

January – September
2022.



Nordnet AB (publ)

Interim Report.

The quarter in brief.

”In this tough climate, Nordnet can present an overall strong quarter with financial results in line with the corresponding quarter last year.”

Lars-Åke Norling, vd Nordnet.

Customer growth in the last 12 months¹:

12% (37%)

Adjusted operating profit
SEK 491 million (508)

Operating income SEK
812 million (797)

Adjusted operating expenses
SEK -304 million (-278)

Earnings per share after
dilution SEK 1.54 (1.60)

Net savings SEK 5.8
billion (15.3)

Savings capital as of 30
September, SEK 681 billion (728)

Lending² as of 30 September
SEK 26.3 billion (24.2)

New customers
34,500 (61,900)

The figures above refer to the period July–September 2022, unless otherwise stated. The comparative figures in parentheses refer to the corresponding period in 2021.

- Good customer growth and positive net savings but lower trading activity as stock market remains tough.
- Strong quarter financially with income and profit in line with last year.
- Controlled cost increase in the quarter with cost for the full year expected to be in line with financial target.
- Higher interest rates contribute positively to net interest income which rose by 77 percent compared to the third quarter of 2021.
- High pace in product development with the launch of Norwegian mortgage – an important step toward becoming a one-stop-shop across all markets.
- Savings account and fixed income product coaching launched to meet customer needs in the new macroeconomic environment.

MSEK	Q3 2022	Q3 2021	Change %	Q2 2022	Change %	Jan–sep 2022	Jan–sep 2021	Change %
Operating income	811.9	797.4	2%	727.8	12%	2,430.2	2,746.1	-12%
Operating expenses	-307.1	-278.2	10%	-405.3	-24%	-976.3	-841.5	16%
Credit losses	-14.0	-8.8	58%	-8.8	59%	-32.3	-23.9	35%
Imposed levies: resolution fee	-3.1	-2.5	23%	-3.3	-5%	-10.0	-7.6	32%
Operating profit	487.8	507.8	-4%	310.5	57%	1,411.6	1,873.1	-25%
Profit after tax	400.3	409.5	-2%	236.8	69%	1,138.3	1,515.7	-25%
Earnings per share before dilution (SEK)	1.54	1.60	-4%	0.89	73%	4.37	5.96	-27%
Earnings per share after dilution (SEK)	1.54	1.60	-4%	0.88	74%	4.36	5.94	-27%
Income in relation to savings capital	0.47%	0.45%	0.03%	0.40%	0.08%	0.44%	0.55%	-0.11%
Operating margin %	60%	64%	-4%	43%	17%	58%	68%	-10%
Adjusted operating expenses ³	-303.5	-278.2	9%	-295.7	3%	-896.3	-841.5	7%
Adjusted operating profit ³	491.3	507.8	-3%	420.1	17%	1,491.6	1,873.1	-20%
Adjusted operating margin % ³	61%	64%	-3%	58%	3%	61%	68%	-7%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	1.57	1.63	-3%	1.34 ⁴	17%	4.77	6.02	-21%
Total number of customers ¹	1,677,500	1,537,200	9%	1,643,000	2%	1,677,500	1,537,200	9%
Net savings (SEK billion)	5.8	15.3	-62%	8.3	-30%	35.3	64.7	-45%
Savings capital at the end of the period (SEK billion)	680.7	728.0	-7%	691.1	-2%	680.7	728.0	-7%
Average savings capital per customer (SEK)	413,100	475,100	-13%	448,800	-8%	450,400	470,300	-4%

¹ The number of new customers in 2022 amounts to 192,000 gross and 140,300 net, the latter figure includes customer relationships terminated due to the customer documentation project. In percentage terms, customer growth is 9% in the last twelve months, including those customer relationships that have been terminated within the customer documentation project. ² Loans to the public less pledged cash and cash equivalents, see Note 5. ³ For items affecting comparability, see page 16. ⁴ Changed from SEK 1.26 to SEK 1.34 due to an adjustment of the tax effect of an item affecting comparability of SEK 100 million where the entire amount has now been put back into the result without a tax effect. For definitions of key performance indicators, refer to pages 44–45.

The English version of the Interim Report is a translation. In case of any discrepancy between the Swedish and the English version, the Swedish version shall prevail.

This is Nordnet.

Nordnet is a leading digital platform for savings and investments with operations in Sweden, Norway, Denmark and Finland. With user-friendliness, high availability, a broad offering and low prices, we give our customers the opportunity to take their savings to the next level.

The overall objective of Nordnet's business is to democratize savings and investments. By that, we mean giving private savers access to the same information and tools as professional investors. This purpose has driven us from the outset in 1996 and remains our direction to this day. At the beginning, it entailed offering easily accessible and inexpensive stock trading via internet, and building a mutual funds portal with products from a number of different distributors, where savers could easily compare returns, risk and fees. During the journey, we have simplified matters and pressured down fees on, for example, pension savings, index funds and private banking. In recent years, we have democratized savings and investments through, for example, our stock lending program and cost-effective index funds that cover the world markets. We are always on the savers' side, and pursue issues of, for example, fair terms in pension savings and reasonable and predictable taxation on holdings of shares and mutual funds.

Vision

Our vision is to become the Nordic private savers' first choice. To achieve this goal it requires us to always challenge and innovate, keeping user-friendliness and the benefit of savings at the top of the agenda and to succeed with the ambition of building a "one-stop shop" for savings and investments — a platform that can meet the needs of private savers in the Nordic region in managing their financial futures. Only then can we achieve the high level of customer satisfaction and brand strength required to become a leader in the Nordic region in terms of attracting new customers and producing loyal ambassadors for Nordnet.

Our product areas

Savings and investments

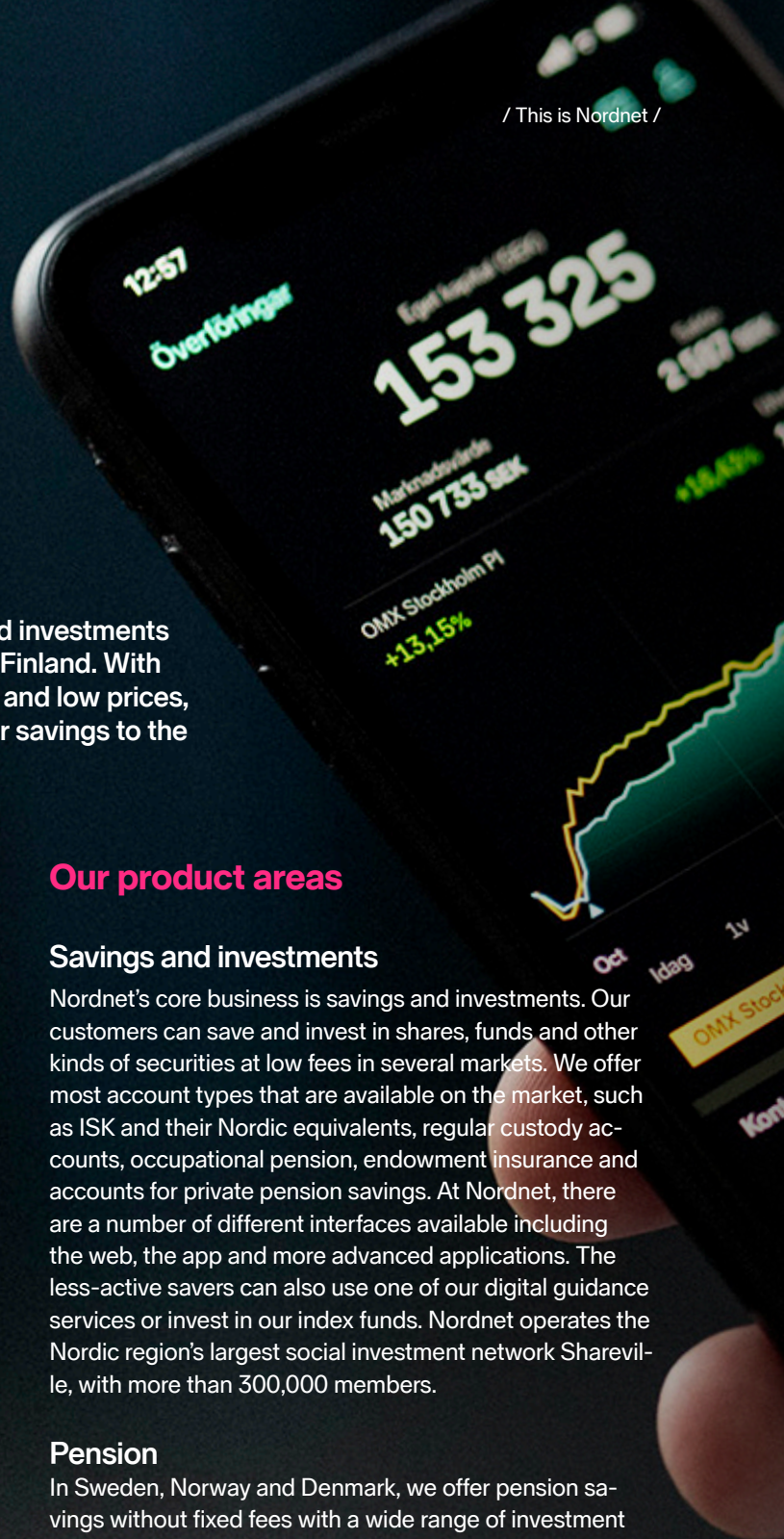
Nordnet's core business is savings and investments. Our customers can save and invest in shares, funds and other kinds of securities at low fees in several markets. We offer most account types that are available on the market, such as ISK and their Nordic equivalents, regular custody accounts, occupational pension, endowment insurance and accounts for private pension savings. At Nordnet, there are a number of different interfaces available including the web, the app and more advanced applications. The less-active savers can also use one of our digital guidance services or invest in our index funds. Nordnet operates the Nordic region's largest social investment network Shareville, with more than 300,000 members.

Pension

In Sweden, Norway and Denmark, we offer pension savings without fixed fees with a wide range of investment opportunities.

Loans

Nordnet offers three kinds of loans — margin lending, residential mortgages and personal loans (unsecured loans). Margin lending with securities as collateral is available in all four of our markets, allows our customers to leverage their investments. Our residential mortgages are offered in Sweden and Norway. Personal loans are offered both through Nordnet's own brand and under the trade name Konsumentkredit, and are directed at private individuals in Sweden.



Financial targets.

Medium-term financial targets

- Around 15 percent annual customer growth.
- Average savings capital per customer (defined as average quarterly savings capital per customer over the last twelve months) of around SEK 450,000.
- Income in relation to savings capital (defined as adjusted revenues in the last twelve months divided by the average quarterly savings capital over the same period) of around 0.45 percent.
- Yearly increase of adjusted operating expenses of around 5 percent based on the 2021 adjusted operating costs.
- Nordnet intends to pay dividend of 70 percent of net profit for the year.

Status as of 30 September 2022

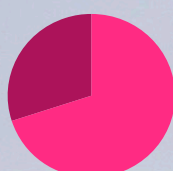
- Annual customer growth in the past 12 months amounted to 12 (37) percent¹.
- Average savings capital per customer amounted to SEK 454,900 (462,800).
- Adjusted operating income² in relation to savings capital amounted to 0.45 (0.56) percent in the last 12 months.
- Adjusted operating expenses² amounted to SEK -1,196 (1,128) million in the last 12 months.
- A dividend of SEK 5.56 per share, equivalent to 70 percent of 2021 statutory net profit, was distributed in May, 2022.

Savings capital
customer = **454,900 SEK**

12%

Annual customer growth¹

Operating income²
savings capital = **0.45%**



70%

dividend payour
ratio of the annual
statutory net profit

1,196 MSEK

Adjusted operating expenses²

¹ Customer growth is 9% in the last twelve months including those customer relationships that have been terminated within the customer documentation project.

² For items affecting comparability, see page 16.

Comments from the CEO.

From an economic and international security perspective, the third quarter of 2022 was a challenging and, in many respects, dramatic period. The negative stock market trend that characterized the year continued. Thus far in 2022, with the exception of Norway, the Nordic stock markets have accumulated a decline in the range of 20-30 percent. In all of the markets in which we operate, the central banks increased the policy rate in the third quarter. The higher interest rate, combined with persistent inflation, has led to increased cost of living, falling housing prices and a shift in interest from equity-related savings to more risk-free fixed-income products. The war in Ukraine is continuing without any signs of slowing down, and the sabotage of Nordstream and international tensions in the wake of the war have led to a deterioration of the international security situation for the Nordic countries as well. In summary, the external situation and the macroeconomic environment have changed extensively in a short period of time, and both the savers and we as a digital investment platform have to relate to radically new conditions.

In this tough climate, Nordnet can present an overall strong quarter with financial results in line with the corresponding quarter last year. The number of transactions, and therefore our commission income, is lower than the corresponding period last year, which is natural in a situation of declining stock markets and rising interest rates. However, interest income is increasing as a result of higher interest rates, and Nordnet's total income for the quarter amounts to slightly more than SEK 800 million. Cost development is stable and our adjusted operating expenses for July-September ended up at SEK 304 million. Our adjusted operating profit amounted to SEK 491 million, which is in line with the same period last year and 17 percent higher than the previous quarter. It is my view that our earnings highlights

»The result highlights the stability and resilience to changing macroeconomic conditions in Nordnet's business model.«



Nordnet's business model's stability and resilience to changing macroeconomic conditions. The market's best savings offering, combined with a balanced lending portfolio with stable low credit losses, provides us with well-diversified income in the form of trading commissions, fund fees and interest income. Having operations in four different geographic markets further reduces vulnerability to factors of a macroeconomic or country-specific nature.

Our customer growth is lower than at the same time last year, but sustainably positive and stable. Every month, tens of thousands of new savers find Nordnet's platform and, in total, we are approaching 1.7 million customers. The trend to save in shares and mutual funds is steadily advancing in all Nordic countries, supported by increased awareness of the

importance of savings, easily accessible account types and a high degree of digitalization. Nordnet is well positioned in this movement to gain market share in a growing market. During the quarter, our customers saved SEK 6 billion net,

although with an outflow in the latter part of the period. The gross inflow of savings capital was at stable levels throughout the period, but the outflow of cash increased as a result of the changed interest rate situation. Outflows are mainly coming from some customers with a large savings capital moving the liquid part of their portfolio to investment alternatives with higher interest rates than Nordnet has been able to offer. As an investment platform, it is our core task to offer our customers the best opportunities for long-term profitable savings, and that task includes meeting savers' needs in the current market climate. This involves qualitative processes, first-class service, well-timed information and relevant products. Savings accounts as an investment form have increased in popularity recently, and Nordnet offers this product in all markets. Interest has previously been offered on the savings account in Norway, and from September also in Sweden. On the same theme, we have also highlighted the investment options in interest-related products that we already have on the platform today with the aim of making it easy for our customers to find low-risk savings options.

