

Qliro Group

NOTICE TO ATTEND THE ANNUAL GENERAL MEETING

The shareholders of Qliro Group AB (publ) are hereby invited to the Annual General Meeting of shareholders on Monday 23 May 2016 at 3.00 p.m. at Hotel Rival, Mariatorget 3 in Stockholm.

NOTICE ETC.

Shareholders who wish to attend the Annual General Meeting shall

- be entered in the share register maintained by Euroclear Sweden on Tuesday 17 May 2016,
- give notice of their attendance no later than Tuesday 17 May 2016, preferably before 1.00 p.m. CET. Notice to attend is to be made on the company's website at www.qlirogroup.com, by telephone to +46 (0) 771 246 400 or by mail to Computershare AB "Qliro Group's AGM", P.O. Box 610, SE-182 16 Danderyd, 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 Annual General Meeting. In order for such re-registration to be completed on Tuesday 17 May 2016 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 Annual General Meeting. A template proxy form is available on the company's website www.qlirogroup.com. Shareholders cannot vote or, in other way, attend the Annual General Meeting by remote access.

PROPOSED AGENDA

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual 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 Annual General Meeting has been duly convened.
7. Remarks by the Chairman of the Board.
8. Presentation by the Chief Executive Officer.
9. Presentation of the Annual Report, the Auditors' Report and the consolidated financial statements and the auditors' report on the consolidated financial statements.
10. Resolution on the adoption of the income statement and the balance sheet and of the consolidated income statement and the consolidated balance sheet.
11. Resolution on the proposed treatment of the company's result as stated in the adopted balance sheet.
12. Resolution on the discharge of liability of the members of the Board and the Chief Executive Officer.
13. Determination of the number of members of the Board.

14. Determination of the remuneration to the members of the Board and the auditor.
15. Election of Board members;
 - (a) Patrick Andersen (re-election, proposed by the Nomination Committee).
 - (b) Lorenzo Grabau (re-election, proposed by the Nomination Committee).
 - (c) Lars-Johan Jarnheimer (re-election, proposed by the Nomination Committee).
 - (d) David Kelly (re-election, proposed by the Nomination Committee).
 - (e) Daniel Mytnik (re-election, proposed by the Nomination Committee).
 - (f) Peter Sjunnesson (re-election, proposed by the Nomination Committee).
 - (g) Caren Genthner-Kappesz (new election, proposed by the Nomination Committee).
16. Election of Chairman of the Board.
17. Determination of the number of Auditors and election of Auditor.
18. Approval of the procedure of the Nomination Committee.
19. Resolution regarding guidelines for remuneration to senior executives.
20. Resolution regarding adoption of a performance share plan for senior executives and key employees in Qliro Group.
21. Resolution regarding adoption of a synthetic call option plan for the CEO and key employees in Qliro Financial Services.
22. Resolutions regarding hedging arrangements for the incentive plans in items 20 and 21 comprising the following resolutions:
 - (a) authorisation for the Board to resolve on issue of Class C-shares,
 - (b) authorisation for the Board to resolve on repurchase of own Class C-shares, and
 - (c) transfer of own ordinary shares for delivery under the incentive plans.
23. Resolution to authorise the Board to resolve on repurchase of own ordinary shares.
24. Resolution regarding amendments of the Articles of Association.
25. Closing of the Annual General Meeting.

RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE

Election of Chairman of the Annual General Meeting (item 2)

The Nomination Committee proposes that Wilhelm Lünig, member of the Swedish Bar Association, is elected to be the Chairman of the Annual General Meeting.

Determination of the number of members of the Board and election of the members of the Board and the Chairman of the Board (items 13, 15 (a-g) and 16)

The Nomination Committee proposes that the Board shall consist of seven members.

The Nomination Committee proposes that the Annual General Meeting shall re-elect Patrick Andersen, Lorenzo Grabau, Lars-Johan Jarnheimer, David Kelly, Daniel Mytnik and Peter Sjunnesson as members of the Board and to elect Caren Genthner-Kappesz as new member of the Board for the period until the close of the next Annual General Meeting.

The Nomination Committee proposes that the Annual General Meeting shall re-elect Lars-Johan Jarnheimer as Chairman of the Board.

