QLIRO

Q3 2024 PRESENTATION

CEO CHRISTOFFER RUTGERSSON

INTERIM CFO MIKAEL RAHM

TODAY'S PRESENTERS

Christoffer Rutgersson

CEO

Mikael Rahm

Interim CFO

AGENDA

- STRATEGIC UPDATE & HIGHLIGHTS Q3 2024
- BUSINESS MODEL
- FINANCIAL UPDATE
- OUTLOOK
- Q&A

STRATEGIC UPDATE & HIGHLIGHTS

1. **STRATEGIC SHIFT: DOUBLE DOWN ON PAYMENTS WITH NEW GROWTH INVESTMENTS**
   DELIVER A WORLD-LEADING EXPERIENCE FOR MERCHANTS, AND THEIR CUSTOMER JOURNEY
2. ACCELERATED GROWTH MOMENTUM IN PAYMENTS VOLUME +35% TPV GROWTH
3. STRONG GROWTH OF +175% CONNECTED MERCHANTS IN Q3
4. NORWAY LAUNCH ABOVE EXPECTATIONS, LAUNCHING IN FINLAND Q1 2025
5. NEW PRODUCTS: QLIRO CHECKOUT 0.0, QLIRO INSTORE AND LOYALTY DRIVER

1 STRATEGIC SHIFT FROM PROFIT TOWARDS ACCELERATED GROWTH

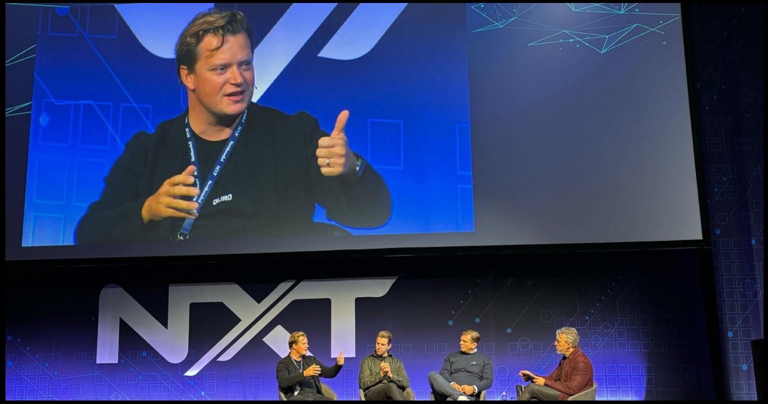
QLIRO DOUBLE DOWN ON GROWTH, SUPPORTED BY +105 MSEK CAPITAL RAISE

PURE PAYMENTS COMPANY

- Divested non-core private loan portfolio to focus on the vision of building a leading European payments company, enabling the repayment of T2 instruments
- Respecting the merchant's customer journey over upselling loans on merchant's customers
- Sharpened execution by focusing resources on scaling and enhancing our payment solutions.
- Strengthened partnerships and launched innovations like Qliro Checkout 0.0

UNIQUE MARKET OPPORTUNITY

- Competitor's divestment of their checkout solution opens a unique window of opportunity.
- Surge in merchants seeking alternative solutions across the Nordics
- Qliro's superior products are well-positioned to meet the growing demand from merchants
- Increased sales and marketing investments to capitalize on market momentum and drive expansion across the Nordics



ACCELERATED GROWTH FOCUS

- Strategically timed 105 MSEK capital raise, (of which 50m equity and 55m AT1), ensuring the foundation for investing in growth acceleration & expansion
- Investments in scaling up sales & marketing l across Sweden, Norway & Finland
- Investing ahead of growth, in order to leverage the scalable platform to capture the market
- Ambition to become market leader in Nordics to start with as well as expand in Europe over time

>+35% Volume Growth contracted, expected to turn into income growth in the medium term

1 DOUBLE DOWN ON PAYMENTS TRANSFORMATION:

DELIVER A WORLD-LEADING EXPERIENCE FOR MERCHANTS, AND THEIR CUSTOMER JOURNEY

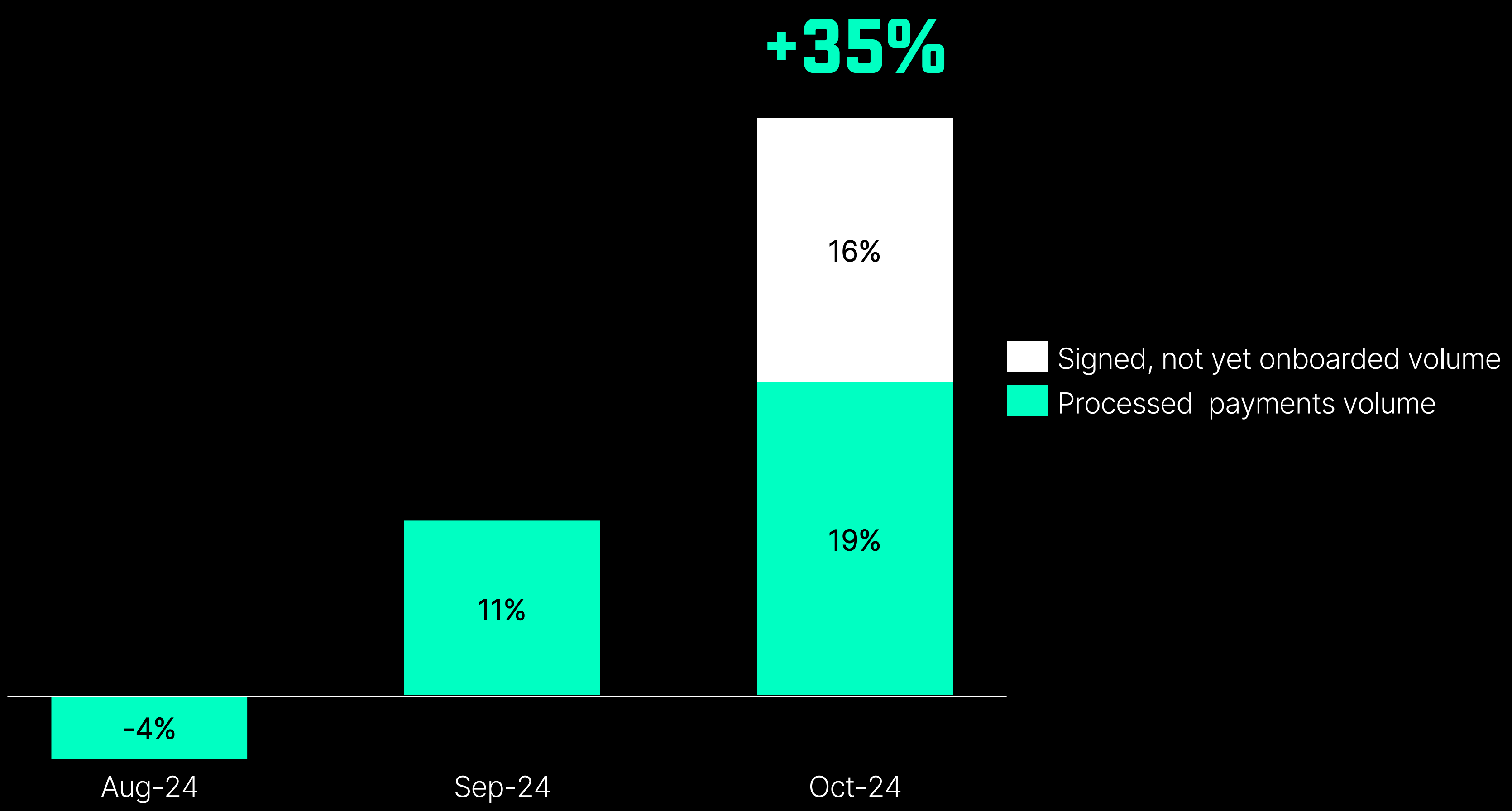
Digital Banking Services divested during Q3 enabling Qliro to fully focus on the merchant's customer journey.

