

### THE QUARTER IN BRIEF OCTOBER-DECEMBER 2022 (OCTOBER-DECEMBER 2021)

- Total operating income increased by 6 percent to SEK 110.8 million (104.8)
- Total operating expenses increased by 16 percent to SEK -116.0 million (-99.6). Operating expenses excluding items affecting comparability increased by 6 percent to SEK -98.2 million (-92.8)
- Items affecting comparability amounted to SEK 17.8 million (6.8) of which SEK 28.0 million related to the profitability program with a negative impact on the result and SEK 10.3 million to the VAT adjustment with a positive impact on the result
- Net credit losses amounted to SEK -41.0 million (-23.6)
- Operating profit was SEK -46.1 million (-18.4). Operating profit excluding items affecting comparability amounted to SEK -28.4 million (-11,6)
- Net profit for the period was SEK -37.1 million (-15.1) and earnings per share amounted to SEK -1.95 (-0.84)

### THE PERIOD IN BRIEF JANUARY - DECEMBER 2022 (JANUARY - DECEMBER 2021)

- Total operating income increased by 8 percent to SEK 428.9 million (398.8)
- Total operating expenses increased by 12 percent to SEK -410.3 million (-365.2). Adjusted for items affecting comparability, operating expenses increased by 1 percent to SEK -374.4 million (-372.0)
- Items affecting comparability amounted to SEK 35.9 million (6.8), of which SEK 51.1 million related to the profitability program, legal costs, and severance payments with a negative impact on the result and SEK 15.2 million to VAT adjustments with a positive impact on the result
- Net credit losses amounted to SEK -134.1 million (-81.9) due to higher non-recurring provisions than in the comparison period
- Operating profit was SEK -115.5 million (-48.3). Operating profit excluding items affecting comparability amounted to SEK -79.6 million (-41,4)
- Net profit for the period was SEK -93.5 million (-39.9) and earnings per share amounted to SEK -4.90 (-2.22)

### SIGNIFICANT EVENTS IN THE FOURTH QUARTER 2022

- New issue of shares and warrants to CEO Christoffer Rutgersson was finalized on November 8, 2022. The new issue provided Qliro with proceeds of SEK 10.1 million
- On December 20, the company received an input VAT deduction and recovered SEK 13.2 million for previously made VAT payments for the period 2020-2021
- Qliro AB's extraordinary general meeting of December 31, 2022 decided in favor of the long-term incentive program ("LTIP 2023") and short-term incentive program ("STIP 2023") proposed by the Board of Directors

### SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- The company's long-term incentive program ("LTIP 2023") and short-term incentive program ("STIP 2023") were introduced in 2023 in accordance with the conditions adopted by Qliro AB's extraordinary general meeting of December 31, 2022

**“OUR AMBITION IS TO BE THE MOST MERCHANT-FRIENDLY PARTNER TO BOTH LARGE AND SMALL E-MERCHANTS, FOCUSED ON CUSTOMER EXPERIENCE, FLEXIBILITY AND GROWTH”**



**+6%**

Income growth<sup>1)</sup>

**-11%**

Growth in pay-after delivery volume<sup>1)</sup>

**2.4 M**

Number of active customers<sup>2)</sup>

**-3%**

Lending growth<sup>1)</sup>

1) Fourth quarter 2022 in comparison with fourth quarter 2021

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



## CEO COMMENT

During the quarter we continued to deliver on the transformation of Qliro. In relation to this, expenses of SEK 28 million were incurred within the framework of our profitability program. We have continued to take large steps in our digitalisation and efficiency of the business which makes me comfortable in the ambition for Qliro to be profitable at EBT level for the full year 2023. In total, income grew by a total of 6 percent in the fourth quarter.

### **PROFITABILITY PROGRAM PROCEEDING ACCORDING TO PLAN**

During the fourth quarter, intensive internal work was carried out in relation to the implementation of our profitability program. Several successful initiatives have been completed under this program and we are giving full focus to the remaining activities. In total, SEK 28 million was recognized as expenses affecting comparability in relation to this project. Of these, SEK 15.5 million consisted of consultancy costs related to driving efficiency measures and the implementation of new and more efficient systems. In addition, SEK 1.6 million consisted of increased amortisation of technology investments and the remainder consisted of personnel-related overheads, and costs relating to reduction of office space. Qliro's total expenses excluding items affecting comparability increased by 6 percent to SEK 98.2 million (92.8) and were driven by increased general administrative expenses of a one-time nature however not reported as items affecting comparability.

We completed the optimization of our office spaces, which will generate cost savings of about SEK 4-5 million in 2023. We also concluded the negotiation of several contracts with external suppliers, reduced our use of consultants, and initiated the process of digitizing and automating our Customer Support, Sales and Finance department. During the quarter, we migrated our old customer support system to a new platform which will improve our operational efficiency in 2023. In January we went live with our new CRM system for marketing, sales and onboarding, which will improve our processes for winning and activating new merchants. We will also upgrade and migrate our financial system in the first quarter of 2023, which will help to

optimize our financial processes and result reporting for the payment provider that Qliro is today and aims to become over the coming years. During the quarter, we digitized our first large customer send outs, which was previously sent by physical mail, and the work on digitizing the remaining parts of the customer journey will continue in 2023.

Together, the digitization initiatives will generate cost savings of approximately SEK 10 million in 2023. As regards to expenses and investments relating to the profitability program, non-recurring expenses for all the initiatives were completed in 2022 for the scope of initiatives previously announced, except for some internal work and technical development which will continue to drive investments during 2023 in line with our ambition to invest in our technical payment platform.

### **CONTINUED INCOME GROWTH DESPITE DECLINE IN E-COMMERCE**

In 2022, e-commerce volumes in Sweden fell 9 percent compared with 2021. For Qliro this meant that PAD volumes dropped by 11 percent in the fourth quarter and 8 percent for the full year. Despite this, we grew our income by 6 percent during the quarter and 8 percent for the full year, thanks to our broad offering in Payment solutions, where the number of part payment accounts rose steadily during both the year and the fourth quarter, which compensated for the decline in invoice volumes. Payment Solutions is the core of Qliro's business and was also the contributor to the income growth. This segment grew 9 percent in the fourth quarter, driven by growth in unique accounts.

**“DESPITE A DECLINE IN E-COMMERCE, WE GREW OUR INCOME BY 6 PERCENT DURING THE FOURTH QUARTER AND 8 PERCENT FOR THE FULL YEAR, THANKS TO OUR BROAD OFFERING IN PAYMENT SOLUTIONS.”**

#### **SUCCESSFUL END OF THE YEAR**

Black Week and Christmas sales went successfully and without incidents thanks to our investment in a new, modern method for continuous testing of our systems, which was introduced in the third quarter. Improving and maintaining high uptime of our services will continue to be a focus area as we aim to scale up our business with regard to both large (Enterprise) and small and mid-sized e-merchants (SME) in 2023. The fourth quarter was also affected by high campaign activity with Buy Now Pay Later campaigns, which largely drove the check-out of several of our leading merchants. We will continue to work more proactively with financing campaigns going forward in order to create improved conditions for our merchants and build profitable payment volumes through partnerships that benefit all parties.

#### **IMPORTANT INITIATIVES FOR A STRONGER CREDIT PORTFOLIO**

During the quarter, we have strengthened our credit model and made write-downs in the credit portfolio while increasing our provisions as a result of the macroeconomic situation with both rising inflation and interest rates. The write-downs in the credit portfolio in the fourth quarter will ensure that an improved quality of the portfolio for the coming year. These efforts are in line with our ambition to clean up clean up the credit portfolio in 2022 and in the fourth quarter we have taken write-downs in the credit portfolio totalling SEK 7 million in the fourth quarter, resulting in reported credit losses of SEK 41.0 million (23.6). Credit losses during comparison period was positively impacted by a change in credit model and a renegotiated agreement for parts of portfolio that is not covered by current sales agreements with external parties (SRG agreements), resulting in a reduction of reported credit losses by SEK 7.6 million. Adjusted for these effects, credit losses amounted to SEK 34.0 million (31.2).

#### **NEW STRATEGY FOCUSING ON MERCHANTS HAS STARTED TO PAY OFF**

During the quarter we gained four new merchants in the SME segment. We also entered into contracts with a further eight new merchants who will be connected to our platform in the first half of 2023. Our focus on both large merchants (Enterprise) and SMEs strengthens our ability to deliver a positive customer experience while enabling us to effectively win new merchants.

#### **STRENGTHENED TEAM**

The management team welcomed two new permanent members during the previous quarter, which will improve our ability to face future challenges. We plan to strengthen our team further in spring 2023. We can also state that 70 percent of all leaders within Qliro have new positions, which clearly shows our ambition to build a new culture to realize our vision and strategy within payments. Through this, we expect an accelerated growth and development of the business. I look forward to continuing to work with the expanded management team on refining our strategy and making us the market's most attractive payment partner for merchants.

Stockholm, February 8, 2023

Christoffer Rutgersson  
CEO Qliro AB

## QLIRO IN BRIEF

Qliro AB (Qliro), founded in 2014, is a tech company offering payment solutions in the form of digital checkout solutions for large and medium-sized e-merchants and their customers in the Nordics as well as digital financial services to consumers in Sweden. Since 2017 Qliro is a licensed credit market company under the supervision of the Swedish Financial Supervisory Authority (SFSA). Operations are managed from the head office in Stockholm.

In total, Qliro has 2.4 million active customers and 58 connected e-merchants that use Qliro’s payment solutions. In October 2020 Qliro was listed on Nasdaq Stockholm with the ticker “QLIRO.”

## QLIRO’S BUSINESS SEGMENTS IN BRIEF

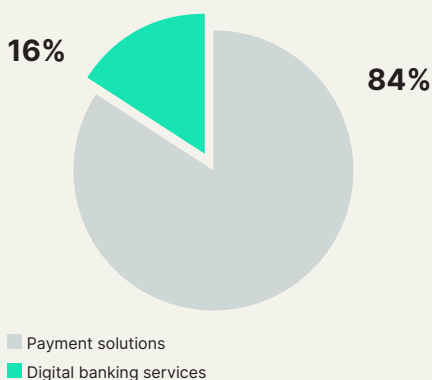
### PAYMENT SOLUTIONS

Payment solutions are offered to large and medium-sized e-merchants in the Nordics. The solutions contain Qliro’s pay-after-delivery (PAD) products for consumers who buy goods and services online. The products include invoicing, “Buy Now Pay Later” (“BNPL”) and various types of partial payments. Qliro’s payment solutions also contain other payment methods offered through partnerships, such as card payments, direct payments from bank accounts or via Vipps, Mobilpay and Swish, and PayPal payments. Qliro’s income is mainly generated through interest and fees associated with PAD products. The average credit is low and the maturity is short. The number of active customers in the last 12 months exceeds 2.4 million.

