

Qliro Q4 2020 presentation

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Fast growing tech company offering payment solutions and digital banking services on a modern platform

- Business powered by data collection and analytics from millions of payment transactions and consumer interactions on Qliro's platform
- True understanding of the needs among large- and mid-sized merchants and consumers has been the strength of Qliro since it was founded.
- Payment solutions available across the Nordics and digital banking services currently only in Sweden
- Qliro is the number one challenger within payment solutions in the Nordics for larger e-merchants



Active consumers¹⁾

2.5 m

Transactions²⁾

7.1 m

Pay-after delivery volume³⁾

6.2 bn

Revenue⁴⁾

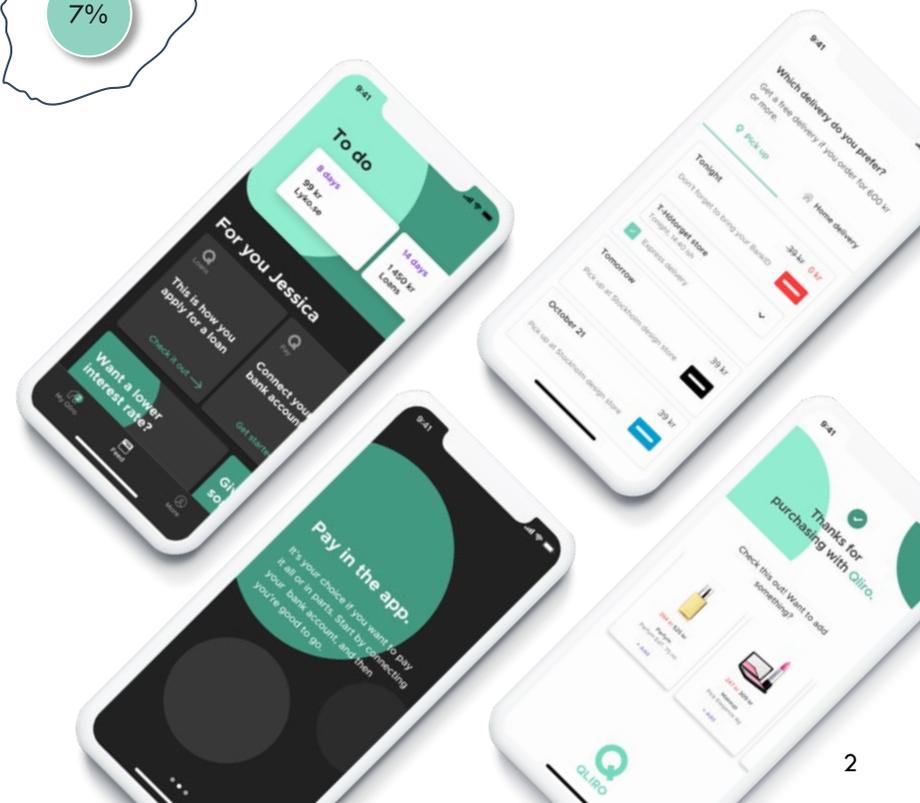
380 m

Revenue growth⁵⁾

14%

Largest owners⁶⁾

Rite Ventures: **25.8%**
Sampo Group: **9.8%**
(through Mandatum Life)



Qliro, a top tier payment solution that simplifies the online shopping experience

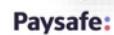


Pay after delivery  **QLIRO**

PayPal payment 

Direct payment 

Card 

Invoice 

Qliro Checkout



9:41

When do you want to pay?

Before delivery After delivery

Pay all 

Within 14 days, 0 kr
Invoice to your mail or the app

Multiple purchases in one invoice

Pay later, in july

Terms & conditions

Part pay 

To pay
1 429 kr
View details

Confirm

QLIRO

Qliro Digital Platform



9:41

Invoices Part pay Purchases Returns

To pay

Nordicfeel.se
10 days
1 199 kr

Nelly.com
8 days
249 kr

New! - Returns
Find out how you can make your shopping smarter.

deedster.