2 PAYMENTS VOLUME RAMPING UP +35% TPV GROWTH SIGNED

Key takeaways

- In Q3 TPV grew 6% YoY, boosted by increased number of active merchants
- Slow July and August in the general e-com market and lower sales at a few existing enterprise merchants
- TPV ramping up from September reaching growth of +19% YoY in October due to onboardings of new merchants coming live
- Additional +16% annual total payments volume is contracted and planned for onboarding by Q2 2025 at the latest
- When the new signed volumes are coming live, above approximately +35% growth is expected

Total Payments Volume, Growth (%)



2 >45% OF PAY NOW VOLUMES PROCESSED IN UNIFIED PAYMENTS

DOUBLE DOWN ON PAYMENTS TRANSFORMATION

QLIRO UNIFIED PAYMENTS

- ONE AGREEMENT
- ONE ONBOARDING
- ONE PAYOUT AND REPORT
- ONE POINT OF CONTACT
- NEW OPTIMAL FX MGMT

Benefits for Qliro

- Higher take rate on transaction volume
- Strong position to win new merchants
- Increased retention existing merchants

LIVE QLIRO →

LIVE VISA →

LIVE Trustly →

LIVE MobilePay →

LIVE swish® →

NEW Pay →

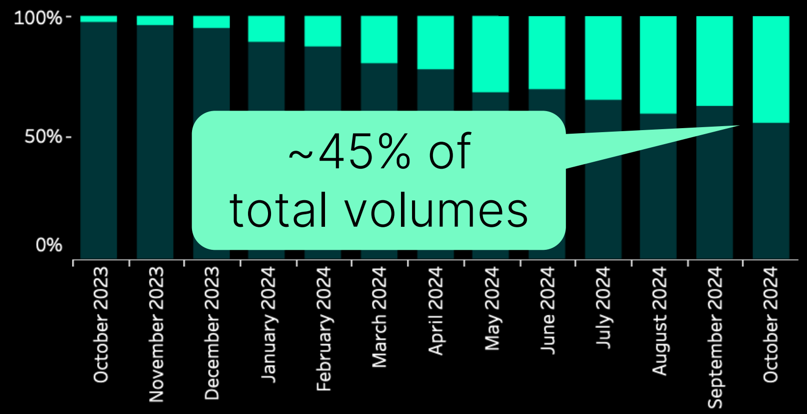
NEW vipps →

2025 … →

2025 … →

QLIRO BANK ACCOUNT → MERCHANT BANK ACCOUNT

Unified Payments Volumes (% of total Pay Now Volumes)



Note: American Express & PayPal on 2024 roadmap

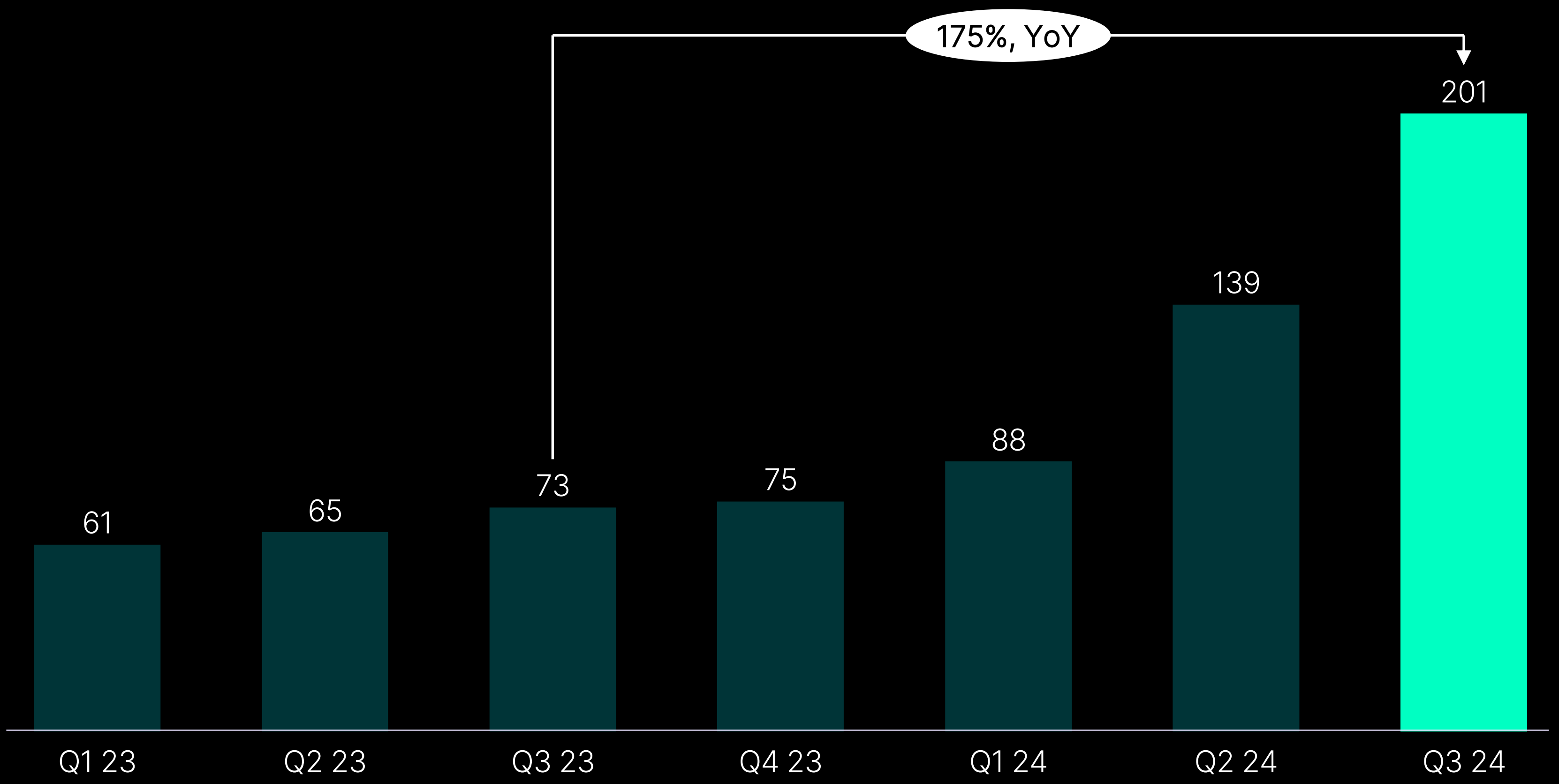
3 BUILDING LONG TERM MOMENTUM IN THE MARKET