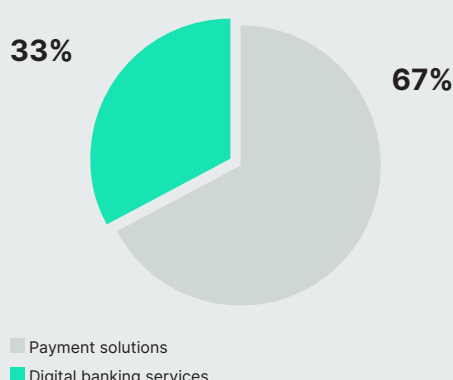
### DIGITAL BANKING SERVICES

Digital banking services comprise the services offered on Qliro’s digital platforms beyond the payment products from Payment solutions. Qliro’s large database of active consumers represents a competitive advantage that enables Qliro to offer other attractive products, such as personal loans and savings accounts, at low cost. The products are marketed to existing customers through Qliro’s own digital channels such as the app and website.

SHARE OF TOTAL OPERATING INCOME



SHARE OF LENDING TO THE PUBLIC



## KEY PERFORMANCE MEASURES

SEK million unless otherwise stated	2022 Oct - Dec	2021 Oct - Dec	% Δ	2022 Jan - Dec	2021 Jan - Dec	% Δ
<b>Income statement</b>						
Total operating income <sup>1) 4)</sup>	110.8	104.8	6%	428.9	398.8	8%
Total expenses before credit losses <sup>4)</sup>	-116.0	-99.6	16%	-410.3	-365.2	12%
of which depreciation	-23.9	-24.2	-1%	-105.6	-96.0	10%
Total expenses before credit losses adjusted						
for items affecting comparability <sup>4)</sup>	-98.2	-92.8	6%	-374.4	-372.0	1%
Net credit losses	-41.0	-23.6	74%	-134.1	-81.9	64%
Operating profit/loss <sup>1)</sup>	-46.1	-18.4	151%	-115.5	-48.3	139%
Operating profit/loss adjusted for items						
affecting comparability <sup>1)</sup>	-28.4	-11.6	145%	-79.6	-41.4	92%
Profit/loss for the period	-37.1	-15.1	146%	-93.5	-39.9	134%
Profit/loss for the period adjusted						
for items affecting comparability	-23.1	-9.6	139%	-65.0	-34.4	89%
Earnings per share before and after dilution, SEK	-1.95	-0.84	132%	-4.90	-2.22	121%
<b>Balance sheet</b>						
Lending to the public <sup>1)</sup>	2,687	2,759	-3%	2,687	2,759	-3%
of which Payment solutions	1,807	1,699	6%	1,807	1,699	6%
of which Digital banking services	879	1,060	-17%	879	1,060	-17%
Deposits and borrowings from the public	3,320	2,231	49%	3,320	2,231	49%
<b>KEY PERFORMANCE MEASURES</b>						
Operating margin, % <sup>1) 4)</sup>	17.3%	15.8%	9%	31.5%	30.6%	3%
Credit loss level, (%) <sup>1)</sup>	6.3%	3.6%	75%	4.9%	3.1%	58%
Cost/income ratio, % <sup>1) 4)</sup>	104.7%	95.1%	10%	95.7%	91.6%	4%
Return on equity (%) <sup>1)</sup>	neg.	neg.	-	neg.	neg.	-
CET 1 capital ratio, % <sup>3)</sup>	13.2%	18.2%	-27%	13.2%	18.2%	-27%
Total capital Ratio, % <sup>3)</sup>	17.1%	22.4%	-24%	17.1%	22.4%	-24%
Liquidity coverage ratio (LCR), % <sup>3)</sup>	239%	364%	-34%	239%	364%	-34%
Pay-after-delivery volume <sup>2)</sup>	1,969	2,211	-11%	6,581	7,125	-8%
Number of connected merchants <sup>2)</sup>	58	50	16%	58	50	16%
Average number of employees <sup>2)</sup>	181	208	13%	181	208	13%

1) Alternative performance measures that management and analysts use to evaluate the company's development, which are not specified or defined in IFRS or other applicable regulations. For definition and reconciliation tables see pages 28–31.

2) Operating performance measures. For definitions see page 29.

3) Other key performance measures. For definitions see page 29.

4) In the period items in other operating income were reclassified to commission income, and comparable figures have therefore been adjusted.

For the full-year 2021 the amount is SEK 10.7 million and for Q4 2021 SEK 3.5 million. There was also a reclassification from other operating expenses to commission expense, for the full-year 2021 of SEK 4.7 million and for Q4 2021 of SEK 1.4 million.

## FINANCIAL PERFORMANCE

The fourth quarter 2022 compared with the fourth quarter 2021

Qliro's income primarily comprises interest income from pay-after-delivery (PAD) products and personal loans as well as fees charged when customers choose Qliro's payment methods, where payment is made after the customer has received their merchandise.

### ITEMS AFFECTING COMPARABILITY

Items affecting comparability totaling SEK 17.8 million were reported in the fourth quarter of 2022, of which SEK 28.0 million was attributable to the profitability program. This negatively impacted profit, while an item affecting comparability relating to a VAT correction had a positive impact on profit totaling SEK 10.3 million. Of the expenses related to the aforementioned profitability program, SEK 1.6 million was attributable to accelerated amortization of previous technology investments, SEK 15.5 million comprised consulting expenses and the remainder comprised personnel expenses and office relocation expenses.

### OPERATING INCOME CONTINUES TO GROW

Total operating income increased by 6 percent to SEK 110.8 million (104.8). The increase was mainly driven by an increased interest in Qliro's payment solutions.

Net interest income increased by 6 percent to SEK 63.0 million (59.2). Interest income increased due to increased lending within Payment solutions. Net commission income increased by 8 percent to SEK 49.0 million (45.5). This growth was also attributable to increased interest in Qliro's products in Payment solutions. Net gains and losses on financial items amounted to SEK -1.6 million (-0.3). Other income amounted to SEK 0.4 million (0.3).

### STABLE UNDERLYING EXPENSES

Total expenses increased by 16 percent in the quarter to SEK 116.0 million (99.6). Excluding the items affecting comparability of SEK 17.8 million, expenses rose by 6 percent.

General administrative expenses, mainly comprising personnel expenses and IT expenses, increased by 20 percent to SEK 81.0 million (67.6). The increase was mainly due to items affecting comparability of SEK 15.5 million for expenses related to consultants as part of the profitability program. Excluding items affecting comparability, general administrative expenses decreased by 3.1 percent.

Other operating expenses increased by 42 percent to SEK 11.1 million (7.8).

Depreciation, amortization and impairment decreased by 1 percent to SEK 23.9 million (24.2). The increase was attributable to an item affecting comparability of SEK 1.6 million resulting from accelerated amortization of earlier technology investments. Adjusted for items affecting comparability, depreciation and amortization decreased by approximately 7.9 percent in the quarter.

### CREDIT LOSSES DRIVEN BY IMPAIRMENT

Total credit losses increased to SEK 41.0 million (23.6), and the credit loss ratio was 6.3 percent (3.6) of average lending. Reported credit losses in absolute terms increased partly as a result of growing lending in Payment solutions.

The increased credit losses was partly attributable to revaluations and impairments in the credit portfolio totaling SEK 7.0 million carried out by the company in the fourth quarter with the aim of strengthening the underlying credit quality in the portfolio in preparation for 2023. Moreover, the credit losses for the comparison period were positively affected by a renegotiated SRG agreement and a revised credit model, which contributed to a SEK 7.9 million reduction in credit losses. Adjusted for these effects, credit losses amounted to SEK 34.0 million (31.5).

### LOWER PROFIT FOR THE QUARTER

Operating profit declined to SEK -46.1 million (-18.4) and SEK -32.7 million (-11.6) excluding items affecting comparability. Profit/loss for the period decreased to SEK -37.1 million (-15.1).

## FINANCIAL PERFORMANCE CONT.

January-December 2022 compared with January-December 2021

### ITEMS AFFECTING COMPARABILITY

Items affecting comparability recognized in the period negatively impacted profit for the period by SEK 35.9 million in total. An item affecting comparability recognized in the first quarter 2022 for a VAT correction in the Norwegian operations reduced expenses by SEK 4.9 million in total. In addition, items affecting comparability of SEK 10.2 million and SEK 12.8 million, respectively, were recognized in the second and third quarter 2022 and negatively impacted the company's profit. Additional items affecting comparability of SEK 17.8 million were recognized related to the fourth quarter, which negatively impacted profit.

### OPERATING INCOME DRIVEN BY INCREASED LENDING

Total operating income rose by 8 percent to SEK 428.9 million (398.8) mainly due to increased interest in Qliro's products in Payment solutions.

Net interest income increased by 7 percent to SEK 238.5 million (222.9). Interest income increased due to lending within both Payment solutions and Digital banking services. Net commission income increased by 9 percent to SEK 193.8 million (177.0). Net gains and losses on financial items amounted to SEK -4.0 million (-1.4). Other income increased to SEK 0.6 million (0.4).

### STABLE EXPENSES

Total expenses increased by 12 percent in the period to SEK 410.3 million (365.2). Adjusted for items affecting comparability, Qliro's expenses totaled SEK 374.4 million (372.0) in the period, corresponding to an increase of 1 percent.

General administrative expenses, mainly comprising personnel expenses and IT expenses, increased by 16 percent to SEK 279.9 million (241.0). The increase was mainly due to items affecting comparability and the profitability program.

Other expenses decreased to SEK 24.8 million (28.3). The decrease was mainly due to a non-recurring VAT correction in the Norwegian operations in the first quarter of 2022, a VAT repayment of SEK 10.3 million for 2020 and 2021, and an estimated VAT repayment in 2023 of SEK 4.3 million for 2022, in accordance with a review by the Swedish Tax Agency.

Depreciation, amortization and impairment increased by 14 percent to SEK 81.7 million (71.8). The increase primarily related to items affecting comparability comprising amortization of previously capitalized development expenses for e-merchant payment solutions, as well as consumer products, the website, and app solutions.

### HIGHER RECOGNIZED CREDIT LOSSES DUE TO REVISED CREDIT MODEL, INCREASED PROVISIONS AND IMPAIRMENTS

Total credit losses rose to SEK 134.1 million (81.9) and are primarily attributable to changes in macroeconomic conditions, model revisions and renegotiated debt collection agreements. The credit loss ratio was 4.9 percent (3.1) of average lending.

### LOWER PROFIT

Operating profit decreased to SEK -115.5 million (-48.3). Profit/loss for the period decreased to SEK -93.5 million (-39.9).



**BUSINESS SEGMENT**

**PAYMENT SOLUTIONS**

Comparisons with the fourth quarter 2021 unless otherwise indicated.

**EXPANDED OFFERING TO MEDIUM-SIZED MERCHANTS**

Qliro offers digital payment solutions to e-merchants in the Nordics. Income is mainly generated by offering deferred payment for online purchases (pay-after-delivery, PAD). As new merchants join the platform, Qliro's business volumes rise, gradually driving growth in the loan book and generating interest income over time. It is not uncommon for it to take several quarters from the time a merchant signs a contract and connects until significant income is generated for Qliro.

At the end of the fourth quarter there were 58 (50) connected merchants. Historically, Qliro's strategy has been focused on a customized offering for the very largest Nordic e-merchants. In the second half of 2021 Qliro began developing a broader offering that included a more standardized offering for small and medium-sized merchants.

In the second quarter 2022 Qliro received PCI-DSS approval, an important milestone in becoming a Collecting Payment Service Provider and a key component to continue growing in the medium-sized e-merchant segment.