The negative sentiment in the market has not, however, led us to slow down our pace or lower our level of ambition in terms of building the world's best platform for savings and investments. On both the mobile app and the web service, we are launching new functionality at a high pace and, on average, we are making new releases every two hours on the web and once or twice a week on the app. In recent months, this has included a broader range of data for shares and mutual funds, expanded functions for graphs and analyses, simpler log-in solutions, privacy features and widgets for popular data points. Our social network for savings, Shareville, has been developed with, among other things, an expanded comment function and the possibility of starting digital voting as a user. Our three new allocation funds in the Nordnet One series have now also been introduced in Norway and are thereby available in all of our markets. In Norway, since September, we have entered the mortgage market and now offer the market's cheapest

»At Nordnet, we put our energy into what we are able to influence – supporting our customers under prevailing market conditions, and continuing to build on our platform.«

residential mortgages for customers with large savings capital. In the Danish market, we are continuing our pension venture, and with our latest launch in the form of a digital transfer function, we are pioneering automated processes in this traditionally administratively demanding area. Our product plans for the future include share trading on more international exchanges and the integration of Shareville in the app and the web. The goal is for the social functions to become the heart of the Nordnet experience, and we aim to enable users to create content on Nordnet's web service by the end of the year in the form of comments, answers and reactions.

Of course, how the stock markets and the rest of the world will develop in the future is not easy to predict. However, what we can establish is that negative periods in the stock market come and go, and the stock market will turn around this time as well. We do not know exactly when this will happen, except that the turn around often

comes when things look darkest and long before a shift in the real economy is a fact. At Nordnet, we put our energy into what we are able to influence – supporting our customers under prevailing market conditions, and continuing to build on our platform. An improved user experience and an ever-growing customer base lay the foundation for a higher profit for Nordnet when the market activity returns. Just like individuals, who continue with their monthly savings in these tough times, will gain a financial boost when optimism returns and the shares bought at a low price increase in value.

Thank you for following Nordnet.



Lars-Åke Norling

A few words about the market situation from savings economist Frida.

Frida Bratt is Nordnet's new savings economist for the Swedish market. She educates and provides inspiration on shares, mutual funds and personal finances in both external and Nordnet's own channels. Frida frequently participates in the general debate on terms and conditions for savings and is always on the savers' side. You can follow Frida at nordnetbloggen.se, Twitter (@FridaNordnet) and Instagram (fridabratt).

The third quarter of the year did not offer the turn-around for inflation that the market had hoped for, which caused the stock market to bounce between hope and despair. At the same time, Swedish consumers felt the pressure of sharply increased mortgage rates, high electricity bills, rising food prices and falling housing prices.

The Swedish stock market has had a really bad year, but at the beginning of the third quarter, hope was sparked among investors globally and thus also in Sweden. The market was beginning to see signs of inflation peaking, bringing a brighter scenario with a more benign U.S. central bank on the other side of the turn of the year. This triggered an intense stock market rally during July. But when July became August and subsequently September, this scenario faded as inflation persisted. In Europe and Sweden, the energy crisis became increasingly clear and acute, with electricity bills weighing on the private finances of households even now. And colder weather, and therefore more costly heating, is still ahead of us.

The Swedish Riksbank decided to forcefully push back the spill-over effects of energy prices to other sectors. A record-high increase in the policy rate by 1 percentage point in September had a direct effect on Swedes' mortgage rates, which further pressured Swedish consumers. According to measurements from National Institute of Economic Research, Swedish households are now more depressed than they were during the financial crisis. The households that are the most depressed are simply those

with large loans and relatively large savings, in the sense that the contrast to the interest rate party with asset inflation previously enjoyed by these households became very tangible. But the group most affected by the high level of inflation is low-income earners, who need to spend a large part of their disposable income on just food and energy. Due to the decline in demand, the Swedish economy is expected to enter a recession next year and, according to the Swedish National Institute for Economic Research, the boom already slowed down in the third quarter.

In the US, fewer and fewer people in the market began to believe in a scenario where the US Federal Reserve would manage to push inflation back without causing a recession. On this front, there is still considerable pressure on the labour market, and the Chairman of the Federal Reserve, Jerome Powell, did his best to convince the market that his absolute highest priority is to bring inflation down. The message was that this would be done even at the cost of a worsening economy and higher unemployment.



Name: Frida Bratt

Yrke: Savings economist at Nordnet Sverige since 2019

Personal finance motto:

Keep it simple – choose smart and transparent with low fees and let the portfolio work.

Market shares local stock exchanges¹

Countries	Q3 2022		Q2 2022		Q3 2021	
	No. of trades	Turnover	No. of trades	Turnover	No. of trades	Turnover
Sweden (Nasdaq Stockholm)	5.7%	4.3%	5.1%	3.6%	4.3%	3.3%
Norway (Oslo Stock Exchange) ²	n/a	8.6%	n/a	8.4%	n/a	9.1%
Denmark (Nasdaq Copenhagen)	7.1%	5.5%	6.4%	4.6%	5.9%	5.1%
Finland (Nasdaq Helsinki)	9.8%	5.5%	8.7%	5.1%	11.5%	6.6%

¹ Nordnet's monthly average market share of trading in financial instruments listed on the Nordic exchanges. The statistics for Oslo Stock Exchange only refer to trading in shares. Source: Market data from Nasdaq in Sweden, Denmark and Finland and from the Oslo Stock Exchange in Norway.

² Nordnet's market share of the volume on the Oslo Stock Exchange is reported as data for the number of transactions is not available.

Events in the third quarter.

These insights pervaded the mood of the stock exchange in September, which offered glaring red negative figures. In this environment, savers had difficulty knowing where to hide, and many savers became more cautious about the stock market.

But in the dark, there were still many people who kept on saving. It might have been painful to put money into the stock market at the end of the quarter – but hopefully those who did so laid the foundation of something really good later on.

Development of Nordnet's operations

During the period July–September, our customers made a total of 13.1 million trades, and the share of trades outside the customers' home market was 27 percent. The number of transactions during the quarter was unchanged compared with the previous quarter but 16 percent lower than the corresponding quarter in the previous year. The decline compared with 2021 is primarily an effect of the

macroeconomic climate with, among other things, increased inflation, rising interest rates and other uncertainties at both the local and global level.

The total number of savers on Nordnet's platform on 30 September 2022 amounted to 1,677,500. Customer growth over the past 12 months, excluding customer relationships ended in connection with the customer due diligence project, amounted to 12 percent.

Net savings for the third quarter totalled SEK 6 billion. At 30 September, savings capital amounted to SEK 680 billion, a decrease by 6.5 percent compared with one year ago. The savings ratio, meaning net savings in the past 12 months divided by savings capital 12 months back, amounted to 7 percent (21 percent in the third quarter of 2021).

The total loan portfolio amounted to SEK 26.4 billion, which is an increase of 9 percent since 30 September of last year. The largest increase can again be found in

Trading information, Group¹

	Q3 2022	Q2 2021	Q3 2021
Traded value cash market (SEK million)	370,800	372,200	386,800
Total number of trades	13,139,800	13,070,300	15,697,200
whereof cross-border trading %	27%	27%	29%
Average number of trades per day	199,100	221,300	237,800

Customer-related key figures

July - September	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Number of customers	443,800	440,600	357,000	323,900	362,600	309,500	514,100	463,200	1,677,500	1,537,200
Savings capital SEK billion	267.0	308.4	119.2	119.6	157.7	156.9	136.8	143.2	680.7	728.0
of which shares/derivatives/bonds	170.2	209.1	70.8	72.3	115.7	121.1	105.0	114.7	461.6	517.3
of which funds	62.3	69.6	32.5	34.9	22.1	20.7	13.7	13.0	130.6	138.2
of which deposits ²	34.5	29.7	16.0	12.4	19.8	15.1	18.1	15.5	88.4	72.6
Number of trades	5,084,900	6,070,500	2,911,700	3,377,700	2,544,600	2,944,300	2,598,600	3,304,700	13,139,800	15,697,200
Whereof cross-border trading %	14%	14%	30%	34%	40%	46%	36%	35%	27%	29%
Net savings (SEK million)	1.0	2.5	0.6	3.7	2.3	5.9	1.9	3.2	5.8	15.3
Margin lending (SEK billion) ³	3.9	4.5	2.5	2.3	2.4	2.3	2.9	2.8	11.7	11.9
Mortgage (SEK billion)	10.6	8.2	0.0	0.0	0.0	0.0	0.0	0.0	10.6	8.2
Personal loans (SEK billion)	4.1	4.1	0.0	0.0	0.0	0.0	0.0	0.0	4.1	4.1

¹ Nordnet's total volume and number of trades on all stock exchanges and markets for all customers, as well as the average number of trades per day. The daily average is calculated as the total number of trades per market divided by the number of trading days on which the respective stock exchange was open.

² Includes cash and cash equivalents from customers of the pension companies.

³ Loans to the public less pledged cash and cash equivalents, see Note 5.

residential mortgages, where Nordnet continues to offer the lowest interest in the Swedish market; in one year, the volume has increased by 30 percent to SEK 10.6 billion. At the end of the quarter, residential mortgages were also launched in Norway with the aim of further strengthening Nordnet's Private Banking offering. The margin lending product has decreased by 1.5 percent compared with 12 months ago, and lending amounted to SEK 11.7 billion at the end of the third quarter. The volume in personal loans was essentially unchanged in the past 12 months. In all markets, there are now accounts for securities-related savings that are simpler and often more favourable from a tax perspective than the traditional share custody accounts. In Finland, the account form "osakesäästötili" (share savings account) was launched at the end of 2019. In August, Nordnet passed the 200,000-share savings account milestone and currently holds approximately 70 percent market share. At the end of 2021, the share savings account was launched in Denmark. At the end of the third quarter, Nordnet has more than 78,000 accounts, corresponding to nearly 30 percent market share in the total number of accounts and 60 percent of the accounts opened in 2022.

Nordnet continues to participate in the public debate on savings and investments. In Denmark, through contacts with politicians, Nordnet has initiated activities aimed at increasing the deposit ceiling on the share savings account. New elections are held in Denmark on 1 November and, hopefully, there will be a majority in favour of improved terms in the form of opportunities to save twice the amount of today. In Sweden, prior to the election, we conducted a series of video interviews with the political party representatives on economic policy to monitor their attitudes towards changing terms for investment savings accounts (ISA). We were able to note a majority for improved terms on ISAs, and we are pleased to see that the new government has presented a reform that entails a tax-free start amount of SEK 300,000 for savings in ISAs. In Norway, we have worked for a long time to eliminate double taxation on dividends in US companies where customers are unable to recover the paid withholding tax. In September, we submitted our comments on the matter to the Norwegian Tax Selection Committee. We are also standing up against the government's proposal to increase taxes on dividends and share profits.

KPIs sustainability

KPI	Q3 2022	Q4 2021
Share of savings capital invested in sustainable funds	74%	59%
Of which invested in dark green funds	6%	5%
Share of customers who are female	33%	32%

The large change in share of fund savings capital invested in sustainable funds and dark green funds since the end of 2021 is mainly due to improvements in data collection.

Nordnet is constantly working to develop exciting products, functions and solutions based on savers' needs. New releases are being presented at a high pace, both on the web and the app. During the quarter, a function was developed for a better overview of one's monthly savings, an allocation function that provides the saver with an overview of the distribution between, for example, sectors and security types, a simpler log-in solution and a number of new functions for Shareville. The new fund management company launched three allocation funds earlier in the year, and these were also introduced in Norway in the third quarter. In the third quarter, the fund management company also took over the management of five index funds previously managed by Öhman under Nordnet's name.

Long term sustainability targets

Nordnet's goal is to become a leader in sustainable savings in the Nordic region. By this, we mean that our platform should have the broadest range of sustainable investment alternatives, as well as digital and user-friendly tools that make it easy for our customers to invest sustainably. In order to gain greater focus on our work in this area, we are now beginning to present certain sustainability-related key figures in our financial reports. The composition of key performance indicators may change, and as data quality in the area of sustainability changes rapidly, there may be reason to change and refine existing measurements.

The table below presents the proportion of fund capital invested in sustainable funds, the proportion of fund capital invested in dark green funds and the proportion of female customers.

Sustainable funds are defined as funds classified as Article 8 (light green) or Article 9 (dark green) in accordance with the EU definition of sustainable funds. We previously used Morningstar's sustainability ratings to define which funds are sustainable, which is why we are unable to report comparative figures for the corresponding period last year. At the end of September, the proportion of fund capital invested in sustainable funds was 73.5 percent, of which dark green funds accounted for 6 percentage points. Our objective is to increase the proportion of savings capital invested in a sustainable manner. Many factors will play a role in how we succeed in achieving that goal. We are working to increase this proportion primarily by broadening

the range of sustainable funds, developing tools to help customers find sustainable alternatives and providing training on sustainable investments in our own and external channels. Funds are a small part of savings capital and we want to be able to measure sustainability in the long term for a larger share of savings capital on the platform.

At the end of September, the proportion of female customers was 32.8 percent. Our goal is to achieve 50 percent in the long term. To achieve our goal, we are focusing primarily on carrying out activities aimed at increasing women's interest in savings and investments. This can involve holding lectures, networking meetings and training courses, highlighting female role models, as well as communicating statistics and information on women's savings.

Consolidated net profit

Lower trading volumes across all markets along with slightly lower cross-border trading in the quarter led to a 14 percent decline in **transaction related income** compared to the third quarter of 2021. **Fund related income** declined by 16 percent in the third quarter of 2022 compared to the same period in the previous year. This was due to a decrease in the fund capital following financial market decline, as well as a decline in fund income in relation to fund capital attributable to lower platform fees in Norway and less cross border trading. Lower transaction related income and fund related income led to a 16 percent decline in **net commission income** compared to the third quarter of 2021, amounting to SEK 485 (577) million in the third quarter of 2022.

Policy interest rate hikes across Nordnet's markets contributed to a higher yield on surplus liquidity. Combined with higher lending volumes from residential mortgages and slightly higher interest rates across the lending portfolio, this drove a 77 percent increase in **net interest income** compared to the third quarter of 2021 and amounted to SEK 326 (184) million in the quarter.

Other operating income amounted to SEK -2 (30) million in the quarter. The decline compared to the third quarter of 2021 was driven by lower fees from initial public offerings as well as a retroactive adjustment of SEK 10 million related to cross boarder capital gains taxation on dividend payments. The adjustment is related to a renewed legal assessment of withholding tax on dividends in foreign shares that are kept in endowment insurance and occupational pensions. Nordnet has paid out certain compensations to customers which will only partially be recovered from foreign tax authorities.

