



Nordnet Q2 2022

Results presentation

Key highlights second quarter 2022

Considerable macro uncertainty due to war in Ukraine, high inflation and interest hikes

Positive interest rate sensitivity

30,100 new customers¹ and SEK 8bn net savings during the quarter

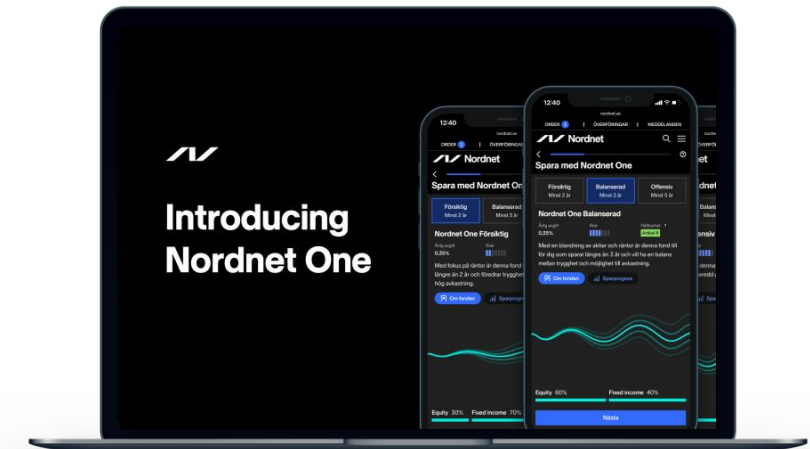
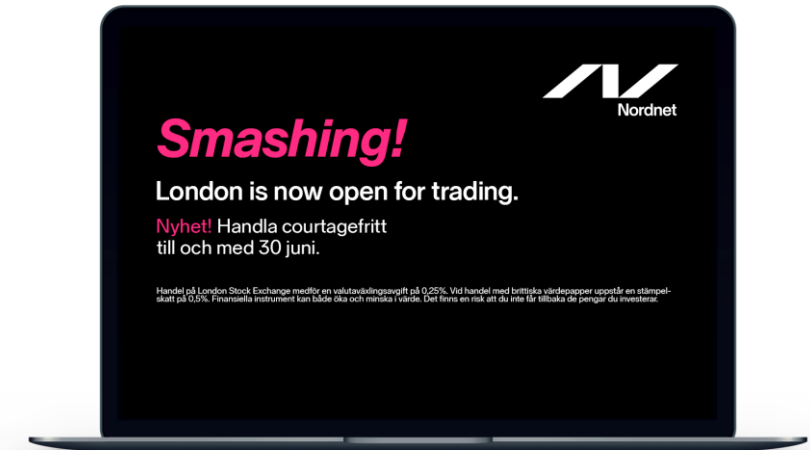
Continued strong cost control

Higher interest rates drove a 30% increase in net interest income

UK trading launched – first new electronic trading venue added to platform in 16 years

New all-time high for Nordnet's loan products with SEK 26.7 billion in lending volume

Nordnet One launched – an attractive fund-of-funds product to capture savers market

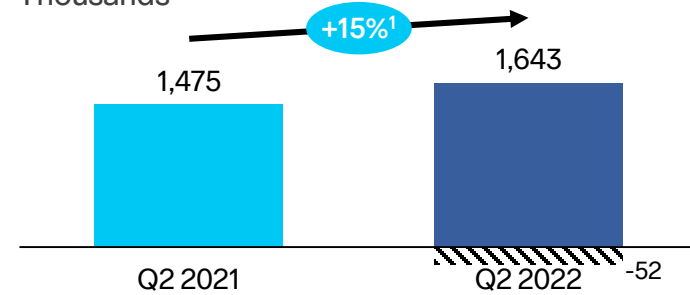



(1) excluding customer relationships terminated as a result of KYC project.

Financial highlights second quarter 2022

Customers

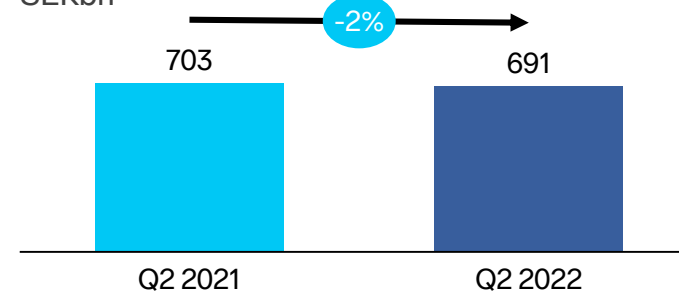
Thousands



 Terminated customers 2022

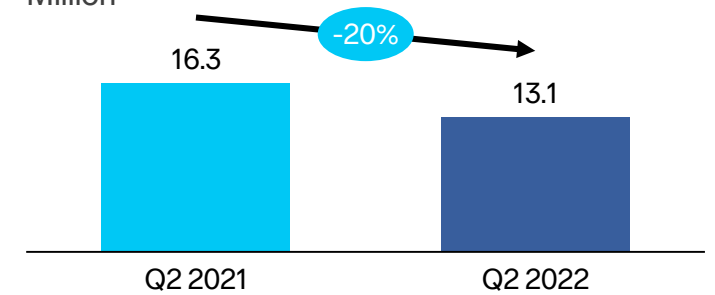
Savings capital

SEKbn



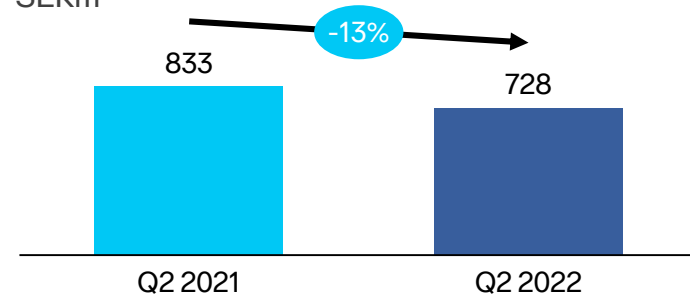
Number of trades

Million



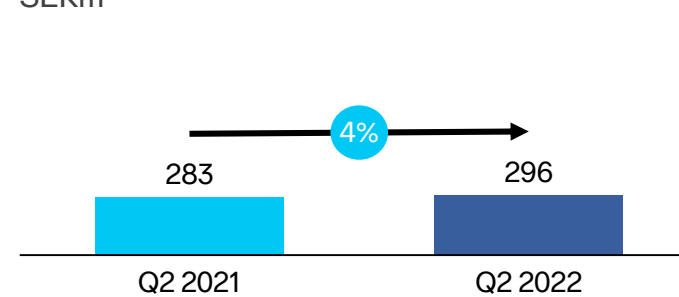
Adjusted revenues

SEKm²



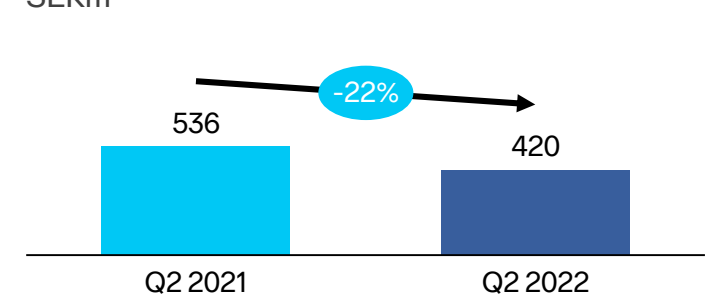
Adjusted operating expenses

SEKm²



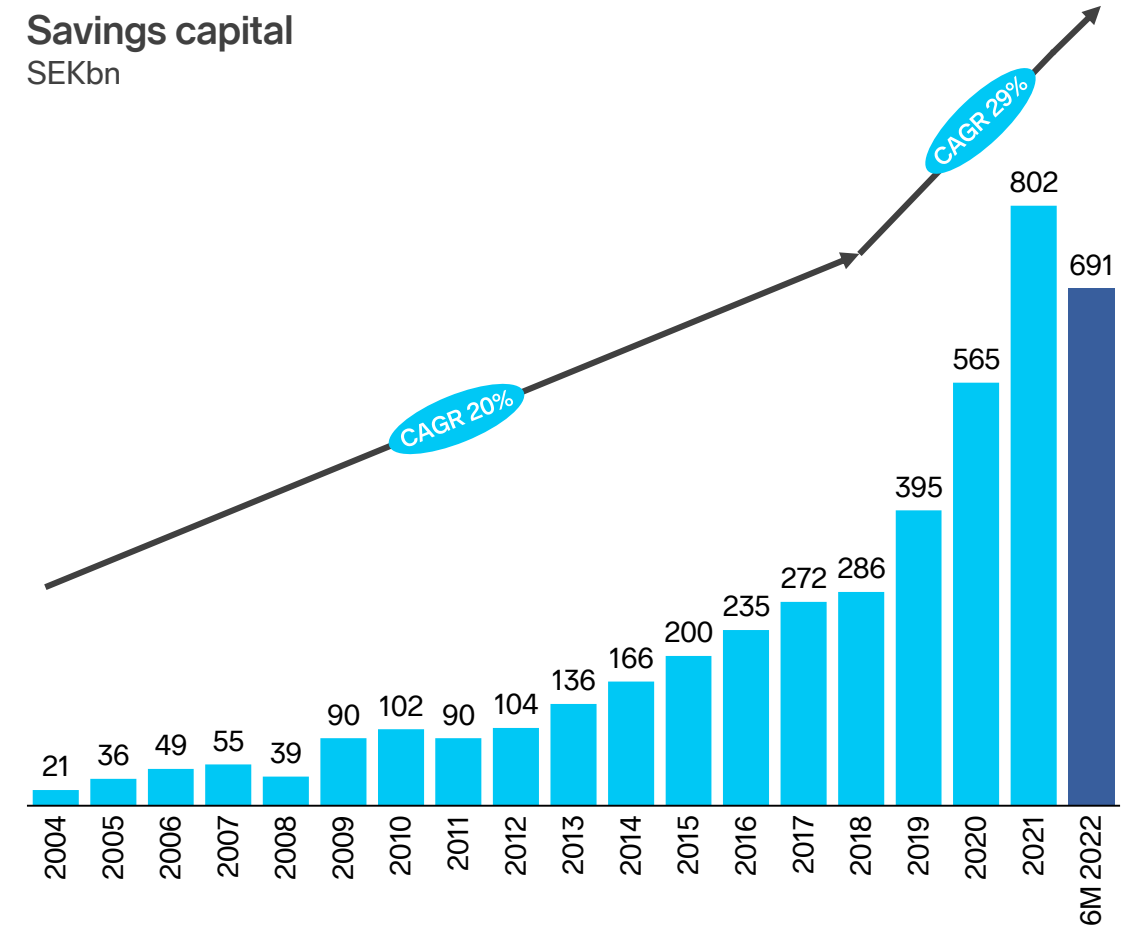
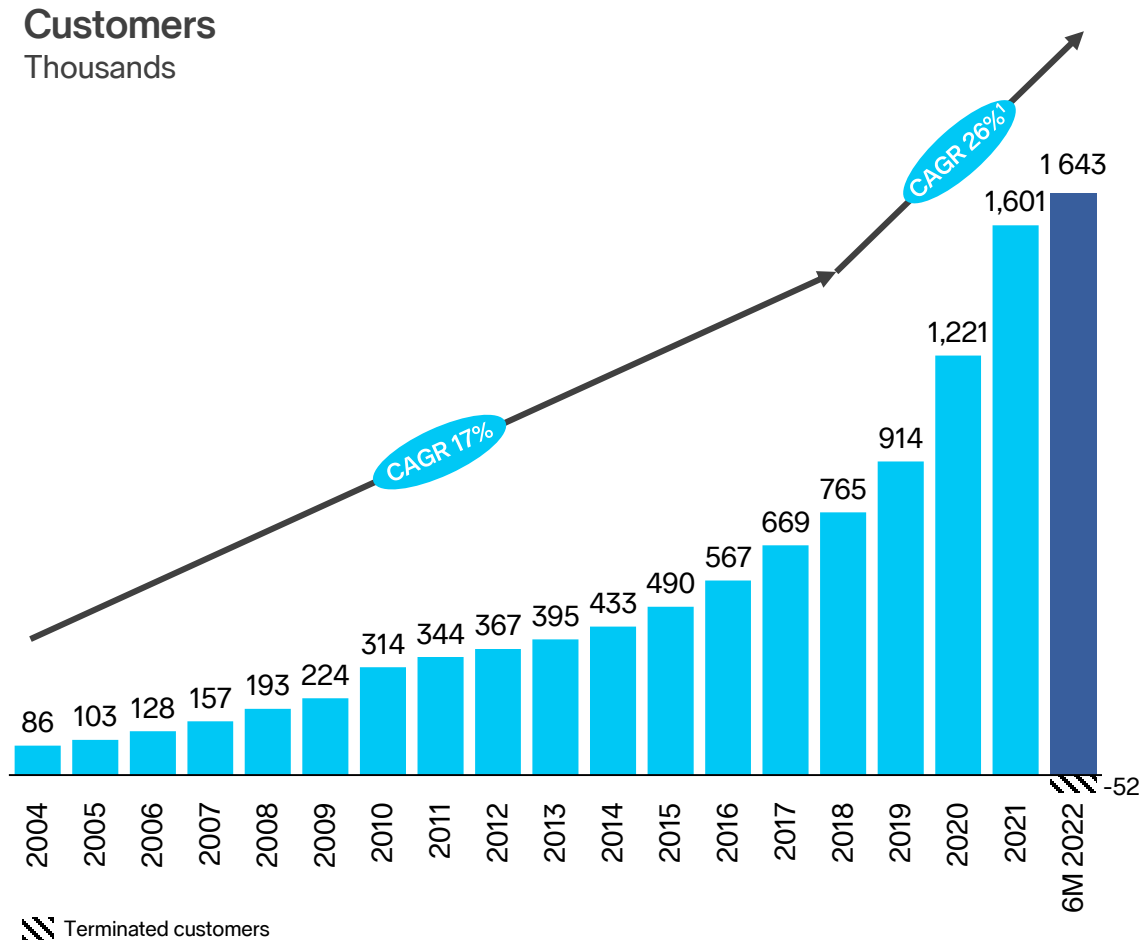
Adjusted profit before tax

SEKm²



(1) Customer growth in the last 12 months was 11% including the 51 700 customers that during H1 2022 were terminated related to the project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021. (2) Refer to page 30 for additional detail on items affecting comparability.