**DECLINE IN E-COMMERCE DRIVING LOWER VOLUMES**

Svensk Handel's (Swedish Trade Federation) e-commerce indicator published in January showed that e-commerce sales for the period January-December fell 9 percent compared with the same period in 2021. Qliro's PAD volumes dropped by 11 percent to SEK 1,969 million in the fourth quarter. Part payment and BNPL product volumes

increased, while invoice volume decreased, which had a positive effect on profit.

The loan book grew by 6 percent during the quarter to SEK 1,807 million.

**SUSTAINED INCOME GROWTH**

Total operating income increased by 9 percent to SEK 93.2 million (85.5). The income margin increased to 22.3 percent (21.6). Net interest income increased by 14 percent to SEK 45.5 million (40.0). Increased lending to the public had a positive effect on net interest income in the quarter.

Net commission income rose 8 percent to SEK 48.9 million (45.4).

**CREDIT LOSSES DRIVEN BY INCREASED PROVISIONS**

Credit losses amounted to SEK 32.9 million (20.3). In relation to PAD volumes, credit losses amounted to 1.7 percent (0.9). The increased credit loss was primarily due to impairments and increased provisions in accordance with IFRS 9 as a result of greater macroeconomic uncertainty, totaling SEK 1.5 million. During the quarter we also carried out revaluations and impairments in the credit portfolio totaling SEK 4.1 million. Moreover, the comparison figures were affected by a renegotiated SRG agreement and a revised credit model, which contributed to credit losses of SEK 4.5 million. Adjusted for these effects, credit losses amounted to SEK 27.3 million (24.8).

**PAYMENT SOLUTIONS**

SEK million unless otherwise stated	2022 Oct - Dec	2021 Oct - Dec	% Δ	2022 Jan - Dec	2021 Jan - Dec	% Δ
Net interest income	45.5	40.0	14%	166.7	150.5	11%
Net commission income <sup>1)</sup>	48.9	45.4	8%	193.3	176.6	9%
Total income <sup>1)</sup>	93.2	85.5	9%	356.7	326.0	9%
Net credit losses	32.9	20.3	62%	107.2	76.6	40%
Total operating income less credit losses	60.3	65.2	-8%	249.5	249.3	0%
Lending to the public	1,807	1,699	6%	1,807	1,699	6%
Pay-after delivery (PAD), volume	1,969	2,211	-11%	6,581	7,125	-8%
Pay-after delivery (PAD), no of transactions, thousands	1,605	1,711	-6%	6,841	7,353	-7%
Credit losses, %, in relation to PAD volume	1.7%	0.9%	89%	1.6%	1.1%	51%

1) Comparative figures have been adjusted

**84%**  
Share of total operating income

**67%**  
Share of lending to the public

**+9%**  
Income growth

**+6%**  
Lending growth

**BUSINESS SEGMENT**

**DIGITAL BANKING SERVICES**

Comparisons with the fourth quarter 2021 unless otherwise indicated.

**DIGITAL OFFERING FOR EXISTING CUSTOMERS**

Qliro drives growth in Digital banking services through marketing in its own digital applications (app and web) to the 2.4 million consumers (of whom 1.8 million in Sweden) who have used Qliro’s credit products in the last year.

Qliro offers personal loans and savings accounts to consumers in Sweden. Qliro’s app makes it easy to manage payments, loans and savings. The new apps simplify and improve the customer experience with an improved post-purchase experience.

In the fourth quarter, over 980,000 unique customers logged in to Qliro’s app and website.

**INCREASED INCOME MARGIN DESPITE DECLINE IN LENDING**

The majority of all borrowers had an existing relationship with Qliro and many applied through Qliro’s app. This results in low customer acquisition costs and good knowledge of the customers who apply for loans. Credit checks are automated and based on a combination of internal and external data analyzed in real time through machine learning. More than half of Qliro’s personal loan customers use the loans to consolidate smaller debts with higher interest rates and thereby reduce their interest costs.

Lending decreased to SEK 879 million (1,060). Net interest income decreased by 9 percent to SEK 17.5 million (19.2). This is primarily because Qliro’s financing costs increased in the quarter, which over time is expected to be compensated by lending rates. The income margin was 7.9 percent (7.2).

**CREDIT LOSSES AFFECTED BY INCREASED PROVISIONS**

Credit losses of SEK 8.0 million (3.3) were recognized in the quarter. The credit losses corresponded to 3.5 percent of average lending. The increase was primarily attributable to model revisions and increased provisions in accordance with IFRS 9 due to greater macroeconomic uncertainty, totaling approximately SEK 1.4 million. Moreover, the comparison figures were affected by a revised credit model, which contributed to credit losses of SEK 3.4 million. Adjusted for these effects, credit losses amounted to SEK 6.6 million (6.7).

**DIGITAL BANKING SERVICES**

SEK million unless otherwise stated	2022 Oct - Dec	2021 Oct - Dec	% Δ	2022 Jan - Dec	2021 Jan - Dec	% Δ
Net interest income	17.5	19.2	-9%	71.9	72.5	-1%
Total income	17.6	19.3	-9%	72.4	72.9	-1%
Net credit losses	8.0	3.3	142%	27.0	5.3	409%
Total operating income less credit losses	9.6	16.0	-40%	45.4	67.6	-33%
Lending to the public	879	1,060	-17%	879	1,060	-17%
Credit loss level,%, in relation to average lending	3.6%	1.2%	188%	5.6%	2.1%	425%

**16%**

Share of total operating income

**33%**

Share of lending to the public

**-9%**

Income growth

**-17%**

Lending growth

## CAPITAL, FUNDING AND LIQUIDITY

### QLIRO IS WELL-CAPITALIZED

Qliro AB's own funds (see Note 9 Capital adequacy) decreased to SEK 439 million (SEK 542 million as of December 31, 2021). In addition to Common Equity Tier 1 capital, own funds comprise SEK 100 million in subordinated Tier 2 capital in the form of a subordinated bond issued in 2019. The risk exposure amount increased slightly to SEK 2,563 million (SEK 2,423 million as of December 31, 2021) due to higher lending to institutions compared with the same period in 2021.

Qliro is well-capitalized and the total capital ratio was 17.1 percent (22.4 percent as of December 31, 2021), compared with the regulatory requirement of 11.5 percent. The Common Equity Tier 1 capital ratio was 13.2 percent (18.2 as of December 31, 2021), compared with the regulatory requirement of 8 percent.

### DIVERSIFIED FUNDING PLATFORM

In addition to equity, lending to the public was funded with SEK 3,320 million (SEK 2,231 million as of December 31, 2021) in deposits from the public (savings accounts) in Sweden and Germany as well as SEK 0 million (SEK 452 million as of December 31, 2021) through a secured loan facility.

Deposits from the public are a flexible and functional form of funding given Qliro's lending, which largely consists of small loans of short duration. Qliro offers savings accounts

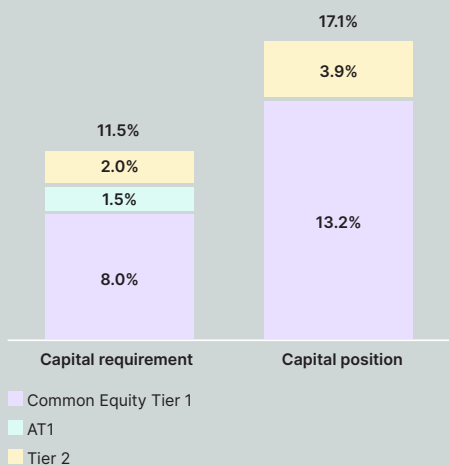
to consumers in Sweden and a deposit offering in EUR in Germany in partnership with the open banking platform Raisin. At the end of the quarter deposits in Sweden amounted to SEK 2,604 million (SEK 1,831 million as of December 31, 2021) and deposits in Germany amounted to SEK 717 million (SEK 400 million as of December 31, 2021).

### QLIRO HAS SOLID LIQUIDITY

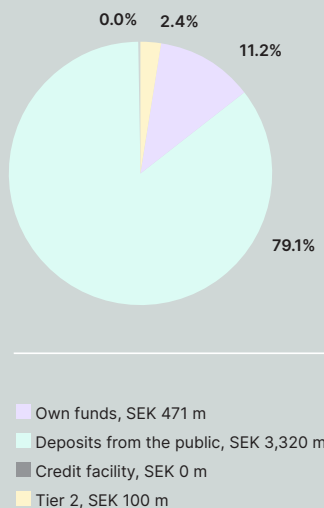
Qliro has solid liquidity and as of December 31, 2022 Qliro's cash and cash equivalents amounted to SEK 1,192 million (SEK 409 million as of December 31, 2021). In addition to financial investments, Qliro had access to SEK 100 million in back-up liquidity via undrawn funding in a secured committed credit facility. The liquidity portfolio is invested in Nordic banks as well as other liquid investments such as Swedish municipal bonds and commercial paper with an average rating of AA+ and an average maturity of 486 days.

The Liquidity Coverage Ratio (LCR) as of December 31, 2022 was 239 percent, compared with the legal requirement of 100 percent. The net stable funding ratio (NSFR) was 129 percent and the leverage ratio was 8.3 percent. In connection with its strategic review, Qliro decided to terminate the secured credit facility that it currently has at its disposal. The facility will expire on March 31, 2023, and the company cannot rule out other funding alternatives in the future.

CAPITALISATION, %



FUNDING MIX, %



## OTHER INFORMATION

### OTHER EVENTS DURING THE PERIOD

#### BULLETIN FROM THE EXTRAORDINARY GENERAL MEETING IN QLIRO AB DECEMBER 31, 2022

The Extraordinary General Meeting was held in accordance with sections 20 and 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations and the shareholders exercised their voting rights at the general meeting solely by voting in advance, so-called postal voting.

All information on the Annual General Meeting on May 17 can be found at the following link: [www.qliro.com/sv-se/investor-relations](http://www.qliro.com/sv-se/investor-relations)

#### OUTCOME OF DIRECTED SHARE ISSUE

The directed share issue to CEO Christoffer Rutgersson was finalized on November 8, 2022. The new issue provided Qliro with proceeds of SEK 10.12 million.

#### INCREASE IN NUMBER OF SHARES AND VOTES

The number of shares and votes in Qliro increased as a result of a directed share issue of 550,000 shares to VD Christoffer Rutgersson. As per November 30, 2022 the total number of registered and outstanding shares and votes in Qliro amounts to 19,072,973.

#### EVENTS AFTER THE END OF THE PERIOD

The company's long-term incentive program ("LTIP 2023") and short-term incentive program ("STIP 2023") were introduced in 2023 in accordance with the conditions adopted by Qliro AB's extraordinary general meeting of December 31, 2022.

#### INCREASED MACROECONOMIC UNCERTAINTY

Russia's invasion of Ukraine contributed, along with rising interest rates and soaring inflation, to increased macroeconomic and geopolitical uncertainty. As a result, the Swedish Financial Supervisory Authority raised the countercyclical buffer requirement to 2 percent in the second quarter 2022, from its previous level of 1 percent. The new level will take effect at the end of June 2023.

The rising inflation is one reason why several central banks have, or plan to, tighten their monetary policies. In late April the Riksbank announced an initial increase in the policy interest rate, which was raised to 0.75 percent on June 30, 2022. The rate was further increased to 1.75 percent on September 20 and, finally, to 2.5 percent on November 24. The Riksbank's forecast suggests that the policy interest rate will probably rise further in early 2023, to just under 3 percent.

