

INTERIM REPORT JANUARY – MARCH 2023

THE QUARTER IN BRIEF JANUARY-MARCH 2023 (JANUARY-MARCH 2022)

- Total operating income increased by 7 percent to SEK 113.7 million (106.0)
- Total operating expenses decreased by 8 percent to SEK –80.1 million (–86.6). Excluding items affecting comparability items, costs decreased by 12 percent to SEK –80.1 million (–91.5)
- Net credit losses amounted to SEK –32.5 million (–28.0)
- Earnings before tax (EBT) was SEK –1.1 million (–8.6). Operating profit excluding items affecting comparability amounted to SEK 1.1 million (–13.5)
- Profit for the period was SEK 1.1 million (–7.2) and earnings per share amounted to SEK 0.06 (–0.40)

SIGNIFICANT EVENTS IN THE FIRST QUARTER 2023

- Qliro signed agreements with Timarco, Sängfabriken and Happy Day, all of whom are in the large merchants segment (“Enterprise”)

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Qliro announced on April 12, that the company achieved profitability in the first quarter of 2023

+7%

Income growth¹⁾

+10%

Income growth, Payment Solutions¹⁾

2,735 M

Total Payment Volume³⁾

-2%

Total Payment Volume growth¹⁾

5.6 M

Number of active customers²⁾

-4%

Lending growth¹⁾

1) Refers to the first quarter of 2023 in comparison with the first quarter of 2022

2) Refers to unique consumers who used Qliro's checkout at the company's merchants during the last 12 months

3) Total sales volume processed in Qliro's checkout including VAT for direct payments and Qliro's payment products

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





QLIRO BEGINS 2023 BY REACHING PROFITABILITY FASTER THAN EXPECTED WHILE GAINING NEW MERCHANTS

It was a successful first quarter. During the quarter we gained three new merchants and signed agreements with three new merchants in the Enterprise segment. The profitability program that we launched in June 2022 started showing results in the first quarter, when profit before tax (EBT) increased to SEK 1.1 million, an increase of SEK 14.6 million compared to the first quarter of 2022 adjusted for items affecting comparability. This means that Qliro has achieved profitability for the first time since the company was listed. In line with our previous communications, EBT is expected to be positive for the full year 2023, but may vary over the remaining quarters.

PROFITABILITY AND STABLE GROWTH IN THE FIRST QUARTER OF 2023

Within the scope of the profitability program, several initiatives were implemented to streamline and digitize the business to drive operational excellence while creating space to, in parallel, invest in the commercial organization to enable increased growth. As part of the streamlining, the organization has been strengthened, external suppliers renegotiated and office space reduced. Within the scope of the digitalization initiatives, the company has focused on customer communication and the implementation of new systems and processes in customer communication, customer support, onboarding of new customers, marketing, sales and finance. The implementation of our digitalization initiatives has been somewhat faster than expected, while providing us with more scalable and efficient processes for future growth.

As communicated at the end of 2022, a total of 70 percent of leaders in the company are new in their roles, with a mixture of internal promotions and external recruitments. Now that the new team has got up to speed, it is clear that today we have an agile team with experience of payments and fast-growing technology companies. As a result, important initiatives have progressed faster than expected and we have also been able to scale down on consultants, which has reduced consultancy expenses.

Total operating expenses decreased during the quarter to SEK 80.1 million, and by 12 percent adjusted for items affecting comparability.

We continued to grow our income in the first quarter despite a decline in e-commerce. Income grew by 7.3 percent to SEK 113.7 million. This was primarily driven by Payment Solutions, where we see an increase in both BNPL volumes and Pay Now volumes. This compensates for a decline in invoice volumes within Payment Solutions and reduced income in Digital Banking Services.

Earnings before tax (EBT) amounted to SEK 1.1 million (-8.6), which is in line with the preliminary profit published on April 12, 2023. In addition, in the first quarter of 2022 an item affecting comparability had a positive impact on EBT of SEK 4.9 million. Adjusted for this effect, Qliro's EBT increased from SEK -13.5 million to SEK 1.1 million, an increase of SEK 14.6 million. Our goal of making the company profitable at EBT level for the full year 2023 still stands, although the earnings may vary over the remaining quarters.

NEW PERFORMANCE MEASURES IN LINE WITH THE GROWTH STRATEGY

To more clearly explain the potential and dynamics of our Payment Solutions business, we are adding further performance measures to our reporting in order to shed light on our entire business and all the volumes we handle. We have previously only addressed our Pay After Delivery volumes, which amounted to SEK 1.4 billion for the quarter. In the future, these will be referred to as "Pay Later" volumes, which consist of invoice volumes and BNPL volumes, which are also presented as new performance measures, as BNPL volumes in particular are important for profitability.

As we have expanded our position as a payment provider by providing all the payment methods requested by our merchants in the Nordics and northern Europe, our direct payment volumes have grown to significant levels. For this reason, going forward we will also recognize these volumes as Pay Now volumes, which amounted to SEK 1.3 billion

in the quarter. This means that as of this interim report, we will address the total volumes that we handle for our e-merchants, which will be referred to from now on as Total Payment Volume.

PROGRESS IN QLIRO'S STRATEGY TRANSITION WITH A FOCUS ON PAYMENT SOLUTIONS

Qliro's strategy transition partly involves an increased focus on payments. As part of this, we now target both large and small e-retailers with a strong offer with a flexible and modular checkout, our checkout, which contains all relevant payment methods in both Pay Now and Pay Later. At the same time, we can offer a good post-purchase experience for consumers who use our own Pay Later products via Qliro's App & Web.

Despite a decrease in the company's total costs during the quarter, over the past year Qliro has tripled its sales capacity in Payment Solutions and established a new merchant success team. The merchant success team focuses on improving Qliro's support to merchants and speeding up the onboarding of new merchants. This coincides with our ambition to focus on growth in Payment Solutions and on creating the market's best experience for merchants and partners and helping them to grow.

We have focused strongly during the past year on establishing our service to become a Collecting Payment Service Provider ("Collecting PSP"). We are now technically ready to start handling card payments, and we will trial this service with selected merchants and plan to launch the service in the second quarter. This is an important step in our journey of becoming an even better payment partner. It will also enable us to capitalize more on our growing Pay Now volumes, particularly in SME. Additional payment methods within Pay Now are planned to be included in our Collecting PSP in the future.

CONTINUED GROWTH IN PAYMENT SOLUTIONS

Total income in Payment Solutions increased by 9.8 percent to SEK 95.2 million. According to Svensk Handel's (Swedish Trade Federation) e-commerce indicator, Swedish e-commerce sales fell 6 percent in the same period. Our Total Payment Volume totaled more than SEK 2.7 billion in the quarter, which is a fall of only 2 percent year-on-year. This indicates that we are continuing to win market shares.

In 2022, we noted a trend in consumer preferences where more consumers are choosing to pay for their purchases through part payment. Meanwhile, we made our Pay Now offering more attractive by launching Vipps, MobilePay and Swish in 2022, which has resulted in more consumers choosing to pay for their purchases immediately. This has had a positive effect on Qliro's BNPL-volumes and Pay Now volumes, which both increased by 8 percent during the quarter. At the same time, invoice volumes dropped by 17

percent, which is compensated by the growth in our BNPL volumes. This is a favorable trend for Qliro since BNPL volumes include fees to customers, unlike invoice volumes.

Although income generation from Pay Now volumes are considerably lower than for Pay Later volumes, the total sales volumes reflect our position in the market and will become increasingly relevant as we grow as a payment partner and strengthen our ability to capitalize on these volumes, including in Pay Now through our "Collecting PSP" service, which is currently being tested with the first merchants for card payments and is planned to be launched to all new SME customers in the second quarter.

DECLINE IN DIGITAL BANKING SERVICES CONTINUES, WHILE LOAN BOOK BEGINS TO STABILIZE

Digital Banking Services continues to decline, with income falling to SEK 18.5 million (19.3). However, our loan book began to stabilize and amounted to SEK 855 million, compared with SEK 879 million at the end of 2022.

STABILIZATION OF CREDIT LOSSES SINCE YEAR END

During much of 2022 we carried out solid work with our credit portfolio and the credit assessment of a new Pay Later volume with the aim of strengthening the portfolio ahead of 2023. This resulted in impairments, among other things. In the first quarter we saw a continued increase year-on-year, but a decrease compared to the fourth quarter of 2022. Reported credit losses amounted to SEK 32.5 million (28.0). The increase is primarily due to an increase in absolute terms in the loan book for Payment Solutions, as well as increased FLI provisions due to macroeconomic uncertainty.

