



CDON GROUP AB (PUBL)

DOCUMENTS FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS –
TUESDAY 8 MAY 2012, 10.00 A.M. CET

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1. The Nomination Committee's motivated opinion explaining its proposal regarding the Board of Directors at the Annual General Meeting 2012

Background

In accordance with the procedure of the Nomination Committee that was adopted at the Annual General Meeting 2011 a Nomination Committee was convened by Cristina Stenbeck in October 2011 for the Annual General Meeting 2012. The Nomination Committee comprises the major shareholders, that have notified their interest in participating in the nomination work, in CDON Group AB (publ). The members of the Nomination Committee for the Annual General Meeting are Cristina Stenbeck on behalf of Investment AB Kinnevik; Ryan Schaper on behalf of Point Lobos Capital, LLC; Jeffrey Pierce on behalf of Luxor Capital Group LP; and Björn Lind on behalf of AMF and AMF Funds. The four shareholder representatives in the Nomination Committee jointly represented more than 40 percent of the votes in CDON Group.

Cristina Stenbeck has been appointed Chairman of the Nomination Committee.

The Nomination Committee's proposal regarding the Board of Directors of CDON Group

The Nomination Committee proposes the following:

- The Board of Directors shall consist of six members and no deputy members.
- Re-election of the following persons as members of the Board of Directors:

Lars-Johan Jarnheimer	Lars Nilsson
Mia Brunell Livfors	Henrik Persson
Mengmeng Du	Florian Seubert

- Election of Lars-Johan Jarnheimer as Chairman of the Board.
- Hans-Holger Albrecht has declined re-election.

Motivated opinion

The Nomination Committee has held four meetings either in person or by telephone, with additional contacts between meetings. As the basis for its work the Nomination Committee has had a discussion with the Chairman of the Board. To assess the degree to which the present Board fulfils the requirements to be placed on the Board, given CDON Group's situation and future direction, the Nomination Committee's discussions have focused on the Board's overall composition with respect to experience and expertise. The existing Board of Directors contains a good balance of financial and operational expertise as well as shareholder representation. This Board of Directors provides a strong sense of continuity as well as industry expertise and knowledge that will benefit the Board's continued agenda for CDON Group. No suggestions of Board members have been received by other than the members of Nomination Committee.

Hans-Holger Albrecht has declined re-election. The Nomination Committee considers continuity in the Board's work to be of vital importance to CDON Group. In view hereof, and with respect of the evaluation of the Board's work, the Nomination Committee has proposed re-election of all present Board Members, except for Hans-Holger Albrecht.

The Nomination Committee is of the opinion that the proposed composition of the Board reflects both strong individual credentials and suitable qualifications and relevant experience within the key strategic areas for CDON Group. These areas include, but are not limited to, the following: operational management of listed and unlisted companies across a range of industries closely tied to CDON Group's core activities, established track records working within the e-commerce sector, experience and knowledge from start ups and acquisitions development across various platforms. Finally, the Directors' geographic expertise working within markets including the key CDON Group regions of Scandinavia, Germany and the Netherlands provide a sound basis for continuing to evaluate and grow

CDON Group's market shares within its core markets as well as add on to its geographic footprint where attractive.

The proposal for the composition of CDON Group's Board of Directors meets the requirements of the Swedish Code of Corporate Governance for independent members of the Board of Directors. Five of the members of the Board of Directors are independent in relation to both the Company and Company management and three are independent in relation to the CDON Group's major shareholders.

Information with respect to the proposed Directors of the Board

Information with respect to the proposed Directors of the Board, including the Nomination Committee's assessment of each member's independence, may be found on the Company's website at www.cdongroup.com.