Norges Bank raised its policy interest rate six times in total during 2022, ending the final quarter with a rate hike of 2.75 percent.

Qliro currently has no material exposure to Russia or Ukraine, and the company's credit quality remains robust. However, given the macroeconomic consequences, Qliro is continuously evaluating the quality of its assets. Furthermore, in light of the elevated uncertainty, Qliro has increased its provisions for future credit losses according to reporting standard IFRS 9. Qliro cannot rule out the possibility of future effects of the war in Ukraine negatively impacting new lending, credit losses or operations.

The complicated macroeconomic conditions that have arisen as a result of rate hikes, rising inflation, and increased energy prices could have a negative impact on consumer demand and their ability to pay debts. Qliro cannot currently see any discernible effect on the company's income or underlying credit losses.

#### QLIRO'S TOP 10 SHAREHOLDERS AS OF DECEMBER 31, 2022

Proportion of total number of shares

1. Rite Ventures 24.3%
2. Avanza Pension 9.9%
3. Mandatum Private Equity 9.3%
4. Staffan Persson 4.6%
5. Nordnet pensionsförsäkring 3.4%
6. Christoffer Rutgersson 3.3 %
7. Thomas Krishan 3.2%
8. Patrik Enblad 3.1%
9. Ulf Ragnarsson 1.6%
10. Sune Mordenfeld 1.6%

Source: Monitor by Modular Finance. Compiled and processed data from Euroclear, Morningstar and the Swedish FSA, among others.

#### TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are of the same character as described in the annual report for 2021, which was published on April 8, 2022.

#### SIGNIFICANT RISKS AND UNCERTAINTIES

Qliro's operations entail daily risks that are measured, controlled and, when necessary, mitigated to protect the company's capital and reputation. The most prominent risks are credit risk, business risk/strategic risk, operational risk, currency risk, interest rate risk and liquidity risk. Qliro's annual report for 2021, published on April 8, 2022, and Qliro's prospectus, dated September 28, 2020, which was released prior to the listing of Qliro's shares for trading on Nasdaq Stockholm, contain a detailed description of the company's risk exposures and risk management. On October 21, 2021 a judgment was passed by the Patent and Market Court prohibiting Svea Ekonomi AB from charging certain late fees on consumer loans. Svea Ekonomi AB has appealed the ruling. If the ruling gains legal force, it could affect the industry as a whole and have a negative effect on Qliro's future income.

# FINANCIAL REPORTS

## CONSOLIDATED INCOME STATEMENT

SEK million	Note	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
Interest income		81.0	70.2	288.9	262.6
Interest expenses		-18.1	-11.0	-50.4	-39.7
<b>Net interest income</b>	<b>2</b>	<b>63.0</b>	<b>59.2</b>	<b>238.5</b>	<b>222.9</b>
Commission income <sup>1)</sup>	3	52.1	47.7	203.1	185.4
Commission expenses <sup>1)</sup>	3	-3.0	-2.2	-9.3	-8.4
Net profit/loss from financial transactions		-1.6	-0.3	-4.0	-1.4
Other operating income <sup>1)</sup>		0.4	0.3	0.6	0.4
<b>Total operating income</b>		<b>110.8</b>	<b>104.8</b>	<b>428.9</b>	<b>398.8</b>
General administrative expenses		-81.0	-67.6	-279.9	-241.0
Depreciation/amortization of tangible and intangible assets		-23.9	-24.2	-105.6	-96.0
Other operating expenses <sup>1)</sup>		-11.1	-7.8	-24.8	-28.3
<b>Total expenses before credit losses</b>		<b>-116.0</b>	<b>-99.6</b>	<b>-410.3</b>	<b>-365.2</b>
<b>Profit/loss before credit losses</b>		<b>-5.2</b>	<b>5.2</b>	<b>18.6</b>	<b>33.6</b>
Net credit losses	4	-41.0	-23.6	-134.1	-81.9
<b>Operating profit/loss</b>		<b>-46.1</b>	<b>-18.4</b>	<b>-115.5</b>	<b>-48.3</b>
Income tax expense		9.0	3.4	22.0	8.4
<b>Profit/loss for the period</b>		<b>-37.1</b>	<b>-15.1</b>	<b>-93.5</b>	<b>-39.9</b>
<b>Earnings per share before and after dilution<sup>1)</sup></b>		<b>-1.95</b>	<b>-0.84</b>	<b>-4.90</b>	<b>-2.22</b>
Average number of shares before and after dilution, thousands		19,073	17,973	19,073	17,973

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Profit/loss for the period</b>		<b>-37.1</b>	<b>-15.1</b>	<b>-93.5</b>	<b>-39.9</b>
<b>Other comprehensive income</b>		<b>0.4</b>	<b>-</b>	<b>-3.8</b>	<b>-</b>
<b>Items that will be reversed to the income statement</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Changes in value of financial assets recognized at fair value through other comprehensive income		-	-	-	-
<b>Total other comprehensive income for the period</b>		<b>0.4</b>	<b>-</b>	<b>-3.8</b>	<b>-</b>
<b>Total profit or loss and other comprehensive income</b>		<b>-36.8</b>	<b>-15.1</b>	<b>-97.3</b>	<b>-39.9</b>

1) In Q1 2022 items in other operating income were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q4 2021 SEK 3.5 million. There was also a reclassification from other operating expenses, by SEK 4.7 million for the full-year 2021 and SEK 1.4 million for Q4 2021.

## CONSOLIDATED BALANCE SHEET

SEK million	Note	2022-12-31	2021-12-31
<b>Assets</b>			
Lending to credit institutions		900.6	57.5
Lending to the public	5	2,686.6	2,758.9
Bonds and other fixed-income securities		293.6	354.0
Intangible assets		168.7	169.1
Tangible assets		13.9	27.5
Deferred tax assets		60.2	37.2
Other assets		58.5	47.2
Derivative		1.7	–
Prepaid expenses and accrued income		21.1	22.6
<b>Total assets</b>		<b>4,204.9</b>	<b>3,474.0</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Liabilities to credit institutions		–	452.2
Deposits and borrowings from the public	6	3,320.5	2,231.0
Other liabilities		228.6	74.1
Derivative		–	1.2
Accrued expenses and deferred income		85.3	67.5
Subordinated debt		100.0	100.0
<b>Total liabilities</b>		<b>3,734.4</b>	<b>2,925.9</b>
<b>Equity</b>			
Share capital		53.4	50.3
Reserves		–3.9	–0.1
Retained profit or loss		514.5	537.7
Profit/loss for the year		–93.5	–39.9
<b>Total equity</b>		<b>470.5</b>	<b>548.1</b>
<b>Total liabilities and equity</b>		<b>4,204.9</b>	<b>3,474.0</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
Opening balance	497.2	563.2	548.1	588.0
Profit/loss for the period	–37.1	–15.1	–93.5	–39.9
Total other comprehensive income for the period	0.4	–	–3.8	–
New issue of share	10.1	–	19.8	–
<b>Closing balance</b>	<b>470.6</b>	<b>548.1</b>	<b>470.6</b>	<b>548.1</b>

## CONSOLIDATED CASH FLOW STATEMENT

SEK million	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Operating activities</b>				
Operating profit/loss	-46.1	-18.4	-115.5	-48.3
Adjustments	69.1	14.6	266.3	145.4
Changes in the assets and liabilities of operating activities	348.0	-199.1	772.4	-96.1
<b>Cash flow from operating activities</b>	<b>370.9</b>	<b>-203.0</b>	<b>923.3</b>	<b>1.1</b>
<b>Investing activities</b>				
Purchase of tangible assets	-0.5	-0.4	-2.8	-7.5
Purchase of intangible assets	-28.4	-20.7	-88.9	-82.8
<b>Cash flow from investing activities</b>	<b>-29.0</b>	<b>-21.2</b>	<b>-91.6</b>	<b>-90.2</b>
<b>Financing activities</b>				
Amortization lease	-2.0	-2.0	-8.2	-8.2
New issue of share	10.1	-	19.8	-
<b>Cash flow from financing activities</b>	<b>8.1</b>	<b>-2.0</b>	<b>11.6</b>	<b>-8.2</b>
<b>Cash flow for the period</b>	<b>350.0</b>	<b>-226.2</b>	<b>843.2</b>	<b>-97.3</b>
Cash and cash equivalents at beginning of the period	550.6	283.7	57.5	155.1
Exchange differences in cash and cash equivalents	-	-0.1	-	-0.3
Cash flow for the period	350.0	-226.2	-	-97.3
<b>Cash and cash equivalents at the end of the period</b>	<b>900.7</b>	<b>57.5</b>	<b>900.7</b>	<b>57.5</b>

## PARENT COMPANY'S INCOME STATEMENT

SEK million	Note	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
Interest income		81.0	70.2	288.9	262.6
Interest expenses		-18.0	-11.0	-50.3	-39.5
<b>Net interest income</b>	2	<b>63.0</b>	<b>59.2</b>	<b>238.5</b>	<b>223.1</b>
Commission income <sup>1)</sup>	3	52.1	47.7	203.1	185.4
Commission expenses <sup>1)</sup>	3	-3.0	-2.2	-9.3	-8.4
Net profit/loss from financial transactions		-1.6	-0.3	-4.0	-1.4
Other operating income <sup>1)</sup>		0.4	0.3	0.6	0.4
<b>Total operating income</b>		<b>110.8</b>	<b>104.8</b>	<b>429.0</b>	<b>399.0</b>
General administrative expenses		-83.0	-69.7	-288.1	-249.2
Depreciation/amortization of tangible and intangible assets		-21.9	-22.1	-97.4	-87.7
Other operating expenses <sup>1)</sup>		-11.1	-7.8	-24.8	-28.3
<b>Total expenses before credit losses</b>		<b>-116.0</b>	<b>-99.6</b>	<b>-410.2</b>	<b>-365.1</b>
<b>Profit/loss before credit losses</b>		<b>-5.2</b>	<b>5.3</b>	<b>18.8</b>	<b>33.9</b>
Net credit losses	4	-41.0	-23.6	-134.1	-81.9
<b>Operating profit/loss</b>		<b>-46.2</b>	<b>-18.3</b>	<b>-115.3</b>	<b>-48.0</b>
Income tax expense		9.0	3.4	22.0	8.4
<b>Profit/loss for the period</b>		<b>-37.2</b>	<b>-15.0</b>	<b>-93.3</b>	<b>-39.6</b>
<b>Earnings per share before and after dilution</b>		<b>-1.95</b>	<b>0.92</b>	<b>-4.89</b>	<b>-2.20</b>

## PARENT COMPANY'S STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Profit/loss for the period</b>		<b>-37.2</b>	<b>-15.0</b>	<b>-93.3</b>	<b>-39.6</b>
<b>Other comprehensive income</b>		0.4	-	-3.8	-
<b>Items that will be reversed to the income statement</b>		-	-	-	-
Changes in value of financial assets recognized at fair value through other comprehensive income (net after tax)		-	-	-	-
<b>Total other comprehensive income for the period</b>		<b>0.4</b>	<b>-</b>	<b>-3.8</b>	<b>-</b>
<b>Total profit or loss and other comprehensive income</b>		<b>-36.8</b>	<b>-15.0</b>	<b>-97.1</b>	<b>-39.6</b>

