



Nordnet Q2 2023

Results presentation



Key highlights second quarter 2023

Strong financial performance with revenue growing ~50% and profit ~75%

Positive interest rate sensitivity – set to grow NII significantly in 2023

Good customer growth and positive net savings

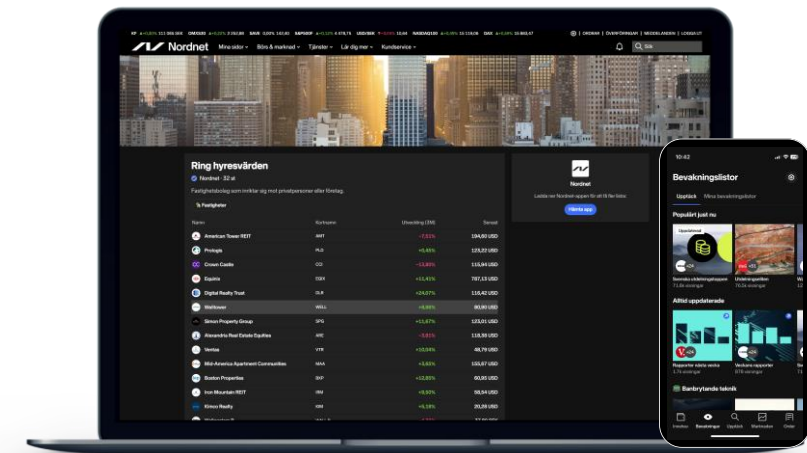
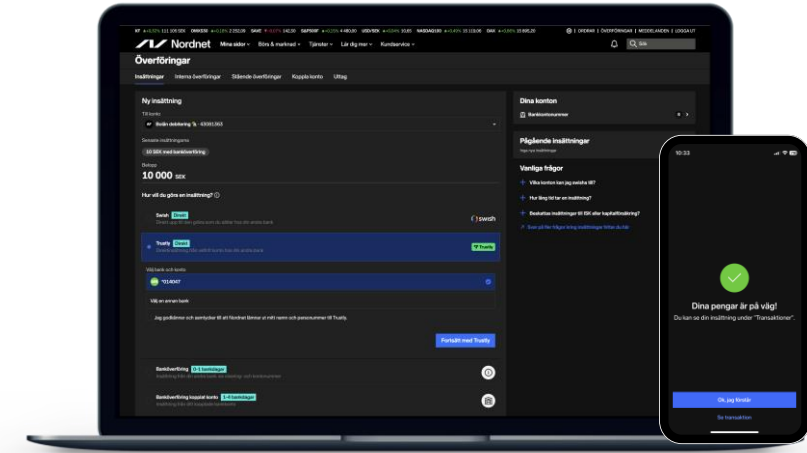
Cost expected to meet full year guidance

Uncertain macro environment and low volatility is an overhang on trading activity

Product development include improved curated lists, new landing pages and instant deposit in Finland

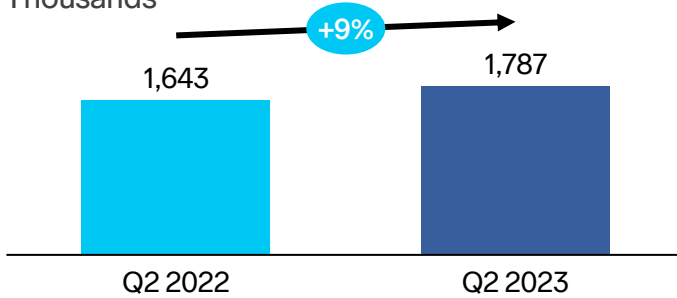
Net interest income more than doubled due to higher interest rates

Strong capital and liquidity situation

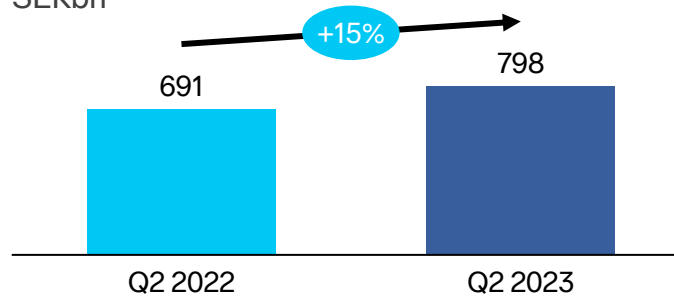


Financial highlights second quarter 2023

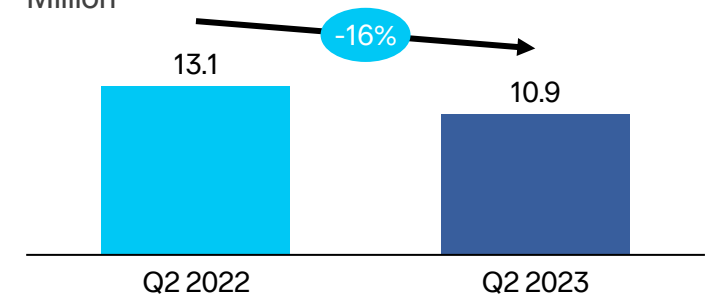
Customers
Thousands



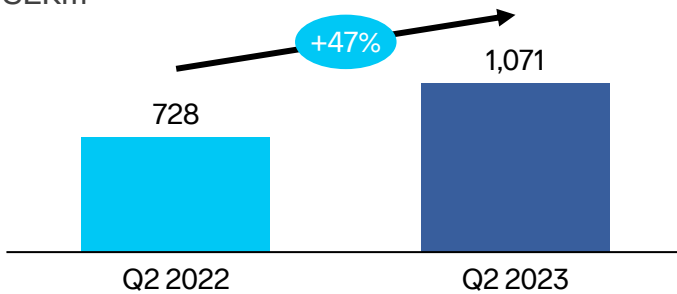
Savings capital
SEKbn



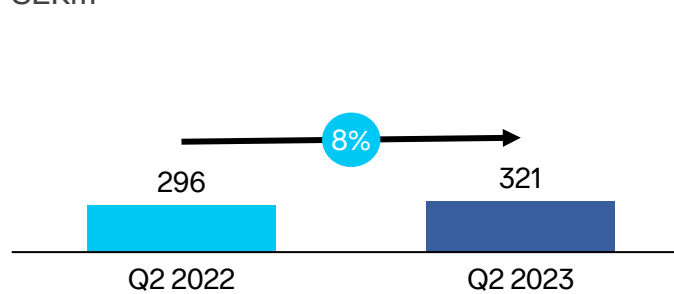
Number of trades
Million



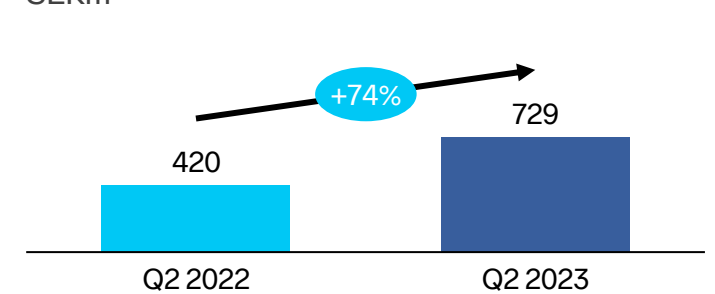
Adjusted revenues
SEKm¹



Adjusted operating expenses
SEKm¹



Adjusted profit before tax
SEKm¹

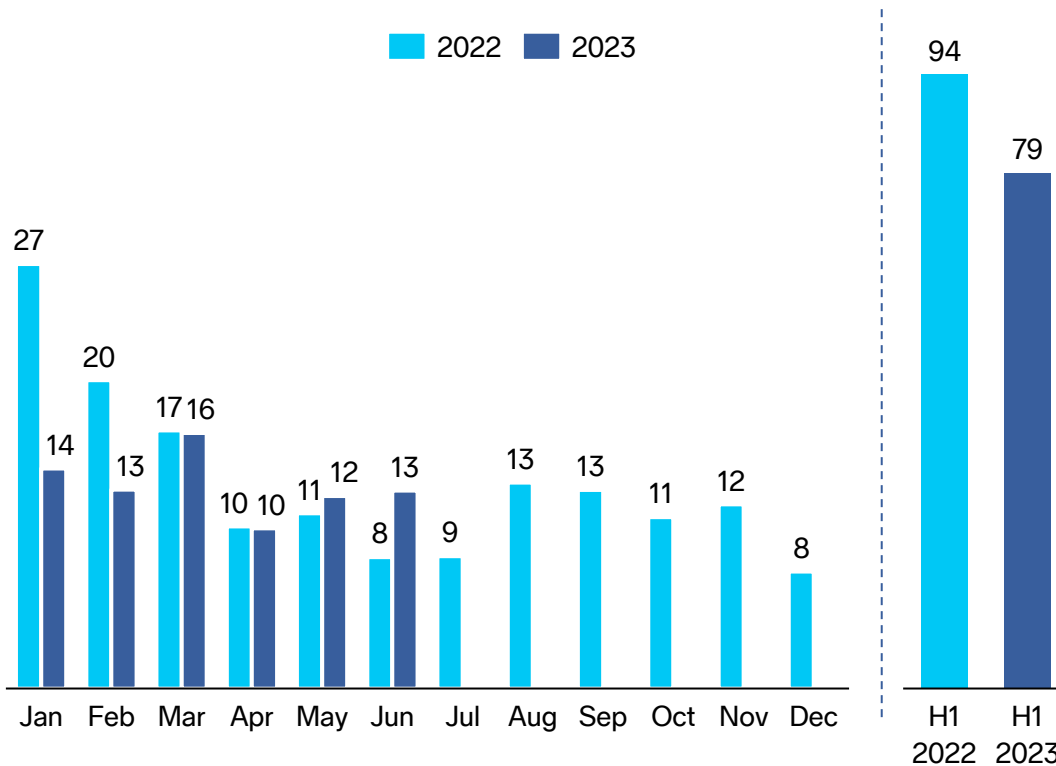


(1) Excludes items affecting comparability.

Continued growth in customers and net savings despite uncertain macro environment

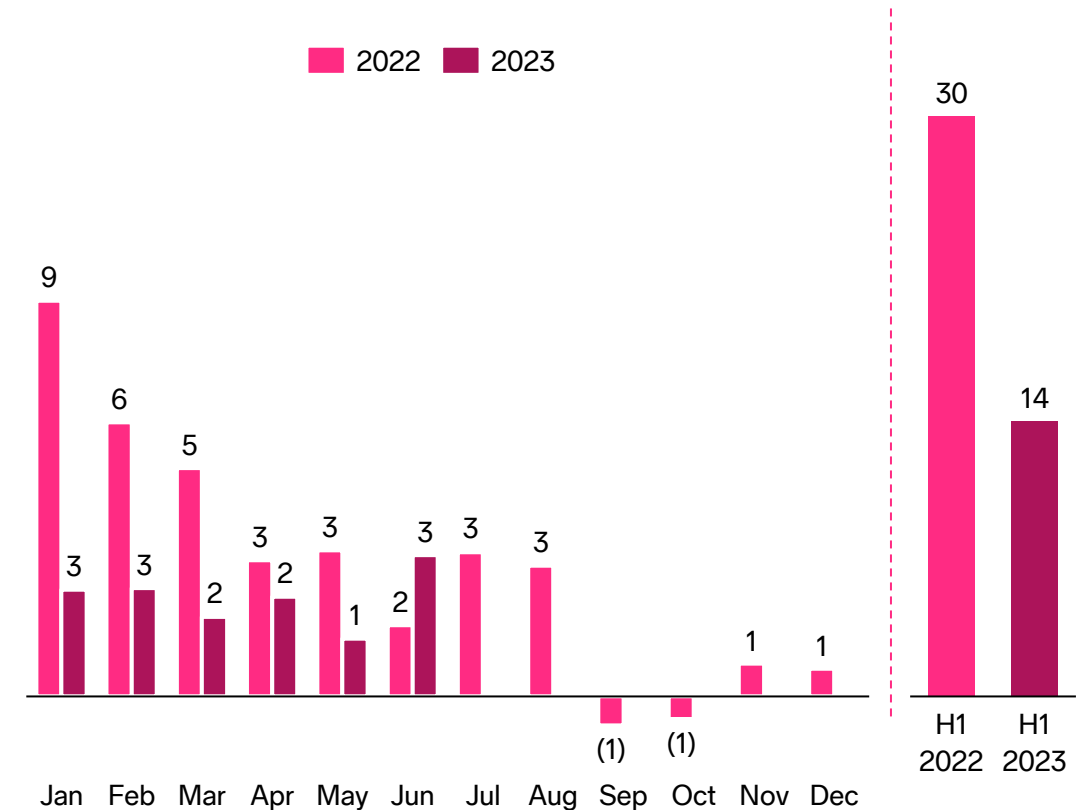
New customers by month¹

Thousands



Net savings per month

SEKbn



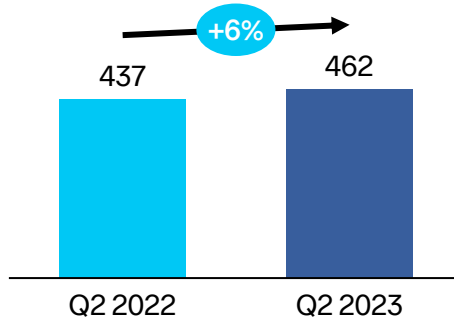
(1) Excludes 51,700 customers who during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation, which is described in Nordnet's interim report for the third quarter 2021.

