



PRESS RELEASE

Malmö, Sweden

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CDON sets a new ambitious long-term market share-related target and communicates expected synergies following the completion of the combination with Fyndiq

Following the earlier announced completion of the combination of CDON AB (“CDON” or “the company”) and Fyndiq AB (“Fyndiq”), CDON sets a new ambitious long-term market share-related target. The new long-term target is to reach double digit market share in the Nordic e-commerce market. This new target replaces CDON’s previously disclosed mid-term target of achieving at least 2.5 % market share by the end of FY 2025.

As a result of the expected synergies from the combination and integration of CDON and Fyndiq, CDON should benefit from direct cost savings of approximately SEK 40 million. CDON expects the integration project to be complete with the full cost synergies realized by the end of 2024.

New long-term market share-related target that replaces the previous mid-term target

CDON currently holds a total market share¹ of approximately 1.0-1.5% in the Nordic e-commerce market. The company has today set a new ambitious long-term target. The new long-term target is to reach double digit market share in the Nordic e-commerce market. This new goal replaces CDON’s previously disclosed² mid-term goal of achieving at least 2.5 % market share in the Nordic e-commerce market by the end of FY 2025.

For CDON to achieve long-term success like marketplaces in other regions, we will strive to:

- 1. Increase the amount of quality supply:** provide more of the products that people want and utilize the low margin costs of bringing in more supply.
- 2. Improve customer happiness:** Fyndiq has in recent years enjoyed a significantly higher Trustpilot score compared to CDON. We intend to continue improving the customer experience at both CDON’s and Fyndiq’s marketplaces and become places where customers are delighted to shop.
- 3. Create distinct customer experiences for both brands:** Leverage two brands with different value propositions to serve different types of customer and needs.

CDON’s earlier disclosed financial directives and the target of being at least EBITDA breakeven for FY 2023 remain intact and are re-iterated below.

Financial directives

- CDON’s marketplace (3P) business shall continuously gain market share in the Nordic

¹ “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.)

² Please see CDON’s press release “CDON announces financial directives and targets” from 19 October 2022:

<https://investors.cdon.com/en/investor-relations/press-releases/cdon-announces-financial-directives-and-targets-99173?page=2>



e-commerce market.

- CDON's 3P take rate³ shall increase over time, through an improved product mix and an increased focus on additional services.
- CDON shall enjoy strong incremental margins as a result of its high gross margin 3P business and the relatively fixed nature of administrative and general costs.

Target for FY 2023

CDON's business shall be at least EBITDA breakeven in FY 2023 - unless:

- CDON finds growth investment opportunities where CDON believes the IRR (Internal Rate of Return) significantly exceeds CDON's cost of capital;
- the macro environment undergoes further material deterioration from the low levels expected in Q4 2022.

Expected synergies from the combination and integration of CDON and Fyndiq

As a result of the expected synergies from the combination and integration of CDON and Fyndiq, CDON should benefit from direct cost savings of approximately SEK 40 million. CDON expects the integration project to be complete with the full cost synergies realized by the end of 2024.

In addition to the estimated cost synergies mentioned above, there are several synergy areas with high potential to improve profits including:

- take-rate optimisation from best practice sharing and implementation of value-added services;
- lowered customer acquisition costs through aligned marketing efforts; and
- improved merchant acquisition efforts through one organisation, and one stronger offer.

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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 12:59 CEST on 25 April 2023.

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³ "Take rate" is defined as commission for CDON marketplace and additional revenue streams such as financial commission, advertising income and subscriptions fees divided by GMV (Gross Merchandise Value) for CDON marketplace.



About CDON

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.

About Fyndiq

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.

FORWARD-LOOKING STATEMENTS

This communication contains certain forward-looking statements concerning our intentions, beliefs or current expectations. Such statements are identified by including terms such as "intent", or similar expressions, and include statements regarding CDON's plans following the completion of its combination with Fyndiq. Such statements are subject to a number of important risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements. Factors, including risks and uncertainties, that could cause these differences include, but are not limited to: market growth and volatility and regulatory changes and developments. Any forward-looking statements speak only as of the date hereof.

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