1) In Q1 2022 items in other operating income were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q4 2021 SEK 3.5 million. There was also a reclassification from other operation expenses to commission expense, by SEK 4.7 million for the full-year 2021 and by SEK 1.4 million for Q4 2021



## PARENT COMPANY'S BALANCE SHEET

SEK million	Note	2022-12-31	2021-12-31
<b>Assets</b>			
Lending to credit institutions		898.1	54.9
Lending to the public	5	2,686.6	2,758.9
Bonds and other fixed-income securities		293.6	354.0
Shares and units		0.1	0.1
Intangible assets		168.7	169.1
Tangible assets		7.9	13.3
Deferred tax assets		60.2	37.2
Other assets		61.0	49.8
Derivative		1.7	–
Prepaid expenses and accrued income		21.1	22.6
<b>Total assets</b>		<b>4,198.9</b>	<b>3,459.7</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Liabilities to credit institutions		–	452.2
Deposits and borrowings from the public	6	3 320.5	2 231.0
Other liabilities		221.8	59.3
Derivative		–	1.2
Accrued expenses and deferred income		85.3	67.5
Subordinated debt		100.0	100.0
<b>Total liabilities</b>		<b>3,727.6</b>	<b>2,911.1</b>
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		53.4	50.3
Reserve for development costs		127.5	116.5
<b>Total restricted equity</b>		<b>180.9</b>	<b>166.9</b>
<b>Non-restricted equity</b>			
Reserves		–3.9	–0.1
Share premium reserve		19.2	2.5
Retained profit or loss		368.3	419.0
Profit/loss for the year		–93.3	–39.6
<b>Total non-restricted equity</b>		<b>290.4</b>	<b>381.8</b>
<b>Total equity</b>		<b>471.3</b>	<b>548.7</b>
<b>Total liabilities and equity</b>		<b>4,198.9</b>	<b>3,459.7</b>

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
Opening balance	498.0	563.7	548.7	588.3
Profit/loss for the period	-37.2	-15.0	-93.3	-39.6
Total other comprehensive income for the period	0.4	-	-3.8	-
Equity Issuance	10.1	-	19.8	-
Closing balance	<b>471.3</b>	<b>548.7</b>	<b>471.3</b>	<b>548.7</b>

## PARENT COMPANY'S CASH FLOW STATEMENT

SEK million	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Operating activities</b>				
Operating profit/loss	-46.1	-18.4	-115.3	-48.0
Adjustments	67.0	12.5	258.0	137.0
Changes in the assets and liabilities of operating activities	348.0	-199.1	772.4	-96.1
<b>Cash flow from operating activities</b>	<b>368.9</b>	<b>-205.0</b>	<b>915.1</b>	<b>-7.1</b>
<b>Investing activities</b>				
Purchase of tangible assets	-0.5	-0.4	-2.8	-7.5
Purchase of intangible assets	-28.4	-20.7	-88.9	-82.8
<b>Cash flow from investing activities</b>	<b>-29.0</b>	<b>-21.2</b>	<b>-91.6</b>	<b>-90.2</b>
<b>Financing activities</b>				
New issue of share	10.1	-	19.8	-
<b>Cash flow from financing activities</b>	<b>10.1</b>	<b>-</b>	<b>19.8</b>	<b>-</b>
<b>Cash flow for the period</b>	<b>350.0</b>	<b>-226.2</b>	<b>843.2</b>	<b>-97.3</b>
Cash and cash equivalents at beginning of the period	548.1	281.1	54.9	152.5
Exchange differences in cash and cash equivalents	-	-	-	-0.3
Cash flow for the period	350.0	-226.2	843.2	-97.3
<b>Cash and cash equivalents at the end of the period</b>	<b>898.1</b>	<b>54.9</b>	<b>898.1</b>	<b>54.9</b>

# NOTES

## NOTE 1. ACCOUNTING POLICIES

The interim report for Qliro AB covers the period January 1 to December 31, 2022. Qliro has its registered address in Stockholm and its registration number is 556962-2441.

The interim report is prepared in accordance with IAS 34 Interim financial reporting. The consolidated accounts are prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretive statements on these standards as approved for application within the EU. The complementary rules in the Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) and the regulations and general advice FFFS 2008:25 of the Swedish Financial Supervisory Authority regarding annual reports at credit institutions and securities companies are applied as well.

RFR 1 Complementary accounting rules for groups and the statement from the Swedish Financial Reporting Board are also applied in the consolidated accounts.

The parent company has prepared the interim report in accordance with ÅRKL and the regulations and general advice of the Swedish Financial Supervisory Authority. The parent company also applies RFR 2 Accounting for legal entities of the Swedish Financial Reporting Board. In accordance with the Swedish Financial Supervisory Authority's general advice, the parent company applies the international financial reporting standards that have been approved by the EU in the preparation of the financial reports.

Qliro's interim report is prepared in accordance with the same accountings policies and calculation methods applied in the annual report for 2021.

## NOTE 2. NET INTEREST INCOME

SEK million	Group			
	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Interest income</b>				
Lending to credit institution	2.9	–	3.3	–
Lending to the public	76.2	70.1	282.0	262.4
Interest-bearing securities	1.9	0.1	3.6	0.2
<b>Total interest income</b>	<b>81.0</b>	<b>70.2</b>	<b>288.9</b>	<b>262.6</b>
<b>Interest expenses</b>				
Liabilities to credit institutions	–1.5	–4.5	–10.7	–12.0
Deposits to the general public	–14.4	–4.6	–31.4	–20.1
Interest-bearing securities	–	–0.2	–0.7	–0.5
Subordinated debt	–2.2	–1.7	–7.5	–6.8
Lease liabilities	–	–	–0.1	–0.1
Other interest expenses	–	–	–	–0.1
<b>Total interest expenses</b>	<b>–18.1</b>	<b>–11.0</b>	<b>–50.3</b>	<b>–39.7</b>
<b>Net interest income</b>	<b>63.0</b>	<b>59.2</b>	<b>238.5</b>	<b>229.9</b>

SEK million	Parent company			
	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Interest income</b>				
Lending to credit institutions	2.9	–	3.3	–
Lending to the public	76.2	70.1	282.0	262.4
Interest-bearing securities	1.9	0.1	3.6	0.2
<b>Total interest income</b>	<b>81.0</b>	<b>70.2</b>	<b>288.9</b>	<b>262.6</b>
<b>Interest expenses</b>				
Liabilities to credit institutions	–1.5	–4.5	–10.7	–12.0
Deposits to the general public	–14.4	–4.6	–31.4	–20.1
Interest-bearing securities	–	–0.2	–0.7	–0.5
Subordinated debt	–2.2	–1.7	–7.5	–6.8
Other interest expenses	–	–	–	–0.1
<b>Total interest expenses</b>	<b>–18.1</b>	<b>–11.0</b>	<b>–50.3</b>	<b>–39.5</b>
<b>Net interest income</b>	<b>63.0</b>	<b>59.2</b>	<b>238.5</b>	<b>223.1</b>

**NOTE 3. NET COMMISSION INCOME**

SEK million	Group and Parent company			
	2022 Oct - dec	2021 Oct - dec	2022 Jan - dec	2021 Jan - dec
<b>Commission income</b>				
Lending commissions	40.8	36.8	161.6	145.7
Other commission income	11.3	10.9	41.5	39.7
<b>Total commission income</b>	<b>52.1</b>	<b>47.7</b>	<b>203.1</b>	<b>185.4</b>
<b>Commission expenses</b>				
Other commission expenses	-3.0	-2.2	-9.3	-8.4
<b>Total commission expenses</b>	<b>-3.0</b>	<b>-2.2</b>	<b>-9.3</b>	<b>-8.4</b>
<b>Net commission income</b>	<b>49.0</b>	<b>45.5</b>	<b>193.8</b>	<b>177.0</b>

**NOTE 4. NET CREDIT LOSSES**

SEK million	Group and Parent company			
	2022 Oct - dec	2021 Oct - dec	2022 Jan - dec	2021 Jan - dec
<b>Expected credit losses on items in the balance sheet</b>				
Net loss provision for the period, Stage 1	-2.1	1.3	-1.4	2.6
Net loss provision for the period, Stage 2	-4.6	-2.0	-4.4	11.2
<b>Total net credit losses non-credit-impaired lending</b>	<b>-6.7</b>	<b>-0.6</b>	<b>-5.9</b>	<b>13.8</b>
Net loss provision for the period, Stage 3	-10.1	1.3	-23.8	6.0
Realized net credit losses for the period	-24.1	-24.3	-104.4	-101.7
<b>Total net credit losses credit-impaired lending</b>	<b>-34.3</b>	<b>-23.0</b>	<b>-128.3</b>	<b>-95.7</b>
<b>Total net credit losses</b>	<b>-41.0</b>	<b>-23.6</b>	<b>-134.1</b>	<b>-81.9</b>
<b>Loss provisions on loans measured at amortized costs</b>	<b>-164.7</b>	<b>-112.1</b>	<b>-164.7</b>	<b>-112.1</b>

**NOTE 5. LENDING TO THE PUBLIC**

2022-12-31, SEK million	Group and Parent company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2 192.5	470.1	167.8	2 830.4
Provisions for expected credit losses	-17.7	-39.5	-86.6	-143.8
<b>Net lending to the public</b>	<b>2 174.7</b>	<b>430.6</b>	<b>81.3</b>	<b>2,686.6</b>

2021-12-31, SEK million	Group and Parent company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2,278.7	448.6	143.7	2 871.0
Provisions for expected credit losses	-16.0	-34.6	-61.5	-112.1
<b>Net lending to the public</b>	<b>2,262.7</b>	<b>414.0</b>	<b>82.2</b>	<b>2,758.9</b>

Loans with modified conditions, where the loan is not derecognised from the balance sheet and replaced with new loan, amounted to SEK 32.5 million December 31 2022 (20.6).