Operating income of SEK 812 (797) million increased by 2 percent in the quarter compared to the third quarter of 2021 as higher net interest income offset a decline in net commission income. **Operating income for the first nine months of the year** declined by 12 percent compared to the same period in 2021 as higher net interest income, which accelerated toward the end of the period, did not compensate for the decline in net commission income.

Adjusted operating expenses increased by 9 percent to SEK 304 (278) million in the quarter compared to the third quarter of 2021. The increase was mainly attributable to more employees in Tech, Product and the newly established fund company. **Operating expenses**, which included **items affecting comparability** of SEK 4 million, amounted to SEK 307 (278) million in the quarter. For more information about items affecting comparability, see page 16.

Net credit losses of SEK 14 (9) million increased by SEK 5 million compared to the third quarter of 2021. This was due to a change in scenario assumptions and an updated collection process which affects the calculation for future loan loss provisions according to IFRS9. Actual credit losses remain stable at a low level and credit quality remains unchanged at a good level. For more information, see Note 5.

Higher operating expenses offset higher operating income, leading to a 3 percent decline in **adjusted operating profit** in the quarter which amounted to SEK 491 (508) million, with an operating margin of 61 (64) percent. **Operating profit**, which included items affecting comparability of SEK 4 (0) million amounted to SEK 488 (508) million, a decrease of 4 percent compared to the third quarter of 2021.

Adjusted operating profit for the first nine months of the year declined by 20 percent to SEK 1,492 (1,873) million and **operating profit**, which included items affecting comparability of SEK -80 million declined by 25 percent compared to the first nine months of 2021. For more information on items affecting comparability, see page 16.

Profit for our markets

July - September	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Operating income	307.3	312.3	214.8	153.1	160.9	178.2	128.9	153.8	811.9	797.4
Operating expenses	-114.5	-110.2	-67.3	-58.1	-69.0	-55.3	-52.7	-54.6	-303.5	-278.2
Operating profit before credit losses	192.8	202.1	147.5	95.1	92.0	122.9	76.1	99.2	508.4	519.2
Credit losses	-14.0	-8.1	0.0	-0.4	-0.1	-0.2	0.1	-0.1	-14.0	-8.8
Imposed levies: resolution fee	-0.8	-0.7	-0.6	-0.4	-0.8	-0.7	-0.9	-0.7	-3.1	-2.5
Adjusted operating profit	178.0	193.3	146.9	94.2	91.1	122.0	75.3	98.4	491.3	507.8
Items affecting comparability ¹	-0.9	0.0	-0.9	0.0	-0.9	0.0	-0.9	0.0	-3.5	0.0
Operating profit	177.1	193.3	146.1	94.2	90.2	122.0	74.4	98.4	487.8	507.8
Operating margin %	58%	62%	68%	62%	57%	68%	58%	64%	61%	64%
Income in relation to savings capital	0.46%	0.41%	0.71%	0.52%	0.41%	0.46%	0.37%	0.44%	0.47%	0.45%

Consolidated income statement

SEK million	Q3 2022	Q3 2021	Change %	Q2 2022	Change %	Jan-sep 2022	Jan-sep 2021	Change %
Net commission income	484.9	577.3	-16%	465.5	4%	1,603.4	2,089.0	-23%
Net interest income	325.8	183.8	77%	240.2	36%	771.3	540.1	43%
Net result of financial transactions	2.9	6.0	-52%	-1.1	n/a	-4.1	14.8	n/a
Other operating income	-1.7	30.2	n/a	23.3	n/a	59.7	102.2	-42%
Operating income	811.9	797.4	2%	727.8	12%	2,430.2	2,746.1	-12%
General administrative expenses	-249.5	-222.7	12%	-352.9	-29%	-813.7	-681.4	19%
Depreciation, amortization and impairments	-43.8	-41.8	5%	-41.7	5%	-128.4	-121.0	6%
Other operating expenses	-13.8	-13.7	1%	-10.8	28%	-34.2	-39.1	-13%
Operating expenses	-307.1	-278.2	10%	-405.3	-24%	-976.3	-841.5	16%
Net credit losses	-14.0	-8.8	58%	-8.8	59%	-32.3	-23.9	35%
Imposed levies: resolution fee	-3.1	-2.5	23%	-3.3	-5%	-10.0	-7.6	32%
Operating profit	487.8	507.8	-4%	310.5	57%	1,411.6	1,873.1	-25%
Earnings per share before dilution, (SEK)	1.54	1.60	-4%	0.89	73%	4.37	5.96	-27%
Earnings per share after dilution, (SEK)	1.54	1.60	-4%	0.88	74%	4.35	5.94	-27%
Items affecting comparability ¹	-3.5	0.0	-	-109.6	-97%	-79.9	0.0	-
Adjusted operating expenses before credit losses	-303.5	-278.2	9%	-295.7	3%	-896.3	-841.5	7%
Adjusted operating profit ¹	491.3	507.8	-3%	420.1	17%	1,491.6	1,873.1	-20%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK) ¹	1.57	1.63	-3%	1.34 ²	17%	4.77	6.02	-21%

¹ For items affecting comparability, see page 16.

² Changed from SEK 1.26 to SEK 1.34 due to an adjustment of the tax effect of an item affecting comparability of SEK 100 million where the entire amount has now been put back into the result without a tax effect.

Financial position

30 September 2022

(31 December 2021)

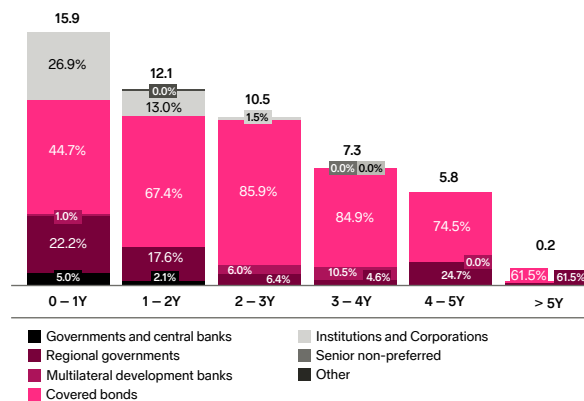
The Nordnet Group's liquidity and capital situation is strong. Cash and cash equivalents amounted to SEK 63.7 billion (53.2) and equity amounted to SEK 5.5 billion (6.0). Own funds that will cover capital requirements in the consolidated situation amount to SEK 3.7 billion (3.8). In addition to the profit for the year, the change in equity is attributable to a dividend paid of SEK 1.4 billion, an issue of warrants of SEK 17.6 million and a buy-back of own shares of SEK 56 million. In addition, the market value of the investment portfolios had a negative impact on equity through other comprehensive income of SEK 222 million, as an effect of increased credit spreads. See the summary of the Group's comprehensive income on page 18.

Total assets amount to SEK 217.9 million (232.5), a decline of 6 percent, mainly due to a decline in the value of assets where the customers bear the risk. Total assets comprise SEK 127.1 billion (152.2) in assets where the customers bear the risk and where there is a corresponding item on the liability side. The value of these assets has decreased by SEK 25.1 billion since the start of the year. In addition, liquid assets increased by 20 percent during the year, corresponding to SEK 10.5 billion. Lending has increased by SEK 2.6 billion from the start of the year, corresponding to an increase of 9.9 percent. Most of the increased lending can be attributed to Residential mortgages, while other lending remained at a stable level during the period. The confirmed credit losses are at a low and stable level and have not been affected by the higher volatility or increased concerns about higher inflation.

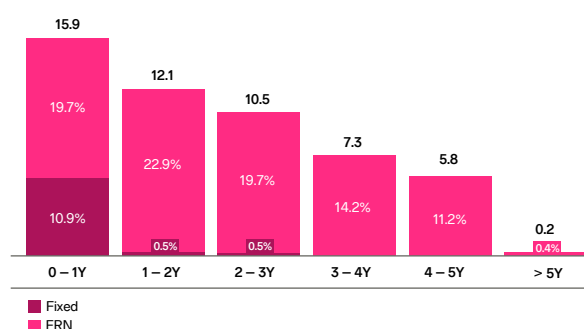
Deposits are Nordnet's most significant source of financing at the same time that lending amounts to only slightly more than a third of deposits and the remaining liquidity is invested in interest-bearing securities with a high credit quality and high liquidity, with a currency distribution corresponding to the deposits. The principal investment focus of the interest-bearing securities is to hold them to maturity. The maturity structure for the Group's invest-

ments in bonds and certificates divided by credit type and interest terms is shown below.

Maturity structure regarding credit category (SEK billion), 30 September 2022¹



Maturity structure regarding interest rate fixation (SEK billion), 30 September 2022¹



Nordnet has a strong and stable capital structure, which together with low risk in the lending and the investments give a good capital situation. Together with Nordnet's low credit risk business model, Nordnet has the prerequisites for a dividend policy of 70 percent of the year's profit.

The regulatory capital requirement consists of two parts: the risk-weighted (capital coverage) and the non-risk-weighted (leverage ratio). The risk-weighted capital ratio of the consolidated situation is 19.6 percent (21.6) compared with a total risk-weighted capital requirement of 18.0 percent (17.1) and the leverage ratio is 4.1 percent (4.8).

Financial position

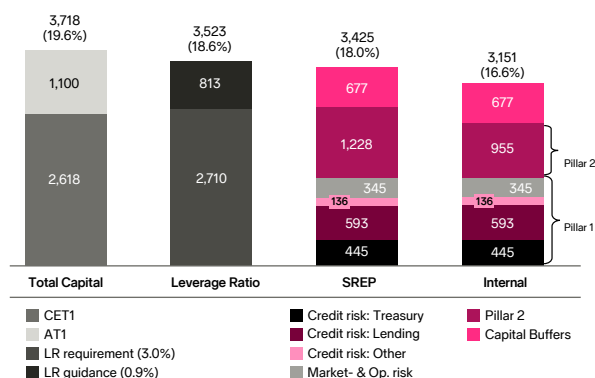
	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Own funds consolidated situation ²	3,718.0	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1	3,102.1	2,951.6
CET 1 ratio ²	13.8%	13.5%	14.7%	15.3%	18.6%	17.6%	18.2%	18.1%
Total capital ratio ²	19.6%	19.4%	20.9%	21.6%	21.8%	20.9%	21.7%	21.8%
Leverage ratio ²	4.12%	4.23%	4.43%	4.76%	4.44%	4.26%	4.04%	4.02%
Lending/deposits ²	36%	38%	39%	39%	39%	38%	36%	34%

¹ Chart excludes cash and cash equivalents at central banks and credit institutions.

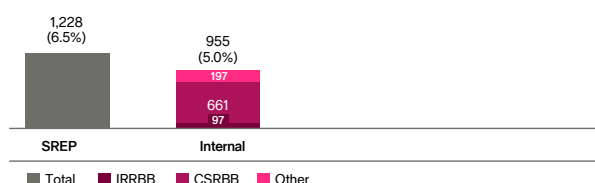
² Refers to consolidated situation.

The risk-weighted capital requirement can be divided up into three components: pillar 1, pillar 2 and the combined buffer requirement. The pillar 1 requirement largely consists of credit risk and operational risk, where Nordnet applies the standard methods. The pillar 2 requirement is largely attributable to credit spread and interest rate risk in the bank book, which is largely a function of the interest and maturity structure in securities investments of surplus liquidity. The Swedish Financial Supervisory Authority has imposed a capital requirement of 6.47 percent on Nordnet's consolidated situation as a minimum for risks under pillar 2. Nordnet also monitors credit spread and interest rate risk based on internal models (CSRBB and IRRBB). Both the regulatory requirements and the internally calculated needs are illustrated below. For Nordnet, the combined buffer requirement consists of capital conservation buffer and countercyclical capital buffer. By the end of September, the requirements for the countercyclical buffer were raised, increasing the risk-weighted total capital requirement by 0.85 percent.

Capital requirements SEK million (RWE%)



Pillar 2 requirement, SEK million (RWE%)



Nordnet's leverage ratio was 4.1 percent (4.8). The minimum requirement for the leverage ratio is 3.0 percent. With the pillar-2 guide of 0.9 percent, this means that Nordnet is recommended to maintain a leverage ratio of more than 3.9 percent. The guide only relates to the consolidated situation. It does not constitute a requirement and a violation of it does not automatically mean that the Swedish Financial Supervisory Authority would take action.

For Nordnet, the leverage ratio is indirectly driven by deposits. Nordnet's deposits have increased by SEK 11 billion as an effect of the uncertainty prevailing in the stock markets since 31 December 2021. Combined with the fact that higher credit spreads, as mentioned above, have had a negative impact on the capital base, this is the principal reason that the leverage ratio has fallen from 4.8 percent to 4.1 percent. With a leverage ratio of 4.1 percent at 30 September, deposits can increase by SEK 33.6 billion or 42 percent without the leverage ratio dropping below the minimum requirement of 3.0 percent, and SEK 5.0 billion or 6 percent to not go below the Swedish Financial Supervisory Authority's guide for the leverage ratio of 3.9 percent in total.

If deposits were to increase stronger than that in a short period of time, Nordnet has readiness to quickly be able to handle further deposits of SEK 20.6 billion as at 30 September 2022. In total, this provides a readiness in relation to the minimum regulatory requirement to handle SEK 54.2 billion in further deposits, equivalent to an increase of around 68 percent.

Cash flow

January – September 2022

(January – September 2021)

Cash flow from operating activities was positively impacted during the year by greater liquidity on customer deposits of SEK 6,948 million (7,124), but was negatively impacted by greater lending of SEK -2,255 million (-5,322). During the year, cash flow in investing activities was negative due to increased investments in bonds and other fixed-income securities for SEK -3,512 million (-7,161). Cash flow from financing activities was negatively affected by the buy-back of own shares of SEK 56 million.

Parent Company

January – September 2022

(January – September 2021)

Nordnet AB (publ) is a holding company and conducts no operations beyond its role as the owner of Nordnet Bank AB and Nordnet Incentive AB. Operating income for January–September 2022 amounted to SEK 13.4 (13.2) million and relates to Group-internal administrative services. The Parent Company's profit after financial items for the period January–September 2022 amounted to SEK 1,379.8 (-3.8) million. The Parent Company's cash and cash equivalents amounted to SEK 3.7 million (16.8 at 31 December 2021), and shareholders' equity to SEK 2,331.6 million (2,425.2 at 31 December 2021).

Significant risks and uncertainty factors

Risk taking is an essential part of Nordnet's business. Nordnet's profitability is directly dependent on its capacity to identify, analyse, control and price risk. Risk management in Nordnet serves several purposes. Partly to achieve desired profitability and growth, given a deliberately accepted level of risk and to maintain a high level of trust from customers and the external community. A trust that is essential for Nordnet's long-term profitability and existence.