Geographical diversification de-risks the business model and enables growth

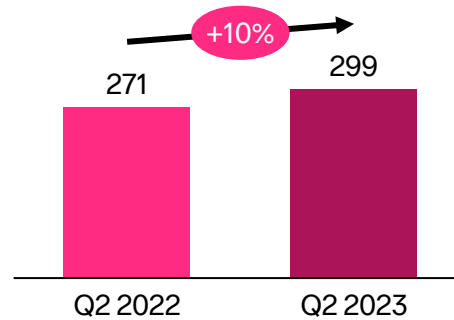
Sweden



Customers
Thousand



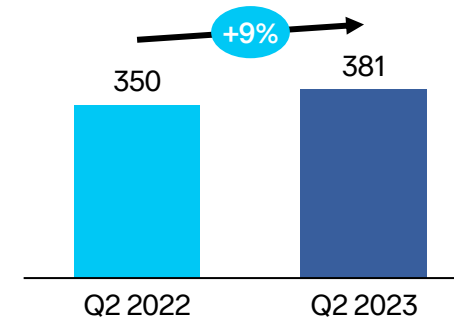
Savings capital
SEKbn



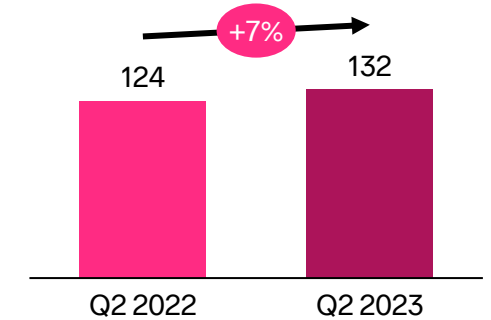
Norway



Customers
Thousand



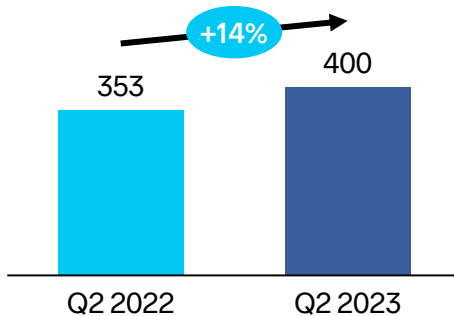
Savings capital
SEKbn



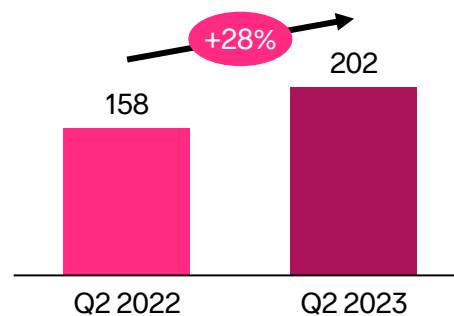
Denmark



Customers
Thousand



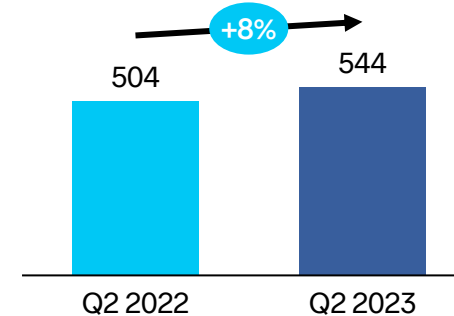
Savings capital
SEKbn



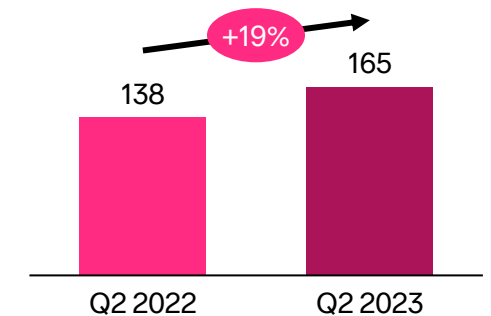
Finland



Customers
Thousand

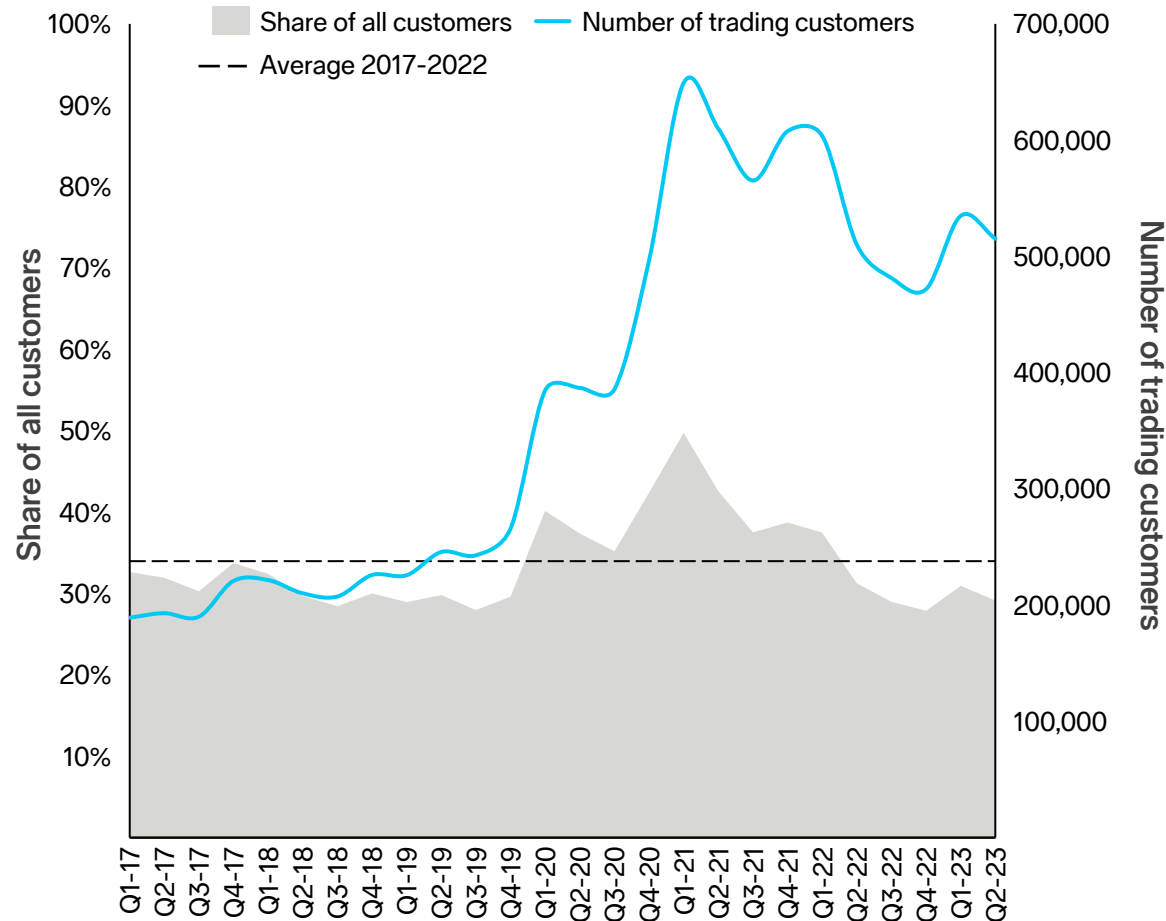


Savings capital
SEKbn

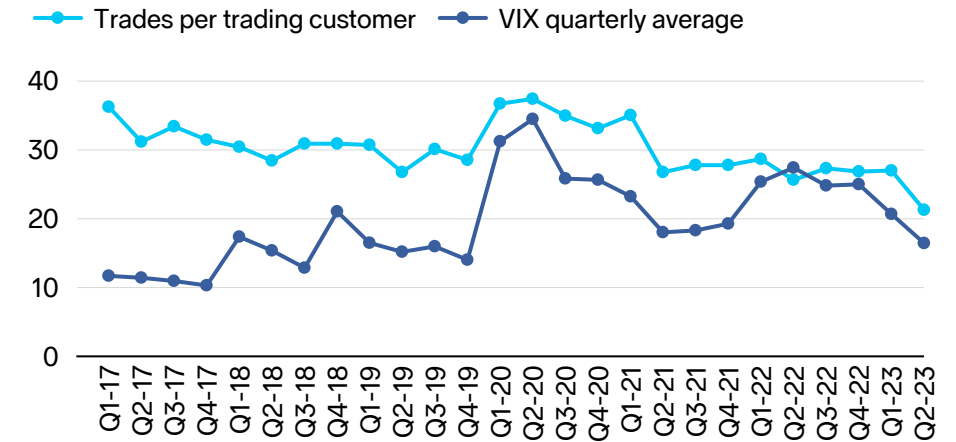


Trading affected by uncertain macro environment and low volatility but cross-border remains robust

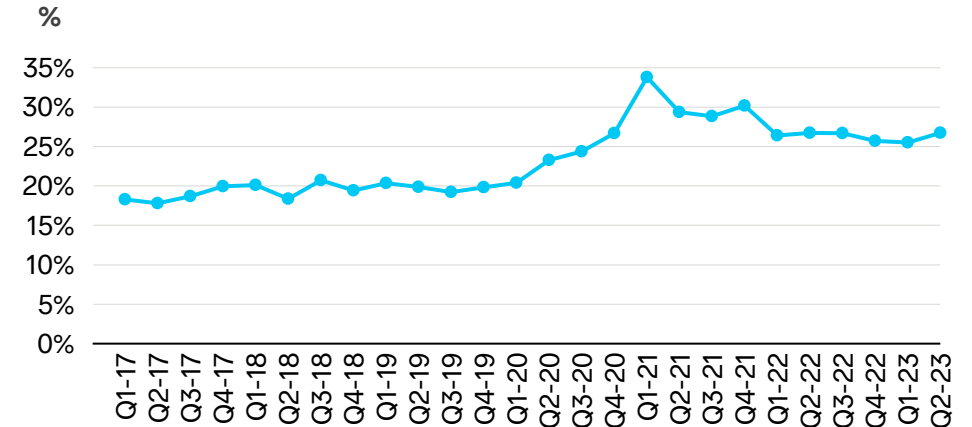
Trading customers



Trades per trading customer / quarter

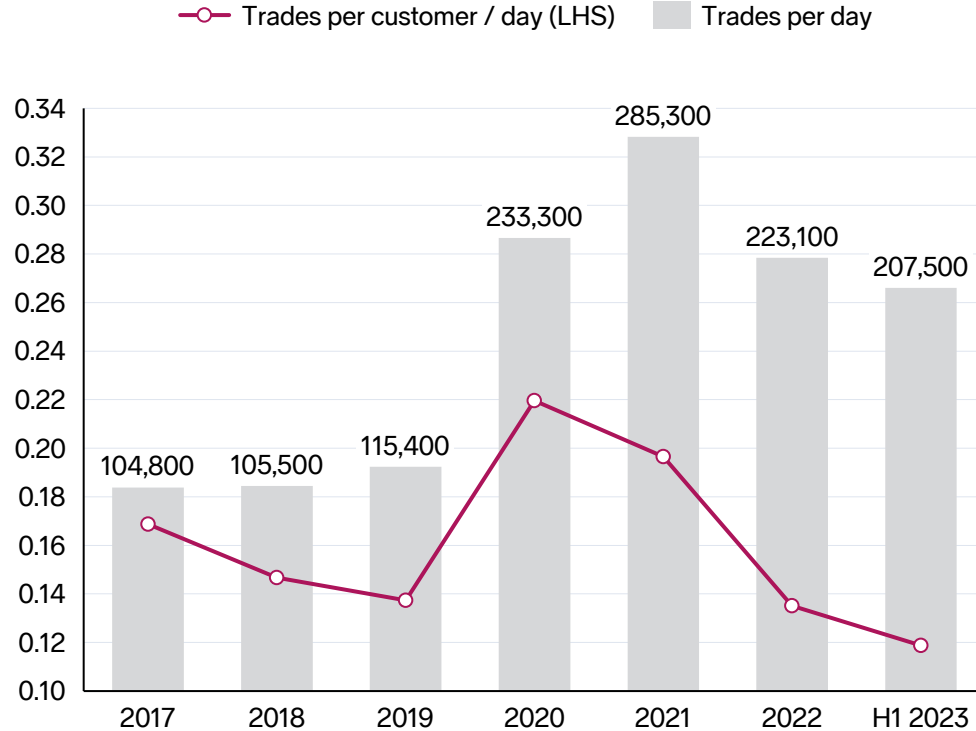


Share of cross-border trades

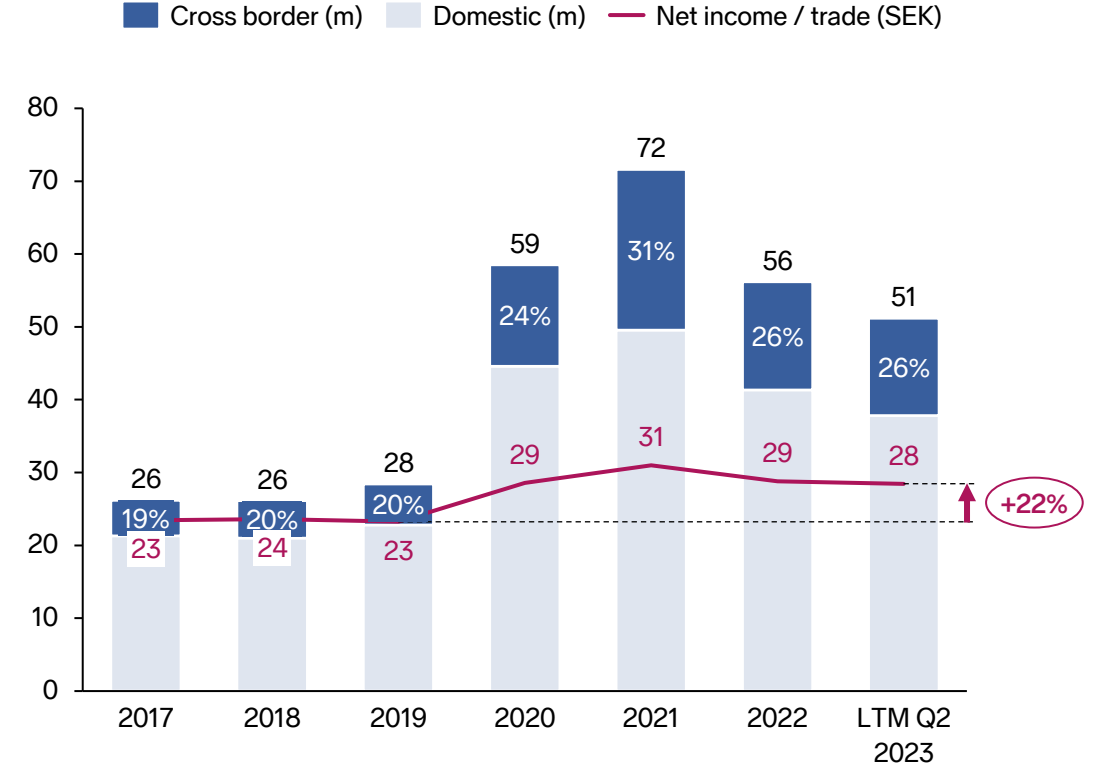


Trades per day have almost doubled since 2019 and each trade drives more revenue

Trades per customer per trading day

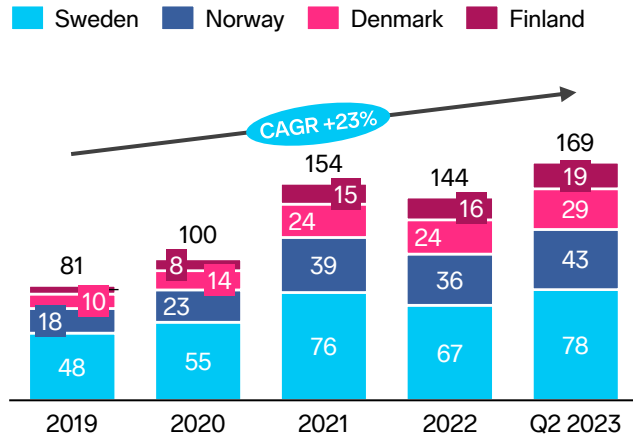


Total number of trades and net income/trade

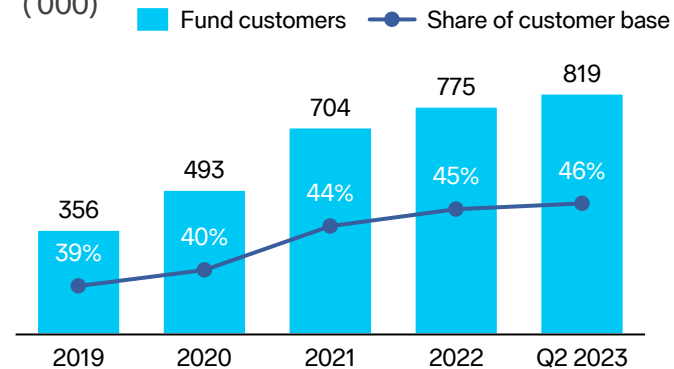


Leading Nordic fund supermarket

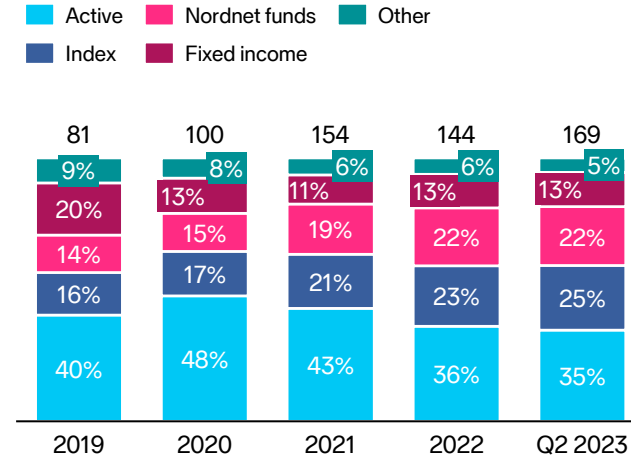
Fund capital by country
SEKbn



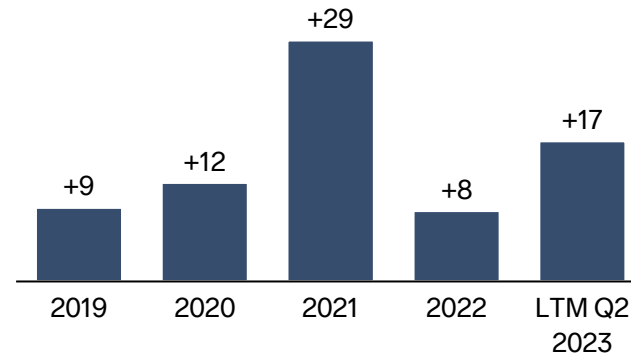
Fund customers
('000)



