



Building the Nordic online marketplace champion

Q3 2021



Chairperson of CDON



Interim CEO of CDON



CFO of CDON

- 1. Become starting point of shopping in the Nordics**
- 2. Be the sales engine for merchants**
- 3. Win our core categories**
- 4. Create a strong local brand**

**Building the
Nordic online
marketplace
champion**

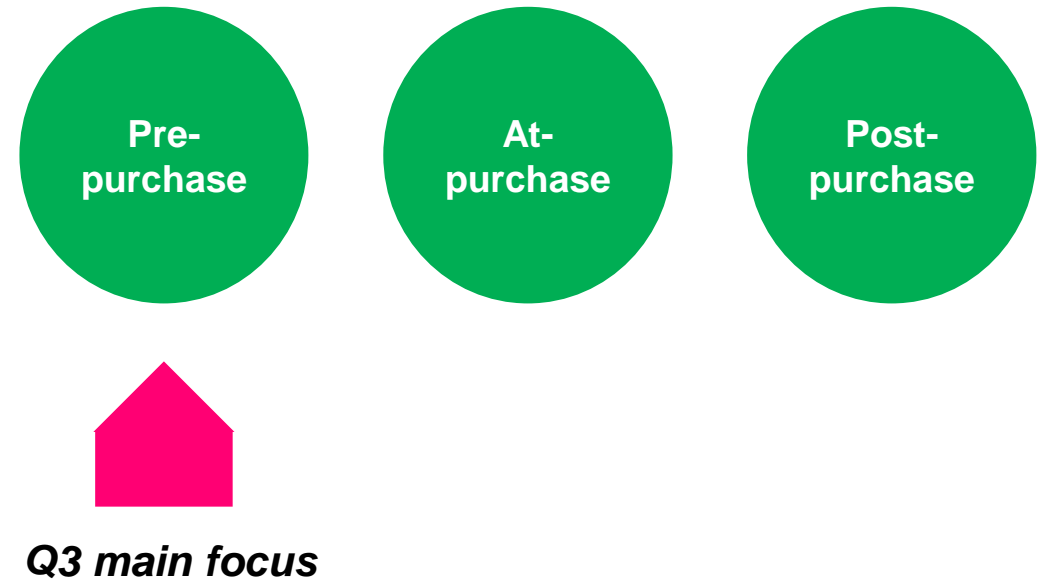
1. Become starting point of shopping in the Nordics