Determination of the remuneration to the members of the Board and the auditor (item 14)

The Nomination Committee proposes that the remuneration for the Board work for each of the members of the Board shall, for the period until the close of the next Annual General Meeting, be

unchanged. Accordingly, the Nomination Committee proposes that SEK 670,000 shall be allocated to the Chairman of the Board, SEK 325,000 shall be allocated to each of the other six members of the Board, and a total of SEK 451,000 (2015: SEK 526,000) is to be allocated for work in the Committees of the Board.

The Nomination Committee proposes that for work within the Audit Committee SEK 150,000 shall be allocated to the Chairman and SEK 75,000 shall be allocated to each of the other two members. For work within the Remuneration Committee SEK 75,000 shall be allocated to the Chairman and SEK 38,000 shall be allocated to each of the other two members.

The total remuneration to the Board amounts to SEK 3,071,000 (2015: SEK 3,471,000). The decrease of the total remuneration is a result of the decrease in the size of the Board and its Audit Committee.

The Nomination Committee proposes that remuneration of the auditor shall be paid in accordance with approved invoices.

Determination of the number of Auditors and election of Auditor (item 17)

The Nomination Committee proposes that Qliro Group shall have a registered accounting firm as auditor, and that the registered accounting firm KPMG AB shall be re-elected as auditor for the period until the close of the Annual General Meeting 2017. KPMG AB has informed that they will appoint the authorised public accountant Cronie Wallquist as auditor-in-charge if KPMG AB is re-elected as auditor.

The auditor's term of office is conditional upon that the Meeting resolves to amend the Articles of Association on term-of-office from four (4) years to one (1) year in accordance with item 24 on the agenda.

Approval of the procedure of the Nomination Committee (item 18)

The Nomination Committee proposes that the work of preparing proposals to the 2017 Annual General Meeting regarding the Board and auditor, in the case that an auditor should be elected, and their remuneration, Chairman of the Annual General Meeting and the procedure for the Nomination Committee shall be performed by a Nomination Committee.

The Nomination Committee will be formed during September 2016 in consultation with the largest shareholders of the company as per 31 August 2016. The Nomination Committee will consist of at least three members appointed by the largest shareholders of the company who have wished to appoint a member. The Chairman of the Board will also be a member of the Committee, and will act as its convenor. The members of the Committee will appoint the Committee's Chairman at their first meeting.

The Nomination Committee is appointed for a term of office commencing at the time of its formation and ending when a new Nomination Committee is formed. If a member resigns during the Committee term, the Nomination Committee may choose to appoint a new member. The shareholder that appointed the resigning member shall in such case be asked to appoint a new member, provided that the shareholder still is one of the largest shareholders in the company. If that shareholder declines participation on the Nomination Committee, the Committee may choose to ask the next largest qualified shareholder to participate. In the event of changes to the ownership structure of the company, the Committee may choose to amend its composition in order to ensure the Committee appropriately reflects the ownership of the company. However, unless there are special circumstances, the composition of the Nomination Committee may remain unchanged following changes in the ownership structure of the company that are either minor or occur less than three months prior to the 2017 Annual General Meeting.

The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the company, and to charge the company with costs for recruitment consultants and related travel if deemed necessary.

RESOLUTIONS PROPOSED BY THE BOARD

Treatment of the company's result (item 11)

The Board proposes that the retained earnings and the share premium reserve and the result for the year, a total of SEK 885,161,017.75 is to be carried forward.

Guidelines for remuneration to senior executives (item 19)

The Board proposes the following guidelines for remuneration to senior executives in the Qliro Group as well as Members of the Board (of the parent company), to the extent they are remunerated outside their directorship.

Remuneration guidelines

Qliro Group shall strive to offer a total remuneration which will enable the group to attract, motivate and retain senior executives in competition with Qliro Group's international peers, which primarily are Nordic companies operating within e-commerce and retailing with consumer brands and products, as well as consumer credit financing and payment solutions. The remuneration to the senior executives in Qliro Group shall both short-term and long-term reflect the individual's performance and responsibility and the results in Qliro Group, inclusive of its subsidiaries, and shall also be designed so that it aligns the senior executives' interest and rewards with the shareholders'. Therefore, the remuneration to the senior executives shall be based on the pay for performance principle and encourage them to build up a significant private ownership of Qliro Group shares (in relation to their personal financial conditions).