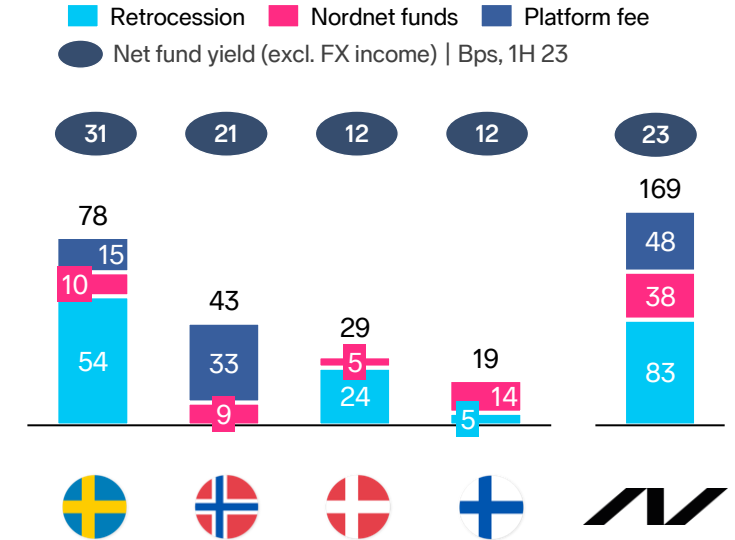
Fund capital by allocation¹
SEKbn



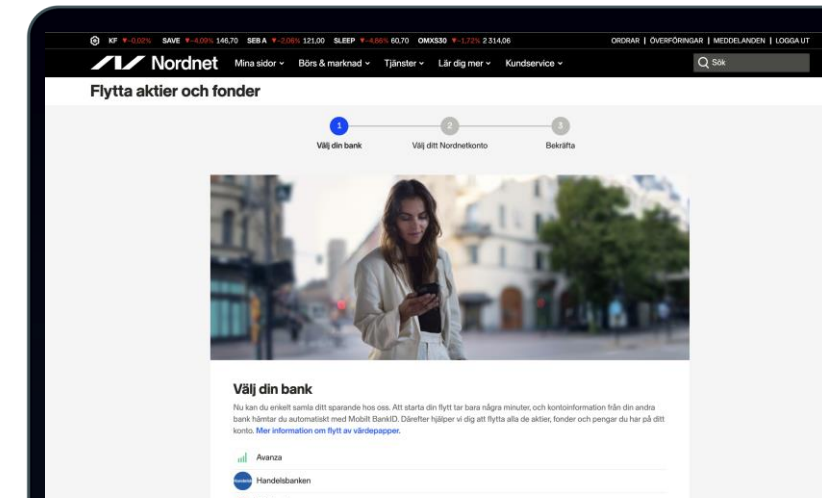
Net fund buying
SEKbn



Only half of fund capital yields retrocessions²

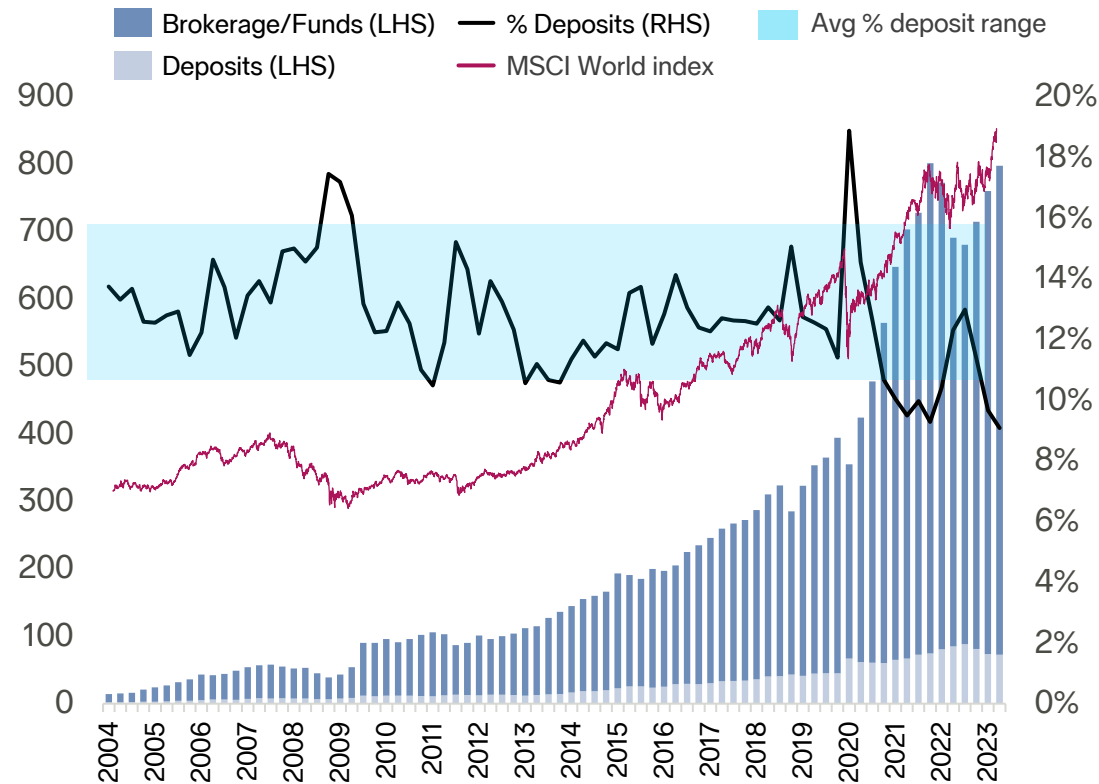


(1) "Nordnet funds" are mainly index funds. (2) Nordnet funds in Norway have platform fees according to price list.

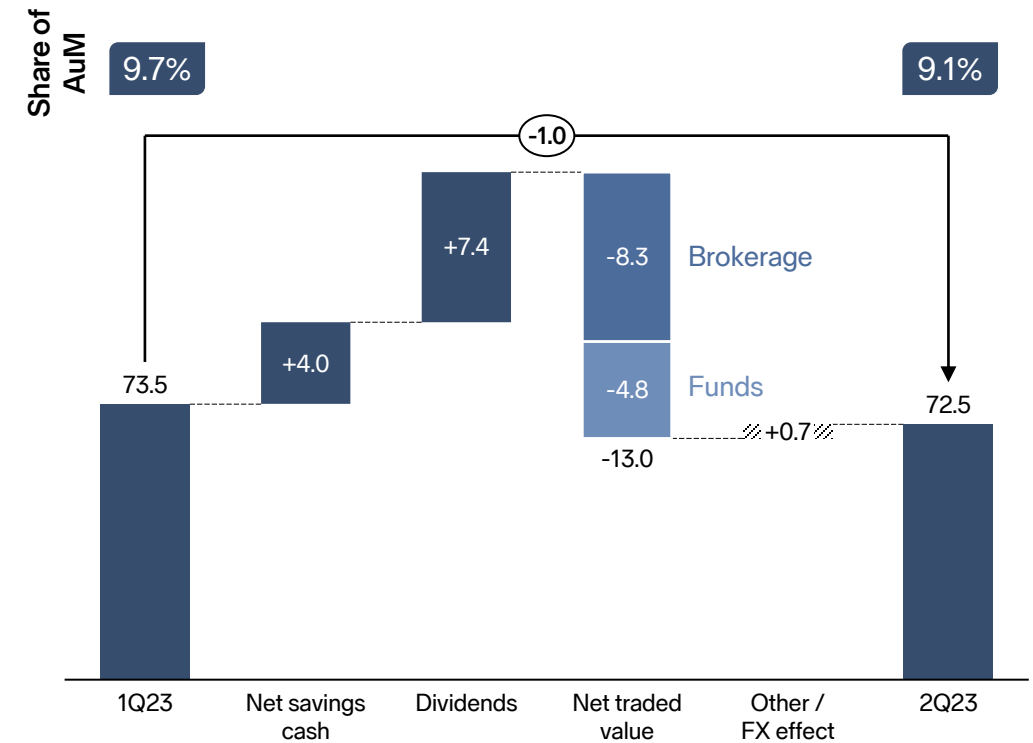


Deposits level decline driven by customer net buying of equities and mutual funds

Deposits/savings capital vs stock market performance
SEKbn



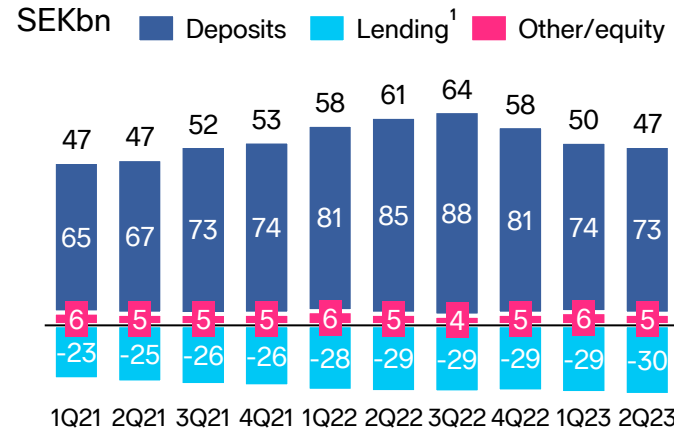
Deposit development 2Q23
SEKbn



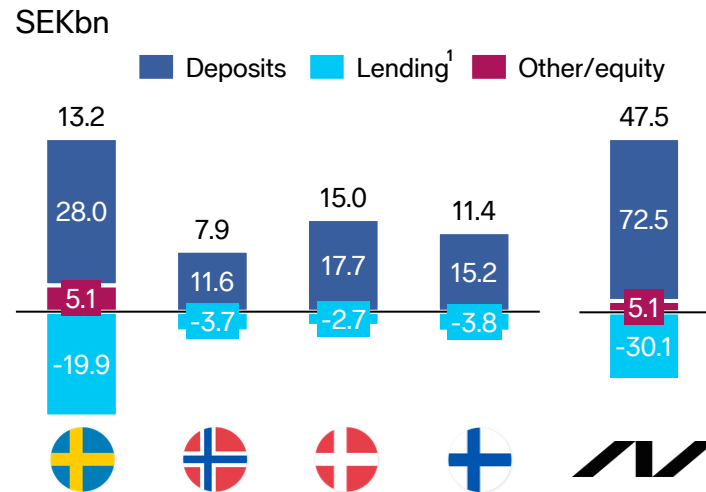
Liquidity portfolio snapshot: ~SEK1.7bn in 2023*

*Assuming 2Q 2023 volume, currency allocation, credit spreads and market consensus estimates for IBOR development.

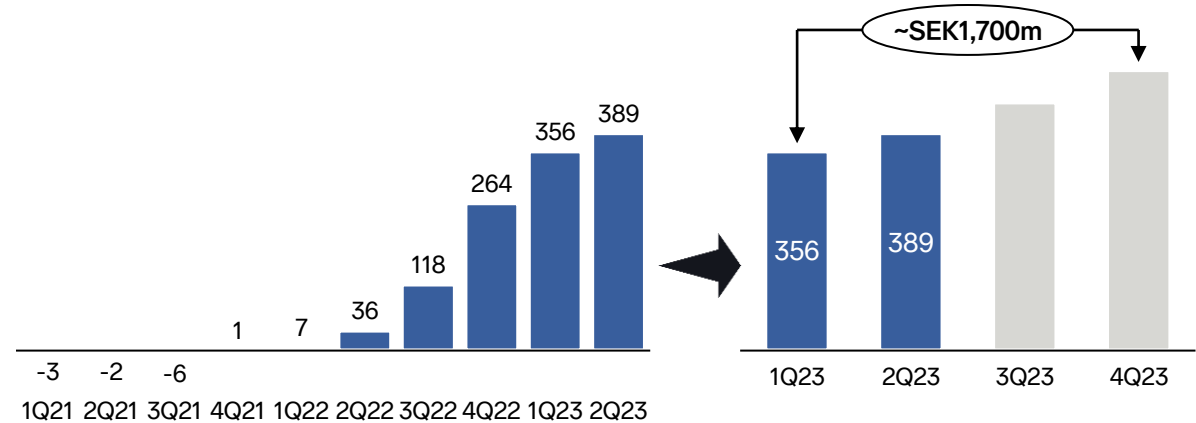
Volume



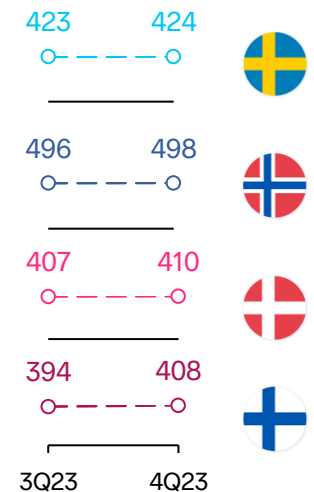
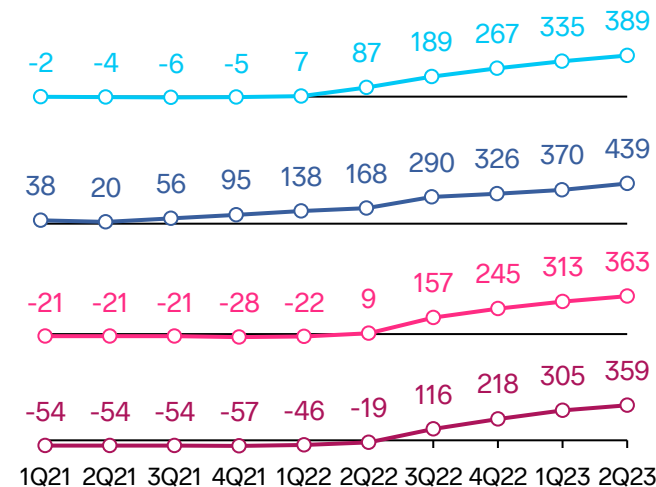
Volume 2Q 23



Net interest income



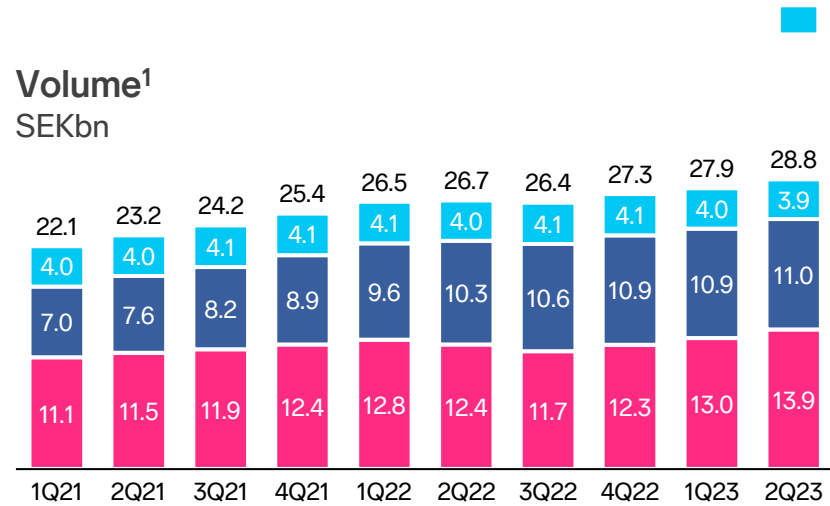
3M IBOR² development and forecast (bps)



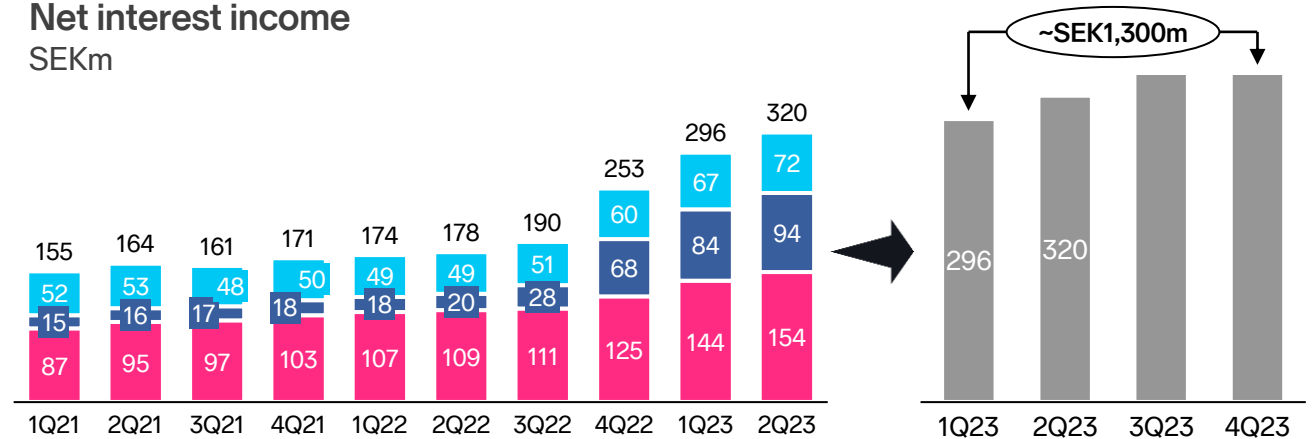
(1) Including lending against pledged cash and cash equivalents; (2) Source: Bloomberg as per 2023-07-10

Loan portfolio snapshot: ~SEK1.3bn in 2023*

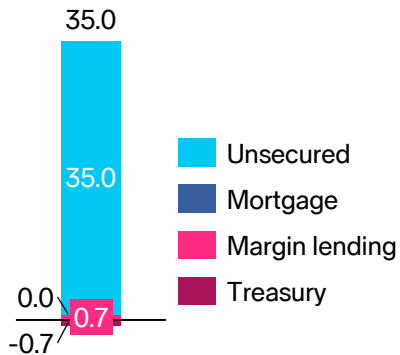
*Assuming 2Q 2023 volumes and interest as per July 1st, 2023.