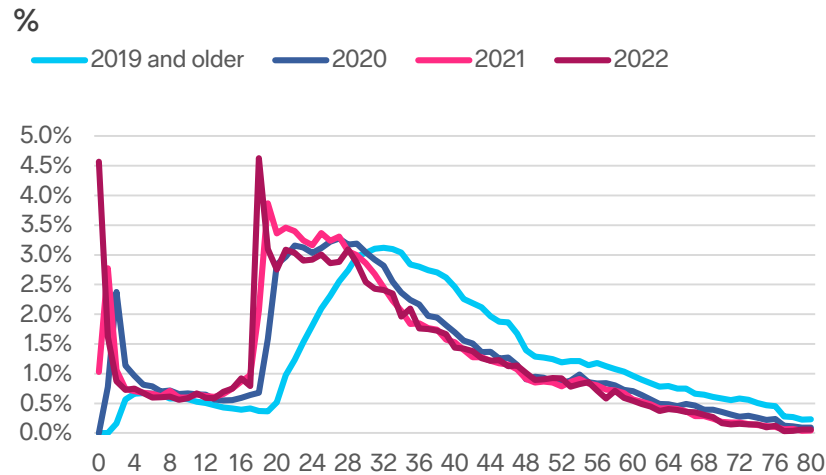
Strong long-term growth in customers and savings capital



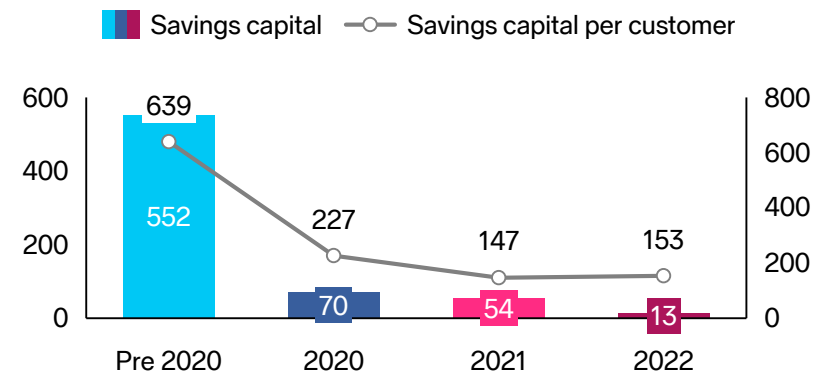
(1) Including the 51 700 customers that during H1 2022 were terminated related to the project concerning the collection of complete customer documentation, CAGR would have been 24%.

New customers are younger, higher share of women and have more savings in funds

Share of customers per cohort and age¹

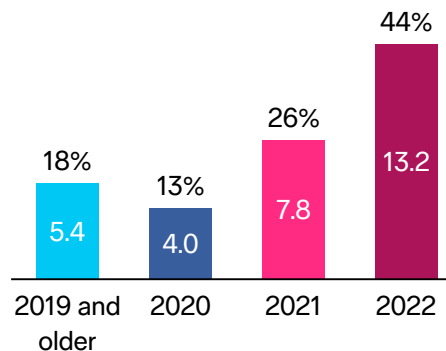


Savings capital per customer June 2022¹
SEKbn | SEKk (RHS)

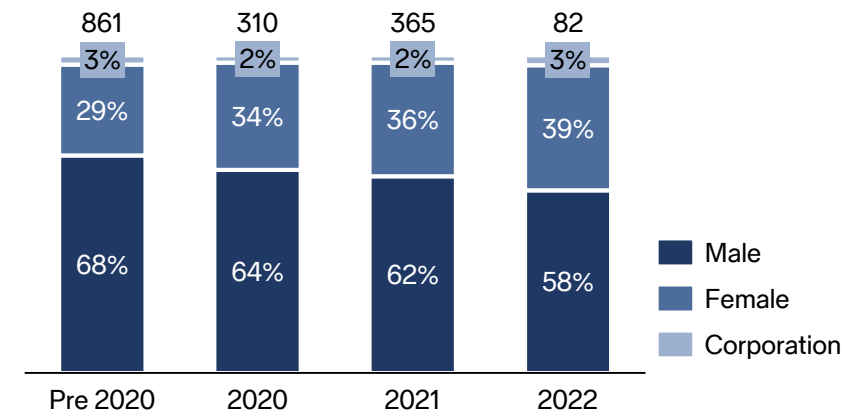


(1) Excludes customers who only carry an unsecured loan

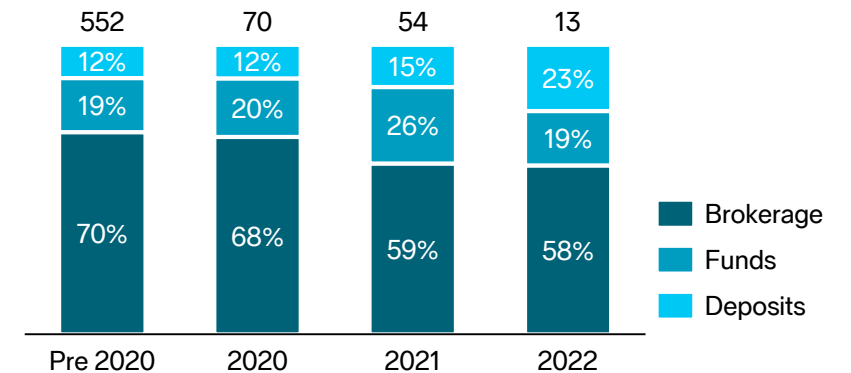
Net savings H1 2022
SEKbn | % of total



Share of customers by cohort and gender¹
(‘000)



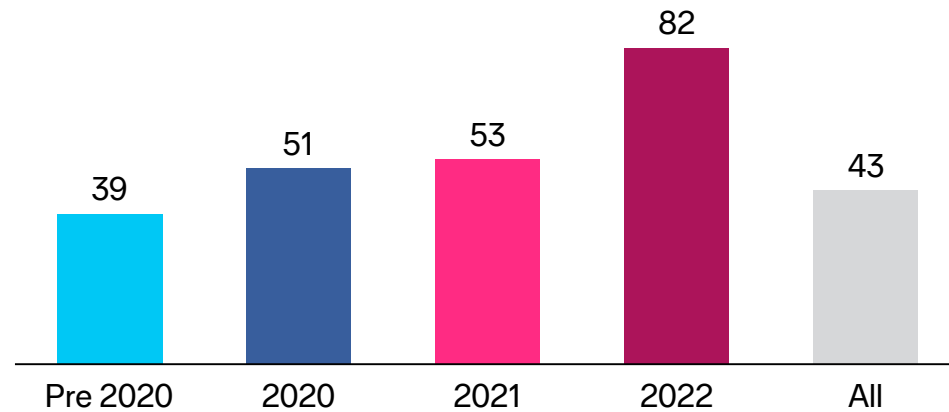
Share of savings capital by cohort and asset type
SEKbn



New customers remain active and drive a higher margin

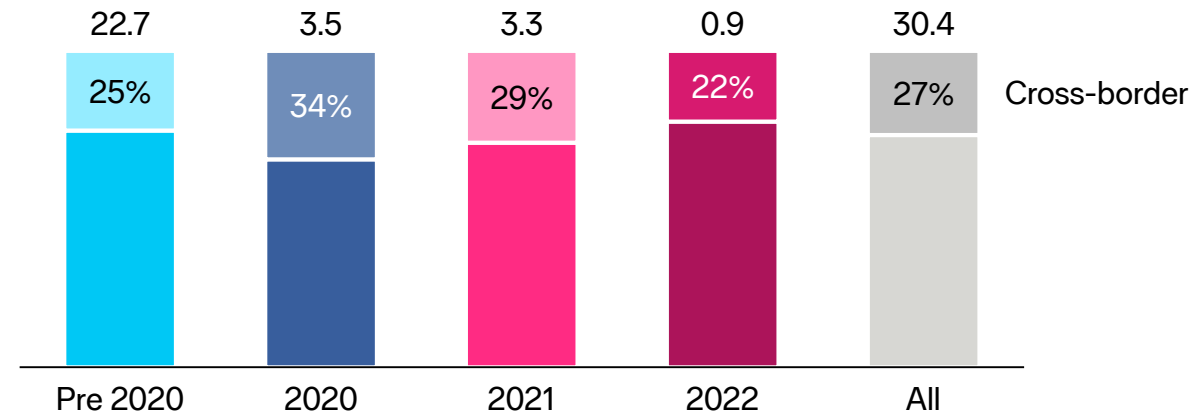
Revenue margin H1 2022

bps



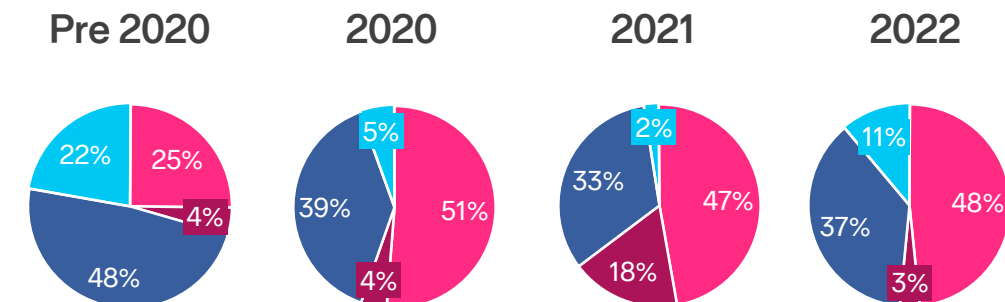
Share of cross-border trades H1 2022

% | million trades



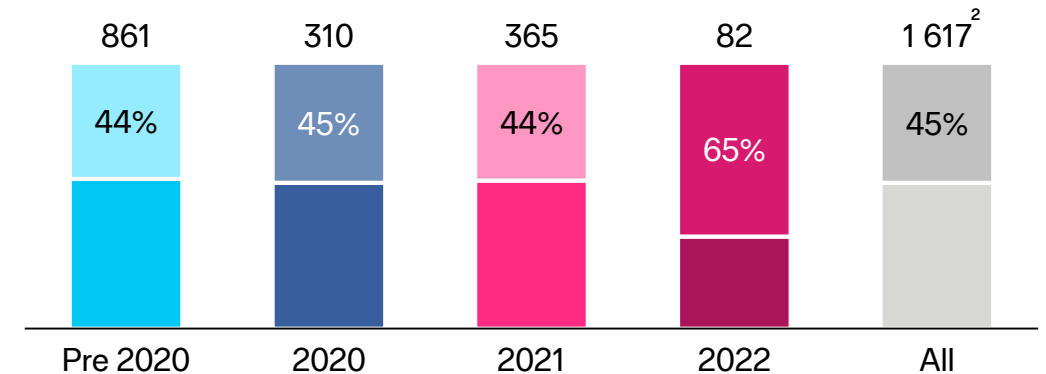
Share of trades per application H1 2022

% | Web Other Mobile Infront



Share of customers trading during H1 2022¹

% | Thousand customers

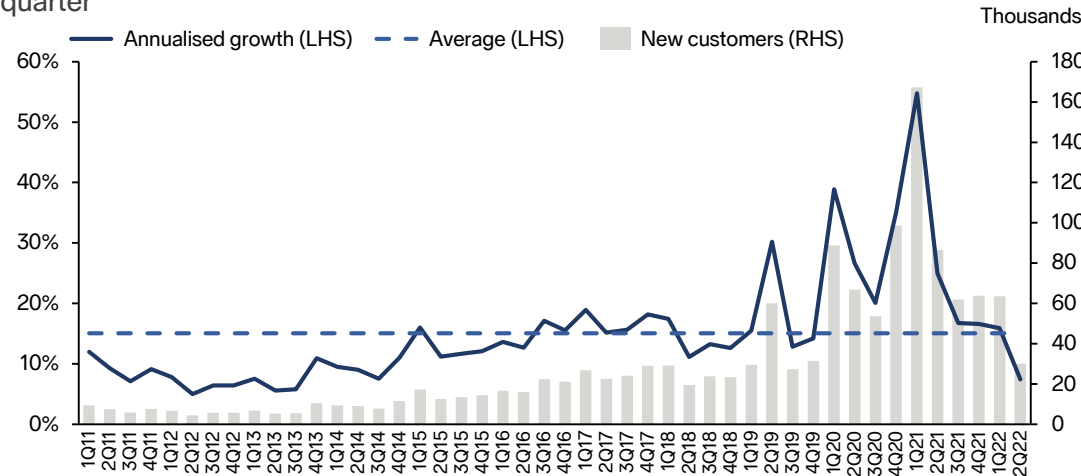


(1) Number of unique customers making at least one trade during the period divided by number of customers end of the period; (2) Excludes customers who only carry an unsecured loan.

Strong cost control drives profit despite negative macro

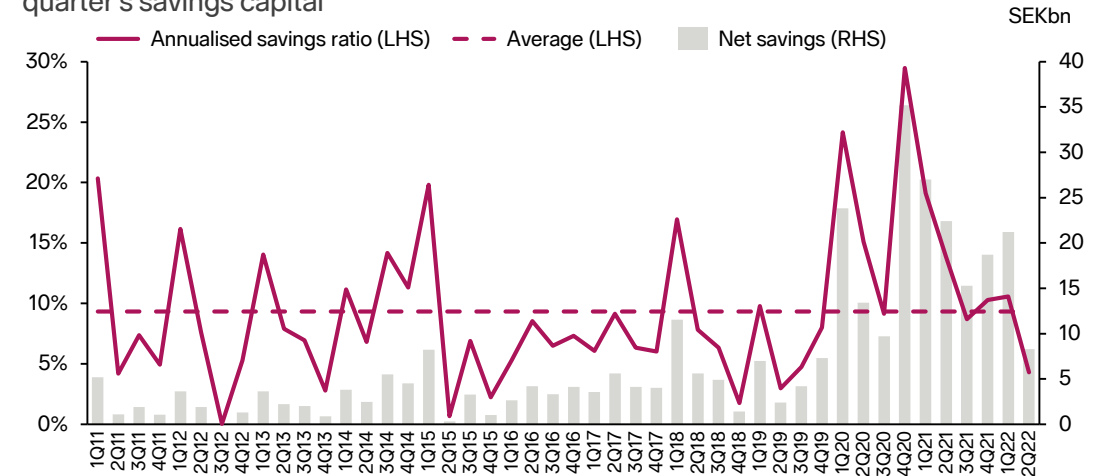
Annualised customer growth

Annualised quarterly customer increase in relation to previous quarter

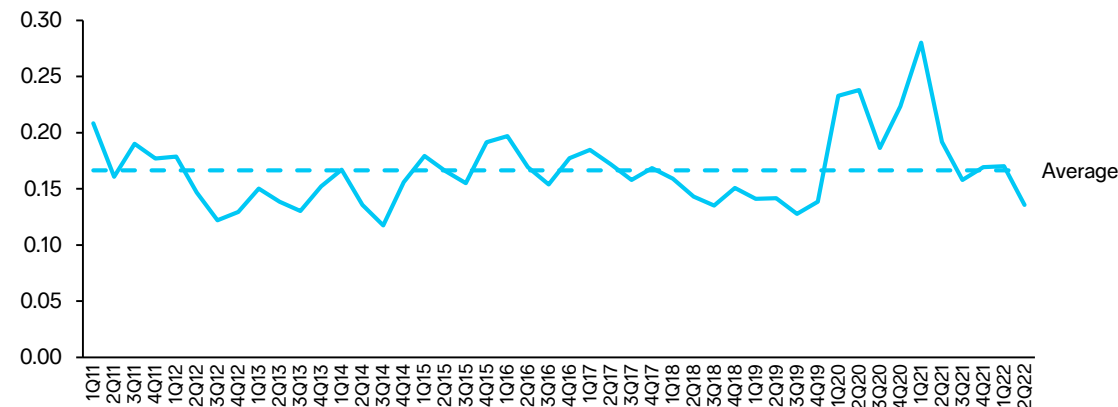


Annualised savings ratio

Annualised quarterly net savings in relation to previous quarter's savings capital