How risk management is conducted is described in the risk management framework. The framework describes the strategies, processes, procedures, internal regulations, limits, controls and reporting procedures related to risk management. Combined, these are intended to ensure that Nordnet can, on an on-going basis, identify, measure, guide, internally report and maintain control over the risks to which Nordnet is, or is likely to be, exposed. A detailed description of Nordnet's risk exposure and risk management can be found in the 2021 Annual Report, Note 7.

Changes in the world economy since the beginning of the year such as higher inflation, interest rate hikes and a declining stock market constitute a risk for Nordnet's operations. This mainly affects Nordnet's transaction related income where this macroeconomic environment creates uncertainty for customers who trade less on Nordnet's platform. However, a rising interest rate environment drives higher income through better returns on Nordnet's surplus liquidity and higher yield in the lending operations. In addition, long lasting inflationary pressure could mean higher cost to run Nordnet's operations.

Special comment on Russia's invasion of Ukraine

Russia's invasion of Ukraine is one of several factors that has led to a changed macroeconomic situation, which has reduced interest in savings and investments among private individuals. Inflation, a higher interest rate level and high energy prices are making most people tighten their belts, and in many cases, the focus of private finances is more on making ends meet than investing in shares and mutual funds. Combined with lower stock prices, this entails lower commission income for Nordnet; an effect which, of course, can last as long as savers and investors are affected by the uncertain environment. However, a rising interest rate environment drives higher income through better returns on Nordnet's surplus liquidity and a higher yield in lending operations. Nordnet as a company has no direct exposures to Russia or Ukraine. The company's customers have certain holdings in mutual funds

and other securities with links to Russia, which Nordnet has handled according to what is standard in the market. There are no credit losses within Nordnet's operations as a result of Russia's invasion of Ukraine, and the company's financial position has not been significantly affected by the situation.

Other company events

Shares and shareholders

The number of shares outstanding was 249,625,000 as at 30 September 2022. At market close on 30 September 2022, the share price was SEK 126.60, which is a decrease by 24.6 percent since year-end. Since 25 November 2020, Nordnet AB (publ) has been listed on the Nasdaq Stockholm Large Cap list under the ticker SAVE. As of 30 September 2022, the company had 26,414 shareholders, compared to 26,844 at 30 September 2021.

Employees

As of 30 September 2022, there were 669 full-time employees at Nordnet (648 as of 31 December 2021). Full-time employees include temporary employees but not employees on parental or other leave. The average number of employees for the period January–September was 702 (647 during the period January–September 2021). In addition to the number of full-time positions, the number of employees also includes staff on parental leave and leaves of absence. The increase was mainly attributable to more employees in Tech, Product and the newly established fund company.

Related party transactions

E. Öhman J:or AB with subsidiaries ("Öhman Group") are closely related to Nordnet AB (publ). The Öhman Group's owners, which among themselves have family relationships, also have a direct holding in Nordnet AB (publ). Nordnet Bank AB and Nordnet Pensionsförsäkring AB regularly enters into business relations with Öhman Group in the same way as with other financial players. For additional information, please refer to Note 6 in the 2021 Annual Report.

During the quarter, Nordnet Fonder AB took over the management of five index funds previously managed by Öhman Fonder under the Nordnet brand.

Events after 30 September, 2022

On 12 October, Nordnet held an extraordinary general meeting. The general meeting resolved to elect Henrik

SEK million	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Consolidated income statement								
Net commission income	484.9	465.5	652.9	640.6	577.3	584.8	926.9	595.5
Net interest income	325.8	240.2	205.4	187.2	183.8	185.8	170.5	150.4
Net result of financial transactions	2.9	-1.1	-5.9	3.2	6.0	8.8	-0.1	-4.3
Other operating income	-1.7	23.3	38.1	61.5	30.2	53.2	18.8	27.7
Operating income	811.9	727.8	890.5	892.5	797.4	832.6	1,116.1	769.3
General administrative expenses	-249.5	-352.9	-211.3	-236.1	-222.7	-229.8	-228.9	-324.6
Depreciation, amortization and impairments	-43.8	-41.7	-43.0	-41.7	-41.8	-39.6	-39.6	-41.1
Other operating expenses	-13.8	-10.8	-9.6	-21.6	-13.7	-14.0	-11.4	-20.5
Operating expenses	-307.1	-405.3	-263.8	-299.4	-278.2	-283.5	-279.9	-386.3
Net credit losses	-14.0	-8.8	-9.6	-12.5	-8.8	-10.9	-4.1	-7.1
Imposed levies: resolution fee	-3.1	-3.3	-3.6	-2.5	-2.5	-2.5	-2.5	-2.2
Operating profit	487.8	310.5	613.4	578.1	507.8	535.7	829.6	373.8
Earnings per share before dilution, (SEK)	1.54	0.89	1.95	1.83	1.60	1.73	2.63	1.13
Earnings per share after dilution, (SEK)	1.54	0.88	1.94	1.82	1.60	1.72	2.62	1.13
Items affecting comparability ¹	-3.5	-109.6	33.3	0.0	0.0	0.0	0.0	-99.4
Adjusted operating expenses before credit losses ¹	-303.5	-295.7	-297.1	-299.4	-278.2	-283.5	-279.9	-286.9
Adjusted operating profit ¹	491.3	420.1	580.2	578.1	507.8	535.7	829.6	473.1
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK) ¹	1.57	1.34 ²	1.86	1.85	1.63	1.75	2.65	1.48
Key figures								
Adjusted operating income in relation to savings capital - rolling 12 months % ¹	0.45%	0.45%	0.47%	0.53%	0.56%	0.59%	0.64%	0.61%
Adjusted operating expenses in relation to savings capital - rolling 12 months % ¹	0.16%	0.16%	0.16%	0.17%	0.18%	0.20%	0.22%	0.24%
Operating margin %	60%	43%	69%	65%	64%	64%	74%	49%
Adjusted operating margin % ¹	61%	58%	65%	65%	64%	64%	74%	61%
Cost/income %	38%	56%	30%	34%	35%	34%	25%	50%
Adjusted cost/income % ¹	37%	41%	33%	34%	35%	34%	25%	37%
Profit margin %	49%	33%	56%	53%	51%	53%	60%	38%
Return on equity - rolling 12 months %	33%	33%	37%	44%	43%	43%	43%	37%
Adjusted return on equity - rolling 12 months %	34%	35%	37%	44%	45%	46%	46%	40%
Adjusted return on equity excl intangible assets - rolling 12 months % ¹	44%	44%	46%	56%	58%	60%	63%	57%
Customers	1,677,500	1,643,000	1,618,900	1,601,000	1,537,200	1,475,300	1,388,700	1,221,500
Annual adjusted customer growth %	12% ³	15% ³	20% ³	31%	37%	38%	39%	34%
Net savings (SEK billion)	5.8	8.3	21.2	18.7	15.3	22.4	27.0	35.2
Savings ratio %	7%	9%	12%	15%	21%	22%	24%	21%
Savings capital (SEK billion)	680.7	691.1	772.7	801.6	728.0	703.4	647.8	564.9
of which shares/derivatives/bonds	461.6	473.2	547.2	573.4	517.3	505.8	465.0	404.4
of which funds	130.6	132.9	145.0	153.7	138.2	130.7	117.8	100.2
of which deposits ⁴	88.4	85.1	80.5	74.5	72.6	66.8	65.0	60.3
Average savings capital per customer - rolling 12 months (SEK)	454,900	469,400	479,400	477,000	462,800	449,000	425,500	415,900
Lending (SEK billion) ⁵	26.4	26.7	26.5	25.4	24.2	23.2	22.1	19.7
of which margin lending ⁵	11.7	12.4	12.8	12.4	11.9	11.5	11.1	9.2
of which mortgages	10.6	10.3	9.6	8.9	8.2	7.6	7.0	6.5
of which personal loans	4.1	4.0	4.1	4.1	4.1	4.0	4.0	4.0
Investments in tangible assets (SEK million)	6.6	3.7	5.4	17.5	2.8	8.0	17.8	3.1
Investments in intangible assets excl. company acquisitions (SEK million)	30.8	33.3	31.6	31.1	27.8	32.7	29.9	28.6
Number of full-time equivalents at end of period	669	673	662	648	646	630	610	571

¹For items affecting comparability, see page 16. ²Changed from SEK 1.26 to SEK 1.34 due to an adjustment of the tax effect of an item affecting comparability of SEK 100 million where the entire amount has now been put back into the result without a tax effect. ³Customer growth was 9% in the last twelve months and the including those customer relationships that have been terminated within the customer documentation project and the equivalent number in the previous quarter was 11%. ⁴Includes cash and cash equivalents from customers of the pension companies. ⁵Lending excluding pledged cash and cash equivalents. For definitions of key performance indicators, refer to pages 44–45.

Rättzén and Fredrik Bergström as new members of the Board. In connection with the general meeting, Christian Frick resigned from his position as member of the Board.

In October, the Administrative Court of Stockholm ruled in favor of the Swedish Financial Supervisory Authority's (SFSA) decision to reject Nordnet's appeal. The matter is thereby concluded without further possibility for Nordnet to appeal the remark or administrative fine (see Nordnet's interim report for the second quarter 2022 for more details). Since Nordnet already recorded a provision for the full amount in the second quarter of 2022, the decision will have no further impact on Nordnet's results.

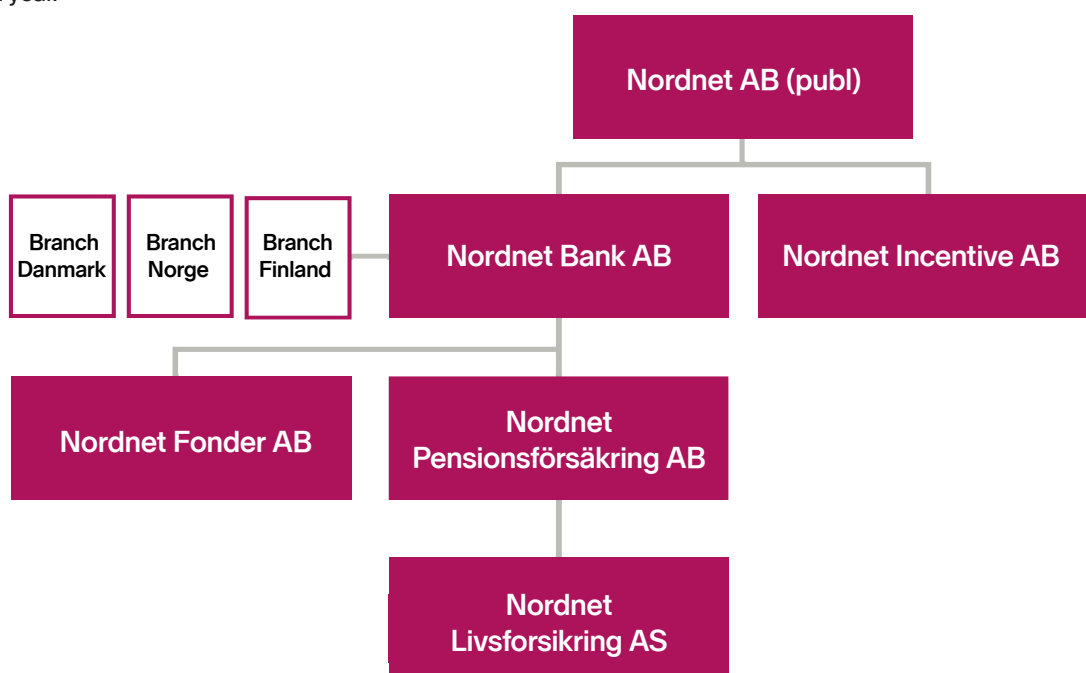
As part of the ongoing and ordinary supervision activity, the Danish equivalent of the SFSA (Finanstilsynet) has announced an investigation regarding AML management within Nordnet's Danish branch. Similar investigations of a number of other financial actors in Denmark have been carried out in the past year.

Upcoming report events

Year-end report	31 January 2023
Annual and Sustainability Report	16 March 2023
Annual General Meeting	18 April 2023
Interim Report January-March	25 April 2023

Group overview

The illustration below shows the Nordnet Group chart as at 30 September 2022.



Items affecting comparability

SEK million	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	2022	2021	2020	2019	2018
Acquisition of Netfonds										-35	-16
Deduction right VAT			38				38		-20	-30	
AML/KYC project	-4	-10	-4				-18				
Sanction from SFSA		-100					-100				
Expenses related to the IPO									-109		
Revaluation of the shareholdings in Tink AB1										66	
Total	-4	-110	33	0	0	0	-80	0	-129	1	-16

A hand holds a smartphone in the foreground, displaying a line graph with a red line on a black background. The background features a laptop screen with a world map and financial data. The text "Financial statements." is overlaid on the left side of the image.

**Financial
statements.**

Consolidated income statement

SEK million	Note	3 months	3 months	3 months	9 months	9 months	12 months
		Jul-Sep 2022	Jul-Sep 2021	Apr-Jun 2022	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Commission income	3	639.8	730.7	615.0	2,106.3	2,660.0	3,476.4
Commission expenses	3	-154.9	-153.4	-149.4	-502.9	-571.0	-746.8
Interest income	4	416.6	236.1	340.4	1,051.0	677.7	945.2
Interest expenses	4	-90.8	-52.3	-100.3	-279.7	-137.6	-217.9
Net result of financial transactions		2.9	6.0	-1.1	-4.1	14.8	18.0
Other operating income		-1.7	30.2	23.3	59.7	102.2	163.7
Total operating income		811.9	797.4	727.8	2,430.2	2,746.1	3,628.4
General administrative expenses		-249.5	-222.7	-352.9	-813.7	-681.4	-917.5
Depreciation, amortization and impairments of intangibles and equipment		-43.8	-41.8	-41.7	-128.4	-121.0	-162.7
Other operating expenses		-13.8	-13.7	-10.8	-34.2	-39.2	-60.7
Total expenses before credit losses and imposed levies		-307.1	-278.2	-405.3	-976.3	-841.5	-1,140.9
Profit before credit losses and imposed levies		504.8	519.2	322.5	1,453.9	1,904.6	2,497.6
Credit losses, net	5	-14.0	-8.8	-8.8	-32.3	-23.9	-36.3
Imposed levies: resolution fees		-3.1	-2.5	-3.3	-10.0	-7.6	-10.1
Operating profit		487.8	507.8	310.5	1,411.6	1,873.1	2,451.2
Tax on profit for the period		-87.5	-98.3	-73.6	-273.4	-357.3	-466.5
Profit for the period		400.3	409.5	236.8	1,138.3	1,515.7	1,984.7
Earnings per share before dilution, SEK	10	1.54	1.60	0.89	4.37	5.96	7.79
Earnings per share after dilution, SEK	10	1.54	1.60	0.88	4.36	5.94	7.75
Average number of shares before dilution	10	249,625,000	250,000,000	249,625,000	249,708,333	250,000,000	250,000,000
Average number of shares after dilution	10	249,982,672	250,896,545	251,040,269	250,625,840	250,900,034	251,146,045

Consolidated statement of other comprehensive income

SEK million	3 months	3 months	3 months	9 months	9 months	12 months
	Jul-Sep 2022	Jul-Sep 2021	Apr-Jun 2022	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Profit for the period	400.3	409.5	236.8	1,138.3	1,515.7	1,984.7
Items that will be reversed to the income statement						
Changes in value of financial assets recognized at fair value through other comprehensive income	-49.8	1.4	-157.0	-279.5	-2.7	-3.6
Tax on changes in value of financial assets recognized at fair value through other comprehensive income	10.3	-0.4	32.3	57.6	0.6	0.7
Translation of foreign operations	13.5	6.2	-17.6	31.3	25.7	45.0
Tax on translation of foreign operations	-1.2	-0.3	-0.6	-3.6	-2.2	-3.1
Total other comprehensive income after tax	-27.2	6.9	-142.9	-194.1	21.4	39.0
Total profit or loss and other comprehensive income ¹	373.0	416.4	94.0	944.1	1,537.1	2,023.7

¹ The entire profit accrues to the Parent Company's shareholders.