2. Be the sales engine for merchants

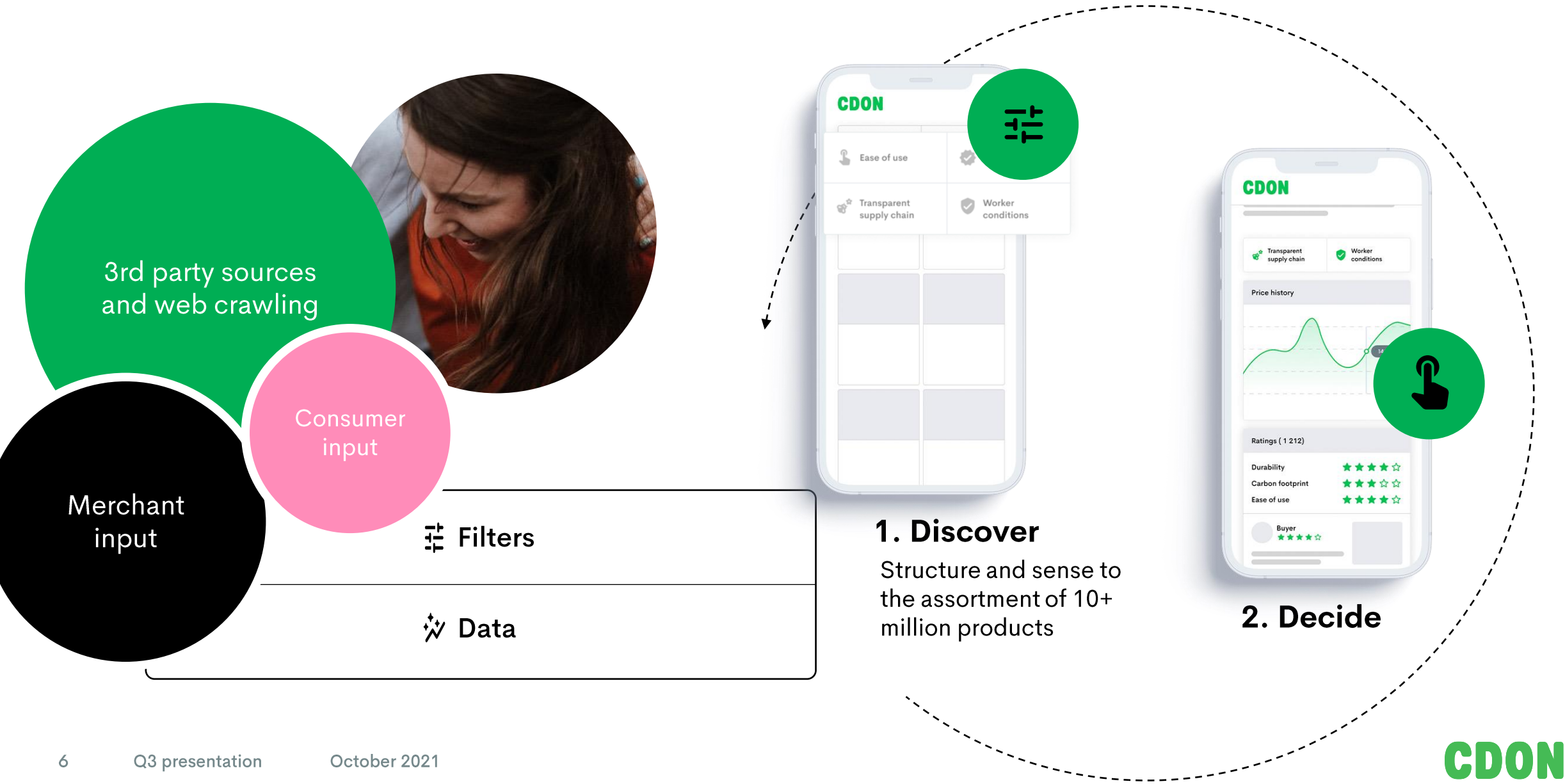
3. Win our core categories

4. Create a strong local brand

By creating the best customer experience....