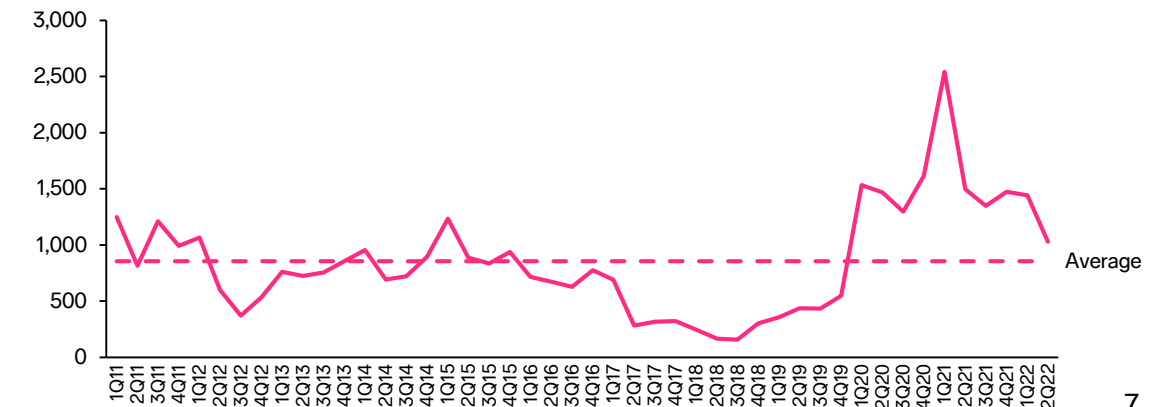


Trades per customer per trading day



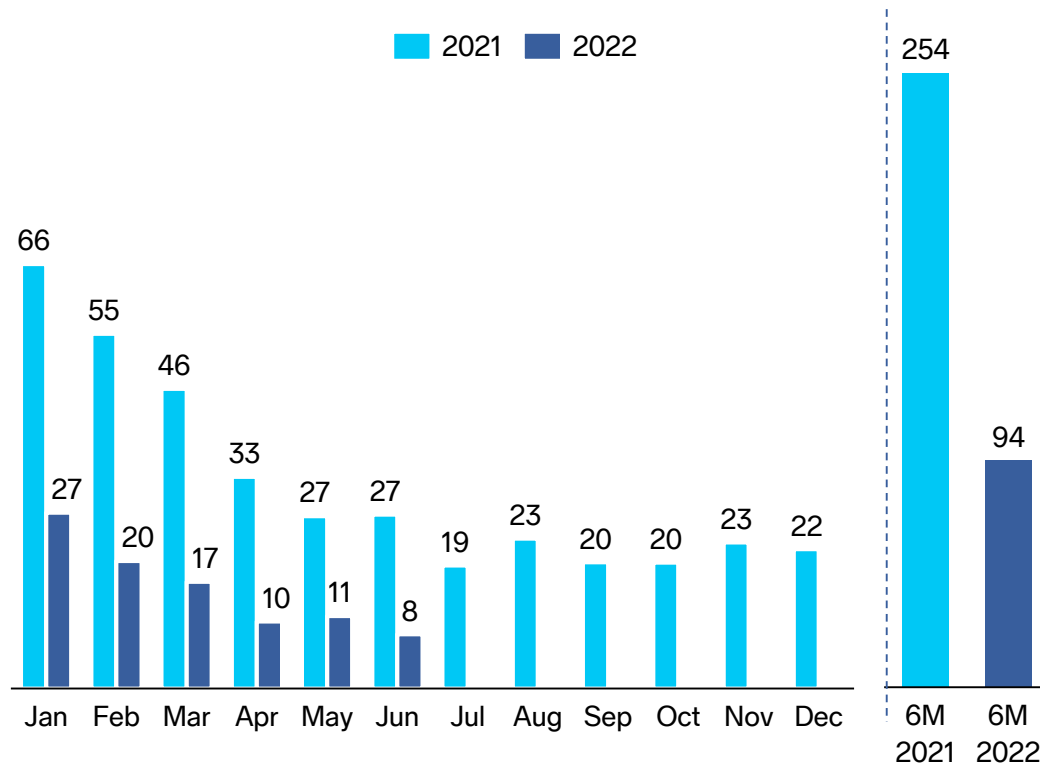
Annualised profit per customer (SEK)

Annualised quarterly adjusted profit before tax in relation to number of customers

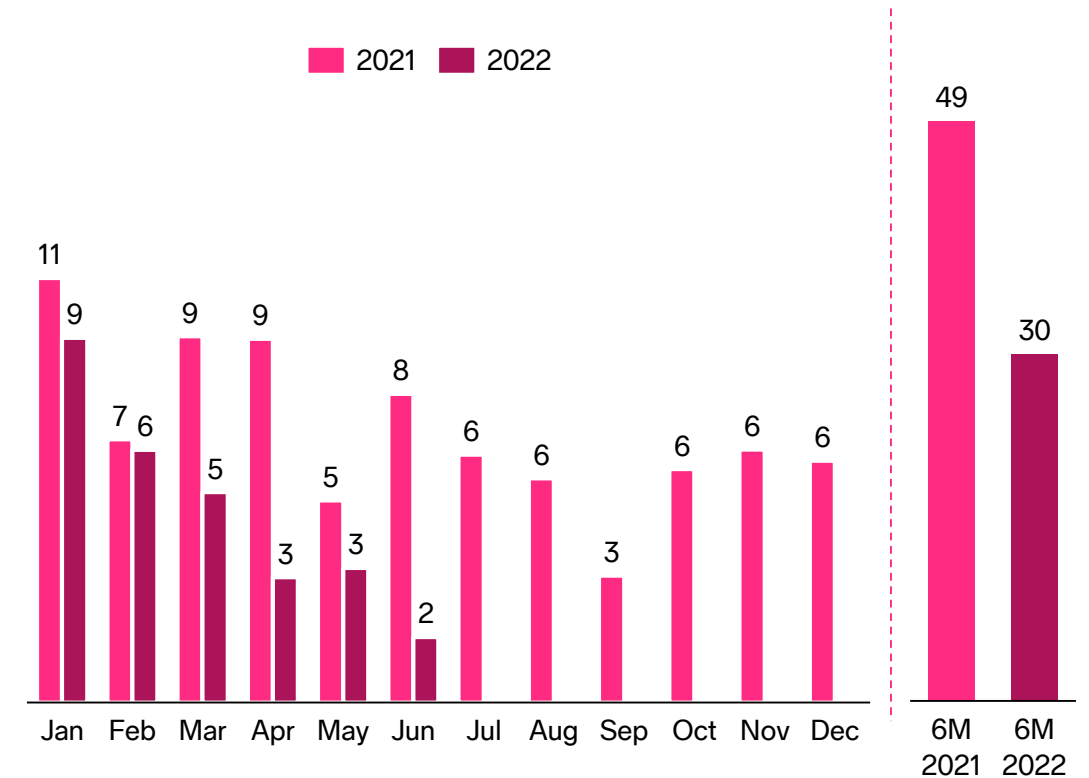


Negative market climate has impacted growth in customers and net savings

New customers by month¹
Thousands



Net savings per month
SEKbn

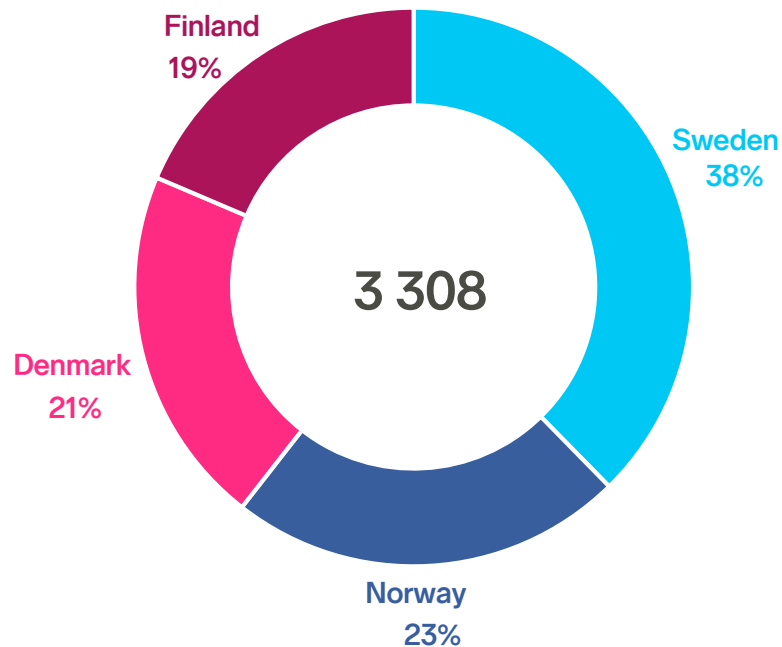


(1) Excludes 51,700 customers who during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021.

Only pan-Nordic digital savings and investment platform at scale

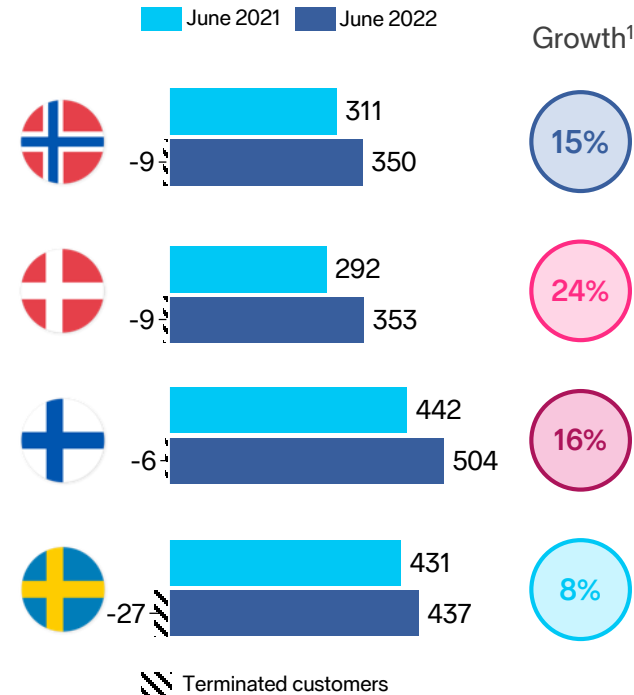
Sweden is still the largest market...

Nordnet's LTM 6M 2022 revenue by country (%)
SEKm



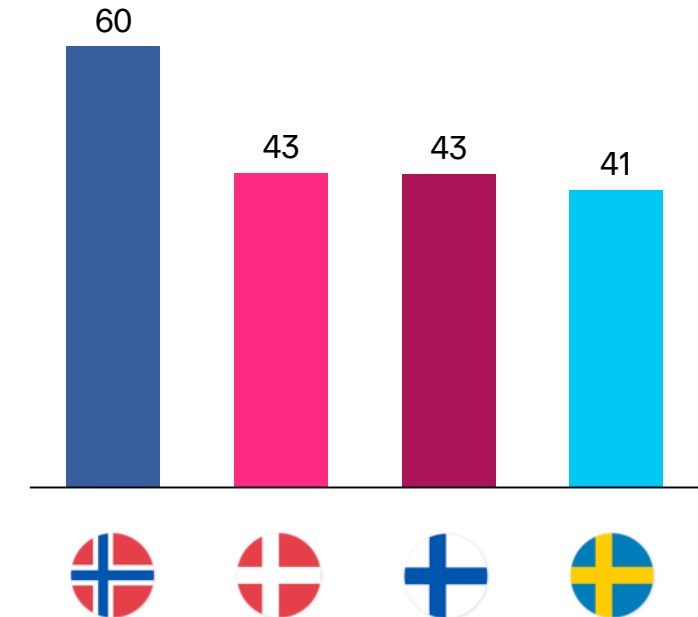
...but other Nordic countries are growing faster...

Nordnet's number of customers by country



...and at higher margins

Revenue margin by country (bps)²



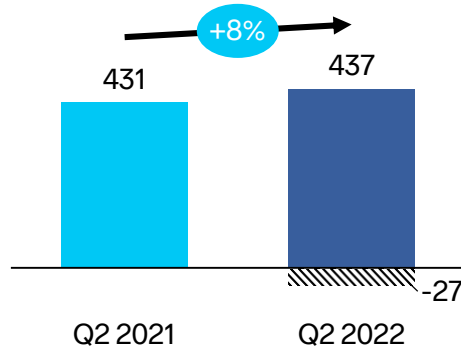
(1) Growth figures exclude customers who during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021;
(2) LTM 6M 2022 revenue divided by average quarterly savings capital over the period.

