

Qliro Group has entered into an agreement to divest Lekmer

Press release, Stockholm, 25 April 2017

Qliro Group AB (publ) has entered into an agreement to sell its subsidiary Lekmer AB to Babyshop Sthlm Holding AB. Together with Lekmer, Babyshop will become partners to Qliro Financial Services and CDON Marketplace following the transaction. The enterprise value of Lekmer in the transaction is SEK 90 million. The transaction is conditional on the completion of a share issue of at least SEK 150 million in Babyshop Sthlm Holding AB, for which the buyer has already obtained executed subscription commitments. The transaction is expected to be completed at the latest by the end of the second quarter of 2017.

Media and analysts are invited to a conference call today at 11.00 CET. To participate please call +46 8 50 65 3956 (Sweden), +44 (0) 330 336 6002 (UK), +49 (0) 69 2222 10612 (Germany) or +1 866 398 2885 (USA) and enter the access code 32 51 58 32 52.

“Divesting Lekmer enables us to an even greater focus on our core business areas Marketplace, Fashion and Financial Services. In addition, we welcome both Lekmer and Babyshop as partners for Qliro Financial Services and CDON Marketplace going forward,” says Marcus Lindqvist, President and CEO of Qliro Group.

Lekmer was launched in Sweden in 2006 and was acquired by Qliro Group in 2010. Since the acquisition, Lekmer has grown from a turnover of approximately SEK 12 million in 2010 to SEK 502 million in 2016.

“Since Qliro Group’s acquisition, Lekmer has established itself as one of the largest online stores for toys and products for children in the Nordics. Lekmer and Babyshop will together have better scale to handle the industry challenges of seasonality, logistics and product range optimization,” says Marcus Lindqvist, President and CEO of Qliro Group.

Following the transaction, Babyshop will become a partner to Qliro Financial Services regarding payment solution services for its online store in Sweden and join CDON Marketplace as a new merchant.

The divestment of Lekmer is conditional on the completion of a share issue of at least SEK 150 million in Babyshop Sthlm Holding AB. The buyer has obtained subscription commitments corresponding to share issue proceeds of SEK 150 million. The transaction is expected to be completed at the latest by the end of the second quarter of 2017. In the transaction, the enterprise value of Lekmer is SEK 90 million on a debt free basis and with a normalized working capital at closing. Payment will be made partly in cash on closing and partly through a vendor loan note that Qliro Group has agreed to extend to Babyshop of up to SEK 45 million, which will be paid in portions until 30 April 2018.

The Qliro Group's book value of the shares in Lekmer was on 31 March 2017 SEK 26.8 million. The effect on the results of the transaction will be determined at completion of the sale when additional information will be disclosed. Lekmer is expected to be reported as an item under discontinued operations in the second quarter 2017.

This information is information that Qliro Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 7:00 am on 25 April 2017.

Carnegie Investment Bank AB is acting financial adviser and Advokatfirman Cederquist is acting legal adviser to Qliro Group in the transaction.

For more information, please visit www.qlirogroup.com, or contact:

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Questions from media, investors and research analysts:

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About Lekmer

Lekmer offers a full range for families with children via online stores in Sweden, Norway, Denmark and Finland and a physical store in Barkarby shopping center outside Stockholm. The offering includes baby products, pushchairs, car seats, children's clothing, toys and furnishings for children's rooms. The online store registered nearly 30 million site visits in 2016 and received 850 thousand orders.

About Qliro Group

Qliro Group is a leading e-commerce group in the Nordic region. Since the start in 1999, the Qliro Group has expanded and broadened its product portfolio and is now a leading e-commerce player in consumer goods and lifestyle products through CDON.com, Lekmer, Nelly (Nelly.com, NLYman.com, Members.com), Gymgrossisten (Gymgrossisten.com/Gymsector.com, Bodystore.com). The group also comprises the payment solution Qliro. In 2016, the group generated 4.5 SEK in revenues. Qliro Group's shares are listed on Nasdaq Stockholm's Mid-cap list under short name "QLRO".