Easy payments

Pay
Activate important notifications
Take a look →

Pay
The part payment is paid in full
To part pay →

Feed Loans Pay Savings More



Q4

HIGHLIGHTS

Q4

FINANCIAL HIGHLIGHTS

+14%
INCOME GROWTH

**STABLE COST LEVEL
LOWER CREDIT
LOSSES**

26%

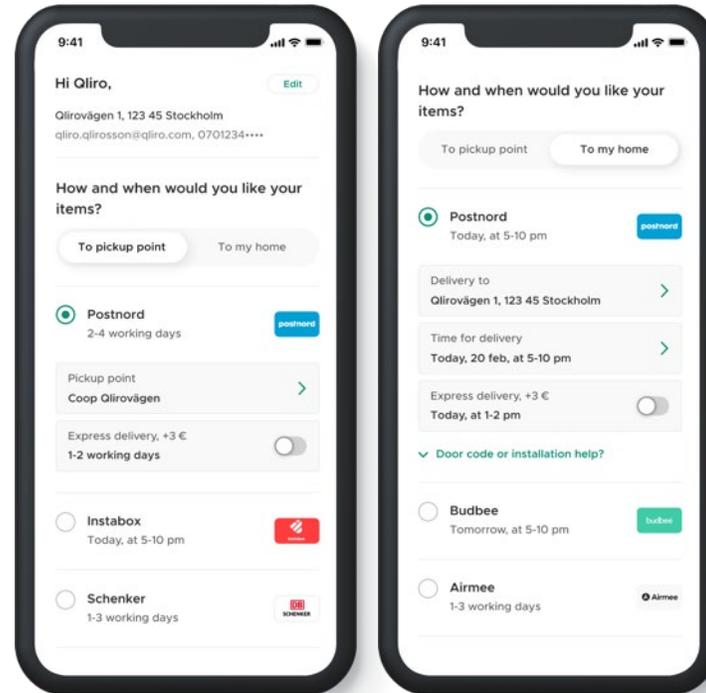
GROWTH IN PAD VOLUME

+37%

GROWTH IN NO OF PAD
TRANSACTIONS

Q4 HIGHLIGHTS

Improved check out and signing of new major partnership



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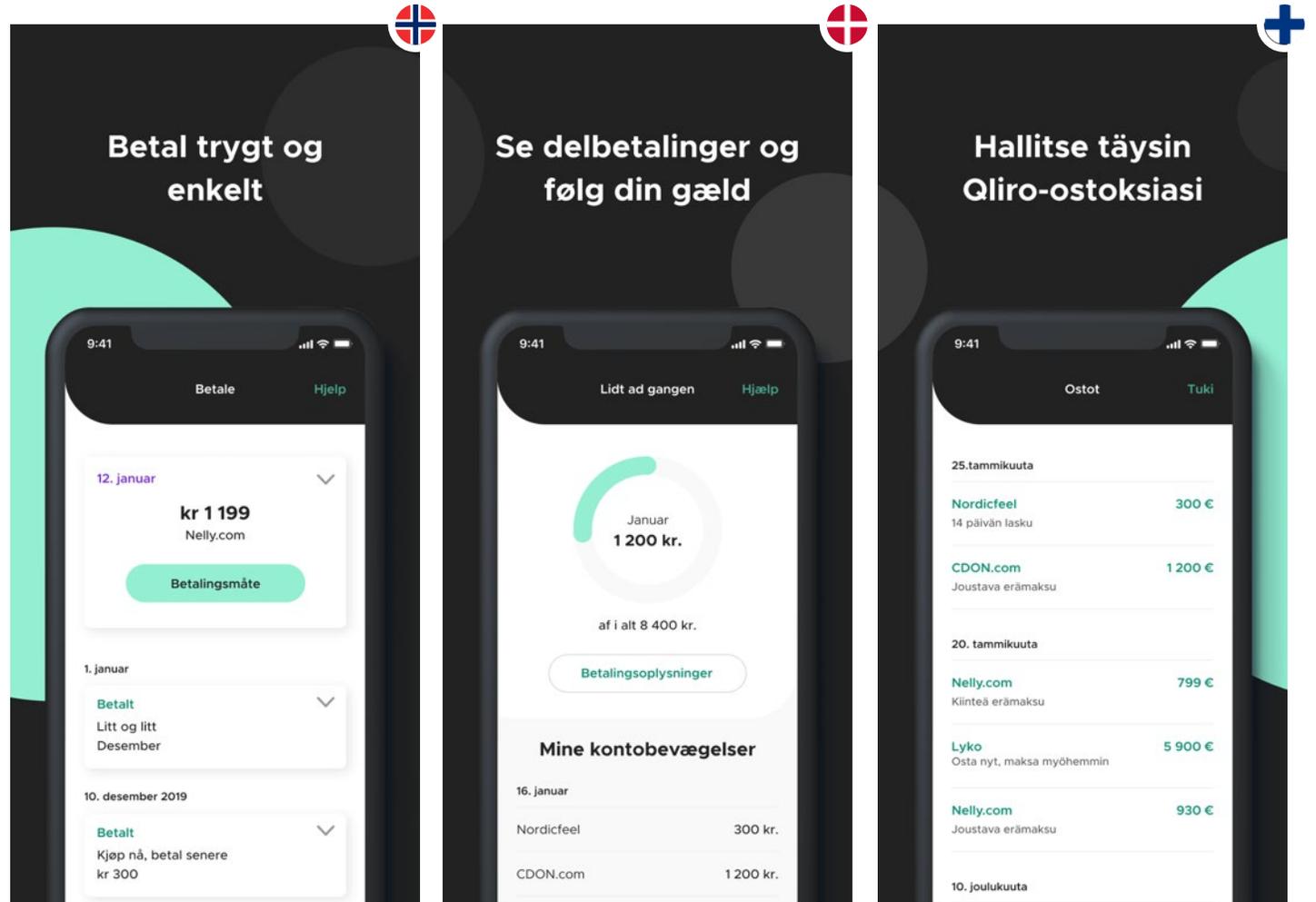
- New shipping module integrated to Qliro checkout, enabling 150+ shipping alternatives for the merchant
- Improves the check-out flow and simplifies the integration for merchants

- Biltema is a highly successful Nordic retailer within the DIY segment
- Qliro will support in further growing their eCommerce footprint

