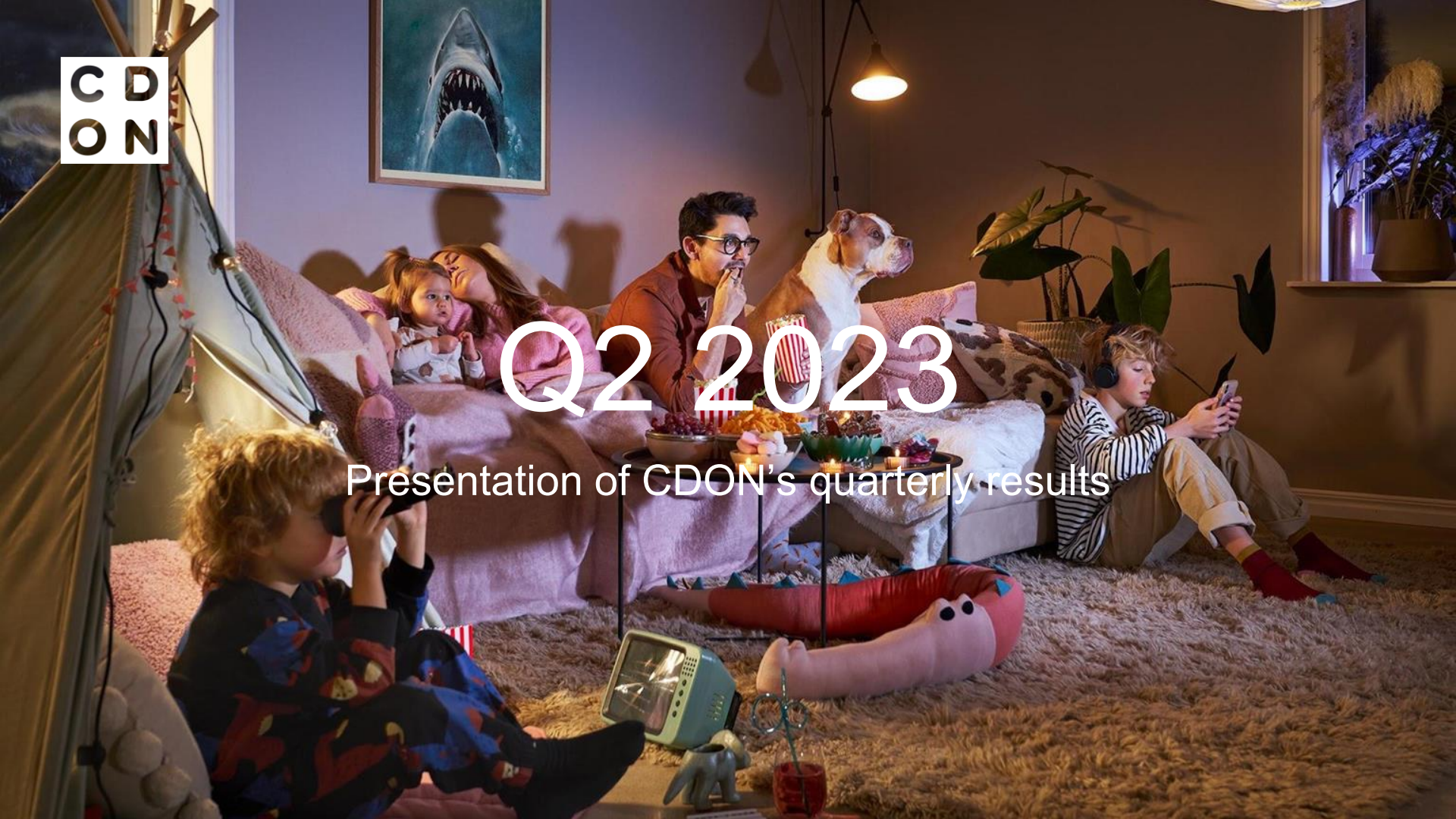




Q2 2023

Presentation of CDON's quarterly results



Welcome to our quarterly presentation, hosted by our CEO, Fredrik Norberg and CFO, Thomas Pehrsson



Fredrik Norberg
CEO

“We’re on the right track, with a laser-focus on Gross Profit After Marketing”



Thomas Pehrsson
CFO and dep. CEO

“We are EBITDA profitable for a second consecutive quarter 2023”

A photograph of a man and a young girl in a kitchen, both smiling and focused on making pasta. The man, wearing a blue striped shirt and a dark apron, is holding a small piece of pasta. The girl, wearing a yellow patterned sweater, is also working with the pasta. They are standing at a wooden countertop covered with flour and various pasta-making tools, including a pasta machine and a rolling pin. In the background, there are shelves with kitchen items and a tiled wall. The word "Agenda" is overlaid in large white letters on the image.