Geographical diversification enables stable development

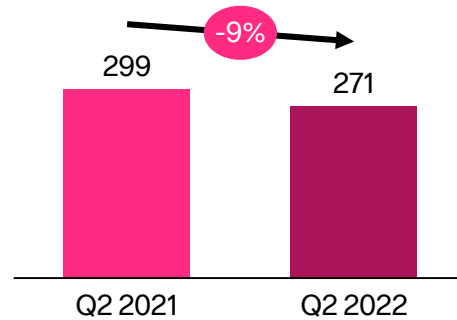
Sweden



Customers¹
Thousand



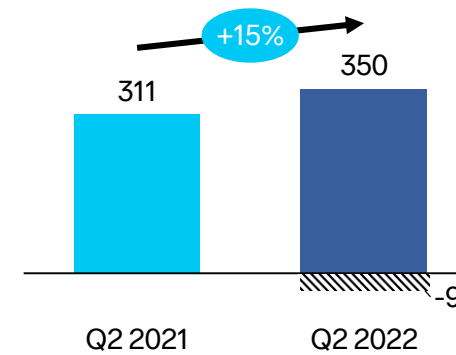
Savings capital
SEKbn



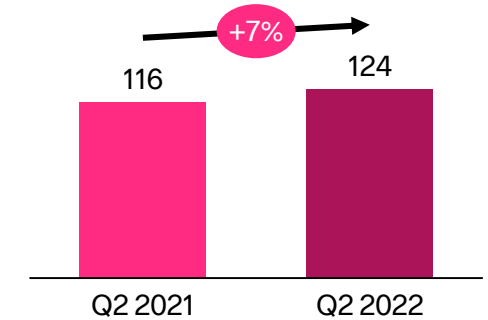
Norway



Customers¹
Thousand



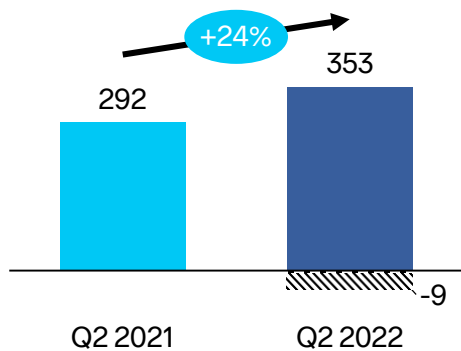
Savings capital
SEKbn



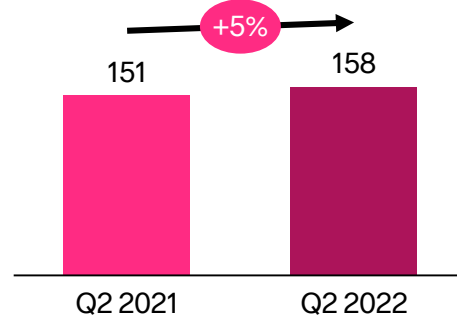
Denmark



Customers¹
Thousand



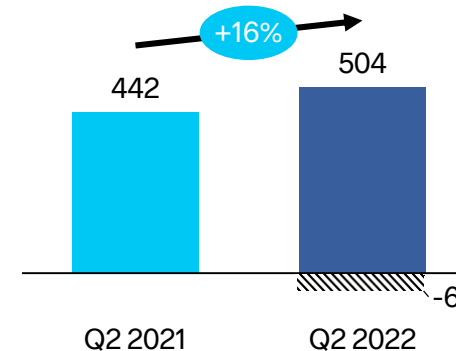
Savings capital
SEKbn



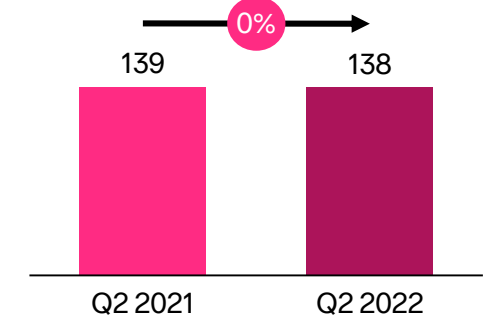
Finland



Customers¹
Thousand



Savings capital
SEKbn

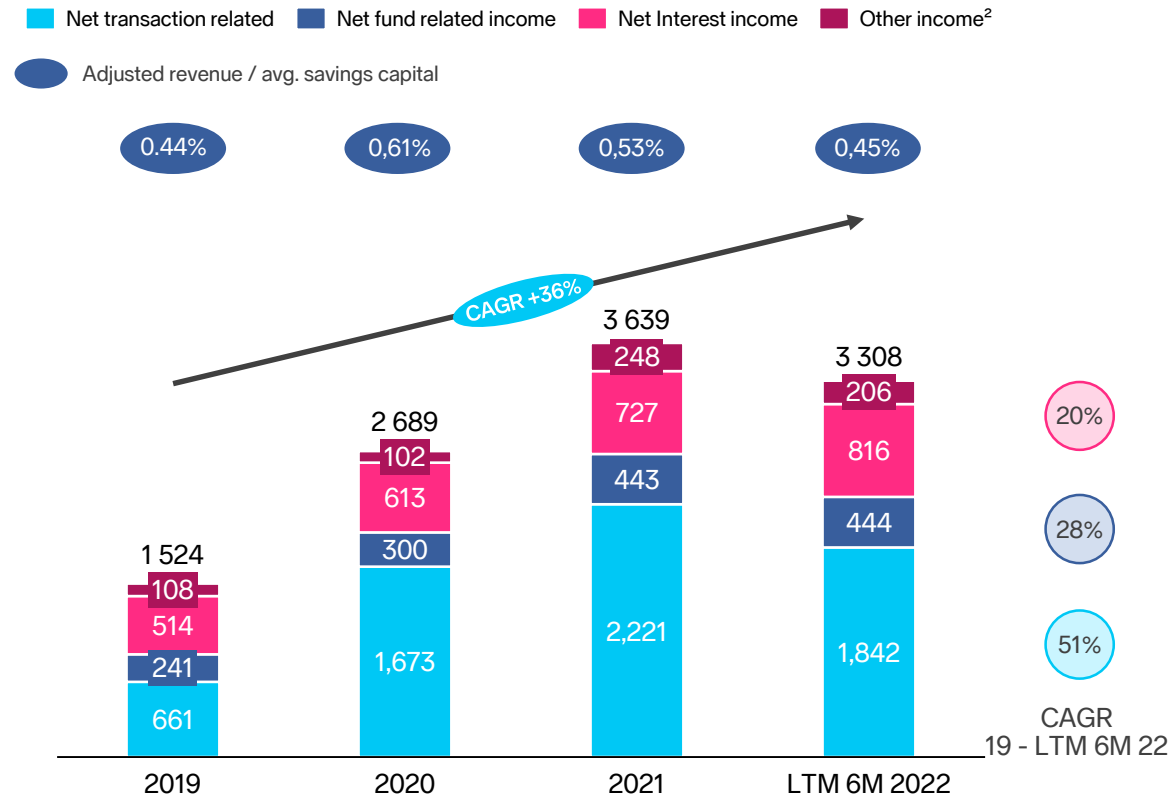


 Terminated customers

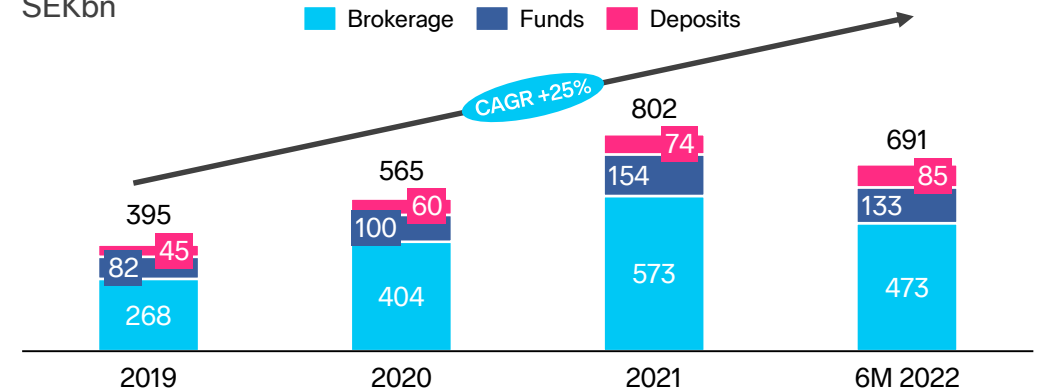
(1) Growth figures exclude customers who during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021.

Continued high revenue driven by resilient margins and diversified income streams

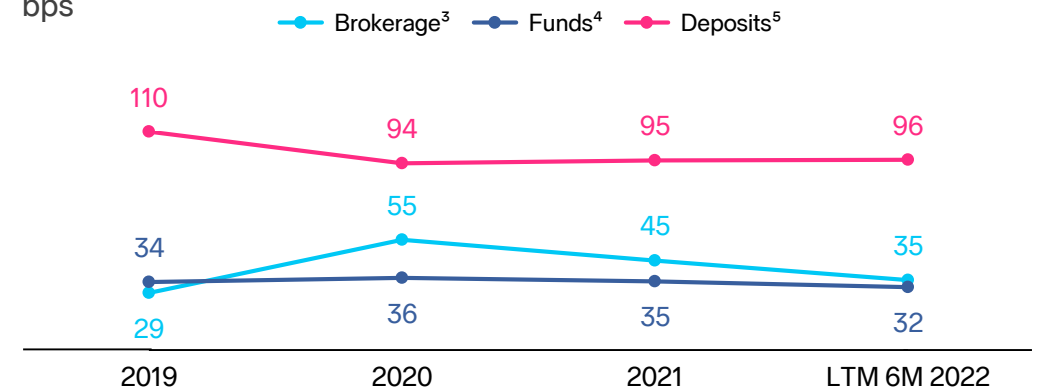
Adjusted revenue by income type
SEKm¹



Savings capital by product
SEKbn



Revenue margin by product
bps



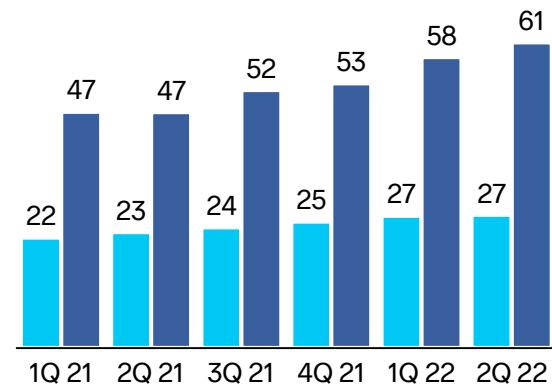
(1) Refer to page 30 for additional detail on items affecting comparability; (2) Includes other income, net other provision income and net financial transactions; (3) Net transaction related income divided by average quarterly brokerage savings capital; (4) Net fund related income divided by average quarterly fund savings capital; (5) Net interest income excluding income related to securities lending divided by average quarterly deposits.

Liquidity portfolio to generate ~SEK900m in 2023*

* assuming Q2 2022's volume, currency allocation and credit spreads

Volume

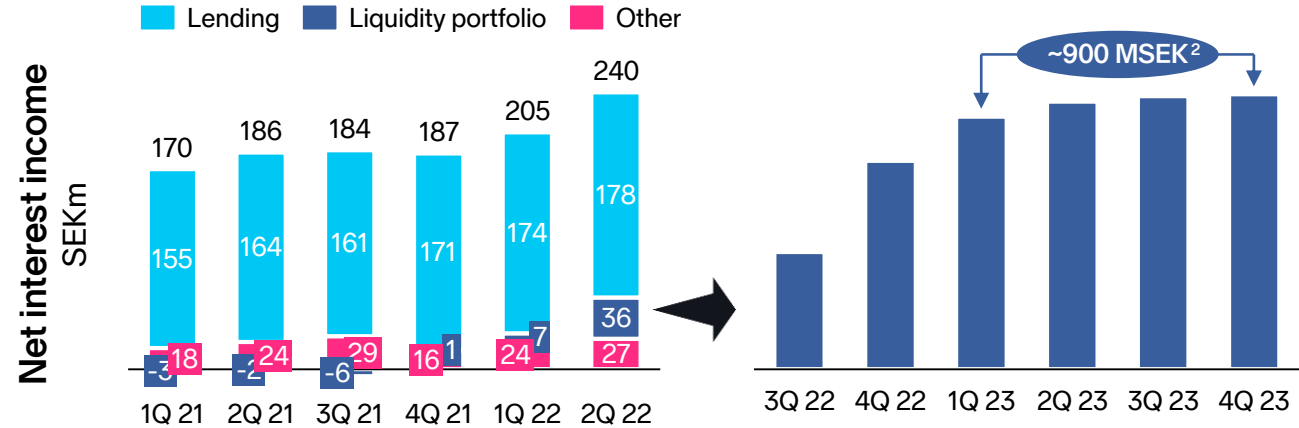
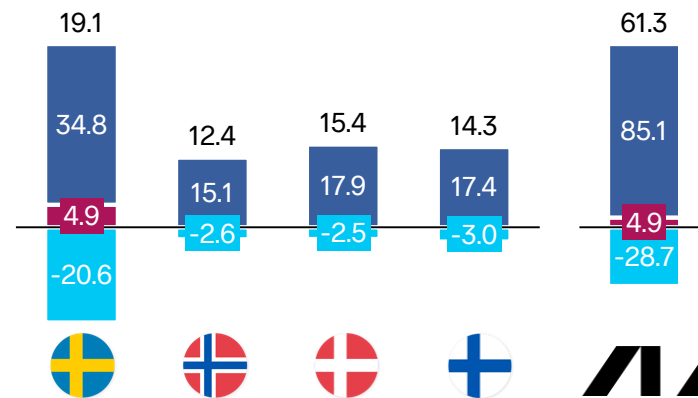
SEKbn Lending¹ Liquidity portfolio



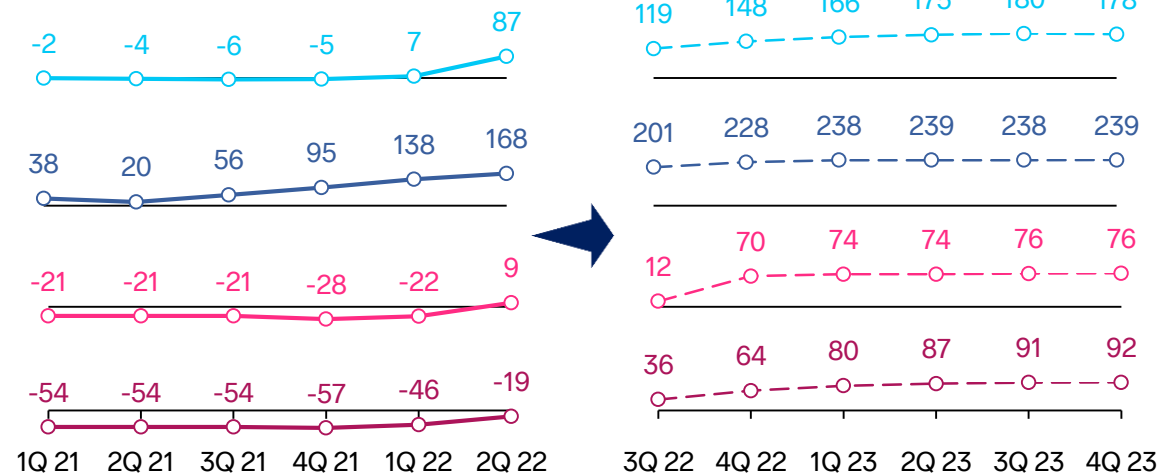
Volume 2Q 22

SEKbn

Deposits Lending³ Other/equity



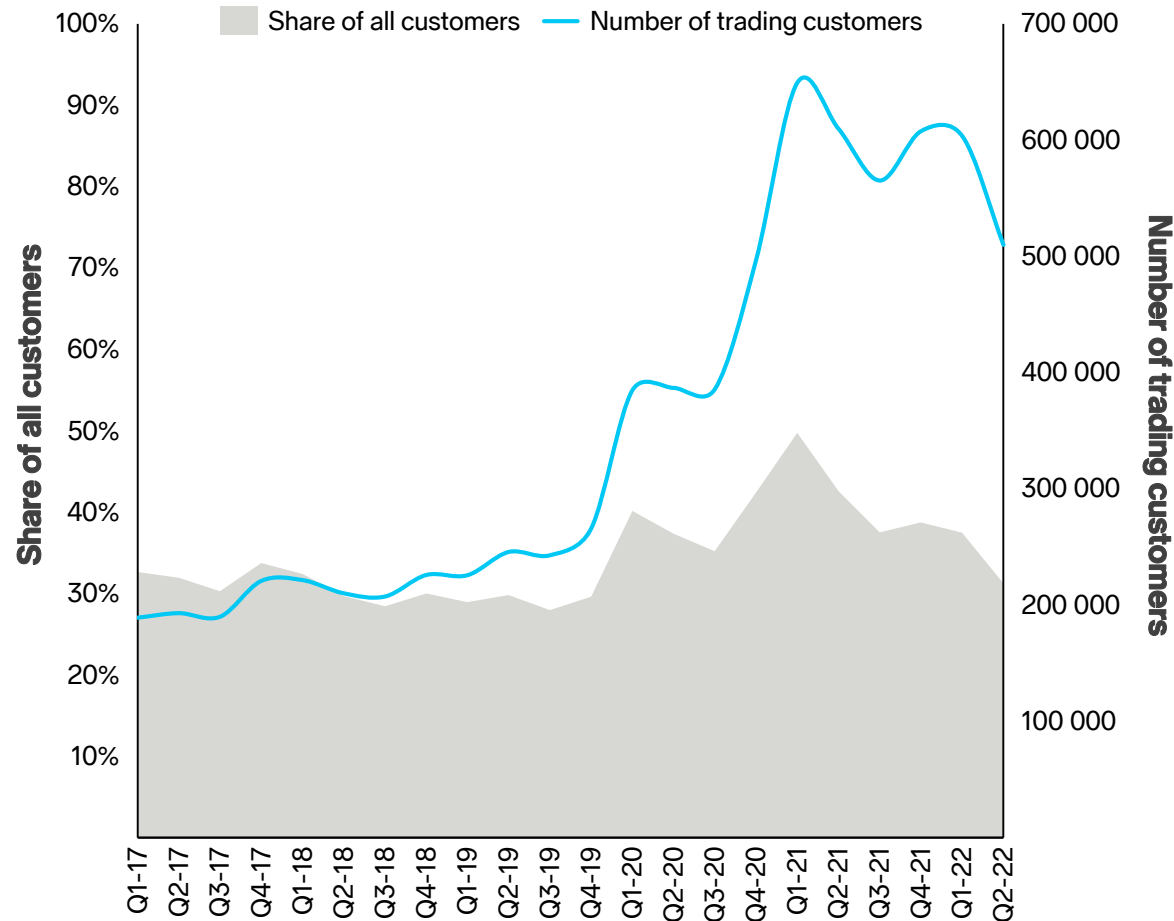
3M IBOR⁴ development and forecast (bps)