Net interest income
SEKm



Net credit losses
SEKm | 1H 2023

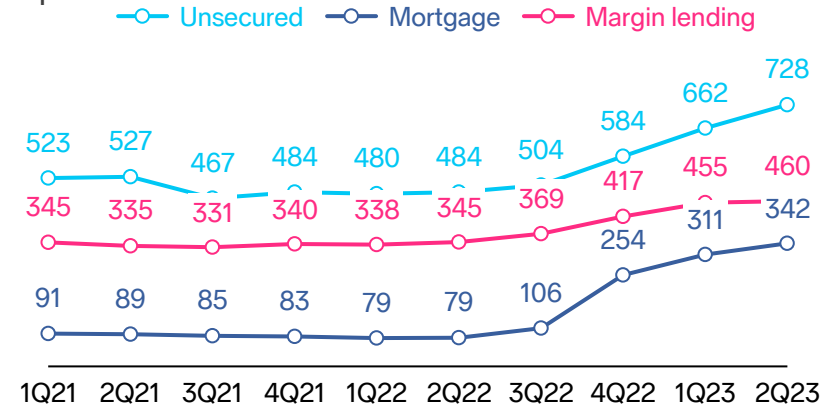


Loan-to-value
%

35-45%
Margin lending

~45%
Mortgage

Margins
bps



(1) Excluding lending against pledged cash and cash equivalents

Deposit interest snapshot: SEK ~330m in 2023*

*Assuming 2Q 2023 volume, currency and customer account mix, and interest rates as of June 30, 2023

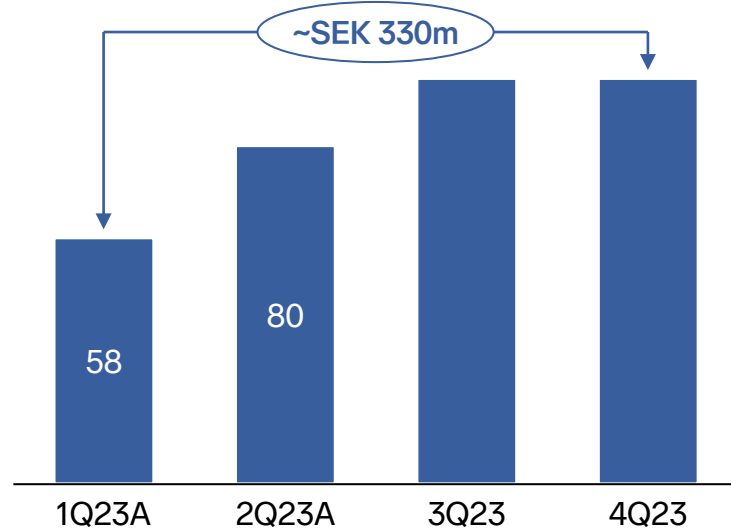
Estimated interest cost 2023 SEKm

Interest cost on total deposits (bps)

53

Interest cost on deposits bearing interest (bps)

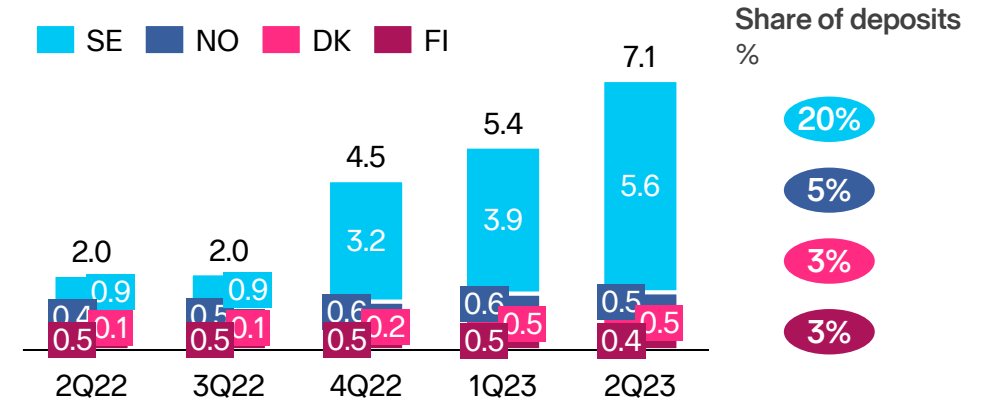
195



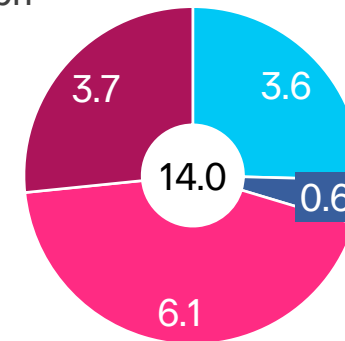
27%

Share of customers' deposits eligible for deposit interest

Development savings accounts SEKbn

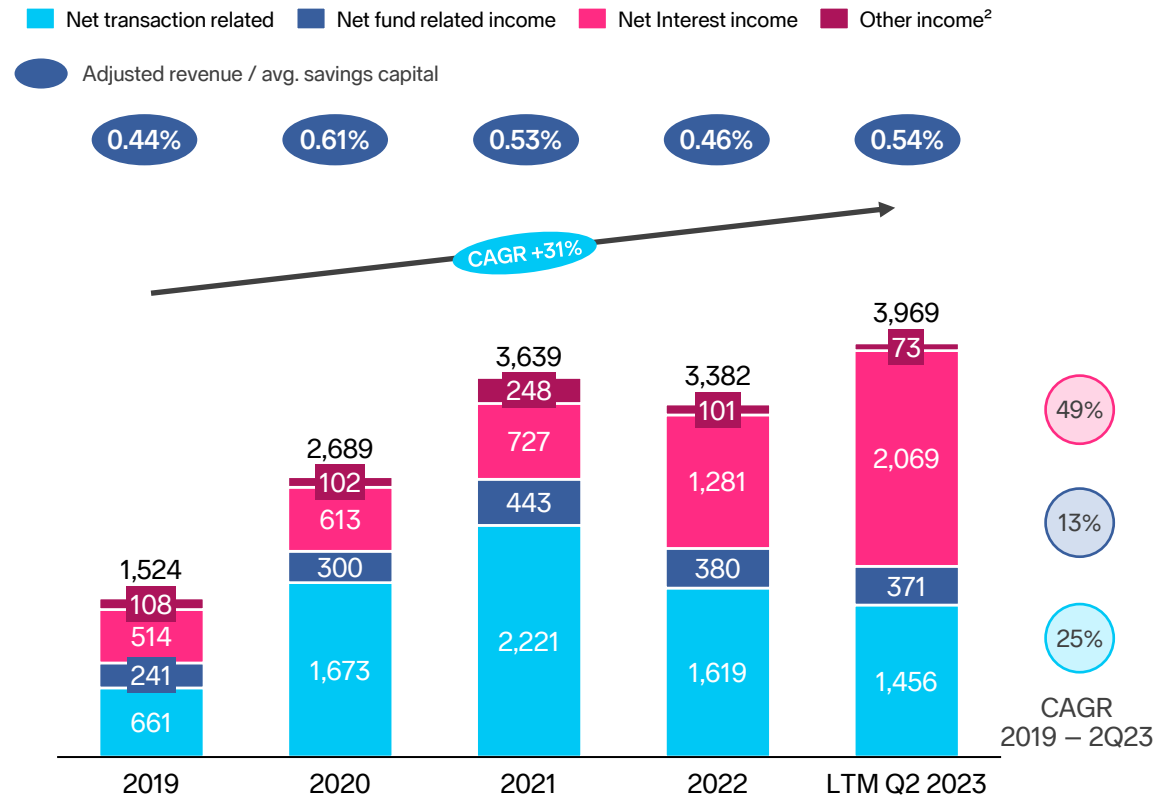


Net savings in H1 2023 not correlated with interest rate on savings accounts SEKbn

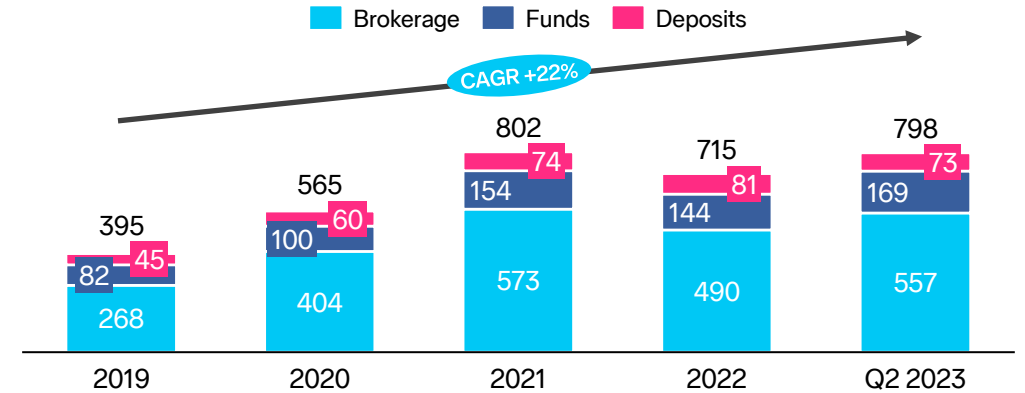


In summary: Resilient revenue bolstered by diversified revenue streams

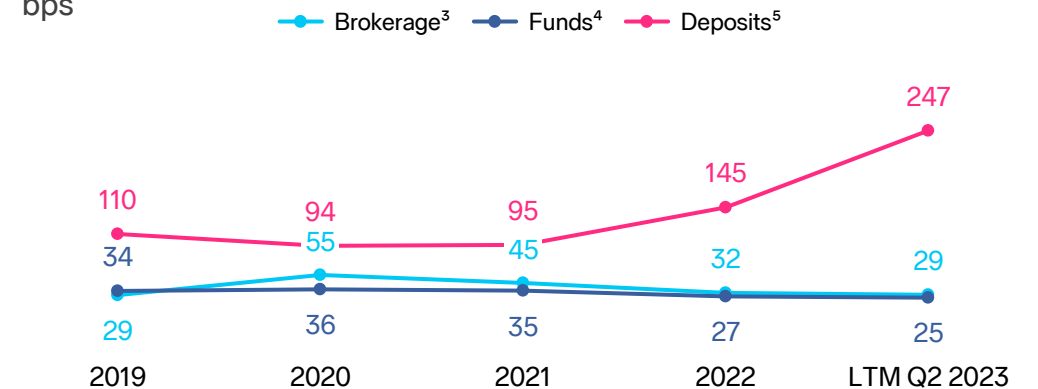
Adjusted revenue by income type
SEKm¹



Savings capital by product
SEKbn



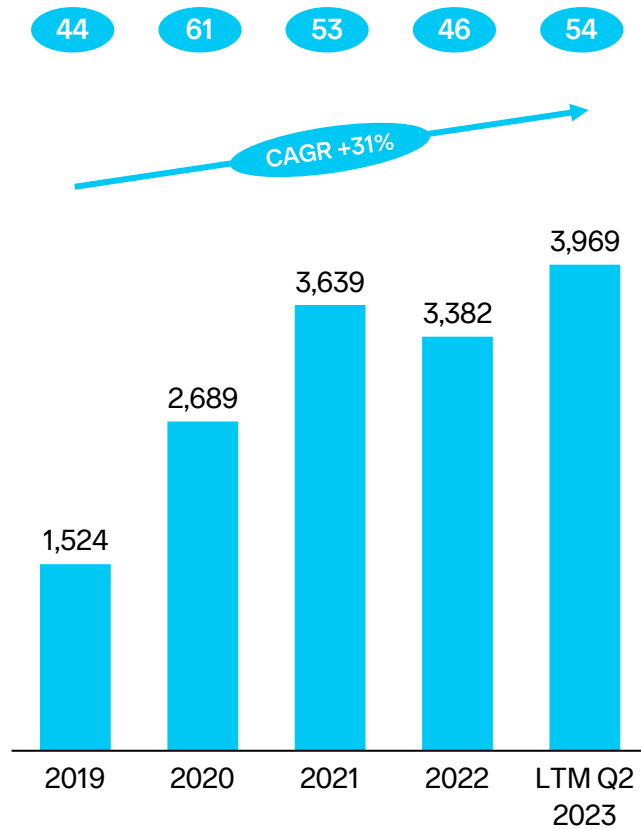
Revenue margin by product
bps



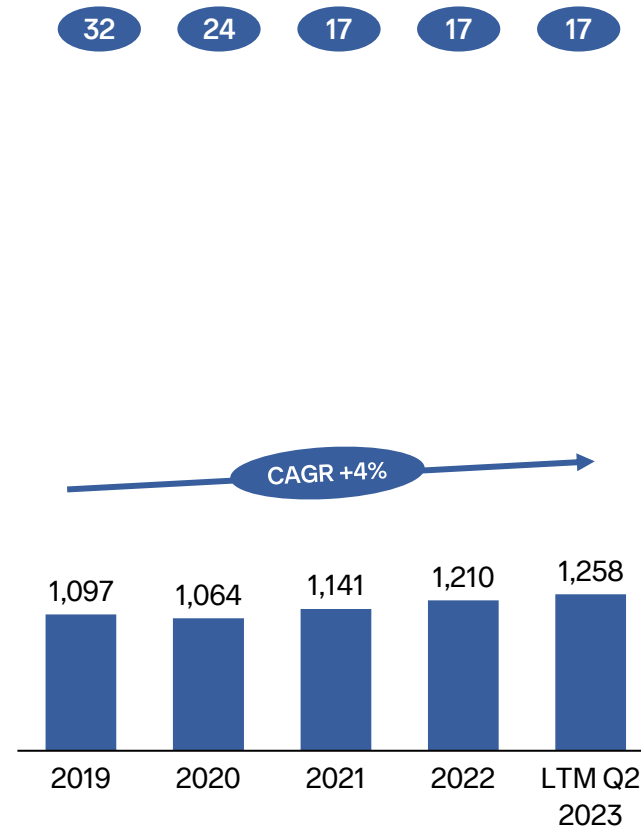
(1) Refer to page 28 for additional detail on items affecting comparability; (2) Includes other income, net other provision income and net financial transactions; (3) Net transaction related income divided by average quarterly brokerage savings capital; (4) Net fund related income divided by average quarterly fund savings capital; (5) Net interest income excluding income related to securities lending divided by average quarterly deposits.

