



## PRESS RELEASE

Malmö, Sweden

26 October 2023, 13:00 CEST

## Interim report Q3 2023

### CDON – EBITDA positive for a third consecutive quarter 2023

#### THIRD QUARTER FOR THE GROUP

- Total gross merchandise value (GMV) increased by 1% to SEK 486.0 (479.1) million. Organic GMV decreased by 25% for the CDON segment.
- Net sales increased by 15% to SEK 112.2 (97.5) million.
- Take rate increased by 6.6 percentage points to 17.0% (10.4%).
- Gross margin increased by 22.4 percentage points to 73.6% (51.2%).
- **Gross profit after marketing (GPAM)** increased by 115% to SEK 52.0 (24.2) million. Organic GPAM increased by 16% for the CDON segment.
- EBITDA amounted to SEK 3.2 (-19.7) million.
- EBIT amounted to SEK -21.1 (-26.3) million. Adjusted for SEK 16.7 million in goodwill depreciation for the Group due to the acquisition of Fyndiq, EBIT amounted to SEK -4.4 million.
- Earnings per share amounted to SEK -2.00 (-3.80).  
Adjusted Earnings per share amounted to SEK -0.45.

#### YEAR TO DATE FOR THE GROUP

- Total gross merchandise value (GMV) decreased by 3% to SEK 1 392.0 (1 428.1) million. Organic GMV decreased by 18% for the CDON segment.
- Net sales decreased by 1% to SEK 307.9 (309.7) million.
- Take rate increased by 4.5 percentage points to 15.2% (10.7%).
- Gross margin increased by 18.7 percentage points to 68.8% (50.1%).
- **Gross profit after marketing (GPAM)** increased by 65% to SEK 130.5 (79.3) million. Organic GPAM increased by 15% for the CDON segment.
- EBITDA amounted to SEK 5.7 (-66.9) million.
- EBIT amounted to SEK -50.7 (-86.8) million. Adjusted for SEK 30.5 million in goodwill depreciation for the Group due to the acquisition of Fyndiq, EBIT amounted to SEK -20.2 million.
- Earnings per share amounted to SEK -6.74 (-13.01).  
Adjusted Earnings per share amounted to SEK -3.36.

CDON AB (publ)

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

## Letter from the CEO

As I approach the six-month mark of my tenure as CEO, I am pleased to announce that we continue to deliver on our plan to create a profitable and scalable business.

The integration continues to progress as planned and we have delivered another quarter with Gross Profit after Marketing (GPAM) growth and EBITDA profitability.

### Significant advancements in broadening supply and establishing a strong base for customer satisfaction

Our long-term target is to reach double-digit market share in the Nordics, and we have made considerable progress on our two primary strategies to get there.

- *Massive increase of supply:* We have significantly improved in this area, especially on Fyndiq by expanding our product range during the summer. This supports our belief that a larger, targeted product selection boosts sales. Additionally, we have added a strong lineup of new merchants to the CDON segment. Currently, we are ensuring efficient onboarding and effective customer service processes before further expanding the CDON segment's supply.
- *Improving customer satisfaction:* We have centralized customer service and transitioned the functions in-house for both CDON and Fyndiq segments. This shift is already yielding positive outcomes, reflecting our adoption of a more customer-centric approach company-wide. Although moving support in-house incurs initial costs, we believe it will result in enhanced cost efficiency in the long run.

### Continued strong growth of GPAM, despite a significant drop in GMV

Our strategic focus on GPAM continues to yield positive outcomes as the **GPAM for CDON Group grew +27% year-over-year**, fueled by both segments.

The **CDON segment's GPAM grew by 16% y/y**, despite a notable decrease in GMV. The primary factor for GMV decline was our focus on profitable sales, exacerbated by weak consumer sentiment affecting demand for higher-priced items like the Playstation 5. Despite these challenges, the continued growth in the CDON segment's GPAM is a significant achievement we are proud of.

Fyndiq benefitted from the company's strategy of increasing the supply as well as the consumer shift to lower priced items. This strong topline growth combined with optimization of take rates resulted in **42% y/y GPAM growth at Fyndiq**. This segment's strong performance also serves as a prime example of how our two marketplaces navigate different macroeconomic cycles due to their different value propositions.

