

# QLIRO Q1 22 PRESENTATION

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QLIRO  
SAFE AND SIMPLE



# Q1 SUMMARY

## Summary Q1 2022

- Strong revenue increase in the quarter despite weaker performance for e-commerce
- Continued growth trajectory for Payment solutions with notably higher interest for our various payment products within the business segment
- Paused marketing of loans within Digital Banking reflected in slightly decreasing loan book compared to last quarter
- Costs affecting comparability (“NRI”) of MSEK 4.9 related to VAT correction for the Norwegian operations
- Three new merchants onboarded during the quarter
- Introduction of new payment alternatives such as Vipps, MobilePay, and Swish
- Launch of “Safe and Simple Payments” strategy along with new visual identity

# Q1 SUMMARY

**+10%**

INCOME GROWTH

**-1%**

GROWTH PAD VOLUME <sup>1)</sup>

**2,5 M**

ACTIVE CUSTOMERS <sup>2)</sup>

**+7%**

LENDING GROWTH <sup>1)</sup>

1) Q1 2022 compared to Q1 2021

2) Unique customers that have used Qliro's services during the last 12 months



# TOTAL INCOME GROWTH IN A DECLINING MARKET

## Comments

- Increase in net interest income due to higher lending in both Payment solutions and Digital banking services
- Increase in total income during the quarter – driven by higher demand for different products in Payment solutions
- Stable development in expenses
- VAT correction of MSEK 4.9 related to the Norwegian operations affect comparability
- In Q1 2021 we revised the credit loss model which affects comparability. Current level of credit losses is a normal level.

## Qliro Income statement

MSEK	Q1 2022	Q1 2021	Change Q/Q
Net interest income	58.3	53.9	8%
Net commission income	48.2	42.2	14%
Other income	0.6	0.2	200%
Total income	106.0	96.4	10%
Operational expenses excl items affecting comparability	-60.8	-55.2	10%
Depreciation	-24.4	-23.0	6%
Total expenses before loan losses	- 86.6	-84.9	2%
Profit before loan losses	19.4	11.5	69%
Net loan losses	-28.0	-16.7	68%
Operating profit excl. items affecting comparability	-13.5	-5.3	145%
Costs affecting comparability	- 4.9	-	
Operating profit	-8.6	-5.3	62%
Lending to the public	2 570	2 401	7%
PAD-volume	1 552	1 563	-1%

# PAYMENT SOLUTIONS - STRONGEST INCOME GROWTH SINCE Q2 2019

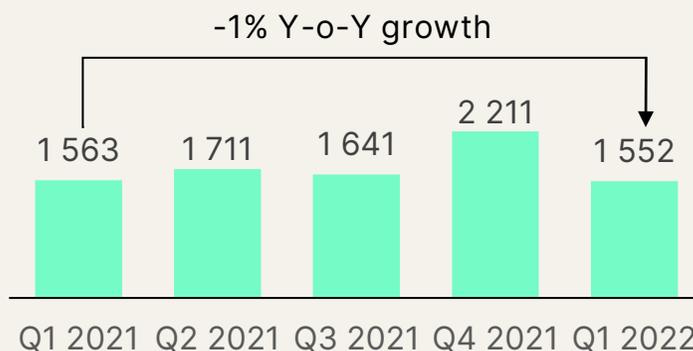
## Comments

- Continued expansion towards medium sized merchants in the quarter
- Svensk Handels's e-commerce indicator for March showed that e-commerce sales were down 15 percent y-o-y
- Volumes decreased less than the market, -1%
- Strongest total income growth since Q2 2019
- Stable credit losses in the quarter

## Key figures, MSEK

MSEK, unless otherwise stated <sup>1)</sup>	2022 Jan-Mar	2021 Jan-Mar	% Δ	2021 Jan-Dec
Total income	86.7	79.2	9%	326.0
Credit losses	21.8	20.7	5%	-76.6
Total income after credit losses	64.9	58.5	11%	249.3
Lending to the public	1 556	1 417	10%	1 699
Payment after delivery (PAD), volume	1 552	1 563	-1%	7 125
Operating income margin,%	21.3%	21.6%	-1%	20.2%
Credit loss level, %, in relation to PAD volume	1.4%	1.3%	6%	-1.1%
Adjusted credit losses R12	1.2%	1.2%	0%	

## PAD volume, MSEK



## Lending, MSEK



1) Comparative figures have been adjusted



# DIGITAL BANKING SERVICES - INCREASED TOTAL INCOME

## Comments

- The majority of borrowers are existing Qliro customers
- Total income grew by 13 percent in the quarter despite paused marketing of loans
- Y-o-y comparison for credit losses impacted by a new provision model to calculate the credit loss reserve, which was implemented in Q1 2021.
- The new calculation had a positive effect on last year's profit of MSEK 7.5.