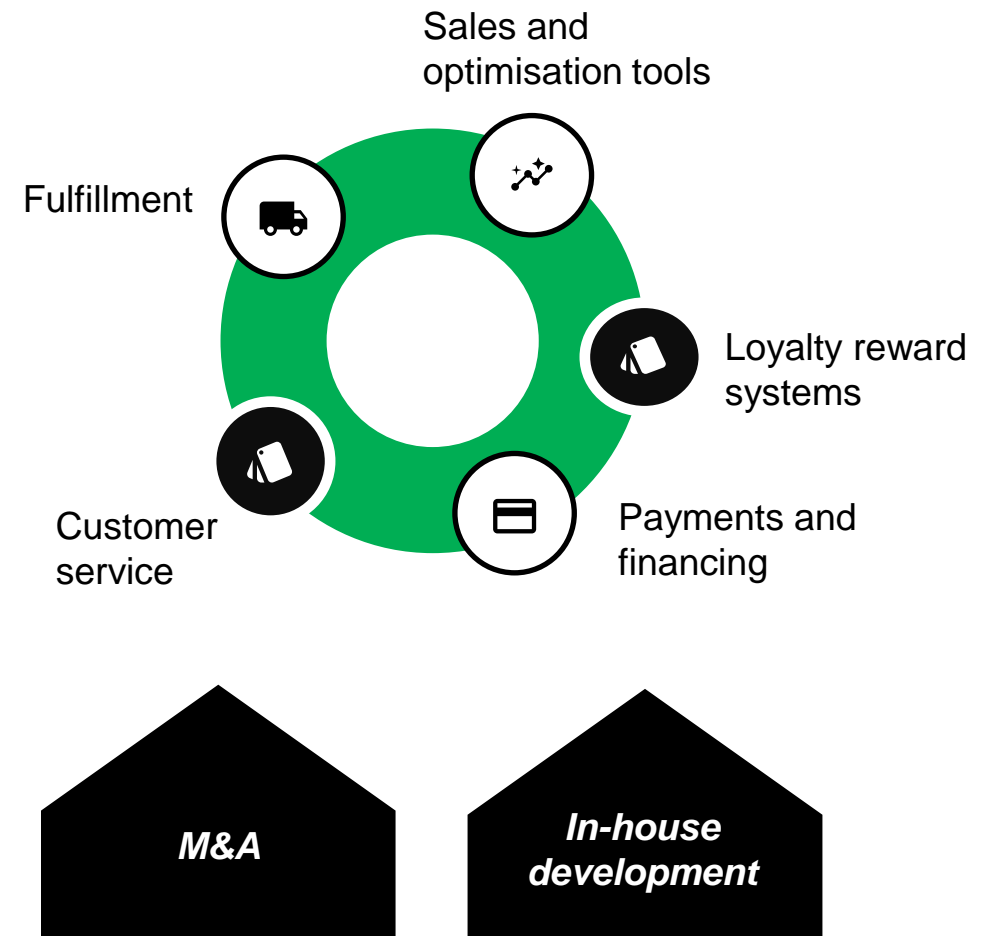


With technology from Shopit we make sense of our 10+ million products

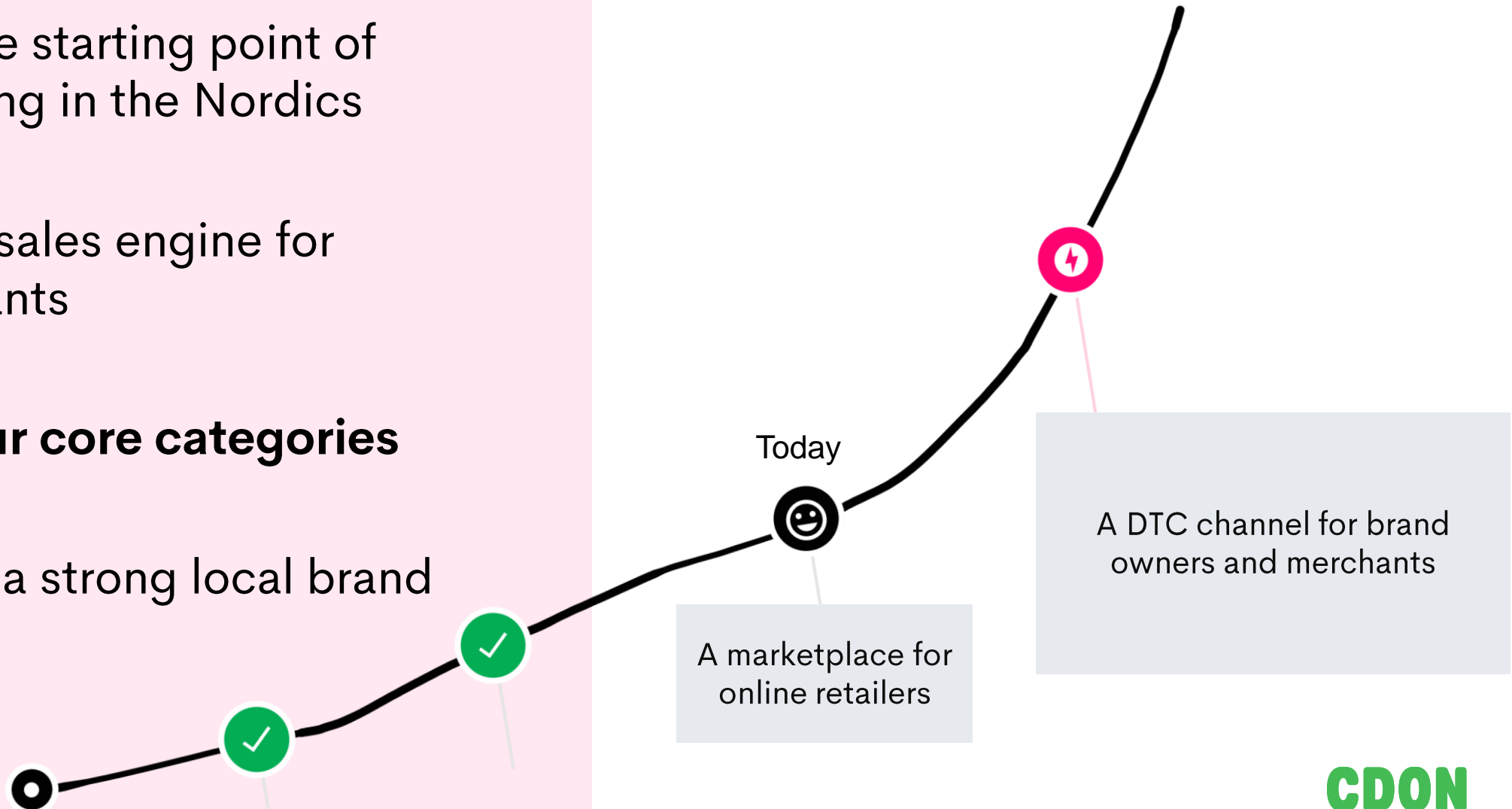


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Building an ecosystem of tools & services for merchants & brands to drive their sales



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4. **Create a strong local brand**

**A brand for people to return to...
as their starting point of online shopping**





Peter Kjellberg
new CEO from January 1st

Extensive experience from various leadership positions within market leading consumer companies, e.g.