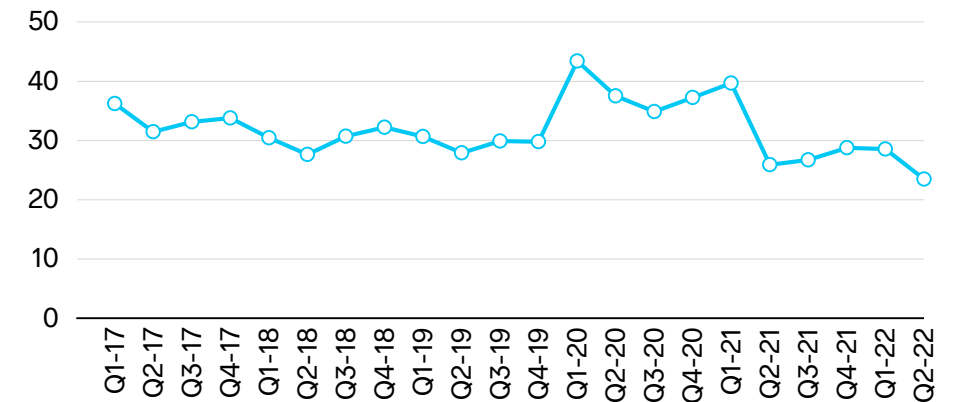
(1) Excluding lending against pledged cash and cash equivalents; (2) Part of deposits in Denmark are charged negative interest (70 bps) which will, when policy rates change, partly offset the increased income within treasury. Income amounted to approx. SEK 25m during H1 2022. Nordnet also offers interest on savings accounts in Norway (20 bps EQ2) which will offset a minor part of the increased NII; (3) Including lending against pledged cash and cash equivalents; (4) Source: Bloomberg.

Significant growth in number of trading customers with an increased interest for cross-border trading

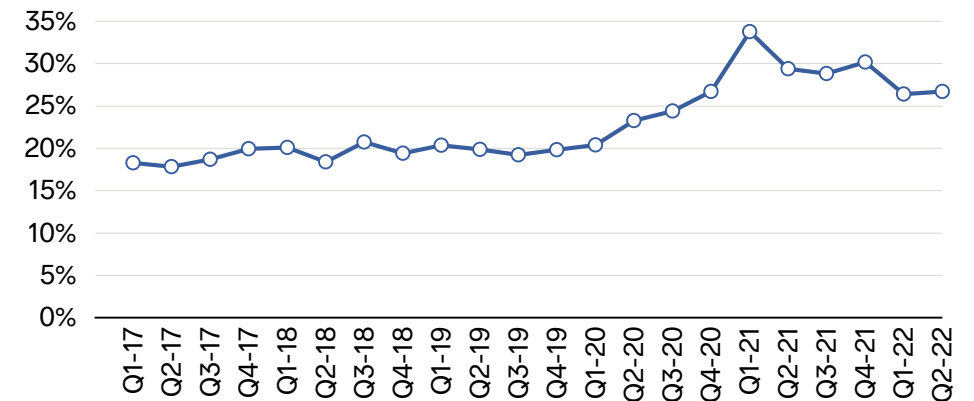
Trading customers



Trades per trading customer / quarter



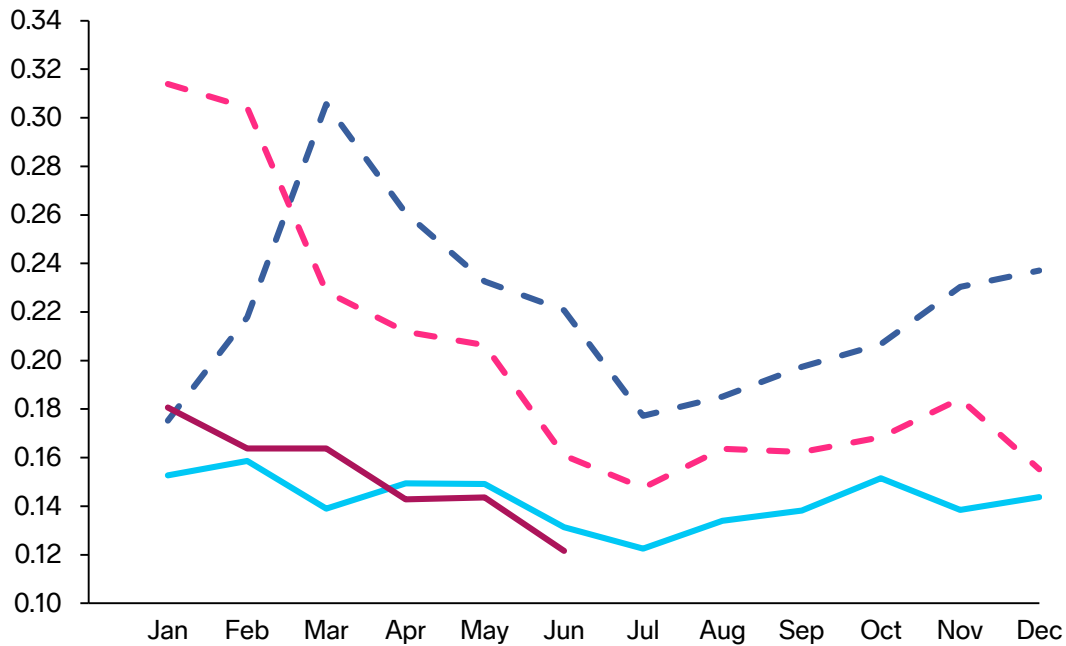
Share of cross-border trades



Trading seasonality shows a clear V-shape

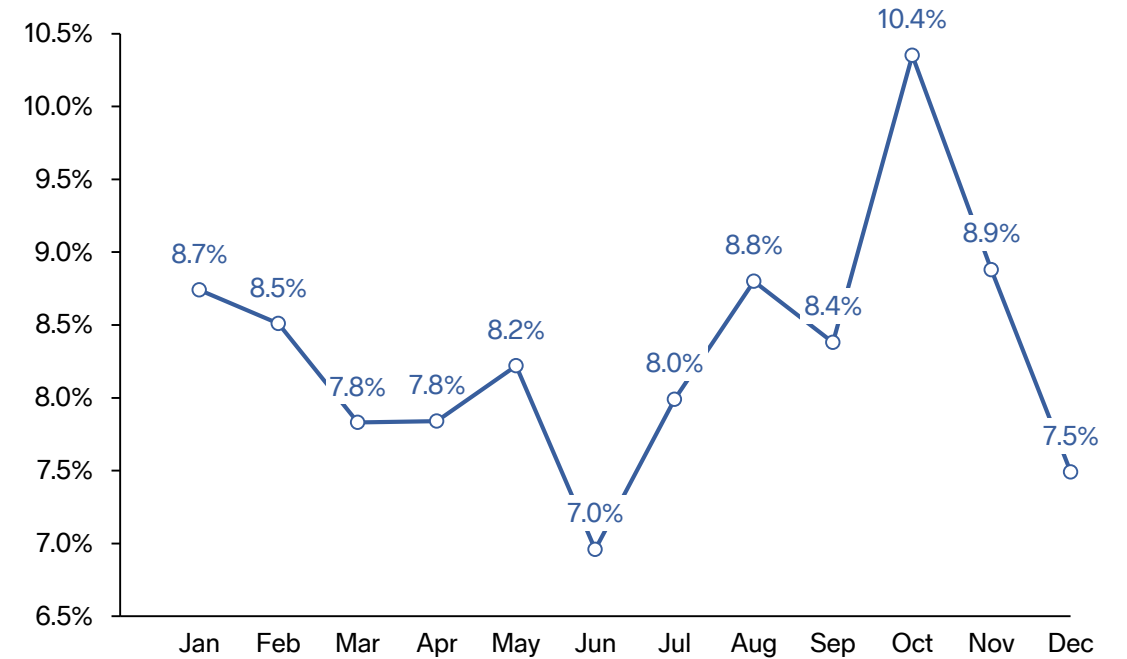
Trades per customer per trading day

— 2018-2019 — 2020 - - 2021 — 2022



Share of full year trades per month

—○— 2018-2019



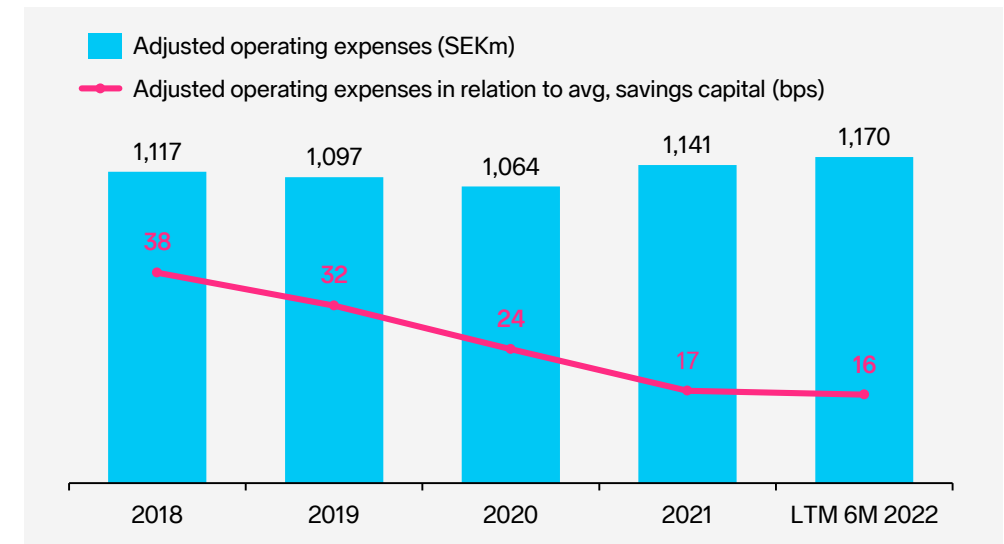
Rigorous focus on cost discipline to drive operating leverage

Key drivers of operating leverage

- ✓ Scalable cloud-powered tech platform
- ✓ Process simplification and automation
- ✓ Highly efficient customer growth
- ✓ Manage third party spend

Operating leverage drives improvement in cost margin

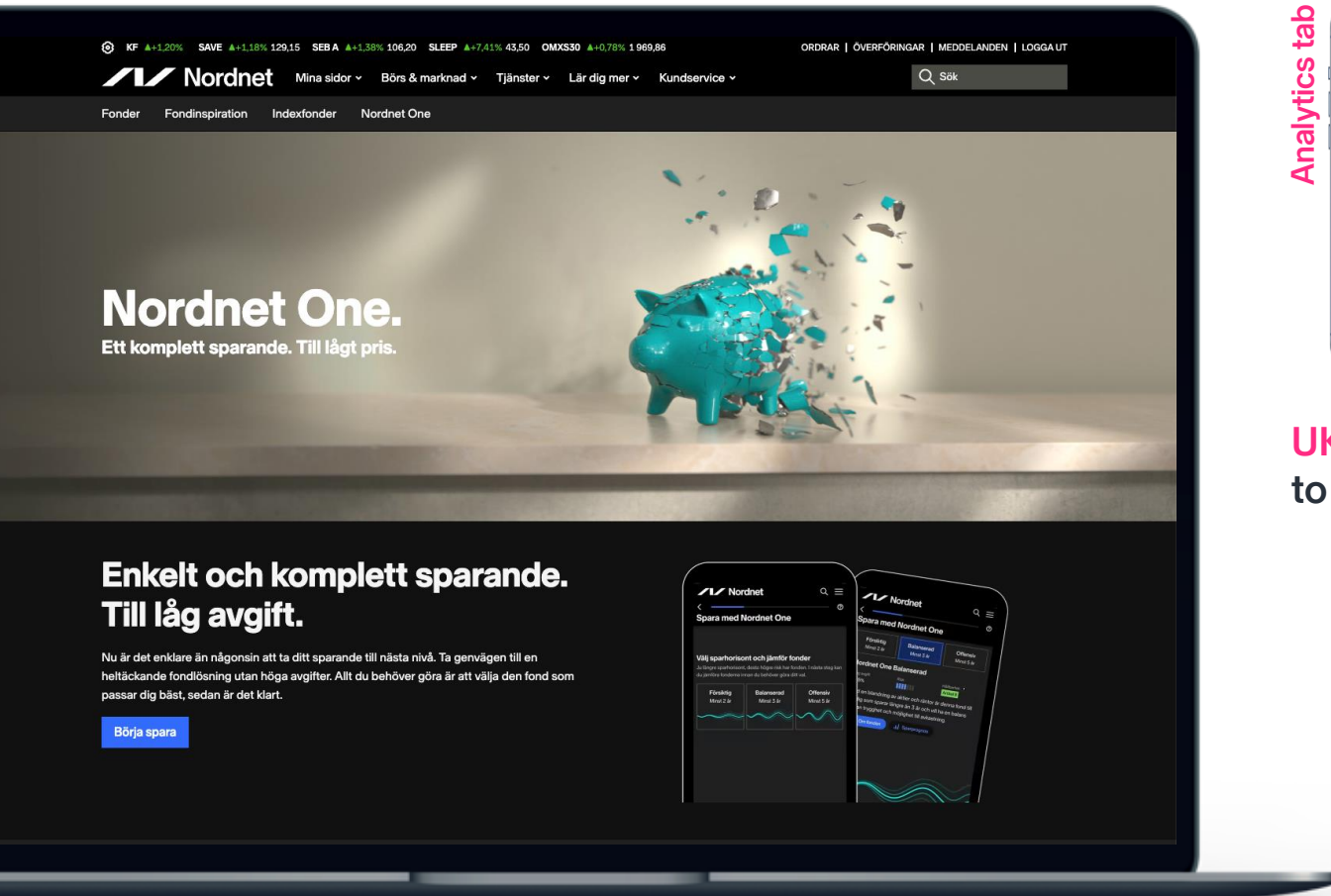
Adjusted operating expenses¹ in absolute terms and in relation to avg. savings capital (bps)²



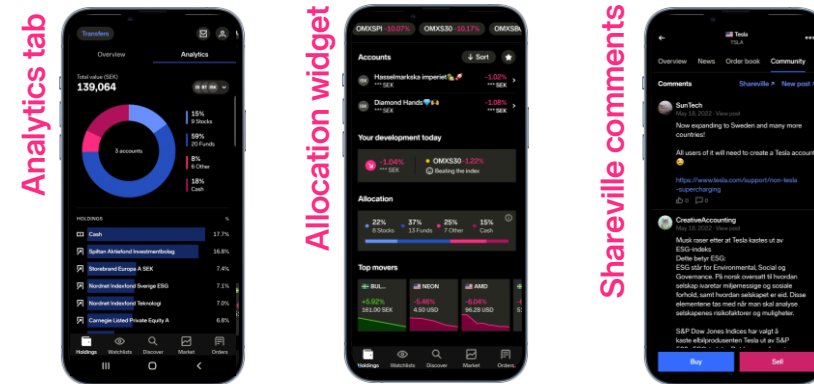
(1) Adjusted operating expenses; subtracting SEK 16m in 2018, SEK 65m in 2019, SEK 129m in 2020 and SEK 76m in LTM 6M 2022. Adjusted operating expenses includes amortisation of PPA intangibles and excludes credit losses; (2) Based on quarterly average savings capital over the period.