April 2012

CDON GROUP AB (PUBL)
THE NOMINATION COMMITTEE

2. Information on the proposed Directors of the Board

Composition of the Board of Directors 2011/2012

Name	Position	Date of birth	Nationality	Appointed	Independent of major shareholders	Independent of the company and its management	Remuneration Committee	Audit Committee
Hans-Holger Albrecht	Chairman	1963	German	2000	No	No	Member	
Mia Brunell-Livfors	Board member	1965	Swedish	2010	No	No	Chairman	
Henrik Persson	Board member	1974	Swedish	2010	No	Yes		Member
Lars Nilsson	Board member	1956	Swedish	2010	No	Yes		Chairman
Lars-Johan Jarnheimer	Board member	1960	Swedish	2010	Yes	Yes	Member	
Florian Seubert	Board member	1973	German	2010	Yes	Yes		Member
Mengmeng Du	Board member	1980	Swedish	2010	Yes	Yes		

Proposed Directors of the Board at the Annual General Meeting 2012

Lars-Johan Jarnheimer, Non-Executive Director

Born: 1960

Nationality: Swedish citizen

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership in CDON Group: 5,000 shares.

Committee work: Member of the Remuneration Committee.

Lars-Johan has been a member of the Board of CDON Group since August 2010. He is currently Chairman of the Board of Directors of Eniro AB, Baby Björn AB and Arvid Nordquist Handels AB as well as member of the Boards of INGKA Holding B.V. (the parent company of the IKEA Group of Companies), Apoteket AB, Egmont International Holding A/S and Chairman of the charity BRIS (Children's Rights in Society). Lars-Johan served as Chief Executive Officer of Tele2 AB from 1999 to 2008, and previously held various positions at IKEA, Hennes & Mauritz and Comviq AB. Lars-Johan was a Non-Executive Director of Modern Times Group MTG AB 1997-2008 and of Millicom International Cellular S.A. 2001-2007. Lars-Johan graduated with a Degree in Economics and Business Administration from Växjö and Lund universities in Sweden.



Mia Brunell Livfors, Non-Executive Director

Born: 1965

Nationality: Swedish citizen

Independence: Not independent of the Company and management and not independent of major shareholders.

Direct or related person ownership in CDON Group: 5,505 shares.

Committee work: Chairman of the Remuneration Committee.

Mia has been a member of the Board of CDON Group since August 2010. She has served as President and Chief Executive Officer of Investment AB Kinnevik since 2006, prior to which Mia served as Chief Financial Officer of MTG between 2001 and 2006 and in various financial management positions between 1992 and 2001. Mia has been Chairperson of the Board of Directors of Metro International S.A. since 2008, Non-Executive Director since 2006, and is also a Non-Executive Director of Korsnäs AB, Tele2 AB and Transcom Worldwide S.A. since 2006, Millicom International Cellular S.A. and Modern Times Group MTG AB since 2007, and H & M Hennes & Mauritz AB since 2008. Mia studied Business Administration at Stockholm University.



Mengmeng Du, Non-Executive Director

Born: 1980

Nationality: Swedish citizen

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership in CDON Group: 300 shares.

Committee work: -

Mengmeng has been a member of the Board of CDON Group since September 2010. Since August 2011, she has been working as Director International Growth at Spotify. From August 2010 to July 2011 Mengmeng worked as Project Manager at Alumni, an executive search and leadership services consultancy. She was Vice President Product Development of Stardoll, the world's largest online fashion and games community for girls, from 2009, prior to which she was Project Manager and Director of product development at the company. Before joining Stardoll in 2008, Mengmeng was a management consultant with Bain & Company in Sweden from 2005. She holds a Master of Science in Economics and Business from Stockholm School of Economics and a Master of Science in Computer Science and Engineering from the Royal Institute of Technology in Stockholm.



Lars Nilsson, Non-Executive Director

Born: 1956

Nationality: Swedish citizen

Independence: Independent of the Company and management but not independent of major shareholders.

Direct or related person ownership in CDON Group: 10,000 shares.

Committee work: Chairman of the Audit Committee.

