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Qliro Group has carried out a directed share issue of approximately SEK 210 million – the Board of Directors proposes a distribution of the shares in the wholly-owned subsidiary Qliro AB to the shareholders of Qliro Group

Press release, Stockholm, 26 August 2020

Qliro Group AB (publ) ("Qliro Group" or the "Company") (Nasdaq Stockholm: QLRO) hereby announces that the Company has carried out a directed share issue of approximately 30 million new ordinary shares, at a subscription price of SEK 7.00 per share (the "New Issue"). Further, the Board of Directors of the Company proposes that the shares in the wholly-owned subsidiary Qliro AB ("Qliro") is distributed to the shareholders of Qliro Group, in accordance with the Company's press release earlier today.

The New Issue

The Board of Directors of Qliro Group has, in accordance with the issue authorization granted by the annual general meeting on 12 May 2020, and as indicated in the Company's press release earlier today, resolved on a directed share issue of 29,954,951 new ordinary shares at a subscription price of SEK 7.00 per share, consequently raising proceeds of approximately SEK 210 million before transaction related expenses. The subscription price in the New Issue has been determined through an accelerated book building procedure.

Mandatum Life, a wholly-owned subsidiary within the Sampo Group, subscribed for shares corresponding to approximately 9.8 percent of the total shares outstanding in Qliro Group following the New Issue¹. In addition to Mandatum Life, a number of other Swedish and international institutional as well as professional investors also participated in the New Issue.

"Through today's transaction, we welcome a number of reputable strategic investors as new owners in the Group. The new capital enables the planned deconsolidation of the Group, which means that Qliro, CDON and Nelly will become independent listed companies", says Mathias Pedersen, CEO of Qliro Group

The Company believes that the flexibility made possible by a directed share issue with deviation from the shareholders' preferential right is the most suitable alternative for carrying out a capital raising at this time, as such a procedure makes it possible to carry out a capital raise in a time- and cost-effective way, while diversifying the shareholder base with additional Swedish and international institutional investors.

The net proceeds from the New Issue are primarily intended to be used to strengthen the capital base in Qliro Group's subsidiary Qliro AB to enable continued growth in the rapidly growing market for payment solutions for large merchants in the Nordics and other digital banking services to Qliro's customer base of approximately 2.2 million active customers. The remaining proceeds, approximately one third, are intended to be used to partially finance the deconsolidation of Qliro Group and partially strengthen the equity in the parent company Qliro Group, which will later be renamed Nelly Group when the deconsolidation is complete.

¹ Mandatum Life's subscription corresponds to 9.5 percent of total shares, including class C shares held by the Company, in Qliro Group

The New Issue entails a dilution of approximately 16 per cent of the total number of shares and votes in the Company. Through the New Issue, the total number of shares will increase by 29,954,951 ordinary shares from 154,994,779 to 184,949,730 (whereof 179,729,730 are ordinary shares and 5,220,000 are class C shares held by the Company that cannot be represented at general meetings) and the votes will increase by 29,954,951 from 154,994,779 to 184,949,730. The share capital will increase by SEK 29,954,951, from SEK 154,994,779 to SEK 184,949,730.

In connection with the New Issue, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period of 180 days after the settlement date of the New Issue. In addition, the Company's future largest shareholder Rite Ventures, members of the Board of Directors and management representatives of Qliro Group who own shares as of today, have agreed not to sell any shares in the Company for a period of 180 days after the settlement date of the New Issue, subject to certain exceptions.

Carnegie has acted as financial adviser and Sole Bookrunner in connection with the New Issue. Advokatfirman Cederquist has acted as legal adviser to Qliro Group, and White & Case Advokatbyrå has acted as legal adviser to Carnegie.

Proposal to distribute the shares in Qliro to the shareholders of Qliro Group

In light of the New Issue being carried out, the Board of Directors of Qliro Group has resolved to propose that an extraordinary general meeting, intended to be held on 28 September 2020, resolves to distribute the shares in the wholly-owned subsidiary Qliro to the shareholders of Qliro Group. The notice convening the extraordinary general meeting will be published in a separate press release. An information brochure containing more information on the distribution proposal will be published no later than three weeks before the extraordinary general meeting and be held available on Qliro Group's website. The shares in Qliro are expected to be admitted to trading on Nasdaq Stockholm provided that the extraordinary general meeting resolves on the distribution of the shares in Qliro.

This is information that Qliro Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 11.40 pm CET on 26 August 2020.

For more information

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About Qliro Group

Qliro Group operates the leading Nordic marketplace CDON, the online fashion brand Nelly.com and Qliro AB that offers financial services to merchants and consumers. In 2019 the Group had sales of SEK 2.9 billion. Qliro Group's shares are listed on the Nasdaq Stockholm Mid-Cap segment under the ticker symbol QLRO.

Important information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Qliro Group in any jurisdiction.

Any investment decision in connection with the New Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Sole Bookrunner. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied or distributed, directly or indirectly, in whole or in part, to Australia, Canada, Japan or the United States of America or in any other jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Qliro Group has not authorized any offer to the public of shares or rights in any member state of the EEA or in the United Kingdom and no prospectus has been or will be prepared in connection with the New Issue. In any EEA Member State and in the United Kingdom, this communication is only addressed to and is only directed at qualified investors in that Member State or in the United Kingdom within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons

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Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Qliro Group have been subject to a product approval process, which has determined that the shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the New Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Bookrunner will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Qliro Group.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Qliro Group and determining appropriate distribution channels.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company’s intentions, beliefs, or current expectations about and targets for the Company’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further

assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.