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Our strategic focus on GPAM continues to yield positive outcomes:  
**CDON Group's GPAM increased with 27% y/y, fueled by CDON segment's GPAM increase of 16% and Fyndiq's GPAM growth of 42%**

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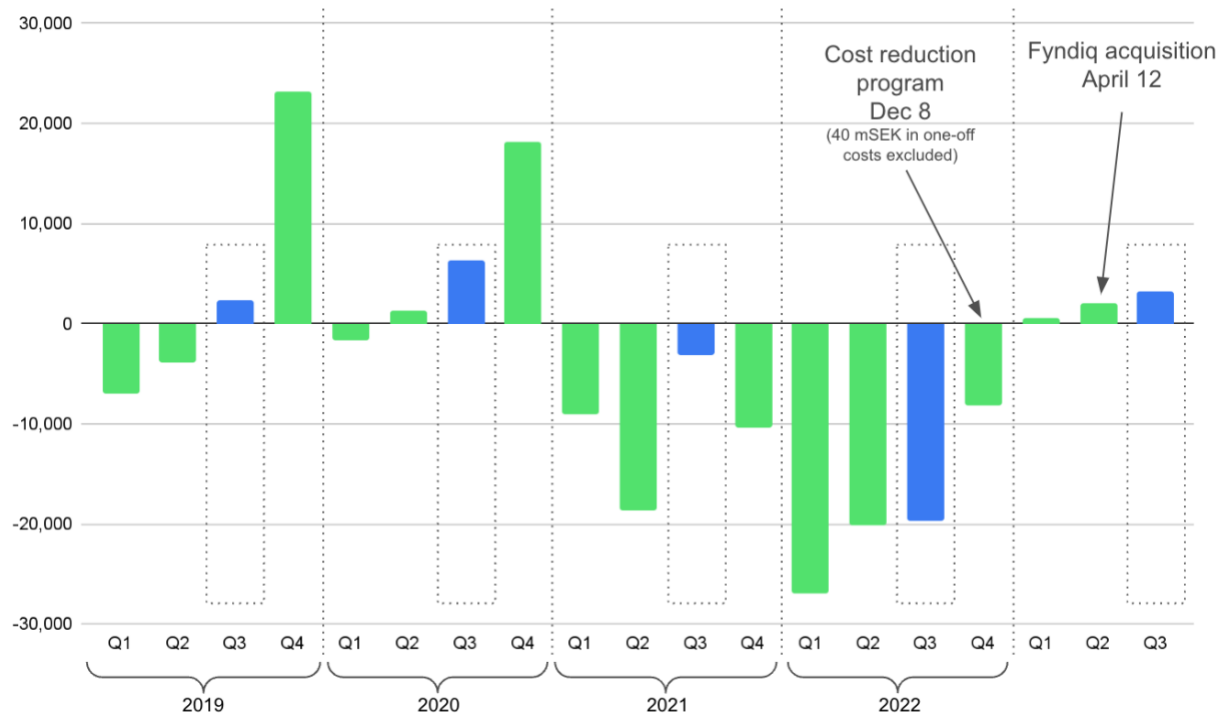
### Third Consecutive EBITDA positive Quarter

CDON Group has accomplished another EBITDA positive quarter, with an EBITDA of +3.2 MSEK, a continued improvement on both Q1 and Q2 2023. The main driver for this result is the growth in GPAM mentioned above. However, the result is partly offset by higher operating expenses (OPEX) in the quarter, which is of temporary nature. Examples of temporary OPEX include continued salary payments to personnel who departed prior to summer and the

engagement of additional consultants essential for various integration tasks, such as platform and data migration.

Our continued profitability provides CDON Group with a solid foundation as we move into our seasonally strongest period of the year, and we have high confidence in becoming EBITDA positive for the full year.

Quarterly EBITDA (kSEK) (CDON segment to Q1 '23, and CDON group from Q2 '23)



### Laying a robust foundation for successful holiday sales and future growth

We are steadily putting more of the fundamentals in place, and I eagerly anticipate the final quarter of the year to further demonstrate increased profitability. I am also confident that we are establishing the necessary groundwork for solid GMV and EBITDA growth next year.

November 16th we will present our strategy on how to make that happen in more detail on our Capital Markets Day - I hope to see as many of you as possible there! Register via this [link](https://ir.financialhearings.com/cdon-cmd-2023/register)<sup>1</sup> for digital participation or on this [link](https://financialhearings.com/event/48422/register/live_event)<sup>2</sup> for physical participation in Stockholm.

Take care!

Fredrik Norberg  
CEO, CDON AB

<sup>1</sup> <https://ir.financialhearings.com/cdon-cmd-2023/register>

<sup>2</sup> [https://financialhearings.com/event/48422/register/live\\_event](https://financialhearings.com/event/48422/register/live_event)

## 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 third quarter of 2023 will be presented. After the presentation, there will be an opportunity to ask questions. The presentation will be held in English on 26<sup>th</sup> October 2023, at 14:00 CEST.

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=5002779>

Link to Webcast:

<https://ir.financialhearings.com/cdon-q3-report-2023/register>

The presentation material and the webcast will be published on

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

### ***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 CEST on 26<sup>th</sup> October 2023.*

## **Certified Adviser**

FNCA Sweden AB is the company's Certified Adviser.

## **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.

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