Business model with great operating leverage

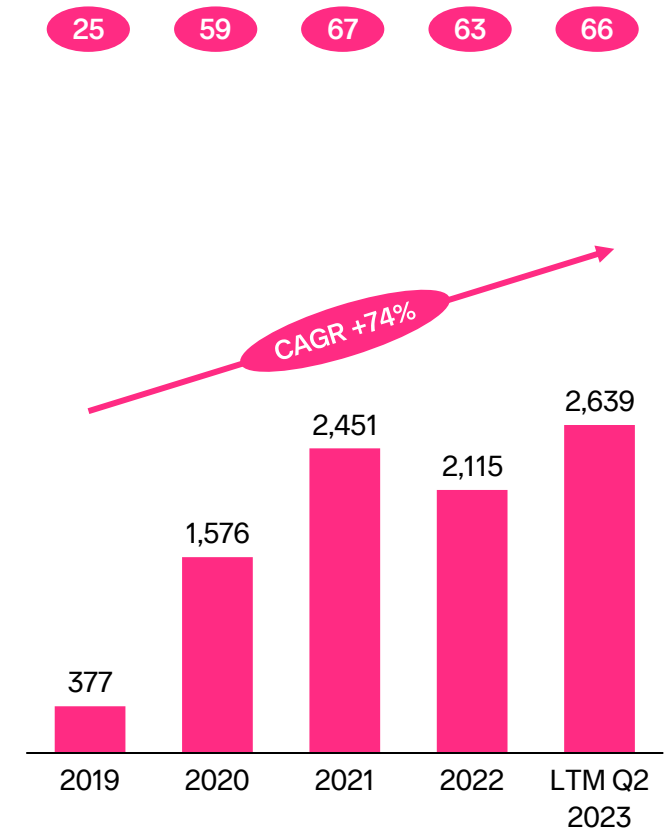
Adjusted revenue
SEKm



Adjusted operating expenses³
SEKm



Adjusted profit before tax
SEKm



Income in relation to savings capital (bps)¹

Operating expenses in relation to savings capital (bps)²

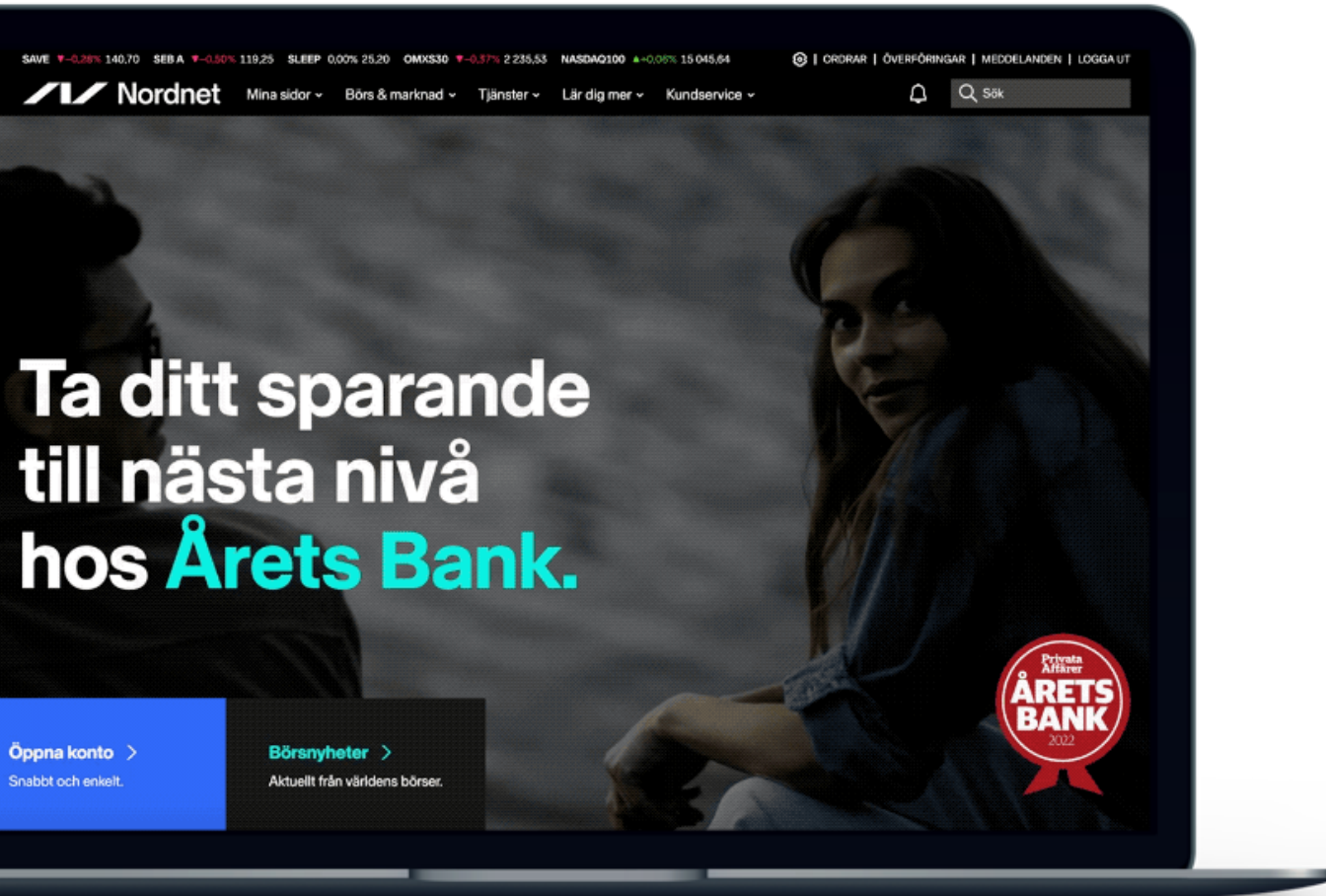
Profit before tax margin (%)

Note: Refer to page 28 for additional detail on items affecting comparability

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

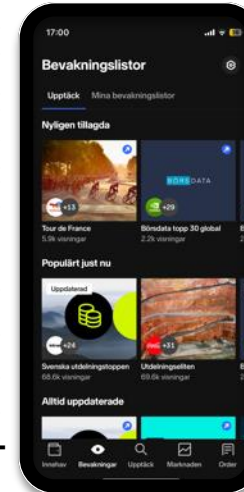
Select Q2 2023 product highlights

New landing pages for the web in all four countries, integrated with our new CMS

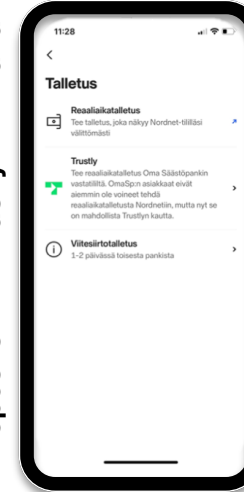


15 new versions of our award-winning app with lots of user-friendly features and flows

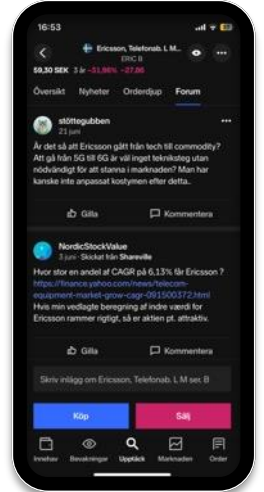
Improvements in the curated lists



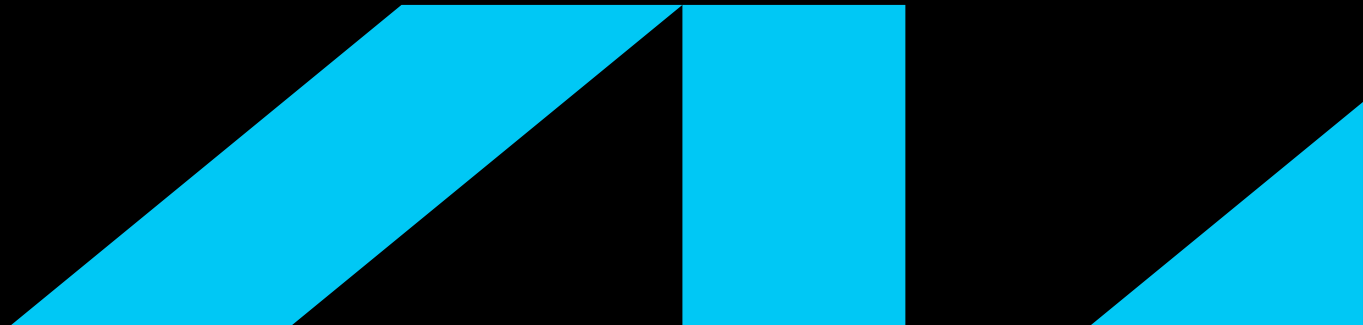
Deposits with Trustly in Finland



More Shareville in the app



Capital and liquidity situation



Solid capital position with strong liquidity and good credit quality

72.5

Deposits in SEKbn

47.5

Liquidity portfolio in SEKbn

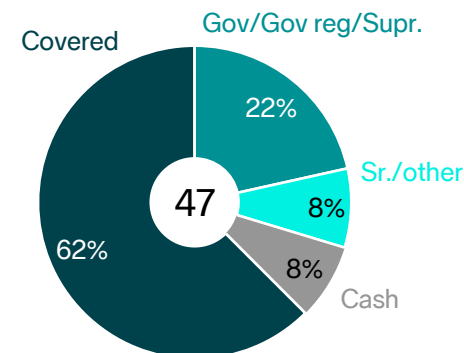
41.5%

Loan to deposit ratio

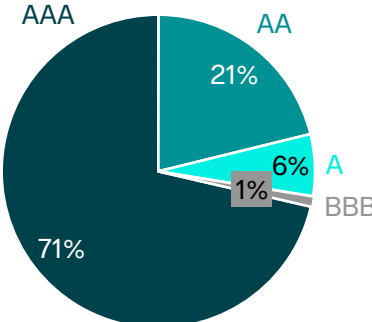
9.1%

Deposits to savings capital ratio

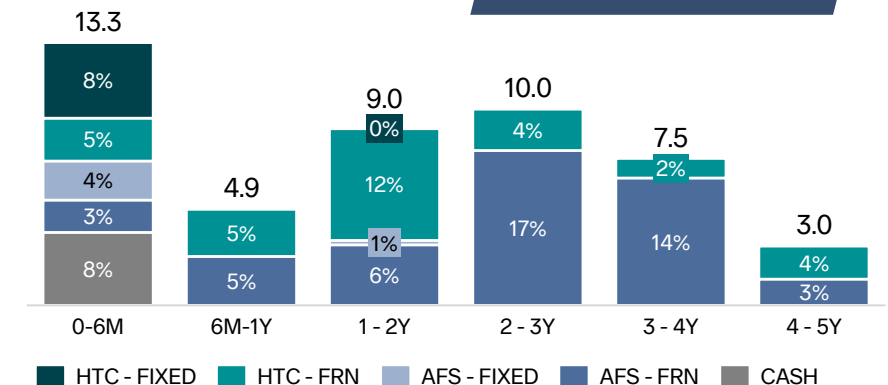
Exposure class
SEKbn



Portfolio rating
% (S&P equivalent)

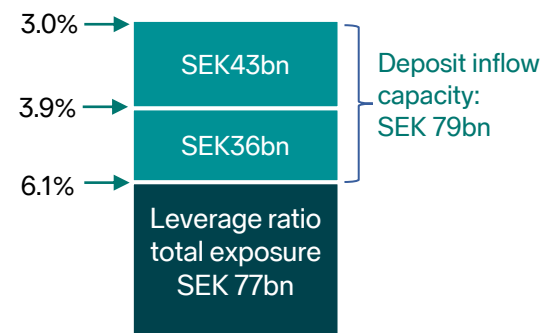


Maturity structure
SEKbn



Unrealized result (SEKm)
HTC +12.4
AFS⁽¹⁾ -83.3

Leverage Ratio & deposit inflow capacity
SEKbn | %



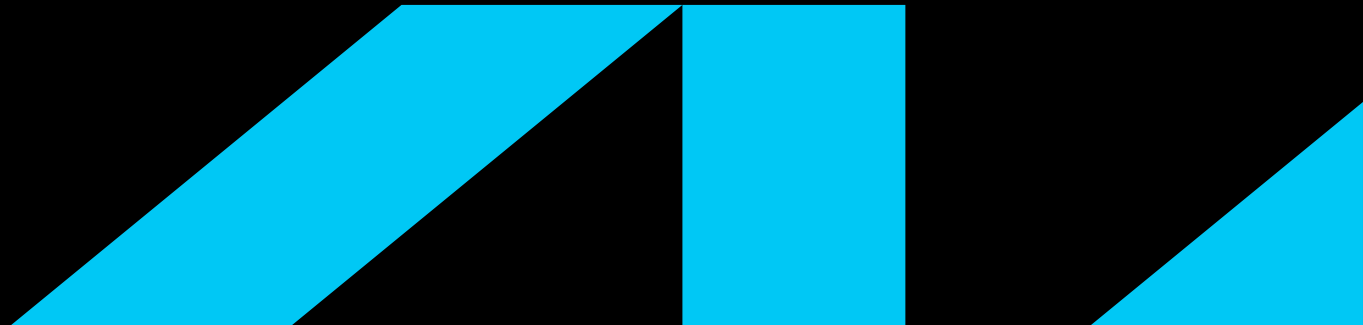
Regulatory metrics

Consolidated situation

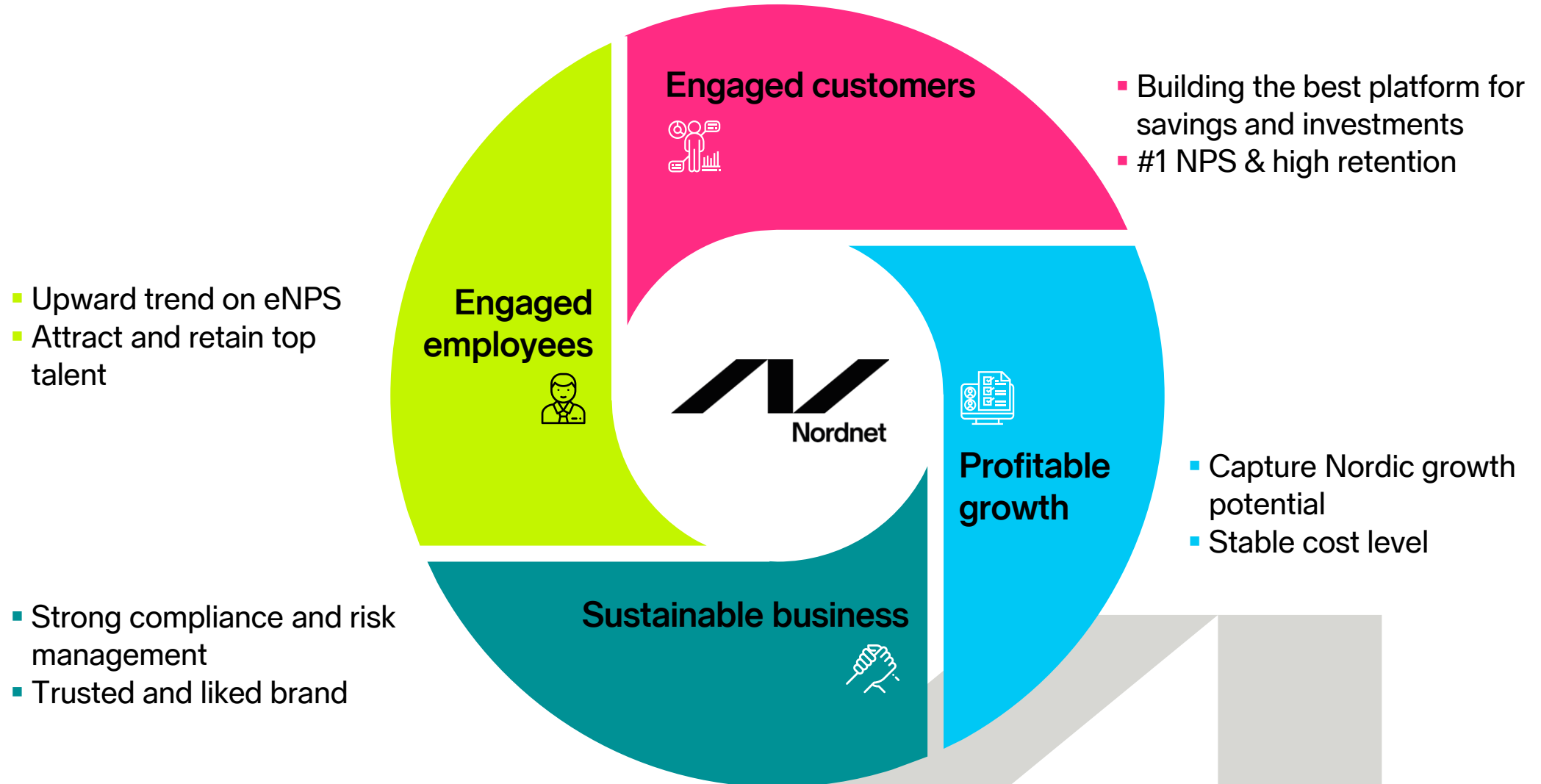
	Actual (vs req.)	Requirement
Total capital ratio	25.3% (+6.2pp)	19.1%
CET1 ratio	17.7% (+5.0pp)	12.7%
Leverage ratio	6.1% (+2.2pp)	3.0% (3.9% P2G)
LCR	350%	100%
NSFR	223%	100%

Note: Figures as per 2023-06-30
(1) Unrealized result within the AFS-portfolio is already reflected in equity

