

# Qliro Group

## **NOTICE TO ATTEND THE EXTRAORDINARY GENERAL MEETING**

**The shareholders of Qliro Group AB (publ) are hereby invited to the Extraordinary General Meeting on Friday 6 March 2020 at 10.00 a.m. at Advokatfirman Cederquist's office, Hovslagargatan 3 in Stockholm.**

### **NOTICE ETC.**

Shareholders who wish to attend the Extraordinary General Meeting shall:

- be entered in the share register maintained by Euroclear Sweden on Saturday 29 February 2020. Since the record date is on a Saturday, shareholders must be entered in the share register on Friday 28 February 2020, and
- give notice of their attendance no later than Monday 2 March 2020. Notice to attend is to be made on the company's website at [www.qlirogroup.com](http://www.qlirogroup.com), by telephone to +46 (0) 771 246 400 or by mail to Computershare AB, "Qliro Group's EGM", P.O. Box 5267, SE-102 46 Stockholm, Sweden.

Shareholders shall in their notice to attend state name, personal identification number or company registration number, address, phone number and advisors, if applicable. Shareholders whose shares are registered in the names of nominees must temporarily re-register such shares in their own name in order to be entitled to attend the Extraordinary General Meeting. Since the record date falls on Saturday 29 February 2020 such re-registration must be completed on Friday 28 February 2020. In order for such re-registration to be completed on Friday 28 February 2020 the shareholder must inform their nominees well before that day. Shareholders attending by a proxy or a representative should send documents of authorisation to the mail address above, well before the Extraordinary General Meeting. A template proxy form is available on the company's website [www.qlirogroup.com](http://www.qlirogroup.com). Shareholders cannot vote or, in other way, attend the Extraordinary General Meeting by remote access.

**PROPOSED AGENDA**

1. Opening of the Extraordinary General Meeting.
2. Election of Chairman of the Extraordinary General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Extraordinary General Meeting has been duly convened.
7. Resolution on approval of warrant program 2020/2023 in the subsidiary Qliro AB, including approval of a transfer of warrants in Qliro AB.
8. Resolution on approval of a transfers of shares in the subsidiary Qliro AB to employees in Qliro AB in connection with the admission to trading of the shares of Qliro AB on Nasdaq Stockholm.
9. Resolution regarding amendment of the Articles of Association.
10. Closing of the Extraordinary General Meeting.

## RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

### Background to the proposed resolutions

In Qliro Group AB's year-end report for 2019, which was published on 5 February 2020, it is stated that Qliro Group intends to list its subsidiary within payment solutions, Qliro AB (Qliro Financial Services, "QFS"), on Nasdaq Stockholm during the first half of 2020.

To enable rapid growth, QFS plans to carry out a share issue in connection with the listing. As a part of the preparations for the listing of the shares in QFS, the Board of QFS has prepared, in consultation with external advisors, a proposal for a warrant program for the executive management and key employees in QFS. The Board of Qliro Group considers the upcoming listing of QFS to be one of the key priorities for Qliro Group. To establish an incentive structure for executive management and key employees of QFS is in Qliro Group and its shareholders' interest in order to facilitate a successful completion of the offering and the listing of QFS, please refer to item 7 for more information. Furthermore, the Board of Qliro Group considers it to be important that employees of QFS are given the opportunity to build a personal shareholding in QFS already in connection with the planned listing, and therefore proposes that shares in QFS held by Qliro Group may be transferred, with preferential allotment, to employees in QFS up to a value of SEK 30,000 per employee in connection with the planned listing, please refer to item 8 for more information.

In the light of the planned distribution of ownership in relation to the shares in QFS, and in order to adapt the company name of Qliro Group to its business following the listing of QFS, the Board proposes that the company name is changed to "Nelly Group", please refer to item 9 for more information.

Resolutions according to items 7-9 on the agenda shall be conditional upon the shares in QFS being admitted to trading on Nasdaq Stockholm during the first half of 2020.