BILTEMA

Q4 HIGHLIGHTS

Continued rollout – NEW Platform



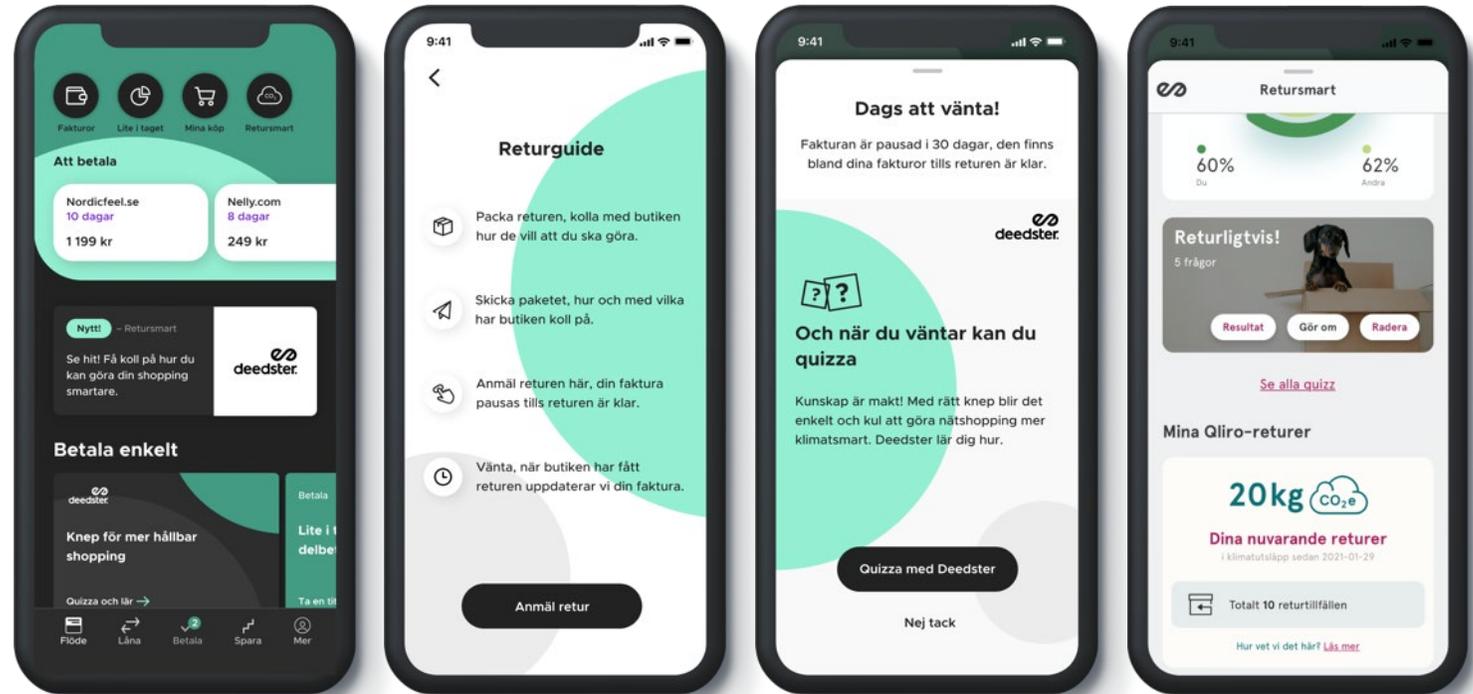
- New modern App, same platform as Sweden, rolled out in Denmark, Norway and Finland to strengthen our Nordic offer to consumers
- New MyPages (logged in mode for Qliro.com) launched in all Nordic countries. MyPages is now based on same foundation as the App

Q4

HIGHLIGHTS

Sustainable eCommerce launched together with Deedster

- Sustainability a cornerstone in Qliro's strategy and focus area for all stakeholders
- Qliro well positioned as a link between merchants and consumers, giving a unique ability to work for a positive change



- Teamed up with Deedster, a tech and data driven company focused on inspiring consumers to make more sustainable choices.
- Launched service in our app to spread knowledge and inspire consumers and merchants regarding sustainability with focus on returns

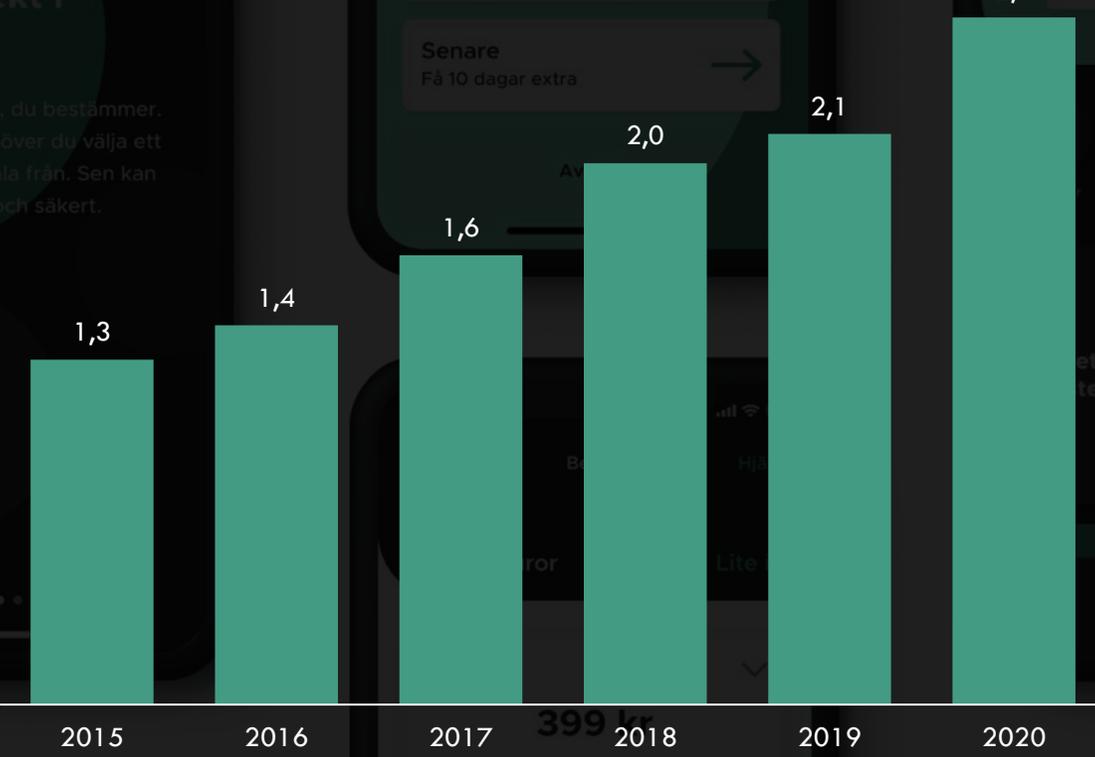
Building relationships with millions of consumers