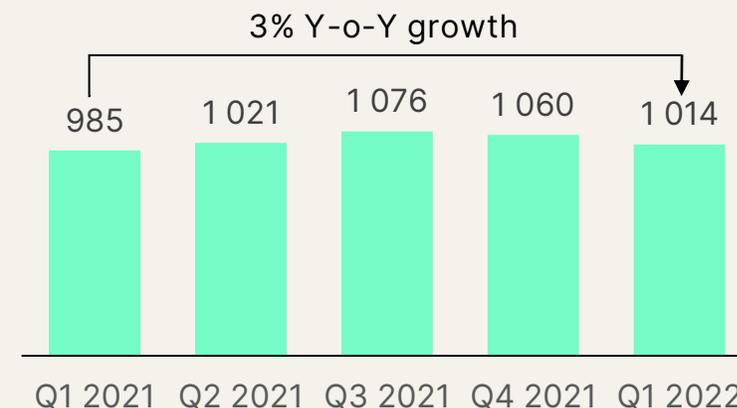
## Key figures, MSEK

MSEK, unless otherwise stated <sup>1)</sup>	2022 Jan-Mar	2021 Jan-Mar	% Δ	2021 Jan-Dec
Total income	19.3	17.1	13%	72.9
Credit losses	6.2	-4.0	-257%	5.3
Total income after credit losses	13.1	21.1	-38%	67.6
Lending to the public	1 014	985	3%	1 060
Operating income margin, %	7.5%	7.1%	6%	7.3%
Credit loss level, %, of average lending to the public	2.4%	-1.7%	-245%	2.1%
Adjusted credit losses R12	2.1%	2.2%	5%	

## New lending, MSEK



## Lending, MSEK



1) Comparative figures have been adjusted

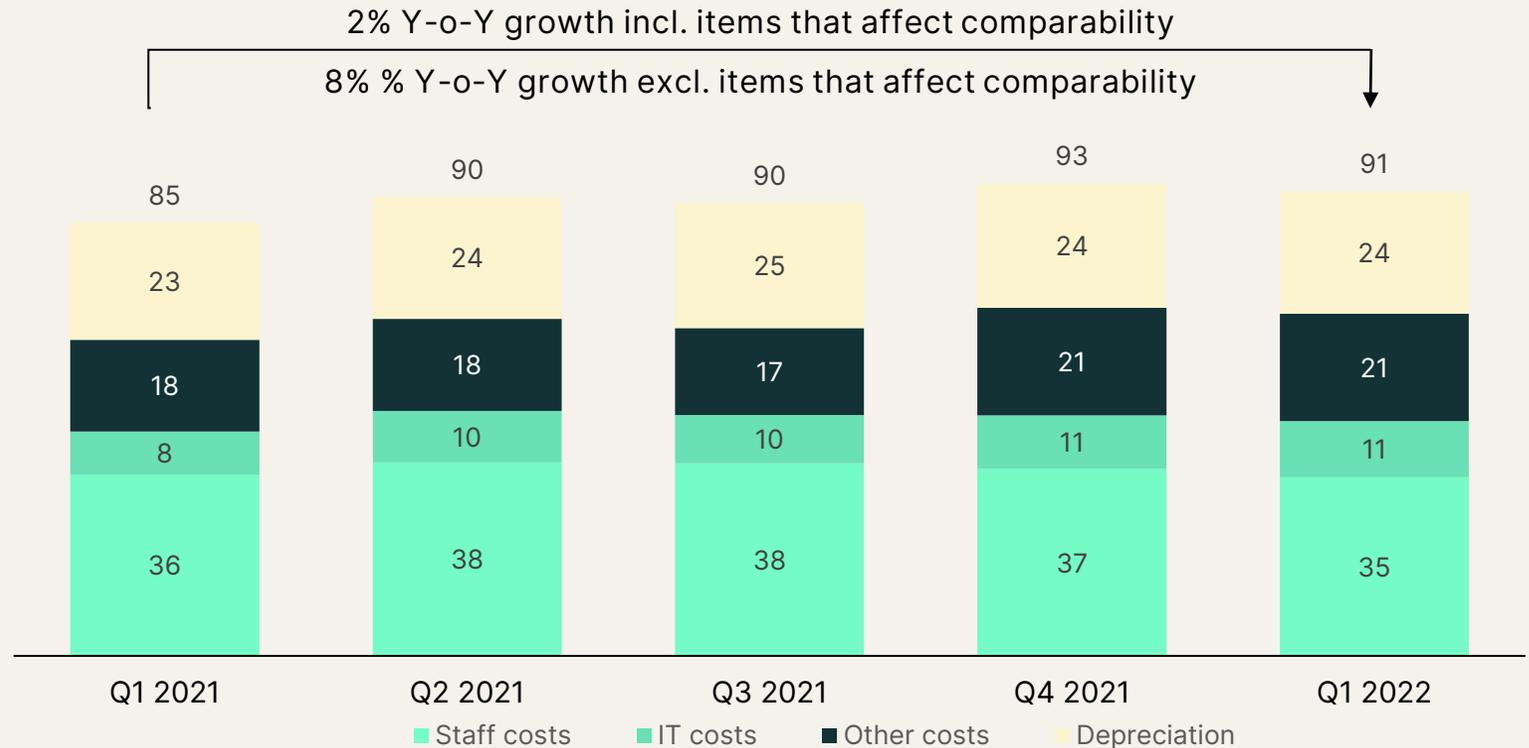


# STABLE COST LEVEL

## Comments

- Administrative expenses, consisting of consulting and IT expenses, increased due to increased expenses for cyber security systems as well as cloud solutions and remuneration to the interim CEO.
- Other expenses decrease was mainly due to a VAT correction in the Norwegian operations in the quarter.
- Depreciation, amortization increased and mainly consisted of previously capitalized development expenses for e-merchant payment solutions, but also consumer products, the website and app solutions.