MERCHANT GROWTH TAKING OFF AS OUR SME SALES SUCCEEDING

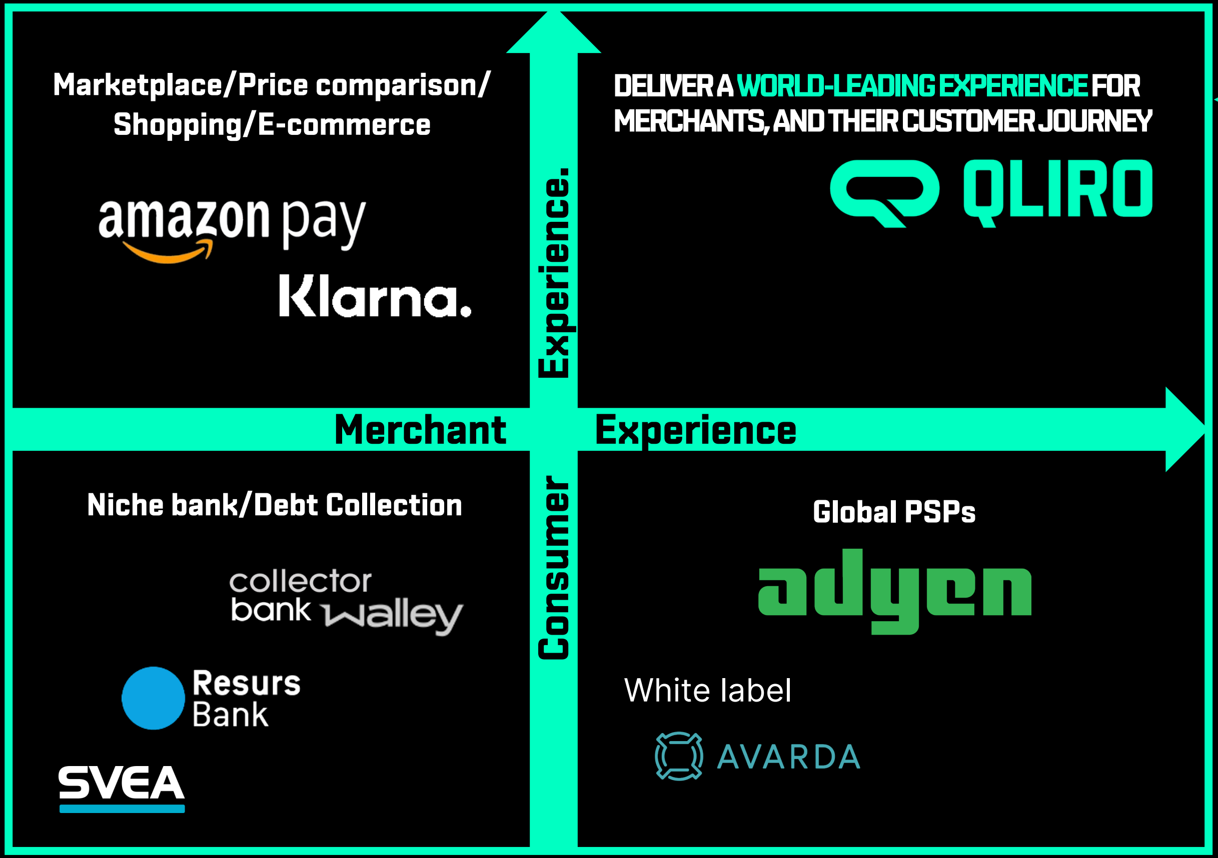
Key takeaways

- Qliro is building a position of being the first choice for merchants who change providers
- Significant growth of +175% in no of active merchants Y-o-Y driven by:
  - Strategic focus on merchants and their customer journey
  - Launch of Qliro Checkout 0.0 with best-in-class conversion rate is a proven success
  - The growth initiative targeting the SME segment is starting to yield positive results
- Flexible payments offering – merchants can customize and choose what modules they want
- Reliable technology with >99.99% uptime
- Service-minded organization

No of active merchants



3 WHY LEADING MERCHANTS CHOOSE QLIRO?



COMPOSABLE PAYMENTS FOR GROWTH

1. LEADING CONVERSION IN NORDICS
2. UPSELL -> HIGHER AOV -> GM3 BOOST
3. MODULAR CHECKOUT & INTEGRATIONS
4. PARTNER & PERFORMANCE APPROACH
5. CONSUMER EXP - > LOYALTY
6. POSITIVE BUSINESS CASE >10-20X ROI