Large and growing database of active consumers...

Active consumers (million)¹⁾

4.8 million unique consumers²⁾ all time

399 kr
Allt
Idag eller på sista betaldagen
2.5 million active consumers LTM Q4 2020
Lite i taget
Senare
Få 10 dagar extra

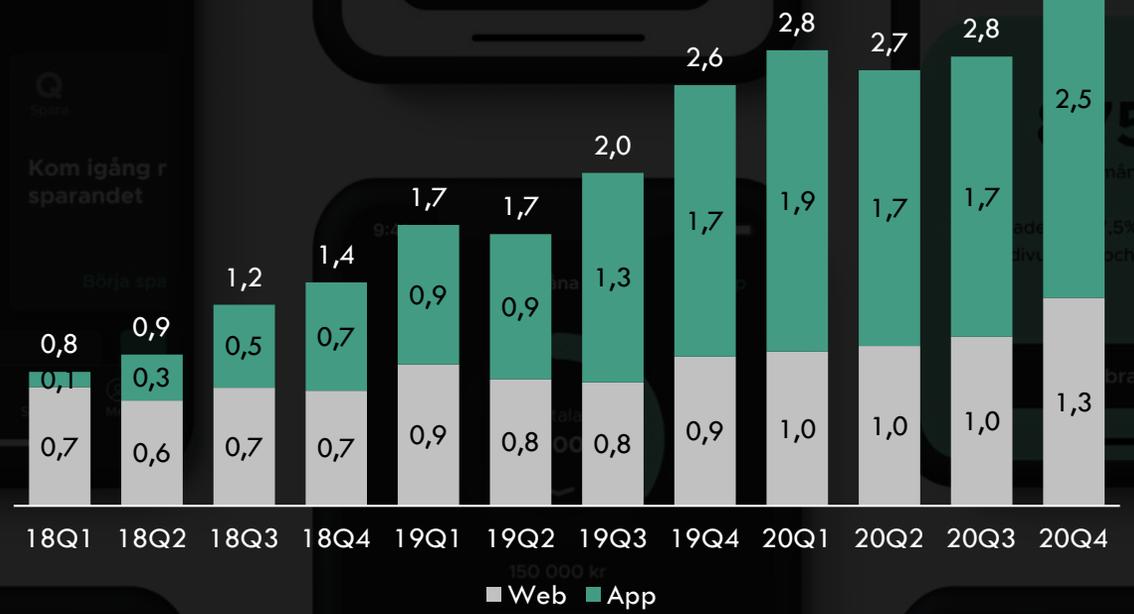


...with strong customer interaction

Number of web and app logins per quarter (million)

2.5 million mobile app logins during Q4 2020

47% Y-o-Y growth in app logins

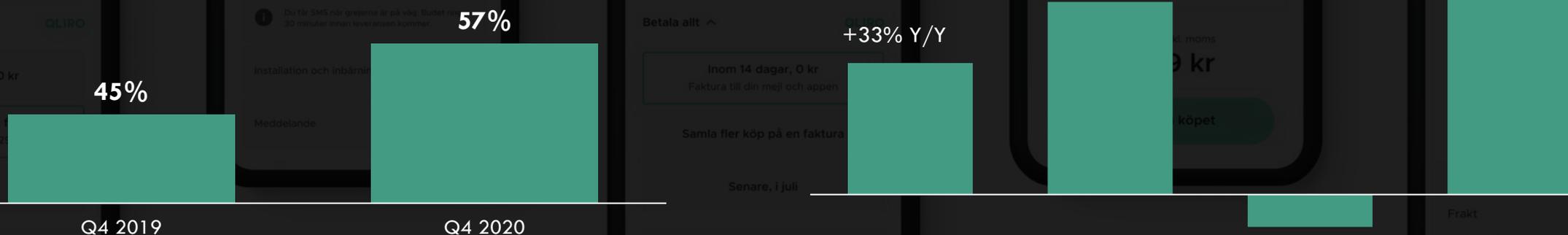


¹⁾ Defined as unique customers who have used at least one of Qliro's services during the last 12 months. ²⁾ Pay-after-delivery consumers.