Lars has been a member of the Board of CDON Group since September 2010. He has been Chief Financial Officer at Tele2 since 2007, and Deputy CEO since 2010. Lars was previously Executive Vice President and Chief Financial Officer of Axfood AB, one of the largest food retailers in Scandinavia; CFO of Fritidsreseguppen; President and CEO of Aros Fondkommission, and CFO of ABB Financial Services. Lars holds a Degree in Economics and Business Administration from Linköping University in Sweden.



Henrik Persson, Non-Executive Director

Born: 1974

Nationality: Swedish citizen

Independence: Independent of the Company and management but not independent of major shareholders.

Direct or related person ownership in CDON Group: 0 shares.

Committee work: Member of the Audit Committee.

Henrik has been a member of the Board of CDON Group since August 2010. He has been Head of Investments at Investment AB Kinnevik since 2007 and is on the Board of several of the companies within the portfolio, including Black Earth Farming Ltd (since 2006) and Avito.ru (since 2006). Henrik studied economics at Lund University.



Florian Seubert, Non-Executive Director

Born: 1973

Nationality: German citizen

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership in CDON Group: 0 shares.

Committee work: Member of the Audit Committee.

Florian has been a member of the Board of CDON Group since September 2010. He is co-founder of leading European online pet supplies retailer Zooplus, and has been a member of the company's Management Board and Chief Financial Officer since 2000. Zooplus has been listed on the Frankfurt Stock Exchange since 2008. Florian is also the founder and a Director of various subsidiaries and affiliates around the world, and was previously an Associate with JPMorgan Securities. Florian holds a Master of Arts Degree in Politics, Philosophy and Economics from the University of Oxford.



3. Auditors' report in accordance with Chapter 8, § 54 of the Companies Act (2005:551) whether the guidelines for remuneration to Executive Management as approved by the Annual Meeting of the Shareholders has been complied with

To the annual meeting of the shareholders in CDON Group AB (publ.)
Corporate identity number 556035-6940

We have audited whether the Board of Directors and the Chief Executive Officer of CDON Group AB (publ.) during the financial year 2011 have complied with the guidelines for remuneration to Executive Management which were approved by the Extra Meeting of the Shareholders held on 24 September 2010 respectively by the Annual Meeting of the Shareholders held on 16 May 2011.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for compliance with these guidelines and for such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to supervise that the guidelines are complied with.

Auditor's responsibility

Based on our audit, our responsibility is to express an opinion to the annual meeting of the shareholders as to whether the guidelines have been complied with. We conducted our audit in accordance with standard RevR 8 Audit of Remuneration to Officers in Listed Companies issued by Far, (the institute for the accountancy profession in Sweden). In following this standard, we have planned and performed the audit to obtain reasonable assurance whether the guidelines have, in all material respects, been complied with.

Our audit has included a review of the organization for and the documentation supporting the remuneration to Executive Management, new decisions related to compliance with the guidelines and also a sample of payments made during the year to Executive Management. The auditor selects procedures, among other things by assessing the risk that the guidelines are not in all material respects complied with. In making this risk assessment, the auditor considers internal control relevant to compliance with the guidelines in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our audit procedures provide a reasonable basis for our opinion as set out below.

Opinion

In our opinion, the Board of Directors and the Chief Executive Officer of CDON Group AB (publ.) have during financial year 2011 complied with the guidelines for remuneration to Executive Management which were approved by the Extra Meeting of the Shareholders held on 24 September 2010 respectively by the Annual Meeting of the Shareholders held on 16 May 2011.

Stockholm, 27 March 2012

KPMG AB

George Pettersson

Authorized Public Accountant

4. The Board of Directors' report of the results of the Remuneration Committee's evaluation of (i) the programmes for variable remuneration to the CEO and other persons in the company's management, (ii) the application of guidelines for remuneration to the CEO and other persons in the company's management resolved by the previous Annual General Meetings and (iii) the current remuneration structure and levels of remuneration in CDON Group

Introduction

The Remuneration Committee of the Board of Directors of CDON Group AB (publ), comprises the Chairman of the Board Hans-Holger Albrecht and the directors of the Board Lars-Johan Jarnheimer and Mia Brunell Livfors. Mia Brunell Livfors is Chairman of the Remuneration Committee.