WELL-POSITIONED FOR COMMERCIAL SUCCESS IN 2023

During the quarter we achieved profitability, gained new merchants, test-launched our Collecting PSP service and continued to win market shares despite a decline in e-commerce. Overall, this makes me feel comfortable with our profitability goal for the full year and our ability to continue growing our position as a partner to merchants.

Stockholm, May 03, 2023

Christoffer Rutgersson
CEO Qliro AB

QLIRO IN BRIEF

Qliro is a fintech company offering online payment solutions to leading e-merchants. The payment solutions are mainly based on a complete checkout solution, optimized for high conversion, flexible design and increased sales, for fast-growing SMEs and large e-merchants (enterprise). Qliro provides all relevant payment methods and follows the e-merchants on their international expansion but with a current focus on e-merchants based in the Nordic region, where Qliro also offers its own payment methods invoices, part payments and direct payments for consumers. Qliro also offers other digital financial services to individuals in Sweden, such as savings accounts and personal loans in the Digital Banking Services business segment.

The company was founded in 2014 as part of the CDON

group to create the market's best consumer experience for payments with a focus on high flexibility for enterprise customers, and since 2017 Qliro has been a credit market company under the supervision of the Swedish Financial Supervisory Authority. Operations are managed from the head office in Stockholm. In total, 5.5 million unique consumers have used Qliro's checkout via the company's merchants in 2022. In October 2020, Qliro was listed on Nasdaq Stockholm with the ticker "QLIRO." In 2021, Qliro also started packaging the payment solution to include small and medium-sized e-merchants with big ambitions. Qliro has two business segments: Payment Solutions and Digital Banking Services.

QLIRO'S BUSINESS SEGMENTS IN BRIEF

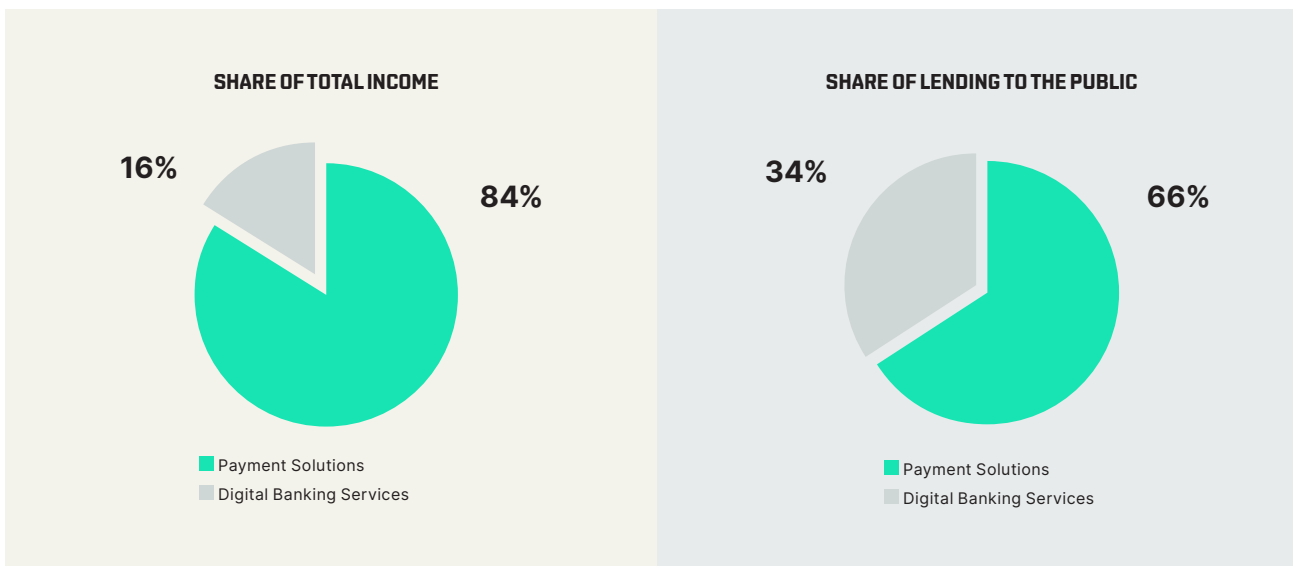
PAYMENT SOLUTIONS

Payment Solutions are offered to large, small and medium-sized e-merchants in the Nordics. The solutions include Qliro's Pay Later and Pay Now products for consumers when they buy goods and services online. The offering included in Pay Later comprises invoices, buy-now-pay-later products, which is referred to as BNPL and various types of part payments. Qliro's payment solution Pay Now also includes 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 Pay Later products, the average credit is low and the maturity is short. The number of unique consumers that

used Qliro's checkout via the company's merchants in the last 12 months was 5.6 million. Qliro's checkout is available in more than 30 countries.

DIGITAL BANKING SERVICES

Digital Banking Services comprise the services offered on Qliro's digital platforms in addition to 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.



KEY PERFORMANCE MEASURES

SEK million unless otherwise stated	2023 Jan – mar	2022 Jan – mar	% Δ	2022 Jan – dec
Income statement				
Total operating income ¹⁾	113.7	106.0	7	428.9
Total operating income adjusted for items affecting comparability ¹⁾	113.7	106.0	2	428.9
Total expenses before credit losses	-80.1	-86.6	8	-410.3
of which depreciation	-17.9	-24.4	27	-105.6
Total expenses before credit losses adjusted				
for items affecting comparability	-80.1	-91.5	12	-374.4
Net credit losses	-32.5	-28.0	16	-134.1
Operating profit/loss ¹⁾	1.1	-8.6	113	-115.5
Operating profit/loss adjusted for items				
affecting comparability ¹⁾	1.1	-13.5	108	-79.6
Profit/loss for the period	1.1	-7.2	115	-93.5
Profit/loss for the period adjusted for items affecting comparability	1.1	-11.1	110	-65.0
Earnings per share before and after dilution, SEK	0.06	-0.40	114	0.06
Balance sheet				
Lending to the public ¹⁾	2,477	2,570	-4	2,687
of which Payment Solutions	1,623	1,556	4	1,807
of which Digital Banking Services	855	1,014	-16	879
Deposits and borrowings from the public	2,742	2,218	24	3,320
Key performance measures				
Take rate, payments ⁵⁾	3.5%	3.1%	12	2.7%
Total Operating margin, % ¹⁾	17.6%	15.9%	11	15.8%
Credit loss level, (% ¹⁾	5.0%	4.2%	20	4.9%
Cost/income ratio % ¹⁾	70.4%	81.7%	-14	95.7%
Return on equity (% ¹⁾	0.9%	neg.	-	neg.
CET 1 capital ratio, % ³⁾	14.4%	18.8%	-23	13.2%
Total capital Ratio, % ³⁾	18.8%	23.1%	-19	17.1%
Liquidity coverage ratio (LCR), % ³⁾	467%	211%	121	239%
Total Payment Volume ⁵⁾	2,735	2,782	-2	12,051
of which Pay Now-volume ⁵⁾	1,326	1,230	8	5,470
of which Pay Later-volume ^{2,4)}	1,409	1,552	-9	6,581
BNPL-volume	549	510	8	2,354
Invoice-volume	860	1,042	-17	4,227
Pay Now-transactions ⁵⁾	1,993	1,826	9	7,946
Pay Later-transactions	1,480	1,657	-11	6,841
Average Order Value ⁵⁾	788	800	-2	815
Average Order Value,, Pay Now ⁵⁾	665	675	-1	688
Average Order Value, Pay Later ⁵⁾	952	937	2	962
Number of connected merchants ²⁾	61	52	17	58

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 27–30.

2) Operating performance measures. For definitions see page 28.

3) Other key performance measures. For definitions see page 28.

4) Pay later volume was called Pay after delivery volume in previous reports.

5) New KPIs Q1 2023.

FINANCIAL PERFORMANCE

The first quarter 2023 compared with the first quarter 2022

Qliro's income primarily comprises interest income from Pay Later 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

No items affecting comparability were reported for the first quarter of 2023. An item affecting comparability was reported during the first quarter 2022 for a VAT correction in the Norwegian operations, which reduced expenses by SEK 4.9 million in total.

STEADILY GROWING OPERATING INCOME

Total operating income increased by 7 percent to SEK 113.7 million (106.0). This increase was primarily driven by BNPL volumes and Pay Now volumes in Payment Solutions, which both increased by 8 percent during the quarter.