Strong e-com and new partnerships boost payment volumes

Share of PAD volume, merchants outside previous Qliro Group

Breakdown PAD volume growth Q4 2020, MSEK



- Total PAD volume growth +26% Y/Y or 428 MSEK and no of PAD transactions +37%
- Volume growth merchant outside previous Qliro Group totalling +59% Y/Y
- Volume from merchants onboarded in 2020 represents 15% of Q4 volume or >70% of the net growth in Q4

Q4

FINANCIALS

Solid quarterly performance

Comments

- Income growth 14% driven by solid development in both segments
- Strong lending and volume development
- Earlier peak period for volumes than impacts Q4 income positively
- Cost control
- Lower losses and no signs of deterioration in credit quality

Qliro income statement without items affecting comparability

SEKm	Q4 2020	Q4 2019	Change Q/Q	FY 2020 ¹	FY 2019	Change Y/Y
Net interest income	56	48	+16%	205	170	+20%
Net commission income	41	38	+7%	167	172	-3%
Other income	3	1	+154%	7	3	+152%
Total income	100	87	14%	388	345	12%
Operational expenses	69	70	-1%	257	239	+8%
Depreciation	22	20	+9%	86	63	+35%
Total expenses before loan losses	91	90	1%	342	302	13%
Profit before loan losses	9	-2	-	46	43	+7%
Net loan losses	26	32	-17%	103	73	40%
Operating profit	-17	-34	-	-57	-30	-
Lending to the public	2 460	2 070	19%	2 460	2 070	19%
PAD-volume	2 061	1 633	26%	6 221	5 325	13%

Payment solutions – volume and income growth

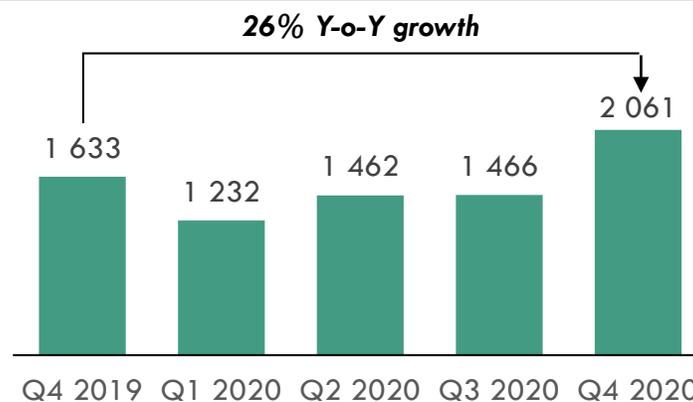
Comments

- Strong volume and transaction development
- Earlier peak in quarterly volumes compared to historic pattern impacts Q4 income positively
- More merchants choosing full checkout solution – positively impacts income
- Loss level below withdrawn pre covid-19 guidance

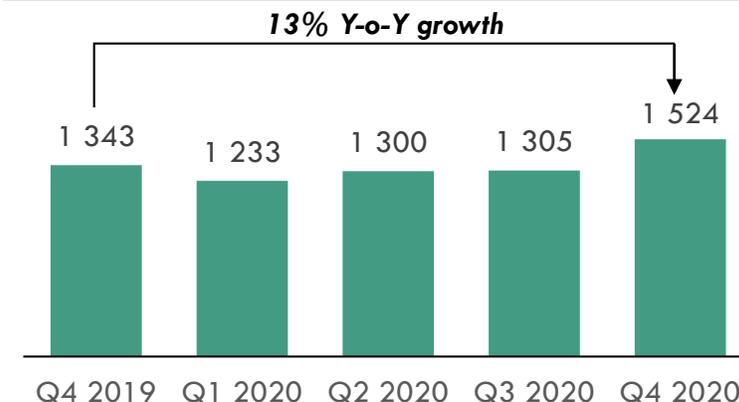
Key figures

SEKm	Q4 20	Q4 19	Change Y/Y
Total operating income	83	76	+10%
Loan losses	20	25	-20%
Income after loan losses	63	50	+25%
Lending to the public	1 524	1 343	+13%
PAD volume	2 061	1 633	+26%
Operating income margin	23,6%	24,2%	
Loan loss level, % of volumes	1,0%	1.6%	

PAD volume, SEKm



Lending, SEKm



Digital banking services – continued growth

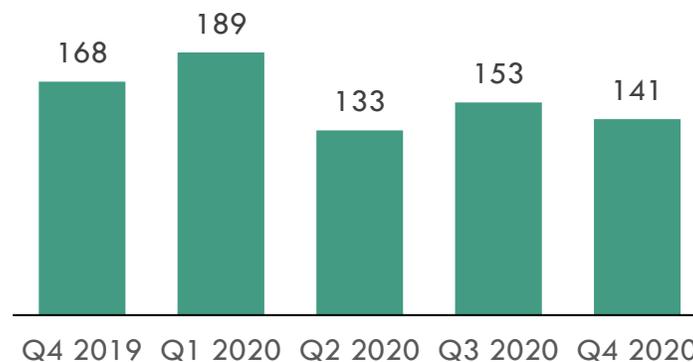
Comments

- Solid financial performance
- Stricter underwriting and dampened demand since Covid-19 still valid. Stable performance since Q1
- Growth in lending 29% YoY and 5% Q/Q
- Stable margin development
- Stable credit performance, Q4 2019 negative effect pre-collection problem