Consolidated balance sheet

SEK million	Note	30/09/2022	31/12/2021
Assets			
Cash and balances in central banks		8,753.1	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing		37,916.6	33,702.7
Loans to credit institutions		725.3	644.8
Loans to the general public	5	28,927.4	26,326.2
Bonds and other interest bearing securities		10,019.9	10,978.3
Shares and participations		51.3	5.2
Assets for which customers bear the investment risk		127,078.1	152,165.5
Intangible fixed assets		947.0	920.7
Tangible fixed assets		244.8	285.3
Deferred taxed assets		1.2	0.9
Current tax assets		20.2	0.6
Other assets		2,796.5	2,906.3
Prepaid expenses and accrued income		466.2	357.9
Total assets		217,947.7	232,544.2
Liabilities			
Deposits and borrowing from the general public		73,720.6	64,286.7
Liabilities for which customers bear the investment risk		127,082.8	152,168.3
Other liabilities		10,784.1	9,468.7
Current tax liabilities		470.5	327.6
Deferred tax liabilities		62.2	65.7
Accrued expenses and deferred income		366.2	237.1
Total liabilities		212,486.4	226,554.1
Equity			
Share capital		1.2	1.2
Additional Tier 1 (AT1) capital		1,100.0	1,100.0
Other capital contributions		7,086.7	7,125.9
Other reserves		-255.6	-61.4
Retained earnings/cumulative losses including profit and loss for the period		-2,471.1	-2,175.6
Total equity		5,461.3	5,990.1
Total liabilities and equity		217,947.7	232,544.2

Consolidated statement of changes in equity

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2022	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1
Profit after tax reported in the income statement	-	-	-	-	1,138.3	1,138.3
Other comprehensive income after tax	-	-	-	-194.1	-	-194.1
Total comprehensive income	-	-	-	-194.1	1,138.3	944.1
Transactions reported directly in equity						
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-	-0.7	-0.7
Tax on transaction cost with issue of Tier 1 capital	-	-	-	-	0.1	0.1
Interest on Tier 1 capital	-	-	-	-	-45.2	-45.2
Repurchase of own shares	-	-	-56.5	-	-	-56.5
Issue of warrants	-	-	17.6	-	-	17.6
Repurchase of warrants	-	-	-0.3	-	-	-0.3
Dividend	-	-	-	-	-1,387.9	-1,387.9
Total transactions reported directly in equity	-	-	-39.2	-	-1,433.7	-1,472.9
Equity carried forward 30 September 2022	1.2	1,100.0	7,086.7	-255.5	-2,471.1	5,461.3

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2021	1.2	500.0	7,112.4	-100.4	-3,301.5	4,211.7
Profit after tax reported in the income statement	-	-	-	-	1,515.7	1,515.7
Comprehensive income after tax	-	-	-	21.4	-	21.4
Total comprehensive income	-	-	-	21.4	1,515.7	1,537.1
Transactions reported directly in equity						
Interest on Tier 1 capital	-	-	-	-	-25.6	-25.6
Dividend	-	-	-	-	-377.5	-377.5
Total transactions reported directly in equity	-	-	-	-	-403.1	-403.1
Equity carried forward 30 September 2021	1.2	500.0	7,112.4	-79.0	-2,188.9	5,345.7

Consolidated statement of changes in equity

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2021	1.2	500.0	7,112.4	-100.4	-3,301.5	4,211.7
Profit after tax reported in the income statement	-	-	-	-	1,984.7	1,984.7
Other comprehensive income after tax	-	-	-	39.0	-	39.0
Total comprehensive income	-	-	-	39.0	1,984.7	2,023.7
Transactions reported directly in equity						
Issue of Tier 1 capital ¹	-	600.0	-	-	-	600.0
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-	-2.1	-2.1
Tax on transaction cost with issue of Tier 1 capital	-	-	-	-	0.4	0.4
Issue of warrants	-	-	13.5	-	-	13.5
Interest on Tier 1 capital	-	-	-	-	-37.1	-37.1
Dividend	-	-	-	-	-820.0	-820.0
Total transactions reported directly in equity	-	600.0	13.5	-	-858.8	-245.3
Equity carried forward 31 December 2021	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1

¹ Issue of Tier 1 capital of SEK 600 million. The bonds have an indefinite maturity, with the first redemption after five years and runs with interest of three-month Stibor + 3,90 percent. The bonds are listed on Nasdaq Stockholm.

Consolidated cash flow

SEK million	3 months Jul-Sep 2022	3 months Jul-Sep 2021	3 months Apr-Jun 2022	9 months Jan-Sep 2022	9 months Jan-Sep 2021	12 months Jan-Dec 2021
Operating activities						
Cash flow from operating activities before changes in working capital	369.1	395.2	218.4	1,390.6	1,773.2	2,089.6
Cash flow from changes in working capital	968.8	6,016.5	3,718.8	8,251.0	8,141.9	11,522.6
Cash flow from operating activities	1,337.9	6,411.7	3,937.2	9,641.6	9,915.1	13,612.2
Investing activities						
Purchases and disposals of intangible and tangible fixed assets	-36.8	-30.5	-37.0	-110.9	-118.9	-167.6
Net investments in financial instruments	1,403.4	-4,247.6	-666.5	-3,512.0	-7,160.9	-12,032.7
Cash flow from investing activities	1,366.7	-4,278.2	-703.5	-3,622.8	-7,279.8	-12,200.3
Financing activities						
Cash flow from financing activities	-16.0	-16.3	-1,369.5	-1,382.3	-398.5	-236.8
Repurchase of shares	0.0	-	-	-56.5	-	-
Cash flow for the period	2,688.6	2,117.3	1,864.2	4,580.0	2,236.9	1,175.1
Cash and cash equivalents at the start of the period	6,790.8	3,835.0	4,925.5	4,894.6	3,704.0	3,704.0
Exchange rate difference for cash and cash equivalents	-1.1	1.6	1.2	3.7	13.0	15.5
Cash and cash equivalents at the end of the period ¹	9,478.4	5,953.9	6,790.8	9,478.4	5,953.9	4,894.6
<i>whereof cash and cash equivalents in Central Banks</i>	8,753.1	5,271.0	5,727.1	8,753.1	5,271.0	4,249.8
<i>whereof loans to credit institutions</i>	725.3	682.9	1,063.8	725.3	682.9	644.8

¹ This amount includes reserved funds of SEK 273 million (542).

Parent Company income statement

SEK million	3 months Jul-Sep 2022	3 months Jul-Sep 2021	3 months Apr-Jun 2022	9 months Jan-Sep 2022	9 months Jan-Sep 2021	12 months Jan-Dec 2021
Net sales	4.2	4.1	4.7	13.4	13.2	17.5
Total operating income	4.2	4.1	4.7	13.4	13.2	17.5
Other external costs	-4.1	-3.3	-3.7	-10.9	-4.8	-6.2
Personnel costs	-3.0	-3.1	-3.5	-9.7	-9.9	-13.2
Other operating expenses	-0.8	-0.5	-0.8	-2.5	-1.8	-2.5
Total operating expenses	-7.9	-6.9	-8.0	-23.1	-16.5	-21.9
Operating profit	-3.7	-2.8	-3.3	-9.7	-3.2	-4.4
Result from financial investments:						
Result from participations in Group companies	-	-	1,390.1	1,390.1	-	305.9
Interest expense and similar items	-0.3	-0.2	-0.2	-0.5	-0.6	-0.8
Result from financial investments	-0.3	-0.2	1,389.9	1,389.5	-0.6	305.0
Profit after financial items	-4.0	-3.0	1,386.6	1,379.8	-3.8	300.7
Tax on profit for the year	0.7	0.4	0.6	1.8	0.4	-0.3
Profit for the period	-3.4	-2.5	1,387.2	1,381.6	-3.4	300.4
Items that will be reversed to the income statement	-	-	-	-	-	-
Total other comprehensive income after tax	-	-	-	-	-	-
Total profit or loss and other comprehensive income	-3.4	-2.5	1,387.2	1,381.6	-3.4	300.4

Parent Company balance sheet

SEK million	30/09/2022	31/12/2021
Assets		
Financial fixed assets	2,412.8	2,409.2
Current assets	6.1	11.0
Cash and bank balances	3.7	16.8
Total assets	2,422.5	2,436.9
Equity and liabilities		
Restricted equity	1.2	1.2
Non-restricted equity	2,332.8	2,424.0
Current liabilities	88.5	11.7
Total equity and total liabilities	2,422.5	2,436.9

Notes.

Note 1 Accounting principles

This Interim Report for the Group has been compiled in accordance with IAS 34, Interim Financial Reporting. In addition, the Group adheres to the Annual Accounts Act of Credit Institutions and Securities Companies and the Financial Supervisory Authority's regulations (FFFS 2008:25) and RFR 1 Supplementary Accounting Rules for Groups. The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and with application of the Swedish Financial Reporting Boards RFR 2 Accounting for legal entities.

The accounting principles applied in this Interim Report are those described in the 2021 Nordnet Annual Report, Note 5, the section entitled "Accounting principles applied". The accounting principles and bases of calculation applied remain unchanged compared with the 2021 Annual Report, except for the following amendments.

As of 1 June 2022, Nordnet has made a change in the presentation of the income statement and, accordingly, the comparison figures have also been restated. The Group has changed the presentation of the income statement by adding a new line, Imposed levies; resolution fees for the income statement to be in line with industry practice. Resolution fees were previously reported within net interest. The line "Profit before credit losses" has been changed to "Profit before credit losses and imposed levies". The purpose of the changes is to clarify the reporting and to facilitate the comparison of operating profit between time periods.

The changes in the presentation have not affected the Group's earnings or equity. In order to reflect the current reporting and decision-making process, Nordnet has changed the presentation of reportable operating segments. For more information, please see Note 6 Segment.

Standards that will come into force in 2023 and beyond

IFRS 17 Insurance Contracts and IFRS 4 Insurance Contracts

The standard will replace IFRS 4 Insurance Contracts and aims at creating a uniform method of accounting for all types of insurance contracts, a higher degree of transparency of insurance companies' earnings and increased comparability between companies and countries. IFRS 17 was published in May 2017, updated in June 2020, and applied from 1 January 2023.

IFRS 17 does not apply to accounting in a legal entity, but only at a Group level, as IFRS 17 is not compatible with the Annual Accounts Act for Insurance Companies. In a legal entity, insurance and investment agreements will continue to be reported as previously. Consequently, IFRS 17 will not have any significant impact on Nordnet's financial statements.

IFRS 17 establishes principles for the recognition, presentation, measurement and disclosure of insurance con-

Note 2 Revenue from contracts with customers

Jan-Sep 2022	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	302.5	305.1	289.1	364.7	1,261.5
Commission income - non transaction-related	210.2	137.4	29.3	18.0	394.9
Currency exchange income	96.8	111.9	121.9	59.7	390.3
Other commission income	25.8	14.4	9.5	9.8	59.6
Income associated with IPOs and company events	7.4	4.2	1.3	18.0	30.8
Other operating income	18.7	6.6	12.4	8.8	46.5
Total	661.4	579.6	463.5	479.0	2,183.5
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	661.4	579.6	463.5	479.0	2,183.5

Jan-Sep 2021	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	369.6	363.8	416.3	468.3	1,618.1
Commission income - non transaction- related	224.3	126.6	23.2	16.3	390.5
Currency exchange income	144.2	152.9	188.5	94.7	580.3
Other commission income	27.9	13.2	17.6	12.4	71.1
Income associated with IPOs and company events	19.4	4.9	11.8	31.6	67.7
Other operating income	9.5	4.3	5.4	9.0	28.2
Total	794.9	665.7	662.9	632.3	2,755.7
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	794.9	665.7	662.9	632.3	2,755.7

Jan-Dec 2021	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	488.8	460.4	532.2	603.8	2,085.1
Commission income - non transaction- related	307.1	178.5	33.2	22.8	541.6
Currency exchange income	186.2	198.3	244.3	123.0	751.9
Other commission income	39.5	18.4	23.8	16.1	97.8
Income associated with IPOs and company events	33.6	7.2	16.0	58.1	115.0
Other operating income	13.0	6.5	9.6	13.0	42.0
Total	1,068.2	869.3	859.1	836.8	3,633.3
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	1,068.2	869.3	859.1	836.8	3,633.3

Note 3 Net commission income

SEK million	3 months Jul-Sep 2022	3 months Jul-Sep 2021	3 months Apr-Jun 2022	9 months Jan-Sep 2022	9 months Jan-Sep 2021	12 months Jan-Dec 2021
Commission income						
Commission income - transaction related ¹	374.0	428.2	353.5	1,261.5	1,618.1	2,085.1
Commission income - not transaction related ²	148.7	168.8	147.5	454.4	461.6	639.4
Currency exchange income	117.2	133.7	114.0	390.3	580.3	751.9
Total commission income	639.8	730.7	615.0	2,106.3	2,660.0	3,476.4
Commission expenses						
Commission expenses - transaction related	-100.5	-102.2	-96.0	-340.5	-425.3	-546.4
Commission expenses - not transaction related	-52.0	-51.2	-50.2	-155.4	-145.7	-200.4
Other commission expenses	-2.3	-	-3.2	-7.0	-	-
Commission expenses	-154.9	-153.4	-149.4	-502.9	-571.0	-746.8
Net commission income	484.9	577.3	465.5	1,603.4	2,089.0	2,729.6

¹ Refers to brokerage income

² Primarily pertains to commission income from mutual fund savings

Note 4 Net interest income

SEK million	3 months Jul-Sep 2022	3 months Jul-Sep 2021	3 months Apr-Jun 2022	9 months Jan-Sep 2022	9 months Jan-Sep 2021	12 months Jan-Dec 2021
Interest income according to the effective interest rate method						
Loans to credit institutions	44.7	45.1	45.6	133.2	113.1	158.7
Interest bearing securities	119.4	7.3	66.6	224.3	18.0	39.5
Interest bearing securities at amortized cost	53.7	9.9	34.1	111.4	30.8	44.7
Loans to the general public	196.4	171.5	191.7	575.7	508.1	691.1
Other interest income	2.4	2.3	2.4	6.4	7.7	11.2
Total interest income	416.6	236.1	340.4	1,051.0	677.7	945.2
Interest expenses						
Liabilities to credit institutions	0.2	-6.1	-5.2	-10.4	-14.5	-21.8
Interest bearing securities	-56.9	-17.3	-60.0	-166.7	-45.6	-74.4
Deposits and borrowing from the general public	-0.5	0.2	-0.3	-1.0	-0.1	-0.2
Other interest expenses	-33.6	-29.1	-34.7	-101.6	-77.5	-121.5
Total interest expenses	-90.8	-52.3	-100.3	-279.7	-137.6	-217.9
Net interest income	325.8	183.8	240.2	771.3	540.1	727.3

Note 5 Loans to the public

Total lending amounts to SEK 28,927.4 million (26,326.2 as at 31 December 2021), of which SEK 2,488.1 million (950.3 as at 31 December 2021) consists of lending to the public that is fully covered by pledged cash and cash equivalents in endowment insurance and investment savings accounts (ISA). Residential mortgages account for the largest part of the remaining increase of SEK 1,063.4 million.