Net interest income increased by 9 percent to SEK 63.7 million (58.3), with interest income increasing to SEK 82.8 million (68.3) and interest expenses to SEK 19.1 million (10.0). Interest income rose due to increased lending in Payment Solutions.

Net commission income grew by 6 percent to SEK 51.4 million (48.3), with increased interest in Qliro's products in Payment Solutions contributing to this growth during the quarter. Net gains and losses on financial items amounted to SEK -1.4 million (-0.6).

DECREASED COSTS

Total operating expenses decreased by 8 percent in the quarter, to SEK 80.1 million (86.6). Adjusted for items affecting comparability, costs decreased by 12 percent to SEK 80.1 million (91.5).

Our general administrative expenses, comprising of consultancy and IT expenses, dropped by 7 percent to SEK 56.6 million (60.8). This was mainly due to reduced consultancy expenses following the recruitment of relevant personnel. Other expenses amounted to SEK 5.6 million (1.4). The year-on-year increase was mainly attributable to a VAT correction in the Norwegian operations in the first quarter of 2022 amounting to SEK 4.9 million.

Depreciation, amortization and impairment fell by 27 percent to SEK 17.9 million (24.4) and primarily related to amortization of previously capitalized development expenses for e-merchant payment solutions, as well as consumer products, website and app solutions.

HIGHER RECOGNIZED CREDIT LOSSES DUE TO MACRO-ECONOMIC CONDITIONS DRIVING CHANGES IN CUSTOMER BEHAVIOR

Total credit losses increased to SEK 32.5 million (28.0), and the credit loss ratio was 5.0 percent (4.2) of average lending. Recognized credit losses in absolute terms increased in Payment Solutions, partly due to growing lending and partly as a result of the macroeconomic situation.

Credit losses also rose in Digital Banking Services, primarily due to impairments and increased provisions in accordance with IFRS 9 as a result of growing macro-economic uncertainty.

QLIRO ACHIEVED PROFITABILITY IN THE QUARTER

Qliro's operating profit before tax (EBT) was SEK 1.1 million (-8.6). Operating profit adjusted for items affecting comparability amounted to SEK 1.1 million (-13.5). Profit/loss for the period increased to SEK 1.1 million (-7.2).

BUSINESS SEGMENT

PAYMENT SOLUTIONS

Comparisons with the first quarter 2022 unless otherwise indicated.

A BROADENED OFFERING

Qliro offers digital payment solutions to e-merchants in the Nordics. Qliro’s checkout is provided both for web and app and includes relevant payment methods for direct payments in both “Pay Now” and Qliro’s own payment methods in “Pay Later”. Income is mainly generated by offering deferred payment for online purchases (Pay Later), e.g. via invoice, “buy now pay in x months”, and various forms of partial payments. When new merchants join the platform, Qliro’s business volumes rise, which gradually drives growth in the loan book and generates interest income over time. It is not uncommon for it to take several quarters from the time a merchant signs a contract and becomes connected until significant income is generated for Qliro. Qliro’s payment solution includes all relevant payment methods for merchants where direct payments, from now on referred to as Pay Now, are an important and previously unreported part. Other payment solutions offered within Pay Now include card payments, direct payments from bank accounts or via Vipps, Mobilpay and Swish, PayPal and iDeal payments. With Qliro’s new Collecting PSP, these payment methods will henceforth be packaged together to be offered directly to merchants from Qliro as a counterparty (e.g. contracts, payments, pricing).

At the end of the fourth quarter there were 61 (52) 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 for continued growth in the small and medium-sized e-merchant segment. Qliro has the technology in place in the first quarter and will launch its Collecting PSP service to merchants in the second quarter of 2023.

STABLE VOLUMES FOR QLIRO IN A STILL DECLINING E-COMMERCE ENVIRONMENT

Svensk Handel’s (Swedish Trade Federation) e-commerce indicator published in April showed that e-commerce sales for the period January-March fell 6 percent compared with the same period in 2022. However, Qliro’s total sales volumes only decreased by 2 percent, primarily driven by increased BNPL volumes and Pay Now volumes, both of which increased by 8 percent during the quarter, which had a positive effect on Qliro’s results. Pay Later volumes dropped by 9 percent to SEK 1,409 million as a result of reduced invoice volumes. The loan book grew 4 percent in the quarter, to SEK 1,623 million.

PAYMENT SOLUTIONS

SEK million unless otherwise stated	2023 Jan – mar	2022 Jan – mar	% Δ	2022 Jan – dec
Net interest income	45.3	39.1	16%	164.6
Net comission income ¹⁾	51.2	48.1	6%	193.3
Total operating income ¹⁾	95.2	86.7	10%	354.5
Net credit losses	25.0	21.8	15%	107.2
Total operating income less credit losses	70.2	64.9	8%	247.4
Lending to the public	1,623	1,556	4%	1,807
Total Payment Volume ⁵⁾	2,735	2,782	-2%	12,51
of which Pay Now-volume ⁵⁾	1,326	1,230	8%	5,470
of which Pay Later-volume ^{2,4)}	1,409	1,552	-9%	6,581
BNPL-volume	549	510	8%	2,354
Invoice-volume	860	1,042	-17%	4,227
Take rate, payments ²⁾	3.5%	3.1%	12%	2.7%
Credit losses, %, in relation to Pay Later-volume ¹⁾	1.8%	1.4%	27%	1.6%
Average Order Value,, Pay Now ⁵⁾	665	675	-1%	688
Average Order Value, Pay Later ⁵⁾	952	937	2%	962
Number of connected merchants ²⁾	61	52	17%	58

1) Pay Later was called Pay After Delivery (PAD) in previous reports
2) New KPIs Q1 2023

2,735
Total Payment Volume, SEKm

-2%
Total Payment Volume growth

5.6 M
No. of active consumers, LTM

+10%
Income growth

PAYMENT SOLUTIONS CONT.

INCREASED OPERATING INCOME AND IMPROVED INCOME MARGIN

Total operating income increased by 10 percent to SEK 95.2 million (86.7). The income margin increased to 22.2 percent (21.3). Net interest income increased by 16 percent to SEK 45.3 million (39.1). Increased lending to the public had a positive effect on net interest income in the quarter. Net commission income increased by 6 percent to SEK 51.2 million (48.1).

GROWING LENDING AND UNCERTAINTY IN THE WIDER MARKET DRIVES CREDIT LOSSES

Credit losses amounted to SEK 25.0 million (21.8). In relation to Pay Later volumes, credit losses amounted to 1.8 percent (1.4). The increase in credit losses was primarily due to a growing lending portfolio, but also to impairments and increased provisions in accordance with IFRS 9 as a result of greater macroeconomic uncertainty. The credit loss level was also affected by a renegotiated SRG agreement.

BUSINESS SEGMENT

DIGITAL BANKING SERVICES

Comparisons with the first quarter 2022 unless otherwise indicated.

DIGITAL OFFERING FOR EXISTING CUSTOMERS

Within Digital Banking Services, Qliro offers personal loans and savings accounts to consumers in Sweden. Qliro's app makes it easy to manage payments, loans and savings.

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 855 million (1,014). Net interest income decreased by

4 percent to SEK 18.4 million (19.2). This is primarily because lending to the public decreased during the quarter. The income margin was 8.5 percent (7.5).

MACROECONOMIC EFFECTS ARE DRIVING CREDIT LOSSES

Credit losses of SEK 7.5 million (6.2) were recognized in the quarter. The credit losses corresponded to 3.5 percent of average lending.

The rise is primarily due to increased provisions in line with IFRS 9 due to greater macroeconomic uncertainty. Over the past year, the portfolio's customer mix has changed as it has decreased in size. This change has meant that Qliro now reserves more on average per customer. However, the existing customers have become more profitable.

DIGITAL BANKING SERVICES

SEK million unless otherwise stated	2023 Jan – mar	2022 Jan – mar	% Δ	2022 Jan – dec
Net interest income	18.4	19.2	-4%	73.9
Total operating income	18.5	19.3	-4%	74.4
Net credit losses	7.5	6.2	20%	27.0
Total operating income less credit losses	11.0	13.1	-16%	47.4
Lending to the public	855	1,014	-16%	879
Credit losses, %, in relation to average lending to the public	3.5%	2.4%	44%	5.6%

16%
Share of total operating income

34%
Share of lending to the public

-16%
Lending growth

-4%
Income growth

CAPITAL, FUNDING AND LIQUIDITY

QLIRO IS WELL-CAPITALIZED

Qliro AB's own funds (see Note 9 Capital adequacy) decreased to SEK 432 million (SEK 530 million as of March 31, 2022). 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 2,302 million (SEK 2,291 million as of March 31, 2022) due to marginally lower lending compared with the same period in 2022.