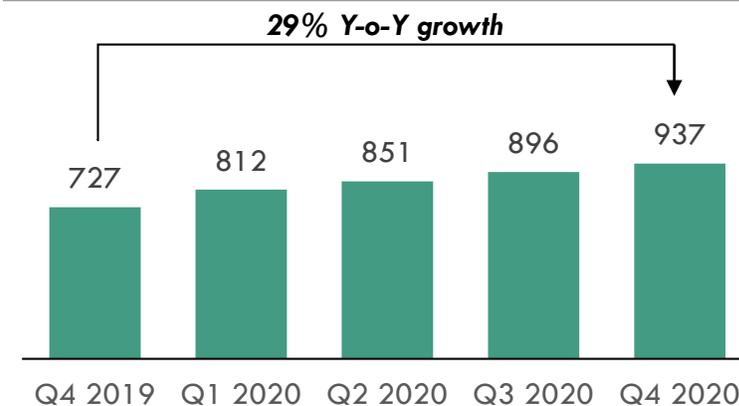
Key figures

SEKm	Q4 20	Q4 19	Change Y/Y
Total operating income	16.4	11.7	+39%
Loan losses	5.9	6.4	-8%
Income after losses	10.5	5.4	+93%
Lending to the public	937	727	+29%
Operating income margin, %	7.2%	6.9%	+0.3 pp
Loan loss level, % of average lending	2.6%	3.7%	

New lending, SEKm



Lending, SEKm

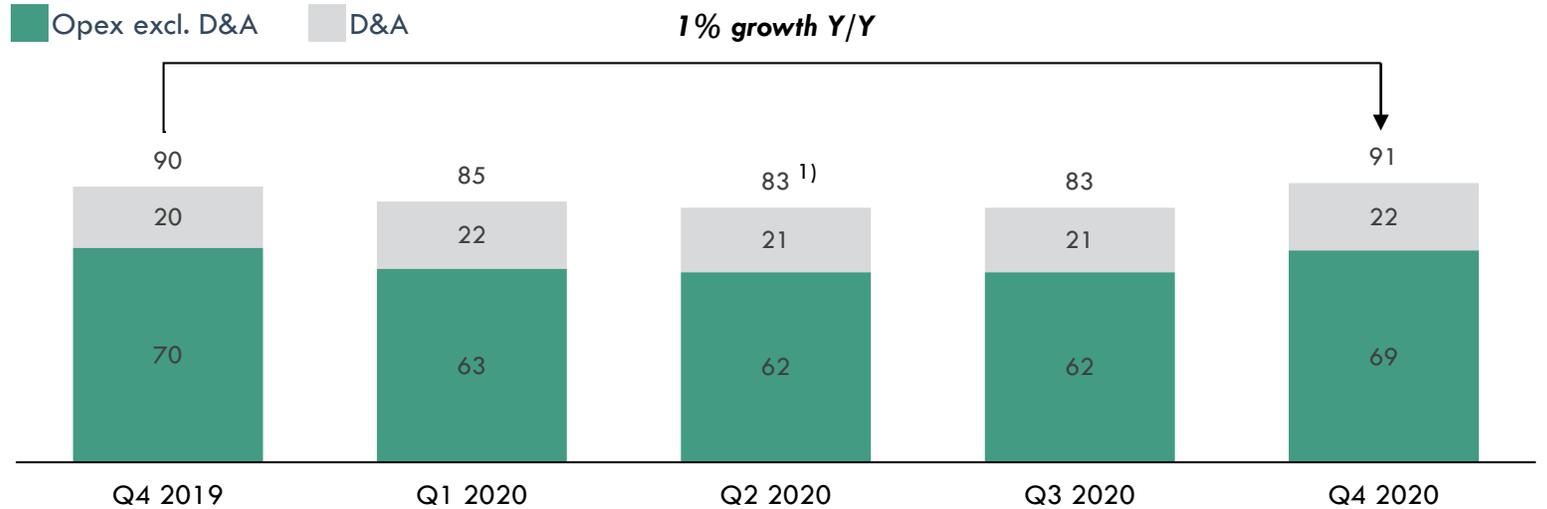


Stable cost development although higher volumes

Comments

- Stable cost level compared to Q4 2019
- Seasonally higher cost in Q4 driven by variable costs but also to some extent costs of becoming public
- Will continue to invest in our technical platforms