Lending to the general public is reported after deduction of realized and expected credit losses. At the end of the period, the total provision for expected credit losses amounted to SEK 110.6 million (105.2 as at 31 December 2021).

The credit loss provisions for margin lending amount to SEK 10.7 million (11.8 as of 31 December 2021). The lower provision for portfolio lending is primarily a function of a lower loaned volume and a smaller number of older provisions has been reclassified to confirmed credit losses. The volume-weighted average loan-to-value ratio in customers' custody accounts with a credit limit was 40.8 percent (36.2). Customers with margin lending are monitored on a daily basis and are force-regulated if necessary to manage credit risk that is deemed to still be low. The higher loan-to-value ratio is an effect of lower market values in customers' portfolios due to the sharp and long decline in the stock market in 2022.

The credit loss provisions for residential mortgages amount to SEK 3.2 million (3.2 as of 31 December 2021).

The provisions have remained largely unchanged since 31 December 2021. A provision in addition to that calculated by the IFRS 9 models of SEK 3 million was made in Q4 2021 to cover expected credit losses that could arise if, for example, the mortgaged home is destroyed and the insurance does not cover the damage. The credit risk in Nordnet's mortgage lending portfolio is deemed to be low. Nordnet offers residential mortgages on the Swedish and Norwegian market with a maximum LTV of 50 and 60 percent, respectively. Nordnet offers residential mortgages to employees in Sweden with a maximum LTV of 75 percent. The average loan-to-value ratios for residential mortgages amounted to 42.7 percent at 30 September 2022 (45.7 at 31 December 2021). In the third quarter, housing prices fell for both houses and tenant-owner apartments. In terms of the expectations of Swedish households, housing prices are expected to continue to decline in the coming year, although household expectations stabilised at the end of the quarter. Declining housing prices can entail an increased risk as the size of the loan constitutes a larger proportion of the current market value. Nordnet is carefully monitoring developments, but based on the low maximum loan-to-value ratio offered, there are no elevated risks as a result.

The credit loss provisions for personal loans amount to SEK 96.6 million (90.2 as of 31 December 2021). The increase in reserves in 2022 is driven by the following:

- Changed reminder and debt collection process, the changed process has had an impact in Stage 2 due to the design of the model's regulations.

Loans, MSEK	30/09/2022	30/06/2022	Change %	31/12/2021	Change %
Margin loans	14,194.0	14,526.1	-2.3%	13,325.3	6.5%
Residential mortgage	10,640.3	10,265.3	3.7%	8,868.4	20.0%
Personal loans	4,093.1	4,035.1	1.4%	4,132.5	-1.0%
Total lending to the public	28,927.4	28,826.5	0.3%	26,326.2	9.9%
whereof credits covered by pledged cash and cash equivalents	2,488.1	2,145.7	16.0%	950.3	161.8%

Credit loss reserve 30/09/2022	Stage 1	Stage 2	Stage 3	Total
Amortized cost	28,144.4	750.7	142.8	29,037.9
Provisions for expected credit losses	-21.4	-26.5	-62.7	-110.6
Total lending to the public	28,123.0	724.2	80.2	28,927.4

Credit loss reserve 31/12/2021	Stage 1	Stage 2	Stage 3	Total
Amortized cost	25,848.2	454.7	128.5	26,431.4
Provisions for expected credit losses	-24.0	-21.2	-60.0	-105.2
Total lending to the public	25,824.2	433.5	68.5	26,326.2

Cont. Note 5 Loans to the public

- Uncertain macroeconomic conditions have resulted in an adjustment of the scenario weights of the applicable macro variables in Q3 2022.

The credit quality in the private loan portfolio remains good and the risk level remains stable.

The manual downward provision adjustment of SEK -2.0 million introduced for personal loans in the first quarter in light of the fact that model validations showed that the risk of default is overestimated remains on the same basis as before. Efforts are under way to update the bank's PD models for personal loans, and the new models are expected to be implemented in Q1, 2023. The manual provision adjustment is expected to remain in place until the project is completed and implemented in the bank's IFRS 9 model.

Nordnet reports reserves for credit losses on financial assets valued at amortized cost.

For all credit products, Nordnet has developed statistical models that consist of a combination of historical, current, future-oriented and macroeconomic data and benchmarks deemed relevant by Nordnet, as well as external data from multiple sources to be able to measure the credit risk and assess the potential risk of default. Measurement of credit exposure and calculation of expected credit losses are complex and include the use of models that are based on the probability of default, exposure at default and loss given default.

The calculation of expected credit losses includes future-oriented information with macro variables based on different scenarios. The forecasts for the three scenarios – base, positive and negative are based on different assumptions regarding future unemployment and economic recovery.

The invasion in Ukraine has caused considerable unease around the world, together with the highest inflation in 30 years, exploding electricity prices and falling housing prices, there is uncertainty in the market that Nordnet is closely monitoring. In the third quarter, it was decided to adjust the scenario weights for personal loans; the adjusted scenario weighting introduced as a result of the uncertain macroeconomic climate brought an increase in reserves of SEK 1.0 million. The adjustment is made from a forward-looking perspective, and no tendencies towards

poorer payment capacity have currently been identified among the bank's customers.

The following scenario weights are applied as of 30 September 2022:

Scenario	Weighting (margin lending and residential mortgages)	Weighting (personal loans)
Positive	25%	10%
Base	50%	30%
Negative	25%	60%

The following scenario weights were applied before 30 September 2022:

Scenario	Weighting
Positive	25%
Base	50%
Negative	25%

Note 6 Group - Segments

Jan-Sep 2022					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	490.1	378.0	379.7	355.5	1,603.4
Net interest income	414.3	241.8	80.7	34.5	771.3
Net result after financial transactions	-7.7	1.5	1.1	0.9	-4.1
Other interest income	6.6	12.1	13.9	26.9	59.7
Total operating income	903.3	633.5	475.5	417.8	2,430.2
Total operating expenses	-448.3	-198.3	-159.4	-170.2	-976.3
Total expenses before credit losses	-448.3	-198.3	-159.4	-170.2	-976.3
Profit before credit losses	455.0	435.2	316.1	247.6	1,453.9
Credit losses, net	-31.7	-0.5	0.0	-0.1	-32.3
Imposed levies: resolution fees	-2.6	-1.7	-2.7	-2.9	-10.0
Operating profit	420.7	433.0	313.4	244.5	1,411.6

Jan-Sep 2021					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	603.4	431.9	575.0	478.7	2,089.0
Net interest income	340.9	123.2	58.4	17.6	540.1
Net result after financial transactions	14.4	0.4	0.2	-0.2	14.8
Other interest income	30.7	10.3	18.9	42.3	102.2
Total operating income	989.3	565.8	652.6	538.4	2,746.1
Total operating expenses	-331.0	-179.2	-164.0	-167.3	-841.5
Total expenses before credit losses	-331.0	-179.2	-164.0	-167.3	-841.5
Profit before credit losses	658.3	386.6	488.6	371.0	1,904.5
Credit losses, net	-21.1	-1.9	-0.9	0.0	-23.9
Imposed levies: resolution fees	-2.1	-1.3	-2.1	-2.1	-7.6
Operating profit	635.2	383.4	485.6	368.9	1,873.1

Jan-Dec 2021					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	805.5	562.2	745.8	616.1	2,729.6
Net interest income	458.6	171.4	75.8	21.4	727.2
Net result after financial transactions	15.4	1.8	0.9	-0.1	18.0
Other interest income	47.4	15.5	27.4	73.4	163.7
Total operating income	1,327.0	750.8	849.9	710.8	3,638.5
Total operating expenses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Total expenses before credit losses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Profit before credit losses	878.9	507.5	626.9	484.3	2,497.6
Credit losses, net	-35.7	-1.4	0.3	0.5	-36.3
Imposed levies: resolution fees	-2.8	-1.7	-2.8	-2.8	-10.1
Operating profit	840.4	504.4	624.4	482.0	2,451.2

Note 7 Group – Financial instruments

Categorization of financial instruments

30/09/2022	Fair value through consolidated income statement					Total
	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	
Assets						
Cash and balances in central banks	8,753.1	-	-	-	-	8,753.1
Treasury bills and other interest bearing securities eligible for refinancing ¹	14,987.7	-	-	22,929.0	-	37,916.6
Loans to credit institutions	725.3	-	-	-	-	725.3
Loans to the general public	28,927.4	-	-	-	-	28,927.4
Bonds and other interest bearing securities	1,189.4	-	-	8,830.6	-	10,019.9
Shares and participations, listed	-	50.6	-	-	-	50.6
Shares and participations, non-listed	-	0.7	-	-	-	0.7
Assets for which customers bear the investment risk ²	2,286.8	-	120,773.7	4,017.7	-	127,078.1
Other assets	2,796.5	-	-	-	20.2	2,816.7
Accrued income	372.2	-	-	-	-	372.2
Total assets	60,038.3	51.3	120,773.7	35,777.2	20.2	216,660.7
Liabilities						
Deposits and borrowing from the general public	73,720.6	-	-	-	-	73,720.6
Liabilities for which customers bear the investment risk	-	-	127,082.8	-	-	127,082.8
Other liabilities	10,784.1	-	-	-	532.7	11,316.9
Accrued expenses	366.2	-	-	-	-	366.2
Total liabilities	84,870.9	-	127,082.8	-	532.7	212,486.4

¹ The market value amounts to SEK 14,981.0 million

² SEK 4,017.7 million refers to re-investments in bonds and SEK 2,286.8 million refers to cash and cash equivalents.

31/12/2021	Fair value through consolidated income statement					Total
	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	
Assets						
Cash and balances in Central banks	4,249.8	-	-	-	-	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing	17,413.6 ¹	-	-	16,289.1	-	33,702.7
Loans to credit institutions	644.8	-	-	-	-	644.8
Loans to the general public	26,326.2	-	-	-	-	26,326.2
Bonds and other interest bearing securities	299.0	-	-	10,679.2	-	10,978.3
Shares and participations, listed	-	4.4	-	-	-	4.4
Shares and participations, non-listed	-	0.7	-	-	-	0.7
Assets for which customers bear the investment risk ²	1,893.2	-	148,561.6	1,710.7	-	152,165.5
Other assets	2,906.3	-	-	-	0.6	2,906.9
Accrued income	294.0	-	-	-	-	294.0
Total assets	54,027.0	5.2	148,561.6	28,679.0	0.6	231,273.3
Liabilities						
Deposits and borrowing from the general public	64,286.7	-	-	-	-	64,286.7
Liabilities for which customers bear the investment risk	-	-	152,168.3	-	-	152,168.3
Other liabilities	9,468.7	-	-	-	393.2	9,862.0
Accrued expenses	237.1	-	-	-	-	237.1
Total liabilities	73,992.5	-	152,168.3	-	393.2	226,554.1

¹ The market value amounts to SEK 17,480.8 million

² SEK 1,710.7 million refers to re-investments in bonds and SEK 1,893.2 million refers to cash and cash equivalents.

Cont. Note 7 Group – Financial instruments

Determination of fair value of financial instruments

When the Group determines fair values for financial instruments, different methods are used depending on the degree of observability of market data in the valuation and the market activity. An active market is considered either a regulated or reliable trading venue where quoted prices are easily accessible with regularity. An ongoing assessment of the activity is done by analysing factors such as differences in buying and selling prices.

The methods are divided into three different levels:

Level 1 – Financial assets and financial liabilities measured on the basis of unadjusted listed prices from an active market for identical assets or liabilities.

Level 2 – Financial assets and financial liabilities measured on the basis of input data other than that included in Level 1, either directly (prices) or indirectly (derived from prices) observable. Instruments in this category are measured applying:

- a) Quoted prices for similar assets or liabilities, or identical assets or liabilities from markets not deemed to be active, or
- b) Valuation models based primarily on observable market data.

Level 3 – Financial assets and financial liabilities measured on the basis of observable market data.

The level of the fair value hierarchy to which a financial instrument is classified is determined based on the lowest level of input data that is significant for the fair value in its entirety.

In cases where there is no active market, fair value is determined using established valuation methods and models. In these cases, assumptions that cannot be directly derived from a market can be applied. These assumptions are then based on experience and knowledge about valuation in the financial markets. However, the goal is always to maximize the use of data from an active market. In cases when deemed necessary, relevant adjustments are made to reflect a fair value, in order to correctly reflect the parameters contained in the financial instruments and to be reflected in its valuation.

For financial instruments recognized at fair value through the income statement, mainly consisting of assets where the customer bears the investment risk, fair value is determined based on quoted purchase prices on the balance sheet date for the assets. Liabilities where the customer

bears the investment risk receive an indirect asset valuation, which classifies them as Level 2 instruments.

Forward rate agreements are valued at fair value by discounting the difference between the contracted forward rate and the forward rate available on the balance sheet date for the remaining contract period. The discount rate is the risk-free rate based on government bonds.

The fair value of interest-bearing securities has been calculated by discounting anticipated future cash flows, with the discount rate being set based on the current market interest rate.

Fund units not considered to be traded in an active market at listed prices are measured at fair value based on NAV (net asset value).