Cost development MSEK



# SAFE AND SIMPLE PAYMENTS

## NEW STRATEGY LAUNCH

- New strategy, Safe and Simple Payments, decided in Decemeber 2021 and launched in April 2022
- Qliro fills the gap in the market for a player with digital payments at its core – focused on merchants but not being a bank
- Leverages that Qliro was born out of e-commerce and is a digital native putting merchants first
- Builds on what research shows that consumers want from a payment provider; being nice and trustworthy. Which has always been a part of our DNA.
- Translated into Safe and Simple, means a “techy” but at the same time a nice player – someone you feel good about working with or using to pay
- Includes a new brand identity, to further strengthen our position as a pure payments player



# SAFE AND SIMPLE PAYMENTS

## PRODUCT AND BUSINESS DEVELOPMENT FOCUSED ON WIDENING THE FUNNEL

- Products and services gradually migrated to micro services based technical platform
- Flexible at its core, without having to create individual solutions for individual deals and thus limit our scalability
- Constantly developing our business and products to leverage this, with key features being...

**01**

Differentiated checkout offerings to suit different types of merchants.

**02**

Flexible financial products

**03**

A robust, scalable architecture that will support Qliro's growth and technology leadership

**04**

Making it easier to onboard with Qliro to reduce time to go live

**05**

Continued focus on a strong Nordic post purchase offering that gives the consumers a seamless customer journey



# SAFE AND SIMPLE PAYMENTS

## WHAT DO WE THINK THIS WILL GIVE QLIRO?

- A strong position as the only pure payments player
- Increase our brand knowledge within the market, winning more merchant deals
- More consumers will feel safe shopping with us, both in using our own and our partners payment methods
- Benefits employer branding
- An important building block for our growth journey

**QLIRO - SAFE AND SIMPLE PAYMENTS**



# LOOKING AHEAD

- Sign and onboard new merchants including new verticals
- Continue to develop SME-offering and partnerships within the area
- When the new Board of Directors will take board along with the new CEO the company will present new financial goals
- Q2 report 19th of July

# Q&A

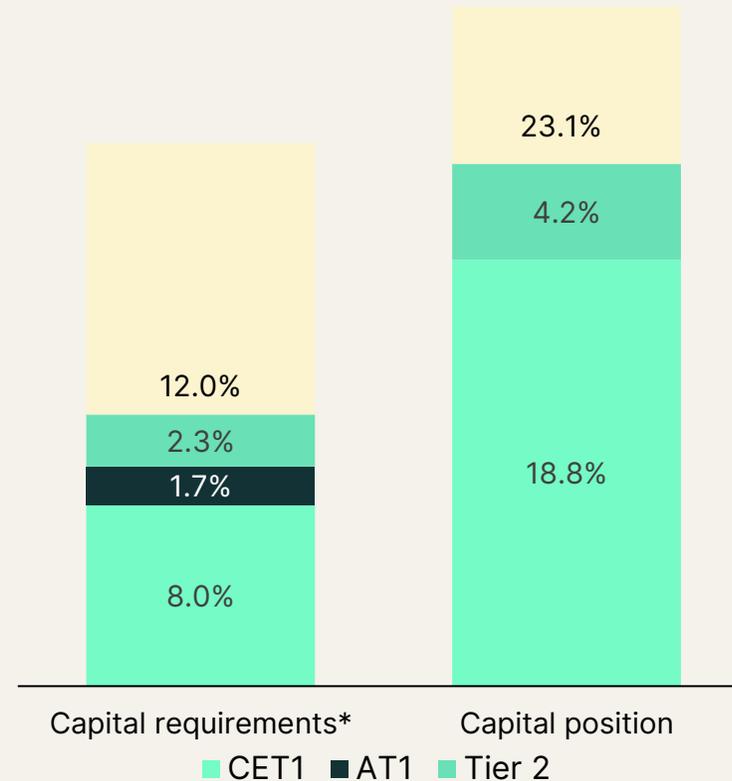
# APPENDIX

# WELL CAPITALISED FOR CONTINUED GROWTH

## Comments

- Solid capital ratios and capital base ~ MSEK 247 larger than total regulatory requirement
- Lending to the public was funded by MSEK 2 218 million in deposits from the public in Sweden and Germany and MSEK 190 through a secured loan facility
- Continued strong liquidity position with LCR at 211%.

Capitalisation %



Funding split