Select Q2 2022 product highlights

Nordnet One – digital tool and allocation into one of Nordnet's newly launched fund-of-funds



Seven new versions of our **award-winning app** with lots of user-friendly features and flows



UK trading launched – first new electronic trading venue added to platform in 16 years!



London
Stock Exchange

Smashing!

London is now open for trading.

Uutuus! Käy kauppaa ilman välityspalkkioita 30.6.2022 asti.

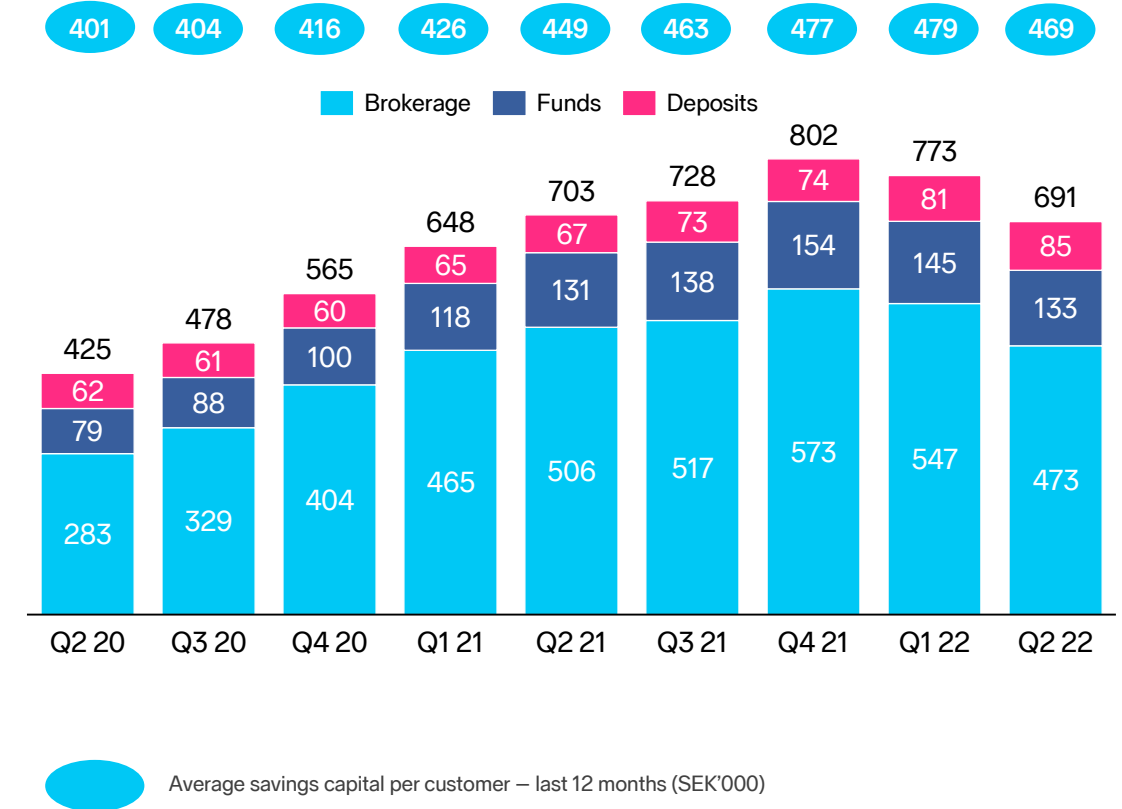
Financial performance

Continuous growth in customers and savings capital

Customers
Thousands



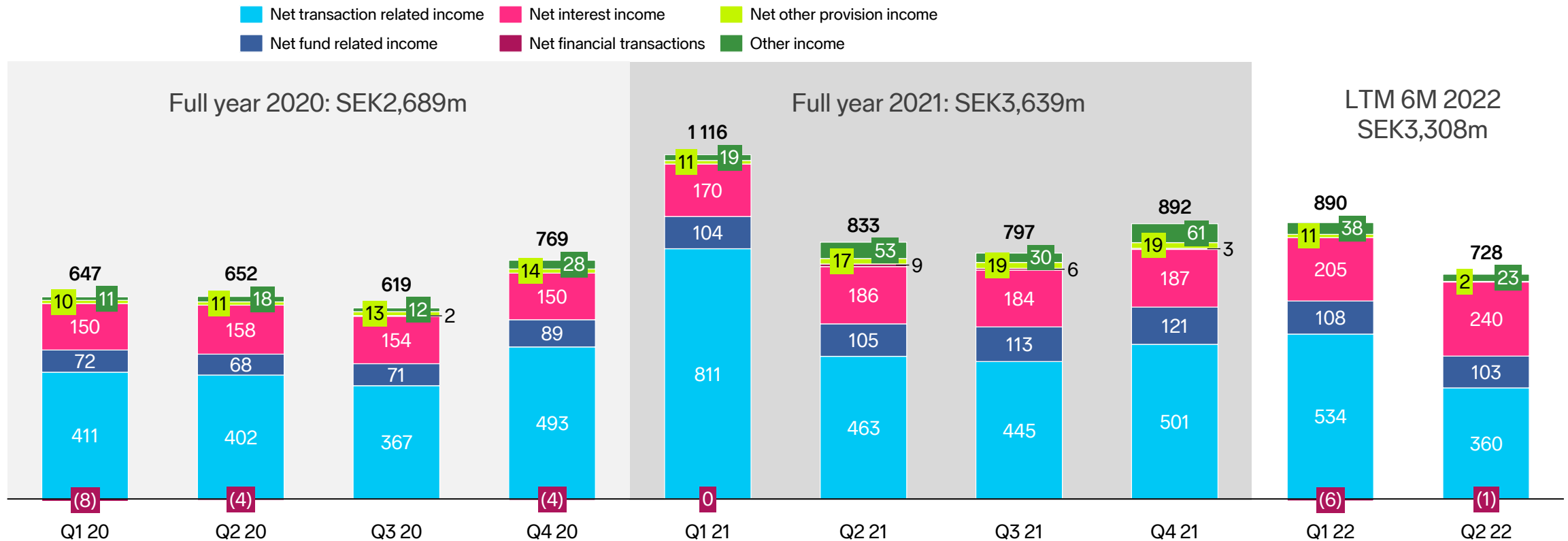
Savings capital by asset class
SEKbn



(1) Excludes customers who during 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021.

Resilient income proving diversification of Nordnet's Nordic business model...

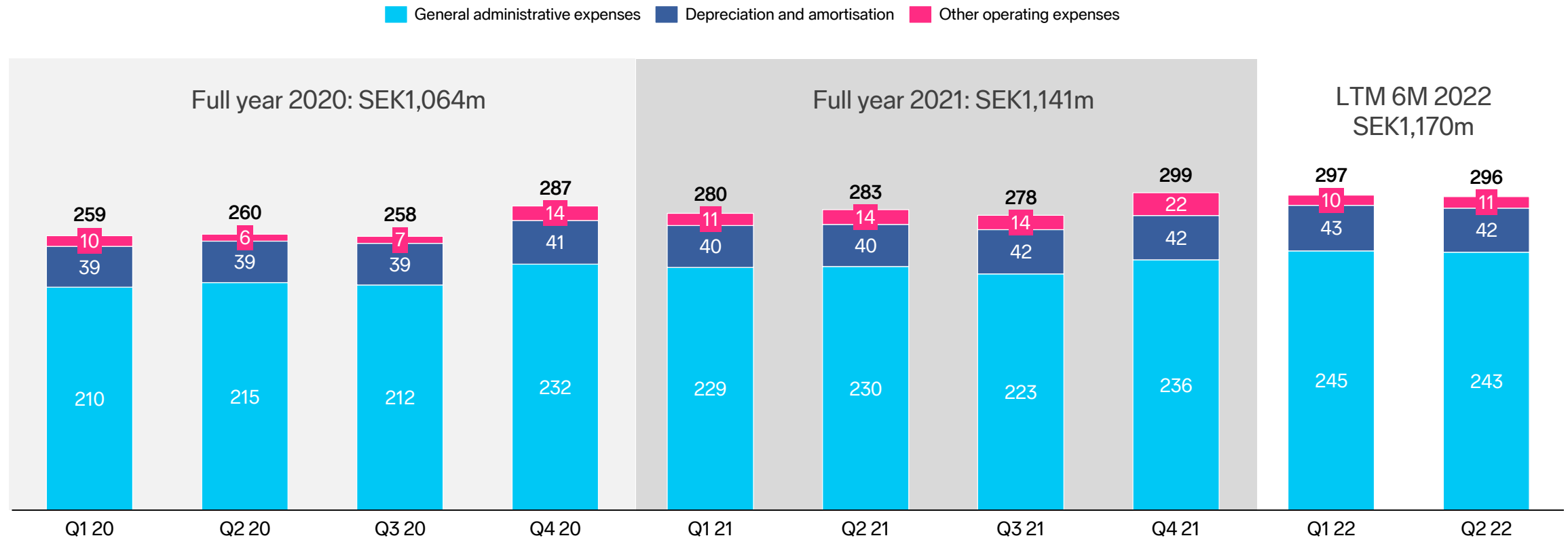
Adjusted revenue by income stream
SEKm



Note: Refer to page 30 for additional detail on items affecting comparability.

...with maintained stable operating expenses...

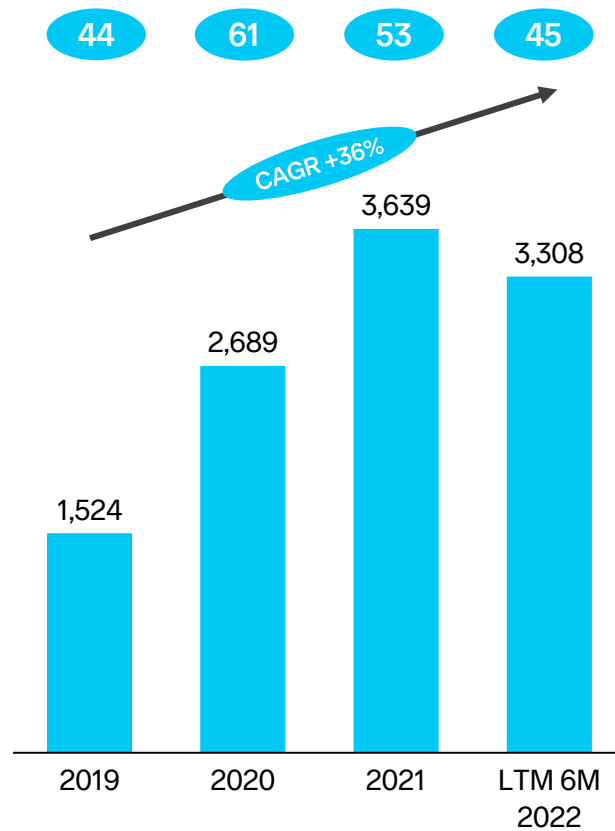
Adjusted operating expenses SEKm



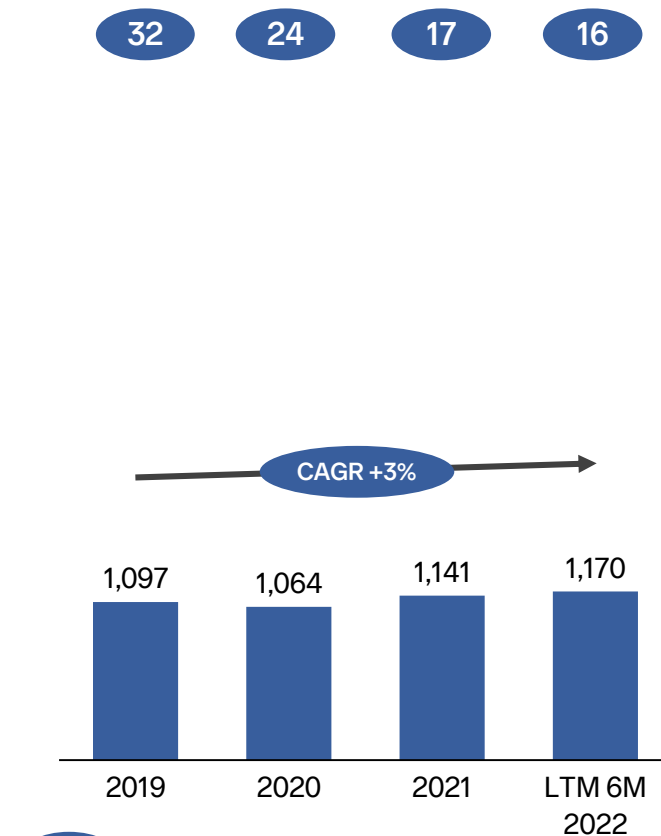
Note: Refer to page 30 for additional detail on items affecting comparability.