For lending and deposits with flexible interest rates, including lending with financial instruments or housing as collateral, which are reported at amortized cost, the carrying amount is considered to be fair value. For assets and liabilities in the balance sheet with a remaining maturity of less than six months, the carrying amount is considered to reflect the fair value.

Cont. Note 7 Group – Financial instruments

Financial instruments recognized at fair value

30/09/2022				
SEK million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	22,670.8	258.2	-	22,929.0
Bonds and other interest bearing securities	5,487.8	3,342.8	-	8,830.6
Shares and participations ¹	50.6	-	0.7	51.3
Assets for which customers bear the investment risk	124,934.3	287.6	1,856.2	127,078.1
Subtotal	153,143.4	3,888.6	1,857.0	158,889.1
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	8,753.1	-	-	8,753.1
Loans to credit institutions	-	725.3	-	725.3
Loans to the general public	-	28,927.4	-	28,927.4
Treasury bills and other interest bearing securities eligible for refinancing	14,981.0	-	-	14,981.0
Bonds and other interest bearing securities	303.1	883.5	-	1,186.6
Other assets	2,796.5	-	-	2,796.5
Accrued income	372.2	-	-	372.2
Subtotal	27,205.9	30,536.2	-	57,742.1
Total	180,349.4	34,424.8	1,857.0	216,631.2
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	127,082.8	-	127,082.8
Total	-	127,082.8	-	127,082.8

¹ Shares and participations at level 3 refers to unlisted shares.

31/12/2021				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	16,289.1	-	-	16,289.1
Bonds and other interest bearing securities	10,679.2	-	-	10,679.2
Shares and participations ¹	4.4	-	0.7	5.2
Assets for which customers bear the investment risk	147,452.6	267.7	4,445.2	152,165.5
Subtotal	174,425.4	267.7	4,445.9	179,139.0
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	4,249.8	-	-	4,249.8
Loans to credit institutions	-	644.8	-	644.8
Loans to the general public	-	26,326.2	-	26,326.2
Treasury bills and other interest bearing securities eligible for refinancing	-	17,480.8	-	17,480.8
Bonds and other interest bearing securities	-	300.8	-	300.8
Other assets	2,906.3	-	-	2,906.3
Accrued income	294.0	-	-	294.0
Subtotal	7,450.2	44,752.5	-	52,202.7
Total	181,875.5	45,020.2	4,445.9	231,341.7
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	152,168.3	-	152,168.3
Total	-	152,168.3	-	152,168.3

¹ Shares and participations at level 3 refers to unlisted shares.

Cont. Note 7 Group - Financial instruments

Description of valuation levels

Level 1 mainly contains shares, mutual funds, bonds, treasury bills and standardized derivatives where the quoted price has been used in the valuation.

Level 2 mainly contains bonds measured based on an interest curve and liabilities in the insurance operations, the value of which is indirectly linked to a specific asset value measured based on observable input data. For less liquid bond holdings, credit spread adjustments are based on observable market data such as the credit derivatives market. This category includes mutual funds, derivatives and certain interest-bearing securities.

Level 3 contains other financial instruments for which own internal assumptions have a significant effect on the calculation of fair value. Level 3 mainly contains unlisted equity instruments where the pension company's customers bear the investment risk. When valuation models are used to determine fair value of financial instruments in Level 3, the consideration paid or received is considered to be the best assessment of fair value on initial recognition.

When the Group determines the level at which financial instruments are to be recognized, each one is individually assessed in its entirety.

Financial instruments are transferred to or from Level 3 depending on whether internal assumptions have changed for the valuation.

Relocation between levels

During the year, financial instruments valued in Level 3 decreased by SEK 2,589 million. The greatest decline is a consequence of the transfer of policyholders' underlying instruments.

In addition, SEK 148 million is attributable to changes in value of existing instruments within Level 3.

During the year, SEK 21 million was transferred from Level 1 to Level 3. The main reason for the transfer is that the instrument has not been actively traded during the period and has been valued according to an independent theoretical valuation.

From level 3 to level 1, shares and participations were transferred comprising SEK 52 million where the principal reason for the transfer was that instruments that previously lacked reliable data or were valued according to independent theoretical valuation have now been traded

actively during the period where reliable price quotations have been available in the market.

Bonds and other interest-bearing securities of SEK 29 million have been transferred from level 2 to level 1, with the principal reason for were actively traded during the period and reliable price quotations were available in the market.

From Level 1 to Level 2, instruments were transferred of SEK 34 million, with the principal reason being that the instruments were not actively traded during the period.

As a consequence of Russia's invasion of Ukraine, the possibility of trading in Russian securities has been severely restricted. Today, it is difficult to carry out transactions with these securities and to obtain prices. The shares are illiquid, and prices are not relevant. In the past half-year, shares related to Russia were revalued to SEK 0.0001 in Level 3. The underlying amount totalled approximately SEK 44 million.

Note 8 Pledged assets, contingent liabilities and commitments

SEK million	30/09/2022	31/12/2021
Provided collaterals		
Pledged assets and comparable collateral for own liabilities	none	none
Other pledged assets and comparable collateral		
Bonds and other interest bearing securities ¹	3,288.1	2,811.1
<i>of which deposits with credit institutions</i>	2,859.1	2,420.9
<i>of which deposits with clearing organisations</i>	429.0	390.2
Obligations		
Contingent liabilities	13.5	24.0
Commitments		
Credit granted but not yet paid, unsecured loans ²	216.2	118.7
Funds managed on behalf of third parties		
Client funds	152.3	119.1

¹ This amount includes reserved funds of SEK 273 million (542) which mainly relate to pledged assets at clearing institutes, central banks and the stock exchange.

² This amount includes granted, unpaid mortgages amounting to SEK 175 million (146).

As at the balance sheet date of 30st September 2022, the insurance business held registered assets amounting to SEK 127,078 million (152,165 at 31 December 2021) to which the policyholders have priority rights.

Note 9 Capital adequacy information and liquidity

Disclosures in this note are provided in accordance with the Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25) regarding the annual accounts of credit institutions and securities companies, the Financial Supervisory Authority's regulations and general guidelines (FFFS 2014:12) regarding supervisory requirements and capital buffers and the Financial Supervisory Authority's regulations (FFFS 2010:7) regarding the management and publication of liquidity risks for credit institutions and securities companies. Other required disclosures in accordance with Regulation (EU) 575/2013 of the European Parliament and of the Council on supervisory requirements for credit institutions and investment firms ("the supervisory regulation") and regulations supplementing the supervisory regulation are provided on the Nordnet website; see www.nordnetab.com.

The capital requirement for units in the insurance business is affected by the policyholders' assets. The capital requirement from the banking operations (reported in detail under the heading of the consolidated situation) varies primarily in terms of the size and credit quality of the bank's exposures. For the financial conglomerate, Solvency capital requirements and own funds are calculated in accordance with the standard model under Solvency II, which confirms the combined capital requirement from both the bank and the insurance operations. As a consequence of the solvency rules, the item Solvency capital in the conglomerate's own funds, which refers to the estimated future present value of the insurance companies (Nordnet Pensionsförsäkring AB including the subsidiary Nordnet Livsförsäkring AS) includes cash flows generated by the policyholders' capital.

Financial conglomerate

Eligible capital and capital requirements

The financial conglomerate comprises Nordnet AB (publ) and all its subsidiaries. Own funds and capital requirement are calculated in accordance with the consolidation method.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million	30/09/2022	31/12/2021
Capital base after regulatory adjustments	5,491.1	5,837.2
Capital requirement	4,961.3	5,044.7
Excess capital	529.9	792.5
The financial conglomerate's capital ratio	1.1	1.2

As of 30 June 2019, Solvency II figures are recognized with a one-quarter delay.

Consolidated situation

Eligible capital and capital requirements

The consolidated situation consists of Nordnet AB (publ), Nordnet Bank AB and Nordnet Fonder AB. Consequently, the difference between the financial conglomerate and the consolidated situation is that the financial conglomerate also consolidates the insurance business.

Nordnet applies the standard method for calculating capital requirements for credit risk. Capital base requirement for exchange rate risk comprises all items in and outside the balance sheet measured at current market value and converted to Swedish kronor at the balance sheet date. Own funds requirements for operational risk are calculated according to the standard method.

As a part of the authorities' supervision and evaluation process that was concluded in the third quarter of 2021, based on risk input from 2020, the Swedish Financial Supervisory Authority decided that Nordnet must meet a pillar 2 requirement of 6.47 percent for the consolidated situation and a corresponding 6.97 percent for Nordnet Bank AB. The own funds requirement must be met with three fourths Tier 1 capital, of which at least three fourths shall consist of core Tier 1 capital.

The capital base shall cover minimum capital requirements and the combined buffer requirement, as well as supplemental Pillar 2 requirements. As of 30 September 2022, the countercyclical buffer in Sweden and Denmark was raised by the respective supervisory authorities, resulting in an increased buffer requirement for Nordnet by 0.85 percentage points compared with the level for countercyclical buffer as at 30 June 2022. Net profit to the end of Q3 2022 is included since the external auditors have verified the profit and permission has been obtained from the Swedish Financial Supervisory Authority.

From the third quarter of 2021, Nordnet makes a reduced deduction for intangible software assets in accordance with the change in Delegated Regulation (EU) no. 241/2014. This means that all intangible software assets, the value of which is not materially impacted by an institute's resolution, insolvency or liquidation, are deducted from own funds based on a cautious valuation (max. three years' amortization period). The remaining part of the software's carrying amount shall have a risk weight of 100 percent. This is more favourable compared with earlier rules that meant deductions for all software assets from own funds. The change means that own funds and the total risk-weighted exposure amount increases by SEK 178.7 million as at 30 September 2022.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million		30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	2,618.0	2,550.4	2,619.2	2,655.9	2,934.7
2	Tier 1 capital	3,718.0	3,650.4	3,719.2	3,755.9	3,434.7
3	Total capital	3,718.0	3,650.4	3,719.2	3,755.9	3,434.7
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	18,987.2	18,857.6	17,805.2	17,399.0	15,737.9
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	13.8%	13.5%	14.7%	15.3%	18.7%
6	Tier 1 ratio (%)	19.6%	19.4%	20.9%	21.6%	21.8%
7	Total capital ratio (%)	19.6%	19.4%	20.9%	21.6%	21.8%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	6.5%	6.5%	6.5%	6.5%	6.5%
EU 7b	of which: to be made up of CET1 capital (percentage points)	3.6%	3.6%	3.6%	3.6%	3.6%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	4.9%	4.9%	4.9%	4.9%	4.9%
EU 7d	Total SREP own funds requirements (%)	14.5%	14.5%	14.5%	14.5%	14.5%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.1%	0.2%	0.2%	0.1%	0.1%
EU 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer	-	-	-	-	-
11	Combined buffer requirement (%)	3.6%	2.7%	2.7%	2.6%	2.6%
EU 11a	Overall capital requirements (%)	18.0%	17.2%	17.1%	17.1%	17.1%
12	CET1 available after meeting the total SREP own funds requirements (%)	5.1%	4.9%	6.4%	7.1%	7.4%

Cont. Note 9 Capital adequacy information and liquidity

Nominal values of capital requirements

SEK million		30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Additional own funds requirements to address risks other than the risk of excessive leverage (SEK million)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage	1,228.5	1,220.1	1,152.0	1,125.7	1,018.2
EU 7b	of which: to be made up of CET1 capital	691.1	686.4	648.1	633.3	572.9
EU 7c	of which: to be made up of Tier 1 capital	920.9	914.6	863.6	843.9	763.3
EU 7d	Total SREP own funds requirements	2,747.5	2,728.7	2,576.4	2,517.6	2,277.3
Combined buffer and overall capital requirement (SEK million)						
8	Capital conservation buffer	474.7	471.4	445.1	435.0	393.4
9	Institution specific countercyclical capital buffer	208.9	40.4	28.6	25.7	23.1
11	Combined buffer requirement	683.5	511.9	473.7	460.6	416.6
EU 11a	Overall capital requirements	3,412.0	3,239.7	3,050.0	2,978.7	2,694.3
12	CET1 available after meeting the total SREP own funds requirements	970.2	922.1	1,143.1	1,238.8	1,156.7

Distribution risk weighted exposures

SEK million		30/09/2022	31/12/2021
Total risk weighted exposures		18,987.2	17,399.0
Exposure to credit risk according to the standardized method		14,671.4	13,248.4
of which exposures to institutions		1,848.4	1,717.3
of which exposures to corporates		1,724.6	1,312.6
of which retail exposures		3,970.3	4,286.8
of which exposures secured by mortgages on immovable property		2,558.3	1,995.3
of which in default		94.3	89.6
of which exposures in the form of covered bonds		2,768.4	2,252.3
of which equity exposures		367.1	397.8
of which regional governments or local authorities		5.3	172.0
of which claims in the form of CIU		616.4	-
of which other items		718.3	1,024.7
Other risk weighted exposures		4,315.9	4,150.6
Exposures market risk		307.5	142.3
Exposure operational risk		4,008.3	4,008.3

Cont. Note 9 Capital adequacy information and liquidity

Leverage ratio

The leverage ratio is calculated as the ratio of Tier 1 capital and total exposures, expressed as a percentage. From 28 June 2021, a binding minimum requirement of 3.0 percent for the leverage ratio was introduced, which yields a capital requirement that pertains to a leverage of SEK 2,709.8 million.

In its Review and Evaluation process, the Swedish Financial Supervisory Authority has announced guidance to Nordnet Bank AB to hold additional capital of 0.90 percent of the Group's total exposure measure of leverage ratio in a consolidated situation. The total Pillar 2 guide amounts to SEK 813.0 million as of 30 September 2022.

Leverage ratio

SEK million		30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Leverage ratio						
13	Total exposure measure	90,327.9	86,336.6	83,943.6	78,924.5	77,285.3
14	Leverage ratio (%)	4.1%	4.2%	4.4%	4.8%	4.4%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%	3.0%	3.0%

Own funds requirement for Leverage Ratio SEK million		30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Additional own funds requirements to address the risk of excessive leverage (SEK million)						
EU 14c	Total SREP leverage ratio requirements	2,709.8	2,590.1	2,518.3	2,367.7	2,318.6
EU 14e	Overall leverage ratio requirement	2,709.8	2,590.1	2,518.3	2,367.7	2,318.6

Internally assessed capital requirement

In accordance with the EU directive on capital adequacy 2013/36/EU Article 73 and the Swedish Financial Supervisory Authority regulations and general guidelines (FFFS 2014:12) regarding supervisory requirements and capital buffers, Nordnet evaluates the total capital requirements that were the result of the bank's annual internal capital adequacy assessment (ICAAP) with the aim of identifying significant risks to which the bank is exposed and to ensure that the bank has adequate capital.