Qliro is well-capitalized and the total capital ratio was 18.8 percent (23.1 percent as of March 31, 2022), compared with the regulatory requirement of 11.5 percent. The Common Equity Tier 1 capital ratio was 14.4 percent (18.8 as of March 31, 2022), compared with the regulatory requirement of 8 percent.

DIVERSIFIED FUNDING PLATFORM

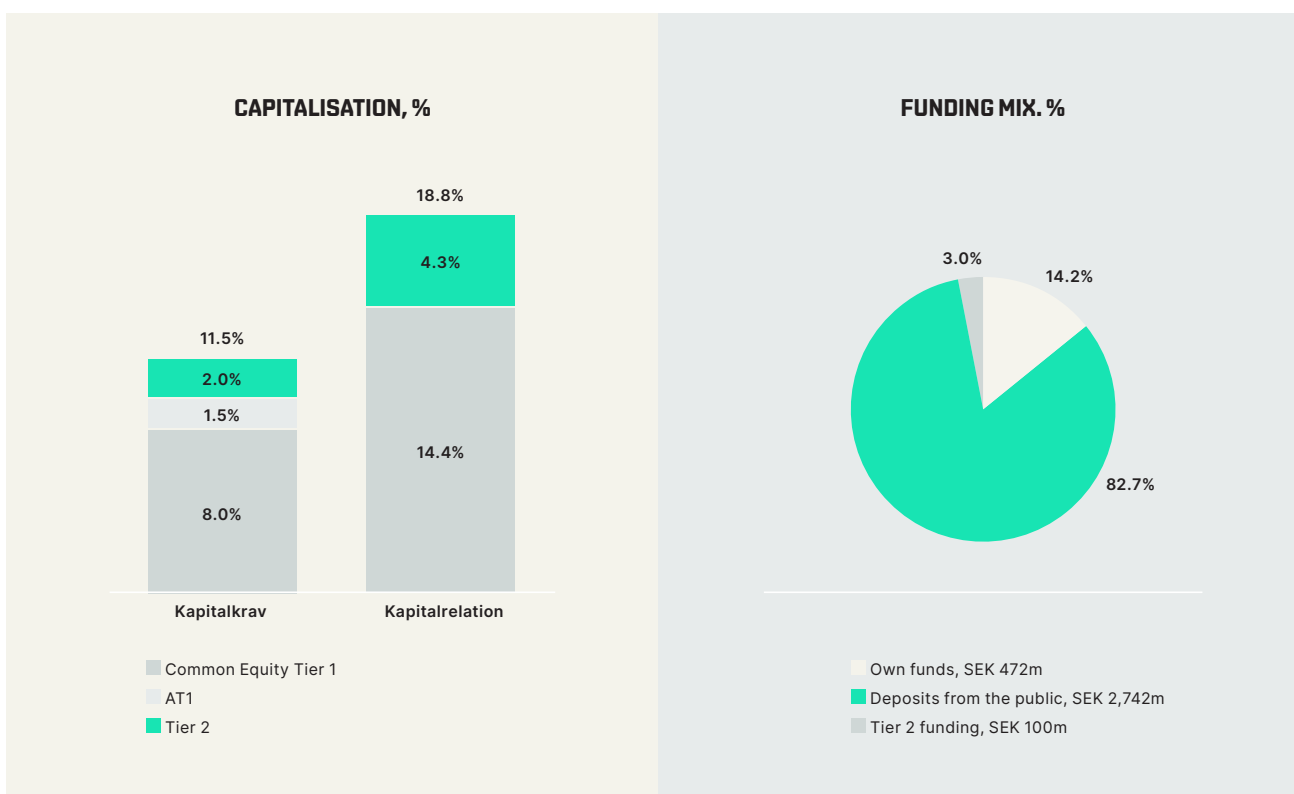
In addition to equity, lending to the public was funded with SEK 2,742 million (SEK 2,218 million as of March 31, 2022) in deposits from the public (savings accounts) in Sweden and Germany.

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 2,225 million (SEK 1,815 million as of March 31, 2022) and deposits in Germany amounted to SEK 517 million (SEK 403 million as of March 31, 2022).

QLIRO HAS SOLID LIQUIDITY

Qliro has solid liquidity and as of March 31, 2023 Qliro's cash and cash equivalents amounted to SEK 655 million (SEK 339 million as of March 31, 2022). 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 278 days.

The Liquidity Coverage Ratio (LCR) as of March 31, 2023 was 467 percent, compared with the legal requirement of 100 percent. The net stable funding ratio (NSFR) was 131 percent and the leverage ratio was 10 percent.



OTHER INFORMATION

OTHER EVENTS DURING THE PERIOD

QLIRO BECOMES NEW PAYMENT PARTNER TO THREE NEW E-MERCHANTS IN ENTERPRISE

Qliro signed agreements with Timarco, Sängfabriken and Happy Day, all of whom are in the large merchants segment ("Enterprise") The new agreements are in line with the company's strategy to grow in payment solutions. The new merchants are expected to be onboarded on Qliro's platform in the first half of 2023.

EVENTS AFTER THE END OF THE PERIOD

NOTICE OF THE AGM OF QLIRO AB

Shareholders of Qliro AB (publ) ("the Company"), Corp. id 556962-2441, will receive notice of the AGM on May 17, 2023 at 9:00 a.m. CEST at the company's premises at Sveavägen 151 in Stockholm. Registration for the AGM starts at 8:30 a.m. CEST The Board of Directors has decided that the shareholders will also be able to exercise their voting rights by postal voting prior to the AGM in accordance with the company's Articles of Association.

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

QLIRO ACHIEVED PROFITABILITY IN THE FIRST QUARTER OF 2023

Qliro AB has previously communicated an ambition to achieve positive earnings before tax (EBT) for the full year 2023, and has announced the launch of a profitability program. According to the company's preliminary profit for the first quarter, Qliro's EBT amounts to SEK 1.1 million (-8.6). In light of this, the company published a profit update for the first quarter of 2023. The EBT is expected to continue to be positive for the full year 2023, but may vary over the remaining quarters.

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 of 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. The Riksbank raised its policy interest rate three times in total during 2022. As of February 15, 2023, the policy interest rate was 3 percent.

Norges Bank raised its policy interest rate six times in total during 2022. As of March 23, 2023, the policy interest rate was 3 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 MARCH 31, 2023

Proportion of capital

1. Rite Ventures 24.3%
2. Avanza Pension 9.6%
3. Mandatum Life Insurance Company 9.2%
4. Staffan Persson 4.5%
5. Christoffer Rutgersson 3.7 %
6. Nordnet pensionsförsäkring 3.5%
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.

TRANSACTION WITH RELATED PARTIES

Transactions with related parties are of the same character as described in the annual report for 2022, which was published on April 5, 2023.

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 2022, published on April 5, 2023, 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	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Interest income		82.8	68.3	288.9
Interest expenses		-19.1	-10.0	-50.4
Net interest income	2	63.7	58.3	238.5
Commission income	3	53.5	50.3	203.1
Commission expenses	3	-2.1	-2.0	-9.3
Net profit/loss from financial transactions		-1.4	-0.6	-4.0
Other operating income		-	-	0.6
Total operating income		113.7	106.0	428.9
General administrative expenses		-56.6	-60.8	-279.9
Depreciation/amortisation of tangible and intangible assets		-17.9	-24.4	-105.6
Other operating expenses		-5.6	-1.4	-24.8
Total expenses before credit loss		-80.1	-86.6	-410.3
Profit/loss before credit losses		33.6	19.4	18.6
Net credit losses	4	-32.5	-28.0	-134.1
Operating profit/loss		1.1	-8.6	-115.5
Income tax expense		-	1.4	22.0
Profit/loss for the period		1.1	-7.2	-93.5
Earnings per share before and after dilution		0.06	-0.40	-4.90
Average number of shares before and after dilution, thousands		19,073	17,973	19,073

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2023 Jan – mar	2021 Jan – mar	2022 Jan – dec
Profit/loss for the period		1.1	-7.2	-93.5
Other comprehensive income				
Items that will be reversed to the income statement				
Changes in value of financial assets recognized at fair value through other comprehensive income (net after tax)		-0.5	-0.1	-3.9
Total profit or loss and other comprehensive income		-0.5	-0.1	-3.9
Total profit or loss		-0.5	-7.3	-97.4