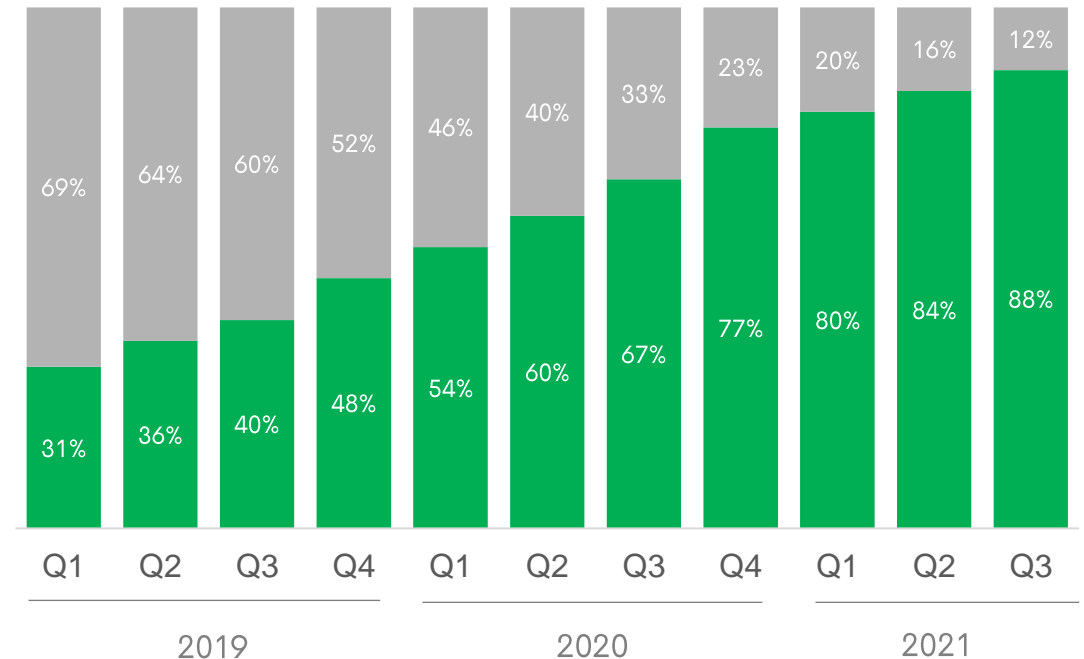
- **Dometic (NASDAQ: DOM), Head of Global Verticals & CMO**
Driving Dometic's transformational journey. Creating strong profitable growth, both organic and through acquisitions. Building an aspirational global lifestyle brand. Part of the IPO 2015.
- **Thule (NASDAQ: THULE), SVP Brand & Marketing**
Part of the transformation of the Company and the expansion of the business to become a leading global outdoor brand. Part of the IPO 2014.

Summary of the quarter

- GMV growth for CDON marketplace amounted to 15% for the quarter
- Integration of Shopit's technology, first iteration completed
 - Improved categorization
 - Improved quality of attributes
- Raised 200MSEK via a directed right issue
- Stefan Egerstad appointed interim CFO, starting November 1st, 2021