The remuneration to the senior executives shall consist of:

- fixed salary,
- short-term variable remuneration paid in cash,
- the possibility of participation in long-term share or share-price related incentive programs, and
- pensions and other customary benefits.

Fixed salary

The senior executives' fixed salary is revised each year and shall be competitive and based on the individual's competence, responsibilities and performance.

Variable remuneration

The senior executives' variable remuneration paid in cash shall be based on fulfilment of established targets for their areas of responsibility and for Qliro Group and its subsidiaries, respectively. The outcome shall be linked to measurable targets (qualitative, quantitative, general and individual). The targets within the senior executives' respective area of responsibility are defined to promote Qliro Group's development both in the short and long-term. The maximum payment of cash based variable remuneration shall generally not exceed a maximum of 100 percent of the senior executive's annual fixed salary. The Board may resolve that part of the variable remuneration paid in cash shall be invested in shares or share-related instruments in Qliro Group.

Share and share-price related incentive plans shall include an own investment, and be linked to certain pre-determined financial and / or share or share-price related performance criteria and shall be designed to ensure a long-term commitment to the value growth of Qliro Group and its subsidiaries and align the senior executives' interests and rewards with the shareholders'.

For senior executives employed by Qliro Financial Services part of such remuneration will be deferred and capped in accordance with applicable rules for credit institutions, and the Board has imposed restrictions for their variable remuneration by making payment conditional on whether the performance on which it was based proved to be sustainable over time or not.

Pension and other benefits

Pension commitments will be secured through premiums paid to insurance companies. Under normal

circumstances the retirement age is 65 years.

Other benefits shall be customary and facilitate that the senior executives can carry-out their duties. Other benefits that may be offered are for example a company car, company health care and health care insurance.

Notice of termination and severance pay

The maximum notice period in any senior executive's contract is generally twelve months, and in exceptional cases, eighteen months, during which time salary payment will continue.

Compensation to Board members

Board members, elected at General Meetings, may in certain cases receive a fee for services performed within their respective areas of expertise, outside of their Board duties. Compensation for these services shall be paid at market terms and be approved by the Board.

Deviations from the guidelines

The Board may, if it considers that special circumstances are at hand, deviate from the guidelines. In such a case the Board shall explain the reason for the deviation at the following Annual General Meeting.

Evaluation of the guidelines and auditor's statement with respect to the compliance with the guidelines

In accordance with the Swedish Corporate Governance Code the Remuneration Committee of the Board monitors and evaluates the application of the guidelines for remuneration to the senior executives established by the Annual General Meeting. Also, the company's auditor, pursuant to Ch 8 Sec 54 of the Swedish Companies Act, has provided a statement with respect to whether there has been compliance with the guidelines for remuneration to the senior executives which have been applied during 2015. The Remuneration Committee's evaluation and auditor's review have resulted in the conclusion that during 2015 the guidelines adopted by the Annual General Meeting have been followed by Qliro Group.

Adoption of a performance share plan for senior executives and key employees in Qliro Group (item 20)

Proposal

The Board proposes that the Annual General Meeting resolves to adopt a long-term performance share plan (the "PSP") with a similar structure as the long-term incentive plans adopted in 2011-2015 for senior executives and key persons in the parent company and Qliro Group's subsidiaries/business units (i.e. CDON.com, Gymgrossisten, Nelly, Lekmer, Tretti and Qliro Financial Services), with the amendment that no participants will be allotted employee stock options under the PSP.

The motives for the proposal

The objective of the proposed PSP is to create conditions to recruit and retain high performing employees in the Group.

The PSP has been designed based on the view that it is desirable that senior executives and other key employees within Qliro Group are shareholders. Against this background, the Board is of the opinion that the adoption of the PSP will have a positive effect on Qliro Group's future development and thus be beneficial for both Qliro Group and its shareholders.

Participants

The PSP is proposed to in total include around 60 senior executives and other key employees in the Qliro Group.

General terms

Subject to fulfilment of certain retention and performance based conditions during the period 1 April 2016 – 31 March 2019 (the "**Measurement Period**"), each share right will entitle the participant to receive one ordinary share free of charge. The right to finally be awarded shares is also dependant on the participant retaining the Saving Shares (as defined below), and, with certain exceptions, continued his/her employment in Qliro Group during the vesting period ending at the release of the interim report for the period January-March 2019.