Strategic focus

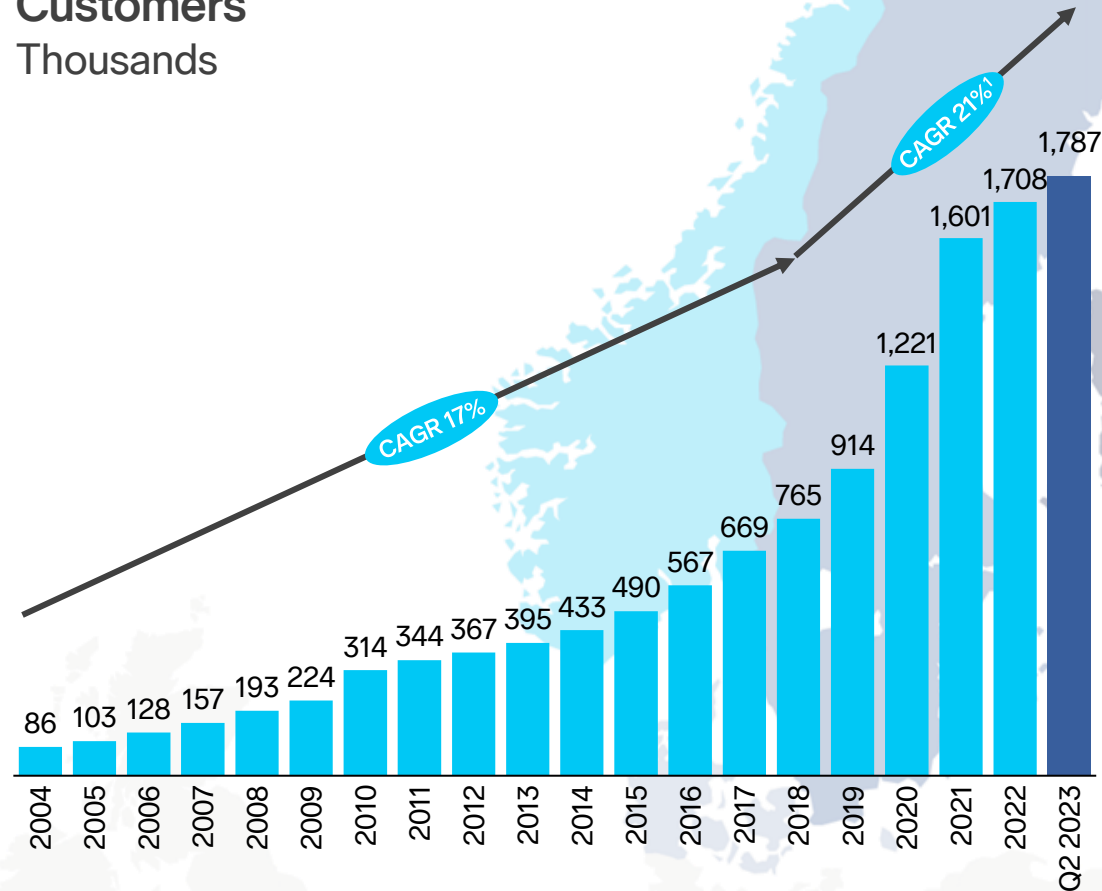


Key strategic ambitions

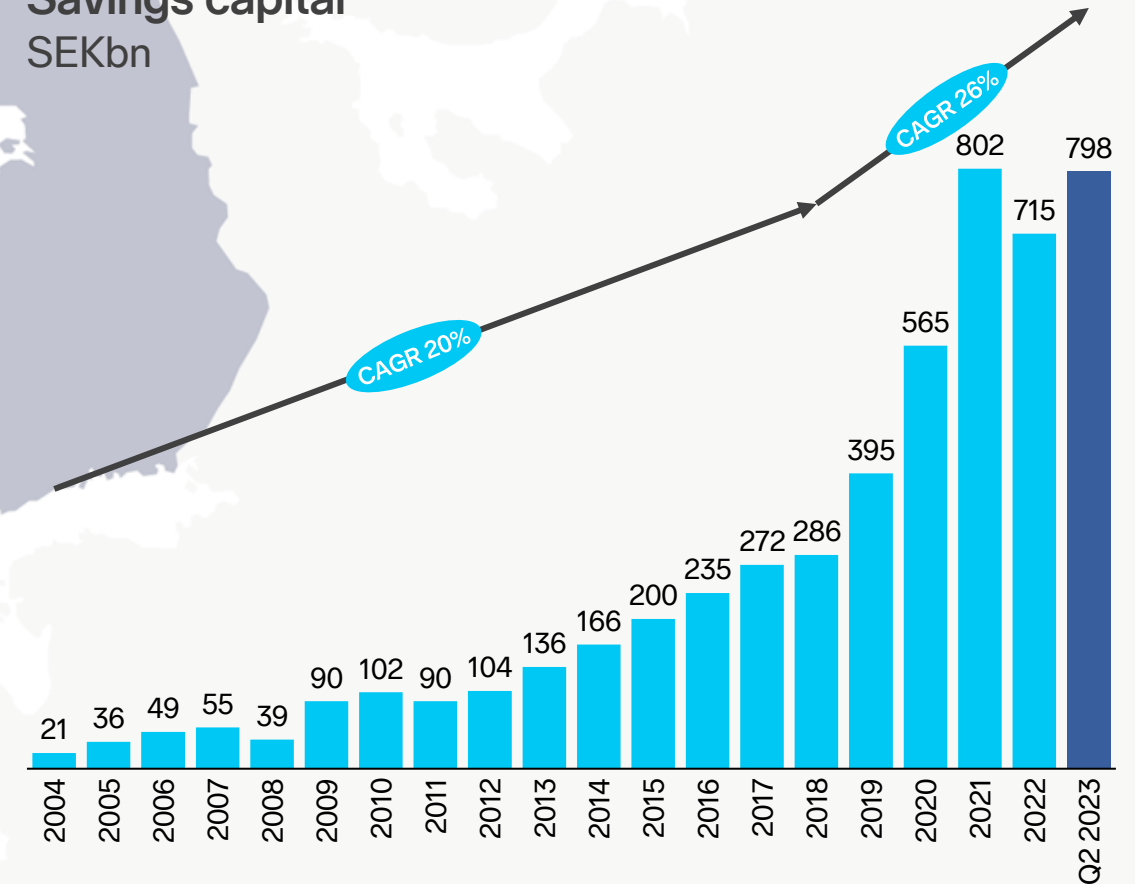


Strong long-term growth in customers and savings capital

Customers
Thousands



Savings capital
SEKbn

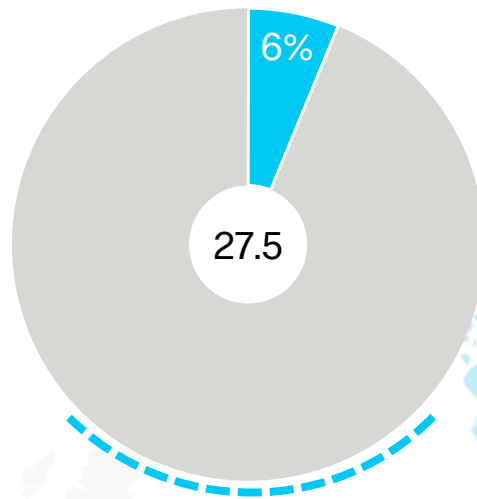


(1) Includes the 51 700 customers that during H1 2022 were terminated related to the project concerning the collection of complete customer documentation

Nordnet is taking market share in a growing market

Share of total population
December 2022 | Million

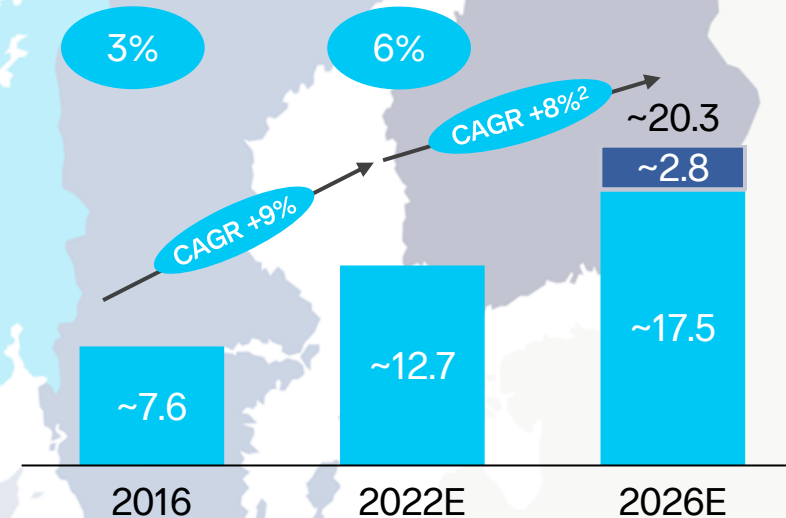
Nordnet's share



18%
of the population
own shares⁴

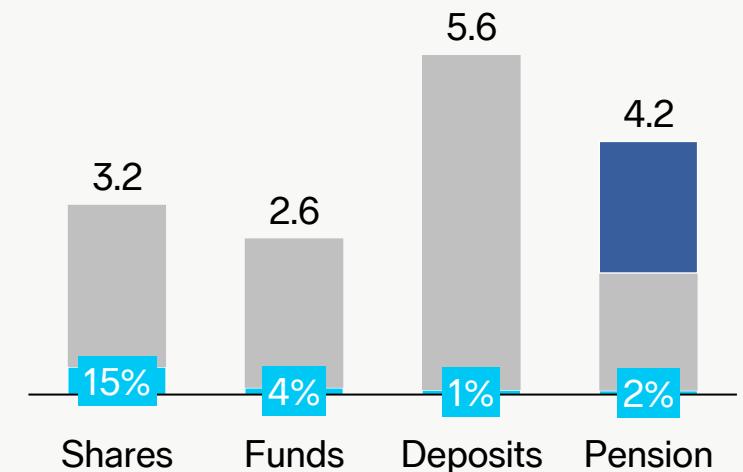
Addressable market growth outlook¹
Savings capital, SEK tln

Market size current Market size extended
 Nordnet market share



Market share of addressable market¹
December 2022, SEK tln

Nordnet's share of addressable market
 Extended market³



(1) Source: SCB, Svensk Försäkring, SSB, Finans Norge, Nationalbanken Denmark, Statistics Denmark, Statistics Finland, Finnish centre for pensions, Team analysis; (2): Excludes development in extended market (Finnish wrapper, Danish Livrente); (3): Extended market of Dansih Livrente and Finnish wrapper is currently not addressable; Addressable market defined as the estimated part of the overall Nordic savings market that Nordnet caters to with its current product offering (4); Source: Euroclear Sweden 2022; Euronext Securities Oslo 2022; Euronext Securities Copenhagen 2022; Porssisaatio 2022

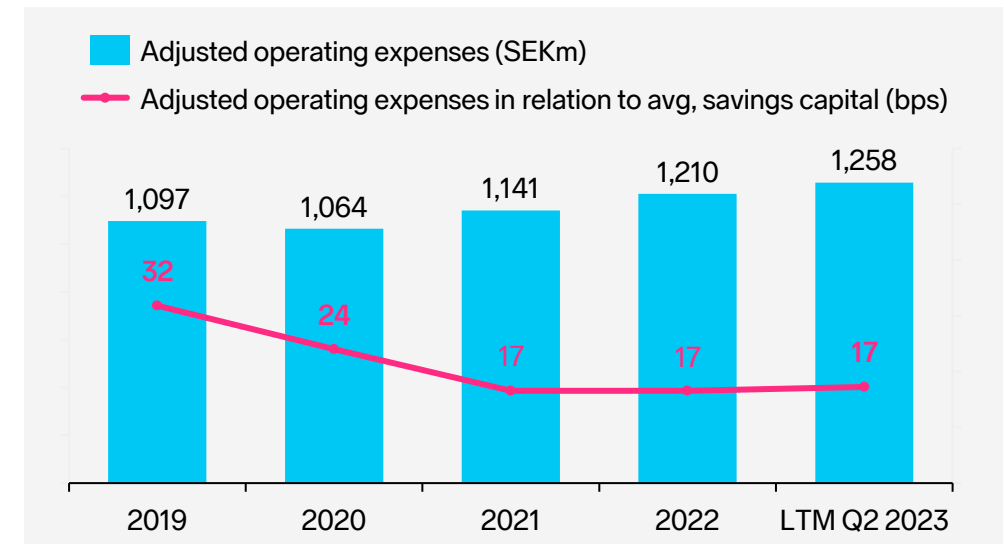
Rigorous focus on cost discipline to drive operating leverage

Key drivers of operating leverage

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

Operating leverage drives improvement in cost margin

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

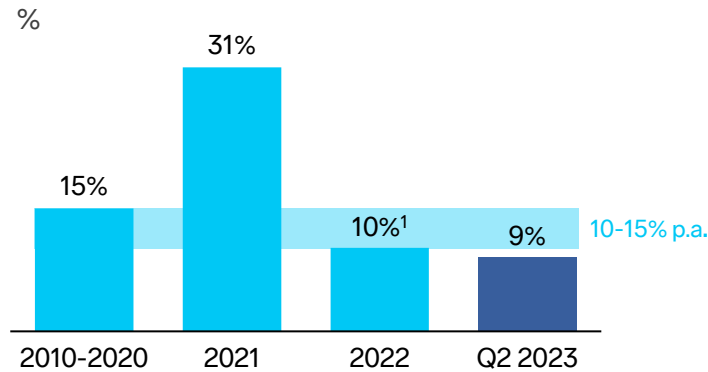


(1) Adjusted operating expenses; subtracting SEK 16m in 2018, SEK 65m in 2019, SEK 129m in 2020, SEK 81m in 2022 and SEK 5m in LTM Q2 2023. Adjusted operating expenses includes amortisation of PPA intangibles and excludes credit losses; (2) Based on quarterly average savings capital over the period.

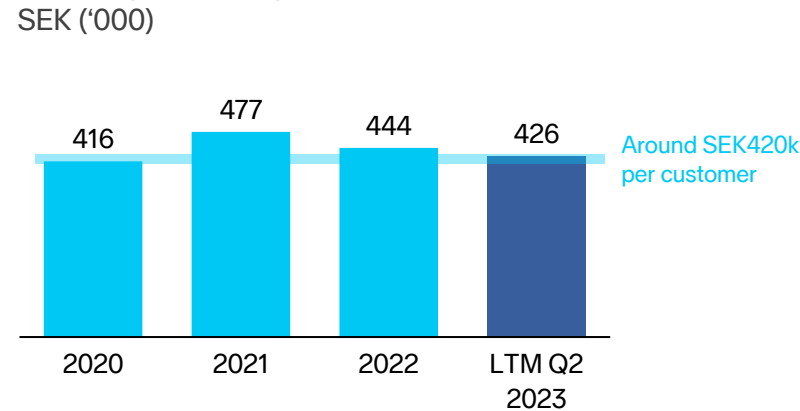
Medium-term financial targets

Target

Customer growth



Average savings capital per customer²

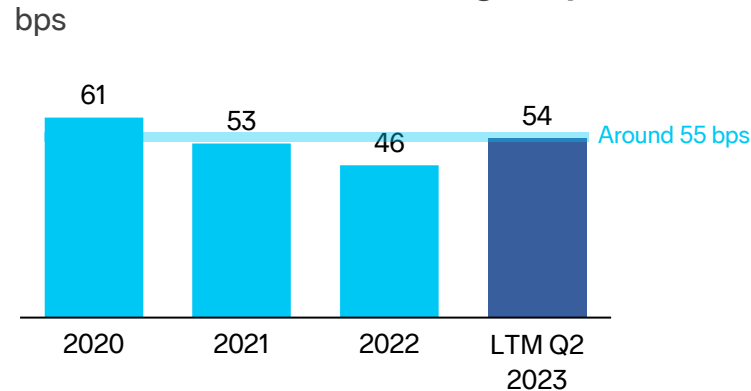


Dividend payout ratio

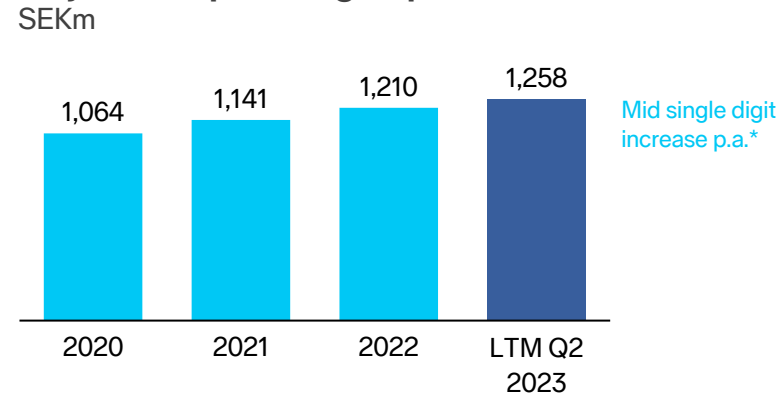
%

“Deliver superior total returns to shareholders via a pay-out ratio of 70% of statutory net income, translating to a pay-out of SEK 4.60 per share for 2022”

Income in relation to savings capital³



Adjusted operating expenses⁴



Financial targets assume the following over the medium term:

- Average interest rate of 2%
- Average annual stock market performance of +5%

*Adjusted operating expenses expected to increase by ~7% in 2023.