Cost development, SEKm

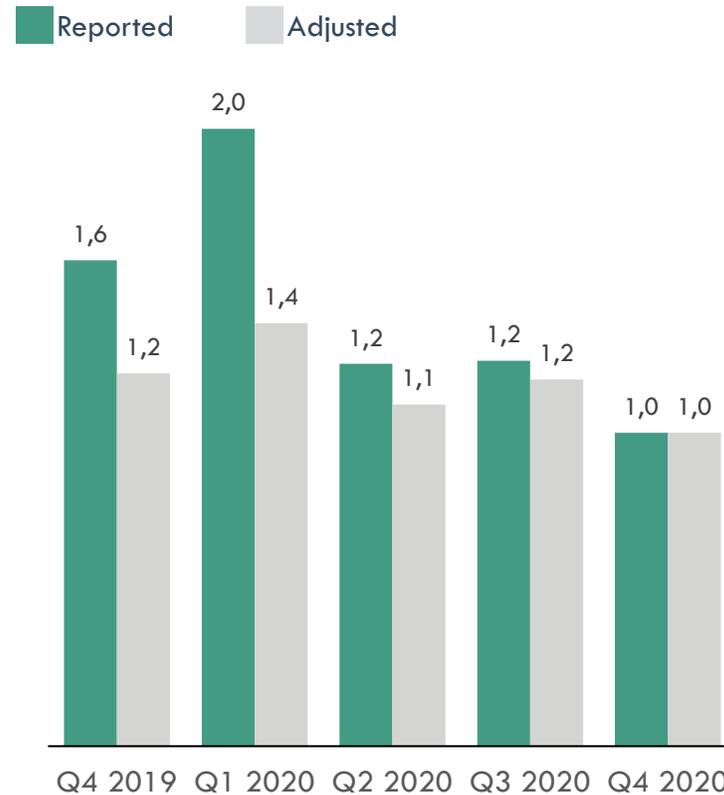


Stable credit performance

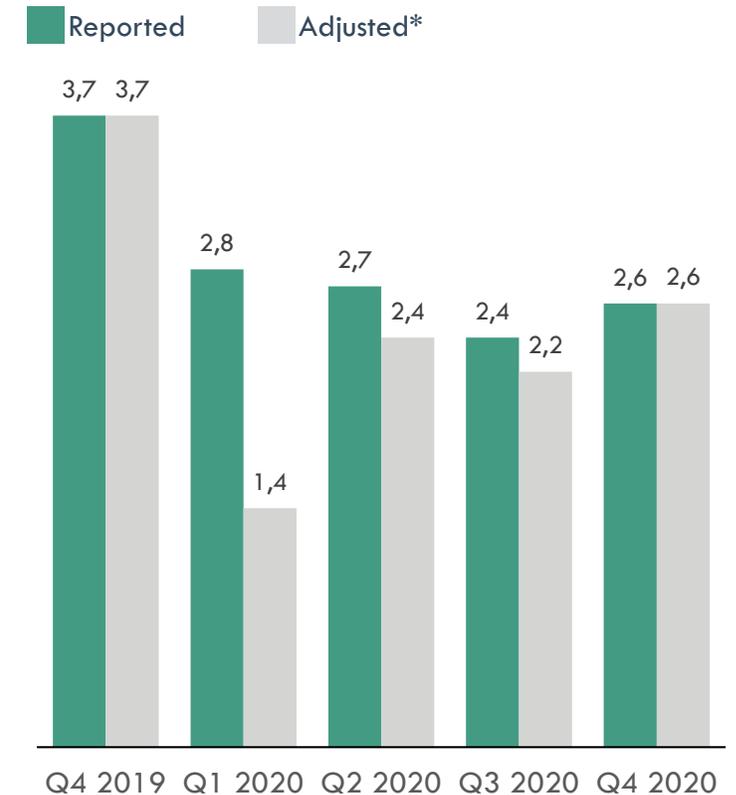
Comments

- Clean balance sheet strategy – low valuation risk in the balance sheet
- PAD credit quality improved and stable performance in 2020
- Personal loans underlying credit quality continuously improved and stable performance
- Approx. 9 MSEK extra provisioning due to covid-19 (0 in quarter)
- Underlying full-year loss ratios below pre-covid 19 guidance