### Resolution on approval of a warrant program 2020/2023 in the subsidiary Qliro AB, including approval of a transfer of warrants in Qliro AB (item 7)

#### *Background and purpose*

On 5 February 2020, an extraordinary general meeting of Qliro Group's subsidiary within payment solutions, QFS, resolved to adopt a warrant program for executive management and key employees in QFS. The Board of Qliro Group proposes that the Extraordinary General Meeting approves the resolution on a warrant program in QFS, including the approval of a transfer of a maximum of 884,889 warrants from the indirectly wholly-owned subsidiary QFS Incitement AB to executive management and key employees in QFS (the "Warrant Program in QFS").

The maximum dilutive effect of the Warrant Program in QFS is 3.81 percent of QFS' share capital (based on the number of shares in QFS immediately following the QFS shares having been admitted to trading on Nasdaq Stockholm and including the offering of shares carried out in connection therewith). Qliro Group and QFS have no costs for the Warrant Program in QFS other than administrative costs regarding advisors etc. in connection with the preparation of the proposal documentation and the resolution to issue the warrants.

The purpose of the Warrant Program in QFS, and the reason for deviating from the shareholders' preferential rights, is to strengthen the link between the work of the executive management team and key employees and created shareholder value. By that means, it is considered that there will be an increased alignment of interests between the participants and the shareholders in QFS.

#### *Main terms and conditions for the Warrant Program in QFS*

The main terms and conditions for the Warrant Program in QFS are as follows:

- A maximum of 884,889 warrants may be transferred to 24 participants in total, including the CEO and other executive management as well as key employees in QFS.

- Subject to the Warrant Cap (as defined below), each warrant entitles to subscription of one (1) share in QFS.
- The subscription price for new shares in QFS shall be 130 percent of the final offering price which will be determined in connection with QFS' shares being offered to the public and admitted to trading on Nasdaq Stockholm during the first half of 2020 (the "Offering Price"), however it shall not be lower than the quota value of the share.
- The warrants may be used to subscribe for new shares in QFS during the first half of 2023 during the two weeks immediately following the QFS year-end report for the period January-December 2022 being made public, and the QFS interim report for the period January-March 2023 being made public, respectively.
- If QFS' average share price, calculated in accordance with the complete terms and conditions for the warrants, exceeds 210 percent of the Offering Price in connection with the subscription of shares by use of the warrants, a recalculated lower number of shares to which each warrant entitles shall apply (the "Warrant Cap").

The warrants shall be transferred to the participants in the Warrant Program in QFS at a price corresponding to the warrant's market value calculated using the Black & Scholes formula based on, inter alia, the Offering Price. The transfer of warrants to the participant is conditional upon the participant having entered into an agreement regarding repurchases etc. pursuant to which QFS or a purchaser designated by QFS has the right to repurchase the warrants at market value if the participant ceases to be employed by QFS or if the participant wishes to transfer the warrants to a third party.

The so called Leo-rules in Ch 16 of the Companies Act (2005:551) are applicable to the transfer of warrants to the participants in the Warrant Program in QFS, and the transfer of warrants must therefore be approved by the general meeting in Qliro Group.

#### **Resolution on approval of a transfer of shares in the subsidiary Qliro AB to employees in Qliro AB in connection with the admission to trading of the shares of Qliro AB on Nasdaq Stockholm (item 8)**

The Board wants to encourage employees in QFS to build a personal shareholding in QFS already in connection with the planned listing. In addition to employees in QFS having the opportunity to participate in a possible offering to the public at the same terms as anyone else in connection with the planned listing, the Board proposes that a transfer of shares in QFS held by Qliro Group shall be possible to be made with preferential allotment to employees in QFS up to a value of SEK 30,000 per employee in connection with the planned listing on Nasdaq Stockholm. The price per share shall be the final subscription price offered in the listing. The concept of a preferential allotment of shares to employees up to the aforesaid amount is common in connection with listings. The preferential allotment for employees will not otherwise affect the offering or the sales proceeds which Qliro Group AB will receive in connection with the intended listing.

In view of the above description, the Board proposes that the Extraordinary General Meeting resolves to approve that a transfer of QFS' shares held by Qliro Group may be made with preferential allotment to employees of QFS up to a value of SEK 30,000 per employee.