CONSOLIDATED BALANCE SHEET

SEK million	Note	2022-03-31	2022-03-31	2022-12-31
Assets				
Lending to credit institutions		349.9	132.7	900.6
Lending to the public	5	2,477.3	2,569.8	2,686.6
Bonds and other fixed-income securities		308.4	208.7	293.6
Intangible assets		174.5	169.7	168.7
Tangible assets		28.2	23.3	13.9
Deferred tax assets		60.3	38.6	60.2
Other assets		56.6	49.7	58.5
Derivatives		0.7	–	1.7
Prepaid expenses and accrued income		24.0	25.7	21.1
Total assets		3,479.9	3,218.3	4,204.9
Liabilities and equity				
Liabilities				
Liabilities to credit institutions		–	190.1	–
Deposits and borrowings from the public	6	2 741.6	2 217.8	3 320.5
Other liabilities		92.5	101.7	228.6
Derivative		–	2.1	–
Accrued expenses and deferred income		74.4	65.8	85.3
Subordinated debt		100.0	100.0	100.0
Total liabilities		3,008.5	2,677.5	3,734.4
Equity				
Share capital		53.4	50.3	53.4
Reserves		–4.4	–0.2	–3.9
Retained profit or loss		421.4	497.8	514.5
Profit/loss for the year		1.1	–7.2	–93.5
Total equity		471.4	540.8	470.5
Total liabilities and equity		3,479.9	3,218.3	4,204.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Opening balance	470.5	548.1	548.1
Profit/loss for the period	1.1	–7.2	–93.5
Total other comprehensive income for the period	–0.5	–0.1	–3.9
Share premium reserve	–	–	19.8
Warrants	0.4	–	–
Closing balance	471.4	540.8	470.5

CONSOLIDATED CASH FLOW STATEMENT

SEK million	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Operating activities			
Operating profit/loss	1.1	-8.6	-115.5
Adjustments	43.1	80.9	266.3
Changes in the assets and liabilities of operating activities	-573.1	25.8	772.4
Cash flow from operating activities	-528.9	98.2	923.3
Investing activities			
Purchase of tangible assets	-0.5	-0.4	-2.8
Purchase of intangible assets	-21.4	-20.4	-88.9
Cash flow from investing activities	-21.9	-20.8	-91.6
Financing activities			
Amortisation lease	-0.5	-2.0	-8.2
Share premium reserve	-	-	19.8
Warrants	0.4	-	-
Cash flow from financing activities	-0.1	-2.0	11.6
Cash flow for the period	-550.9	75.3	843.2
Cash and cash equivalents at beginning of the period	901.0	57.5	57.5
Exchange differences in cash and cash equivalents	-0.2	0.0	-
Cash flow for the period	-550.9	75.3	-
Cash and cash equivalents at the end of the period	349.9	132.7	900.7

PARENT COMPANY'S INCOME STATEMENT

SEK million	Note	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Interest income		82.8	68.3	288.9
Interest expenses		-19.0	-10.0	- 50.3
Net interest income	2	63.8	58.3	238.6
Commission income	3	53.5	50.3	203.1
Commission expenses	3	-2.1	-2.0	- 9.3
Net profit/loss from financial transactions		-1.4	-0.6	- 4.0
Other operating income		-	-	0.6
Total operating income		113.8	106.0	429.0
General administrative expenses		-58.0	-62.8	- 288.1
Depreciation/amortisation of tangible and intangible assets		-16.5	-22.3	- 97.4
Other operating expenses		-5.6	-1.4	- 24.8
Total expenses before credit losses		-80.1	-86.5	- 410.2
Profit/loss before credit losses		33.7	19.5	18.8
Net credit losses	4	-32.5	-28.0	- 134.1
Operating profit/loss		1.1	-8.5	- 115.3
Income tax expense		-	1.4	22.0
Profit/loss for the period		1.1	-7.1	- 93.3
Earnings per share before and after distribution		0.06	-0.40	-4.89

PARENT COMPANY'S STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2023 Jan-mar	2022 Jan-mar	2022 Jan – dec
Profit/loss for the period		1.1	-7.1	- 93.3
Other comprehensive income				
Items that will be reversed to the income statement				
Changes in value of financial assets recognized at fair value through other comprehensive income		-0.5	-0.1	-3.9
Total other comprehensive income for the period		-0.5	-0.1	-3.9
Total profit or loss and other comprehensive income		-0.5	-7.2	-97.2

PARENT COMPANY'S BALANCE SHEET

SEK million	Note	2023-03-31	2022-03-31	2022-12-31
Assets				
Lending to credit institutions		347.0	130.1	898.1
Lending to the public	5	2,477.3	2,569.8	2,686.6
Bonds and other fixed-income securities		308.4	208.7	293.6
Shares and units		0.1	0.1	0.1
Intangible assets		174.5	169.7	168.7
Tangible assets		7.5	11.1	7.9
Deferred tax assets		60.3	38.6	60.2
Other assets		59.5	52.2	61.0
Derivatives		0.7	–	1.7
Prepaid expenses and accrued income		25.4	25.7	21.1
Total assets		3,460.6	3,206.1	4,198.9
Liabilities and Equity				
Liabilities				
Liabilities to credit institutions		–	190.1	–
Deposits and borrowings from the public	6	2,741.6	2,217.8	3,320.5
Other liabilities		72.3	88.9	221.8
Derivatives		–	2.1	–
Accrued expenses and deferred income		74.4	65.8	85.3
Subordinated debt		100.0	100.0	100.0
Total liabilities		2,988.4	2,664.6	3,727.6
Equity				
Restricted equity				
Share capital		53.4	50.3	53.4
Reserve for development costs		132.9	114.4	127.5
Total restricted equity		186.3	164.7	180.9
Non-restricted equity				
Reserves		–4.4	–0.2	–3.9
Share premium reserve		19.6	2.5	19.2
Retained profit or loss		269.6	381.5	368.3
Profit/loss for the year		1.1	–7.1	–93.3
Total non-restricted equity		285.9	376.7	290.4
Total equity		472.3	541.4	471.3
Total liabilities and equity		3,460.6	3,206.1	4,198.9

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Opening balance	471.3	548.7	548.7
Profit/loss for the period	1.1	-7.1	-93.3
Total other comprehensive income for the period	-0.5	-0.1	-3.8
Warrants	0.4	-	-
Share premium reserve	-	-	19.8
Closing balance	472.3	541.4	471.3

PARENT COMPANY'S CASH FLOW STATEMENT

SEK million	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Operating activities			
Operating profit/loss	1.1	-8.5	-115.3
Adjustments	42.6	78.8	258.0
Changes in the assets and liabilities of operating activities	-573.1	25.8	772.4
Cash flow from operating activities	-529.4	96.1	915.1
Investing activities			
Purchase of tangible assets	-0.5	-0.4	- 2.8
Purchase of intangible assets	-21.4	-20.4	- 88.9
Cash flow from investing activities	-21.9	-20.8	- 91.6
Financing activities			
Share premium reserve	-	-	19.8
Warrants	0.4	-	-
Cash flow from financing activities	0.4	-	19.8
Cash flow for the period	-550.9	75.3	843.2
Cash and cash equivalents at beginning of the period	898.1	54.9	54.9
Exchange differences in cash and cash equivalents	-0.2	-	-
Cash flow for the period	-550.9	75.3	843.2
Cash and cash equivalents at the end of the period	347.0	130.1	898.1

NOTES

Note 1. Accounting policies

The interim report for Qliro AB covers the period January 1 to March 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. In addition, the supplements and what follows from Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), as well as the SFSA's regulations and general advice on annual accounts for credit institutions and securities companies (FFFS 2008:25) are applied.

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 2022.

As of December 31, 2019, Qliro AB acquired a subsidiary, Goldcup 19901, the name of which is being changed to Qliro Incitement AB, and thereby formed a group. The difference between a parent company and a group is that IFRS 16 Leases is applied in the consolidated accounts.