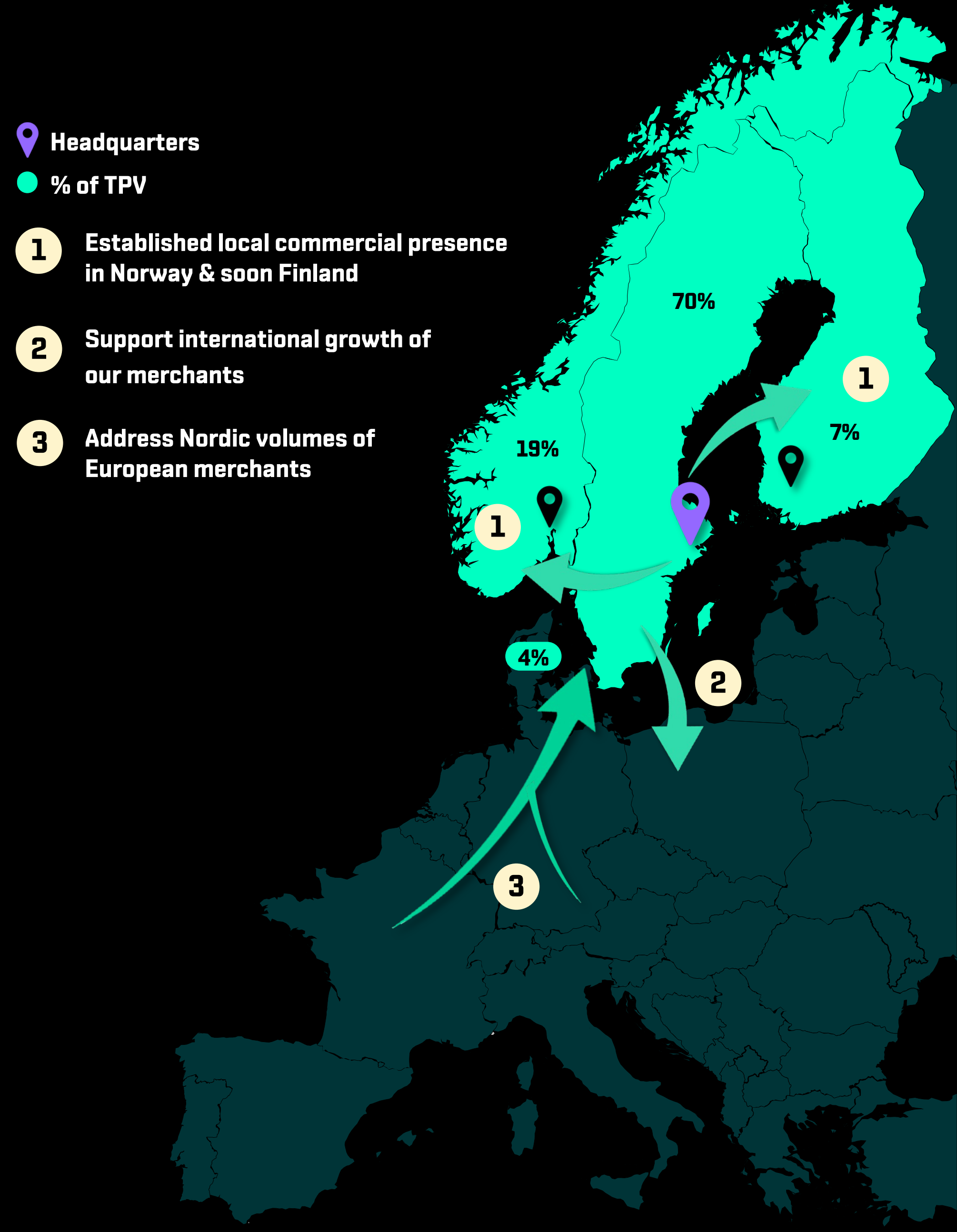
4 GEOGRAPHICAL EXPANSION INCREASES ADRESSABLE MARKET

Norway

- Launch in Norway has exceeded expectations, with agreements of 300 MSEK signed
- Growing pipeline across both SME and Enterprise
- The team now includes four full-time sales representatives led by country manager Jens Koldenhof Rygg
- Qliro's market position in Norway has been significantly strengthened by the launch of Qliro Checkout 0.0
- The Norwegian consumer experience has been elevated with a new app mirroring Sweden's enhanced service

Finland

- Country manager with experience from main competitor starting January 2025
- Qliro product offering already available in Finland, with 7% of existing TPV
- Expanding commercial team to Finland increases our addressable market >+50% vs Sweden only
- Similar market dynamics in Finland as in Sweden, with merchants wanting to take back control of their consumer journey
- Finnish e-com tech stack similar to Sweden, making Qliro's composable payments scalable with limited additional tech investments
- Investment in local team of >5 FTE by Q2 2025



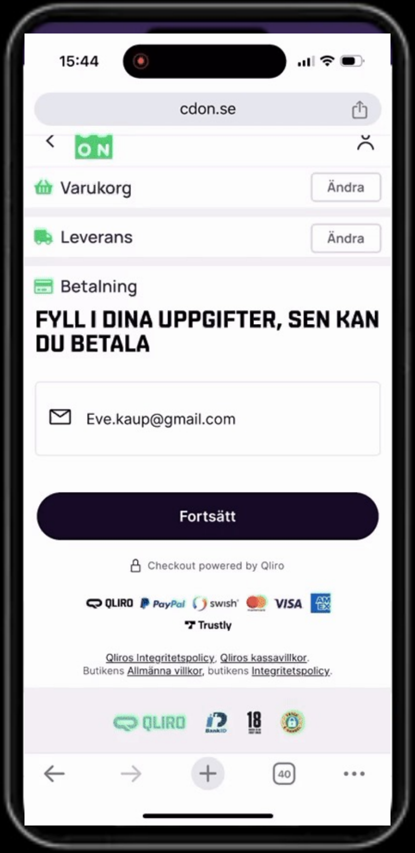
NORDIC GROWTH SUPPORTED BY ENHANCED PRODUCT OFFERING, DESIGNED FOR MULTI-MARKET SCALABILITY

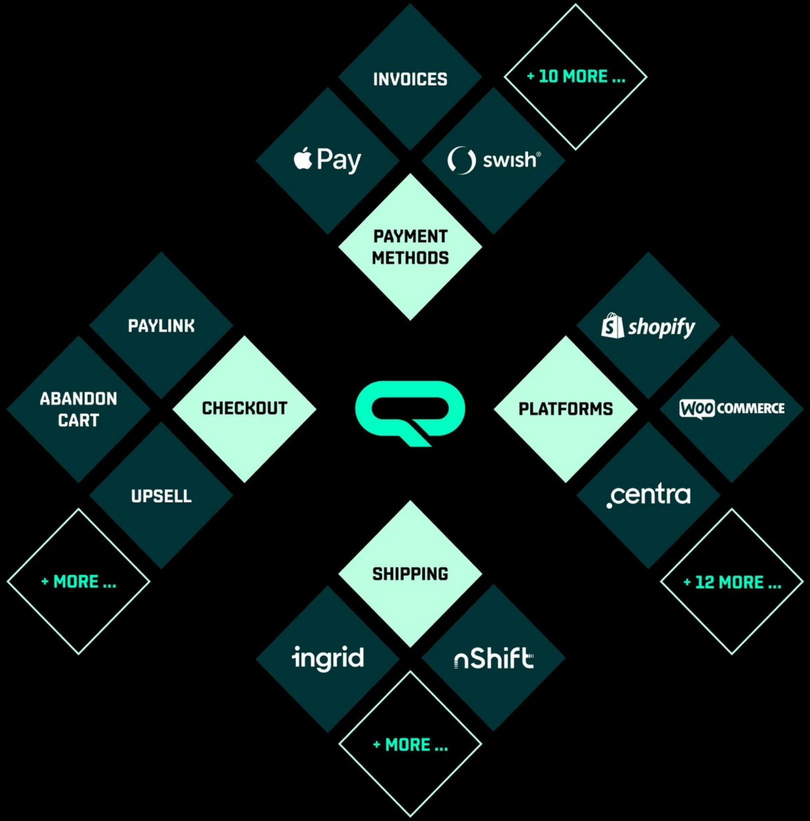
5 LAUNCH OF QLIRO CHECKOUT 0.0

Comments

- Qliro Checkout 0.0 sets a new standard for maximizing checkout conversion and enhancing the customer journey
- Provides seamless configuration options that integrate all major e-commerce platforms, payment methods, shipping solutions and financial tools
- Gained significant market interest, demonstrating Qliro's strong capabilities in driving innovation and delivering impactful solutions for merchants
- Based on Qliro's innovative Composable Payments concept, enabling merchants to customize and optimize their setup

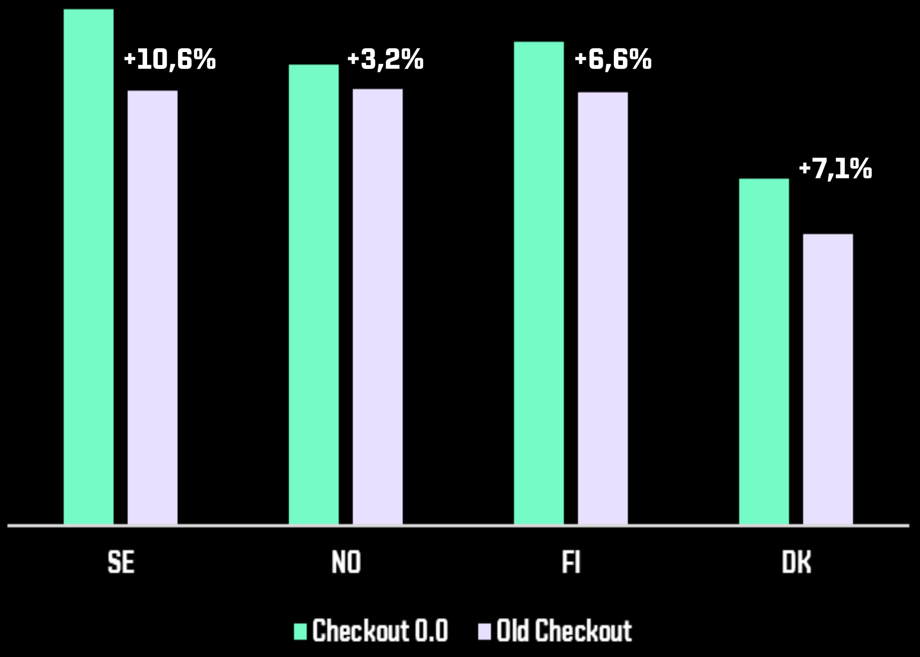
Qliro Checkout 0.0 – Setting the new standard of conversion