In addition, the share rights shall be governed by the following terms and conditions:

- Allotted free of charge after the Annual General Meeting 2016.
- May not be transferred or pledged.
- Dividends paid on the Qliro Group share will increase the number of shares that each share right entitles to in order to align the shareholders' and the participants' interests.
- Shares are allotted following the release of Qliro Group's interim report for the period January-March 2019.

Personal investment and allocation

In order to participate in the PSP, the employees must make a personal investment in Qliro Group shares ("**Saving Shares**"). The Saving Shares can either be Qliro Group shares already held by the participant, which are not allocated to ongoing incentive plans, or shares purchased on the market in connection with the notification to participate in the PSP. If the employee has insider information which prevents him/her from purchasing Qliro Group shares in connection with the notification to participate in the PSP, the Saving Shares shall be purchased as soon as possible, but prior to the next Annual General Meeting.

The CEO of the parent company can allocate Saving Shares to the PSP that correspond to a value of up to 12.5 per cent of his annual base salary, and other senior executives and key persons in the parent company and the retail business units / subsidiaries (i.e. CDON.com, Gymgrossisten, Nelly, Lekmer and Tretti) can allocate Saving Shares to the PSP that correspond to a value of approximately 10 per cent of their individual annual base salary.

The CEO and other key persons in the financial services business unit / subsidiary Qliro Financial Services can allocate Saving Shares to the PSP that correspond to a value of approximately 2.5 per cent of their annual base salary. The CEO and other key persons in Qliro Financial Services will also be invited to invest in synthetic call options, please refer to item 21.

For the reasons described in its *Report according to the Swedish Corporate Governance Code 9.1 and 10.3*, the Board resolved not to launch the synthetic call option plan for employees working in Qliro Group's subsidiaries/business units that the Annual General Meeting adopted 2015. In light hereof the Board proposes that such employees in the retail business units / subsidiaries, eligible for the 2015 synthetic call option plan and that are now eligible for the PSP shall be able to make an additional allocation of Saving shares up to 2.5 per cent of their individual annual base salary to the PSP.

In total, the PSP is estimated to comprise up to 688,994 Saving Shares entitling to allotment of up to 5,449,688 rights, whereof 688,994 retention rights and 4,760,694 performance rights (including the replacement of the 2015 synthetic call option plan).

For each Saving Share, Qliro Group will allot the following number of share rights to the participants:

- 1 Series A right and 9 Series B rights to the CEO and CFO of Qliro Group, and the CEO:s of CDON.com, Gymgrossisten, Nelly, Lekmer, Tretti and Qliro Financial Services (8 persons); and
- 1 Series A right and 6 Series B rights to the other PSP participants (approximately 50 persons).

The allotment above will also apply to the additional Saving Shares that will be allocated by the participants as compensation for the 2015 synthetic call option plan.

Performance conditions

The rights are divided into Series A (retention rights) and Series B (performance rights). The number of shares that the participant will be allotted under the rights is depending both on which category the participant belongs to and on the fulfilment of the following defined retention and performance based conditions:

- Series A* The total shareholder return (TSR) of Qliro Group's ordinary share during the Measurement Period exceeding 0 per cent as entry level.
- Series B* The annual average total shareholder return (TSR) of Qliro Group's ordinary share during the Measurement Period reaching 10 per cent as entry level and reaching or exceeding 20 per cent as the stretch target.

For Series B a linear interpolation will be applied between entry level and stretch target as regards the number of rights that vests. The entry level constitutes the minimum level which must be reached in order to enable vesting of the rights in that series. If the entry level is reached, the number of rights that vest is proposed to be 100 per cent for Series A and 20 per cent for Series B. If the stretch target is met all rights in Series B vests. If the entry level is not reached, all rights in that series lapse.

The Board intends to disclose the outcome of the PSP in the Annual Report 2019.

Preparation and administration

The PSP has been prepared by the Remuneration Committee together with external advisors and adopted by the Board.