Note 2. Net interest income

SEK million	Group		
	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Interest income			
Lending to credit institutions	2.4	0.0	3.3
Lending to the public	78.6	68.2	282.0
Interest-bearing securities	1.7	0.1	3.6
Total interest income	82.8	68.3	288.9
Interest expenses			
Liabilities to credit institutions	-2.2	-3.8	-10.7
Deposits from the public	-14.6	-4.3	-31.4
Interest-bearing securities	0.1	-0.3	-0.7
Subordinated debt	-2.2	-1.7	-7.5
Lease liabilities	-0.1	-	-0.1
Total interest expenses	-19.1	-10.0	-50.4
Net interest income	63.7	58.3	238.5

SEK million	Parent company		
	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Interest income			
Lending to credit institutions	2.4	-	3.3
Lending to the public	78.6	68.2	282.0
Interest-bearing securities	1.7	0.1	3.6
Total interest income	82.8	68.3	288.9
Interest expenses			
Liabilities to credit institutions	-2.2	-3.8	-10.7
Deposits to the general public	-14.6	-4.3	-31.4
Interest-bearing securities	0.1	-0.3	-0.7
Subordinated debt	-2.2	-1.7	-7.5
Total interest expenses	-19.0	-10.0	-50.3
Net interest income	63.8	58.3	238.6

Note 3. Net commission income

SEK million	Group and Parent company		
	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Commission income			
Lending commissions	43.0	39.7	161.6
Other commission income	10.5	10.5	41.5
Total commission income	53.5	50.3	203.1
Commission expenses			
Other commission expenses	-2.1	-2.0	-9.3
Total commission expenses	-2.1	-2.0	-9.3
Net commission income	51.4	48.3	193.8

Note 4. Net credit losses

SEK million	Group and Parent company		
	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Expected credit losses on items in the balance sheet			
Net loss provision for the period, Stage 1	0.8	1.2	-1.4
Net loss provision for the period, Stage 2	-0.3	1.0	-4.4
Total net credit losses non-credit-impaired lending	0.4	2.3	-5.9
Net loss provision for the period, Stage 3	-8.4	-5.6	-23.8
Realized net credit losses for the period	-24.6	-24.7	-104.4
Total net credit losses credit-impaired lending	-33.0	-30.3	-128.3
Total net credit losses	-32.5	-28.0	-134.1
Loss provisions on loans measured at amortised costs	-151.2	-116.4	-143.8

Note 5. Lending to the public

2022-03-31, SEK million	Group and Parent company			
	Steg 1	Steg 2	Steg 3	Totalt
Loans receivable	1,976.5	467.8	184.2	2,628.5
Provisions for expected credit losses	-16.9	-39.6	-94.7	-151.2
Net lending to the public	1,959.6	428.2	89.5	2,477.3

2021-03-31, SEK million	Koncern och Moderbolag			
	Steg 1	Steg 2	Steg 3	Totalt
Loans receivable	2,096.3	435.3	154.6	2,686.2
Provisions for expected credit losses	-14.8	-33.8	-67.7	-116.4
Net lending to the public	2,081.4	401.5	86.9	2,569.8

2021-12-31, SEK million	Koncern och Moderbolag			
	Steg 1	Steg 2	Steg 3	Totalt
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
Net lending to the public	2,174.7	430.6	81.3	2,686.6

Loans with modified conditions, where the loan is not derecognised from the balance sheet and replaced with new loan, amounted Mars 31 2023 to SEK 37.9 million (21.7).

Note 6. Deposits and borrowings from the public

SEK million	Group and Parent company		
	2023-03-31	2022-03-31	2022-12-31
Deposits and borrowings from the public	2 741.6	2,217.8	3,320.5
By category			
Private individuals	2,741.6	2,217.8	3,320.5
Companies	-	-	-
Total	2,741.6	2,217.8	3,320.5
By currency			
Swedish currency	2,224.8	1,814.8	2,604.0
Foreign currency	516.8	403.0	716.5
Total	2,741.6	2,217.8	3,320.5

Note 7. Financial instruments

Classification of financial instruments

2022-03-31, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
Assets				
Bonds and other fixed-income securities	308.4	–	–	308.4
Lending to credit institutions	–	–	349.9	349.9
Lending to the public	–	–	2,477.3	2,477.3
Derivatives	–	0.7	–	0.7
Other assets	–	–	50.5	50.5
Accrued income	–	–	3.3	3.3
Total financial instruments	308.4	0.7	2,881.0	3,190.2
Other non-financial instruments				289.8
Total assets				3,479.9
Liabilities				
Deposits and borrowings from the public			2,741.6	2,741.6
Other liabilities			84.1	84.1
Accrued expenses			70.4	70.4
Subordinated debt			100.0	100.0
Total financial instruments			2,996.0	2,996.0
Other non-financial instruments				12.5
Total liabilities				3,008.5

2021-03-31, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
Assets				
Bonds and other fixed-income securities	208.7	–	–	208.7
Lending to credit institutions	–	–	132.7	132.7
Lending to the public	–	–	2,569.8	2,569.8
Other assets	–	–	43.7	43.7
Accrued income	–	–	1.6	1.6
Total financial instruments	208.7	–	2,747.8	2,956.6
Other non-financial instruments				261.7
Total assets				3,218.3
Liabilities				
Liabilities to credit institutions	–	–	190.1	190.1
Deposits and borrowings from the public	–	–	2,217.8	2,217.8
Other liabilities	–	–	94.5	94.5
Derivatives	–	2.1	–	2.1
Accrued expenses	–	–	61.1	61.1
Subordinated debt	–	–	100.0	100.0
Total financial instruments	–	2.1	2,663.4	2,665.5
Other non-financial liabilities				12.0
Total liabilities				2,677.5

Note 7. Financial instruments cont.

Classification of financial instruments

2021-12-31, SEK million	Group			Total carrying amount
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	
Assets				
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
Total financial instruments	293.6	1.7	3,639.3	3,934.6
Other non-financial instruments				270.3
Total assets				4,204.9
Liabilities				
Liabilities to credit institutions				
Deposits and borrowings from the public			3,320.5	3,320.5
Other liabilities				.0
Derivatives			221.5	221.5
Accrued expenses			77.8	77.8
Subordinated debt			100.0	100.0
Total financial instruments			3,719.8	3,719.8
Other non-financial instruments				14.6
Total liabilities				3,734.4

Classification of financial instrument

The fair value of financial instruments traded in an active market (financial assets at fair value through other comprehensive income) 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)

2022-03-31, SEK million	Group			Total
	Level 1	Level 2	Level 3	
Assets				
Bonds and other fixed-income securities	308.4	-	-	308.4
Derivatives		0.7	-	0.7
Total assets	308.4	0.7	-	309.1
Liabilities				
Derivatives		-	-	-
Total liabilities	-	-	-	-

2021-03-31, SEK million	Group			Total
	Level 1	Level 2	Level 3	
Assets				
Bonds and other fixed-income securities	208.7	-	-	208.7
Total assets	208.7	-	-	208.7
Liabilities				
Derivatives	-	2.1	-	2.1
Total liabilities	-	2.1	-	2.1

2021-12-31, SEK million	Group			Total
	Level 1	Level 2	Level 3	
Assets				
Bonds and other fixed-income securities	293.6			293.6
Derivatives		1.7		1.7
Total Assets	293.6	1.7		295.3
Liabilities				
Derivatives	-	-	-	-
Total liabilities				

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								
	2023 Jan – mar			2022 Jan – mar			2022 Jan – dec		
	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total
Interest income	58,0	24,7	82,8	45,2	23,1	68,3	198,9	90,0	288,9
Interest expenses	-12,7	-6,4	-19,1	-6,1	-3,9	-10,0	-34,3	-18,1	-50,3
Net commission income ¹	51,2	0,1	51,4	48,1	0,1	48,3	193,3	0,5	193,8
Net profit/loss from financial transactions	-1,4	0,0	-1,4	-0,6	-	-0,6	-4,0	-	-4,0
Other operating income	0,0	0,0	0,0	0,0	-	0,0	0,6	-	0,6
Total operating income	95,2	18,5	113,7	86,7	19,3	106,0	356,7	72,4	428,9
Net credit losses	-25,0	-7,5	-32,5	-21,8	-6,2	-28,0	-107,2	-27,0	-134,1
Total operating income less credit losses	70,2	11,0	81,1	64,9	13,1	78,0	249,5	45,4	294,9

Of the net lending to the public of SEK 2 477 million (2 570 as of 2022-03-31 and 2 687 as of 2022-12-31) refers to SEK 1 623 million (1 556 as of 2022-03-31 and 1 807 as off 2022-12-31) refers to Payment solutions and SEK 855 million (SEK 1 014 million as of 2022-03-31 and SEK 879 million as off 2022-12-31) refers to Digital banking services.