Agenda

- Long term goals
- Short term focus
- Q2 results
- Integration status
- Financial performance
- Q&A

Long term goal of double digit market share in the Nordics

01

Become the **leading marketplace** for the Nordics

02

Increase the penetration of marketplaces, and reach a **double digit market share** in the Nordic e-commerce industry

03

Leverage the scale benefits of the model to deliver reliable growth with **expanding profitability**





Short term focus to increase supply and improve customer happiness

A

Increase supply - Provide more of the products that people want, and utilize the low margin costs of bringing in more supply

B

Improve customer happiness - Get CDON to the high levels Fyndiq have managed to reach the last couple of years, and continue from there

C

Create distinct customer experiences - leverage two brands with different value propositions to serve different types of customers and needs

Q2 results

Massive uplift in GPAM following strong focus on profitable sales during the quarter

Main KPIs	Our definition	Q2 summary Group '23 ¹ vs CDON '22
GMV Gross Merchandise Value	... the attractiveness of our proposition to consumers.	497 mSEK +1%
GPAM Gross Profit After Marketing	... the operational efficiency of our business.	48 mSEK +80%
EBITDA Earnings before interest, taxes, depreciation and amortization	... the operational efficiency of the company.	+2 mSEK vs -20 mSEK

1. Q2 2023 includes CDON (Full quarter) and Fyndiq (from April 12th)

GMV: Negative development in CDON, mostly Electronics, in addition to challenging market situation

CDON Group reported

Group Q2 '23¹ vs
CDON Q2 '22

497 mSEK
(+1%)

For reference

Q2 '23 vs Q2 '22

CDON

401 mSEK (-19%)

Fyndiq

108 mSEK (-1%)

Commentary

- Underlying challenging market development i.e. Swedish e-commerce down -2% in April, and -12% in May
- CDON experienced very strong sales in Mobile phones and Gaming (PS5) in Q2 '22, not repeated in Q2 '23
- Increased focus on profitability at the expense of low-margin sales across both segments

1. Q2 2023 includes CDON (Full quarter) and Fyndiq (from April 12th)

GPAM: Strong growth per segment due to take rate increase and focus on profitable marketing

CDON Group reported

Group Q2 '23¹ vs
CDON Q2 '22

48 mSEK
(+80%)

For reference

Q2 '23 vs Q2 '22

CDON

32 mSEK (+22%)

Fyndiq

17 mSEK (+10%)

Commentary

- Reported GPAM increase primarily due to the addition of Fyndiq, but also strong underlying performance
- Increased take rates for both segments, but mainly in CDON following updated merchant agreements introduced in Q1 '23
- Strict focus on increased marketing efficiency for CDON

1. Q2 2023 includes CDON (Full quarter) and Fyndiq (from April 12th)

EBITDA: Turn around from last year's double digit loss to positive numbers for the group

CDON Group reported

Group Q2 '23¹ vs
CDON Q2 '22

+2 mSEK
(-20 mSEK)

For reference

Q2 '23 vs Q2 '22

CDON²

+0.3mSEK (-20 mSEK)

Fyndiq²

+/- 0.0 mSEK (-2 mSEK)