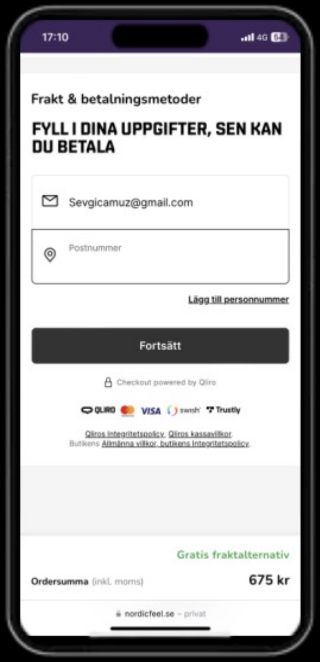


5 LAUNCH OF QLIRO CHECKOUT 0.0

Conversion Increase

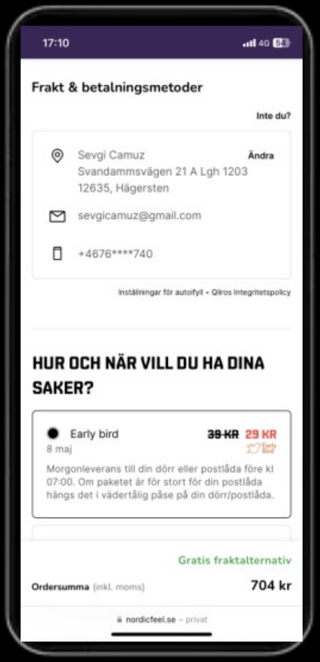


Decreased Customer Drop-off



Authentication Drop-off

-21.3%



Shipping Drop-off

-22.3%

Payment Section Drop-off

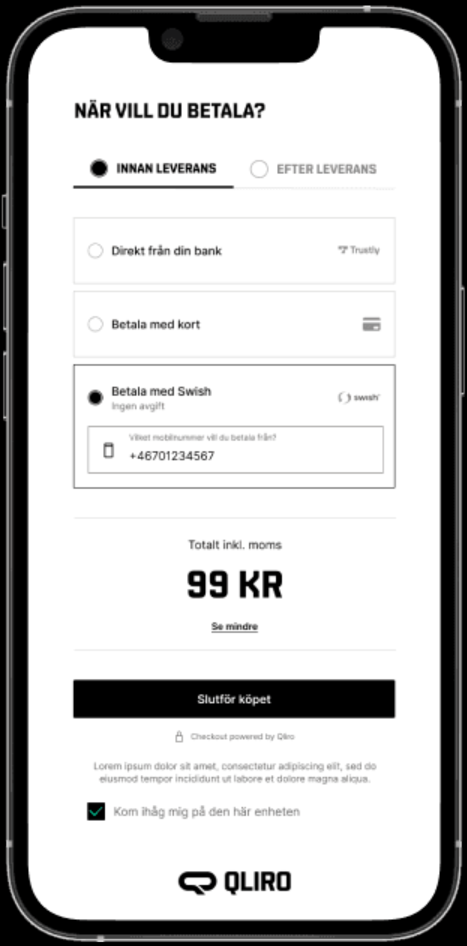
-29.7%

5 LAUNCH OF QLIRO INSTORE

Key takeaways

- Expands Qliro's addressable market by entering the physical retail sector, unlocking Pay Later growth potential
- Delivers a seamless, customer-focused in-store payment experience, offering merchants a unified platform to manage payments
- Enhances customer satisfaction by offering flexible payment options, driving repeat business and loyalty
- Qliro In-store is initially developed for Sitoo's POS system and will be expanded to include more integrations.
- The solution can be quickly implemented into existing payment workflows without extensive technical modifications.

Qliro Checkout 0.0 – Setting the new standard of conversion



QLIRO IN-STORE

Sitoo

5 LAUNCH OF QLIRO IN APP LOYALTY DRIVER

Key takeaways

- Enhances customer loyalty by elevating the post-purchase experience.
- Enables merchants to integrate targeted offers directly after purchase, driving repeat purchases.
- Strengthens customer relationships through tailored offers, boosting retention.
- Increases merchants' competitiveness and fosters long-term loyalty.