The Board, or the Remuneration Committee, shall be responsible for preparing the detailed terms and conditions of the PSP, in accordance with the mentioned terms and guidelines. To this end, the Board shall be entitled to make adjustments to the PSP to meet regulations and market conditions. The Board shall also be entitled to make other adjustments, including e.g. a right to resolve on a reduced allotment of shares, if material changes would occur within the Qliro Group, or on the market that according to the Board's assessment would lead to that the resolved terms and conditions for allotment of shares under the PSP no longer fulfil the main objectives.

New members of the senior management team and/or other key employees that have not yet commenced their employment at the time when notification to participate in the PSP at the latest shall be given, may, upon the condition that the employment commences during 2016, be offered to participate in the PSP, if the Board deems it to be in line with the motives for adopting the PSP.

Scope and costs of the PSP

The PSP will be accounted for in accordance with IFRS 2 which stipulates that the rights shall be recorded as a personnel expense in the income statement during the vesting period. Based on the assumptions that the share price is SEK 7.66 (the average closing share price for the Qliro Group share during February and March 2016) at the time of allocation, a maximum participation, an annual employee turnover of 10 per cent and an average fulfilment of the performance conditions of 30 per cent, the total cost, exclusive of social security costs, for the PSP is estimated to approximately SEK 10.7 million. The cost will be allocated over the years 2016 – 2019.

Social security costs will also be recorded as a personnel expense in the income statement by current reservations. The social security costs are estimated to be around SEK 2.6 million with the assumptions above, an average social security tax rate of 31.42 per cent and an annual share price increase of 15 per cent on the Qliro Group share during the vesting period.

Recalculation of final allotments of shares to the participants shall take place in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

The maximum profit for each right is;

- SEK 30.64 for the Qliro Group's CEO and CFO, and the CEO:s of CDON.com, Gymgrossisten, Nelly, Lekmer and Tretti;
- SEK 32.83 for the other key persons in the parent company and CDON.com, Gymgrossisten, Nelly, Lekmer and Tretti;

- SEK 29.51 for the CEO of Qliro Financial Services; and
- between SEK 38.33 and SEK 40.97 for the other key persons in Qliro Financial Services.

If the value of Qliro Group's share at vesting exceeds the participants maximum profit the number of shares each right entitles the participant to receive will be reduced accordingly.

The maximum dilution is 4 per cent in terms of shares and votes outstanding and 0.6 per cent in terms of the estimated PSP cost as defined in IFRS 2 in relation to Qliro Group's market capitalisation.

Assuming that the maximum profit per right is achieved, all the participants' allocated shares remain and a 100 per cent fulfilment of the performance conditions, the maximum cost for the PSP is approximately SEK 14.5 million in accordance with IFRS 2 and the maximum cost for social charges approximately SEK 54.8 million.

Effect on certain key ratios

The costs and dilution are expected to have marginal effect on key ratios of the Qliro Group.

The annual cost of the PSP including social charges is estimated to be approximately SEK 3.3 million based on the above assumptions. This cost can be related to the company's total personnel costs, including social charges, of SEK 457.8 million in 2015.

Hedging and delivery of shares under the PSP

The Board has considered two alternative hedging methods for delivering Qliro Group shares to the participants, subject to the terms and conditions of PSP; either (i) to transfer ordinary shares held by the company itself to participants, free of charge, or (ii) to enter into an agreement with a bank that will be able to, in its own name, acquire and transfer Qliro Group shares. The Board considers the first alternative as its preferred option. However, should the Annual General Meeting not approve the proposed transfer of own ordinary shares in accordance with the proposal in item 22(c), the Board may enter into a hedging arrangement with a third party to hedge the obligations of Qliro Group to deliver shares under the PSP as set out above.

Regardless of method of delivery, the costs of the PSP will be charged to the income statement during the vesting period.

Other share or share related incentive plans in Qliro Group

For a description of the company's other share or share-price related incentive plans, reference is made to the annual report for 2015, note 24, and the company's website, www.qlirogroup.com.

Adoption of a synthetic call option plan for the CEO and key employees in Qliro Financial Services (item 21)

Proposal

The Board proposes that the Annual General Meeting resolves to adopt a synthetic call option plan for the CEO and key persons in Qliro Group's subsidiary/business unit in financial services Qliro Financial Services (the "QOP") based on the value growth in Qliro Financial Services.