Commission income per geographic market and segment

SEK million	Group and Parent company		
	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Payment solutions			
Lending commissions			
Sweden	33,1	31,0	127,8
Finland	2,2	1,9	7,4
Denmark	1,0	1,1	3,9
Norway	6,5	5,5	22,2
Total	42,9	39,6	161,3
Other commission income			
Sweden	10,2	10,2	40,2
Finland	0,1	0,1	0,4
Denmark	-	-	-
Norway	0,2	0,2	0,9
Total	10,5	10,5	41,5
Total commission income Payment Solution	53,4	50,1	202,8
Digital banking services			
Lending commissions			
Sweden	0,1	0,1	0,3
Total commission income Digital Banking	0,1	0,1	0,3
Total commission income	53,5	50,3	203,1

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 Finansinspektionens 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.

		2023-03-31	2022-12-31	2022-09-30	2022-06-30	2022-03-31
Available own funds (SEKm)						
1	Common Equity Tier 1 (CET1) capital	331.9	339.1	377.3	393.4	429.9
2	Tier 1 capital	331.9	339.1	377.3	393.4	429.9
3	Total capital	431.9	439.1	477.3	493.4	529.9
Risk-weighted exposure amounts (SEKm)						
4	Total risk exposure amount	2,302.1	2,562.8	2,277.1	2,316.4	2,290.9
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14.4	13.2	16.6	17.0	18.8
6	Tier 1 ratio (%)	14.4	13.2	16.6	17.0	18.8
7	Total capital ratio (%)	18.8	17.1	21.0	21.3	23.1
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0	0	0	0	0
EU 7b	of which: to be made up of CET1 capital (percentage points)	0	0	0	0	0
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0	0	0	0	0
EU 7d	Total SREP own funds requirements (%)	8.0	8.0	8.0	8.0	8.0
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
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
9	Institution specific countercyclical capital buffer (%)	1.0	1.0	1.0	0.1	0.1
EU 9a	Systemic risk buffer (%)	0	0	0	0	0
10	Global Systemically Important Institution buffer (%)	0	0	0	0	0
EU 10a	Other Systemically Important Institution buffer	0	0	0	0	0
11	Combined buffer requirement (%)	3.5	3.5	3.5	2.6	2.6
EU 11a	Overall capital requirements (%)	11.5	11.5	11.5	10.6	10.6
12	CET1 available after meeting the total SREP own funds requirements (%)	6.4	5.2	8.6	9.0	10.8
Leverage ratio						
13	Total exposure measure (SEKm)	3,322.6	4,067.2	3,559.7	3,400.0	3,109.7
14	Leverage ratio (i %)	10.0	8.3	10.6	11.6	13.8
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0	0	0	0	0
EU 14b	of which: to be made up of CET1 capital (%)	0	0	0	0	0
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Total SREP leverage ratio requirements (%)	0	0	0	0	0
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value – average, SEKm)	308.4	293.6	293.9	300.1	208.7
16a	Cash outflows – Total weighted value (SEKm)	264.0	492.0	325.8	329.0	305.9
16b	Cash inflows – Total weighted value (SEKm)	408.4	934.5	639.4	473.4	206.8
16	Total net cash outflows (adjusted value) (SEKm)	66.0	123.0	81.5	82.2	99.1
17	Liquidity coverage ratio (%)	467.3	238.7	360.9	364.9	210.5
Net Stable Funding Ratio						
18	Total available stable funding (SEKm)	3,133.7	3,656.5	3,321.2	3,145.8	2,924.3
19	Total required stable funding (SEKm)	2,383.8	2,831.2	2,552.1	2,507.7	2,431.3
20	NSFR ratio (%)	131.5	129.1	130.1	125.4	120.3

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.

	2023-03-31		2022-12-31		2022-09-30		2022-06-30		2022-03-31	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Risk-weighted capital requirement										
Risk-weighted exposure amounts										
Total risk-weighted exposure amount	2,302.1	–	2,562.8	–	2,277.1	–	2,316.4	–	2,290.9	–
Capital requirement (Pillar 1 requirement)¹										
Common Equity Tier 1 (CET1) capital	103.6	4.5	115.3	4.5	102.5	4.5	104.2	4.5	103.1	4.5
Tier 1 capital	138.1	6.0	153.8	6.0	136.6	6.0	139.0	6.0	137.5	6.0
Total capital requirement	184.2	8.0	205.0	8.0	182.2	8.0	185.3	8.0	183.3	8.0
Special capital requirement (Pillar 2 requirement)²										
Common Equity Tier 1 (CET1) capital	0	0	0	0	0	0	0	0	0	0
Tier 1 capital	0	0	0	0	0	0	0	0	0	0
Total Pillar 2 requirement	0	0	0	0	0	0	0	0	0	0
Combined buffer requirement³										
Capital conservation buffer	57.6	2.5	64.1	2.5	56.9	2.5	57.9	2.5	57.3	2.5
Institution specific countercyclical capital buffer	23.9	1.0	26.8	1.0	22.6	1.0	2.2	0.1	1.4	0.1
Combined buffer requirement	81.4	3.5	90.9	3.5	79.6	3.5	60.1	2.6	58.7	2.6
Notification (Pillar 2-guidance)⁴										
Common Equity Tier 1 (CET1) capital	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%
Total Pillar 2 guidance	0	0	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total overall capital requirements										
Common Equity Tier 1 (CET1) capital	185.0	8.0	206.2	8.0	182.0	8.0	164.4	7.1	161.8	7.1
Tier 1 capital	219.6	9.5	244.7	9.5	216.2	9.5	199.1	8.6	196.1	8.6
Total Overall capital requirements	265.6	11.5	295.9	11.5	261.7	11.5	245.4	10.6	241.9	10.6
Available own funds (Capital base)										
Common Equity Tier 1 (CET1) capital	331.9	14.4	339.1	13.2	377.3	16.6	393.4	17.0	429.9	18.8
Tier 1 capital	331.9	14.4	339.1	13.2	377.3	16.6	393.4	17.0	429.9	18.8
Total available own funds	431.9	18.8	439.1	17.1	477.3	21.0	493.4	21.3	529.9	23.1

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

1) 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 (2014:966) on capital buffers

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

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.

Leverage ratio – Capital requirements	2023-03-31		2022-12-31		2022-09-30		2022-06-30		2022-03-31	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Total exposure amounts										
Total exposure amounts	3,322.6	–	4,067.2	–	3,559.7	–	3,400.0	–	3,109.7	–
Leverage requirements (Pillar 1 requirement)¹										
Common Equity Tier 1 (CET1) capital	0	0	0	0	0	0	0	0	0	0
Tier 1 capital	99.7	3.0	122.0	3.0	106.8	3.0	102.0	3.0	93.3	3.0
Special leverage requirement (Pillar 2 requirement)²										
Common Equity Tier 1 (CET1) capital	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%
Notification (Pillar 2 guidance)³										
Common Equity Tier 1 (CET1) capital	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%
Total Overall capital requirements	0	0	0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Overall leverage requirements										
Common Equity Tier 1 (CET1) capital	0	0	0	0	0	0	0	0	0	0
Tier 1 capital	99.7	3.0	122.0	3.0	106.8	3.0	102.0	3.0	93.3	3.0
Total Overall capital requirements	99.7	3.0	122.0	3.0	106.8	3.0	102.0	3.0	93.3	3.0
Available Common Equity Tier 1 and Tier 1 Capital (Capital base)										
Common Equity Tier 1 (CET1) capital	331.9	14.4	339.1	13.2	377.3	16.6	393.4	17.0	429.9	18.8
Tier 1 capital	331.9	14.4	339.1	13.2	377.3	16.6	393.4	17.0	429.9	18.8
Total Overall capital requirements	431.9	18.8	439.1	17.1	477.3	21.0	493.4	21.3	529.9	23.1

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 per 2023-03-31 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 290 million, or 12.6% 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 2 478 (2 570) million at the end of the quarter. The lending was financed 2 740 (2 218) million through deposits from the public (savings accounts) in Sweden and Germany, of which 99.7 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 57 percent on demand with variable rate and 43 percent fixed interest rate with a duration of 170 days as of 31 March 2023 (initially 6-month fixed rate and 1-year fixed rate). 24 percent of the deposit from the public is invested in liquid financial assets and placed in Nordic banks.