Transformation to marketplace

Share of volume sales split by 3P/1P, %



+15%

GMV Growth CDON
Marketplace YoY

+16%

No. of selling
Merchants YoY

2,1M

Active customers
R12M

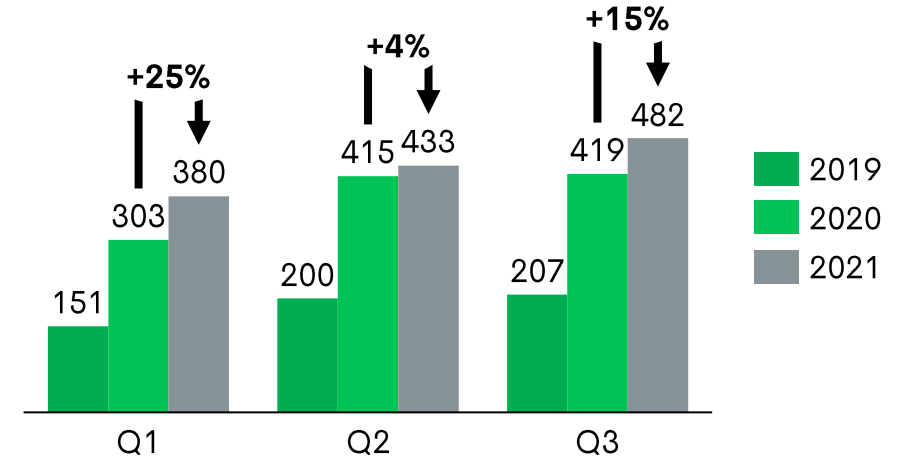
+34%

AOV Growth YoY

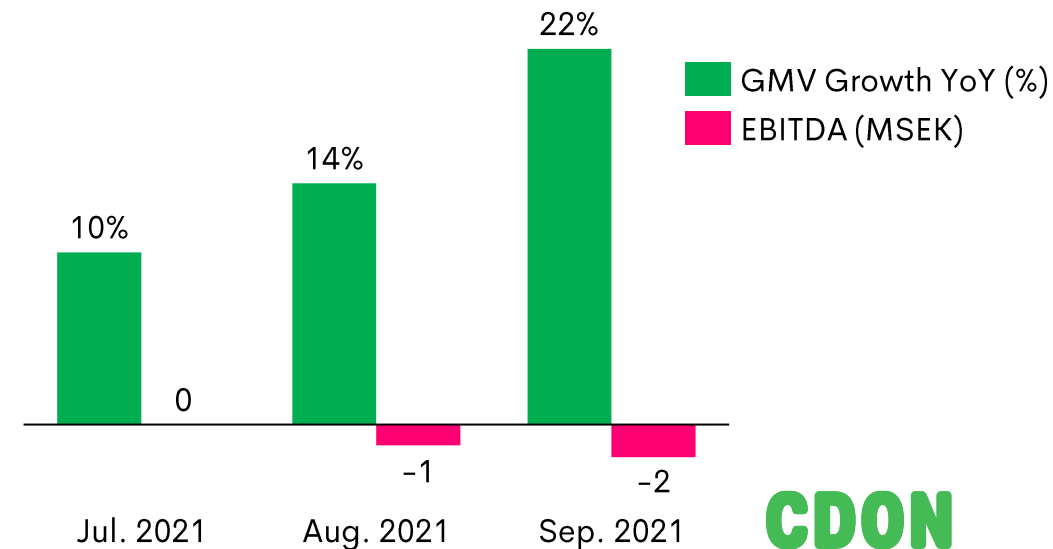
Strong ending to the quarter

- Double digit GMV growth supported by strong trend in September realizing 22% on CDON Marketplace
- Trend continuing into October (realizing more than 40% growth in GMV, from Oct. 1-18)
- EBITDA impacted by investments in CX