**NOTE 6. DEPOSITS AND BORROWINGS FROM THE PUBLIC**

SEK million	Group and Parent company	
	2022-12-31	2021-12-31
Deposits and borrowings from the public	3,320.5	2,231.0
<b>By category</b>		
Private individuals	3,320.5	2,231.0
Companies	–	–
<b>Total</b>	<b>3,320.5</b>	<b>2,231.0</b>
<b>By currency</b>		
Swedish currency	2,604.0	1,831.0
Foreign currency	716.5	400.0
<b>Total</b>	<b>3,320.5</b>	<b>2,231.0</b>

**NOTE 7. FINANCIAL INSTRUMENTS**

**Classification of financial instruments**

2022-12-31, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
<b>Assets</b>				
Bonds and other fixed-income securities	293.6	–	–	293.6
Lending to credit institutions	–	–	900.6	900.6
Lending to the public	–	–	2,686.6	2,686.6
Derivatives	–	1.7	–	1.7
Other assets	–	–	50.2	50.2
Accrued income	–	–	1.8	1.8
<b>Total financial instruments</b>	<b>293.6</b>	<b>1.7</b>	<b>3,639.3</b>	<b>3,934.6</b>
Other non-financial instruments				270.3
<b>Total assets</b>				<b>4,204.9</b>
<b>Liabilities</b>				
Liabilities to credit institutions				
Deposits and borrowings from the public	–	–	3,320.5	3,320.5
Other liabilities	–	–	221.5	221.5
Accrued expenses	–	–	77.8	77.8
Subordinated debt	–	–	100.0	100.0
<b>Total financial instruments</b>	<b>–</b>	<b>–</b>	<b>3,719.8</b>	<b>3,719.8</b>
Other non-financial instruments				14.6
<b>Total liabilities</b>				<b>3,734.4</b>

**NOTE 7. FINANCIAL INSTRUMENTS CONT.**

**Classification of financial instrument**

2021-12-31, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
<b>Assets</b>				
Bonds and other fixed-income securities	354.0	–	–	354.0
Lending to credit institutions	–	–	57.5	57.5
Lending to the public	–	–	2,758.9	2,758.9
Other assets	–	–	41.0	41.0
Accrued income	–	–	1.7	1.7
<b>Total financial instruments</b>	<b>354.0</b>	<b>–</b>	<b>2,859.1</b>	<b>3,213.1</b>
Other non-financial instruments				260.9
<b>Total assets</b>				<b>3,474.0</b>
<b>Liabilities</b>				
Liabilities to credit institutions	–	–	452.2	452.2
Deposits and borrowings from the public	–	–	2,231.0	2,231.0
Other liabilities	–	1.2	–	1.2
Derivative	–	–	69.1	69.1
Accrued expenses	–	–	59.7	59.7
Subordinated debt	–	–	100.0	100.0
<b>Total financial instruments</b>	<b>–</b>	<b>1.2</b>	<b>2,912.0</b>	<b>2,913.2</b>
Other non-financial instruments				12.8
<b>Total liabilities</b>				<b>2,925.9</b>

**Classification of financial instrument**

The fair value of financial instruments traded in an active markets is based on quoted market prices on the closing day. The quoted market price used for Qliro's financial assets is the official bid rate. A disclosure of the fair value of items measured at fair value can be found below. The levels in the disclosure according to the fair value hierarchy below are defined as follows:

- Quoted prices (unadjusted) on active markets for identical assets or liabilities (Level 1)
- Observable data for assets or liabilities other than quoted prices included in Level 1, either directly (i.e., through price quotes) or indirectly (i.e., extrapolated from price quotes) (Level 2)
- Input data for assets or liabilities that are not based on observable market data, i.e., non-observable input data (Level 3)

2022-12-31, SEK million	Group			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Bonds and other fixed-income securities	293.6	–	–	293.6
Derivatives	–	1.7	–	1.7
<b>Total assets</b>	<b>293.6</b>	<b>1.7</b>	<b>–</b>	<b>295.3</b>
<b>Liabilities</b>				
Derivatives	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

2021-12-31, SEK million	Group			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Bonds and other fixed-income securities	354.0	–	–	354.0
<b>Total assets</b>	<b>354.0</b>	<b>–</b>	<b>–</b>	<b>354.0</b>
<b>Liabilities</b>				
Derivatives	–	1.2	–	1.2
<b>Total liabilities</b>	<b>–</b>	<b>1.2</b>	<b>–</b>	<b>1.2</b>

## NOTE 8. OPERATING SEGMENTS

The CEO of Qliro AB is the company's chief operating decision maker. Company management has determined the segments based on the information addressed by the CEO and for the purposes of allocation resources and assessing results. The CEO assess the results for Payment solutions and Digital banking services. The CEO evaluates the development of the segments based on operating income less net credit losses. Segment reporting is based on the same principles and external accounting.

SEK million	Group					
	2022 Oct – dec			2021 Oct – dec		
	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total
Interest income	57.5	23.5	81.0	46.8	23.4	70.3
Interest expenses	-12.0	-6.0	-18.1	-6.8	-4.2	-11.0
Net commission income <sup>1)</sup>	48.9	0.1	49.0	45.4	0.1	45.5
Net profit/loss from financial transactions	-1.6	-	-1.6	-0.3	-	-0.3
Other operating income	0.4	-	0.4	0.3	-	0.3
<b>Total operating income</b>	<b>93.2</b>	<b>17.6</b>	<b>110.8</b>	<b>85.5</b>	<b>19.3</b>	<b>104.8</b>
Net credit losses	-32.9	-8.0	-41.0	-20.3	-3.3	-23.6
<b>Total operating income less credit losses</b>	<b>60.3</b>	<b>9.6</b>	<b>69.9</b>	<b>65.2</b>	<b>16.0</b>	<b>81.2</b>

SEK million	Group					
	2022 Jan – dec			2021 Jan – dec		
	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total
Interest income <sup>1)</sup>	198.9	90.0	288.9	174.3	88.3	262.6
Interest expenses	-32.2	-18.1	-50.3	-23.9	-15.8	-39.7
Net commission income <sup>1)</sup>	193.3	0.5	193.8	176.6	0.4	177.0
Net profit/loss from financial transactions	-4.0	-	-4.0	-1.4	-	-1.4
Other operating income	0.6	-	0.6	0.4	-	0.4
<b>Total operating income</b>	<b>356.7</b>	<b>72.4</b>	<b>428.9</b>	<b>326.0</b>	<b>72.9</b>	<b>398.8</b>
Net credit losses	-107.2	-27.0	-134.1	-76.6	-5.3	-81.9
<b>Total operating income less credit losses</b>	<b>249.5</b>	<b>45.4</b>	<b>294.9</b>	<b>249.3</b>	<b>67.6</b>	<b>316.9</b>

1) In Q1 2022 items in other operation incomes in Payment Solution were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q4 2021 SEK 3.5 million. There was also a reclassification from other operating expenses to commission expense, for the full-year 2021 the amount is SEK 4.7 million and for Q4 2021 SEK 1.4 million. Hence, the net commission income has been adjusted for Payment Solution for the full-year 2021 by SEK 5.9 million and for Q4 2021 SEK 2.1 million.

**NOTE 8. OPERATING SEGMENTS CONT.**

Of the net ledning to the public of SEK 2,687 million (SEK 2,759 million as of December 31 2021), SEK 1,807 million (SEK 1,699 million as of December 31 2021) refers to Payment solutions and SEK 879 million (SEK 1,060 million as of December 31 2021) refers to Digital banking services.

**Commission income per geographic market and segment**

SEK million	Group and Parent company			
	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Payment solutions</b>				
<b>Lending commissions</b>				
Sweden	32.3	29.7	127.8	119.3
Finland	1.8	1.6	7.4	6.6
Denmark	1.0	0.8	3.9	2.7
Norway	5.7	4.7	22.2	16.8
<b>Total</b>	<b>40.8</b>	<b>36.8</b>	<b>161.3</b>	<b>145.4</b>
<b>Other commission income</b>				
Sweden	11.0	10.5	40.2	38.1
Finland	0.1	0.1	0.4	0.4
Denmark	–	–	–	–
Norway	0.2	0.3	0.9	1.2
<b>Total</b>	<b>11.3</b>	<b>10.9</b>	<b>41.5</b>	<b>39.7</b>
<b>Total commission income Payment Solution</b>	<b>52.1</b>	<b>47.7</b>	<b>202.8</b>	<b>185.1</b>
<b>Digital banking services</b>				
<b>Lending commissions</b>				
Sweden	–	–	0.3	0.3
<b>Total commission income Digital Banking</b>	<b>–</b>	<b>–</b>	<b>0.3</b>	<b>0.3</b>
<b>Total commission income</b>	<b>52.1</b>	<b>47.7</b>	<b>203.1</b>	<b>185.4</b>



**NOTE 9. CAPITAL ADEQUACY ANALYSIS**

In accordance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms ("CRR") and the Finansinspektionen's regulations regarding prudential requirements and capital buffers (FFFS 2014:12), Qliro AB ("Qliro") hereby discloses the information about capital adequacy and other information in accordance with the above regulations.

Qliro's internal procedures for reporting and disclosure of information are included in the Financial Handbook, owned by the Chief Financial Officer and annually approved by the CEO. The procedures include roles and responsibilities as well as Qliro's framework for internal control over the financial reporting.

**Key metrics**

Template "EU KM1 – Key metrics template" is disclosed below as per the technical standards in the Commission implementing regulation 2021/637.

**Statement for the total capital requirement and capital base**

Risk weighted capital requirements and leverage ratio capital requirements

**Internally assessed capital need**

As per 31 December 2022 the internal assessed capital need, as per the minimum capital requirement according to Pillar 1, additional capital requirement as per the company's internal capital adequacy assessment process to cover for risks within Pillar 2, and the combined buffer requirement, amounted to SEK 335 million, or 13.1% of the risk-weighted exposure amount.

		2022-12-31	2022-09-30	2022-06-30	2022-03-31	2021-12-31
	<b>Available own funds (SEKm)</b>					
1	Common Equity Tier 1 (CET1) capital	339.1	377.3	393.4	429.9	441.9
2	Tier 1 capital	339.1	377.3	393.4	429.9	441.9
3	Total capital	439.1	477.3	493.4	529.9	541.9
	<b>Risk-weighted exposure amounts (SEKm)</b>					
4	Total risk exposure amount	2,562.8	2,277.1	2,316.4	2,290.9	2,423.0
	<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>					
5	Common Equity Tier 1 ratio (%)	13.2%	16.6%	17.0%	18.8%	18.2%
6	Tier 1 ratio (%)	13.2%	16.6%	17.0%	18.8%	18.2%
7	Total capital ratio (%)	17.1%	21.0%	21.3%	23.1%	22.4%
	<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7d	Total SREP own funds requirements (%)	8.0%	8.0%	8.0%	8.0%	8.0%
	<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>					
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 (%)	0.0%	0.0%	0.0%	0.0%	0.0%
9	Institution specific countercyclical capital buffer (%)	1.0%	1.0%	0.1%	0.1%	0.1%
EU 9a	Systemic risk buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 10a	Other Systemically Important Institution buffer	0.0%	0.0%	0.0%	0.0%	0.0%
11	Combined buffer requirement (%)	3.5%	3.5%	2.6%	2.6%	2.6%
EU 11a	Overall capital requirements (%)	11.5%	11.5%	10.6%	10.6%	10.6%
12	CET1 available after meeting the total SREP own funds requirements (%)	5.2%	8.6%	9.0%	10.8%	10.2%
	<b>Leverage ratio</b>					
13	Total exposure measure (SEKm)	4,067.2	3,559.7	3,400.0	3,109.7	3,370.2
14	Leverage ratio (i %)	8.3%	10.6%	11.6%	13.8%	13.1%
	<b>Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)</b>					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14b	of which: to be made up of CET1 capital (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>					
EU 14d	Total SREP leverage ratio requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14e	Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Liquidity Coverage Ratio</b>					
15	Total high-quality liquid assets (HQLA) (Weighted value – average, SEKm)	293.6	293.9	300.1	208.7	254.0
16a	Cash outflows – Total weighted value (SEKm)	492.0	325.8	329.0	305.9	279.2
16b	Cash inflows – Total weighted value (SEKm)	934.5	639.4	473.4	206.8	213.3
16	Total net cash outflows (adjusted value) (SEKm)	123.0	81.5	82.2	99.1	69.8
17	Liquidity coverage ratio (%)	238.7%	360.9%	364.9%	210.5%	364.0%
	<b>Net Stable Funding Ratio</b>					
18	Total available stable funding (SEKm)	3,656.5	3,321.2	3,145.8	2,924.3	3,105.4
19	Total required stable funding (SEKm)	2,831.2	2,552.1	2,507.7	2,431.3	2,601.8
20	NSFR ratio (%)	129.1%	130.1%	125.4%	120.3%	119.4%

**NOTE 9. CAPITAL ADEQUACY ANALYSIS CONT.**

Statement for the total capital requirement and capital base

Risk-weighted capital requirement and capital requirement in relation to gross leverage.