The motives for the proposal

The QOP is expected to lead to greater commitment and increased motivation for the CEO and other key persons in Qliro Financial Services by offering them to make an own investment, on market terms, in synthetic call options directly linked to the long-term value-growth of Qliro Financial Services. The Board of Qliro Group considers that the QOP will increase the shareholder value and benefit the opportunities to recruit, motivate and retain talented employees working in Qliro Financial Services. The CEO and other key persons in Qliro Financial Services will also be invited to take part in the PSP, please refer to item 20, to a limited extent.

The QOP; structure and settlement

The CEO and other key persons (around 15 persons) working in Qliro Financial Services will be invited to invest in the QOP.

The value of the issued synthetic call options will amount to a maximum of approximately 2.7 per cent of the value of Qliro Financial Services. The value of Qliro Financial Services will be determined through a valuation at launch (after the Annual General Meeting 2016) and at close (three years following launch or at Qliro Group's potential divestment of Qliro Financial Services) by applying recognized valuation methodologies. The valuation will be verified both by independent valuation institutes and Qliro Group's auditor.

Settlement of the amount the synthetic call option holders have the right to receive, subject to the terms and conditions of the QOP, is proposed to be made in Qliro Group ordinary shares. The Board has considered two alternative hedging methods for delivering Qliro Group shares to the participants; either (i) to transfer ordinary shares held by the company itself to participants or (ii) to enter into an agreement with a bank that will be able to, in its own name, acquire and transfer Qliro Group shares. The Board considers the first alternative as its preferred option. However, should the Annual General Meeting not approve the proposed transfer of own ordinary shares in accordance with the proposal in item 22(c), the Board may enter into a hedging arrangement with a third party to hedge the obligations of Qliro Group to deliver shares under the QOP as set out in the agreement between Qliro Group and the employee, or cash settle the synthetic call options in accordance with the plan.

Main conditions for the synthetic call options

In order to be able to carry out the QOP, the Board proposes that the Annual General Meeting resolves on the following main conditions.

The participants in the QOP shall give notice of their participation and acquire synthetic call options, at market value, following the 2016 Annual General Meeting (the "**Entry Date**"). The market value will be calculated by a reputable, independent, valuation institute applying a standard valuation model accepted by the market (Black-Scholes).

Allocation of synthetic call options will be made by the Board, or the Remuneration Committee, in accordance with the principles adopted by the 2016 Annual General Meeting and will be based on the employees' competence, area of responsibility and annual base salary, gross before taxes ("**Gross Salary**"). The participants can acquire synthetic call options for an amount that corresponds to a maximum of 4-18 per cent of the Gross Salary per person (depending on the QOP investee category). The employees may, in total, invest a maximum of SEK 1.73 million in the QOP.

The issue of synthetic call options will take place by entering into an agreement between Qliro Group and the employee, principally on the following terms:

- The synthetic call options may be exercised three years after they were issued and also in case Qliro Group divests Qliro Financial Services (the "**Closing Date**"). In the event that Qliro Group divests Qliro Financial Services before the 2017 Annual General Meeting, Qliro Group will have a right to acquire the synthetic call options at market value calculated in accordance with Black-Scholes model.
- One (1) synthetic call option shall give the holder the right to receive, from Qliro Group, an amount calculated on the basis of the value-growth in Qliro Financial Services, subject to the condition that the determined value Qliro Financial Services on the Closing Date is at least 171 per cent of the determined value at the Entry Date (the exercise price).
- Payment to the participants of said amount will, in accordance with the detailed terms and conditions of the synthetic call options, with certain exceptions, be made by Qliro Group transferring own ordinary shares to the participants. The number of ordinary shares that will be transferred to the participants will be based on a calculated share price for the Qliro Group ordinary share (calculated as the average for each trading day calculated average volume-weighted price paid for Qliro Group's ordinary shares on Nasdaq Stockholm during 10 trading days from and including the first trading day after Qliro Group publishes its first interim report after the Closing Date).
- The synthetic call options that may be issued according to the QOP shall be freely transferrable, but subject to a pre-emptive right for Qliro Group to acquire the synthetic call options at market value calculated in accordance with Black-Scholes.

- The QOP will not change the number of shares in Qliro Financial Services.

Scope and costs

The synthetic call options will be transferred to the participants at market price. Accordingly, there will be no initial cost for Qliro Group for the QOP.