The so called Leo-rules in Ch 16 of the Companies Act (2005:551) are applicable to such transfers, due to the preferential allotment, and the transfers must therefore be approved by the general meeting in Qliro Group.

#### **Resolution regarding amendment of the Articles of Association (item 9)**

The Board proposes that the Extraordinary General Meeting resolves to amend the Articles of Association. The proposed amendments pertain to the company name and the object of its business:

*Current wording*

*The Company's name is Qliro Group AB (publ).*

The object of the Company's business shall be to own and manage real property and movables, primarily through investments in businesses within the areas internet, online, e-commerce and retailing primarily with consumer brands and products *as well as financing operations, with necessary licenses or authorisations from authorities where relevant.* Furthermore, the object of the Company's business shall be to conduct business operations compatible with the above mentioned businesses.

**§ 1****§ 3, second paragraph***Proposed wording*

*The Company's name is Nelly Group AB. The Company is public (publ).*

The object of the Company's business shall be to own and manage real property and movables, primarily through investments in businesses within the areas internet, online, e-commerce and retailing primarily with consumer brands and products. Furthermore, the object of the Company's business shall be to conduct business operations compatible with the above mentioned businesses.

Up until the new Articles of Association has been registered by the Swedish Companies Registration Office, the company will use its current company name Qliro Group AB.

## **MISCELLANEOUS**

### **Shares and votes**

There are a total number of 154,994,779 shares in the company, whereof 149,774,779 ordinary shares and 5,220,000 Class C shares, corresponding to a total of 154,994,779 votes. The company currently holds 5,220,000 of its own Class C shares corresponding to 5,220,000 votes which cannot be represented at the Extraordinary General Meeting.

### **Special majority requirements and conditions with respect to the proposed resolutions in items 7-9**

The resolutions to approve the Board of Directors' proposals under items 7 and 8 are valid if supported by shareholders holding not less than nine-tenths of the votes cast and the shares represented at the Extraordinary General Meeting.

The resolution under item 9 is valid only if supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the Extraordinary General Meeting.

The resolutions in items 7-9 of the agenda shall be conditional upon the shares in QFS being admitted to trading on Nasdaq Stockholm during the first half of 2020.

### **Authorisation**

The Board, or the person that the Board will appoint, shall be authorised to make the minor adjustments in the Extraordinary General Meeting's resolutions as may be required in connection with registration with the Swedish Companies Registration Office, Euroclear Sweden and the Swedish Financial Supervisory Authority.

### **Documentation**

The resolution of the extraordinary general meeting in QFS regarding the Warrant Program in QFS and the terms and conditions for the warrants, and the proposed new wording of the Articles of Association, will be made available to the shareholders no later than 14 February 2020 on the company's website, [www.qlirogroup.com](http://www.qlirogroup.com), at the company's premises at Sveavägen 151, Stockholm and will be sent to shareholders who so request and state their postal or email address.

The documentation can be ordered by telephone at +46 (0) 771-246 400 or in writing at the address Computershare AB "Qliro Group's EGM" P.O. Box 5267, SE-102 46 Stockholm, Sweden.

### **Shareholders' right to request information**

The Board of Directors and the Chief Executive Officer shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda.

### **Processing of personal data**

For information regarding the processing of your personal data, please see the privacy notice available at Euroclear Sweden's website: [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf).

Stockholm, February 2020  
QLIRO GROUP AB (PUBL)  
THE BOARD OF DIRECTORS

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**Other information**

Schedule for the: Extraordinary General Meeting

The doors open for shareholders at 9.30 a.m. CET.

The Extraordinary General Meeting commences at 10.00 a.m. CET.

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***About Qliro Group***

*Qliro Group is a leading Nordic e-commerce group in consumer goods, lifestyle products and complementary financial services. Qliro Group operates CDON.com (the leading Nordic marketplace), Nelly.com and NLYman.com (fashion) and Qliro Financial Services (financial services to merchants and consumers). Qliro Group's shares are listed on Nasdaq Stockholm as a mid-cap with the ticker symbol "QLRO".*