Loyalty Driver

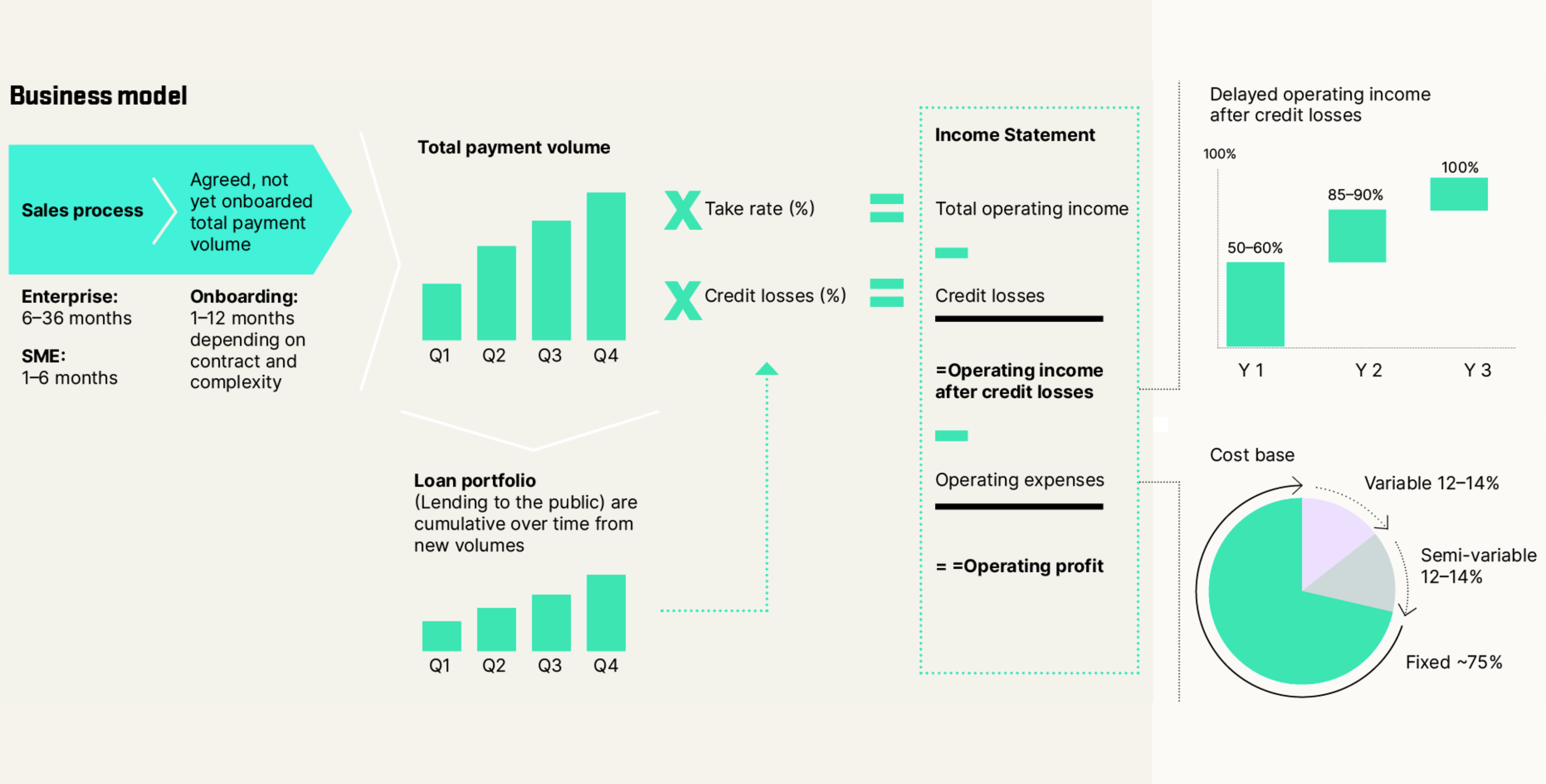
SUMMARY Q3 2024

- QLIRO DOUBLE DOWN ON OUR PAYMENTS TRANSFORMATION
- SIGNIFICANT GROWTH MOMENTUM IN PAYMENTS (EXPECTED >+35% TPV)
- STRONG MERCHANT BASE GROWTH (+175%), LAYING THE FOUNDATION FOR LONG-TERM GROWTH AND PROFITABILITY
- SIGNIFICANT INCREASE IN PAYMENT VOLUMES IN THE BEGINNING OF Q4
- ENHANCED PRODUCT OFFERING INDUSTRY-LEADING CAPABILITIES IN CONVERSION AND CONSUMER EXPERIENCE
- ONGOING NORDIC EXPANSION, LAUNCHING IN FINLAND Q1 2025

FINANCIAL UPDATE

SCALABLE BUSINESS MODEL WITH A NATURAL DELAY BETWEEN PROCESSED PAYMENT VOLUMES AND PROFIT REALIZATION

Business model illustration



Comments

Natural Delay

- Profit realization is delayed due to onboarding times and gradual loan book growth.

Revenue Streams

- Immediate cash flow from Pay Now, with long-term revenue from Pay Later interest and fees.

Loan Book Growth

- 50–60% of profit potential is realized in year one, reaching full impact during year three.

Key takeaway

Scalability

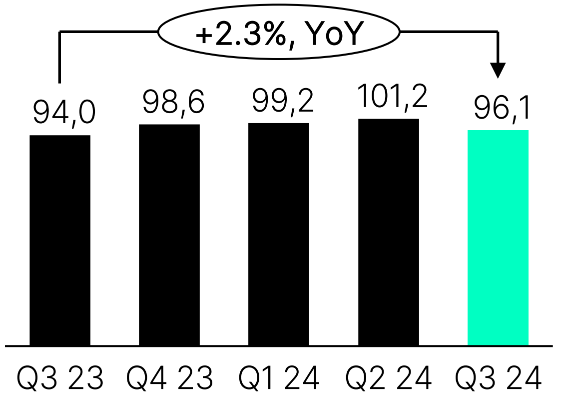
- Fixed-cost platform enables fast profit growth, where +100% volume growth would only increase cost by ~30%.

FOCUS SHIFT FROM PROFIT TO GROWTH

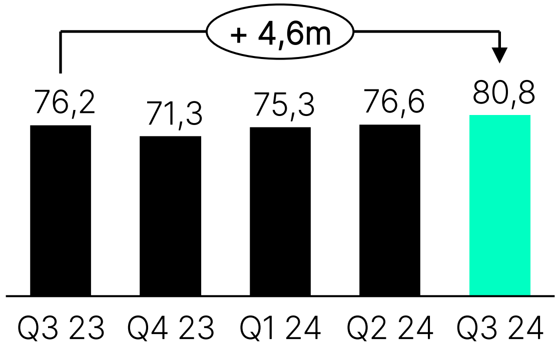
Key financial highlights

- With the strategic focus on Payments, we are now short-term shifting focus from profit to growth.
- Adjusted operating profit decreased to -12.0 MSEK primarily due to increased focus on growth and geographic expansion.
- Operating income grew by 2.3% to 96.1 MSEK, primarily driven by continued increasing interest in Qliro's payment products.
- Adjusted operating expenses increased by 5.9% to 80.8 MSEK due to geographic expansion and commercial growth initiatives.
- Credit losses increased to -27.2 MSEK, or 0.9% of total payments volume, mainly due to continued changes in the product mix, plus a temporary elevation due to improvements in the dunning chain.

Income development

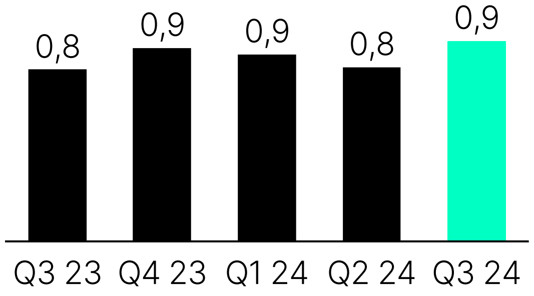


Adj. Operating expenses

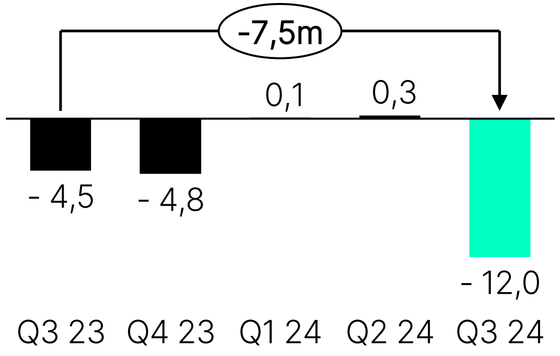


Credit losses / TPV, %

The average credit losses over all quarters has been Ø 0,86%



Adj. Operating profit development



MSEK unless otherwise stated.