The future costs or revenues for Qliro Group attributable to issued synthetic call options will depend on the value growth of Qliro Financial Services. If the value of Qliro Financial Services at the Closing Date is less than 171 per cent of the value at the Entry Date, the synthetic call options will be worthless and the paid option premiums will become revenue for Qliro Group. If the value of Qliro Financial Services at the Closing Date exceeds 171 per cent of the value at the Entry Date, the synthetic call options will have a value. The total value of the issued synthetic call options at the Closing Date will be a maximum of 2.7 per cent of the difference between the determined value for Qliro Financial Services at the Closing Date and 171 per cent of the value at the Entry Date. The awarded amount is however subject to that the value of Qliro Financial Services on the Closing Date is capped to 10 times of the value at the Entry Date.

The administrative costs for hedging delivery of Qliro Group ordinary shares amounting to the difference between the determined value for Qliro Financial Services at the Closing Date and 171 per cent of the value at the Entry Date, with deduction of the option premiums paid by the participants, will be the total cost for Qliro Group. Settlement in relation to the synthetic option holders will be made during 2019, or at Qliro Group's exit in Qliro Financial Services. The maximum dilution for settlement of the QOP is 2 per cent in terms of shares and votes outstanding in Qliro Group.

Preparation and administration of the QOP and the detailed terms and conditions for the synthetic call options

The QOP has been prepared by the Remuneration Committee together with external advisors and adopted by the Board.

The Board, or the Remuneration Committee, shall resolve upon the persons to be invited to acquire synthetic call options as well as the detailed terms of the option agreements to subsequently be entered into with the participants. Further, the Board, or the Remuneration Committee, will be responsible for the detailed design and management of the QOP within the framework of the main terms and guidelines as resolved by the 2016 Annual General Meeting.

Other share or share related incentive plans in Qliro Group

For a description of the company's other share or share-price related incentive plans, reference is made to the annual report for 2015, note 24, and the company's website, www.qlirogroup.com.

Hedging arrangements for the incentive plans (item 22)

The Board proposes the following methods to secure delivery of Qliro Group shares to the participants under the PSP and the QOP:

Authorisation for the Board to resolve on a new issue of Class C shares (item 22(a))

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to increase the company's share capital by not more than SEK 18,000,000 by a new issue of not more than 9,000,000 Class C shares. With deviation from the shareholders' preferential rights, Nordea Bank AB (publ) shall be entitled to subscribe for the new Class C shares at a subscription price corresponding to the quota value of the shares (SEK 2.00).

The purpose of the authorisation and the reason for the disapplication of the shareholders' preferential rights in connection with the new issue of shares is to ensure delivery of shares to participants under the PSP and the QOP.

Authorisation for the Board to resolve to repurchase Class C shares (item 22(b))

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to repurchase its own Class C shares. The repurchase may only be effected through an offer directed to all holders of Class C shares and shall comprise all outstanding Class C shares. The repurchase may be effected at a purchase price corresponding to not

less than SEK 2 and not more than SEK 2.10.

Payment for the repurchased Class C shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of ordinary shares under the PSP and QOP.

Transfer of ordinary shares for delivery under the incentive plans (item 22(c))

The Board proposes that the Annual General Meeting resolves that a maximum of 9,000,000 ordinary shares held by Qliro Group may be transferred to participants in accordance with the terms of the PSP and the QOP, whereof 6,000,000 ordinary shares may be transferred to the participants in the PSP and 3,000,000 ordinary shares may be transferred to the participants in the QOP, respectively.

The number of the shares that may be transferred to the participants under the PSP and the QOP shall be subject to recalculation in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

As set out above under items 21 and 22, the PSP and the QOP may as an alternative be hedged by Qliro Group entering into an agreement with a bank that will be able to, in its own name, acquire and transfer Qliro Group shares to the participants. Furthermore, in certain cases participants in the QOP may be offered cash-settlement instead of Qliro Group shares. That said; the Board considers the transfer of ordinary shares as its preferred option.