	2022-12-31		2022-09-30		2022-06-30		2022-03-31		2021-12-31	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%
<b>Risk-weighted capital requirement</b>										
<b>Risk-weighted exposure amounts</b>										
Total risk-weighted exposure amount	2,562.8	-	2,277.1	-	2,316.4	-	2,290.9	-	2,423.0	-
<b>Capital requirement (Pillar 1 requirement)<sup>1)</sup></b>										
Common Equity Tier 1 (CET1) capital	115.3	4.5%	102.5	4.5%	104.2	4.5%	103.1	4.5%	109.0	4.5%
Tier 1 capital	153.8	6.0%	136.6	6.0%	139.0	6.0%	137.5	6.0%	145.4	6.0%
Total capital requirement	205.0	8.0%	182.2	8.0%	185.3	8.0%	183.3	8.0%	193.8	8.0%
<b>Special capital requirement (Pillar 2 requirement)<sup>2)</sup></b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Pillar 2 requirement	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Combined buffer requirement<sup>3)</sup></b>										
Capital conservation buffer	64.1	2.5%	56.9	2.5%	57.9	2.5%	57.3	2.5%	60.6	2.5%
Institution specific countercyclical capital buffer	26.8	1.0%	22.6	1.0%	2.2	0.1%	1.5	0.1%	1.6	0.1%
Combined buffer requirement	90.9	3.5%	79.6	3.5%	60.1	2.6%	58.7	2.6%	62.1	2.6%
<b>Notification (Pillar 2-guidance)<sup>4)</sup></b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Pillar 2 guidance	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total overall capital requirements</b>										
Common Equity Tier 1 (CET1) capital	206.2	8.0%	182.0	8.0%	164.4	7.1%	161.8	7.1%	171.2	7.1%
Tier 1 capital	244.7	9.5%	216.2	9.5%	199.1	8.6%	196.2	8.6%	207.5	8.6%
Total Overall capital requirements	295.9	11.5%	261.7	11.5%	245.4	10.6%	242.0	10.6%	256.0	10.6%
<b>Available own funds (Capital base)</b>										
Common Equity Tier 1 (CET1) capital	339.1	13.2%	377.3	16.6%	393.4	17.0%	429.9	18.8%	441.9	18.2%
Tier 1 capital	339.1	13.2%	377.3	16.6%	393.4	17.0%	429.9	18.8%	441.9	18.2%
Total available own funds	439.1	17.1%	477.3	21.0%	493.4	21.3%	529.9	23.1%	541.9	22.4%

1) Capital requirements according to article 92.1 a-c, Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

2) Special capital requirement according to chapter 2, 1 2, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-requirement)

3) Combined buffer requirement according to chapter 2, 2, Act (2014: 968) on capital buffers

	2022-12-31		2022-09-30		2022-06-30		2022-03-31		2021-12-31	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%
<b>Leverage ratio – Capital requirements</b>										
<b>Total exposure amounts</b>										
Total exposure amounts	4,067.2	-	3,559.7	-	3,400.0	-	3,109.7	-	3,370.2	-
<b>Leverage requirements (Pillar 1 requirement)<sup>1)</sup></b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	122.0	3.0%	106.8	3.0%	102.0	3.0%	93.3	3.0%	101.1	3.0%
<b>Special leverage requirement (Pillar 2 requirement)<sup>2)</sup></b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Notification (Pillar 2 guidance)<sup>3)</sup></b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total Overall capital requirements</b>	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Overall leverage requirements</b>										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	122.0	3.0%	106.8	3.0%	102.0	3.0%	93.3	3.0%	101.1	3.0%
<b>Total Overall capital requirements</b>	122.0	3.0%	106.8	3.0%	102.0	3.0%	93.3	3.0%	101.1	3.0%
<b>Available Common Equity Tier 1- and Tier 1 Capital (Capital base)</b>										
Common Equity Tier 1 (CET1) capital	339.1	13.2%	377.3	16.6%	393.4	17.0%	429.9	18.8%	441.9	18.2%
Tier 1 capital	339.1	13.2%	377.3	16.6%	393.4	17.0%	429.9	18.8%	441.9	18.2%
<b>Total Overall capital requirements</b>	439.1	17.1%	477.3	21.0%	493.4	21.3%	529.9	23.1%	541.9	22.4%

1) Capital requirements according to article 92.1 d, Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

2) Special capital requirement according to chapter 2, 1 1, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-requirement)

3) Notification according to chapter 2, 1 c, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-guidance)

**Internal assessed capital need**

As of 2022-12-31 the internal assessed capital need, as per the minimum capital requirement according to Pillar 1, additional capital requirement as per the company's internal capital adequacy assessment process to cover for risks within Pillar 2, and the combined buffer requirement, amounted to SEK 355 million, or 13.1% of the risk-weighted exposure amount.

**NOTE 10. DISCLOSURE OF LIQUIDITY RISKS**

The disclosure below refers to Qliro AB and includes information in accordance with Finansinspektionen's regulations regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7). The information is disclosed at least four times per year.

**Sources of funding**

Qliro AB's net lending to the public amounted to SEK 2 689 (2 759) million at the end of the quarter. The lending was financed by the amount of SEK 0 (452) million via a secured contracted credit facility and SEK 3 320 (2 231) million through deposits from the public (savings accounts) in Sweden and Germany, of which 99.5 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 68 percent on demand with variable rate and 32 percent fixed interest rate with a duration of 185 days as of 31 December 2022 (initially 6-month fixed rate and 1-year fixed rate). 36 percent of the deposit from the public is invested in liquid financial assets and placed in Nordic banks.

**Liquidity**

Qliro AB's total liquidity reserve as of 31 December 2022 amounted to SEK 1 192 million, consisting of:

- Investments in debt securities: SEK 294 million
- Bank balances in Nordic Banks: SEK 898 million

In addition to the financial investments, Qliro AB had SEK 100 million in back up liquidity via undrawn funding in a secured committed credit facility.

The liquidity buffer consists of the following high-quality liquid assets:

- Investments in debt securities consists of SEK 294 million in SEK denominated.
- All debt securities in the portfolio had a rating of AA+ with an average maturity of 438 days.

As of 31 December 2022, the liquidity coverage ratio amounted to 239 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 294 million, related to net outflows of SEK 123 million over a thirty-day period under stressed market conditions.

**NOTE 11. EVENT AFTER END OF PERIOD**

The company's long-term incentive program ("LTIP 2023") and short-term incentive program ("STIP 2023") were introduced in 2023 in accordance with the conditions adopted by Qliro AB's extraordinary general meeting of December 31, 2022.

## ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures that management and analysts use to evaluate the company's development, which are not specified or defined in IFRS or other applicable regulations.

Performance measure	Definition	Motivation
Return on equity, %	Net income for the year/period, restated as a full-year value, as a percentage of average equity for two measurement periods (opening and closing balance for the period).	The measure is used to analyze profitability in relation to equity.
Deposits and funding from the public	The period's closing balance for deposits and funding from the public in the balance sheet.	The purpose is to monitor the level of and growth in the deposit business and to track the scope of external funding that comes from deposits from the public.
Items affecting comparability	Income and expenses that affect comparability over time in a significant way because they do not by nature or size recur with the same regularity as other items.	The company's management separates out items affecting comparability in order to explain variations over time. Separation of the items makes it easier for readers of the financial reports to understand and evaluate what management is doing when certain items, subtotals and totals from the income statement are presented or used in other performance measures.
C/I ratio, %	Total expenses before credit losses as a percentage of the sum of operating income.	The purpose is to provide an indication of the company's cost-effectiveness in relation to the sum of operating income. Also used in benchmark comparisons.
Net credit losses	The period's expected credit losses on items in the balance sheet as well as the period's established credit losses, net.	The purpose is to track the size of and trend in credit risks in lending and to explicitly do so for the size of the forecast-based credit loss amount that reduces net income for the period.
Credit loss level, % in relation to average lending	The period's credit losses, restated as a full-year value, net in relation to average net lending to the public for two measurement periods (opening and closing balance for the period).	The purpose is to provide a measure of credit losses in relation to net lending to the public. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Credit loss level, % in relation to average lending Digital banking services	The period's credit losses in Digital banking services, restated as a full-year value, net in relation to average net lending to the public in Digital banking services for two measurement periods (opening and closing balance for the period).	The purpose is to provide a measure of credit losses in relation to net lending to the public. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Credit loss level, % in relation to processed pay-after-delivery (PAD) volume	The period's credit losses for pay-after-delivery (PAD), restated as a full-year value, net in relation to total capitalized volume.	The purpose is to provide a measure of credit losses in relation to processed pay-after-delivery (PAD) volume. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Net income for the period adjusted for items affecting comparability	Net income for the period after tax adjusted for items affecting comparability.	Net income for the period is tracked to monitor the total return, after all expenses and after tax. Adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Net commission income	The sum of commission income less commission expenses.	Net commission income is tracked to monitor development in the part of the core business not related to lending and deposits. Largely reflects the scope and profitability of lending commissions related to payment solutions and other payment services.
Net commission income adjusted for items affecting comparability	The sum of commission income less commission expenses adjusted for items affecting comparability.	Net commission income adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Net interest income	The sum of interest income less interest expenses.	Net interest income is monitored to track the development of the core business related to lending and deposits.
Net interest income adjusted for items affecting comparability	The sum of interest income less interest expenses adjusted for items affecting comparability.	Net interest income adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Operating profit	The sum of operating income less administrative expenses, depreciation, amortization and impairment of tangible and intangible assets, other operating expenses and credit losses, net.	Operating profit is monitored to track the profitability of the total business, taking into account credit losses and all other expenses except tax.
Operating profit adjusted for items affecting comparability	The sum of operating income less administrative expenses, depreciation, amortization and impairment, other operating expenses and credit losses adjusted for items affecting comparability.	Operating profit adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.

### ALTERNATIVE PERFORMANCE MEASURES, CONT.

Performance measure	Definition	Motivation
Operating profit less depreciation, amortization and impairment of intangible and tangible assets	The sum of operating profit less depreciation, amortization and impairment of tangible and intangible assets.	The purpose is to evaluate operating activities.
Total expenses before credit losses	The sum of the period's operating expenses, which for the company represents the sum of administrative expenses, depreciation, amortization and impairment of tangible and intangible assets, and other expenses.	The purpose is to monitor the size of central expenses that are not directly related to lending and commissions.
Total operating income	The sum of net interest income, net commission income, net gains and losses on financial transactions, and other operating income.	Total operating income is monitored to track the development of the core business before employee benefits, depreciation and amortization, credit losses and other central expenses. The measure depends primarily on the overall trend in net interest income and net commission income.
Total operating income adjusted for items affecting comparability (accrual of merchant commissions)	The sum of net interest income, net commission income, net gains and losses on financial transactions, and other operating income adjusted for items affecting comparability.	Total operating income adjusted for items affecting comparability provides improved opportunities for evaluation and comparison over time.
Total operating income margin, %	The sum of operating income restated as a full-year value, in relation to average net lending to the public for two measurement periods (opening and closing balance for the period).	The measure is used to analyze value creation and profitability in relation to net lending to the public.
Net lending to the public	Loans receivable less provision for expected credit losses.	Net lending to the public is a central driver of the sum of operating income.