(1) Customer growth during 2022 was 7% including the 51,700 customers that during H1 2022 were terminated in connection with a project concerning the collection of complete customer documentation; (2) Average quarterly savings capital per customer over the last twelve months; (3) Adjusted revenues in the last twelve months divided by the average quarterly savings capital over the same period in accordance with reconciliation on page 28 deducting SEK 66m in 2019; (4) Adjusted operating expenses in accordance with reconciliation on page 28. Includes amortisation of PPA intangibles and excludes credit losses.

Key priorities for 2023

Launch Finnish endowment wrapper

Lay foundation for Danish livrente pension product

Integrate Shareville app and web

Expand Nordnet-branded fund offering

Maintain focus on cost control



Thank you



Financial highlights second quarter 2023

SEKm unless otherwise stated	Q2 2023	Q1 2023	QoQ %	Q2 2023	YoY %
Condensed P&L¹					
Adjusted total income	1,071	1,134	(6%)	728	47%
Adjusted operating expenses	(321)	(320)	0%	(296)	8%
Adjusted profit before tax	729	794	(8%)	420	74%
KPIs					
New customers	35,400	43,300	(18%)	24,100	47%
Customers	1,786,500	1,751,100	2%	1,643,000	9%
Net savings (SEKbn)	7.0	7.0	1%	8.3	(16%)
Savings capital (SEKbn)	798.1	760.6	5%	691.1	15%

(1) Refer to page 28 for additional detail on items affecting comparability.

Summary P&L

SEKm	Q2 2023	Q1 2023	QoQ %	Q2 2022	YoY %	LTM Q2 2023	LTM Q2 2022	YoY %
Adjusted total income	1 071	1 134	(6%)	728	47%	3 969	3 308	20%
Adjusted operating expenses	(321)	(320)	0%	(296)	8%	(1 258)	(1 170)	8%
Net credit losses	(18)	(17)	9%	(9)	108%	(60)	(40)	51%
Imposed levies: Resolution fees	(3)	(3)	(9%)	(3)	(11%)	(12)	(12)	2%
Adjusted profit before tax	729	794	(8%)	420	74%	2 639	2 086	26%
Items affecting comparability (IAC), income								
Items affecting comparability (IAC), expenses				(110)		(5)	(76)	
Reported profit before tax	729	794	(8%)	310	135%	2 634	2 010	31%
Tax	(133)	(143)	(7%)	(74)	81%	(472)	(393)	20%
Reported net income	596	651	(8%)	237	152%	2 162	1 616	34%
Adjusted net income excl, IAC	596	651	(8%)	345	73%	2 166	1 698	28%
Adjusted net income excl, IAC and amortisation of intangible assets due to PPA	602	657	(8%)	351	72%	2 188	1 725	27%

Note: Refer to page 28 for additional detail on items affecting comparability

Items affecting comparability

SEKm	H1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Non-recurring items – Expenses											
Delisting from Nasdaq											(45)
Acquisition of Netfonds									(35)	(16)	
Deduction right VAT					38	38		(20)	(30)		
AML process upgrade		(1)	(4)	(10)	(4)	(19)					
IPO related expenses								(109)			
Sanction SFSA				(100)		(100)					
Non-recurring items – Income											
Revaluation of the shareholdings in Tink AB ¹									66		
Total	-	(1)	(4)	(110)	33	(81)	-	(129)	1	(16)	(45)

(1) The shareholding was divested in 2019.

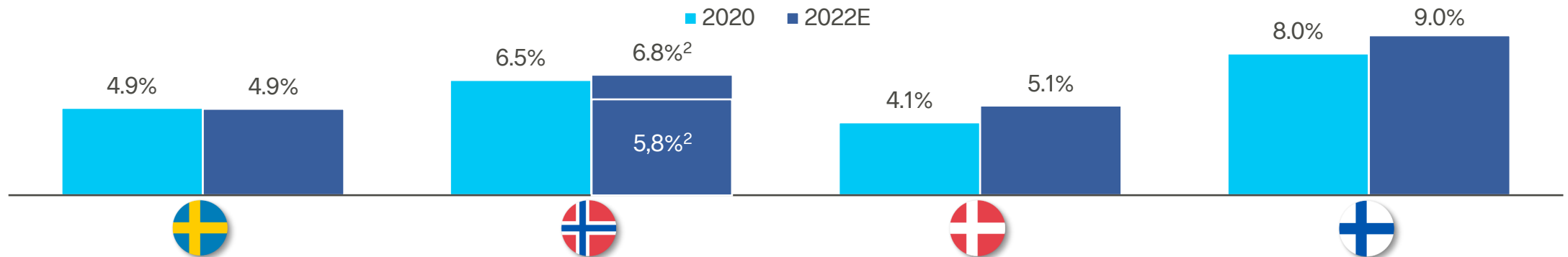
Strong customer satisfaction driving market share gains

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



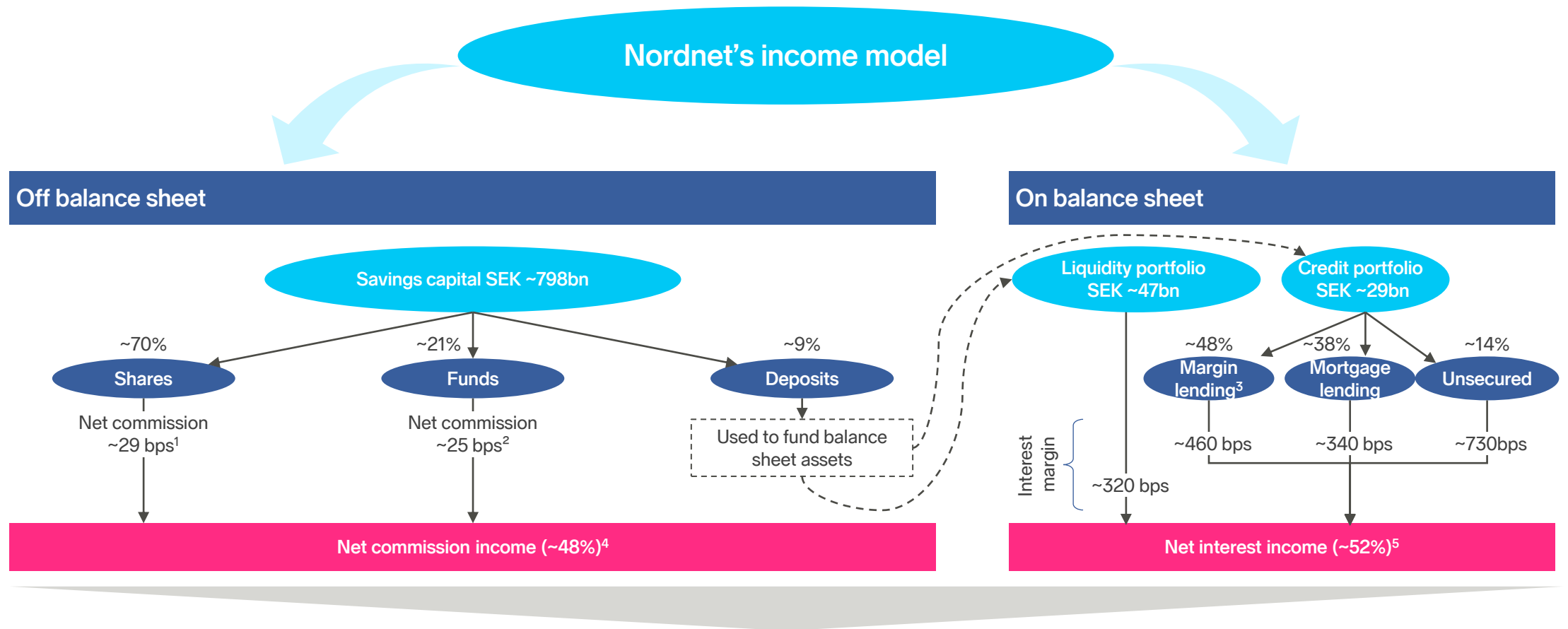
...which translates into increasing market shares across our geographies

Market share based savings capital in relation to total addressable market



(1) Addressable market defined as the estimated part of the overall Nordic savings market that Nordnet caters to with its current product offering; (2) Market share is 5.8% including EPK market (launched 2021) and 6.8% excluding; (3) Including addressable market for EPK amounting to approx. SEK384bn. Source: SCB, Svensk Försäkring, SSB, Finans Norge, Nationalbanken Denmark, Statistics Denmark, Statistics Finland, Porssisaatio, team analysis.

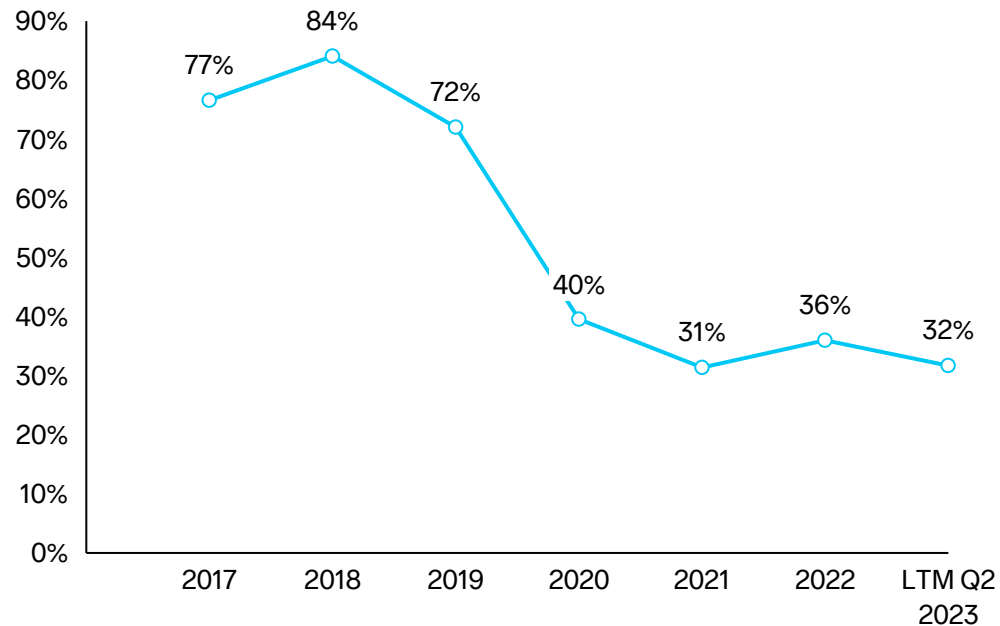
Nordnet has a capital light business model



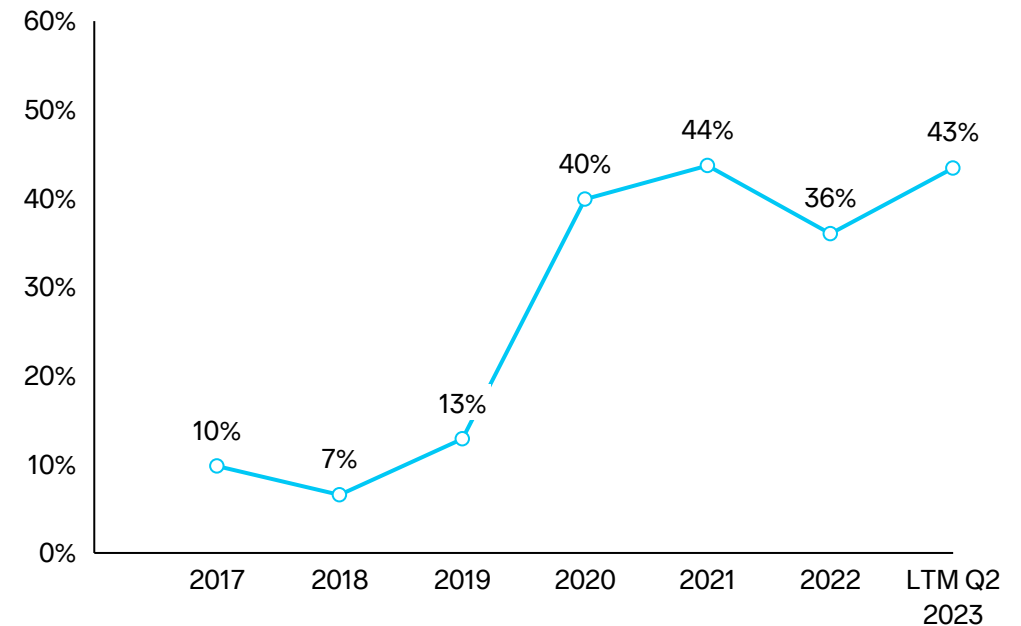
Savings capital is the single most important driver of Nordnet's income

Strong cost to income ratio and attractive return on equity

Adjusted cost income ratio¹



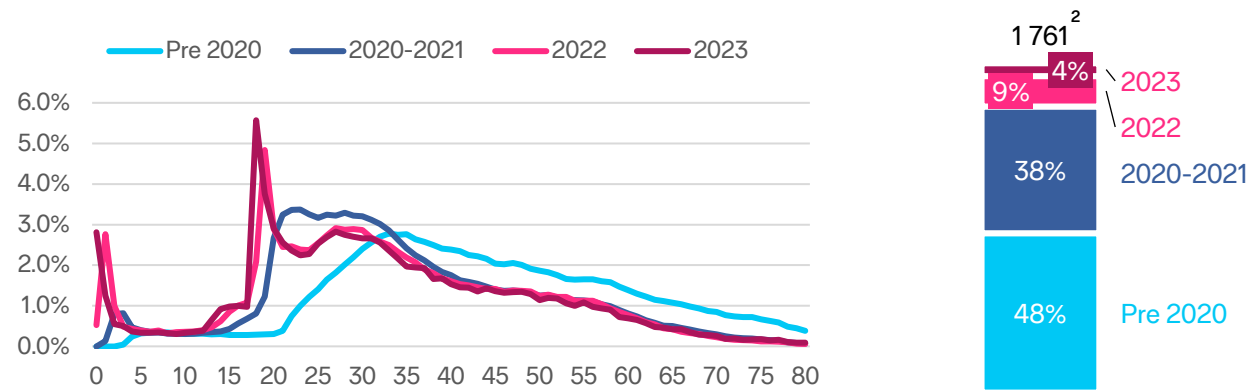
Adjusted return on equity^{1,2}



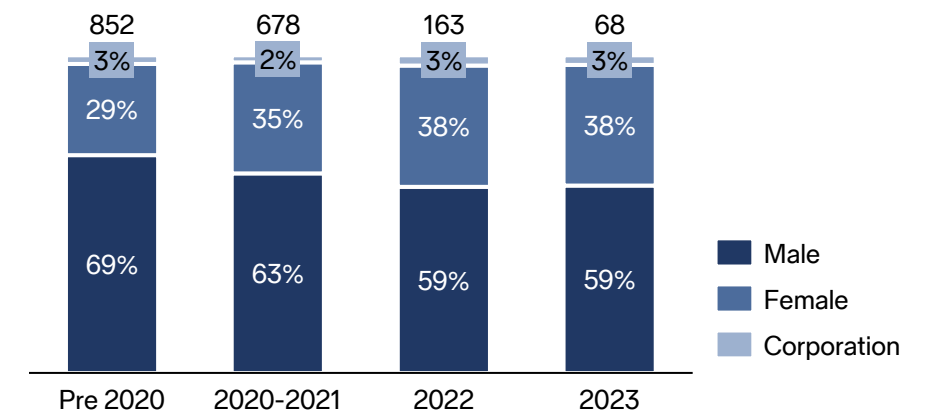
(1) Adjusted operating expenses; subtracting SEK16m in 2018, SEK65m in 2019, SEK129m in 2022, SEK 81m in 2022 and SEK 5 in LTM Q2 2023. Adjusted operating income; subtracting SEK66m in 2019. A tax rate of 20% has been applied when adjusting for non-recurring expenses except FSA sanction of SEK100m which was not tax deductible (Q2 2022). Adjusted operating income (sale of Tink) was tax-free. (2) Excluding AT1-capital. Interest for AT1 has been deducted from net profit.