Commentary

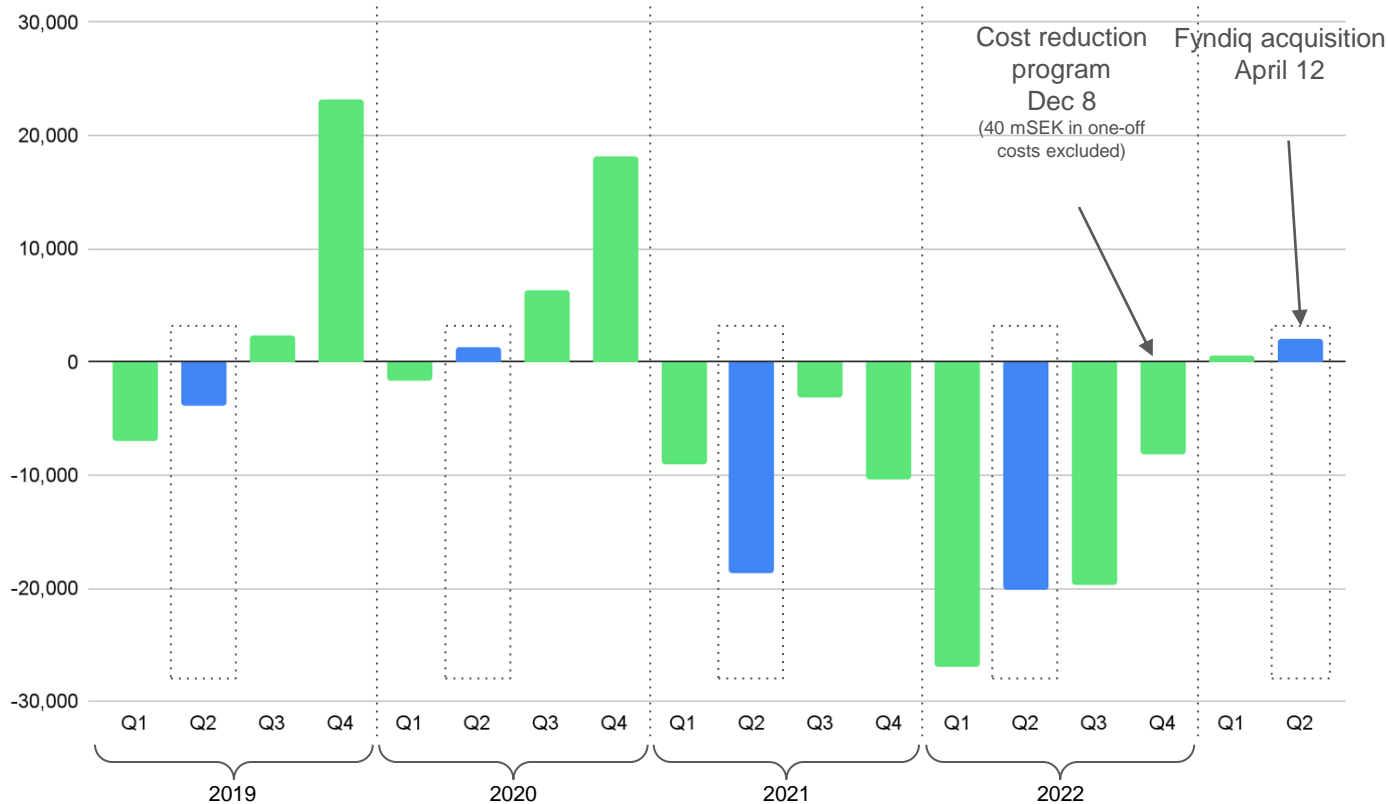
- Reduced OPEX in CDON following the cost reduction initiatives launched in December '22
- Impact from communicated 40 mSEK cost synergies not yet visible in reported EBITDA
- Additional synergy effects to contribute further to EBITDA from 2024

1. Q2 2023 includes CDON (Full quarter) and Fyndiq (from April 12th)

2. CDON's EBITDA is adjusted with -3.7 mSEK from extraordinary costs, Fyndiq's EBITDA is adjusted with +3.5 mSEK from extraordinary costs

The two first quarters are EBITDA positive, despite a seasonal weak pattern

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



Backloaded seasonality with peak in Q4

Confident in 2023 target of at least EBITDA breakeven



The integration

A warm, sunlit living room where a family is settling in. A woman in a purple sweater hangs a framed abstract painting on the wall. In the background, a man in a white shirt sits at a dark wooden dining table. In the foreground, a young child in a green hoodie sits amidst a sea of cardboard boxes and bubble wrap. Another child is visible behind a box on the right, holding a white stuffed rabbit. The room is decorated with a large spherical wire pendant light, vertical blinds, and several framed artworks, some of which say "Place Art Inside".

We will create ONE team, ONE merchant interface
while maintaining TWO offices and go-to-market
with TWO distinct brands

Integration process according to plan, with focus on synergy realization and performance improvements

Prioritized actions



Supply expansion

- Accelerated focus on new supply
- Major Nordic home electronics merchant signed
- Increased focus on FBC ramp-up



Customer experience

- Customer centric at the core of our business
- Updated merchant agreements
- Centralized internal customer service



Marketing Efficiency

- Validating and optimizing the profitability of marketing channels
- Best practices sharing between the sites

Robust conviction in prior communicated goal of 40 mSEK in operational cost synergies



Financial performance

Introduction to the financials for the combined company (CDON Group)

- CDON Group's second quarter financials encompasses results from Fyndiq from the 12th of April until the end of June and CDON for the entire period.
- Fyndiq was not part of CDON Group in 2022, therefore, comparable numbers from comparative periods are not included in the official reported numbers.
- Financials for entire periods and comparative periods for the combined company and CDON and Fyndiq respectively will be presented in the presentation and was also presented in the Q2 report as reference.
- Fyndiq marketplace operates a drop-shipment business model while CDON mainly operates a 3P business, hence, a different accounting principles.