GMV marketplace, MSEK



GMV marketplace, growth



Current priorities



Building our core categories



Leverage Shopit to enhance customer on-site experience



CDON+ loyalty and delivery program

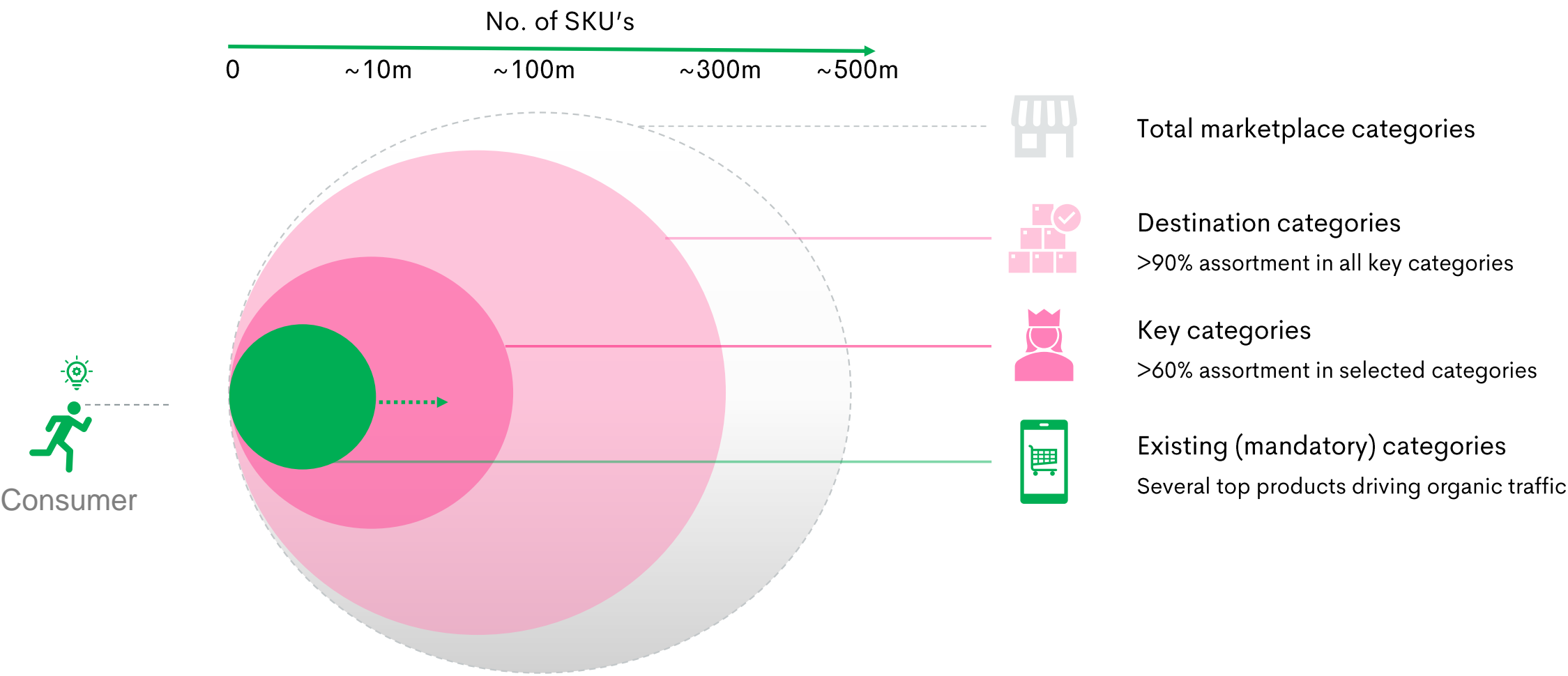


Marketing efficiency



Build and execute on M&A pipeline

Expanding existing categories to become destination categories



Shopit-acquisition will enhance product data quality

Incremental improvements to platform Q4 2021



Improvement in categorization and navigation

- Automated essential attributes on CDON's ~11M SKU's
- Enabling automatic identification of identical SKU's



Improved onboarding and data for merchants

- Simplifying product onboarding for merchants through Shopit's AI/ML
- Enhanced product data enables better insights and sales



Improved marketing and CX

- Better product data will optimize SEO and SEM
- Improved relevance for customers

Status on revenue stream

Additional revenue streams still untapped



Revenue streams	Status	Comment
Transaction based commission	✓	~90% of marketplace gross profit
Merchant subscription fee	✓	Launched October 2020, < 0,3% of GMV
Ad income	✓	Launched during Q2 2021, <0,3% of GMV
Consumer membership fee	✓	CDON+ to be relaunched October 2021
Fulfilment services	✗	Pilot initiated
Merchant services and tools	✗	
Merchant financing	✗	

Aiming at taking market share at a high pace

Yoy growth	Q1 2020	Q2 2020	Q3 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Sweden e-commerce <i>Actual/ (Estimates)*</i>	16%	49%	39%	53%	Actual: 16% Estimate: 5-10%	Estimate: -5-0%	Estimate: -10-0%
CDON Marketplace GMV	101%	106%	100%	25%	4%	15%	Oct MTD: More than 40%

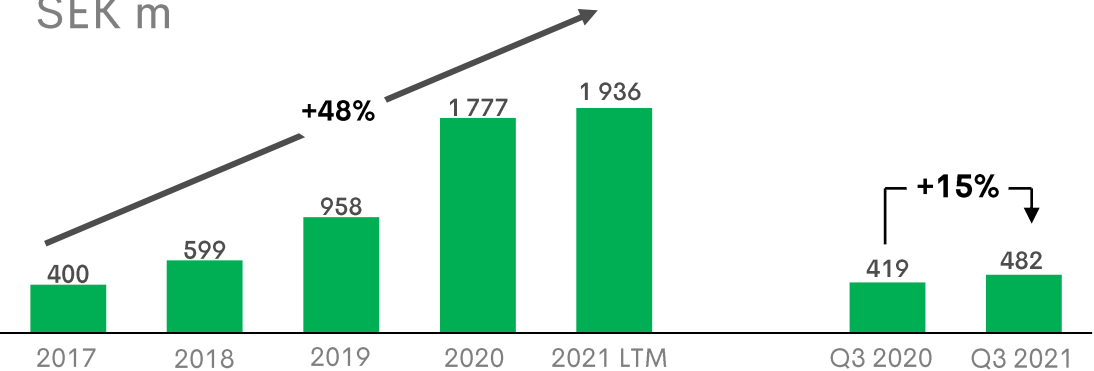
*According to Postnord E-handelsbarometern. Q3-Q4 represent market estimates and Q1 actuals. Oct MTD per Oct 1-18.

1. Underlying market growth in Q2 came in much higher than Postnord's estimates – 16% vs 5-10%
2. In short- and medium term we expect CDON will have volatility in GMW growth. Over a longer cycle, CDON aims at growing substantially faster than the market