Liquidity Qliro AB

Qliro AB's total liquidity reserve as of 31 March 2023 amounted to SEK 665 million, consisting of:

- Investments in debt securities: SEK 308 million
- Bank balances in Nordic Banks: SEK 347 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 consists of SEK 297 million in SEK denominated debt securities and SEK 11 million in EUR denominated debt securities.
- All debt securities in the portfolio had a rating of AA+ with an average maturity of 251 days.

As of 31 March 2023, the liquidity coverage ratio amounted to 467 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 308 million, related to net outflows of SEK 66 million over a thirty-day period under stressed market conditions.

Note 11 . Events after the end of period

No significant events after end of period to report.

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	Rationale
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 it 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 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-Later 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, considering 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.
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.

1) Pay Later was previously called Pay after deliver (PAD)

2) Pay Later-volume was previously called Pay after delivery volume

ALTERNATIVE PERFORMANCE MEASURES, CONT.

Performance measure	Definition	Rationale
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	Rationale
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.
Total Payment Volume⁴⁾	The total payment volume processed in Qliro's checkout, including VAT, for direct payments and Qliro's payment products. Pay Now volumes + Pay Later volumes	The total payment volume for all payment methods offered through the Payment Solutions segment. This volume plays a central role for Qliro's earnings and the dynamics of the earnings structure and the loan book structure.
Pay Now-volumes⁴⁾	Total volume for direct payments (Card, Bank transfer, Swish, Paypal, MobilePay, etc.), including VAT	Pay Now volumes are an important part of the business model, enabling us to offer our customers an integrated solution in Qliro's checkout, and is also a driver of the total operating income.
Pay Later-volumes²⁾	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.
BNPL-volumes	The total purchases carried out using different Pay Later products, such as "buy now pay later", "flexible part payments" and "fixed part payments". Invoicing is not included in this performance measure.	BNPL volume is an important performance measure as it provides insight into growth, credit risks, income and profitability.
Invoice volumes	The total purchases carried out using the invoicing product.	Invoice volume is an important performance measure as it provides insight into growth, credit risks, income and profitability.
Pay Now, transactions	Number of transactions for direct payments (Card, Bank transfer, Swish, Paypal, MobilePay, etc.)	Pay Now transactions are an important part of the business model, enabling us to offer our customers an integrated solution in Qliro's checkout, and are also a driver of the total operating income.
Pay Later, transactions	"The number of transactions with Qliro's payment products (invoice, BNPL or part payment)"	Pay Later transactions are a central driver of the total operating income. It is used as a complement to lending to the public to capture the high turnover of the loan book for the Payment Solutions segment.
Average Order Value	Total Pay Later volumes and Pay Now volumes in relation to Pay Now transactions and Pay Later transactions.	The average value of an order is an important performance measure, which can be used in combination with other performance measures to gain a better understanding of the development and dynamics of the earnings and the loan book structure.
Average Order Value (AOV), Pay Now	Total Pay Now volumes in relation to Pay Now transactions	The average value of an order is an important performance measure, which can be used in combination with other performance measures to gain a better understanding of the development and dynamics of the earnings.
Average Order Value (AOV), Pay Later	Total Pay Later volumes in relation to Pay Later transactions	The average value of an order is an important performance measure, which can be used in combination with other performance measures to gain a better understanding of the development and dynamics of the earnings and the loan book structure.
Take rate, payments	Total operating income / Payment volume	This metric is used to analyze value creation and profitability in relation to the total volume processed in Qliro's checkout.

OTHER PERFORMANCE MEASURES

Performance measure	Definition	Rationale
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.

1) Pay Later was previously called Pay after deliver (PAD)

2) Pay Later-volume was previously called Pay after delivery volume

3) Pay Later-transaktioner was previously called Pay after delivery-transactions

4) New KPIs Q1 2023

RECONCILIATION TABLES

for derivation of alternative key figures

SEK million (unless otherwise stated)	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Business volume			
Pay Now-volume ²⁾	1,326	1,230	5,470
Pay Later-volume ¹⁾	1,409	1,552	6,581
Total Payment volume ²⁾	2,736	2,782	12,051
Return on equity, %			
Total equity, opening balance	471	548	548
Total equity, closing balance	471	541	471
Average equity (OB+CB)/2	471	544	509
Profit/loss for the period	1.1	-7.2	-93.5
Average profit/loss for the period 12 month	4.3	-28.7	-93.5
Return on equity, %	0.9%	-5.3%	-18.4%
Items affecting comparability			
VAT correction	-	-4.9	-15.2
Severance pay, recruitment costs	-	-	,2.1
Profability program	-	-	46.5
Legal fees	-	-	2.5
Items affecting comparability	-	-4.9	35.9
C/I ratio, %			
Total expenses before credit losses	-80.1	-86.6	-410.3
Total operating income	113.7	106.0	428.9
C/I ratio, %	70.4%	81.7%	95.7%
Credit loss level, %			
Lending to the public, opening balance	2,687	2,759	2,759
Lending to the public, closing balance	2,477	2,570	2,687
Average lending to the public (OB+CB)/2	2,582	2,664	2,723
Net credit losses	-32.5	-28.0	-134.1
Average net credit losses 12 month	-130.2	-112.0	-134.1
Credit loss level, %	5.0%	4.2%	4.9%
Credit loss level Digital banking services, %			
Lending to the public, Digital banking services, opening balance	879	1,060	1,060
Lending to the public, Digital banking services, closing balance	855	1,014	879
Average lending to the public Digital banking services (OB+CB)/2	867	1,037	970
Net credit losses	-7.5	-6.2	-27.0
Average net credit losses Digital banking services 12 month	-30.0	-24.9	-27.0
Credit loss level Digital banking services, %	3.5%	2.4%	2.8%
Credit loss level, % in relation to pay-later volume			
Net credit losses, Pay-Later	-25.0	-21.8	-107.2
Pay-Later volume	1,409	1,552	6,581
Credit loss level, % in relation to pay-later volume	1.8%	1.4%	1.6%

1) Pay Later was previously called Pay after deliver (PAD)

2) New KPIs Q1 2023

RECONCILIATION TABLES cont.

SEK million (unless otherwise stated)	2023 Jan – mar	2022 Jan – mar	2022 Jan – dec
Profit/loss for the period adjusted for Items affecting comparability			
Profit/loss for the period	1.1	-7.2	-93.5
Items adjusted for items affecting comparability	0.0	-4.9	35.9
Tax effect on items affecting comparability	0.0	1.0	-7.4
Profit/loss for the period adjusted for items affecting comparability	1.1	-11.1	-65.0
Net commission adjusted for items affecting comparability			
Commission income	53.5	50.3	203.1
Commission expenses	-2.1	-2.0	-9.3
Net commission income	51.4	48.3	193.8
Operating profit/loss less depreciation/amortization of tangible and intangible assets			
Operating profit/loss	1.1	-8.6	-115.5
Depreciation/amortization of tangible and intangible assets	17.9	24.4	105.6
Operating profit/loss excl. depreciation/amortization of tangible and intangible assets	18.9	15.8	-9.9
Operating profit/loss adjusted for items affecting comparability			
Operating profit/loss	1.1	-8.6	-115.5
Items affecting comparability	0.0	-4.9	35.9
Operating profit/loss adjusted for items affecting comparability	1.1	-13.5	-79.6
Total operating income	113.7	106.0	428.9
of which Payment Solutions	95.2	86.7	354.5
of which Digital banking services	18.5	19.3	74.4
Total operating income margin, %			
Lending to the public, opening balance	2,687	2,759	2,759
Lending to the public, closing balance	2,477	2,570	2,687
Average lending to the public (OB+CB)/2	2,582	2,664	2,723
Total operating income	113.7	106.0	428.9
Average profit/loss for the period 12 month	454.7	424.0	428.9
Total operating income margin, %	17.6%	15.9%	15.8%
Lending to the public	2,477	2,570	2,687
of which Payment Solution	1,623	1,556	1,807
of which Digital banking services	855	1,014	879

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.

This report has not been reviewed by the Company's auditors.

Stockholm, May 2, 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

PRESENTATION OF THE REPORT

Media, analysts and investors are invited to a conference call on 3 May 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=200706>

PARTICIPATE VIA WEBCAST:

<https://ir.financialhearings.com/qliro-q1-2023>

The presentation material and webcast will be published on: <https://www.qliro.com/en-se/investor-relations-2/presentations>

FINANCIAL CALENDAR 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:

ir@qliro.com

The financial reports are also published on: <https://www.qliro.com/en-se/investor-relations-2/financial-reports>

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