New customers are younger, higher share of women and own more funds

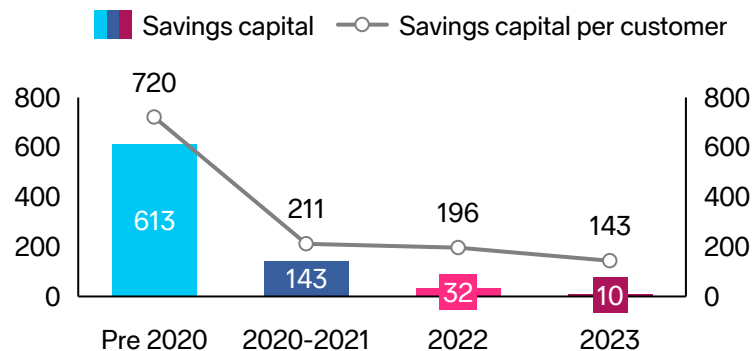
Share of customers per cohort and age¹
%



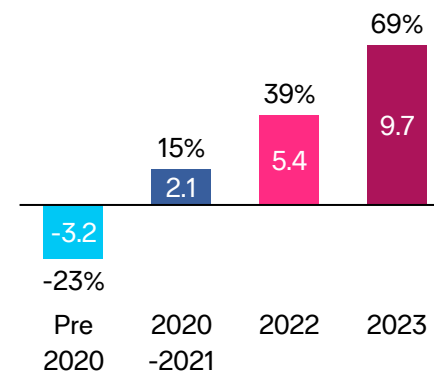
Share of customers by cohort and gender²
2Q23 | ('000)



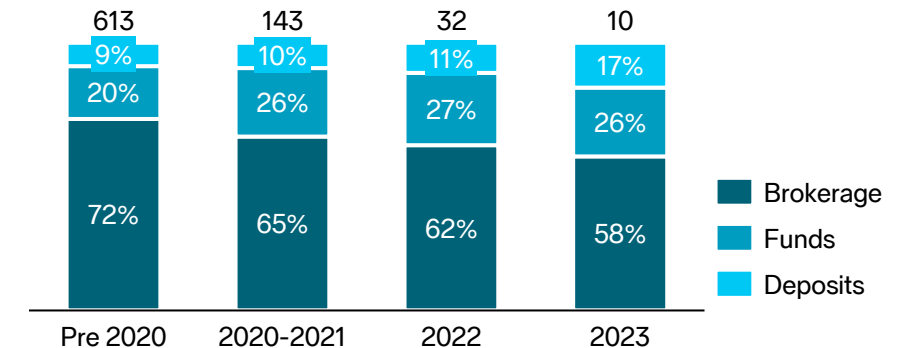
Savings capital per customer 2Q23²
SEKbn | SEKk (RHS)



Net savings 1H23
SEKbn | % of total



Share of savings capital by cohort and asset type
2Q23 | SEKbn

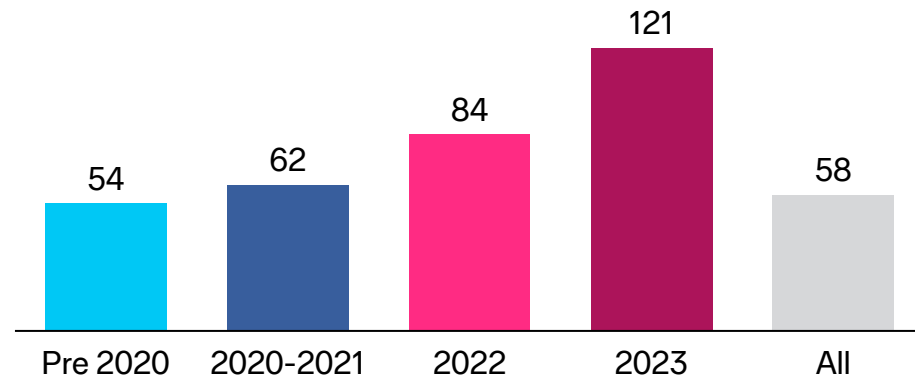


(1) Excludes customers who only carry an unsecured loan, companies and private customers > 80 years. (2) Excludes customers who only carry an unsecured loan

New customers remain active, grow net savings and drive high margins

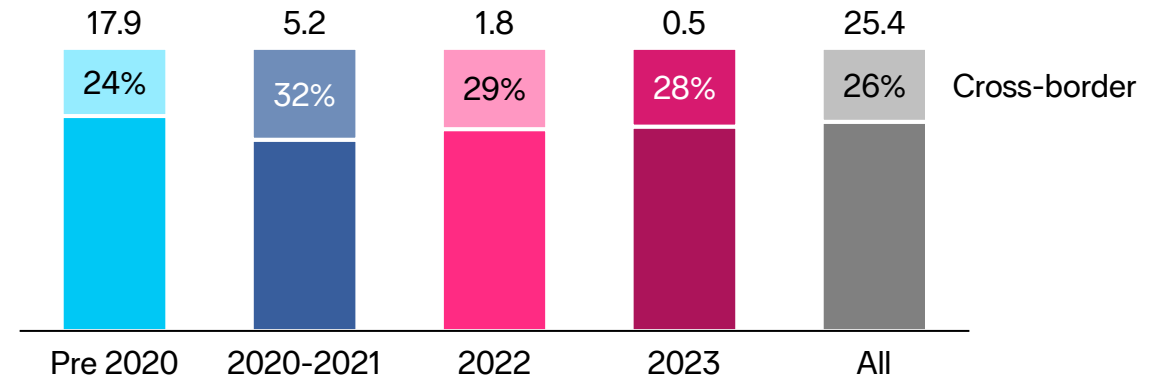
Revenue margin 1H23

bps



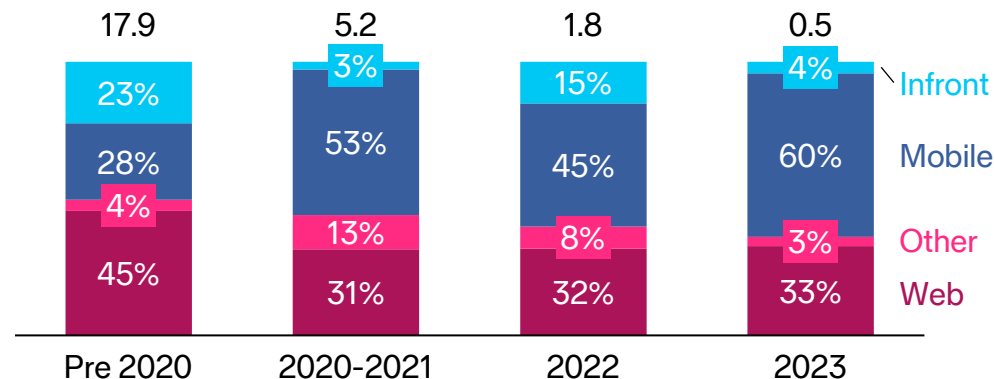
Share of cross-border trades 1H23

% | million trades



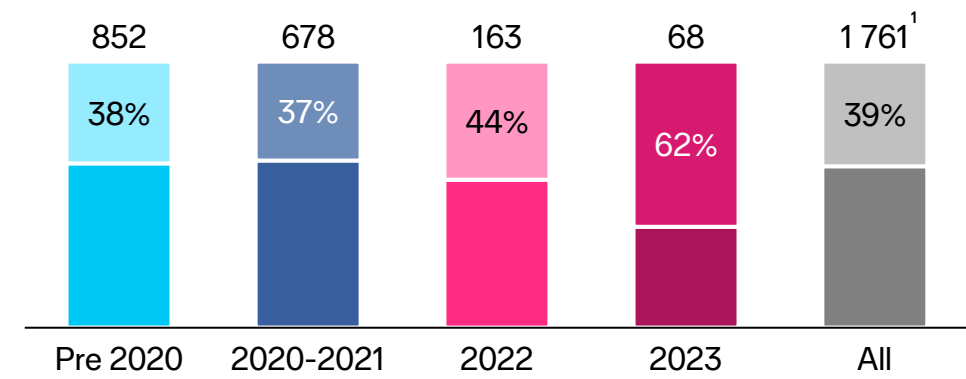
Share of trades per application 1H23

% | million trades



Share of customers trading during 1H23¹

% | Thousand customers

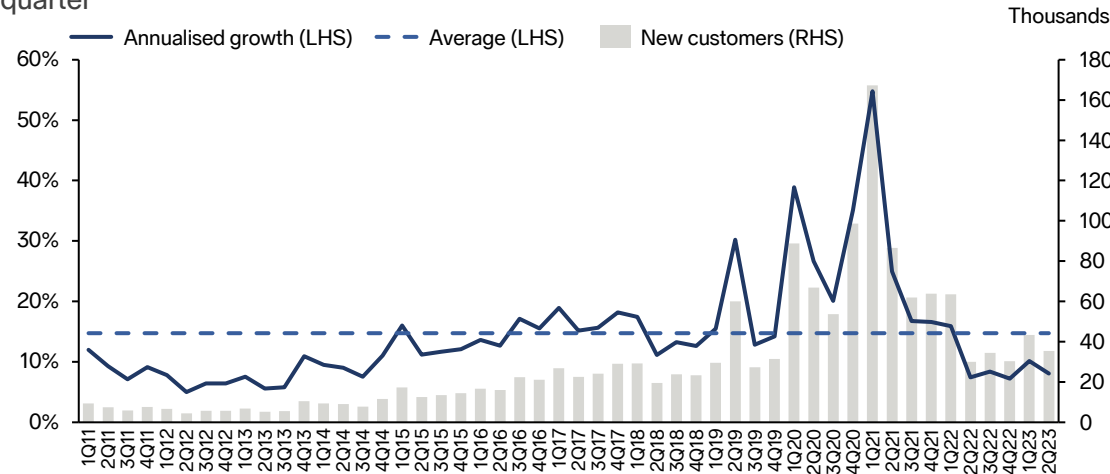


(1) Number of unique customers making at least one trade during the period divided by number of customers end of the period

Strong cost control drives profit despite uncertain macro

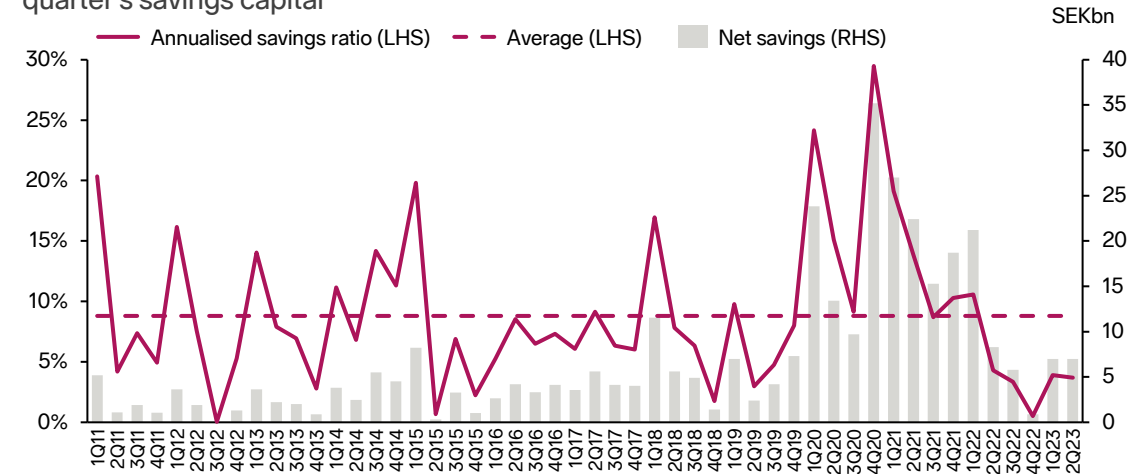
Annualised customer growth

Annualised quarterly customer increase in relation to previous quarter

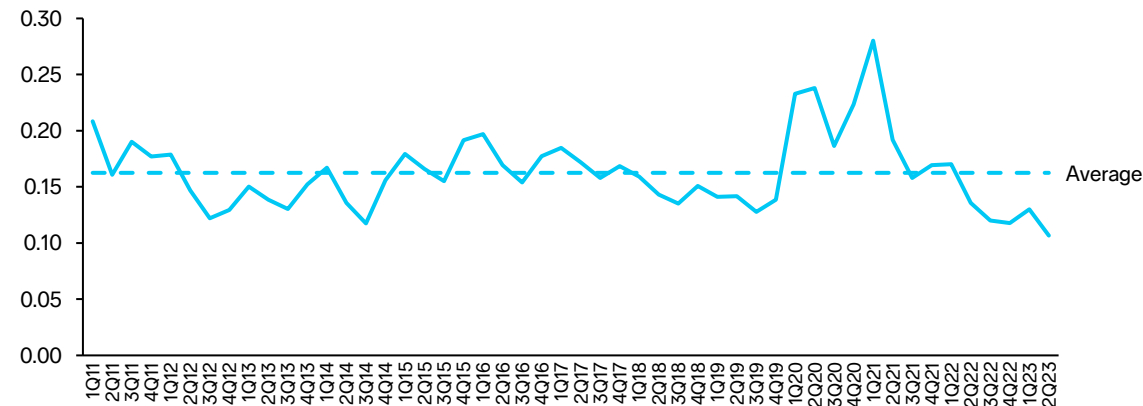


Annualised savings ratio

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

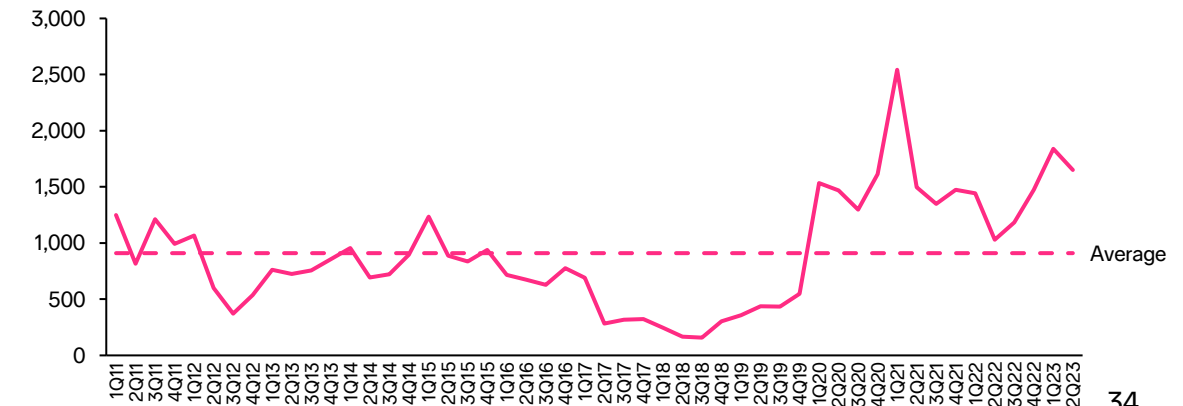


Trades per customer per trading day



Annualised profit per customer (SEK)

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



Sustainability embedded in Nordnet's DNA

A responsible and sustainable business

DECENT WORK AND ECONOMIC GROWTH



RESPONSIBLE CONSUMPTION AND PRODUCTION



PEACE, JUSTICE AND STRONG INSTITUTIONS



- Practice transparency, compliance and a high ethical standard
- Reduce negative impact on the environment and climate
- Promote physical and mental health through a good working environment

Equality and diversity

GENDER EQUALITY



DECENT WORK AND ECONOMIC GROWTH



REDUCED INEQUALITIES



- A better gender distribution within savings & investments
- A workplace characterized by gender equality and diversity
- Create a meaningful professional future for young people

Democratize savings and investments

QUALITY EDUCATION



DECENT WORK AND ECONOMIC GROWTH



INDUSTRY, INNOVATION AND INFRASTRUCTURE



- Increase the general knowledge about personal finances
- Develop user-friendly and inspirational services for saving and investments
- Become the leading platform in the Nordics for sustainable savings

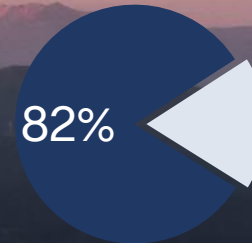
Ambition:

The leading Nordic platform for sustainable savings

Having a broad set of sustainable investment alternatives

Making it easier for savers to invest more sustainably by creating user-friendly digital tools

Share of fund capital in sustainable funds*



Share of fund capital in “dark green”* funds



Proportion of female customers

33.3%