Group Income Statement

Income Statement

Amounts in SEK million

CDON Group

	2023 Apr-Jun	2022 Apr-Jun	Δ
Total Gross merchandise value	497.3	493.3	1%
Net sales	170.4	106.4	60%
Gross profit	77.3	54.6	42%
Gross profit after marketing	47.7	26.5	80%
Take rate (%)	15.5	11.1	4.4 p.p
Gross margin (%)	45.4	51.3	-5.9 p.p
EBITDA	1.8	-20.2	N/A

CDON

Gross merchandise value	401.1	493.3	-19%
Net sales	78.1	106.4	-27%
Gross profit	51.9	54.6	-5%
Gross profit after marketing	32.3	26.5	22%
Take rate (%)	12.9	11.1	1.8 p.p
Gross margin (%)	66.5	51.3	15.2 p.p

Fyndiq

Gross merchandise value	96.2		
Net sales	92.3		
Gross profit	25.4		
Gross profit after marketing	15.5		
Take rate (%)	26.4		
Gross margin (%)	27.5		

- Total GMV for the group increased by 1%. The slight increase in GMV is attributable to the combination with Fyndiq and the absence of a comparative period for Fyndiq.
- Net sales increased by 60%.
- Gross profit after marketing increased by 80% due to the combination with Fyndiq and enhanced focus on profitable marketing spend.
- Positive EBITDA of SEK 1.8 (-20.2) million.
- During the quarter there has been one-off costs of SEK -3.5 million related to the acquisition of Fyndiq, SEK -2.0 million related to the last settlement of the restructuring program and SEK 5.7 million of reversed accrual related to the IMY case.

Group Balance Sheet Statement

Balance Sheet	2023	2022
Amounts in SEK million	Jun	Jun
Total non-current assets	765.3	109.6
Inventory	14.1	9.0
Other current assets	42.5	33.5
Cash and cash equivalents	109.7	118.8
Total assets	931.6	270.9
Total equity	716.5	139.6
Short-term liabilities	200.7	123.6
Long-term liabilities and provisions	14.4	7.8
Total equity and liabilities	931.6	270.9

- Total assets increased due to the goodwill of Fyndiq and the increase in equity is due to the newly issued shares related to the acquisition of Fyndiq.
- Total cash of SEK 109.7 (118.8) million.

Group Cash Flow Statement

Cash Flow	2023	2022
Amounts in SEK million	Apr-Jun	Apr-Jun
Cash flow from operations	11.0	-20.1
Cash flow from investing activities	35.3	-6.3
Cash flow from financial activities	7,5	0.0
Cash flow for the period	53.7	-26.4
Cash at the beginning of the period	55.9	145.1
Exchange rate differences in cash	0.0	0.1
Cash at the end of the period	109.7	118.8

- Cash flow from operating activities amounted to SEK 11.0 (-20.1) million.
- Total cash flow for the period amount to SEK 53.7 (-26.4) million.
- Total cash at the end of the period SEK 109.7 (118.8) million.

Group Income Statement for Reference

Income Statement – For Reference

Amounts in SEK million

CDON Group

	2023 Apr-Jun	2022 Apr-Jun	Δ
Total Gross merchandise value	509.3	603.2	-16%
Net sales	182.1	211.5	-14%
Gross profit	80.6	81.5	-1%
Gross profit after marketing	49.7	42.4	17%
Take rate (%)	15.8	13.5	2.3 p.p
Gross margin (%)	44.3	38.5	5.7 p.p
EBITDA	0.5	-22.6	N/A

CDON

Gross merchandise value	401.1	493.3	-19%
Net sales	78.1	106.4	-27%
Gross profit	51.9	54.6	-5%
Gross profit after marketing	32.3	26.5	22%
Take rate (%)	12.9	11.1	1.8 p.p
Gross margin (%)	66.5	51.3	15.2 p.p

Fyndiq

Gross merchandise value	108.2	109.9	-1%
Net sales	103.9	105.5	-1%
Gross profit	28.7	26.9	7%
Gross profit after marketing	17.4	15.9	10%
Take rate (%)	26.5	24.5	2.0 p.p
Gross margin (%)	27.6	25.6	2.0 p.p

- With the results of the entire period for Fyndiq and the comparable period of 2022 for Fyndiq, total GMV declined by 16%.
- Net sales declined by 14%.
- Gross profit declined slightly by 1%, despite the notable decline in net sales.
- Gross profit after marketing increased by 17% for the group as a result of efficient marketing spend.
- Positive EBITDA of SEK 0.5 million.



Q&A