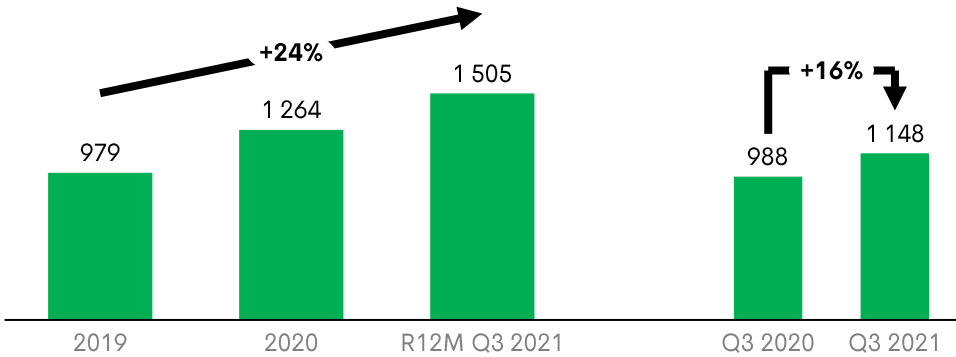
Continued growth from CDON Marketplace

CDON marketplace GMV

SEK m

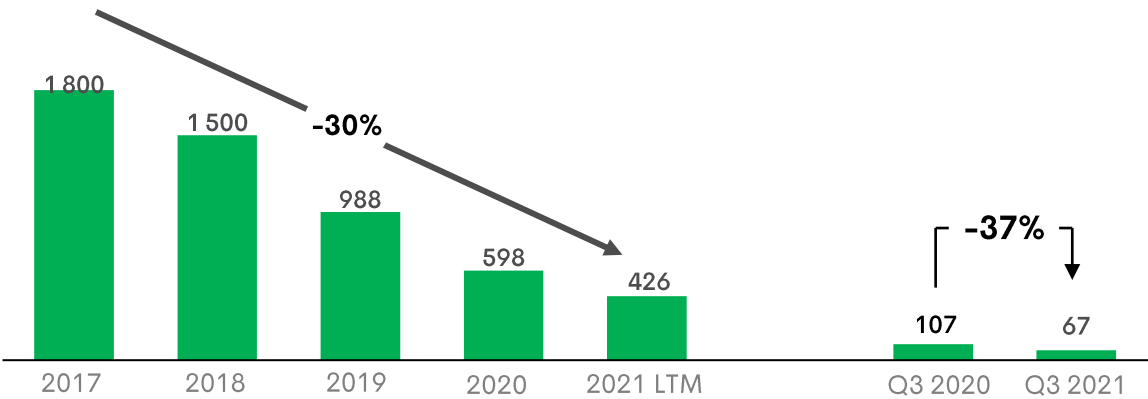


Number of selling merchants

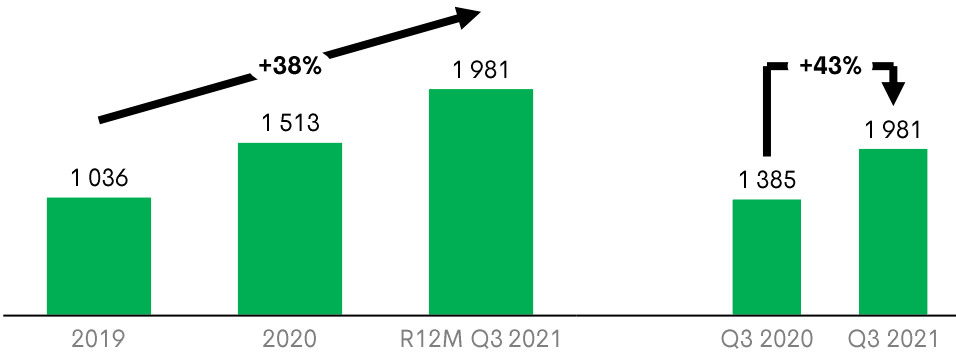


CDON retail GMV

SEK m

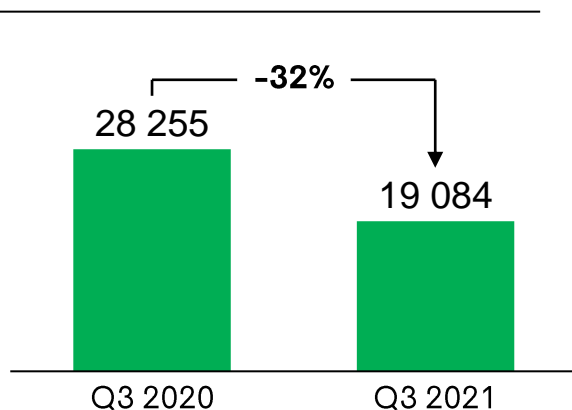


Number of merchants on the platform

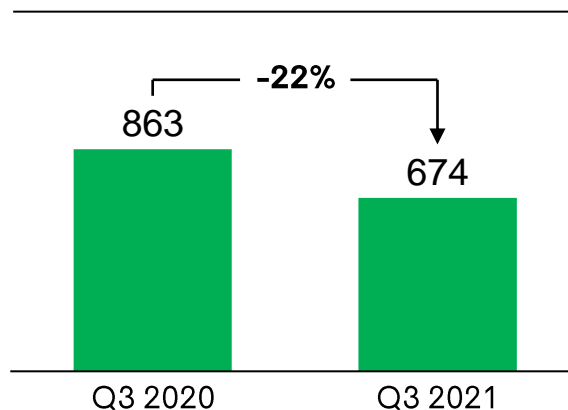


Development of KPIs

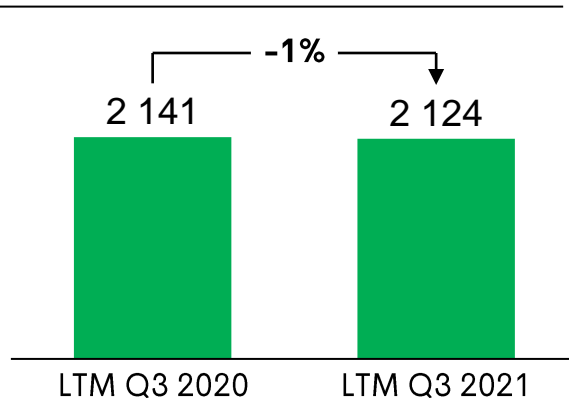
Number of visits, '000



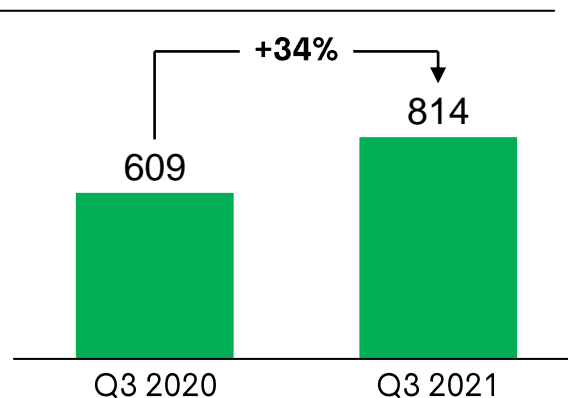
Number of orders, '000



Active customers, '000



Average order value, SEK



- ✓ Less decline in number of visits compared to Q2
- ✓ Reported number of visits affected by new way of measuring with ~5 percentage points (comparable decline -27% vs. LY)
- ✓ Average order value increased related to product mix- mainly driven by higher share of sales within consumer electronics categories

Income statement

SEKm	Q3 21	Q3 20	▲	Q1-Q3 2021	Q1-Q3 2020	▲
CDON Marketplace						
Gross merchandise value	482,3	419,0	15%	1295,1	1136,5	14%
Net sales	47,6	49,1	-3%	129,6	131,4	-1%
Gross profit	44,8	46,4	-3%	121,5	123,6	-2%
CDON Retail						
Net sales	66,0	105,9	-38%	234,3	405,6	-42%
Gross profit	5,7	10,2	-44%	22,9	35,7	-36%
CDON Total						
Gross merchandise value	549,0	525,5	4%	1533,6	1547,0	-1%
Net sales	113,6	155,0	-27%	364,0	537,0	-32%
Gross profit	50,5	56,6	-11%	144,5	159,3	-9%
Gross margin, %	44,4%	36,5%	7,9 pp	39,7%	29,7%	10,0 pp
EBITDA	-3,2	6,4	n/a%	-30,8	6,0	n/a%
EBIT	-8,0	0,9	n/a%	-45,2	-18,5	n/a%