PAD losses in relation to PAD volumes, %



Loan loss level, personal loans, %

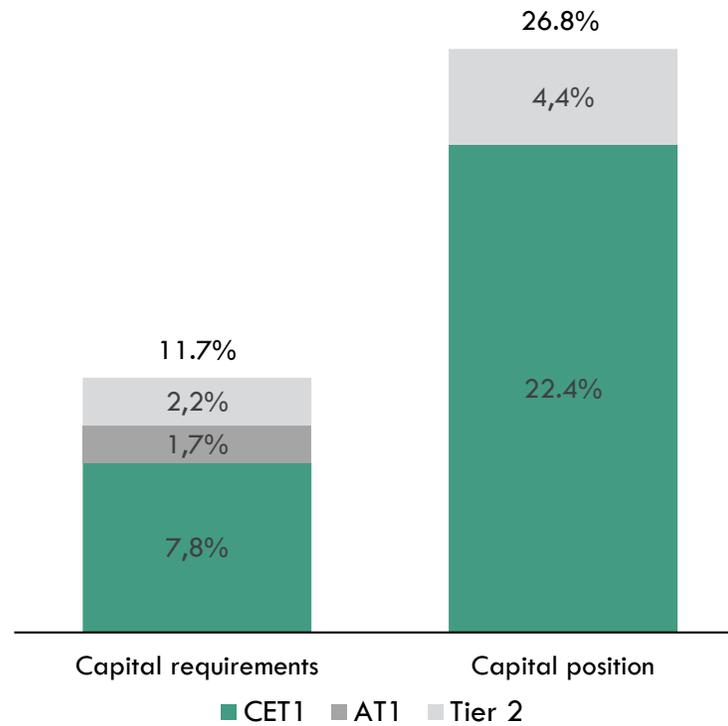


Well capitalised for continued growth

Comments

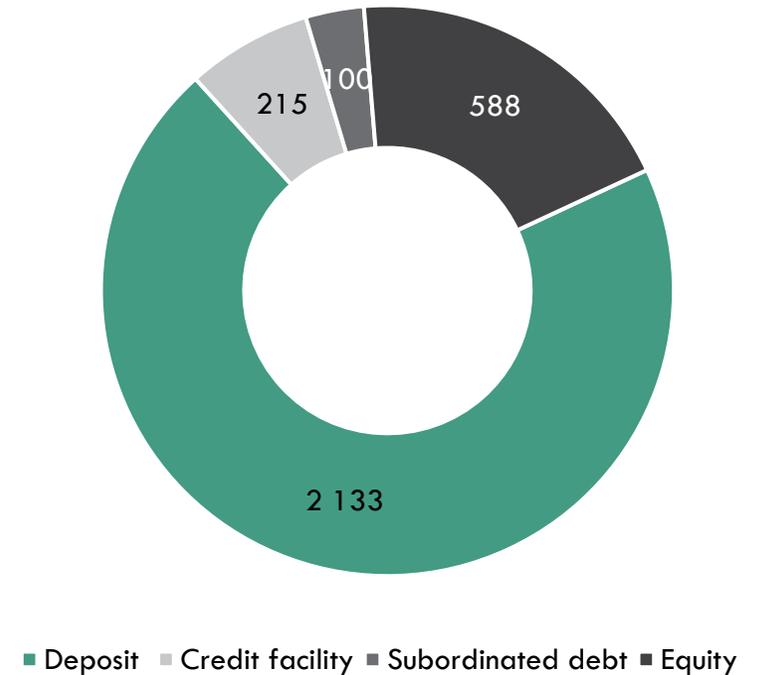
- New rules regarding treatment of intangible assets - improves capital position with ~90 MSEK in the quarter
- Capital base ~ 340 MSEK larger than total regulatory requirement

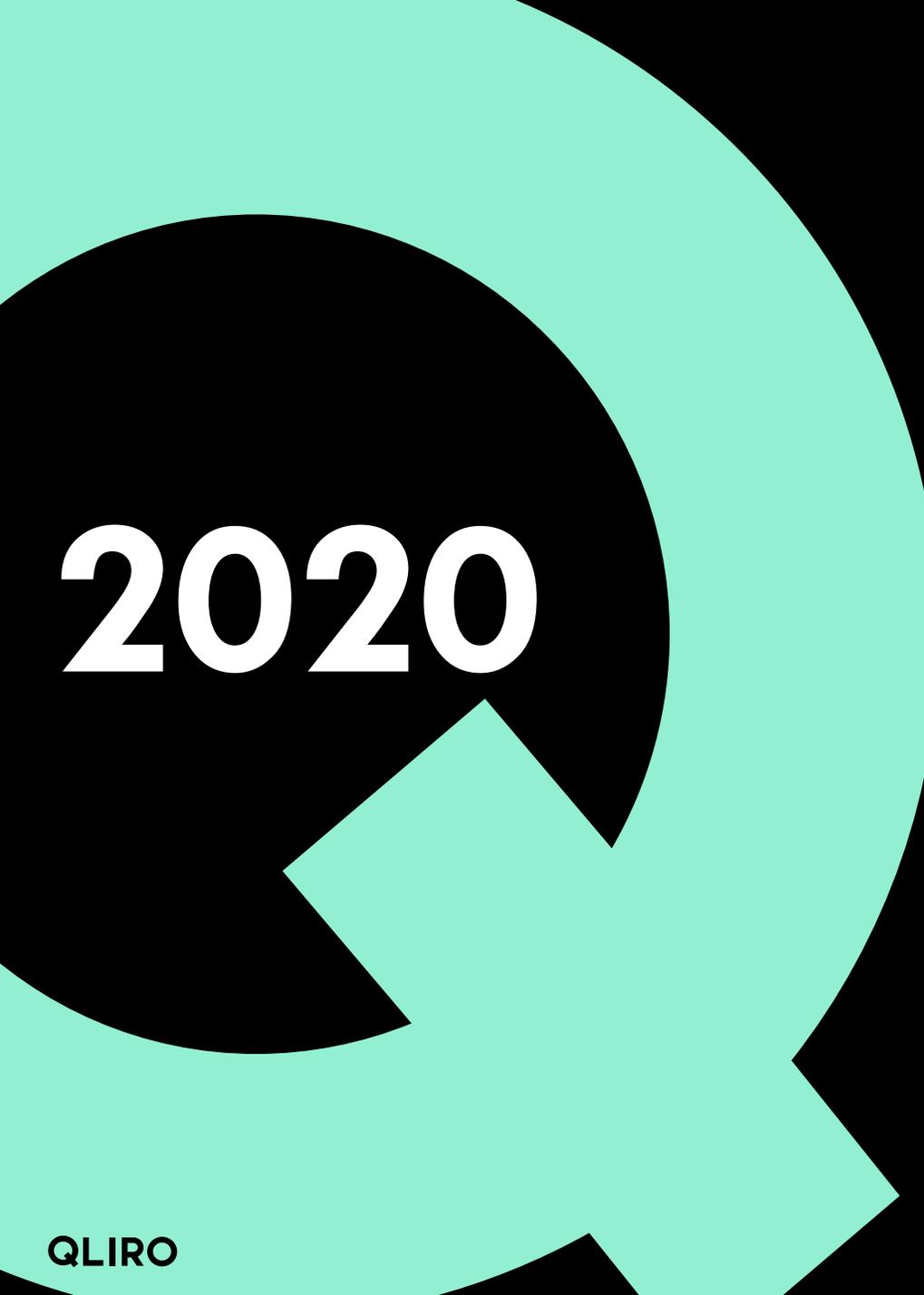
Capitalisation, %



Funding split

SEKm





2020

Our journey accelerates...

- Improved customer experience – new digital platforms launched in all countries with integrated partner offerings in Sweden
- Growing merchant and consumer base
- Improved checkout
- Separate listing and new major shareholders
- Launched sustainability initiatives and substantially strengthened Qliro as an employer

2021 FOCUS

- **Continue to strengthen our position as no 1 challenger for larger merchants in the Nordics**
- **Customer experience**
- **Ambition: Grow income faster than cost**



QLIRO