...resulting in considerable operating leverage

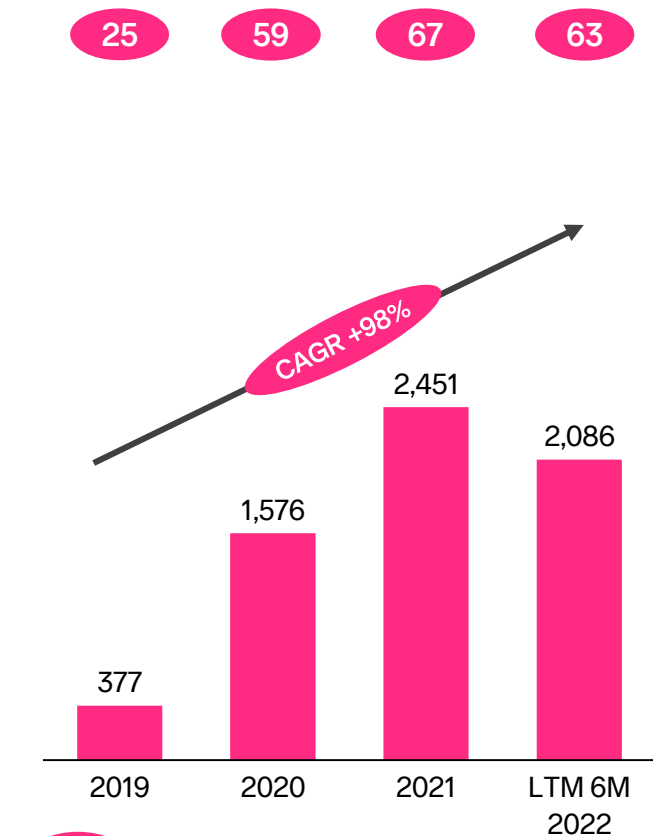
Adjusted revenue
SEKm




Adjusted operating expenses³
SEKm




Adjusted profit before tax
SEKm



 Income in relation to savings capital (bps)¹

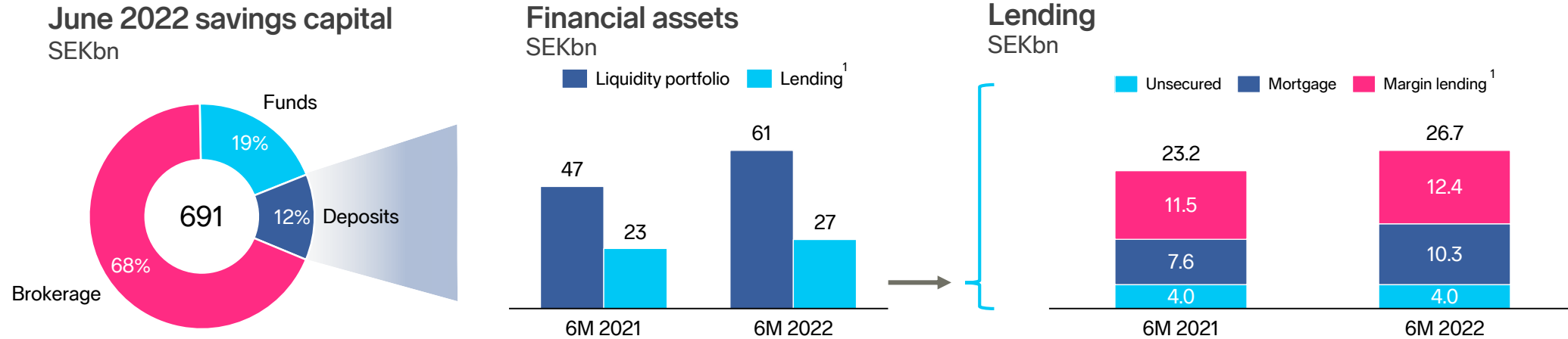
 Operating expenses in relation to savings capital (bps)²

 Profit before tax margin (%)

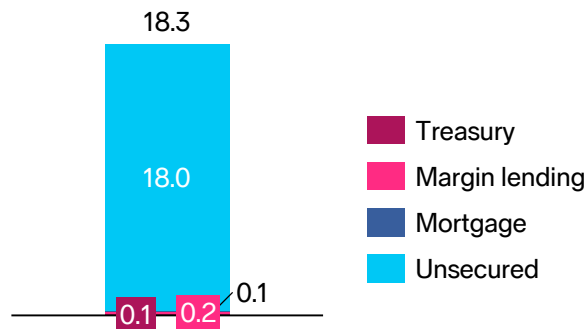
Note: Refer to page 30 for additional detail on items affecting comparability

(1) Adjusted revenue divided by average quarterly savings capital over the period; (2) Adjusted operating expenses divided by average quarterly savings capital over the period; (3) Includes amortisation of PPA intangibles and excludes credit losses.

High quality loan portfolio with loan losses remaining at very low levels



H1 2022 net credit losses by lending category



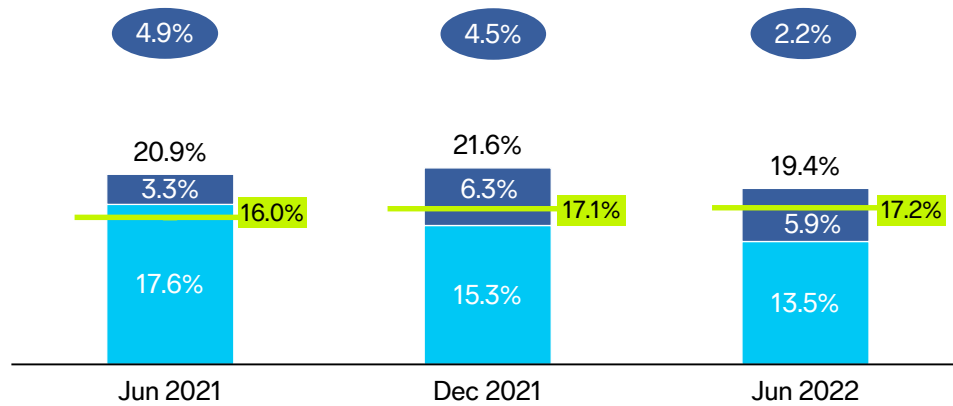
(1) Excluding lending against pledged cash and cash equivalents.

Maintained capital position

Total capital ratio

%

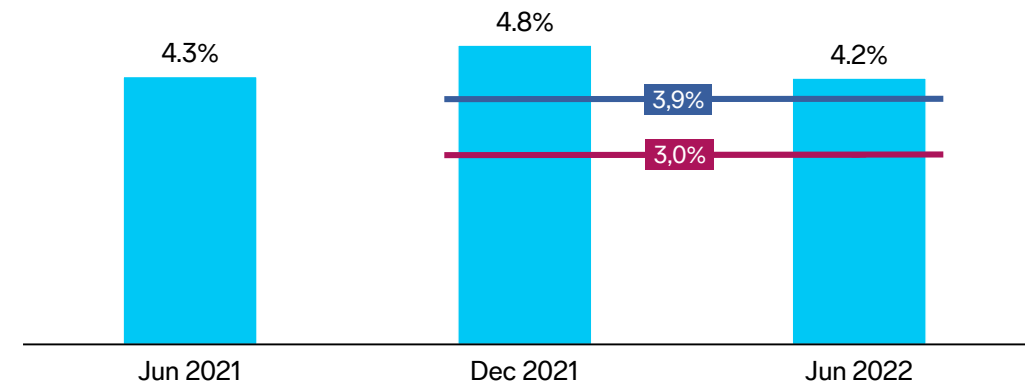
■ Capital requirement ■ Additional Tier 1 ratio
■ CET1 ratio ● Buffer over total capital requirement



Leverage ratio

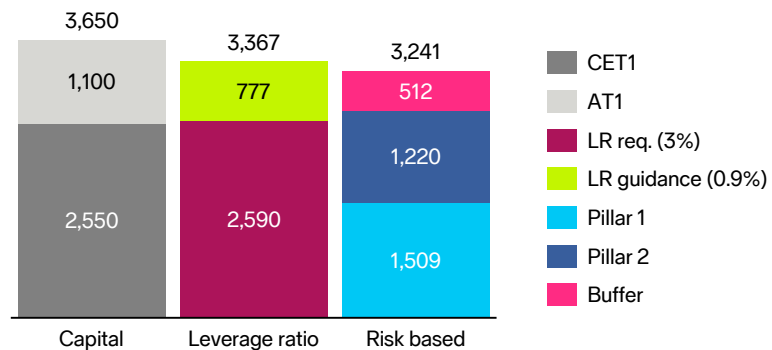
%

■ Leverage ratio — Requirement including P2 guidance
— Minimum requirement



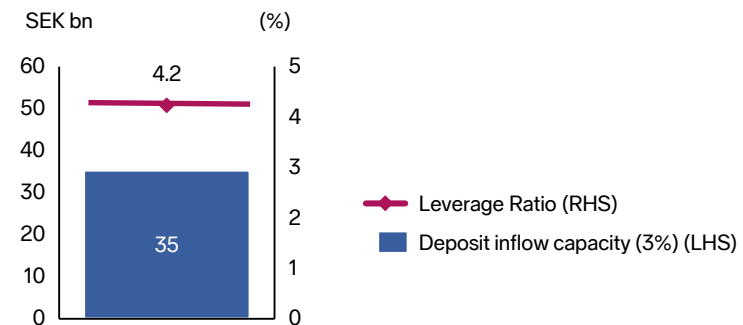
Risk based & Leverage Ratio requirements

June 2022, SEK million

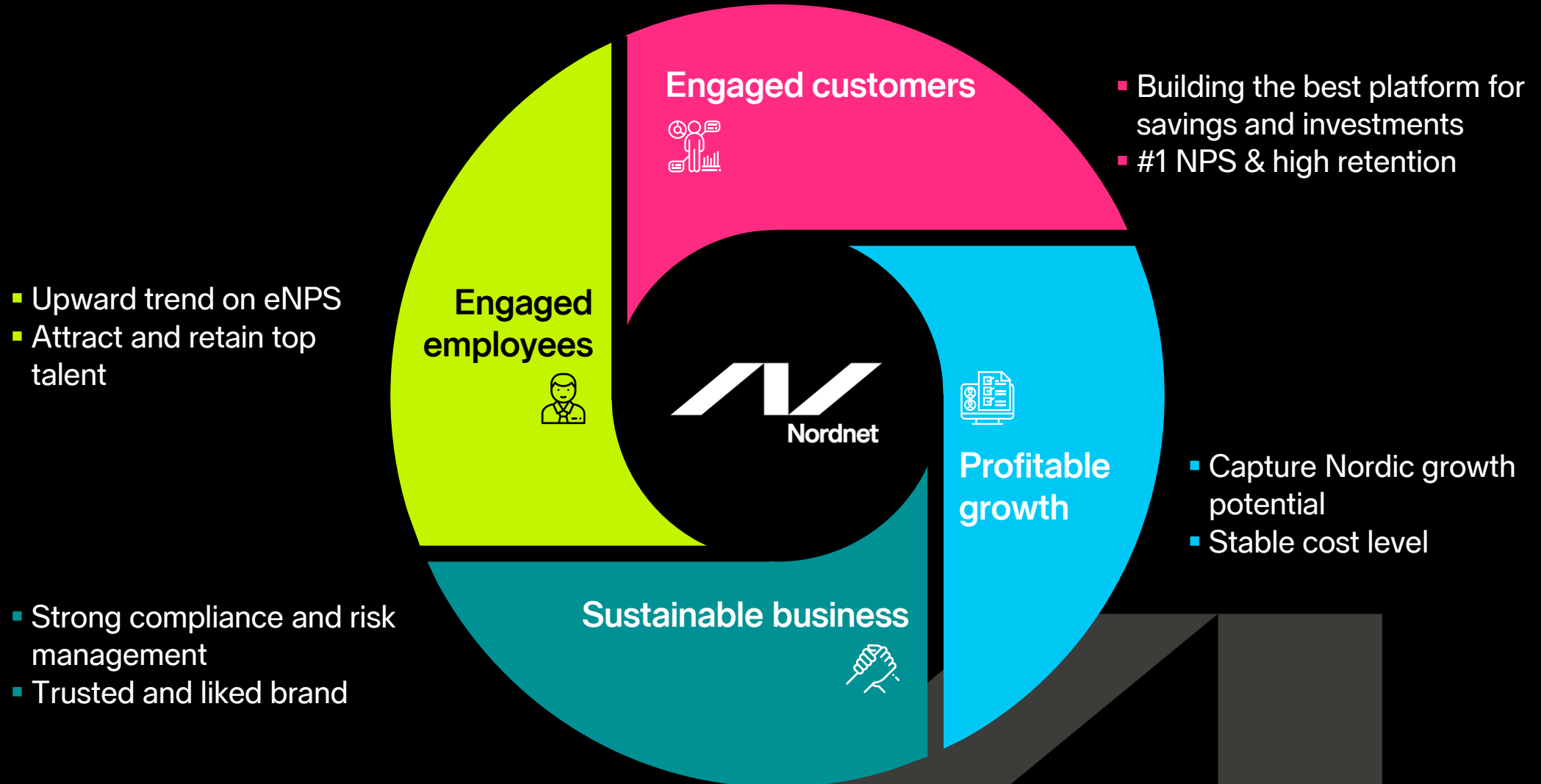


Leverage Ratio & deposit inflow capacity

June 2022, SEKbn | %



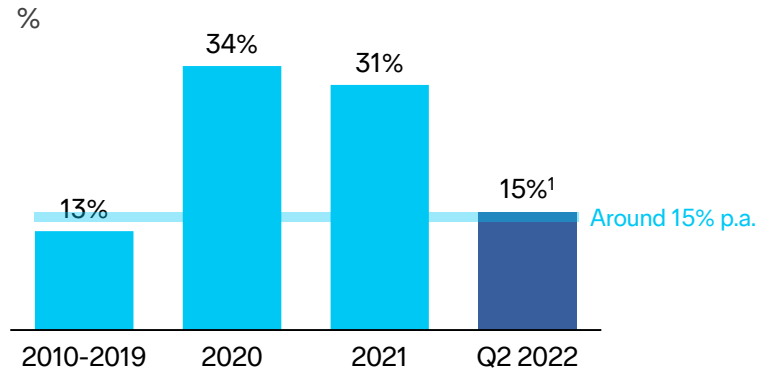
Key strategic ambitions



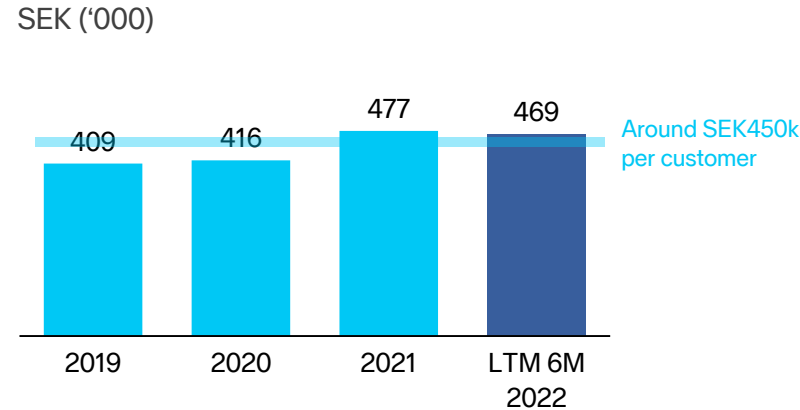
Medium-term financial targets

Target

Customer growth



Average savings capital per customer²

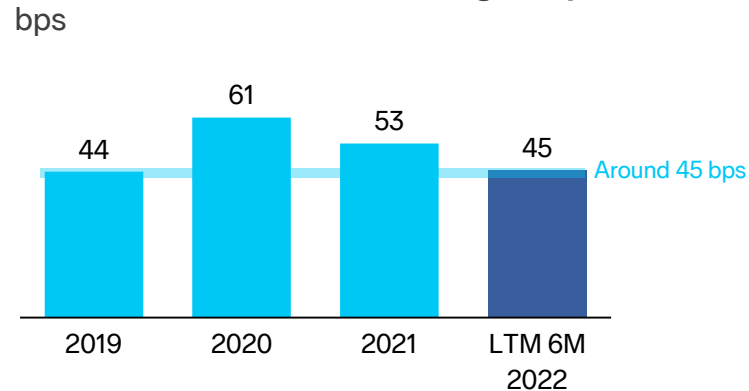


Dividend payout ratio

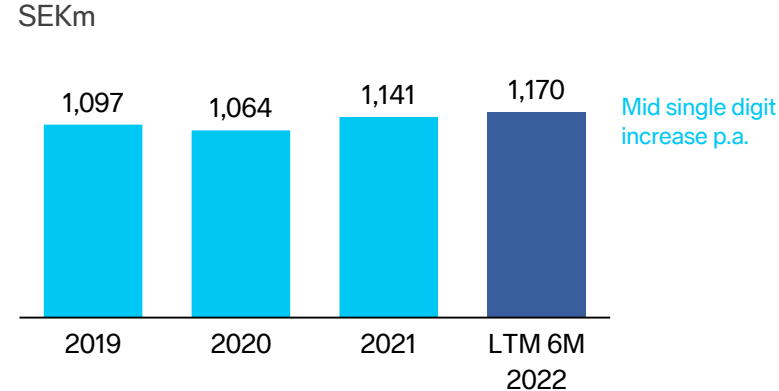
%

“Deliver superior total returns to shareholders via a pay-out ratio of 70% of statutory net income, translating to a pay-out of SEK 5.56 per share for 2021”