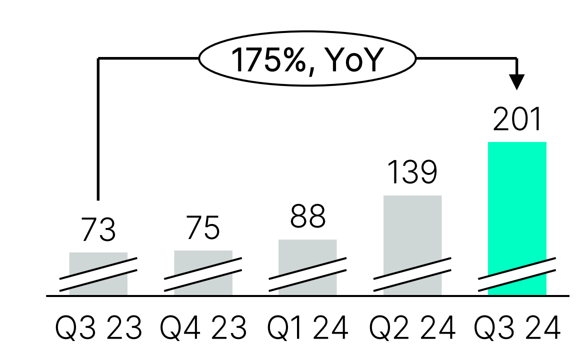
Q3 PERFORMANCE

Comments

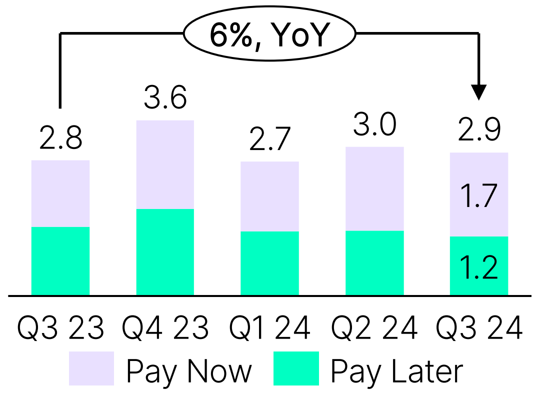
- Total Payment Volume increased by 6% to 2.9 Bn SEK, driven by higher Pay Now.
- Pay Now volumes increased by 26% to 1.7 Bn SEK as domestic payment methods such as Swish / Vipps / MobilePay continue to grow.
- BNPL volume decreased by 3%, while total Pay Later volume decreased by 14% to 1.2 Bn SEK as a result of lower invoice volumes.

Operational KPI's

No. of active merchants

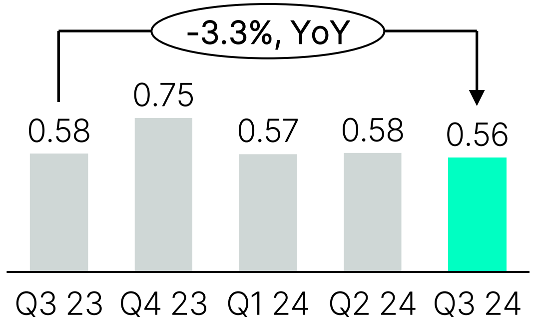


Total Payments Volume, Bn SEK

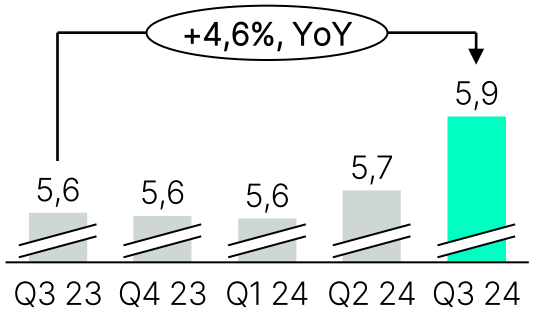


BNPL Volumes, Bn SEK

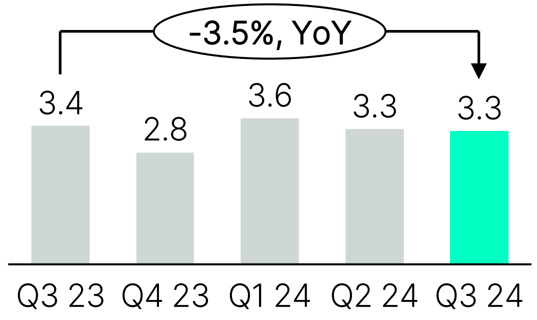
BNPL is our most profitable part of the Pay Later volumes given that the invoice volumes have limited fees



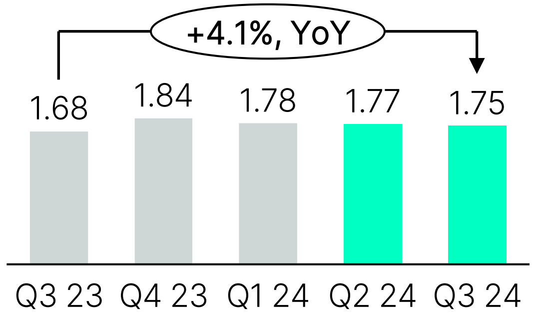
No. of active consumers, LTM (m)



Take Rate, % (Income / TPV)



