adjusted operating profit before depreciation and amortization amounted to SEK -21.6 (33.9) million
- Net income for the period amounted to SEK -62.6 (-6.3) million
- Earnings per share amounted to SEK -10.18 (-3.95)

CDON AB (publ)

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Corporate Domicile (styrelsens säte): Malmö | Website: www.cdon.com | IR-website: <https://investors.cdon.com>



Comments from The Board

"The year 2021 ended with an 11% GMV growth for CDON Marketplace while the underlying e-commerce market in Sweden grew by 5%.

In Q4 our marketplace GMV grew by 6%. The Swedish e-commerce market grew by 16% in October and showed a negative growth of -25% and -24% in November and December respectively. Compared to the weak underlying market, we took market share despite the indirect effects of the termination of merchants during the quarter. We aim at growing at a high pace and we are targeting a significantly higher growth rate."

Significant events during and after the quarter

On October 20th, 2021, it was announced that Peter Kjellberg had been appointed CEO of CDON AB starting January 1st, 2022. Peter Kjellberg has a background from the listed companies Dometic and Thule where he has been one of the key senior leaders driving successful transformations and expansions of the companies, creating strong global premium lifestyle brands through profitable growth.

In November 2021, CDON relaunched its customer membership program CDON+. The new offering includes free shipping on the entire product assortment on CDON Marketplace and frequent exclusive deals. The relaunch resulted in ~20 000 new members and additional membership features are being explored.

During CDON's sales campaign "Black Week", an issue relating to some merchants' delivery of products was discovered. Customers buying from specific merchants on CDON Marketplace didn't receive their ordered products as stated. This represents a breach in CDON's terms and conditions which led CDON to remove the merchants from CDON Marketplace. To be able to compensate the customers for their purchases, a one-time cost of SEK 20 million was reserved by CDON in the fourth quarter of 2021.

On December 29th, 2021, CDON acquired majority stakes in the Finnish companies Xales Tech Lab Oy and Commerce 8 Oy. Both companies will strengthen CDON's offering to merchants as well as improve the onboarding process for new merchants. Part of the acquisition of Xales was paid by a directed issue of 6,156 CDON shares to the sellers, corresponding to a dilution of 0.10% based on the total amount of shares in CDON after the directed issue.

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On January 20th, 2022, the Board of Directors at CDON decided to summon shareholders for an Extra Ordinary General Meeting on February 22nd, 2022. The Board of Directors of CDON AB proposes a long-term incentive program for CDON's management team and management of subsidiaries. The purpose of the proposed program is to create strong incentives for management to drive the long-term performance of CDON, attract and retain key competence, and align the interests of the participants with the shareholders' interests.

On January 31st, 2022 it was announced that Magnus Nanne was appointed Chief People Officer ("CPO"). Mr. Nanne has an extensive background within Human Resources which spans more than 20 years. Among previous assignments, Mr. Nanne was Head of HR for Honda Motor Co, Ltd's European operation. Starting in January 2022, Mr. Nanne joined CDON as a consultant whereof he now transitions to a permanent role as CPO and join the Management Team.

On February 1st, 2022 it was announced that Thomas Pehrsson was appointed Chief Financial Officer ("CFO"). Mr. Pehrsson will assume his role on March 7th, 2022. Mr. Pehrsson has an extensive background within finance and more than 20 years' experience within finance management and management consultancy. He was most recently CFO for the Nordic subsidiary of Tunstall Health Group, a global technology company within digital healthcare.

On February 8th, CDON announced that Madeilene Södarv has been appointed Chief Customer Officer ("CCO"), starting April 02, 2022. Ms. Södarv will join the Management Team and be responsible for the further development of the customer experience and marketing. Ms. Södarv joins CDON from Ikano Bank, a leading consumer finance bank where she was Head of Customer Experience. She has extensive expertise within digital strategy, customer insight and marketing from roles at the companies E.ON, Duni and Ottoboni Group.

On February 10th, CDON announced that it expands its product offering in the sports category and welcomes Decathlon to CDON Marketplace. The French company is the world's largest sports retailer with a selection of over 40,000 products. Decathlon launches its almost full assortment on CDON Marketplace on March 1, 2022. In August 2021, Decathlons Swedish organization decided to conduct a small pilot test, selling on CDON Marketplace. The pilot was a success and now Decathlon is launching its almost full assortment on CDON Marketplace.

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Conference call

Analysts, investors, and the media are invited to a conference call today at 14:00 CET. To participate in the conference call, please dial:

SE: +46856642706

UK: +443333009264

US: +16467224903

The presentation material and webcast will be published at www.investors.cdon.com.

For further information, please contact:

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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 February 16, 2022.

Certified Adviser

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About CDON

CDON was founded in 1999 and is now the biggest marketplace in the Nordic region. During 2020 we had over 120 million visits and 2.3 million customers. Our customers can choose to buy and compare prices for millions of products, by far the widest range of all Nordic e-retailers. Over 1,500 merchants offer their product range on CDON's platform to increase their sales. This gives CDON a wide range of products within movies, music, computer games, office supplies, books, toys, consumer electronics, household appliances, sport, outdoor, beauty care, fashion, shoes, computers and computer products. CDON is listed on First North with the abbreviation CDON.

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