The Swedish Code of Corporate Governance prescribes that the Chairman of the Board may be chairman of the Remuneration Committee and that the other members of the Remuneration Committee are to be independent of the company and its executive management. Mia Brunell Livfors and Hans-Holger Albrecht are not independent of the company and its management due to their respective roles as Director of the Board and Chief Executive Officer in Modern Times Group MTG AB and the significant business relationship and other significant financial dealings existing between Modern Times Group MTG AB and CDON Group. The Company therefore deviates from this rule in the Swedish Code of Corporate Governance. The explanation for the deviation is that both Mia Brunell Livfors and Hans-Holger Albrecht have significant experience in establishing and defining remuneration principles across listed companies, and that the Committee thereby has the appropriate competence.

In accordance with rule 10 paragraph 3 and rule 9 paragraph 1 in the Swedish Code of Corporate Governance, the Remuneration Committee has monitored and evaluated programmes for variable remuneration (both ongoing and those that have ended during the year), the application of the guidelines for remuneration to the CEO and other persons in the Company's management (the “**Executives**”) adopted by the Annual General Meeting as well as the current remuneration structure and levels of remuneration in CDON Group. The following is the Board's report of the results of the evaluation.

General description of the remuneration to the Executives

Remuneration to the Executives shall consist of a fixed and variable salary, as well as the possibility of participation in long-term equity based incentive programmes and pension schemes. These components shall create a well balanced remuneration reflecting individual performance and responsibility, both short-term and long-term, as well as CDON Group's overall performance.

Variable remuneration

The Executives may receive variable remuneration in addition to fixed salaries. The contracted variable remuneration will generally not exceed a maximum of 75 percent of the fixed annual salary. The variable remuneration shall be based on the performance of Executives in relation to established goals and targets. Further information on the variable remuneration paid in cash is available in the Annual Report 2011.

There is a long-term equity based incentive programme for the Executives and other key employees in CDON Group. The long-term incentive programme is performance based and requires participants to own shares and remain in the employment in CDON Group. By tying the employees' remuneration and the development of CDON Group's result and value together, continuous loyalty with the Company is encouraged and contributes to the long-term value growth of CDON Group. Further information on the long-term incentive programmes such as participation ratio, number of issued and outstanding instruments etc. is available in the Annual Report 2011.

Evaluation of programmes for variable remuneration

The development of the programmes for variable remuneration is evaluated by the Remuneration Committee on a continuous basis throughout the year and the programmes' expected outcome are reported to the Board of Directors and discussed at Board meetings. The Remuneration Committee also monitors to which extent the Executives and other key employees participate in the programmes. The evaluation of the programmes for variable remuneration has shown that:

- the programmes are well aligned with the shareholders' interests,
- the programmes are considered to help attract, motivate and retain the Executives,
- future long-term incentive programmes shall also be equity based and require an own investment in CDON Group's shares by the participants.

Evaluation of the guidelines for remuneration to the Executives and the current remuneration structure and levels of remuneration

The evaluation has resulted in the conclusion that the guidelines for remuneration to the Executives that the General Meetings established have been applied on such remuneration in the Company during the year.

The external auditors have given a statement to the Board of Directors on that there has been compliance with the guidelines on salary and other remuneration to the Executives adopted by the General Meetings.

The Board of Directors' view is that the remuneration to Executives strikes an appropriate balance between motivating the Executives and achieving a competitive compensation aligned with the shareholder's interests.

Malmö, April 2012

CDON GROUP AB (PUBL)
THE BOARD OF DIRECTORS