Authorisation for the Board to resolve on repurchase of own ordinary shares (item 23)

The Board proposes that the Board is authorised to pass a resolution on repurchasing the company's own ordinary shares, if the purpose is to retire shares through a decrease of the share capital in accordance with the following conditions:

- The repurchase of ordinary shares shall take place on the Nasdaq Stockholm following the rules set out by Nasdaq Stockholm regarding re-purchase of own shares.
- The repurchase of ordinary shares may take place on one or more occasions for the period up until the next Annual General Meeting.
- So many ordinary shares may, at the most, be repurchased so that the company's holding does not at any time exceed 10 percent of the total number of shares in the company.
- The repurchase of ordinary shares at the Nasdaq Stockholm may occur at a price per share within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- Payment for the shares shall be in cash.

The purpose of the authorisation is to give the Board flexibility to continuously decide on changes to the capital structure during the year and thereby contribute to increased shareholder value.

The Board shall be able to resolve that repurchase of own shares shall be made within a repurchase program in accordance with the Commission's Regulation (EC) no 2273/2003, if the purpose of the authorisation and the repurchase only is to decrease the company's share capital.

Amendment of the Articles of Association (item 24)

The Board proposes amendments to the Articles of Association. The proposed amendments comprise that it is clarified that the company shall have a registered accounting firm as auditor, the auditor's term of office is changed from four (4) to one (1) year and certain adjustments of the Articles of Association due to changed legislation.

Current wording

The Company shall have no more than three auditors *with up to three deputy auditors*. The Auditors term of office shall last until the end of the Annual General Meeting which is held *during the fourth financial year after the Auditor was elected*.

Proposed wording

§ 6

The Company shall *as Auditor have no less than one and no more than three registered accounting firms*. The Auditors term of office shall last until the end of the *first* Annual General Meeting which is held *after the year the Auditor was appointed*.

§ 8

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than 1 p.m. on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

§ 9

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 first paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the *Central Securities Depositories and Financial Instruments Accounts Act* (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 first paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

MISCELLANEOUS

Shares and votes

There are a total number of 150,444,779 shares in the company, whereof 149,269,779 ordinary shares and 1,175,000 Class C shares, corresponding to a total of 150,444,779 votes. The company currently holds 1,175,000 of its own Class C shares corresponding to 1,175,000 votes which cannot be represented at the Annual General Meeting.

Special majority requirements and conditions with respect to the proposed resolutions in items 22-24

Resolutions under items 22(a) and 22(b), 23 and 24 are valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Resolution under item 22(c) is valid only if supported by shareholders holding not less than nine-tenth of both the votes cast and the shares represented at the Annual General Meeting.

Authorisation

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

Documentation

The annual report, the reasoned statement of the Board, pursuant to Ch 19 Sec 22 of the Swedish Companies Act, the Auditor's statement pursuant to Ch 8 Sec 54 of the Swedish Companies Act, the proposed wording of the Articles of Association, the Board's report of the results of the evaluation according to the Swedish Code of Corporate Governance, the Nomination Committee's motivated statement explaining its proposals regarding the Board and information on the proposed members of the Board will be made available today at the company's website www.qlirogroup.com, at the company's premises at Sveavägen 151 in 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 AGM", P.O. Box 610, SE-182 16 Danderyd, Sweden.

Shareholders' right to request information

The Board and the Chief Executive Officer shall, if any shareholder so requests and the Board 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, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group and the consolidated accounts.

Stockholm, April 2016
QLIRO GROUP AB (PUBL)
THE BOARD

Other information

Schedule for the Annual General Meeting

The doors open for shareholders at 2.00 p.m. CET.

The Annual General Meeting commences at 3.00 p.m. CET.

Interpretation

The Annual General Meeting will mainly be held in Swedish. As a service to the shareholders, simultaneous interpretation from Swedish to English as well as from English to Swedish will be provided. For the convenience of non-Swedish speaking shareholders the proceedings of the Annual General Meeting will be simultaneously interpreted to English. This service may be requested when attendance to the Annual General Meeting is notified.

About Qliro Group

Qliro Group is a leading e-commerce group in the Nordic region. Since the start in 1999, the 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, Milebreaker.com) and Tretti. The group also comprises the payment solution Qliro. In 2015, the group generated over five billion SEK in revenue. Qliro Group's shares are listed on Nasdaq Stockholm's Mid-cap list under short name "QLRO".

The information is of such character, which Qliro Group AB (publ) shall disclose in accordance with the Securities Market Act (2007:528) and/or the law on Trading with Financial Instruments (1991:980). The information was distributed for disclosure at 8.30 a.m. CET on 19 April 2016.