### OPERATIONAL PERFORMANCE MEASURES

Performance measure	Definition	Motivation
The number of connected merchants	The number of brands that use Qliro as a payment provider.	The number of connected merchants is a central measure in the analysis of the growth forecast for pay-after-delivery volume.
The number of average employees	Full-time services excluding contracted consultants.	The measure indicates how well one of the Group's key processes, HR recruitment and development, develops over time.
Pay after delivery, volume	Total volume of Qliro's payment products (invoice, BNPL or part payment), including VAT.	Pay-after-delivery volume is a central driver of the sum of operating income. It is used as a complement to net lending to the public to capture the high turnover of the loan book for the segment of Payment solutions.
Pay after delivery, transactions	The number of transactions with Qliro's payment products (invoice, BNPL or part payment), including VAT.	Pay-after-delivery transactions is a central driver of the sum of operating income. It is used as a complement to net lending to the public to capture the high turnover of the loan book for the segment of Payment solutions.

### OTHER PERFORMANCE MEASURES

Performance measure	Definition	Motivation
Common Equity Tier 1 capital ratio, %	Regulation (EU) No. 575/2013. The institution's Tier 1 capital level expressed as a percentage of the risk exposure amount.	Regulatory requirement. A regulatory floor applies to total the Common Equity Tier 1 capital ratio to ensure that the institution has sufficient capital.
Liquidity Coverage Ratio (LCR) %	Regulation (EU) No. 575/2013 and Regulation (EU) No. 2015/61. The Liquidity Coverage Ratio is the high-quality liquid assets that the institution holds divided by net liquidity outflows during a 30 calendar day stress period.	Regulatory requirement. Legislators require the institution to hold high-quality liquid assets to cover net liquidity outflows during a 30 calendar day stress period to ensure that the institution has sufficient capital.
Total capital ratio, %	Regulation (EU) No. 575/2013. The total capital ratio is the institution's own funds expressed as a percentage of the total risk amount.	Regulatory requirement. A regulatory floor applies to total capital ratio to ensure that the institution has sufficient capital.

## RECONCILIATION TABLES

for derivation of alternative key figures

SEK million (unless otherwise stated)	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Business volume</b>				
Pay-after-delivery volume	1,969	2,211	6,581	7,125
<b>Return on equity, %</b>				
Total equity, opening balance	512	563	548	588
Total equity, closing balance	471	548	471	548
<b>Average equity (OB+CB)/2</b>	<b>491</b>	<b>556</b>	<b>509</b>	<b>568</b>
Profit/loss for the period	-37.1	-15.1	-93.5	-39.9
Average profit/loss for the period 12 month	-148.6	-60.2	-93.5	-39.9
<b>Return on equity, %</b>	<b>-30.3%</b>	<b>-10.8%</b>	<b>-18.4%</b>	<b>-7.0%</b>
<b>Items affecting comparability</b>				
VAT correction	-10.3	-	-15.2	-
Severance pay	-	6.8	2.1	6.8
Profitability project	28.0	-	46.5	-
Legal fees	-	-	2.5	-
<b>Items affecting comparability</b>	<b>17.8</b>	<b>6.8</b>	<b>35.9</b>	<b>6.8</b>
<b>C/I ratio, %</b>				
Total expenses before credit losses	-116.0	-99.6	-410.3	-365.2
Total operating income	110.8	104.8	428.9	398.8
<b>C/I ratio, %</b>	<b>104.7%</b>	<b>95.1%</b>	<b>95.7%</b>	<b>91.6%</b>
<b>Credit loss level, %</b>				
Lending to the public, opening balance	2,534	2,545	2,759	2,460
Lending to the public, closing balance	2,687	2,759	2,687	2,759
<b>Average lending to the public (OB+CB)/2</b>	<b>2,610</b>	<b>2,652</b>	<b>2,723</b>	<b>2,610</b>
Net credit losses	-41.0	-23.6	-134.1	-81.9
Average net credit losses 12 month	-163.8	-94.4	-134.1	-81.9
<b>Credit loss level, %</b>	<b>6.3%</b>	<b>3.6%</b>	<b>4.9%</b>	<b>3.1%</b>
<b>Credit loss level Digital banking services, %</b>				
Lending to the public, Digital banking services, opening balance	956	1 076	1 060	937
Lending to the public, Digital banking services, closing balance	879	1 060	879	1 060
<b>Average lending to the public Digital banking services (OB+CB)/2</b>	<b>918</b>	<b>1 068</b>	<b>970</b>	<b>998</b>
Net credit losses	-8.0	-3.3	-27.0	-5.3
Average net credit losses Digital banking services 12 month	-32.1	-13.3	-27.0	-5.3
<b>Credit loss level Digital banking services, %</b>	<b>3.5%</b>	<b>1.2%</b>	<b>2.8%</b>	<b>-0.5%</b>
<b>Credit loss level, % in relation to pay-after-delivery (PAD) volume</b>				
Net credit losses, PAD	-32.9	-20.3	-107.2	-76.6
Pay-after-delivery (PAD) volume	1,969	2,211	6,581	7,125
<b>Credit loss level, % in relation to pay-after-delivery (PAD) volume</b>	<b>1.7%</b>	<b>0.9%</b>	<b>1.6%</b>	<b>1.1%</b>

**RECONCILIATION TABLES CONT.**

SEK million (unless otherwise stated)	2022 Oct – dec	2021 Oct – dec	2022 Jan – dec	2021 Jan – dec
<b>Profit/loss for the period adjusted for items affecting comparability</b>				
Profit/loss for the period	-37.1	-15.1	-93.5	-39.9
Items adjusted for items affecting comparability	17.8	6.8	35.9	6.8
Tax effect on items affecting comparability	-3.7	-1.4	-7.4	-1.4
<b>Profit/loss for the period adjusted for items affecting comparability</b>	<b>-23.1</b>	<b>-9.6</b>	<b>-68.4</b>	<b>-34.4</b>
<b>Net commission income adjusted for items affecting comparability</b>				
Commission income	52.1	47.7	203.1	185.4
Commission expenses	-3.0	-2.2	-9.3	-8.4
<b>Net commission income adjusted for items affecting comparability</b>	<b>49.0</b>	<b>45.5</b>	<b>193.8</b>	<b>177.0</b>
<b>Net interest income adjusted for items affecting comparability</b>				
Net interest income	63.0	59.2	238.5	222.9
<b>Net interest income adjusted for items affecting comparability</b>	<b>63.0</b>	<b>59.2</b>	<b>238.5</b>	<b>222.9</b>
<b>Operating profit/loss less depreciation/amortization of tangible and intangible assets</b>				
Operating profit/loss	-46.1	-18.4	-115.5	-48.3
Depreciation/amortization of tangible and intangible assets	23.9	24.2	105.6	96.0
<b>Operating profit/loss excl. depreciation/amortization of tangible and intangible assets</b>	<b>-22.3</b>	<b>5.7</b>	<b>-9.9</b>	<b>47.7</b>
<b>Operating profit/loss adjusted for items affecting comparability</b>				
Operating profit/loss	-46.1	-18.4	-115.5	-48.3
Items affecting comparability	17.8	6.8	35.9	6.8
<b>Operating profit/loss adjusted for items affecting comparability</b>	<b>-28.4</b>	<b>-11.6</b>	<b>-79.6</b>	<b>-41.5</b>
<b>Total operating income</b>	<b>110.8</b>	<b>104.8</b>	<b>428.9</b>	<b>398.8</b>
of which Payment solutions	93.2	85.5	356.7	326.0
of which Digital banking services	17.6	19.3	72.4	72.9
<b>Total operating income margin, %</b>				
Lending to the public, opening balance	2,534	2,545	2,759	2,460
Lending to the public, closing balance	2,687	2,759	2,687	2,759
Average lending to the public (OB+CB)/2	2,610	2,652	2,723	2,610
Total operating income	110.8	104.8	428.9	398.8
Average profit/loss for the period 12 month	443.2	419.1	428.9	398.8
<b>Total operating income margin, %</b>	<b>17.0%</b>	<b>15.8%</b>	<b>15.8%</b>	<b>15.3%</b>
<b>Lending to the public</b>	<b>2,687</b>	<b>2,759</b>	<b>2,687</b>	<b>2,759</b>
of which Payment Solution	1,807	1,699	1,807	1,699
of which Digital banking services	879	1,060	879	1,060

## THE BOARD'S ASSURANCE

The Board of Directors and the CEO give their assurance that the interim report provides a fair summary of the operations, position, and earnings of Qliro AB and describes the material risks and uncertainties faced by the company and its subsidiaries.

The Board of Directors and the CEO attest that Qliro AB has made the disclosures required in accordance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, Part Eight, in accordance with Qliro's formal policies and internal processes, systems and controls.

Stockholm on 8 February 2023

Patrik Enblad  
Chairman of the Board

Alexander Antas  
Board member

Mikael Kjellman  
Board member

Monica Caneman  
Board member

Lennart Francke  
Board member

Helena Nelson  
Board member

Christoffer Rutgersson  
CEO

This information is information that Qliro AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the disposal of the contact person set above, on 8 February 2023 at 07:30 am (CET).



## PRESENTATION OF THE YEAR-END REPORT

Media, analysts and investors are invited to a conference call on 8 February 2023 at 10 am (CET) when CEO Christoffer Rutgersson and CFO Robert Stambro will present the results.

After the presentation there will be a Q&A session:

**PARTICIPATE VIA TELEPHONE CONFERENCE:**

<https://conference.financialhearings.com/teleconference/?id=5002773>

**PARTICIPATE VIA WEBCAST:**

<https://ir.financialhearings.com/qliro-q4-2022>

**YOU CAN ALSO FOLLOW THE PRESENTATION ON:**

[qliro.com/sv-se/investor-relations/presentationer](https://qliro.com/sv-se/investor-relations/presentationer)

### FINANCIAL CALENDAR 2023

5 April 2023	Annual Report 2022
3 May 2023, 07:30 am	Interim Report Q1 2023
17 May 2023, Stockholm	Annual General Meeting 2023
19 July 2023, 07:30 am	Interim Report Q2 2023
25 October 2023, 07:30 am	Interim Report Q3 2023

**FOR MORE INFORMATION PLEASE CONTACT:**

Investor Relations.  
[ir@qliro.com](mailto:ir@qliro.com)

The financial reports are also published on: [www.qliro.com/en-se/investor-relations](https://www.qliro.com/en-se/investor-relations)

Qliro AB  
Registered Office: Stockholm  
Organizational number: 556962-2441  
Postal address: Box 195 25, 104 32 Stockholm  
Visiting address: Sveavägen 151, 113 46 Stockholm