- ✓ CDON Marketplace GMV growth of 15%
- ✓ CDON Marketplace gross margin affected by lower commission levels
- ✓ Accelerated phase out CDON Retail
- ✓ Increased investments in CX improvements impact EBITDA

Balance sheet statement

SEKm	Q3 21	Q3 20
Balance sheet		
Fixed assets	90,6	61,1
Inventory	12,9	26,3
Current receivables	29,0	24,8
Total cash	186,6	45,5
Total assets	319,1	157,7
Total equity	202,3	58,6
Short-term liabilities	116,8	110,7
Total equity and liabilities	319,1	157,7

- ✓ Shopit acquisition increased fixed assets with SEK 27,1m
- ✓ Total cash of SEK 186,6m (45,5m)
- ✓ Equity increase due to a rights issue with net proceeds of SEK 188,7m

Cash flow statement

SEKm	Q3 21	Q3 20
Cash flow		
Cash flow from operations	-12,5	-4,4
Cash flow from investing activities	-31,3	-5,3
Cash flow from financial activities	188,7	-12,8
Cash flow from the period	145,0	-22,6
Cash at the beginning of the period	41,7	67,8
Exchange rate differences in cash	0,0	0,3
Cash at the end of the period	186,6	45,5

- ✓ Cash flow from operating activities SEK -12,5m (-4,4m) in the quarter
- ✓ Shopit acquisition and Capex amounted to SEK -31,3m (-5,3m) in the quarter
- ✓ Total cash flow in the period SEK 145,0m (-22,6m) mainly due to direct share issue
- ✓ Total cash of SEK 186,6m (45,5m)

What you should take away from today

01

Strong GMV growth heading into Q4

02

Accelerating our onsite customer experience efforts

03

Strong team and balance sheet in place

04

Ramping up our M&A efforts



CDON