Payment Balance, Bn SEK

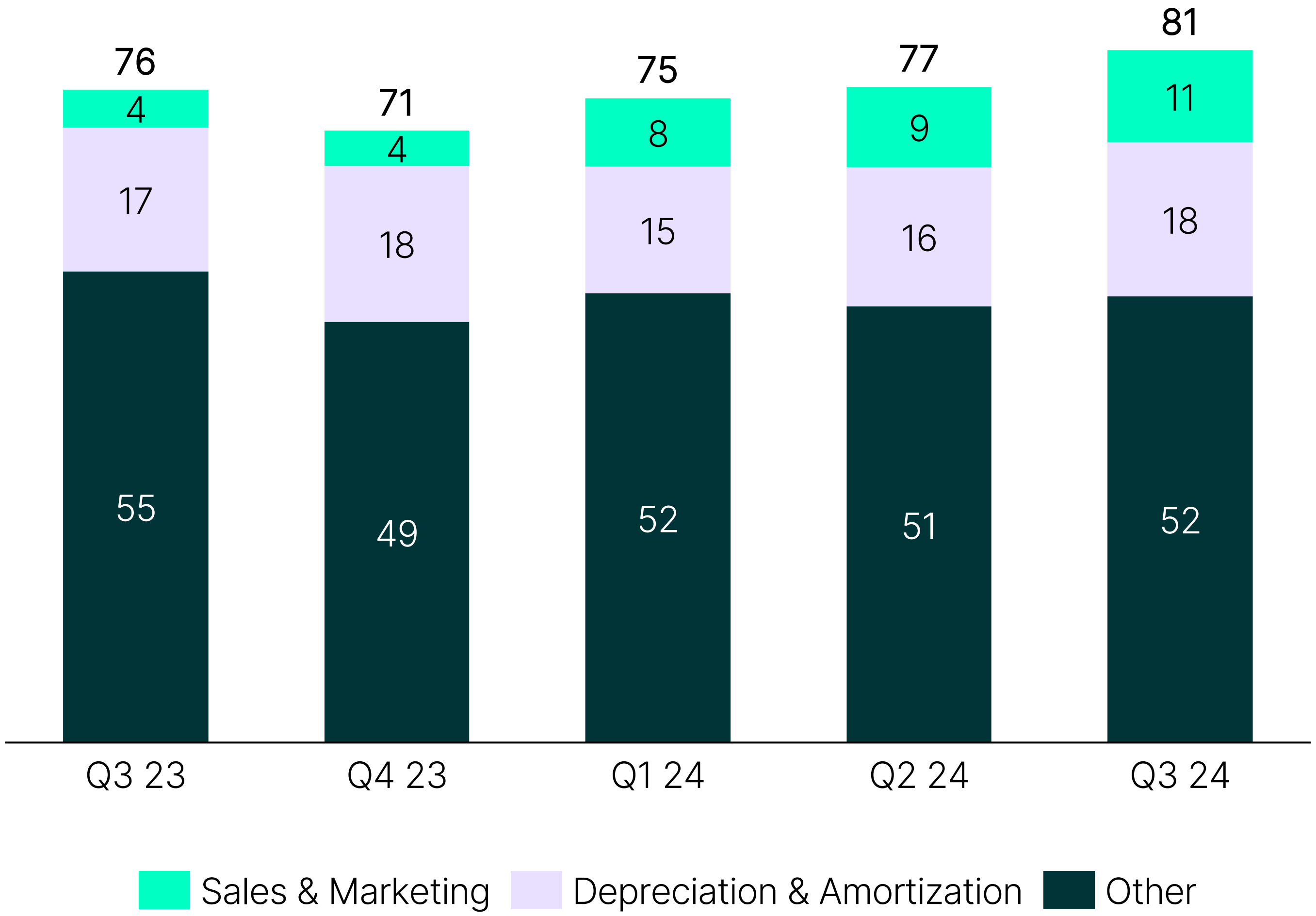


STABLE COST BASE DESPITE INCREASED GROWTH INVESTMENTS

Comments

- Our focus has deliberately shifted towards growth. Increased growth efforts and geographical expansion led to increased Sales & Marketing expenses by 6.4 MSEK (incl. cost for new markets)
- Q3 depreciation increased by 1.1 MSEK and other operating expenses declined by 3.0 MSEK.
- Additionally, we incurred 5.6 MSEK in restructuring expenses, classified as IAC, in Q3 relating to severance in order to further optimize our cost base as we divested the Digital Banking Services loan portfolio.

Adjusted operating expense development excl. IAC

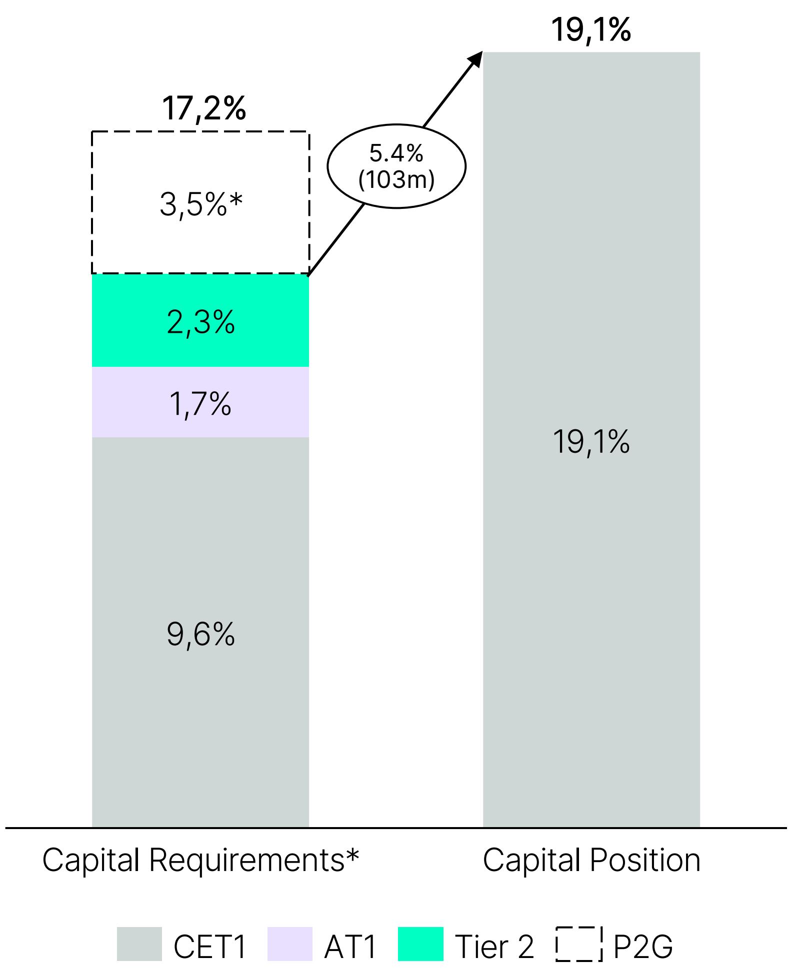


CAPITAL AND LIQUIDITY

Comments

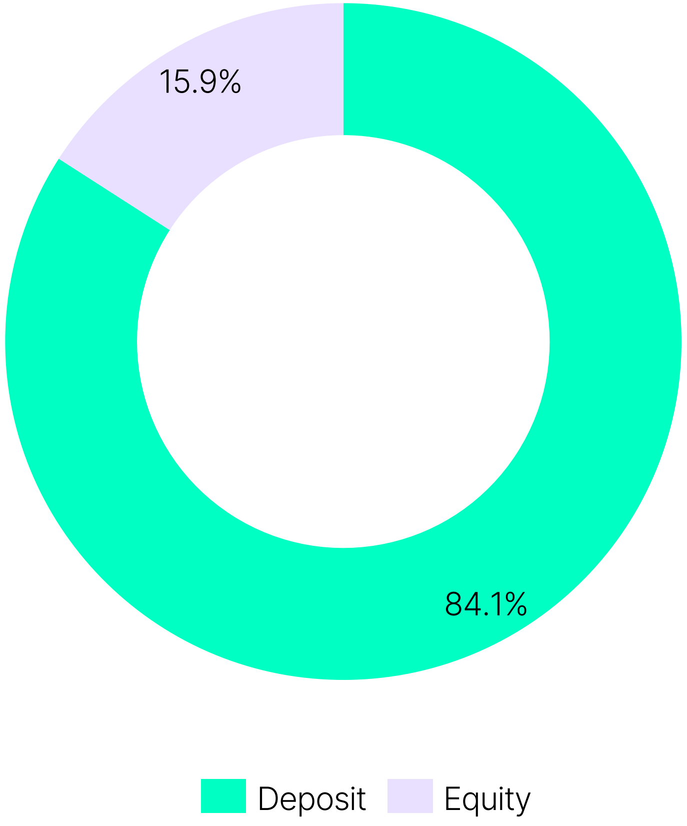
- Capital headroom of 5.4%-pts or 103 MSEK towards regulatory requirements.
  - Including the Pillar 2 guidance (P2G) buffer of 3.5%, the capital headroom was 1.9%-pts or 37 MSEK.
- Solid liquidity position with an LCR of 667% and NSFR of 151%.
- Lending to the public primarily financed through deposits in Sweden and Germany.
- During Q3, Personal Loans was divested, freeing up capital requirements enabling repayment of our 100 MSEK T2 bond.
- In October, we raised 50 MSEK in a new share issue plus 55 MSEK in an AT1 bond to finance our growth investments

Capitalization



* Capital Requirement excluding Pillar 2 guidance of 3,5% on all levels.

Financing mix



OUTLOOK

LOOKING AHEAD - ACCELERATION

1. ACCELERATE OUR SME & ENTERPRISE SALES ENGINE
2. PRIORITING GROWTH TO CAPITALIZE ON OPPORTUNITIES
3. CONTINUED TO INVEST IN OUR PAYMENT CAPABILITIES
4. EXPAND ADDRESSABLE MARKET BY LAUNCH IN FINLAND
5. CONTINUE TO OPTIMIZE ONBOARDING TO HANDLE INFLOW
6. TARGET OVER 35% TPV GROWTH BY Q2 2025

DELIVER A MARKET LEADING EXPERIENCE FOR MERCHANTS AND THEIR CUSTOMER JOURNEY

Q&A

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