The ICAAP is based on Nordnet's business plan, current and future regulatory requirements and scenario-based simulations and stress tests. The results are reported to the Board annually and form the basis of the Board's capital planning.

Nordnet has calculated the internal capital requirement for the consolidated situation to be SEK 2,473.8 million (2,328.5 as of 31 December 2021). This is considered to be a satisfactory capital situation with regard to the activi-

ties that Nordnet conducts. Nordnet's internally assessed capital requirement is different from the regulatory capital requirement regarding the estimated Pillar 2 requirement. The Pillar 2 requirement for the internally assessed capital requirement has been calculated using internal models, while the Swedish Financial Supervisory Authority's decision on the Pillar 2 requirement of 6.47 percent of the risk-weighted exposure amount is applied for the regulatory capital requirement.

In addition to what is stated in this interim report, Nordnet's risk management and capital adequacy is described in more detail in Nordnet's annual report for 2021 and on the Nordnet website; see www.nordnetab.com.

Cont. Note 9 Capital adequacy information and liquidity

Liquidity

The Liquidity Coverage Ratio (LCR) is calculated as the ratio between the bank's liquidity buffer and net cash flows in a highly stressed scenario over a 30-day period. The ratio shall amount to at least 100 percent. As part of the review and evaluation process, the Swedish Financial Supervisory Authority decided that Nordnet Bank AB shall meet specific liquidity requirements at a group level: a liquidity coverage ratio of 100 percent in euro, a liquidity coverage ratio of 75 percent in other currencies and that, when calculating the liquidity coverage ratio at a group level, the liquidity buffer may consist of a maximum of 50 percent covered bonds issued by Swedish issuer institutions.

NSFR (Net Stable Funding Ratio), calculated as the ratio between available stable funding and the need for stable funding. The minimum requirement applies at the aggregated level and the ratio must amount to at least 100 percent.

Nordnet's high LCR and NSFR show that the bank has a high level of resilience to disturbances in the financing market.

In accordance with FFFS 2010:7, Chapter 5, Nordnet reports information regarding liquidity risk positions as of the balance sheet date 30 September 2022. This information relates to the consolidated situation, which includes

Nordnet AB (publ), corp. ID no. 559073-6681 and Nordnet Bank AB, corp. ID no. 516406-0021.

The liquidity reserve is financed by deposits from the public, equity and issued bonds, known as "AT1 bond loans" totalling SEK 1,100 million. The majority of the reserve is invested in high-rated bonds, e.g., covered bonds, government-issued bonds and balances in central banks or banks. The liquidity reserve is assessed to be large enough to be able to address situations of temporary or prolonged stress. Nordnet Bank AB is a member of the Swedish Riksbank, the Bank of Norway, the Bank of Finland and the Danish National Bank, which further strengthens liquidity preparedness.

Liquidity requirements

SEK million		30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	31,557.8	30,210.1	29,561.3	29,172.8	29,291.3
EU 16a	Cash outflows - Total weighted value	8,312.9	8,190.7	8,209.9	8,199.7	8,220.2
EU 16b	Cash inflows - Total weighted value	1,646.4	1,463.2	1,338.1	1,250.6	1,229.1
16	Total net cash outflows (adjusted value)	6,666.5	6,727.5	6,871.8	6,949.1	6,991.1
17	Liquidity coverage ratio (%)	473.4%	449.1%	430.2%	419.8%	419.0%
	Liquidity coverage ratio SEK (%)	203.6%	205.8%	204.2%	211.2%	226.1%
	Liquidity coverage ratio NOK (%)	391.7%	375.8%	356.0%	356.1%	358.4%
	Liquidity coverage ratio DKK (%)	420.4%	399.6%	418.7%	434.3%	440.0%
	Liquidity coverage ratio EUR (%)	992.9%	926.1%	1,007.3%	1,038.2%	1,122.4%
Net Stable Funding Ratio						
18	Total available stable funding	75,451.7	72,556.9	69,103.4	65,640.4	62,788.1
19	Total required stable funding	29,973.7	29,466.1	28,140.8	26,959.5	26,229.2
20	NSFR ratio (%)	251.7%	246.2%	245.6%	243.5%	239.4%

Cont. Note 9 Capital adequacy information and liquidity

Liquidity buffer

SEK million	30/09/2022	SEK	NOK	DKK	EUR	USD	Other
Cash and bank balances	2,015	368	823	107	281	313	122
Securities issued or guaranteed by the state, central banks or multinational development banks	6,660	4,598	960	202	900	0	0
Covered bonds	22,819	2,215	8,874	8,949	2,782	0	0
Other securities	0	0	0	0	0	0	0
Total liquidity buffer	31,493	7,181	10,657	9,257	3,963	313	122
Distribution by currency	100.0%	22.8%	33.8%	29.4%	12.6%	1.0%	0.4%

Additional liquidity indicators

		30/09/2022
Liquidity reserve / Deposits from the general public		39.4%
Lending to the public / Deposits from the general public		36.1%

Liquidity buffer

SEK million	31/12/2021	SEK	NOK	DKK	EUR	USD	Other
Cash and bank balances	5,660	500	199	1,651	3,061	189	59
Securities issued or guaranteed by the state, central banks or multinational development banks	7,372	4,548	758	233	1,787	45	0
Covered bonds	19,937	2,336	6,658	7,845	3,098	0	0
Other securities	0	0	0	0	0	0	0
Total liquidity buffer	32,969	7,385	7,616	9,729	7,945	234	59
Distribution by currency	100.0%	22.4%	23.1%	29.5%	24.1%	0.7%	0.2%

Additional liquidity indicators

		31/12/2021
Liquidity reserve / Deposits from the general public		48.6%
Lending to the public / Deposits from the general public		38.8%

Note 10 Earnings per share

	3 months	3 months	3 months	9 months	9 months	12 months
SEK million	Jul-Sep 2022	Jul-Sep 2021	Apr-Jun 2022	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Earning per share before and after dilution						
Profit for the period	400.3	409.5	236.8	1,138.3	1,515.7	1,984.7
Interest on Tier 1 capital recognised in equity ¹	-16.4	-8.7	-15.1	-45.8	-26.0	-37.7
Profit attributable to shareholders of the Parent Company	383.8	400.8	221.7	1,092.4	1,489.8	1,947.0
Earning per share before dilution ²	1.54	1.60	0.89	4.37	5.96	7.79
Earning per share after dilution ²	1.54	1.60	0.88	4.36	5.94	7.75
Average number of outstanding shares before dilution	249,625,000	250,000,000	249,625,000	249,708,333	250,000,000	250,000,000
Average number of outstanding shares after dilution	249,982,672	250,896,545	251,040,269	250,625,840	250,900,034	251,146,045
Number of outstanding shares before dilution	249,625,000	250,000,000	249,625,000	249,625,000	250,000,000	250,000,000
Number of outstanding shares after dilution	257,314,633	255,980,549	257,317,406	257,314,633	255,980,549	256,756,549
¹ Including interest for the period and accrued transaction costs, net after tax	-0.2	-0.1	-0.2	-0.6	-0.4	-0.6

² Earnings per share are calculated based on the Group's net profit for the period attributable to the shareholders in the Parent Company and on the weighted average number of shares outstanding over the period. In the calculation of earnings per share after dilution, the average number of shares is adjusted to take into consideration effects of a potential dilution of ordinary shares. These originate during the reported period from issued warrants attributable to Nordnet's stock-based incentive program.

Signatures of the Board of Directors.

The board and CEO provide their assurance that this interim report for the period January–September 2022 provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

This report has been reviewed by the company's auditors.

Stockholm, 27 October 2022

Tom Dinkelspiel
Chairman of the Board

Fredrik Bergström
Board member

Anna Bäck
Board member

Karitha Ericson
Board member

Charlotta Nilsson
Board member

Henrik Rättzén
Board member

Gustaf Unger
Board member

Per Widerström
Board member

Lars-Åke Norling
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Website: nordnetab.com
Become a customer: nordnet.se, nordnet.no, nordnet.dk,
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This is information which Nordnet AB (publ) is obliged to publish under the EU's Market Abuse Regulation and the Securities Market Act. This information was submitted through the efforts of the above-mentioned contact persons for publication on 28 October 2022 at 8.00 a.m. CET.

Auditor's review report

To the Board of Directors of Nordnet AB (publ), corp. ID no. 559073-6681.

Introduction

We have conducted a limited review of the enclosed interim financial statements for Nordnet AB (publ) as of 30 September 2022 and the nine-month period that concluded on this date.

The true and fair preparation and presentation of these interim financial statements pursuant to IAS 34 and the Swedish Act on Annual Accounts of Credit Institutions and Securities Companies for the Group and the Swedish Annual Accounts Act for the Parent Company are the responsibility of the Board of Directors and Chief Executive Officer.

Our responsibility is to report our conclusions concerning these interim financial statements on the basis of our limited review.

Orientation and Scope of Limited Review

We have conducted our limited review pursuant to the International Standard on Review Engagements ISRE 2410 "Limited review of interim financial information conducted by the company's appointed auditor". A limited review consists of making inquiries, primarily to individuals responsible for financial and accounting matters, as well as performing analytical procedures and taking other limited review measures. A limited review has a different focus and significantly less scope than an audit according to ISA and generally accepted auditing practice. The review procedures undertaken in a limited review do not enable us to obtain a level of assurance where we would be aware of all important circumstances that would have been identified had an audit been conducted. Therefore, a conclusion reported on the basis of a limited review does not have the level of certainty of a conclusion reported on the basis of an audit.

Conclusion

Based on our limited review, no circumstances have come to our attention that would give us reason to believe that the interim financial statements have not been prepared pursuant to IAS 34 and the Swedish Annual Accounts Act for the Group, and pursuant to the Swedish Annual Accounts Act for the Parent Company, in all material respects.

Stockholm, 27 October 2022

Deloitte AB

Patrick Honeth

Authorized Public Accountant

Definitions.

Alternative Performance Measures (APM) are financial measures of historical or future financial position, performance or cash flow that are not defined in applicable reporting regulations (IFRS) or in the fourth capital requirement directive (CRD IV) or in the EU capital requirement regulation no. 575/2013 (CRR) or the EU's Solvency II directive 2015/35. Nordnet uses alternative key performance measures when it is relevant to describe our operations and monitor our financial situation. APM-measures are mainly used to be able to compare information between periods and to describe the underlying development of the business. These measures are not directly comparable with similar key indicators presented by other companies. Disclosures regarding financial measures not defined in IFRS but stated outside of the formal financial statements, "alternative performance measures", are presented in the note references below.

Number of trades¹

A registered transaction on the stock exchange or in the marketplace. Orders sometimes involve several trades.

Number of trades per trading day¹

Number of trades during the period divided by the number of trading days in Sweden during the period.

Number of trading days¹

Number of days on which the relevant exchanges are open.

Number of full-time employees at end of period¹

Number of full-time positions, including fixed-term employees, but excluding staff on parental leave and leaves of absence, at the end of the period.

Number of customers¹

Number of private individuals and legal entities who hold at least one account with a value of more than SEK 0, or who had an active credit commitment at the end of the period.

Return on equity^{2,4}

Return on equity calculated as the period's accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Leverage ratio²

Tier 1 capital as a percentage of the total exposure amount.

Cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Equity excluding intangible assets¹

Total equity less intangible assets.

Average savings capital per customer – rolling 12 months²

The average quarterly savings capital per customer for the current period (calculated as the average quarterly savings capital per customer that includes the opening KPI at the beginning of the current period and the closing KPI at the end of every quarter that is included in the current period).

Cash deposits at end of period²

Deposits and borrowing from the public including deposits attributable to liabilities in the insurance operations at end of period.

Adjusted return on equity^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted return on equity excluding intangible assets^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, excluding amortization related to acquisitions in relation to the average of equity excluding Tier 1 capital and intangible assets over the corresponding period. The average of equity excluding Tier 1 capital and intangible assets is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted operating income in relation to savings capital²

Adjusted operating income in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted C/I ratio %²

Adjusted operating expenses before credit losses in relation to adjusted operating income.

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finansiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.

Adjusted operating expenses in relation to savings capital ²

Adjusted operating expenses before credit losses in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted profit ²

Profit for the period adjusted for items affecting comparability over the period.

Adjusted profit before amortization of intangible assets in purchase consideration allocation ²

The profit for the period after tax adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation). Items affecting comparability have illustratively been taxed at an assumed tax rate of 20 percent insofar as such items affecting comparability are deductible and/or give rise to a tax expense. The amortization of the purchase consideration allocation is not deductible and has accordingly not been illustratively taxed.

Adjusted profit before amortization of intangible assets in purchase consideration allocation per share before and after dilution ²

The profit for the period after deduction of interest on additional Tier 1 capital adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation) per share before and after dilution.

Adjusted operating income ²

Total operating income adjusted for items affecting comparability over the period.

Adjusted operating expenses before credit losses ²

Expenses before credit losses, adjusted for items affecting comparability over the period.

Adjusted operating margin ²

The adjusted operating profit in relation to adjusted operating income.

Adjusted operating profit ²

Profit for the period adjusted for items affecting comparability. Items affecting comparability are items reported separately due to their nature and amount.

Own funds³

The sum of Core Tier 1 capital and Tier 2 capital.

C/I ratio excluding operating losses ¹

Total expenses before credit losses in relation to total operating income.

Core Tier 1 capital³

Equity excluding unrevised earnings, proposed dividend, deferred

taxes and intangible assets and some further adjustments in accordance with the EU capital requirements regulation no. 575/2013 (CRR) and EU 241/2014.

Core tier 1 capital ratio ³

Core tier 1 capital divided by total risk-weighted exposure amount.

Net savings²

New deposits of cash and cash equivalents and securities, less withdrawals of cash and cash equivalents and securities.

Traded value cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Earnings per share ²

Profit for the period, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to weighted average number of ordinary shares before and after dilution.

Operating expenses³

Operating expenses before credit losses.

Operating margin¹

Operating profit in relation to total operating income.

Savings capital²

Total of cash and cash equivalents and value of securities for all active accounts.

Savings ratio²

Net savings over the past 12 months as a percentage of savings capital 12 months ago.

Total capital ratio²

Total own funds in relation to risk-weighted exposure amount.

Lending/deposits²

Lending to the public at the end of the period in percentage of deposits from the public at the end of the period.

Lending excluding pledged cash and equivalents ²

Lending to the public, excluding lending through account credits that are fully covered by pledged cash and cash equivalents on endowment insurance plans and investment savings accounts (ISAs), where the lending rate applied to the credits corresponds to the deposit rate on the pledged cash and cash equivalents.

Lending at end of period ²

Lending to the public at the end of the period.

Profit margin¹

Profit for the period in relation to operating income.

Annual customer growth²

Annual growth rate in customers over the period.

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finanssiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.



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For more information on Nordnet and financial reports, go to nordnetab.com

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