Income in relation to savings capital³



Adjusted operating expenses⁴

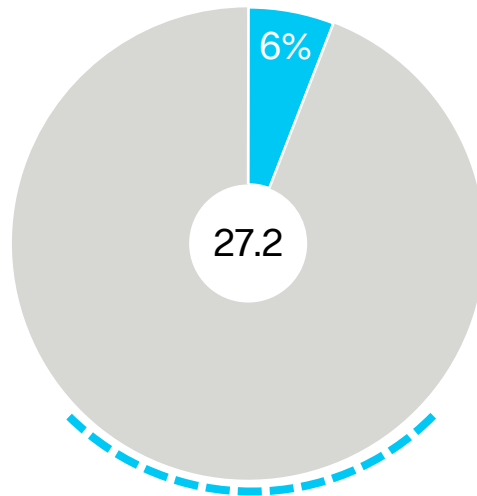


(1) Customer growth in the last 12 months was 11% including the 51,700 customers that during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation; (2) Average quarterly savings capital per customer over the last twelve months; (3) Adjusted revenues in the last twelve months divided by the average quarterly savings capital over the same period in accordance with reconciliation on page 26 deducting SEK 66m in 2019; (4) Adjusted operating expenses in accordance with reconciliation on page 30. Includes amortisation of PPA intangibles and excludes credit losses.

Nordnet is taking market share in a growing market

Share of total population
December 2021 | Million

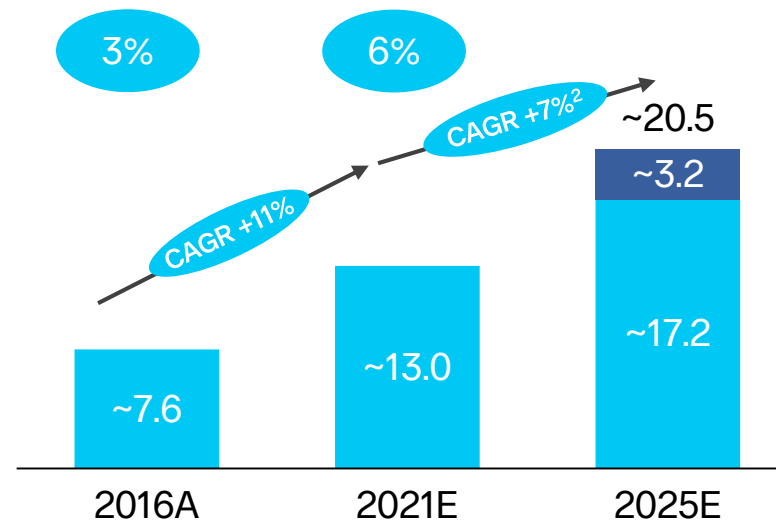
 Nordnet's share





18%
of the population
own shares⁴

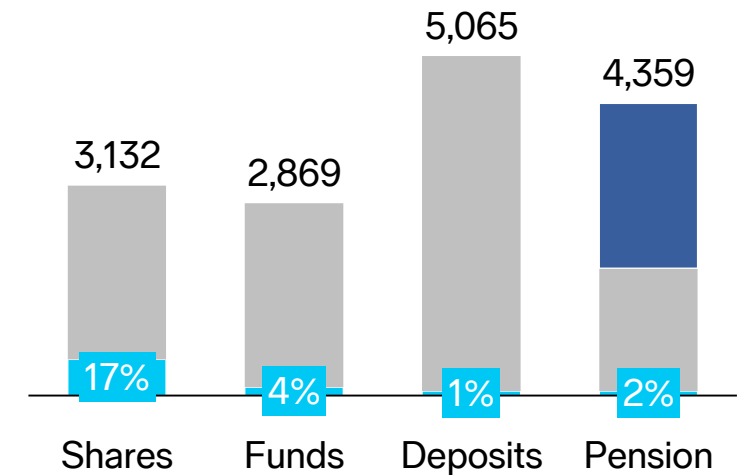
Addressable market growth outlook¹
Savings capital, SEKtln

 Market size current  Market size extended
 Nordnet market share



Market share of addressable market¹
December 2021, SEK bn

 Nordnet's share of addressable market
 Extended market³



(1) Source: SCB, Svensk Försäkring, SSB, Finans Norge, Nationalbanken Denmark, Statistics Denmark, Statistics Finland, Finnish centre for pensions, Team analysis; (2) Excludes development in extended market (Finnish wrapper, Danish Livrente); (3) Extended market of Danish Livrente and Finnish wrapper is currently not addressable; Addressable market defined as the estimated part of the overall Nordic savings market that Nordnet caters to with its current product offering; (4) Source: Euroclear Sweden 2020; Euronext Securities Oslo 2021; Euronext Securities Copenhagen 2021; Euroclear Finland 2021.

Q&A

Financial highlights second quarter 2022

SEKm unless otherwise stated	Q2 2022	Q1 2022	QoQ %	Q2 2021	YoY %
Condensed P&L¹					
Adjusted total income	728	891	(18%)	833	(13%)
Adjusted operating expenses	(296)	(297)	(0%)	(283)	4%
Adjusted profit before tax	420	580	(28%)	536	(22%)
KPIs					
New customers ²	+30,100	+63,600	(53%)	86,500	(65%)
Customers	1,643,000	1,618,900	2% ³	1,475,300	15% ³
Net savings (SEKbn)	+8.3	+21.2	(61%)	22.4	(63%)
Savings capital (SEKbn)	691.1	772.7	(11%)	703.3	(2%)

(1) Refer to page 30 for additional detail on items affecting comparability; (2) Number of new customers; Q2 2022 is 30,100 gross and 24,100 net; Q1 2022 is 63,600 gross and 17,900 net, including the customer relationships that have been terminated in connection with a project regarding customer documentation; (3) Customer growth compared to Q2 2021 and Q1 2022 was 11% and 1% respectively including 51,700 customers who during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021.

Summary P&L

SEKm	Q2 2022	Q1 2022	QoQ %	Q2 2021	YoY %	LTM 6M 2022	LTM 6M 2021	YoY %
Adjusted total income	728	891	(18%)	833	(13%)	3 308	3 337	(1%)
Adjusted operating expenses	(296)	(297)	0%	(283)	4%	(1 170)	(1 108)	6%
Net credit losses	(9)	(10)	(9%)	(11)	(20%)	(40)	(26)	55%
Imposed levies: Resolution fees	(3)	(4)	(16%)	(3)	24%	(12)	(9)	26%
Adjusted profit before tax	420	580	(28%)	536	(22%)	2 086	2 194	(5%)
Items affecting comparability (IAC), income								
Items affecting comparability (IAC), expenses	(110)	33				(76)	(118)	
Reported profit before tax	310	613	(49%)	536	(42%)	2 010	2 076	(3%)
Tax	(74)	(112)	(34%)	(95)	(23%)	(393)	(400)	(2%)
Reported net income	237	501	(53%)	440	(46%)	1 616	1 676	(4%)
Adjusted net income excl, IAC	325	475	(32%)	440	(26%)	1 678	1 770	(5%)
Adjusted net income excl, IAC and amortisation of intangible assets due to PPA	331	482	(31%)	447	(26%)	1 705	1 802	(5%)

Note: Refer to page 30 for additional detail on items affecting comparability.

Items affecting comparability

SEKm	Q2 2022	Q1 2022	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Non-recurring items – Expenses											
Delisting from Nasdaq											(45)
Acquisition of Netfonds								-	(35)	(16)	
Deduction right VAT		38		(9)	(11)			(20)	(30)		
AML process upgrade	(10)	(4)									
IPO related expenses			(99)	(10)			(109)		-		
Sanction SFSA	(100)										
Non-recurring items – Income											
Revaluation of the shareholdings in Tink AB ¹								-	66		
Total	(110)	33	(99)	(19)	(11)	-	-	(129)	1	(16)	(45)

(1) The shareholding was divested in 2019.

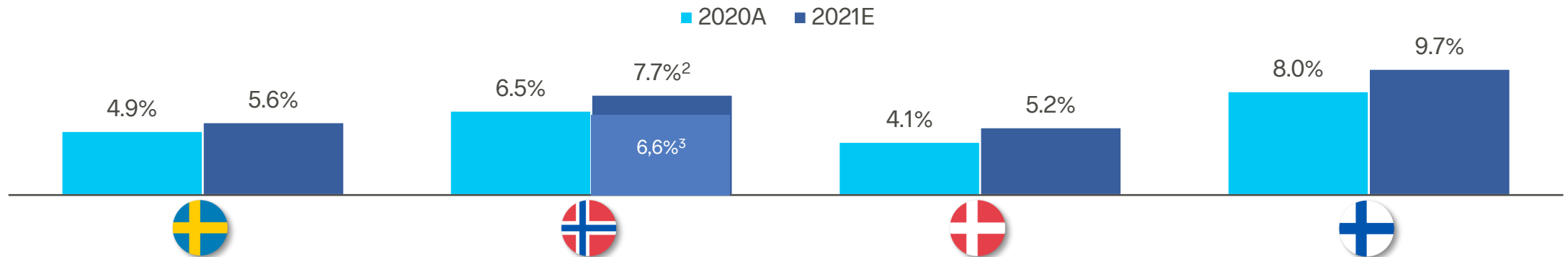
Strong customer satisfaction driving market share gains

Customer satisfaction remains at high levels in all countries...

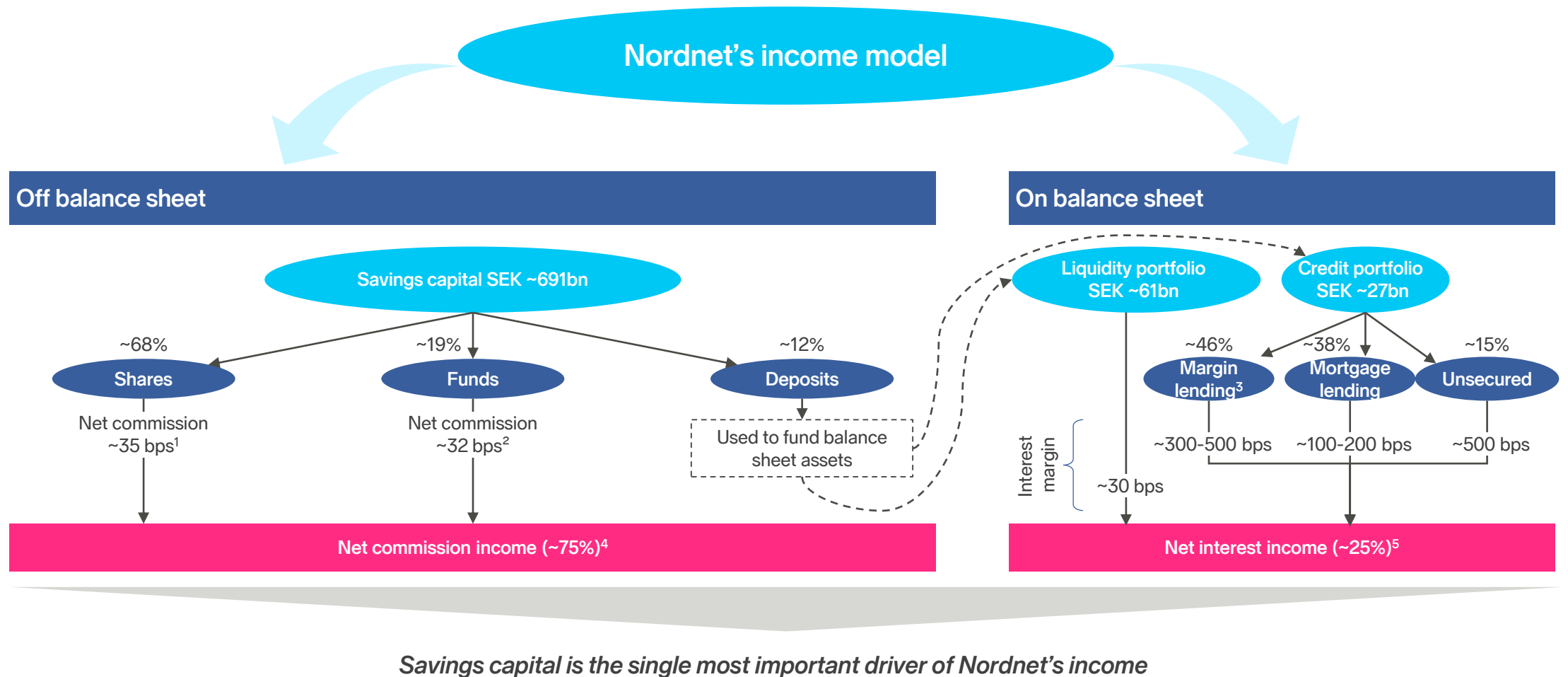


...which translates into increasing market shares across our geographies

Market share based savings capital in relation to total addressable market



Nordnet has a capital light business model



Share of trading per application

Distribution of trades per application

